

## U.S. Exports

### U.S. exports post 21-month high

U.S. exports of milk powder, whey products and cheese trended higher in February, pushing overall U.S. exports to \$438.4 million, up 14 percent from last year (and up 18 percent adjusted for leap day). Suppliers shipped 152,856 tons of milk powders, cheese, butterfat, whey and lactose during the month, an 11-percent gain (+15 percent leap-day adjusted).

On a daily-average basis, this is the best showing for U.S. exporters since May 2015.

Over the last nine months, U.S. exports were up 14 percent from the prior year.

Sales to Mexico, off in January, rebounded in February. Shipments were valued at \$114 million, the highest total in nearly two years (daily-average basis). More than half of this came from nonfat dry milk/skim milk powder (NDM/SMP).

Shipments to China also were very strong: \$46 million, up 84 percent (+90 percent adjusted). Whey products made up the majority of these sales. Exports to South Korea likewise improved: \$25 million, up 32 percent (+37 percent adjusted). Most of these sales were cheese. In contrast, dry ingredient exports to Southeast Asia – NDM/SMP, whey products and lactose – trailed year-ago levels.

Overall, exports of NDM/SMP were just shy of 52,000 tons, up 26 percent (+30 percent adjusted) from last year. Improved shipments to Mexico (25,538 tons, +38 percent adjusted) and Pakistan (2,885 tons, nearly double year-ago levels)

more than offset declines in sales to the Philippines (-40 percent adjusted).

Cheese exports totaled 26,347 tons in February, up 8 percent from February 2016 (+12 percent adjusted). On a daily-average basis, this is the most in 21 months. Sales to Australia (2,465 tons) were the most ever (on a daily-average basis), and shipments to South Korea continued to rebound (4,295 tons, +20 percent adjusted). Meanwhile, sales to Mexico, Japan and the Middle East/North Africa region lagged year-ago levels.

Whey exports remain particularly strong. Total whey shipments of 43,307 tons in February were up 22 percent from last year (+26 percent adjusted). Nearly half the sales went to China, which bought twice as much as a year ago. Over the last nine months, U.S. whey exports to China were up 75 percent. However, for the second straight month, exporters sold less to Southeast Asia (-20 percent in January and February).

U.S. exports of fluid milk and cream were up just 2 percent in February (+6 percent adjusted), as shipments to Canada continued to moderate. Exporters sold 2.6 million liters to Canada, compared with an average of 6.91 million liters/month in the fourth quarter of 2016.

On a total milk solids basis, U.S. exports were equivalent to 14.8 percent of U.S. milk production in February. Imports were equivalent to 3.6 percent of production during the month.

#### U.S. Exports

	LATEST MONTH				FEBRUARY (VOLUME, MT)					YEAR-TO-DATE				JANUARY - FEBRUARY (VOLUME, MT)			
	2015	2016	2017	% CHG	2015	2016	2017	% CHG		2015	2016	2017	% CHG	2015	2016	2017	% CHG
NDM/SMP*	33,819	41,350	51,996	+26	NDM/SMP*	68,464	84,246	100,319	+19								
WMP*	3,777	3,007	1,120	-63	WMP*	7,769	4,703	3,080	-35								
Cheese	30,146	24,389	26,347	+8	Cheese	53,238	46,340	49,017	+6								
Butterfat	2,472	4,025	1,799	-55	Butterfat	4,975	6,538	3,647	-44								
Total Whey	33,092	35,625	43,307	+22	Total Whey	63,950	68,824	84,527	+23								
-Dry whey	14,100	13,392	14,945	+12	-Dry whey	27,121	26,820	30,352	+13								
-WPC	6,913	8,727	11,770	+35	-WPC	12,876	17,527	25,098	+43								
-Modified whey	8,969	10,959	13,575	+24	-Modified whey	17,507	19,231	23,367	+22								
-WPI	3,110	2,547	3,018	+19	-WPI	6,447	5,246	5,711	+9								
Lactose	24,468	27,680	26,384	-5	Lactose	46,173	56,075	55,131	-2								
MPC	3,431	1,981	1,904	-4	MPC	5,516	3,825	3,999	+5								
<b>Aggregate volume**</b>	<b>131,205</b>	<b>138,057</b>	<b>152,856</b>	<b>+11</b>	<b>Aggregate volume**</b>	<b>250,086</b>	<b>270,551</b>	<b>299,721</b>	<b>+11</b>								
milk/cream (000 liters)	7,790	7,317	7,455	+2	milk/cream (000 liters)	15,618	15,002	16,042	+7								
<b>Total Value (millions)**</b>	<b>\$ 439.4</b>	<b>\$ 383.7</b>	<b>\$ 438.3</b>	<b>+14</b>	<b>Total Value (millions)**</b>	<b>\$ 850.7</b>	<b>\$ 757.7</b>	<b>\$ 850.3</b>	<b>+12</b>								

\* USDA data for NDM/SMP and WMP for April 2016-January 2017 adjusted to reflect shipments to Mexico misclassified as WMP.

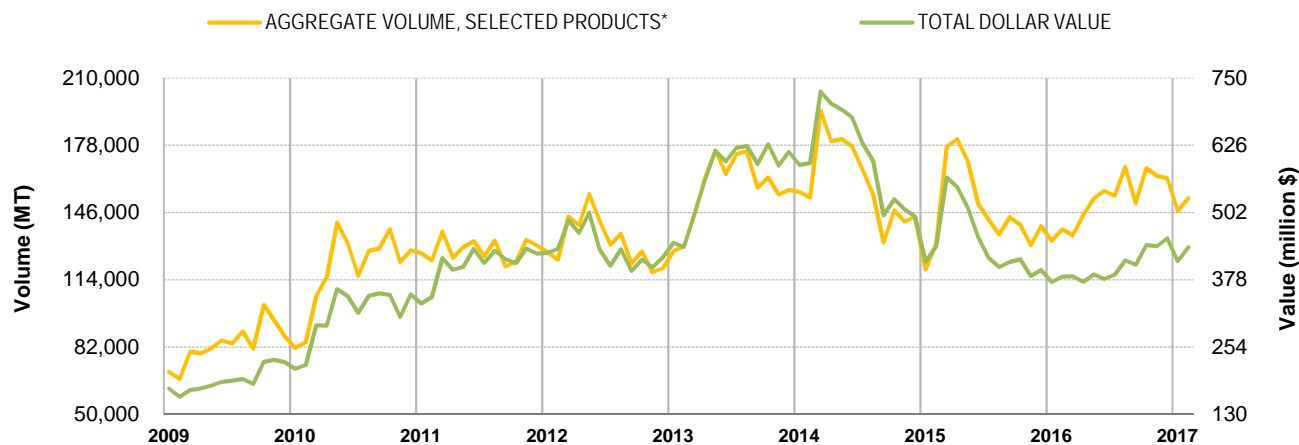
\*\* Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

# U.S. Exports

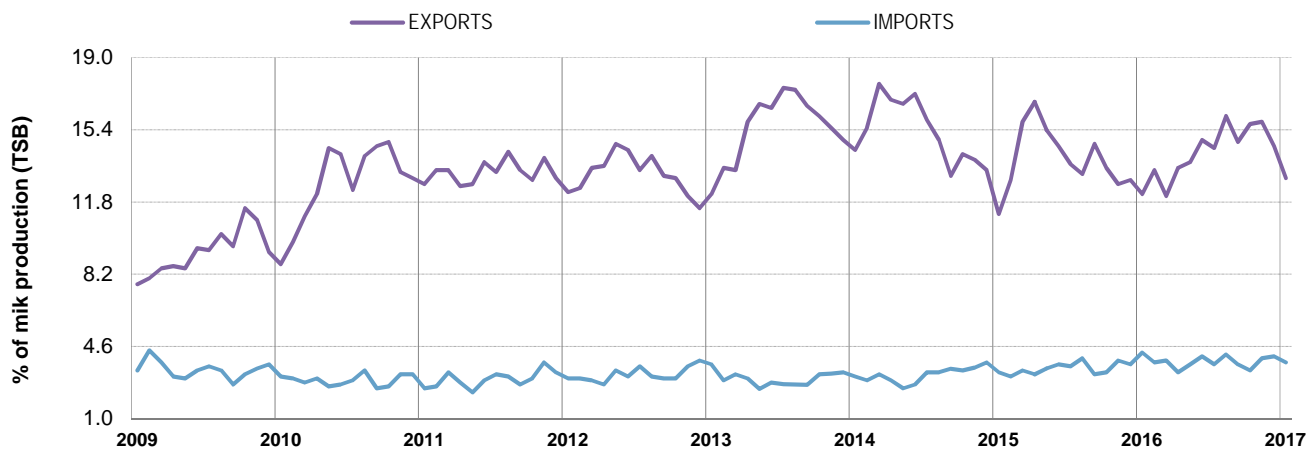
## U.S. EXPORTS

## VOLUME AND VALUE



\* Volume includes SMP, WMP, MPC, whey, cheese, butterfat, lactose

## U.S. EXPORTS AND IMPORTS AS A PERCENT OF MILK PRODUCTION



### U.S. DAIRY EXPORTS, TOP 10 MARKETS

(million \$)	Feb 17	vs. yr ago
Mexico	\$ 114.3	+13%
Southeast Asia	57.0	+14%
Canada	47.8	+0%
China	45.5	+84%
So. Korea	24.6	+32%
South America	22.0	-14%
Oceania	20.8	+64%
Japan	19.7	+25%
Middle East/North Africa	18.0	-10%
Caribbean	17.2	-2%

### U.S. EXPORTS AS % OF PRODUCTION

	February	yr ago	Jan-Feb 17	yr ago
NDM/SMP	NA	51%	NA	50%
Total cheese	NA	5.6%	NA	5.2%
Butterfat	NA	5.1%	NA	4.1%
Dry sweet whey	NA	39%	NA	37%
Lactose	NA	73%	NA	73%
Total milk solids	14.8%	13.4%	13.9%	12.2%

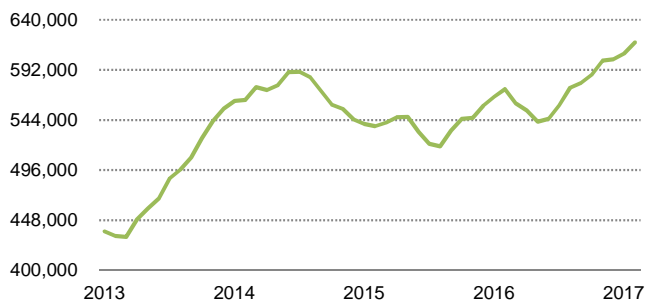
#### ACCESS U.S. EXPORT DATA ONLINE

Visit [usdec.org/research-and-data/market-data/us-export-data](http://usdec.org/research-and-data/market-data/us-export-data)

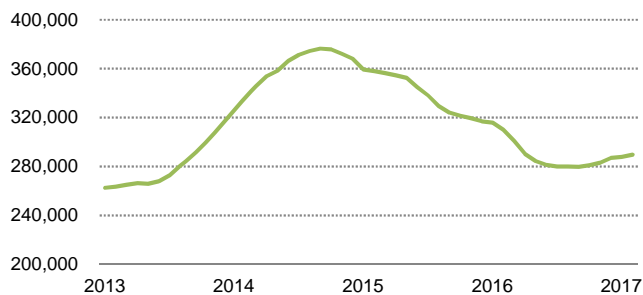
Source: USDA, USDEC, National Milk Producers Federation.

# U.S. Exports: Rolling 12-Month Volume

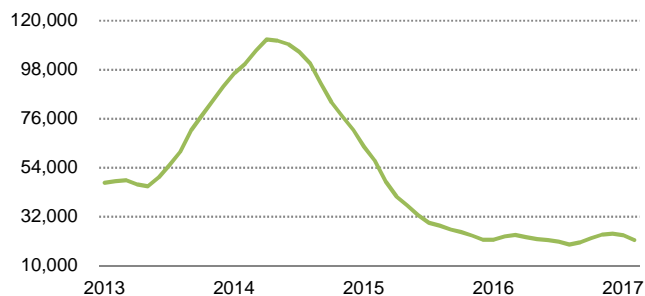
**U.S. NDM/SMP EXPORTS (MT)**



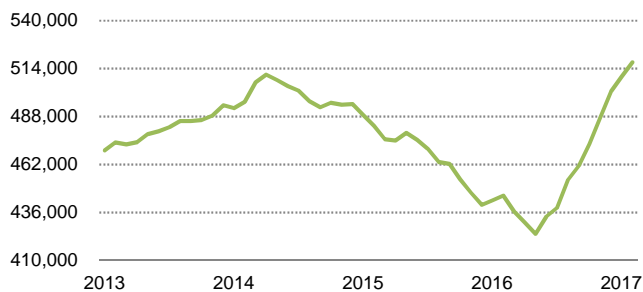
**U.S. CHEESE EXPORTS (MT)**



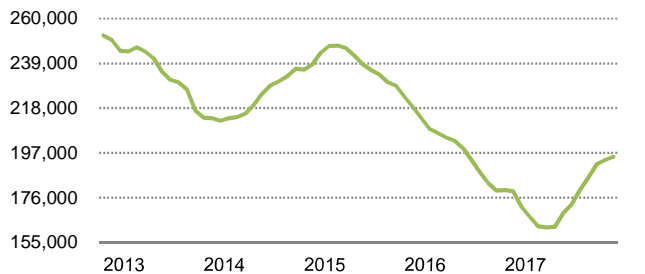
**U.S. BUTTERFAT EXPORTS (MT)**



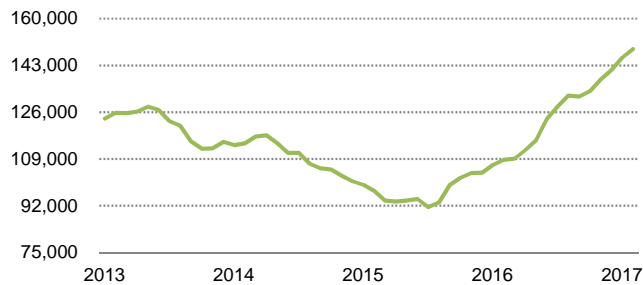
**U.S. TOTAL WHEY\* EXPORTS (MT)**



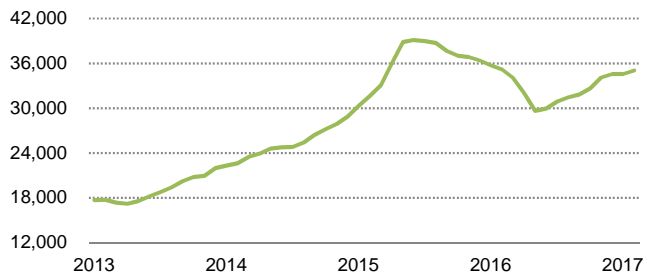
**U.S. DRY WHEY EXPORTS (MT)**



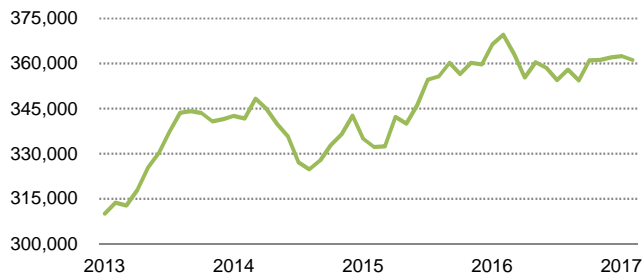
**U.S. WPC EXPORTS (MT)**



**U.S. WPI EXPORTS (MT)**



**U.S. LACTOSE EXPORTS (MT)**



\* Total whey includes dry whey, WPC, modified whey products and WPI.

Source: USDA, USDEC.