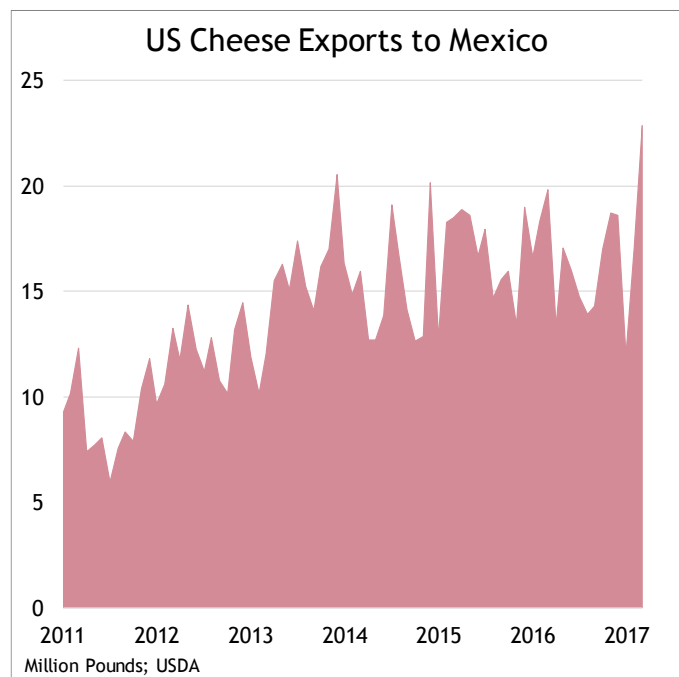
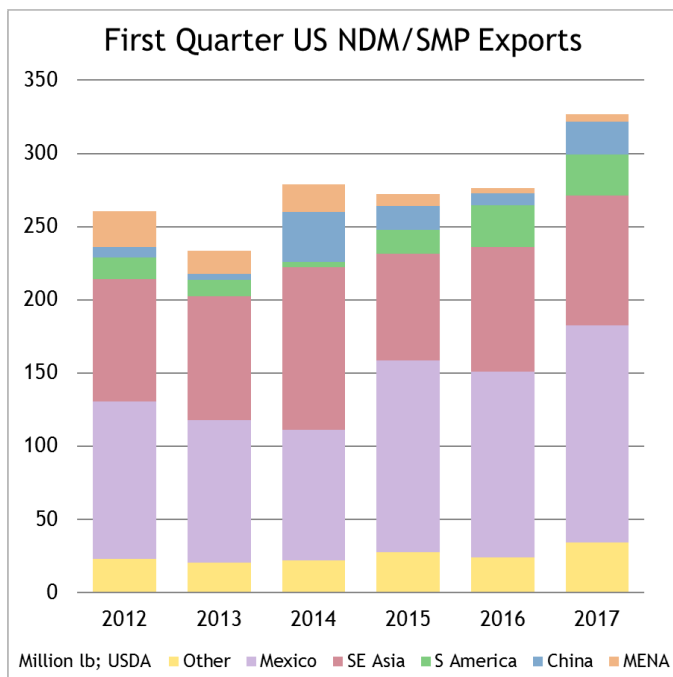


TRADE trends

Volume 8 • Number 5
May 2017



- US cheese exports jumped to 69 million pounds in March, the highest outbound volume for any month since August 2014. Exports eclipsed February volume by 11 million pounds, thanks in part to a six million pound boost to Mexico to reach a record 23 million pounds. Even still, first quarter shipments into Mexico were running three million pounds below last year. Total US cheese exports through March totaled 177 million pounds, accounting for roughly 6% of US cheese output.
- US NDM/SMP exports slipped 7% month-over-month to 107 million pounds in March, but topped 2016 shipments by 18% (16 million pounds). Gains into Mexico helped push year-over-year volumes higher with 50 million pounds shipped—up 23%. Year-to-date through March, total US NDM/SMP exports increased 50 million pounds (18%) to 327 million pounds.
- US whey exports reached 38 million pounds in March, up five million pounds from February and 14 million pounds from March 2016. A jump in shipments to China spurred the increase, with roughly 19 million pounds exported—accounting for 49% of the total March volume. Through the first quarter, nearly 47 million pounds of whey shipped to China from the US, up from 19 million pounds in 2016.

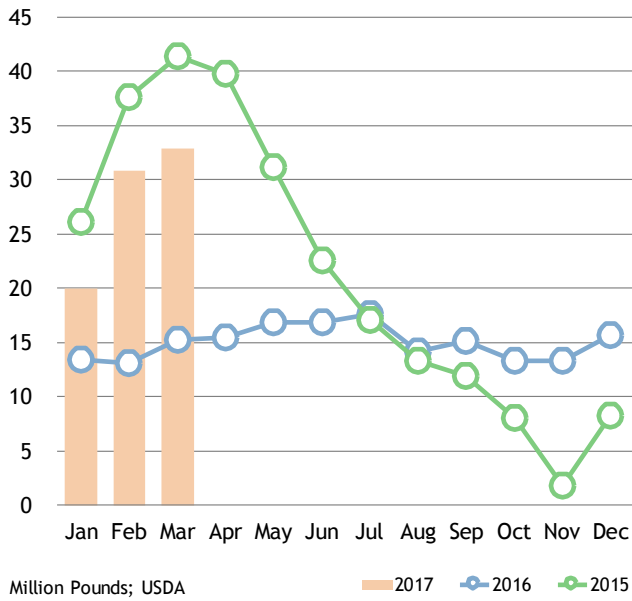
Cheese Imports (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|--------|
| 2017 | 30.0 | 27.2 | 35.8 | | | | | | | | | | 93.0 | 93.0 | -20% |
| 2016 | 35.0 | 40.7 | 40.9 | 31.2 | 35.9 | 33.9 | 35.3 | 35.9 | 33.5 | 41.3 | 41.7 | 47.4 | 452.7 | 116.6 | 31% |
| 2015 | 24.8 | 28.8 | 35.1 | 30.5 | 34.2 | 35.0 | 39.1 | 36.8 | 37.0 | 44.1 | 48.3 | 46.2 | 439.9 | 88.7 | |

Cheese Exports (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|--------|
| 2017 | 50.0 | 58.1 | 68.7 | | | | | | | | | | 176.7 | 176.7 | 12% |
| 2016 | 48.4 | 53.8 | 56.2 | 46.7 | 52.7 | 50.8 | 52.8 | 50.1 | 48.6 | 54.7 | 55.0 | 63.1 | 632.8 | 158.4 | -18% |
| 2015 | 50.9 | 66.5 | 76.4 | 70.3 | 65.3 | 57.6 | 56.2 | 50.0 | 48.9 | 52.1 | 50.2 | 54.5 | 698.7 | 193.8 | |

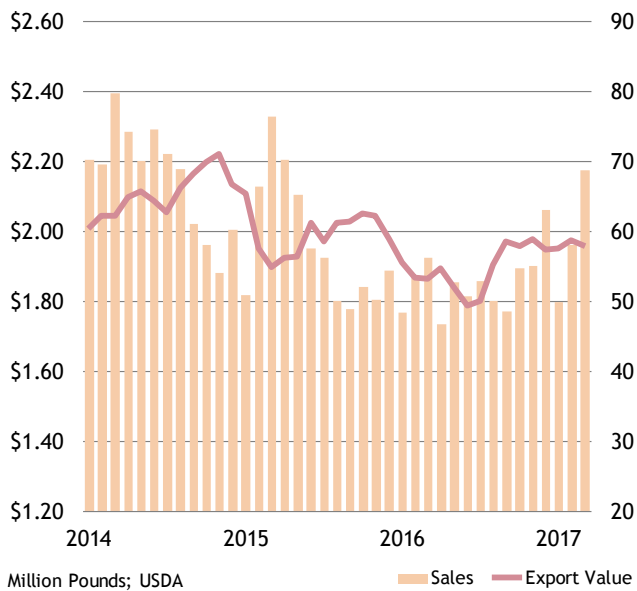
Net Cheese Trade



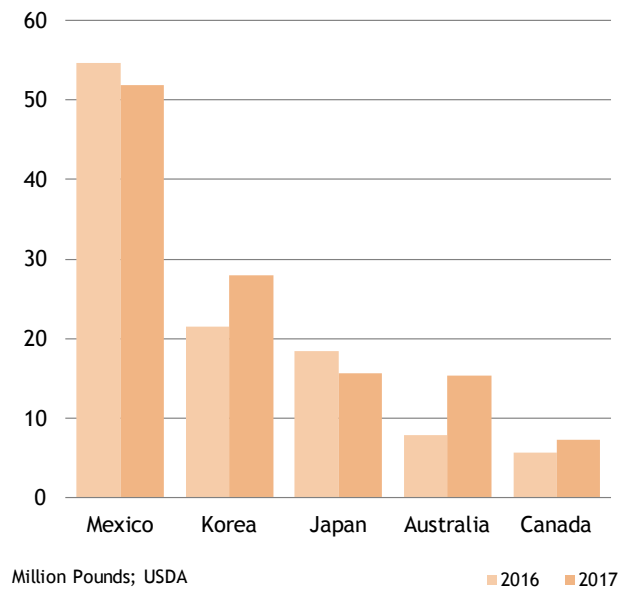
Net Cheese Trade (million pounds)

| Month | 2014 | 2015 | 2016 | 2017 |
|---------------|--------------|--------------|--------------|-------------|
| Jan | 48.0 | 26.1 | 13.4 | 20.0 |
| Feb | 48.2 | 37.7 | 13.1 | 30.8 |
| Mar | 51.6 | 41.3 | 15.3 | 32.9 |
| Apr | 49.0 | 39.7 | 15.5 | |
| May | 45.4 | 31.1 | 16.8 | |
| Jun | 47.1 | 22.6 | 16.9 | |
| Jul | 39.2 | 17.0 | 17.6 | |
| Aug | 40.7 | 13.3 | 14.2 | |
| Sep | 30.2 | 11.9 | 15.1 | |
| Oct | 19.5 | 8.0 | 13.3 | |
| Nov | 11.1 | 1.8 | 13.3 | |
| Dec | 17.2 | 8.2 | 15.6 | |
| Total | 447.1 | 258.8 | 180.1 | 83.7 |
| YTD | 147.8 | 105.1 | 41.7 | 83.7 |
| Change | | -29% | -60% | 101% |

Cheese Export Values and Volume

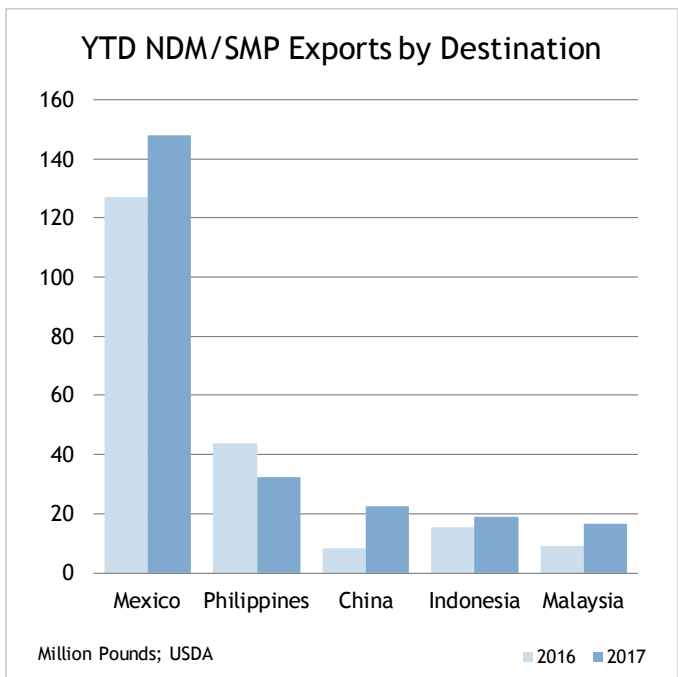
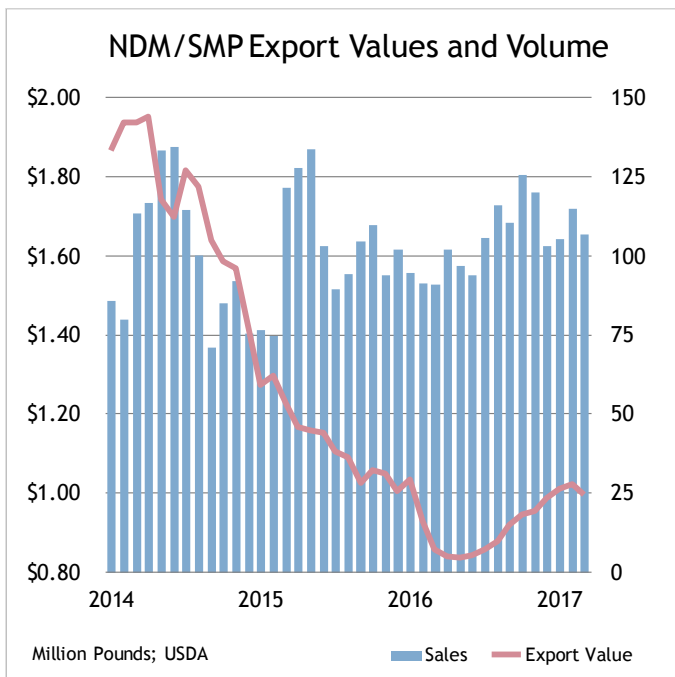
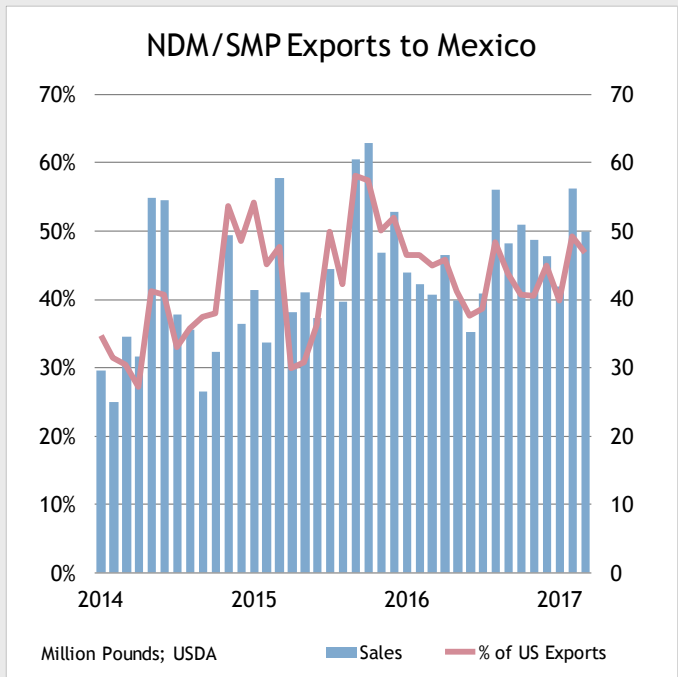
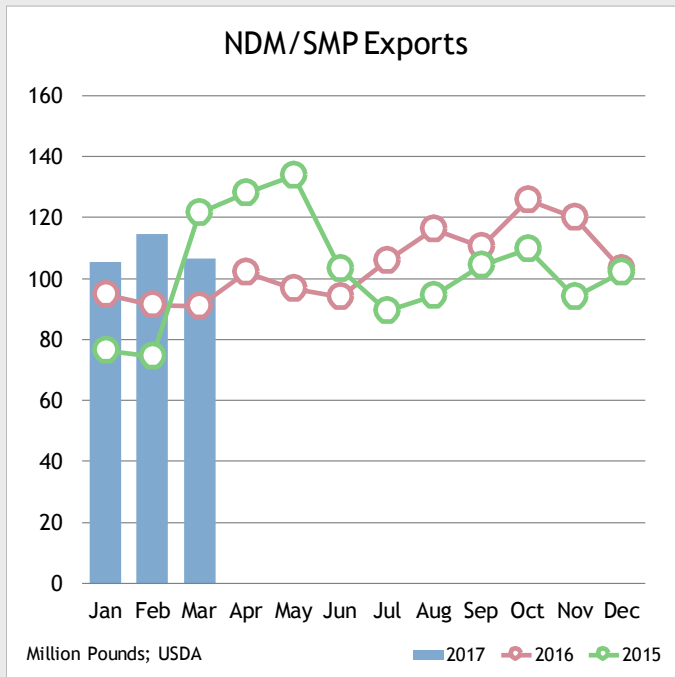


YTD Cheese Exports by Destination



| NDM Exports (million pounds) | | | | | | | | | | | | | | | |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 105.2 | 114.6 | 106.7 | | | | | | | | | | 326.6 | 326.6 | 18% |
| 2016 | 94.6 | 91.2 | 90.8 | 101.9 | 96.8 | 93.8 | 105.8 | 116.0 | 110.3 | 125.6 | 120.1 | 103.1 | 1249.8 | 276.5 | 2% |
| 2015 | 76.4 | 74.6 | 121.4 | 127.9 | 133.6 | 103.0 | 89.3 | 94.3 | 104.4 | 109.8 | 93.8 | 101.8 | 1230.1 | 272.4 | |

| NDM Exports to Mexico (million pounds) | | | | | | | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 41.9 | 56.3 | 49.9 | | | | | | | | | | 148.1 | 148.1 | 17% |
| 2016 | 43.9 | 42.3 | 40.7 | 46.5 | 39.8 | 35.2 | 40.8 | 56.1 | 48.1 | 51.0 | 48.7 | 46.3 | 539.3 | 126.9 | -4% |
| 2015 | 41.4 | 33.6 | 57.8 | 38.1 | 41.0 | 37.3 | 44.5 | 39.7 | 60.5 | 62.9 | 46.9 | 52.9 | 556.5 | 132.8 | |



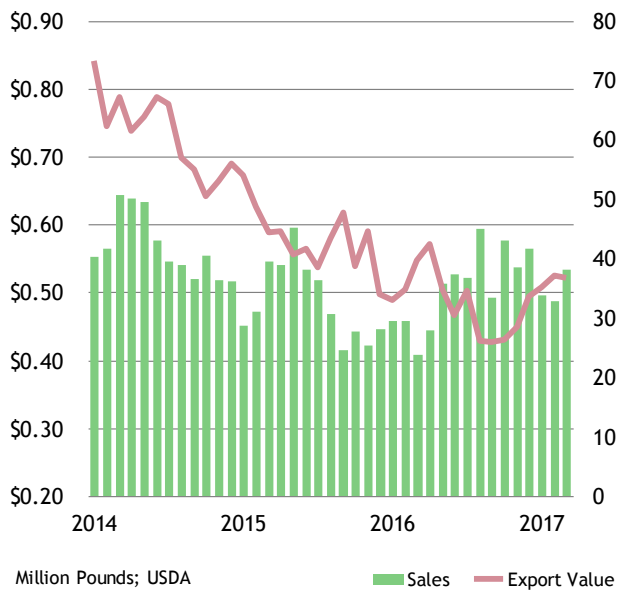
Whey Exports (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|--------|
| 2017 | 34.0 | 32.9 | 38.2 | | | | | | | | | | 105.1 | 105.1 | 27% |
| 2016 | 29.6 | 29.5 | 23.8 | 28.0 | 35.8 | 37.3 | 36.9 | 45.1 | 33.5 | 43.0 | 38.5 | 41.7 | 422.8 | 82.9 | -17% |
| 2015 | 28.7 | 31.1 | 39.7 | 38.9 | 45.3 | 38.3 | 36.4 | 30.8 | 24.7 | 27.8 | 25.4 | 28.2 | 395.2 | 99.5 | |

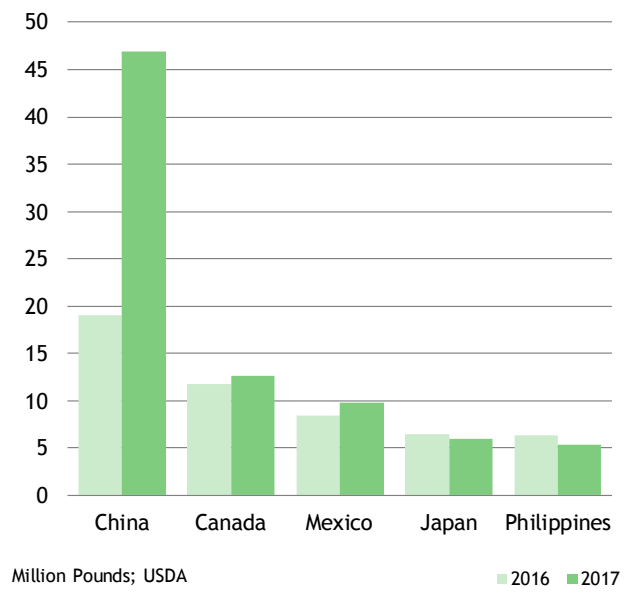
Whey Exports to China (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|--------|
| 2017 | 13.1 | 15.3 | 18.6 | | | | | | | | | | 46.9 | 46.9 | 146% |
| 2016 | 6.7 | 6.5 | 5.8 | 5.3 | 11.9 | 14.5 | 15.4 | 20.5 | 13.4 | 16.1 | 17.4 | 18.4 | 152.1 | 19.1 | -30% |
| 2015 | 9.9 | 6.1 | 11.3 | 12.7 | 14.8 | 12.6 | 10.1 | 4.6 | 4.3 | 4.4 | 4.4 | 5.6 | 100.6 | 27.3 | |

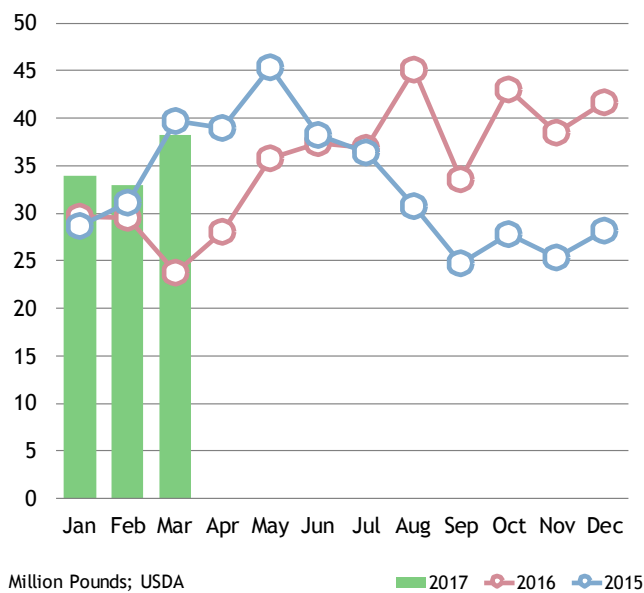
Dry Whey Export Values and Volume



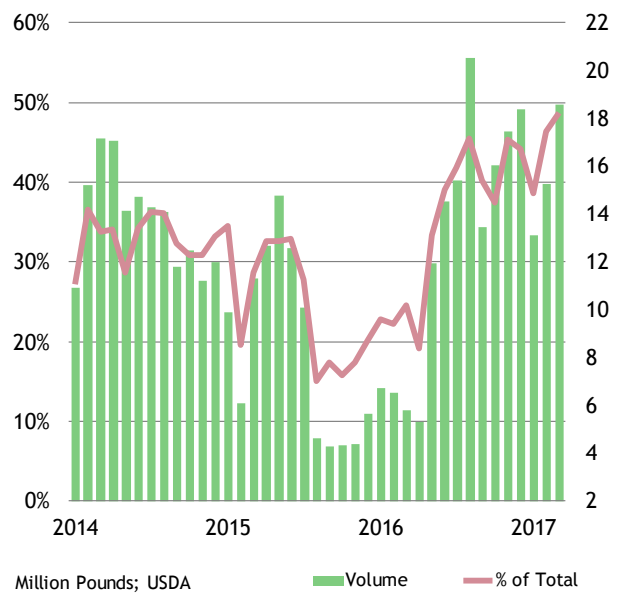
YTD Whey Exports by Destination



US Dry Whey Exports



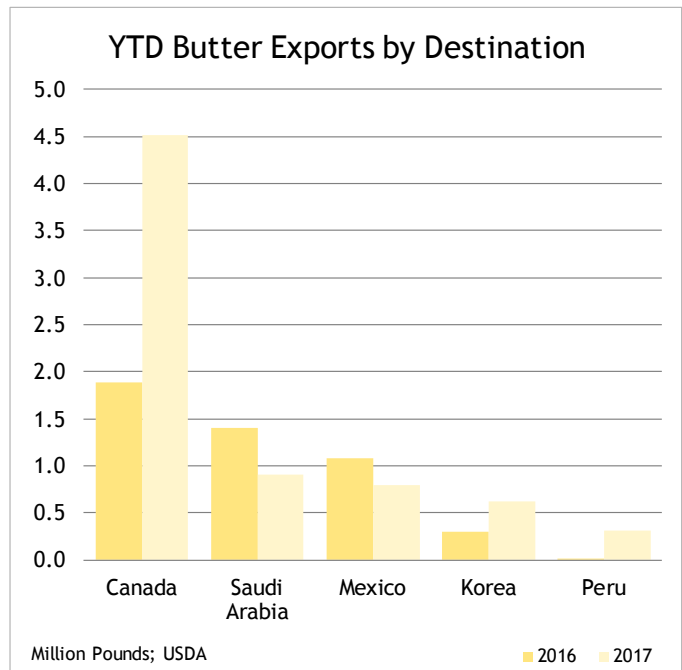
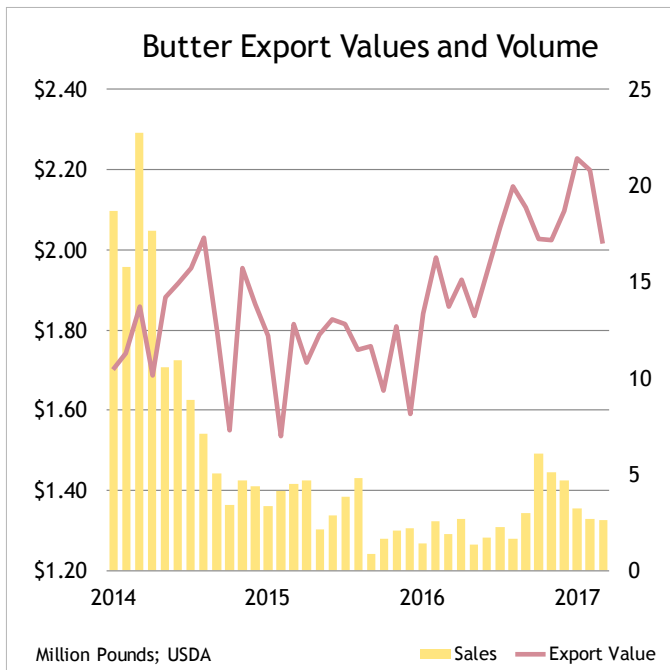
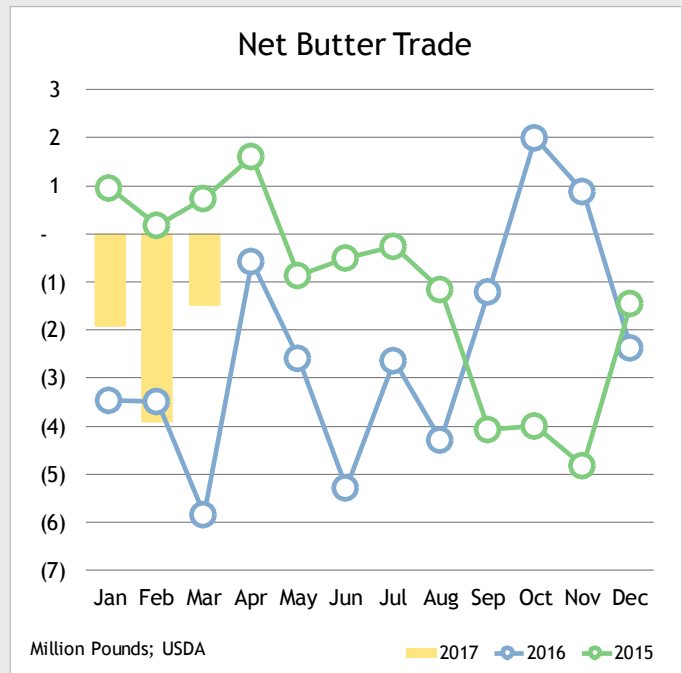
US Dry Whey Exports to China



| Butter Imports (million pounds) | | | | | | | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 5.2 | 6.6 | 4.1 | | | | | | | | | | 15.9 | 15.9 | -15% |
| 2016 | 4.9 | 6.0 | 7.8 | 3.3 | 3.9 | 7.0 | 4.9 | 6.0 | 4.2 | 4.1 | 4.2 | 7.1 | 63.5 | 18.7 | 85% |
| 2015 | 2.4 | 3.9 | 3.8 | 3.1 | 3.1 | 3.4 | 4.1 | 6.0 | 5.0 | 5.7 | 6.9 | 3.7 | 51.0 | 10.1 | |

| Butter Exports (million pounds) | | | | | | | | | | | | | | | |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 3.3 | 2.7 | 2.6 | | | | | | | | | | 8.6 | 8.6 | 45% |
| 2016 | 1.4 | 2.6 | 1.9 | 2.7 | 1.3 | 1.7 | 2.3 | 1.7 | 3.0 | 6.1 | 5.1 | 4.7 | 34.6 | 5.9 | -51% |
| 2015 | 3.4 | 4.1 | 4.5 | 4.7 | 2.2 | 2.9 | 3.8 | 4.8 | 0.9 | 1.7 | 2.1 | 2.2 | 37.3 | 12.0 | |

| Net Butter Trade (million pounds) | | | | |
|-----------------------------------|--------------|--------------|--------------|-------------|
| Month | 2014 | 2015 | 2016 | 2017 |
| Jan | 16.7 | 1.0 | -3.5 | -1.9 |
| Feb | 14.3 | 0.2 | -3.5 | -3.9 |
| Mar | 21.1 | 0.7 | -5.9 | -1.5 |
| Apr | 16.0 | 1.6 | -0.6 | |
| May | 8.8 | -0.9 | -2.6 | |
| Jun | 9.4 | -0.5 | -5.3 | |
| Jul | 6.5 | -0.3 | -2.6 | |
| Aug | 4.4 | -1.2 | -4.3 | |
| Sep | 2.8 | -4.1 | -1.2 | |
| Oct | 0.5 | -4.0 | 2.0 | |
| Nov | 0.8 | -4.8 | 0.9 | |
| Dec | -0.4 | -1.5 | -2.4 | |
| Total | 101.0 | -13.7 | -28.9 | -7.3 |
| YTD | 52.1 | 1.9 | -12.8 | -7.3 |
| Change | | -96% | -787% | -43% |



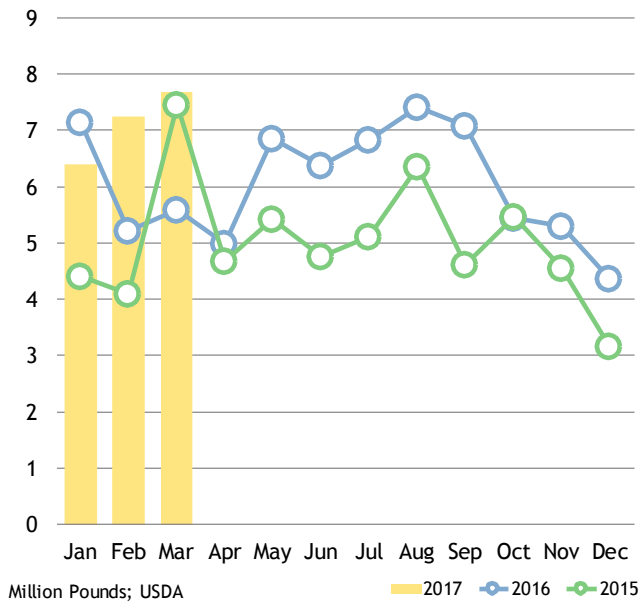
Chapter 18 Fat/Cocoa Imports (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| 2017 | 6.4 | 7.2 | 7.7 | | | | | | | | | | 21.3 | 21.3 | 19% |
| 2016 | 7.1 | 5.2 | 5.6 | 5.0 | 6.9 | 6.4 | 6.8 | 7.4 | 7.1 | 5.4 | 5.3 | 4.4 | 72.5 | 17.9 | 12% |
| 2015 | 4.4 | 4.1 | 7.5 | 4.7 | 5.4 | 4.8 | 5.1 | 6.4 | 4.6 | 5.5 | 4.6 | 3.2 | 60.1 | 16.0 | |

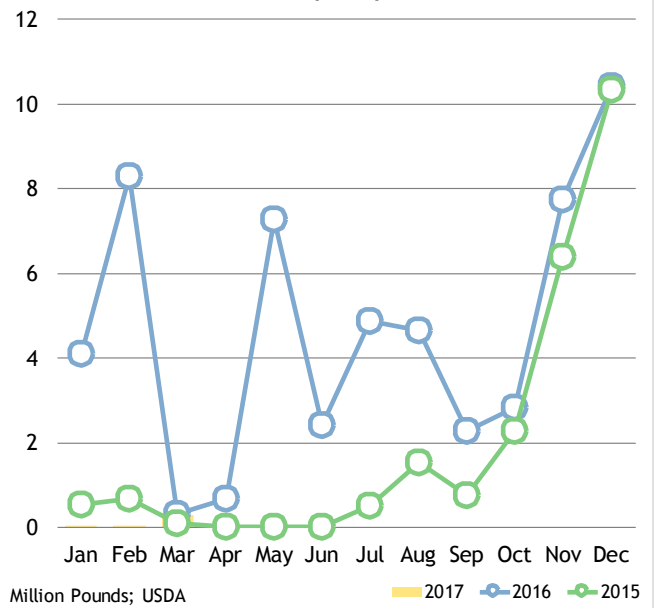
Fats & Oils from Milk Imports (million pounds)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| 2017 | 2.0 | 1.2 | 4.8 | | | | | | | | | | 8.1 | 8.1 | -50% |
| 2016 | 4.2 | 5.4 | 6.6 | 3.0 | 2.4 | 2.8 | 2.9 | 4.4 | 2.5 | 3.3 | 3.5 | 1.5 | 42.5 | 16.2 | 72% |
| 2015 | 1.3 | 3.3 | 4.8 | 3.6 | 3.6 | 3.4 | 3.7 | 3.1 | 1.1 | 2.3 | 1.8 | 6.2 | 38.4 | 9.4 | |

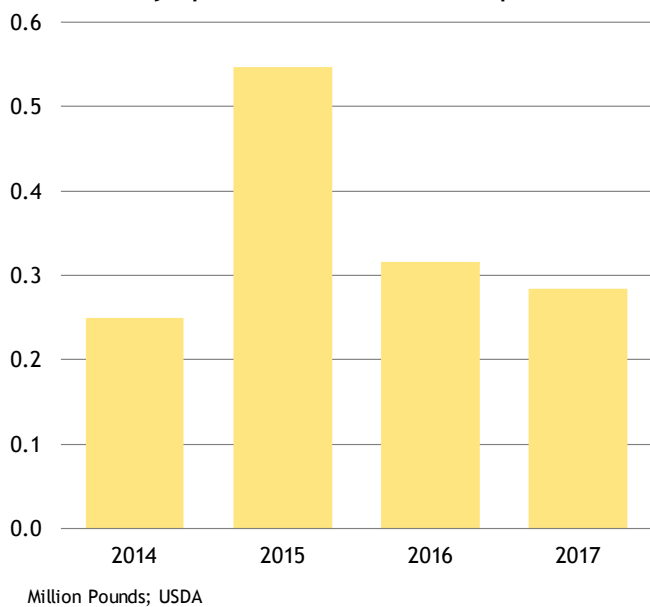
CH. 18 Fat/Cocoa Imports



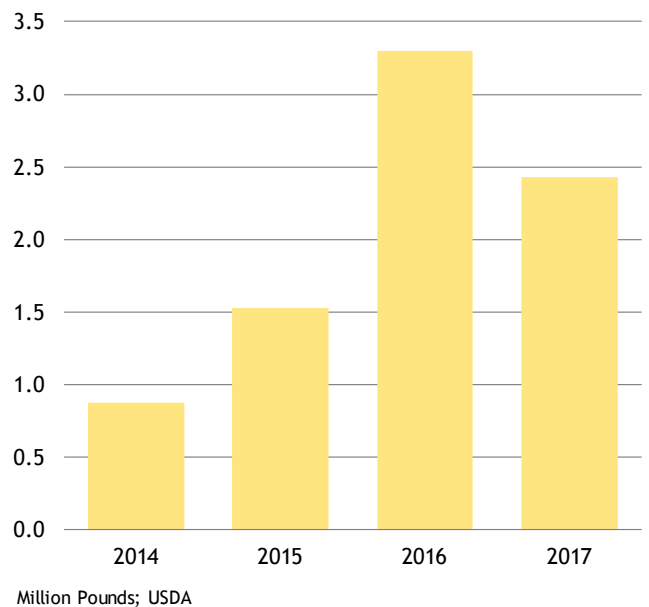
Food Prep Imports



Dairy Spread Year-to-Date Imports

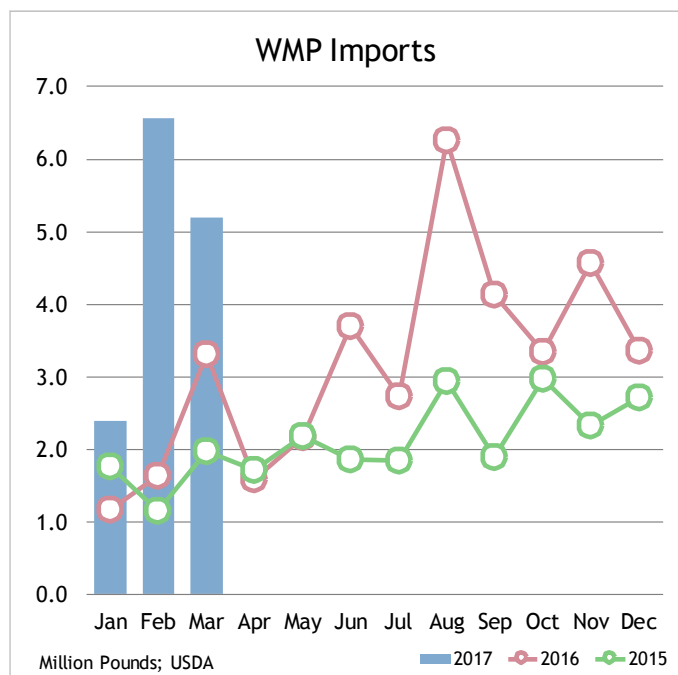
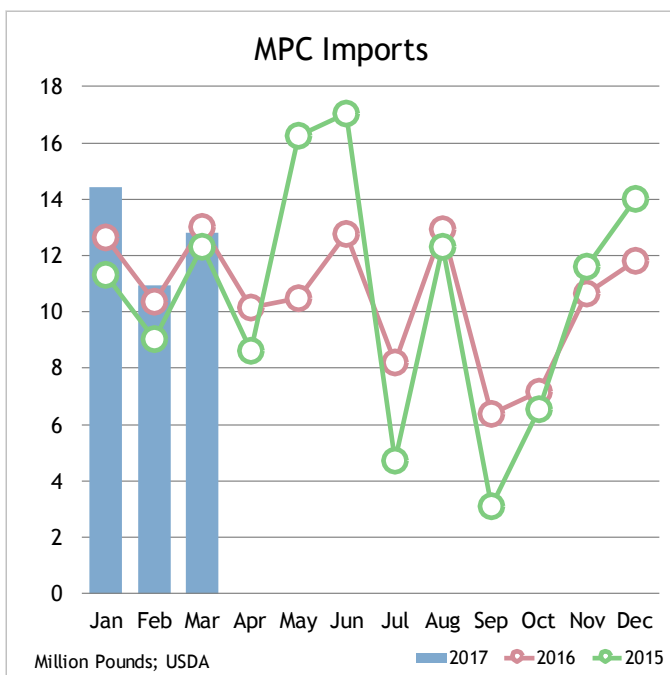
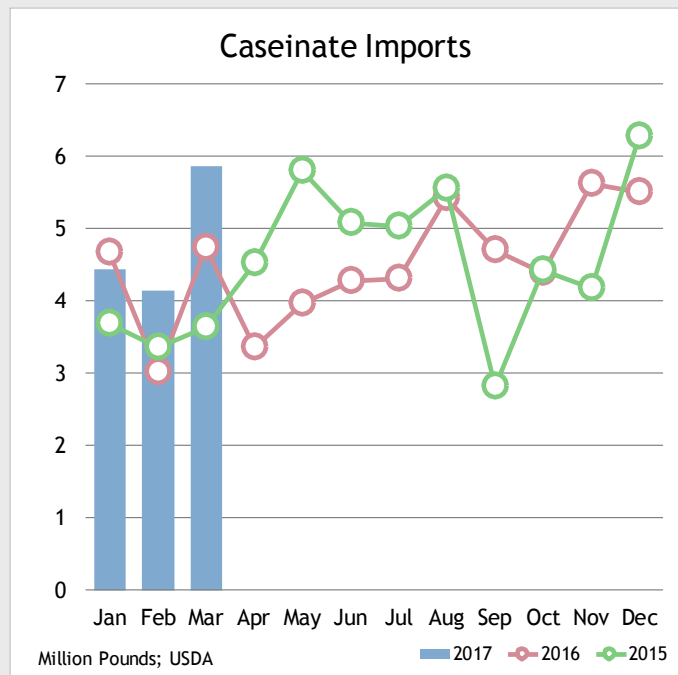
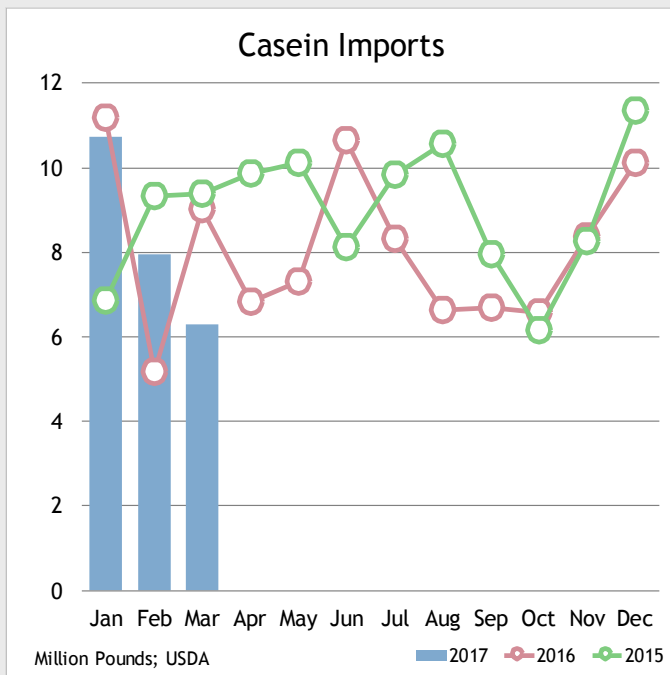


CH. 32 Fat Year-to-Date Imports



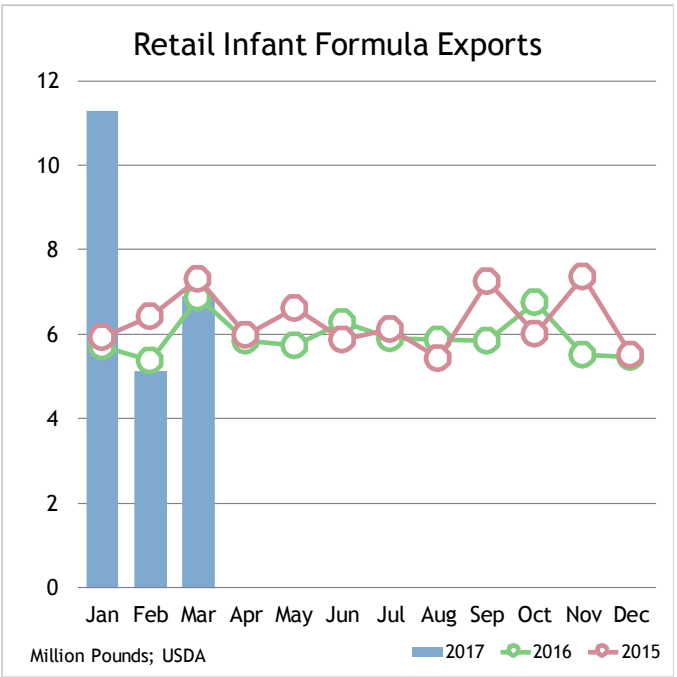
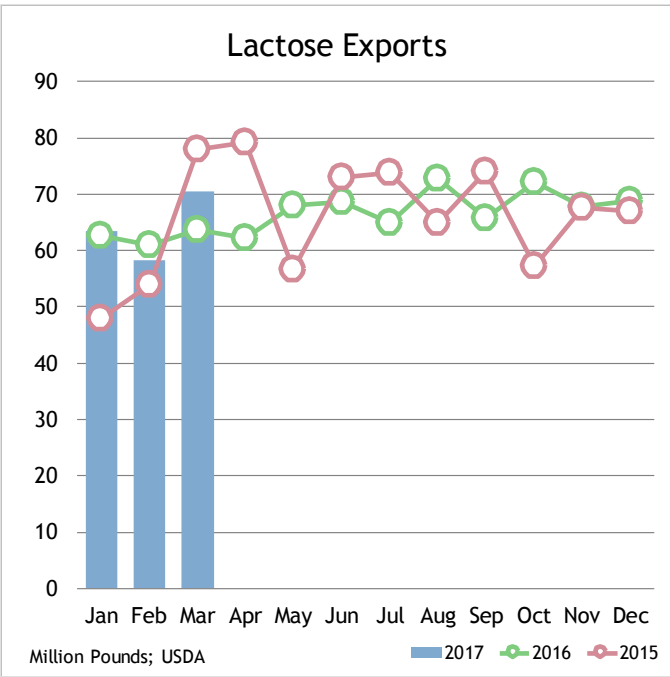
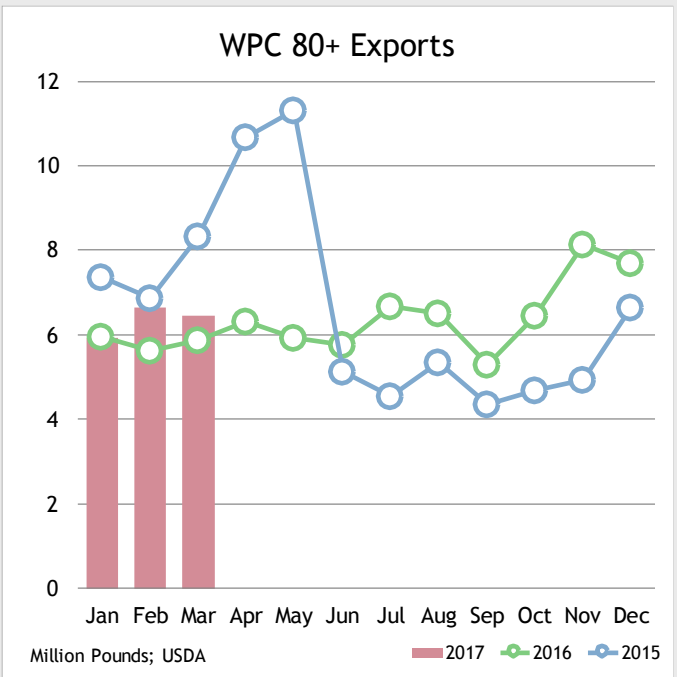
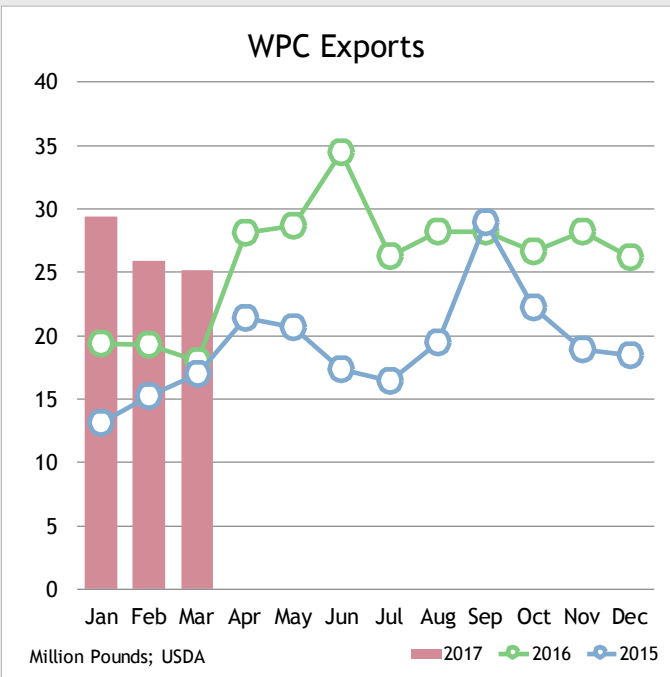
| Casein Imports (million pounds) | | | | | | | | | | | | | | | |
|---------------------------------|------|-----|-----|-----|------|------|-----|------|-----|-----|-----|------|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 10.7 | 8.0 | 6.3 | | | | | | | | | | 25.0 | 25.0 | -1% |
| 2016 | 11.2 | 5.2 | 9.0 | 6.8 | 7.3 | 10.6 | 8.3 | 6.6 | 6.7 | 6.6 | 8.4 | 10.1 | 96.8 | 25.4 | -1% |
| 2015 | 6.9 | 9.3 | 9.4 | 9.9 | 10.1 | 8.1 | 9.8 | 10.6 | 8.0 | 6.2 | 8.3 | 11.4 | 107.8 | 25.6 | |

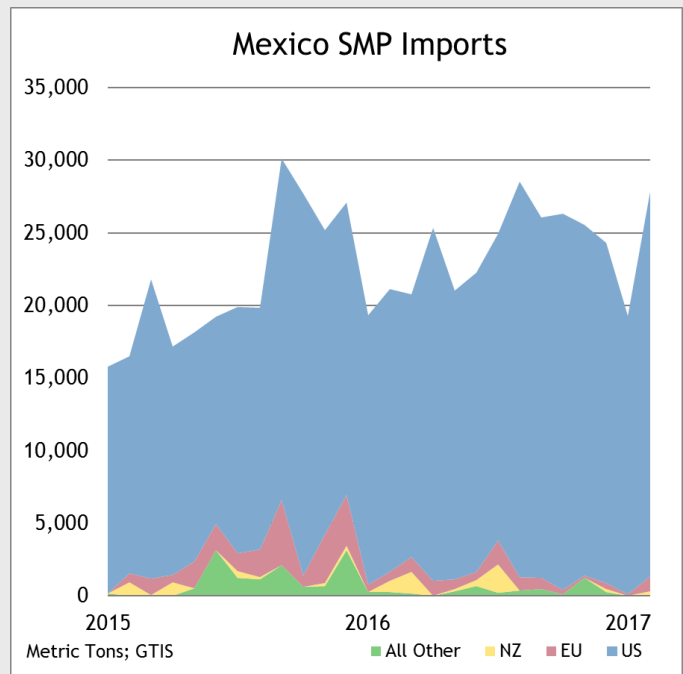
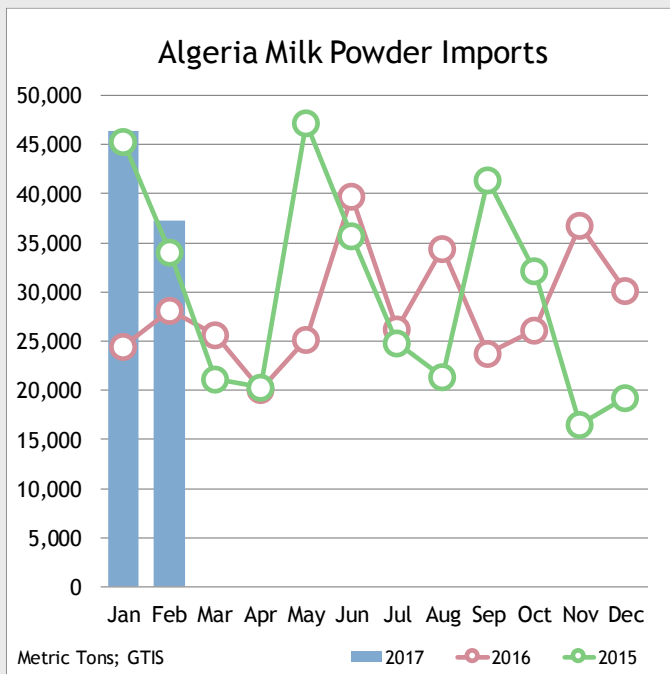
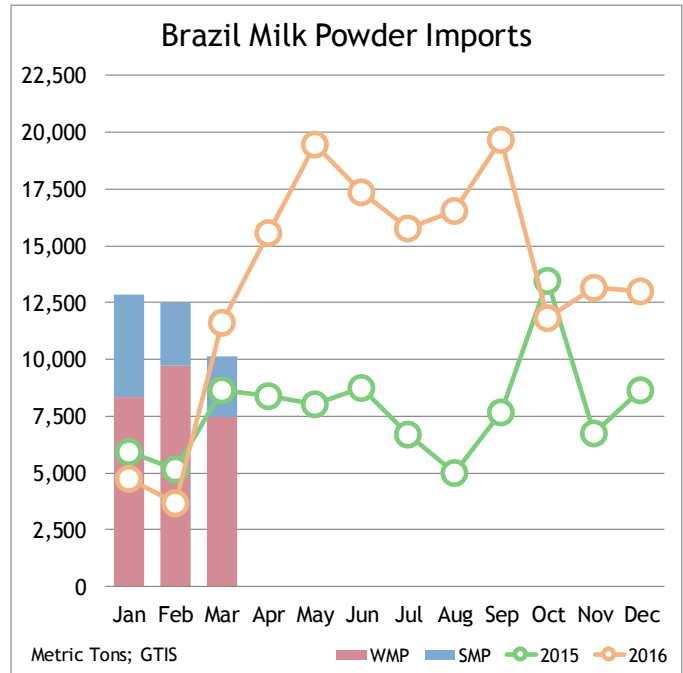
| WMP Imports (million pounds) | | | | | | | | | | | | | | | |
|------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 2.4 | 6.6 | 5.2 | | | | | | | | | | 14.1 | 14.1 | 131% |
| 2016 | 1.2 | 1.6 | 3.3 | 1.6 | 2.2 | 3.7 | 2.7 | 6.3 | 4.1 | 3.3 | 4.6 | 3.4 | 38.0 | 6.1 | 25% |
| 2015 | 1.8 | 1.2 | 2.0 | 1.7 | 2.2 | 1.9 | 1.8 | 2.9 | 1.9 | 3.0 | 2.3 | 2.7 | 25.4 | 4.9 | |



| WPC Exports (million pounds) | | | | | | | | | | | | | | | |
|------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 29.4 | 25.9 | 25.2 | | | | | | | | | | 80.5 | 80.5 | 42% |
| 2016 | 19.4 | 19.2 | 18.0 | 28.1 | 28.7 | 34.5 | 26.3 | 28.2 | 28.2 | 26.7 | 28.2 | 26.2 | 311.7 | 56.6 | 25% |
| 2015 | 13.1 | 15.2 | 16.9 | 21.4 | 20.7 | 17.3 | 16.5 | 19.5 | 29.0 | 22.2 | 18.9 | 18.5 | 229.3 | 45.3 | |

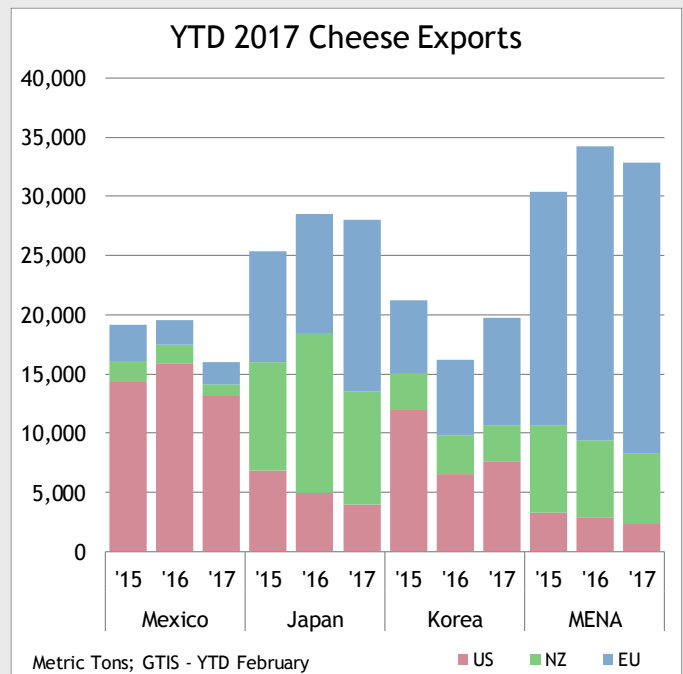
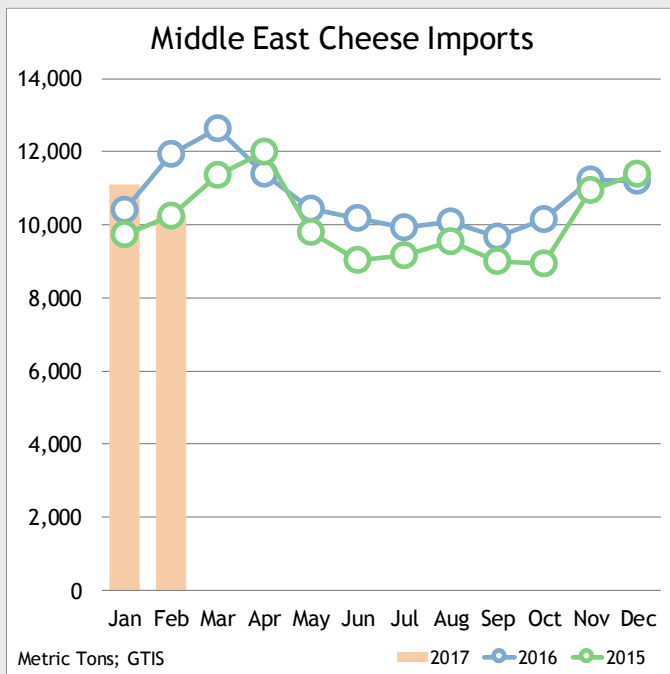
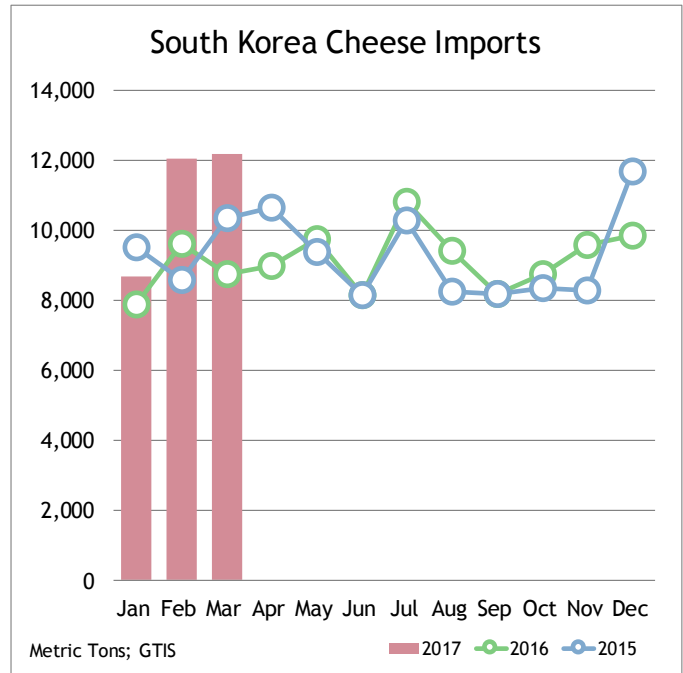
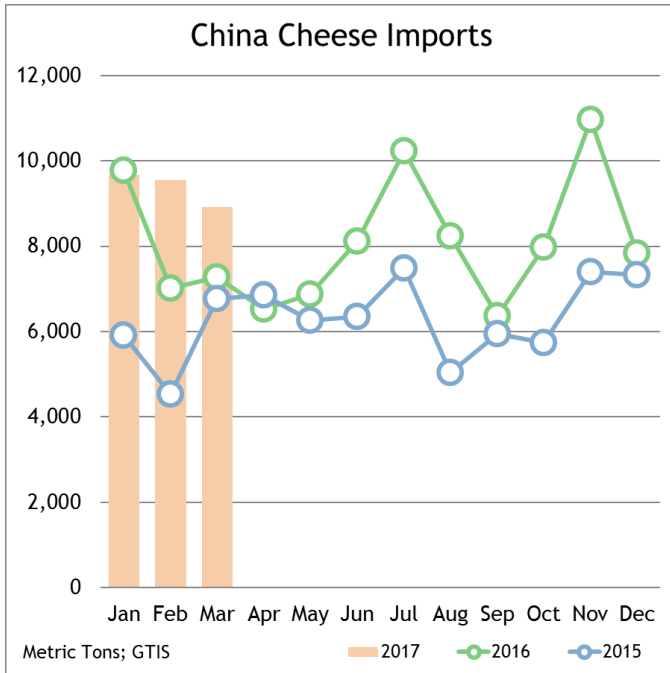
| WPC 80+ Exports (million pounds) | | | | | | | | | | | | | | | |
|----------------------------------|-----|-----|-----|------|------|-----|-----|-----|-----|-----|-----|-----|-------|------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | YTD | Change |
| 2017 | 5.9 | 6.7 | 6.4 | | | | | | | | | | 19.0 | 19.0 | 9% |
| 2016 | 6.0 | 5.6 | 5.9 | 6.3 | 5.9 | 5.8 | 6.7 | 6.5 | 5.3 | 6.5 | 8.1 | 7.7 | 76.2 | 17.4 | -23% |
| 2015 | 7.4 | 6.9 | 8.3 | 10.7 | 11.3 | 5.1 | 4.5 | 5.3 | 4.4 | 4.7 | 4.9 | 6.6 | 80.2 | 22.5 | |





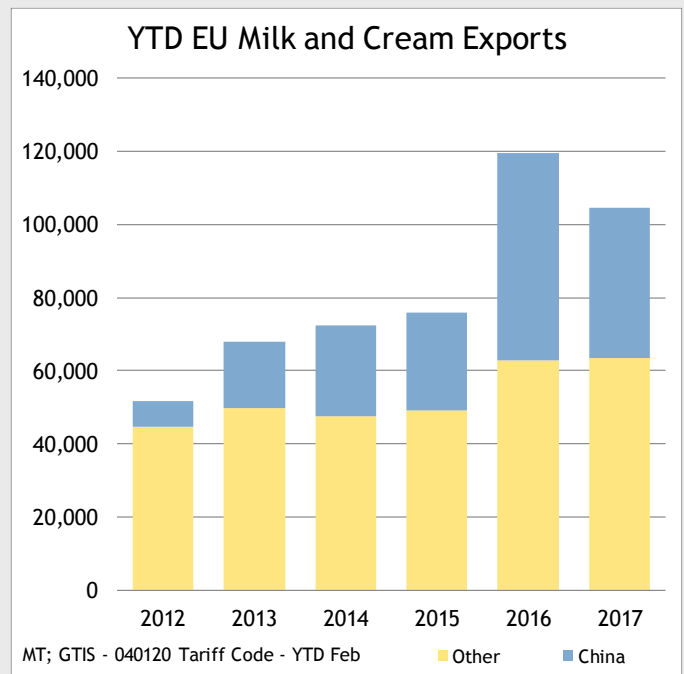
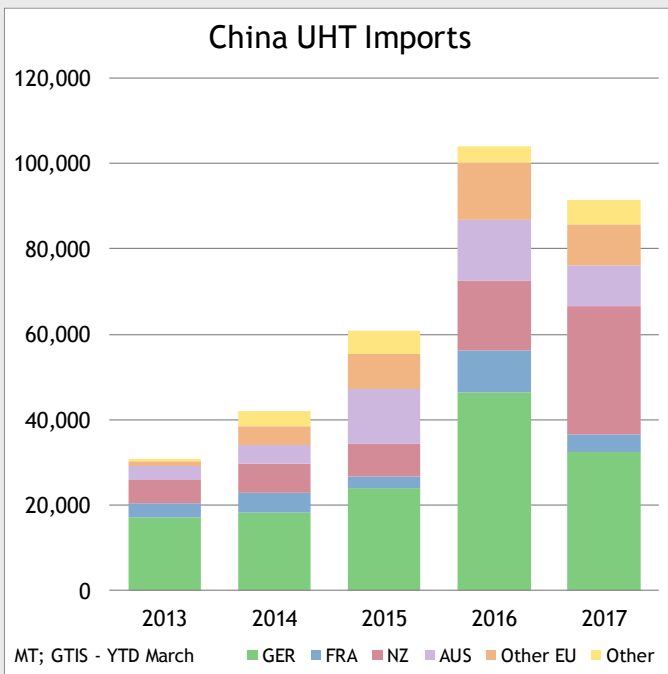
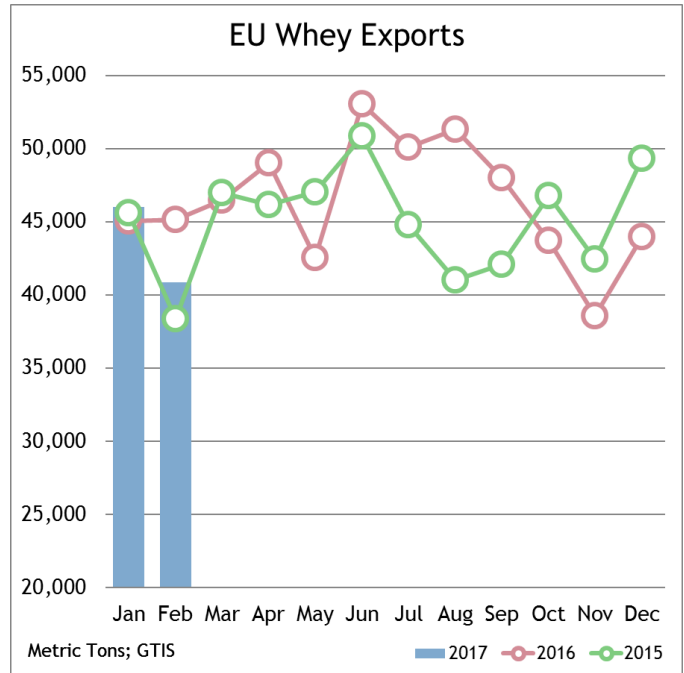
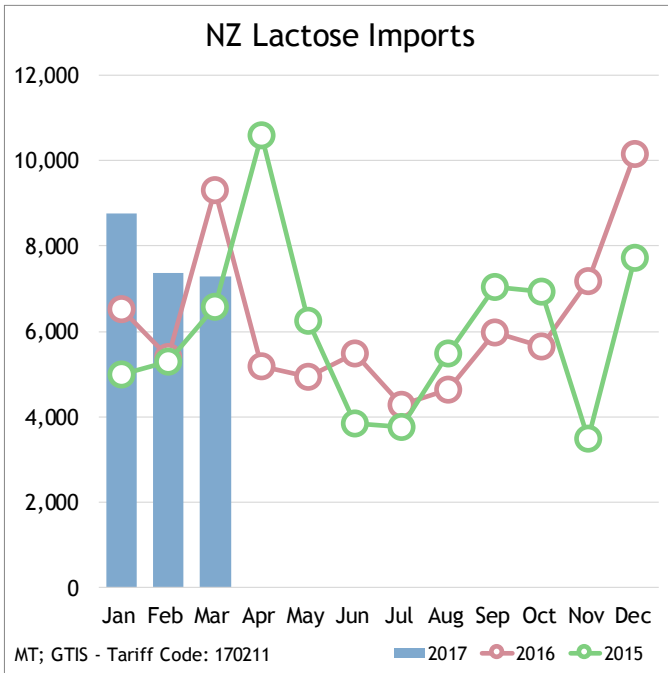
- Algeria milk powder imports increased 32% year-over-year in February to 37,220 metric tons. Year-to-date volume continues to track well above prior year levels with 83,575 metric tons imported through February. That compares to 52,660 metric tons last year.
- China WMP imports fell 30% year-over-year in March to 33,075 metric tons. Through the first quarter, total WMP volume dropped 4% behind prior year levels with 195,175 metric tons imported.

Global Milk Powder Trade



- South Korea cheese imports reached 12,160 metric tons in March, topping 2016 levels by 39% (3,440 metric tons). The EU was the main supplier into Korea with 4,175 metric tons imported (35% share), while US volumes accounted for roughly 30% of inbound shipments (3,660 metric tons).
- China cheese imports remain in expansion-mode, reaching 8,915 metric tons in March. Through the first quarter, inbound shipments totaled 28,130 metrics—17% higher than a year ago.

Global Cheese Trade



- China UHT imports declined 16% year-over-year through the first quarter, falling to 88,900 metric tons. Reduced import volume from Europe drove much of the decline. Meanwhile, New Zealand stepped up its game, increasing its market share from 16% in 2016 to 34% year-to-date 2017.
- EU whey exports slipped in February, falling 5,175 metric tons from January to 40,825 metric tons. Sales to China, specifically dropped 14% from January and 16% from 2016 to 11,025 metric tons.

Other Trade