MD_DA770

# Lactose - Central and Western U.S.

Report 32 - Released on August 12, 2021

Prices for lactose are unchanged. Inventories are stable and, for many manufacturers, the stocks in the warehouses are committed. A few processors suggest the problem has not been selling the lactose this year, it has been shipping the lactose. Gaining access to containers and vessel space has been challenging. Lactose demand is lighter than earlier in the year. Some industry contacts suggest that lactose used for standardization is the primary market outlet currently. Demand from feed, food, and even infant formula channels is a bit more subdued. In China, changing demographics and the goal to become more self-sufficient in infant formula has taken some of the luster out of that market segment. Processors are trying to forecast what the market may look like if standardization demand should falter and not be replaced by renewed demand from infant formula, food, or feed channels. A few manufacturers are starting preparations for Q4 contracts and think that those negotiations may be tough. Lactose production is steady.

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: | .3600 - .5600 |
| Mostly Range - Non Pharmaceutical; $/LB: | .4100 - .5000 |

Information for the period August 9 - 13, 2021, issued weekly

Secondary Sourced Information:

U.S. LACTOSE EXPORTS, H.S. CODE 1702110000(FAS)

| | 2021 Exports (Million Lb.) | % Change From 1 Year Ago |
|---|---|---|
| JUNE Total | 59.7 | - 3 |
| TOTAL, JAN - JUNE | 358.6 | + 2 |
| 1 China | 67.5 | + 35 |
| 2 New Zealand | 50.5 | + 13 |
| 3 Japan | 39.8 | - 1 |
| 4 Mexico | 37.2 | - 3 |
| 5 Indonesia | 24.3 | - 7 |

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MIKE BANDLI, 608-422-8592
Email: mike.bandli@usda.gov

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