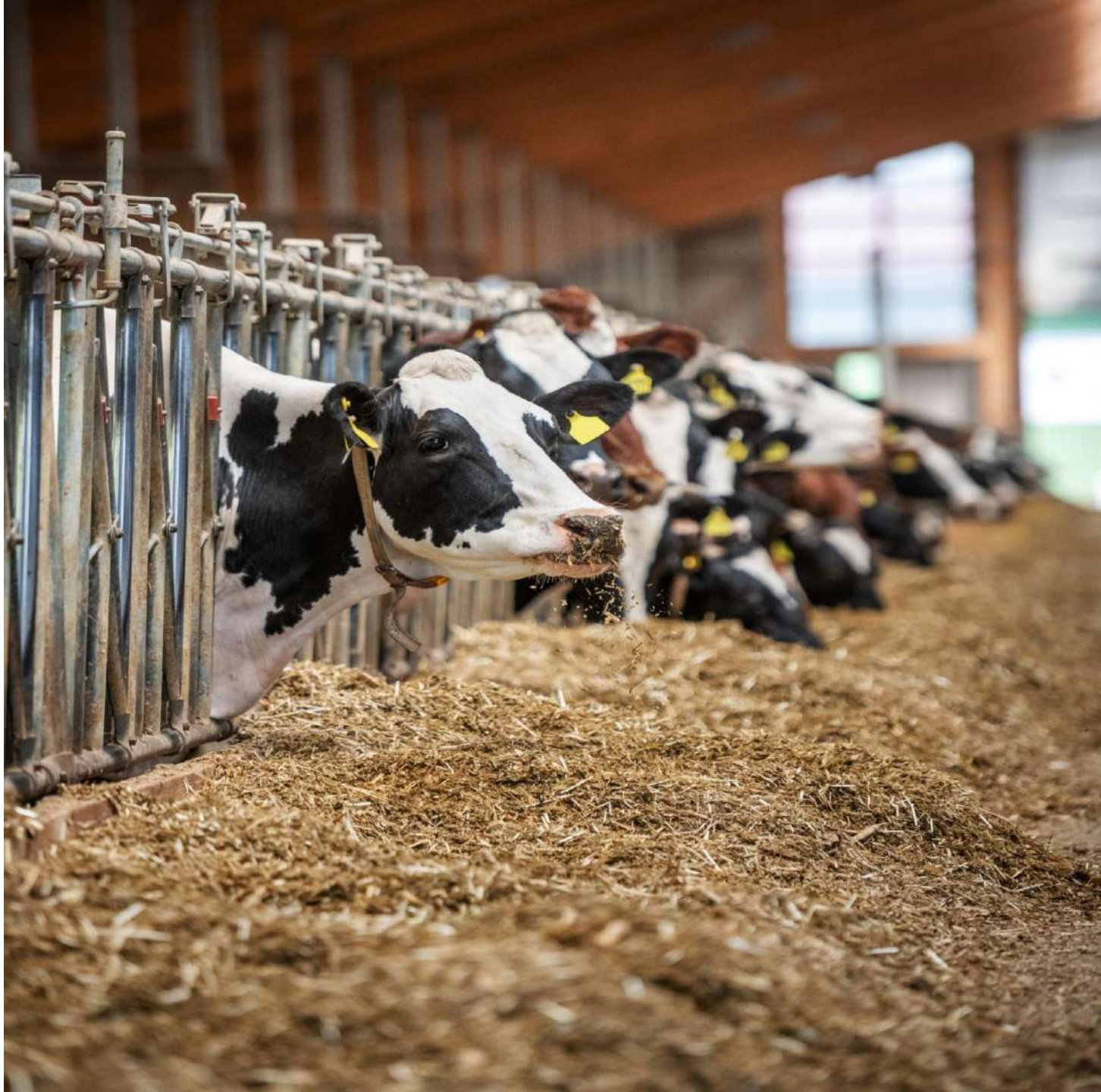
Crisil
a company of S&P Global

एपीडा
APEDA

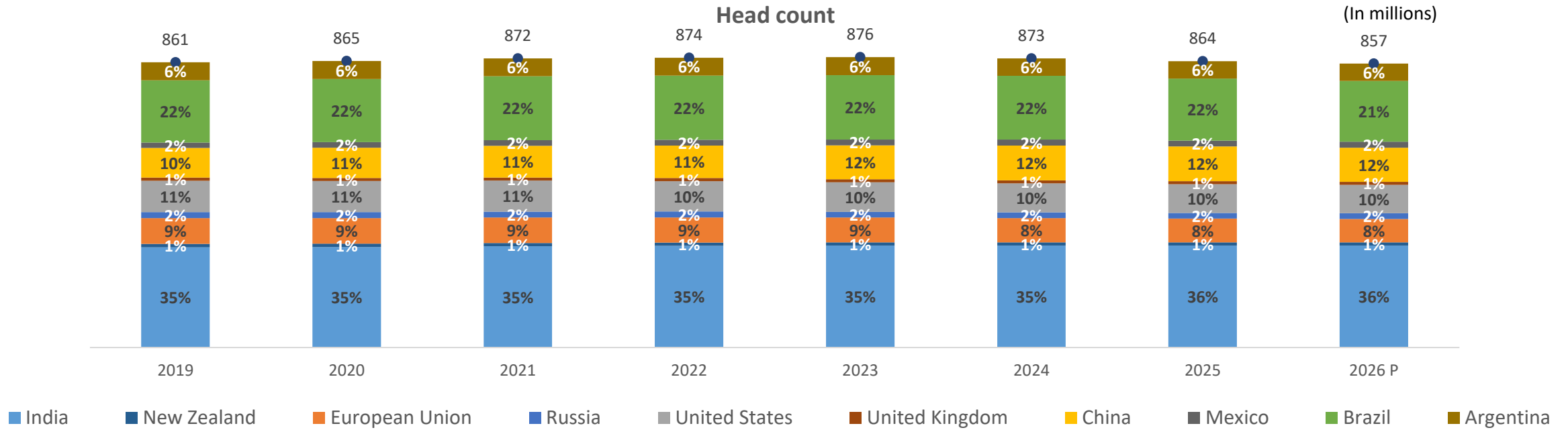
Monthly dashboard – Dairy

Nov- 2025

Cattle population and milk production trends



Cattle population across countries

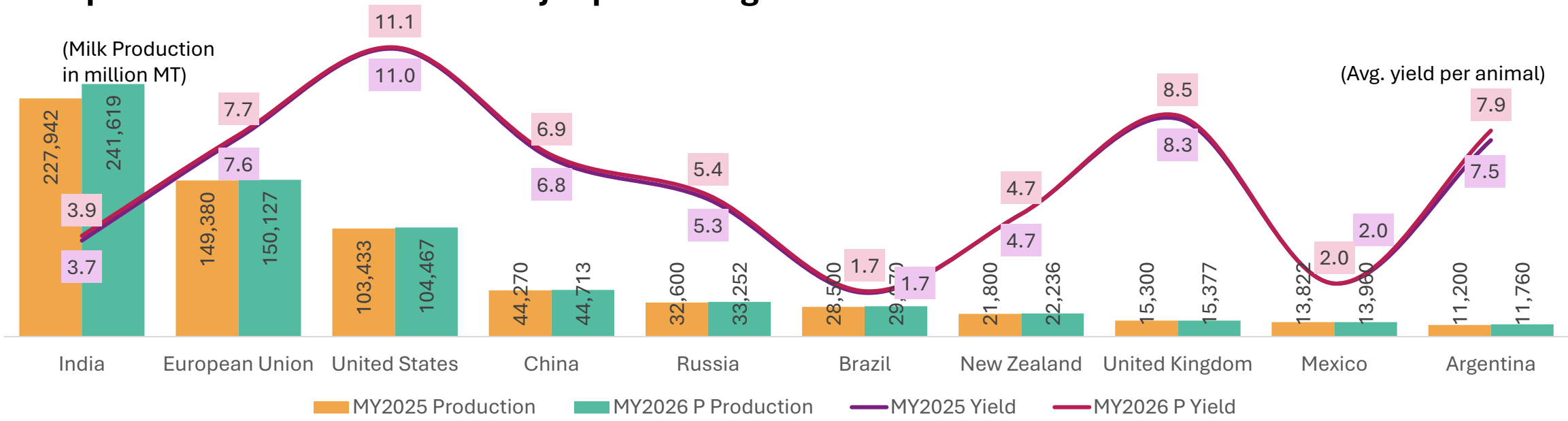


- **Global cattle numbers have shown a mixed trend in recent years**, with some countries growing and others declining. In MY25, India, Argentina, Mexico, and Australia reported increases, driven by strong demand, favorable weather, and herd rebuilding efforts.
- India leads with a steady 1% growth in MY25, supported by robust dairy sector expansion and investments. Australia saw a 5% rebound after years of drought, thanks to improved pasture conditions and strong market prices, boosting both beef and dairy industries.
- **Declines are notable in China** (−4%), the U.S., EU, Brazil, Russia, and Canada, due to drought and high feed costs (U.S., Brazil), environmental and policy constraints (EU), structural declines (Russia, Canada), and shifting consumer demand (China).
- **England's cattle population fell 1.4% to a record low of 4.9 million head by June 2025**, contributing to Great Britain's total of 7.5 million (down 2% YoY), while the UK herd fell 1.3% and Northern Ireland dropped 2% to 1.65 million.

Source: USDA , gov.uk

Note - MY – Marketing year (Jan-Dec)

Milk production estimates of major producing countries



- The countries in the chart account for **~94% of global milk production**.
- **India's milk output surged 71.6%** from 146.3 million tons in **FY 2014-15 to 251 million tons in FY 2024-25**, with a 5.7% annual growth rate—well above the 2% global average. This growth is fueled by government initiatives and the expansion of high-yielding dairy herds.
- **China's milk output rose 2.5% in MY2025,** driven by rapid expansion of modern farms in Inner Mongolia, Heilongjiang, and Hebei, which lead in adopting high-yield breeds and precision feeding.
- Argentina has advanced technologically in dairy farming, especially with robotics. Over 1,050 milking robots are now in use, following a decade-long partnership between INTA and DeLaval, marking significant automation progress.
- **Russia's milk production grew 2% in MY2025,** with regions like Tatarstan, Udmurtia, and Bashkortostan boosting yields despite a national cattle decline.

Source: Crisil Intelligence , Dairy news today, Argentina

Milk supply forecast for MY2025 – Insights from leading producers

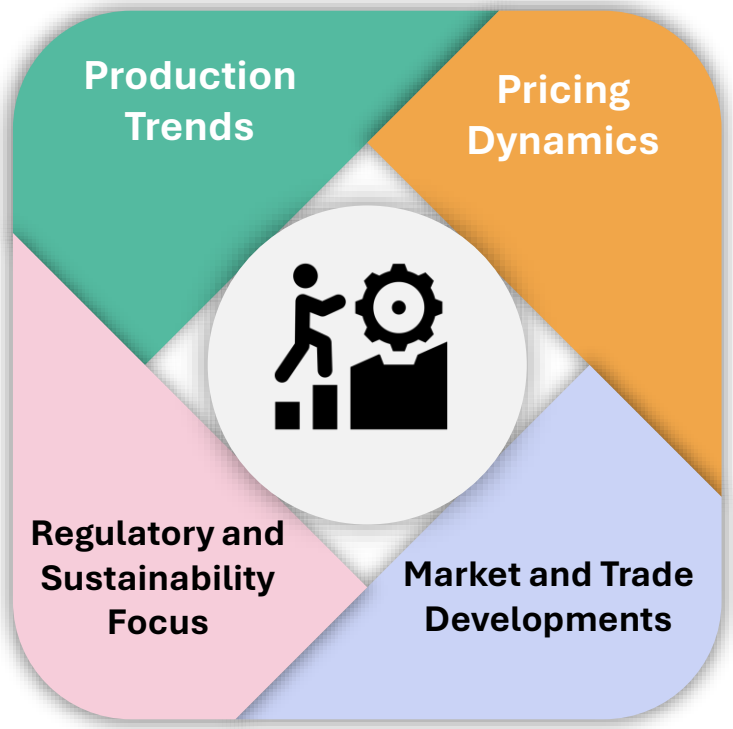
Country	Cattle Population	Yield	Production	% share of global production	Key insights
India	High ↑	Slightly higher ↑	High ↑	**32%**	India's milk production is poised for growth, driven by steady demand, innovative breeding techniques, and supportive government policies. The adoption of advanced technologies such as AI and sexed semen is boosting milk yields, while favorable weather conditions and effective disease management are also contributing to the anticipated increase in production.
EU	Slightly lower ↓	Slightly higher ↑	Stable	**22%**	Milk production is expected to remain stable, driven by gains in animal productivity and efficiency, which are offsetting the decline in cattle herd population. Advances in dairy farming practices and the adoption of high-yielding breeds are key factors contributing to this stability, helping to mitigate the impact of a shrinking herd.
US	Slightly higher ↑	Stable	Slightly higher ↑	**15%**	Milk production is anticipated to slightly increase driven by modest expansion in the dairy herd and improvement in milk yield per cow.
China	Slightly lower ↓	Slightly higher ↑	Stable	**7%**	Milk production growth is supported by ongoing government efforts to modernize the dairy industry, improve herd genetics, and enhance farm management practices.
Russia	Stable	Slightly higher ↑	Slightly higher ↑	**5%**	Russia's dairy industry is resilient despite economic pressures and geopolitical uncertainties, with modest growth driven by government support and modernization efforts. However, smaller farms struggle with rising costs. Consumer demand is shifting towards affordable and health-focused products, with technology aiding efficiency.

Milk supply forecast for MY2025 – Insights from leading producers

Country	Cattle Population	Yield	Production	% share of global production	Key insights
Brazil	Slightly lower ↓	Stable	Stable	**4%**	Brazil's dairy industry is expected to experience steady growth supported by improving farm practices. Government programs and private investments are helping modernize production and enhance milk quality.
New Zealand	Stable	Stable	Slightly lower ↓	**3%**	New Zealand's dairy industry is expected to remain stable with a focus on sustainability and efficiency. The sector benefits from well-established farming practices and strong export markets, particularly in Asia. Producers are increasingly adopting advanced technologies and environmentally friendly methods to meet regulatory requirements and consumer demand for sustainable products.
UK	Slightly lower ↓	Slightly higher ↑	Stable	**2%**	UK dairy industry is expected to remain stable with modest growth, supported by ongoing modernization and efficiency improvements. Producers are adapting to changing market conditions and regulatory requirements, focusing on sustainable farming practices to reduce environmental impact.
Mexico	High ↑	Stable	High ↑	**2%**	Mexico's dairy industry is expected to grow modestly, supported by improvements in feed and water availability, herd expansion, and increased efficiency.
Argentina	Slightly lower ↓	High ↑	Slightly higher ↑	**2%**	Argentina's dairy industry is expecting a strong recovery, with production growing significantly after a challenging period. The sector benefits from favorable weather and improved economic policies.

Russian Dairy Market Updates: 2026 Outlook

Russia's raw milk production expected to grow 2% in 2026, driven by commercial farms' modernization and expansion, particularly in key regions like Tatarstan and Krasnodar, through improved genetics, feeding, and herd management.



Farmgate milk prices expected to remain firm in 2026 due to steady feed, energy, and labor costs, as well as strong domestic demand. However, price volatility may persist due to factors like rouble fluctuations and global commodity price swings.

Tighter regulations on manure, animal welfare, and environmental standards are driving investment in dairy farms, but also increasing fixed costs, which may lead to consolidation and the exit of smaller, less capitalized farms.

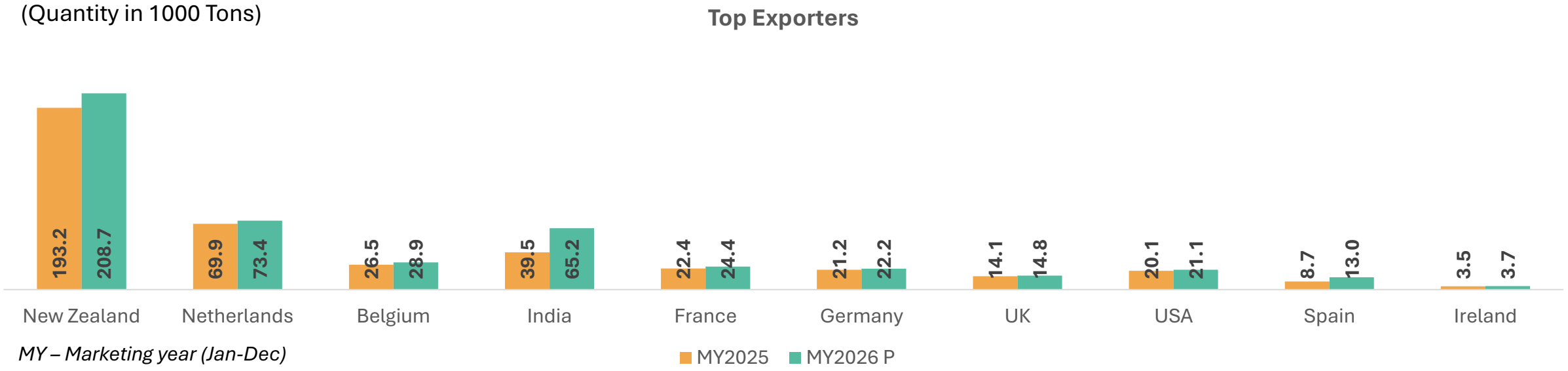
Russia's dairy imports expected to decline 5-10% by 2026 due to sanctions and import substitution policies. Meanwhile, domestic processors are shifting focus to higher-value products for export to nearby markets, despite logistics and geopolitical risks.

Source: Crisil Intelligence , USDA, dairynews.today

Export trends and price outlook

Major exporters of Ghee

(Quantity in 1000 Tons)

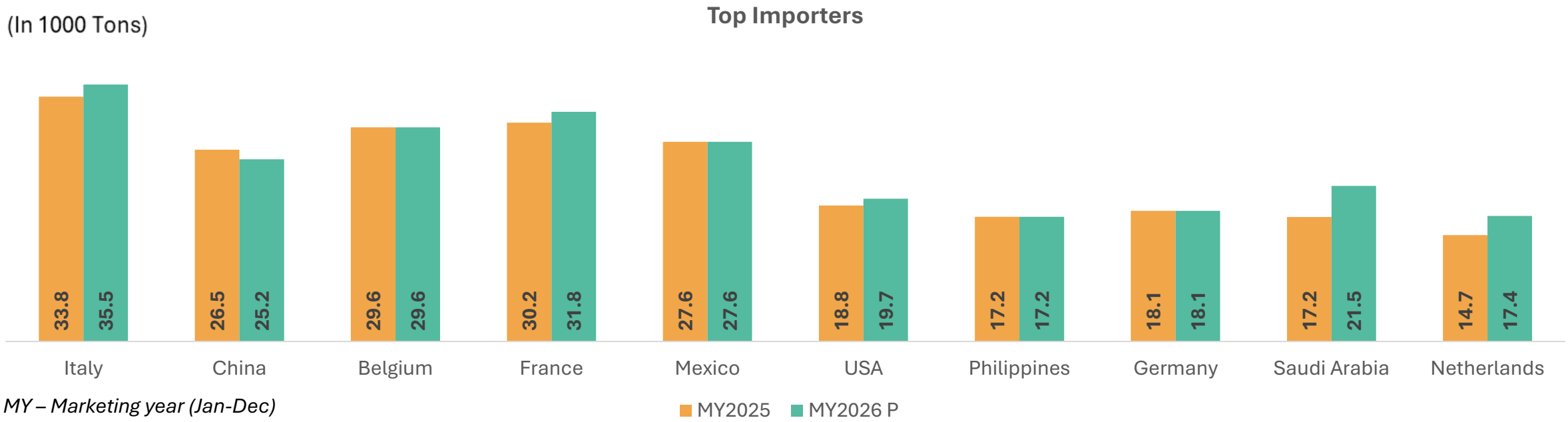


MY – Marketing year (Jan-Dec)

- The countries shown in the chart **collectively account for about 93% of total global ghee exports**.
- India's A2 ghee, made from indigenous cow breeds, is gaining popularity in 2025 due to its perceived health benefits, such as easier digestibility and Ayurvedic value. Rich in antioxidants, omega-3 fatty acids, and vitamins, A2 ghee supports digestion, reduces inflammation, promotes heart health, and boosts immunity.
- Spain's ghee exports are set to grow as it enters new markets like Poland and Jordan, driven by rising demand, improved products, and stronger trade ties, diversifying beyond traditional European markets.
- Belgium's ghee exports benefit from strong production in Flanders, proximity to key European markets, and efficient dairy infrastructure, enabling producers to serve major markets like Germany, France, and the Netherlands.

Source: Crisil Intelligence, USDA

Major importers of Ghee



MY – Marketing year (Jan-Dec)

- The countries shown in the chart **collectively account for ~60% of total global Ghee imports.**
- **Philippines** imports most of its ghee primarily from **New Zealand, China, and the Netherlands**. New Zealand leads in both volume and value of imports, followed by China reflecting varied supplier contributions to meet domestic demand. This diverse sourcing supports the Philippines' increasing ghee consumption and market expansion.
- **Saudi Arabia's main ghee suppliers are France (21%) and New Zealand (19%),** due to their high-quality dairy products and established trade ties. The country has also begun importing ghee from Sweden (3%), diversifying its supply base.
- India and New Zealand are cost-competitive surplus ghee exporters with established Indian-diaspora and food-industry demand in the US, while Mexico supplies under favorable regional trade and logistics, so US buyers naturally gravitate to these three origins for consistent quality, volume, and pricing.

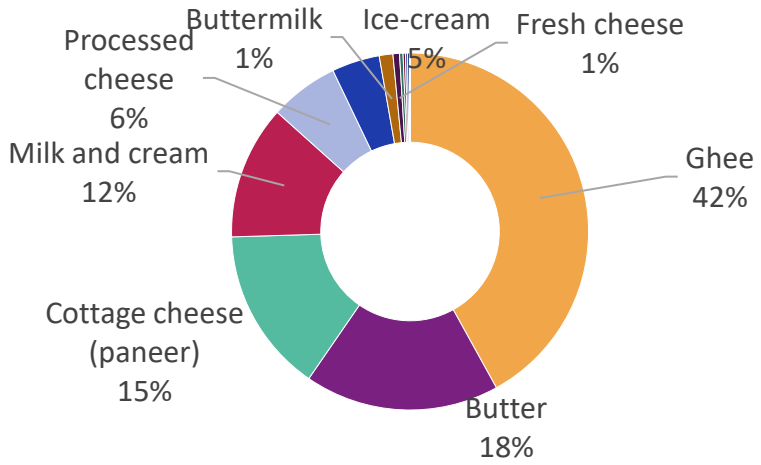
Source: Crisil Intelligence & ITC trade map ; HS code 040590

Exporter sentiments and opportunities

India's export demand

- **The global ghee export market is expected to grow modestly** at a CAGR of 3–4% from 2021 to 2026, supported by established demand from the Indian diaspora.
- **India's ghee exports are expanding rapidly**, driven by demand from the UAE, US, and Australia, with a CAGR of ~35% from 2021 to 2026P.
- **As of November 2025, Indian export prices are 34% lower than Belgium's and 30–40% lower than Germany's and France's.**

India's dairy export basket (2024)



Export opportunity for India

Greece Market

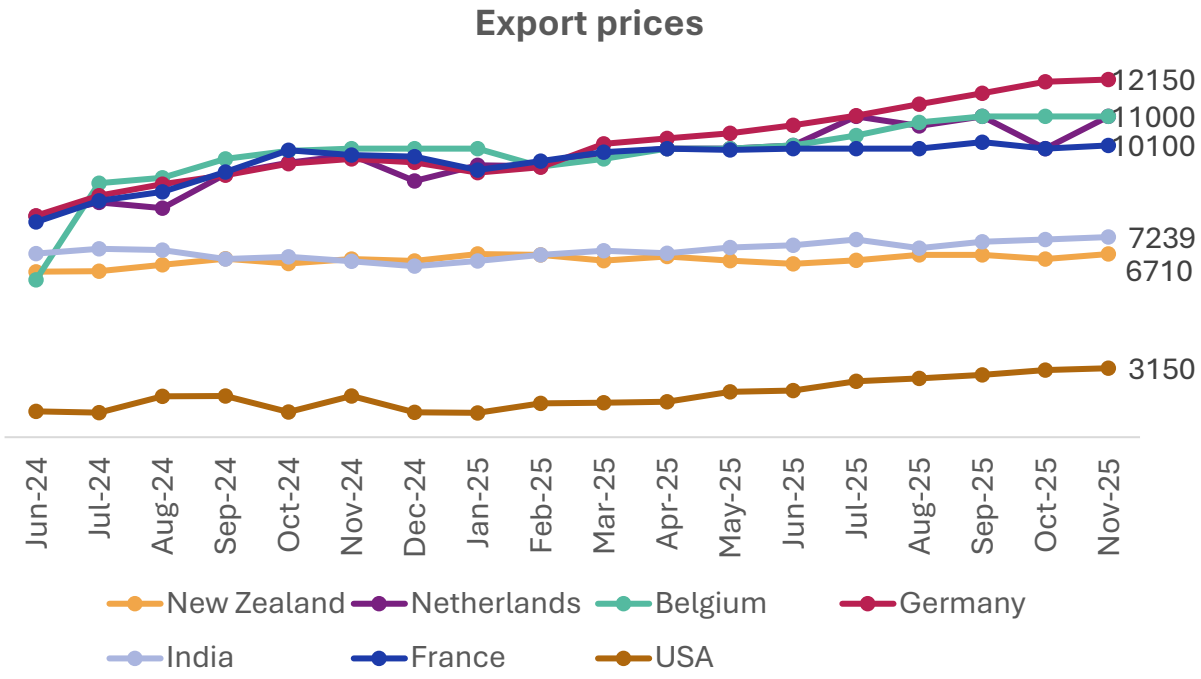
- Greece's ghee imports grew by 20% in 2024, mainly sourced from the Netherlands, France, and Belgium, where production costs and export prices are high.
- India, as a leading dairy producer, offers a strong competitive advantage in this segment.
- Indian ghee is recognized for its rich flavor and traditional methods and is available at much lower export prices than European suppliers.
- This cost advantage, combined with India's ability to supply large volumes with consistent quality, makes it a viable alternative for Greece's ghee imports.

Russian Market

- India has entered the Russian ghee market, taking advantage of New Zealand's production challenges and reduced exports.
- With Argentina's prices about 5% higher than India's, India is well-positioned as Russian buyers look to diversify and reduce reliance on traditional suppliers.

Source: Crisil Intelligence & ITC trade map

Export prices forecast for Ghee

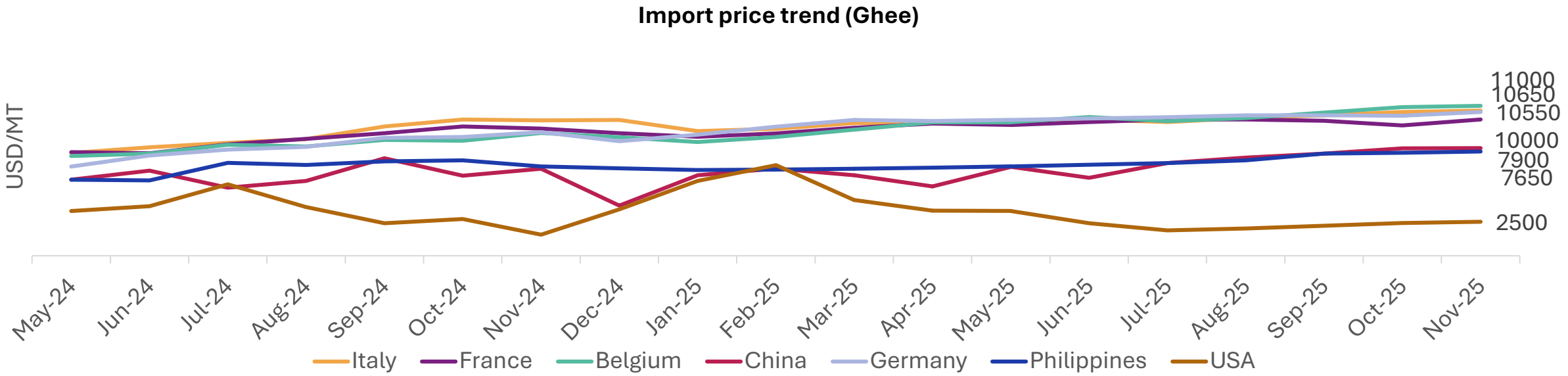


Price outlook for next quarter (DJF)					
Countries	Nov'25 Price (USD/MT)	Nov'24 Price (USD/MT)	%age change	Price direction	Average price range for DJF (USD/MT)
New Zealand	6710	6550	2%	Bullish	7100-7300
Netherlands	11000	9800	12%	Bullish	11200-11850
Belgium	11000	10000	10%	Bullish	11250-11500
India	7239	6480	12%	Sideways	7250-7350
Germany	12150	9678	26%	Bullish	12200-12500
France	10100	9800	3%	Sideways	10150-10200
USA	3150	2280	38%	Bullish	3200-3350

- The countries in the chart **represent 86% of global ghee exports**.
- **New Zealand's reduced milk output is leading to a short**age of ghee raw materials, raising production costs and causing a 3–5% increase in export prices. This may affect the global market and create opportunities for alternative suppliers.
- Belgium exports high-quality ghee to France, Italy, and Germany, earning premium prices due to strong quality standards, efficient processing, and rising demand in gourmet and health-focused segments.
- **The Netherlands is emerging as a premium supplier** by focusing on high-quality, organic, and grass-fed ghee. Advanced processing and strict standards allow Dutch exporters to command premium prices and meet growing health-conscious demand.
- **Germany's ghee export prices are rising due to higher milk costs,** supply chain issues, and inflation. Germany has also begun exporting to Iraq and Singapore, where strong demand and willingness to pay premium prices are driving prices up.

Source: ITC trade map, Crisil Intelligence *Note: Price forecasting is based on the fundamental analysis.* ***DJF stand for December, January and February.***

Import prices forecast for Ghee



- **China's ghee import prices have risen**, driven by increased demand from health-conscious and premium consumers, as well as higher global prices from key suppliers like Belgium, Germany, and France, which have higher cost structures.
- **Ghee import prices in the Philippines have stabilized** due to steady supply from major exporters such as New Zealand and Australia, and government policies ensuring consistent imports. Balanced market demand and managed raw material costs have minimized price volatility.
- **US ghee import prices remain low**, mainly due to increased lower-cost imports and a sharp decline in prices from Jordan, contributing to the overall decrease.
- **Italy's ghee import prices have surged about 9–10%,** largely because of heavy reliance on German imports. Germany supplies 60–65% of Italy's ghee and rising German export prices have driven the increase.

Source: ITC trade map, Crisil Intelligence

Thank You

Methodology for Price Forecasting

Our methodology combines comprehensive secondary research, targeted stakeholder consultations, and rigorous analytical techniques to ensure accuracy and actionable insights. The methodology comprises three key stages: Data Collection, Data Analysis & Interpretation, and Price Forecasting.

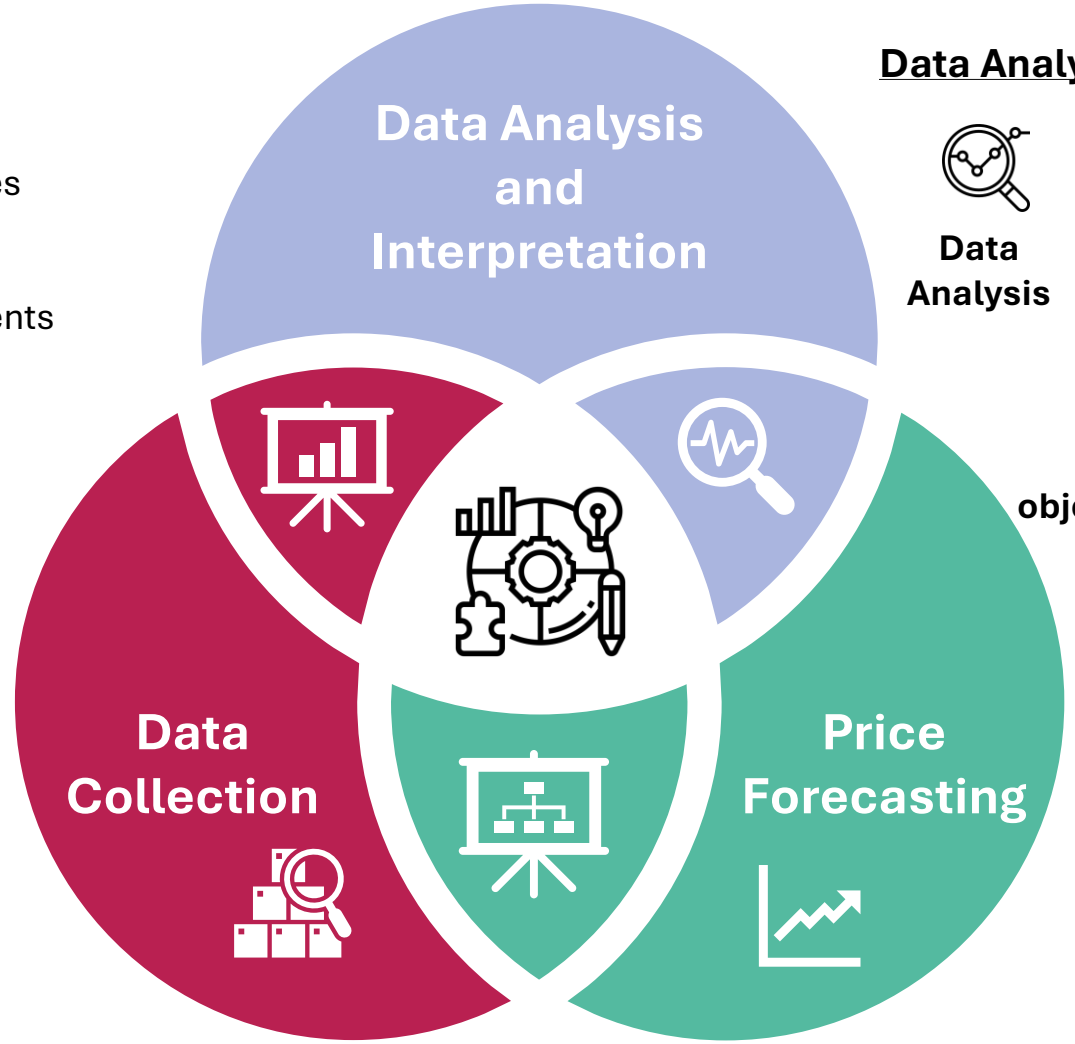
Data Collection

Sources

- Global agricultural databases (USDA, FAO, etc.)
- Country-wise statistics from official agriculture departments
- Industry publications and research reports

Policy Updates

- Detailed review of Production policies & trade barriers for each country
- Data from government websites & official publications



Data Analysis and Interpretation

Data Analysis

- Supply-demand assessment
- Policy impact analysis
- Stakeholder consultations

Key objectives

- Production trends
- Trade dynamics
- Policy implications

Price Forecasting

- Historical Trend & Seasonality
- Macro-Economic & Trade Variables

Integration of commodity fundamentals to forecast future price ranges.

Structured consultations with Indian exporters and industry associations, cross-verifying secondary data and validating price forecasts to refine production, trade, and policy assessments.