

FORMULA PRICE - SEPTEMBER 2013 - CONFIRMED



Dairy Co Datum data declared for **JULY**, impacting the Formula milk price position for **SEPTEMBER**.

Net change, **+0.142p/l** to deliver a standard litre price of **31.929p/l*** (*mp.com 'flagship')

BASE PRICE CHANGE - standard seasonality/profile liquid contract variant

Base price	AUGUST	27.985
JULY data revision		+0.142
Base price	SEPTEMBER	28.127

COMMENTARY

September provides the fourth month out of the six since the launch of the Liquid Formula that it will exceed the equivalent standard litre Liquid price, the advantage for the September Liquid Formula delivering +0.539p/l.

The high market value of cream continued at £1,690/t for the July review, although Datum's Cream Index reduced slightly for the month (by -0.03p/l) as UK ex farm milk deliveries butterfat % reduced from 3.93% last year to 3.84% this - therefore resulting in less cream released for onward sale.

Four pint values remain at 124p; recent increases by M&S and Tesco may see this position alter in future months.

Feed reports again record a third month at an all time high for 18% concentrate at £273/t. Some energy feed ingredients are indicating reductions/tonne later this year as new season crops come on stream. However, protein ingredients and compound concentrate processing costs remain high. No change with Fertiliser.

Fuel, DECC have again made a small adjustment to the results for June, these incorporated within this month's review.

Data below as declared through each month's Datum review. Any subsequent data revisions are incorporated in the rolling sequencing. Revisions indicated through the struck through data below.

FORMULA INDICES - UPDATE

		<u>APR 13</u>	<u>MAY 13</u>	<u>JUNE 13</u>	<u>JULY 13</u>
Cream	£/t	£1,600	£1,610	£1,690	£1,690
Cream Index	ppl	9.370p 9.220p	9.290p	9.730p	9.700p
Four Pints Retail	4 pints p	124p	124p	124p	124p
Feed - concentrate	£/t	£269	£273	£273	£273
Fertiliser - AN	£/t	£305	£268	£271	£271
Fuel - red diesel	p/l	71.24p 70.92p	68.45p 68.15p	69.47p 69.24p	69.72p

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

MONTHLY FORMULA CHANGE	+0.738p	+0.504p	+0.588p	+0.142p
FORMULA PRICE*	JUNE	JULY	AUGUST	SEPTEMBER
	<u>30.695p</u>	<u>31.199p</u>	<u>31.787p</u>	<u>31.929p</u>
DC STD LIQUID PRICE*	<u>31.390p</u>	<u>31.390p</u>	<u>31.390p</u>	<u>31.390p</u>

*Formula and DC Std Litre comparison for consistency based on mp.com flagship league table profile inclusion of 1.10p/l at the April 2013 Formula launch. Latest mp.com profile with RPA production data for May = 1.06p/l.

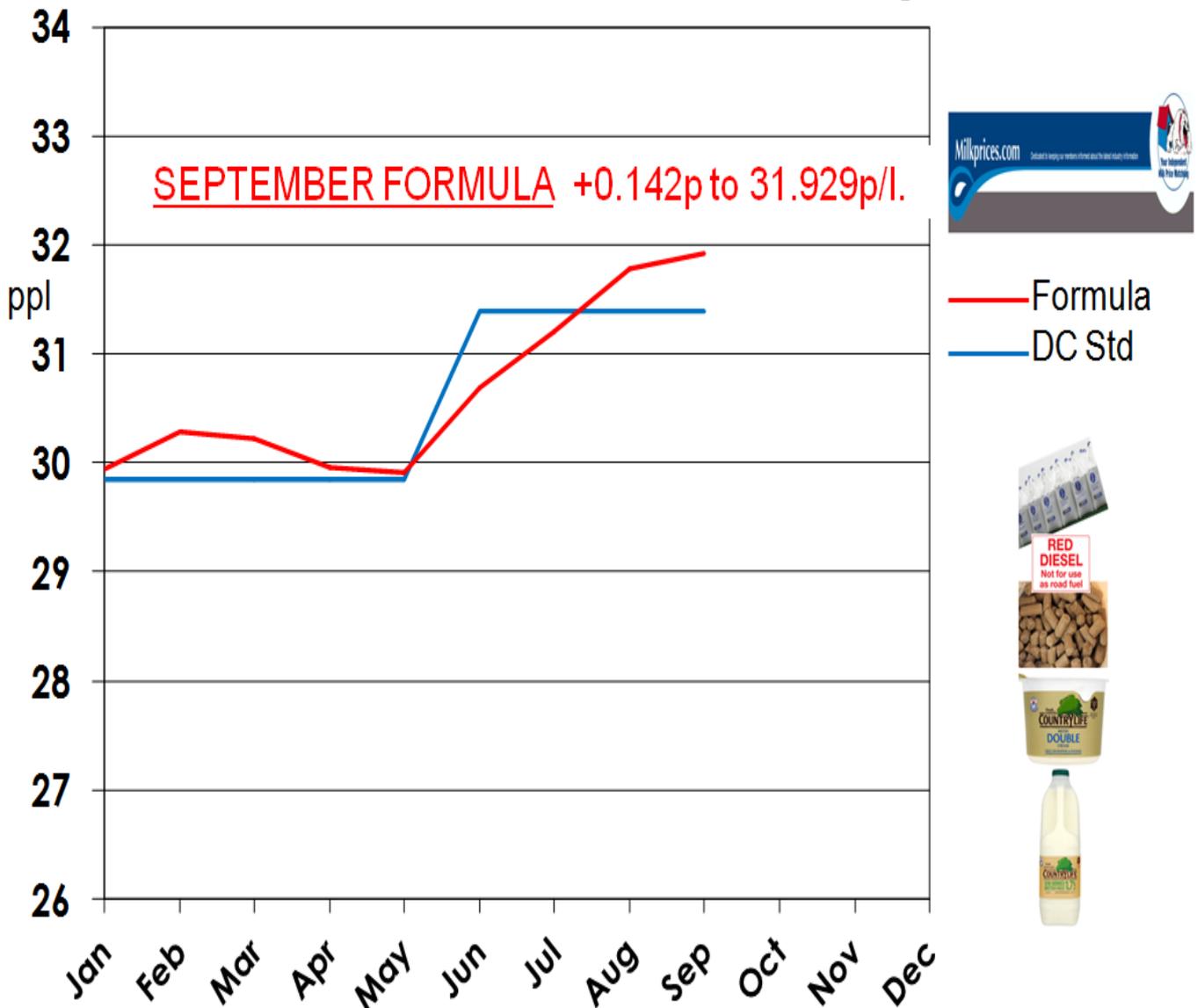
All data rounded to 3 decimal places.

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

Using standard litre mp.com flagship table.

JULY Dairy Co Datum data utilised to generate the SEPTEMBER milk price.

FORMULA – Related Price p/l



Please see the updated parameter charts below -

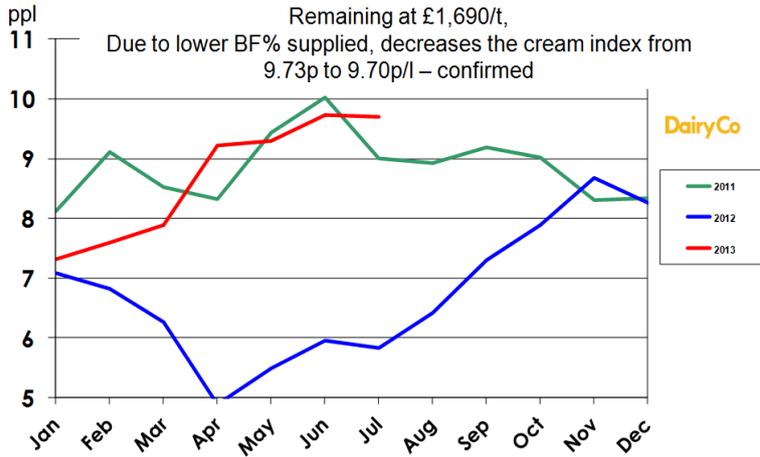
all declared for JULY 2013 by Dairy Co Datum - with permissions

FORMULA DATA HIGHLIGHTS - JULY 2013

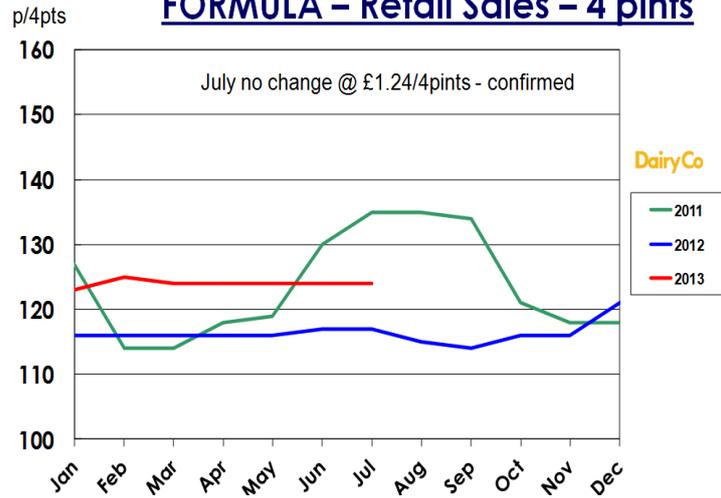
- Cream - no change £/t, but a small reduction in Datum p/l cream index due to lower butterfat supplied.
- Retail four pints - no change.
- Feed - no change.
- Fert - no change; with fuel prices increasing, with a slight revision downwards of the Dept of Climate Change declared fuel stats for June.

Source: Dairy Co Datum (with kind permissions)

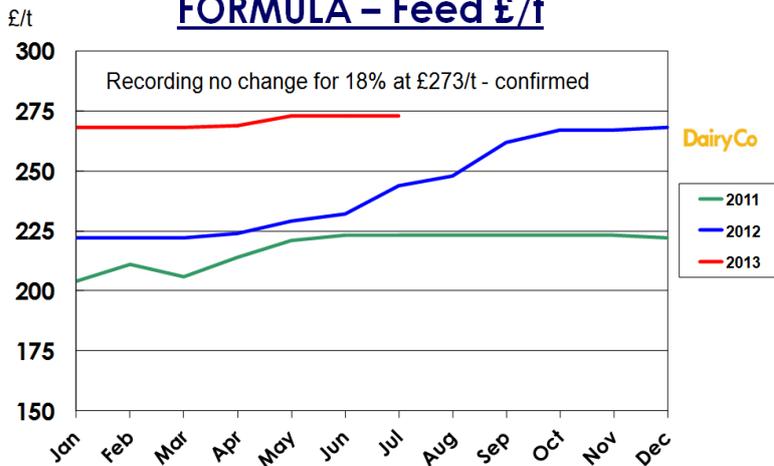
FORMULA – Cream Index – p/l



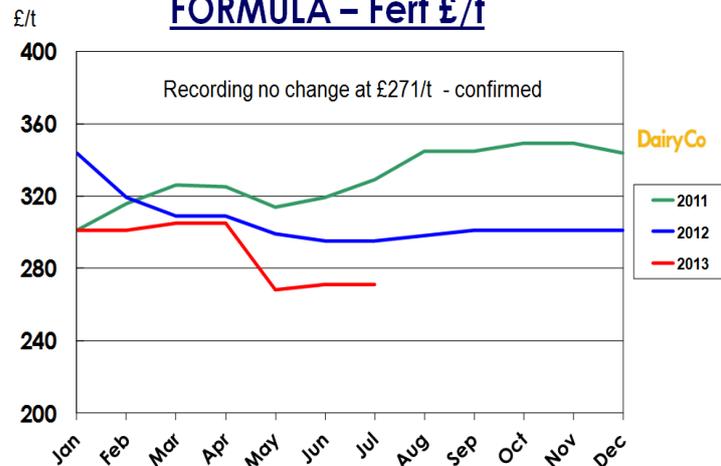
FORMULA – Retail Sales – 4 pints



FORMULA – Feed £/t



FORMULA – Fert £/t



FORMULA – Fuel p/l

