



# GATÚ

The good news from the field

ONLINE

## Milk: price for Brazilian producers reaches actual record



Photo: BRS Tamani, new pasture with maximum yield of milk, by Marangatú Seeds

Low milk supply in field goes boosting the value to the producer and by-products in wholesale. In July, the average gross amount paid to producers (which includes shipping and taxes) was USD 0.47 / liter, a significant increase of 12.9% compared to June 2016 and 30.7% compared to July 2015, according to survey made by Cepea (Center for Advanced Studies in Economy), University of São Paulo State.

This is the largest average value pointed by Cepea since 2000. The value reached in July surprised dairy market agents as it surpassed the 2013 historical record, year marked by strong demand. These averages are

measured by the volume collected in Brazilian states of Goiás, Minas Gerais, Paraná, Rio Grande do Sul, Santa Catarina, São Paulo and Bahia.

In Southern Brazil, producers supplied on average 5.9% more milk compared to the previous month. This increase in production is due to winter forages. Even with the frost that damaged some dairy production, forages could give support to animal feed during high costs period of concentrates.

Most wholesalers, interviewed by Cepea, claims that the price of UHT would have reached an acceptable limit by final consumer. The supply of raw material, however, is limited, forcing industries to reduce value of the most consumed by-product in the country and pass on the increase value to other, less consumed. This Cepea research on by-products segment is daily held with dairy and wholesalers of São Paulo State and has financial support from the Organization of Brazilian Cooperatives (OCB).

Get more information about Marangatú accessing our Instagram:

<https://www.instagram.com/ganaderiaconmarangatu/> , by computer or smartphone

Also, very soon we'll have a Facebook too!

Source: Cepea (Center for Advanced Studies in Economy), University of São Paulo State

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