



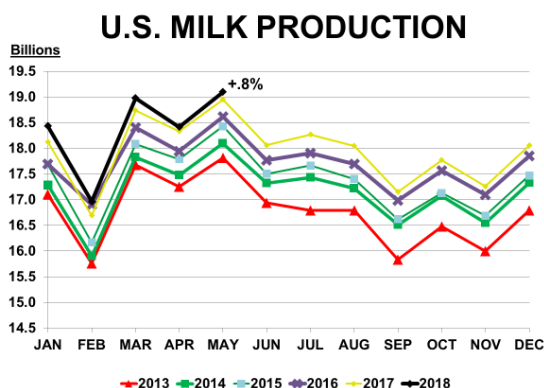
Class IV Market News and Summary

July 5, 2018

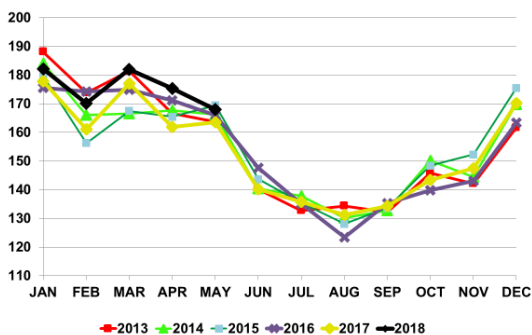
The June Class IV price was \$14.91 Up \$0.34 cwt. from last month. Class IV projection for July is \$14.43.

The June Class III price was \$15.21. Up \$0.03 cwt. from last month. Class III projection for July is \$14.60.

Milk production in the 23 major States during May totaled 17.9 billion pounds, up 0.8 percent from May 2017. Production per cow in the 23 major States averaged 2,052 pounds for May, 15 pounds above May 2017. The number of milk cows on farms in the 23 major States was 8.74 million head, 10,000 head more than May 2017, and 2,000 head more than April 2018.



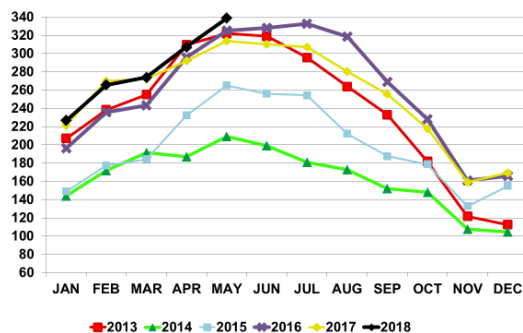
U.S. BUTTER PRODUCTION



Total butter production for Butter production was 168 million pounds, 2.8 percent above May 2017 but 4.2 percent below April 2018. Higher production in the West has made up for lower production in the Central and East

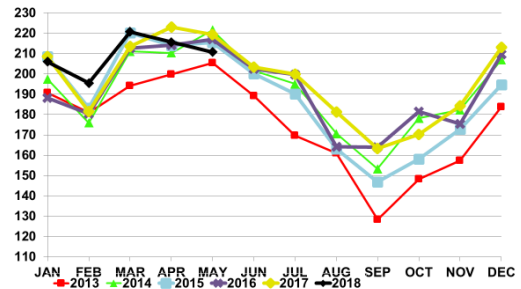
Butter Storage at the end of May is running 25.2 million pounds more than last year's May position representing an 8.0% increase over last year at this time. The inventory level the end of May looks in line with expectations. The inventory level represents about 8 weeks' worth of production.

U.S. BUTTER IN COLD STORAGE



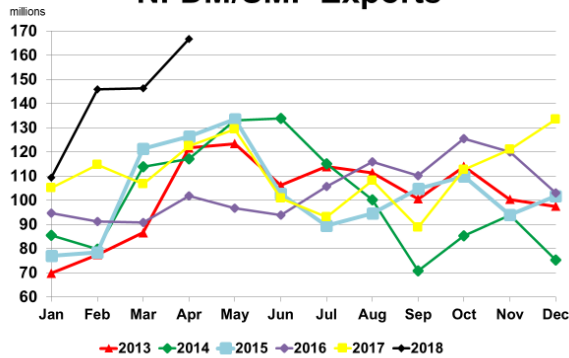
Dry milk production (comparisons in percentage with May 2017) Nonfat dry milk, human was 160 million pounds, down 4.5 percent. Skim milk powder was 50.4 million pounds, down 1.3 percent. Combined production was 3.7% lower than May 2017

Skim/NFDM Production



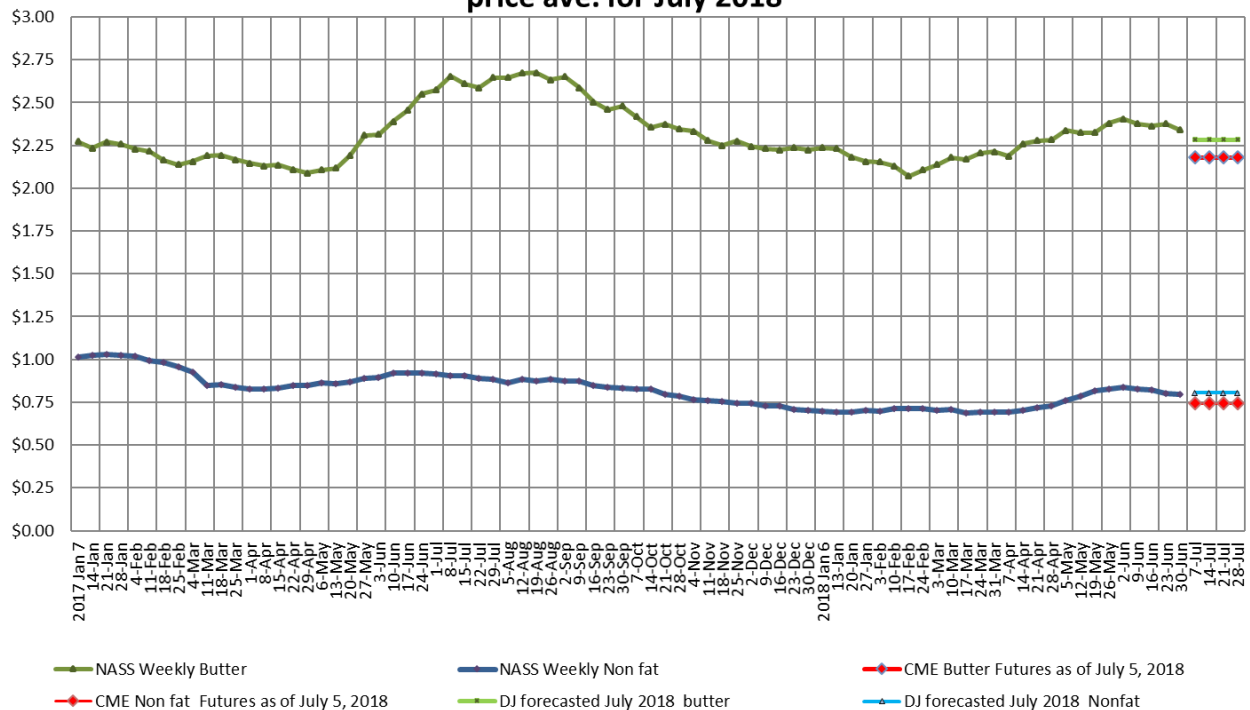
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NFDM/SMP Exports



Nonfat Exports for the month of April 2018 were up 44.3 million from last year's April total, representing a 36.2% increase over the month of April last year. YTD exports through April are up 119.6 million pounds representing an increase of 26.6% over last year's exports.

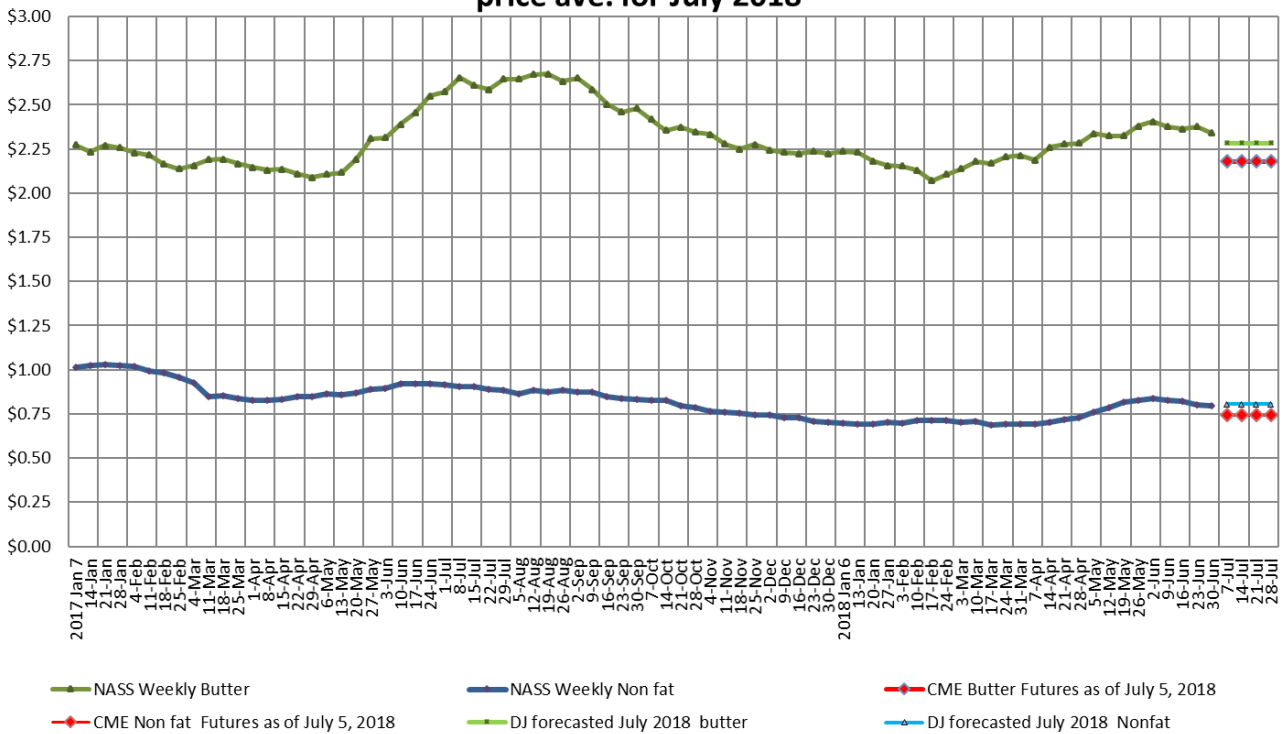
Weekly NASS butter and nonfat powder prices Jan 2017- June, 2018, and CME Futures, and VernDale, forecasted Butter and Nonfat powder price ave. for July 2018



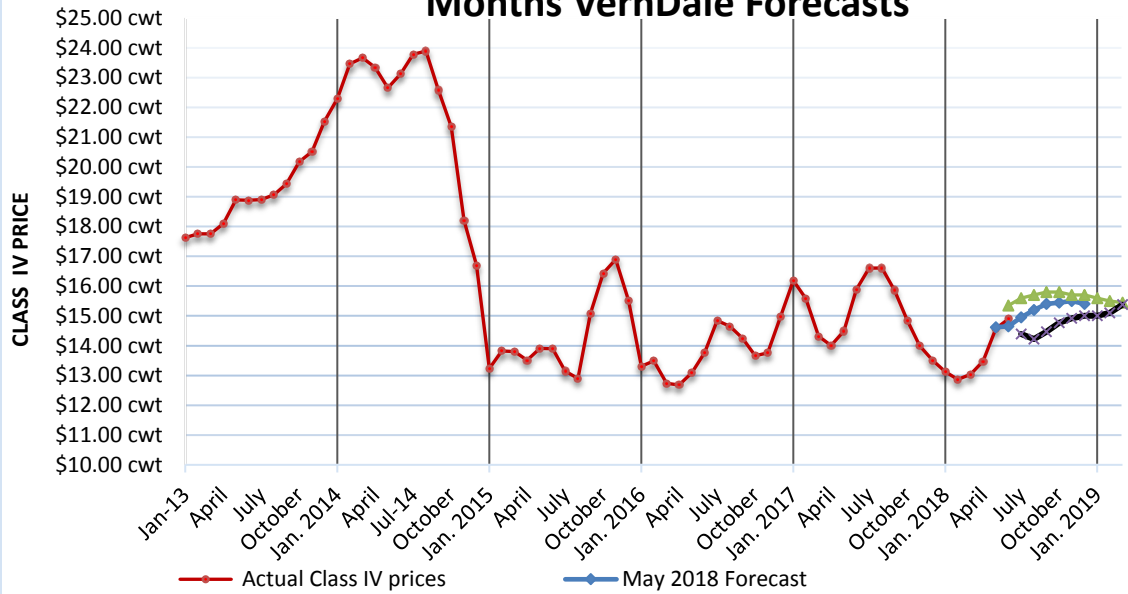
Projected Class IV prices as July 5, 2018

Year	Month	Projected classIV price
2018	July	\$14.43
2018	August	\$14.22
2018	September	\$14.46
2018	October	\$14.77
2018	November	\$14.92
2018	December	\$15.00
2019	Jan	\$15.00
2019	Feb	\$15.10
2019	March	\$15.38

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6 year Class IV price history , July 5, 2018 VernDale Class IV Forecast, and previous 2 Months VernDale Forecasts



Dale Johnson