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Whole Milk Powder - Oceania

Report 29 - Released on July 16, 2020

Oceania whole milk prices moved higher. Early first week pricing within the two-week price period is reflected at the low end of the price range. Subsequent pricing moved higher. The pricing surge surprised many sellers and buyers in New Zealand. Indeed, one observer noted that the price increase was much higher than indicated by the dairy derivatives market. WMP availability is still seasonally low.

The production season has not ramped up much yet, having begun June 1. Some observers believe that uncertainty about milk production as the season moves forward prompted some buyers, Asian buyers, to stock up now due to concerns that prices might rise if milk production is below expectations. Seasonal WMP production generally peaks in October or November.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder

Price Range - 26% Butterfat; \$/MT: 2,950 - 3,525

Information for the period July 6 - 17, 2020, issued biweekly

Secondary Sourced Information:

At GDT event 263 on July 7, the WMP all contracts price, \$3,208, increased 14.0 percent. The August contract, \$3,505, increased 24.5 percent.

Australian exports of WMP July 2019 - May 2020, 42,304 MT, compared with July 2018 - May 2019, decreased 15.1 percent according to Dairy Australia.

WMP exports from New Zealand January - May 2020, 655,132 MT, decreased 8 percent from January - May 2019, according to Eucolait.

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