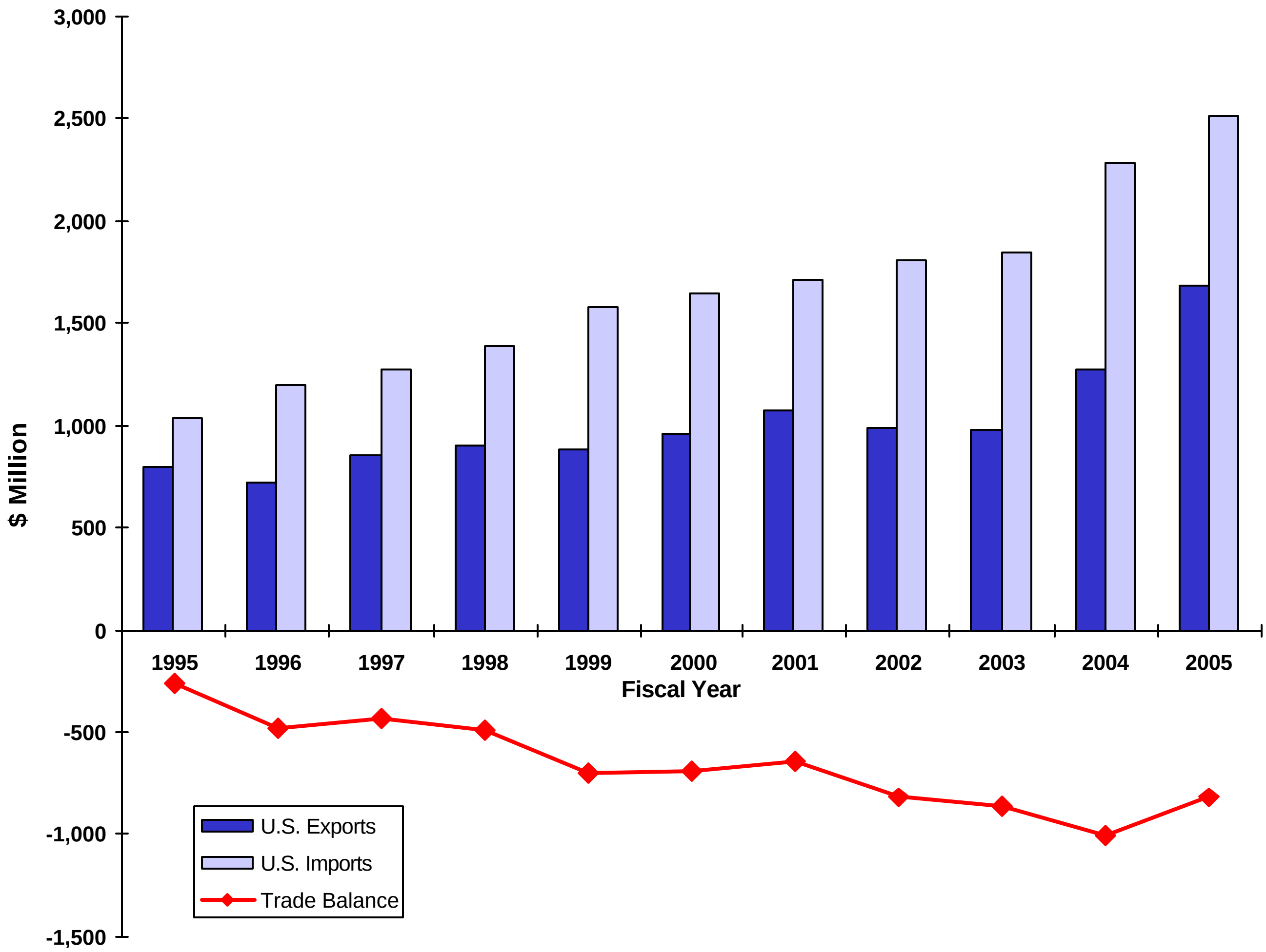
United States
Department of
Agriculture

Foreign
Agricultural
Service

Circular Series
FD 2-05
December 2005

Dairy: World Markets and Trade

Value of U.S. Dairy Trade



Approved by the World Agricultural Outlook Board/USDA

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This edition of the Dairy: World Markets and Trade circular is based on post reports submitted since October 2005 and on available secondary information. U.S. information is from USDA sources. Reflecting the greater availability of information electronically, production and trade data for some countries is only shown in aggregate. Scheduled reports were received from the following countries:

Algeria	AG5006	Indonesia	ID5026
Argentina	AR5032	Japan	JA5064
Australia	AS5036	Korea (Rep.)	KS5053
Brazil	BR5625	Mexico	MX5096
Canada	CA5073	New Zealand	NZ5021
Chile	CI5025	Philippines	RP5041
China, P. Rep	CH5075	Romania	RO5014
EU-25	E35202	Russian F.	RS5074
Egypt	EG5022	Taiwan	TW5040
India	IN5121	Ukraine	UP5018

Detailed data for both listed and non-listed countries can be found on the following website:

http://www.fas.usda.gov/psd/

The individual country reports can be obtained from the following website:

http://www.fas.usda.gov/scriptsw/attacherep/default.asp

Situation and outlook information on the U.S. dairy industry can be obtained from:

http://www.ers.usda.gov/publications/so/view.asp?f=livestock/ldp-mbb/

DAIRY: WORLD MARKETS AND TRADE

Dairy Production and Trade Developments

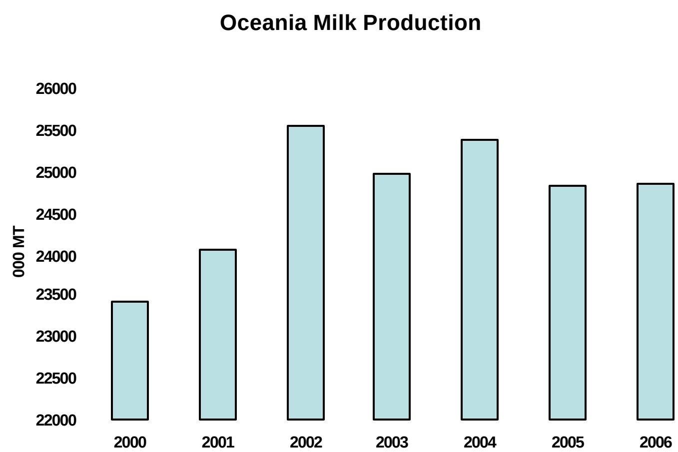
Milk and Dairy Products Supply, Demand, and Trade Tables:

World Dairy Price Charts

Dairy Production and Trade Developments

Summary

The remarkable strength of the international dairy markets continues, however, there are signs that demand has eased slightly and prices are likely to moderate in the next several months. Nevertheless, supplies will likely remain tight particularly since the anticipated jump in Oceania production is not expected to materialize as a result of adverse milk producing weather in New Zealand. Consequently, although Australian milk production for the 2005/06 season is forecast to expand, this is likely to be offset by production shortfalls in New Zealand, absent a late season recovery. As a result, Oceania milk output is currently forecast to remain largely unchanged from last season.



In the EU-25, milk production for 2006 is set to increase marginally, but strong internal consumption for dairy products will absorb additional production and thus exportable supplies will probably be similar to 2005. In contrast, U.S. milk production for 2006, following a year in which milk output surged by 3.5 percent, is expected to expand at a more moderate pace to 2.6 percent. While this will ensure that there are ample exportable supplies of nonfat dry milk (NDM), global markets for other dairy products are unlikely to be affected significantly since U.S. exports of cheese, butterfat, and whole milk powder are not as competitive.

From an economic perspective, import demand for 2006 should remain fairly steady as global growth in gross domestic product (GDP) is projected to exceed 3 percent annually. In the critical Asian markets, GDP is expected to exceed 6 percent in 2006 and in China, GDP growth is forecast to surpass 9 percent. In contrast, GDP growth in the EU-25 will improve modestly from around 1 percent in 2005 to a forecast 1.5 percent in 2006, while Japan's economic growth is expected to ease with GDP growth expected to drop by .5 percent to 1.5 percent in 2006. In the United States, despite concerns over the trade and budget deficits and climbing interest rates, the outlook for 2006 is fairly optimistic with GDP growth currently pegged at over 3 percent. Nevertheless, despite these relatively solid economic factors, recent trade data for the first half of 2005 suggests that in some countries there has been a significant drop in import demand for dairy products, notably milk powders in China. These declines, however, may be offset by oil producing countries that are reaping the benefits of strong petroleum prices and maintaining strong import levels.

A further complicating factor is the role of currencies. The high world prices coupled with a weak U.S. dollar have provided U.S. dairy exporters with a competitive edge while at the same time diluting export returns to competing producers. In recent months, the value of the U.S. dollar relative to the Euro has been strengthening, effectively exerting downward pressure on EU dairy export prices. Currently, the U.S. dollar is projected to continue strengthening against the Euro in 2006, undermining the competitiveness of the U.S. dairy industry.

Dairy Production

Australian milk production for the 2005/06 (July/June) season is forecast to increase by just over 3 percent as a result of timely rainfall that has greatly improved pasture conditions and increased the availability of irrigation water. Nevertheless, this is still 7 percent below the record volumes produced in 2001/02. Further, the dairy herd size is expected to remain virtually unchanged from last year and is nearly 14 percent smaller than in 2001/02, underscoring the significant impact of the past 3 years of drought. The strong Australian dollar has also been a factor in dampening export returns. These tough economic and environmental conditions have, however, led to a greater optimization of the industry and increased productivity. The additional milk production is expected to be channeled primarily into the production of cheese and whole milk powder (WMP), while the production of NDM and butter is forecast to remain largely unchanged from last year.

In New Zealand, poor weather conditions, characterized by lower than normal temperatures and persistent rains, were faulted for adversely affecting milk output in some key North Island areas. Milk flows were reported at the beginning of November – past the traditional peak spring flush in October – to be lagging 2 percent relative to year-ago to-date flows. As a result, New Zealand milk production for 2005/06 (June/May) is currently forecast to drop by about 2 percent, marking the second year in a row during which milk production contracted. The slowdown in milk production is expected to affect primarily the production of NDM and butterfat, down 8 percent and 4 percent, respectively.

For the 2005/06 season, the milk payout to Fonterra suppliers, i.e., the majority of New Zealand dairy farmers, is currently forecast by Fonterra at NZ$4.00 (US$2.86)/kg milk solids down nearly 13 percent from last year. A significant factor in this decline has been the strength of the New Zealand dollar vis-à-vis the U.S. dollar – since May 2004 to

December 2005, the New Zealand dollar has appreciated from NZ$1.62/US$ to NZ$1.41/US$.

Following a drought in 2004, EU-25 milk production in 2005 is expected to rebound by nearly 1 percent, particularly in such countries as France and Germany. In fact, the increase led to the imposition of some €388 million ($461 million) in overproduction fines, i.e., "superlevies" during the marketing year 2004/05 (April/March). Approximately 80 percent of the levy was applied to Germany and Italy for exceeding their production quotas. For 2006, production is forecast to grow as the quota limits for some of the major producers in the EU-15 are being raised by 0.5 percent. In addition, some of the new member states, such as the Czech Republic and Poland, are benefiting from higher milk prices by expanding production.

In the United States, record milk prices in 2004 translated into surging milk output in 2005 that is expected to result in a more than 3 percent jump in annual production. Although replacement heifers remain scarce and costly, dairy producers were able to increase cow numbers and, with the return of bovine somatotropin hormones, raise productivity, recording milk per cow gains of about 3 percent. Ultimately, however, this rapid rise in production was sufficient to surpass even the strong growth in dairy product demand, undermining product prices. Nevertheless, the outlook for 2006 is fairly positive. Despite a continuing moderation in milk prices, production is not anticipated to be affected significantly – for 2006 U.S. milk production is forecast to grow by just under 3 percent.

In South America, Brazilian milk production has been expanding steadily over the past several years, reflecting the slow consolidation of the sector into more efficient units. In 2005, higher productivity and favorable returns are forecast to contribute to a 3 percent rise in milk production. For 2006, milk output is anticipated to expand by nearly 5 percent which should meet domestic consumption needs and allow for some exports of WMP. In the past, Brazil was a net importer of WMP, but in recent years, exports have been growing and are forecast to reach 30,000 tons in 2006.

In Argentina, the dairy sector is flourishing, stimulated by strong domestic demand and high export returns. In 2005, milk production is set to jump by almost 7 percent, and for 2006, is expected to tie the 1999 record level. High global dairy prices have been a key factor in promoting exports of Argentinean WMP and, to a lesser extent, cheese. However, there is some uncertainty since, early in 2005, the Government of Argentina (GOA) signed price agreements with the dairy sector – essentially imposing price controls – in an effort to stem inflationary pressures. As a further step, in late July 2005, the GOA temporarily (at least until further review) raised export taxes on dry milk and cheese in an effort to curb exports and increase the domestic supply.

Summary of Change in the 2005 to 2006 Production Forecast for Fluid Milk and Dairy Products
(000 MT)

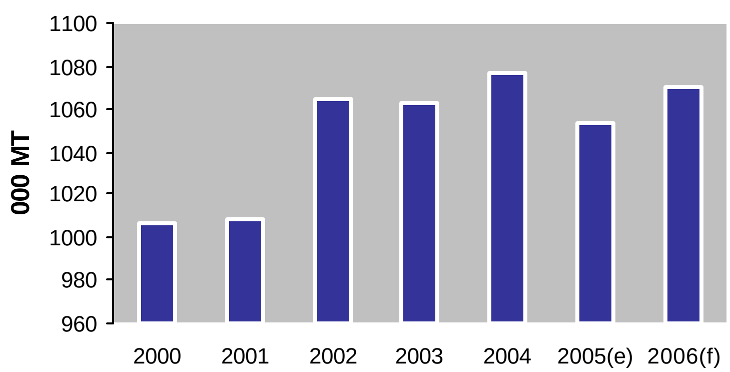
Country	Fluid Milk	Cheese	Butter	NDM	WMP
U.S.	+2,100	+130	+15	+40	+2
Argentina	+450	+25	n.a.	+2	0
Brazil	+655	+15	+1	+4	+20
EU-25	+500	+65	-5	0	-5
Australia	+322	+19	-1	+1	+8
New Zealand	-300	-5	-15	-20	-8

Dairy Trade

Cheese exports in selected countries are forecast to grow by about 5 percent with record export levels anticipated in the Ukraine and Argentina. The Ukrainian dairy products industry, despite facing quality problems and raw milk shortages, has recently expanded rapidly, particularly with respect to cheese production and exports. In the period 2002 through 2005, cheese exports grew at an annual average pace of 45 percent and are forecast to expand by 18 percent in 2006 to reach 130,000 tons. Russia remains the single largest market, accounting for 95 percent of Ukrainian export sales while the balance is shipped to other East European countries. Argentina cheese exports have been expanding rapidly stimulated by strong global prices, particularly for soft and semi-soft cheeses in Russia, Mexico, and Chile, and hard cheeses for the United States.

In the Oceania countries, cheese exports for 2005/06 are expected to expand modestly by 3 percent, reflecting production setbacks in New Zealand. Cheese exports by New Zealand are forecast to grow by some 17,000 tons largely by minimizing stocks rather than relying on production gains. For the EU-25, cheese exports are forecast to remain unchanged, as the 1-percent increase in cheese production is expected to be largely absorbed by strong domestic demand.

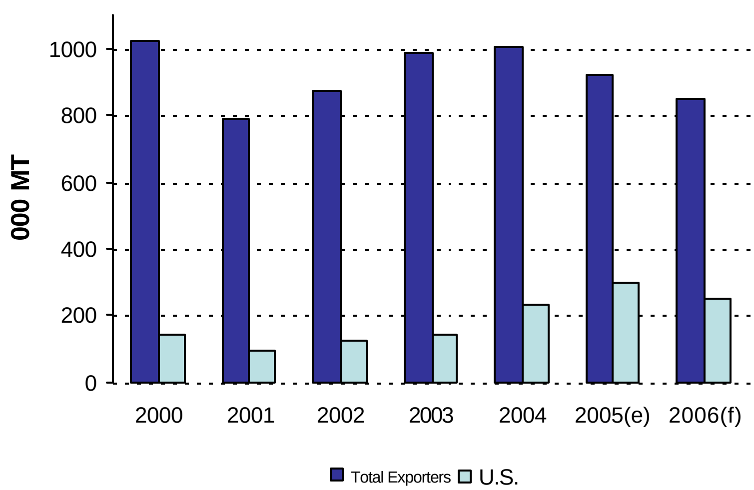
Cheese Trade By Major Exporters (U.S., EU, NZ, Aust.)



The 2006 outlook for butterfat trade in selected countries is mixed. Although exports for 2006 are slated to grow by over 2 percent to 823,000 tons, this is still below the 2003-05 average of 841,000 tons. EU-25 exports are forecast to remain stagnant; however, due to a combination of slightly lower production and internal consumption, ending stocks are expected to drop sharply. In New Zealand, butterfat exports will increase marginally but remain nearly 22 percent below levels attained in 2003. On the import side, Russian butterfat purchases are currently estimated to drop by nearly 12 percent in 2005; trade data indicates that in the first 6 months of 2005, imports of butterfat were down 36 percent over the same year-ago period. However, for 2006, butterfat imports are forecast to rebound to 170,000 tons to compensate for tight domestic supplies.

Exports of NDM for selected countries are forecast to drop by nearly 5 percent in 2006, largely reflecting a sharp cut in U.S. NDM shipments – down nearly 17 percent from 2005. Nevertheless, the U.S. NDM market is expected to remain well balanced since ending stocks for 2006 are pegged to rise by only 15,000 tons to 80,000 tons – well below the 5-year average of 334,000 tons for ending stocks. Elsewhere, EU-25 NDM exports are expected to decline by 11 percent as available exportable supplies are drawn down with no intervention stocks forecast to remain at the end of 2006. In Oceania, NDM shipments are expected to expand marginally but will remain around 108,000 tons lower than the peak levels attained in 2003.

NDM Trade By Major Exporters (U.S., EU, NZ, Aust.)



Selected country imports of NDM for 2006 are projected to remain relatively stable despite high global prices. From the U.S. perspective, import demand from the key Mexican market is slated to remain relatively strong driven by domestic demand for dairy products in the processing, retail, and tourism sectors. In Asia, markets such as the Philippines and Indonesia are also expected to remain fairly stable. In China, NDM imports are anticipated to ease due to the imposition of new labeling regulations that are likely to particularly impact reconstituted milk products.

WMP exports in 2006 among selected exporters are expected to rebound sharply by 7 percent following last year's poor production season in Oceania. Although New Zealand's milk production season is currently faring poorly, conservative inventory management of WMP stocks in 2005 is expected to result in a near 10 percent jump in WMP exports. Australia is also forecast to experience a significant rise in WMP exports – nearly 15 percent – due to favorable milk production conditions. In South America, Argentinean WMP production has progressed rapidly and exports having grown by an average of nearly 30 percent since 2001 through 2005 are expected to hit a record 190,000 tons in 2006. In 2005, a significant portion of the WMP exports were targeted to Algeria, Venezuela, and Brazil.

World Dairy Prices

Global dairy product prices during 2005 have remained remarkably resilient sustained by well balanced markets, a weak dollar trend, and solid world economic growth. For milk powder and cheese, the export prices at the end of 2005 are virtually unchanged from the early part of the year. Butter has been easing in the past few months, but nevertheless, remains historically strong.

For 2006, the outlook is mixed. On the negative side, the high crude oil prices being experienced are likely to create economic drag in some country economies. In addition, the recent rather erratic strengthening of the dollar, if sustained, will serve to weaken prices. In principle, the U.S. Federal Reserve likely will continue to raise short-term interest rates in an effort to stem inflationary pressures, and that should lead to an appreciation of the dollar throughout 2006. There are, however, several positive factors: global GDP for 2006 is currently expected to exceed 3 percent; the anticipated wave of Oceania dairy supplies for the current season appears less likely as New Zealand milk production falters; world dairy inventory levels remain fairly tight; and some major importing nations that are also petroleum exporters, such as Mexico, Algeria, and Russia, will benefit from high oil prices. Therefore any price projections for 2006 will be particularly tenuous. Nevertheless, the outlook for the first half of 2006, at this time, appears to be fairly bright with the expectation that world dairy prices will weaken slightly but will still remain relatively high.

NDM prices are currently trading in the range of $2,125-$2,250 FOB N. Europe and may remain in that range despite downward pressure from an appreciating dollar. The EU-25 has held a tight rein on export subsidies, cutting them aggressively from around € 280/MT early in 2005 to €100/MT in September 2005. If intervention stock levels – currently minimal at less than 10,000 tons – remain low, the EU may continue this budget saving strategy. An appreciating dollar would also offset any cuts in export subsidies. At present, internal EU prices for NDM have, since July 2005, eased by around 6 percent to €1,920/MT ($2,275/MT) in late November, but nevertheless remain well above the intervention price of €1,850/MT that prevail once intervention stores are opened on March 1, 2006. By July 1, 2006, the intervention price will be cut by 5.5 percent to €1,747/MT ($2,061/MT). At present, early indications for December suggest that EU

NDM prices have stabilized and may be on an upswing which would be indicative of a well balanced market.

The table below provides a view of the sensitivity of EU internal prices and various exchange rates on calculated export prices. For example, at an internal price of €1.93/kg and an exchange rate of $1.18/€, results in a theoretical export price of NDM – assuming a €100/MT restitution – is around $2,202/MT.

	€/Kg				
$/Euro	1.87	1.90	1.93	1.96	1.99
1.2158	2,195	2,232	2,268	2,305	2,341
1.2037	2,174	2,210	2,246	2,282	2,318
1.1918	2,152	2,188	2,224	2,259	2,295
1.1800	2,131	2,166	2,202	2,237	2,272
1.1682	2,109	2,144	2,180	2,215	2,250
1.1565	2,088	2,123	2,158	2,192	2,227

Export Price FOB $/MT

In Oceania, exports of NDM will be largely unchanged from last year and in the United States, exports are predicted to be pared back. A further dynamic operating in the United States is the significant outflow of milk powder blends, including milk protein concentrates, to the export market that is providing another significant export channel for skimmed milk solids. Consequently, for the next 6 months, while prices may slide due to currency movements, and assuming that current production parameters (particularly with respect to New Zealand) apply, then NDM market prices should remain historically strong as supplies remain relatively limited.

The global markets for WMP have paralleled the trends in the NDM markets. Currently, prices are high in the range of $2,200-$2,275/MT FOB N. Europe and have only declined marginally from prices prevailing early in the year. The EU has aggressively scaled back export restitutions from around €700/MT ($826/MT) early in 2005 to €500/MT ($590/MT) late in the year. Internal EU WMP prices are low, relative to 2004 and 2003, but are presently stable. EU-25 WMP production is forecast to decline slightly in 2006. In Oceania, however, the WMP forecast calls for increased export supplies, and any slackening in import demand could quickly undermine price levels. In some markets, imports of WMP have already declined, e.g., in China, imports of WMP are estimated to have fallen by around 26 percent in 2005 and are expected to drop further in 2006. Some major importing markets, however, are also major oil producers, e.g., Algeria, Iraq, and Venezuela, and are likely to continue purchasing substantial volumes.

Global cheese prices have recently declined as a result of the appreciating U.S. dollar coupled with more readily available supplies from Oceania. Import demand in major consuming countries, such as the United States, the EU-25 and Russia, is expected to remain relatively robust while Japanese purchases are forecast to decline slightly. However, the escalation in cheese prices since 2003 relative to other dairy products has been extreme – nearly 80 percent from January 2003 through Oct 2005. Consequently, it would not be surprising if in the next few months cheese export prices decline as demand in the smaller importing nations is adversely impacted. A healthy global economy will, however, help ensure that any price correction will be relatively moderate and prices will still probably remain at historically high levels.

Butter prices have been sliding since August 2005 reflecting the arrival of the New Zealand milk production season and slack demand particularly in the Russian market. For 2006, ample supplies from Oceania and the EU-25 will likely place downward pressure on prices. However, import demand in Russia is expected to rebound, and purchases from some of the North African and Middle-East markets should remain fairly solid. Further, EU-25 exports of butterfat are forecast to repeat 2005 levels but rely on a sharp drawdown of stock levels to sustain exports. Consequently, although the outlook for butter markets is for a continuing decline in prices, further cuts in EU export restitutions in anticipation of lower intervention prices in July 2006 could reverse any price declines.

COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Head

Milk Cow Numbers	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	1,091	1,084	1,065	1,057	1,065	1,059
Mexico	6,800	6,800	6,800	6,800	6,850	6,875
United States	9,103	9,139	9,083	9,010	9,035	9,100
Sub-total	**16,994**	**17,023**	**16,948**	**16,867**	**16,950**	**17,034**
South America						
Argentina	2,450	2,150	2,000	2,000	2,100	2,150
Brazil	15,900	15,600	15,300	15,200	15,100	15,050
Sub-total	**18,350**	**17,750**	**17,300**	**17,200**	**17,200**	**17,200**
European Union - 25 1/	**25,747**	**25,140**	**24,456**	**23,963**	**23,398**	**23,050**
Eastern Europe						
Romania	**1,564**	**1,550**	**1,684**	**1,694**	**1,587**	**1,650**
Former Soviet Union						
Russia	12,500	12,200	11,700	11,200	10,430	9,770
Ukraine	4,958	4,918	4,715	4,313	3,950	3,910
Sub-total	**17,458**	**17,118**	**16,415**	**15,513**	**14,380**	**13,680**
South Asia						
India	**35,900**	**36,000**	**36,500**	**37,000**	**38,000**	**38,600**
Asia						
China	2,848	3,420	4,466	5,466	6,700	8,100
Japan	971	966	964	936	910	900
Sub-total	**3,819**	**4,386**	**5,430**	**6,402**	**7,610**	**9,000**
Oceania						
Australia 2/	2,281	2,369	2,050	2,036	2,041	2,045
New Zealand 3/	3,557	3,749	3,842	3,920	3,970	4,000
Sub-total	**5,838**	**6,118**	**5,892**	**5,956**	**6,011**	**6,045**
TOTAL SELECTED COUNTRIES	**125,670**	**125,085**	**124,625**	**124,595**	**125,136**	**126,259**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec. 2005

COWS MILK : SUMMARY FOR SELECTED COUNTRIES

MT/Head

Fluid Milk Production Per Cow	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	7.43	7.35	7.26	7.46	7.32	7.32
Mexico	1.40	1.41	1.44	1.45	1.47	1.50
United States	8.24	8.44	8.51	8.60	8.87	9.04
South America						
Argentina	3.88	3.95	3.98	4.63	4.69	4.79
Brazil	1.40	1.45	1.49	1.53	1.59	1.64
European Union - 25 1/	5.05	5.21	5.39	5.46	5.63	5.74
Eastern Europe						
Romania	3.32	3.32	3.21	3.38	3.47	3.45
Former Soviet Union						
Russia	2.64	2.75	2.82	2.86	2.99	3.28
Ukraine	2.66	2.82	2.84	3.20	3.49	3.53
South Asia						
India	1.01	1.01	1.00	1.01	1.01	1.02
Asia						
China	3.60	3.80	3.91	4.14	4.18	4.17
Japan	8.55	8.68	8.71	8.90	9.07	9.12
Oceania						
Australia 2/	4.76	4.90	5.19	5.10	5.11	5.26
New Zealand 3/	3.70	3.71	3.73	3.83	3.63	3.53

Source: Counselor and attache reports, official statistics, and results of office research.

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FAS/CMP/DLP Dec., 2005

COWS MILK: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

Fluid Milk Production	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	8,106	7,964	7,734	7,885	7,800	7,750
Mexico	9,501	9,560	9,784	9,874	10,063	10,285
United States	74,994	77,140	77,290	77,477	80,150	82,250
Sub-total	**92,601**	**94,664**	**94,808**	**95,236**	**98,013**	**100,285**
South America						
Argentina	9,500	8,500	7,950	9,250	9,850	10,300
Brazil	22,300	22,635	22,860	23,317	24,025	24,680
Sub-total	**31,800**	**31,135**	**30,810**	**32,567**	**33,875**	**34,980**
European Union - 25 1/	**130,069**	**131,040**	**131,847**	**130,812**	**131,750**	**132,250**
Eastern Europe						
Romania	**5,188**	**5,150**	**5,400**	**5,723**	**5,500**	**5,700**
Former Soviet Union						
Russia	33,000	33,500	33,000	32,000	31,200	32,000
Ukraine	13,169	13,860	13,400	13,787	13,800	13,800
Sub-total	**46,169**	**47,360**	**46,400**	**45,787**	**45,000**	**45,800**
South Asia						
India	**36,400**	**36,200**	**36,500**	**37,500**	**38,500**	**39,450**
Asia						
China	10,255	12,998	17,463	22,606	28,000	33,800
Japan	8,300	8,385	8,400	8,329	8,255	8,210
Sub-total	**18,555**	**21,383**	**25,863**	**30,935**	**36,255**	**42,010**
Oceania						
Australia 2/	10,864	11,608	10,636	10,377	10,428	10,750
New Zealand 3/	13,162	13,925	14,346	15,000	14,400	14,100
Sub-total	**24,026**	**25,533**	**24,982**	**25,377**	**24,828**	**24,850**
TOTAL SELECTED COUNTRIES	**384,808**	**392,465**	**396,610**	**403,937**	**413,721**	**425,325**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
- (p) Preliminary.
- (f) Forecast.
- (1) Based on deliveries
- (2) Year ending June 30 of the year shown.
- (3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec. 2005

COWS MILK : SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

Fluid Milk Consumption	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	2,909	2,884	2,810	2,826	2,835	2,796
Mexico	4,075	4,080	4,352	4,349	4,468	4,600
United States	26,850	27,003	27,373	27,492	27,575	27,575
Sub-total	**33,834**	**33,967**	**34,535**	**34,667**	**34,878**	**34,971**
South America						
Argentina	2,350	1,990	2,050	1,800	1,900	2,000
Brazil	12,390	12,295	12,391	12,743	13,175	13,309
Sub-total	**14,740**	**14,285**	**14,441**	**14,543**	**15,075**	**15,309**
European Union - 25 1/	**36,385**	**34,471**	**34,633**	**34,306**	**33,702**	**33,550**
Eastern Europe						
Romania	**3,500**	**3,460**	**3,662**	**3,840**	**3,700**	**3,819**
Former Soviet Union						
Russia	14,140	14,350	13,350	12,900	12,450	12,400
Ukraine	3,200	3,300	3,450	5,112	4,320	4,170
Sub-total	**17,340**	**17,650**	**16,800**	**18,012**	**16,770**	**16,570**
South Asia						
India	**33,000**	**33,300**	**33,500**	**34,000**	**35,500**	**38,500**
Asia						
China	4,463	5,678	7,661	10,315	13,000	15,800
Japan	4,941	5,002	5,035	4,955	4,800	4,755
Sub-total	**9,404**	**10,680**	**12,696**	**15,270**	**17,800**	**20,555**
Oceania						
Australia 2/	1,920	1,966	1,982	2,020	2,083	2,100
New Zealand 3/	355	355	360	360	360	360
Sub-total	**2,275**	**2,321**	**2,342**	**2,380**	**2,443**	**2,460**
TOTAL SELECTED COUNTRIES	**150,478**	**150,134**	**152,609**	**157,018**	**159,868**	**165,734**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

CHEESE PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	329	350	342	305	307	308
Mexico	140	145	126	134	136	138
United States	3,747	3,877	3,881	4,026	4,145	4,275
Sub-total	**4,216**	**4,372**	**4,349**	**4,465**	**4,588**	**4,721**
South America						
Argentina	440	370	325	370	400	425
Brazil	460	470	460	470	480	495
Sub-total	**900**	**840**	**785**	**840**	**880**	**920**
European Union - 25	**5,865**	**5,993**	**6,100**	**6,430**	**6,515**	**6,580**
Eastern Europe						
Romania	**90**	**88**	**23**	**26**	**28**	**29**
Former Soviet Union						
Russia	260	340	335	350	355	360
Ukraine	105	129	169	224	270	290
Sub-total	**365**	**469**	**504**	**574**	**625**	**650**
North Africa						
Egypt	**395**	**410**	**450**	**455**	**460**	**462**
Asia						
Japan	34	36	35	35	37	38
Korea	20	20	23	24	23	23
Sub-total	**54**	**56**	**58**	**59**	**60**	**61**
Oceania						
Australia 2/	374	413	368	389	376	395
New Zealand 3/	281	312	301	308	300	295
Sub-total	**655**	**725**	**669**	**697**	**676**	**690**
TOTAL SELECTED COUNTRIES	**12,540**	**12,953**	**12,938**	**13,546**	**13,832**	**14,113**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

CHEESE CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	334	358	348	319	326	327
Mexico	206	210	204	214	219	222
United States	3,913	4,006	4,040	4,189	4,290	4,418
Sub-total	**4,453**	**4,574**	**4,592**	**4,722**	**4,835**	**4,967**
South America						
Argentina	420	350	310	338	350	360
Brazil	466	479	463	468	476	490
Sub-total	**886**	**829**	**773**	**806**	**826**	**850**
European Union - 25	**5,522**	**5,593**	**5,713**	**6,021**	**6,115**	**6,180**
Eastern Europe						
Romania	**90**	**88**	**22**	**25**	**26**	**28**
Former Soviet Union						
Russia	394	465	498	528	560	570
Ukraine	75	94	110	133	162	164
Sub-total	**469**	**559**	**608**	**661**	**722**	**734**
North Africa						
Egypt	**402**	**414**	**454**	**459**	**464**	**465**
Asia						
Japan	236	240	229	254	252	248
Korea	52	51	59	65	66	68
Sub-total	**288**	**291**	**288**	**319**	**318**	**316**
Oceania						
Australia 2/	205	225	230	230	225	225
New Zealand 3/	23	28	28	28	28	28
Sub-total	**228**	**253**	**258**	**258**	**253**	**253**
TOTAL SELECTED COUNTRIES	**12,338**	**12,601**	**12,708**	**13,271**	**13,559**	**13,793**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

CHEESE IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	27	28	24	24	26	27
Mexico	66	65	78	82	85	86
United States	198	214	216	209	203	205
Sub-total	**291**	**307**	**318**	**315**	**314**	**318**
South America						
Argentina	6	1	1	0	2	4
Brazil	8	11	6	4	3	3
Sub-total	**14**	**12**	**7**	**4**	**5**	**7**
European Union - 25	**142**	**116**	**127**	**106**	**100**	**100**
Eastern Europe						
Romania	**0**	**0**	**2**	**3**	**2**	**3**
Former Soviet Union						
Russia	140	130	175	190	215	220
Ukraine	2	2	2	3	2	2
Sub-total	**142**	**132**	**177**	**193**	**217**	**222**
North Africa						
Egypt	**9**	**9**	**9**	**9**	**10**	**10**
Asia						
Japan	202	204	194	219	215	210
Korea	34	31	36	41	43	45
Sub-total	**236**	**235**	**230**	**260**	**258**	**255**
Oceania						
Australia 2/	43	45	51	49	51	52
New Zealand 3/	2	1	2	2	2	3
Sub-total	**45**	**46**	**53**	**51**	**53**	**55**
TOTAL SELECTED COUNTRIES	**879**	**857**	**923**	**941**	**959**	**970**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
- (p) Preliminary.
- (f) Forecast.
- (1) Based on deliveries
- (2) Year ending June 30 of the year shown.
- (3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

CHEESE EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	19	17	11	10	9	8
Mexico	0	0	0	2	2	2
United States	53	54	52	61	60	62
Sub-total	**72**	**71**	**63**	**73**	**71**	**72**
South America						
Argentina	18	26	23	31	45	65
Brazil	2	2	3	6	7	8
Sub-total	**20**	**28**	**26**	**37**	**52**	**73**
European Union - 25	**485**	**516**	**514**	**515**	**500**	**500**
Eastern Europe						
Romania	**0**	**0**	**3**	**4**	**4**	**4**
Former Soviet Union						
Russia	5	5	10	10	10	10
Ukraine	31	37	61	94	110	130
Sub-total	**36**	**42**	**71**	**104**	**120**	**140**
North Africa						
Egypt	**2**	**5**	**5**	**5**	**6**	**7**
Asia						
Japan	0	0	0	0	0	0
Korea	1	0	1	0	0	0
Sub-total	**1**	**0**	**1**	**0**	**0**	**0**
Oceania						
Australia 2/	219	218	207	212	227	228
New Zealand 3/	251	277	290	289	267	280
Sub-total	**470**	**495**	**497**	**501**	**494**	**508**
TOTAL SELECTED COUNTRIES	**1,086**	**1,157**	**1,180**	**1,239**	**1,247**	**1,304**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

CHEESE ENDING STOCKS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	49	52	59	59	57	57
Mexico	0	0	0	0	0	0
United States	301	332	337	322	320	320
Sub-total	**350**	**384**	**396**	**381**	**377**	**377**
South America						
Argentina	34	29	22	23	30	34
Brazil	0	0	0	0	0	0
Sub-total	**34**	**29**	**22**	**23**	**30**	**34**
European Union - 25	**0**	**0**	**0**	**0**	**0**	**0**
Eastern Europe						
Romania	**5**	**5**	**5**	**5**	**5**	**5**
Former Soviet Union						
Russia	8	8	10	12	12	12
Ukraine	2	2	2	2	2	0
Sub-total	**10**	**10**	**12**	**14**	**14**	**12**
North Africa						
Egypt	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
Japan	15	15	15	15	15	15
Korea	3	3	2	2	2	2
Sub-total	**18**	**18**	**17**	**17**	**17**	**17**
Oceania						
Australia 2/	58	73	55	51	26	20
New Zealand 3/	43	51	36	29	36	26
Sub-total	**101**	**124**	**91**	**80**	**62**	**46**
TOTAL SELECTED COUNTRIES	**518**	**570**	**543**	**520**	**505**	**491**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

BUTTER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	84	77	84	86	88	90
Mexico	70	70	77	88	89	92
United States	559	615	563	567	605	620
Sub-total	**713**	**762**	**724**	**741**	**782**	**802**
South America						
Brazil	**78**	**70**	**72**	**75**	**77**	**78**
European Union - 25	**2,021**	**2,226**	**2,226**	**2,154**	**2,150**	**2,145**
Eastern Europe						
Romania	**6**	**6**	**6**	**9**	**7**	**9**
Former Soviet Union						
Russia	270	280	280	270	270	270
Ukraine	156	131	148	138	140	145
Sub-total	**426**	**411**	**428**	**408**	**410**	**415**
North Africa						
Egypt	**12**	**12**	**13**	**12**	**11**	**12**
Asia						
India	2,250	2,400	2,450	2,600	2,850	3,200
Japan	80	83	80	80	80	79
Sub-total	**2,330**	**2,483**	**2,530**	**2,680**	**2,930**	**3,279**
Oceania						
Australia 2/	160	164	163	132	131	130
New Zealand 3/	352	370	392	390	345	330
Sub-total	**512**	**534**	**555**	**522**	**476**	**460**
TOTAL SELECTED COUNTRIES	**6,098**	**6,504**	**6,554**	**6,601**	**6,843**	**7,200**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

BUTTER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	89	86	92	96	98	99
Mexico	105	107	117	141	144	147
United States	579	581	595	615	615	635
Sub-total	**773**	**774**	**804**	**852**	**857**	**881**
South America						
Brazil	**77**	**78**	**74**	**75**	**77**	**78**
European Union - 25	**1,903**	**1,999**	**1,983**	**1,936**	**1,927**	**1,915**
Eastern Europe						
Romania	**7**	**8**	**9**	**12**	**10**	**12**
Former Soviet Union						
Russia	380	400	440	437	415	435
Ukraine	100	110	140	103	110	115
Sub-total	**480**	**510**	**580**	**540**	**525**	**550**
North Africa						
Algeria	0	14	15	15	15	15
Egypt	57	62	60	40	41	47
Sub-total	**57**	**76**	**75**	**55**	**56**	**62**
Asia						
India	2,251	2,399	2,449	2,608	2,845	3,185
Japan	92	88	89	88	83	85
Taiwan	0	10	12	11	12	12
Sub-total	**2,343**	**2,497**	**2,550**	**2,707**	**2,940**	**3,282**
Oceania						
Australia 2/	57	50	60	60	59	58
New Zealand 3/	27	26	26	26	26	26
Sub-total	**84**	**76**	**86**	**86**	**85**	**84**
TOTAL SELECTED COUNTRIES	**5,724**	**6,018**	**6,161**	**6,263**	**6,477**	**6,864**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

BUTTER IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	26	19	20	28	25	25
Mexico	35	37	40	53	55	55
United States	34	16	15	23	15	15
Sub-total	**95**	**72**	**75**	**104**	**95**	**95**
South America						
Brazil	**2**	**8**	**4**	**1**	**1**	**1**
European Union - 25	**93**	**92**	**92**	**90**	**75**	**75**
Eastern Europe						
Romania	**0**	**2**	**3**	**3**	**3**	**3**
Former Soviet Union						
Russia	110	120	160	170	150	170
Ukraine	2	1	0	0	0	0
Sub-total	**112**	**121**	**160**	**170**	**150**	**170**
North Africa						
Algeria	0	12	15	15	15	15
Egypt	45	50	47	28	30	35
Sub-total	**45**	**62**	**62**	**43**	**45**	**50**
Asia						
India	3	2	1	10	5	0
Japan	0	4	13	7	5	8
Taiwan	0	10	12	11	12	12
Sub-total	**3**	**16**	**26**	**28**	**22**	**20**
Oceania						
Australia 2/	12	7	7	9	10	11
New Zealand 3/	0	0	0	0	1	1
Sub-total	**12**	**7**	**7**	**9**	**11**	**12**
TOTAL SELECTED COUNTRIES	**362**	**380**	**429**	**448**	**402**	**426**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.

(f) Forecast.

(1) Based on deliveries

(2) Year ending June 30 of the year shown.

(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

BUTTER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	16	17	12	17	18	19
Mexico	0	0	0	0	0	0
United States	0	3	10	0	0	0
Sub-total	**16**	**20**	**22**	**17**	**18**	**19**
South America						
Brazil	**3**	**0**	**2**	**1**	**1**	**1**
European Union - 25	**196**	**222**	**307**	**352**	**360**	**360**
Eastern Europe						
Romania	**0**	**0**	**0**	**0**	**0**	**0**
Former Soviet Union						
Russia	3	5	5	5	5	5
Ukraine	53	15	18	42	30	35
Sub-total	**56**	**20**	**23**	**47**	**35**	**40**
North Africa						
Algeria	0	0	0	0	0	0
Egypt	0	0	0	0	0	0
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
India	2	3	2	2	10	15
Japan	0	0	0	0	0	0
Taiwan	0	0	0	0	0	0
Sub-total	**2**	**3**	**2**	**2**	**10**	**15**
Oceania						
Australia 2/	123	125	110	75	88	83
New Zealand 3/	347	343	386	374	292	305
Sub-total	**470**	**468**	**496**	**449**	**380**	**388**
TOTAL SELECTED COUNTRIES	**743**	**733**	**852**	**868**	**804**	**823**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

BUTTER ENDING STOCKS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	20	13	13	14	11	8
Mexico	0	0	0	0	0	0
United States	25	72	45	20	25	25
Sub-total	**45**	**85**	**58**	**34**	**36**	**33**
South America						
Brazil	**0**	**0**	**0**	**0**	**0**	**0**
European Union - 25	**151**	**248**	**276**	**232**	**170**	**115**
Eastern Europe						
Romania	**0**	**0**	**0**	**0**	**0**	**0**
Former Soviet Union						
Russia	27	22	17	15	15	15
Ukraine	15	22	12	5	5	0
Sub-total	**42**	**44**	**29**	**20**	**20**	**15**
North Africa						
Algeria	0	1	1	1	1	1
Egypt	0	0	0	0	0	0
Sub-total	**0**	**1**	**1**	**1**	**1**	**1**
Asia						
India	0	0	0	0	0	0
Japan	21	20	24	23	25	27
Taiwan	0	0	0	0	0	0
Sub-total	**21**	**20**	**24**	**23**	**25**	**27**
Oceania						
Australia 2/	6	2	2	8	2	2
New Zealand 3/	50	51	31	21	49	49
Sub-total	**56**	**53**	**33**	**29**	**51**	**51**
TOTAL SELECTED COUNTRIES	**315**	**451**	**421**	**339**	**303**	**242**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
- (p) Preliminary.
- (f) Forecast.
- (1) Based on deliveries
- (2) Year ending June 30 of the year shown.
- (3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

NONFAT DRY MILK PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	90	83	91	88	74	70
Mexico	143	150	150	170	172	175
United States	641	724	721	638	740	780
Sub-total	**874**	**957**	**962**	**896**	**986**	**1,025**
South America						
Argentina	40	34	31	35	40	42
Brazil	103	107	108	110	113	117
Chile	9	9	9	10	10	11
Colombia	5	6	7	8	9	0
Sub-total	**157**	**156**	**155**	**163**	**172**	**170**
European Union - 25	**1,215**	**1,369**	**1,326**	**1,066**	**1,035**	**1,035**
Former Soviet Union						
Russia	130	140	145	125	110	120
Ukraine	92	63	71	78	80	82
Sub-total	**222**	**203**	**216**	**203**	**190**	**202**
North Africa						
Algeria	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
China	70	72	83	68	60	55
India	175	185	200	235	270	290
Indonesia	0	0	0	0	0	0
Japan	175	183	183	183	182	180
Korea	22	35	26	25	25	25
Philippines	0	0	0	0	0	0
Taiwan	0	0	0	0	0	0
Sub-total	**442**	**475**	**492**	**511**	**537**	**550**
Oceania						
Australia 2/	265	261	215	203	189	190
New Zealand 3/	227	255	289	294	250	230
Sub-total	**492**	**516**	**504**	**497**	**439**	**420**
TOTAL SELECTED COUNTRIES	**3,402**	**3,676**	**3,655**	**3,336**	**3,359**	**3,402**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

NONFAT DRY MILK CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES
1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	45	46	42	56	79	73
Mexico	286	287	335	338	340	345
United States	428	491	657	621	608	516
Sub-total	**759**	**824**	**1,034**	**1,015**	**1,027**	**934**
South America						
Argentina	20	16	18	19	20	20
Brazil	114	123	112	112	115	117
Chile	15	15	16	15	15	16
Colombia	9	9	9	8	9	0
Peru	13	9	9	8	6	0
Sub-total	**171**	**172**	**164**	**162**	**165**	**153**
European Union - 25	**985**	**989**	**1,013**	**950**	**902**	**860**
Former Soviet Union						
Russia	165	170	180	170	155	165
Ukraine	20	20	21	15	15	15
Sub-total	**185**	**190**	**201**	**185**	**170**	**180**
North Africa						
Algeria	80	110	93	90	100	100
Egypt	15	18	27	24	23	25
Sub-total	**95**	**128**	**120**	**114**	**123**	**125**
Asia						
China	88	107	133	127	113	105
India	182	195	186	231	250	270
Indonesia	82	95	105	115	121	120
Japan	207	223	211	222	205	200
Korea	30	34	33	31	32	32
Philippines	99	90	96	104	112	115
Taiwan	34	31	23	17	15	15
Sub-total	**722**	**775**	**787**	**847**	**848**	**857**
Oceania						
Australia 2/	33	35	35	20	20	20
New Zealand 3/	5	5	5	5	5	5
Sub-total	**38**	**40**	**40**	**25**	**25**	**25**
TOTAL SELECTED COUNTRIES	**2,955**	**3,118**	**3,359**	**3,298**	**3,260**	**3,134**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

NONFAT DRY MILK IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	3	1	2	2	4	5
Mexico	141	132	173	168	168	170
United States	3	6	1	1	1	1
Sub-total	**147**	**139**	**176**	**171**	**173**	**176**
South America						
Argentina	0	0	1	0	0	0
Brazil	11	19	7	4	5	4
Chile	6	5	9	3	5	5
Colombia	4	3	1	0	0	0
Peru	13	9	9	8	6	0
Sub-total	**34**	**36**	**27**	**15**	**16**	**9**
European Union - 25	**48**	**30**	**56**	**25**	**20**	**20**
Former Soviet Union						
Russia	50	50	60	65	60	60
Ukraine	0	0	1	0	0	0
Sub-total	**50**	**50**	**61**	**65**	**60**	**60**
North Africa						
Algeria	97	114	80	90	100	100
Egypt	15	18	27	24	23	25
Sub-total	**112**	**132**	**107**	**114**	**123**	**125**
Asia						
China	18	35	51	61	55	52
India	0	0	0	15	0	0
Indonesia	98	110	120	125	135	135
Japan	53	44	43	37	25	20
Korea	5	4	5	4	4	5
Philippines	89	100	110	120	130	135
Taiwan	34	31	23	17	15	15
Sub-total	**297**	**324**	**352**	**379**	**364**	**362**
Oceania						
Australia 2/	2	3	4	2	4	4
New Zealand 3/	0	0	0	1	1	1
Sub-total	**2**	**3**	**4**	**3**	**5**	**5**
TOTAL SELECTED COUNTRIES	**690**	**714**	**783**	**772**	**761**	**757**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

NONFAT DRY MILK EXPORTS: SUMMARY FOR SELECTED COUNTRIES
1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	46	49	36	16	4	3
Mexico	0	0	0	0	0	0
United States	96	126	141	231	300	250
Sub-total	**142**	**175**	**177**	**247**	**304**	**253**
South America						
Argentina	18	22	14	18	22	22
Brazil	0	3	3	2	3	4
Chile	0	0	0	0	0	1
Colombia	0	0	0	0	0	0
Peru	0	0	0	0	0	0
Sub-total	**18**	**25**	**17**	**20**	**25**	**27**
European Union - 25	**284**	**267**	**339**	**282**	**225**	**200**
Former Soviet Union						
Russia	15	20	25	20	15	15
Ukraine	71	43	51	63	65	67
Sub-total	**86**	**63**	**76**	**83**	**80**	**82**
North Africa						
Algeria	0	0	0	0	0	0
Egypt	0	0	0	0	0	0
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
China	0	0	1	2	2	2
India	8	10	23	10	15	20
Indonesia	16	15	18	12	10	20
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	0	12	14	16	18	20
Taiwan	0	0	0	0	0	0
Sub-total	**24**	**37**	**56**	**40**	**45**	**62**
Oceania						
Australia 2/	218	231	193	187	174	173
New Zealand 3/	195	248	314	305	221	226
Sub-total	**413**	**479**	**507**	**492**	**395**	**399**
TOTAL SELECTED COUNTRIES	**967**	**1,046**	**1,172**	**1,164**	**1,074**	**1,023**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

NONFAT DRY MILK ENDING STOCKS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	19	8	23	41	36	35
Mexico	42	37	25	25	25	25
United States	408	521	445	232	65	80
Sub-total	**469**	**566**	**493**	**298**	**126**	**140**
South America						
Argentina	10	6	6	4	2	2
Brazil	0	0	0	0	0	0
Chile	4	3	5	3	3	2
Colombia	1	1	0	0	0	0
Peru	1	1	1	1	1	0
Sub-total	**16**	**11**	**12**	**8**	**6**	**4**
European Union - 25	**45**	**188**	**218**	**77**	**5**	**0**
Former Soviet Union						
Russia	0	0	0	0	0	0
Ukraine	2	2	2	2	2	2
Sub-total	**2**	**2**	**2**	**2**	**2**	**2**
North Africa						
Algeria	19	23	10	10	10	10
Egypt	0	0	0	0	0	0
Sub-total	**19**	**23**	**10**	**10**	**10**	**10**
Asia						
China	0	0	0	0	0	0
India	34	14	5	14	19	19
Indonesia	15	15	12	10	14	9
Japan	66	70	85	83	85	85
Korea	6	11	9	7	4	2
Philippines	4	2	2	2	2	2
Taiwan	0	0	0	0	0	0
Sub-total	**125**	**112**	**113**	**116**	**124**	**117**
Oceania						
Australia 2/	18	16	7	5	4	5
New Zealand 3/	98	100	70	55	80	80
Sub-total	**116**	**116**	**77**	**60**	**84**	**85**
TOTAL SELECTED COUNTRIES	**792**	**1,018**	**925**	**571**	**357**	**358**

Source: Counselor and attache reports, official statistics, and results of office research.
Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

WHOLE MILK POWDER PRODUCTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	0	0	0	0	0	0
Mexico	0	0	0	0	0	0
United States	19	21	18	19	15	17
Sub-total	**19**	**21**	**18**	**19**	**15**	**17**
South America						
Argentina	185	205	198	260	270	270
Brazil	345	355	390	420	440	460
Chile	62	56	50	51	55	60
Sub-total	**592**	**616**	**638**	**731**	**765**	**790**
European Union - 25	**918**	**870**	**865**	**857**	**860**	**855**
Former Soviet Union						
Russia	110	120	110	90	85	90
Ukraine	19	17	20	28	29	30
Sub-total	**129**	**137**	**130**	**118**	**114**	**120**
North Africa						
Algeria	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
China	610	577	750	832	918	1,000
India	0	0	0	0	0	0
Indonesia	45	45	46	45	48	50
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	0	0	0	0	0	0
Taiwan	6	6	7	6	6	6
Sub-total	**661**	**628**	**803**	**883**	**972**	**1,056**
Oceania						
Australia 2/	205	239	170	187	187	195
New Zealand 3/	480	540	619	658	650	642
Sub-total	**685**	**779**	**789**	**845**	**837**	**837**
TOTAL SELECTED COUNTRIES	**3,004**	**3,051**	**3,243**	**3,453**	**3,563**	**3,675**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

WHOLE MILK POWDER CONSUMPTION: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	0	0	0	0	0	0
Mexico	55	45	45	35	35	35
United States	24	25	21	22	17	19
Sub-total	**79**	**70**	**66**	**57**	**52**	**54**
South America						
Argentina	90	95	84	86	90	90
Brazil	420	426	430	435	443	453
Chile	61	54	52	52	53	53
Sub-total	**571**	**575**	**566**	**573**	**586**	**596**
European Union - 25	**416**	**357**	**368**	**346**	**367**	**367**
Former Soviet Union						
Russia	119	130	124	109	110	115
Ukraine	8	11	12	10	10	10
Sub-total	**127**	**141**	**136**	**119**	**120**	**125**
North Africa						
Algeria	**107**	**118**	**118**	**140**	**160**	**160**
Asia						
China	608	626	821	898	956	1,026
India	0	0	0	0	0	0
Indonesia	66	58	63	65	75	80
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	50	30	17	17	18	18
Taiwan	34	35	34	36	32	32
Sub-total	**758**	**749**	**935**	**1,016**	**1,081**	**1,156**
Oceania						
Australia 2/	25	24	25	23	25	27
New Zealand 3/	1	1	1	1	1	1
Sub-total	**26**	**25**	**26**	**24**	**26**	**28**
TOTAL SELECTED COUNTRIES	**2,084**	**2,035**	**2,215**	**2,275**	**2,392**	**2,486**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

WHOLE MILK POWDER IMPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	0	0	0	0	0	0
Mexico	55	45	45	35	35	35
United States	4	4	3	3	2	2
Sub-total	**59**	**49**	**48**	**38**	**37**	**37**
South America						
Argentina	1	0	1	1	4	5
Brazil	43	95	33	21	25	20
Chile	4	2	16	4	5	5
Sub-total	**48**	**97**	**50**	**26**	**34**	**30**
European Union - 25	**3**	**7**	**5**	**3**	**2**	**2**
Former Soviet Union						
Russia	15	16	20	25	30	30
Ukraine	0	0	0	0	0	0
Sub-total	**15**	**16**	**20**	**25**	**30**	**30**
North Africa						
Algeria	**110**	**116**	**123**	**161**	**160**	**160**
Asia						
China	41	77	91	91	67	60
India	0	0	0	0	0	0
Indonesia	35	33	20	21	26	31
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	50	45	42	45	48	52
Taiwan	28	29	27	30	26	26
Sub-total	**154**	**184**	**180**	**187**	**167**	**169**
Oceania						
Australia 2/	7	3	7	12	15	15
New Zealand 3/	0	0	2	2	1	1
Sub-total	**7**	**3**	**9**	**14**	**16**	**16**
TOTAL SELECTED COUNTRIES	**396**	**472**	**435**	**454**	**446**	**444**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

WHOLE MILK POWDER EXPORTS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	0	0	0	0	0	0
Mexico	0	0	0	0	0	0
United States	0	0	0	0	0	0
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**
South America						
Argentina	85	136	100	177	185	190
Brazil	1	24	3	16	22	30
Chile	6	10	10	8	8	11
Sub-total	**92**	**170**	**113**	**201**	**215**	**231**
European Union - 25	**506**	**520**	**502**	**514**	**495**	**490**
Former Soviet Union						
Russia	6	6	6	6	5	5
Ukraine	11	6	8	18	19	20
Sub-total	**17**	**12**	**14**	**24**	**24**	**25**
North Africa						
Algeria	**0**	**0**	**0**	**0**	**0**	**0**
Asia						
China	43	28	20	25	29	34
India	0	0	0	0	0	0
Indonesia	22	20	1	1	1	1
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	0	15	25	28	30	34
Taiwan	0	0	0	0	0	0
Sub-total	**65**	**63**	**46**	**54**	**60**	**69**
Oceania						
Australia 2/	183	213	142	173	161	185
New Zealand 3/	511	481	635	669	585	642
Sub-total	**694**	**694**	**777**	**842**	**746**	**827**
TOTAL SELECTED COUNTRIES	**1,374**	**1,459**	**1,452**	**1,635**	**1,540**	**1,642**

Source: Counselor and attache reports, official statistics, and results of office research.

Notes:
- (p) Preliminary.
- (f) Forecast.
- (1) Based on deliveries
- (2) Year ending June 30 of the year shown.
- (3) Year ending May 31 of the year shown.

FAS/CMP/DLP Dec., 2005

WHOLE MILK POWDER ENDING STOCKS: SUMMARY FOR SELECTED COUNTRIES

1,000 Metric Tons

	2001	2002	2003	2004	(p) 2005	(f) 2006
North America						
Canada	0	0	0	0	0	0
Mexico	0	0	0	0	0	0
United States	1	1	1	1	1	1
Sub-total	**1**	**1**	**1**	**1**	**1**	**1**
South America						
Argentina	38	12	27	25	24	19
Brazil	31	31	21	11	11	8
Chile	11	5	9	4	3	4
Sub-total	**80**	**48**	**57**	**40**	**38**	**31**
European Union - 25	**0**	**0**	**0**	**0**	**0**	**0**
Former Soviet Union						
Russia	0	0	0	0	0	0
Ukraine	0	0	0	0	0	0
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**
North Africa						
Algeria	**6**	**4**	**9**	**30**	**30**	**30**
Asia						
China	0	0	0	0	0	0
India	0	0	0	0	0	0
Indonesia	4	4	6	6	4	4
Japan	0	0	0	0	0	0
Korea	0	0	0	0	0	0
Philippines	0	0	0	0	0	0
Taiwan	0	0	0	0	0	0
Sub-total	**4**	**4**	**6**	**6**	**4**	**4**
Oceania						
Australia 2/	10	15	25	28	44	42
New Zealand 3/	20	78	63	53	118	118
Sub-total	**30**	**93**	**88**	**81**	**162**	**160**
TOTAL SELECTED COUNTRIES	**121**	**150**	**161**	**158**	**235**	**226**

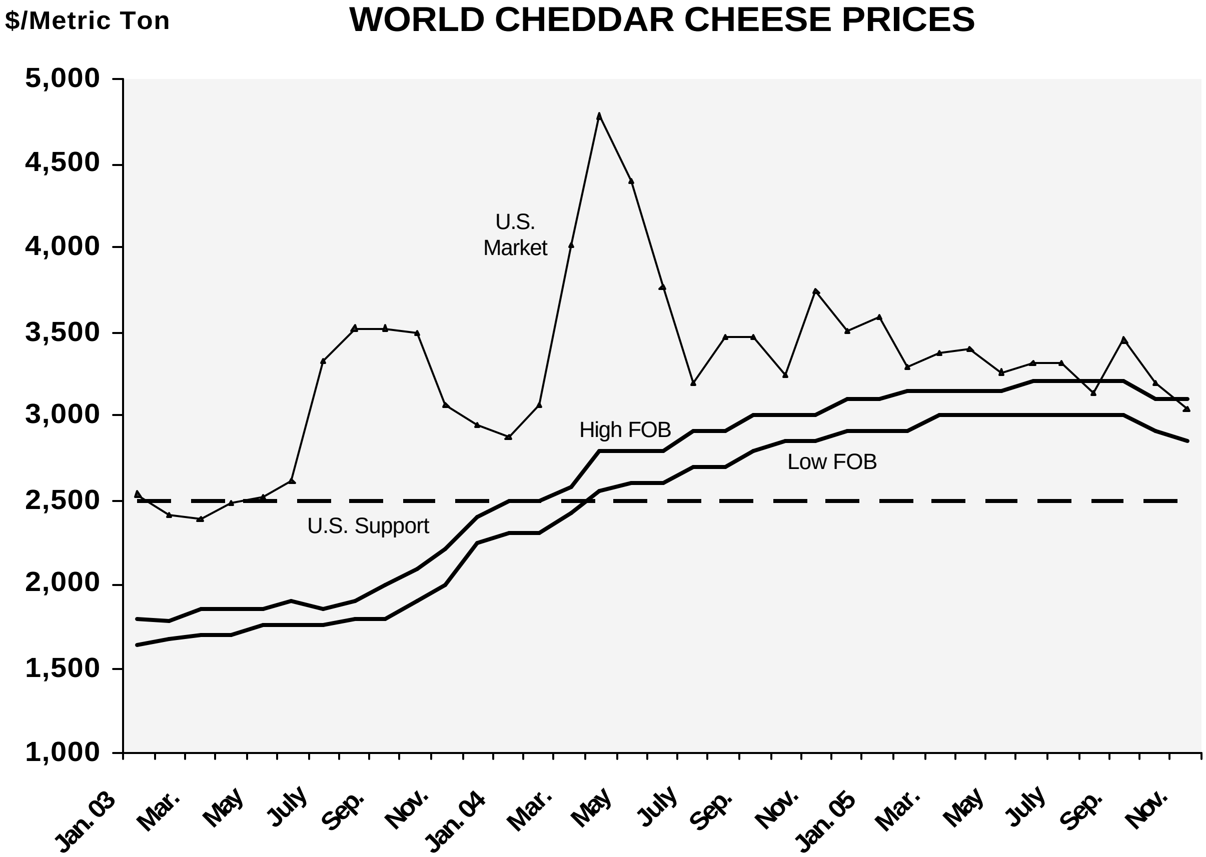
Source: Counselor and attache reports, official statistics, and results of office research.

Notes:

(p) Preliminary.
(f) Forecast.
(1) Based on deliveries
(2) Year ending June 30 of the year shown.
(3) Year ending May 31 of the year shown.

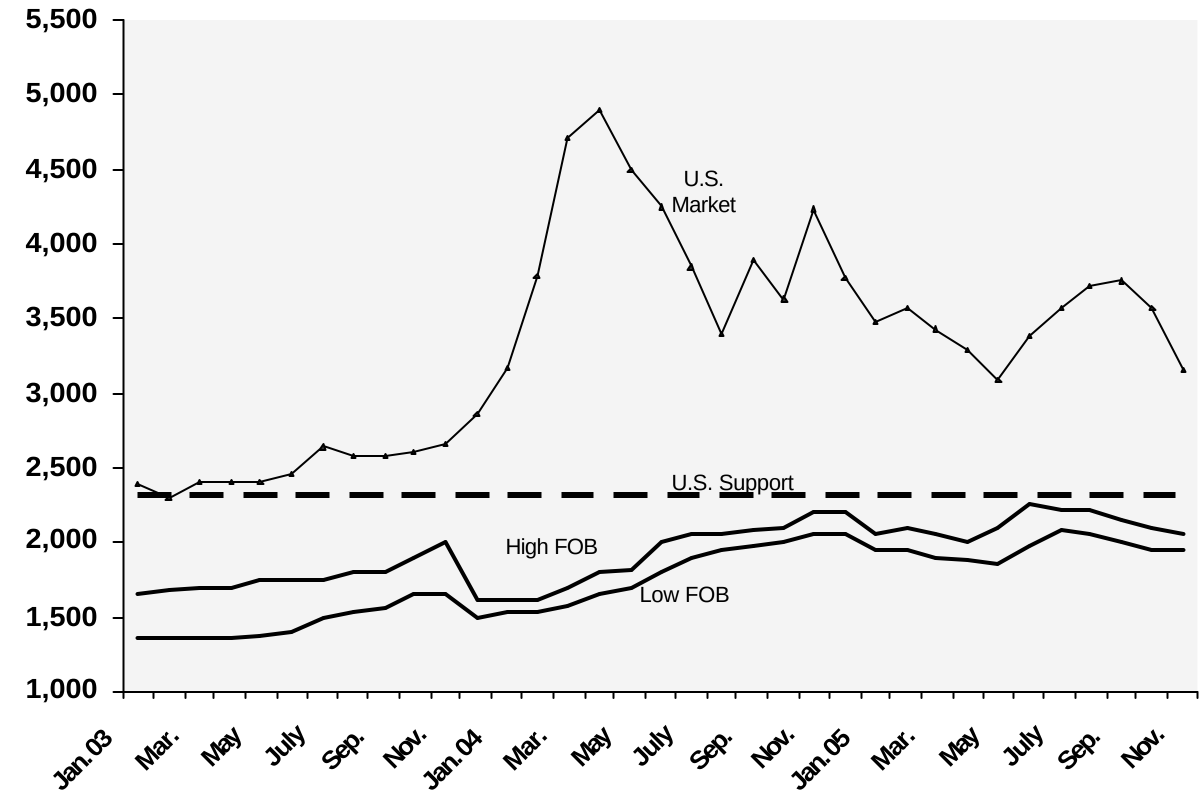
FAS/CMP/DLP Dec., 2005

WORLD CHEDDAR CHEESE PRICES

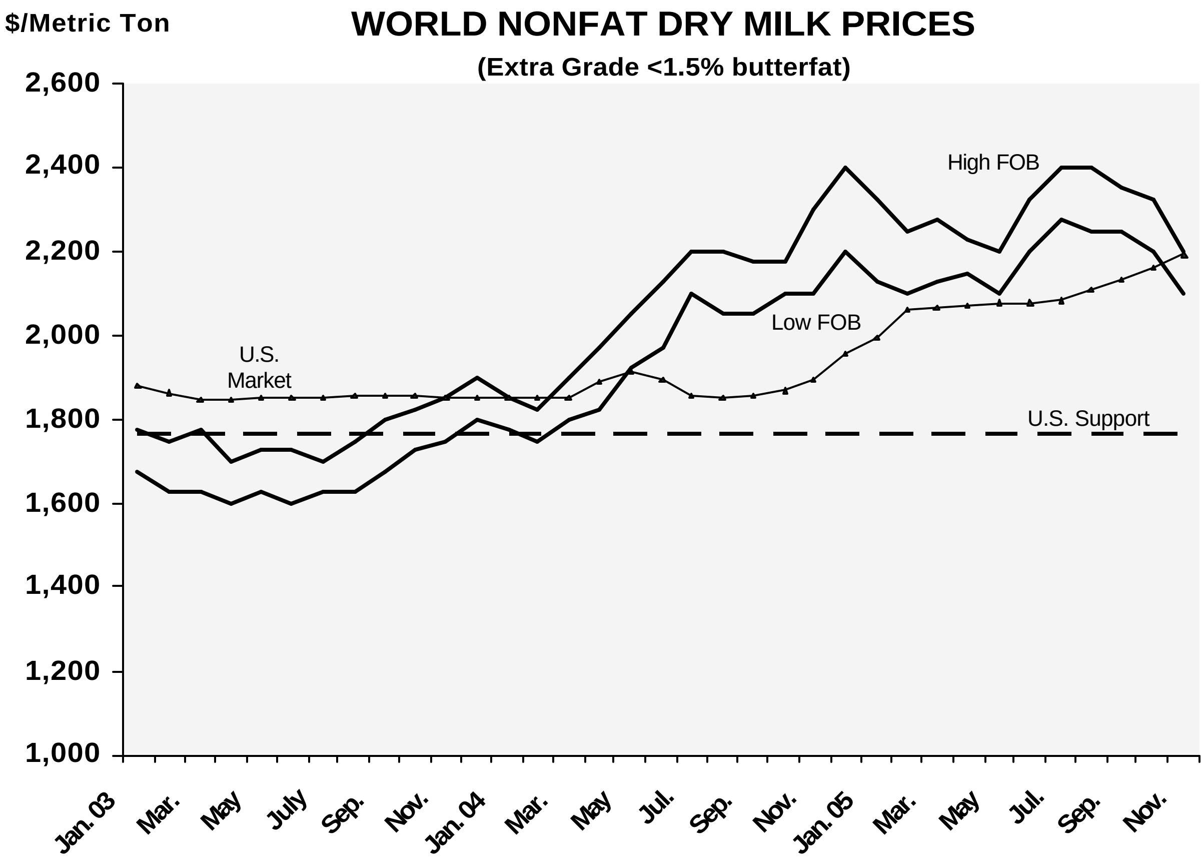


	N. Europe High FOB	N. Europe Low FOB	U.S. Market (CME #40 Block)	U.S. Support
Jan. 04	2,500	2,300	2,880	2,494
Feb.	2,500	2,300	3,080	2,494
Mar.	2,575	2,425	4,010	2,494
Apr.	2,800	2,550	4,780	2,494
May	2,800	2,600	4,295	2,494
June	2,800	2,600	3,770	2,494
July	2,900	2,700	3,195	2,494
Aug.	2,900	2,700	3,470	2,494
Sep.	3,000	2,800	3,460	2,494
Oct.	3,000	2,850	3,240	2,494
Nov.	3,000	2,850	3,740	2,494
Dec.	3,100	2,900	3,510	2,494
Jan. 05	3,100	2,900	3,585	2,494
Feb.	3,150	2,900	3,290	2,494
Mar.	3,150	3,000	3,375	2,494
Apr.	3,150	3,000	3,400	2,494
May	3,150	3,000	3,255	2,494
June	3,200	3,000	3,320	2,494
July	3,200	3,000	3,315	2,494
Aug.	3,200	3,000	3,140	2,494
Sep.	3,200	3,000	3,450	2,494
Oct.	3,100	2,900	3,190	2,494
Nov.	3,100	2,850	3,035	2,494

WORLD BUTTER PRICES



	N. Europe High FOB 82%	N. Europe Low FOB 82%	U.S. Market (80%-Salted CME)	U.S. Support
Jan.04	1,625	1,525	3,160	2,315
Feb.	1,625	1,525	3,780	2,315
Mar.	1,700	1,575	4,705	2,315
Apr.	1,800	1,650	4,895	2,315
May	1,800	1,700	4,490	2,315
June	2,000	1,800	4,255	2,315
July	2,050	1,900	3,850	2,315
Aug.	2,050	1,950	3,395	2,315
Sep.	2,075	1,975	3,890	2,315
Oct.	2,100	2,000	3,630	2,315
Nov.	2,200	2,050	4,235	2,315
Dec.	2,200	2,050	3,765	2,315
Jan. 05	2,050	1,950	3,480	2,315
Feb.	2,100	1,950	3,560	2,315
Mar.	2,050	1,900	3,423	2,315
Apr.	2,000	1,875	3,290	2,315
May	2,100	1,850	3,095	2,315
June	2,250	1,975	3,375	2,315
July	2,225	2,075	3,570	2,315
Aug.	2,225	2,050	3,720	2,315
Sep.	2,150	2,000	3,745	2,315
Oct.	2,100	1,950	3,570	2,315
Nov.	2,050	1,950	3,145	2,315

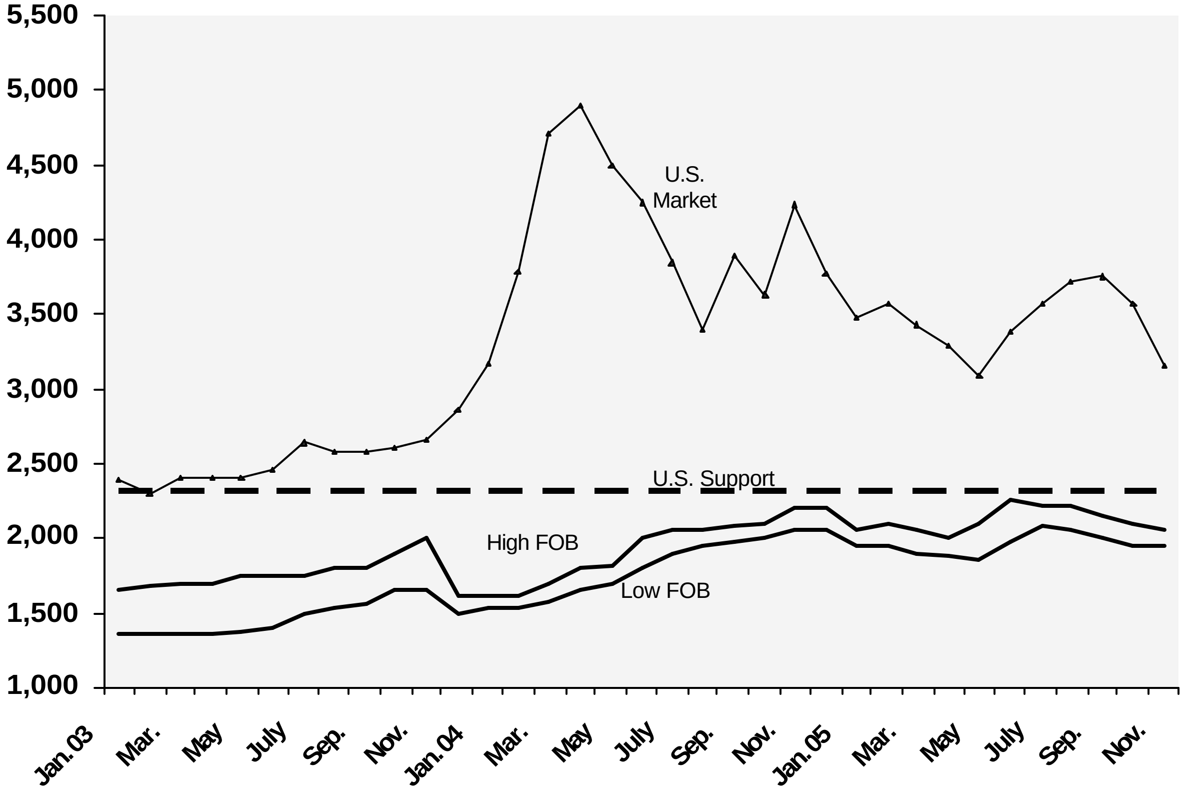


	N. Europe High FOB	N. Europe Low FOB	U.S. Market West	U.S. Support
Jan.04	1,850	1,775	1,850	1,764
Feb.	1,825	1,750	1,850	1,764
Mar.	1,900	1,800	1,850	1,764
Apr.	1,975	1,825	1,890	1,764
May	2,075	1,925	1,915	1,764
June	2,125	1,975	1,895	1,764
July	2,200	2,100	1,860	1,764
Aug.	2,200	2,050	1,850	1,764
Sep.	2,175	2,050	1,855	1,764
Oct.	2,175	2,100	1,870	1,764
Nov.	2,300	2,100	1,895	1,764
Dec.	2,400	2,200	1,955	1,764
Jan. 05	2,325	2,125	1,995	1,764
Feb.	2,250	2,100	2,060	1,764
Mar.	2,275	2,125	2,065	1,764
Apr.	2,225	2,150	2,070	1,764
May	2,200	2,100	2,080	1,764
June	2,325	2,200	2,075	1,764
July	2,400	2,275	2,085	1,764
Aug.	2,400	2,250	2,110	1,764
Sep.	2,350	2,250	2,135	1,764
Oct.	2,325	2,200	2,160	1,764
Nov.	2,200	2,100	2,195	1,764

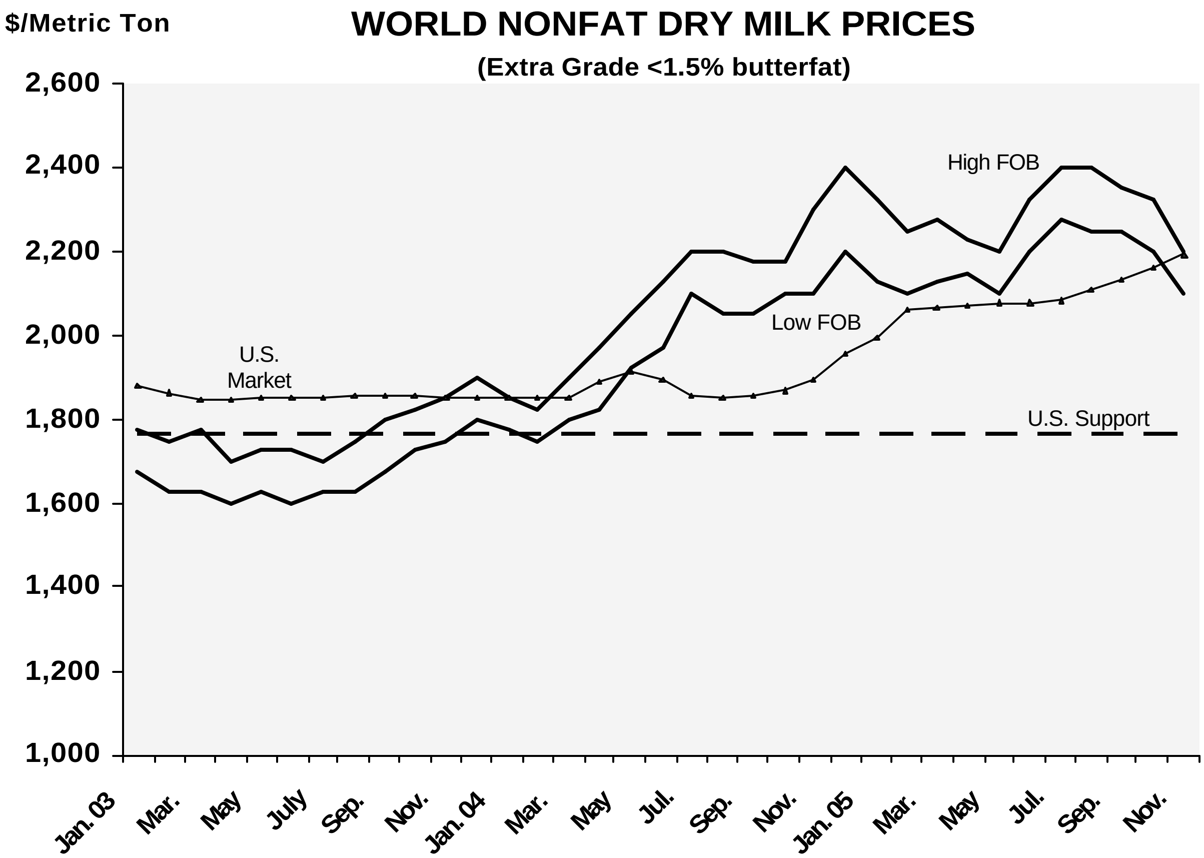
	N. Europe High FOB	N. Europe Low FOB	U.S. Market
Jan.04	1,975	1,900	2,550
Feb.	1,975	1,850	2,670
Mar.	1,950	1,875	3,000
Apr.	2,025	1,875	3,280
May	2,100	1,925	3,305
June	2,250	2,050	3,200
July	2,250	2,100	3,080
Aug.	2,250	2,150	3,005
Sep.	2,250	2,150	2,900
Oct.	2,350	2,250	2,935
Nov.	2,425	2,300	2,935
Dec.	2,500	2,300	3,025
Jan. 05	2,375	2,250	2,965
Feb.	2,300	2,200	2,910
Mar.	2,325	2,200	2,915
Apr.	2,350	2,250	2,950
May	2,325	2,200	2,945
June	2,350	2,275	2,895
July	2,375	2,275	2,940
Aug.	2,400	2,300	3,030
Sep.	2,350	2,250	3,095
Oct.	2,325	2,225	3,150
Nov.	2,300	2,200	3,120

$/Metric Ton

WORLD BUTTER PRICES

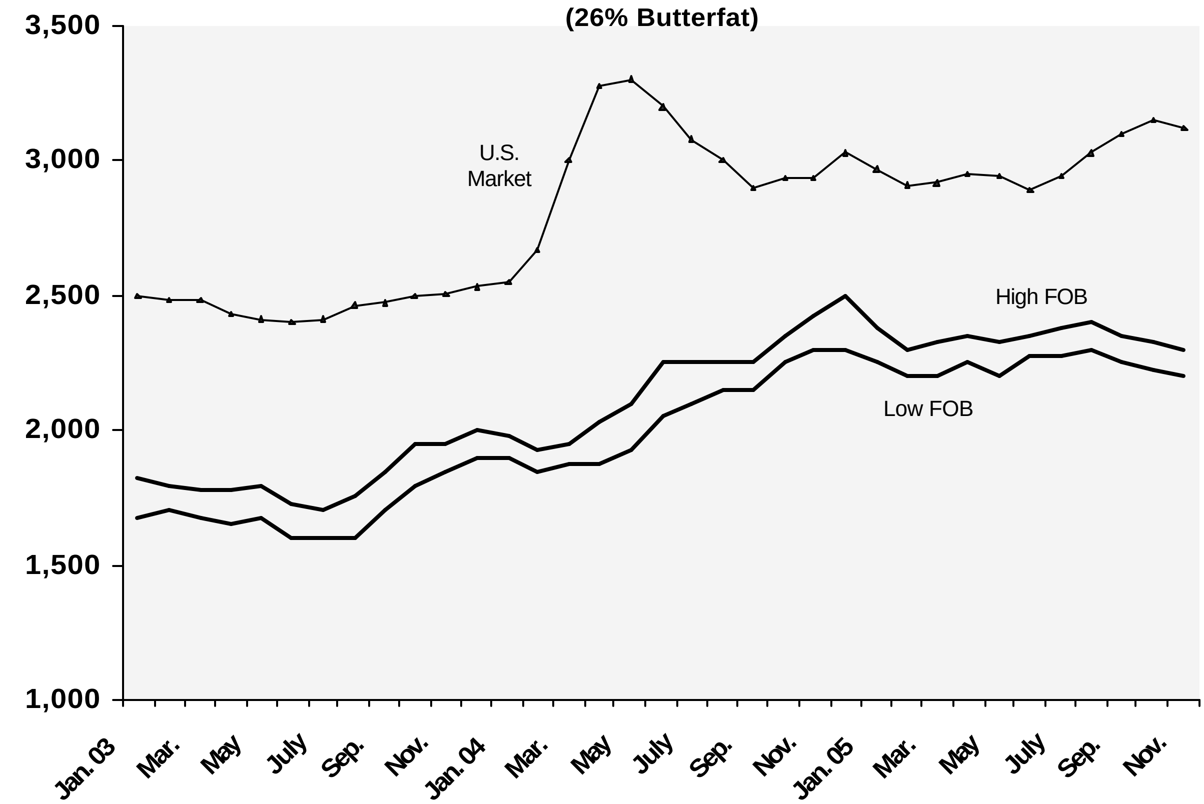


	N. Europe High FOB 82%	N. Europe Low FOB 82%	U.S. Market (80%-Salted CME)	U.S. Support
Jan.04	1,625	1,525	3,160	2,315
Feb.	1,625	1,525	3,780	2,315
Mar.	1,700	1,575	4,705	2,315
Apr.	1,800	1,650	4,895	2,315
May	1,800	1,700	4,490	2,315
June	2,000	1,800	4,255	2,315
July	2,050	1,900	3,850	2,315
Aug.	2,050	1,950	3,395	2,315
Sep.	2,075	1,975	3,890	2,315
Oct.	2,100	2,000	3,630	2,315
Nov.	2,200	2,050	4,235	2,315
Dec.	2,200	2,050	3,765	2,315
Jan. 05	2,050	1,950	3,480	2,315
Feb.	2,100	1,950	3,560	2,315
Mar.	2,050	1,900	3,423	2,315
Apr.	2,000	1,875	3,290	2,315
May	2,100	1,850	3,095	2,315
June	2,250	1,975	3,375	2,315
July	2,225	2,075	3,570	2,315
Aug.	2,225	2,050	3,720	2,315
Sep.	2,150	2,000	3,745	2,315
Oct.	2,100	1,950	3,570	2,315
Nov.	2,050	1,950	3,145	2,315



	N. Europe High FOB	N. Europe Low FOB	U.S. Market West	U.S. Support
Jan.04	1,850	1,775	1,850	1,764
Feb.	1,825	1,750	1,850	1,764
Mar.	1,900	1,800	1,850	1,764
Apr.	1,975	1,825	1,890	1,764
May	2,075	1,925	1,915	1,764
June	2,125	1,975	1,895	1,764
July	2,200	2,100	1,860	1,764
Aug.	2,200	2,050	1,850	1,764
Sep.	2,175	2,050	1,855	1,764
Oct.	2,175	2,100	1,870	1,764
Nov.	2,300	2,100	1,895	1,764
Dec.	2,400	2,200	1,955	1,764
Jan. 05	2,325	2,125	1,995	1,764
Feb.	2,250	2,100	2,060	1,764
Mar.	2,275	2,125	2,065	1,764
Apr.	2,225	2,150	2,070	1,764
May	2,200	2,100	2,080	1,764
June	2,325	2,200	2,075	1,764
July	2,400	2,275	2,085	1,764
Aug.	2,400	2,250	2,110	1,764
Sep.	2,350	2,250	2,135	1,764
Oct.	2,325	2,200	2,160	1,764
Nov.	2,200	2,100	2,195	1,764

WORLD WHOLE MILK PRICES



	N. Europe High FOB	N. Europe Low FOB	U.S. Market
Jan.04	1,975	1,900	2,550
Feb.	1,975	1,850	2,670
Mar.	1,950	1,875	3,000
Apr.	2,025	1,875	3,280
May	2,100	1,925	3,305
June	2,250	2,050	3,200
July	2,250	2,100	3,080
Aug.	2,250	2,150	3,005
Sep.	2,250	2,150	2,900
Oct.	2,350	2,250	2,935
Nov.	2,425	2,300	2,935
Dec.	2,500	2,300	3,025
Jan. 05	2,375	2,250	2,965
Feb.	2,300	2,200	2,910
Mar.	2,325	2,200	2,915
Apr.	2,350	2,250	2,950
May	2,325	2,200	2,945
June	2,350	2,275	2,895
July	2,375	2,275	2,940
Aug.	2,400	2,300	3,030
Sep.	2,350	2,250	3,095
Oct.	2,325	2,225	3,150
Nov.	2,300	2,200	3,120