

U.S. Exports

Second-half slump tempers 2014 records

U.S. dairy exports reached new high levels in 2014 for both volume and value, despite a slowdown in the second half of the year.

Exporters shipped just under 2 million tons of milk powders, cheese, butterfat, whey and lactose last year, 2% more than 2013 volume. Total overseas sales were valued at \$7.11 billion, up 6%. However, after a strong first half, U.S. exports in the second half of the year were down 11% by value and 9% by volume vs. prior year.

In 2014, exports to Mexico (+15% by value), South Korea (+39%) and Japan (+34%) were up significantly from the year before, offsetting a decline in sales to the Middle East/North Africa (MENA) region (-18%). Shipments to Southeast Asia, China and Canada were near 2013 totals.

Exports of nonfat dry milk/skim milk powder were 545,956 tons last year, slightly below 2013 levels. Shipments in the last five months of the year trailed 2013 volume by 19%. For the year, sales to Mexico and the Philippines were up 11% and 23%, respectively, but exports to China, Indonesia, Vietnam and MENA were lower. U.S. exports of whole milk powder were up 40% in 2014, to 54,651 tons.

Cheese exports increased for the fifth straight year to 368,728 tons; this figure is more than triple the volume shipped in 2009. With a year-over-year increase of 17%, the United States extended its lead as the world's single largest cheese-exporting country. Suppliers posted large gains last year in sales to South Korea (+44%) and Japan (+80%).

Overall whey exports were up fractionally in 2014, but more of the volume came from higher-protein ingredients. WPI shipments were up 31% in 2014 and WPC exports ended the year strong to finish with a 1% gain. Dry whey exports, on the other hand, were down 14% in the second half to finish 3% below 2013 levels.

Butterfat exports were off 21% in 2014. Sales slumped after April; in the last eight months of the year, volumes were down 57% from the year before.

U.S. exports (on a total milk solids basis) were equivalent to 15.4% of U.S. milk solids production in 2014, down slightly from the 15.5% proportion exported in 2013. Imports were equivalent to 3.2% of production last year.

U.S. Exports

	LATEST MONTH		DECEMBER (VOLUME, MT)	
	2012	2013	2014	% CHG
NDM/SMP	32,413	44,239	34,135	-23
WMP	1,574	3,776	4,294	+14
Cheese	20,889	31,172	27,507	-12
Butterfat	3,355	9,895	3,798	-62
Total Whey	33,760	39,323	40,738	+4
-Dry whey	14,691	18,086	16,385	-9
-WPC	17,560	18,728	20,857	+11
-WPI	1,509	2,508	3,495	+39
Lactose	24,050	24,834	30,918	+24
MPC	3,675	3,602	3,572	-1
Food preps (blends)	5,620	4,848	4,401	-9
Aggregate volume*	125,336	161,689	149,364	-8
Fluid milk (000 liters)	4,708	6,842	7,494	+10
Total Value (millions) *	\$ 411.6	\$ 604.0	\$ 478.3	-21

	YEAR-TO-DATE		JANUARY-DECEMBER (VOLUME, MT)	
	2012	2013	2014	% CHG
NDM/SMP	444,582	554,810	545,956	-2
WMP	20,933	39,141	54,651	+40
Cheese	259,968	316,208	368,729	+17
Butterfat	46,114	90,431	71,156	-21
Total Whey	467,870	494,157	497,719	+1
-Dry whey	216,875	236,528	230,166	-3
-WPC	233,343	235,701	238,739	+1
-WPI	17,652	21,928	28,813	+31
Lactose	306,904	341,548	343,899	+1
MPC	38,375	49,151	52,240	+6
Food preps (blends)	75,571	77,651	63,910	-18
Aggregate volume*	1,660,316	1,963,097	1,998,261	+2
Fluid milk (000 liters)	54,817	78,075	90,241	+16
Total Value (millions) *	\$ 5,124.2	\$ 6,713.6	\$ 7,111.3	+6

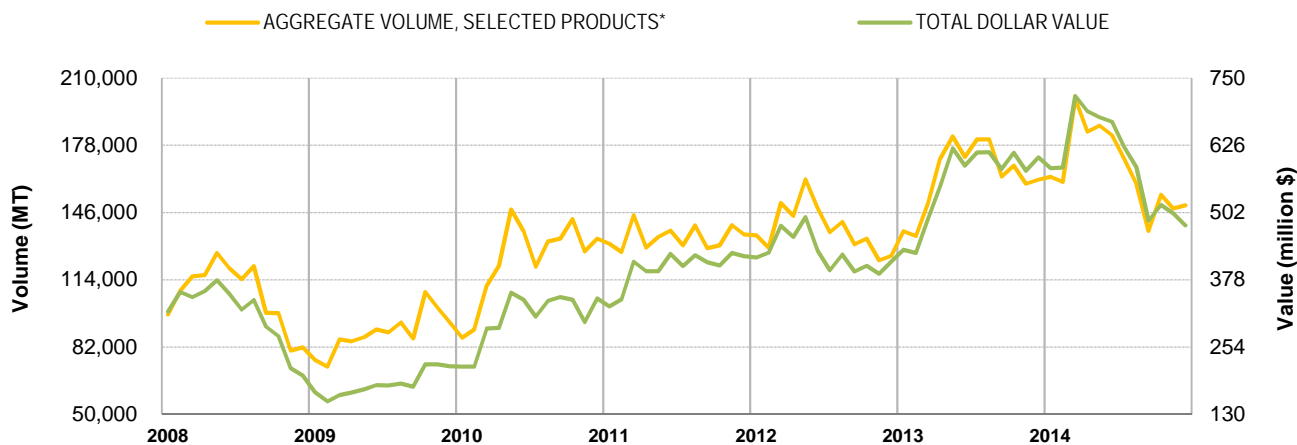
* Aggregate volume includes the products listed above, except fluid milk. Total value includes other products in addition to the ones listed here.

Source: USDA, USDEC.

U.S. Exports

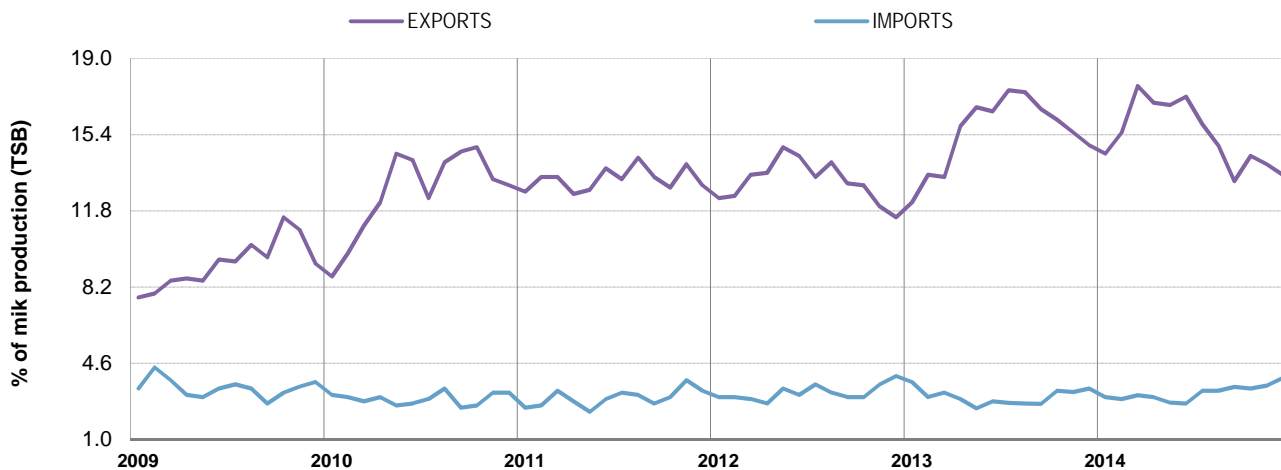
U.S. EXPORTS

VOLUME AND VALUE



* Volume includes SMP, WMP, food preps, MPC, whey, cheese, butterfat, lactose

U.S. EXPORTS AND IMPORTS AS A PERCENT OF MILK PRODUCTION



U.S. DAIRY EXPORTS, TOP 10 MARKETS

(million \$)	Jan-Dec 14	vs. yr ago
Mexico	\$ 1,644.1	+15%
Southeast Asia	1,322.3	+3%
China	697.4	-1%
Middle East/North Africa	643.3	-18%
Canada	591.6	+4%
So. Korea	416.8	+39%
Japan	406.8	+34%
Oceania	297.8	+15%
South America	291.9	+5%
Caribbean	224.6	+6%

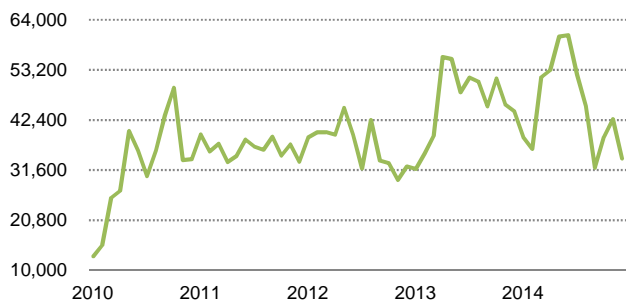
U.S. EXPORTS AS % OF PRODUCTION

	December	yr ago	Jan-Dec 14	yr ago
NDM/SMP	36%	53%	52%	58%
Total cheese	6.0%	7.0%	7.1%	6.3%
Butterfat	5.0%	13.5%	8.6%	10.7%
Dry sweet whey	48%	47%	58%	54%
Lactose	74%	59%	65%	72%
Total milk solids	13.5%	14.9%	15.4%	15.5%

Source: USDA, USDEC, National Milk Producers Federation.

U.S. Exports: Monthly Volume

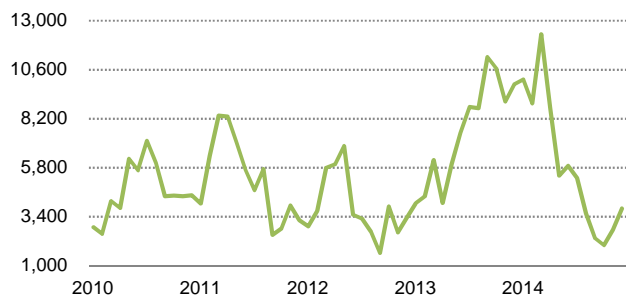
U.S. NDM/SMP EXPORTS (MT)



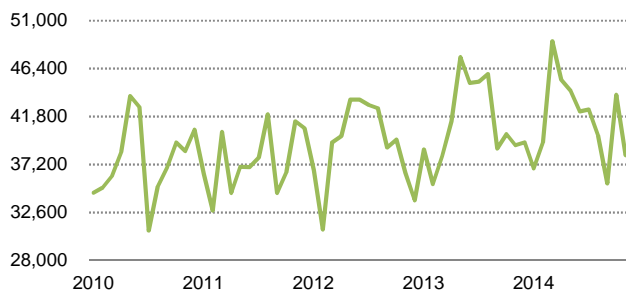
U.S. CHEESE EXPORTS (MT)



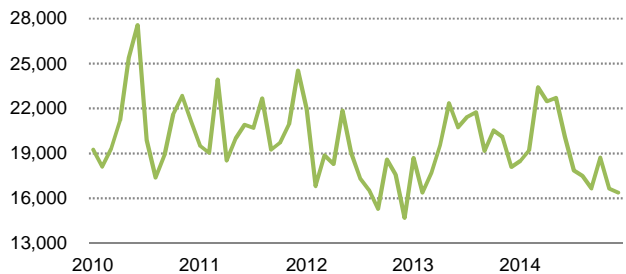
U.S. BUTTERFAT EXPORTS (MT)



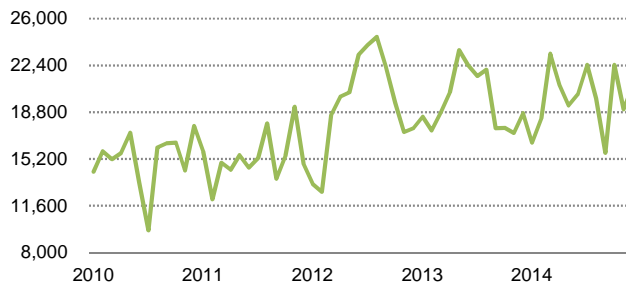
U.S. TOTAL WHEY EXPORTS (MT)



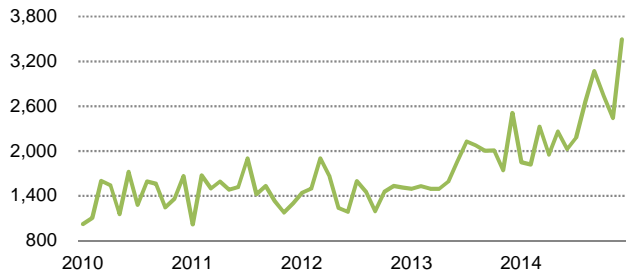
U.S. DRY WHEY EXPORTS (MT)



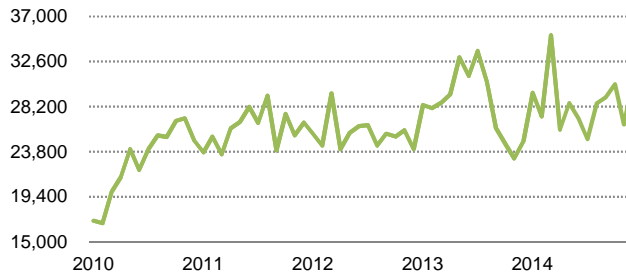
U.S. WPC EXPORTS (MT)



U.S. WPI EXPORTS (MT)



U.S. LACTOSE EXPORTS (MT)



Source: USDA, USDEC.