

MD_DA104

Butter/Butteroil - Europe

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\Butter and butteroil prices in Western Europe are lower. Most of the significant butter producing countries report lower butter prices. France reported one of the larger declines while Italy was among the most moderate declines. The shorthand for weaker prices is buyers holding back. This is true for immediate needs as well as future contracting.

Many potential buyers are comfortably covered so they can adopt a wait and see approach to buying. There are unfilled needs for Q2, but at this time, no scramble to conclude contracts.

The flip side of internal EU demand is that weaker prices have made Western European butter more competitive in export markets. Some export inquiries are being discussed but so far, not much has been finalized.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,625 - 5,100

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 6,025 - 6,325

Information for the period February 18 - March 1, 2019, issued biweekly

Secondary Sourced Information:

EU butter production during 2018 increased 0.2 percent from 2017 according to CLAL. Butter exports decreased 7.6 percent.

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