

ORGANIC DAIRY MARKET NEWS

Information gathered April 22 - May 3, 2019

ORGANIC DAIRY FLUID OVERVIEW

New England Organic Milk Sales and Sourcing. Federal Milk Market Order 1, in New England, reports utilization of organic fluid milk by pool plants. During March 2019, organic whole milk utilization totaled 13.5 million pounds, down from 16.7 million pounds one year earlier. The March 2019 butterfat content, 3.28 percent, was unchanged from the previous year. The utilization of organic reduced fat milk in March, approximately 16.0 million pounds, was down from 20.3 million pounds one year earlier. The butterfat content was 1.34 percent, up from 1.33 percent the previous year.

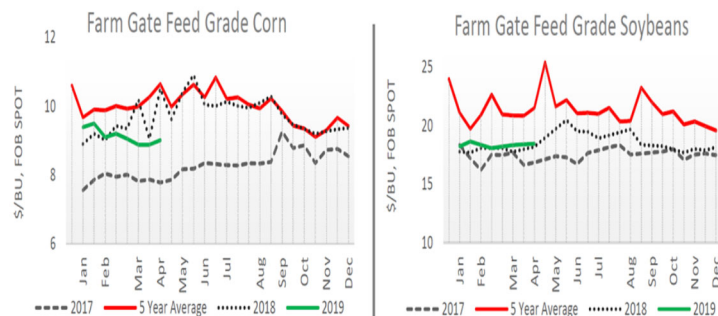
Organic Cow Auction Prices. An April 29, 2019 report from a livestock auction yard in the Northwest noted that organic cows, sold for slaughter, traded marginally higher than conventional cows. The average price for top 10 organic cows auctioned was \$0.7128 per pound, compared to the average top 10 conventional cow price, \$0.6326 per pound.

Dairy Margin Coverage New Decision Tool. On April 30, 2019, the USDA announced the launching of the Dairy Margin Coverage (DMC) program's, new decision support tool. The tool helps producers determine the level of coverage needed to reduce net income risk due to volatility in milk and feed prices. Also, the tool estimate payments during the coverage year. The 2018 Farm Bill sanctioned the Dairy Market Coverage program.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

Organic Grain and Feed Market. Feed grade organic corn markets are active on moderate demand. Sources indicate that exchanges are close to 13 cents higher than the previous week. Meanwhile, forward contract activity is good on old crop feed grade corn, with light activity on new crop contracts. New crop bids for feed grade corn are as low as 8.50 delivered, but some producers are hesitant to contract. Feed grade soybeans market are sluggish due to a lack of comparable trades. Prices are mostly firm for feed grade soybeans and unchanged on food grade. Feed and food grade wheat are seeing limited activity. Following, rain and snowfall delays, farmers are returning to the fields to resume planting. However, with temperatures cooler than normal in certain areas of the country, farmers are depending on sunshine and wind to dry fields so they can plant new crop.

For more additional information, access the link:



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

Crop Progress Delayed Across the US. Producers of feed crops in multiple states are encountering adverse weather conditions that challenge planting activity. In a number of areas, higher than average rainfall has dumped more precipitation than initially projected, along with some unexpected snowfall. Consequently, excess soil moisture delays field work. Corn planting is behind in the 18 states responsible for 92 percent of US corn acreage. On average, 27 percent of the corn crop would have been planted, but only about 15 percent has been planted thus far. In the six states responsible for the majority of spring wheat crop, all are lagging behind in planting pace. The average for

this point in time, is 33 percent, while only 13 percent has been planted. Barley planting typically is 41 percent at this time, but presently 28 percent is in the ground.

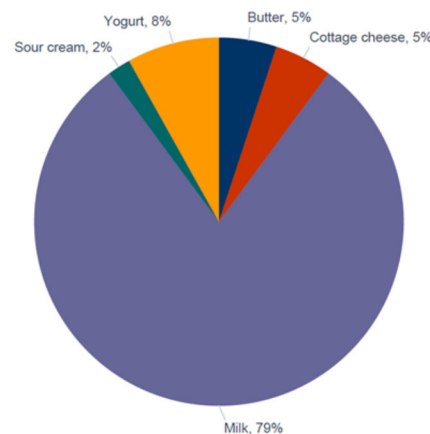
ORGANIC DAIRY RETAIL OVERVIEW

Overall, organic retail advertisements declined, 18 percent, compared to the previous survey period, as fewer stores across the country offered organic dairy deals. The East region produced the largest volume of organic ads, followed by the Midwest. Organic cottage cheese saw the biggest jump in ads, 156%, above the most recent survey report.

Organic milk ads, by region, declined in the Midwest, Alaska, Northeast, South Central, and Southeast. Meanwhile, in the Southwest and Northeast ads increased, 1 percent and 13 percent, respectively. The price spread for conventional and organic milk, in half gallon package, show an organic premium of \$2.71, up \$0.43 from last week. The price spread is the difference between national weighted average prices for organic, \$3.87, and conventional, \$1.16.

Organic milk ads decreased by 20 percent from last week, although reports show organic milk as 79 percent of total organic ads by commodity. 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



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	6.09	n.a.	5.81
Milk			
Half Gal.	3.87	3.73	3.85
Gal.	6.99	5.00	5.85
8 oz.	.89	.90	n.a.
Cottage Cheese	4.17	3.99	3.99
Yogurt			
4-6 oz. Greek	n.a.	1.50	n.a.
32 oz. Greek	3.99	6.33	n.a.
4-6 oz. Yogurt	n.a.	.65	1.06
32 oz. Yogurt	3.28	2.46	3.00

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

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

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

-CONTINUED ON PAGE 8A-

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Information gathered April 22 - May 3, 2019

-CONTINUED FROM PAGE 8-

DIRECT TO CONSUMER ORGANIC DAIRY PRODUCTS PRICES

The following tables identify 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 April 22 - May 3, 2019, issued monthly.