



26 September 2013

United Kingdom Milk Prices and Composition of Milk – August 2013

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Key points

This release shows the latest information on average farm gate milk prices and the butterfat and protein content of UK produced milk. The key results for **August 2013** are given below:

- Recent increases in prices paid to milk producers by several dairies have resulted in a record high (at actual prices) UK average farm gate milk price of 32.0 pence per litre, 5.4 pence per litre higher than in August 2012.
- The average butterfat content of UK milk was 3.9 per cent, slightly lower than a year earlier in August 2012 (4.0 per cent).
- The average protein content of UK milk was 3.2 per cent, largely unchanged on a year earlier.

This monthly notice will be updated at 09:30 on 31 October 2013. A full time series and dataset can be found at

<https://www.gov.uk/government/publications/uk-milk-prices-and-composition-of-milk>

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Section 1: United Kingdom farm gate milk price

Table 1 shows the monthly average farm gate milk prices for the last 13 months, along with historical annual averages (at actual prices). Monthly comparisons between years can be seen in Figure 1.

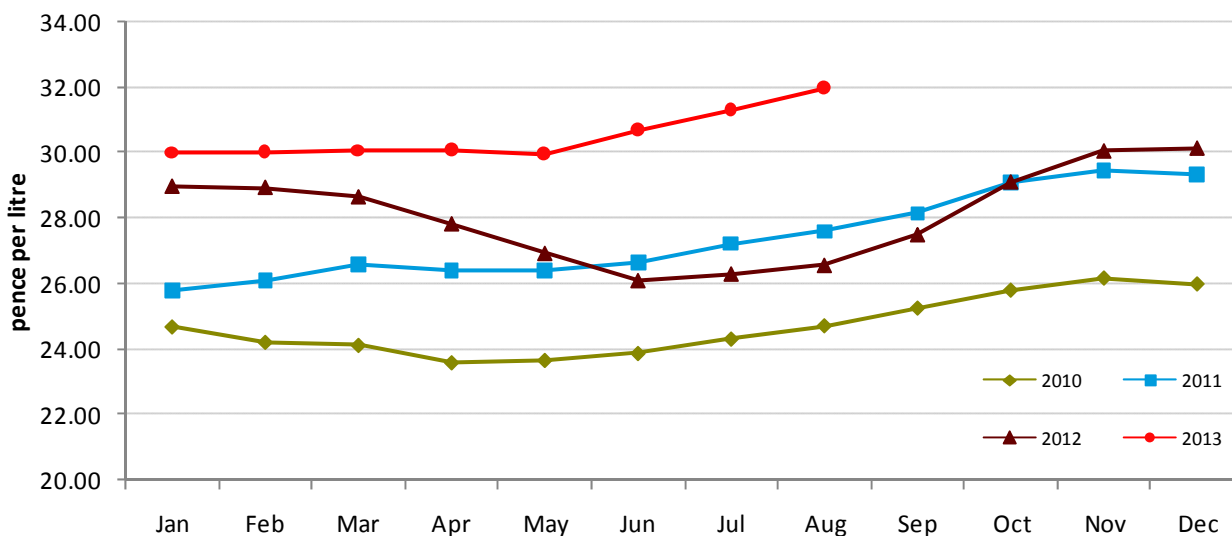
Table 1: United Kingdom farm gate milk price pence per litre

		Excluding retrospective bonus payments made by purchasers	Including retrospective bonus payments made by purchasers
2007		20.66	20.67
2008		25.91	25.93
2009 (a)		23.71	23.73
2010		24.65	24.67
2011		27.35	27.36
2012*		28.04	28.08
2012*	Aug	26.58	26.69
	Sep	27.50	27.62
	Oct	29.10	29.12
	Nov	30.03	30.05
	Dec	30.12	30.14
2013*	Jan	30.01	30.02
	Feb	30.05	30.07
	Mar	30.07	30.09
	Apr	30.09	30.11
	May	29.97	29.99
	Jun	30.70	30.71
	Jul	31.33	31.33
	Aug	32.00	32.00

(*) provisional figures

(a) Milk prices during 2009 were affected by Dairy Farmers of Britain going into receivership. The annual average milk price for 2009 excluding milk purchased by DFoB was 24.00ppl.

Figure 1: United Kingdom farm gate milk price



Section 2: Composition of milk in the United Kingdom

Table 2 shows the average butterfat and protein content of milk. Butterfat content figures are sourced from published RPA figures and are presented here for reference only. Protein content figures are calculated from UK milk survey data.

Table 2: Average butterfat and protein content of United Kingdom produced milk

	Butterfat %				Protein %			
	2010/11	2011/12	2012/13*	2013/14*	2010/11	2011/12	2012/13*	2013/14*
Apr	3.94	4.02	4.06	4.10	3.23	3.22	3.27	3.21
May	3.80	3.90	3.97	3.91	3.27	3.24	3.24	3.22
Jun	3.76	3.94	3.93	3.84	3.25	3.23	3.22	3.21
Jul	3.82	3.92	3.94	3.82	3.22	3.23	3.20	3.19
Aug	3.85	4.00	4.00	3.92	3.25	3.26	3.22	3.23
Sep	3.92	4.10	4.11		3.33	3.31	3.29	
Oct	4.03	4.13	4.19		3.36	3.32	3.33	
Nov	4.11	4.18	4.20		3.36	3.33	3.34	
Dec	4.15	4.20	4.18		3.37	3.31	3.30	
Jan	4.03	4.14	4.11		3.28	3.27	3.23	
Feb	3.99	4.13	4.13		3.25	3.26	3.23	
Mar	4.08	4.10	4.13		3.24	3.24	3.23	
Average	3.95	4.06	4.07		3.28	3.27	3.26	

(*) provisional

Source: RPA, Defra

Section 3: Methodology, Notes and Revisions Policy

1. The information in this notice is used by the UK government and the EU as evidence for assessing market conditions and evaluating agricultural policy. The prices are also required by the EU under regulation 479/2010, Article 2 (3)(a). Other users include the food and farming industry, academia and the general public. Contact details are available on the front page of this notice, for you to send feedback or ask questions about the information provided.
2. Farm gate milk prices: Defra runs a compulsory monthly survey of dairies in England and Wales to collect information on the volume, value and protein content of milk purchased from farms in England and Wales. All major dairies purchasing over 2 million litres of milk a year (33 in England and Wales) take part in the survey. Similar surveys are run by RERAD in Scotland and DARD in Northern Ireland which are used to calculate UK average prices.
3. The total volume of milk recorded by the surveys is compared with information from the Rural Payments Agency on the volume of milk delivered to dairies (information which is collected under milk quota regulations). The milk prices surveys cover approximately 90 per cent of milk purchased from farms in the UK.
4. The published farm gate prices are weighted according to the volume of milk purchased by dairies. The averages are strongly influenced by the larger milk purchasers, and smaller purchasers have little influence on the UK weighted average. The farm gate price is the average price paid to producers, net of delivery charges. No deduction is made for superlevy. Some purchasers pay bonuses retrospectively to producers. When this happens the bonus is split across the relevant months, and applied to the "including bonus" prices shown in Table 1.
5. Composition of milk: The Rural Payment Agency collects information on the butterfat content of milk delivered to dairies under the milk quota regulations. The information is published on the RPA website (www.rpa.gov.uk) and is repeated here for convenience. The RPA also collects information on the average protein content of milk, but only from larger purchasers. This information is supplemented with information from the milk prices surveys to obtain a UK average. In the same way as for the average prices, the average butterfat and protein contents are weighted according to the volume of milk purchased.
6. The data are subject to a variety of validation checks which identify inconsistencies in the data. All data are cleaned prior to publication in discussion with the survey respondents.

Revisions policy

7. Figures in this notice are provisional and subject to revision. We will provide information about any revisions we make to previously published information in this statistics notice, and the associated datasets. Revisions could occur for various reasons, including:
 - a. if we have not received survey data from respondents we make an estimate based on their previous returns. These estimates are replaced with actual figures when they are received.
 - b. survey respondents occasionally supply amended figures for previous periods.
 - c. receipt of amended data from Scotland and Northern Ireland.
 - d. payment of retrospective bonuses which affect the "including bonus" price.
8. **This month there are minor revisions to previously published figures from July 2012 due to amended data from Northern Ireland.**