

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's Close
	10/05/18	10/12/18	10/19/18	10/26/18	11/02/18	11/09/18	11/16/18	
CME Cheddar 40# Blocks	\$ 1.6905	\$ 1.6510	\$ 1.5675	\$ 1.4925	\$ 1.4830	\$ 1.4220	\$ 1.4000	\$ 1.4525
CME Cheddar Barrels	\$ 1.3885	\$ 1.3660	\$ 1.2990	\$ 1.2345	\$ 1.3050	\$ 1.3180	\$ 1.3505	\$ 1.3600
CME Grade "AA" Butter	\$ 2.3090	\$ 2.2510	\$ 2.2710	\$ 2.2190	\$ 2.2660	\$ 2.2245	\$ 2.2430	\$ 2.2750
USDA Western NFDM (Mostly)	\$ 0.8750	\$ 0.8750	\$ 0.8750	\$ 0.8850	\$ 0.8950	\$ 0.8950	\$ 0.9000	
USDA Western Whey (Mostly)	\$ 0.4575	\$ 0.4575	\$ 0.4750	\$ 0.4750	\$ 0.4625	\$ 0.4563	\$ 0.4563	
USDA Central Whey (Mostly)	\$ 0.4350	\$ 0.4375	\$ 0.4550	\$ 0.4550	\$ 0.4550	\$ 0.4550	\$ 0.4550	
NDPSR Survey For Week Ending:	09/22/18	09/29/18	10/06/18	10/13/18	10/20/18	10/27/18	11/03/18	11/10/18
Cheddar 40# Blocks:	\$ 1.6901	\$ 1.6786	\$ 1.6656	\$ 1.6790	\$ 1.6928	\$ 1.6805	\$ 1.6160	\$ 1.5675
Cheddar Barrels (38% Moisture):	\$ 1.5948	\$ 1.5259	\$ 1.4604	\$ 1.4492	\$ 1.4349	\$ 1.3993	\$ 1.3408	\$ 1.3284
Butter	\$ 2.2494	\$ 2.2874	\$ 2.2757	\$ 2.2972	\$ 2.2668	\$ 2.3151	\$ 2.2629	\$ 2.2637
Nonfat Dry Milk	\$ 0.8592	\$ 0.8689	\$ 0.8696	\$ 0.8747	\$ 0.8767	\$ 0.8777	\$ 0.8817	\$ 0.8944
Whey	\$ 0.4080	\$ 0.4120	\$ 0.4420	\$ 0.4408	\$ 0.4533	\$ 0.4546	\$ 0.4681	\$ 0.4625
Class III Estimator	\$ 16.01	\$ 15.66	\$ 15.45	\$ 15.46	\$ 15.52	\$ 15.32	\$ 14.78	\$ 14.46
Class IV Estimator	\$ 14.75	\$ 15.00	\$ 14.95	\$ 15.09	\$ 14.98	\$ 15.19	\$ 15.00	\$ 15.12

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 14.25	\$ 13.36	\$ 14.10	\$ 14.44	\$ 15.25	\$ 15.36	\$ 14.85	\$ 16.33
FMMO Class II Price	\$ 13.44	\$ 13.88	\$ 14.03	\$ 14.47	\$ 15.48	\$ 15.20	\$ 15.13	\$ 15.54
FMMO Class III	\$ 13.40	\$ 14.22	\$ 14.47	\$ 15.18	\$ 15.21	\$ 14.10	\$ 16.09	\$ 15.53
FMMO Class IV	\$ 12.87	\$ 13.04	\$ 13.48	\$ 14.57	\$ 14.91	\$ 14.14	\$ 14.81	\$ 15.01
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.3490	\$ 2.4273	\$ 2.5113	\$ 2.6239	\$ 2.6692	\$ 2.5287	\$ 2.5442	\$ 2.5551
True Protein	\$ 1.6265	\$ 1.8066	\$ 1.7810	\$ 1.8609	\$ 1.7478	\$ 1.4827	\$ 2.0029	\$ 1.7185
Other Solids	\$ 0.0552	\$ 0.0556	\$ 0.0619	\$ 0.0742	\$ 0.1128	\$ 0.1422	\$ 0.2098	\$ 0.2553
California Overbase Fat	\$ 2.3040	\$ 2.3910	\$ 2.4770	\$ 2.5590	\$ 2.5780	\$ 2.4630	\$ 2.4630	
California Overbase SNF	\$ 0.5680	\$ 0.5750	\$ 0.5740	\$ 0.6060	\$ 0.6000	\$ 0.6030	\$ 0.7040	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	NOV18	DEC18	JAN19	FEB19	MAR19	APR19	MAY19	JUN19
Cash Settled Butter (¢ / lb.):	226.300	223.850	220.500	222.000	222.325	224.500	226.000	227.800
Change from last week (¢ / lb.):	1.550	3.600	2.500	2.750	1.175	1.700	1.775	1.325
Cash Settled Cheese (\$ / lb.):	\$ 1.4590	\$ 1.4910	\$ 1.5240	\$ 1.5530	\$ 1.5790	\$ 1.6100	\$ 1.6290	\$ 1.6460
Change from last week:	\$ 0.012	\$ 0.033	\$ 0.015	\$ 0.019	\$ 0.012	\$ 0.011	\$ 0.014	\$ 0.009
Class III Milk Contract, 3.5% Fat	\$ 14.58	\$ 14.84	\$ 15.04	\$ 15.14	\$ 15.31	\$ 15.55	\$ 15.67	\$ 15.83
Change from last week:	\$ 0.12	\$ 0.37	\$ 0.28	\$ 0.25	\$ 0.20	\$ 0.17	\$ 0.15	\$ 0.15
Open Interest	4887	5945	4911	2401	2154	1765	1770	1664
Change from last week:	(257)	268	236	75	6	44	59	77

DAIRY NEWS OF INTEREST

Market Update

Prices rebounded across the board this week on the CME cash market. Butter saw the largest increase of 8.25 cents to finish at \$2.275/lb. after 18 trades. Block cheese gained 7.25 cents, and was the most active with 28 trades taking place. Barrel cheese changed hands 11 times for an increase of 5.5 cents. Thirteen loads of nonfat dry milk sold during the week, and the price ended at \$0.885/lb., up 2.5 cents.

Estimated September Fluid Milk Sales

USDA's Fluid Milk Products Sales Report showed that whole milk sales decreased 2.9% from the prior September, but are still 1.2% higher year-to-date. Low-fat and fat-free milk decreased sharply, 8% and 13.4% from the prior year, respectively. Flavored whole milk sales, which makes up roughly 2% of overall sales, were up by 14.6% from the prior year. Total fluid milk sales were down 5.9% from September 2017, totaling 3,582 million pounds, a 2.6% decrease year-to-date.

Chinese Trade Update

China released trade data after a 7-month lapse in reporting. In September China's butterfat imports were 6% higher than last year's record setting September volume, a new all time high. Cheese imports during September reached 11.9 million pounds, a decrease of 6.4%. Year-to-date cheese imports are 4.3% lower than the previous year. Whole milk powder imports saw a large decrease of 21% from the prior year, totaling 39.8 million pounds.

September Domestic Dairy Consumption

According to USDA, U.S. dairy product consumption was mixed among the different product categories. Other-than-American cheese was up 2.5%, while American cheese decreased by 1.6%. Butter consumption was 9.8% lower than last September, but is still up 1% year-to-date. Nonfat dry milk and skim milk powder continue to come in lower than 2017, down 12.7% from last September and 17.1% behind year-to-date. Year-to-date total cheese consumption is currently 2.7% higher than 2017.