

DYKUN

Milk and dairy products prices monitoring

April 21, 2017



ASSOCIATION OF DAIRY PRODUCERS

ANALYTICAL DEPARTMENT OF MILKUA.INFO

Purchase milk prices continue to collapse losing about 0.30 UAH this week.

Analytical department of Association of Milk Producers of Ukraine announced this information.

According to the results of the first quarter, Ukraine produced 1.97 million tons of milk, which is 10 ths. tons less than in the first quarter of 2016.

Statistics for dairy herd is worse. As of April 1, it numbers 2 million 131.9 thousand cows, which is 54.3 thousand less than last year. However, cows are slaughtered more in industrial farms than in households. The number of cattle in industrial farms decreased by 21.3 ths. this year (4.2%, to 485.9 ths. heads). At the same time the reduction in households was by only 2%.

According to the recent monitoring of April, 19 the average price for Extra grade milk has lost 0.21 UAH/kg just in a week (0.74 per UAH/kg during the whole month) — to 8.25 UAH/kg.

Average price for Higher grade milk this week is 8.13 UAH/kg, which is 0.20 UAH/kg less than previous week, and 0.55 UAH/kg less than previous month.

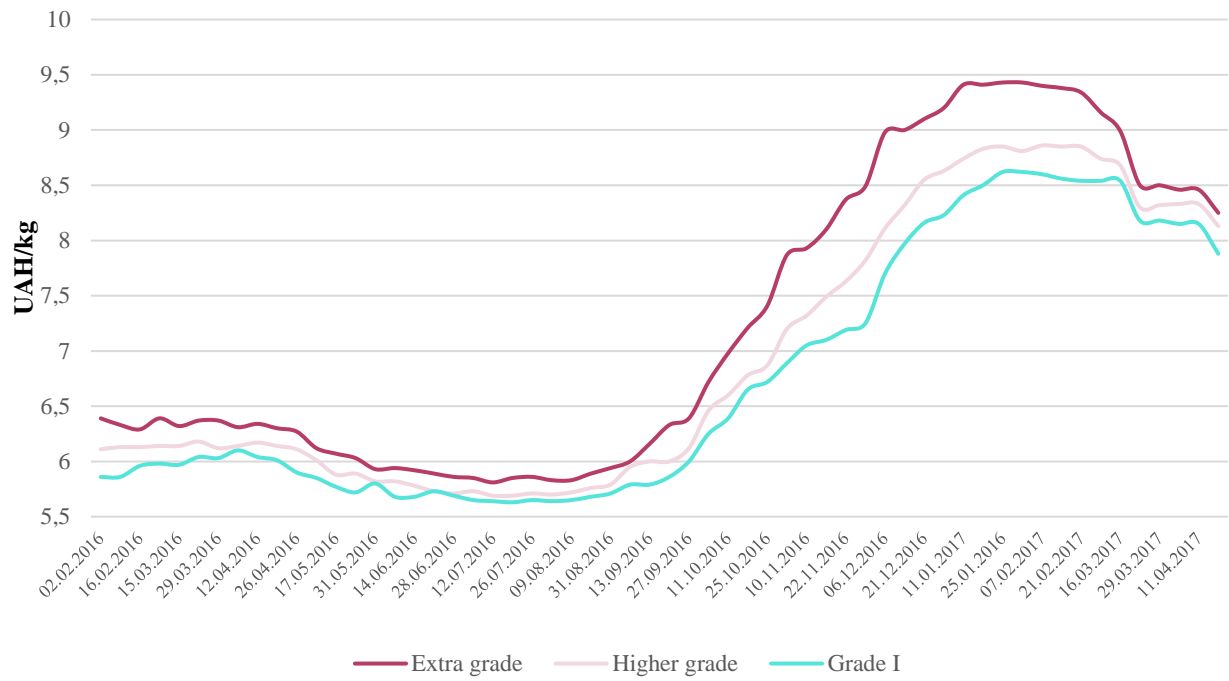
Prices for milk of Grade I collapsed to 7.88 UAH, which is 0.66 UAH/kg less since previous month, and 0.27 UAH less than a week ago.

The situation with the retail prices for dairy products is somewhat different. Thus, price for milk with fat content 3.2% has not changed this month and costs 24.25 UAH/kg. Butter has added in price 1.28 UAH/kg — up to 179.50 UAH/kg. "Russian" cheese went up by more than 2 UAH — to 167.70 UAH/kg. The expected "after-Easter" decrease of prices is not observed on the market.

In addition, possessors plan to continue to raise the price for butter, both for export and domestic market. They believe that the price gap between Ukrainian butter and its average world price is quite significant. The price for butter (fat content 72%) ranges from 2900 to 3100 USD/t. This, according to processors, is not much, considering the current global trends (4500-5000 USD/t).

However, they are not confused with the fact that the price for milk in Ukraine moves in opposite direction to world prices.

Purchase milk prices, UAH/kg



Source: ADP