

MD_DA104

Butter/Butteroil - Europe

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The Western European butter price range is steady to higher. Demand is strong for both bulk butter and packaged butter. This heightened demand faces lower supply availability than this time in 2021. Butteroil prices are steady to lower.

Sources report that retail stores have increased packaged butter orders above usual levels for this point in a year. This is said to be responsive to more active retail purchasing. Some retailers have reported that many consumers are increasing purchases of food, including butter, due to apprehension over possible tight supplies arising from uncertainty surrounding Ukraine. For German consumers the conflict is close, on the other side of neighboring Poland, which has absorbed hundreds of thousands of refugees needing food.

An interesting development concerning bulk butter and uncertain transportation availability and costs has emerged. Some manufacturers have slowed forward contracting in recognition of transit price fluctuation risks. With active bulk butter demand, manufacturers feel confident to delay contracting as a protection against some cost uncertainties, because they believe buyers will still buy when supplies are made available.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 6,675 - 7,375

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 6,675 - 8,425

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