

MD\_DA124

Butter/Butteroil - Oceania

Report 29 - Released on July 21, 2022

This week, Oceania butter prices are lower at the bottom and top of the pricing range. Prices declined at GDT event 312 across all six contracts. From a volume traded perspective, demand was significantly light as volumes traded decreased from the previous event. Production is steady. Inventories are adequate for contract fulfillment. The negative price trajectory was expected, as the China situation, and affordability at the consumer level, pressures the dairy markets. The butter market undertone is very bearish.

Oceania, 82% Butterfat, Free on Board - Port Butter

Price Range - \$/MT: 5,525 - 5,650

Information for the period July 11 - 22, 2022, issued biweekly

Secondary Sourced Information:

#### GLOBAL DAIRY TRADE

At GDT event 312, on July 19, 2022, the butter all contracts price, \$5,530, declined 2.1 percent. The August contract, \$5,541, declined 1.8 percent.

#### NEW ZEALAND EXPORTS

January - May 2022 butter exports from New Zealand, 189,000 MT, increased 0.8 percent from January - May 2021, according to CLAL data made available to USDA. The main export destinations January - May 2022, quantities, and percent change from January - May 2021, were China, 50,675 MT, +3.71 percent; Australia, 11.751 MT, -2.09 percent; and Philippines, 11.264 MT, -9.08 percent.

#### AUSTRALIA EXPORTS

Australian exports of butter July 2021-May 2022, 16.444 MT, decreased 0.7 percent from July 2020-May 2021, according to Dairy Australia.

Published by:

Dairy Market News - Madison, WI

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