

# FORMULA PRICE - DECEMBER 2013 - CONFIRMED



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

Net change, **-0.254p/l** to deliver a standard litre price of **31.684p/l\*** (\*mp.com 'flagship')

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

Base price	<b>NOVEMBER</b>	<b>28.136</b>
OCTOBER data revision		<b>-0.254</b>
Base price	<b>DECEMBER</b>	<b>27.882</b>

## COMMENTARY

The DC/DCD Liquid Formula milk price reduces by -0.254p/l for December, this as a result of the October Formula Review where for the first time since launch that none of the five parameters used have increased 'month on month'. This latest calculation brings the 2013 price to a close and provides the following milk price 'simple monthly average' mp.com data comparison for the 2013 calendar year as a whole:-

**Liquid Formula      30.97p/l      vs      Standard Liquid      30.92p/l**

Following the second highest ever recorded value for cream in September, this declined by £40/t during October. Cream values in the UK softened during the month as milk volumes have been extremely strong - latest weekly data +10% above last year and October's monthly RPA data recording the strongest production for 10 years.

Concentrate £/t values after the fall recorded last month, remained static for October. Wheat prices strengthened by £6/t during the month from £161/t to £167/t, which may have contributed to this stability.

No change recorded with the retail four pint results for the month.

AN fertiliser prices fell significantly by £22.50/t. The year on year change now down by £52.50/t or -17%.

Fuel prices also reduced by 2.65p/l for October, with yet again a further DECC review for the previous month.

*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>JULY 13</u>	<u>AUGUST 13</u>	<u>SEPTEMBER 13</u>	<u>OCTOBER 13</u>
<b>Cream</b>	£/t	£1,690	£1,720	£1,740	<b>£1,700</b>
<b>Cream Index</b>	ppl	9.700p	9.83p	9.91p	<b>9.66p</b>
<b>Four Pints Retail</b>	4 pints p	124p	126p	127p	<b>127p</b>
<b>Feed - concentrate</b>	£/t	£273	£270	£256	<b>£256</b>
<b>Fertiliser - AN</b>	£/t	£271	£271	£271	<b>£248.50</b>
<b>Fuel - red diesel</b>	p/l	<del>69.72p</del> 69.54p	<del>71.38p</del> 71.21p	<del>71.96p</del> 71.80p	<b>69.15p</b>

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

<b>MONTHLY FORMULA CHANGE</b>	<b>+0.142p</b>	<b>+0.153p</b>	<b>-0.144p</b>	<b>-0.254p</b>
<b>FORMULA PRICE*</b>	<b>SEPTEMBER</b>	<b>OCTOBER</b>	<b>NOVEMBER</b>	<b>DECEMBER</b>
	<b>31.929p</b>	<b>32.082p</b>	<b>31.938p</b>	<b>31.684p</b>
<b>DC STD LIQUID PRICE*</b>	<b>31.390p</b>	<b>31.390p</b>	<b>32.390p</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 Sep = 1.17p/l.

**All data rounded to 3 decimal places.**

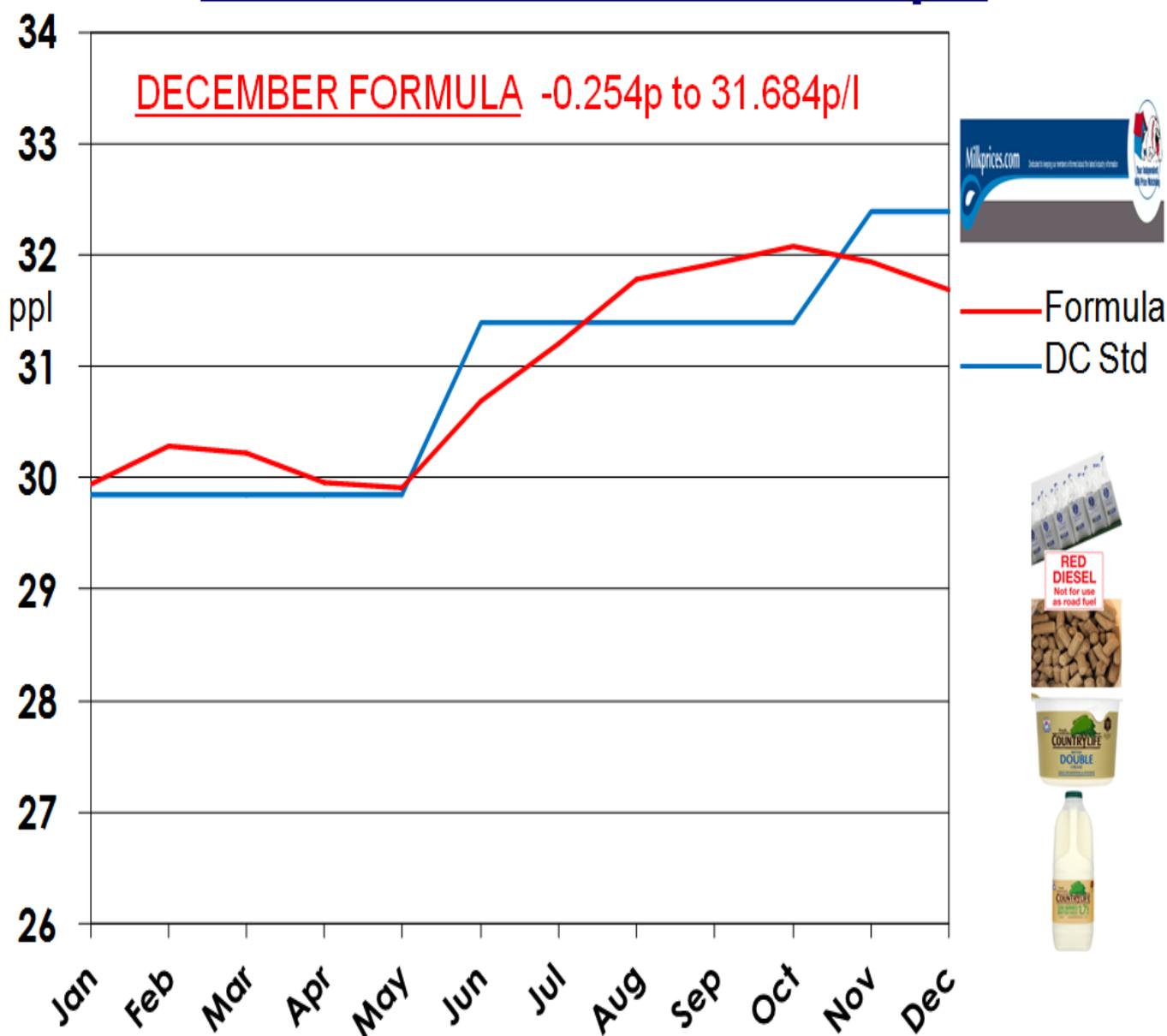
# FORMULA INDICES - GRAPH DATA - Please see the following updates:

## Using standard litre mp.com flagship table.

OCTOBER Dairy Co Datum data utilised to generate the DECEMBER milk price.

*The comparison below made against the existing standard liquid price for December, with an advantage of +0.706p/l in favour of the standard liquid price.*

## FORMULA – Related Price p/l

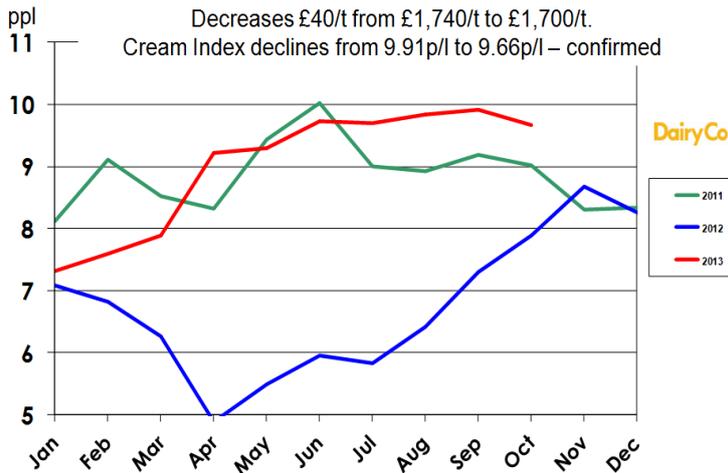


Please see the updated parameter charts below - all declared for OCTOBER 2013 by Dairy Co Datum - with permissions.

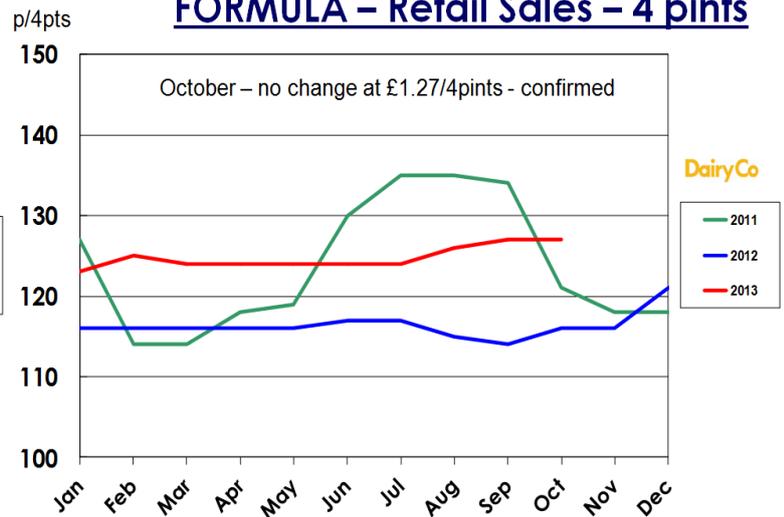
# FORMULA DATA HIGHLIGHTS - OCTOBER 2013

- Cream - decreased by £40/t, and by -0.25p/l to the cream index.
- Retail four pints - no change.
- Feed/concentrates - no change.
- Fert - decreased by £22.50/t this month, year on year decrease now £52.50/t (-17%)
- Fuel - decreased by -2.65p/l to 69.15p/l, with again a slight revision downwards of the Dept of Climate Change declared fuel stats for September's *Datum* review.
- Any subsequent revisions are incorporated in the rolling sequencing of the data - see DECC for fuel.

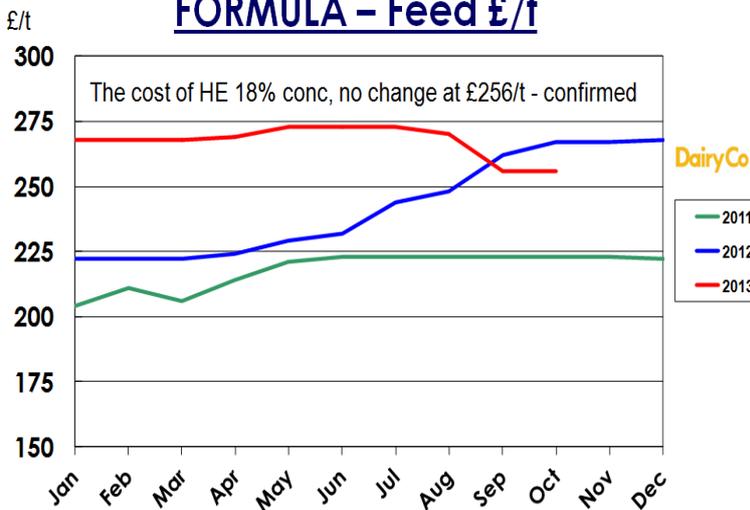
## FORMULA - Cream Index - p/l



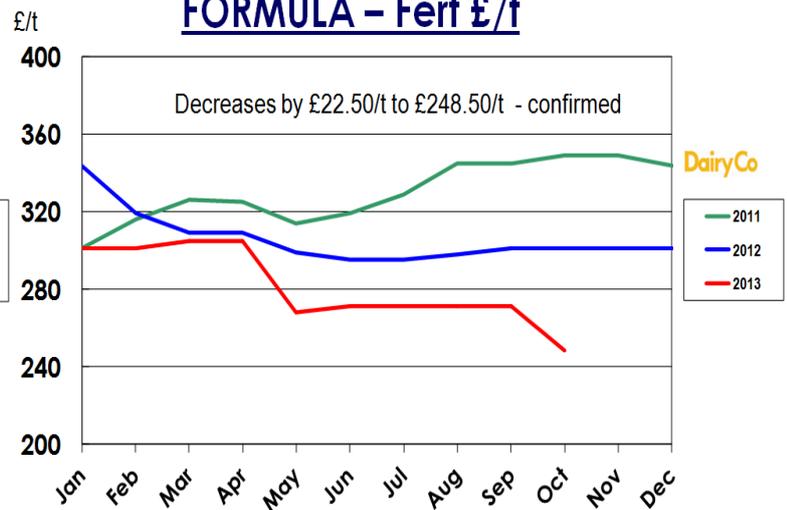
## FORMULA - Retail Sales - 4 pints



## FORMULA - Feed £/t



## FORMULA - Fert £/t



## FORMULA - Fuel p/l

