



October 2026

Global Dairy UPDATE

Our Markets



- New Zealand, Australia, EU and US monthly production increased



- New Zealand, Australia, EU and US monthly exports increased



- Asia and China monthly imports increased. Latin America and Middle East & Africa monthly imports decreased



- Fonterra's New Zealand milk collections for September were 182.4 million kgMS, 1.9% above September last season
- Season-to-date collections are 325.4 million kgMS, 2.9% above last season

Our Performance



- Fonterra lifts forecast 2026/27 Farmgate Milk Price

Our Co-op



- Fonterra announces Chief Financial Officer resignation

Key Dates



12 November 2026
Fonterra Co-operative
Group Annual Meeting

16 November 2026
Fonterra Shareholders'
Fund Annual Meeting

3 December 2026
FY27 Q1 Business Update



New Zealand, Australia, EU and US monthly production increased

To view a chart that illustrates year-on-year changes in production –

[Click here](#)

New Zealand

1.9%↑

Change for September 2026 compared to September 2025

4.3%↑

Change for the 12 months to September 2026

New Zealand milk production increased 1.9% in September compared to the same period the year prior. The increase was mainly due to favourable weather supporting pasture growth and grazing, alongside increased use of supplementary feed. New Zealand milk production for the 12 months to September increased 4.3% on the prior comparable period. See page 5 for details of Fonterra's New Zealand collections for September.

Australia

2.7%↑

Change for August 2026 compared to August 2025

2.3%↑

Change for the 12 months to August 2026

Australia milk production increased 2.7% in August compared to the same period the year prior. Production increased across all states except for South Australia, down 0.1% year on year. New South Wales and Western Australia were up 7.9% and 7.6%, respectively. Production input costs decreased compared to August last year, with lower demand from southern states due to improved pasture growth. Australia milk production for the 12 months to August increased 2.3% year on year.

European Union

1.0%↑

Change for August 2026 compared to August 2025

4.3%↑

Change for the 12 months to August 2026

EU milk production¹ increased 1.0% in August compared to the same period the year prior. The increase was mainly due to higher production in Germany and Denmark, up 4.5 million kgMS, or 2.3% and 2.2 million kgMS, or 5.7% year on year, respectively. Hot summer conditions across Europe constrained milk production increases with intense conditions impacting pasture growth. EU milk production for the 12 months to August was up 4.3% on the previous comparable period.

USA

3.4%↑

Change for September 2026 compared to September 2025

4.2%↑

Change for the 12 months to September 2026

US milk production increased 3.4% in September compared to the same period the year prior. The increase was due to herd growth, up 169,000 head and improved yields, up 0.9% year on year. South Dakota and Indiana production increased 7.9% and 7.4%, respectfully. Arizona production decreased 4.9%. US milk production for the 12 months to September increased 4.2% on the previous comparable period. The increase was mainly due to higher production in Kansas, up 18.0% on the prior comparable period.

¹ Excludes UK.



New Zealand, Australia, EU and US monthly exports increased

To view a chart that illustrates year-on-year changes in exports –

[Click here](#) ▶

New Zealand

16.8%↑

Change for September 2026 compared to September 2025

3.5%↑

Change for the 12 months to September 2026

New Zealand dairy exports increased 16.8%, or 33,832 MT, in September compared to the same period the year prior.

The increase was mainly due to higher export volumes of WMP, up 21.6% year on year, with higher exports to Algeria, Sri Lanka and Indonesia offsetting lower volumes to China.

Exports for the 12 months to September were up 3.5%, or 124,287 MT, on the prior comparable period.

The increase was mainly due to higher export volumes of WMP, partially offset by lower volumes of infant formula and fluid milk products.

Australia

1.4%↑

Change for August 2026 compared to August 2025

2.0%↓

Change for the 12 months to August 2026

Australia dairy exports increased 1.4%, or 653 MT, in August compared to the same period the year prior.

The increase was mainly due to higher export volumes of fluid milk products, up 1,913 MT, or 11.3%, year on year, partially offset by lower export volumes of WMP and SMP.

Exports for the 12 months to August were down 2.0%, or 13,894 MT, on the previous comparable period.

The decrease was mainly due to lower exports of SMP, butter, and other powders, partially offset by higher export volumes of fluid milk products.

European Union

11.8%↑

Change for August 2026 compared to August 2025

6.5%↑

Change for the 12 months to August 2026

EU dairy exports¹ increased 11.8%, or 61,283 MT, in August compared to the same period the year prior.

The increase was mainly due to higher export volumes of fluid milk products, SMP and cheese, up 15.1%, 22.3% and 10.9%, respectively.

Export volumes from Germany were up 19,269 MT, or 22.6%, year on year.

Exports for the 12 months to August were up 6.5%, or 430,270 MT, on the prior comparable period.

The increase was mainly due to higher export volumes of SMP, up 20.1%, or 146,802 MT.

USA

3.8%↑

Change for August 2026 compared to August 2025

8.9%↑

Change for the 12 months to August 2026

US dairy exports increased 3.8%, or 9,530 MT, in August compared to the same period the year prior.

The increase was mainly due to higher export volumes of whey powder, up 13,094 MT, or 38.9%, year on year.

Exports for the 12 months to August were up 8.9%, or 256,520 MT, on the previous comparable period.

The increase was mainly due to higher export volumes of cheese, up 137,610 MT, or 24.3% year on year. The increase was partially offset by lower export volumes of SMP, WPC and WPI.

¹ Excludes UK.



Asia and China monthly imports increased. Latin America and Middle East & Africa monthly imports decreased

To view a chart that illustrates year-on-year changes in imports –

[Click here](#) ▶

Latin America

1.9%↓

Change for July 2026 compared to July 2025

3.7%↓

Change for the 12 months to July 2026

Latin America dairy import volumes

decreased 1.9%, or 4,547 MT, in July compared to the same period the year prior.

The decrease was mainly due to lower import volumes of fluid milk products, whey powder and SMP, partially offset by higher imports of WMP.

Imports for the 12 months to July were down 3.7%, or 99,699 MT, on the prior comparable period.

The decrease was mainly due to lower import volumes of cheese and fluid milk products by the Dominican Republic, and lower SMP and infant formula imports by Mexico.

Asia

0.1%↑

Change for July 2026 compared to July 2025

2.5%↑

Change for the 12 months to July 2026

Asia (excluding China) dairy import volumes

increased 0.1%, or 678 MT, in July compared to the same period the year prior.

The increase was mainly due to higher import volumes of WMP by Indonesia and Malaysia, and cheese by Japan.

Imports for the 12 months to July were up 2.5%, or 140,659 MT, on the prior comparable period.

The increase was mainly due to higher import volumes by Vietnam, with imports of phosphoaminolipids, fluid milk products and WMP up 214.3%, 43.7% and 29.6%, respectively.

Middle East & Africa

26.9%↓

Change for June 2026 compared to June 2025

16.2%↓

Change for the 12 months to June 2026

Middle East and Africa dairy import volumes¹

decreased 26.9%, or 118,277 MT, in June on the prior comparable period.

The decrease was mainly due to lower import volumes of SMP, fluid milk products and cheese. Import volumes declined in Iraq, the UAE and Algeria.

Imports for the 12 months to June were down 16.2%, or 843,667 MT, on the previous comparable period.

The decrease was driven by lower import volumes of fluid milk, WMP, SMP and cheese. The UAE, Algeria and Libya drove the decrease in imports.

China

10.7%↑

Change for September 2026 compared to September 2025

3.8%↓

Change for the 12 months to September 2026

China dairy import volumes

increased 10.7%, or 21,453 MT, in September compared to the same period the year prior.

The increase was mainly due to higher import volumes of fluid milk products from New Zealand and Europe.

Imports for the 12 months to September were down 3.8%, or 111,757 MT, on the previous comparable period.

The decrease was mainly due to lower import volumes of fluid milk products, SMP, lactose and whey. Cheese, butter and casein import volumes partially offset the decrease.

¹ Estimates are included for those countries that have not reported data.

OUR MARKETS

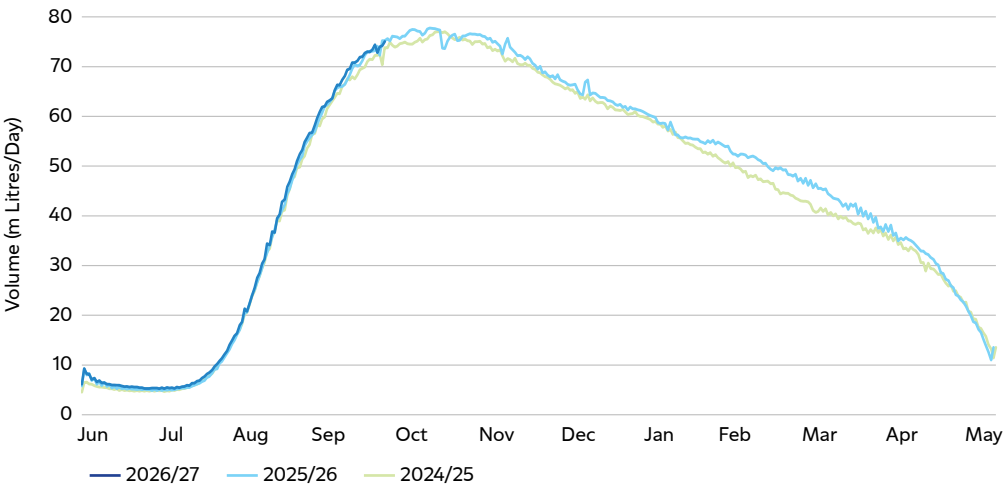
Fonterra Milk Collections



To view a table that shows detailed milk collections in New Zealand compared to the previous season –

Click here ▶

New Zealand Milk Collections



New Zealand

1.9%↑

Increase for September 2026 compared to September 2025

2.9%↑

Change for the 2026/27 season compared to previous season

Fonterra's New Zealand collections for September were 182.4 million kgMS, up 1.9% on September 2025.

The increase was mainly due to favourable seasonal conditions, a strong milk price environment and continued on-farm productivity improvements.

Season-to-date collections are 325.4 million kgMS, 2.9% above last season.

North Island

0.2%↑

Increase for September 2026 compared to September 2025

1.5%↑

Change for the 2026/27 season compared to previous season

North Island milk collections in September were 108.2 million kgMS, 0.2% higher than September last season.

Season-to-date collections are 215.3 million kgMS, 1.5% above last season.

The increase was mainly due to favourable seasonal conditions and continued productivity gains.

South Island

4.4%↑

Increase for September 2026 compared to September 2025

5.7%↑

Change for the 2026/27 season compared to previous season

South Island milk collections in September were 74.2 million kgMS, 4.4% higher than September last season.

The increase was supported by favourable spring growing conditions, including warmer temperatures and above average soil moisture. Additional milk from new farms in Canterbury also supported growth.

Season-to-date collections are 110.1 million kgMS, 5.7% above last season.

The increase was mainly due to favourable seasonal conditions, additional supply from new farms in Canterbury and continued on-farm productivity improvements.

OUR MARKETS

Fonterra Global Dairy Trade Results



Fonterra GDT results
at trading event 414
20 October 2026:

2.4%↑

Change in Fonterra's
weighted average
product price from
previous event

USD 4,035

Fonterra's weighted
average product price
(USD/MT)

39.5⁰⁰⁰ MT

Fonterra product
quantity sold on GDT

BMP

8.1%↑

USD 4,694/MT

WMP

4.3%↑

USD 3,758/MT

SMP

3.1%↑

USD 3,948/MT

BUTTER

0.4%↓

USD 4,746/MT

AMF

3.4%↓

USD 5,488/MT

CHEDDAR

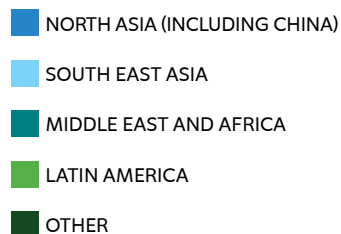
7.1%↓

USD 3,645/MT

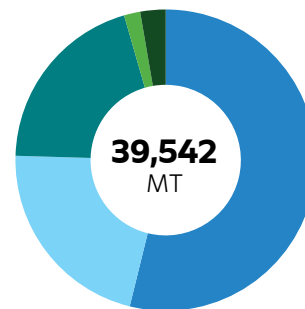
Fonterra GDT sales
by destination:

To view more
information, including
a snapshot of the rolling
year-to-date results –

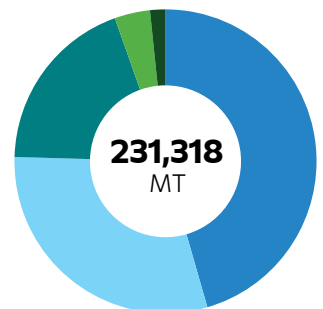
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Latest Auction



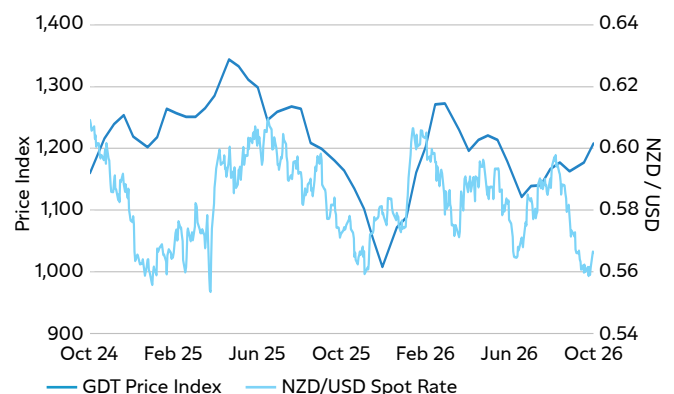
Financial Year-to-Date



▶ The next trading event will be held on 3 November 2026. Visit www.globaldairytrade.info for more information.

Dairy commodity prices and New Zealand dollar trend

The NZD/USD exchange rate has traded in a relatively narrow band of 55.5 to 57 US cents over the past month or so. The kiwi has been supported mainly by expectations of further RBNZ rate hikes, driven by hawkish central bank commentary, firmer core inflation data and a growing consensus for multiple hikes over the coming year. Offsetting this has been a stronger USD, underpinned by positioning ahead of the Fed's interest rate decision and rising Treasury yields. To a lesser extent, NZ Q3 CPI coming in slightly below estimates briefly weighed on the NZD.



Our Performance



Fonterra lifts forecast 2026/27 Farmgate Milk Price

On 30 October, Fonterra Co-operative Group Ltd increased the midpoint of the 2026/27 season forecast Farmgate Milk Price from \$9.50 per kgMS to \$9.75 per kgMS.

The Co-operative also lifted and narrowed the forecast range from \$8.50-\$10.50 per kgMS to \$9.00-\$10.50 per kgMS.

CEO Richard Allen says the updated forecast is driven largely by improving demand for Whole Milk Powder (WMP) and Skim Milk Powder (SMP).

"Over the last two events, our WMP and SMP pricing on Global

Dairy Trade has increased by about 5% and 7% respectively. This is driven by sustained demand from across Southeast Asia, Middle East, Africa and China.

"We have also had a good start to the season which sees our sales book well-contracted for this stage of the year, despite record milk collections, giving us confidence to lift and narrow the forecast range.

"There's plenty more to do, and we are continuing to monitor factors that could affect global supply and demand for dairy."

The Co-operative also increased the Organic Milk Price, with the midpoint lifting from \$14.30 per kgMS to \$15.25 per kgMS, and the range moving from \$13.30-\$15.30 per kgMS to \$14.50-\$16.00 per kgMS.

"Our teams will leverage our scale and flexibility to adapt and make sure we're capturing the most value for our farmers' milk," says Mr Allen.



Fonterra announces Chief Financial Officer resignation

On 16 October, Fonterra Co-operative Group Ltd advised that Chief Financial Officer Andrew Murray has resigned to take up a role outside Fonterra.

Andrew joined the Co-op as Commercial Director of Fonterra's Global Markets business in 2023, before becoming Fonterra's Chief Financial Officer in 2024. Since then, he has helped oversee the divestment of Mainland Group, Fonterra's enterprise resource planning

transformation, and a number of other key initiatives that position the Co-op for the future.

CEO Richard Allen says, "I would like to thank Andrew for his contribution and leadership. He has brought clarity, discipline and momentum to important changes the Co-op has undertaken. At the same time, he has strengthened our finance capability and built a highly capable team. We wish him success in his new role."

Andrew will remain with Fonterra until the end of calendar year 2026, supporting a smooth transition.

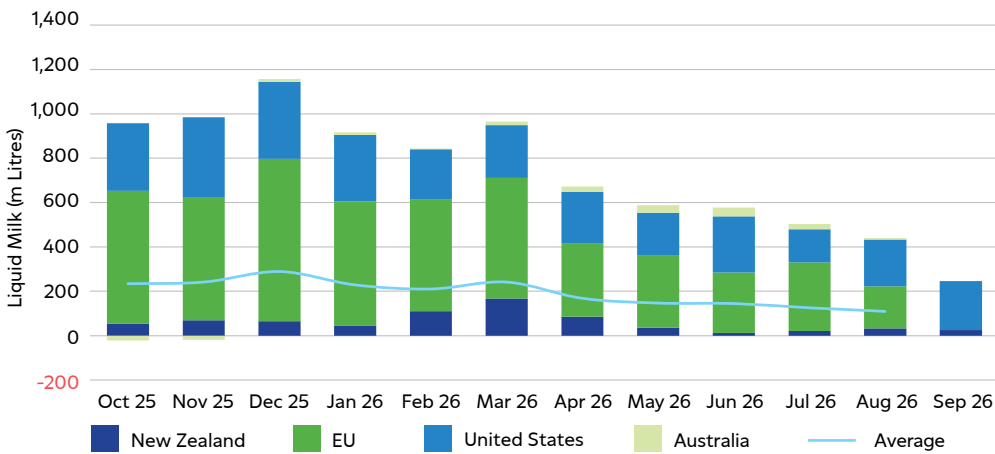
Recruitment for Fonterra's next Chief Financial Officer is underway.

Supplementary Information

Global Dairy Market

The charts on the right illustrate the year-on-year changes in imports, exports and production for a range of countries that are important players in global dairy trade.

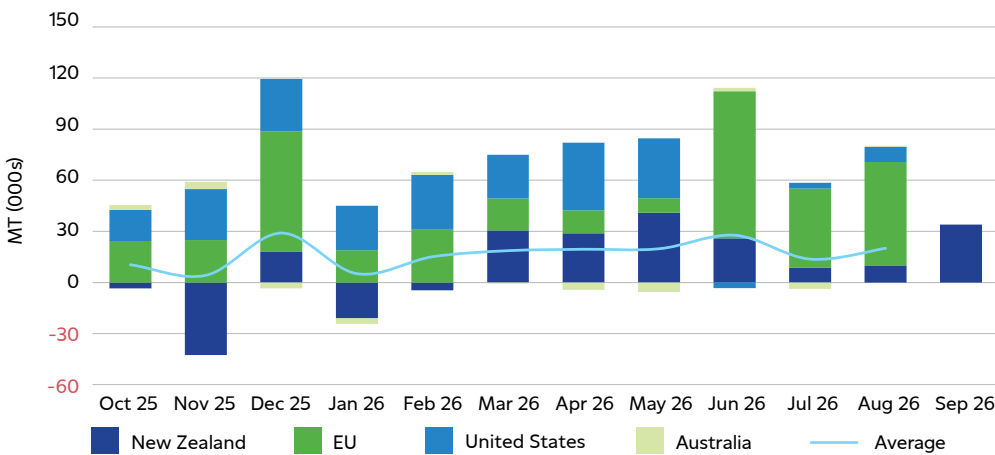
Production



NOTE: Data for EU and Australia to August; New Zealand and US to September.

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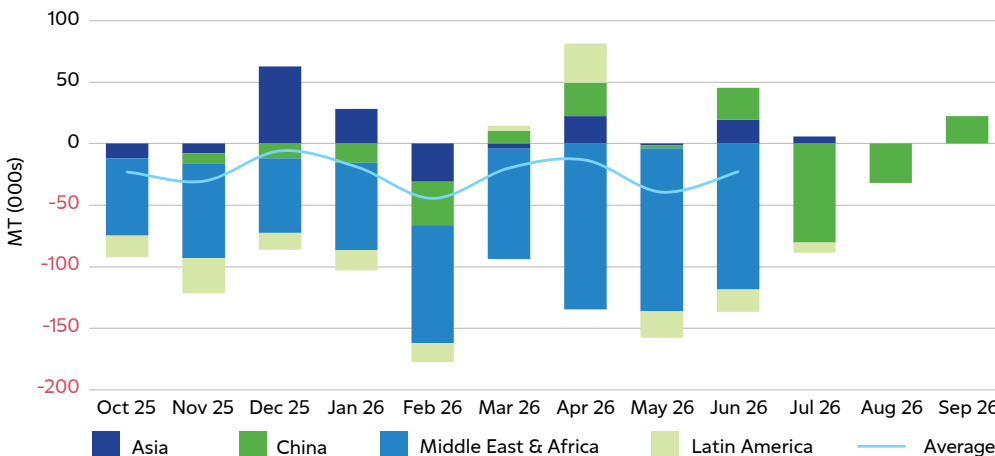
Exports



NOTE: Data for EU, US and Australia to August; New Zealand to September.

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Imports



NOTE: Data for Middle East & Africa to June; Asia, and Latin America to July; China to September.

SOURCES: Government milk production statistics (DCANZ, Dairy Australia, Eurostat, USDA)/GTA trade data/Fonterra

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Supplementary Information

Fonterra milk production

The table on the right shows Fonterra milk solids collected in New Zealand compared to the previous season.

Milk Collection ¹ (million kgMS)	September 2026	September 2025	Monthly Change	2026/27 Season	2025/26 Season	Season Change
Total Fonterra New Zealand	182.4	179.1	1.9%	325.4	316.4	2.9%
North Island	108.2	108.0	0.2%	215.3	212.2	1.5%
South Island	74.2	71.1	4.4%	110.1	104.2	5.7%

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2026/27 season Forecast Farmgate Milk Price (FGMP) update

Announcement Date	Forecast FGMP / Range (NZD)	NZD/USD Rate at Announcement Date	Forecast Average Conversion Rate for 2026/27 Season	Forecast Foreign Exchange Exposure for 2026/27 Season Hedged ² (%)	Foreign Exchange Option Cover Remaining in Hedged Amount ² (%)
30 October 2026	\$9.75 / \$9.00-\$10.50	0.5632	0.5803	79%	16%
21 September 2026	\$9.50 / \$8.50-\$10.50	0.5722	0.5839	73%	16%

As at the most recent update to the 2026/27 season forecast Farmgate Milk Price on 30 October 2026:

- Fonterra had hedged approximately 79% of the full year forecast USD cash flows related to the 2026/27 season Farmgate Milk Price.
- Of that 79%, approximately 16% was hedged with foreign exchange options which had not yet expired or been exercised.
- If the remaining 21% of the forecast USD cash flows were to be hedged at the 30 October 2026 spot rate of 0.5632, the average NZD/USD conversion rate for the 2026/27 season would be 0.5803.
- Also shown for information are the equivalent measures at the date of the previous forecast update of the 2026/27 season Farmgate Milk Price on 21 September 2026.

¹ Numbers have been rounded so may not appear to add, multiply or reflect percentage changes.

² Hedged percentages shown are as at the most recent month end prior to announcement date.

Supplementary Information

Fonterra GDT results

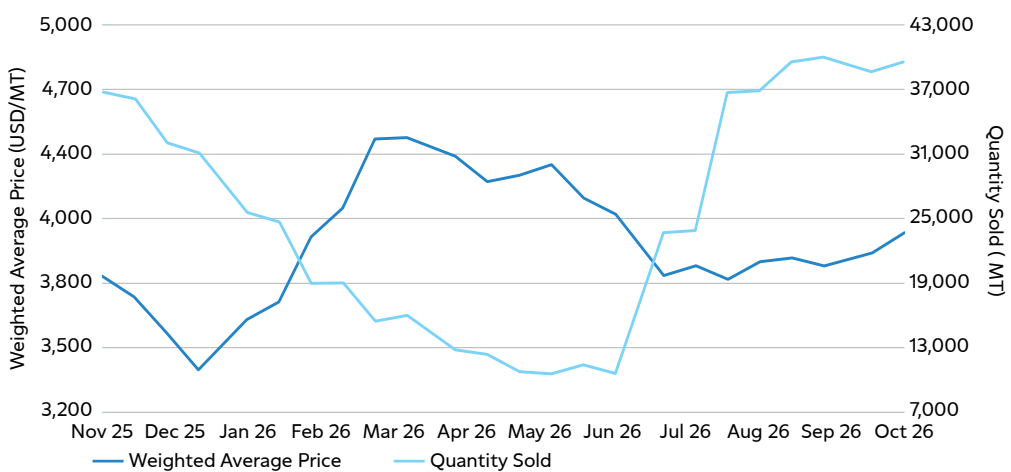
This table provides more information on the latest results, including a snapshot of the rolling year-to-date results.

	Last Trading Event (20 October 2026)	Year-to-Date (From 1 August 2026)
Quantity Sold on GDT (Winning MT)	39,542	231,318
Change in Quantity Sold on GDT over same period last year	1.6%	3.7%
Weighted Average Product Price (USD/MT)	4,035	3,916
Change in Weighted Average Product Price over same period last year	3.1%	(4.7%)
Change in Weighted Average Product Price from previous event	2.4%	-

Fonterra GDT results

This chart shows Fonterra GDT prices and volumes over the past 12 months.

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Glossary

AMF

Anhydrous Milk Fat.

BMP

Butter Milk Powder.

Cultured Products

Fermented milks that are prepared by using starter cultures and controlled fermentation including yoghurt, yoghurt drinks, sour cream, and crème fraîche.

DIRA

Dairy Industry Restructuring Act 2001 (New Zealand).

Farmgate Milk Price

The price for milk supplied in New Zealand to Fonterra by farmer shareholders.

Fluid Products

The Fonterra grouping of fluid milk products (skim milk, whole milk and cream – pasteurised or UHT processed), concentrated milk products (evaporated milk and sweetened condensed milk) and yoghurt.

GDT

Global Dairy Trade, the online provider of the twice monthly global auctions of dairy ingredients.

kgMS

Kilogram of milk solids, the measure of the amount of fat and protein in the milk supplied to Fonterra.

MPC

Milk Protein Concentrate.

Non-Reference Products

All dairy products, except for Reference Products, produced by the New Zealand Ingredients business.

Reference Products

The dairy products used in the calculation of the Farmgate Milk Price, which are currently WMP, SMP, BMP, butter and AMF.

Season

New Zealand: A period of 12 months to 31 May in each year.

Australia: A period of 12 months to 30 June in each year.

SMP

Skim Milk Powder.

WMP

Whole Milk Powder.

WPC

Whey Protein Concentrate.

WPI

Whey Protein Isolate.