

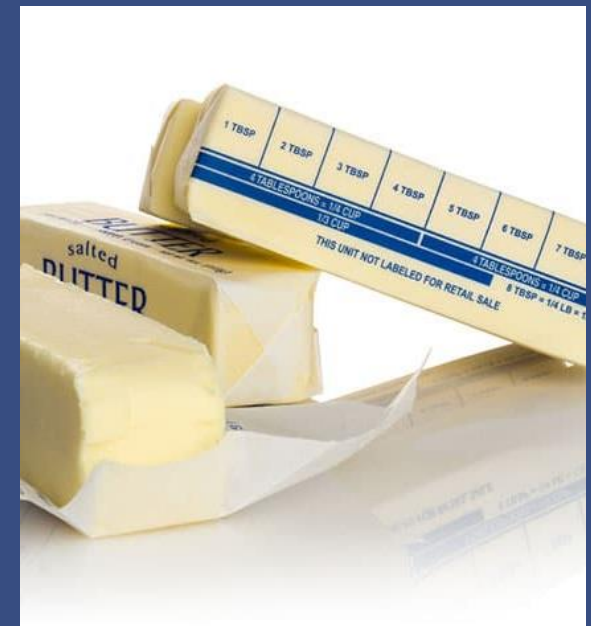
# OVERVIEW

- **National milk pool continues to grow due to improved farming conditions**
- **Increase 1-3% in 2020/2021 year to 9.0 billion litres**
- **A\$4.4 billion in farm gate revenue in 2018/2019**
- **35% of milk production exported as value added products**

(Source: Dairy Australia and PWC)

# COVID-19 IMPACT

- **COVID-19 meant Australians were staying at home more**
- **Butter sales in Australia increased by 18% in volume in 12 months to August 2020**
- **Australian retail demand for dairy increased, and sales through the food service sector decreased**
- **Australian state border restrictions**



# AUSTRALIAN TRADING RELATIONSHIPS

- The impact of COVID-19 – Northern Hemisphere vs Southern Hemisphere
- Changes in trading relationships
- Increased government scrutiny over foreign investment in Australia
- Shipping Challenges and international trade



# THE FUTURE

## STRENGTHS

- Efficient production methods
- Well positioned for strong export growth
- Regulatory controls

## OPPORTUNITIES

- Increased demand from Asia
- Attainment of greater efficiencies
- Resilient dairy demand
- Develop national and regional branding strategies

## WEAKNESSES

- Volatile climate
- Recession in domestic and export markets
- Strong Australian Dollar

## THREATS

- Uncertainty around COVID-19
- Input prices
- Protectionism in competitor markets
- Climate change
- Dairy imports