

# Milk Production Costs 2016

## → Denmark



In 2016, the production costs for one kilogramme of milk in Denmark were 39.77 cents, representing a slight increase compared to the previous year.

Milk prices, on the other hand, were 2.35 cents down on 2015 at 28.68 cents, meaning that only 72% of the producers' costs were covered.

### Milk production costs in Denmark in cents per kg (based on FADN 2015)

year	paid costs	+ income rate	= total costs	- subsidies	= production costs
<b>2016</b>	<b>38.21</b>	<b>4.07</b>	<b>42.28</b>	<b>2.51</b>	<b>39.77</b>
<b>2015</b>	38.19	4.07	42.26	2.51	39.75
<b>2014</b>	42.04	4.26	46.3	3.54	42.76
<b>2013</b>	42.09	4.83	46.92	4.07	42.85

### Development of milk production costs in Denmark 2010 - 2016

year*	2010	2011	2012	2013	2014	2015	2016
<b>production costs in ct/kg</b>	41.77	42.98	41.94	42.85	42.76	39.75	39.77
<b>farm gate milk prices in ct/kg**</b>	31.94	35.67	34.04	38.63	39.67	31.03	28.68
<b>price/cost ratio</b>	<b>0.76</b>	<b>0.83</b>	<b>0.81</b>	<b>0.90</b>	<b>0.93</b>	<b>0.78</b>	<b>0.72</b>
<b>shortfall in %</b>	<b>24</b>	<b>17</b>	<b>19</b>	<b>10</b>	<b>7</b>	<b>22</b>	<b>28</b>
<b>MMI (index)</b>	<b>100</b>	<b>103</b>	<b>103</b>	<b>106</b>	<b>108</b>	<b>103</b>	<b>98</b>

\* In the publication of October 2017 the provisional values of 2014 and 2015 have been replaced by real costs calculated on the basis of the FADN database 2015

\*\* Source: MMO of the EU, natural fat and protein contents



(Source: trend calculations by the BAL on the basis of FADN 2015)

The current results also serve as a basis for the calculation of the Milk Marker Index (MMI) and the price/cost ratio. The MMI reflects the development of milk production costs, while the price/cost ratio shows to which extent farm gate milk prices allow to cover production costs.