

Herceghalom, October 30th 2014

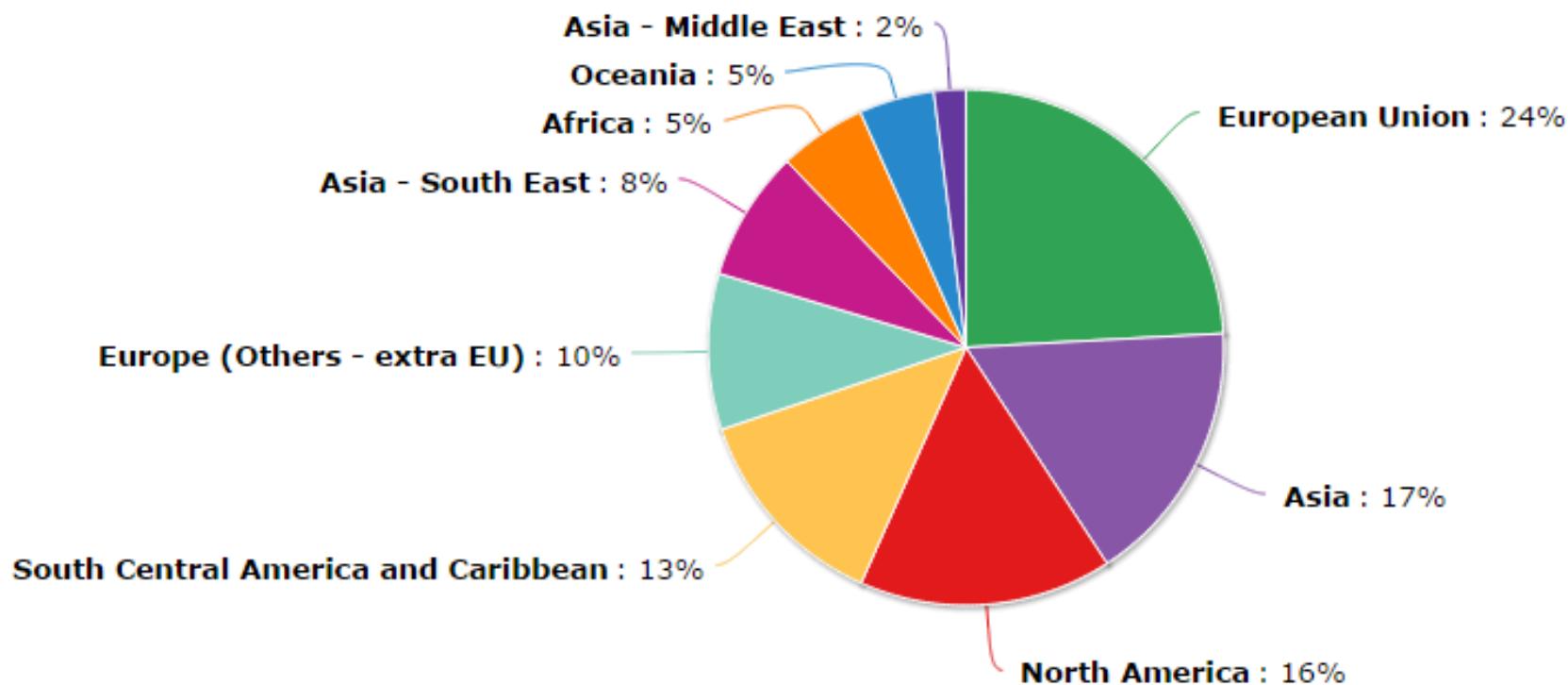
Global Dairy Market Analysis

CIAL.it

Global Raw Milk Production

2012 - Cow milk production in the World

Source: FAO - Processed by CLAL

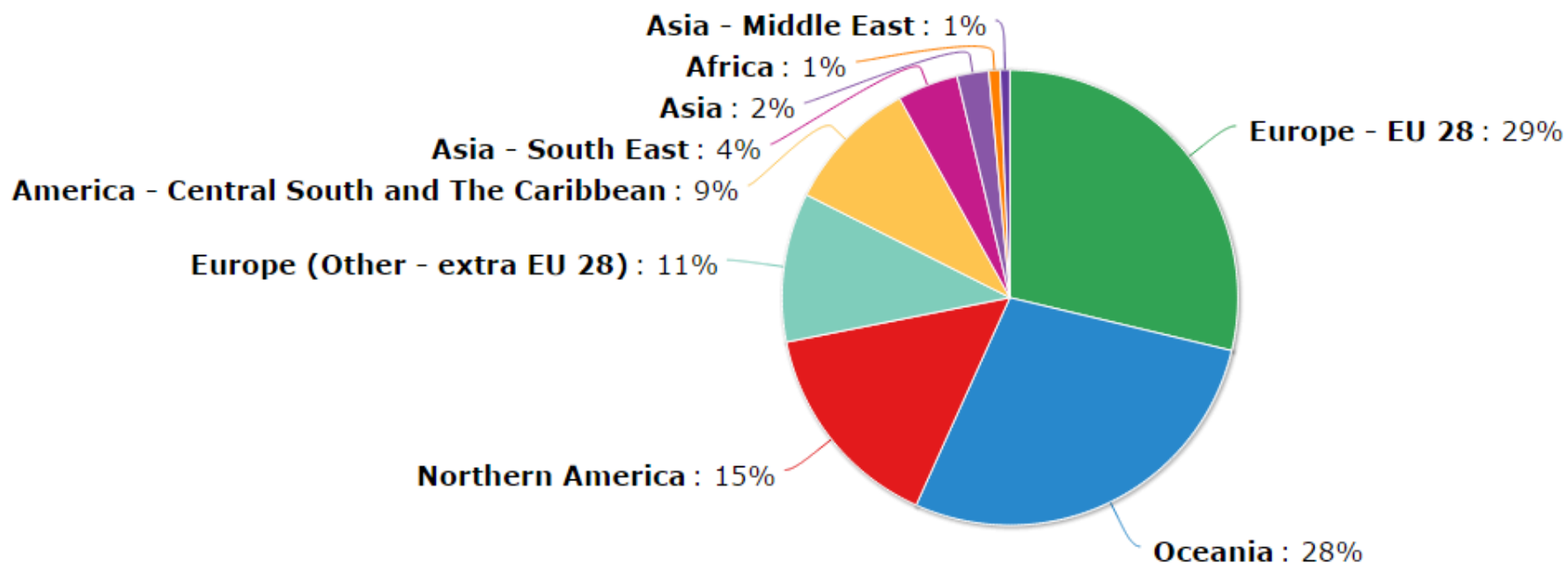


Market Share Dairy Products

9% of world milk production
enters into international trade

WORLD: SHARE MARKET DAIRY PRODUCTS - 2013 in tons

Source: GTIS - Processed by CLAL

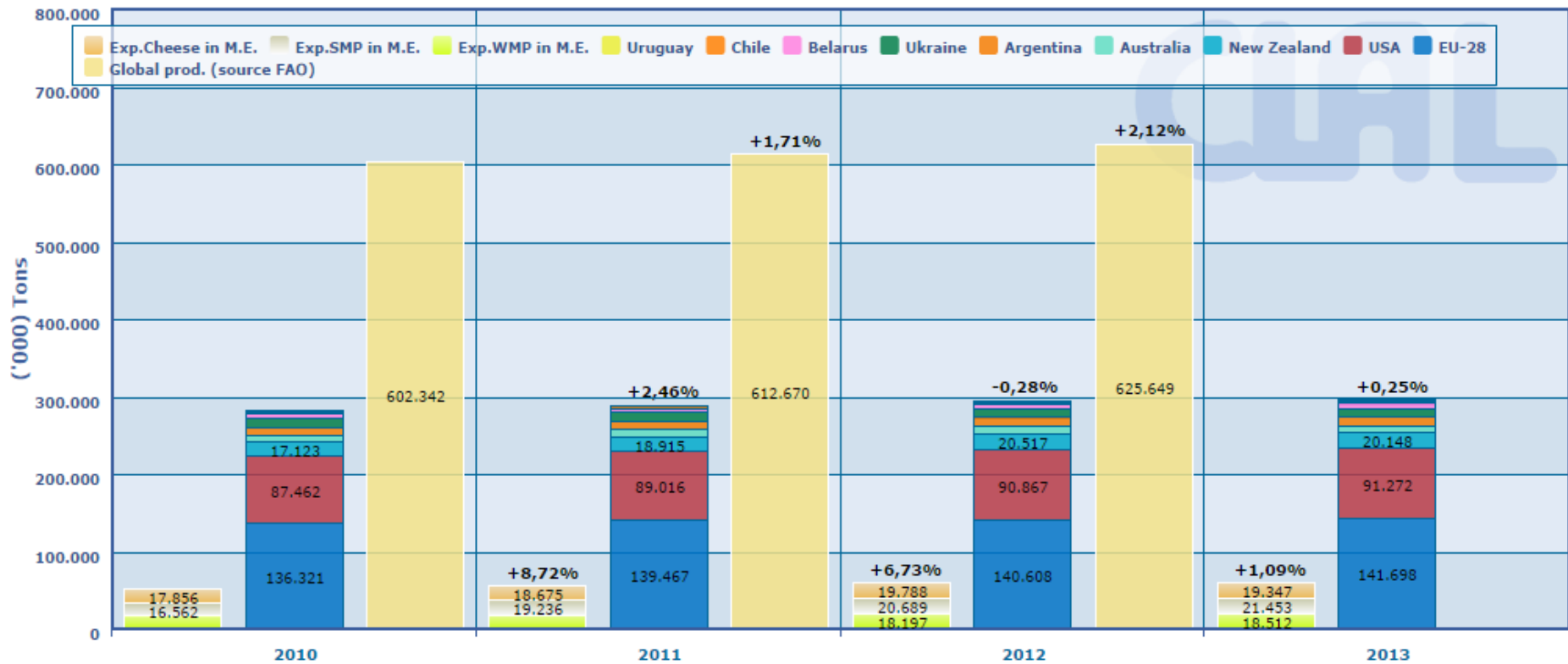


customs codes: 040210, 040221+040229, 0406, 0405, 0404, 350110, 350190, 040291+040299, 040110+040120, 190110

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

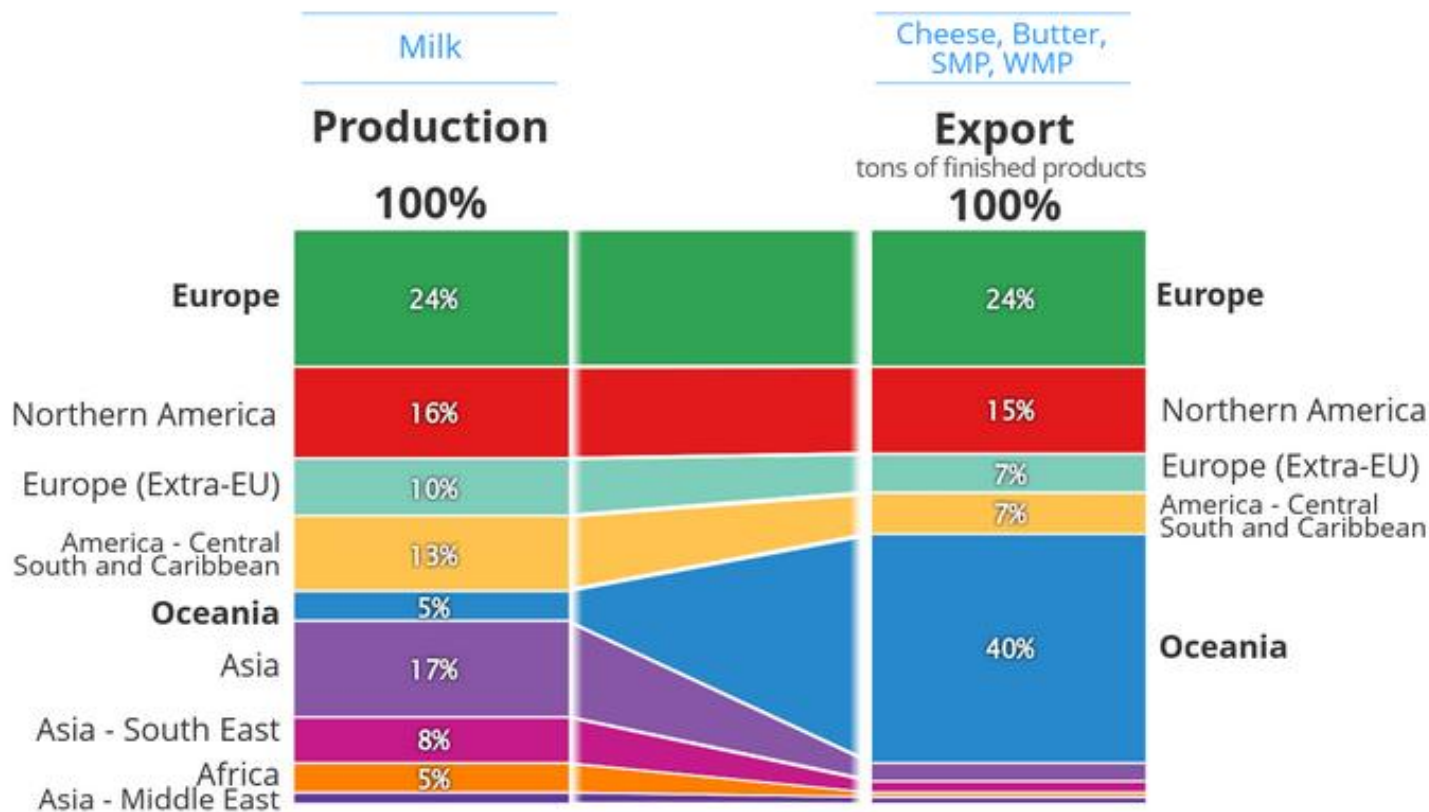
Annual production of Milk in the World and in the Key Exporters of Dairy Products
and Cheese and Milk Powders Export in Milk Equivalent

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

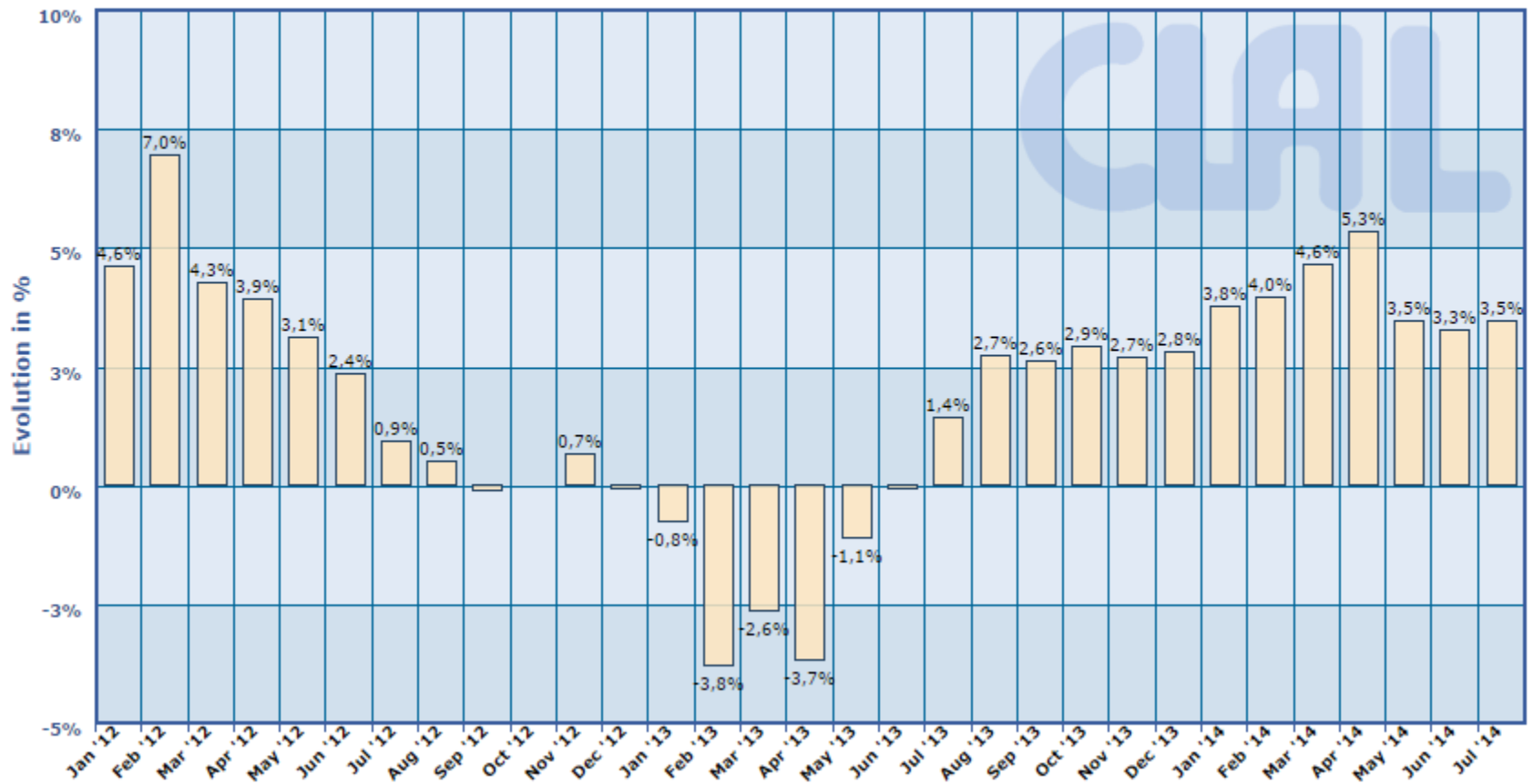
CLAL.it

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

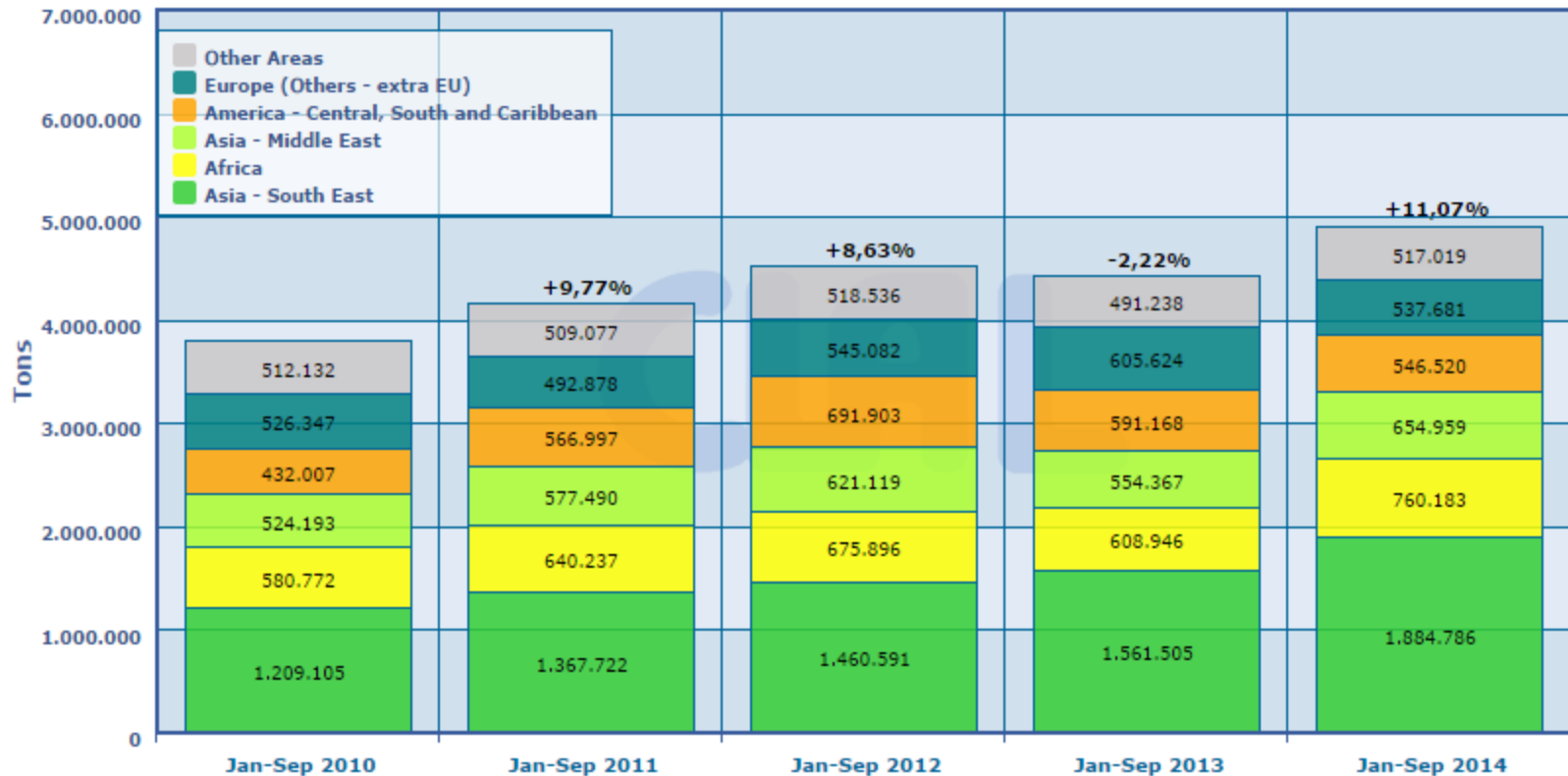
Processed by CLAL



Regional Imports

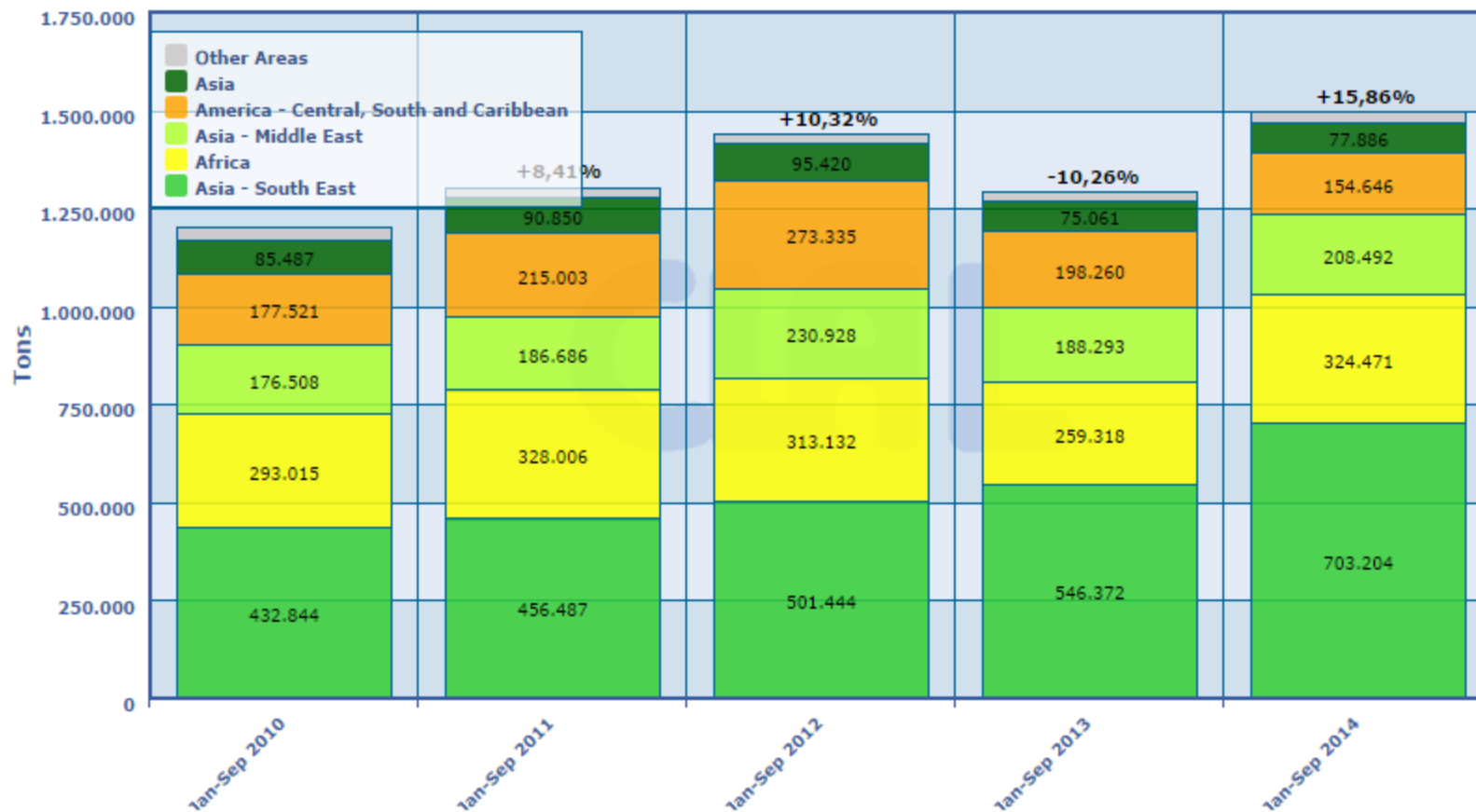
Regional imports for WMP, SMP, BUTTER, CHEESE
(+/- % on the same period of previous year)

GTIS Data processed by CLAL



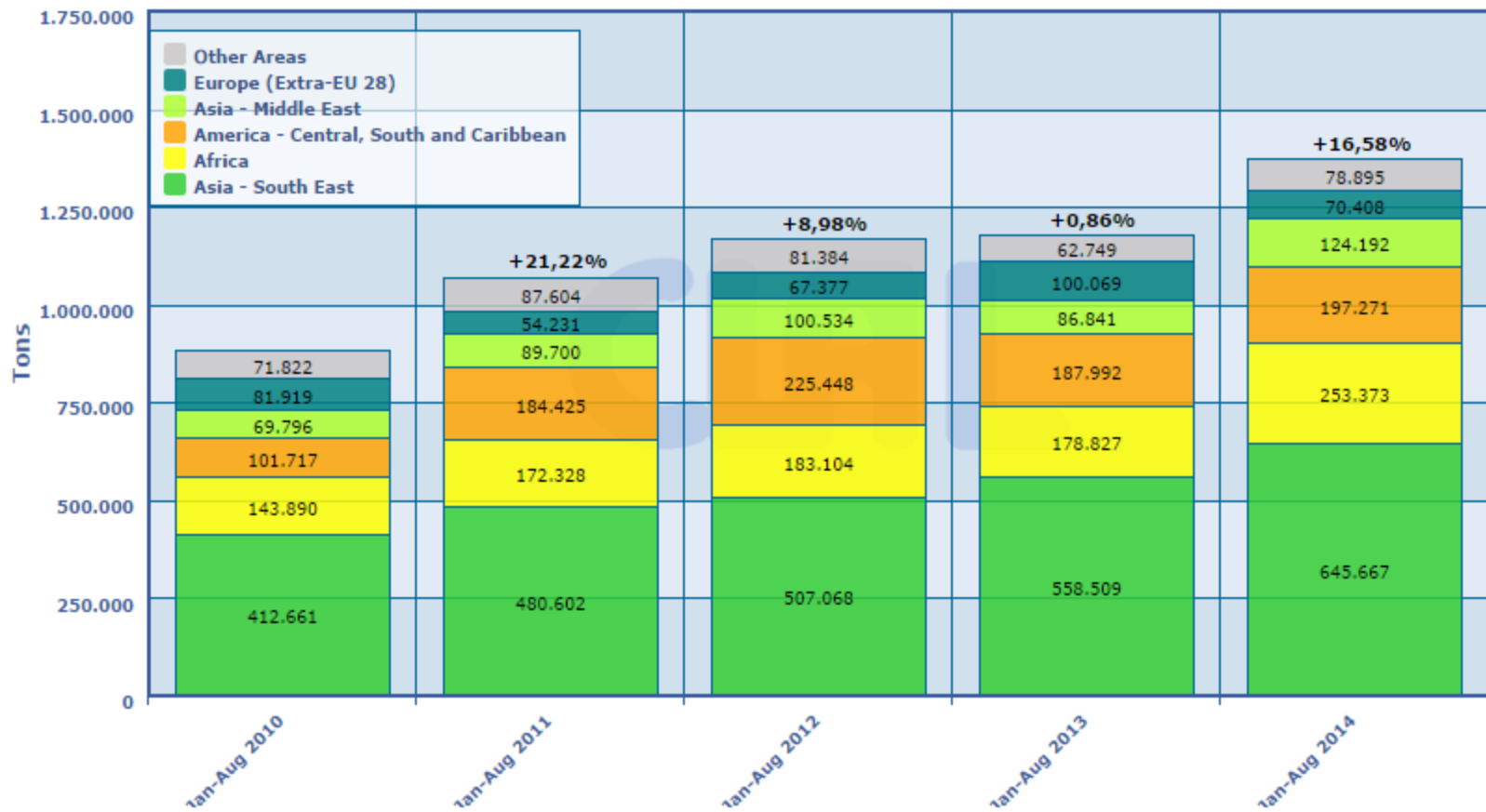
WMP Regional Imports

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



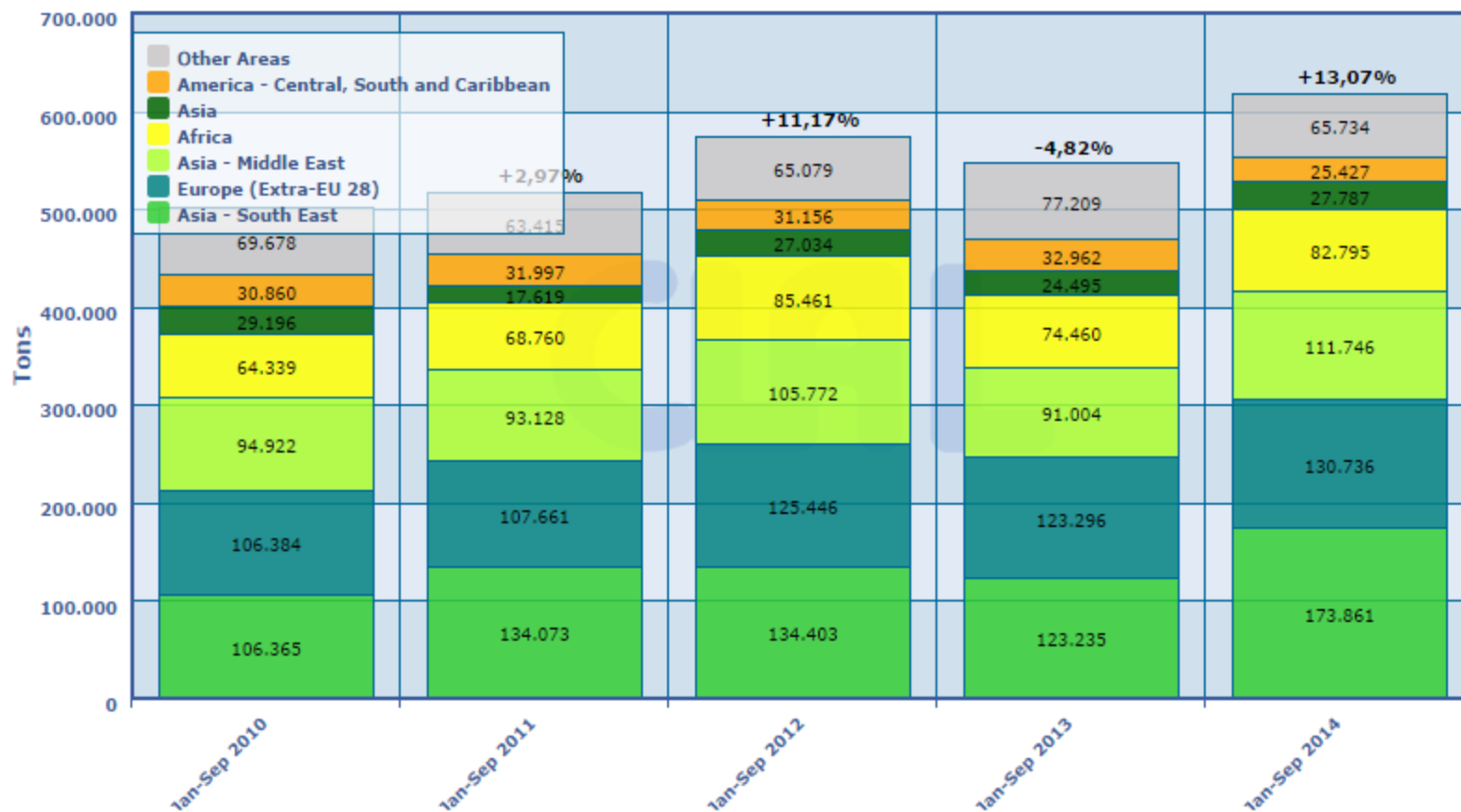
SMP Regional Imports

040210 - SMP IMPORT sorted by Geographical Area
Cumulative monthly data
 GTIS data processed by CLAL



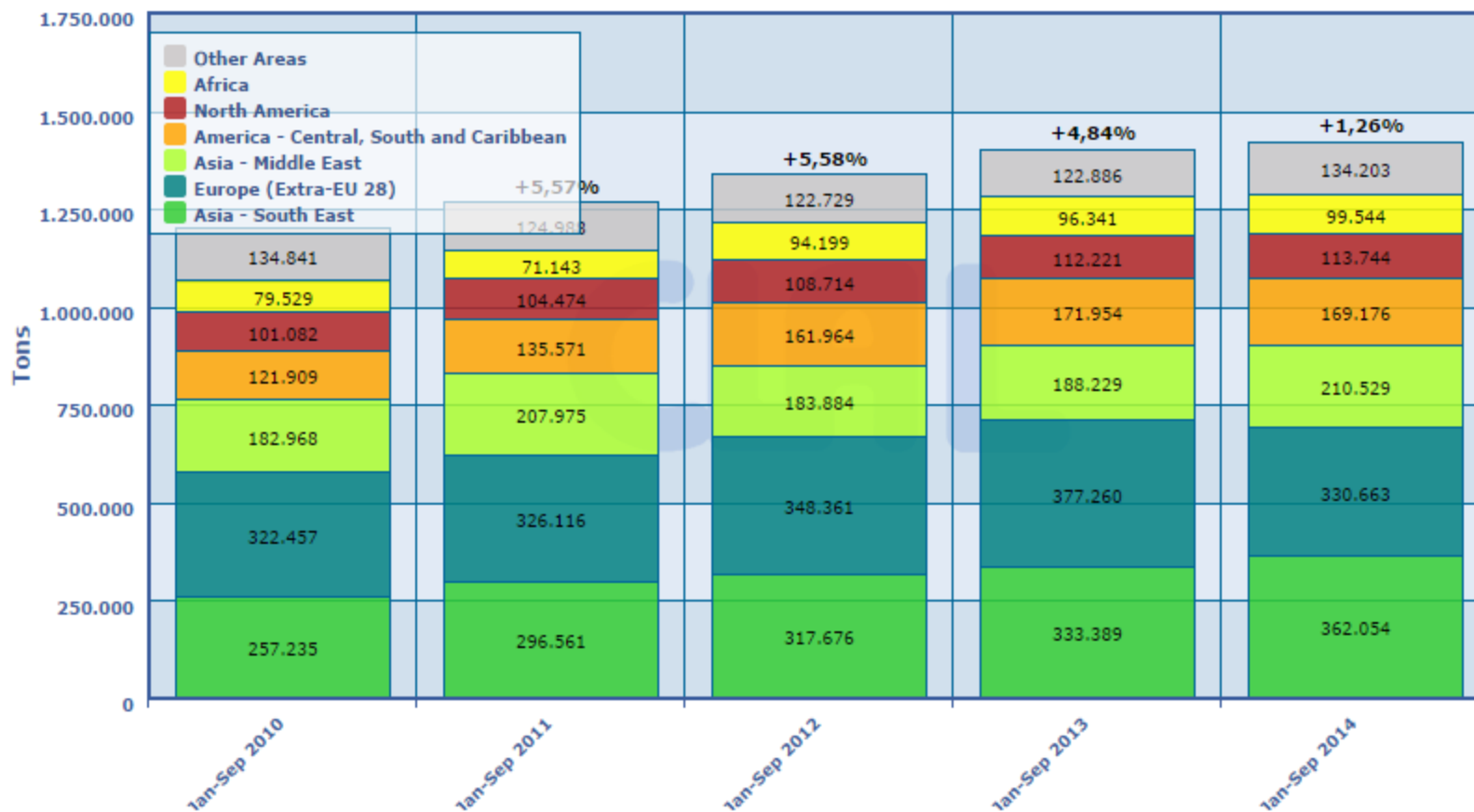
Butter Regional Imports

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

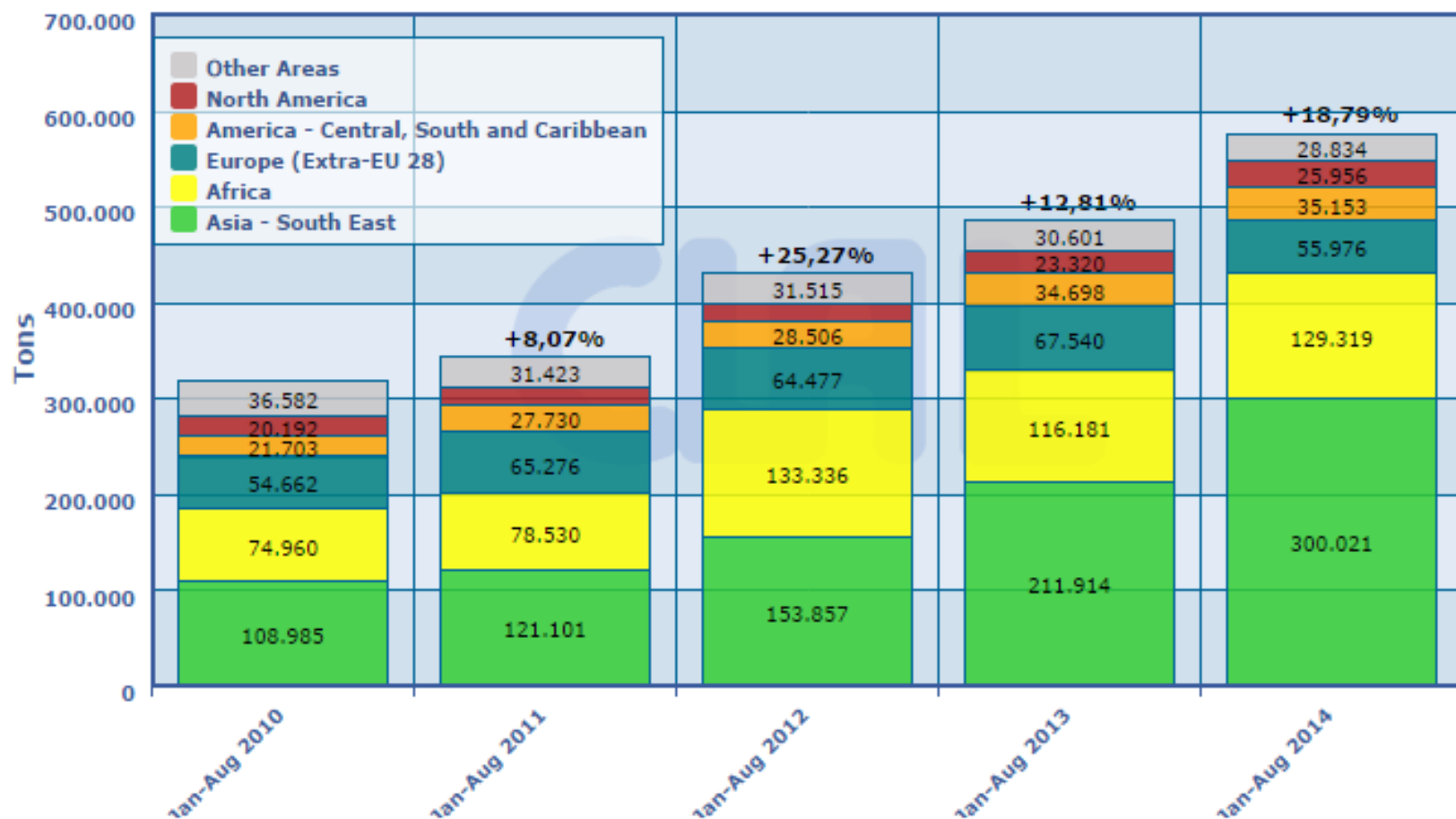


Bulk and Packed Milk Regional Imports

040110 040120 - BULK AND PACK. MILK IMPORT sorted by Geographical Area

Cumulative monthly data

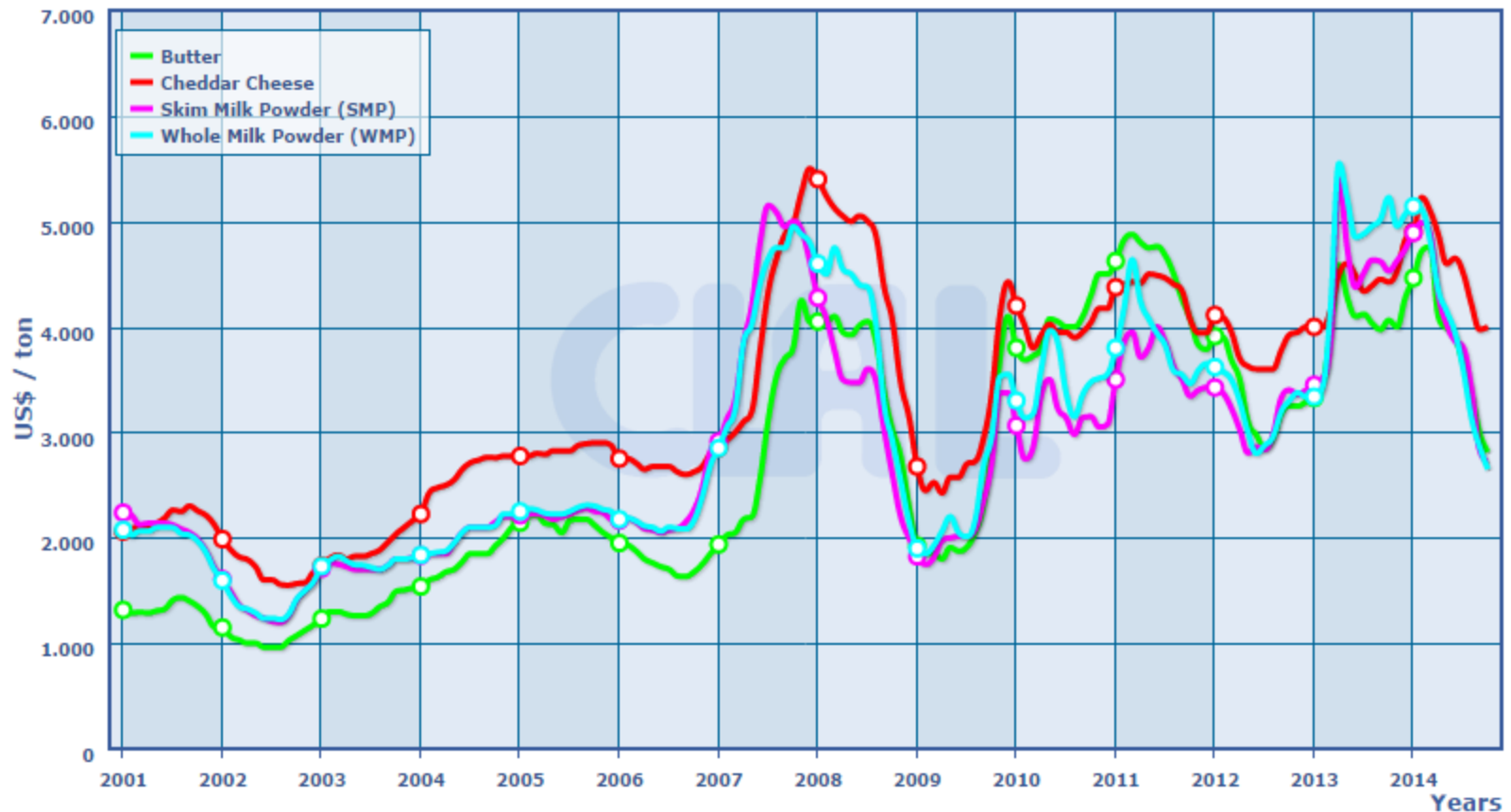
GTIS data processed by CLAL



Dairy prices in US\$

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

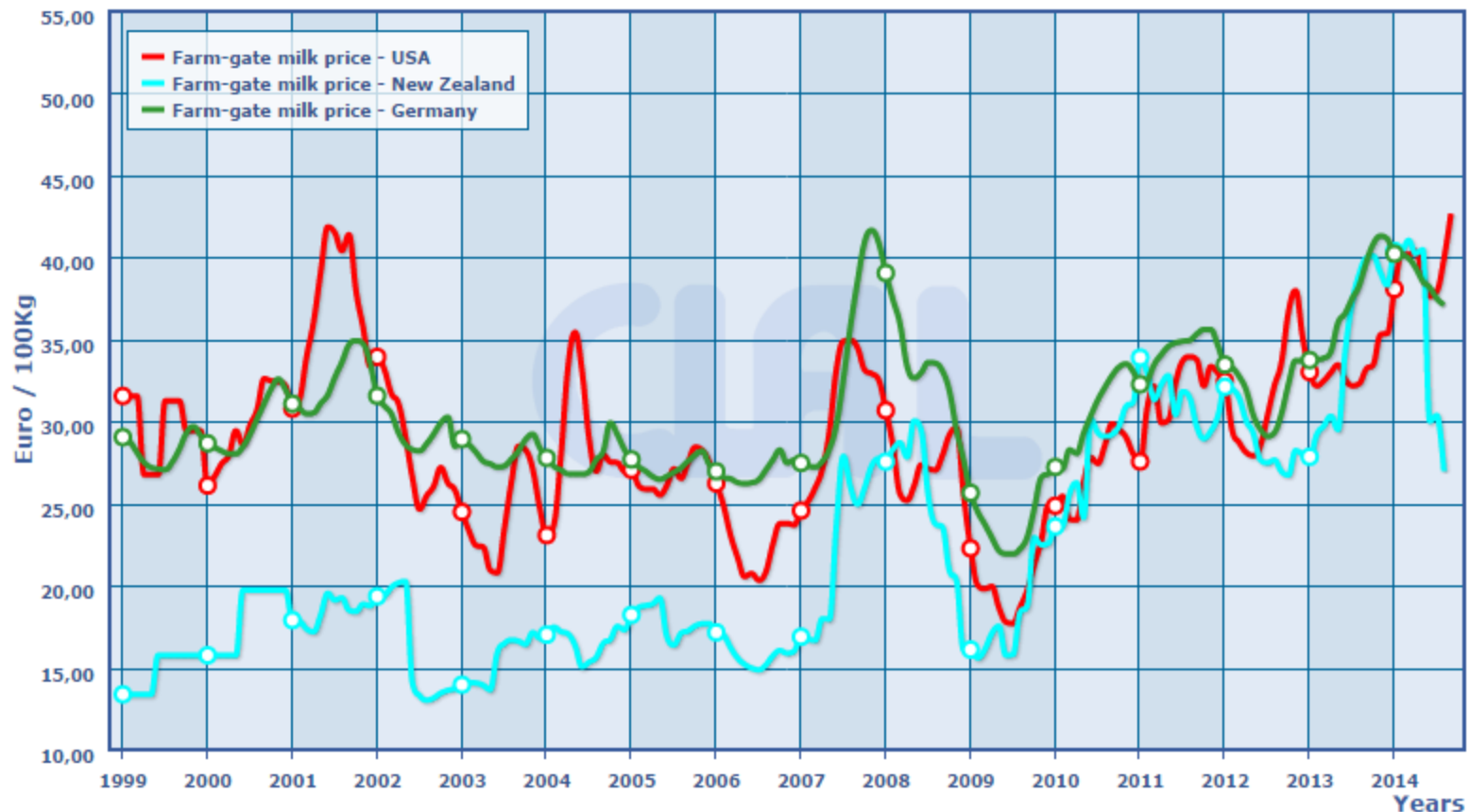
Source: USDA AMS Dairy Markets News



Farm-gate milk prices in €

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

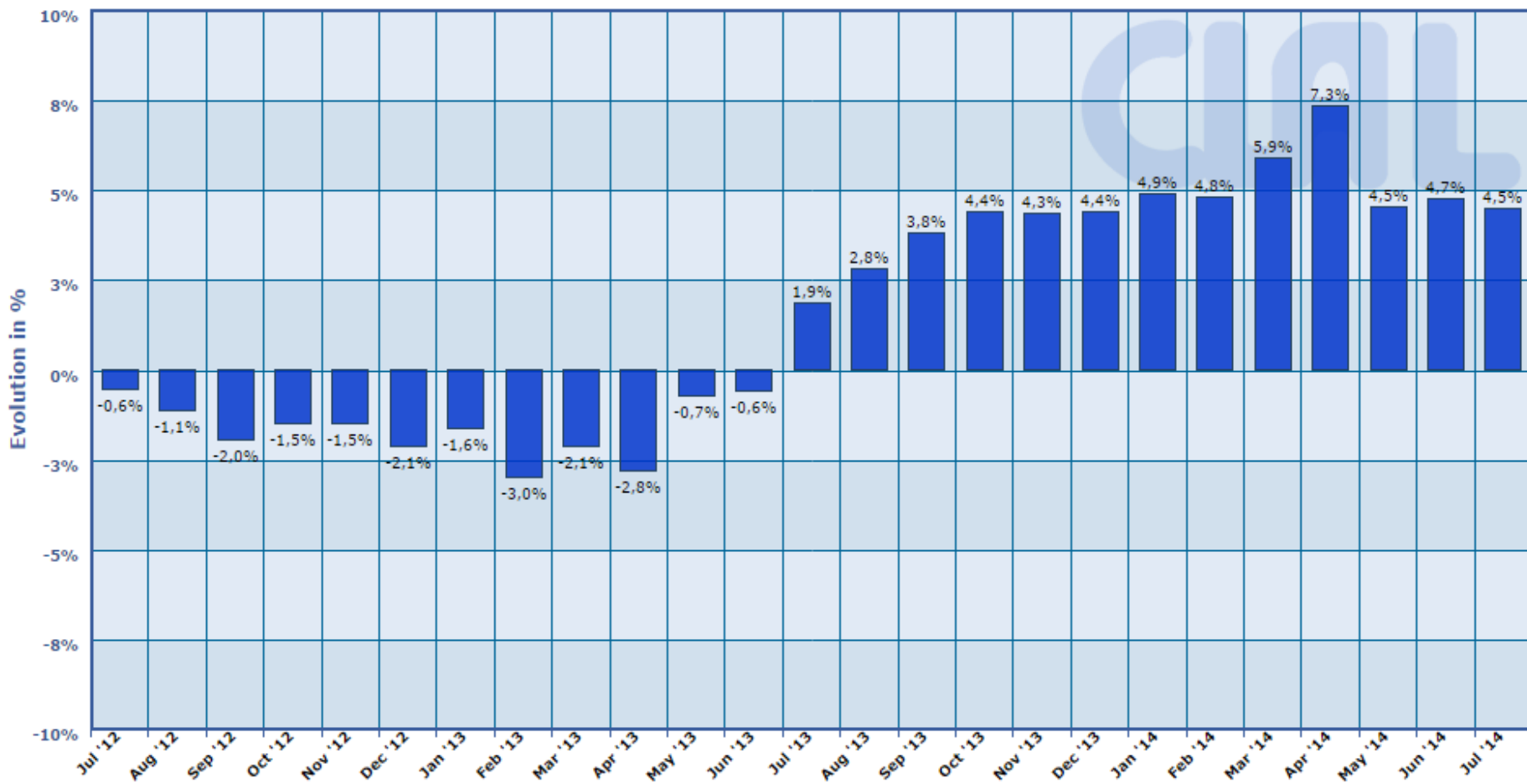
Processed by CLAL



EU-28 Milk Deliveries Evolution

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

Source: Eurostat



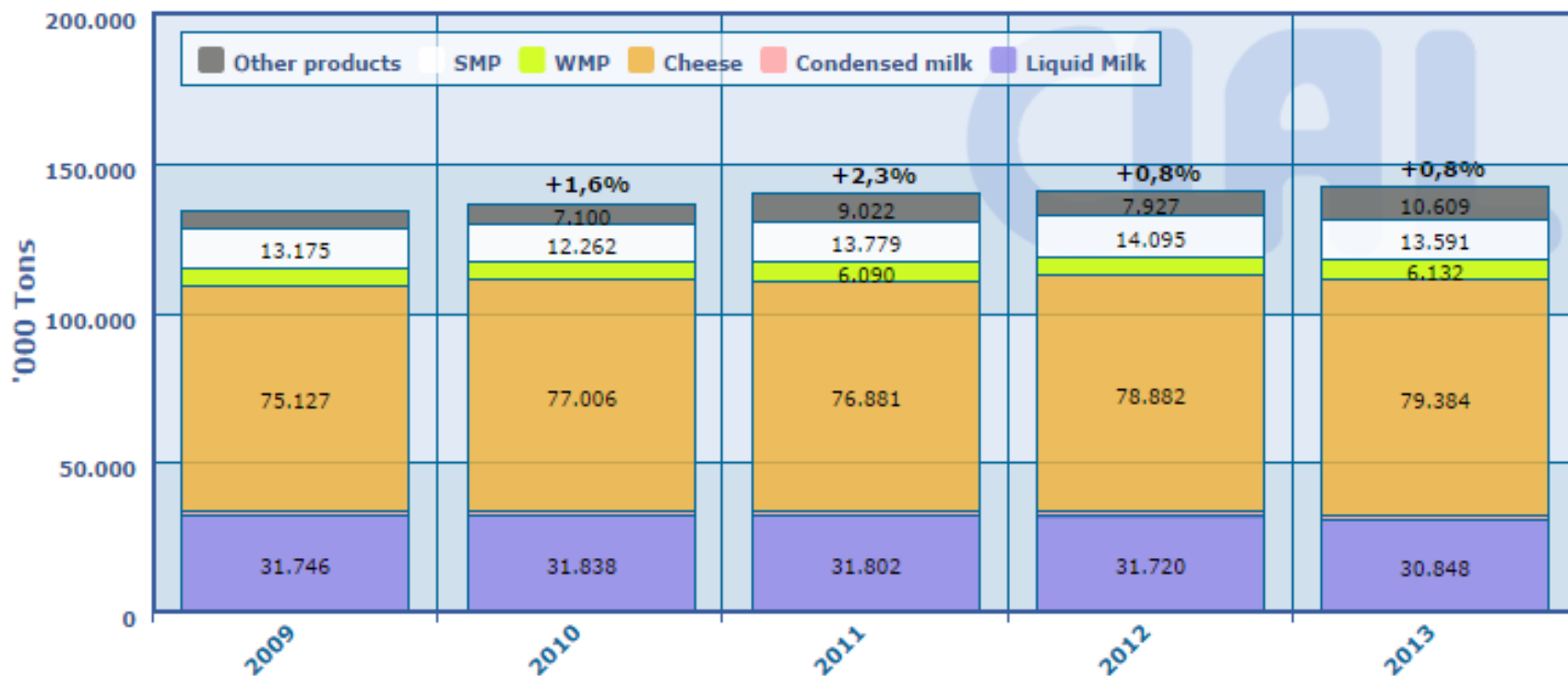
EU-28 Dairy Production in Milk Equivalent

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)

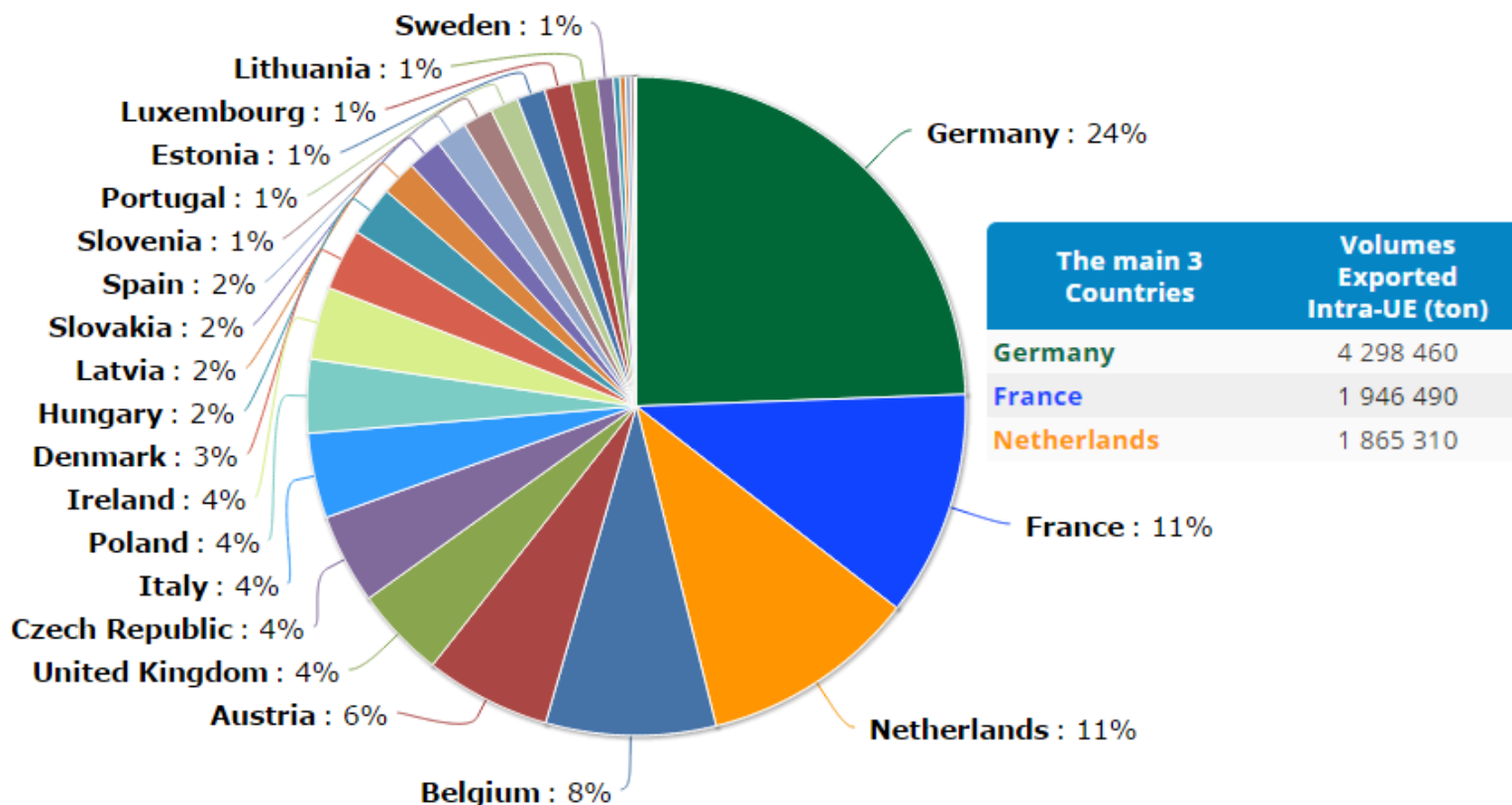
Processed by CLAL based on Eurostat and Productschap Zuivel data



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

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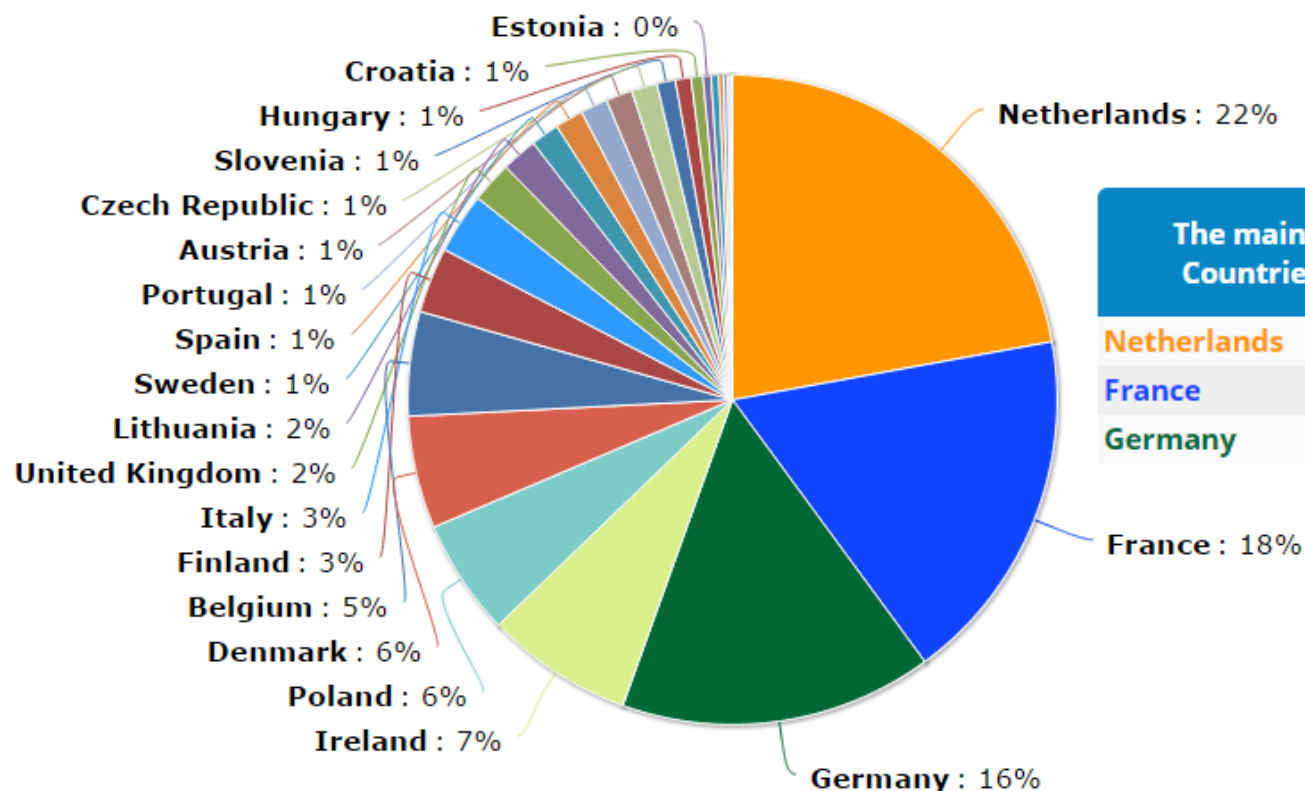
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EU-28 Market Share Extra-EU

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

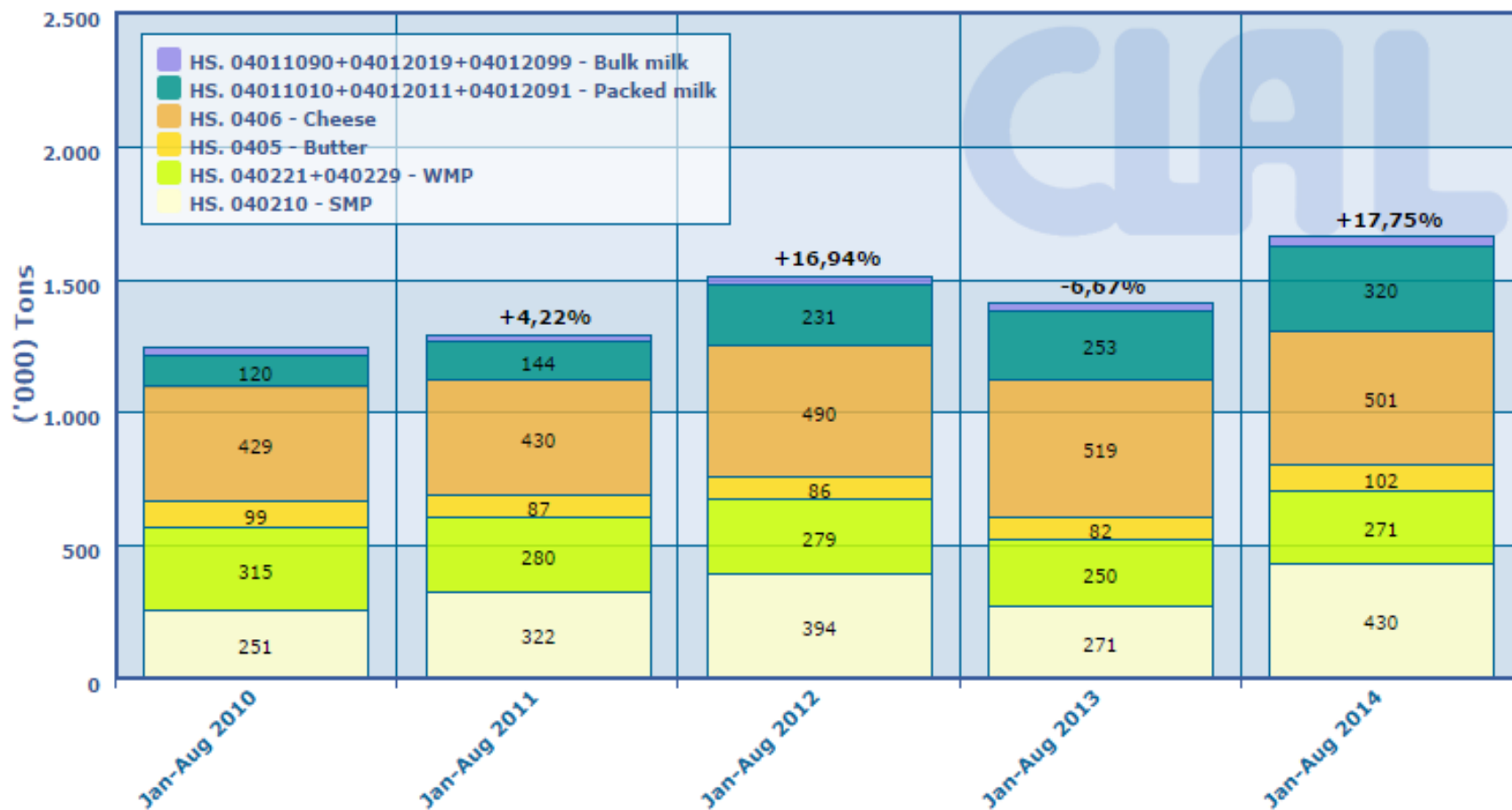
codici doganali: 040210, 040221+040229, 0406, 0405, 0404, 350110, 350190, 040291+040299, 04011010+04012011+04012091, 04011090+04012019+04012099, 190110

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EU-28 Dairy Exports

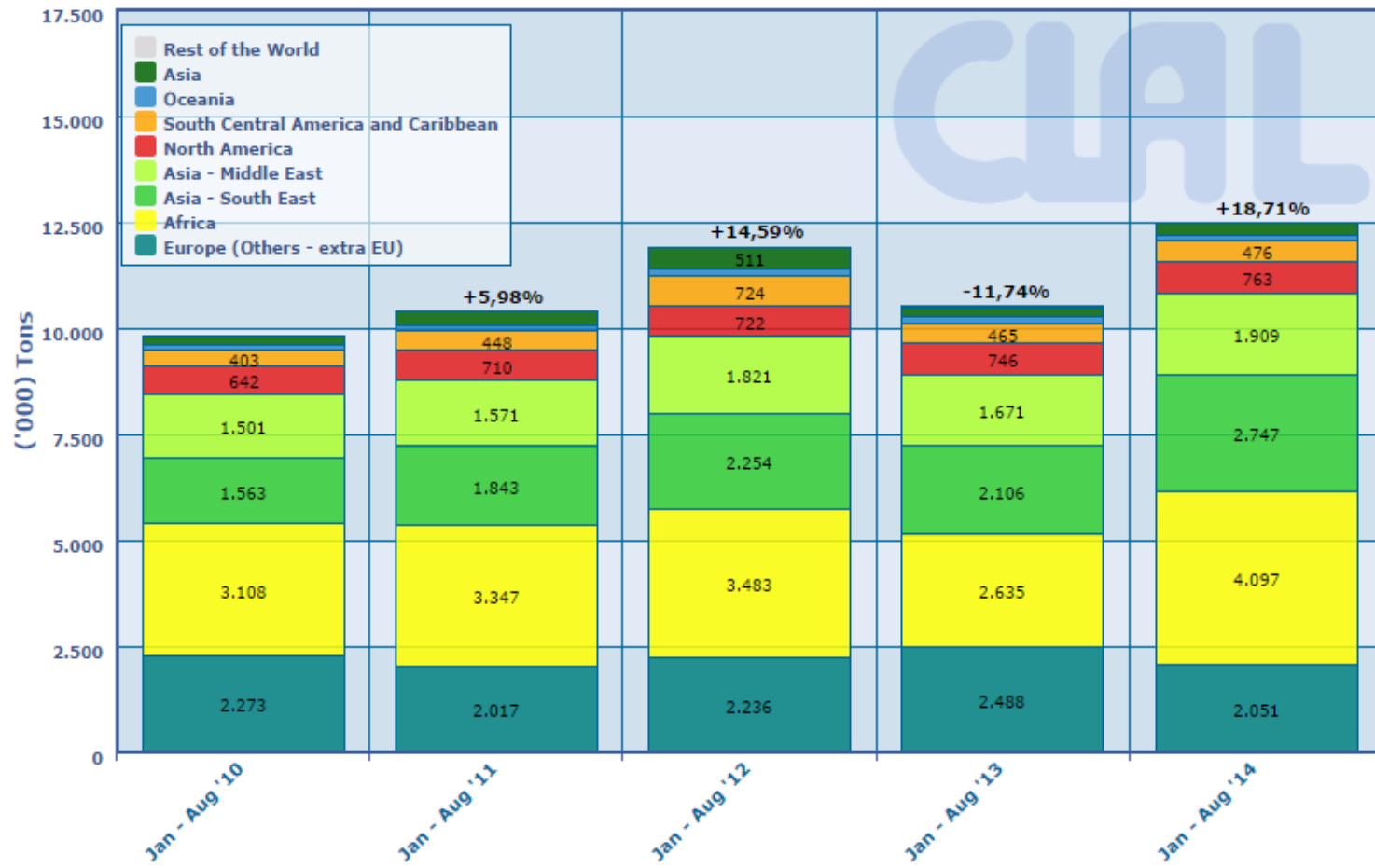
EU-28 DAIRY PRODUCT - Total Export SMP, WMP, Butter, Cheese, Bulk and Packed Milk

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

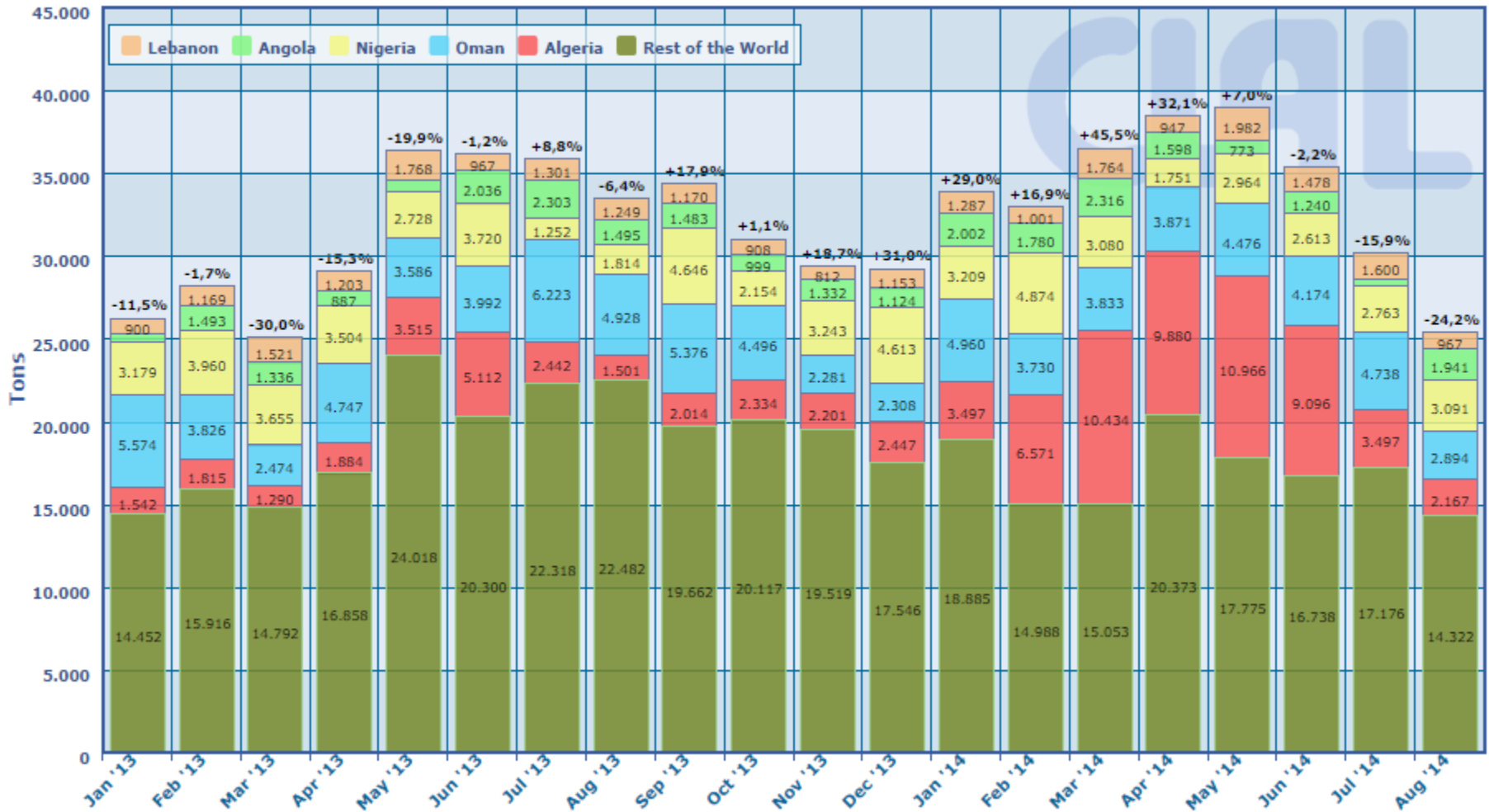


EU-28 WMP Exports outside the EU-28

EU-28 : Monthly Exports of WMP

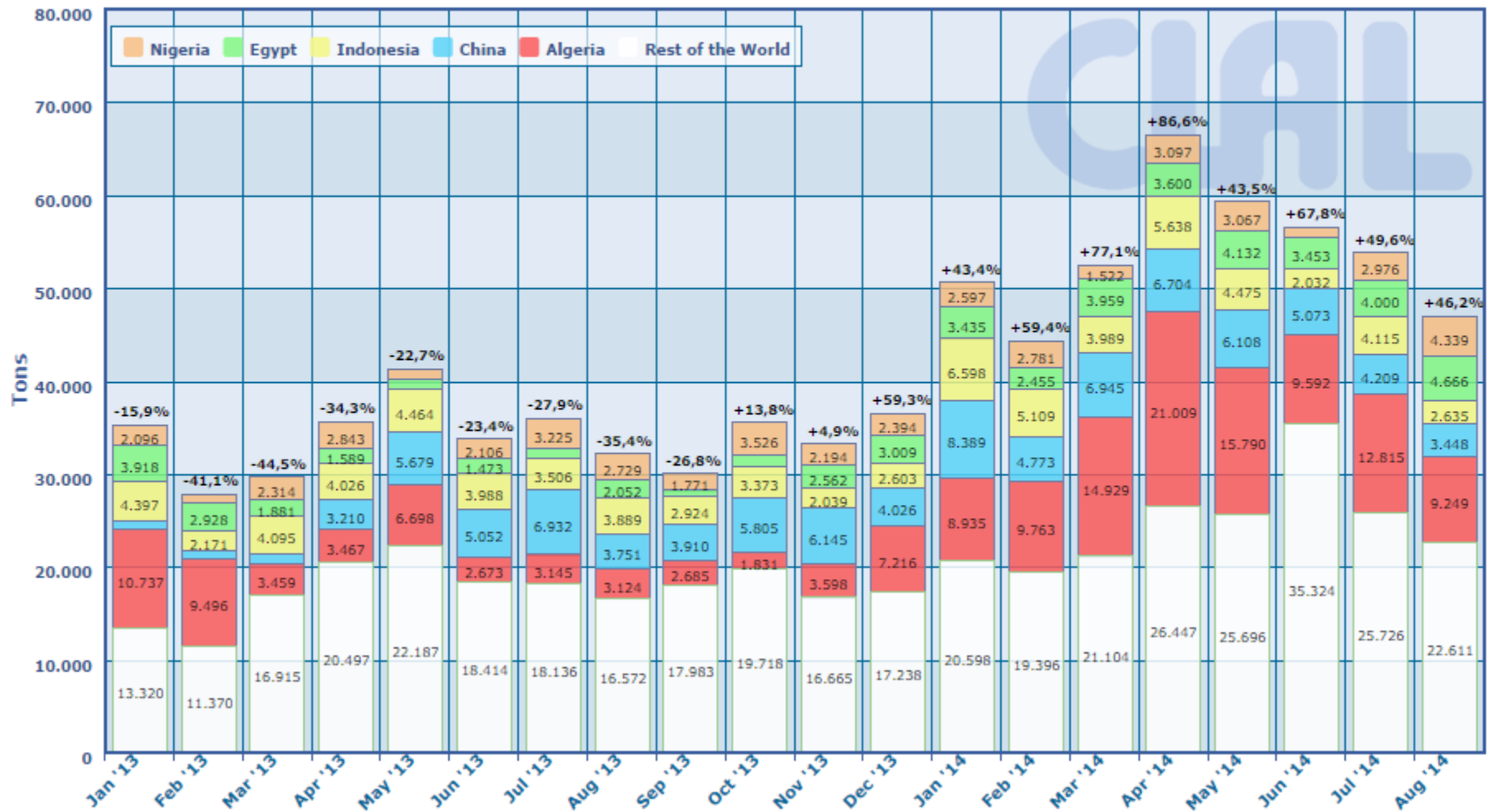
(+/- % on the same period of previous year)

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

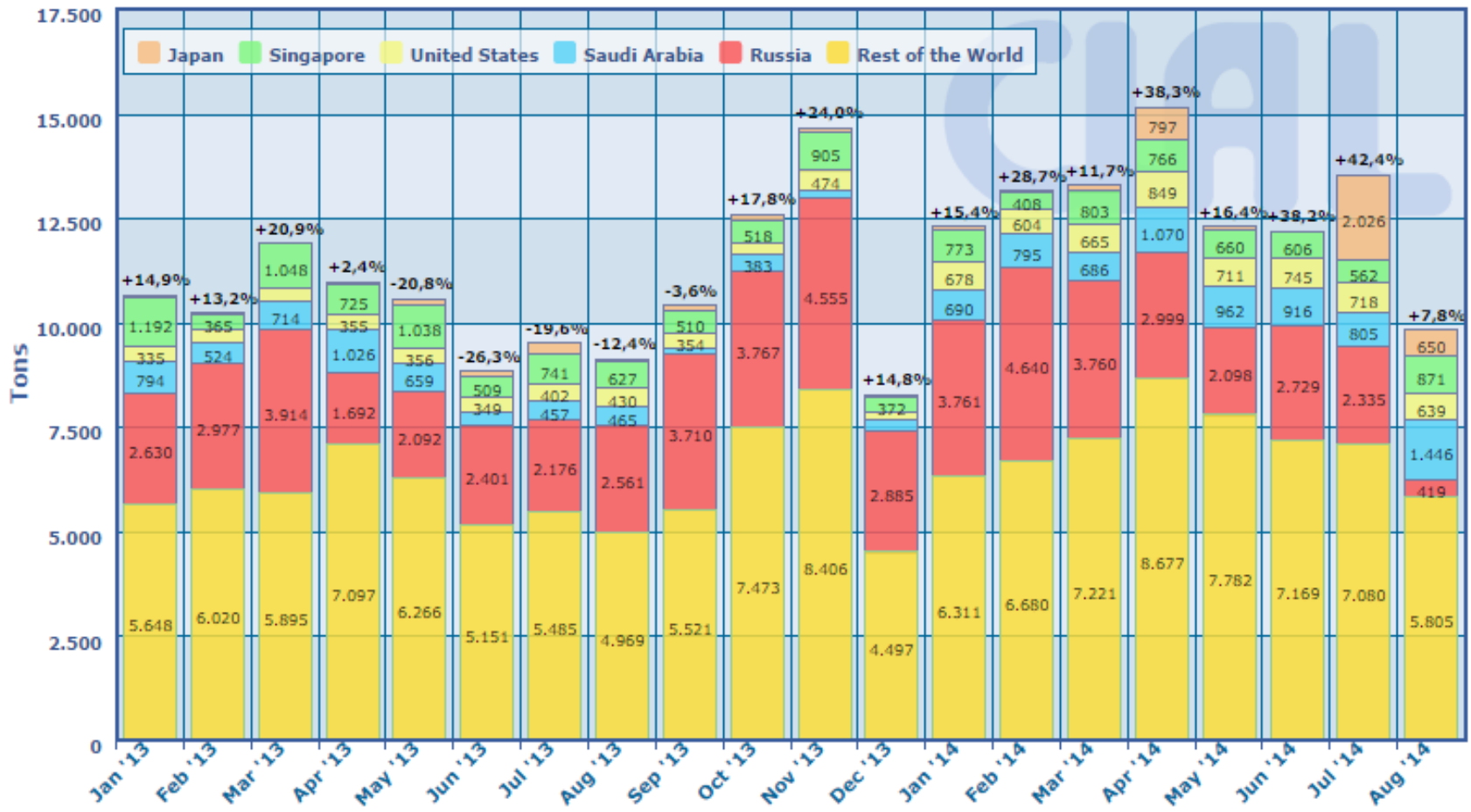


EU-28 Butter Exports outside the EU-28

EU-28 : Monthly Exports of BUTTER

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

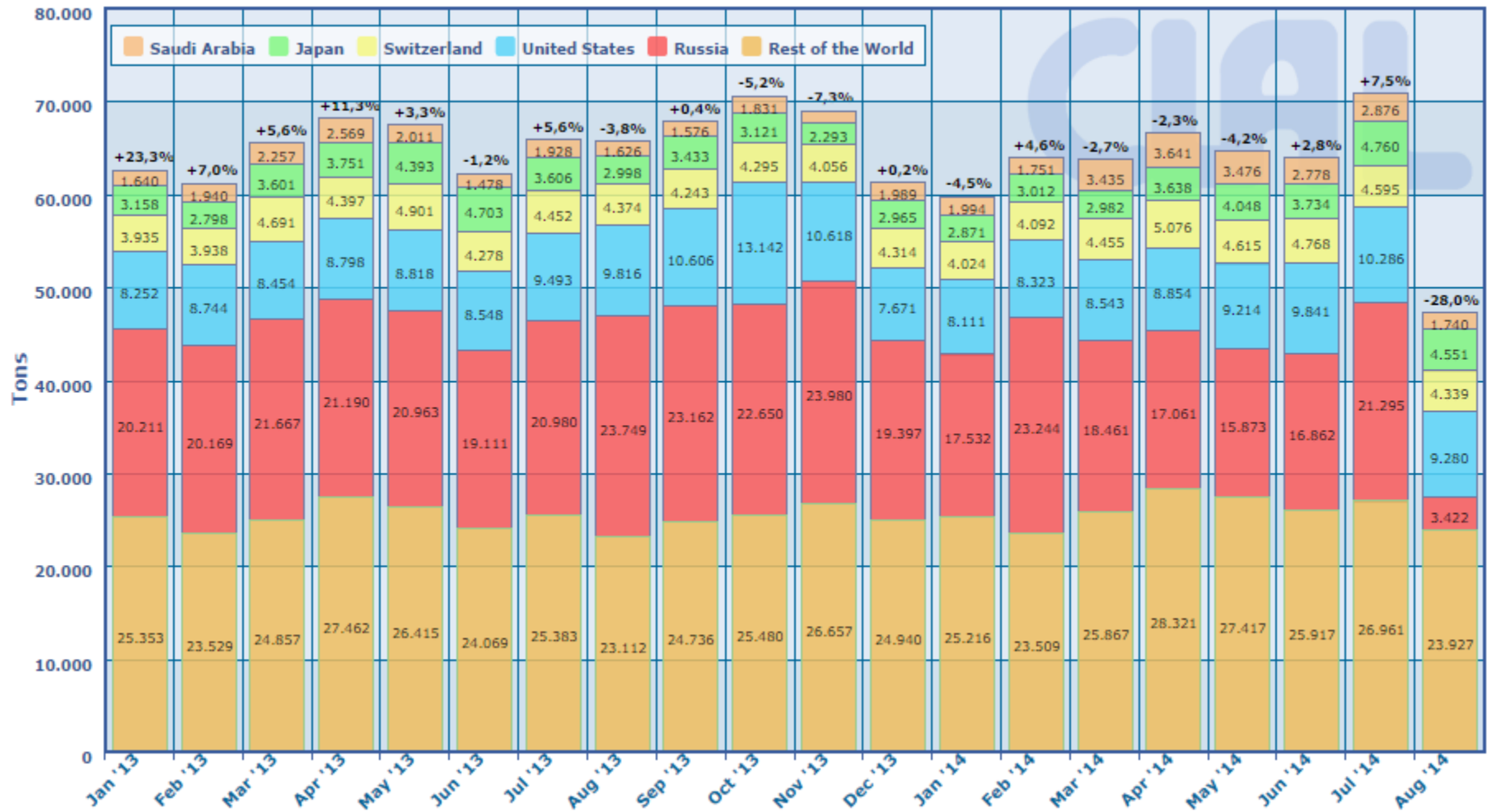
Processed by CLAL



EU-28 Cheese Exports outside the EU-28

EU-28 : Monthly Exports of CHEESE

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

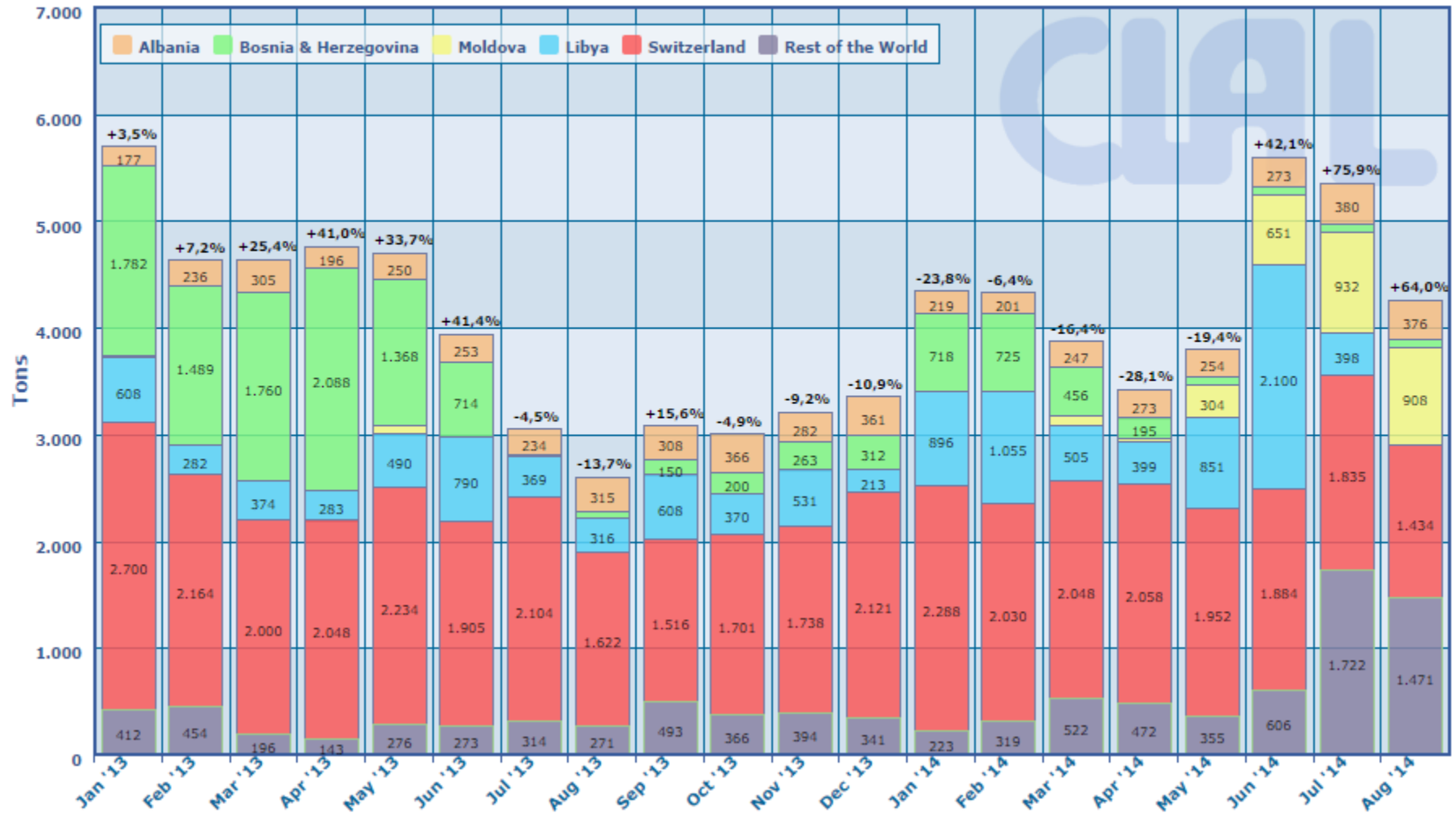


EU-28 Bulk Milk Exports outside the EU-28

EU-28 : Monthly Exports of BULK MILK

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

Processed by CLAL

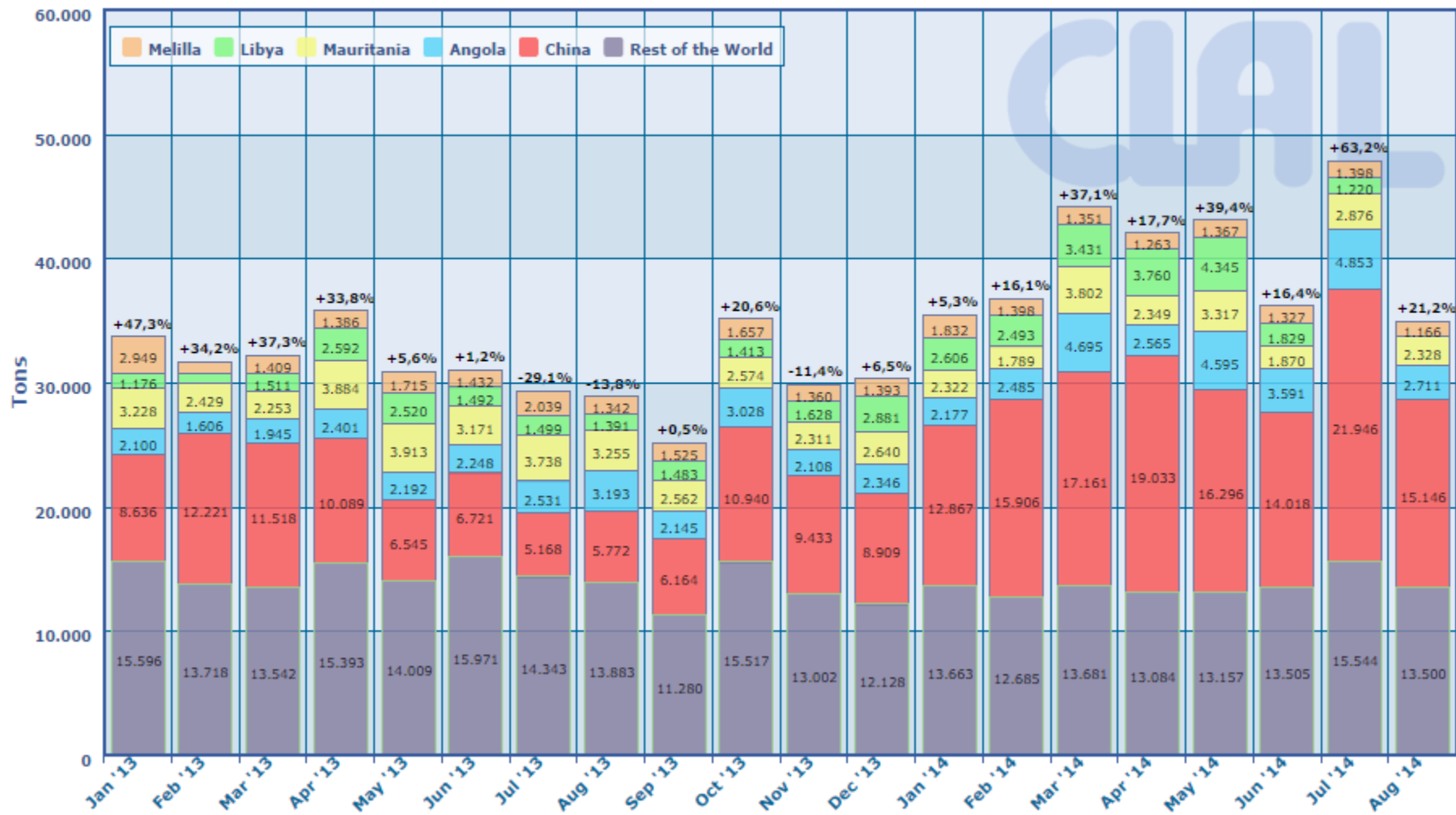


EU-28 Packed Milk Exports outside the EU-28

EU-28 : Monthly Exports of PACKED MILK

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

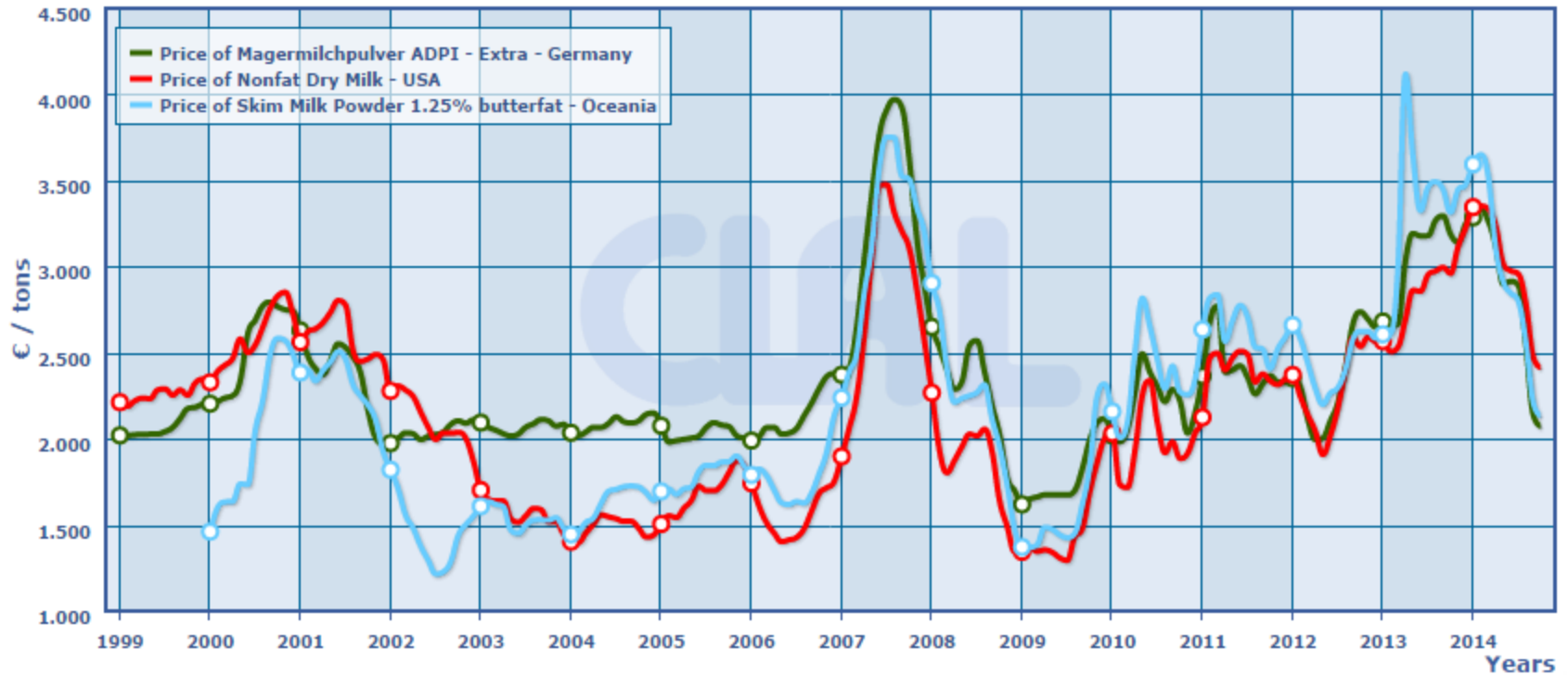
Processed by CLAL



EU-28 SMP prices

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

Processed by CLAL



Germany 15/10/2014 2.035 €/tons

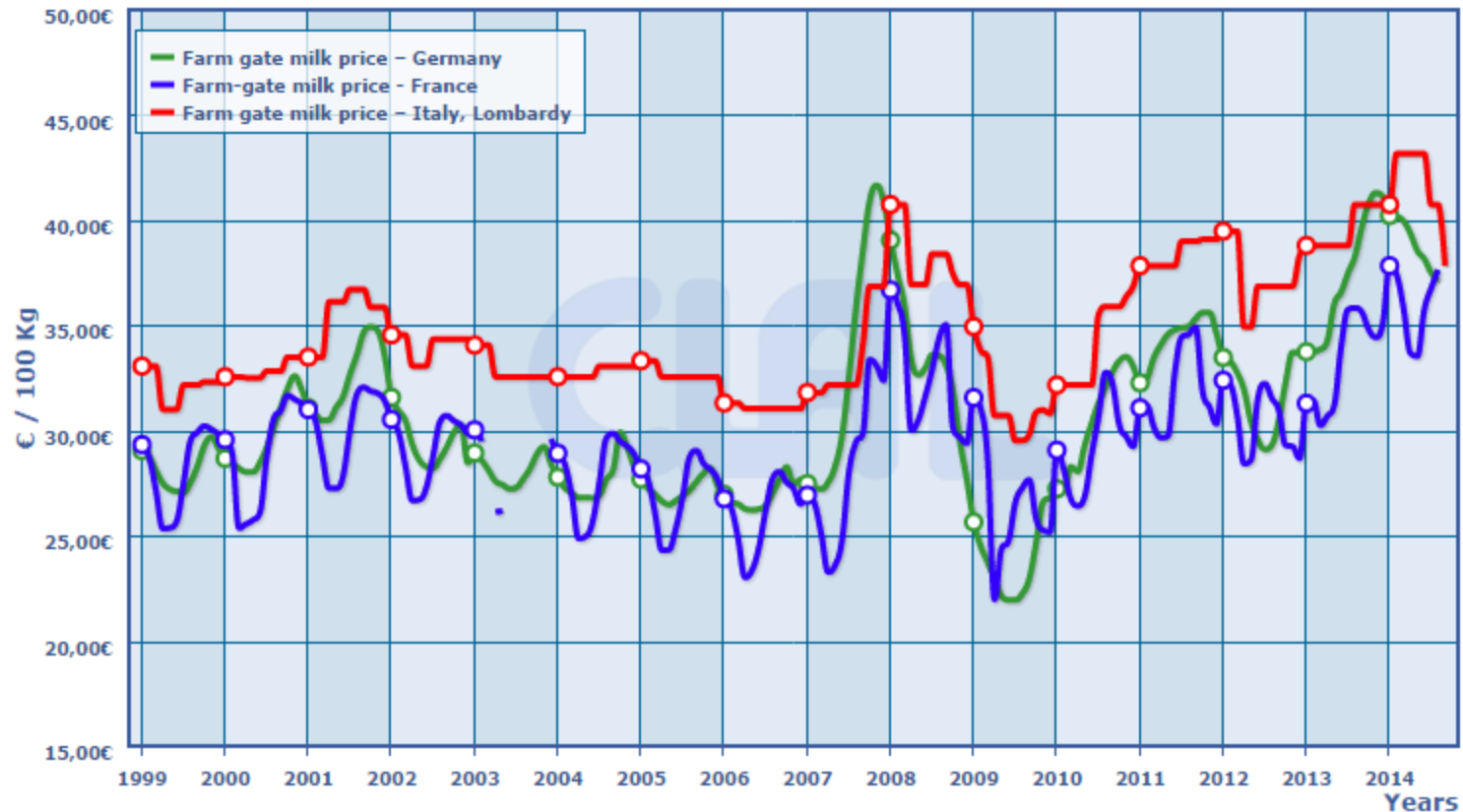
United States 17/10/2014 2.412 €/tons

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

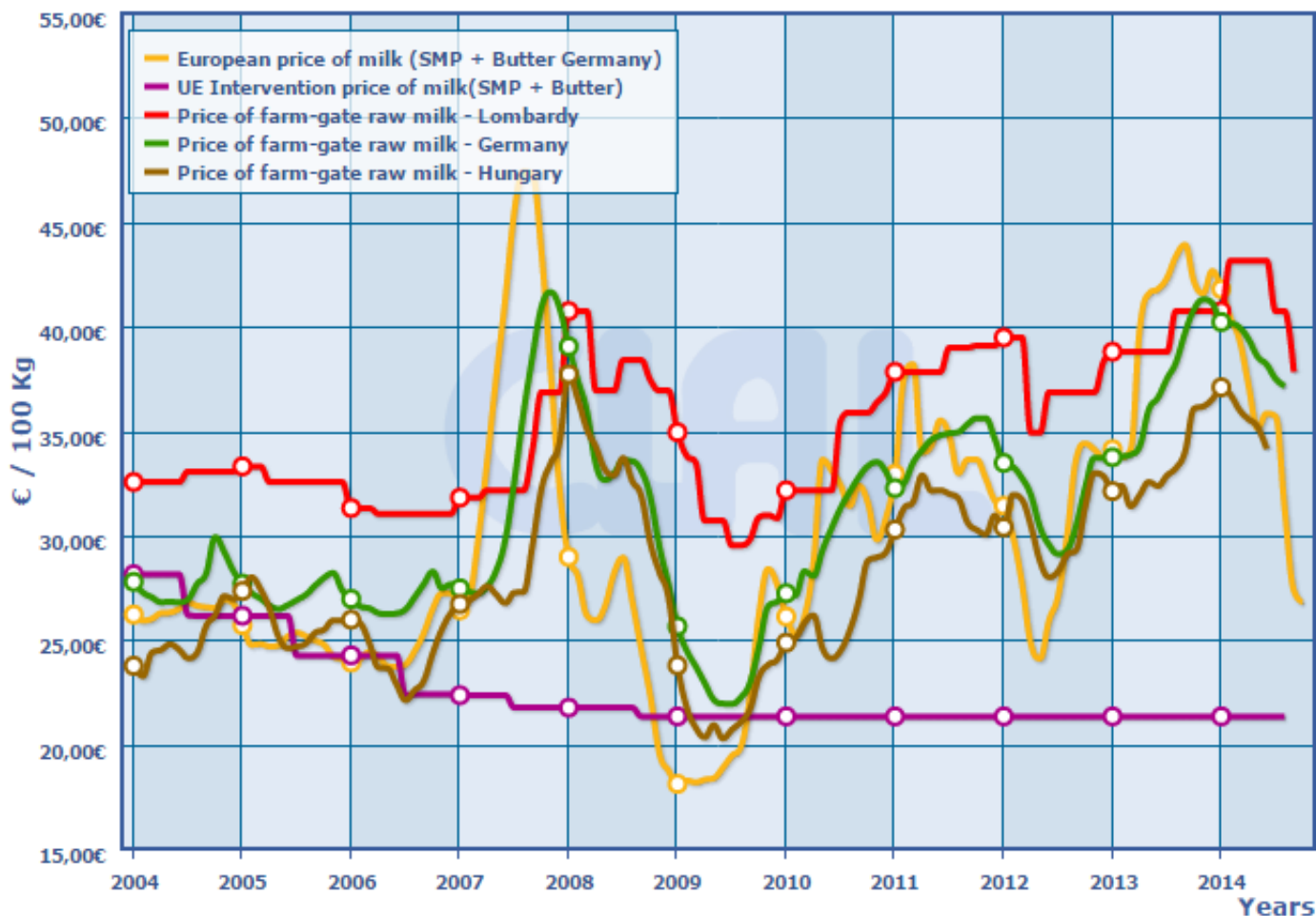
Processed by CLAL



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)	1.351
Import* in Milk Equivalent (I)	583
Export* in Milk Equivalent (E)	540
% Self-sufficiency Milk = $D/(D+I-E)$	103%

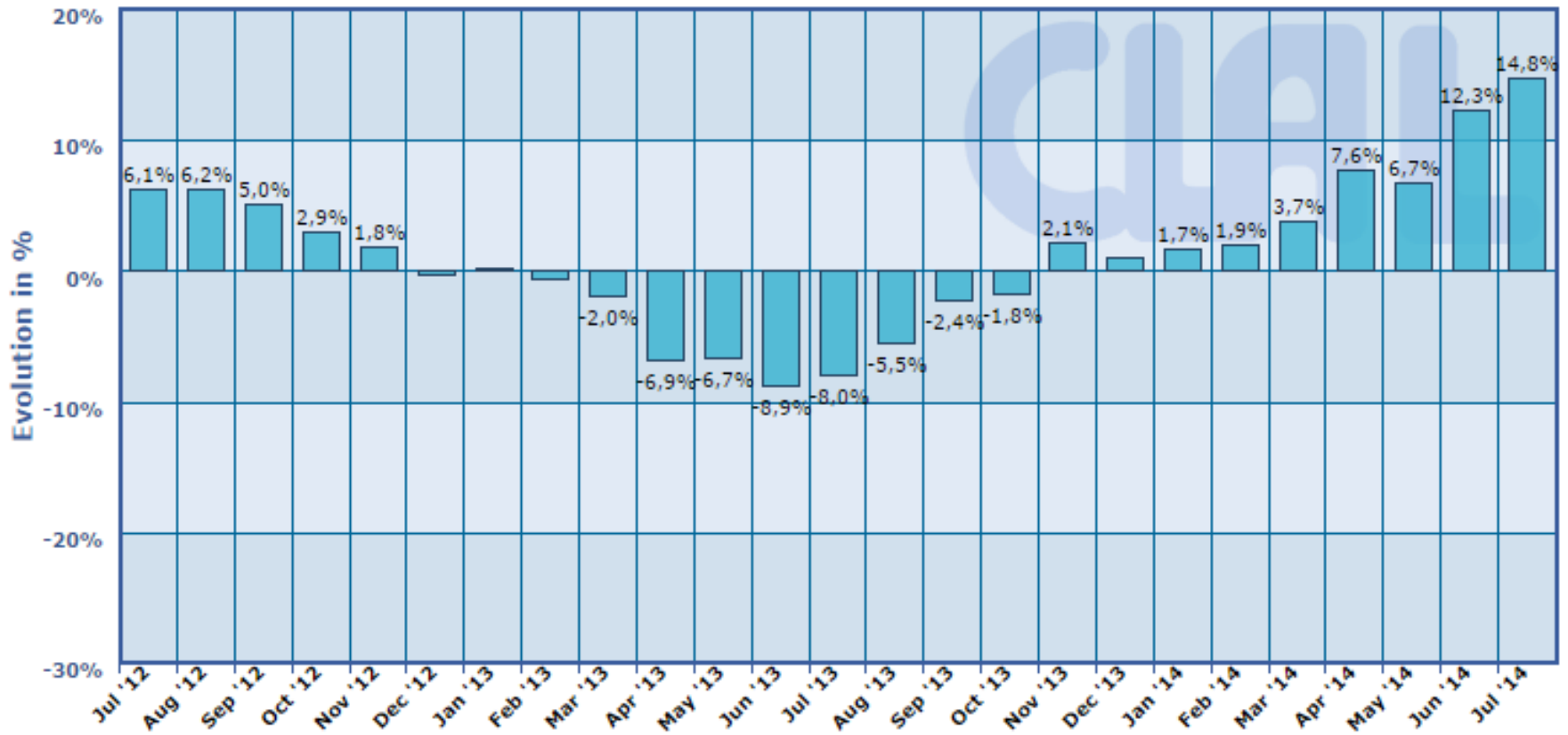
* SMP, WMP, Condensed Milk, Cheese, Packed and Bulk Milk

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

Hungary: Milk Deliveries

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

Source: Eurostat

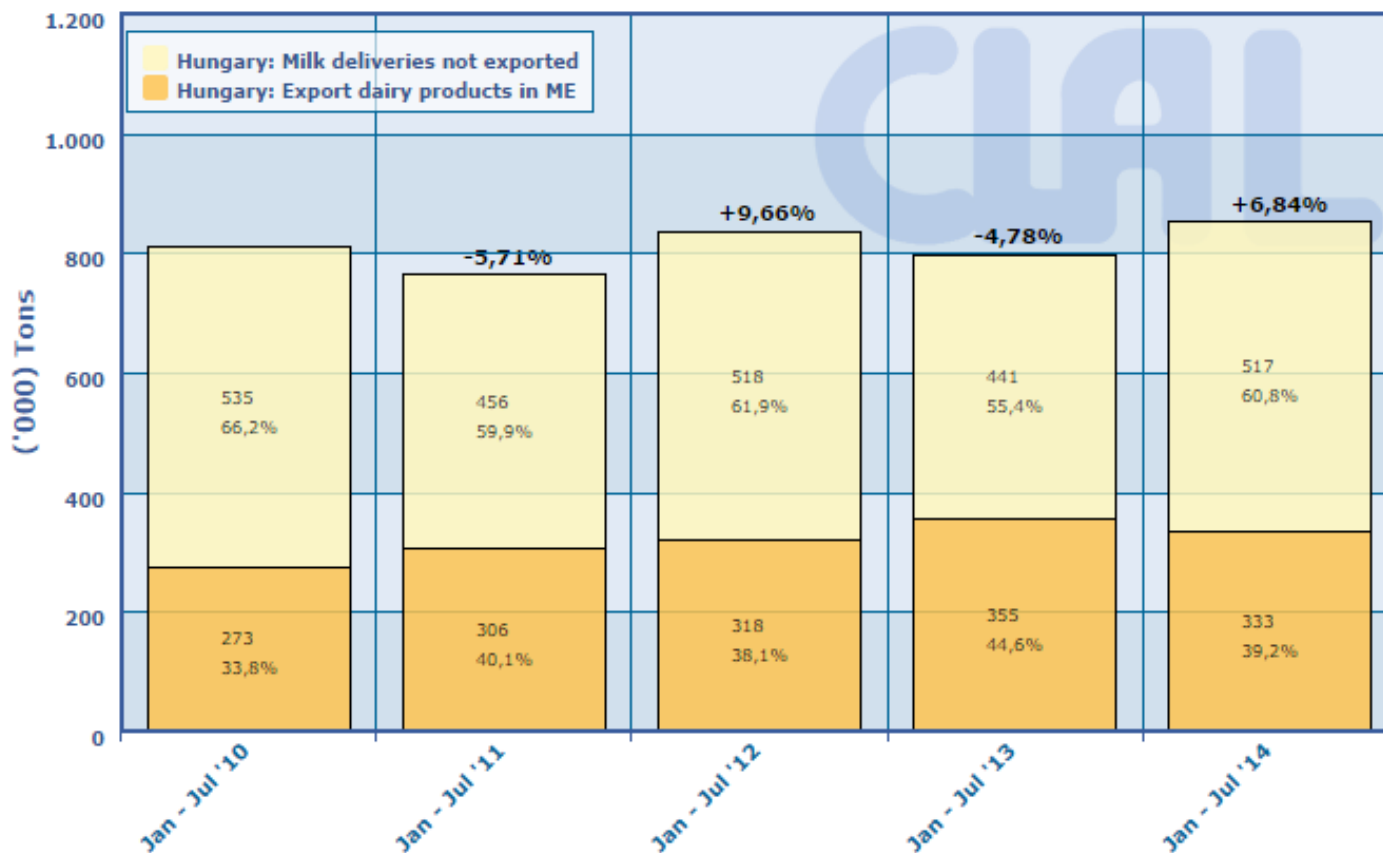


Hungary: Milk Deliveries and Dairy Export in Milk Equivalent

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)

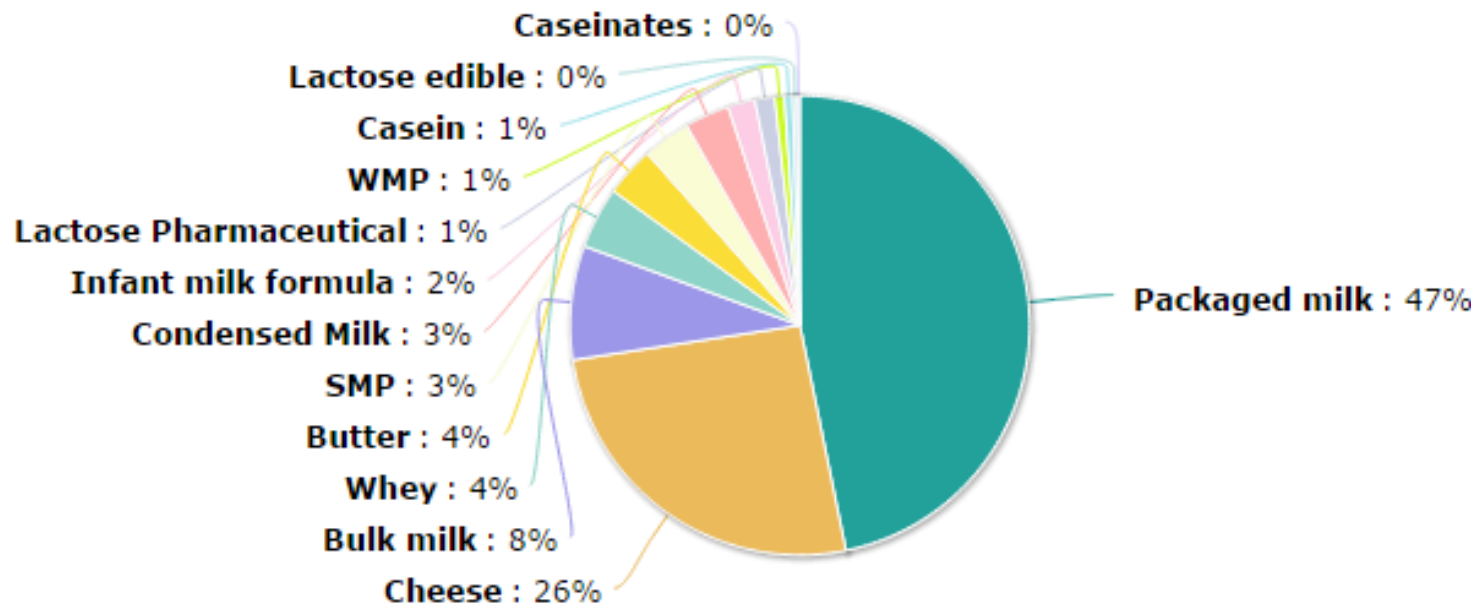
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Hungary: Dairy Import

Hungary Dairy Import - Quantities Jan-Jul 2014

Source: GTIS - Processed by CLAL



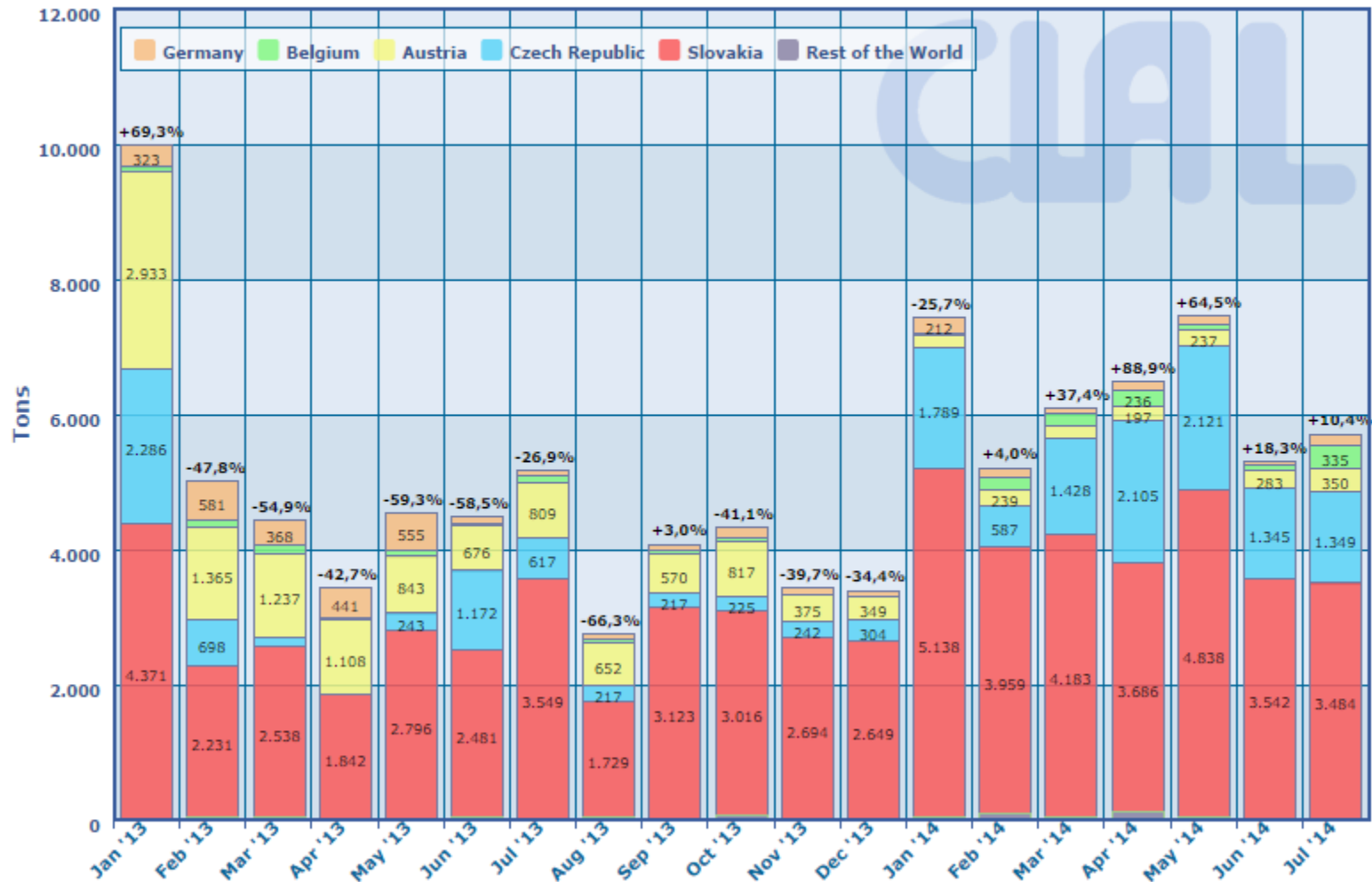
customs codes: **Packaged milk** 04011010+04012011+04012091,
Bulk milk 04011090+04012019+04012099, **Infant milk formula** 19011000,
SMP 040210, **WMP** 040221+040229, **Condensed Milk** 040291+040299,
Whey 0404, **Butter** 0405, **Cheese** 0406,
Lactose Pharmaceutical 170211, **Lactose edible** 170219,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

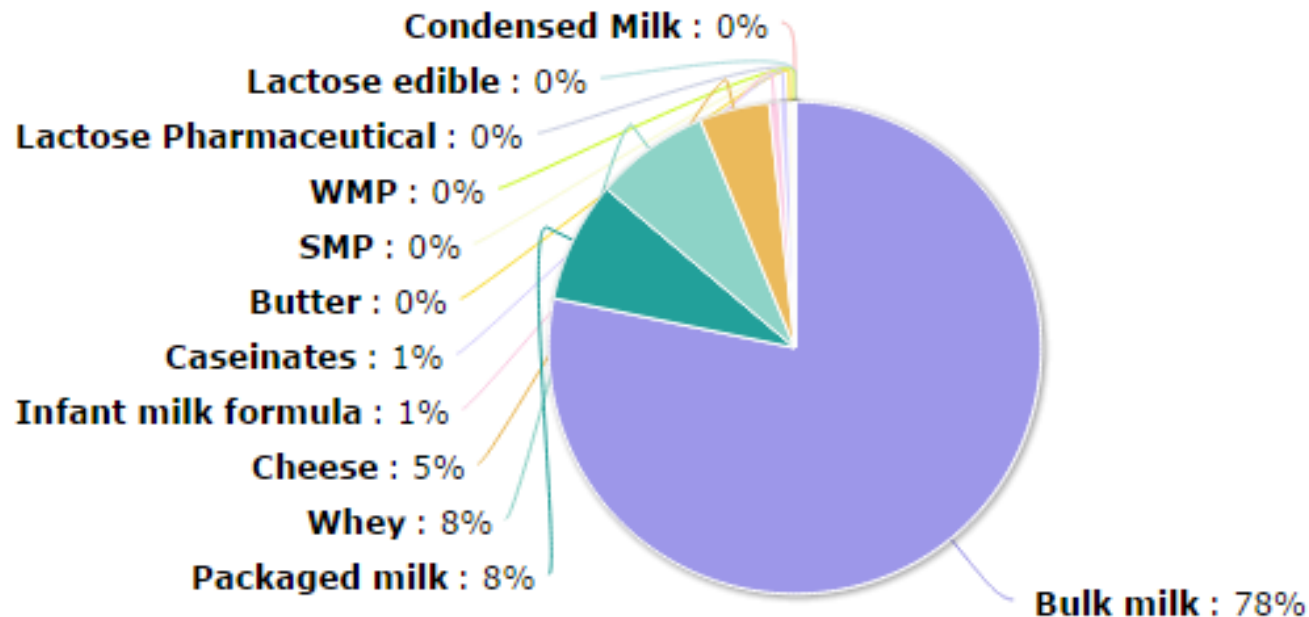
Processed by CLAL



Hungary: Dairy Export

Hungary Dairy Export - Quantities Jan-Jul 2014

Source: GTIS - Processed by CLAL



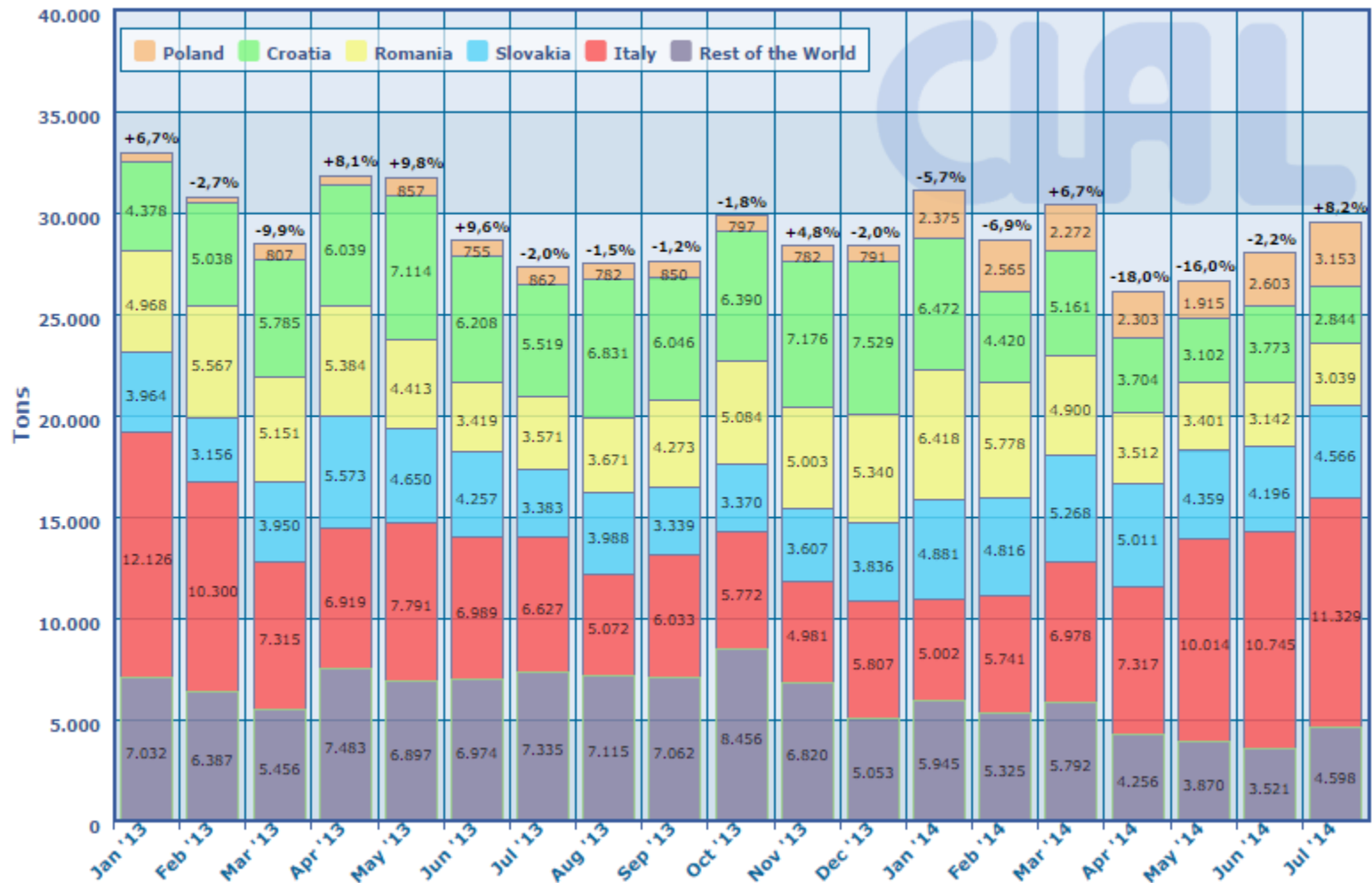
customs codes: **Packaged milk** 04011010+04012011+04012091,
Bulk milk 04011090+04012019+04012099, **Infant milk formula** 19011000,
SMP 040210, **WMP** 040221+040229, **Condensed Milk** 040291+040299,
Whey 0404, **Butter** 0405, **Cheese** 0406,
Lactose Pharmaceutical 170211, **Lactose edible** 170219,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

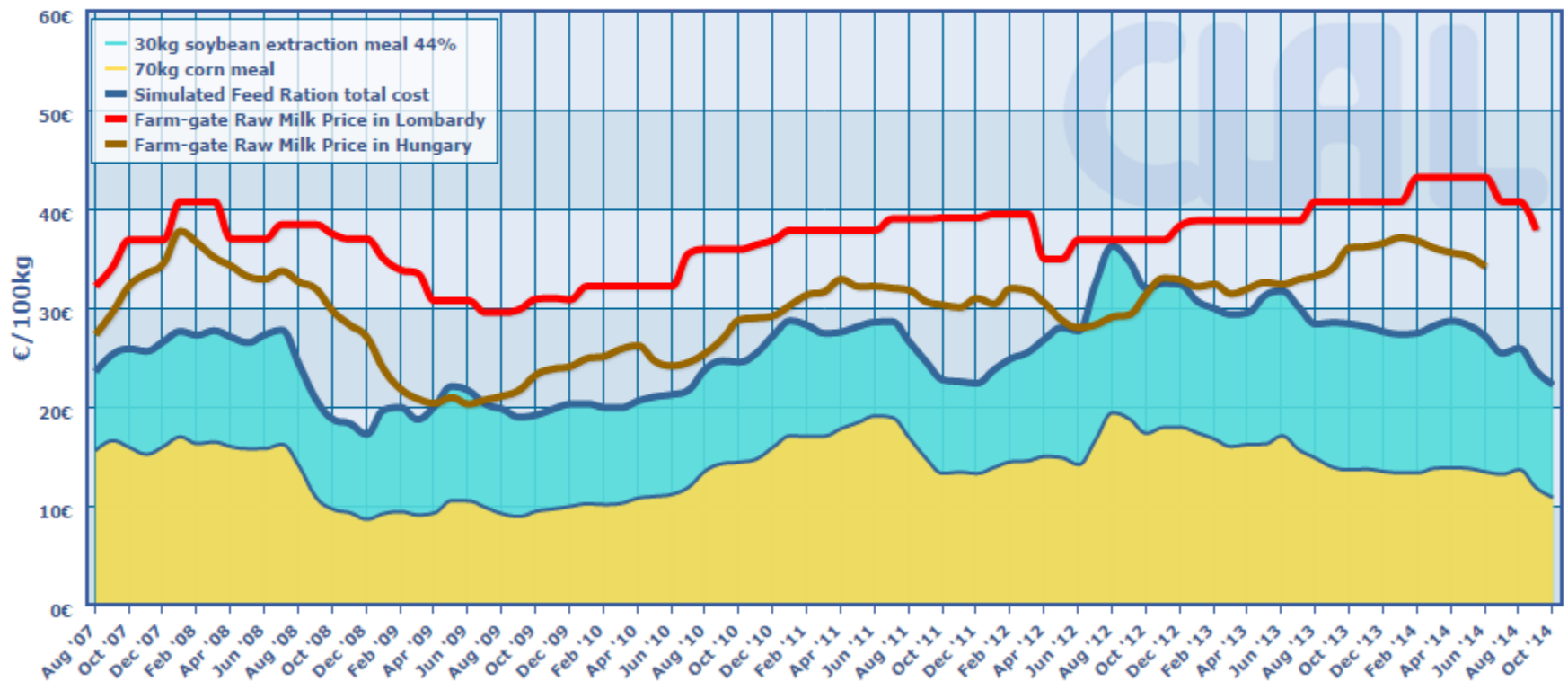
EXPORT HUNGARY: Main 10 purchasers of Bulk whole milk in 2013 (Tons)								
Country	2008	2009	2010	2011	2012	2013	± % on 2012 *	± % on 2011 *
Croatia	6.752	-	9.093	14.750	23.439	71.895	+207%	+387%
Italy	69.864	91.459	54.880	74.766	112.524	55.320	-50,84%	-26,01%
Romania	29.097	39.484	40.691	40.438	37.181	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



Thank you!

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