



# Class IV Market News and Summary

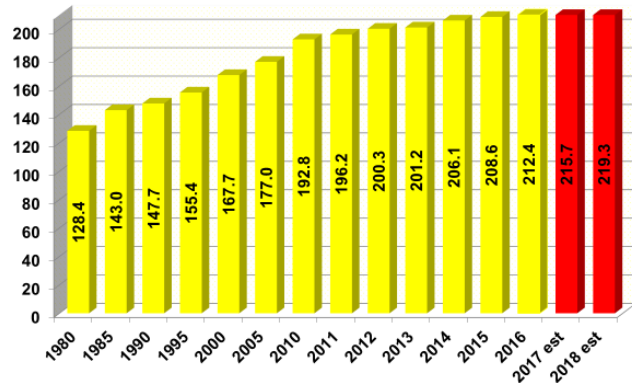
January 3, 2018

**The December Class IV price was \$14.85cwt.** Down \$1.01 /cwt. from last month. Class IV projection for January is \$14.08 /cwt.

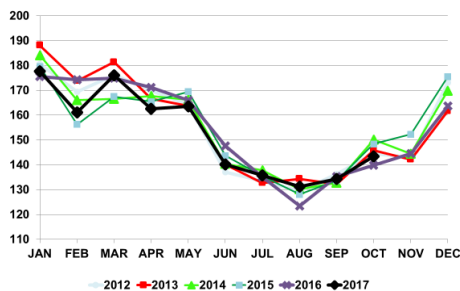
**The December Class III price was \$16.69/cwt.** An increase of \$0.33/cwt. from last month. Class III projection for January is \$16.58cwt.

The USDA reported milk production for 2016 was 1.8% greater than 2015 and that 2017 will increase by 1.6% followed by an increase of 1.7% for 2018. The national average price was \$17.12 per cwt for 2015 and the USDA's announced an average \$16.24 was paid for 2016 and estimates an \$17.65 price for 2017 and \$17.05 for 2018.

## U.S. MILK PRODUCTION USDA Estimate for 2017 as of 12/12/17



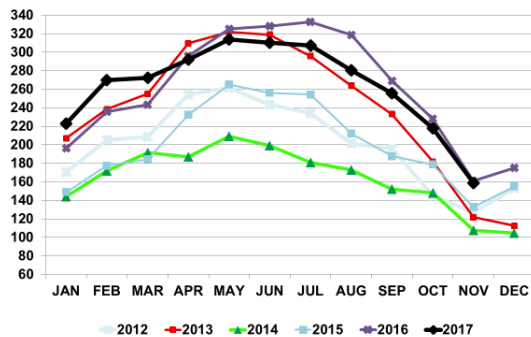
## U.S. BUTTER PRODUCTION



Total **butter production** for October was up 2.6% compared to October of 2016. YTD Butter production is down 17.7 million pounds representing a decline of 1.1%.

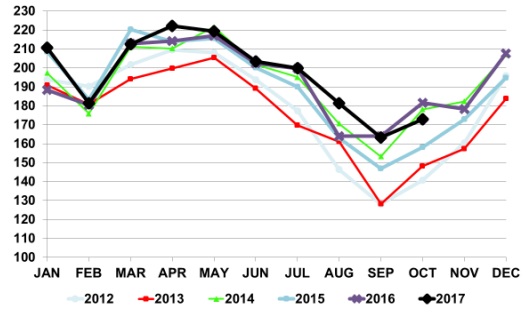
**Butter storage** at the end of November was 158.8 million lb. down 1.5% from November 2017 and down 59.1 lb. from Last Month. The five-year average for November is 130.1 million lb. so stocks are still high compared to prior years..

## U.S. BUTTER IN COLD STORAGE

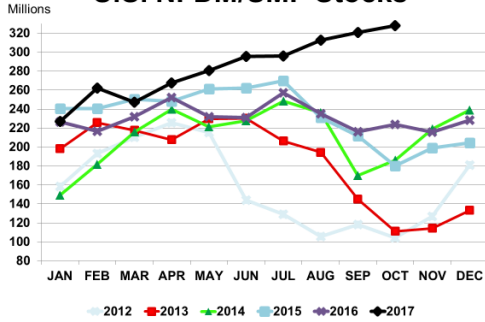


Dry milk powder production for October is down 4.7% from last year's October total.

### Skim/NFDM Production

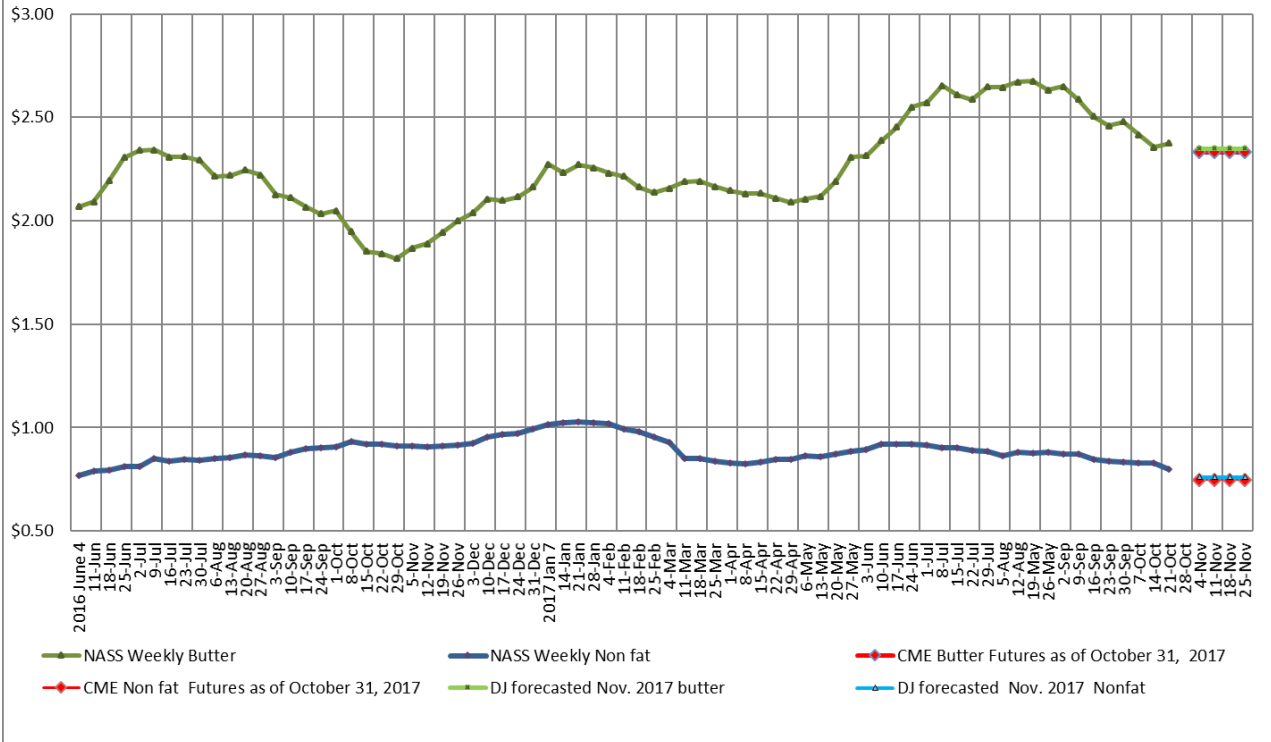


### U.S. NFDM/SMP Stocks



Dry milk powders Stocks for October are 327 million lbs. Up 2.0% from the previous month and up 46% from last year. Stocks continue to grow in October when inventories typically decline.

### Weekly NASS butter and nonfat powder prices June 2016 - Nov. 2017, and CME Futures, and VernDale, forecasted Butter and Nonfat powder prices as of November 2, 2017



Projected Class IV prices as of January 3, 2018

Year	Month	Projected class IV price
2018	Jan	\$13.23
2018	Feb	\$13.19
2018	March	\$13.30
2018	April	\$13.60
2018	May	\$13.80
2018	June	\$14.05
2018	July	\$14.35
2018	August	\$14.75
2018	September	\$14.90
2018	October	\$15.10
2018	November	\$15.30
2018	December	\$15.50

