

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (4/12)

BUTTER: Grade AA closed at \$2.2575. The weekly average for Grade AA is \$2.2600 (+.0045).

CHEESE: Barrels closed at \$1.6175 and 40# blocks at \$1.6450. The weekly average for barrels is \$1.5955 (+.0165) and blocks, \$1.6490 (-.0050).

NONFAT DRY MILK: Grade A closed at \$.9875. The weekly average for Grade A is \$.9875 (+.0105).

DRY WHEY: Extra grade dry whey closed at \$.3575. The weekly average for dry whey is \$.3540 (+.0150).

BUTTER HIGHLIGHTS: Butter production is mixed across the country as cream supplies moving into churns vary in each region. In some instances, butterfat supplies remain constricted for churning mainly due to the strong pulls from Class II producers. Conversely, some butter makers are receiving enough cream and are actively churning. Butter requests from food service, retailers, and wholesalers continue improving ahead of the spring baking season. Bulk butter pricing varies among the regions: East, 5.0 cents to 8.0 cents over the market; Central, 5.0 cents to 7.0 cents above the market; West, 1.5 cents below market to 7.5 cents over the market, with various periods and averages used.

CHEESE HIGHLIGHTS: Cheesemakers are taking on a more balanced milk supply in the Central and Eastern regions. Midwestern cheesemakers reported overages on spot milk purchases, as some cheese producers are reselling extra milk loads back onto the market at premiums. The spot milk price range was \$1 over to \$2 under Class III. Some Western cheese producers are trying to curb production in order to get ahead of omnipresent, long cheese inventories. Midwestern cheese plant managers have increased production in order to meet increased demand needs. Curd producers are reporting very strong demand since mid to late March. Cheese market tones have contacts somewhat optimistic following a tumultuous 2018 and early 2019.

FLUID MILK: In Florida and parts of New Mexico, milk volumes off the farms are lower, but across the rest of the country they are stable to up. While milk is moving out of the Mid-Atlantic to other regions for processing, some loads are being rerouted to Southeastern plants. Milk loads moving to Class I accounts are generally even at some localities, while higher at others. In the Midwest, cheese manufacturers are selling spot milk at premium prices. With the elongated school year due to numerous snow day closures, industry contacts expect Midwest cream availability to expand into June. In addition, there are some delays in corn and bean planting due to the recent rains in Southern Central. Eastern cream sales have increased due to the incoming holiday requests. Class II operations are taking more cream in both the East and the West. F.O.B. cream multiples are currently **1.2000-1.2800** in the East, **1.2000-1.2800** in the Midwest, and **1.0600-1.2350** in the West.

DRY PRODUCTS: While low/medium heat NDM prices shifted up in the Central and East, they were mixed in the West. Demand is up in the Central, moderate in the East, and stable in the West. Supplies go from unchanged to building up. The manufacturing of high heat NDM is limited in all the regions of the U.S. Inventories are either short or even. Tighter inventories for dry buttermilk have been noted as buyers' interests remain active. Prices this week moved up throughout the country. Dry buttermilk drying schedules are irregular. The ice cream and the bakery sectors are taking many loads of dry buttermilk in the East. Overall, the market undertone is firm. Dry whole milk prices and inventories are steady whereas production is intermittent. Global sales are lackluster, but domestic orders are fair/good. The whey market tenor is steady to mixed in the Central and East. Prices are unmoved to rising in the Central and the Northeast but mixed in the West. The Africa swine flu epidemic is negatively impacting the Chinese market requests for

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DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 8 - 12, 2019 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range	Mostly	Commodity	Range	Mostly	Commodity	Range	Mostly
NDM			BUTTERMILK			LACTOSE		
Central Low/Med. Heat	0.9500 1.0100	0.9600 0.9900	Central/East	0.9900 1.0550		Central/West	0.2250 0.4800	0.3000 0.4200
Change	0.0200 0.0150	N.C. 0.0100	Change	0.0100 0.0050		Change	N.C. N.C.	-0.0100 N.C.
Central High Heat	1.0700 1.1500		West	0.8800 1.0150	0.9500 0.9800	WPC 34%		
Change	0.0200 0.0400		Change	N.C. 0.0350	N.C. 0.0100	Central/West	0.7300 1.0600	0.8300 0.9750
West Low/Med. Heat	0.9225 1.0150	0.9600 0.9800	WHEY			Change	N.C. N.C.	N.C. N.C.
Change	0.0075 -0.0150	N.C. N.C.	Central	0.3300 0.4975	0.3500 0.4450	CASEIN		
West High Heat	1.0500 1.1550		Change	0.0175 0.0375	N.C. N.C.	Rennet	2.8675 3.2925	
Change	N.C. 0.0150		West	0.2825 0.4625	0.3400 0.4225	Change	N.C. N.C.	
DRY WHOLE MILK			Change	0.0250 -0.0125	0.0100 -0.0150	Acid	3.0950 3.2300	
National	1.6000 1.6500		Northeast	0.3400 0.4500		Change	N.C. N.C.	
Change	N.C. N.C.		Change	N.C. 0.0025		ANIMAL FEED WHEY		
						Central	0.2700 0.3000	
						Change	N.C. -0.0300	

DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 1 - 12, 2019 PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range	Commodity	Range	Commodity	Range
SMP		WHOLE MILK POWDER		BUTTER	
W. Europe	2075 2250	W. Europe	3200 3450	W. Europe	4600 4750
Change	N.C. -50	Change	50 25	Change	75 -300
Oceania	2450 2675	Oceania	3250 3400	Oceania	5450 5525
Change	75 100	Change	-25 N.C.	Change	350 225
S. America	2300 2600	S. America	3000 3450	BUTTEROIL	
Change	25 25	Change	-100 -50	W. Europe	5900 6350
WHEY				Change	25 50
W. Europe	850 1125			CHEDDAR CHEESE	
Change	-25 -25			Oceania	4125 4325
				Change	100 175

DAIRY MARKET NEWS AT A GLANCE**-CONTINUED FROM PAGE 1-**

dry whey. Nonetheless, the Mexican market demand has improved in parts of the Northeast. WPC 34% prices are the same as last week. Production is trending higher. Stocks are tight to accessible while demand is lukewarm to motionless depending on the brand. Lactose prices have declined a bit at the bottom of the mostly price series. There is pressure to lower the prices for lactose going to feed production because of the decrease in the Chinese pig herd. Lactose outputs are stable to growing. Rennet and acid casein prices are unchanged, but some purchasers believe that they are still at higher levels than usual.

INTERNATIONAL DAIRY MARKET NEWS: EUROPE OVERVIEW: WESTERN: Observers believe that February milk production in Western Europe recovered from the poor results reported for January. Some of the primary producing countries such as Germany, France and Netherlands are expected to have at least equaled February 2018 production when February 2019 data is final. Cheese orders are strong in Germany. Manufacturers are dipping into aging stocks to keep up with demand. **EASTERN OVERVIEW:** It is expected that February 2019 results for Poland will be that milk production is higher than last year. With Poland being among the top cheese producing countries in the EU, any extra milk will be welcomed by cheese manufacturers there.

OCEANIA OVERVIEW: AUSTRALIA: Seasonal milk production in Australia, July 2018 through February 2019, is 6.4 percent lower than last year. February 2019 is 12.6 percent lower than February 2018. **NEW ZEALAND:** Most of the milk for the current season in New Zealand has been produced. As a guide to what this means, April, May and June, the final months of the New Zealand milk production season, last season generated about 13.8 percent of seasonal milk. Whatever the weather or other impacts through June will not greatly impact this season's final result.

SOUTH AMERICA OVERVIEW: In Argentina and Uruguay, milk production is generally steady to higher, in line with early-autumn seasonal patterns. However, due to high temperatures and constant flooding in several dairy basins during the last summer season, so far, milk output remains below levels from the previous year. In some instances, farm milk intakes are less than adequate for some processing needs other than bottling. With lower manufacturing milk volumes moving into some processing facilities, cheese and milk powders production is limited. So far this year, the climate in Brazil has been generally good, spurring the quality and development of corn crops. Farm milk production is typically stable throughout the country, while shipments to bottler facilities are very active as most educational institutions and restaurants are filling pipelines.

NATIONAL RETAIL REPORT (DMN): The most advertised product/category this week is conventional ice cream in 48-64 oz. containers. Ad numbers increased 17 percent. The weighted average advertised price, \$2.88, increased 2 cents from last week. The national weighted average advertised price for conventional milk half gallons is \$2.19, compared to \$4.11 for organic milk half gallons, an organic price premium of \$1.92. Conventional cheese ad numbers increased 1 percent. Organic cheese ad numbers decreased 42 percent. Conventional yogurt ad numbers decreased 5 percent. Organic yogurt ads more than doubled. The weighted average advertised price for conventional yogurt in 4 to 6 oz. containers is \$0.51, even with last week.

MARCH CONSUMER PRICE INDEX (BLS): The Consumer Price Index (CPI) for the all food category is 257.7, up 2.1 percent from 2018. The dairy products index is 217.5, up 0.5 percent from a year ago. The following are the March 2018 to March 2019 changes for selected products: fresh whole milk is 2.2 percent; cheese, -2.0 percent; and butter, 5.8 percent.

APRIL SUPPLY AND DEMAND ESTIMATES (WAOB): The milk production forecast for 2019 is lowered from last month as higher milk cow numbers are more than offset by lower expected

growth in milk per cow for the year. The 2019 fat basis import forecast is unchanged from last month, but the export forecast is lowered on slower expected shipments of butterfat products and whey products. On a skim-solids basis, the current import forecast is raised on higher imports of milk protein products and a number of other dairy products. The skim-solids basis export forecast is lowered from last month on lower shipments of whey products, lactose, and nonfat dry milk (NDM). The annual product price forecast for cheese is raised from last month on higher current prices and expected stronger demand. Butter, NDM, and whey prices are reduced from the previous month on current prices and expected weaker demand. The Class III price is raised on the higher cheese price forecast while the Class IV price is reduced on lower NDM and butter price forecasts. The all milk price forecast is raised to \$17.25 to \$17.75 per cwt.

NOTICE -USDA CLARIFIES EFFECTIVE DATE OF CLASS I SKIM MILK PRICE FORMULA: The U.S. Department of Agriculture (USDA) recently published in the Federal Register a clarification and a correction to a final rule published on March 11, 2019, and effective May 1, 2019, announcing an amendment to the Class I skim milk price formula in accordance with the Agriculture Improvement Act of 2018 (2018 Farm Bill). The notice clarifies that the final rule amending the Class I skim milk price formula will apply to milk pooled on and after May 1, 2019. The amended price formula will be reflected in the May Advanced Class I skim milk price to be announced April 17, 2019. The notice also includes a rounding instruction in the price calculation. The Federal Register notice is available at:

<https://www.federalregister.gov/documents/2019/04/02/2019-06335/federal-milk-marketing-orders-amending-the-class-i-skim-milk-price-formula-correction>

COMMODITY	MONDAY APR 8	TUESDAY APR 9	WEDNESDAY APR 10	THURSDAY APR 11	FRIDAY APR 12	:: WEEKLY CHANGE	:: WEEKLY AVERAGE
CHEESE							
BARRELS	\$1.5775 (+0.0025)	\$1.5925 (+0.0150)	\$1.5950 (+0.0025)	\$1.5950 (N.C.)	\$1.6175 (+0.0225)	:: (+0.0425)	:: \$1.5955 (+0.0165)
40 POUND BLOCKS	\$1.6450 (-0.0150)	\$1.6550 (+0.0100)	\$1.6550 (N.C.)	\$1.6450 (-0.0100)	\$1.6450 (N.C.)	:: (-0.0150)	:: \$1.6490 (-0.0050)
NONFAT DRY MILK							
GRADE A	\$0.9875 (N.C.)	\$0.9875 (N.C.)	\$0.9875 (N.C.)	\$0.9875 (N.C.)	\$0.9875 (N.C.)	:: (N.C.)	:: \$0.9875 (+0.0105)
BUTTER							
GRADE AA	\$2.2700 (N.C.)	\$2.2575 (-0.0125)	\$2.2575 (N.C.)	\$2.2575 (N.C.)	\$2.2575 (N.C.)	:: (-0.0125)	:: \$2.2600 (+0.0045)
DRY WHEY							
EXTRA GRADE	\$0.3525 (+0.0075)	\$0.3525 (N.C.)	\$0.3525 (N.C.)	\$0.3550 (+0.0025)	\$0.3575 (+0.0025)	:: (+0.0125)	:: \$0.3540 (+0.0150)

Prices shown are in U.S. dollars per lb. in carlot quantities. Carlot unit weights: CHEESE, 40,000-44,000 lbs.; NONFAT DRY MILK, 41,000-45,000 lbs.; BUTTER, 40,000-43,000 lbs.; DRY WHEY, 41,000-45,000 lbs. Weekly Change is the sum of Daily Price Changes. Weekly Average is the simple average of the Daily Cash Close prices for the calendar week. Weekly Average Change is the difference between current and previous Weekly Average. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY

NOTICE: Five days of trading information can be found at www.cmegroup.com/trading/agricultural/spot-call-data.html

BUTTER MARKETS

NORTHEAST

Butter production is mostly steady, but reduced at some plants in the region. A few butter makers are pursuing cream as Class II production limits surplus volumes in the marketplace. Accordingly, regional multiples scuttled higher than the previous week. Sources note values ranging 1.20-1.28. Retail butter demand meets the expectation of a few processors, as print orders strengthen. Accompanying the spring flush, a few buyers are hesitating to purchase wholesale butter beyond their immediate needs, as the market expects weightier butter stocks, with milk production increases, to urge butter prices lower. The current wholesale bulk butter price for domestic sales is reported at 5-8 cents over the market of the CME Group, with various time frames and averages used.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0500 - +0.0800

Secondary Sourced Information:

Tuesday's CME Group cash trading saw Grade AA butter close at \$2.2575, up \$0.0075 from a week ago.

Cooperatives Working Together (CWT) accepted requests for export assistance to sell 661,387 pounds (300 metric tons) of butter for delivery to Asia, and Middle East customers.

CENTRAL

Butter makers are beginning to notice the recent uptrends on cream prices. With rising cream multiples, some churners are not as full as they prefer. A number of butter plant managers relay they are looking for cream within the

region and expect it to stay pretty tight until the spring holidays. Others have said they expect cream to remain slightly more available for longer, this year, as school schedules are running later due to the accumulation of snow/weather days this winter. Butter demand has met expectations ahead of the spring holidays, and producers suggest the consistency of butter sales has mirrored the butter markets. Regional producers are continuing to see strong export demand, as well. In general, butter inventories are in good balance, while production has begun to steady following the busy winter season.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0500 - +0.0700

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for 661,387 million pounds of butter (300 metric tons). So far this year, the program has assisted member cooperatives who have contracts to sell 3.466 million pounds of butter (82% milkfat) in export markets.

WEST

In the West, butter inquiries continue to roll in as bakers prepare for their spring sales and the holiday approaches. Requests for bulk butter are solid while print butter demand is mostly stable. While some industry contacts have said that many loads of cream are finding their way to the churns, others have reported the opposite. Therefore, current butter production is a bit mixed. Many Class II producers are using a good portion of the cream available in the western market, reducing the volumes of cream available to

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
04/06/2019	2.3039 2,508,487	1.6332 11,588,784	1.5596 11,460,263	.3859 6,274,422	.9569 27,749,905

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>

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butter processors. This situation has not created a concern for butter manufacturers as they have plenty of butter in storage for whenever there is a need for it. The tone of the butter market seems mostly stable.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: -0.0150 - +0.0750

Secondary Sourced Information:

The Grade AA butter price at the CME Group on Wednesday closed at \$2.2575, compared to the weekly average price of \$2.2555 from last week.

This week, a cooperative export assistance program accepted requests for 661,387 pounds of butter (300 metric tons). So far this year, the program has assisted member cooperatives who have contracts to sell 3.466 million pounds of butter (82% milkfat) in export markets.

2019 U.S. Butter and Milkfat Exports (USDA-FAS)
2019 Exports % Change From
(Million Lb.) 1 Year Ago

January 5.1 ...

Exports – Destination Country	2019 Exports	% Change From
1 Canada	2.0	+ 10
2 Saudi Arabia	1.1	+137
3 Columbia	0.7	...
4 Mexico	0.3	- 67
5 South Korea	0.3	- 2

National Retail Report Dairy – Butter Summary

Advertised Prices at Major Retail Supermarket Outlets ending
period of 4/5/2019 to 4/11/2019

Butter 1#	Weighted Average Price		
	This Period	Last Week	Last Year
National			
Organic	\$6.49	\$5.37	\$4.83
Conventional	\$3.31	\$3.34	\$3.37

Regional (Conventional)	Prices This Period		
	Wtd. Ave.	Low	High
Alaska	\$5.29	\$5.29	\$5.29
Hawaii	\$3.99	\$3.99	\$3.99
Midwest	\$3.77	\$2.99	\$4.39
Northeast	\$2.61	\$1.99	\$2.99
Northwest	\$4.29	\$3.99	\$4.49
South Central	\$3.99	\$3.99	\$3.99
Southeast	\$3.21	\$2.50	\$3.50
Southwest	\$3.57	\$2.50	\$4.49

Regional (Organic)	Prices This Period		
	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	n.a.	n.a.	n.a.
Northeast	n.a.	n.a.	n.a.
Northwest	n.a.	n.a.	n.a.
South Central	n.a.	n.a.	n.a.
Southeast	\$6.49	\$6.49	\$6.49
Southwest	n.a.	n.a.	n.a.

CHEESE MARKETS

NORTHEAST

Class III milk sales are fairly level currently. Cheese facilities are running on steady to robust production schedules. Cheddar and Italian inventories are stable to growing. Domestic cheese interest is healthy and numerous retailers are preparing spring holiday advertisements on many cheese products. Cheddar cheese spot prices are steady to a bit increased in various markets. Spot market activity is steady to somewhat active this week. Northeast wholesale cheese prices for cheddar and Muenster dropped, \$0.0300, and process cheese prices moved down, \$0.0100. The Grade A Swiss price increased \$0.0200 following the release of the March 2019 Announcement of Class and Component Prices. Additionally, the Class III skim milk price for March 2019 saw a \$1.15 increase.

WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

Cheddar 40 pound Block	2.1125-2.3975
Muenster	2.0975-2.4475
Process American 5 pound Sliced	1.7100-2.1900
Swiss 10-14 pound Cuts	3.0025-3.3250

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for export assistance to sell 253,532 pounds (115 metric tons) of cheese.

MIDWEST

Spot milk price averages were steeper on the average this week. Reported spot milk loads ranged from \$1 over to \$2 under Class III. Some cheesemakers reported selling extra milk back onto the spot market. Still, there is plenty of milk for cheese production, and some producers are running on 7-day workweeks. Demand has continued to increase steadily for most cheese producers, while others relay April/May orders are booming. Particularly, curd producers relay strong spring sales numbers. Cheese inventories in the region are generally in a good place, while nationally they remain a concern. Cheese markets are holding steady, and cheese contacts in the Midwest are cautiously satisfied with current market prices.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

Blue 5 pounds	2.2875-3.3575
Brick 5 pounds	2.0200-2.4450
Cheddar 40 pound Block	1.7425-2.1425
Monterey Jack 10 pounds	1.9950-2.2000
Mozzarella 5-6 pounds	1.8200-2.7600
Muenster 5 pounds	2.0200-2.4450
Process American 5 pound Loaf	1.6650-2.0250
Swiss 6-9 pound Cuts	2.5175-2.6350

WEST

Western cheese makers report cheese demand as a mixed bag. While some manufacturers say their retail and food service accounts are taking a little more cheese than normal, others say demand over the last few weeks has been slow. Contracted sales appear to be moving well, as are sales of various specialty cheese varieties. However, the current market tone is a bit uninspiring and most buyers are not roweled into action. Production is generally active and steady across the region. That said, some processors are trying to hold back on making cheese to control inventories. Cheese stocks remain heavy and end users report getting plenty of offers to fill their needs.

WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

Cheddar 10 pound Cuts	1.9600-2.1800
Cheddar 40 pound Block	1.7800-2.2225
Monterey Jack 10 pounds	1.9700-2.1300
Process American 5 pound Loaf	1.6525-1.9075
Swiss 6-9 pound Cuts	2.6000-3.0300

FOREIGN

In Germany, all sale channels are taking consistent volumes of cheese. The upcoming holiday is stimulating buyers' requests for sliced cheese. The same trend is present in the European Union cheese market. The major consumers of EU cheese are the USA, Japan, Switzerland, and South Korea. However, exports to the USA have recently shrunk while at the same time the ones to Japan, Algeria, China, and Morocco have augmented. The combination of lower production and higher export sales are keeping cheese inventories pared down. Lesser milk output since the beginning of the year has limited cheese throughput. In January 2019, cheese production was down 1 percent compared to January 2018. Cheese prices in the first months of the year were higher than last year's prices during the same period.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.1650-3.6525*
Gorgonzola	3.6900-5.7400	2.6725-3.3900*
Parmesan	-0-	3.5550-5.6450*
Romano	-0-	3.3550-5.5100*
Sardo Romano (Argentina)	2.8500-4.7800	-0-
Reggianito (Argentina)	3.2900-4.7800	-0-
Jarlsberg	2.9500-6.4500	-0-
Swiss	-0-	3.0400-3.3625*
Swiss (Finland)	2.6700-2.9300	-0-

* = Price change.

COLD STORAGE

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
04/08/2019	41111	93936
04/01/2019	38360	93361
CHANGE	2751	575
% CHANGE	7	1

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CHEESE MARKETS

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National Retail Report Dairy – Cheese Summary

Advertised Prices at Major Retail Supermarket Outlets ending during the period of 4/5/2019 to 4/11/2019

Cheese 8 oz. Blocks			
	<u>Weighted Average Price</u>		
National	This Period	Last Week	Last Year
Organic	\$4.99	n.a.	\$3.87
Conventional	\$2.26	\$2.09	\$1.87
Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	\$3.50	\$3.50	\$3.50
Hawaii	n.a.	n.a.	n.a.
Midwest	\$2.77	\$2.00	\$3.50
Northeast	\$2.03	\$1.49	\$3.50
Northwest	\$1.93	\$1.69	\$1.99
South Central	\$1.89	\$1.49	\$2.00
Southeast	\$2.38	\$1.49	\$2.54
Southwest	\$2.72	\$2.00	\$2.99

Cheese 8 oz. Shred			
	<u>Weighted Average Price</u>		
National	This Period	Last Week	Last Year
Organic	n.a.	n.a.	n.a.
Conventional	\$2.27	\$2.14	\$1.93
Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	\$2.14	\$2.00	\$3.00
Northeast	\$2.28	\$1.88	\$3.00
Northwest	\$1.93	\$1.69	\$1.99
South Central	\$2.07	\$1.49	\$2.50
Southeast	\$2.18	\$1.49	\$2.50
Southwest	\$2.78	\$2.00	\$3.00

EAST

Northeast milk production is increasing this week. Temperatures are rising in some areas, and staying around the 30s-40s in other areas. Class I sales are steady to heightened currently. Many balancing operations are staying fairly full. Milk output is picking up on farms in the **Mid-Atlantic**. Many processing operations are not at capacity. Milk loads are being hauled to other parts of the East region, keeping balancing plants' schedules lighter at this time. **Southeast** milk production is coming up, but not fast enough in some areas. Some operations are receiving milk from other regions in the country to fulfill production needs. Class I sales are higher and some bottlers are requesting milk add-ons. **Florida** milk output has leveled off and is flat. Class I sales are level as well. Market participants report milk supply and demand is pretty balanced at the moment. **Cream** demand has slightly improved. Spring holiday interest is a strong driver of increased interest. Additionally, Class II operations are pulling strong cream orders. The availability has tightened, and contract orders have increased in the region. Cream multiples range 1.20-1.28. Manufacturers are working through **condensed skim** orders. Market participants report increased trading activity.

Northeastern U.S., F.O.B. Condensed Skim

Price Range - Class II; \$/LB Solids: 0.75 - 0.90

Price Range - Class III; \$/LB Solids: 0.70 - 0.80

Northeastern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.2000 - 1.2800

Price Range - Class II; \$/LB Butterfat: 2.7066 - 2.8870

Secondary Sourced Information:

With last Wednesday's announcement of the Class and Component Prices, the Class III Skim Milk price increased \$1.15, compared to the previous month.

MIDWEST

Dairy farm milk output is steady week over week, while mixed year over year. Dairy farmers are reporting respective increases, while processors relay a comprehensive decline due to the ever-increasing amount of farm closures. Bottling has picked up following spring break, and is meeting expectations. Cheese plant managers are reporting spot milk from \$1 over to \$2 under Class III. In relation to last year during week 15, the spot milk range was \$2 under to \$3.50 under Class. Cheesemakers have reported selling milk loads back onto the spot market at premiums. Both discounts and premiums were reported from the lower Central region into the upper Midwest, so timing may have played a larger role in whether cheesemakers received discounts than location. **Cream** prices continue to trickle up, as ice cream production is on the rise. With a lengthened school year due to snow day closures, some contacts are expecting a slight extension on the availability of cream, into June. Undoubtedly, the Central region has experienced a tough late winter/early spring. Flooding in March left standing water in fields in the northern plains and parts of the Midwest, and midweek snowfalls and high winds are only adding to farmers' troubles. Rain in parts of the **southern Central** area has delayed corn and bean planting as well. Delays are being regularly reported throughout the region.

Midwestern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.2000 - 1.2800

Price Range - Class II; \$/LB Butterfat: 2.7968 - 2.8870

Multiples Range - Class II: 1.2400 - 1.2800

WEST

Steady volumes of farm milk are flowing to **California** processing plants. Despite strong milk production across the state, handlers are finding homes for their milk loads. However, many manufacturing facilities mostly are running seven days a week. Milk offers and orders are well balanced. **Arizona** farm milk supplies are increasing in this spring flush. Milk yield per cow is trending higher. Component levels have also been strong. Milk handlers say that they are able to manage the milk loads produced among processors within the state. Milk intakes from the different Classes haven't changed much from the previous week. Class I retail demand is steady. In **New Mexico**, milk output is steady to down. A new regional plant just opened its door and has started to take on a good volume of milk for processing. Class I demand is a bit up, but Class III intakes increased considerably. Class II sales are lower compared to the previous week. There are some mechanical issues at a few plants, but they haven't affected much the flow of milk in New Mexico. No surplus milk was reported, and holdovers are low. **Pacific Northwest** milk production is moving higher, following typical seasonal patterns. Class I demand is steady and milk intakes are in good balance with processing needs. Manufacturers are not needing to reach out far into neighboring states for milk. Processors are mostly content to use the milk within the local milk shed. Milk production in the mountain states of **Idaho, Utah and Colorado** is steady to higher. Some industry contacts suggest milk output has plateaued for the moment. Intakes are generally in good balance with processing needs and there are not many excess loads looking for homes. Single serve milk consumption from educational institutions is providing a steady pull on some of the milk produced. **Condensed skim** supplies and demand are unchanged from the previous week. Processors do not have any concern with the volumes available to them. In the West, there are some reports of less **cream** volumes moving into the churns as the last minute holiday cream-based products are made. However, most churns are still actively running, just not at the same pace as in the past days. Cream is available to fulfill the demand of the market, but discounted loads are almost nonexistent. The cream multiples are unchanged from a week ago.

Western U.S., F.O.B. Cream

Multiples Range - All Classes:

1.0600 - 1.2350

CONTINUED ON PAGE 4A

CONTINUED FROM PAGE 4

National Retail Report Dairy – Fluid Milk Summary

Advertised Prices at Major Retail Supermarket Outlets ending during
the period of 4/5/2019 to 4/11/2019

Half Gallon, All Fat Tests		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	\$4.20	\$4.33	\$3.54
Conventional	\$2.03	\$1.55	\$2.39

Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	\$0.99	\$0.99	\$0.99
Northeast	\$2.50	\$2.50	\$2.50
Northwest	\$1.00	\$1.00	\$1.00
South Central	\$2.50	\$2.50	\$2.50
Southeast	n.a.	n.a.	n.a.
Southwest	n.a.	n.a.	n.a.

Regional (Organic)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	\$3.99	\$3.99	\$3.99
Northeast	\$4.09	\$2.50	\$4.49
Northwest	n.a.	n.a.	n.a.
South Central	n.a.	n.a.	n.a.
Southeast	\$4.09	\$3.50	\$4.99
Southwest	\$4.99	\$4.99	\$4.99

Gallon, All Fat Tests		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	\$6.41	\$6.99	\$7.10
Conventional	\$2.40	\$2.46	\$2.67

Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	\$2.16	\$1.99	\$2.50
Northeast	\$3.25	\$3.25	\$3.25
Northwest	\$1.99	\$1.99	\$1.99
South Central	\$2.70	\$1.99	\$3.49
Southeast	n.a.	n.a.	n.a.
Southwest	\$2.19	\$1.99	\$2.49

Regional (Organic)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	n.a.	n.a.	n.a.
Northeast	\$7.99	\$7.99	\$7.99
Northwest	\$5.00	\$5.00	\$5.00
South Central	\$5.99	\$5.99	\$5.99
Southeast	n.a.	n.a.	n.a.
Southwest	\$6.26	\$5.99	\$6.99

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Low/medium heat nonfat dry milk (NDM) prices shifted up in most aspects this week, and high heat NDM prices saw a significant boost on a tight market. Low/medium heat NDM producers reported increased interest from buyers and end users. There is a push closer to \$1, which has not been present in recent weeks. Some contacts question the longevity of the push, as inventories are available in the region. However, producers say April/May orders are stronger than expected. Brokers concur and suggest offers directly from manufacturing plants are limited. Interestingly, low/medium heat NDM production is fairly robust. High heat NDM production and inventories are both limited. Undoubtedly, NDM market tones are bullish near-term.

EAST: Prices for low/medium heat nonfat dry milk have increased on higher f.o.b. spot sales and indices. While prices displayed firmness this week, the market does not see this as a trend. Manufacturers corroborate this sentiment with moderately stronger nonfat dry milk production and growing inventories, as milk output increases. Domestic demand is moderate to good, as brokers look to make spot purchases as opposed to contract transactions. High heat nonfat dry milk prices advanced this week. With some plants focusing on drying specialty products, limited schedules are available for high heat NDM runs. Stocks are adequate for fulfilling contracts. Demand is good. The market tone is firm.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - Low & Medium Heat; \$/LB: .9500 - 1.0100

Mostly Range - Low & Medium Heat; \$/LB: .9600 - 0.9900

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - High Heat; \$/LB: 1.0700 - 1.1500

Secondary Sourced Information:

Wednesday at the CME Group Grade A NDM closed at \$0.9875, up from last week's weekly average price of \$0.9770.

NONFAT DRY MILK - WEST

F.O.B. prices for low/medium heat nonfat dry milk are mixed on the range and unchanged on the mostly price series. The market tone is generally unsettled. Global requests for low/medium heat NDM are quiet whereas domestic sales are steady. Production is active, boosted by strong milk yield in the West. Dryers are running at full or close to full schedules. Stocks of low/medium heat NDM are building up because demand is not keeping up with current output. The high heat nonfat dry milk market is mostly stable despite higher prices reported this week. Inventories are balanced to somewhat short, while demand is the same as last week. The processing of high heat NDM is limited due to restricted time available to processors.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - Low & Medium Heat; \$/LB: .9225 - 1.0150

Mostly Range - Low & Medium Heat; \$/LB: .9600 - 0.9800

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - High Heat; \$/LB: 1.0500 - 1.1550

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Buttermilk powder producers in the Midwest continue reporting tight inventories and active buying interest. Brokers say buyers are turning over every stone and are having little luck. Producers are aware of the accessibility of inventories in the Western region, but prices continue to firm in the middle region nonetheless, as end users are opting to forego freight issues/costs if possible. Buttermilk drying is limited, as nonfat dry milk production is taking a majority of drying time. Ice cream processing is a major factor in keeping buttermilk market tones firm.

EAST: Dry buttermilk markets advanced as movement occurred throughout the range. F.O.B. spot market developments encouraged stronger pricing in a market where eastern buyers have extreme difficulty locating loads. Rising dry buttermilk demand from contracted customers, ice cream manufacturers and bakeries, supports the limited availability. Also, dry buttermilk processors are circumventing runs, while clearing condensed buttermilk as nonfat dry milk production grows. The market undertone is firm.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk

Price Range ; \$/LB: .9900 - 1.0550

DRY BUTTERMILK - WEST

Western dry buttermilk prices shifted higher at the top of the range and at the top of the mostly price series. Inventories have tightened up a bit more in recent days. Sale volumes are either stable or higher depending on the vendor. Overall, a good equilibrium exists between the quantities of dry buttermilk provided and the quantities requested. Manufacturers are mainly running dry buttermilk production schedules in accordance with contractual demands. Although butter outputs are active, dry buttermilk is not the product of choice. Overall, the market undertone is strong.

Prices for: Western U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk

Price Range ; \$/LB: .8800 - 1.0150

Mostly Range - ; \$/LB: .9500 - 0.9800

DRY WHOLE MILK - NATIONAL

Free on board spot prices for national dry whole remain unchanged from last week on a steady market. Production is intermittent, mostly driven by contractual needs. However, at this point, dry whole milk inventories are even with spot and contractual needs across the country. The international interest is lackluster, as dry whole milk prices are still above international WMP values. Conversely, the national demand for dry whole milk looks to be fair/good and is expected to grow during the upcoming confectionery season.

Prices for: U.S., All First Sales, F.O.B., Conventional, and Edible Dry Whole Milk

Price Range - 26% Butterfat; \$/LB: 1.6000 - 1.6500

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY- CENTRAL

Dry whey prices held steady on the mostly, as more spot sales continue to hold above the current CME market price. The price range got a shot in the arm from brand-preferred spot trades. Regionally, prices are wide-ranging. The dry whey market tone is mixed, but the swine flu epidemic in Asia and large inventories are leading the bearish convoy. That said, Central traders have yet to see the low prices, offered on the CME and/or from Western producers, inside this region. A growing number of end users suggest their WPC and dry whey stores are near capacity. However, some block trades were reported in the upper \$.30s this week, as other buyers are taking advantage of current price points. Inventories are growing, as cheesemaking has increased to meet spring demand expectations. Animal feed whey prices slipped this week on a slower trading week.

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
Price Range - Animal Feed; \$/LB: .2700 - .3000

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/LB: .3300 - .4975
Mostly Range - Non-Hygroscopic; \$/LB: .3500 - .4450

DRY WHEY—NORTHEAST

Eastern whey powder prices are steady to a bit increased this trading period. Some market participants are willing to purchase spot loads priced at the top end of the range. Domestic demand is mixed at this time. A handful of customers' demands have heightened as they are gearing up for increases in ice cream production. There is some downward pressure in the region. Many buyers are bidding lower prices based on various indices. There are reports that exchanges with some Mexican customers have improved currently. However, there are still outbreaks of the African swine fever in areas of China that are affecting dry whey international trading. Manufacturers' inventories are fairly stable. The market undertone is steady to mixed.

Prices for: Eastern U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/LB: .3400 - .4500

DRY WHEY—WEST

The western whey price range and mostly price series narrowed this week. Industry contacts say domestic demand is suitable, but international demand is less than what is hoped for. The African swine fever epidemic in Southeast Asia and various trade issues continue to suppress any bullish sentiment. The 20 percent, or more, reduction of the Chinese pig herd and subsequent lower prices for whey permeate have cut deeply into market opportunities for whey and dairy carbohydrates across Southeast Asia. Production is steady to lower, but market participants report inventories are building. In some cases, contacts suggest this helps them reinstate a more comfortable level for whey stocks. However, there is also an underlying hope that the pig disease will soon be controlled and new trade agreements implemented, bolstering U.S. whey export opportunities and preventing whey stocks from becoming burdensome.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/LB: .2825 - .4625
Mostly Range - Non-Hygroscopic; \$/LB: .3400 - .4225

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are steady. While some manufacturers are making more WPC34%, others are opting to make higher whey protein concentrations. Inventories range from tight to available depending on brand. Some industry contacts suggest supplies are in good balance with demand, but manufacturers are not making a lot of offers. Processors of favorite brands report steady inquiries for more WPC34%, but other brands have tepid demand.

Prices for: Central and Western U.S., All First Sales, F.O.B., Extra Grade, Conventional, and Edible Whey Protein Concentrate
Price Range - 34% Protein; \$/LB: .7300 - 1.0600
Mostly Range - 34% Protein; \$/LB: .8300 - .9750

LACTOSE

Lactose prices are unchanged on the range and top of the mostly price series, but moved slightly lower at the bottom of the mostly price series. Prices for the moiety of edible lactose moving into feed applications continues to face intense pressures caused by the reduction of the Chinese pig herd, the lower subsequent demand and inexpensive whey permeate and maltodextrin. However, lactose demand in the U.S. and contracted amounts for infant formula or standardization are solid. Industry contacts shared that lactose in the EU has firm prices for infant formula and standardization lactose as well. Inventories are snug for higher mesh and favorite brands, but more available for lower mesh and interchangeable brands. Production is steady to higher, as some manufactures seek to make more higher whey protein concentrations.

Prices for: Central and Western U.S., Spot Sales And Up to 3 Month Contracts, F.O.B., Conventional, and Edible Lactose
Price Range - Non Pharmaceutical; \$/LB: .2250 - .4800
Mostly Range - Non Pharmaceutical; \$/LB: .3000 - .4200

CASEIN

Rennet and acid casein prices are steady, taking a breather after increases last week. Prices are at a somewhat high level in the view of many buyers who are trying to get a better sense of where prices will go. New Zealand is closing in on the end of the milk season, so relatively little milk remains to be produced in seasonal terms. Remaining seasonal production is in the range of 13.8 percent based on patterns last season. The low trickle of seasonal milk remaining is resulting in low casein production. Conversely, following a slow start to 2019, milk production in some EU casein producing countries is increasing seasonally and showing signs of increasing above levels last year. It is not yet clear to what extent that will translate into casein output. The yin and yang, and pacing of New Zealand and EU production, is an unknown that markets are seeking to better understand as to future pricing expectations.

Prices for: Spot Sales And Up to 3 Month Contracts, Free on Board - Warehouse, Non -Restricted, All Mesh Sizes, Conventional, and Edible Casein

Acid; Price Range - \$/LB: 3.0950-3.2300
Rennet; Price Range - \$/LB: 2.8675-3.2925

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

<u>WEEK ENDING</u>	<u>2019 WEEKLY DAIRY COWS</u>	<u>2019 CUMULATIVE DAIRY COWS</u>	<u>2018 WEEKLY DAIRY COWS</u>	<u>2018 CUMULATIVE DAIRY COWS</u>
03/23/2019	71.3	819.3	62.7	777.9

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, the Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA

CLASS III MILK PRICES (3.5% Butterfat)

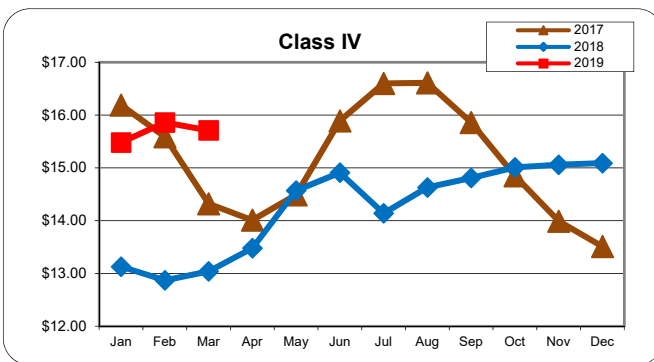
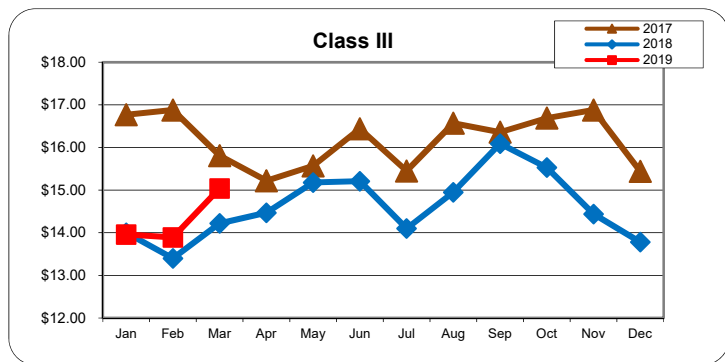
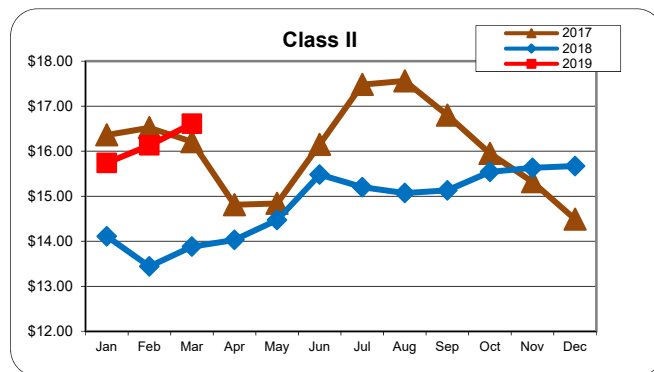
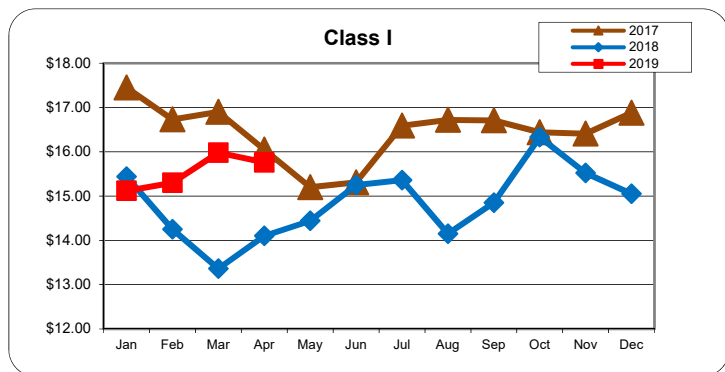
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44
2016	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91	16.39	14.82	16.76	17.40
2017	16.77	16.88	15.81	15.22	15.57	16.44	15.45	16.57	16.36	16.69	16.88	15.44
2018	14.00	13.40	14.22	14.47	15.18	15.21	14.10	14.95	16.09	15.53	14.44	13.78

CLASS IV MILK PRICES (3.5% Butterfat)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52
2016	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65	14.25	13.66	13.76	14.97
2017	16.19	15.59	14.32	14.01	14.49	15.89	16.60	16.61	15.86	14.85	13.99	13.51
2018	13.13	12.87	13.04	13.48	14.57	14.91	14.14	14.63	14.81	15.01	15.06	15.09

FEDERAL MILK ORDER CLASS PRICES FOR 2019 (3.5% Butterfat)[illegible]

1/ Specific order differentials to be added to this base price can be found by going to: www.ams.usda.gov/DairyMarketingStatistics; then select “Prices”; and then select “Principal Pricing Points.”



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered April 1 - 12, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW

Observers believe that February milk production in Western Europe recovered from the poor results reported for January. Some of the primary producing countries such as Germany, France and Netherlands are expected to have at least equaled February 2018 production when February 2019 data is final. January 2019 disappointed with each of the three producing less than in January 2018. Observers in Ireland believe February milk production will have exceeded February last year.

Early reporting by ZMB in Germany also notes good seasonal increases week to week. Production during the last week of March was up 0.5 percent from the previous week and up 0.6 percent from the same week in 2018. ZMB also reported milk production in France the last week of March was up 0.6 percent from one year earlier.

Cheese orders are strong in Germany. Manufacturers are dipping into aging stocks to keep up with demand. Schedules for making new cheese are as active as milk supplies support.

BUTTER/BUTTEROIL

Western European butter prices are mixed. Prices at the low end of the price range moved higher. However, prices at the top end of the price range are lower. The price range is below pricing levels one year ago in Western Europe and below pricing in Oceania.

This narrowing of the current price range reflects more even pricing among various butter producing countries within Western Europe. With expectations of seasonally increasing butter production, buyers are now more inclined to wait and see how more expensive upper range pricing moves, which led to the price retreat. The appetite for butter prices near the low end of the price range continues to attract buyers, which supported the strength there.

Export interest is called slow. This is vexing to some manufacturers because Western butter seems to be favorably priced considering other regions.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,600 - 4,750

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 5,900 - 6,350

SKIM MILK POWDER

Western European skim milk powder prices are steady to slightly lower. The market tone is essentially stable. Current pricing is higher than one year ago in Western Europe, but lower than current pricing in Oceania.

Internal European demand is orderly and able to be accommodated. There is some variation between manufacturers as to the timing of SMP availability. Overall, there are ample stocks for current demand.

Export interest has increased, especially from Asia. Some buyers note that the euro conversion factor with some Asian currencies is considered to add to the bargain in pricing. Contracting for the current quarter is continuing. Some buyers are also working on contracts for Q3 and Q4. Pricing in Q3 and Q4 indicates some firming.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,075 - 2,250

WHEY

Western European dry whey prices are slightly lower. The low end of the price range is below the low end one year ago. The high end of the price range is above the high end one year ago.

Demand is called uneven and generally weaker. The varied quality of whey from different manufacturers is a factor here. While inventories are manageable, manufacturers are willing to move whey at lower prices because they expect increasing production in coming months.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 850 - 1,125

WHOLE MILK POWDER

Whole milk powder prices in Western Europe are up slightly. Pricing is above levels one year ago. There is price inconsistency between some of the primary producing countries. Pricing in Western Europe and Oceania is very similar.

There is more current interest in buying for near term needs than contracting for months ahead. Buyers are typically confident that WMP will be available as they need it, with little significant price variation. Export inquiries are starting to pick up. However, sales within the EU tend to predominate WMP manufactured in Western Europe.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,200 - 3,450

EASTERN OVERVIEW

It is expected that February 2019 results for Poland will be that milk production is higher than last year. With Poland being among the top cheese producing countries in the EU, any extra milk will be welcomed by cheese manufacturers there.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 1 - 12, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

OCEANIA DAIRY MARKET OVERVIEW

AUSTRALIA: Seasonal milk production in Australia, July 2018 through February 2019, is 6.4 percent lower than last year. February 2019 is 12.6 percent lower than February 2018. This table displays Dairy Australia data July through February.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

State	July 2018-February 2019		February 2019	
	Million Liters	Percent Change From 1 Year Ago	Percentage Milkfat	Percentage Protein
New South Wales	702.2	-10.1	3.89	3.18
Victoria	4,031.9	- 7.8	4.44	3.36
Queensland	251.1	-10.1	4.01	3.25
South Australia	345.4	+ 1.5	3.97	3.26
Western Australia	256.0	- 2.5	4.03	3.19
Tasmania	652.9	+ 3.5	4.60	3.47
Australia (Total)	6,239.5	- 6.4	4.33*	3.33**

* +3.0 percent from prior year period

** -0.2 percent from prior year period

Data from Dairy Australia

Impacts of lower milk production vary in different areas of Australia. The current season, with more hot weather and dry conditions than had been expected, has also led to some localized plant inefficiencies related to lower milk intakes requiring plant operation at sub-optimal schedules. A large cooperative in Victoria has implemented a plan offering a localized pay price premium to local producers who sell milk to the plant if they maintain specified production volumes and quality requirements. It is hoped this will help the producers to be able to purchase feed to increase and sustain higher output, which will move the plant closer to higher efficiency production volumes.

It may not be within the focus of many Northern hemisphere readers, but Australia is already in the first month of autumn. Many dairy producers are focused on preparing for winter. This involves efforts to assure that adequate hay and grain are secured for winter use. Hay stocks are tight in Northern Australia. Demand is still ahead of supply. This necessitates hauling hay from other areas, especially southern Australia. Of course, hauling adds to the cost of hay and crimps profitability for dairy producers. New season hay from southern Australia is being sold. Canola crops and failed wheat have been turned into hay to supplement what is available for sale.

The new planting season is informally considered to occur annually on Anzac Day, April 25, a day of remembrance in Australia. As the new planting season approaches, recent rain improving soil moisture has been welcome as far as hopes that the next season will produce more hay and grain and help dairy production. More is needed however, to get soil moisture closer to ideal conditions.

NEW ZEALAND: Most of the milk for the current season in New Zealand has been produced. As a guide to what this means, April, May and June, the final months of the New Zealand milk production season, last season generated about 13.8 percent of seasonal milk. Whatever the weather or other impacts through June will not greatly impact this season's final result.

Recent rain on the North Island has resulted in some dairy producers keeping more milking cows longer than had been planned. The rain

was welcome following a dry spell in some areas. It is typically a time when lower producing cows are dried off and milking is reduced to once a day. The rain greened some pastures and the grazing will lead to a strong finish to the milk production season.

BUTTER/BUTTEROIL

Oceania butter prices firmed. Current butter pricing compared with one year ago, is \$25.00 lower at each end of the price range.

Extremely strong early year export demand has contributed to butter price strength. Buyers are quite aware that seasonal production will continue to move lower for several months. Many buyers are already contracted. However, spot market availability of butter is expected to keep prices near current levels in the coming weeks as last-minute buyers seek out supplies.

Oceania, 82% Butterfat, Free on Board - Port Butter

Price Range - \$/MT: 5,450 - 5,525

Secondary Sourced Information:

Butter exports from New Zealand January-February 2019, 103,000 MT, were up 46.5 percent from January-February 2018, according to CLAL. The table below shows the top export destinations and country percent change comparing January-February 2019 with January-February 2018.

NEW ZEALAND BUTTER EXPORTS
JAN-FEB 2019

DESTINATION	% CHANGE 2019/2018	MT
Iran	+ 57.0	9,797
China	- 31.6	8,567
Philippines	+138.0	8,239
Australia	- 8.7	6,220

Butter imports by China January-February 2019, 19,000 MT, decreased 12.5 percent from January-February 2018, according to CLAL. New Zealand overwhelmingly dominates the top ten sources, with EU countries, Australia, and Argentina providing the balance. The United States is not among the top ten sources.

At GDT event 233 on April 2, the butter all contracts price, \$5,374, increased 5.8 percent. The May contract price, \$5,475, increased 7.4 percent. One year ago, the butter all contracts price was \$5,494 and the May contract was \$5,530.

SKIM MILK POWDER

Skim milk powder prices in Oceania are higher. Current SMP pricing compared with one year ago, showing the change in the low end of the price range, then in the top end, is \$575.00-\$675.00 higher.

CONTINUED ON PAGE 8B

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 1 - 12, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

CONTINUED FROM PAGE 8A

Strong export demand as the season end draws closer is keeping sales moving. Production of SMP is lower than at the peak of the season. Production is expected to keep moving lower in coming months. SMP availability for spot sales is tighter and that is leading buyers with unmet needs to close deals and not step back to wait and see.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,450 - 2,675

Secondary Sourced Information:

SMP exports from New Zealand January-February 2019, 82,000 MT, were up 10.8 percent from January-February 2018, according to CLAL. The table below shows the top export destinations and country percent change comparing January-February 2019 with January-February 2018.

NEW ZEALAND SMP EXPORTS
JAN-FEB 2019

DESTINATION	% CHANGE 2019/2018	MT
China	+ 1.1	21,559
Philippines	+ 55.8	8,605
Vietnam	+234.0	7,816
Thailand	- 7.5	5,743

SMP imports by China January-February 2019, 85,000 MT, increased 31.4 percent from January-February 2018, according to CLAL. New Zealand dominates the top ten sources, with Australia, Belarus, the United States, and European countries providing the balance. The United States ranked ninth among the top ten sources.

At GDT event 233 on April 2, the SMP all contracts price, \$2,468, increased 1.8 percent. The May contract price, \$2,650, increased 1.1 percent. One year ago, the SMP all contracts price was \$1,849 and the May contract was \$1,911.

CHEESE

Cheddar prices in Oceania moved higher. Current cheddar pricing compared with one year ago, showing the change in the low end of the price range, then in the top end, is \$525.00-475.00 higher.

With cheddar production declining as the season moves along, and with contracts being filled, spot cheese is more challenging to find. That is a factor in strengthening prices. Pricing is not expected to change very much in coming weeks. That is making it easier for buyers to decide to close sales rather than waiting.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,
Price Range - \$/MT: 4,125 - 4,325

Secondary Sourced Information:

Cheese exports from New Zealand January-February 2019, 55,000 MT, were up 4.7 percent from January-February 2018, according to CLAL. The table below shows the top export destinations and country percent change comparing January-February 2019 with January-February 2018.

NEW ZEALAND CHEESE EXPORTS
JAN-FEB 2019

DESTINATION	% CHANGE 2019/2018	MT
Australia	-18.3	9,412
Japan	- 5.6	9,302
China	+18.0	6,330
South Korea	+23.1	3,878

Cheese imports by China January-February 2019, 20,000 MT, increased 1.5 percent from January-February 2018, according to CLAL. New Zealand dominates the top ten sources, with Australia, Uruguay, the United States, and European countries providing the balance. The United States ranked behind New Zealand, Australia, and the combined European countries, in the top ten ranking of sources for cheese.

At GDT event 233 on April 2, the cheddar all contracts price, \$4,248, increased 3.2 percent. The May contract price, \$4,301, increased 5.2 percent. One year ago, the cheddar all contracts price was \$3,679 and the May contract was \$3,830.

WHOLE MILK POWDER

Whole milk powder prices in Oceania are slightly lower to steady. The market tone is essentially steady, both in the near term and for contracts looking ahead several months. Current WMP pricing compared with one year ago, showing the change in the low end of the price range, then in the top end, is even-\$50.00 higher. Most buyers and sellers do not expect much price change to occur now through the end of the milk season in New Zealand.

In this market most buyers have been contracted for a while. Most current production is destined to fill contract obligations. The spot market is limited, but spot market buying interest is also limited because so many users contracted previously to be assured of supplies. The prevailing expectation is for WMP markets to be mostly steady in the coming weeks.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,250 - 3,400

Secondary Sourced Information:

WMP exports from New Zealand January-February 2019, 314,000 MT, were up 17.1 percent from January-February 2018, according to CLAL. The table below shows the top export destinations and country percent change comparing January-February 2019 with January-February 2018.

CONTINUED ON PAGE 8C

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 1 - 12, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

CONTINUED FROM PAGE 8B

NEW ZEALAND WMP EXPORTS
JAN-FEB 2019

DESTINATION	% CHANGE 2019/2018	MT
China	+40.5	80,217
Algeria	- 9.3	38,984
Bangladesh	+74.0	22,401
Sri Lanka	- 11.4	15,210

WMP imports by China January-February 2019, 233,000 MT, increased 24.5 percent from January-February 2018, according to CLAL. New Zealand overwhelmingly dominates the top ten sources, with Australia, Uruguay, the United States, and European countries providing the balance. The United States ranked tenth among the top ten sources.

At GDT event 233 on April 2, the WMP all contracts price, \$3,287, decreased 1.3 percent. The May contract price, \$3,304, increased 0.3 percent. One year ago, the WMP all contracts price was \$3,278 and the May contract was \$3,289.

Exchange rates for selected foreign currencies:
April 8, 2019

.0229 Argentina Peso	.0144 India Rupee
.7128 Australian Dollar	.0090 Japan yen
.2596 Brazil Real	.0527 Mexican Peso
.7510 Canadian Dollar	.6742 New Zealand Dollar
.0015 Chile Peso	.2627 Poland Zloty
1.1265 Euro	.0295 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0527) = 18.9753$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered April 1 - 12, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

SOUTH AMERICA OVERVIEW

In **Argentina** and **Uruguay**, milk production is generally steady to higher, in line with early-autumn seasonal patterns. However, due to high temperatures and constant flooding in several dairy basins during the last summer season, so far, milk output remains below levels from the previous year. In some instances, farm milk intakes are less than adequate for some processing needs other than bottling. With lower manufacturing milk volumes moving into some processing facilities, cheese and milk powders production is limited. Furthermore, some processors are focused output schedules exclusively to meet the domestic demand and some contractual obligations in the international markets. Meanwhile, fluid milk demands from several grocery stores and restaurants are fair to good, while cream supplies are reported as tight on a bullish market.

So far this year, the climate in **Brazil** has been generally good, spurring the quality and development of corn crops. As so, several industry contacts are expecting a much larger corn harvest (safrinha) for this year, which should start in May. Therefore, dairy farmers are waiting to see lower concentrate feed prices very soon. Farm milk production is typically stable throughout the country, while shipments to bottler facilities are very active as most educational institutions and restaurants are filling pipelines.

SKIM MILK POWDER

The production of skim milk powder (SMP) is unsteady in the Southern Cone region as condensed skim milk volumes available to dryers remain scarce. The drying time for condensed skim milk is very limited as one of the priorities for most balancing plant managers is to process WMP, rather than SMP. With SMP supply below its demand, during the past two weeks, regional SMP free on board (f.o.b.) export prices shifted up, shadowing some recent upward movements in some auctions abroad.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,300 - 2,600

Secondary Sourced Information:

At the GDT Event 233 on April 2, skim milk powder (SMP) prices across all contract periods averaged \$2,468 per metric ton, up 1.8 percent from the last event.

2019 Brazil SMP Imports (USDA-COMEX)

	2019 Imports (Million Ton)	% Change From 1 Year Ago
March	0.6	- 47
TOTAL, JAN - MAR	4.7	+ 10
Argentina	2.6	+ 50
Uruguay	2.1	+ 85

WHOLE MILK POWDER

In the Southern Cone region, WMP f.o.b. export prices adjusted down, in line with recent downtick trends in some offshore auctions. WMP processing has been irregular in several balancing facilities as condensed whole milk supplies remain tight throughout the region. Nevertheless, WMP stock levels are enough to meet most regional manufacturing needs. During the past two weeks, the export trading activity within and outside the Mercosur bloc has been light to moderated.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,000 - 3,450

Secondary Sourced Information:

At the GDT Event 233 on April 2, whole milk powder (WMP) prices across all contract periods averaged \$3,287 per metric ton, down 1.3 percent from the last event.

2019 Brazil WMP Imports (USDA-COMEX)

	2019 Imports (Million Ton)	% Change From 1 Year Ago
March	5.1	+ 66
TOTAL, JAN - MAR	20.1	+ 111
Argentina	12.8	+ 138
Uruguay	6.0	+ 90
Paraguay	1.2	+ 167

CME GROUP, INC FUTURES

Selected settling prices

Month	03/29	04/01	04/02	04/03	04/04	04/05	04/08	04/09	04/10	04/11
III MILK FUTURES (Pit-Traded) (\$/cwt)										
MAR 19	15.06	15.06	15.06	15.04						
APR 19	15.61	15.65	15.85	15.80	15.81	15.85	15.86	15.95	15.97	15.91
MAY 19	15.48	15.52	15.70	15.67	15.71	15.76	15.72	15.85	15.92	15.78
JUN 19	15.67	15.72	15.85	15.80	15.83	15.87	15.81	15.93	15.96	15.83
JUL 19	16.04	16.06	16.13	16.11	16.10	16.14	16.12	16.18	16.20	16.14
AUG 19	16.26	16.28	16.35	16.36	16.34	16.39	16.35	16.39	16.40	16.32
SEP 19	16.50	16.53	16.55	16.56	16.56	16.56	16.55	16.58	16.58	16.52
OCT 19	16.48	16.49	16.54	16.50	16.53	16.55	16.54	16.56	16.60	16.55
NOV 19	16.34	16.35	16.43	16.39	16.39	16.44	16.44	16.42	16.47	16.40
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
MAR 19	15.76	15.76	15.76	15.71						
APR 19	15.88	15.85	15.94	15.90	15.90	15.90	15.90	15.90	15.90	15.88
MAY 19	16.12	16.08	16.15	16.11	16.08	16.22	16.22	16.19	16.15	16.10
JUN 19	16.43	16.41	16.51	16.41	16.44	16.55	16.55	16.44	16.41	16.38
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
MAR 19	227.70	227.70	227.70	227.40						
APR 19	228.75	228.25	228.70	228.05	228.00	228.30	228.30	227.70	227.70	227.93
MAY 19	230.70	230.00	229.80	229.80	228.75	229.75	229.48	228.70	228.75	228.53
JUN 19	233.75	233.40	232.48	232.00	230.88	231.75	231.98	230.78	230.70	230.43
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
MAR 19	96.23	96.23	96.23	95.89						
APR 19	97.10	96.80	97.75	97.50	97.50	97.70	97.45	97.43	97.50	97.25
MAY 19	98.90	98.85	99.95	99.80	100.10	100.80	100.50	100.30	100.00	100.25
JUN 19	100.90	101.18	102.25	102.23	102.88	103.78	103.23	102.83	101.75	102.40
WHEY (Electronic-Traded) (¢/lb)										
MAR 19	41.03	41.03	41.03	41.27						
APR 19	38.50	38.45	39.23	39.30	39.25	39.25	39.25	39.25	39.25	38.88
MAY 19	38.45	38.50	38.98	39.18	38.75	38.73	38.73	38.80	38.80	38.35
JUN 19	37.50	37.63	38.00	38.20	38.00	38.05	38.05	38.15	38.25	37.53
CHEESE CSC (Electronic-Traded) (\$/lb)										
MAR 19	1.54	1.54	1.54	1.54						
APR 19	1.62	1.62	1.64	1.63	1.63	1.63	1.63	1.64	1.65	1.64
MAY 19	1.60	1.60	1.62	1.62	1.62	1.63	1.62	1.64	1.64	1.63
JUN 19	1.63	1.63	1.64	1.63	1.64	1.64	1.64	1.65	1.65	1.65

Source: <http://www.cmegroup.com/market-data/daily-bulletin.html>

Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average ¹

Consumer Price Index												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³
Jan 2019	256.4	1.6	217.1	-0.4	197.0	-0.5	226.0	-2.1	248.4	0.7	248.2	0.4
Feb 2019	257.2	2.0	216.6	0.1	196.9	0.1	224.7	-1.7	252.0	3.6	248.6	0.6
Mar 2019	257.7	2.1	217.5	0.5	198.3	2.2	225.3	-2.0	253.1	5.8	249.1	-0.2

U.S. City Average Retail Prices										
Month	Whole Milk ⁴		Butter ⁵		Process Cheese ⁶		Natural Cheese ⁷		Ice Cream ⁸	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(dollars)</i>									
Jan	2.913	2.961	N/A	N/A	3.922	4.015	5.372	5.021	4.912	4.786
Feb	2.900	2.923	N/A	N/A	3.863	4.064	5.247	5.082	4.981	4.670
Mar	2.944	2.903	N/A	N/A	3.924	4.105	5.193	5.064	4.791	4.825

N/A = Not available. ¹ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ² The standard reference base period for these indexes is 1982-1984 = 100. ³ Percent change over previous year. ⁴ Per gallon. ⁵ Per pound. Grade AA, salted, stick butter. ⁶ Per pound, any size and type of package. ⁷ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc). ⁸ Per 1/2 gallon prepackaged regular.

April Supply and Demand Estimates

The milk production forecast for 2019 is lowered from last month as higher milk cow numbers are more than offset by lower expected growth in milk per cow for the year. The 2019 fat basis import forecast is unchanged from last month, but the export forecast is lowered on slower expected shipments of butterfat products and whey products. On a skim-solids basis, the current import forecast is raised on higher imports of milk protein products and a number of other dairy products. The skim-solids basis export forecast is lowered from last month on lower shipments of whey products, lactose, and nonfat dry milk (NDM). The annual product price forecast for cheese is raised from last month on higher current prices and expected stronger demand. Butter, NDM, and whey prices are reduced from the previous month on current prices and expected weaker demand. The Class III price is raised on the higher cheese price forecast while the Class IV price is reduced on lower NDM and butter price forecasts. The all milk price forecast is raised to \$17.25 to \$17.75 per cwt.

U.S. Milk Supply and Use					
Commodity	2017	2018 Estimated		2019 Projected	
		Mar	April	Mar	Apr
Milk	(billion pounds)				
Production	215.5	217.5	217.6	219.7	219.5
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	12.7	13.4	13.4	13.9	13.9
Marketings	214.5	216.5	216.6	218.8	218.6
Imports	6.0	6.3	6.3	6.5	6.5
Total Commercial Supply	233.2	236.3	236.4	239.2	239.0
Fat Basis Use					
Commercial Exports	9.2	10.5	10.5	10.1	9.8
Ending Commercial Stocks	13.4	13.9	13.9	13.6	13.4
CCC Donations	0.0	0.0	0.0	0.2	0.2
Domestic Commercial Use	210.6	211.9	212.0	215.3	215.6
Skim-Solid Basis Supply					
Beginning Commercial Stocks	9.5	11.8	11.8	10.4	10.5
Marketings	214.5	216.5	216.6	218.8	218.6
Imports	6.1	5.5	5.5	5.2	5.3
Total Commercial Supply	230.1	233.7	233.8	234.4	234.3
Skim-Solids Basis Use					
Commercial Exports	40.7	44.6	44.6	43.6	42.2
Ending Commercial Stocks	11.8	10.4	10.5	10.5	10.4
CCC Donations	0.0	0.0	0.0	0.2	0.2
Domestic Commercial Use	177.6	178.7	178.8	180.1	181.5

NOTE: Totals may not add due to rounding.

Continued on page 12

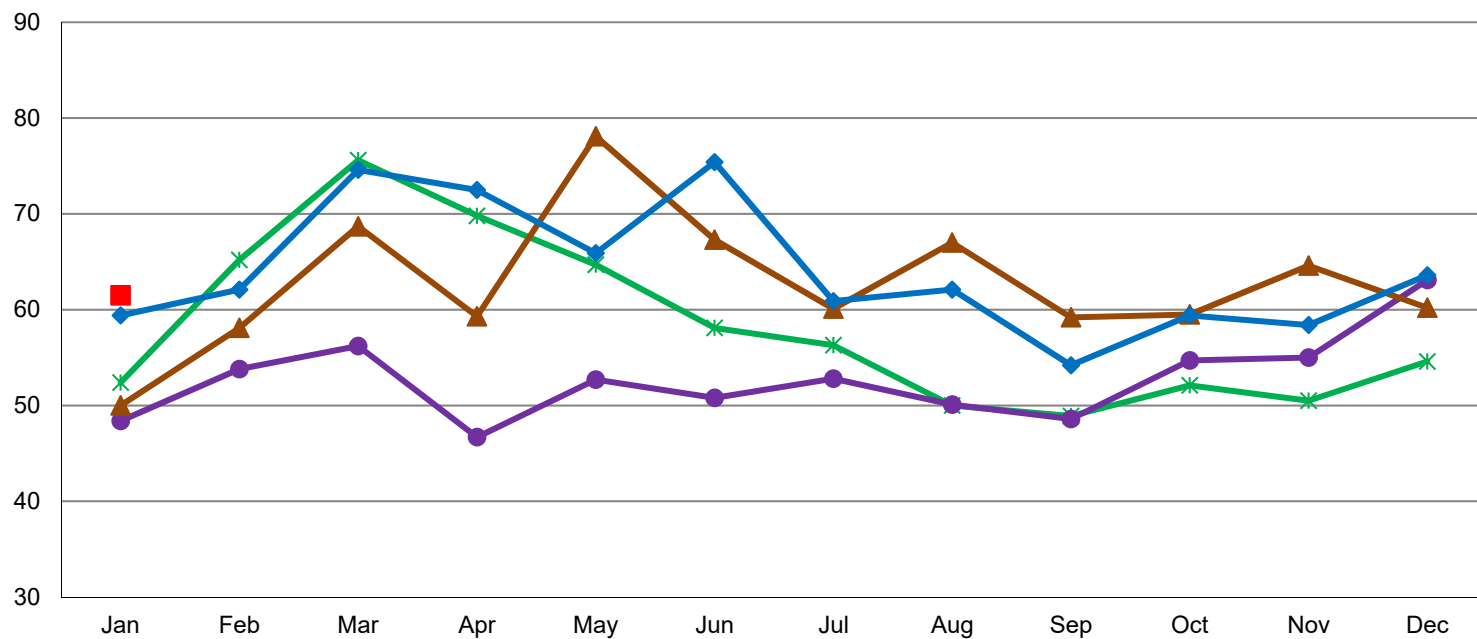
April Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices						
Commodity	2017	2018 Estimated		2019 Projected		
		Mar	Apr	Mar	Apr	
Product Prices ¹	(dollars per pound)					
	Cheese	1.6344	1.5377	1.5377	1.510-1.570	1.555-1.605
	Butter	2.3303	2.2572	2.2572	2.255-2.345	2.255-2.335
	Nonfat Dry Milk	0.8666	0.7945	0.7945	0.965-1.015	0.965-1.005
	Dry Whey	0.4437	0.3422	0.3422	0.425-0.455	0.380-0.410
Milk Prices ²	(dollars per cwt)					
	Class III	16.17	14.61	14.61	14.90-15.50	15.10-15.60
	Class IV	15.16	14.23	14.23	15.75-16.45	15.75-16.35
	All Milk ³	17.65	16.18	16.18	17.00-17.60	17.25-17.75
	Quarterly					
	2018 IV	2019 I ⁴	2019 II ⁴	2019 III ⁴	2019 IV ⁴	
Milk Production	(billion pounds)					
	53.4	54.7	56.3	54.4	54.2	
All Milk Price ^{2,3}	(dollars per cwt)					
	16.93	16.90-17.00	17.20-17.60	17.20-17.90	17.60-18.60	
	Class III Price ²	14.58	14.25-14.35	15.55-15.95	15.60-16.30	14.90-15.90
Class IV Price ²	15.05	15.60-15.80	15.65-16.15	15.90-16.70	15.70-16.80	

¹ Simple average of monthly prices calculated from AMS weekly average dairy product prices for class price computations. Details may be found by going to <http://www.ams.usda.gov/rules-regulations/mmr/dmr>; scroll down to Publications, National Dairy Products Sales Reports, and select Current Release & Archives.” ² Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test. ³ Does not reflect any deductions from producers as authorized by legislation. ⁴ Projection.

Source: U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-587, April 9, 2019*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Carolyn Liebrand, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].

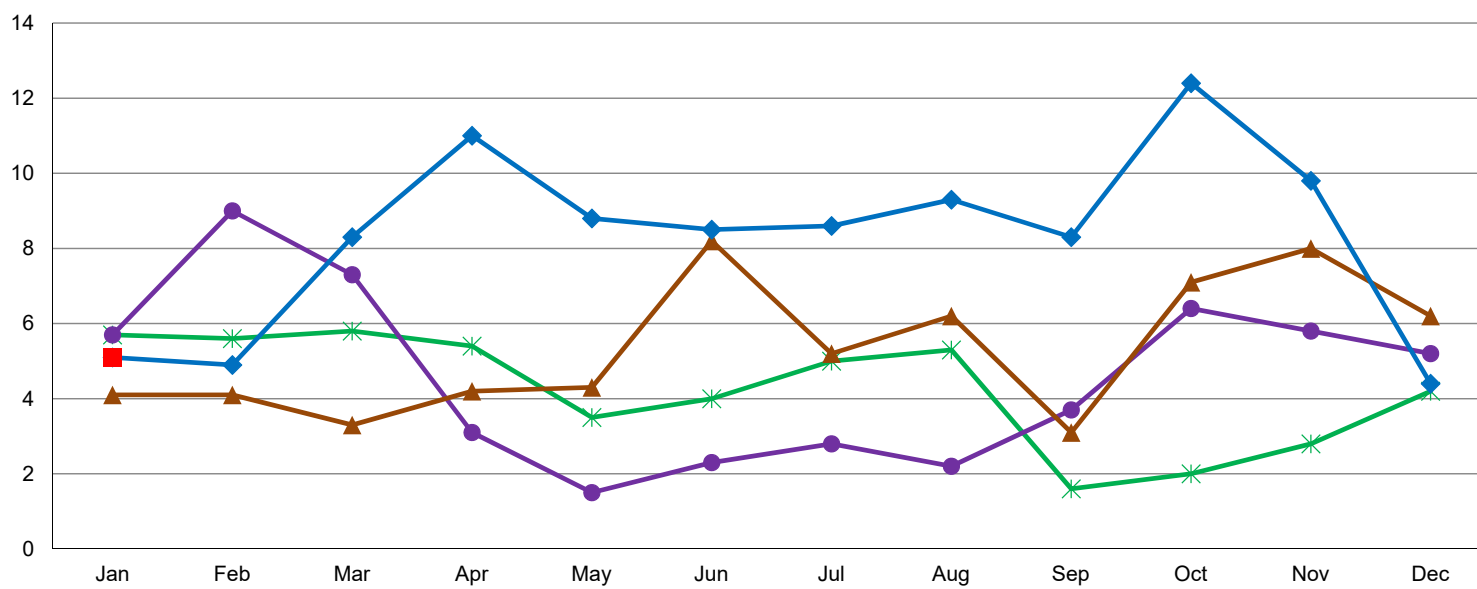
Million Pounds

Cheese Exports (various H.S. Codes)

GRAPH USDA, DMN; SOURCE USDA,FAS

—* 2015
 —● 2016
 —▲ 2017
 —◆ 2018
 —■ 2019

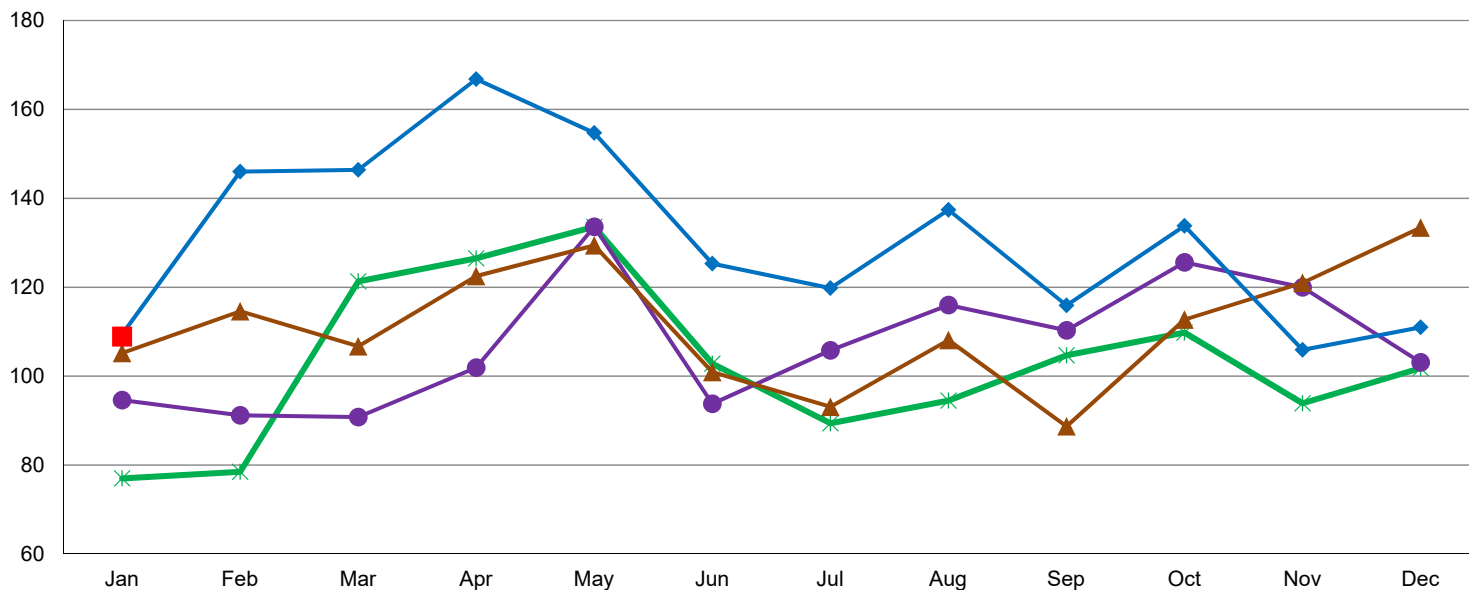
Million Pounds

U.S. Butter and Milkfat Exports (various H.S. Codes)

GRAPH, USDA, DMN; SOURCE, USDA,FAS

—* 2015
 —● 2016
 —▲ 2017
 —◆ 2018
 —■ 2019

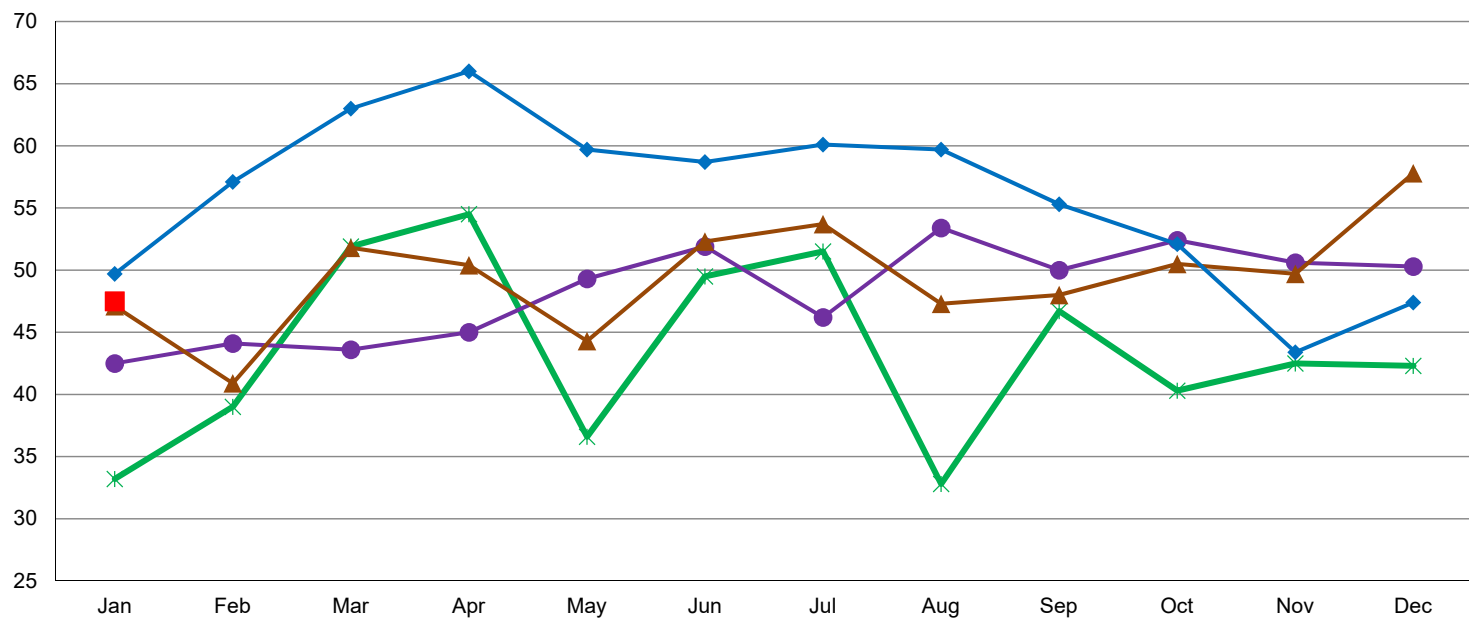
Million Pounds

Monthly Nonfat Dry Milk Exports: H.S. Code 0402100000(FAS)

GRAPH USDA, DMN; SOURCE USDA,FAS

✱ 2015
 ● 2016
 ▲ 2017
 ◆ 2018
 ■ 2019

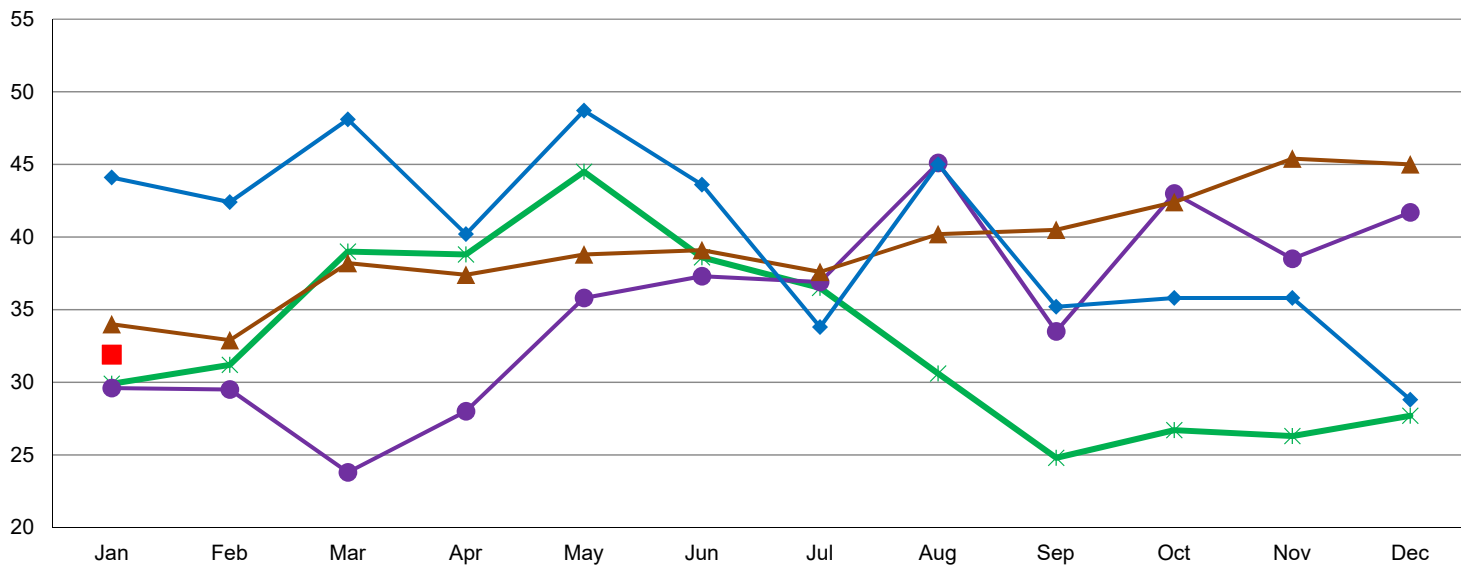
Million Pounds

Monthly Lactose Exports: H.S. Code 1702110000(FAS)

GRAPH USDA, DMN; SOURCE USDA,FAS

✱ 2015
 ● 2016
 ▲ 2017
 ◆ 2018
 ■ 2019

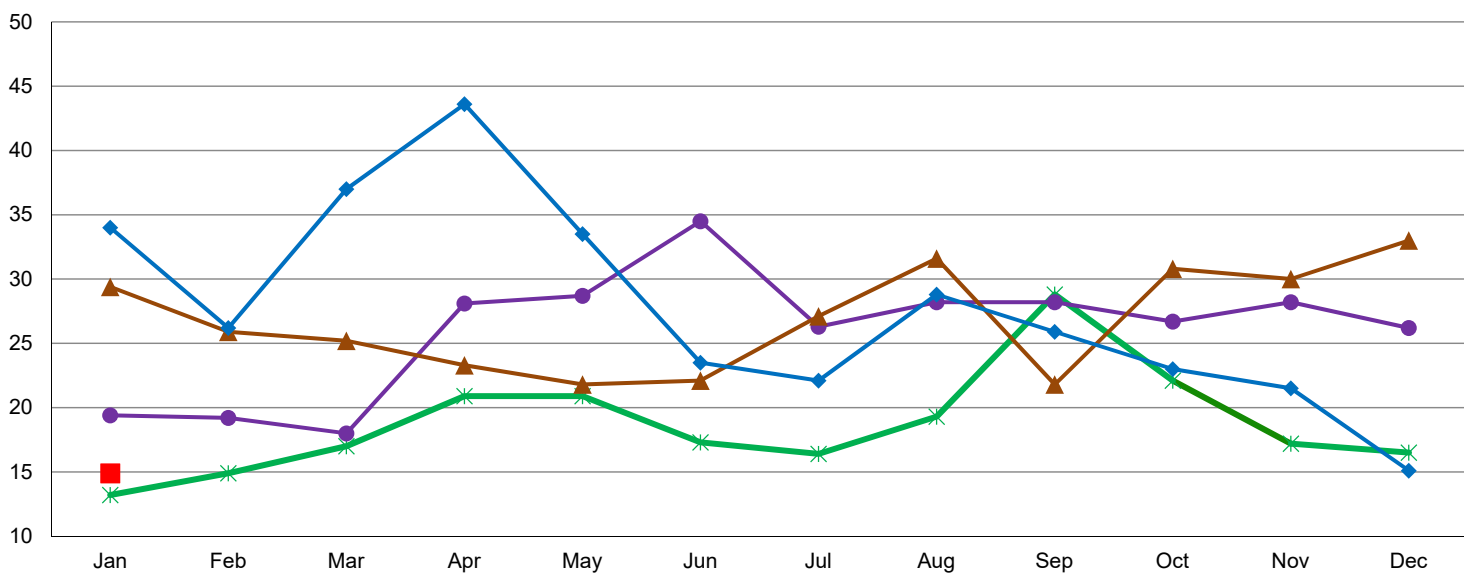
Million Pounds

Monthly Dry Whey Exports: H.S. Code 0404104000(FAS)

GRAPH USDA, DMN; SOURCE USDA,FAS

—* 2015
 —● 2016
 —▲ 2017
 —◆ 2018
 —■ 2019

Million Pounds

Monthly WPC <80% Exports: H.S. Code 0404100500(FAS)

GRAPH USDA, DMN; SOURCE USDA,FAS

—* 2015
 —● 2016
 —▲ 2017
 —◆ 2018
 —■ 2019



Dairy Market News Branch

Agricultural
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National Retail Report-Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>

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Wednesday, April 12, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/12/2019 to 04/18/2019

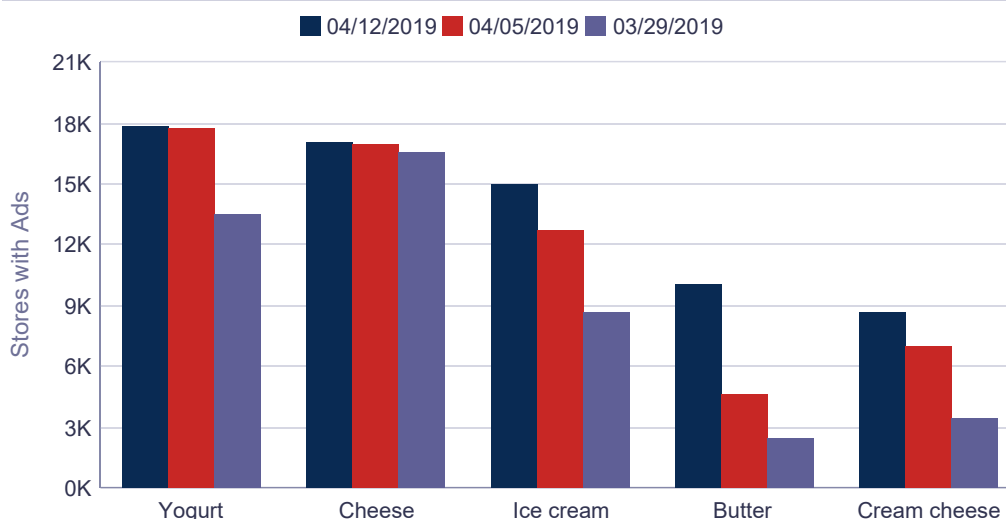
The most advertised product/category this week is conventional ice cream in 48-64 oz. containers. Ad numbers increased 17 percent. The weighted average advertised price, \$2.88, increased 2 cents from last week. Ad numbers for conventional 1# butter increased 125 percent. The weighted average advertised price, \$3.03, compares with \$3.99 for 1# organic butter. That results in a 96-cent organic price premium.

The national weighted average advertised price for conventional milk half gallons is \$2.19, compared to \$4.11 for organic milk half gallons, an organic price premium of \$1.92. Conventional half gallon milk ad numbers increased 123 percent. Organic half gallon milk ad numbers decreased 25 percent.

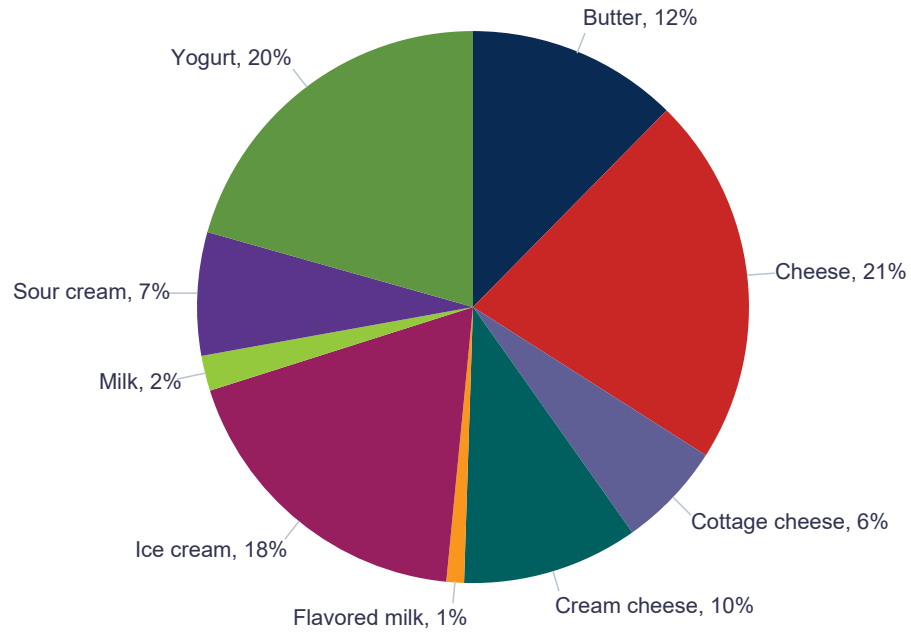
Conventional cheese ad numbers increased 1 percent. Organic cheese ad numbers decreased 42 percent. However, there are over 94 times more ads for conventional cheese than organic cheese. The weighted average price for conventional 8 oz. block cheese is \$2.11, down 15 cents from last week. The weighted average price for organic 8 oz. block cheese is \$4.99, resulting in a \$2.88 organic price premium.

Conventional yogurt ad numbers decreased 5 percent. Organic yogurt ads more than doubled. The weighted average advertised price for conventional yogurt in 4 to 6 oz. containers is \$0.51, even with last week. The weighted average price for organic yogurt in 4 to 6 oz. containers, \$1.11, results in a 60-cent organic price premium.

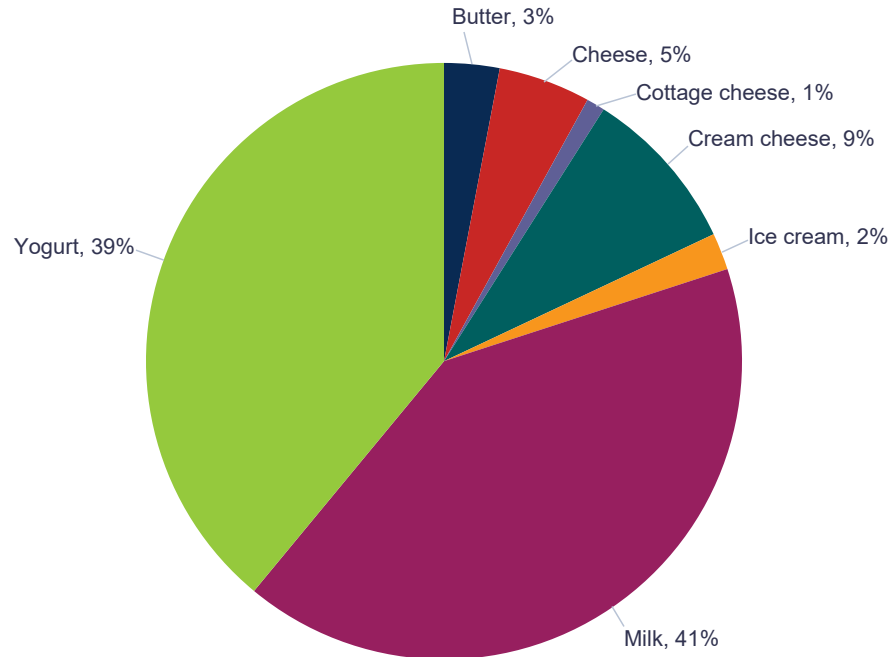
Top 5 Commodities Featured This Week



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	9963	3.03	4435	3.31	2046	3.23
Cheese	Natural Varieties	8 oz block	6799	2.11	5802	2.26	4500	2.06
Cheese	Natural Varieties	1 # block	795	4.30	1652	3.18	812	3.62
Cheese	Natural Varieties	2 # block	757	5.49	1271	6.17	1573	5.22
Cheese	Natural Varieties	8 oz shred	8158	2.14	6371	2.27	6173	2.28
Cheese	Natural Varieties	1 # shred	302	4.10	1480	3.65	726	3.91
Cottage cheese		16 oz	4904	1.88	3071	2.02	1486	2.06
Cream cheese		8 oz	8337	1.71	6659	1.52	1090	1.78
Flavored milk	All fat tests	half gallon	454	2.60	214	2.50	414	2.02
Flavored milk	All fat tests	gallon	423	2.87	432	2.58	487	2.99
Ice cream		48-64oz	14903	2.88	12694	2.86	10551	2.83
Milk	All fat tests	half gallon	978	2.19	438	2.03	836	2.28
Milk	All fat tests	gallon	759	2.74	931	2.40	1219	2.35
Sour cream		16 oz	5766	1.76	4555	1.79	5506	1.85
Yogurt	Greek	4-6 oz	10389	.95	8198	.97	7189	.91
Yogurt	Greek	32 oz	1227	3.63	3460	4.32	809	4.48
Yogurt	Yogurt	4-6 oz	4098	.51	4626	.51	3288	.48
Yogurt	Yogurt	32 oz	357	2.52	786	2.79	391	1.94

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.00-4.49	2745	3.20	2.29-3.29	3757	2.78	2.49-4.39	1461	3.13
Cheese	Natural Varieties	8 oz block	1.49-3.00	2558	2.13	1.49-3.00	2325	2.16	1.77-2.00	527	1.94
Cheese	Natural Varieties	1 # block	2.99-3.49	433	3.12				4.99	122	4.99
Cheese	Natural Varieties	2 # block							5.99-6.49	233	6.25
Cheese	Natural Varieties	8 oz shred	1.77-3.00	2025	2.15	1.50-2.50	2354	2.19	1.69-2.49	1186	2.05
Cheese	Natural Varieties	1 # shred							4.99	122	4.99
Cottage cheese		16 oz	1.49-2.99	1829	2.00	0.89-2.50	1667	1.96	0.89-2.79	829	1.45
Cream cheese		8 oz	0.69-2.50	2897	1.68	0.69-2.49	1901	1.65	1.00-2.49	1826	1.81
Flavored milk	All fat tests	half gallon	2.99	147	2.99						
Flavored milk	All fat tests	gallon							2.99	213	2.99
Ice cream		48-64oz	1.77-3.50	3612	2.70	1.98-3.99	4609	2.65	2.29-3.98	2490	2.85
Milk	All fat tests	half gallon	0.99-2.99	380	2.05				1.99-3.29	192	2.82
Milk	All fat tests	gallon				2.99	214	2.99	1.99-2.99	266	2.79
Sour cream		16 oz	1.67-2.00	1947	1.90	0.89-2.00	1974	1.79	0.89-2.79	877	1.60
Yogurt	Greek	4-6 oz	0.75-1.00	3225	.97	0.80-1.00	3050	.93	0.69-1.25	1046	.96
Yogurt	Greek	32 oz	2.99-4.99	707	3.78	2.99-5.00	314	3.55			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	4-6 oz	0.47-0.70	1082	.52	0.50	214	.50	0.50-0.69	1192	.52
Yogurt	Yogurt	32 oz	2.50	147	2.50						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-3.99	591	3.28	2.50-3.99	1220	3.16	2.99-3.00	165	2.99
Cheese	Natural Varieties	8 oz block	1.33-2.00	433	1.60	1.77-2.50	733	2.21	1.99-2.33	165	2.11
Cheese	Natural Varieties	1 # block				3.50-6.99	240	6.09			
Cheese	Natural Varieties	2 # block	5.99	78	5.99	4.99-5.00	446	5.00			
Cheese	Natural Varieties	8 oz shred	1.33-3.00	790	2.18	1.77-2.50	1093	2.14	1.69-2.33	628	1.99
Cheese	Natural Varieties	1 # shred	3.49	118	3.49	3.50	62	3.50			
Cottage cheese		16 oz				1.49-3.00	381	2.03	1.50-2.00	166	1.68
Cream cheese		8 oz	1.25-2.29	803	1.65	1.50-2.00	482	1.78	1.65-3.00	331	1.91
Flavored milk	All fat tests	half gallon				1.99	246	1.99			
Flavored milk	All fat tests	gallon							2.50-2.99	210	2.75
Ice cream		48-64oz	2.49-4.98	2020	3.59	2.49-3.00	1164	2.90	1.99-3.50	880	2.87
Milk	All fat tests	half gallon	1.89	133	1.89	1.99	246	1.99			
Milk	All fat tests	gallon							1.79-2.99	279	2.51
Sour cream		16 oz	0.89	78	.89	0.99-1.99	495	1.51	1.00-2.00	271	1.42
Yogurt	Greek	4-6 oz	0.77-1.00	748	.95	0.75-1.00	1392	.90	0.75-1.25	825	.90
Yogurt	Greek	32 oz	2.99-3.99	206	3.26						
Yogurt	Yogurt	4-6 oz	0.40-0.50	371	.49	0.38-0.59	1083	.49	0.50	105	.50
Yogurt	Yogurt	32 oz	2.50-2.97	125	2.69				2.00	61	2.00

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				3.00	24	3.00
Cheese	Natural Varieties	8 oz block				2.50-3.00	58	2.79
Cheese	Natural Varieties	8 oz shred	3.00	21	3.00	2.50-3.00	61	2.78
Cottage cheese		16 oz	1.49-2.00	32	1.82			
Cream cheese		8 oz	1.49-1.99	22	1.74	1.00-2.25	75	1.74
Flavored milk	All fat tests	half gallon				2.99-4.99	61	4.10
Ice cream		48-64oz	3.99-6.99	60	6.27	3.00-3.99	68	3.50
Milk	All fat tests	half gallon				2.99	27	2.99
Sour cream		16 oz	2.00-3.50	49	2.86	2.25-2.50	75	2.34
Yogurt	Greek	4-6 oz	0.99-1.67	49	1.38	1.06-1.20	54	1.13
Yogurt	Yogurt	4-6 oz				0.59-0.80	51	.69
Yogurt	Yogurt	32 oz				3.00	24	3.00



NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	117	3.99	214	6.49	579	5.17
Cheese	Natural Varieties	8 oz block	178	4.99	178	4.99		
Cheese	Natural Varieties	1 # shred			127	3.49		
Cottage cheese		16 oz	51	3.97	51	3.49	278	3.89
Cream cheese		8 oz	356	2.84	294	2.62	117	2.46
Ice cream		48-64oz	69	5.99			1200	4.65
Milk	All fat tests	half gallon	1429	4.11	1912	4.20	2609	3.60
Milk	All fat tests	gallon			599	6.41		
Milk	All fat tests	8 oz UHT	198	1.00	166	.94		
Yogurt	Greek	4-6 oz					63	1.25
Yogurt	Greek	32 oz	163	6.33	170	5.08	236	5.74
Yogurt	Yogurt	4-6 oz	123	1.11	246	1.00	341	1.25
Yogurt	Yogurt	32 oz	1261	3.10	243	3.50	108	3.50

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Ice cream		48-64oz							5.99	69	5.99
Milk	All fat tests	half gallon	3.69-5.49	633	4.47	3.88	195	3.88			
Milk	All fat tests	8 oz UHT				1.00	61	1.00			
Yogurt	Greek	32 oz	5.99	108	5.99						
Yogurt	Yogurt	32 oz	3.50-3.99	167	3.67	3.00	1083	3.00			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				3.99	117	3.99			
Cheese	Natural Varieties	8 oz block				4.99	178	4.99			
Cottage cheese		16 oz	3.97	51	3.97						

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cream cheese		8 oz				2.69-2.99	356	2.84			
Milk	All fat tests	half gallon	3.50-4.79	190	4.30	3.99	295	3.99	2.50	105	2.50
Milk	All fat tests	8 oz UHT				1.00	137	1.00			
Yogurt	Greek	32 oz	6.99	55	6.99						
Yogurt	Yogurt	4-6 oz				0.89	62	.89	1.33	61	1.33

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.49	11	3.49			
Yogurt	Yogurt	32 oz	4.49	11	4.49			

REGIONAL DEFINITIONS

As used in this report, regions include the following states:

NORTHEAST U.S.	Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont
SOUTHEAST U.S.	Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia
MIDWEST U.S.	Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin
SOUTH CENTRAL U.S.	Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas
SOUTHWEST U.S.	Arizona, California, Nevada and Utah
NORTHWEST U.S.	Idaho, Montana, Oregon, Washington, and Wyoming
ALASKA	Alaska
HAWAII	Hawaii
NATIONAL	Continental United States



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