

U.S. Exports

U.S. exporters target Mexico in May

Robust exports to Mexico, including record shipments of cheese, drove total U.S. dairy export value to a two-year high in May. U.S. exports were \$508.9 million, up 34 percent from a year ago. Exporters shipped 169,648 tons of milk powder, cheese, butterfat, whey and lactose, up 15 percent from last May.

Exports to Mexico were valued at \$152 million, 71 percent greater than last year. Cheese exports were 13,565 tons, the most ever, up 75 percent (+5,835 tons). Nonfat dry milk/skim milk powder (NDM/SMP) volume was 29,772 tons, the second-most ever, up 62 percent (+11,408 tons).

Exporters shipped 58,598 tons of **NDM/SMP** in May, up 31 percent year-over-year. In addition to increased sales to Mexico, exporters boosted exports to China (+1,925 tons), Peru (+1,339 tons) and Japan (+1,235 tons). Shipments to Southeast Asia were below year-ago levels (-1,654 tons) for the fourth straight month.

Cheese exports in May reached 35,409 tons, up 48 percent from last May and the most since March 2014. Besides Mexico, shipments were above year-ago levels to South Korea (+1,364 tons), Japan (1,187 tons) and Central America (+831 tons).

Exports of **whey** products totaled 44,452 tons in May, 4 percent greater than last year. Shipments of modified whey products were up 29 percent, offsetting a 24-percent loss in sales of whey protein concentrate. Total whey exports to China were 22,185 tons, up 22 percent (+4,053 tons) and the highest figure this year. Meanwhile, whey exports to Southeast Asia were off 32 percent (-2,599 tons), with loss of sales of WPC to Malaysia and Vietnam. Whey exports to Mexico and South Korea also trailed year-ago levels in May.

Lactose exports were the lowest in 28 months; volume was off 19 percent from last year. Sales to China and Japan were down by more than one-third.

U.S. exports of **fluid milk and cream** have been steady from month-to-month this year; in May shipments were up 8 percent vs. a year ago. Sales to Mexico (+825,000 liters) and Taiwan (+717,000 liters) were higher, offsetting declines in sales to Canada (-528,000 liters).

On a total milk solids basis, U.S. exports were equivalent to 14.7 percent of U.S. milk production in May. Imports were equivalent to 3.1 percent of production

U.S. Exports

	LATEST MONTH				MAY (VOLUME, MT)					YEAR-TO-DATE				JANUARY - MAY (VOLUME, MT)			
	2015	2016	2017	% CHG	2015	2016	2017	% CHG		2015	2016	2017	% CHG	2015	2016	2017	% CHG
NDM/SMP*	60,641	44,626	58,598	+31	NDM/SMP*	242,212	215,443	263,298	+22								
WMP*	2,604	3,125	1,824	-42	WMP*	18,407	11,572	9,546	-18								
Cheese	29,605	23,874	35,409	+48	Cheese	149,379	116,904	142,448	+22								
Butterfat	1,486	645	1,790	+178	Butterfat	11,381	11,721	8,471	-28								
Total Whey	48,502	42,740	44,452	+4	Total Whey	198,864	184,208	216,700	+18								
-Dry whey	20,564	16,399	17,601	+7	-Dry whey	83,323	67,039	82,231	+23								
-WPC	9,394	13,021	9,900	-24	-WPC	39,642	51,935	56,987	+10								
-Modified whey	13,415	10,635	13,713	+29	-Modified whey	55,702	51,767	62,742	+21								
-WPI	5,129	2,684	3,239	+21	-WPI	20,197	13,467	14,740	+9								
Lactose	25,677	30,952	25,138	-19	Lactose	143,152	144,430	143,054	-1								
MPC	1,811	1,696	2,436	+44	MPC	15,106	9,428	10,470	+11								
Aggregate volume**	170,326	147,657	169,648	+15	Aggregate volume**	778,501	693,707	793,987	+14								
milk/cream (000 liters)	9,320	8,705	9,379	+8	milk/cream (000 liters)	44,238	42,300	43,499	+3								
Total Value (millions)**	\$ 510.9	\$ 378.7	\$ 508.9	+34	Total Value (millions)**	\$ 2,477.2	\$ 1,887.4	\$ 2,301.4	+22								

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

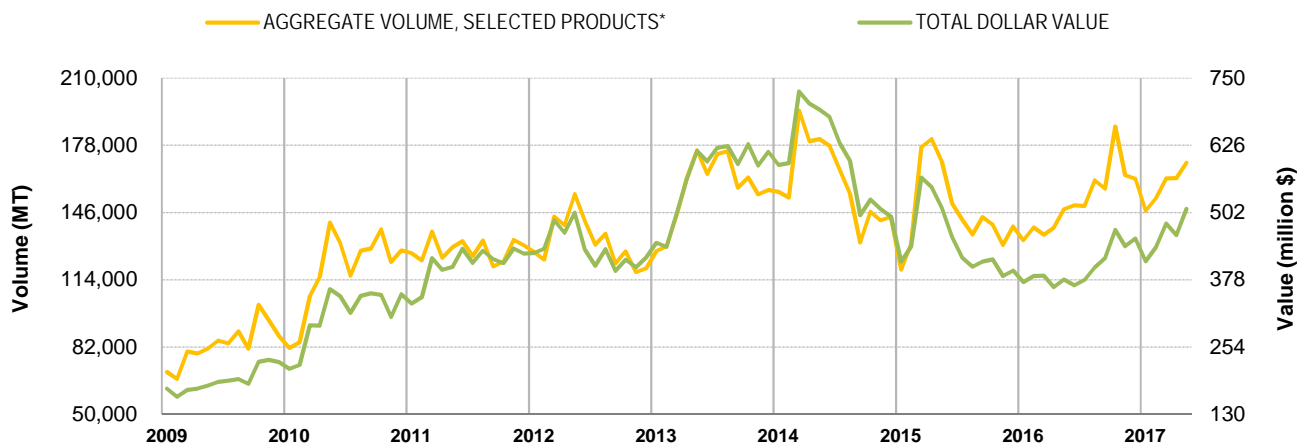
** Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

U.S. Exports

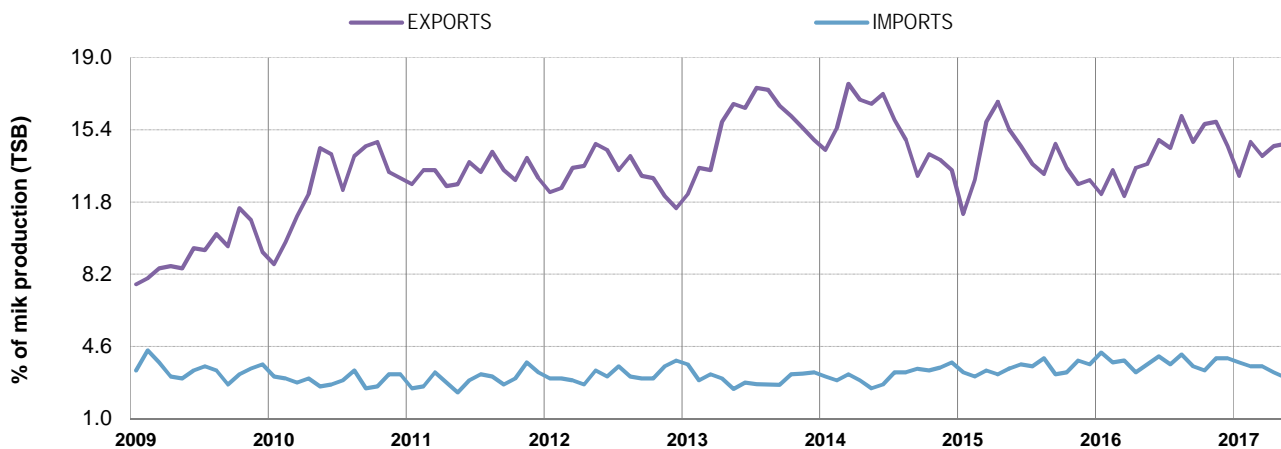
U.S. EXPORTS

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 \$)	May 17	vs. yr ago
Mexico	\$ 151.6	+71%
Canada	60.8	+29%
Southeast Asia	57.2	+16%
China	48.7	+48%
So. Korea	26.9	+31%
Japan	26.9	+84%
South America	26.1	+13%
Oceania	20.4	+53%
Caribbean	17.5	+9%
Middle East/North Africa	15.5	-22%

U.S. EXPORTS AS % OF PRODUCTION

	May	yr ago	Jan-May 17	yr ago
NDM/SMP	59%	45%	56.0%	47%
Total cheese	7.4%	5.2%	6.1%	5.1%
Butterfat	2.4%	0.9%	2.2%	3.0%
Dry sweet whey	47%	44%	44%	36%
Lactose	58%	73%	68%	71%
Total milk solids	14.7%	13.7%	14.2%	13.0%

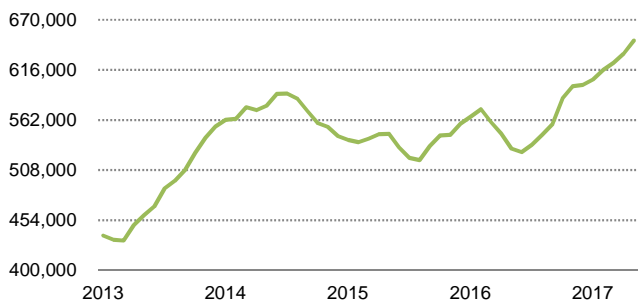
ACCESS U.S. EXPORT DATA ONLINE

Visit usdec.org/research-and-data/market-data/us-export-data

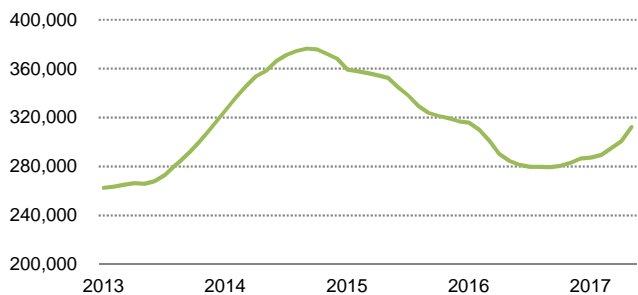
Source: USDA, USDEC, National Milk Producers Federation.

U.S. Exports: Rolling 12-Month Volume

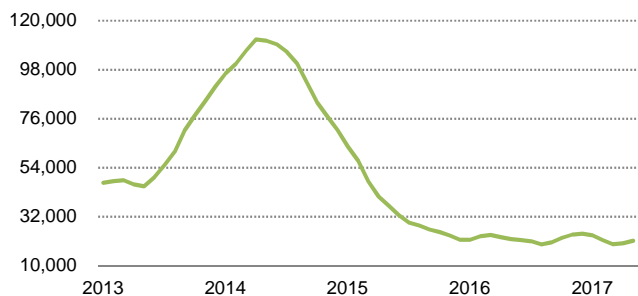
U.S. NDM/SMP EXPORTS (MT)



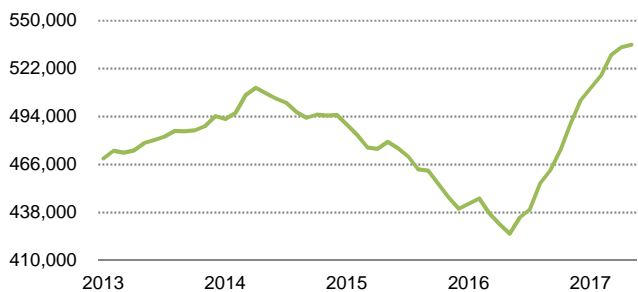
U.S. CHEESE EXPORTS (MT)



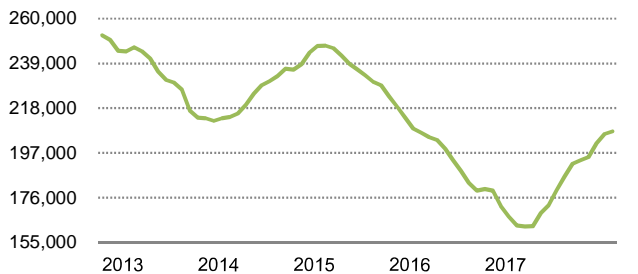
U.S. BUTTERFAT EXPORTS (MT)



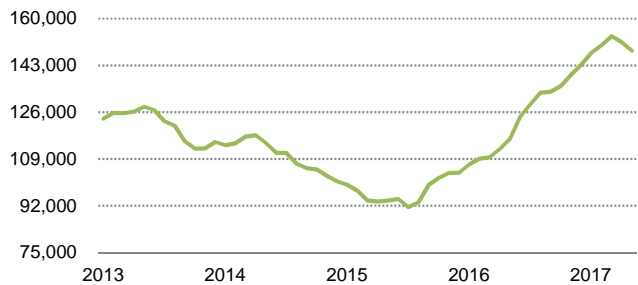
U.S. TOTAL WHEY* EXPORTS (MT)



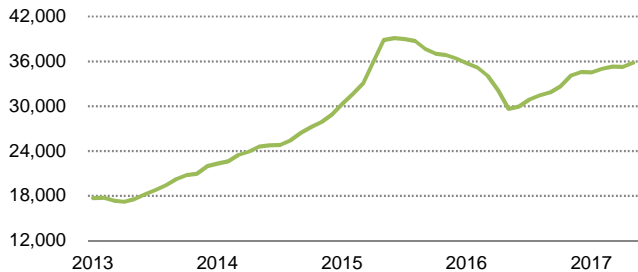
U.S. DRY WHEY EXPORTS (MT)



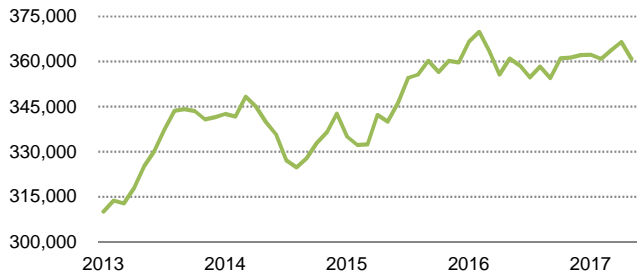
U.S. WPC EXPORTS (MT)



U.S. WPI EXPORTS (MT)



U.S. LACTOSE EXPORTS (MT)



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

Source: USDA, USDEC.