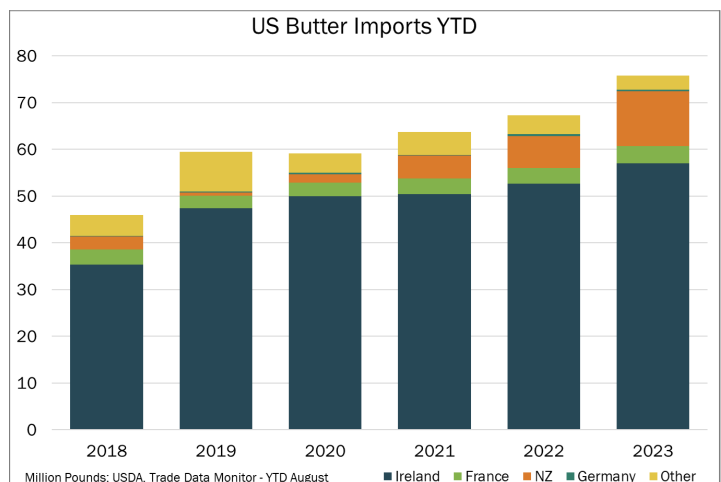
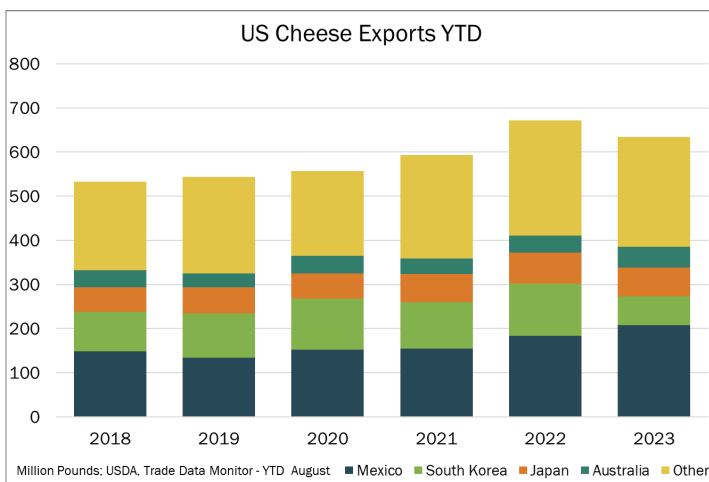


October 5, 2023

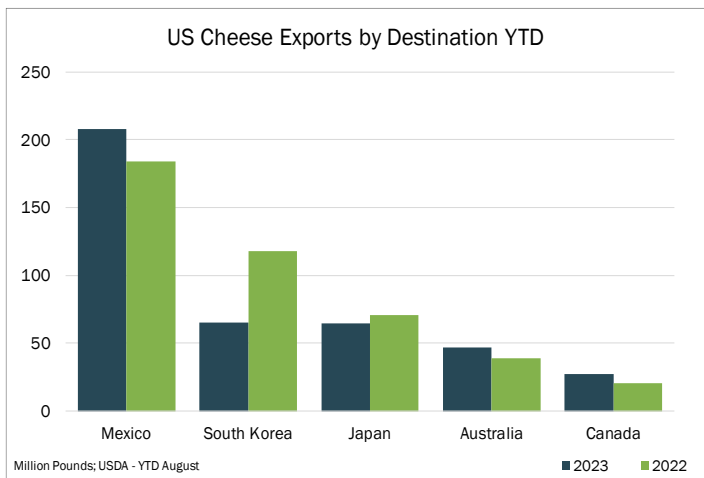
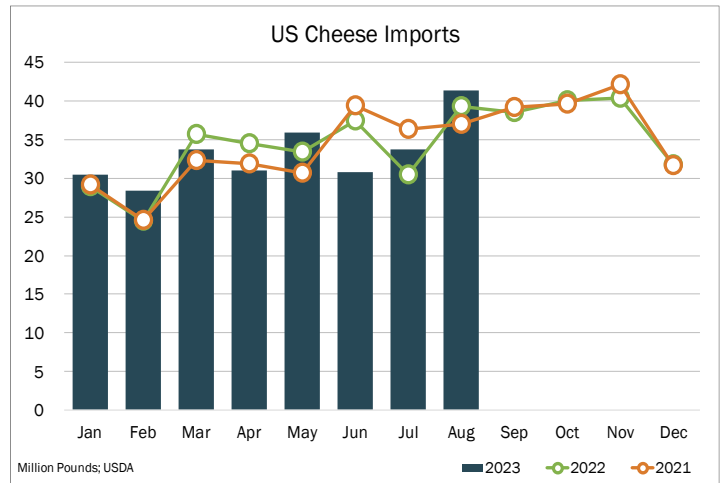
- Better cheese export activity was the talk of the market this summer. Exports were, in fact, a little perkier in August, topping July levels, but the total for the month still trailed last year's pace. Shipments totaled 82 million pounds, up 1% from July but still down 3% from 2022. Mexico remains a key growth center for US cheese exporters, with sales reaching 30 million pounds in August, up 14% versus last year. Sales into Japan and Australia also picked up, with volume reaching 10 million pounds (+37% year-over-year) and 5 million pounds (+87% year-over-year), respectively. US shipments into South Korea, however, remain soft, with 8 million pounds exported to the region, a 45% reduction from the year prior and -8% from July. Year-to-date through August, total US cheese exports grossed 635 million pounds, 6% behind 2022. Cheese imports, on the other hand, picked up significantly, reaching 41 million pounds. That was up 5% from last year and the largest inbound August cheese volume going back to at least 1996.
- NDM/SMP exports picked back up in August, with 151 million pounds moving internationally, a 4% gain from 2022. A bump up in sales to Mexico helped drive the uptick, with volume reaching 74 million pounds, up 6% on the year. Volume into Southeast Asia also jumped, totaling 51 million pounds, a 17% increase from the year before. Stronger August exports helped bring year-to-date volumes to 1.231 million pounds, unchanged from 2022.
- Butter exports continue to fall short of prior-year levels, with August shipments totaling 5 million pounds, on par with the month before but down 63% from 2022. Sales into Canada were off 31% from August 2022 levels, though exports to the region accounted for 68% of US shipments during the month. Butter imports held up in August, with 9 million pounds crossing into the US, unchanged from the year before.
- August whey exports remained sluggish, with 31 million pounds shipped, down 38% year-over-year. Volume into China remained under pressure, with shipments falling 45% from August 2022.



Cheese

	US Cheese Exports			US Cheese Imports			Net Cheese Trade			US Exports to Mexico		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Jan	55.6	64.9	75.0	29.2	28.9	30.5	26.4	36.0	44.5	9.6	16.7	20.2
Feb	65.6	71.0	72.5	24.6	24.5	28.4	41.1	46.5	44.1	18.9	19.8	22.1
Mar	80.4	91.1	91.6	32.3	35.7	33.8	48.1	55.4	57.8	21.4	26.9	31.1
Apr	88.5	91.8	80.5	31.9	34.6	31.0	56.6	57.3	49.5	21.3	23.0	24.9
May	67.8	89.6	73.1	30.7	33.4	35.9	37.1	56.2	37.2	18.2	20.7	25.0
Jun	74.0	97.2	78.8	39.4	37.5	30.8	34.6	59.7	48.0	22.9	25.7	28.4
Jul	80.8	82.0	81.1	36.4	30.5	33.7	44.4	51.5	47.4	21.4	25.1	26.5
Aug	79.9	84.6	82.1	37.0	39.3	41.4	43.0	45.2	40.7	21.1	26.0	29.6
Sep	75.0	77.9		39.2	38.6		35.7	39.4		19.6	21.7	
Oct	77.9	82.0		39.6	40.1		38.3	41.9		17.3	19.4	
Nov	73.0	81.8		42.2	40.4		30.8	41.4		19.8	22.8	
Dec	66.8	80.1		31.6	31.8		35.2	48.2		19.0	24.6	
Total	885.4	994.0	634.6	414.1	415.3	265.5	471.3	578.7	369.1	230.5	272.4	207.8
YTD	592.7	672.2	634.6	261.4	264.4	265.5	331.3	407.8	369.1	154.8	183.9	207.8
Change		13%	-6%		1%	0%		23%	-9%		19%	13%

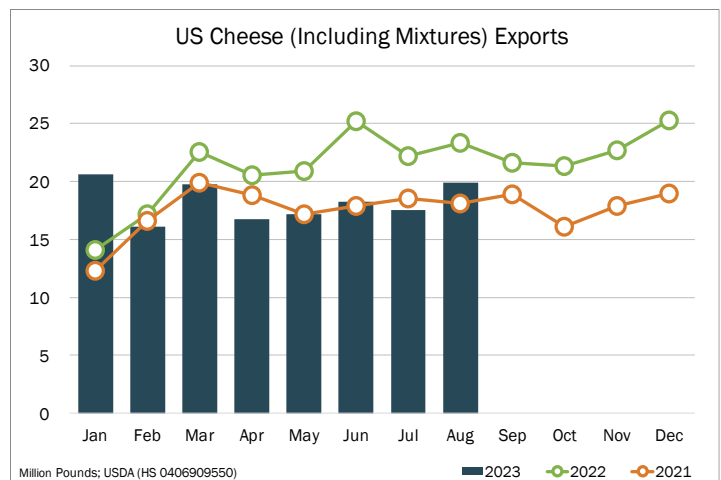
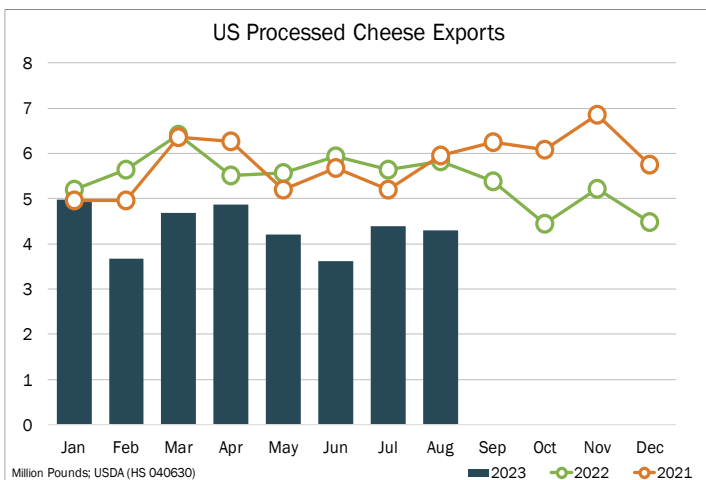
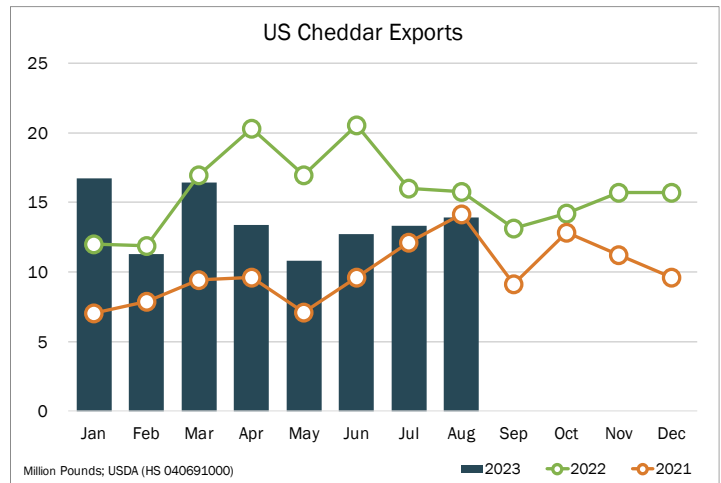
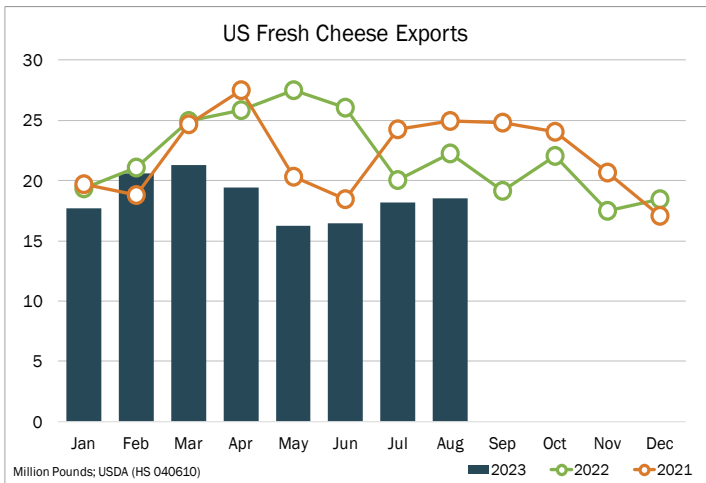
Million Pounds; USDA



Cheese

US Cheese Exports												
	Fresh (Curd)			Processed			Cheddar			Plus Mixtures		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Jan	19.7	19.3	17.7	5.0	5.2	5.0	7.0	12.0	16.7	12.3	14.1	20.7
Feb	18.8	21.1	20.6	5.0	5.6	3.7	7.9	11.9	11.3	16.6	17.2	16.1
Mar	24.6	24.9	21.3	6.4	6.4	4.7	9.4	16.9	16.4	19.9	22.5	19.8
Apr	27.5	25.8	19.4	6.3	5.5	4.9	9.6	20.3	13.4	18.8	20.6	16.7
May	20.3	27.5	16.3	5.2	5.6	4.2	7.1	17.0	10.8	17.2	20.9	17.2
Jun	18.5	26.1	16.4	5.7	5.9	3.6	9.6	20.6	12.7	17.9	25.2	18.2
Jul	24.3	20.0	18.2	5.2	5.6	4.4	12.1	16.0	13.3	18.6	22.2	17.5
Aug	25.0	22.3	18.5	5.9	5.8	4.3	14.1	15.8	13.9	18.1	23.3	19.9
Sep	24.8	19.2		6.3	5.4		9.1	13.1		18.9	21.7	
Oct	24.0	22.0		6.1	4.4		12.9	14.2		16.1	21.4	
Nov	20.7	17.5		6.9	5.2		11.2	15.7		17.9	22.7	
Dec	17.1	18.4		5.8	4.5		9.6	15.7		19.0	25.3	
Total	265.3	264.2	148.4	69.5	65.3	34.7	119.7	189.1	108.6	211.2	257.1	146.1
YTD	178.7	187.1	148.4	44.6	45.7	34.7	76.9	130.4	108.6	139.4	166.1	146.1
Change		5%	-21%		3%	-24%		69%	-17%		19%	-12%

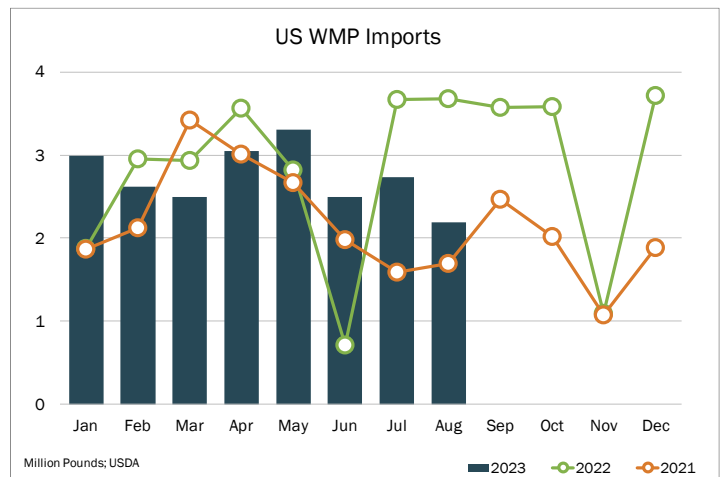
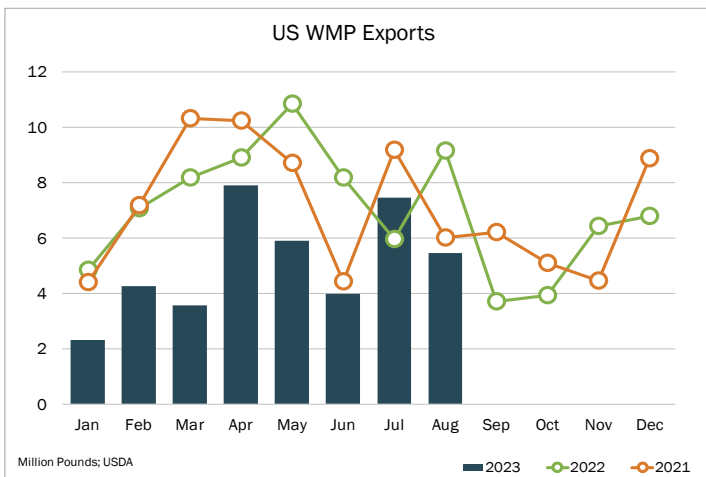
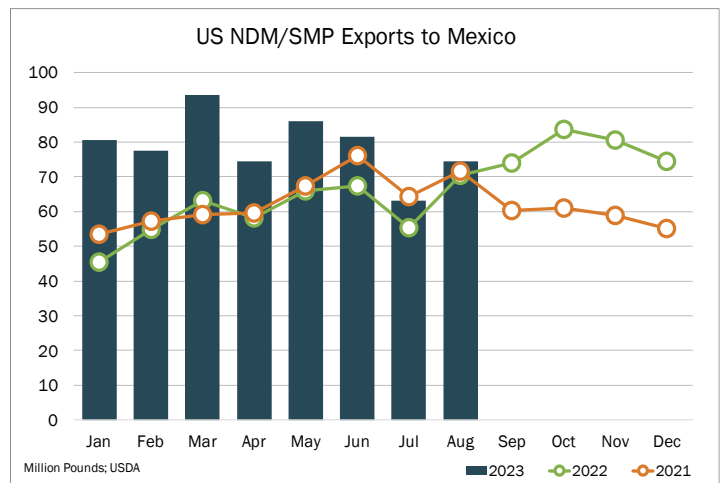
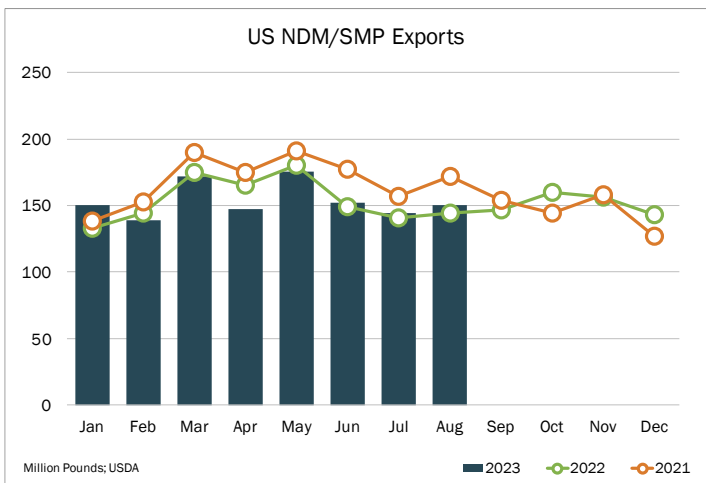
Million Pounds; USDA



Powders

	US NDM Exports			NDM Exports to Mexico			US WMP Exports			US WMP Imports		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Jan	138.3	132.8	150.4	53.5	45.5	80.5	4.4	4.8	2.3	1.9	1.9	3.0
Feb	152.7	144.4	139.0	57.3	54.8	77.5	7.2	7.1	4.3	2.1	3.0	2.6
Mar	189.7	175.1	172.0	59.2	63.2	93.5	10.3	8.2	3.6	3.4	2.9	2.5
Apr	174.7	165.1	147.2	59.5	58.2	74.4	10.2	8.9	7.9	3.0	3.6	3.0
May	191.3	180.2	175.3	67.5	65.9	86.0	8.7	10.9	5.9	2.7	2.8	3.3
Jun	177.4	149.2	152.2	76.2	67.3	81.5	4.4	8.2	4.0	2.0	0.7	2.5
Jul	157.1	140.6	144.5	64.2	55.3	63.1	9.2	6.0	7.5	1.6	3.7	2.7
Aug	172.0	144.4	150.5	71.6	70.4	74.4	6.0	9.2	5.5	1.7	3.7	2.2
Sep	153.8	147.0		60.4	73.9		6.2	3.7		2.5	3.6	
Oct	144.6	160.1		60.9	83.7		5.1	3.9		2.0	3.6	
Nov	158.0	156.1		58.9	80.6		4.4	6.4		1.1	1.1	
Dec	127.0	142.8		55.1	74.4		8.9	6.8		1.9	3.7	
Total	1,936.7	1,837.8	1,231.1	744.2	793.1	630.8	85.0	84.0	40.8	25.8	34.2	21.9
YTD	1,353.3	1,231.7	1,231.1	509.0	480.5	630.8	60.4	63.1	40.8	18.3	22.2	21.9
Change		-9%	0%		-6%	31%		4%	-35%		21%	-1%

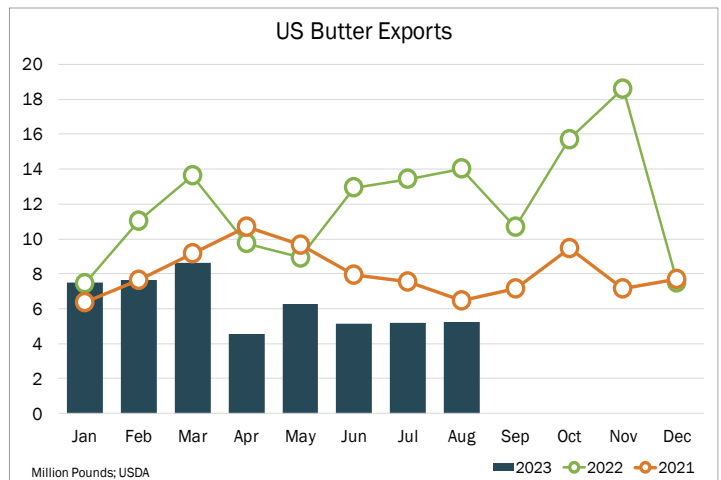
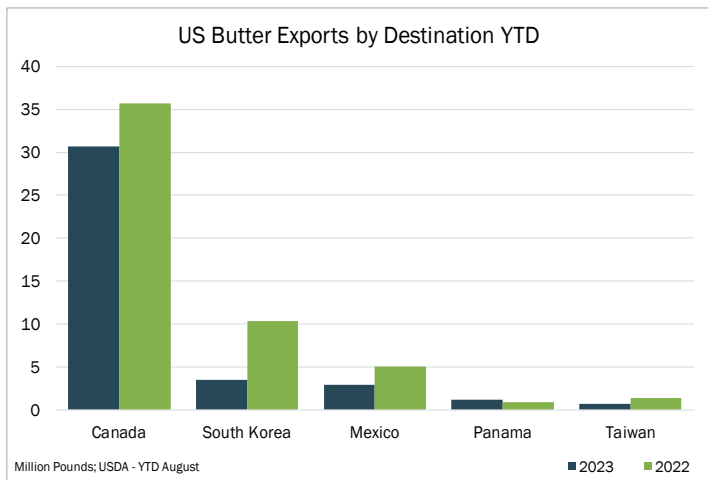
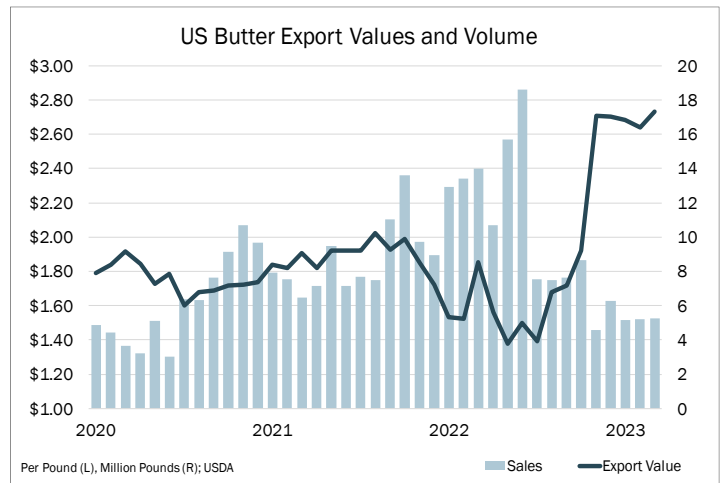
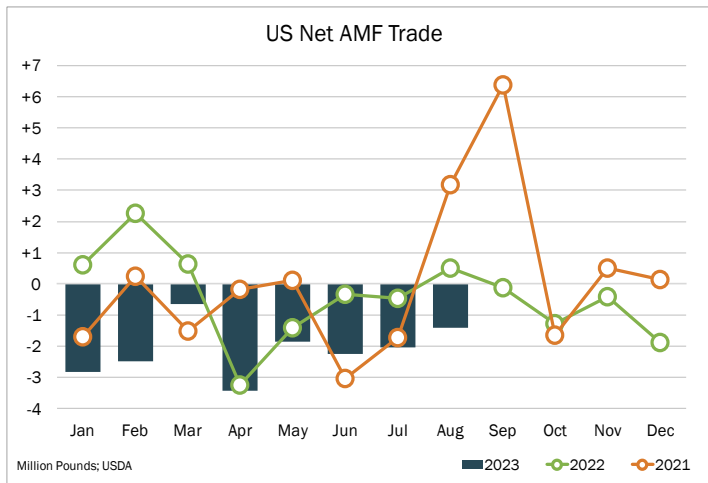
Million Pounds; USDA



Butterfat

	US Butter Exports			US Butter Imports			US AMF Exports			US AMF Imports		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Jan	6.3	7.5	7.5	2.9	6.4	8.7	0.8	3.1	1.9	2.5	2.5	4.7
Feb	7.6	11.0	7.6	3.5	5.5	8.7	0.9	3.7	0.7	0.6	1.4	3.2
Mar	9.2	13.6	8.6	10.2	8.1	13.2	0.9	2.4	1.2	2.4	1.8	1.9
Apr	10.7	9.7	4.6	9.7	7.9	10.6	1.1	4.1	0.7	1.2	7.3	4.2
May	9.7	8.9	6.3	8.1	10.3	10.8	2.5	2.2	1.8	2.4	3.6	3.6
Jun	7.9	12.9	5.1	9.9	7.7	5.9	1.0	3.4	0.6	4.1	3.7	2.8
Jul	7.5	13.4	5.2	8.2	12.4	9.0	2.5	3.1	2.3	4.2	3.5	4.3
Aug	6.4	14.0	5.2	11.2	9.0	8.8	3.7	3.4	1.0	0.5	2.9	2.4
Sep	7.2	10.7		10.6	9.4		7.5	1.7		1.1	1.8	
Oct	9.5	15.7		7.4	11.2		1.5	3.3		3.2	4.6	
Nov	7.1	18.6		8.8	9.2		3.1	2.1		2.6	2.5	
Dec	7.7	7.5		9.9	8.9		3.0	2.8		2.9	4.7	
Total	96.9	143.7	50.1	100.5	105.8	75.8	28.5	35.1	10.2	27.7	40.3	27.2
YTD	65.4	91.2	50.1	63.7	67.2	75.8	13.4	25.3	10.2	18.0	26.7	27.2
Change		39%	-45%		6%	13%		89%	-60%		49%	2%

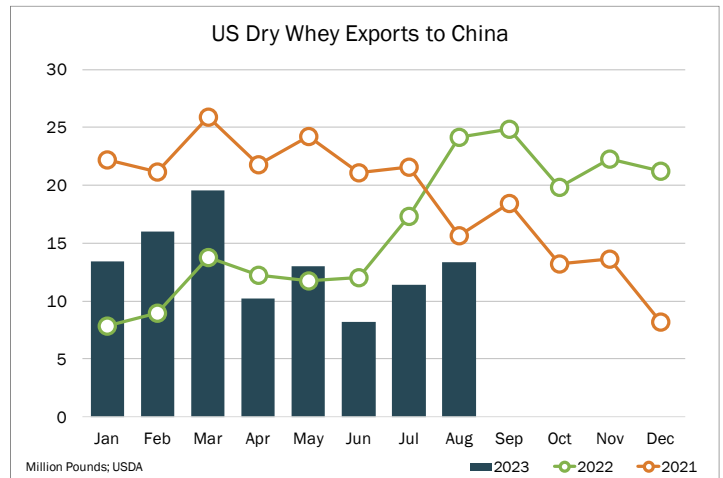
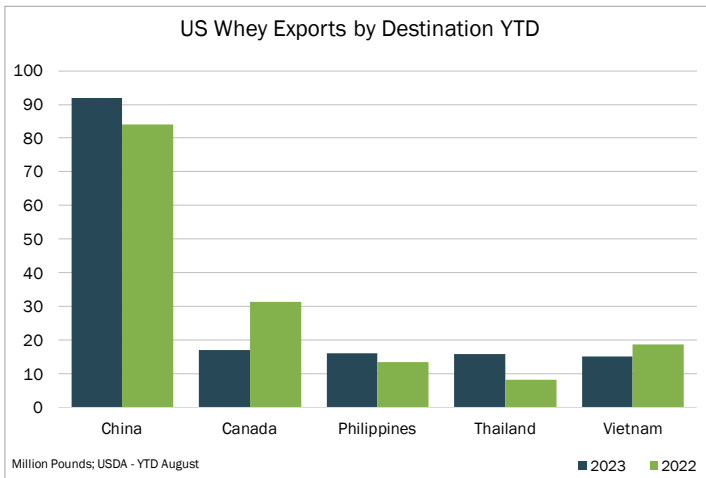
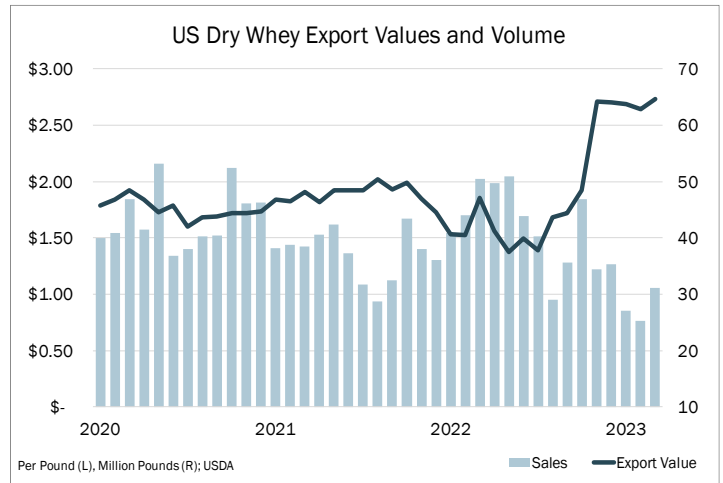
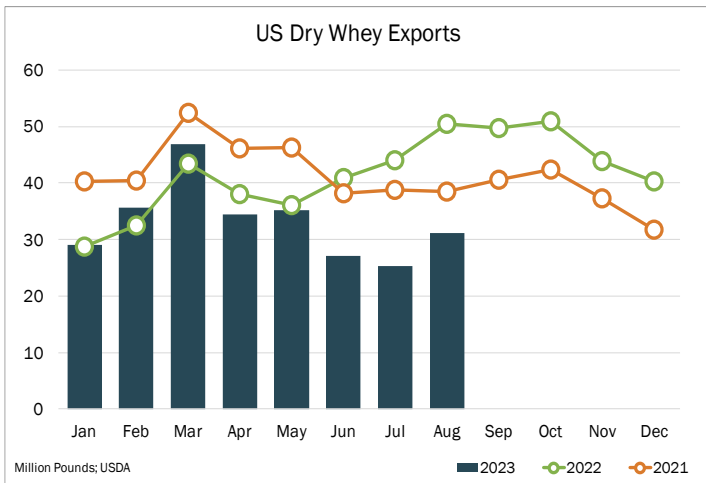
Million Pounds; USDA



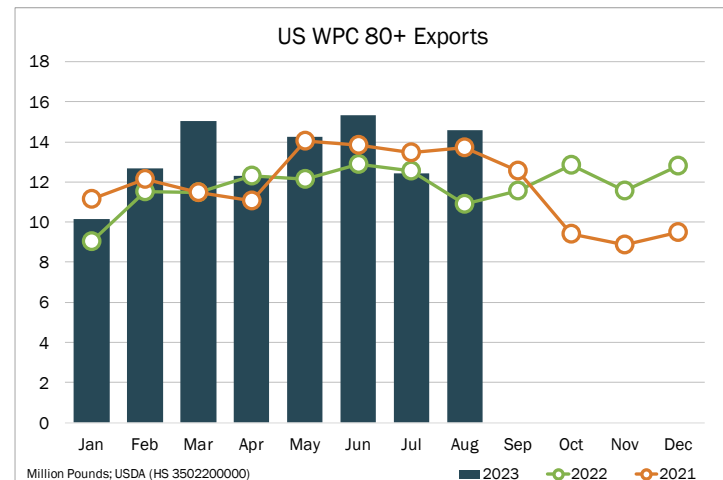
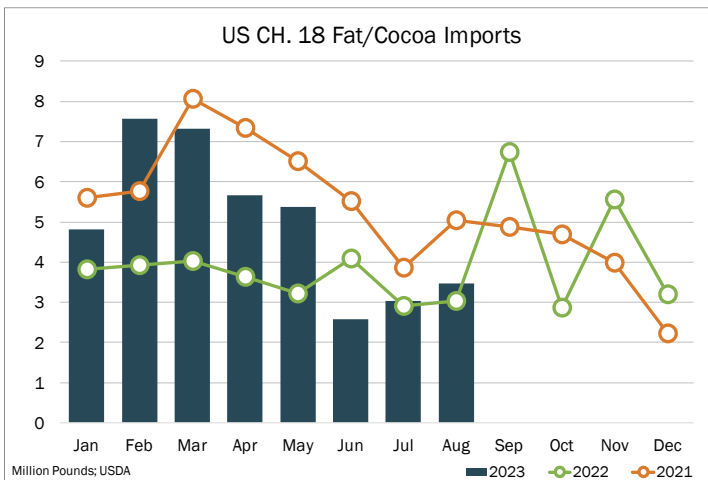
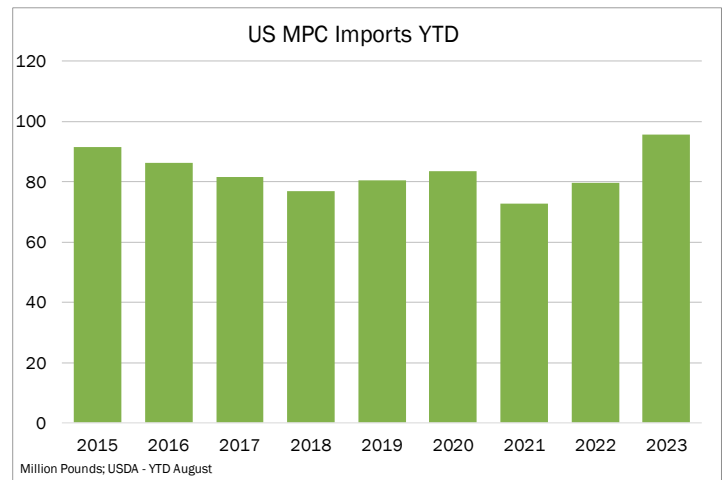
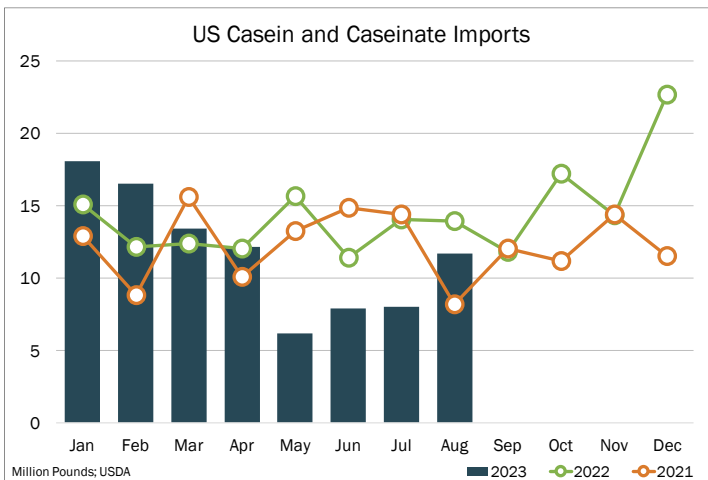
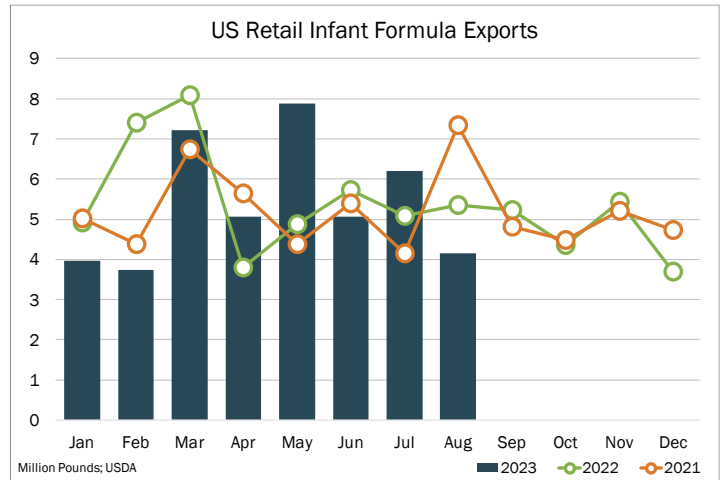
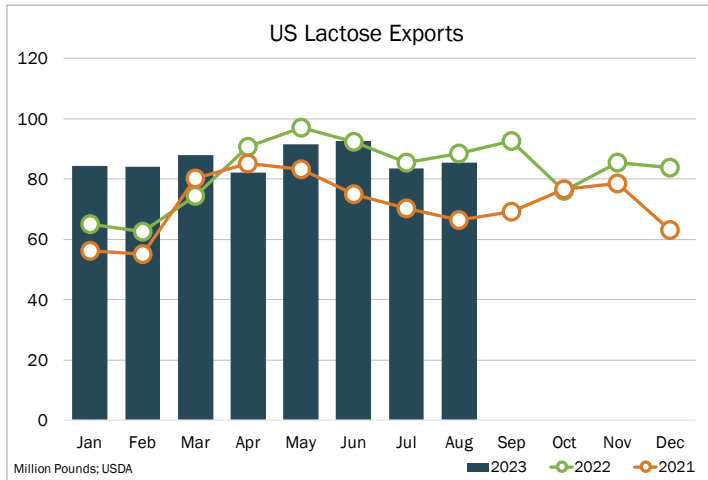
Whey

	US Whey Exports			US Whey Exports to China			US WPC Exports			US WPC 80+ Exports		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Jan	40.2	28.7	29.0	22.2	7.9	13.4	24.4	22.9	24.6	11.1	9.0	10.2
Feb	40.4	32.4	35.6	21.1	9.0	16.0	30.6	31.6	19.2	12.1	11.5	12.7
Mar	52.4	43.4	46.9	25.9	13.8	19.5	29.2	37.4	32.4	11.5	11.5	15.1
Apr	46.1	38.0	34.5	21.8	12.3	10.2	23.4	29.7	27.3	11.1	12.3	12.3
May	46.3	36.1	35.2	24.2	11.7	13.0	23.9	37.0	27.5	14.1	12.2	14.2
Jun	38.2	40.9	27.1	21.1	12.0	8.2	25.2	36.8	28.1	13.9	12.9	15.3
Jul	38.8	44.1	25.3	21.6	17.3	11.4	29.7	32.7	23.2	13.5	12.6	12.4
Aug	38.5	50.5	31.2	15.6	24.2	13.4	25.8	35.7	30.1	13.7	10.9	14.6
Sep	40.6	49.7		18.4	24.9		22.5	33.6		12.6	11.5	
Oct	42.4	50.9		13.2	19.8		25.6	26.7		9.4	12.9	
Nov	37.3	43.9		13.6	22.2		24.0	33.2		8.9	11.6	
Dec	31.7	40.3		8.2	21.2		19.5	29.6		9.5	12.8	
Total	492.9	498.9	264.8	227.0	196.3	105.2	303.9	386.9	212.6	141.2	141.6	106.8
YTD	340.9	314.1	264.8	173.5	108.2	105.2	212.3	263.7	212.6	100.9	92.8	106.8
Change		-8%	-16%		-38%	-3%		24%	-19%		-8%	15%

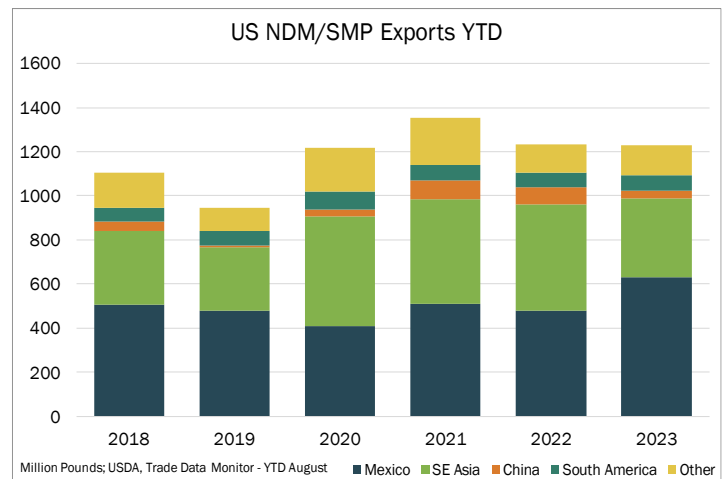
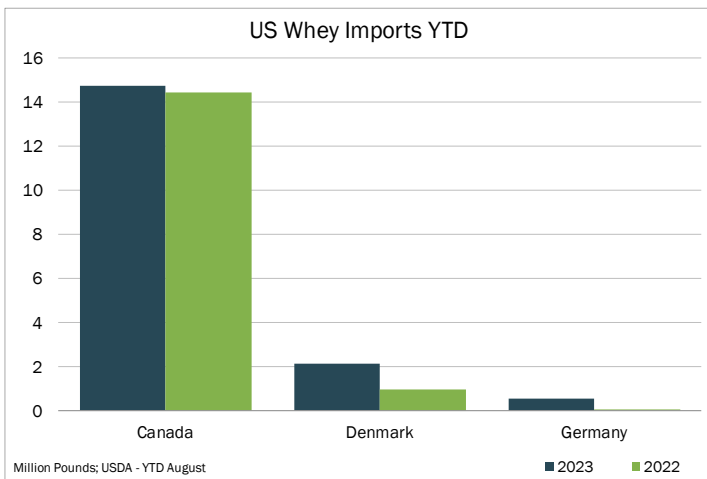
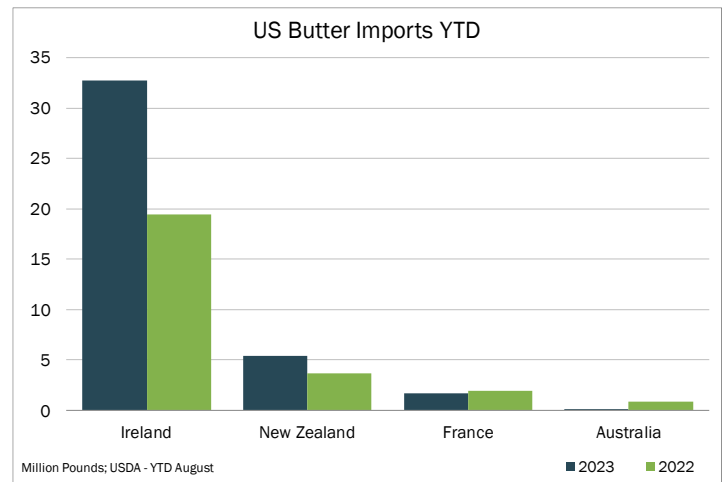
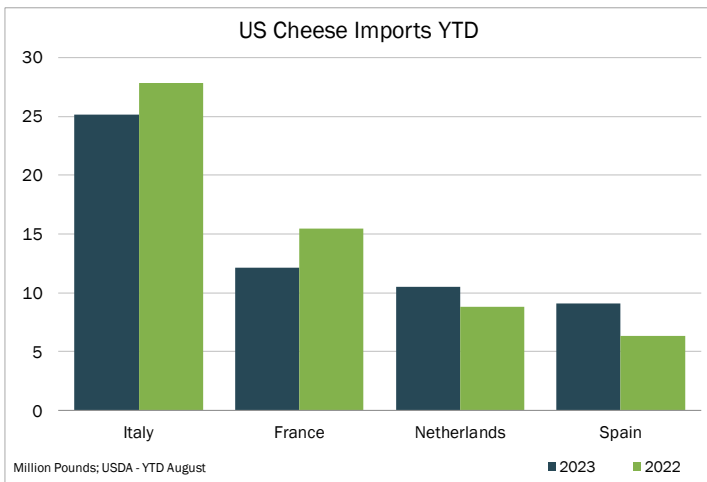
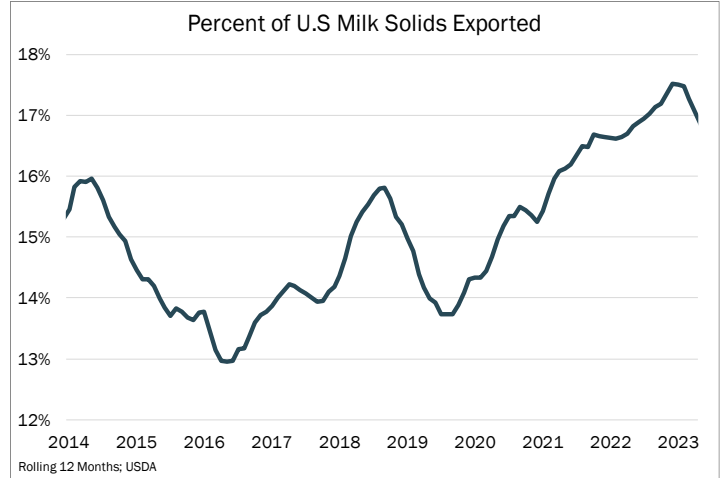
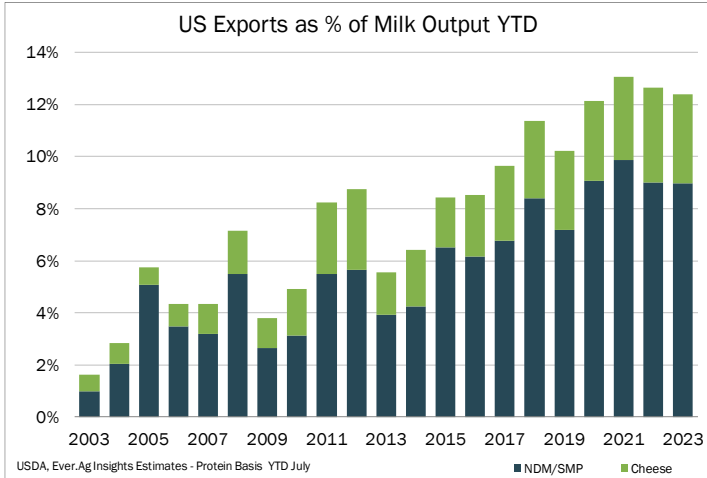
Million Pounds; USDA



Other Trade



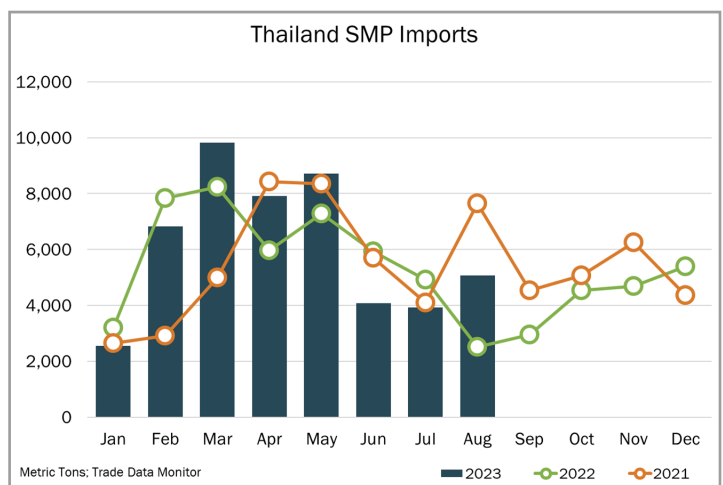
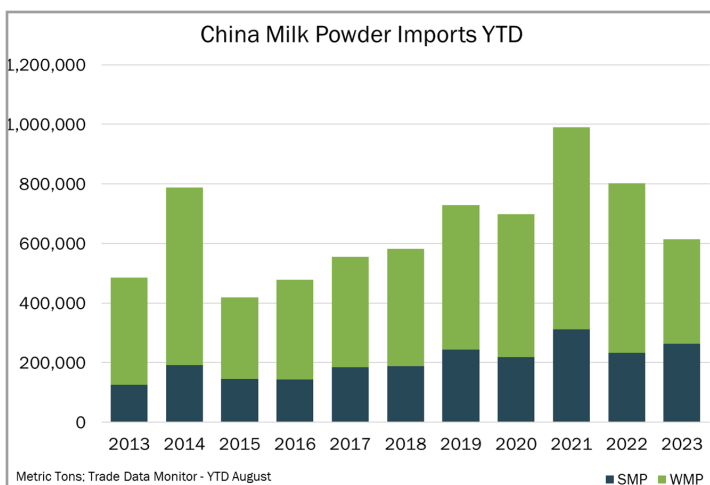
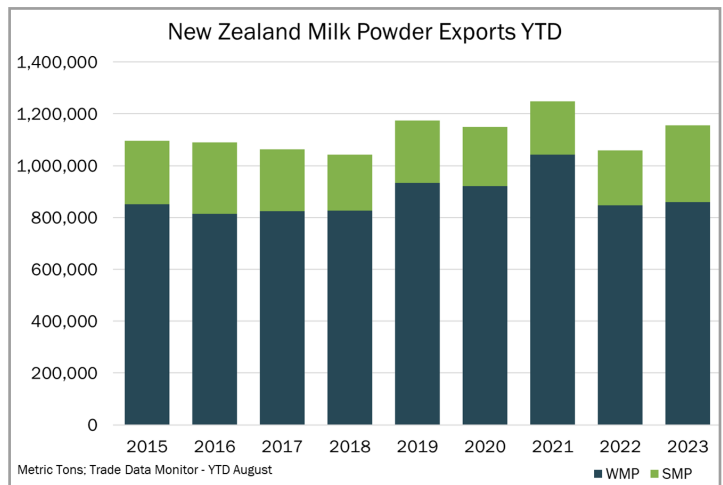
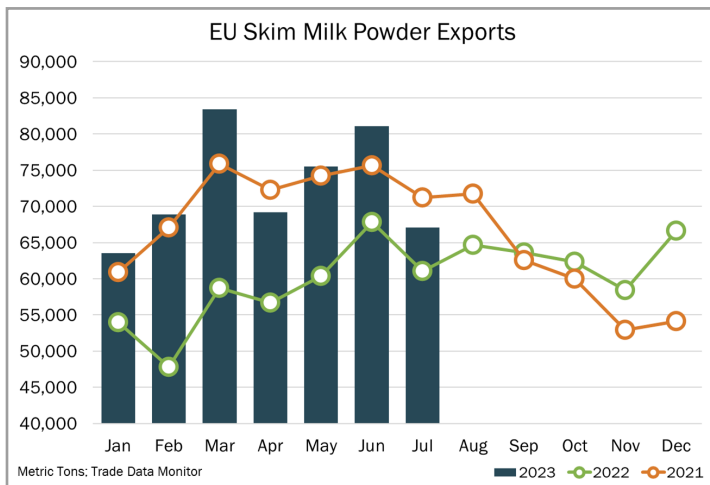
Other Trade



Global Milk Powder Trade

Key Takeaways

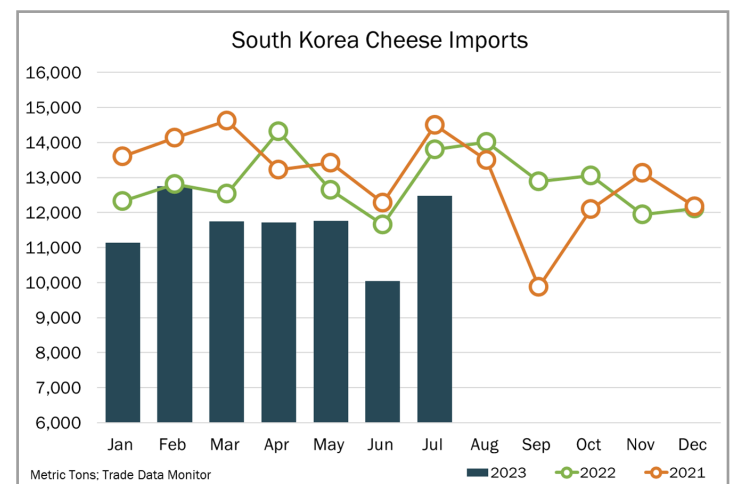
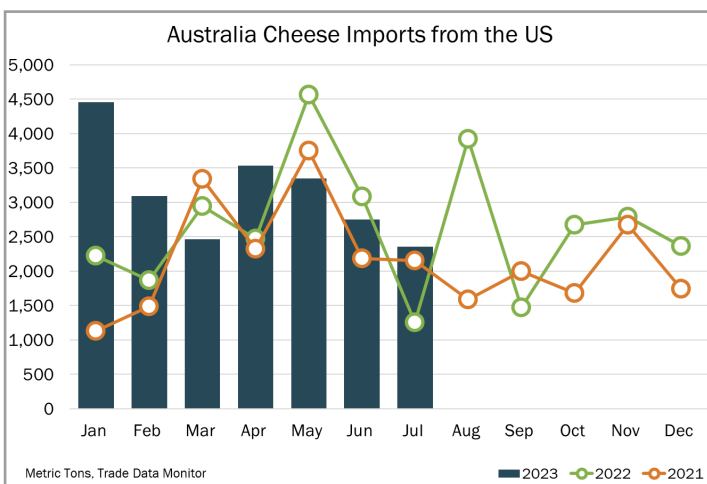
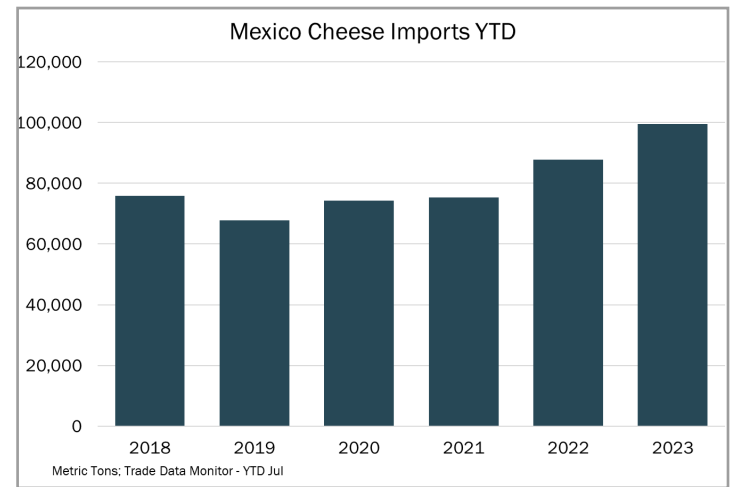
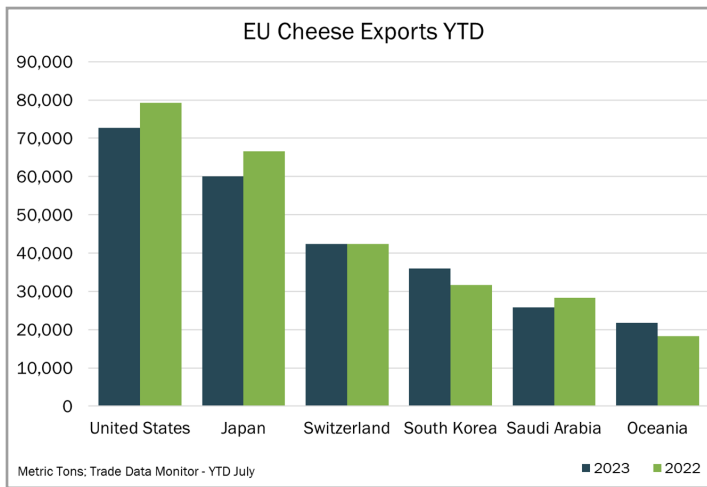
- European SMP exports dropped dramatically between June and July, with 67,099 metric tons shipped, down 13,971 metric tons (-17%) from the month before. Much of the month-to-month decline was driven by a 6.272-metric-ton slide in volume to Algeria. Even with the monthly decrease, however, shipments outpaced prior year levels by 10%, taking year-to-date volumes through July up 25% year-over-year.
- China milk powder imports remain soft, driven by weakness in WMP volume. WMP imports year-to-date through August totaled 350,713 metric tons, a 38% drop from 2022. Inbound SMP volume, meanwhile, ticked up to 262,943 metric tons, 13% higher. For the month of August, China's total milk powder imports tallied 49,895 metric tons, down 20% from the year before.
- Thailand's SMP imports pushed higher in August, with 5,074 metric tons brought in, doubling July 2022 volumes. Year-to-date imports reached 48,894 metric tons, a 7% gain from the year prior.



Global Cheese Trade

Key Takeaways

- Inbound volume into Mexico through July increased steadily over the year before. A total of 99,450 metric tons of cheese moved into the country, a 13% gain. Much of that volume came out of the US, with imports totaling 60,904 metric tons, down 10% from the year before. Mexico cheese imports in July alone totaled 14,133 metric tons, an 8% hike from 2022.
- Cheese exports out of Europe held firm in July, with 79,598 metric tons shipped, up 3% year-over-year. Sales into Chile were strong, with 2,324 metric tons exported to the region, up from 690 metric tons (+237%) in 2022. Volume into China also perked up to 2,843 metric tons, a 27% gain from 2022. Year-to-date through July, European cheese exports were running ahead of the prior year by nearly 2%.
- Australia cheese imports from the US remained choppy into July, with 2,358 metric tons landing. That was down 14% from June levels but up 87% from July 2022. Inbound volume from the US year-to-date through July outpaced prior year levels by 20% and accounted for 32% of cheese imports.



Other Global Trade

Key Takeaways

- New Zealand butter and AMF exports to the US pushed higher year-to-date through August, with a combined total of 17,664 metric tons shipped, up 203% year-over-year. Shipments of butter rose to 9,012 metric tons, a 118% gain from August 2022, marking the largest year-to-date volume since at least 2007. AMF volume reached 8,652 metric tons, notching a five-fold increase year-over-year and hitting the largest outbound volume to the US since 2020.
- Canada remains a big buyer of butter. Imports year-to-date through July pushed up to 18,853 metric tons, a 13% bump from 2022 levels. While monthly volumes from the US eased 4% year-over-year, the US remains the largest supplier of butter into Canada, accounting for 62% share, or 11,721 metric tons to date. New Zealand is the second-largest supply base, with 37% market share and year-to-date shipments of 6,948 metric tons, up 58% from year-to-date July 2022.
- China whey imports slipped some in August, with 49,706 metric tons imported, down 21% from 2022.

