

# The Dairy Group MCI Report

## July 2024 (issued 28/10/24)

### Monthly margin increases, but still a long way to recovery

“The latest MCI results show a £29 per cow increase in the monthly margin over purchased feed, but the rolling results were £579 per cow lower than the previous year, equivalent to £135,000 for our average herd of 234 cows” says Ian Powell, Director of The Dairy Group. He goes on to say “whilst we are seeing the average milk price going back to 40 pence per litre, it is the average over the past 12 months which impacts on the dairy business and with the rolling margin down £579 per cow there has been a massive decline in this key performance indicator. We can use other measures like milk to feed price ratio, but the key to a dairy farmer is cash in the bank. With the average cost of production running at 45 pence per litre further price increases are needed for dairying to be sustainable. The weather over the past year has been dreadful and this autumn could be a disaster for some businesses, with maize crops harvested late and some autumn crops unlikely to be drilled. The wet spring was bad enough, with late harvested grass silage low in energy, which has already resulted in increased feed use as shown in the concentrate feed rate per litre.”

The Dairy Group	Monthly	Monthly	Monthly	Rolling	Rolling	Annual
MCI results	Jul-23	Jul-24	change	Jul-23	Jul-24	change
Daily milk yield (litres/cow)	26.0	25.3	-0.7	26.1	25.5	-0.6
Milk yield from forage (litres/cow)	8.6	7.0	-1.6	2639	2521	-118
Cows in herd	230	231	1	233	234	1
Milk yield (litres/cow)	663	656	-7	8344	8112	-232
<b>Milk price (ppl)</b>	<b>35.8</b>	<b>40.0</b>	<b>4.2</b>	<b>46.3</b>	<b>38.7</b>	<b>-7.6</b>
Butterfat %	4.24	4.20	-0.04	4.34	4.37	0.03
Protein %	3.32	3.37	0.05	3.39	3.39	0.00
Concentrate cost £/t	334	297	-37	345	313	-32
Concentrate use kg/litre	0.31	0.33	0.02	0.34	0.34	0.00
Purchased feed cost (£/cow)	73	68	-5	1035	912	-123
Purchased feed cost (ppl)	11.0	10.4	-0.6	12.4	11.2	-1.2
<b>Margin over purchased feed (£/cow)</b>	<b>164</b>	<b>193</b>	<b>29</b>	<b>2802</b>	<b>2223</b>	<b>-579</b>
Margin over purchased feed (ppl)	24.9	30.0	5.1	33.7	27.6	-6.1

### Monthly average results for July 2024

The average milk price was up 4.2 pence per litre on last year to 40.0 pence per litre. The average butterfat of 4.20% was down 0.04% on a year ago. Milk protein of 3.37% was up 0.05% on a year ago. Daily milk yield per cow was down by 0.7 litres per cow on last year to 25.3 litres per cow. Milk from forage was down by 1.6 litres per cow to 7.0 litres per cow. The average feed rate for the month was 0.02 kg per litre higher than last year at 0.33 kg per litre, with the average purchased feed cost down on last year by £37 per tonne to £297 per tonne. The monthly Margin Over Purchased Feed was £193 per cow, which

was £29 per cow higher than a year ago. The margin per litre was 30.0 pence per litre, which was 5.1 pence per litre higher than a year ago.

## **12 Month Rolling average results to July 2024**

The rolling average yield has decreased by 232 litres per cow compared with the previous year to 8,112 litres per cow. The average feed rate has remained the same as a year ago at 0.34 kg per litre, with an average milk price down by 7.6 pence per litre to 38.7 pence. The rolling Margin Over Purchased Feed (MOPF) was £579 per cow lower than a year ago at £2223 per cow. The rolling average MOPF per litre was 27.6 pence per litre, which was 6.1 pence per litre lower than a year ago.

### **For further information please contact:**

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### **Notes to editors:**

- This is a press release announcing the MCI results
- MCI is The Dairy Group web based dairy management system that incorporates setting targets for a herd combined with monthly monitoring, forage management, resource use and emissions reporting.
- [www.dairy-mci.com](http://www.dairy-mci.com)
- [www.dairygroup.co.uk](http://www.dairygroup.co.uk)