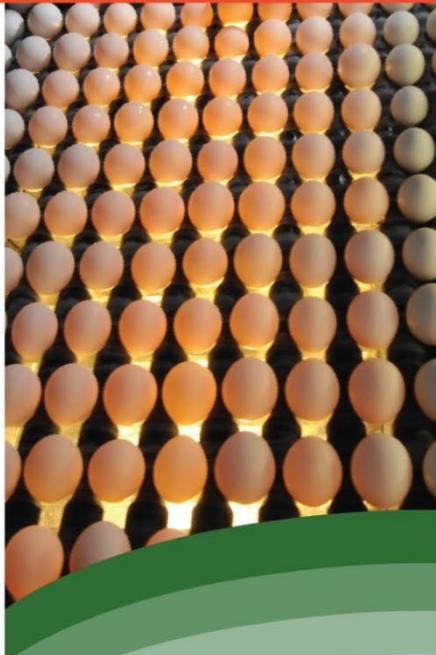


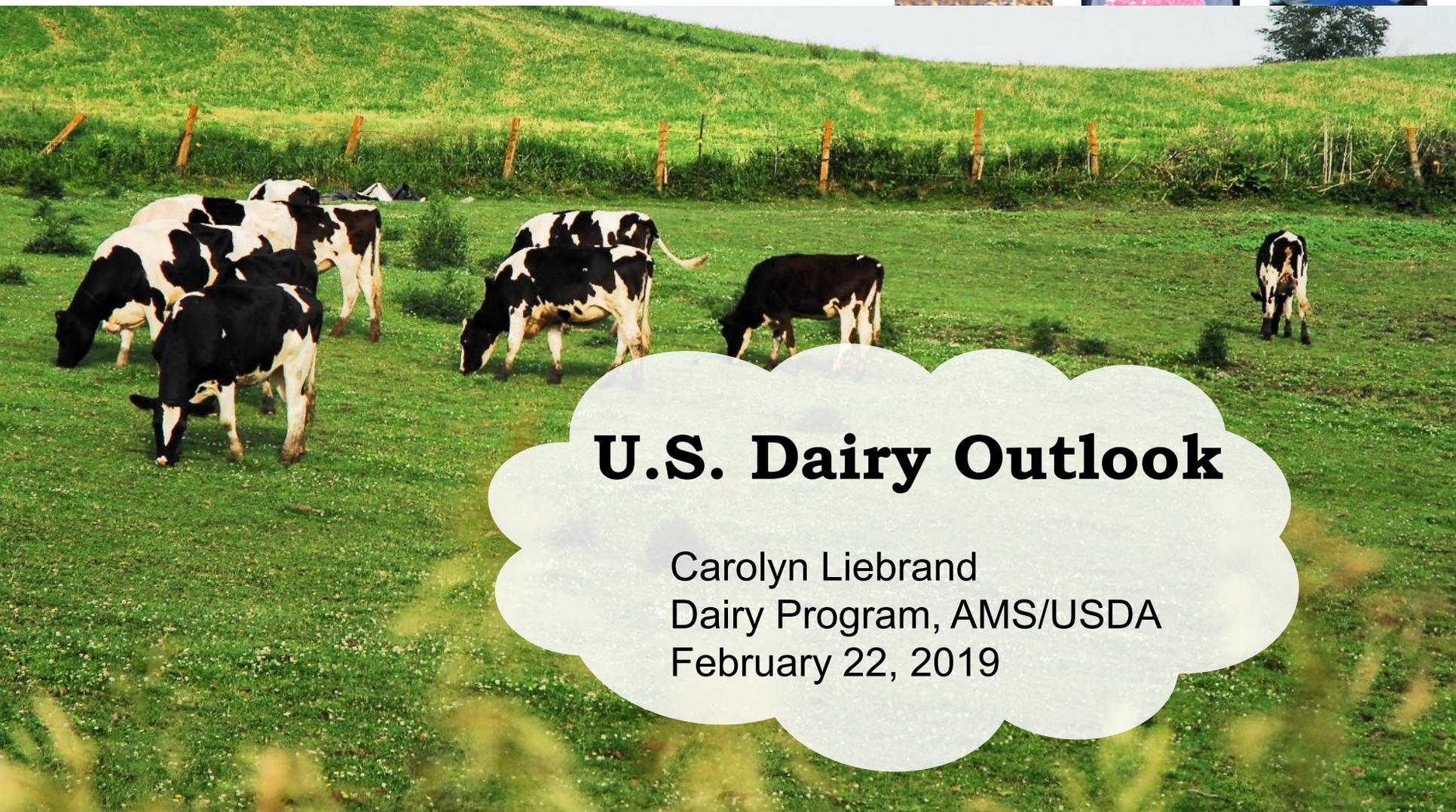


United States Department of Agriculture

Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses





U.S. Dairy Outlook

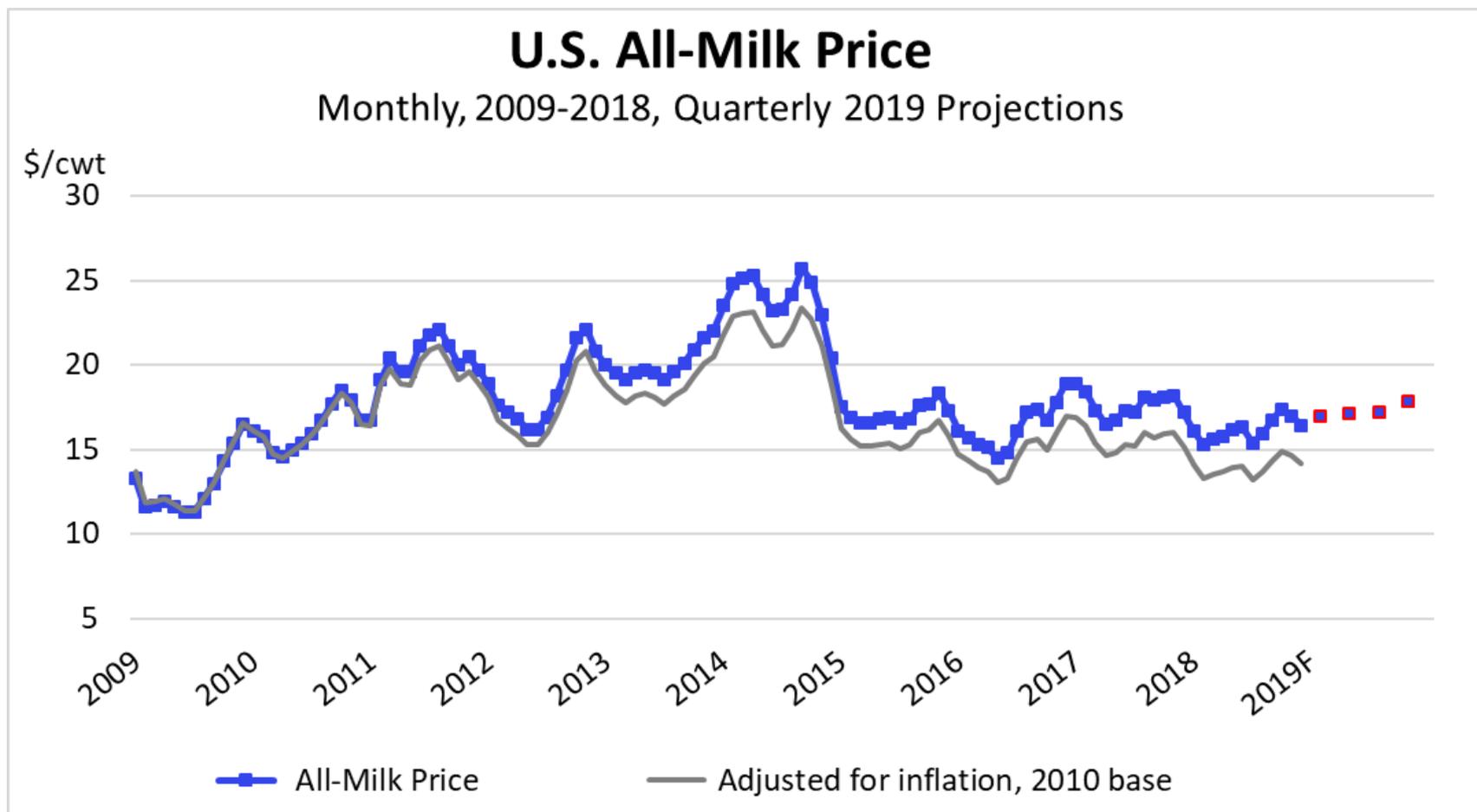
Carolyn Liebrand
Dairy Program, AMS/USDA
February 22, 2019

Agricultural Marketing Service

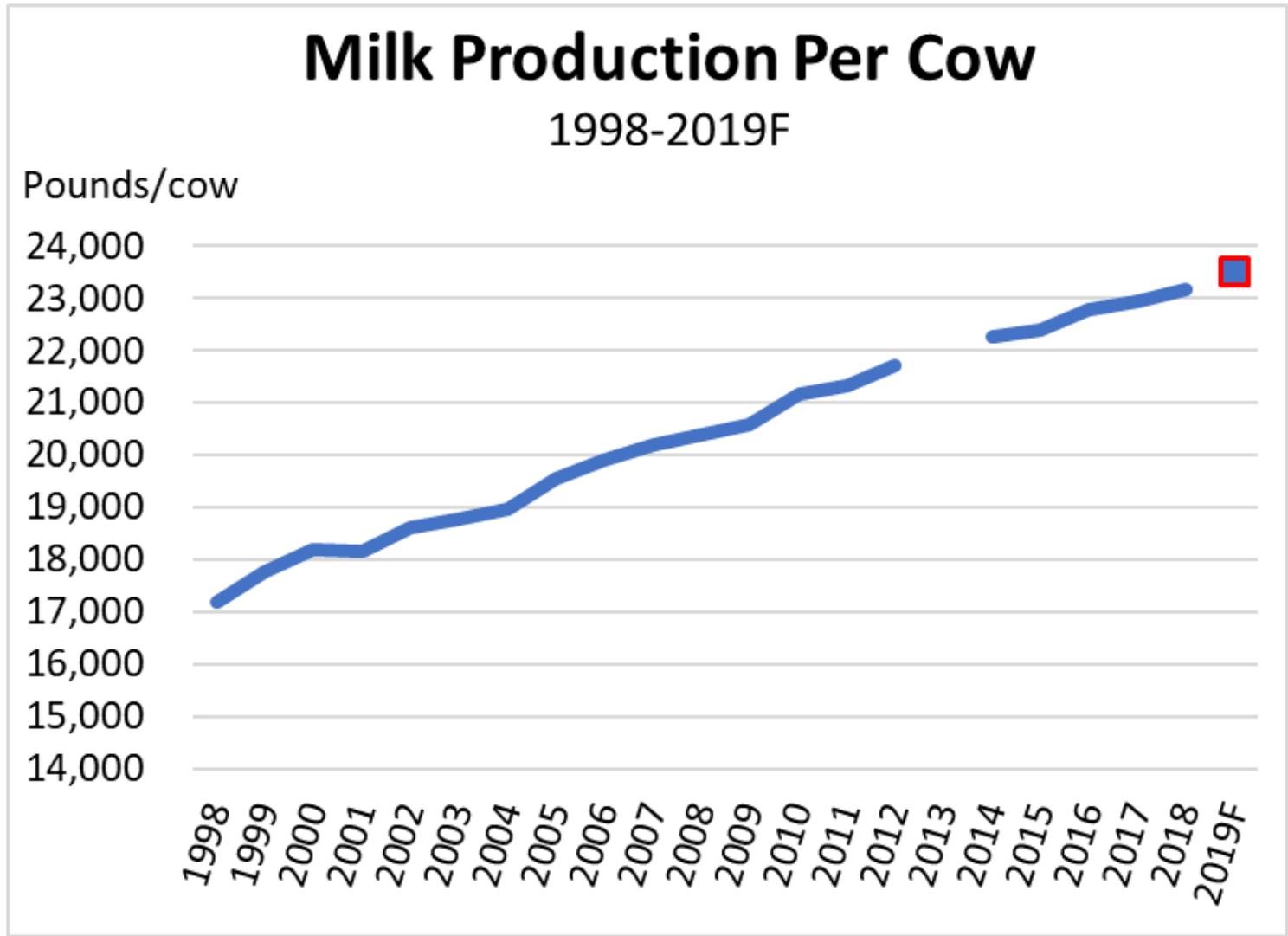


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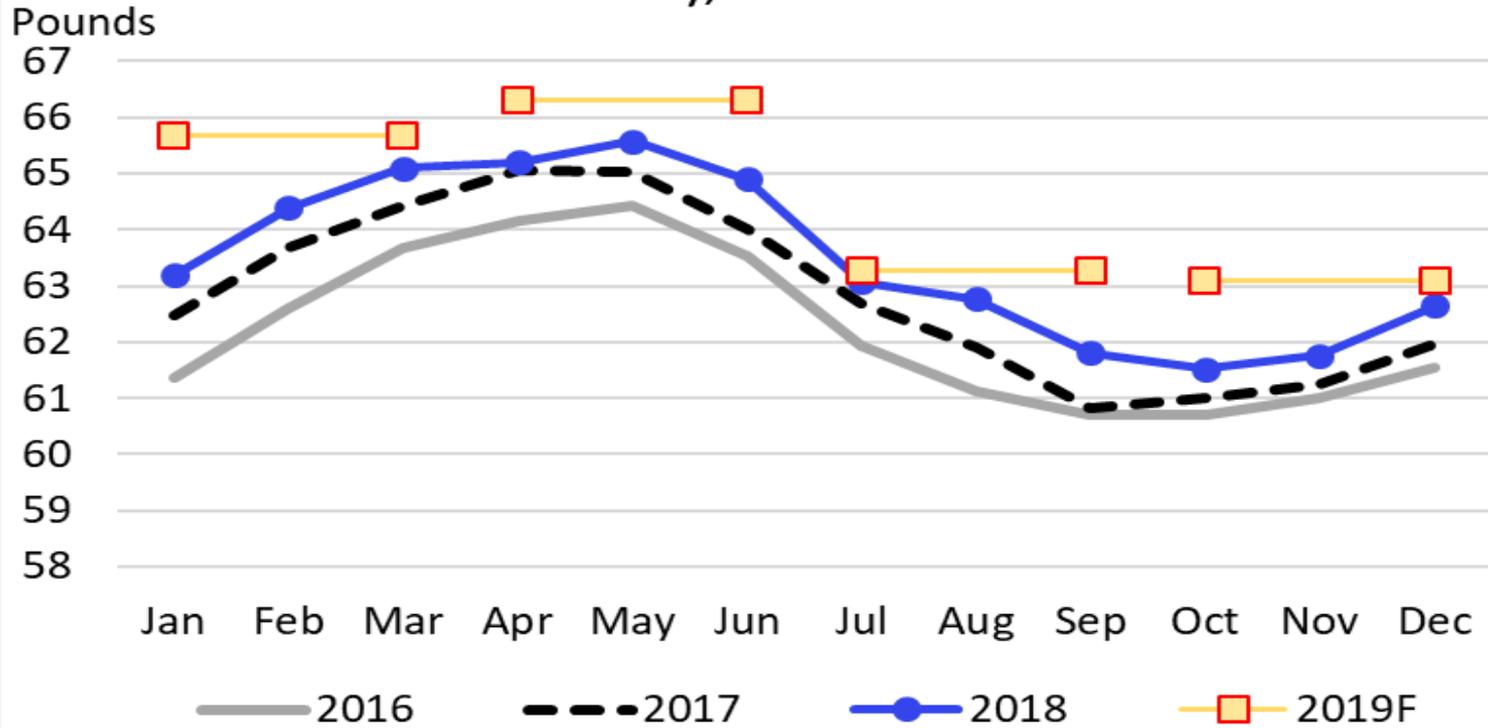
Source: NASS/USDA and WAOB/USDA



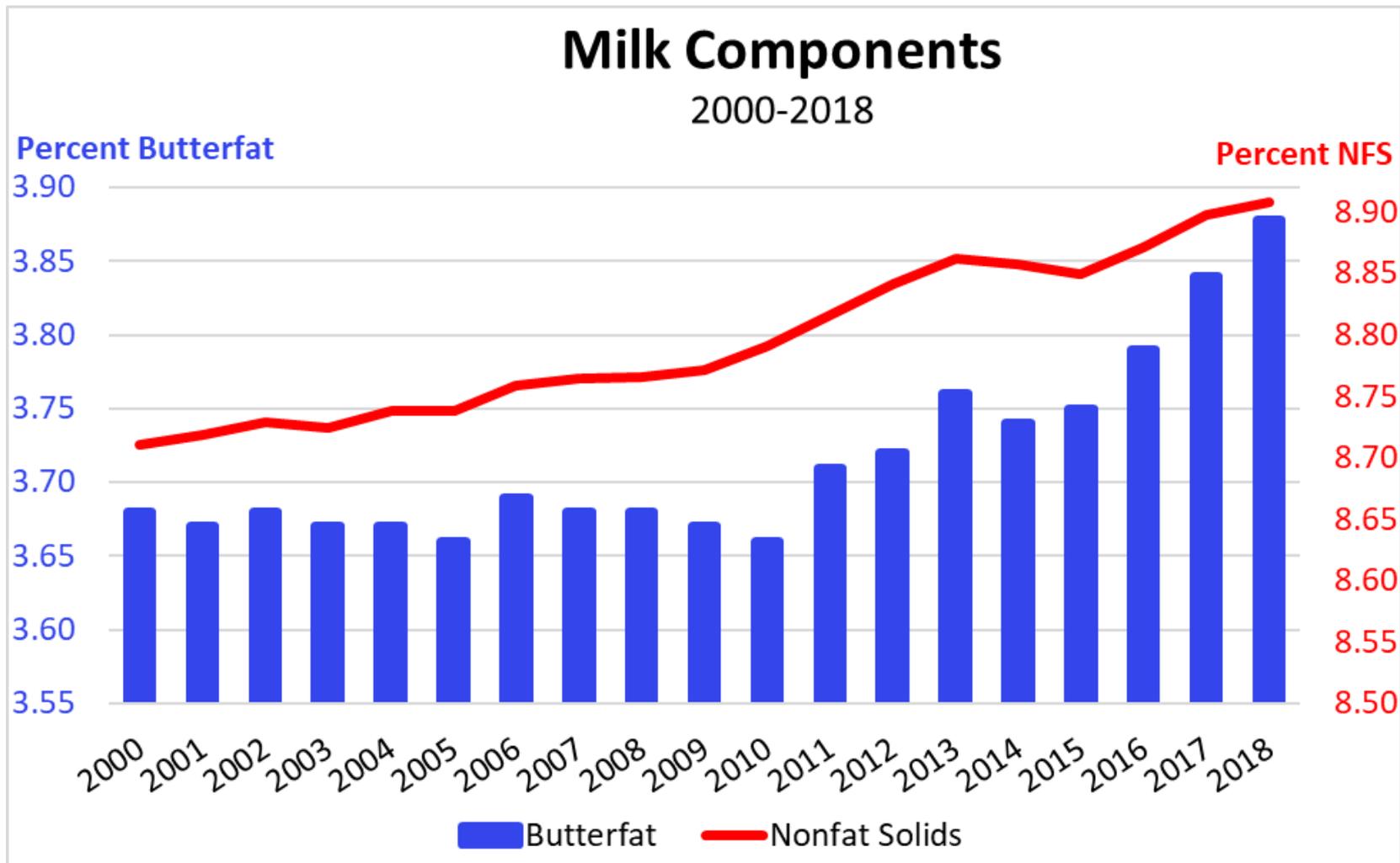
Source: NASS/USDA and WAOB/USDA

Daily Milk Per Cow

Monthly, 2016 - 2019F

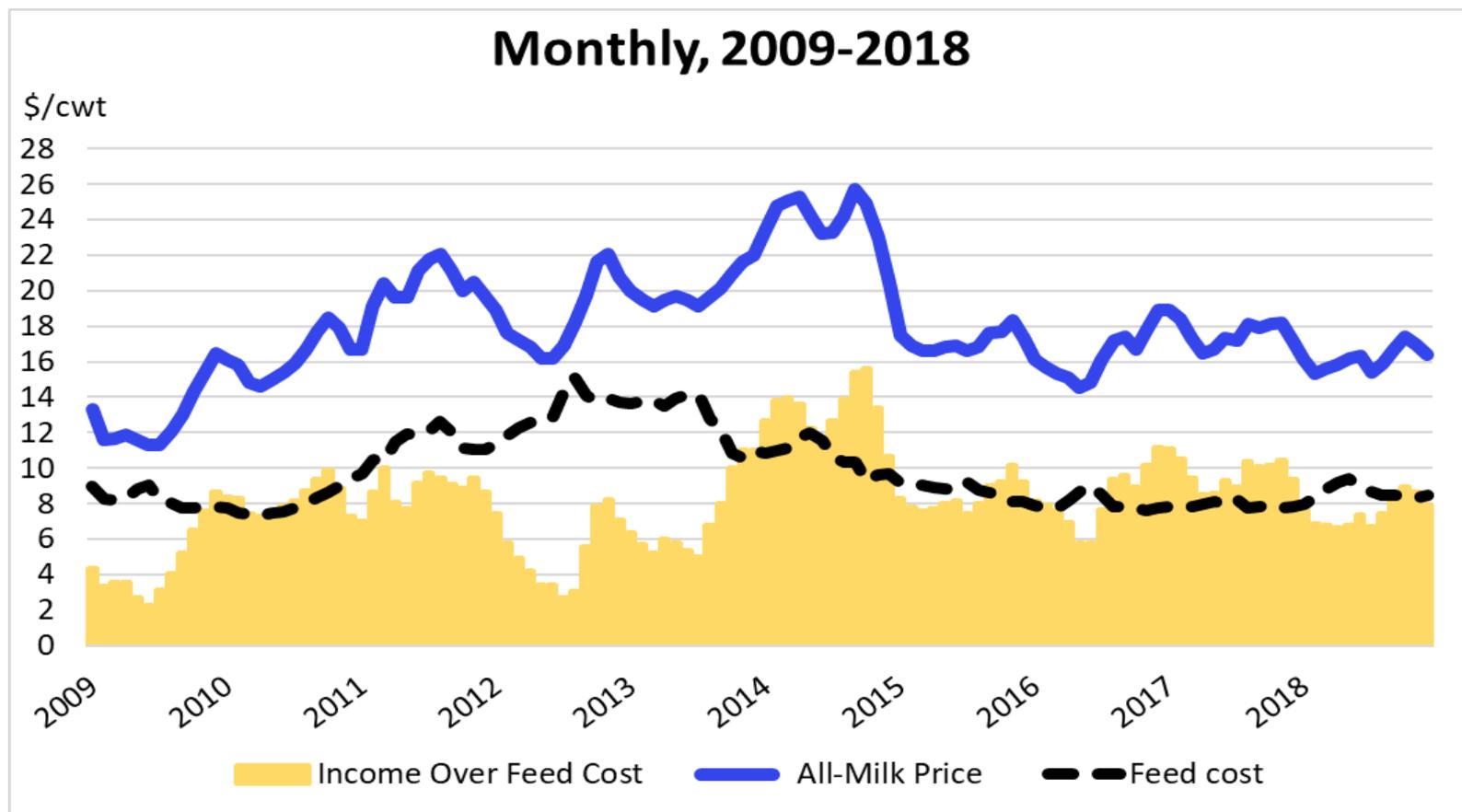


Source: NASS/USDA and WAOB/USDA



Source: NASS/USDA for Butterfat; AMS/USDA FMMO data for NFS

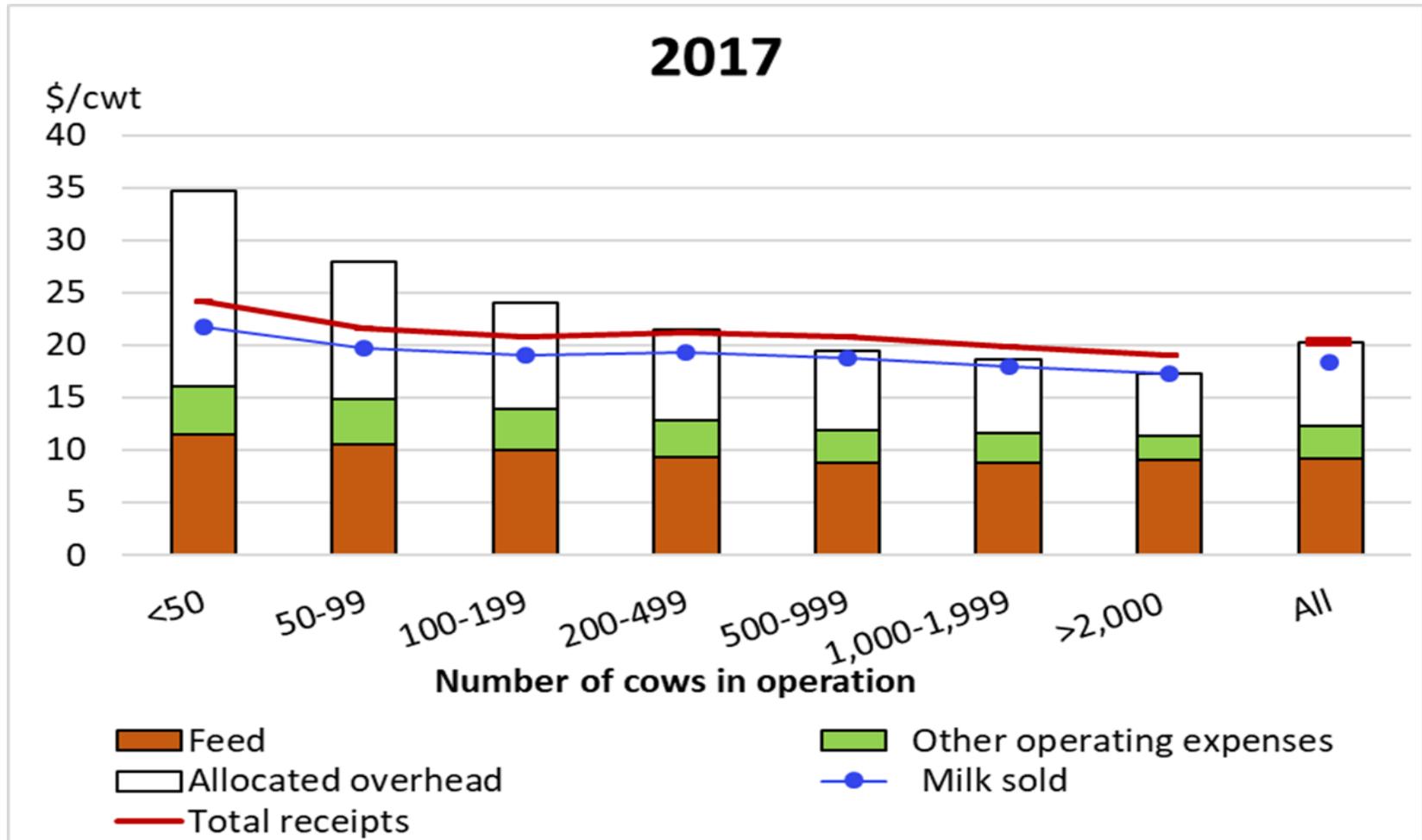
All-Milk Price, Feed Cost, and Income Over Feed Cost



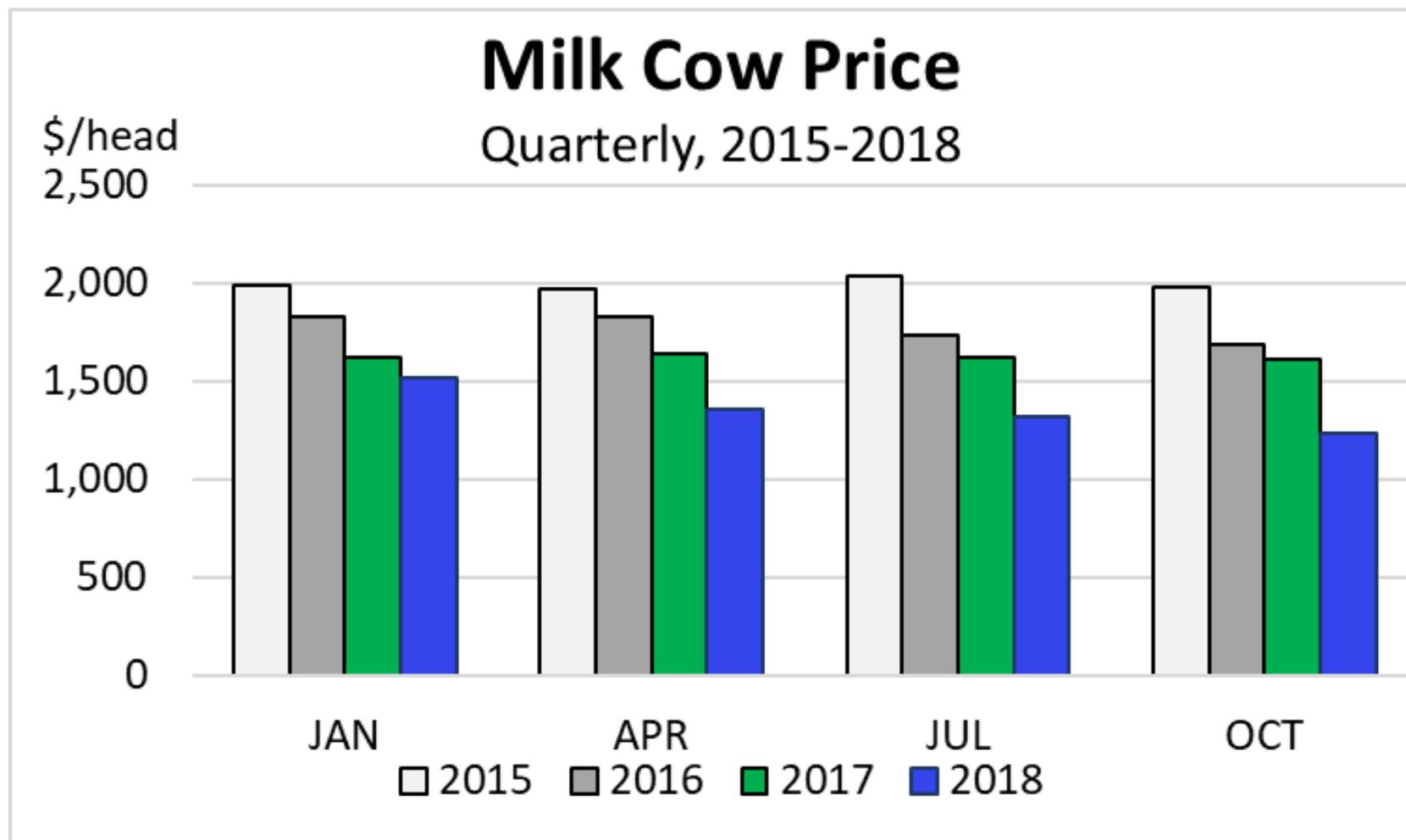
Sources: NASS/USDA; AMS/USDA; FSA/USDA

Milk Production Costs and Returns

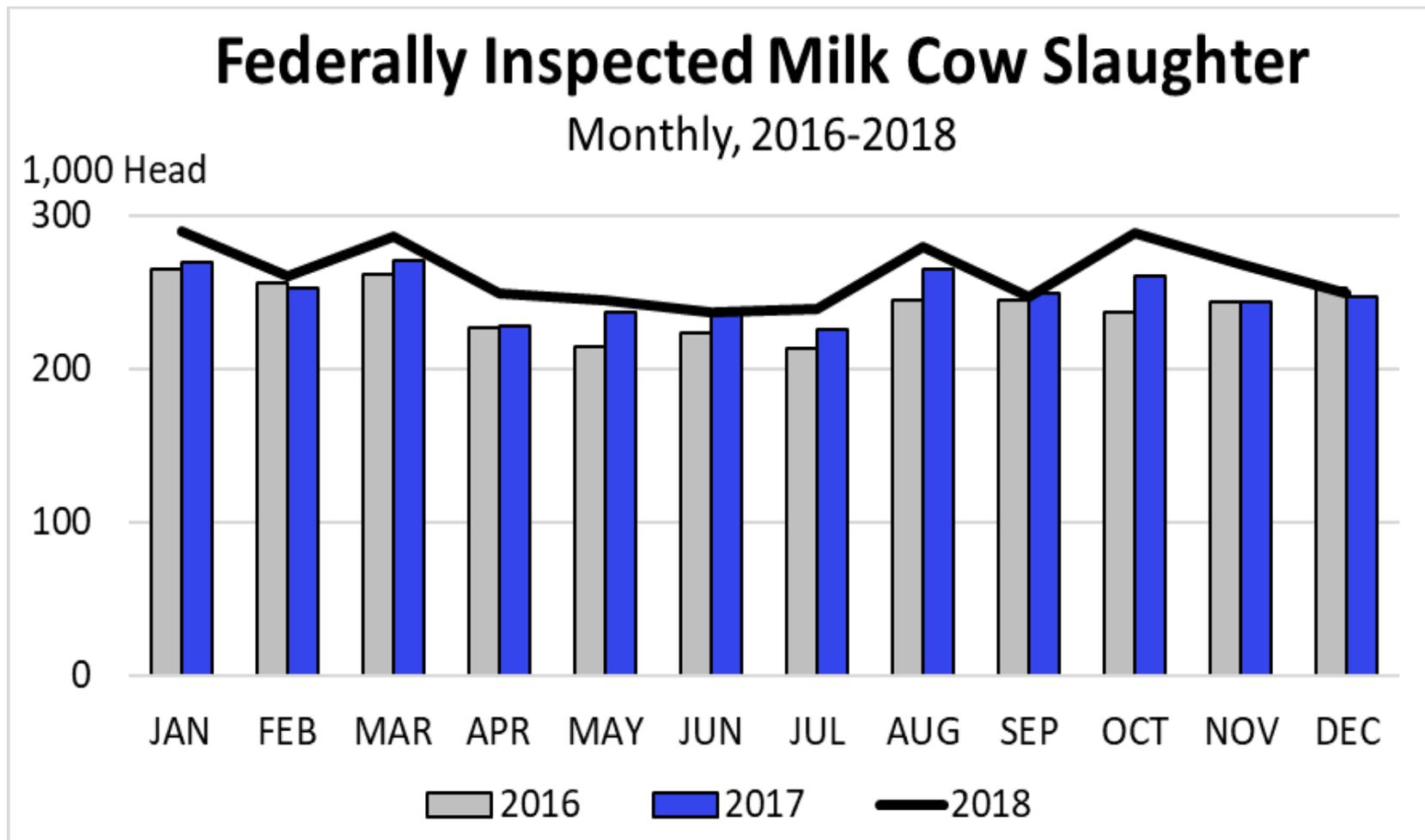
2017



Sources: ERS/USDA

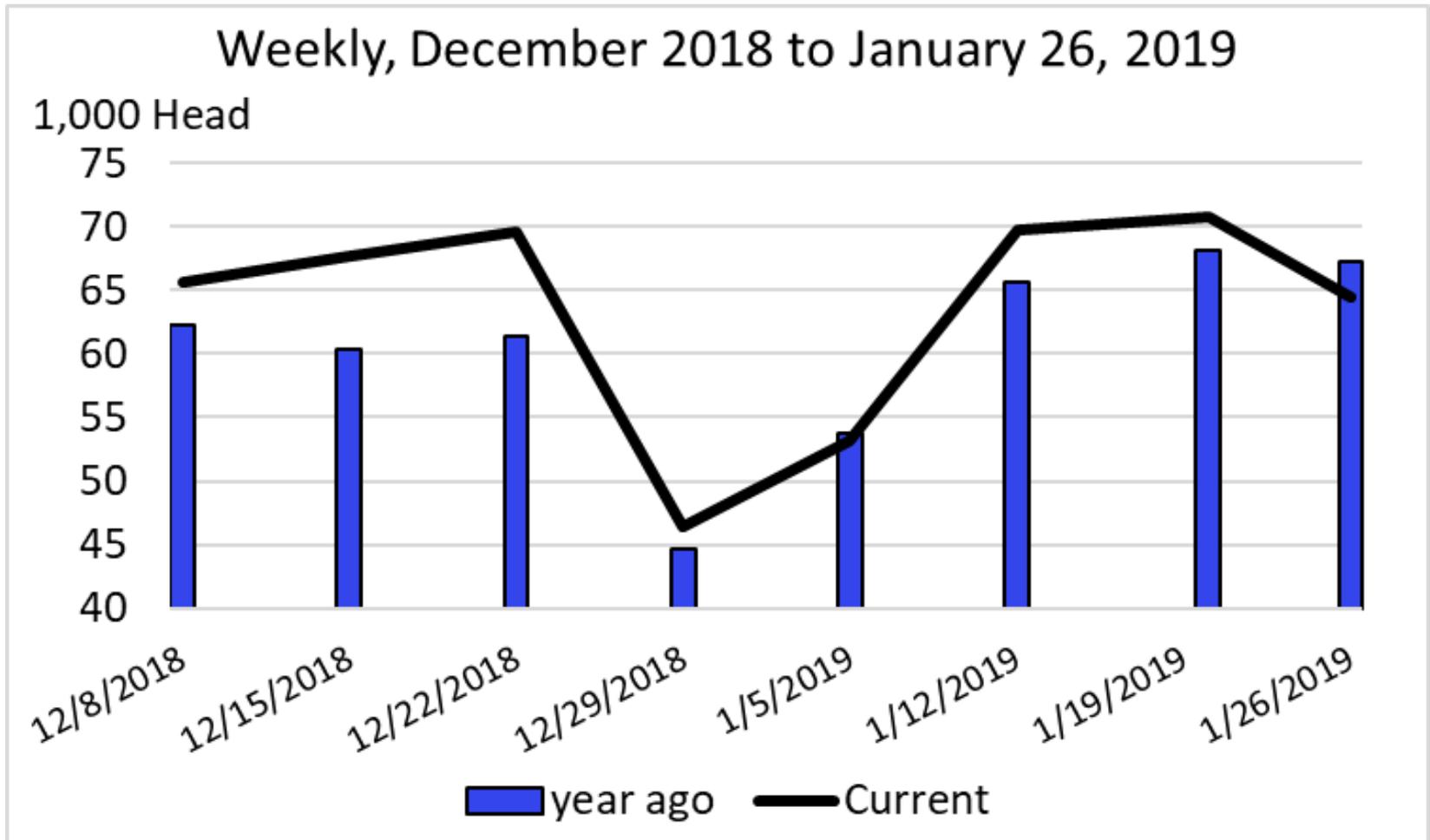


Source: NASS/USDA



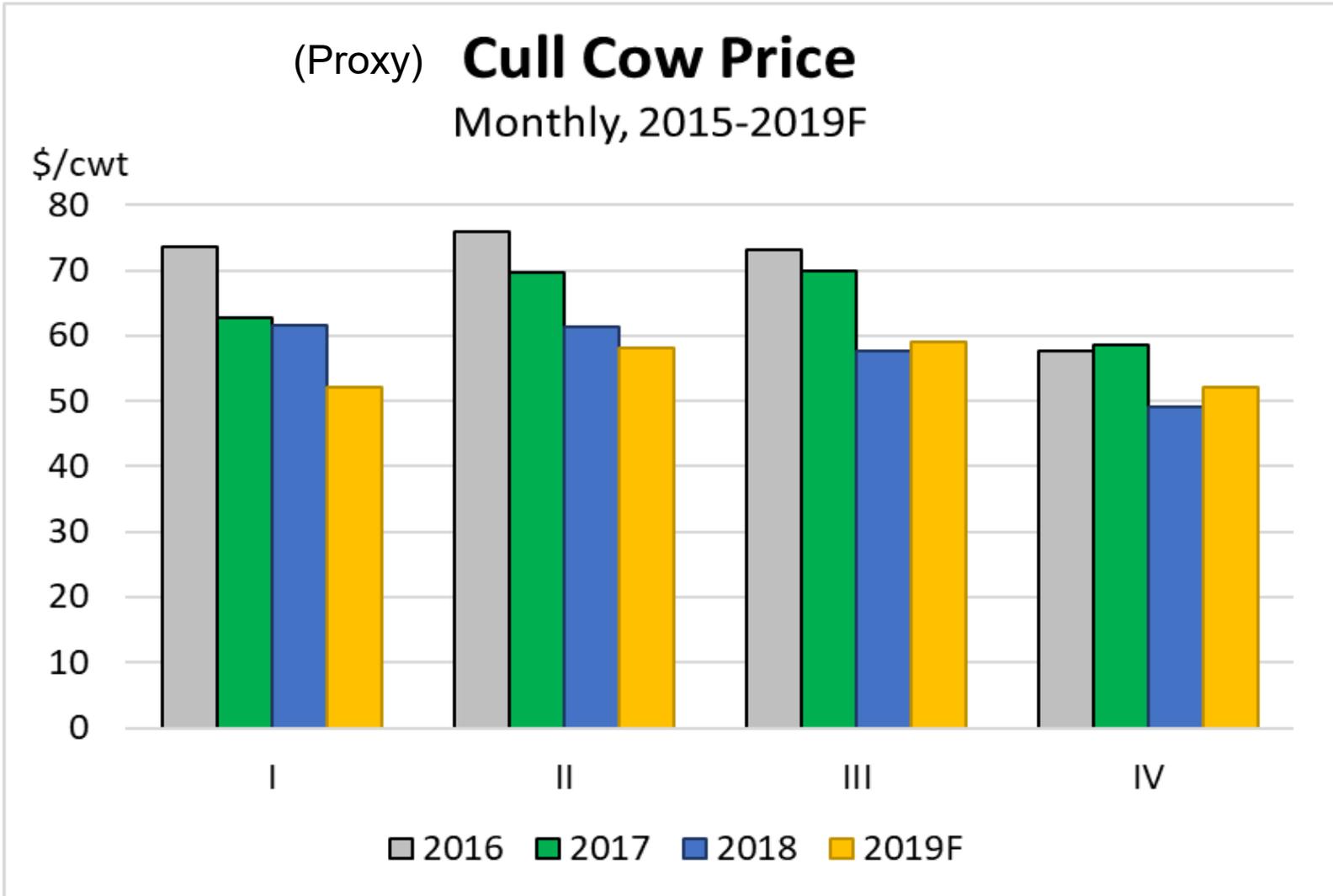
Sources: NASS/USDA; AMS/USDA

U.S. Cow Slaughter Under Federal Inspection



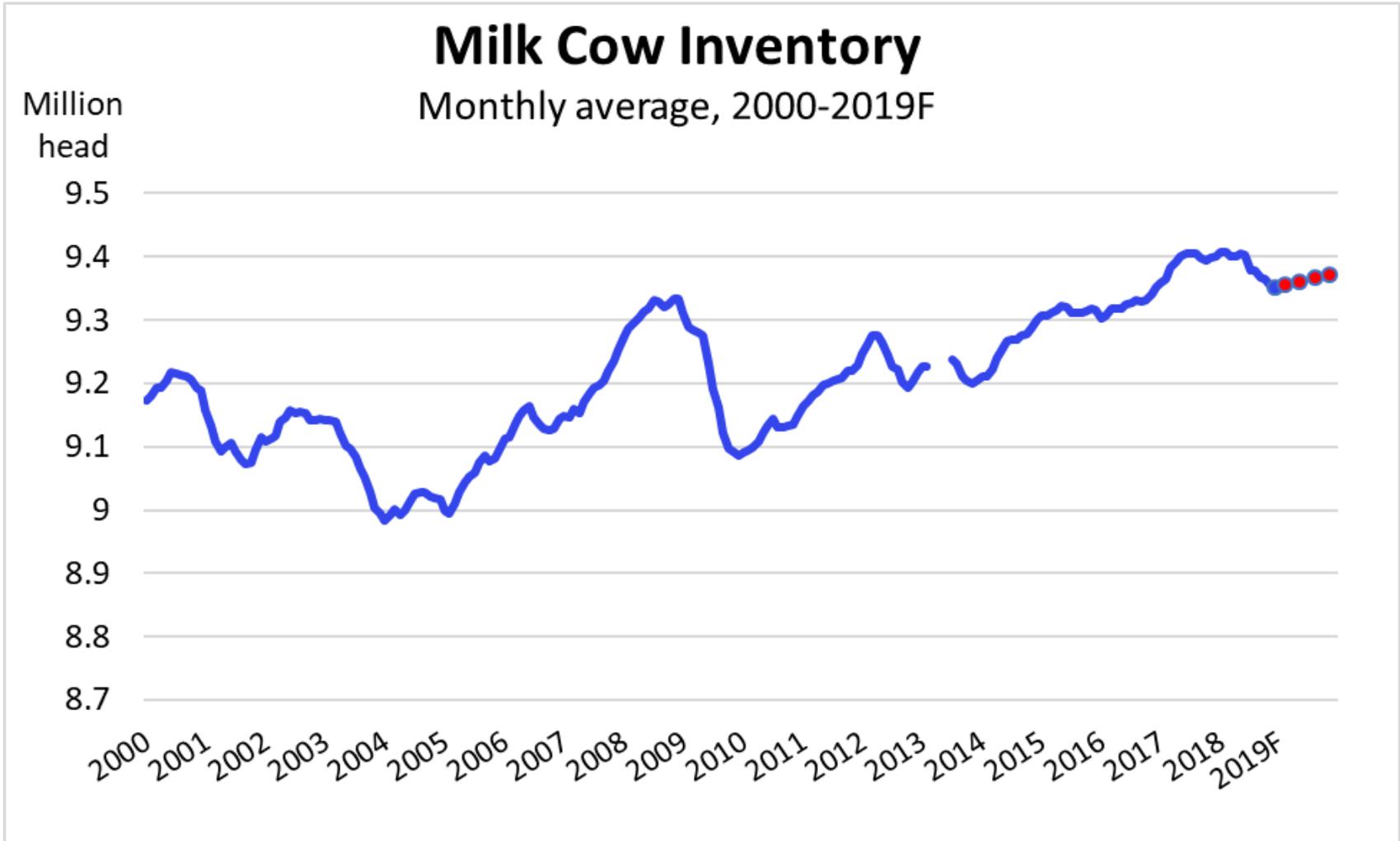
Source: AMS/USDA

(Martin Luther King Holiday in week ending 1/26/2019; it fell in the prior week 2018)

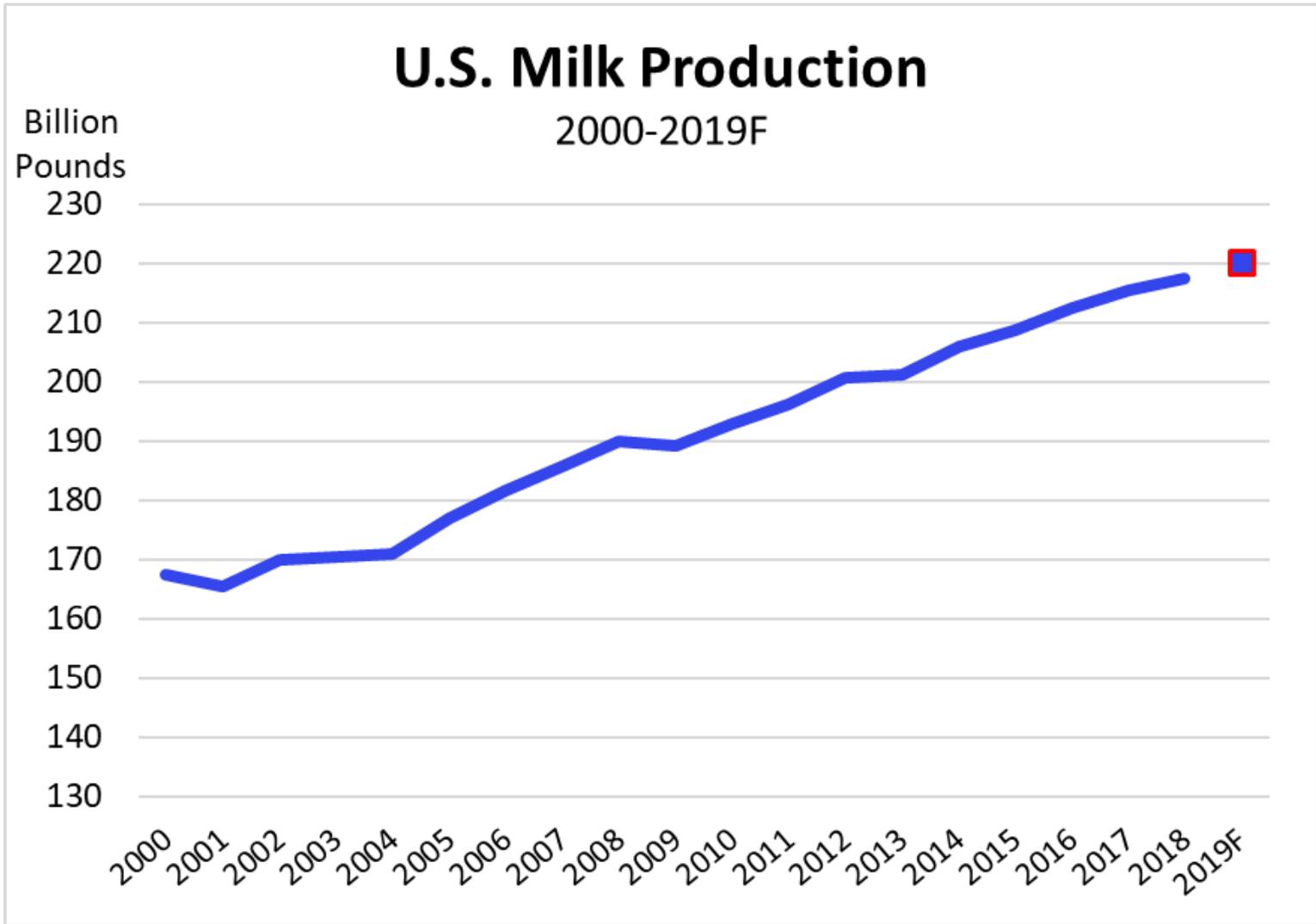


Source: NASS/USDA

Prices for National, Live-Equivalent, Cutter, 90% lean, 500 lbs and up



Sources: NASS/USDA; WAOB/USDA



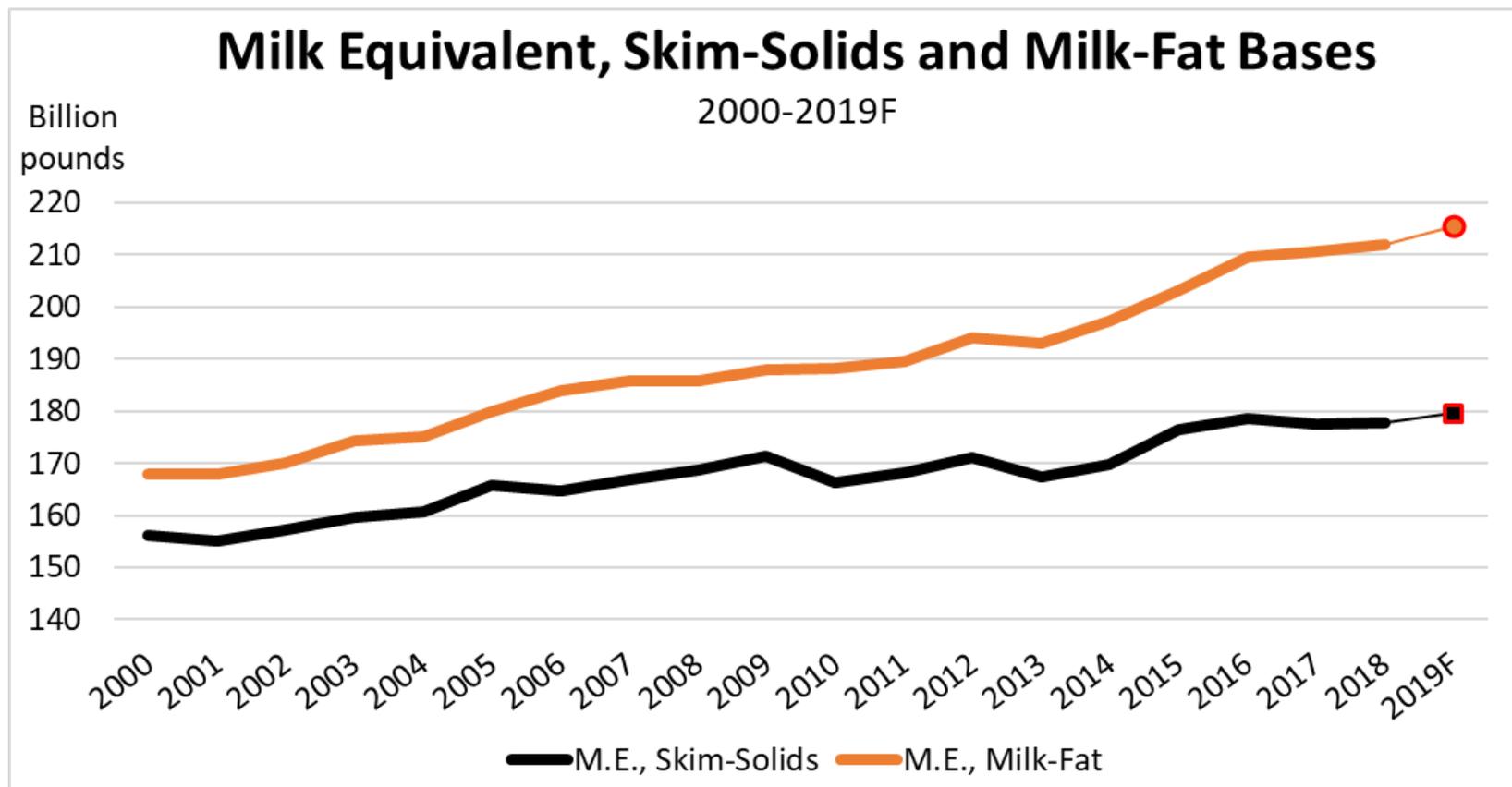
Sources: NASS/USDA; WAOB/USDA

U.S. Milk Production by State, 2018				
Rank	State	Milk production	Cummulative Share	2018: 2017
		<i>Billion pounds</i>	<i>Percent of U.S.</i>	<i>Percent Change</i>
1	CALIFORNIA	40.4	18.6	1.6
2	WISCONSIN	30.6	32.6	0.8
3	IDAHO	15.0	39.6	2.9
4	NEW YORK	14.9	46.4	(0.1)
5	TEXAS	12.9	52.3	6.6
6	MICHIGAN	11.2	57.5	(0.6)
7	PENNSYLVANIA	10.7	62.4	(2.3)
8	MINNESOTA	9.9	66.9	0.1
9	NEW MEXICO	8.3	70.7	0.8
10	WASHINGTON	6.7	73.8	3.2
Source: NASS/USDA				

U.S. Milk Production by State, 2018, continued

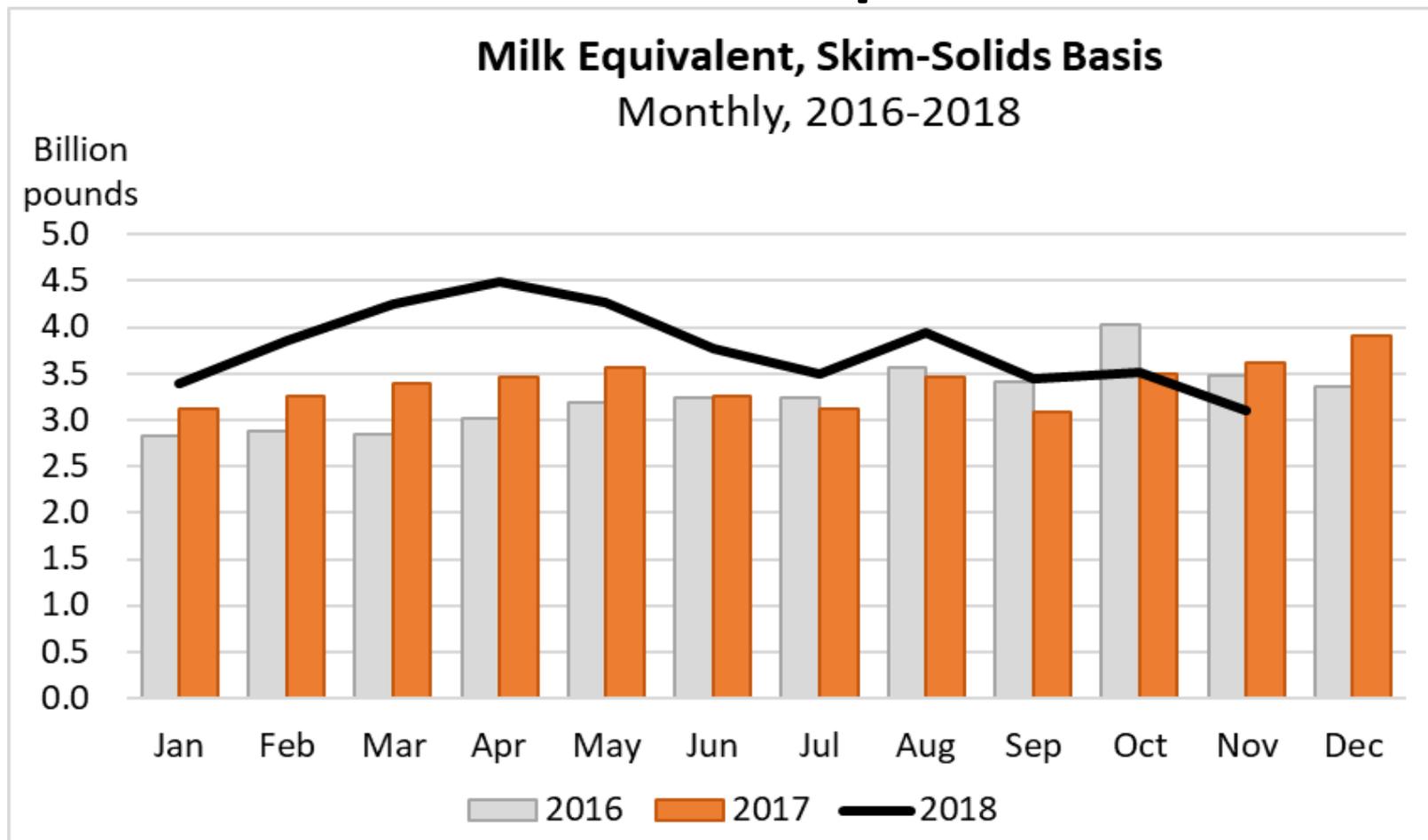
Rank	State	Milk production	Cummulative Share	2018: 2017
		<i>Billion pounds</i>	<i>Percent of U.S.</i>	<i>Percent Change</i>
11	OHIO	5.4	76.3	(2.6)
12	IOWA	5.2	78.7	0.7
13	ARIZONA	5.0	81.0	0.3
14	COLORADO	4.6	83.1	8.8
15	INDIANA	4.2	85.1	(1.2)
16	KANSAS	3.7	86.8	6.1
17	S. DAKOTA	2.7	88.0	3.3
18	VERMONT	2.7	89.2	(1.8)
19	OREGON	2.5	90.4	0.1
20	FLORIDA	2.4	91.5	(4.7)
Source: NASS/USDA				

Domestic Commercial Disappearance



Sources: ERS/USDA; WAOB/USDA

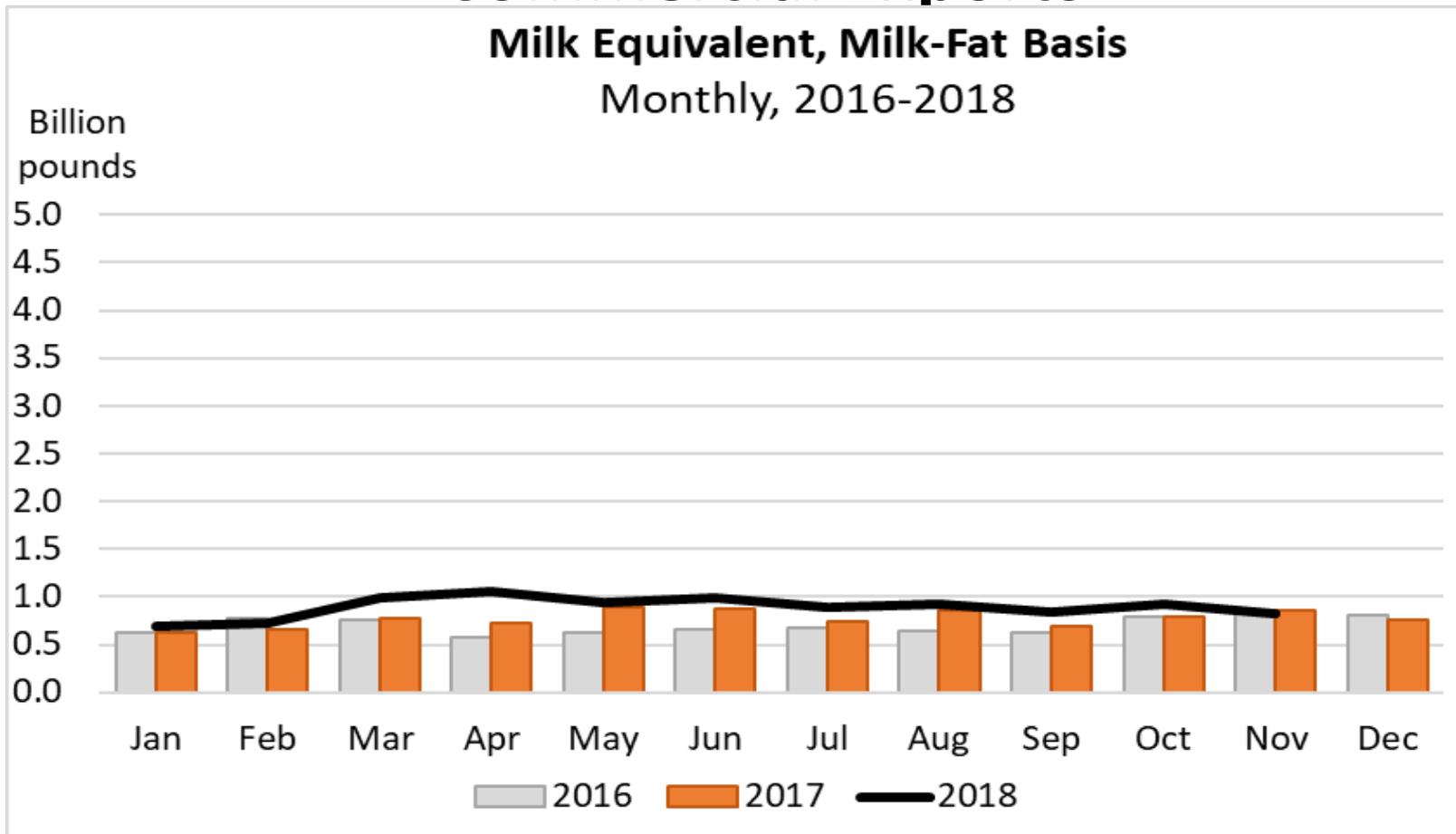
Commercial Exports



Sources: ERS/USDA

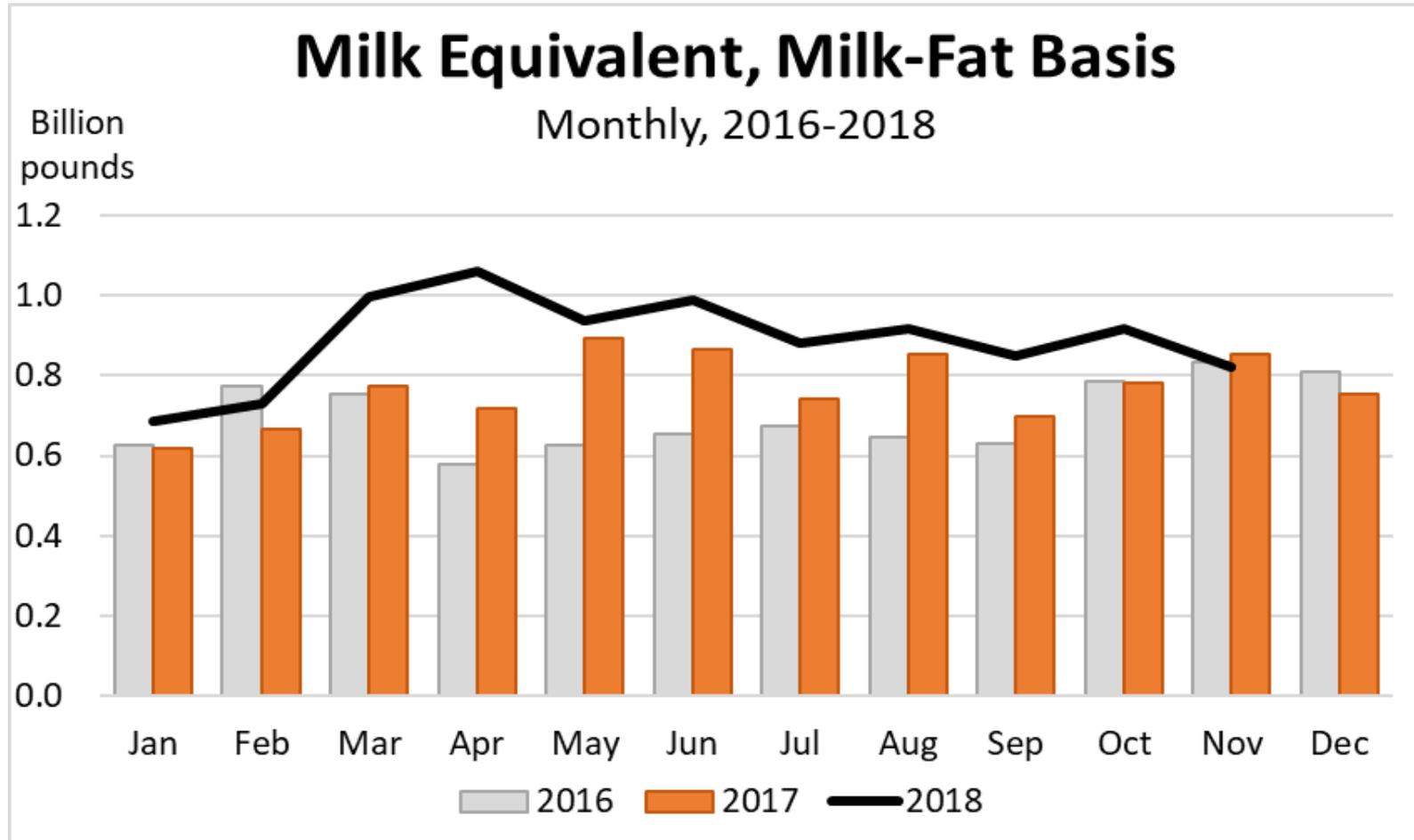
Commercial Exports

Milk Equivalent, Milk-Fat Basis
Monthly, 2016-2018



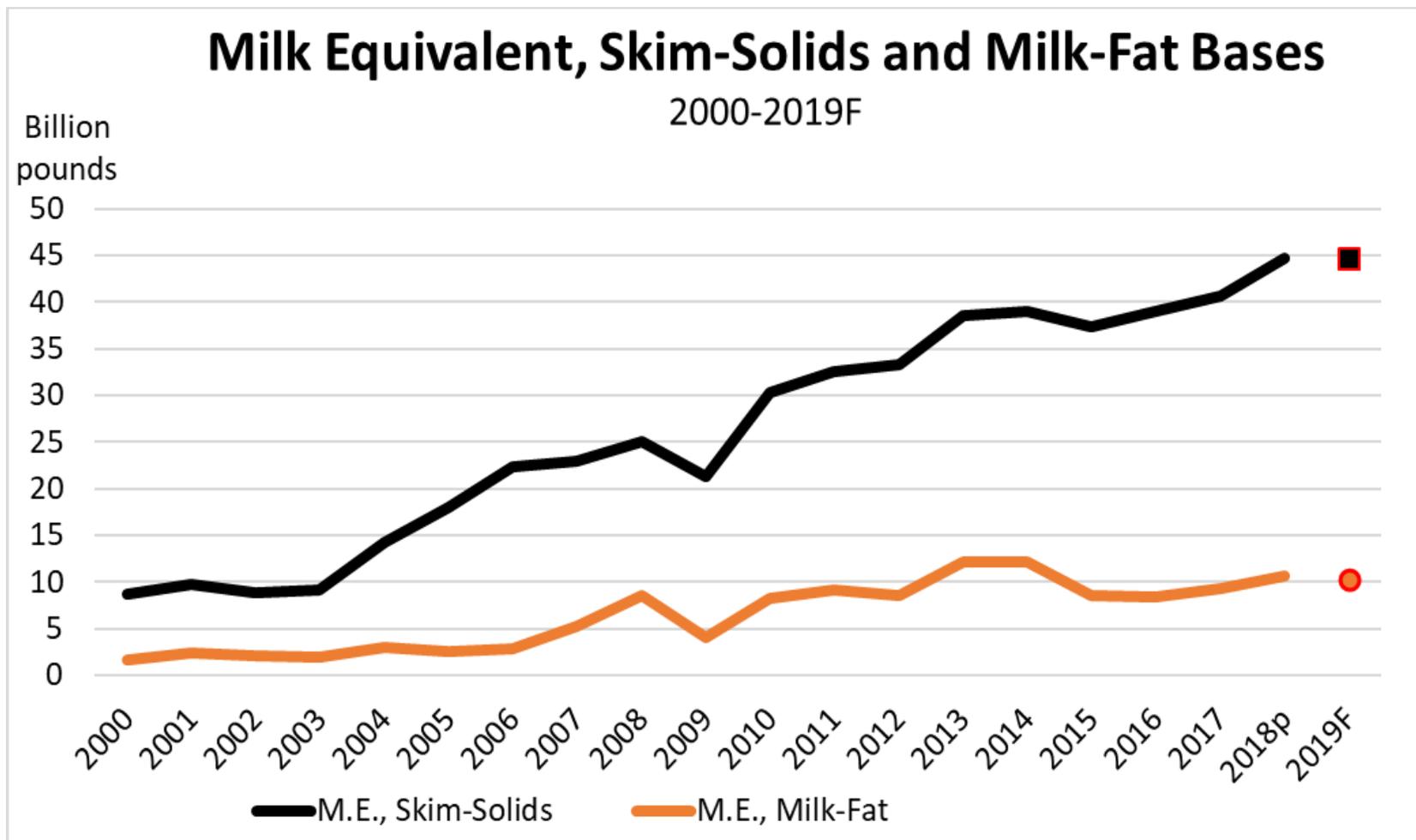
Sources: ERS/USDA

Commercial Exports



Sources: ERS/USDA

Commercial Exports

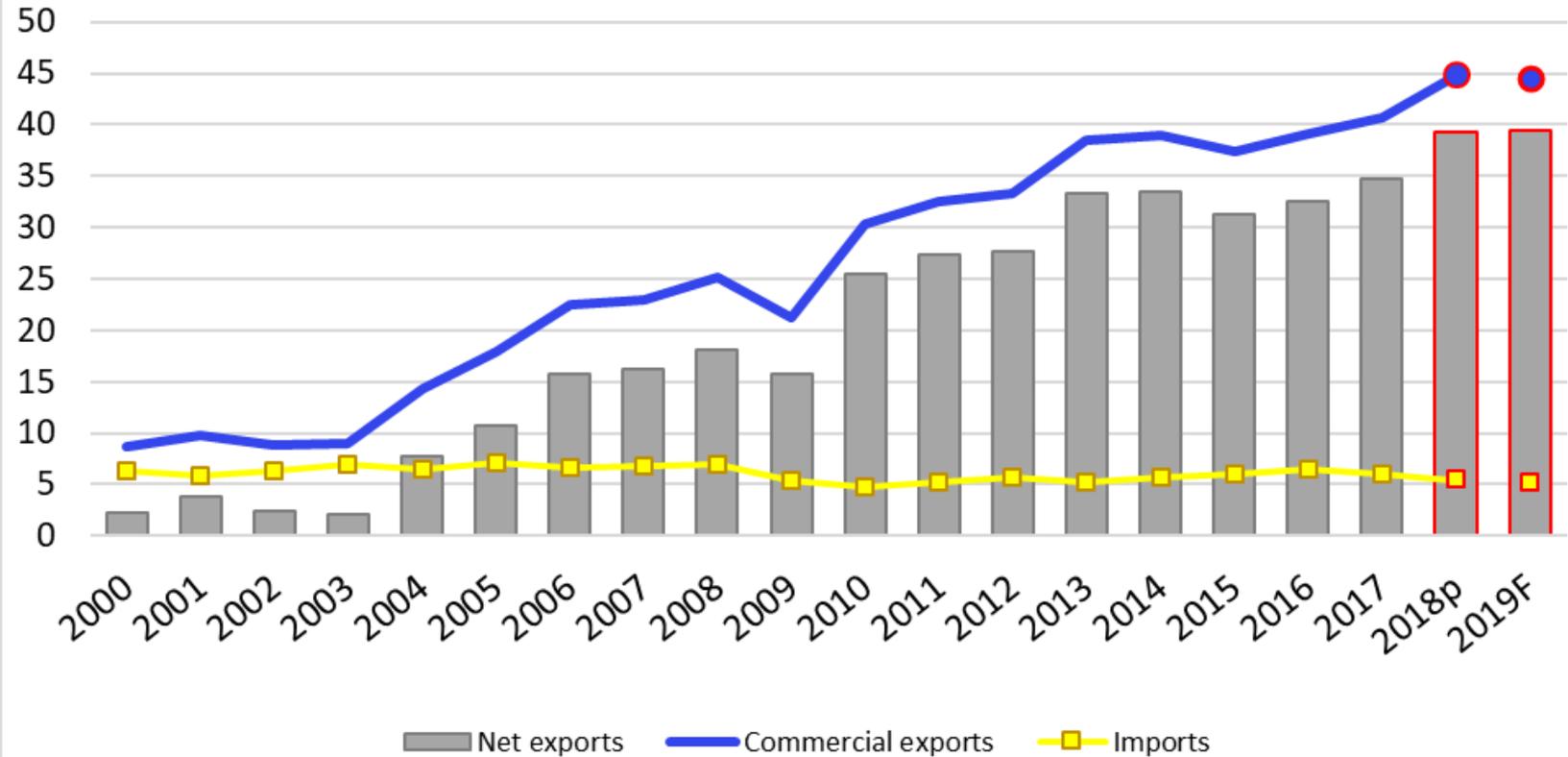


Sources: ERS/USDA; WAOB/USDA

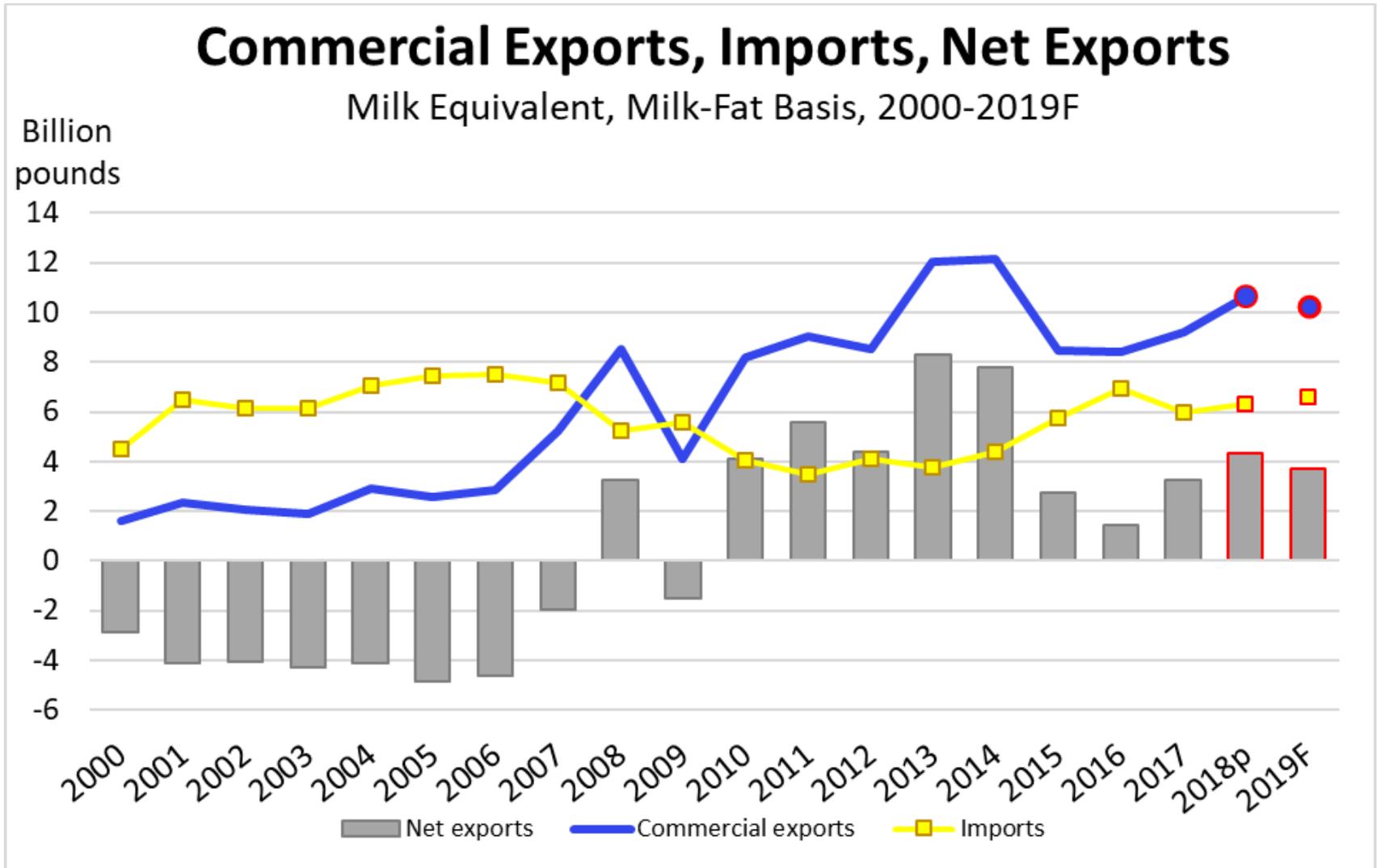
Commercial Exports, Imports, Net Exports

Milk Equivalent, Skim-Solids Basis, 2000-2019F

Billion
pounds



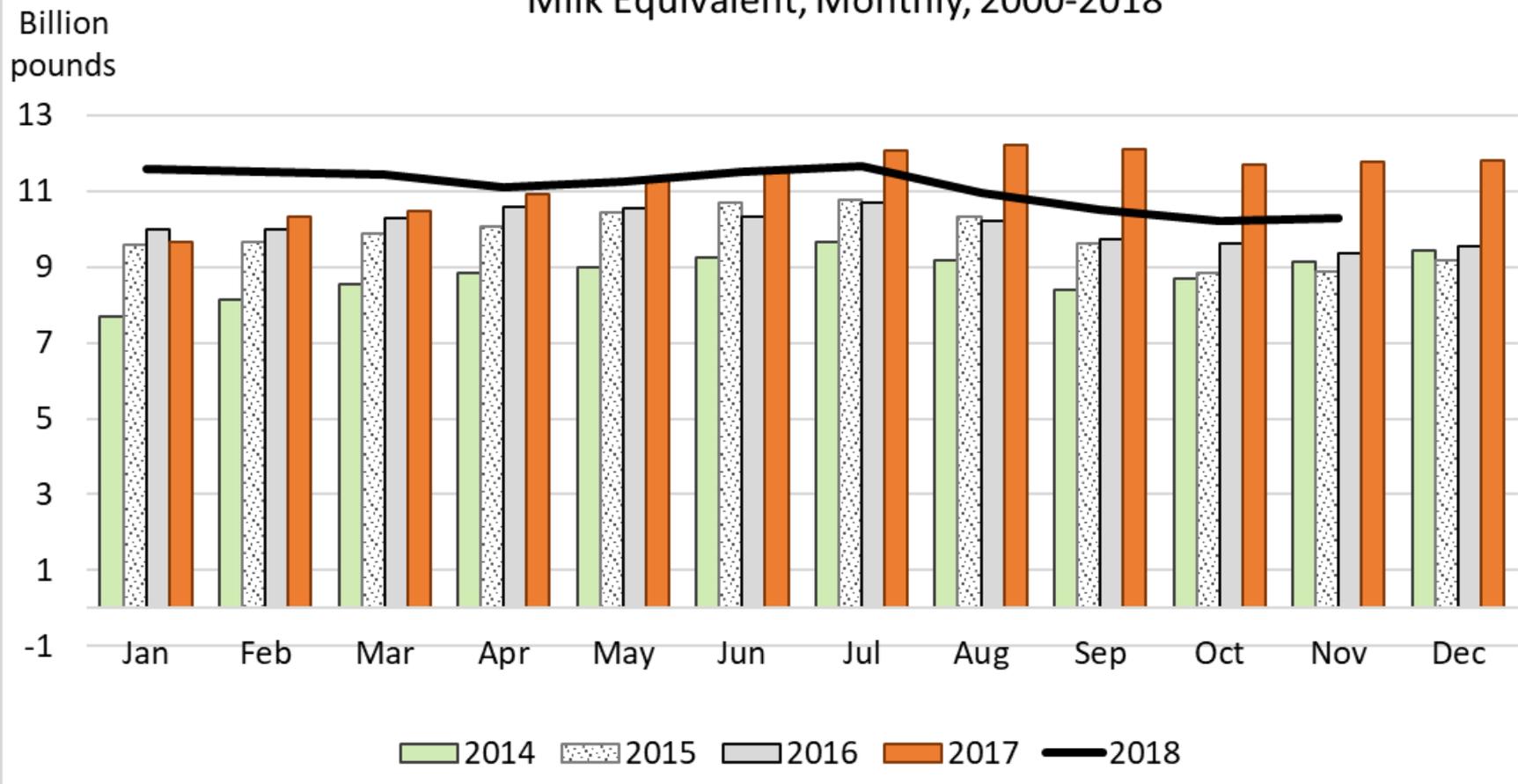
Sources: ERS/USDA; WAOB/USDA



Sources: ERS/USDA; WAOB/USDA

Ending Stocks, Skim-Solids Basis

Milk Equivalent, Monthly, 2000-2018

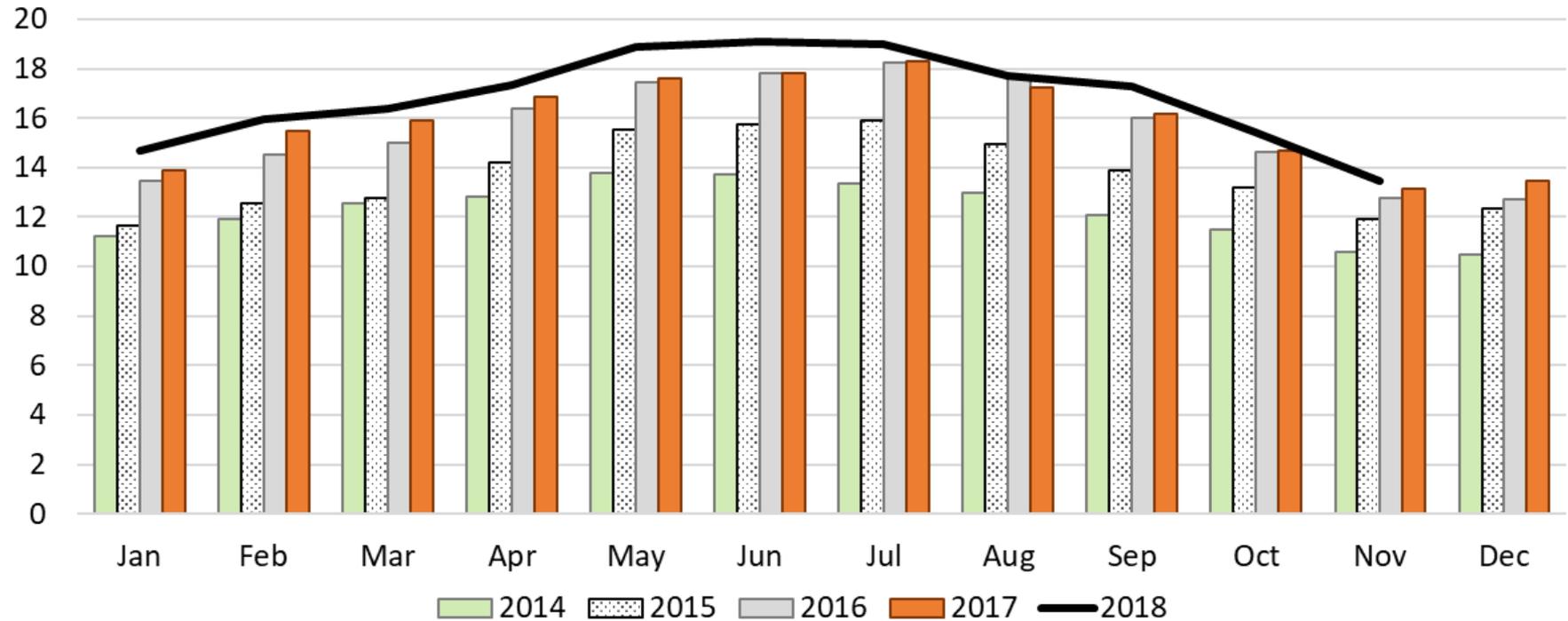


Sources: ERS/USDA; WAOB/USDA

Ending Stocks, Milk-Fat Basis

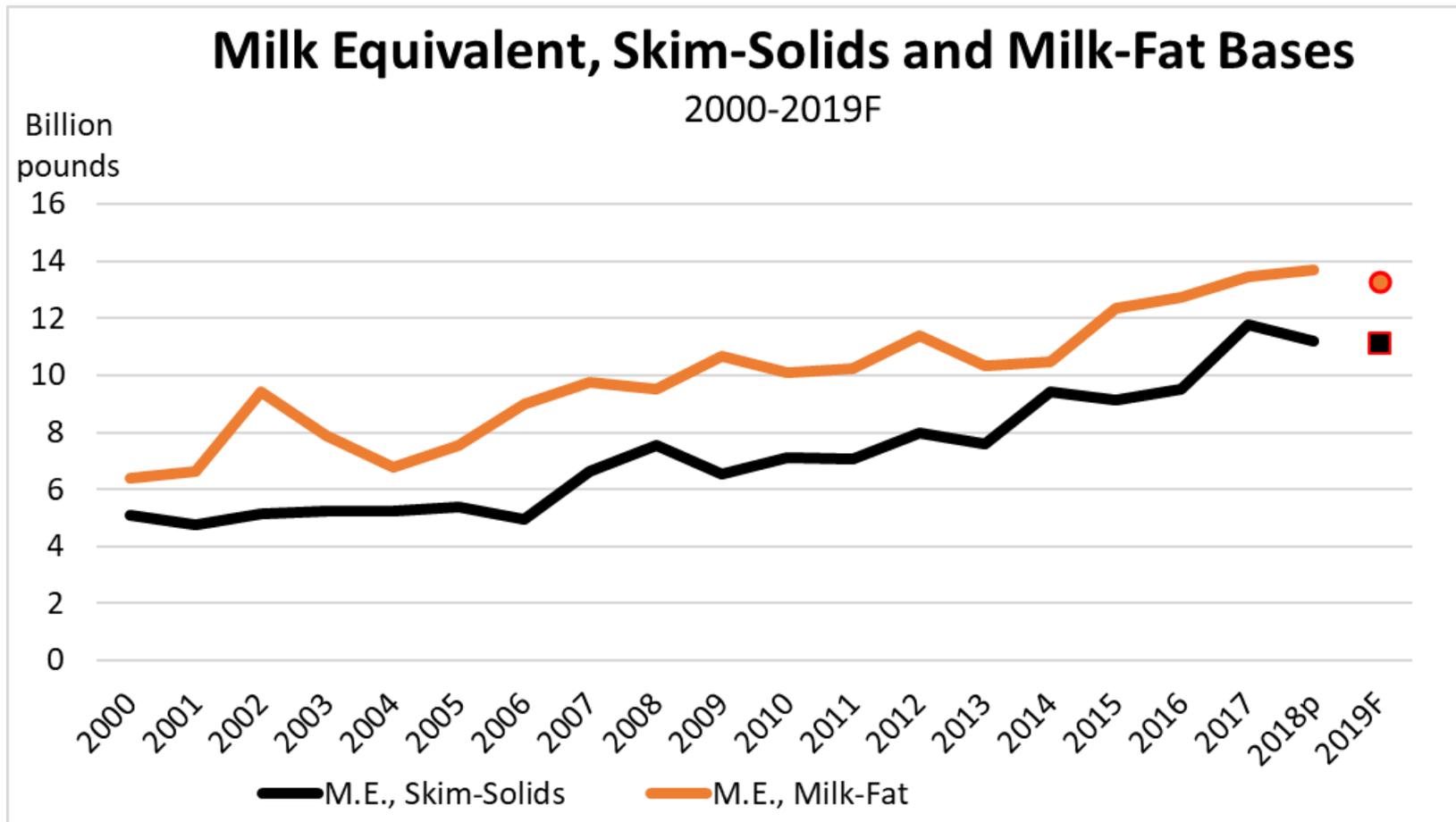
Milk Equivalent, Monthly, 2014-2018

Billion pounds



Sources: ERS/USDA; WAOB/USDA

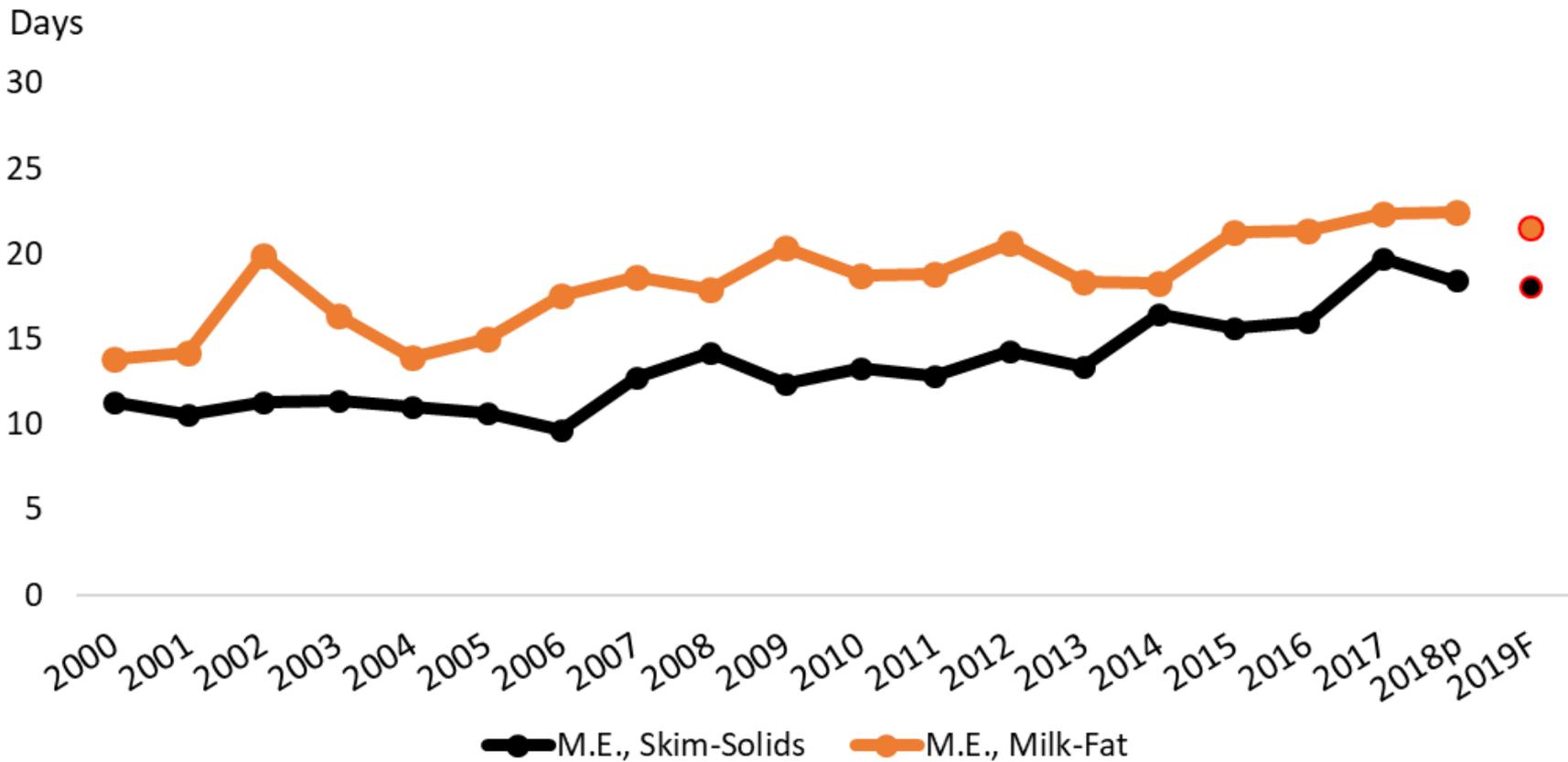
Commercial Ending Stocks



Sources: ERS/USDA; WAOB/USDA

Ending Stocks Expressed As Days of Total Use

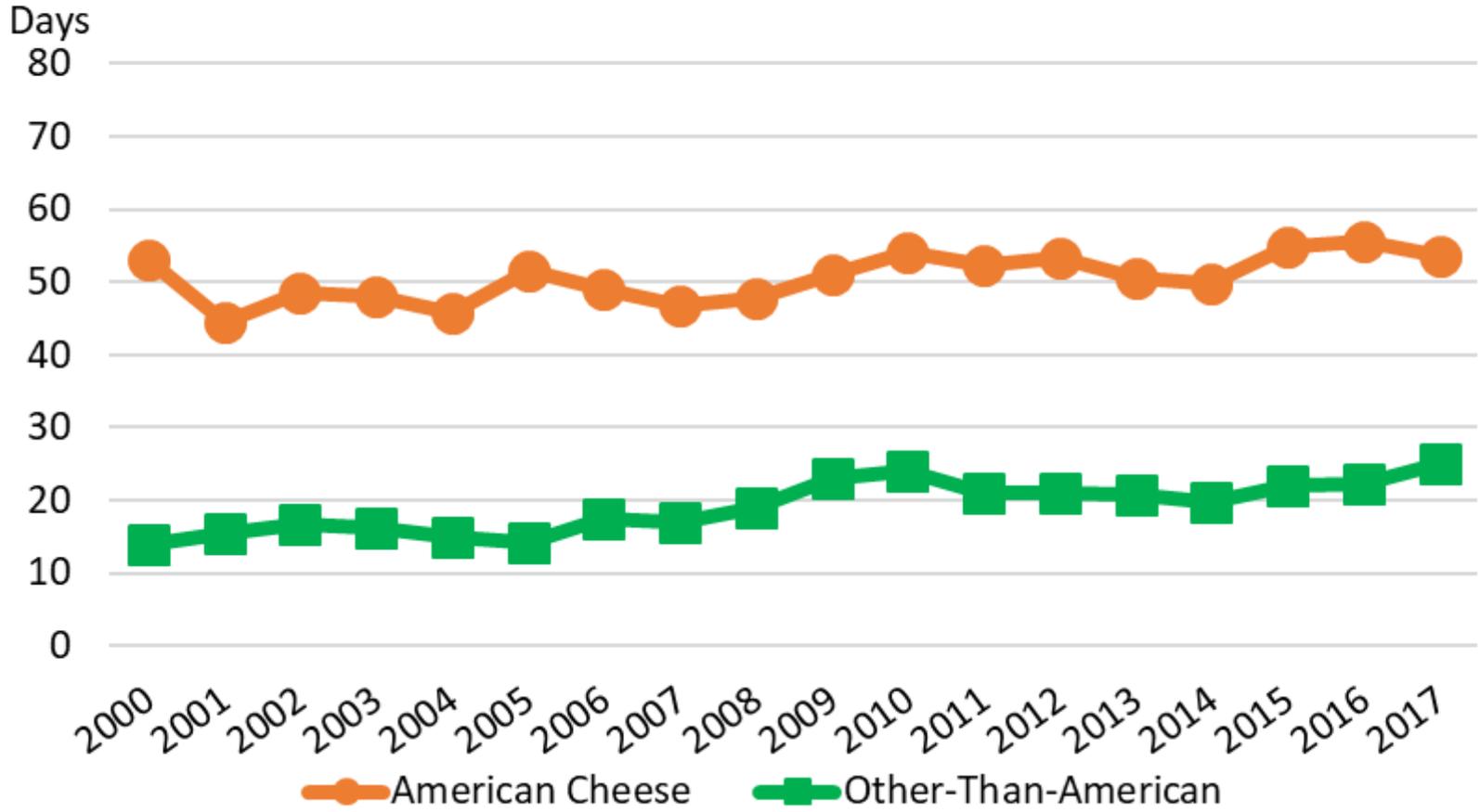
Milk Equivalent, Skim-Solids and Milk-Fat Basis, 2000-2019F



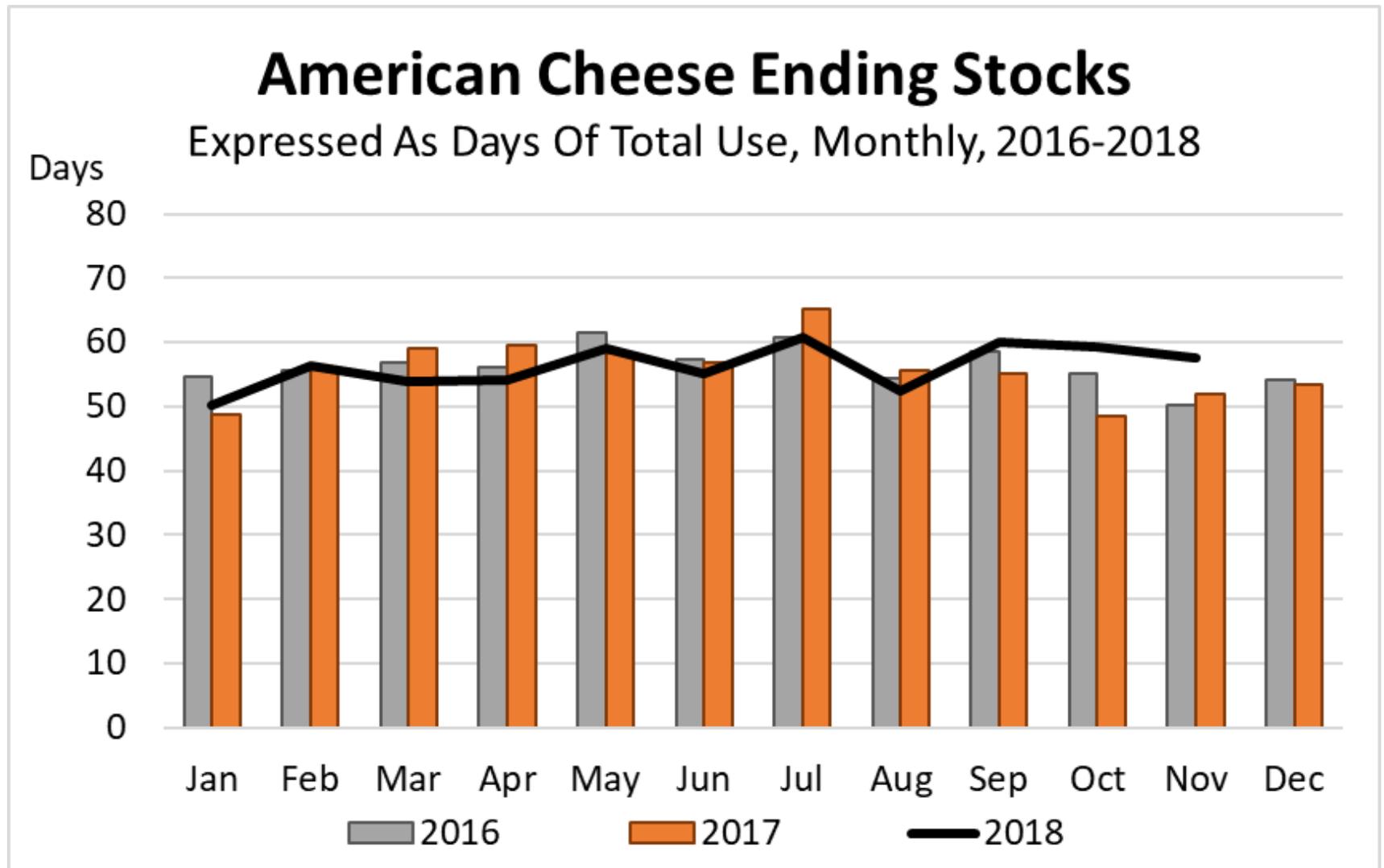
Sources: NASS/USDA (as compiled by ERS); WAOB/USDA

Cheese Ending Stocks

Expressed as Days of Total Use, 2000-2017



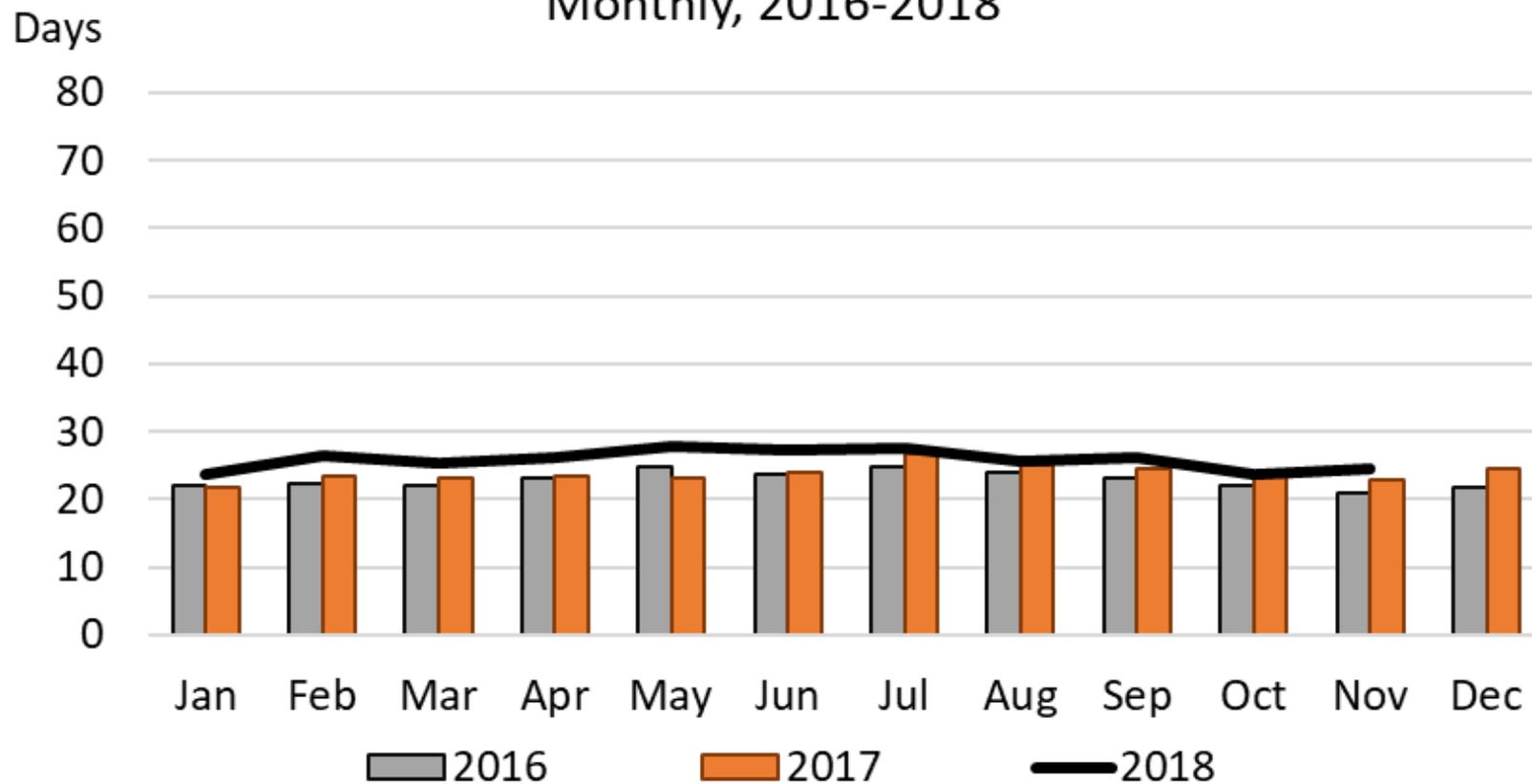
Sources: NASS/USDA (as compiled by ERS)



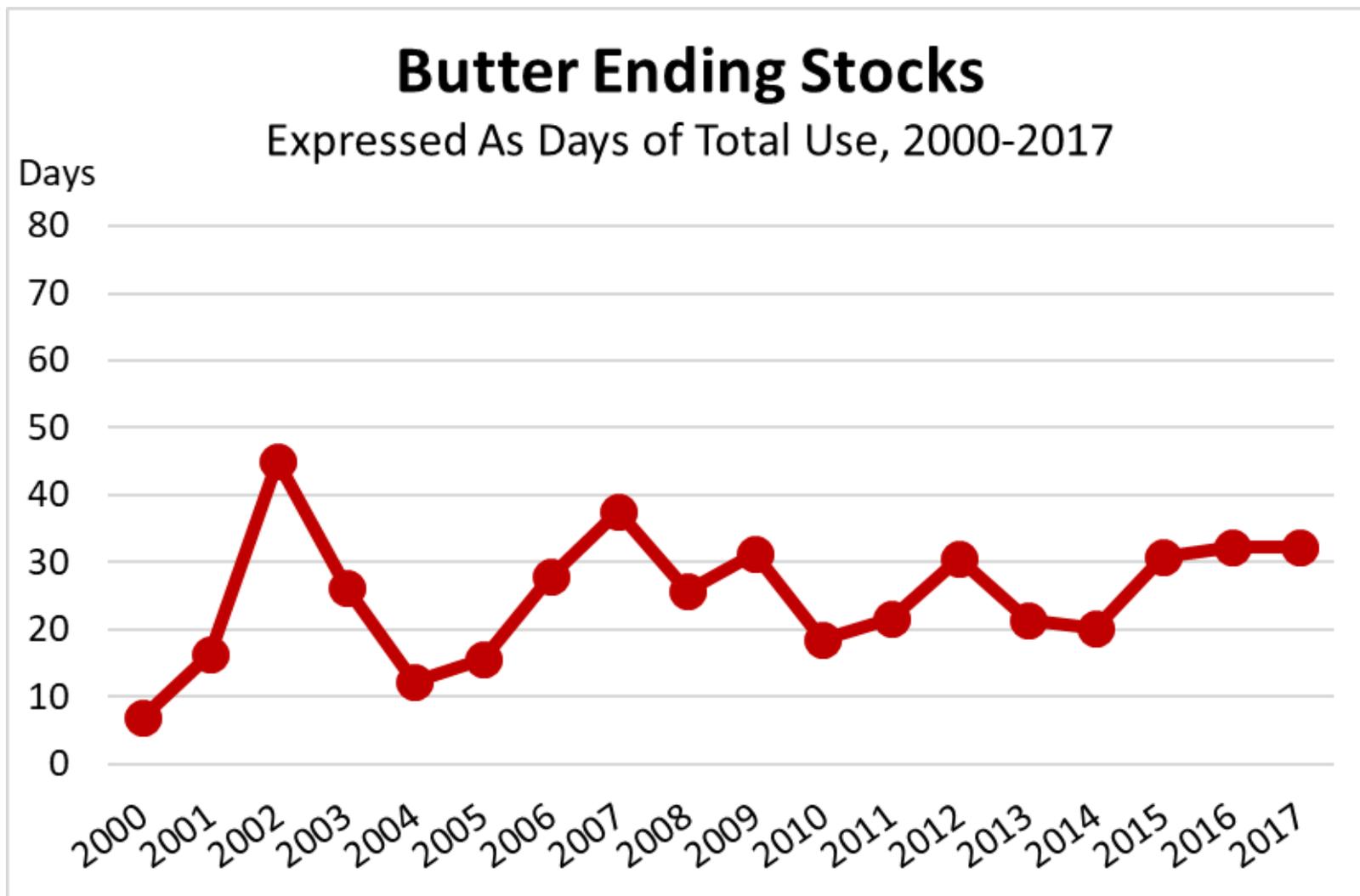
Sources: Sources: NASS/USDA (as compiled by ERS)

Other Than American Cheese

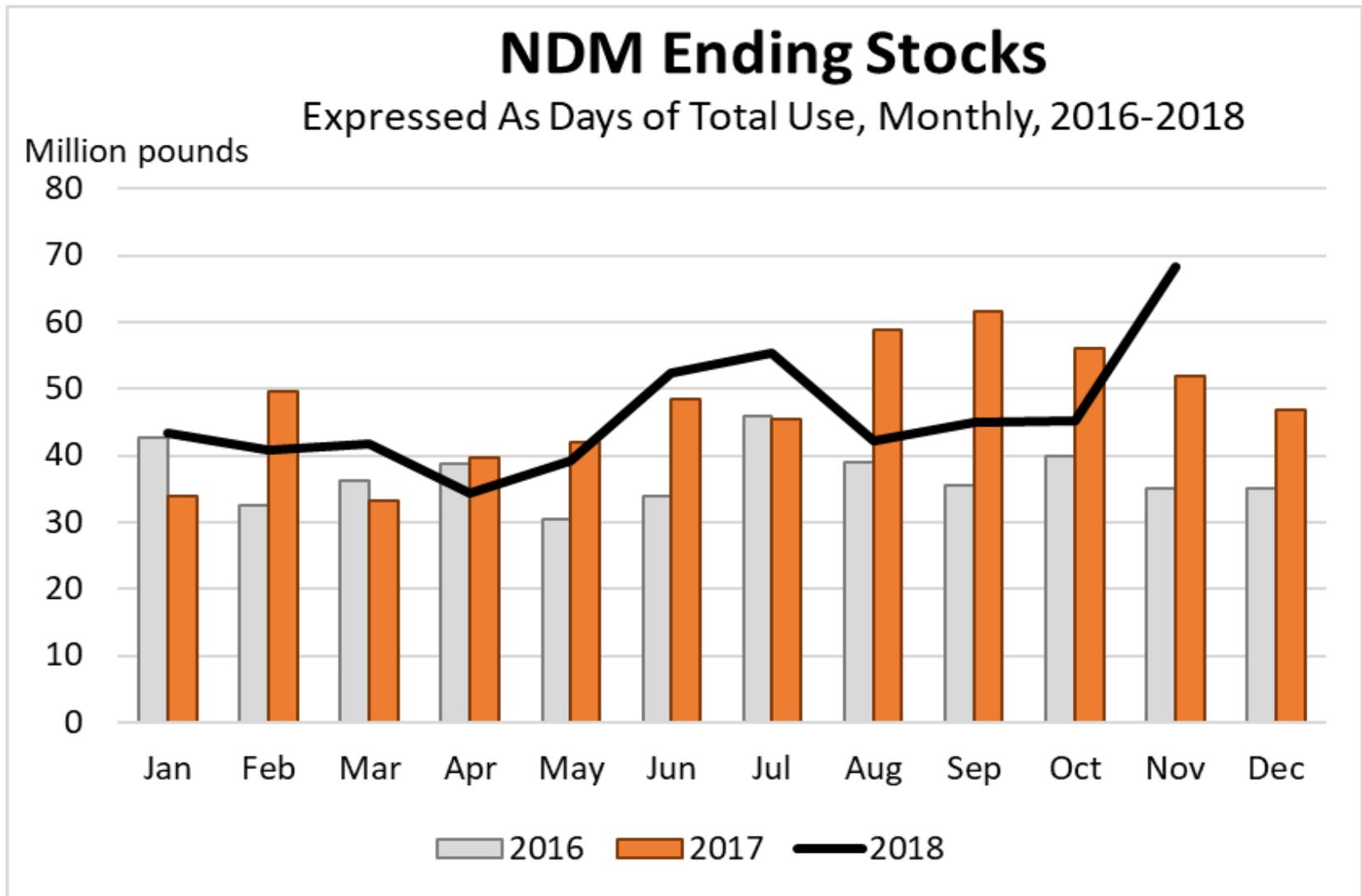
Ending Stocks Expressed As Days of Total Use
Monthly, 2016-2018



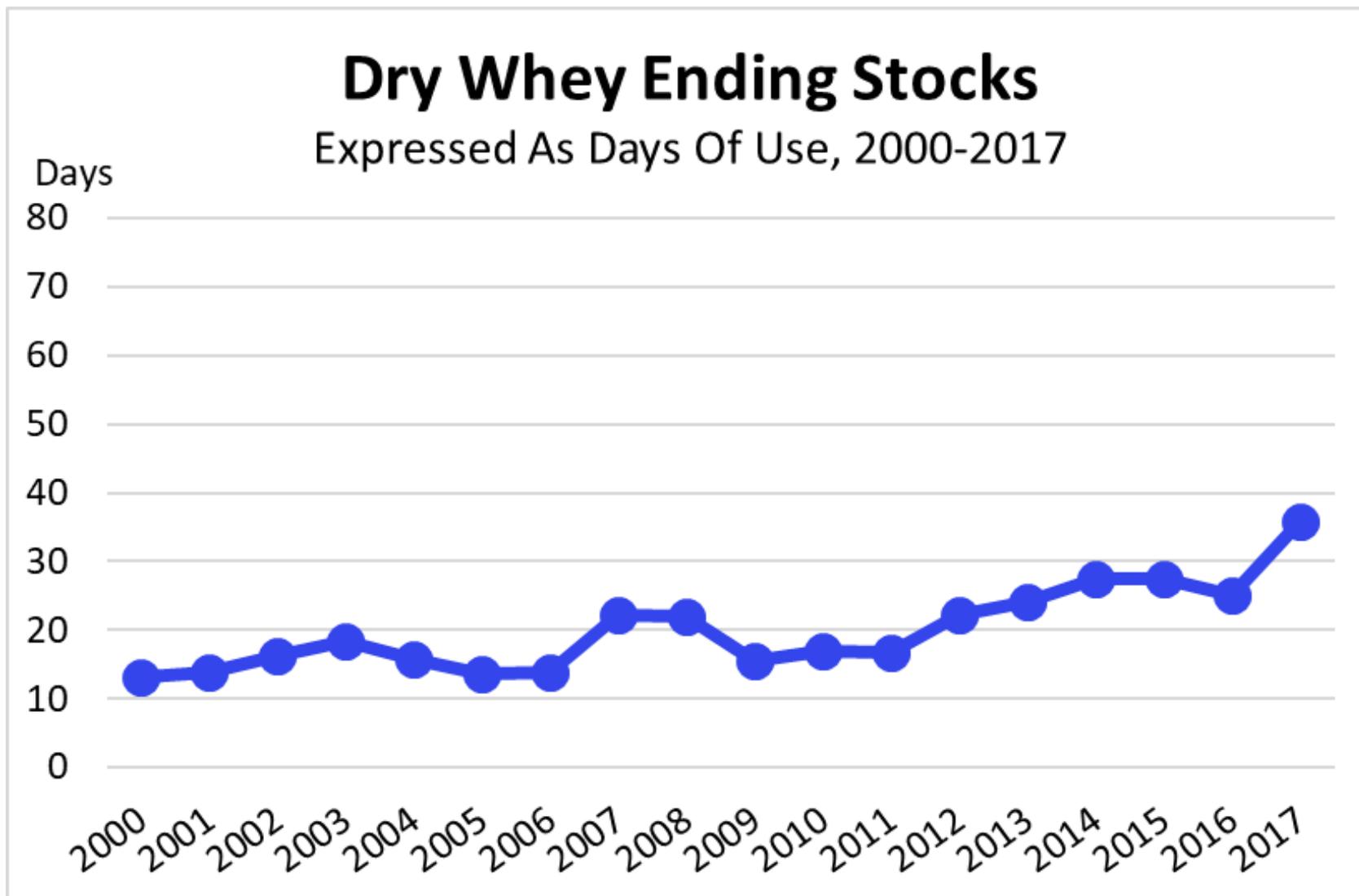
Sources: Sources: NASS/USDA (as compiled by ERS)



Sources: Sources: NASS/USDA (as compiled by ERS)



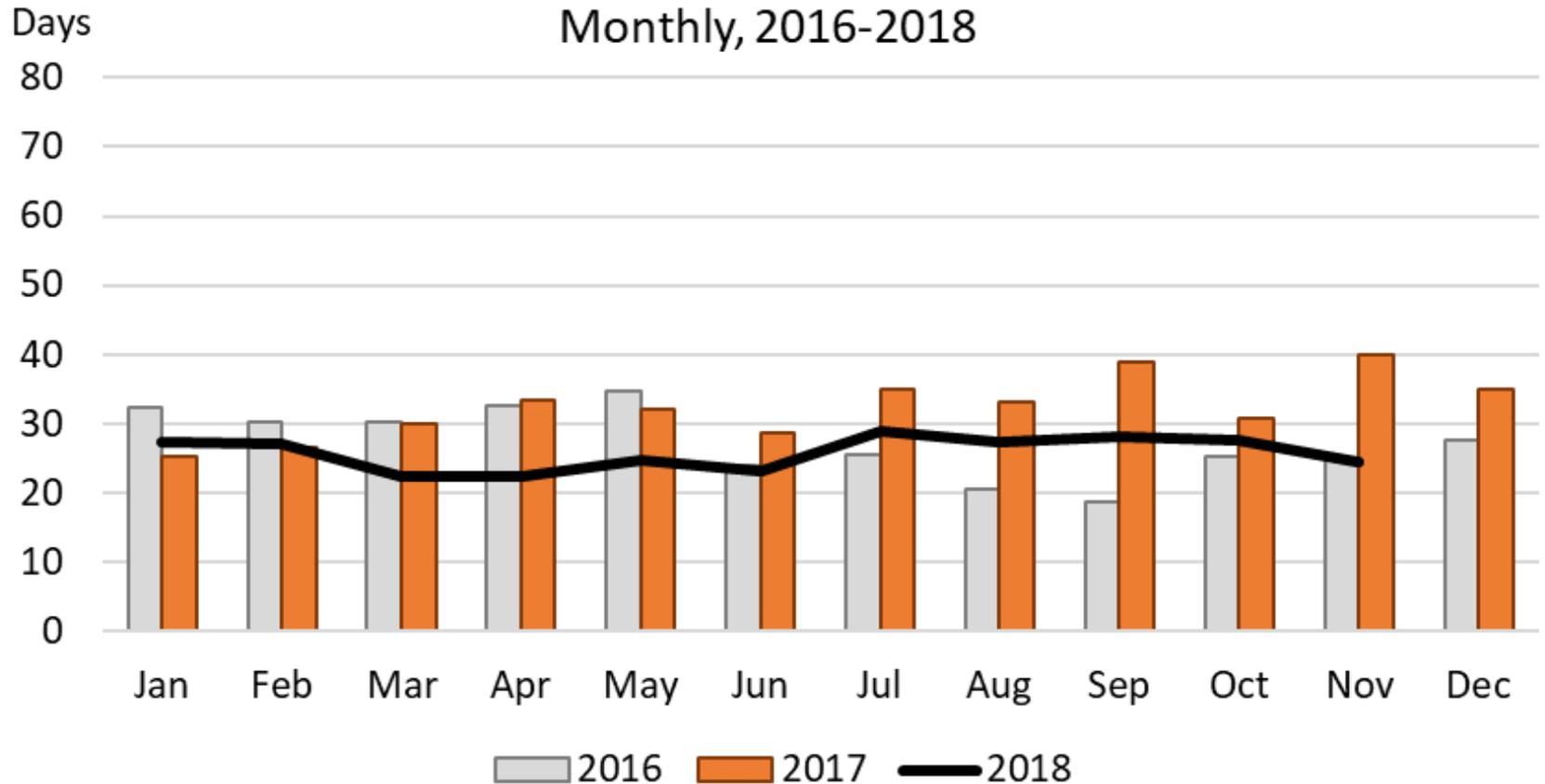
Sources: Sources: NASS/USDA (as compiled by ERS)



Sources: Sources: NASS/USDA (as compiled by ERS)

Dry Whey, Ending Stocks

Expressed as Days of Total Commercial Use
Monthly, 2016-2018

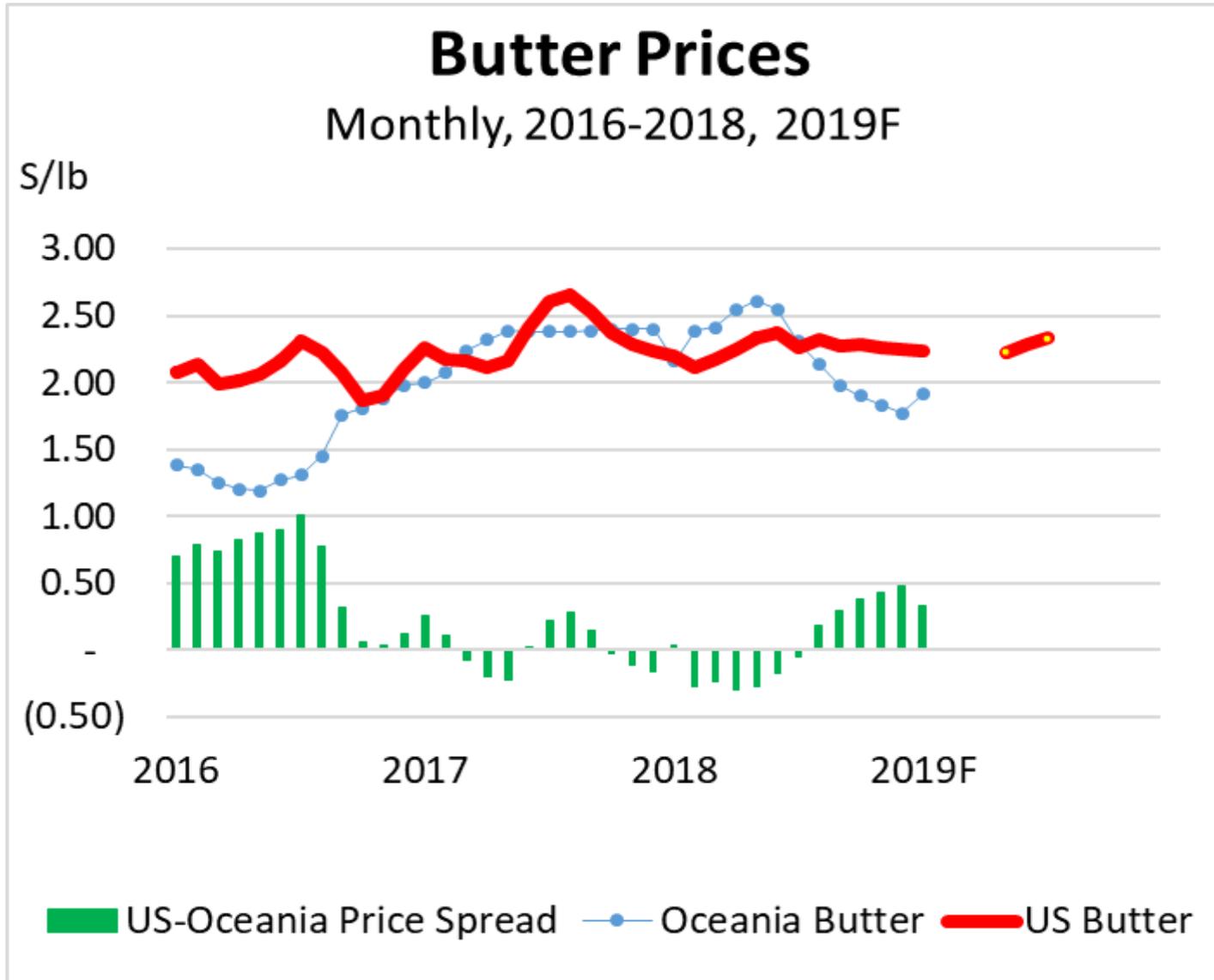


Sources: NASS/USDA (as compiled by ERS)

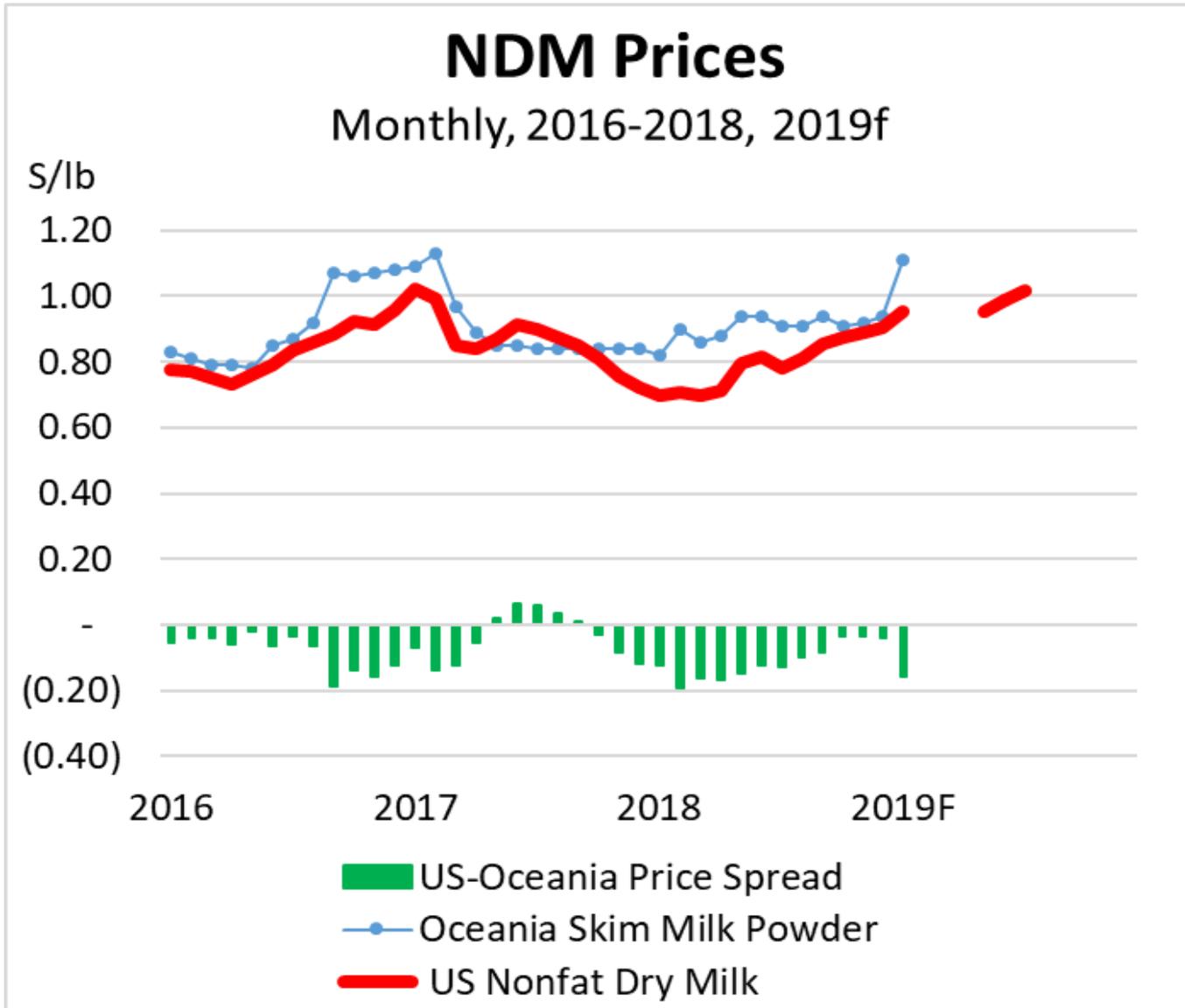
“CCC Donations”

- **Non-zero in WASDE report in 2019**
- **Trade mitigation / CCC funds**
 - 300 million pounds milk-fat basis 2019
 - 200 million pounds skim-solids basis 2019
- **Separate from Section 32-funded purchases**
 - Food donation programs
 - Included in domestic commercial disappearance
 - 2018 1st fluid milk purchase for donation to food banks

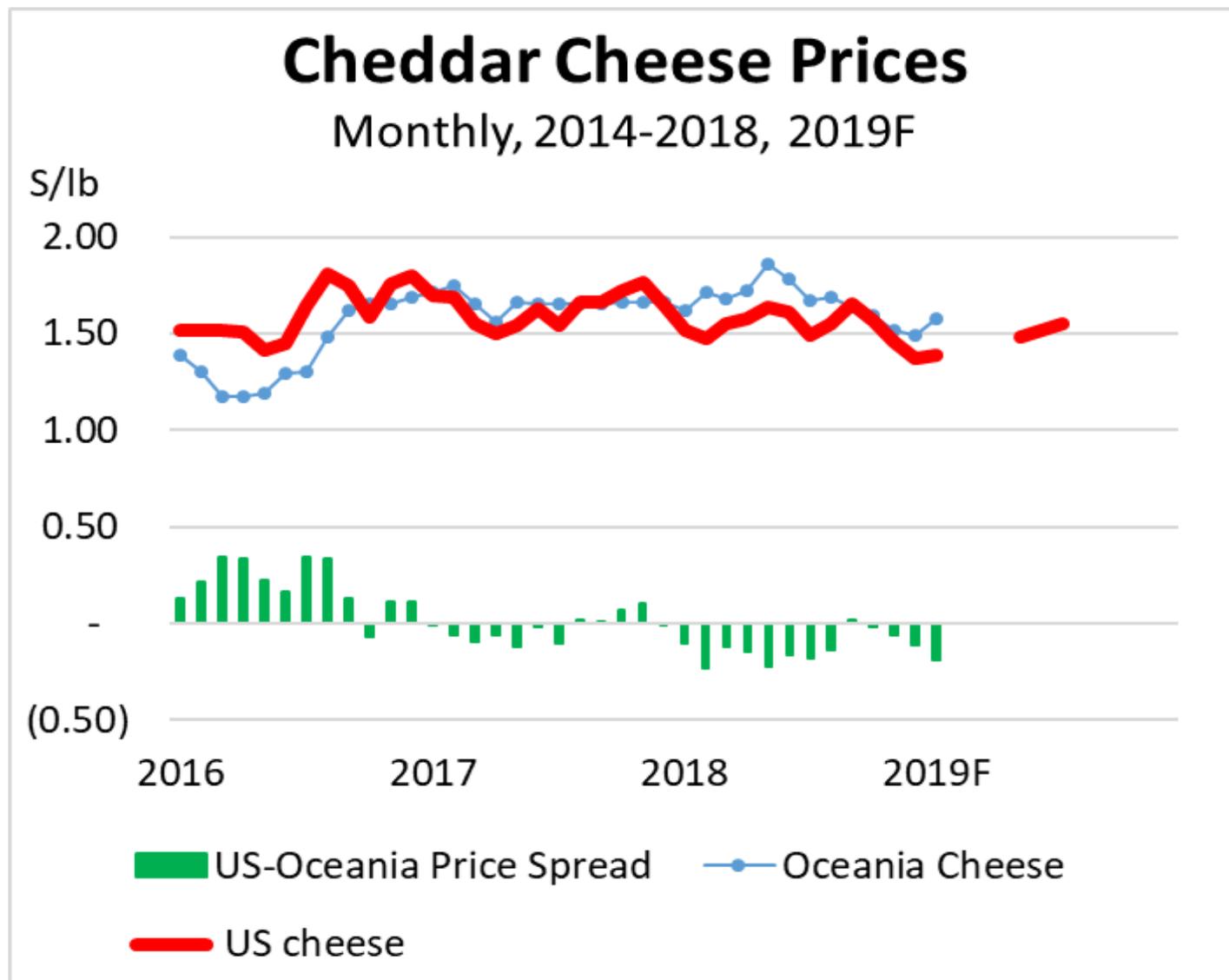




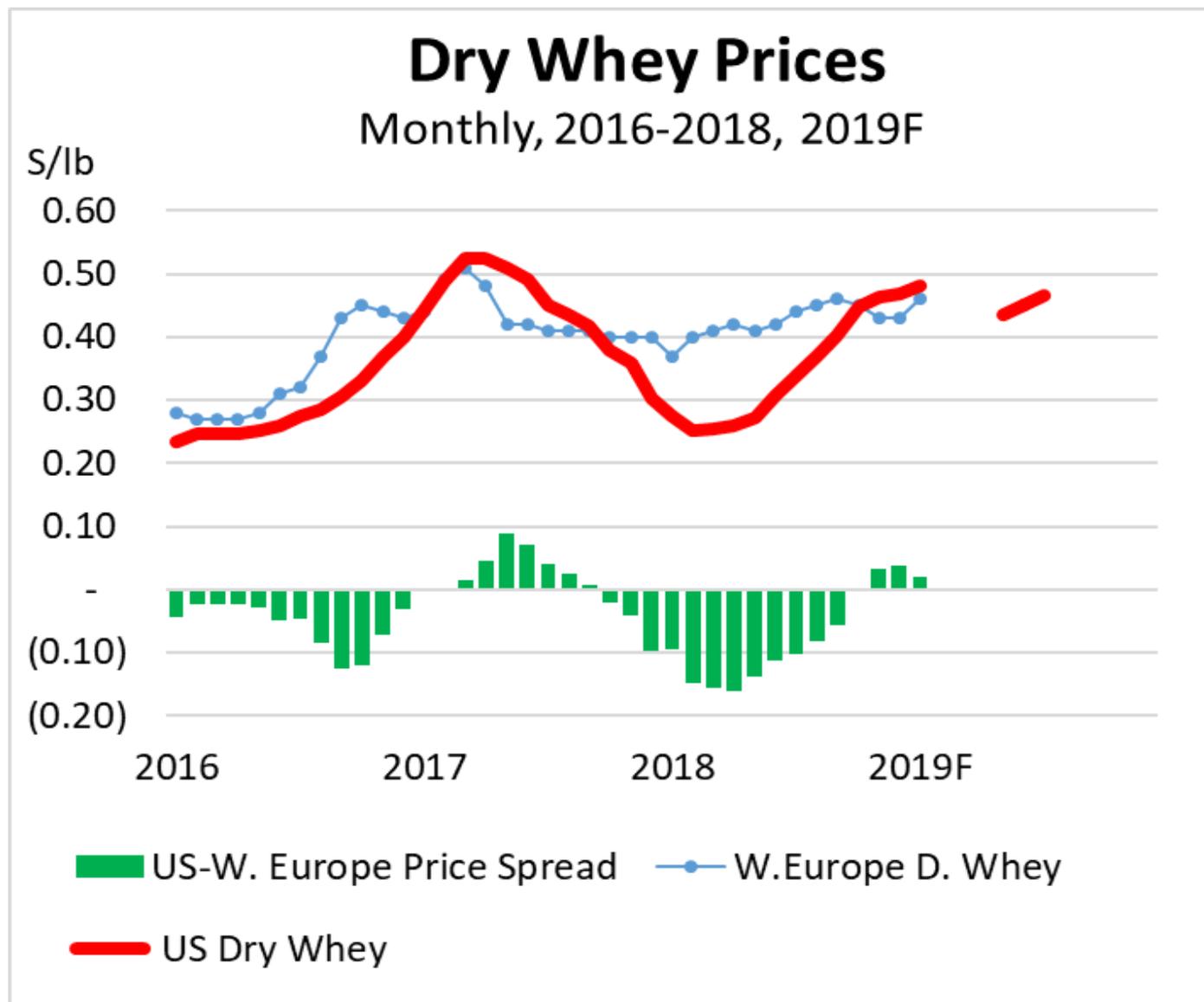
Source: AMS/USDA



Source: AMS/USDA



Source: AMS/USDA



Source: AMS/USDA

All-Milk and Class Prices

2016-2019p

\$/cwt

25

23

21

19

17

15

13

2014

2015

2016

2017

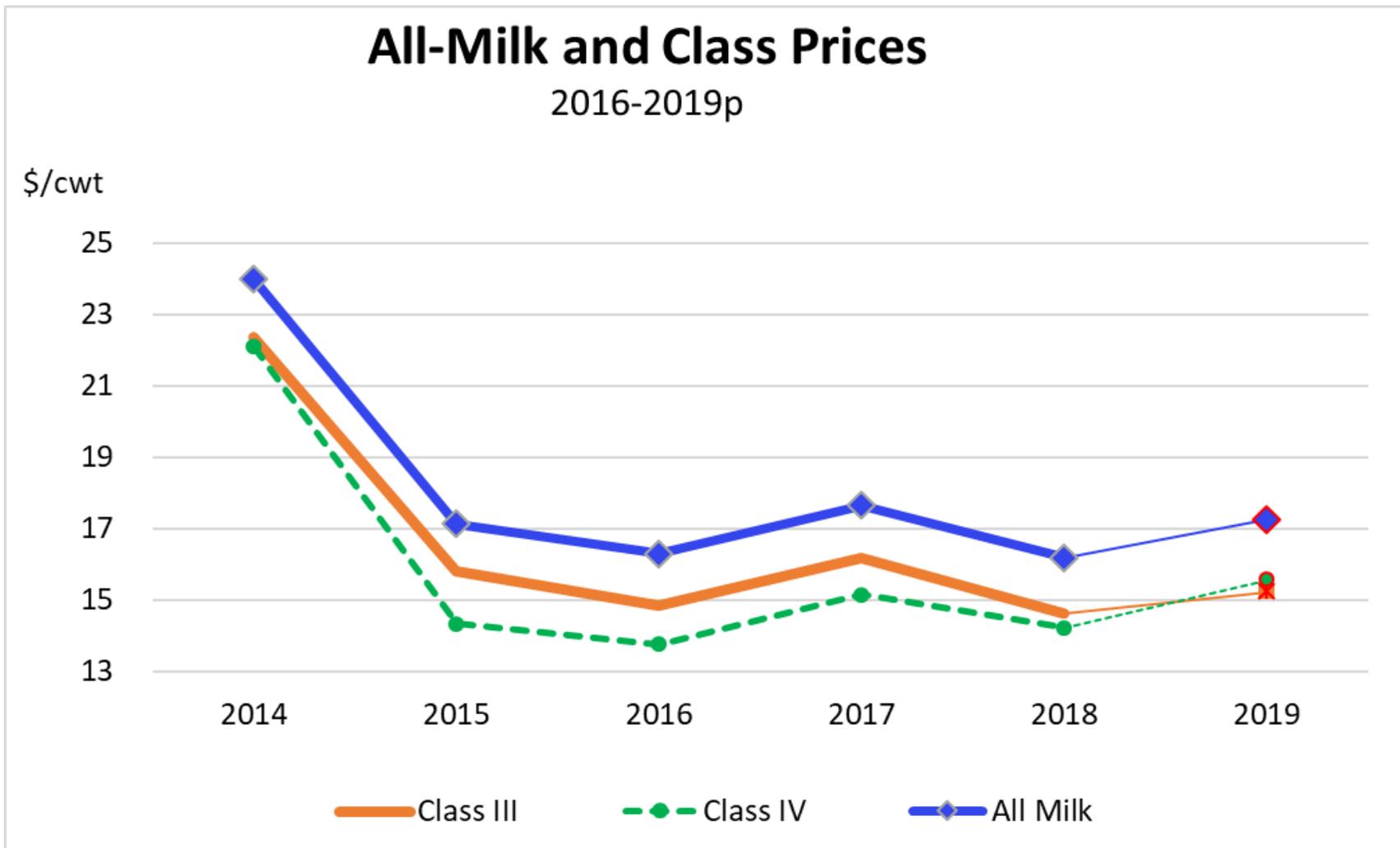
2018

2019

Class III

Class IV

All Milk



Source: AMS/USDA

Long-term projections

- Starting point = short-term forecasts based on October 11, 2018 (WASDE)
- Useful for impact analyses
- Total milk production +1.4% annual average
- Exports to increase +2% milk-fat and +3% skim-solids bases ave/year, 2020-2028
- Prices to increase by 2028:
 - Butter prices + \$0.33/lb
 - NDM prices + \$0.24/lb
 - Cheese prices + \$0.13/lb
 - Whey prices + \$0.01/lb
 - All-milk price + \$2.25/cwt

Links

Additional information about the dairy forecast and current market information:

World Agricultural Supply and Demand Estimates

<http://www.usda.gov/oce/commodity/wasde/index.htm>

Livestock, Dairy, and Poultry Situation and Outlook

<https://www.ers.usda.gov/publications/>

Dairy: World Markets and Trade

<https://www.fas.usda.gov/data/dairy-world-markets-and-trade>

Dairy Program/Agricultural Marketing Service

<https://www.ams.usda.gov/about-ams/programs-offices/dairy-program>

Current Dairy Market News:

<https://www.ams.usda.gov/market-news/dairy>

Interagency Commodity Estimates

Committee--Dairy:

Shayle Shagam, ICEC Chair, WAOB

Jerry Cessna, ERS

Paul Kiendl, FAS

Carolyn Liebrand, AMS

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Thank You