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Lactose - Central and Western U.S.

Report 51 - Released on December 17, 2020

Lactose prices are steady to lower. A few spot sales pushed the bottom of the price range and top of the mostly price series downward. Industry contacts suggest some manufacturers are trying to clean out any excess inventory before the end of the year. Lactose inventories are mixed. A few manufacturers state they are committed through the end of the year, but lactose offers are generally prevalent. Production is steady to lower. Quarter 1 contracting is ongoing, but proving challenging for buyers and sellers. While some end users are holding out for lower prices, manufacturers are not always willing to chase sales. Lactose demand has slackened over the last few months. Marketers report some buyers have bought ahead and are taking a break from making purchases. Other processors have seen their finished goods demand wane due to COVID and the slow global economy. They do not want to take on more lactose inventories right now. Manufacturers are hopeful that lactose demand may increase after the winter holidays, but there is a lot of uncertainty in the market currently.

Prices for: Central and Western U.S., Spot Sales And Up to 3 Month Contracts, F.O.B., Conventional, and Edible Lactose

Price Range - Non Pharmaceutical; \$/LB:	.2500 - .6000
Mostly Range - Non Pharmaceutical; \$/LB:	.3600 - .5000

Information for the period December 14 - 18, 2020, issued weekly

Secondary Sourced Information:

GLOBAL DAIRY TRADE (GDT) EVENT

At the GDT Event 274 on December 15, the lactose price for the February contract period was \$0.4645 per pound, up 1.5 percent from the last GDT event.

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