



Class IV Market News and Summary

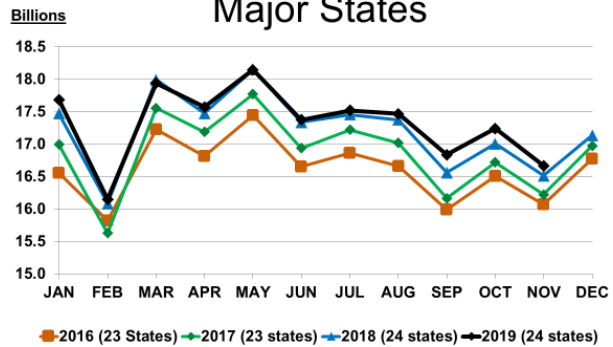
Jan. 6, 2020

The December Class IV price was \$16.70/cwt. up \$ 0.10/cwt. from the previous month. Class IV projection for January is \$16.89

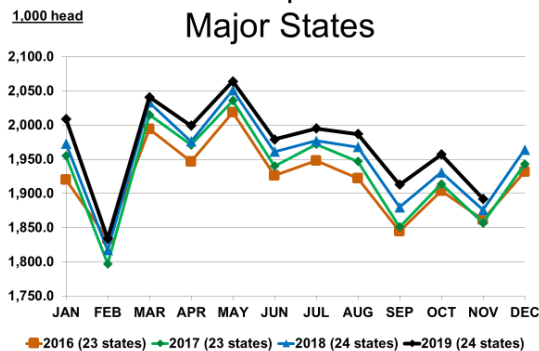
The December Class III price was \$19.37/cwt. down \$1.08/cwt. from the previous month. Class III projection for January is \$17.06/cwt.

Milk production in the 24 major States during November totaled 16.7 billion pounds, down 3.3% from last month but up 0.9 percent from November 2018.

MILK PRODUCTION in 24 Major States



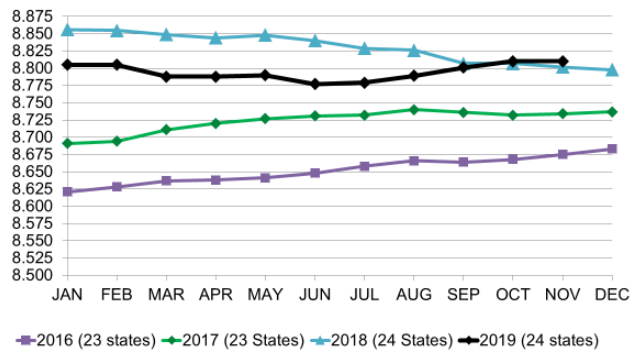
PRODUCTION per COW in 24 Major States



Production per cow in the 24 major States averaged 1,892 pounds for November, 16 pounds or .92% above November 2018, and 3.3% lower than last month

MILK COWS – 24 MAJOR STATES

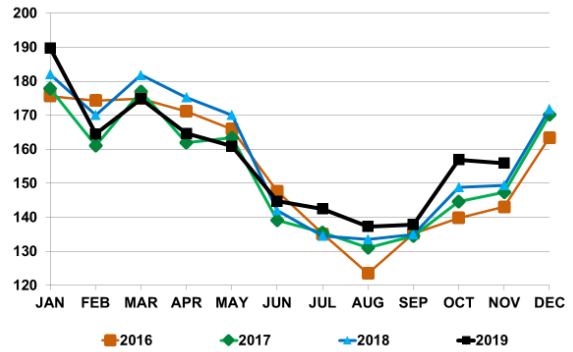
Cow Numbers in Millions



The number of milk cows on farms in the 24 major States for November was 8.81 million head, up .09% or 8,000 head more than November 2018, but unchanged from last month.

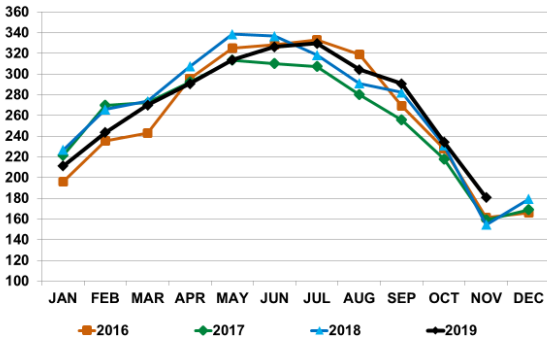
Butter production for November was 156 million pounds, 4.4 percent above November 2018 but 0.6 percent below October 2019.

U.S. BUTTER PRODUCTION

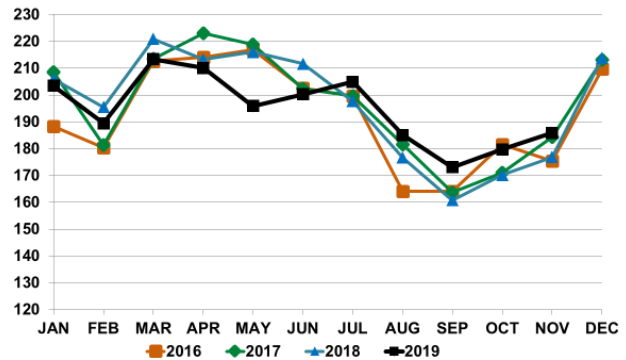


Butter stocks for November were 180.7 million lbs. down 23 percent from last month but up 17 percent from a year ago

U.S. BUTTER IN COLD STORAGE



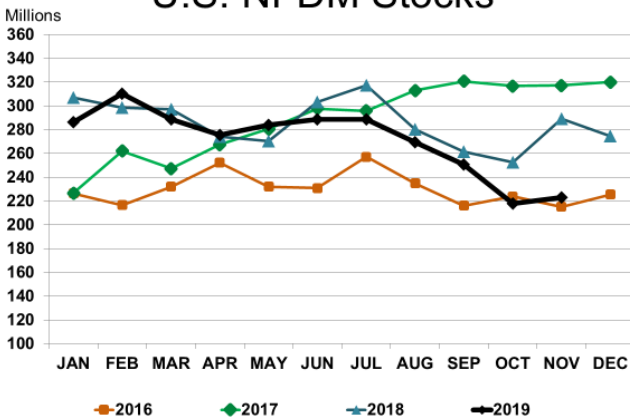
Skim/NFDM Production



Dry milk products (comparisons in percentage with November 2018) Nonfat dry milk, production 142 million pounds, up 5.7 percent. Skim milk powder production 43.7 million pounds, up 3.0 percent. Combined production for November 2019 was 185.86 million lbs. 5.1% over Nov. 2018 and 3.4% higher than last month.

Nonfat Inventory at the end of November were 223.149 million lbs. down 22.8% from the same period last year and up 2.4% from last month.

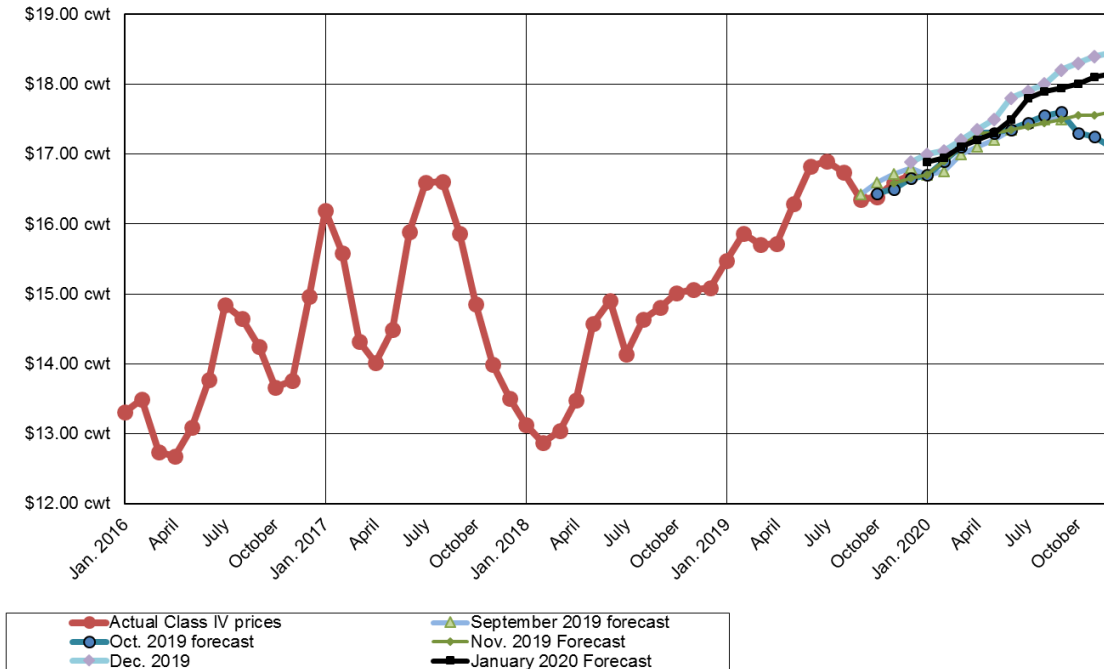
U.S. NFDM Stocks



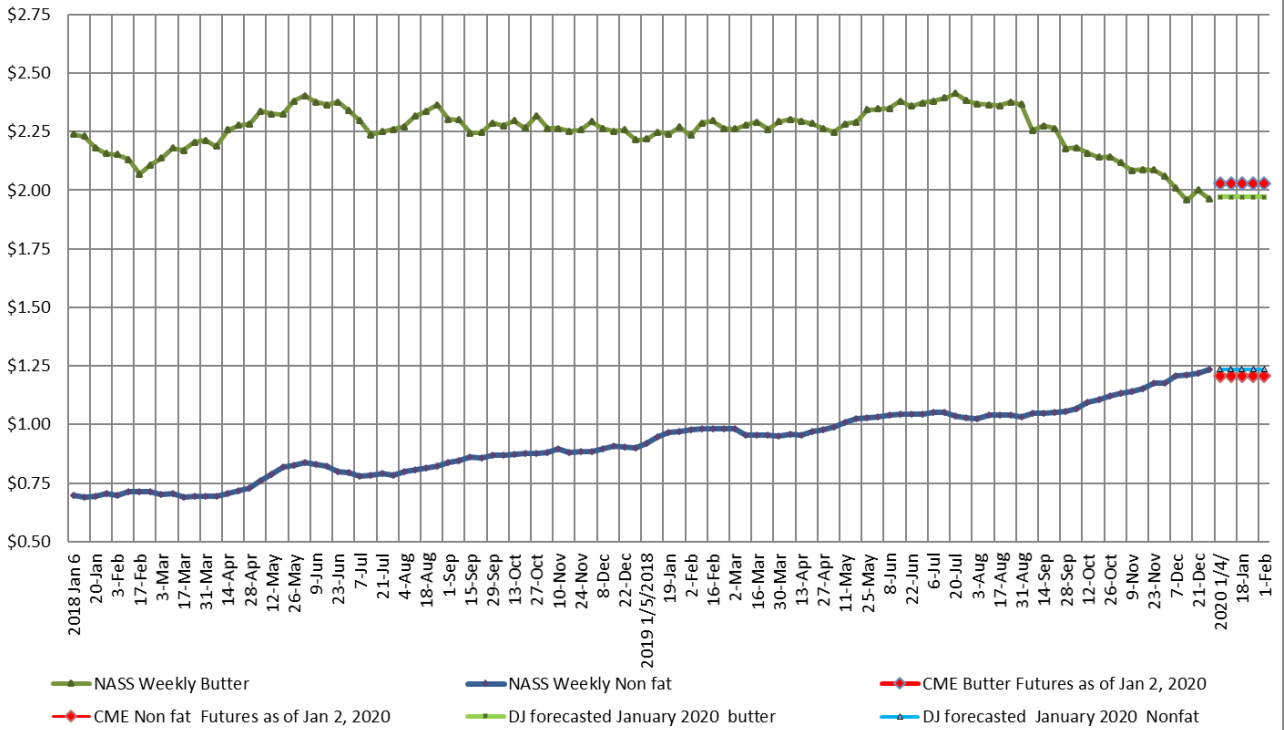
Forecasted Class IV price as of January 3, 2020

Year	Month	Projected class IV price
2020	Jan	\$16.89
2020	Feb	\$16.95
2020	March	\$17.10
2020	April	\$17.20
2020	May	\$17.30
2020	June	\$17.50
2020	July	\$17.80
2020	Aug.	\$17.90
2020	Sep	\$17.95
2020	Oct	\$18.00
2020	Nov	\$18.10
2020	Dec	\$18.15

2016 - 2019 Historic Class IV Prices and VernDale's Current Class IV Forecast as of January 3, 2020 vs. Past Months Forecasts



Weekly NASS butter and nonfat powder prices Jan 2018 -December, 2019, and CME Futures, and VernDale forecasted Butter and Nonfat powder price ave. for January 2020



Dale Johnson