

Dairy

The CME butter market remains elevated despite historically large stocks. As of May 31st, U.S. butter holdings were 3.5% less than the previous year but the third biggest for the month since 1993. That said, the net butter inventory build during May was the smallest in four years. Solid export demand and seasonally declining output could be supportive of butter prices this summer. May 31st cheese supplies were 7% more than 2016 and a record for any month. But the May build in stocks was the smallest in a decade. Cheese prices could move upward in the coming weeks.

Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Lower
Cheese Blocks (CME)	Decreasing	Good	Higher
American Cheese	Decreasing	Good	Lower
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	Decreasing	Good	Higher
Class 1 Base	Increasing	Good	Higher
Class II Cream, heavy	Decreasing	Good	Higher
Class III Milk (CME)	Decreasing	Good	Higher
Class IV Milk (CME)	Decreasing	Good	Higher

