DYKUN

Milk prices monitoring January-2, 2023



ASSOCIATION OF DAIRY PRODUCERS

ANALYTICAL DEPARTMENT OF MILKUA.INFO

JANUARY-2

Purchase prices for milk at the end of January showed a slight increase. The rise took place to a greater extent for small parties and was not of a general nature.

This is reported by Yana Linetska, the analyst of the Association of Milk Producers.

So, as of January 25, the purchase price for Extra Grade rose by only 0.02 UAH — to 12.20 UAH/kg, excluding VAT. Higher Grade went up in price by 0.05 UAH — up to 12.05 UAH/kg. The price for Grade I increased the most — by 0.07 UAH — up to 11.67 UAH/kg. Accordingly, the weighted average price of three grades increased by 0.05 UAH — up to 11.97 UAH/kg.

There is growing tension in the market due to the approach of the earlier traditional "big milk" season, as well as due to the pressure of the increasing cost of production of both raw milk and dairy products, including due to the forced use of diesel generators, in combination with the decline in exports. But whether "big milk" will happen at all is debatable.

According to the results of 2022, Ukraine lost more than 1 million tons of milk. The main losses fell on households — minus 13.5%. Namely, the homestead sector had quite a strong influence on the growth of production in the spring-summer period due to the calving of livestock and the growth of green mass on pasture. In industrial farms, the volume of milk production during the year is relatively stable. But this year, due to the adjustment of rations and deterioration of animal health, we will not see a significant increase in production.

Today, there is no free milk on the market, which made possible a slight increase in prices. Whether this trend will be maintained will depend on the situation on the world market, and more precisely on the European market, which remains the main buyer of Ukrainian dairy products.