

MD_DA124

Butter/Butteroil - Oceania

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In Oceania the butter price range strengthened. Butter markets have tightened in the near term. Manufacturing remains quite active but contracts for future delivery keep some newly produced butter unavailable. Cream availability will be declining seasonally. That has led to some buyers being increasingly motivated to secure supply commitments of butter. This is both due to likely tighter availability from non-GDT sales, as well as expected higher prices moving forward. Butter volumes offered at this week's GDT event were lower than two weeks ago.

Oceania, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 3,625 - 3,825

Information for the period October 12 - 23, 2020, issued biweekly

Secondary Sourced Information:

Seasonal butter exports from Australia July - August 2020, 2,521 MT, increased 61.1 percent from July - August 2019 according to Dairy Australia.

Butter exports from New Zealand January - August 2020, 278,000 MT, decreased 8.8 percent from January - August 2019 according to CLAL data made available to USDA.

At GDT event 270 on October 20, the butter all contracts price, \$3,678, increased 3.3 percent. The November contract, \$3,820 increased 3.2 percent.

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