

# Dairy

U.S. milk output in August was 1.9 % more than 2015, due to a .5% larger herd and a 1.4 % rise in milk-per-cow yields. Dairy farmers added a net 16,000 head during the month, the biggest one-month gain since the spring of 2014 causing it to climb to its largest level in 22 years. Solid year over year gains in milk production are expected to endure this fall which could weigh on the dairy markets. Still, export interest for U.S. dairy is starting to escalate which could temper any seasonal price declines in cheese and butter this fall and be supportive of prices this winter.

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

