



Class IV Market News and Summary

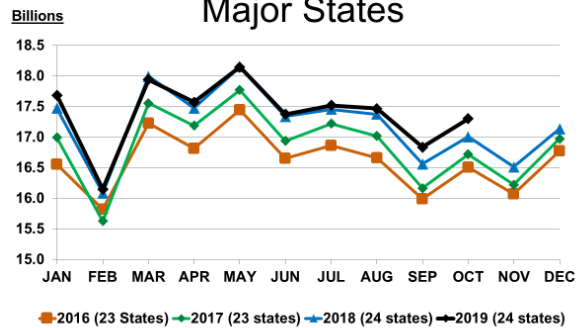
December 5, 2019

The November Class IV price was \$16.60/cwt. up \$ 0.21/cwt. from the previous month. Class IV projection for December is \$16.88

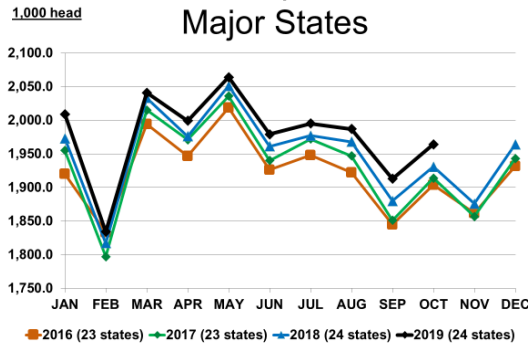
The November Class III price was \$20.45/cwt. up \$1.73/cwt. from the previous month. Class III projection for December is \$19.86/cwt.

Milk production in the 24 major States during October totaled 17.3 billion pounds, up 1.7percent from October 2018. September revised production, at 16.8 billion pounds, was up 1.7percent from September 2018.

MILK PRODUCTION in 24 Major States



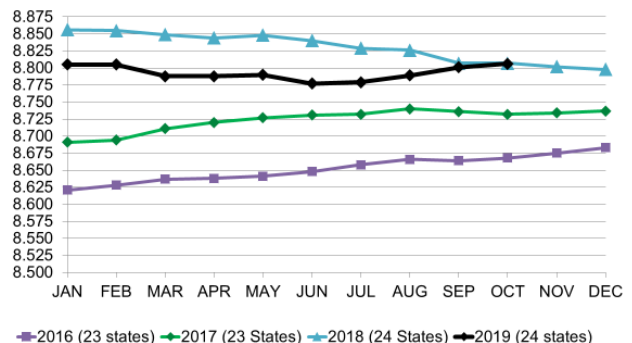
PRODUCTION per COW in 24 Major States



Production per cow in the 24 major States averaged 1,964 pounds for October, 33 pounds above October 2018.

MILK COWS – 24 MAJOR STATES

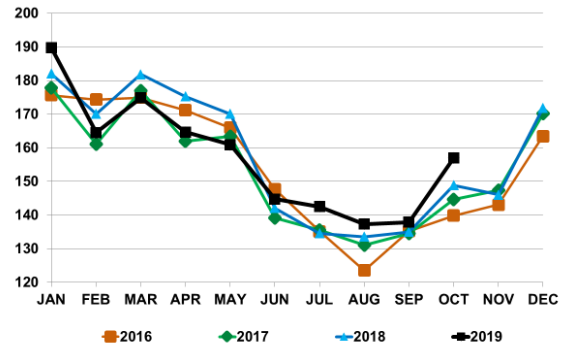
Cow Numbers in Millions



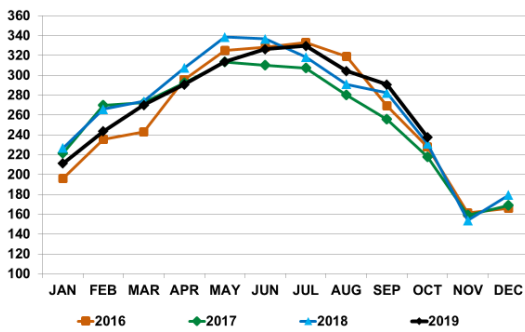
The number of milk cows on farms in the 24 major States in October was 8.81 million head, 1,000 head less than October 2018, but 5,000 head more than September 2019.

Butter production for October was 156.9 million pounds, 5.4 percent above October 2018 and 13.8 percent above September 2019.

U.S. BUTTER PRODUCTION



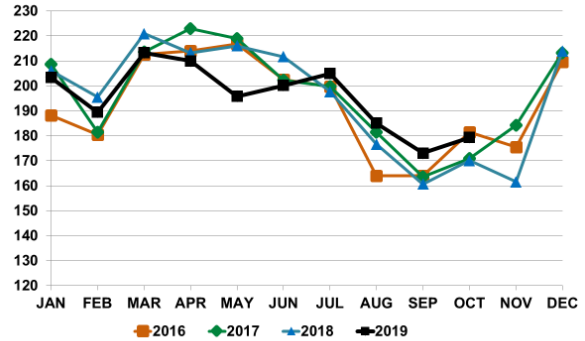
U.S. BUTTER IN COLD STORAGE



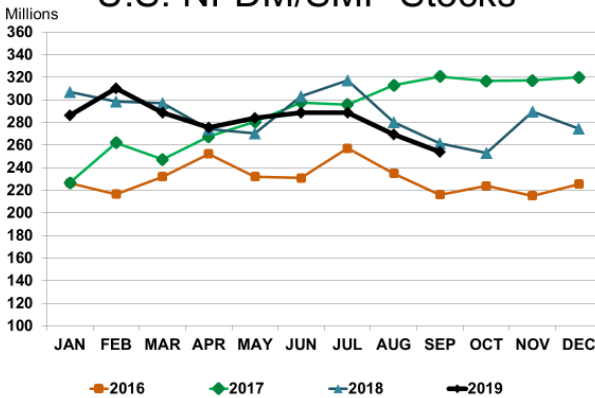
Butter stocks for October end were 237.7 million lb. down 18 percent from last month but up 2.8 percent from a year ago

Combined production of Skim and Nonfat for October was 179.3 million lbs. up 5.3% from October, 2018 and up 3.6% from last month.

Skim/NFDM Production



U.S. NFDM/SMP Stocks

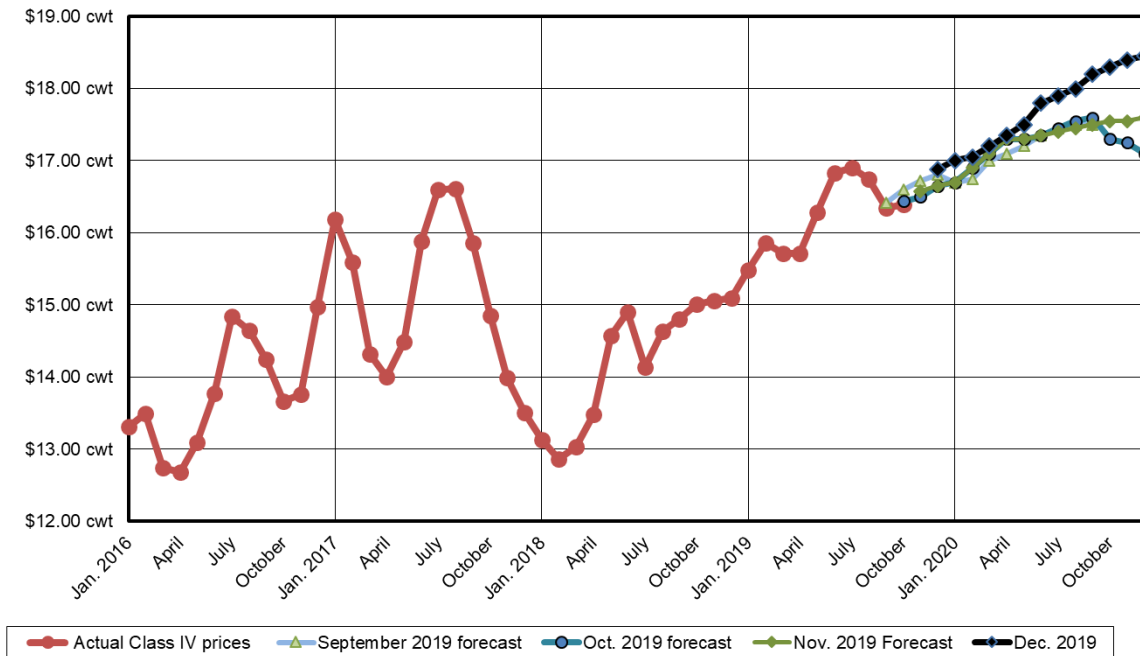


Nonfat Inventory at the end of September were 254.1 million lbs. down 2.9% from the same period last year and down 5.8% from last month.

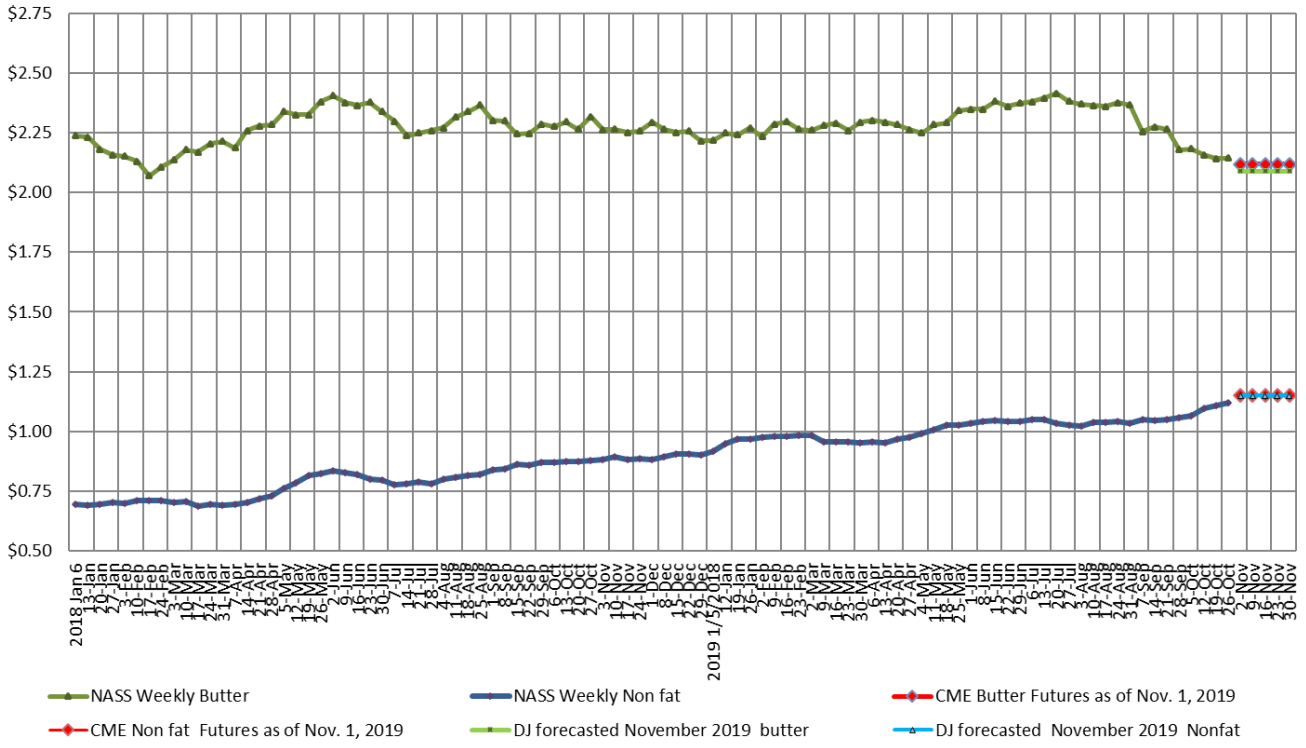
Forecasted Class IV price as of December 4, 2019

2019	December	\$16.88
2020	Jan	\$17.00
2020	Feb	\$17.05
2020	March	\$17.20
2020	April	\$17.35
2020	May	\$17.50
2020	June	\$17.80
2020	July	\$17.90
2020	Aug.	\$18.00
2020	Sep	\$18.20
2020	Oct	\$18.30
2020	Nov	\$18.40
2020	Dec	\$18.45

2016 - 2019 Historic Class IV Prices and VernDale's Current Class IV Forecast as of Dec. 2. 1 2019 vs. Past Months Forecasts



Weekly NASS butter and nonfat powder prices Jan 2018 -October, 2019, and CME Futures, and VernDale forecasted Butter and Nonfat powder price ave. for November 2019



Wishing everyone a very MERRY CHRISTMAS and a HAPPY NEW YEAR

Dale Johnson