

U.S. Exports

U.S. exports weaker in November

U.S. dairy exports slumped in November, falling below year-ago volume levels for the first time since October 2017. Shipments were lower across all major product categories, with declines across most of Asia.

Suppliers shipped 157,146 tons of milk powders, cheese, butterfat, whey products, and lactose in November, down 12% from November 2017. Total U.S. exports were worth \$442.2 million, 7% below the prior year. In the first 11 months of 2018, dairy exports totaled \$5.16 billion, 3% more than the same period in 2017, while overall volume was up 12%.

On a value basis, sales to China were down 32%, while exports to Southeast Asia were down 8%, Japan -28% and South Korea -13%. Instead, U.S. suppliers continued to focus on Mexico, where sales for the month were up 8%, year over year.

U.S. exports of **NDM/SMP** totaled 48,028 tons in November, a 13% decline vs. the year before. This was the lowest figure in 10 months (daily-average basis). Shipments to Mexico (28,317 tons, +13%) remained good in November, but exports to Southeast Asia (a 14-month low of 12,524 tons) were down 22%. Volumes to Pakistan (-72%), the MENA region (-91%) and China (-64%) were significantly lower as well.

U.S. Exports

	LATEST MONTH		NOVEMBER (VOLUME, MT)	
	2016	2017	2018	% CHG
NDM/SMP*	55,989	55,171	48,028	-13
WMP*	1,817	2,737	3,637	+33
Cheese	24,989	29,277	26,491	-10
Butterfat	2,586	3,572	4,431	+24
Total Whey	45,804	50,532	41,278	-18
-Dry whey	17,955	20,558	16,260	-21
-WPC	12,668	13,638	9,751	-29
-Modified whey	11,493	13,558	11,173	-18
-WPI	3,688	2,778	4,094	+47
Lactose	30,831	30,623	25,683	-16
MPC	1,811	1,241	2,935	+136
Food preps (blends)	5,333	6,163	4,663	-24
Aggregate volume**	169,160	179,318	157,147	-12
Milk/cream (000 liters)	14,799	9,335	9,749	+4
Total Value (millions) **	\$ 439.5	\$ 474.4	\$ 442.2	-7

Whey exports in November were just 41,278 tons, down 18% from the previous year. Dry whey, whey protein concentrate (WPC) and modified whey (permeate) were markedly lower, though shipments of whey protein isolate (WPI) were the most in 3 ½ years. Total whey exports to China in November were just 14,310 tons (-37%). For the fourth straight month most of the decline came from lower sales of modified whey. U.S. suppliers also saw lighter whey sales to South Korea, Japan, Canada and Southeast Asia. In the five months since retaliatory tariffs were put in place (July-November), U.S. whey exports to China were down 36% (-7,200 tons/month).

Cheese exports (26,491 tons) were 10% below November 2017, falling short in most major U.S. markets. Shipments to South Korea (-24%) were the lowest in nearly three years, and exports to Australia were 45% below November 2017. Exports to Mexico (-7%), Japan (-13%), the MENA region (-20%) and China (-25%) were lower as well. In contrast, shipments to Central America were a record-high 2,424 tons, up 43%.

On a total milk solids basis, U.S. exports were equivalent to 13.9% of U.S. milk production in November, bringing the year-to-date percentage to 16.1%.

	YEAR-TO-DATE		JANUARY-NOVEMBER (VOLUME, MT)	
	2016	2017	2018	% CHG
NDM/SMP*	552,600	547,520	665,124	+21
WMP*	22,154	22,480	43,623	+94
Cheese	258,062	313,865	319,707	+2
Butterfat	21,971	24,837	42,590	+71
Total Whey	456,763	494,993	511,624	+3
-Dry whey	173,208	193,205	205,366	+6
-WPC	131,214	131,052	144,757	+10
-Modified whey	121,273	138,712	122,760	-12
-WPI	31,067	32,024	38,741	+21
Lactose	330,893	325,574	364,718	+12
MPC	19,080	20,635	29,761	+44
Food preps (blends)	58,628	64,171	57,675	-10
Aggregate volume**	1,720,151	1,814,075	2,034,821	+12
Milk/cream (000 liters)	105,588	97,730	106,100	+9
Total Value (millions) **	\$ 4,361.4	\$ 5,011.7	\$ 5,156.3	+3

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

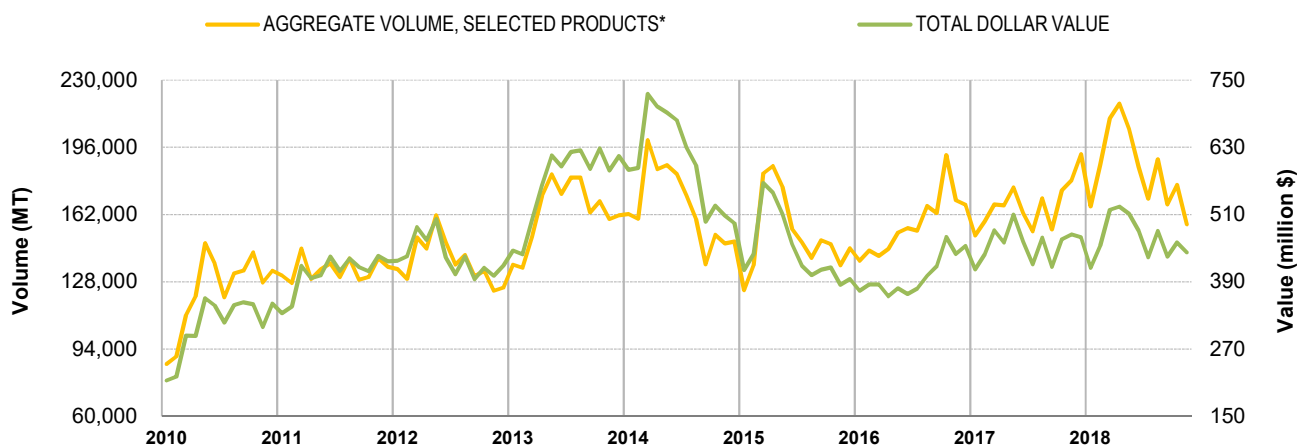
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

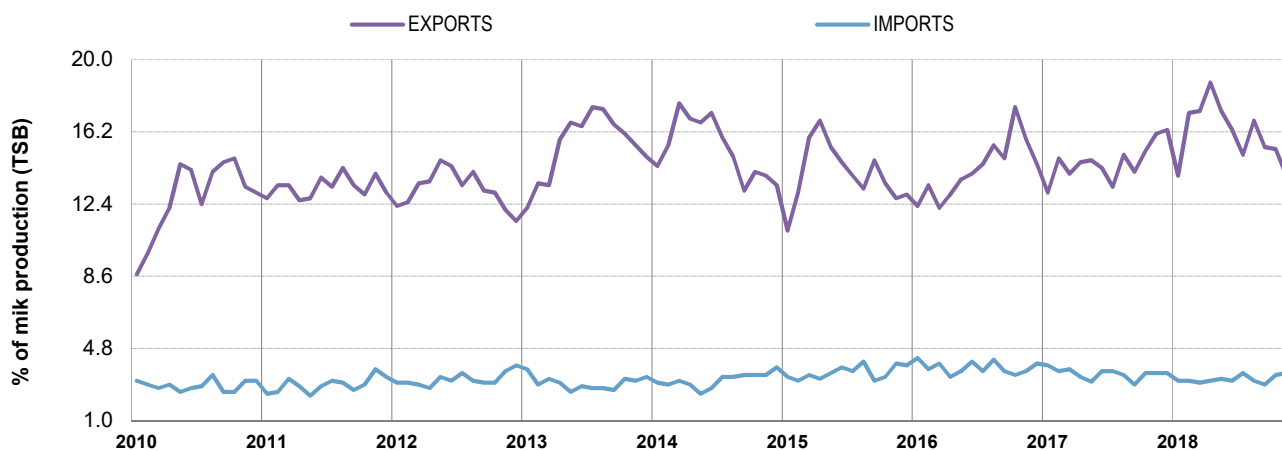
U.S. EXPORTS

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 \$)	Nov. 18	vs. yr ago
Mexico	\$ 124.2	+8%
Southeast Asia	61.9	-8%
Canada	58.8	+12%
China	32.4	-32%
South America	23.5	+6%
Caribbean	20.3	+8%
Oceania	18.6	-21%
So. Korea	16.7	-13%
Japan	16.7	-28%
Middle East/North Africa	16.3	-37%

U.S. EXPORTS AS % OF PRODUCTION

	November	yr ago	Jan-Nov 18	yr ago
NDM/SMP	66%	66%	70%	56%
Total cheese	5.4%	6.0%	6.0%	6.0%
Butterfat	6.7%	5.3%	5.5%	3.3%
Dry sweet whey	48%	56%	49%	45%
Lactose	58%	78%	79%	70%
Total milk solids	13.9%	16.1%	16.1%	14.5%

ACCESS U.S. EXPORT DATA ONLINE

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

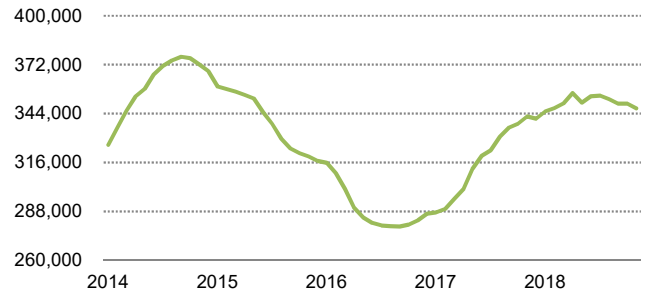
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

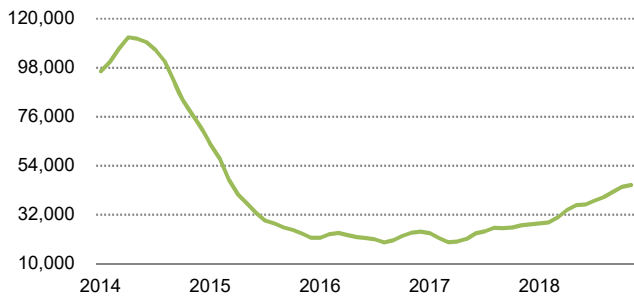
U.S. NDM/SMP EXPORTS (MT)



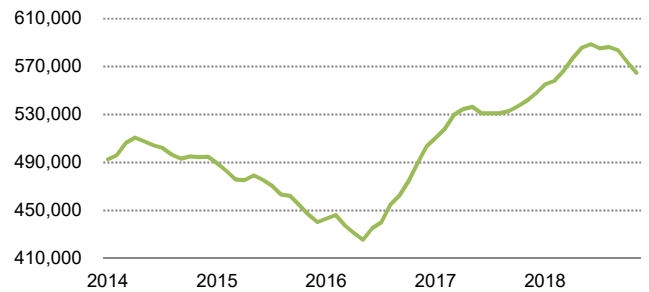
U.S. CHEESE EXPORTS (MT)



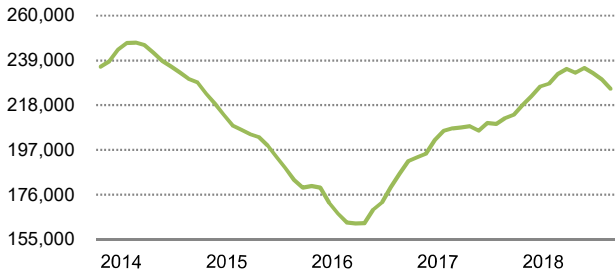
U.S. BUTTERFAT EXPORTS (MT)



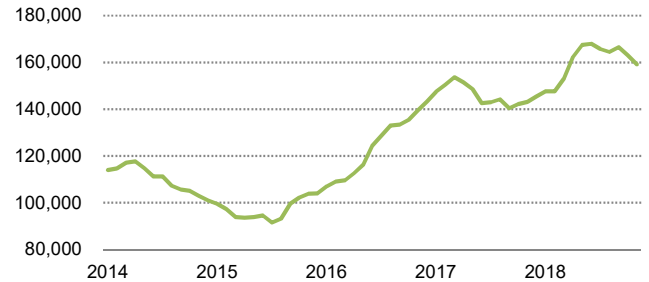
U.S. TOTAL WHEY* EXPORTS (MT)



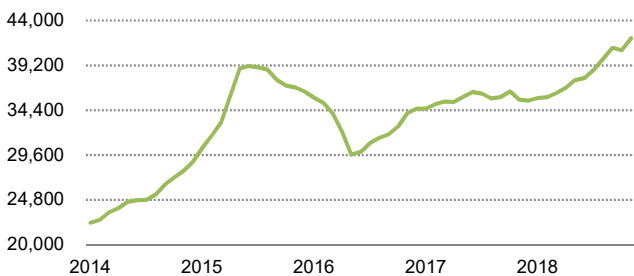
U.S. DRY WHEY EXPORTS (MT)



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.