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Synlait increases forecast milk price to \$9.25/kgMS for 2021 / 2022 season

Synlait Milk Limited (Synlait) has increased its forecast base milk price for the 2021 / 2022 season to \$9.25/kgMS from \$8.00/kgMS.

Synlait CEO Grant Watson commented: "Dairy commodity prices have strengthened significantly as strong global demand has outrun restricted supply. As seen in most commodities, COVID-19 is having a significant impact as illness and lockdowns impact production and supply chains. This has been amplified by rising production costs driven by strong inflation and ongoing pressure on our industry to decarbonise. The New Zealand milk price is also benefiting from a weakening New Zealand dollar against the US dollar."

"As a result of this ongoing demand Synlait believe dairy commodity prices could remain high for some time as these dynamics will take time to unwind, supporting the record milk price forecast released today."

Forecasts are based on the best information available to Synlait at the time.

Synlait will continue to monitor movements and keep its farmer suppliers updated.

Synlait's next milk price announcement will occur in May 2022.

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