

RURAL VIEWS

Accountants who know Agri business

SHAND THOMSON

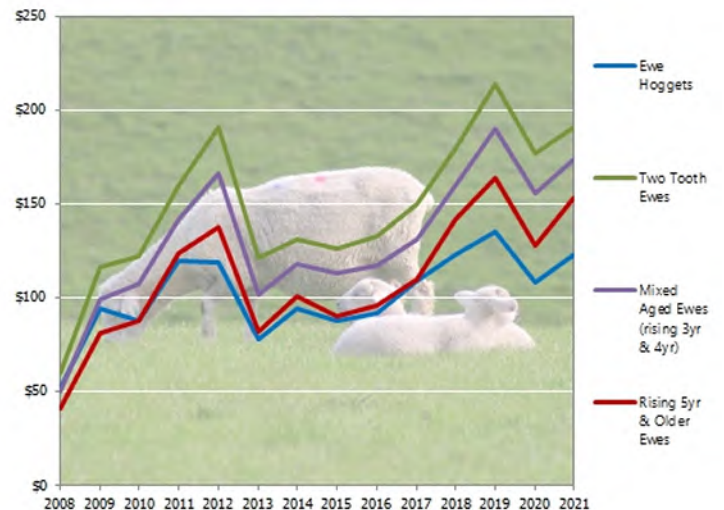


2021 National Average Market (Herd) Values

Sheep:

	2021	2020	Change	Change
	\$	\$	\$	%
Ewe Hoggets	123	108	15	↑ 13.9%
Two Tooth Ewes	191	177	14	↑ 7.9%
Mixed Age Ewes	174	156	18	↑ 11.5%
Older Ewes	153	128	25	↑ 19.5%

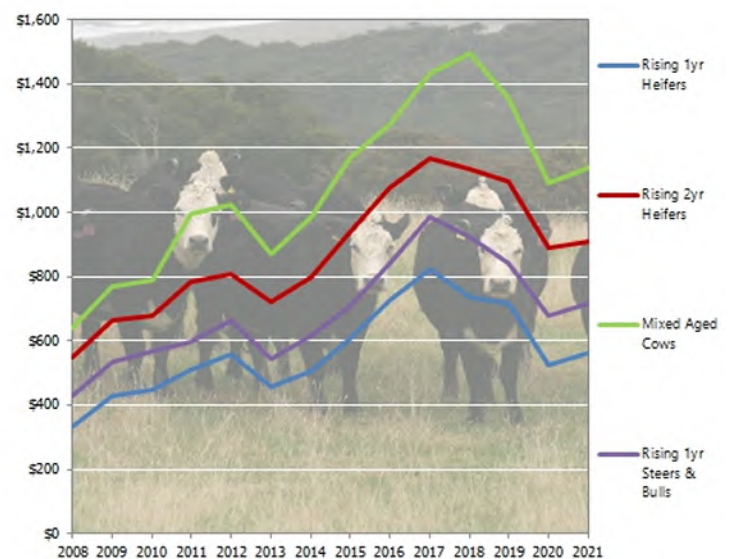
Sheep prices have rebounded from the sharp drop last year with reduced processing capacity due to COVID-19, and recovery from the drought near the end of 2019. Strong demand from China and lack of competition from Australia (due to fire and flood) has resulted in stable lamb and ewe prices. Despite some parts of NZ being tight on lamb feed, overall conditions have improved on last season thus increasing the demand for store lambs. Ewe prices have been strong due to Chinese demand for lower value meat cuts. Our national ewe flock continues to decline; sheep numbers were 27.4 million (30 June 2019) - a fall of 15% from a decade ago.



Beef & Beef Crosses:

	2021	2020	Change	Change
	\$	\$	\$	%
Rising 1 Year Heifers	563	526	37	↑ 7.0%
Rising 2 Year Heifers	911	888	23	↑ 2.6%
Mixed Age Cows	1,138	1,090	48	↑ 4.4%
Rising 1 Year Steers/Bulls	716	678	38	↑ 5.6%

All age classes of beef cattle have experienced modest increases in value. While international demand has been lower due to supply chain issues brought about by COVID-19, the lack of availability of finished cattle is helping to support prices. There was also more feed available over the spring and summer months and therefore a stronger store livestock market.



2021 NSC Values

Sheep

Rising 1 Year	\$37.50	↑ 2.5%
Rising 2 Year	\$26.90	↑ 3.1%

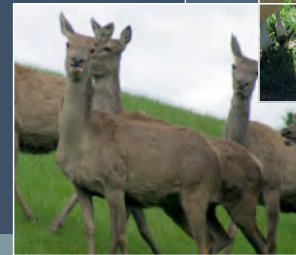
Beef Cattle

Rising 1 Year	\$399.80	↑ 3.0%
Rising 2 Year	\$226.20	↑ 2.8%
Rising 3 Year Male	\$226.20	↑ 2.8%

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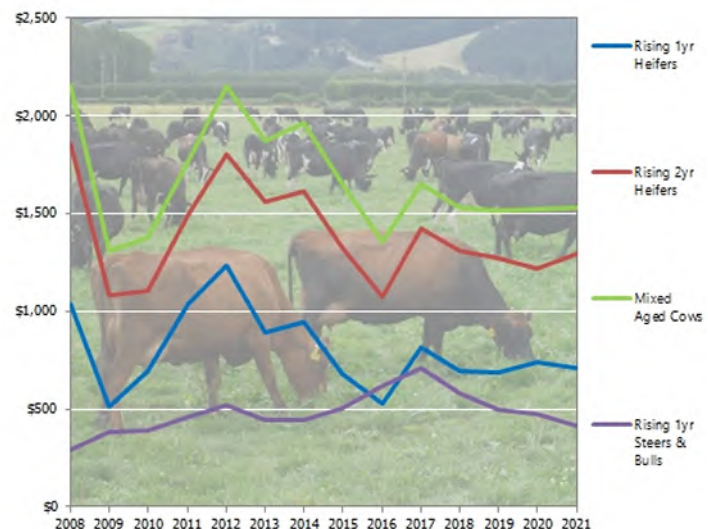


2021 National Average Market (Herd) Values

Dairy Breeds:

	2021	2020	Change	Change
	\$	\$	\$	%
Rising 1 Year Heifers	707	737	30 ↓	4.1%
Rising 2 Year Heifers	1,291	1,222	69 ↑	5.6%
Mixed Age Cows	1,528	1,525	3 ↑	0.2%
Rising 1 Year Steers/Bulls	413	471	58 ↓	12.3%

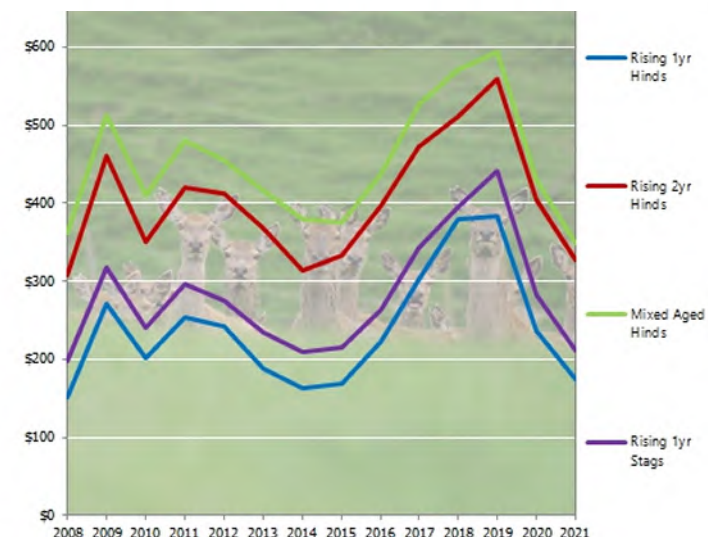
The dairy cow and rising 2 year heifer prices have been reasonably stable. This is a reflection of a favourable milk payout forecast for 2020/21. In contrast, prices for younger stock have decreased. Environmental regulations have reduced demand for replacement dairy livestock as farmers consider the sustainability of their herd sizes and looking to carry fewer replacement numbers. The livestock live export market into China has also encountered problems.



Deer:

	2021	2020	Change	Change
	\$	\$	\$	%
Rising 1 Year Hinds	174	236	62 ↓	26.3%
Rising 2 Year Hinds	327	405	78 ↓	19.3%
Mixed Age Hinds	349	430	81 ↓	18.8%
Rising 1 Year Stags	212	283	71 ↓	25.1%

The venison industry continues to be impacted by COVID-19 due to a large reliance on the US & European restaurant trade. This is expected to improve with the rollout of vaccines across these regions. Venison prices were about 35% lower than the 5-year average price; the lowest prices seen since March 2014.



2021 NSC Values

Dairy Cattle

Purchased Bobby Calves	\$189.60	↓	2.4%
Rising 1 Year	\$450.80	↓	0.5%
Rising 2 Year	\$309.70	↓	8.2%

Deer

Rising 1 Year	\$106.40	↑	17.3%
Rising 2 Year	\$62.00	↑	9.7%