

Herceghalom, October 30<sup>th</sup> 2014

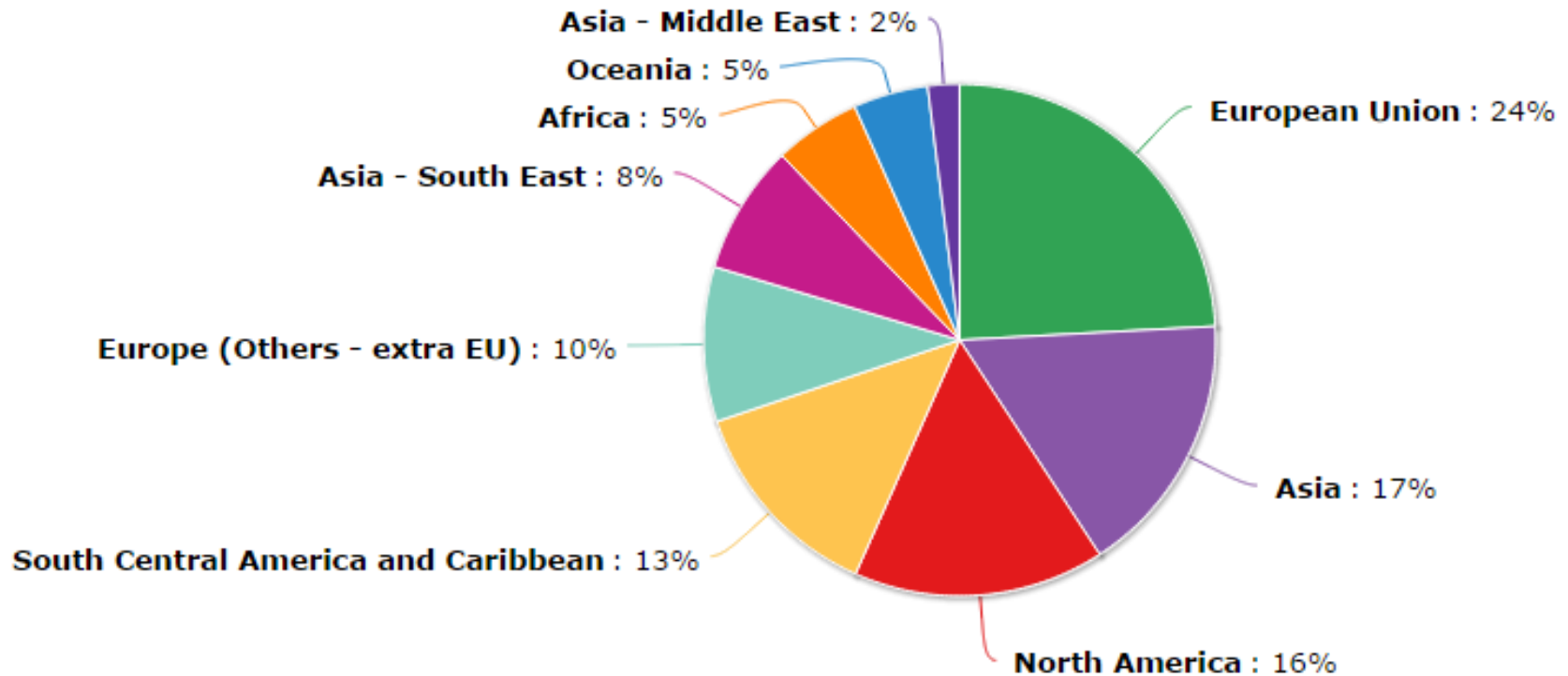
# Global Dairy Market Analysis

**CIAL**.it

# Global Raw Milk Production

## 2012 - Cow milk production in the World

Source: FAO - Processed by CLAL

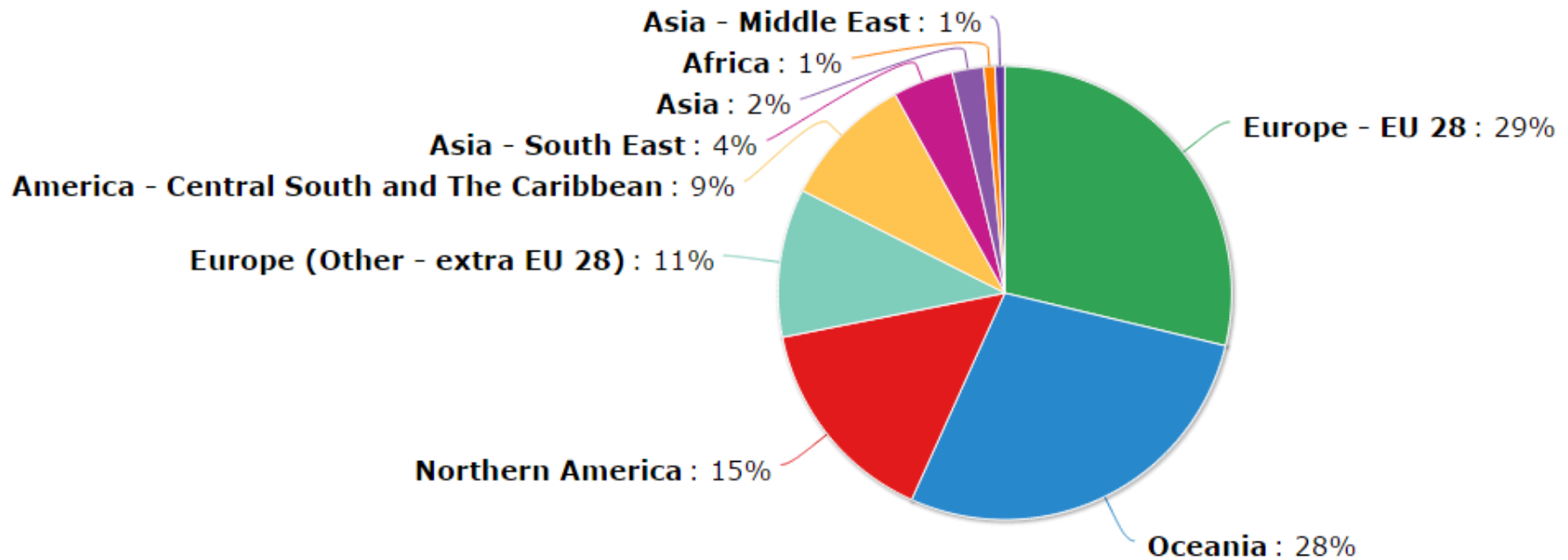


# Market Share Dairy Products

**9%** of world milk production enters into international trade

## WORLD: SHARE MARKET DAIRY PRODUCTS - 2013 in tons

Source: GTIS - Processed by CLAL

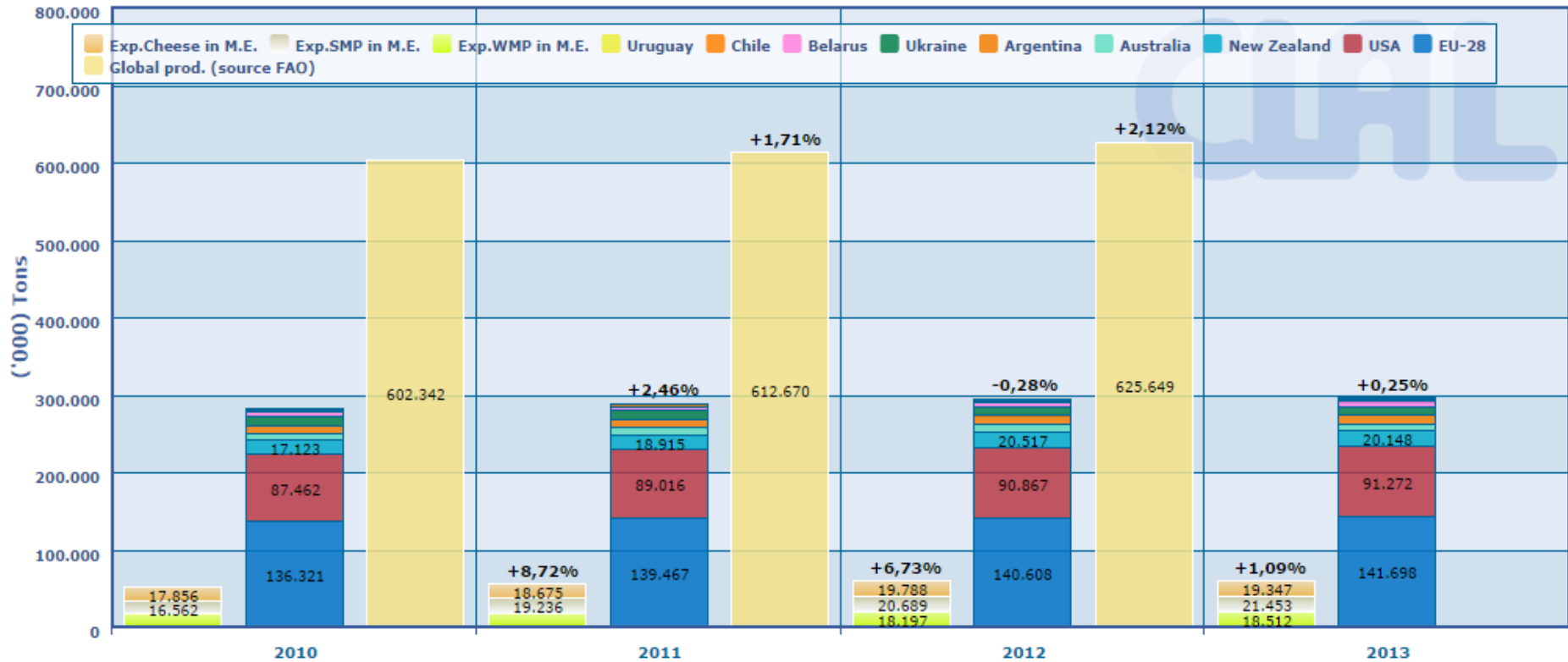


customs codes: 040210, 040221+040229, 0406, 0405, 0404, 350110, 350190, 040291+040299, 040110+040120, 190110

# Global Raw Milk Output and Dairy Exports *(in Milk Equivalent)*

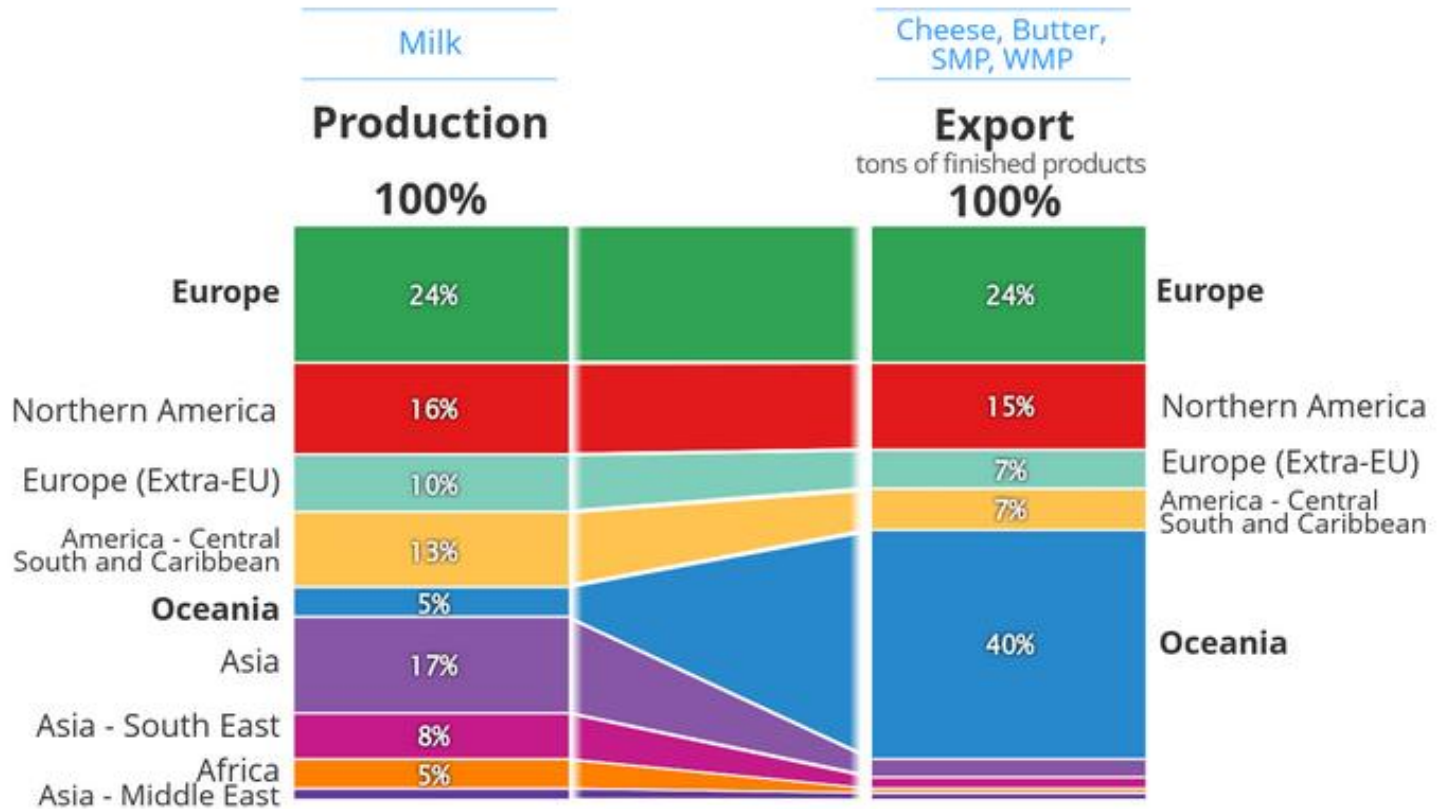
Annual production of Milk in the World and in the Key Exporters of Dairy Products and Cheese and Milk Powders Export in Milk Equivalent

Processed by Clal



# From Milk to the Export

The **Oceania** accounts for **5% of the world milk production** and **40% of the world dairy trade**

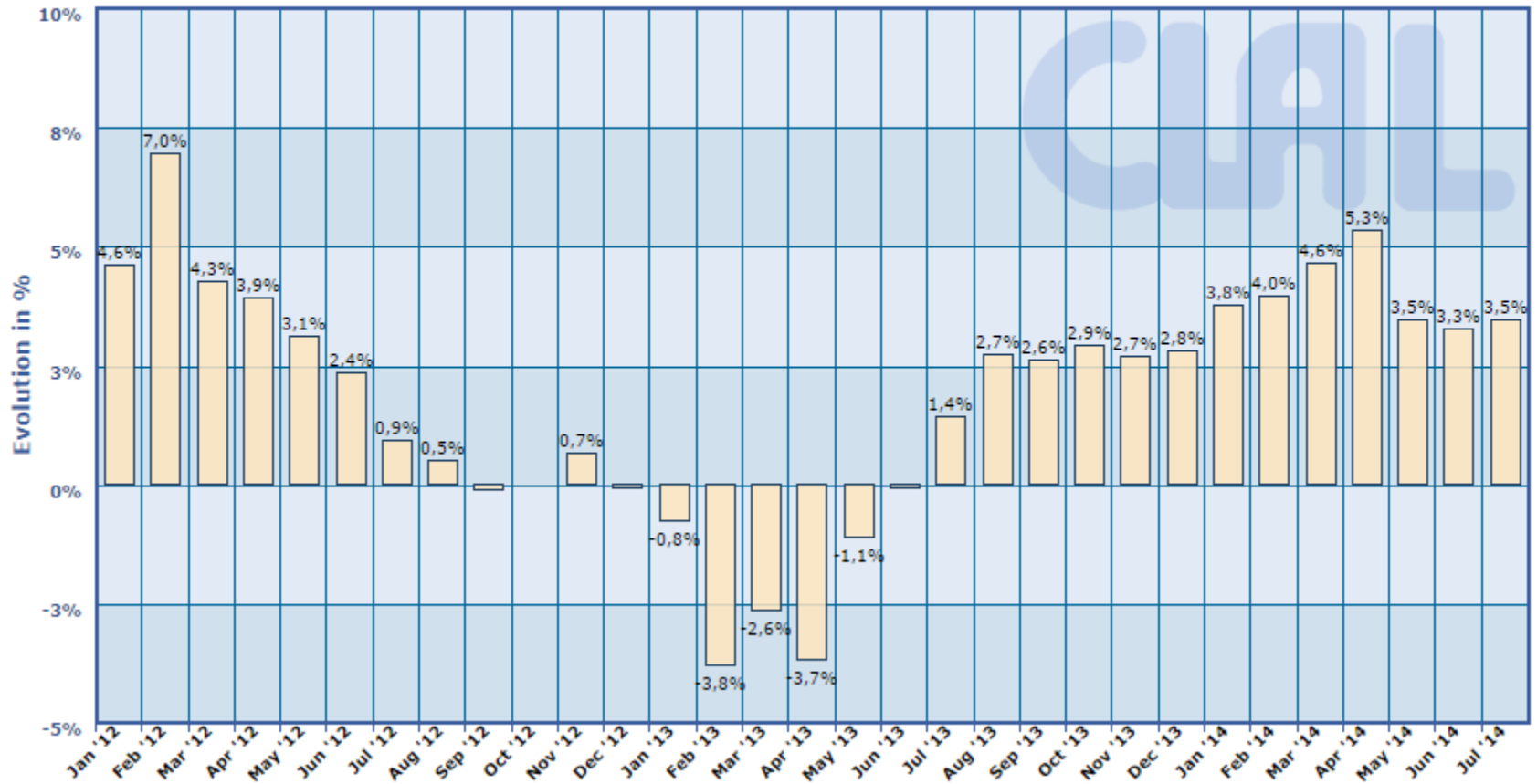


Production: FAO data, year 2012  
 Export: GTIS data relating to the Main Players, year 2013

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# Milk Supply Variation in the Key Exporters of Dairy Products

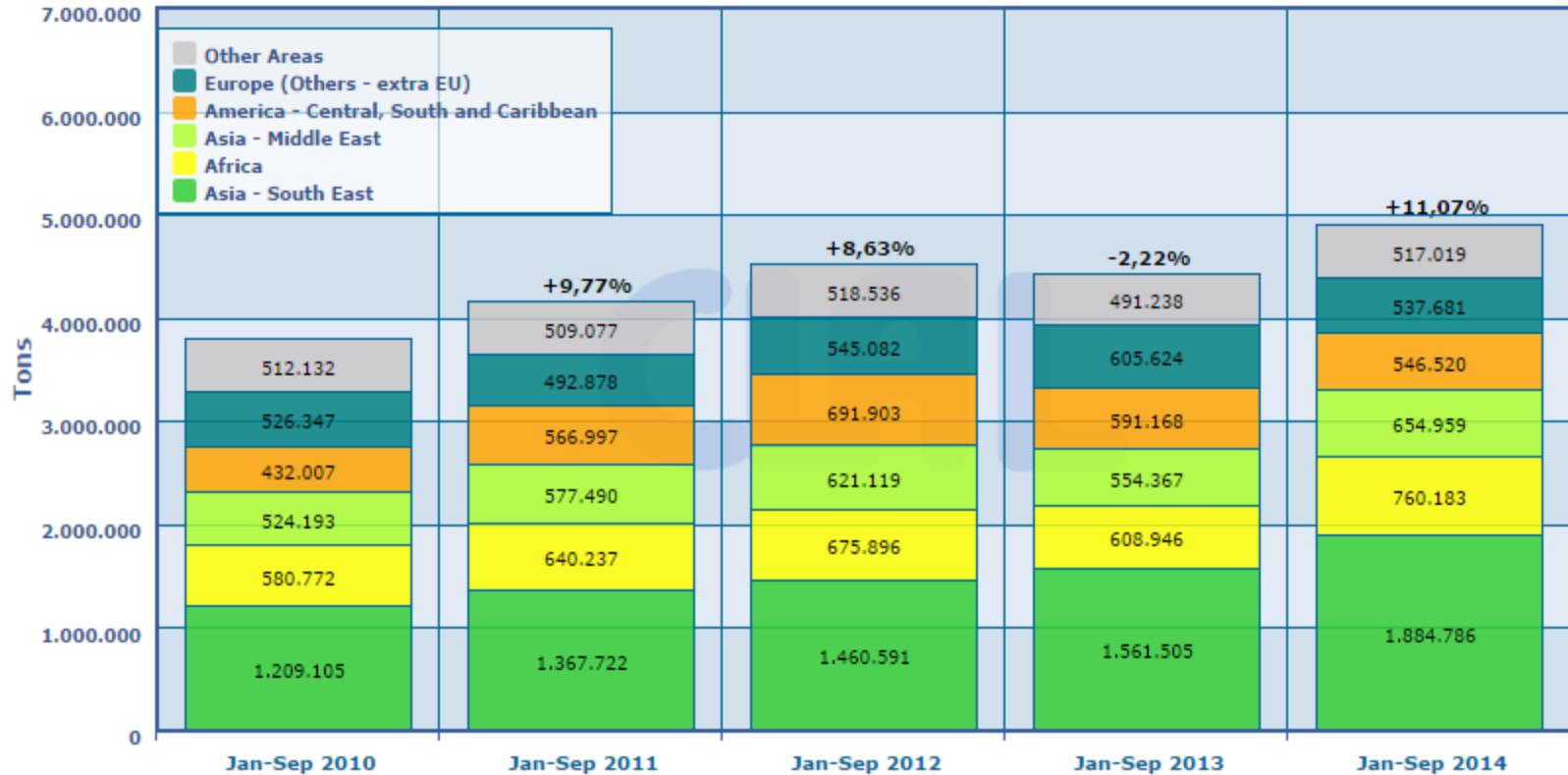
**World - Global Supply Variation in the Key Exporters of Dairy Products**  
 Players considered: EU-28, USA, New Zealand, Australia, Argentina, Ukraine, Belarus, Chile, Uruguay, Turchia  
 Processed by CLAL



# Regional Imports

**Regional imports for WMP, SMP, BUTTER, CHEESE**  
 (+/- % on the same period of previous year)

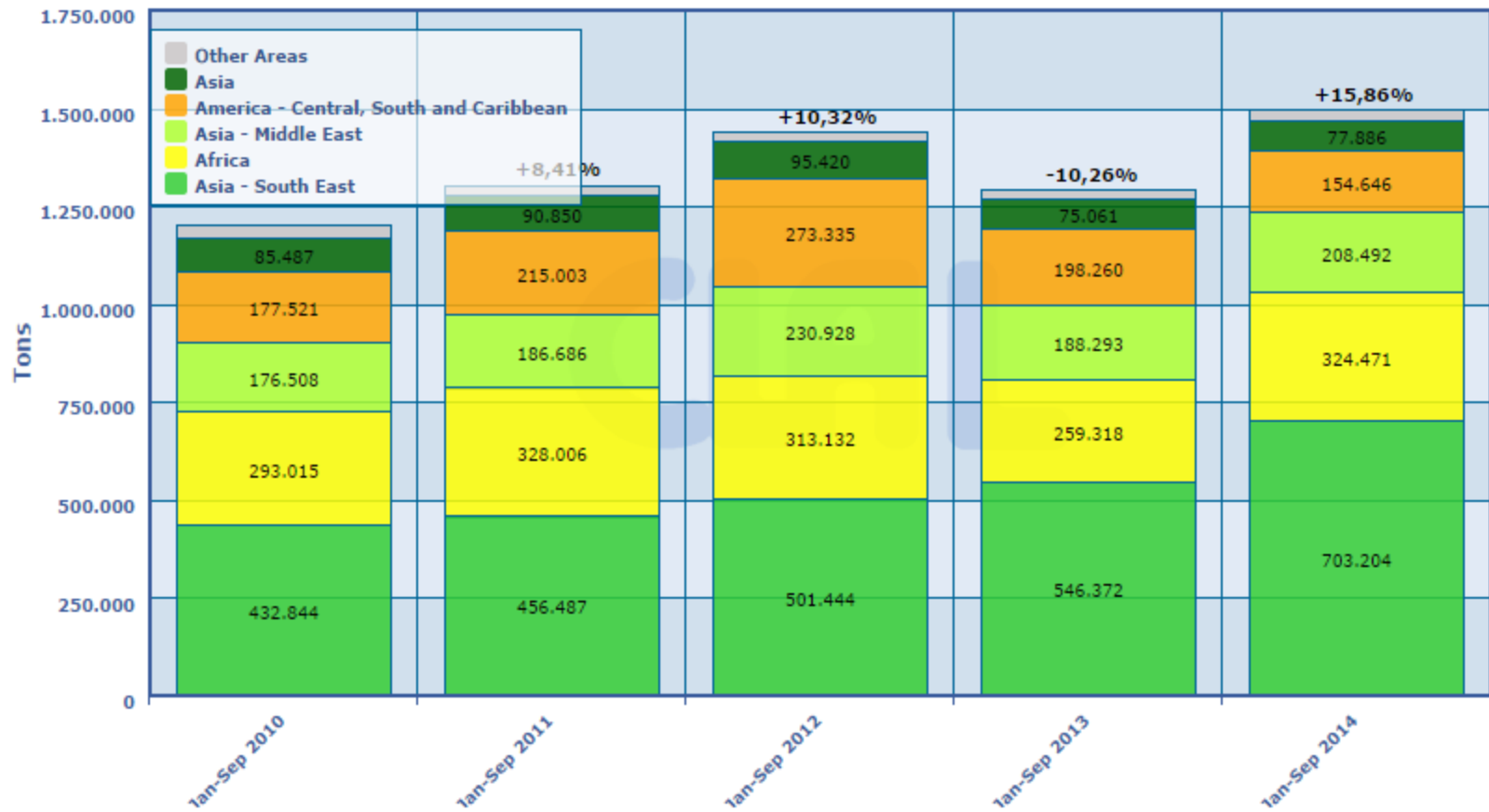
GTIS Data processed by CLAL



# WMP Regional Imports

040221 040229 - WMP IMPORT sorted by Geographical Area  
Cumulative monthly data

GTIS data processed by CLAL

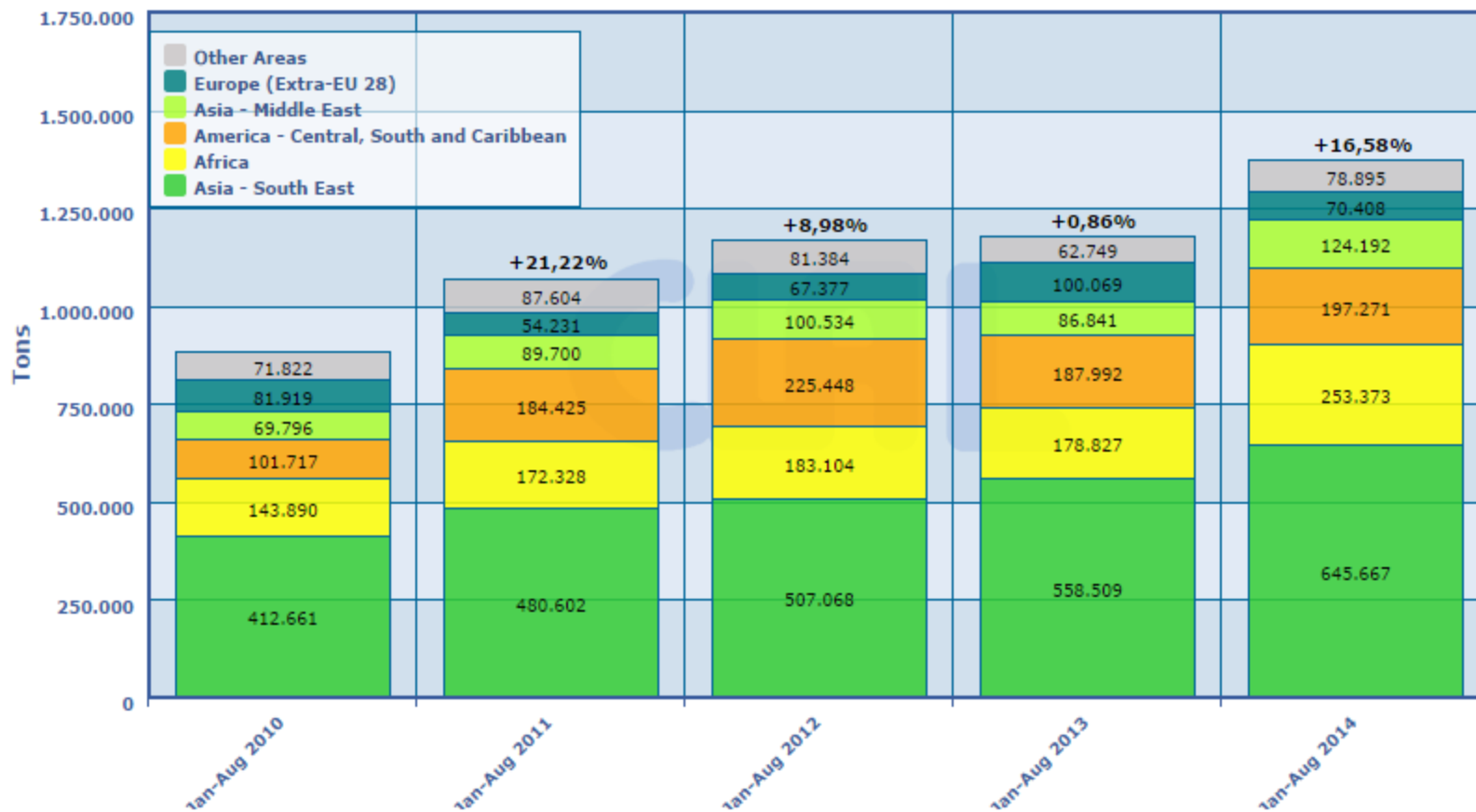




# SMP Regional Imports

## 040210 - SMP IMPORT sorted by Geographical Area Cumulative monthly data

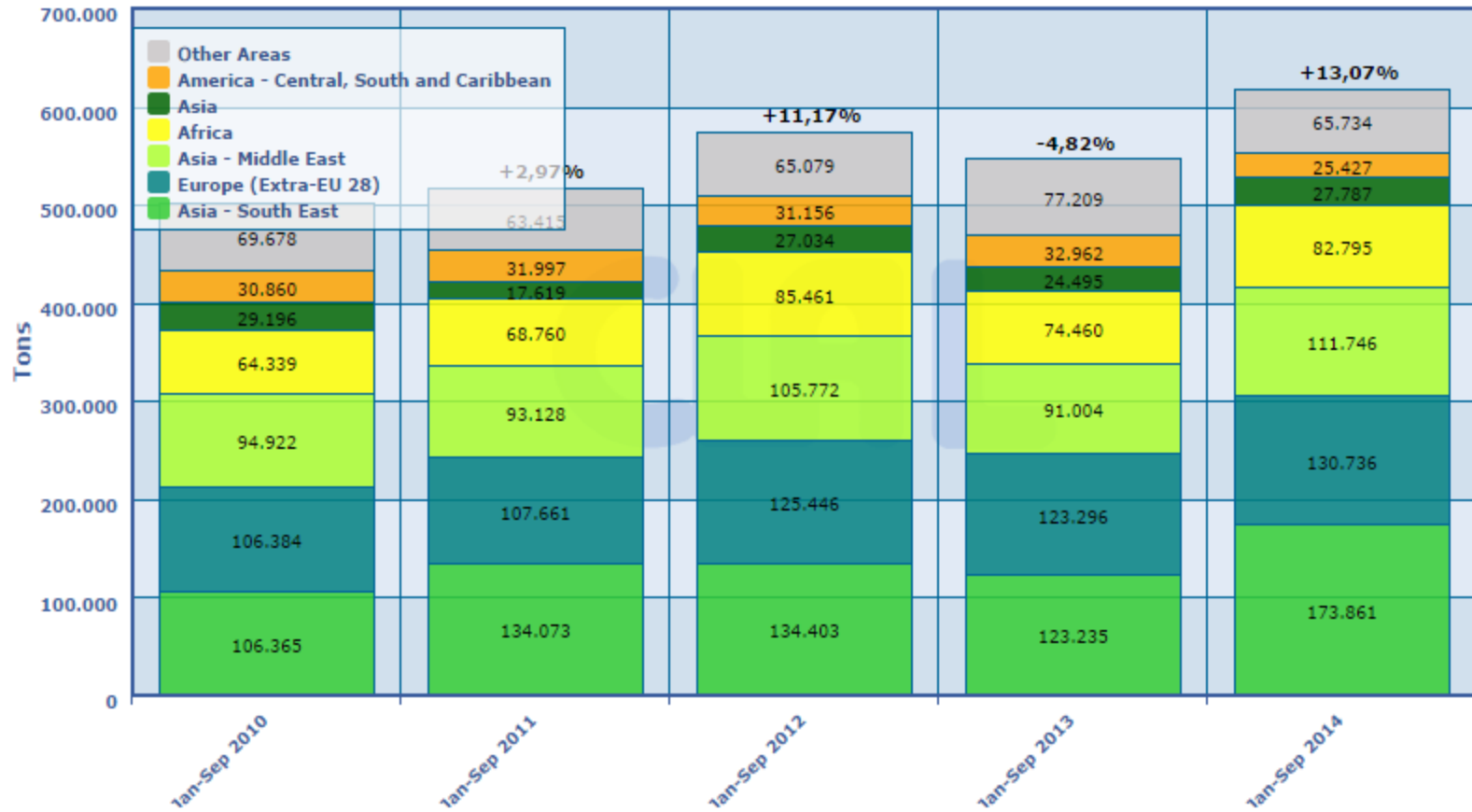
GTIS data processed by CLAL



# Butter Regional Imports

## 0405 - BUTTER IMPORT sorted by Geographical Area Cumulative monthly data

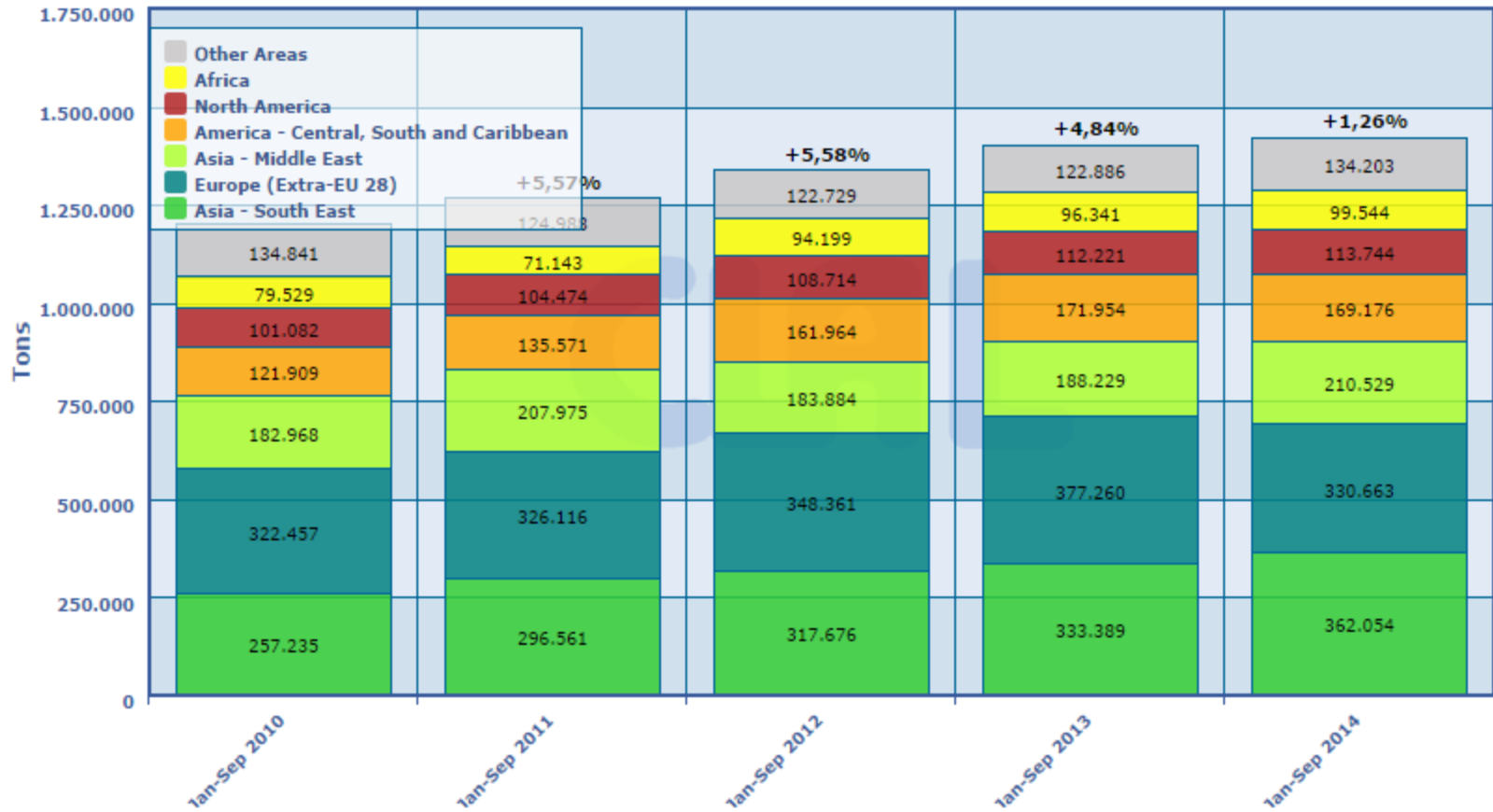
GTIS data processed by CLAL



# Cheese Regional Imports

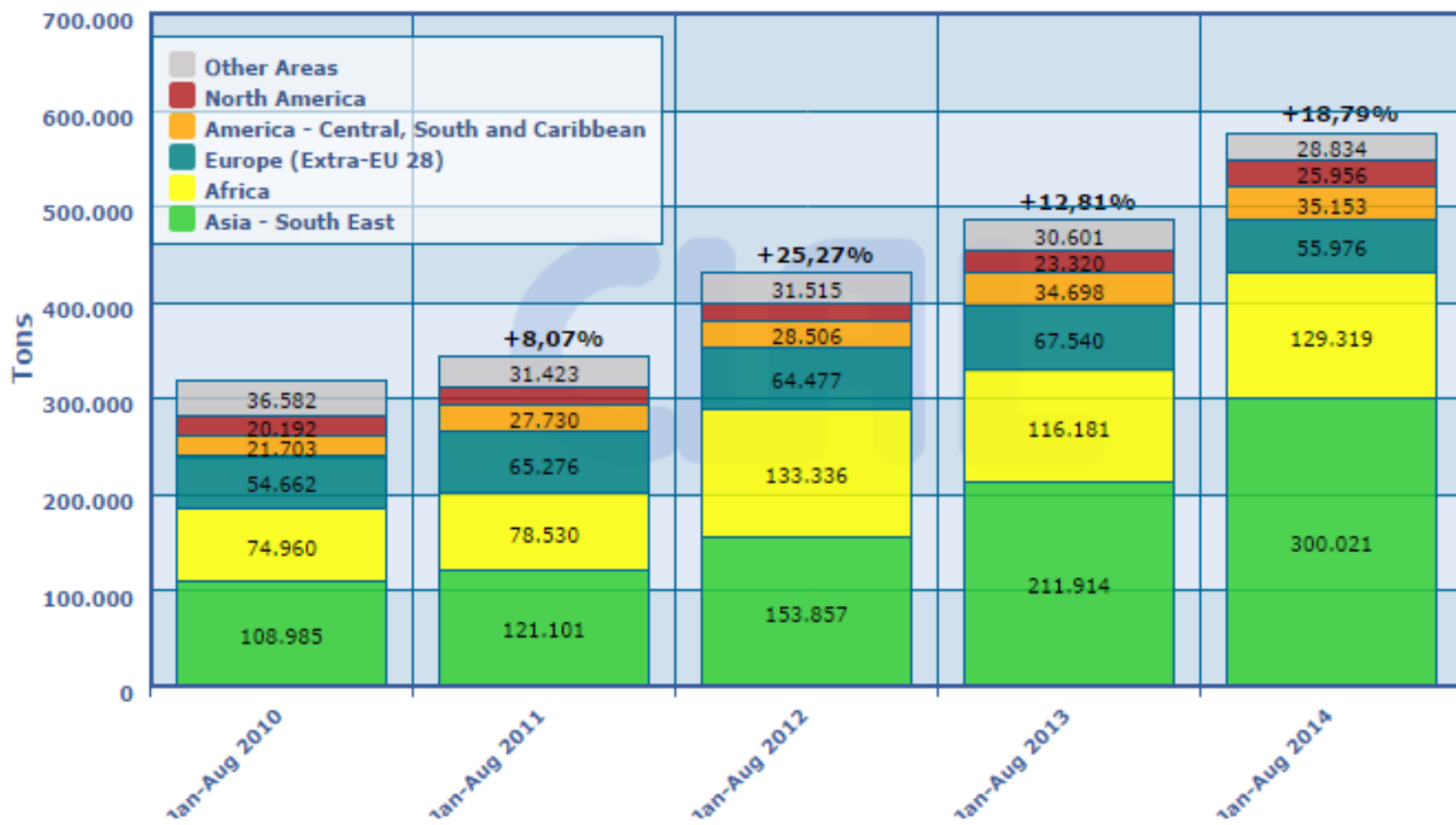
## 0406 - CHEESE IMPORT sorted by Geographical Area Cumulative monthly data

GTIS data processed by CLAL



# Bulk and Packed Milk Regional Imports

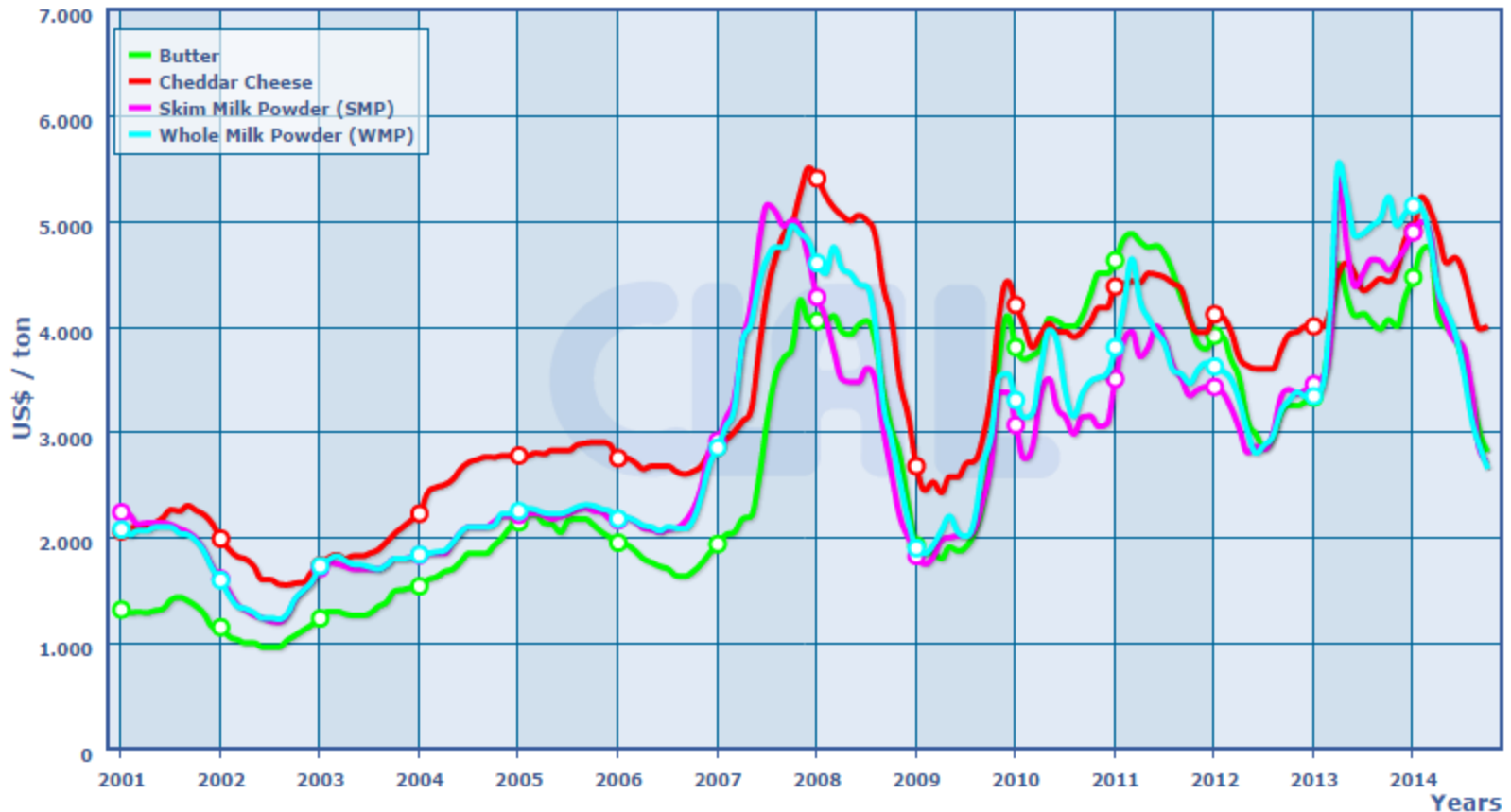
**040110 040120 - BULK AND PACK. MILK IMPORT** sorted by Geographical Area  
 Cumulative monthly data  
 GTIS data processed by CLAL



# Dairy prices in US\$

## Price comparison among BUTTER, CHEDDAR, SMP, WMP (US\$ per Ton)

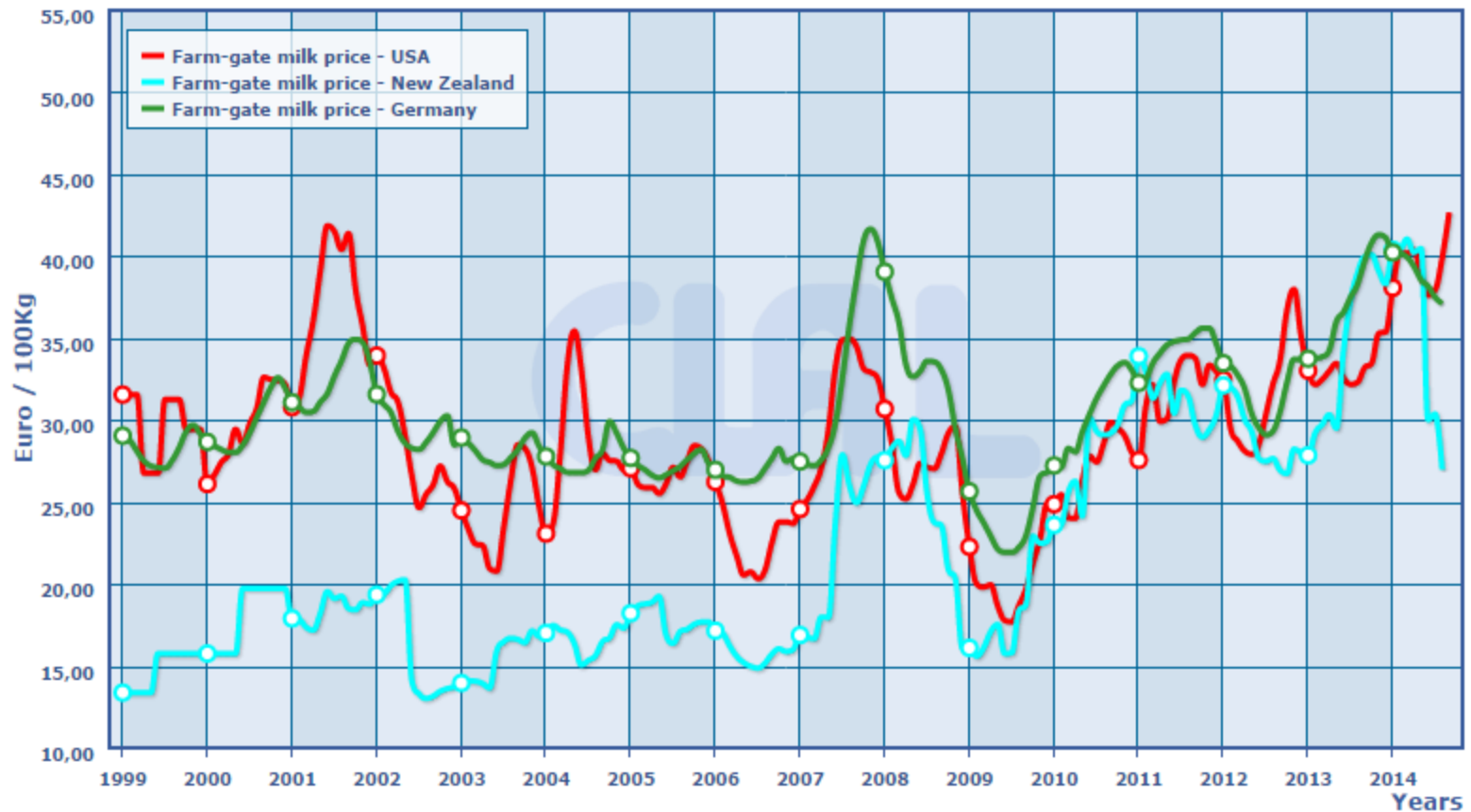
Source: USDA AMS Dairy Markets News



# Farm-gate milk prices in €

Historical comparative overview on Farm-gate Milk prices in  
Germany, the US, New Zealand

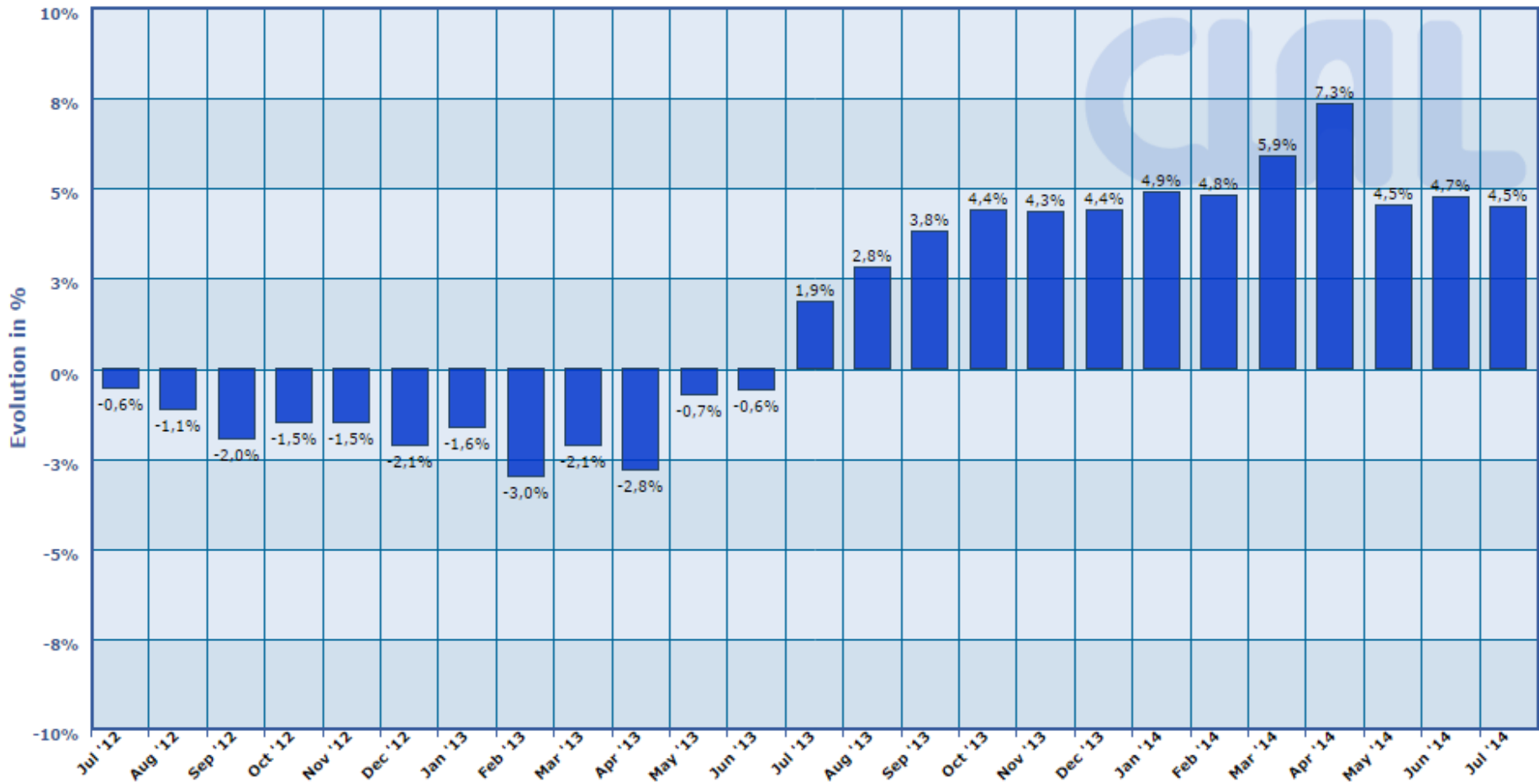
Processed by CLAL



# EU-28 Milk Deliveries Evolution

**EU-28 - Milk deliveries:**  
(+/- % on the same period of previous year)

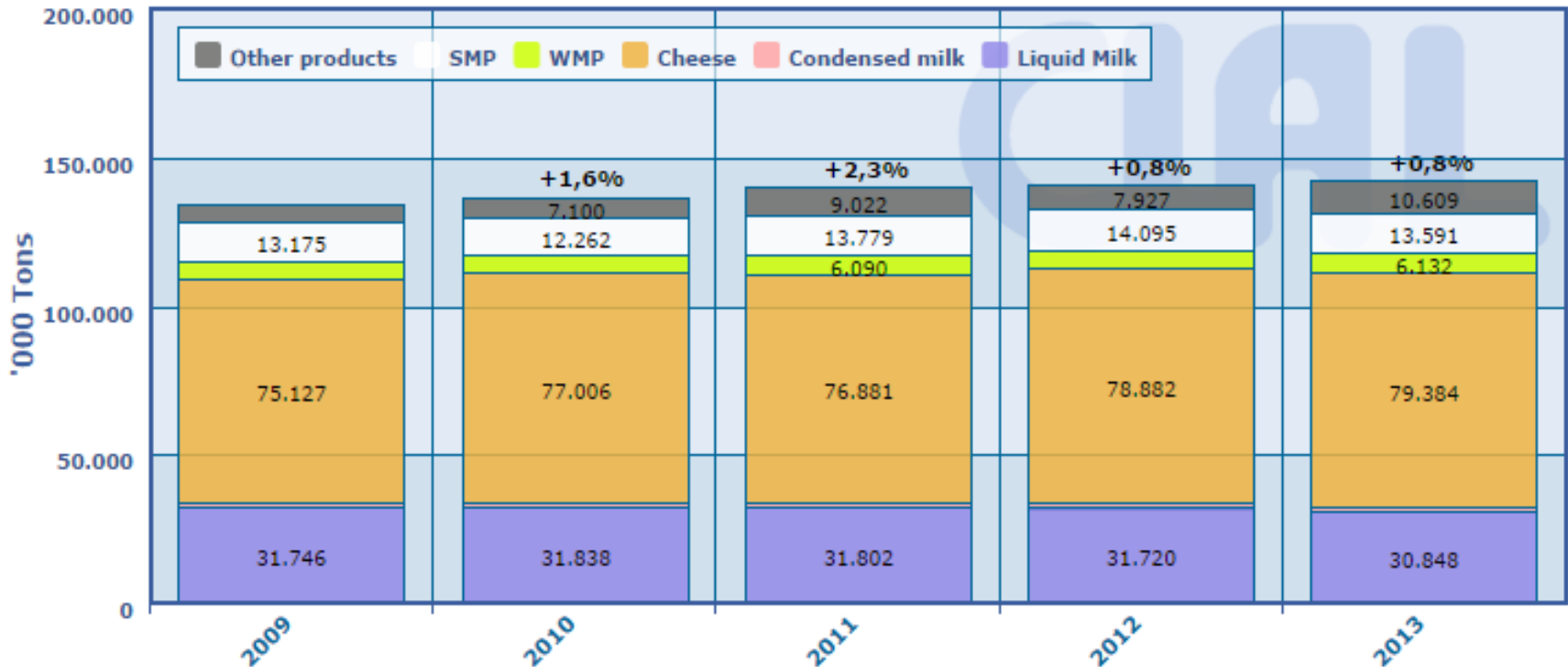
Source: Eurostat



# EU-28 Dairy Production in Milk Equivalent



## EU-28: PRODUCTION in Milk Equivalent (**'000 Tons**)

(1Kg SMP=11,57 Kg ME; 1Kg WMP=8,06 Kg ME; 1Kg cheese=9,11 Kg ME; 1Kg condensed Milk=2,00 Kg ME; 1Kg Milk=1,00 Kg ME)  
Processed by CLAL based on Eurostat and Productschap Zuivel data

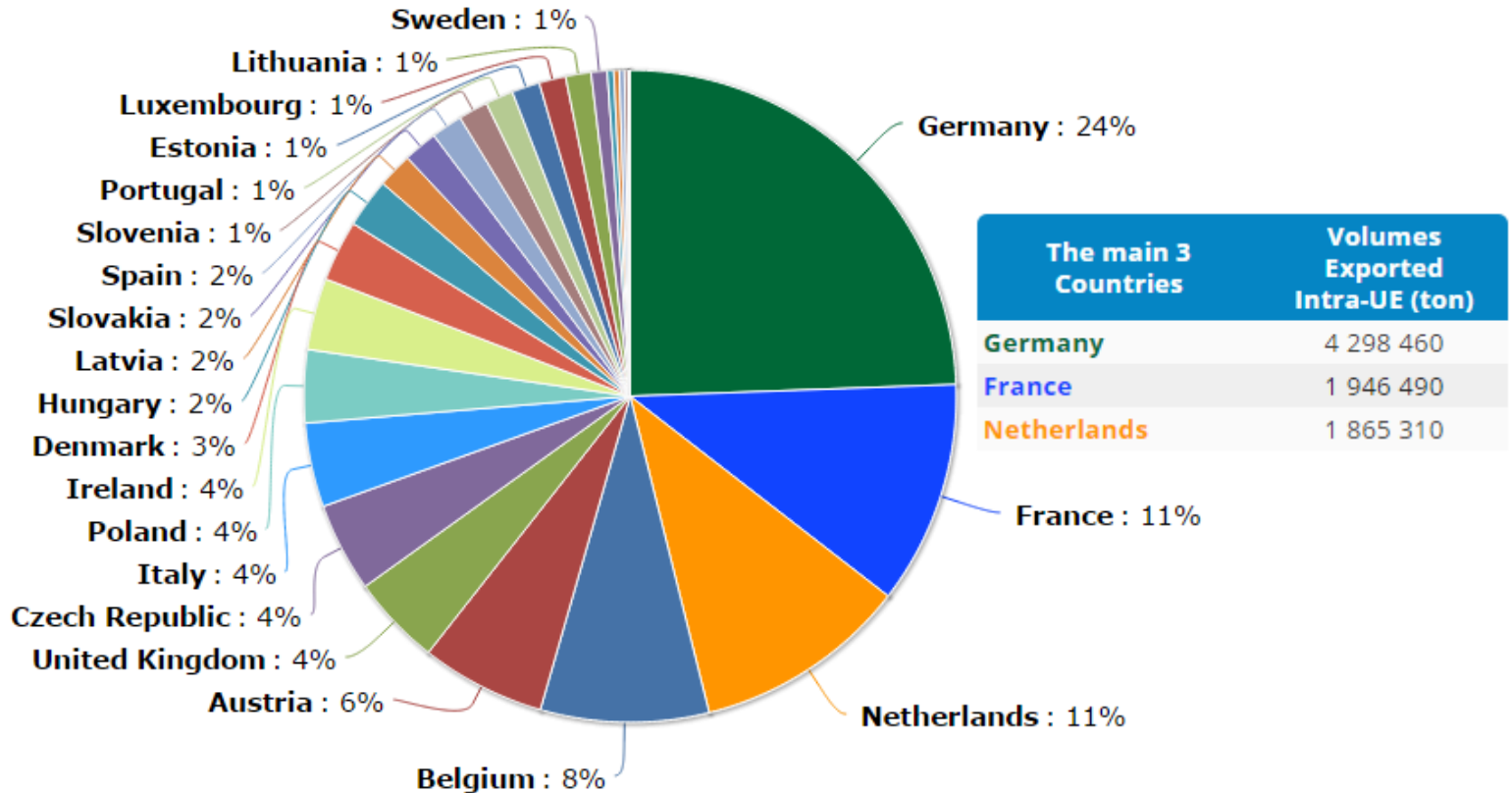




# EU-28 Market Share Intra-EU

**EU-28: SHARE MARKET DAIRY PRODUCTS Intra-UE - 2013 in Tons**  

Source: GTIS - Processed by CLAL



custom codes: 040210, 040221+040229, 0406, 0405, 0404, 350110, 350190, 040291+040299, 04011010+04012011+04012091, 04011090+04012019+04012099, 190110

**CLAL**

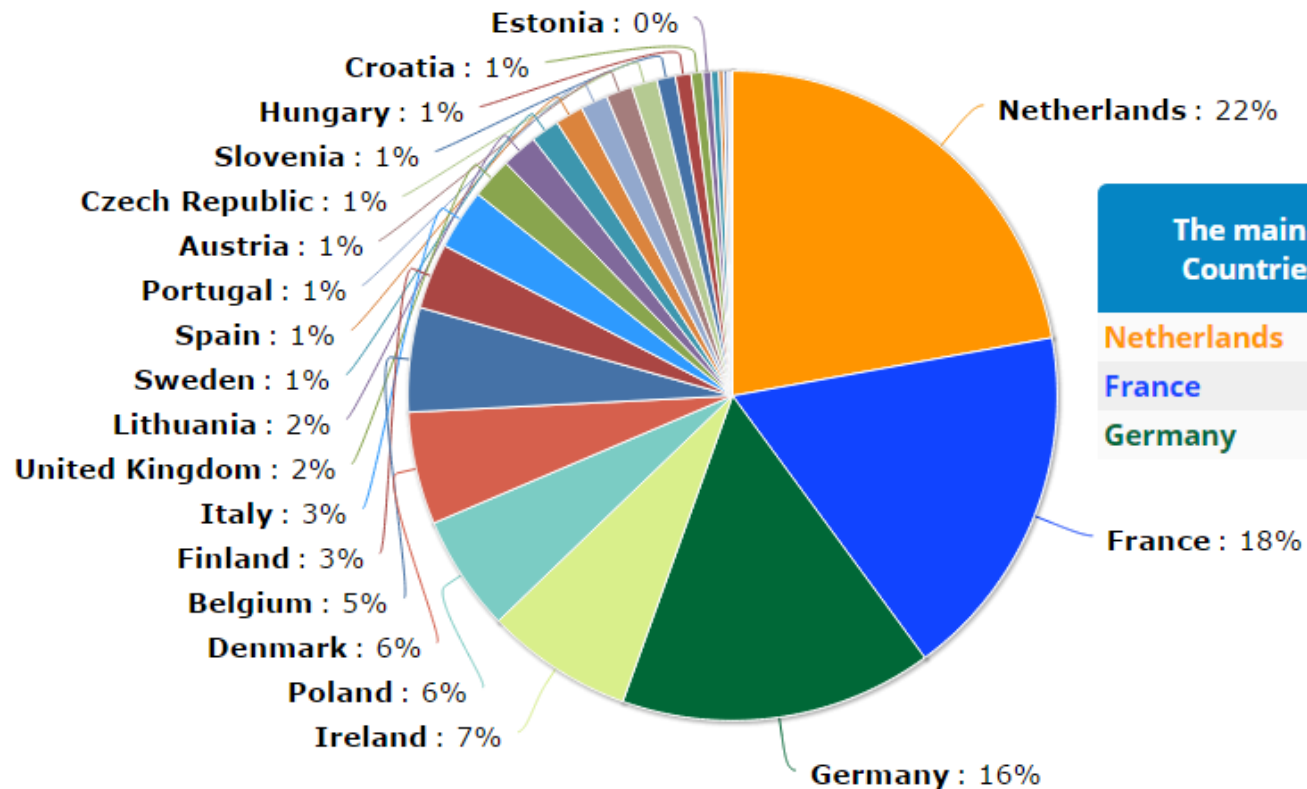
**CLAL.it**

# EU-28 Market Share Extra-EU

## EU-28: SHARE MARKET DAIRY PRODUCTS Extra-UE 2013 in Tons



Source: GTIS - Processed by CLAL



The main 3 Countries	Volumes Exported Extra-UE (Tons)
Netherlands	774 615
France	621 971
Germany	545 256

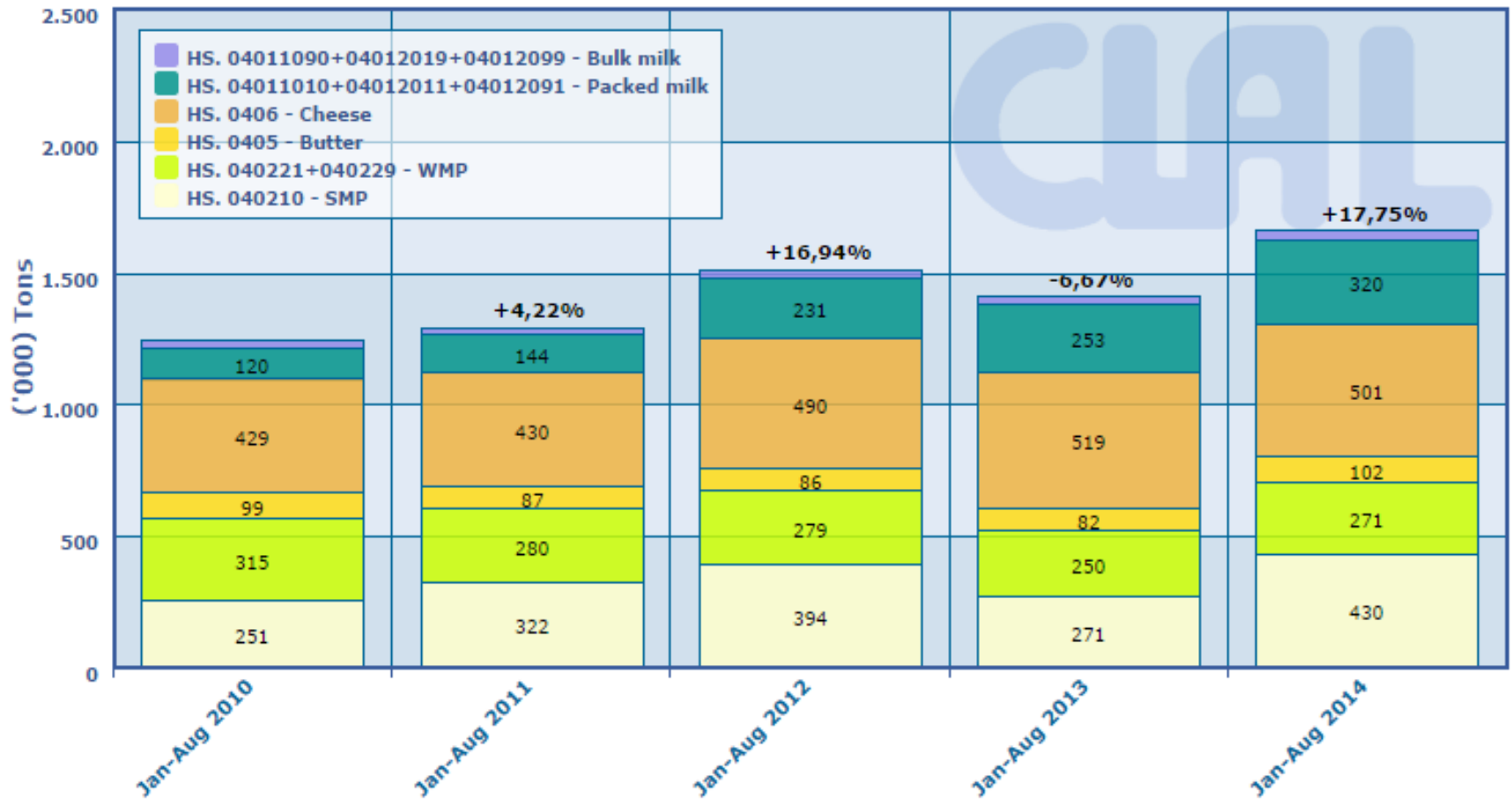
codici doganali: 040210, 040221+040229, 0406, 0405, 0404, 350110, 350190, 040291+040299, 04011010+04012011+04012091, 04011090+04012019+04012099, 190110

**CLAL**

# EU-28 Dairy Exports

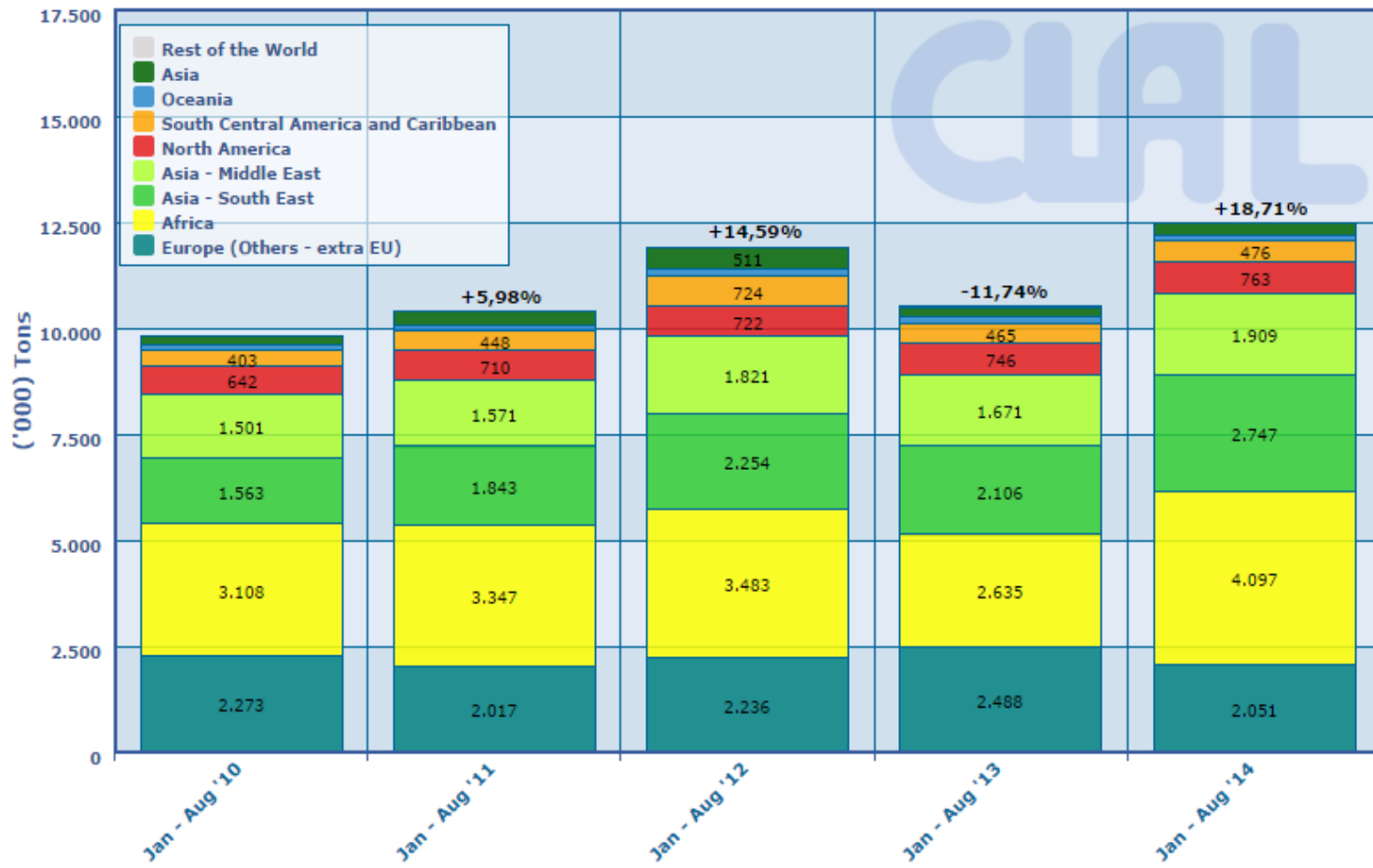
## EU-28 DAIRY PRODUCT - Total Export SMP, WMP, Butter, Cheese, Bulk and Packed Milk

Data processed by Clal based on GTIS source



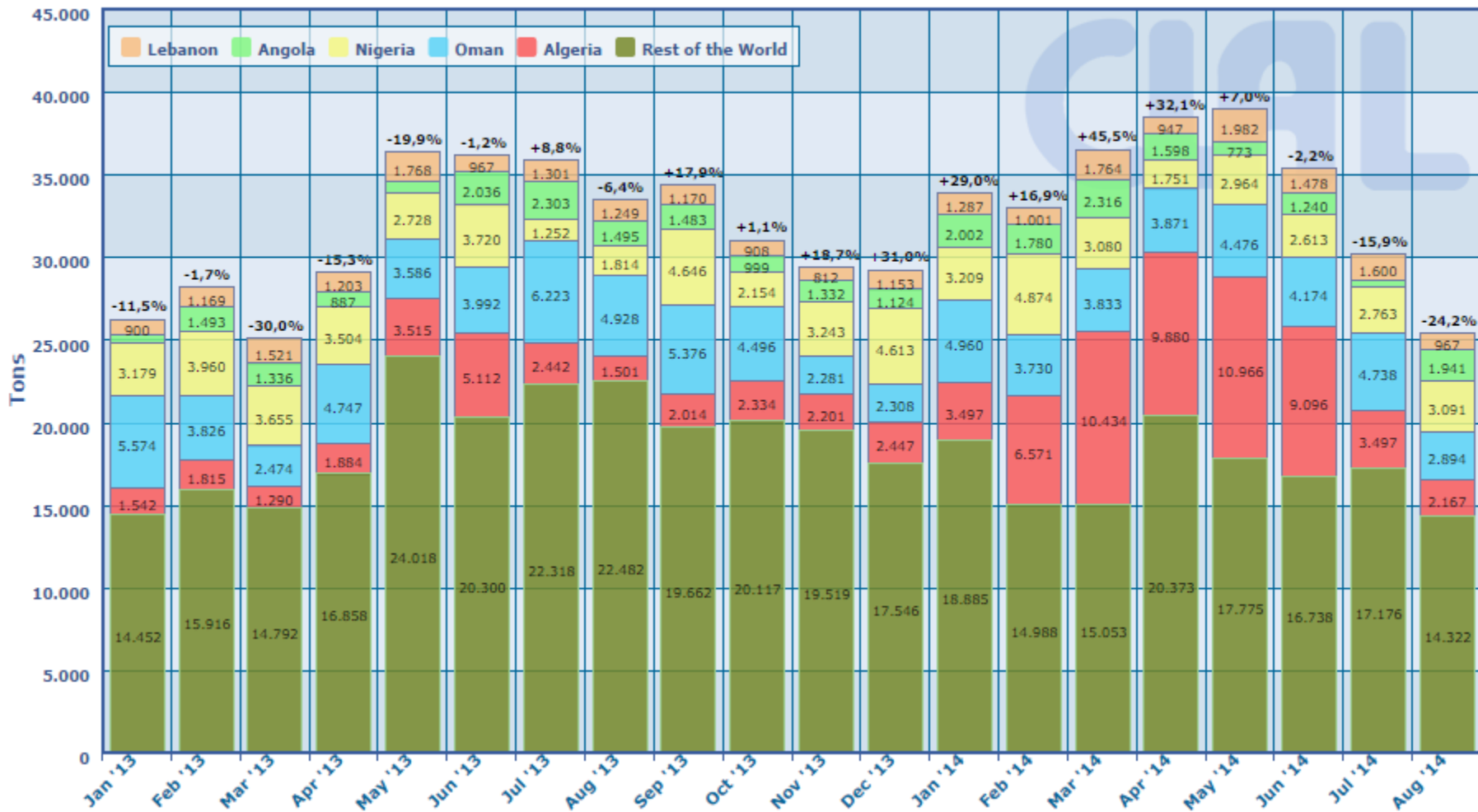
# EU-28 Total Export in M.E.

**EU-28: Total Export in Milk Equivalent (ME)  
by region of destination (MONTHLY CUMULATIVE)**  
(Products considered: Bulk and pack. milk, SMP, WMP, Condensed Milk, Cheese)  
Data processed by Clal based on GTIS source



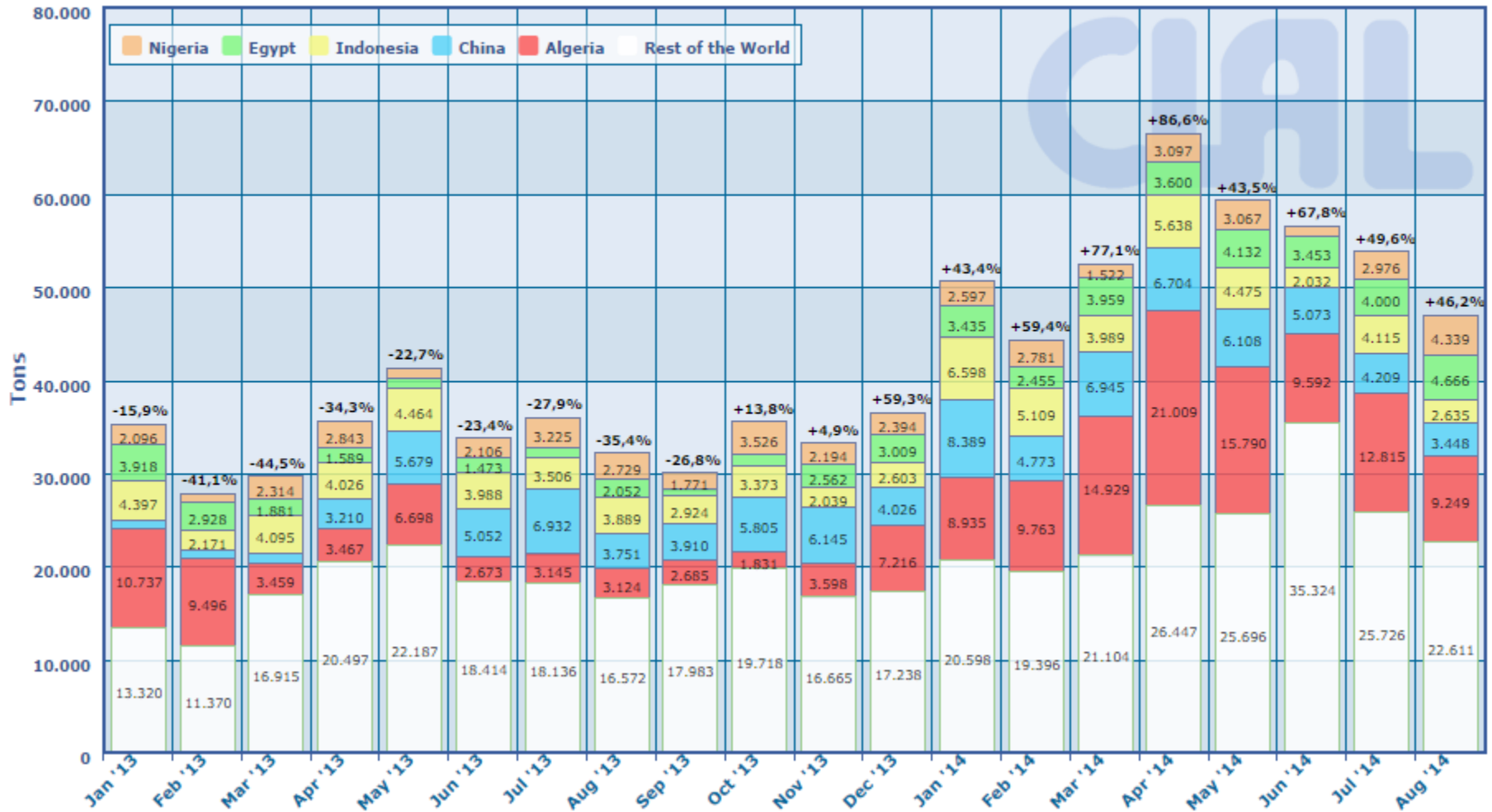
# EU-28 WMP Exports outside the EU-28

EU-28 : Monthly Exports of WMP  
 (+/- % on the same period of previous year)  
 Processed by CLAL



# EU-28 SMP Exports outside the EU-28

EU-28 : Monthly Exports of SMP  
 (+/- % on the same period of previous year)  
 Processed by CLAL

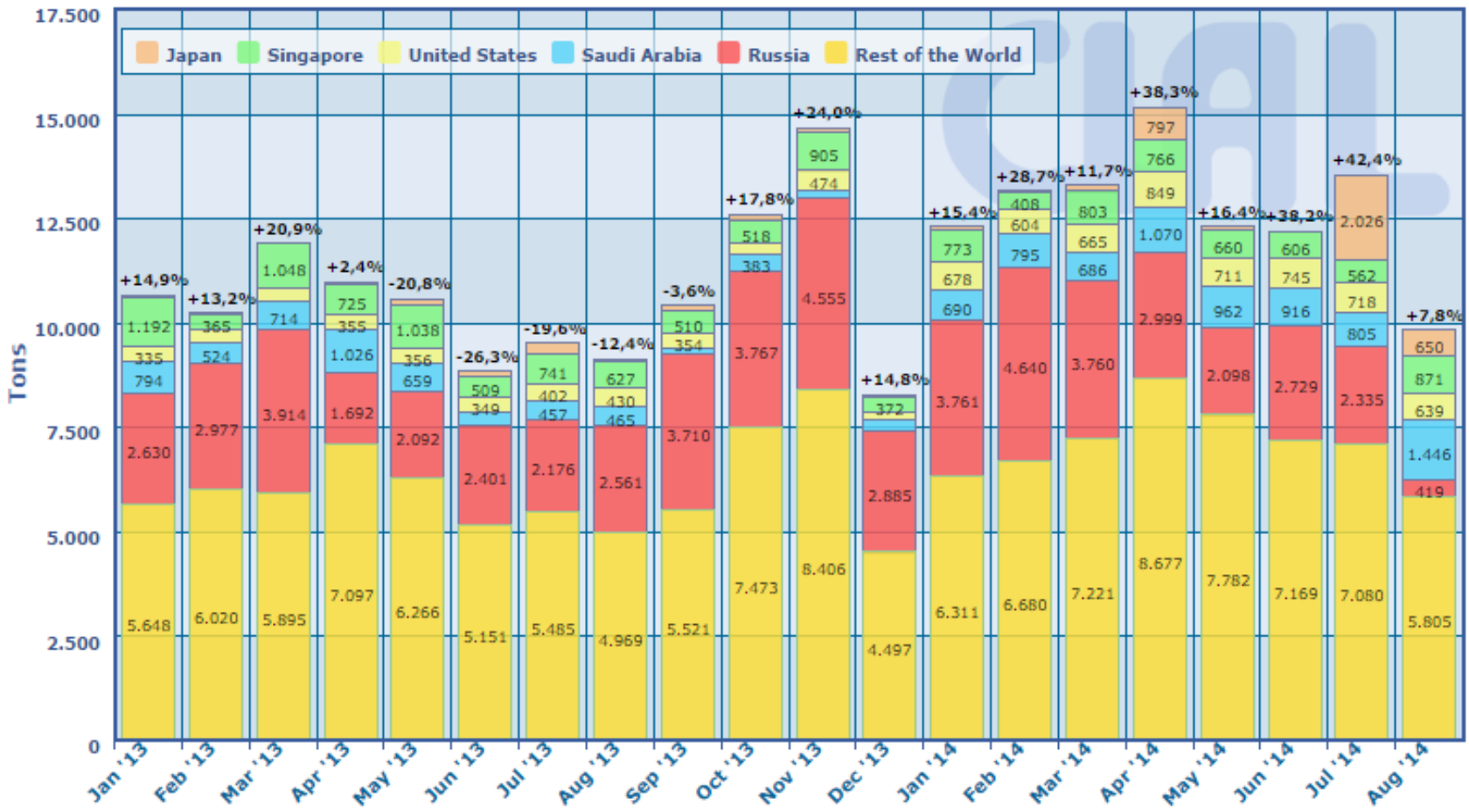


# EU-28 Butter Exports outside the EU-28

## EU-28 : Monthly Exports of BUTTER

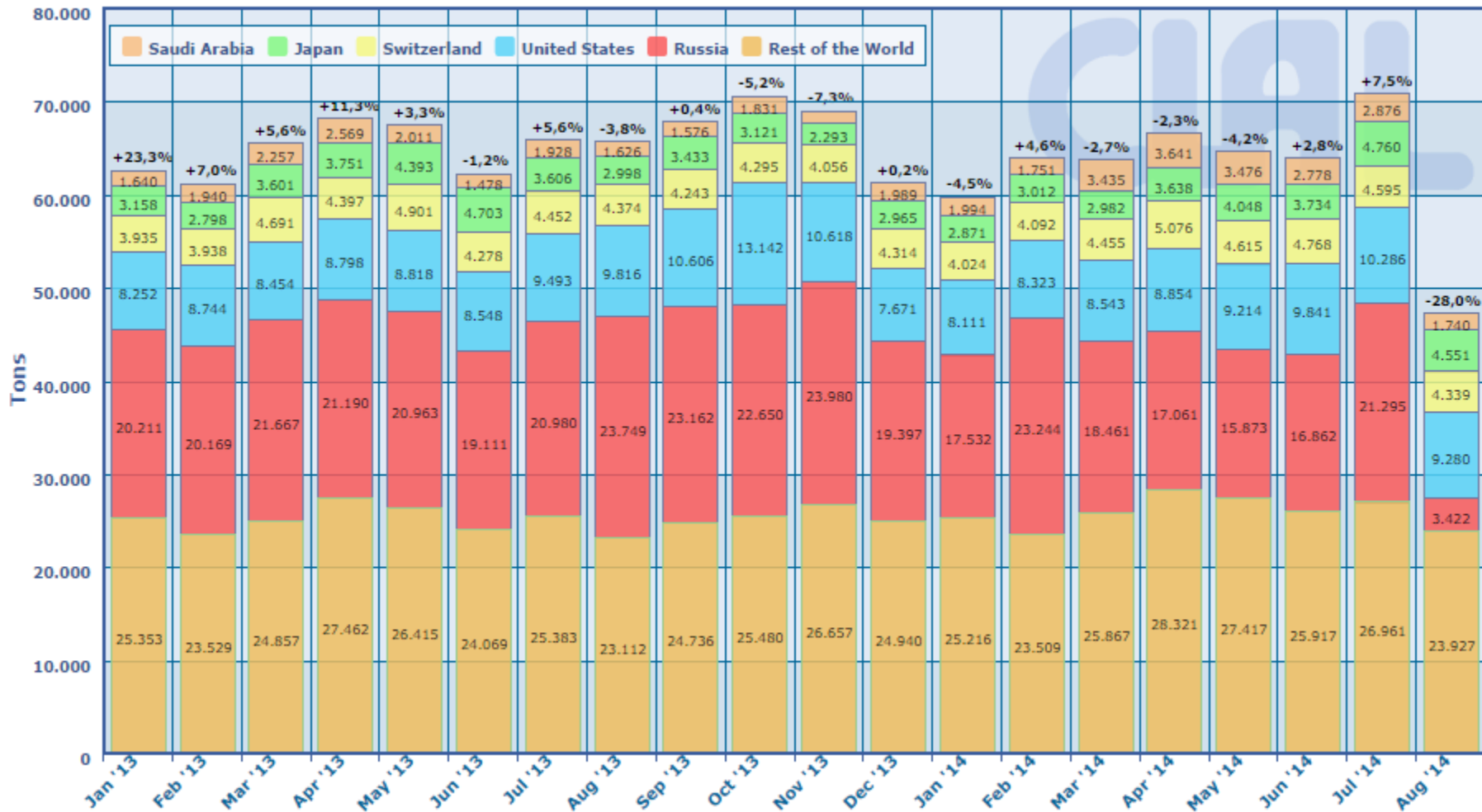
( +/- % on the same period of previous year )

Processed by CLAL



# EU-28 Cheese Exports outside the EU-28

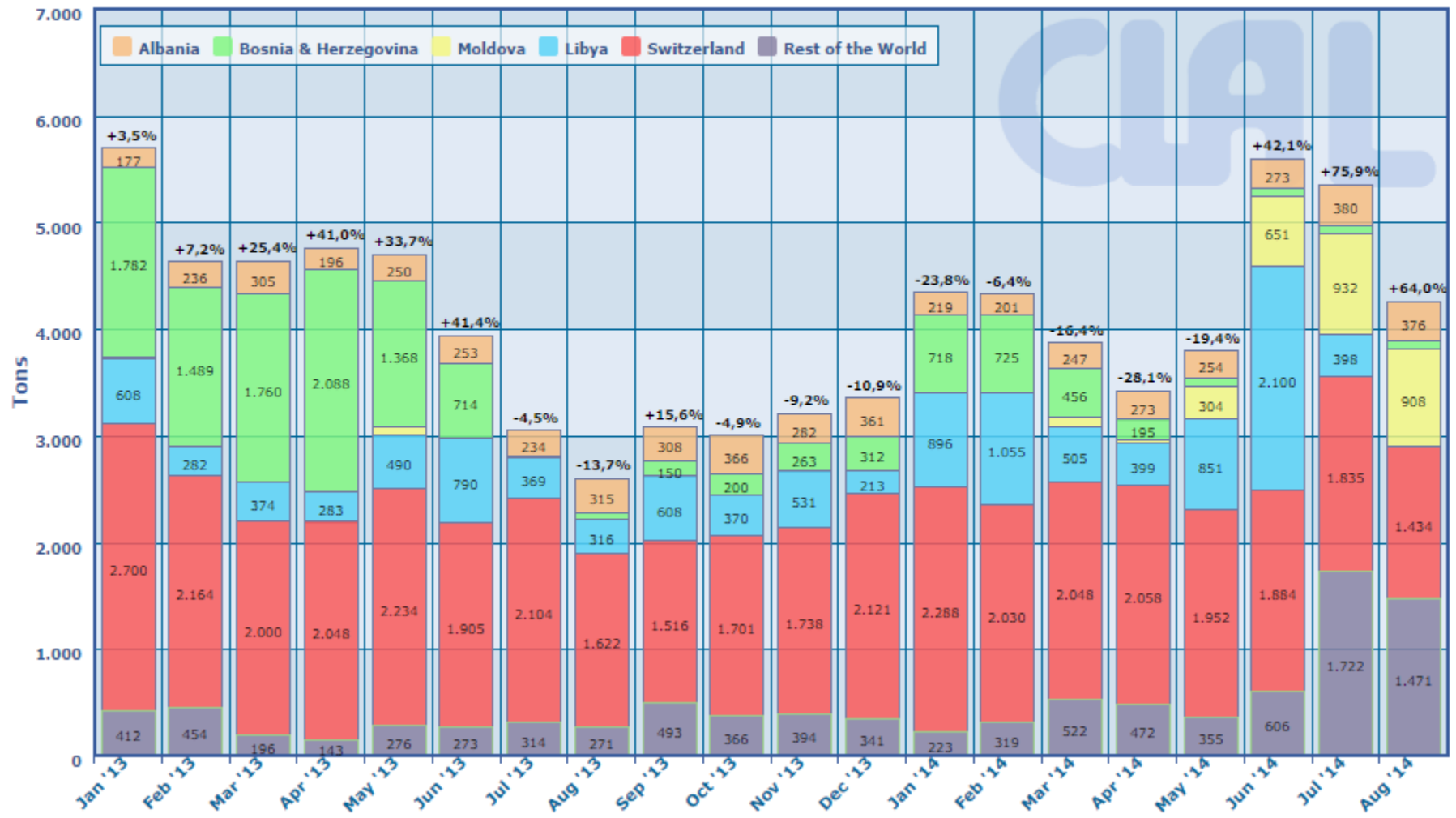
EU-28 : Monthly Exports of CHEESE  
 (+/- % on the same period of previous year)  
 Processed by CLAL





# EU-28 Bulk Milk Exports outside the EU-28

**EU-28 : Monthly Exports of BULK MILK**  
 (+/- % on the same period of previous year)  
 Processed by CLAL

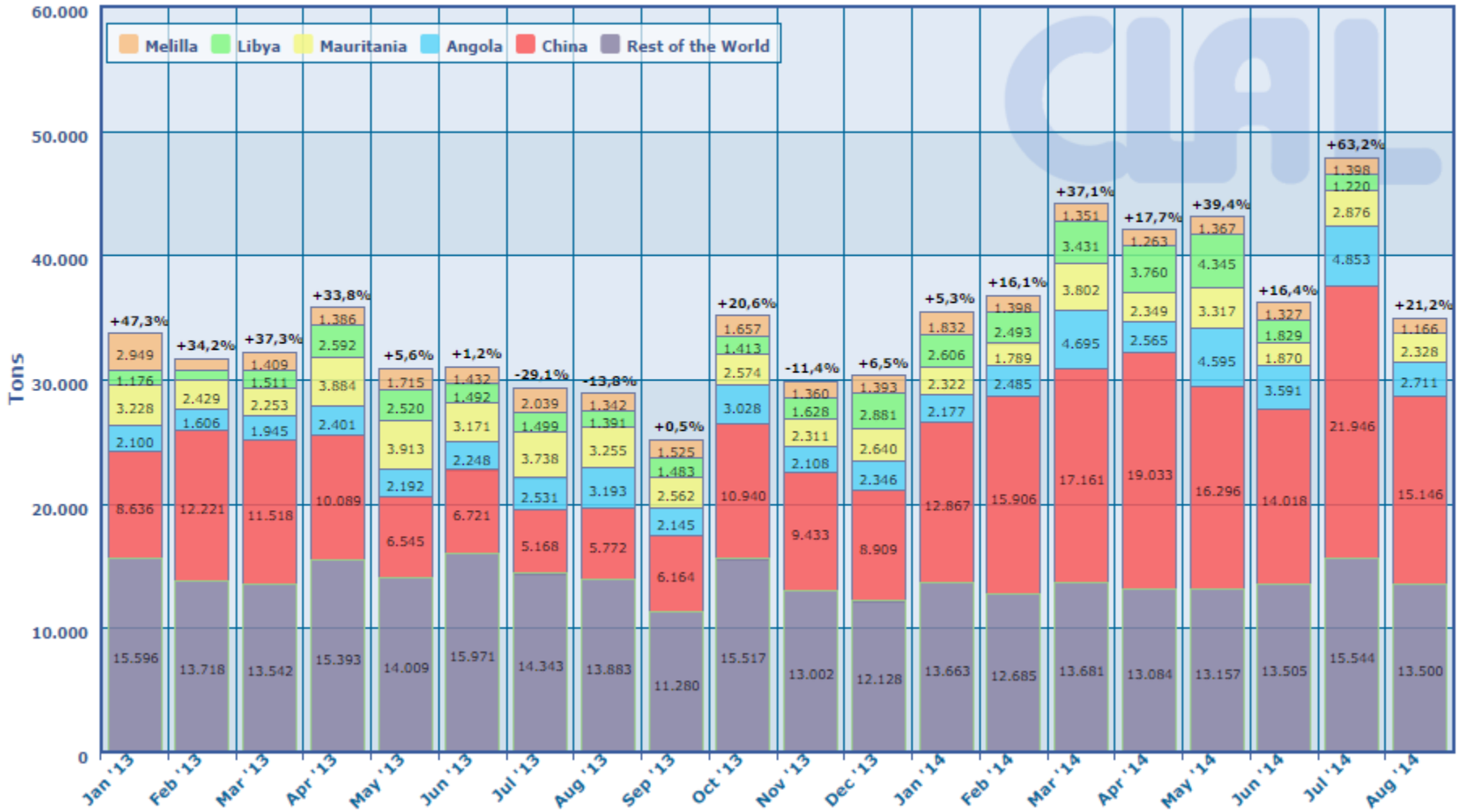


# EU-28 Packed Milk Exports outside the EU-28

## EU-28 : Monthly Exports of PACKED MILK

( +/- % on the same period of previous year )

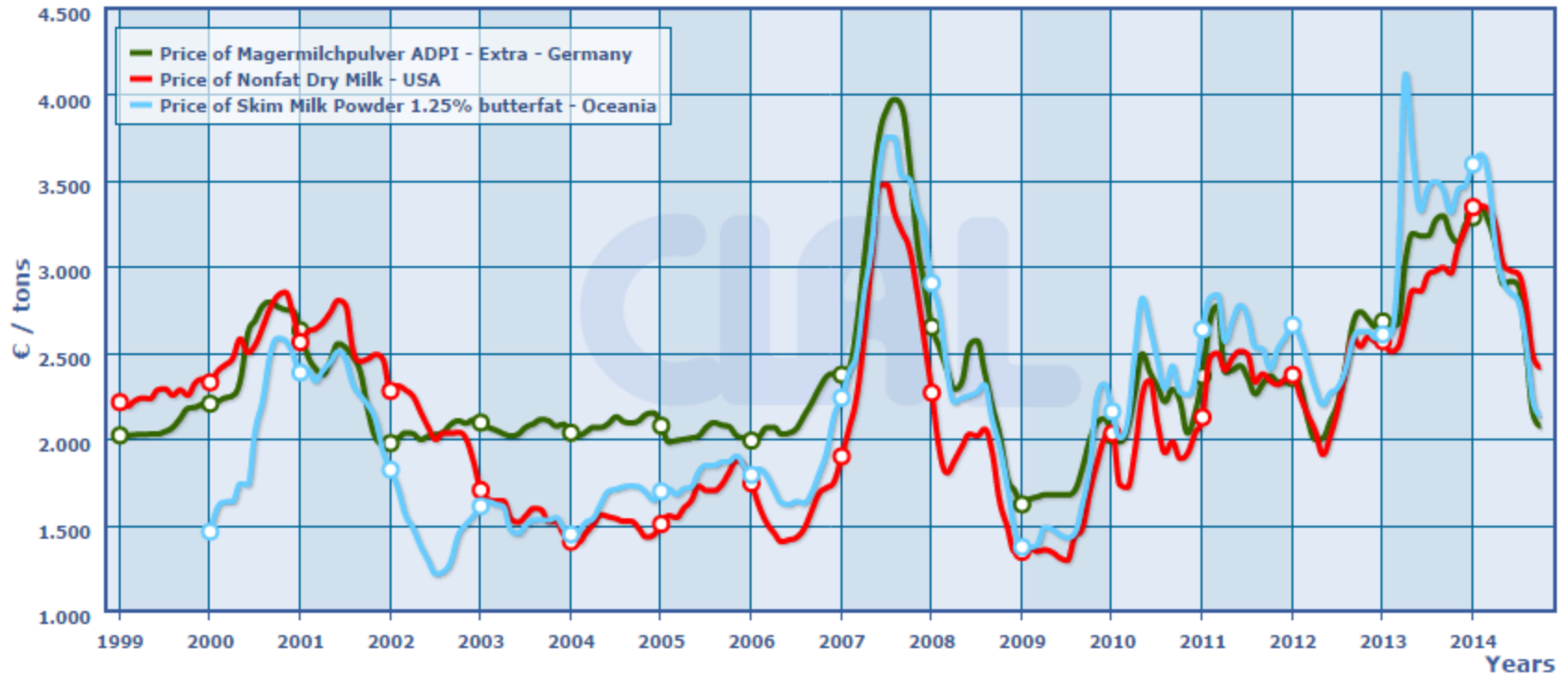
Processed by CLAL



# EU-28 SMP prices

## World - Comparative historical overview of Skim Milk Powder (SMP) prices

Processed by CLAL



Germany 15/10/2014 2.035 €/tons

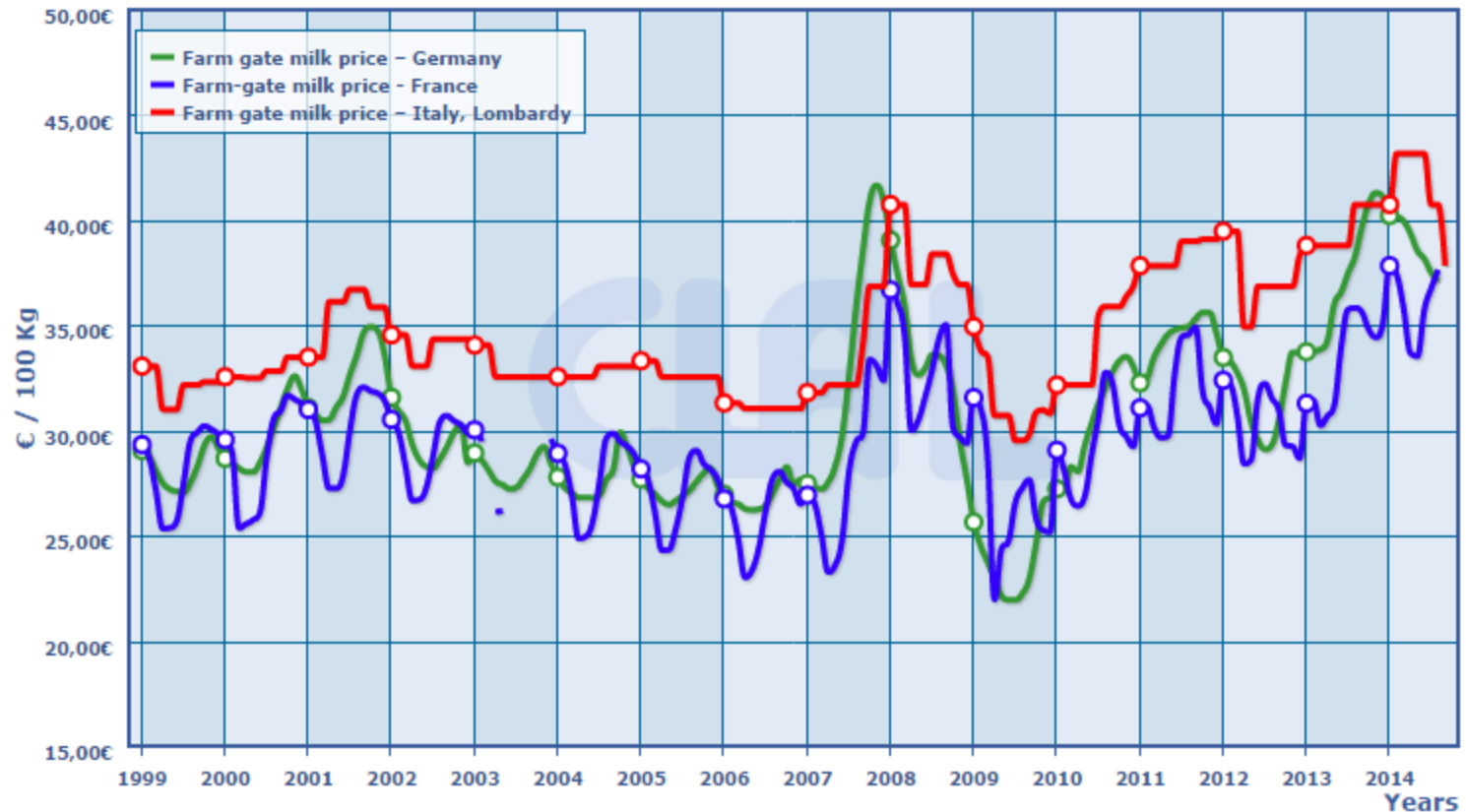
United States 17/10/2014 2.412 €/tons

Oceania 10/10/2014 2.135 €/tons

# EU-28 Farm-gate milk prices in €

## Lombardy (I), Germany (D), France (F) Comparison among farmgate raw milk prices

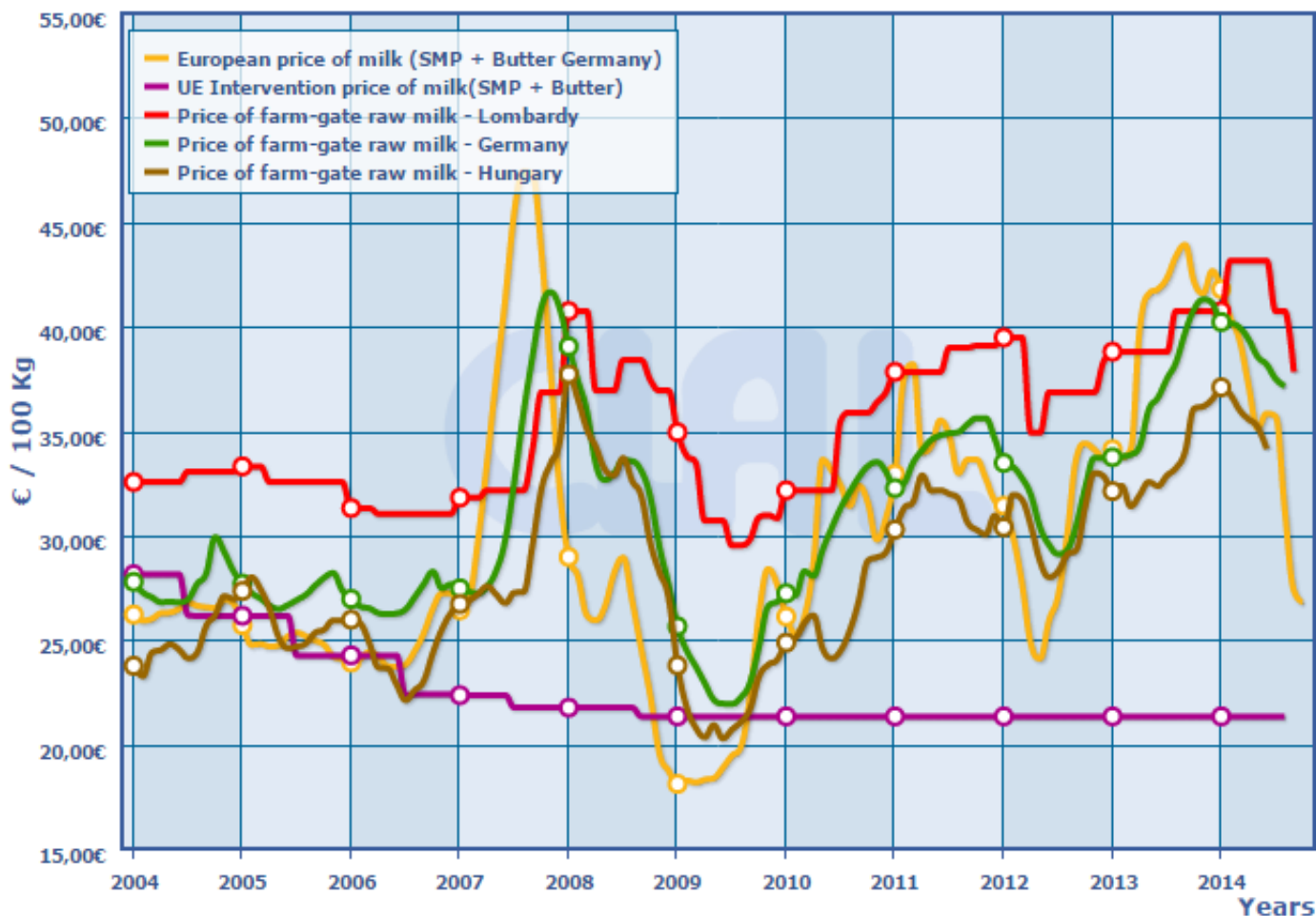
Processed by CLAL



# EU-28 Farm-gate milk competitiveness

Historical comparative overview of farm-gate milk  
in Lombardy (I), in Germany and prices  
obtained from the quotations of SMP and BUTTER(Germany)

Source: Processed by CLAL



# Hungary: Milk Balance of self-sufficiency

Summary 2013	Mio tons
Milk Deliveries (D)	<b>1.351</b>
Import* in Milk Equivalent (I)	<b>583</b>
Export* in Milk Equivalent (E)	<b>540</b>
<b>% Self-sufficiency Milk = <math>D/(D+I-E)</math></b>	<b>103%</b>

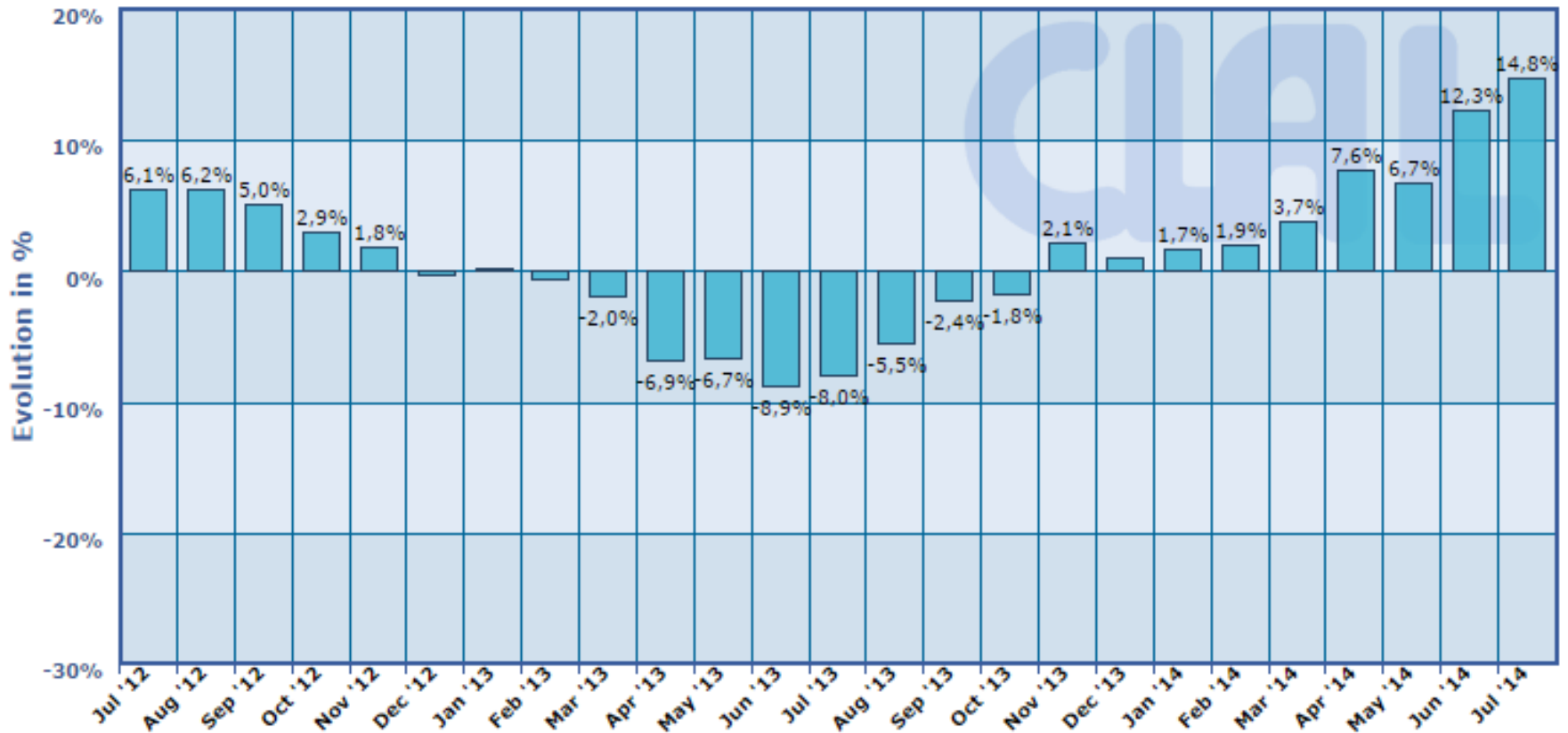
\* SMP, WMP, Condensed Milk, Cheese, Packed and Bulk Milk

Source: Eurostat (D), GTIS (I, E)

# Hungary: Milk Deliveries

**Hungary - Milk deliveries:**  
(+/- % on the same period of previous year)

Source: Eurostat

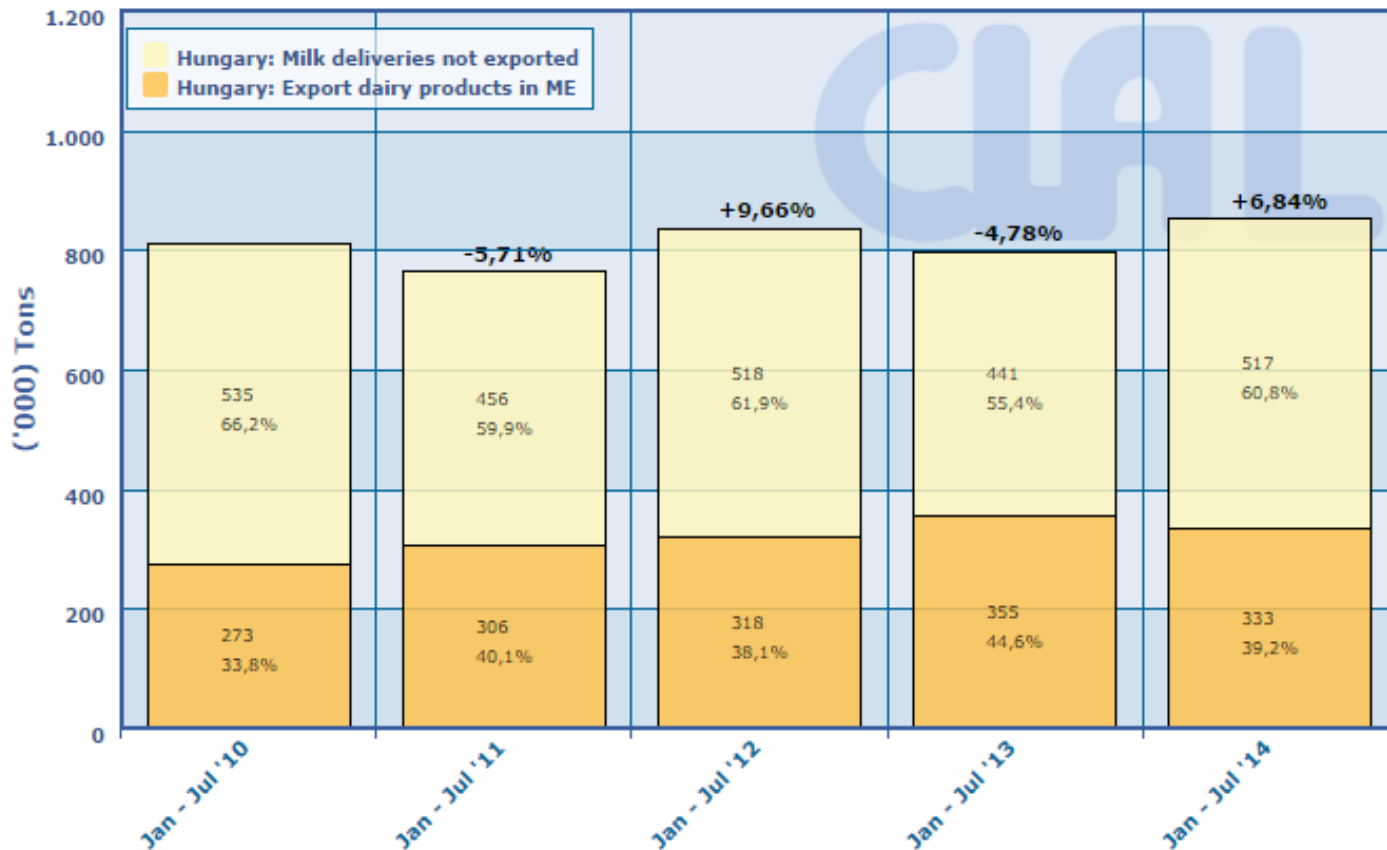


# Hungary: Milk Deliveries and Dairy Export in Milk Equivalent

## Hungary - Milk deliveries and dairy exports in milk equivalent (ME) (MONTHLY CUMULATIVE)

(Product considered for ME calculation: SMP, WMP, Condensed Milk, Cheese, Bulk and Pack. Milk)

Processed by Clal

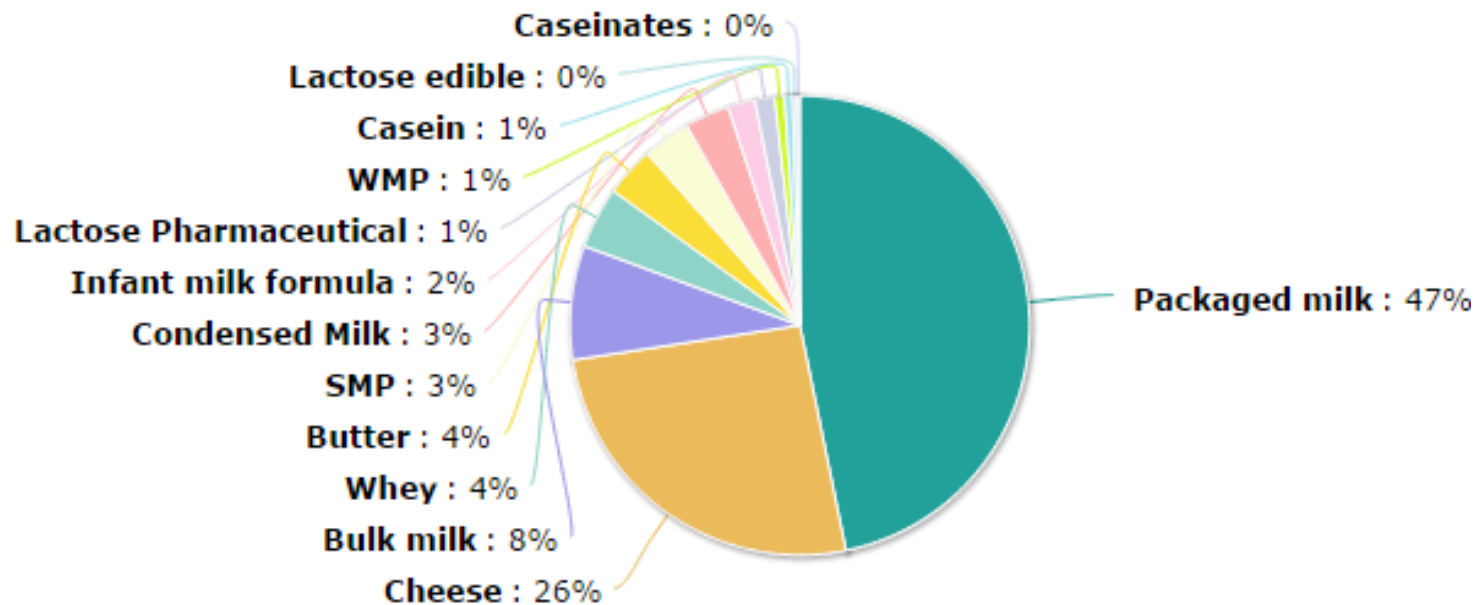




# Hungary: Dairy Import

## Hungary Dairy Import - Quantities Jan-Jul 2014

Source: GTIS - Processed by CLAL



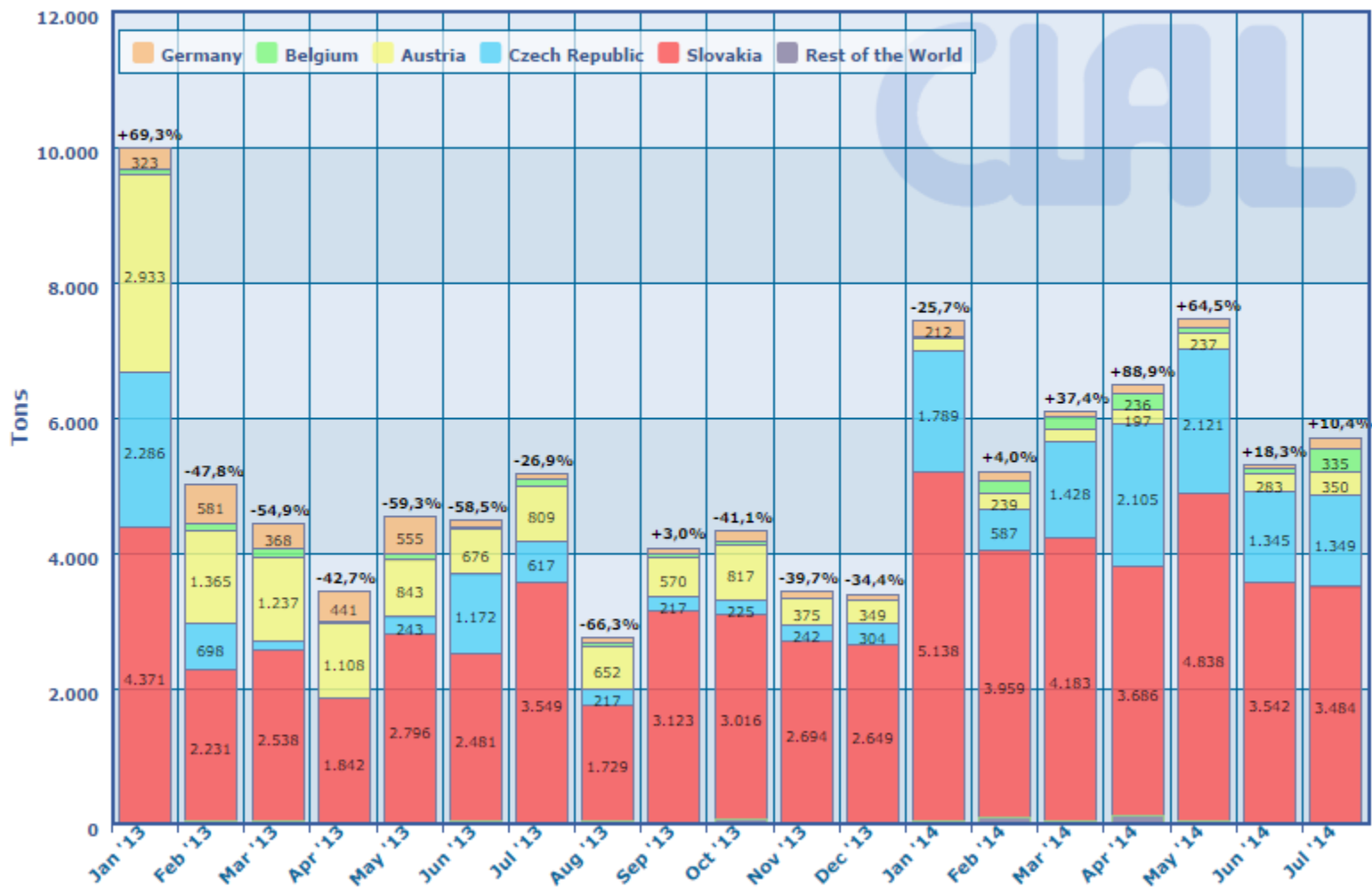
customs codes: **Packaged milk** 04011010+04012011+04012091,  
**Bulk milk** 04011090+04012019+04012099, **Infant milk formula** 19011000,  
**SMP** 040210, **WMP** 040221+040229, **Condensed Milk** 040291+040299,  
**Whey** 0404, **Butter** 0405, **Cheese** 0406,  
**Lactose Pharmaceutical** 170211, **Lactose edible** 170219, **Casein** 350110,  
**Caseinates** 350190

# Hungary: Import of Packed Milk

HUNGARY : Monthly Imports of PACKED MILK (HS 04011010, HS 04012011 AND HS 04012091)

( +/- % on the same period of previous year )

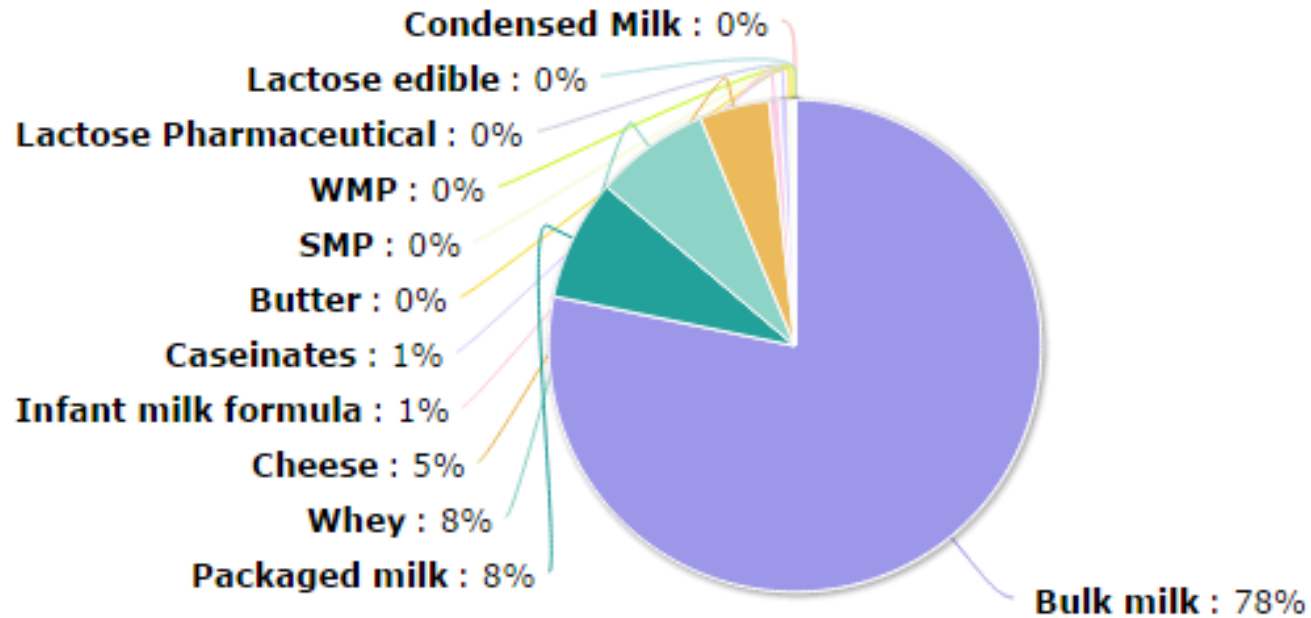
Processed by CLAL



# Hungary: Dairy Export

## Hungary Dairy Export - Quantities Jan-Jul 2014

Source: GTIS - Processed by CLAL



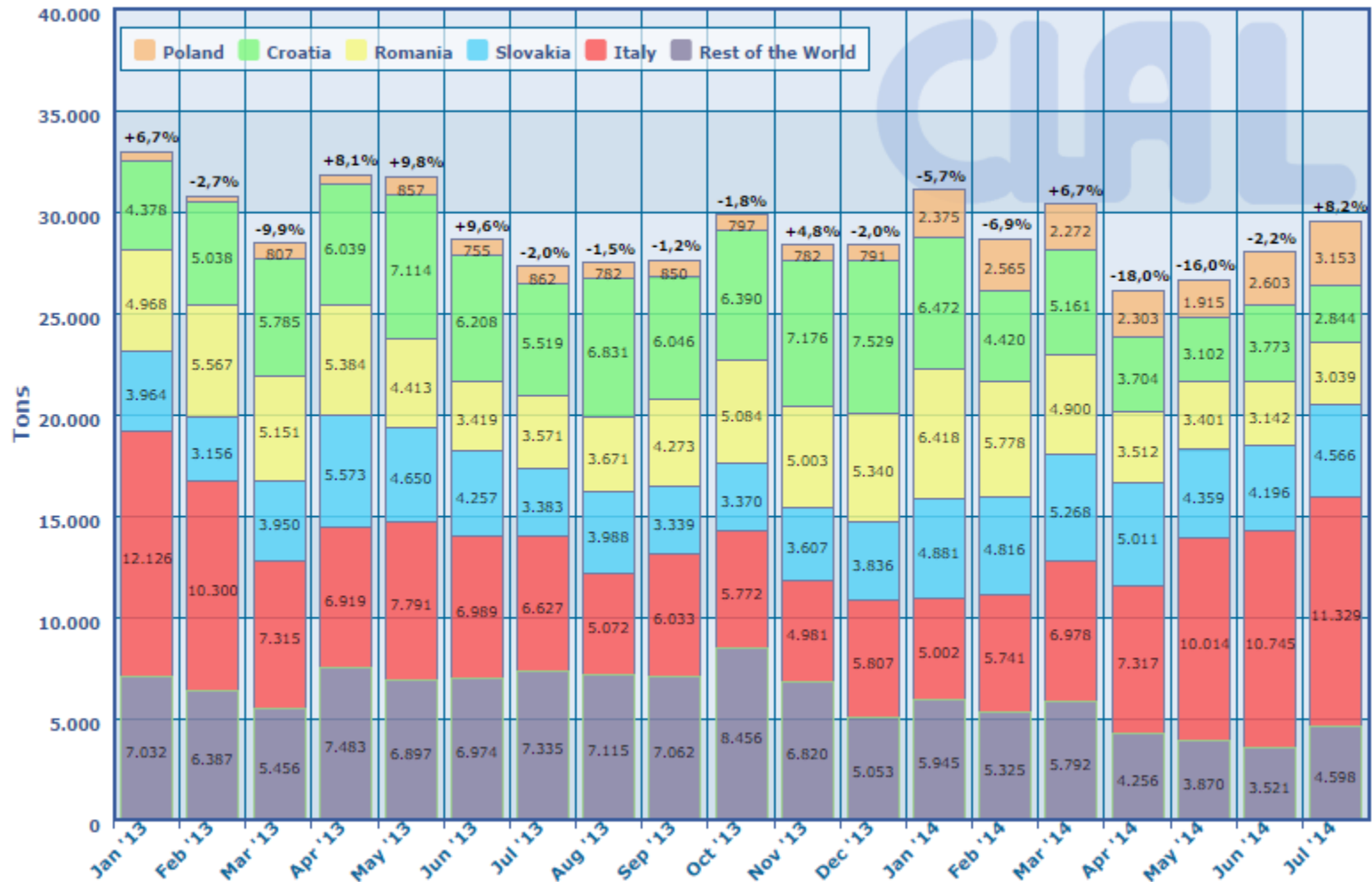
customs codes: **Packaged milk** 04011010+04012011+04012091,  
**Bulk milk** 04011090+04012019+04012099, **Infant milk formula** 19011000,  
**SMP** 040210, **WMP** 040221+040229, **Condensed Milk** 040291+040299,  
**Whey** 0404, **Butter** 0405, **Cheese** 0406,  
**Lactose Pharmaceutical** 170211, **Lactose edible** 170219, **Caseinates** 350190,

# Hungary: Export of Bulk Milk

HUNGARY : Monthly Exports of BULK MILK (HS 04011090 04012099)

( +/- % on the same period of previous year )

Processed by CLAL



# Hungary: Export of Bulk Milk

EXPORT HUNGARY: Main 10 purchasers of Bulk **skimmed** milk in 2013 (Tons)

Country	2008	2009	2010	2011	2012	2013	± % on 2012 *	± % on 2011 *
Italy	74.224	42.807	48.267	42.285	50.210	30.036	-40,18%	-28,97%
Romania	1.884	1.798	2.844	2.556	1.994	4.287	+115%	+67,74%
Germany	2.932	328	5.384	8	860	4.285	+398%	-
Croatia	2.496	-	-	1.204	525	2.158	+311%	+79,28%
Greece	-	176	432	-	-	608	-	-
Slovakia	6.380	17.393	11.563	2.899	1.705	330	-80,66%	-88,62%
Ukraine	-	-	-	-	7	21	+225%	-
Austria	-	2.735	-	-	-	0	-	-

EXPORT HUNGARY: Main 10 purchasers of Bulk **whole** milk in 2013 (Tons)

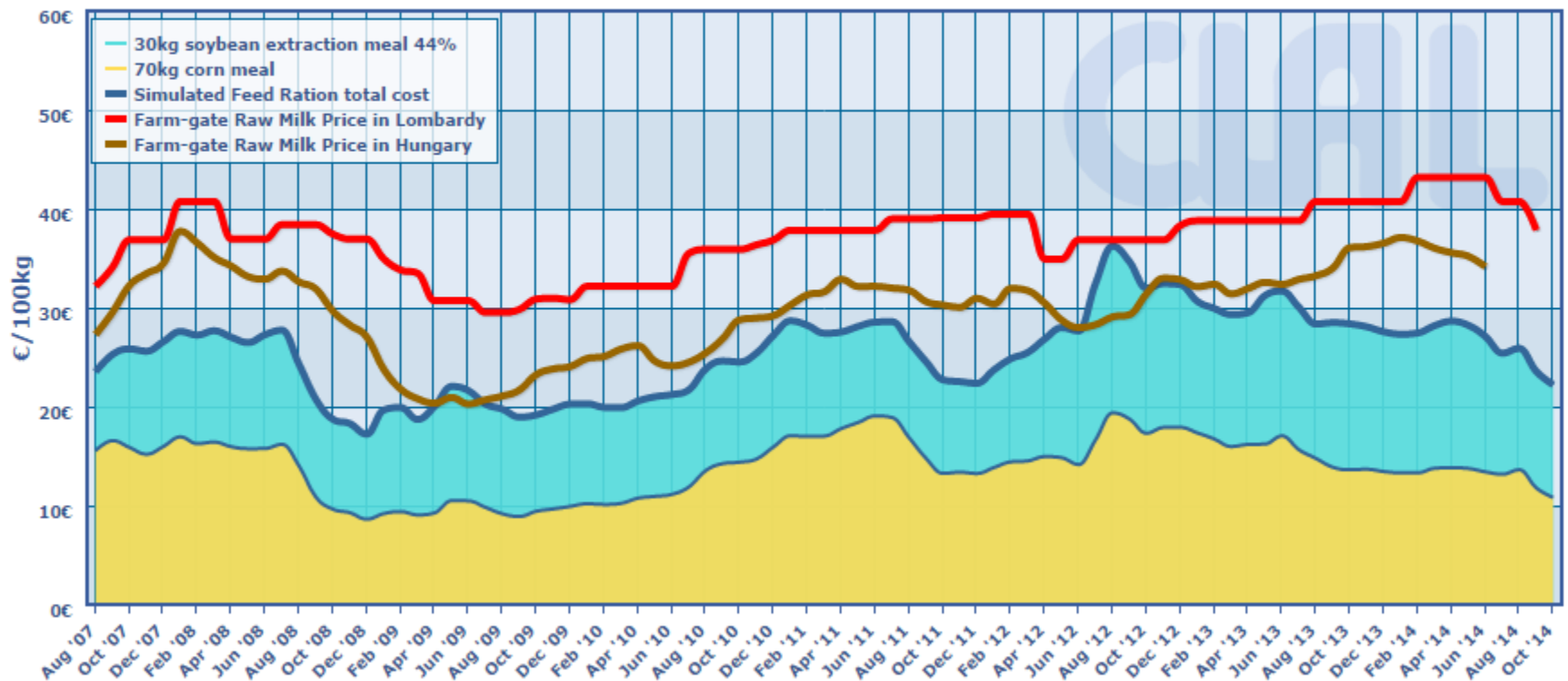
Country	2008	2009	2010	2011	2012	2013	± % on 2012 *	± % on 2011 *
Croatia	6.752	-	9.093	14.750	23.439	71.895	+207%	+387%
Italy	69.864	91.459	54.880	74.766	112.524	55.320	-50,84%	-26,01%
Romania	29.097	39.484	40.691	40.438	37.181	47.631	+28,11%	+17,79%
Slovakia	20.506	16.080	19.985	57.708	33.552	30.949	-7,76%	-46,37%
Greece	-	228	425	668	11.186	24.995	+123%	-
Slovenia	33.586	20.848	23.328	28.163	30.342	21.000	-30,79%	-25,44%
Bulgaria	193	8.327	5.865	3.882	6.523	10.624	+62,89%	+174%
Poland	-	151	6.888	5.687	1.177	8.144	+592%	+43,19%
Austria	-	-	-	-	-	6.970	-	-
Germany	8.312	394	2.334	4.185	1.759	5.783	+229%	+38,19%

# Hungary: Simulated Feed Ration and Farm-gate Milk price

## Simulated Feed Ration Cost and Farm-gate Milk Price in Hungary and Lombardy: value of 100kg

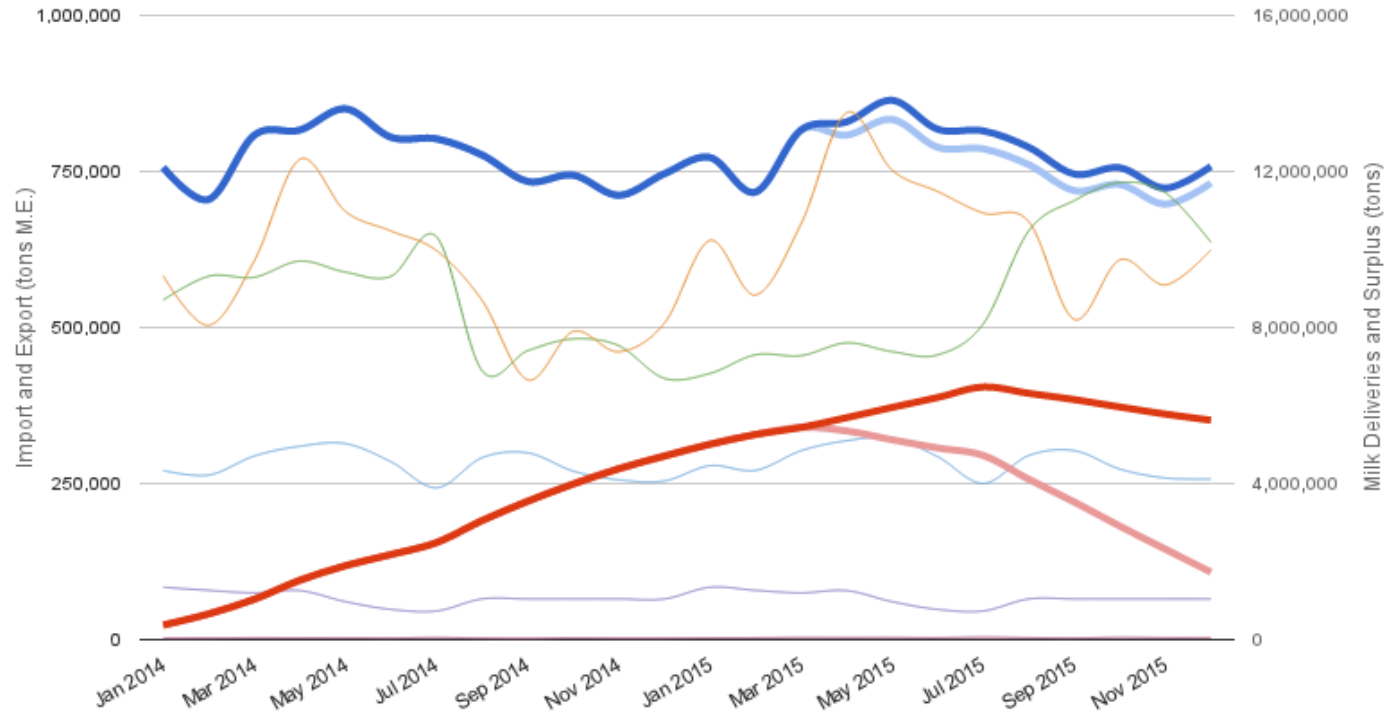
70kg of domestic corn meal + 30kg of soybean extraction meal 44% protein

Quotations of the Milan Chamber of Commerce - Processed by CLAL



# EU-28 Milk Surplus

How could change EU-28 milk surplus in 2015  
if milk deliveries will be +1.6% compared to 2014 (as DG AGR1 forecasts)  
and if milk deliveries will be, for instance, -1%



All figures referred to EU-28. Import and Export source: GTIS, Milk Deliveries source: Eurostat. Since Sep 2014: forecast by CLAL. Surplus calculation by CLAL.

**Surplus** in the month  $m$  = (deliveries + import - export) of the month  $m$   
- (deliveries + import - export) of the same month of previous year  
+ surplus in the previous month (0 if  $m$  is Jan 2014)

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# Thank you!

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