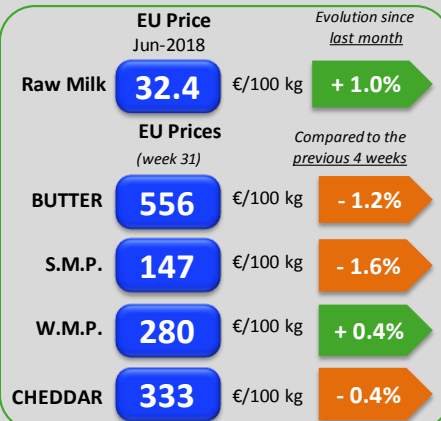
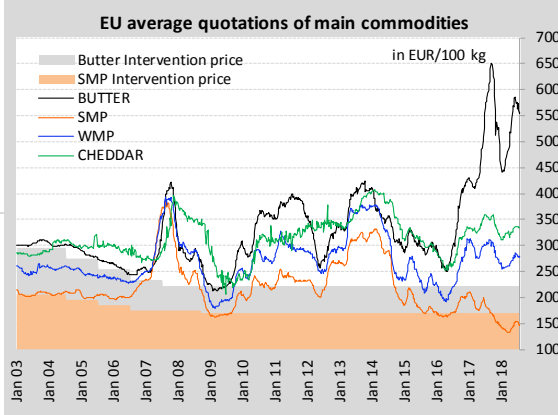
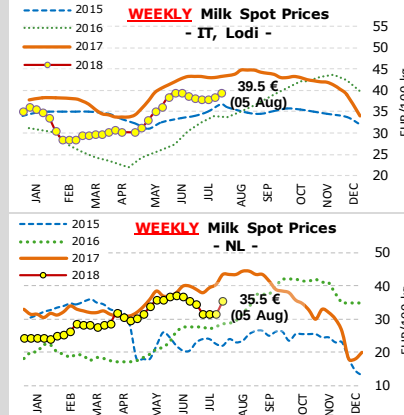
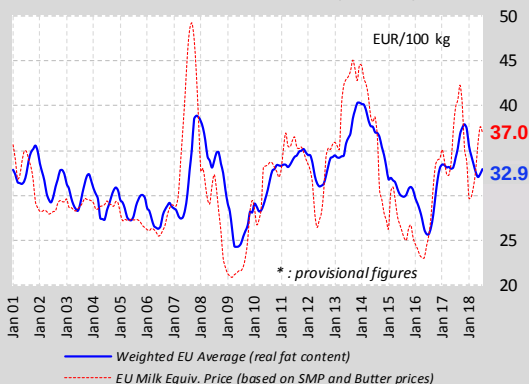


## EU Prices



## EU Raw Milk Prices Evolution (up to July 2018\*)

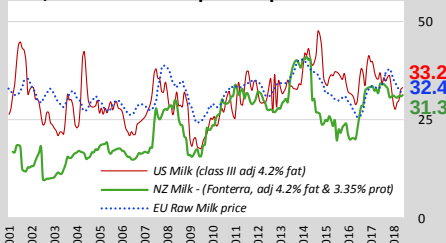


## World Quotations

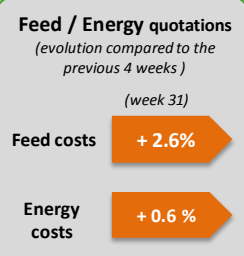
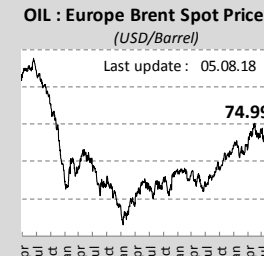
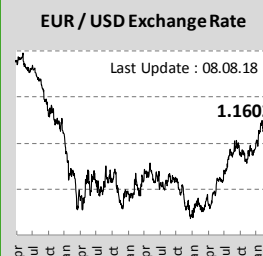
**LATEST WORLD QUOTATIONS**

|         | Price in USD/Tonne on 5.08.2018 |         |       | % change (15 days ago) |         |         |
|---------|---------------------------------|---------|-------|------------------------|---------|---------|
|         | EU                              | Oceania | USA   | EU                     | Oceania | USA     |
| Butter  | 6 453                           | 5 025   | 4 970 | ↓ -3.2%                | ↑ +0.8% | ↑ +1.9% |
| SMP     | 1 683                           | 2 038   | 1 779 | ↓ -4.9%                | ↓ -0.6% | ↑ +5.6% |
| WMP     | 3 228                           | 3 000   | 3 527 | ↓ -0.4%                | ↑ +0.4% | nc      |
| Cheddar | 3 877                           | 3 700   | 3 347 | ↓ -0.7%                | ↑ +2.4% | ↓ -2.1% |

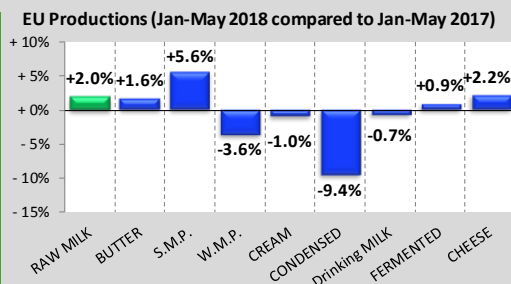
## US, NZ and EU milk prices up to June 2018



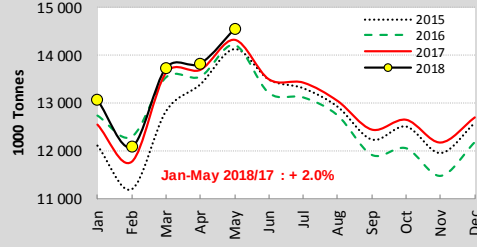
## USD/Feed/Energy



## EU Productions

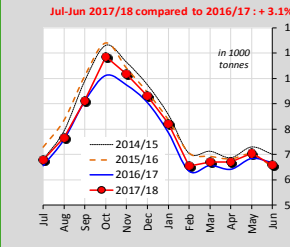


## EU - Cows' milk collected

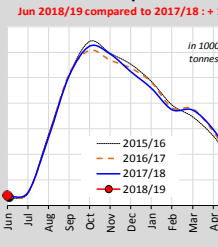


## World Productions

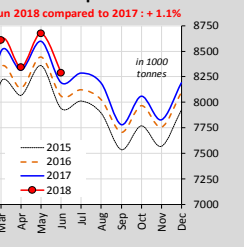
### Australian milk production



### NZ milk production



### U.S. milk production



## EU Trade

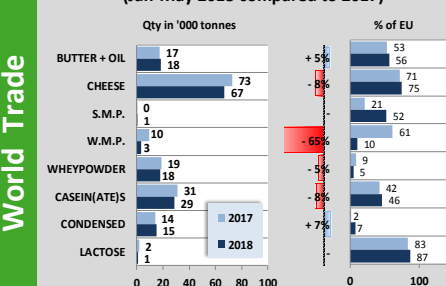
**EU Exports - Top 3 destinations in 2018**

Period : January-May

|              | BUTTER |        |        | CHEESE  |         |         |
|--------------|--------|--------|--------|---------|---------|---------|
| in Tonnes    | 2016   | 2017   | 2018   | 2016    | 2017    | 2018    |
| Extra-EU     | 78 821 | 63 041 | 59 622 | 322 396 | 347 641 | 349 610 |
| USA          | 6 890  | 10 232 | 10 045 | 54 511  | 54 715  | 49 775  |
| Saudi Arabia | 9 855  | 4 208  | 4 824  | 28 846  | 39 515  | 42 375  |
| Singapore    | 3 279  | 2 588  | 3 409  | 23 223  | 24 977  | 25 848  |

|           | S.M.P.  |         |         | W.M.P.  |         |         |
|-----------|---------|---------|---------|---------|---------|---------|
| in Tonnes | 2016    | 2017    | 2018    | 2016    | 2017    | 2018    |
| Extra-EU  | 271 494 | 339 800 | 354 910 | 169 288 | 173 427 | 157 650 |
| Algeria   | 40 403  | 50 444  | 67 551  | 24 257  | 17 645  | 27 501  |
| China     | 22 730  | 35 712  | 31 119  | 9 407   | 33 745  | 13 126  |
| Egypt     | 23 625  | 15 723  | 25 933  | 7 479   | 10 278  | 9 679   |

## UNITED STATES IMPORTS (Jan-May 2018 compared to 2017)



## MAIN EXPORTING THIRD COUNTRIES

|                               | BUTTER(OIL)  |            | CHEESE       |            | S.M.P.       |            | W.M.P.       |            |
|-------------------------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
| Jan-May 2018 compared to 2017 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 |
| New Zealand                   | 198          | ↑ +8%      | 140          | ↓ -6%      | 159          | ↑ +3%      | 586          | ↑ +4%      |
| EU-28                         | 80           | ↓ -4%      | 350          | ↑ +1%      | 355          | ↑ +4%      | 158          | ↓ -9%      |
| United States                 | 19           | ↑ +81%     | 152          | ↑ +6%      | 330          | ↑ +25%     | 21           | ↑ +95%     |
| Australia                     | 6            | ↓ -6%      | 71           | ↓ -3%      | 66           | ↑ +6%      | 29           | ↑ +25%     |
| Belarus                       | 30           | ↑ +1%      | 79           | ↑ +2%      | 36           | ↓ -17%     | 16           | ↑ +45%     |
| Uruguay                       | 5            | ↑ +1%      | 12           | ↓ -7%      | 2            | ↓ -57%     | 46           | ↑ +18%     |

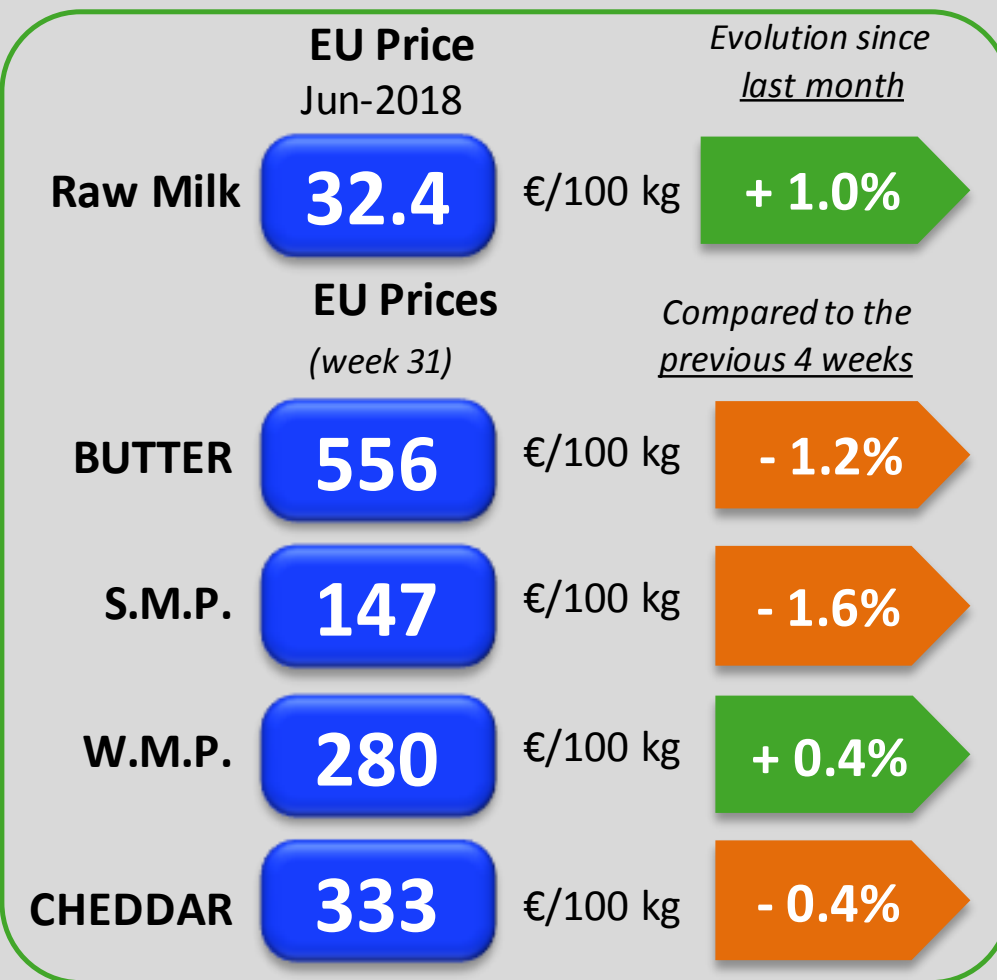
## MAIN IMPORTING THIRD COUNTRIES

|                               | BUTTER(OIL)  |            | CHEESE       |            | S.M.P.       |            | W.M.P.       |            |
|-------------------------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
| Jan-May 2018 compared to 2017 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 | Qty in ktons | % 2018 /17 |
| China                         | 31           | ↑ +30%     | 27           | ↓ -5%      | 82           | ↑ +11%     | 216          | ↑ +10%     |
| Mexico                        | 8            | ↓ -57%     | 41           | ↑ +1%      | 118          | ↑ +19%     | 1            | ↓ -12%     |
| Russia                        | 19           | ↓ -47%     | 79           | ↓ -10%     | 26           | ↓ -33%     | 7            | ↓ -53%     |
| Algeria                       | 3            | ↑ +6%      | 6            | ↓ -6%      | 55           | ↑ +32%     | 78           | ↓ -11%     |
| Japan                         | 5            | ↑ +11%     | 118          | ↑ +8%      | 23           | ↑ +45%     | 0            | ↓ -16%     |
| United States                 | 18           | ↑ +5%      | 67           | ↓ -8%      | 1            | ↑ +        | 3            | ↓ -65%     |

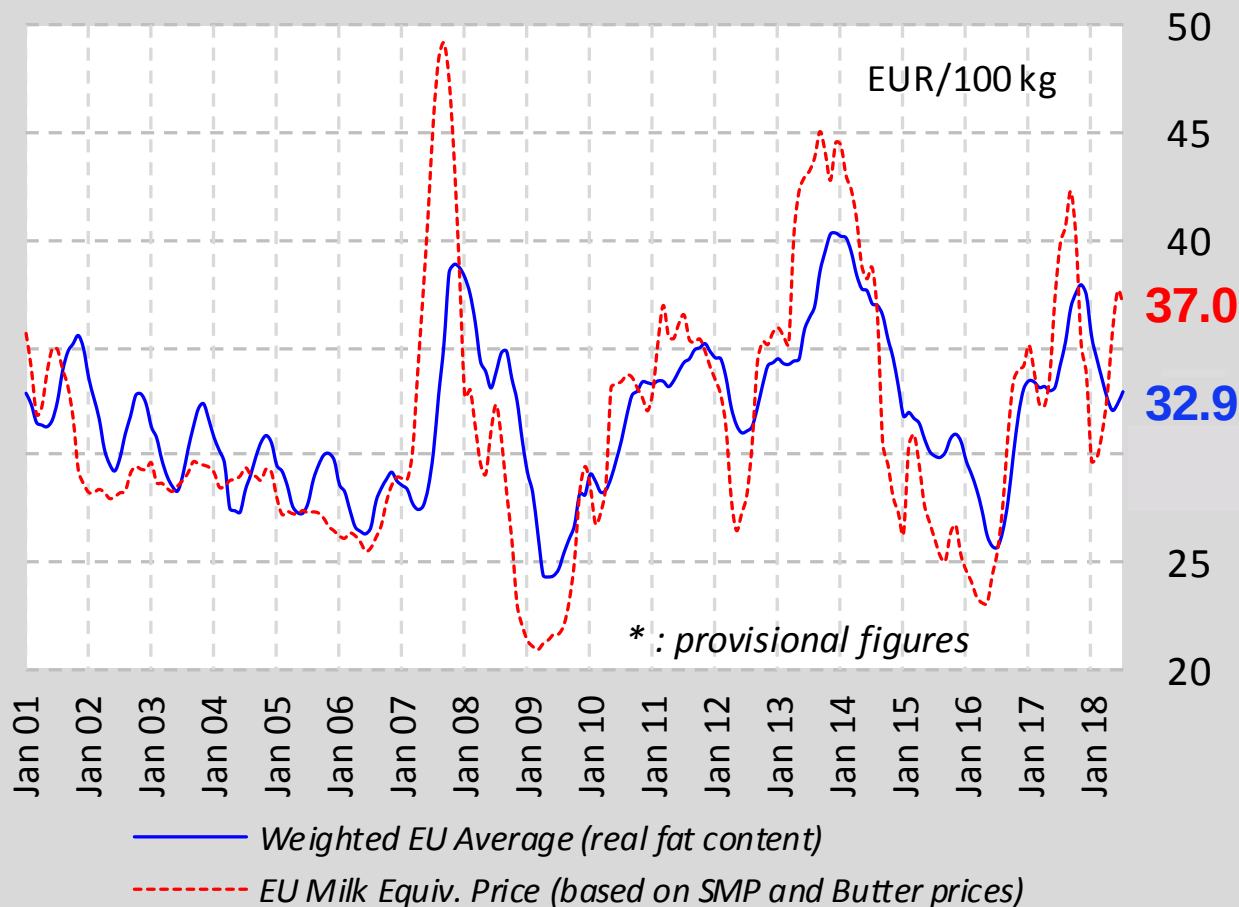
## GDT Auction



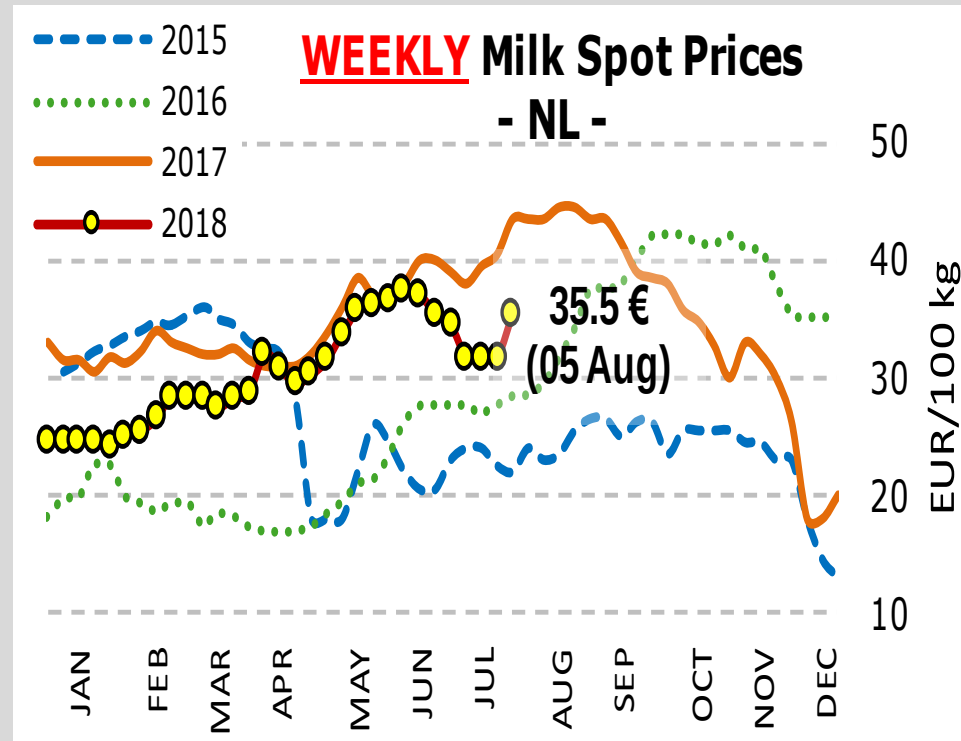
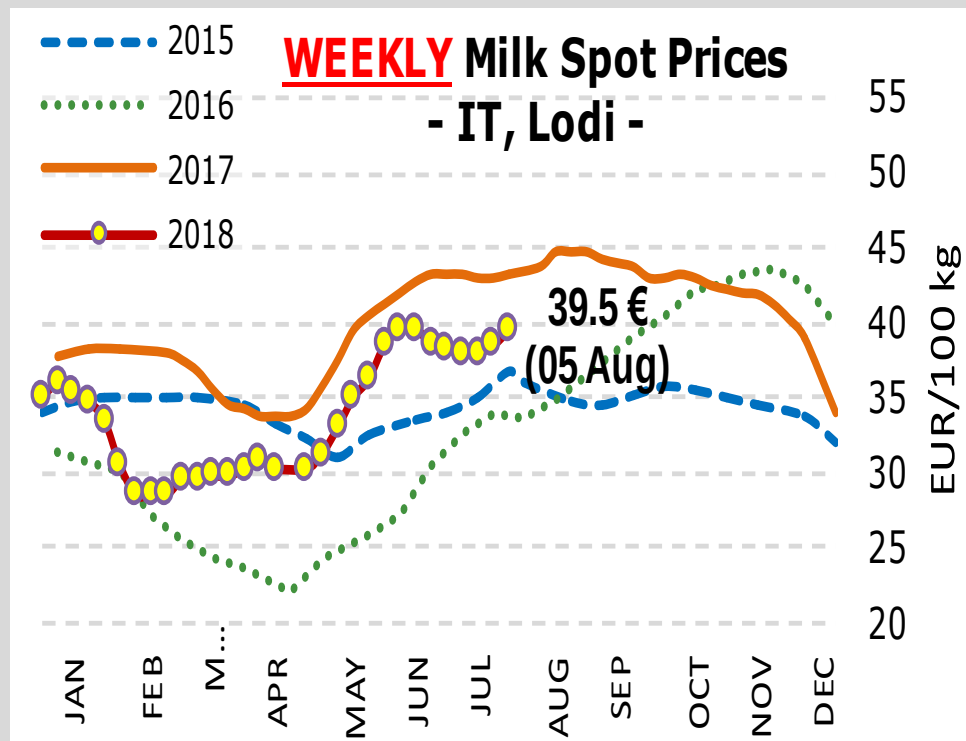
## EU Prices



## EU Raw Milk Prices Evolution (up to July 2018\*)

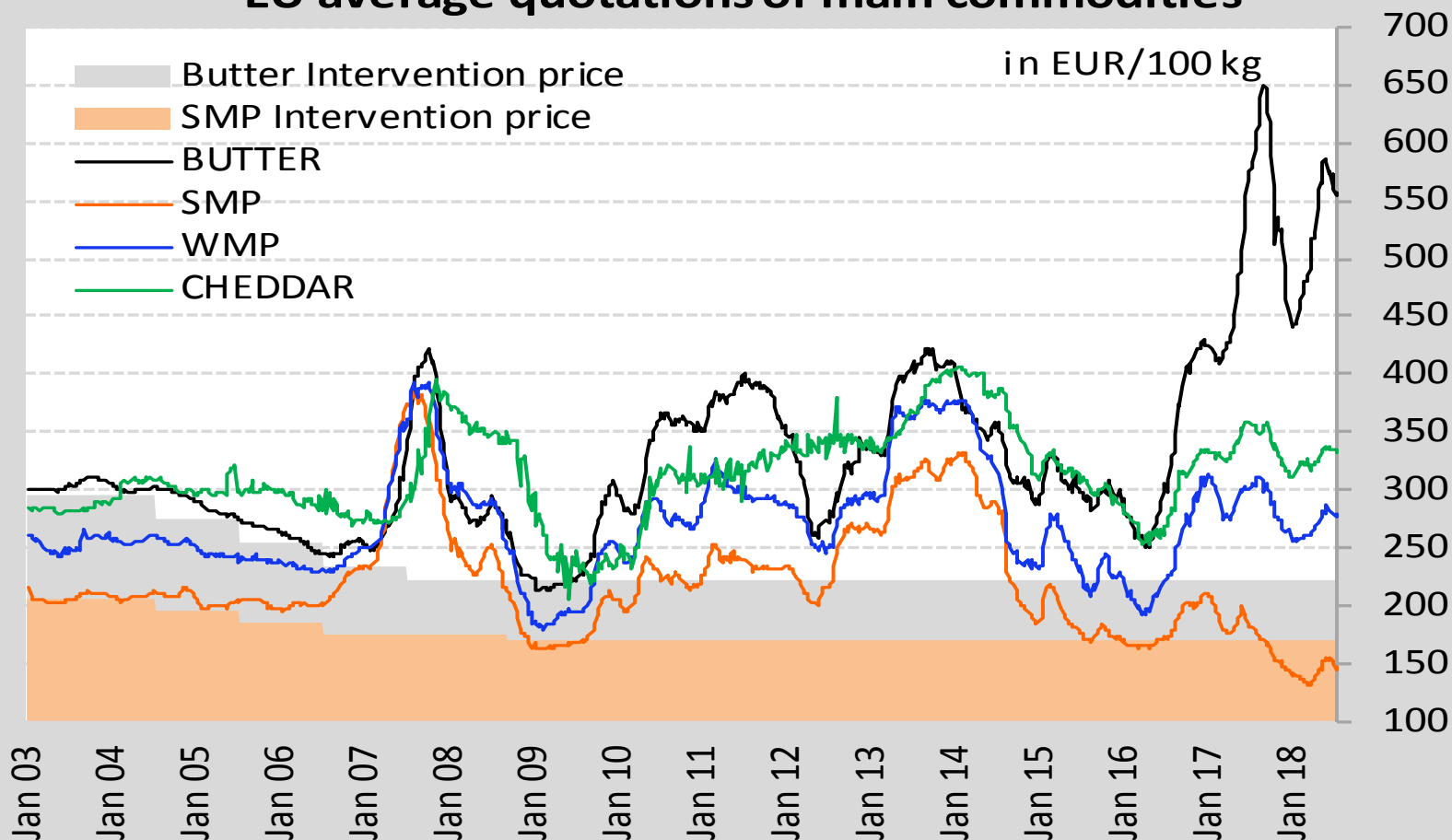


Source : DG AGRI – Reg. 2017/1185 Art. 12(a) - Annex II.4(a)



Source : Clal.it

## EU average quotations of main commodities



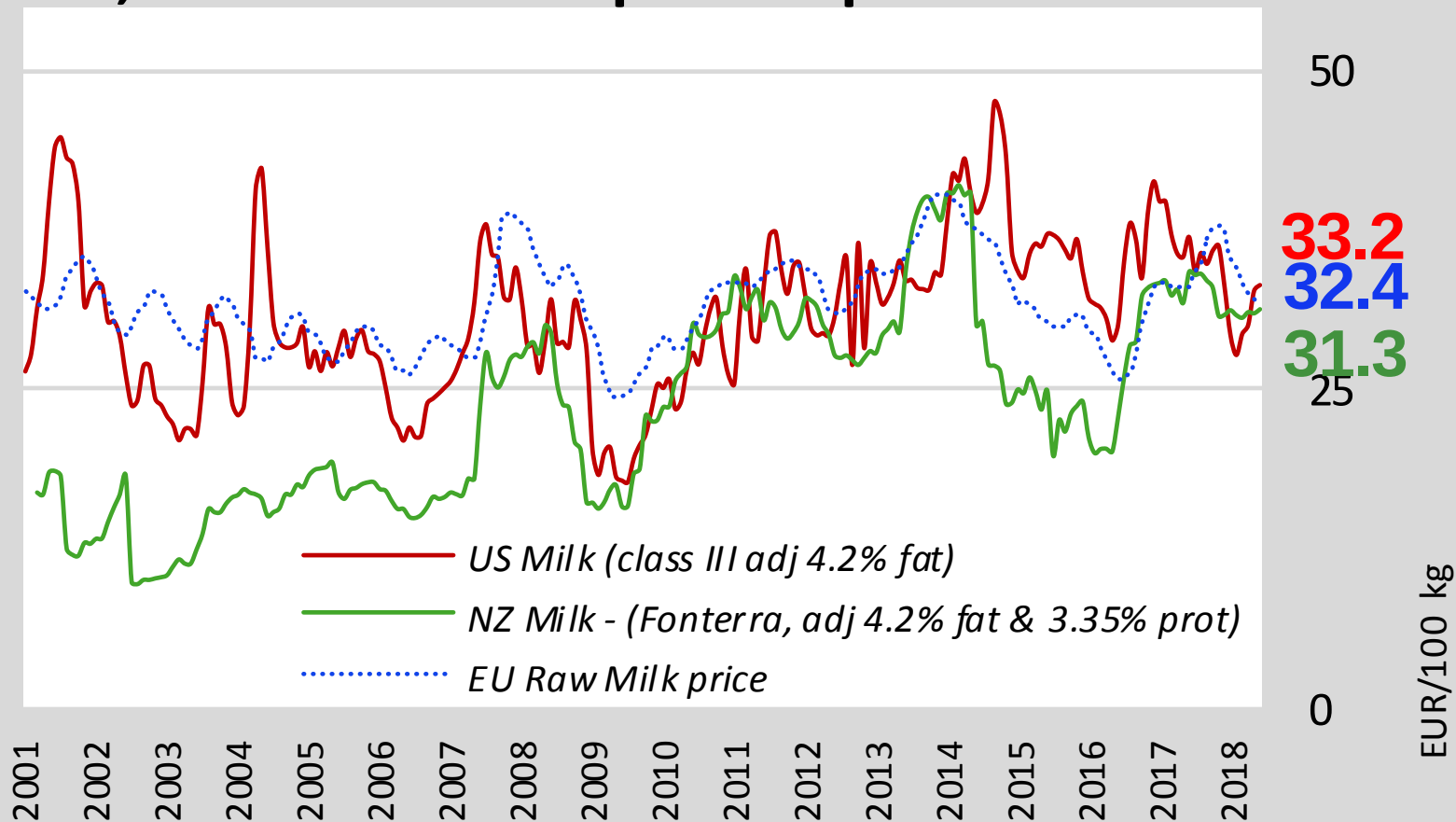
Source : DG AGRI – Reg. 2017/1185 Art. 11 – Annex I.7

## LATEST WORLD QUOTATIONS

|         | Price in USD/Tonne<br>on 5.08.2018 |         |       | % change<br>(15 days ago) |          |          |
|---------|------------------------------------|---------|-------|---------------------------|----------|----------|
|         | EU                                 | Oceania | USA   | EU                        | Oceania  | USA      |
| Butter  | 6 453                              | 5 025   | 4 970 | ↘ - 3.2%                  | → + 0.8% | ↗ + 1.9% |
| SMP     | 1 683                              | 2 038   | 1 779 | ↘ - 4.9%                  | → - 0.6% | ↑ + 5.6% |
| WMP     | 3 228                              | 3 000   | 3 527 | → - 0.4%                  | → + 0.4% | → nc     |
| Cheddar | 3 877                              | 3 700   | 3 347 | → - 0.7%                  | ↗ + 2.4% | ↘ - 2.1% |

Source : DG AGRI, USDA

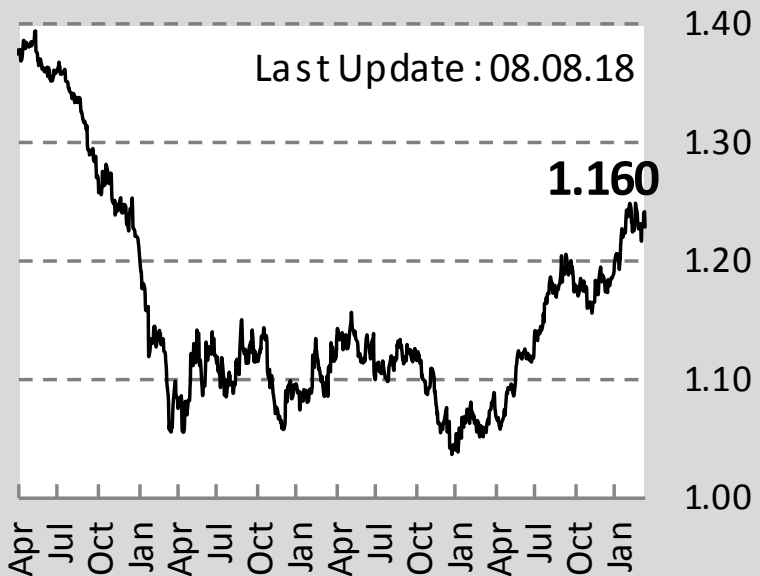
## US, NZ and EU milk prices up to June 2018



Source : DG AGRI, LTO Nederland

## EUR / USD Exchange Rate

Last Update : 08.08.18



Source : European Central Bank

## Feed / Energy quotations

(evolution compared to the  
previous 4 weeks )

(week 31)

Feed costs

+ 2.6%

Energy  
costs

+ 0.6 %

Sources : Feed : DG AGRI, Clal.it  
Energy : DG ENERGY

## OIL : Europe Brent Spot Price

(USD/Barrel)

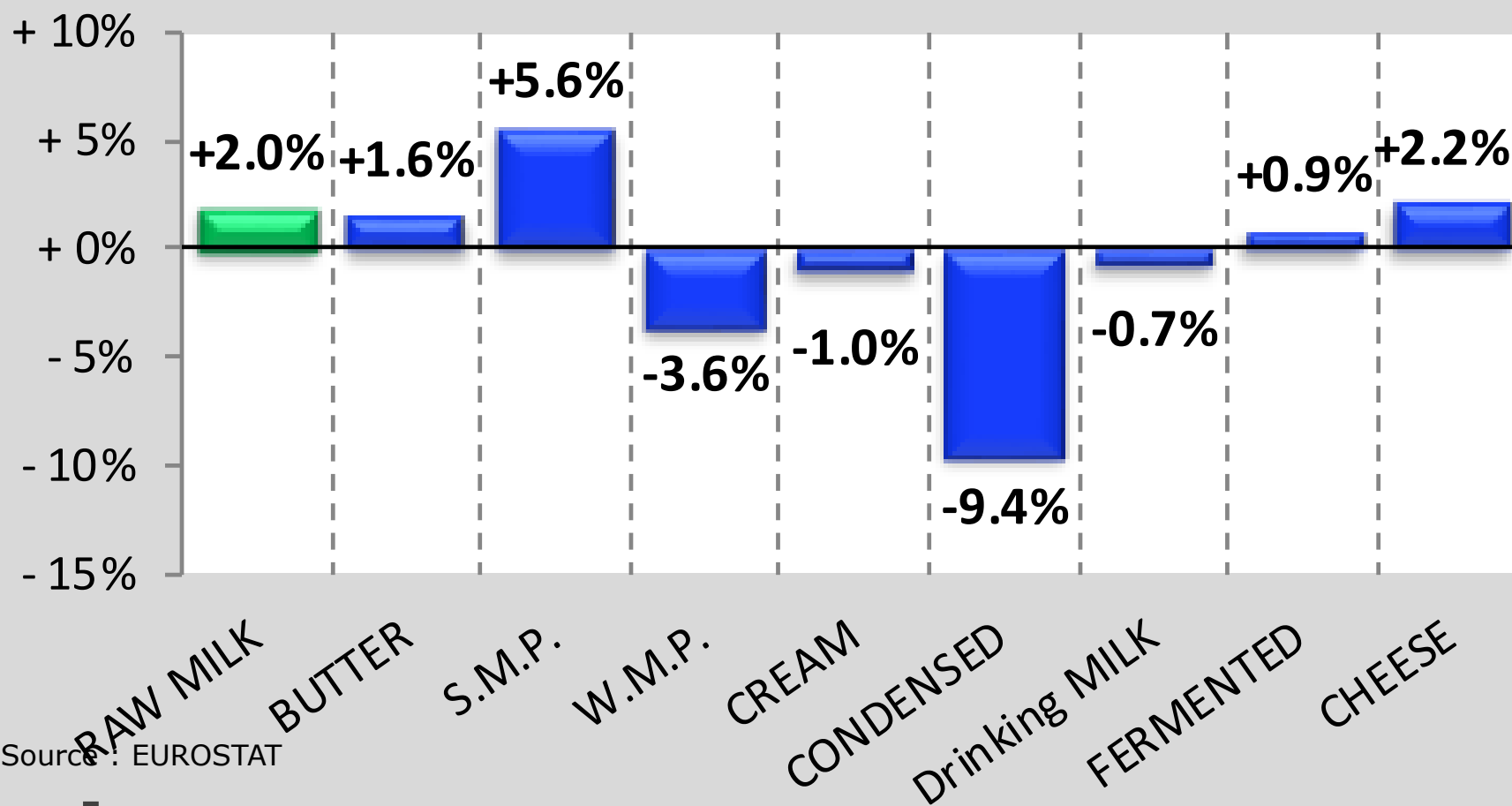
Last update : 05.08.18



Source : Nasdaq

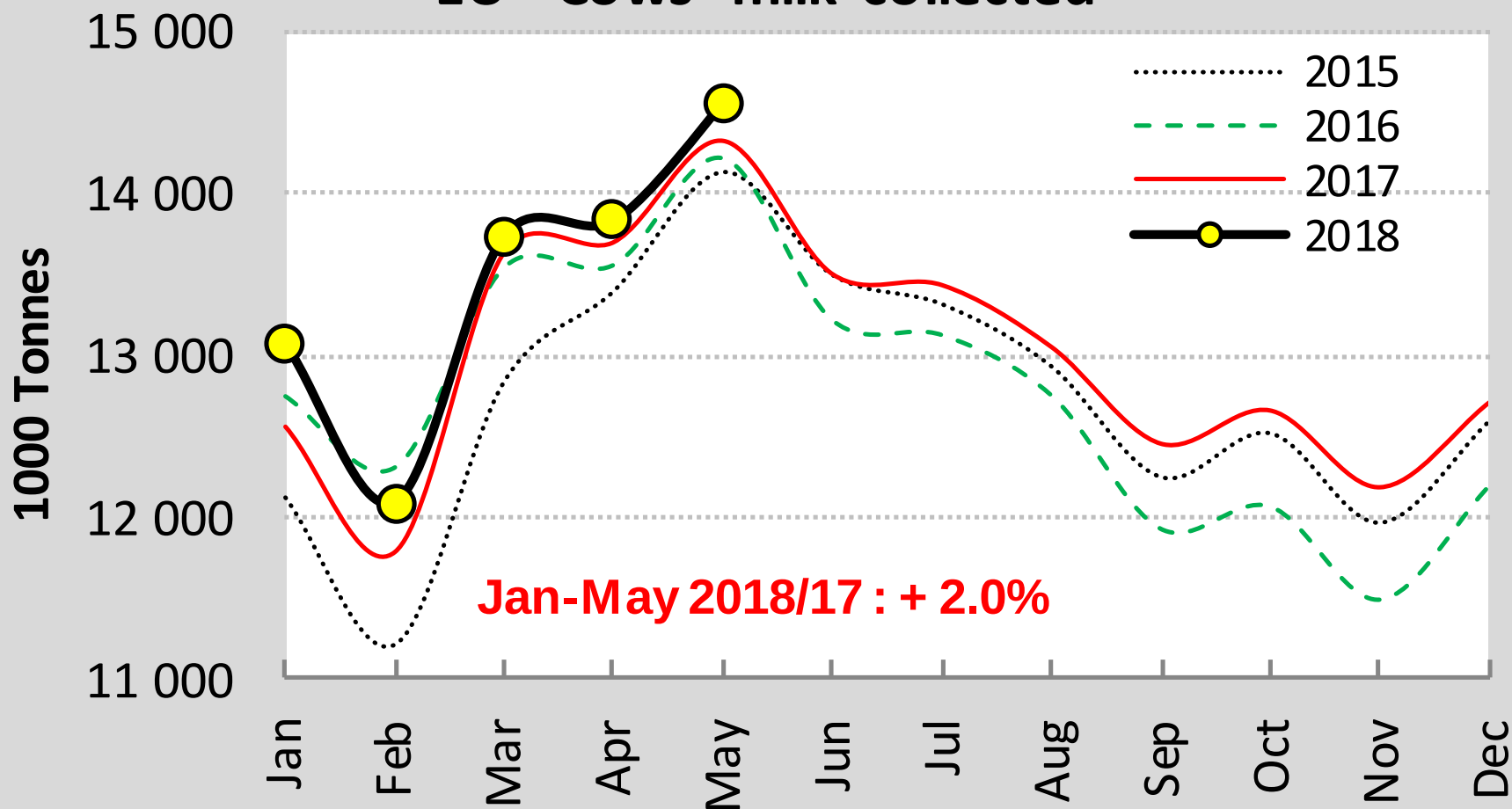


## EU Productions (Jan-May 2018 compared to Jan-May 2017)



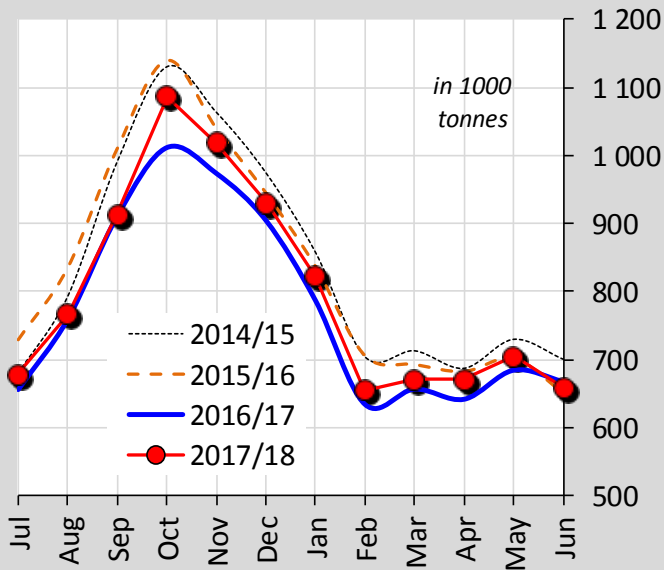
Source : EUROSTAT

## EU - Cows' milk collected



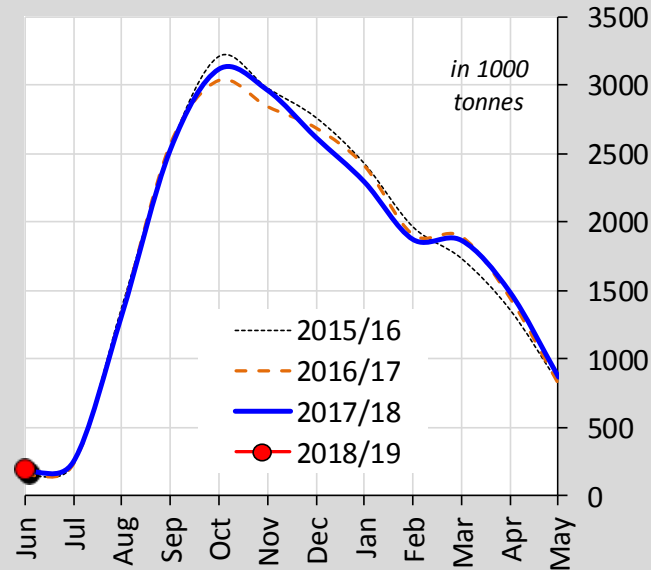
## Australian milk production

Jul-Jun 2017/18 compared to 2016/17 : + 3.1%



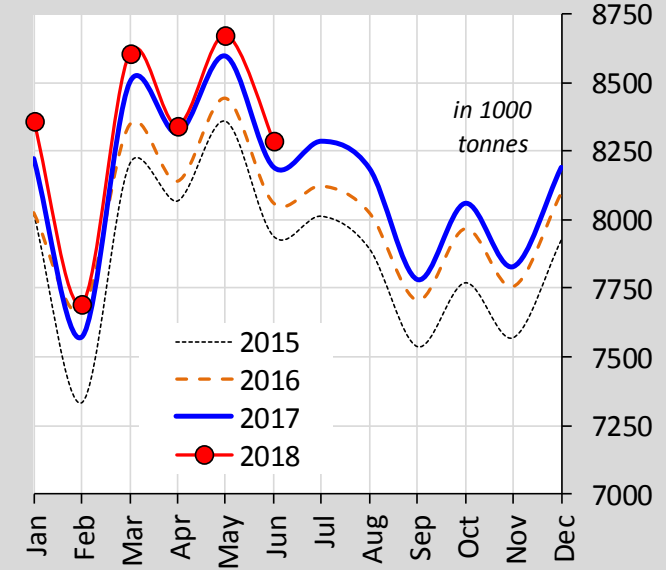
## NZ milk production

Jun 2018/19 compared to 2017/18 : + 11.2%



## U.S. milk production

Jan-Jun 2018 compared to 2017 : + 1.1%



Source : Dairyaustralia, Dcanz, USDA

# EU Exports - Top 3 destinations in 2018

Period : January-May

| BUTTER              |               |               |               |   |       |
|---------------------|---------------|---------------|---------------|---|-------|
| <i>in Tonnes</i>    | 2016          | 2017          | 2018          |   |       |
| <b>Extra-EU</b>     | <b>78 821</b> | <b>63 041</b> | <b>59 622</b> | ↓ | - 5%  |
| <b>USA</b>          | 6 890         | 10 232        | 10 045        | ↘ | - 2%  |
| <b>Saudi Arabia</b> | 9 855         | 4 208         | 4 824         | ↑ | + 15% |
| <b>Singapore</b>    | 3 279         | 2 588         | 3 409         | ↑ | + 32% |

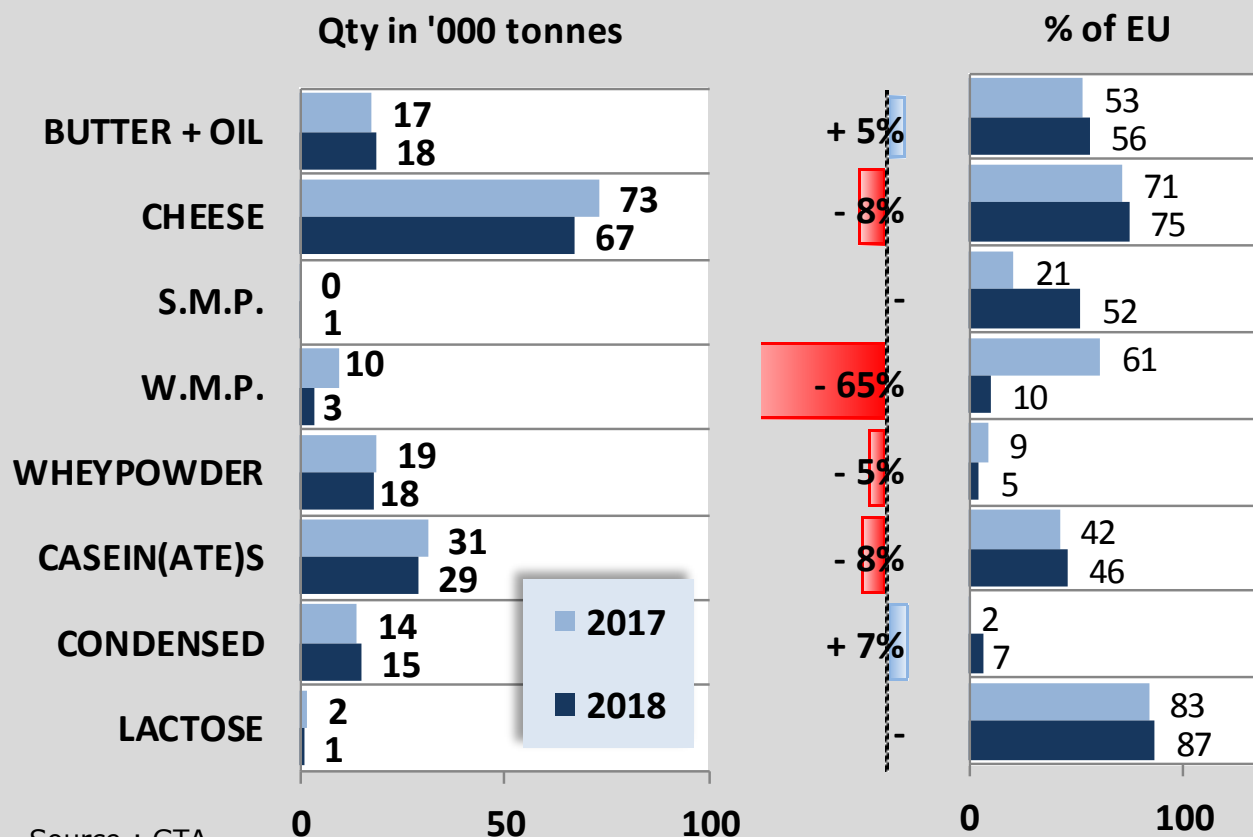
| CHEESE             |                |                |                |   |      |
|--------------------|----------------|----------------|----------------|---|------|
| <i>in Tonnes</i>   | 2016           | 2017           | 2018           |   |      |
| <b>Extra-EU</b>    | <b>322 396</b> | <b>347 641</b> | <b>349 610</b> | → | + 1% |
| <b>USA</b>         | 54 511         | 54 715         | 49 775         | ↓ | - 9% |
| <b>Japan</b>       | 28 846         | 39 515         | 42 375         | ↑ | + 7% |
| <b>Switzerland</b> | 23 223         | 24 977         | 25 848         | ↗ | + 3% |

| S.M.P.           |                |                |                |   |       |
|------------------|----------------|----------------|----------------|---|-------|
| <i>in Tonnes</i> | 2016           | 2017           | 2018           |   |       |
| <b>Extra-EU</b>  | <b>271 494</b> | <b>339 800</b> | <b>354 910</b> | ↗ | + 4%  |
| <b>Algeria</b>   | 40 403         | 50 444         | 67 551         | ↑ | + 34% |
| <b>China</b>     | 22 730         | 35 712         | 31 119         | ↓ | - 13% |
| <b>Egypt</b>     | 23 625         | 15 723         | 25 933         | ↑ | + 65% |

| W.M.P.           |                |                |                |   |       |
|------------------|----------------|----------------|----------------|---|-------|
| <i>in Tonnes</i> | 2016           | 2017           | 2018           |   |       |
| <b>Extra-EU</b>  | <b>169 288</b> | <b>173 427</b> | <b>157 650</b> | ↓ | - 9%  |
| <b>Oman</b>      | 24 257         | 17 645         | 27 501         | ↑ | + 56% |
| <b>Algeria</b>   | 9 407          | 33 745         | 13 126         | ↓ | - 61% |
| <b>China</b>     | 7 479          | 10 278         | 9 679          | ↓ | - 6%  |

Source : EUROSTAT

## UNITED STATES IMPORTS (Jan-May 2018 compared to 2017)



## MAIN EXPORTING THIRD COUNTRIES

*Jan-May 2018  
compared to 2017*

| Jan-May 2018<br>compared to 2017 | BUTTER(OIL)     | CHEESE           | S.M.P.          | W.M.P.           |                 |
|----------------------------------|-----------------|------------------|-----------------|------------------|-----------------|
|                                  | Qty in<br>ktons | %<br>2018<br>/17 | Qty in<br>ktons | %<br>2018<br>/17 | Qty in<br>ktons |
| New Zealand                      | 198  +8%        | 140  -6%         | 159  +3%        | 586  +4%         |                 |
| EU-28                            | 80  -4%         | 350  +1%         | 355  +4%        | 158  -9%         |                 |
| United States                    | 19  +81%        | 152  +6%         | 330  +25%       | 21  +95%         |                 |
| Australia                        | 6  -6%          | 71  -3%          | 66  +6%         | 29  +25%         |                 |
| Belarus                          | 30  +1%         | 79  +2%          | 36  -17%        | 16  +45%         |                 |
| Uruguay                          | 5  +1%          | 12  -7%          | 2  -57%         | 46  +18%         |                 |

## MAIN IMPORTING THIRD COUNTRIES

*Jan-May 2018  
compared to 2017*

| Jan-May 2018<br>compared to 2017 |              | BUTTER(OIL)     |                  | CHEESE          |                  | S.M.P.          |                  | W.M.P.          |                  |
|----------------------------------|--------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|
|                                  |              | Qty in<br>ktons | %<br>2018<br>/17 | Qty in<br>ktons | %<br>2018<br>/17 | Qty in<br>ktons | %<br>2018<br>/17 | Qty in<br>ktons | %<br>2018<br>/17 |
| China                            | up to<br>Mar | 31              | ↑ + 30%          | 27              | ↘ - 5%           | 82              | ↑ + 11%          | 216             | ↗ + 10%          |
| Mexico                           | up to<br>Apr | 8               | ↘ - 57%          | 41              | ↗ + 1%           | 118             | ↑ + 19%          | 1               | ↘ - 12%          |
| Russia                           | up to<br>Apr | 19              | ↘ - 47%          | 79              | ↗ + 10%          | 26              | ↘ - 33%          | 7               | ↘ - 53%          |
| Algeria                          | up to<br>Mar | 3               | ↗ + 6%           | 6               | ↘ - 6%           | 55              | ↑ + 32%          | 78              | ↘ - 11%          |
| Japan                            |              | 5               | ↑ + 112%         | 118             | ↗ + 8%           | 23              | ↑ + 45%          | 0               | ↘ - 16%          |
| United States                    |              | 18              | ↗ + 5%           | 67              | ↘ - 8%           | 1               | ↑ +++            | 3               | ↘ - 65%          |

Source : GTA

## Event 217

7 August 2018

n/c



Average price (USD/MT, FAS)

\$3 136

Anhydrous  
Milk Fat

+1.2%

\$ 5 709

Butter

-3.2%

\$ 4 802

Butter Milk  
Powder

-5.9%

\$ 2 441

Cheddar

+1.3%

\$ 3 663

Lactose

n/r

n.a.

Rennet Casein

+8.0%

\$ 4 971

Skim Milk  
Powder

-0.3%

\$ 1 972

Whole Milk  
Powder

+0.1%

\$ 2 958

Source : Globaldairytrade



Previous