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Lactose - Central and Western U.S.

Report 1 - Released on January 06, 2022

The bottom of the lactose price range moved a penny lower, but otherwise, prices are unchanged. Industry contacts report more movement of lactose as the new year begins. But a few contacts think the slight uptick may be caused by buyers, after taking a holiday break, picking up a bit of lactose to get their operations back up to full capacity. Lactose demand is tame. Aside from a little healthier demand for higher mesh lactose or the occasional need for an extra load, most lactose is moving through current contracts. Manufacturers report buyers are generally picking up loads on time but getting a truck under a load is still challenging. In addition, even though international market prices for lactose are above U.S. market prices, American processors are unable to take advantage of the opportunities. Shipping congestion and higher freight costs have made some international buyers wary of taking on extra U.S. lactose. Domestic lactose inventories are heavy, and production is steady. So far, U.S. lactose manufacturers are not too concerned about supply outpacing demand. They are hopeful that as the winter holidays pass, port congestion might improve, and lactose can move more freely into international markets and out of manufacturers' warehouses.

DAIRY MARKET NEWS MONTHLY AVERAGES

The December 2021 Dairy Market News average of the mostly price series for Central and West lactose was \$0.4050, compared to \$0.4129 in November, and \$0.4333 one year ago.

The lactose mostly price series averaged \$0.4334 for the year of 2021.

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:	.3200 - .5300
Mostly Range - Non Pharmaceutical; \$/LB:	.3600 - .4500

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