

ORGANIC DAIRY MARKET NEWS

Information gathered March 25 - April 5, 2019

ORGANIC DAIRY FLUID OVERVIEW

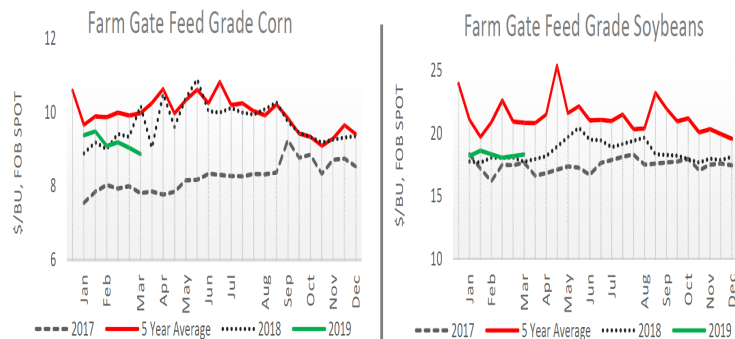
U.S. Organic Milk Pay Price. The April 2019 farm gate organic milk pay price reported by a national organic dairy cooperator is \$29.24 per cwt., with a twelve-month average price of \$31.30, based on a 12.9 percent representation of total solids. The organic pay price is the amount accepted by those organic dairy producers who contract with a large national organic cooperative, while based on the geographic area where the organic milk is produced and whether it is grass milk.

Organic Whole Milk Powder. Demand for organic whole milk powder has steadily improved, with significant sale increases reported in both domestic and foreign markets. Processing applications that target organic whole milk powder's utilization in fermented milk foods, yogurt, UHT milk, confectionary, bakery, ice cream and infant formulas are being assembled by many organic dairy manufacturers. Important factors that contribute to active demand are lower transportation costs and extended shelf life. As well, strong consumer preference for natural and organic food products that benefit quality, along with nutrition and health, have helped raise the demand. As milk production continues to increase, manufacturers in the organic milk powder market are investing heavily in pioneering the development of innovative drying technologies that center on organic powder production.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

Organic Grain and Feed Market Trend. Compared to two weeks ago, trading is moderate on light demand for feed grade corn. Buyers have begun to contract new crop at lower prices than a year ago. Trade and demand is moderate for feed grade soybeans. Regions that received flooding could potentially delay planting. All other organic grains transactions were slow.

For more additional information, access the link:



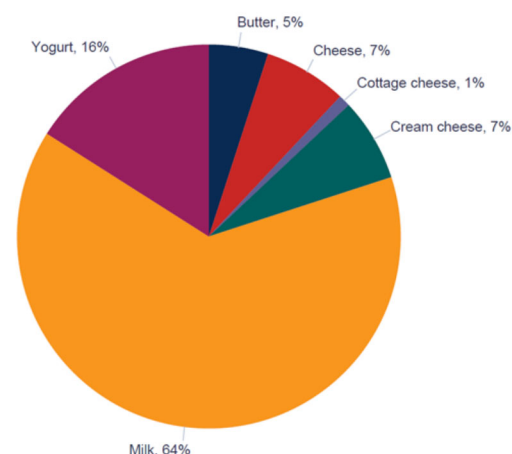
<https://www.ams.usda.gov/mnreports/lbfnof.pdf>

ORGANIC DAIRY RETAIL OVERVIEW

Organic retail advertisement shows a hike in ads compared to the most recent retail survey report, a 70 percent change. Of all regions surveyed in the report, only the Northeast reported a drop, 15 percent, in organic ads. Several organic dairy items that did not appear as ads in the last survey, but were featured this period included 1 pound shredded cheese, 8 ounce cheese blocks, 8 ounce cream cheese, and 16 ounce cottage cheese. The weighted average price of organic butter increased \$1.12 from last week, as the holiday baking progresses. Organic milk in half gallon containers posted the largest volume of ads, over three times more than organic milk in the gallon package. In general, organic milk ads were up 84 percent, but yogurt ads declined 2 percent. The milk price spread between

organic and conventional half gallon milk represents an organic premium of \$2.17, down 61 cents from last week. All organic dairy commodities featured in this week survey, as a total of organic ads, are shown in the detailed pie chart below.

Percentage of Total Organic Ads by Commodity



Data source: USDA Dairy Market News

Complete results of this bi-weekly survey providing additional graphs, tables, can be accessed at: <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf> Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads.

Prices are valid from March 22-28, 2019. Retail survey ads reflect "advertised specials" and not the range of non-advertised supermarket cooler prices.

Product pricing information of selected organic dairy commodities, from the current weekly retail survey, is presented in the following table:

NATIONAL RETAIL ORGANIC DAIRY WEIGHTED AVERAGE ADVERTISED PRICE (Dollars)

Commodity	This Week	Last Week	Last Year
Butter	6.49	5.37	4.83
Milk			
Half Gal.	4.20	4.33	3.54
Gal.	6.41	6.99	7.10
8 oz.	0.94	0.83	n.a
Yogurt			
4-6 oz. Greek	n.a.	n.a.	1.23
32 oz. Greek	5.08	5.99	6.38
4-6 oz. Yogurt	1.00	0.87	0.81
32 oz. Yogurt	3.50	3.50	3.5

Complete results of the "National Retail Report-Dairy" and "Weekly National Organic Summary" are accessible using the following links:

- 1 <https://www.ams.usda.gov/mnreports/dybretail.pdf>
- 2 <https://www.ams.usda.gov/mnreports/lswnos.pdf>

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DIRECT TO CONSUMER ORGANIC DAIRY PRODUCTS PRICES

The following table identifies U.S. price range results from a Dairy Market News national survey of publicly available prices of organic dairy products, available from farmstead outlets and online. There may be prices offered outside of the price range which were not identified by the survey. These are cows' milk products.

BUTTER

Commodity	Type	Pack Size	: Organic : Price Range\$
Organic Butter		1 lb	: 13.45 -
Organic Butter		8 oz	: 4.75 - 10.00

CHEESE

Commodity	Type	Pack Size	: Organic : Price Range\$
Organic Cheese	Cheddar - 10 year	8 oz	: 11.00 -
Organic Cheese	Cheddar - 11-14 year	8 oz	: 14.00 -
Organic Cheese	Cheddar - 2-4 year	8 oz	: 5.73 - 6.93
Organic Cheese	Cheddar - 5-9 year	8 oz	: 8.50 -
Organic Cheese	Cheddar - Medium	8 oz	: 4.52 - 8.00
Organic Cheese	Cheddar - Mild	8 oz	: 4.14 - 8.50
Organic Cheese	Cheddar - Sharp	8 oz	: 4.95 - 12.00
Organic Cheese	Colby	8 oz	: 5.25 - 8.00
Organic Cheese	Farmers	8 oz	: 4.00 - 6.00
Organic Cheese	Gouda	8 oz	: 12.00 -
Organic Cheese	Monterey Jack	8 oz	: 5.25 - 8.00
Organic Cheese	Mozzarella	8 oz	: 4.50 - 12.50
Organic Cheese	Muenster	8 oz	: 6.00 -
Organic Cheese	Pepper Jack	8 oz	: 12.50 -
Organic Cheese	Curds	Per Lb	: 6.80 - 12.00

Information for the period March 25 - April 5, 2019, issued monthly.