

## CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	08/02/19	08/09/19	08/16/19	08/23/19	08/30/19	09/06/19	09/13/19	Close
CME Cheddar 40# Blocks	\$ 1.8210	\$ 1.8660	\$ 1.8800	\$ 1.8965	\$ 1.8975	\$ 1.9700	\$ 2.0990	\$ 2.2050
CME Cheddar Barrels	\$ 1.7050	\$ 1.7080	\$ 1.7440	\$ 1.6940	\$ 1.6925	\$ 1.7375	\$ 1.8480	\$ 1.9200
CME Grade "AA" Butter	\$ 2.3375	\$ 2.3315	\$ 2.3375	\$ 2.2940	\$ 2.1985	\$ 2.1931	\$ 2.2120	\$ 2.2250
USDA Western NFDM (Mostly)	\$ 1.0300	\$ 1.0300	\$ 1.0300	\$ 1.0300	\$ 1.0300	\$ 1.0450	\$ 1.0400	
USDA Western Whey (Mostly)	\$ 0.3400	\$ 0.3400	\$ 0.3400	\$ 0.3400	\$ 0.3625	\$ 0.3638	\$ 0.3638	
USDA Central Whey (Mostly)	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	
NDPSR Survey For Week Ending:	07/20/19	07/27/19	08/03/19	08/10/19	08/17/19	08/24/19	08/31/19	09/07/19
Cheddar 40# Blocks:	\$ 1.8639	\$ 1.8599	\$ 1.8386	\$ 1.8371	\$ 1.8585	\$ 1.8795	\$ 1.9058	\$ 1.9167
Cheddar Barrels (38% Moisture):	\$ 1.7918	\$ 1.7715	\$ 1.7602	\$ 1.7523	\$ 1.7522	\$ 1.7643	\$ 1.7544	\$ 1.7333
Butter	\$ 2.4139	\$ 2.3821	\$ 2.3655	\$ 2.3647	\$ 2.3603	\$ 2.3758	\$ 2.3667	\$ 2.2748
Nonfat Dry Milk	\$ 1.0370	\$ 1.0296	\$ 1.0239	\$ 1.0398	\$ 1.0387	\$ 1.0413	\$ 1.0337	\$ 1.0494
Whey	\$ 0.3579	\$ 0.3689	\$ 0.3674	\$ 0.3670	\$ 0.3676	\$ 0.3691	\$ 0.3623	\$ 0.3681
Class III Estimator	\$ 17.57	\$ 17.50	\$ 17.33	\$ 17.28	\$ 17.39	\$ 17.56	\$ 17.60	\$ 17.54
Class IV Estimator	\$ 16.98	\$ 16.78	\$ 16.66	\$ 16.79	\$ 16.77	\$ 16.85	\$ 16.75	\$ 16.49

## MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
<b>FMMO Prices, 3.5% Fat, 2.99% True Protein</b>								
FMMO Class I Base Price	\$ 15.12	\$ 15.30	\$ 15.98	\$ 15.76	\$ 16.42	\$ 17.07	\$ 17.18	\$ 17.89
FMMO Class II Price	\$ 15.74	\$ 16.13	\$ 16.61	\$ 16.38	\$ 16.48	\$ 17.30	\$ 17.61	\$ 17.60
FMMO Class III	\$ 13.96	\$ 13.89	\$ 15.04	\$ 15.96	\$ 16.38	\$ 16.27	\$ 17.55	\$ 17.60
FMMO Class IV	\$ 15.48	\$ 15.86	\$ 15.71	\$ 15.72	\$ 16.29	\$ 16.83	\$ 16.90	\$ 16.74
<b>FMMO Producer Component Prices Per Pound</b>								
Milkfat	\$ 2.4981	\$ 2.5345	\$ 2.5461	\$ 2.5375	\$ 2.5718	\$ 2.6579	\$ 2.6858	\$ 2.6574
True Protein	\$ 1.1927	\$ 1.1776	\$ 1.6303	\$ 1.9890	\$ 2.1159	\$ 2.0046	\$ 2.4032	\$ 2.4453
Other Solids	\$ 0.2898	\$ 0.2631	\$ 0.2200	\$ 0.1990	\$ 0.1847	\$ 0.1702	\$ 0.1689	\$ 0.1730

## CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	SEP19	OCT19	NOV19	DEC19	JAN20	FEB20	MAR20	APR20
Cash Settled Butter (¢ / lb.):	223.725	225.125	225.925	223.000	222.475	222.975	225.250	226.900
Change from last week (¢ / lb.):	2.500	3.125	4.425	1.850	1.475	0.975	1.350	0.650
Cash Settled Cheese (\$ / lb.):	\$ 1.9080	\$ 2.0040	\$ 1.9150	\$ 1.8380	\$ 1.7630	\$ 1.7400	\$ 1.7320	\$ 1.7420
Change from last week:	\$ 0.038	\$ 0.160	\$ 0.104	\$ 0.073	\$ 0.051	\$ 0.047	\$ 0.032	\$ 0.029
Class III Milk Contract, 3.5% Fat	\$ 18.31	\$ 19.20	\$ 18.35	\$ 17.60	\$ 16.90	\$ 16.63	\$ 16.56	\$ 16.67
Change from last week:	\$ 0.35	\$ 1.48	\$ 0.99	\$ 0.70	\$ 0.54	\$ 0.43	\$ 0.37	\$ 0.32
Open Interest	3433	4129	2933	2376	1292	1173	991	762
Change from last week:	133	645	245	65	143	216	91	96

## DAIRY NEWS OF INTEREST

### Market Update

Block and barrel cheese prices surged into double digit gains on the CME cash market this week. Block cheese traded 9 times for a 20.75 cent increase over the previous week. The \$2.2050/lb. block cheese price has not been seen since 2014. Barrel cheese followed suit with a 17.75 cent jump to \$1.92/lb. after 14 trades. Butter was active with 55 loads changing hands for a gain of 5.25 cents. Nonfat dry milk increase three quarters of a cent and traded 5 times to finish at \$1.055/lb. This is the highest nonfat dry milk price since June.

### Fluid Milk Sales

USDA reported that July fluid milk sales reached 3.62 billion pounds, an increase of 6 million pounds (0.2%) from the previous year. This is the first year-over-year increase since April 2018. Fat free and reduced fat options decreased by 8.1% and 1.1% from July 2018, respectively. Whole milk sales of 1.272 billion pounds increased by 44 million pounds (3.6%). Flavored whole milk, making up 57 million pounds of the fluid sales, increased 5 million pounds (10.4%) from the previous year.

### World Agricultural Supply and Demand Estimate

USDA's September WASDE report raised the projected 2019 all milk price to \$18.35/cwt. The all milk price forecast for 2020 was increased to \$18.85/cwt. The milk production forecast for 2019 was increased due to stronger growth in milk per cow, which offsets the forecasted lower cow numbers. The 2020 milk production forecast declined 200 million pounds from last month's report to 221.2 billion pounds.

Fat based export forecasts were lowered from the previous month's projection due to lower expected global demand for U.S. butterfat products. Class III price forecasts for 2019 and 2020 were raised from last month on higher cheese and whey prices.

### Domestic Dairy Consumption

According to USDA July total cheese consumption increased 47 million pounds from the previous July to 1.074 billion pounds. Butter consumption declined 10.4 million pounds to total 145.3 million pounds.