



Beef

US imported beef continued to trade sideways this week due to slow demand.

Consumption in the US seasonally starts to lift over the next month, as processors lift burger production ahead of peak summer demand. We expect this will reflect in increasing demand for imported lean from mid/end April. There is growing inflationary pressure in the US supply chain, with higher freight, labour and grain costs. Retail prices are reflecting the increase in protein meats, which will ultimately see end-consumers being more selective and price conscious.

The China market remains relatively stable however we continue to watch closely as Covid-19 cases have increased recently and the government is firmly looking to control any

outbreaks. Shanghai, for example, a city of 26 million people, has begun a two-phase city-wide lockdown as it battles its worst Covid-19 outbreak in over two years, while mass testing is implemented. Shanghai is a key manufacturing and financial centre; it will remain partially open under the staggered lockdown.

Other markets across North Asia have continued to perform well. There remains a high degree of nervousness around Australian export volumes which is keeping buying interest strong. Flooding again this week on the East Coast of Australia could further compound that demand lift for NZ.

Globally we continue to see strong demand for chilled premium cuts, particularly as Northern hemisphere markets move into Summer.



Sheepmeats

Markets are unchanged as our focus remains on servicing the frozen trade post-Easter production.

The effects of Covid-related labour shortages continue and this can change day by day, affecting livestock numbers whilst also constraining which specifications and volumes-per-specification we can produce. While New Zealand continues to deal with the effects of Covid-19 we are also seeing a resurgence of cases around the world – the recent lockdowns in Shanghai are testament that Covid-19 remains an ongoing challenge.

The UK market is currently finely balanced. With the NZ slaughter running behind,

demand for product remains firm and prices continue to hold up well. Customers are wary of purchasing too far forward given the UK domestic production will soon begin to ramp up and this may have an impact on lamb pricing.

In the Middle East demand continues to improve for both chilled and frozen product, while severe logistical challenges remain, making it difficult to service the needs of this market fully.

Mutton markets have experienced some softening on pricing whilst demand remains consistent and continues to align with availability. Interest stems predominantly from our Asian markets with China still dominant on both price and volume.

From next week we will be paying presentation premiums for lamb on qualifying mobs. Well-presented stock greatly assist our ability to meet minimum hygiene requirements without losing chilled market eligibility, slowing down production and/or adding costs.

The presentation premium can apply to both Shorn and Bellied lambs. Lambs must have less than 25mm of wool to qualify as Shorn. Any lambs with greater than 25mm of wool need to be crutched and bellied to qualify.

Wool and pelts are including in the operating schedule and C presentation lambs will not qualify for premiums.



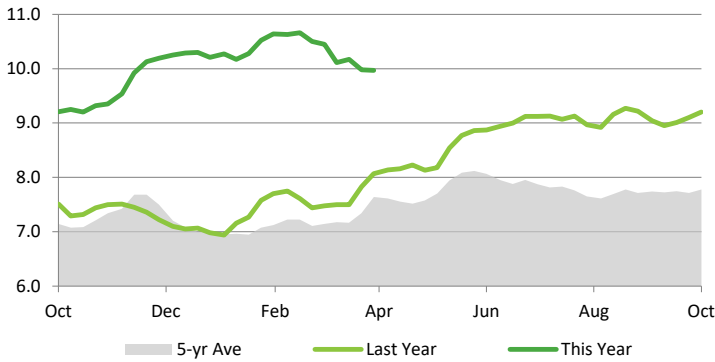
Venison

It's more of the same for venison with demand coming out of the EU remaining consistent for both chilled and frozen business.

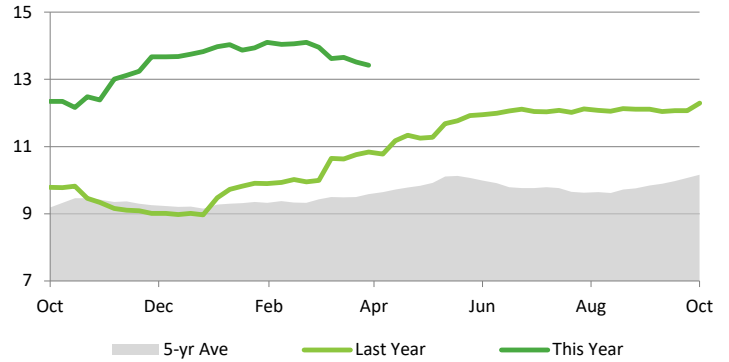
Although the invasion of Ukraine remains front of mind for all of Europe we are yet to feel any direct impact. We are well aware that the longer the conflict continues, the more potential for impact to our business due to associated disruption.

The diversification of volumes away from traditional markets such as the EU and North America continues with our China business remaining a point of focus. The growth of venison into China continues and with venison being relatively new there isn't a 'seasonal play' into this market. Demand and uptake has been consistent throughout the year, unlike the EU where the main consumption period is over the Northern Hemisphere's winter months.

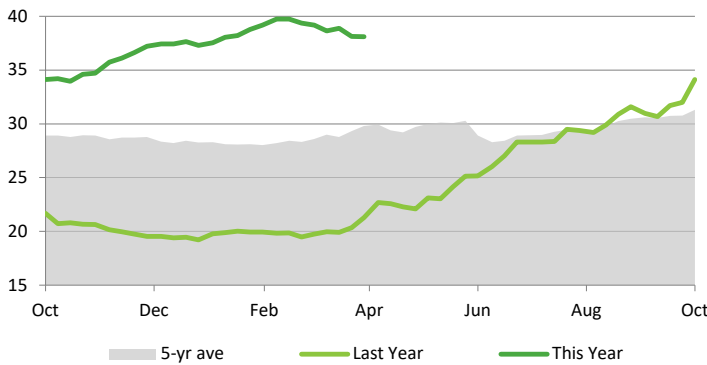
US imported 95CL bull



UK CKT lamb leg



US French Rack



Lamb Flaps

