

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) <sup>1</sup>		bonuses/deductions (included) <sup>2</sup>				MILK PRICE this month	av. last 12 month. <sup>3</sup>	recent suppl. payment <sup>4</sup>	
		fat	protein	quality	quantity	season	sustainability				Milk flows
Milcobel	BE	5.39	5.39	0.73	0.85		0.78		43.10	40.34	0.35
Laiterie des Ardennes (LDA)	BE	5.33	5.33	0.49	0.76		0.49		42.01	39.81	
DMK Deutsches Milchkontor eG	DE	5.61	5.61		0.80		0.50	1.00	44.91	39.85	
Hochwald Milch eG	DE	2.50	5.00	1.00			0.40	1.00	43.76	43.21	1.60
Arla Foods DK	DK	5.70	5.11	1.18			2.44	1.00	43.89	41.18	2.07
Capsa Food	ES	3.00	3.00						50.03	49.63	
Valio	FI	5.60	6.90				1.94		45.17	48.19	2.04
Savencia (Basse Normandy)	FR	2.95	5.43	1.18					44.34	44.10	
Danone (Pas de Calais)	FR	2.96	5.39						47.06	45.49	
Lactalis (Pays de la Loire)	FR	2.60	6.60		0.39		0.07		44.11	43.77	
Sodiaal (Pas de Calais)	FR	2.96	5.39	0.58			0.29		44.80	46.10	
Saputo Dairy UK (Dairy Crest)	UK	3.97	7.93	-1.14	0.79				42.01	41.17	
Dairygold	IE	4.43	7.24	0.39		0.97	0.10		43.56	38.26	
Tirlan	IE	3.97	7.94				0.50		43.98	38.60	0.18
Kerry Agribusiness	IE	4.90	7.35				0.10		43.67	39.24	
FrieslandCampina	NL	4.74	7.10				1.21		45.07	42.55	
<b>AVERAGE MILK PRICE</b>									<b>44.47</b>	<b>42.59</b>	
Emmi	CH	6.21	5.18			-4.04	2.10		65.22	70.48	
Fonterra	NZ	4.37	4.37						33.17	33.48	2.13
United States Class III	US	6.57	2.28	0.16					38.45	38.54	

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/deductions 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.

## MILK PRICES

The calculated advance milk prices in March 2024 amount to an average of € 44.47 per 100 kg of standard milk. This is an increase of € 0.39 compared to the previous month (+0.9%). From January 2024 onwards the calculated milk price is based on 16 instead of 15 dairy companies due to the addition of the Belgian LdA. The average milk price in March 2024 is 7.5% lower than in the same month of the previous year.

The overall picture of the milk price development is also positive in March. With some exceptions, almost all European dairy companies showed a slight increase in milk prices or remained stable.

## PRICE CHANGES IN MARCH 2024 AND ADDITIONAL INFORMATION

(€ per 100 kg compared to the previous month)

### **Milcobel:** +1.00

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

### **Laiterie des Ardennes (LDA):** unchanged

The calculated milk price includes a sustainability premium of € 0.49 per 100 kg.

### **DMK Deutsches Milchkontor eG:** +1.03

DMK's milk price increased by more than one euro in March, compared to February. 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. At the beginning of 2024 DMK adjusted the system behind the logistics bonus.

### **Hochwald eG:** +1.50

The calculated milk price includes a sustainability bonus (Cool Farm Tool) and a bonus for CO<sub>2</sub> reduction. At the beginning of 2024, these bonuses were adjusted from € 0.60 per 100 kg and € 0.20 per 100 kg, to € 0.40 per 100 kg and € 0.40 per 100 kg, respectively. Also, a bonus of € 1 per 100 kg for the use of GMO-free feed (VLOG certified). All milk is VLOG.

The Hafungsform 3 supplement, which has been part of the payout since November 2023, is not included in the milk price comparison. The most recent back payment for 2022 is € 1.60 per 100 kg of milk delivered.

### **Arla:** +1.10

Both fat and protein ratings increased in March. 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 2023 is € 2.07 per 100 kg of milk delivered.

### **Capsa Food:** +0.09

The calculated milk price of Capsa Food is based on an average of an A-price (70%) and a B-price (30%). 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:** unchanged

Milk prices of Valio are based on milk statements of one of its member co-ops. 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 CO<sub>2</sub> reduction.

### **Savencia:** +0.10

Savencia's milk price rose slightly in March, compared to a retroactively upwardly corrected milk price in February. As a result, Savencia's milk price has increased by a total of more than €1 per 100 kg since January this year.

### **Danone:** +0.13

Danone's milk price has still slightly risen this month. 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.

**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 has been changed since January this year, to 3 ct per 100 kg.

**Sodiaal:** -1.46

After months of stability, Sodiaal's milk price underwent a significant downward correction in March. Consequently, it's level was almost one and a half euros lower than in February. The milk price also includes a premium of € 0.29 per 100 kg for participation in the La Route Du Lait (LRDL) sustainability program.

**Saputo Dairy UK:** -0.59

The decrease in March can be attributed to the disappearance of the seasonal bonus of € 2. This is partly compensated by an increase in fat and protein prices. The milk price is based on dairy farmers who supply the Davidstow cheese factory.

**Dairygold:** +0.88

Dairygold's milk price also increased this month. The seasonal halving of the seasonal bonus to € 1 was more than compensated by an additional weather relief bonus, due to the extreme wetness, which limits the possibility of grazing and therefore leads to extra fodder costs. At the beginning of this year, Dairygold started the new Grass roots bonus system. The calculated milk price takes this into account and also includes a bonus of € 0.10 for the national sustainability program Sustainable Dairy Assurance Scheme (SDAS).

**Tirlan:** +1.00

The increase in the milk price is entirely caused by a more than 2% rise in fat and protein prices. The loss of the seasonal bonus this month is fully compensated by the granting of a special weather payment, which should limit the damage to income caused by unfavourable weather conditions. The calculated milk price includes a sustainability bonus (Sustainability Action Payment) of € 0.50 within the context of the running Glanbia sustainability programme.

**Kerry Agribusiness:** +1.01

The calculated milk price includes a bonus of € 0.10 for participation in the sustainability program SDAS. An additional surcharge of 2 ct/l incl. vat was again paid this month.

**FrieslandCampina:** +0.47

The calculated milk price includes an (average) surcharge for the Foqus planet quality and sustainability program, which has been adjusted for 2023 from € 1.13 per 100 kg to € 1.21 per 100 kg. In 2024 there will be no additional payment for the milk delivered in 2023,

**AVERAGE:** +0.39

Since January the average is based on 16 companies because LDA has been added to the milk price comparison.

**Emmi:** -1.02

The drop in the milk price in March is entirely caused by the exchange rate development and partly dampened by an increase in the B price (+1,8%). Emmi's milk price is based on a weighted average of an A-price (66%) and a B-price (34%). The milk price includes the bonus for the sustainability program 'grüner Teppich' (green carpet). The Emmi milk price is adjusted seasonally. The milk money statements come from a dairy farmer who is a member of a producer organization that supplies milk to Emmi.

**Fonterra:** -0.47

In February, Fonterra narrowed the bandwidth for its milk price forecast of 7.80 NZD per kg milk solids (fat and protein), communicated in January. These expectations are retroactively incorporated into the milk prices for the current financial year. The change in March is purely determined by the change in exchange rate. 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 0.50 NZD per kg of milk solids.

**USA Class III: +0.40**

This month, the US milk price, expressed in Euros, has risen slightly again, after having continued to fall in the period October 2023 to January this year. Two thirds of the increase in March is a Dollar exchange rate effect. Expressed in Dollars, the US class III milk price rose from \$16.09 in February to \$16.34 per cwt (hundredweight (46.56 kg) in March.

**MARKET SITUATION**

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

Official Dutch dairy price quotations (€ per 100 kg)

	1/5/24	3/4/24	avg. 2023
<b>Butter</b>	587	572	476
<b>Whole milk powder</b>	359	355	344
<b>Skimmed milk powder</b>	237	230	242
<b>Whey powder</b>	63	62	68

The Dutch milk supply fell further in March (-1.3%). There has been a downward trend since September 2023. The decrease is mainly related to the outbreak of the bluetongue virus in the second half of last year. This led to lower milk yield in infected cows. In addition, the phasing out of the derogation plays a role, resulting in fewer dairy cows being retained.

**EU milk supply stable**

EU milk supplies increased by 3.5% in February. Adjusted for the leap day effect, there was zero growth, which put a (temporary) end to the decline. Taking into account the extra day of production, the German milk supply remained stable and a small increase was seen in France. Irish production again lagged significantly behind (-1.6% with correction). Poland again showed strong growth. Up to and including February 2024, the EU milk supply adjusted for the leap day showed a net decline of 0.3% (unadjusted it increased by 1.4%).

The picture in the other globally important dairy exporting countries remained mixed. Adjusted for the leap day effect, the US showed another decline (-1%). The strong decline in Argentine milk production continued (-18%). In contrast, growth was seen in Australia (+5%), New Zealand (+2%) and Uruguay (+4%). The aggregate volume of the major dairy exporters (including the EU), corrected for the leap day effect, was on balance 0.7% (or 0.36 billion kg) lower up to and including February 2024 than in the same period of 2023 (unadjusted there was growth of 1.0%).

**Butter quotation volatile, less fickle picture for skimmed milk powder**

The butter quotation has shown a strong fluctuation in the first four months of 2024. The butter market has been quite thin for some time already, which means that (small) changes in supply and demand can lead to major price fluctuations. The front ceiling appears to be around € 600, as buyers drop out when this level is reached. Compared to butter, the quotation of skimmed milk powder has shown a somewhat less fickle picture in recent months. However, price fluctuations do remain, which is mainly due to the unpredictability on the demand side. Currently the quotation is quite stable, although pressure appears to have increased somewhat in recent weeks due to the limited demand on the global market.

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