

# Cheesemakers top June league

Table 1: June milk league

Creamery	Cash Price (c/l) ex VAT and collection	Price change since last month	Total cuts this year	Ave Co-op BF	Ave Co-op PT	B/F diff per each .10%	Protein diff per each .10%	Ranking on Avg Cr Fat & Protein	Ranking on Avg Creamery Fat & Pt	June Milk payment for farmer supplying 13% of 230,000ft quota at 3.6bf, 3.3p (€)	June Milk payment for farmer supplying 13% of 230,000ft quota at creamery avg bf and pr (€)
<b>DIVISION 1</b>											
Wexford	32.17	-1.00	-4.85	37.3	3.34	0.38	0.57	32.89	1	9,651	9,867
Barryroe	32.17	0.00	-4.96	35.80	3.28	0.41	0.67	31.95	4	9,651	9,585
<b>DIVISION 2</b>											
Drinagh	31.94	0.00	-5.01	35.6	3.30	0.39	0.63	31.8	5	9,582	9,540
Lisavaird	31.76	-0.92	-4.85	36.2	3.29	0.36	0.57	31.77	6	9,528	9,531
Bandon	31.40	-0.48	-5.50	35.7	3.27	0.50	0.55	31.08	7	9,420	9,324
Boherbue	31.30	-0.40	-5.57	37.6	3.28	0.50	0.50	32	3	9,390	9,600
Dairygold	31.10	0.00	-6.00	36.5	3.27	0.27	0.66	31.04	8	9,330	9,312
North Cork	31.10	0.20	-5.80	35.7	3.18	0.30	0.50	30.41	10	9,330	9,123
<b>DIVISION 3</b>											
Newmarket	30.84	-1.97	-5.90	3.64	3.24	0.42	0.46	30.73	2	9,252	9,219
Centenary /Thurles	30.70	-1.30	-6.38	36.7	3.27	0.20	0.50	30.69	9	9,210	9,207
Monaghan	30.63	0.95	-6.80	35.7	3.15	0.33	0.50	29.78	16	9,189	8,934
Kerry	30.26	-1.90	-6.65	36.4	3.27	0.30	0.59	30.2	11	9,078	9,060
Tipperary	30.07	-0.68	-6.70	36.5	3.29	0.24	0.61	30.13	13	9,021	9,039
<b>DIVISION 4</b>											
Lakeland	29.79	0.00	-7.75	37	3.27	0.23	0.49	29.86	15	8,937	8,958
Oldcastle	29.75	-1.43	-6.88	37.3	3.30	0.31	0.57	30.15	12	8,925	9,045
Glanbia	29.60	-1.56	-6.94	37.10	3.31	0.31	0.57	29.99	14	8,880	8,997
Connacht Gold	29.12	0.00	-7.56	36.4	3.32	0.25	0.75	29.37	17	8,736	8,811
<b>RELEGATION ZONE</b>											
Arrabawn	28.77	-0.37	-7.84	36.1	3.21	0.30	0.40	28.44	19	8,631	8,532
Donegal	28.66	0.00	-7.00	37.4	3.26	0.50	0.55	29.14	18	8,598	8,742

## JOHN BOYLAN IRISH FARMERS JOURNAL

If Wexford could manage their football team the way they manage their creamery, it would be Wexford versus Cork in the All-Ireland Final. Wexford and Barryroe share top spot in the June milk league, with both paying a price of 32.17c/l. All the rest of the co-ops in Division 1 and Division 2 are from Co. Cork, and the majority of them are manufacturing cheese, which is doing better than butter and skim at present. The exception here is Newmarket, which cut its price by 1.97c/l and finds itself in Division 3 for June.

Lisavaird, one of the other West Cork co-ops that came out on top of the KPMG 2007 Audit, is in Division 2 this month, paying 31.76c/l.

There is a massive 4.12c/l (19c/g) difference between the top of Division 1 — competing for the equivalent of the Sam Maguire — and Arrabawn, who have joined Do-

negal in the relegation zone.

The Division 4 players — Lakeland, Glanbia, Oldcastle and Connacht Gold — must be aiming for the Tommy Murphy Cup. I've included a column this month showing the return for a 230,000-quota farmer supplying 13% of the quota in June to each co-op. The difference between the Wexford farmer, with the top price of 32.17c/l, and the Donegal farmer at the bottom, receiving a price of 28.66c/l, is working out at €1,053 for the June milk cheque, or €8,100 for the full year.

The average price paid by the Division 4 players is 29.56c/l, which falls 2.61c/l (11.86c/g) short of the Wexford/Barryroe price. This works out at €782 for the average farmer for June, or €6,015 for the year for farmers supplying Division 4 processors. Glanbia, with their range of consumer products, have to be extremely embarrassed to find themselves in Division 4, and should have included June in their new price arrangement.

## Explanatory footnotes

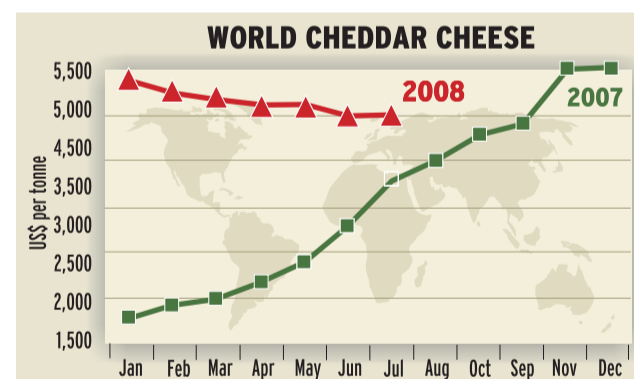
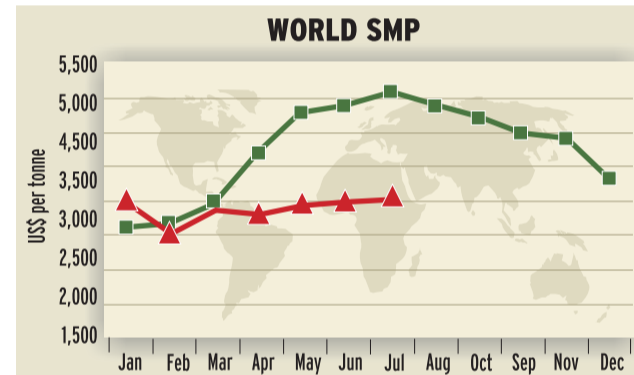
- Milk collected ex-farm.
- Cash price is as follows: no volume conditions; 3.6% butterfat, and 3.3% protein.
- SCC 400,000
- TBC 50,000
- Dairy Board and state levies deducted by co-op. Dairygold have introduced a cumulative bonus point table, where suppliers can achieve an additional 0.4c for 55 points. They claim 70% of their suppliers are achieving a 0.2c bonus for 45 points. Connacht Gold also pays 0.3c/l extra for milk under 200,000 SCC, 0.3c/l for under 50,000TBC and 0.4c/l

for suppliers with a capacity for seven milkings. Bandon, Barryroe, Lisavaird, and Drinagh pay 0.4c/l for milk supplied with less than 200,000 SCC.

- Average co-op price based on co-op average butterfat and protein %.

- Two new columns to display the difference in co-op payout for a 230,000 quota supplier at both 3.6butterfat and 3.3 protein and the creamery average.

- Column C displays price change from previous months and column F shows total cuts this year.



## Fonterra and Glanbia use co-op share price to boost milk payout

NEW Zealand dairy farmers welcomed the Fonterra payout of NZ\$7.60 (26c/l) even if it resulted in their co-op's share price dropping from NZ\$6.79 (€3.21) to NZ\$5.57 (€2.63). Glanbia will pay an extra 2c/l plus vat from 1 July to 31 December. This price support will be made up from 1c/l from Food Ingredients plus 1c/l from Glanbia Co-op. Chairman Liam Herlihy said their product mix would yield 30c/l plus VAT but they recognise the significant increased supplier costs at this

time. Fonterra Chairman Henry van der Hayden said: "A further 45 million kg milk solids, that had been previously unshared, or heading to a competing milk processor, has been backed by shares and committed to Fonterra in the two weeks after the share announcement." This milk comes from farm conversions and expanding farmers, who had intended to supply the co-op under contract, but have changed their mind after the share announcement.

## Cheese prices harden in US

THE normal build-up of dairy commodity stocks in the US is tempering prices at present.

These stocks are a result of less forward buying than last year, and are expected to fall as hot weather restricts yield and the holiday season ends.

Cheese prices have increased by 8.5% on the Chicago Board of Trade since 10 July. In the EU, cheese is trading around €3,185, while butter is making €2,485, skim milk powder is selling for €2,350 and whole milk powder is making €2870 (see graphs).

## Fonterra commences online auction of 5,000t milk powder

FONTERRA have carried out the first trading of 5,000 tonnes of whole milk powder. CRA of Boston, an International Brokerage Firm, carried out the trade on their internet auction site, which is completely

independent of Fonterra. The auction price was US \$4,330 /tonne (€2,750) for September delivery, which is at the top end of price at present. A further 3,000 tonnes is offered for both October and December.