

## FORMULA PRICE - MAY 2013 - confirmed



Dairy Co Datum data declared for March, impacting the Formula milk price position for May.

Net change down **-0.033p/l** to deliver a standard litre price of **29.917p/l\*** (\*current mp.com 'flagship')

### BASE PRICE CHANGE - standard seasonality/profile liquid contract variant

Base price	April	<b>26.188</b> (includes the initial +0.1p/l Formula premium)
March data		<b>- 0.033</b>
Base price	May	<b>26.155</b>

### COMMENTARY

During the Formula Workshops it was presented that through the rolling indicative data we anticipated a potential Formula price reduction of -0.21p/l for May from 29.95p to 29.74p. The actual position has improved from this, so although this first review still presents a small reduction of -0.033p/l, this has been less than originally expected.

Whilst cream prices have improved for March, as a consequence of the Formula sequencing/averaging, the removal of the higher cream values from the end of last year has seen the delivered rolling cream value reduce. However, this same factor will help the review for next month as the more recent lower cream data is removed as higher global impacted cream prices are anticipated to feed through.

### FORMULA INDICES - UPDATE

		<u>Dec 12</u>	<u>Jan 13</u>	<u>Feb 13</u>	<u>Mar 13</u>
Cream	£/t	£1,410	£1,250	£1,300	<b>£1,350</b>
Cream Index	ppl	8.260p	7.320p	7.600p	<b>7.890p</b>
Four Pints Retail	4 pints p	121p	123p	125p	<b>124p</b>
Feed - concentrate	£/t	£268	£268	£268	<b>£268</b>
Fertiliser - AN	£/t	£301	£301	£301	<b>£305</b>
Fuel - red diesel	p/l	69.57p	69.41p	73.11p	<b>73.89p</b>

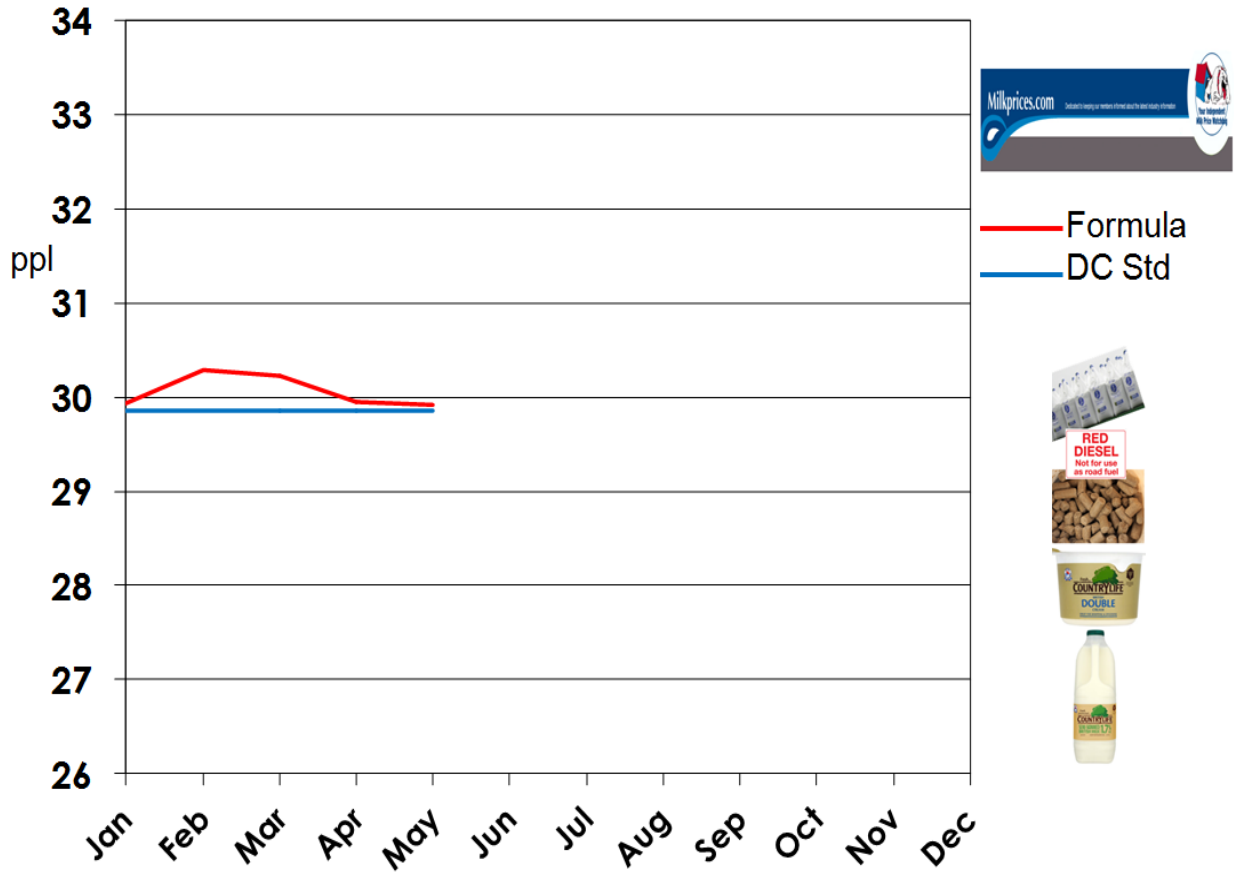
Indices applied via the milk price on a 'month after next basis' i.e. March impacting May price.

<b>MONTHLY FORMULA CHANGE</b>		<b>-0.066p</b>	<b>-0.269p</b>	<b>-0.033p</b>
<b><u>FORMULA PRICE**</u></b>	<b><u>FEB</u></b>	<b><u>MAR</u></b>	<b><u>APR</u></b>	<b><u>MAY</u></b>
	<b><u>30.285p</u></b>	<b><u>30.219p</u></b>	<b><u>29.950p</u></b>	<b><u>29.917p</u></b>
<b><u>DC STD PRICE*</u></b>	<b><u>29.850p</u></b>	<b><u>29.850p</u></b>	<b><u>29.850p</u></b>	<b><u>29.850p</u></b>

\*\*corrected to latest mp.com flagship league table, all data rounded to 3 decimal places

FORMULA INDICES - GRAPH DATA - Please see the following updates:

## **FORMULA – Related Price p/l**



Please see the updated Formula indices charts below.

# FORMULA DATA HIGHLIGHTS - March 2013

- Cream - a further +£50/t increase - Feb to Mar.
- Four pints - increase recorded for Feb, with previous increases feeding through to the formula.
- Feed - no changes.
- Fert and fuel - impacted by currency, both values increasing.

Source: Dairy Co Datum (with kind permissions)

