

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	07/06/18	07/13/18	07/20/18	07/27/18	08/03/18	08/10/18	08/17/18	Close
CME Cheddar 40# Blocks	\$ 1.5544	\$ 1.5505	\$ 1.5370	\$ 1.5180	\$ 1.5440	\$ 1.6110	\$ 1.6570	\$ 1.6550
CME Cheddar Barrels	\$ 1.3294	\$ 1.3570	\$ 1.3385	\$ 1.4355	\$ 1.4350	\$ 1.5345	\$ 1.6675	\$ 1.6700
CME Grade "AA" Butter	\$ 2.2006	\$ 2.2125	\$ 2.2490	\$ 2.2545	\$ 2.3070	\$ 2.3240	\$ 2.3480	\$ 2.3050
USDA Western NFD (Mostly)	\$ 0.7800	\$ 0.7600	\$ 0.7600	\$ 0.7875	\$ 0.8200	\$ 0.8425	\$ 0.8288	
USDA Western Whey (Mostly)	\$ 0.3250	\$ 0.3450	\$ 0.3625	\$ 0.3713	\$ 0.3825	\$ 0.3900	\$ 0.4063	
USDA Central Whey (Mostly)	\$ 0.3225	\$ 0.3375	\$ 0.3500	\$ 0.3575	\$ 0.3738	\$ 0.3788	\$ 0.3900	
NDPSR Survey For Week Ending:	06/23/18	06/30/18	07/07/18	07/14/18	07/21/18	07/28/18	08/04/18	08/11/18
Cheddar 40# Blocks:	\$ 1.6382	\$ 1.6223	\$ 1.5935	\$ 1.5725	\$ 1.5615	\$ 1.5765	\$ 1.5725	\$ 1.5682
Cheddar Barrels (38% Moisture):	\$ 1.5601	\$ 1.4471	\$ 1.3770	\$ 1.3701	\$ 1.3841	\$ 1.3884	\$ 1.4197	\$ 1.4521
Butter	\$ 2.3752	\$ 2.3385	\$ 2.2968	\$ 2.2372	\$ 2.2503	\$ 2.2592	\$ 2.2707	\$ 2.3161
Nonfat Dry Milk	\$ 0.8002	\$ 0.7964	\$ 0.7799	\$ 0.7826	\$ 0.7896	\$ 0.7817	\$ 0.7983	\$ 0.8054
Whey	\$ 0.3234	\$ 0.3232	\$ 0.3366	\$ 0.3357	\$ 0.3377	\$ 0.3389	\$ 0.3542	\$ 0.3622
Class III Estimator	\$ 15.15	\$ 14.51	\$ 14.09	\$ 13.93	\$ 13.96	\$ 14.06	\$ 14.29	\$ 14.49
Class IV Estimator	\$ 14.78	\$ 14.59	\$ 14.27	\$ 14.04	\$ 14.16	\$ 14.13	\$ 14.32	\$ 14.57

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	May-18	Jun-18	Jul-18
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 16.88	\$ 15.44	\$ 14.25	\$ 13.36	\$ 14.10	\$ 14.44	\$ 15.25	\$ 15.36
FMMO Class II Price	\$ 14.49	\$ 14.11	\$ 13.44	\$ 13.88	\$ 14.03	\$ 14.47	\$ 15.48	\$ 15.20
FMMO Class III	\$ 15.44	\$ 14.00	\$ 13.40	\$ 14.22	\$ 14.47	\$ 15.18	\$ 15.21	\$ 14.10
FMMO Class IV	\$ 13.51	\$ 13.13	\$ 12.87	\$ 13.04	\$ 13.48	\$ 14.57	\$ 14.91	\$ 14.14
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.4951	\$ 2.4531	\$ 2.3490	\$ 2.4273	\$ 2.5113	\$ 2.6239	\$ 2.6692	\$ 2.5287
True Protein	\$ 2.0378	\$ 1.6612	\$ 1.6265	\$ 1.8066	\$ 1.7810	\$ 1.8609	\$ 1.7478	\$ 1.4827
Other Solids	\$ 0.1070	\$ 0.0787	\$ 0.0552	\$ 0.0556	\$ 0.0619	\$ 0.0742	\$ 0.1128	\$ 0.1422
California Overbase Fat	\$ 2.4170	\$ 2.3760	\$ 2.3040	\$ 2.3910	\$ 2.4770	\$ 2.5590	\$ 2.5780	
California Overbase SNF	\$ 0.6020	\$ 0.5660	\$ 0.5680	\$ 0.5750	\$ 0.5740	\$ 0.6060	\$ 0.6000	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	AUG18	SEP18	OCT18	NOV18	DEC18	JAN19	FEB19	MAR19
Cash Settled Butter (¢ / lb.):	232.500	228.000	228.000	228.000	226.250	227.000	226.000	226.750
Change from last week (¢ / lb.):	0.500	(7.600)	(8.250)	(8.750)	(8.600)	(4.300)	(4.750)	(4.225)
Cash Settled Cheese (\$ / lb.):	\$ 1.5640	\$ 1.6370	\$ 1.6580	\$ 1.6560	\$ 1.6470	\$ 1.6340	\$ 1.6270	\$ 1.6300
Change from last week:	\$ (0.003)	\$ (0.025)	\$ (0.036)	\$ (0.035)	\$ (0.027)	\$ (0.018)	\$ (0.009)	\$ (0.007)
Class III Milk Contract, 3.5% Fat	\$ 15.01	\$ 15.81	\$ 16.02	\$ 16.02	\$ 15.92	\$ 15.76	\$ 15.69	\$ 15.68
Change from last week:	\$ (0.03)	\$ (0.32)	\$ (0.41)	\$ (0.37)	\$ (0.28)	\$ (0.18)	\$ (0.11)	\$ (0.10)
Open Interest	4650	4332	3691	3054	2603	1127	677	664
Change from last week:	(13)	(65)	166	207	146	60	38	(8)

DAIRY NEWS OF INTEREST

Market Update

Barrel cheese led the CME cash market this week with 40 trades occurring for a gain of 5 cents to finish at \$1.67/lb. Block cheese ended at \$1.655/lb., trading 6 times and dropping just a quarter of a cent below the previous close. Butter decreased 3.5 cents and was traded 22 times. Nonfat dry increased an impressive 3.5 cents to \$0.86/lb. during 14 trades.

Domestic Dairy Consumption

According to USDA's Economic Research Service, June domestic dairy consumption of dairy powders declined when compared to the prior year. Nonfat dry milk and skim milk powder decreased 38.7% when compared to the previous June and is 15.2% lower year-to-date. American cheese, other than American cheese, and total cheese consumption all showed gains of 1% from the prior June. Butter consumption jumped 3.8% from June 2017 to total 146 million pounds.

Estimated June Fluid Milk Sales

USDA's Fluid Milk Products Sales Report showed that whole milk sales decreased slightly from the prior June, but are still 2% higher year-to-date. Low-fat and fat-free milk decreased sharply, 7.5% and 10.5% from the prior year, respectively. Total fluid milk sales were down 4.1% from June 2017, totaling 3,592 million pounds, a 2.1% decrease year-to-date.

USDA Purchases Milk

USDA announced on Tuesday that it intends to purchase up to \$50 million dollars worth of fluid milk to be distributed through domestic food assistance programs.

Crop Forecast

According to USDA soybean production is forecasted at a record high of 4.9 billion bushels. U.S. corn growers are expected to harvest 14.6 billion bushels for corn this year, a 356 million bushel increase from July's projection. Yield per acre is forecasted at a record high of 178.4 bushels.