

U.S. Exports

U.S. export volumes highest in more than a year

U.S. dairy exports in November were the most in more than a year, paced by record shipments of whey products, strong sales of cheese and milk powder, and improved volumes of butterfat.

Suppliers shipped 173,269 tons of milk powder, cheese, butterfat, whey and lactose in November, up 6% from last year and the highest total since October 2016. U.S. exports were valued at \$474 million, up 8%.

Total **whey** exports were a record-high 50,590 tons, up 10% vs. last year. Sales to Southeast Asia (+22%) and China were the highest of the year, though China's total was still shy of last year (-7%). Shipments to South Korea (+34%) and Japan (+78%) also were strong.

Exports of modified whey (+18%), dry whey (+15%) and WPI (+7%) were up in November. WPI was the outlier amongst the whey categories, trailing last year by 23%.

Cheese exports were 29,284 tons in November, up 17% from a year ago. Shipments to Australia were more than triple last year's volume, and sales to both the Middle East/North Africa (MENA) and Southeast Asia more than doubled. Meanwhile, exports to Mexico and South Korea were flat, and Japan posted a 10-month low.

U.S. Exports

	LATEST MONTH		NOVEMBER (VOLUME, MT)		% CHG
	2015	2016	2017		
NDM/SMP*	42,537	55,719	55,044		-1
WMP*	1,156	2,087	2,737		+31
Cheese	22,750	24,991	29,284		+17
Butterfat	1,134	2,586	3,590		+39
Total Whey	30,762	45,786	50,590		+10
-Dry whey	11,511	17,955	20,598		+15
-WPC	8,567	12,650	13,591		+7
-Modified whey	8,442	11,493	13,558		+18
-WPI	2,242	3,688	2,843		-23
Lactose	30,620	30,813	30,781		-0
MPC	1,536	1,816	1,241		-32
Aggregate volume**	130,495	163,797	173,269		+6
milk/cream (000 liters)	7,904	14,973	9,335		-38
Total Value (millions)**	\$ 385.0	\$ 439.6	\$ 474.5		+8

Exports of **NDM/SMP** in November were 55,044 tons, the highest since May, though still down 1% from last year's strong volume. In November, sales to Pakistan increased nearly four-fold and shipments to the MENA region more than doubled compared with a year ago. Exports to Mexico and China also were higher. However, shipments to Southeast Asia – Philippines and Vietnam, in particular – continue to lag (-26% year-over-year).

(Official USDA data continues to show an increase in WMP exports to Mexico. However, Mexican import data and trade sources don't corroborate this, and we believe this volume represents SMP sales that were misclassified at the port. Therefore, we've adjusted NDM/SMP and WMP trade data for June 2016 to November 2017 to account for this misclassification.)

Exports of **butterfat** were 3,590 tons in November, up 39% and the most in nearly two years. Shipments to the MENA region (mostly Saudi Arabia, Egypt and Morocco) were nearly triple last year's volume. Sales to Mexico also were higher.

On a total milk solids basis, U.S. exports were equivalent to 16.1% of U.S. milk production in November, the highest percentage since October 2016. Imports were equivalent to 3.5% of production. In the first 11 months of 2017, exports represented 14.5% of milk-solids output.

	YEAR-TO-DATE		JANUARY - NOVEMBER (VOLUME, MT)		% CHG
	2015	2016	2017		
NDM/SMP*	511,851	552,280	547,602		-1
WMP*	33,031	22,481	22,471		-0
Cheese	292,201	258,082	313,764		+22
Butterfat	19,701	21,971	24,861		+13
Total Whey	407,253	456,714	495,351		+8
-Dry whey	166,504	173,178	193,433		+12
-WPC	95,613	131,196	131,089		-0
-Modified whey	111,787	121,273	138,701		+14
-WPI	33,349	31,067	32,128		+3
Lactose	329,345	330,976	325,404		-2
MPC	28,133	19,092	20,633		+8
Aggregate volume**	1,621,515	1,661,596	1,750,086		+5
milk/cream (000 liters)	97,330	105,781	98,126		-7
Total Value (millions)**	\$ 4,966.6	\$ 4,361.6	\$ 5,011.5		+15

* USDA data for NDM/SMP and WMP for June 2016-November 2017 adjusted to reflect shipments to Mexico misclassified as WMP.

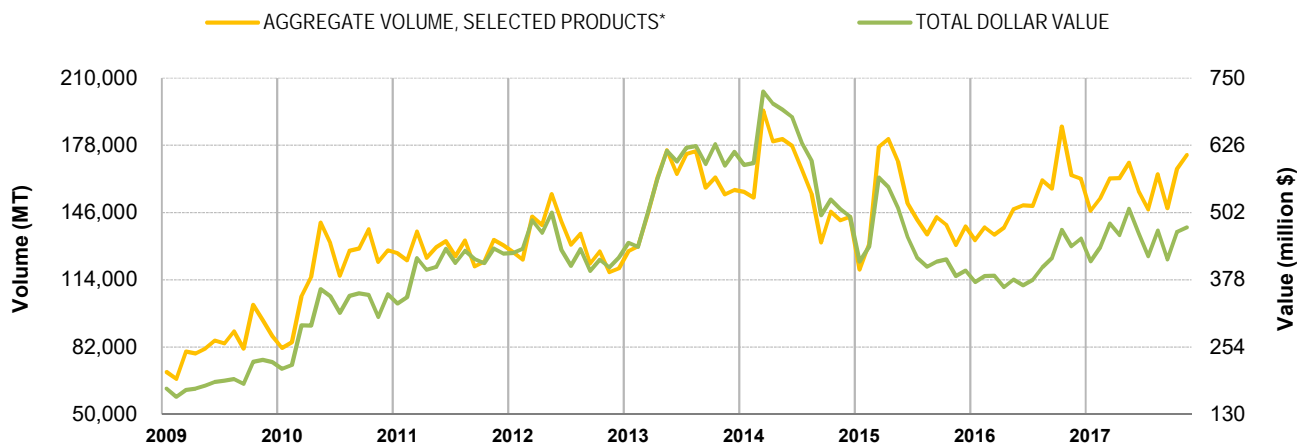
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

U.S. Exports

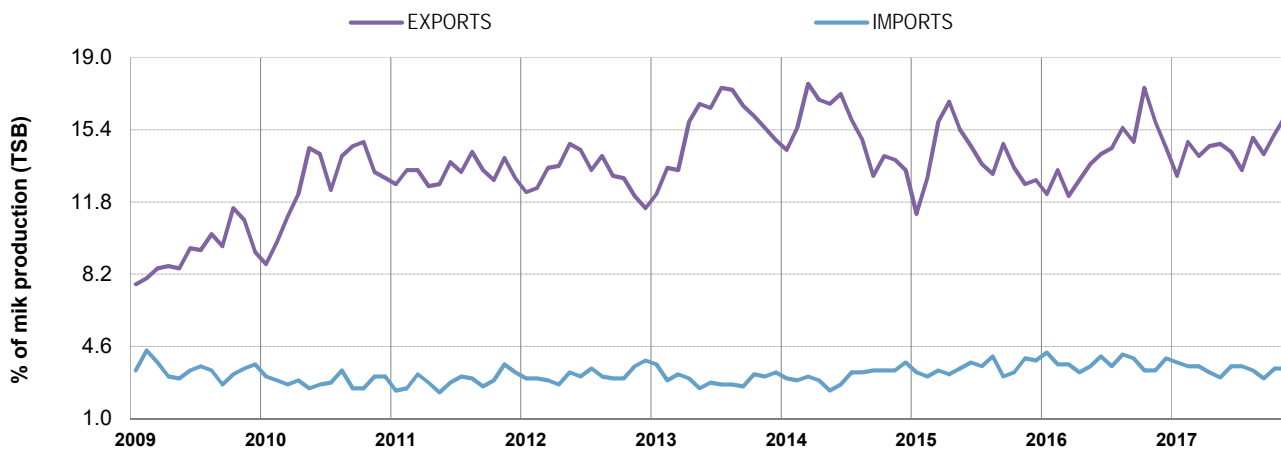
U.S. EXPORTS

VOLUME AND VALUE



* Volume includes SMP, WMP, MPC, whey, cheese, butterfat, lactose

U.S. EXPORTS AND IMPORTS AS A PERCENT OF MILK PRODUCTION



U.S. DAIRY EXPORTS, TOP 10 MARKETS

(million \$)	November 17	vs. yr ago
Mexico	\$ 114.5	+7%
Southeast Asia	67.5	-4%
Canada	52.4	-13%
China	47.9	+19%
Middle East/North Africa	25.9	+64%
Japan	23.3	+19%
Oceania	23.2	+71%
South America	22.3	-11%
So. Korea	19.3	-12%
Caribbean	18.8	+12%

U.S. EXPORTS AS % OF PRODUCTION

	November	yr ago	Jan-Nov 17	yr ago
NDM/SMP	66%	68%	56%	58%
Total cheese	6.1%	5.4%	6.1%	5.1%
Butterfat	5.4%	4.0%	3.3%	2.9%
Dry sweet whey	56%	54%	45%	44%
Lactose	77%	78%	69%	73%
Total milk solids	16.1%	15.8%	14.5%	14.2%

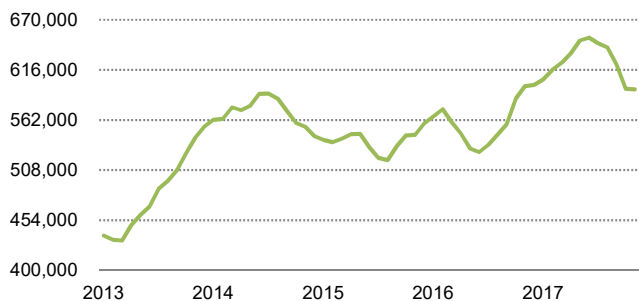
ACCESS U.S. EXPORT DATA ONLINE

Visit usdec.org/research-and-data/market-data/us-export-data

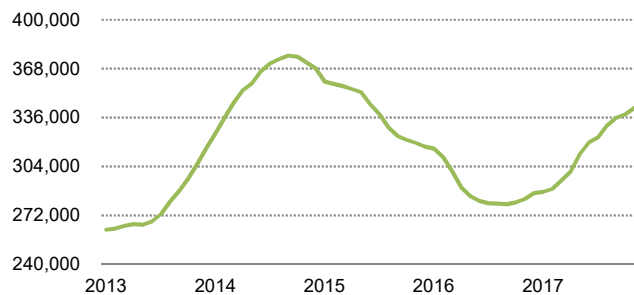
Source: USDA, USDEC, National Milk Producers Federation.

U.S. Exports: Rolling 12-Month Volume

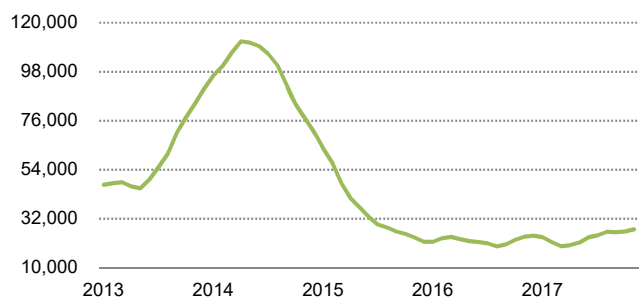
U.S. NDM/SMP EXPORTS (MT)



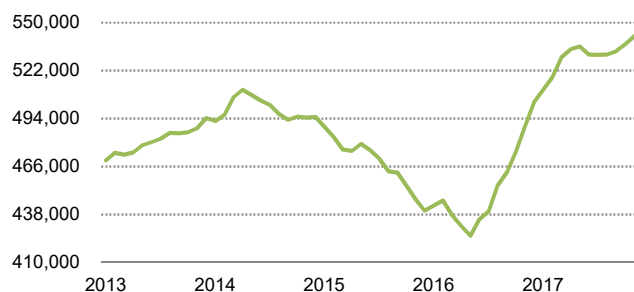
U.S. CHEESE EXPORTS (MT)



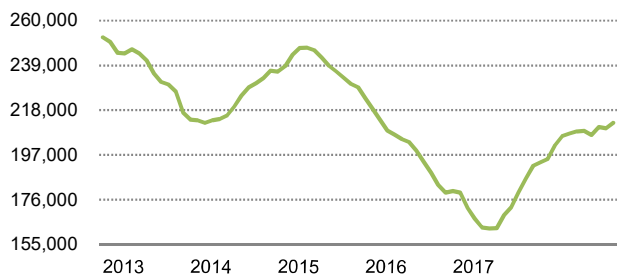
U.S. BUTTERFAT EXPORTS (MT)



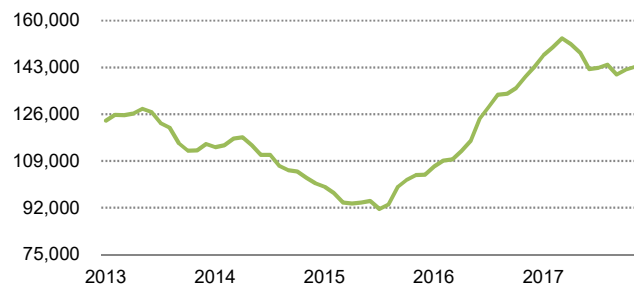
U.S. TOTAL WHEY* EXPORTS (MT)



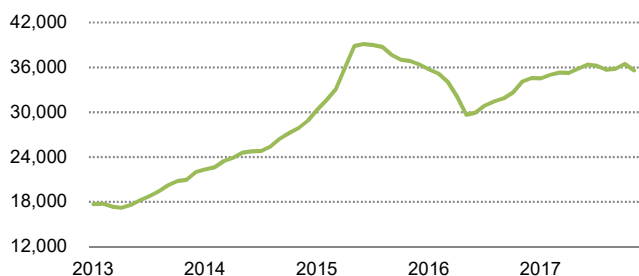
U.S. DRY WHEY EXPORTS (MT)



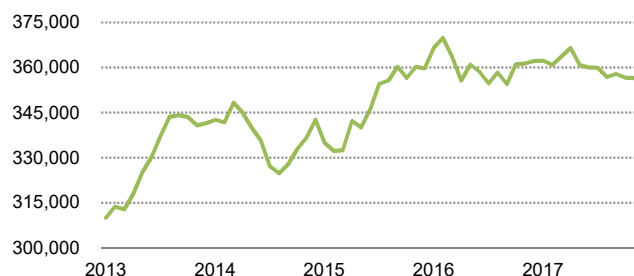
U.S. WPC EXPORTS (MT)



U.S. WPI EXPORTS (MT)



U.S. LACTOSE EXPORTS (MT)



* Total whey includes dry whey, WPC, modified whey products and WPI.

Source: USDA, USDEC.