

## CASH DAIRY PRODUCT MARKETS

For Week Ending:	Weekly Average for Week Ending:							Friday's
	07/12/19	07/19/19	07/26/19	08/02/19	08/09/19	08/16/19	08/23/19	Close
CME Cheddar 40# Blocks	\$ 1.8250	\$ 1.7745	\$ 1.8220	\$ 1.8210	\$ 1.8660	\$ 1.8800	\$ 1.8965	\$ 1.8800
CME Cheddar Barrels	\$ 1.7610	\$ 1.7005	\$ 1.7175	\$ 1.7050	\$ 1.7080	\$ 1.7440	\$ 1.6940	\$ 1.6650
CME Grade "AA" Butter	\$ 2.4050	\$ 2.4175	\$ 2.3650	\$ 2.3375	\$ 2.3315	\$ 2.3375	\$ 2.2940	\$ 2.2275
USDA Western NFD (Mostly)	\$ 1.0400	\$ 1.0350	\$ 1.0300	\$ 1.0300	\$ 1.0300	\$ 1.0300	\$ 1.0300	
USDA Western Whey (Mostly)	\$ 0.3500	\$ 0.3375	\$ 0.3363	\$ 0.3400	\$ 0.3400	\$ 0.3400	\$ 0.3400	
USDA Central Whey (Mostly)	\$ 0.3525	\$ 0.3513	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	\$ 0.3500	
<b>NDPSR Survey For Week Ending:</b>	<b>06/29/19</b>	<b>07/06/19</b>	<b>07/13/19</b>	<b>07/20/19</b>	<b>07/27/19</b>	<b>08/03/19</b>	<b>08/10/19</b>	<b>08/17/19</b>
Cheddar 40# Blocks:	\$ 1.7935	\$ 1.8212	\$ 1.8457	\$ 1.8639	\$ 1.8599	\$ 1.8386	\$ 1.8371	\$ 1.8583
Cheddar Barrels (38% Moisture):	\$ 1.6408	\$ 1.7075	\$ 1.7703	\$ 1.7918	\$ 1.7715	\$ 1.7602	\$ 1.7523	\$ 1.7522
Butter	\$ 2.3729	\$ 2.3729	\$ 2.3938	\$ 2.4139	\$ 2.3821	\$ 2.3714	\$ 2.3647	\$ 2.3639
Nonfat Dry Milk	\$ 1.0438	\$ 1.0493	\$ 1.0511	\$ 1.0370	\$ 1.0286	\$ 1.0240	\$ 1.0406	\$ 1.0380
Whey	\$ 0.3662	\$ 0.3541	\$ 0.3679	\$ 0.3579	\$ 0.3686	\$ 0.3674	\$ 0.3671	\$ 0.3676
Class III Estimator	\$ 16.53	\$ 16.92	\$ 17.43	\$ 17.57	\$ 17.50	\$ 17.33	\$ 17.28	\$ 17.39
Class IV Estimator	\$ 16.86	\$ 16.91	\$ 17.01	\$ 16.98	\$ 16.77	\$ 16.69	\$ 16.80	\$ 16.77

## MONTHLY MILK AND MILK COMPONENT PRICES

For Month:	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
<b>FMMO Prices, 3.5% Fat, 2.99% True Protein</b>								
FMMO Class I Base Price	\$ 15.05	\$ 15.12	\$ 15.30	\$ 15.98	\$ 15.76	\$ 16.42	\$ 17.07	\$17.18
FMMO Class II Price	\$ 15.67	\$ 15.74	\$ 16.13	\$ 16.61	\$ 16.38	\$ 16.48	\$ 17.30	\$17.61
FMMO Class III	\$ 13.78	\$ 13.96	\$ 13.89	\$ 15.04	\$ 15.96	\$ 16.38	\$ 16.27	\$17.55
FMMO Class IV	\$ 15.09	\$ 15.48	\$ 15.86	\$ 15.71	\$ 15.72	\$ 16.29	\$ 16.83	\$16.90
<b>FMMO Producer Component Prices Per Pound</b>								
Milkfat	\$ 2.5080	\$ 2.4981	\$ 2.5345	\$ 2.5461	\$ 2.5375	\$ 2.5718	\$ 2.6579	\$ 2.6858
True Protein	\$ 1.1417	\$ 1.1927	\$ 1.1776	\$ 1.6303	\$ 1.9890	\$ 2.1159	\$ 2.0046	\$ 2.4032
Other Solids	\$ 0.2775	\$ 0.2898	\$ 0.2631	\$ 0.2200	\$ 0.1990	\$ 0.1847	\$ 0.1702	\$ 0.1689

## CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	AUG19	SEP19	OCT19	NOV19	DEC19	JAN20	FEB20	MAR20
Cash Settled Butter (¢ / lb.):	235.750	226.850	228.000	226.000	224.700	224.200	223.300	225.100
Change from last week (¢ / lb.):	0.200	(9.675)	(9.575)	(9.325)	(8.050)	(4.025)	(4.025)	(3.150)
Cash Settled Cheese (\$ / lb.):	\$ 1.8270	\$ 1.7880	\$ 1.8160	\$ 1.7950	\$ 1.7570	\$ 1.7100	\$ 1.6960	\$ 1.7090
Change from last week:	\$ (0.004)	\$ (0.067)	\$ (0.040)	\$ (0.029)	\$ (0.022)	\$ (0.024)	\$ (0.023)	\$ (0.015)
Class III Milk Contract, 3.5% Fat	\$ 17.59	\$ 17.22	\$ 17.40	\$ 17.21	\$ 16.83	\$ 16.43	\$ 16.28	\$ 16.31
Change from last week:	\$ (0.03)	\$ (0.63)	\$ (0.43)	\$ (0.27)	\$ (0.23)	\$ (0.19)	\$ (0.18)	\$ (0.19)
Open Interest	2801	3552	2991	2422	2219	1048	851	859
Change from last week:	(131)	65	220	135	154	106	52	44

## DAIRY NEWS OF INTEREST

### Market Update

The CME cash market for barrel cheese and butter was both active and down sharply this week. Barrels dropped 10 cents on 32 trades, and butter fell 11.25 cents on 35 trades. Block cheese was unchanged with 11 loads traded, and nonfat dry milk gained 0.75 cents on 29 sales, 21 of which occurred today.

### September Class I Mover

The September Class I base price was announced at \$17.85/cwt., a drawback of 4 cents from August, but \$3.00 higher than Sept. 2018.

### U.S. Milk Production

USDA reported July milk production totaled 18.3 billion pounds, only a 1 million pound increase from the prior year, continuing the 2019 leveling off of milk output. Monthly year-over-year production growth has now been under 1% for the past 10 consecutive months, and has declined in 3 of the last 4 months. The dairy herd was reported at 9.31 million head, a drop of 82,000 head (0.9%) from the prior year. Production per cow in the 24 major states averaged 1,993 pounds, a 16 pound increase from July 2018.

### Global Dairy Trade Auction

This week's GDT event resulted in a 0.2% decrease in overall index. Cheddar saw a 0.8% gain, finishing at \$1.7495/lb. Whole milk powder increased 2.1% to \$1.4062/lb. Butter dropped 3.4% to \$1.8257/lb., and skim milk powder declined 3.0% to \$1.1240/lb.

### Cold Storage

According to USDA's July Cold Storage report total cheese stocks dropped 1% from the previous month and 3% from the previous year to 1.364 billion pounds. Much of the decline came from American cheese stocks which decreased by 6% from the prior year. Butter stocks, however, totaled 330 million pounds, an increase of 1% from June and 4% from a year ago. Lower butter prices in international markets are increasing imports.

### July Livestock Slaughter

USDA's Livestock Slaughter report showed 256,800 dairy cows being culled through federally inspected facilities, an increase of 25,600 from June and 17,000 from the prior year.