
Report on Development and Investment of China's Dairy Industry (2018-2019)

- Steady growth of dairy consumption to support full revitalization of dairy industry



Beijing Orient Agribusiness Consultants Ltd

November 2018

Research Background

Relying on more than 20 years of accumulation of industry data, continuous tracking of industry changes and in-depth researches, BOABC will provide you with a valuable analysis report on the dairy industry and investment.

According to CnAgri, the growth of China's dairy industry goes through the following five features in 2018:

1.Revitalization of dairy industry and quality of dairy products continue to attract much attention from the Government.

The Government deems the dairy industry is indispensable from a healthy China and strong nation, government at various levels continue to promote growth of the dairy industry. In June 2018, the General Office of the State Council issued the "Circular on revitalization of Dairy Industry and Ensuring Quality and Safety of Dairy Products", which emphasizes on more policy support, enhancing construction of quality dairy farms, optimization of dairy processing and circulation system, strengthening supervision over dairy quality and safety and more guidance on dairy consumption. The Circular also brings forward the timetable for revitalization of the dairy industry: in 2025, there shall be full revitalization of the dairy industry, basic realization of modernization, and the level of dairy farms, product processing, dairy quality and industrial competitiveness on the whole shall enter into world advanced level.

2.Dairy cattle inventory sustains downward trend in 2018, but dairy cattle productivity grows steadily, milk production surges slightly in stability.

According to MOA monitoring on raw milk production by raw milk collection stations nationwide, raw milk production during the first three quarters of 2018 rose nearly 2% YoY. A survey found dairy cattle inventory slides further in 2018, growth of milk production is attributable to the hike of dairy cattle productivity.

It should be noted that while following the development of the dairy industry of different provinces, CnAgri discovered some key producing provinces are actively

“squeezing water” out of data of the dairy industry. For example (1) Henan Province announced its milk production during the first three quarters of 2017 was as high as 2.12 million tons. Recently the province unveiled the “milk production during the first three quarters of 2018 was 880,000 tons, up 3.5% YoY”. (2) Earlier Hebei announced its milk production during the first three quarters of 2017 was 3.49 million tons. However the province made it clear recently that its “milk production during the first three quarters of 2018 was 2.93 million tons, up 1% YoY”. To know clearly the possessions is conducive for government and companies to make decisions.

3.Raw milk price bounced after hitting the bottom in Q3 2018, there is improvement of dairy farming profit, but not sufficient enough to mobilize farmers to increase dairy cattle inventory.

Raw milk price in New Zealand, the US and the EU in 2018 is all lower than in 2017. Price for WMP and skim powder at international market is flat. Owing to impact from the international market and domestic demand and supply, raw milk price continued to slip from January to July in 2018, it fell to the five-year low in July. After that milk price has been climbing thanks to domestic demand, reduction of milk production due to heat stress and rising raw milk cost due to the Sino-US Trade War. After entering into Q4, the price hit the highest level as compared with the same period in previous years since 2015.

CnAgri learned from surveys that although dairy farming profit improved, yet farms are still cautious in enlarging dairy cattle quantity. Tight supply of raw milk shall persist during the first half of 2019, it is unlikely to see a tumbling price.

4.Dairy consumption in 2018 sustains the positive momentum from 2017, dairy market grows steadily.

AC Nielsen retail research data indicates the domestic segmented dairy markets grew rapidly during the first half year. Of which at the retailing shops, the retail sales of milk powder was up 15% Yoy, low-temperature pure milk up 16% YoY and UHT yogurt up 19% YoY. Syntun data reveals that at online retailing channel, the retail

sales of dairy products during the first half year was up nearly 40% YoY. Innovative products and innovative marketing methods are still primary strategies for a dairy company to raise dairy consumption and to attract consumers.

The growth of the consumption of liquid dairy products and infant formula in 2018 are strong. Cheese consumption is fostered by both foreign and Chinese companies. Gross dairy consumption is foreseen to hit a single-digit growth at the high end, and sales to realize two-digit growth.

5. Market share of national and regional leading dairy companies rises further thanks to their strong capabilities in fund, brand, innovation, channel and size advantage, and they grow steadily. Weak companies see worsening of operation and deficit.

“Report on Development and Investment of China's Dairy Industry (2018-2019)” has in-depth analysis of the environment of China's dairy industry, current status of the industry, supply, demand and trade, industrial competition pattern and key enterprises. It also makes forward-looking judgment on key issues such as the industrial prospect, trend of supply and demand and competition situation.

All data in this Report is from CnAgri Agricultural Database, which is based on data sourced from the National Statistics Bureau, China Customs, industrial associations, listed companies, professional market research institutions, FAO, the World Bank and USDA, in conjunction with industrial surveys done by CnAgri.

“Report on Growth and Investment of China's Dairy Industry (2018-2019)” by BOABC will help you:

- (1) access key data sets for industrial growth
- (2) understand key factors impacting industrial growth
- (3) keep abreast of the status of supply-demand and future trends
- (4) keep abreast of status of growth of key enterprises
- (5) keep abreast the situations of industrial competitions
- (6) have accurate prediction of the overall trend of industrial growth

Contents

Chapter 1 Overview of Global Dairy Industry in 2018 & Outlook in 2019

- 1.1 Production and Sales of Raw Milk in the World
 - 1.1.1 Raw Milk Production
 - 1.1.2 Global Raw Milk Price Trend
- 1.2 Global Dairy Production, Consumption and Trade
 - 1.2.1 Cheese Production, Consumption and Trade
 - 1.2.2 Butter Production, Consumption and Trade
 - 1.2.3 WMP Production, Consumption and Trade
 - 1.2.4 SMP Production, Consumption and Trade
- 1.3 Global Dairy Price in 2018
- 1.4 Outlook of Global Dairy Industry in 2019

Chapter 2 Key Dairy Exporters to China

- 2.1 Overview of New Zealand Dairy Industry
 - 2.1.1 Raw Milk Production and Sales
 - 2.1.2 Dairy Production, Consumption and Trade
 - 2.1.3 Dairy Export to China
- 2.2 Overview of Australia Dairy Industry
- 2.3 Overview of USA Dairy Industry
- 2.4 Overview of Germany Dairy Industry
- 2.5 Overview of France Dairy Industry

Chapter 3 Dairy Policy in China

- 3.1 Promotion of revitalization of the dairy industry: the General Office of the State Council issued the “Circular on revitalization of Dairy Industry and Ensuring Quality and Safety of Dairy Products”
- 3.2 Optimization of dairy standards: promulgation and amendment of national food safety standards including Raw Milk, Pasteurized Milk, UHT Milk, Identification of Recombined Milk and Infant Formula Foods
- 3.3 Strict supervision over infant formula: promotion of formula registration administration; expansion of experiment on construction of infant formula traceability system.
- 3.4 Encouragement to international cooperation: establishment of “One Belt One Road”

Dairy Union.

Chapter 4 Dairy Farming in China

- 4.1 Overview of Dairy Farming in China in 2018
- 4.2 Raw Milk Production in China
- 4.3 Raw Milk Price and Profit in China
- 4.4 Dairy Farming Models and Size in China
- 4.5 Outlook of Dairy Farming in 2019

Chapter 5 Dairy Production & Dairy Processing Industry

- 5.1 Overview of Dairy Production in China in 2018
- 5.2 Features of Dairy Production
- 5.3 Overview of China Dairy Processing Industry in 2018
- 5.4 Features of China's Dairy Processing Industry

Chapter 6 Dairy Consumption in China

- 6.1 Overview of Dairy Consumption
- 6.2 Consumption of Pasteurized Milk
(Market scale, consumption features, main influence factors and consumption trend)
- 6.3 Consumption of UHT Milk
- 6.4 Consumption of Milk Beverage
- 6.5 Consumption of Yoghurt
- 6.6 Consumption of Infant Formula
- 6.7 Consumption of Cheese

Chapter 7 Dairy Trade

- 7.1 Overview of Dairy Trade
- 7.2 Import of Liquid Milk (Import quantity, value and price; origins)
- 7.3 Import of SMP
- 7.4 Import of WMP
- 7.5 Import of Yoghurt
- 7.6 Import of Whey
- 7.7 Import of Butter
- 7.8 Import of Cheese
- 7.9 Import of Infant Formula
- 7.10 Dairy Export
- 7.11 Outlook of Dairy Trade in 2019

Chapter 8 Competition of China's Dairy Market

- 8.1 Competition Environment
- 8.2 Patter of Dairy Market Competition in China
- 8.3 Key Factors for Success

Chapter 9 Key Dairy Companies in China

- 9.1 Inner Mongolia Yili Industrial Group Co., Ltd
- 9.2 China Mengniu Dairy Company Limited
- 9.3 Bright Dairy & Food Co.,Ltd
- 9.4 Beijing Sanyuan Foods Co.,Ltd
- 9.5 Lanzhou Zhuangyuan Pasture Co., Ltd
- 9.6 Xinjiang Tianrun Dairy Co., Ltd
- 9.7 Xinjiang Western Animal Husbandry Co., Ltd
- 9.8 Maiquer Group Co., Ltd
- 9.9 Guangdong Yantang Dairy Co., Ltd
- 9.10 Royal Group Co., Ltd
- 9.11 Shanghai Ground Food Tech Co., Ltd
- 9.12 Henan Kedi Dairy Co., Ltd
- 9.13 Shijiazhuang Junlebao Dairy Co., Ltd
- 9.14 New Hope Dairy Co., Ltd
- 9.15 Sichuan Jule Food Co., Ltd
- 9.16 Nanjing Weigang Dairy Co., Ltd
- 9.17 Heilongjiang Wondersun Dairy Co., Ltd
- 9.18 Heilongjiang Feihe Dairy Co., Ltd
- 9.19 Beingmate Baby&Child Food Co.,Ltd
- 9.20 Ausnutria Dairy Corporation Ltd
- 9.21 Health and Happiness (H&H) International Holdings Limited
- 9.22 Yashili International Holdings Ltd
- 9.23 China Modern Dairy Holdings Ltd
- 9.24 China Shengmu Organic Milk Limited
- 9.25 Inner Mongolia Saikexing Reproductive Biotechnology(Group) Co., Ltd
- 9.26 Yuanshengtai Dairy Farm Limited
- 9.27 Zhong Ding United Dairy Farming Co., Ltd

9.28 China ZhongDi Dairy Holdings Company Limited

9.29 Ningxia Shangling Animal Husbandry Co., Ltd

9.30 Ningxia Jun Hua Crescent Lake Agricultural Technology Co., Ltd

Chapter 10 Investments in China's Dairy Industry

10.1 Key Investment Project in 2018

10.2 Features of Investments

(investors, regions, fields and size)

10.3 Investment Opportunities and Risks

(investment potential, field choices, good assets and possible investment risks)

Charts

Global Raw Milk Price

Global Butter Price

Global Cheddar Price

Global WMP Price

Global SMP Price

Dairy Cattle Inventory and Milk Production in New Zealand

Raw Milk Price in New Zealand

Dairy Cattle Inventory and Milk Production in Australia

Raw Milk Price in Australia

Dairy Cattle Inventory and Milk Production in USA

Raw Milk Price in USA

Dairy Cattle Inventory and Milk Production in Germany

Raw Milk Price in Germany

Dairy Cattle Inventory and Milk Production in France

Raw Milk Price in France

Global Cheese Production Consumption and Trade

Global Butter Production Consumption and Trade

Global WMP Production Consumption and Trade

Global SMP Production Consumption and Trade

Dairy Production and Export of New Zealand

Dairy Export from New Zealand to China

Dairy Production of Australia

Dairy Consumption of Australia
Dairy Export of Australia
Dairy Export from Australia to China
Dairy Production of USA
Dairy Consumption of USA
Dairy Export of USA
Dairy Export from USA to China
Dairy Production of Germany
Dairy Export of Germany
Dairy Import of Germany
Dairy Export from Germany to China
Dairy Production of France
Dairy Export of France
Dairy Export from France to China
Monthly Index of Milk Production of Raw Milk Collection Stations
Dairy Cattle Inventory and Milk Production in China
Average Cow Productivity
Average Monthly Raw Milk Price in the Main Farming Regions
Monthly Raw Milk Price in Some Main Farming Regions
Production Revenue and Asset of China Dairy Processing Industry
Total Profit and Sales Margin of China Dairy Processing Industry
China Dairy Production
Production of Liquid Dairy Products in China
China Milk Powder Production
Monthly Dairy Production
Dairy Import Structure by Variety
Dairy Import Quantity and Value
Average Import Price
Liquid Milk Import Quantity and Value
Average Import Price for Liquid Milk
Import Origins of Liquid Milk
SMP Import Quantity and Value
Average Import Price for SMP

Import Origins of SMP
WMP Import Quantity and Value
Average Import Price for WMP
Import Origins of WMP
Yoghurt Import Quantity and Value
Average Import Price for Yoghurt
Import Origins of Yoghurt
Whey Import Quantity and Value
Average Import Price for Whey
Import Origins of Whey
Butter Import Quantity and Value
Average Import Price for Butter
Import Origins of Butter
Cheese Import Quantity and Value
Average Import Price for Cheese
Import Origins of Cheese
Dairy Export
China Dairy Consumption
Structure of China Dairy Consumption
Consumption of Pasteurized Milk China
Consumption of UHT Milk China
Consumption of Milk Beverage China
Consumption of Yoghurt China
Consumption of Infant Formula China
Consumption of Cheese China
Asset and Assetliability Ratio of Dairy Companies
Revenue and Net Profit of Dairy Companies
Gross Margin and Net Profit Margin of Dairy Companies
Raw Milk Production of Some Countries/regions
Economic indicators of Dairy Processing industry
Trend of the Scale of Dairy Processing industry
Growth of Production Revenue and Asset
Size of Dairy Production by Region

Rank of Dairy Production Growth
Dairy Production and Growth by Region
Dairy Production and Share by Region
Liquid Dairy Products Production and Share by Region
Powder Production and Share by Region
Dairy Import by Variety
Import Quantity Value and Price of Liquid Milk to China
Import Quantity Value and Price of Single Cream
Import Quantity Value and Price of SMP to China
Import Quantity Value and Price of WMP to China
Import Quantity Value and Price of Yoghurt to China
Import Quantity Value and Price of Whey to China
Import Quantity Value and Price of Butter to China
Import Quantity Value and Price of Cheese to China
Import Origins off Infant Formula
Dairy Export by Variety
Liquid Milk Export by Destination
SMP Export by Destination
WMP Export by Destination
Infant Formula Export Quantity and Value
Infant Formula Export by Destination

大略农业
CNagri.com