

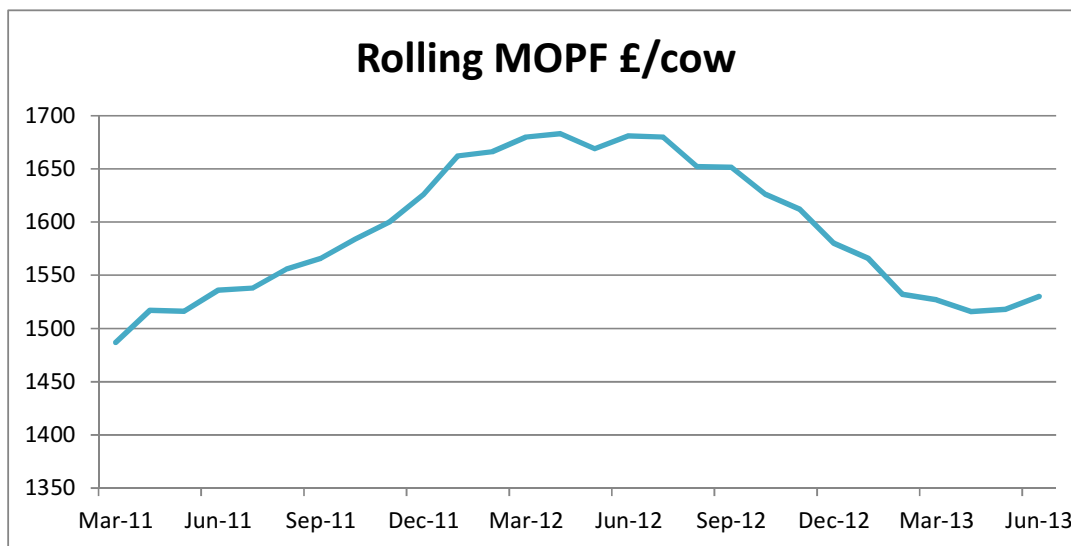
The Dairy Group MCI Report

Press release

30th September 2013

Dairy margins fall by £34,000 in 12 months

“The latest MCI results show that the key performance indicator of MOPF (margin over purchased feed) has reduced by £34,000 over the 12 months to June 2013” says Ian Powell, Director of The Dairy Group. He goes on to say “the graph shows how the margin has fallen since May 2012 when the rolling margin was £1669 and by June 2013 had reduced by £151 per cow to £1,530 per cow. The rolling milk price has increased by just 1.0ppl over this period, whereas the rolling feed cost has increased by 1.6ppl.



Our June 2013 MCI results do show a small improvement in the margin, which was up £17 per cow on last year, so there is some recovery in performance, but there is a long way to go, with a deficit of £151 per cow on the rolling position a year ago. The other key features are the fall in milk yield, the reduction in milk from forage, the increased concentrate cost and the increased feed rate per litre. The table below shows that the milk yield per cow has fallen by 6.5% from 8,101 litres per cow in the 12 month to June 2012, to 7,576 litres per cow in the 12 months to June 2013. The milk from forage has fallen by 22%, down from 2,169 litres per cow to 1,695 litres per cow over the same period. The purchased feed price increased by 13% from £220 per tonne to £248 per tonne, with the feed rate increasing from 0.32 kg per litre to 0.34 kg per litre. There will need to be a sustained improvement in the milk price, feed cost ratio to restore the lost margin over feed cost.”

	<u>MONTHLY RESULTS</u>		<u>12 MONTHS ROLLING RESULTS</u>	
	JUNE 2013	JUNE 2012	JUNE 2013	JUNE 2012
Daily milk yield per cow (litres)	25.9	26.2	-	-
Daily milk yield from forage per cow (litres)	8.8	8.7	1695	2169
Cows in herd	199	199	194	197
Milk yield per cow (litres)	657	666	7576	8101
Milk price per litre (litre)	30.0	26.3	29.2	28.2
Butterfat (%)	3.86	3.96	4.09	4.10
Protein (%)	3.19	3.19	3.24	3.28
Concentrates cost per tonne (£)	251	220	248	220
Concentrates use per cow (kg)	191	200	2634	2639
Concentrates use per litre (kg)	0.29	0.30	0.34	0.32
Purchased feed costs per cow (£)	51	46	688	608
Purchased feed costs per litre (pence)	7.8	6.8	9.1	7.5
Margin over purchased feed per cow (£)	147	130	1530	1681
Margin over purchased feed per litre (pence)	22.5	19.6	20.2	20.8
Margin over all feed (£/cow)	131	113	1305	1437

[Monthly average results for June 2013](#)

The average milk price was up 3.7 pence per litre on last year to 30.0 pence per litre. The average butterfat of 3.86% was 0.10% lower than a year ago. Milk protein of 3.19% was the same as a year ago. Daily milk yield per cow was down by 0.3 litres per cow on last year to 25.9 litres per cow. Milk from forage was up by 0.1 litres per cow to 8.8 litres per cow. The average feed rate for the month was down 0.01 kg per litre on a year ago at 0.29 kg per litre, with the average purchased feed cost up on last year by £31 per tonne to £251 per tonne. The monthly Margin Over Purchased Feed

was £147 per cow, which was £17 per cow higher than a year ago. The margin per litre was 22.5 pence per litre, which was 2.9 pence per litre higher than a year ago.

[12 Month Rolling average results to June 2013](#)

The rolling average yield has decreased by 525 litres per cow (6.5%) compared with the previous year to 7576 litres per cow. The average feed rate has increased by 0.02 kg per litre to 0.34 kg per litre, with an average milk price up by 1.0 pence per litre to 29.2 pence. The rolling Margin Over Purchased Feed (MOPF) was £151 per cow lower than a year ago at £1530 per cow. The rolling average MOPF per litre was 20.2 pence per litre, which was 0.6 pence per litre lower than a year ago.

- Ends -

[For further information please contact:](#)

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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
- www.thedairygroup.co.uk