

Dairy Commodity Prices

NZ Currency

	07-Oct-11	30-Sep-11	23-Sep-11	16-Sep-11	09-Sep-11	08-Oct-10
Butter	5190	5320	5380	5100	5060	5670
Skimilk Powder	4210	4280	4350	4190	4210	4270
Wholemilk Powder	4380	4410	4480	4250	4150	4740
Cheddar Cheese	5190	5320	5380	5220	5180	5410
Casein - Acid	13480	13750	13640	12930	12880	11680
Anhydrous Milkfat	5190	5520	5570	5460	5420	6940
Weighted Average	5090	5190	5250	5020	4960	5390

US Currency

	07-Oct-11	30-Sep-11	23-Sep-11	16-Sep-11	09-Sep-11	08-Oct-10
Butter	4000	4100	4200	4200	4200	4250
Skimilk Powder	3250	3300	3400	3450	3500	3200
Wholemilk Powder	3375	3400	3500	3500	3450	3550
Cheddar Cheese	4000	4100	4200	4300	4300	4050
Casein - Acid	10400	10600	10650	10650	10700	8750
Anhydrous Milkfat	4000	4250	4350	4500	4500	5200
Weighted Average	3930	4000	4100	4130	4120	4040

Australian Currency

	07-Oct-11	30-Sep-11	23-Sep-11	16-Sep-11	09-Sep-11	08-Oct-10
Butter	4100	4190	4310	4070	3970	4330
Skimilk Powder	3330	3380	3490	3340	3310	3260
Wholemilk Powder	3460	3480	3590	3390	3260	3620
Cheddar Cheese	4100	4190	4310	4160	4070	4130
Casein - Acid	10660	10840	10930	10310	10120	8920
Anhydrous Milkfat	4100	4350	4460	4360	4260	5300
Weighted Average	4030	4090	4210	4000	3900	4110

* Spot prices are collected from NZ exporters in USD per tonne on a Freight on Board (FOB) basis. Quota markets and contracts are excluded.

Conversions are then carried out to NZD and AUD based on current exchange rates.

Milk production in New Zealand is charging ahead this spring. Daily milk collections are currently running close to 15% ahead of the same time last year. We are currently approaching the peak in the milk production season. This normally occurs in late October but may be earlier this year. The high milk flow at this time of the season means all available processing facilities need to be utilised. This limits the choice of which products can be manufactured.

Dairy commodity prices have eased further this week. The Agrifax weighted average dairy commodity price, measured in US dollars, is down 2.7% from a year ago. Price movements for individual commodities differ substantially. Butter, anhydrous milkfat, and whole milk powder prices are all weaker than they were a year ago. Meanwhile skim milk powder, casein and cheddar are all priced higher than they were at this time last year.

At present there appears to be more downside risk for skim milk powder and milk fat products than there is for whole milk powder.

Exchange Rates

Currency	Current	Last Week	Last Year	Season to Date	
	07-Oct-11	30-Sep-11	08-Oct-10	2011/12	2010/11
USD	0.772	0.771	0.749	0.748	0.000
EUR	0.574	0.568	0.539	0.556	0.000
AUD	0.791	0.789	0.764	0.771	0.000
TWI	68.81	68.50	66.68	67.48	0.00