

Export Outlook



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NMPF | USDEC
DAIRY
ECONOMICS

Dairy Trade Update

CCOA Annual Meeting

06/27/2023

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Supply Outlook

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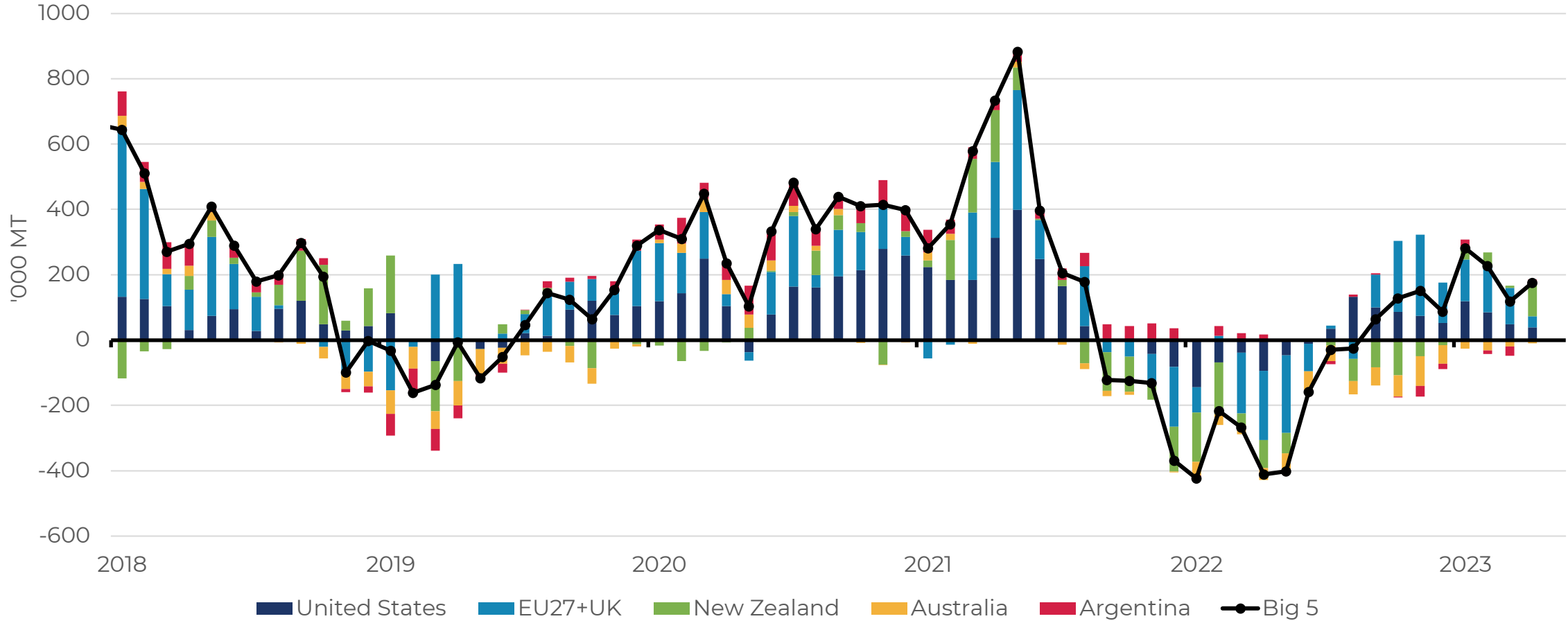


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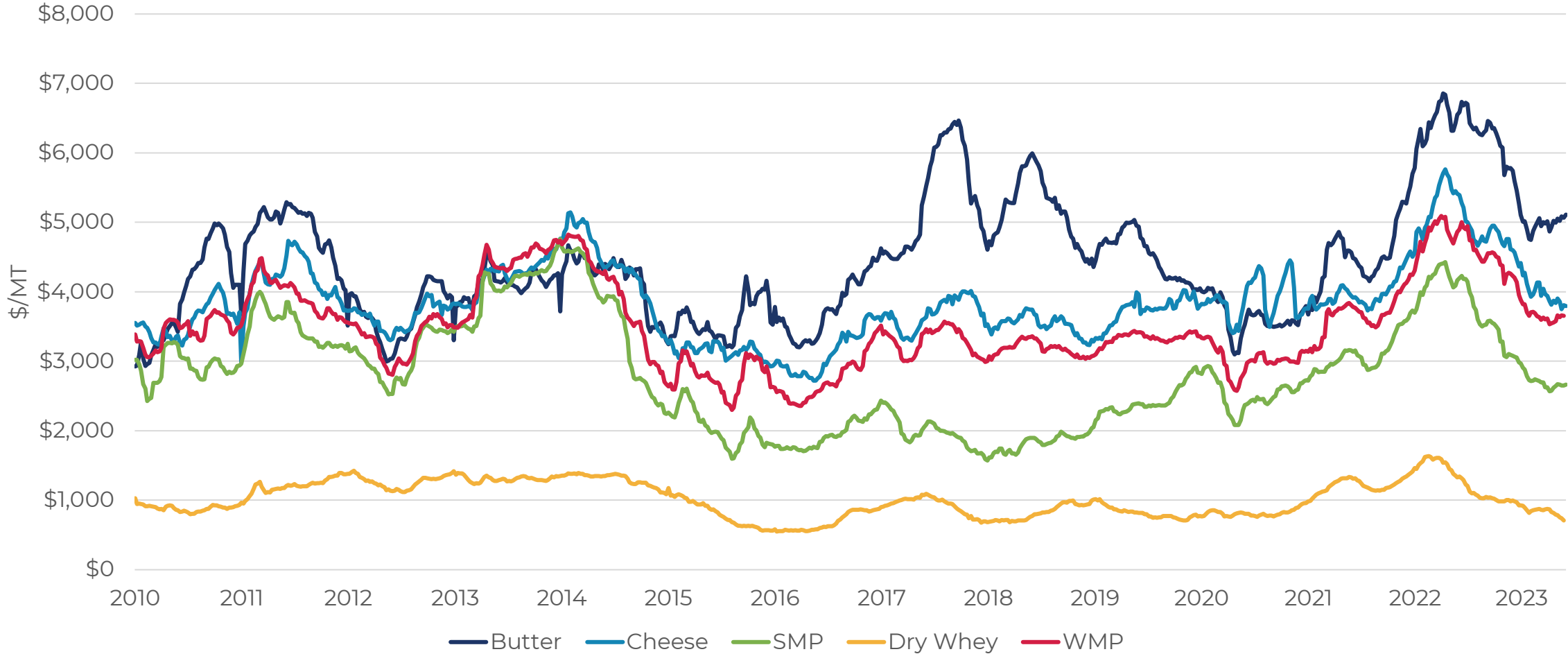
Production Coming back, but Not Significantly

YOY Change in Milk Production by Major Suppliers



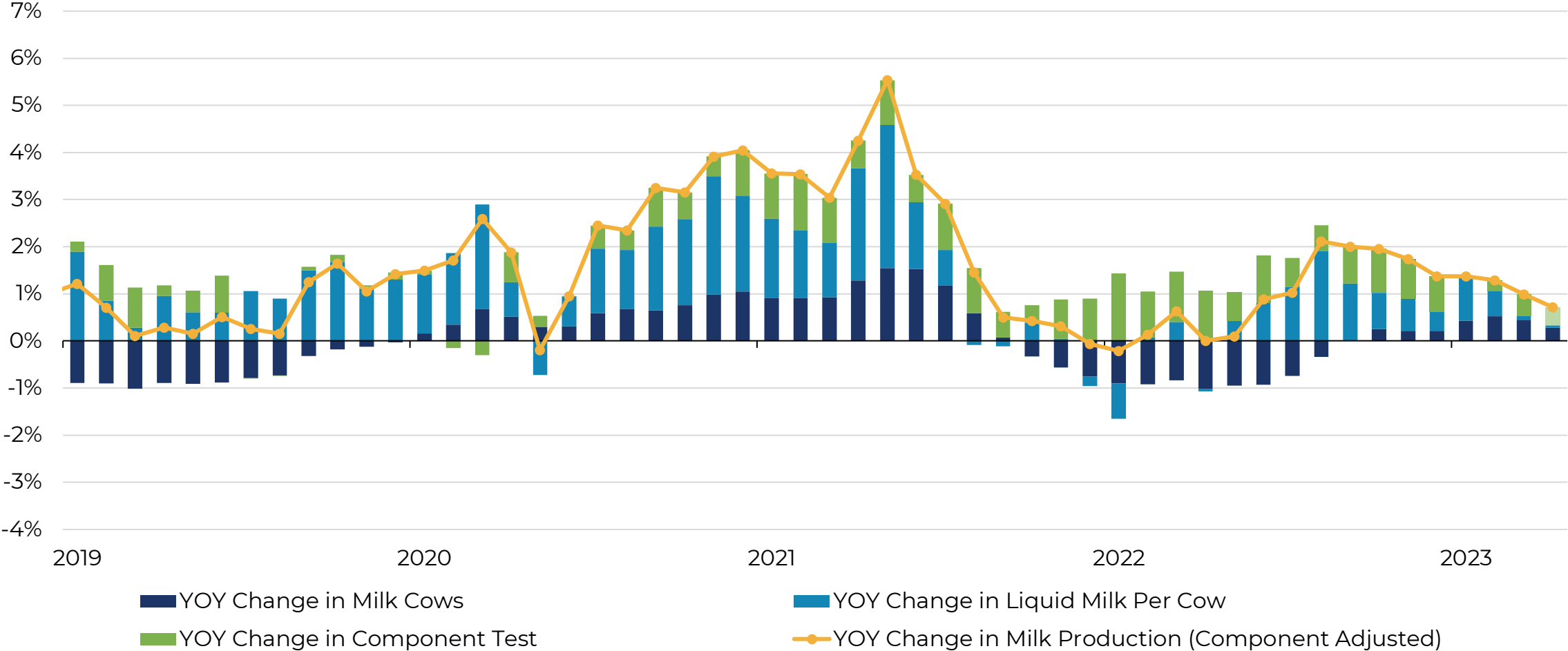
Easing Global Prices

Average US, EU, & NZ Wholesale Prices for Select Dairy Products



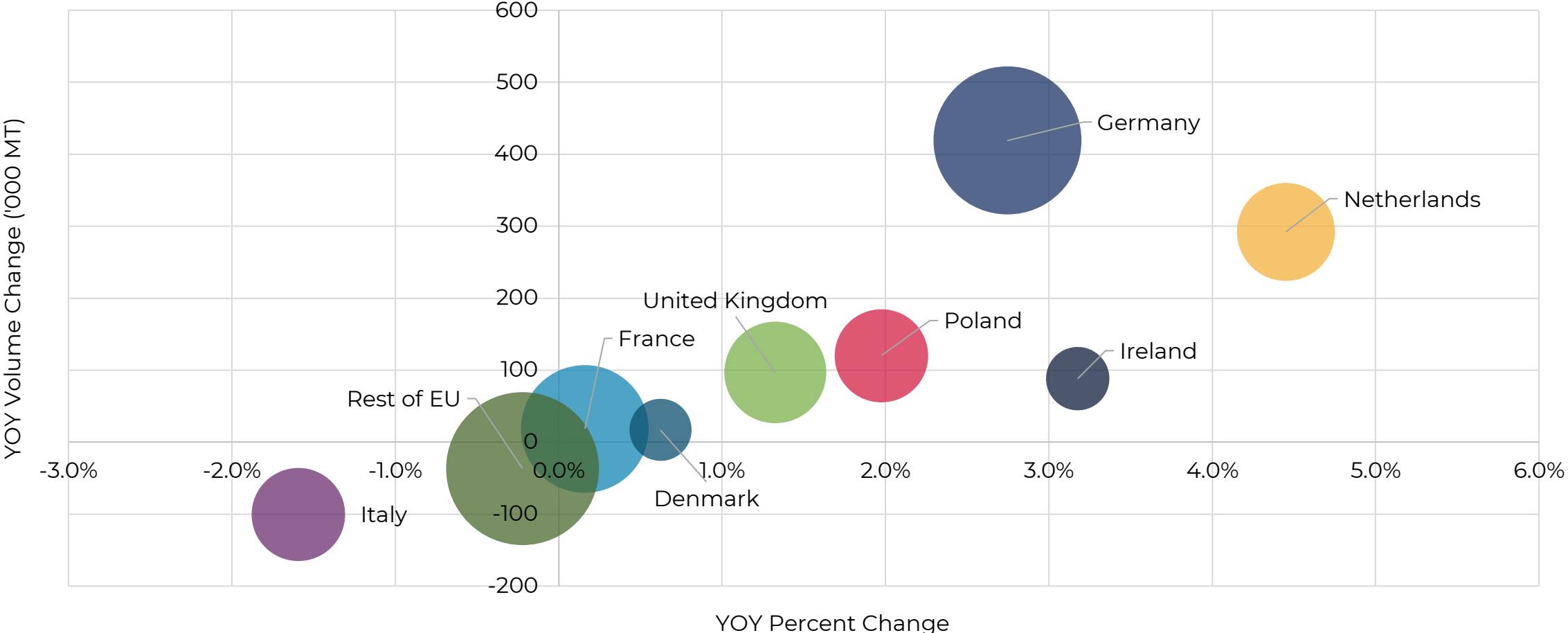
U.S. Milk Production Decelerating

Year-Over-Year Change in Milk Production & Its Drivers



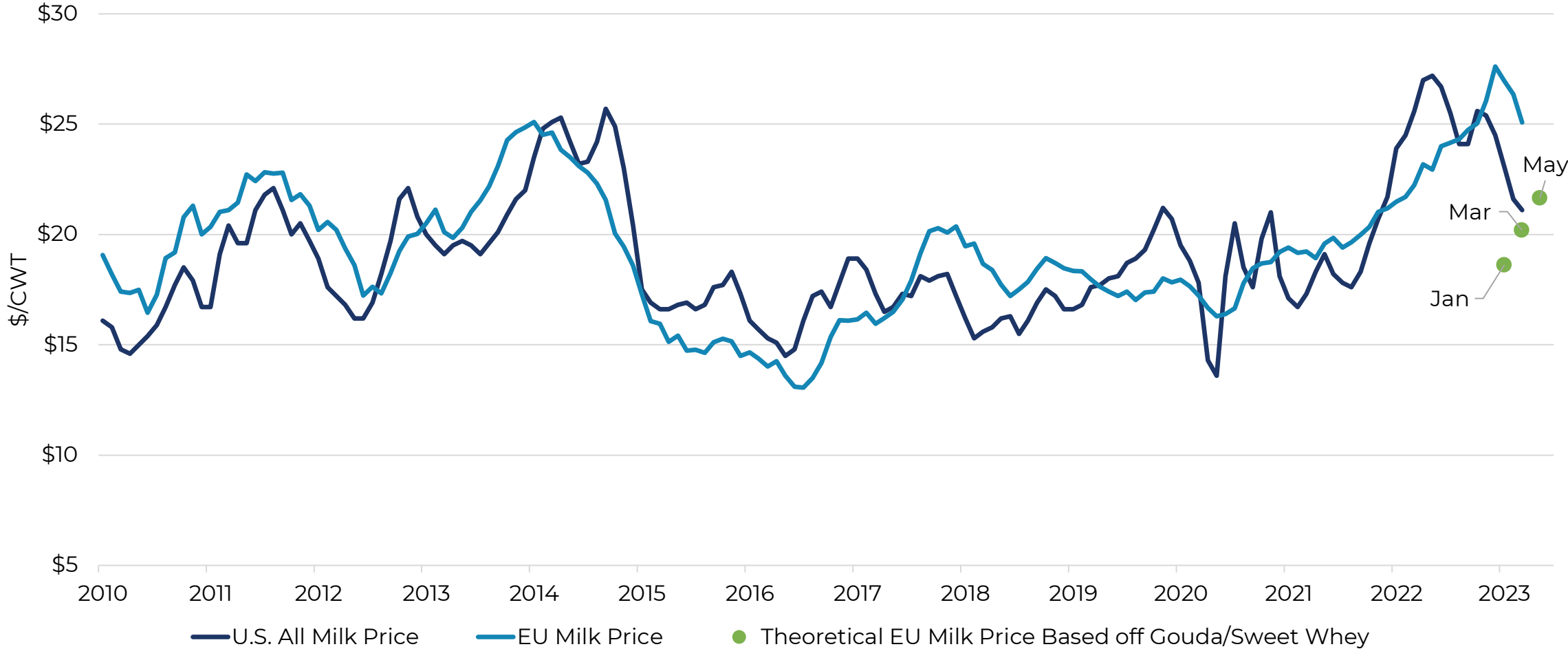
Mixed European Performance

YOY Change in Milk Production since September 2022



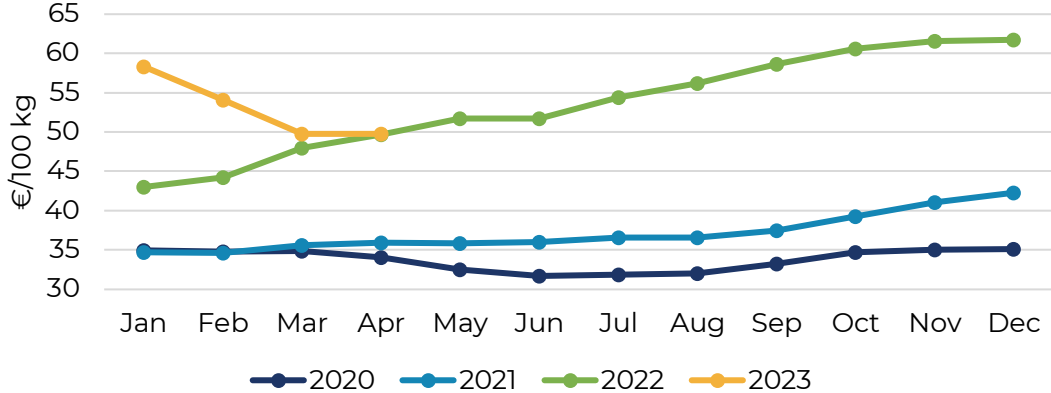
European Prices Getting Closer to Reality

Farmgate Milk Price: U.S. & EU

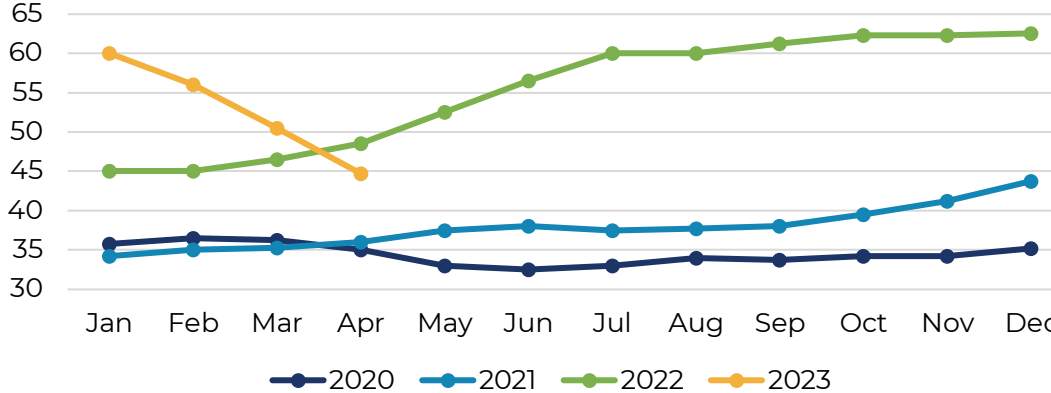


Pay Prices Coming Down Quickly

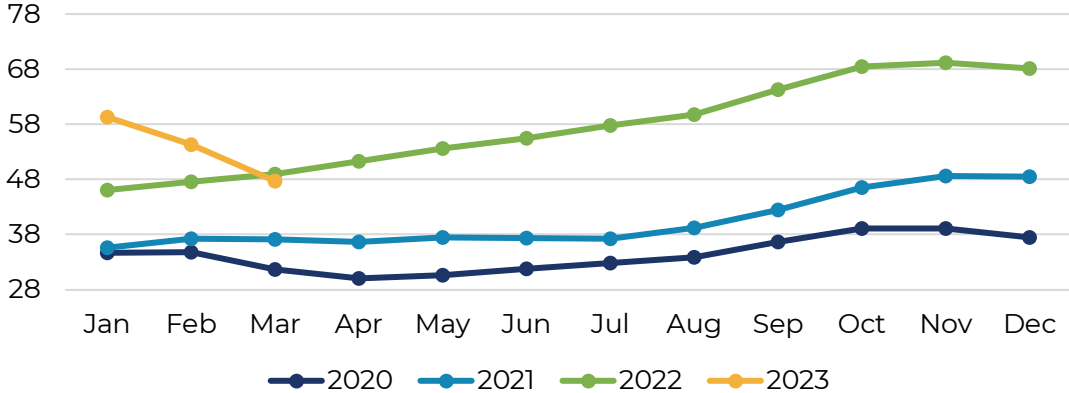
Germany Milk Price



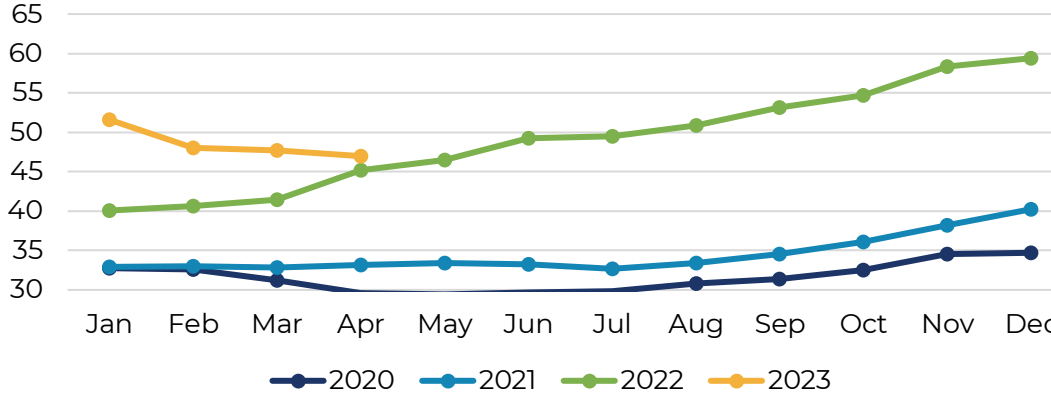
Netherlands Milk Price



Ireland Milk Price

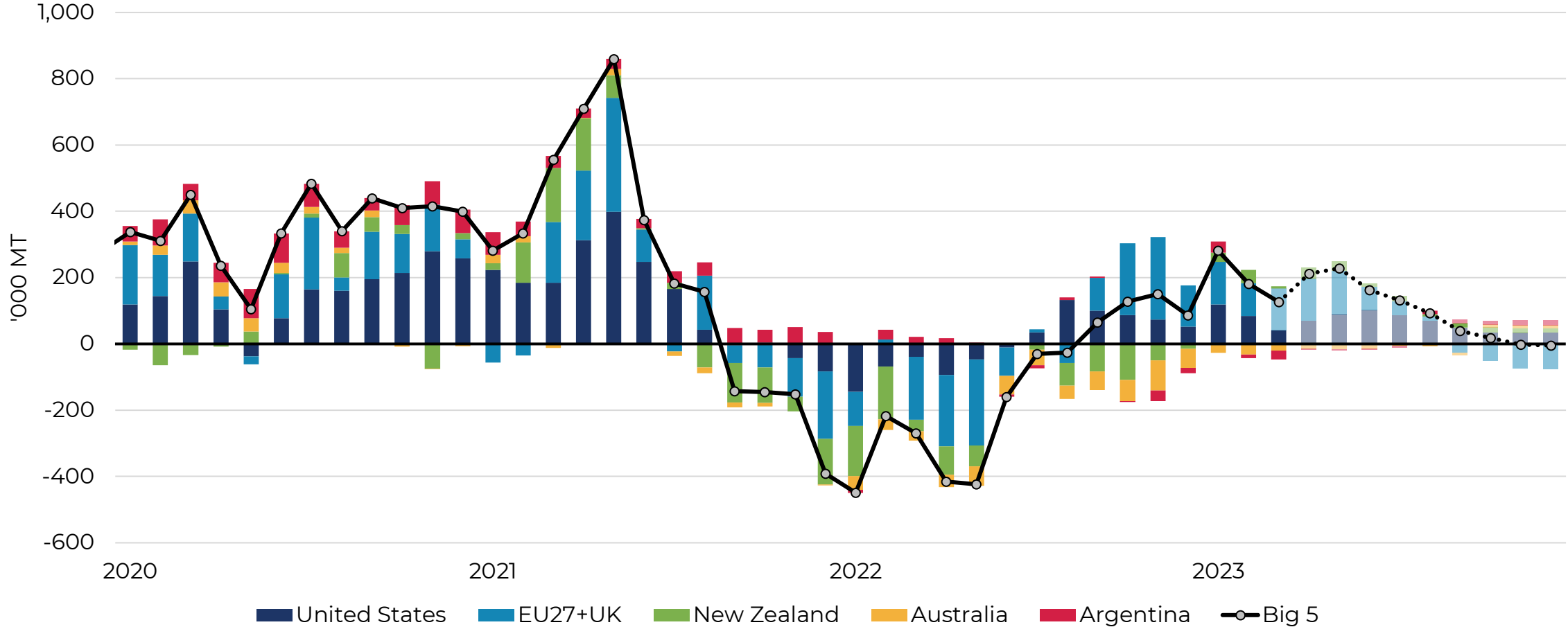


Poland Milk Price



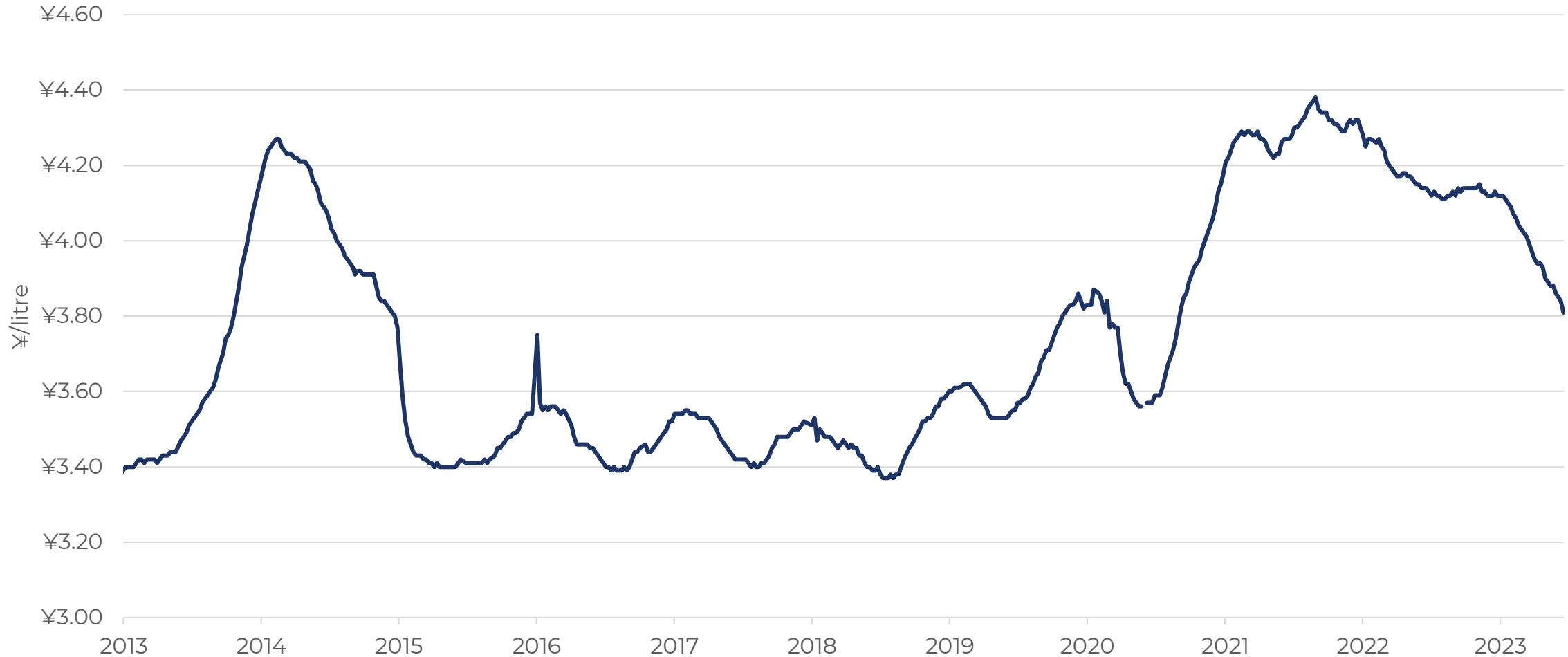
Expect a Tighter Milk Supply in Back Half of 2023

YOY Change in Milk Production by Major Exporter
(Rolling 12 Months)



Chinese Milk Production Wildcard

Chinese Raw Milk Price



Demand Outlook

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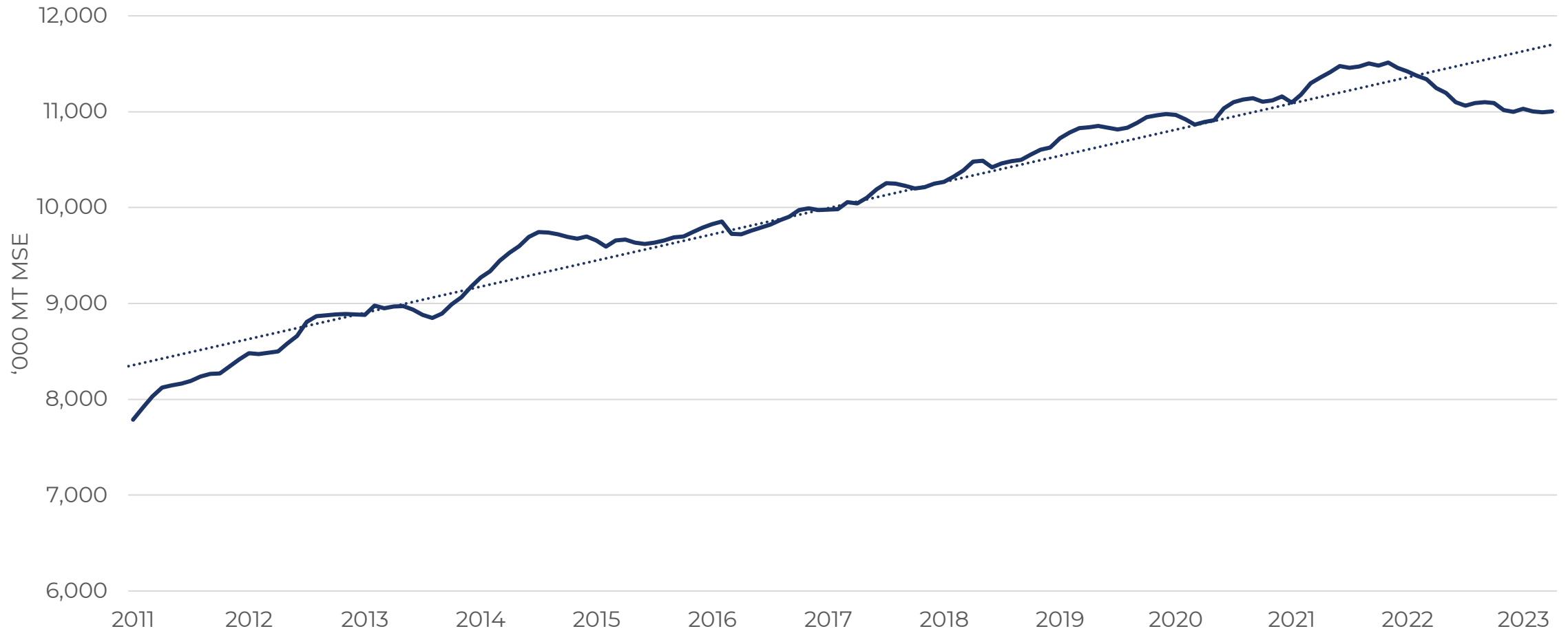


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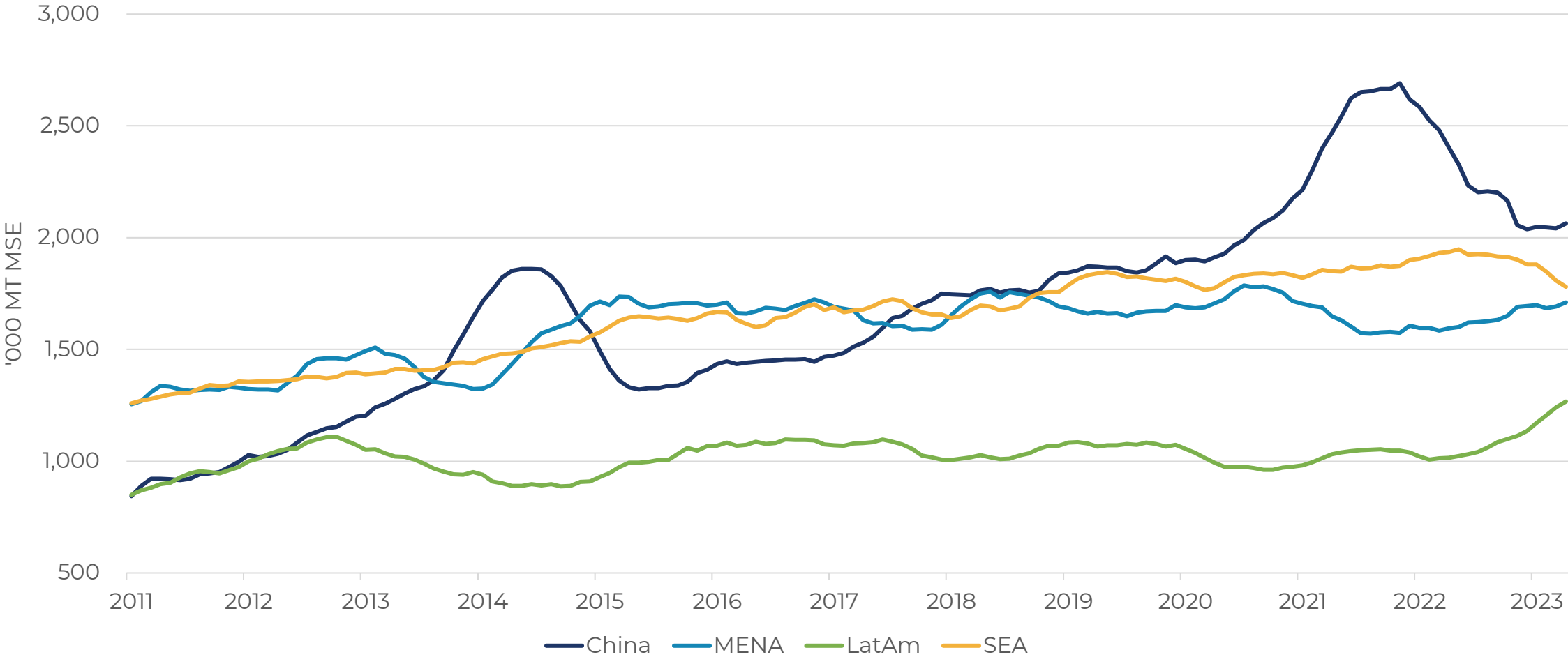
Stabilizing Global Trade

Global Dairy Trade
(Rolling 12 Months, Milk Solids Equivalent)



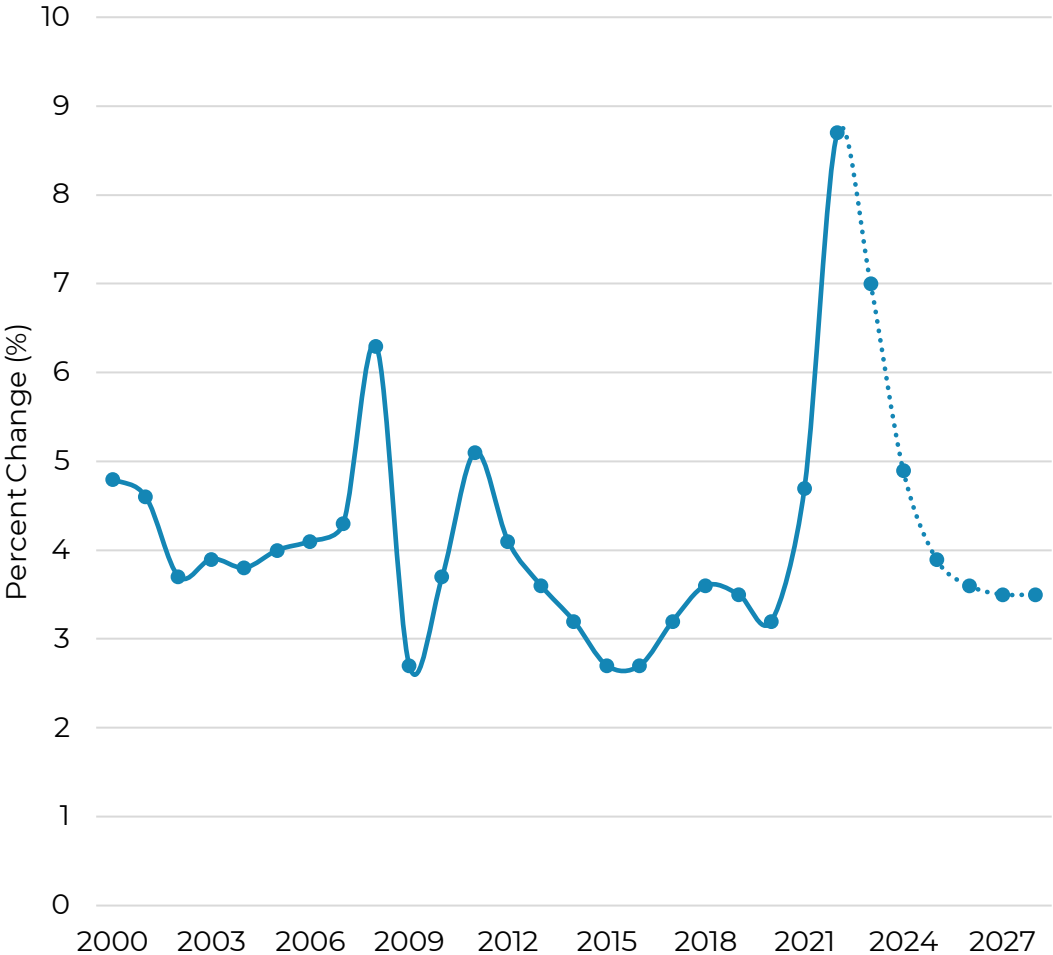
Mixed Performance from Major Markets

Global Dairy Trade by Major Market

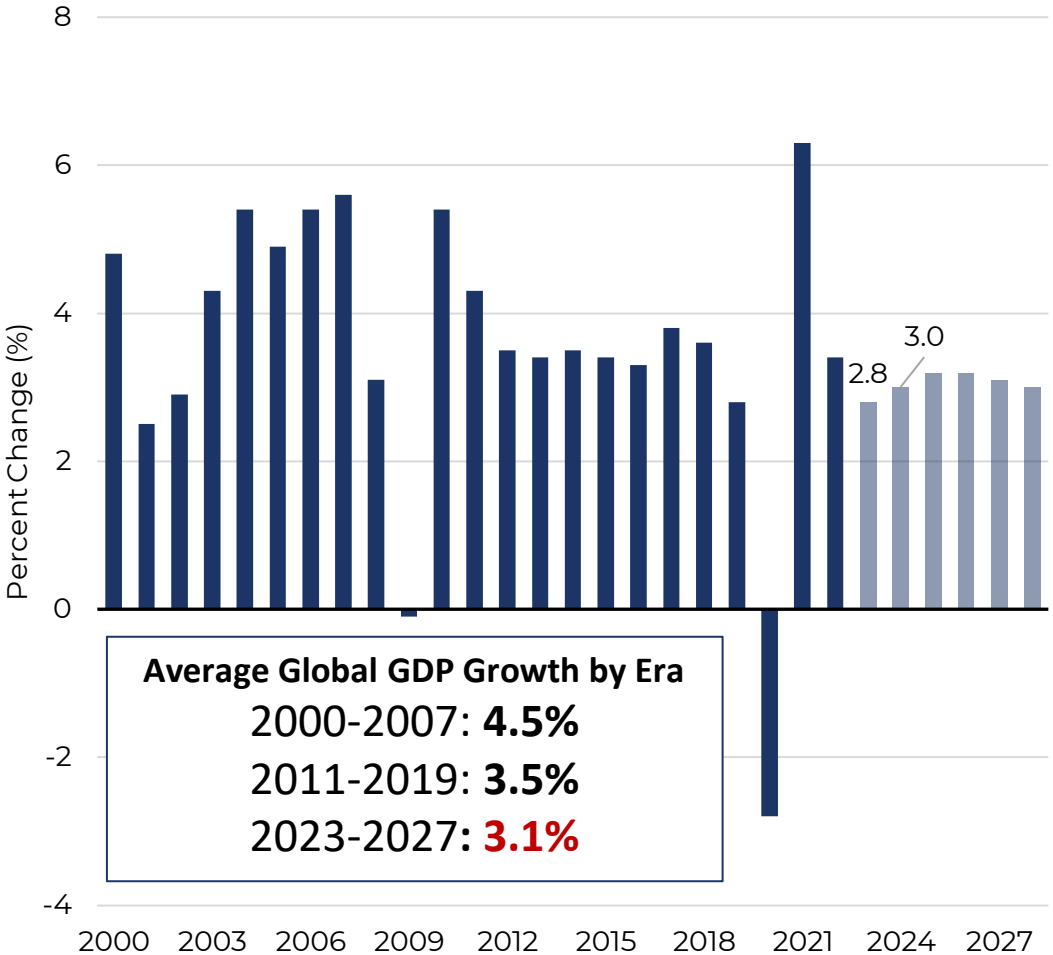


Persistent Inflation and Weaker GDP Outlook

Global Inflation Rate



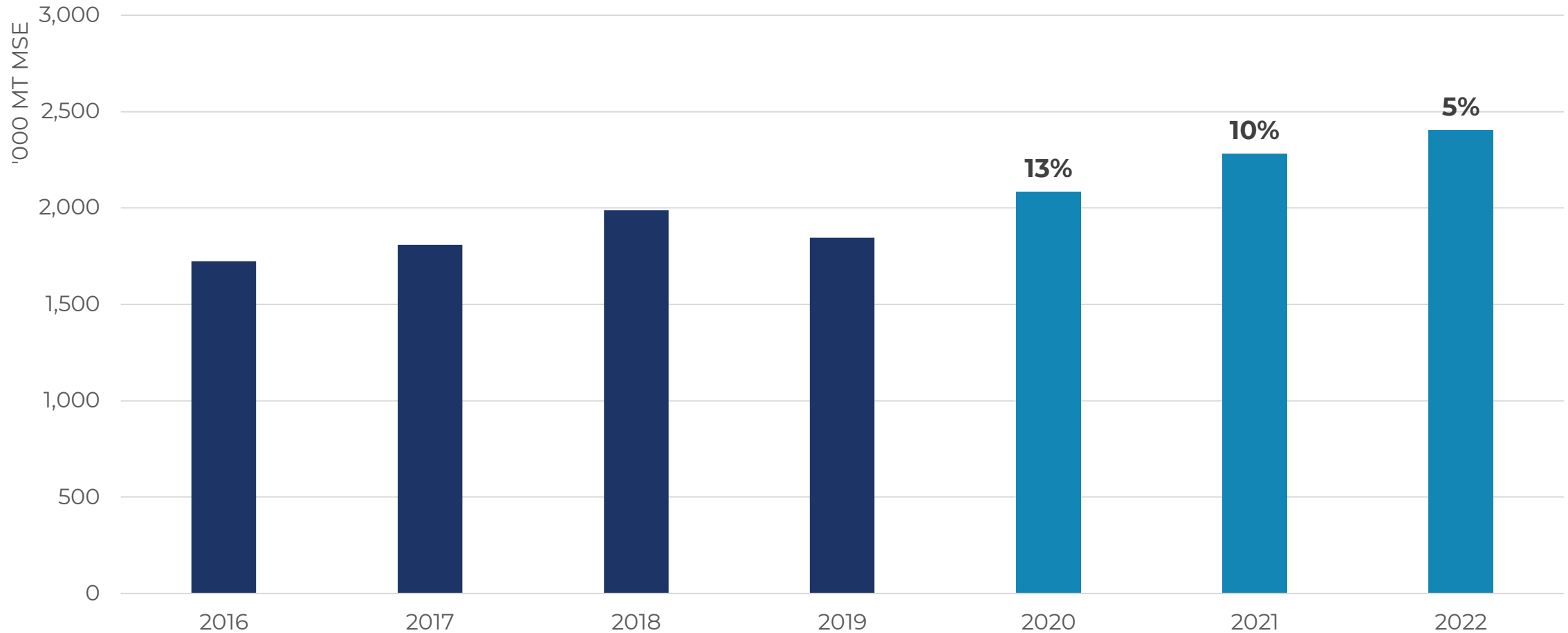
Global GDP Growth Rate



Average Global GDP Growth by Era
 2000-2007: 4.5%
 2011-2019: 3.5%
 2023-2027: 3.1%

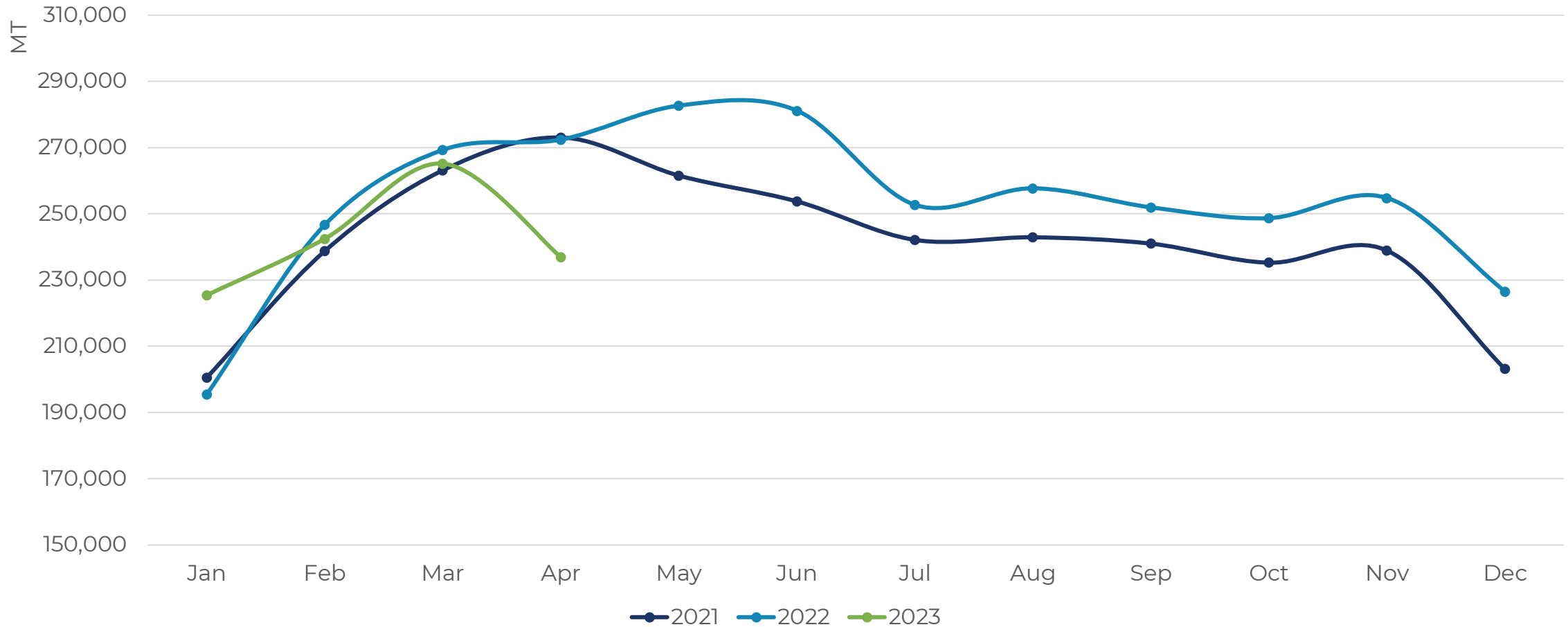
Strong Recent Growth in U.S. Exports

U.S. Dairy Exports by Year & YOY Growth
(Milk Solids Equivalent)



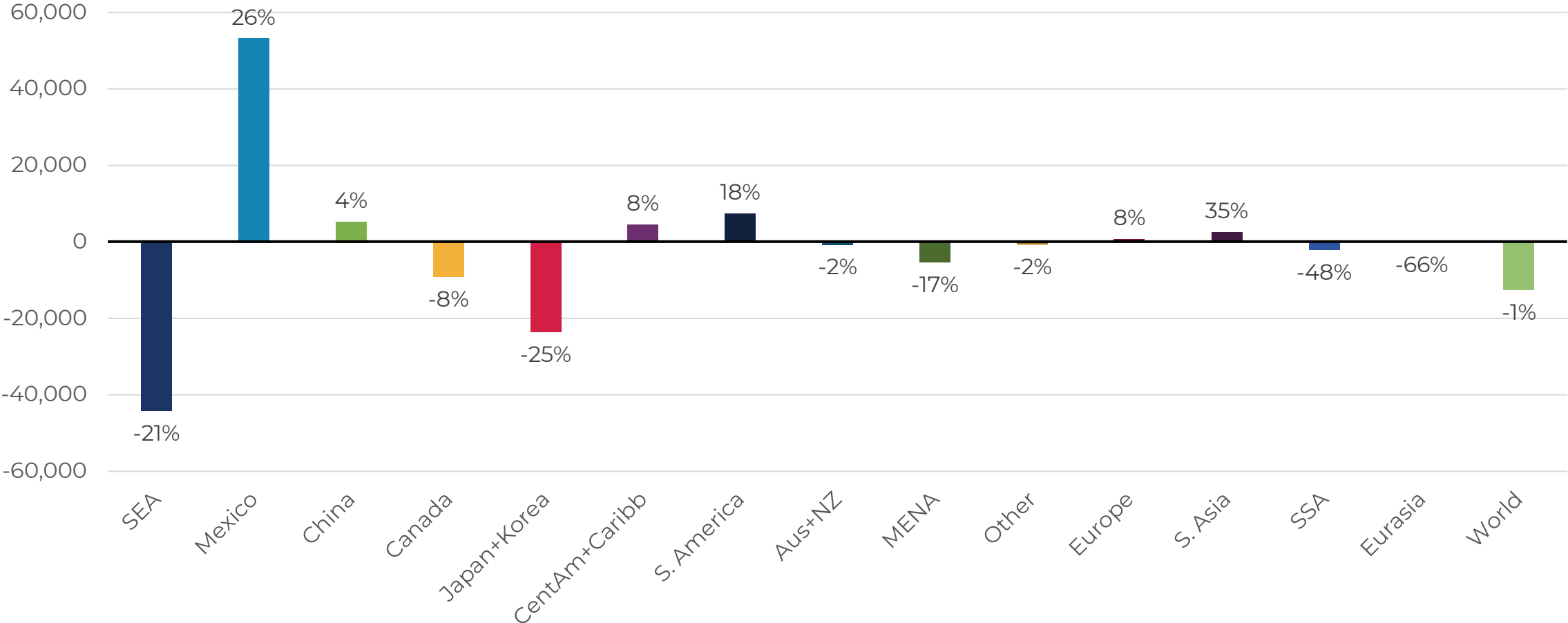
Challenges for the Remainder of 2023

U.S. Total Exports to World
(30-Day Months, Product Volume)



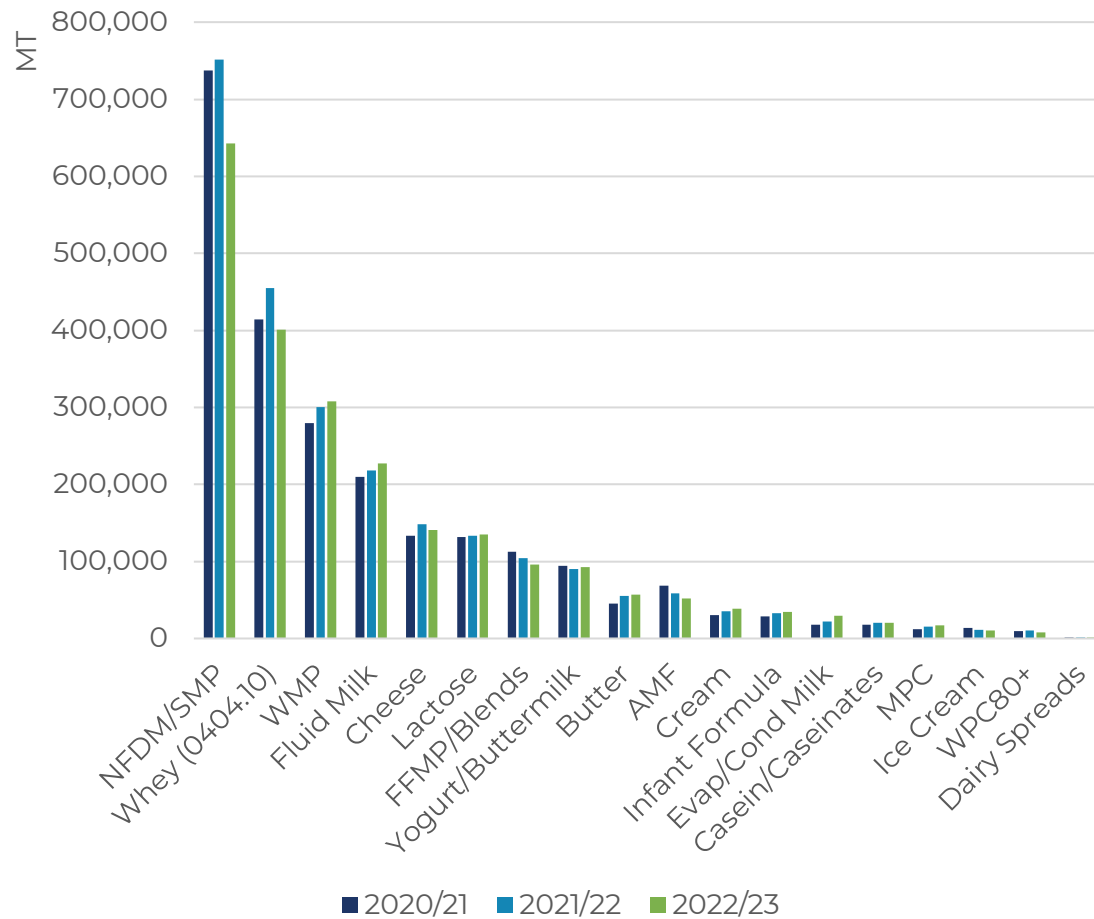
Mixed Exports with Latin American Bright Spot

YOY Change in U.S. Total Exports by Destination
 (YTD Ending Apr, Product Volume, Sorted by 2023 Total)

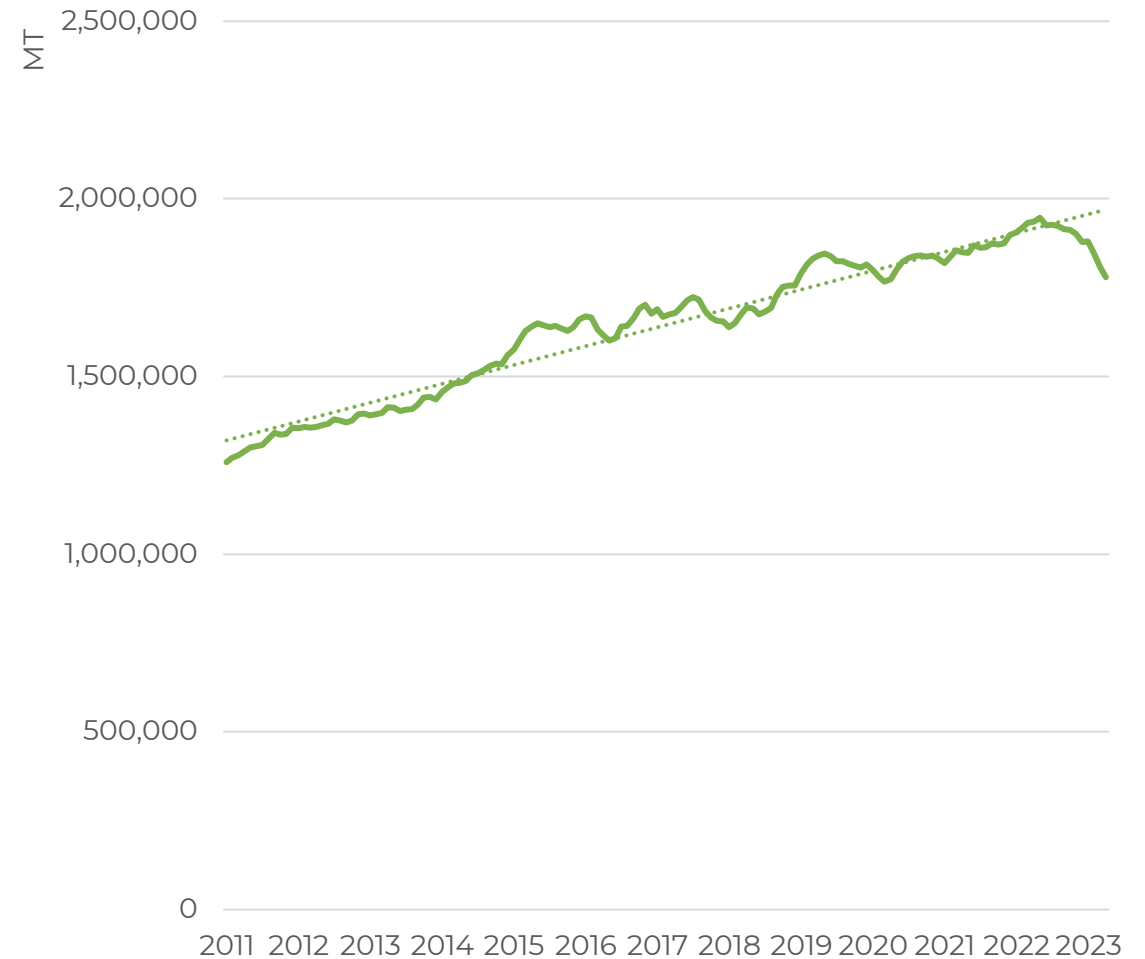


Southeast Asia Showing Weak Demand

Global Dairy Trade to **SEA** by Product
(Last 12 Months, ending Apr)

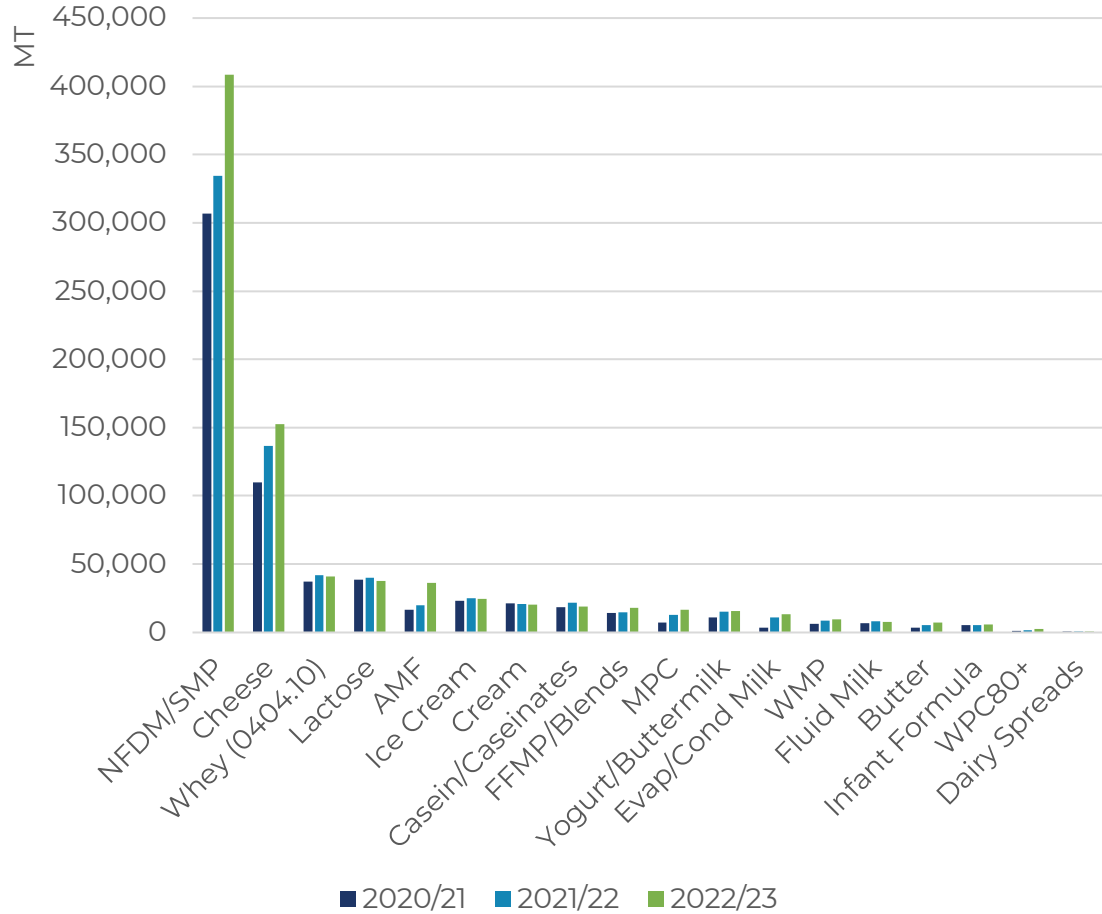


Global Milk Solids Trade to **SEA**



Mexican Demand Continues to be Robust

Global Dairy Trade to **Mexico** by Product
(Last 12 Months, ending Apr)

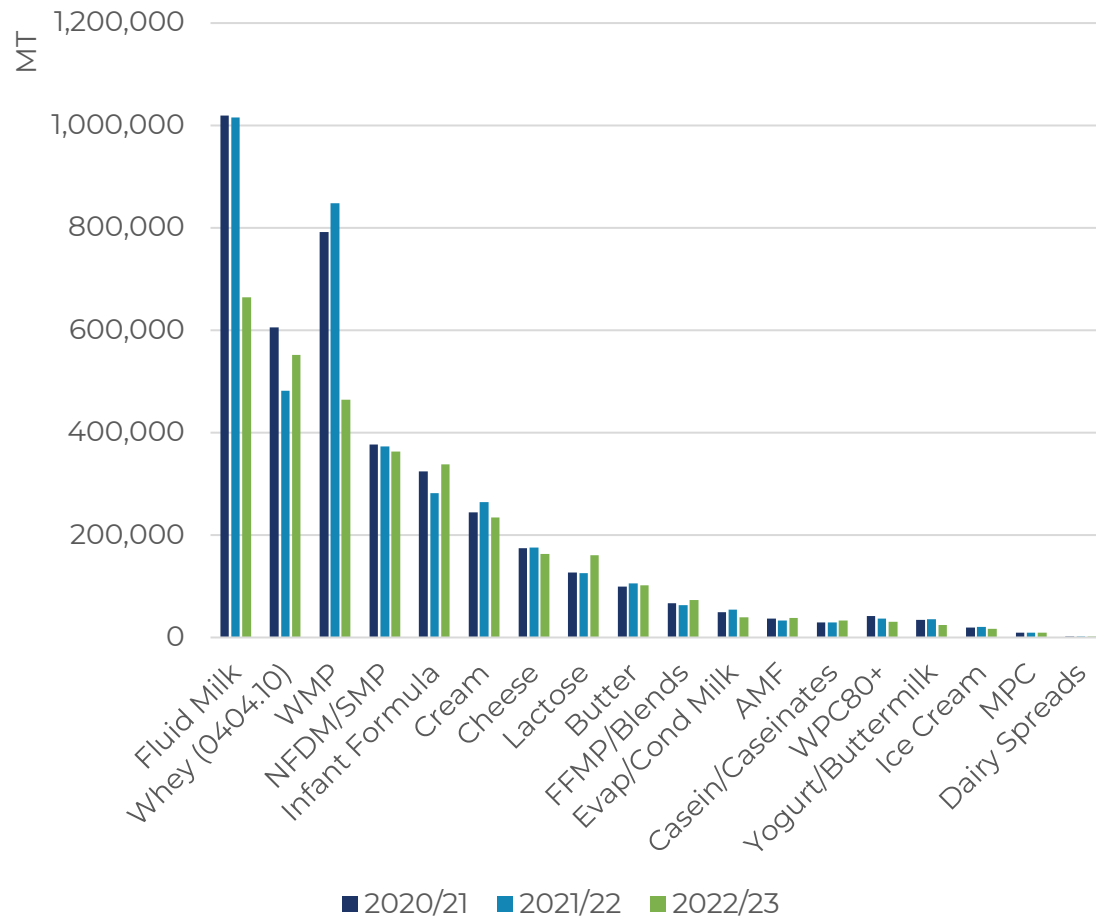


Global Milk Solids Trade to **Mexico**

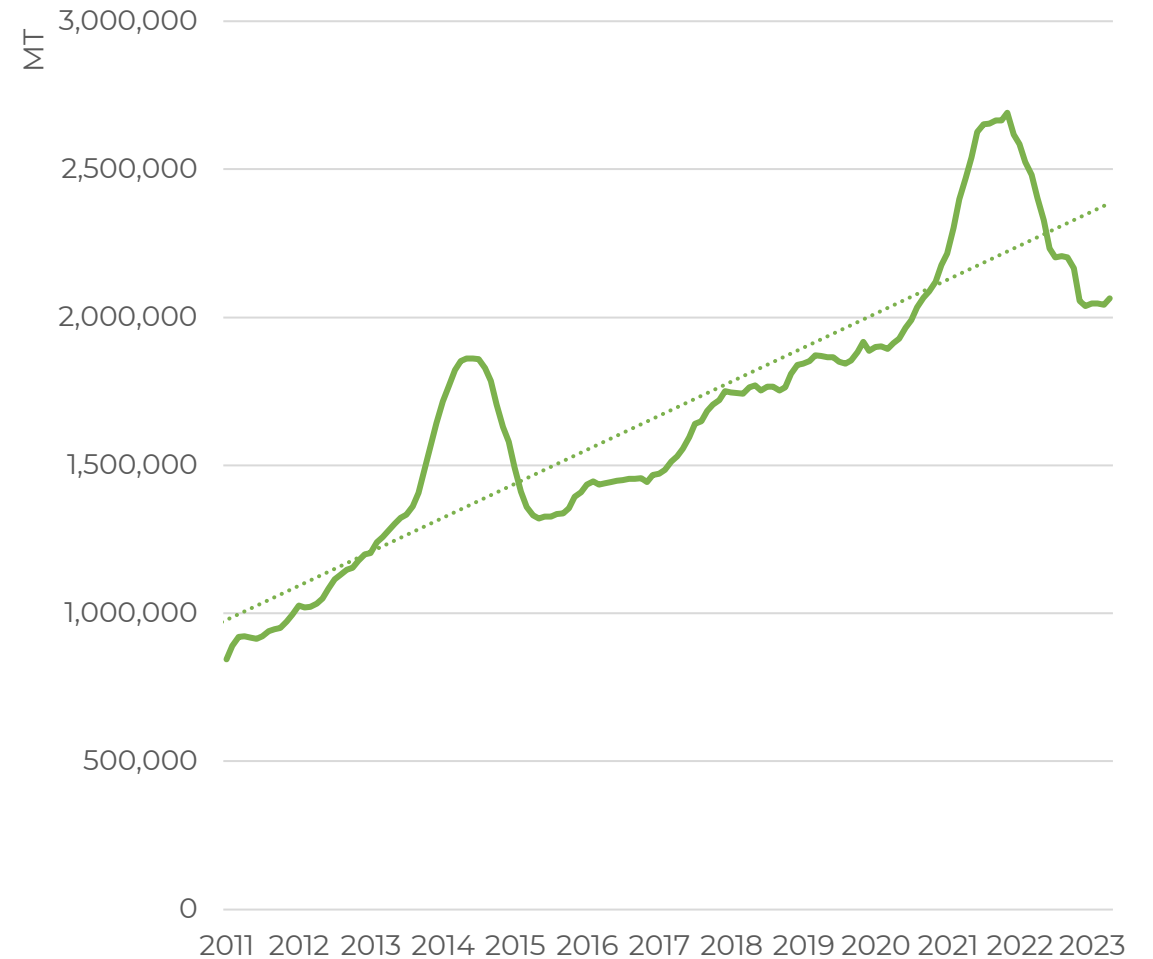


China Showing Beginning Signs of Recovery

Global Dairy Trade to **China+HK** by Product
(Last 12 Months, ending Apr)

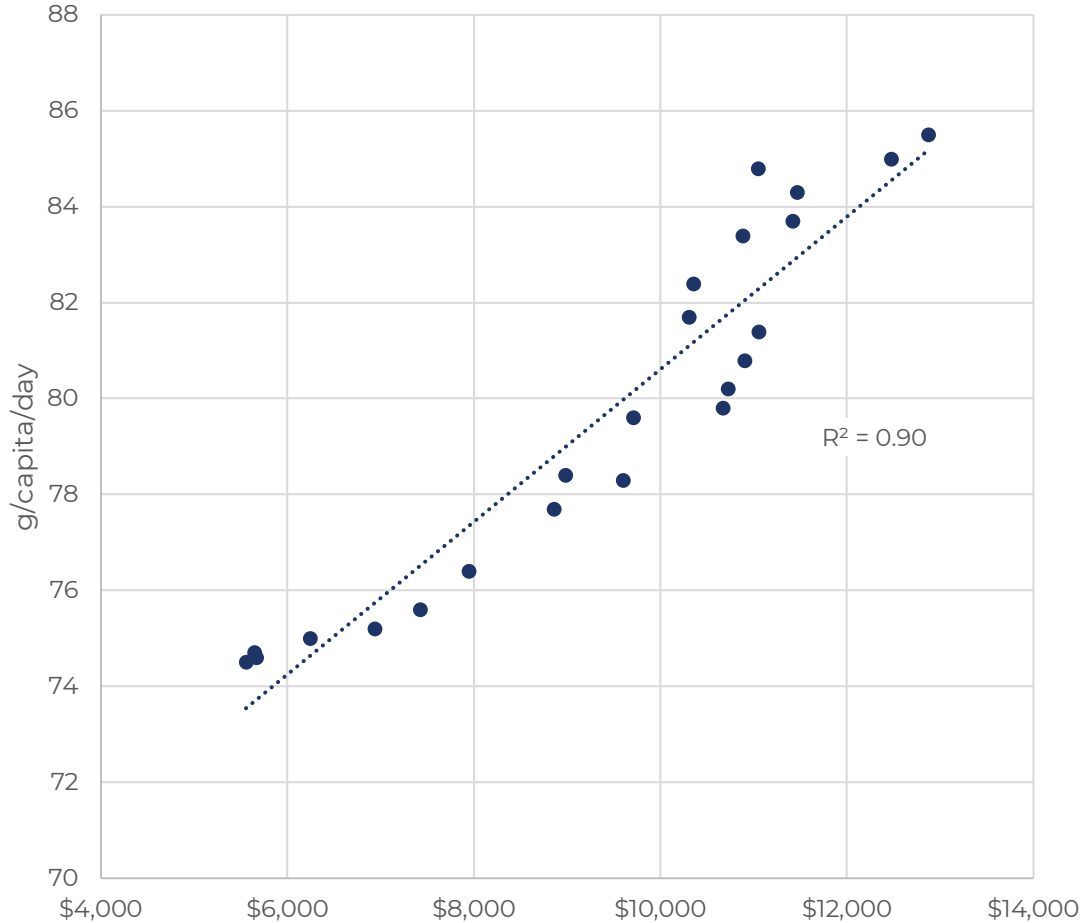


Global Milk Solids Trade to **China+HK**

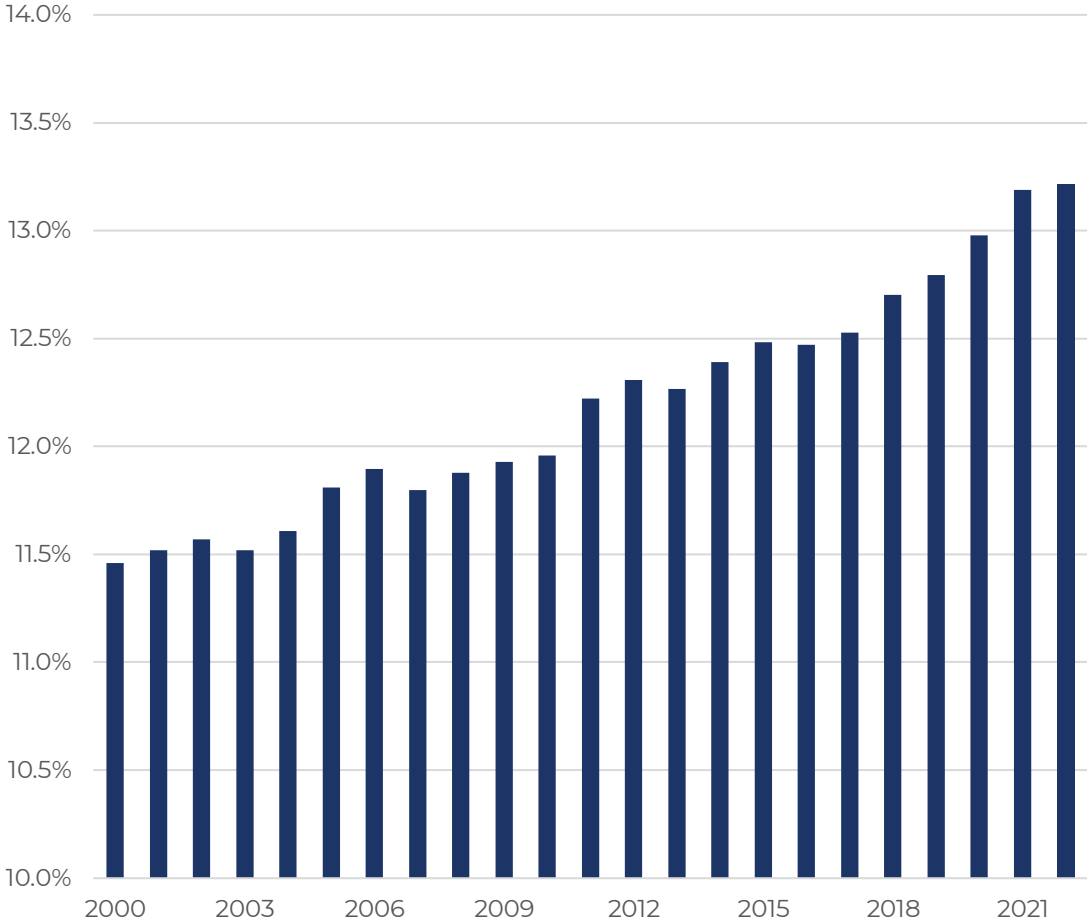


Rising Incomes = Increase in Dairy Consumption

Global GDP Per Capita & Protein Consumption Per Capita

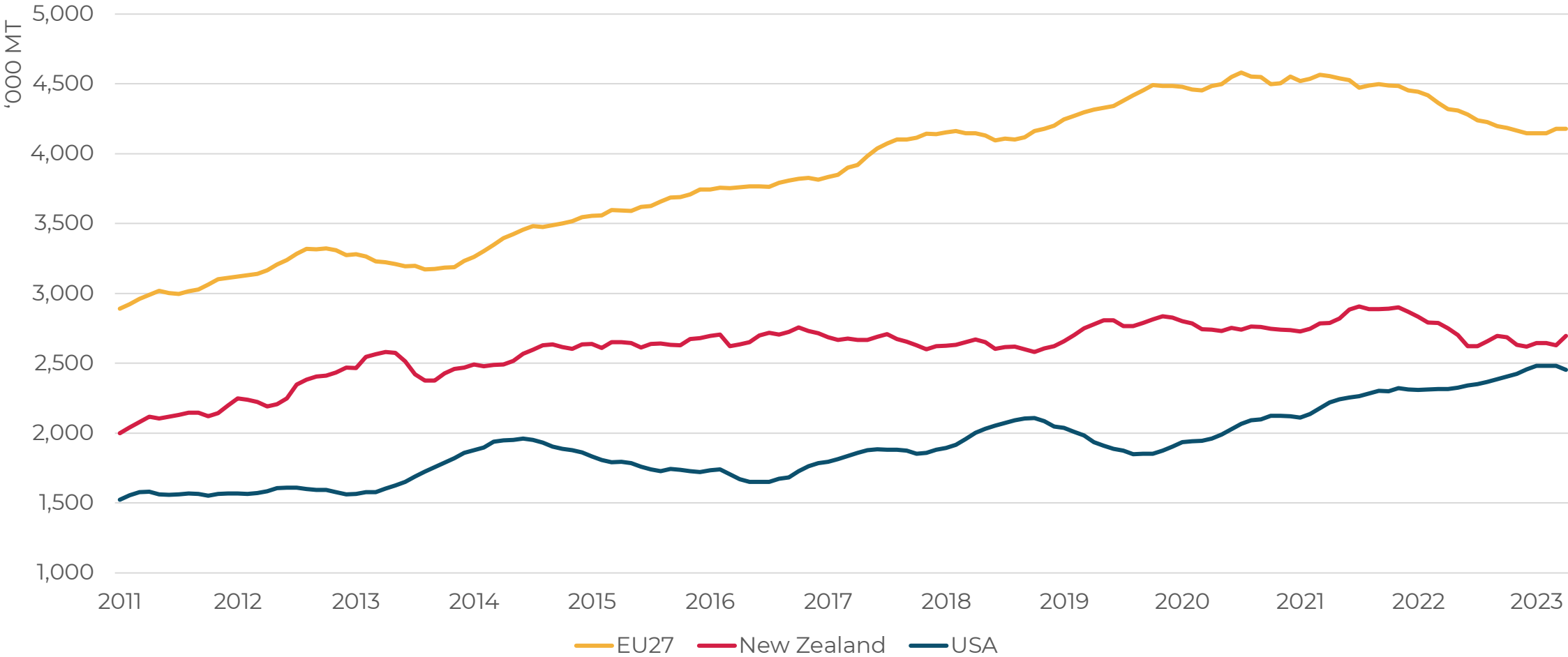


Percent of Global Protein Consumption Coming from Dairy



U.S. Continues to Grow in Global Importance

Global Milk Solids Trade to World





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Questions?

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