

# CDC MARKET BULLETIN

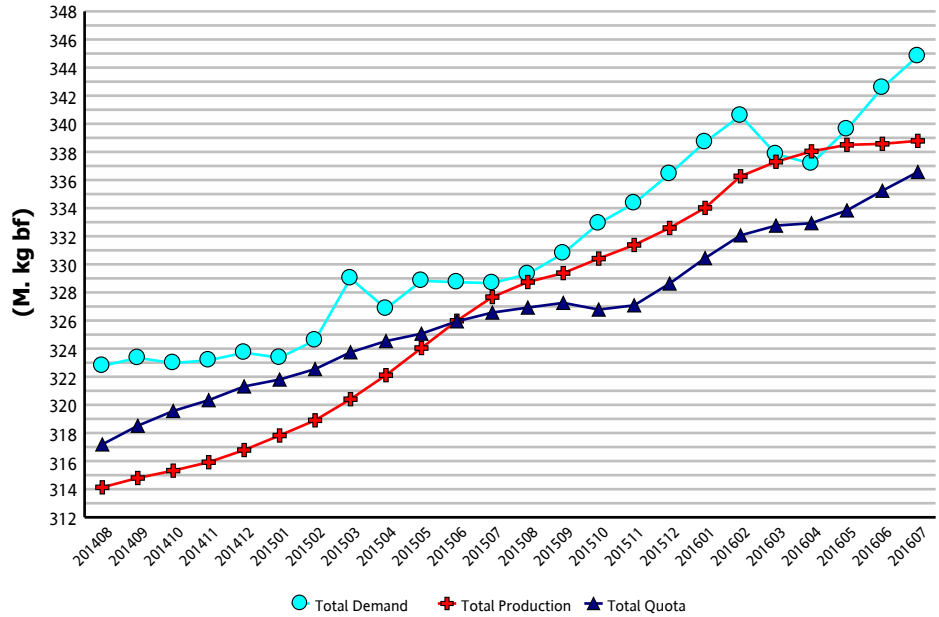


## Market Comment

Total Requirements for the 12 month period ending July 2016 were 344.81 M kg BF. This figure represents a 0.65% increase compared to last month and a 4.7% increase over July 2015.

On a 12-month rolling basis, July 2016 saw a moderate growth of 7.8% in yogurt and ice cream (Class 2) when compared to the same period ending July 2015. Butterfat utilization continued to grow in Class 3(d), with a 28.4% increase over the same period a year ago. Class 4(a) showed an increase in butter production of 12.1% over the previous year, and remained almost the same as the previous month.

**Total Demand, Total Quota and Total Production  
( 12 Month Rolling )**



	Total Production (kg bf)			Fluid Production (kg bf)			Industrial Production (kg bf)		
	2014/8 to 2015/7	2015/8 to 2016/7	% Change	2014/8 to 2015/7	2015/8 to 2016/7	% Change	2014/8 to 2015/7	2015/8 to 2016/7	% Change
NL	1,958,861	1,966,770	0.40%	1,513,573	1,476,914	-2.42%	445,288	489,856	10.01%
P5	247,371,830	254,979,924	3.08%	78,772,818	76,850,834	-2.44%	168,599,012	178,129,090	5.65%
WMP	78,340,541	81,838,331	4.46%	35,808,808	36,049,051	0.67%	42,531,733	45,789,280	7.66%
<b>Canada</b>	<b>327,671,232</b>	<b>338,785,025</b>	<b>3.39%</b>	<b>116,095,199</b>	<b>114,376,799</b>	<b>-1.48%</b>	<b>211,576,033</b>	<b>224,408,226</b>	<b>6.07%</b>

## Milk Utilization ('000 kg)

Milk Class	Butterfat			Solids Non Fat		
	2014/8 to 2015/7	2015/8 to 2016/7	% Change	2014/8 to 2015/7	2015/8 to 2016/7	% Change
1(a)	46,569	46,826	0.55%	234,782	231,906	-1.23%
1(b)	48,435	50,772	4.82%	20,920	21,691	3.69%
2	25,537	27,535	7.82%	47,990	49,446	3.03%
3	115,162	119,790	4.02%	240,938	237,963	-1.24%
4(a)	55,788	62,530	12.08%	10,470	16,764	60.12%
4(b)	1,864	1,799	-3.49%	4,972	4,564	-8.20%
4(m) 4(a1)	874	945	8.19%	92,424	112,774	22.02%
5(a,b,c)	30,008	25,087	-16.40%	45,318	43,178	-4.72%
5(d)	1,252	1,011	-19.27%	26,489	28,006	5.73%
Other	1,352	1,674	23.83%	4,733	11,700	147.19%
<b>Total</b>	<b>326,843</b>	<b>337,971</b>	<b>3.40%</b>	<b>729,036</b>	<b>757,992</b>	<b>3.97%</b>

## Continuous Quota

### Cumulative Over/Under Production (with limits) as of:

July 31, 2016

Province	kg of bf	% *
NL	-112,370	-4.29%
PE	-72,166	-1.67%
NS	-7,169	-0.10%
NB	-36,063	-0.63%
QC	-262,291	-0.21%
ON	2,302,649	2.11%
MB	-816,674	-5.82%
SK	-126,683	-1.26%
AB	-174,369	-0.60%
BC	-84,703	-0.29%

\* Cumulative Over / Under Production (with limits) expressed as a % of the most recent 12 months total quota



# CDC MARKET BULLETIN



### Retail Product Sales\*

Current period vs previous period ('000 kg)

Up to:	July 23, 2016		
	Previous 12 Month	12 Month	Change
<b>Butter</b>	57,752	59,139	+ 2.7%
<b>Total Cheese</b>	258,429	209,672	+ 4.5%
Cheddar	87,309	91,521	+ 4.7%
Fine Cheese*	51,296	53,412	+ 3.4%
Everyday Cheese*	58,344	61,334	+ 5.0%
Processed	58,500	57,285	- 3.2%
<b>Ice cream</b>	177,399	179,708	+ 3.3%
<b>Yogurt</b>	321,243	331,106	+ 2.9%
<b>Cream</b>	92,860	96,642	+ 4.0%

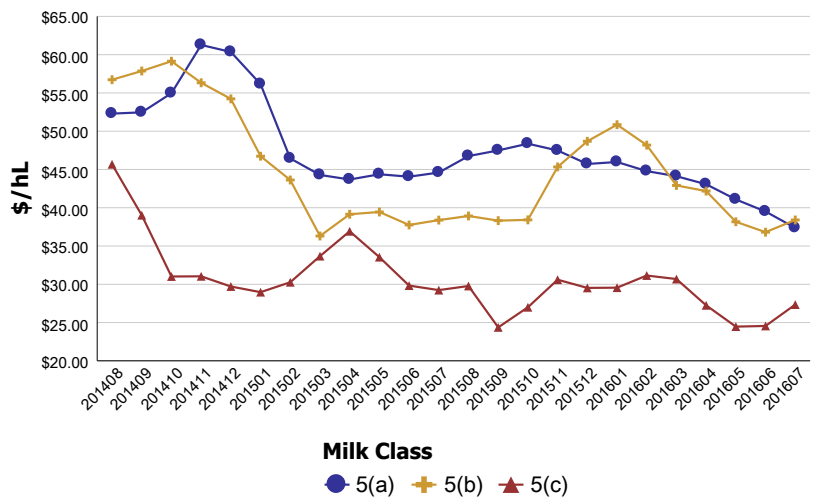
Source: The Nielsen Company, MarketTrack and Homescan panelists.  
\*Note: Everyday Cheese = 3(c), Fine Cheese = 3(a)

### Average Return from Milk Sales

Milk Class	(\$/hl std)		% Change
	2014/8 to 2015/7	2015/8 to 2016/7	
1	\$96.25	\$96.93	0.70%
2 to 4(d)	\$78.22	\$75.61	-3.34%
4(m) 4(a1)*	\$10.27	\$8.01	-22.02%
5(a) to (c)	\$44.89	\$38.99	-13.15%
5(d)	\$28.31	\$22.72	-19.74%
<b>All Classes</b>	<b>\$76.23</b>	<b>\$73.77</b>	<b>-3.23%</b>

\* Price based on SNF components only

### Class 5 Component Prices in \$/hL



### Butter Inventory ('000 kg)

	Jul 30, 2015	Jul 30, 2016
PLAN A BUTTER	302	0
PLAN B BUTTER	5,716	8,468
IMPORTED BUTTER	2	432
<b>TOTAL CDC BUTTER STOCKS</b>	<b>6,021</b>	<b>8,900</b>
PRIVATE BUTTER STOCKS	11,873	12,082
<b>TOTAL CDC AND PRIVATE BUTTER STOCKS</b>	<b>17,893</b>	<b>20,983</b>

### Other Private Stocks ('000 kg)

	Jul 31, 2015	Jul 31, 2016
CHEDDAR	50,748	53,689
PROCESSED CHEESE	14,131	14,628
SPECIALTY CHEESE	29,021	30,894

### Comments on Stocks

Total BF production for the 12 month period ending July 2016 was 3.4% higher than the same period last year. Production is expected to maintain this general level of growth throughout the summer and increase in the fall.

As of July 31, 2016, the CDC had imported 8,374 tonnes of butter via supplementary imports to meet market demand and replenish CDC stocks (1,529 tonnes in July 2016). At the close of July, the CDC held 8,468 tonnes of butter in Plan B.

### SNF Surplus

(12 Month Rolling)

