



Police

Police  
Politie

# The times, they are a changin'

An orbital view of the Global Dairy Industry

Dr Jon Hauser  
Xcheque.com



# Co-operative



65% of Australian milk, from all states, has been handed over to private processors



1999

2005

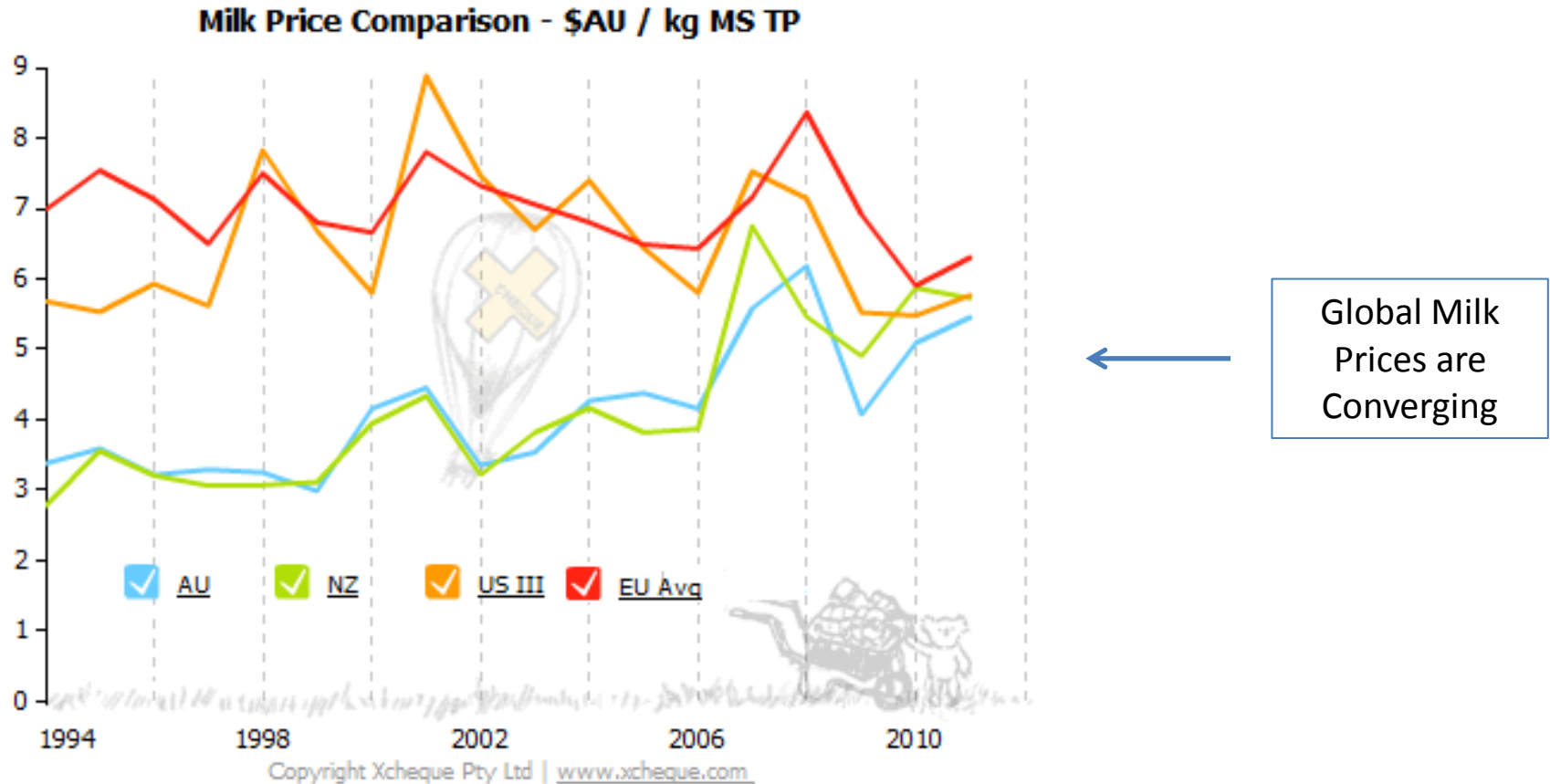
2008

2010

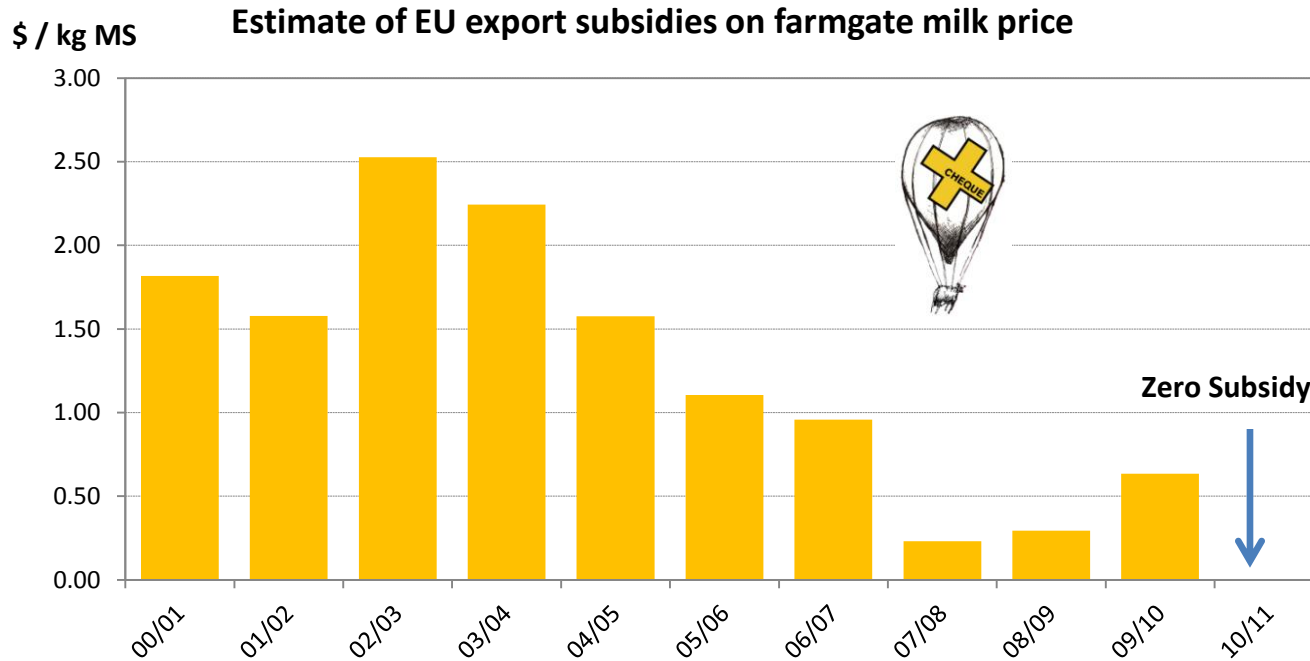
2011

# Private

# Long term Trend in Global Trader Milk Prices

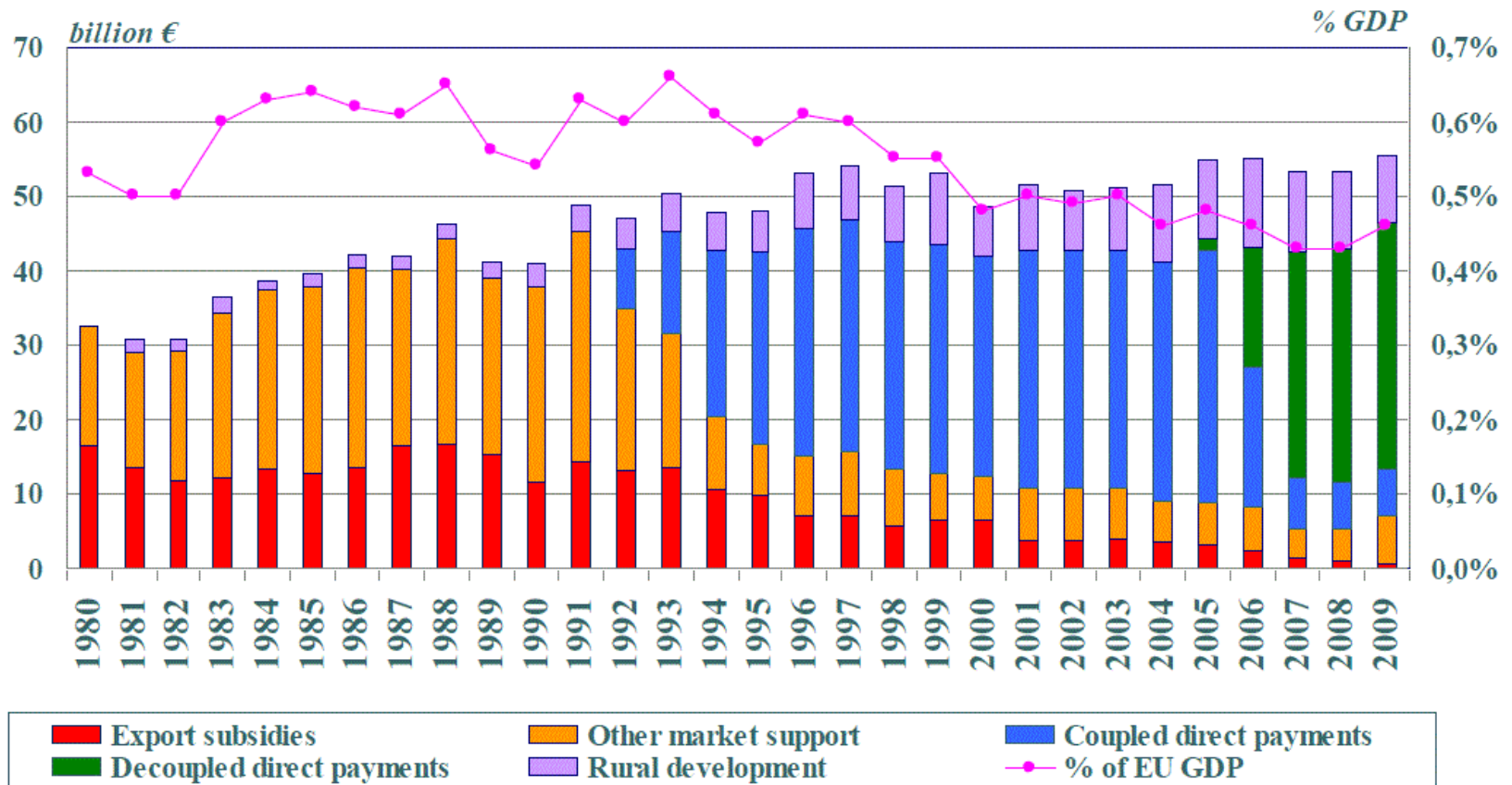


# Because EU Subsidies are now much less of a factor

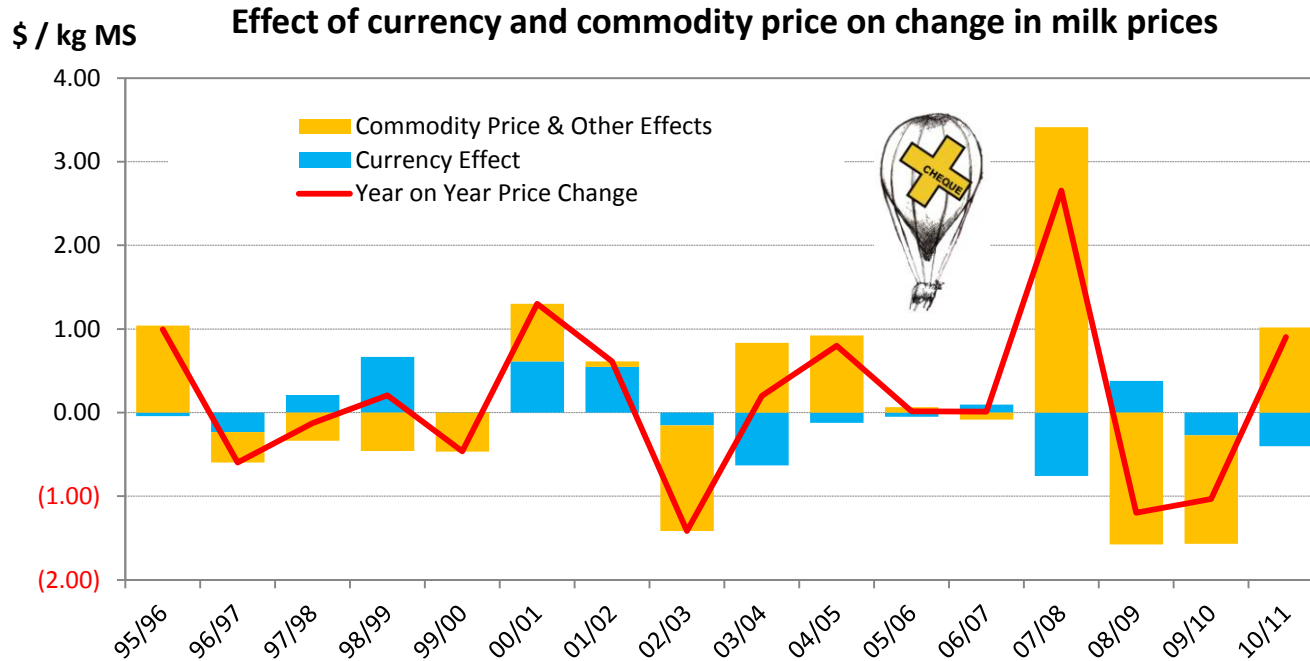


# Because of a change in their subsidy method

(A switch to direct farm subsidy rather than product subsidy)

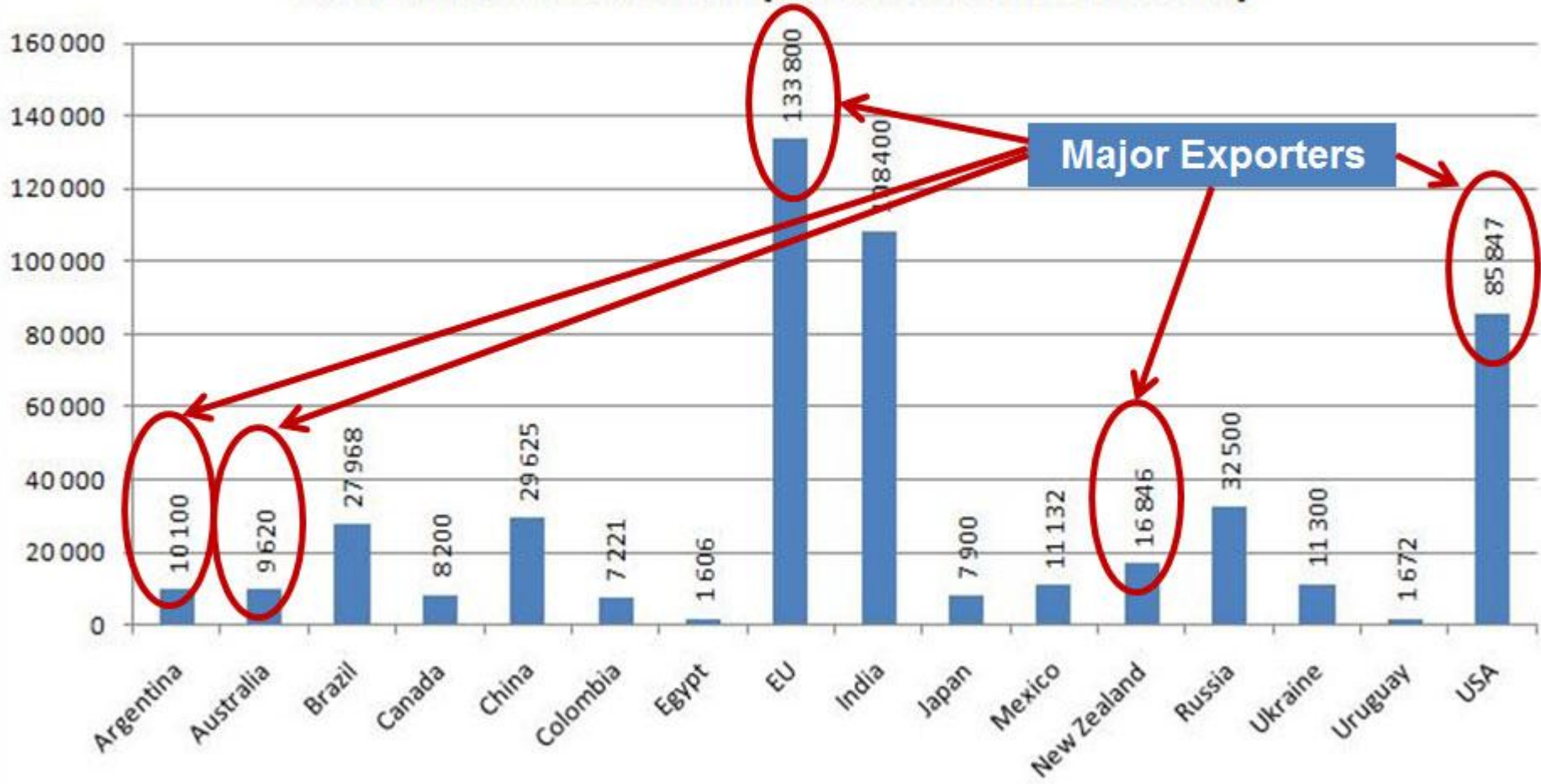


# But volatility will not go away

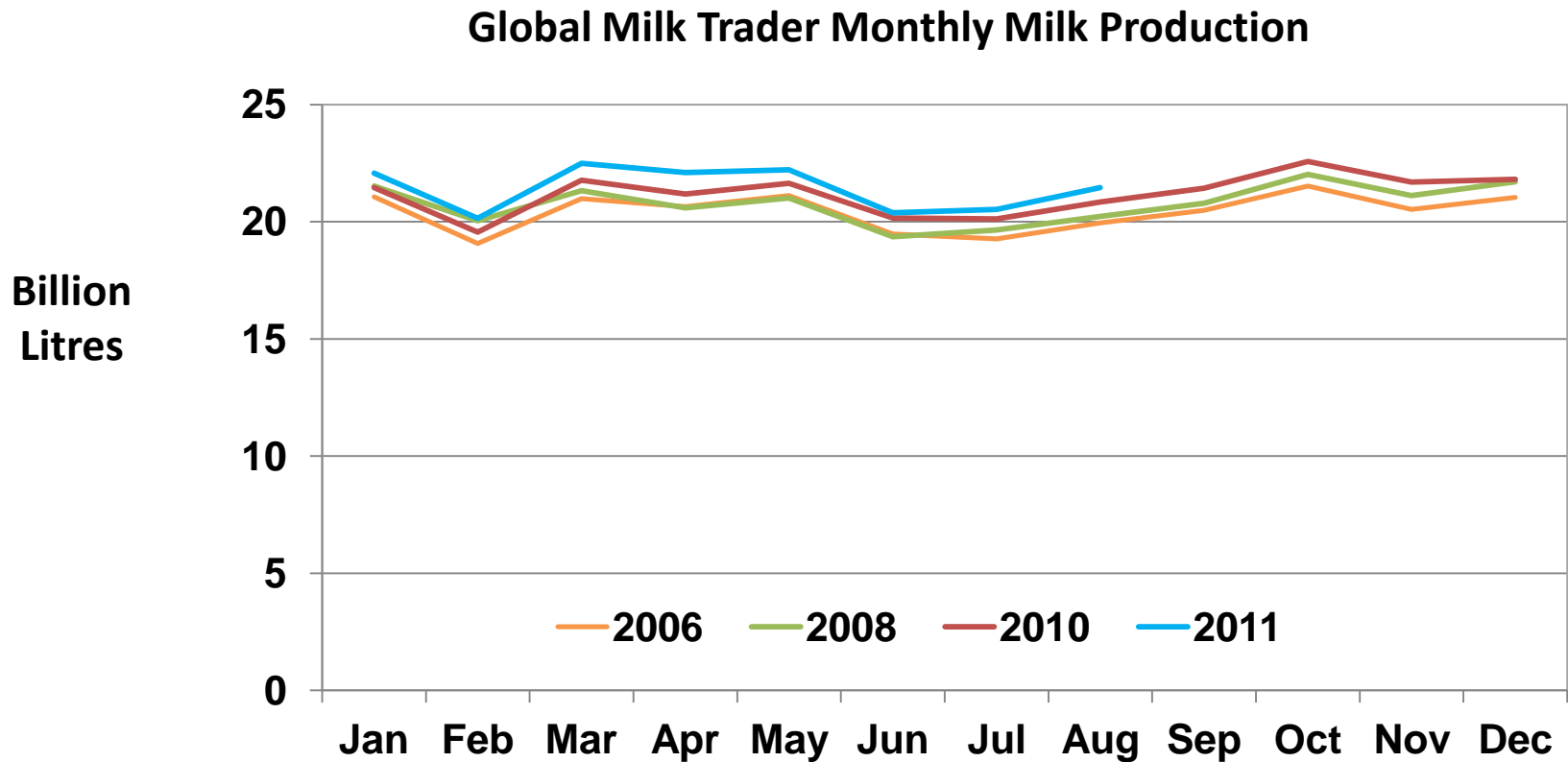


Because there is a lot of milk out there

Cow Milk Production (thousand metric tons)

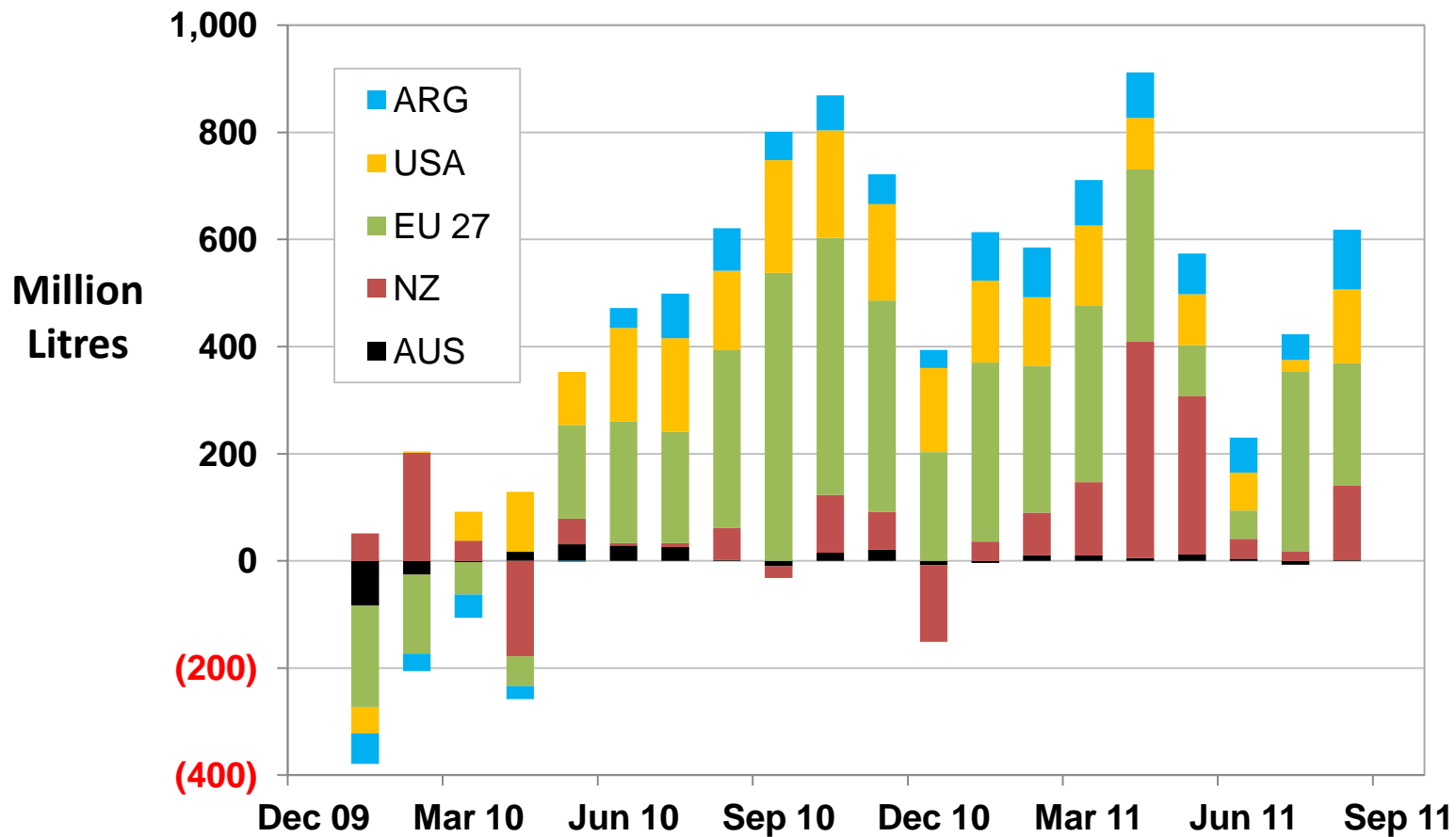


and while the volume doesn't seem to change very much .....

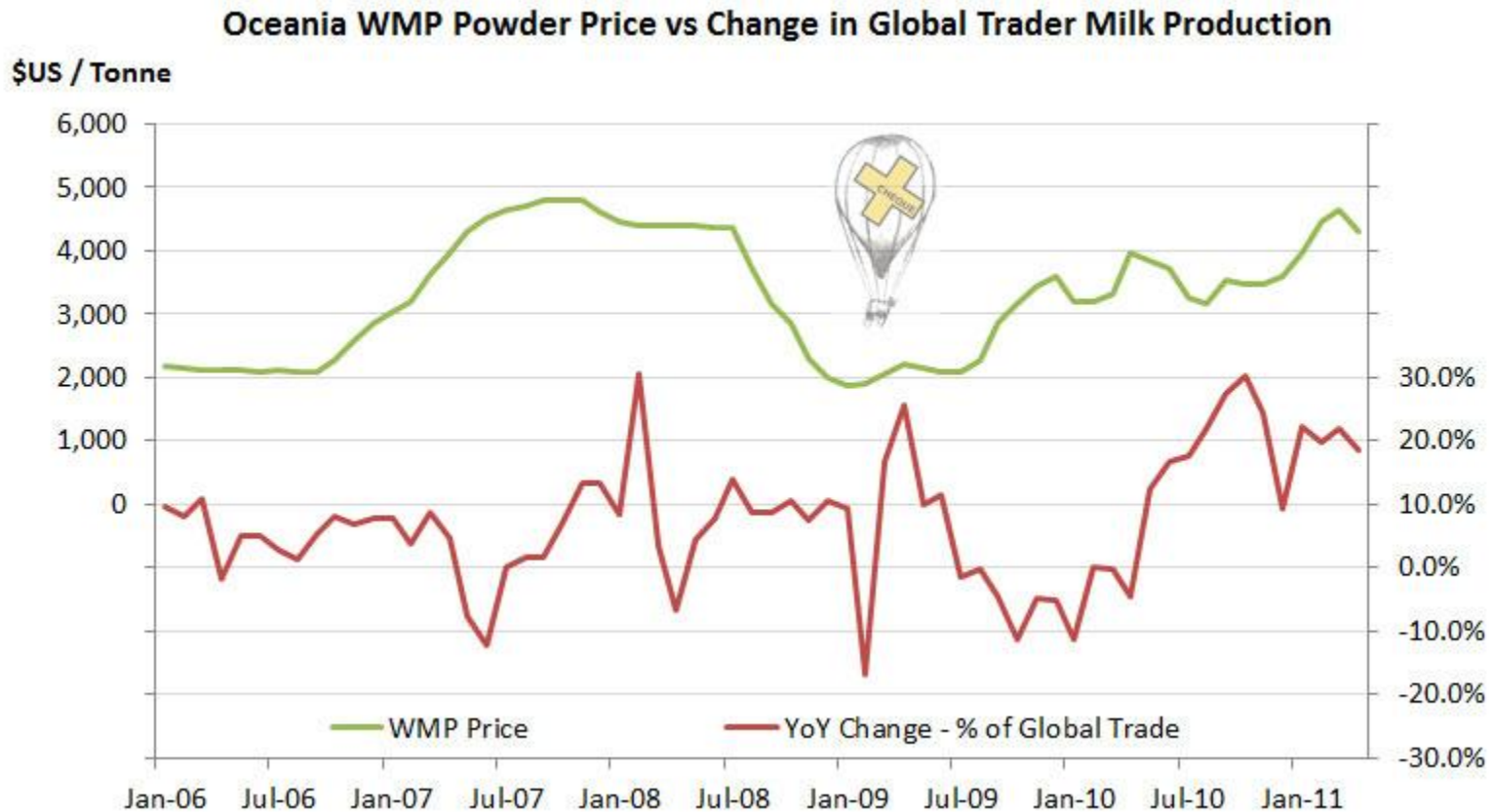


the variation is hundreds of millions of litres every month ....

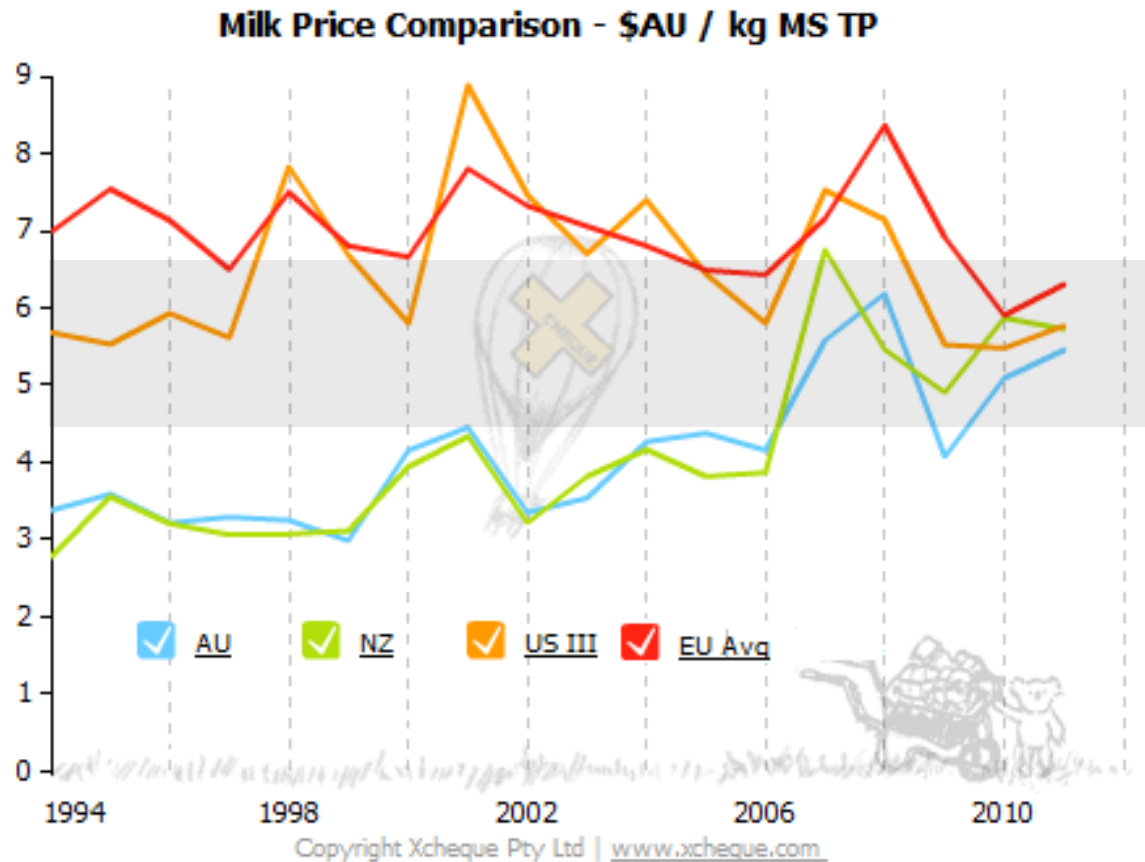
Year on Year change – Global Milk Trader Production

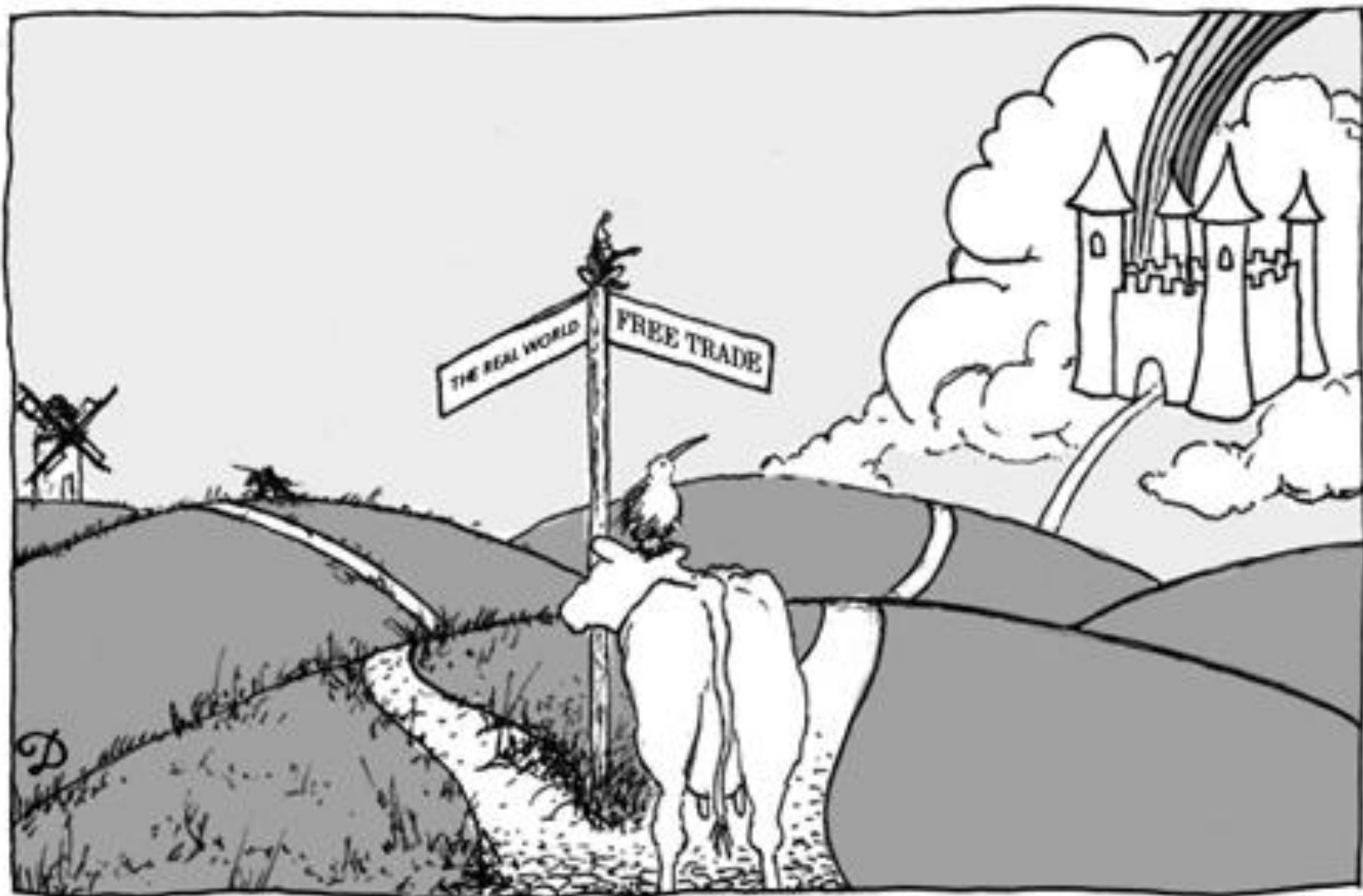


... and that is a large % of global trade volumes



So here is where Xcheque thinks the milk price trading range will be in the next 5 years





“Second star to the right and straight on ‘til morning...”

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Thank you and here are some final thoughts from the Balloon Man