

MD_DA106

Skim Milk Powder - Europe

Report 35 - Released on August 27, 2020

Skim milk powder prices in Western Europe firmed. The highest prices are found in Belgium, followed by Germany, France, and Netherlands. The recent August hot spell which reduced milk production is attributed as being a significant factor leading to higher SMP pricing. With seasonal milk production declining, stronger pricing going into 2021 seems more likely than not. An additional factor is that many plants have a good order book, so they are in a better position to hold firmer pricing quotes for future business.

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

Price Range - 1.25% Butterfat; \$/MT: 2,375 - 2,675

Information for the period August 17 - 28, 2020, issued biweekly

Secondary Sourced Information:

EU SMP production during June 2020 was 1.2 percent higher than June 2019, according to Eurostat. January - June 2020 SMP production was reported as 0.9 percent higher than January - June 2019 according to CLAL data provided to USDA.

Looking at some of the primary Western European SMP producing countries January - June 2020 compared with January - June 2019, the percentage changes are Germany, +5.6 percent; France, -2.0 percent; Ireland +4.5 percent; and Netherlands, +12.4 percent, according to CLAL data provided to USDA.

January - June 2020 SMP exports from the EU, 432,186 MT, decreased 15 percent YTD according to Eurostat data reported by the European Commission. Top importers, quantity imported, and percent change from the same period in 2019 include Algeria, 75,572 MT, +53 percent; China, 55,965 MT, -14 percent; and Egypt, 25,892 MT, -18 percent.

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