

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	11/25/20	12/04/20	12/11/20	12/24/20	12/31/20	01/08/21	01/15/21	Close
CME Cheddar 40# Blocks	\$ 1.6733	\$ 1.6055	\$ 1.6285	\$ 1.6244	\$ 1.6350	\$ 1.7790	\$ 1.9120	\$ 1.8300
CME Cheddar Barrels	\$ 1.4075	\$ 1.4105	\$ 1.4225	\$ 1.5294	\$ 1.5031	\$ 1.5965	\$ 1.6060	\$ 1.5725
CME Grade "AA" Butter	\$ 1.3292	\$ 1.4375	\$ 1.5140	\$ 1.5113	\$ 1.4831	\$ 1.4095	\$ 1.2995	\$ 1.2900
USDA Western NFD (Mostly)	\$ 1.0850	\$ 1.1000	\$ 1.1150	\$ 1.1250	\$ 1.1250	\$ 1.1450	\$ 1.1600	
USDA Western Whey (Mostly)	\$ 0.4100	\$ 0.4300	\$ 0.4300	\$ 0.4550	\$ 0.4575	\$ 0.4600	\$ 0.4800	
USDA Central Whey (Mostly)	\$ 0.4050	\$ 0.4175	\$ 0.4200	\$ 0.4350	\$ 0.4350	\$ 0.4513	\$ 0.4850	
NDPSR Survey For Week Ending:	11/14/20	11/21/20	11/28/20	12/05/20	12/19/20	12/26/20	01/02/20	01/09/20
Cheddar 40# Blocks:	\$ 2.5555	\$ 2.2025	\$ 1.9448	\$ 1.7524	\$ 1.6959	\$ 1.6639	\$ 1.6639	\$ 1.6671
Cheddar Barrels (38% Moisture):	\$ 2.3034	\$ 1.9315	\$ 1.5633	\$ 1.4773	\$ 1.4566	\$ 1.4773	\$ 1.5107	\$ 1.5260
Butter	\$ 1.4915	\$ 1.4061	\$ 1.3878	\$ 1.4391	\$ 1.4794	\$ 1.4840	\$ 1.5281	\$ 1.4905
Nonfat Dry Milk	\$ 1.0805	\$ 1.0703	\$ 1.0770	\$ 1.1011	\$ 1.1048	\$ 1.1089	\$ 1.1091	\$ 1.1238
Whey	\$ 0.3971	\$ 0.3886	\$ 0.4126	\$ 0.4088	\$ 0.4267	\$ 0.4203	\$ 0.4385	\$ 0.4404
Class III Estimator	\$ 23.21	\$ 19.63	\$ 16.74	\$ 15.40	\$ 15.15	\$ 15.06	\$ 15.35	\$ 15.43
Class IV Estimator	\$ 13.44	\$ 12.99	\$ 12.97	\$ 13.40	\$ 13.60	\$ 13.65	\$ 13.84	\$ 13.81

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 12.95	\$ 11.42	\$ 16.56	\$ 19.78	\$ 18.44	\$ 15.25	\$ 18.04	\$ 19.87
FMMO Class II Price	\$ 12.30	\$ 12.99	\$ 13.79	\$ 13.27	\$ 13.16	\$ 13.63	\$ 13.86	\$ 14.01
FMMO Class III	\$ 12.14	\$ 21.04	\$ 24.54	\$ 19.77	\$ 16.43	\$ 21.61	\$ 23.34	\$ 15.72
FMMO Class IV	\$ 10.67	\$ 12.90	\$ 13.76	\$ 12.53	\$ 12.75	\$ 13.47	\$ 13.30	\$ 13.36
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 1.3756	\$ 1.8591	\$ 1.9583	\$ 1.6275	\$ 1.5932	\$ 1.6388	\$ 1.5553	\$ 1.5399
True Protein	\$ 2.0918	\$ 4.5349	\$ 5.6294	\$ 4.4394	\$ 3.3935	\$ 5.0146	\$ 5.6226	\$ 3.0282
Other Solids	\$ 0.1882	\$ 0.1696	\$ 0.1492	\$ 0.1387	\$ 0.1241	\$ 0.1534	\$ 0.1894	\$ 0.2245

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	JAN21	FEB21	MAR21	APR21	MAY21	JUN21	JUL21	AUG21
Cash Settled Butter (¢ / lb.):	144.000	147.000	160.000	170.000	173.000	175.975	179.000	180.000
Change from last week (¢ / lb.):	(5.000)	(7.000)	(6.000)	(2.000)	(3.725)	(1.025)	(0.500)	(1.000)
Cash Settled Cheese (\$ / lb.):	\$ 1.6720	\$ 1.9560	\$ 1.9280	\$ 1.8690	\$ 1.8120	\$ 1.7980	\$ 1.7920	\$ 1.7970
Change from last week:	\$ (0.047)	\$ (0.063)	\$ (0.019)	\$ (0.004)	\$ (0.025)	\$ (0.018)	\$ (0.013)	\$ (0.011)
Class III Milk Contract, 3.5% Fat	\$ 16.23	\$ 19.23	\$ 19.04	\$ 18.55	\$ 18.04	\$ 17.76	\$ 17.76	\$ 17.71
Change from last week:	\$ (0.47)	\$ (0.47)	\$ (0.03)	\$ 0.21	\$ 0.09	\$ 0.06	\$ 0.11	\$ 0.06
Open Interest	3582	3539	3325	2306	1859	1931	858	781
Change from last week:	(91)	401	506	377	118	100	89	70

DAIRY NEWS OF INTEREST

Market Update

Nonfat dry milk was the only positive commodity this week on the CME cash market with a gain of a cent on 43 trades. Block cheese, ending at \$1.83/lb., was down 8.75 cents and traded 13 times. The barrel cheese price declined by 8 cents after also trading 13 times. Butter fell to \$1.29/lb. after 23 trades, a loss of 9 cents.

Class III futures average \$18.14/cwt. for the next 6 months.

Domestic Dairy Consumption

According to the November report from USDA, total cheese consumption decreased slightly by 0.4% from the previous November, and is down 0.5% year-to-date. November butter consumption saw an increase of 0.1% to 217.2 million pounds. From the prior year nonfat dry milk and skim milk powder consumption increased 47.1%, but is down 26% year-to-date. Dry whey consumption totaled 43.9 million pounds, down 23.2% year-to-date.

World Agricultural Supply and Demand Estimate

USDA's January WASDE report increased the projected all milk price for 2020 by 5 cents to \$18.30/cwt. The milk production forecasts for 2020 and 2021 have been raised to 222.9 billion pounds and 226.7 billion pounds, respectively. The increase in production is due to an expected increase in milk per cow and slightly higher cow numbers. The fat-basis export forecast was unchanged, while the skim-solids export forecast decreased due to weaker low-fat milk powder shipments.

The WASDE report forecasted soybean production at 4.135 billion bushels, down 35 million bushels. Soybean ending stocks are projected at 140 million bushels, down 35 million from the previous forecast. The season average soybean price for 2020/21 is projected at \$11.15/bu., up 60 cents from December. Corn production is forecasted at 14.182 billion bushels, a decrease of 324 million bushels from the prior month due to lower yield and a reduction in harvested area. The season average corn price was raised to \$4.20/bu.