

PRICES IN EURO PER 100 KG STANDARD MILK WITH 4.2% FAT, 3.4% PROTEIN, 1,000,000 KG PER YEAR, TBC 24,999 PER ML AND SCC 249,999 PER ML, VAT EXCLUDED

COMPANY		prices (€/kg) ¹		bonuses/deductions (included) ²				MILK PRICE this month	av. last 12 month. ³	recent suppl. payment ⁴	
		fat	protein	quality	quantity	season	sustainability				Milk flows
Milcobel	BE	4.74	4.74	0.73	0.85		0.78		38.09	46.08	0.35
DMK Deutsches Milchkontor eG	DE	4.61	4.61		0.20		0.50	1.00	36.81	47.95	
Hochwald Milch eG	DE	2.50	5.00	1.00			0.60	1.00	41.26	51.61	1.60
Arla Foods DK	DK	4.55	5.00	1.03			2.44	1.00	39.59	48.69	1.63
Capsa Food	ES	3.00	3.00						47.99	54.14	
Valio	FI	5.50	7.00				1.94		46.46	50.89	2.04
Savencia (Basse Normandy)	FR	2.95	5.43	1.04					44.64	46.04	
Danone (Pas de Calais)	FR	2.96	5.39						46.14	46.68	
Lactalis (Pays de la Loire)	FR	2.60	6.60		0.39		0.07		44.17	45.75	
Sodiaal (Pas de Calais)	FR	2.96	5.39	0.58			0.15		47.08	46.62	
Saputo Dairy UK (Dairy Crest)	UK	3.88	7.76	-1.13	0.79				41.12	47.52	
Dairygold	IE	3.75	6.14	0.39			0.10		34.14	42.49	
Glanbia (Tirlan)	IE	3.33	6.67				0.50		34.21	43.11	0.18
Kerry Agribusiness	IE	4.24	6.36				0.10		38.51	42.61	
FrieslandCampina	NL	4.20	6.30				0.25	0.66	39.79	49.12	0.60
AVERAGE MILK PRICE⁵									41.33	47.29	
Emmi	CH	6.25	5.21			5.08	2.12		75.50	70.37	
Fonterra	NZ	4.03	4.03						30.59	35.37	2.11
United States Class III	US	6.45	4.48	0.20					42.92	43.03	

1) Payment per % fat and % protein above or below 4.2% and 3.4% respectively. France and US true protein and not in crude protein as in most European countries.

2) These premiums and deductions are included in the milk price, but it is not a complete list. There may also be other surcharges and deductions included. In addition, new surcharges/discounts are processed retroactively.

3) Weighted average based on the basis of national monthly deliveries exclusive of most recent supplementary payment.

4) The most recent supplementary payment is stated to give an indication of a possible supplement to the monthly milk prices after the calendar year.

5) Arithmetic average.

MILK PRICES

The calculated advance milk prices in September 2023 amount to an average of € 41.33 per 100 kg of standard milk. This is a decrease of € 0.32 compared to the previous month. The average milk price in September 2023 is € 12.07 lower than in the same month last year.

In September, the average milk price fell again. The milk price of the Finnish company and the Dutch company in particular was under pressure. This is in contrast to the USA class III milk price, which increased again this month.

PRICE CHANGES IN SEPTEMBER 2023 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

Milcobel: -1.0

The milk price includes an (average) sustainability premium of € 0.78 per 100 kg. The most recent back payment of € 0.35 is from January 2022.

DMK Deutsches Milchkontor eG: unchanged

DMK's milk price remained again the same in September. The milk price includes an (average) bonus of € 0.50 for participation in the Milkmaster sustainability program. The calculated milk price also includes the surcharge for the use of GMO-free milk.

Hochwald eG: unchanged

The milk price includes a sustainability bonus (Cool Farm Tool) of € 0.60 and € 1 per 100 kg for the use of GMO-free feed (VLOG certified). All milk is VLOG. As of January, Hochwald has started with a bonus for the reduction of CO₂, which has not yet been included in the milk price calculation. The most recent back payment for 2022 is € 1.60 per 100 kg of milk delivered.

Arla: unchanged

The calculated milk price includes a sustainability premium of € 2.44. This includes both the € 1 climate check premium and a calculated average premium of € 1.44 for the 'Sustainability Incentive' scheme, which is being paid since July 2023. The latter is based on an average

farmer score of 48 sustainability points. A surcharge of € 1 per 100 kg applies to GMO-free milk. The most recent back payment for 2022 is € 1.63 per 100 kg of milk delivered.

Capsa Food: -0.4

The milk price also includes the contribution for agricultural services. The calculated milk price of Capsa is based on an average of an A- (70%) and a B-price (30%). Since November 2022, the milk price of Capsa Food has remained unchanged. Besides fat and protein value, the milk price is mainly determined by the special surcharges. Since April 2023, only a surcharge for A-milk has been included.

Valio: -3.9

After four months of unchanged milk prices, the calculated milk price has fallen by € 3.88 this month. Milk prices of Valio are based on milk statements of one of its member coops. The base price is a weighted average of the A-, B- and C-price. The milk price includes the responsibility bonus that has been paid since May 2023 for outdoor grazing, biodiversity and CO₂ reduction. This month, the additional payment for 2022 was adjusted from € 1.84 to € 2.04.

Savencia: unchanged

The milk price per 100 kg this month has remained the same this month compared to the previous month.

Danone (A-price): +0.2

Milk prices are based on a contract, whereby 50% of the A- milk price development is determined by market indicators and 50% by the cost price development on the farm. The milk price has been corrected since 1 January after the disappearance of the basic milk price. The basic milk price is now calculated on the basis of 80% of the reference price for the French market and 20% for that of the export market.

Lactalis: unchanged

The milk price includes a premium of € 0.07 per 100 kg for participation in the national programme Carte des Bonnes Pratiques d'Élevage (CBPE). The contribution from the Scamark tripartite is 2 ct. per 100 kg.

Sodiaal (A-price): unchanged

Last month, Sodiaal's milk price remained the same compared to the previous month. Unlike before, an average basic price is calculated and no longer an A- and a B-price per 1,000 litre. The milk price includes a premium of € 0.15 per 100 kg for participation in the sustainability program La Route Du Lait (LRDL).

Saputo Dairy UK: +2.1

Compared to last month, the calculated milk price has increased due to the disappearance of the seasonal correction. The calculated milk price of Saputo Dairy UK is based on dairy farmers supplying the Davidstow cheese factory.

Dairygold: unchanged

At the beginning of this year, Dairygold started a new bonus system Grass roots. The milk price includes a bonus of € 0.10 for the national sustainability program SDAS (Sustainable Dairy Assurance Scheme).

Glanbia Ingredients Ireland (Tirlan): unchanged**Kerry:** unchanged

The calculated milk price includes a bonus of € 0.10 for participation in the sustainability program SDAS. An additional surcharge of 3 ct/l incl. barrel was again paid this month. Over 2022 an additional payment has been made of € 0.82.

FrieslandCampina: -1.9

The calculated milk price includes an (average) payment of € 0.25 per 100 kg for the quality and sustainability program Foqus planet and an average premium for outdoor grazing (meadow milk) of € 0.66 per 100 kg. The most recent supplementary payment is based on the 13th month payment for 2022 deliveries, this has been corrected from € 0.91 to € 0.60.

As part of a 3-yearly evaluation, the milk price system has been adjusted from 2023. For example, the payment for the milk components protein, fat and lactose is now done in a fixed ratio of 6:4:0. This was 10:5:1.

AVERAGE: -0.32

The average is based on all calculated milk prices in September.

Emmi: -0.3

Emmi's milk price is based on a weighted average of an A- (66%) and a B-price (34%). In July, the fat price was adjusted from 4 CHF/100kg to 6 CHF/100kg. Emmi's milk price includes the bonus for the sustainability program 'gruner Teppich' (green carpet). The Emmi milk price is adjusted seasonally, this month a surcharge of 5 CHF has been included in the milk price calculation. The milk money statements come from a dairy farmer who is a member of a producer organization that supplies milk to Emmi.

Fonterra: +0.3

This month, Fonterra increased its milk price forecast from NZD 6.75 per kg of milk solids (fat and protein) to NZD 7.25 per kg of milk solids (fat and protein). The final milk price for the season 2022/23 was 8.22 NZD per kg of milk solids (fat and protein). The most recent back payment relates to the dividend paid for milk price year 2023/24 of NZD 0.50 per kg of milk solids.

USA Class III: +2.7

This month the US milk price has risen again. Expressed in dollars, the American class III milk price increased from \$17.18 in August to \$18.00 per cwt (hundredweight (46.56 kg) in September.

MARKET SITUATION

(Source: [ZuivelNL www.zuivelnl.org](http://www.zuivelnl.org))

Official Dutch dairy price quotations (€ per 100 kg)

	25/10/23	27/9/23	avg. 2022
Butter	500	454	662
Whole milk powder	357	323	473
Skimmed milk powder	260	231	364
Whey powder	85	70	112

The increase in Dutch milk supply has come to an end. After remaining virtually unchanged in August, volume fell by more than 1% in September. The outbreak of the bluetongue virus may also play a role in this. Cumulatively, the level in the first three quarters of 2023 was 2.2% higher than in the same period of 2022.

EU milk supply stable, decline in New Zealand and US

There was also no visible growth in the EU in August, the volume remained virtually stable. The rate of increase in Germany and Poland clearly decreased, while there was hardly any growth in the Netherlands. The drought in Southern Europe (especially France and Italy) has been causing volumes to decline for some time. The Irish milk supply has also been shrinking since March. On balance, the EU milk supply increased by 0.7% in the period up to and including August 2023. The picture among the other globally important dairy exporting countries was predominantly negative. A decline was recorded by New Zealand (-2.1%), the US (-0.8%) and Argentina (-0.4%). Australia (+0.8%) and Uruguay (+2.6%) managed to achieve growth in August. The aggregate volume of the major dairy exporters (including the EU) was on balance 0.6% (1.34 billion kg) higher up to and including August 2023 than in 2022.

Prices of butter and skimmed milk powder continue to rise

Butter prices stabilized in August, after falling in the second half of June and throughout July. Since the beginning of September, the price for butter has risen sharply. Cream prices are high due to the good demand and (seasonally) more limited availability of cream and are still rising.

This means there is less supply of fresh butter. Unlike butter, the price of skimmed milk powder fell almost continuously between mid-June and early September. However, since the second half of September there has been a strong recovery in price levels, which is mainly due to disappointing milk supplies, improving concentrate prices and a revival in demand. However, there appears to be gradually more resistance among buyers to accept the higher price level.

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