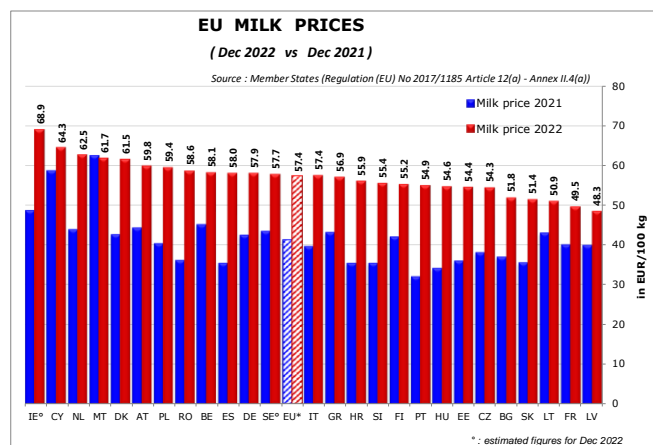


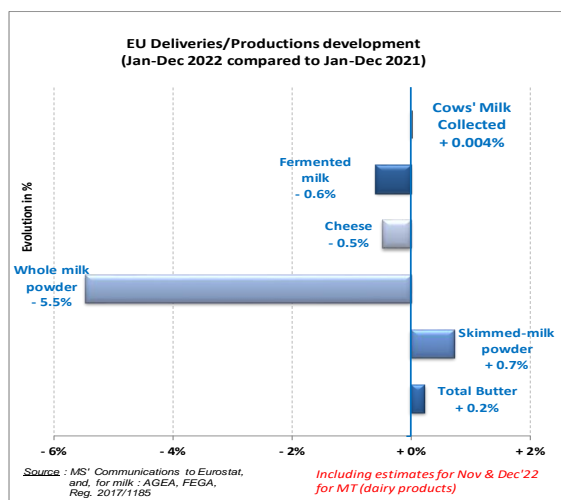
Milk Market Situation

February 2023

In December 2022, average **EU farm gate milk prices**, first time since June 2020, decreased by -0.6% compared to the previous month, to 57.41c/kg. This price is +39.2% higher than in December 2021. Member States' estimates point to a further decrease of milk prices in January 2023, to 56.97 c/kg (-0.8%). The highest organic cow's milk price in December 2022 was reported in CY (101.1c/kg), DK (67/kg) and NL (66.1/kg) while the lowest in: LV (47 c/kg), RO (48.4 c/kg) and SK (48.6 c/kg). In 5 MS (LV, RO, SK, EE, CZ) organic prices are reported lower than those for conventional milk.

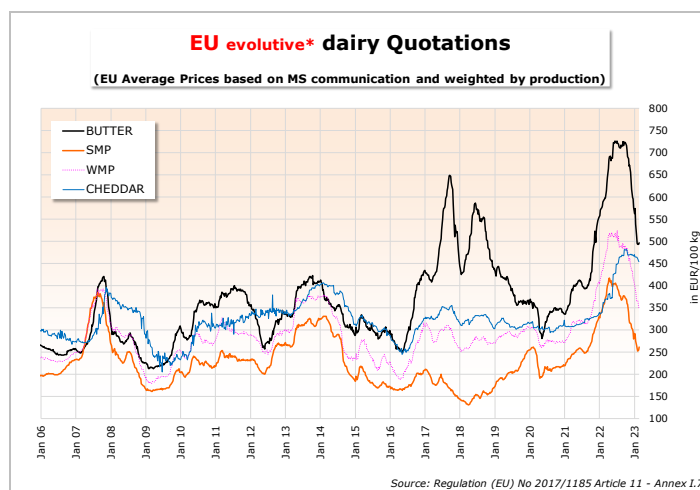


EU cow's milk collection increased in December 2022 by +0.8% (+93 000 tonnes) compared to the same month in 2021. Milk collection is picking up in the biggest milk producer (+3.1% in Dec. in DE). Cumulated deliveries in 2022 were slightly above (+0.004%, est.) 2021 levels. Milk deliveries increased in 10 MS, including PL (+2.1%), NL (+1.2%), BE (+2.6%) and IE (+0.7%). Notable production decreases in HR (-5.5%), CY (-4%), HU (-3.2%) and PT (-3.1%). In DE, milk production was at the same level as in 2021 and in FR decreased by -0.8%. In Dec. 2022, only 4.1% of total raw milk collected was **organic** (based on 23 MS) with the highest shares reported in AT (18.9%), SE (16.6%) and DK (12.4%) and the lowest ones in BG (0.25%), PL (0.29%), PT (0.32%) and EE (0.34%). EU **WMP** production (est. MT) decreased in 2022 by -5.5% to 2021. EU production also decreased for other categories of dairy products such as **concentrated milk** (-4%), **fermented milk** (-0.6%), **cheese** (-0.5%) and **drinking milk** (-0.8%). Production only increased for **cream** (+0.3%), **butter** (+0.2%) and **SMP** (+0.7%).



Dairy prices decreased in the last 4 weeks (by 12/02/2023) for SMP (-7.1%), butter (-7.8%), whey powder (-2.6%), WMP (-6.8%), edam (-12.7%), gouda (-9.7%) and cheddar (-1.7%). Prices increased only for emmental (+0.6%).

	BUTTER	SMP	WMP	CHEDDAR	EDAM	GOUDA	EMMENTAL	WHEYPOWDER
Week 7 (up to 19.2.23)	497	261	350	454	453	468	654	82
Week 3 (up to 22.1.23)	512	265	368	464	502	516	668	84
Evolution (4 weeks)	-2.8%	-1.3%	-4.8%	-2.2%	-9.8%	-9.2%	-2.0%	-2.8%



EU dairy exports decreased in 2022 (excluding the UK) for all dairy products: SMP (-10%), butter (-11%), buteroil (-6%), cheeses (-4%), condensed milk (-14%), WMP (-20%) and whey powder (-8%). Total EU exports in 2022 (excluding the UK) expressed in milk equivalent were -9% below 2021 levels. The value of these exports is +20% higher than in 2021. EU cheese imports (without UK) increased by +4% in 2022. EU butter imports from New Zealand increased by +154%. In 2022, EU imported from Ukraine 6464 tons of butter and 3245 tons of cheeses.

in 1 000 t	Jan-Dec 2021	Jan-Dec 2022	EU % change	Total in butter equiv. 2021	Total in butter equiv. 2022	EU % change
Condensed	291	250	-14%	211.7	190.3	-10%
SMP	774	695	-10%			
WMP	280	225	-20%			
Butter	181	161	-11%			
Butteroil	25	24	-6%			
Cheeses	960	923	-4%			
Whey powder	676	619	-8%			
Total in milk equiv.	15 960	14 510	-9%	Fat + protein method		

New Zealand's milk production in Dec. 2022 (7th month of the season) decreased by -0.6% and is down in June-Dec. 2022 by -2.6% compared to 2021/22 season. Milk prices increased in Dec. 2022 by +1.2%, up to 41.1 c/kg.

Australia's milk production in Dec. 2022 decreased by -6% (6th month of new season) and by -6.6% in July-Dec. 2022.

UK milk production in Dec. 2022 increased (4th time in a row) by +1.7% and decreased by -0.5% in 2022.

US milk production increased (6th time in a row) by +0.8% in Dec. 2022, resulting +0.2% growth in 2022 compared to 2021. The Dec. farm gate milk price decreased by -6.1% to 47.8c/kg (from 50.9 c/kg in Nov.).

On the **world market** (5/02/2023), dairy prices decreased in the last fortnight in the USA and EU with the only exceptions of cheddar prices in the EU. The EU is the least competitive exporter of butter and cheddar. The US is the most competitive for cheddar and SMP and Oceania for butter and WMP.