

# ArrowStream

## Dairy

The dairy market was mixed last week, with losses in the cheese and fluid milk categories. Breaking out the segment, CME blocks were down 3.2% to \$1.84/lb, but CME barrels were basically flat at \$1.86/lb last week. Cheese production was mixed throughout the U.S., as milk availability is not adequate to meet processing needs. Foodservice demand was steady, but retail/grocery demand was stronger last week and looks to increase in the coming weeks. Looking at the chart, CME spot butter prices were higher by \$0.01 w/w to \$2.70/lb. On the production side, butter inventories are sufficient to meet seasonal needs. Cream volumes are widely available across the country, and butter churning paces are noted as strong across the nation and busier than normal for this time of year. In the milk category, nonfat dry milk (NDM) was flat at \$1.37/lb. Class I Cream (hundredweight), from USDA.

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

