

U.S. Exports

Depressed whey volume drags export performance

U.S. dairy exports continue to struggle in the face of strong competition and retaliatory tariffs in China and Mexico. Overall volume to China was down 41% from a year ago – including a 54% drop in whey shipments – while cheese exports to Mexico were off 20%.

On the positive side, U.S. exports to milk powder to Mexico remained robust, and cheese shipments outside of Mexico were up 15%.

Overall, suppliers shipped 151,851 tons of milk powders, cheese, butterfat, whey products, and lactose in January, down 9% from January 2018. Total U.S. exports were worth \$429.9 million, up 4%.

Whey exports in December were just 34,920 tons, down 28% from the previous year. WPC shipments were the lowest in four years (6,768 tons, -56%), while dry whey was off 28% and modified whey (permeate) fell to a two-year low.

Total whey exports to China were only 9,593 tons, the lowest since February 2012. WPC sales barely topped 1,000 tons, down 86% and the lightest volume in more than eight years.

Whey shipments to Southeast Asia, Mexico and Canada were lower as

well, offsetting increased sales to Japan.

Cheese exports in January were 27,885 tons, up 3% from January 2018. Lighter sales to Mexico were offset by record sales to Central America (mostly Guatemala) and increased shipments to South Korea (+29%) and Australia (+14%).

U.S. exports of NDM/SMP totaled 49,386 tons in January, down fractionally vs. the year before. Most of the volume went to Mexico (28,177 tons, +38%), while exports to Southeast Asia continued to slump (13,359 tons, -18%, with lower sales to Indonesia and Vietnam). In addition, combined exports to China, Peru, Pakistan, Japan and the MENA region were just 2,477 tons, down 62%.

Lactose exports totaled 28,973 tons in January, down 6%. Sales to Southeast Asia rebounded (+16%), but shipments to China (-7%) and Mexico (-6%) were lighter.

On a total milk solids basis, U.S. exports were equivalent to 12.5% of U.S. milk production in January, the lowest figure in nearly three years.

U.S. Exports

	LATEST MONTH		JANUARY (VOLUME, MT)	
	2017	2018	2019	% CHG
NDM/SMP*	48,430	49,614	49,386	-0
WMP*	1,960	1,336	2,152	+61
Cheese	22,778	26,946	27,885	+3
Butterfat	1,846	2,306	2,291	-1
Total Whey	41,186	48,656	34,920	-28
-Dry whey	15,488	20,001	14,447	-28
-WPC	13,293	15,418	6,768	-56
-Modified whey	9,694	10,250	9,914	-3
-WPI	2,711	2,988	3,791	+27
Lactose	28,635	30,739	28,973	-6
MPC	2,126	1,712	2,096	+22
Food preps (blends)	4,520	4,906	4,148	-15
Aggregate volume**	151,481	166,217	151,851	-9
Milk/cream (000 liters)	8,144	8,002	9,448	+18
Total Value (millions) **	\$ 412.1	\$ 414.8	\$ 429.9	+4

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

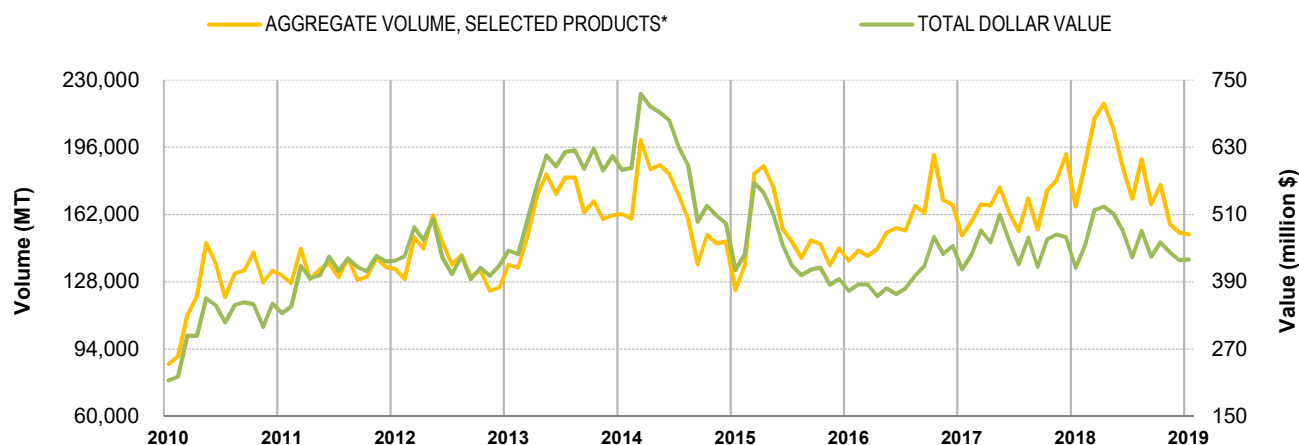
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

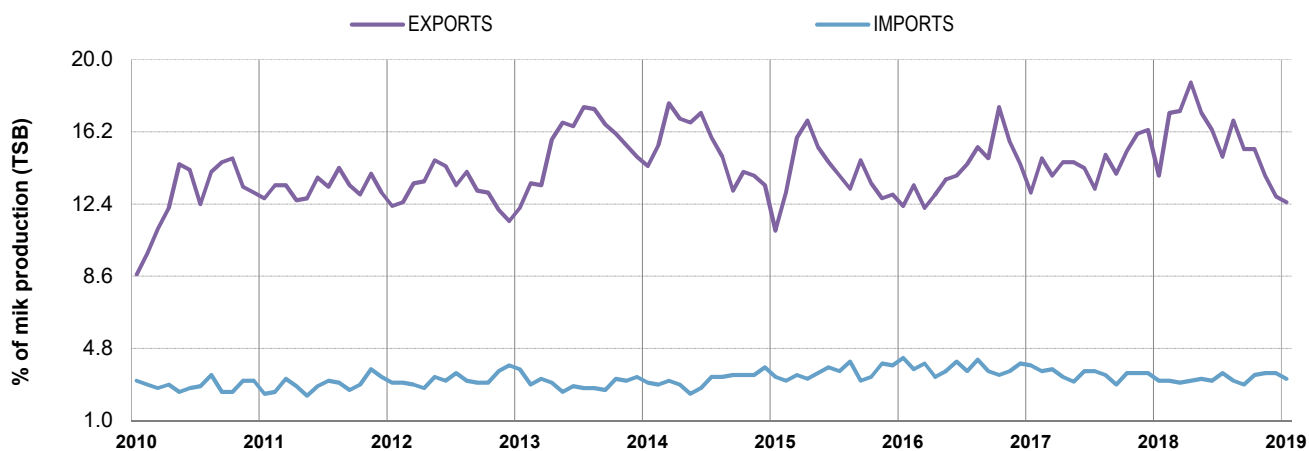
U.S. EXPORTS

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 \$)	Jan. 19	vs. yr ago
Mexico	\$ 114.3	+20%
Canada	55.1	+3%
Southeast Asia	51.9	-1%
China	30.9	-20%
So. Korea	23.4	+24%
South America	22.9	+5%
Japan	22.8	+7%
Oceania	20.8	+28%
Middle East/North Africa	17.6	-17%
Caribbean	17.1	-12%

U.S. EXPORTS AS % OF PRODUCTION

	January	yr ago	Jan 19	yr ago
NDM/SMP	54%	53%	54%	53%
Total cheese	5.6%	5.4%	5.6%	5.4%
Butterfat	2.7%	2.8%	2.7%	2.8%
Dry sweet whey	39%	49%	39%	49%
Lactose	61%	71%	61%	71%
Total milk solids	12.5%	13.9%	12.5%	13.9%

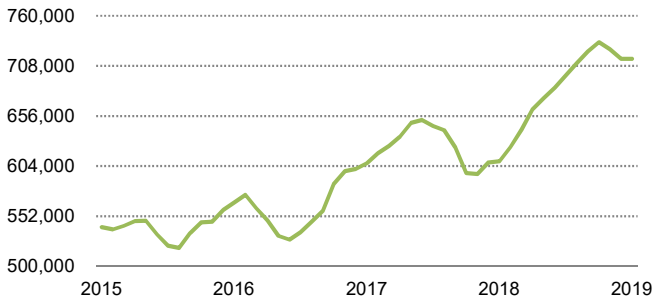
ACCESS U.S. EXPORT DATA ONLINE

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

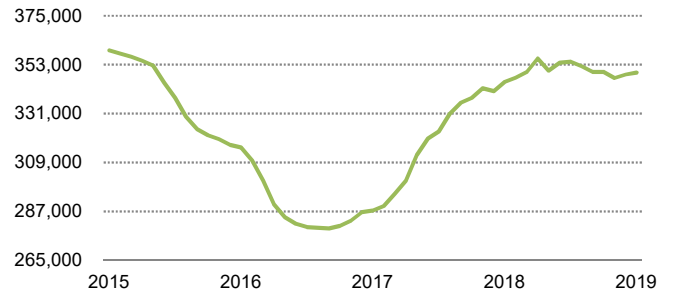
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

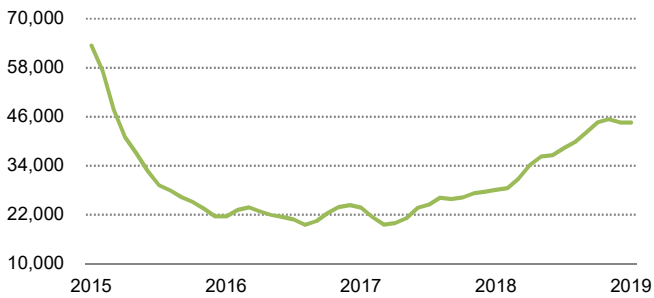
U.S. NDM/SMP EXPORTS (MT)



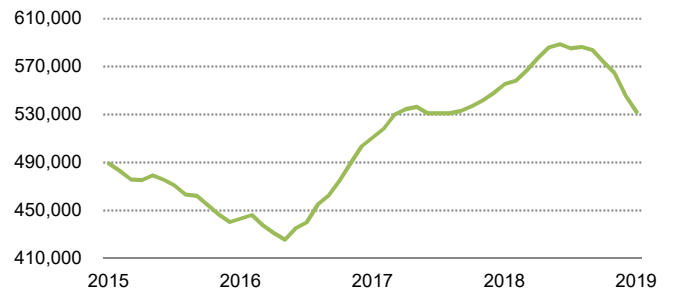
U.S. CHEESE EXPORTS (MT)



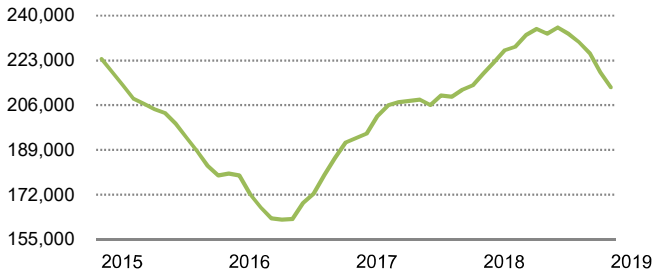
U.S. BUTTERFAT EXPORTS (MT)



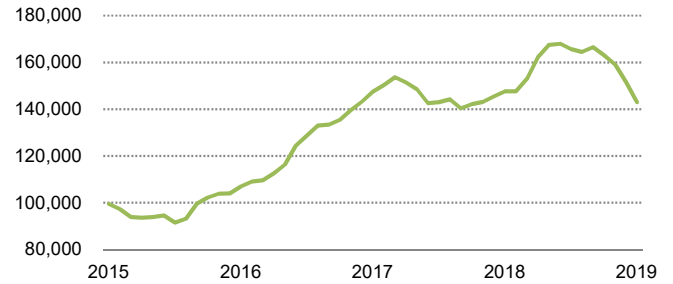
U.S. TOTAL WHEY* EXPORTS (MT)



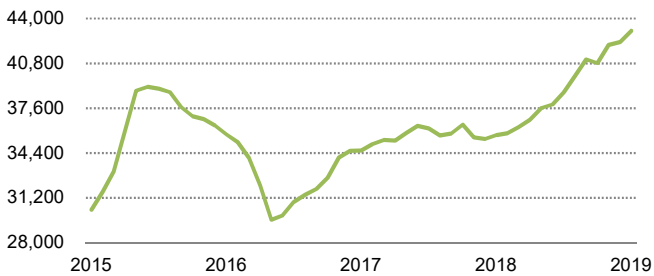
U.S. DRY WHEY EXPORTS (MT)



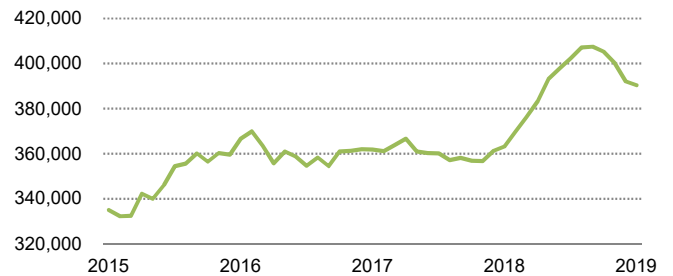
U.S. WPC EXPORTS (MT)



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.