

S&P Dow Jones Indices

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PRESS RELEASE

S&P Dow Jones Indices Launches Market's First Skim Milk Powder Index

WELLINGTON, OCTOBER 22, 2019: S&P Dow Jones Indices ("S&P DJI"), the world's leading index provider, announced today the launch of the [S&P GSCI Skim Milk Powder](#), the latest in a series of single commodity indices based on the [S&P GSCI](#). The S&P GSCI Skim Milk Powder is the first of its kind in the commodities market and designed to provide investors with a reliable and publicly available performance benchmark for the Skim Milk Powder industry.

"The global dairy commodity markets have been largely untapped and inaccessible to investors until recently. Our goal is to develop a series of transparent and innovative indices that help investors track the performance of this unique asset class across different geographies," said **Fiona Boal, Head of Commodities and Real Assets at S&P Dow Jones Indices**.

S&P DJI collaborated with New Zealand's Exchange (NZX) to create the S&P GSCI Skim Milk Powder based on NZX Skim Milk Powder futures contracts. The index is the first Oceania-based single commodity index added to the S&P GSCI family.

Nick Morris, Head of Derivatives at NZX said, "With trading volumes in NZX dairy derivatives continuing to expand, we are pleased to see the development of index and data products that support the future growth in liquidity of our global dairy contracts. Skim Milk Powder is the most traded physical dairy export product in the world, and the S&P GSCI Skim Milk Powder will provide the market with an index price referenced to NZX Skim Milk Powder futures, which are the benchmark futures product for global exports of Skim Milk Powder."

New Zealand is the world's largest exporter of dairy products and the third largest Skim Milk Powder exporter after the European Union and United States. The country's dairy sector continues to expand. In 2016 alone, the sector contributed NZD 7.8 billion (3.5%) to its total GDP, representing the largest export industry in the country, according to the New Zealand Institute of Economic Research (NZIER).

"There is growing global demand for benchmarks and financial tools that measure the risks and returns of the dairy market as milk consumption is expected to increase worldwide. The S&P GSCI Skim Milk Powder helps facilitate exposure to a unique asset that is uncorrelated to major commodities such as gold while maintaining a link to the New Zealand dollar and equity market," Boal added.

The S&P GSCI Skim Milk Powder joins two additional S&P GSCI dairy commodity indices launched earlier in the year with the CME Group based on CME futures contracts by the same name including the [S&P GSCI Nonfat Dry Milk Index](#) and the [S&P GSCI Class III Milk Index](#).

For more information, please visit www.spdji.com.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

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