

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY- CENTRAL

Dry whey prices slipped on the top of the range, while holding steady elsewhere. Although markets have not been bullish, Central contacts suggest locally produced loads are balanced to tight, and market slippages are due to Western supplies eclipsing demand in that area, as whey loads head east into the Midwest and elsewhere. Some buyers have relayed taking on annual contracts for 2019 at set index pricing, sans overages. Whey production has lightened, as a larger than expected number of cheesemakers have slowed production due to myriad reasons, from maintenance updates to bearish market shifts. Animal feed whey prices are unchanged on a slow trading week.

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
 Price Range - Animal Feed; \$/LB: .3000 - .3550

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
 Price Range - Non-Hygroscopic; \$/LB: .3600 - .5000
 Mostly Range - Non-Hygroscopic; \$/LB: .4400 - .4700

DRY WHEY- NORTHEAST

Dry whey prices moved up on the bottom of the range but are slightly down on the top of the price series. Currently, eastern buyers are purchasing spot loads direct from manufacturers within the price range. Resellers are offering spot loads at higher prices. A few market participants have purchased resales, however many trades are clearing to contracts. Whey drying schedules are lower at this time, yet dairy contacts expect increased drying time in the near future. Inventories are stable to short, as some manufacturers are not offering loads on the spot market. The demand for name brand spot loads is healthy, however some sellers' customers have decreased orders. Market conditions are stable to a bit sluggish this week.

Prices for: Eastern U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
 Price Range - Non-Hygroscopic; \$/LB: .4650 - .5000

DRY WHEY- WEST

In the West, dry whey prices have moved lower on the range and mostly price series. The market tone seems weaker compared to the past weeks. Buyers are seeing some price resistances for market prices close to the high \$.40s. Despite tight supplies and decreasing price trends, domestic demand is down. Contract negotiations for 2019 volumes and pricing formulas are ongoing. As so, some processors state that they are seeing increased export requests for 2019, while others report not seeing any changes in export demand tendencies. Both buyers and sellers are reassessing current market conditions to make plans for next year. Dry whey output remains steady to decreasing as several manufacturers look to improve their profit margins through augmenting the production of higher whey protein concentrations.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey
 Price Range - Non-Hygroscopic; \$/LB: .3750 - .5000
 Mostly Range - Non-Hygroscopic; \$/LB: .4100 - .4700

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are mostly unchanged. However, some manufacturers, those that make favored brands or sell into markets that cannot easily reformulate their recipes, continue to report they are having no trouble selling their WPC34%. Buyers are looking to lock into supplies for 2019 and in many cases are asking for a few extra loads for their orders. Other processors state market demand is lackluster, and end users will readily reformulate if they try to push WPC34% prices higher relative to other protein sources. WPC 34% inventories remain generally tight due to limited industry manufacturing.

Prices for: Central and Western U.S., All First Sales, F.O.B., Extra Grade, Conventional, and Edible Whey Protein Concentrate
 Price Range - 34% Protein; \$/LB: .8300 - 1.0475
 Mostly Range - 34% Protein; \$/LB: .8375 - .9325

LACTOSE

Lactose prices are largely unchanged this week, however, the top of the mostly price series moved up. Some manufacturers have been pushing higher prices for their 2019 Q1 contracts and remaining spot sales for 2018. End users, eager to get their lactose coverage in place before the winter holidays, are willing to take on supplies, even at year end. And a few industry contacts say feed grade lactose has also become more difficult to find. Lactose inventories are generally tight and demand has been a steady pull on supplies. However, a few bears are showing up into the market and may start quirkier prices downward. Some industry contacts suggest lactose stocks have grown in pockets of the country. And there is a concern that some Asian buyers, to avoid any further trade issue entanglements, have bought ahead to the point of having much of the Q1 and Q2 lactose needs already in hand. While the current market tone is stable, time will tell whether the bulls or bears gain control of market forces.

Prices for: Central and Western U.S., Spot Sales And Up to 3 Month Contracts, F.O.B., Conventional, and Edible Lactose
 Price Range - Non Pharmaceutical; \$/LB: .3000 - .4500
 Mostly Range - Non Pharmaceutical; \$/LB: .3100 - .4000

CASEIN

Casein market activity in the U.S. was a bit slow late last week and is off to a gentle start this week. Prices are steady for rennet casein. Acid casein prices are lower. It has become increasingly evident that stocks of casein for delivery later in 2019 will be readily available. Contracting activity is now ongoing for Q2 and Q3, 2019. Manufacturers have begun quoting lower asking prices to move discussions into completed deals. Obviously, this is keeping buyers more price assertive looking at the second half of next year. It also leaves some buyers less motivated to commit to stock up for the first half of next year.

Prices for: Spot Sales And Up to 3 Month Contracts, Free on Board - Warehouse, Non-Restricted, All Mesh Sizes, Conventional, and Edible Casein

Acid; Price Range - \$/LB: 3.0300-3.1500
 Rennet; Price Range - \$/LB: 2.2625-2.7500