Crisil
a company of S&P Global

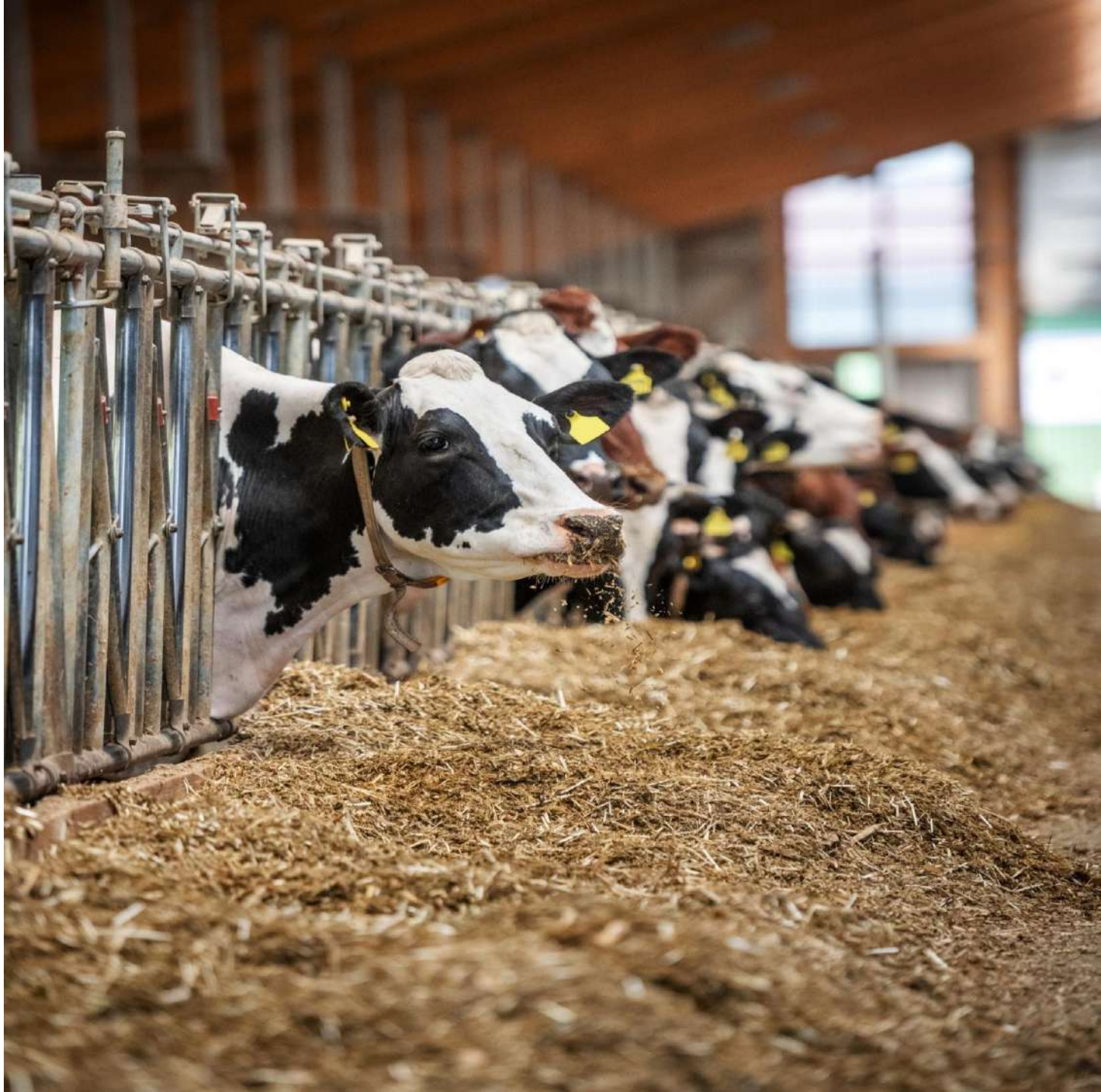
एपीडा
APEDA

Monthly dashboard – Dairy Products

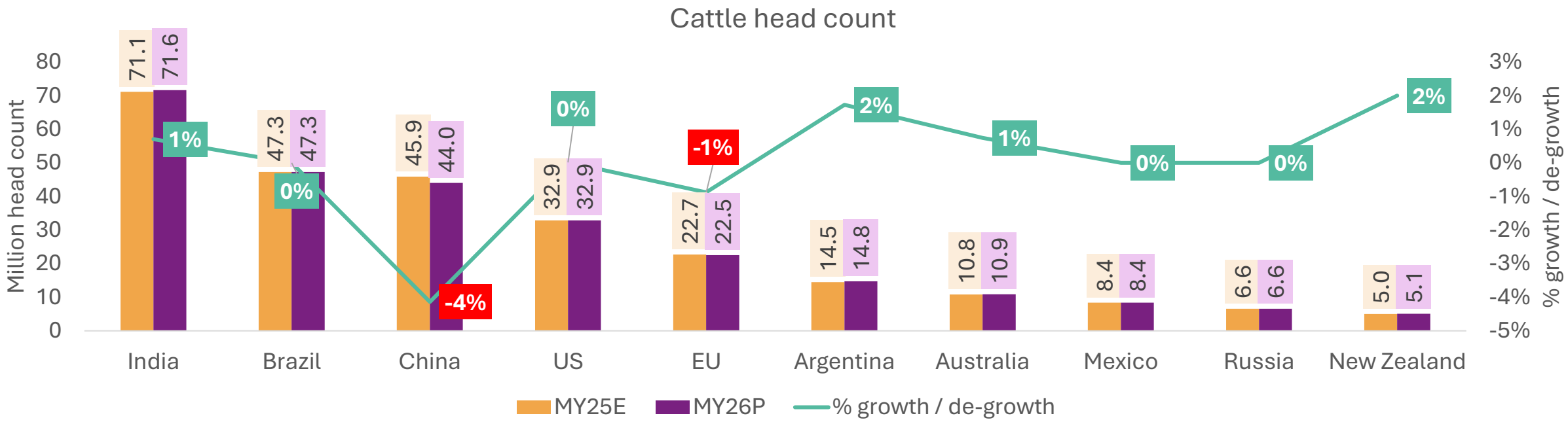
HS code 040590 (Ghee)

May 2026

Cattle population and milk production trends



Cattle head count across countries

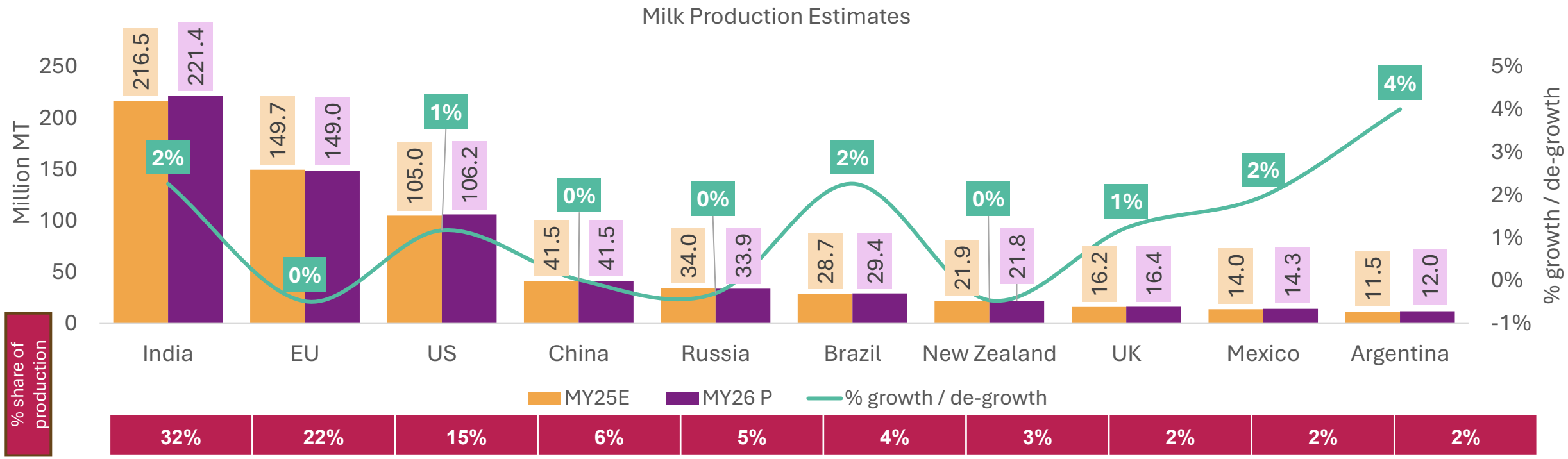


P – Projected value; E- Estimated value; MY – Marketing year (Jan-Dec)

- **Cattle population trends in MY26P show a mixed picture** across major countries. India, New Zealand, and Australia are expected to see modest increases, while China and the EU are projected to experience declines. In contrast, countries such as Brazil, Argentina, Mexico, and Russia are likely to see little or no significant change in their cattle numbers.
- India is expected to witness ~1% growth in cattle population, driven by ongoing expansion in the dairy sector, rising productivity, and steady domestic demand—further strengthening its position as the world's largest cattle population holder.
- New Zealand and Australia are expected to witness herd rebuilding (~1-2% growth), driven by improved pasture conditions, easing feed costs, and favorable price cycles following earlier liquidation phases.
- **China is projected to record the sharpest decline (~4%),** indicating structural adjustments in livestock production amid weaker consumption trends and rising production costs.
- The EU is expected to witness mild contractions (~1%), largely due to environmental regulations, input cost pressures, and gradual shifts in consumption patterns.

Source: USDA (Market & Trade Data), MY25 estimated and MY26 projected based on historical trends and secondary research;

Milk production estimates of major producing countries



P – Projected value; E- Estimated value; MY – Marketing year (Jan-Dec)

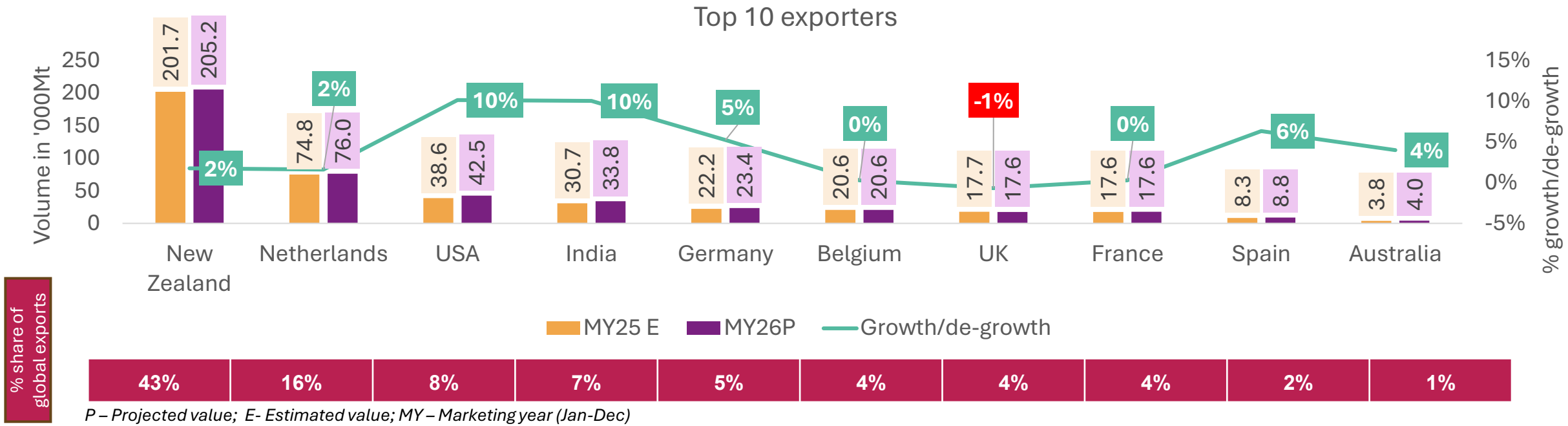
- **The countries shown account for ~94%[1] of global milk production**, with overall growth remaining moderate and concentrated among a few key producers.
- India continues to anchor global supply growth, expanding ~2% in MY26P, maintaining its lead as the largest producer. However, there is a concern that El Niño could affect overall production in the country.
- Growth in developed markets—including the EU, US, China, Russia, New Zealand, and the UK—is expected to remain largely flat (around 0–1%), reflecting mature markets, saturated productivity levels, and evolving demand patterns.
- Emerging producers (Brazil, Mexico, Argentina) are projected to drive incremental growth (~2–4%), with Argentina showing the fastest expansion, supported by improving farm efficiencies, a year-round grazing system and demand recovery.

Source: USDA (Market & Trade Data), MY25 estimated and MY26 projected based on historical trends and secondary research

Export Trends and Price Outlook

HS Code 040590

Major exporters of ghee

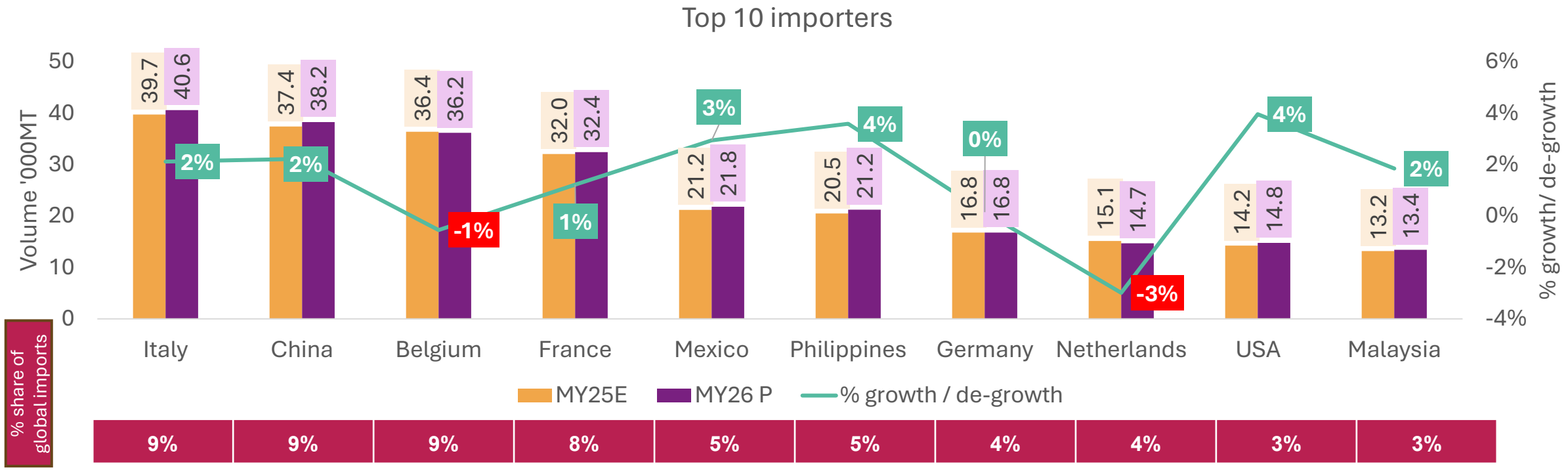


P – Projected value; E- Estimated value; MY – Marketing year (Jan-Dec)

- **The countries shown collectively account for ~94%**[1] of global ghee exports, with overall exports for MY26P projected to grow on average 4%, indicating steady but not uniform expansion.
- **New Zealand is expected to remain the dominant exporter**, with exports growing by ~two to three%, continuing to anchor global supply.
- **India is projected to register ~10% year-on-year growth** in MY26P among major exporters, increasing its share in global trade, supported by rising demand and improving export competitiveness.
- **UK ghee exports are expected to decline marginally in MY26P**, due to intense competition from European Union suppliers and continued pressure on dairy processor margins.
- **USA exports are projected to grow by ~10% year-on-year** in MY26P, supported by strong milk output and rising demand for value-added dairy fats, particularly in premium and ethnic markets such as Mexico and Denmark.
- Other exporters (**Spain and Australia**) are expected to **grow by ~ 4 to 6% year-on-year** in MY26P, reflecting steady but moderate expansion, with a focus on grass-fed, dairy-based ghee.

Source: ITC Trade Map; MY25E export volumes include estimates where recent data is unavailable; MY26P based on trade estimates and export trends (*HS code 040590);*
1: ITC Trademap

Major importers of ghee

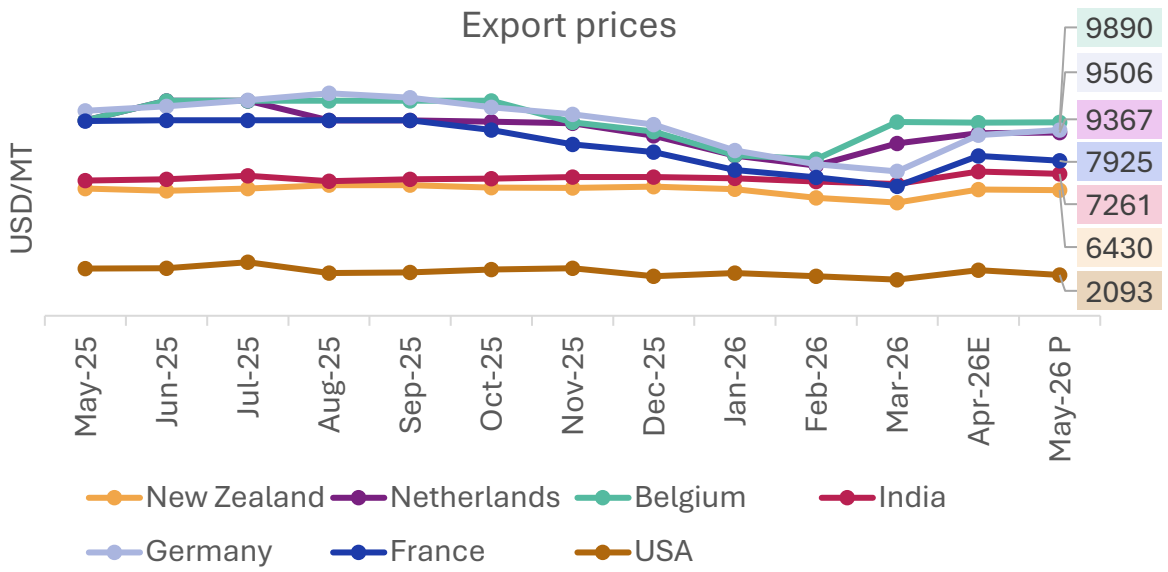


P – Projected value; E- Estimated value; MY – Marketing year (Jan-Dec)

- **The countries shown account for ~60%[1] of global ghee imports**, with imports projected to remain mixed in MY26P, showing both growth and contraction across markets.
- **Italy is expected to surpass China to become the largest importer with (~2%) growth YoY,** indicating steady demand expansion.
- **Ghee imports by Belgium's and Netherlands in MY26P** are expected to decline marginally due to abundant regional dairy fat supplies, increased reliance on intra EU sourcing, and subdued growth in demand for imported specialty dairy products.
- **Philippines and Malaysia ghee imports in MY26P** are expected to increase supported by limited domestic dairy production, expanding food processing and bakery sectors, and increased demand from food service and hospitality sector.

Source: ITC Trade Map; MY25E import volumes include estimates where recent data is unavailable; MY26P based on trade estimates and import trends *(HS code 040590);*
1: ITC Trademap

Export prices forecast for ghee



Price outlook for next quarter (JJA) 2026					
Countries	**May'26 P Price (USD/MT)**	**May'25 Price (USD/MT)**	**%age change**	**Price direction**	**Average projected price range for JJA (USD/MT)**
New Zealand	6430	6500	-1%	Bullish	6400-6500
Netherlands	9367	10000	-6%	Sideways	9200-9500
Belgium	9890	10000	-1%	Sideways	9700-10000
India	7261	6910	5%	Bullish	7300-7500
Germany	9506	10479	- 9%	Bearish	9100-9500
France	7925	9960	- 20%	Bearish	7600-7900
USA	2093	2410	- 13%	Sideways	2000-2200

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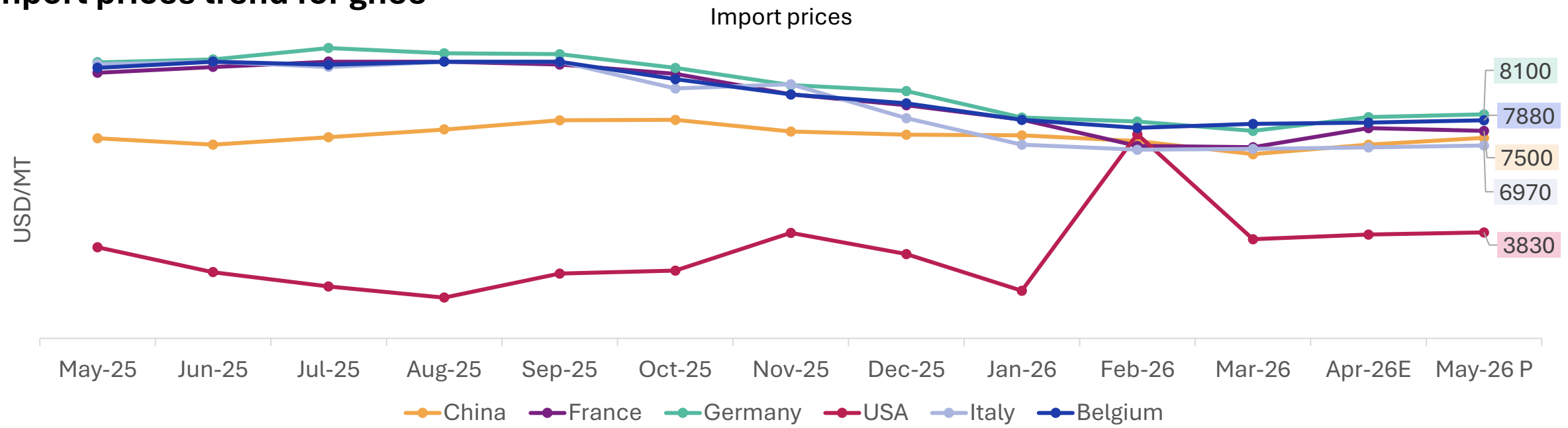
- **The countries shown account for ~86% of global ghee exports**, with prices expected to remain stable to firm (June–August 2026), supported by strong demand and logistics constraints.
- **New Zealand prices are expected to strengthen, supported by seasonally lower winter milk production** and constrained butterfat availability. Competition for milk fat across butter, anhydrous milk fat (AMF) and specialty dairy products is also expected to keep export quotations elevated.
- **In the Netherlands**, ample European Union milk and butter supplies are **weighing on prices**, though higher exports in Q1 MY26 and elevated energy and logistics costs **may limit sharper declines**.
- **India is estimated to have seen ~5% year-on-year price growth** in May 2026 (provisional), supported by higher procurement costs and firm domestic milk prices.
- **Germany prices remain under pressure** due to ample European Union stocks and weak demand, amid competition from lower-priced supplies from Oceania and South Asia.

Source: ITC Trade Map (up to Mar 2026); prices for Apr & May 2026 are estimated based on seasonal patterns and trade estimates (HS Code: 040590)
Note: Price forecasting is based on the fundamental analysis. ***JJA stand for June, July and August 2026***

GDT stands for Global Dairy Trade
AMF stands for Anhydrous Milk Fat

Import prices trend for ghee



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- Overall ghee import prices across major importing markets are expected to remain stable as improving milk availability in Europe, easing butter/fat prices, and global dairy oversupply continue to weigh on international dairy fat markets, despite intermittent volatility from freight and geopolitical risks.
- **Chinese import prices are expected to increase ~4% MoM in May'26**, as firm Oceania butter prices support the landed costs.
- French import prices are projected to witness a decrease **of ~1% MoM in May'26, due to expanding EU milk supplies** and slow recovery in demand from food manufacturing.
- **Germany is likely to witness a marginal increase** in import prices as strengthening global dairy-fat markets raise import quotations.
- Firm retail and foodservice demand, along with tighter domestic supply, **continues to support US ghee import prices**; however, higher energy and logistics costs are limiting buyers' ability to absorb further increases, thereby capping price upside.

Source: ITC Trade Map (up to Mar 2026); prices for Apr & May 2026 are estimated based on seasonal patterns and trade estimates (HS Code: 040590)

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.

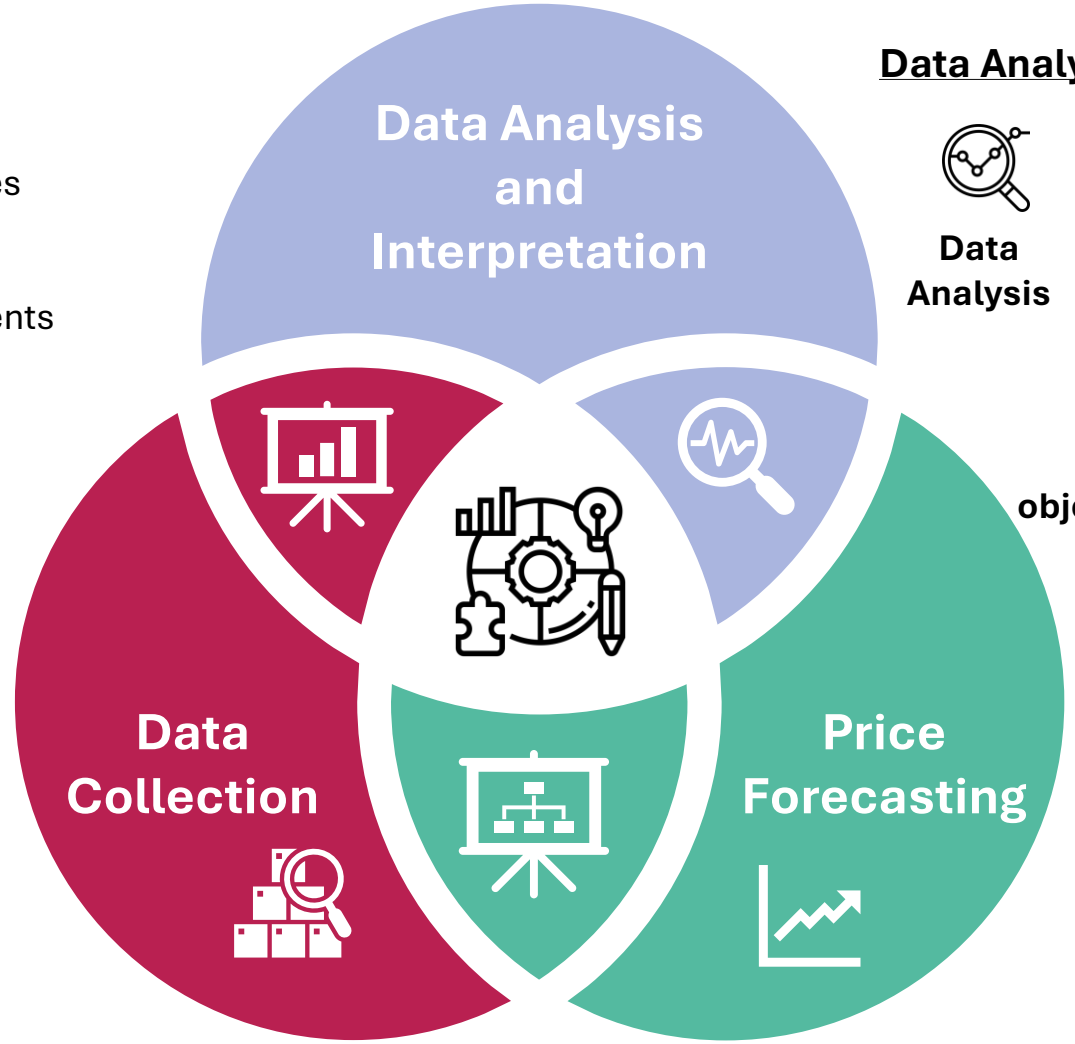
Data Collection

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.