

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	04/05/19	04/12/19	04/19/19	04/26/19	05/03/19	05/10/19	05/17/19	Close
CME Cheddar 40# Blocks	\$ 1.6540	\$ 1.6490	\$ 1.6619	\$ 1.6785	\$ 1.6675	\$ 1.6975	\$ 1.6630	\$ 1.6725
CME Cheddar Barrels	\$ 1.5790	\$ 1.5955	\$ 1.5750	\$ 1.6020	\$ 1.6365	\$ 1.7225	\$ 1.6175	\$ 1.6250
CME Grade "AA" Butter	\$ 2.2555	\$ 2.2600	\$ 2.2725	\$ 2.2635	\$ 2.2720	\$ 2.3025	\$ 2.3615	\$ 2.3400
USDA Western NFDM (Mostly)	\$ 0.9700	\$ 0.9700	\$ 0.9950	\$ 1.0050	\$ 1.0100	\$ 1.0250	\$ 1.0500	
USDA Western Whey (Mostly)	\$ 0.3838	\$ 0.3813	\$ 0.3800	\$ 0.3788	\$ 0.3788	\$ 0.3763	\$ 0.3700	
USDA Central Whey (Mostly)	\$ 0.3975	\$ 0.3975	\$ 0.3975	\$ 0.3838	\$ 0.3738	\$ 0.3600	\$ 0.3650	
NDPSR Survey For Week Ending:	03/23/19	03/30/19	04/06/19	04/13/19	04/20/19	04/27/19	05/04/19	05/11/19
Cheddar 40# Blocks:	\$ 1.6002	\$ 1.5958	\$ 1.6330	\$ 1.6618	\$ 1.6816	\$ 1.6850	\$ 1.6899	\$ 1.6976
Cheddar Barrels (38% Moisture):	\$ 1.4567	\$ 1.5022	\$ 1.5604	\$ 1.5903	\$ 1.6179	\$ 1.6170	\$ 1.6253	\$ 1.6497
Butter	\$ 2.2598	\$ 2.2928	\$ 2.2960	\$ 2.2494	\$ 2.2847	\$ 2.2629	\$ 2.2483	\$ 2.2831
Nonfat Dry Milk	\$ 0.9553	\$ 0.9516	\$ 0.9571	\$ 0.9548	\$ 0.9682	\$ 0.9779	\$ 0.9913	\$ 1.0088
Whey	\$ 0.4122	\$ 0.4026	\$ 0.3863	\$ 0.3964	\$ 0.3907	\$ 0.3940	\$ 0.3848	\$ 0.3840
Class III Estimator	\$ 14.94	\$ 15.09	\$ 15.46	\$ 15.78	\$ 15.99	\$ 16.01	\$ 16.02	\$ 16.18
Class IV Estimator	\$ 15.62	\$ 15.73	\$ 15.79	\$ 15.57	\$ 15.84	\$ 15.83	\$ 15.88	\$ 16.18

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 14.85	\$ 16.33	\$ 15.52	\$ 15.05	\$ 15.12	\$ 15.30	\$ 15.98	\$ 15.76
FMMO Class II Price	\$ 15.13	\$ 15.54	\$ 15.63	\$ 15.67	\$ 15.74	\$ 16.13	\$ 16.61	\$ 16.38
FMMO Class III	\$ 16.09	\$ 15.53	\$ 14.44	\$ 13.78	\$ 13.96	\$ 13.89	\$ 15.04	\$ 15.96
FMMO Class IV	\$ 14.81	\$ 15.01	\$ 15.06	\$ 15.09	\$ 15.48	\$ 15.86	\$ 15.71	\$ 15.72
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.5442	\$ 2.5551	\$ 2.5385	\$ 2.5080	\$ 2.4981	\$ 2.5345	\$ 2.5461	\$ 2.5375
True Protein	\$ 2.0029	\$ 1.7185	\$ 1.3419	\$ 1.1417	\$ 1.1927	\$ 1.1776	\$ 1.6303	\$ 1.9890
Other Solids	\$ 0.2098	\$ 0.2553	\$ 0.2714	\$ 0.2775	\$ 0.2898	\$ 0.2631	\$ 0.2200	\$ 0.1990
California Overbase Fat	\$ 2.4630	\$ 2.4780						
California Overbase SNF	\$ 0.7040	\$ 0.7290						

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	MAY19	JUN19	JUL19	AUG19	SEP19	OCT19	NOV19	DEC19
Cash Settled Butter (¢ / lb.):	229.600	237.000	240.100	242.850	244.000	242.950	239.000	233.775
Change from last week (¢ / lb.):	2.600	2.350	0.725	1.800	0.900	1.850	2.600	4.125
Cash Settled Cheese (\$ / lb.):	\$ 1.6920	\$ 1.7090	\$ 1.7400	\$ 1.7810	\$ 1.7980	\$ 1.7930	\$ 1.7760	\$ 1.7510
Change from last week:	\$ (0.007)	\$ (0.001)	\$ 0.011	\$ 0.024	\$ 0.022	\$ 0.022	\$ 0.022	\$ 0.023
Class III Milk Contract, 3.5% Fat	\$ 16.30	\$ 16.45	\$ 16.72	\$ 17.08	\$ 17.25	\$ 17.17	\$ 17.01	\$ 16.68
Change from last week:	\$ (0.03)	\$ 0.14	\$ 0.34	\$ 0.45	\$ 0.43	\$ 0.38	\$ 0.41	\$ 0.34
Open Interest	3438	4604	3110	2001	2294	1762	1682	1499
Change from last week:	(167)	129	111	75	5	31	19	63

DAIRY NEWS OF INTEREST

Market Update

Dairy commodity prices fell this week on the CME cash market, with barrel cheese taking a nosedive. With 43 loads traded, the barrel price dropped 8.5 cents/lb. from last Friday, closing today at \$1.6250/lb. The decline in the block cheese was much less severe, falling 0.75 cents to \$1.6825 on 19 trades. Nonfat dry milk had been experiencing a sustained rally over the past six weeks, but slipped 2 cents this week to \$1.0475 on just 4 loads. Butter managed to remain unchanged this week at \$2.34 with 25 trades.

U.S. to Immediately Lift Metals Tariffs

The U.S., Canada and Mexico have reached an agreement to remove President Donald Trump's tariffs on steel and aluminum imports, a yearlong standoff that posed complications to reaching a new North American trade deal. The agreement lifts the 25 percent tariff on steel and 10 percent tariff on aluminum. In return, U.S. dairy officials expect that Mexico will drop their retaliatory tariffs against U.S. dairy products – including duties as high as 25 percent on U.S. cheese exports to Mexico.

World Agricultural Supply and Demand Estimates

USDA's WASDE report of May 10 projects 2019 milk production to be 218.7 billion pounds, down 800 million pounds from last month's report. Less milk caused an increase in this year's projected all milk price, \$18.05.cwt., up \$0.55 from last month. Next year's milk production is pegged at 222.7 billion pounds, but accompanied by an strong increase in the all milk price to \$18.80 on the expectation of greater exports.

March Fluid Milk Sales

Fluid milk sales for March reported by USDA showed an overall decline of 5% from March 2018 and 2% year-to-date. Whole milk was the biggest selling category with 1.243 billion pounds. Reduced-fat (2%) ranked second with 1.208 billion pounds. Total sales were 3.9 billion pounds.

Domestic Dairy Consumption

March cheese consumption slipped 2% from last March and is down 1% year-to-date, according to USDA. Butter usage (153 million pounds) was down 11% for the month, but still posted a gain of 4% year-to-date. the combined category of nonfat dry milk and skim milk powder was up an impressive 40% in March, and 0.2% for the year.