

Dairy Report 2008

For a Better
Understanding of
Milk Production
World-Wide



IFCN
International Farm
Comparison Network

3.64 Portugal – Dairy Sector Profile

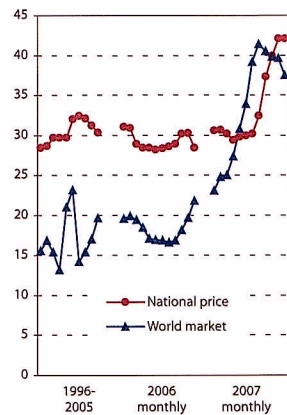


António Moitinho Rodrigues



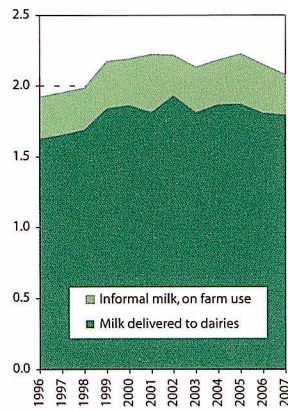
Farm gate milk prices

in EUR / 100 kg milk (ECM)



Milk production

in mill t milk ECM



STATUS AND KEY DEVELOPMENTS

Status 2007

- Milk production: 1.9 mill t, 86 % delivered
- Milk price: 0 % above world market
- Milk consumption: 212 kg ME per capita/year
- Milk processing: 43 % in tradable products
- Export: approx. 22 % of production
- Import: approx. 28 % of local consumption
- Self-sufficiency in milk: 93 %

Key developments 2002-2007

- Milk production: -1.4 % per year
- Milk consumption per capita: -1.9 % per year
- Population: +0.4 % per year
- Farmers' share in chain: decreasing

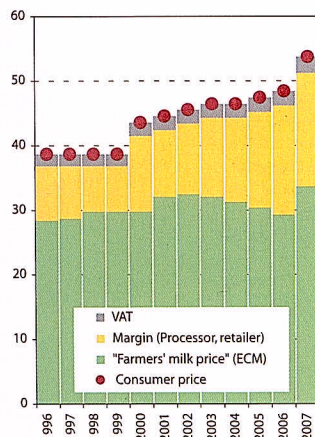
Key variables of the dairy sector

	1996	1998	2000	2001	2002	2003	2004	2005	2006	2007	annual change	
											1996-02	2002-07
Milk production												
Production (mill t ECM)	1.73	1.79	2.00	2.04	2.04	1.95	2.00	2.05	1.97	1.90	2.8%	-1.4%
Cows (in 1,000's)	376	372	355	338	341	328	338	324	307	308	-1.6%	-2.0%
Milk yield (t/cow/year)	4.60	4.82	5.62	6.03	5.97	5.94	5.92	6.32	6.42	6.17	4.5%	0.6%
Milk consumption (from all animal species)												
Consumption (mill t ECM)	1.90	1.94	2.22	2.38	2.43	2.19	2.29	2.46	2.32	2.24	4.2%	-1.5%
Population (mill people)	9.9	10.0	10.2	10.3	10.4	10.4	10.5	10.5	10.6	10.6	0.7%	0.4%
Consumption (kg milk/capita)	191	194	217	231	234	209	218	233	219	212	3.4%	-1.9%
The dairy chain												
Milk delivered in %	85%	85%	85%	81%	87%	85%	85%	84%	84%	86%	0.4%	-0.2%
Margin (EUR/100 kg milk)	8.5	7.1	11.7	10.3	10.9	12.1	13.0	14.8	16.8	17.5	4.3%	10.0%
Farmers' share on cons. price	73%	77%	68%	72%	71%	69%	67%	64%	60%	63%	-0.5%	-2.6%

Illustration of the dairy chain

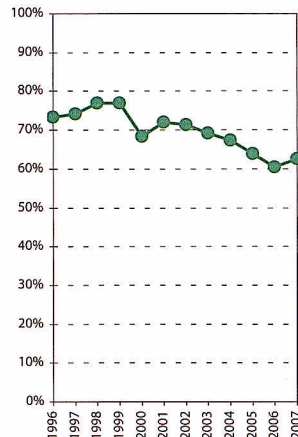
Consumer & farmers' prices

in EUR / 100 kg milk



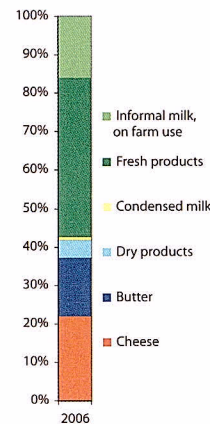
Share of farmers' price

on consumer milk price



Processing profile

in % of milk produced

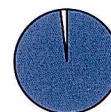


Milk processors list 2006

Milk intake in 1,000 tons

Agros	619
Proleite	227
Bel	247
Lacticoop	206
Unicol	124
Unileite	124
Leicar	103
Danone	52
Parmalat	41
Renoldy	36

List covers approx. 98 % of milk delivered



Explanations

Sources: National statistics, FAO, ZMP, IMF, USDA, EUROSTAT, FAPRI, IDF, OECD. 2007 data is preliminary and partly estimated.

Method: See Chapter 3.7 for details. **Consumer price for:** UHT milk with 1.5 % fat.

Estimates done for: Processing profile: Condensed milk.