

Dairy

The CME cheese markets have been relatively stable during the last week. Milk production has been seasonally strong in recent weeks but usually declines during the next few months which can bring support to cheese prices. The five-year average move in the CME cheese block market from now through the end of October is an increase of 9.5%. The butter market has firmed once again due in a large part to rising international butter prices and improved U.S. butter exports. History suggests that the greater price risk in butter this summer is to the upside.

Product Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Decreasing	Good	Lower
Cheese Blocks (CME)	Decreasing	Good	Higher
American Cheese	Decreasing	Good	Lower
Cheddar Cheese (40 lb)	Decreasing	Good	Higher
Mozzarella Cheese	Decreasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan Cheese	Decreasing	Good	Higher
Butter (CME)	Increasing	Good	Higher
Nonfat Dry Milk	Increasing	Ample	Higher
Whey, Dry	Decreasing	Good	Higher
Class 1 Base	Steady	Good	Higher
Class II Cream, heavy	Increasing	Good	Higher
Class III Milk (CME)	Decreasing	Good	Higher
Class IV Milk (CME)	Increasing	Good	Higher

