A Note from the Authors

- **What is this?** This is *USDEC’s International Demand Analysis* from our Economics Department, published monthly. This report outlines the latest global dairy trade trends and data combined with our own commentary analyzing demand in the key markets for cheese, NFDM/SMP, whey (0404.10) and WPC80+, alongside shorter summaries for lactose, butterfat and WMP – all with a forward-looking lens and US exporter viewpoint.

- All comparisons are year-over-year unless otherwise noted.

- **If you have any questions, comments or suggestions on how to improve the report, send us an email at wloux@usdec.org or scain@usdec.org.**
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Global Dairy Demand Market Commentary

OVERVIEW

• **Global dairy trade increased slightly in October, up 1% (+11,333 MT) on a milk solids equivalent basis (MSE), making for a third month of growth in a row.**

• **The U.S. again drove the growth in October with exports up 9% (+16,727 MT MSE). New Zealand (+2%, +3,941 MT MSE) along with Australia (+10%, +3,046 MT MSE) and Argentina (+16%, +4,163 MT MSE) also contributed to the growth. The EU continued to lag with exports down -5% (-13,163 MT MSE) for the month.**

• **Solid growth in NFDM/SMP trade (+10%, +17,531 MT) along with dry whey products (+4%, +5,232 MT) and butterfat (+21%, +12,023 MT) helped support the overall growth in October. The growth in NFDM/SMP marks a sharp change from prior months.**

• **Trade to China continued to lag in October with exports down 17% (-33,688 MT MSE). That decline was largely offset by strong increases in exports to MENA (+24%, +25,693 MT MSE) and Mexico (+24%, +11,019 MT MSE). South America (+14%, +4,621 MT) and Central America & Caribbean (+25%, +4,524 MT) also saw solid growth rounding out Latin America for a strong month in October.**

KEY TAKEAWAYS

• **Chinese demand continued to be weak in October (-17%, -33,688 MT MSE) which is historically a month where Chinese imports start to increase in preparation for the opening of quotas at the start of the year. While November and December exports are historically much higher than October’s volumes, it can be used as a leading indicator for Chinese demand. The lower volume suggests November and December volume may lag as well as we finish the year. Much of the limited demand out of China can be attributed to the COVID-19 lockdowns.**

• **Average global dairy prices continued to ease in October, down to $5.83/kgMS which is a more sizeable drop than in prior months. Continued easing in global prices suggests both some burning off of demand from the high prices as well as some impact from the additional milk production out of the U.S. and Europe.**
Global Dairy Demand Market Commentary

• After two consecutive months of very strong export growth, New Zealand exports, while still positive in October (+2%, +3,941 MT MSE), took a step back from the 29% (+39,128 MT MSE) growth in September and 55% (+46,461 MT MSE) growth in August. As we have stated for the past several reports, the increased exports out of New Zealand reflected an inventory clearing ahead of the new production season which appears to have now finished. From October onwards, we begin to see new production enter the world market.

• New Zealand exports in October focused on Southeast Asia (+39%, +15,982 MT MSE) and MENA (+85%, +19,888 MT MSE) at the expense of exports to China which was down 35% (-37,382 MT MSE).

• EU27+UK exports were down again (-5%, -13,163 MT MSE) in October. EU27+UK exports did see some increased exports to MENA (+12%, +6,553 MT MSE), China (+6%, +2,333 MT MSE) and Japan & Korea (+15%, +2,878 MT MSE), but were not enough to offset the strong declines to Southeast Asia (-26%, -13,304 MT MSE), Sub-Saharan Africa (-21%, -4,897 MT MSE) and Eurasia (-43%, -4,284 MT MSE).

• China remains a key question as we finish out 2022 and head into next year. Covid lockdowns have continued to dampen demand out of the country, but there has more recently been a shift in governmental tone around lockdowns in the country suggesting that there may be some easing of restrictions. However, this will not immediately result in an uptick in demand. A large portion of Chinese consumers are still wary and despite some easing, there will be consumers who still may choose to err on the side of caution before returning to pre-pandemic activities. Overall, though, easing of restrictions is positive for exports to China, and we expect the country to import more product in 2023 than it did this past year.

• Milk production in the United States and Europe are starting to return while production in New Zealand still struggles. That additional milk is supportive for trade as the market has more product available for export but will likely lead to some easing from the high global prices.
Executive Summary: September 2022

Monthly Global Exports of Total Milk Solids to World (30-Day Months)

YOY Change in Total Milk Solids Trade to World: Latest Month (Oct)

YOY Change in Global Total Milk Solids Trade: Latest Month (Oct), Ranked by Largest Market

YOY Change in Global Dairy Trade: Latest Month (Oct), Ranked by Total Product Trade

Source: USDEC, Trade Data Monitor
Global Dairy Trade

Global Total Milk Solids Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Month of October 2022, Milk Solids Equiv.

<table>
<thead>
<tr>
<th>Region</th>
<th>Change</th>
<th>Size of Bubble</th>
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<tbody>
<tr>
<td>Mexico</td>
<td>+24%</td>
<td>(+11,019 MT)</td>
</tr>
<tr>
<td>S. Am</td>
<td>+14%</td>
<td>(+4,621 MT)</td>
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<tr>
<td>MENA</td>
<td>+24%</td>
<td>(+25,693 MT)</td>
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<tr>
<td>JPN+KOR</td>
<td>+1%</td>
<td>(+469 MT)</td>
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<tr>
<td>SEA</td>
<td>+1%</td>
<td>(+918 MT)</td>
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<tr>
<td>Oceania</td>
<td>-4%</td>
<td>(-1,161 MT)</td>
</tr>
<tr>
<td>China</td>
<td>-17%</td>
<td>(-33,688 MT)</td>
</tr>
</tbody>
</table>

Note: Size of bubble denotes total imports.
Source: USDEC, Trade Data Monitor
Average Global Export Price

Global Average $/KG of Milk Solids Exported

Source: USDEC, Trade Data Monitor
Cheese
Cheese Market Commentary

OVERVIEW

• **Global cheese trade dropped 7% in October** (-11,796 MT) as exports from Europe, New Zealand and Australia struggled even as the U.S. continued to grow (+4%, +1,589 MT).

• In contrast to prior months – where a contraction from China held back global growth – in October, **most major import markets pulled back**. China, as expected, still showed the largest drop (-26%, -4,038 MT), but there were substantial declines to Oceania (-23%, -2,557 MT), the U.S. (-12%, -1,847 MT), and South America (-12%, -1,360 MT).

• Positively, there were a few spots of growth, including South Korea (+5%, +667 MT) and Mexico (+5%, +482 MT), though the Caribbean was the only market to show substantial improvement (+31%, +1,409 MT).

KEY TAKEAWAYS

• **Global cheese trade in 2022 has hovered close to prior year levels for much of the year, rarely showing runaway growth nor decisively negative in the monthly figures. Year-to-date volumes are down 1% through October (-17,458 MT), but compared to the rest of the dairy complex, 1% is not substantially negative.**

• **USDEC recommends avoiding drawing too grand of conclusions from just one month of data, but slower growth in October is notable for several reasons:**
  1. October cheese trade was the lowest October in four years and, on a 30-day basis, the lowest single month since January.
  2. U.S. export growth of cheese is slowing down – as mentioned in our U.S. trade data write-up.
  3. Aside from the Caribbean, the major markets that supported demand in 2022 all slowed down in October, including Japan, Southeast Asia and Mexico, at the same time that the countries that had been weak (China, USA, and South America) accelerated their decline.
Cheese Market Commentary

COMPETITOR ASSESSMENT

- European and Oceania supply continued their struggle into October. EU27+UK shipments fell by 8% in October (-6,130 MT), while New Zealand fell by a comparable amount (-18%, -5,788 MT).

- European suppliers concentrated their efforts on South Korea, increasing shipments by 53% (+2,084 MT), moving almost exclusively mozzarella at relatively low prices. EU27+UK shipments of their commodity cheeses (primarily cheddar and gouda) struggled. Cheddar shipments dropped by 26% (-2,114 MT) and gouda by 16% (-1,644 MT). Premium cheeses, including hard Italian varieties, held close to steady compared to prior year levels.

- New Zealand also pulled back from commodities, seeing a 26% reduction in their cheddar exports (-3,217 MT), a 33% reduction in their fresh cheese (primarily cream cheese, -2,108 MT) and a 41% drop in gouda (-884 MT). Grated/powdered cheese (primarily mozzarella) did grow at 8% though (+438 MT) with some new business in Mexico as China remained absent, forcing sales efforts to be focused elsewhere.

LOOKING AHEAD

- U.S. cheese exporters are likely to face stiffer competition in 2023. While European and Oceania suppliers were relatively quiet in the October data, more recent developments suggest activity from those two markets is likely to pick up.

- For one, European milk production has started to recover as higher milk payouts are finally incentivizing some small growth (and year-over-year comparisons are favorable). European cheese prices have been steadily weakening for several weeks in conjunction with increased supply.

- Additionally, with Chinese buying activity still quiet, New Zealand cheese is likely to show up in key U.S. markets, like they did in Mexico in October, even if milk production remains weak through the shoulder.

- Finally, global demand is likely to be sluggish in 2023 as consumers and manufacturers alike trade down and look for savings where they can, given the economic headwinds.
Global Overview: Cheese

Global Cheese Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Global Overview: Cheese

Monthly Global Exports of Cheese to World (30-Day Months)

Source: USDEC, Trade Data Monitor
Global Overview: Cheese – Last 12 Months

Global Cheese Trade: L12M, Ranked by Largest Market

Source: USDEC, Trade Data Monitor
Trade Flows: Cheese

Last 3 Months: YOY Change in EU27+UK Cheese Exports

Last 3 Months: YOY Change in New Zealand Cheese Exports

Source: USDEC, Trade Data Monitor
Trade Flows: Cheese

Cheese Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Mexico

Cheese Market Share in Mexico (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Korea

Cheese Market Share in South Korea (Rolling 12 Months)

Monthly Global Exports of Cheese to South Korea (30-Day Months)

World Cheese Exports to South Korea

Source: USDEC, Trade Data Monitor
Japan

Cheese Market Share in Japan (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Australia

Cheese Market Share in Australia (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Cheese Market Share in MENA (Rolling 12 Months)

Monthly Global Exports of Cheese to MENA (30-Day Months)

Global Cheese Exports to MENA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Southeast Asia

Cheese Market Share in SEA (Rolling 12 Months)

Monthly Global Exports of Cheese to SEA (30-Day Months)

Global Cheese Exports to SEA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
NFDM/SMP
• Global NFDM/SMP trade broke out after 9 straight months of decline with trade up 10% (+17,530 MT) for the month of October. While positive, year-to-date trade is still down 6% (-105,208 MT).

• Strong gains in trade to MENA (+64%, +16,199 MT) and Mexico (+38%, +10,363 MT) offset smaller declines in SEA (-4%, -2,074 MT), China (-12%, -3,308 MT) and South America (-36%, -3,513 MT).

• Heavy inventories and COVID-19 lockdowns continue to significantly impact import demand in China with October exports to the country down 12% (-3,307 MT) during a time when exports to the country historically have started ramping up in preparation for quotas opening up the first of the year.

• November and December exports to China are historically higher than October, but as a leading indicator, October trade is lagging prior year volumes substantially, which suggests that November and December volumes may lag as well.

• Global prices have continued to ease throughout the year from the highs of April of around $4,400/MT to around $3,100/MT today. Recognizing prices for global trade tend to be a lagging indicator, the wholesale prices on international exchanges suggest landed costs will be lower in 2023.
The big three dairy exporters of the United States (+11%, +6,975 MT), EU27+UK (+4%, +2,431 MT), and New Zealand (+11%, +3,299 MT) all saw increases in their NFDM/SMP exports in October.

With roughly 75% market share in the region, EU27+UK benefitted the most from the increased demand in MENA with exports to the region up 65% (+12,246 MT) in October.

New Zealand exports continued the trend of greater focus on Southeast Asia with exports to the region up 67% (+6,715 MT). New Zealand exports to China continued to lag (-38%, -6,101 MT) with weaker demand out of the region and limited supply. The EU27+UK continues to cede market share to New Zealand in Southeast Asia. Both countries hold roughly the same market share today at around 23%, but New Zealand started the year at around 18% while EU27+UK started the year at roughly 31%. The US has maintained its place at the dominant supplier to the region with roughly 45% market share.

While supply has been a continual obstacle for increased growth in NFDM/SMP trade over the last 18 months, milk production is starting to pick up in the United States and the EU27+UK, which is supportive of increased NFDM/SMP supplies but doesn’t necessarily mean we’ll see a strong increase in trade if demand stays weak.

While the challenging economic environment is having a strong impact on global demand, increasing supplies along with more affordable prices should be supportive of increased global trade.
Global Overview: NFDM/SMP

Global SMP/NFDM Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Global Overview: NFDM/SMP

Monthly Global Exports of SMP/NFDM to World (30-Day Months)

Source: USDEC, Trade Data Monitor
Global Overview: NFDM/SMP – Last 12 Months

Source: USDEC, Trade Data Monitor
Trade Flows: NFDM/SMP

### Last 3 Months: YOY Change in EU27+UK SMP/NFDM Exports

- **World**: -1.9%
- **MENA**: 40.8%
- **SEA**: -31.8%
- **China**: -30.1%
- **SSA**: -13.9%
- **S. Asia**: 60.2%
- **Caribbean-Camb**: -29.5%
- **Japan-Korea**: -47.6%
- **Eurasia**: -46.8%
- **Europe**: -14.9%

### Last 3 Months: YOY Change in New Zealand SMP/NFDM Exports

- **World**: 6.2%
- **SEA**: 37.6%
- **China**: -31.3%
- **MENA**: 21.3%
- **Other**: 60.5%
- **SSA**: -7.3%
- **Aus-NZ**: 36.9%
- **S. Asia**: 800.7%
- **Japan-Korea**: 6.5%
- **S. America**: 102.5%

Source: USDEC, Trade Data Monitor
Trade Flows: NFDM/SMP

SMP/NFDM Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Mexico

SMP/NFDM Market Share in Mexico (Rolling 12 Months)

Monthly Global Exports of SMP/NFDM to Mexico (30-Day Months)

Global SMP/NFDM Exports to Mexico (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Southeast Asia

SMP/NFDM Market Share in SEA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Southeast Asia: Country Breakdown

Monthly Global Exports of SMP/NFDM to Indonesia (30-Day Months)

Monthly Global Exports of SMP/NFDM to Malaysia (30-Day Months)

Monthly Global Exports of SMP/NFDM to Philippines (30-Day Months)

Monthly Global Exports of SMP/NFDM to Vietnam (30-Day Months)

Source: USDEC, Trade Data Monitor
China

SMP/NFDM Market Share in China (Rolling 12 Months)

Monthly Global Exports of SMP/NFDM to China (30-Day Months)

Global SMP/NFDM Exports to China (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
SMP/NFDM Market Share in MENA (Rolling 12 Months)

Monthly Global Exports of SMP/NFDM to MENA (30-Day Months)

Global SMP/NFDM Exports to MENA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Whey Products (0404.10)
Whey (0404.10) Market Commentary

**OVERVIEW**

- Trade of whey products under the HS code 0404.10 (largely low protein whey varieties of sweet whey and permeate) grew in October by 6% (+6,707 MT).

- The continued rebound of Chinese demand in whey drove the strong growth in October with exports to the county up 30% (+10,539 MT). This was enough to offset strong declines in exports to Southeast Asia (-14%, -5,413 MT).

**KEY TAKEAWAYS**

- Continued growing whey trade out of China can be attributed to the resurgence in pork prices which incentivizes increased use of whey in feed.

- Chinese pork prices have eased around 8% over the last month, but prices are still roughly 40% higher than where prices started the year. Those higher prices are supportive of increased whey use and expanded pork production, meaning we can expect demand to continue growing so long as pork demand remains strong.

- After accelerated growth from early 2020 through 2021, global demand seems to be returning to trend of around 3% growth per year.
Whey (0404.10) Market Commentary

COMPETITOR ASSESSMENT

• The United States continued to show the most volume growth in exports in October with exports up 15% (+6,732 MT).

• EU27+UK saw their highest monthly increase in exports this year in October (+5%, +2,806 MT) after lagging for most of the year. The majority of growth came from increased trade to China (+36%, +5,419 MT). That increased volume was enough to offset decreased exports to Southeast Asia (-18%, -4,234 MT).

• Combined, the United States and EU27+UK supply nearly 90%* of globally traded whey under 0404.10 and the United States continues to gain market share from EU27+UK. Since 2020, the United States has increased its global market 8% from 34% to 42%.

LOOKING AHEAD

• As mentioned, high pork prices are a key driver of increased Chinese low protein whey demand. Chinese pork consumption is facing opposing drivers of COVID-19 lockdowns dampening demand along with preparations for Chinese New Year where pork consumption is high.

• With pork prices being a good leading indicator for whey demand, we can expect Chinese whey imports to finish the year strong.

• Southeast Asia continues to show some weakness in demand and may persist through the end of the year after regional buyers purchased ahead in early 2022. As Chinese demand continues to be strong, product is likely being diverted from Southeast Asia in favor of China, and we can expect that to continue so long as pork prices continue to support stronger import demand.

*excludes Belarussian trade as the country is no longer reporting trade data since Russia’s invasion of Ukraine.
Global Overview: Whey (0404.10)

Global Whey (0404.10) Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Global Overview: Whey (0404.10)

Monthly Global Exports of Whey (0404.10) to World (30-Day Months)

Source: USDEC, Trade Data Monitor
Global Overview: Whey (0404.10) – Last 12 Months

Source: USDEC, Trade Data Monitor
Trade Flows: Whey (0404.10)

Source: USDEC, Trade Data Monitor
Trade Flows: Whey Products

Whey (0404.10) Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
China

Whey (0404.10) Market Share in China (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Southeast Asia

Whey (0404.10) Exports to SEA (Rolling 12 Months)

Monthly Global Exports of Whey (0404.10) to SEA (30-Day Months)

Global Whey (0404.10) Exports to SEA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Southeast Asia: Country Breakdown

Monthly Global Exports of Whey (0404.10) to Indonesia (30-Day Months)

Monthly Global Exports of Whey (0404.10) to Thailand (30-Day Months)

Monthly Global Exports of Whey (0404.10) to Philippines (30-Day Months)

Monthly Global Exports of Whey (0404.10) to Vietnam (30-Day Months)

Source: USDEC, Trade Data Monitor
WPC80+ (3502.20)
WPC80+ Market Commentary

OVERVIEW

• High protein whey products traded under chapter 35 (or WPC80+) saw another month of decline in October (-12%, -1,475 MT) making for the seventh consecutive month of lower trade.

• China saw a continued decline (-6%, -157 MT), but major declines in Southeast Asia (-30%, -311 MT), South Asia (-53%, -605 MT) and the United States (-64%, -733 MT) were more than enough to offset the increases to Europe (+43%, +339 MT), Mexico (+146%, +177 MT) and Japan (+16%, 313 MT).

KEY TAKEAWAYS

• Global demand for WPC80+ continues to lag prior-year levels with the challenging economic environment this year and supplies staying home in both the U.S. and Europe. So far this year, global trade is down 10%.

• Despite the increase in exports to Japan in October (+16%, +313 MT), the dramatic growth in WPC80+ demand we saw in Japan and Korea from the onset of the pandemic through mid-2022 seems to have finally leveled off. Tougher economic situations will continue to put pressure on demand in both countries, but rapidly easing prices may keep demand healthy into 2023 and avoid a reversion to the mean.
WPC80+ Market Commentary

COMPETITOR ASSESSMENT

• Year-to-date, the major exporters of the United States, EU27+UK and New Zealand have all exported less WPC80+ than last year. The United States has seen the smallest decline at -4% (-2,508 MT) in contrast to the EU27+UK down 16% (-6,325 MT) and New Zealand also down 16% (-3,449 MT).

• In October, the United States was the only major exporter to see an increase in exports (+37%, +1,592 MT) whereas both New Zealand (-43%, -1,083 MT) and EU27+UK (-38%, -1,725 MT) both saw continued strong declines.

• New Zealand saw strong decreases in exports to the United States (-71%, -510 MT) and Japan & Korea down a collective 54% (-478 MT). Slight increases in exports to other markets were not enough to keep numbers positive.

• EU27+UK saw widespread declines in exports to most all its trading partners with a 22% (-291 MT) decline in exports to China. Solid increases in exports to Japan & Korea (+70%, 328 MT collectively) were not enough to offset declines elsewhere.

LOOKING AHEAD

• As we’ve reported before, several things are pushing back against WPC80+ trade, namely less supplies readily available, high prices, and a challenging economic environment. However, two of those factors – namely prices and availability – have improved for international buyers.

• Even still, the continued tough economic situation we are seeing in much of the world may challenge global demand as we move forward.

• In particular, China represents over a quarter of all WPC80+ imports, and their imports lagged in 2022 along with the rest of the world. COVID-19 lockdowns will likely challenge demand as we move forward into 2023. But as lockdowns ease, Chinese demand should return as well.
Global Overview: WPC80+

Global WPC80+ Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Global Overview: WPC80+

Monthly Global Exports of WPC80+ to World (30-Day Months)

- Source: USDEC, Trade Data Monitor
Trade Flows: WPC80+

Global WPC80+ Trade: L12M, Ranked by Largest Market

- China: 28%
- Japan+Korea: 20%
- S. Asia: 10%
- Europe: 7%
- SEA: 7%
- USA: 8%
- S. America: 6%
- USA: 8%
- Canada: 6%
- Aus+NZ: 5%
- Other: 2%
- Mexico: 1%
- MENA: 2%
- Eurasia: 1%
- SSA: 1%
- CentAm+Caribb: 0%

Source: USDEC, Trade Data Monitor
Trade Flows: WPC80+

Last 3 Months: YOY Change in EU27+UK WPC80+ Exports

- World: -27.9%
- China: -11.1%
- Japan/Korea: -46.6%
- USA: -27.9%
- S. Asia: -32.4%
- AuNZ: -54.3%
- Europe: -52.5%
- MENA: -50.9%
- ROW: -66.6%

Last 3 Months: YOY Change in New Zealand WPC80+ Exports

- World: -46.1%
- China: -46.1%
- Japan/Korea: -38.8%
- USA: -28.4%
- S. Asia: -12.5%
- Europe: -28.4%
- AuNZ: -79.3%
- Other: -100.0%
- ROW: -12.5%

Source: USDEC, Trade Data Monitor
Trade Flows: WPC80+

WPC80+ Exports to World (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
China

WPC80+ Market Share in China (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Source: USDEC, Trade Data Monitor
Korea

WPC80+ Market Share in South Korea (Rolling 12 Months)

Source: USDEC, Trade Data Monitor

Monthly Global Exports of WPC80+ to South Korea (30-Day Months)

World WPC80+ Exports to South Korea

Source: USDEC, Trade Data Monitor
Southeast Asia

WPC80+ Market Share in SEA (Rolling 12 Months)

Monthly Global Exports of WPC80+ to SEA (30-Day Months)

Global WPC80+ Exports to SEA (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
India

WPC80+ Market Share in India (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Other Dairy Products
Global Overview: Lactose

**Key Takeaway:** After six straight months of growth, lactose trade took a step back in October, down 6% (-3,420 MT).

- Exports to China continued to see growth, but at a much lower level than in recent months – up just 2% (+198 MT) in the month of October.

- Strong declines in exports to New Zealand (-32%, -2,887 MT), South America (-23%, -974 MT) and Sub-Saharan Africa (-34%, -960 MT) kept numbers negative for October even with strong growth in exports to South Asia (+15%, +721 MT) and Europe (+76%, +983 MT).

Source: USDEC, Trade Data Monitor
Lactose – China

Lactose Market Share in China (Rolling 12 Months)

Monthly Global Exports of Lactose to China (30-Day Months)

Global Lactose Exports to China (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Global Overview: Butterfat

Key Takeaway: Global butterfat demand continues to be strong with exports in October up 21% (+12,023 MT).

- With the exception of MENA (-30%, -4,332 MT) and Eurasia (-48%, -2,821 MT), butterfat trade increased in most every region. That widespread growth was enough to offset the declines in MENA and Eurasia.

- Among the widespread growth, Europe (+569%, +3,815 MT), China (+68%, +4,294 MT), Canada (+95%, +2,127 MT) and the US (+76%, +2,324 MT) all saw significant increases in imports.

Source: USDEC, Trade Data Monitor
Butterfat – China

Butterfat Market Share in China (Rolling 12 Months)

Monthly Global Exports of Butterfat to China (30-Day Months)

Source: USDEC, Trade Data Monitor
Global Overview: WMP

Key Takeaway: Whole Milk Powder trade in October saw a slight decline of 3% (-4,866 MT) driven largely by China.

- October whole milk powder trade saw increases in most regions with the major exception of China (-48%, -38,911 MT). MENA (+36%, +14,015 MT) and South America (+199%, +10,299 MT) saw very strong increases.
- Exports to China were down 48% in October with the key drivers being the impacts of increased covid lockdowns along with limited product availability of New Zealand.

Source: USDEC, Trade Data Monitor
WMP – China

WMP Market Share in China (Rolling 12 Months)

Monthly Global Exports of WMP to China (30-Day Months)

Global WMP Exports to China (Rolling 12 Months)

Source: USDEC, Trade Data Monitor
Reach Out for Questions & Comments

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