

# Commodity milk value

## Spot CMV – 11 January 2021

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The Australian spot commodity milk value increased this week, the result of higher commodity prices and despite a stronger Australian dollar.

Using C2 GDT prices, WMP was US\$130/t higher from the latest (last week of 2020) survey spot prices to US\$3,280/t. Butter was also higher – up US\$300/t to US\$4,520/t. SMP rose US\$100/t to US\$3,050/t. Cheddar lifted US\$161/t to US\$4,061/t.

The Australian dollar strengthened against the US dollar, ending the week at US77.6c, boosted by the continuing rally in iron ore prices. Meanwhile, the US dollar was pressured by the Georgia senate results and a stronger than expected economic setback amid resurgent COVID cases.

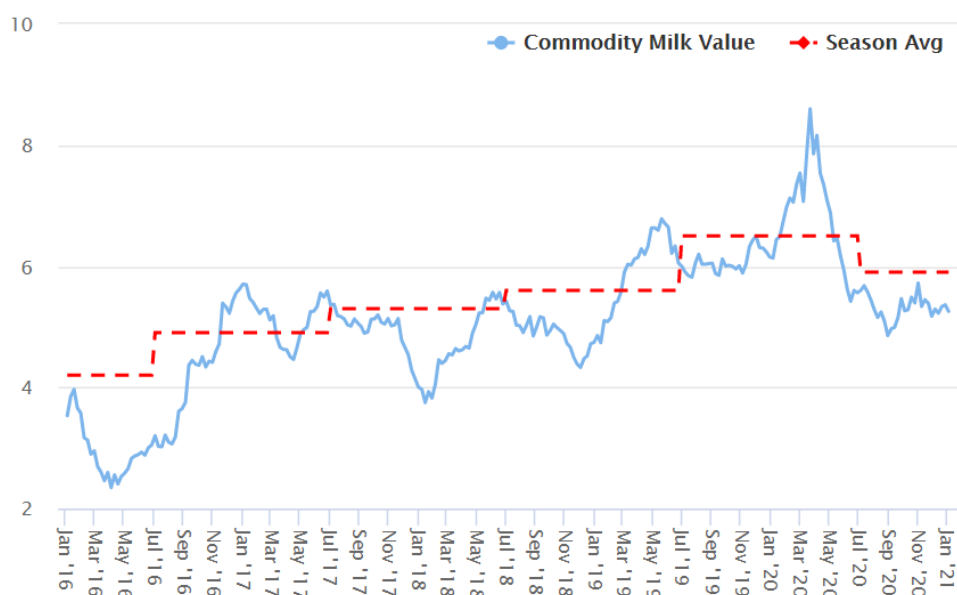
The combined impact of these factors lifted the commodity milk value for southern Australian dairy manufacturers by **27 cents** at **\$5.53/kgMS**.

The spot commodity milk value (CMV) is updated weekly as an estimate of milk value based on weekly spot prices for key commodities and the average industry product mix, converted to Australian dollar, net of costs.

Between 2011/12 and 2018/19 the CMV has averaged over 80% of final farmgate returns – ranging between 70% and 95% of the final average price paid by manufacturers in southern Australia. For more information on the CMV calculation please visit [this page](#).

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Australia Spot Commodity Milk Value (A\$/kgms)



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