

Connacht Gold retain number one position in 12-month average



JOHN BOYLAN
IRISH FARMERS JOURNAL

Connacht Gold's average price for the last 12 months of 30.86c/l keeps them in the top slot for the January/February liquid milk league. Clona takes second place, with an average price of 30.41c/l to complete the first division.

Glanbia and Dairygold tops the second division with a price of 29.8c/l, followed by Donegal and Centenary/Thurles paying 29.15c/l and 28.92c/l respectively.

The division three players are Arrabawn, Kerry, Monaghan and Wexford, with prices ranging from 26.84c/l for Arrabawn to 25.97c/l for Wexford.

Centenary/Thurles come in on top for January/February, with an average price of 40.23c/l.

There is much debate going on as how liquid milk prices are compared, when there are both flat prices and manufacturing prices, plus bonuses being compared to one another.

The co-ops on the flat liquid milk price for January and February are Connacht Gold, Glanbia, Dairygold, Centenary/Thurles and Clona Dawn.

The rest of the co-ops pay on the manufacturing price plus a fixed bonus. The difficulty in comparing payments arises between the traditional liquid milk supplier who produces high volume low constituent milk and the more modern producer who is producing high constituent with lower volumes. The latter group feel that their co-op is not getting recognition for the higher price paid for this milk as the manufacturing price is based on 3.6% fat and 3.3% protein.

February 2010 creamery prices

	12-mth rolling avg	Jan price	Feb price	League position for avg Jan/ Feb	12-month rolling average milk payment For avg farmer supplying 230,000lits
Division 1					
Connacht Gold	30.86	40.54	37.34	2	€70,972.83
Clona Dawn	30.41	35.78	36.05	4	€69,953.73
Division 2					
Glanbia	29.81	34.62	34.92	5	€68,564.92
Dairygold	29.81	34.62	34.92	5	€68,565.30
Donegal	29.15	32.75	34.35	8	€67,048.45
Centenary /Thurles	28.92	40.08	40.38	1	€66,506.03
Division 3					
Arrabawn	26.84	35.88	32.32	7	€61,733.34
Kerry	26.72	36.95	38.06	3	€61,452.74
Monaghan Co-op	26.48	30.81	31.51	10	€60,893.84
Wexford	25.97	31.83	31.62	9	€59,727.93

European milk prices

GRANOROLO in northern Italy tops the LTO milk league, paying a milk price of 29.96c/l at 3.6% fat and 3.3% protein. They have beaten Hämeenlinnan of Finland into second place by 0.16c/l for the first time.

The average LTO milk price for February in Europe was 24.7c/l.

First Milk in Britain is the bottom of the league again this month, paying just 20.91c/l.

The US price converts to 23.58c/l because of the stron-

ger dollar. The Fonterra price in New Zealand converts to 20.85c/l before the latest auction results.

LTO milk prices in the first column are converted to cent/l at 3.6% fat and 3.3% protein. The second column is milk price in cent/kg at 4.2% fat and 3.4% protein.

The third column is the 12-month rolling average converted to cent/litre at 3.6% fat and 3.3% protein and the fourth column shows rolling average in cent/kg at 4.2% fat and 3.4%p.

European milk prices

Company	Feb milk price*	Feb milk price**	12-mth rolling avg***	Rolling avg in last 12 mths****
Milcobel BE	25.13	28.5	22.72	25.77
Alois Müller DE	23.90	27.1	21.41	24.28
Humana Milch				
Union eG DE	23.67	26.84	22.00	24.95
Nordmilch DE	23.67	26.84	20.94	23.75
Arla Foods DK	23.94	27.15	22.97	26.05
Hämeenlinnan Osuusmeijeri FI				
	29.80	33.79	35.34	40.07
Bongrain CLE (Basse Normandie) FR				
	27.17	30.81	25.35	28.75
Danone (Pas de Calais) FR				
	27.06	30.69	25.64	29.08
Lactalis (Pays de la Loire) FR				
	28.36	32.16	25.02	28.37
Sodiaal FR	27.71	31.42	25.86	29.32
Dairy Crest (Davidstow) GB				
	24.25	27.5	24.24	27.49
First Milk GB	20.91	23.71	20.97	23.78
Glanbia IE	22.91	25.98	19.71	22.35
Kerry IE	21.92	24.86	19.96	22.63
DOC Kaas NL	22.79	25.84	20.73	23.51
Friesland Campina NL				
	23.58	26.74	23.60	26.76
AVG MILK PRICE THIS MONTH (2)				
	24.7	28	23.53	26.68
Granarolo (North) IT				
	29.96	33.98	30.12	34.16
Fonterra (5) NZ	20.85	23.64	19.20	21.77
USA (3) US	23.58	26.74	19.22	21.79

*C/l converted to 3.6% bf & 3.3% protein.
**This month, c/kg @ 4.2% bf and 3.3% pr.
***Converted to 3.6% Bf and 3.3% pr.
****C/kg @ 4.2% Bf and 3.3% pr.



Dairy prices have increased in the last few weeks and should increase substantially following the dramatic rise in Fonterra auction prices.

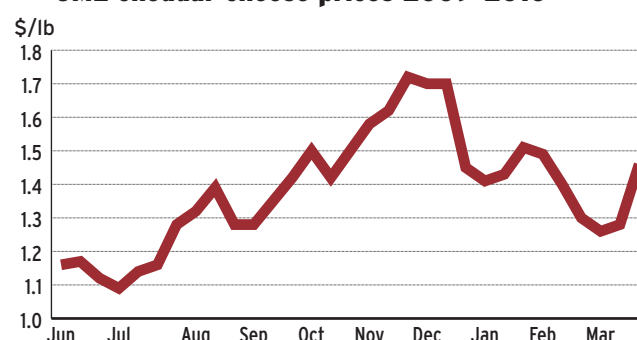
US cheese prices up by 3c/lb

THE price of cheddar cheese moved up to \$1.46/lb, an increase of 3c/lb since last week.

This is a total price rise of 20c (15.9%) from its low point of \$1.26 in early March.

The latest price increase comes as a result of the announcement by CWT (Co-operatives Working Together) of their export assistance programme, which has aided the export of 2,550 tonnes of cheddar cheese to be delivered between now and July.

CME cheddar cheese prices 2009-2010



Milk sold in bags

SAINSBURY'S are selling milk in recyclable plastic bags for more than two years. They estimate that 3% of their 24 million customers have switched to the pouches.

If all plastic bottles in Britain were replaced with these pouches, there would be 100,000 tonnes of plastic waste saved from landfills every year as these bags use 75% less plastic. The bags are made of a strong, low-density plastic material that fits inside a reusable pitcher.

To encourage purchase, Sainsbury's are giving away 500,000 pitchers designed to hold and pierce the bags.

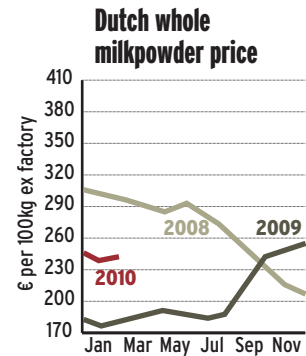
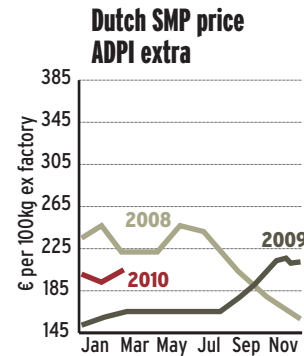
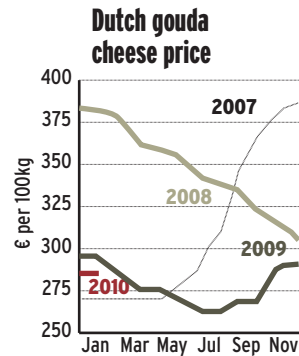
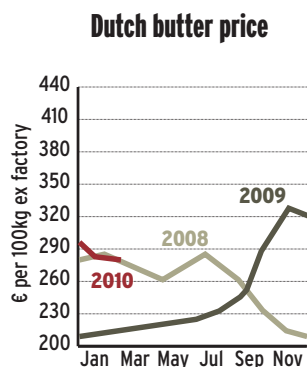
Dairy product prices set to increase

EVEN though the prices quoted on the accompanying table and graphs are showing dairy product prices that are lower than the January prices, prices have, in fact, increased over the last number of weeks and should increase substantially following the dramatic rise in all dairy product prices at

the Fonterra auction.

The butter price fell from \$4,100 to \$2,550 (€1,900) in early February before recovering to \$3,913 (€2,920) in early April and must rise further after the 21.9% increase in anhydrous milk fat (industrial butter) to \$4,827 (€3,602).

The price of WMP in-



creased by \$686 (21%) to \$3,969 in the April auction at Fonterra.

This sees the price for WMP at the highest since the auctions began in September 2008.

The average increase in the price of SMP at the same

auction was \$745 (25.5%), which brought its price to \$3,672.

If Irish dairy products were sold through this auction, it would have returned almost 40c/l to the co-op, leaving 35c/l for the farmer after a 5c/l processing cost.

Dutch quotations

€ per tonne	1 January 2010	April 2010
Butter	3,150	2,920
Whole milkpowder	2,520	2,480
Skimmed milkpowder	2,030	2,100
Wheypowder	700	640
Gouda cheese	+/- 2,900	+/- 2,850

IN BRIEF

Omega-3 products improve health

CONSUMING dairy products fortified with omega-3 fatty acids benefits heart health, and may reduce the risk of cardiovascular disease, says a new study from Germany.

After 15 weeks of the study, the Jena-based scientists' report found that omega-3 enriched products led to a significant reduction in cardiovascular risk factor.

The AA/EPA (a measure of silent inflammation) fell from an average of 8.7 at the start of the study to 2.8 after the period of omega-3-fortified dairy consumption.

Milk price volatility

THE prices paid for dairy commodities at the latest Fonterra auction is the first indication that we may be in for another year like 2007, with milk prices increasing as the year progresses.

Erhard Richarts of IFE in Germany sees similarities to 2007 but forecasts demand growth slower than it was back then, even though milk supply in Europe is either static or falling.

Rabobank says in its quarterly report that dairy product prices may fall again as international markets could end up being hit with a wave of surplus dairy supplies from Europe. EU exports would also be more competitive as a result of a weakening euro. It will be very interesting to watch which of these predictions materialise.

TPP progress block

THE US dairy lobby has attacked Fonterra's power at home and abroad in an effort to block any progress on the Trans-Pacific Partnership (TPP). Last week, a bipartisan group of 30 senators, including former presidential candidate John Kerry accused the NZ dairy industry

of operating "anti-competitive practices."

In a letter to Ron Kirk, the US trade representative to the talks, they invited the Obama administration to consider the damage that free trade with NZ could do to US dairy farmers and processors.

They said: "In the light of the market power of NZ's dairy industry which is dominated by one company, the administration should consider whether genuine competition is possible as it proceeds with the TPP."

This looks a bit rich from the US who wanted to roll everyone into a WTO deal, where they were calling all the shots.

Top cheese award for Dairygold

DAIRYGOLD Food Ingredients has received a second major award for its cheese within the past year, after it claimed top honours in its class at the World Championship Cheese contest in Wisconsin recently.

It also won an award at the International Nantwich Cheese Show in England last year. Dairygold's cheddar, aged 12 to 24 months, produced for the Irish Dairy Board was judged best in its class, ahead of entries from New Zealand, Canada and the US. The championship, now in its 26th year, featured in excess of 2,300 cheeses from around the world.

Two exchanges to offer SMP futures

THE Chicago Mercantile Exchange will launch an international SMP futures contract from 10 May. Product offered on the exchange must be produced to the co-dex standard for milk powders (an international standard last published in 1999) and must be produced in the US, NZ, EU or Australia. Eurex, a Swiss/German futures exchange, will launch a new dairy-based futures market in mid-2010. They will offer butter and SMP. The use of derivatives to hedge against higher prices and fluctuating costs is forecast to increase. Eurex first entered agricultural commodities trading last year.



THE REAL DAMAGE STARTS NOW!

As soon as cattle are turned out, they risk ingesting fluke that have overwintered on the pasture - these fluke will grow and develop in the cattle's livers causing potentially irreversible damage before you treat them at housing.

By treating for worms and fluke from 8 weeks after turnout, you will not only help to reduce the numbers of condemned livers, but control re-infection of your land.

EASY!
THE ONLY 4 IN 1
POUR ON SOLUTION
FOR FLUKE AND
WORMS AT
GRAZING



www.closamectin.com

Closamectin
Pour on

Norbrook
Pharmaceuticals Worldwide



Please read the product data sheet and seek advice before use. The dosing programme should be established by a veterinary surgeon or suitably qualified person. Manufactured in NI by: Norbrook Laboratories Ltd, Station Works, Newry, Co. Down, BT35 6JP. Distributed in ROI by: Norbrook Laboratories (Ireland) Ltd, Rossmore Industrial Estate, Monaghan, County Monaghan. Legal category: LM. Closamectin Pour On Solution for Cattle contains 0.5%w/v ivermectin and 20%w/v dosanetel.