

ArrowStream

Dairy

Last week, the overall dairy market was higher across the complex, with butter and the cheese segment closing much higher. CME blocks were up 2.6% w/w to \$1.79/lb and over 26% m/m. Looking at the chart, CME barrels were higher by 6.2% to \$1.88/lb w/w and now 31% m/m. Cheesemakers are reportedly running a robust production schedule, and milk supplies are steady to stronger throughout the country. Cheese demand is rated at steady to stronger throughout the regions, with retail demand strong. CME spot butter was up 3.4% w/w and closed above \$3.05/lb and now higher by 7.75% m/m. Butter makers report strong production levels with demand varied across the region, but stronger in the West. In the retail/grocery segment, butter promotions were down w/w, and retail prices were higher at the grocery stores. This is the second week in a row of higher butter prices at the retail level. Class I Cream (hundredweight), from USDA.

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

