



AGRIBUSINESS

FIELD NOTES

Weekly news update from the KPMG Agribusiness network

27 July 2016

Organisations referenced in this week's Field Notes include:

AgriHQ	Indigo Agriculture
Alliance Group	IOI
ANZ	Lindt
Apiculture New Zealand	Livestock Improvement Corporation
Balance Agri-Nutrients	Meat Industries Association
Bayer	Merricks Capital
Bunge	Ministry of Foreign Affairs and Trade
Canadian Agri-Food Policy Institute	Moana New Zealand
Cargill	Monsanto
Dairy Companies Association of NZ	Murray Goulburn
Deer Industry New Zealand	National Council of New Zealand Wool Interests
European Union	Predator Free New Zealand
Federated Farmers	Roundtable on Sustainable Palm Oil
Fonterra Co-operative Group	Shanghai Maling
Forest & Bird	Silver Fern Farms
Forest Owners Association	Sprout
GE Free NZ	Watson & Son Limited
Global Dairy Trade	WorkSafe New Zealand
Hill Laboratories	Zespri
Independent Wool Brokers	

This week's headlines

Fishing and aquaculture	Aotearoa Fisheries rebrands to Moana New Zealand, shifts focus to premium Kiwi seafood [18 July/ Stop Press]
Red meat	China 'upper end' focus for lamb packs [26 July/ Otago Daily Times]
Environment and emissions	Government reveals conservation project with aim to be predator free by 2050 [25 July/ NZ Herald]
Research and development	Govt announces new \$35 million fund to attract world-class researchers [20 July/ NZ Herald]
Economics and trade	Trade Minister apologises to John Key over handling of China trade issue [25 July/ NZ Herald]



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**HOT OFF THE PRESS:
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Field Notes Blog

Eliminating predators is a moon shot moment for New Zealand

I wrote a blog last year that strongly supported the position that the NZ Veterinary Association has taken in respect of seeking to eliminate the use of antibiotic remedies from the day to day maintenance of animal health. Antimicrobial resistance is one of the most significant challenges facing global society and the finger is being pointed squarely at the use of these products in growing food as a major contributor to increasing resistance. Being able to supply food which can be certified as being grown with minimal use of antibiotics will position our products as a priority choice for premium consumers.

The NZVA position stood out to me as worthy of support for so many reasons; the alignment to consumer preferences, the desire to produce safer, more natural products, but most significantly because it was the right thing to do. Doing the right thing is not always the easy thing, it often takes courageous leadership and it may cost more. As we discussed in this year's Agribusiness Agenda, doing the right thing even if it is hard often comes with the greatest returns. The evidence increasingly suggests the benefit to an organisation's reputation for doing the right thing is significant and ultimately delivers improved financial performance.

It was pleasing to hear the government announce another bold ambition earlier this week; the goal of making New Zealand predator free by 2050, something the Prime Minister described as New Zealand's Apollo project. This is a big, audacious goal but is one the whole country should get behind as it is hard but consequently will generate huge benefits. The primary sector should have an ambition to bring the date of eradication forward at least 10 years. It is a great example of doing the right thing because it is the right thing to do for New Zealand.

The direct financial benefits of pest eradication are significant (the government spends over \$60 million a year managing pests, let alone what councils and private entities spend). The flow on effects are even more significant and include the ability to enhance the management of infectious diseases like Tuberculosis (with further cost savings for both government and industry). The unquantifiable benefits must also be recognised through the protection of natural flora and fauna and enhancement of the environment, which will underpin our tourism sector and creates the potential to introduce new indigenous products to global markets.

It is this final benefit that is likely to deliver game changing outcomes to New Zealanders. Our geographic position has provided us with unique flora and fauna. The reality is we don't understand as much about the flora inherent to New Zealand or its commercial potential as we should, be that as a food product, a nutraceutical health product or a pharmaceutical. While pests continue to degrade the environment and destroy native flora we are up against the clock of losing species that may provide unique market niches.

Exploring the economic opportunities our indigenous environment provides New Zealanders must be a priority alongside the eradication of predators. Identifying native species with the potential to build high value markets on, undertaking the work to verify their active attributes and taking the necessary steps to protect intellectual property can create new export revenues streams worth billions of dollars within the next two decades.

Such products could provide unique opportunities for Maori organisations to develop new markets and positively impact their communities. They could also attract substantial global investment and capability into our science system and open up light export markets that license intellectual property rather than sell tangible products.

We have found unique nutritional and health properties in our natural environment, Manuka honey being the standout example. However the commercialisation process has been fraught, as a result of uncertain science and uncoordinated initiatives to define and protect the IP inherent in the industry. As a consequence Manuka honey is being produced in countries around the world without any return being delivered back to New Zealand and New Zealanders.

The commitment to eliminate pests from our environment is bold and the right thing to do. It will be hard, but as JF Kennedy noted of the US's own Apollo project, "we choose to go to the moon in this decade and do the other things, not because they are easy, but because they are hard". We should be equally bold in committing to leverage the value of a predator free New Zealand for the benefit of all New Zealanders by committing to capturing the value inherent in our native flora and fauna that will be preserved in our pest free bit of paradise.

Ian Proudfoot

Horticulture

Zespri SFO probe bill hits \$6.8m [20 July/ NZ Herald] A Zespri spokesperson said the company's total bill for a Serious Fraud Office investigation had risen to \$6.8 million, with a further \$500,000 set aside to cover costs in its 2015/16 accounts. Zespri's annual review publication said the company continued to cooperate with the inquiry, but the Serious Fraud Office had declined to communicate the focus of its investigation. The publication added that Zespri believed it had satisfied the requirements of the notices served on it by the Serious Fraud Office, but anticipated further work on the issue in the next financial year. A Zespri spokesperson said the last contact the company had received from the Serious Fraud Office was in December 2015.

Fruit exports jump, led by kiwifruit [26 July/ NZ Herald] According to Statistics New Zealand, the country's fruit exports increased by 31 percent to \$2.63 billion in the 12 months to 30 June, compared to the previous year. In the same period, dairy exports decreased by 7.3 percent in value to \$11.16 billion. The increase in fruit exports was led by kiwifruit which set a new record at \$1.7 billion after a 41 percent jump and apples which rose by 23 percent. ANZ Rural Economist, Con Williams said the apple industry had developed new trademarked varieties that were favoured by the Asian market which paid premium prices for the fruit. Mr Williams added that New Zealand's kiwifruit industry was more weighted towards the golden varieties which faced less competitive pressure and were preferred in Asian countries due to their sweeter taste.

Apiculture

Bee bandits steal hundreds of hives from Northland forest [22 July/ Business Day: NZ Farmer] Thieves have stolen 200 honey bee colonies, equating to 1 million bees, from Topuni Forest in Northland. The beehives belonging to Watson & Son Limited were worth \$500,000. The company are offering a \$20,000 reward for information leading to the arrest and prosecution of whoever was responsible for the theft and the successful recovery of the hives. Apiculture New Zealand Chief Executive, Daniel Paul said beehive theft was becoming increasingly common and the organisation wanted to work with Police to address the issue and find solutions to put in place.

Fishing and aquaculture

Aotearoa Fisheries rebrands to Moana New Zealand, shifts focus to premium Kiwi seafood [18 July/ Stop Press] Aotearoa Fisheries has changed its name to Moana New Zealand and hope to create longstanding value in the delivery of seafood to markets across the world. The rebranded company would move from a focus on food processing to a focus on premium seafood and direct connections with customers. Moana New Zealand Chief Executive, Carl Carrington said the company's future was not about processing more, but about carefully harvesting and quickly getting to market a range of highly sought after species from the country's coastal waters. Moana was also environmentally responsible, investing in Precision Seafood Harvesting fishing to replace traditional nets with flexible PVC tubular receptacles with holes that allowed undersized fish to swim out.

Forestry

Strong NZ dollar and weaker markets drive log prices to seven-month low [25 July/ NZ Herald] According to AgriHQ's survey of exporters, forest owners and saw millers, the average wharf gate price for New Zealand A-grade logs decreased from \$116 per tonne in June to \$114 per tonne in July, the lowest level since December. AgriHQ Analysts Reece Brick and Shaye Lee said while market returns for logs fell a little, the exchange rate has had a large influence on wharf gate prices. Mr Brick and Mr Lee added that the New Zealand domestic market was sturdy.

Forest rules on GM not likely to change [25 July/ Farmers Weekly] The planting of genetically modified pines in New Zealand forests was likely to remain subject to existing genetic modification rules once the National Environment Standard (NES) was released. The NES has been subject to a long drafting process that began in 2010 and included over 16,000 submissions. GE Free NZ has called for the removal of a clause in the original NES that meant foresters who wanted to plant genetically modified trees could apply to do so. The organisation explained that any allowance to plant genetically modified trees would endanger the ability of the New Zealand forest sector to be certified by the Forest Stewardship Council which did not allow genetically modified trees. Forest Owners Association Vice President, Peter Weir said the association wanted greater consistency around all aspects of plantation, including how regional and district plans treated forestry activities. Hastings District Council and Northland Regional Council were both seeking to become free from genetic engineering, but were under pressure from government proposals to ensure that councils would have to abide by national decisions.

Dairy

Key visits Fonterra plant in Indonesia [20 July/ Dairy News] Prime Minister, John Key has visited Fonterra Brands Indonesia's Cikarang manufacturing facility to mark the strong agricultural partnership between New Zealand and Indonesia. Fonterra's Cikarang site was built to meet Indonesia's growing demand for dairy and has the capacity to blend and pack up to 87,000 packs of dairy products each day. The \$36 million facility was opened in September 2015 and was the co-operative's largest investment in ASEAN markets in the last decade. Fonterra Brands Indonesia President Director, Achyut Kasireddy said New Zealand and Indonesia had shared a positive relationship over the past 65 years, and as New Zealand's largest company, Fonterra has been flying the New Zealand flag in Indonesia for over 30 years. Trade Minister, Todd McClay said Fonterra's investment reinforced the exciting opportunities available for New Zealand companies in Indonesia, adding that it was a market with large potential.

No lift in global dairy prices [20 July/ Radio NZ Rural] The average price at the Global Dairy Trade remained unchanged at USD 2336 per tonne, following a 0.4 percent decrease at the previous auction. The price of whole milk powder, the primary factor in determining what New Zealand farmers were paid, rose by 1.9 percent to USD 2,079 per tonne. AgriHQ Dairy Analyst, Susan Kilsby said whole milk powder futures prices had fallen by USD 20 to USD 50 per contract since the previous Global Dairy Trade auction, but she expected a positive reaction in the NZX Dairy Derivatives market after the recent auction.

Red meat

SFF chairman dismisses claims [23 July/ Otago Daily Times] Silver Fern Farms Chairman, Rob Hewett said the meat co-operative remained under pressure to address its capital structure and reduce its reliance on debt. Mr Hewett added that the Silver Fern Farms board remained unanimous in its view that the partnership with Shanghai Maling was in the best interests of shareholders and the co-operative. Mr Hewett explained that Shanghai Maling's \$261 million investment for a 50 percent stake in the company would put Silver Fern Farms in a strong financial position, provide capital to accelerate the 'plate to pasture' strategy globally and invest in technology, equipment, and plant facilities.

China 'upper end' focus for lamb packs [26 July/ Otago Daily Times] Alliance Group is preparing to launch a new range of lamb packs into retail and food service sectors in China next month. Alliance Chief Executive, David Surveyor said the Pure South branded packs would be available from eight retail chains with 200 outlets before being rolled out to other parts of the country. Mr Surveyor added that the launch marked a major milestone in Alliance Group's vision to create new products and ranges that were either produced at source or further processed in the market to meet the growing demands of China's food service sector.

Environment and emissions

Ballance gears up to support farmers working within limits [20 July/ Rural News] Ballance Agri-Nutrients has formed a specialist Farm Sustainability Services team in order to meet the growing need for nutrient budgeting services and environmental plans as farmers adjust to working within environmental limitations. Team Leader, Alastair Taylor said the move built on Ballance's nutrient budgeting service it started in 2013 to help Canterbury farmers meet the compliance requirements of the Canterbury Regional Land and Water Plan. Mr Taylor added that Ballance had offered nutrient advice for many years, and the investment in additional resources and time to develop the specialist Farm Sustainability Services team was a step up in order to provide better support for farmers to enable them to make sustainable and profitable decisions.

Government reveals conservation project with aim to be predator free by 2050 [25 July/ NZ Herald] Forest & Bird Advocacy Manager, Kevin Hackwell said New Zealand was on track to have a predator free country by 2040, ten years earlier than the formal 2050 target announced by the government. The government's policy was centred around a \$28 million joint venture, Predator Free New Zealand, which would identify large scale pest eradication projects and attract private investment to boost their reach. Predator Free New Zealand Chair, Rob Fenwick said the policy was a real game changer and would allow a military level response to the problem for the first time. New Zealand First Primary Industries Spokesman, Richard Prosser said no human society in history had succeeded in exterminating rats, and New Zealand was unlikely to be the first.

Research and development

Govt announces new \$35 million fund to attract world-class researchers [20 July/ NZ Herald] The Government has announced a \$35 million initiative to bring world leading entrepreneurial researchers to New Zealand universities over the next four years. It was expected the fund would be enough to attract up to 20 world leading researchers and their teams to the country. Tertiary Education, Skills and Employment Minister, Steven Joyce said the government especially wanted to recruit people with an established record in innovation and entrepreneurship to help grow the pipeline of excellent innovative start-up companies in New Zealand, and to train the next generation of scientific entrepreneurs. The scheme was part of the 2016 Budget's \$761 million "Innovative New Zealand" package which also included big increases in the funds for researchers already based in New Zealand.

New researchers should focus on primary industry [25 July/ Rural News] Federated Farmers President, William Rolleston said it made sense for the government's \$35 million programme to bring international researchers to New Zealand should build knowledge in areas which were key to New Zealand's economic and environmental needs. Mr Rolleston added that the programme would help New Zealand keep up with the scientific developments already going on around the globe. Mr Rolleston noted that Federated Farmers was keen to engage in the programme to help identify areas of opportunity for the primary industries and the environment.

Sprout seeking budding firms [25 July/ Farmers Weekly] Sprout has been searching the country for eight entrepreneurs with agritech businesses in the paddock to plate space and using technologies that improve yield, efficiency and profitability. The chosen eight would receive \$20,000 cash to invest in their business and take part in a five month programme which would see them flown around the country for mentoring and training from leaders in technology, research and business growth. At the end of the programme, each person would get the opportunity to pitch their business to a group of potential investors, corporate partners and potential customers. Sprout Business Strategy Advisor, Stu Bradbury said the business wanted to help entrepreneurs grow their start-ups from great ideas into investment-ready early stage companies.

International

Bunge to supply non-GMO verified corn and oil ingredients [19 July/ Agri Investor] Agricultural commodities company, Bunge has announced that it would offer corn ingredients, canola oil and soybean oil products that were free from genetic modification (GM). Bunge North America Marketing Director, Mark Stavro said market research had shown that 40 percent of consumers were actively managing their consumption of genetically modified foods. Mr Stavro explained that the company's expanded offering of GM free products would create opportunities for Bunge customers by allowing them to provide these products to their customers in categories where there was high demand. The company was also in the process of gaining GM free verification for its ancient grain, rice and gluten-free bread products.

Rejection of Bayer Bid May Shortchange Monsanto Shareholders [20 July/ The New York Times] Monsanto has rejected Bayer's latest USD 64 billion takeover offer as it was financially inadequate, but the company's management were open to further discussions. Analysts suggested that Monsanto Chief Executive appeared to be asking for too much from Bayer, as the company would struggle to reach the USD 125 share price on its own over the next three years. They also suggested that Bayer Chief Executive, Werner Baumann, would struggle to offer much more, as the USD 11 billion net present value of cost savings and revenue increases from the purchase was far less than the USD 16 billion premium the company would pay on Monsanto's share price.

Canada, agri-food powerhouse? Leverage natural capital and trust [20 July/ The Globe and Mail] Canada has taken a leading role in sustainable beef production and was a part of a global effort to source seafood sustainably. Many Canadian producers were managing pesticides and fertiliser use better, while many food companies were improving energy and water use. The Canadian Agri-Food Policy Institute said the country had a big possibility of becoming a powerful food brand as more and more consumers sought out trusted and more responsible suppliers. The country could place itself at the leading edge of global food innovation if it aimed to produce more food, to do so sustainably, and to improve its nutritional quality all at the same time.

Indigo Agriculture raises \$100m to expand work on its specialty crops [22 July/ The Boston Globe] Indigo Agriculture has raised USD 100 million in its latest round of financing as it strives to create a microscopic mix of fungi and bacteria to create super crops that could thrive in stressful conditions. Indigo Agriculture Chief Executive, David Perry said the company used special combinations of naturally occurring microbes that could influence how plants grew. Mr Perry explained that the microorganisms were not modified before they were applied to a seed, setting the company apart from crop improvements based on genetic engineering or chemical treatments. The company had planted its first crop of cotton that required less water than conventional plants on over 50,000 acres of land in the United States. Indigo Agriculture planned to introduce a variety of water-efficient wheat later this year.

Lindt continues to grow but warns of ‘stagnating chocolate markets’ [22 July/ Food Navigator] Lindt has reported a 6.6 percent increase in revenue to USD 1.5 billion and an increase in net income of 11.1 percent to USD 73.3 million in the six months to 30 June. Lindt said in a statement that the biggest challenges the company faced in the first six months of the year were continuously high raw material prices for cocoa beans and cocoa butter, stagnating chocolate markets and generally subdued consumer sentiment. The statement added that the key markets for chocolate, Switzerland and Europe, were largely saturated.

Cargill suspends business with IOI following RSPO fallout [22 July/ Food Navigator] Cargill, the agricultural commodities giant, has suspended new business with IOI and has told the palm oil supplier that it should take further action to resolve the charges that resulted in its suspension from the Roundtable on Sustainable Palm Oil in April. A Cargill representative said IOI had yet to deliver a responsible sourcing policy or a detailed sustainability implementation plan to meet Cargill’s requirements. According to Waxman Strategies, 27 firms have either dropped IOI as a supplier or won’t use the company in the future. IOI announced that its revised sustainable palm oil policy would be finalised within the next two weeks and would include clear actions and timeliness.

Fonterra picks up rival co-op’s milk suppliers [25 July/ Farmers Weekly] Murray Goulburn has lost 3.6 percent of its milk production in the last three weeks as traditionally loyal family farms moved to supply rival processors instead. All milk processors except Murray Goulburn now had a waiting list of suppliers, with many Murray Goulburn farmers having said they would change processors if there was capacity at other processors or if they were not contracted with Murray Goulburn. Fonterra Australia Milk Supply General Manager, Matt Watt said recent movement of milk was the most Fonterra had received in a short period of time. New Fonterra suppliers would receive AUD 4.54 per kilogram of milk solids, less than the AUD 4.73 per kilogram received by existing suppliers, but more than the AUD 4.31 Murray Goulburn paid its suppliers. A Murray Goulburn spokesperson said the co-operative had not gained any new suppliers since the start of the month.

Commission approves 3 GM soybeans for EU import [25 July/ Food Navigator] The European Union has authorised three genetically modified organisms (GMOs) to be sold for food and feed in Europe. All three of the varieties had received a favourable scientific opinion by the European Food Safety Authority in 2015. The Commission said in a statement that any products produced from the GMOs would be subject to the European Union’s strict labelling and traceability rules. The United States Soybean Export Council representative said the authorisation was welcome news for United States soybean growers.

Record cattle prices are ‘unsustainable’, says Merricks [25 July/ Australian Financial Review] The Australian Eastern Young Cattle Indicator reached its highest level since the beef price index was set up in 1996, reaching \$6.61 per kilogram. Merricks Capital Chief Investment Officer, Adrian Redlich said uncompetitive prices and falling export volumes as major importers struck deals with new suppliers meant the future would not be so positive. Mr Redlich added that farmers should be forward selling the beef to lock in record profits because the high prices were not sustainable.

Economics and trade

Trump gives TPP another bash in acceptance speech [22 July/ National Business Review] Republican Party Nominee, Donald Trump used his presidential nomination acceptance speech to criticise the Trans Pacific Partnership. Mr Trump added that Hillary Clinton has supported virtually every trade agreement that has been destroying the country’s middle class. Mr Trump explained that the Trans Pacific Partnership would destroy the United States manufacturing sector and make the country subject to the rulings of foreign governments. Latest polls have Mr Trump edging ahead of Hillary Clinton, although it was usual for each candidate to enjoy a brief boost in the polls after their convention. The Democrats would hold their convention this week.

Trade Minister apologises to John Key over handling of China trade issue [25 July/ NZ Herald] Trade Minister, Todd McClay has apologised to Prime Minister, John Key for making misleading statements when responding to questions about potential trade retaliation against New Zealand by China. Mr Key has accepted Mr McClay’s apology. Mr McClay said he wanted to clarify that there had been discussions and limited correspondence over the past few months as the Ministry of Foreign Affairs and Trade assessed the reports. Mr McClay added that he should have requested a more thorough briefing before he responded to the questions. Mr McClay noted that the Chinese Government had assured New Zealand that there would be no trade retaliation. Labour Leader, Andrew Little said Mr Key should sack Mr McClay for failing to do his job as Trade Minister and be on top of a significant potential threat to some of New Zealand’s biggest exporters.

Exporters deny China threats [25 July/ Farmers Weekly] Despite media reporting that the Chinese Government had threatened to retaliate against the kiwifruit, dairy and wool sectors if New Zealand investigations into Chinese steel dumping were not dropped, industry groups have claimed not to have been strong-armed by the Chinese Government. Fonterra Global Stakeholder Affairs Director, Phillip Turner said there had been no approach to Fonterra at any level. Dairy Companies Association Chairman, Malcolm Bailey said no other dairy companies he had been in touch with had been approached by the Chinese. National Council of New Zealand Wool Interests, John Marshall said all he knew was what he had read in the media. Meat Industry Association Chairman, John Loughlin said he had not heard anything and preferred to work with a clear understanding rather than rumours. Zespri issued a statement confirming that an employee had passed on unsubstantiated information from Chinese sources about retaliation, but the information was not directly from the Chinese Government.

Rural infrastructure

LIC makes \$4m loss [21 July/ Dairy News] Livestock Improvement Corporation (LIC) made a \$4 million loss in the year to 31 May 2016, down from a profit of \$13.7 million in the previous year. LIC said in a statement that the decrease reflected the prolonged New Zealand dairy industry downturn and the continued investment by LIC in research and development and core technology for the medium to long term future of the industry. The statement added that the results also reflected the significant expenditure on core technology in prior years that was now flowing through as an increase in depreciation expense. The statement noted that the benefits of the investment in technology helped LIC’s 10,500 New Zealand dairy farmer shareholders in the form of continually improved services and products to improve efficiency and productivity.

Ballance’s new partnership to put more data at farmer’s fingertips [25 July/ Business Day: NZ Farmer] Ballance Agri-Nutrients and Hill Laboratories have joined together to create a new app which would give farmers access to more data about their properties through their mobile phones. Ballance Sales Manager, Campbell Parker said the deal gave Hill Laboratories sole rights to Ballance’s soil and herbage test results from August, and provided Ballance customers with access to the new app that would give them the information they needed to make effective nutrient management decisions. Federated Farmers Manawatu President, James Stewart said innovative farmers were looking for smarter ways to use their resources, so more accuracy in the data could lead to good savings.

Deer

Confident deer farmers rebuild [25 July/ Farmers Weekly] Deer Industry New Zealand Passion 2 Profit Manager, Innes Moffatt said good prices, strong demand and low stock resulted in solid and sustainable markets and returns in the venison and velvet sectors. Mr Moffatt added that hind slaughter decreasing 25 percent in the first six months of the year was a strong vote of confidence from farmers increasing the size of their deer herds. Mr Moffatt explained that the decrease in hind kill had resulted in the price of stag venison increasing from \$6.67 per kilogram to \$7.55 per kilogram in the past year. Mr Moffatt noted that Deer Industry New Zealand was supporting company initiatives to reduce the reliance on the spring peak by growing sales in non-seasonal markets and in new markets that promoted value-added items, such as restaurants.

Health and safety

Farmers urged to do on-line quad bike safety survey [25 July/ Safer Farms] WorkSafe New Zealand has encouraged farmers to take part in a quad bike survey from the University of New South Wales. The survey looked at how riders survived or were injured in quad bike incidents, and whether rollover protection devices fitted to quad bikes were producing the desired result. WorkSafe Agriculture Programme Manager, Al McCone said farmers wanted new ways to make quad bikes safer and this sort of research would help find those solutions. The study asked questions that could only be answered by people that actually used quad bikes regularly at work, and the results would be used to develop new quad bike safety programmes, policies and products so lives could be saved and injuries prevented. The survey would take 15-25 minutes and can be completed here: <http://www.quadbike.unsw.edu.au/survey>

Wool

Don't get into a knot over early wool price, suppliers told [20 July/ Radio NZ Rural] Clean wool sold for \$4.54 per kilogram at the North Island’s first sale of the season on 7 July, well down on last season’s high of \$6.62 per kilogram. Independent Wool Brokers Spokesperson, Peter Tate said the poor start to the season was due to the very high New Zealand dollar, the British referendum result, Britain selling wool at a much cheaper level due to the lower pound, a slowdown in Chinese demand due to the weakening of their domestic economy, and a build-up of wool inventories. Mr Tate added that prices should pick up as the wool season got underway because of increased interest in the product.

Biosecurity

Nathan Guy: ‘Biosecurity should be taught in schools’ [26 July/ NZ Herald] Primary Industries Minister, Nathan Guy said schools should consider adding biosecurity to their curriculum as part of a push to protect New Zealand from pests. The statement came after Mr Guy launched a draft plan for protecting New Zealand’s borders from incursions over the next ten years. Mr Guy said online campaigns would be used to inform New Zealanders about biosecurity risks, but some schools might choose to go further and run a biosecurity programme in classrooms.

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Weekly news update from the KPMG Agribusiness Network – 27 July 2016

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Field Notes presents a summary of some of the media comment on the Agribusiness sector in the last week. The views expressed do not necessarily represent the views of KPMG but are summaries of the articles published.

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