

## Thoughts from a Northern Mart. May 2008

### The weather

After a glorious heat wave in late April early May it is a little colder at the moment with a ground frost in the Vale of York this morning. The recent good weather has allowed most of the land work for potatoes forage maize and spring cereal planting to catch up.

### Blue Tongue.

While the surveillance zone was again extended last week the areas to the North of and including Richmondshire and Craven Districts in North Yorkshire and Darlington and Stockton and Redcar remain free of restrictions. This is causing some marketing problems. The reported uptake of vaccines in the south is reported to be higher than in anticipated and this very welcome. Good orders for the vaccines are reported by the Vets in the North.

### Trends and prices

Prices in the northern mart continue to be buoyant with very good prices for prime beef and lamb this is also reflected in the store ring. Unfortunately with the every rising cost of oil based inputs and the effect on the transport costs of other inputs is causing great concern for the future profitability of sectors of farming. With red diesel now costing up to 67p a litre and rising, the cost of forage harvesting is rising all the time.

When the rising prices are taken into account the fact that the level of borrowing by British agriculture has never been higher, a great chunk of this money will just have gone to finance working capital. Also the 9000 farmers who are awaiting there Single Farm Payments will be contributing to this increased borrowings although some what reluctantly.

Talking to farmers at the marts on recent days, a couple of conversations are worth recording was one concerning the fact the cereal price for 2008 harvest off the combine had come down to the mid £120 a ton. At these prices some farmers where saying that if the price did not rise it would be more economical for them to not to sow their land and just keep their single farm payment again compared to using inputs that had doubled in price in the last year.

The old saying that if Nitram (34.5% nitrogen ) and wheat are the same price per tone then wheat growing is profitable wheat at £125 a ton Nitram £330 the figures are not so good !. The other story also concerns' cereal production, with a lot of wheat sold forward at prices higher than £125 the traders have sold it forward to the end user at a fixed price of delivery at the time of fixing the deal, this is o/k if the cost of road diesel had remained the same. Haulage contractors could have delivered the grain now they cant get hauliers to work for the set rate.

The news that the Queen is to visit the Great Yorkshire Show as it celebrates it's 150th show, is a truly amazing and notable occasion as this great institution continues to grow, serve and entertain the Yorkshire farmer and the Public.

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