



Oceania Dairy Market Overview

Agricultural Marketing Service
Dairy Market News

Report 23

June 5, 2025

MMN Slug ID 1037 / Slug Name: MD_DA120

Email us with accessibility issues with this report.

AUSTRALIA

Dairy Australia recently released the Situation and Outlook report for June 2025. The report stated milk production for the 2025/2026 season is expected to be one percent lower than the prior season's production. Export prices have been supported by strong demand for Oceania dairy products in the northern hemisphere. Dairy sales volume and value grew in the retail sector. Retail demand grew slightly for milk, with stronger growth for cheese, yogurt, and dairy spreads.

Opening milk pay prices for the 2025/2026 production season in Australia were published online, following the early June deadline established by Australia's dairy code of conduct. Forecasters anticipated lower prices for the 2025/2026 season due to downturns for some commodities in the last year within Australia and in international markets. Several processors in Australia reported 2025/2026 season milk prices ranging around \$8 to \$9 per kilogram of milk solids, citing escalating input costs, changing consumer behavior, and global trade instability.

Dairy Australia recently released updated milk production numbers. In April 2025, milk production in Australia totaled 594.0 million liters, up 2.2 million liters (0.4 percent) from April 2024. Milk production grew year over year in New South Wales, Victoria, and Queensland, but declined in South Australia, Western Australia, and Tasmania. Over the course of the season from July 2024 to April 2025, milk production totaled 7,128.5 million liters, down 0.1 percent from the prior season.

Dairy Australia also recently released export data for Australia showing export volumes from July 2024 to March 2025. Milk exports totaled 124,126 metric tons, down 11.0 percent from the same time a year ago.

NEW ZEALAND

Two dairy cooperatives in New Zealand recently announced their forecasted milk prices for the 2025/2026 production season. One cooperative forecasted a farmgate milk price of \$10.00 per kilogram milk solids (kgMS), with a range of \$8.00-\$11.00/kgMS. This midpoint is consistent with farmgate milk prices at the end of the 2024/2025 season, but the forecast range is much wider due to uncertainties about market conditions in the upcoming season. A spokesperson for the cooperative noted strong demand for dairy products supports a consistent milk price, but acknowledged a higher degree of uncertainty due to geopolitical conditions. A second cooperative announced a midpoint forecast of \$9.85/kgMS within a price range of \$8.85-\$10.85/kgMS, citing expectations for continued export demand.

Following Global Dairy Trade (GDT) event 381, a group in New Zealand that forecasts milk prices decreased their milk price forecast for the 2025/2026 season by 22 cents from \$10.42/kgMS to \$10.20/kgMS. The spot value of milk decreased to \$11.28/kgMS. The group noted prices at GDT event 381 were slightly below market expectations. The group's milk price forecast for the 2024/2025 season is \$10.19/kgMS.

Information for the period May 26 - June 6, 2025, issued biweekly

Published by:

Dairy Market News - Madison, WI

ALEXANDER S. HOPKINS, PH.D. and TRISTAN HANON, PH.D.

Email: Alexander.Hopkins@usda.gov and Tristan.Hanon@usda.gov

Additional Dairy Market News Information:

Dairy Market News (DMN) by Phone: (608)422-8587

DMN Website: <https://www.ams.usda.gov/market-news/dairy>

DMN (My Market News): <https://mymarketnews.ams.usda.gov>

<https://mymarketnews.ams.usda.gov/viewReport/1037>