

Dairy sector quickfacts

FARMS, ECONOMICS, MARKETS

NEW ZEALAND DAIRYING

FARMS AND HERDS (2018/19)



HERDS AND COWS¹

Total number of herds **11,372**

Average herd size **435**

Number of cows (milking) **4.95M**

Percentage of Holstein-Friesian/Jersey crossbreed dairy cows⁸ **49%**

(Holstein-Friesians make up 33%)

Waikato has the most dairy cows⁴
1,117,207

East Coast has the least⁴
5,884

2,890,548 North Island²

2,055,757 South Island³



Total effective hectares of dairy land⁵

1.74 MILLION

The average dairy farm is **153ha** (average stocking rate: 2.8 cows per ha)⁶

81% of all feed eaten by dairy cows is pasture, including hay and silage⁷



PRODUCTION AND ECONOMICS

\$5.95 per kgMS



– the current estimated 2019/2020 break-even costs¹⁰

\$7.00 - \$7.60 per kgMS



Fonterra's most recent forecast farmgate milk price for 2019/20¹¹



MILK COMPANIES

10 dairy companies operating in NZ⁹

21.2 BILLION litres of milk processed by NZ dairy companies¹⁴ 2018/19

EXPORT MARKETS

\$18.1

value of dairy exports for the year ending March 2019¹²

New Zealand produces **3% OF ALL MILK IN THE WORLD**¹³ 2018

CONTRIBUTION TO NEW ZEALAND'S ECONOMY

TOP 5

markets for New Zealand dairy exports are:¹⁶

CHINA
AUSTRALIA
UNITED STATES
JAPAN
MALAYSIA

DAIRY FARMING CONTRIBUTED

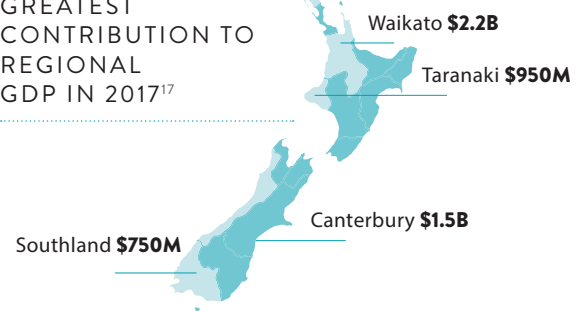
31%

of the total goods New Zealand exported in 2018. Dairy accounts for 35%¹²

8.2B

The dairy sector's contribution to NZ's total GDP (gross domestic product) to March 2017¹⁵

GREATEST CONTRIBUTION TO REGIONAL GDP IN 2017¹⁷



REFERENCES

- ¹⁻⁶ New Zealand Dairy Statistics 2018-19 (www.dairynz.co.nz/dairystats).
- ⁷ DairyNZ Economic Survey 2017-18 (www.dairynz.co.nz/economicsurvey).
- ⁸ New Zealand Dairy Statistics 2018-19(www.dairynz.co.nz/dairystats).
- ⁹ See the full Dairy Companies Association of New Zealand (DCANZ) list - <https://www.dcanz.com/about-dcanz/dcanz-members/>.
- ¹⁰ Read more on DairyNZ's Newslink site (<https://www.dairynznewslink.co.nz/business/forecast-milk-price-provides-stability-for-farmers>).
- ¹¹ Fonterra milk prices (<https://www.fonterra.com/nz/en/investors/farmgate-milk-prices.html>)
- ¹² NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).
- ¹³ Dairy market review: Overview of global dairy market developments in 2018 (<http://www.fao.org/3/ca3879en/ca3879en.pdf>)
- ¹⁴ New Zealand Dairy Statistics 2018-19 (www.dairynz.co.nz/dairystats).
- ¹⁵ NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).
- ¹⁶ Dairy Companies Association of New Zealand (DCANZ) fast facts summary based on information collected in the year to June 2018 – see homepage: Dcanz.com.
- ¹⁷ NZIER Report "How does the dairy sector share it's growth?" (www.nzier.org.nz).