

GDT Quarterly – December 2015

GDT provides globally recognised market-based benchmark prices for more than 30 dairy products. The GDT Quarterly is an analysis of dairy ingredient products over the three month period covering October, November and December 2015 (quarter 4).

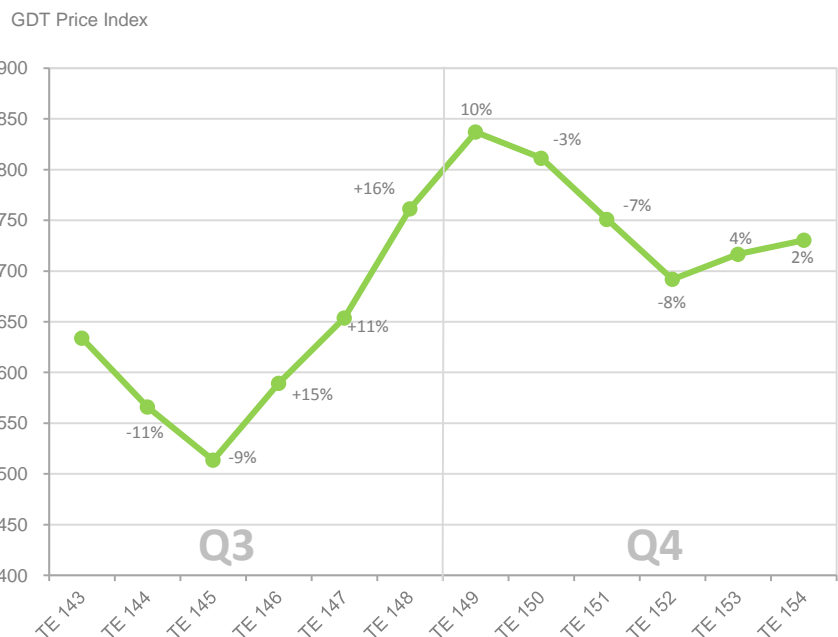
GDT Price Index – Five Year View

- The Price Index at the end of the December quarter (Q4) was 30% below the five year average.
- The Price Index at the end of the December quarter was 3.5% lower than 12 months before.



GDT Price Index – Six Month View

- The GDT Price Index has decreased 4% since the start of the December quarter.
- However the Price Index at the end of this quarter showed a recovery from the end of the June quarter (6 months ago) of 8.3%, as illustrated in this chart.
- The December quarter showed further volatility with a fall over three events followed by a rise over the last two events.



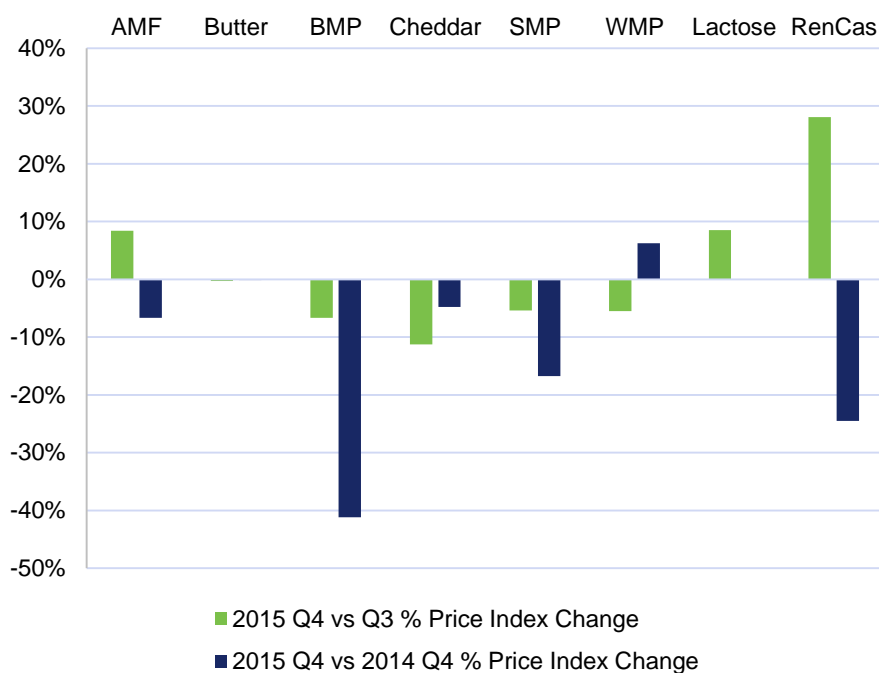
Percentages on the above chart represent the percentage change from the previous trading event.

Quarterly Price Changes by Product

This analysis shows the change in average quarterly prices for all dairy product groups between Q4 2015 (Oct-Dec) vs Q3 2015 (July-Sept); and Q4 2015 vs Q4 2014.

- Prices for WMP (GDT's most traded product) fell by 5.5% since the previous quarter, but achieved a 6.3% price increase year on year.
- SMP (GDT's second most traded product) decreased in price over the last quarter by 5.4%.
- The prices for other products, with the exception of Butter which remained unchanged, were lower at the end of the December quarter than 12 months ago.

Quarterly and Annual Percentage Price Changes



Quarterly Product Group Comparison

Product Group	Last Traded Price (USD/MT)	Q4 2015 vs. Q3 2015 PI Change	Q4 2015 vs Q4 2014 PI Change	Total value traded, last 12 months (USD)
AMF	3721	8.4%	-6.6%	263 M
Butter	3136	-0.3%	-0.1%	156 M
BMP	1564	-6.7%	-41.2%	17 M
Cheddar	2856	-11.3%	-4.8%	95 M
Lactose	542	8.5%	NA	3 M
Rennet Casein	4541	28.1%	-24.5%	65 M
SMP	1891	-5.4%	-16.8%	331 M
WMP	2304	-5.5%	6.3%	873 M
Total				\$1.8 bn

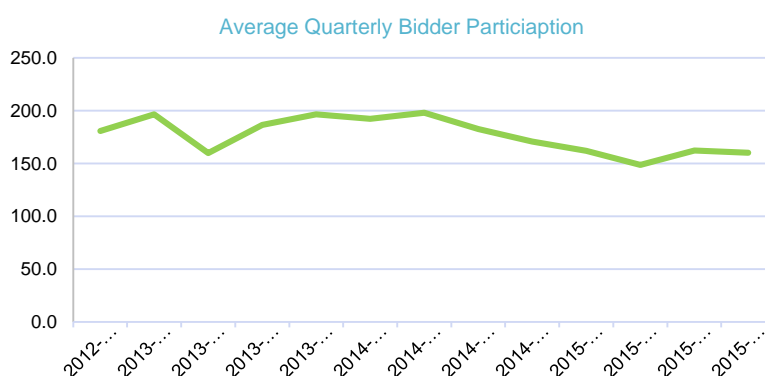
All information as at 16 December 2015. Last Traded Price is the weighted average price across all contract periods. PI = Price Index

Bidder Participation

Participation analysis illustrates the number of bidders who placed bids, and the number who won product, in GDT Events.

- Bidder participation is the number of bidders placing bids in round 1 of a Trading Event.
- Average participation per event remained largely the same in the December quarter compared to the previous quarter.
- Over the last 12 months, SMP & WMP attracted the highest number of participating bidders, 195 and 179 respectively.

Product Group	Number of Participating Bidders (Jan 2015 – Dec 2015)	Number of Winning Bidders (Jan 2015 – Dec 2015)
AMF	142	127
Butter	71	66
BMP	48	41
Cheddar	65	55
Lactose	29	22
RenCas	50	45
SMP	195	176
WMP	179	165



Supply and Demand

This chart compares sellers' average offer quantities with the average demand (represented by first round bids placed). Bid ratio is the first round demand over the total quantity on offer in the auction.

- The average offer quantity for the December quarter was 35% lower than the average in previous December quarters in 2012, 2013 & 2014.
- First round demand was 12% lower in the December quarter than in the September quarter 2015.
- Bid ratios have continued to slowly recover over the last two quarters, but are still slightly below the average of 2.4 over the period 2010-2013.

