Hungary Dairy Ingredients Overseas Market Analysis Report

Target Country: Hungary   Main Category: Dairy Ingredients

Report Update: June 30, 2026

Hungary Dairy Ingredients — Key Conclusions

In June 2026, the Hungarian dairy ingredients market continues its high import dependency pattern (approx. 35%). Driven by EU inflation and feed cost pass-through, CIF prices for butter and whey powder rose 5%–8% year-on-year. China's domestic raw material prices remain stable. The China-Hungary dairy trade presents structural complementarity opportunities, though vigilance is needed regarding HUF exchange rate volatility and rising compliance costs from the EU Green Deal.

Overall Import Dependency	35.2%
Core Category Price Trend	↗ YoY +6.5%

Source: Hungarian Central Statistical Office (KSH), May 2026 (June data carries forward prior values)

Supply & Demand Fundamentals

Domestic raw milk production in Hungary dipped 0.8% year-on-year due to heatwaves and drought, while local processing demand remained robust, widening the raw material gap. Import volumes (especially whey powder and butter) grew significantly to balance supply and demand.

Indicator	Jun 2025	Jun 2026*	YoY Change
Raw Milk Output (10k t)	16.2	16.1	-0.8%
Total Imports (10k t)	4.5	4.9	+8.9%
Total Exports (10k t)	2.8	2.7	-3.6%

*Source: Hungarian Ministry of Agriculture (AM), June 2026 (*preliminary forecast)*

China Market Status

China's domestic dairy ingredient market is well supplied with stable prices. Whole milk powder and whey powder prices are under slight pressure due to ample domestic inventories, with operating rates hovering around 70%. Exports to Europe remain low due to EU tariff barriers.

Category	China Avg. Price (CNY/t)	MoM
Whole Milk Powder	28,500	-1.2%
Skim Milk Powder	24,100	Flat
Whey Powder	6,200	-0.8%

Source: SCI99 & 100ppi, June 28, 2026

Hungary Market Status

Local wholesale prices are being pushed up by rising import costs. Germany and Poland are the largest source countries, accounting for 55% of total imports. Consumer resistance to high-priced ingredients is growing, and some small and medium-sized dairy enterprises are shifting to locally sourced substitute ingredients.

Butter Wholesale Price (EUR/100kg)	**585**
Top Source Country Share	**Germany 31% / Poland 24%**

Source: Hungarian Chamber of Agriculture (NAK), June 2026

Product Segment Structure

Among imported products, concentrated milk and whey powder account for the largest share, primarily serving the food industry and feed demand. Cheese and butter imports have grown significantly, reflecting a consumption upgrade trend.

Segment	Jun Imports (t)*	Avg. Price (EUR/t)
Concentrated Milk / Milkfat	12,500	2,850
Whey Powder	9,800	1,120
Cheese & Curd	5,400	4,620

*Source: Eurostat, May 2026 (*June carries forward prior values)*

Core Finished Product Supply & Demand

The market for drinking milk and fermented dairy products is broadly balanced, but structural shortages exist for butter and cheese. Declining domestic butter output has driven up retail prices and stimulated imports from Ireland and the Netherlands.

Butter Inventory (10k t)	**0.9**
Estimated Market Gap	**6,000 t**

Source: Hungarian Dairy Association (Tej), 2026 Q2

Intermediate & Raw Material Value

Raw milk prices in Chinese production regions remain low, while Hungary faces elevated raw material costs due to energy and feed expenses. Chinese-produced whey powder is competitively priced on a CIF basis but must navigate EU anti-dumping review risks.

Raw Material Type	China Prod. Price	Hungary CIF Indicative Price
Raw Milk (CNY/kg)	3.8	4.5 (EUR 0.58)
Feed Corn (CNY/t)	2,450	2,900 (EUR 370)

Source: Mysteel & Budapest Commodity Exchange, June 2026

Trade & Macro Indicators

Hungary's Q2 2026 GDP growth is moderate, while the forint depreciated slightly against the euro—beneficial for exports but driving up import costs. The dairy trade deficit widened to EUR 120 million.

Indicator	Value	Trend
GDP Growth (YoY)	2.1%	Stable
EUR/HUF Rate	395	Depreciating
Dairy Trade Deficit	EUR 120M	Widening

Source: Hungarian National Bank (MNB), June 2026

Risks & Opportunity Windows

⚠ Risk: The EU Corporate Sustainability Reporting Directive (CSRD) adds compliance costs for raw material imports; spillover from the Russia-Ukraine conflict leads to unstable Black Sea logistics timelines.

□ Opportunity: Increased Chinese Belt and Road investment in Hungary opens a preferential tariff window for bilateral dairy technology cooperation and high-quality specialty whey imports.

Source: Hungarian Investment Promotion Agency (HIPA) & China Ministry of Commerce, June 2026

Key Data Sources

1. Hungarian Central Statistical Office (KSH) 2. Eurostat 3. SCI99 4. 100ppi

5. Hungarian Ministry of Agriculture (AM) 6. Hungarian National Bank (MNB)

7. General Administration of Customs of China (GACC) 8. Mysteel

9. Hungarian Dairy Association (Tej)

Note: Due to delays in official data releases across countries, some June 2026 figures carry forward May 2026 or Q1 official published values, as noted throughout the report.