

# ArrowStream

**Dairy** - Higher domestic butter prices are supporting U.S. imports. During October, U.S. butter imports were up 81.9% compared to the prior year and were the largest for any month since June 2014. In October, butter exports were 75% more than the prior year and best since June 2015. Still, the U.S. was a net importer by 1.9 million pounds during the month. History hints that lower butter markets will materialize for the remainder of the year. The cheese markets remain weak due in part to high stocks. But, the downside price risk from here for cheese is likely limited due in part to export demand.

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

