

Our Raw Material Position

We have all read or heard the following words over the past few months, "volatility", "unseen before", "unprecedented", "new era", "record breaking", "shortages", "restricted supplies".

The continual overuse of these powerful words in day to day news reporting or updates means, when there is a more serious situation affecting our industry it can easily be swallowed up with everything else that is going on.

As we go into autumn and winter the extremely unpredictable supply and volatile price of raw materials has been a continual talking point over recent weeks. We have seen major shifts in both the availability of raw materials and their current and forward pricing.

Here at New Breed UK we have been acutely aware of this position and our closeness to the raw material markets and our decisive decision making has greatly reduced the exposure for our customers this winter. The increase in raw material prices during the second part of summer have been some of the largest the industry has seen in the past two decades. Increases have been very product specific, with cereals and cereal bi-products increasing dramatically. However, within that product group there has been some massive variation, although whole maize and maize meal has increased in cost, the increase is not as great as wheat, barley and wheatfeed.

Oilseed bi-products are another group that have seen a larger increase in cost, again variation has been seen here. Rapeseed and palm kernel have increased more than Soya in percentage terms from June to August.

The table shows how this year "sitting on your hands" has resulted in the cost increase of compound feeds and blends doubling in only an 8 week period. It is understandable that many companies are unwilling or not able to confirm forward pricing with their customers, if they failed to confirm raw material cover with the main suppliers such as Cargill,

then they are facing a difficult position, expensive raw material cover and/or an actual lack of physical tonnes covered.

New Breed UK have pioneered and optimised maize based diets well before many of our competitors. Focusing on silage sample results to date, our superior maize based diets will feature strongly again to maximise production for many of our customers from their home grown forages and other bought in feeds.

Experience cannot be replicated it can only be gained and grown, our team have a proven track record of listening to our customers needs and providing the most cost effective solutions. A prime example of this is our NB ZeroMax dairy compound, introduced this spring to optimise milk volume and milk quality from zero grazed grass. This high energy, high effective NDF and DUP diet has helped maximise production this summer.

Engaging with our customers helps keep us ahead of other feed providers, our business is our customers. That is why we work so hard to deliver the best nutritional feed, service and value for money in the market place.

Due to the unusual nature of the current raw material market is "less is more" or "more is less", this may look strange however diets that include larger levels of wheatfeed, palm kernel, soyahulls will go up in £/t more than diets made up of whole ground maize, soya, maize sugar and protected fat.

Mark Borthwick

Feed comparison table

Raw material	1st July 2018 (£/t)	21st August 2018 (£/t)	Change (£/t)
Wheat	188	205	+17
Maize	182	200	+18
Imp.maize distillers	205	229	+24
Rapeseed meal	220	254	+34
Hipro soya meal	338	331	-7
Soya hulls	169	207	+38
Palm kernel exp	142	178	+36
Wheatfeed	166	200	+34

Figures based on delivery to Lancaster

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NEWSLETTER

September 2018

WESTMORLAND SHOW
Thursday 13th September



Come visit us on our stand
M400

Refreshments will be
served throughout the day.



Welcome to our September newsletter, my name is Susie Foster and part of my role at New Breed UK is collating the bi-monthly newsletters. I would therefore like to introduce myself..



I am a farmer's daughter from East Yorkshire; we have a suckler herd, sheep and arable land. After spending the last two years at Harper Adams University studying BSc (Hons) Agriculture, I've joined the New Breed UK team for my placement year. I'm looking forward to getting out on farm and learning more about the industry!

Having recently completed the Embryonics Mobility Scoring course, I've joined the Register of Mobility Scorers. This is a service we are rolling out to our customers; please don't hesitate to contact me if you're interested!

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MAIZE ADDITIVE OFFER!



As you are aware Maize is an expensive crop to buy and grow. With this year's forage stocks in mind, why not maximise the returns by using an additive? Use the best product you can.

Advance Maize from Micron is a forage specific additive representing the latest developments in conservation technology.

- ✓ **Prevents yeast and mould formation**
- Important this year with stressed crops
- ✓ **Improves aerobic stability**
- ✓ **Reduces heating**
- ✓ **Suitable in organic systems**

Special Offer **10% OFF** all Maize additive orders received by the end of September!

Quote: NBUK MAIZE OFFER

How our expert team can help you this winter

Over the years we have written many articles on feeding forage to livestock. But where do we start with this one? The rules of thumb have gone out the window this year, so my first comment would be make a plan for this winter NOW! This is not going to be a normal winter as we discuss below..

A good yielding three cut silage system could yield 18 tonnes of silage per acre (8 tonnes first, 6 tonnes second and 4 tonnes third). In reality many farms have had 7 tonnes, 4 tonnes and unknown tonnes from a third cut, creating a shortfall. Similarly, for those who take two cuts a good first cut has been followed by poor re-growth. Many farms have taken whole crop silage, these have yielded well. Maize silage looks tall, although will probably not yield any more than normal.

So how can we help? Together we can plan and manage feed usage over the winter. This can be monitored through the use of chalk and spray can marks on silage pit walls. Dry silage has a different density in the clamp so using the correct chart for the dry matter will help accuracy of planning.

This grazing season has been turned on its head; current grasses are using nitrogen from the ground and giving extremely high protein levels, but are low in energy. We can help by analysing grass and silage more frequently to assess what you're feeding. We have recently analysed grazed grass varying from 18% to 34% protein



with only 2% sugars. Second cut silage is excellent quality with plenty of milk in it, but it still needs balancing. New Breed can help; use us to walk cows, analyse forage, adjust rations and calculate costings.

We use DietCheck programmes to take away the guess work and help make the correct choice of energy and protein both in blend and cake, and ensure the concentrate to forage ratio is correct. Readjusting cow diets will avoid wasting both protein and money.

Costing is essential to make the correct decisions. Feed rate and costs per litre have risen since early summer, all cake and blend prices have also risen substantially. New Breed can calculate costings on feed rate and cost per litre on your farm based on current figures, helping you make the right decisions for the cows and the bank balance.

Cereals have risen to £200 - £220 per tonne plus once they are rolled or ground. Molasses and protected fats are a useful way of using alternative energy sources and improving the diet. Adding molasses or water will also help reducing sorting, a problem we have already seen with dry silage. The high cost of some protein ingredients such as rapemeal will see the use of more soya. Use our knowledge and experience to help you make these decisions.

The options for buying alternative feeds such as brewers grains and pressed pulp have literally disappeared due to demand elsewhere so we have to look closer to home. Straw is not cheap but has come down slightly in recent days. New Breed have lots of experience in feeding youngstock, in calf heifers and dry cows on ad lib straw and P18 dairy cake, bespoke blend or molasses products so this is a good option to keep valuable silage for the main herd.

The New Breed team are here to help by planning, analysing and monitoring. If ever there was a year to do it, this is the one.

Ian Wozencroft and Phil Robertson