

Sainsbury's hold at 47ppl for the 3rd successive month
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Sainsbury's is to hold its SDDG milk price unchanged for Oct'22 and for the 3rd successive month.

The hold maintains the overall increase for the year to date on 14.13ppl and our liquid standard litre—4%b/f & 3.3% prot. Bactoscans of 30,000/ml & SCC's of 200,000/ml, with Therm Durics of 500/ml, 1mltrs/yr on EODC (max vehicle accessibility) based on level supply and therefore, before seasonality, monthly profile adjustments, balancing charges, capital deductions or annual / part annual growth incentive schemes or supplements not directly linked to dairy market price movement—for our Müller supplier on **47ppl**.

Our Arla SDDG supplier holds on the same level of **46.88ppl** after including the company's 0.12ppl haulage charge.

Both prices including an average bonus of 0.62ppl for Herd Health & Efficiency.

The price of 47ppl (*Müller*) compares with 32.87ppl paid for October last year (+14.13ppl) while 12.70ppl over the 5yr October average price of 34.30ppl.

With the 2022 cost of production data collected across the SDDG farms this summer, this data has been fed into updating not just the feed, fuel and fertiliser but, also the base costs in the model.

Compared with the previous month (*Sept'22*) the cost of feed, fuel and fertiliser increases 1.79ppl to **21.19ppl**. Other variable costs (*vet, bedding, sundries, forage costs, livestock purchasers*) increase by 0.1ppl to **7.62ppl**. Net overheads (*paid and family labour, contractors, electricity, property costs, rent, finance, depreciation and income from stock sales and with subsidies deducted*) reduces by 0.1ppl to **14.83ppl**. These changes putting the total cost of production up 1.79ppl from 41.86ppl to **43.65ppl**.

The forecast puts the price increasing by 0.05ppl to 43.70ppl for Nov'22 and by a further 0.08ppl to 43.78ppl for Dec'22.