

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	09/03/21	09/10/21	09/17/21	09/24/21	10/01/21	10/08/21	10/15/21	Close
CME Cheddar 40# Blocks	\$ 1.7170	\$ 1.7625	\$ 1.7995	\$ 1.7230	\$ 1.7970	\$ 1.8075	\$ 1.7850	\$ 1.7800
CME Cheddar Barrels	\$ 1.3825	\$ 1.4669	\$ 1.4890	\$ 1.5960	\$ 1.6910	\$ 1.7855	\$ 1.7680	\$ 1.7900
CME Grade "AA" Butter	\$ 1.7675	\$ 1.7869	\$ 1.8075	\$ 1.7450	\$ 1.7535	\$ 1.6990	\$ 1.7790	\$ 1.7750
USDA Western NFD (Mostly)	\$ 1.2750	\$ 1.3200	\$ 1.3425	\$ 1.3350	\$ 1.3450	\$ 1.3600	\$ 1.4200	
USDA Western Whey (Mostly)	\$ 0.5525	\$ 0.5350	\$ 0.5400	\$ 0.5400	\$ 0.5575	\$ 0.5575	\$ 0.5662	
USDA Central Whey (Mostly)	\$ 0.4950	\$ 0.5000	\$ 0.5000	\$ 0.5100	\$ 0.5100	\$ 0.5475	\$ 0.5650	
NDPSR Survey For Week Ending:	08/21/21	08/28/21	09/04/21	09/11/21	09/18/21	09/25/21	10/01/21	10/08/21
Cheddar 40# Blocks:	\$ 1.6957	\$ 1.7469	\$ 1.7737	\$ 1.7650	\$ 1.7753	\$ 1.7891	\$ 1.7887	\$ 1.7973
Cheddar Barrels (38% Moisture):	\$ 1.4105	\$ 1.4658	\$ 1.5011	\$ 1.4707	\$ 1.4664	\$ 1.5096	\$ 1.5642	\$ 1.6507
Butter	\$ 1.7317	\$ 1.6906	\$ 1.7526	\$ 1.7604	\$ 1.7768	\$ 1.7842	\$ 1.7654	\$ 1.7579
Nonfat Dry Milk	\$ 1.2774	\$ 1.2619	\$ 1.2621	\$ 1.2720	\$ 1.2908	\$ 1.3043	\$ 1.3145	\$ 1.3427
Whey	\$ 0.5534	\$ 0.5515	\$ 0.5386	\$ 0.5374	\$ 0.5262	\$ 0.5356	\$ 0.5300	\$ 0.5362
Class III Estimator	\$ 15.78	\$ 16.26	\$ 16.51	\$ 16.32	\$ 16.29	\$ 16.62	\$ 16.85	\$ 17.34
Class IV Estimator	\$ 16.15	\$ 15.85	\$ 16.11	\$ 16.23	\$ 16.46	\$ 16.61	\$ 16.62	\$ 16.83

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 15.54	\$ 15.20	\$ 15.51	\$ 17.10	\$ 18.29	\$ 17.42	\$ 16.90	\$ 16.59
FMMO Class II Price	\$ 14.00	\$ 15.07	\$ 15.56	\$ 16.22	\$ 16.66	\$ 16.83	\$ 16.51	\$ 16.89
FMMO Class III	\$ 15.75	\$ 16.15	\$ 17.67	\$ 18.96	\$ 17.21	\$ 16.49	\$ 15.95	\$ 16.53
FMMO Class IV	\$ 13.19	\$ 14.18	\$ 15.42	\$ 16.16	\$ 16.35	\$ 16.00	\$ 15.92	\$ 16.36
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 1.4376	\$ 1.7176	\$ 1.9496	\$ 1.9851	\$ 1.9641	\$ 1.8996	\$ 1.8508	\$ 1.9388
True Protein	\$ 2.9816	\$ 2.6954	\$ 2.8136	\$ 3.1307	\$ 2.5934	\$ 2.4957	\$ 2.4582	\$ 2.6010
Other Solids	\$ 0.3161	\$ 0.3652	\$ 0.4268	\$ 0.4645	\$ 0.4579	\$ 0.4181	\$ 0.3735	\$ 0.3445

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	OCT21	NOV21	DEC21	JAN22	FEB22	MAR22	APR22	MAY22
Cash Settled Butter (¢ / lb.):	176.250	181.000	180.025	179.000	179.500	183.500	184.500	185.975
Change from last week (¢ / lb.):	1.250	4.850	2.175	5.950	4.850	3.350	1.750	2.475
Cash Settled Cheese (\$ / lb.):	\$ 1.7800	\$ 1.8960	\$ 1.8390	\$ 1.7740	\$ 1.7680	\$ 1.7770	\$ 1.7770	\$ 1.7880
Change from last week:	\$ (0.007)	\$ 0.043	\$ 0.037	\$ 0.006	\$ (0.006)	\$ (0.003)	\$ (0.005)	\$ (0.005)
Class III Milk Contract, 3.5% Fat	\$ 17.94	\$ 19.28	\$ 18.76	\$ 18.16	\$ 18.05	\$ 18.10	\$ 18.09	\$ 18.08
Change from last week:	\$ (0.09)	\$ 0.51	\$ 0.45	\$ 0.25	\$ 0.12	\$ 0.16	\$ 0.11	\$ 0.03
Open Interest	4228	4698	3438	2085	1737	1648	948	936
Change from last week:	54	(234)	189	239	233	265	114	146

DAIRY NEWS OF INTEREST

Market Update

Nonfat dry milk was the big gainer this week at the CME. Today's closing price of \$1.5325/lb. is 7.25 cents higher than last week. 13 carloads sold. Butter was the most actively traded commodity with 30 sales. The price improved 5.5 cents during the week to \$1.7750. Block cheese lost 3 cents to \$1.78 on 9 trades. The barrel price was unchanged at \$1.79, 1 cent higher than blocks, with 8 loads sold. Class III futures average \$18.38 for the next six months, and Class IV contracts average \$18.07.

World Agricultural Supply and Demand Estimates - Grain

The WASDE report projected this year's corn crop to be slightly over 15 billion bushels, an increase of 23 million bushels from last month. The projected average farm price was left unchanged at \$5.45/bu. The expected soybean harvest was increased by 74 million bushels to 4.45 billion bushels. Accordingly the average farm price slipped by 55 cents/bu. to \$12.35. The average price for soybean meal was lowered by \$35/ton to \$325.

World Agricultural Supply and Demand Estimates - Dairy

USDA's monthly WASDE report lowered projected milk production for both 2021 and 2022 due to fewer cows and slower rates of production gains. 2021's production was pegged to be 227 billion pounds, 800 million less than September's report. If realized, 2021 production will have increased just 1.7% over 2020. Next year's production is estimated to be 229.7 billion pounds, 900 million pounds less than a month ago. That would put 2022 production only 1.1% more than 2021.

On the price side, tighter supplies led to higher projected prices. Based on an increase of four cents for cheese, this year's Class III price was raised to \$17.05/cwt., 40 cents more than in September. Class IV is expected to be \$15.70, 15 cents higher than last month. The All Milk price was increased by 40 cents to \$18.45.

The impact on 2022 prices was more pronounced. Class III moved up 65 cents to \$17.10. Class IV leapt \$1.10 to \$17.15, making it a nickel higher than Class III, on projections of butter at \$1.755/lb. and nonfat dry milk being \$1.38/lb. The 2022 All Milk price was pegged at \$19.20, a gain of 80 cents.