

MD_DA104

Butter/Butteroil - Europe

Report 3 - Released on January 17, 2019

Butter prices in Europe moved up. Butteroil prices firmed at the low end of the price range.

Buyers only now seeking EU manufactured butter for Q1 are likely to pay higher prices. Supply, demand, and cream costs are unified in pushing prices up. Sellers are not in any way limited in terms of finding willing buyers. Moreover, cream prices are increasing, which helps push up butter prices. Both manufacturers and potential buyers have enough uncertainty as to pricing likely to prevail in Q2, that contracting is slow for that period.

Buyers have some anxiety about not being covered. With the prevailing price expectation of most manufacturers hovering above the comfort level of many buyers, some buyers are waiting a bit longer before committing. Because many buyers will not risk going too long without more supply assurance, a reconciliation is likely in coming weeks.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,875 - 5,275

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 6,850 - 6,975

Information for the period January 7 - 18, 2019, issued biweekly

Published by:

Dairy Market News - Madison, WI

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