



SUPPLIER NEWSLETTER



Proudly processed by Progressive Meats Ltd and marketed by Ovation New Zealand Ltd



Hello Emma here is this month's Supplier Newsletter, April 2017

March 2017 Average Lamb Data

Plant Av. Weight	Plant DO %	*Opted SMY %
19.4kg	46.1%	100.8%
(18.6kg)	(45.5%)	(101.1%)

* SMY result is from those who opted for results/payment

* Results in brackets are 2016 -17 season to date averages

Upcoming Events In April/May

20 April	Puketapu Tavern HBL Supplier Catch up
21 April	Hurricanes vs Brumbies, McLean Park 7.35pm
25 April	ANZAC Day
27 April	Greg & Rachel Hart Farm Forester of the Year
Field day	
3 April	B+LNZ Aginnovation Conference 2017
4 May	Paul & Marie Renton Hawke's Bay Farmer of
the Year Field day	
14 May	HB Lamb Winter Review Forms Due

SAVE THE DATE

Hawke's Bay Lamb Supplier Function
Saturday 19th August
Hawke's Bay Magpies vs Southland 2.35pm

Invites will be sent out closer to the time



OVATION NZ MARKET **UPDATE**

Low processing numbers continue to cause us grief as we battle to fill plants, fill orders and keep customers happy.

Meat remains very short and prices continue to firm to levels which will be undoubtedly unsustainable. There are already murmurs from markets that prices are too high and other, cheaper proteins will come into play soon.

As long as the grass keeps growing though we see no change to the current situation.

Asia:

China - all signs suggest that demand will remain strong although there could be a slight slowdown as consumption reduces over their summer period. This is normal.

Japan - interest for boneless shoulders is high and this is being helped along by the lack of product out of Australia.

Korea is short of product and the likes of shoulder rack pricing is at an historical high. A good example of what impact the reduced kill is having as customers scramble to get their name against product.

UK:

This market continues to muddle along. Manufacturing items are selling okay but legs are being diverted away to other higher paying markets.

EU:

Easter chilled is now starting to arrive into the EU and early indications are that it will be a good sales period although margins may be a bit slim given the high prices.

Frozen demand is sky high and is not being met.

USA/Canada:

The solid rack demand continues although pricing hasn't gone ahead in leaps and bounds like other markets.

The USA is becoming a useful leg market for us now.

REDSHAW LIVESTOCK LTD

As we head into Easter and cyclone cook hits the soggy north, the market shows no signs of slowing down. After the aggressive drought that started 2017, we have had an equally aggressive bout of autumn growth. Buying orders are slower to fill than normal as all of NZ is covered in grass. Auction sales are experiencing a stellar run as numbers struggle to satisfy farmers' appetites for sheep and beef. Top weaner steers at Stortford lodge this week made over \$1200 while heifers made up to \$1080. 18month Angus steers at 400kg made \$1450 to \$1500. Confidence is high at present as lamb and beef schedules are closing in on \$6.00. The optimists in lamb have them heading much higher. The common sentiment by all is for stability, knock off the high peaks and take out the deep valleys of the market.

MAGPIES CLUB

Some of the benefits of being a Magpies Club Member:

1. Magpies Season Passes
2. Support the Hawke's Bay Rugby Union to keep Hawke's bay talent in Hawke's Bay!
3. Opportunity to pre-purchase tickets to the Hurricanes vs Brumbies game at McLean Park on the 21st April.
4. Access to the Pettigrew Lounge before each match and catch up with other Magpies Club Members, sponsors & players.

The Magpies draw is now out and the home games are as follows:

2017 Mitre 10 Cup Draw Home Games

Date	Kick Off	Match
Saturday 19th August	2.35pm	Hawkes Bay v Southland
Friday 1 September	7.35pm	Hawkes Bay v Canterbury
Sunday 10 September	4.35pm	Hawkes Bay v Otago
Saturday 23 September	7.35pm	Hawkes Bay v Taranaki
Sunday 15 October	4.35pm	Hawkes Bay v Manawatu

Please contact Bec McNutt on rebeccam@progressivemeats.co.nz or 021 414 165 to
become a
Maggies Club Member

HB Lamb Supplier Catch Ups

The two supplier meetings we have held last week were a great chance to ask questions & some good discussion was had around all aspects of the lamb, mutton & wool/pelt markets. Thanks to all those who attended.

We have one more meeting **this Thursday 20th April at the Puketapu Tavern at 4.00pm.**

We would love to see you there to catch up with the Ovation marketing team, Progressive Meats management & ourselves.

PROGRESSIVE LEATHERS UPDATE



Attendance at the Hong Kong Leather Fair in late March was down, reflecting lower levels of demand across the global leather industry. Many Chinese tanners and buyers stayed away, preferring to focus on the Shanghai Leather Fair in September where the timing is better aligned with domestic activity.

However despite that demand for NZ pelts could be described as steady and there were still good opportunities, particularly for higher quality brands. Modest price increases were achieved across most grades. A number of firm enquiries were even turned away due to the declining North Island kill and lower skin supply.

This enabled some of the other suppliers holding stock to capitalise, albeit at lower price points, but at least product is now moving on a nation-wide basis which is a positive development.

All pelt grades are well sold forward with the exception of Ribby which remains out of fashion for garment leather and is proving exceptionally difficult to sell. Previous customers have decided to remove this style of leather from their portfolio's so new customers are in the process of being sought.

The brief recovery in mid-micron wool demand turned out to be just that, brief as well as fragile. A few weeks of steady to firming prices came to a sudden halt in April as more supply was released into the market. Gains made in recent weeks quickly evaporated and heavy stocks remain throughout the international supply pipeline following a sustained period of low demand.

Natural Skins - Classic Sheepskins

As you will be aware Progressive Leathers has recently purchased Classic Sheepskins in Napier.

We have introduced a natural/black wool skin premium on the weekly schedule and hope to extend the range.

The aim is with further investment, to increase the sales of these iconic NZ wool skins and by getting further up the value chain deliver better returns to our suppliers. Below are some examples of these natural skins produced by Classic Sheepskins.





Going forward there will be a spec & price for these unshorn lamb skins on the weekly schedule, if you know of anyone that may be interested please ask them to contact Emma or Bec.

TB Free Requirements - Filling out the ASD

Are you filling out your ASD correctly??

On plant lamb ASD's are generally filled in correctly but we are needing to replace numerous beef ASD's.

Please remember that if you are sending beef you are required to fill in both the NAIT & Herd Numbers.

All questions must be answered including 6.1 - 6.8 (TB declaration).

If you are a drystock farmer you will not have had a physical TB test for your herd but would have done a questionnaire over the phone with TB Free NZ. The date this was done is the date that must be put on the ASD for question 6.4.

If you are unsure of this date you can ring TB Free on 0800 482 463 with your herd number & they will be able to give this to you.

If you have any questions please ask Bec or myself.

LIVESTOCK MANAGERS

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