



PLATE TO PASTURE FIELD DAY



SILVER
FERN
FARMS



Our 2021 Plate to Pasture Winners **Allen and Jo Johnstone** hosted a field day for around 100 suppliers at their Te Kuiti farm Puketutu.

TE KUITI: This week our 2021 Plate to Pasture Awards winners Allen and Jo Johnstone hosted staff and suppliers for a field day and farm tour at their Te Kuiti farm Puketutu.

The Johnstones are fourth generation on the property, with Allen's great grandfather having farmed there as early as 1926.

Despite a deluge of rain in the preceding 24 hours (peaking at 60ml in a single hour) the sun came out and the group of 100 suppliers was able to get a good look around this terrific operation.

Allen and Jo are particularly proud of the team culture they've built at Puketutu.

The Johnstones highlighted their work with Growing Future Farmers (GFF) as having helped them to go back to basics, and emphasising the importance of rock-solid communication to build a great team. Their own GFF student Alex West recently took out a National award of his own, as GFF's top student for 2022.

They also boast an impressive property, with 1750ha effective running 14,000 sheep and 2,400 cattle, plus 272ha of beautiful fenced native bush. They continue to undertake a significant planting effort, with a recent project to plant over 6,000 natives around one of their ponds.

The farm is participating in Silver Fern Farms' biodiversity pilot, NZFAP+, and they're also keen to join the Net Carbon Zero programme, with a significant amount of eligible carbon removal on-farm.

As part of their Plate to Pasture prize, Allen and Jo were part of the recent international market tour group to New York, Seoul and Tokyo. Jo told the field day attendees how valuable it was to get into market and understand exactly what our products are up against on supermarket shelves, and the importance of continually finding new ways to stand out.



PEAK SEASON UNDERWAY

NOW TWO MONTHS IN, WE PROVIDE AN OUTLOOK ON THE PROCESSING SEASON.

Livestock flows remain very strong across all stock classes and Silver Fern Farms' processing 'start up' this season has been favourable compared to prior years.

This improvement can be put down to the amount of investment in labour planning and the immigration successes we have had leading into this season. This can be seen in our processing volumes so far; our sheepmeat volume processed for the first 8 weeks of the season is up +20% on the same period last year and our beef volumes are up +9%.

Unfortunately at the same time we have seen very strong livestock flows that have created livestock backlogs twice the size than we have seen at this time of the year.

Even with the favourable processing start and the improved labour situation, the wait times for processing space is growing quickly right across the country.

The balance of processing space between lambs and ewes is running similar to previous years, and we are working hard at finding grazing alternatives for ewes that remain in the backlog.

Also, while it may not be as prevalent in the news as it was earlier in the year, the reality is that New Zealand is still being impacted by Covid. We will continue to use a range of protocols and procedures at our sites to ensure we can keep operating safely.



While we are hopeful to avoid the level of disruption experienced last season, our approach to keeping our staff safe and upholding our reputation as a safe and quality food producer may mean some delays to processing.

These heightened protocols and procedures are in place at a few of our sites where Covid is having an impact on the surrounding communities. There has been an impact on capacity throughput however we expect it be short-lived.

It is difficult to give an exact view on wait times by stock class right now as livestock forecasts are still moving around. Once we have more certainty on a stable livestock forecast we will communicate expected wait times by island and by stock class.

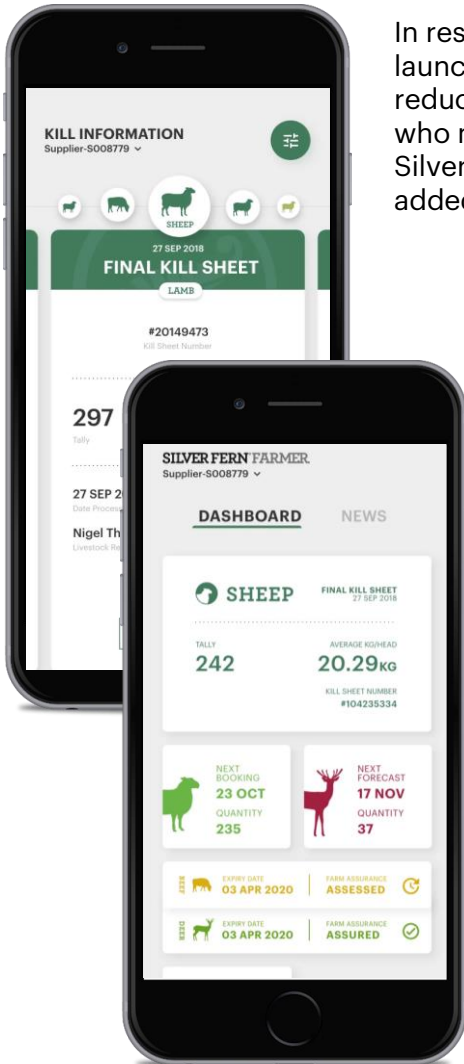
We are fortunate to be able to maximise our national network of 14 processing plants to move animals around and help deal with any regions that get under significant stock pressure.

It's important to note that although we are in more favourable labour position than last season, we are still not where we would like to be with optimal labour availability and Covid is still a real risk around processing capacity. Farmers should build reserves and prepare for longer wait times, especially with sheepmeat, in the short term.

As always, we will be prioritising processing space to our valued and fully shared suppliers and we ask all suppliers to reach out to your Livestock Representatives early. Our Livestock Reps will be working in your best interest but can only work with the processing space that is made available to them.



NEW: Team Access for Farmer App



In response to feedback from suppliers, Silver Fern Farms is pleased to launch Team Access for the Silver Fern Farmer mobile app. This provides a reduced level of processing information, suitable for farm team members who may not be privy to financial and business information. All existing Silver Fern Farmer users automatically have Full Access. New users can be added with either Full Access or Team Access.

Team Access users can view upcoming bookings, forecasts, animal weights and grades, but cannot see invoices, shares, \$/kg or any other payment information. The final killsheets will display with all payment information removed.

	Team Access	Full Access
Upcoming Bookings	✓	✓
Forecasts	✓	✓
Processing weights and grades	✓	✓
Farm Assurance	✓	✓
Invoices	✗	✓
Shares	✗	✓
\$/kg	✗	✓
Mobile App (iPhone and Android)	✓	✓
Full Website	✗	✓

With the release of this new role, we look forward to seeing more farm staff using Silver Fern Farmer to help with on-farm planning and decision making.

To add new users with Team Access or Full Access contact our friendly Customer Services team on 0800 362 362, or at service@silverfernfarms.co.nz.



NO NAIT TAG? THERE'S A COST

Cattle without a NAIT tag costs both Silver Fern Farms and you. A lack of a NAIT tag means animals are downgraded into lower value markets and slow our production speed.

Silver Fern Farms will be increasing penalties for animals that present without a NAIT tag. The new penalties will be communicated soon.

Dollar for dollar.

FROM SEPTEMBER TO DECEMBER 2022
SILVER FERN FARMS WILL MATCH THE VALUE OF
ALL LIVESTOCK DONATIONS TO MEAT THE NEED,
DOLLAR FOR DOLLAR.

ANY DONATION, LARGE OR SMALL, CAN MAKE
A DIFFERENCE TO KIWIS IN NEED.

1 COW CAN SUPPLY RED MEAT TO A LOCAL
FOODBANK FOR 1 YEAR.

SILVER FERN FARMS IS PROUD TO PARTNER WITH
MEAT THE NEED TO SUPPORT NEW ZEALANDERS IN
NEED WITH HIGH-QUALITY, NUTRITIONAL PROTEIN



meat the need

♥ WITH SILVER FERN FARMS

FOR MORE INFORMATION OR TO MAKE A DONATION
TALK TO YOUR SILVER FERN FARMS LIVESTOCK REPRESENTATIVE
OR VISIT WWW.MEATTHENEED.ORG



Beef

Some challenges across key markets but improvement expected in 2023 for US.

The US market continued to track lower on pricing, leading into Thanksgiving weekend which is celebrated on Thursday 24 November.

There is no change to previous reports that heavy US domestic production and large volume imports from Brazil are the main factors continuing to move prices lower for frozen.

Chilled demand for premium cuts are relatively more stable but volumes are reduced compared with the same period last year and prices have also been disrupted.

Once the current liquidation of cow numbers due to ongoing drought has run its course, we expect the US outlook to be positive. At some point during Q1 2023 if feed conditions change as per forecasts, there will be significantly less cow kill, resulting in less domestic lean trim available, which will result in increased demand for lean imported beef, which will drive a lift in pricing in the US and across Asia.

Meanwhile, China is also presenting some challenges with demand continuing to be affected by covid lockdowns. We continue to work closely with our customers as they navigate the market slowdown. We are also actively diversifying volumes across other markets.

Chilled demand remains active, with shipping frequency improving will assist with arrivals to market with good shelf life into the retail sector which has a growing demand.

European markets remain unchanged with all importers very cautious about forward purchases.

The Australian beef kill is starting to lift which is creating some increased competition within Asian destinations such as Japan and Korea, but we are not forecasting a large volume increase until early 2023.



Sheepmeats

Cost of living and Covid impacts still putting pressure on lamb across key markets.

Headwinds continue to build with global market outlook remaining negative in the short to medium term. Until recently foreign exchange had assisted in reducing the impact felt from falling global pricing however the worm has turned and the NZD has started to strengthen, which is negatively affecting export returns. There has been little change in regards to market confidence with customer in markets such as the UK and the EU continuing to sit back and wait for prices to bottom out before recommencing purchasing.

With high inventories and flat in-market demand they are in no hurry to buy knowing full well NZ production will ramp up over the coming weeks and months creating pressure to sell and applying addition pressure to pricing.

Reports out of the UK make for fairly bleak reading with reports of restaurants insolvencies and subsequent bankruptcies, happening at a faster rate than during Covid. This is owing to a mix of surging inflation, energy costs, staff shortages and falling patronage. Surveys conducted suggest Britons are reducing their essential spend through the Christmas period as they brace themselves for what is expected to be a very tough winter, not ideal as the Christmas period is when businesses make the bulk of their profits.

China have announced their first Covid deaths in months, leading to the unveiling of restrictions in Beijing. This doesn't bode well for a relaxation of the zero-tolerance policy, and a return to business as usual, any time soon.



Venison

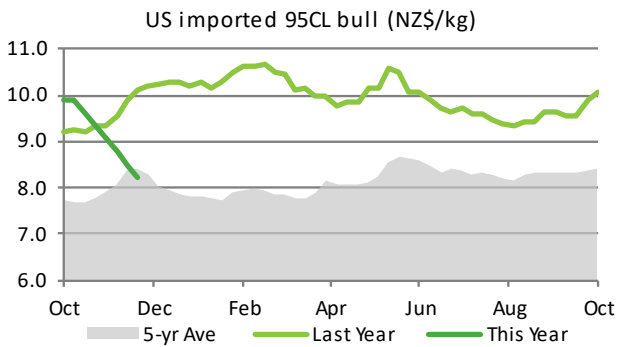
Continued demand for staple specs in China a positive sign.

Status quo remains with venison into the EU. Customers' focus remains squarely on their chilled business and this is expected to be the case until the New Year. Frozen sales have not stopped completely however the volume has certainly slowed considerably.

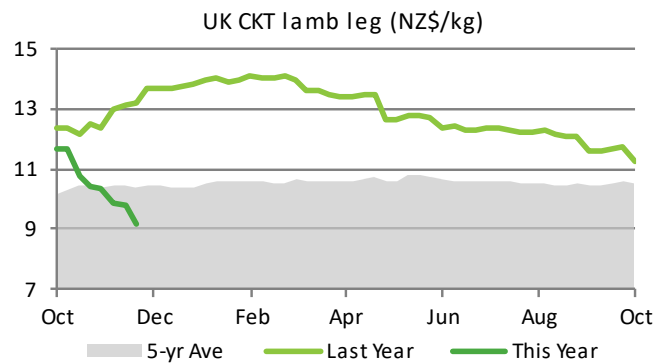
In regards to pricing we are starting to see some initial pushback particularly for leg cuts. Potentially a sign that we may see some continued slippage to pricing into this market in the New Year, particularly given what we are experiencing on other proteins.

China sales continue to track well albeit prices there have lost ground on where they have been. Demand too has tapered for certain items, however importantly they continue to purchase their staple specifications which is a positive sign that as times potentially get a little tougher these items have an established following and as such remain in demand.

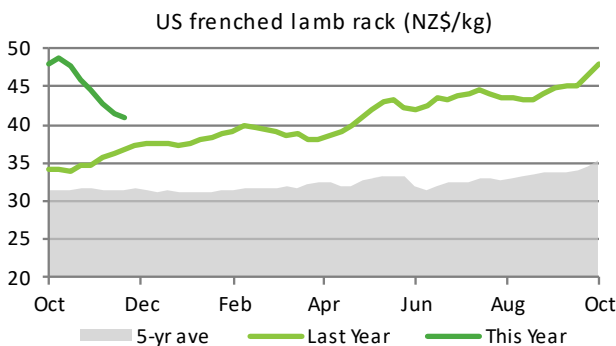
US imported 95CL bull



UK CKT lamb leg



US French Rack



Lamb Flaps

