

DYKUN

Milk prices monitoring
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ASSOCIATION OF DAIRY PRODUCERS

ANALYTICAL DEPARTMENT OF MILKUA.INFO

According to monitoring data from July 19, the weighted average purchase price for milk decreased by 0.14 UAH — up to 10.01 UAH/kg excluding VAT.

The average purchase price for Extra Grade milk lost 0.12 UAH — to the average mark of 10.52 UAH. At the same time, logistical collapses in some regions and shelling of the largest dairy regions affect a rather different price offer. Thus, the range of prices for Extra Grade milk varied from 9.50 to 11.30 UAH/kg (without VAT), depending on the farm's approach to processing capacity and the military situation in the region.

In particular, the biggest fall in prices and difficulties in selling raw milk are felt by farms in Chernihiv region, where, at the same time, a large part of processing enterprises is concentrated. The increase in logistics costs leaves farms with little chance to find other options and makes them hostages to the price policy of individual enterprises.

The average price for Higher Grade dropped by 0.15 UAH — up to 9.87 UAH/kg. Contract prices ranged from 7.90 to 11 UAH/kg. Processors paid from 9.16 to 10.10 UAH/kg for Grade I. The average price tag fell by 0.14 UAH — up to 9.66 UAH/kg.

At the same time, exports of dairy products continued to grow in July. Thus, according to the results of two decades of the month, revenue from the export of dairy products increased by 37% compared to the analyzed period of June and amounted to 17.4 million dollars.

Currently, in the conditions of blocked grain and oil exports and restrained hopes for activation after the signing of the agreement on "grain corridors", for most agricultural enterprises, it is the dairy farms in the production structure that have become the only source of working capital and a "lifeline", so that at least somehow stay afloat. If the trend towards unreasonably low milk prices is maintained, by autumn most farms will start selling livestock.