



PRESS RELEASE

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EEX and Global Dairy Trade sign Letter of Intent to evaluate a new auction mechanism for dairy products in Europe

Leipzig / Auckland. The European Energy Exchange (EEX) and Global Dairy Trade (GDT) today signed a Letter of Intent to evaluate the possibility of working together to set up and operate an auction mechanism for dairy products originating in Europe.

Global Dairy Trade operates GDT Events, a twice-monthly public price discovery auction for generic, large-volume products. It is the leading dairy auction globally with over 520 registered bidders from more than 80 countries.

EEX's offering for European dairy products includes financially settled futures on skimmed milk powder, butter and whey powder. Since the launch of agricultural products in mid-May 2015, the EEX derivatives market for dairy products has continuously recorded new record volumes and shown steady growth, becoming the leading exchange market for dairy risk management in Europe.

Over the next months, EEX and GDT will consult with dairy product buyers and sellers about the possibility of jointly offering price discovery for European dairy products through a credible auction mechanism designed for the European market.

"We believe that our proposal can significantly benefit the dairy value chain by providing another business channel for exports, as well as potentially creating underlying data for new risk management instruments. With its expertise in dairy auctions Global Dairy Trade is the ideal partner for such a project," comments Sascha Siegel, Head of Agricultural Commodities at EEX.

Eric Hansen, Director of Global Dairy Trade, says: "EEX is highly respected and the only European market operator recording a significant number of dairy futures contracts. We look forward to exploring the potential for a joint initiative that would enable us to better meet the needs of

European buyers and sellers. This initiative forms an important part of our ongoing [growth strategy](#)“.

About EEX

The European Energy Exchange (EEX) is the leading energy exchange in Europe. It develops, operates and connects secure, liquid and transparent markets for energy and commodity products. At EEX, contracts on Power, Coal and Emission Allowances as well as Freight and Agricultural Products are traded or registered for clearing. Alongside EEX, EPEX SPOT, Powernext, Cleartrade Exchange (CLTX), Gaspoint Nordic, Power Exchange Central Europe (PXE) and Nodal Exchange are also part of EEX Group. Clearing and settlement of trading transactions are provided by the clearing house European Commodity Clearing (ECC) and by Nodal Clear in the United States. EEX is part of Deutsche Börse Group. More information: www.eex.com

About Global Dairy Trade

Global Dairy Trade is a wholly-owned subsidiary of New Zealand-based Fonterra Cooperative Group Limited, and is the world's leader in global dairy trading. Global Dairy Trade offers a range of complementary services for dairy buyers, manufacturers and the financial dairy trading sector. GDT Events is a twice-monthly public price discovery auction for generic, large-volume products. It is the leading dairy auction globally with over 520 registered bidders from more than 80 countries. GDT Marketplace is a 24/7 e-commerce trading platform enabling the trade of any dairy product, at any time, in any quantity. GDT also provides an information subscription service known as GDT Insight. For more information about Global Dairy Trade please visit www.globaldairytrade.info

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