United States Department of Agriculture

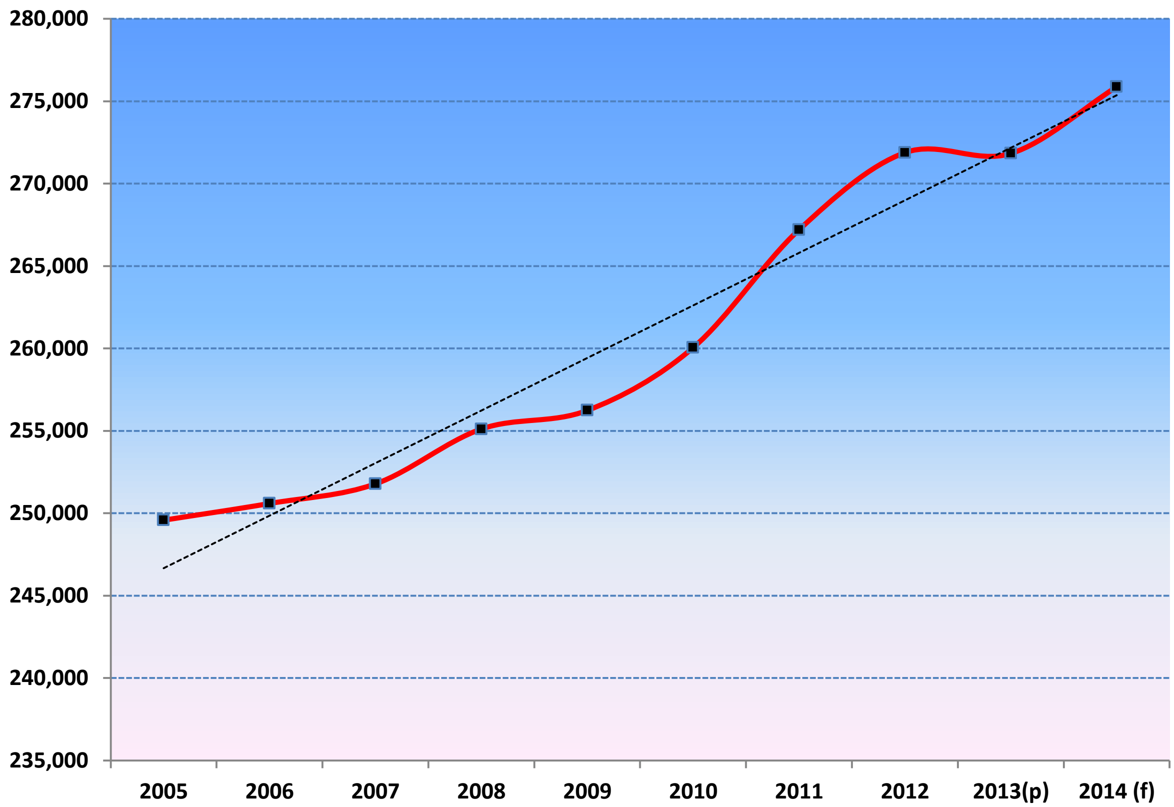
Foreign Agricultural Service

December 2013

Dairy: World Markets and Trade

Global milk production among major exporting nations[1] is set to rebound in 2014 with output forecast to grow by 1.5 percent to 275.8 million tons – up about 4.2 million tons - largely due to higher milk prices, favorable weather, and lower feed costs. This in contrast to 2013, when milk output among the five major countries fell slightly due to a short but severe drought in New Zealand and cold spring weather in the EU which coupled with high feed prices negatively impacted farmers. The most significant percentage increase in production is expected to occur in New Zealand where most of the milk is processed for the export market. High payout prices are expected to spur dairy farmers to increase production by 5 percent or 891,000 tons. This is almost the equivalent volume increase forecast for the EU.

Milk Production Among Major Global Dairy Exporters Forecast to Increase by 1.5 Percent in 2014 (Metric Tons)



1 Note: Major exporters are Argentina, Australia, EU, New Zealand, and U.S.A.

Approved by the World Agricultural Outlook Board/USDA

Dairy Production and Trade Developments

Summary

U.S. dairy exporters experienced an outstanding year and exceed all expectations with FY 2013 exports hitting a record $6.1 billion. This was partially due to reduced competition from such traditional suppliers as the EU and New Zealand, the growing competitiveness of U.S. dairy products and increased global demand for dairy products which continues to grow despite sharply higher prices. This demand has been particularly impressive since prices for such commodities as WMP have increased from about $3,300 per ton (Oceania FOB) in early January to approximately $5,000 per ton in late November. Although not as dramatic, this has been similarly true for skimmed milk powder (SMP) which over the same time span has increased from around $3,400 per ton to $4,600 per ton. It is interesting to note that although the volume forecast to be supplied by such suppliers as Australia and the EU in 2013 is expected to drop by 121,000 tons this is likely to be offset by increased supplies from New Zealand, India, and the United States which results in a net gain of 97,000 tons. Despite this significant additional volume, prices for SMP have remained extraordinarily resilient signaling that demand particularly from China and other Asian markets remains firm.

SMP Exports by Major Suppliers (1,000 tons)

	Change in 2013 forecast vs 2012	**Change in 2014 Forecast vs 2013**
Australia	-13	+10
EU	-108	+60
India	+83	-30
New Zealand	+20	+10
United States	+115	-20
Net Change	**+97**	**+30**

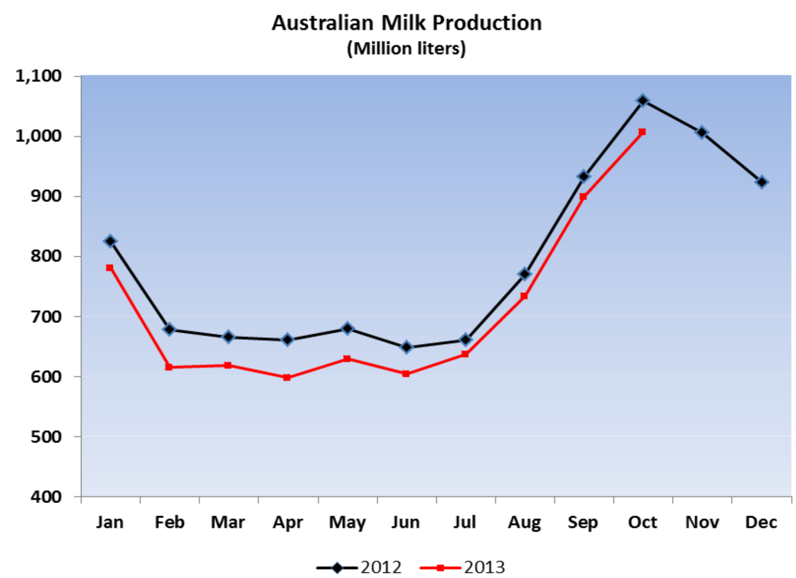
For 2014, lower feed prices, favorable weather, and strength in global dairy prices are expected to provide a strong incentive for farmers to produce more milk and milk production among selected countries is set to grow by 2 percent. Despite the expectation of increased volumes, global dairy prices for the main dairy commodities have recently started to trend up signaling that import demand and more critically consumer demand appears to be unfazed by higher prices. The macro-economic outlook supports this view as the income growth rate for Asia and Oceania in 2014 is expected to reach 4.2 percent and in the critical Chinese market, it is forecast at 7.7 percent – slightly higher than in 2013. In addition, dairy supply lines remain finely balanced as there are no Government surplus stocks of dairy commodities overhanging markets and given the high prices of 2013 commercial stocks are likely to be minimal. Consequently, buyers will likely be covering their needs well in advance and any potential interruptions due to adverse weather will undoubtedly ratchet prices up even further.

Milk Production: Forecast Summary

Milk Production Summary for Major Exporters
(1,000 Metric Tons)

	2012	2013 (p)	2014(f)	Forecast % Change
Argentina	1,679	11,796	12,209	**4%**
Australia	9,811	9,570	9,880	**2%**
EU-28	139,000	139,100	140,000	**1%**
New Zealand	20,567	19,678	20,569	**5%**
United States	90,824	91,444	93,123	**2%**
Total	271,881	271,588	275,781	**2%**

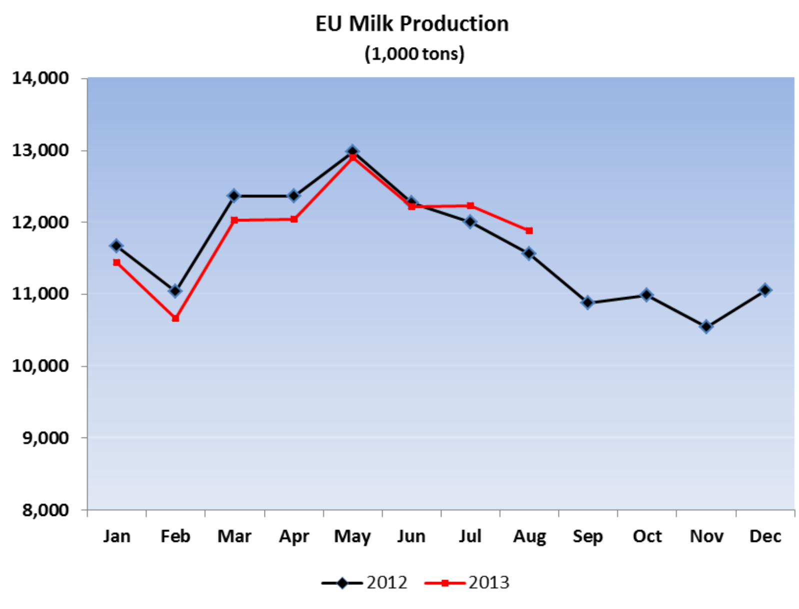
- In 2013, dairy farmers in Argentina faced uneven weather conditions – dry conditions early in the year followed by a delayed spring – which negatively affected milk production mostly in the first half of the year. Production is expected to rebound in the second half of the year and milk output for 2013 is anticipated to be up 1 percent over 2012. For 2014, milk production in Argentina is forecast to expand by 4 percent over 2013 as a result of high international prices for WMP and increased domestic demand for cheese which are expected to improve producer margins. In addition, milk production is being concentrated in medium to large farms which are more efficient. To this extent, although the milk herd in 2014 is expected to remain about the same size as in 2013, milk production per cow is forecast to improve by 4 percent to 5.57 tons per cow.



Source: Dairy Australia

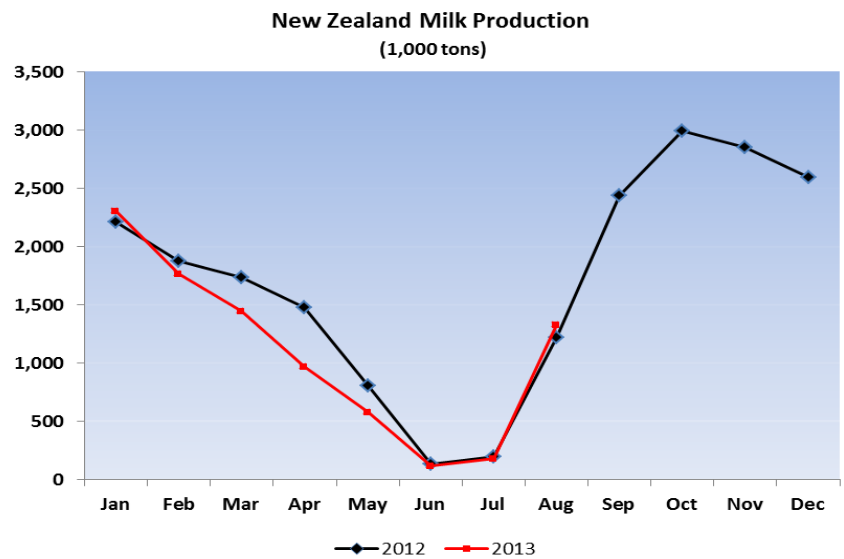
- For the current year, Australian milk production through October 2013 is down 6 percent over the same period last year but ample rains during the winter and improved fodder availability is expected to boost milk output during the last quarter of the year. Nevertheless, milk production for 2013 the year is forecast to be down over 2012 by 2 percent. Australian milk production in 2014 is set to expand by 3 percent driven by an increase in the size of the herd and improved margins. At present, current domestic milk prices have improved significantly in comparison to last year due in large part to the strength of global dairy markets and a decline in the value of the Australian dollar.

- In the EU, milk production in 2013 is forecast to grow marginally due to a significant lag in output during the first half of the year. During this period, farmers faced high production costs, severe winter conditions, and a delayed spring which resulted in milk production through June lagging by 2 percent in comparison to the same period last year. Milk output in the second half of the year is anticipated to rebound as favorable weather has led to a decline in feed prices, improved pastures and higher farm-gate milk prices which have considerably improved margins. For 2014, the long term contraction of the dairy herd is expected to an end and cow inventories are expected to stabilize at about the same level as in 2013. Milk production, however, is anticipated to grow by 1 percent due to improved milk per cow productivity. Most of the additional milk is expected to flow into the production of cheese. Over the longer term, the EU's milk production quota is scheduled to be discontinued on April 1, 2015 and this is expected to further encourage farmers to expand dairy herds.



Source: Eurostat

- Although New Zealand milk production for 2013 through September is down 6 percent relative to the same period last year, milk output in August and September in comparison to the same months in 2012, was up 9 percent and 7 percent, respectively. This end-year boost in output as the main phase of seasonal production ramps up is forecast to increase 2013 production and limit the decline to 4 percent from 2012. For 2014, the outlook is bright as farmers are expecting a significant increase in the 2013/14 milk price payout currently anticipated to be between NZ$ 7.60-8.60 per kilogram of milk solids. Consequently, milk production is forecast to grow by 5 percent as the herd is expected to expand by 68,000 cows and milk per cow output is forecast to increase by 3 percent. The near term climatic outlook is currently neutral between an El Niño and La Niña weather patterns which would likely lead to normal amounts of rainfall.



Source: DCANZ

- In the United States, milk production for 2014 is set to enter into a strong expansionary phase as low feed prices coupled with strong dairy product prices are expected to result in high milk feed ratios. Although the herd is forecast to grow by 30,000 head, the majority of the increase in output will be due to a 1 percent increase in milk per cow.

Cheese:

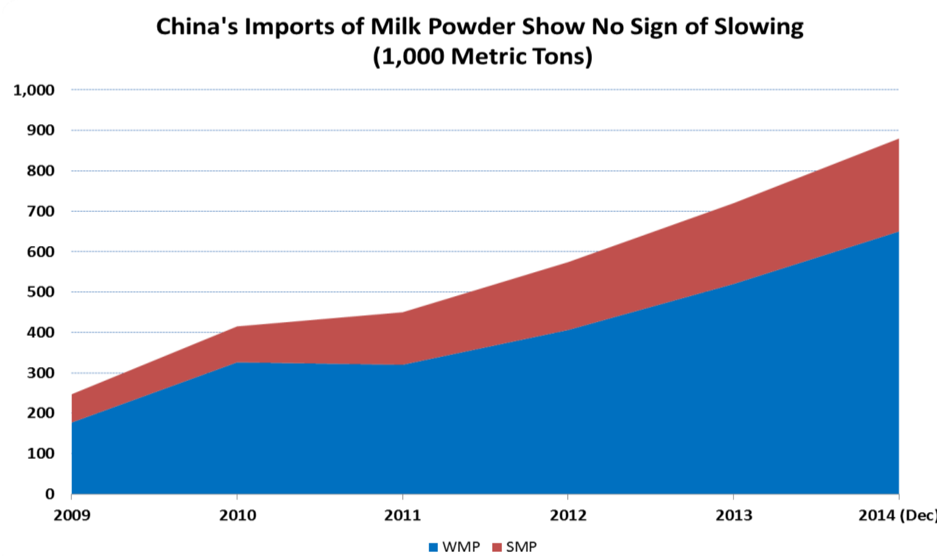
- In the United States, cheese production is set to grow by almost 2 percent in 2013 and is forecast to keep increasing in 2014 by less than 2 percent to reach 5.1 million MT. The U.S. trade sector has experienced a boom as cheese exports in 2013 through October are up 17 percent over 2012. As a result the 2013 July export forecast is revised up by 7 percent to reach a record 307,000 tons. Exports of fresh cheese have been notable for their explosive growth, rising from 17,000 tons in 2009 to 57,000 tons in 2012. In 2013, exports of fresh cheese through October have nearly reached 83,000 tons far surpassing the pace of 2012. Although fresh cheeses can include a broad range of fresh cheeses (cottage, cream, etc.) it is likely that the majority of cheese being shipped consists of mozzarella cheese. The principal destinations for these fresh cheeses in 2013 have so far been South Korea, Mexico, and China. For 2014, total U.S. cheese exports are forecast to decline slightly to 303,000 tons as increased competition from the EU and Oceania are expected to displace U.S. cheeses. U.S. domestic consumption is expected to remain fairly robust and grow by almost 2 percent; consequently, ending stocks in 2014 are anticipated to hit the lowest level since 2004.

- The EU's domestic consumption of cheese continues to be the driving force behind the domestic dairy market accounting for nearly 70 percent of the milk supply (factory use milk) used for dairy production. For 2014, EU cheese production is forecast to expand by 1 percent as high global prices and increased availability of fluid milk is expected to stimulate output. As a result, 2014 cheese exports are forecast to grow by 3 percent to 825,000 tons. In 2013, about one third of total cheese exports through September were shipped to Russia and for 2014 Russia and the United States are likely to remain major markets.

- Oceania cheese exports are forecast to decline in 2013 by 2 percent but then are expected to rebound in 2014 by 7 percent largely due to increased exports from New Zealand. In 2013, New Zealand cheese exports are forecast to drop by 8 percent largely due to the lower availability of milk supplies following a drought in the first half of the year. For 2014, increased supplies of milk, improved cheese margins, growing demand for ingredient cheese, and higher prices for whey by-products are expected to promote increased output. Consequently, production – of mostly cheddar - is forecast to grow by 2 percent to 320,000 tons and exports are anticipated to expand by 7 percent.

SMP:

- Chinese imports of SMP have been growing at an impressive clip averaging 32 percent growth over the 2009-2012 periods and China in 2013 will likely become the largest single import market for SMP. For 2014, Chinese production of SMP relative to 2013 is forecast to slip by 6 percent to 51,000 tons as demand for milk for other uses limits availability for SMP production. Domestic demand, however, remains robust driven by an increasingly affluent population and a continuing distrust of the quality of domestically sourced supplies; consequently, imports are forecast to grow by 16 percent to reach 250,000 tons in 2014.



- Since the lifting of an export ban in June 2012, Indian exports of SMP in 2013 have accelerated and shipments through September are up over six fold in comparison to the same period in the previous year. Consequently, exports in 2013 are expected to reach a record 120,000 tons. The principal destination for this SMP has been Bangladesh, Yemen, and Algeria. For 2014, although the production of SMP is expected to grow by 6 percent, exports are expected to decline but still remain at a relatively high volume of 90,000 tons.

- Limited supplies of milk in the EU during 2013 are expected to lead to a 5 percent decline in the production of SMP which is forecast to result in a sharp 21 percent drop in SMP exports compared to 2012. For 2014, despite strong global prices, the processing of milk into cheese is likely to be financially more attractive than producing SMP and output is forecast to rebound by only 5 percent. Although EU SMP shipments are anticipated to rebound by 15 percent in 2014 they are expected to well below shipment levels reached in 2011 and 2012.

- Mexican imports of SMP for 2013 through August are reported down 17 percent in comparison to the same period last year. Consequently, the July 2013 forecast has been revised down to 200,000 tons. For 2014, Mexican imports of SMP are expected to recover, increasing by 5 percent as domestic supplies are unable to meet the growing domestic market for dairy products.

- In Oceania, total exports of SMP for 2013 are forecast to grow marginally by 1 percent over 2012 as the increase in New Zealand exports is likely to be offset by a decline in Australian shipments. For 2014, Oceania exports are forecast to increase by 4 percent or 20,000 tons of SMP. In the case of New Zealand, the vast majority of the increased milk supply will be directed to the production of WMP because of its relative profitability with respect to SMP/butter production.

- U.S. exports of SMP have been booming and are forecast to reach a record 560,000 tons in 2013. U.S. exporters of SMP, based on shipment data through October 2013, appear to have made significant gains over the comparable period in 2012 to such key Asian markets as China, Philippines, Indonesia, and Vietnam and Malaysia. The gains in sales to China have been particularly notable as exports of SMP in 2013 through October are up over 254 percent over the same period in 2012. For 2014, exports are forecast to decline by 4 percent to 540,000 tons as increased competition from the EU and to a lesser extent New Zealand, are expected to displace U.S. sales.

WMP:

- Global WMP markets continue to be dominated by China's seemingly insatiable demand for imports of WMP. For 2013, China's imports of WMP are slated to increase by 32 percent over 2012 to reach 535,000 tons. Demand does not appear to be particularly price sensitive since Oceania FOB prices of WMP increased from about $3,340 per ton in January 2013 to over $6,000 per ton in April 2013 and has averaged approximately $4,670 per ton for most of the year. In fact, the average (Oceania FOB mid-point) price of WMP in 2013 through November is up 44 percent in comparison to the average mid-point price ($3,230 per ton) posted in 2012. China's imports for 2014 are forecast to grow by 22 percent over 2013 to reach 650,000. This equates to an extra 115,000 tons of imported volume. Although domestic WMP production is expected to increase by 7 percent in 2014, strong demand for use of WMP in the production of processed products such as infant formula, yogurt, beverage drinks, etc., continues to outstrip domestic supply and drive import growth.

- In New Zealand, WMP production remains the most profitable relative to other dairy products given current export prices. This situation is expected to persist in early 2014, and WMP production for 2014 is expected to grow by 2 percent over 2013. In 2013, WMP production is likely to remain stagnant relative to 2012 due to early-year drought conditions. Consequently, exports are forecast to expand by only 1 percent over 2012. China has become New Zealand's major customer for WMP and in 2012 China accounted for about one third of New Zealand's total exports of WMP. For 2013, New Zealand's exports to China through October accounted for about 43 percent of its total exports. For 2014, New Zealand's exports of WMP are pegged at 1.35 million tons – an increase of 6 percent.

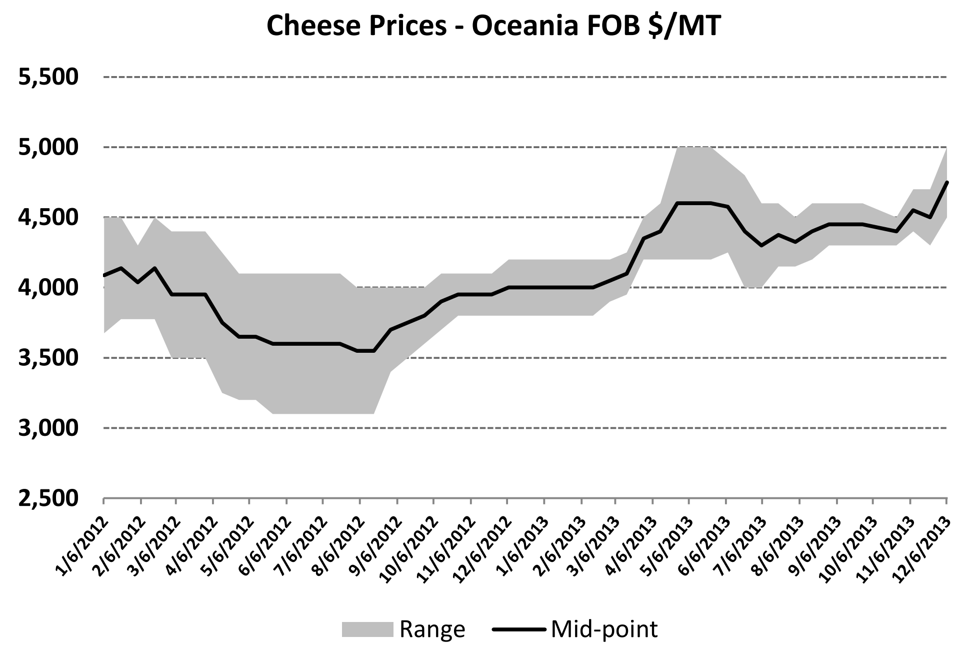
- Although the 2013 WMP production forecast for the EU was revised up by 645,000 tons this still represents a decline of 2 percent from 2012. Cold weather and a delayed spring in the first half of 2013 reduced milk flows and available supplies were channeled primarily into the production of cheese. For 2014, increased milk availability is expected increase WMP output and exports are slated to increase by 1 percent or 5,000 tons over 2013 to reach 375,000 tons.

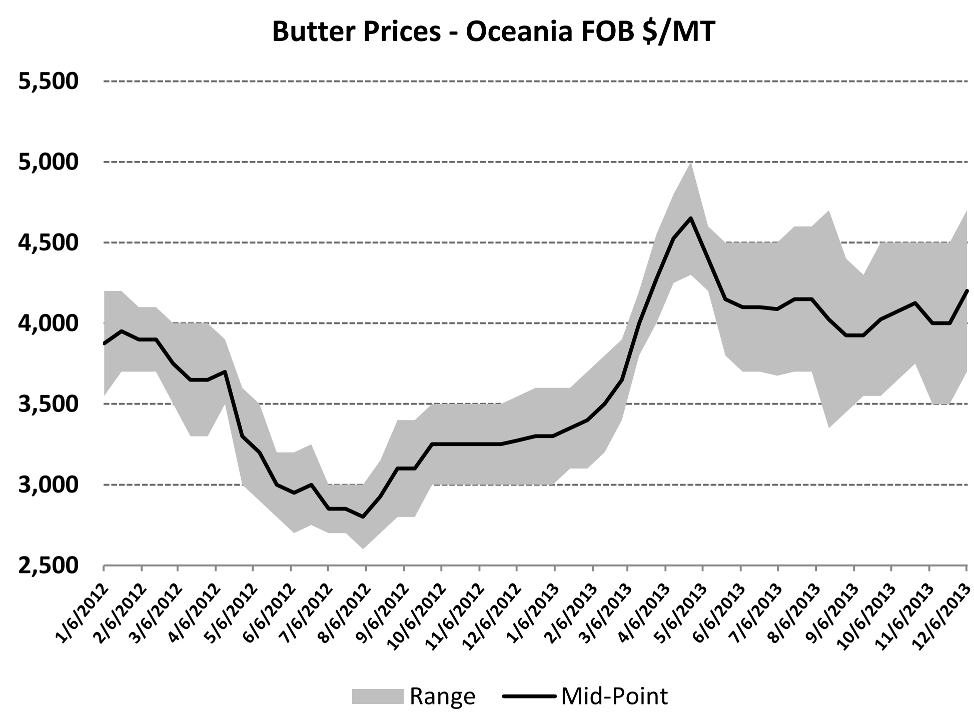
Butter:

- New Zealand remains the dominant exporter of butter accounting for about 65 percent of total trade among the major exporters. This share is not expected to change significantly in 2013 or 2014. Butter production in 2013 is forecast to drop by 4 percent from 2012 which is expected to lead a drop of 7 percent in exports. The situation is expected to reverse in 2014, with butter output pegged to grow by 4 percent relative to 2013. Similarly, exports are set to increase by 7 percent to 510,000 tons. Iran, Egypt, and Russia have in the past been the leading destinations for New Zealand butter, however, recently China has rapidly emerged to become a primary destination accounting for 10 percent of total New Zealand butter exports in 2012. For 2013, China remains a leading destination and will likely account for the same proportion of total New Zealand exports as in 2012.

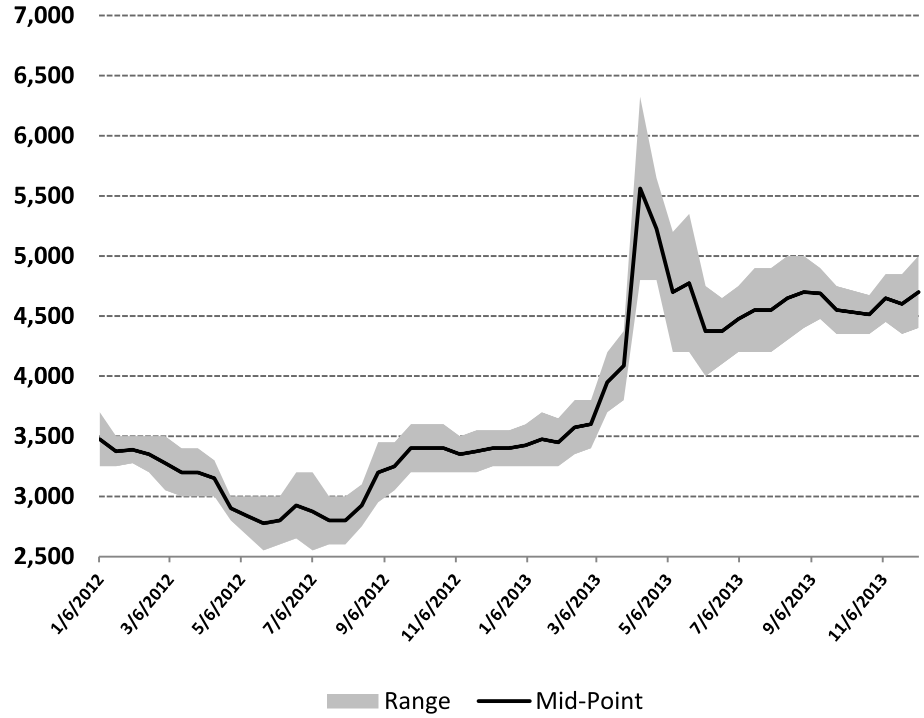
- The 2013 U.S. forecast for U.S. exports of butter has been revised from July to 91,000 tons - up almost double the 2012 level. Saudi Arabia is the leading destination accounting for about 22 percent of total butter exports for the year through October. For 2014, butter exports are expected to drop by 23 percent over 2013 as increased exportable supplies in the EU and New Zealand are expected to sharpen the competitive landscape for U.S. exporters.

International Prices

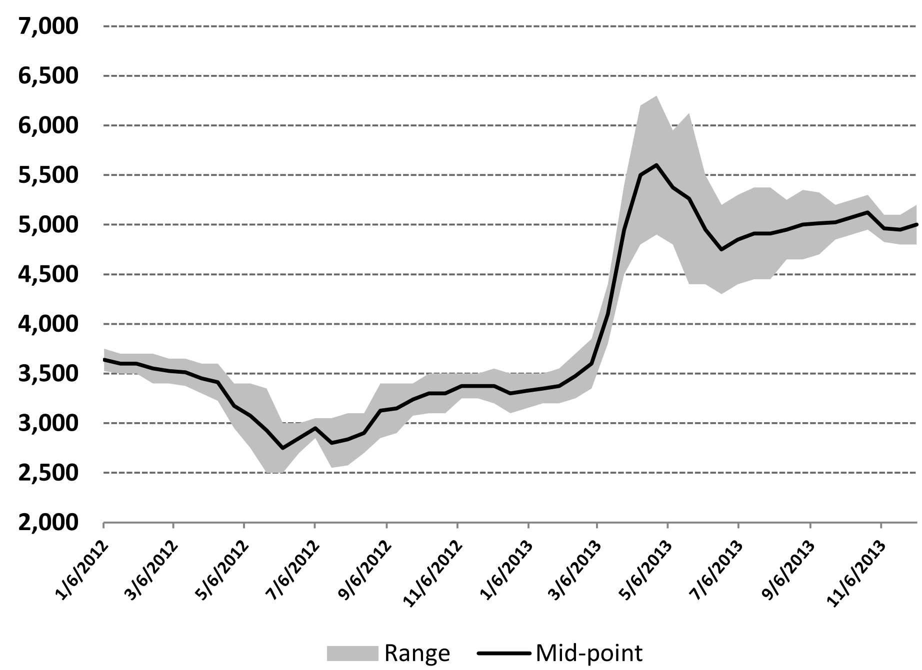




SMP Prices - Oceania FOB $/MT



WMP Prices - Oceania FOB $/MT



Source: Agricultural Marketing Service, USDA

COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Head

Milk Cow Numbers	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	979	981	983	960	961	955
Mexico	6,400	6,480	6,400	6,350	6,300	6,300
United States	9,203	9,119	9,194	9,233	9,220	9,250
Sub-total	**16,582**	**16,580**	**16,577**	**16,543**	**16,481**	**16,505**
South America						
Argentina	2,100	2,100	2,150	2,193	2,193	2,193
Brazil	17,200	17,600	19,200	19,900	20,450	20,859
Sub-total	**19,300**	**19,700**	**21,350**	**22,093**	**22,643**	**23,052**
European Union - 28	**24,192**	**23,566**	**23,122**	**23,051**	**23,052**	**23,050**
Former Soviet Union						
Russia	9,530	8,858	8,650	8,600	8,515	8,450
Ukraine	2,856	2,736	2,631	2,582	2,554	2,540
Sub-total	**12,386**	**11,594**	**11,281**	**11,182**	**11,069**	**10,990**
South Asia						
India	**42,600**	**43,600**	**44,900**	**46,400**	**48,250**	**50,100**
Asia						
China	7,115	7,320	7,620	8,000	8,380	8,900
Japan	848	830	805	813	798	800
Sub-total	**7,963**	**8,150**	**8,425**	**8,813**	**9,178**	**9,700**
Oceania						
Australia	1,676	1,596	1,620	1,650	1,650	1,660
New Zealand	4,597	4,680	4,816	5,018	5,043	5,111
Sub-total	**6,273**	**6,276**	**6,436**	**6,668**	**6,693**	**6,771**
TOTAL SELECTED COUNTRIES	**129,296**	**129,466**	**132,091**	**134,750**	**137,366**	**140,168**

Source: FAS post reports, official statistics, and office research.
Notes: (p)Preliminary
(f) Forecast.

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COWS MILK: SUMMARY FOR SELECTED COUNTRIES
1,000 Metric Tons

Fluid Milk Production	**2009**	**2010**	**2011**	**2012**	**(p) 2013**	**(f) 2014**
North America						
Canada	8,280	8,350	8,400	8,614	8,535	8,450
Mexico	10,866	11,033	11,046	11,274	11,270	11,350
United States	85,880	87,474	88,978	90,824	91,444	93,123
Sub-total	**105,026**	**106,857**	**108,424**	**110,712**	**111,249**	**112,923**
South America						
Argentina	10,350	10,600	11,470	11,679	11,796	12,209
Brazil	28,795	29,948	30,715	31,490	32,380	33,375
Sub-total	**39,145**	**40,548**	**42,185**	**43,169**	**44,176**	**45,584**
European Union - 28 1/	**133,700**	**135,472**	**138,220**	**139,000**	**139,100**	**140,000**
Former Soviet Union						
Russia	32,600	31,847	31,646	31,917	31,400	31,400
Ukraine	11,370	10,977	10,804	11,080	11,160	11,220
Sub-total	**43,970**	**42,824**	**42,450**	**42,997**	**42,560**	**42,620**
South Asia						
India	**48,160**	**50,300**	**53,500**	**55,500**	**57,500**	**60,125**
Asia						
China	28,445	29,300	30,700	32,600	34,500	37,000
Japan	7,910	7,721	7,474	7,631	7,560	7,580
Sub-total	**36,355**	**37,021**	**38,174**	**40,231**	**42,060**	**44,580**
Oceania						
Australia	9,326	9,327	9,568	9,811	9,570	9,880
New Zealand	16,983	17,173	18,965	20,567	19,678	20,569
Sub-total	**26,309**	**26,500**	**28,533**	**30,378**	**29,248**	**30,449**
TOTAL SELECTED COUNTRIES	**432,665**	**439,522**	**451,486**	**461,987**	**465,893**	**476,281**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries

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COWS MILK : SUMMARY FOR SELECTED COUNTRIES

MT/Head

Fluid Milk Production Per Cow	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	8.46	8.51	8.55	8.97	8.88	8.85
Mexico	1.70	1.70	1.73	1.78	1.79	1.80
United States	9.33	9.59	9.68	9.84	9.92	n.a.
South America						
Argentina	4.93	5.05	5.33	5.33	5.38	5.57
Brazil	1.67	1.70	1.60	1.58	1.58	1.60
European Union - 28 1/	5.53	5.75	5.98	6.03	6.03	6.07
Former Soviet Union						
Russia	3.42	3.60	3.66	3.71	3.69	3.72
Ukraine	3.98	4.01	4.11	4.29	4.37	4.42
South Asia						
India	1.13	1.15	1.19	1.20	1.19	1.20
Asia						
China	4.00	4.00	4.03	4.08	4.12	4.16
Japan	9.33	9.30	9.28	9.39	9.47	9.48
Oceania						
Australia	5.56	5.84	5.91	5.95	5.80	5.95
New Zealand	3.69	3.67	3.94	4.10	3.90	4.02

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries

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COWS MILK: SUMMARY FOR SELECTED COUNTRIES
1,000 Metric Tons

Fluid Milk Consumption	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	3,103	3,184	3,164	3,040	3,014	3,000
Mexico	5,206	5,167	4,100	4,168	4,171	4,209
United States	28,550	28,896	28,281	28,769	28,884	29,121
Sub-total	**36,859**	**37,247**	**35,545**	**35,977**	**36,069**	**36,330**
South America						
Argentina	2,100	2,130	2,093	2,133	2,155	2,200
Brazil	10,895	11,278	11,429	11,712	12,000	12,415
Sub-total	**12,995**	**13,408**	**13,522**	**13,845**	**14,155**	**14,615**
European Union - 28	**33,700**	**33,738**	**33,870**	**33,800**	**33,500**	**33,400**
Former Soviet Union						
Russia	12,114	11,775	11,650	11,040	10,615	10,640
Ukraine	3,483	5,342	5,442	5,588	5,667	5,692
Sub-total	**15,597**	**17,117**	**17,092**	**16,628**	**16,282**	**16,332**
South Asia						
India	**48,160**	**49,140**	**51,660**	**52,000**	**54,400**	**57,460**
Asia						
China	11,791	12,060	12,600	13,517	14,350	15,460
Japan	4,264	4,150	4,058	4,045	3,950	3,950
Sub-total	**16,055**	**16,210**	**16,658**	**17,562**	**18,300**	**19,410**
Oceania						
Australia 2/	2,272	2,284	2,422	2,511	2,525	2,550
New Zealand	300	300	300	275	300	300
Sub-total	**2,572**	**2,584**	**2,722**	**2,786**	**2,825**	**2,850**
TOTAL SELECTED COUNTRIES	**165,938**	**169,444**	**171,069**	**172,598**	**175,531**	**180,397**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f)   Forecast.

GCAD/OGA/FAS   Dec 2013

CHEESE PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada 1/	291	297	300	549	550	545
Mexico	242	264	270	264	270	270
United States	4,570	4,737	4,806	4,940	5,035	5,115
Sub-total	**5,103**	**5,298**	**5,376**	**5,753**	**5,855**	**5,930**
South America						
Argentina	530	540	572	564	570	589
Brazil	614	648	679	700	722	736
Sub-total	**1,144**	**1,188**	**1,251**	**1,264**	**1,292**	**1,325**
European Union - 28	**8,739**	**8,959**	**8,981**	**9,142**	**9,175**	**9,250**
Former Soviet Union						
Russia	400	438	425	446	420	425
Ukraine	228	212	185	145	147	150
Sub-total	**628**	**650**	**610**	**591**	**567**	**575**
Asia						
Japan	45	48	45	47	47	48
Korea	23	27	25	23	27	27
Philippines	2	2	2	2	2	2
Sub-total	**70**	**79**	**86**	**82**	**84**	**77**
Oceania						
Australia	321	319	339	330	329	360
New Zealand	308	268	300	321	314	320
Sub-total	**629**	**587**	**639**	**651**	**643**	**680**
TOTAL SELECTED COUNTRIES	**16,313**	**16,761**	**16,943**	**17,483**	**17,616**	**17,837**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
1/ Includes fresh cheese 2012 onwards

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CHEESE CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada 1/	318	318	313	537	560	565
Mexico	311	338	344	349	366	366
United States	4,540	4,638	4,716	4,788	4,851	4,939
Sub-total	**5,169**	**5,294**	**5,373**	**5,674**	**5,777**	**5,870**
South America						
Argentina	495	490	514	513	518	528
Brazil	624	666	715	724	751	762
Sub-total	**1,119**	**1,156**	**1,229**	**1,237**	**1,269**	**1,290**
European Union - 28	**8,245**	**8,367**	**8,374**	**8,444**	**8,450**	**8,500**
Former Soviet Union						
Russia	690	780	759	792	789	798
Ukraine	160	144	117	95	105	113
Sub-total	**850**	**924**	**876**	**887**	**894**	**911**
Asia						
Japan	229	247	260	282	290	295
Korea	72	88	101	101	112	113
Sub-total	**301**	**335**	**361**	**383**	**402**	**408**
Oceania						
Australia	220	225	256	240	232	248
New Zealand	24	24	30	32	34	35
Sub-total	**244**	**249**	**286**	**272**	**266**	**283**
TOTAL SELECTED COUNTRIES	**15,928**	**16,325**	**16,499**	**16,897**	**17,058**	**17,262**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
1/ Includes fresh cheese from 2012 onwards

GCAD/OGA/FAS Dec 2013

CHEESE IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada 1/	24	25	25	25	25	25
Mexico	73	80	78	89	100	100
United States	131	110	110	122	115	109
Sub-total	**228**	**215**	**213**	**236**	**240**	**234**
South America						
Argentina	3	3	3	3	3	2
Brazil	16	22	39	27	31	29
Sub-total	**19**	**25**	**42**	**30**	**34**	**31**
European Union - 28	84	84	75	78	75	75
Former Soviet Union						
Russia	310	353	344	356	375	385
Ukraine	9	11	12	17	18	23
Sub-total	**319**	**364**	**356**	**373**	**393**	**408**
Asia						
Japan	184	199	215	235	243	247
Korea	49	61	76	78	85	86
Philippines	15	15	17	20	17	18
Sub-total	**248**	**275**	**308**	**333**	**345**	**351**
Oceania						
Australia	65	76	72	76	76	76
New Zealand	6	6	5	5	5	5
Sub-total	**71**	**82**	**77**	**81**	**81**	**81**
TOTAL SELECTED COUNTRIES	**969**	**1,045**	**1,071**	**1,131**	**1,168**	**1,180**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
1/ Includes fresh cheese from 2012 onwards

GCAD/OGA/FAS Dec 2013

CHEESE EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada 1/	9	9	9	10	10	9
Mexico	4	6	4	4	4	4
United States	108	173	225	260	307	303
Sub-total	**121**	**188**	**238**	**274**	**321**	**316**
South America						
Argentina	48	45	60	54	55	60
Brazil	6	4	3	3	2	3
Sub-total	**63**	**53**	**43**	**54**	**49**	**53**
European Union - 28	**578**	**676**	**682**	**776**	**800**	**825**
Former Soviet Union						
Russia	21	11	9	10	10	10
Ukraine	77	79	80	67	60	60
Sub-total	**98**	**90**	**89**	**77**	**70**	**70**
Oceania						
Australia	162	160	168	163	180	190
New Zealand	290	265	253	306	280	300
Sub-total	**452**	**425**	**421**	**469**	**460**	**490**
TOTAL SELECTED COUNTRIES	**1,312**	**1,432**	**1,473**	**1,650**	**1,700**	**1,754**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f)   Forecast.
1/ Includes fresh cheese from 2012 onwards

GCAD/OGA/FAS   Dec 2013

BUTTER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	86	80	85	98	92	88
Mexico	171	182	187	190	185	185
United States	713	709	821	843	852	865
Sub-total	**970**	**971**	**1,093**	**1,131**	**1,129**	**1,138**
South America						
Argentina	51	55	63	58	60	62
Brazil	76	78	79	81	83	85
Sub-total	**127**	**133**	**142**	**139**	**143**	**147**
European Union - 28	**2,030**	**1,980**	**2,055**	**2,100**	**2,090**	**2,100**
Former Soviet Union						
Russia	246	207	217	216	205	200
Ukraine	75	79	76	88	90	92
Sub-total	**321**	**286**	**293**	**304**	**295**	**292**
Asia						
India	3,910	4,162	4,330	4,525	4,745	4,887
Japan	81	74	63	69	71	73
Sub-total	**3,991**	**4,236**	**4,393**	**4,594**	**4,816**	**4,960**
Oceania						
Australia	118	132	121	119	117	122
New Zealand	482	441	487	527	506	525
Sub-total	**519**	**519**	**519**	**519**	**519**	**519**
TOTAL SELECTED COUNTRIES	**7,958**	**8,125**	**8,495**	**8,787**	**8,992**	**9,156**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes Butteroil/AMF butter equivalent.

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BUTTER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	96	90	96	97	95	95
Mexico	224	231	222	226	238	238
United States	694	683	757	793	780	809
Sub-total	**1,014**	**1,004**	**1,075**	**1,116**	**1,113**	**1,142**
South America						
Argentina	34	37	35	38	40	40
Brazil	81	75	78	80	82	84
Sub-total	**115**	**112**	**113**	**118**	**122**	**124**
European Union - 28	**1,894**	**1,934**	**1,982**	**2,031**	**2,033**	**2,035**
Former Soviet Union						
Russia	349	319	330	335	348	348
Ukraine	90	84	78	96	101	105
Sub-total	**439**	**403**	**408**	**431**	**449**	**453**
Asia						
India	3,910	4,170	4,320	4,525	4,736	4,876
Japan	74	86	83	77	72	74
Taiwan	14	16	18	18	19	19
Sub-total	**3,998**	**4,272**	**4,421**	**4,620**	**4,827**	**4,969**
Oceania						
Australia	60	73	78	82	85	86
New Zealand	20	20	20	21	22	22
Sub-total	**80**	**93**	**98**	**103**	**107**	**108**
TOTAL SELECTED COUNTRIES	**7,540**	**7,818**	**8,097**	**8,419**	**8,651**	**8,831**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes Butteroil/AMF butter equivalent.

GCAD/OGA/FAS Dec 2013

BUTTER IMPORTS: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	12	8	10	7	7	8
Mexico	53	49	35	37	55	55
United States	17	10	12	18	13	15
Sub-total	**82**	**67**	**57**	**62**	**75**	**78**
South America						
Brazil	7	2	0	1	1	1
European Union - 28	**84**	**93**	**66**	**63**	**65**	**65**
Former Soviet Union						
Russia	107	113	116	119	145	150
Ukraine	16	6	4	8	12	14
Sub-total	**123**	**119**	**120**	**127**	**157**	**164**
Asia						
India	28	25	0	8	0	0
Japan	0	3	15	10	1	4
Taiwan	14	16	18	18	19	19
Sub-total	**42**	**44**	**33**	**36**	**20**	**23**
Oceania						
Australia	18	19	19	21	23	25
New Zealand	1	1	1	0	1	1
Sub-total	**19**	**20**	**20**	**21**	**24**	**26**
TOTAL SELECTED COUNTRIES	**357**	**345**	**296**	**310**	**342**	**357**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes Butteroil/AMF butter equivalent.

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BUTTER EXPORTS: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	3	1	0	0	5	3
Mexico	0	0	0	1	2	2
United States	30	59	65	47	91	70
Sub-total	**33**	**60**	**65**	**48**	**98**	**75**
South America						
Argentina	17	15	27	21	20	22
Brazil	2	5	1	2	2	2
Sub-total	**19**	**20**	**28**	**23**	**22**	**24**
European Union - 28	**149**	**154**	**124**	**120**	**120**	**120**
Former Soviet Union						
Ukraine	1	1	2	0	1	1
Asia						
India	28	11	11	8	9	9
Sub-total	**5**	**10**	**15**	**28**	**4**	**10**
Oceania						
Australia	87	58	42	54	55	62
New Zealand	492	429	449	509	475	510
Sub-total	**579**	**487**	**491**	**563**	**530**	**572**
TOTAL SELECTED COUNTRIES	**786**	**732**	**725**	**782**	**775**	**802**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes Butteroil/AMF butter equivalent.

GCAD/OGA/FAS   Dec 2013

SKIMMED MILK POWDER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	83	72	76	85	78	76
Mexico	25	13	26	55	55	55
United States 1/	786	824	882	973	979	1,015
Sub-total	**894**	**909**	**984**	**1,113**	**1,112**	**1,146**
South America						
Argentina	33	35	39	32	32	33
Brazil	125	130	132	141	151	154
Sub-total	**158**	**165**	**171**	**173**	**183**	**187**
European Union - 28	**1,080**	**1,060**	**1,180**	**1,270**	**1,210**	**1,270**
Former Soviet Union						
Russia	70	42	55	57	50	50
Ukraine	51	53	43	52	52	52
Sub-total	**121**	**95**	**98**	**109**	**102**	**102**
Asia						
China	54	55	56	57	54	51
India	360	380	430	450	480	510
Japan	167	156	137	139	142	145
Korea	15	10	4	14	12	12
Sub-total	**596**	**601**	**627**	**660**	**688**	**718**
Oceania						
Australia	203	205	230	235	225	235
New Zealand	385	344	366	404	390	420
Sub-total	**588**	**549**	**596**	**639**	**615**	**655**
TOTAL SELECTED COUNTRIES	**3,437**	**3,379**	**3,656**	**3,964**	**3,910**	**4,078**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes NDM and SMP production.

GCAD/OGA/FAS Dec 2013

SKIMMED MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	84	72	72	69	70	70
Mexico	190	168	220	291	255	265
United States 1/	568	434	438	522	433	460
Sub-total	**842**	**674**	**730**	**882**	**758**	**795**
South America						
Argentina	17	18	19	18	18	18
Brazil	135	144	163	174	179	180
Sub-total	**152**	**162**	**182**	**192**	**197**	**198**
European Union - 28	**596**	**749**	**807**	**799**	**800**	**800**
Former Soviet Union						
Russia	175	159	126	153	180	190
Ukraine	32	41	23	29	37	35
Sub-total	**207**	**200**	**149**	**182**	**217**	**225**
Asia						
China	124	144	186	225	268	300
India	355	390	410	425	400	416
Indonesia	172	184	197	205	222	231
Japan	152	162	157	146	147	150
Korea	25	21	38	27	30	31
Philippines	89	97	92	96	100	105
Sub-total	**917**	**998**	**1,080**	**1,124**	**1,167**	**1,233**
Oceania						
Australia	50	56	68	76	80	80
New Zealand	1	3	3	3	4	4
Sub-total	**51**	**59**	**71**	**79**	**84**	**84**
TOTAL SELECTED COUNTRIES	**2,765**	**2,842**	**3,019**	**3,258**	**3,223**	**3,335**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes NDM and SMP.

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SKIMMED MILK POWDER IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	3	3	3	3	3	2
Mexico	165	155	194	236	200	210
United States 1/	0	0	0	2	1	1
Sub-total	**168**	**158**	**197**	**241**	**204**	**213**
South America						
Argentina	0	0	0	0	0	0
Brazil	11	14	31	33	28	26
Sub-total	**11**	**14**	**31**	**33**	**28**	**26**
European Union - 28	**6**	**4**	**0**	**2**	**5**	**5**
Former Soviet Union						
Russia	105	117	71	96	130	140
Ukraine	8	2	2	3	1	3
Sub-total	**113**	**119**	**73**	**99**	**131**	**143**
North Africa						
Algeria	**93**	**98**	**129**	**112**	**125**	**115**
Asia						
China	70	89	130	168	215	250
India	3	20	32	14	0	0
Indonesia	178	189	196	205	225	230
Japan	34	30	27	32	33	32
Korea	10	8	34	19	18	18
Philippines	112	110	111	106	110	115
Sub-total	**407**	**446**	**530**	**544**	**601**	**645**
Oceania						
Australia	4	5	5	3	5	5
New Zealand	4	3	2	5	3	3
Sub-total	**8**	**8**	**7**	**8**	**8**	**8**
TOTAL SELECTED COUNTRIES	**806**	**847**	**967**	**1,039**	**1,102**	**1,155**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes NDM and SMP.

GCAD/OGA/FAS Dec 2013

SKIMMED MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
Canada	10	6	10	10	11	10
Mexico	0	0	0	0	0	0
United States 1/	248	384	435	445	560	540
Sub-total	**258**	**390**	**445**	**455**	**571**	**550**
South America						
Argentina	13	20	18	14	16	15
Brazil	1	0	0	0	0	0
Sub-total	**14**	**20**	**18**	**14**	**16**	**15**
European Union - 28	**231**	**379**	**518**	**523**	**415**	**475**
Former Soviet Union						
Russia	0	0	0	0	0	0
Ukraine	27	14	22	26	16	20
Sub-total	**27**	**14**	**22**	**26**	**16**	**20**
Asia						
China	0	0	0	0	1	1
India	15	18	3	37	120	90
Indonesia	5	1	1	1	1	1
Philippines	15	15	17	12	6	8
Sub-total	**35**	**34**	**21**	**50**	**128**	**100**
Oceania						
Australia	167	132	140	168	155	165
New Zealand	408	343	362	390	410	420
Sub-total	**575**	**475**	**502**	**558**	**565**	**585**
TOTAL SELECTED COUNTRIES	**1,140**	**1,312**	**1,526**	**1,626**	**1,711**	**1,745**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Includes NDM and SMP.

GCAD/OGA/FAS Dec 2013

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

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
United States	27	32	30	26	34	35
Sub-total	**27**	**32**	**30**	**26**	**34**	**35**
South America						
Argentina	210	210	309	281	284	294
Brazil	473	500	515	531	549	560
Chile	55	63	73	74	75	75
Sub-total	**738**	**773**	**897**	**886**	**908**	**929**
European Union - 28	**790**	**780**	**685**	**660**	**645**	**650**
Former Soviet Union						
Russia	50	40	76	67	60	60
Ukraine	16	15	10	11	11	11
Sub-total	**66**	**55**	**86**	**78**	**71**	**71**
Asia						
China	977	1,030	1,100	1,160	1,220	1,300
Indonesia	56	62	66	70	71	72
Taiwan	0	0	0	0	0	0
Sub-total	**1,033**	**1,092**	**1,166**	**1,230**	**1,291**	**1,372**
Oceania						
Australia	137	147	148	120	120	130
New Zealand	768	947	1,162	1,273	1,275	1,300
Sub-total	**905**	**1,094**	**1,310**	**1,393**	**1,395**	**1,430**
TOTAL SELECTED COUNTRIES	**3,559**	**3,826**	**4,174**	**4,273**	**4,344**	**4,487**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.

GCAD/OGA/FAS Dec 2013

WHOLE MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
United States	35	29	30	25	28	29
Sub-total	**35**	**29**	**30**	**25**	**28**	**29**
South America						
Argentina	54	75	89	90	91	92
Brazil	517	533	569	601	606	618
Sub-total	**571**	**608**	**658**	**691**	**697**	**710**
European Union - 28	**333**	**337**	**299**	**277**	**279**	**277**
Former Soviet Union						
Russia	71	79	94	93	103	108
Ukraine	12	9	9	11	12	13
Sub-total	**83**	**88**	**103**	**104**	**115**	**121**
North Africa						
Algeria	**172**	**182**	**185**	**185**	**165**	**170**
Asia						
China	1,064	1,373	1,433	1,540	1,777	1,975
Indonesia	106	112	118	126	120	127
Philippines	9	10	6	13	24	26
Taiwan	28	26	32	31	30	30
Sub-total	**1,207**	**1,521**	**1,589**	**1,710**	**1,951**	**2,158**
Oceania						
Australia	28	45	40	40	36	40
New Zealand	1	1	2	2	2	2
Sub-total	**29**	**28**	**28**	**29**	**30**	**31**
TOTAL SELECTED COUNTRIES	**2,430**	**2,793**	**2,892**	**3,021**	**3,265**	**3,496**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.

GCAD/OGA/FAS Dec 2013

WHOLE MILK POWDER IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
United States	18	7	8	10	8	6
Sub-total	**18**	**7**	**8**	**10**	**8**	**6**
South America						
Argentina	1	0	0	0	0	0
Brazil	57	38	55	71	57	58
Sub-total	**58**	**38**	**55**	**71**	**57**	**58**
European Union - 28	**1**	**2**	**2**	**3**	**4**	**2**
Former Soviet Union						
Russia	30	41	20	28	45	50
Ukraine	1	0	1	1	1	2
Sub-total	**31**	**41**	**21**	**29**	**46**	**52**
North Africa						
Algeria	**200**	**167**	**204**	**188**	**135**	**170**
Asia						
China	177	326	320	406	535	650
Indonesia	50	50	52	56	50	55
Philippines	36	40	30	35	32	36
Taiwan	28	26	32	31	30	30
Sub-total	**291**	**442**	**434**	**528**	**647**	**771**
Oceania						
Australia	15	15	13	9	12	10
New Zealand	1	2	1	1	1	1
Sub-total	**16**	**17**	**14**	**10**	**13**	**11**
TOTAL SELECTED COUNTRIES	**615**	**714**	**738**	**839**	**910**	**1,070**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.

GCAD/OGA/FAS Dec 2013

WHOLE MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2009	2010	2011	2012	(p) 2013	(f) 2014
North America						
United States	9	10	8	11	12	12
Sub-total	**9**	**10**	**8**	**11**	**12**	**12**
South America						
Argentina	157	128	201	201	190	211
Brazil	13	5	1	1	0	0
Chile	14	9	14	15	12	13
Sub-total	**184**	**142**	**216**	**217**	**202**	**224**
European Union - 28	**458**	**445**	**388**	**386**	**370**	**375**
Former Soviet Union						
Russia	9	2	2	2	2	2
Ukraine	5	6	2	1	0	0
Sub-total	**14**	**8**	**4**	**3**	**2**	**2**
Asia						
China	10	3	9	9	5	5
Philippines	27	30	24	22	8	10
Sub-total	**37**	**33**	**33**	**31**	**13**	**15**
Oceania						
Australia	133	115	116	109	90	100
New Zealand	818	949	1,110	1,261	1,275	1,350
Sub-total	**951**	**1,064**	**1,226**	**1,370**	**1,365**	**1,450**
TOTAL SELECTED COUNTRIES	**1,653**	**1,702**	**1,875**	**2,018**	**1,964**	**2,078**

Source: FAS post reports, official statistics, and office research.
Notes:
(p) Preliminary.
(f) Forecast.

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