



South American Dairy Market Overview

Agricultural Marketing Service
Dairy Market News

Report 29

July 16, 2026

MMN Slug ID 1040 / Slug Name: MD_DA130

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In South America milk production is seasonally lighter. No significant changes in unfavorable pasture conditions for parts of South America, which is decreasing cow comfort, are reported by stakeholders. Year-over-year milk production is up according to the most recent data from CLAL.it and industry sources. Among the South American countries listed on CLAL.it, Uruguay has the largest percentage increase in year-over-year milk production. Milk prices are generally trending higher as the availability of loads is tightening.

Manufacturers in South America describe milk and cream volumes as neither abundant nor scarce. Production schedules for dairy commodities are generally lighter. Sellers indicate spot loads of whole milk powder and skim milk powder are available. Demand from buyers in Brazil is holding up more than demand from buyers in Algeria. Brazilian imports of whole milk powder and skim milk powder from other South American countries was up for June 2026 compared to the prior month. Stakeholders indicate prices for many dairy commodities including UHT milk, whey powders, milk powders, mozzarella cheese for example, are higher this week compared to the start of July.

Information for the period July 6 - 17, 2026, issued biweekly

Secondary Sourced Information:

At GDT Event 407 (July 7):

- SMP prices across all contracts averaged \$3,135 per metric ton, down 7.0% from the previous event.
- WMP prices across all contracts averaged \$3,425 per metric ton, down 4.4% from the previous event.

Per CLAL.it for January through June 2026 (compared to the same period in 2025)

- SMP imports for Brazil were 22,600 MT (+2.55%)
- WMP imports for Brazil were 79,700 MT (+16.65%)

Published by:

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