

Dairy

The CME butter market remains range-bound. January 31st butter holdings were 16% bigger than the previous year and the largest for the month since 1994. Butter stocks grew during the month by the largest amount in five years. Still, butter prices may have a hard time moving notably lower from here this spring due to tempered domestic butter output. The CME cheese markets have continued to soften during the last week. The January 31st cheese inventory was 5% larger than 2016 and a record for the month. The cheese markets may remain depressed in the near term.

Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Decreasing	Good	Lower
Cheese Blocks (CME)	Decreasing	Good	Lower
American Cheese	Decreasing	Good	Higher
Cheddar Cheese (40 lb)	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan Cheese	Decreasing	Good	Lower
Butter (CME)	Decreasing	Good	Higher
Nonfat Dry Milk	Decreasing	Ample	Higher
Whey, Dry	Increasing	Good	Higher
Class 1 Base	Steady	Good	Higher
Class II Cream, heavy	Increasing	Good	Higher
Class III Milk (CME)	Decreasing	Good	Higher
Class IV Milk (CME)	Decreasing	Good	Higher

