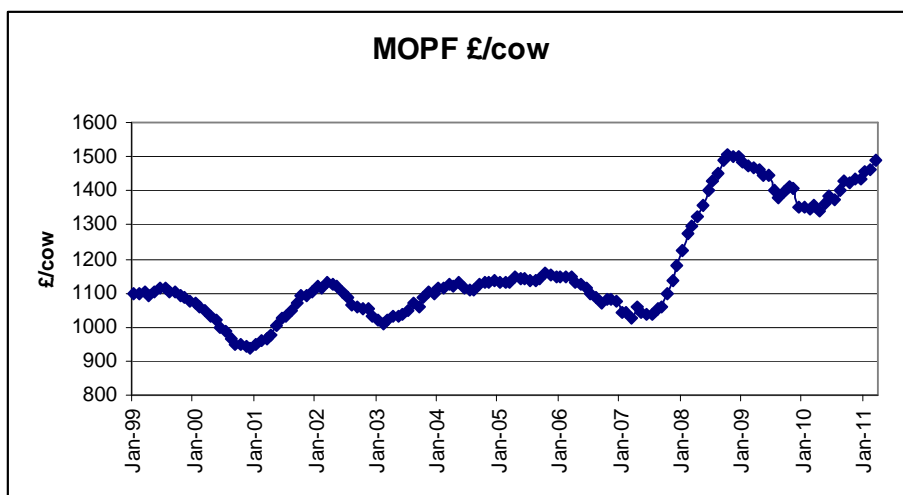


The Dairy Group M*Ci* Report

PRESS RELEASE 24th June 2011

Margin over feed continues to rise

“The latest M*Ci* results show that the average margin over purchased feed continues to increase and is set to increase further over the summer months” says Ian Powell, Director of The Dairy Group. He goes on to say “our average herd achieved a margin over purchased feed (MOPF) of £1487 per cow in the year to March 2011 and we forecast that this will continue to rise to around £1530 by September 2011. The last time we saw a MOPF of £1500 per cow was in November 2008 during the peak of the commodity price boom. The increase in the rolling cow margin to March 2011 has been achieved by a combination of a higher yield (+366 litres/cow), a higher milk price (+1.0ppl) and an increased milk from forage (+181 litres/cow), which has more than offset the increase in the cost of purchased feed (+£8/tonne). With the increase in milk price since the 1st April this year of around 2.4ppl the rolling herd margin will continue to increase despite the increase in the cost of purchased feed. The higher margin is needed to cover all the other cost increases including fertiliser and fuel, with the total production cost for 2011/12 expected to be close to 30ppl.”



	<u>MONTHLY RESULTS</u>		<u>12 MONTHS ROLLING RESULTS</u>	
	MAR 2011	MAR 2010	MAR 2011	MAR 2010
Daily milk yield per cow (litres)	26.0	25.9	-	-
Daily milk yield from forage per cow (litres)	6.5	5.1	2021	1840
Cows in herd	192	188	193	187
Milk yield per cow (litres)	705	694	8068	7702
Milk price per litre	26.1	23.8	24.9	23.9
Butterfat (%)	4.12	4.15	4.05	4.07
Protein (%)	3.28	3.26	3.30	3.28
Concentrates cost per tonne (£)	209	180	188	180
Concentrates use per litre (kg)	0.34	0.36	0.33	0.34
Purchased feed costs per cow (£)	52	48	528	495
Purchased feed costs per litre (pence)	7.4	6.9	6.5	6.4
Margin over purchased feed per cow (£)	132	118	1487	1355
Margin over purchased feed per litre (pence)	18.7	16.9	18.4	17.5

Monthly average results for March 2011

The average milk price was up 2.3 pence per litre (9.7%) on last year to 26.1 pence per litre. The average butterfat of 4.12% was down 0.03% on a year ago. Milk protein of 3.28% was up 0.02% on the same as last year. Daily milk yield per cow was up by 0.1 litres per cow on last year to 26.0 litres per cow. Milk from forage was up by 1.4 litres per cow to 6.5 litres per cow. The average feed rate for the month was down 0.02 kg per litre on a year ago at 0.34 kg per litre, with the average purchased feed cost up on last year by £29 per tonne to £209 per tonne. The monthly Margin Over Purchased Feed was £132 per cow, which was £14 per cow higher than a year ago.

The margin per litre was 18.7 pence per litre, which was 1.8 pence per litre higher than a year ago.

12 Month Rolling average results to March 2011

The rolling average yield has increased by 5% (366 litres per cow) compared with the previous year to 8068 litres per cow. The average feed rate was the same at 0.33 kg per litre, with an average milk price up by 1.0 pence per litre to 24.9 pence. The rolling Margin Over Purchased Feed (MOPF) was £132 per cow higher than a year ago at £1487 per cow. The rolling average MOPF per litre was 18.4 pence per litre, which was 0.9 pence per litre higher than a year ago.

- Ends -

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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, quota management, dairy costings, unit costs, direct sourcing of inputs & decision support.
- **www.dairy-mci.com**
- **www.thedairygroup.co.uk**