

**INTERNATIONAL DAIRY MARKET NEWS - EUROPE**

Information gathered February 17 - 28, 2025

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

**EUROPE OVERVIEW**

West Europe: The UK-based Agriculture and Horticulture Development Board (AHDB) released data showing daily milk deliveries for the week ending February 15 averaged at 33.89 million liters, up 0.1 percent from the week prior but up 1.6 percent from the same week last year. Milk deliveries in England, Scotland, and Wales totaled 1.048 billion liters in January, up 2.2% from January 2024.

Ireland's Central Statistics Office released the January 2025 Wholesale Price Index. Producer prices for food products increased 7.6 percent from January 2024. Producer prices for dairy products increased 18.6 percent from January 2024.

Ireland's Central Statistics Office released the January 2025 Consumer Price Index, which rose by 1.9 percent overall from January 2024. The national average price of full fat milk per 2 liters was up 18 cents from January 2024. The national average price of butter per pound rose by 55 cents from January 2024. The national average price of Irish cheddar per kilogram increased by 35 cents from January 2024.

A large European dairy cooperative recently announced its March guaranteed milk price is 53.75 euros per 100 kg of conventional milk. This price decrease is attributed to global market developments.

East Europe: The European Commission Combined Drought Indicator lists warning and watch drought conditions in pockets of East Europe due to precipitation deficits. Temperatures in early February were above seasonal averages for East Europe.

**BUTTER/BUTTEROIL**

The West Europe butter price range moved lower this week. Contacts share cream prices continue to inch lower as milk production increases seasonally. Butter demand is noted to be strong. Demand for bulk butter has increased as prices have fallen, and production has grown. Contacts also share lower retail prices have sparked increased consumer interest. The West Europe butteroil price range was unchanged at the bottom of the range while the top moved higher. Contacts share butteroil availability has tightened in recent weeks.

Western Europe 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT 7,225 - 7,850

Western Europe 99% Butterfat, Free on Board - Port Butteroil  
Price Range - Butteroil \$/MT 9,375 - 9,550

**SKIM MILK POWDER**

The West Europe skim milk powder (SMP) price range moved higher this week. Contacts share SMP demand is trending stronger. As SMP manufacturing picks up, contacts note strong spot demand and stronger interests in longer term contracts. Contacts share European prices remain competitive on a global scale and a weak euro has sparked export interests.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 2,525 - 2,925

**WHEY**

The West Europe dry whey price range was unchanged this week. Contacts share strong demand for food grade whey and note export demand remains strong. Some contacts note weak demand for edible whey from the livestock feed sector. Dry whey production continues to be tempered by whey protein concentrate processing.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/MT: 900 - 1,250

**WHOLE MILK POWDER**

The West Europe whole milk powder (WMP) price range moved slightly higher this week. Contacts share demand for WMP remains stable. Inventories are available for immediate needs. Spot demand is steady, and contacts note Q2 interests are picking up. Contacts note export demand has slipped somewhat from recent weeks.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 4,475 - 4,675

**Secondary Sourced Information:**

According to CLAL data made available to USDA, January-December 2024 butter and other fats exports from the EU27 totaled 279,000 MT, down 3.5 percent compared to the same period last year. Top export destinations for the period of January-December 2024, quantity, and percent change from last year are United States, 65,537 MT, +39.6 percent; United Kingdom, 56,101 MT, +4.1 percent; and China, 18,377 MT, +17.1 percent.

According to CLAL data made available to USDA, January-December 2024 SMP exports from the EU27 totaled 717,000 MT, down 7.6 percent compared to the same period last year. Top export destinations for the period of January-December 2024, quantity, and percent change from last year are Algeria, 165,188 MT, +15.1 percent; Egypt, 53,488 MT, +3.2 percent; and the Philippines, 38,377 MT, +41.8 percent.

According to CLAL data made available to USDA, January-December 2024 whey exports from the EU totaled 845,000 MT, up 7 percent compared to the January-December 2023 period. Top export destinations for the period of January-December 2024, quantity, and percent change from last year are China, 214,788 MT, +5.9 percent; Indonesia, 90,720 MT, +23.5 percent; and Malaysia, 74,944 MT, +4.1 percent.

According to CLAL data made available to USDA, January-December 2024 WMP exports from the EU27 totaled 208,000 MT, down 20.2 percent compared to the same period last year. Top export destinations for the period of January-December 2024, quantity, and percent change from last year are Oman, 42,640 MT, -4.0 percent; United Kingdom, 16,614, -3.6 percent; and Kuwait, 14,939, +42.8 percent.

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According to CLAL data made available to USDA, December 2024 EU butter production totaled 175,649 MT, up 2.7 percent from December 2023. EU butter production during the January-December 2024 period is estimated at 2,089,000 MT, down 1 percent from the same period last year. Production among some of the top butter producers for the January-December 2024 period and the percentage change compared with the same period last year are Germany, 480,954 MT, +0.1 percent; France, 398,630 MT, -1.2 percent; and Ireland, 267,570, -2.0 percent.

According to CLAL data made available to USDA, December 2024 EU SMP production totaled 109,266 MT, up 12.3 percent from December 2023. Estimated total EU SMP production for the January-December 2024 period is 1,250,000 MT, up 1 percent from same period last year. Production among some of the top SMP producers for the January-December 2024 period and the percentage change compared with the same period last year are France, 376,240 MT, +1.3 percent; Germany, 328,555 MT, -5.4 percent; and Belgium, 176,650 MT, -2.8 percent.

According to CLAL data made available to USDA, estimated total production of milk and cream powders (excluding skim) in the EU in December 2024 totaled 57,467 MT, up 18 percent from December 2023. Estimated total production of milk and cream powders (excluding skim) for the January-December 2024 period is 698,000 MT, down 0.5 percent from same period last year. Production among some of the top milk and cream powders (excluding skim) producers for the January-December 2024 period and the percentage change compared with the same period last year are Germany, 293,314 MT, +4.3 percent; France, 110,970 MT, -1.9 percent, and the Netherlands, 80,100 MT, -6.0 percent.

During GDT event 374, on February 18, 2025, the butter all contracts price, \$7,378, increased 2.2 percent from the prior event. The March contract, \$7,404, was up 1.4 percent.

During GDT event 374, on February 18, 2025, the SMP all contracts price, \$2,754, decreased 2.5 percent from the prior event. The March contract, \$2,791, was down 2.4 percent.

During GDT event 374, on February 18, 2025, the cheddar all contracts price, \$4,862, decreased 3.4 percent from the prior event. The March contract, \$4,887, was down 1.4 percent.

During GDT event 374, on February 18, 2025, the WMP all contracts price, \$4,153, decreased 0.2 percent from the prior event. The March contract, \$4,139, was down 2.3 percent.

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

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## OCEANIA DAIRY MARKET OVERVIEW

Australia: According to Dairy Australia, January 2025 milk production, 708.2 million liters, was down 2.6 percent from January 2024. Milk production increased in New South Wales by 2.6 percent from a year earlier but declined in every other Australian state. Milk production from the start of the season in July 2024 through January 2025, 5,366.2 million liters, increased 0.2 percent compared to the same time frame a year earlier.

According to Dairy Australia, November 2024 milk sales, 192.1 million liters, were down 1.4 percent from November 2023. The volume of milk sold was up in November 2024 from a year prior in New South Wales and Tasmania, while sales volumes decreased in every other state. Milk sales from the start of the season in July 2024 through November 2024, 997.9 million liters, were down 0.7 percent compared to the same time period a year earlier.

The January 2025 Production Inputs Monitor from Dairy Australia was recently released. The report stated input costs increased in Australia during January. Rainfall was below average in several dairying regions, limiting water availability. The report notes year-to-date cull cow prices in Australia were up 41 percent compared to a year earlier. Fertilizer prices also increased in January as exports declined from China and production constraints in other regions have contributed to tighter global availability.

New Zealand: Export data for January 2025 was recently released for New Zealand. This data showed a 45 percent increase in value for milk powder, butter, and cheese exported in January 2025 compared to January 2024. Fresh milk and cream export values were 13 percent higher in January 2025, when compared to a year earlier. Changes in export quantities from January 2024 to January 2025 for milk powder, milk fats (including butter) and cheese are + 6.3 percent, + 12.0 percent, and + 33 percent, respectively. Infant formula export values in January 2025 were 18 percent higher compared to a year prior, while casein and caseinate values were up 21 percent.

A group in New Zealand, which forecasts dairy prices, decreased the forecasted milk price for the 2024/2025 season, following GDT event 374, by 7 cents, to \$10.04/kgMS. The spot value of milk also decreased by 7 cents to \$11.59/kgMS. The group noted declining prices at GDT event 374 for every commodity, except butter, contributed to the lower forecasted milk price.

## BUTTER

Butter prices increased across the price range in Oceania during the current reporting period. Demand for Oceania butter from domestic and export markets is strong. Contacts report retail butter sales have strengthened in Oceania compared to a year ago. Milk output is seasonally declining throughout Oceania, contributing to lighter butter production. At GDT event 374 last week butter prices increased during every contract period in which loads were traded. The butter all contracts price increased at GDT event 374 to the highest price ever on the platform, \$7,378. The volume of butter traded at last week's GDT event was up from the previous event and from a year ago.

Oceania 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT Butter 7,350 - 7,425

## SKIM MILK POWDER

Both ends of the Oceania skim milk powder (SMP) price range decreased during the current reporting period. Within Oceania, SMP sales are steady. Contacts report export demand for SMP from Oceania has declined in the second half of February. Milk output is seasonally declining in Oceania, contributing to lighter SMP production. At GDT event 374 SMP prices decreased for every contract period in which loads were offered. The volume of SMP traded at GDT event 374 declined from the previous and was down from a year ago.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 2,850 - 2,925

## CHEESE

The price range for Oceania cheddar cheese moved lower this reporting period. In Oceania, domestic cheese sales are strong as contacts note retail cheese sales are up from this time one year ago. International interest in cheese from Oceania has been waning in recent weeks. Regional milk output is declining, following seasonal trends, contributing to lighter cheese production. Cheddar cheese prices declined during every contract period in which loads were offered at GDT event 374. The greatest percentage decline for cheddar cheese at last week's GDT event, 5.1 percent, occurred for the June 2025 contract. The volume of cheddar cheese traded at GDT event 374 was down from event 373, but up from a year prior.

Prices for: Oceania, Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port  
Price Range - \$/MT: 4,850 - 4,950

## WHOLE MILK POWDER

During the current reporting period, both ends of the Oceania whole milk powder (WMP) price range slid lower. Demand for WMP is steady within Oceania is steady, but interest from international purchasers has declined in recent weeks. Seasonally declining milk production is contributing to lighter WMP production schedules. The March 2025 contract price for WMP decreased at GDT event 374, while prices increased during every other contract period in which loads were traded. The volume of WMP traded at last week's GDT event was up from event 373, but down from one year ago.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 4,075 - 4,125

## Secondary Sourced Information:

Recently released export data from New Zealand showed January 2025 butter export volumes increased 22.3 percent from the prior year.

Recently released export data from New Zealand showed January 2025 SMP export volumes increased 1.3 percent from the prior year.

Recently released export data from New Zealand showed January 2025 cheese export volumes increased 32.9 percent from the prior year.

Recently released export data from New Zealand showed January 2025 WMP export volumes increased 8.1 percent from the prior year.

## INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

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## SOUTH AMERICA OVERVIEW

As complete annual year 2024 milk production reports emerge, milk output trends throughout last year were somewhat erratic in the region. Argentina and Brazil reported overall gains in 2024's total output, while Uruguayan milk output slid. Brazil's milk totals are somewhat promising for contacts in the continent's largest importer, as they have been hopeful for internal growth in the dairy sector and particularly as climactic conditions were far from mild during the previous calendar year. So far, 2025 projections are off to a calm climb in the largest dairy producing/processing countries in the region. In the previous report, corn and soybean dips were expected due to warm weather and dryness in both Argentina and Brazil. Milk producers are bracing for increases in food costs. That said, farmgate milk checks have been somewhat bullish, generally speaking, over the past year due to variations in milk availability and stronger domestic and global interests in dairy commodities.

Dairy commodity trading activity is somewhat quiet as the final month of Q1 nears. As Q1 orders are being fulfilled by processors in the region, many contacts are eyeing what Q2 will bring. Regarding dairy powders, contacts suggest Brazilian buyers have been buying hand-to-mouth from late 2024 to the current weeks, and some expect more aggressive purchasing activity to refill pipelines in March. Brazilian brokers relay logistical cost increases remain debilitating for stronger purchasing power, despite some recent strengthening of the Brazilian real.

## SKIM MILK POWDER

Skim milk powder (SMP) prices are unchanged on slow trading activity in the region. Brokers in South America relay that trading has been slower, despite growth in demand from international buyers. Milk production has been relatively healthy regarding midsummer expectations. Still, suppliers in Argentina and Uruguay suggest a majority of SMP produced is spoken for through the rest of the quarter. Customers are looking to get ahead of Q2 needs, per contacts. Despite quiet spot trading activity, market tones for SMP are somewhat hearty due to steady interests and limited availability.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder

Price Range - 1.25% Butterfat; \$/MT: 3,050 - 3,250

## WHOLE MILK POWDER

Whole milk powder (WMP) trading activity, outside of contracts, has been somewhat quiet in the region. The WMP price range is unchanged. Contacts continue to suggest suppliers are in the driver's seat of the market, as volumes are booked through the first quarter. Moving forward, contacts say interest has been quiet from Brazilian buyers, but there is an expectation coverage will be needed during Q2 to fulfill pipelines in the continent's largest country. Milk available for processing is seasonally limited, but compared to previous summer availability it has grown. Market tones are quiet.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder

Price Range - 26% Butterfat; \$/MT: 4,000 - 4,350

Exchange rates or selected foreign currencies:  
February 24, 2025

.0009 Argentina Peso	.0115 India Rupee
.6349 Australian Dollar	.0067 Japan yen
.1730 Brazil Real	.0488 Mexican Peso
.7012 Canadian Dollar	.5733 New Zealand Dollar
.0011 Chile Peso	.2526 Poland Zloty
1.0469 Euro	.0233 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos:  $(1/.0488) = 20.4918$  Mexican Pesos.

Source: "The Wall Street Journal"

## Secondary Sourced Information:

SMP imports to Brazil during January 2025, 3,400 MT, decreased 28 percent from the same duration in 2024, according to CLAL data made available to USDA.

WMP imports to Brazil during January 2025, 14,000 MT, decreased 2 percent from the same duration in 2024, according to CLAL data made available to USDA.