

MILK AND MILK PRODUCTS

International dairy products prices registered strong growth during the first four months of 2013, particularly in March and April. Although prices fell back in May, they remained at elevated levels, substantially above a year earlier. The main cause of the leap in prices was a steep fall-off in New Zealand's milk production. The FAO Dairy Price Index reached 259 points in April, close to its historic peak in late 2007, before dropping to 250 points in May. The absence of substantial growth in milk output in the principal exporting countries implies that supplies to the international market will be finely balanced until at least the latter part of 2013, indicating that the current elevated prices are likely to remain for some months.

World milk production in 2013 is forecast to grow by 2.2 percent to 784 million tonnes – a similar rate to recent years. Asia and Latin America and the Caribbean are expected to account for most of the increase, with only limited growth elsewhere.

World trade in dairy products is expected to expand in 2013; however, supply limitations are anticipated to stem growth. Consequently, trade is forecast to increase by 1.9 percent, compared with an average of 7 percent in recent years, to reach 54.7 million tonnes of milk equivalent. Asia will remain the main market for dairy products, accounting for some 54 percent of world imports, followed by Africa, with 16 percent.

FAO INTERNATIONAL DAIRY PRICE INDEX (2002-2004 = 100)



The index is derived from a trade-weighted average of a selection of representative internationally traded dairy products.

WORLD DAIRY MARKET AT A GLANCE ¹

	2011	2012 <i>estim.</i>	2013 <i>f'cast</i>	Change: 2013 over 2012
	<i>million tonnes</i>			%
WORLD BALANCE				
Total milk production	745.5	767.4	784.4	2.2
Total trade	49.7	53.7	54.7	1.9
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/yr)	105.7	107.6	108.7	1.1
Developed (kg/yr)	235.3	237.9	238.0	0.1
Developing (kg/yr)	72.1	74.1	75.9	2.4
Trade share of prod. (%)	6.7	7.0	7.0	-0.3
FAO DAIRY PRICE INDEX (2002-2004=100)				
	2011	2012	2013 <i>Jan-May</i>	Change: Jan-May 2013 over Jan-May 2012 %
	221	189	227	17.0

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MILK AND MILK PRODUCTS

Major Dairy Exporters and Importers



PRICES

International prices surge in the face of limited availability

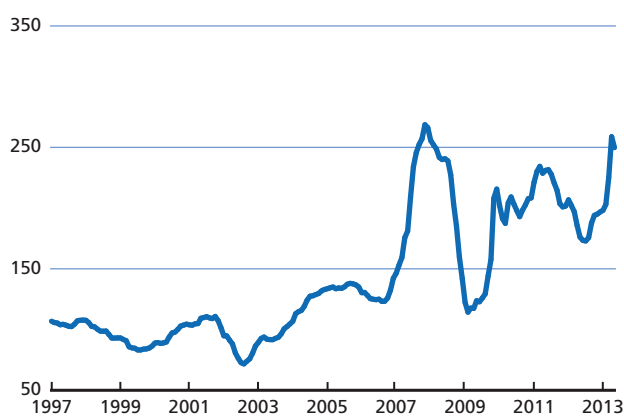
International prices of dairy products registered strong growth during the first part of the year, particularly in March and April. Although prices fell back in May, they still maintained elevated levels substantially above 2012. The main cause of the leap in prices was a steep fall-off in New Zealand's milk production, due to an abnormally prolonged dry period at the start of the year. This led farmers to

dry-off or cull milk cows early which, in turn, caused a reduction in milk production and in the processing of dairy products. Consequently, spot prices for New Zealand dairy products moved ahead sharply, particularly for milk powders, as buyers bid against each other for limited supplies. New Zealand's output for the 2012/2013 (June-May) production year is projected to finish only slightly below the previous season – which itself was a record. Thus, the scale of the jump in prices reflected the absence of commercial stocks able to cater for an unexpected reduction in availability, rather than a more profound shortage of world supplies.

The **FAO Dairy Price Index** reached 259 points in April, almost the same level as the historical peak in late 2007, before dropping to 250 in May. Even with the reduction, prices are still substantially above a year ago, particularly for milk powder compared to May 2012. Whole milk powder (WMP) has risen by USD 2 210 per tonne or 74 percent; skimmed milk powder (SMP) by USD 1 930 per tonne, or 69 percent; butter by USD 1 175 per tonne, or 38 percent; and cheddar cheese by USD 975 per tonne or 27 percent.

A further easing in dairy prices is anticipated during the coming months as milk production moves into full swing in the Northern Hemisphere. Nevertheless, as production in exporting countries in this region will barely increase, much of the tenor of the international market for the remainder of the year will depend on how Oceania shapes up in the new season. With publicly-financed inventories at minimal levels in the **EU** and the **United States**, and almost non-existent elsewhere, the international market

Figure 1. FAO international dairy price index (2002-2004=100)



The index is derived from a trade-weighted average of a selection of representative internationally traded dairy products.

Table 1. World dairy market at a glance

	2011	2012 <i>estim.</i>	2013 <i>f'cast</i>	Change: 2013 over 2012
	<i>million tonnes</i>			%
WORLD BALANCE				
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remains exposed to sudden changes in milk production and availability of milk products, as seen so far this year, and which may become a common feature in the future.

PRODUCTION

World milk production to show steady growth in 2013

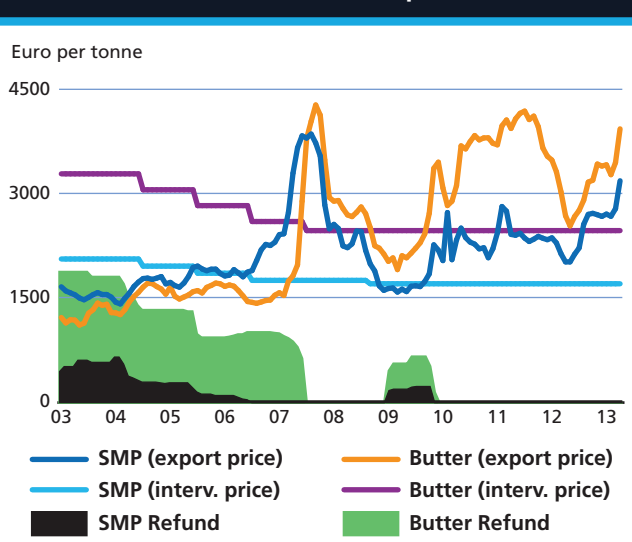
World milk production in 2013 is forecast to grow by 2.2 percent to 784 million tonnes – a similar rate to recent years. Asia is expected to account for most of the increase, with output in **India**, the world’s largest milk producing country, forecast to rise by 5.3 million tonnes to 139 million tonnes: per capita milk consumption is estimated to have grown by almost 30 percent in the past decade, while India’s population increased by 17.6 percent from 2001 to 2011. This dynamic domestic demand is providing the main impetus for growth, as India is largely absent from the international dairy markets. Unlike in many countries, expansion in herd size, in addition to a rise in productivity, is an important engine in the development of India’s milk production. Increased output is also anticipated in **China, Pakistan** and **Turkey**, spurred by steady growth in consumer demand. The **Republic of Korea** is slowly recovering from the 2011 foot-and-mouth disease outbreak which required the slaughter of 8 percent of its dairy herd and led to a corresponding drop in milk production.

In Africa, a moderate increase in milk output is anticipated for 2013, assisted by overall favourable weather conditions. Expansion in output is anticipated for **Algeria, Morocco** and **Uganda**, where government

policies in support of dairy development and an expansion of processing capacity have contributed to the increase. In Uganda, restocking in the conflict-affected northern parts of the country has also aided growth. For East Africa overall, a good start to the rainy season has assisted pasture growth in **Kenya**, Uganda and **Tanzania**. For Kenya, it is unclear whether the January introduction of a ban on the sale of raw milk, the common way of retailing milk, will reduce overall demand. In **South Africa**, where milk production has been running below 2012 levels as producers struggle to remain profitable, a fall in maize prices may provide some respite for the remainder of the year.

Rising incomes and firm regional and international demand have favoured dairy production growth in several countries in Latin America and the Caribbean. Additionally, most South American countries had very good pasture conditions during the 2012/2013 production year. Overall, South American milk production is foreseen to expand by 3 percent in 2013, a rate similar to 2012, to 72 million tonnes. Gains are forecast for **Brazil, Chile, Ecuador** and **Uruguay**. In addition to rising domestic demand, a number of these countries stand to benefit from the prevailing elevated prices for dairy products in both regional and international markets. The overall positive outlook has stimulated investment in new technology and improved animal genetics. In **Argentina**, although there has been substantial investment in new processing capacity, milk output has stagnated in the past two years, in the face of falling domestic demand and limitations on exports – with no growth foreseen in 2013. For Central America, milk output in **Mexico**, the largest producer in the subregion, is expected to be constrained by chronically dry to drought

Figure 2. EU intervention prices, price and export refund for butter and skim milk powder



conditions in many parts of the country, leading to herd reduction and the withdrawal of a number of small-scale producers from the industry. Production in **Costa Rica** is expected to show a moderate increase.

In North America, milk production in the **United States** is forecast to increase by only 0.7 percent to 91.5 million tonnes. Sustained dry conditions, during the first part of the year, lingering from 2012, have affected pastures in central and western parts of the country. Furthermore, a prolonged unfavourable milk/feed price ratio has caused some farmers to cut back on output and may lead to a reduction in cow numbers. Production in **Canada** is set to remain stable at 8.5 million tonnes, within the limits set by the milk quota system.

In Europe, **EU** milk production is forecast to remain unchanged in 2013 at 156 million tonnes, as improved milk yields per cow continue to compensate for reduced cow numbers. Output within the EU suffered from exceptionally bad weather conditions in some areas in 2012. It was both unusually dry, especially in Romania, Hungary and Bulgaria, and excessively wet, in the case of Ireland, the United Kingdom and northern France – both had a negative impact on grass production for silage, as well as yields of feed grains grown on-farm. This raised the cost of milk production, as affected producers had to purchase high-priced grains and concentrate, which coincided with falling milk prices. EU production quotas were raised by 1 percent in April, in preparation for their abolition in 2015; however, the experience of recent years has shown that most countries have failed to fully utilise their quota, with the short-fall for the Union overall being around 5 percent. Milk production in the **Russian Federation** is anticipated to show a second year of modest increase in 2013, following declines in 2010 and 2011, supported by improved profitability and a concomitant slowing in dairy herd contraction. In neighbouring **Ukraine** and **Belarus**, milk production is on an upward trend, subsequent to a prolonged period of decline. In both countries, government incentives are provided to promote farm-level efficiency and the use of modern technology; however, as in the case of the neighbouring EU, producers have faced similar challenges in maintaining profitability in the face of increases in the cost of feed and reduced prices for milk.

In Oceania, sustained high prices for dairy products on the international market and associated levels of profitability have stimulated the dairy sector; however, both Australia and New Zealand experienced prolonged hot, dry weather at the start of 2013, which led to a sharp fall-off in milk production. In **New Zealand**, up until January, output was running 6 percent ahead of the 2011/12 season, itself a record, but subsequently plummeted. As a result, the

Figure 3. FAO indices of dairy and feed prices (2002-2004=100)

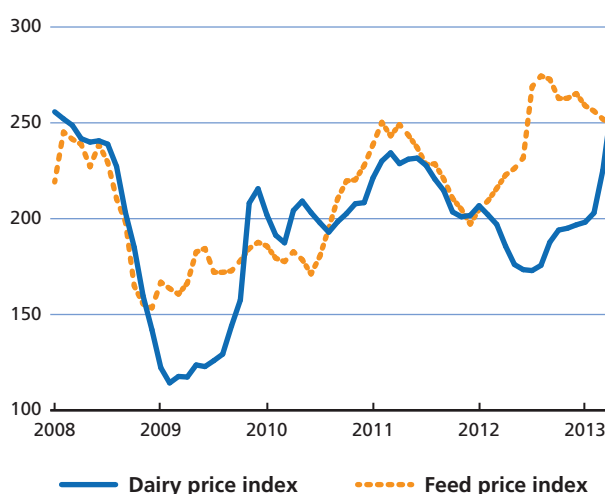


Table 2. Major exporters of dairy products

	2009-11 Average	2012 prelim.	2013 f'cast
<i>thousand tonnes</i>			
WHOLE MILK POWDER			
World	2 155	2 437	2 464
New Zealand	959	1 261	1 350
EU*	432	388	350
Argentina	159	201	180
Australia	121	109	99
SKIM MILK POWDER			
World	1 502	1 827	1 853
EU*	376	523	497
United States	356	445	432
New Zealand	371	390	400
Australia	146	168	190
BUTTER			
World	848	898	923
New Zealand	420	463	460
EU*	142	127	137
Belarus	69	82	90
United States	51	50	55
Australia	60	53	65
CHEESE			
World	2 229	2 583	2 658
European Union*	645	776	815
Saudi Arabia	231	341	350
New Zealand	269	306	317
United States	170	262	254
Egypt	160	111	100
Australia	163	163	170

* Excluding trade between the EU Member States. From 2007: EU-27

current season is expected close slightly down, at 19.6 million tonnes. Abundant rain in April helped pastures re-establish themselves and set the basis for a reasonable start to the 2013/2014 season. In **Australia**, the 2012/13 milk year opened with less than favourable, cool and wet weather, only to experience widespread hot and dry conditions at the start of 2013. Consequently, for 2012/13, milk output is forecast to be moderately lower than the previous season, at 9.3 million tonnes. As a consequence of the unfavourable climatic conditions, herd rebuilding in both Australia and New Zealand was temporarily suspended in 2012/2013.

TRADE

Trade to grow in 2013, but limited export availability drives up international dairy prices

World trade in dairy products is expected to continue to expand in 2013 sustained by strong import demand, although supply limitations are anticipated to place a brake on growth. Consequently, trade is forecast to grow by 1.9 percent, compared with an average of 7 percent in recent years, to reach 54.7 million tonnes of milk equivalent. Demand remains firm and, in the context of limited supplies, has led to a substantial rise in prices during the first part of the year. Asia will continue to be the main market for dairy products, accounting for some 54 percent of world imports. In 2013, imports are expected to rise in **China**, the **United Arab Emirates**, the **Islamic Republic of Iran**, **Saudi Arabia**, **Indonesia**, the **Republic of Korea**, **Japan**, **Malaysia** and **Oman**. Elsewhere in Asia, the **Philippines**, **Vietnam** and **Thailand** should also remain important markets, but the level of their imports is not expected to rise. Elevated international prices are projected to reduce imports by **Africa** as a whole. The principal importers that may be affected include **Egypt**, **Algeria** and **Libya**. A number of significant milk powder importing countries in Latin America and the Caribbean, including **Mexico**, **Venezuela** and **Brazil**, may also see purchases constrained by high prices. Finally, imports by the **Russian Federation** are anticipated to increase, stimulated by strong demand for butter and cheese, while those of the **United States** are forecast to be unchanged.

International prices are expected to remain at elevated levels until at least the latter part of 2013, as limited growth in milk production and strong demand cast a shadow of uncertainty over the future availability of milk products. In this context, exporting countries will have to strike a delicate balance between maintaining core markets and pursuing long-term market development, and adjusting their product mix to ensure maximum returns.

For imports, some lower income countries and those that purchase milk products for social programmes may reduce the scale of their acquisitions in the light of elevated prices. In general, processing industries which rely on imports are likely to seek means of substituting less expensive ingredients, such as whey powder or vegetable fat, where possible. Furthermore, the elevated cost of imported products will provide a fillip to domestic milk production in many countries.

Whole milk powder (WMP) – Prices surge on supply concerns

World exports of WMP are projected to register only a small increase 2013, rising by 1 percent to 2.5 million tonnes. This compares with average annual growth of 6 percent in the previous three years. High international prices will lead many countries to re-evaluate their import needs, including the potential for substitution. Sustained demand is forecast for Asia, the main market. However, some importers in North Africa and Latin America and the Caribbean may limit or reduce purchases in the face of elevated prices. **China** is expected to retain its position as the principal importer of WMP and may see further expansion in purchases, although processors may also seek to utilize lower value ingredients, such as whey powder, where possible, for recombination. Elsewhere in Asia, increased purchases are expected for the **United Arab Emirates**, **Saudi Arabia** and **Oman**. Conversely, in **Algeria** and **Venezuela**, which are second and third, respectively in terms of world imports, social programmes are an important driving force behind demand, and the countries may see imports reduced as a result of budgetary restrictions. In **Brazil**, rising domestic production could lead to imports being displaced. Demand for WMP is very geographically diverse, stemming from its wide use in both the processing industry and for direct retail sale. As for the exporters, **New Zealand**, **Belarus** and **Uruguay** will supply most of the increase in trade, as restricted milk supplies and a move into producing other milk products are expected to curb WMP export availability from the **EU**, **Australia** and **Argentina**. As a group, the above six countries supply 85 percent of the international WMP market.

Skim milk powder (SMP) – Prices also up markedly

Trade in SMP is anticipated to record limited growth in 2013, rising by 1.5 percent to 1.9 million tonnes, and contrasting with an average annual increase of 11 percent for the previous three years. In the face of tight export availability, SMP prices have risen alongside

those of WMP. Supplies of SMP to the world market are expected to be constrained, as manufacturers juggle with finite milk supplies. SMP is central to the milk processing industry in many countries and, as such, market demand is widespread. The principal markets are (in order of volume) **Mexico, China, Indonesia, Algeria, the Philippines and Malaysia**, followed by the **Russian Federation, Vietnam, Saudi Arabia, Egypt and Thailand**. Overall demand is expected to remain firm in these markets; however, should the current high prices continue, this will inevitably affect the level of purchases. **China**, in particular, is anticipated to increase imports substantially, by 13 000 tonnes, although this would be less than the increment for 2012. Augmented purchases are also possible by (in order of volume) **Mexico, Indonesia, Algeria and Malaysia**. Conversely, imports by the **Russian Federation** may decline. Over 80 percent of world exports are supplied by (in order of volume) the **EU, the United States, New Zealand and Australia**. For 2013, much will depend on the coming season's milk production in **Oceania**, as SMP production in the EU and the United States is anticipated to decrease as emphasis is placed on the production of other milk products. A new development, first evidenced in 2012, is **India's** larger-scale participation as an exporter of SMP – supplying neighbouring **Bangladesh** and markets in the Near East and North Africa. Under current market conditions, and given the scale of India's domestic dairy industry, there would be potential to expand its SMP exports during 2013.

Butter – Follows the milk powders higher

Trade in butter is forecast to grow by 2.7 percent in 2013, to 923 000 tonnes, based on increased sales by the **EU, Belarus, Australia** and the **United States**. Sales by **New Zealand** are foreseen to remain close to last year's, as more emphasis is being placed on using milk for WMP and cheese production. At the same time, the country remains the world's predominant supplier of butter, accounting for half of trade. Current high prices have created the opportunity for greater EU and United States participation in the international marketplace – as they have the possibility of drawing upon the substantial supplies available in their respective domestic markets. Demand for butter imports comes principally from **Southeast Asia, the Middle East and the Russian Federation**, although, as with many other milk products, **China** has substantially increased purchases in recent years. Additionally, as a result

of trading agreements, the **EU** is both an important butter importer (ranking fourth) and exporter (ranking second). Purchases by most of the main importing countries – the **Russian Federation, Saudi Arabia, the Islamic Republic of Iran and China** – may increase in 2013, while those of the **EU** are anticipated to be unchanged.

Cheese – Less volatile than other dairy commodities

Among the dairy commodities, cheddar cheese was least affected by the surge in international prices for milk products. Even in the case of a generic cheese, differences in taste, consumer preference and the use of branding mean that prices are not as volatile as for milk powder and butter fat, which are destined mainly for reconstitution and other processing and, thus, are not generally visible to the individual consumer. Trade in cheese is forecast to grow by 3 percent in 2013, to 2.7 million tonnes, sustained by robust import demand. However, the rate of increase is expected to be less than in recent years, as processors in the main exporting countries struggle to balance strong international demand for dairy products with limited supplies of milk. The international cheese market is the most difficult dairy market to classify. One apparent anomaly is that a number of major cheese producing and exporting countries are also important importers, including (in order of volume) the **United States, Saudi Arabia, Egypt, the EU, Australia and Switzerland**. Most often, purchases by this group of countries reflect import quotas under trade agreements and also the highly specific nature of some cheeses, including those with restrictions on the use of their names and areas of origin. Another group of the most significant importing countries, which includes the **Russian Federation, Japan, Mexico, the Republic of Korea and Iraq**, focuses more on industrial cheese, both for direct consumption and for use by the processing industry, although each market has its specific requirements and preferences. Overall, four importers, the **Russian Federation, Japan, the United States and Saudi Arabia**, account for almost 45 percent of purchases. The **EU** remains the major cheese exporter, supplying 30 percent of world trade, not including the substantial amount of cheese that is traded among the EU countries themselves. Other important exporters are **Saudi Arabia, New Zealand, the United States, Australia, Egypt, Belarus, Switzerland, the Ukraine, Argentina, Uruguay and Turkey**.

DAIRY:

MAJOR POLICY DEVELOPMENTS: NOVEMBER 2012 - MAY 2013*

COUNTRY	PRODUCT	DATE	POLICY CATEGORY/ INSTRUMENT	DESCRIPTION
Brazil	Dairy products	Apr-13	Tariff rate quota	Established a tariff rate quota (TRQ) on lactose products for 4 476 tonnes, subject to an import duty of 2 percent. The out-of-quota import tariff remains 16 percent. The preferential tariff quota, introduced to help alleviate the high production costs facing Brazil's swine and dairy industry, is valid for a 12-month period.
Bulgaria	Dairy products	Jan-13	Marketing and Trade	Introduced a regulation to limit production of dairy products containing vegetable oil (palm oil) ingredients.
India	Dairy products	Nov-12	Export ban lifted	Lifted the ban on the export of milk and cream, concentrated and/or sweetened milk and cream, whole milk powder, dairy whitener and infant milk foods.
	Milk powder	Nov-12	TRQ revised	Revised tariff rate quota on skim milk powder to permit imports up to 10 000 MT at a 15 percent tariff rate.
Iraq	Milk, Dairy products	Apr-13	Export ban lifted	Lifted import ban on milk and dairy products from Egypt, which had been in place for several months on sanitary grounds.
Kenya	Raw milk	Jan-13	Ban	Kenya Dairy Board (KDB) imposed a ban on the sale of raw milk.
	Dairy products	Dec-12	Import quota	Announced it will allow a total of 44 200 metric tonnes of dairy product preparations (dairy blends) to be imported from any country under a mixed allocation (direct and public bid) scheme.
Mexico	Milk powder	Dec-12	Import quota	Announced opening of a duty free 80,000 tonne import quota for milk powder imported from Most Favoured Nations (MFN) as part of its World Trade Organization (WTO) commitments. The provisions became effective from 1 January 2013.
Bilateral/Multilateral	Milk, Dairy products	Dec-12	Free trade agreement	New Zealand-US: agreement signed between New Zealand and the US Food and Drug Administration (FDA) that recognizes their respective food safety systems
Bilateral/Multilateral	Milk, Dairy products	Mar-13	Import duties	Russia-Belarus-Kazakhstan: Customs Union increased the import duties on certain types of cheese by 5–10 percent
USA	Dairy products	Feb-13	Dairy TRQ	Foreign Agricultural Service (FAS) published an advance notice of proposed rulemaking, requesting public comments on possible changes to the Dairy TRQ Licensing Program.

* A collection of major dairy policy developments starting in January 2012 is available at: <http://www.fao.org/economic/est-commodities/commodity-policy-archive/en/?groupANDcommodity=Milk,%20Dairy%20products>

APPENDIX TABLE 19: MILK AND MILK PRODUCTS STATISTICS (thousand tonnes, milk equivalent)

	Production			Imports			Exports		
	2009-2011 average	2012	2013	2009-2011 average	2012	2013	2009-2011 average	2012	2013
		<i>estim.</i>	<i>f'cast</i>		<i>estim.</i>	<i>f'cast</i>		<i>estim.</i>	<i>f'cast</i>
ASIA	266 731	289 431	301 619	23 223	28 013	29 598	5 245	5 881	6 032
China	41 128	44 233	46 745	4 407	6 478	7 080	176	211	191
India ¹	122 057	133 700	139 000	281	162	122	223	411	510
Indonesia	1 307	1 395	1 465	1 535	1 746	1 833	165	87	77
Iran, Islamic Republic of	7 460	7 900	8 200	330	401	546	232	316	319
Japan	7 702	7 632	7 532	1 203	1 385	1 436	12	2	2
Korea, Republic of	2 059	1 899	1 918	504	560	615	12	13	15
Malaysia	74	76	77	1 053	1 221	1 269	270	405	446
Pakistan	35 503	37 866	39 115	155	317	343	31	38	42
Philippines	15	18	20	1 375	1 379	1 397	288	168	159
Saudi Arabia	1 877	2 100	2 200	2 071	2 948	3 200	1 531	1 923	1 925
Singapore	-	-	-	1 355	1 341	1 303	597	571	559
Thailand	850	870	880	782	973	860	127	116	113
Turkey	13 714	16 700	18 400	215	161	160	182	200	221
AFRICA	42 754	45 684	46 564	9 292	8 841	8 764	1 424	1 208	1 165
Algeria	2 527	3 180	3 339	2 432	2 504	2 463	9	10	10
Egypt	5 751	5 850	5 900	1 273	1 436	1 403	768	581	511
Kenya	4 229	4 280	4 350	23	24	21	33	15	10
South Africa	3 198	3 340	3 375	104	211	227	89	100	100
Sudan	7 472	7 600	7 675	290	274	264	-	-	-
Tunisia	1 088	1 120	1 130	65	78	78	54	41	41
CENTRAL AMERICA	16 238	16 510	16 582	4 025	4 446	4 367	532	534	506
Costa Rica	943	1 014	1 065	31	40	42	109	128	120
Mexico	10 813	11 111	11 107	2 338	2 636	2 651	151	128	113
SOUTH AMERICA	64 229	69 520	71 818	2 330	3 836	3 223	3 180	3 800	3 617
Argentina	10 787	11 493	11 500	23	39	36	1 749	2 074	1 882
Brazil	30 777	33 045	34 036	658	969	906	175	72	76
Colombia	7 532	7 600	7 650	27	173	103	18	5	3
Uruguay	1 916	2 200	2 266	13	20	20	840	1 150	1 162
Venezuela	2 293	2 481	2 580	1 100	1 867	1 391	-	-	-
NORTH AMERICA	95 743	99 307	100 038	1 609	1 698	1 691	4 329	5 384	5 282
Canada	8 285	8 450	8 500	261	259	263	148	159	169
United States of America	87 457	90 856	91 537	1 332	1 420	1 410	4 180	5 224	5 112
EUROPE	214 226	217 662	218 816	5 218	5 936	6 092	14 440	16 145	16 295
Belarus	6 569	6 863	7 200	37	52	57	2 013	2 234	2 618
European Union	153 251	156 400	156 550	906	906	913	10 974	12 477	12 261
Russian Federation	32 015	31 912	32 230	3 456	3 987	4 117	158	96	90
Ukraine	11 315	11 380	11 722	154	189	183	616	601	571
OCEANIA	26 369	29 292	28 990	807	848	851	17 680	20 715	21 779
Australia ²	9 171	9 480	9 320	563	574	584	3 244	3 245	3 451
New Zealand ³	17 129	19 742	19 600	72	86	64	14 433	17 466	18 324
WORLD	726 290	767 407	784 427	46 503	53 618	54 587	46 830	53 667	54 676
Developing countries	359 349	389 182	404 015	37 054	43 119	43 870	10 227	11 285	11 180
Developed countries	366 941	378 225	380 413	9 450	10 499	10 714	36 603	42 380	43 494
LIFDCs	174 522	189 439	196 017	11 066	10 472	10 450	2 182	1 932	1 951
LDCs	30 895	33 084	33 786	3 003	3 073	3 049	123	136	149

¹ Dairy years starting April of the year stated (production only).

² Dairy years ending June of the year stated (production only).

³ Dairy years ending May of the year stated (production only).

Note: Trade figures refer to the milk equivalent trade in the following products: butter (6.60), cheese (4.40), milk powder (7.60), skim condensed/evaporated milk (1.90), whole condensed/evaporated milk (2.10), yoghurt (1.0), cream (3.60), casein (7.40), skim milk (0.70). The conversion factors cited refer to the solids content method. Refer to IDF Bulletin No. 390 (March 2004).