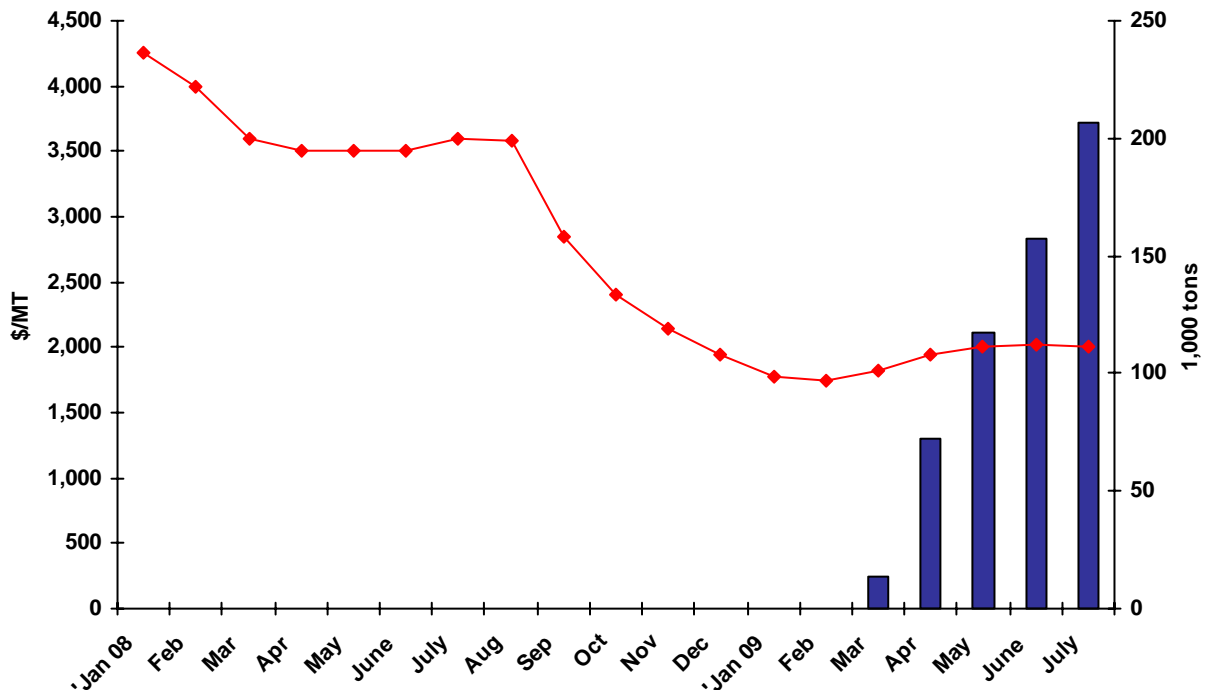


# Dairy: World Markets and Trade

Aug 2009

Following a year during which international prices for nonfat dry milk (NDM) collapsed, prices have managed to post a modest increase and are now hovering around the \$2,000/ton FOB mark. While this may indicate some recovery in demand, further price increases are likely to be held in check by the rapid build-up of NDM stocks in the EU and the United States. In the EU, the buy-in period for intervention stores for butter and NDM has been extended and stocks of butter and NDM now total around 78,000 tons and 207,000 tons, respectively. In the United States, purchases of NDM – since October 1, 2008 through August 14, 2009 - under the price support program have totaled about 126,000 tons and the temporary increase in support prices is expected to lead to additional purchases. While an economic recovery will boost import demand, the disposal of these stocks may affect the degree of price recovery.

**Oceania Prices (FOB) and EU Intervention Stocks**



# Dairy Production and Trade Developments

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## Summary

Global dairy markets appear to have stabilized and there are hints of some recovery as evidenced by the recent jump in the New Zealand whole milk powder auction prices. Nevertheless, while there are signs of improvement in the global economic outlook, the situation remains frail and the consensus view is that most major economies will recover at a slow pace. Among the major milk producers, the plight of the dairy sector has led to measures aimed at supporting the domestic milk prices. In the EU, dairy export subsidies were reactivated in January 2009 and the period - traditionally from March through August - for purchases under intervention has been extended until February 2010. In the United States, the Dairy Export Incentive Program was implemented in May 2009 and recently the CCC support prices for cheese and NDM were raised temporarily from August through October, 2009. One consequence of these policies is that there are now significant stocks of NDM overhanging markets that may dampen any price increases for the nearby future.

In terms of milk production, the most significant change in the 2009 forecast has been for U.S. milk output which has been lowered by nearly 2 percent to 85.4 million tons – a drop of 1 percent from the previous year. Low milk prices, high operating costs, and the impact of the industry sponsored Cooperatives Working Together program are expected to reduce the herd size by 1 percent. Domestic product prices are expected to favor the increased production of cheese – up 1 percent over 2008 – while butter and NDM production are both expected to decline. Exports are expected to take a significant hit from the global economic slowdown with butter exports in 2009 forecast to fall sharply by 76 percent from 2008 and NDM is forecast to drop by 49 percent.

In Oceania, milk output staged a significant comeback over 2008 with milk production in New Zealand slated to increase by 8 percent. The significant jump in New Zealand production is largely attributable to the slump in output during a season affected by drought. This year favorable pasture growing conditions and a record number of cows added further impetus to milk production. Australian milk production is expected to expand by 3 percent – reversing a four year trend – due to improved rainfall and pasture conditions. Nevertheless, the outlook for 2010 will be highly dependent on the set-up of climatic patterns particularly with respect to the “El Nino” and “La Nina” as water supplies for irrigation remain at extremely low levels

On the trade front, Oceania 2009 exports of cheese are expected to drop by 8 percent from the previous year while exports of butterfat and milk powders are anticipated to expand substantially. New Zealand exports of butterfat and NDM in 2009 are forecast to grow by 10 percent and 24 percent, respectively. In Australia, exports of WMP are expected to expand rapidly by 35 percent but nevertheless they remain below the average levels attained between 2004 and 2006.

EU milk production is forecast to remain relatively unchanged despite an increase in milk production quotas as dairy farmers experienced a record drop in farm-gate milk prices due to weak domestic demand for dairy products. As a result, the EU implemented a number of price supporting measures, primarily the activation of the export subsidies and extension of purchases under

intervention for butter and NDM. Exports of butterfat and NDM are anticipated to remain largely unchanged from 2008, while shipments of WMP are expected to decline by 20 percent. In contrast, exports of cheese are forecast to decline by 2 percent.

## COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Head

Milk Cow Numbers	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	1,055	1,066	1,019	995	985	980
Mexico	6,800	6,850	6,875	6,885	6,887	6,890
United States	9,010	9,050	9,137	9,189	9,315	9,195
<b>Sub-total</b>	<b>16,865</b>	<b>16,966</b>	<b>17,031</b>	<b>17,069</b>	<b>17,187</b>	<b>17,065</b>
<b>South America</b>						
Argentina	2,000	2,100	2,150	2,150	2,150	2,150
Brazil	15,200	15,100	15,290	15,925	16,700	17,023
<b>Sub-total</b>	<b>17,200</b>	<b>17,200</b>	<b>17,440</b>	<b>18,075</b>	<b>18,850</b>	<b>19,173</b>
<b>European Union - 27 1/</b>	<b>26,018</b>	<b>25,355</b>	<b>24,944</b>	<b>24,178</b>	<b>23,951</b>	<b>23,900</b>
<b>Former Soviet Union</b>						
Russia	11,200	10,400	9,900	9,910	9,800	9,705
Ukraine	4,313	4,130	3,840	3,221	2,979	2,770
<b>Sub-total</b>	<b>15,513</b>	<b>14,530</b>	<b>13,740</b>	<b>13,131</b>	<b>12,779</b>	<b>12,475</b>
<b>South Asia</b>						
<b>India</b>	<b>37,000</b>	<b>38,000</b>	<b>38,000</b>	<b>38,000</b>	<b>38,500</b>	<b>38,500</b>
<b>Asia</b>						
China	5,466	6,800	7,900	8,755	9,200	9,660
Japan	936	910	900	871	862	865
<b>Sub-total</b>	<b>6,402</b>	<b>7,710</b>	<b>8,800</b>	<b>9,626</b>	<b>10,062</b>	<b>10,525</b>
<b>Oceania</b>						
Australia 2/	2,036	2,041	1,870	1,800	1,730	1,730
New Zealand 3/	3,920	3,970	4,100	4,163	4,200	4,365
<b>Sub-total</b>	<b>5,956</b>	<b>6,011</b>	<b>5,970</b>	<b>5,963</b>	<b>5,930</b>	<b>6,095</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>124,954</b>	<b>125,772</b>	<b>125,925</b>	<b>126,042</b>	<b>127,259</b>	<b>127,733</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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## COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

Fluid Milk Production	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	7,905	7,806	8,041	8,212	8,270	8,250
Mexico	9,874	9,855	10,051	10,657	10,814	11,030
United States	77,488	80,255	82,455	84,211	86,179	85,366
<b>Sub-total</b>	<b>95,267</b>	<b>97,916</b>	<b>100,547</b>	<b>103,080</b>	<b>105,263</b>	<b>104,646</b>
<b>South America</b>						
Argentina	9,250	9,500	10,200	9,550	10,100	10,400
Brazil	23,317	24,250	25,230	26,750	28,890	30,335
<b>Sub-total</b>	<b>32,567</b>	<b>33,750</b>	<b>35,430</b>	<b>36,300</b>	<b>38,990</b>	<b>40,735</b>
<b>European Union - 27 1/</b>	<b>133,969</b>	<b>134,672</b>	<b>132,206</b>	<b>132,604</b>	<b>134,346</b>	<b>134,300</b>
<b>Former Soviet Union</b>						
Russia	32,000	32,000	31,100	32,200	32,500	32,830
Ukraine	13,787	13,423	12,890	11,997	11,070	10,350
<b>Sub-total</b>	<b>45,787</b>	<b>45,423</b>	<b>43,990</b>	<b>44,197</b>	<b>43,570</b>	<b>43,180</b>
<b>South Asia</b>						
India	37,500	37,520	41,000	42,890	44,100	45,140
<b>Asia</b>						
China	22,606	27,534	31,934	35,252	36,700	38,630
Japan	8,329	8,285	8,137	8,007	7,990	8,010
<b>Sub-total</b>	<b>30,935</b>	<b>35,819</b>	<b>40,071</b>	<b>43,259</b>	<b>44,690</b>	<b>46,640</b>
<b>Oceania</b>						
Australia 2/	10,377	10,429	10,395	9,870	9,500	9,785
New Zealand 3/	15,000	14,500	15,200	15,640	15,141	16,400
<b>Sub-total</b>	<b>25,377</b>	<b>24,929</b>	<b>25,595</b>	<b>25,510</b>	<b>24,641</b>	<b>26,185</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>401,402</b>	<b>410,029</b>	<b>418,839</b>	<b>427,840</b>	<b>435,600</b>	<b>440,826</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**COWS MILK : SUMMARY FOR SELECTED COUNTRIES**

MT/Head

<b>Fluid Milk Production Per Cow</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>(p) 2008</b>	<b>(f) 2009</b>
<b>North America</b>						
Canada	7.49	7.32	7.89	8.25	8.40	8.42
Mexico	1.45	1.44	1.46	1.55	1.57	1.60
United States	8.60	8.87	9.02	9.16	9.25	9.28
<b>South America</b>						
Argentina	4.63	4.52	4.74	4.44	4.70	4.84
Brazil	1.53	1.61	1.65	1.68	1.73	1.78
<b>European Union - 27 1/</b>	5.15	5.31	5.30	5.48	5.61	5.62
<b>Former Soviet Union</b>						
Russia	2.86	3.08	3.14	3.25	3.32	3.38
Ukraine	3.20	3.25	3.36	3.72	3.72	3.74
<b>South Asia</b>						
India	1.01	0.99	1.08	1.13	1.15	1.17
<b>Asia</b>						
China	4.14	4.05	4.04	4.03	3.99	4.00
Japan	8.90	9.10	9.04	9.19	9.27	9.26
<b>Oceania</b>						
Australia 2/	5.10	5.11	5.56	5.48	5.49	5.66
New Zealand 3/	3.83	3.65	3.71	3.76	3.61	3.76

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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## COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

Fluid Milk Consumption	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	2,835	2,831	3,058	3,086	3,145	3,135
Mexico	4,349	4,266	4,305	4,275	4,253	4,275
United States	27,093	27,220	27,515	27,536	27,670	27,789
<b>Sub-total</b>	<b>34,277</b>	<b>34,317</b>	<b>34,878</b>	<b>34,897</b>	<b>35,068</b>	<b>35,199</b>
<b>South America</b>						
Argentina	1,800	1,800	1,900	1,900	1,950	1,970
Brazil	12,743	13,400	13,755	10,170	10,674	11,230
<b>Sub-total</b>	<b>14,543</b>	<b>15,200</b>	<b>15,655</b>	<b>12,070</b>	<b>12,624</b>	<b>13,200</b>
<b>European Union - 27 1/</b>	<b>35,190</b>	<b>34,932</b>	<b>34,084</b>	<b>33,334</b>	<b>33,669</b>	<b>33,680</b>
<b>Former Soviet Union</b>						
Russia	12,900	12,845	12,000	12,000	12,100	12,180
Ukraine	5,112	5,441	6,086	3,641	2,779	2,109
<b>Sub-total</b>	<b>18,012</b>	<b>18,286</b>	<b>18,086</b>	<b>15,641</b>	<b>14,879</b>	<b>14,289</b>
<b>South Asia</b>						
India	35,500	36,600	39,920	42,680	43,885	45,035
<b>Asia</b>						
China	10,315	12,500	13,809	14,820	15,300	15,966
Japan	4,955	4,775	4,648	4,521	4,450	4,400
<b>Sub-total</b>	<b>15,270</b>	<b>17,275</b>	<b>18,457</b>	<b>19,341</b>	<b>19,750</b>	<b>20,366</b>
<b>Oceania</b>						
Australia 2/	2,020	2,145	2,127	2,162	2,205	2,316
New Zealand 3/	360	360	360	360	345	331
<b>Sub-total</b>	<b>2,380</b>	<b>2,505</b>	<b>2,487</b>	<b>2,522</b>	<b>2,550</b>	<b>2,647</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>155,172</b>	<b>159,115</b>	<b>163,567</b>	<b>160,485</b>	<b>162,425</b>	<b>164,416</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**CHEESE PRODUCTION: SUMMARY FOR SELECTED COUNTRIES 1/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	345	352	291	308	306	305
Mexico	134	143	145	147	150	152
United States	4,025	4,150	4,320	4,435	4,506	4,540
<b>Sub-total</b>	<b>4,504</b>	<b>4,645</b>	<b>4,756</b>	<b>4,890</b>	<b>4,962</b>	<b>4,997</b>
<b>South America</b>						
Argentina	370	400	480	520	540	550
Brazil	470	495	528	580	630	660
<b>Sub-total</b>	<b>840</b>	<b>895</b>	<b>1,008</b>	<b>1,100</b>	<b>1,170</b>	<b>1,210</b>
<b>European Union - 27</b>	<b>6,481</b>	<b>6,625</b>	<b>6,801</b>	<b>6,760</b>	<b>6,840</b>	<b>6,850</b>
<b>Former Soviet Union</b>						
Russia	350	375	405	435	425	435
Ukraine	224	274	210	244	256	260
<b>Sub-total</b>	<b>574</b>	<b>649</b>	<b>615</b>	<b>679</b>	<b>681</b>	<b>695</b>
<b>Asia</b>						
Japan	35	39	40	43	55	60
Korea	24	24	28	24	26	27
Philippines	6	5	6	7	9	10
<b>Sub-total</b>	<b>65</b>	<b>68</b>	<b>74</b>	<b>74</b>	<b>90</b>	<b>97</b>
<b>Oceania</b>						
Australia 2/	389	375	362	360	344	335
New Zealand 3/	305	297	292	308	314	345
<b>Sub-total</b>	<b>694</b>	<b>672</b>	<b>654</b>	<b>668</b>	<b>658</b>	<b>680</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>13,158</b>	<b>13,554</b>	<b>13,908</b>	<b>14,171</b>	<b>14,401</b>	<b>14,529</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Excludes fresh cheese

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**CHEESE CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES 1/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	358	365	307	319	319	315
Mexico	214	230	229	233	238	240
United States	4,183	4,275	4,428	4,542	4,523	4,580
<b>Sub-total</b>	<b>4,755</b>	<b>4,870</b>	<b>4,964</b>	<b>5,094</b>	<b>5,080</b>	<b>5,135</b>
<b>South America</b>						
Argentina	338	350	424	473	490	500
Brazil	468	491	529	576	627	654
<b>Sub-total</b>	<b>806</b>	<b>841</b>	<b>953</b>	<b>1,049</b>	<b>1,117</b>	<b>1,154</b>
<b>European Union - 27</b>	<b>6,061</b>	<b>6,219</b>	<b>6,339</b>	<b>6,309</b>	<b>6,443</b>	<b>6,455</b>
<b>Former Soviet Union</b>						
Russia	528	615	625	675	683	707
Ukraine	133	164	170	194	191	201
<b>Sub-total</b>	<b>661</b>	<b>779</b>	<b>795</b>	<b>869</b>	<b>874</b>	<b>908</b>
<b>Asia</b>						
Japan	254	251	247	268	260	270
Korea	65	69	72	74	78	82
<b>Sub-total</b>	<b>319</b>	<b>320</b>	<b>319</b>	<b>342</b>	<b>338</b>	<b>352</b>
<b>Oceania</b>						
Australia 2/	230	223	225	215	215	215
New Zealand 3/	28	28	28	28	28	28
<b>Sub-total</b>	<b>258</b>	<b>251</b>	<b>253</b>	<b>243</b>	<b>243</b>	<b>243</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>12,860</b>	<b>13,280</b>	<b>13,623</b>	<b>13,906</b>	<b>14,095</b>	<b>14,247</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Excludes fresh cheese

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**CHEESE IMPORTS: SUMMARY FOR SELECTED COUNTRIES 1/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	24	25	25	26	25	25
Mexico	82	89	86	89	90	90
United States	214	209	206	197	172	155
<b>Sub-total</b>	<b>320</b>	<b>323</b>	<b>317</b>	<b>312</b>	<b>287</b>	<b>270</b>
<b>South America</b>						
Argentina	0	2	2	3	3	2
Brazil	4	3	6	4	5	4
<b>Sub-total</b>	<b>4</b>	<b>5</b>	<b>8</b>	<b>7</b>	<b>8</b>	<b>6</b>
<b>European Union - 27</b>	<b>104</b>	<b>93</b>	<b>99</b>	<b>83</b>	<b>93</b>	<b>85</b>
<b>Former Soviet Union</b>						
Russia	190	250	230	250	270	280
Ukraine	3	6	8	12	13	11
<b>Sub-total</b>	<b>193</b>	<b>256</b>	<b>238</b>	<b>262</b>	<b>283</b>	<b>291</b>
<b>Asia</b>						
Japan	219	212	207	225	205	210
Korea	41	44	44	50	52	55
Philippines	6	5	6	7	9	10
<b>Sub-total</b>	<b>266</b>	<b>261</b>	<b>257</b>	<b>282</b>	<b>266</b>	<b>275</b>
<b>Oceania</b>						
Australia 2/	49	49	61	64	70	55
New Zealand 3/	2	2	3	3	6	6
<b>Sub-total</b>	<b>51</b>	<b>51</b>	<b>64</b>	<b>67</b>	<b>76</b>	<b>61</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>938</b>	<b>989</b>	<b>983</b>	<b>1,013</b>	<b>1,013</b>	<b>988</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Excludes fresh cheese

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

**CHEESE EXPORTS: SUMMARY FOR SELECTED COUNTRIES 1/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	11	9	9	9	10	8
Mexico	2	2	2	3	2	2
United States	61	58	71	99	131	100
<b>Sub-total</b>	<b>74</b>	<b>69</b>	<b>82</b>	<b>111</b>	<b>143</b>	<b>110</b>
<b>South America</b>						
Argentina	31	45	58	45	36	56
Brazil	6	7	5	8	8	10
<b>Sub-total</b>	<b>37</b>	<b>52</b>	<b>63</b>	<b>53</b>	<b>44</b>	<b>66</b>
<b>European Union - 27</b>	<b>524</b>	<b>499</b>	<b>561</b>	<b>534</b>	<b>490</b>	<b>480</b>
<b>Former Soviet Union</b>						
Russia	10	10	10	10	10	10
Ukraine	94	116	50	62	78	70
<b>Sub-total</b>	<b>104</b>	<b>126</b>	<b>60</b>	<b>72</b>	<b>88</b>	<b>80</b>
<b>Oceania</b>						
Australia 2/	212	227	202	212	202	177
New Zealand 3/	289	265	267	309	283	270
<b>Sub-total</b>	<b>501</b>	<b>492</b>	<b>469</b>	<b>521</b>	<b>485</b>	<b>447</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>1,240</b>	<b>1,238</b>	<b>1,235</b>	<b>1,291</b>	<b>1,250</b>	<b>1,183</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Excludes fresh cheese

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**BUTTER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES 3/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	84	84	75	79	84	80
Mexico	88	93	109	126	130	132
United States	565	611	657	695	746	730
<b>Sub-total</b>	<b>737</b>	<b>788</b>	<b>841</b>	<b>900</b>	<b>960</b>	<b>942</b>
<b>South America</b>						
Brazil	75	77	79	82	84	86
<b>European Union - 27</b>	<b>2,164</b>	<b>2,155</b>	<b>2,035</b>	<b>2,053</b>	<b>2,072</b>	<b>2,110</b>
<b>Former Soviet Union</b>						
Russia	270	275	290	300	305	310
Ukraine	138	118	105	100	89	88
<b>Sub-total</b>	<b>408</b>	<b>393</b>	<b>395</b>	<b>400</b>	<b>394</b>	<b>398</b>
<b>Asia</b>						
India	2,600	2,749	3,050	3,360	3,695	4,065
Japan	80	84	80	75	73	75
<b>Sub-total</b>	<b>2,680</b>	<b>2,833</b>	<b>3,130</b>	<b>3,435</b>	<b>3,768</b>	<b>4,140</b>
<b>Oceania</b>						
Australia 1/	132	131	129	117	111	118
New Zealand 2/	418	379	390	419	391	430
<b>Sub-total</b>	<b>550</b>	<b>510</b>	<b>519</b>	<b>536</b>	<b>502</b>	<b>548</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>6,614</b>	<b>6,756</b>	<b>6,999</b>	<b>7,406</b>	<b>7,780</b>	<b>8,224</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 of the year shown.

(2) Year ending May 31 of the year shown.

(3) Includes butter equivalent of butteroil/anhydrous milk fat.

ISAD/OGA/FAS

Aug-09

**BUTTER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES 3/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	93	86	79	78	85	82
Mexico	141	144	158	179	188	194
United States	604	611	641	651	662	708
<b>Sub-total</b>	<b>838</b>	<b>841</b>	<b>878</b>	<b>908</b>	<b>935</b>	<b>984</b>
<b>South America</b>						
Brazil	75	77	79	80	81	82
<b>European Union - 27</b>	<b>1,948</b>	<b>1,943</b>	<b>1,934</b>	<b>2,006</b>	<b>1,979</b>	<b>2,013</b>
<b>Former Soviet Union</b>						
Russia	437	385	400	420	438	440
Ukraine	103	94	92	97	82	81
<b>Sub-total</b>	<b>540</b>	<b>479</b>	<b>492</b>	<b>517</b>	<b>520</b>	<b>521</b>
<b>Asia</b>						
India	2,608	2,743	3,055	3,360	3,687	4,062
Japan	88	86	89	92	85	85
Taiwan	12	11	12	11	13	14
<b>Sub-total</b>	<b>2,708</b>	<b>2,840</b>	<b>3,156</b>	<b>3,463</b>	<b>3,785</b>	<b>4,161</b>
<b>Oceania</b>						
Australia 2/	60	65	62	55	58	60
New Zealand 3/	26	26	26	26	26	26
<b>Sub-total</b>	<b>86</b>	<b>91</b>	<b>88</b>	<b>81</b>	<b>84</b>	<b>86</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>6,195</b>	<b>6,271</b>	<b>6,627</b>	<b>7,055</b>	<b>7,384</b>	<b>7,847</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 of the year shown.

(2) Year ending May 31 of the year shown.

(3) Includes butter equivalent of butteroil/anhydrous milk fat.

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**BUTTER IMPORTS: SUMMARY FOR SELECTED COUNTRIES 3/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	28	24	15	13	8	10
Mexico	53	51	49	53	58	62
United States	23	16	17	18	5	6
<b>Sub-total</b>	<b>104</b>	<b>91</b>	<b>81</b>	<b>84</b>	<b>71</b>	<b>78</b>
<b>South America</b>						
Brazil	1	1	1	1	1	1
<b>European Union - 27</b>	<b>93</b>	<b>81</b>	<b>84</b>	<b>93</b>	<b>65</b>	<b>80</b>
<b>Former Soviet Union</b>						
Russia	170	110	115	130	135	135
Ukraine	0	0	0	0	0	0
<b>Sub-total</b>	<b>170</b>	<b>110</b>	<b>115</b>	<b>130</b>	<b>135</b>	<b>135</b>
<b>Asia</b>						
India	10	1	10	10	0	5
Japan	7	6	4	11	14	10
Taiwan	11	12	11	14	10	11
<b>Sub-total</b>	<b>28</b>	<b>19</b>	<b>25</b>	<b>35</b>	<b>24</b>	<b>26</b>
<b>Oceania</b>						
Australia 2/	9	10	10	13	20	15
New Zealand 3/	0	1	1	1	2	2
<b>Sub-total</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>14</b>	<b>22</b>	<b>17</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>405</b>	<b>313</b>	<b>317</b>	<b>357</b>	<b>318</b>	<b>337</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 of the year shown.

(2) Year ending May 31 of the year shown.

(3) Includes butter equivalent of butteroil/anhydrous milk fat.

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**BUTTER EXPORTS: SUMMARY FOR SELECTED COUNTRIES 3/**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	17	20	18	13	3	11
Mexico	0	0	0	0	0	0
United States	9	9	11	41	105	25
<b>Sub-total</b>	<b>26</b>	<b>29</b>	<b>29</b>	<b>54</b>	<b>108</b>	<b>36</b>
<b>South America</b>						
Brazil	1	1	1	3	4	5
<b>European Union - 27</b>	<b>353</b>	<b>340</b>	<b>248</b>	<b>216</b>	<b>151</b>	<b>150</b>
<b>Former Soviet Union</b>						
Russia	0	0	0	0	0	0
Ukraine	42	24	18	4	7	7
<b>Sub-total</b>	<b>42</b>	<b>24</b>	<b>18</b>	<b>4</b>	<b>7</b>	<b>7</b>
<b>Asia</b>						
India	2	7	5	10	8	8
<b>Sub-total</b>	<b>2</b>	<b>7</b>	<b>5</b>	<b>10</b>	<b>8</b>	<b>8</b>
<b>Oceania</b>						
Australia 2/	75	70	82	80	59	70
New Zealand 3/	400	316	366	439	367	405
<b>Sub-total</b>	<b>475</b>	<b>386</b>	<b>448</b>	<b>519</b>	<b>426</b>	<b>475</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>899</b>	<b>787</b>	<b>749</b>	<b>806</b>	<b>704</b>	<b>681</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 of the year shown.

(2) Year ending May 31 of the year shown.

(3) Includes butter equivalent of butteroil/anhydrous milk fat.

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**NONFAT DRY MILK PRODUCTION: SUMMARY FOR SELECTED COUNTRIES**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	90	73	72	75	83	80
Mexico	155	155	183	202	195	195
United States 1/	641	695	687	680	859	836
<b>Sub-total</b>	<b>886</b>	<b>923</b>	<b>942</b>	<b>957</b>	<b>1,137</b>	<b>1,111</b>
<b>South America</b>						
Argentina	35	40	30	24	25	25
Brazil	110	113	117	128	133	140
<b>Sub-total</b>	<b>145</b>	<b>153</b>	<b>147</b>	<b>152</b>	<b>158</b>	<b>165</b>
<b>European Union - 27</b>	<b>1,074</b>	<b>1,074</b>	<b>955</b>	<b>1,005</b>	<b>990</b>	<b>1,050</b>
<b>Former Soviet Union</b>						
Russia	125	110	110	115	120	122
Ukraine	78	78	80	90	65	58
<b>Sub-total</b>	<b>203</b>	<b>188</b>	<b>190</b>	<b>205</b>	<b>185</b>	<b>180</b>
<b>Asia</b>						
China	68	60	55	58	60	63
India	235	256	295	320	345	370
Japan	183	187	180	173	170	175
Korea	25	24	18	22	23	22
<b>Sub-total</b>	<b>511</b>	<b>527</b>	<b>548</b>	<b>573</b>	<b>598</b>	<b>630</b>
<b>Oceania</b>						
Australia 3/	203	206	221	205	177	200
New Zealand 4/	274	225	247	304	265	310
<b>Sub-total</b>	<b>477</b>	<b>431</b>	<b>468</b>	<b>509</b>	<b>442</b>	<b>510</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>3,151</b>	<b>3,143</b>	<b>3,103</b>	<b>3,249</b>	<b>3,352</b>	<b>3,481</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM production plus preliminary estimate of other SMP production.

(2) Based on deliveries

(3) Year ending June 30 of the year shown.

(4) Year ending May 31 of the year shown.

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**NONFAT DRY MILK CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES**  
1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	54	71	75	65	50	50
Mexico	300	311	296	313	358	360
United States	624	572	437	400	404	537
<b>Sub-total</b>	<b>978</b>	<b>954</b>	<b>808</b>	<b>778</b>	<b>812</b>	<b>947</b>
<b>South America</b>						
Argentina	19	18	12	9	9	10
Brazil	112	115	122	128	138	143
<b>Sub-total</b>	<b>131</b>	<b>133</b>	<b>134</b>	<b>137</b>	<b>147</b>	<b>153</b>
<b>European Union - 27</b>	<b>968</b>	<b>963</b>	<b>896</b>	<b>813</b>	<b>819</b>	<b>750</b>
<b>Former Soviet Union</b>						
Russia	170	165	140	150	160	167
Ukraine	15	21	16	33	25	28
<b>Sub-total</b>	<b>185</b>	<b>186</b>	<b>156</b>	<b>183</b>	<b>185</b>	<b>195</b>
<b>Asia</b>						
China	127	115	116	94	112	127
India	230	225	245	270	307	337
Indonesia	115	121	132	145	156	167
Japan	189	197	200	204	185	190
Korea	31	30	28	25	26	26
Philippines	94	77	78	81	70	80
Taiwan	17	19	20	20	15	17
<b>Sub-total</b>	<b>803</b>	<b>784</b>	<b>819</b>	<b>839</b>	<b>871</b>	<b>944</b>
<b>Oceania</b>						
Australia 2/	20	35	38	42	45	45
New Zealand 3/	5	5	5	5	3	3
<b>Sub-total</b>	<b>25</b>	<b>40</b>	<b>43</b>	<b>47</b>	<b>48</b>	<b>48</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>3,090</b>	<b>3,060</b>	<b>2,856</b>	<b>2,797</b>	<b>2,882</b>	<b>3,037</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM production plus preliminary estimate of other SMP production.

(2) Based on deliveries

(3) Year ending June 30 of the year shown.

(4) Year ending May 31 of the year shown.

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**NONFAT DRY MILK IMPORTS: SUMMARY FOR SELECTED COUNTRIES**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	2	4	3	3	4	2
Mexico	141	155	113	111	163	165
United States	1	5	2	2	1	1
<b>Sub-total</b>	<b>144</b>	<b>164</b>	<b>118</b>	<b>116</b>	<b>168</b>	<b>168</b>
<b>South America</b>						
Argentina	0	0	0	0	0	0
Brazil	4	5	9	4	6	5
<b>Sub-total</b>	<b>4</b>	<b>5</b>	<b>9</b>	<b>4</b>	<b>6</b>	<b>5</b>
<b>European Union - 27</b>	<b>30</b>	<b>10</b>	<b>21</b>	<b>10</b>	<b>8</b>	<b>5</b>
<b>Former Soviet Union</b>						
Russia	65	70	45	50	55	60
Ukraine	0	0	0	0	0	0
<b>Sub-total</b>	<b>65</b>	<b>70</b>	<b>45</b>	<b>50</b>	<b>55</b>	<b>60</b>
<b>North Africa</b>						
Algeria	75	72	68	91	91	90
<b>Asia</b>						
China	61	55	62	40	54	65
India	15	0	0	0	0	0
Indonesia	125	135	140	147	159	172
Japan	37	34	32	36	35	50
Korea	4	6	7	5	4	5
Philippines	120	87	95	98	85	95
Taiwan	17	19	20	20	15	17
<b>Sub-total</b>	<b>379</b>	<b>336</b>	<b>356</b>	<b>346</b>	<b>352</b>	<b>404</b>
<b>Oceania</b>						
Australia 2/	2	4	5	4	4	3
New Zealand 3/	1	1	1	1	1	1
<b>Sub-total</b>	<b>3</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>4</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>625</b>	<b>590</b>	<b>555</b>	<b>531</b>	<b>594</b>	<b>646</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM production plus preliminary estimate of other SMP production.

(2) Based on deliveries

(3) Year ending June 30 of the year shown.

(4) Year ending May 31 of the year shown.

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**NONFAT DRY MILK EXPORTS: SUMMARY FOR SELECTED COUNTRIES**  
1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
Canada	16	6	13	14	15	13
Mexico	0	0	0	0	0	0
United States 1/	231	277	287	255	391	200
<b>Sub-total</b>	<b>247</b>	<b>283</b>	<b>300</b>	<b>269</b>	<b>406</b>	<b>213</b>
<b>South America</b>						
Argentina	18	22	21	11	13	17
Brazil	2	3	4	4	1	2
<b>Sub-total</b>	<b>20</b>	<b>25</b>	<b>25</b>	<b>15</b>	<b>14</b>	<b>19</b>
<b>European Union - 27</b>	<b>277</b>	<b>190</b>	<b>88</b>	<b>202</b>	<b>179</b>	<b>180</b>
<b>Former Soviet Union</b>						
Russia	20	15	15	15	15	15
Ukraine	63	57	64	57	40	30
<b>Sub-total</b>	<b>83</b>	<b>72</b>	<b>79</b>	<b>72</b>	<b>55</b>	<b>45</b>
<b>Asia</b>						
China	2	0	1	4	2	1
India	10	40	50	40	38	38
Indonesia	12	10	10	5	5	5
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	16	18	18	18	15	15
<b>Sub-total</b>	<b>40</b>	<b>68</b>	<b>79</b>	<b>67</b>	<b>60</b>	<b>59</b>
<b>Oceania</b>						
Australia 3/	187	141	189	175	120	170
New Zealand 4/	305	221	243	327	251	310
<b>Sub-total</b>	<b>492</b>	<b>362</b>	<b>432</b>	<b>502</b>	<b>371</b>	<b>480</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>1,159</b>	<b>1,000</b>	<b>1,003</b>	<b>1,127</b>	<b>1,085</b>	<b>996</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM production plus preliminary estimate of other SMP production.

(2) Based on deliveries

(3) Year ending June 30 of the year shown.

(4) Year ending May 31 of the year shown.

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**WHOLE MILK POWDER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES**  
1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
United States	19	15	14	14	23	20
<b>Sub-total</b>	<b>19</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>23</b>	<b>20</b>
<b>South America</b>						
Argentina	260	255	260	186	217	225
Brazil	420	440	465	526	580	640
Chile	51	47	50	53	70	75
<b>Sub-total</b>	<b>731</b>	<b>742</b>	<b>775</b>	<b>765</b>	<b>867</b>	<b>940</b>
<b>European Union - 27</b>	<b>857</b>	<b>858</b>	<b>800</b>	<b>776</b>	<b>860</b>	<b>775</b>
<b>Former Soviet Union</b>						
Russia	90	85	90	95	105	110
Ukraine	28	28	26	35	40	37
<b>Sub-total</b>	<b>118</b>	<b>113</b>	<b>116</b>	<b>130</b>	<b>145</b>	<b>147</b>
<b>Asia</b>						
China	832	918	1,030	1,150	1,200	1,270
Indonesia	45	48	48	47	48	51
Taiwan	6	5	1	1	2	0
<b>Sub-total</b>	<b>883</b>	<b>971</b>	<b>1,079</b>	<b>1,198</b>	<b>1,250</b>	<b>1,321</b>
<b>Oceania</b>						
Australia 2/	187	189	152	135	142	145
New Zealand 3/	628	585	611	653	651	710
<b>Sub-total</b>	<b>815</b>	<b>774</b>	<b>763</b>	<b>788</b>	<b>793</b>	<b>855</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>3,423</b>	<b>3,473</b>	<b>3,547</b>	<b>3,671</b>	<b>3,938</b>	<b>4,058</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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**WHOLE MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
United States	19	20	15	23	22	24
<b>Sub-total</b>	<b>19</b>	<b>20</b>	<b>15</b>	<b>23</b>	<b>22</b>	<b>24</b>
<b>South America</b>						
Argentina	86	98	54	59	67	71
Brazil	440	445	479	503	525	545
<b>Sub-total</b>	<b>526</b>	<b>543</b>	<b>533</b>	<b>562</b>	<b>592</b>	<b>616</b>
<b>European Union - 27</b>	<b>347</b>	<b>369</b>	<b>381</b>	<b>412</b>	<b>377</b>	<b>390</b>
<b>Former Soviet Union</b>						
Russia	109	110	100	115	135	143
Ukraine	10	8	8	17	17	18
<b>Sub-total</b>	<b>119</b>	<b>118</b>	<b>108</b>	<b>132</b>	<b>152</b>	<b>161</b>
<b>North Africa</b>						
Algeria	0	0	0	0	0	0
<b>Asia</b>						
China	898	951	1,071	1,137	1,146	1,278
Indonesia	65	75	74	74	91	95
Philippines	17	9	10	10	14	14
Taiwan	36	31	31	31	22	25
<b>Sub-total</b>	<b>1,016</b>	<b>1,066</b>	<b>1,186</b>	<b>1,252</b>	<b>1,273</b>	<b>1,412</b>
<b>Oceania</b>						
Australia 2/	23	22	27	27	27	29
New Zealand 3/	1	1	1	1	1	1
<b>Sub-total</b>	<b>24</b>	<b>23</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>30</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>2,051</b>	<b>2,139</b>	<b>2,251</b>	<b>2,409</b>	<b>2,444</b>	<b>2,633</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

ISAD/OGA/FAS

Aug-2009

**WHOLE MILK POWDER IMPORTS: SUMMARY FOR SELECTED COUNTRIES**

1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
United States	8	13	13	19	18	14
<b>Sub-total</b>	<b>8</b>	<b>13</b>	<b>13</b>	<b>19</b>	<b>18</b>	<b>14</b>
<b>South America</b>						
Argentina	1	3	1	2	1	1
Brazil	21	25	31	11	13	10
<b>Sub-total</b>	<b>22</b>	<b>28</b>	<b>32</b>	<b>13</b>	<b>14</b>	<b>11</b>
<b>European Union - 27</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>1</b>
<b>Former Soviet Union</b>						
Russia	25	30	15	25	35	38
Ukraine	0	0	0	0	0	0
<b>Sub-total</b>	<b>25</b>	<b>30</b>	<b>15</b>	<b>25</b>	<b>35</b>	<b>38</b>
<b>North Africa</b>						
Algeria	0	0	0	0	0	0
<b>Asia</b>						
China	91	65	74	59	35	38
Indonesia	21	26	27	27	44	44
Philippines	45	35	40	42	50	52
Taiwan	30	26	30	30	20	25
<b>Sub-total</b>	<b>187</b>	<b>152</b>	<b>171</b>	<b>158</b>	<b>149</b>	<b>159</b>
<b>Oceania</b>						
Australia 2/	12	15	13	11	13	10
New Zealand 3/	2	1	1	1	1	1
<b>Sub-total</b>	<b>14</b>	<b>16</b>	<b>14</b>	<b>12</b>	<b>14</b>	<b>11</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>260</b>	<b>242</b>	<b>248</b>	<b>229</b>	<b>231</b>	<b>234</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

ISAD/OGA/FAS

Aug-2009

**WHOLE MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES**  
1,000 Metric Tons

	2004	2005	2006	2007	(p) 2008	(f) 2009
<b>North America</b>						
United States	8	8	12	10	19	10
<b>Sub-total</b>	<b>8</b>	<b>8</b>	<b>12</b>	<b>10</b>	<b>19</b>	<b>10</b>
<b>South America</b>						
Argentina	177	162	210	117	123	150
Brazil	16	26	17	42	75	110
Chile	8	6	7	10	14	20
<b>Sub-total</b>	<b>201</b>	<b>194</b>	<b>234</b>	<b>169</b>	<b>212</b>	<b>280</b>
<b>European Union - 27</b>	<b>514</b>	<b>492</b>	<b>422</b>	<b>366</b>	<b>484</b>	<b>386</b>
<b>Former Soviet Union</b>						
Russia	6	5	5	5	5	5
Ukraine	18	20	18	18	23	19
<b>Sub-total</b>	<b>24</b>	<b>25</b>	<b>23</b>	<b>23</b>	<b>28</b>	<b>24</b>
<b>Asia</b>						
China	25	32	33	72	54	30
Philippines	28	26	30	32	36	38
<b>Sub-total</b>	<b>53</b>	<b>58</b>	<b>63</b>	<b>104</b>	<b>90</b>	<b>68</b>
<b>Oceania</b>						
Australia 2/	173	161	153	130	111	150
New Zealand 3/	669	585	634	670	621	664
<b>Sub-total</b>	<b>842</b>	<b>746</b>	<b>787</b>	<b>800</b>	<b>732</b>	<b>814</b>
<b>TOTAL SELECTED COUNTRIES</b>	<b>1,642</b>	<b>1,523</b>	<b>1,541</b>	<b>1,472</b>	<b>1,565</b>	<b>1,582</b>

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

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