

# FORMULA PRICE - NOVEMBER 2013 - CONFIRMED



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

Net change, **-0.144p/l** to deliver a standard litre price of **31.938p/l\*** (\*mp.com 'flagship')

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

Base price	<b>OCTOBER</b>	<b>28.280</b>
SEPTEMBER data revision		<b>-0.144</b>
Base price	<b>NOVEMBER</b>	<b>28.136</b>

## COMMENTARY

The DC/DCD Liquid Formula milk price falls by -0.144p/l for November as the impact of the reducing cost of 18% protein high energy concentrates falls by £14/t since August, this being the first month during the past 12 when the concentrate £/t has been below the same month in 2012. This reduction mitigated to some extent by a further increase in cream by £20/t this month to £1,740/t, the second highest cream price ever recorded.

The reduction in the price of concentrates within the Formula had been expected as the cost of feed wheat had declined from its peak of £226/t last December, to the current £161/t (-28%). Meanwhile, the price of proteins within concentrate formulations has continued to remain strong, with soya which sets the effective protein benchmark recorded at £407/t; a 12 month high (+17%), vs. £346/t in January 2013.

Retail four pint values increased further this month, up to an average of 127p/4pints for September. The 4pint price has now increased 13p/4pints from 114p/4pints 12 months ago.

No change again with fertilizer. Fuel, DECC have again made a small adjustment to the results for August, 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>JUNE 13</u>	<u>JULY 13</u>	<u>AUGUST 13</u>	<u>SEPTEMBER 13</u>
Cream	£/t	£1,690	£1,690	£1,720	<b>£1,740</b>
Cream Index	ppl	9.730p	9.700p	9.83p	<b>9.91p</b>
Four Pints Retail	4 pints p	124p	124p	126p	<b>127p</b>
Feed - concentrate	£/t	£273	£273	£270	<b>£256</b>
Fertiliser - AN	£/t	£271	£271	£271	<b>£271</b>
Fuel - red diesel	p/l	<del>69.47p</del> 69.24p	<del>69.72p</del> 69.54p	<del>71.38p</del> 71.21p	<b>71.96p</b>

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

<b>MONTHLY FORMULA CHANGE</b>	<b>+0.588p</b>	<b>+0.142p</b>	<b>+0.153p</b>	<b>-0.144p</b>
<b>FORMULA PRICE*</b>	<b>AUGUST</b>	<b>SEPTEMBER</b>	<b>OCTOBER</b>	<b>NOVEMBER</b>
	<b>31.787p</b>	<b>31.929p</b>	<b>32.082p</b>	<b>31.938p</b>
<b>DC STD LIQUID PRICE*</b>	<b>31.390p</b>	<b>31.390p</b>	<b>31.390p</b>	<b>32.390p</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 Aug = 1.10p/l.

All data rounded to 3 decimal places.

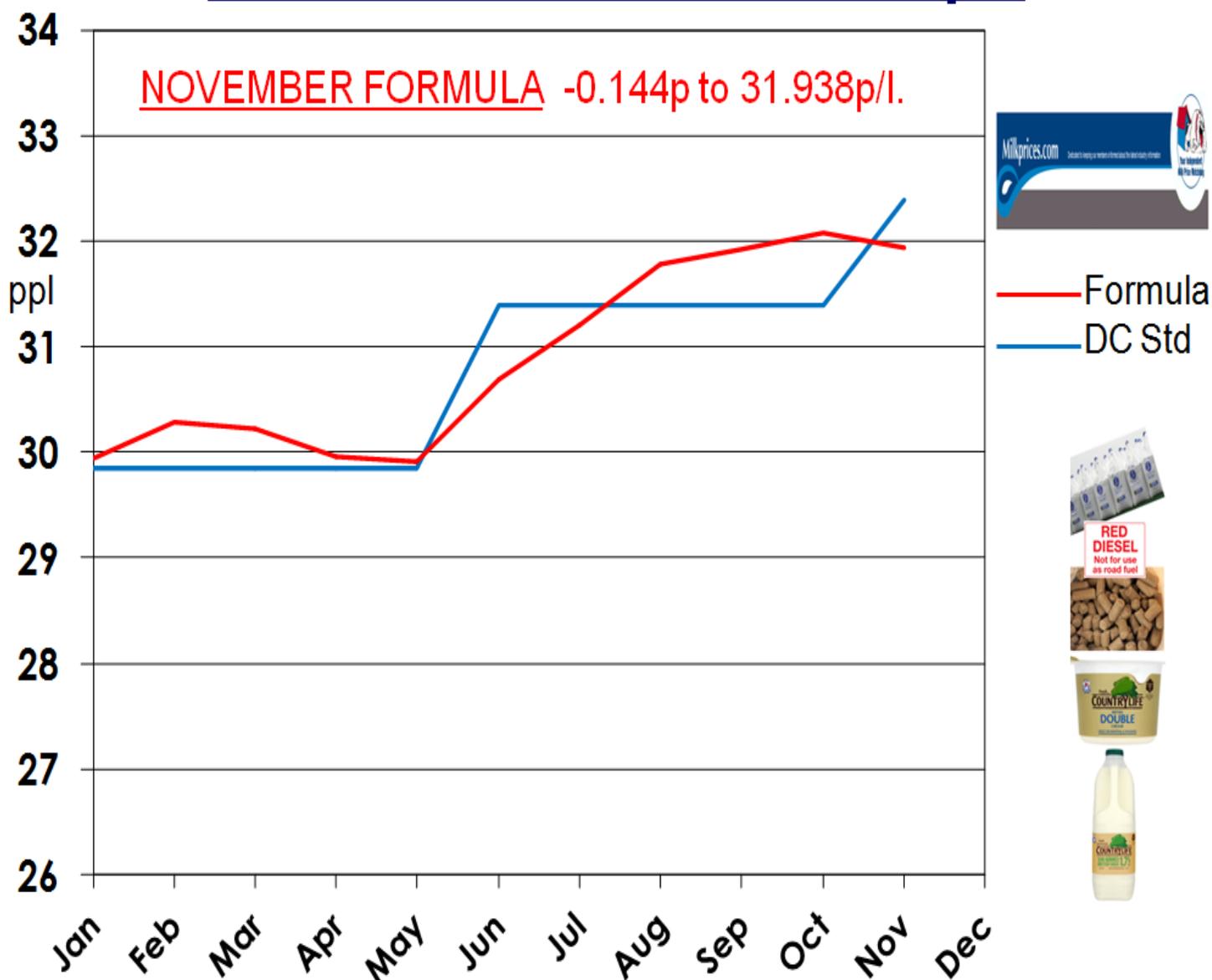
# FORMULA INDICES - GRAPH DATA - Please see the following updates:

## Using standard litre mp.com flagship table.

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

The comparison below made against the existing standard liquid price for November, with an advantage of +0.452p/l in favour of the standard liquid price. This being only the third month out of the eight since the Formula launch when this has paid a price lower than the standard liquid equivalent.

## FORMULA – Related Price p/l

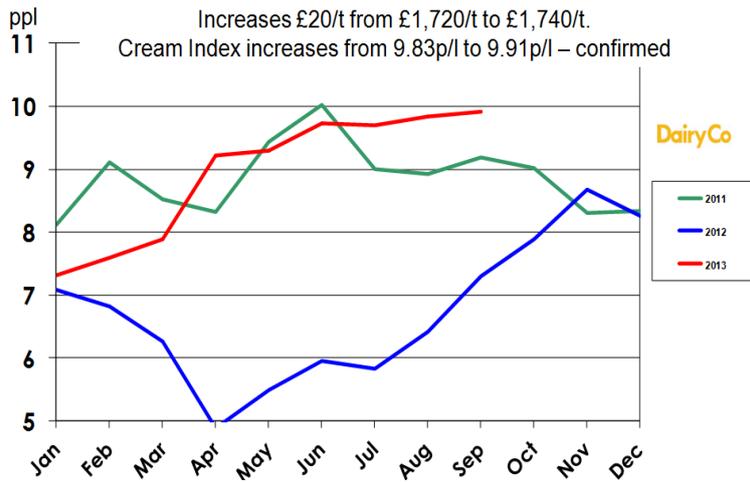


Please see the updated parameter charts below - all declared for SEPTEMBER 2013 by Dairy Co Datum - with permissions.

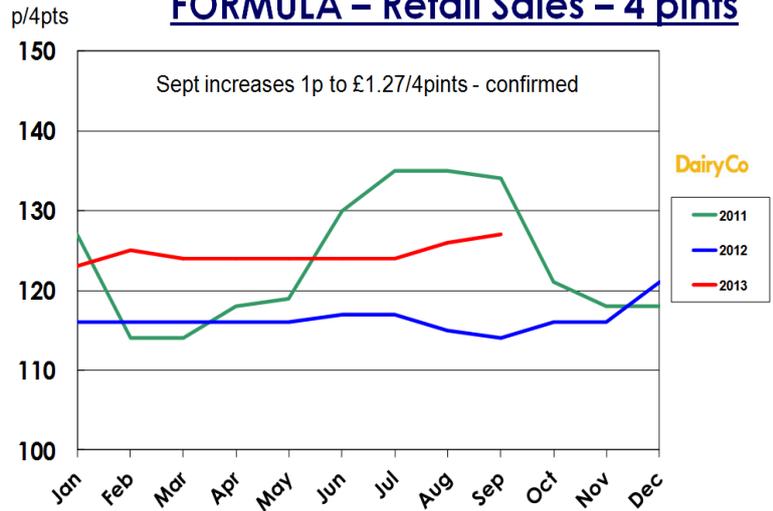
# FORMULA DATA HIGHLIGHTS - SEPTEMBER 2013

- Cream - increased £20/t, and by +0.08p/l to the cream index.
- Retail four pints - up by 1p/4pints.
- Feed - down by £14/t.
- Fert - no change; with fuel prices increasing, with a slight revision downwards of the Dept of Climate Change declared fuel stats for August's *Datum* review, any subsequent revisions are incorporated in the rolling sequencing of the data - see DECC for fuel for June/July/Aug, and *Datum* for cream for April .

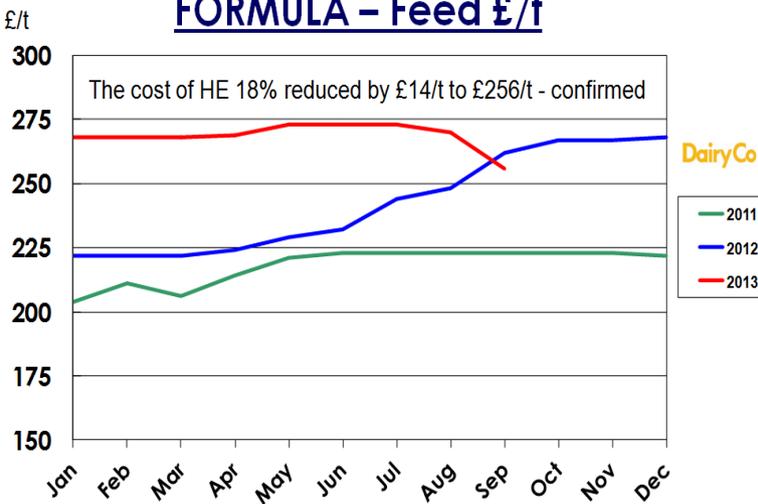
## FORMULA – Cream Index – p/l



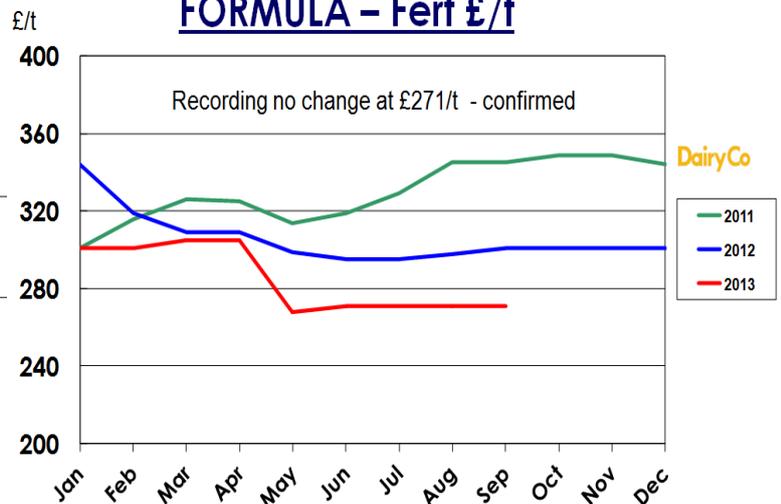
## FORMULA – Retail Sales – 4 pints



## FORMULA – Feed £/t



## FORMULA – Fert £/t



## FORMULA – Fuel p/l

