

U.S. Exports

U.S. dairy exports extend growth streak during June

U.S. dairy marketers kept the growth streak alive during June despite new headwinds from tariffs. On a volume-basis, exports of whole milk powder nearly tripled compared to a year earlier while shipments of all other product categories, except modified whey, were above the prior-year level. In terms of value and volume, June marked the eighth consecutive month of growth in exports.

Marketers shipped 180,984 tons of milk powder, cheese, butterfat, whey products, and lactose during the month, 16% greater than in June 2017. U.S. exports were worth \$481 million, 4% more than a year ago. In the first half of 2018, dairy exports totaled \$2.904 billion, up 5% from the same period in 2017.

Exports of NDFM/SMP increased by 24% vs. June 2017 and totaled 57,018 tons. Shipments to Southeast Asia (+49%) and Mexico (+11%) drove the gains.

(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 June 2018 to account for this misclassification.)

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	LATEST MONTH		June (VOLUME, MT)		% CHG
	2016	2017	2018		
NDM/SMP*	42,757	45,816	57,018		+24
WMP*	2,421	1,169	3,483		+198
Cheese	23,056	30,578	34,191		+12
Butterfat	989	3,504	3,814		+9
Total Whey	47,726	42,558	45,532		+7
-Dry whey	16,898	17,347	19,770		+14
-WPC	15,923	10,103	10,641		+5
-Modified whey	12,288	12,005	11,770		-2
-WPI	2,617	3,103	3,352		+8
Lactose	30,830	30,108	34,796		+16
MPC	1,685	2,074	2,151		+4
Aggregate volume**	149,464	155,807	180,984		+16
Milk/cream (000 liters)	7,018	9,144	10,359		+13
Total Value (millions)**	\$ 368.1	\$ 462.0	\$ 481.0		+4

Whey exports increased 7% and totaled 45,532 tons in June. Gains were concentrated in Southeast Asia, up 22% compared to one year earlier, and in North Africa. Sales to China fell below the prior-year level for the second consecutive month; down 7% in June.

Lactose exports totaled 34,796 tons, 16% greater than levels one year ago. Shipments to China increased by 109% and were responsible for most of the growth.

Cheese exports were 34,191 tons in June, 12% greater than the previous year. Sales to Mexico increased by 43% and at 12,206 tons were the second highest ever. Exports to Australia more than doubled (+111%) which offset declines in shipments to South Korea, Japan, and China down 7%, 4%, and 14%, respectively.

Butterfat exports totaled 3,814 tons, 9% greater than levels in June 2017. Sales to Mexico rose 184% to 668 tons and shipments to the Middle East/North Africa grew by 152% to 488 tons. These gains offset lower butterfat exports to Canada, down 26%.

On a total milk solids basis, U.S. exports were equivalent to 16.4% of U.S. milk production in June. Imports were equal to 3.1%.

	YEAR-TO-DATE		JANUARY-JUNE (VOLUME, MT)		% CHG
	2016	2017	2018		
NDM/SMP*	258,201	309,341	387,049		+25
WMP*	13,937	10,725	22,069		+106
Cheese	139,928	173,071	185,910		+7
Butterfat	12,710	11,971	20,916		+75
Total Whey	231,934	259,550	300,272		+16
-Dry whey	83,937	99,700	121,173		+22
-WPC	67,858	67,186	89,697		+34
-Modified whey	64,055	74,807	69,096		-8
-WPI	16,084	17,856	20,307		+14
Lactose	175,252	173,488	210,198		+21
MPC	11,113	12,562	14,819		+18
Aggregate volume**	843,075	950,708	1,141,232		+20
Milk/cream (000 liters)	49,325	52,228	56,389		+8
Total Value (millions)**	\$ 2,255.5	\$ 2,764.5	\$ 2,904.2		+5

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

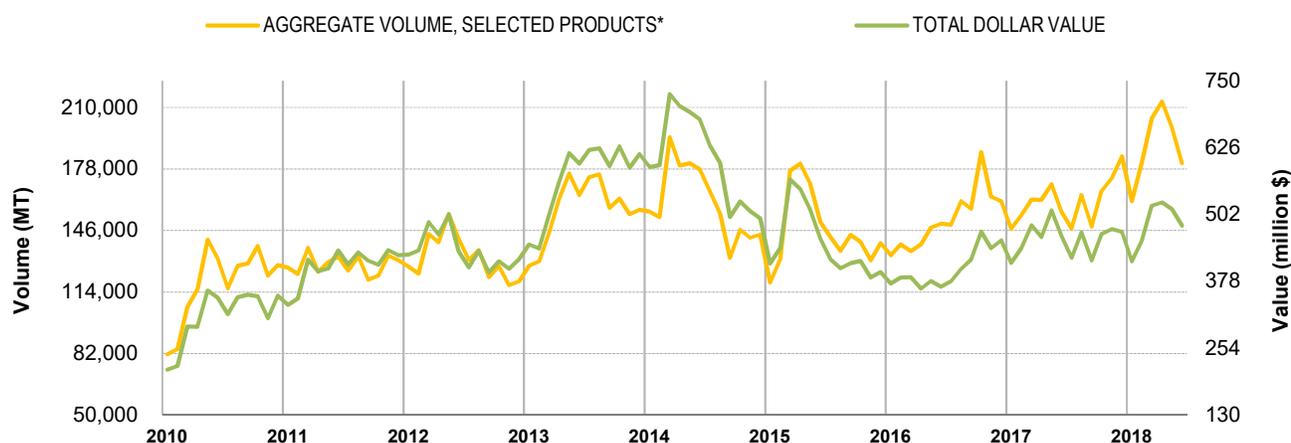
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

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

U.S. Exports

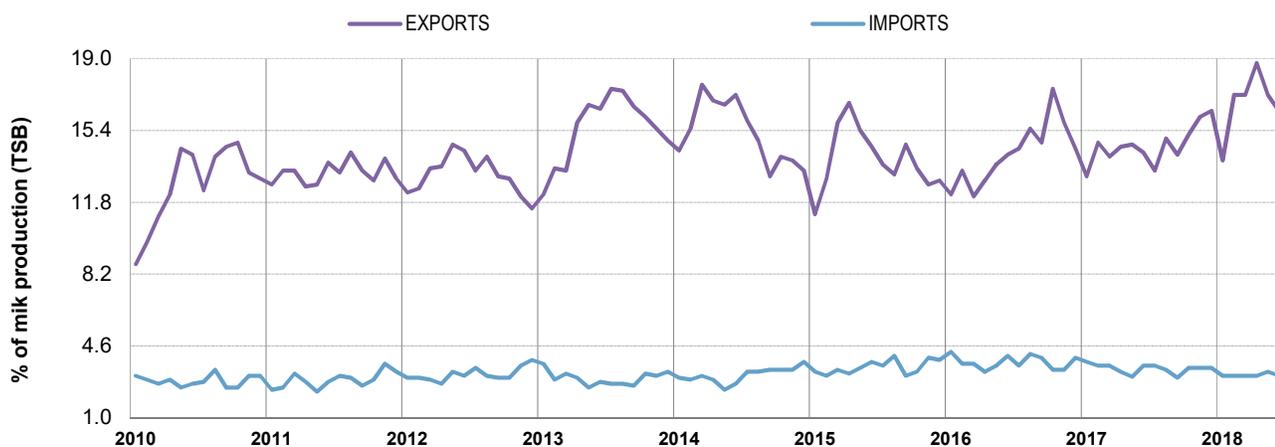
U.S. EXPORTS

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 \$)	Jun 18	vs. yr ago
Mexico	\$ 122.9	+13%
Southeast Asia	\$ 60.4	+11%
Canada	\$ 53.8	-14%
China	\$ 46.3	-4%
S. Korea	\$ 28.1	-13%
Japan	\$ 25.8	-6%
Middle East/North Africa	\$ 20.2	-26%
South America	\$ 20.1	+1%
Europe	\$ 18.1	+44%
Caribbean	\$ 17.7	+7%

U.S. EXPORTS AS % OF PRODUCTION

	June	yr ago	Jan-Jun 18	yr ago
NDM/SMP	60%	50%	68%	54%
Total cheese	7.1%	6.4%	6.4%	6.1%
Butterfat	5.9%	5.5%	4.5%	2.7%
Dry sweet whey	50%	43%	51%	44%
Lactose	84%	69%	83%	69%
Total milk solids	16.4%	14.3%	16.8%	14.3%

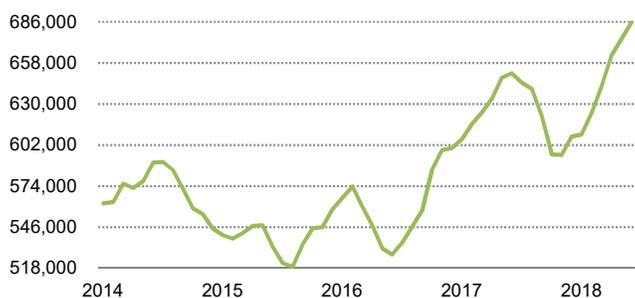
ACCESS U.S. EXPORT DATA ONLINE

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

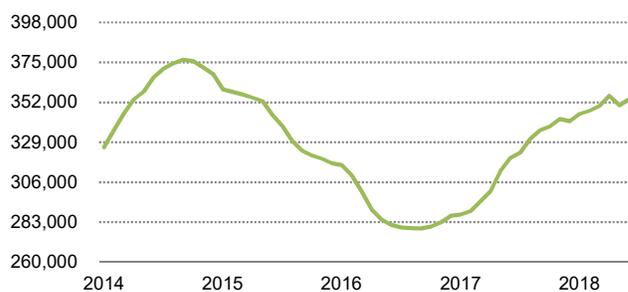
Source: USDEC, National Milk Producers Federation, U.S. Bureau of Census.

U.S. Exports: Rolling 12-Month Volume

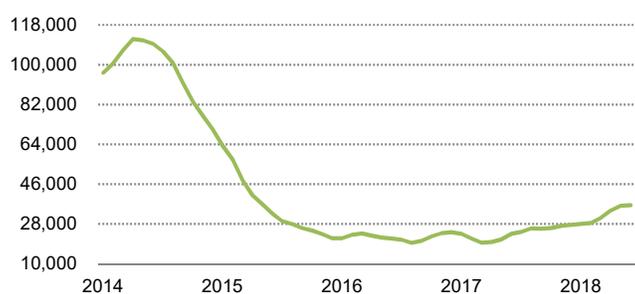
U.S. NDM/SMP EXPORTS (MT)



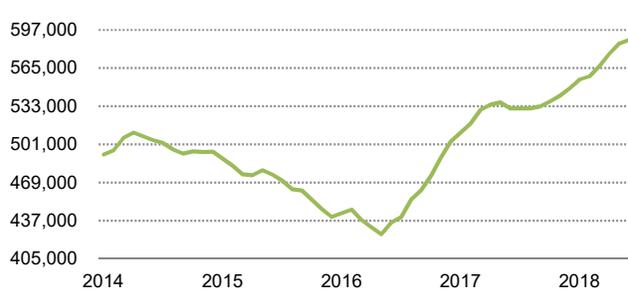
U.S. CHEESE EXPORTS (MT)



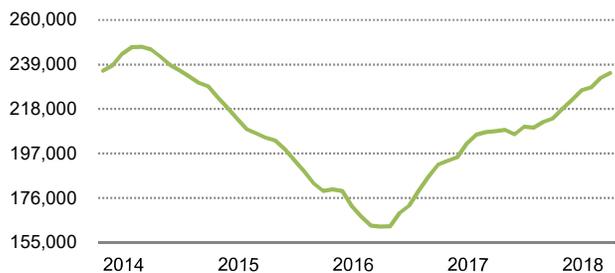
U.S. BUTTERFAT EXPORTS (MT)



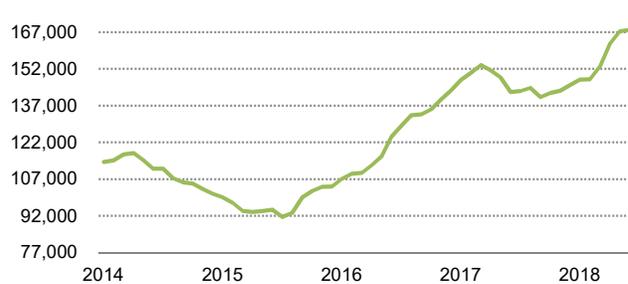
U.S. TOTAL WHEY* EXPORTS (MT)



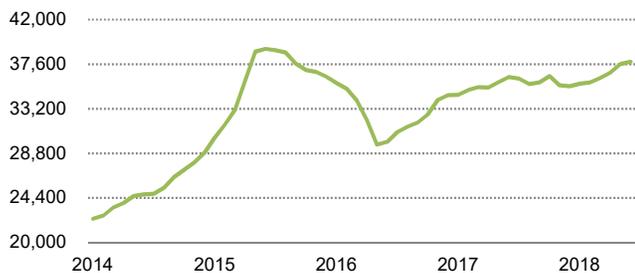
U.S. DRY WHEY EXPORTS (MT)



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.