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Dairy and Products

Semiannual Report

2008

Approved by:
Paul Spencer, Senior Agricultural Attaché
U.S. Embassy

Prepared by:
Kakuyu Obara, Agricultural Specialist

Report Highlights:
Butter will account for most if not all of the diary products imported under Japan's WTO Minimum Access commitments and U.S. butter should be competitive. Increasing feed costs have led dairy producers and processors to pass along significant price increases to consumers. Japan's imports of natural cheeses are expected to decline from last year's record levels, due in large part to higher prices.

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2008 Outlook for Fluid Milk, NFDM, Butter and Cheese

Retail Prices of Milk and Dairy Products to Trends up

Starting in the spring, major dairy manufactures in Japan announced 5 – 20% increases in retail prices of milk and dairy. The run up in international grain prices is having a large negative impact on the livestock sector, which is nearly wholly dependent on imported feed grains. After years of relative price stability, dairy producers and food retailers are increasingly passing higher input costs on to consumers. According to Ministry of Agriculture, Forestry, and Fisheries (MAFF) statistics, the average farm gate price of milk was about 80 yen per kg in 2007. Because imported dairy products have also become more expensive, diary price increases may lead to small reduction in consumption later in the year.

Fluid Milk Output to Recover in 2008

Japan's national fluid milk output in CY 2008 is projected to reach 8.1 million metric tons (MMT), up 1% from last year. Farmers in Hokkaido, the major dairy region in Japan, started raising output last fall to meet strong demand for cream and butter. As reflected in high auction prices of pregnant heifers in recent months, the rebuilding of Japanese dairy herds has begun in response to increased subsidies and better market opportunities for fluid milk for processing. At the beginning of 2007, there were nearly 1.6 million dairy cows and heifers in Japan, of which 871,000 were producing. Hokkaido accounted 53% of the total dairy herd and 46% of cows in production. Thus, this year's fluid milk production in Hokkaido is expected to more than offset a slight production decline forecast in other regions. The majority of fluid milk produced in Hokkaido will be used for processing.

Improving Market Prospects for Domestic Dairy Commodities to Generate Good Demand for Fluid Milk for Processing

Expanded cheese production capacities, continued butter shortages, improved market condition for non-fat dry milk (NFDM), and solid demand for cream have greatly improved market prospects for manufacturing-use milk. Demand for fluid milk in Japan for processing use this year which is projected to grow by 5% to 3.56 MMT. A large portion of this increase will be used by new cheese factories in Hokkaido, which began operations last fall. The rest of the increase will be used to produce other dairy commodities such as butter, cream and NFDM.

[Note: According to MAFF statistics, for CY 2007, out of 3.402 MMT of fluid milk used for processing, 1.037 MMT went to cream production, 0.388 MMT went to domestic natural cheese production, and the rest, approximately 1.95 MMT, for production of NFDM and butter].

Fluid (beverage) Milk Consumption Continues to Slump

One the other hand, continuing a trend, Japan's beverage milk production in the first quarter of 2008 was down by 2% (See Table 2). For January and March, household consumption of regular milk fell two percent compared to the same period last year (See Table 1). Overall 2008 beverage milk consumption is expected to decline by 1.5% to 4.455 MMT.

Cheese Imports Expected to Lower/Domestic Cheese Production to Grow Substantially in 2008

Japan' first quarter cheese imports this year were 9% lower (or 51,132 MT on customs clearance basis) compared to the same period last year. High international prices pushed average import prices up as much as 40% from last year, on average to US$ 4.78 from US$ 3.4 (See Table 6-1, 6-2). Due to high prices, Japan's import demand for cheeses, is expected to slacken this year and is projected 7% down from last year's record to 210,000 MT (See Table 6-3, 6-4). The projected import decline will be most pronounced in the natural cheeses product category (that is, cheese for direct consumption, not processing) and will negatively affect traditional EU suppliers. Japan's imports of U.S. cheeses in 2008 are projected down by 5% off of last year's record to 6,500 MT.

Mainly due to increased production capacity in Hokkaido, Japan's domestic natural cheese production in 2008 will expand substantially, up from 43,000 MT in 2007 to around 55,000 MT – 60,000 MT. In several years time, Japanese domestic natural cheese production is expected to more than double the level achieved in 2006 (40,000 MT) once newly added capacities in Hokkaido is fully on line. The market may even see minor Japanese cheese exports. New domestic cheese factories will face the ongoing challenge of securing a stable supply of fluid milk.

Butter Supply Tight despite Full Current Access Imports

Japanese butter demand has been relatively constant at around 90,000 MT. However, unexpectedly strong demand for butter (estimated at 92,000 MT in 2007, up 3% from last year) has tightened supplies and stocks have been running low for the past couple of years. In 2007, ending stocks were lower by 27% to an estimated 16,000 MT, barely enough to meet 1.7 months of demand.

To cope with this situation, the Japanese government raised this fiscal year's subsidy for fluid milk for processing (See Table 2). Direct payments were raised by 9.5% (from 10.55 yen per kg. to 11.55 yen per kg.) for fluid milk used for butter and NFDM. As part of the government's response to butter shortages, there is a net increase of 90,000 to the processing milk quota to 2.07 MMT for JFY 2008. This will increase butter production in 2008 by 9% to 82,000 MT. For Jan. – Mar. 2008, butter production was flat, but it is expected to grow in the second half of the year (See Table 4).

Despite this, Japan's domestic butter supply could still fall short by as much as 10,000 – 12,000 MT this year. To fill the gap, similar to last year, GOJ plans to fully commit this fiscal year's current access (CA) to buy imported butter, estimated at 8,000 MT. Thus, even with CA butter, there could be a 2,000 – 4,000 MT shortfall toward year's end.

Japan purchased 11,000 MT of butter last calendar year, mostly under the CA. The Netherlands was the main supplier followed by Australia, and Germany (Table 7-3, 7-4). Amid high prices by EU suppliers, U.S. butter gained market share in the CA imports system for the first time and about 80 MT was imported. Imports of U.S. butter are reflected in the January – March trade data (Table 7-1, 7-2). U.S. butter should continue to make inroads in the CA category this year. In the event the butter shortage becomes acute, Japan may have to make advance purchases under the CA system, possibly counting imports against the next fiscal year's commitments.

NFDM Surplus Wiped Out/Demand and Supply to Normalize in 2008

Market conditions for NFDM have improved. Surpluses have subsided and monthly stocks have been running at normal levels entering 2008. Wholesale prices of domestically produced NFDM have turned slightly upward since last fall (See Table 8). Over the past several years, Japanese dairy farmers have been cutting back fluid milk output to cope with reduced beverage milk consumption and weak ingredient demand for NFDM (Ref JA7067). This resulted in contradictory demand and supply conditions for each commodity (i.e., mounting NFDM surpluses and a butter shortage). Amid high international prices for NFDM, improved ingredient demand for dairy-based beverages, bakery, confectionary, and frozen desserts in 2007, took a toll on NFDM stocks, which are down by 41% to an estimated 38,000 MT for the start of 2008.

An anticipated increase in butter production this year will result higher domestic NFDM production, projected up by 13% to 195,000 MT. For Jan. – Mar., domestic NFDM production actually fell 2% (or 48,856 MT), but the April increase in the quota for processing milk should support additional production of NFDM for the remainder 2008. Combined with increased imports of NFDM, projected up by 11% to 40,000 MT (mostly feed use), total supply is expected to balance with ending stocks at or near last year's level (See Table 5).

Table 1: Japanese per Household Consumption of Dairy Commodities

Quantity							
		2006	**2007**	**% Chg.**	**2007**	**2008**	**% Chg.**
	Unit	**Jan/Dec**	**Jan/Dec**	**Jan/Dec**	**Jan/Mar**	**Jan/Mar**	**Jan/Mar**
Milk	Liter	94.24	90.90	-4%	21.00	20.58	-2%
Cheese	gram	571	571	0%	571	598	5%
Butter	gram	507	500	-1%	132	140	6%
Margarine	gram	1,383	1,381	0%	348	378	9%
Yogurt							
Milk Beverage							
Lactic Acid Bacteria Drink							
Ice Cream							
Powdered Milk	gram	556	463	-17%	126	128	2%
Bread	gram	44,497	45,238	2%	11,300	11,336	0%
Expenditure							
		2006	**2007**	**% Chg.**	**2007**	**2008**	**% Chg.**
	Unit	**Jan/Dec**	**Jan/Dec**	**Jan/Dec**	**Jan/Mar**	**Jan/Mar**	**Jan/Mar**
Milk	Yen	17,987	17,237	-4%	4,001	3,889	-3%
Cheese	Yen	3,151	3,315	5%	787	880	12%
Butter	Yen	687	721	5%	194	218	12%
Margarine	Yen	752	755	0%	191	211	10%
Yogurt	Yen	8,047	7,950	-1%	1,911	1,920	0%
Milk Beverages	Yen	1,035	1,105	7%	239	249	4%
Lactic Acid Bacteria Drink	Yen	3,021	3,478	15%	773	748	-3%
Ice Cream	Yen	6,823	7,081	4%	1,025	1,038	1%
Powdered Milk	Yen	1,015	850	-16%	223	236	6%
Bread	Yen	26,559	27,096	2%	6,769	7,170	6%
Note: Per Household Definition (Two or More Family Members) Note: Quantities for Yogurt, Milk Beverages, Lactic Acid Bacterial Drink and Ice Cream Are Not Available.							
Source: Household Statistics, Ministry of Internal Affairs and Communications							

Table 2: Government Subsidy Payment and Eligible Fluid Milk Quota for Processing

JFY (Apr – Mar)	Subsidy Level	Unit	Type of Payment	Eligible Volume	
JFY 1995	11.49	yen/kg	deficiency payment	2.30	million MT
JFY 1996	11.49	yen/kg	deficiency payment	2.30	million MT
JFY 1997	10.87	yen/kg	deficiency payment	2.40	million MT
JFY 1998	10.84	yen/kg	deficiency payment	2.40	million MT
JFY 1999	10.80	yen/kg	deficiency payment	2.40	million MT
JFY 2000	10.30	yen/kg	deficiency payment	2.40	million MT
JFY 2001	10.30	yen/kg	direct payment	2.27	million MT
JFY 2002	11.00	yen/kg	direct payment	2.20	million MT
JFY 2003	10.74	yen/kg	direct payment	2.10	million MT
JFY 2004	10.52	yen/kg	direct payment	2.10	million MT
JFY 2005	10.40	yen/kg	direct payment	2.05	million MT
JFY 2006	10.40	yen/kg	direct payment	2.03	million MT
JFY 2007	10.55	yen/kg	direct payment	1.98	million MT
JFY 2008	11.55	yen/kg	direct payment	1.95	million MT*
Note 1. For Fluid Milk Utilized for Manufacturing Designated Dairy Commodities, Utilized Mostly for Production of Non Fat Dry Milk and Butter					

Note 2. For JFY 2008, not on the official list, additional quota up to 120,000 is earmarked entitled to receive the same level payment under the regular eligible quota.
Source: Monthly Statistics of Agriculture & Livestock Industry Corporation (ALIC)

Table 3: Japanese Utilization of Fluid Milk for Drinking Use Category

Unit: Metric Ton

	2005	2006	% Chg.	2007	% Chg.	2007	2008	% Chg.
	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Mar	Jan/Mar	Jan/Mar
Regular Milk	3,823	3,702	-3%	3,592	-3%	860	846	-2%
Processed Milk	467	449	-4%	446	-1%	105	104	-1%
Milk Beverages	1,203	1,242	3%	1,312	6%	286	294	3%
Fermented Milk	800	839	5%	844	1%	206	201	-2%
Lactic Acid Bacteria Drinks	174	166	-4%	173	4%	38	38	0%

Note: Processed Milk: low fat, high fat, vitamin and mineral fortified, calcium enriched

Milk Beverages: flavored milk (coffee and fruits flavored)

Source: MAFF

Table 4: Japanese Production of Processed Milk Products

Unit: Metric Ton

	2005	2006	% Chg.	2007	% Chg.	2007	2008	% Chg.
	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Mar	Jan/Mar	Jan/Mar
Butter	84,070	80,476	-4%	75,058	-7%	22,217	22,216	0%
Cream	90,985	95,567	5%	103,109	8%	25,161	26,205	4%
Whole Milk Powder	14,366	13,794	-4%	14,027	2%	4,567	2,927	-36%
Prepared Milk Powder	32,037	31,189	-3%	30,039	-4%	6,575	7,097	8%
Skim Milk Powder (NFDM)	186,766	180,750	-3%	172,545	-5%	49,184	48,056	-2%
Ice Cream (Unit: kilo liter)	116,320	128,585	11%	134,035	4%	28,973	26,700	-8%

Source: MAFF

Table 5: Japanese Imports of Non Fat Dry Milk

Unit: Metric Ton

	2005	2006	% Chg.	2007	% Chg.	2007	2008	% Chg.
	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Mar	Jan/Mar	Jan/Mar
For School Lunch Program	2,651	2,568	-3%	2,405	-6%	957	779	-19%
For Feeds	30,381	24,677	-19%	31,032	26%	9,520	9,674	2%
For Other Use	967	4,817	398%	2,351	-51%	345	584	69%
Total NFDM Imports	33,999	32,062	-6%	35,788	12%	10,822	11,073	2%

Source: Monthly Statistics, Agriculture & Livestock Industry Corporation (ALIC)

Table 6-1: Japanese Cheese Imports (Year to Date), 2008

Period: January – March 2006 - 2007					
Unit: Metric Ton (Customs Clearance Basis)					
					% Chg.
Rank	**Country**	**2006**	**2007**	**2008**	**- 08/07 -**
		Jan/Mar	**Jan/Mar**	**Jan/Mar**	**Jan/Mar**
0	--World--	49,992	56,368	51,132	-9%
1	Australia	21,726	24,665	24,841	1%
2	New Zealand	14,003	16,695	15,620	-6%
3	Denmark	2,416	2,412	1,986	-18%
4	Germany	2,580	2,486	1,615	-35%
5	France	1,765	1,610	1,548	-4%
6	Netherlands	1,938	1,911	1,502	-21%
7	Italy	1,279	1,412	1,280	-9%
8	United States	979	1,572	1,262	-20%
9	Argentina	798	2,013	875	-57%
10	Others	2,508	1,593	603	-62%
Note: Total Cheese Imports: HS 0406					
Source of data: Japan Customs (World Trade Atlas)					

Table 6-2: Average C&F Price of Japanese Cheese Imports (Year to Date), 2008

Period: January – March 2006 – 2007					
					% Chg.
Rank	**Country**	**US $/ KG - 2006**	**US $/ KG - 2007**	**US $/ KG - 2008**	**- 08/07 -**
		Jan/Mar	**Jan/Mar**	**Jan/Mar**	**Jan/Mar**
0	--World--	3.46	3.4	4.78	41%
1	Australia	2.92	2.86	4.01	40%
2	New Zealand	2.95	2.86	4.22	48%
3	Denmark	4.62	4.87	6.7	38%
4	Germany	3	3.33	4.9	47%
5	France	7.17	7.38	9.15	24%
6	Netherlands	3.65	3.86	5.73	48%
7	Italy	8.51	9.05	11.98	32%
8	United States	7.36	5.82	8.38	44%
9	Argentina	2.95	2.73	4.81	76%
Source of data: Japan Customs (World Trade Atlas)					

Table 6-3: Japanese Cheese Imports, 2007

Period: January – December 2005 - 2006						
					Unit: Metric Ton (Customs Clearance Basis)	
					% Change	%
Rank	Country	2005	2006	2007	- 07/06 -	07 Share
		Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec
0	--World--	211,692	207,420	225,081	9%	100%
1	Australia	93,157	87,642	97,029	11%	43%
2	New Zealand	55,226	57,304	65,259	14%	29%
3	Germany	12,704	11,402	10,876	-5%	5%
4	Denmark	10,266	9,836	9,192	-7%	4%
5	Argentina	2,590	5,084	8,885	75%	4%
6	Netherlands	8,278	8,487	7,668	-10%	3%
7	France	7,676	8,020	7,521	-6%	3%
8	United States	3,817	4,904	6,834	39%	3%
9	Italy	5,420	5,661	6,495	15%	3%
10	Others	12,558	9,079	5,323	-41%	2%
Source of data: Japan Customs (World Trade Atlas)						

Table 6-4: Average C&F Price of Japanese Cheese Imports, 2007

Period: January – December 2005 - 2006					
					% Chg.
Rank	Country	US $/ KG - 2005	US $/ KG - 2006	US $/ KG - 2007	- 07/06 -
		Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec
0	--World--	3.47	3.48	3.74	7%
1	Australia	2.88	2.9	3.1	7%
2	New Zealand	2.9	2.85	3.13	10%
3	Germany	3.15	3.15	3.68	17%
4	Denmark	4.78	4.74	5.22	10%
5	Argentina	2.75	2.83	2.96	5%
6	Netherlands	3.82	3.77	4.26	13%
7	France	7.32	7.3	7.67	5%
8	United States	7.77	6.91	6.34	-8%
9	Italy	9.06	8.88	9.82	11%
Source of data: Japan Customs (World Trade Atlas)					

Table 7-1: Japanese Butter Imports (Year to Date), 2008

Period: January – March 2006 -2008					
				Unit: Metric Ton (Customs Clearance Basis)	
					% Chg.
Rank	Country	2006	2007	2008	- 08/07 -
		Jan/Mar	Jan/Mar	Jan/Mar	Jan/Mar
0	--World--	875	1,012	2,175	115%
1	Australia	16	77	980	1169%
2	Netherlands	643	744	873	17%
3	Germany	60	44	196	347%
4	United States	5	5	80	1525%
5	New Zealand	96	27	27	0%
6	France	32	41	21	-50%
7	Others	23	75	0	-100%
Note: Total Butter Imports: HS 040510					
Source of data: Japan Customs (World Trade Atlas)					

Table 7-2: Average C&F Price of Japanese Butter Imports (Year to Date), 2008

Period: January – March 2006 - 2008					
					% Change
Rank	Country	US $/ KG - 2006	US $/ KG - 2007	US $/ KG - 2008	- 08/07 -
		Jan/Mar	Jan/Mar	Jan/Mar	Jan/Mar
0	--World--	2.8	3	4.59	53%
1	Australia	3.6	2.71	3.3	22%
2	Netherlands	2.66	2.79	5.46	96%
3	Germany	2.6	2.71	5.83	115%
4	United States	5.58	5.67	4.26	-25%
5	New Zealand	2.27	2.03	4.12	103%
6	France	6.81	8.86	18.55	109%
Source of data: Japan Customs (World Trade Atlas)					

Table 7-3: Japanese Butter Imports, 2007

Period: January – December 2005 - 2007						
					Unit: Metric Ton (Customs Clearance Basis)	
					% Change	%
Rank	Country	2005	2006	2007	- 07/06 -	07 Share
		Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec
0	--World--	5,510	3,914	11,384	191%	100%
1	Netherlands	2,386	1,730	6,152	256%	54%
2	Australia	1,300	1,217	2,002	64%	18%
3	Germany	1,328	100	1,720	1618%	15%
4	Denmark	28	331	700	112%	6%
5	Belgium	317	122	519	324%	5%
6	New Zealand	84	312	144	-54%	1%
7	France	53	96	139	45%	1%
8	United States	10	6	5	-2%	0%
9	Others	5	1	2	171%	0%
Source of data: Japan Customs (World Trade Atlas)						

Table 7-4: Average C&F Price of Japanese Butter Imports, 2007

Period: January – December 2005 - 2007					
					% Change
Rank	Country	US$/ KG - 2005	US $/ KG - 2006	US $/ KG - 2007	- 07/06 -
		Jan/Dec	Jan/Dec	Jan/Dec	Jan/Dec
0	--World--	2.91	2.86	3.72	30%
1	Netherlands	2.76	2.73	3.79	39%
2	Australia	2.9	2.62	2.99	14%
3	Germany	2.75	2.7	4.12	53%
4	Denmark	3.5	2.67	3.78	42%
5	Belgium	3.01	2.81	2.68	-5%
6	New Zealand	2.54	2.28	2.34	3%
7	France	12.53	10.99	11.62	6%
8	United States	7.13	5.41	5.54	2%
Source of data: Japan Customs (World Trade Atlas)					

Table 8: Wholesale Prices Dairy Products for Bulk Users (Year to Date) 2008

Butter (Yen/Kg.)									
	2004	2005	% Chg.	2006	% Chg.	2007	% Chg.	2008	% Chg.
Jan	962	951	-1%	947	0%	944	0%	984	4%
Feb	962	951	-1%	947	0%	944	0%	995	5%
Mar	962	951	-1%	947	0%	944	0%	0	
Apr	958	949	-1%	947	0%	944	0%	0	
May	957	949	-1%	947	0%	944	0%	0	
Jun	953	948	-1%	948	0%	945	0%	0	
July	950	948	0%	950	0%	946	0%	0	
Aug	951	948	0%	943	-1%	950	1%	0	
Sept	950	948	0%	943	-1%	956	1%	0	
Oct	949	947	0%	943	0%	965	2%	0	
Nov	951	948	0%	944	0%	968	3%	0	
Dec	951	947	0%	944	0%	977	3%	0	
NFDM (Yen/25 Kg.)									
	2004	2005	% Chg.	2006	% Chg.	2007	% Chg.	2008	% Chg.
Jan	13,480	13,272	-2%	13,076	-1%	13,004	-1%	13,300	2%
Feb	13,480	13,254	-2%	13,071	-1%	13,019	0%	13,327	2%
Mar	13,480	13,258	-2%	13,062	-1%	13,019	0%	0	
Apr	13,444	13,254	-1%	13,062	-1%	13,019	0%	0	
May	13,434	13,237	-1%	13,047	-1%	13,019	0%	0	
Jun	13,371	13,233	-1%	13,005	-2%	13,041	0%	0	
July	13,370	13,223	-1%	13,020	-2%	13,049	0%	0	
Aug	13,354	13,197	-1%	13,013	-1%	13,063	0%	0	
Sept	13,353	13,189	-1%	13,010	-1%	13,078	1%	0	
Oct	13,289	13,173	-1%	13,002	-1%	13,136	1%	0	
Nov	13,286	13,078	-2%	13,001	-1%	13,146	1%	0	
Dec	13,278	13,090	-1%	13,007	-1%	13,257	2%	0	
Source: Monthly Livestock Statistics, Agriculture & Livestock Industry Corporation (ALIC)									

Fluid Milk PS&D Table

Japan Dairy, Milk, Fluid										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Cows In Milk	900	900	900	890	890	890	890	0	895	(1000 HEAD)
Cows Milk Production	8138	8134	8137	7990	8050	8007	8030	0	8100	(1000 MT)
Other Milk Production	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Production	8138	8134	8137	7990	8050	8007	8030	0	8100	(1000 MT)
Other Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Imports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	8138	8134	8137	7990	8050	8007	8030	0	8100	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Fluid Use Dom. Consum.	4648	4645	4648	4515	4570	4521	4485	0	4455	(1000 MT)
Factory Use Consum.	3408	3408	3408	3395	3400	3402	3465	0	3560	(1000 MT)
Feed Use Dom. Consum.	82	81	81	80	80	84	80	0	85	(1000 MT)
Total Dom. Consumption	8138	8134	8137	7990	8050	8007	8030	0	8100	(1000 MT)
Total Distribution	8138	8134	8137	7990	8050	8007	8030	0	8100	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

(Post Estimates are not official USDA data)

NFDM PS&D Table

Japan Dairy, Milk, Nonfat Dry										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Beginning Stocks	77	77	77	64	64	64	61	61	38	(1000 MT)
Production	181	181	180	175	180	173	180	0	195	(1000 MT)
Other Imports	32	32	32	32	32	36	32	0	40	(1000 MT)
Total Imports	32	32	32	32	32	36	32	0	40	(1000 MT)
Total Supply	290	290	289	271	276	273	273	61	273	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Human Dom. Consumption	201	201	200	185	190	204	185	0	200	(1000 MT)
Other Use, Losses	25	25	25	25	25	31	25	0	35	(1000 MT)
Total Dom. Consumption	226	226	225	210	215	235	210	0	235	(1000 MT)
Total Use	226	226	225	210	215	235	210	0	235	(1000 MT)
Ending Stocks	64	64	64	61	61	38	63	0	38	(1000 MT)
Total Distribution	290	290	289	271	276	273	273	0	273	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

(Post Estimates are not official USDA data)

Butter PS&D Table

Japan Dairy, Butter									
	2006	Revised		2007	Estimate		2008	Forecast	UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Beginning Stocks	27	27	27	22	22	22	20	21	16	(1000 MT)
Production	80	80	80	77	79	75	80	0	82	(1000 MT)
Other Imports	4	4	4	9	9	11	8	0	8	(1000 MT)
Total Imports	4	4	4	9	9	11	8	0	8	(1000 MT)
Total Supply	111	111	111	108	110	108	108	21	106	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Domestic Consumption	89	89	89	88	89	92	88	0	90	(1000 MT)
Total Use	89	89	89	88	89	92	88	0	90	(1000 MT)
Ending Stocks	22	22	22	20	21	16	20	0	16	(1000 MT)
Total Distribution	111	111	111	108	110	108	108	0	106	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

(Post Estimates are not official USDA data)

Cheese PS&D Table

Japan Dairy, Cheese										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008	MM/YYYY
Beginning Stocks	15	15	15	15	15	15	15	15	15	(1000 MT)
Production	40	40	40	41	41	43	47	0	47	(1000 MT)
Other Imports	207	207	207	215	210	225	215	0	215	(1000 MT)
Total Imports	207	207	207	215	210	225	215	0	215	(1000 MT)
Total Supply	262	262	262	271	266	283	277	15	277	(1000 MT)
Other Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Exports	0	0	0	0	0	0	0	0	0	(1000 MT)
Human Dom. Consumption	247	247	247	256	251	268	262	0	262	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	247	247	247	256	251	268	262	0	262	(1000 MT)
Total Use	247	247	247	256	251	268	262	0	262	(1000 MT)
Ending Stocks	15	15	15	15	15	15	15	0	15	(1000 MT)
Total Distribution	262	262	262	271	266	283	277	0	277	(1000 MT)
CY Imp. from U.S.	5	5	5	7	6	7	9	0	6	(1000 MT)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

(Post Estimates are not official USDA data)