

Michael Nolan  GLOBALDAIRYTRADE™

Come il GlobalDairyTrade (GDT) sostiene gli scambi reali globali

**How GDT underpins
effective global trade**

GlobalDairyTrade – underpinning effective global trade

Michael Nolan

28 May 2015

+2.3%

AVERAGE WINNING PRICE (USD/MT, FAS)

\$4,941

Summary of Results

Number of Qualified Bidders	866
Number of Winning Bidders	112
Number of Bidding Rounds	14
Duration of Trading Event (hours:mins)	2:47
Minimum Supply (Total MT)	54,717
Maximum Supply (Total MT)	56,742

NUMBER OF PARTICIPATING

184

QUANTITY SOLD (WINNING

56,173

Products

Anhydrous
Milk Fat (AMF)

Butter

Butter Milk
Powder (BMP)

Cheddar
(Ched)

Lactos
Not offered

Topics to cover

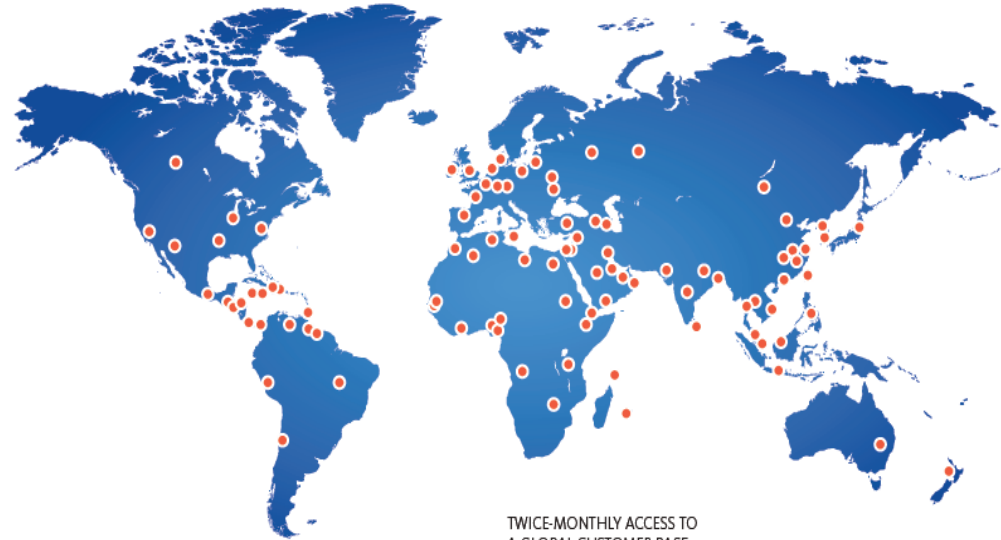
- How does GDT work
- What GDT provides
- The future for GDT



Connecting sellers and buyers from around the world

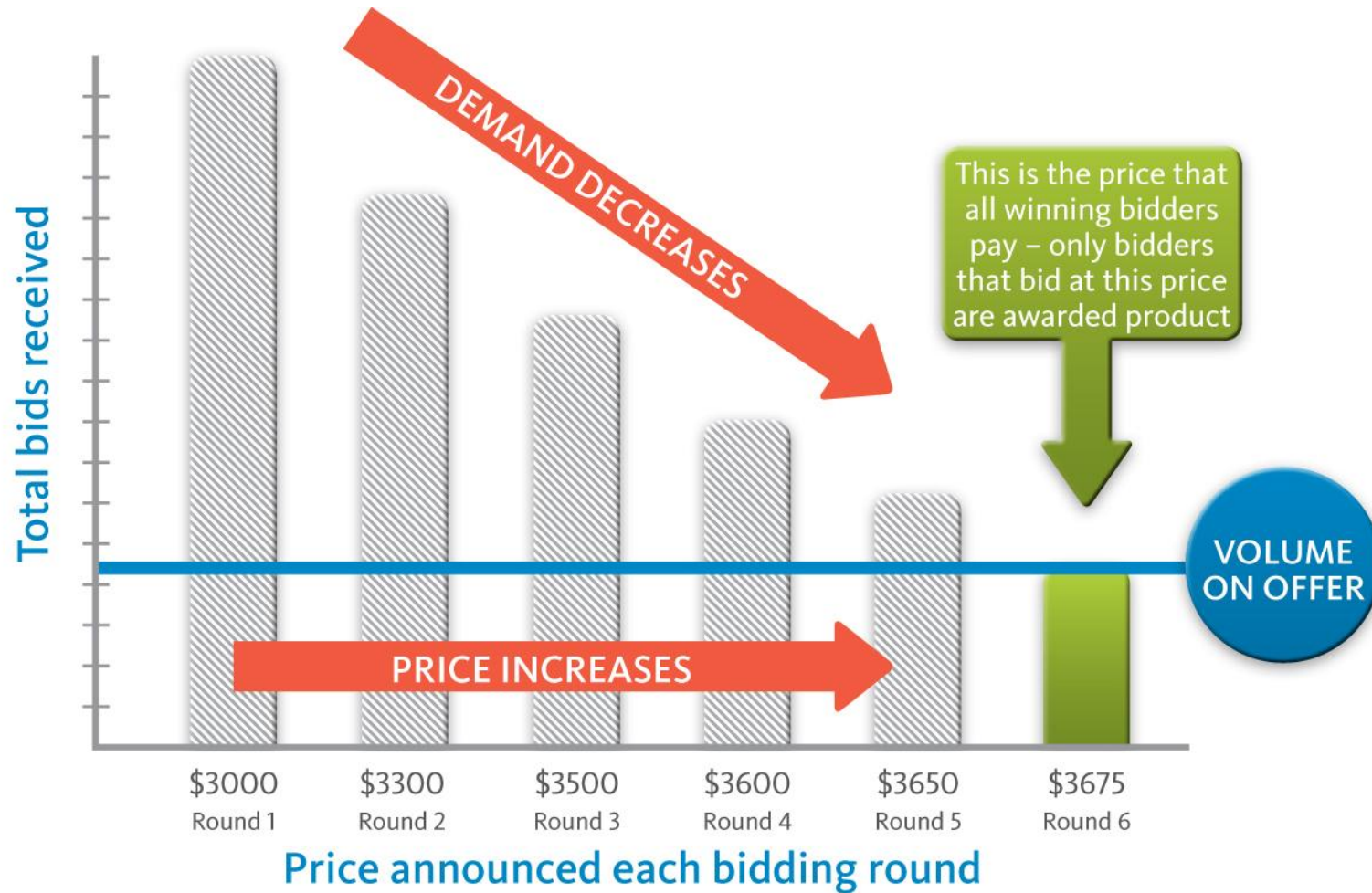
8 Sellers

670 bidders across 90 countries

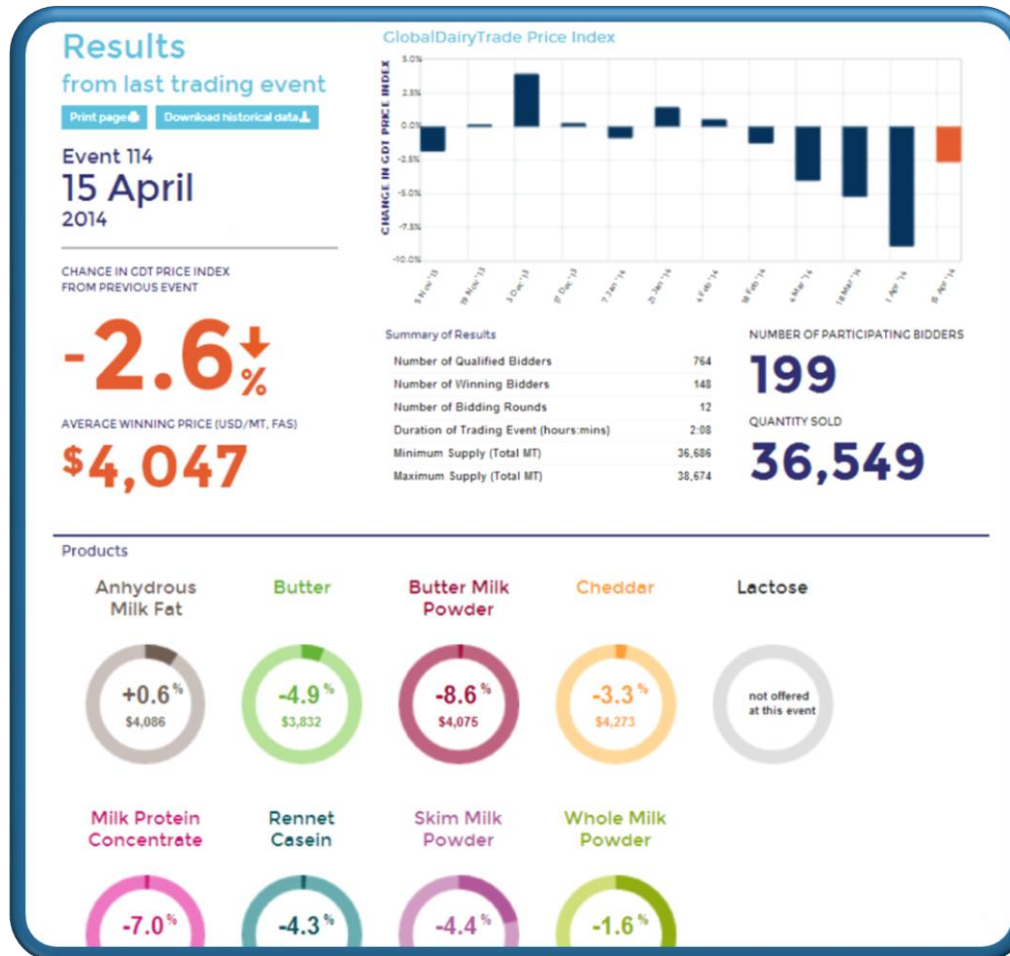


TWICE-MONTHLY ACCESS TO
A GLOBAL CUSTOMER BASE

How does GDT work?



The results are published immediately



Detailed historical data also available

Trading Events Historic
TE 1 - 2 Jul 2008 to TE 132 - 20 Jan 2015

Contact us English 中文 [Login to MyGDT](#) Search GDT

Results

- Anhydrous Milk Fat
- Butter Milk Powder
- Lactose
- Skim Milk Powder
- Whole Milk Powder
- Butter
- Cheddar
- Rennet Casein
- Sweet whey Powder

[Download historical data](#)

Results from last trading event

Event 140
19 May 2015

CHANGE IN GDT PRICE INDEX FROM PREVIOUS EVENT

-2.3%

	127	128	129	130	131	132									
	10v 2014	18 Nov 2014	2 Dec 2014	16 Dec 2014	6 Jan 2015	20 Jan 2015									
	672	676	689	667	671	677									
	165	173	177	176	173	169									
	139	134	128	126	121	113									
	12	13	11	14	14	12									
	2.13	2.20	1.57	2.35	2.30	2.09									
	45,499	39,613	39,273	35,390	33,669	31,326									
	2,649	2,561	2,513	2,609	2,709	2,758									
	-0.3%	-3.1%	-1.1%	2.4%	3.6%	1.0%									
	46,283	40,145	39,935	35,745	34,300	31,835									
	44,733	38,750	38,370	34,270	32,535	29,946									
	3,292	3,490	3,817	4,200	4,493	4,286									
	2,505	2,656	2,849	3,145	3,558	3,564									
	2,426	2,511	2,560	2,466	2,736	2,559									
	2,728	2,861	3,017	3,002	3,090	2,961									
	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.									
	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.									
	7,608	6,681	7,255	7,576	7,911	8,159									
	2,457	2,299	2,423	2,320	2,386	2,389									
	n.a.	n.a.	1,205	n.a.	n.a.	1,155									
	2,522	2,400	2,229	2,270	2,307	2,402									
	2,649	2,561	2,513	2,609	2,709	2,758									
	867	921	1,004	1,112	1,188	1,129									
	718	761	817	901	1,020	1,022									
	1,340	1,360	1,479	1,339	1,479	1,384									
	748	785	826	821	847	810									
	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.									
	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.									
	1,021	896	979	1,023	1,067	1,102									
	903	851	899	871	895	904									
	n.a.	n.a.	n.a.	n.a.	n.a.	892									
	800	759	705	715	727	754									
	771	747	739	757	784	792									
Price Indices	CP1	1,559	1,539	1,459	n.a.	1,334	1,243	1,188	n.a.	1,120	n.a.	1,038	n.a.	992	n.a.
	CP2	982	890	806	800	738	751	699	704	693	668	653	677	701	709
	CP3	950	871	806	801	754	756	695	706	696	681	665	686	716	723
	CP4	961	878	808	807	763	746	692	705	722	694	716	722	747	750

Page 7

www.globaldairytrade.info

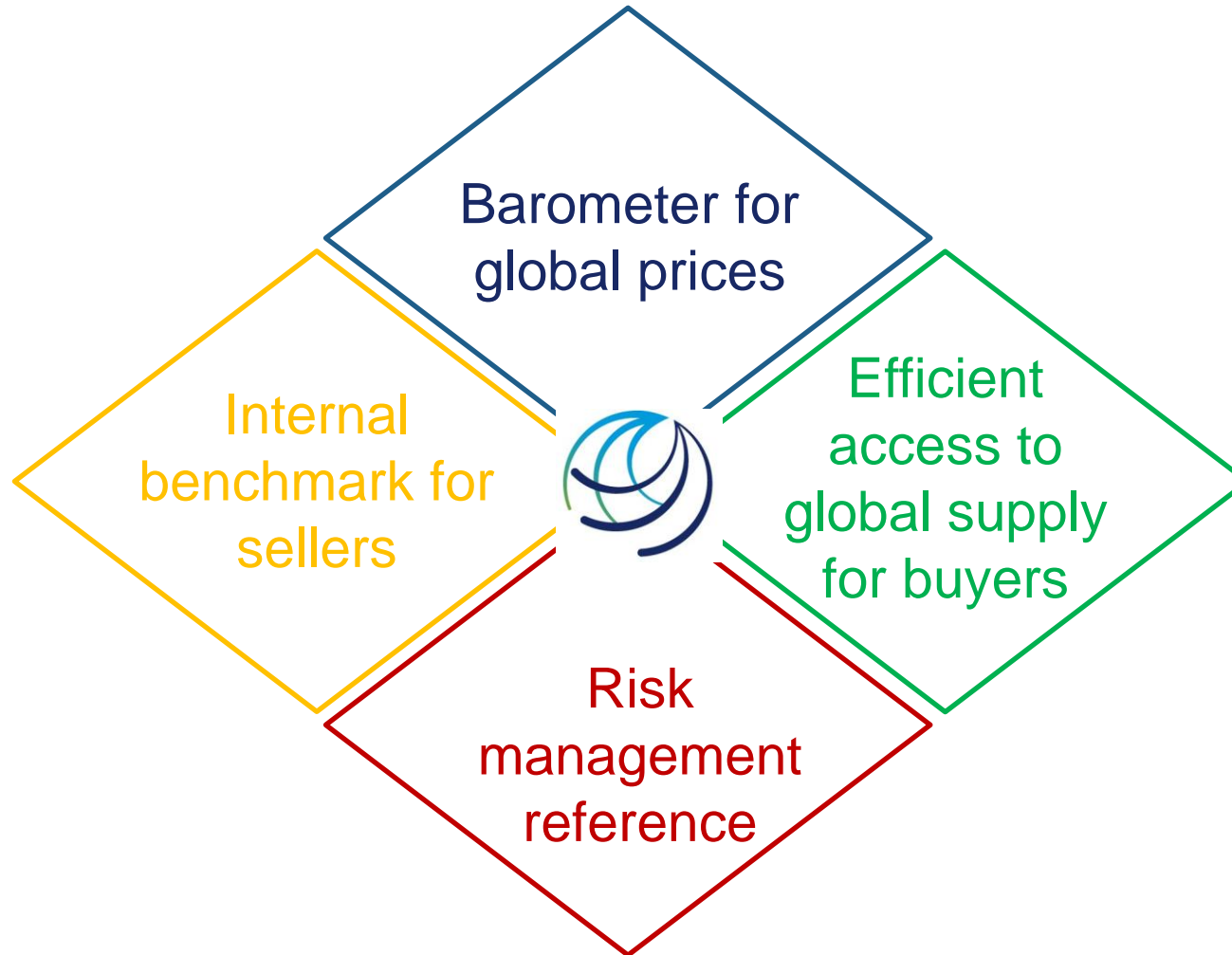
What does GDT provide?

Global Dairy Trade Price Index over 10 years

The GDT Price Index is calculated from the total quantity sold in a trading period. For more information, see our Resources page.

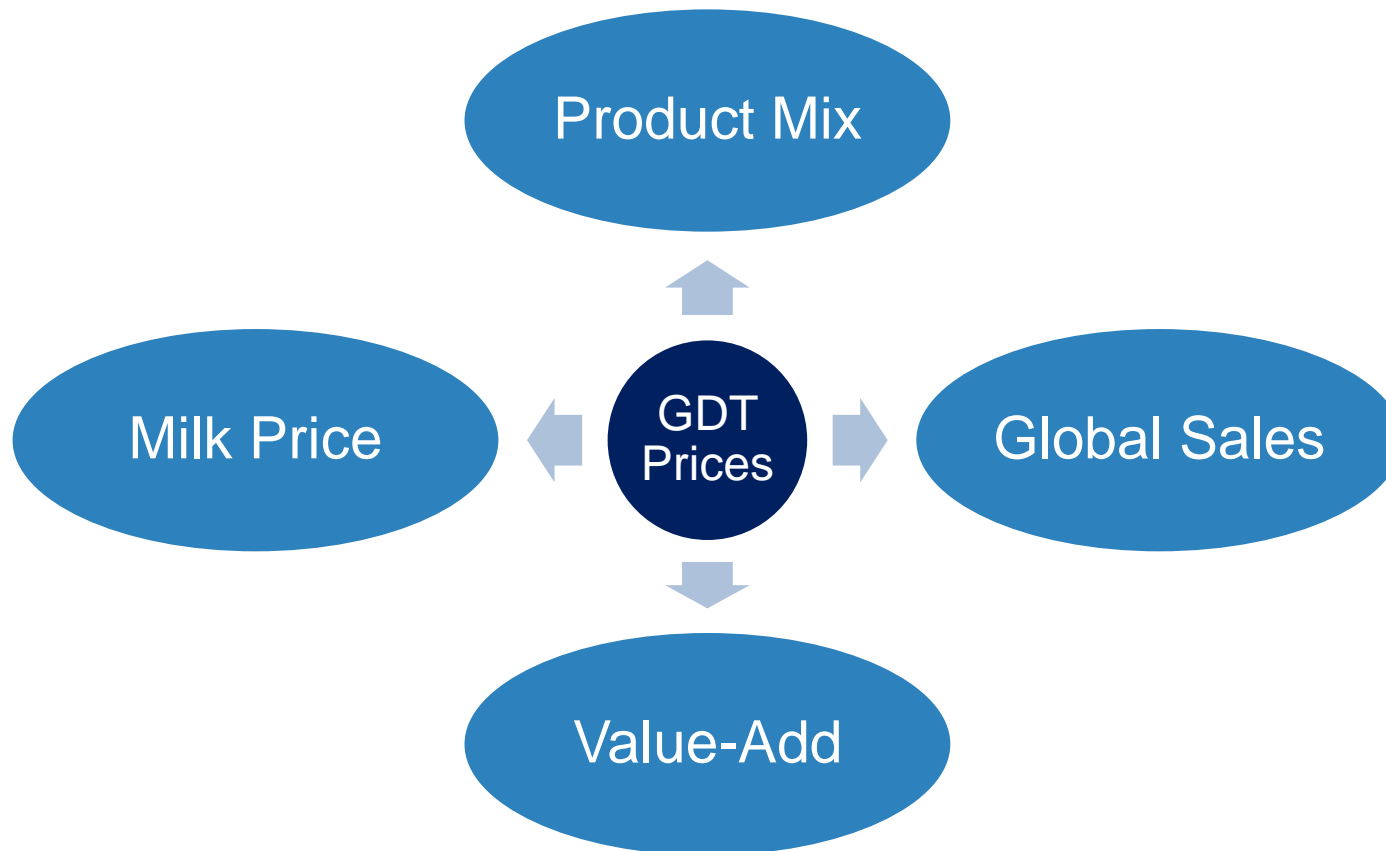


What does GDT provide?



Sellers

- * access to a global pool of buyers
- * and internal benchmark



Buyers

* efficient access to global supply pool



Canada
Denmark
Russia
United Kingdom
Lithuania
Netherlands
Ireland
Belarus
Germany
Belgium
Ukraine
Poland
Mongolia
Czech Rep.
Austria
France
Armenia
Azerbaijan
North Korea
Spain
United States
Turkey
Japan
Malta
South Korea
Syria
Lebanon
Afghanistan
China
Morocco
Bahrain
Jordan
Nepal
Pakistan
Kuwait
Algeria
Libya
Bhutan
Egypt
Saudi Arabia

- Supply access
- Flexible procurement
- Confidence in price paid
- A level playing field

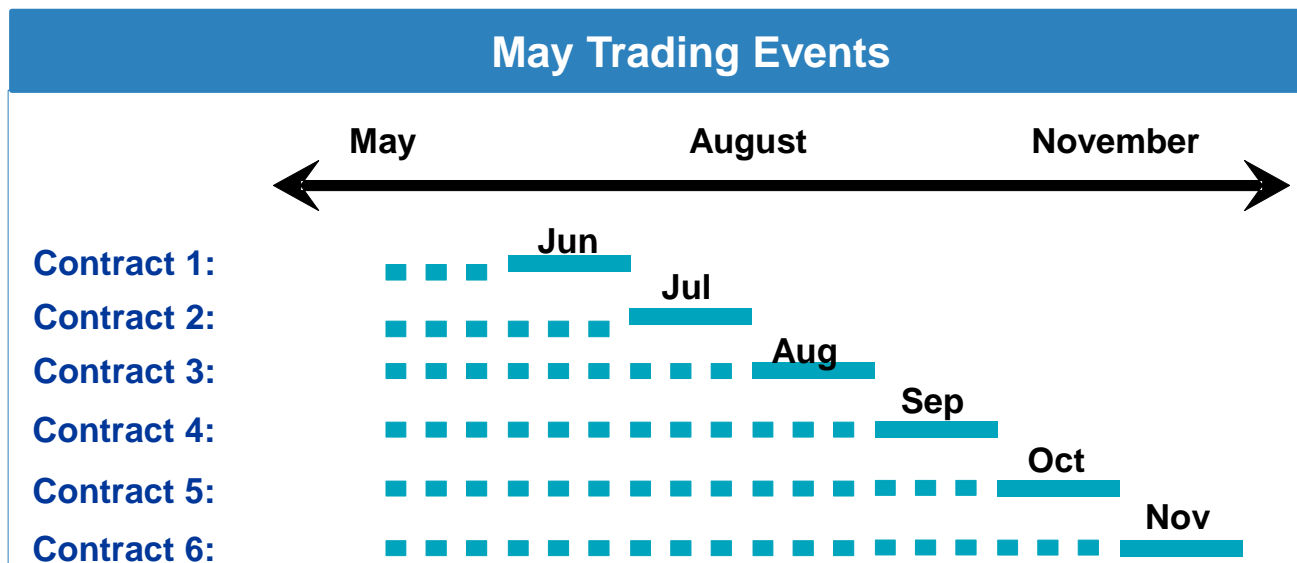
Cayman Islands
Bangladesh
Mexico
UAE
Taiwan
Myanmar
Dominican Rep.
India
Oman
Hong Kong
Jamaica
Yemen
Philippines
Sudan
Thailand
Senegal
Guyana
Guatemala
Haiti
Vietnam
Honduras
El Salvador
Gambia
Djibouti
Benin
Trinidad & Tobago
Costa Rica
Venezuela
Nigeria
Ivory Coast
Ethiopia
Sri Lanka
Panama
Cameroon
Malaysia
Suriname
Singapore
Indonesia
Seychelles
Tanzania
Brazil
Angola
Peru
Zimbabwe
Mauritius
Australia
Chile
New Zealand



Reference for managing price risk



- Price reference for derivatives markets
- Simple forward pricing mechanism



Key:
■ ■ ■ Shipment Lag
▬ Shipment Period

A credible barometer of global prices



- 880,000 MT of product sold ..
- .. to 366 buyers
- 8 dairy product groups
- Wide range of specifications
 - Largest (WMP)
 - Smallest (RenCas)
- Selling 97.5% of total quantity offered

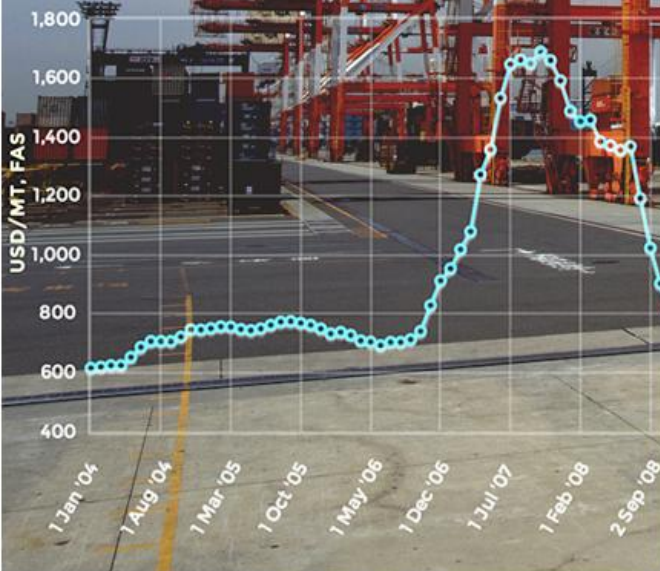




GDT Opportunities

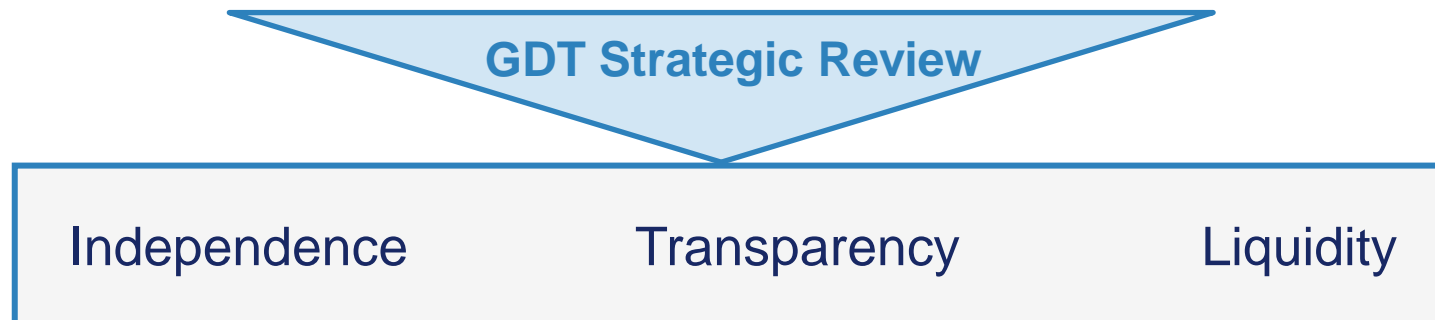
Global Dairy Trade Price Index over 10 years

The GDT Price Index is calculated from the total quantity sold in a trading on our Resources page.



GDT operates in a demanding environment

- Constraints in providing further transparency
- The value of price transparency
- GDT's independence
- Growing liquidity in futures markets



GDT opportunities

Independence

Transparency

Liquidity

1. Strengthening GDT's governance
2. Forecast disclosure regime
3. Additional market information
4. Continuing discussions with new sellers, new products
5. New proposals being developed

Next steps for GDT

GDT Advisory Board

BUYERS				
 Sharing smiles FROMAGERIES BEL SA	 GLORIA S.A.	 Inner Mongolia Kindairy Trade Co.	 Kuwait Danish Dairies	 OLAM INTERNATIONAL LTD
SELLERS				
 AMUL	 ARLA FOODS	 DAIRY AMERICA	 EUROSÉRUM	 FONTERRA CO-OPERATIVE GROUP



Public consultation

The screenshot shows the Global Dairy Trade website interface. Key elements include:

- Navigation:** Home, About GDT, Results, Sales, Resources, Bidder sign up.
- Main Content:**
 - Results from last trading event:** Event 138 on 15 April 2015, showing a price change of -3.6%.
 - Percentage change in GDT Price Index:** A bar chart showing price fluctuations over time.
 - Announcements:** A section for news, including 'Arla Foods ingredients to sell Lactose in the next trading event'.
 - Calendar:** A calendar view for April 2015, highlighting 'Event 139' on 5 May 2015.
 - Email alerts:** A sign-up form for receiving updates.