

PRICES IN EURO PER 100 KG STANDARD MILK WITH 4.2% FAT, 3.4% PROTEIN, 1,000,000 KG PER YEAR, TBC 24,999 PER ML AND SCC 249,999 PER ML, VAT EXCLUDED

COMPANY	prices (€/kg) <sup>1</sup>			bonuses/deductions (included) <sup>2</sup>					MILK PRICE this month	av. last 12 months <sup>3</sup>	recent suppl. payment <sup>4</sup>	
	fat	protein	base price	quality	quantity	season	sustainability <sup>5</sup>	milk flows				
Milcobel	BE	5.72	5.72	43.50	0.73	0.85		0.78		45.60	41.85	
Laiterie des Ardennes (LDA)	BE	5.79	5.79	44.00	0.49	0.76		0.49		45.51	41.60	
DMK Deutsches Milchkontor eG	DE	6.08	6.08	46.22		0.80		0.50	1.00	48.41	43.09	
Hochwald Milch eG	DE	2.50	5.00	43.00	1.00			0.80	1.00	45.76	42.73	1.00
Arla Foods DK	DK	5.98	5.38	43.38	1.25			2.44	1.00	46.04	42.76	2.07
Capsa Food	ES	3.00	3.00	42.82						47.08	48.51	
Valio	FI	5.60	6.90	43.23				1.94		45.17	45.75	2.04
Savencia (Basse Normandy)	FR	2.95	5.43	44.82	1.04					45.96	44.47	
Danone (Pas de Calais)	FR	2.96	5.39	44.96				0.10		45.96	45.78	
Lactalis (Pays de la Loire)	FR	2.60	6.60	44.51		0.39		0.07		45.33	43.89	
Sodiaal (Pas de Calais)	FR	2.96	5.39	45.87	0.58			0.19		47.13	45.86	
Saputo Dairy UK (Dairy Crest)	UK	4.28	8.55	45.67	-1.14	0.80	-2.28			43.04	41.59	
Dairygold	IE	5.02	8.21	45.11	0.39			0.10		46.52	41.54	
Tirlan	IE	4.54	9.07	46.02				0.50		47.44	42.18	0.18
Kerry Agribusiness	IE	5.36	8.04	45.95				0.10		46.05	42.38	
FrieslandCampina	NL	5.02	7.52	46.64				1.21		47.68	44.26	
<b>AVERAGE MILK PRICE</b>				<b>44.73</b>						<b>46.17</b>	<b>43.64</b>	
Emmi	CH	6.35	5.29	69.65			4.13	2.15		76.17	70.21	
Fonterra	NZ	4.97	4.97	37.77						37.77	33.65	2.10
United States Class III	US	7.13	4.36	44.03	0.20					47.60	41.46	

1) Payment per % fat and % protein above or below 4.2% and 3.4% respectively. France and US true protein and not in crude protein as in most European countries. The base price is calculated based on the protein and fat price.

2) These premiums and deductions are included in the milk price, but it is not a complete list. There may also be other surcharges and deductions included. In addition, new surcharges/discouts are processed retroactively.

3) This is a weighted - based on national monthly deliveries - average of monthly milk prices (so, excluding the most recent supplementary payment).

4) The most recent supplementary payment is stated to give an indication of a possible supplement to the monthly milk prices after the calendar year.

## MILK PRICES

The calculated advance milk prices in August 2024 amount to an average of € 46.17 per 100 kg of standard milk. This is an increase of € 0.78 compared to the previous month (+1.7%). From January 2024, due to the addition of the Belgian LDA, the calculated milk price will be based on 16 instead of 15 dairy companies. The average milk price in August 2024 is 11.5% higher than that in the same month last year.

This month, almost all calculated milk prices of the European dairy organizations increased, except Valio and Lactalis remained unchanged. Again, due to a higher fat and protein rating. This month the USA class III milk price rose after a decline last month and Fonterra showed a decline, but this was caused by a change in exchange rate.

## PRICE CHANGES IN AUGUST 2024 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

### **Milcobel:** +0.75

The milk price includes an (average) sustainability premium of € 0.78 per 100 kg. There was no additional payment for deliveries in 2023.

### **Laiterie des Ardennes (LDA):** +1.00

The calculated milk price includes a sustainability premium of € 0.49 per 100 kg.

### **DMK Deutsches Milchkontor eG:** +1.03

The milk price includes an (average) bonus of € 0.50 for participation in the Milkmaster sustainability program. The calculated milk price also includes the surcharge for the use of GMO-free milk (€ 1 per 100 kg). At the beginning of 2024 DMK adjusted the system behind the logistics bonus.

### **Hochwald eG:** +1.00

The calculated milk price includes a sustainability bonus (Cool Farm Tool) and a bonus for CO<sub>2</sub> reduction. At the beginning of 2024, these bonuses were adjusted from € 0.60 per 100 kg and € 0.20 per 100 kg, to € 0.40 per 100 kg and € 0.40 per 100 kg, respectively.

Also, a bonus of € 1 per 100 kg for the use of GMO-free feed (VLOG certified). All milk is VLOG. The Haltungsform 3 supplement, which has been part of the payout since November 2023, is not included in the milk price comparison. The most recent back payment for 2023 is € 1 per 100 kg of milk delivered.

### **Arla:** +0.49

The calculated milk price includes a sustainability premium (FarmAhead) of € 2.44. This includes both the € 1 climate check premium and a calculated average premium of € 1.44 for the 'Sustainability Incentive' scheme, which is being paid since July 2023. The latter is based on an average farmer score of 48 sustainability points. A surcharge of € 1 per 100 kg applies to GMO-free milk. The most recent back payment (for 2023) is € 2.07 per 100 kg of milk delivered.

### **Capsa Food:** +0.04

Since April this year, the calculated milk price of Capsa Food has been fully based on the A-price.

### **Valio:** unchanged

Milk prices of Valio are based on milk statements of one of its member co-ops. The base price is a weighted average of the A-, B- and C-price. The milk price includes the responsibility bonus that has been paid since May 2023 for outdoor grazing, biodiversity and CO<sub>2</sub> reduction.

### **Savencia:** +1.00

Savencia's milk price rose in August again due to an increase in the base price (at 3.8% fat and 3.2% protein).

### **Danone:** +0.49

Milk prices are based on a contract, whereby 50% of the A-milk price development is determined by market indicators and 50% by the cost price development at farm level. An extra bonus of € 0.39 was paid in August, which is included in the calculated milk price.

**Lactalis:** unchanged

The milk price includes a premium of € 0.07 per 100 kg for participation in the national programme Carte des Bonnes Pratiques d'Élevage (CBPE). The contribution from the Scamark three-party contract is 3ct per 100 kg. This month, an extra season bonus for quality of € 0.29 was paid out again.

**Sodiaal:** +0.97

The increase in the calculated milk price can be explained by an increase in the base price. The milk price also includes a premium of € 0.19 per 100 kg for participation in the La Route Du Lait (LRDL) sustainability program.

**Saputo Dairy UK:** +0.45

Saputo Dairy UK's milk price has risen again due to higher fat and protein prices and a currency effect. The milk price is based on dairy farmers supplying the Davidstow cheese factory.

**Dairygold:** +1.26

The increase in Dairygold's milk price is this month again due to an increase in fat and protein prices. At the beginning of 2023, Dairygold started the new bonus system Grass roots. The calculated milk price takes this into account (€ 0.53) and includes a bonus of € 0.10 for the national sustainability program Sustainable Dairy Assurance Scheme (SDAS).

**Tirlan:** +1.50

The increase in the milk price is entirely caused by higher protein and fat prices. The calculated milk price includes a sustainability premium (Sustainability Action Payment) of € 0.50 in the context of Tirlan's ongoing sustainability program.

**Kerry Agribusiness:** +1.26

The calculated milk price includes a bonus of € 0.10 for participation in the SDAS program. The calculated milk price does not include the payments for participation in the Evolve Dairy Sustainability Program and the bonus for somatic cell count. The increase this month is entirely caused by higher fat and protein prices.

**FrieslandCampina:** +1.18

Here too, the increase is again explained by a higher protein and fat price. The calculated milk price includes an (average) surcharge for the Foqus planet quality and sustainability program, which has been adjusted for 2023 from € 1.13 per 100 kg to € 1.21 per 100 kg. In 2024 there will be no additional payment for the milk delivered in 2023.

**AVERAGE:** +0.78

Since January the average is based on 16 companies because LDA has been added to the milk price comparison.

**Emmi:** +1.44

The seasonal bonus was also paid out this month and included in the calculated milk price. Emmi's milk price is based on a weighted average of an A-price (66%) and a B-price (34%). The milk price includes the bonus for the sustainability program 'grüner Teppich' (green carpet).

**Fonterra:** -0.27

Also, this month the milk price forecast to date has been adjusted to NZD 9.00 per kg milk solids (fat and protein), with a range between NZD 8.25 and NZD 9.75. The most recent back payment relates to the dividend paid for milk price year 2022/23 of 0.50 NZD per kg of milk solids. The decrease compared to last month is entirely caused by a change in exchange rate.

**USA Class III:** +1.15

The calculated milk price rose again in August due to a higher protein price. Expressed in dollars, the American class III milk price rose to \$20.66 per cwt (hundredweight, 46.56 kg) in August.

## MARKET SITUATION

(Source: [ZuivelNL www.zuivelnl.org](http://www.zuivelnl.org))

Official Dutch dairy price quotations (€ per 100 kg)

	25/9/24	28/8/24	avg. 2023
Butter	810	780	476
Whole milk powder	441	428	344
Skimmed milk powder	258	245	242
Whey powder	91	82	68

The Dutch milk supply decreased by 4% in August. Since June, the rate of decline has accelerated. This appears to be a direct result of the resurgence of the bluetongue virus. In addition, the roughage quality is highly variable due to the wet season. Cumulatively, the level up to and including August 2024 was 1.9% lower than in the same period in 2023.

### EU milk supply decreased, increase in Oceania

The EU milk pool increased between February and June. In July, the picture changed and the volume decreased (-0.5%). This appears to be partly related to the outbreak of bluetongue in northwestern Europe. In addition to the Netherlands, Belgium, Denmark and Germany also recorded a decrease. The Irish milk supply continues to shrink. The growth of the Polish supply continued, but less strongly than in the previous months. France has shown increasing volumes again since May. On balance, the EU milk supply increased by 0.8% up to and including July 2024.

Milk production in other globally important dairy exporting countries continues to show a mixed picture. In the US, milk production decreased slightly (-0.4%). The decrease in Argentina (-5%) and Uruguay (-9%) was again significant. However, Australia achieved a further increase (+2%). The New Zealand supply also grew considerably in this seasonally lower production month (+8%). The aggregated volume of the important dairy exporters (including the EU) was equal to last year up to and including July 2024.

### Record butter quotation, price increase for skimmed powder limited

The butter quotation has shown a strong fluctuation in 2024 so far, with an upward trend. The butter price has continued to rise since mid-July. The record of April 2022 was equalled in mid-August, before reaching its highest point in mid-September at € 810. The butter market is still extremely firm, which is due to the limited supply, low stock levels, good demand and sky-high cream prices. The listing of skimmed milk powder has shown a somewhat less erratic picture. However, there are fluctuations in the price. This is mainly due to the unpredictability on the demand side. After a few months of slight decline, the price level stabilised at the end of July. Since mid-August, prices have risen again due to the disappointing milk production and limited availability of concentrate. However, demand remains weak and limits the price increase.

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