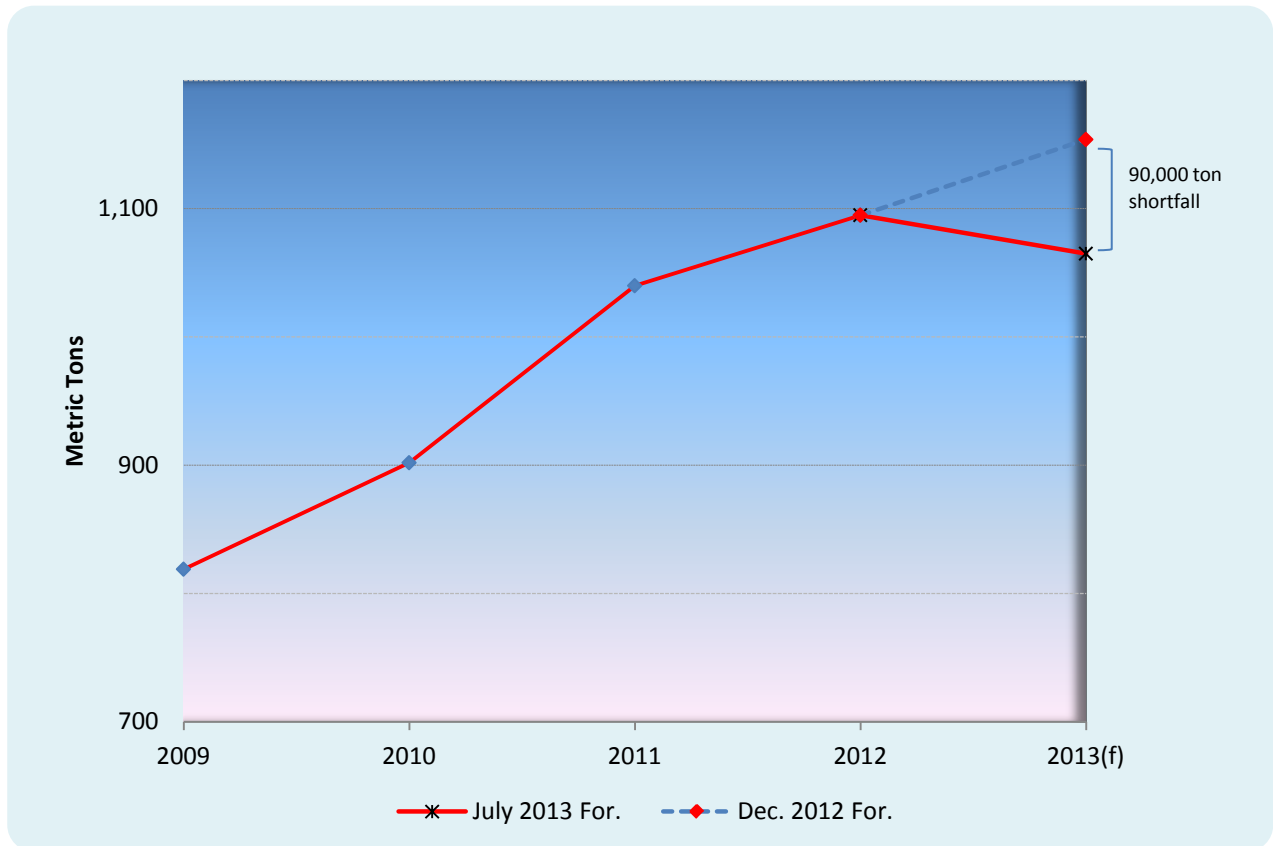


Dairy: World Markets and Trade

July 2013

The 2013 forecast for U.S. exports of skim milk powder (SMP) is revised up 17 percent to reach a record 515,000 tons; an increase of 16 percent over last year. This is largely due to a cut-back in expected exports of SMP from other major suppliers. This shortfall, estimated at about 90,000 tons was particularly pronounced in the EU-27 where a slowdown in EU-27 milk deliveries – down nearly 3 percent in the January-March 2013 period in comparison to last year, led to a drop in SMP production. As a result, the EU-27 2013 SMP export forecast is revised down by 80,000 tons. This coupled with an end-of-season drought in New Zealand sparked a rapid run-up in global prices of dairy products with SMP prices (mid-point FOB Oceania) jumping by 41 percent in the period of one month (mid-March to mid-April) to reach \$5,563/ton (\$2.52/lb). Since then prices have moderated and the U.S., with ample available exportable supplies, is in a competitive position to supply the key North African and Asian markets where the EU-27 has normally been a significant supplier.

Forecast Exports of SMP from Argentina, Australia, EU, and New Zealand Cut by 8 Percent



Dairy Production and Trade Developments

Summary

The price volatility that has come to characterize international dairy markets in recent years was very much in evidence early in 2013 as news of a late season drought in New Zealand led to a sharp rally in dairy product prices. However, it was evident that while a prolonged drought could eventually have severe consequences, the immediate market was likely being driven primarily by the lack of exportable supplies of SMP and whole milk powder (WMP) in the face of strong import demand. This shortfall was largely due to sluggish spring flush milk production in the EU-27 where cold wet weather and margins squeezed by mounting production costs early in the year led to a 3 percent decline in milk deliveries early in the year.

Since this early run-up, dairy prices have moderated but are nevertheless expected to remain relatively strong for the balance of the year supported particularly by surging import demand from China for WMP. In Oceania, milk production is at a seasonal ebb but the brief drought in New Zealand has ended, overtaken by ample rains and resumption of normal weather patterns. This bodes well for the new season and total milk production for 2013 is expected to only decline slightly from the record setting level reached last year. In contrast, drier seasonal conditions in Australia have led to downward revisions in the forecast supply of milk which are expected to impact primarily the availability of exportable supplies of milk powders. In the EU-27, although financial conditions are expected to improve due to stronger milk prices, the milk production forecast has been revised down and is now expected to remain largely unchanged from 2012. In the United States, feed prices have moderated and favorable weather conditions in much of the country have led to an upward revision in the expected production of milk. In effect, the U.S. appears to be well positioned to backfill any declines in EU-27 exports of SMP and to a lesser extent cheese and butterfat.

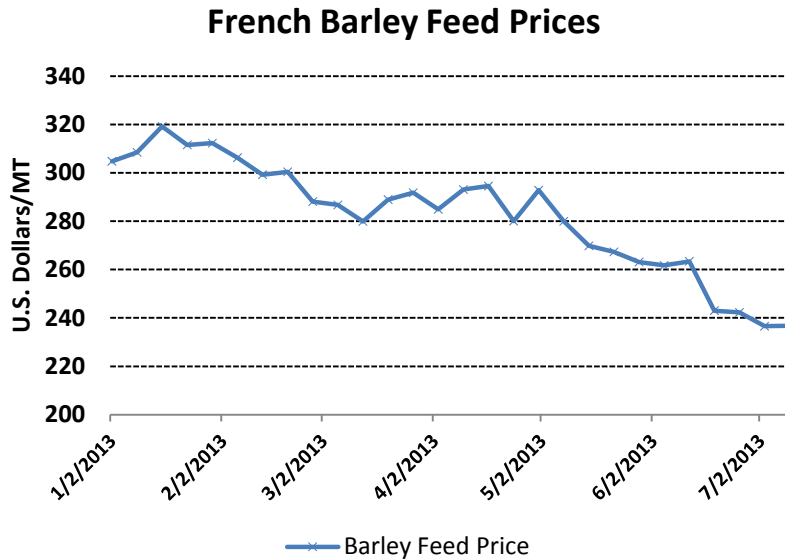
The economic outlook for the rest of the year remains modestly bright although global growth is expected to slow from 2012 largely due to the economic problems affecting the EU-27. In the critical Asian region, GDP growth is expected to decline marginally relative to last year which may negatively impact imports of milk powders. Clearly, this does not appear to be the case in China where despite a ratcheting down of its economic growth forecast for this year, its imports of milk powder, particularly WMP, have so far not been impacted. In fact, China's imports of WMP through May are up 56 percent in comparison to the same period last year. Mexico, a critical market for U.S. dairy products, is expected to also experience lower economic growth relative to 2012 and its imports of SMP have been revised down slightly.

Milk Production: 2013 Forecast Summary

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

	2012	2013 (Dec. 2012 Forecast)	2013 (July 2013 Forecast)	Forecast % Change
Argentina	11,815	12,230	12,230	0%
Australia	9,790	10,135	9,738	-4%
EU-27	139,000	140,700	139,200	-1%
New Zealand	20,567	20,400	19,169	-6%
United States	90,865	90,600	91,640	1%
Total	272,037	274,065	271,974	-1%

- The Australian milk production forecast for 2013 is revised down 4 percent from the December forecast due to a combination of dry seasonal conditions, higher input costs, and low milk prices. Weather conditions have taken a heavy toll on milk output with the 2012-13 summer officially rated as the hottest summer since 1910 when temperatures were first recorded. Milk production from January through May is reported down 8 percent from the same period last year; however, the milk production typically ramps-up in July and peaks in October. At present, the weather outlook for the July-September period is favorable with a wetter than normal season more likely for the main milk production areas of the southeast.
- In New Zealand a drought from late January through mid-March, that was particularly severe in the North Island, halted pasture growth and led farmers to stop milking earlier than anticipated. Milk production January through April is reportedly down 11 percent compared to the same period last year. However, milk output typically starts to gain traction in August and at present abundant rainfall has improved pasture conditions significantly. Although producers increased the number of cows culled during the drought, this is expected to be partly offset by the increased number of dairy operations in the South Island region. As a result, the milk production forecast is revised down by 6 percent and represents a 7 percent drop from 2012.
- The EU-27, during first-half 2013, experienced a long and severe winter coupled with rising production costs reducing dairy farmer margins and negatively impacted milk production. Consequently, the 2013 forecast is revised down by 1 percent. Nevertheless, in the second half of this year, higher global dairy prices and moderating feed prices are expected to improve profit margins and milk output is expected to rebound.



For the year, EU milk production over last year is expected to remain flat with an increasing proportion of factory use milk being channeled into the production of cheese.

- The U.S. milk production forecast is revised up by 1 percent due to the improved outlook for dairy farmers as feed prices are expected to moderate and milk prices are forecast higher.

SMP:

- The U.S. 2013 export forecast for SMP is raised by 17 percent from December to a record 515,000 tons reflecting the rapid early year pace of shipments – up 7 percent in the January-May period in comparison to last year - and represents a 16 percent jump in year-over-year exports. There is some evidence to suggest that the U.S. is strongly benefitting from the lack of EU-27 SMP on world markets. For example, using the latest available data for EU-27 shipments, exports to Malaysia are down 39 percent this year through April in comparison to the same period last year. In contrast, U.S. shipments to Malaysia are up 72 percent over the same period. More recent U.S. export data indicates that these trends are likely to continue as the United States has made similar significant gains in other markets such as Algeria, Indonesia, and Vietnam.

EU-27 and U.S. Shipments of SMP in 2013 through April and May in Comparison to the Same Period Last Year

Importing Country	EU-27 Exports % Change through April	U.S. Exports % Change through April	EU Gain/Loss through April MT	US Gain/Loss through April MT	US Gains Through May MT
Algeria	-21%	n.a.	-7,234	+2,798	+6,935
China	-53%	-7%	-6,446	- 373	+3,302
Egypt	-29%	-4%	-4,215	- 373	+ 850
Indonesia	+9%	+27%	+1,230	+3,892	+6,245
Malaysia	-39%	+72	-2,165	+4,165	+6,168
Philippines	-71%	+1%	-1,895	+ 97	+ 685
Thailand	-30%	-3%	-1,982	- 54	+1,883
Vietnam	-61%	+24%	-8,099	+2,612	+1,427

Source: Global Trade Information System

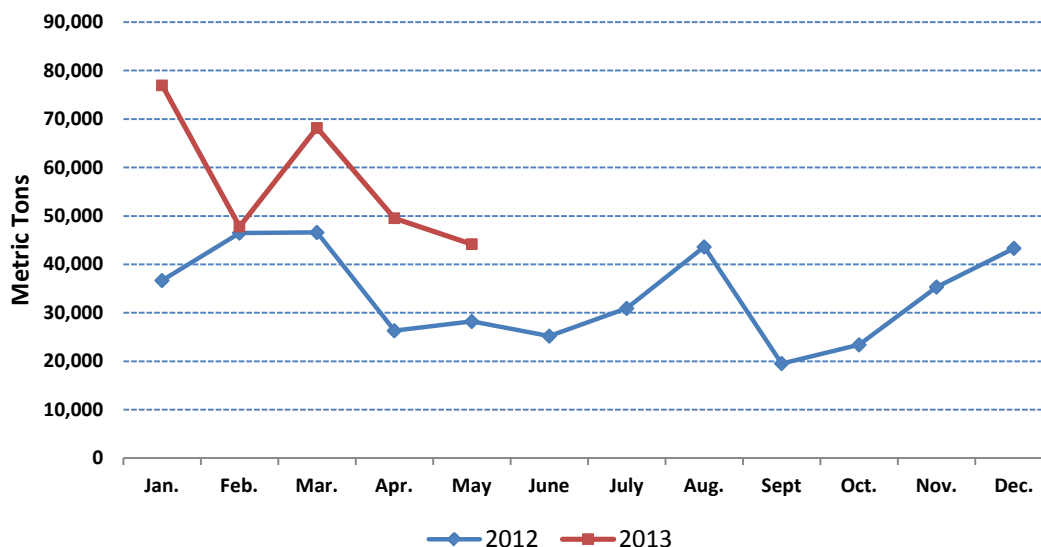
- Lower than anticipated milk deliveries in the EU-27 have led to a downward revision of 9 percent in the SMP export forecast as more fluid milk flows into the production of cheese. Shipment data through April indicates that EU-27 are lagging by 35 percent relative to last year, but the pace of exports are expected to increase as milk supplies recover.
- For Oceania, the Australian SMP production forecast is revised down 6 percent; however, the export forecast is only reduced marginally as stocks are expected to be drawn down. In New Zealand, the situation is expected to be similar as SMP production is now pegged to decline by 3 percent in comparison to 2012. However, for New Zealand the export forecast is revised up by 4 percent to 405,000 tons as high export prices are expected to lead to a draw down in stocks.
- Strong consumer demand for dairy products in Mexico is expected to significantly increase domestic production in 2013. However, import demand is likely to remain fairly robust and the import forecast is revised up by 2 percent to 230,000 tons. In 2012, the U.S. supplied almost 87 percent of Mexico's SMP imports and this will likely be the case in 2013.

WMP:

- China's imports of WMP appear to be little affected by high international prices with imports through May up 56 percent in comparison to the same period last year. In fact, shipments through May have already reached 287,000 tons with imports in January alone reaching a new monthly record of 77,000 tons. As a result, the import forecast is revised up by 24 percent to 510,000 tons which represents a 26 percent increase over the volume imported in 2012. Chinese consumers continue to be willing to pay a heavy premium for imported dairy products due to ongoing safety concerns over domestic dairy products. In

2012, New Zealand was the major supplier accounting for over 96 percent of China's WMP imports. That is unlikely to change for 2013.

China's Imports of WMP in 2013



- While New Zealand may have endured a severe drought in early 2013, exports of WMP continue at a strong pace with shipments through May up 12 percent relative to last year. Consequently, the export forecast is increased by 2 percent to reach a record 1.325 million tons with the assumption that New Zealand will draw down heavily on any remaining stocks to meet demand.
- In the EU-27, lower than anticipated milk production and increasing use of milk in the production of cheese is expected to lead to a decline in WMP production. As a result, the WMP production forecast is revised down by 6 percent while expected exports are trimmed by 8 percent to 350,000 tons. EU-27 exports of WMP have been declining continuously since 2008 when they reached 485,000 tons as milk supplies have been kept in check by production quotas and more milk has been diverted into the production and export of cheese.

Cheese:

- U.S. cheese production in 2013 is expected to grow by 3 percent from 2012 as the production forecast from December is raised by 1 percent or 40,000 tons. The cheese export forecast is raised by 14 percent to 289,000 tons which is an 11 percent increase over last year. Exports of cheese in through May are up 5 percent in comparison to last year with shipments to the top two markets, Mexico and South Korea, up 11 percent and 9 percent, respectively. So far this year through May, exports of fresh cheese have shown considerable

growth - up 40 percent - over the same period last year while cheddar cheese shipments have been disappointing – down 11 percent. Despite growth in consumption and exports, stocks of cheese have been building and the 2013 forecast is raised.

- Due to the slow start of the EU-27 dairy season, the cheese production forecast is lowered fractionally, but is almost a 1 percent increase over 2012. Strong global prices are expected provide a strong incentive for exports. The export forecast is revised up by 30,000 tons to 800,000 – a 3 percent increase over last year. Shipments through April are up 11 percent over the comparable period in 2012 with exports to Russia – the leading market – up 14 percent.
- In New Zealand, the cheese production forecast is decreased by 9 percent to 273,000 tons – a 14 percent drop from 2012. This is primarily due to increased use of milk in the production of milk powders particularly as seasonal peak milk flows have to be processed rapidly. The export forecast is revised down 5 percent to 270,000 tons which is a decline 12 percent from 2012. In 2012, the top three markets, Japan, Australia, and South Korea accounted for 45 percent of total cheese shipments.
- The Russian import forecast is increased slightly to 360,000 tons or 1 percent above 2012 levels as domestic production has been lower than anticipated. In 2012, Russia imported 356,000 tons of cheese with Belarus supplying some 26 percent, followed by Germany and Ukraine.

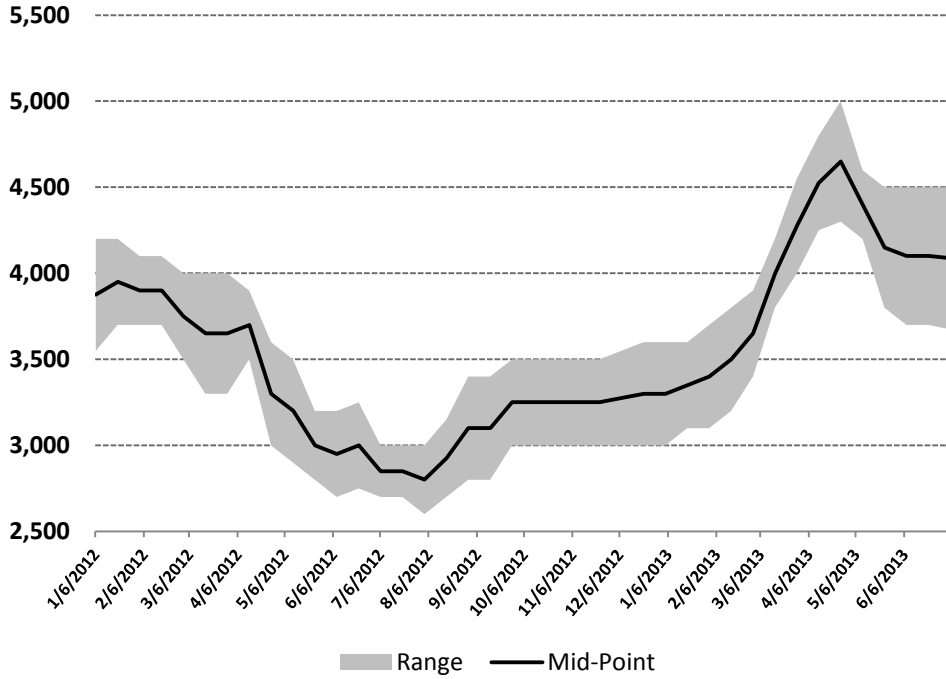
Butter:

- The 2013 U.S. butter production forecast is revised up 8 percent from December following the strong pace of butter production early in the year - up 2 percent in the January through May period relative to last year. Although U.S. butter prices have been well below Oceania and EU-27 prices, exports have languished. Nevertheless, the export forecast has been raised by 27 percent to 66,000 tons as the wide gulf between U.S. and competitor prices is expected to accelerate shipments. Despite increased exports, ending stocks are nevertheless anticipated to grow substantially year-on-year.
- In the EU-27, butter output is expected to remain unchanged from 2012 while domestic consumption is anticipated to be down slightly. Although the export forecast is revised down by 7 percent high global prices will prove attractive for exporters and total shipments are expected to be 15 percent higher than in 2012. The principal destination for EU-27 butter has traditionally been Russia which is forecast to increase imports of butter by 11 percent over last year to reach 130,000 tons. At the end of the year, EU-27 stocks are forecast to be drawn down to 28,000 tons which would be the lowest level reached during the past decade.
- The New Zealand butter production forecast is revised up 1 percent but on a year-on-year basis is 7 percent below the 2012 level largely due to the lower milk production level anticipated for 2013. Exports of butter in the January-May period have been running ahead

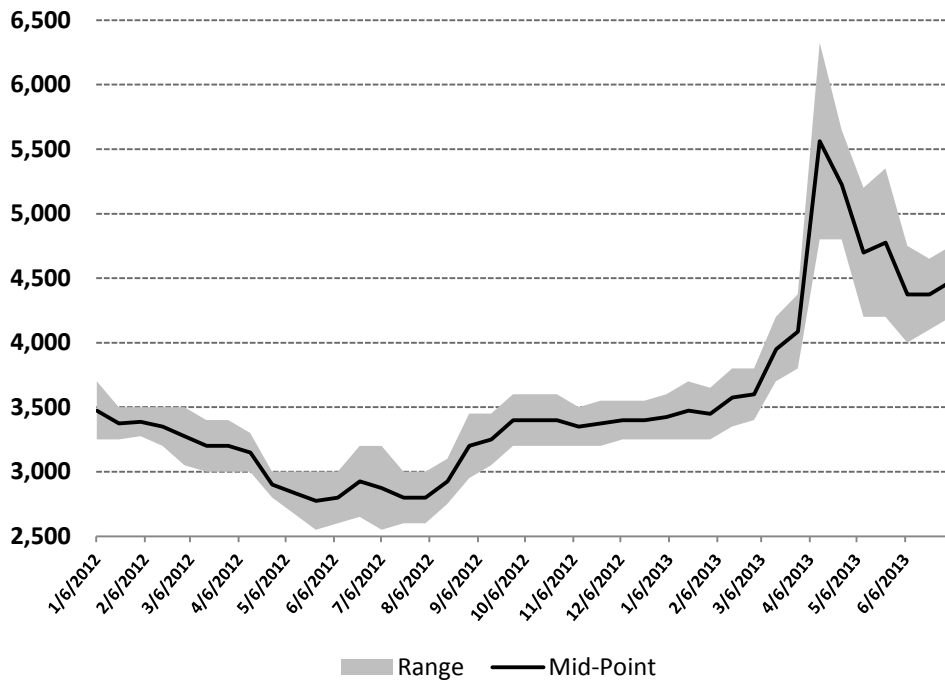
by 6 percent in comparison to the same period last year. Consequently, the export forecast is adjusted up by 1 percent as it is expected that New Zealand will draw down stocks to keep shipments flowing.

International Prices

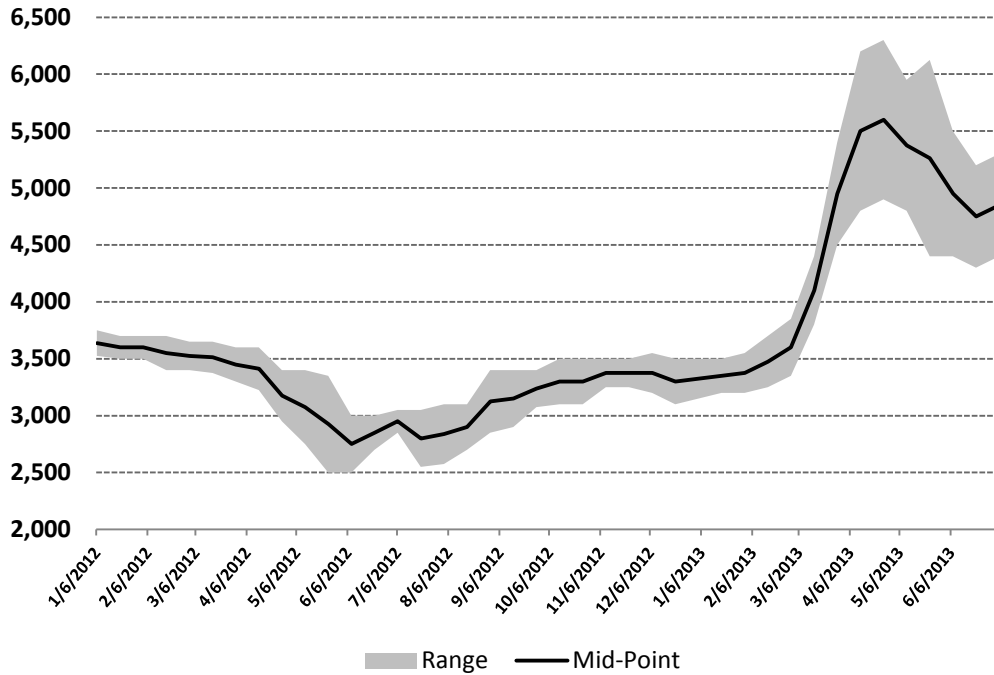
Butter Prices - Oceania FOB \$/MT



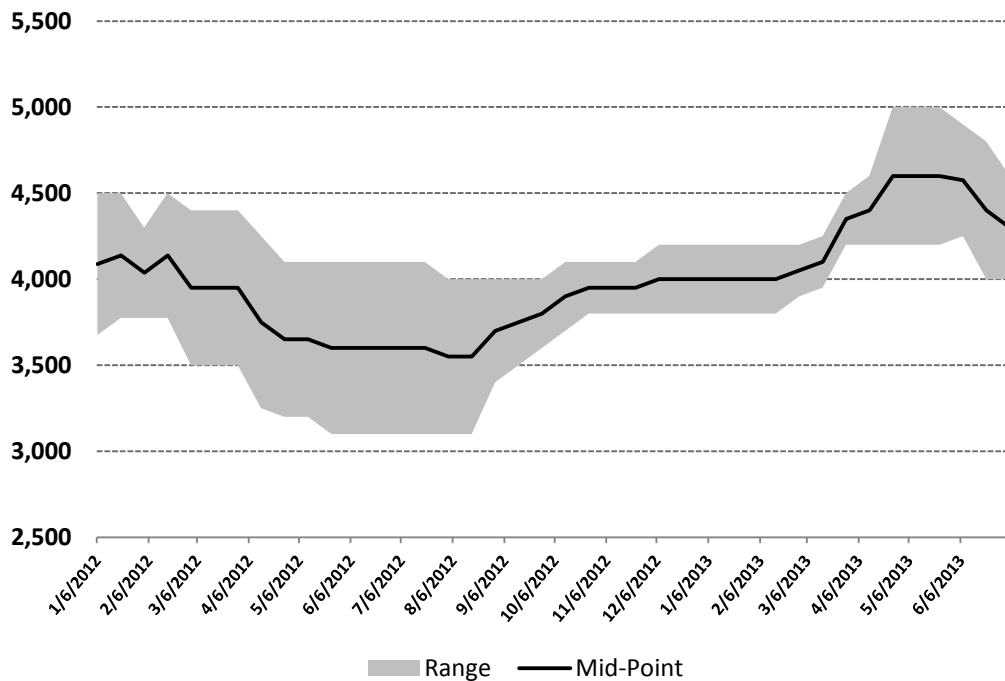
SMP Prices - Oceania FOB \$/MT



WMP Prices - Oceania FOB \$/MT



Cheese Prices - Oceania FOB \$/MT



Source: Agricultural Marketing Service, USDA

COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Head

Milk Cow Numbers	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	984	979	981	983	985	985
Mexico	6,204	6,400	6,480	6,400	6,350	6,300
United States 3/	9,315	9,203	9,119	9,194	9,233	9,220
Sub-total	16,503	16,582	16,580	16,577	16,568	16,505
South America						
Argentina	2,150	2,100	2,100	2,150	2,193	2,236
Brazil	16,700	17,200	17,600	19,200	19,900	20,450
Sub-total	18,850	19,300	19,700	21,350	22,093	22,686
European Union - 27 1/	24,176	24,192	23,566	23,122	22,844	22,700
Former Soviet Union						
Russia	9,800	9,530	8,858	8,650	8,600	8,515
Ukraine	3,096	2,856	2,736	2,631	2,582	2,560
Sub-total	12,896	12,386	11,594	11,281	11,182	11,075
South Asia						
India	38,500	42,600	43,600	44,900	46,400	48,150
Asia						
China	8,575	7,115	7,320	7,620	8,000	8,400
Japan	862	848	830	805	813	807
Sub-total	9,437	7,963	8,150	8,425	8,813	9,207
Oceania						
Australia 2/	1,640	1,676	1,596	1,620	1,650	1,645
New Zealand	4,200	4,597	4,680	4,816	5,021	5,018
Sub-total	5,840	6,273	6,276	6,436	6,671	6,663
TOTAL SELECTED COUNTRIES	126,202	129,296	129,466	132,091	134,571	136,986

Source: FAS post reports, official statistics, and office research.

Notes: (p) Preliminary

(f) Forecast.

(2) Year ending June 30 for the period 2007-2008

(3) USDA is currently not forecasting annual average cow numbers for 2013 for the United States.

The 2013 cow number reflects the January 1 milk cow number reported by the National Agricultural Statistics Service in its February 1, 2013 *Cattle* report. As such, this estimate should not be used to derive 2013 milk output per cow.

GCAD/OGA/FAS

July 2013

COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

Fluid Milk Production	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	8,270	8,280	8,350	8,400	8,450	8,500
Mexico	10,907	10,866	11,033	11,046	11,274	11,270
United States	86,174	85,880	87,474	88,978	90,865	91,640
Sub-total	105,351	105,026	106,857	108,424	110,589	111,410
South America						
Argentina	10,010	10,350	10,600	11,470	11,815	12,230
Brazil	27,820	28,795	29,948	30,715	31,490	32,380
Sub-total	37,830	39,145	40,548	42,185	43,305	44,610
European Union - 27 1/	133,848	133,700	135,472	138,220	139,000	139,200
Former Soviet Union						
Russia	32,500	32,600	31,847	31,646	31,917	31,600
Ukraine	11,524	11,370	10,977	10,804	10,900	11,050
Sub-total	44,024	43,970	42,824	42,450	42,817	42,650
South Asia						
India	44,500	48,160	50,300	53,500	55,500	57,780
Asia						
China	34,300	28,445	29,300	30,700	32,600	34,650
Japan	7,982	7,910	7,721	7,474	7,631	7,575
Sub-total	42,282	36,355	37,021	38,174	40,231	42,225
Oceania						
Australia 2/	9,500	9,326	9,327	9,568	9,790	9,738
New Zealand	15,580	16,983	17,173	18,965	20,567	19,169
Sub-total	25,080	26,309	26,500	28,533	30,357	28,907
TOTAL SELECTED COUNTRIES	432,915	432,665	439,522	451,486	461,799	466,782

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

COWS MILK : SUMMARY FOR SELECTED COUNTRIES

MT/Head

Fluid Milk Production Per Cow	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	8.40	8.46	8.51	8.55	8.58	8.63
Mexico	1.76	1.70	1.70	1.73	1.78	1.79
United States 3/	9.25	9.33	9.59	9.68	9.84	n.a.
South America						
Argentina	4.66	4.93	5.05	5.33	5.39	5.47
Brazil	1.67	1.67	1.70	1.60	1.58	1.58
European Union - 27 1/	5.54	5.53	5.75	5.98	6.08	6.13
Former Soviet Union						
Russia	3.32	3.42	3.60	3.66	3.71	3.71
Ukraine	3.72	3.98	4.01	4.11	4.22	4.32
South Asia						
India	1.16	1.13	1.15	1.19	1.20	1.20
Asia						
China	4.00	4.00	4.00	4.03	4.08	4.13
Japan	9.26	9.33	9.30	9.28	9.39	9.39
Oceania						
Australia 2/	5.79	5.56	5.84	5.91	5.93	5.92
New Zealand	3.71	3.69	3.67	3.94	4.10	3.82

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 for the period 2007-2008

(3) USDA is currently not forecasting 2013 average cow numbers or milk per cow for the United States.

GCAD/OGA/FAS

July 2013

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

Fluid Milk Consumption	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	3,145	3,103	3,184	3,164	3,200	3,250
Mexico	4,263	5,206	5,167	4,100	4,168	4,171
United States	28,124	28,550	28,896	28,261	28,769	28,740
Sub-total	35,532	36,859	37,247	35,525	36,137	36,161
South America						
Argentina	1,975	2,100	2,130	2,093	2,157	2,232
Brazil	10,684	10,895	11,278	11,429	11,715	12,000
Sub-total	12,659	12,995	13,408	13,522	13,872	14,232
European Union - 27 1/	33,744	33,700	33,738	33,870	33,950	33,950
Former Soviet Union						
Russia	12,100	12,114	11,775	11,650	11,040	10,815
Ukraine	3,520	3,483	5,342	5,442	5,345	5,487
Sub-total	15,620	15,597	17,117	17,092	16,385	16,302
South Asia						
India	44,520	48,160	49,140	51,660	52,000	54,400
Asia						
China	14,581	11,791	12,060	12,600	13,517	14,450
Japan	4,442	4,264	4,150	4,058	4,045	3,925
Sub-total	19,023	16,055	16,210	16,658	17,562	18,375
Oceania						
Australia 2/	2,205	2,272	2,284	2,422	2,490	2,420
New Zealand	345	300	300	300	275	270
Sub-total	2,550	2,572	2,584	2,722	2,765	2,690
TOTAL SELECTED COUNTRIES	163,648	165,938	169,444	171,049	172,671	176,110

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

CHEESE PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	285	291	297	300	304	304
Mexico	188	242	264	270	264	270
United States	4,496	4,570	4,737	4,807	4,940	5,090
Sub-total	4,969	5,103	5,298	5,377	5,508	5,664
South America						
Argentina	525	530	540	572	589	609
Brazil	607	614	648	679	700	722
Sub-total	1,132	1,144	1,188	1,251	1,289	1,331
European Union - 27	8,717	8,739	8,959	8,981	9,080	9,130
Former Soviet Union						
Russia	430	400	438	425	446	455
Ukraine	249	228	212	185	165	170
Sub-total	679	628	650	610	611	625
Asia						
Japan	47	45	48	45	48	50
Korea	25	23	27	25	25	26
Philippines	2	2	2	2	2	2
Sub-total	74	79	86	82	84	77
Oceania						
Australia 1/	344	321	319	339	360	355
New Zealand	288	308	268	300	319	273
Sub-total	632	629	587	639	679	628
TOTAL SELECTED COUNTRIES	16,203	16,322	16,768	16,940	17,251	17,455

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

CHEESE CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES 1/
1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	310	318	318	313	320	320
Mexico	251	311	338	344	349	358
United States	4,478	4,540	4,638	4,718	4,788	4,901
Sub-total	5,039	5,169	5,294	5,375	5,457	5,579
South America						
Argentina	488	495	490	514	530	548
Brazil	605	624	666	715	725	748
Sub-total	1,093	1,119	1,156	1,229	1,255	1,296
European Union - 27	8,246	8,245	8,365	8,373	8,381	8,400
Former Soviet Union						
Russia	750	690	780	759	792	805
Ukraine	185	160	144	117	111	123
Sub-total	935	850	924	876	903	928
Asia						
Japan	234	229	247	260	283	290
Korea	72	72	88	101	100	104
Sub-total	306	301	335	361	383	394
Oceania						
Australia 1/	214	220	225	256	261	245
New Zealand	22	24	24	30	30	28
Sub-total	236	244	249	286	291	273
TOTAL SELECTED COUNTRIES	15,855	15,928	16,323	16,500	16,670	16,870

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

CHEESE IMPORTS: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	26	24	25	25	25	25
Mexico	68	73	80	78	89	92
United States	137	131	110	110	122	116
Sub-total	231	228	215	213	236	233
South America						
Argentina	3	3	3	3	3	3
Brazil	5	16	22	39	28	29
Sub-total	8	19	25	42	31	32
European Union - 27	84	84	82	74	77	70
Former Soviet Union						
Russia	340	310	353	344	356	360
Ukraine	13	9	11	12	16	18
Sub-total	353	319	364	356	372	378
Asia						
Japan	187	184	199	215	235	240
Korea	47	49	61	76	75	78
Philippines	14	15	15	20	22	23
Sub-total	248	248	275	311	332	341
Oceania						
Australia 1/	70	65	76	72	75	76
New Zealand	4	6	6	5	5	5
Sub-total	74	71	82	77	80	81
TOTAL SELECTED COUNTRIES	998	969	1,043	1,073	1,128	1,135

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

CHEESE EXPORTS: SUMMARY FOR SELECTED COUNTRIES 1/

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	10	9	9	9	9	9
Mexico	5	4	6	4	4	4
United States	131	108	173	224	260	289
Sub-total	146	121	188	237	273	302
South America						
Argentina	36	48	45	60	60	62
Brazil	7	6	4	3	3	3
Sub-total	63	53	43	54	49	53
European Union - 27	555	578	676	682	776	800
Former Soviet Union						
Russia	20	21	11	9	10	10
Ukraine	77	77	79	80	70	65
Sub-total	97	98	90	89	80	75
Oceania						
Australia 1/	202	162	160	168	163	185
New Zealand	247	290	265	253	306	270
Sub-total	449	452	425	421	469	455
TOTAL SELECTED COUNTRIES	1,310	1,302	1,422	1,483	1,647	1,685

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

BUTTER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES 1/
1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	85	86	80	85	93	88
Mexico	180	171	182	187	190	185
United States	746	713	709	821	843	882
Sub-total	1,011	970	971	1,093	1,126	1,155
South America						
Argentina	61	51	57	63	66	64
Brazil	84	76	78	79	81	83
Sub-total	145	127	135	142	147	147
European Union - 27	2,040	2,030	1,980	2,055	2,100	2,100
Former Soviet Union						
Russia	305	246	207	217	216	210
Ukraine	85	75	79	76	85	90
Sub-total	390	321	286	293	301	300
Asia						
India	3,690	3,910	4,162	4,330	4,525	4,750
Japan	72	81	74	63	69	72
Sub-total	3,762	3,991	4,236	4,393	4,594	4,822
Oceania						
Australia 2/	111	118	132	121	121	115
New Zealand	413	482	441	487	530	494
Sub-total	519	519	519	519	519	519
TOTAL SELECTED COUNTRIES	7,867	7,958	8,127	8,495	8,787	9,043

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes Butteroil/AMF butter equivalent.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

BUTTER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES 1/
1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	88	96	90	93	96	97
Mexico	229	224	231	223	227	230
United States	689	694	683	757	793	804
Sub-total	1,006	1,014	1,004	1,073	1,116	1,131
South America						
Argentina	37	34	38	34	46	42
Brazil	81	81	75	78	80	82
Sub-total	118	115	113	112	126	124
European Union - 27	1,946	1,894	1,934	1,982	2,026	2,015
Former Soviet Union						
Russia	453	349	320	330	333	338
Ukraine	82	90	84	79	91	93
Sub-total	535	439	404	409	424	431
Asia						
India	3,680	3,910	4,170	4,320	4,510	4,750
Japan	83	74	85	82	77	77
Taiwan	9	14	16	18	17	19
Sub-total	3,772	3,998	4,271	4,420	4,604	4,846
Oceania						
Australia 2/	64	60	73	78	82	83
New Zealand	21	20	20	20	21	21
Sub-total	85	80	93	98	103	104
TOTAL SELECTED COUNTRIES	7,462	7,540	7,819	8,094	8,399	8,651

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes Butteroil/AMF butter equivalent.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

BUTTER IMPORTS: SUMMARY FOR SELECTED COUNTRIES 1/
1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	7	12	8	10	7	7
Mexico	49	53	49	36	37	45
United States	16	17	10	12	18	14
Sub-total	72	82	67	58	62	66
South America						
Brazil	1	7	2	0	1	1
European Union - 27	84	93	66	63	65	65
Former Soviet Union						
Russia	150	107	114	116	117	130
Ukraine	3	16	6	5	7	5
Sub-total	153	123	120	121	124	135
Asia						
India	5	28	25	0	12	5
Japan	18	0	2	14	10	5
Taiwan	9	14	16	18	17	19
Sub-total	32	42	43	32	39	29
Oceania						
Australia 2/	20	18	19	19	18	23
New Zealand	1	1	1	1	0	1
Sub-total	21	19	20	20	18	24
TOTAL SELECTED COUNTRIES	363	366	318	294	309	320

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes Butteroil/AMF butter equivalent.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

BUTTER EXPORTS: SUMMARY FOR SELECTED COUNTRIES 1/
1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	1	3	1	0	0	1
Mexico	0	0	0	0	0	0
United States	89	30	59	65	47	66
Sub-total	90	33	60	65	47	67
South America						
Argentina	24	17	16	28	21	25
Brazil	4	2	5	1	2	2
Sub-total	28	19	21	29	23	27
European Union - 27	153	149	154	124	122	140
Former Soviet Union						
Ukraine	6	1	1	2	1	2
Asia						
India	15	28	11	11	15	15
Sub-total	5	10	15	28	4	10
Oceania						
Australia 2/	58	87	58	42	54	60
New Zealand	351	492	429	449	509	480
Sub-total	409	579	487	491	563	540
TOTAL SELECTED COUNTRIES	691	791	738	739	760	786

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes Butteroil/AMF butter equivalent.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

SKIMMED MILK POWDER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	90	83	72	76	86	82
Mexico	24	25	13	26	55	52
United States 1/	859	786	824	882	973	1,030
Sub-total	973	894	909	984	1,114	1,164
South America						
Argentina	25	33	35	39	40	41
Brazil	128	125	130	132	141	146
Sub-total	153	158	165	171	181	187
European Union - 27	980	1,080	1,060	1,180	1,270	1,245
Former Soviet Union						
Russia	120	70	42	55	57	55
Ukraine	65	51	53	43	48	50
Sub-total	185	121	95	98	105	105
Asia						
China	53	54	55	56	57	58
India	345	360	380	430	450	455
Japan	158	167	156	137	139	145
Korea	20	15	10	4	4	5
Sub-total	576	596	601	627	650	663
Oceania						
Australia 2/	177	203	222	230	235	220
New Zealand	252	385	344	366	404	390
Sub-total	429	588	566	596	639	610
TOTAL SELECTED COUNTRIES	3,296	3,437	3,396	3,656	3,959	3,974

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM and SMP production.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

SKIMMED MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	62	84	72	70	76	71
Mexico	176	190	168	220	291	282
United States 1/	454	568	434	438	522	508
Sub-total	692	842	674	728	889	861
South America						
Argentina	9	17	18	19	21	22
Brazil	134	135	144	163	170	176
Sub-total	143	152	162	182	191	198
European Union - 27	808	596	749	807	799	770
Former Soviet Union						
Russia	180	175	159	126	153	155
Ukraine	21	32	41	23	29	30
Sub-total	201	207	200	149	182	185
Asia						
China	107	124	144	186	225	213
India	310	355	390	410	425	465
Indonesia	156	172	184	197	205	210
Japan	170	152	162	157	146	150
Korea	26	25	21	38	24	30
Philippines	65	89	97	92	95	95
Sub-total	834	917	998	1,080	1,120	1,163
Oceania						
Australia 2/	49	50	51	68	70	73
New Zealand	1	1	3	3	3	4
Sub-total	50	51	54	71	73	77
TOTAL SELECTED COUNTRIES	2,728	2,765	2,837	3,017	3,254	3,254

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM and SMP.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

SKIMMED MILK POWDER IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	4	3	3	3	3	2
Mexico	152	165	155	194	236	230
United States 1/	1	0	0	0	2	1
Sub-total	157	168	158	197	241	233
South America						
Argentina	0	0	0	0	0	0
Brazil	7	11	14	31	29	30
Sub-total	7	11	14	31	29	30
European Union - 27	7	6	4	0	2	0
Former Soviet Union						
Russia	75	105	117	71	96	100
Ukraine	0	8	2	2	4	3
Sub-total	75	113	119	73	100	103
North Africa						
Algeria	105	93	98	129	105	110
Asia						
China	55	70	89	130	168	155
India	0	3	20	32	25	0
Indonesia	159	178	189	196	205	215
Japan	32	34	30	27	32	37
Korea	5	10	8	34	20	25
Philippines	80	112	110	111	105	110
Sub-total	331	407	446	530	555	542
Oceania						
Australia 2/	4	4	5	5	3	5
New Zealand	1	4	3	2	5	4
Sub-total	5	8	8	7	8	9
TOTAL SELECTED COUNTRIES	687	806	847	967	1,040	1,027

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM and SMP.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

SKIMMED MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
Canada	11	10	6	10	10	10
Mexico	0	0	0	0	0	0
United States 1/	391	248	384	435	445	515
Sub-total	402	258	390	445	455	525
South America						
Argentina	14	13	20	18	19	20
Brazil	1	1	0	0	0	0
Sub-total	15	14	20	18	19	20
European Union - 27	179	231	379	518	523	475
Former Soviet Union						
Russia	15	0	0	0	0	0
Ukraine	44	27	14	22	23	23
Sub-total	59	27	14	22	23	23
Asia						
China	1	0	0	0	0	0
India	35	15	18	3	3	5
Indonesia	5	5	1	1	1	1
Philippines	15	15	15	17	12	15
Sub-total	56	35	34	21	16	21
Oceania						
Australia 2/	120	167	160	140	168	165
New Zealand	242	408	343	362	390	405
Sub-total	362	575	503	502	558	570
TOTAL SELECTED COUNTRIES	1,073	1,140	1,340	1,526	1,594	1,634

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Includes NDM and SMP.

(2) Year ending June 30 for the period 2007-2008

GCAD/OGA/FAS

July 2013

WHOLE MILK POWDER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
United States	23	27	32	30	26	27
Sub-total	23	27	32	30	26	27
South America						
Argentina	200	210	210	309	318	329
Brazil	572	473	500	515	531	549
Chile	80	55	63	73	69	69
Sub-total	852	738	773	897	918	947
European Union - 27	840	790	780	685	660	620
Former Soviet Union						
Russia	95	50	40	76	67	65
Ukraine	30	16	15	10	11	11
Sub-total	125	66	55	86	78	76
Asia						
China	1,120	977	1,030	1,100	1,160	1,220
Indonesia	48	56	62	66	70	74
Taiwan	2	0	0	0	0	0
Sub-total	1,170	1,033	1,092	1,166	1,230	1,294
Oceania						
Australia 1/	142	137	147	148	130	131
New Zealand	677	768	947	1,162	1,273	1,275
Sub-total	819	905	1,094	1,310	1,403	1,406
TOTAL SELECTED COUNTRIES	3,829	3,559	3,826	4,174	4,315	4,370

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2006-2008

GCAD/OGA/FAS

July 2013

WHOLE MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
United States	14	35	29	30	25	26
Sub-total	14	35	29	30	25	26
South America						
Argentina	75	54	75	89	91	92
Brazil	512	517	532	569	585	603
Sub-total	587	571	607	658	676	695
European Union - 27	356	331	335	297	276	272
Former Soviet Union						
Russia	130	71	79	94	93	93
Ukraine	9	12	9	9	10	10
Sub-total	139	83	88	103	103	103
North Africa						
Algeria	160	172	182	190	180	185
Asia						
China	954	1,064	1,373	1,433	1,540	1,725
Indonesia	91	106	112	118	126	128
Philippines	9	9	10	6	10	11
Taiwan	18	28	26	32	30	31
Sub-total	1,072	1,207	1,521	1,589	1,706	1,895
Oceania						
Australia 1/	27	28	45	40	40	40
New Zealand	1	1	1	2	2	2
Sub-total	28	28	28	29	30	31
TOTAL SELECTED COUNTRIES	2,356	2,427	2,790	2,896	2,996	3,207

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2006-2008

GCAD/OGA/FAS

July 2013

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

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
United States	16	18	7	8	10	8
Sub-total	16	18	7	8	10	8
South America						
Argentina	1	1	0	0	0	0
Brazil	23	57	37	55	56	57
Sub-total	24	58	37	55	56	57
European Union - 27	1	1	2	2	3	2
Former Soviet Union						
Russia	45	30	41	20	28	30
Ukraine	0	1	0	1	1	1
Sub-total	45	31	41	21	29	31
North Africa						
Algeria	153	200	167	203	175	185
Asia						
China	46	177	326	320	406	510
Indonesia	44	50	50	52	56	58
Philippines	45	36	40	30	32	34
Taiwan	16	28	26	32	30	31
Sub-total	151	291	442	434	524	633
Oceania						
Australia 1/	13	15	15	13	9	10
New Zealand	1	1	2	1	1	1
Sub-total	14	16	17	14	10	11
TOTAL SELECTED COUNTRIES	404	615	713	737	807	927

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2006-2008

GCAD/OGA/FAS

July 2013

WHOLE MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2008	2009	2010	2011	(p) 2012	(f) 2013
North America						
United States	25	9	10	8	11	10
Sub-total	25	9	10	8	11	10
South America						
Argentina	138	157	128	201	231	239
Brazil	83	13	5	1	2	3
Chile	15	14	9	14	14	14
Sub-total	236	184	142	216	247	256
European Union - 27	485	460	447	390	387	350
Former Soviet Union						
Russia	10	9	2	2	2	2
Ukraine	21	5	6	2	2	2
Sub-total	31	14	8	4	4	4
Asia						
China	62	10	3	9	9	9
Philippines	36	27	30	24	22	23
Sub-total	98	37	33	33	31	32
Oceania						
Australia 1/	111	133	115	116	109	100
New Zealand	607	818	949	1,110	1,261	1,325
Sub-total	718	951	1,064	1,226	1,370	1,425
TOTAL SELECTED COUNTRIES	1,593	1,655	1,704	1,877	2,050	2,077

Source: FAS post reports, official statistics, and office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Year ending June 30 for the period 2006-2008

GCAD/OGA/FAS

July 2013