

CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's Close
	12/07/18	12/14/18	12/21/18	12/28/18	01/04/19	01/11/19	01/18/19	
CME Cheddar 40# Blocks	\$ 1.3540	\$ 1.3620	\$ 1.4060	\$ 1.3719	\$ 1.4206	\$ 1.3900	\$ 1.4090	\$ 1.4000
CME Cheddar Barrels	\$ 1.2615	\$ 1.2685	\$ 1.3130	\$ 1.2881	\$ 1.2994	\$ 1.2615	\$ 1.2050	\$ 1.2000
CME Grade "AA" Butter	\$ 2.2320	\$ 2.1895	\$ 2.1940	\$ 2.2119	\$ 2.2338	\$ 2.2375	\$ 2.2515	\$ 2.2400
USDA Western NFDM (Mostly)	\$ 0.9075	\$ 0.9100	\$ 0.9250	\$ 0.9250	\$ 0.9250	\$ 0.9700	\$ 0.9938	
USDA Western Whey (Mostly)	\$ 0.4450	\$ 0.4450	\$ 0.4450	\$ 0.4450	\$ 0.4563	\$ 0.4625	\$ 0.4750	
USDA Central Whey (Mostly)	\$ 0.4550	\$ 0.4550	\$ 0.4550	\$ 0.4550	\$ 0.4550	\$ 0.4700	\$ 0.4700	
NDPSR Survey For Week Ending:	11/24/18	12/01/18	12/08/18	12/15/18	12/22/18	12/29/18	01/05/19	01/12/19
Cheddar 40# Blocks:	\$ 1.4803	\$ 1.4454	\$ 1.4204	\$ 1.3979	\$ 1.3947	\$ 1.3979	\$ 1.4216	\$ 1.4268
Cheddar Barrels (38% Moisture):	\$ 1.3619	\$ 1.3443	\$ 1.3241	\$ 1.3122	\$ 1.3080	\$ 1.3228	\$ 1.3266	\$ 1.3279
Butter	\$ 2.2622	\$ 2.2903	\$ 2.2576	\$ 2.2574	\$ 2.2567	\$ 2.2171	\$ 2.2185	\$ 2.2496
Nonfat Dry Milk	\$ 0.8855	\$ 0.8837	\$ 0.8950	\$ 0.9058	\$ 0.9053	\$ 0.9017	\$ 0.9175	\$ 0.9481
Whey	\$ 0.4568	\$ 0.4595	\$ 0.4647	\$ 0.4672	\$ 0.4727	\$ 0.4702	\$ 0.4823	\$ 0.4769
Class III Estimator	\$ 14.2	\$ 13.9	\$ 13.7	\$ 13.59	\$ 13.58	\$ 13.64	\$ 13.84	\$ 13.86
Class IV Estimator	\$ 15.0	\$ 15.1	\$ 15.1	\$ 15.19	\$ 15.18	\$ 14.98	\$ 15.12	\$ 15.52

MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
FMMO Prices, 3.5% Fat, 2.99% True Protein								
FMMO Class I Base Price	\$ 14.10	\$ 14.44	\$ 15.25	\$ 15.36	\$ 14.85	\$ 16.33	\$ 15.52	\$15.05
FMMO Class II Price	\$ 14.03	\$ 14.47	\$ 15.48	\$ 15.20	\$ 15.13	\$ 15.54	\$ 15.63	\$15.67
FMMO Class III	\$ 14.47	\$ 15.18	\$ 15.21	\$ 14.10	\$ 16.09	\$ 15.53	\$ 14.44	\$13.78
FMMO Class IV	\$ 13.48	\$ 14.57	\$ 14.91	\$ 14.14	\$ 14.81	\$ 15.01	\$ 15.06	\$15.09
FMMO Producer Component Prices Per Pound								
Milkfat	\$ 2.5113	\$ 2.6239	\$ 2.6692	\$ 2.5287	\$ 2.5442	\$ 2.5551	\$ 2.5385	\$ 2.5080
True Protein	\$ 1.7810	\$ 1.8609	\$ 1.7478	\$ 1.4827	\$ 2.0029	\$ 1.7185	\$ 1.3419	\$ 1.1417
Other Solids	\$ 0.0619	\$ 0.0742	\$ 0.1128	\$ 0.1422	\$ 0.2098	\$ 0.2553	\$ 0.2714	\$ 0.2775
California Overbase Fat	\$ 2.4770	\$ 2.5590	\$ 2.5780	\$ 2.4630	\$ 2.4630	\$ 2.4780		
California Overbase SNF	\$ 0.5740	\$ 0.6060	\$ 0.6000	\$ 0.6030	\$ 0.7040	\$ 0.7290		

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	JAN19	FEB19	MAR19	APR19	MAY19	JUN19	JUL19	AUG19
Cash Settled Butter (¢ / lb.):	223.525	225.000	224.975	227.000	227.650	228.500	229.825	231.125
Change from last week (¢ / lb.):	(0.725)	0.250	(0.050)	(0.075)	-	(0.025)	(1.175)	(0.775)
Cash Settled Cheese (\$ / lb.):	\$ 1.3870	\$ 1.4140	\$ 1.4690	\$ 1.5180	\$ 1.5730	\$ 1.6150	\$ 1.6560	\$ 1.6820
Change from last week:	\$ (0.004)	\$ (0.028)	\$ (0.037)	\$ (0.043)	\$ (0.033)	\$ (0.023)	\$ (0.010)	\$ (0.006)
Class III Milk Contract, 3.5% Fat	\$ 13.99	\$ 14.22	\$ 14.64	\$ 15.05	\$ 15.53	\$ 15.85	\$ 16.22	\$ 16.41
Change from last week:	\$ (0.08)	\$ (0.27)	\$ (0.42)	\$ (0.46)	\$ (0.37)	\$ (0.27)	\$ (0.22)	\$ (0.18)
Open Interest	4326	4539	4143	2450	2134	1955	1500	1254
Change from last week:	(59)	136	216	264	157	(81)	50	38

DAIRY NEWS OF INTEREST

Market Update

On the CME cash market this week barrel cheese decreased by 4.5 cents and was traded 14 times. Block cheese ended at \$1.40/lb., a loss of 1 cent. The block-barrel spread has widened to 20 cents. Butter dropped 1.75 cents and changed hands 8 times. Nonfat dry milk was unchanged after 15 trades at \$1.03/lb.

European Union Production Shrinks

The European Commission released data showing that the European Union's 28 member countries produced roughly 27.4 billion pounds of milk in October. This is a drop of 477 million pounds (1.7%) from October 2017, and the second-consecutive month of year-over-year declines.

February Class I Mover

The February Class I base price was announced to be \$15.30/cwt. This is an increase of \$0.18 from January, and \$1.05 greater than the previous year.

Global Dairy Trade

This week's GDT weighted index of all commodities increased 4.2%. Butter increased 4.6% to \$1.9332/lb. Cheddar gained 4.2% resulting in a price of \$1.5894/lb., and whole milk powder increased 3.0% to \$1.2596/lb. Skim milk powder jumped 10.3% to \$1.0909/lb. The skim milk powder price reached the highest point since February 21, 2017. The price was equivalent to a U.S. nonfat dry milk price of approximately \$1.16 per pound.

2018 CME Market Recap

Cash butter prices finished 2018 at \$2.2175 per pound, up just 1 cent from the start of 2018. Butter reached its high of \$2.45 per pound in late May. Block and barrel cheese prices settled 13.25 and 9.5 cents per pound lower than their respective prices at the beginning of 2018. Block cheese prices saw a 2018 high of \$1.7475 per pound in October, while the barrel price reached a 2018 high of \$1.675 per pound in August. Nonfat dry milk started 2018 at \$0.6675 per pound and inclined 27 cents to finish at \$0.9375 per pound.