USDA Foreign Agricultural Service
GAIN Report
Global Agricultural Information Network

Required Report - public distribution

Date: 10/13/2015
GAIN Report Number: AS1526

Australia

Dairy and Products Annual

2015

Approved By:
Roger Farrell, Agricultural Specialist

Prepared By:
Roger Farrell, Agricultural Specialist

Report Highlights:
Australian milk production is expected to rise slightly in 2016 to 9.8 million metric tonnes, due to higher milk yields and improved seasonal conditions. The size of the dairy herd is comparatively unchanged at 1.7 million. Farm prices for milk and other dairy products are likely to decline further in 2016 as a result of higher world production and reduced demand. Domestic consumption of dairy products in Australia is relatively mature, but is expanding in Asian markets where most exports are directed. A series of recent trade agreements between Australia and countries in this region should facilitate dairy exports.

Commodities:

Dairy, Milk, Fluid

Dairy, Cheese

Dairy, Butter

Dairy, Dry Whole Milk Powder

Dairy, Milk, Nonfat Dry

OVERVIEW

Australian milk production is expected to rise slightly in 2016 to 9.8 million metric tonnes, mainly due to higher milk yields and improved seasonal conditions. The size of the dairy herd is comparatively unchanged. Domestic consumption of dairy products in Australia is relatively mature, but is expanding in Asian markets. Lower world dairy prices could affect farmers in 2016 despite the significant depreciation of the Australian dollar over 2015. However, Dairy Australia's 2015 National Dairy Farmer Survey (NDFS) reported that three quarters of dairy farmers are feeling positive about the industry's future, a similar result in the previous year. Almost two thirds of those surveyed identified long term benefits to the industry from the Free Trade Agreements (FTA's) with Korea, Japan and China.

The dairy industry is the third largest agricultural industry in Australia and its exports account for around seven percent of world trade. One quarter of milk supply is used to produce drinking milk, while one third of output goes to cheese production. The remainder is used to manufacture skim milk powder (SMP), butter, wholemilk powder (WMP), consumer products such as yogurt and custard and ingredients including whey proteins and nutraceuticals.

Dairy processors in south eastern Australia are oriented towards the export market, while those in Queensland and northern NSW are more dependent upon the domestic market. Nearly 60 percent of manufactured product (in milk equivalent terms) is exported and the remaining 40 percent is sold domestically. Overall, around forty percent of dairy output is exported, mainly as cheese and milk powder, with China and Japan the largest markets.

The six largest dairy processors in the industry (Murray Goulburn, Fonterra, Lion, Warrnambool Cheese and Butter, Parmalat and Bega Cheese) use 90 percent of Australia's raw milk supply. There is significant international investment in the industry. Fonterra is a New Zealand-based cooperative, Parmalat is a subsidiary of French company Lactalis, Lion is a subsidiary of Japanese company Kirin, while Warrnambool Cheese and Butter is owned by Canada's Saputo.

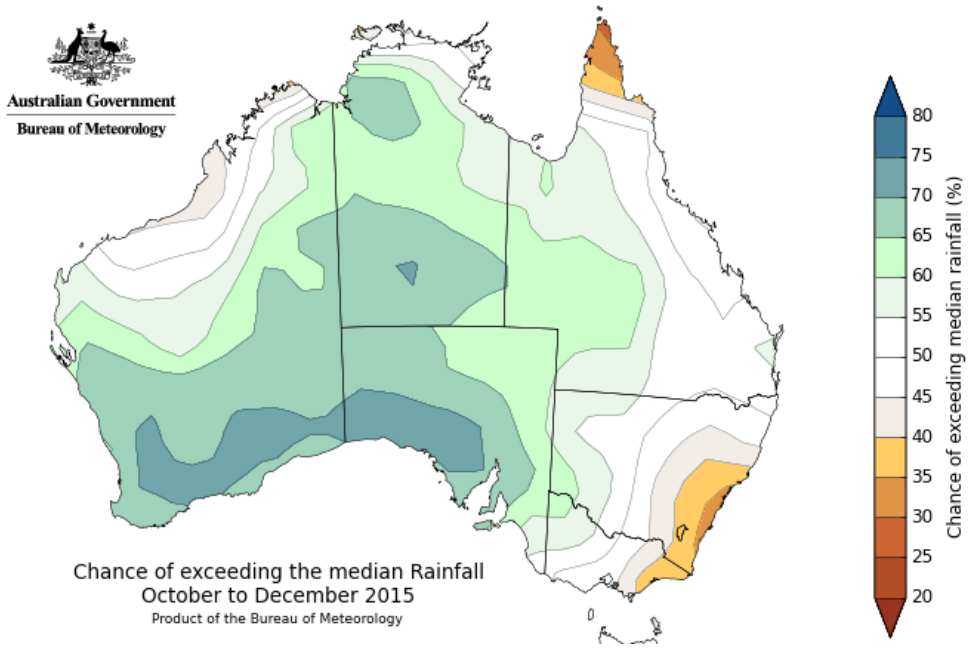
SEASONAL FACTORS

Dairy farming is mainly pasture-based and milk production is significantly affected by seasonal conditions and reliability of rainfall. After suffering through drought in previous years, the outlook for dairy farmers in 2015 and beyond appears more positive, as average rainfall with improved pastures and water storages over 2015 and into the following year. Forecasts by the Bureau of Meteorology for the three months to December suggest most regions will enjoy above average rainfall. However, in Queensland the continuation of drought has led to a fall in the number of dairy farmers in the State.

The current outlook from the Bureau of Meteorology reflects a combination of very warm sea surface temperatures in the Indian Ocean, and a mature El Nino in the Pacific. El Nino is typically associated with below average winter-spring rainfall over the eastern half of Australia. Daytime temperatures from October to December are likely to be warmer than average along southern Australia, with warmer than average overnight temperatures across most of the country.

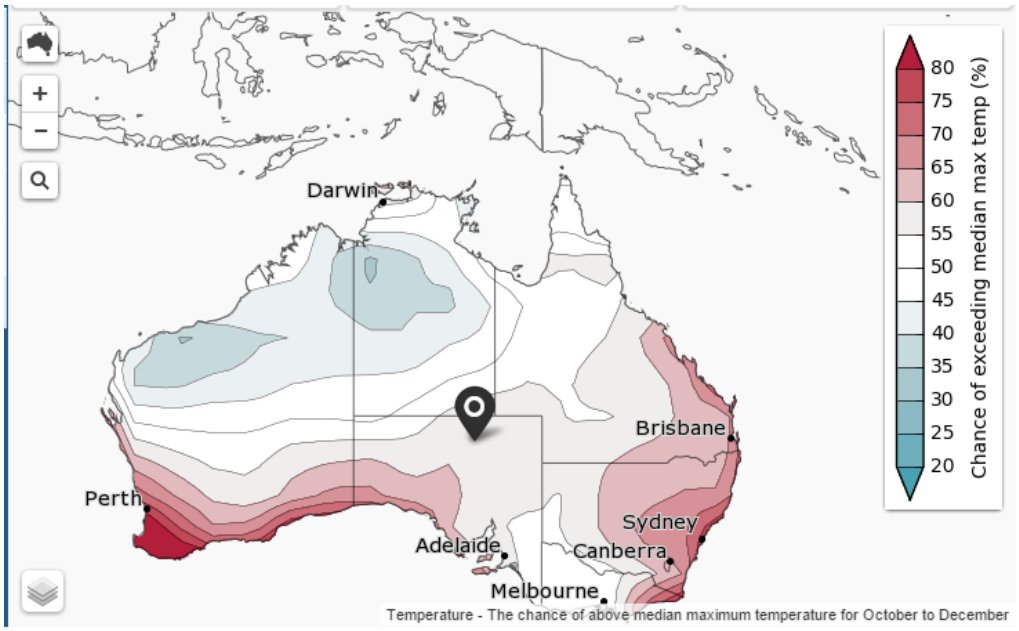
The three-month prediction (October to December) of the Bureau of Meteorology is for rainfall and temperature in most dairying regions to be about average. Chart 1 indicates the likelihood that these regions will exceed the median rainfall over this period. Chart 2 indicates the likelihood that these regions will exceed the medium temperature over this period. Overall, it appears that Australian dairy production will not be adversely affected by expected seasonal conditions, especially in the temperate areas where most milk and dairy product manufacture occurs.

Chart 1: Chance of exceeding the median rainfall, October to December 2015



Source: Australian Bureau of Meteorology

Chart 2: Chance of exceeding the median maximum temperature, October to December 2015



Source: Australian Bureau of Meteorology

FLUID MILK

Production

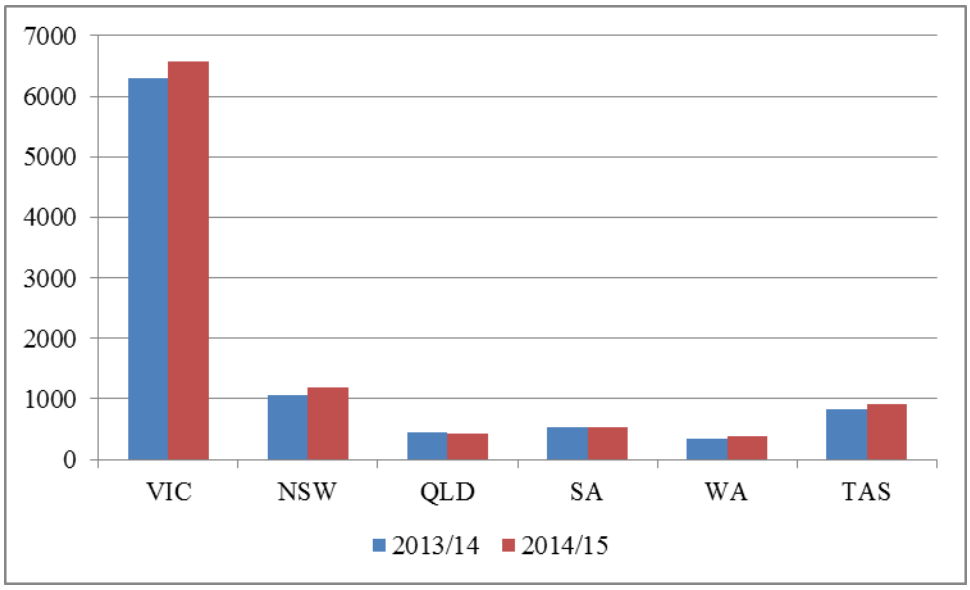
The volume of milk production in Australia is expected to be 9.8 million metric tons in 2016, up slightly from previous estimates. This increase is supported by the return of better seasonal conditions and a rise in milk yields, especially in Victoria and New South Wales. In 2016, the dairy herd size is expected to remain virtually unchanged at 1.7 million head. The farm gate price for milk is likely to average around A$0.40 a liter, down five percent, although international markets experienced a larger price decline. As the Australian domestic market consumes around 60 percent of milk production, it helped bolster the industry through a period of lower international dairy prices over 2015 and into the following year.

The dairy industry is largely located in high rainfall regions along the coast of southern and eastern mainland Australia, the south-west corner of Western Australia and Tasmania. Dairy farming is generally pasture-based but grain feed supplements are often used to increase milk yield. Victoria accounts for two thirds of milk production because of its temperate climate, good pastures and established irrigation systems. Around half of dairy product manufacturing is located in Victoria. The industry consists of a large number of small dairy farms, many of which are family owned and operated. Around ten percent of dairy farms have milking herds of over 600 cows.

Rainfall is a key input for pasture-fed dairy farms. Seasonal forecasts of the Australian Bureau of Meteorology (BOM) are for average rainfall in the three months to December, which should

support a gradual increase in milk yield per cow. The volume of milk allocated for domestic consumption and factory have been slightly adjusted to account for rising Australian exports of liquid milk and value added products such as cheese, butter and milk powder.

Chart 1: Australian milk production by State, year to June ('000 MT)



Source: Dairy Australia (2015)

Raw milk from dairy farms is processed into drinking milk or dairy products. Around ten percent of milk produced in Victoria and Tasmania is used for drinking milk, while the remainder is used for manufacturing products such as cheese, butter and yoghurt. Other States consume a significantly higher proportion of fluid milk, such as NSW where about half for further processing. Dairy farms and processors in NSW and Western Australia typically supply the domestic sector, while those in Victoria, South Australia and Tasmania are export-oriented.

As Australian milk production peaks in October, falls off until late-summer, and then slows in the cooler winter months, the continuation of more favorable seasonal conditions appears to be occurring at a favorable time for the industry. Milk production to July 2015 is around 2-3 percent larger than the previous year, according to Dairy Australia. Overall, better seasonal conditions in eastern Victoria and NSW and Tasmania, the major dairy States, have improved the production outlook in the major producing States. Western Australia and Queensland have experienced recent rainfall and are still recovering from earlier adverse seasonal conditions.

Productivity Developments

Milk production systems in Australia differ by region and according to climatic conditions, market requirements and the cost of inputs such as land, feed grains and irrigation water. The most common system is seasonal production, where cows calve during the peak period of pasture availability. This system is normally used by two-thirds of Australian dairy farms, especially in Tasmania, Victoria and South Australia. The other production system is year round production, in which calving is spread throughout the year making milk production stable over the year. This production system is used especially in areas which supply fresh milk for domestic production.

A recent ABARES survey reported that dairy farmers adopted a range of new technologies and management practices as farm size has increased and dairy production become more intensive. Improved milking shed layouts have contributed to productivity growth by reducing milking time and labor needs. Milking shed technology has moved toward automatic cup removers, automatic drafting, and automated cleaning. Some dairy farmers use unmanned aerial vehicles to provide precision maps of their soil and water resources. This can allow targeted use of inputs such as grain feed, irrigated water and fertilizers. Increased technology usually needs larger farm scale to be feasible.

Over the last decade, Australian milk yields have increased as a result of improved herd genetics, technology innovations and advances in pasture management. In the past decade to 2014, yields rose by 10 percent to reach 5,400 liters a cow. Average yield per cow is expected to reach 5,600 liters in 2015 due to better seasonal conditions, supporting the production forecast. Details of recent research projects in the Australian dairy industry are given here.

Consumption

Overall consumption of fluid milk increased from 104 liters per capita in 2010 to 107 liters in 2013 and is expected to reach 110 liters in 2015. Over time, Australian milk consumption has shifted from regular full cream milk to modified milks, such as reduced and low-fat milks although the full cream milk still accounts for almost half of domestic sales. Modified milk account for one third of the market, while; fresh flavored milk and UHT milk have a ten percent share by volume.

Overall consumption of liquid milk has increased due to a number of factors such as lower supermarket prices, a move away from sugar-based drinks on health grounds and the expansion of 'coffee culture' in Australia. Around half of Australia's milk production is consumed in the domestic market. The major supermarkets in Australia reportedly account for 80 percent of total retail sales and half of dairy product sales. In 2015, private labels of supermarkets accounted for over half of drinking milk sales.

Demand for fluid milk is shifting from regular milk to modified milk types such as reduced and low-fat milks. In addition, 'A2 drinking milk' (without A1 beta-casein protein) has increased its market share to around 8 percent in 2015. Consumers shifted to this brand because they expected it to be more easily digestible, although this has been disputed by other processors. Liquid milk products also compete with a range of milk substitutes, including almond milk, soy milk, high-fiber milk and coconut milk. There has been a small shift in consumption of these products because of

consumer concerns over allergies, fat content and due to lifestyle choices. Plastic milk bottles account for 80 percent of all milk sales in supermarkets, with the other categories being gable-top cartons (8 percent) and UHT cartons (13 percent). The two-liter plastic bottle is the most popular size, with a market share of 45 percent while one liter cartons and plastic bottles together have around one fifth of the market.

Trade

Fresh milk has been considered unsuitable for export due to its short shelf life but from 2014, a number of Australian dairy companies began to airfreight liquid milk to China, for a premium price. It is expected that around 120,000 liters of fluid milk could be exported in 2015. This development followed changes to Chinese import clearance procedures now allow export milk from farms in Australia to reach the supermarket shelf in China in eight days. The opportunity to airfreight milk to this market is a positive development for geographically stranded dairy farmers and processors which normally supply only the domestic market. Processors are also seeking to expand exports of UHT to China.

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Dairy, Milk, Fluid	2014		2015		2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Australia	USDA Official	New post	USDA Official	New post	USDA Official	New post
Cows In Milk	1,700	1,700	1,705	1,705	0	1,705
Cows Milk Production	9,700	9,700	9,800	9,800	0	9,800
Other Milk Production	0	0	0	0	0	0
Total Production	9,700	9,700	9,800	9,800	0	9,800
Other Imports	6	6	5	5	0	5
Total Imports	6	6	5	5	0	5
Total Supply	9,706	9,706	9,805	9,805	0	9,805
Other Exports	96	96	124	130	0	130
Total Exports	96	96	124	130	0	130
Fluid Use Dom. Consum.	2,600	2,600	2,670	2,650	0	2,650
Factory Use Consum.	7,010	7,010	7,011	7,025	0	7,025
Feed Use Dom. Consum.	0	0	0	0	0	0
Total Dom. Consumption	9,610	9,610	9,681	9,675	0	9,675
Total Distribution	9,706	9,706	9,805	9,805	0	9,805
1000 HEAD, 1000 MT						

Note: 'New Post' data reflect author's assessments and are not official data.

CHEESE

Production

Cheese is a major product of the Australian dairy industry. In 2016, production of cheese is forecast at 340,000 metric tonnes, up slightly due to higher milk production and growing export demand. Over 70 percent of cheese production occurs in Victoria where rainfall and temperature conditions have been moderate for grass-fed dairy production. Stocks of cheese are expected to increase pending a further expansion of exports.

Consumption

Demand for cheese in Australia is comparatively mature and sales are expected to be stable or slightly increasing in 2015. Cheese consumption has stabilized in recent years at about 13.5 kg per person, of which cheddar varieties account for 55 percent. Within this market, consumers are gradually switching to more packaged hard cheeses and away from processed cheese. Demand for lower fat cheese varieties has increased. Dairy Australia has identified five main cheese varieties: cheddar, semi-hard and stretch cheese such as mozzarella, fresh types such as goat's cheese and feta, hard-grating types including parmesan, and eye cheese and mould-ripened cheeses like blue vein and brie.

Almost half of Australian cheese sales are made by major supermarket chains, with specialty cheeses mainly sold by independent specialty stores. There has been a consistent trend towards sliced cheese in preference to block cheese for reasons of consumer convenience. Major domestic buyers of dairy products include retailers, cafes, restaurants, fast food companies and food manufacturers.

Trade

Around half of Australian cheese production is exported. Export volumes are expected to rise to 155,000 metric tonnes in 2015, encouraged by increasing demand in Asia and the weaker Australian dollar. Around 60 percent of cheese by volume is exported in bulk. Japan is the major market for Australian cheese exporters and the Japan-Australia Economic Partnership Agreement (JAEPA) will increase market opportunities. The agreement will halve the 40 percent Japanese tariff for processed cheese over ten years, while tariff reductions will occur on grated and powdered cheese. There will be a 20 percent tariff reduction on blue vein cheese with no volume restrictions and the elimination of tariffs on milk protein concentrates and lactose.

Australia's most significant dairy imports are cheese (75,000 tonnes or 25 percent of domestic cheese consumption), milk powders and butter (each about 20,000 tonnes or 20 percent). Around half of Australia's total dairy imports are from New Zealand. Imports from the European Union are typically specialty cheeses including parmesan and feta, while those from New Zealand and the United States are mainly cheddar cheese. Imports of mozzarella cheese from the United States have also been increasing for the Australian pizza industry. Demand for imported premium cheeses has declined.

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Dairy, Cheese	2014		2015		2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Australia	USDA Official	New post	USDA Official	New post	USDA Official	New post
Beginning Stocks	24	24	34	34	0	42
Production	320	320	330	330	0	340
Other Imports	80	80	82	82	0	82
Total Imports	80	80	82	82	0	82
Total Supply	424	424	446	446	0	464
Other Exports	151	151	160	160	0	160
Total Exports	151	151	160	160	0	160
Human Dom. Consumption	239	239	244	244	0	244
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	239	239	244	244	0	244
Total Use	390	390	404	404	0	404
Ending Stocks	34	34	42	42	0	60
Total Distribution	424	424	446	446	0	464
1000 MT						

Note: 'New Post' data reflect author's assessments and are not official data.

Dairy, Butter	2014		2015		2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Australia	USDA Official	New post	USDA Official	New post	USDA Official	New post
Beginning Stocks	49	49	55	66	0	76
Production	117	125	122	122	0	122
Other Imports	23	23	21	23	0	21
Total Imports	23	23	21	23	0	21
Total Supply	189	197	198	211	0	219
Other Exports	45	42	40	40	0	40
Total Exports	45	42	40	40	0	40
Domestic Consumption	89	89	95	95	0	95
Total Use	134	131	135	135	0	135
Ending Stocks	55	66	63	76	0	84
Total Distribution	189	197	198	211	0	219
1000 MT						

Note: 'New Post' data reflect author's assessments and are not official data.

BUTTER

Production

In 2016, production of butter in Australia is expected to be stable at 122,000 metric tons. While milk supplies have increased, markets for butter are constrained by mature domestic consumption and the closure of the Russian export market. As a result, stocks are forecast to increase from 2015 until export markets for Australian butter recover.

Butter is a dairy product that must contain over eighty percent milk fat, according to Food Standards Australia and New Zealand. It is typically produced jointly, with either skim milk powder or casein as co-products. Adjustment has been made for Australian AMF and butter oil production, which is included in the total. Dairy blends are spreads in which edible (plant) oils, such as canola, are added to a content of 60 percent butter to make the spread softer and easier to spread.

Consumption

Demand for butter in Australia has been gradually increasing in recent years. Annual per capita consumption of butter in Australia is around 3.9 kilograms and is forecast to approach four kilograms per capita in 2015. Consumers reportedly continue are interested in the 'naturalness' of butter, together with its superior taste and cooking functionality. Consumer preferences have also been driven by greater concerns about the healthiness of butter alternatives such as margarine. In 2014, private labels of supermarkets accounted for one third of butter sales.

The introduction of spreadable butters and vegetable oil-based dairy blends (which are easier to spread and lower in saturated fat) stabilized domestic market sales after a significant period of decline in preceding decades. The market share of dairy spreads of all table spreads has increased from 30 percent in 2000 to approach 45 percent in 2015. Sales of dairy spreads have increased faster than other major dairy categories in both volume and value terms. Dairy Australia estimates that two thirds of domestic sales of dairy spreads occur through supermarkets.

Trade

In 2016, exports of butter are expected to be stable at 40,000 tonnes. In 2014, Russia accounted for 40 percent of butter exports and the closure of this market has impacted on overall exports. Over time, the greater competitiveness of butter exports due to the lower Australian dollar is expected to increase exports. Imports of butter have been very stable since 2014, but Post expects the lower dollar to lead to a decline in imports to 21,000 tonnes in 2016.

MILK POWDER

Production

In 2016, production of whole milk powder (WMP) is expected to decline from the official forecast to be 95,000 metric tons. Declining domestic and export demand for this form of milk powder are key factors. Another influence is a build-up in stocks in major markets such as China. By contrast, production of skim milk powder (SMP) is expected to increase significantly in 2016, to 240,000 MT. Rising exports are forecast to reduce stocks in the short term as this demand is met.

Trade

Exported milk powder is used in overseas markets where fresh milk supplies are not readily available, due to either limited local production, or restricted access to cold storage facilities. In 2016, skim milk powder exports are expected to reach 150,000 tonnes, slightly above the official forecast of 145,000 tons because of greater milk supplies and export demand. Exports of whole milk powder are forecast to fall slightly from official forecasts because of a preference for skim milk powder especially for infant formula. Around three quarters of Australian milk powder is exported and the remainder sold on the domestic market. Major markets for milk powder and infant formula are China, Indonesia, Singapore and Malaysia.

Consumption

Milk powder is categorized as either of skim milk powder (SMP) or whole milk powder (WMP) depending on the fat content. Both products have a variety of uses, such as in bakery products, confectionery and milk chocolates, processed meats, ready-to-cook meals, baby foods, ice-cream, yogurt, health foods and reduced-fat milks. Industrial grade milk powder is used for animal fodder. In Australia, milk powder is mainly used as a food ingredient and to manufacture infant formula. Skim milk powder accounts for 60 percent of local production of milk powder and this share is rising. Many whole milk powder producers are switching to cheese, butter and skim milk powder for higher returns.

Whole milk powder is mainly used in food manufacturing and for infant formula for younger infants. Skim milk powder is mainly used for infant formula for infants over two years in age. In the domestic market, demand for whole milk powder has been falling compared to skim milk powder as Australians seek to reduce the fat content of milk products.

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Dairy, Dry Whole Milk Powder	2014		2015		2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Australia	USDA Official	New post	USDA Official	New post	USDA Official	New post
Beginning Stocks	10	10	19	19	0	20
Production	122	122	105	105	0	95
Other Imports	10	10	10	10	0	10
Total Imports	10	10	10	10	0	10
Total Supply	142	142	134	134	0	125
Other Exports	81	81	70	70	0	70
Total Exports	81	81	70	70	0	70
Human Dom. Consumption	42	42	44	44	0	44
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	42	42	44	44	0	44
Total Use	123	123	114	114	0	114
Ending Stocks	19	19	20	20	0	11
Total Distribution	142	142	134	134	0	125
1000 MT						

Note: 'New Post' data reflect author's assessments and are not official data.

Dairy, Milk, Nonfat Dry	2014		2015		2016	
Market Begin Year	Jan 2014		Jan 2015		Jan 2016	
Australia	USDA Official	New post	USDA Official	New post	USDA Official	New post
Beginning Stocks	96	96	57	57	0	30
Production	205	205	220	230	0	240
Other Imports	5	5	8	8	0	8
Total Imports	5	5	8	8	0	8
Total Supply	306	306	285	295	0	278
Other Exports	164	164	150	180	0	190
Total Exports	164	164	150	180	0	190
Human Dom. Consumption	85	85	85	85	0	85
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	85	85	85	85	0	85
Total Use	249	249	235	265	0	275
Ending Stocks	57	57	50	30	0	3
Total Distribution	306	306	285	295	0	278

1000 MT						

Note: 'New Post' data reflect author's assessments and are not official data.

SUPPORTING TABLES AND CHARTS:

Table 1: Structure of the Australian dairy industry, 2014 (a)

Region	Milk production (million MT)	Herd size ('000)	Farms (number)	Processors (number)	Major (b) irrigation storages
West Victoria	2,150	337	1,039	5	Waranga (43%)
Gippsland	1,980	311	1,110	6	Dartmouth (65%)
Tasmania	815	149	286	5	
Murray	2,334	307	1,088	9	Lake Victoria (28%)
Central NSW	716	100	357	5	Copeton Dam (18%)
South Queensland	562	92	469	4	Beardmore (73%)
South Australia	530	70	237	2	Lower Lakes (84%)
Western Australia	339	51	140	2	
Total	9,425	1,417	4,726	38	

Note: (a) Financial year to June 2014. (b) Water storage capacity of major dams as at August 2015.
Source: Dairy Australia, Murray Darling Basin Authority, Bureau of Meteorology and the ANZ Bank.

Table 2: Structure of the Australian dairy product manufacturing industry, 2012-13

Company	Volume of raw milk purchased (million liters)	Share (%)	Revenue (A$ million)	Number of plants (2014)
Murray Goulburn	2,990	33	2,385	8
Fonterra	1,600	17	2,500	10
Lion	1,000	11	2,536	16
Warnambool Cheese	890	10	497	2
Parmalat	850	9	1,233	9
Bega Cheese	641	7	1,010	6
Other	1,229	13	3,271	430
Total	9,200	100	13,432	481

Source: Australian Bureau of Statistics, ABARES, IBIS World and dairy processing companies.

Table 4: Australian butter exports by country, 2010-2015 (MT)

Country	2011	2012	2013	2014	2015 (a)
Russia	1,616	5,635	13,999	8,281	0 (b)
Singapore	4,902	3,865	4,866	5,930	2,700
Thailand	3,332	2,316	2,809	2,551	1,882
Hong Kong	2,540	2,197	2,696	2,512	1,110
Malaysia	3,246	2,724	2,375	3,177	1,903
Turkey	406	2,343	2,140	1,356	12
United States	754	2,269	1,949	1,175	1,639
Indonesia	1,238	1,196	1,932	677	599
Iran	2,658	4,006	1,848	0	0
China	869	1,990	1,719	1,465	1,461
Taiwan	1,345	2,014	1,605	1,530	1,282
Mexico	1,311	1,264	1,297	959	353
Other	14,342	19,246	8,816	12,513	6,953
Total	38,559	51,065	48,051	42,126	19,894

Note: Calendar years (a) First six months of 2015; (b) Russia imposed an embargo on imports of most food, including butter. Source: Global Trade Atlas.

Table 5: Australian cheese exports by country, 2010-2015 (MT)

Country	2011	2012	2013	2014	2015 (a)
Japan	49,163	49,302	43,998	33,362	16,059
China	3,930	5,113	5,610	6,508	3,810
Singapore	4,863	4,047	3,936	4,168	2,178
Malaysia	6,099	3,358	3,470	3,858	2,573
Saudi Arabia	5,880	1,880	3,821	3,240	1,165
Philippines	2,557	2,196	2,908	2,841	1,220
South Korea	3,410	4,058	3,586	2,736	1,776
Thailand	2,443	1,838	2,139	2,477	1,024
United States	559	1,623	2,268	2,391	3,209
Other	27,808	22,794	27,253	20,722	9,290
Total	106,712	96,209	98,989	82,303	42,304

Note: Calendar years (a) first six months of 2015.
Source: Global Trade Atlas.

Table 6: Australian skim milk powder (SMP) exports by country, 2010-2015 (MT

Country	2011	2012	2013	2014	2015 (a)
Indonesia	24,182	22,687	20,929	33,464	20,807
China	12,706	12,163	15,391	15,735	11,521
Singapore	17,192	20,267	13,370	14,338	8,990
Malaysia	7,792	15,860	9,716	14,975	8,736
Thailand	9,611	13,836	8,839	8,313	7,914
Kuwait	5,849	6,176	8,519	10,639	3,934
Philippines	7,914	14,287	6,793	9,721	9,000
Yemen	5,756	7,378	5,795	7,424	1,992
South Korea	7,661	6,258	5,702	5,710	3,687
Other	41,235	48,723	24,257	43,236	29,199
Total	139,898	167,635	119,311	163,555	105,780

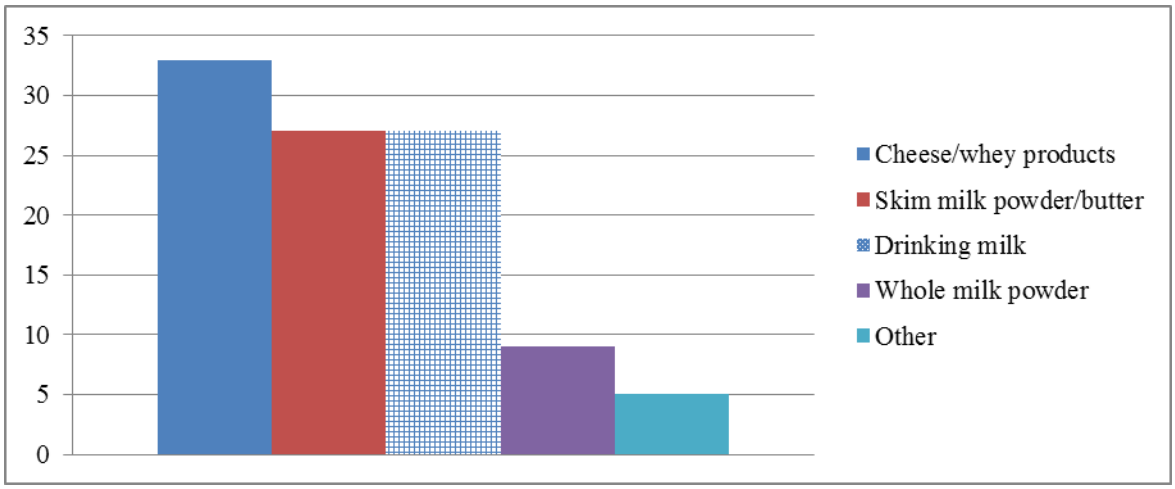
Note: Calendar years (a) first six months of 2015.
Source: Global Trade Atlas.

Table 7: Australian whole milk powder (WMP) exports by country, 2010-2015 (MT)

Country	2011	2012	2013	2014	2015 (a)
Singapore	17,458	16,096	13,959	15,244	6,398
Sri Lanka	11,905	11,045	11,807	12,882	6,904
China	6,695	7,895	23,784	13,059	2,506
Bangladesh	4,100	3,907	6,627	7,986	5,610
Malaysia	1,797	6,395	3,768	3,529	945
Indonesia	10,065	7,748	7,228	3,083	1,465
Oman	14,204	6,519	725	3,151	1,576
El Salvador	3,298	3,488	3,534	3,124	1,629
Mauritius	2,862	2,357	1,647	2,223	91
United Arab Emirates	4,113	4,500	2,311	1,515	701
Taiwan	2,700	3,207	3,422	1,810	929
Thailand	3,093	2,133	3,102	1,486	1,451
Other	33,859	33,806	14,187	11,668	6,155
Total	116,149	109,096	96,101	80,760	36,360

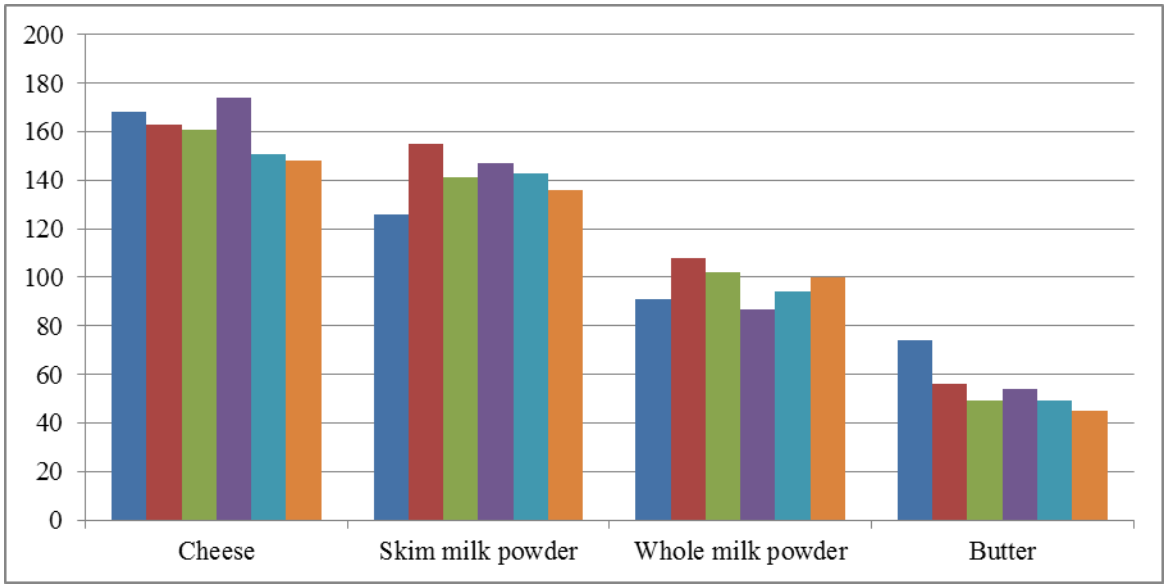
Note: Calendar years (a) first six months of 2015.
Source: Global Trade Atlas.

Chart 1: Utilization of raw milk in Australia, 2013-14 (share, %)



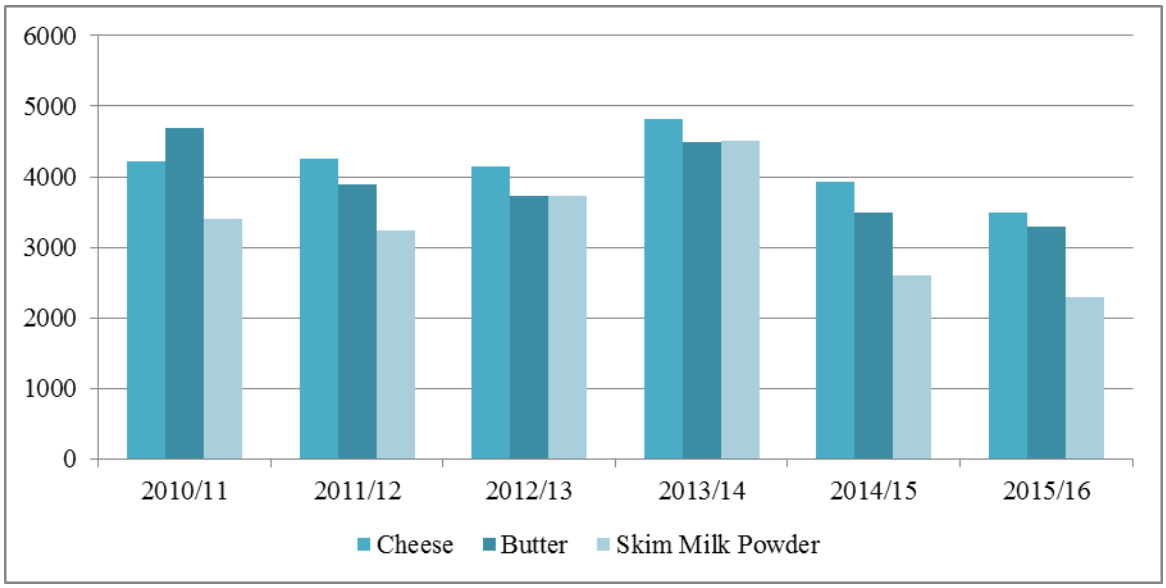
Source: Productivity Commission (2014).

Chart 2: Volume of Australian Dairy Exports, 2009-15, tonnes (a)



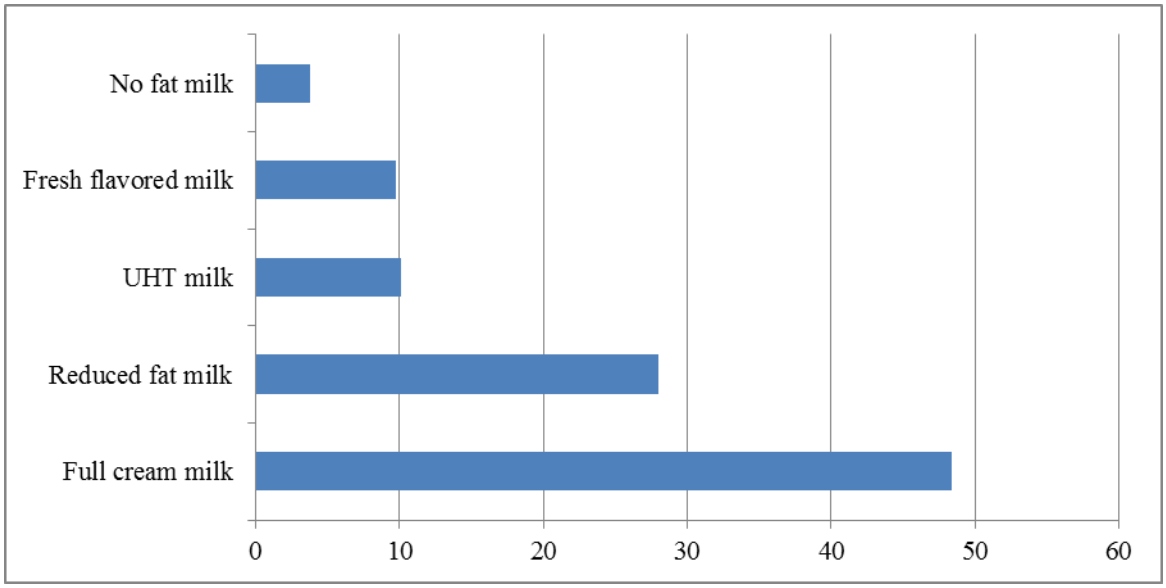
Note: (a) Financial years.
Source: ABARES (2015).

Chart 3: Trends in world prices of dairy products (US$/MT)



Source: ABARES (2015).

Chart 4: Australian milk sales by category, 2014



Source: Dairy Australia (2015).