

Dairy Commodity Prices

NZ Currency

	03-Sep-10	27-Aug-10	20-Aug-10	13-Aug-10	06-Aug-10	04-Sep-09
Butter	5590	5690	5580	5900	5140	3470
Skimilk Powder	4330	4260	4170	4950	4000	3540
Wholemilk Powder	4750	4410	4310	5680	4640	4280
Cheddar Cheese	5450	5540	5510	6040	5280	4280
Casein	11950	12220	12160	12520	11130	9230
Anhydrous Milkfat	6780	6820	6780	7860	5920	3990
Weighted Average	5400	5280	5200	6129	5320	4450

US Currency

	03-Sep-10	27-Aug-10	20-Aug-10	13-Aug-10	06-Aug-10	04-Sep-09
Butter	4000	4000	3950	3950	3950	2350
Skimilk Powder	3100	3000	2950	2950	2950	2400
Wholemilk Powder	3400	3100	3050	3050	3050	2900
Cheddar Cheese	3900	3900	3900	3900	3900	2900
Casein	8550	8600	8600	8700	8800	6250
Anhydrous Milkfat	4850	4800	4800	4600	4600	2700
Weighted Average	3860	3720	3680	3670	3680	3020

Australian Currency

	03-Sep-10	27-Aug-10	20-Aug-10	13-Aug-10	06-Aug-10	04-Sep-09
Butter	4390	4510	4430	4410	4310	2800
Skimilk Powder	3400	3380	3310	3290	3220	2860
Wholemilk Powder	3730	3490	3420	3410	3330	3450
Cheddar Cheese	4280	4400	4370	4350	4260	3450
Casein	9380	9700	9640	9710	9610	7450
Anhydrous Milkfat	5320	5410	5380	5140	5020	3220
Weighted Average	4240	4190	4130	4100	4010	3590

* 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

The upswing in dairy commodity markets recorded by Agrifax in the past few weeks was confirmed by the positive movement in *globalDairyTrade* (gDT) prices. However, the extent of the price increase in the milk powder markets was greater than anticipated, and therefore it will take the market some time to absorb this price information and establish new trading levels. gDT have changed to fortnightly auctions and this has resulted in a halving of product volumes on offer. This, combined with a high level of buyer interest at the lower opening prices, appears to be the reason behind the strong increase in prices, rather than changes in the underlying markets.

Agrifax wholemilk powder prices have moved in line with European prices. Meanwhile our price for Oceanic sourced skim milk powder prices is now above EU and US prices. Butter continues to trade at a high price and demand is strong for anhydrous milkfat.

Exchange Rates

Currency	Current	Last Week	Last Year	Season to Date	
	03-Sep-10	27-Aug-10	04-Sep-09	2010/11	2009/10
USD	0.715	0.704	0.677	0.709	0.697
EUR	0.558	0.553	0.475	0.559	0.496
AUD	0.785	0.793	0.807	0.805	0.785
TWI	66.50	65.91	62.79	66.95	64.30

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