

The Dairy Group MCI Report

June 2024 (issued 30/9/24)

Monthly margin increases, but still a long way to recovery

“The latest MCI results show a £20 per cow increase in the monthly margin over purchased feed, but the rolling results were £656 per cow lower than the previous year, equivalent to £157,000 for our average herd of 239 cows” says Ian Powell, Director of The Dairy Group. He goes on to say “whilst we are seeing the average milk price going back over 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 £656 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 not harvested and autumn crops unlikely to be drilled.”

The Dairy Group	Monthly	Monthly	Monthly	Rolling	Rolling	Monthly
MCI results	Jun-23	Jun-24	Change	Jun-23	Jun-24	Change
Daily milk yield (litres/cow)	26.5	26.1	-0.4			
Milk yield from forage (litres/cow)	8.5	8.3	-0.2	2592	2471	-121
Cows in herd	227	237	10	230	239	9
Milk yield (litres/cow)	689	679	-10	8379	8227	-152
Milk price (ppl)	36.4	38.6	2.2	47.1	38.3	-8.8
Butterfat %	4.13	4.17	0.04	4.32	4.37	0.05
Protein %	3.30	3.33	0.03	3.39	3.39	0
Concentrate cost £/t	337	298	-39	345	315	-30
Concentrate use kg/litre	0.31	0.31	0	0.35	0.34	-0.01
Purchased feed cost (£/cow)	76	66	-10	1042	934	-108
Purchased feed cost (ppl)	11.0	9.7	-1.3	12.4	11.4	-1
Margin over purchased feed (£/cow)	176	196	20	2875	2219	-656
Margin over purchased feed (ppl)	25.7	29.2	3.5	34.5	27.2	-7.3

Monthly average results for June 2024

The average milk price was up 2.2 pence per litre on last year to 38.6 pence per litre. The average butterfat of 4.17% was up 0.04% on a year ago. Milk protein of 3.33% was up 0.03% on a year ago. Daily milk yield per cow was down by 0.4 litres per cow on last year to 26.1 litres per cow. Milk from forage was down by 0.2 litres per cow to 8.3 litres per cow. The average feed rate for the month was the same as last year at 0.31 kg per litre, with the average purchased feed cost down on last year by £39 per tonne to £298 per tonne. The monthly Margin Over Purchased Feed was £196 per cow, which was £20 per cow higher than a year ago. The margin per litre was 29.2 pence per litre, which was 3.5 pence per litre higher than a year ago.

12 Month Rolling average results to June 2024

The rolling average yield has decreased by 152 litres per cow compared with the previous year to 8,227 litres per cow. The average feed rate has decreased by 0.01 kg per litre from a year ago to 0.34 kg per litre, with an average milk price down by 8.8 pence per litre to 38.3 pence. The rolling Margin Over Purchased Feed (MOPF) was £656 per cow lower than a year ago at £2219 per cow. The rolling average MOPF per litre was 27.2 pence per litre, which was 7.3 pence per litre lower than a year ago.

For further information please contact:

Ian Powell, Director, The Dairy Group (01823 444488)

e-mail: ian.powell@thedairygroup.co.uk

Notes to editors:

- This is a press release announcing the MCI results
- MCI is the The Dairy Group 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
- www.dairygroup.co.uk