



29 August 2013

United Kingdom Milk Prices and Composition of Milk – July 2013

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Key points

This release shows the latest monthly information on the average UK farm gate milk prices and the UK average butterfat and protein of milk delivered to dairies.

- In July 2013 the UK average farm gate price of milk (excluding bonuses) was a record high of 31.37 pence per litre, 5.05 pence per litre higher than in July 2012.
- In July 2013 the average butterfat content of UK milk was 3.81 per cent, compared with 3.94 per cent in July 2012.
- In July 2013 the average protein content of UK milk was 3.19 per cent, compared with 3.20 per cent in July 2012.

This monthly notice will be updated at 09:30 on 26 September 2013

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Section 1: United Kingdom farm gate milk price

Table 1 shows UK average farm gate milk prices in pence per litre calculated from monthly surveys of milk purchasers conducted by Defra, RERAD Scotland and DARD Northern Ireland. Together these surveys account for approximately 90% of UK milk bought by milk purchasers this month. Monthly comparisons can be seen in Figure 1.

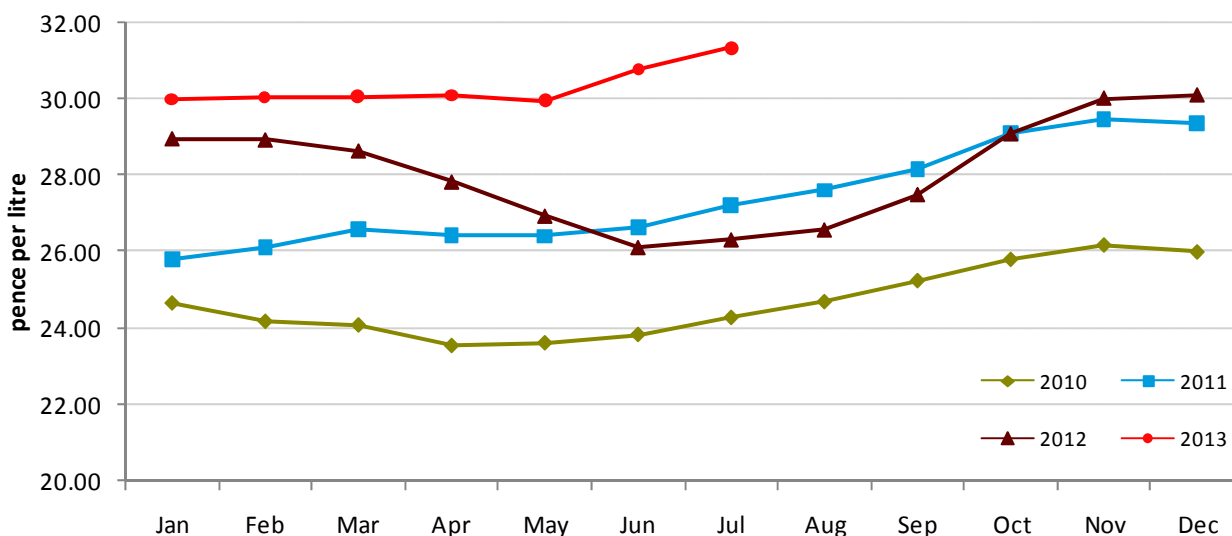
Table 1: United Kingdom farm gate price of milk pence per litre

		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	28.07
2012*	Jul	26.32	26.43
	Aug	26.58	26.69
	Sep	27.50	27.61
	Oct	29.10	29.11
	Nov	30.03	30.05
	Dec	30.12	30.13
2013*	Jan	30.01	30.02
	Feb	30.05	30.06
	Mar	30.07	30.08
	Apr	30.09	30.11
	May	29.96	29.98
	Jun	30.79	30.80
	Jul	31.37	31.37

(*) 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 price of milk



Section 2: Composition of milk in the United Kingdom

Table 2 shows the average butterfat and protein content of milk. Butterfat content figures are as published by the RPA and are presented here for convenience. Protein content figures are calculated from Defra's monthly survey of milk purchasers in England and Wales.

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	3.81	3.22	3.23	3.20	3.19
Aug	3.85	4.00	4.00		3.25	3.26	3.22	
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. Average UK farm gate milk prices: Defra runs a monthly survey of registered milk purchasers in England and Wales. It is a statutory sample survey of 33 respondents that collects information on the volume, value and protein content of milk purchased from farms in England and Wales. All major milk purchasers (those purchasing over 2 million litres of milk a year) take part in the survey. Similar surveys are run by RERAD in Scotland and DARD in Northern Ireland.
3. The published farm gate prices are weighted according to the volume of milk purchased by purchasers. 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 received by 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.
4. 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 account for approximately 90 per cent of milk purchased from farms in the UK.
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 Defra milk prices survey to obtain a UK average. 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 April 2013 due to amended survey data.**