

Producer Component Prices – February 2021

The producer component prices for the month of February are as follows: BF=\$16.8028, PT=\$2.6278, OS=\$0.7173. The average BC producer hectoliter return for the month is \$85.0085 compared to \$83.4831 in January, an increase of \$1.5254. Expressed in revenue per KG of BF, these averages are \$19.7457 in February and \$19.3199 in January.

BC's transfer payments to the WMP and P5 are still significant and large factors in the producer return, but remain relatively stable on a total basis. Processing activity around the country remains fairly consistent and milk skimming at moderate levels for this time of year. Butterfat levels started to drop off in BC already in February which contributed to the strong butterfat price and we should see those levels drop off in other provinces in March and onwards.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of January 2021			January 2021 Actual -0.51%
	Kg of BF	%*	
NL	(744,354)	-29.57%	
P5	(4,896,438)	-1.68%	
WMP	(2,266,918)	-2.26%	
P10	(7,907,711)	-2.01%	
BC	(181,831)	-0.51%	

*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.

Provincial Freight			Producer Payment Dates		
The producer freight rate calculations for the months of January and February are summarized below:			Participants in the Mar Apr May Pools will receive payments as follows:		
Freight Rates (\$/hl)	January	February	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.18	3.25	March	Apr 1	Apr 21
Less: Vendor Billings	(0.14)	(0.14)	April	May 3	May 19
Gross Provincial Freight Rate	3.04	3.11	May	Jun 1	Jun 17
Add: Train/Volume Discounts	0.35	0.33	Please go to bcmilk.com to view all 2020-2021 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.12)	(0.13)			
Transportation Department Costs	0.00	0.00			
Adjustments from Prior Period	0.02	0.02			
Net Provincial Freight Rate	3.29	3.33			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective February 1	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for January & February are:		
Average Price	\$9.97	\$6.70			
<small>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</small>					
Quota Management: Important Dates			Milk Quality Data	January	February
Application Deadlines	Date & Time	Effective Date(s)			
Quota Exchange	Apr 1@ 1 PM	May 1	Individual Bacteria Count	15,471	19,023
CDQ Buy/Sell of Credits	Mar 25@1 PM	Mar 1 or Apr 1	Somatic Cell Count	156,935	150,788
<small>If you have any questions, please contact:</small>			Quality Bonus Qualifiers (%)	79.70%	82.1%
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