

U.S. Exports

U.S. dairy exports rebound in September

A surge in nonfat dry milk/skim milk powder (NDM/SMP) exports to Mexico and Southeast Asia, plus increased cheese shipments to Mexico and United Arab Emirates (UAE) propelled total U.S. dairy exports above year-ago levels for the first time since October 2018.

U.S. suppliers shipped 170,731 tons of milk powders, cheese, whey products, lactose and butterfat in September, up 2% from last year. The value of all exports was \$508.8 million, up 17% and the most since May.

Exports of **NDM/SMP** were 65,328 tons in September, a 16-month high. This figure was up 25% from a year ago. With EU intervention stocks mostly moved through the supply chain, buyers increasingly turned to the United States for powder. Exports to Southeast Asia (primarily Indonesia and Vietnam) were up 36% during the month, while sales to Mexico were up 14%. Shipments to Peru and Pakistan also were higher.

Cheese exports also rebounded in September, despite U.S. benchmark prices that sat well-above world indicators. Volume totaled 27,433 tons, 12% higher than the prior year. Gains were led by a 31% increase in shipments to Mexico. In addition, volume to UAE nearly tripled and

sales to South Korea were up 9%.

Total **whey** exports were 36,468 tons in September, down 11% from last year. Whey sales to China, particularly dry whey, remain depressed due to retaliatory tariffs and African swine fever. Suppliers sold 8,438 tons of whey products to China, down 23% from last year. Dry whey sales were down 66%, while shipments of whey protein concentrate (WPC) were up 60%.

Whey sales to Canada (-37%) and Mexico (-18%) also were lower in September. In contrast, shipments to Southeast Asia were 2% higher.

Lactose exports were 28,989 tons, down 7% and the lowest in seven months. Volume to Southeast Asia was particularly light, off 39% from a year ago and a four-year low. Exports to China were down 41%, and Japan (-25%) was lower as well. This was partially offset by a 74% rise in shipments to Mexico.

On a total milk solids basis, U.S. exports were equivalent to 15.3% of U.S. milk solids production in September. In the first nine months of the year, exports accounted for 14.2% of production.

U.S. Exports

	LATEST MONTH				SEPTEMBER (VOLUME, MT)					YEAR-TO-DATE				JANUARY-SEPTEMBER (VOLUME, MT)			
	2017	2018	2019	% CHG	2017	2018	2019	% CHG		2017	2018	2019	% CHG	2017	2018	2019	% CHG
NDM/SMP*	40,684	52,405	65,328	+25	441,282	555,470	493,606	-11	441,282	555,470	493,606	-11	441,282	555,470	493,606	-11	
WMP*	2,517	6,655	3,412	-49	17,770	35,769	28,350	-21	17,770	35,769	28,350	-21	17,770	35,769	28,350	-21	
Cheese	26,958	24,492	27,433	+12	257,394	266,377	274,912	+3	257,394	266,377	274,912	+3	257,394	266,377	274,912	+3	
Butterfat	1,382	3,702	2,143	-42	18,065	32,635	18,887	-42	18,065	32,635	18,887	-42	18,065	32,635	18,887	-42	
Total Whey	43,855	41,129	36,468	-11	393,813	430,102	335,534	-22	393,813	430,102	335,534	-22	393,813	430,102	335,534	-22	
-Dry whey	18,354	15,988	12,409	-22	153,311	175,027	119,277	-32	153,311	175,027	119,277	-32	153,311	175,027	119,277	-32	
-WPC	9,785	11,785	10,724	-9	103,466	122,806	89,846	-27	103,466	122,806	89,846	-27	103,466	122,806	89,846	-27	
-Modified whey	13,187	9,660	9,735	+1	111,404	100,777	93,335	-7	111,404	100,777	93,335	-7	111,404	100,777	93,335	-7	
-WPI	2,528	3,696	3,600	-3	25,633	31,493	33,076	+5	25,633	31,493	33,076	+5	25,633	31,493	33,076	+5	
Lactose	30,920	31,013	28,989	-7	263,623	310,160	284,186	-8	263,623	310,160	284,186	-8	263,623	310,160	284,186	-8	
MPC	1,725	3,170	2,712	-14	17,834	23,512	25,598	+9	17,834	23,512	25,598	+9	17,834	23,512	25,598	+9	
Food preps (blends)	6,429	4,082	4,246	+4	50,246	46,756	38,664	-17	50,246	46,756	38,664	-17	50,246	46,756	38,664	-17	
Aggregate volume**	154,469	166,648	170,731	+2	1,460,028	1,700,780	1,499,738	-12	1,460,028	1,700,780	1,499,738	-12	1,460,028	1,700,780	1,499,738	-12	
Milk/cream (000 liters)	9,014	10,085	11,098	+10	79,875	86,085	99,085	+15	79,875	86,085	99,085	+15	79,875	86,085	99,085	+15	
Total Value (millions)**	\$ 416.4	\$ 434.6	\$ 508.8	+17	\$ 4,069.7	\$ 4,247.3	\$ 4,427.1	+4	\$ 4,069.7	\$ 4,247.3	\$ 4,427.1	+4	\$ 4,069.7	\$ 4,247.3	\$ 4,427.1	+4	

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

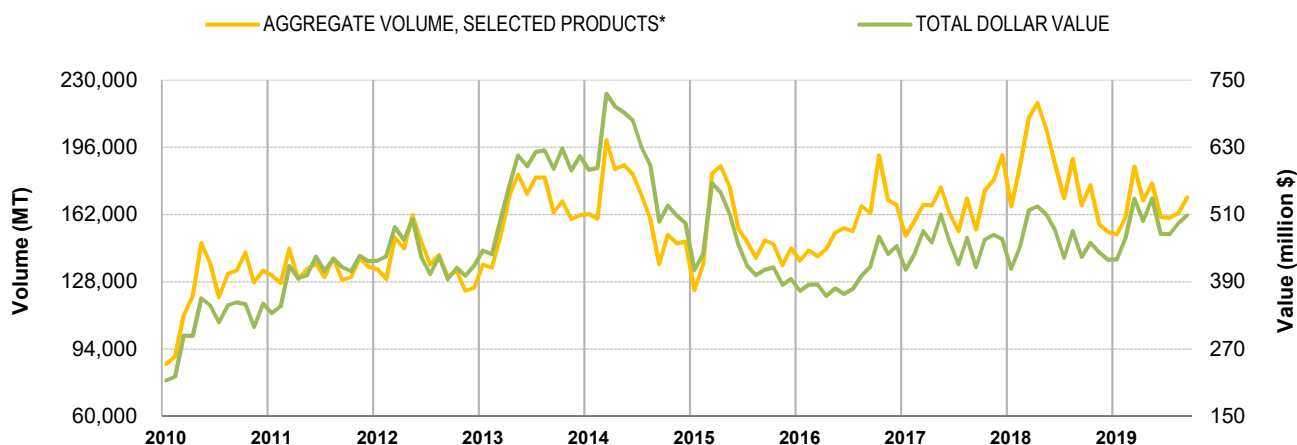
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

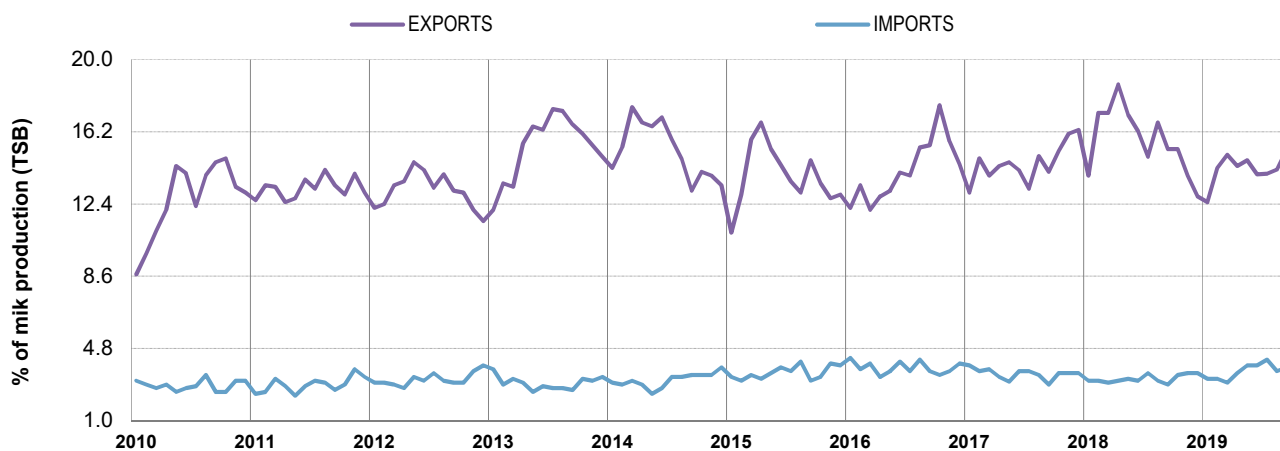
U.S. EXPORTS

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 \$)	Sep 19	vs. yr ago
Mexico	\$ 144.8	+28%
Southeast Asia	80.7	+11%
Canada	52.0	+0%
South America	28.7	+69%
China	28.2	-0%
So. Korea	26.2	+24%
Middle East/North Africa	23.7	+52%
Japan	22.9	-4%
Oceania	21.8	-5%
Caribbean	19.8	+5%

U.S. EXPORTS AS % OF PRODUCTION

	September	yr ago	Jan-Sep 19	yr ago
NDM/SMP	84%	72%	61%	68%
Total cheese	5.6%	5.1%	6.2%	6.1%
Butterfat	3.5%	6.0%	2.9%	5.1%
Dry sweet whey	30%	50%	36%	50%
Lactose	66%	75%	66%	80%
Total milk solids	15.3%	15.3%	14.2%	16.4%

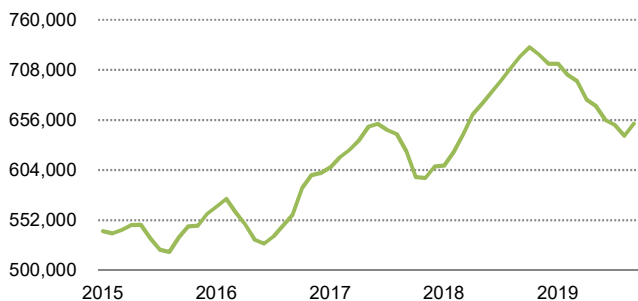
ACCESS U.S. EXPORT DATA ONLINE

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

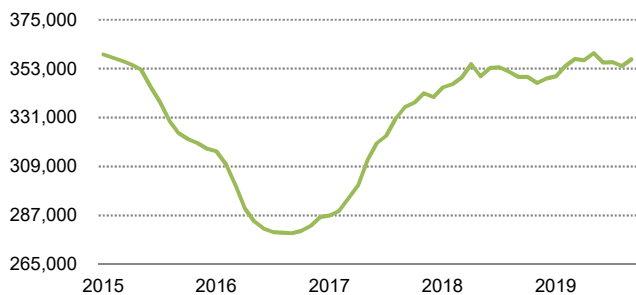
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

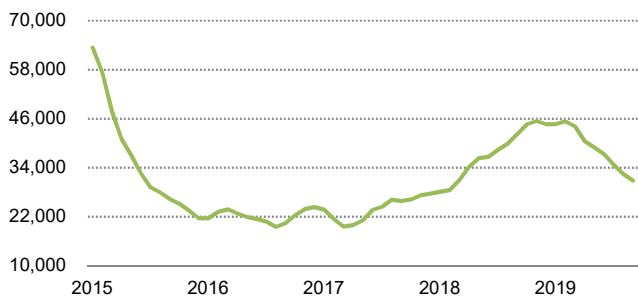
U.S. NDM/SMP EXPORTS (MT)



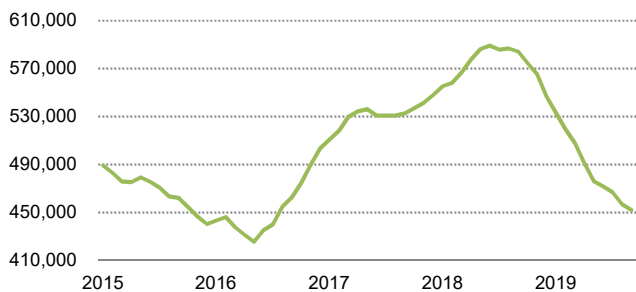
U.S. CHEESE EXPORTS (MT)



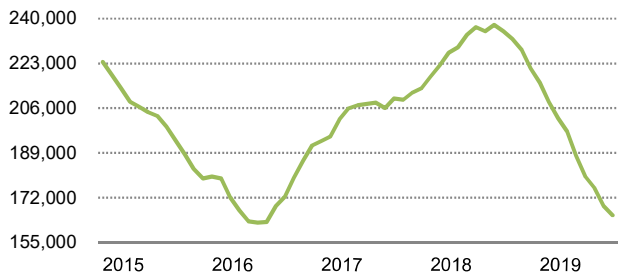
U.S. BUTTERFAT EXPORTS (MT)



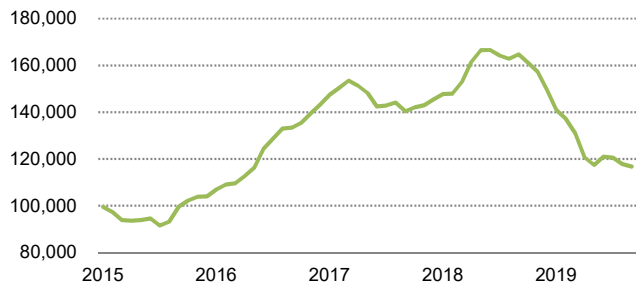
U.S. TOTAL WHEY* EXPORTS (MT)



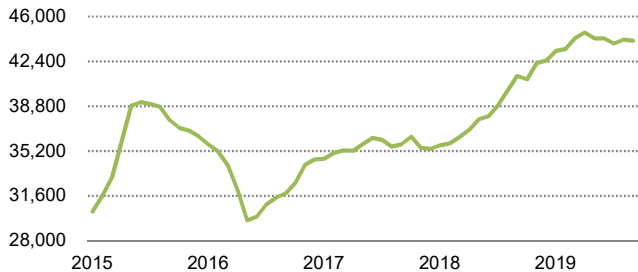
U.S. DRY WHEY EXPORTS (MT)



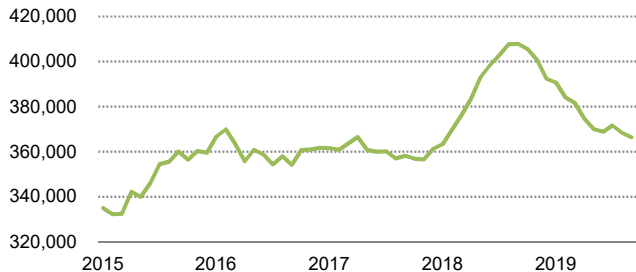
U.S. WPC EXPORTS (MT)



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.