

DEER

17

“Significantly reduced supplies of venison and marketing outside the traditional European game season, improved demand.”



Deer is a niche market that has fared better than many other sectors. The outlook is, however, still constrained due to low production numbers.

The New Zealand deer industry continues to be highly cyclical. In 2008 schedule prices reached highs last seen in 2002. Significantly reduced supplies of venison and marketing outside the traditional European game season improved demand.

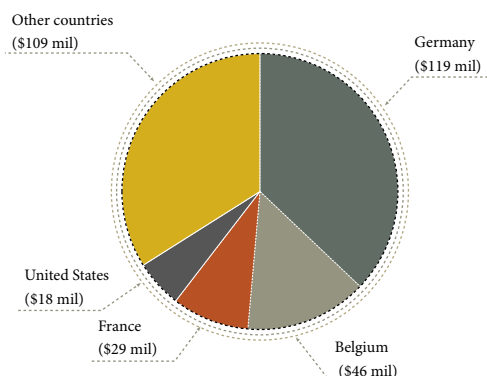
The fall in supply seems to be countering any slowdown in demand caused by the world recession. Prices will continue to be high while supplies remain low and European demand continues.

Last season's velvet prices were lower than expected and producers responded by reducing velvet stag numbers.

»» EXPORTS

Venison export volumes fell by 12 percent to 18 700 tonnes for the year ended 31 March 2009. This was below 20 000 tonnes for the first time in five years. About 68 percent of export venison was sent to Germany, Belgium, France and Sweden.

FIGURE 17.1: VENISON EXPORT DESTINATIONS, BY VALUE, YEAR ENDED 31 MARCH 2009



Source Statistics New Zealand and MAF.

DEER



Source AgriBase.

Venison export prices increased significantly in most international markets, more than offsetting the fall in export volumes. Export revenue increased by 25 percent to \$320 million for the year ended 31 March 2009, as a result of higher overseas in-market prices and a weaker New Zealand dollar.

Germany is still New Zealand's largest export market, accounting for about 40 percent of all venison exported and \$119 million of export revenue. However, the development of new export markets has seen export volumes to Germany fall over the last three years.

Velvet exports provide another income stream for the deer industry, earning \$27 million in export revenue for the year ended 31 March 2009. Revenue increased compared with 2008, due to higher export volumes outweighing falling velvet prices.

»» PRODUCTION

As at 30 June 2008, total deer numbers continued to decline, down 1.2 million. Deer herd size is now the same as it was in 1994. However, better schedule prices appear to have encouraged some stock rebuilding. Demand for weaners is high and very few hinds are being sold. Stock building will further depress supply in the future, which should support higher schedule prices.

The current season looks promising for deer farmers but growth in the long term will be restrained unless the industry can attract more young farmers to succeed those retiring. More also needs to be done to extend peak demand periods for venison and diversify export markets.

»» TABLE 17.1: VENISON EXPORT PRICES, VOLUMES AND VALUE, 2006–2013

	ACTUAL				FORECAST			
	2006	2007	2008	2009	2010	2011	2012	2013
Venison schedule Price – AP Stag ¹ (cents/kg)	413	513	654	877	898	865	883	923
Venison export volume ² (000 tonnes)	27	25	21	19	18	18	19	19
Venison value ² (\$ mil)	213	260	256	320	322	324	328	346

Notes
 1. Year to 30 June. 2009 figure is estimated.
 2. Year to 31 March.
Sources Statistics New Zealand, Agri-Fax and MAF.