THE WORLD DAIRY SITUATION 2017

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FOREWORD

We are pleased to present the 2017 World Dairy Situation Report. This publication is produced annually by the International Dairy Federation (IDF) as part of its mission to represent and support the dairy industry globally. The report contains a wealth of information about the international dairy sector — including data tables, graphs, Country Reports and analyses for more than fifty dairy-producing countries from all five continents. Several aspects of the dairy industry are covered: from milk production and processing, to trade, pricing and consumption.

After more than a year of relatively low global milk prices, a significant recovery in the last year brought prices up to around the 10-year average level. However, while butter prices now hover near record-high levels in most parts of the world due to a combination of steady strong demand for butter and cheese and relatively limited supplies, solids-non-fat prices remain low, with high stocks in Europe, the US and China. As a result, the historical gap between butter and skim milk powder (SMP) prices persists as this issue goes to press, and the situation is not expected to change much in the coming months.

As in previous years, a considerable level of uncertainty remains, due to a slowdown of dairy production in the main regions of the world (excepting the United States), which was caused in part by adverse weather conditions and farmers’ reactions to low prices. These factors, combined with the state of the global economy and the current geopolitical landscape, make dairy product supply less predictable and stable than overall milk and dairy product demand, which continues to grow steadily by a little over 2% per year — primarily as a result of population growth and marked increases in dairy consumption observed mostly in India, China and the United States.

We sincerely hope that you will find this World Dairy Situation Report helpful in furthering your understanding of current macro supply and demand trends affecting the dairy sector, as well as the wide range of policies and economic factors influencing them in a world increasingly focused on sustainable development and nutrition.

In closing, we would like to acknowledge and thank all IDF National Committees — who provided most of the data, the IDF Standing Committee on Dairy Policies and Economics, other international organisations and partners, as well as members and experts who contributed their time and expertise to this report. We extend a special thank you to the Centre Interprofessionnel de l’Economie Laitière (CNIEL) and ZuivelNl, who prepared this publication.

Gilles Froment
Chair — IDF Standing Committee on Dairy Policies and Economics

Nico van Belzen
IDF Director General
MESSAGE FROM THE WDS TEAM

Dear dairy reader,

This year again, we are proud to present a new issue of IDF’s World Dairy Situation bulletin. We are a team of experts from the French Dairy Interbranch Organisation CNIEL and its Dutch counterpart ZuivelNL, who both sit on IDF’s Standing Committee on Dairy Policies and Economics.

In addition to providing our own country data, we were in charge of collecting, compiling, checking and formatting dairy data from 52 countries. This annual report is above all a collaborative project involving the world’s main dairy countries, who were represented by their respective national IDF committees and other recognised national organisations. We wish to extend our sincere thanks to all contributors, who kindly provided the most up-to-date information on milk production, dairy processing, consumption, trade, prices, and the latest industry developments in their countries.

We would also like to thank the UK national committee who, as hosts of the 2017 World Dairy Summit, provided a full chapter dedicated to their country’s dairy sector.

We were pleased to receive for the first time a contribution from Nepal, who joined the International Dairy Federation this year!

After 7 years in the same format, you will notice that the 2017 issue focuses more on data than analysis. For more convenience, and to facilitate direct use in your work documents, comprehensive tables covering all aspects of the dairy sector, and illustrative graphs and maps are also available in electronic format.

We hope you will find this information useful, and welcome ideas for continuous improvement: please send your comments to info@fil-idf.org.

Veronique Pilet
Responsible Editor
World trade: key exporters, export share

World trade: top 5 exporters

World trade: dairy products

World: dairy product prices

World: producer milk prices

(D) Mixed (cow and buffalo) milk; refers to cooperative dairies only.