

ArrowStream

Dairy - The CME cheese and butter weekly averages firmed. However, there are signals that a top in the markets may be near as government purchase programs are anticipated to dampen the program in July. CME cheese blocks experienced daily declines twice last week marking the first such occurrence in over a month. The butter market showed signs of weakness as well. Good margins for producers are encouraging milk production which should aid supplies later this year and into 2021. The USDA is forecasting milk output during the last six months of 2020 to be nearly 2% above last year.

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

