



Class IV Market News and Summary

HAPPY 4th of JULY!!

July 3, 2017

The June Class IV price was \$15.89/cwt. Up \$1.40 /cwt. from last month. Class IV projection for July is \$16.69 /cwt.

The June Class III price was \$16.44/cwt. up \$0.87/cwt. from last month. Class III projection for July is \$16.10/cwt.

Class IV Forecast as of June 30, 2017

Year	Month	Projected class IV 2017
	July	\$16.69
2017	August	\$16.80
2017	September	\$16.80
2017	October	\$16.90
2017	November	\$16.90
2017	December	\$16.50
2018	Jan	\$16.00
2018	Feb	\$16.00
2018	March	\$15.70

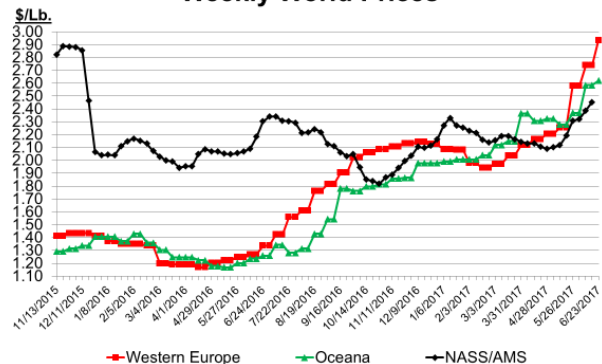


May Milk Production Up 1.8 Percent

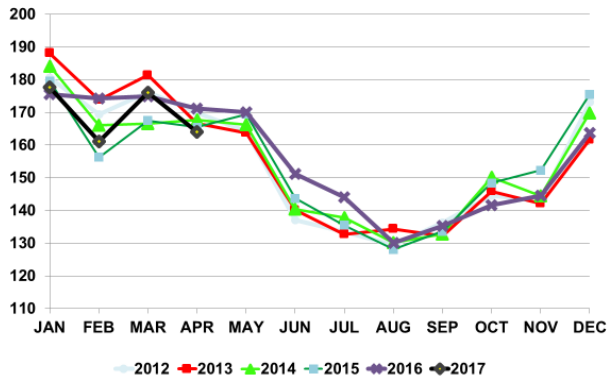
Milk production in the 23 major States during May totaled 17.8 billion pounds, up 1.8 percent from May 2016. Production per cow in the 23 major States averaged 2,035 pounds for May, 16 pounds above May 2016. The number of milk cows on farms in the 23 major States was 8.72 million head, 81,000 head more than May 2016, and 2,000 head more than April 2017.

Domestic butter prices continue to be supported by world butter prices.

GRADE AA BUTTER Weekly World Prices

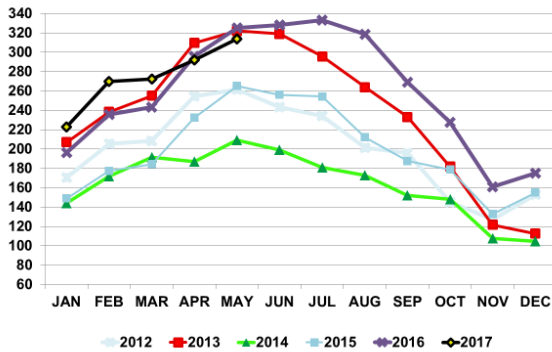


U.S. BUTTER PRODUCTION



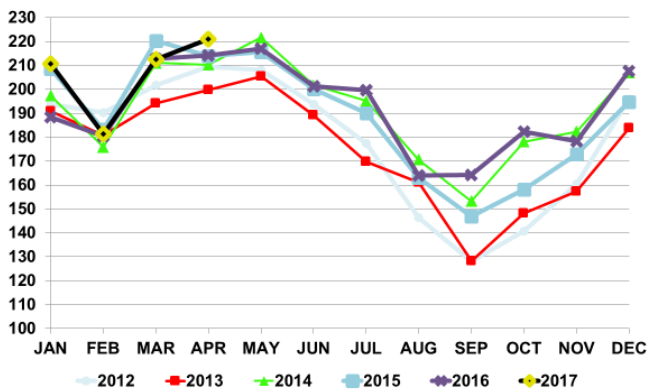
Butter production for April was down 4.1% compared to April of 2016. This is the lowest April production since 2011.

U.S. BUTTER IN COLD STORAGE



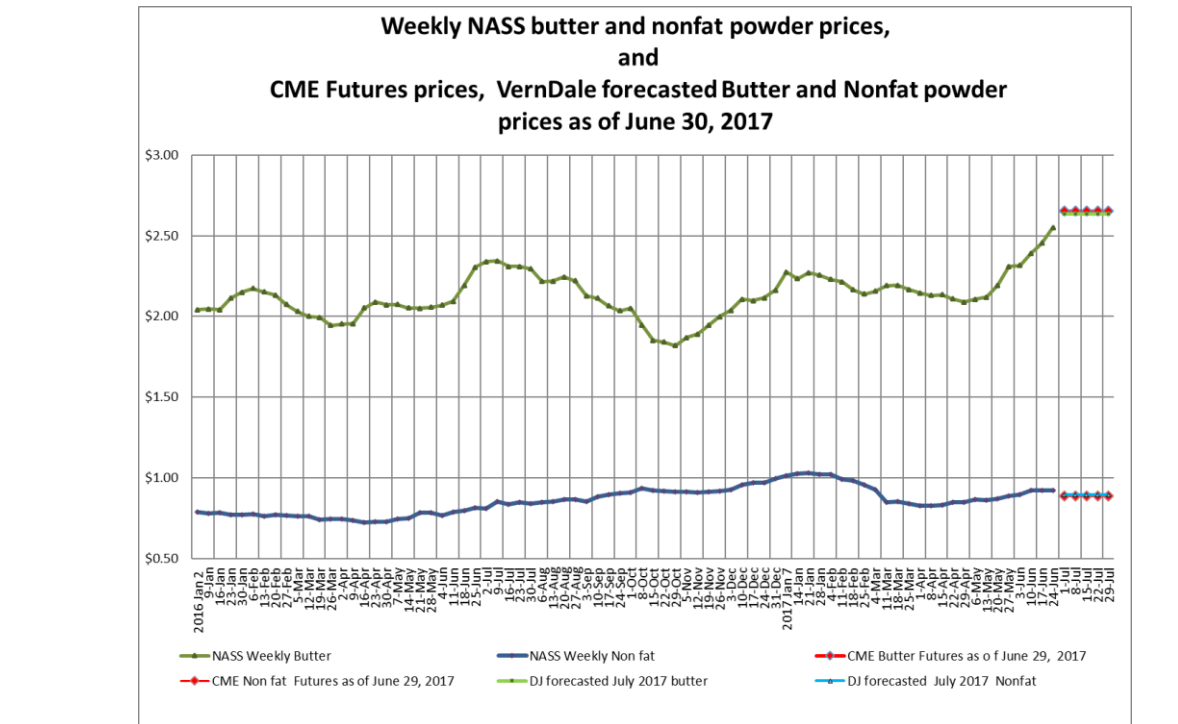
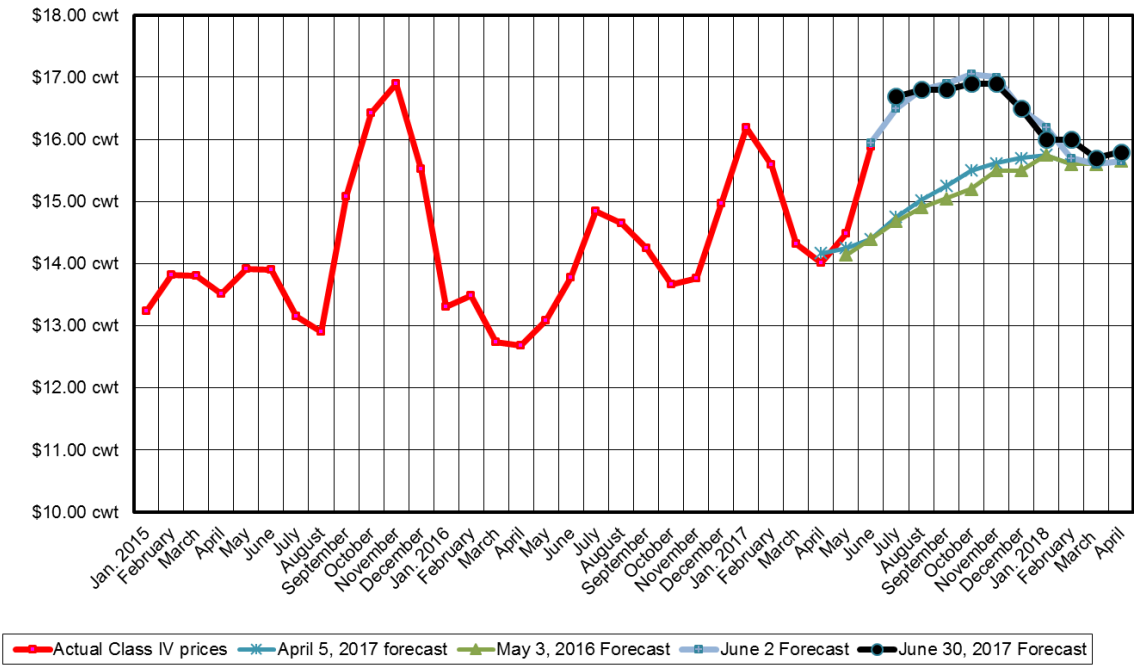
Butter storage at the end of May is running 11.4 million pounds less than last year's May position. The inventory level at the end of May looks slightly bullish. The YTD numbers for storage appears slightly less than industry expectations. The inventory level represents about 5 weeks' worth of production.

Skim/NFDM Production



Dry milk Production (comparisons with April 2016) Combined nonfat and SMP production for April is up 3.2% from last year's April total

June 30, 2017 VernDale Class IV Forecast vs. Past Months Forecasts



Dale Johnson