

## U.S. Exports

# February exports buoyed by strong cheese shipments

Improved cheese shipments highlighted U.S. export performance in February.

**Cheese** exports totaled 32,515 tons, up 16% from the prior year. On a daily-average basis, this is the second-highest total ever, falling just short of the record achieved in March 2014.

Sales of cheese to South Korea were the most in nearly four years – 7,154 tons, up 71%. Exporters also posted gains in sales to almost every other top market, including Mexico (+9%), Japan (+18%), Australia (+8%), Southeast Asia (+41%) and Central America (+24%).

In addition, exports of **fluid milk and cream** were up 30%, reaching a 26-month high (daily-average basis) of 10.2 million liters. **Butterfat** (+34%) and **whole milk powder** (+64%) also posted increases, albeit on small volumes.

*(USDEC has adjusted official U.S. Bureau of Census trade data for milk powder since June 2016 to account for shipments we believe are misclassified.)*

Overall, suppliers shipped 160,457 tons of milk powders, cheese, butterfat, whey products, and lactose in February, up from the previous three months, but down 14% from the strong performance of February

2018. Total U.S. exports were worth \$468.2 million, up 3%, year-over-year.

Totals were pulled down by continued weakness in whey and other exports to China due to retaliatory tariffs in place since last summer, plus the spread of African Swine Fever. In addition, overall exports of nonfat dry milk/skim milk powder (NDM/SMP) and lactose lagged prior year levels.

Total U.S. **whey** exports were 32,818 tons, down 29% from last year. Shipments to China were just 8,529 tons, down 58%, and the lowest since February 2011. Sales to Japan also were lower (-45%). On the positive side, U.S. exporters increased whey sales to Mexico (+32%) and South Korea (+72%).

Exports of **NDM/SMP** were 55,164 tons, down 17%. Volumes to Mexico were flat, but shipments to Southeast Asia (-11%), China (-78%), Peru (-83%), and the Middle East/North Africa region (-85%) were all significantly lower.

On a total milk solids basis, U.S. exports were equivalent to 14.3% of U.S. milk production in February, the highest figure since October.

### U.S. Exports

	LATEST MONTH		FEBRUARY (VOLUME, MT)			YEAR-TO-DATE		JANUARY-FEBRUARY (VOLUME, MT)		
	2017	2018	2019	% CHG		2017	2018	2019	% CHG	
NDM/SMP*	52,042	66,751	55,164	-17	NDM/SMP*	100,472	116,365	104,550	-10	
WMP*	1,120	1,820	2,982	+64	WMP*	3,080	3,156	5,135	+63	
Cheese	26,324	28,150	32,515	+16	Cheese	49,103	55,096	60,400	+10	
Butterfat	1,796	2,181	2,924	+34	Butterfat	3,642	4,487	5,215	+16	
Total Whey	43,546	46,168	32,818	-29	Total Whey	84,732	94,825	67,738	-29	
-Dry whey	15,025	19,235	11,957	-38	-Dry whey	30,513	39,235	26,404	-33	
-WPC	11,770	11,873	8,254	-30	-WPC	25,063	27,291	15,022	-45	
-Modified whey	13,733	11,915	9,281	-22	-Modified whey	23,427	22,164	19,195	-13	
-WPI	3,018	3,146	3,326	+6	-WPI	5,729	6,134	7,117	+16	
Lactose	27,049	33,584	27,042	-19	Lactose	55,683	64,323	56,015	-13	
MPC	1,903	3,144	2,875	-9	MPC	4,029	4,856	4,971	+2	
Food preps (blends)	4,794	5,379	4,137	-23	Food preps (blends)	9,314	10,285	8,285	-19	
<b>Aggregate volume**</b>	<b>158,574</b>	<b>187,176</b>	<b>160,457</b>	<b>-14</b>	<b>Aggregate volume**</b>	<b>310,055</b>	<b>353,393</b>	<b>312,308</b>	<b>-12</b>	
Milk/cream (000 liters)	7,464	7,867	10,231	+30	Milk/cream (000 liters)	15,608	15,869	19,679	+24	
<b>Total Value (millions) **</b>	<b>\$ 439.2</b>	<b>\$ 454.2</b>	<b>\$ 468.2</b>	<b>+3</b>	<b>Total Value (millions) **</b>	<b>\$ 851.3</b>	<b>\$ 869.1</b>	<b>\$ 898.0</b>	<b>+3</b>	

\* U.S. Census Bureau data for NDM/SMP and WMP since June 2016 adjusted to reflect shipments to Mexico misclassified as WMP.

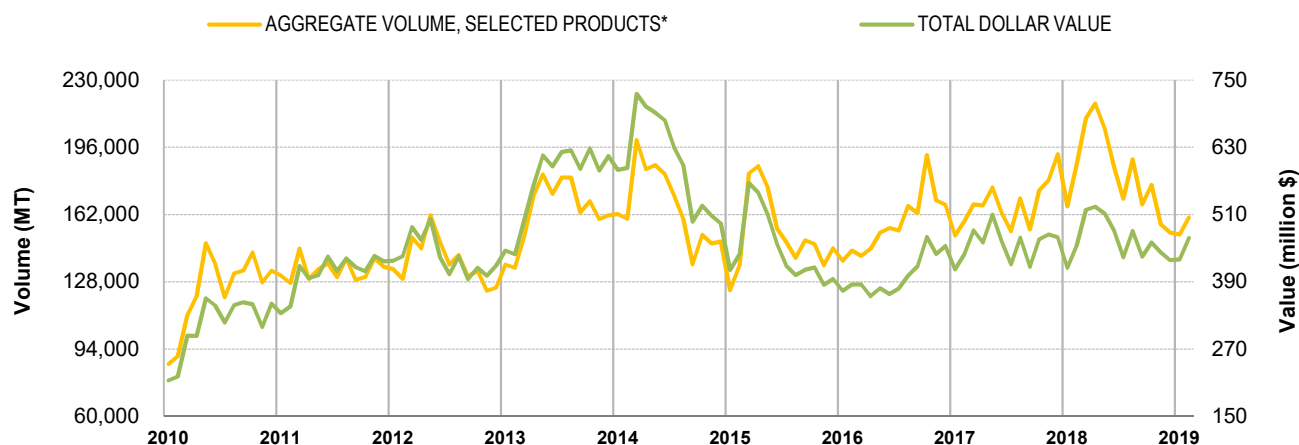
\*\* Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDEC, U.S. Bureau of Census.

# U.S. Exports

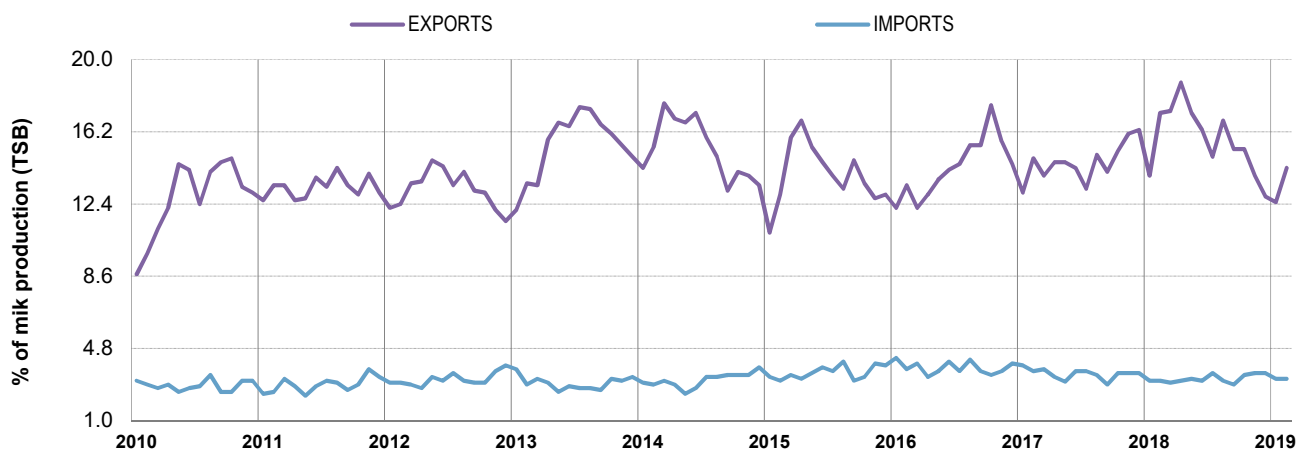
## U.S. EXPORTS

## 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 \$)	Feb. 19	vs. yr ago
Mexico	\$ 117.2	+17%
Southeast Asia	68.6	+7%
Canada	58.0	+11%
So. Korea	33.1	+52%
China	29.1	-39%
South America	26.6	-6%
Japan	24.6	+6%
Oceania	20.4	+12%
Middle East/North Africa	19.1	-24%
Caribbean	19.0	+2%

### U.S. EXPORTS AS % OF PRODUCTION

	February	yr ago	Jan-Feb 19	yr ago
NDM/SMP	64%	75%	57%	64%
Total cheese	7.2%	6.3%	6.4%	5.8%
Butterfat	3.9%	2.8%	3.2%	2.8%
Dry sweet whey	35%	47%	37%	48%
Lactose	60%	86%	59%	78%
Total milk solids	14.3%	17.2%	13.4%	15.6%

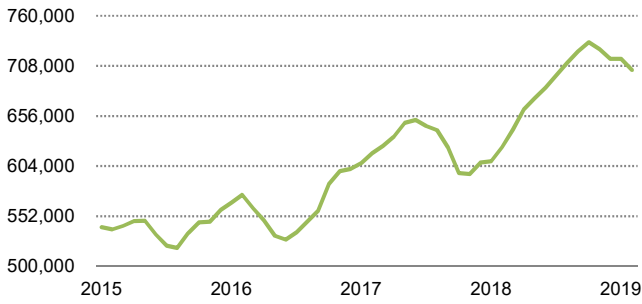
#### ACCESS U.S. EXPORT DATA ONLINE

Visit [usdec.org/research-and-data/market-data/us-export-data](https://usdec.org/research-and-data/market-data/us-export-data)

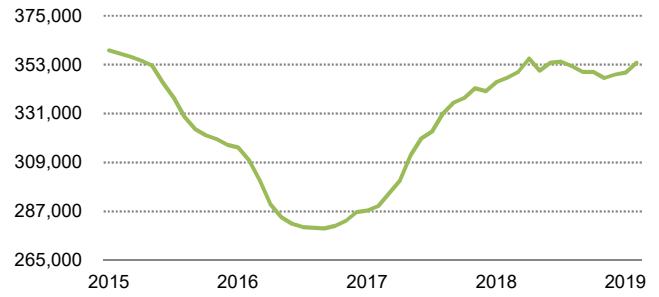
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

# U.S. Exports: Rolling 12-Month Volume

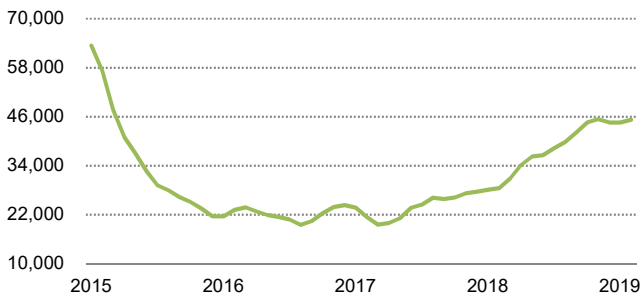
**U.S. NDM/SMP EXPORTS (MT)**



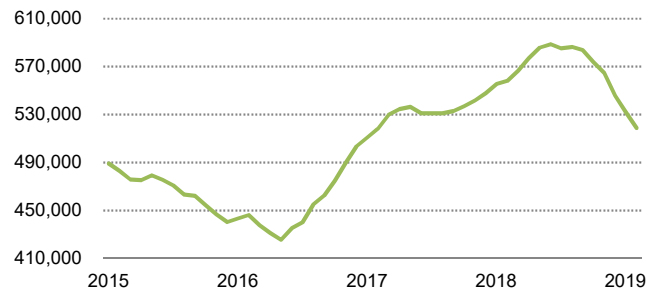
**U.S. CHEESE EXPORTS (MT)**



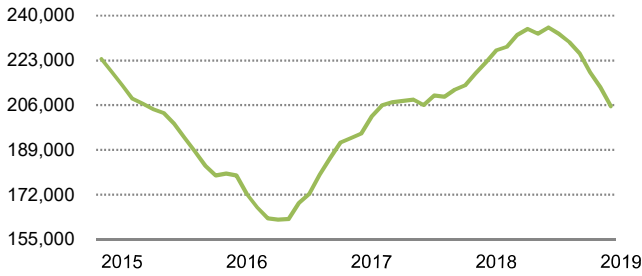
**U.S. BUTTERFAT EXPORTS (MT)**



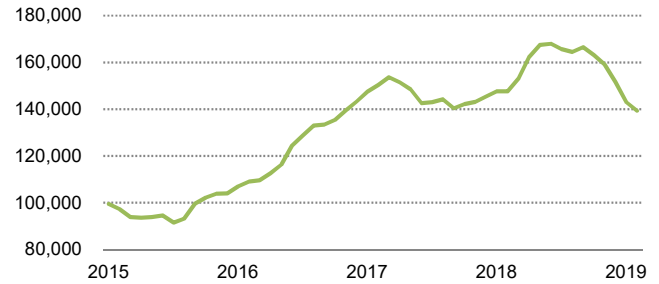
**U.S. TOTAL WHEY\* EXPORTS (MT)**



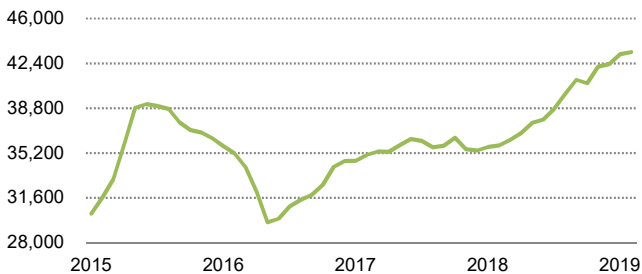
**U.S. DRY WHEY EXPORTS (MT)**



**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: USDEC, U.S. Bureau of Census.