

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	04/27/18	05/04/18	05/11/18	05/18/18	06/01/18	06/08/18	06/15/18	Close
CME Cheddar 40# Blocks	\$ 1.6570	\$ 1.6790	\$ 1.6090	\$ 1.6285	\$ 1.6081	\$ 1.5965	\$ 1.6200	\$ 1.5950
CME Cheddar Barrels	\$ 1.5790	\$ 1.6445	\$ 1.5695	\$ 1.5560	\$ 1.5444	\$ 1.5225	\$ 1.5150	\$ 1.4500
CME Grade "AA" Butter	\$ 2.3565	\$ 2.3295	\$ 2.3745	\$ 2.4175	\$ 2.4025	\$ 2.3800	\$ 2.3640	\$ 2.3525
USDA Western NFD (Mostly)	\$ 0.7900	\$ 0.8275	\$ 0.8250	\$ 0.8350	\$ 0.8450	\$ 0.8450	\$ 0.8200	
USDA Western Whey (Mostly)	\$ 0.2800	\$ 0.2950	\$ 0.2975	\$ 0.3137	\$ 0.3225	\$ 0.3225	\$ 0.3250	
USDA Central Whey (Mostly)	\$ 0.2500	\$ 0.2575	\$ 0.2813	\$ 0.2812	\$ 0.3088	\$ 0.3138	\$ 0.3225	
NDPSR Survey For Week Ending:	04/21/18	04/28/18	05/05/18	05/12/18	05/19/18	05/26/18	06/02/18	06/09/18
Cheddar 40# Blocks:	\$ 1.6017	\$ 1.6181	\$ 1.6400	\$ 1.6611	\$ 1.6783	\$ 1.6694	\$ 1.6661	\$ 1.6525
Cheddar Barrels (38% Moisture):	\$ 1.5059	\$ 1.5097	\$ 1.5147	\$ 1.5626	\$ 1.6148	\$ 1.6277	\$ 1.6136	\$ 1.5983
Butter	\$ 2.2787	\$ 2.2856	\$ 2.3379	\$ 2.3288	\$ 2.3292	\$ 2.3795	\$ 2.4039	\$ 2.3784
Nonfat Dry Milk	\$ 0.7173	\$ 0.7298	\$ 0.7613	\$ 0.7855	\$ 0.8136	\$ 0.8261	\$ 0.8361	\$ 0.8277
Whey	\$ 0.2588	\$ 0.2635	\$ 0.2690	\$ 0.2694	\$ 0.2725	\$ 0.2728	\$ 0.2849	\$ 0.2981
Class III Estimator	\$ 14.29	\$ 14.42	\$ 14.60	\$ 14.93	\$ 15.29	\$ 15.33	\$ 15.33	\$ 15.25
Class IV Estimator	\$ 13.66	\$ 13.79	\$ 14.29	\$ 14.45	\$ 14.70	\$ 15.02	\$ 15.21	\$ 15.03

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Oct-17	Nov-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	May-18
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 16.44	\$ 16.41	\$ 16.88	\$ 15.44	\$ 14.25	\$ 13.36	\$ 14.10	\$14.44
FMMO Class II Price	\$ 15.95	\$ 15.32	\$ 14.49	\$ 14.11	\$ 13.44	\$ 13.88	\$ 14.03	\$14.47
FMMO Class III	\$ 16.69	\$ 16.88	\$ 15.44	\$ 14.00	\$ 13.40	\$ 14.22	\$ 14.47	\$15.18
FMMO Class IV	\$ 14.85	\$ 13.99	\$ 13.51	\$ 13.13	\$ 12.87	\$ 13.04	\$ 13.48	\$14.57
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.6646	\$ 2.5546	\$ 2.4951	\$ 2.4531	\$ 2.3490	\$ 2.4273	\$ 2.5113	\$ 2.6239
True Protein	\$ 2.1084	\$ 2.3412	\$ 2.0378	\$ 1.6612	\$ 1.6265	\$ 1.8066	\$ 1.7810	\$ 1.8609
Other Solids	\$ 0.1853	\$ 0.1644	\$ 0.1070	\$ 0.0787	\$ 0.0552	\$ 0.0556	\$ 0.0619	\$ 0.0742
California Overbase Fat	\$ 2.6190	\$ 2.5000	\$ 2.4170	\$ 2.3760	\$ 2.3040	\$ 2.3910	\$ 2.4770	
California Overbase SNF	\$ 0.7280	\$ 0.7210	\$ 0.6020	\$ 0.5660	\$ 0.5680	\$ 0.5750	\$ 0.5740	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	JUN18	JUL18	AUG18	SEP18	OCT18	NOV18	DEC18	JAN19
Cash Settled Butter (¢ / lb.):	237.975	237.000	238.000	240.025	242.500	242.500	238.500	234.300
Change from last week (¢ / lb.):	(1.775)	(4.500)	(5.250)	(4.325)	(2.850)	(2.625)	(2.325)	(1.650)
Cash Settled Cheese (\$ / lb.):	\$ 1.6310	\$ 1.6220	\$ 1.6660	\$ 1.7170	\$ 1.7250	\$ 1.7050	\$ 1.7020	\$ 1.6930
Change from last week:	\$ (0.009)	\$ (0.057)	\$ (0.061)	\$ (0.038)	\$ (0.028)	\$ (0.027)	\$ (0.016)	\$ (0.013)
Class III Milk Contract, 3.5% Fat	\$ 15.37	\$ 15.43	\$ 15.92	\$ 16.39	\$ 16.47	\$ 16.25	\$ 16.18	\$ 16.02
Change from last week:	\$ (0.10)	\$ (0.61)	\$ (0.70)	\$ (0.52)	\$ (0.39)	\$ (0.39)	\$ (0.31)	\$ (0.27)
Open Interest	3377	3950	2990	2914	2670	2200	2069	581
Change from last week:	(354)	254	211	93	99	30	(36)	69

DAIRY NEWS OF INTEREST

Market Update

Barrel cheese took the sharpest hit this week on the CME cash market, decreasing 11.5 cents during 24 trades. Block cheese sold 12 carloads and decreased to \$1.595/lb., a loss of 4 cents. Butter was traded 13 times to a price of \$2.3525/lb., decreasing 3.75 cents. Nonfat dry milk declined 1.75 cents during just 9 trades, finishing at 0.7875/lb.

April Domestic Dairy Consumption

According to USDA, U.S. dairy product consumption was mixed among the different product categories. Dry whey showed the largest year-over-year gain, with an increase of 31.2%. American cheese was up 4.6%, while other-than-American cheese decreased slightly. Butter consumption was 1.2% lower than last April, but is still up 2.5% year-to-date. Nonfat dry milk and skim milk powder continue to come in lower than 2017, down 8.7% from last April and 7.1% behind year-to-date.

World Agricultural Supply and Demand Estimate

USDA projected the 2018 U.S. milk production output at 218 billion pounds, down 700 million pounds, while also lowering 2019's production by 400 million pounds. The estimated declines are due to lower cow numbers and a decreased rate of growth in milk per cow. The 2018 all milk price is forecasted to be \$16.60 to \$17.00/cwt., an increase from the prior month's projection. The 2019 all milk price is currently projected at \$16.70 to 17.70/cwt.

U.S. Estimated Fluid Sales

Monday USDA reported that total fluid sales reached 3,856 million pounds during April, up 0.4%, and the first year-over-year increase since May of 2017. Consumer trend continues to move away from reduced fat options and, in turn, purchase whole milk. Whole milk recently became the predominant fluid sales avenue, overtaking 2% milk.

MPP Enrollment Extended

The Marginal Protection Program re-enrollment period has been extended to June 22, 2018 by the U.S. Secretary of Agriculture, Sonny Perdue.