

MD_DA104

Butter/Butteroil - Europe

Report 5 - Released on January 31, 2019

Western European butter prices are up slightly at the lower end of the price range. Prices are slightly lower at the top. Overall butter pricing is essentially stable in the view of various European sources. Butteroil is adjusting lower, partly due to less buying interest right now.

Packaged butter demand has increased in recent weeks. This is typical at this time of year. Some butter buyers expect prices to weaken in February and that has stalled much current butter price movement. A few butter sellers and buyers have already begun discussing Q3 and Q4 butter contracting. Generally sellers are less motivated to commit now for that far ahead, so quotations given reflect this.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,900 - 5,250

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 6,600 - 6,875

Information for the period January 21 - February 1, 2019, issued biweekly

Secondary Sourced Information:

EU butter production through November 2018 was 0.7 percent higher than 2017 according to Eurostat. November 2018 production was 2.7 percent lower than November 2017. The table below shows data for some top milk producing EU countries.

BUTTER PRODUCTION PERCENTAGE CHANGE
JANUARY-NOVEMBER 2018/2017 YTD AND
PERCENTAGE CHANGE NOVEMBER 2018/2017

COUNTRY	YTD	NOVEMBER
Germany	-2.9	-10.8
France	+2.8	+3.4
Ireland	+5.2	+12.2
Poland	+3.7	-2.0

EU butter exports January-November 2018, 119,178 MT, decreased 6 percent from the same period of 2017 according to Eurostat.

EU BUTTER EXPORTS ± TOP 3 DESTINATIONS
Metric Tons January-November 2018
Percent change 2018/2017

DESTINATION	MT	PERCENT CHANGE
United States	26,453	+6
Saudi Arabia	10,711	+17
China	7,437	n/c

Published by:
Dairy Market News - Madison, WI
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Additional Dairy Market News Information:
Dairy Market News (DMN) by Phone: (608)422-8602

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