

MD\_DA104

Butter/Butteroil - Europe

Report 39 - Released on September 30, 2021

Prices for European butter are unchanged at the bottom of the range but moved higher at the top of the range. Tight milk and cream supplies are limiting production of packaged and bulk butter. Some manufacturers are finding it more economical to sell off cream rather than churn butter. As cream prices increase, butter manufacturers have raised prices for fresh production. The higher prices are beyond what some buyers want to pay. As a result, some end users are taking a wait and see approach to their purchasing activity or are making trades for older butter held in inventories. However, some industry sources are uncertain how long these inventories can meet customer needs, especially as customer demand is seasonally increasing and milk intakes and cream supplies are seasonally decreasing. Prices for butteroil moved up at the bottom of the range but held steady at the top.

Western Europe, 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT: 4,750 - 5,125

Western Europe, 99% Butterfat, Free on Board - Port Butteroil  
Price Range - \$/MT: 5,650 - 6,075

Information for the period September 20 - October 1, 2021, issued biweekly

Secondary Sourced Information:

EU butter production during January-July 2021 is estimated at 1,273,377MT, a decrease of 1.4 percent from January-July 2020 according to CLAL data made available to USDA. Among some of the top butter producers, January -July 2021 butter production and the percentage change compared with January-July 2020 are Germany, 290,867 MT, -5.3 percent; France, 247,930 MT, -2.9 percent; Ireland, 167,150 MT, +3.8 percent; and Poland, 136,410 MT, -5.7 percent.

Butter and other fats exports from the EU27 January - July 2021, 151,000 MT, decreased 24.3 percent from January - July 2020 according to CLAL data made available to USDA. Main destinations January - July 2021, quantity, and percent change from last year are United Kingdom, 25,516 MT, -35.05 percent; United States, 25,040 MT, -6.38 percent; and China, 12,787 MT, +25.02 percent.

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