

# FORMULA PRICE - OCTOBER 2013 - CONFIRMED



Dairy Co Datum data declared for **AUGUST**, impacting the Formula milk price position for **OCTOBER**.

Net change, **+0.153p/l** to deliver a standard litre price of **32.082p/l\*** (\*mp.com 'flagship')

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

Base price	SEPTEMBER	28.127
AUGUST data revision		<b>+0.153</b>
Base price	<u>OCTOBER</u>	<u>28.280</u>

## COMMENTARY

October provides the fifth month out of the seven since the launch of the Liquid Formula that it exceeds the existing declared std litre Liquid price; the advantage for the October Liquid Formula increasing to +0.692p/l.

The already buoyant market value of cream rose again to £1,720/t for the August Dairy Co review. Cream along with all EU dairy fat markets (including butter) recording high values as EU stocks remain limited.

Retail four pint values climbed to 126p/4pints, up by 2p/4pints.

High energy concentrate feeds recorded it's first price cut since the Formula has been in operation, down by £3/t in August. Focusing on concentrate feed ingredients, although feed wheat has declined by £14/t from £177/t to £163/t this month, Soya as a protein feed guide has increased by £9/t from £398/t to £407/t - this the highest price recorded by Datum for Soya for 12 months. This increasing level of costs of protein ingredients is holding concentrate price/tonne higher than had been predicted earlier this season.

No change again with fertilizer.

Fuel, DECC have again made a small adjustment to the results for July, these incorporated in 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>MAY 13</u>	<u>JUNE 13</u>	<u>JULY 13</u>	<u>AUGUST 13</u>
Cream	£/t	£1,610	£1,690	£1,690	<b>£1,720</b>
Cream Index	ppl	9.290p	9.730p	9.700p	<b>9.83p</b>
Four Pints Retail	4 pints p	124p	124p	124p	<b>126p</b>
Feed - concentrate	£/t	£273	£273	£273	<b>£270</b>
Fertiliser - AN	£/t	£268	£271	£271	<b>£271</b>
Fuel - red diesel	p/l	<del>68.45p</del> 68.15p	<del>69.47p</del> 69.24p	<del>69.72p</del> 69.54p	<b>71.38p</b>

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

<b>MONTHLY FORMULA CHANGE</b>	<b>+0.504p</b>	<b>+0.588p</b>	<b>+0.142p</b>	<b>+0.153</b>
<b>FORMULA PRICE*</b>	<b>JULY</b> <b>31.199p</b>	<b>AUGUST</b> <b>31.787p</b>	<b>SEPTEMBER</b> <b>31.929p</b>	<b>OCTOBER</b> <b>32.082p</b>
 <b>DC STD LIQUID PRICE*</b>	<b>31.390p</b>	<b>31.390p</b>	<b>31.390p</b>	<b>31.390p</b>

\*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 June = 1.02p/l.

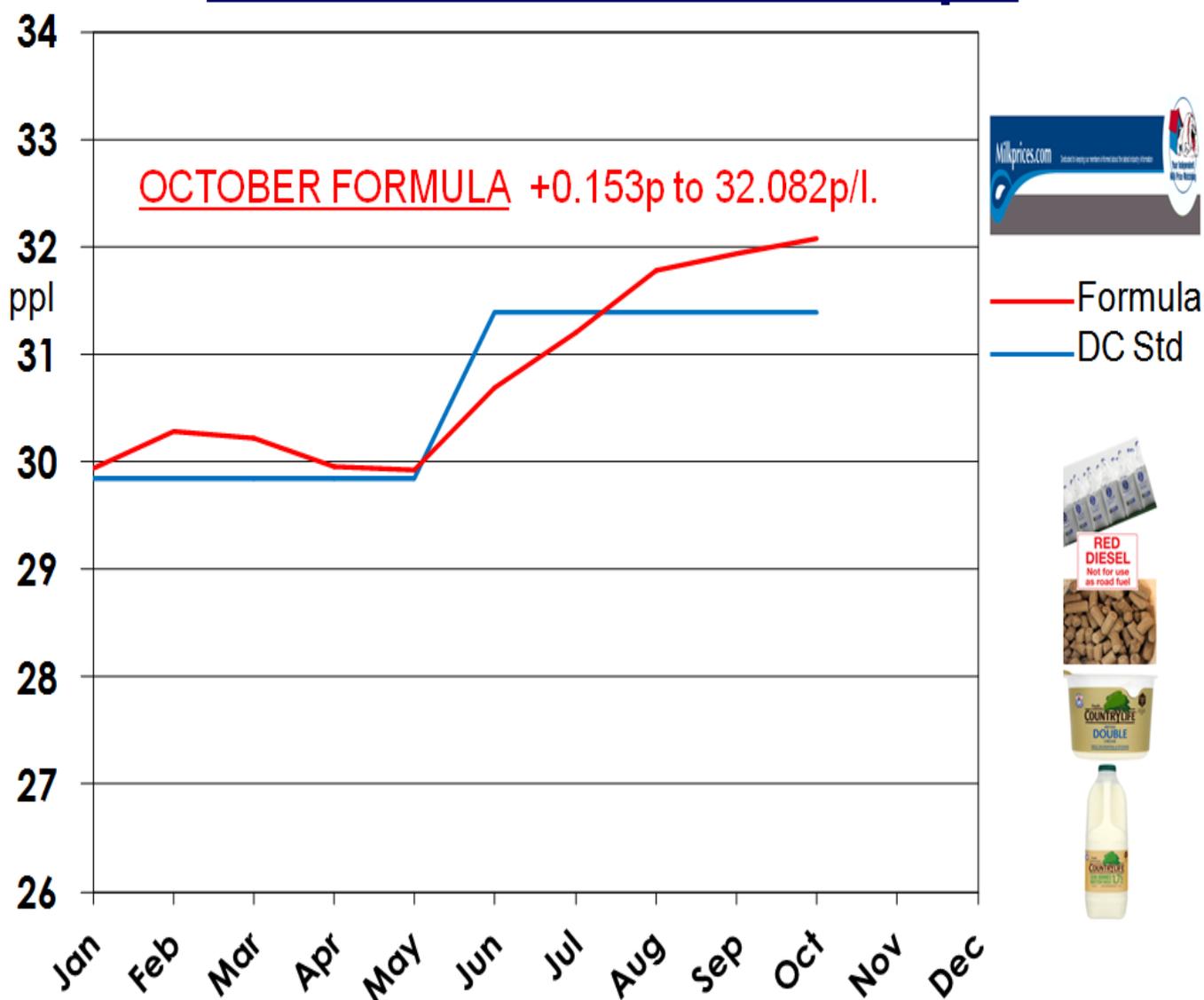
All data rounded to 3 decimal places.

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

Using standard litre mp.com flagship table.

AUGUST Dairy Co Datum data utilised to generate the OCTOBER milk price - comparison made against the existing standard liquid price for October.

## FORMULA – Related Price p/l



Please see the updated parameter charts below -

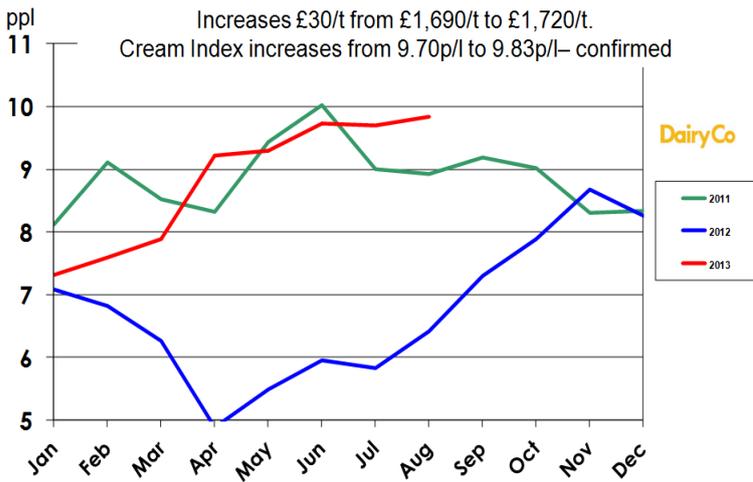
all declared for AUGUST 2013 by Dairy Co Datum - with permissions

# FORMULA DATA HIGHLIGHTS - AUGUST 2013

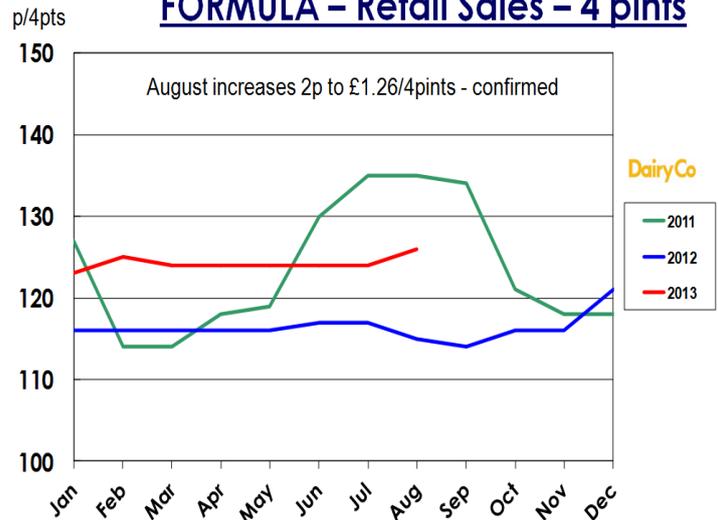
- Cream - increased by £30/t, and by +0.13p/l via the cream index.
- Retail four pints - increased by 2p/4pints at retail.
- Feed - decreased by £3/t.
- Fert - no change; with fuel prices increasing, with a slight revision downwards of the Dept of Climate Change declared fuel stats for July.

Source: Dairy Co Datum (with kind permissions)

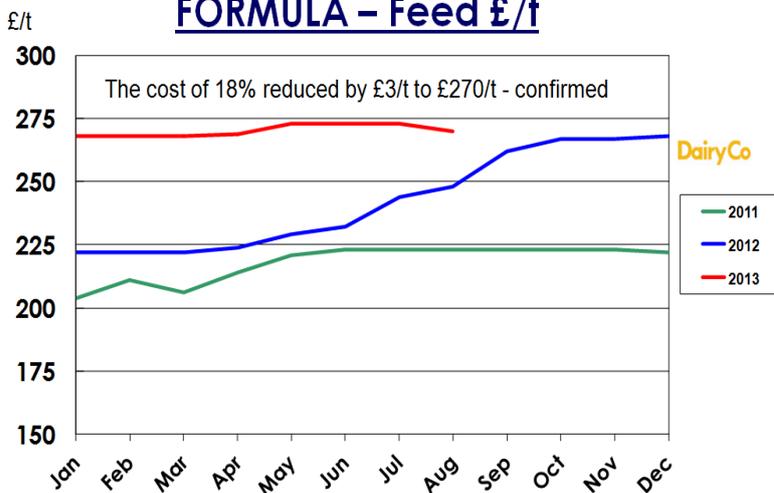
## FORMULA – Cream Index – p/l



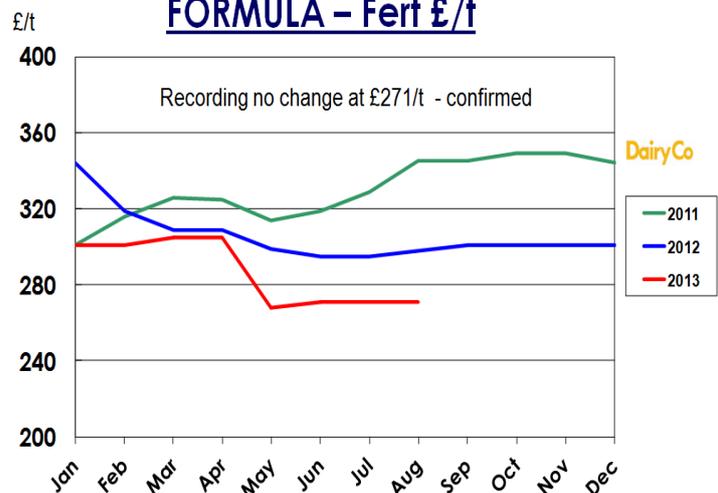
## FORMULA – Retail Sales – 4 pints



## FORMULA – Feed £/t



## FORMULA – Fert £/t



## FORMULA – Fuel p/l

