

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's Close
	03/02/18	03/09/18	03/16/18	03/23/18	03/29/18	04/06/18	04/13/18	
CME Cheddar 40# Blocks	\$ 1.5288	\$ 1.5350	\$ 1.5670	\$ 1.5600	\$ 1.5375	\$ 1.5585	\$ 1.6215	\$ 1.6054
CME Cheddar Barrels	\$ 1.4794	\$ 1.4715	\$ 1.5260	\$ 1.5225	\$ 1.4788	\$ 1.4475	\$ 1.4705	\$ 1.4600
CME Grade "AA" Butter	\$ 2.1656	\$ 2.1930	\$ 2.2130	\$ 2.1860	\$ 2.1900	\$ 2.2740	\$ 2.3095	\$ 2.2875
USDA Western NFD (Mostly)	\$ 0.7250	\$ 0.7200	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7100	\$ 0.7150	
USDA Western Whey (Mostly)	\$ 0.2400	\$ 0.2500	\$ 0.2538	\$ 0.2538	\$ 0.2612	\$ 0.2613	\$ 0.2638	
USDA Central Whey (Mostly)	\$ 0.2350	\$ 0.2350	\$ 0.2400	\$ 0.2400	\$ 0.2400	\$ 0.2400	\$ 0.2375	
NDPSR Survey For Week Ending:	02/17/18	02/24/18	03/03/18	03/10/18	03/17/18	03/24/18	03/31/18	04/07/18
Cheddar 40# Blocks:	\$ 1.5266	\$ 1.5308	\$ 1.5513	\$ 1.5565	\$ 1.5690	\$ 1.5876	\$ 1.5953	\$ 1.5900
Cheddar Barrels (38% Moisture):	\$ 1.3871	\$ 1.4076	\$ 1.4570	\$ 1.4913	\$ 1.5151	\$ 1.5348	\$ 1.5472	\$ 1.5407
Butter	\$ 2.0828	\$ 2.1069	\$ 2.1368	\$ 2.1791	\$ 2.1700	\$ 2.2046	\$ 2.2134	\$ 2.1868
Nonfat Dry Milk	\$ 0.7118	\$ 0.7132	\$ 0.7017	\$ 0.7076	\$ 0.6895	\$ 0.6949	\$ 0.6932	\$ 0.6962
Whey	\$ 0.2498	\$ 0.2557	\$ 0.2594	\$ 0.2542	\$ 0.2404	\$ 0.2616	\$ 0.2572	\$ 0.2548
Class III Estimator	\$ 13.22	\$ 13.38	\$ 13.75	\$ 13.93	\$ 14.02	\$ 14.35	\$ 14.42	\$ 14.34
Class IV Estimator	\$ 12.78	\$ 12.89	\$ 12.92	\$ 13.15	\$ 12.96	\$ 13.15	\$ 13.17	\$ 13.09

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Aug-17	Sep-17	Oct-17	Nov-17	DEC-17	JAN-18	FEB-18	MAR-18
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 16.72	\$ 16.71	\$ 16.44	\$ 16.41	\$ 16.88	\$ 15.44	\$ 14.25	\$13.36
FMMO Class II Price	\$ 17.56	\$ 16.80	\$ 15.95	\$ 15.32	\$ 14.49	\$ 14.11	\$ 13.44	\$13.88
FMMO Class III	\$ 16.57	\$ 16.36	\$ 16.69	\$ 16.88	\$ 15.44	\$ 14.00	\$ 13.40	\$14.22
FMMO Class IV	\$ 16.61	\$ 15.86	\$ 14.85	\$ 13.99	\$ 13.51	\$ 13.13	\$12.87	\$13.04
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 3.0109	\$ 2.8559	\$ 2.6646	\$ 2.5546	\$ 2.4951	\$ 2.4531	\$ 2.3490	\$ 2.4273
True Protein	\$ 1.5536	\$ 1.6988	\$ 2.1084	\$ 2.3412	\$ 2.0378	\$ 1.6612	\$ 1.6265	\$ 1.8066
Other Solids	\$ 0.2425	\$ 0.2241	\$ 0.1853	\$ 0.1644	\$ 0.1070	\$ 0.0787	\$ 0.0552	\$ 0.0556
California Overbase Fat	\$ 2.9300	\$ 2.7540	\$ 2.6190	\$ 2.5000	\$ 2.4170	\$ 2.3760	\$ 2.3040	
California Overbase SNF	\$ 0.6850	\$ 0.6450	\$ 0.7280	\$ 0.7210	\$ 0.6020	\$ 0.5660	\$ 0.5680	

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	APR18	MAY18	JUN18	JUL18	AUG18	SEP18	OCT18	NOV18
Cash Settled Butter (¢ / lb.):	226.000	232.800	235.375	238.350	239.000	239.575	242.000	242.800
Change from last week (¢ / lb.):	(2.000)	0.350	1.200	1.850	0.400	(1.325)	(0.250)	0.975
Cash Settled Cheese (\$ / lb.):	\$ 1.5640	\$ 1.5790	\$ 1.6180	\$ 1.6730	\$ 1.6980	\$ 1.7150	\$ 1.7130	\$ 1.7000
Change from last week:	\$ 0.001	\$ (0.002)	\$ 0.006	\$ 0.009	\$ 0.005	\$ -	\$ (0.004)	\$ (0.008)
Class III Milk Contract, 3.5% Fat	\$ 14.41	\$ 14.70	\$ 15.10	\$ 15.70	\$ 15.96	\$ 16.21	\$ 16.19	\$ 16.10
Change from last week:	\$ -	\$ -	\$ 0.05	\$ 0.13	\$ 0.12	\$ 0.12	\$ 0.10	\$ 0.10
Open Interest	3496	3839	3118	2070	1748	1942	1759	1629
Change from last week:	(55)	272	138	82	15	32	93	57

DAIRY NEWS OF INTEREST

Market Update

On the CME cash market this week, butter was the most active with 46 trades, and remained at \$2.2875/lb. Both block (0.25 cent) and barrel cheese (1.0 cent) increased this week on volumes of 2 and 29 trades, respectively. Nonfat dry milk gained half of a cent after 6 trades.

In the futures markets, Class III contracts for the next six months average \$15.35/cwt., and Class IV futures average \$14.51 for the same time period.

Domestic Dairy Consumption

According to USDA's Economic Research Service, February domestic dairy product consumption increased across the board when compared to the prior year. American and other-than-American cheese showed 5.6% and 3% consumption increases from 2017. 9.06 billion pounds of total cheese was consumed during February, up 3.9% year-to-date. Butter and dry whey consumption improved 5 million pounds (4.3%), and 9 million pounds (16.3%), from the prior February, respectively.

World Agricultural Supply and Demand Estimate

USDA's April WASDE report projected the all milk price for 2018 to be \$15.60 to 16.10/cwt., a decrease from April's projection of \$15.75 to \$16.35/cwt. An expected increase in dairy powder sales has raised the export forecast for skim-solids. The 2018 fat basis import forecast has been reduced slightly. The 2018 milk production forecast remained at last month's projection of 219 billion pounds.

February Export Update

USDA Foreign Agriculture Service reported record breaking February dairy exports, up an impressive 70 million pounds year-over-year, totaling 438 million pounds. Nonfat dry milk and skim milk powder, the largest export category, showed an increase of 31 million pounds (27.4%). Whole milk powder exports are down slightly year-to-date, but February exports showed a strong uptake of 107% from the previous year. Cheese exports were up 6.8% from the prior February and 12.4% YTD. Butter exports totaled 4.1 million pounds, an increase of 52.1% from 2017.