Kazakhstan Dairy Ingredient Overseas Market Analysis Report

Kazakhstan | Dairy Ingredient

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FAO DAIRY INDEX	GDT WMP	CHINA CIF WMP	USD/KZT RATE
128.3 pts	3,250 USD/ton	28,500 CNY/ton	472.5
▲ +2.1% MoM	▲ +1.8%	▲ +2.3%	▼ -0.8%

Kazakhstan Dairy Ingredient Core Conclusions

Global dairy prices fluctuate at high levels with the FAO Dairy Price Index at 128.3 points. Kazakhstan's dairy ingredient import dependency is approximately 35%, with Russia and Belarus as primary sources. China's CIF price for WMP is 28,500 CNY/ton, while GDT auction prices maintain an upward trend. Exchange rate volatility and supply chain stability are key risk factors.

Supply & Demand: Kazakhstan's raw milk production is about 6.2M tons annually with limited processing capacity, **35%** of demand relies on imports.

Price Direction: GDT WMP average price is **3,250 USD/ton** , up about 8% YoY, maintaining an upward channel.

Core Risks: Tenge exchange rate fluctuations ⚠ , EAEU trade policy adjustments, global supply chain disruptions.

Source: FAO Dairy Price Index Monthly Report (Released Jun 5, 2026); GDT 360th Auction Results (Jun 3, 2026); Kazakhstan Ministry of Agriculture Statistics (2026 Q1).

Supply & Demand Fundamentals

Kazakhstan's dairy ingredient market exhibits a structural characteristic of "sufficient raw milk but insufficient deep processing." In 2025, raw milk production was approximately 6.18M tons, domestic dairy ingredient output (milk powder, whey powder, butter, etc.) was ~280,000 tons, imports were ~150,000 tons, and exports were ~30,000 tons.

Indicator	2024	2025	YoY Change
Raw Milk Production (10k tons)	605	618	+2.1%
Domestic Ingredient Output (10k tons)	26.5	28.1	+6.0%
Ingredient Import Volume (10k tons)	14.2	15.0	+5.6%
Ingredient Export Volume (10k tons)	2.8	3.1	+10.7%
Apparent Consumption (10k tons)	37.9	40.0	+5.5%

Source: Kazakhstan Bureau of National Statistics (2025 Annual Data Released Apr 2026); USDA FAS Dairy Report (May 2026).

China Market Status

China's dairy ingredient market remains under pressure. In May 2026, the CIF price for WMP averaged 28,500 CNY/ton, up 2.3% MoM. Domestic milk powder plant capacity utilization is approximately 62%, indicating a destocking cycle. Whey powder imports grew year-on-year, reflecting recovering demand in feed and food processing.

WMP CIF Price: **28,500 CNY/ton** (May 2026), +2.3% MoM.

SMP CIF Price: **23,200 CNY/ton** , +1.5% MoM.

Capacity Utilization: Approximately **62%** , operating at low rates for large enterprises.

Jan-Apr 2026 Imports: Approximately **380,000 tons** , down 4.2% YoY.

Source: China General Administration of Customs (May 2026 Data, Released Jun 18); SCI99 Dairy Weekly (Jun 16, 2026).

Kazakhstan Market Status

Kazakhstan's dairy ingredient market dependency on imports remains around 35%. In 2026 Q1, imported dairy ingredients totaled approximately 38,000 tons, mainly from Russia (58%), Belarus (22%), and the EU (12%). The local WMP wholesale price is about 1,850 KZT/kg, with import costs rising due to exchange rate impacts.

Local WMP Wholesale Price: **1,850 KZT/kg** (~3.92 USD/kg), +3.1% MoM.

Import Dependency: Approximately **35%** , with high-end whey powder and specialty powders almost entirely imported.

Main Source Countries: Russia 58%, Belarus 22%, EU 12%, Others 8%.

Consumption Structure: Dairy Processing 55%, Food Manufacturing 30%, Feed 15%.

Source: Kazakhstan Bureau of National Statistics (2026 Q1 Trade Data); EAEU Customs Database (Updated Apr 2026).

Segmented Product Structure

Kazakhstan's imported dairy ingredients are mainly WMP, SMP, and whey powder, together accounting for 78% of total imports. Butter and cheese import volumes are growing rapidly, reflecting consumption upgrade trends. Price trends are distinctly polarized across sub-categories.

Sub-category	2025 Import Vol. (10k tons)	Avg. Price USD/ton	YoY Demand Trend
WMP	5.8	3,250	↑ +6.5%
SMP	3.2	2,680	↑ +4.2%
Whey Powder	2.7	1,150	↑ +8.8%
Butter	1.5	5,900	↑ +12.3%
Cheese	1.8	4,750	↑ +9.6%

Source: EAEU Customs Statistical Database (Apr 2026); GDT Auction Price Summary (Jun 2026); Kazakhstan Dairy Association (2026 Q1 Report).

Core Finished Products Supply & Demand

The annual supply-demand gap for core dairy finished products (milk powder, butter, cheese) in Kazakhstan is about 150,000 tons, primarily filled by imports from Russia and Belarus. In 2026 Q1, domestic milk powder production was about 72,000 tons, supplemented by 41,000 tons of imports. Inventory levels are in a neutral-to-low range.

Milk Powder Gap: About **90,000 tons/year**, import dependency ~40%.

Butter Production: Q1 about **18,000 tons**, supplemented by 12,000 tons imported.

Milk Powder Inventory: About **23,000 tons** (End of May 2026), inventory-to-consumption ratio ~18%.

Price Trend: Domestic factory price **1,720 KZT/kg**, +7.2% YoY.

Source: Kazakhstan Dairy Association Quarterly Report (2026 Q1); Kazakhstan Ministry of Agriculture Market Monitoring (May 2026).

Intermediate Goods & Raw Material Values

Raw milk prices are the core driver of dairy ingredient costs. In May 2026, the Kazakhstan farm-gate milk price was about 185 KZT/liter, while China's raw milk price was about 3.65 CNY/kg. The GDT WMP CIF price to Kazakhstan ports is approximately 3,400 USD/ton, indicating significant cost transmission pressure.

Kazakhstan Farm-Gate Price: **185 KZT/liter** (~0.39 USD/liter), +5.1% YoY.

China Raw Milk Price: **3.65 CNY/kg**, fluctuating at low levels.

GDT WMP CIF Kazakhstan: Approximately **3,400 USD/ton** (incl. freight & tariff).

Cost Transmission: Raw milk accounts for **65-70%** of milk powder costs, energy and transport 15%.

Source: Kazakhstan Ministry of Agriculture Price Monitoring (May 2026); China Ministry of Agriculture and Rural Affairs (Released Jun 2026); GDT Auction and Logistics Cost Estimates.

Trade & Macroeconomic Indicators

Kazakhstan's 2025 GDP growth rate is approximately 4.2%, with the dairy industry accounting for about 8% of agricultural GDP. Under the EAEU framework, dairy trade enjoys zero tariffs. The KZT/USD exchange rate fluctuated between 460-480. Bilateral trade in dairy products between China and Kazakhstan grew rapidly, reaching approximately 120 million USD in 2025.

Indicator	Value	Time
Kazakhstan GDP Growth Rate	4.2%	2025
USD/KZT Exchange Rate	472.5	Jun 2026
EAEU Dairy Import Tariff	0% (Intra-Union)	Effective
China-Kazakhstan Dairy Trade Volume	120 Million USD	2025
Dairy Share of Agricultural GDP	~8%	2025

Source: World Bank (Updated Apr 2026); National Bank of Kazakhstan (Jun 2026 Exchange Rate); China General Administration of Customs (2025 Data Released Jan 2026).

Risks & Opportunity Window

> Geopolitical tensions may impact trade flows within the EAEU; Tenge exchange rate volatility exacerbates import cost uncertainty. Opportunities include China's "Belt and Road" initiative facilitating bilateral dairy trade, and Kazakhstan's expanding domestic processing capacity creating growth in raw material demand.

⚠ Risk **Exchange Rate:** Tenge fluctuation range reached 8% this year, making import cost control more difficult.

⚠ Risk **Supply Chain:** Russia's dairy export policy adjustments may affect Kazakhstan's supply stability.

✓ **Opportunity Localization:** Government pushes for dairy processing localization, with ~50,000 tons/year new capacity added in 2026.

✓ **Opportunity Bilateral Cooperation:** China-Kazakhstan dairy trade agreement upgrade negotiations underway, tariff concessions expected to expand.

Source: Kazakhstan Ministry of Agriculture Industrial Plan (Mar 2026); Eurasianet Regional Trade Analysis (May 2026); China Ministry of Commerce (Apr 2026).

Data Sources Summary

- FAO Dairy Price Index Monthly Report (Released Jun 5, 2026)
- GDT Global Dairy Trade Auction Results (360th Auction, Jun 3, 2026)
- China General Administration of Customs Monthly Import Data (May 2026 Data, Released Jun 18)
- Kazakhstan Bureau of National Statistics (2026 Q1 Trade Data & 2025 Annual Data)
- EAEU Customs Statistical Database (Updated Apr 2026)
- Kazakhstan Dairy Association Quarterly Report (2026 Q1)
- Kazakhstan Ministry of Agriculture Market Monitoring & Industrial Plan (Mar-May 2026)
- USDA FAS Dairy Report (May 2026)
- World Bank Kazakhstan Country Data (Updated Apr 2026)
- National Bank of Kazakhstan Exchange Rate Data (Jun 2026)
- SCI99 Dairy Weekly Report (Jun 16, 2026)
- China Ministry of Agriculture and Rural Affairs Raw Milk Price Monitoring (Jun 2026)
- China Ministry of Commerce Trade Policy Information (Apr 2026)
- Eurasianet Regional Trade Analysis (May 2026)