

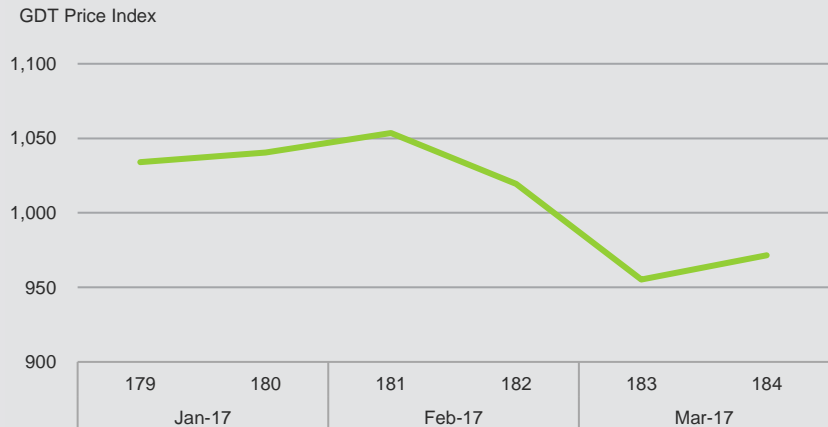


Global Dairy Trade provides globally recognised market-based reference prices for more than 30 dairy ingredient products.

The GDT Events Quarterly provides analysis of dairy ingredients trading on GDT Events, for the three months to March 2017 (Q1).

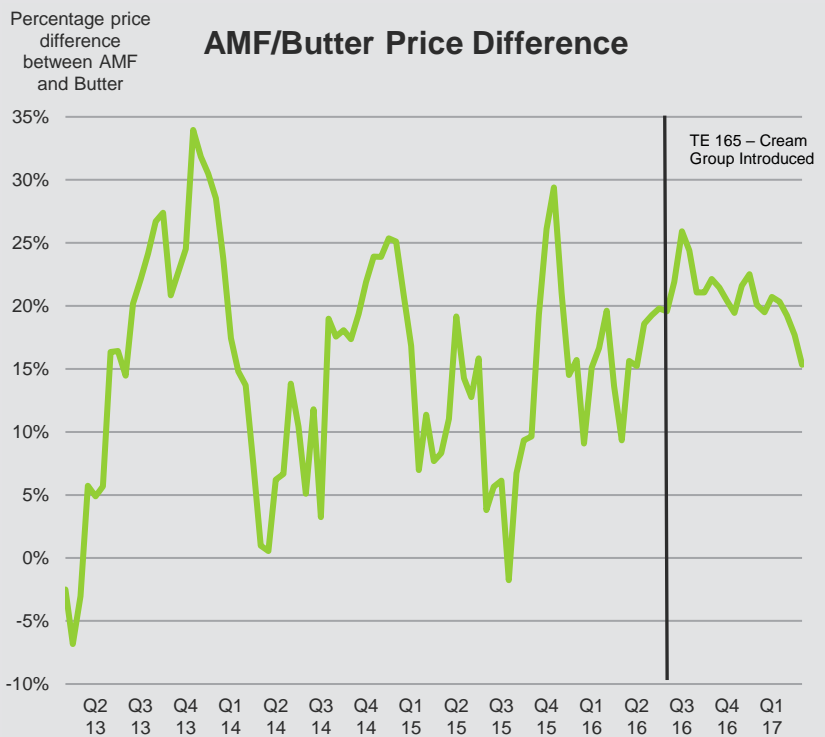
GDT PRICE INDEX

- Q1 2017 ended with a 1.7% increase in the GDT Price Index in the final trading event of the quarter.
- The GDT Price Index has risen 55% over the past 12 months.
- Over Q1 as a whole the GDT Price Index is lower, the first quarterly drop since Q1 2016.



Cream Group Aligns AMF & Butter Prices

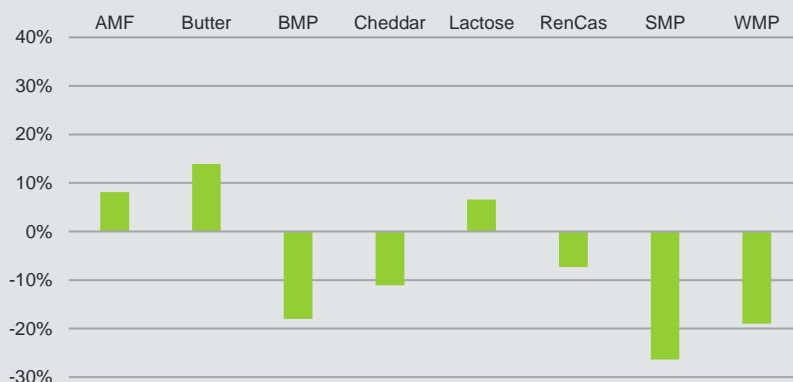
- AMF and butter prices show a tighter relationship since the introduction of the cream group in June 2016.
- One aim of the cream group was to smooth demand fluctuations across AMF and butter, thereby reducing short-term price volatility.
- The correlation between butter and AMF price changes was 60% prior to the cream group but has been 90% since.
- This indicates that significant 'demand smoothing' has been achieved.



PRICE CHANGES BY PRODUCT GROUP

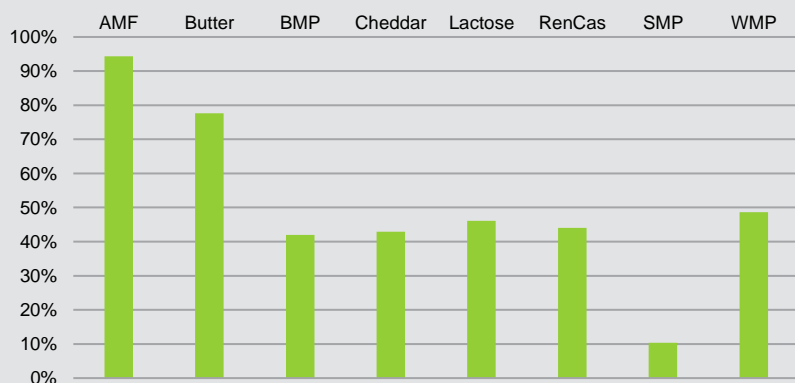
Quarterly Percentage Change 2017 Q1 vs 2016 Q4 Price Index

- Price indices were lower in Q1 for the majority of product groups.
- The quarterly change in price indices ranged from -26% for SMP to +14% for butter.



Annual Percentage Change 2017 Q1 vs 2016 Q1 Price Index

- Price indices for all product groups increased year on year.
- AMF and butter showed the most significant annual gains, increasing by 94% and 78% respectively.



PRODUCT GROUP COMPARISON

Product Group	Last Traded Price (USD/MT)	Price Index Quarterly Percentage Change	Price Index Annual Percentage Change	Total Value Traded, Last 12 months (USD)
AMF	5,799	8%	94%	300 M
Butter	4,910	14%	78%	153 M
BMP	1,846*	-18%	42%	17 M
Cheddar	3,406	-11%	43%	79 M
Lactose	913	7%	46%	9 M
Rennet Casein	5,927	-7%	44%	61 M
SMP	1,948	-26%	10%	305 M
WMP	2,855	-19%	49%	887 M
Total				1.8 BN

*BMP last published price was at TE 183.

All information is as at 22 March 2017. Last traded price is the weighted average price across all contract periods.

BIDDER PARTICIPATION

This analysis illustrates the number of unique bidders who placed bids, and the number who won product.

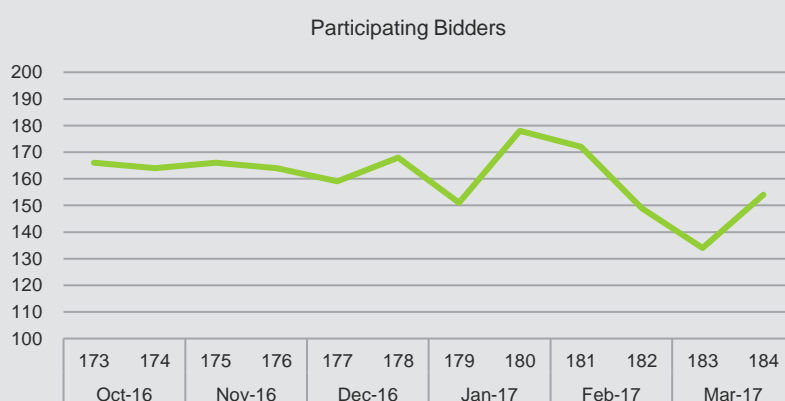
Participating bidders are bidders who placed bids in Round 1 of a Trading Event.

- Unique bidder participation in Q1 2017 was 1.5% lower than in Q4 2016.

Product Group	Number of Participating Bidders		Number of Winning Bidders		% of Participating Bidders who won product	
	Q4	Q1	Q4	Q1	Q4	Q1
AMF	90	88	73	68	81%	77%
Butter	68	67	55	53	81%	79%
BMP	35	27	24	22	69%	81%
Cheddar	47	41	41	29	87%	71%
Lactose	26	29	19	15	73%	52%
Rennet Casein	32	33	32	27	100%	82%
SMP	143	119	112	91	78%	76%
WMP	135	129	117	116	87%	90%

- Consistent with previous quarters, SMP & WMP attracted the highest number of participating bidders with 119 and 129 respectively.

- Bidder participation varied from event to event but quarterly participation was stable.



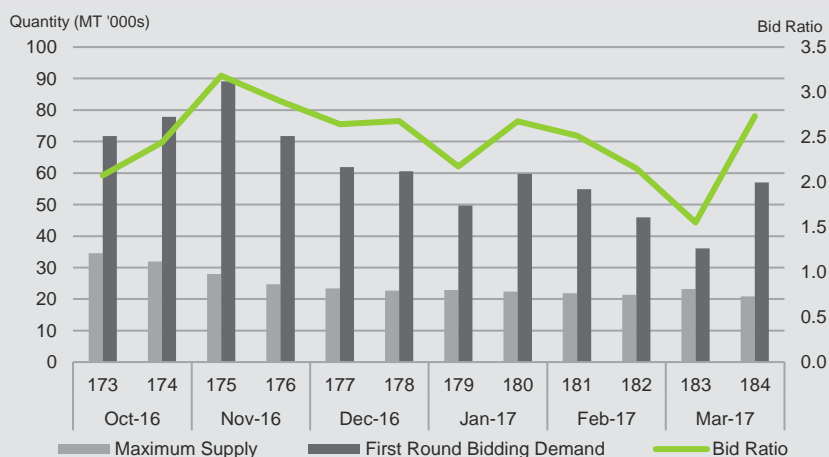
SUPPLY AND DEMAND

This chart compares sellers' maximum supply with first round bidding demand.

Bid ratio is the first round demand over the maximum supply on offer in each Trading Event.

Maximum supply has been adjusted for the Cream Group to avoid double counting available quantity.

- Average first round demand was 50,558 MT in Q1.
- Supply remained steady over Q1, averaging 22,536 MT per Trading Event.
- Average bid ratio was 2.2 in Q1.



GDT INSIGHT

Subscribe to GDT Insight (see www.globaldairytrade.info/en/gdt-insight/) to access:

- Historical GDT Events data available on screen or as a CSV download
- Live Round-by-Round prices
- Demand/Supply Ratios by product group