

U.S. Exports

U.S. exports set a new record in March

U.S. dairy exports set a new record high in March on a total volume-basis surpassing the previous record high set in March 2014. Exports of milk powder, whey protein concentrate and lactose were each at all-time highs.

Suppliers shipped 204,453 tons of milk powder, cheese, butterfat, whey and lactose during the month, up 26% from March 2017. U.S. exports were valued at \$510 million, 8% greater than in March 2017 and the highest total value since April 2015.

Ingredient sales drove much of the gains. Shipments of nonfat dry milk/skim milk powder (NDM/SMP) to Southeast Asia were nearly double the prior-year level and sales to Mexico were the second-most ever. Shipments of lactose to China increased by 57% during the month and were at a record high.

Overall NDM/SMP exports were 67,154 tons, up 38% from last year. Sales to Mexico increased 43% from the previous year. *(Official U.S. Bureau of Census data continues to show an increase in WMP exports to Mexico. However, Mexican import data and trade sources don't corroborate this, and we believe this volume represents SMP sales that were misclassified at the port. Therefore, we've adjusted NDM/SMP and WMP trade data for June 2016 to March 2018 to account for this misclassification.)*

Lactose exports were 37,966 tons in March, the most ever, and 19% greater than levels a year earlier. Shipments to China (9,282 tons) led the gains and were 57% greater than what they were in March 2017.

Cheese exports were 33,844 tons in March, the most in ten months, and up 9% from a year earlier. U.S. suppliers increased sales to China (+56%) and Japan (+30%), which continued to offset slower sales to Mexico. Shipments to Mexico decreased 16% in March.

Total whey exports were 53,079 tons in March, up 19% vs. the prior year. Shipments of whey protein concentrate were at an all-time high while exports of dry whey were at a nearly four-year high.

Butterfat exports totaled 3,714 tons in March, up 180% from the year before. Sales to Canada were up 129%. Shipments to the Middle East also firmed and rose 279% against low comparable figures one year ago.

On a total milk solids basis, U.S. exports were equivalent to 17.3% of U.S. milk production in March. Imports were equivalent to just 3.0%.

U.S. Exports

	LATEST MONTH		MARCH (VOLUME, MT)		% CHG
	2016	2017	2018		
NDM/SMP*	41,168	48,825	67,154		+38
WMP*	1,886	2,462	6,213		+152
Cheese	25,539	31,146	33,844		+9
Butterfat	3,217	1,329	3,714		+180
Total Whey	32,699	44,426	53,079		+19
-Dry whey	10,778	17,322	21,825		+26
-WPC	8,166	11,415	16,803		+47
-Modified whey	11,097	12,766	11,071		-13
-WPI	2,659	2,923	3,379		+16
Lactose	29,056	31,930	37,966		+19
MPC	1,865	2,060	2,483		+21
Aggregate volume**	135,430	162,178	204,453		+26
Milk/cream (000 liters)	8,696	9,560	10,013		+5
Total Value (millions) **	\$ 379.8	\$ 473.2	\$ 509.6		+8

	YEAR-TO-DATE		JANUARY-MARCH (VOLUME, MT)		% CHG
	2016	2017	2018		
NDM/SMP*	125,258	149,145	183,518		+23
WMP*	6,589	5,542	9,369		+69
Cheese	71,870	80,163	88,940		+11
Butterfat	9,762	4,975	8,202		+65
Total Whey	102,633	128,954	147,904		+15
-Dry whey	37,940	47,674	61,061		+28
-WPC	26,165	36,513	44,094		+21
-Modified whey	30,621	36,133	33,235		-8
-WPI	7,907	8,634	9,514		+10
Lactose	85,443	87,061	102,290		+17
MPC	5,649	6,059	7,338		+21
Aggregate volume**	407,205	461,898	547,561		+19
Milk/cream (000 liters)	25,577	25,602	25,883		+1
Total Value (millions) **	\$ 1,118.6	\$ 1,305.9	\$ 1,367.6		+5

* U.S. Census Bureau data for NDM/SMP and WMP for 2016-18 adjusted to reflect shipments to Mexico misclassified as WMP.

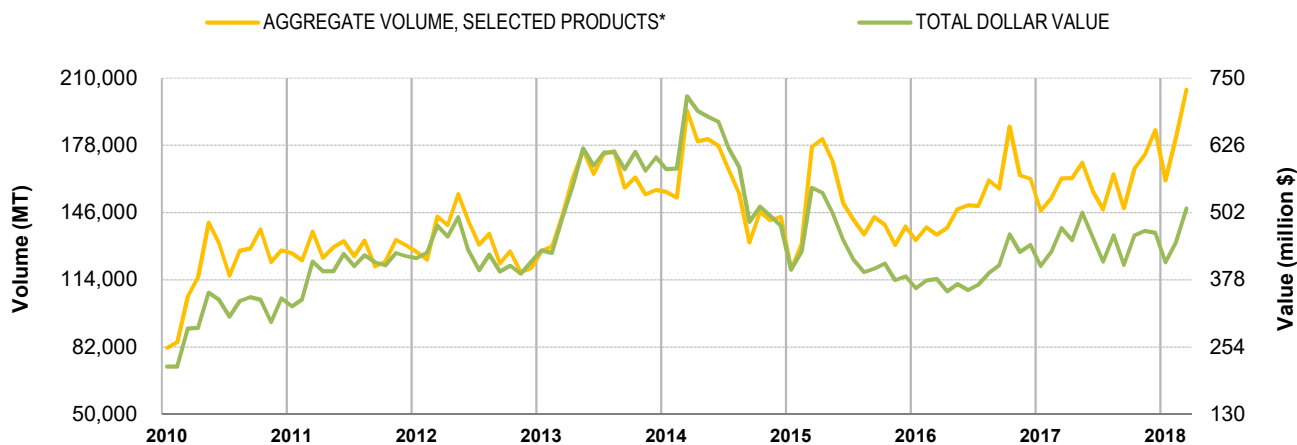
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

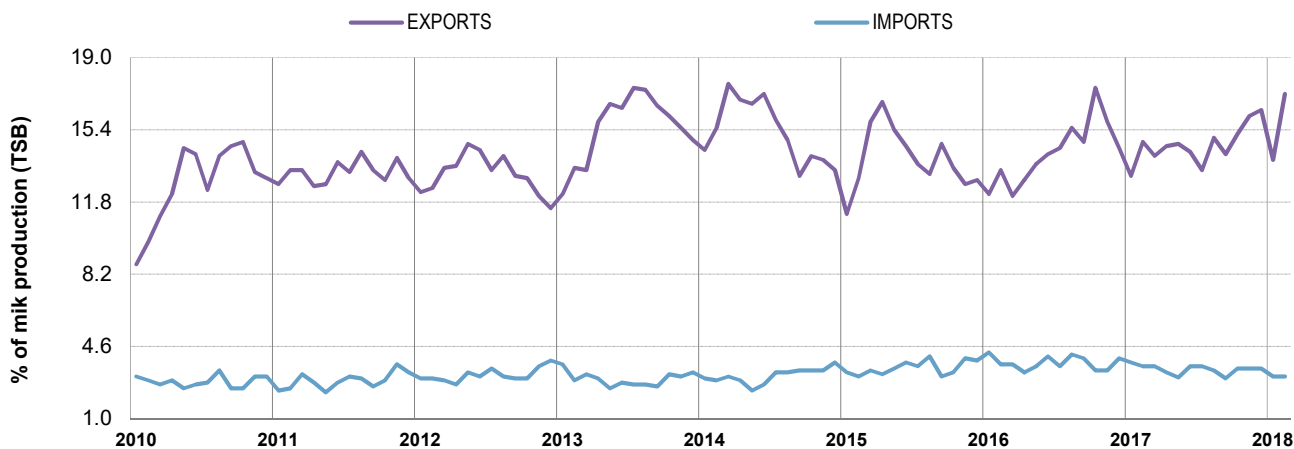
U.S. EXPORTS

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 \$)	March 18	vs. yr ago
Mexico	\$ 120.2	0%
Southeast Asia	64.3	+27%
China	56.2	+15%
Canada	55.1	-3%
So. Korea	30.8	+10%
South America	27.9	-14%
Japan	27.1	+20%
Middle East/North Africa	26.4	+51%
Caribbean	21.6	-2%
Oceania	19.8	-15%

U.S. EXPORTS AS % OF PRODUCTION

	March	yr ago	Jan-Mar 18	yr ago
NDM/SMP	66%	50%	65%	57%
Total cheese	6.8%	6.5%	6.2%	5.4%
Butterfat	4.4%	1.7%	3.4%	2.4%
Dry sweet whey	55%	44%	50%	42%
Lactose	85%	72%	81%	68%
Total milk solids	17.3%	14.1%	16.1%	14.0%

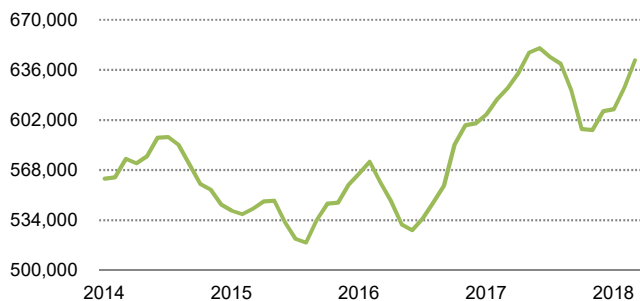
ACCESS U.S. EXPORT DATA ONLINE

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

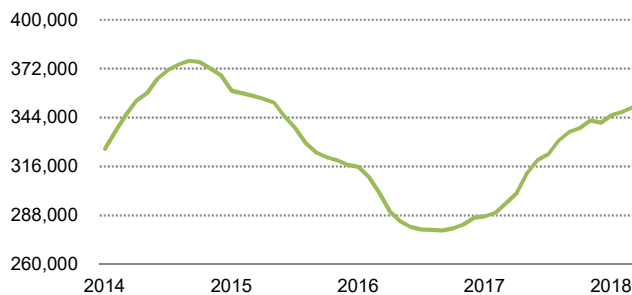
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

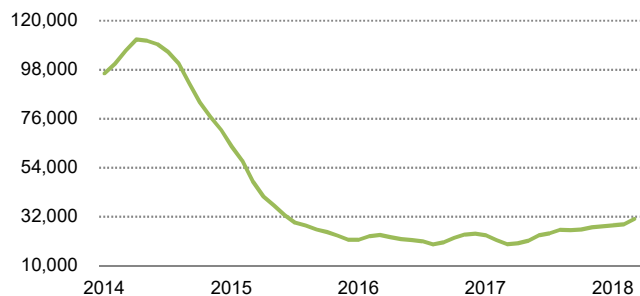
U.S. NDM/SMP EXPORTS (MT)



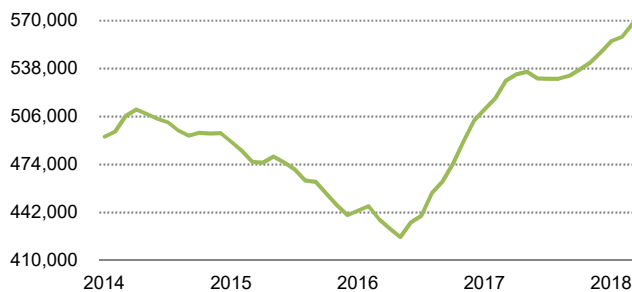
U.S. CHEESE EXPORTS (MT)



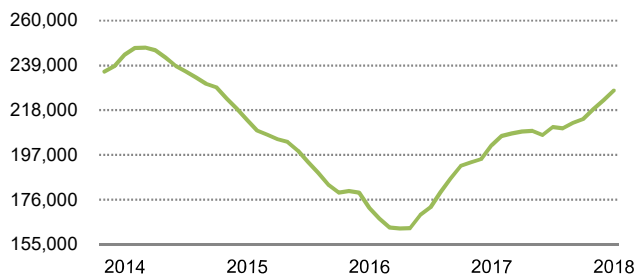
U.S. BUTTERFAT EXPORTS (MT)



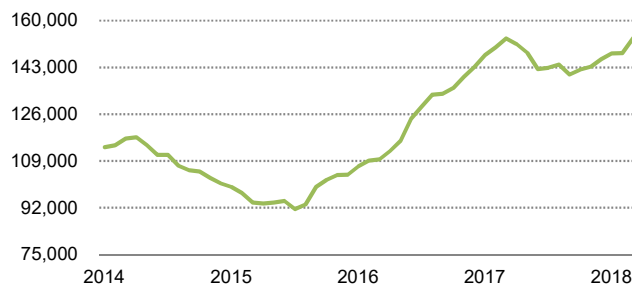
U.S. TOTAL WHEY* EXPORTS (MT)



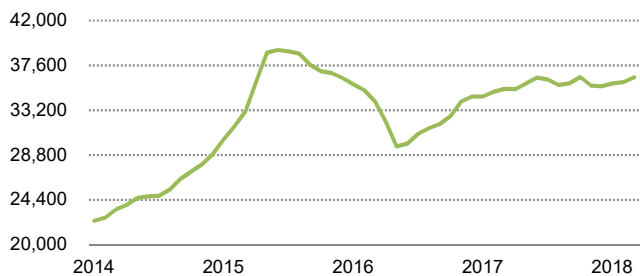
U.S. DRY WHEY EXPORTS (MT)



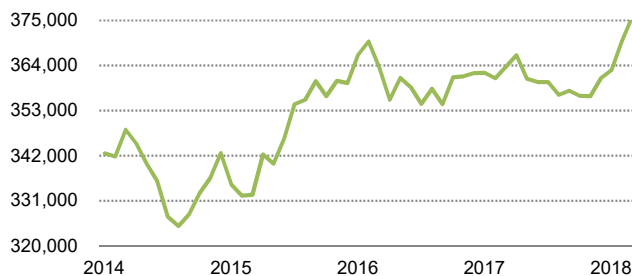
U.S. WPC EXPORTS (MT)



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.