

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	05/12/17	05/19/17	05/26/17	06/02/17	06/09/17	06/16/17	06/23/17	Close
CME Cheddar 40# Blocks	\$ 1.6130	\$ 1.6595	\$ 1.6825	\$ 1.7281	\$ 1.6480	\$ 1.6270	\$ 1.5680	\$ 1.5400
CME Cheddar Barrels	\$ 1.4920	\$ 1.5020	\$ 1.4830	\$ 1.5269	\$ 1.4275	\$ 1.4030	\$ 1.3510	\$ 1.3700
CME Grade "AA" Butter	\$ 2.1730	\$ 2.3740	\$ 2.3690	\$ 2.4163	\$ 2.4885	\$ 2.6110	\$ 2.5900	\$ 2.5900
USDA Western NFD (Mostly)	\$ 0.8650	\$ 0.8900	\$ 0.9200	\$ 0.9450	\$ 0.9525	\$ 0.9325	\$ 0.9200	
USDA Western Whey (Mostly)	\$ 0.4650	\$ 0.4600	\$ 0.4600	\$ 0.4500	\$ 0.4450	\$ 0.4400	\$ 0.4400	
USDA Central Whey (Mostly)	\$ 0.4975	\$ 0.4900	\$ 0.4850	\$ 0.4738	\$ 0.4550	\$ 0.4500	\$ 0.4425	
NDPSR Survey For Week Ending:	04/29/17	05/06/17	05/13/17	05/20/17	05/27/17	06/03/17	06/10/17	06/17/17
Cheddar 40# Blocks:	\$ 1.5028	\$ 1.5253	\$ 1.5378	\$ 1.5752	\$ 1.6127	\$ 1.6758	\$ 1.7152	\$ 1.7057
Cheddar Barrels (38% Moisture):	\$ 1.4740	\$ 1.4573	\$ 1.4675	\$ 1.4876	\$ 1.5278	\$ 1.5371	\$ 1.5547	\$ 1.5234
Butter	\$ 2.1088	\$ 2.1052	\$ 2.1185	\$ 2.1920	\$ 2.3087	\$ 2.3215	\$ 2.3886	\$ 2.4537
Nonfat Dry Milk	\$ 0.8464	\$ 0.8634	\$ 0.8605	\$ 0.8725	\$ 0.8873	\$ 0.8961	\$ 0.9216	\$ 0.9199
Whey	\$ 0.5106	\$ 0.5171	\$ 0.5060	\$ 0.5173	\$ 0.4904	\$ 0.5006	\$ 0.4997	\$ 0.4926
Class III Estimator	\$ 15.06	\$ 15.13	\$ 15.18	\$ 15.55	\$ 15.82	\$ 16.23	\$ 16.53	\$ 16.32
Class IV Estimator	\$ 14.05	\$ 14.18	\$ 14.21	\$ 14.62	\$ 15.24	\$ 15.37	\$ 15.88	\$ 16.14

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 16.60	\$ 14.78	\$ 16.88	\$ 17.45	\$ 16.93	\$ 16.90	\$ 16.05	\$15.20
FMMO Class II Price	\$ 14.09	\$ 14.60	\$ 15.26	\$ 16.36	\$ 16.52	\$ 16.21	\$ 14.81	\$14.84
FMMO Class III	\$ 14.82	\$ 16.76	\$ 17.40	\$ 16.77	\$ 16.88	\$ 15.81	\$ 15.22	\$15.57
FMMO Class IV	\$ 13.66	\$ 13.76	\$ 14.97	\$ 16.19	\$ 15.59	\$ 14.32	\$ 14.01	\$14.49
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.0493	\$ 2.1044	\$ 2.3354	\$ 2.5253	\$ 2.4274	\$ 2.4176	\$ 2.3548	\$ 2.4134
True Protein	\$ 2.2975	\$ 2.8085	\$ 2.6922	\$ 2.1768	\$ 2.2348	\$ 1.8198	\$ 1.6955	\$ 1.7723
Other Solids	\$ 0.1351	\$ 0.1750	\$ 0.2063	\$ 0.2503	\$ 0.2990	\$ 0.3345	\$ 0.3350	\$ 0.3196
California Overbase Fat	\$ 2.0100	\$ 2.1200	\$ 2.2800	\$ 2.4000	\$ 2.3600	\$ 2.3500	\$ 2.2900	
California Overbase SNF	\$ 0.8000	\$ 0.9300	\$ 0.9000	\$ 0.8300	\$ 0.8310	\$ 0.6800	\$ 0.6900	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	JUN17	JUL17	AUG17	SEP17	OCT17	NOV17	DEC17	JAN18
Cash Settled Butter (¢ / lb.):	242.675	263.425	265.000	265.000	264.425	261.825	248.250	233.000
Change from last week (¢ / lb.):	(0.625)	(3.275)	(2.250)	(4.000)	(1.650)	1.375	(1.000)	-
Cash Settled Cheese (\$ / lb.):	\$ 1.6190	\$ 1.5930	\$ 1.7040	\$ 1.7300	\$ 1.7550	\$ 1.7450	\$ 1.7400	\$ 1.7250
Change from last week:	\$ 0.002	\$ (0.037)	\$ (0.006)	\$ (0.021)	\$ (0.016)	\$ (0.021)	\$ (0.007)	\$ -
Class III Milk Contract, 3.5% Fat	\$ 16.35	\$ 16.05	\$ 16.97	\$ 17.16	\$ 17.20	\$ 17.12	\$ 16.96	\$ 16.68
Change from last week:	\$ 0.02	\$ (0.36)	\$ (0.06)	\$ (0.14)	\$ (0.19)	\$ (0.15)	\$ (0.03)	\$ 0.03
Open Interest	5249	4743	4119	4046	2961	2600	2510	798
Change from last week:	75	368	222	375	81	49	47	42

DAIRY NEWS OF INTEREST

Global Dairy Trade Auction

This week's GDT event resulted in a -0.8% decrease in overall index. Cheddar saw a 3.8% loss, finishing at \$1.8693/lb. Whole milk powder also went down 3.3% to \$1.3708/lb. Butter increased 2.9% resulting in a price of \$2.6163/lb. and skim milk powder gained 1.4% to \$1.0061/lb.

May Cold Storage

USDA reported that inventories of total cheese reached 1.34 billion pounds, this is the largest volume since USDA started recording inventories in 1917. Total cheese was up 7% from May 2016 and up 1% from the prior month. Butter inventories totaled 314 million pounds. this is down 11 million pounds (4%) compared to the prior year, but is 21 million pounds higher than the prior month. American cheese cold storage was reported at 847 million pounds, up 90 million pounds (12%) from May 2016.

Livestock Slaughter

According to USDA 237,200 dairy cows were culled in May. This is an increase of 9,100 cows from April 2017 and an increase of 22,600 from May of 2016.

Market Update

This week on the CME cash market, barrel cheese was very active with 63 trades occurring, finishing at \$1.37/lb. for an 11 cent decrease. Block cheese also went down 7.5 cents after 13 trades. Butter was the only positive commodity, increasing 3 cents on 17 trades. Nonfat dry milk lost 6.25 cents during 10 trades.

July Class I Mover

The July Class I base price was announced to be \$16.59/cwt. This is an increase of \$1.28 from June and a \$2.89 increase from the prior year.

May Milk Production

USDA reported that May milk production reached 18.9 billion pounds. This is an increase of 1.8%, or 327 million pounds compared to the prior year. The U.S. dairy herd size increased for the eighth-consecutive month to 9.39 million head, a growth of 71,000 head from May 2016. Milk per cow also went up, reaching 2,016 pounds, 19 pounds higher than the last year. By state, Texas experienced an increase of 14.7% and Colorado went up 7.3% in May milk production from 2016.