

## U.S. Exports

# Overall volume up on record WPC exports

U.S. exporters shipped 161,882 tons of milk powders, cheese, butterfat, whey and lactose in June, up 5 percent from a year ago and the highest figure since May 2015. Gains were led by record shipments of whey protein concentrate, offsetting declines in all the other major categories.

Exporters shipped 27,926 tons of WPC in June, up 52 percent from a year ago. China bought a record 14,751 tons (+57 percent) and another 4,346 tons (+55 percent) went to Southeast Asia. Whey protein isolates also registered a double-digit gain against June 2015, up 13 percent, led by a boost in sales to Canada. Meanwhile, exports of dry whey were down 2 percent from last year. All told, total shipments of whey products were 47,479, the most ever, and up 25 percent from last year.

Exports of nonfat dry milk/skim milk powder, cheese, butterfat and lactose, on the other hand, continue to lag.

NDM/SMP exports in June were 42,569 tons, down 9 percent year-over-year. Sales to Mexico and Southeast Asia were down 6 percent and 26 percent, respectively. USDA reported whole milk powder exports of 9,311 tons, more than triple what was sold last year. Nearly all of this volume was reportedly sold to Mexico, however, Mexican

import data doesn't corroborate this and we believe USDA's volume is overstated, likely sales that were misclassified at the port.

With U.S. cheese prices at a sizeable premium to the world market, cheese exports remained below year-earlier levels during June. Shipments totaled 23,041 metric tons, 12 percent less than last year and 32 percent below two years ago. Sales to South Korea and the Middle East/North Africa region were each off by more than a third.

Butterfat exports faced the same price-competitive pressure, with U.S. prices well above world market levels. Exports totaled just 992 tons, down 33 percent from June 2015.

Among other products, lactose exports were off 6 percent, fluid milk shipments were down 24 percent and food preps (blends) volume was up 26 percent compared with a year ago.

On a total milk solids basis, U.S. exports were equivalent to 14.9 percent of U.S. milk production in June, the highest since April 2015. Imports were equivalent to 4.1 percent of production.

### U.S. Exports

	LATEST MONTH		JUNE (VOLUME, MT)		% CHG
	2014	2015	2016		
NDM/SMP	60,939	46,703	42,569		-9
WMP	5,223	2,856	9,311		+226
Cheese	33,819	26,119	23,041		-12
Butterfat	5,893	1,470	992		-33
Total Whey	41,735	38,012	47,479		+25
-Dry whey	19,528	17,368	16,936		-2
-WPC	20,164	18,324	27,926		+52
-WPI	2,043	2,320	2,617		+13
Lactose	26,993	33,133	31,141		-6
MPC	3,049	2,106	1,689		-20
Food preps (blends)	4,578	4,488	5,660		+26
<b>Aggregate volume*</b>	<b>182,230</b>	<b>154,887</b>	<b>161,882</b>		<b>+5</b>
Fluid milk (000 liters)	7,034	7,694	5,849		-24
<b>Total Value (millions) *</b>	<b>\$ 669.2</b>	<b>\$ 450.9</b>	<b>\$ 370.9</b>		<b>-18</b>

	YEAR-TO-DATE		JANUARY-JUNE (VOLUME, MT)		% CHG
	2014	2015	2016		
NDM/SMP	300,729	288,876	258,106		-11
WMP	30,140	21,262	31,920		+50
Cheese	198,839	175,493	139,950		-20
Butterfat	51,164	12,851	12,705		-1
Total Whey	256,234	236,880	230,514		-3
-Dry whey	125,074	100,695	83,477		-17
-WPC	118,891	113,665	130,956		+15
-WPI	12,269	22,520	16,081		-29
Lactose	172,787	176,286	175,086		-1
MPC	31,987	17,211	11,084		-36
Food preps (blends)	33,892	31,458	33,057		+5
<b>Aggregate volume*</b>	<b>1,075,772</b>	<b>960,317</b>	<b>892,422</b>		<b>-7</b>
Fluid milk (000 liters)	46,226	45,943	42,104		-8
<b>Total Value (millions) *</b>	<b>\$ 3,918.8</b>	<b>\$ 2,864.7</b>	<b>\$ 2,233.4</b>		<b>-22</b>

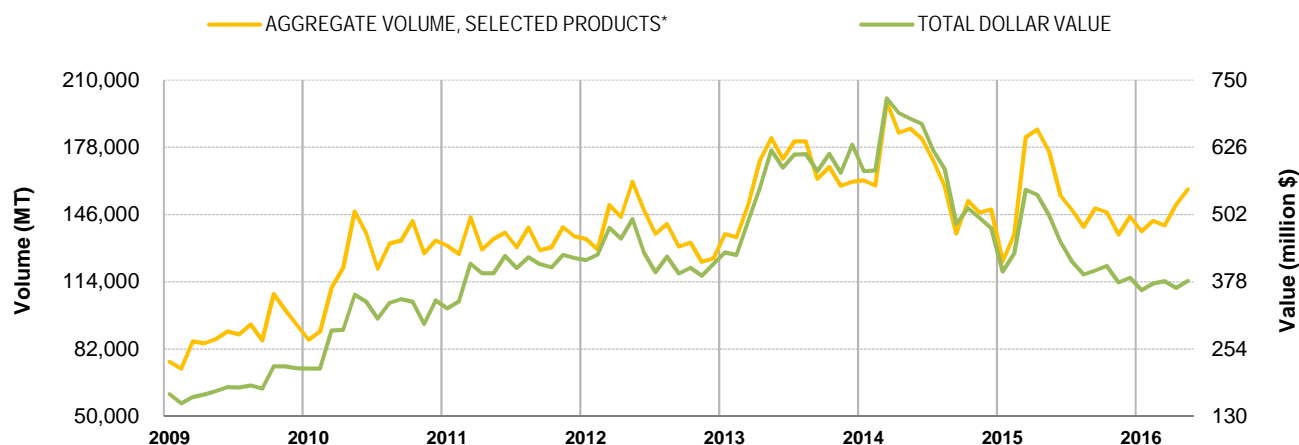
\* Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

# U.S. Exports

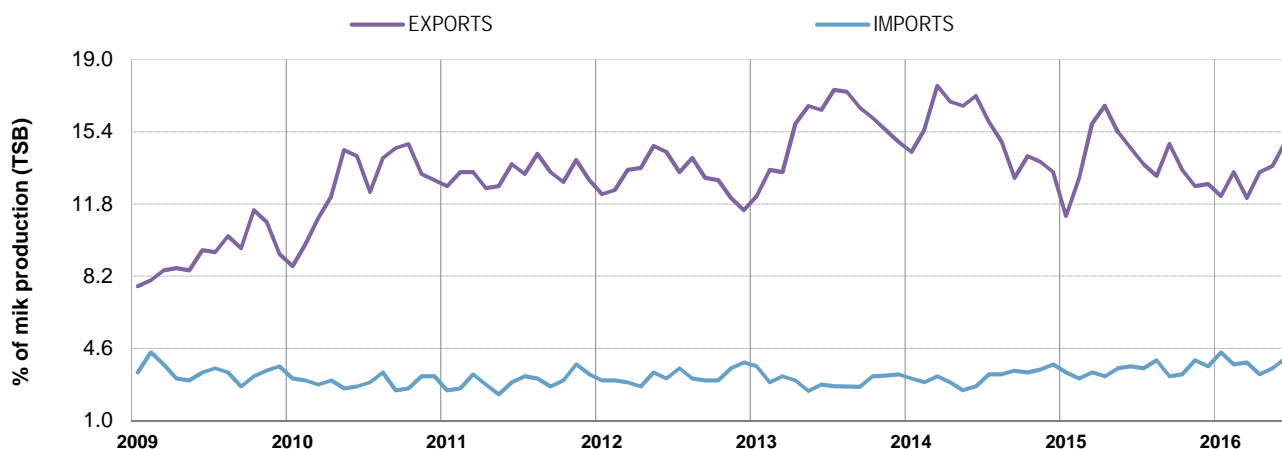
## U.S. EXPORTS

## VOLUME AND VALUE



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

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



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

(million \$)	June 16	vs. yr ago
Mexico	\$ 94.1	-5%
Canada	52.9	+17%
Southeast Asia	49.0	-42%
China	30.0	-35%
South America	19.3	-10%
Japan	18.2	-20%
Caribbean	17.5	-9%
Oceania	15.4	-12%
So. Korea	15.2	-40%
Middle East/North Africa	13.3	-36%

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

	June	yr ago	Jan-June 16	yr ago
NDM/SMP	47%	51%	47%	51%
Total cheese	5.1%	5.9%	5.2%	6.6%
Butterfat	1.4%	2.3%	2.7%	2.9%
Dry sweet whey	47%	45%	38%	46%
Lactose	75%	81%	72%	73%
Total milk solids	14.9%	14.6%	13.3%	14.5%

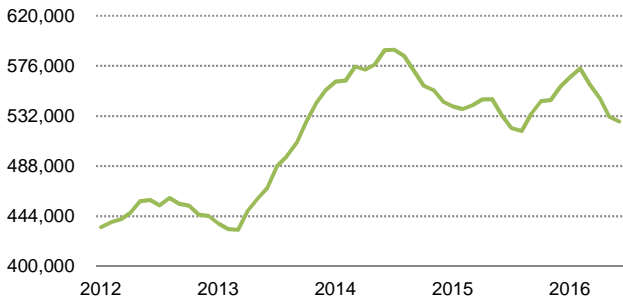
### ACCESS U.S. EXPORT DATA ONLINE

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

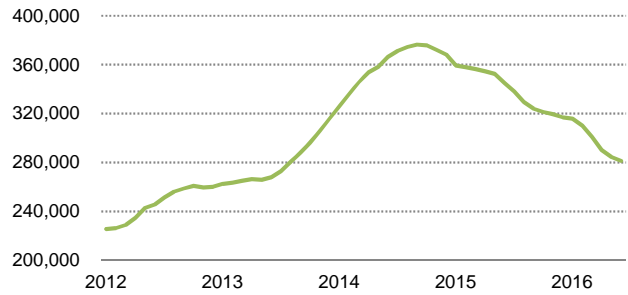
Source: USDA, USDEC, National Milk Producers Federation.

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

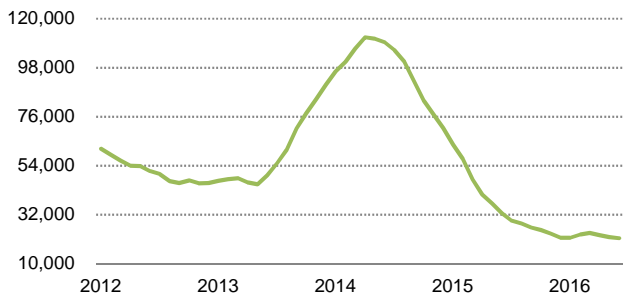
**U.S. NDM/SMP EXPORTS (MT)**



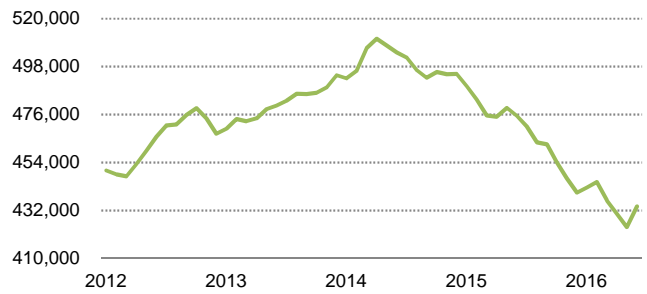
**U.S. CHEESE EXPORTS (MT)**



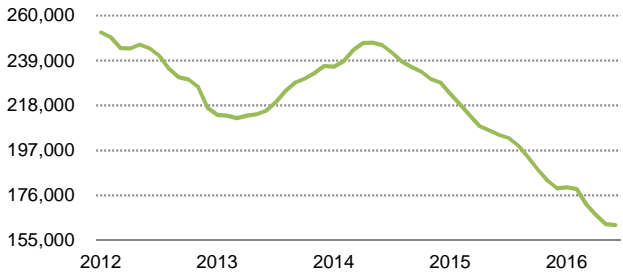
**U.S. BUTTERFAT EXPORTS (MT)**



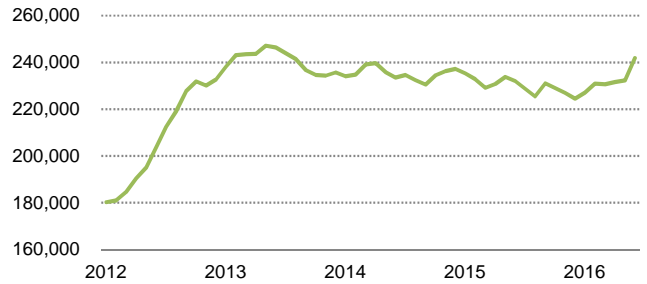
**U.S. TOTAL WHEY EXPORTS (MT)**



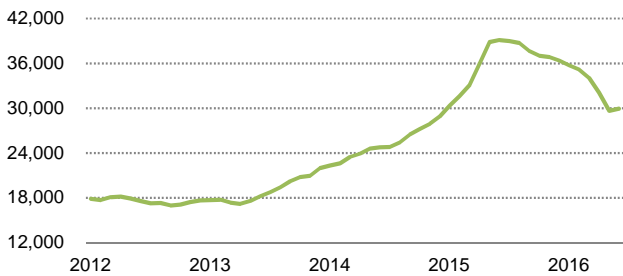
**U.S. DRY WHEY EXPORTS (MT)**



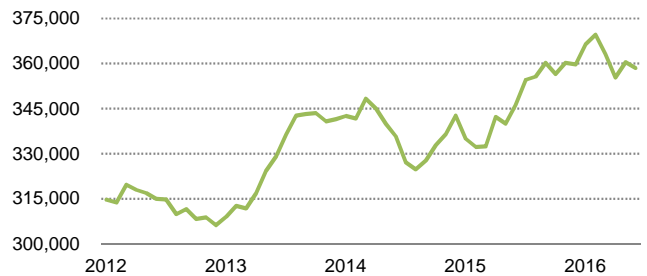
**U.S. WPC EXPORTS (MT)**



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



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



Source: USDA, USDEC.