



**Dairy** - The cheese and butter markets found modest support over the last week. According to the USDA, November milk production was up .6% year-over-year despite the milk cow herd being down .4% from 2017. The milk per cow yield was up 1% year-over-year. Dairy cows were reduced by 8k head during the month making it the smallest herd since February 2017. For the six months period ending in November, the net herd reduction was 44k head, the biggest net loss for any six-month period since November 2012. Typically cheese and butter prices increase from now through early February.

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

