

## January export data – top-line analysis

U.S. dairy exports continued trending higher in January, boosted by a very strong showing in exports of whey proteins. However, shipments of NDM/SMP continued to lag.

Total BICO dairy exports in January were valued at \$222.8 million, 27 percent higher than last year's depressed level, according to trade data released by USDA's Foreign Agricultural Service March 11.

Exports of whey proteins were significantly higher in January. Dry whey exports were 19,230 tons, up 35 percent from January 2009. Exports of whey protein concentrate were 14,219 tons, more than double year-ago levels. Shipments of whey protein isolate were 1,022 tons, up 5 percent. Total whey protein exports were up 62 percent from the prior year, led by gains of 179 percent in shipments to Southeast Asia and 144 percent in sales to China, our two largest markets. Exports to Mexico, our third-largest market, also were higher (+39 percent).

Cheese exports in January were 9,619 tons, up 16 percent from January 2009. Sales to Japan and Southeast Asia were up 93 percent and 107 percent, respectively, and significant new cheese shipments were made to Russia and China. However, exports to Mexico, the largest destination for U.S. cheese, were down 35 percent.

U.S. suppliers exported 17,050 tons of lactose in January, up 27 percent from last year. Leading customers were Japan, China and Southeast Asia.

Butterfat exports remained strong in January, with shipments of 2,894 tons, up 61 percent from last year. Saudi Arabia claimed more than half the volume, and Morocco and Russia also were large customers.

In January, U.S. suppliers exported just 13,037 tons of NDM/SMP, down 41 percent from a year ago, says USDA/FAS. Shipments to Mexico and Southeast Asia were off 13 percent and 46 percent, respectively; last year these two markets made up more than three-quarters of U.S. powder sales. In addition there were no sales to Algeria after moving 2,429 tons last January.

Among other key products:

Fluid milk: January -17 percent

Food preps: January -13 percent

Whole milk powder: January +13 percent

Ice cream: January +10 percent

In January, exports (by value) to the Caribbean and China more than doubled compared with the prior year. Gains also were posted in shipments to Southeast Asia (+24 percent), the Middle East (+64 percent), Mexico (+6 percent) and Japan (+18 percent).

For the month, U.S. exports were equivalent to 19 percent of the NDM/SMP produced, 61 percent of the whey proteins, 56 percent of the lactose, 2.5 percent of the cheese and 4.0 percent of the butter.