

## U.S. Exports

### Dry ingredients pace U.S. exports in December

U.S. dairy exporters finished the year strong in December, moving 185,205 tons of milk powder, cheese, butterfat, whey and lactose during the month, the most in more than a year and up 14% from the prior December. U.S. exports were valued at \$469 million, up 3%.

Exports of nonfat dry milk/skim milk powder (NDM/SMP) topped 60,000 tons for just the fifth time, coming in 27% above year-ago levels. Sales to Mexico, Southeast Asia and China were higher, and suppliers found new customers in Peru, Pakistan and the Middle East/North Africa (MENA) region.

Total whey exports were a record-high 53,667 tons in December, up 15% vs. the year before, led by a 21% increase in shipments of whey protein concentrate (WPC) and modified whey products (permeate). Total whey exports to China were 25,213 tons in December, up 6% and a new monthly high. In addition, whey sales to Japan – about half of which was whey permeate – were the most in nearly a decade. Whey exports to Southeast Asia were up 4% year-over-year.

Cheese exports were 27,321 tons in December, down 4% from a year ago – dropping below year-ago levels for the first time in 15 months. Exports to Mexico (-10%), South Korea (-30%) and Japan (-41%) were all lower, while sales increased to Australia (+47%), China (+55%) and

the MENA region (+63%). Over the last half of the year, Australia was the number-three market for U.S. cheese, surpassing Japan.

Lactose exports were 35,469 tons in December, up 14%, and the most in 32 months. Exports to Southeast Asia (+40%) and China (+29%) were particularly strong.

Exports of butterfat were 2,792 tons in December, up 18%. After taking just 103 tons last December, the MENA region bought 784 tons this December.

Fluid milk/cream exports were down 35% in December, with a steep fall-off in sales to Canada (-82%). Meanwhile, shipments to Mexico and Taiwan were each up 16%.

Among top markets, gains were strongest for China and the MENA region. Export value to China was the most since August 2014 and exports to the MENA region were the most since April 2015.

On a total milk solids basis, U.S. exports were equivalent to 16.4% of U.S. milk production in December, the highest figure of the year, while imports were equivalent to 3.5%.

#### U.S. Exports

	LATEST MONTH				DECEMBER (VOLUME, MT)					YEAR-TO-DATE				JANUARY - DECEMBER (VOLUME, MT)			
	2015	2016	2017	% CHG	2015	2016	2017	% CHG		2015	2016	2017	% CHG	2015	2016	2017	% CHG
NDM/SMP*	46,179	47,595	60,489	+27	558,030	599,876	608,091	+1	558,030	599,876	608,091	+1	558,030	599,876	608,091	+1	
WMP*	776	3,053	2,940	-4	33,807	25,534	25,411	-0	33,807	25,534	25,411	-0	33,807	25,534	25,411	-0	
Cheese	24,689	28,576	27,321	-4	316,889	286,658	341,085	+19	316,889	286,658	341,085	+19	316,889	286,658	341,085	+19	
Butterfat	1,866	2,368	2,792	+18	21,567	24,339	27,653	+14	21,567	24,339	27,653	+14	21,567	24,339	27,653	+14	
Total Whey	32,967	46,845	53,667	+15	440,220	503,559	549,018	+9	440,220	503,559	549,018	+9	440,220	503,559	549,018	+9	
-Dry whey	12,776	18,679	20,420	+9	179,280	191,857	213,853	+11	179,280	191,857	213,853	+11	179,280	191,857	213,853	+11	
-WPC	8,378	12,065	14,956	+24	103,990	143,261	146,045	+2	103,990	143,261	146,045	+2	103,990	143,261	146,045	+2	
-Modified whey	8,800	12,612	14,884	+18	120,587	133,885	153,585	+15	120,587	133,885	153,585	+15	120,587	133,885	153,585	+15	
-WPI	3,014	3,490	3,407	-2	36,363	34,557	35,535	+3	36,363	34,557	35,535	+3	36,363	34,557	35,535	+3	
Lactose	30,362	31,151	35,469	+14	359,707	362,127	360,872	-0	359,707	362,127	360,872	-0	359,707	362,127	360,872	-0	
MPC	2,624	2,468	2,527	+2	30,757	21,560	23,160	+7	30,757	21,560	23,160	+7	30,757	21,560	23,160	+7	
<b>Aggregate volume**</b>	<b>139,462</b>	<b>162,057</b>	<b>185,205</b>	<b>+14</b>	<b>1,760,977</b>	<b>1,823,653</b>	<b>1,935,290</b>	<b>+6</b>	<b>1,760,977</b>	<b>1,823,653</b>	<b>1,935,290</b>	<b>+6</b>	<b>1,760,977</b>	<b>1,823,653</b>	<b>1,935,290</b>	<b>+6</b>	
Milk/cream (000 liters)	7,850	12,087	7,869	-35	105,180	117,868	105,996	-10	105,180	117,868	105,996	-10	105,180	117,868	105,996	-10	
<b>Total Value (millions)**</b>	<b>\$ 395.0</b>	<b>\$ 454.0</b>	<b>\$ 469.4</b>	<b>+3</b>	<b>\$ 5,361.6</b>	<b>\$ 4,815.6</b>	<b>\$ 5,480.8</b>	<b>+14</b>	<b>\$ 5,361.6</b>	<b>\$ 4,815.6</b>	<b>\$ 5,480.8</b>	<b>+14</b>	<b>\$ 5,361.6</b>	<b>\$ 4,815.6</b>	<b>\$ 5,480.8</b>	<b>+14</b>	

\* USDA data for NDM/SMP and WMP for June 2016-November 2017 adjusted to reflect shipments to Mexico misclassified as WMP.

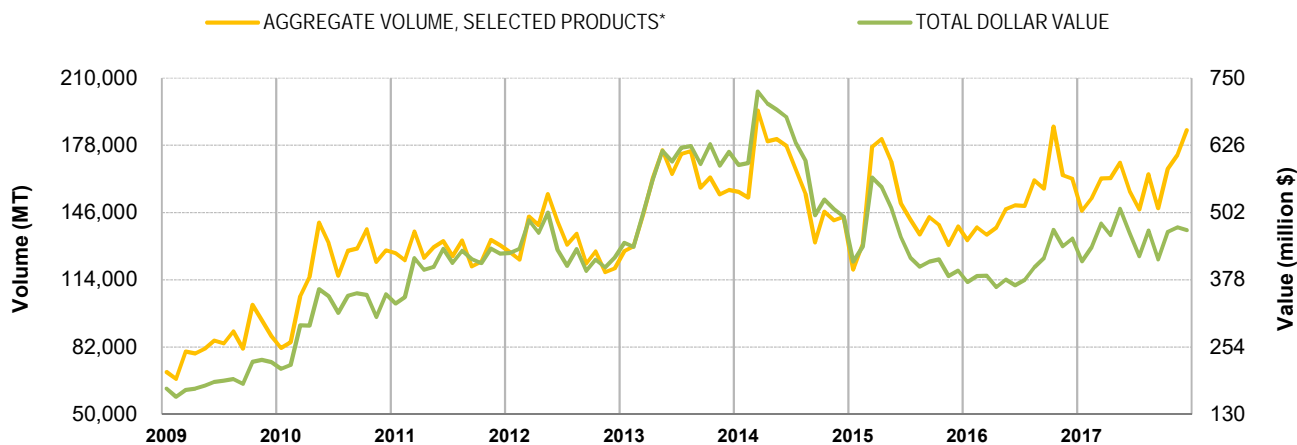
\*\* Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

# U.S. Exports

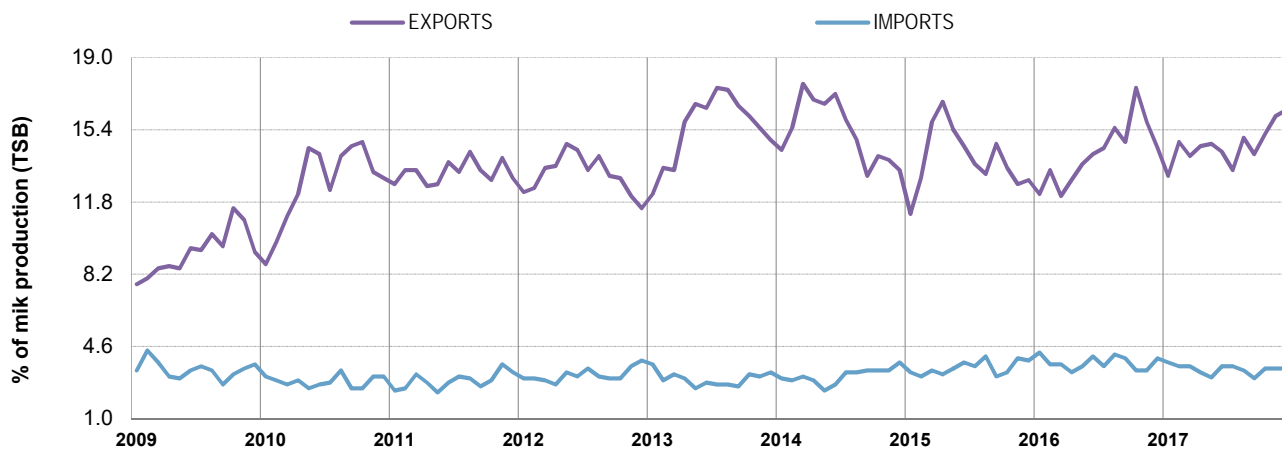
## U.S. EXPORTS

## 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 \$)	December 17	vs. yr ago
Mexico	\$ 97.5	-7%
Southeast Asia	64.5	+14%
Canada	42.5	-29%
China	54.8	+13%
Middle East/North Africa	29.6	+120%
Japan	23.9	+13%
Oceania	24.3	+25%
South America	30.4	+1%
So. Korea	20.6	-18%
Caribbean	19.3	+4%

### U.S. EXPORTS AS % OF PRODUCTION

	December	yr ago	Jan-Dec 17	yr ago
NDM/SMP	63%	49%	57%	57%
Total cheese	5.5%	5.9%	6.0%	5.2%
Butterfat	3.6%	3.2%	3.3%	2.9%
Dry sweet whey	54%	53%	46%	44%
Lactose	82%	74%	70%	73%
Total milk solids	16.4%	14.5%	14.7%	14.2%

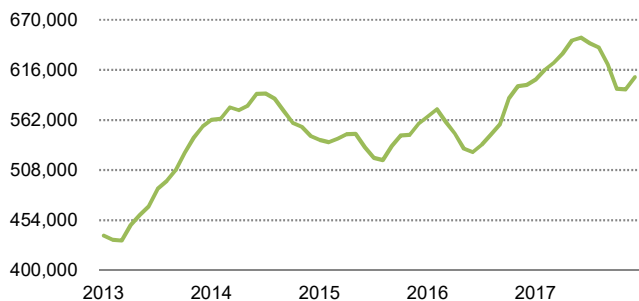
### ACCESS U.S. EXPORT DATA ONLINE

Visit [usdec.org/research-and-data/market-data/us-export-data](http://usdec.org/research-and-data/market-data/us-export-data)

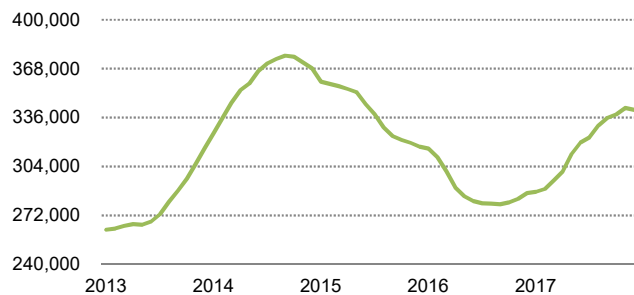
Source: USDA, USDEC, National Milk Producers Federation.

# U.S. Exports: Rolling 12-Month Volume

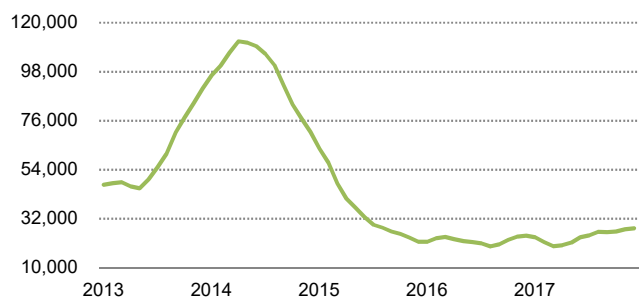
**U.S. NDM/SMP EXPORTS (MT)**



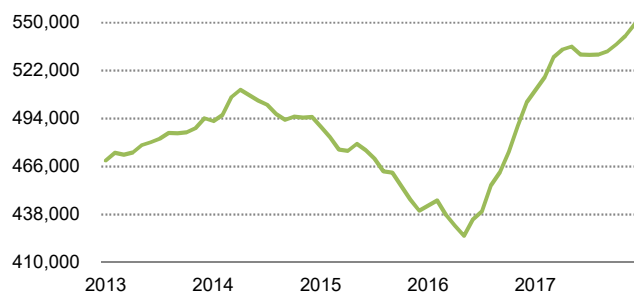
**U.S. CHEESE EXPORTS (MT)**



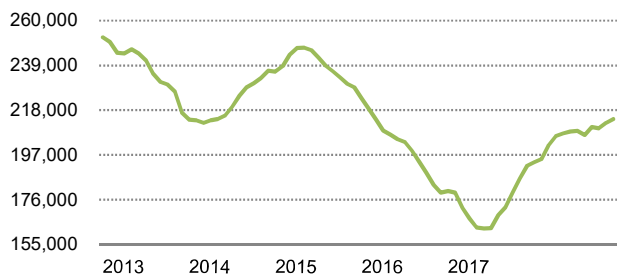
**U.S. BUTTERFAT EXPORTS (MT)**



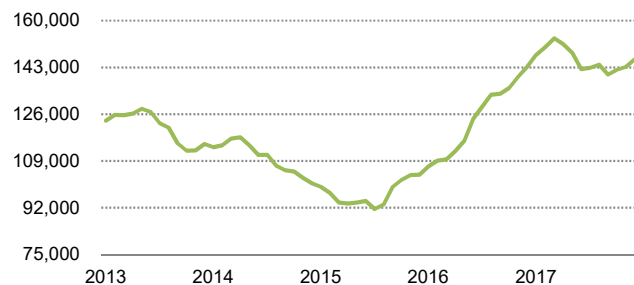
**U.S. TOTAL WHEY\* EXPORTS (MT)**



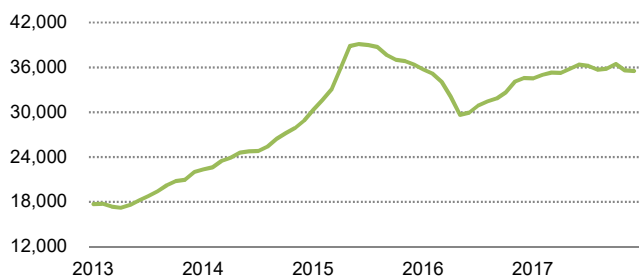
**U.S. DRY WHEY EXPORTS (MT)**



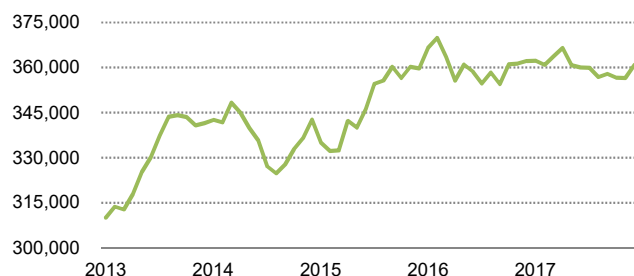
**U.S. WPC EXPORTS (MT)**



**U.S. WPI EXPORTS (MT)**



**U.S. LACTOSE EXPORTS (MT)**



\* Total whey includes dry whey, WPC, modified whey products and WPI.

Source: USDA, USDEC.