



Market Announcement

10 November 2024

Fonterra lifts FY25 forecast Farmgate Milk Price

Fonterra Co-operative Group Ltd today raised the midpoint of the 2024/25 season forecast Farmgate Milk Price from \$9.00 per kgMS to \$9.50 per kgMS.

The Co-operative also announced a narrowing of the forecast range from \$8.25 - \$9.75 per kgMS to \$9.00 - \$10.00 per kgMS, reflecting the fact that more of the FY25 sales book has been contracted since the last forecast Farmgate Milk Price update in September.

CEO Miles Hurrell says the improved outlook has largely been driven by strong demand for reference commodity products, which has helped to push prices up in recent Global Dairy Trade auctions.

“This demand has been seen out of China, where there are indications that domestic production is below expectations, and also in Africa, the Middle East and Southeast Asia,” says Mr Hurrell.

“Looking ahead, we’ll closely monitor any factors that could have an impact on supply and demand. This would include any significant change to milk supply in New Zealand over the second part of the season which could lead to pressure on global milk prices.

“We’ll also continue to utilise our scale and flexibility when it comes to optimising our product mix, including putting more of our farmers’ milk into the higher returning products to capture the value from every drop.”

ENDS

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