

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) ¹		bonuses/deductions (included) ²				MILK PRICE this month	av. last 12 month. ³	recent suppl. payment ⁴	
		fat	protein	quality	quantity	season	sustainability				Milk flows
Milcobel	BE	4.93	4.93	0.73	0.85		0.78		39.59	49.30	0.35
DMK Deutsches Milchkontor eG	DE	4.61	4.61		0.20		0.50	1.00	36.81	52.04	
Hochwald Milch eG	DE	2.50	5.00	1.00			0.60	1.00	42.06	54.23	1.60
Arla Foods DK	DK	4.55	5.01	1.03			1.00	1.00	38.18	51.42	1.63
Capsa Food	ES	3.00	3.00						54.07	55.55	
Valio	FI	5.50	7.00				1.94		50.34	51.02	1.84
Savencia (Basse Normandy)	FR	2.95	5.43	1.04					44.15	46.23	
Danone (Pas de Calais)	FR	2.96	5.39						45.85	46.38	
Lactalis (Pays de la Loire)	FR	2.60	6.60		0.39		0.07		44.17	45.80	
Sodiaal (Pas de Calais)	FR	2.96	5.39	0.58			0.15		46.59	46.13	
Saputo Dairy UK (Dairy Crest)	UK	3.84	7.69	-1.13	0.79	-2.26			38.45	49.57	
Dairygold	IE	4.01	6.56	0.39			0.10		36.65	47.19	
Glanbia (Tirlan)	IE	3.56	7.12				0.50		36.71	47.83	0.18
Kerry Agribusiness	IE	4.46	6.69				0.10		40.52	46.41	
FrieslandCampina	NL	4.40	6.61				0.25	0.66	41.69	52.02	0.60
AVERAGE MILK PRICE									42.39	49.41	
Emmi	CH	4.14	5.17			5.05	2.10		75.25	70.65	
Fonterra	NZ	3.80	3.80						28.89	36.57	0.86
United States Class III	US	5.58	2.39	0.15					32.08	44.51	

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.

2) These premiums and deductions are included in the milk price, but it is not a complete list. There may also be other premiums and deductions included.

3) Weighted average based on the basis of national monthly deliveries exclusive of 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.

5) Arithmetic average.

MILK PRICES

The calculated advance milk prices in July 2023 amount to an average of € 42.39 per 100 kg of standard milk. This is a decrease of € 0.44 compared to the previous month. The average milk price in July 2023 is € 9.40 lower than in the same month last year.

In July, the average milk price fell slightly again. In particular, the milk prices of the Northern European and English dairy companies fell. This seems to have been caused by lower demand in the market. Outside Europe, Fonterra has again adjusted the calculated milk price downwards.

PRICE CHANGES IN JULY 2023 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

Milcobel: -1.5

The milk price includes an (average) sustainability premium of € 0.78 per 100 kg. The most recent back payment of € 0.35 is from January 2022.

DMK Deutsches Milchkontor eG: -1.0

DMK's milk price fell again by € 1.00 in July. 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.

Hochwald eG: -3.0

The milk price includes a sustainability bonus (Cool Farm Tool) of € 0.60 and € 1 per 100 kg for the use of GMO-free feed (VLOG certified). All milk is VLOG. As of January, Hochwald has started with a bonus for the reduction of CO₂, which has not yet been included in the milk price calculation. The most recent additional payment of € 1.60 in 2022 has been included.

Arla: -1.5

The calculated milk price includes a sustainability surcharge of € 1 for the climate check and a surcharge for GMO-free milk of € 1 per 100 kg. The most recent back payment for 2022 is € 1.63 per 100 kg of milk delivered.

Capsa Food: -0.3

The milk price also includes the contribution for agricultural services. The calculated milk price of Capsa is based on an average of an A- (70%) and a B-price (30%). Since November 2022, the milk price of Capsa Food has remained unchanged. This price level is mainly determined by the special surcharges that are not listed separately but are included in the calculated milk price.

Valio: unchanged

Milk prices of Valio are based on milk statements of one of its member coops. 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 CO₂ reduction.

Savencia: unchanged

The same as in June, the milk price this month is unchanged compared to the previous month.

Danone (A-price): +0.5

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 on the farm. The milk price has been corrected since 1 January after the disappearance of the basic milk price. The basic milk price is now calculated on the basis of 80% of the reference price for the French market and 20% for that of the export market.

Lactalis: +1.0

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 tripartite fell from € 0.50 to € 0.24 this month.

Sodiaal (A-price): +1.9

Last month, Sodiaal's milk price rose again compared to the previous. Unlike before, an average basic price is calculated and no longer an A and a B price per 1.000 litre. The milk price includes a premium of € 0.15 per 100 kg for participation in the sustainability program La Route Du Lait (LRDL).

Saputo Dairy UK: -1.1, August +0.6

The calculated milk price includes a seasonal premium of -2 ct. The calculated milk price of Saputo Dairy UK is based on dairy farmers supplying the Davidstow cheese factory.

Dairygold: -2.0

At the beginning of this year, Dairygold started a new bonus system Grass roots. The milk price includes a bonus of € 0.10 for the national sustainability program SDAS (Sustainable Dairy Assurance Scheme).

Glanbia Ingredients Ireland (Tirlan): -2.5**Kerry: +2.9**

The calculated milk price includes a bonus of € 0.10 for participation in the sustainability program SDAS. An additional surcharge of 3 ct/l incl. barrel was paid this month. Over 2022 an additional payment has been made of € 0.82.

FrieslandCampina: unchanged, August -2.0

The calculated milk price includes an (average) payment of € 0.25 per 100 kg for the quality and sustainability program Foqus planet and an average premium for outdoor grazing (meadow milk) of € 0.66 per 100 kg. The most recent supplementary payment is based on the 13th month payment for 2022 deliveries, this has been corrected from € 0.91 to € 0.60. As part of a 3-yearly evaluation, the milk price system has been adjusted from 2023. For example, the payment for the milk components protein, fat and lactose is now done in a fixed ratio of 6:4:0. This was 10:5:1.

AVERAGE: -0.4

The average is based on all calculated milk prices in July.

Emmi: +5.8

Emmi's milk price is based on a weighted average of an A -(66%) and a B- price (34%). Emmi's milk price includes the bonus for the sustainability program 'gruner Teppich' (green carpet). The Emmi milk price is adjusted seasonally, this month a surcharge of 5 CHF has been included in the milk price calculation. The milk money statements come from a dairy farmer who is a member of a producer organization that supplies milk to Emmi.

Fonterra: -0.1

In the middle of this month, Fonterra again lowered its milk price forecast to an amount of 6.75 NZD per kg of milk solids (fat and protein). The lower expectation of milk prices is caused by a decrease in Chinese demand. The most recent back payment relates to the dividend paid for milk price year 2021/22 of NZD 0.20 per kg of milk solids.

USA Class III: -3.1

The USA milk price has also fallen this month. Expressed in dollars, the U.S. Class III milk price has fallen from \$16.10 in May to \$14.91 per cwt (hundredweight (46.56 kg) in June.

MARKET SITUATION

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

Official Dutch dairy price quotations (€ per 100 kg)

	30/8/23	26/7/23	avg. 2022
Butter	432	435	662
Whole milk powder	318	335	473
Skimmed milk powder	214	220	364
Whey powder	57	52	112

The growth of the Dutch milk supply has levelled off slightly since May. For the third month in a row, growth was below 2%. Cumulatively, the level in the first seven months of 2023 was 2.9% higher than in the same period of 2022.

Slight increase in EU volume

The EU milk supply increased slightly by 0.3% in June. Since February, the growth rate has been below 1%. The picture within the EU remains diverse. On the one hand, there is an increase in Northwest Europe (Belgium, Germany and the Netherlands) and in Poland. On the other hand, the drought in southern Europe (especially in France and Italy) caused declining volumes. Irish milk supplies have also been declining for a number of months. On balance, the EU milk supply increased by 0.7% in the first half of 2023. Milk production in the other globally important dairy exporting countries showed a mixed picture in June. The US hardly saw an increase in volume (+0.2%). This was also the case with Uruguay (+0.2%). Australia recorded growth for the second month in a row (+1.2%), after almost two years of contraction. New Zealand's milk supply declined in this seasonally lower production month (-1.8%). As in May, Argentina showed a decrease (-0.9%). The aggregate volume of major dairy exporters (including the EU) was on balance 0.8% (1.28 billion kg) higher in the first half of 2023 than in the same period in 2022.

Pressure on skimmed milk powder prices

Butter prices remained fairly stable in August, after the decline in the second half of June and in July as a whole. The butter market is currently quiet. It's a thin market with little buying interest. The room prices are high due to the good demand for cream. As a result, there is less supply of fresh butter. Unlike butter, the listing of skimmed milk powder has fallen almost continuously since mid-June. There is little demand and sufficient supply. On the world market, prices are going down, as Oceania is offered at lower levels. This puts pressure on European prices.

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