

LKL Newsletter April 2025



Editor: George Gordon Layout: Amanda Hargrave

ARLA HOLD FOR APRIL BUT A CURRENCY CUT 0.25PPL

Describing markets as stable Arla announced a hold in pricing for April albeit there will be a currency adjustment leading to a 0.25ppl cut. Price remains at a market leading 48.02ppl and 58.01ppl for organic.

ARLA £242M DIVIDEND

A supplementary payment of 2.2 euro cents/kg (1.8p/kg) is due to farmers supplying Arla. It will be the highest dividend paid out to producers, up on the previous year. Profit increased by 5.5% to €401m (£331m).

FIRST MILK HOLD FOR MAY AT 45.35PPL

GDT - LATEST AUCTION FOR 18 MARCH UP 1%

BARBERS DOWN 1PPL TO 45.08PPL

Most buyers held prices for April, but Barbers Cheesemakers fell citing market competition, decrease 1ppl to 45.08ppl.

UK VOLUMES UP 3%

UK milk volumes averaged 42.5m, up 1.17m litres, 2.8% more than last year and 3% on the long-term average.

AMPE AND MCVE DIP BELOW 40P

The latest AMPE is 42ppl, down 2ppl on January. After processor's margin, the equivalent is around 38ppl. MCVE is at 43.25ppl, before margin. A farmgate equivalent is 39.25ppl.

TRUMP'S TARIFFS

Butter markets had been falling, but then Trump's threat of tariffs against Canada, Mexico and the EU bolstered prices in a scramble to export butter to the US before tariffs were introduced.

"CITY STEVE" - JUST 4 FARM VISITS IN HIS JOB SO FAR

Defra secretary Steve Reed, dubbed "City Steve" due to his background in urban politics, revealed he has visited just four farms since July 2024. According to a parliamentary question, Mr Reed made farm visits to the Great Yorkshire Agricultural Show and visits to farms in Essex, Oxford, Gloucestershire and Herefordshire in September 2024, January 2025 and March 2025. Many farmers believe more face-to-face engagement with working farms is essential. Farmers have expressed frustration with the minimal contact from the minister responsible for the future of British agriculture.

GLOBAL DAIRY MARKET OUTLOOK POSITIVE

Global dairy markets are on track for modest growth in 2025, driven by rising export demand, according to Rabobank. Growth is expected with production increases in the EU and the US. The increase is expected to be small without causing oversupply. Dairy farmers should benefit from increased revenue. New Zealand has strong sentiment supported by Fonterra's NZ \$10/kg. Australia, Brazil, the EU, and the US are reporting healthy margins, driven by current milk prices and lower feed costs. China's dairy sector had a notable drop in milk production in 2024. This decline is estimated at 2.6%, attributed to fewer cows.



RECORD BTB CULLING IN WALES

Record numbers of cattle were culled in Wales last year due to bovine TB. 13,000 cattle were slaughtered in 2024 due to bTB, a 27% increase



compared with 2023. The Welsh Government's approach to tackling the disease is clearly not working.

BIRD FLU FOUND IN A SHEEP

Avian influenza has been found in a single sheep in Yorkshire after its milk tested positive. The case was identified following routine surveillance. The infected sheep was culled, and further testing was carried out in the flock but no further infection was detected. In this instance sheep and poultry have mixed on the same farm, resulting in the transmission of avian influenza. Prof James Wood, epidemiologist at the University of Cambridge, said this had 'worrying parallels' with avian influenza found in dairy cattle in the US last year.

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NEWS

DAIRY EXPORTS

Dairy export volumes dropped marginally, but cheese exports were up by 11% on the year. Wyke Farms exports to 160 countries and has a growing market in the US. It will be following the US tariff decisions carefully.

SAINSBURY'S UP 0.54PPL

Sainsbury's increased 0.54ppl from April to 41.24ppl. The cost tracker for April puts feed, fuel and fertiliser cost up 0.05ppl to 15.36ppl.



Variable costs up 0.15ppl to 8.33ppl and overheads up 0.69ppl to 21.97ppl.

WYKE FARMS - 44.69PPL

Wyke Farms has increased its sustainability bonus by 0.2ppl to 1.2ppl, which takes the price up to 44.69ppl.

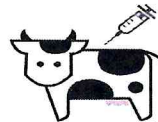
YEW TREE AGONY - 35PPL

Farmers supplying Yew Tree have spoken out in frustration after being paid below the market rate, with many receiving about 35p/litre, 7p/litre less than Muller which acquired the Lancashire dairy last year. Yew Tree Dairy producers said its milk price had left them below the cost of production, compounded by haulage fees of up to 5p/litre.



VACCINATION TO FIGHT BLUETONGUE

Farmers are being urged to vaccinate against Bluetongue. The campaign has been developed by AHDB, who highlight there is no treatment for BTV-3. Slowing the disease's spread through vaccination and restricted movements in affected areas is the best defence. A new 'decision maker' resource tool has been developed and AHDB recommends farmers work through this with their vet to understand BTV-3 risk and defend their stock by vaccinating the right animals.



DAIRYING'S CARBON EMISSIONS

The UK Dairy Carbon Network has been launched to help reduce greenhouse gas (GHG) emissions. Funded by Defra, the project involves the Agri-Food and Biosciences Institute (AFBI) with a consortium of dairy research and industry organisations. The project will establish a network of 56 dairy farms, where farmers, industry leaders, scientists and policymakers can measure the real-world impact of solutions to reduce GHG emissions. Measures will include innovations in animal management, land use, nutrient management and technology, applying research findings to real-world farming conditions.

PULLING SFI WAS OUR 'NZ' MOMENT

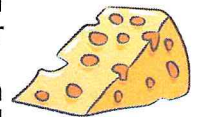
National Sheep Association chief executive Phil Stocker described Defra's decision as 'disastrous'. "With the SFI suspension and other financial pressures, it feels like we're approaching our 'New Zealand moment'."

HALT ON SFI

The sudden closure of SF124 has highlighted concerns about Defra's financial management. The promised six-week notice period of closure was not given. It puts English farmers at a competitive disadvantage to devolved nations. Defra committed a budget for support schemes of £5bn over two years, including £2.4bn for 2025-26. Defra aimed for 70% uptake of SFI by farmers. With 37,000 multi-year live agreements, covering 50% of farmland, uptake is below target. Tim Farron, Liberal Democrat's agriculture spokesperson, accused the government of breaking its contract with farmers.

HALF-FAT HIGH PROTEIN CHEESE

Sales of Saputo Cathedral City High Protein Half Fat Cheddar are being driven by younger consumers. Data has shown that millennial and Gen Z buyers want cheese for its taste and are attracted by its high protein and low fat credentials too.



SHEEP SECTOR IN DECLINE

Figures from Defra put the total UK sheep flock at 31m head in 2024, down 2.5% on the previous year. Lambs less than a year totalled 15.2m, an historic low. The total breeding flock declined by 3.6% year on year, to stand at 14.9m head. The June 2024 total flock figure was 4m fewer than the 34.8m in 2017, and some 5.5m less than in 2001. Analysis by AHDB suggests the female breeding flock could drop by another 6.8% by 2030. Market forces are set to cause further shrinkage of the sheep flock in years to come especially if subsidy vanishes.



NEWS

PLANTAIN THE SOLUTION TO NITRATE LEACHING

A grazing cow will graze 140m²/day, but half of the nitrogen ends up in her urine patches in an area just 3m². Urine patches contain nitrogen levels equivalent to 600 to 800kg N/ha, a concentration too high for surrounding plants to absorb, leading to nitrate leaching. 90% of nitrogen leaching comes from urine patches and very little from fertiliser applications applied evenly across the field. Agritain has come from decades of plant breeding to produce a large-leaved, upright, tall cultivar. This forage plantain can produce 10-19t/ha of dry matter (DM) per year. A four-year trial at New Zealand's Massey University measured nitrate leaching in paddocks. Results showed nitrogen losses dropped by up to 60% when perennial ryegrass swards contained 30-50% plantain. Research at Teagasc in Ireland analysed individual urine patches in grass/white clover containing 30% forage plantain; a 32-74% reduction in year one and 93-99% reduction in year two. Researchers concluded growing plantain in grass clover swards would have a significant effect on mitigating nitrate leaching. Firstly, the cows urinate in greater volume and more often, diluting the amount of nitrogen in their urine. Secondly, more of the protein consumed by the cow is utilised for production with less dietary nitrogen being excreted. Plantain can be managed similarly to perennial ryegrass and can comfortably withstand a grazing round of between 20 and 30 days. To maximise results, trials have shown the plantain should comprise between 30% and 50% of the sward. This means it should make up to 5-10% of



A seed mix. Agritain remains productive in pasture for between two and four years. It can be overseeded, sown at a rate of between 4kg/ha and 8kg/ha.

COW RECOVERY BUCKET £5K

CowRecovery is a downer cow handling system based on a modified telehandler bucket designed to maximise cow welfare. The system has been perfected by producers and vet in trials involving 15 UK-based dairy herds. The device comes with straps and a halter, as well as a training programme, developed by Synergy Farm Vets and invented by producer James Yeatman in north Dorset. Dealing with a 'down' cow. Cows can go down due to a difficult calving, milk fever, grass staggers, metritis, mastitis, a bone fracture or nerve paralysis. Move to a well-bedded yard, with food and water. They should be helped to shift sides at least twice daily to release the pressure on their muscles and nerves. The device, manufactured by Albutt, is designed to last a lifetime. CowRecovery is on the market for £4,995, including delivery. For more information visit: www.cowrecovery.com

FREE MILK TO ENCOURAGE CHINESE MOTHERS

Chinese regions have introduced a range of subsidies, including a daily cup of free milk for new mothers, to bolster the country's declining birth rate. This demographic crisis is attributed to the legacy of China's one-child policy (1980 to 2015), rapid urbanisation and the costs of raising children.



BENEFITS OF GIVING CALVING HEIFERS PAIN RELIEF?

Giving all heifers a pain relief injection after calving will help transition them in the absence of separate heifer transition facilities. Cattle do not show obvious signs of pain. A cow's blood cortisol levels (associated with stress and pain) rise at calving as a normal part of the birthing process. There is no direct evidence for routine use of a non-steroidal anti-inflammatory (NSAID) for first calvers. Trial work showed that, over 34 months, animals receiving an NSAID at first calvings were at a significantly reduced risk of being culled or identified as lame. Pain relief for calving heifers is important because they are under more social stress. Heifers also have a small pelvis, which hasn't been stretched, so experience more pain at their first calving. If they feel better, a heifer is more likely to eat. Discuss with your vet and identify farm-specific risk factors to help decide use of NSAID's for your freshly calved heifers.

US CANADA'S DAIRY TARIFFS

Canada has tariffs above 200% on dairy products imported from the US. Those tariffs kick in only after the US has hit a certain Trump-negotiated quantity of tariff-free dairy sales to Canada. The US is not hitting its allowed zero-tariff maximum in any dairy product. In milk, the US is not even at half of the zero-tariff maximum. Canada is actually the world's second-largest export market for US agricultural products as a whole, about USD28.4 billion worth in 2024. Canada is the second-largest US export market for dairy, purchasing about USD1.1 billion worth in 2024.



PEOPLE CELEBRATING SPECIAL BIRTHDAYS!

Colin Hope

WELCOME TO:

FARMERS

Quicke's Traditional Ltd, RJ & CH Palfrey

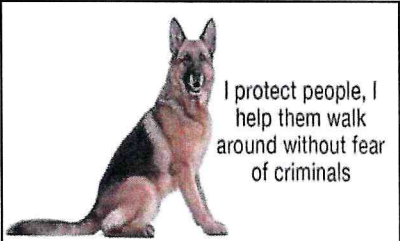


Dear old people:

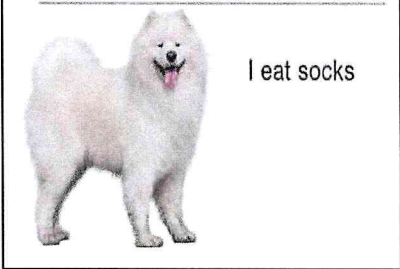
Waking up at 6am, tending to a garden, eating dinner at 5pm, reading books, and going to bed at 9.30pm feels amazing.

I was wrong. You were right.

The universe is 13.7 billion years old and we're lucky enough to be alive at the same time as Chocolate Hobnobs.



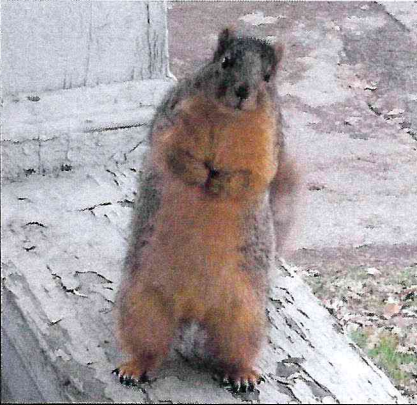
I protect people, I help them walk around without fear of criminals



I eat socks

When life knocks you down, stay t here an d take a nap.

'Excuse me, are you going to be filling the bird feeder soon? They wanted me to ask'



Since it's impossible to know which period of my life is the middle, I've decided to have an ongoing crisis



I miss being able to study with complete focus for hours. Now I read one sentence and check my phone to see if penguins have legs or just feet.

Me to myself: This is annoying. This conversation is annoying, this person is annoying. I hope I'm hiding it well. My face:



ALWAYS BE POSITIVE.
Falls Down The Stairs
ME: "Whew, I got down those stairs fast!"

LKL Services Ltd
 The Old Cowshed
 Harepath Farm
 Burbage
 Marlborough
 Wiltshire
 SN8 3BT
 Phone: 01722 323546
 amanda.hargrave@lkl-services.co.uk
 george.gordon@lkl-services.co.uk





COMPARISON GROUP
Competition Results
February-25

ANNUAL ROLLING RESULTS Ranked by: **Margin Over Purchased Feed per Cow**

	Average	IVE1	WOO1	PIC1	HEA1	ROT1	BOW3	DUT1	COO2	BUT6	ROT1	SEA1	JEA1	LOT2	STA2	SK14	CHE1	STE2	MER3	SAL1	
Latest Recording		Feb 25	Dec 24	Jan 25	Feb 25	Feb 25	Jan 25	Feb 25	Jan 25	Dec 24	Feb 25	Feb 25	Feb 25	Jan 25	Jan 25	Jan 25	Feb 25	Feb 25	Feb 25	Feb 25	
Cows in herd	295	244	278	277	540	181	258	347	304	301	176	160	181	287	441	444	588	329	229	306	
MILK PRODUCTION																					
Yield (ltrs/cow)	9455	14050	13661	12064	11651	10425	10958	8154	11445	9482	10172	8503	8856	10181	8123	10286	9260	7008	6871	6833	
Yield from all forage (ltrs/cow)	3007	3738	2815	4594	2820	3866	2424	3290	737	3900	3501	3313	4894	1419	3884	2247	2118	3195	2627	3057	
% of total yield from forage	34%	27%	21%	38%	24%	37%	22%	40%	6%	41%	34%	39%	55%	14%	48%	22%	23%	46%	38%	45%	
Butterfat (%)	4.28	4.04	4.02	4.03	3.77	4.47	4.28	4.70	3.88	4.14	4.51	4.46	4.42	4.19	4.46	4.37	4.21	4.66	4.20	4.48	
Protein (%)	3.37	3.20	3.27	3.16	3.35	3.46	3.43	3.50	3.32	3.36	3.42	3.40	3.38	3.31	3.39	3.40	3.41	3.74	3.33	3.45	
Hygiene	20	20	6	19	20	15	18	34	23	16	14	21	11	23	21	30	23	33	13	17	
Cell Count	137	126	67	153	167	105	123	163	125	132	159	123	113	155	153	104	144	130	190	168	
Bactoscan / Cell Count Index	62	65	91	60	57	74	67	43	62	68	64	64	77	56	59	59	59	51	59	60	
Milk Price (pence)	43.39	41.52	43.15	40.26	41.24	42.45	41.41	50.26	40.56	43.50	41.69	45.00	41.62	41.86	44.63	39.28	41.13	47.99	53.35	44.65	
FEED																					
Concentrate use per cow (kg)	2946	4504	4518	3410	3856	2759	4038	2720	4824	2850	2856	2796	2055	4093	2184	2731	3134	2105	2163	2003	
Concentrate use (kg/ltr)	0.31	0.32	0.33	0.28	0.33	0.26	0.37	0.33	0.42	0.30	0.28	0.33	0.23	0.40	0.27	0.27	0.34	0.30	0.31	0.29	
Concentrate price per tonne (£)	297	252	269	322	326	300	268	297	257	288	308	272	302	277	289	252	252	293	484	284	
Other purch feed cost per cow (£)	328	549	580	147	146	238	163	0	149	119	175	0	0	161	55	452	174	0	0	0	
All purchased feed cost (p/ltr)	12.40	11.98	13.14	10.30	12.05	10.21	11.35	9.92	12.13	9.90	10.38	8.95	7.02	12.70	8.46	11.08	10.41	8.79	15.23	8.33	
MARGINS																					
MOPF per cow (£)	2872	4150	4099	3581	3401	3361	3294	3282	3231	3186	3184	3066	3064	2968	2924	2901	2842	2747	2619	2482	
MOPF per Litre (p)	30.98	29.54	30.01	29.96	29.19	32.24	30.06	40.34	28.43	33.60	31.31	36.05	34.60	29.16	36.16	28.21	30.72	39.20	38.12	36.32	
FORAGE																					
Stocking rate (cows/ha)	2.38	1.63	2.01	1.55		1.92		2.36	1.69					4.42	2.19	4.13	1.96			3.02	
Milk from forage (ltrs/ha)	6283	6076	5662	7101		7435		7770	1247					6274	8506	9280	4159			9220	
MOPF per hectare (£)	7296	6747	8246	5536		6465		7752	5471					13122	6405	11981	5581			7485	

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LKL Services Herds

Holstein/Friesian, Conventional Herds (matched herds)		Year Ending February 2024	Year Ending February 2025	Change	% Diff
Cows in herd		304	315	11	4%
Cow calvings		218	225	7	3%
Heifer calvings		111	113	2	2%
Stocking rate	cows/ha	2.65	2.78	0.13	5%
MILK PRODUCTION					
Milk Production	litres	3,059,456	3,233,160	173,704	6%
Yield per cow	litres	10,064	10,264	200	2%
Yield from all forage per cow	litres	3,131	2,929	-202	-6%
% of total yield from forage		31%	29%	-3%	-8%
Butterfat	%	4.15	4.22	0.07	2%
Protein	%	3.33	3.33	0.00	0%
Bactoscan		25	21	-4	-16%
Cellcount		152	148	-4	-3%
Milk Price	pence	40.14	41.52	1.38	3%
Total milk value per cow	£	4,040	4,262	222	5%
FEED					
Total concentrate use	tonnes	936	1,037	101	11%
Concentrate use per cow	kg	3,078	3,292	214	7%
Concentrate use per litre	kg	0.31	0.32	0.01	3%
Concentrate price per tonne	£	315	280	-35	-11%
Other purchased feed cost per cow	£	181	532	351	194%
All purchased feed cost per cow	£	1151	1454	303	26%
All purchased feed cost per litre	pence	11.44	14.17	2.73	24%
All P.Feed @ 86% DM equivalent per cow	kg	3,516	4,202	686	20%
MARGINS					
MOPF per herd	£	878,256	884,520	6,264	1%
MOPF per cow	£	2,889	2,808	-81	-3%
MOPF per litre	pence	28.71	27.36	-1.35	-5%

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LKL League Table — February 2025 milk production, inclusion for herds with an MOPF per cow.

CONGRATULATIONS TO THIS MONTH'S WINNERS:



**Ricardo Mariano, Craig Kerswell,
Simon Read and Grace Frankham
@ Messrs W & P Ives**

(Wins £10/£5
voucher)

Cromwell's Easter Word Search



Good Friday

Basket

Maundy Thursday

Hot Cross Bun

Bonnet

Music

King

Bunny

Palm Sunday

Lamb

Chocolate

Spring

Daffodil

Tulips

Egg

Happy Easter from Cromwell

