

DIXIE DAIRY REPORT - NOVEMBER 2018 published by Calvin Covington, ccovington5@cs.com, 336-766-7191

Class I Mover \$ Per Cwt. (3.5% fat)													
	<u>J</u>	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>Avg.</u>
2017	\$17.45	\$16.73	\$16.90	\$16.05	\$15.20	\$15.31	\$16.59	\$16.72	\$16.71	\$16.44	\$16.41	\$16.88	\$16.45
2018	\$15.44	\$14.25	\$13.36	\$14.10	\$14.44	\$15.25	\$15.36	\$14.15	\$14.85	\$16.33	\$15.52	\$14.93	\$14.83
2019	\$14.97	\$15.07	\$15.02	\$14.97	\$15.07	\$15.17	\$15.28	\$15.73	\$15.98	\$16.08	\$16.23	\$16.28	\$15.49
Class I Mover \$ Per Cwt. (2.0% fat)													
2017	\$14.09	\$13.07	\$13.36	\$12.50	\$11.74	\$11.89	\$12.61	\$12.36	\$12.26	\$12.25	\$12.49	\$13.21	\$12.65
2018	\$11.82	\$10.59	\$9.94	\$10.56	\$10.81	\$11.43	\$11.45	\$10.42	\$11.02	\$12.64	\$11.79	\$11.21	\$11.14
2019	\$11.29	\$11.43	\$11.43	\$11.36	\$11.39	\$11.44	\$11.51	\$11.93	\$12.15	\$12.21	\$12.40	\$12.49	\$11.75
Class II \$ Per Cwt. (3.5% fat)													
2017	\$16.36	\$16.52	\$16.21	\$14.81	\$14.84	\$16.15	\$17.48	\$17.56	\$16.80	\$15.95	\$15.32	\$14.49	\$16.04
2018	\$14.11	\$13.44	\$13.88	\$14.03	\$14.57	\$15.48	\$15.20	\$15.07	\$15.13	\$15.54	\$15.64	\$15.55	\$14.80
2019	\$15.42	\$15.25	\$15.38	\$15.59	\$15.76	\$15.89	\$16.02	\$16.14	\$16.27	\$16.23	\$16.19	\$16.10	\$15.85
Class III \$ Per Cwt. (3.5% fat)													
2017	\$16.77	\$16.88	\$15.81	\$15.22	\$15.57	\$16.44	\$15.45	\$16.57	\$16.36	\$16.40	\$16.88	\$15.44	\$16.15
2018	\$14.00	\$13.40	\$14.22	\$14.47	\$15.18	\$15.21	\$14.10	\$14.95	\$16.09	\$15.53	\$14.77	\$14.97	\$14.74
2019	\$15.07	\$15.02	\$14.97	\$15.07	\$15.17	\$15.28	\$15.76	\$15.98	\$16.08	\$16.23	\$16.28	\$16.33	\$15.60
Class IV \$ Per Cwt. (3.5% fat)													
2017	\$16.19	\$15.59	\$14.32	\$14.01	\$14.49	\$15.89	\$16.60	\$16.61	\$15.86	\$14.85	\$13.99	\$13.51	\$15.16
2018	\$13.13	\$12.87	\$13.04	\$13.48	\$14.47	\$14.91	\$14.14	\$14.63	\$14.81	\$15.01	\$14.93	\$14.80	\$14.19
2019	\$14.68	\$14.64	\$14.72	\$14.93	\$15.10	\$15.23	\$15.36	\$15.49	\$15.61	\$15.57	\$15.49	\$15.40	\$15.19
Domestic Commercial Disappearance of Manufactured Dairy Products (million lbs.)													
Butter													<u>YTD Total</u>
2016	137.5	127.8	171.3	118.8	139.1	148.5	131.7	140.2	185.6	178.1	208.5	159.8	1,114.9
2017	123.3	114.6	175.2	143.8	144.0	141.0	141.3	159.4	162.8	183.5	207.4	159.6	1,142.6
2018	124.7	132.3	172.1	142.0	134.5	145.2	155.7	164.7					1,171.2
% change	1.1%	15.4%	-1.8%	-1.3%	-6.6%	3.0%	10.2%	3.3%					2.5%
American Cheese													
2016	382.8	364.7	386.1	384.4	372.0	385.5	380.8	414.7	374.0	404.4	417.1	404.2	3,071.0
2017	434.8	360.7	393.2	394.0	421.1	414.3	382.4	433.3	412.4	460.3	411.2	420.9	3,233.8
2018	431.6	364.0	421.3	415.6	409.2	420.9	406.8	447.1					3,316.5
% change	-0.7%	0.9%	7.1%	5.5%	-2.8%	1.6%	6.4%	3.2%					2.6%
Other Cheese													
2016	593.7	558.7	610.7	578.9	573.8	586.8	589.0	604.7	601.0	639.0	630.5	623.2	4,696.3
2017	608.3	525.2	601.7	589.2	596.5	579.2	579.1	605.7	600.1	638.7	635.9	629.9	4,684.9
2018	631.1	542.3	627.0	588.4	594.5	584.9	616.1	645.4					4,829.7
% change	3.7%	3.3%	4.2%	-0.1%	-0.3%	1.0%	6.4%	6.6%					3.1%
Nonfat dry milk powder/skim milk powder													
2017	102.4	33.9	123.3	80.8	76.2	83.6	109.3	56.2	67.3	63.3	61.8	78.3	665.7
2018	109.8	58.3	74.9	71.2	58.8	48.4	58.0	75.3					554.7
% change	7.2%	72.0%	-39.3%	-11.9%	-22.8%	-42.1%	-46.9%	34.0%					-16.7%

DIXIE DAIRY REPORT - NOVEMBER 2018 page 2

	<u>J</u>	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>Avg.</u>
Southeast Federal Orders' Blend Prices													
Florida - Tampa													
2017	\$22.22	\$21.07	\$21.28	\$20.08	\$19.69	\$20.39	\$21.45	\$21.43	\$21.14	\$20.62	\$20.66	\$20.92	\$20.91
2018	\$19.62	\$18.57	\$18.14	\$18.72	\$19.25	\$19.96	\$19.57	\$18.89	\$19.23	\$20.28	\$20.21	\$19.87	\$19.36
2019	\$19.88	\$19.66	\$19.67	\$19.63	\$19.78	\$19.86	\$19.83	\$20.33	\$20.46	\$20.12	\$20.90	\$21.12	\$20.10
Southeast - Atlanta													
2017	\$20.27	\$19.36	\$19.15	\$17.97	\$17.83	\$18.70	\$19.64	\$20.02	\$19.61	\$19.12	\$19.07	\$19.04	\$19.15
2018	\$18.00	\$16.57	\$16.30	\$16.88	\$17.46	\$18.12	\$18.12	\$17.53	\$17.94	\$18.94	\$18.62	\$18.11	\$17.72
2019	\$18.38	\$17.80	\$17.77	\$17.85	\$18.01	\$18.11	\$18.49	\$18.93	\$19.13	\$18.87	\$19.31	\$19.28	\$18.49
Appalachian - Charlotte													
2017	\$20.06	\$19.09	\$19.06	\$17.77	\$17.65	\$18.37	\$19.35	\$19.53	\$19.06	\$18.59	\$18.63	\$18.37	\$18.79
2018	\$17.53	\$16.31	\$16.02	\$16.56	\$17.20	\$17.81	\$17.52	\$17.03	\$17.35	\$18.66	\$18.12	\$17.41	\$17.29
2019	\$17.58	\$17.54	\$17.53	\$17.55	\$17.77	\$18.09	\$17.94	\$18.42	\$18.50	\$18.61	\$18.82	\$18.54	\$18.07
Southeast Federal Orders' Class I Utilization %													
Florida													<u>Avg.</u>
2017	86%	83%	83%	82%	81%	82%	83%	84%	86%	84%	84%	82%	83%
2018	82%	85%	85%	84%	85%	85%	81%	84%	82%				84%
Southeast													
2017	70%	68%	65%	60%	63%	66%	68%	77%	77%	74%	75%	70%	69%
2018	73%	68%	65%	65%	68%	68%	74%	76%	75%				70%
Appalachian													
2017	73%	71%	70%	63%	67%	64%	66%	72%	72%	71%	74%	66%	69%
2018	71%	69%	67%	66%	68%	67%	69%	72%	69%				69%
Average Whole Milk Retail Prices \$ per Gallon as Collected by Federal Milk Market Administrators													
Atlanta													<u>Avg.</u>
2017	\$3.86	\$3.86	\$3.86	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.79
2018	\$3.76	\$3.76	\$3.76	\$3.76	\$3.76	\$3.78	\$3.78	\$3.78	\$3.52	\$3.76			\$3.74
% change	-2.6%	-2.6%	-2.6%	0.0%	0.0%	0.5%	0.5%	0.5%	-6.4%	0.0%			-1.1%
Louisville													
2017	\$2.85	\$2.92	\$2.84	\$2.79	\$2.89	\$2.79	\$2.85	\$2.75	\$2.55	\$2.69	\$2.65	\$1.82	\$2.70
2018	\$1.82	\$1.89	\$1.89	\$1.82	\$1.99	\$1.82	\$1.82	\$1.89	\$1.82	\$1.82			\$1.86
% change	-36.1%	-35.3%	-33.5%	-34.8%	-31.1%	-34.8%	-36.1%	-31.3%	-28.6%	-32.3%			-31.2%
Miami													
2017	\$3.75	\$3.87	\$3.89	\$3.89	\$3.89	\$3.85	\$3.98	\$3.98	\$4.04	\$4.04	\$4.00	\$3.91	\$3.92
2018	\$4.00	\$4.00	\$3.90	\$3.90	\$3.90	\$3.90	\$3.98	\$3.98	\$3.82	\$3.92			\$3.93
% change	6.7%	3.4%	0.3%	0.3%	0.3%	1.3%	0.0%	0.0%	-5.4%	-3.0%			0.1%
U.S. Avg.													
2017	\$3.47	\$3.46	\$3.40	\$3.40	\$3.38	\$3.36	\$3.37	\$3.37	\$3.36	\$3.37	\$3.41	\$3.35	\$3.39
2018	\$3.32	\$3.33	\$3.29	\$3.28	\$3.26	\$3.27	\$3.23	\$3.26	\$3.26	\$3.28			\$3.28
% change	-4.3%	-3.8%	-3.2%	-3.5%	-3.6%	-2.7%	-4.2%	-3.3%	-3.0%	-2.7%			-3.4%

DIXIE DAIRY REPORT - NOVEMBER 2018 page 3

Southeast Federal Orders' Packaged Fluid Milk Sales - Million lbs.

Florida	<u>J</u>	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	<u>YTD Total</u>
2017	246	224	246	226	228	215	213	230	221	235	233	237	1,829
2018	247	216	242	223	226	203	208	229					1,794
% change	0.4%	-3.6%	-1.6%	-1.6%	-1.1%	-5.6%	-2.3%	-0.4%					-1.9%
Southeast													
2017	398	352	385	356	367	343	347	387	373	380	379	376	2,935
2018	395	341	375	356	355	324	331	376					2,853
% change	-0.8%	-3.1%	-2.6%	0.1%	-3.3%	-5.5%	-4.6%	-2.8%					-2.8%
Appalachian													
2017	287	250	279	244	265	249	252	277	270	280	283	277	2,103
2018	298	252	277	261	269	249	253	273					2,132
% change	3.8%	0.8%	-0.7%	7.0%	1.5%	0.0%	0.4%	-1.4%					1.4%
Total all Three Orders													
2017	931	826	910	826	860	807	812	894	864	895	895	891	6,867
2018	940	809	894	840	850	776	792	878					6,779
% change	1.0%	-2.1%	-1.8%	1.7%	-1.2%	-3.8%	-2.5%	-1.8%					-1.3%

Mailbox Prices - \$/cwt.

Florida													<u>YTD Avg.</u>
2017	\$20.52	\$18.96	\$18.87	\$17.45	\$16.88	\$17.71	\$19.48	\$20.19	\$19.87	\$19.48	\$19.46	\$19.27	\$18.55
2018	\$18.25	\$16.90	\$16.46	\$16.90	\$17.40	\$17.97	\$18.07						\$17.42
Southeast States													
2017	\$19.47	\$17.96	\$17.27	\$15.67	\$15.39	\$16.10	\$18.23	\$18.36	\$18.68	\$18.23	\$18.29	\$17.62	\$17.16
2018	\$16.80	\$15.05	\$14.68	\$15.39	\$15.79	\$16.29	\$17.27						\$15.90
Appalachian States													
2017	\$19.71	\$18.45	\$18.35	\$16.72	\$16.62	\$17.32	\$18.42	\$18.63	\$18.66	\$18.16	\$18.37	\$17.90	\$17.94
2018	\$16.99	\$15.38	\$15.02	\$15.61	\$15.97	\$16.37	\$16.28						\$15.95

U.S. Milk Production - Million lbs.

													<u>YTD Total</u>
2016	17,693	16,904	18,401	17,947	18,613	17,771	17,908	17,692	16,990	17,565	17,100	17,852	159,919
2017	18,128	16,694	18,740	18,332	18,952	18,060	18,268	18,049	17,156	17,769	17,260	18,058	162,379
2018	18,431	16,961	18,975	18,397	19,123	18,310	18,365	18,252	17,376				164,190
% change	1.7%	1.6%	1.3%	0.4%	0.9%	1.4%	0.5%	1.1%	1.3%				1.1%

U.S. Dairy Cows - 1,000 head

2016	9,304	9,311	9,321	9,321	9,322	9,326	9,329	9,334	9,331	9,335	9,344	9,354	9,317
2017	9,359	9,365	9,383	9,392	9,401	9,404	9,404	9,404	9,399	9,395	9,398	9,400	9,392
2018	9,407	9,408	9,402	9,402	9,404	9,404	9,404	9,379	9,367				

Estimated Margin Under National Dairy Margin Program Authorized by 2014 Farm Bill

													<u>YTD Avg.</u>
2016	\$8.10	\$7.91	\$7.47	\$6.83	\$5.77	\$5.75	\$7.59	\$9.26	\$9.49	\$8.84	\$9.98	\$11.10	\$7.57
2017	\$11.06	\$10.58	\$9.35	\$8.55	\$8.61	\$9.33	\$9.08	\$10.27	\$9.99	\$10.00	\$10.39	\$9.36	\$9.65
2018	\$8.12	\$6.88	\$6.77	\$6.62	\$6.78	\$7.37	\$6.72	\$7.43	\$8.26				\$7.03

DIXIE DAIRY REPORT - NOVEMBER 2018 page 4

Commercial and Government Storage Holdings - Million lbs.													
Butter	<u>J</u>	<u>F</u>	<u>M</u>	<u>A</u>	<u>M</u>	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>O</u>	<u>N</u>	<u>D</u>	
2017	222	270	273	292	314	310	307	280	256	218	159	169	
2018	227	266	274	307	338	337	318	291	283				
American Cheese													
2017	722	745	773	805	816	810	832	801	780	740	733	747	
2018	742	763	767	780	805	800	823	786	792				
Nonfat Dry Milk Powder													
2017	227	262	246	267	280	298	296	313	321	300	317	320	
2018	307	298	298	273	271	303	318	281	262				
Dairy Products Production - million lbs.													
Butter													<u>YTD total</u>
2017	178	161	177	162	163	139	136	131	135	145	150	171	1,382
2018	182	170	182	175	168	143	135	134	134				1,423
Total Cheese													
2017	1,064	958	1,072	1,058	1,076	1,046	1,052	1,046	1,025	1,087	1,071	1,097	9,396
2018	1,097	986	1,108	1,073	1,085	1,063	1,083	1,078	1,057				9,629
Nonfat/Skim Milk Powder													
2017	209	181	214	223	219	203	200	181	164	170	184	214	1,793
2018	206	196	221	213	210	206	192	170	155				1,769
Dairy Exports - million lbs.													
Butter													<u>YTD total</u>
2017	3.3	2.7	2.6	3.3	3.0	6.4	3.1	4.8	2.5	4.3	5.6	5.0	29.2
2018	3.8	4.1	5.4	5.1	7.1	6.2	4.6	5.1					41.4
Cheese													
2017	50.2	58	68.6	59.3	78.0	67.4	60.1	66.7	59.6	59.5	64.5	60.1	508.3
2018	59.4	62.1	74.6	72.5	65.9	75.4	60.9	62.1					532.9
Nonfat/Skim Milk Powder													
2017	105.5	114.7	106.9	121.6	130.0	101.0	92.3	108.9	88.7	111.9	121.3	133.1	880.9
2018	109.4	146.1	146.4	166.8	154.7	125.3	119.8	137.4					1,105.9
Dairy Cattle Slaughter - 1,000 head													
2017	269.1	253.2	271.1	228.1	237.2	236.7	225.8	265.6	249.6	261.0	243.7	247.3	2,236.4
2018	289.8	260.6	286.9	248.9	245.1	237.5	239.8	279.7	247.4				2,335.7
% change	7.7%	2.9%	5.8%	9.1%	3.3%	0.3%	6.2%	5.3%	-0.9%				4.4%
USDA Estimate of Oceania Prices \$/lb.													
Butter													<u>Avg.</u>
2017	\$2.00	\$2.07	\$2.24	\$2.31	\$2.37	\$2.63	\$2.74	\$2.75	\$2.83	\$2.64	\$2.46	\$2.16	\$2.43
2018	\$2.16	\$2.39	\$2.41	\$2.54	\$2.61	\$2.55	\$2.31	\$2.14	\$1.98				\$2.34
Skim milk powder													
2017	\$1.09	\$1.13	\$0.97	\$0.89	\$0.91	\$0.95	\$0.93	\$0.89	\$0.88	\$0.85	\$0.80	\$0.79	\$0.92
2018	\$0.82	\$0.90	\$0.86	\$0.88	\$0.94	\$0.94	\$0.92	\$0.91	\$0.94				\$0.90