



Food Outlook

Global Market Analysis

HIGHLIGHTS

Food prices have averaged 8 percent lower during the first ten months of this year compared to the same period last year. Considerably lower international prices and freights, together with less cereal purchases are predicted to reduce global expenditures on imported foodstuffs in 2012. The 2012 forecast for global food import bills is set at USD 1.14 trillion, 10 percent lower than the record which was set last year.

■ CEREALS

Global cereal supply and demand balance is forecast to tighten considerably in 2012/13, due mainly to declines in wheat and maize production. World cereal production is forecast to fall by 2.7 percent from previous year's record crop, leading to a 25 million tonne contraction in world stocks.

■ WHEAT

A tightening in world supply and demand balance is keeping wheat prices above the 2011 levels. Latest information confirms a smaller wheat crop in 2012 and, with projected utilization exceeding production, stocks are expected to be drawn down sharply, especially major exporters' stocks. World trade in 2012/13 is forecast to fall below the previous season's peak.

■ COARSE GRAINS

World coarse grains supply and demand balance in 2012/13 is extremely tight with FAO's latest forecast for production in 2012 pointing to a 2.5 percent decline from the 2011 record and stocks falling to historic lows, a factor which continues to underpin international prices.

■ RICE

World rice production in 2012 may surpass last season's record, supported by favourable growing conditions. Steadfast import demand together with very ample export availabilities are sustaining an expansion of trade in 2012, with a further, albeit small, increase foreseen in 2013.

■ CASSAVA

World cassava output is expected to increase vigorously in 2012 and may continue to do so in 2013, sustained by growth in Africa, where cassava remains a strategic crop for both food security and poverty alleviation. Prospects are more uncertain in Asia, where the sector expansion next year will largely depend the competitiveness of cassava in the production of ethanol relative to other feedstocks. In 2012, world trade in cassava products is set to undergo a marked increase, entirely sustained by industrial demand.

■ OILSEEDS

The 2012/13 oilcrop season is opening under the legacy of a tight 2011/12 balance and a disappointing soybean crop in the United States. Current supply and demand forecasts for the new season provide limited scope for a relaxation in prices – at least until prospects for record South American soy crops are confirmed.

■ SUGAR

World sugar production is forecast to reach a new record, more than sufficient to cover projected global sugar consumption. Large export availabilities in key supplying countries, along with a rebuilding of sugar inventories in major importing countries, are expected to boost trade in 2012/13.

■ MEAT

Global meat markets are challenged by high feed prices, stagnating consumption, and falling profitability, with growth in total output slowing down to 2 percent. With international prices close to record highs, growth in world trade is also decelerating.

■ MILK

International prices of dairy products are rising in the face of limited export supplies. Milk production continues to grow in many countries, especially in Asia, Oceania and South America.

■ FISH

Weakening import demand caused international fish prices to drop in the first half of 2012. The dip mainly affected farmed species, while quotations for wild fish, such as tuna, fared better.

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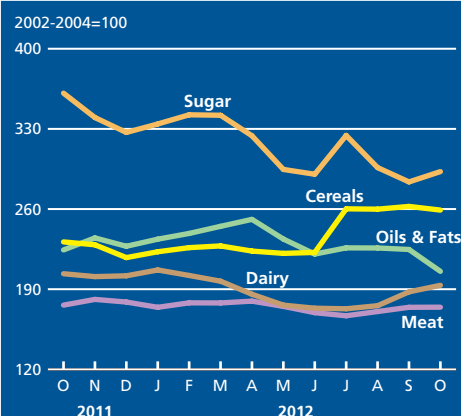
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FAO Commodity Price Indices (October 2011 - October 2012)



Meat and meat products market summary

Struggling with high feed prices and stagnating consumption, global meat production in 2012 is forecast to grow by less than 2 percent to 302 million tonnes. As falling industry profitability has translated into modest output gains in the developed countries, most of the world expansion is likely to take place in the developing countries, which now account for 60 percent of world output. Virtually all of the sector growth in 2012 is forecast to stem from the feed-dependent poultry and pigmeat sectors, as gains in both bovine and sheep meat outputs are anticipated to be modest.

Concerns about the profitability of the meat sector have been compounded by a weakening of the growth of export markets, with trade expansion anticipated to slow down to 2 percent from 8 percent in 2011. Global meat exports are expected to edge up by about 600 000 tonnes to 29.4 million tonnes in 2012, mainly sustained by increased poultry and pig meat flows and with much of the market expansion likely to be captured by developing countries, in particular Brazil and India.

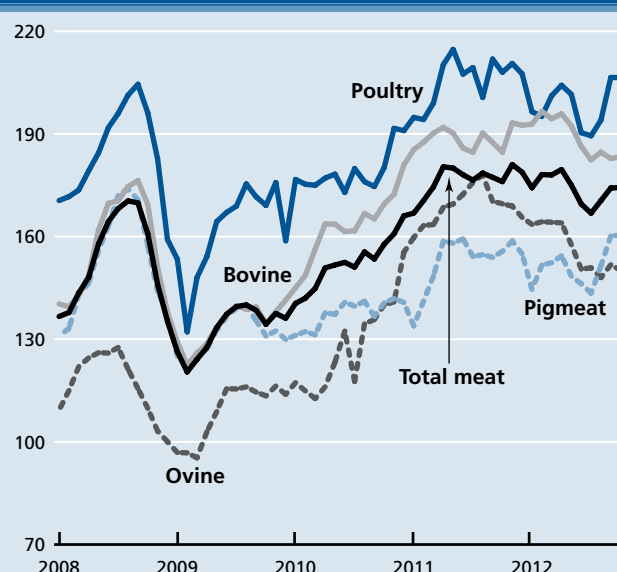
Escalating feed prices and slowing meat production growth have pushed up international meat prices in late 2012, to levels approaching the highs attained in 2011. Accordingly, the FAO meat price index, which has jumped by 5 percent since July 2012, averaged 174 points between January and October, which compares with 176 for the same period last year. Most of the recent increase in the meat price index reflect price gains for poultry and pigmeat, which have soared by 9 percent and 12 percent respectively since July.

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World meat market at a glance

	2010	2011 <i>estim.</i>	2012 <i>f'cast</i>	Change: 2012 over 2011
<i>million tonnes</i>			<i>%</i>	
WORLD BALANCE				
Production	294.2	297.1	301.8	1.6
Bovine meat	66.7	66.6	66.8	0.4
Poultry meat	98.9	102.3	104.5	2.2
Pigmeat	109.3	108.8	110.8	1.9
Ovine meat	13.7	13.8	13.9	0.9
Trade	26.7	28.8	29.4	2.2
Bovine meat	7.7	8.0	8.0	1.0
Poultry meat	11.7	12.7	13.0	2.4
Pigmeat	6.2	7.1	7.4	3.0
Ovine meat	0.8	0.7	0.8	1.9
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	42.5	42.4	42.5	0.4
Developed (kg/year)	79.2	78.9	79.0	0.0
Developing (kg/year)	32.4	32.4	32.7	1.0
FAO MEAT PRICE INDEX (2002-2004=100)				Change: Jan-Oct 2012 over Jan-Oct 2011 %
	2010	2011	2012 <i>Jan-Oct</i>	
	152	157	174	-1.0

FAO international meat price indices (2002-2004 = 100)



Dairy market summary

International prices of dairy products began to strengthen in mid-2012, reversing the steady decline that had characterized the previous twelve months. The change in trend resulted from a tightening of supplies to the world market. Availabilities are anticipated to be finely balanced until at least the end of the year, as output in the Northern Hemisphere is now trending seasonally downwards and only a limited increase is anticipated during the new production year in the Southern Hemisphere. The absence of substantial growth in milk output in the principal exporting countries is likely to mean a further upward movement in prices.

World milk production in 2012 is forecast to grow by 3.0 percent to 760 million tonnes – a higher rate than the average for recent years. Asia is expected to account for most of the increase, with output also growing in Oceania and South America.

World trade in dairy products is expected to continue expanding in 2012. Demand remains firm, with imports anticipated to reach 52.9 million tonnes of milk equivalent, up 4.6 percent from 2011. Most of the growth in demand will come from Asia, followed by Africa.

World dairy market at a glance

	2010	2011 <i>estim.</i>	2012 <i>f'cast</i>	Change: 2012 over 2011
<i>million tonnes, milk equiv.</i>			<i>%</i>	
WORLD BALANCE				
Total milk production	722.9	737.9	759.6	3.0
Total trade	47.8	50.5	52.9	4.6
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	104.6	105.6	107.5	1.8
Developed (kg/year)	234.1	234.9	238.1	1.4
Developing (kg/year)	69.4	70.8	72.7	2.8
Trade share of prod. (%)	6.6	6.8	7.0	1.6
FAO DAIRY PRICE INDEX (2002-2004=100)				
	2010	2011	2012 <i>Jan-Oct</i>	Change: Jan-Oct 2012 over Jan-Oct 2011 %
	200	221	187	-16.6

FAO international dairy price index (2002-2004=100)



The index is derived from a trade-weighted average of a selection of representative internationally traded dairy products.

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be constrained by rising production costs, especially given current prospects for falling world prices.

Deliveries from **Australia**, the world's third largest supplier, are set to rise from their 2011/12 levels, as exportable surplus expands sustained by greater domestic production. However, exports still remain below the country's historical levels of 3.61 million tonnes. A bumper crop is also expected to boost deliveries by **South Africa**, with the bulk of shipments directed to the Southern Africa Customs Union (SACU) market, and to the United States to fill its 2013 TRQ allocation. Exports by **Guatemala** are foreseen to be sustained by greater availabilities and competitive pricing. Sugar has become a key source of foreign exchange earnings for the country, with large investment targeting refined sugar export markets. The United States, the Republic of Korea, and Canada are the main destinations of Guatemala's sugar export. Similarly, sales by **Mexico** are anticipated to increase on account of greater production. However, the final amount of shipped sugar still will depend on the extent to which high fructose corn syrup (HFCS) substitutes for domestic sugar use. Production gains are also anticipated to enable **Cuba** to step up exports.

In light of the large domestic supplies, imports in Asia are forecast to decline somewhat in 2012/13. Much of the contraction would stem from lower purchases by **China**, reflecting expectations of an increasing domestic production and a slowdown in state purchases as stocks regain comfortable levels. After being the main driver of imports between 2009 and 2011, with shipments growing

by 41 percent per year, China is expected to rely less on international markets in 2012/13. On the other hand, shipments into **Japan, Malaysia and Indonesia** are predicted to increase – in part to fulfil recent expansions in refining capacity for the latter country. In *Europe*, shipments to the EU are forecast to fall due to ample domestic availabilities. However, estimates for imports may be revised upwards if the ratification of the free trade agreement between Colombia, Peru and the EU takes effects in 2013. A similar agreement between the EU and six countries in Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) could take effect also next year, which would add pressure for EU's imports to increase further. As a result of falling domestic production, imports by the **Russian Federation**, once the world's largest sugar market, are expected to rise from 1 million tonnes in 2011/12 to 1.2 million tonnes in 2012/13. In the *rest of the world*, purchases by the United States, about half of which are managed through a TRQ system of 1.4 million tonnes, are forecast to drop somewhat, in light of the expected higher output. Total imports by countries in *Africa* are expected to expand further, in line with rising domestic consumption resulting from increasing population and per capita income.

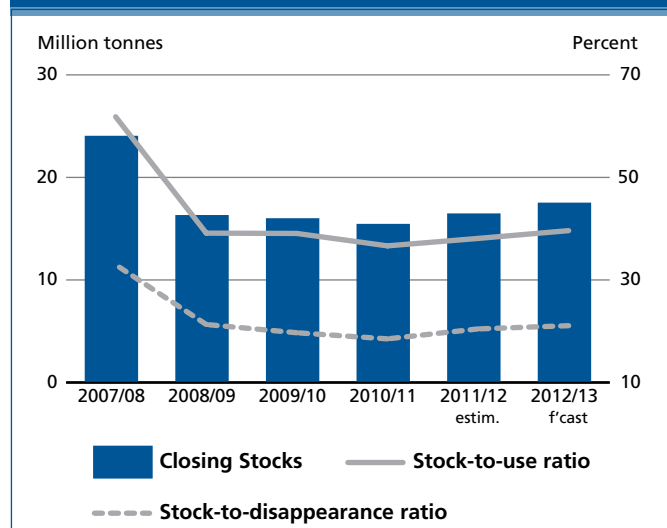
MEAT AND MEAT PRODUCTS

Despite high meat prices, prospects for growth in world output dampened down by high feed costs and market uncertainty

In 2012, meat producers, who were previously heading towards a year of expansion, have been scrambling to rebalance livestock supplies, as weak consumption and high feed costs depressed profit margins. Against this backdrop, global meat output is expected to grow by 2 percent only in 2012, to 301.8 million tonnes. Much of the expansion is anticipated to be concentrated in the developing countries, as more industrialized operations in the developed countries retrench in response to escalating costs and lacklustre consumption prospects.

Since the surge of grain prices in July 2012, the FAO meat price index has risen by 5 percent to 174, still short of the record levels witnessed in late 2011. However, compared with the beginning of the year, prices are virtually unchanged, with the meat index valued at 174-175 points. The apparent stability of the index masks diverging price movements of the various meat categories, with the feed-dependent poultry and pigmeat sectors gaining 5 percent and 11 percent between January and October. By contrast,

Figure 46. Stocks held by the five major sugar exporters, stock-to-use ratio and stock-to-disappearance ratio



beef prices, which hit new records in the first few months of the year, have shed 5 percent since January, with an even more pronounced decline of 8 percent observed in the sheepmeat market.

BOVINE MEAT

Global beef production growth dampened by drought, high feed prices and policies

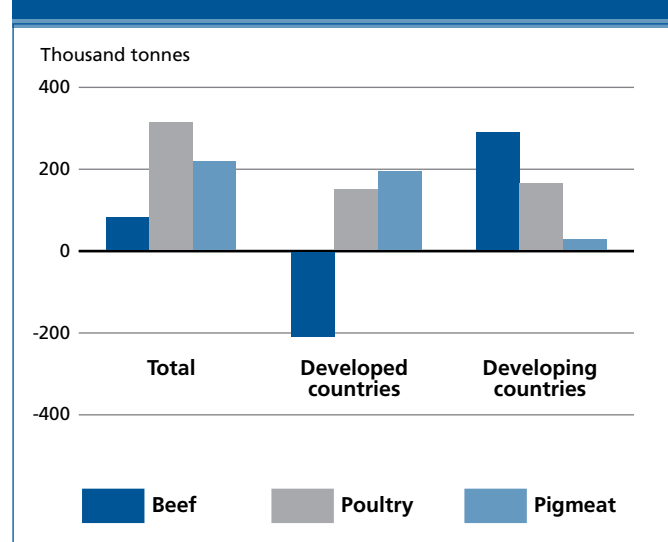
Low cattle numbers in developed countries, high feed prices and reduced industry profitability are contributing to stagnating global beef production for the fifth consecutive year. With output virtually flat at 66.8 million tons in 2012, limited supplies led to near record beef prices in the first months of the year, with reduced animal numbers portending higher prices in 2013. This is despite an on-going liquidation of cattle in the **United States**, the world's largest beef producer, triggered by the 2012 drought, allegedly the worst in half a century. The downsizing of the US herd, initiated in 2008, has pushed cattle numbers to a 60 year low. Similarly, lingering drought problems are depressing slaughter weights and output in the **Russian Federation, Ukraine** and **Mexico**. In the **EU**, beef output is plummeting to the lowest level since the 1960s, partly reflecting an increasing efficiency in dairy production, which has reduced the number of dairy animals for slaughter, combined with lower government support to the sector. By contrast, favourable weather, excellent pasture and abundant forages are behind a 4 percent increase in beef output in **New Zealand** and a more modest gain in **Australia**. In **Canada**, production is anticipated to remain stable.

Table 17. World meat market at a glance

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FAO MEAT PRICE INDEX (2002-2004=100)				
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The contraction of output in the developed countries is anticipated to be offset by increases in the developing countries. In South America, cattle availabilities and slaughter have been rising particularly in **Argentina, Brazil, Paraguay** and **Uruguay**, following several years of herd rebuilding. In **Argentina**, historically high cattle prices and favourable profit margins are expected to boost beef production by 4 percent, despite restrictive export policies and the closure of an estimated 100 processing plants over the past two years. In Asia, production is expanding in **India** and **Vietnam**, sustained by investments into new processing operations. Beef output is forecast to soar in the **Republic of Korea**, reflecting a surge in slaughter numbers in response to government slaughter subsidies. In **China**, the sector is forecast to contract for the second consecutive year, as labour shortages and high production costs force small producers to exit the sector. In Africa, an early year FMD-outbreak in **Egypt** was followed by extensive culling of animals, with negative implications for output in the country. In the rest of the region, drought and high animal mortality rates in countries in the Horn of Africa and the Sahel also weighted negatively on bovine meat output in the region.

Figure 47. Gains in global meat trade in 2012



Imports of bovine meat rise despite high prices; India moves into position as the world's largest exporter

Despite price-induced declines in consumption in major developed markets, domestic supplies shortages are sustaining global demand for bovine meat trade, now forecast to rise by 1 percent to 8 million tonnes. Marked increases in imports are expected in the **United States**, the world's largest beef importer (and a major exporter), to compensate for domestic production shortfalls. Deliveries to the **Russian Federation** are also expected to be somewhat larger, reflecting the WTO-led increase in the preferential quota, as well as a new customs agreement with Belarus. By contrast, demands by **Japan** and the **Republic of Korea** are likely to weaken amid surging domestic supplies, while **Indonesia's** purchases of both live cattle and beef continue to be limited through restricted issuance of import licenses. In the **EU**, falling consumption is foreseen to depress imports for the third consecutive year, despite an increase of a zero-duty quota for high quality beef.

Competitive pricing of buffalo meat in **India** is boosting the country's deliveries to the Philippines, Malaysia, Vietnam and the traditional beef importing countries in the Gulf and Egypt. Overall, India's exports in 2012 are expected to grow by 17 percent to 1.4 million tonnes, which, if confirmed, would set the stage for the country to become the world top bovine meat exporter. Shipments from **Australia** and **New Zealand** are also anticipated higher this year, sustained by larger herds, favourable weather and pasture condition

and a strong demand from the United States. Among South American producers, both **Brazil** and **Uruguay** are forecast to step up deliveries, capitalizing on the larger cattle inventories and, in the case of Brazil, on a relatively weak currency. Despite the closure of the Chile, Israel and EU markets, disease recovery should enable **Paraguay** to step up beef exports, by shifting export destination to neighbouring Brazil. By contrast, sales from **Canada** and, in particular, the **EU** and the **United States** are anticipated to plummet, constrained by limited supply of slaughter animals and high domestic prices. Export from **Argentina** may contract again this year, hindered by high domestic prices, a strong currency and the application of numerous export restraints, such as taxes and quotas.

PIGMEAT

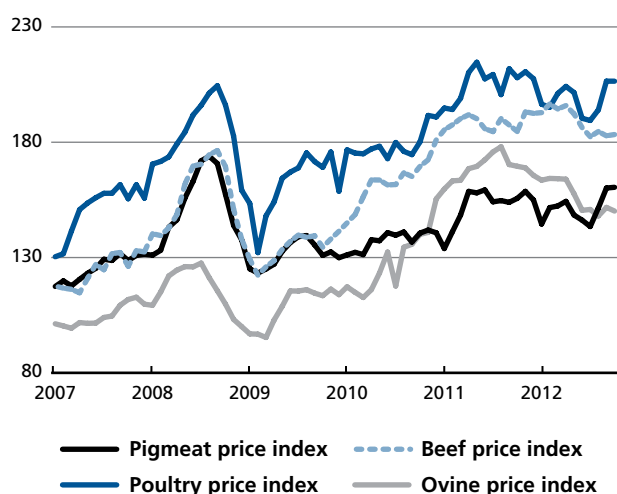
Disease recovery in Asia and a downsizing of operations in developed countries sustain pigmeat production in 2012

Disease recovery in Asia and a downsizing of operations through higher slaughter in many developed countries are expected to translate into a 2 percent increase in world pigmeat production to 110.8 million tons in 2012. This, along with a build up of pigmeat stocks in some countries, is exerting short-term downward pressure on prices in some local markets. The impact, however, is likely to be short-lived, with pigmeat prices on international markets already firming.

Herd liquidation is resulting in record slaughter and output in the **United States** while negative margins in **Canada** are behind pig farms bankruptcies and a contraction of output. In the **EU**, restructuring of the sector to comply with stringent welfare and environmental regulations is resulting in lower production. In the **Russian Federation**, the continued spread of African Swine Fever is anticipated to slow down output growth to 2 percent in 2012, which compares with an average 7 percent in the previous four years.

Nearly 90 percent of output gains in 2012 will be in the developing countries, specifically in Asia. In the region, policy support in **China**, the world's largest producer, is sustaining the sector expansion. A strong recovery from last year's FMD-depleted supplies is boosting output in the **Republic of Korea** while in **Japan**, output is returning to pre-tsunami levels. In **Vietnam**, policies and investments in feed and processing are behind an expected 5 percent output increase. In **Mexico**, the sector is expanding, underpinned by improved genetics and productivity, which are translating into increased piglets per litter and higher

Figure 48. Short beef supplies maintain high prices while poultry and pig meat prices pressured up by high feed prices



animal weights. On the other hand, a rapid decline in hog prices is depressing production in **Thailand**.

Pigmeat trade continues to grow but Asia remains on the side lines

Stagnant consumption in traditional sources of exports, such as in **Canada**, the **EU** and the **United States**, are resulting in large excess supplies, which, along with firm import demand, are expected to boost global pigmeat trade by 3 percent to 7.4 million tons this year. Pigmeat imports by **China**, which surged in 2010 and 2011, in the wake of disease outbreaks, have continued to grow despite early year indications of adequate supplies and falling domestic prices, and may end up 6 percent larger by the end of the year. The **Russian Federation**, **Ukraine** and **Mexico** are also foreseen to step up their purchases. **Japan's** imports are expected to record only a slight increase, as the sector recovers from the tsunami-related losses in 2011. Smaller volumes are forecast to flow to other Asian traditional markets, reflecting a stalling consumer demand and recoveries in production the **Republic of Korea** and the **Philippines**. Purchases by **Argentina** are also forecast to contract, as the recent resolution of a trade dispute with Brazil will only restore product movement between the two countries late this year.

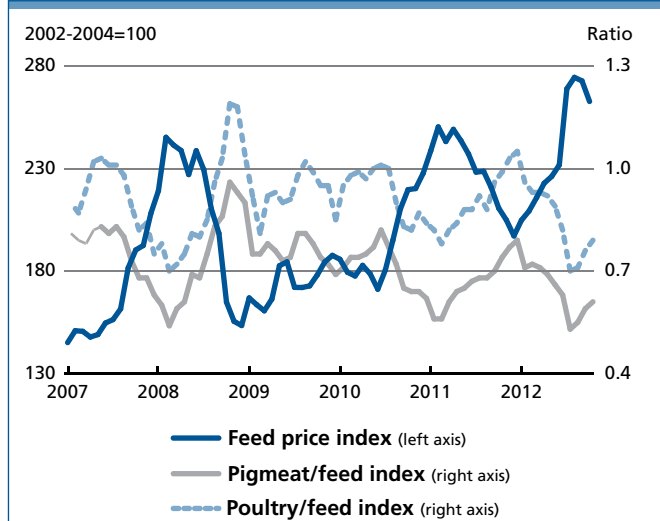
As for exports, increased availability in the **United States** is expected to boost US pigmeat deliveries to a record 2.3 million tonnes, 3 percent up from last year. Competitively priced product in the **EU** could also facilitate an increase of sales, despite this year's elimination of export restitutions for pork. Developing country exports are also rebounding. For instance, shipments from **Brazil** are recovering following the lifting of **Russian** restrictions on pigmeat from a number of processing units and a diversification of sales to other markets, in particular Hong Kong SAR, Ukraine and Angola. Sales by non-traditional exporters, such as **Chile** and **Mexico**, are also expected to rise, even sharply, in the case of Mexico, assisted by its newly recognized status as free of Classical Swine Fever. Shipments from **Belarus** are also set to increase, facilitated by a newly negotiated Customs Union with the Russian Federation.

POULTRY MEAT

Poultry production growth weakens in the face of high feed prices and falling profitability

High feed prices and stalling consumption growth are anticipated to weaken world poultry meat production growth to 2 percent in 2012, from 3.4 percent last year, reflecting a loss of momentum in both developing and

Figure 49. Profitability for pork and poultry producers hit by inability to raise prices to factor in high feed costs



developed countries. Global production is now forecast to rise by 2.2 million tonnes to 104.5 million metric tonnes, with two thirds of the increase originating in Asia.

While chicken prices remains competitive and preferred by price-sensitive customers, difficulties in passing off higher feed costs have resulted in negative profit margins for the sector and lower year-to-year chick placements in the **United States** and **Brazil**, a situation expected to result in falling production in the two countries this year. Prospects are more positive in the **EU** and the **Russian Federation** with output expanding to meet firm domestic demands. Increased investment and a consumer shift from pork to poultry is underpinning an expansion of output in **China**. Production gains are also foreseen this year in **India**, **Indonesia**, **Japan**, **Malaysia** and **Thailand**, with oversupplies reported to be pressuring down prices and profitability in several of them. While twelve countries have registered outbreaks of avian influenza in 2012, persistent occurrences have curbed output in **Viet Nam** for the third successive year. This contrasts with **Mexico** where a mid-year outbreak of N7N1 affected production of eggs rather than broilers. Unlike in **Brazil**, the sector is expected to grow vigorously in **Argentina** which has moved into position as the world's fifth largest poultry producer, reflecting past years government supported investment and competitive feed prices. In **Saudi Arabia**, subsidies on imported animal feed are supporting the expansion of poultry output, which would lift the country's rate of self-sufficiency since last year from 38 percent to 46 percent.

Poultry trade growth slows as global import demand stalls

With adequate supplies in many Asian markets translating into lower regional import demand, global poultry trade is anticipated to rise by only 2.4 percent to 13 million tonnes in 2012. This would imply a severe loss of momentum compared with 2010 and 2011, when trade in poultry products rose by 6.7 percent and 8.8 percent respectively. Early year production expansion in **Japan, the Republic of Korea and the Philippines** are limiting imports into the region, despite larger shipments to **Singapore and Vietnam**. Deliveries to the **Russian Federation** in 2012 are expected to rebound after four years of contraction, more as a result of a custom agreement with Ukraine and Belarus than by the recent accession of the country to the WTO. Contrasting with the other regions, import growth for Africa as a whole is expected to remain sustained at around 12 percent in 2012. This tendency reflects the positive effects of income growth in several African countries, such as **Angola, Benin, Ghana, and the Republic of the Congo** which are translating into strong domestic demand and double digit import gains. Even deliveries to **South Africa** are moving up despite this year's imposition of anti-dumping duties on Brazilian shipments; a decision which Brazil is disputing at the WTO. Imports by **Egypt** are also anticipated to surge to record levels, following outbreaks of avian influenza, combined with FMD-induced high beef prices. By contrast, meat imports by the **Islamic Republic of Iran**, including poultry, which is increasingly supplied by neighbouring **Turkey**, have been stricken by the impact of sanctions.

Low margins and declining output are expected to result in only a modest expansion of poultry exports by the **United States and Brazil**, which together supply two thirds of global trade. Meanwhile, shipments from **Thailand** to the EU are forecast to rise vigorously, due to competitive pricing and the EU lifting of an eight-year AI-induced ban on fresh/chilled product. Likewise, exports from **Turkey**, which have benefited for the last several years from a rising regional demand, especially from Iraq, are forecast to grow by over 20 percent. Government investments are supporting record **Argentine** exports, particularly to regional markets, including **Venezuela and Chile**.

OVINE MEAT

Sheep and goatmeat markets steady as increased supplies prompt a decline of prices

Ovine meat markets have recovered from two years of declining supplies, with global output estimated up one percent to 13.9 million tonnes in 2012. Satisfactory pasture

conditions have induced flock rebuilding throughout many of the major producing areas of Asia and Africa, including major producers as **Pakistan, the Islamic Republic of Iran, India and Turkey**. In Africa, output in 2012 was hit by drought, especially in the **Horn of Africa** and in the **Sahel of West Africa**; however, recent pasture regeneration has been observed over the past months portending a recovery in animal numbers in 2013. In **Central Africa**, recurring outbreaks of the virulent "peste des petits ruminants" are decimating goat flocks, posing a critical threat to regional sheep and goat flocks. **Syria** is one of the largest producers in the Middle East and sectarian strife is likely to have reduced output. Meanwhile, sheep meat production in the developed countries, which accounts for only 22 percent of global supplies, is forecast to increase only slightly, with lower output in **Europe** and the **North America** offset by a 4 percent increase in **Australia and New Zealand** which have benefited from favourable pasture conditions and high lamb crops.

Flock rebuilding results in increased animal numbers and increased sheepmeat export availabilities

A recovery in global supplies, combined by booming shipments to **China** and strong demand in many **Middle Eastern markets**, are supporting a 2 percent rise in sheep and goat meat trade in 2012 to 757,000 tonnes. Despite some flock rebuilding and a strong currency, **New Zealand's** lamb exports are expected up 3 percent stimulated in part by China's approval of more New Zealand processing sites for export. **Australian** shipments are recovering from three years of drought-reduced supplies. While imports by the **EU, the United States and Canada** are slipping as a result of the faltering consumer demand, imports by middle Eastern countries, in particular **Kuwait and Saudi Arabia**, are expected to keep rising, despite a sustained trade in live sheep and goats coming from Ethiopia, Sudan and Somalia.

Table 18. Major Meat Market Policy Developments: May to October 2012

Country	Product	Date	Policy Instrument	Description
Algeria	Poultry	Aug	State market intervention	Removed VAT and exempted raw poultry materials and finished products from customs duties from 1 September 2012 until 1 August 2013 in order to reduce the price of white poultry meat and to help the struggling poultry sector.
Argentina	Beef	Aug	WTO complaint filed	Filed a complaint with WTO against the US over its restrictions on imports of Argentinean beef and meat products in late August. Argentina claims that the restrictions, applied on sanitary grounds, have no scientific justification.
	Pork	Sep/Oct	Import ban	Stopped to release import declarations for Brazilian pork in September; in October, the two countries signed an agreement to resume trade.
Australia	Pig	Jul	State market intervention	Increased the pig slaughter levy for "marketing" from AUD 1.35 to AUD 2.25. This increase will occur in three 30-cent tranches over four years from 1 July 2012. The levy for "research and development" (R&D) of AUD 1.00 remains equal. The pig slaughter levy is collected from producers to support the predominant industry body, Australian Pork Limited (APL), in undertaking marketing, R&D and policy activities on behalf of the industry.
	Poultry	Jun	WTO complaint filed	Filed complaint with WTO against the anti-dumping duties South Africa imposed on Brazilian chicken.
Brazil	Pigs	Jul	State market intervention	Under the pork buyback programme, 76 000 metric tonnes of excess live swine were bought back at a guaranteed minimum price for pigs of BRL 0.40/kg (USD 0.20). Also, a special credit line was put in place for pig farmers to buy piglets at a price of BRL 3.60/kg (USD 1.77/kg) as well as the extension of debt funding and investment.
	Pig, poultry	Sep	State market intervention	Provides payroll tax relief to over 25 sectors of the economy, including the pig and poultry sectors. Exporting companies will not have to contribute to taxes (employer contribution to Social Security) on their production revenues.
Canada	Livestock	Aug	State market intervention	Offered livestock tax deferrals to producers in drought-affected municipalities which allows eligible producers in designated areas to defer income tax on the sale of breeding livestock for one year to help replenish breeding stock in the following year. In addition, producers have access to assistance through existing business risk management (BRM) programmes.
China	Meat	Oct	Price control	Provided VAT exemption for wholesale or retail sale of fresh meat and egg products listed in "Circular 75" as of 1 October 2012.
	Poultry	Jul	Import ban lifted	Lifted 8-year ban on the imports of fresh chicken meat from Thailand as of 1 July, after no bird flu case was reported in Thailand for more than three consecutive years.
European Union	Livestock	Jul	Animal welfare regulations	Adopted a resolution in support of the new EU Animal Welfare Strategy 2012–2015, encouraging the European Commission to better enforce existing animal welfare (AW) legislation, to further expand AW legislation based on sound science and to pursue inclusion of AW standards in the international arena and in all its bilateral trade agreements.
	Beef	Aug	Import quota increased	Increased the zero-duty quota for high quality beef from 20 000 mt to 45 000 mt. Further, the European Commission changed the quota management system to a first come, first served approach. Previously (from 2009), the quota had been controlled by issuing import licenses on a monthly basis.
Fiji	Poultry	Aug	Import ban	Banned poultry imports from Brazil due to the risks associated with diseases on the packaging entering the country.
Hong Kong	Poultry	May	Import restrictions lifted	Resumed the import of the poultry from mainland provinces after bird flu.

Country	Product	Date	Policy Instrument	Description
Indonesia	Cattle	Sep	Subsidies	Provided IDR 300 million (USD 32 000) government support to each farmer's group developing cattle ranches in the region, targeting self-sufficiency in beef supply by 2014.
Japan	Pork	Aug	Import restrictions	Completed risk assessment of pork from the southern Brazilian state of Santa Catarina, Brazil's only foot-and-mouth disease (FMD) free state.
Korea, Rep. of	Cattle, pig	Oct	State Market Intervention	Decided to promote slaughter (through subsidies) as well as the consumption of domestic beef and pork to stabilise the domestic cattle and pig markets in response to the ongoing price falls and rising livestock numbers.
Kyrgyzstan	Poultry	Jul	Import ban	Banned the import of poultry and poultry products from Ireland following the outbreak of H5N2 there in March.
Libya	Cattle	Sep	Import ban lifted	Lifted a 9-year ban on Canadian cattle, dating back to the 2003 discovery of mad cow disease in Canada.
New Zealand	Chicken	Jul	Animal welfare regulations	Introduced new standards covering the welfare of chickens raised for their meat. The new code of welfare came into effect on 26 July 2012, replacing the previous regulation issued in 2003.
Oman	Poultry	Sep	Import-ban lifted	Lifted import ban on poultry from India put in place due to bird flu concerns in March 2012.
Philippines	Poultry	Aug	Import ban	Banned temporarily imports of poultry from the province of Utrecht, the Netherlands, due to an outbreak of low pathogenic avian influenza (LPAI) in the province.
	Poultry	Jul	Subsidies reduced	Reduced poultry industry support until 2020 cutting the financing program by more than half – from 250 billion roubles (USD 8.34 billion) to 100 billion roubles (USD 3.2 billion). The measure is part of the decision to cut funding for agriculture in light of the country's accession to the WTO.
	Livestock, pork	Jul	Import duties	Cut the import duty for shipments inside the annual quota of 430 000 tonnes (kept equal until 2020) to zero following the formal access to the WTO on August, 22 2012, and reduced above-quota duty from 75% to 65%. After 2020, the import quota will be replaced by a flat 25% duty. Further, the import duty for livestock was reduced to 5%, and for sub products to 15%.
Russian Federation	Pigs	Aug	Import ban lifted	Lifted the restrictions on imports of breeding swine from the Czech Republic.
	Cattle	Aug	Import ban	Imposed import ban on cattle from Switzerland after cases of Schmallenberg virus.
	Pork	Aug	Import ban lifted	Lifted import ban on Brazilian pork. Brazilian companies lost trading permissions to Russia last year due to serious disputes between the veterinary services of the two countries.
	Poultry	Aug	Import restrictions	Restricted imports of some poultry products from the Netherlands after Dutch outbreak of avian influenza H7N7 in the Utrecht region.
	Cattle	Sep	Import ban lifted	Lifted a 5-year-old ban on breeding cattle from British Columbia (Canada) allowing for immediate exports to the Russian market.
	Pork	Sep	Import restrictions	Tightened controls on US pork exports after finding listeria and antibiotics in a shipment of pork from the US.
Russian Federation-Belarus-Kazakhstan	Poultry	Jul	Import ban	Ban by Customs Union of poultry from Mexico, due to the recent outbreak of avian influenza.
Saudi Arabia	Chicken	Oct	Export-ban	Banned the export of chicken in a bid to control spiralling prices that have triggered a public campaign on social networks to boycott poultry food.
Sri Lanka	Poultry	Oct	Price control	Consumer Affairs Authority increased imposed price controls on chicken by 30 rupees per kg.

Country	Product	Date	Policy Instrument	Description
Taiwan	Beef	Jul	Animal welfare regulations	Passed bill setting maximum level of ractopamine allowed in imported beef at 10 ppb. Previously, Taiwan had banned all meat imports with any residual ractopamine.
Ukraine	Poultry	Jul	Import ban	Banned imports of poultry, poultry products and raw material from several provinces of China due to outbreaks of avian influenza.
	Pig, cattle	Oct	State Market Intervention	Allocated USD 3.3 million in compensation for farmers who have suffered losses as a result of African swine fever. Cattle farmers are also being compensated USD 436 000 for losses.
United Arab Emirates	Beef	Aug	Import restrictions lifted	Granted full market access to Canadian beef producers, including beef from animals over 30 months of age.
United States (Codex Alimentarius Commission)	Livestock	Jul	Animal Health Regulations	The Codex Alimentarius Commission adopted official maximum residue limit (MRL) on the feed additive ractopamine, a big win for trade interests of the US, Brazil and Canada. However, some countries, such as China and EU, have zero tolerance policies for ractopamine residues in meat products, and Taiwan recently adopted a MRL allowed.
United States	Beef	Aug	Import restrictions lifted	Resumed beef imports from Japan, suspended since April 2010 after foot-and-mouth disease was found in Japanese cows.
	Livestock	Sep	State Market Intervention	Expanded USD 11.8 million in additional financial and technical assistance to help crop and livestock producers in 22 additional states.

MILK AND MILK PRODUCTS

Prices rise in the face of limited availability on the international market

International prices of dairy products began to strengthen in mid-2012, reversing the steady decline that had characterized the previous 12 months. The change in trend resulted from a tightening of supplies to the world market. Availabilities are anticipated to be finely balanced until at least the end of the year, as output in the Northern Hemisphere is now trending seasonally downwards and only limited growth is anticipated during the new production year in the Southern Hemisphere.

The FAO international dairy products price index (2002–2004=100) stabilized at 173 during June and July but had risen to 194 by October. Prices strengthened for all the products that constitute the index, especially skimmed milk powder (SMP) which registered an increase of USD562 per tonne, or 20 percent, after its mid-year low. In the same period, whole milk powder (WMP) prices also rose, by USD 425 per tonne or 15 percent, as did quotations for butter, which were up USD 400 per tonne or 14 percent, and cheddar cheese, which increased by USD 175 per tonne or 5 percent.

Over the past three years, the dairy index has oscillated around a value of 200, meaning prices for dairy products overall are approaching the average level for this period. With publicly financed inventories at minimal levels in the **EU** and the **United States**, the market remains sensitive to sudden changes in milk production and availability of milk products. The absence of substantial growth in milk output in the principal exporting countries is likely to mean a further upwards movement in prices.

PRODUCTION

World milk production to grow by 3 percent in 2012, sustained by gains in Asia, Oceania and South America

World milk production in 2012 is forecast to grow by 3.0 percent to 760 million tonnes – a higher rate than the average for recent years. Asia is expected to account for most of the increase, with output in **India**, the world's largest milk producing country, forecast to rise by 5 million tonnes to 132 million tonnes. Dynamic domestic demand provides the main impetus for growth, as India is largely absent from the international market for dairy products. Unlike many countries, expansion in herd size, rather than rising productivity, is the principal engine behind the rise in India's milk production. Increased output is also anticipated

Figure 50. FAO international dairy price index (2002–2004=100)

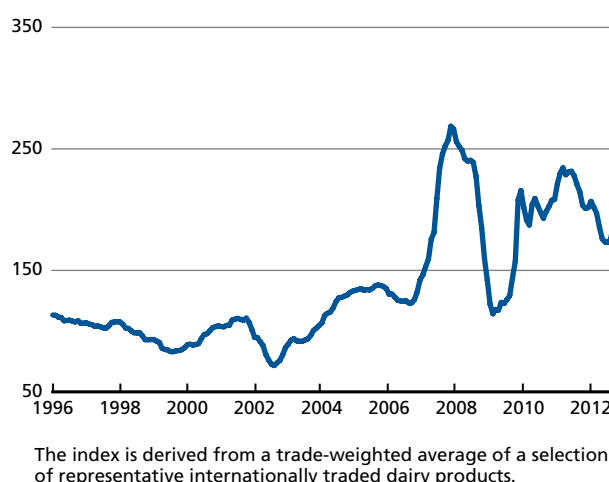


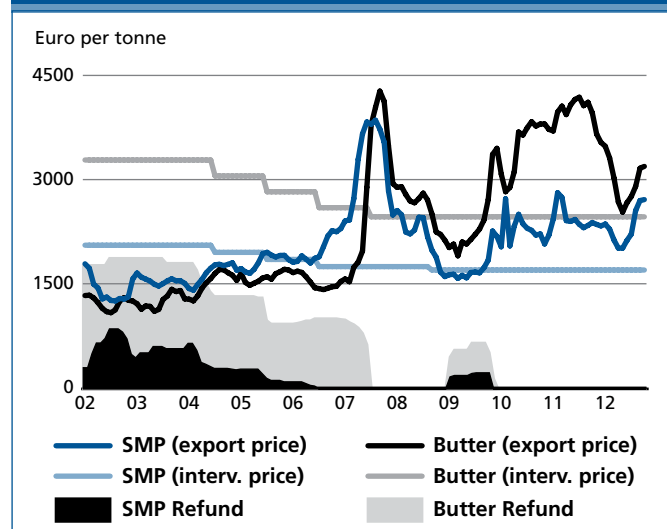
Table 19. World dairy market at a glance

	2010	2011 <i>estim.</i>	2012 <i>f'cast</i>	Change: 2012 over 2011
<i>million tonnes, milk equiv.</i>			<i>%</i>	
WORLD BALANCE				
Total milk production	722.9	737.9	759.6	3.0
Total trade	47.8	50.5	52.9	4.6
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption:				
World (kg/year)	104.6	105.6	107.5	1.8
Developed (kg/year)	234.1	234.9	238.1	1.4
Developing (kg/year)	69.4	70.8	72.7	2.8
Trade share of prod. (%)	6.6	6.8	7.0	1.6
FAO DAIRY PRICE INDEX (2002-2004=100)				Change: Jan-Oct 2012 over Jan-Oct 2011 %
	2010	2011	2012 <i>Jan-Oct</i>	
	200	221	187	-16.6

in **China**, **Pakistan** and **Turkey**, spurred by steady growth in consumer demand. The **Republic of Korea** is beginning to recover from the 2011 foot-and-mouth disease outbreak which required the slaughter of 8 percent of the dairy herd and led to a corresponding drop in production.

In Africa, a small increase in milk output is anticipated for 2012, even though a number of countries in the region have suffered adverse weather, which has limited growth. For example, a below-average rainy season in northern Kenya led to water shortages and poor pasture conditions, while poor rainfall in south-eastern and coastal areas and flooding in western Kenya resulted in higher prices for feed and fodder. High maize prices are expected to constrain growth

Figure 51. EU intervention prices, price and export refund for butter and skim milk powder



in milk production in **South Africa** in 2012, leaving it only slightly higher. Elsewhere in the region, an outbreak of foot-and-mouth disease in **Egypt** led to higher calf mortality and may limit growth in milk output.

Rising incomes and firm regional and international demand have favoured dairy production growth in several countries in Latin America and the Caribbean. Even more important, most South American countries had very good pasture conditions during the 2011/2012 production year. Overall, South American milk production expanded by over 5 percent in 2011 and a similar rate of increase is foreseen for 2012, when its output is expected to reach 71 million tonnes. The strongest gains this year are forecast for **Argentina, Ecuador** and **Uruguay**, with output in **Brazil** and **Chile** also growing. Conditions have been favourable for pasture production, and there is an optimistic perspective on the future international market for dairy products, leading to increased investment in new technology and improved animal genetics. In Central America, milk output in **Mexico**, the largest producer, is expected to be constrained by drought, which may trigger herd reduction and withdrawal of a number of small-scale producers from the industry. Production in **Costa Rica** is expected to show a moderate increase.

In North America, milk production in the **United States** is forecast to rise to 90.3 million tonnes, an increase of almost 2 percent, reflecting dairy herd expansion in response to positive national and international demand. Until July, monthly production was above the same period in the previous year, but an unfavourable milk/feed price ratio since then has led some farmers to cut back. Output in **Canada** is set to remain stable at 8.3 million tonnes, within the limits set by the milk quota system.

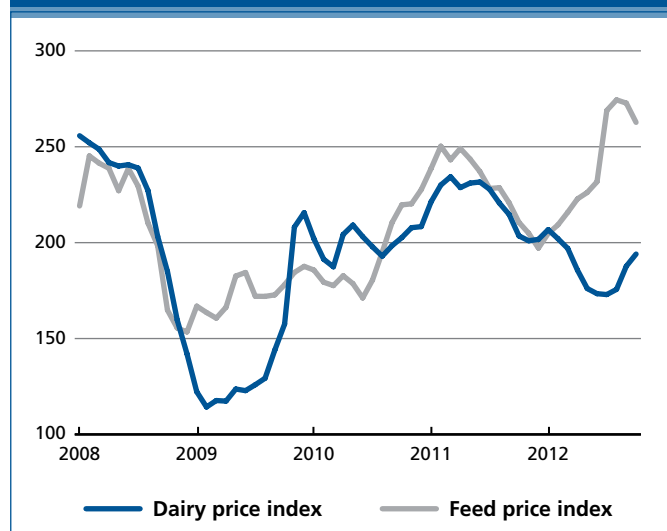
In Europe, **EU** milk production is forecast to rise by only 1.5 percent to 157.9 million tonnes in 2012, as improved milk yields continue to more than compensate for reduced cow numbers. Weather early in the year was generally favourable for pasture growth, which set the basis for a positive start. However, subsequently some member countries suffered dry conditions or even drought, in particular Romania, Hungary and Bulgaria, while others, such as Ireland, the United Kingdom and northern France, had excessive rain which adversely affected both pasture and forage. As a result, several European countries faced rising feed prices and deteriorating pasture quality. Although EU production limits are being raised by 1 percent per year in preparation for the 2015 abolition of its quota system, it now appears that some producers will not be able to avail themselves of the increase because of the adverse weather

Table 20. Major exporters of dairy products

	2008-10 Average	2011 prelim.	2012 f'cast
<i>thousand tonnes</i>			
WHOLE MILK POWDER			
World	2 066	2 247	2 373
New Zealand	791	1110	1210
EU*	464	390	360
Argentina	126	201	230
Australia	130	116	117
SKIM MILK POWDER			
World	1 330	1 713	1 733
EU*	263	518	520
United States	341	436	450
New Zealand	331	362	363
Australia	142	140	159
BUTTER			
World	841	826	877
New Zealand	396	414	455
EU*	149	126	115
Belarus	69	62	64
United States	56	64	60
Australia	63	41	55
CHEESE			
World	2 063	2 406	2 534
EU*	603	683	750
Saudi Arabia	200	284	341
New Zealand	267	253	280
United States	139	226	254
Egypt	133	175	130
Australia	160	168	170

* Excluding trade between the EU Member States. From 2007: EU-27

Figure 52. FAO indices of dairy and feed prices (2002-2004=100)



conditions described above. Furthermore, milk prices have not increased to reflect higher production costs, which will also act as a brake on growth. Milk production in the **Russian Federation** is anticipated to show a modest increase in 2012, following two years of decline, supported by an improvement in profitability and a concomitant slowing in dairy herd contraction. In neighbouring **Ukraine**, milk production also appears to be stabilizing, following a period of prolonged decline, due to government programmes to support the sector.

In Oceania, sustained high prices for dairy products on the international market and associated levels of profitability have stimulated milk production. In **New Zealand**, output rebounded strongly during the 2011/12 season and closed 10 percent higher at 19.7 million tonnes, due to an increase in herd size combined with above average pasture conditions, especially during the second-half of the season. The new season has begun well and deliveries are running ahead of the same period in 2011/12. However, it is unlikely that the previous season's exceptional performance will be improved upon, and final output is expected to reach around 19.0 million tonnes. In both New Zealand and Australia, herd health and condition are reported to be the best they have been for a number of years. In **Australia**, herd rebuilding and favourable weather conditions were behind a 4 percent increase in milk production during the 2011/12 season, to 9.5 million tonnes. The 2012/13 Australian milk year has opened with less than favourable, cool and wet weather. Furthermore, an increase in the price of feed grain, which accounts for approximately 25 percent of total costs, may prompt farmers to feed less, which would result in lower average milk production per cow. For 2012/13, milk output

in the country is expected to grow by 2 percent to some 10.2 million tonnes.

TRADE

Limited export availability and strong import demand drive up international dairy prices

World trade in dairy products is expected to continue to expand in 2012. Demand remains firm and imports are forecast to reach 52.8 million tonnes of milk equivalent, up 4.8 percent from 2011. Asia will continue to be the main market for dairy products, accounting for some 51 percent of world imports. In 2012, significant additional demand is expected from **China, Saudi Arabia, Indonesia, Japan, Singapore, the United Arab Emirates, Malaysia, Vietnam and Sri Lanka**. Elsewhere in Asia, the **Philippines, Thailand and the Republic of Korea** should also remain important markets, but the level of their imports is not expected to rise. Growth is anticipated among a number of significant importing countries in North Africa and Latin America and the Caribbean, including **Egypt, Mexico, Venezuela and Brazil**. Conversely, **Algeria**, which was the fourth largest importer in 2011, is expected to cut its purchases due to carry-over stocks of milk powder from the previous year. Supplies from the main exporting countries are foreseen as being finely balanced for the remainder of 2012, and perhaps into the first part of 2013.

Whole milk powder (WMP) – Prices rise from July in the face of supply uncertainties

International WMP prices began increasing in mid-2012, following several months of decline. In June, they had dropped to USD 2 800 per tonne, while by October they stood at USD 3 300 – an increase of 18 percent. Prices during the first part of the year were weakened by a strong closing of the 2011/2012 season in the Southern Hemisphere, resulting in larger than expected export availability. However, a lack of any substantial production increase in the Northern Hemisphere, in part as a result of climatic extremes, and uncertainty over Southern Hemisphere availability for the 2012/2013 season have raised prices since July. World exports of WMP are projected to show continued growth in 2012, rising by 126 000 tonnes to reach 2.4 million tonnes. Sustained demand is forecast for Asia, the main market, as well as for several importers in North Africa and Latin America and the Caribbean. **China, Algeria and Venezuela**, the major importing countries (in order of volume) make up over 30 percent of world WMP trade. Imports by Venezuela are expected to show a substantial increase, with some growth in imports by China,

while purchases by Algeria are anticipated to decline as a result of retained stock from the previous year. Imports of WMP by China levelled off after having substantial growth in 2009 and 2010, although with current annual purchases of around 350 000 tonnes, it remains the largest market. Since 2011, buyer interest has focussed more on SMP, with China also on course to become the largest importer of this product. Purchases by a number of other important WMP importing countries, including (in order of volume) **Saudi Arabia, United Arab Emirates, Sri Lanka, Indonesia** and **Oman**, are expected to grow. Demand for WMP is very geographically diverse, stemming from its wide use in both the processing industry and for direct retail sale. As for the exporters, **New Zealand, Argentina, Belarus** and **Uruguay** will supply most of the increase in trade, as limited milk supplies and more profitable alternative uses are expected to curb export availability from the **EU** and **Australia**. Altogether, the six exporters supply 85 percent of the international WMP market.

Skim milk powder (SMP) – Prices up on limited export supplies

Trade in SMP is anticipated to rise by 1 percent in 2012, to 1.7 million tonnes. In the face of limited export availability, SMP prices rose from a low of USD 2 838 per tonne in mid-2012, to reach USD 3 400 in October. Factors behind the increase are similar to those described for WMP. However, supplies of SMP to the world market are expected to be more constrained as manufacturers place emphasis on other products in the context of overall tight milk supplies. SMP is central to the milk processing industry in many countries and, as such, market demand is widespread. The principal markets are (in order of volume) **Mexico, China, Indonesia, Algeria, Malaysia** and the **Philippines**, followed by **Singapore, Egypt, Saudi Arabia** and **Thailand**. Overall demand is expected to remain firm in these markets.

China, in particular, is anticipated to increase its purchases substantially, by 65 000 tonnes, and is on course to become the major importer of SMP by the middle of the decade, after becoming the principal market for WMP in 2010. Higher imports are also anticipated (in order of volume) for **Mexico, Indonesia** and **Malaysia**. Conversely, purchases by **Algeria**, fourth ranked in terms of world imports, are anticipated to decrease as stocks are drawn down to meet domestic demand. Over 85 percent of world exports are supplied by (in order of volume) the **EU**, the **United States**, **New Zealand** and **Australia**. For 2012, the largest increase in supplies is expected to come from the **United States** and **Australia**. In the face of limited export supplies this year, **Saudi Arabia's** and **Switzerland's** participation

in the international market may become more important than in the past. Exports by the **EU** and **New Zealand** are anticipated to remain at levels similar to the previous year, as emphasis is placed on the production of other milk products.

Butter – Market is well-balanced, prices may trend higher

Pressure for international prices to rise has been less for butter than for its co-product, SMP. Butter prices reached a low of USD 2 850 per tonne in July, representing a substantial reduction from the peak levels of 2011, when they touched a high of USD 4 880. Since July 2012, prices have risen somewhat, to stand at USD 3 250 in October. Trade in butter is forecast to grow by 6 percent in 2012, to 878 000 tonnes. This is anticipated to be a consequence of increased deliveries by **New Zealand, Belarus, Australia, Uruguay** and **Switzerland** compensating for a fall in sales from the **EU**, the **United States** and **Argentina**. In the case of the EU, lower profitability for butter has led to more emphasis on using milk for cheese production. Furthermore, at present, international butter prices are not competitive with those on the EU internal market. **New Zealand** is the predominant supplier of butter to the world, accounting for over half of trade. Demand for butter imports comes principally from **Southeast Asia**, the **Middle East** and the **Russian Federation**. Additionally, as a result of trading agreements, the **EU** is both an important butter importer (ranking third) and exporter (ranking second). Purchases by most of the main importing countries – **Egypt**, the **EU**, **Saudi Arabia** and **China** – are anticipated to increase during 2012, while imports by the **Russian Federation** may decline as a result of increased domestic production.

Cheese – Prices move upwards from September

Among the dairy commodities, cheese prices traditionally have been more stable – reflecting the wide variety of cheese available, each with its own distinct characteristics. This makes cheese less subject to supply and demand fluctuation than the standardized products. Even in the case of a generic cheese, such as cheddar, differences in taste, consumer preference and the use of branding mean that prices are not as volatile as for milk powder and butter fat which are destined mainly for reconstitution and other processing. Consequently, while cheese prices moved somewhat lower during the first half of 2012, the degree of decline was not as great as for the other milk-based commodities. After remaining at a low of USD 3 600 per tonne from May to August, the price had risen to USD 3 925 by October. Trade in cheese is forecast to grow by 5.3 percent in 2012, to 2.5 million tonnes, sustained by robust import demand. The

world cheese market is the most difficult dairy market to classify. One apparent anomaly is that a number of major cheese producing and exporting countries are also important importers, including (in order of volume) the **United States**, the **EU**, **Australia** and **Switzerland**. Most often, purchases by this group of countries reflect import quotas under trade agreements and also the highly specific nature of some cheeses, including those with restrictions on the use of their names and areas of origin. Elsewhere, several of the most important cheese importers, including the **Russian Federation**, **Japan**, **Saudi Arabia**, **Mexico**, the **Republic of Korea** and **Egypt**, focus more on industrial cheese,

both for direct consumption and for use by the processing industry, although each market may have its specific requirements and preferences. Overall, four importers, the **Russian Federation**, **Japan**, the **United States** and **Saudi Arabia**, account for almost 45 percent of purchases. The **EU** remains the major cheese exporter, supplying 30 percent of world trade, not including the substantial amount of cheese that is traded among the EU countries themselves. Other important exporters are **Saudi Arabia**, **New Zealand**, the **United States**, **Australia**, **Egypt**, **Belarus**, **Argentina**, **Switzerland**, the **Ukraine**, **Uruguay** and **Turkey**.

Table 21. Dairy Market Policy Developments: January to October 2012

Country	Product	Date	Policy Instrument	Description
Australia-Malaysia	Milk, Dairy products	May	Free Trade Agreement	Signed Free trade Agreement 22 May to take effect 1 January 2013. Under the Agreement, Australia and Malaysia will cut tariffs earlier and on a wider range of goods. The Agreement also addresses other barriers to trade and simplifies administration for traders.
Australia	Milk	Jul	Market intervention	Increased the dairy levy from 1 percent to 10 percent for every 1 million litres of milk produced. The increase, voted in April by Australian dairy farmers, improved the scale of investment and services provided by the dairy industry through the levy funds.
Brazil	Milk	Jul	State market regulation	Passed a new law to give producers greater bargaining power: dairies will have to reveal in advance (on the 25th of each month preceding delivery) what they will pay farmers each month.
China	Food/Dairy	Jun	Food safety measures	Released a 5-year Food Safety Plan which includes safety standards for dairy products, specifying limits for dangerous ingredients.
	Milk powder	Sep	Food safety measures	Placed a ban on adding colostrum to infant formula milk powder or infant foods.
	Milk	Feb	Quota regulation	Signed off on an EU regulation that will allow contracts between dairy farmers and processors after quotas expire in 2015. Agreed to by EU Member States.
EU	Poultry	Oct	Export refunds reduced	Reduced export refunds for frozen whole chickens (65%-70%) from Euro 32.50 per 100 kg to Euro 21.70/100 kg.
	Milk, Dairy products	Jan	Production policy	Initiated the National Dairy Plan (NDP) in response to growing consumer demand for dairy products as well as sustained food inflation. It aims to increase milk production in India by 6 million tonnes each year for the next 15 years. The first phase of the plan has a financial outlay of USD 416 million (over INR 20 billion) and will have an implementation period of 6 years. The NDP will be managed by the National Dairy Development Board (NDDB).
	Milk, Dairy products	Jan	Import ban	Extended the import prohibition on milk and milk products from China for six months. The ban includes milk and milk products including chocolates and chocolate products, candies and confectionary as well as prepared foods that have milk or milk solid ingredients and originated in China.
India	Whey and whey products	May	Export regulations	Amended the policy for the export of casein and casein products, moving them from "prohibited" to "restricted" category, thus permitting casein exports under license.
	Skimmed milk powder	Jun	Export measure	Amended export promotional measure to include skimmed milk powder (SMP). The program incentivizes exports through a duty credit scrip at 5 percent of the fob value of the export.
	Skimmed milk powder	Jun	Export ban lifted	Lifted the ban on the export of SMP to improve finances of dairy firms and help milk producers. The government had banned SMP exports in February 2011 to contain rise in domestic milk prices.
	Milk, Dairy products	Jul	Import ban extended	Extended the ban on the import of milk and milk products from China until 23 July 2013 or until further orders. The ban was a precautionary measure taken after melamine adulteration was found in Chinese milk powder imports.
Mexico	Skimmed milk powder	Jan	Import quota	Announced the 2012 Milk Powder TRQ: duty-free import of 80 000 MT under the Most Favored Nations (MFN) as part of its World Trade Organization (WTO) commitments. This excludes US milk powder which will continue to be granted unlimited duty-free access under NAFTA.

Country	Product	Date	Policy Instrument	Description
Mexico	Dairy products	May	State Market Regulation	Published two official norms related to the regulation of dairy products on 3 May 2012: NOM-155-SCFI-2012 "Milk-Denomination, physical-chemical specifications, commercial information, and testing methods" and NOM-183-SCFI-2012 "Dairy formulas and combined dairy formulas- denomination, physical-chemical specifications, commercial information, and testing methods."
Norway	Cheese	Oct	Import duties	Announced a new range of import duties for foreign cheese products, such as grana padano, parmigiano reggiano and pecorino.
Peru	Milk powder	Oct	Import duties	Imposed a 21 percent surtax on imported milk powder.
Russian Federation	Cheese	Feb	Import ban	Banned imports of cheese from selected Ukrainian facilities due to products' noncompliance with the Russian technical regulation on dairy products.
	Cheese	May	Import ban relaxed	Relaxed some restrictions on the import of cheese and allowed some imports with compulsory laboratory testing of each shipment.
	Milk, Dairy products	Aug	WTO accession	Announced that, following the formal access to the WTO on 22 August 2012, the duty on dairy products will fall from its current 19.8 percent to 14.9 percent (fully implemented); some whey products will be subject to tariff rate quotas (TRQs); imports entering the market within the quota will face lower tariffs; and higher duties will be applied to products imported outside the quota.
	Milk, Dairy products	Apr	Technical regulations	Discussed major differences on the CU technical regulation "On milk and dairy products" and agreed to exclude "vegetable-milk containing products"; tighten tolerances for antibiotic residues (effective 1 July 2015); and cancel categories of milk with establishment of maximum level of bacterial insemination and somatic cells content (effective 1 July 2017).
Russian Federation-Belarus-Kazakhstan (Custom Union-CU)	Dairy products	Sep	Import restrictions	Imposed temporary export restrictions on 5 Ukrainian dairy producers as of 4 October 2012, after publishing the results of the System Audit conducted by CU veterinary specialists in June 2012, and completely delisted one dairy processing facility. The CU-wide restriction affects producers of cheese, dried milk and butter.
Ukraine	Raw milk	Jun	State Price Regulations	Added raw milk to the list of products subject to state price regulations, which already included dried milk and butter. On August 30, the Cabinet of Ministers of Ukraine set a minimum price for milk procured from households at USD 0.27 (UAH 2.2) per liter (before value added tax).
	Milk, dairy products	Jul	Free Trade Agreement	Ratified Free Trade Agreement (FTA) with seven Commonwealth of Independent States countries, namely Russian Federation, Kazakhstan, Belarus, Kirgizstan, Moldova, Tadjikistan and Armenia, on July 30, 2012.
	Dairy products	Aug	Import ban	Banned imports of milk powder and other dairy products from Belarus.
	Dairy products	Jan	Import restrictions	Liberalized trade in 12 areas, including dairy, as part of efforts to strengthen UAE economic competitiveness by curbing monopolistic practices and avoiding unjustified price rises.
United States - Indonesia	Dairy products	Jul	Trade Agreement	Agreed to a process to facilitate issuance of import permits to Indonesian importers that import dairy products from the US.

Table A14. Total meat statistics¹ (thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	123 690	127 554	14 663	14 429	4 577	4 808	133 776	137 175
China	80 196	82 089	3 898	3 771	1 887	1 747	82 207	84 113
of which Hong Kong, SAR	196	201	2 391	2 209	896	810	1 691	1 600
India	7 198	7 730	2	2	1 233	1 437	5 968	6 296
Indonesia	3 094	3 159	91	71	5	5	3 180	3 225
Iran, Islamic Republic of	2 654	2 713	269	127	28	21	2 895	2 818
Japan	3 134	3 197	3 149	3 105	7	9	6 277	6 293
Korea, Republic of	1 813	2 138	1 186	1 011	32	36	2 967	3 112
Malaysia	1 692	1 733	233	257	37	36	1 889	1 954
Pakistan	2 777	2 855	4	4	45	49	2 736	2 810
Philippines	2 809	2 908	339	298	22	37	3 126	3 170
Saudi Arabia	653	776	996	996	50	62	1 599	1 711
Singapore	115	116	301	316	26	24	390	408
Thailand	2 490	2 692	26	39	754	842	1 761	1 889
Turkey	2 225	2 288	93	93	256	313	2 062	2 067
Viet Nam	3 947	4 099	1 100	1 256	61	65	4 986	5 291
AFRICA	16 076	16 151	2 303	2 524	149	152	18 230	18 523
Algeria	623	632	66	95	1	-	688	727
Angola	170	173	478	506	-	-	647	679
Egypt	1 821	1 720	305	383	5	5	2 121	2 098
Nigeria	1 385	1 402	1	1	-	-	1 386	1 403
South Africa	2 965	3 008	413	451	32	30	3 345	3 429
CENTRAL AMERICA	8 735	8 832	2 523	2 680	492	512	10 766	11 000
Cuba	276	272	258	272	-	-	534	544
Mexico	6 039	6 101	1 555	1 681	223	262	7 371	7 520
SOUTH AMERICA	38 044	38 579	1 071	1 142	7 317	7 519	31 798	32 202
Argentina	4 724	4 992	75	38	530	522	4 268	4 509
Brazil	24 027	24 137	44	58	5 976	6 118	18 094	18 077
Chile	1 395	1 422	267	275	275	300	1 387	1 398
Colombia	2 146	2 153	81	92	11	14	2 215	2 231
Uruguay	598	602	25	30	325	358	298	274
Venezuela	1 583	1 617	502	559	-	-	2 085	2 176
NORTH AMERICA	46 772	46 616	2 213	2 366	9 266	9 282	39 718	39 700
Canada	4 366	4 380	735	777	1 742	1 777	3 359	3 380
United States of America	42 405	42 235	1 464	1 576	7 524	7 505	36 345	36 306
EUROPE	57 845	57 978	4 673	4 810	4 519	4 610	57 999	58 177
Belarus	1 007	1 038	130	141	317	393	820	786
European Union	45 578	45 380	1 431	1 374	3 999	4 001	43 010	42 753
Russian Federation	7 252	7 497	2 452	2 489	30	28	9 674	9 958
Ukraine	2 155	2 167	188	319	81	97	2 262	2 390
OCEANIA	5 921	6 047	392	421	2 496	2 552	3 817	3 916
Australia	4 141	4 214	199	224	1 669	1 697	2 672	2 741
New Zealand	1 290	1 340	52	51	825	853	517	539
WORLD	297 082	301 755	27 838	28 372	28 816	29 436	296 104	300 692
Developing countries	177 494	181 902	16 511	16 729	12 478	12 940	181 527	185 692
Developed countries	119 588	119 853	11 327	11 643	16 337	16 496	114 577	115 000
LIFDCs	112 593	115 402	4 929	5 137	2 815	3 050	114 707	117 489
LDCs	8 827	8 963	1 289	1 367	4	4	10 112	10 326

¹ Including "other meat".

Table A15. Bovine meat statistics (thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	16 908	17 424	3 483	3 489	1 586	1 790	18 755	19 083
China	6 487	6 474	451	471	167	150	6 772	6 795
India	2 937	3 290	1	1	1 210	1 415	1 728	1 876
Indonesia	550	570	84	65	1	1	633	634
Iran, Islamic Republic of	415	420	194	95	1	2	608	513
Japan	501	508	740	741	2	2	1 218	1 256
Korea, Republic of	280	334	382	342	4	3	627	622
Malaysia	30	31	158	175	9	8	179	198
Pakistan	1 450	1 470	3	3	26	27	1 426	1 446
Philippines	300	310	118	100	5	9	413	402
AFRICA	5 803	5 765	528	554	86	78	6 245	6 240
Algeria	135	137	63	90	-	-	198	227
Angola	106	107	80	80	-	-	186	187
Egypt	775	682	231	245	1	1	1 005	926
South Africa	920	950	13	10	12	10	921	950
CENTRAL AMERICA	2 567	2 589	441	462	316	345	2 692	2 706
Mexico	1 820	1 825	275	297	111	150	1 984	1 972
SOUTH AMERICA	14 516	14 819	452	493	2 022	2 080	12 946	13 231
Argentina	2 530	2 620	2	2	220	175	2 312	2 447
Brazil	9 033	9 214	35	50	1 300	1 360	7 769	7 904
Chile	190	190	167	170	11	7	346	353
Colombia	930	935	2	2	6	12	926	925
Uruguay	473	482	-	-	292	325	181	157
Venezuela	450	450	231	254	-	-	681	704
NORTH AMERICA	13 151	12 881	1 130	1 254	1 674	1 509	12 638	12 624
Canada	1 154	1 160	279	280	379	364	1 054	1 076
United States of America	11 997	11 721	849	972	1 295	1 145	11 582	11 546
EUROPE	10 852	10 519	1 371	1 355	520	452	11 703	11 422
European Union	8 056	7 734	321	300	327	230	8 050	7 804
Russian Federation	1 637	1 626	934	940	8	8	2 563	2 558
Ukraine	399	395	8	10	14	11	393	395
OCEANIA	2 770	2 808	60	58	1 755	1 784	1 041	1 067
Australia	2 150	2 161	13	12	1 293	1 306	835	852
New Zealand	601	627	11	9	460	476	152	160
WORLD	66 567	66 805	7 465	7 664	7 959	8 038	66 019	66 374
Developing countries	36 720	37 459	4 022	4 115	3 995	4 280	36 720	37 245
Developed countries	29 847	29 346	3 443	3 549	3 965	3 758	29 299	29 129
LIFDCs	18 716	19 086	871	838	1 642	1 868	17 944	18 056
LDCs	3 194	3 235	172	173	2	1	3 364	3 406

Table A16. Ovine meat statistics (thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	8 146	8 224	352	421	46	40	8 452	8 605
Bangladesh	203	211	-	-	-	-	203	211
China	3 903	3 902	124	152	9	4	4 018	4 051
India	895	910	-	-	11	8	884	902
Iran, Islamic Republic of	500	502	12	8	-	-	512	510
Pakistan	580	608	-	-	16	18	564	590
Saudi Arabia	90	90	45	60	4	5	131	146
Syria	208	205	-	-	-	-	208	205
Turkey	290	285	1	1	-	-	291	286
AFRICA	2 864	2 872	32	32	26	26	2 870	2 878
Algeria	196	198	-	2	-	-	196	200
Nigeria	445	450	-	-	-	-	445	450
South Africa	175	175	7	6	-	-	182	181
Sudan	505	500	-	-	-	-	505	500
CENTRAL AMERICA	125	127	21	18	-	-	147	144
Mexico	101	103	11	8	-	-	112	111
SOUTH AMERICA	313	316	5	5	25	19	293	301
Brazil	113	115	5	5	-	-	118	120
NORTH AMERICA	87	83	101	86	10	5	178	164
United States of America	71	68	81	70	10	5	143	133
EUROPE	1 297	1 284	201	165	21	26	1 476	1 422
European Union	993	977	181	146	14	19	1 161	1 104
Russian Federation	186	188	9	8	-	-	195	196
OCEANIA	971	1 013	26	31	614	640	384	404
Australia	523	549	1	1	285	300	239	250
New Zealand	448	464	2	2	329	340	122	125
WORLD	13 804	13 919	739	757	743	757	13 800	13 918
Developing countries	10 693	10 770	405	478	98	86	11 001	11 163
Developed countries	3 111	3 149	333	279	646	672	2 799	2 756
LIFDCs	9 130	9 211	123	160	39	33	9 214	9 338
LDCs	1 817	1 836	10	11	-	-	1 827	1 846

Table A17. Pigmeat statistics (thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	60 433	62 150	3 561	3 447	357	336	63 659	65 278
China	50 498	51 744	1 264	1 269	306	273	51 457	52 740
of which Hong Kong, SAR	135	140	618	612	44	38	709	714
India	320	310	1	1	1	1	320	311
Indonesia	680	690	1	1	-	-	681	690
Japan	1 267	1 275	1 275	1 281	1	1	2 558	2 555
Korea, D.P.R.	110	110	2	2	-	-	112	112
Korea, Republic of	837	1 067	646	520	1	2	1 492	1 603
Malaysia	240	250	16	16	4	6	253	261
Philippines	1 630	1 695	96	87	3	9	1 723	1 774
Thailand	850	850	2	2	22	26	830	826
Viet Nam	3 040	3 192	39	45	10	10	3 065	3 226
AFRICA	1 229	1 247	225	238	8	8	1 446	1 477
Madagascar	56	56	-	-	-	-	56	56
Nigeria	235	236	-	-	-	-	235	236
South Africa	310	310	42	45	3	4	349	352
Uganda	115	117	1	1	-	-	116	118
CENTRAL AMERICA	1 708	1 726	701	770	117	117	2 292	2 379
Cuba	168	166	38	42	-	-	206	208
Mexico	1 213	1 231	519	592	91	97	1 641	1 726
SOUTH AMERICA	4 977	5 067	151	162	786	832	4 341	4 397
Argentina	290	305	58	30	1	1	347	334
Brazil	3 209	3 241	1	1	648	670	2 562	2 572
Chile	528	535	19	22	137	160	410	397
Colombia	181	182	21	35	-	-	202	217
Venezuela	174	178	9	25	-	-	183	203
NORTH AMERICA	12 286	12 525	662	704	3 440	3 565	9 482	9 659
Canada	1 953	1 945	224	263	1 161	1 219	1 015	989
United States of America	10 333	10 580	433	436	2 278	2 346	8 461	8 665
EUROPE	27 649	27 622	1 344	1 469	2 389	2 459	26 603	26 632
Belarus	410	420	107	115	101	103	416	432
European Union	23 210	23 117	19	18	2 242	2 290	20 988	20 845
Russian Federation	2 429	2 482	960	965	2	2	3 387	3 445
Serbia	280	290	11	15	8	9	283	296
Ukraine	704	680	115	218	17	31	802	867
OCEANIA	470	482	232	258	40	36	662	707
Australia	330	340	176	200	39	35	467	507
Papua New Guinea	68	68	7	6	-	-	75	74
WORLD	108 750	110 819	6 876	7 049	7 137	7 353	108 484	110 529
Developing countries	66 572	68 408	3 295	3 271	1 264	1 289	68 609	70 407
Developed countries	42 178	42 412	3 581	3 778	5 873	6 064	39 875	40 122
LIFDCs	54 012	55 347	1 079	1 119	372	351	54 720	56 115
LDCs	1 239	1 257	160	168	1	1	1 399	1 424

Table A18. Poultry meat statistics (thousand tonnes, carcass weight equivalent)

	Production		Imports		Exports		Utilization	
	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	36 241	37 780	7 214	7 018	2 556	2 609	40 890	42 188
China	17 858	18 510	2 052	1 873	1 390	1 304	18 520	19 079
of which Hong Kong, SAR	46	47	1 501	1 300	777	700	770	647
India	2 900	3 074	-	-	11	12	2 890	3 062
Indonesia	1 728	1 760	1	-	-	-	1 729	1 760
Iran, Islamic Republic of	1 723	1 775	63	22	27	18	1 760	1 779
Japan	1 354	1 402	1 098	1 050	4	7	2 438	2 445
Korea, Republic of	685	726	145	135	27	32	803	828
Kuwait	47	49	200	200	1	1	246	248
Malaysia	1 420	1 450	41	47	24	22	1 437	1 475
Saudi Arabia	469	592	785	750	35	46	1 219	1 296
Singapore	95	95	137	150	11	10	221	234
Thailand	1 373	1 580	2	1	695	770	681	811
Turkey	1 617	1 690	90	90	242	295	1 465	1 485
Yemen	147	149	83	80	-	-	230	229
AFRICA	4 781	4 856	1 486	1 669	21	31	6 246	6 493
Angola	8	8	287	310	-	-	295	318
South Africa	1 537	1 550	351	390	11	10	1 876	1 930
CENTRAL AMERICA	4 217	4 271	1 343	1 412	57	48	5 502	5 634
Cuba	34	35	185	190	-	-	219	224
Mexico	2 804	2 840	739	770	19	14	3 523	3 597
SOUTH AMERICA	17 913	18 070	462	481	4 416	4 521	13 959	14 030
Argentina	1 725	1 887	14	6	271	310	1 468	1 583
Brazil	11 641	11 536	2	2	4 004	4 064	7 639	7 474
Chile	650	670	81	83	117	124	614	629
Venezuela	950	980	262	280	-	-	1 212	1 260
NORTH AMERICA	21 001	20 879	309	310	4 104	4 165	17 246	17 022
Canada	1 221	1 237	209	215	182	175	1 249	1 277
United States of America	19 780	19 642	94	90	3 922	3 990	15 992	15 740
EUROPE	16 852	17 357	1 594	1 655	1 504	1 588	16 943	17 424
European Union	12 277	12 510	809	810	1 335	1 380	11 752	11 940
Russian Federation	2 910	3 110	503	530	19	17	3 394	3 623
Ukraine	1 001	1 041	63	90	50	55	1 014	1 076
OCEANIA	1 292	1 323	70	70	46	52	1 314	1 344
Australia	1 117	1 142	8	10	38	43	1 084	1 112
New Zealand	150	155	1	1	7	8	143	148
WORLD	102 297	104 535	12 478	12 615	12 704	13 014	102 100	104 135
Developing countries	59 484	61 232	8 701	8 774	7 020	7 182	61 166	62 823
Developed countries	42 813	43 304	3 777	3 841	5 684	5 832	40 934	41 313
LIFDCs	27 453	28 453	2 817	2 980	731	768	29 538	30 665
LDCs	1 951	2 005	921	990	2	2	2 871	2 993

Table A19. Milk and milk products statistics (thousand tonnes, milk equivalent)

	Production			Imports			Exports		
	2008-2010 average	2011 <i>estim.</i>	2012 <i>f'cast</i>	2008-2010 average	2011 <i>estim.</i>	2012 <i>f'cast</i>	2008-2010 average	2011 <i>estim.</i>	2012 <i>f'cast</i>
ASIA	258 303	272 110	282 176	21 072	26 507	27 871	5 419	5 596	5 827
China	40 579	43 053	45 333	3 323	5 342	6 338	317	219	220
India ¹	116 818	127 300	132 400	189	299	247	390	195	182
Indonesia	1 182	1 300	1 400	1 427	1 724	1 791	240	102	95
Iran, Islamic Republic of	7 563	7 570	7 100	210	419	332	158	270	330
Japan	7 871	7 474	7 590	1 250	1 373	1 423	13	6	3
Korea, Republic of	2 169	1 896	1 923	359	762	746	12	9	11
Malaysia	71	52	55	1 067	1 126	1 181	313	320	343
Pakistan	34 370	31 800	32 500	103	242	251	26	35	20
Philippines	13	10	10	1 315	1 360	1 277	289	344	278
Saudi Arabia	1 751	2 000	2 100	1 757	2 810	3 031	1 387	1 803	2 138
Singapore	-	-	1	1 344	1 392	1 366	654	583	563
Thailand	826	860	870	759	916	887	120	142	121
Turkey	12 797	15 000	16 500	252	141	181	140	254	209
AFRICA	39 541	42 598	43 356	8 433	8 992	9 225	1 312	1 246	1 043
Algeria	2 193	3 000	3 180	2 225	2 753	2 532	9	9	10
Egypt	5 793	5 850	5 850	952	1 441	1 717	668	834	647
Kenya	4 004	4 393	4 350	18	26	24	33	35	24
South Africa	3 158	3 223	3 280	97	119	205	104	93	92
Sudan	7 529	7 900	8 000	208	363	331	-	-	-
Tunisia	1 085	1 110	1 125	68	82	76	44	44	42
CENTRAL AMERICA	16 267	16 455	16 531	4 087	4 463	4 568	490	587	536
Costa Rica	917	965	1 010	33	39	45	73	151	112
Mexico	10 829	10 851	10 960	2 256	2 494	2 562	142	160	139
SOUTH AMERICA	61 920	67 058	70 784	2 476	2 382	3 144	3 025	3 601	3 952
Argentina	10 396	11 400	12 000	23	26	28	1 445	2 179	2 347
Brazil	29 558	31 543	32 800	478	850	849	404	106	90
Colombia	7 492	7 515	7 600	11	66	187	40	8	7
Uruguay	1 798	2 180	2 400	11	18	17	736	877	993
Venezuela	2 238	2 350	2 375	1 481	935	1 480	-	-	-
NORTH AMERICA	94 711	96 861	98 595	2 118	1 935	1 921	4 192	5 231	5 468
Canada	8 199	8 292	8 342	339	314	306	153	137	152
United States of America	86 511	88 568	90 250	1 763	1 602	1 595	4 037	5 092	5 314
EUROPE	213 817	215 708	218 953	5 459	5 256	5 171	13 968	15 573	15 875
Belarus	6 476	6 544	6 870	34	27	25	2 009	1 957	2 200
European Union	152 565	155 577	157 910	1 051	838	981	10 388	12 225	12 310
Russian Federation	32 255	31 640	32 000	3 592	3 485	3 191	207	100	91
Ukraine	11 540	11 085	11 200	144	124	171	731	625	511
OCEANIA	25 517	27 062	29 236	790	841	877	16 236	18 685	20 154
Australia ²	9 211	9 102	9 484	548	594	612	3 319	3 056	3 311
New Zealand ³	16 237	17 890	19 679	70	60	72	12 913	15 626	16 841
WORLD	710 076	737 851	759 630	44 436	50 375	52 778	44 642	50 519	52 854
Developing countries	345 894	367 159	381 292	34 102	40 411	42 997	10 066	10 878	11 208
Developed countries	364 182	370 692	378 338	10 334	9 964	10 074	34 576	39 640	41 644
LIFDCs	262 717	278 091	289 198	13 833	16 270	17 702	4 854	4 376	4 376
LDCs	28 086	30 087	30 792	2 630	3 282	3 255	112	135	143

¹ Dairy years starting April of the year stated (production only).

² Dairy years ending June of the year stated (production only).

³ Dairy years ending May of the year stated (production only).

Note: Trade figures refer to the milk equivalent trade in the following products: butter (6.60), cheese (4.40), milk powder (7.60), skim condensed/evaporated milk (1.90), whole condensed/evaporated milk (2.10), yoghurt (1.0), cream (3.60), casein (7.40), skim milk (0.70). The conversion factors cited refer to the solids content method. Refer to IDF Bulletin No. 390 (March 2004).

Table A26. Selected international prices for milk products and dairy price index

	International prices (USD per tonne)				FAO dairy price index (2002-2004=100)
Period	Butter ¹	Skim milk powder ²	Whole milk powder ³	Cheddar cheese ⁴	
Annual (Jan/Dec)					
2007	2 959	4 291	4 185	4 055	212
2008	3 607	3 278	3 846	4 633	220
2009	2 335	2 255	2 400	2 957	142
2010	4 043	3 127	3 464	4 010	200
2011	4 473	3 657	3 860	4 310	221
Monthly					
2011 - October	4 075	3 346	3 475	4 029	204
2011 - November	3 825	3 400	3 588	3 944	201
2011 - December	3 784	3 433	3 658	3 946	202
2012 - January	3 913	3 425	3 619	4 113	206
2012 - February	3 900	3 369	3 600	4 088	202
2012 - March	3 650	3 200	3 481	3 950	196
2012 - April	3 500	3 025	3 294	3 700	185
2012 - May	3 100	2 807	3 000	3 625	176
2012 - June	2 975	2 863	2 800	3 600	173
2012 - July	2 850	2 838	2 875	3 600	172
2012 - August	2 942	2 975	2 955	3 600	175
2012 - September	3 175	3 325	3 194	3 775	187
2012 - October	3 250	3 400	3 300	3 925	194

¹ Butter, 82 percent butterfat, f.o.b. Oceania; indicative traded prices

² Skim Milk Powder, 1.25 percent butterfat, f.o.b. Oceania, indicative traded prices

³ Whole Milk Powder, 26 percent butterfat, f.o.b. Oceania, indicative traded prices

⁴ Cheddar Cheese, 39 percent maximum moisture, f.o.b. Oceania, indicative traded prices

Note: The FAO Dairy Price Index is derived from a trade-weighted average of a selection of representative internationally-traded dairy products

Sources: FAO for indices. Product prices: Mid-point of price ranges reported by Dairy Market News (USDA)

Table A27. Selected international meat prices and FAO meat price indices

Period	Bovine meat prices (USD per tonne)			Ovine meat price (USD per tonne)	Pig meat prices (USD per tonne)		
	Australia	United States	Brazil	New Zealand	United States	Brazil	Germany
Annual (Jan/Dec)							
2007	2 603	4 023	2 367	4 120	2 117	2 200	1 907
2008	3 138	4 325	3 785	4 585	2 270	3 000	2 364
2009	2 636	3 897	3 118	4 276	2 202	2 223	2 035
2010	3 351	4 378	3 919	5 045	2 454	2 747	1 913
2011	4 041	4 516	4 816	6 631	2 648	3 023	2 169
Monthly							
2011 - October	3 860	4 490	4 768	6 663	2 729	3 165	2 170
2011 - November	4 165	4 716	4 824	6 636	2 693	3 304	2 233
2011 - December	4 192	4 835	4 642	6 507	2 749	3 148	2 144
2012 - January	4 196	4 910	4 598	6 426	2 658	2 817	1 991
2012 - February	4 277	5 050	4 649	6 456	2 772	2 802	2 149
2012 - March	4 269	5 003	4 544	6 451	2 790	2 755	2 177
2012 - April	4 236	5 095	4 611	6 443	2 704	2 848	2 250
2012 - May	4 109	5 059	4 536	6 193	2 569	2 790	2 162
2012 - June	4 045	4 781	4 422	5 913	2 608	2 663	2 118
2012 - July	3 988	4 660	4 313	5 927	2 650	2 618	2 029
2012 - August	4 041	4 650	4 418	5 816	2 655	2 657	2 253

Bovine meat prices:

Australia: up to Oct02 : cow forequarters frozen boneless, 85% chemical lean, cif US port (East Coast) ex-dock; from Nov02: chucks and cow forequarters

USA: Frozen beef, export unit value

Brazil: Frozen beef, export unit value

Ovine meat prices

New Zealand: Lamb, frozen whole carcasses, wholesale price Smithfield Mkt. London

Pig meat prices:

USA: Frozen pigmeat, export unit value

Brazil: Frozen pigmeat, export unit value

Germany: Monthly market price for pig carcass grade E

Table A28. Selected international meat prices and FAO meat price indices

Period	Poultry meat prices (USD per tonne)		FAO indices (2002-2004=100)				
	United States	Brazil	Total meat	Bovine meat	Ovine meat	Pig meat	Poultry meat
Annual (Jan/Dec)							
2007	935	1443	125	125	105	125	151
2008	997	1896	153	157	117	152	184
2009	989	1552	133	134	109	131	162
2010	1032	1781	152	163	128	138	177
2011	1147	2083	177	189	169	153	206
Monthly							
2011- October	1 201	2 067	176	185	170	156	208
2011 - November	1 200	2 108	181	193	169	159	211
2011 - December	1 172	2 088	179	193	166	155	208
2012 - January	1 201	1 889	174	193	164	145	196
2012 - February	1 196	1 873	178	197	164	152	195
2012 – March	1 243	1 921	178	194	164	152	201
2012 – April	1 267	1 945	180	196	164	154	204
2012 – May	1 272	1 899	175	192	158	148	202
2012 – June	1 228	1 768	170	186	150	146	190
2012- July	1 206	1 775	167	182	151	143	189
2012 – August	1 207	1 845	170	185	148	151	194

Poultry meat prices:**USA:** Broiler cuts, export unit value**Brazil:** Export unit value for chicken (f.o.b.)

The FAO Meat Price Indices consist of 3 poultry meat product quotations (the average weighted by assumed fixed trade weights), 4 bovine meat product quotations (average weighted by assumed fixed trade weights), 2 pig meat product quotations (average weighted by assumed fixed trade weights), 1 ovine meat product quotation (average weighted by assumed fixed trade weights); the four meat group average prices are weighted by world average export trade shares for 2002/2004.