

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's Close
	09/08/17	09/15/17	09/22/17	09/29/17	10/06/17	10/13/17	10/20/17	
CME Cheddar 40# Blocks	\$ 1.6300	\$ 1.6240	\$ 1.5985	\$ 1.7135	\$ 1.7430	\$ 1.7400	\$ 1.7090	\$ 1.6700
CME Cheddar Barrels	\$ 1.5569	\$ 1.5120	\$ 1.5140	\$ 1.7010	\$ 1.7190	\$ 1.6985	\$ 1.6670	\$ 1.6400
CME Grade "AA" Butter	\$ 2.4575	\$ 2.4240	\$ 2.4645	\$ 2.3920	\$ 2.3390	\$ 2.3395	\$ 2.3750	\$ 2.3500
USDA Western NFDN (Mostly)	\$ 0.8800	\$ 0.8750	\$ 0.8600	\$ 0.8550	\$ 0.8500	\$ 0.8250	\$ 0.8100	
USDA Western Whey (Mostly)	\$ 0.3825	\$ 0.3800	\$ 0.3750	\$ 0.3750	\$ 0.3700	\$ 0.3650	\$ 0.3525	
USDA Central Whey (Mostly)	\$ 0.3800	\$ 0.3800	\$ 0.3700	\$ 0.3700	\$ 0.3600	\$ 0.3550	\$ 0.3450	
NDPSR Survey For Week Ending:	08/26/17	09/02/17	09/09/17	09/16/17	09/23/17	09/30/17	10/07/17	10/14/17
Cheddar 40# Blocks:	\$ 1.7547	\$ 1.7325	\$ 1.6756	\$ 1.6738	\$ 1.6506	\$ 1.6406	\$ 1.6718	\$ 1.6887
Cheddar Barrels (38% Moisture):	\$ 1.6362	\$ 1.6755	\$ 1.6420	\$ 1.6166	\$ 1.5886	\$ 1.5686	\$ 1.6371	\$ 1.7081
Butter	\$ 2.6280	\$ 2.6501	\$ 2.5869	\$ 2.5038	\$ 2.4593	\$ 2.4797	\$ 2.4173	\$ 2.3547
Nonfat Dry Milk	\$ 0.8826	\$ 0.8718	\$ 0.8731	\$ 0.8477	\$ 0.8376	\$ 0.8353	\$ 0.8272	\$ 0.8277
Whey	\$ 0.4328	\$ 0.4294	\$ 0.4280	\$ 0.4157	\$ 0.4075	\$ 0.4020	\$ 0.4047	\$ 0.3685
Class III Estimator	\$ 16.82	\$ 16.90	\$ 16.42	\$ 16.19	\$ 15.87	\$ 15.70	\$ 16.17	\$ 16.36
Class IV Estimator	\$ 16.56	\$ 16.56	\$ 16.30	\$ 15.73	\$ 15.46	\$ 15.52	\$ 15.19	\$ 14.93

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 16.93	\$ 16.90	\$ 16.05	\$ 15.20	\$ 15.31	\$ 16.59	\$ 16.72	\$ 16.71
FMMO Class II Price	\$ 16.52	\$ 16.21	\$ 14.81	\$ 14.84	\$ 16.15	\$ 17.48	\$ 17.56	\$ 16.80
FMMO Class III	\$ 16.88	\$ 15.81	\$ 15.22	\$ 15.57	\$ 16.44	\$ 15.45	\$ 16.57	\$ 16.36
FMMO Class IV	\$ 15.59	\$ 14.32	\$ 14.01	\$ 14.49	\$ 15.89	\$ 16.60	\$ 16.61	\$ 15.86
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.4274	\$ 2.4176	\$ 2.3548	\$ 2.4134	\$ 2.7066	\$ 2.9456	\$ 3.0109	\$ 2.8559
True Protein	\$ 2.2348	\$ 1.8198	\$ 1.6955	\$ 1.7723	\$ 1.7545	\$ 1.2248	\$ 1.5536	\$ 1.6988
Other Solids	\$ 0.2990	\$ 0.3345	\$ 0.3350	\$ 0.3196	\$ 0.3014	\$ 0.2599	\$ 0.2425	\$ 0.2241
California Overbase Fat	\$ 2.3600	\$ 2.3500	\$ 2.2900	\$ 2.4200	\$ 2.6920	\$ 2.7920	\$ 2.9300	
California Overbase SNF	\$ 0.8310	\$ 0.6800	\$ 0.6900	\$ 0.7200	\$ 0.6850	\$ 0.6490	\$ 0.6850	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	OCT17	NOV17	DEC17	JAN18	FEB18	MAR18	APR18	MAY18
Cash Settled Butter (¢ / lb.):	238.000	238.725	241.000	240.000	240.500	240.500	240.500	240.500
Change from last week (¢ / lb.):	0.500	(2.025)	(0.550)	0.500	0.550	2.250	1.125	0.250
Cash Settled Cheese (\$ / lb.):	\$ 1.7190	\$ 1.6550	\$ 1.6450	\$ 1.6250	\$ 1.6300	\$ 1.6310	\$ 1.6330	\$ 1.6490
Change from last week:	\$ (0.006)	\$ (0.025)	\$ (0.015)	\$ (0.015)	\$ (0.020)	\$ (0.017)	\$ (0.018)	\$ (0.013)
Class III Milk Contract, 3.5% Fat	\$ 16.60	\$ 15.72	\$ 15.49	\$ 15.18	\$ 15.19	\$ 15.19	\$ 15.20	\$ 15.33
Change from last week:	\$ (0.12)	\$ (0.41)	\$ (0.28)	\$ (0.25)	\$ (0.24)	\$ (0.23)	\$ (0.27)	\$ (0.25)
Open Interest	3849	4503	3925	2140	1718	1583	1144	1129
Change from last week:	(101)	(22)	(39)	112	52	55	39	41

DAIRY NEWS OF INTEREST

Market Update

CME cash markets declined across the board this week. Barrel cheese was the most actively traded, changing hands 27 times and declining 3.75 cents. Block cheese ended the week at \$1.67/lb., down 3 cents after 13 trades. Butter lost 2.5 cents on 9 trades. Nonfat dry milk decreased 3.25 cents after 23 trades, finishing at \$0.74/lb., the lowest since April of 2016.

Class I Mover

USDA announced the November Class I base price to be \$16.41/cwt., down \$0.03 from October and \$1.63 more than November 2016.

Domestic Dairy Consumption

The USDA's domestic dairy consumption report for August was mostly positive. Dry whey consumption saw the largest increase when compared to August 2016, going up 21.3%, although it is still down 6% year-to-date. Butter consumption increased by 20 million pounds (14%) from the prior year. Total cheese consumption remained relatively the same as the prior year, reaching 1,021 million pounds.

Global Dairy Trade Auction

This week's GDT event resulted in a 1.0% decrease in the overall index. Cheddar cheese lost 0.1% to \$1.8629/lb., and skim milk powder decreased 5.6% to \$0.8151/lb. Whole milk powder fell 0.5% resulting in a price of \$1.3671/lb. Butter declined 2.5% to \$2.6018/lb.

Estimated August Fluid Milk Sales

According to USDA the August fluid milk sales totaled 4,022 million pounds, a decrease of 2.6% from the prior year. Year-to-date fluid milk sales are down 1.8%. Whole milk and flavored whole milk sale continue to go up, increasing 1.9% and 9.3% when compared to August 2016, respectively. Reduced fat milk decreased 3.3% from the prior year. Low fat and skim milk experienced sharp decreases during August, going down 7.2% and 11.9% when compared to the prior year, respectively. Whole milk and reduced fat milk (2%) accounted for 63.5% of the total fluid milk sales in August.

September Livestock Slaughter Report

USDA's Livestock Slaughter report showed 249,600 dairy cows being culled, a decline of 16,000 from August and 4,500 more than last September.