

# ***LTO International comparison of producer prices for milk***

# **2013**

*prezzi di latte • melkprijzen • prix du lait • molkeprizen  
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## Foreword

The expectation in our previous report was that 2013 could be a good year for milk prices. In the end 2013 will go down in the history books as a year with exceptionally high milk prices- milk prices that began at a good level and then proceeded to break records month by month. This illustrates the increasing demand for dairy products worldwide. It also shows that dairy farmers cannot produce more milk directly but that time is needed to scale up production. It was only in the second half of 2013 that milk production began to increase significantly.

It is also clear that one company's milk price is more under the influence of the world market than that of another. The atmosphere among dairy farmers has improved with the high price of milk. Especially in the Netherlands young farmers are seeing the challenge in taking over their parents' dairy farm, in developing it further and thus having an income and a future in the dairy sector.

The good milk prices led to increased milk production well absorbed by the market, but in a number of EU countries it also means an historically high superlevy. The milk quota system in the EU thus has a negative impact on the ability of farmers to take advantage of improved market conditions. At the same time it has again made it clear that current quotas have no influence on milk prices. Nowadays it is international developments that play a large part in the evolution of milk prices. This also explains why differences in milk prices worldwide are shrinking.

It is difficult to make a forecast for 2014. The first few months have shown a significantly higher price level than last year. But while milk prices went up 2013 in the course of the year, in mid 2014 the trend is down. How far it will go is a question that we can answer in next year's report. However it is expected that in the second half of the year milk prices will become stable again. Even then 2014 could end up high in our multi-annual milk price comparison.

This is the last international milk price comparison to be conducted by the Dutch Dairy Board. At the end of 2014 the Board will cease to function. Some of its tasks will be undertaken by the government, some by the sector and some will no longer be done. On the initiative of LTO and the Dutch Dairy Organization (NZO) an interbranche organisation has been founded, ZuivelNL (in English DairyNL). This body will carry out the milk price comparison in the future. In this way, there will be continuity in the series that has been built up over the years.

Kees Romijn  
Chairman Dairy Committee Dutch Federation of Agriculture and Horticulture LTO Nederland

# **1. Introduction and notes for readers**

## **1.1 Introduction**

The LTO International Milk Price Comparison is published every month at the request of the Dairy Committee of the Dutch Federation of Agriculture and Horticulture (LTO Nederland) at [www.milkprices.nl](http://www.milkprices.nl). This is a comparison of prices paid for milk by large European companies and is done in co-operation with European Dairy Farmers (EDF). EDF collects the milk price data and makes them available. Calculations are undertaken by the Dutch Dairy Board (Productschap Zuivel, PZ).

The method chosen for the calculations shows the price a dairy farmer would receive if milk of specific (standard) composition, quality and quantity were delivered to the different dairy companies.

In this report the following characteristics of the standard milk are taken as a basis:

- 4.2% fat;
- 3.4% protein;
- total bacterial count 24,999 per ml;
- somatic cell count 249,999 per ml;
- annual delivery 500,000 kg.

The prices are exclusive of VAT, ex-farm and inclusive of supplementary payments.

It must be emphasized that there is no comparison of the average milk prices paid. The average price paid by a dairy company for milk is dependent on the actual composition, quality, quantity et cetera of the milk delivered. Furthermore, no conclusions can be drawn about the performance of dairy companies on the basis of the milk prices paid. Many more factors play a role in assessing performance.

After each calendar year has ended, a report is presented with the calculated milk prices paid for that year. This annual report appears when the supplementary payments of the preceding calendar/ financial year are known and can, thus, be incorporated into the milk prices. The amount of supplementary payments are corrected for the date of payment based on EURIBOR 3-months deposits interest rate (2013: 0.22%) The present publication comprises the milk prices calculated for the calendar year 2013.

## **1.2 Notes for readers**

Chapter 2 features the calculated milk prices for 2013 (paragraph 2.1), followed by a description of the developments of the dairy market in 2013 (2.2) and latest trends of milk prices and dairy markets in 2014 (paragraph 2.3).

Chapter 3 gives additional information per dairy company.

The appendices give an overview of milk prices per dairy company from 2007 to 2013 (Annex I) and the average currency exchange rates in 2013 and 2012 (Annex II).

## 2. Milk prices in 2013

### 2.1 Milk price comparison

The calculated milk prices of 16<sup>1</sup> European dairy companies have increased in 2013 on average by 11.9% to a record level of € 37.95 per 100 kg of standard milk. Thus the highest prices of 2008 and 2011 have been substantially exceeded.

**Table 1. Milk prices 2013 and 2012**

In € per 100 kg of standard milk (excluding VAT and including supplementary payments)

		2013		2012		2013-2012		2013/2012	national
									currency
Hämeenlinnan O.	FI	45.18	1	44.06	1	1.12	2.5%		
Granarolo (North)	IT	41.87	2	40.73	2	1.14	2.8%		
FrieslandCampina	NL	40.95	3	35.01	3	5.94	17.0%		
DOC Cheese	NL	38.97	4	33.40	8	5.57	16.7%		
Milcobel	BE	38.68	5	30.63	16	8.05	26.3%		
Arla Foods DK	DK	38.34	6	34.21	5	4.13	12.1%	12.3%	
Glanbia	IE	37.63	7	30.90	15	6.74	21.8%		
Alois Müller	DE	37.33	8	31.22	12	6.11	19.6%		
Kerry Agribusiness	IE	37.32	9	30.45	17	6.87	22.6%		
DMK (Nordmilch)	DE	36.99	10	31.04	14	5.94	19.2%		
Dairy Crest (Davidstow)	UK	36.50	11	35.15	4	1.36	3.9%	8.4%	
Sodiaal Union	FR	36.13	12	33.57	9	2.56	7.6%		
Danone (Pas de Calais)	FR	35.99	13	33.66	6	2.33	6.9%		
Bongrain (Basse Normandie)	FR	35.94	14	33.48	7	2.47	7.4%		
Lactalis (Pays de la Loire)	FR	35.35	15	32.82	10	2.53	7.7%		
First Milk	UK	33.99	16	32.42	11	1.57	4.8%	9.4%	
<b>Average<sup>2</sup></b>		<b>37.95</b>		<b>33.92</b>		<b>4.03</b>	<b>11.9%</b>		
Emmi	CH	49.65		46.64		3.01	6.4%	8.5%	
Fonterra	NZ	35.54		29.99		5.56	18.5%	20.5%	
USA class III	USA	33.28		33.36		-0.09	-0.3%	3.0%	

Like last year, there were no changes in the top three places in the rankings. Although the calculated milk prices of the Finnish Hämeenlinnan Osuusmeijeri and Italian Granarolo increased the least, they remain clearly at the top of the rankings. However, the difference between them and FrieslandCampina in third place fell considerably. In 2013 FrieslandCampina paid its highest milk price ever. The member dairy farmers have benefited from the growth in Asia and the good results of baby and infant food and food ingredients. Meanwhile, owing to the worsening economic conditions, the proceeds of consumer dairy products were under pressure in Europe. The Dutch DOC Cheese rose from last year's number 8 to a 4<sup>th</sup> place in the ranking. DOC Cheese benefited from the good market prospects of cheese - mainly due to the growth of exports inside, but especially outside, the EU - and of whey.

<sup>1</sup> In the previous year the milk prices of 17 EU dairy companies were calculated and published, among them those of Nordmilch and Humana Milchunion (Germany). Since then Nordmilch and Humana Milchunion have merged to form DMK (Deutsches Milchkontor). From 2013 the milk price of DMK (Deutsches Milchkontor) is being calculated. The milk prices cited for DMK up to 2012 are those of Nordmilch.

<sup>2</sup> Partly due to the leaving out of Humana Milchunion the average of 2012 differs from the previous publication (€ 33.73). In addition, some milk prices are adjusted. For further information, see the additional information per company.

With the greatest increase in the milk price of no less than 26.3%, Belgium’s Milcobel also rose most in the rankings from 16<sup>th</sup> in 2012 to 5<sup>th</sup> in 2013.

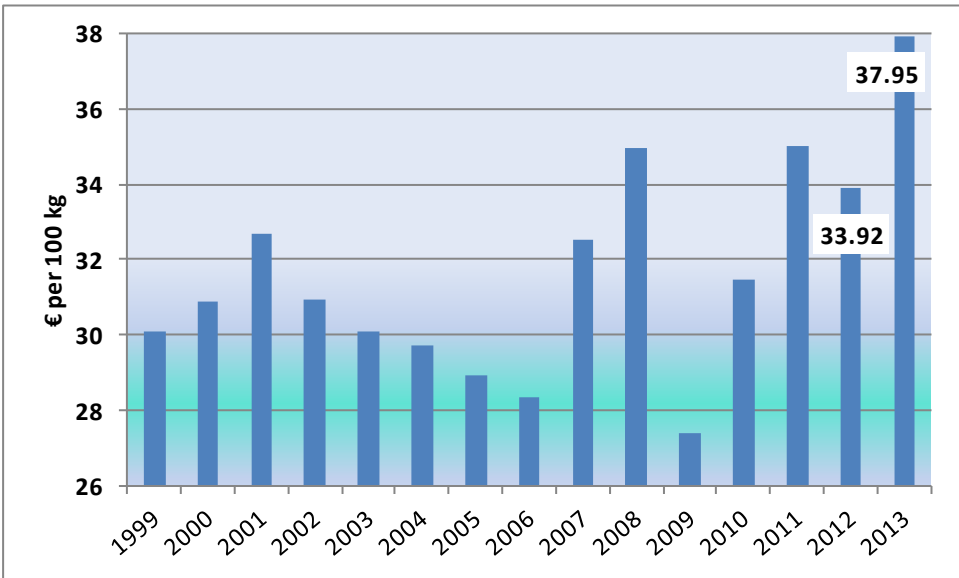
Although its calculated milk price increased by 12.1% on average Arla dropped to 6<sup>th</sup> place in the ranking. As with FrieslandCampina Arla’s results in the European market came under pressure, partly because consumers chose supermarkets’ own brands instead of Arla’s. Arla’s milk price is calculated on the basis of Danish milk payments, but increasingly it is also representative of payments to dairy farmers who supply the company in other countries. Arla is an international cooperative with members in six different EU countries who all received (or will receive) the same milk price. Arla aims to pay a milk price that is 3-5% higher than that of a number of competitors. This aim, according to Arla’s annual report 2013, is clearly under pressure but it is hoped to achieve a difference of 3%.

The Irish companies Glanbia and Kerry have benefited from the good international dairy market and have thus progressed considerably in the rankings.

The relatively low milk prices of the four French dairy companies are noteworthy. It also happened in the previous record year of 2011 that French milk prices lagged somewhat in relation to others. It seems that the French farmers have benefited less from the favourable developments in the international dairy market. The question is whether this is due to the composition of the product range and the outlet markets of the French companies. Because the milk price in France is based on market indicators in which international dairy prices play a minor role the system for determining milk prices seems to provide a better explanation for the divergence of French milk prices from those in other countries. The positive side of this is the relatively better French milk price in bad dairy years, such as 2009.

After reviving in 2012, British milk prices from Dairy Crest and First Milk fell again in the rankings in 2013. It should be noted here that the 4.5% decline in value of the Pound sterling against the Euro has had a negative impact on these calculated milk prices.

**Figure 1. Average milk prices from 1999 to 2013**



Outside the EU milk prices also increased, especially in New Zealand. The dairy farmer members of Fonterra have never received such a high milk price as in 2013. Similarly, the milk price in the U.S. is relatively high, but despite an increase of 3% (in US dollars), it remained below the record level reached in 2011.

## **2.2 Dairy market 2013**

The dairy market developed well in 2013 despite the ongoing economic crisis. While this development was primarily supply-driven the continued strong demand, from China in particular, also constituted an important market factor in support of growth.

In the first months of the year milk production in major dairy regions such as the EU and the U.S. remained low owing to the unusually long and cold winter. This reinforced the existing market situation, already affected by limited stocks and only moderate milk production, creating a feeling of tight supply. A period of stable high prices was the result.

In parallel with this, a drought in New Zealand, coupled with the approaching end of the production season there, caused further restriction in supply. This resulted in sharp price increases of dairy commodities from late March on both the global and EU internal market. In the second half of the year improvement in the weather and rising milk prices and moderate feed costs ensured a gradual increase in milk production without this resulting in pressure on prices.

The final outcome was that the year 2013 was characterized by exceptionally high average prices. For example the Dutch quotations for butter and various milk powders, as well as the average value indicators of Gouda 48 + cheese, were all 25% to 30% above the average level of 2012. The structural trend towards higher prices for whey powder also continued in 2013.

## **2.3 Development of milk prices and dairy markets in the first half of 2014**

Through a combination of higher milk prices and improved weather milk supply in Europe, the U.S. and New Zealand has increased substantially in the course of 2013. Despite the strong growth of production at the start of 2014 the milk market experienced stable high prices. This was partly due to good global demand for dairy products (from China, among others) and relatively low international stocks. However, the price of butter has dropped significantly since December 2013.

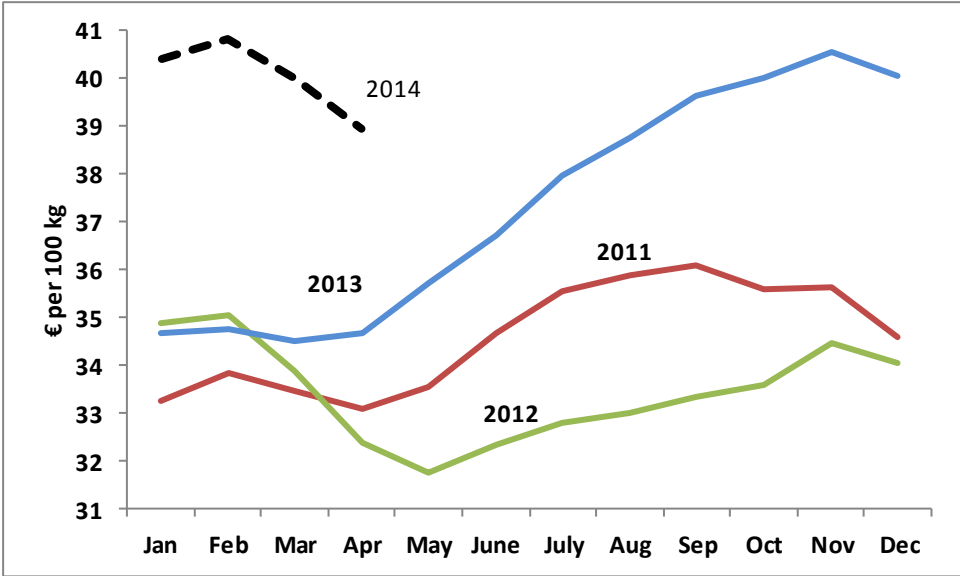
With the approach of the peak season for milk supply there was a gradual change of mood on the European dairy market. International prices also fell, as at the Global Dairy Trade auctions. Cheese and milk powder market prices came under pressure. At the same time it should be noted that the prices have fallen from a relatively high level and have still remained above the (long) term average.

After these falls in price the dairy market seems to have become calmer in June, partly because the peak milk supply in Western Europe has been reached and in the meantime the seasonal decline has begun. However, world prices have remained under pressure.

The downward trend in dairy markets has had only a limited effect on the milk prices paid to dairy farmers. Figure 2 shows that milk prices (on average) are still well above the level of last year.



Figure 2. Development of average monthly milk prices from January 2011 until April 2014



### 3. Additional information per company

#### Hämeenlinnan Osuusmeijeri (Finland)

The calculated milk price of Hämeenlinnan Osuusmeijeri increased in 2013 by 2.5% to € 45.18 per 100 kg standard milk, including an additional payment of 2.6 eurocents per litre or € 2.52 per 100 kg of standard milk.

The greater part of Finnish milk (85% or 1.9 billion kg) is processed by Valio . The average milk price published by Valio increased to a record level of € 47.5 per 100 litre in 2013 (in 2012: € 46.7).

#### Granarolo (Italy)

The calculated milk price of Granarolo increased in 2013 by 2.8% to € 45.18 per 100 kg.

#### FrieslandCampina and DOC Cheese (Netherlands)

**FrieslandCampina's** calculated milk price of € 40.95 includes a supplementary payment of € 2.91 based on a performance bonus of 4.57% and a registered reserve of 3.10%.

Dairy farmer members of FrieslandCampina receive for their milk a minimum guaranteed price based on the weighted average of the milk prices of a number of reference companies in Germany, Denmark, the Netherlands and Belgium. Additionally, 30% of FrieslandCampina's net profit (as of 2014 to be 35%) was paid to member milk suppliers as a performance bonus and 20% in the form of fixed member bonds (registered reserve), both of these in proportion to the value of the milk delivered. The remaining part of the net profit (50%, and 45% in 2014) will be added to the general reserve.

In 2013 **DOC Cheese** has made an additional payment of 4.5% plus a deposit of € 0.68 per 100 kg to the members' accounts in addition to the advance payment (excluding quality and quantity premiums). The calculated additional payment is € 2.31 per 100 kg of milk (2012: € 1.94). From 2012 the calculated quality premium for first class milk is retroactively adjusted from € 0.05 to € 0.03 per 100 kg.

Dairy farmers who supply DOC Cheese and FrieslandCampina receive a 'pasture milk' supplement of € 0.50 per 100 kg of milk when the cows have grazed for 6 hours per day for at least 120 days per calendar year. According to their annual reports DOC Cheese and FrieslandCampina have paid an average grazing premium of, respectively, € 0.23 and € 0.31 per 100 kg of milk in 2013. This average grazing fee is included in the calculated milk prices. In 2012, FrieslandCampina's average grazing fee was € 0.32 per 100 kg of milk. This is included retroactively in the calculated milk price of 2012. In the previous publication this fee was included in full (€ 0.50 per 100 kg).

#### Milcobel (Belgium)

Milcobel has made an additional payment to its member dairy farmers of € 0.1281 per kg of fat and protein for the quantities delivered in 2013. This corresponds to € 1.00 per 100 kg of standard milk. Because dairy farmers have received a market-based dividend for their capital invested in Milcobel, this additional payment has not been corrected.

In the course of 2013 Milcobel has adjusted the rules concerning volume and the criteria for the extra quality premium. Neither of these adjustments has any impact on the calculated milk price based on standard milk.

#### Arla (Denmark)

Arla expresses its annual result in terms of the so-called performance price. This price per kg members' milk containing (standard) 4.2% of fat and 3.4% of protein includes the retained earnings. From the profit, which is the difference between the performance price and the prepaid milk price, 4.5% is consolidated of which 1/3 via contributed capital (members capital) and 2/3 common capital (general reserve).

In addition to the monthly advance milk payment farmer members receive an additional payment, in part in cash and in part in membership certificates. For 2013, the additional payment was 5.5% (2012: 7.8%) of the so-called basic value. This basic value is the monthly payment for fat and protein minus the costs per kg of milk and plus the quality premiums paid. The calculated additional payment is 15.2 DKK (of which 4.6 DKK in membership certificates) or € 2.01 per 100 kg of standard milk (2012: € 2.49).

### **Glanbia and Kerry (Ireland)**

**Glanbia's** calculated milk price includes a seasonal supplement of 4.75 eurocents per litre (February), 1.5 eurocents (October) and 3.7 eurocents (November). **Kerry's** calculated milk price includes a retroactively paid supplement to the milk price of 0.3 eurocents per litre. Dairy farmers have received this additional amount with the November and December payment covering the milk delivered in January to December 2013.

### **Alois Muller and DMK (Germany)**

In consultation with the farmer suppliers it was decided by **Alois Muller** that from 2012 onwards no longer supplementary payments should be made after the calendar year.

**DMK** has made an additional payment of, respectively, € 1.00 (for October 2013) and € 2.00 (for November and December 2013) with the milk payment in January 2014. This additional payment is included retroactively in the monthly milk prices of those months. No further supplementary payment is expected in relation to 2013.

Because the member farmers receive a market-based dividend for their capital invested in DMK, the calculated milk price has not been corrected.

### **Dairy Crest and First Milk (United Kingdom)**

The UK dairy companies **Dairy Crest** and **First Milk** use different payment systems for farm milk depending on the final product and/or the requirements of customers (supermarkets). The calculated milk price of Dairy Crest refers to the milk price paid to dairy farmers who supply the Davidstow (cheese) creamery. First Milk makes a distinction between milk that is processed into liquid milk for consumption and that destined for other products. The calculated milk price of First Milk covers the pool price of milk which is processed into other dairy products (manufacturing milk).

The calculated milk prices for First Milk have been adjusted retroactively. The seasonal supplementary payments used to be based on a so-called dual pricing system, but as of April 2010 have been based on a so-called Profile Adjustment Scheme. As a result the calculated milk price in 2012 rose by approximately € 0.50 per 100 kg of milk.

Dairy Crest is a listed company which makes no supplementary payments. First Milk is a dairy cooperative whose members receive a dividend on their capital invested in the cooperative in addition to payment for milk delivered. From 2010 an annual dividend of 6% has been paid. This dividend is not included in the calculated milk price, because there is no direct relationship with the amount of milk delivered.

### **Bongrain, Danone, Lactalis and Sodiaal (France)**

Since 2013 in France the development of milk prices is the subject of agreements reached in consultation at company level with (recognized) producer organizations. In this way use is made of market indicators and the differences between French and German milk prices published by CNIEL. At the regional level there are inter-professional agreements on payment for composition (fat and protein), quality and seasonal differentiation. Accordingly in this milk price comparison for the French companies it is indicated from which region the milk price data originate.

Because of the poor financial situation in dairy farming the French dairy companies have paid an advance of extra money early in the year. In the second half of the year **Bongrain** and **Danone** have deducted these amounts from the milk payments made. These advances and deductions are therefore not included in the calculated monthly milk prices of the two companies. The complementary

payments by **Lactalis** and **Sodiaal** were not separately added or later deducted from the milk payments and are therefore included in the monthly milk prices.

Danone paid an additional premium with the December 2013 milk payment of € 0.45 per 1,000 litres on the amount of milk delivered in 2013. This has been included retroactively in the monthly milk prices.

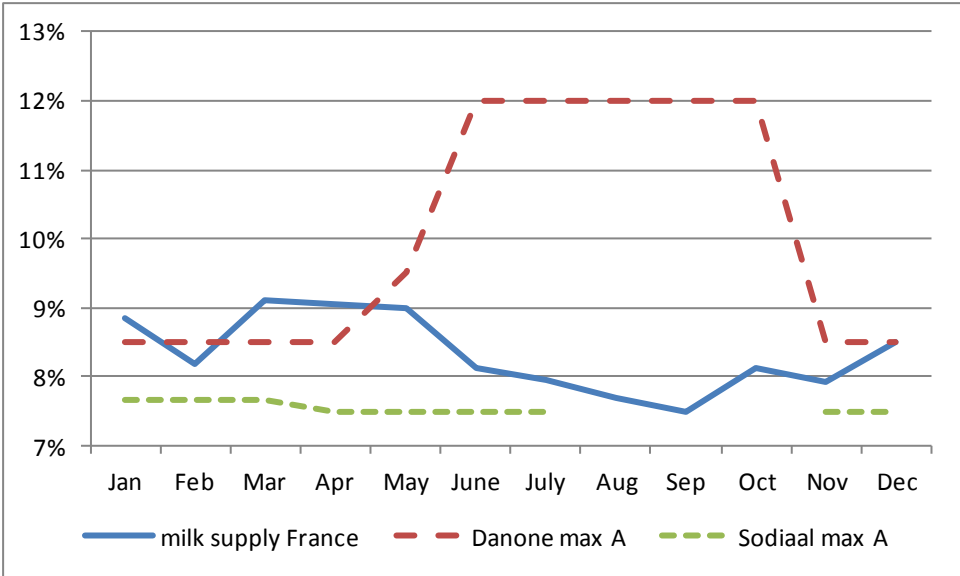
Dairy farmers who supply milk to Sodiaal receive a premium when they are able to give a good forecast of the amount of milk that they will deliver over a future period of 3 months. This so-called ASAP premium is € 5 per 1,000 litres when the deviation from the estimate is less than 2%, € 3 for ± 5% and € 2 for ±10%. This premium is not included in the calculated milk prices.

Danone and Sodiaal operate a dual pricing system in which an A-price is paid for a certain maximum amount of milk and a B-price for the remaining amount. The B-value is based on prices obtained for butter and skimmed milk powder.

From November to April Danone applies the A-price to a maximum of 8.5% of the annual reference quantity of milk. For May this percentage is 9.5% and for the remaining months 12%. Sodiaal also uses a percentage of the reference quantity of milk. This percentage is determined on an annual basis and is reduced as the years pass, thus in the course of 2011/12 96%, 2012/13 92%, 2013/14 90% and in the last year of the quota 2014/15 85% .

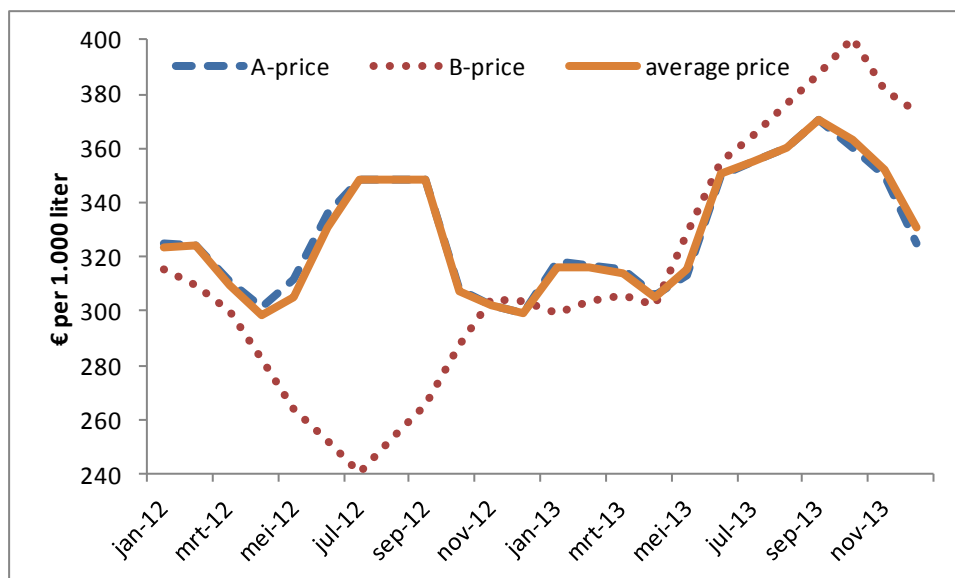
The maximum amount of A-milk per month of Sodiaal is equal to the percentage for the year divided by 12 (for example  $90/12 = 7.5\%$  in 2013/14) with the exception of the months of August, September and October. In these months, the months with the lowest milk supply in France (see figure 3), the A-price was paid for all milk delivered.

**Figure 3. Monthly milk collection in France (average 2012 en 2013) and maximum % A-milk of Danone and Sodiaal in 2013**



The calculated milk prices are based only on the A-prices so far. For Sodiaal the possible effect on the calculated milk price when based on both prices in the dual pricing system has been worked out. Figure 4 shows the difference between Sodiaal's monthly A-, B- and average milk prices. These average milk prices are calculated based on the average national milk collection pattern.

**Figure 4. Monthly milk prices of Sodiaal in 2012 and 2013**



The figure shows that the B-price in 2012 is significantly lower than the A-price, but in 2013 the difference between the two prices is smaller. As for August until September for all the milk the A-price is paid and for the remaining months only for a limited part of the monthly milk deliveries the B-price is paid, the ultimate effect of taking A- and B-prices into account is limited. When the calculated milk price would not be based on only the A-price, but on the average the calculated milk price in 2012 would decrease by € 0.16 and in 2013 increase by € 0.06 per 100 kg.

### **Emmi (Switzerland)**

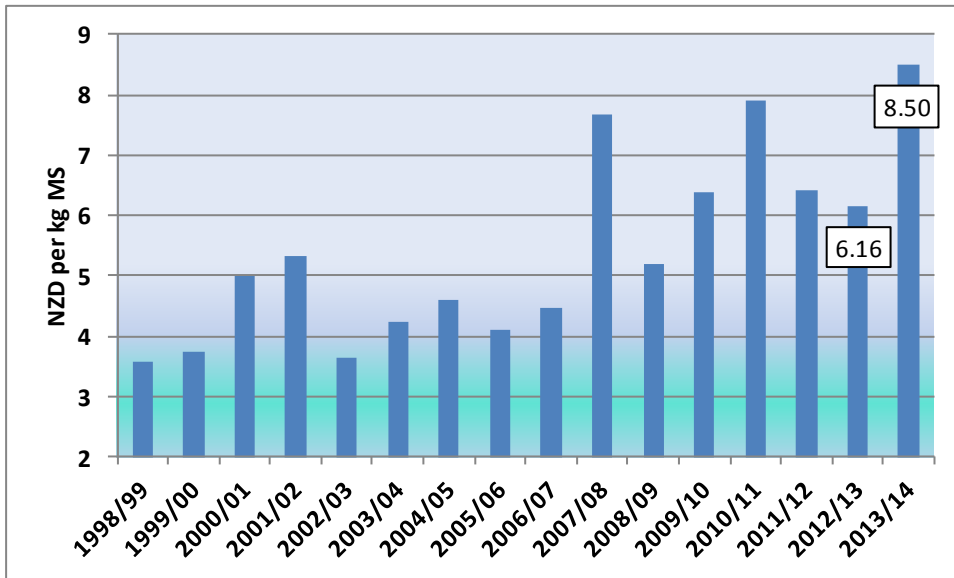
The payment system of the Swiss Emmi comprises A-, B- and C-milk prices. In the marketing year 2013/14 70% of the milk delivered was paid at the (top) A-milk price and 30% at the lower B-price. The A-price refers to milk that is processed into dairy products with a high added value and is supported. The low C-price is the world market price which is paid in specific circumstances, for example, unusually high production. In 2012/13 part of the milk was paid at the C-price. The milk price in 2013 was based on an average milk price of 70% A, 23% B and 7% C (from January to March) and 70% A and 30% B from April onwards. Because of increased milk production in the current marketing year from April 2014 10% of the milk has been paid at the low C-price, in addition to 70% A and 20% B. The dividend paid by the producer organization is disregarded in the milk price.

### **Fonterra (New Zealand)**

Fonterra's calculated milk price for the calendar year 2013 is € 35.54 per 100 kg. This is based on their most recent forecast for the year 2013/14 of 8.40 New Zealand dollar (NZD) plus an expected dividend of NZD 0.10 per kg milk solids (fat and protein). For the new milk price year 2014/15 – starting in June 2014 - Fonterra has announced an opening milk price of NZD 7.00 per kg of fat and protein.

Although the milk price for 2013/14 is not yet final, it will undoubtedly reach a record level. This is evident from figure 5. Never before have dairy farmers in New Zealand received more than 8 NZD per kg milk solids. What also is striking is that milk prices from 2007/08 are much higher (on average plus 60%) than in previous years.

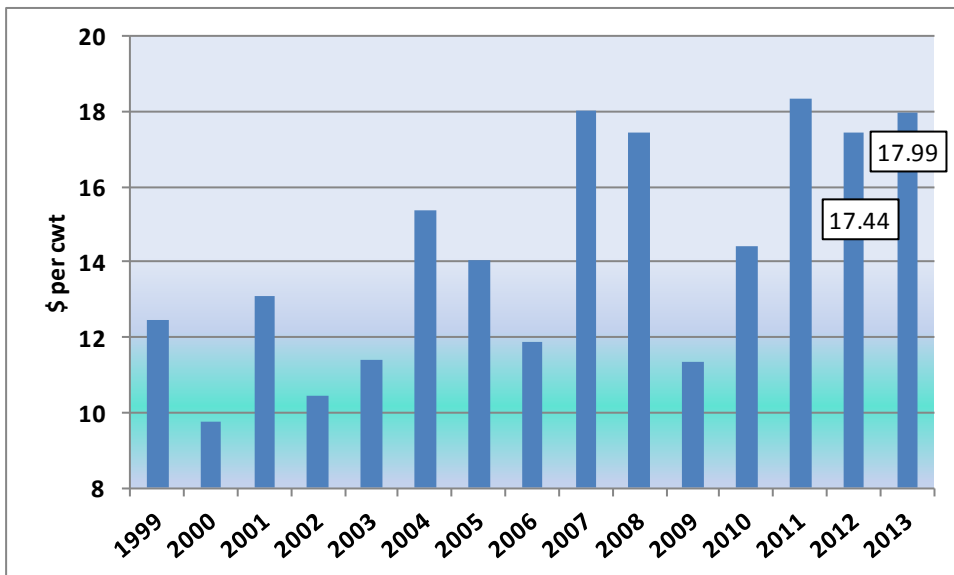
**Figure 5. Fonterra milk prices 1998/99 to 2013/14**  
(NZD per kg milk solids MS)



**United States of America**

The calculated Class III milk price for the United States in 2013 was € 33.18 per 100 kg standard milk. Compared with New Zealand American dairy farmers also received a higher milk price in recent years, as is shown in figure 5. However, the difference is less (on average plus 30% from 2007) and 2013 is not a record year for milk prices. In 2007 and 2011 Class III milk price was higher than it is in 2013 (\$ 17.99 per cwt<sup>3</sup>).

**Figure 6. USA Class III prices**



<sup>3</sup> 1 cwt (hundredweight)= 45,36 kg

## Annex I Milk prices 2007 to 2013

		average	2007	2008	2009	2010	2011	2012	2013
Hämeenlinnan O.	FI	<b>41.90</b>	37.61	44.43	39.52	39.22	43.28	44.06	45.18
Granarolo (North)	IT	<b>38.95</b>		41.05	34.75	34.92	40.40	40.73	41.87
FrieslandCampina	NL	<b>34.44</b>	33.61	35.36	26.22	32.82	37.15	35.01	40.95
Arla Foods DK	DK	<b>33.67</b>	31.70	36.42	27.51	32.38	35.13	34.21	38.34
Danone (Pas de Calais)	FR	<b>33.25</b>	30.79	35.91	29.65	32.20	34.55	33.66	35.99
DOC Cheese	NL	<b>33.11</b>	35.68	30.97	23.47	32.41	36.86	33.40	38.97
Sodiaal Union	FR	<b>33.07</b>	30.49	35.58	29.66	31.71	34.34	33.57	36.13
Bongrain (Basse Normandie)	FR	<b>33.04</b>	30.68	35.47	29.58	31.81	34.34	33.48	35.94
Lactalis (Pays de la Loire)	FR	<b>32.73</b>	30.48	35.27	29.34	31.65	34.17	32.82	35.35
Milcobel	BE	<b>32.68</b>	35.37	32.65	25.25	31.96	34.18	30.63	38.68
Alois Müller	DE	<b>32.60</b>	34.92	34.34	24.56	30.79	35.04	31.22	37.33
Dairy Crest (Davidstow)	UK	<b>31.78</b>	29.70	32.73	27.88	28.75	31.76	35.15	36.50
Glanbia	IE	<b>31.65</b>	32.95	33.54	22.67	29.72	34.14	30.90	37.63
DMK (Nordmilch)	DE	<b>31.31</b>	32.15	31.42	23.43	30.39	33.75	31.04	36.99
Kerry Agribusiness	IE	<b>31.26</b>	32.70	33.03	22.71	29.00	33.61	30.45	37.32
First Milk	UK	<b>29.12</b>	27.34	31.03	24.24	25.60	29.25	32.42	33.99
<b>Average</b>			<b>32.41</b>	<b>34.95</b>	<b>27.53</b>	<b>31.58</b>	<b>35.12</b>	<b>33.92</b>	<b>37.95</b>
Emmi	CH	<b>48.28</b>					48.56	46.64	49.65
Fonterra	NZ	<b>27.90</b>	25.67	22.75	20.80	30.37	30.21	29.99	35.54
USA class III	USA	<b>29.76</b>	32.12	29.37	20.24	27.23	32.70	33.36	33.28

## Annex II Average currency exchange rates 2013 and 2012

### Foreign currency in euro

	2013	2012	2013/2012
British pound	1.1788	1.2346	-4.5%
Danish crown	0.1341	0.1344	-0.2%
US dollar	0.7537	0.7787	-3.2%
New Zealand dollar	0.6180	0.6306	-2.0%
Swiss franc	0.8129	0.8300	-2.1%