**GDT Pulse – Frequently Asked Questions (FAQ’s)**

**What is GDT Pulse?**

Global Dairy Trade (GDT) has been working on an exciting new development with Fonterra that aims to enhance liquidity in GDT for the benefit of both buyers and sellers by providing price discovery on a more frequent basis, called GDT Pulse.

Initially, GDT Pulse will offer auctions on alternate weeks between GDT Trading Events for a trial period of six to twelve months. The auctions will initially have one product specification to bid on: Fonterra Whole Milk Powder Regular Contract Period 2. This will ensure a short total duration 10-20 minutes, providing a convenient option for bidders.

**When does the GDT Pulse trial start?**

The first GDT Pulse Auction will take place once development has been completed. We estimate this to be August/September 2022.

**Why conduct a trial?**

The trial allows GDT to validate that:

* There is a credible level of participation
* Credible prices are published
* Trading has increased in the dairy futures market
* Stakeholders continue to support the initiative.

**Who can participate in a GDT Pulse Auction during the trial period?**

Existing GDT Events bidders that have eligibility to purchase Fonterra products, Contract Period 2, will be able to participate in a GDT Pulse Auction.

* To read more about becoming a bidder on GDT Events, visit [here.](https://www.globaldairytrade.info/en/gdt-events/become-a-bidder-on-gdt-events/)

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**What sellers are involved?**

Fonterra has been invited to participate in the trial while the new auctions are being validated and they have indicated they will offer 500MT per auction of Whole Milk Powder Regular, Contract Period 2.  If you are a GDT Events seller and wish to register your interest, please contact [gdtpulse@globaldairytrade.info](mailto:gdtpulse@globaldairytrade.info)

**How will eligible bidders access the GDT Pulse Auction Website?**

Bidders will be able to login via MyGDT (the home for all GDT services) using their email address and password.

**How can bidders get help during a live GDT Pulse Auction?**

Due to the shorter auction duration, there is no GDT Helpdesk phone line available. Please email GDT at [gdtpulse@globaldairytrade.info](mailto:gdtpulse@globaldairytrade.info) for help during a live GDT Pulse Auction.

**What are the key differences between a GDT Events Trading Event & a GDT Pulse Auction?**

Initially, the GDT Pulse trial will offer auctions on alternate weeks between GDT Trading Events for a trial period of six to twelve months.

Below is a summary table of key differences between a GDT Events Trading Event, and a GDT Pulse Auction during the trial period:

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| --- | --- | --- |
| **Item** | **GDT Events** | **GDT Pulse** |
| **Frequency** | Twice per month (1st & 3rd Tuesday) | Weekly between GDT Events |
| **Auction Start Time** | 12:00 UTC | 12:00 UTC |
| **Bidding rounds** | * 12-16 rounds of up to 5 minutes * 5-minute End of Round periods | * 5-10 rounds of 1 -minute duration * 30 second End of Round period |
| **Bidding options** | ~100 offerings across 6 CPs and 6 sellers | 1 offering: Fonterra WMP Regular CP2 |
| **Total duration** | Average 2 hours:15 minutes | Average 10-20 minutes |
| **Offer quantity** | 428k MT WMP Reg in FY21 | 500 – 1000 MT per auction |
| **Published prices** | GDT and NZX websites, live data on GDT Insight | Initially GDT website only (no live data on GDT Insight) |

**How will eligible bidders be able to view GDT Pulse pre-auction supply information?**

GDT Pulse pre-auction supply and forecast information will be posted as a bidder announcement on the homepage of the **GDT Events Bidder Portal** four days before each GDT Pulse Auction.

**Where can I find a calendar view of GDT Pulse Auctions during the trial period?**

Please refer [here](https://www.globaldairytrade.info/assets/Uploads/GDT-Pulse/GDT-Pulse-Pilot-Auction-Dates.pdf) for a view of upcoming GDT Pulse Auctions.

**Are training materials being made available for GDT Pulse?**

Yes, all the GDT Pulse training materials are available on the GDT Pulse Training Resources page, accessible via MyGDT.

**Do the GDT Trading Event Rules apply to GDT Pulse?**

Yes. The GDT Events Oversight Board has approved proposed rule changes to the GDT Trading Event Rules to incorporate GDT Pulse. More detail is available in the [marked-up GDT Trading Event Rules.](https://www.globaldairytrade.info/assets/Uploads/Announcements/Marked-Up-GDT-Trading-Event-Rules.pdf)

Changes within the GDT Trading Event Rules will become effective approximately seven days prior to the first GDT Pulse Auction.

**What will happen at the end of the trial period?**

Valuable customer feedback throughout the trial will help inform further development to ensure it meets their needs.  After the trial period, GDT will assess the merit of GDT Pulse and the future potential for more frequent price discovery from Global Dairy Trade.

If the trial is deemed successful, it is envisaged that GDT will invest in platform upgrades to automate GDT Pulse processes and enable daily auctions and other sellers will be invited to offer products.