

Advance Payment Rates

As at 26 May 2021

	2020/21 Season	
	Base Advance Rate	Capacity Adjustment*
June Paid July	\$3.40	\$0.61
July paid August	\$3.55	\$0.61
August paid September	\$3.55	\$0.61
September paid October	\$3.90	Peak Period
October paid November	\$4.25	
November paid December	\$4.45	
December paid January	\$4.45	
January paid February	\$4.85	
February paid March	\$5.30	\$0.61
March paid April	\$5.45	\$0.61
April paid May	\$5.60	\$0.61
May paid June	\$5.75	\$0.61
July Retro	\$6.10	
August Retro	\$6.50	
September Retro	\$6.85	
October Retro	\$7.25	

The Base Advance Rate payments (paid throughout the whole season) and the Capacity Adjustment payments (paid in non-peak months) total to the Farmgate Milk Price in a season.

Forecast Farmgate Milk Price	\$7.55
-------------------------------------	---------------

* The Capacity Adjustment Payment amount is based on the cost to Fonterra of installing an additional litre of processing capacity, the estimated peak day litres and the quantity of milk expected to be received in the peak months. For the 2020/21 season this results in a Capacity Adjustment Payment of \$0.61 per kgMS. For more information on Capacity Adjustment please refer to the booklet on the Farm Source website 'Capacity Adjustment: Making it clearer' or contact your Area Manager.



Advance Payment Rates

As at 26 May 2021

	2021/22 Season
June Paid July	\$4.80
July paid August	\$4.80
August paid September	\$4.80
September paid October	\$4.80
October paid November	\$4.80
November paid December	\$4.80
December paid January	\$4.80
January paid February	\$5.40
February paid March	\$5.60
March paid April	\$5.80
April paid May	\$6.00
May paid June	\$6.40
July Retro	\$6.80
August Retro	\$7.20
September Retro	\$7.60
Final Retro	\$7.90-\$8.00*
+ Co-operative Difference Payment	Add your farms payment
Forecast Farmgate Milk Price	\$8.00

* The final retro payment is expressed as a range as it will include the total of all amounts provisioned for Co-operative difference payments but not earned through on farm achievements. This washup contributes to the final base price.

This Advance Rate Schedule is intended to be used as a guide only. The actual rates payable to individual suppliers will be based on a number of different parameters, including the fat and protein composition of the milk, volume adjustment, any deductions applied, and the farmer's achievement of Te Pūtake and Te Puku under The Co-operative Difference. The final payout rates are subject to change at the discretion of the Fonterra Board of Directors.