

MD_DA104

Butter/Butteroil - Europe

Report 5 - Released on February 03, 2022

The Western European butter price range is steady to higher. The butteroil price range is higher. Calmer butter prices are attributed to January butter sales being consistent with normal expectations. Markets like realized expectations. Thus, as the expectations had been priced in, steady lower range pricing and moderately changed upper range prices resulted. Contracted retail orders for packaged butter were readily accommodated. It was last minute purchases that pushed the upper range price higher. Sellers were able to extract a price premium for those last-minute sales.

Bulk butter buyers exercised caution. Current prices are leading to some pacing of purchases, hoping for softening bulk butter pricing. Few bulk butter buyers are currently squeezed to stock up right away, so caution is possible. More attention is being focused on Q2 2022 contracting than spot sales. In that sense, many buyers have warmed to getting further ahead in contracting because it allows for less anxiety in seeking out supplies. This seems to work in a market where generally steady pricing seems likely to be the expected outcome.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 6,500 - 7,150

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 6,500 - 8,800

Information for the period January 24 - February 4, 2022, issued biweekly
Published by:
Dairy Market News - Madison, WI
Eric Graf, 608.422.8590
Email: Eric.Graf@usda.gov

Additional Dairy Market News Information:
Dairy Market News (DMN) by Phone: (608)422-8602
DMN Website: <https://www.ams.usda.gov/market-news/dairy>
DMN MARS (My Market News): <https://mymarketnews.ams.usda.gov>