

# *The Dairy Group* **MCi Report**

20<sup>th</sup> December 2012

## **Dairy performance continues to fall**

“The latest MCi results for September 2012 show a further deterioration in dairy cow performance with all the efficiency measures down compared to the previous year” says Ian Powell, Director of The Dairy Group. He goes on to say “our MCi results show a dramatic fall in milk from forage, which was down by 1.5 litres (23%) per cow to just 5.1 litres. The daily milk yield was down 1.1 litres per cow to 23.8 litres per cow per day, a fall of 4.4%, with the litres produced per cow in herd down 6.9%. The concentrate cost per litre has increased by 1 pence per litre (13%) to 8.6 pence per litre, due to a 9% increase in the feed rate to 0.36 kg per litre and a 5% increase in the feed cost to £230 per tonne. The critical margin over purchased fell in September by £14 per cow (11%) to £117 per cow compared with a year ago. These results confirm what we are seeing on farm, with cow performance falling progressively over the summer. Our MCi results are always two months behind due to the time for data to be received and analysed, but from our experience the results are likely to continue to fall for October and November until the higher milk prices are received, which at best will help to offset some of the lost performance. Whilst our MCi results reflect an important part of the dairy business they only deal with the purchased feed element of dairy costs, which typically make up 30% of all dairy costs. The other 70% of costs of around 22 pence per litre are heavily influenced by the volume of milk sales, with a 5% fall in milk output increasing costs by 1.15 pence per litre. Our whole farm accounts analysis is updated once per year based on specialist dairy farms, with the provisional cost of production for the year ending 2011/12 at 31.3 pence per litre, with our forecast for 2012/13 currently at 33.0 pence per litre.”

	<u>MONTHLY RESULTS</u>		<u>12 MONTHS ROLLING RESULTS</u>	
	<u>SEP 2012</u>	<u>SEP 2011</u>	<u>SEP 2012</u>	<u>SEP 2011</u>
Daily milk yield per cow (litres)	<b>23.8</b>	24.9	<b>25.7</b>	25.8
Daily milk yield from forage per cow (litres)	<b>5.1</b>	6.6	<b>2030</b>	2195
Cows in herd	<b>207</b>	198	<b>202</b>	197
Annual milk yield per cow (litres)	<b>595</b>	639	<b>8045</b>	8102
Milk price per litre (litre)	<b>28.3</b>	28.0	<b>28.3</b>	26.4
Butterfat (%)	<b>4.13</b>	4.10	<b>4.10</b>	4.09
Protein (%)	<b>3.26</b>	3.29	<b>3.26</b>	3.29
Concentrates cost per tonne (£)	<b>230</b>	219	<b>221</b>	209
Concentrates use per cow (kg)	<b>213</b>	212	<b>2654</b>	2618
Concentrates use per litre (kg)	<b>0.36</b>	0.33	<b>0.33</b>	0.32
Purchased feed costs per cow (£)	<b>51.4</b>	48.6	<b>623</b>	575
Purchased feed costs per litre (pence)	<b>8.6</b>	7.6	<b>7.7</b>	7.1
Margin over purchased feed per cow (£)	<b>117</b>	131	<b>1659</b>	1566
Margin over purchased feed per litre (pence)	<b>19.7</b>	20.5	<b>20.6</b>	19.3

### Monthly average results for September 2012

The average milk price was up 0.3 pence per litre on last year to 28.3 pence per litre. The average butterfat of 4.13% was 3 points higher than last year. Milk protein of 3.26% was down 0.03% on a year ago. Daily milk yield per cow was down by 1.1 litres per cow on last year to 23.8 litres per cow. Milk from forage was down by 1.5 litres per cow to 5.1 litres per cow. The average feed rate for the month was up 0.03 kg per litre on a year ago at 0.36 kg per litre, with the average purchased feed cost £11 per tonne higher than last year at £230 per tonne. The monthly Margin Over Purchased Feed was £117 per cow, which was £14 per cow lower than a year ago. The margin per litre was 19.7 pence, which was 0.8 pence per litre lower than a year ago.

## **12 Month Rolling average results to September 2012**

The rolling average yield has decreased by 57 litres per cow compared with the previous year to 8045 litres per cow. The average feed rate has increased by 0.01 kg per litre to 0.33 kg per litre, with the average milk price up by 1.9 pence per litre to 28.3 pence. The rolling Margin Over Purchased Feed (MOPF) was £93 per cow higher than a year ago at £1659 per cow. The rolling average MOPF per litre was 20.6 pence per litre, which was 1.3 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.
- [www.dairy-mci.com](http://www.dairy-mci.com)
- [www.thedairygroup.co.uk](http://www.thedairygroup.co.uk)