

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	5.99	5.99	45.50	0.73	0.85		0.78		47.60	42.60	
Laiterie des Ardennes (LDA)	BE	6.09	6.09	46.25	0.49	0.76		0.49		47.76	42.49	
DMK Deutsches Milchkontor eG	DE	6.22	6.22	47.24		0.80		0.50	1.00	49.44	44.09	
Hochwald Milch eG	DE	2.50	5.00	44.00	1.00			0.80	1.00	46.76	43.16	1.00
Arla Foods DK	DK	6.11	5.50	44.32	1.27			2.44	1.00	47.00	43.36	2.07
Capsa Food	ES	3.00	3.00	42.82						46.77	48.42	
Valio	FI	5.60	6.90	45.17				1.94		47.12	45.80	2.04
Savencia (Basse Normandy)	FR	2.95	5.43	45.22	1.04					46.36	44.59	
Danone (Pas de Calais)	FR	2.96	5.39	44.96				0.10		45.96	45.77	
Lactalis (Pays de la Loire)	FR	2.60	6.60	44.65		0.39		0.07		45.46	43.98	
Sodiaal (Pas de Calais)	FR	2.96	5.39	45.38	0.58			0.19		46.64	45.83	
Saputo Dairy UK (Dairy Crest)	UK	4.36	8.72	46.57	-1.16	0.81				46.22	42.00	
Dairygold	IE	5.25	8.59	47.37	0.39			0.10		48.78	42.85	
Tirlan	IE	4.78	9.57	48.6				0.50		50.19	43.61	0.18
Kerry Agribusiness	IE	5.63	8.44	48.47				0.10		48.57	43.28	
FrieslandCampina	NL	5.19	7.79	48.30				1.21		49.34	44.99	
<b>AVERAGE MILK PRICE</b>				<b>45.94</b>						<b>47.50</b>	<b>44.18</b>	
Emmi	CH	6.37	5.31	69.92			4.14	2.16		76.46	70.30	
Fonterra	NZ	5.04	5.04	38.33						38.33	34.39	2.34
United States Class III	US	7.17	5.81	48.86	0.23					52.96	42.20	

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/discounts 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 September 2024 amount to an average of € 47.50 per 100 kg of standard milk. This is an increase of € 1.33 compared to the previous month (+2.9%). This month, no milk price could be calculated for the French dairy company and the milk price for August was included in the calculation of the average. 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 September 2024 is 15.7% higher than that in the same month last year.

This month, almost all calculated milk prices of the European dairy organisations rose again. Again, due to a higher fat and protein valuation. Except for the Spanish dairy company Capsa and the French dairy company Sodiaal, they showed a decrease. The reason for the increase in the milk price was mentioned by the Belgian dairy company Milcobel as the reduced supply of milk due to the impact of the bluetongue virus on milk production in the sector.

## PRICE CHANGES IN SEPTEMBER 2024 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

### **Milcobel:** +2.00

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):** +2.25

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:** +0.96

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:** -0.32

Since April this year, the calculated milk price of Capsa Food has been fully based on the A-price. This month, the costs of agricultural services have been included in the calculation of the milk price.

### **Valio:** +1.94

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:** +0.39

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: +0.00**

This month, no milk price could be calculated for the French dairy company Danone and the August milk price was used. 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: +0.13**

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: -0.49**

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: +3.18**

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: +2.26**

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: +2.74**

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: +2.52**

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: +1.66**

Also this month, 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: +1.33**

This month, no milk price could be calculated for the French dairy company and the milk price for August was included in the calculation of the average. Since January the average is based on 16 companies because LDA has been added to the milk price comparison.

**Emmi: +0.29**

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: +0.56**

Last 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.

**USA Class III: +5.36**

This month, both protein and fat prices increased. Expressed in dollars, the American class III milk price rose to \$23.34 per cwt (hundredweight, 46.56 kg) in September.

## MARKET SITUATION

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

Official Dutch dairy price quotations (€ per 100 kg)

	30/10/24	25/9/24	avg. 2023
Butter	748	810	476
Whole milk powder	419	441	344
Skimmed milk powder	248	258	242
Whey powder	85	91	68

The Dutch milk supply in September was almost 3% lower than in the same month of the previous year. The decline was slightly less strong than in the months before. The bluetongue virus seems to have had a decreasing influence on the development of the milk supply since September. Cumulatively, the level in the first 3 quarters of 2024 was 2.0% lower than in the same period of 2023.

### Slight decline in EU milk supply continues

The EU milk supply fell slightly in August. As in July, the volume decreased by 0.4%. This is partly due to the outbreak of bluetongue in northwestern Europe. In addition to the Netherlands, Belgium, Denmark and Germany also recorded a decline. The decline in Ireland also continued. Poland continued its path of strong growth, after a slightly smaller increase in July. In France, the increase also continued, but at a slower pace than in July. On balance, the EU milk supply increased by 0.7% up to and including August 2024.

The picture of milk production in the other globally important dairy exporting countries remained the same. The supply in New Zealand increased significantly again (+9%). Australia also showed a further increase (+3%). The US achieved slight growth in August (+0.4%) after more than a year of decline. On the other hand, the decline in Argentina (-6%) and Uruguay (-6%) was still considerable. The total volume of major dairy exporters (including the EU) was 0.1% higher than last year up to and including August 2024.

### Downward correction in butter quotation, skimmed milk powder price reaches bottom

The butter quotation has shown a strong fluctuation in 2024 so far. Until the end of September, the trend was upwards. After reaching the new record in mid-September, prices fell sharply in the first half of October. This seems to be mainly a correction, which often occurs after a period of rapid price increases. The market fundamentals remain unchanged. Cream prices are still very high and the supply of fresh butter is limited. There is still demand for the remainder of the year, with buyers willing to pay high(er) prices.

The price of skimmed milk powder showed a somewhat more stable picture than butter. The price fluctuations are mainly due to the unpredictability on the demand side. After a modest increase from mid-August to most of September, the market weakened again until mid-October. Since then, prices have stabilized and it seems that the market has found a bottom.

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