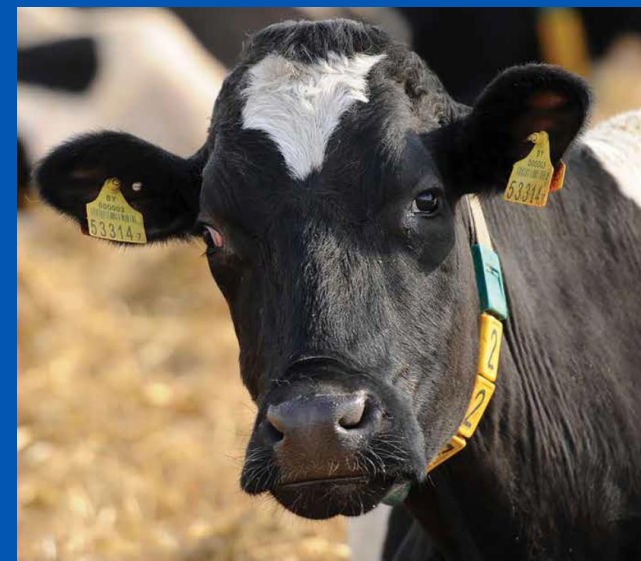


Civil Dialogue Group MILK

Milk market situation



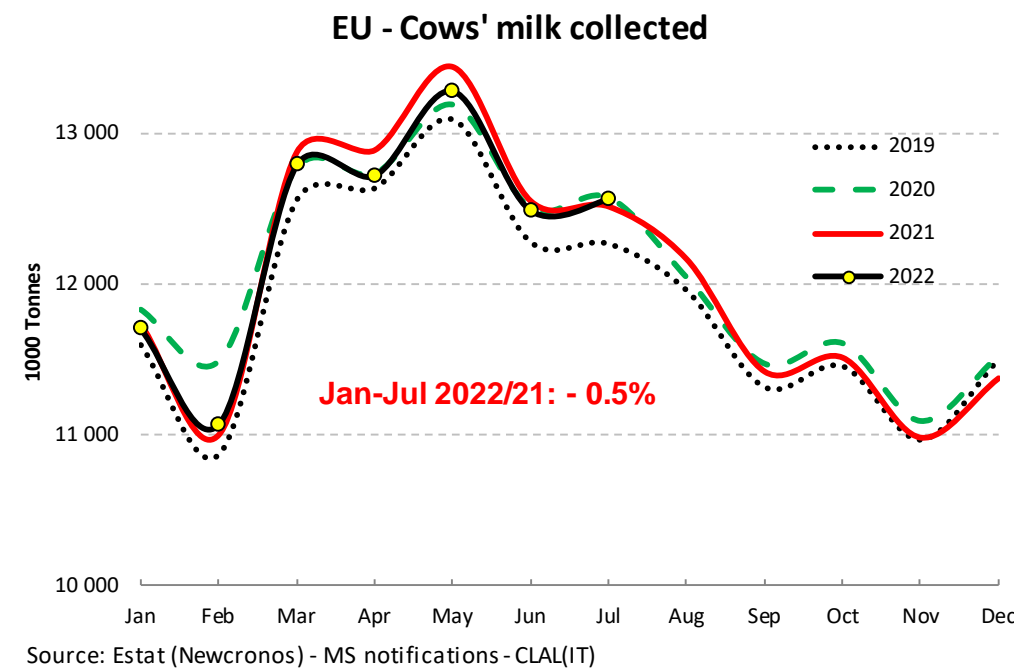
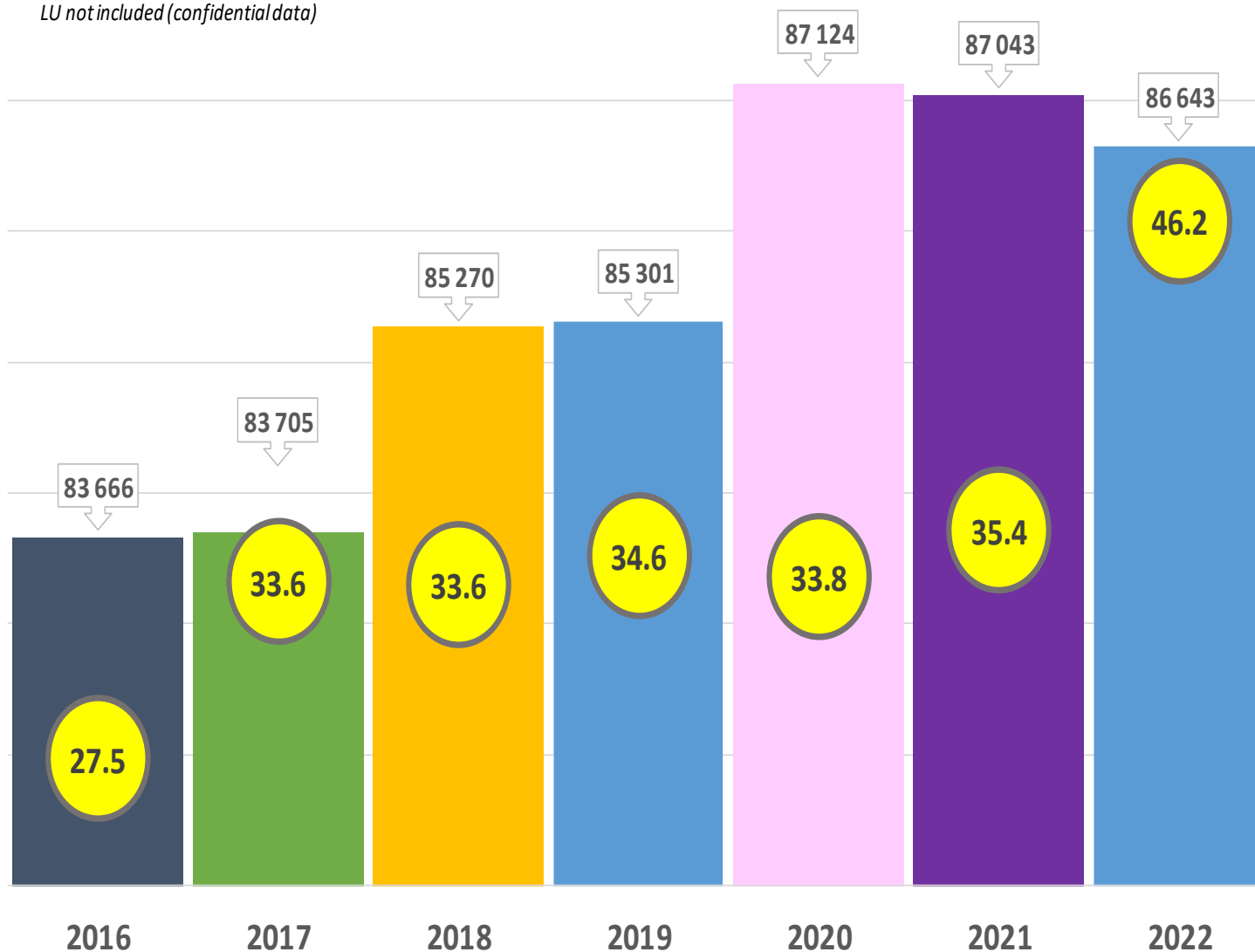
Brussels, 3 October 2022

Outline

- ❑ EU-27 milk deliveries and prices
- ❑ Milk production of main exporting countries
- ❑ EU dairy productions
- ❑ Margins, feed costs
- ❑ Organic milk prices and production
- ❑ EU dairy products prices
- ❑ EU and world quotations
- ❑ Dairy trade (China, Ukraine, US)
- ❑ FFP

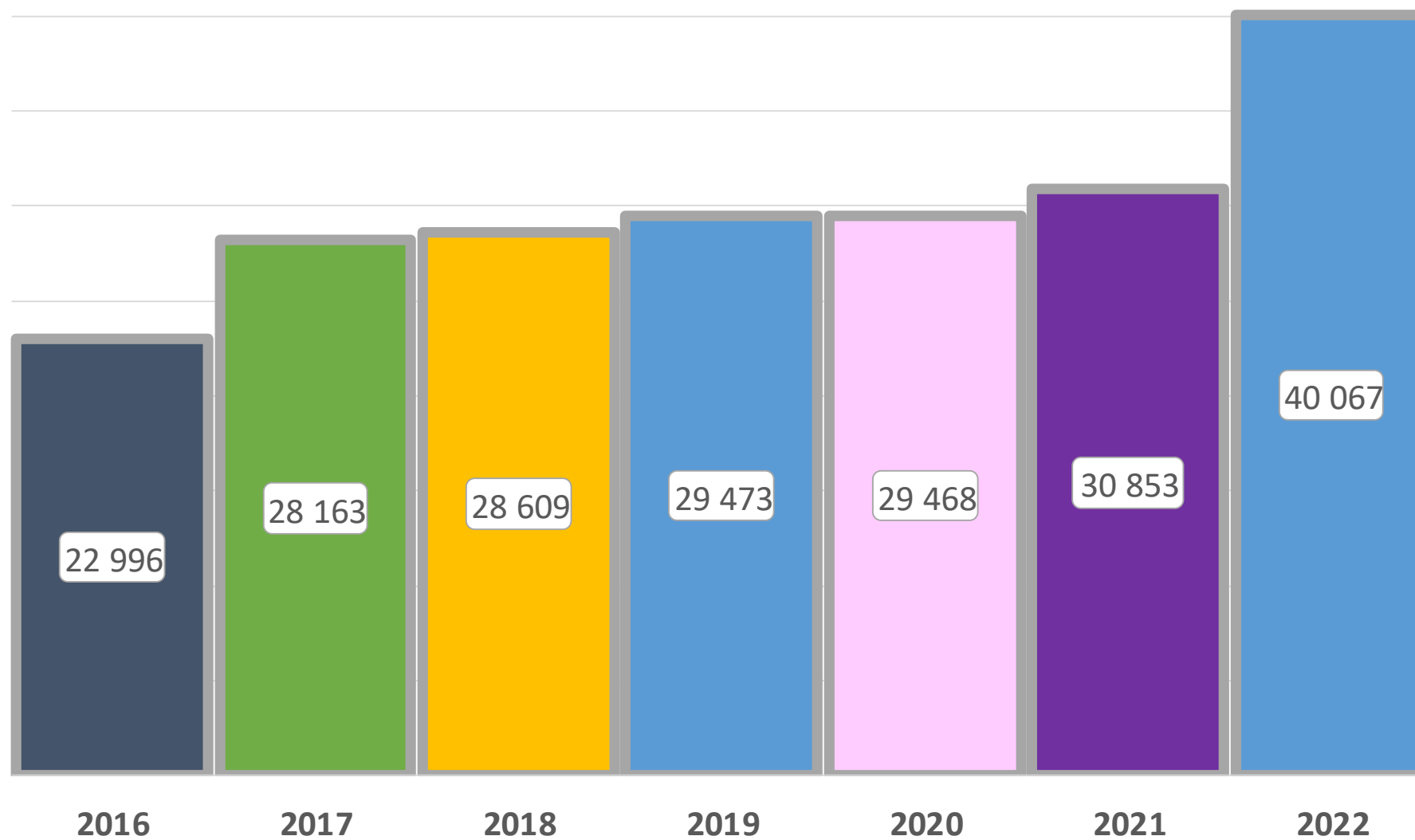
EU-27 milk deliveries and price Jan-Jul 2016-22 (x1000 t, c/kg)

LU not included (confidential data)



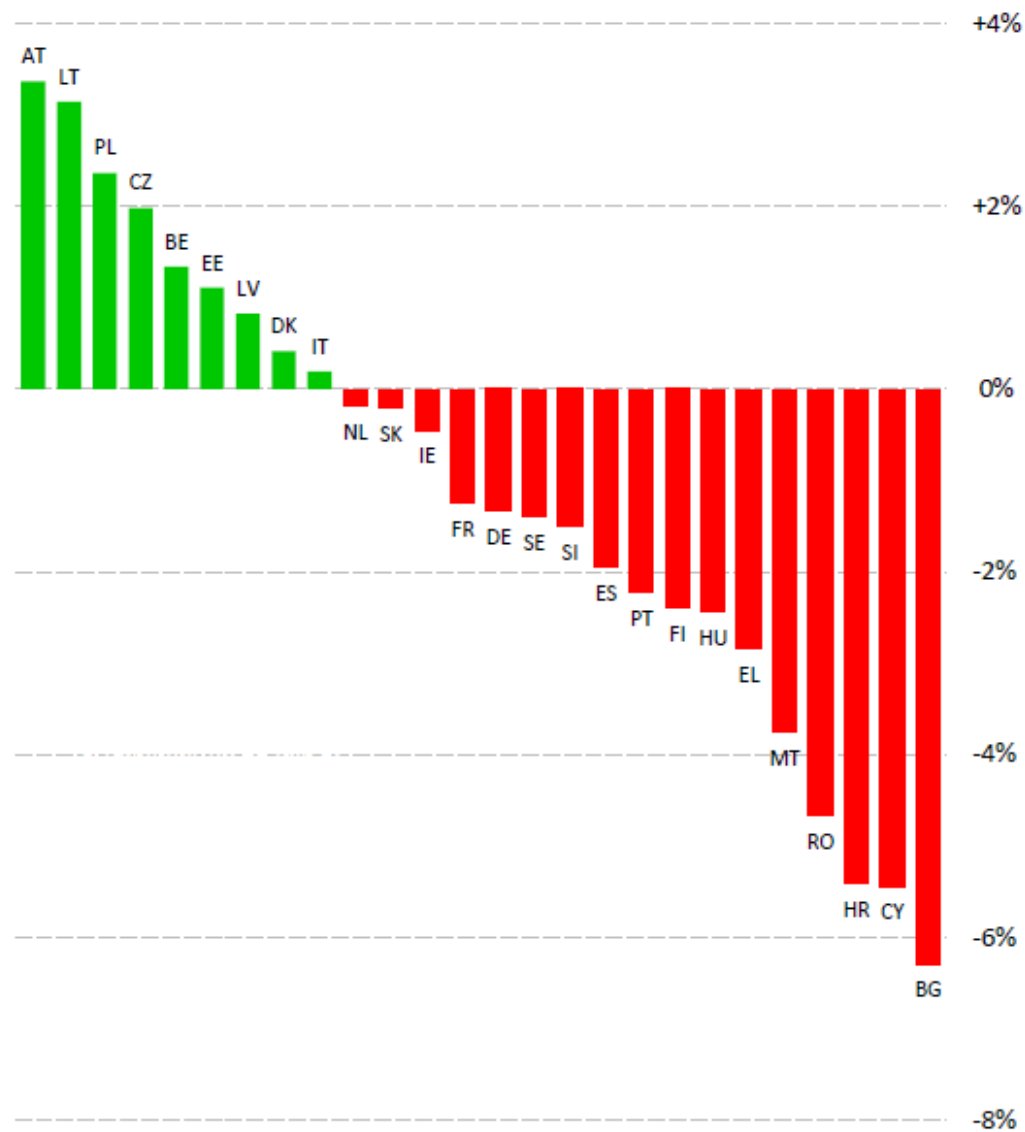
EU-27 value milk production Jan-Jul 2016-22 (x million €)

LU not included (confidential data)



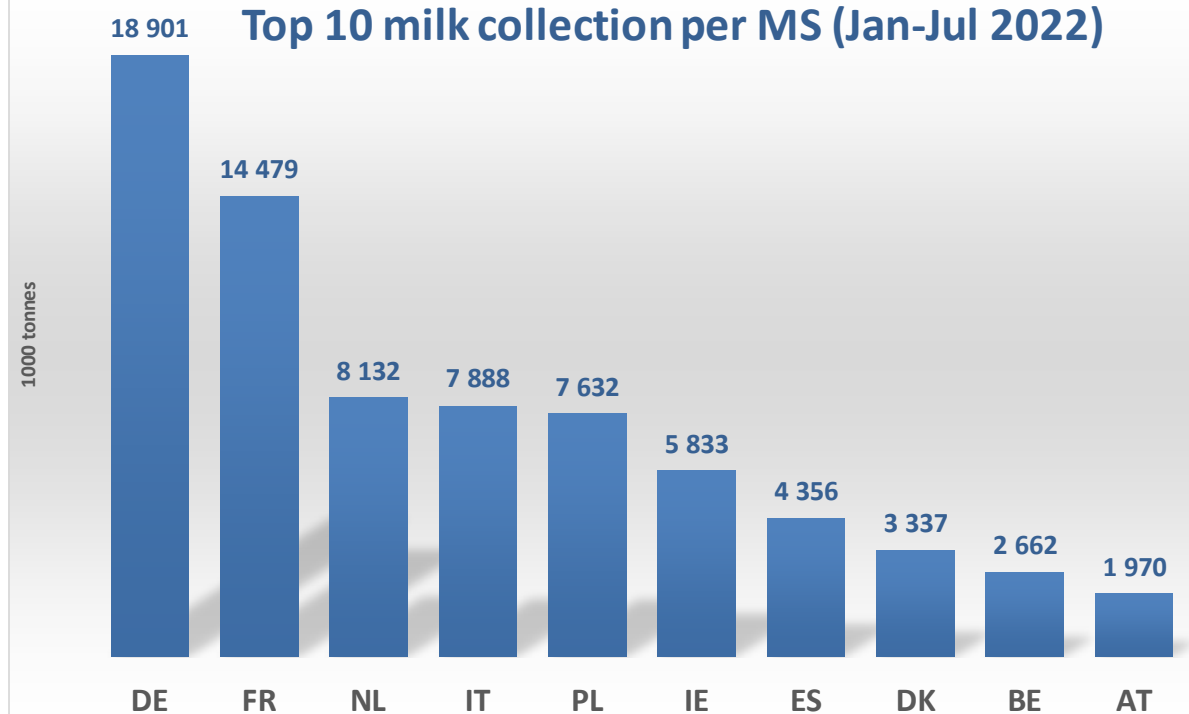
Cows' milk collected

2022/21 Jan-Jul (y/y % chg)

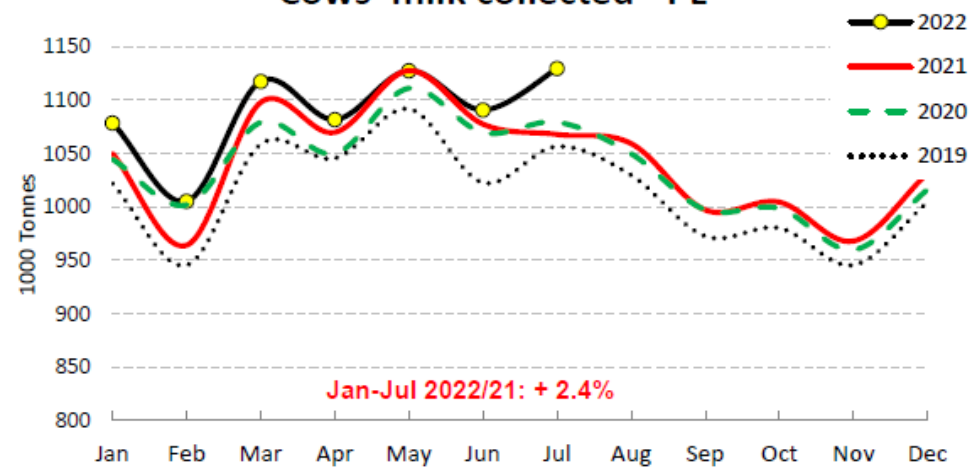


Source: Estat (Newcronos) - MS notifications

Top 10 milk collection per MS (Jan-Jul 2022)



Cows' milk collected - PL



Jan-Jul 2022/21: + 2.4%

Source : Estat, Newcronos , AGEA

EU*+UK+US+NZ+AUS COMBINED MILK PRODUCTION GROWTH

Combined world milk production



- Jul 2022 23.4 mio t -0.0%
- Jan-Jul 2022 169.4 mio t -1.0%

- Variations

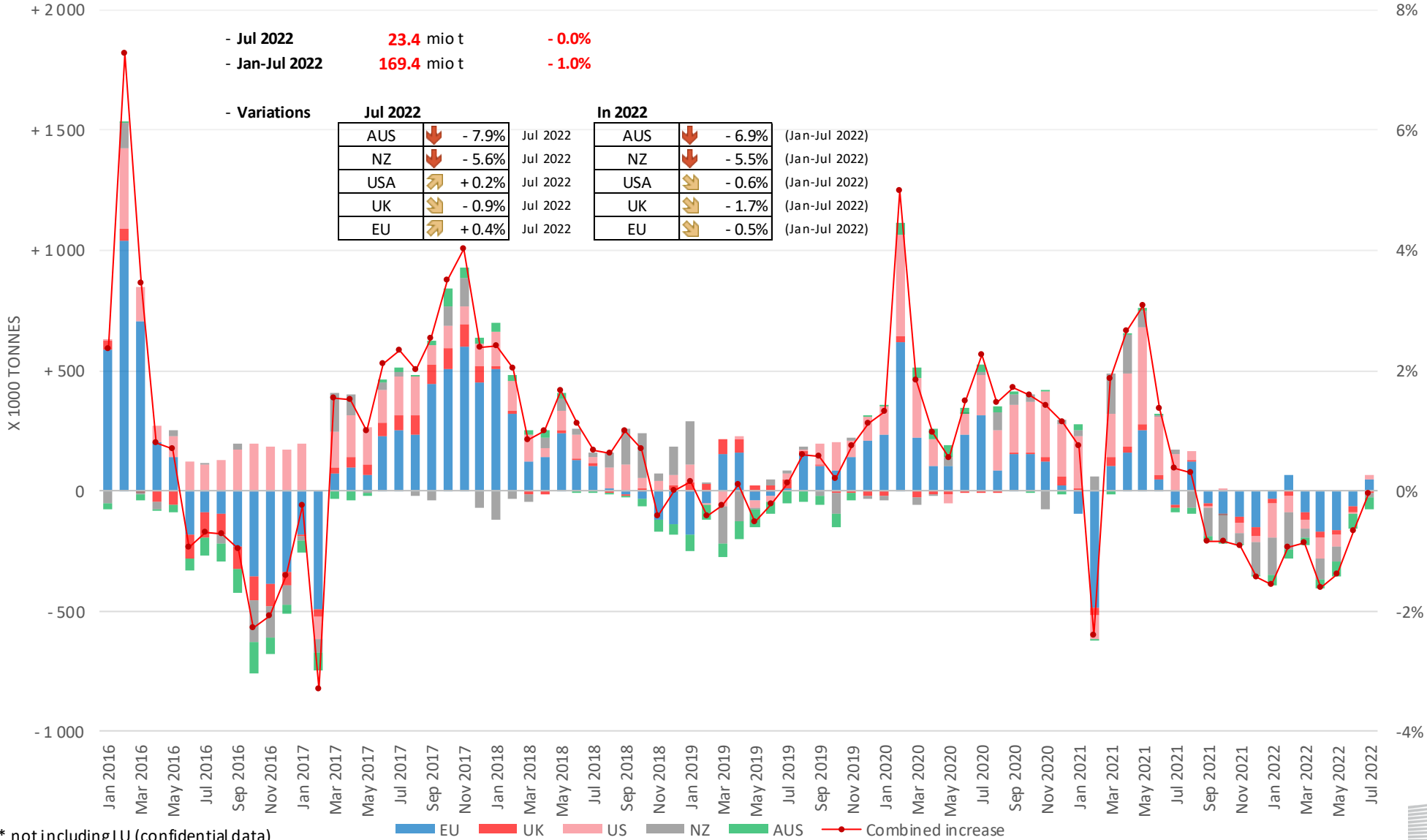
Jul 2022		
AUS	↓	- 7.9%
NZ	↓	- 5.6%
USA	↑	+ 0.2%
UK	↑	- 0.9%
EU	↑	+ 0.4%

Jul 2022
Jul 2022
Jul 2022
Jul 2022
Jul 2022

In 2022

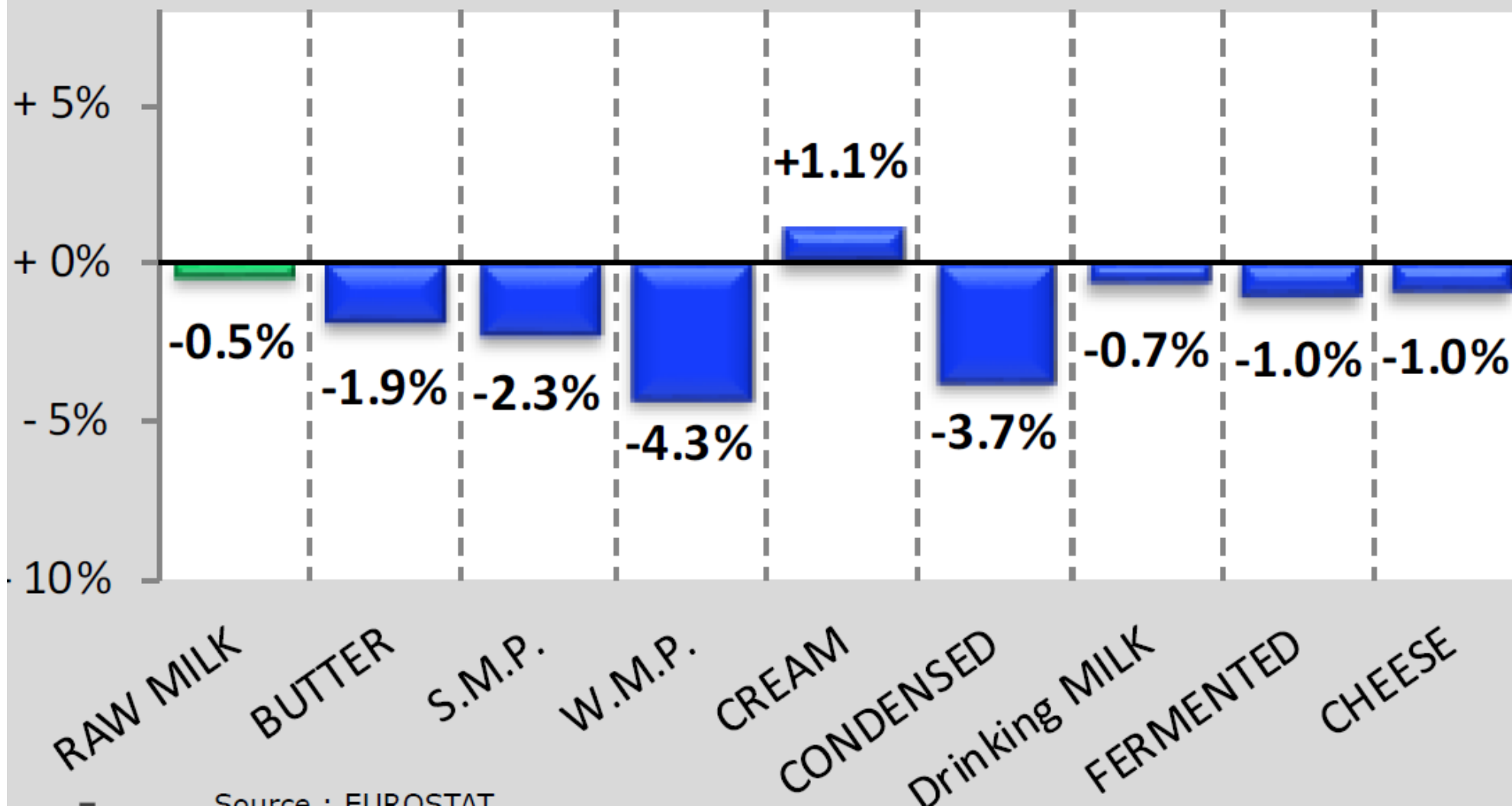
AUS	↓	- 6.9%
NZ	↓	- 5.5%
USA	↑	- 0.6%
UK	↑	- 1.7%
EU	↑	- 0.5%

(Jan-Jul 2022)
(Jan-Jul 2022)
(Jan-Jul 2022)
(Jan-Jul 2022)
(Jan-Jul 2022)



* not including LU (confidential data)

EU Productions Jan-Jul 2022 compared to Jan-Jul 2021)



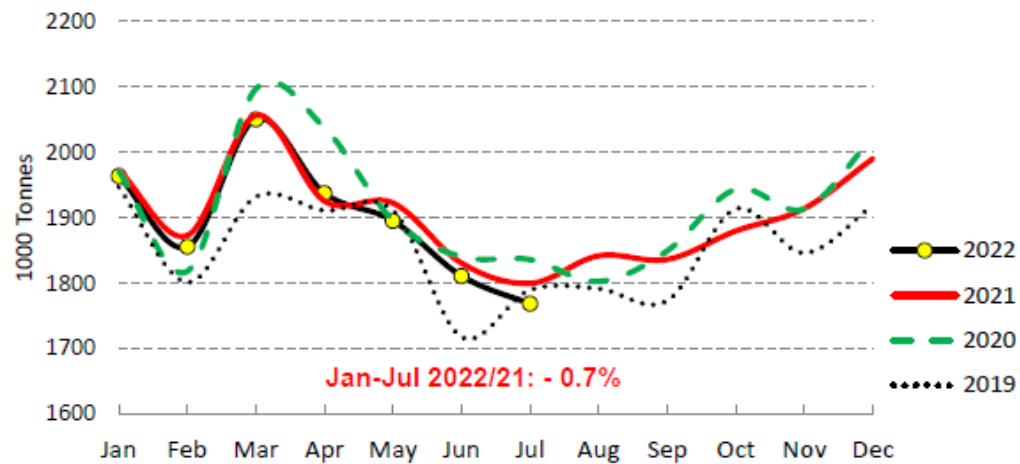
Source: EUROSTAT

Data from some Member States are confidential and are not included in this table.



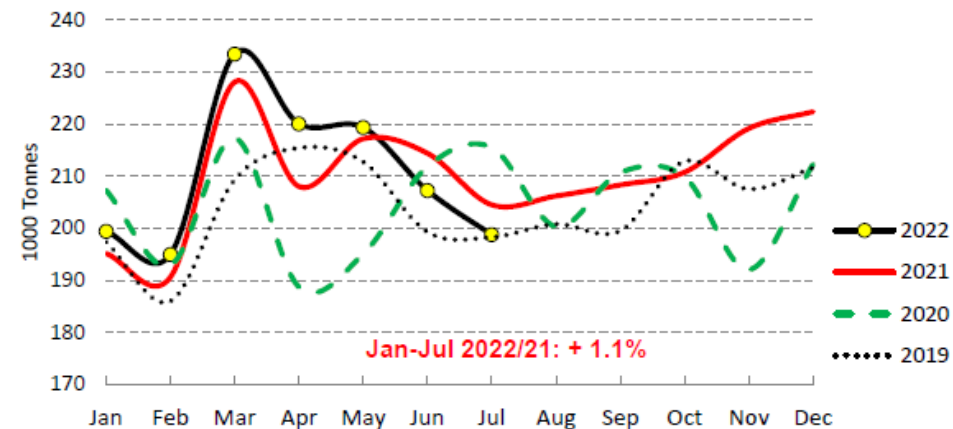
European Commission

EU - Drinking milk



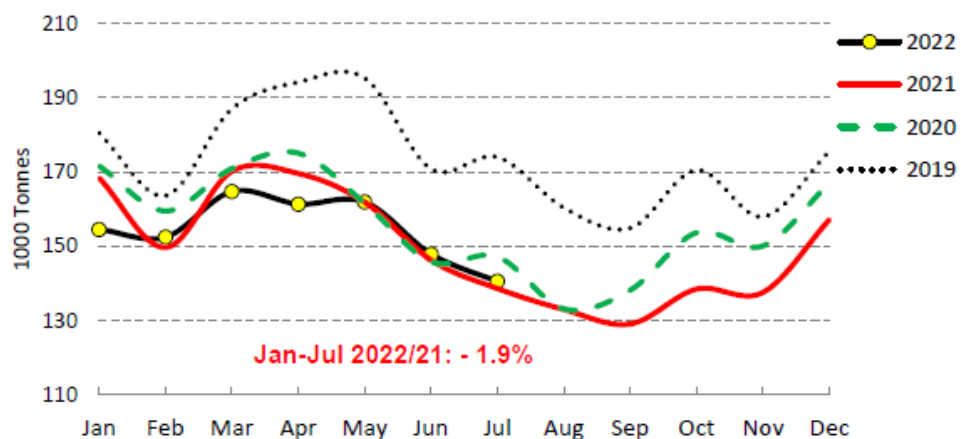
Source : Estat - Newcronos

EU - Cream for direct consumption



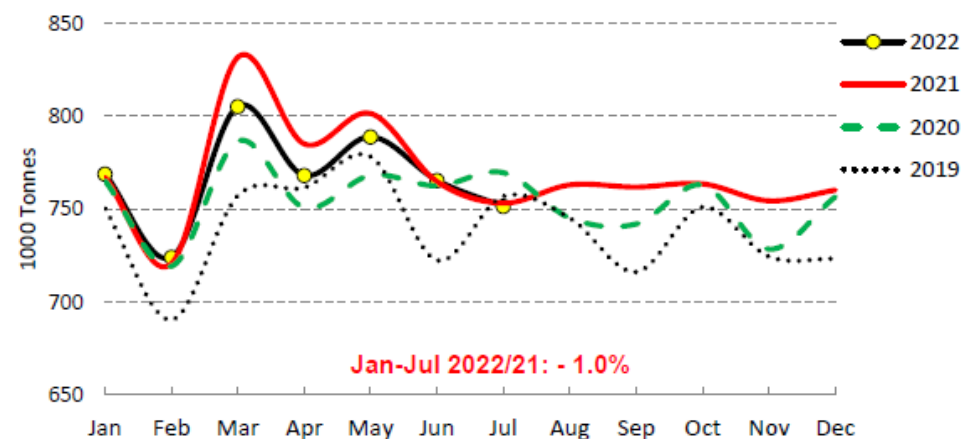
Source : Estat - Newcronos

EU - Total Butter



Source : Estat - Newcronos

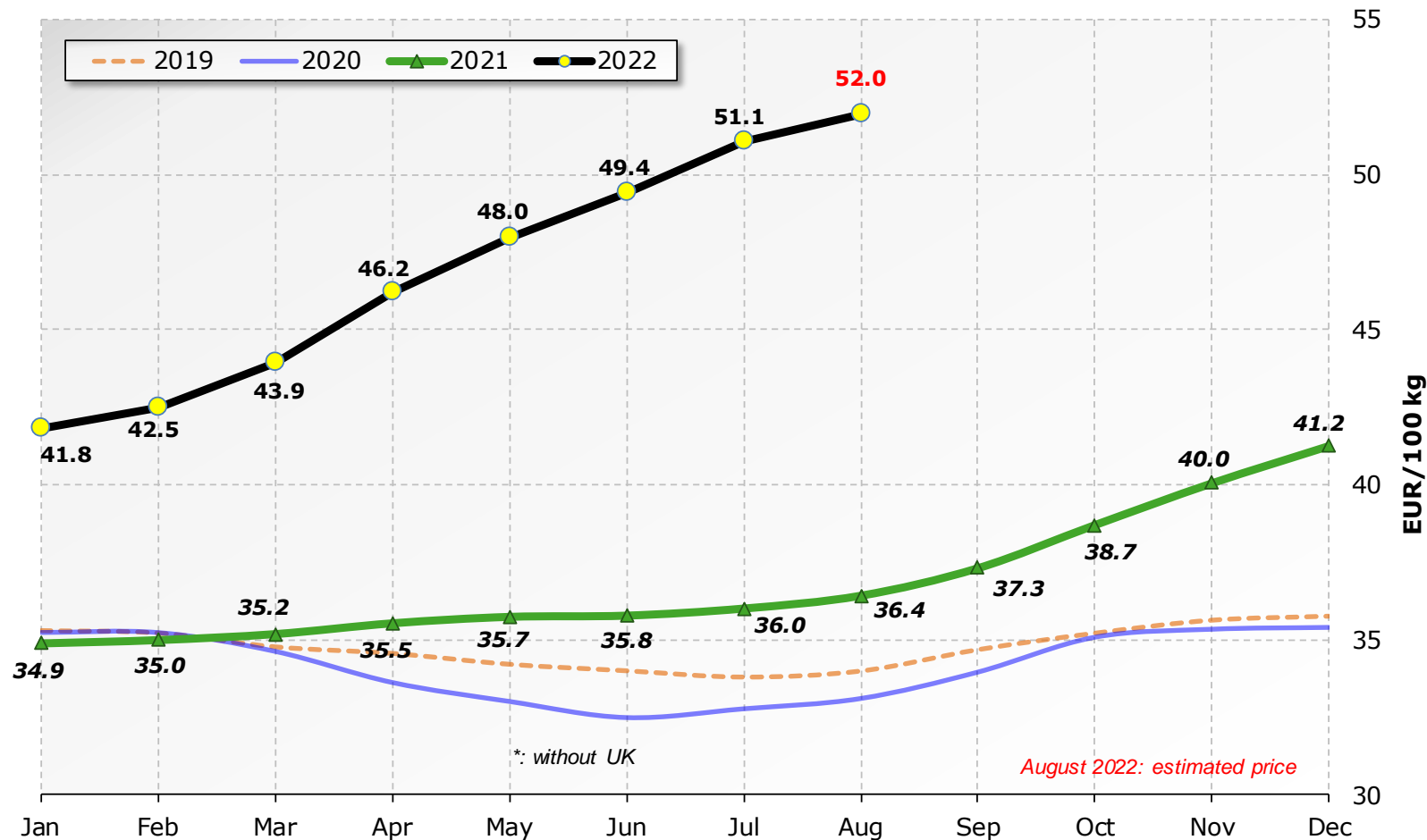
EU - Cheese



Source : Estat - Newcronos

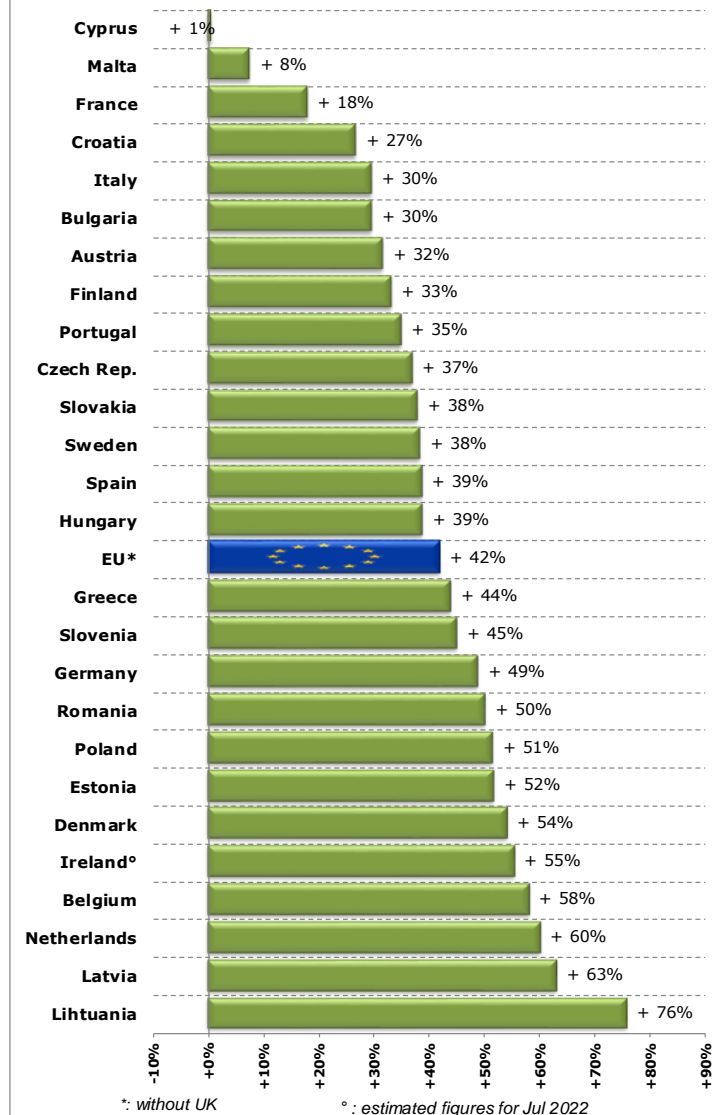
EU milk prices paid to the producers

Milk Prices paid to the Producers EU* (weight. avg.)



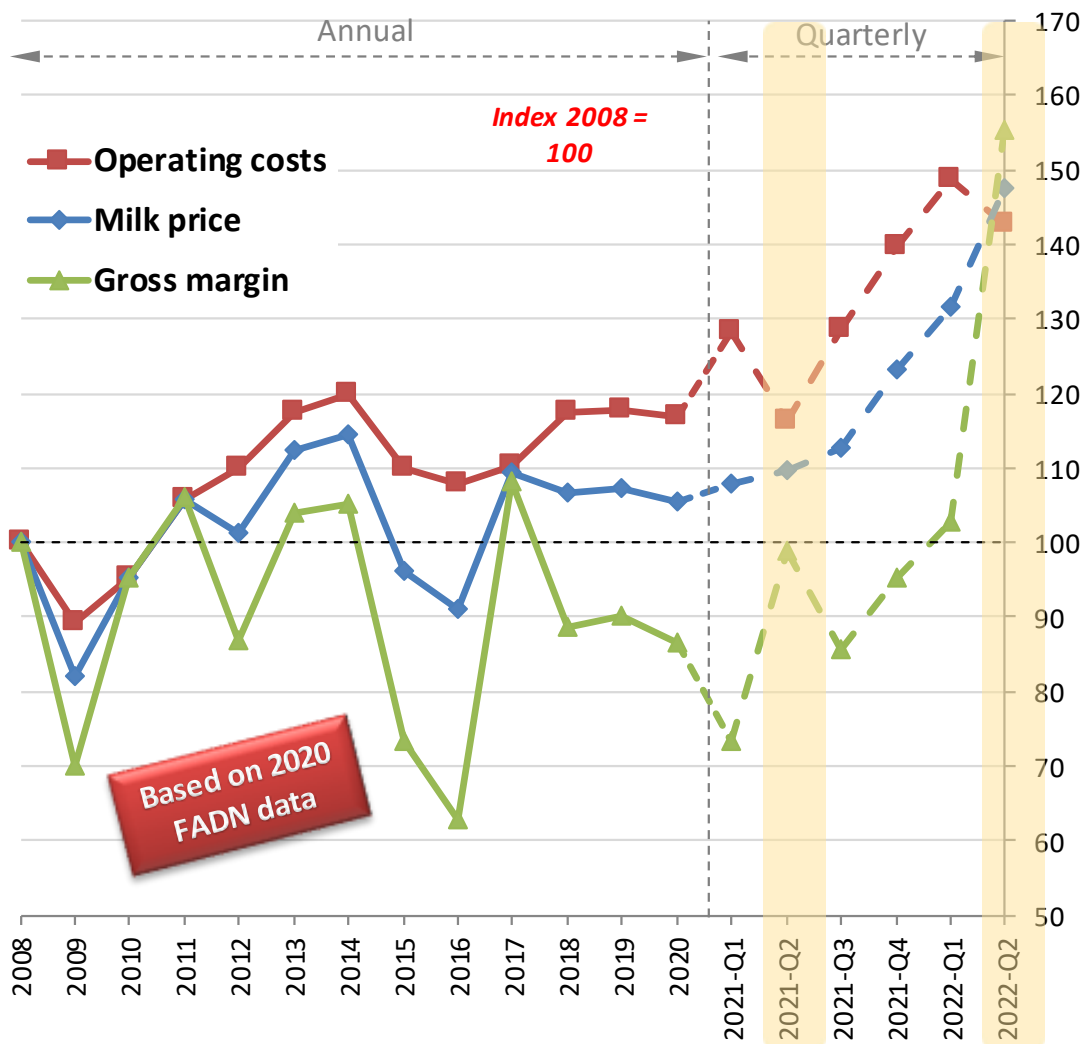
Source : Member States Reg. (EU) No 2017/1185 Article 12(a) - Annex II.4(a))

Raw Milk Price evolution in July 2022 compared to July 2021



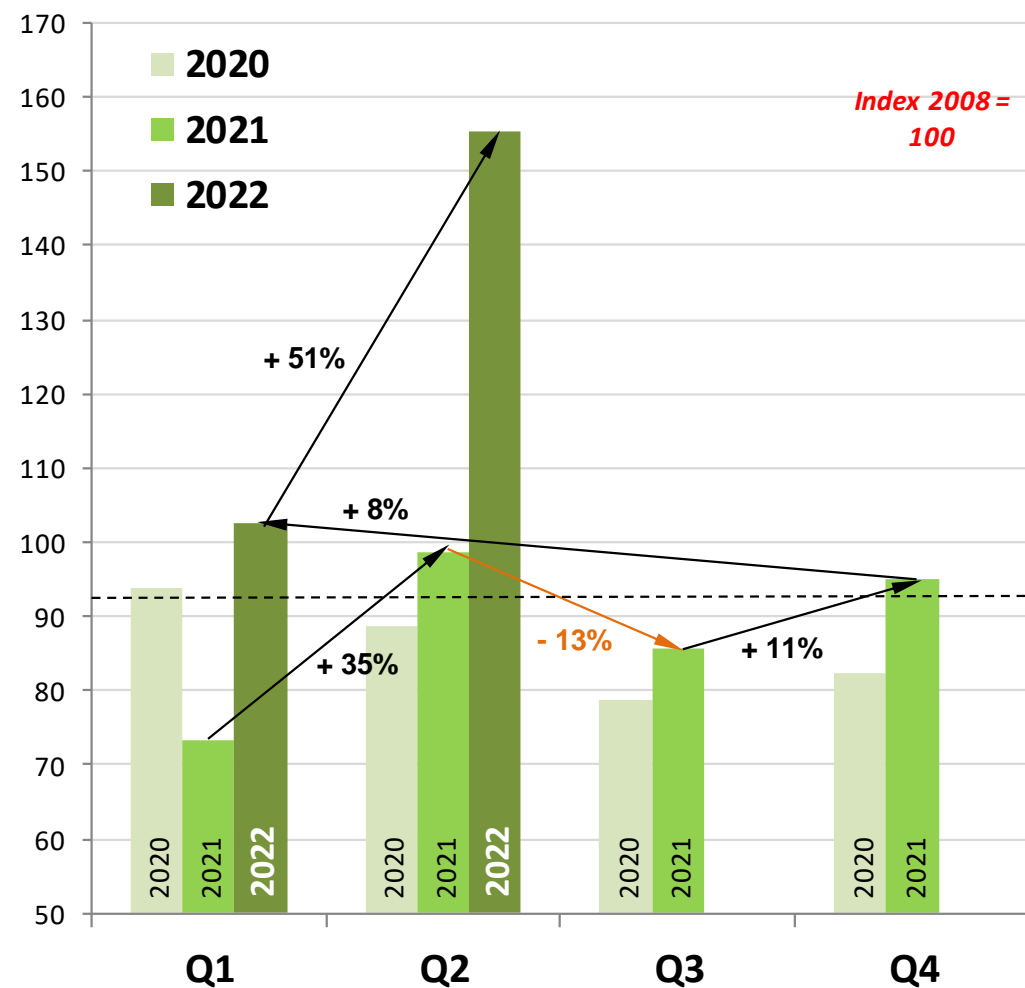
Margins

EU Milk price, operating costs and margin per tonne



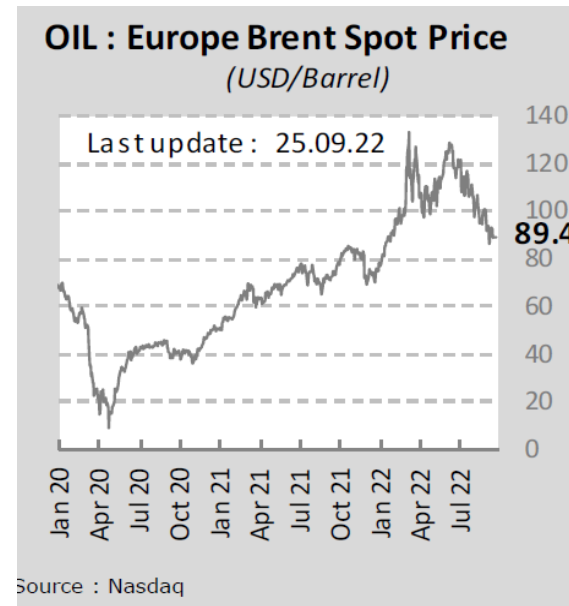
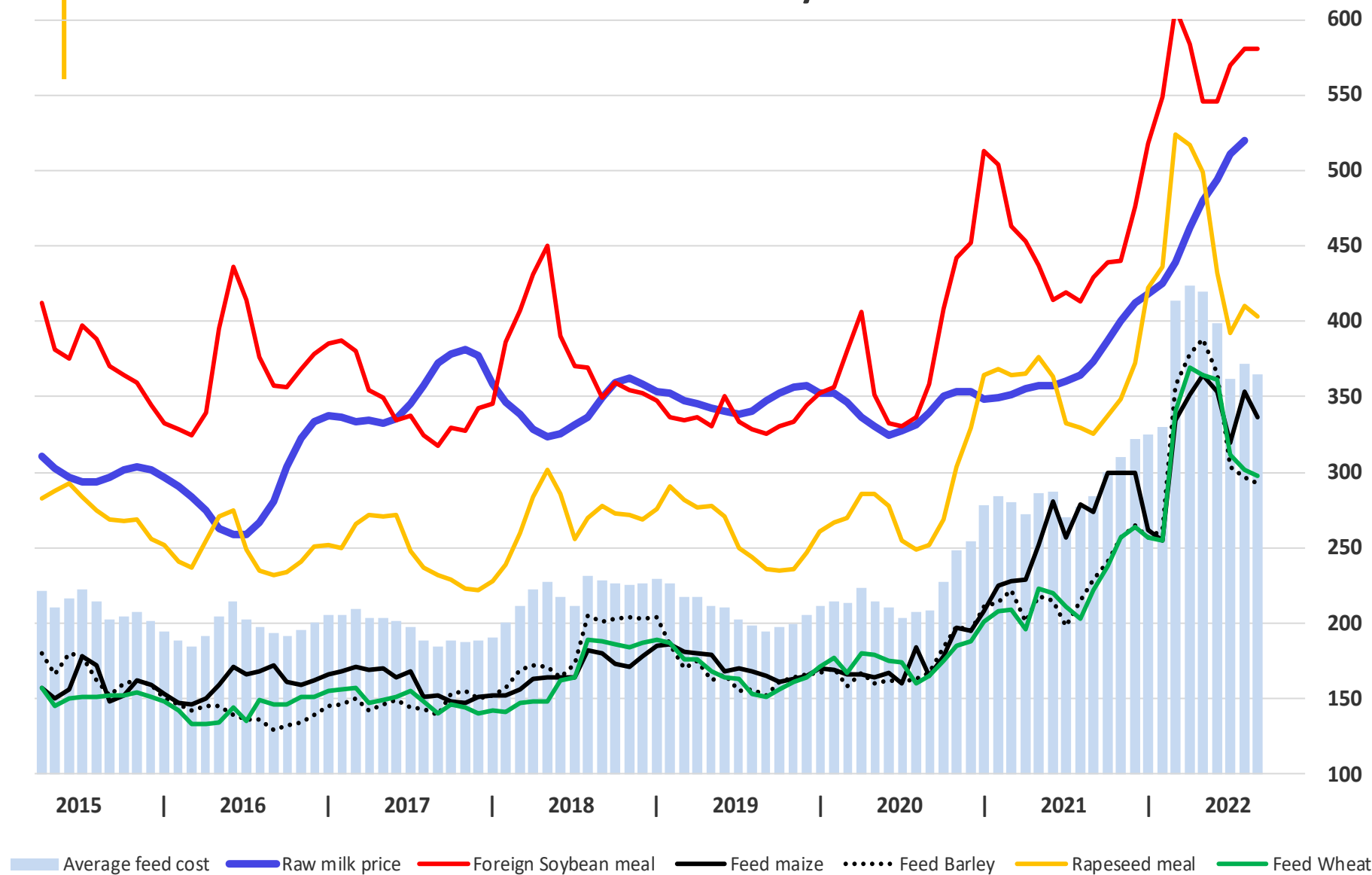
Source : FADN (base year 2020) + indexes (Eurostat, DG AGRI)

Estimation of EU Gross margin

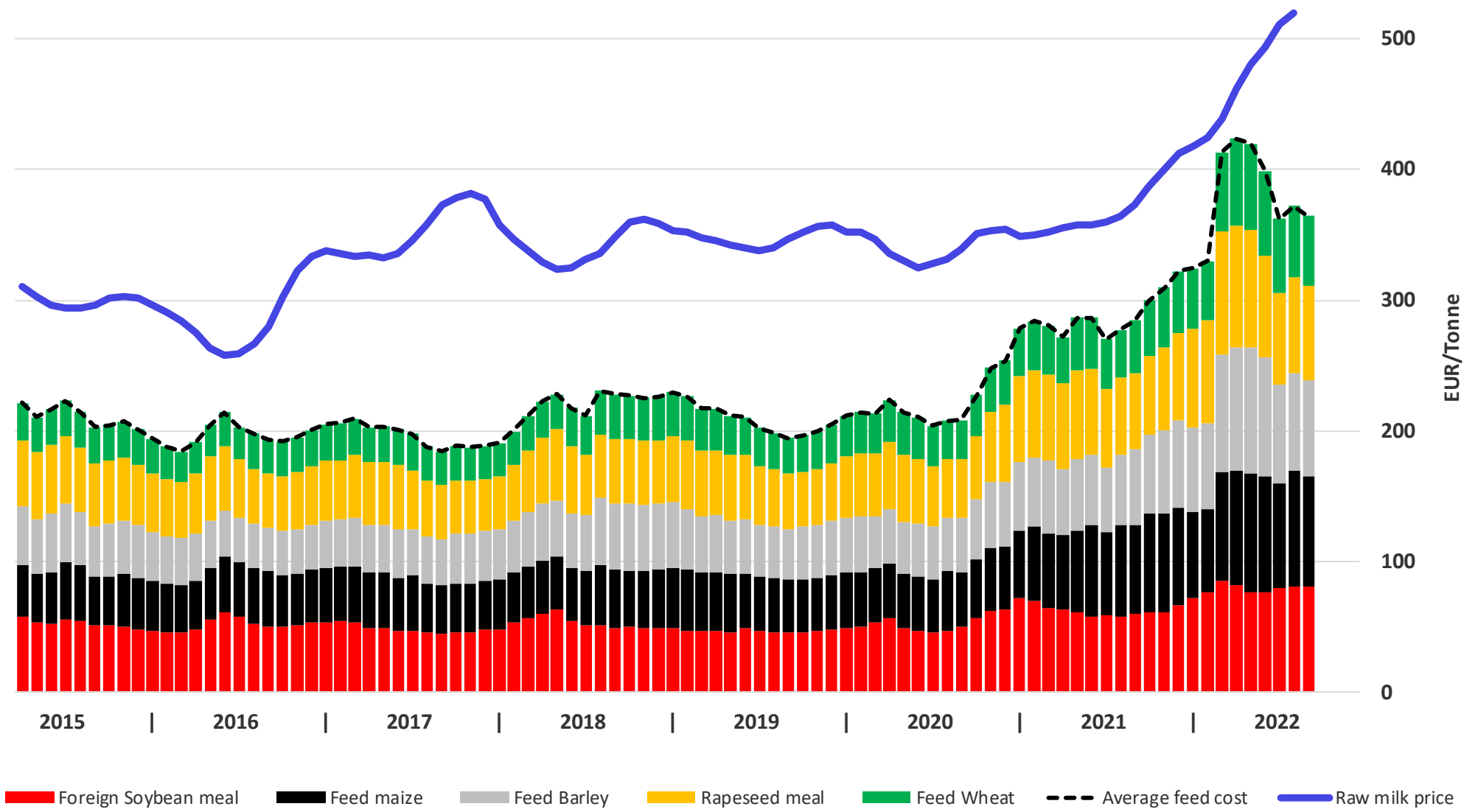


Source : FADN (base year 2020) + indexes (Eurostat, DG AGRI)

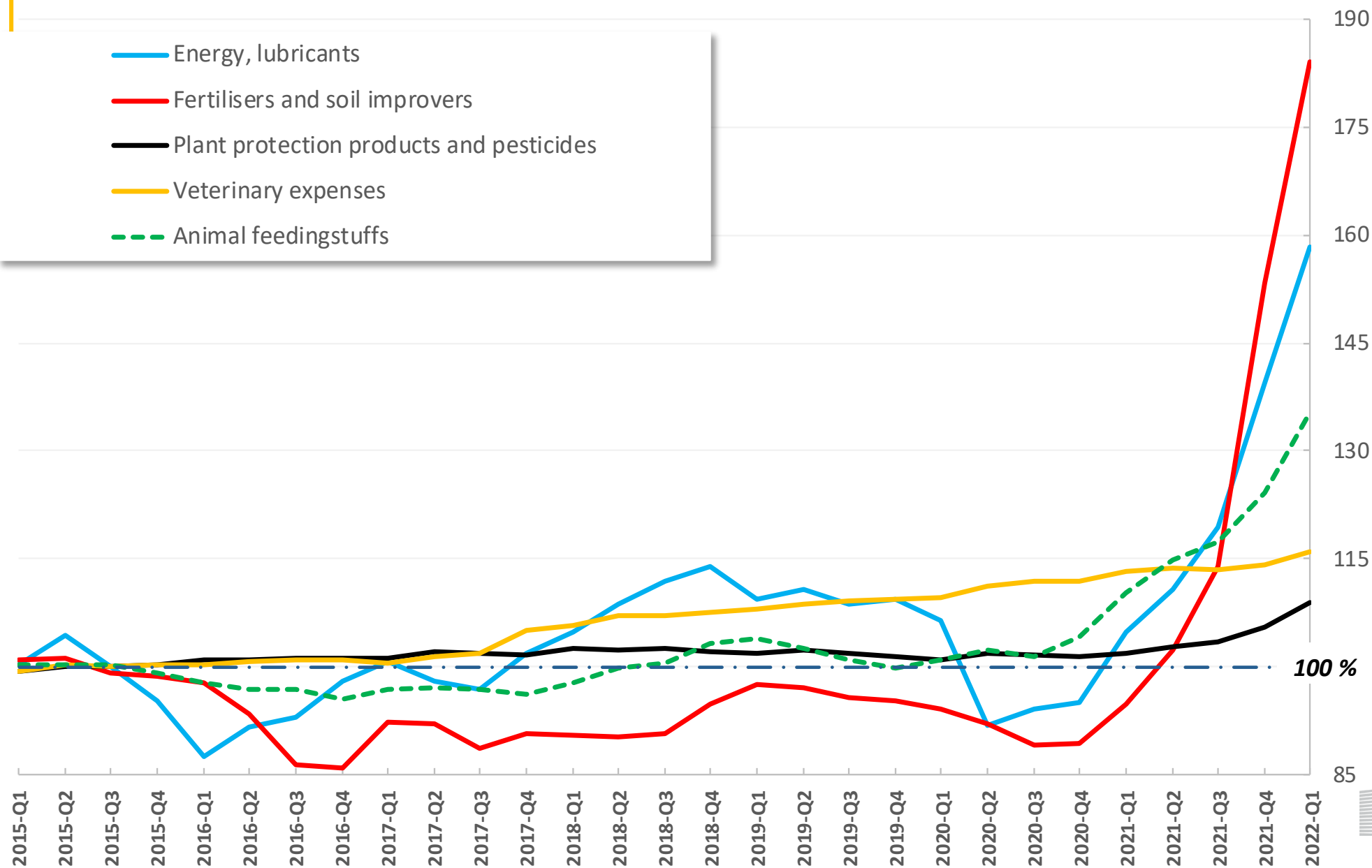
Feed cost in the Dairy sector



Composition of the DG AGRI feed diet in the dairy sector



Price indices of the means of agricultural production (2015=100)

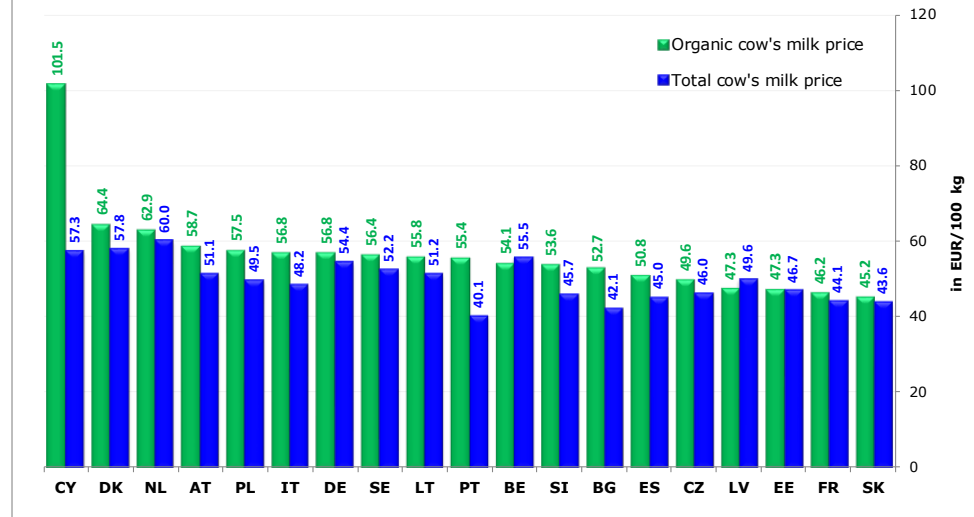


EU organic raw milk production & prices

EU Organic cow's milk prices

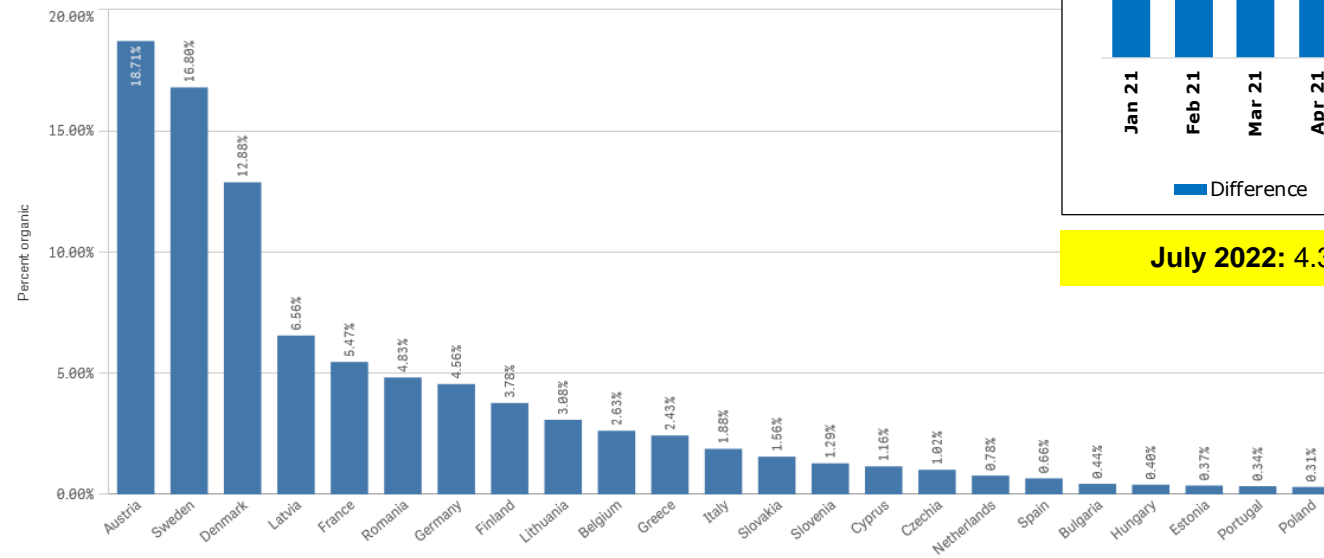
July 2022

Source : Member States (Regulation (EU) No 2017/1185 Article 12(a) - Annex II.4(a))



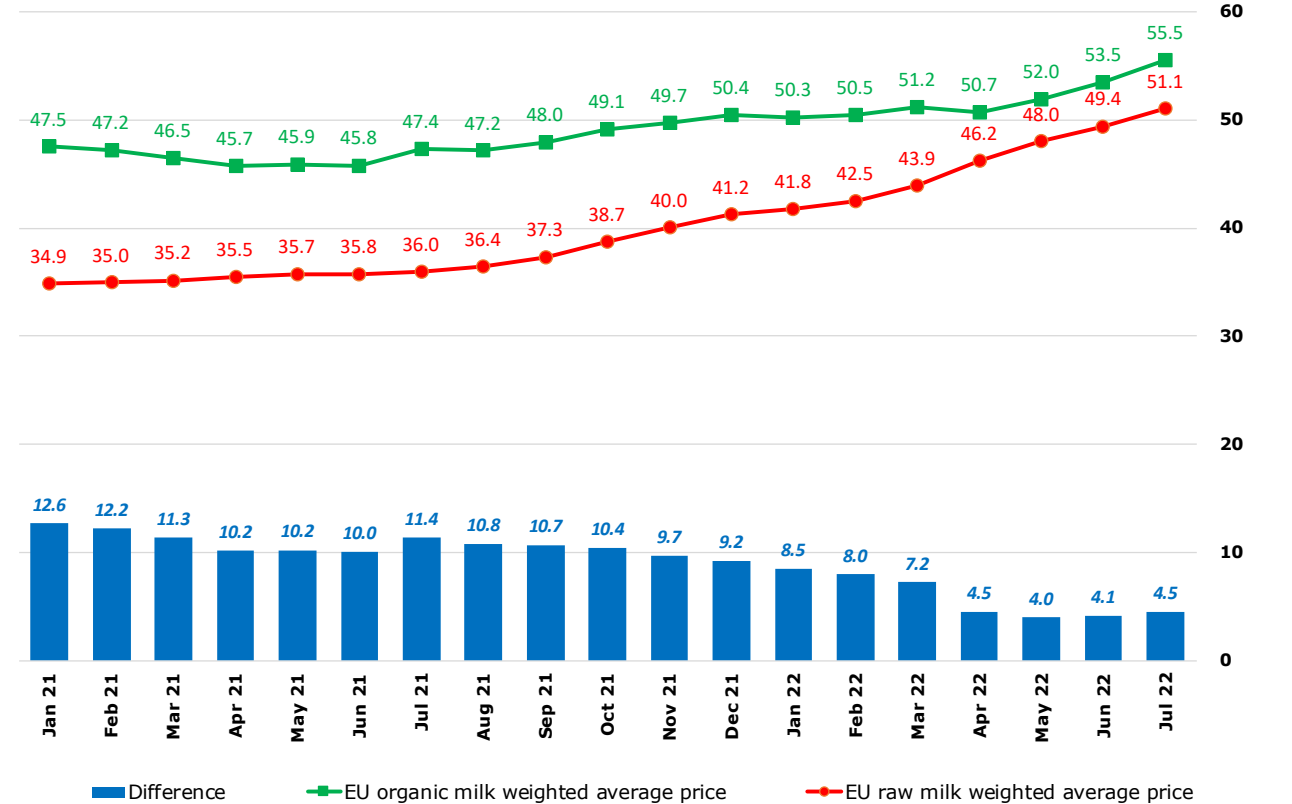
Organic raw cow's milk delivered to dairies as a percentage of total raw cow's milk

For years: 2022 > Months: 01, 02, 03, 04, 05, 06, 07 > All Member States



EU raw milk and organic milk prices

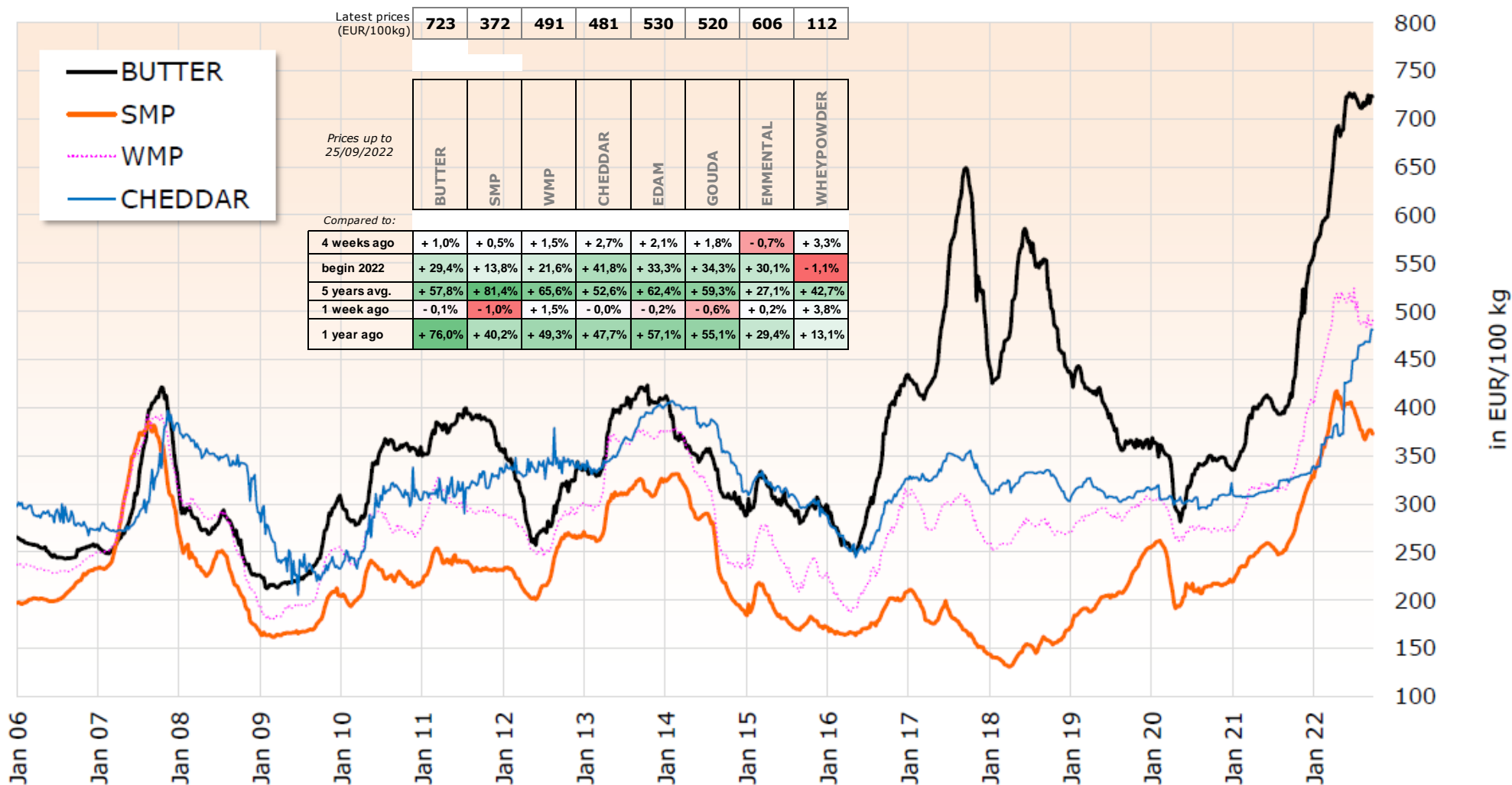
Source : MS' communications under Reg. (EU) No 2017/1185 Article 12(a) - Annex II.4(a)



July 2022: 4.3% of total raw milk collected was organic (based on notifications from 23 MS)

EU evolutive* dairy Quotations

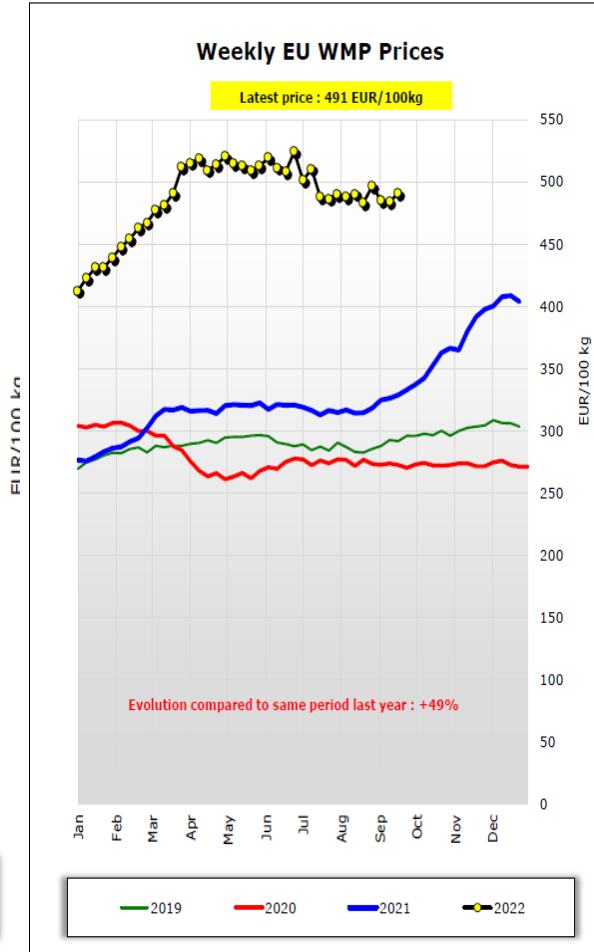
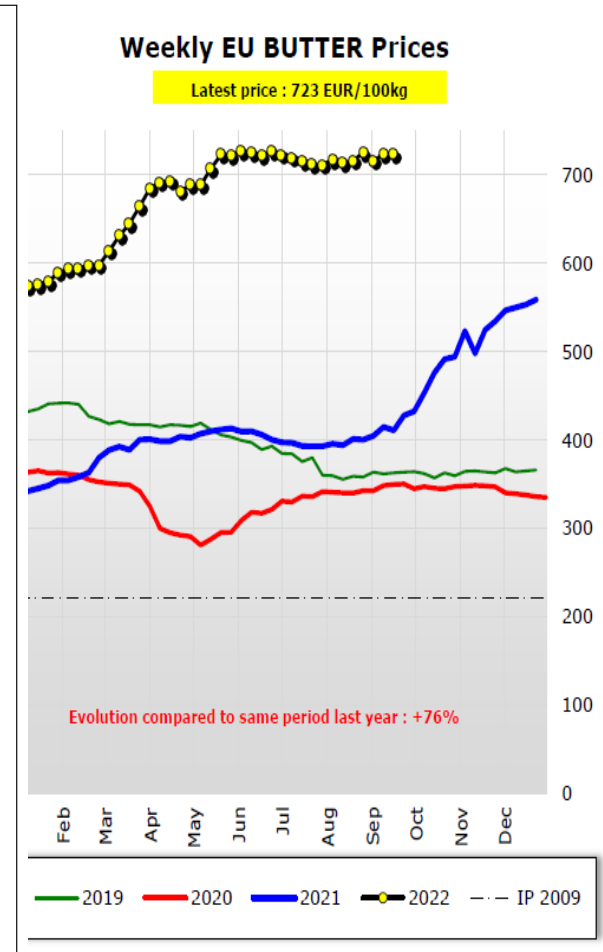
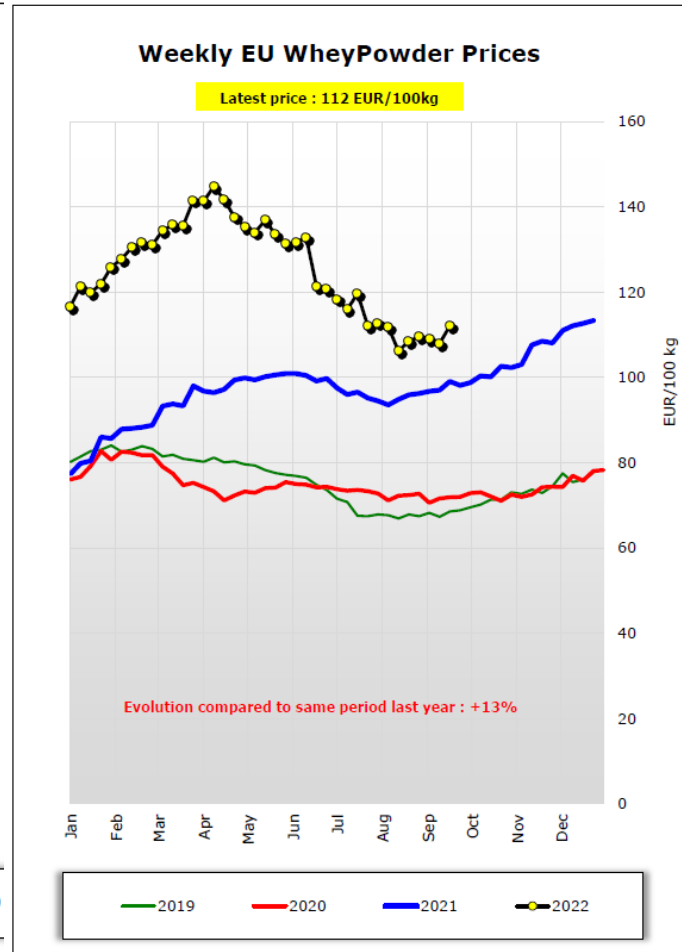
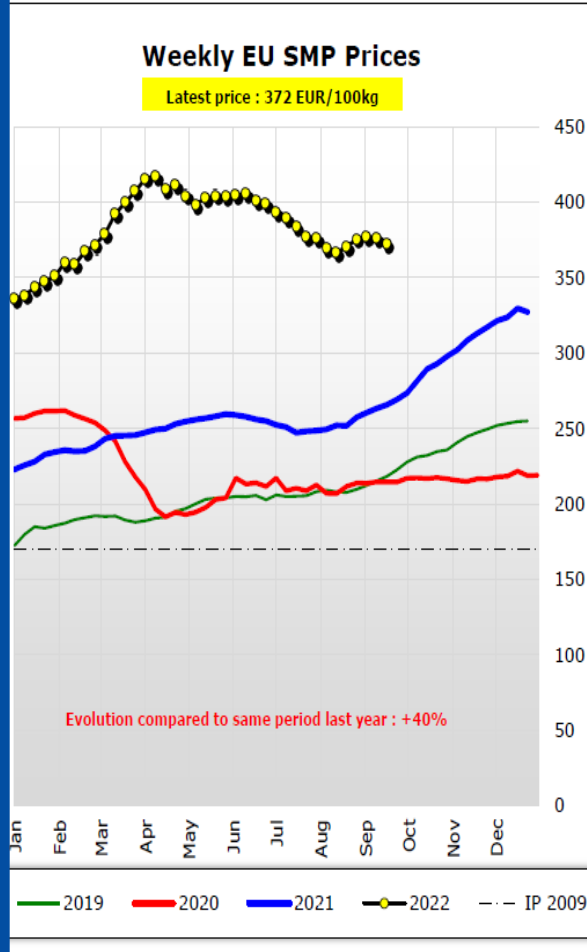
(EU Average Prices based on MS communication and weighted by production)



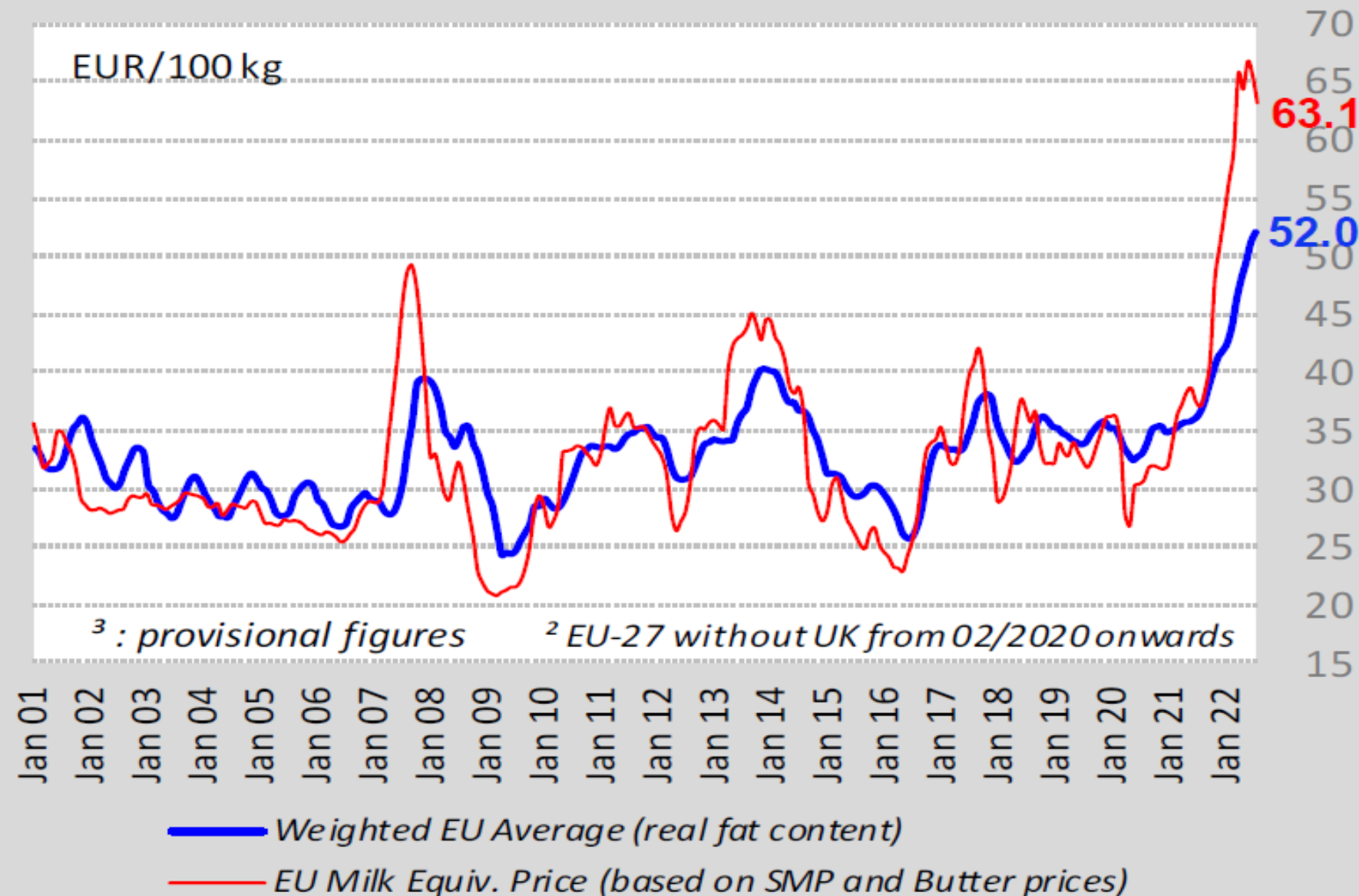
Source: Regulation (EU) No 2017/1185 Article 11 - Annex I.7

EU averages of main dairy commodities

(Source: Regulation (EU) No 2017/1185 Article 11 - Annex I.7)



EU evolutive² Raw Milk Prices Evolution (up to Aug 2022³)



Source : DG AGRI – Reg. 2017/1185 Art. 12(a) - Annex II.4(a)

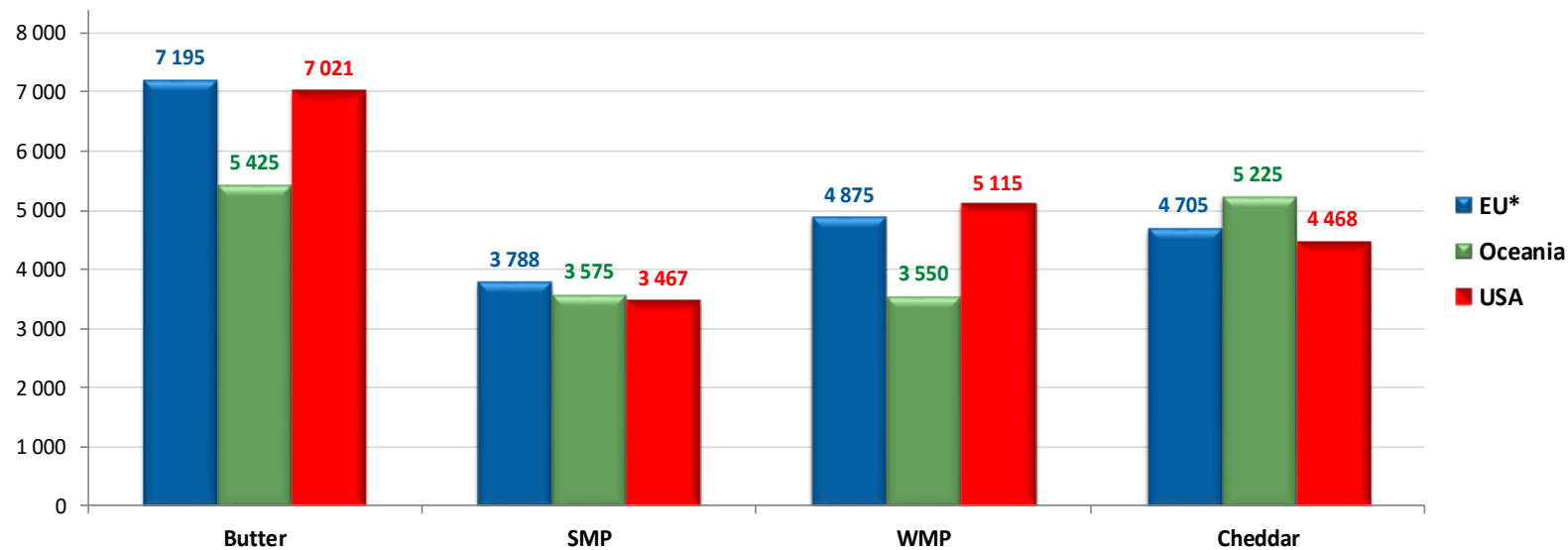
Latest world dairy quotations

Latest World Quotations of Dairy Products

In US\$/t	Latest Quotations			Week - 2						Year - 1					
	18/09/2022			04/09/2022			% change (previous quotation)			19 September 2021			% change (1 year)		
	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA
Butter	7 195	5 425	7 021	7 164	5 250	6 781	+ 0.4%	+ 3.3%	+ 3.5%	4 793	4 875	3 847	+ 50%	+ 11%	+ 82%
SMP	3 788	3 575	3 467	3 707	3 550	3 406	+ 2.2%	+ 0.7%	+ 1.8%	3 083	3 175	2 994	+ 23%	+ 13%	+ 16%
WMP	4 875	3 550	5 115	4 838	3 375	5 115	+ 0.8%	+ 5.2%	nc	3 846	3 638	4 134	+ 27%	- 2%	+ 24%
Cheddar	4 705	5 225	4 468	4 688	5 088	3 832	+ 0.4%	+ 2.7%	+ 16.6%	3 814	4 325	3 799	+ 23%	+ 21%	+ 18%

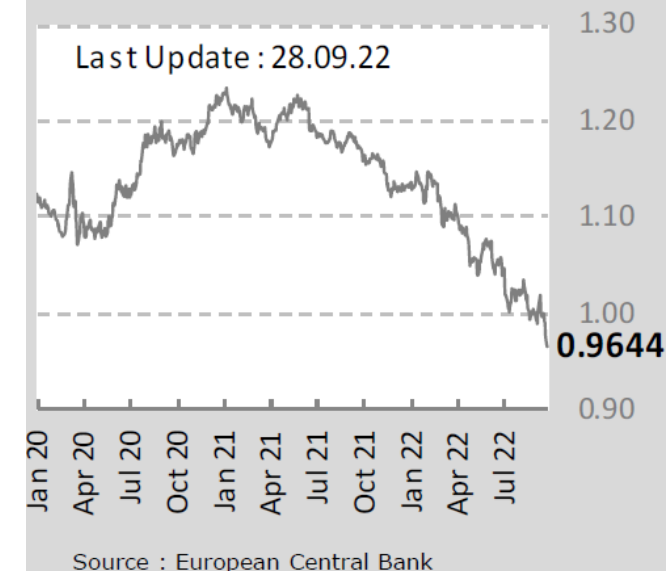
Source : Member States Notifications under Reg. 2017/1185, USDA

Latest Dairy Quotations



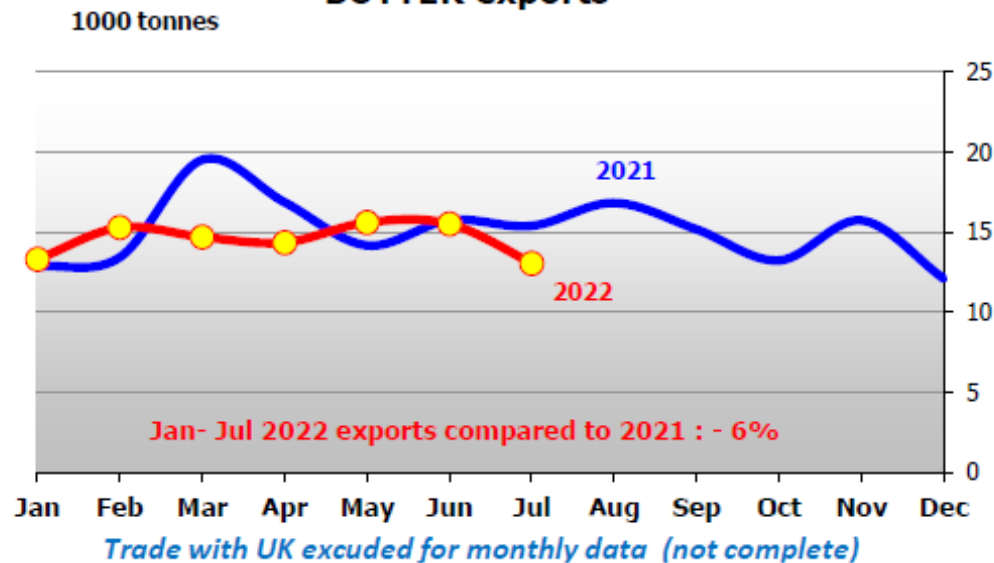
EU* = EU without UK

EUR / USD Exchange Rate

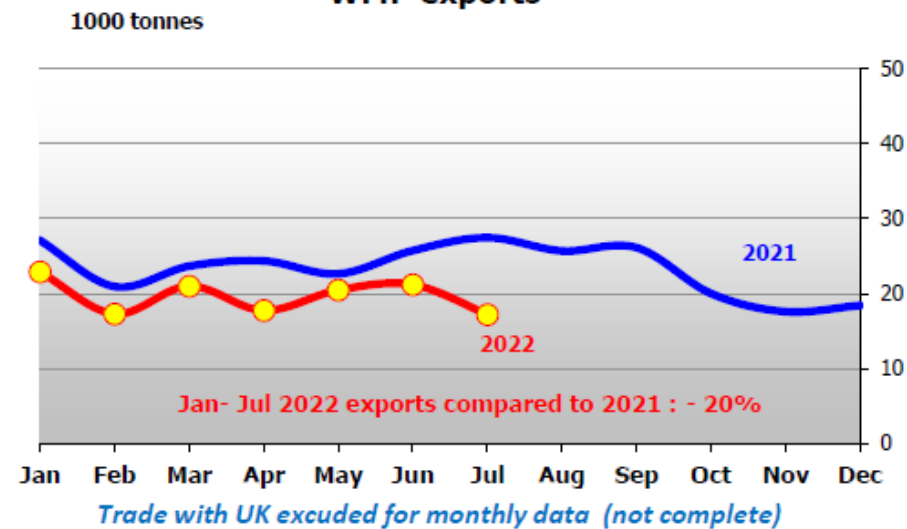


EU Dairy Exports to Third countries (January-July)

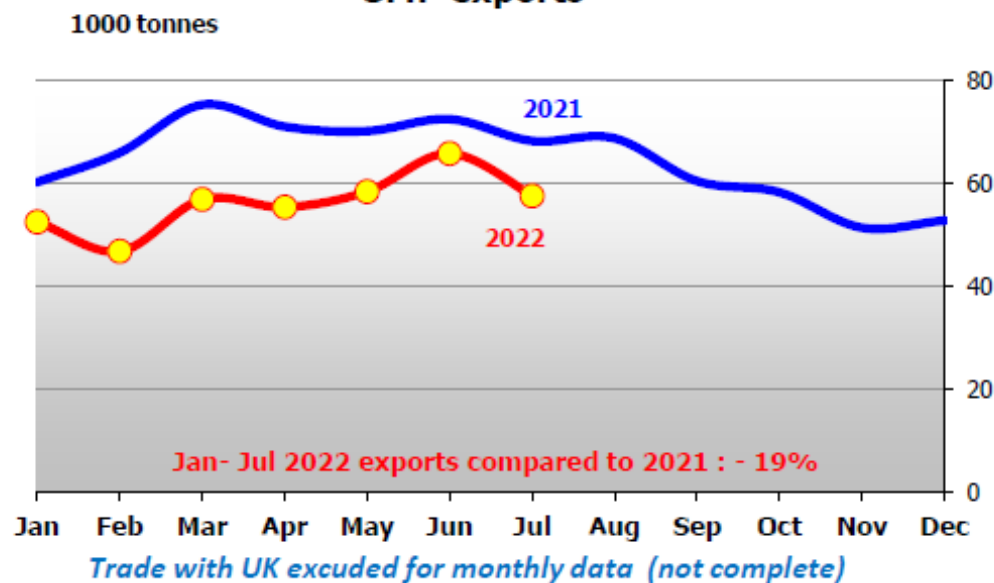
BUTTER exports



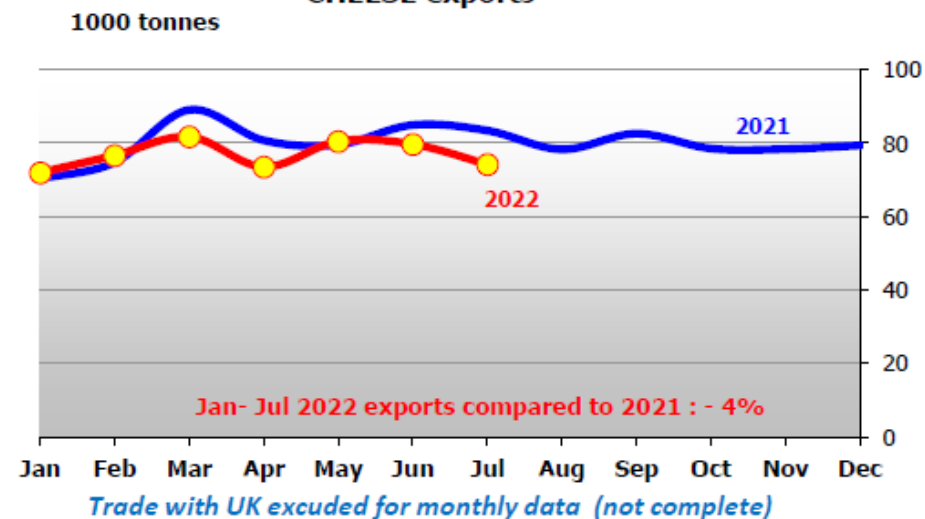
WMP exports



SMP exports



CHEESE exports



EU Exports of Dairy products - Main destinations

Source : COMEXT

Period : January-July

Quantity in Tonnes

EU EXPORTS of BUTTER - main destinations				
Period : January-July				
Qty Tons	2020	2021	2022	
USA	25 967	23 956	24 171	➔ + 1%
China	9 496	11 854	8 104	⬇ - 32%
South Korea	4 544	6 376	6 836	⬆ + 7%
Saudi Arabia	12 134	5 141	5 744	⬆ + 12%
Taiwan	3 400	3 578	3 664	⬆ + 2%
Switzerland	1 340	2 156	3 603	⬆ + 67%
U.A.Emirates	4 496	2 713	3 512	⬆ + 29%
Indonesia	1 670	2 549	3 491	⬆ + 37%
Singapore	3 887	3 602	3 099	⬇ - 14%
Morocco	8 039	3 795	2 524	⬇ - 34%
Egypt	6 957	2 529	2 451	⬇ - 3%
Other	53 049	39 750	34 635	⬇ - 13%
Total (without UK)	134 979	107 998	101 834	⬇ - 6%
United Kingdom*	24 653	15 651	26 925	⬆ + 72%

* Trade with U.K. only available up to June 2022

EU EXPORTS of CHEESES - main destinations				
Period : January-July				
Qty Tons	2020	2021	2022	
USA	64 058	74 786	74 460	➔ - 0%
Japan	76 215	71 588	70 375	⬇ - 2%
Switzerland	41 299	43 969	41 784	⬇ - 5%
South Korea	33 639	30 893	31 475	⬆ + 2%
Saudi Arabia	24 235	25 658	27 022	⬆ + 5%
Ukraine	25 594	28 158	19 887	⬇ - 29%
China	14 814	25 324	19 350	⬇ - 24%
Australia	14 656	15 470	14 936	⬇ - 3%
Libya	13 026	13 429	14 221	⬆ + 6%
Canada	11 935	14 400	13 973	⬇ - 3%
Morocco	14 319	13 868	13 462	⬇ - 3%
Other	194 631	205 176	197 319	⬇ - 4%
Total (without UK)	528 421	562 719	538 264	⬇ - 4%
United Kingdom*	228 015	200 517	212 886	⬆ + 6%

* Trade with U.K. only available up to June 2022

EU EXPORTS of SMP - main destinations				
Period : January-July				
Qty Tons	2020	2021	2022	
Algeria	89 497	56 724	52 874	⬇ - 7%
China	69 715	87 587	51 550	⬇ - 41%
Indonesia	24 202	42 465	32 635	⬇ - 23%
Egypt	28 952	23 791	27 190	⬆ + 14%
Philippines	21 152	27 698	20 321	⬇ - 27%
Nigeria	27 788	25 963	20 302	⬇ - 22%
Malaysia	24 980	22 680	16 668	⬇ - 27%
Yemen	18 642	21 122	15 968	⬇ - 24%
Saudi Arabia	21 346	15 190	14 831	⬇ - 2%
Vietnam	14 058	14 435	10 999	⬇ - 24%
Morocco	3 475	4 404	10 996	⬆ + 150%
Other	157 606	140 877	118 582	⬇ - 16%
Total (without UK)	501 413	482 935	392 914	⬇ - 19%
United Kingdom*	13 894	6 327	7 360	⬆ + 16%

* Trade with U.K. only available up to June 2022

EU EXPORTS of WMP - main destinations				
Period : January-July				
Qty Tons	2020	2021	2022	
Oman	29 965	29 829	34 836	⬆ + 17%
China	8 765	14 410	12 873	⬇ - 11%
Kuwait	7 928	5 041	6 378	⬆ + 27%
Senegal	4 843	5 429	4 309	⬇ - 21%
Dominican R.	5 342	3 408	4 234	⬆ + 24%
Saudi Arabia	5 354	4 135	4 037	⬇ - 2%
Algeria	23 107	8 812	3 355	⬇ - 62%
Singapore	5 013	4 828	2 988	⬇ - 38%
Bangladesh	3 211	4 620	2 901	⬇ - 37%
Cameroon	2 465	1 943	2 721	⬆ + 40%
Yemen	3 849	2 930	2 566	⬇ - 12%
Other	93 061	86 495	56 532	⬇ - 35%
Total (without UK)	192 902	171 880	137 729	⬇ - 20%
United Kingdom*	14 041	8 543	8 368	⬇ - 2%

* Trade with U.K. only available up to June 2022

2021 2022

EU exports to third countries (excluding UK)

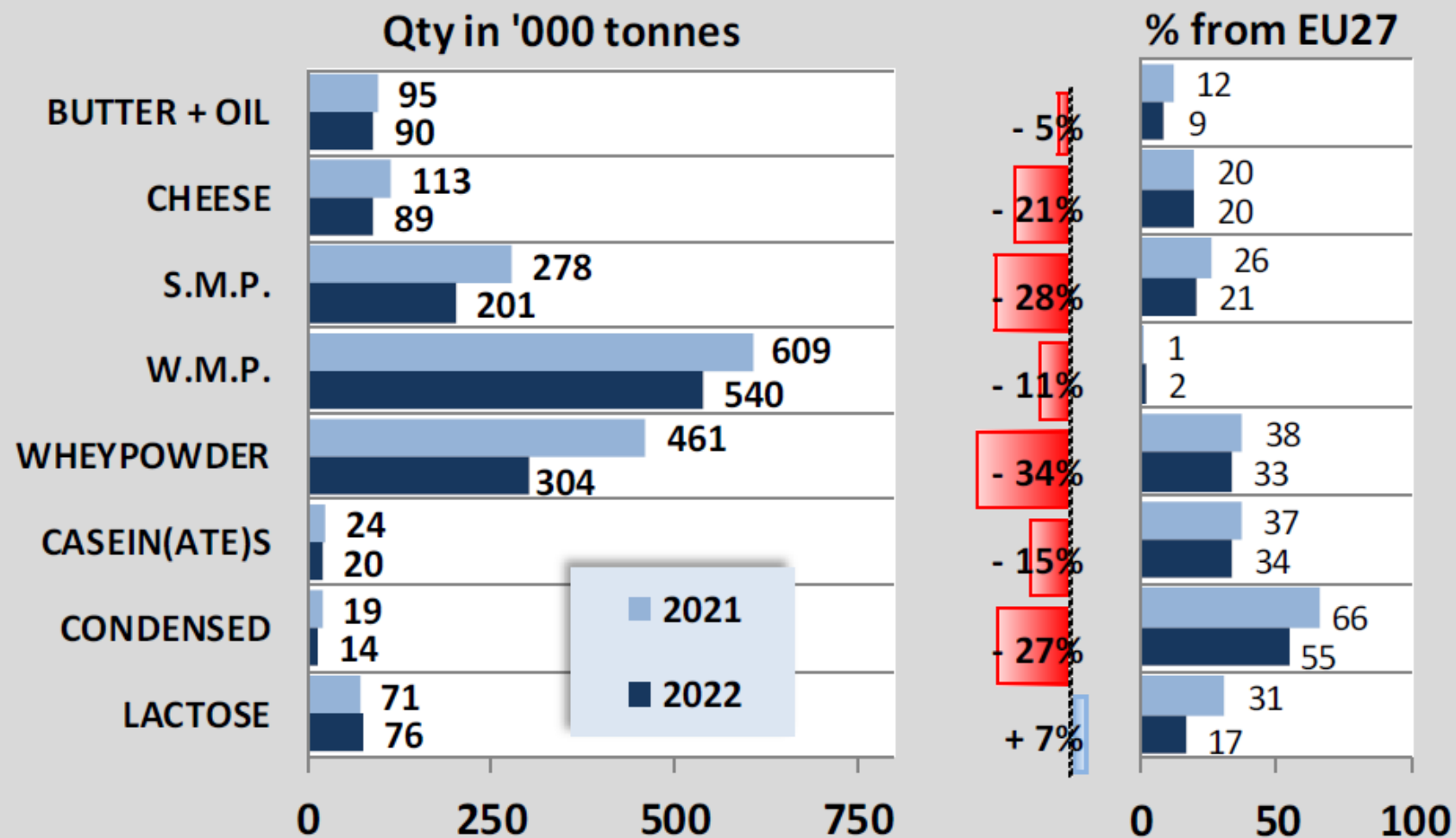
1000 EUR	Jan-Jul 2021	Jan-Jul 2022	EU % change
Condensed	278.410	251.896	⬇ - 10%
SMP	1.200.479	1.419.867	⬆ + 18%
WMP	598.803	639.309	⬆ + 7%
Butter	550.372	691.753	⬆ + 26%
Butteroil	82.687	120.878	⬆ + 46%
Cheeses	2.701.387	3.072.690	⬆ + 14%
Wheypowder	558.593	652.372	⬆ + 17%
Total	5.970.732	6.848.765	⬆ + 15%

2021 2022

EU exports to third countries (excluding UK)

in 1 000 t	Jan-Jul 2021	Jan-Jul 2022	EU % change
Condensed	170	141	⬇ - 18%
SMP	483	393	⬇ - 19%
WMP	172	138	⬇ - 20%
Butter	108	102	⬇ - 6%
Butteroil	15	16	⬆ + 3%
Cheeses	563	538	⬇ - 4%
Wheypowder	413	355	⬇ - 14%
Total in milk equiv.	9.620	8.540	⬇ - 11%

CHINA IMPORTS (Jan-Jul 2022 compared to 2021)

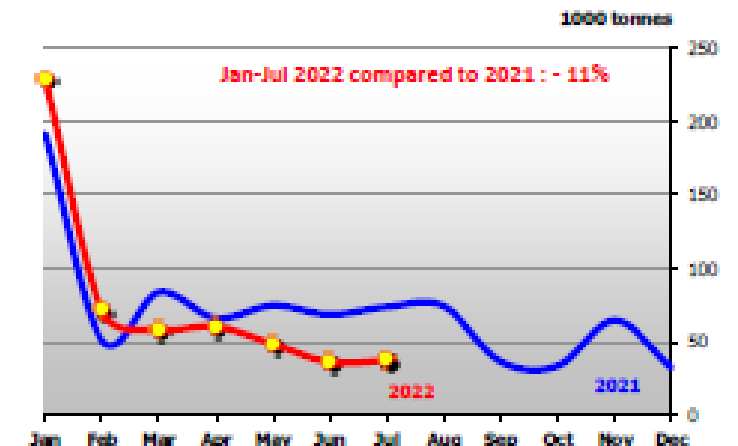
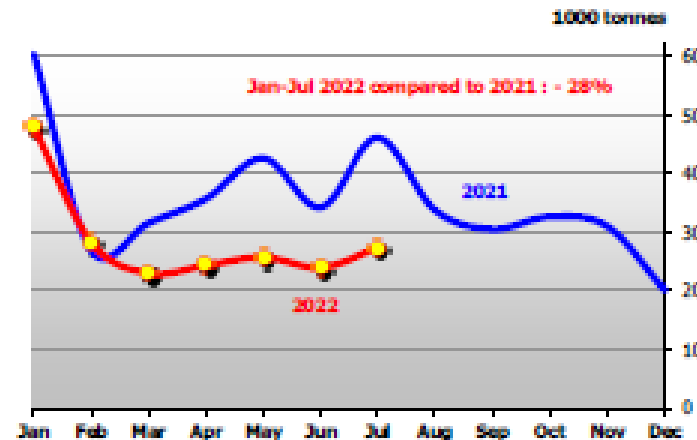
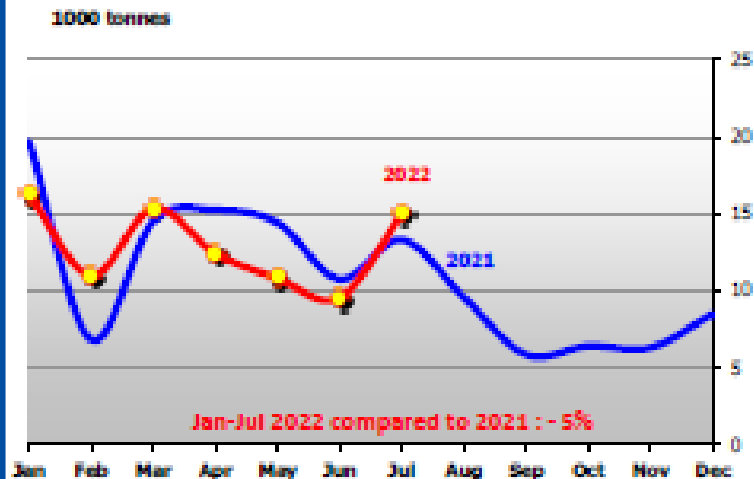
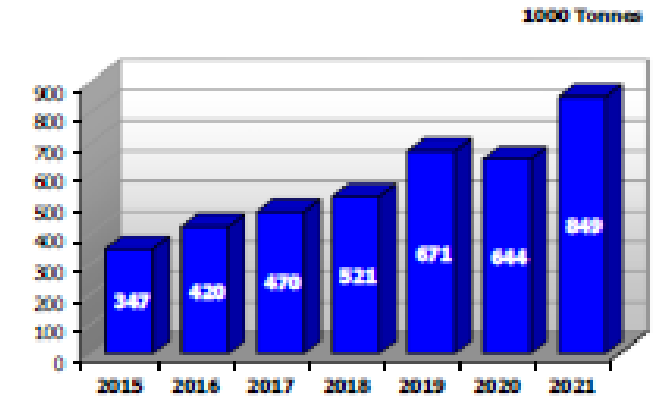
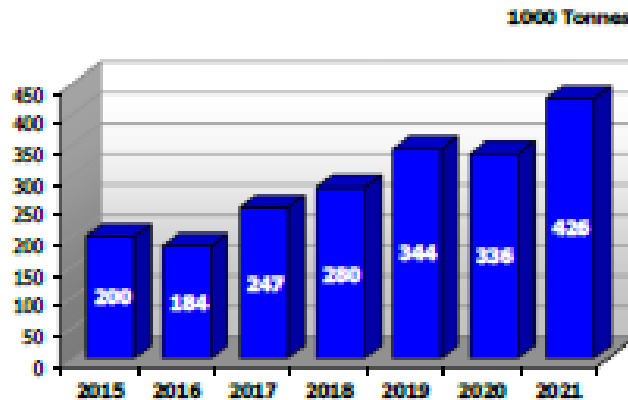
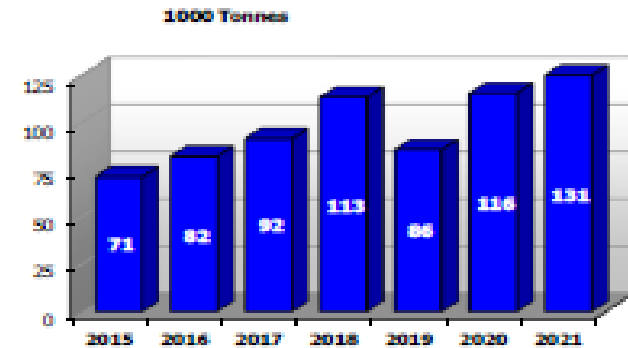


Dairy imports into China

Butter + butteroil

SMP

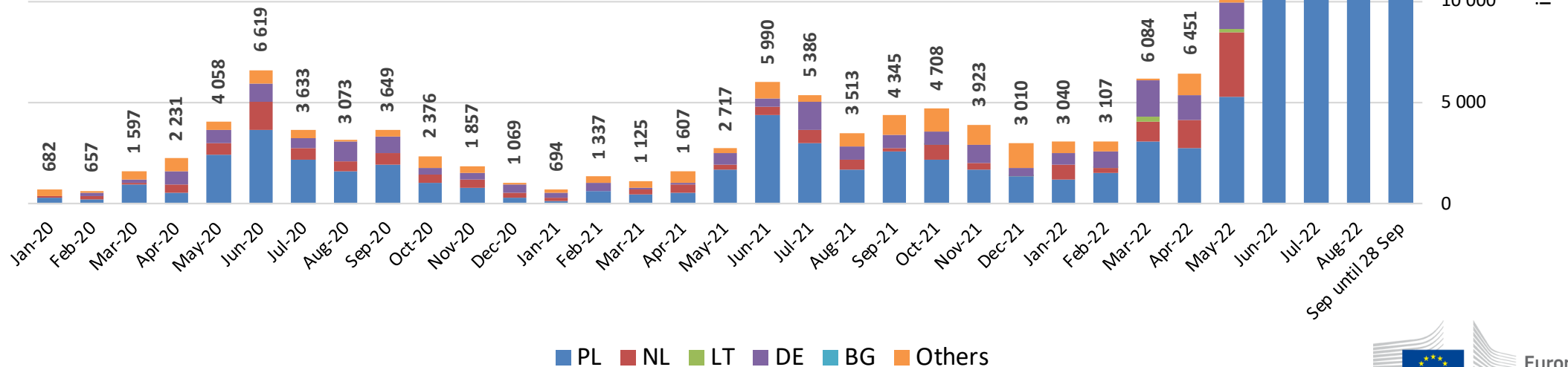
WMP



EU – UA Dairy trade

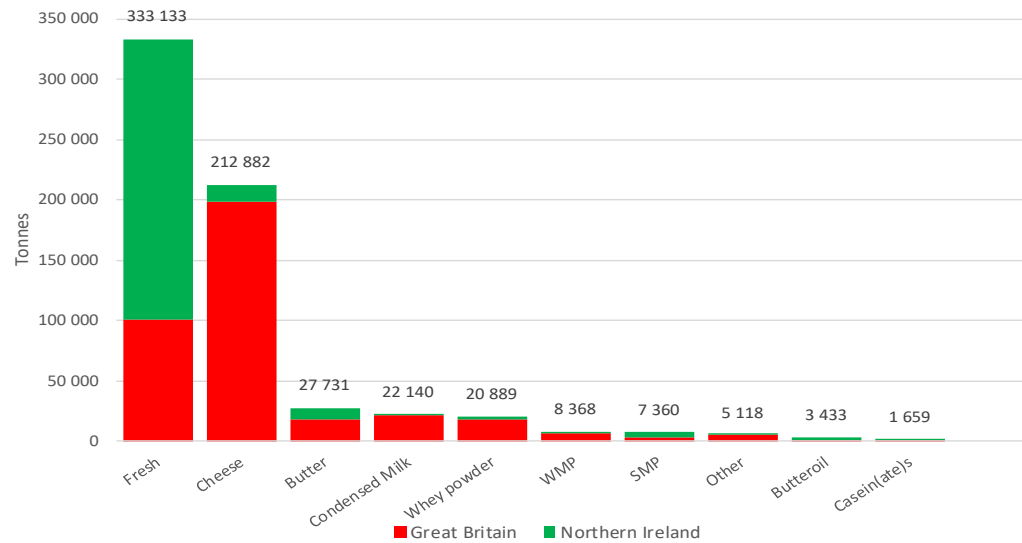
EU Imports of Milk Products from Ukraine (in 1000 EUR)

in 1000 EUR	Week 1 to 38 2020		Week 1 to 38 2021		Week 1 to 38 2022	
Smp	550	2%	2 105	8%	23 904	23%
Casein	23 482	93%	22 504	88%	41 745	41%
Butter	25	0%	190	1%	24 142	24%
Whey Product	201	1%	37	0%	2 240	2%
Cheese	0	0%	0	0%	5 764	6%
Wmp	458	2%	687	3%	3 034	3%
Butteroil	0	0%	0	0%	1 285	1%
Fermented Milks	0	0%	0	0%	0	0%
Caseinates	0	0%	0	0%	0	0%
Condensed Milk	23	0%	48	0%	0	0%
Yoghourt	377	2%	96	0%	0	0%
Total	25 117		25 667		102 115	

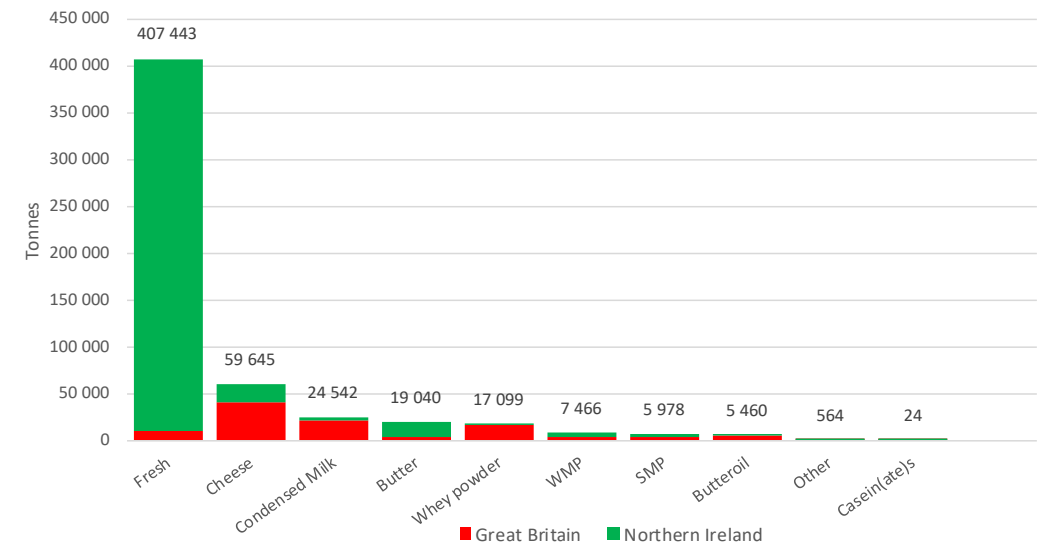


EU dairy trade with UK

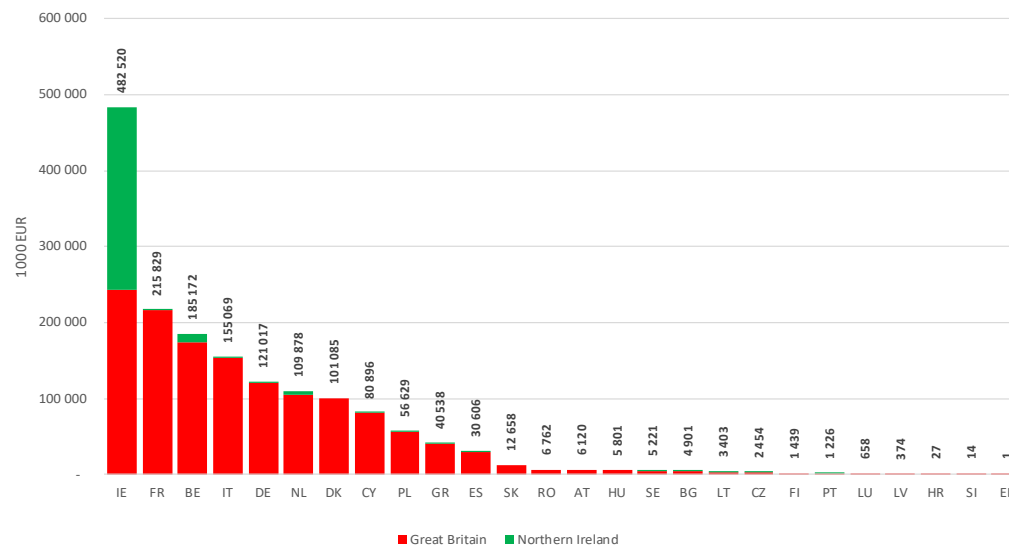
EU Exports of Dairy products to U.K. from January to June 2022



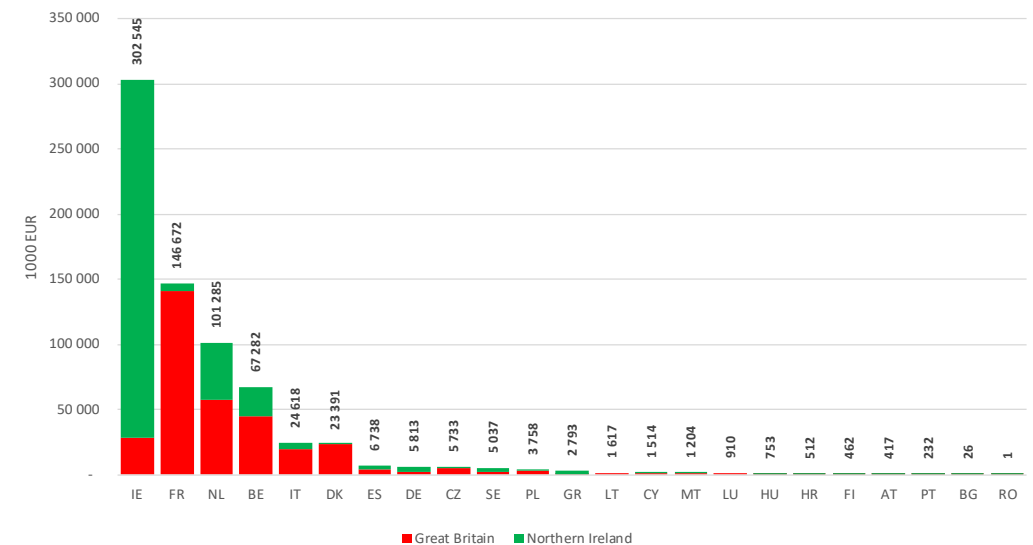
EU Imports of Dairy products from U.K. from January to June 2022



EU Exports of Dairy products to U.K. from January to June 2022



EU Imports of Dairy products from U.K. from January to June 2022



EU dairy trade with UK

EU EXPORTS of main dairy products to U.K. up to June 2022

In Tons

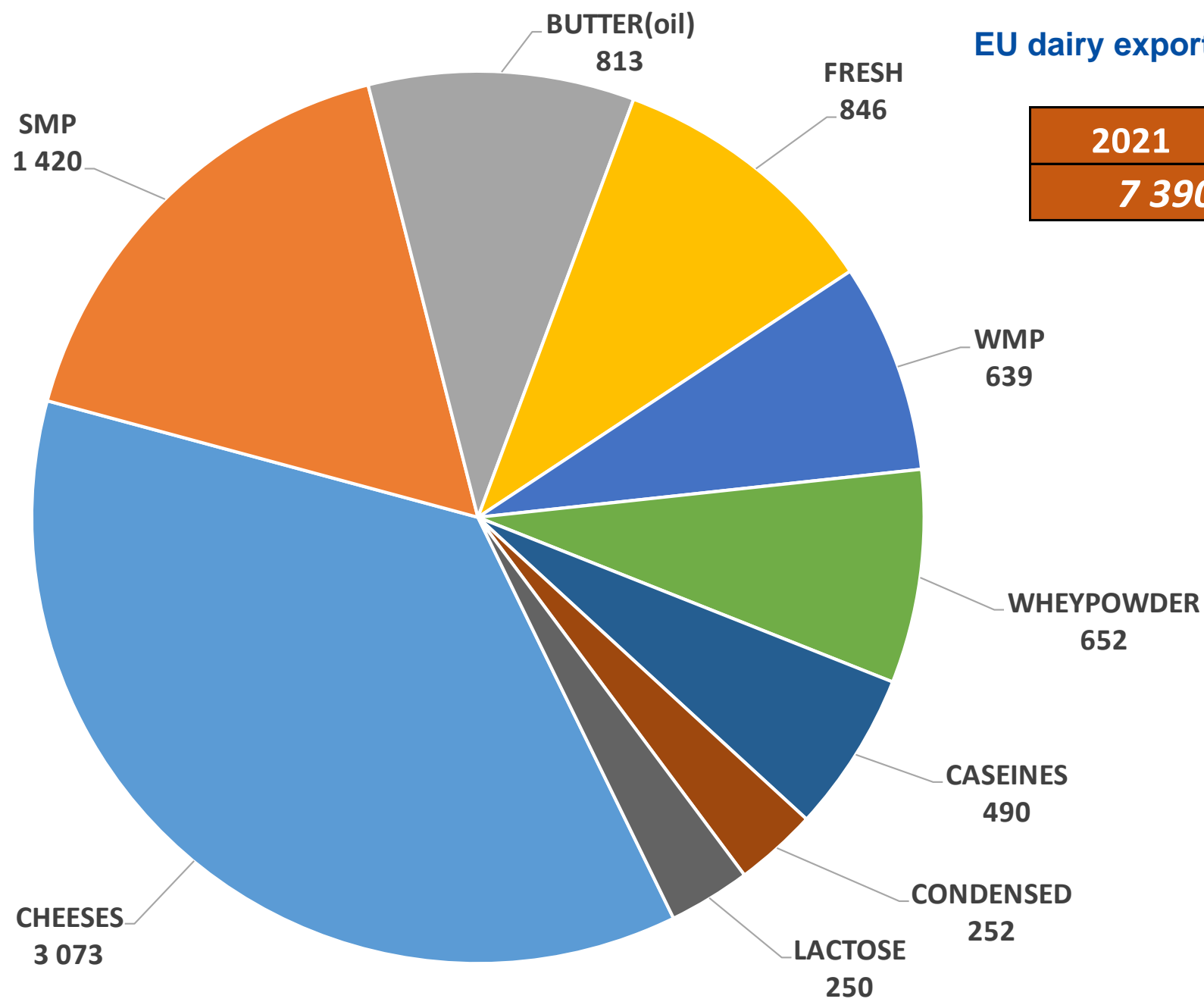
	2020			2021			2022			% 2022/2021	
	U.K.	Extra-EU	%	U.K.	Extra-EU	%	U.K.	Extra-EU	%	U.K.	Extra-EU
BUTTER	24 653	141 480	17%	15 651	108 249	14%	26 925	115 714	23%	+72%	+7%
BUTTEROIL	8 513	29 773	29%	4 227	18 224	23%	3 766	17 932	21%	-11%	-2%
CHEESES	228 015	675 153	34%	200 517	679 819	29%	212 886	676 975	31%	+6%	-0%
SMP	13 894	430 065	3%	6 327	421 073	2%	7 360	342 726	2%	+16%	-19%
WMP	14 041	170 512	8%	8 543	152 960	6%	8 368	128 923	6%	-2%	-16%
WHEYPOWDER	24 073	345 031	7%	16 887	370 887	5%	20 890	326 250	6%	+24%	-12%
FRESH	178 207	802 329	22%	164 876	922 248	18%	283 628	875 779	32%	+72%	-5%
CONDENSED	28 525	163 169	17%	23 617	171 910	14%	22 142	145 120	15%	-6%	-16%
CASEINES	1 648	40 527	4%	1 550	42 973	4%	1 660	40 231	4%	+7%	-6%
LACTOSE	2 383	147 836	2%	4 886	131 251	4%	5 873	135 583	4%	+20%	+3%

EU IMPORTS of main dairy products from U.K. up to June 2022

In Tons

	2020			2021			2022			% 2022/2021	
	U.K.	Extra-EU	%	U.K.	Extra-EU	%	U.K.	Extra-EU	%	U.K.	Extra-EU
BUTTER	15 427	16 136	96%	13 649	15 475	88%	18 153	20 820	87%	+33%	+35%
BUTTEROIL	10 153	11 112	91%	6 504	10 171	64%	6 280	12 363	51%	-3%	+22%
CHEESES	73 644	102 003	72%	56 852	88 693	64%	59 647	89 692	67%	+5%	+1%
SMP	18 643	19 967	93%	8 161	10 626	77%	5 979	13 895	43%	-27%	+31%
WMP	13 010	13 360	97%	2 434	3 503	69%	7 466	7 916	94%	+++	+++
WHEYPOWDER	16 575	24 686	67%	13 005	20 046	65%	17 099	25 531	67%	+31%	+27%
FRESH	359 563	369 388	97%	331 240	340 206	97%	361 804	372 804	97%	+9%	+10%
CONDENSED	24 565	24 981	98%	22 762	23 130	98%	24 543	25 031	98%	+8%	+8%
CASEINES	394	10 734	4%	12	7 291	0%	24	9 123	0%	+93%	+25%
LACTOSE	11 132	14 647	76%	5 676	7 734	73%	6 614	9 619	69%	+17%	+24%

Source : Comext



EU dairy exports Jan-Jul 2022 (x mio €)

2021	2022	Δ
7 390	8 435	+ 14%

MAIN EXPORTING THIRD COUNTRIES

Jan-Jul 2022 compared to 2021	BUTTER(OIL)		CHEESE		S.M.P.		W.M.P.	
	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21
New Zealand	269	↗ + 6%	203	↘ - 13%	204	↗ + 5%	793	↘ - 21%
EU*	121	↘ - 4%	538	↘ - 4%	393	↘ - 19%	138	↘ - 20%
United States	46	↗ + 45%	268	↗ + 15%	493	↘ - 8%	25	↘ - 1%
Australia	10	↘ - 25%	90	↘ - 2%	100	↗ + 6%	34	↗ + 7%
United Kingdom	28	↘ - 1%	103	↗ + 25%	20	↘ - 34%	15	↘ - 13%
Belarus up to Mar	18	↘ - 6%	76	↗ + 7%	28	↘ - 2%	7	↘ - 4%

MAIN IMPORTING THIRD COUNTRIES

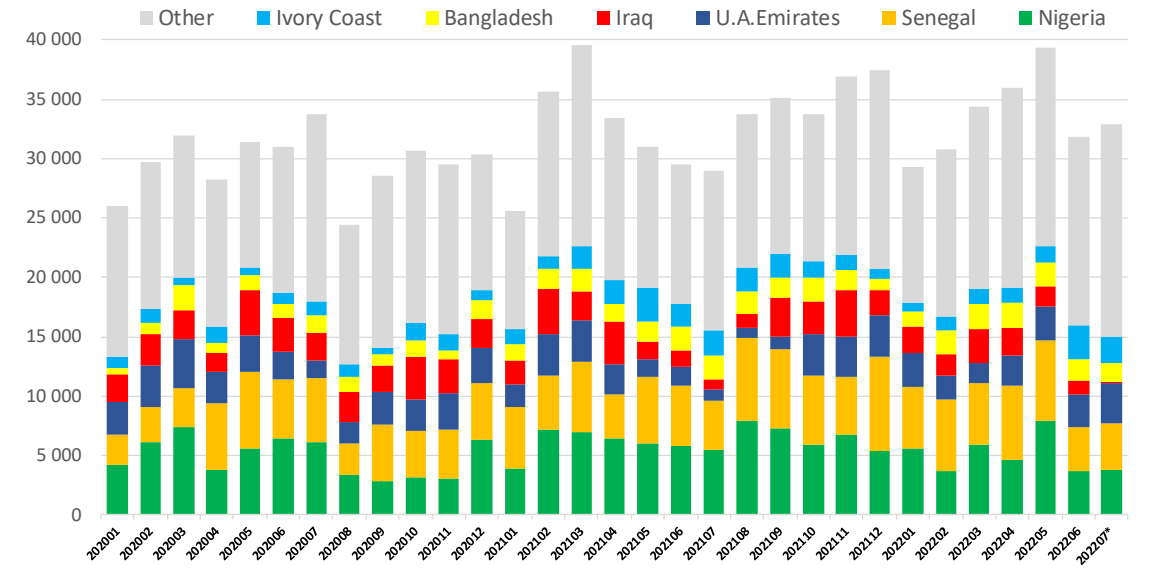
Jan-Jul 2022 compared to 2021	BUTTER(OIL)		CHEESE		S.M.P.		W.M.P.	
	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21	Qty in ktons	% 2022 /21
China	90	↘ - 5%	89	↘ - 21%	201	↘ - 28%	540	↘ - 11%
United Kingdom	28	↗ + 6%	236	↗ + 8%	6	↘ - 29%	12	↘ - 4%
Indonesia	15	↗ + 55%	17	↗ + 16%	122	↗ + 0%	53	↗ + 33%
Japan	6	↘ - 29%	162	↘ - 3%	12	↘ - 4%	2	↗ + 37%
United States	40	↗ + 14%	103	↗ + 0%	0	↗ + 91%	8	↗ + 13%
Mexico up to Jun	4	↗ + 31%	59	↗ + 14%	78	↗ + 45%	1	↘ - 51%

Source : IHS Markit/GTA

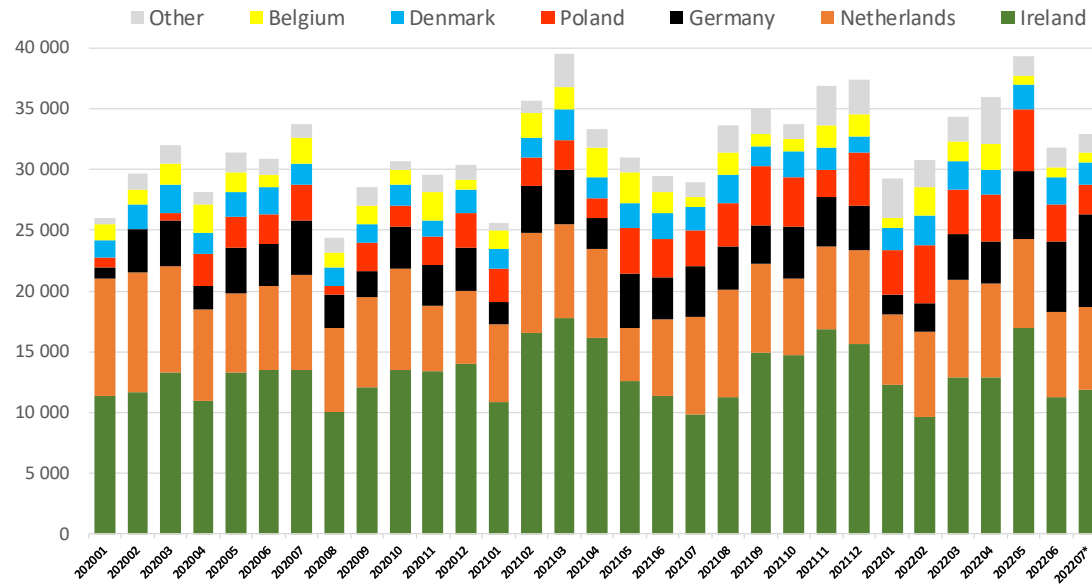
Top 5 EU FFP exports destinations:

Nigeria, Senegal, U.A.Emirates, Iraq, Bangladesh

EU exports of Fat Filled Powders (1901 90 95)



EU exports of Fat Filled Powders (1901 90 95)



Top 10 EU exporters of FFP:

IE, NL, DE, PL, DK, BE, FR, SE, IT, ES

Keep in touch and thank you!



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