International: Milk production continues to increase

Milk production in the major regions of the world is likely to continue to rise so it is unlikely that prices will increase in 2015 would have to wait until 2016 to start seeing some rebound.

In the US, the Department of Agriculture has estimated an increase in milk production by 1.3% in 2014 and 2.5% in 2015. This increase is justified by the expected gain per cow and descent expected costs.

In New Zealand, the government expects production in the 2015/16 season (from June 1 to May 30), is reduced by 1-2%, however, production remains high. It is believed that the decrease may be from a reduction of milk solids per cow while still increasing the number of cows. After the 2015/16 season, the New Zealand government prospects are positive and a growth of 2-3% per year is expected.

As for the EU, DG Agri estimates that production in the 10 major producing countries can increase by 1,500 million liters of milk per year over the next two years. These high production levels are aa push prices lower.