



Dairy - U.S. milk production has been tempered as of late. During March, U.S. milk output was down .4% from the previous year due to a .9% smaller milk cow herd and a .5% rise in milk per cow yields. Farmers reduced the herd by a net 10,000 head making it the smallest since the fall of 2016. Year-over-year milk production gains are likely to remain lackluster in the near term. However, improving margins for milk farmers should lead to better milk production expansion later this year. The cheese and butter markets are relatively range-bound and could remain supported during the next month.

Product Description	Market Trend	Supplies	Price vs. Last Year
Cheese Barrels (CME)	Increasing	Good	Higher
Cheese Blocks (CME)	Steady	Good	Higher
American Cheese	Increasing	Good	Higher
Cheddar Cheese (40 lb)	Increasing	Good	Higher
Mozzarella Cheese	Increasing	Good	Higher
Provolone Cheese	Steady	Good	Same
Parmesan Cheese	Increasing	Good	Higher
Butter (CME)	Increasing	Good	Lower
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)	Increasing	Good	Higher
Class IV Milk (CME)	Increasing	Good	Higher

