

# Dairy

The CME butter markets remain relatively range bound. Butter production during March was just .3% better than the prior year while butter domestic consumption was down 1%. Butter exports were 55% lower than 2016 but imports fell by 35%. Tempered U.S. butter production may continue to underpin butter prices into the summer. March cheese output was 3.3% bigger than last year while total nonfat dry milk and skim milk powder production was flat. April 1<sup>st</sup> nonfat dry milk stocks were third highest for any month on record. This may temper the upside risk in cheese.

| Description            | Market Trend | Supplies | Price vs. Last Year |
|------------------------|--------------|----------|---------------------|
| Cheese Barrels (CME)   | Increasing   | Good     | Higher              |
| Cheese Blocks (CME)    | Increasing   | Good     | Higher              |
| 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        | Increasing   | Ample    | Higher              |
| Whey, Dry              | Decreasing   | Good     | Higher              |
| Class 1 Base           | Steady       | Good     | Higher              |
| Class II Cream, heavy  | Increasing   | Good     | Higher              |
| Class III Milk (CME)   | Increasing   | Good     | Higher              |
| Class IV Milk (CME)    | Decreasing   | Good     | Higher              |

