



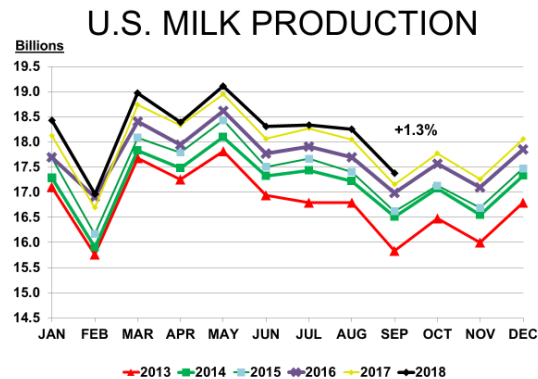
# Class IV Market News and Summary

November 2, 2018

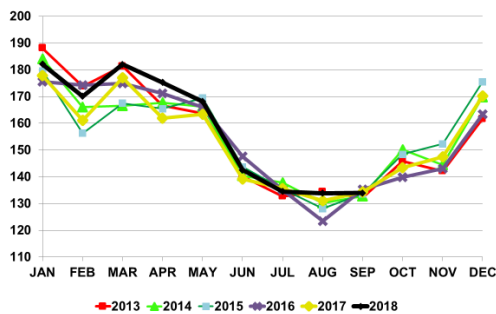
**The October Class IV price was \$15.01 up \$0.20 cwt. from last month. Class IV projection for November is \$15.02.**

**The October Class III price was \$15.53. down \$0.56 cwt. from last month. Class III projection for November is \$15.10.**

**Milk production** in the 23 major States during September totaled 16.4 billion pounds, up 1.5 percent from September 2017. **Production per cow** in the 23 major States averaged 1,880 pounds for September, 30 pounds above September 2017. **The number of milk cows** on farms in the 23 major States was 8.72 million head, 13,000 head less than September 2017, and 12,000 head less than August 2018.



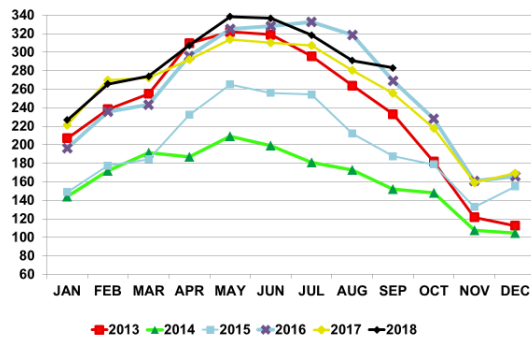
### U.S. BUTTER PRODUCTION



**Butter** production for September was 134 million pounds, 0.1 percent below September 2017 but 0.3 percent above August 2018.

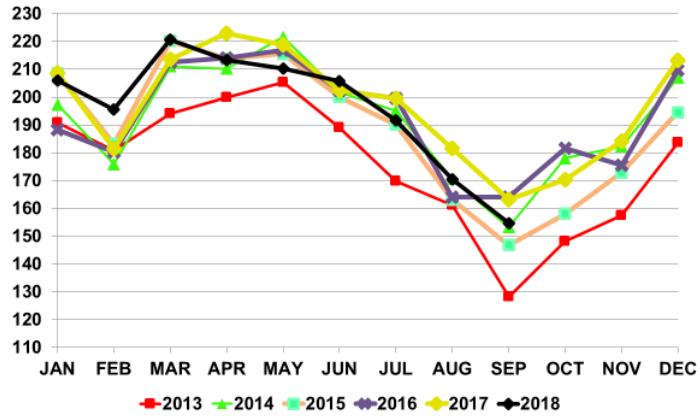
**Butter storage at the end of September** is running 27.2 million pounds more than last year's September's position representing an 10.6% increase over last year. The higher than expected inventory level at the end of September will likely put more downward pressure on the butter price in the coming weeks.

### U.S. BUTTER IN COLD STORAGE



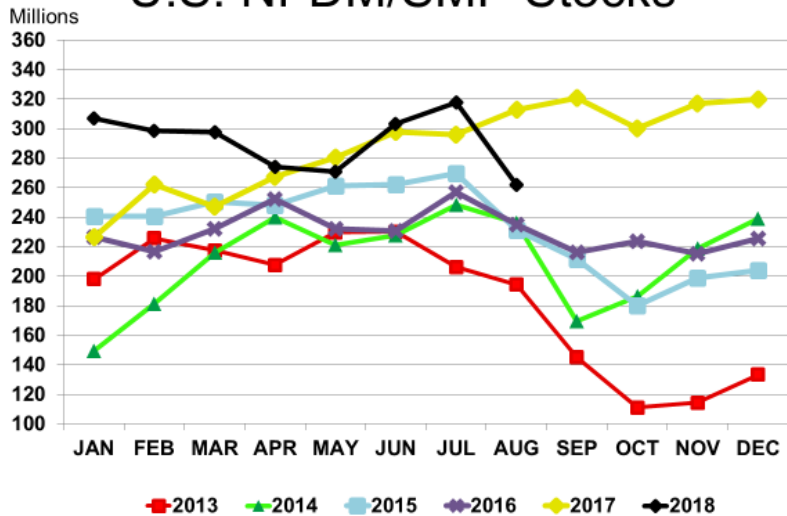
**Dry milk products September production** was 154 million lbs. 10 percent below the previous month and 5% below September 2017.

### Skim/NFDM Production

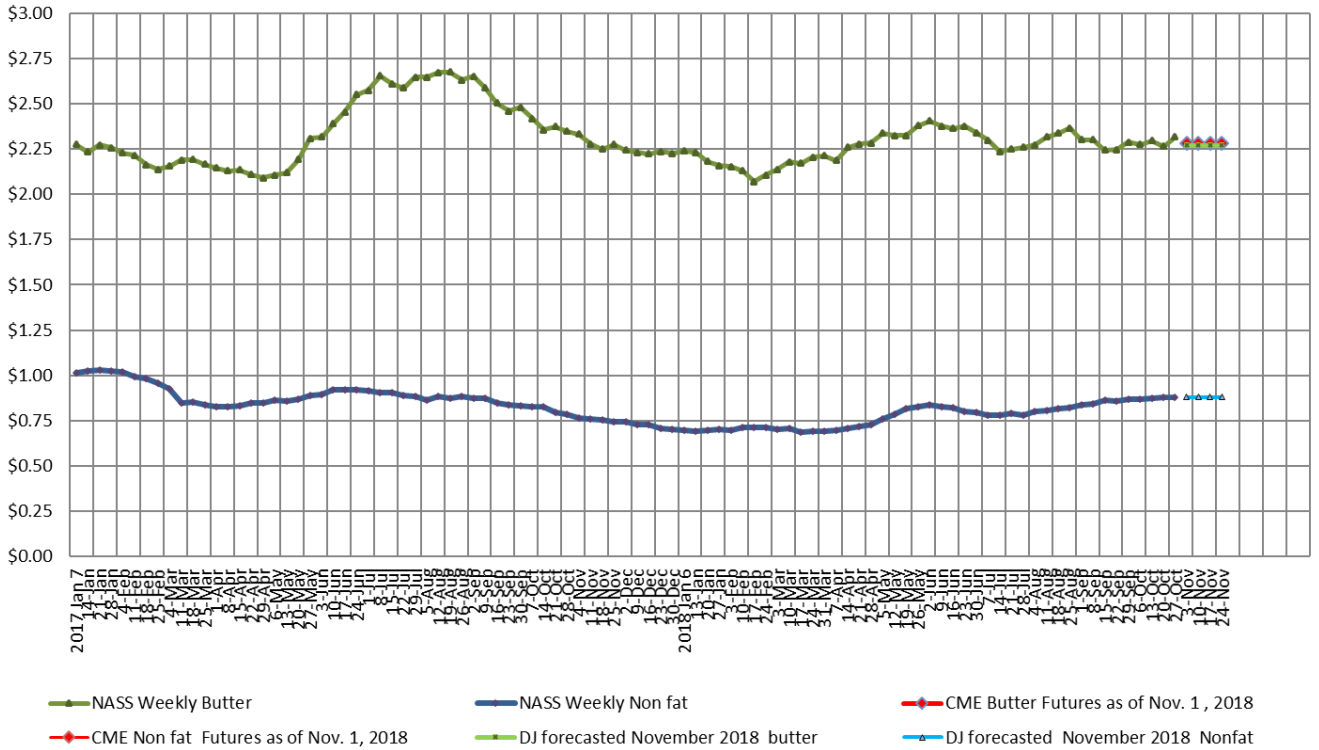


**Manufacturers' stocks of NDM** ebbed to 262.1 million pounds, off nearly 20 million pounds from Aug. 31 and 18.3% below inventories at the end of September 2017.

### U.S. NFDM/SMP Stocks



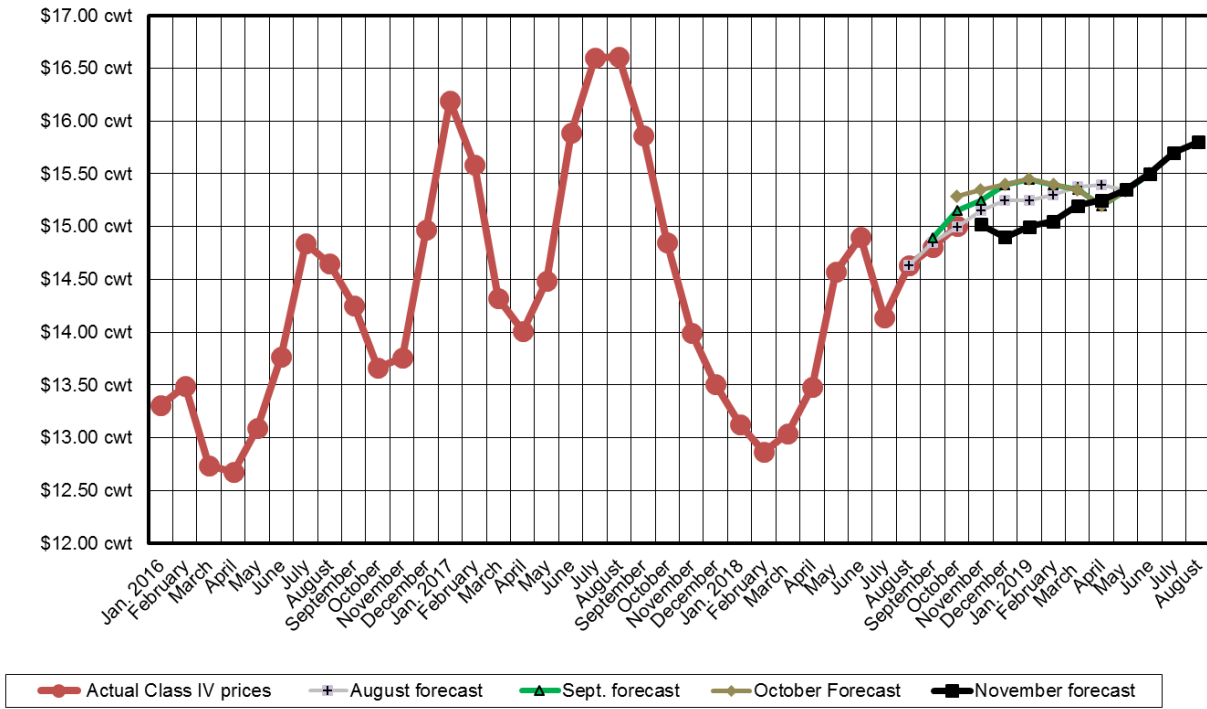
**Weekly NASS butter and nonfat powder prices Jan 2017- October, 2018,  
and CME Futures, and VernDale, forecasted Butter and Nonfat powder  
price ave. for November 2018**



**Projected Class IV price's as of Nov 1, 2018**

<b>Year</b>	<b>Month</b>	<b>Projected class IV price</b>
<b>2018</b>	<b>November</b>	\$15.02
<b>2018</b>	<b>December</b>	\$14.90
<b>2019</b>	<b>Jan</b>	\$15.00
<b>2019</b>	<b>Feb</b>	\$15.05
<b>2019</b>	<b>March</b>	\$15.20
<b>2019</b>	<b>April</b>	\$15.25
<b>2019</b>	<b>May</b>	\$15.35
<b>2019</b>	<b>June</b>	\$15.50
<b>2019</b>	<b>July</b>	\$15.70
<b>2019</b>	<b>August</b>	\$15.80
<b>2019</b>	<b>September</b>	\$15.90
<b>2019</b>	<b>October</b>	\$16.00

Nov. 1, 2018 VernDale Class IV Forecast vs. Past Months Forecasts



Dale Johnson