

U.S. Exports

Value of U.S. exports in 2019 at a 5-year high

U.S. dairy export value was nearly \$3.92 billion in the first eight months of 2019, up 3% from last year and the highest figure in five years. Gains were led by increased volumes of cheese, as well as higher selling prices for dairy ingredients.

In August, U.S. export performance was in line with recent months, with overall volume about the same as June and July. Still, these volumes lagged last August's totals across most product categories.

Exports of **nonfat dry milk/skim milk powder (NDM/SMP)** were 50,993 tons in August, down 18% from a year ago. Sales to Mexico were off 23%, while shipments to the Philippines (-62%) and China (-91%) were also significantly lower.

Since posting record export volume in March, U.S. **cheese** exports (on a 30-day-month basis) have declined five months in a row compared to the previous month, as strong domestic markets keep more U.S. product at home. Shipments in August were 26,595 tons, down 6% from a year ago. Sales to Southeast Asia were nearly a record high (2,811 tons, +127%), but lower exports to Australia (-46%), Japan (-42%) and South Korea (-12%) dragged down the total. In addition, sales to Mexico, though up 3%, were the lowest in 11 months.

Total **whey** exports were 38,722 tons in August, down 21% from last year. As has been the case all year, nearly all the decline can be attributed to lost sales to China from retaliatory tariffs and African swine fever. Suppliers sold just 5,430 tons of whey to China in August, down 63% from the lowest monthly figure in 19 years. These losses were only partially offset by record whey sales to Southeast Asia (12,129 tons in August, +6%).

Within the whey complex, exports of **whey protein isolate (WPI)** were up 9% in August, and remain at a record pace for 2019, led by improved sales to the EU, Southeast Asia and South Korea.

Lactose exports dipped in August, falling 9% to 31,550 tons. Sales to China were down 40%, while shipments to New Zealand (-43%) and Japan (-31%) also were lower. Suppliers were successful in diverting some of these lost sales to Southeast Asia, where volume was up 36% for the month.

Exports of **whole milk powder (WMP)** spiked in August, reaching 6,200 tons, more than double last year, and the second-highest monthly figure in the last nine years. More than a third of the volume went to Algeria (vs. nothing last year), and Colombia and Peru also made larger purchases.

U.S. Exports

	LATEST MONTH		AUGUST (VOLUME, MT)			YEAR-TO-DATE		JANUARY-AUGUST (VOLUME, MT)	
	2017	2018	2019	% CHG		2017	2018	2019	% CHG
NDM/SMP*	49,384	62,404	50,993	-18	NDM/SMP*	400,599	503,064	428,278	-15
WMP*	2,741	2,844	6,216	+119	WMP*	15,253	29,114	24,938	-14
Cheese	30,233	28,260	26,595	-6	Cheese	230,436	241,884	247,479	+2
Butterfat	2,651	4,146	1,880	-55	Butterfat	16,683	28,933	16,744	-42
Total Whey	47,929	48,944	38,722	-21	Total Whey	349,959	388,974	299,066	-23
-Dry whey	18,077	20,493	13,651	-33	-Dry whey	134,957	159,038	106,868	-33
-WPC	14,336	12,929	10,162	-21	-WPC	93,681	111,021	79,122	-29
-Modified whey	13,081	11,893	10,960	-8	-Modified whey	98,216	91,117	83,600	-8
-WPI	2,434	3,628	3,948	+9	-WPI	23,105	27,797	29,476	+6
Lactose	29,865	34,700	31,550	-9	Lactose	232,704	279,147	255,197	-9
MPC	1,565	3,041	2,391	-21	MPC	16,109	20,342	22,886	+13
Food preps (blends)	5,770	5,668	4,178	-26	Food preps (blends)	43,817	42,673	34,418	-19
Aggregate volume**	170,140	190,008	162,526	-14	Aggregate volume**	1,305,559	1,534,132	1,329,007	-13
Milk/cream (000 liters)	10,161	10,152	11,500	+13	Milk/cream (000 liters)	70,860	75,999	87,987	+16
Total Value (millions)**	\$ 468.8	\$ 480.7	\$ 494.4	+3	Total Value (millions)**	\$ 3,653.3	\$ 3,812.8	\$ 3,918.3	+3

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

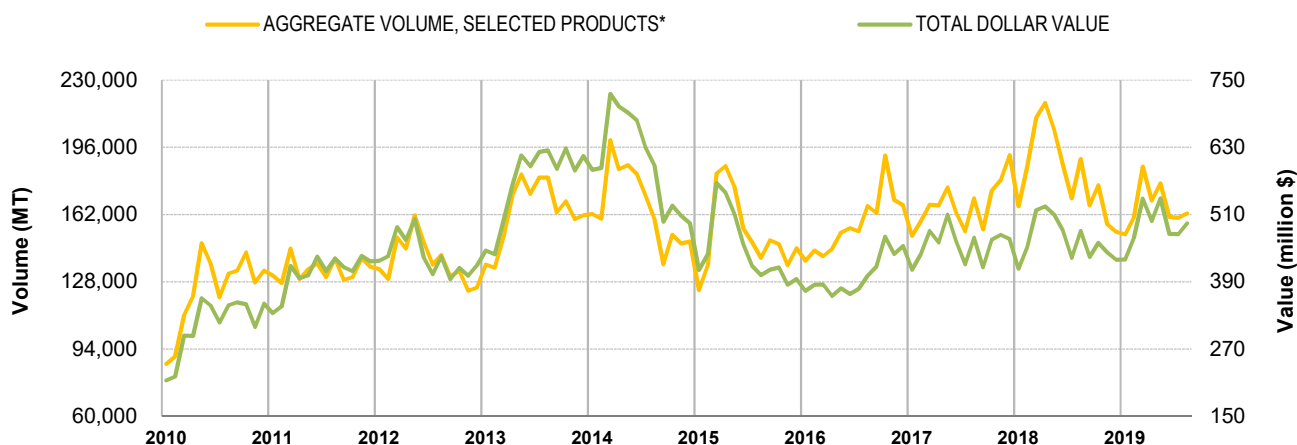
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

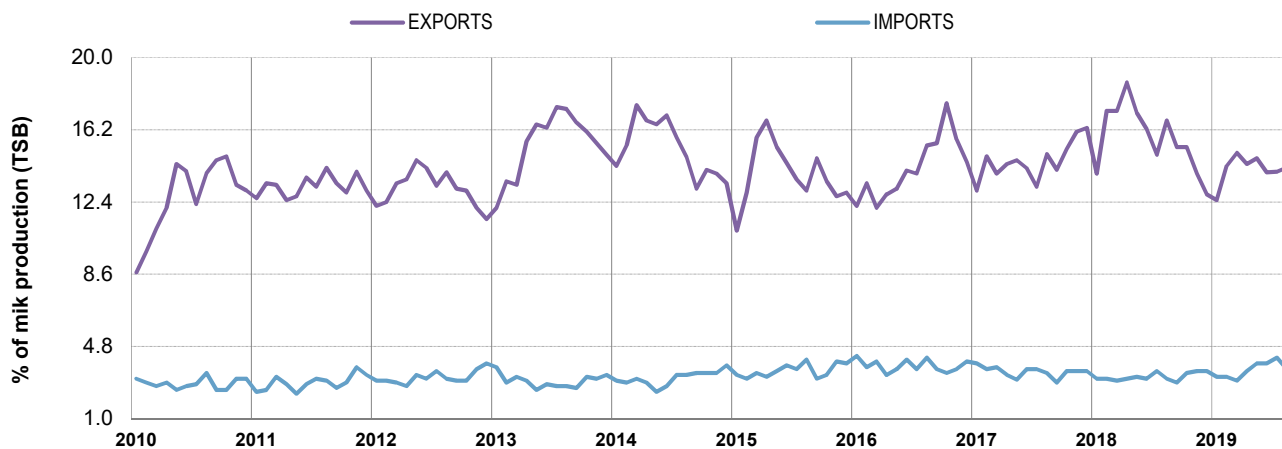
U.S. EXPORTS

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 \$)	Aug 19	vs. yr ago
Mexico	\$ 127.5	+1%
Southeast Asia	74.2	+17%
Canada	57.7	-6%
South America	34.9	+58%
Middle East/North Africa	26.7	+27%
China	26.3	-23%
So. Korea	23.0	+8%
Oceania	22.8	-16%
Caribbean	21.9	+12%
Japan	18.8	-22%

U.S. EXPORTS AS % OF PRODUCTION

	August	yr ago	Jan-Aug 19	yr ago
NDM/SMP	61%	78%	59%	68%
Total cheese	5.3%	5.7%	6.3%	6.2%
Butterfat	3.0%	6.8%	2.9%	5.0%
Dry sweet whey	36%	57%	37%	50%
Lactose	75%	79%	66%	81%
Total milk solids	14.2%	16.8%	14.1%	16.5%

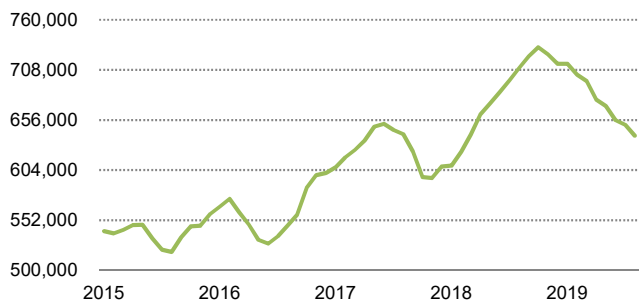
ACCESS U.S. EXPORT DATA ONLINE

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

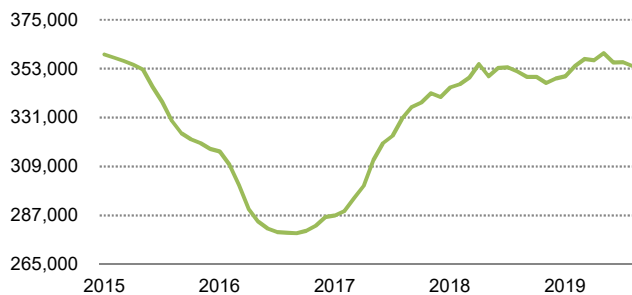
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

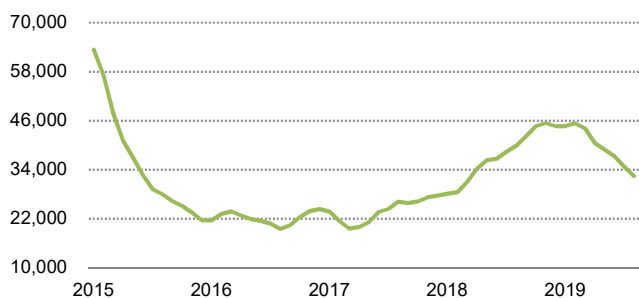
U.S. NDM/SMP EXPORTS (MT)



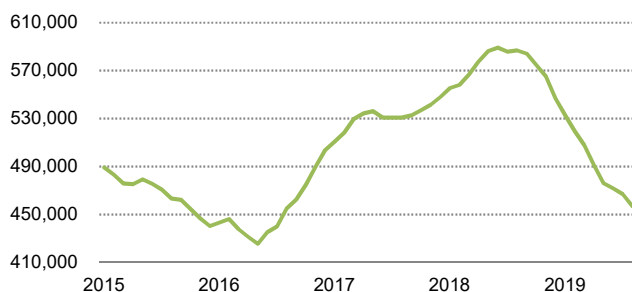
U.S. CHEESE EXPORTS (MT)



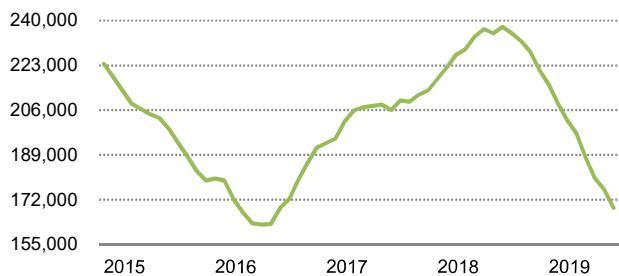
U.S. BUTTERFAT EXPORTS (MT)



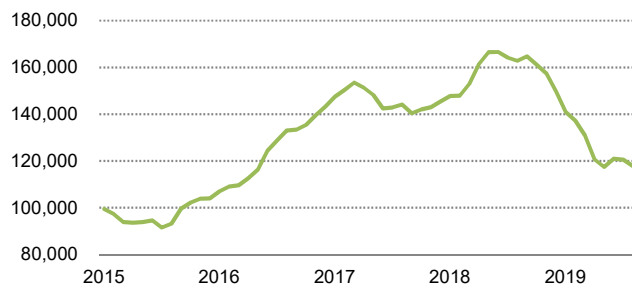
U.S. TOTAL WHEY* EXPORTS (MT)



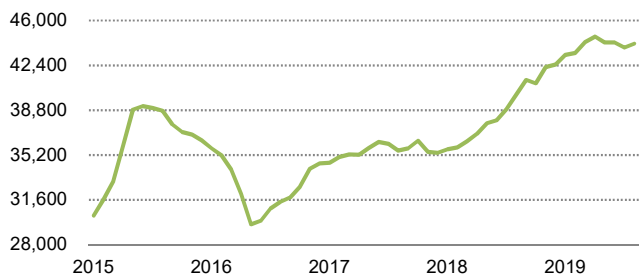
U.S. DRY WHEY EXPORTS (MT)



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.