

# Advance Payment Rates

As at 5 December 2019

	2019/20 Season	
	Base Advance Rate	Capacity Adjustment*
June Paid July	\$3.80	\$0.61
July paid August	\$3.80	\$0.61
August paid September	\$3.80	\$0.61
September paid October	\$4.15	Peak Period
October paid November	\$4.45	
November paid December	\$4.65	
December paid January	\$4.65	
January paid February	\$4.95	\$0.61
February paid March	\$5.05	\$0.61
March paid April	\$5.20	\$0.61
April paid May	\$5.35	\$0.61
May paid June	\$5.55	\$0.61
July Retro	\$5.90	
August Retro	\$6.25	
September Retro	\$6.65	
October Retro	\$7.00	

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	<b>\$7.30</b>
------------------------------	---------------

\* 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 2019/20 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.