



**Allied Farmers Ltd**

201 Broadway, Stratford, 4332

PO Box 304, Stratford 4352

**Phone:** 06 765 6199

**Web:** [www.alliedfarmers.co.nz](http://www.alliedfarmers.co.nz)

**Email:** [headoffice@alliedfarmers.co.nz](mailto:headoffice@alliedfarmers.co.nz)

**2 November 2017**

## **TRADING UPDATE**

Allied Farmers Ltd ("Allied") (ALF:NZX) reported on 30 August 2017 that expectations for FY18 were for careful growth in the livestock business but tempered with a flat outlook for the meat processing business as overseas prices remain low.

After reviewing the results for the first three months of the year, ALF considers it appropriate to provide an update to the market.

The first quarter of the year is usually the quietest period for livestock trading. While good progress has been made in expanding the team, at this stage of the year earnings are behind last year. The livestock management team believes, as has been widely reported, this is largely due to the impact of the wetter spring weather, which has generally had the impact of reducing livestock sales in this quarter.

It is too early to say whether this slower start to livestock trading will be recovered later in either the remaining months of the half year to 31 December 2017, or possibly in the second six months of the financial year to 30 June, when livestock sales are traditionally higher. Livestock prices are holding up well, and ALF considers that improving farming/weather conditions, appreciable numbers of farms going to market, and NZ Farmers Livestock's progress building teams and market share over recent years should improve this position.

**Garry Bluett**  
**Chairman**