

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 month. <sup>3</sup>	recent suppl. payment <sup>4</sup>	
		fat	protein	quality	quantity	season	sustainability				Milk flows
Milcobel	BE	5.39	5.39	0.73	0.85		0.78		43.10	40.60	
Laiterie des Ardennes (LDA)	BE	5.46	5.46	0.49	0.76		0.49		43.01	42.14	
DMK Deutsches Milchkontor eG	DE	5.68	5.68		0.80		0.50	1.00	45.43	40.50	
Hochwald Milch eG	DE	2.50	5.00	1.00			0.40	1.00	43.76	42.18	1.00
Arla Foods DK	DK	5.72	5.15	1.19			2.44	1.00	44.14	41.28	2.07
Capsa Food	ES	3.00	3.00						47.03	49.11	
Valio	FI	5.60	6.90				1.94		45.17	47.06	204
Savencia (Basse Normandy)	FR	2.95	5.43	1.18					45.24	44.28	
Danone (Pas de Calais)	FR	2.96	5.39						46.87	45.71	
Lactalis (Pays de la Loire)	FR	2.60	6.60		0.39		0.07		43.89	43.64	
Sodiaal (Pas de Calais)	FR	2.96	5.39	0.58			0.19		44.70	45.81	
Saputo Dairy UK (Dairy Crest)	UK	3.96	7.93	-1.13	0.79	-2.27			39.72	40.69	
Dairygold	IE	4.63	7.58	0.39			0.10		42.75	38.66	
Tirlan	IE	4.15	8.30				0.50		43.20	39.08	0.18
Kerry Agribusiness	IE	4.90	7.35				0.10		41.76	40.40	
FrieslandCampina	NL	4.81	7.22				1.21		45.78	43.05	
<b>AVERAGE MILK PRICE</b>									<b>44.10</b>	<b>42.76</b>	
Emmi	CH	6.10	5.09			-3.97	2.07		63.89	70.25	
Fonterra	NZ	4.38	4.38						33.27	33.20	2.13
United States Class III	US	6.79	1.70	0.16					36.92	38.04	

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 surcharges and deductions included. In addition, new surcharges/deductions are processed retroactively.

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.

## MILK PRICES

The calculated advance milk prices in May 2024 resulted in average of € 44.10 per 100 kg of standard milk. This is a small increase of € 0.07 compared to the previous month (0,9%). From January 2024 onwards the calculated milk price is based on 16 instead of 15 dairy companies due to the addition of the Belgian LdA. The average milk price in May 2024 is 2% higher than in the same month of the previous year.

The overall picture of milk price development is stable compared to the previous month. However, due to the no longer paying out bonuses in Ireland due to extreme weather conditions, the milk price at Irish dairy companies became less visible due to the increase in fat and protein prices.

## PRICE CHANGES IN MAY 2024 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

**Milcobel:** unchanged

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):** +0.50

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

**DMK Deutsches Milchkontor eG:** +0.51

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. At the beginning of 2024 DMK adjusted the system behind the logistics bonus.

**Hochwald eG:** unchanged

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 Hafungsform 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 € 1.00 per 100 kg of milk delivered.

**Arla:** +0.45

The calculated milk price includes a sustainability premium 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:** +0.06

The calculated milk price of Capsa Food is this month same as last month based on the A-price (100%). Besides fat and protein value, the milk price is mainly determined by the special surcharges.

**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:** -0.09

**Danone:** -0.03

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.

**Lactalis:** -0.18

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 was paid out again this month and has been reduced to 1ct per 100 kg.

**Sodiaal:** unchanged

The milk price also includes a premium of € 0.29 per 100 kg for participation in the La Route Du Lait (LRDL) sustainability program.

**Saputo Dairy UK:** +0.05

The milk price of Saputo Dairy UK is quite the same this month, the slight increase can be attributed to a change in exchange rate. This month a seasonal discount of € 2 is included. The milk price is based on dairy farmers supplying the Davidstow cheese factory

**Dairygold:** +1.08

This month the milk price of Dairygold increased by just over 1ct, partly because the additional support bonus of € 1 due to the extreme wetness has been included retroactively. If this bonus had not been included, the milk price would have risen by 2ct due to the higher protein and fat price. At the beginning of 2023, Dairygold started the new Grass roots bonus system. 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:** +0.15

The increase in the milk price is caused by higher protein and fat prices. The award of an extra bonus, which should limit the negative impact of the unfavourable weather conditions, was no longer paid out this month. 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:** -0.19

The calculated milk price includes a bonus of € 0.10 for participation in the SDAS sustainability program. This month there is no extra surcharge, which explains the drop in the milk price.

**FrieslandCampina:** +0.47

The increase is explained by higher protein and fat prices. 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:** +0.07

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

**Emmi:** -0.62

The drop in the milk price in May is caused by a slightly lower price for B milk and the price development. 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). The Emmi milk price is adjusted seasonally. The milk money statements come from a dairy farmer who is a member of a producer organization that supplies milk to Emmi.

**Fonterra:** +0.32

In February, Fonterra narrowed the bandwidth for its milk price forecast of 7.80 NZD per kg milk solids (fat and protein), communicated in January. These expectations are retroactively incorporated into the milk prices for the current financial year. The change in May is purely determined by the change in exchange rate. The predicted milk price for the 2024/2025 season is 8.00 NZD per kg of milk solids (fat and protein). The most recent back payment relates to the dividend paid for milk price year 2023/24 of 0.50 NZD per kg of milk solids.

**USA Class III:** -0.29

Once again, the US milk price shows a decline this month. This is entirely due to a change in price. Expressed in dollars, the American class III milk price was \$15.50 per cwt (hundredweight (46.56 kg) in May.

## MARKET SITUATION

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

Official Dutch dairy price quotations (€ per 100 kg)

	3/7/24	29/5/24	avg. 2023
Butter	670	668	476
Whole milk powder	376	373	344
Skimmed milk powder	241	248	242
Whey powder	65	65	68

The Dutch milk supply decreased by 1.6% in May. Cumulatively, the level in the period up to and including May 2024 was 1.3% lower than in the same period of 2023. Since September 2023, the Dutch milk pool has been on a downward trend. This is mainly the result of the lag effects of the bluetongue virus in the second half of last year and the phasing out of the derogation.

### Growth in EU milk supply since February, especially more milk from Poland

The EU milk supply has been showing growth since February. In April this increased by 0.6%, almost as high as in March. The strong increase in Polish milk supplies continued (+5%). Germany saw another slight increase. France no longer showed growth in April, after the increase in the previous months. The strong decline in Ireland (-8%) continued. On balance, the EU milk supply increased by 1.1% until April 2024.

The picture among the other globally important dairy exporting countries remained predominantly negative in April. Only Australia achieved sustained growth (+3%). The US saw milk production decline slightly further. New Zealand also recorded another decrease (-4%). Argentina's milk production continues to shrink significantly (-16%). Milk supplies in Uruguay also fell sharply in April (-7%). The aggregate volume of major dairy exporters (including the EU) was on balance 0.3% (0.35 billion kg) higher up to and including April 2024 than in the same period of 2023.

### Butter price stable, skimmed milk powder quotation decreased slightly

The butter quotation has shown a strong fluctuation in the first half of 2024. After prices rose rapidly from mid-May to early June, the price level stabilized. Some uncertainty crept into the butter market, causing some pressure on prices. The absence of summer temperatures in large parts of Europe resulted in lower demand for cream. This brought the increase in cream prices to a standstill in recent weeks. The quotation of skimmed milk powder has shown a somewhat less erratic picture than butter. However, there were price fluctuations, which is mainly due to the unpredictability on the demand side. Sales in Asia in particular are proving difficult. Moreover, European suppliers face a lot of competition in these markets from cheaper product from the US and Oceania. A slight decline in price levels was seen in June.

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