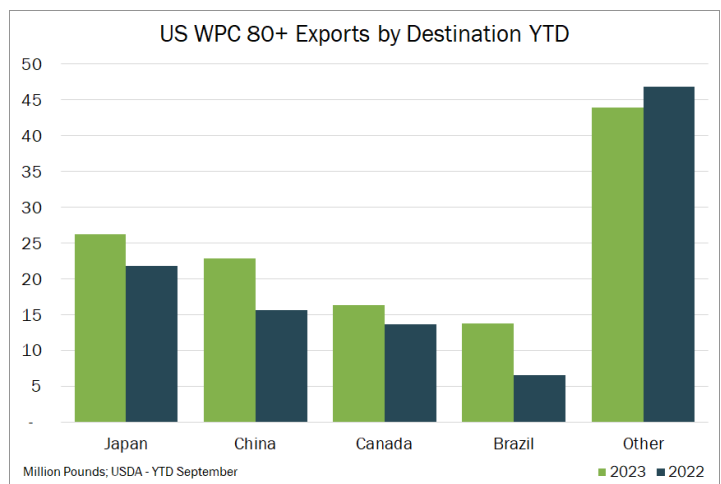
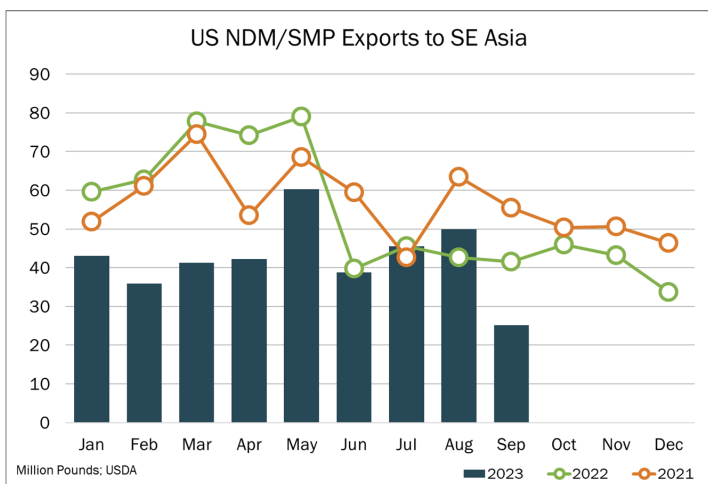


November 7, 2023

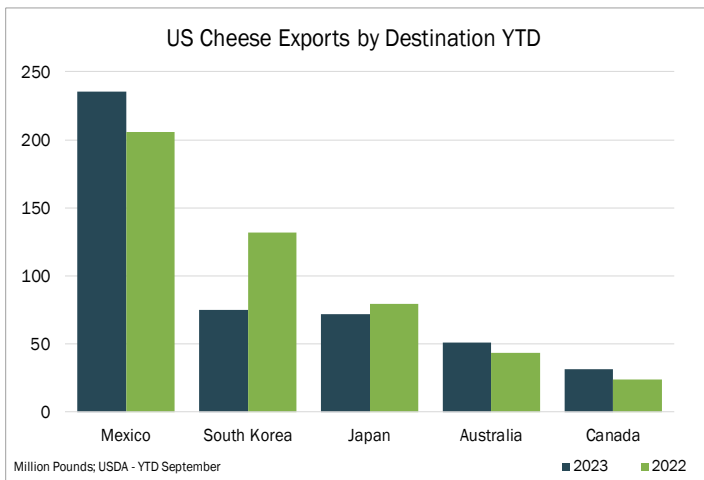
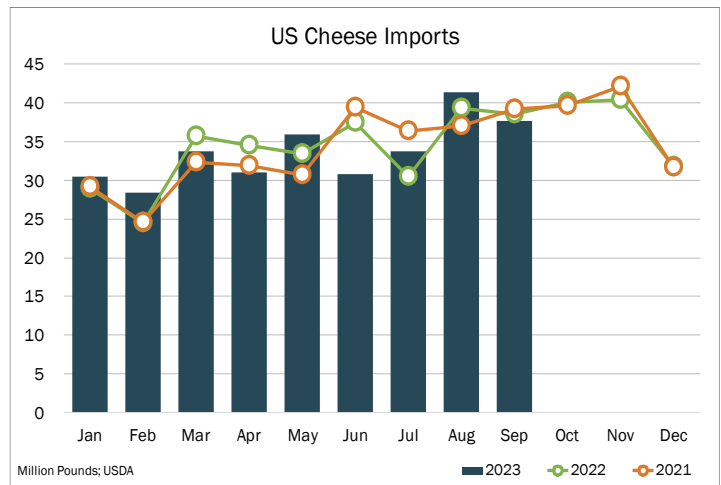
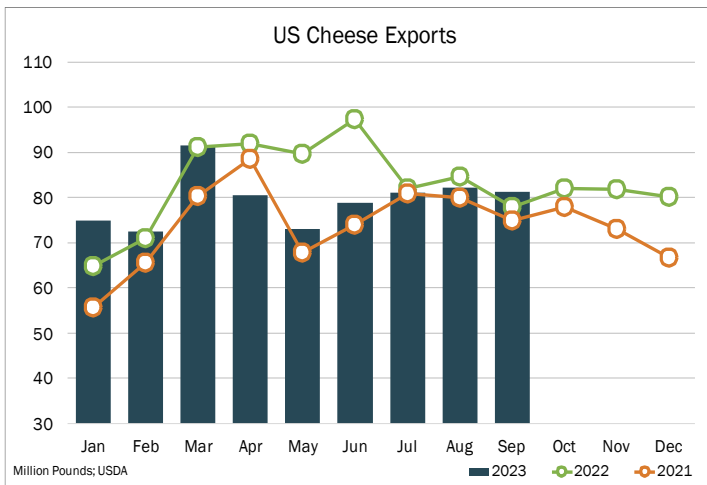
- US NDM exports stumbled in September, with just 117 million pounds shipped, down 20% from 2022 and the lowest monthly powder export volume going back to August 2019. The decline was driven by a one-two punch of lighter sales to both Mexico and Southeast Asia. Volume to Mexico dropped to 62 million pounds, down 16% (-12 million pounds) year-over-year, while shipments to Southeast Asia fell to 26 million pounds, a 38% (-16 million pound) slump. With September baked into year-to-date figures, US NDM exports totaled 1.35 billion pounds, 2% short of 2022 levels
- Outbound cheese volume held up in September, with 81 million pounds exported, a 4% increase from 2022, but down a percent from August. Shipments to Mexico helped to support the September gain, with 27 million pounds exported, a 26% increase from 2022. Sales into South Korea picked up modestly from August but continue to struggle versus year-ago levels. Shipments to the region fell to 10 million pounds, a 29% year-over-year loss and the eighth consecutive month of double-digit declines from 2022. Lower prices did seem to boost increased trade activity throughout the third quarter, with the export price averaging \$2.15 per pound, down roughly 20 cents from the first half of 2023. Will higher wholesale prices to start the second half lead to a drop in outbound volumes by the fourth quarter?
- September dry whey exports fell to 34 million pounds, declining 31% year-over-year. That was the sixth consecutive month of declines and took year-to-date volumes down 18% from 2022. One bright spot for US whey exports: WPC 80+ sales. A total of 16 million pounds moved abroad in September, a 40% increase from 2022 and the largest monthly volume since at least 1996. A bump in shipments to both Japan and China led the September gain. Volume to Japan totaled 4.5 million pounds, more than double 2022. Sales to China, meanwhile, rose to 3 million pounds, a 252% gain year-over-year. Year-to-date through September, WPC 80+ exports totaled 123 million pounds, an 18% increase from 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	81.3	39.2	38.6	37.7	35.7	39.4	43.6	19.6	21.7	27.3
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	715.9	414.1	415.3	303.2	471.3	578.7	412.7	230.5	272.4	235.1
YTD	667.7	750.1	715.9	300.7	303.0	303.2	367.0	447.1	412.7	174.4	205.6	235.1
Change		12%	-5%		1%	0%		22%	-8%		18%	14%

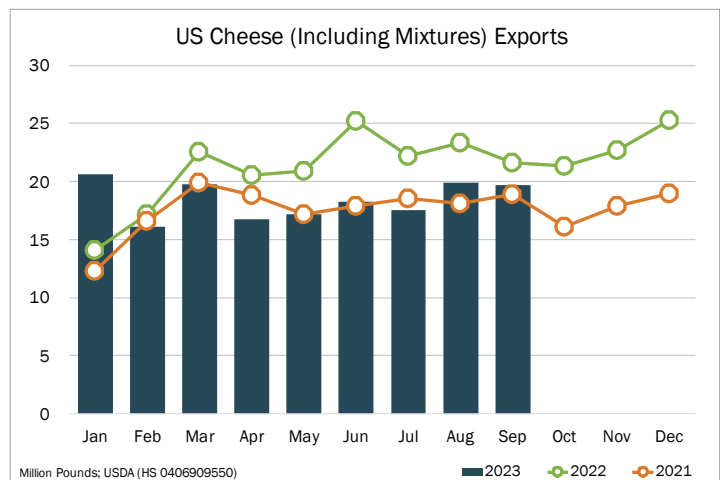
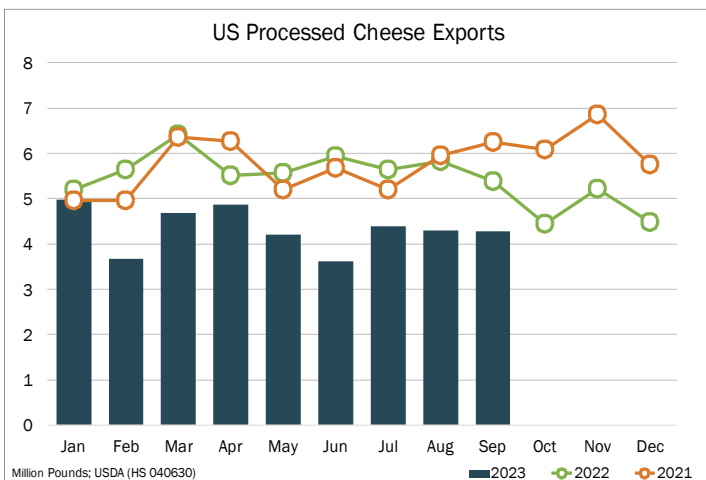
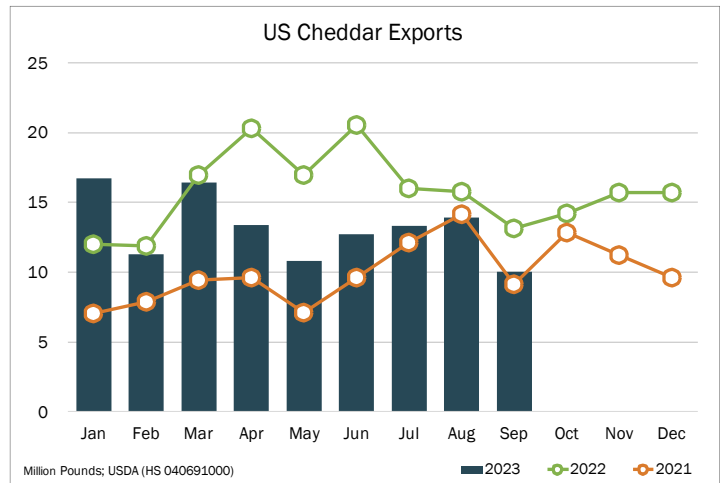
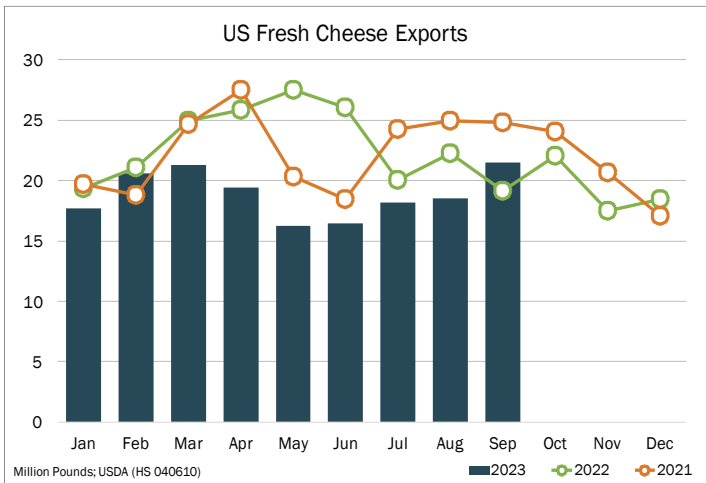
Million Pounds; USDA



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	21.5	6.3	5.4	4.3	9.1	13.1	10.0	18.9	21.7	19.7
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	169.9	69.5	65.3	39.0	119.7	189.1	118.6	211.2	257.1	165.8
YTD	203.5	206.3	169.9	50.8	51.1	39.0	86.0	143.5	118.6	158.3	187.8	165.8
Change		1%	-18%		1%	-24%		67%	-17%		19%	-12%

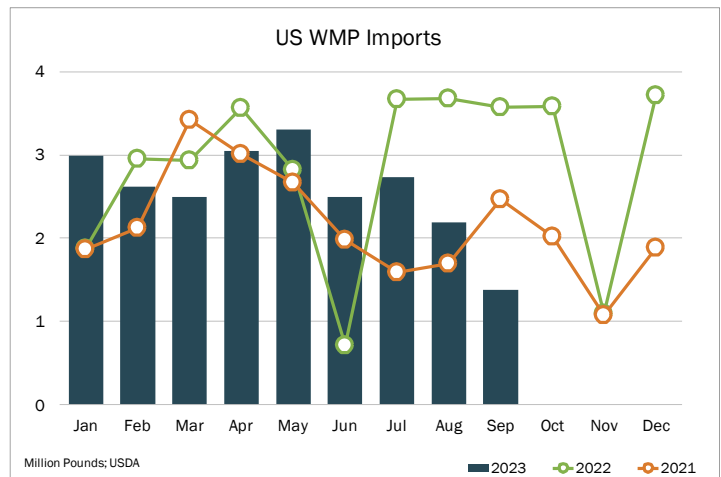
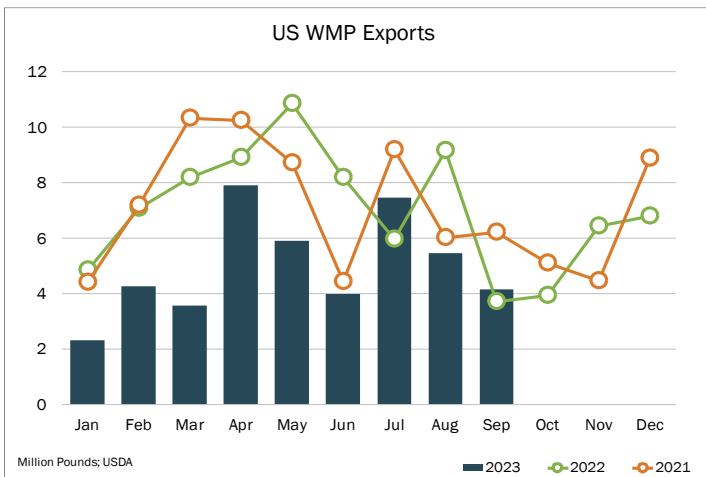
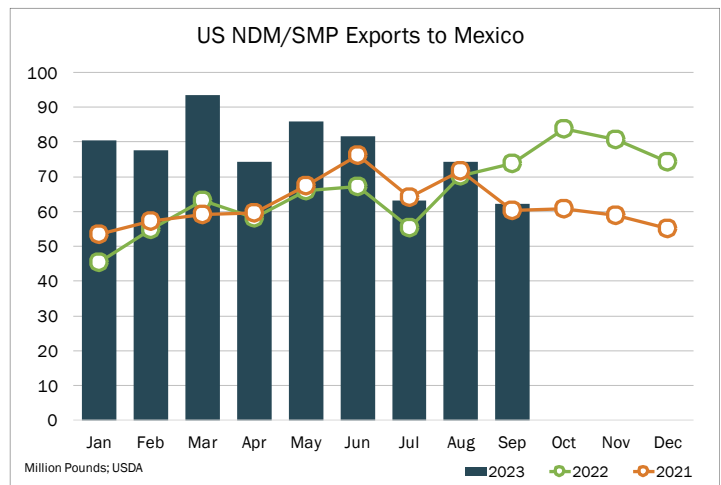
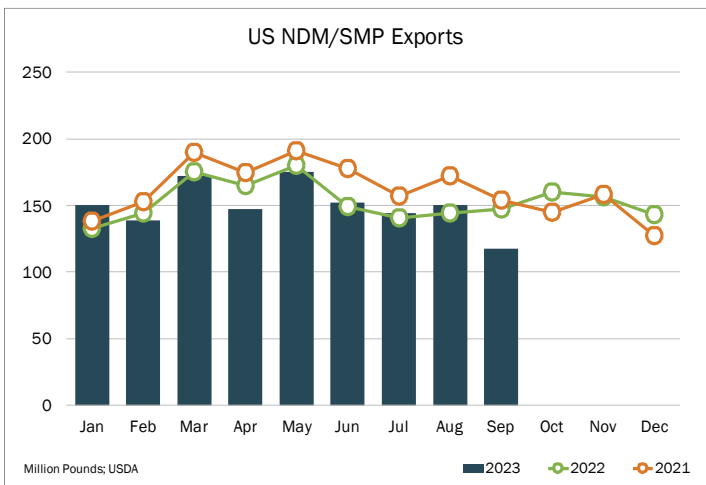
Million Pounds; USDA



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	117.4	60.4	73.9	62.3	6.2	3.7	4.2	2.5	3.6	1.4
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	1,348.5	744.2	793.1	693.1	85.0	84.0	44.9	25.8	34.2	23.3
YTD	1,507.1	1,378.7	1,348.5	569.3	554.4	693.1	66.6	66.8	44.9	20.8	25.8	23.3
Change		-9%	-2%		-3%	25%		0%	-33%		24%	-10%

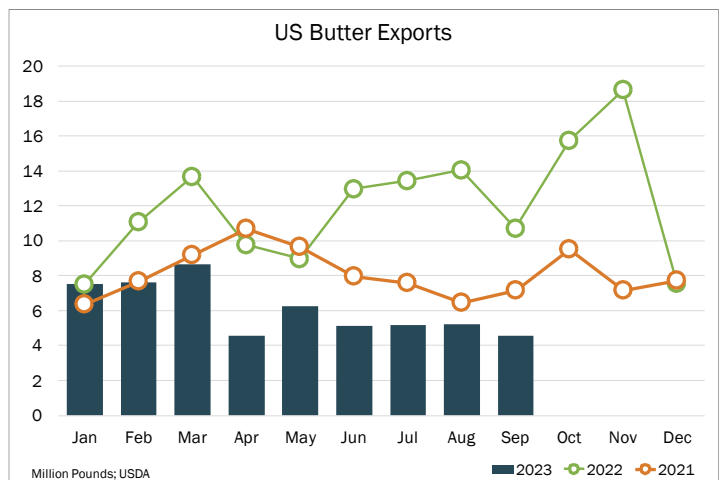
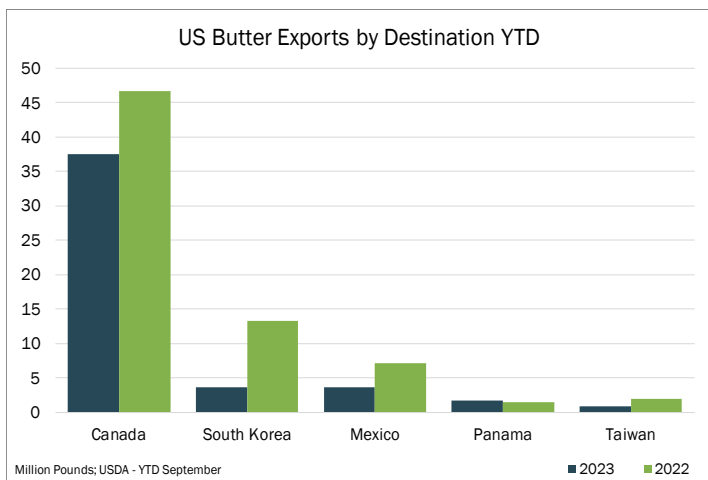
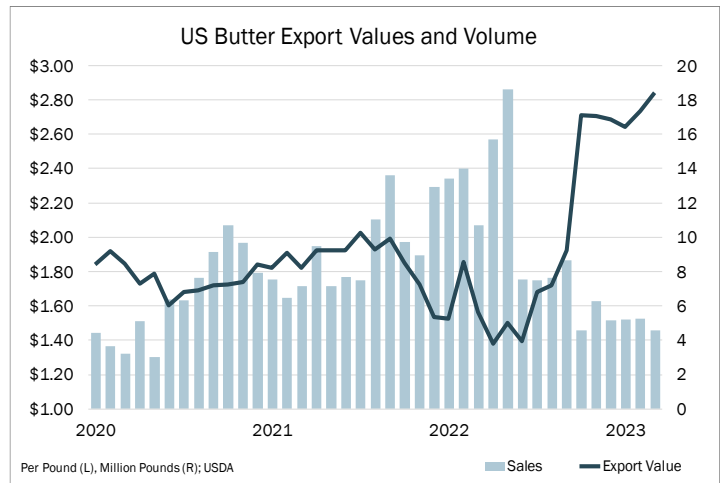
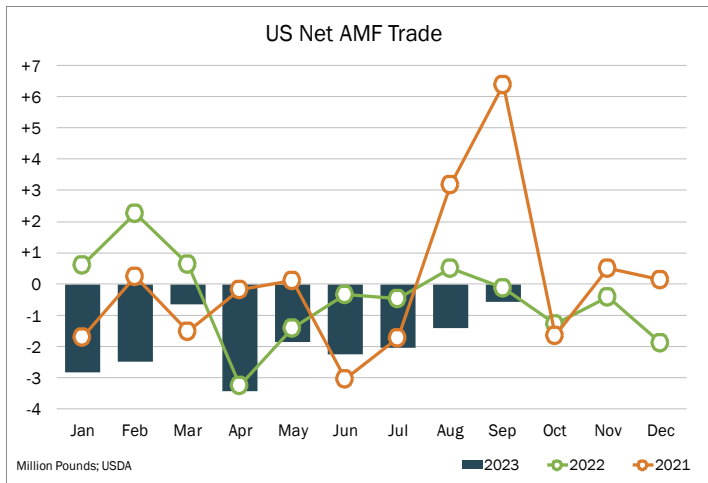
Million Pounds; USDA



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	4.6	10.6	9.4	9.8	7.5	1.7	0.5	1.1	1.8	1.1
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	54.7	100.5	105.8	85.6	28.5	35.1	10.7	27.7	40.3	28.2
YTD	72.6	101.9	54.7	74.3	76.6	85.6	20.8	27.0	10.7	19.1	28.6	28.2
Change		40%	-46%		3%	12%		30%	-60%		50%	-1%

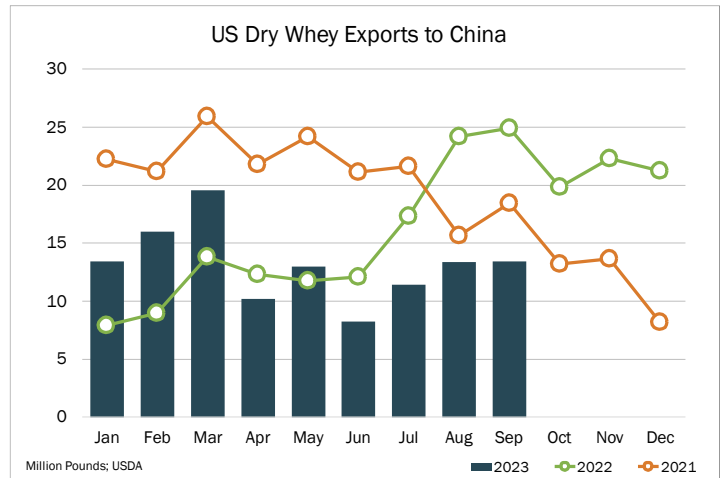
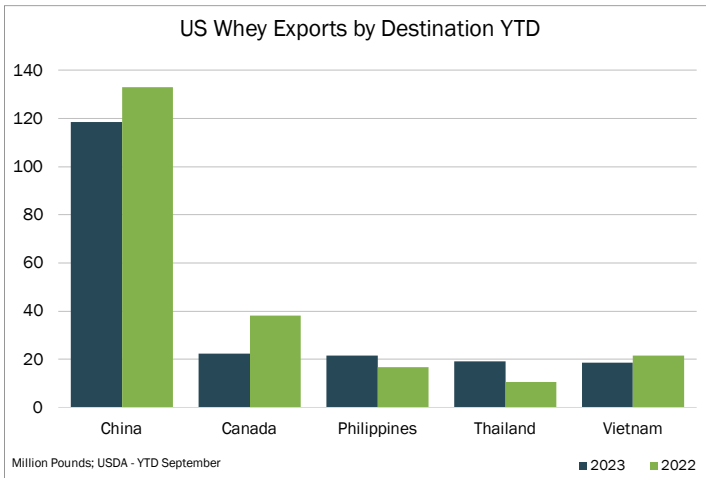
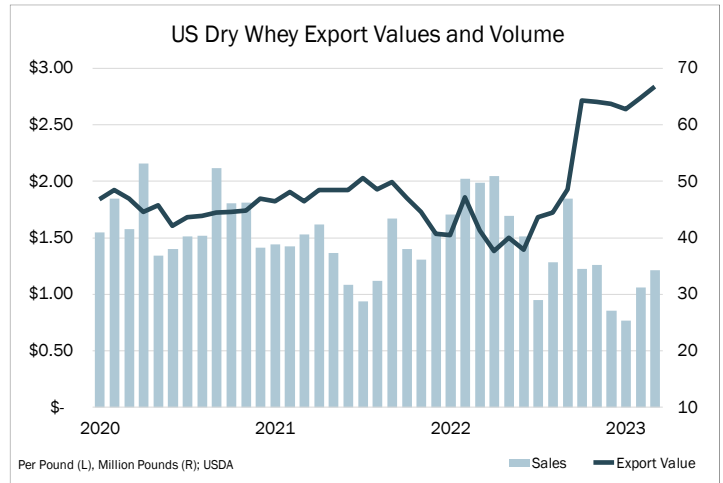
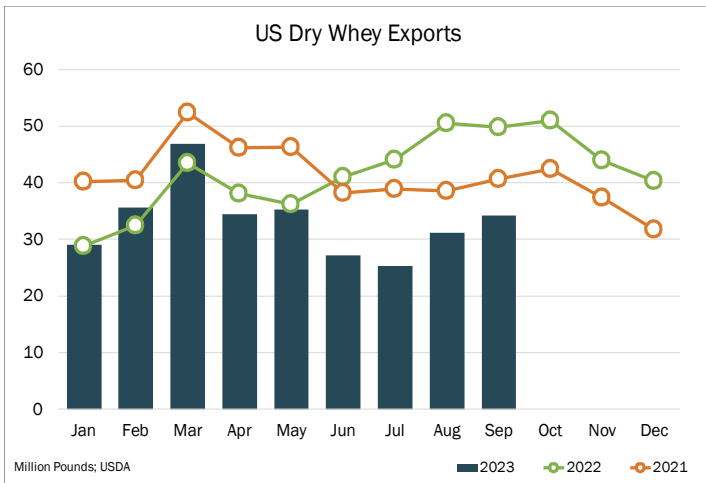
Million Pounds; USDA



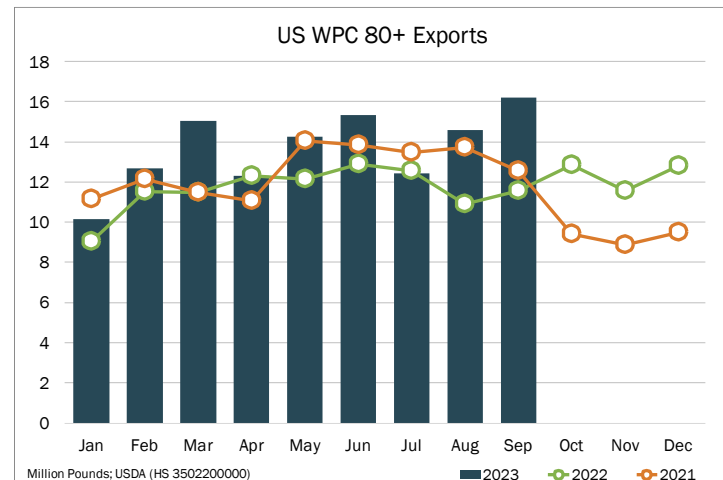
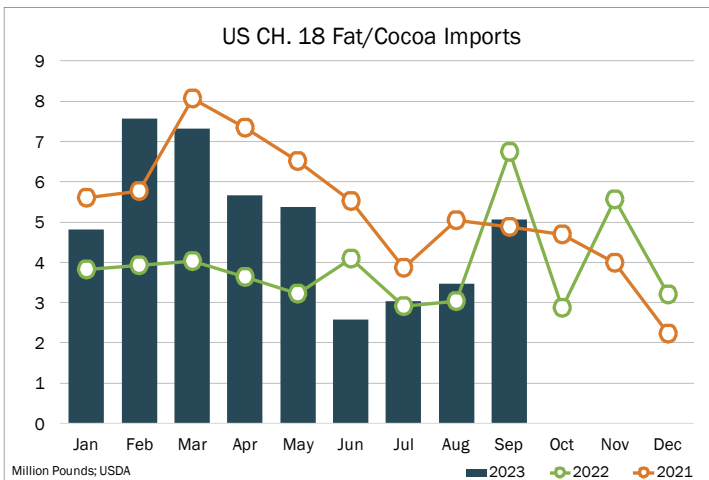
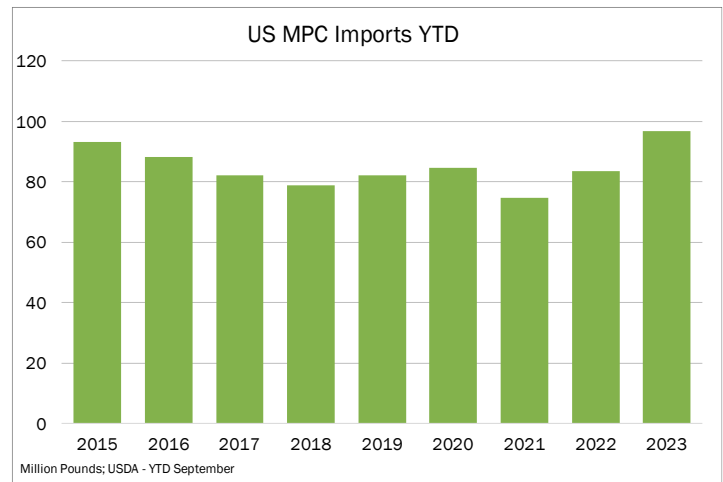
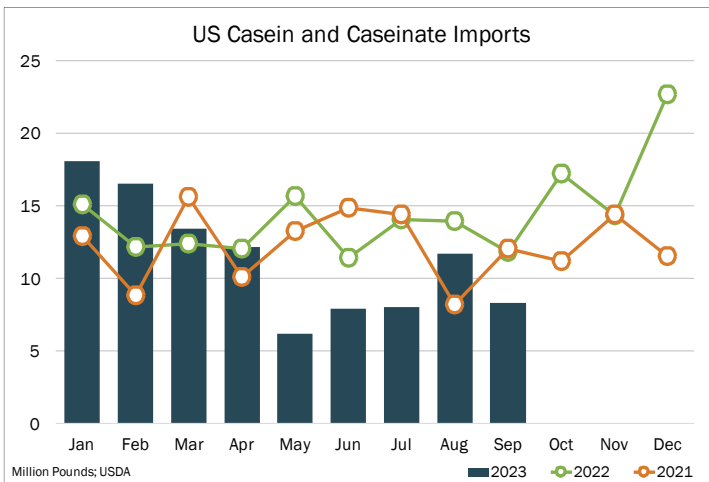
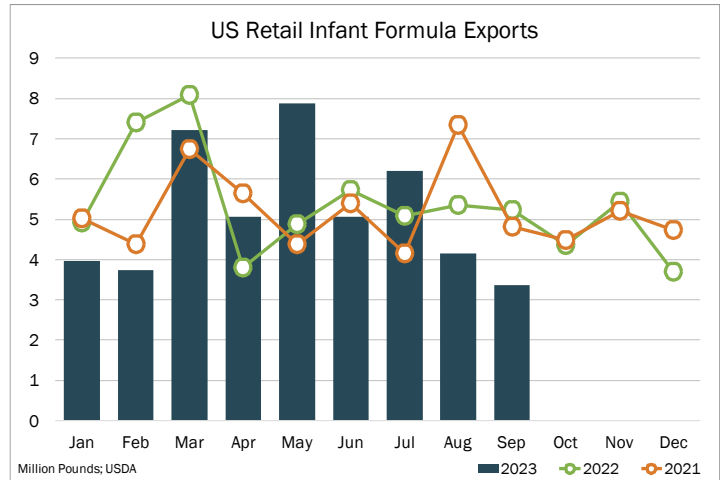
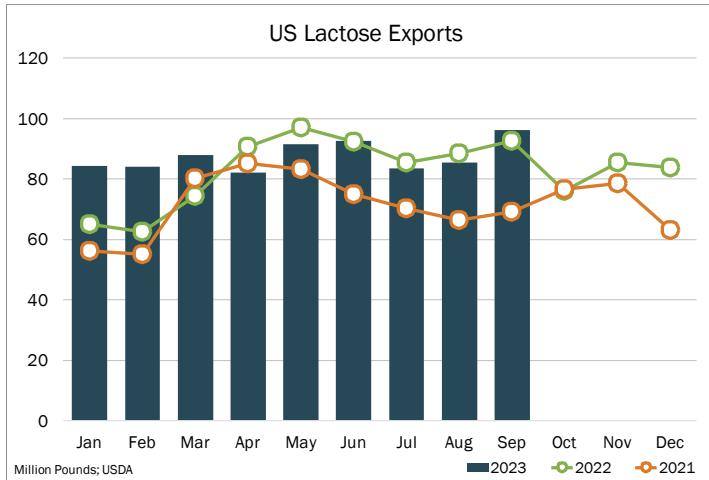
Whey

	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	34.2	18.4	24.9	13.4	22.5	33.6	23.9	12.6	11.5	16.2
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	299.1	227.0	196.3	118.6	303.9	386.9	236.5	141.2	141.6	123.0
YTD	381.5	363.9	299.1	192.0	133.1	118.6	234.7	297.3	236.5	113.5	104.4	123.0
Change		-5%	-18%		-31%	-11%		27%	-20%		-8%	18%

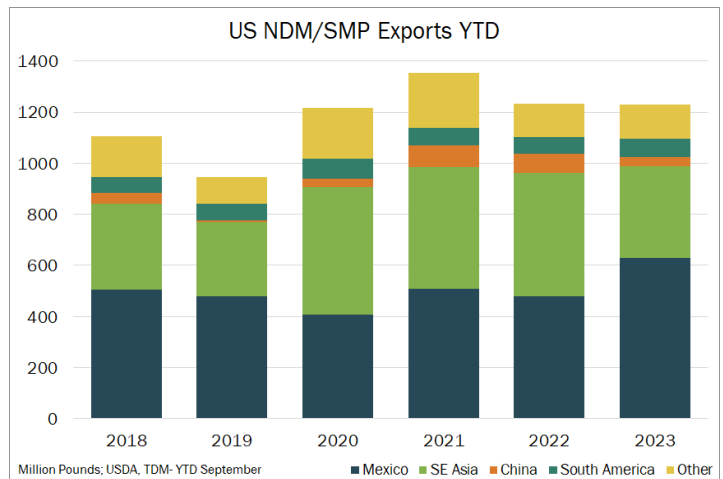
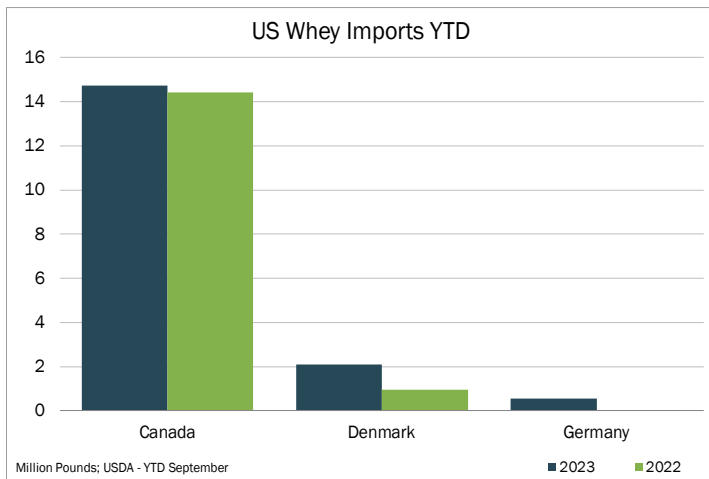
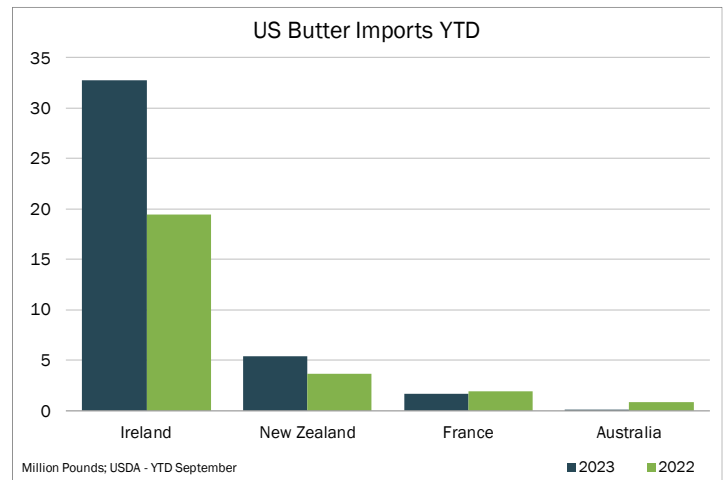
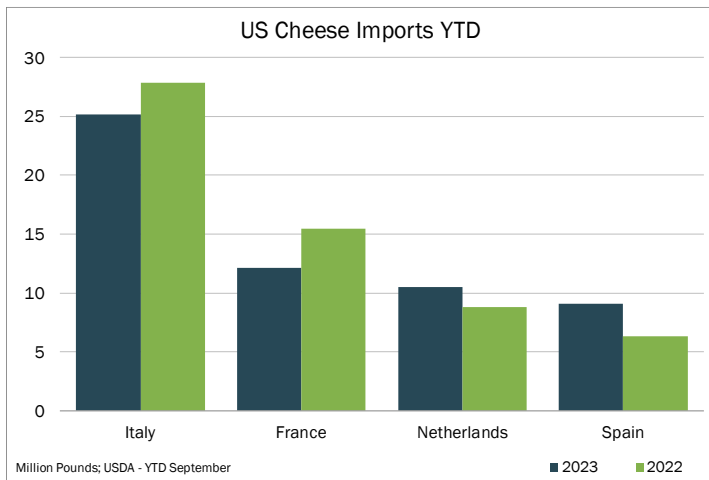
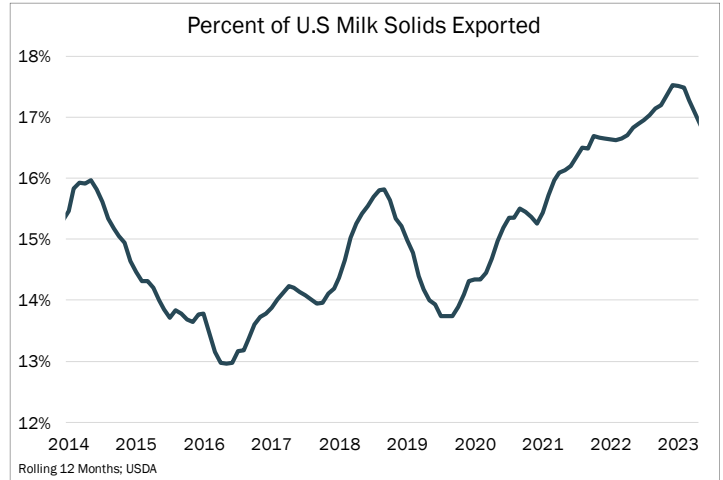
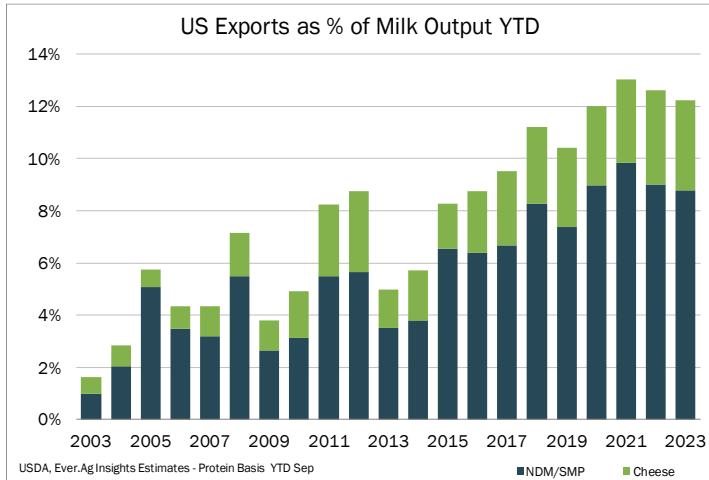
Million Pounds; USDA



Other Trade



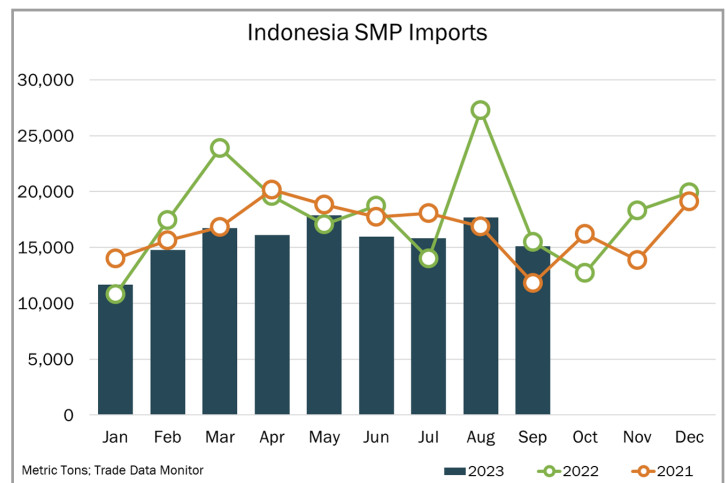
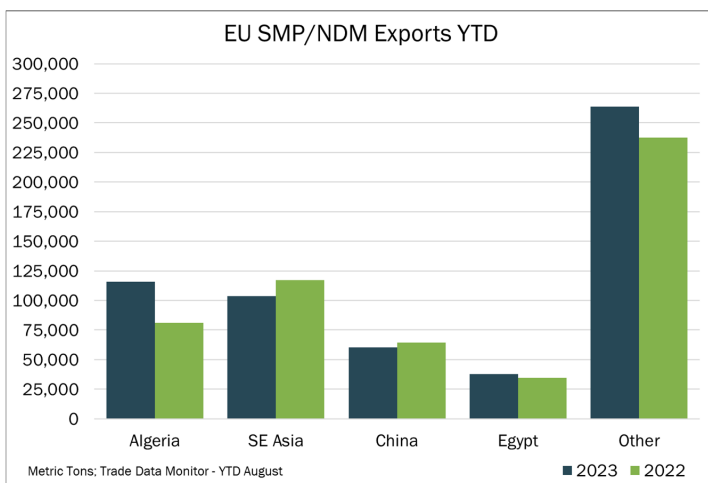
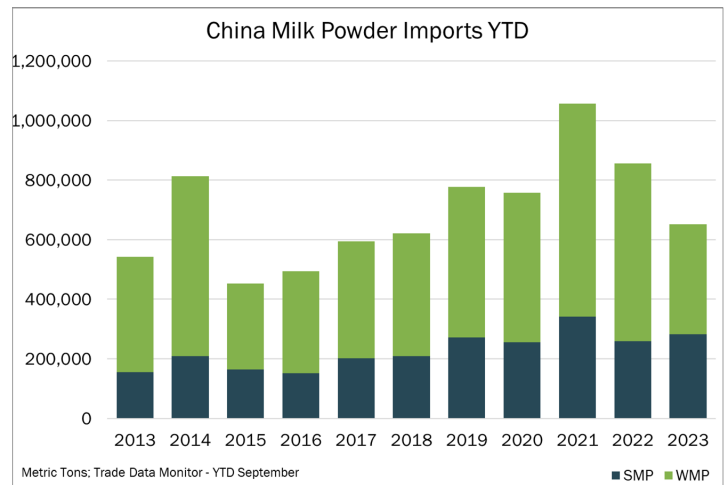
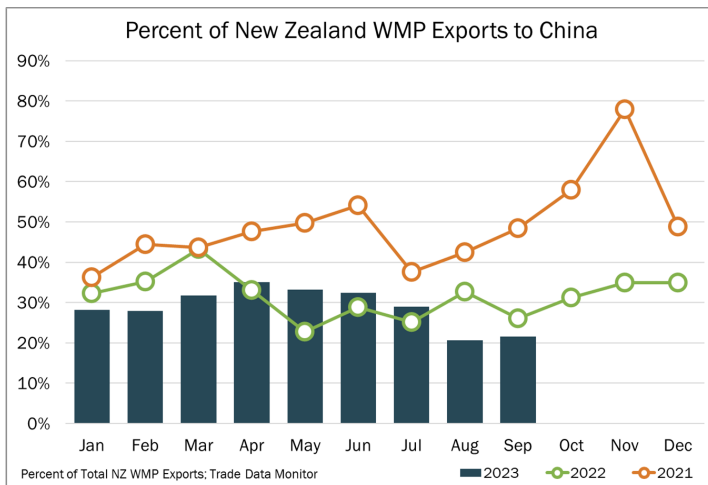
Other Trade



Global Milk Powder Trade

Key Takeaways

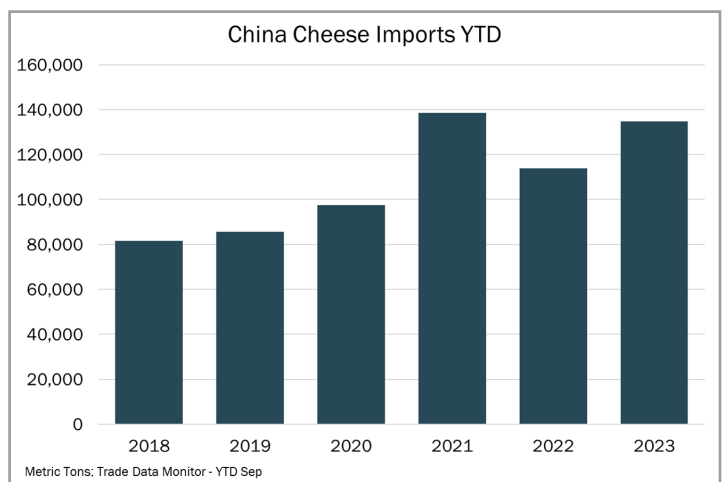
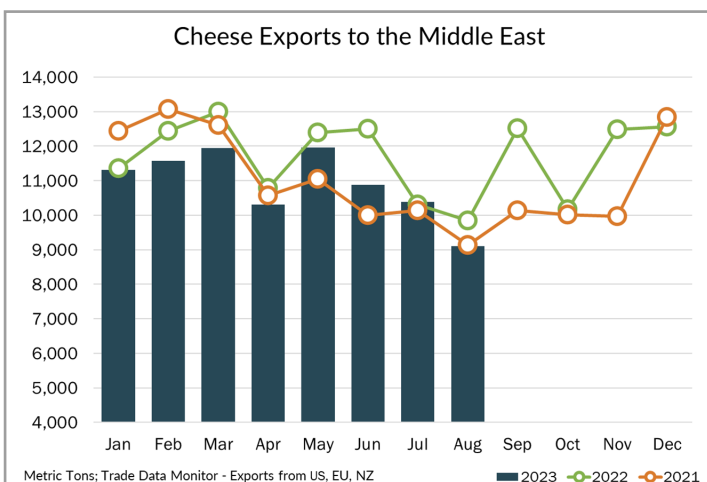
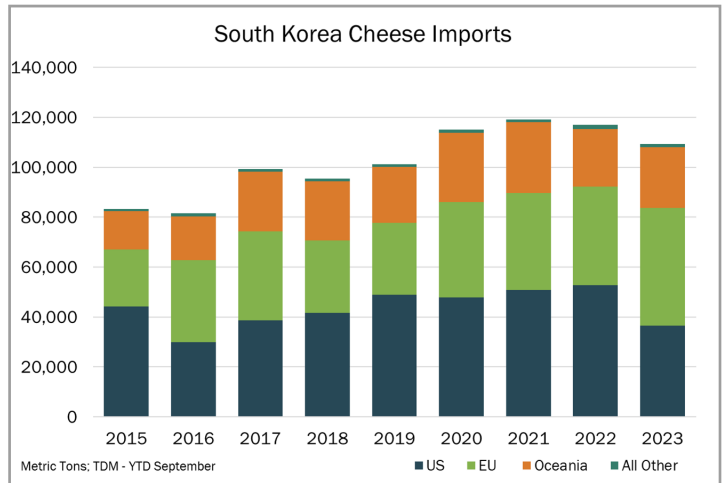
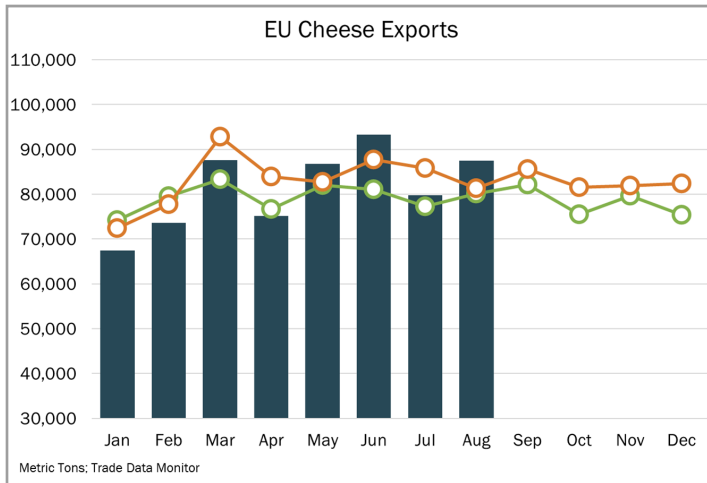
- New Zealand WMP exports fell in September, with shipments totaling 67,247 metric tons, down 14% year-over-year. A drop in sales to China fueled much of the decline. New Zealand exporters shipped 14,480 metric tons to China, down 29% from 2022. Year-to-date through September, China's share of New Zealand WMP exports averaged about 29% - down from nearly 40% over the past five years.
- China's September milk powder imports fell to the lowest level since December 2017. SMP purchases totaled 19,514 metric tons, a 22% decline from 2022, while WMP imports reached 18,940 metric tons, down 36% year-over-year. September also marked the first time since August 2022 that the country bought fewer shipments of WMP than SMP
- Europe shipped 71,693 metric tons of SMP in August, up 11% compared to the previous year and +23% year-to-date. A significant portion of that volume moved to Southeast Asia, with exports to the region reaching 19,725 metric tons for the month, up 45% over prior-year levels.



Global Cheese Trade

Key Takeaways

- European cheese exports pushed higher in August, with 87,430 metric tons shipped, up 9% year-over-year. Volumes to Chile reached 2,313 metric tons, a 111% (+1,215 metric ton) bump from 2022. Gains into Chile, as well as the US and China, helped wipe away a near 3,000-metric-ton slip in volumes to Japan year-over-year, with exports to the country falling 26% to 8,401 metric tons.
- South Korea cheese import data continues to point to a reshuffling of key suppliers in 2023. Inbound volume to the region totaled 13,972 metric tons in September, an 8% bump from the year before. Shipments from the EU alone totaled 7,742 metric tons, a 74% increase from 2022, accounting for 55% market share for the month. That compares to 34% share in September 2022.
- Cheese exports to the Middle East from the US, EU and New Zealand slowed in August with 9,099 metric tons shipped, down 8% year-over-year. Volume was particularly sluggish into Saudi Arabia, which saw a 24% (-1,172-metric-ton) decline from August 2022.



Other Global Trade

Key Takeaways

- Japan butter imports jumped in September, reaching 1,892 metric tons, a 110% increase from the year before. The vast majority of that butter came out of New Zealand, with imports reaching 1,354 metric tons, a 103% (+686-metric-ton) gain year-over-year. On a year-to-date basis, Japan butter imports were ran 65% ahead of 2022, with volume totaling 11,993 metric tons.
- New Zealand butter exports to the US continue to outpace prior year levels, with 848 metric tons shipped in September, a 212% hike from 2022. September's heavy volume adds to an already stout year-to-date total, with shipments for the first nine months reaching 9,809 metric tons, a 123% (+5,411-metric-ton) jump from the year before.
- China whey imports remained soft in September, with inbound volume falling to 55,359 metric tons – a 12% dip from the year before. That's the third consecutive month of year-to-year declines, yet a strong start to the year has year-to-date imports still outpacing 2022 levels by 14%.

