In 2018-19, 19 of the 25 participants in the South West had a positive EBIT.

**Return on total assets and milk price**

- Average seasonal conditions with 93% of long-term average rainfall
- 14%↑ in purchased feed costs to $2.09/kg MS as prices increased
- 25%↑ in homegrown feed costs to $1.13/kg MS as greater pasture harvested
- 6%↑ in milk price to $6.15/kg MS

**Future expectations 2019-20**

- 92% of farmers expect farm profits to improve

**Issues ranked in order of importance as reported by farmers:**

- Milk price
- Input costs
- Pasture/fodder

**Farm profitability was influenced by**

- Average herd size: 364 cows
- Milk solids sold: 492 kg MS/cow
- Home grown feed: 66% of metabolisable energy consumed

**Physical farm characteristics**

- On average, participant farms in the South West reduced milk production per cow. For some farmers, this was to manage seasonal risk.

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