

## NATIONAL DAIRY MARKET NEWS AT A GLANCE

**CME GROUP CASH MARKETS (4/10)**

**BUTTER:** Grade AA closed at \$1.7525. The weekly average for Grade AA is \$1.7470 (-.0124).

**CHEESE:** Barrels closed at \$1.6100 and 40# blocks at \$1.5775. The weekly average for barrels is \$1.6070 (+.0182) and blocks, \$1.5775 (+.0012).

**BUTTER HIGHLIGHTS:** Churning for print butter is active in the East and West but slowed in the Central region. Retail sales are lower. Manufacturers are fulfilling contracts. Inventories are mixed with some butter producers reporting that stocks are tighter than desired in the West but growing in the East and Central regions. Some are making and storing bulk butter. Cream is available and some manufacturers are selling the cream instead of churning. Bulk butter prices range from 4 cents over to even in the Northeast, from even to 6 cents over in the Central region and 5 cents under to market in the West. Friday at the CME Group, Grade AA butter closed at \$1.7525, up \$.0125 from last week's close.

**CHEESE HIGHLIGHTS:** Cheese manufacturing volumes continue to be strong, fueled by milk supplies. Discounted milk is available in the Midwest in volumes allowing cheese manufacturers to be opportunistic and price selective in purchasing. Strong customer demand including food service, brokers, resellers and retail is noted particularly in the Midwest and West. Retail cheese sales have weakened in the Northwest. Storage is developing as a matter of concern looking forward in some Midwest cheese plants, which may face altering production schedules in coming weeks. Storage of cheese is not a limiting factor this week. Cheese brokers are maintaining their imported cheese inventories, partially due to the favorable currency exchange rates. The Foreign Agricultural Service (FAS) reports that February 2015 U.S. cheese and curd exports totaled 65.2 million pounds, a 5% decrease from a year ago. The CME Group March 2015 monthly average price for barrels, \$1.5290, is up \$.0441 from February but down \$.7500 from March one year ago. Blocks' March average price, \$1.5549, is

up +\$.0167 from February but down \$.8005 from one year ago. Barrels closed Friday at \$1.6100, up \$.0150 from last week Thursday, the last trading day of the week and 40# blocks closed at \$1.5775, down \$.0025.

**FLUID MILK:** Farm milk production is on the rise in most areas of the country. Some regions are close to attaining the peak of the spring flush, while other regions have just begun to see cows freshening and milk production building. Bottling demand varies, with some dependence on whether area schools are closing for spring break or coming back into session. Outside of school district ordering, some consumer outlets are restocking milk early in the week, pushing orders higher. Condensed skim is clearing readily into cheese manufacturing as plant operators recognize opportunities to economically build vat output.

**DRY PRODUCTS:** Dry product markets range from in balance to weak. The low/medium heat nonfat dry milk market is weak, and buyers are content to buy on a week to week basis, following indices lower. Dry buttermilk markets are mixed, with building inventories in the Western region, but comfortable to tight holdings in the East and Central regions. Manufacturers are pricing accordingly. Dry whey market tones vary. Market participants note improving balance in the Western market, continued weak undertones in the Central region, and a steady to firm tone in the East. The lactose market is mixed based on end uses. Lactose inventories destined for infant formula uses are generally tight, while edible lactose volumes clearing to feed uses are competing with lower priced permeate. Those lactose inventories are building. The whey protein concentrate 34% market is weak, with inventories of edible WPC 34% running into competition from lower priced alternative protein sources, especially for clearance into feed uses.

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**CME GROUP CASH TRADING**

COMMODITY	MONDAY APR 06	TUESDAY APR 07	WEDNESDAY APR 08	THURSDAY APR 09	FRIDAY APR 10	WEEKLY CHANGE*	WEEKLY AVERAGE#
<b>CHEESE</b>							
BARRELS	\$1.5950 (N.C.)	\$1.6100 (+.0150)	\$1.6100 (N.C.)	\$1.6100 (N.C.)	\$1.6100 (N.C.)	++ (+.0150)	++ \$1.6070 (+.0182)
40# BLOCKS	\$1.5775 (-.0025)	\$1.5775 (N.C.)	\$1.5775 (N.C.)	\$1.5775 (N.C.)	\$1.5775 (N.C.)	++ (-.0025)	++ \$1.5775 (+.0012)
<b>NONFAT DRY MILK</b>							
GRADE A	\$.9800 (+.0025)	\$.9900 (+.0100)	\$.9700 (-.0200)	\$.9500 (-.0200)	\$.9300 (-.0200)	++ (-.0475)	++ \$.9640 (-.0116)
<b>BUTTER</b>							
GRADE AA	\$1.7400 (N.C.)	\$1.7400 (N.C.)	\$1.7500 (+.0100)	\$1.7525 (+.0025)	\$1.7525 (N.C.)	++ (+.0125)	++ \$1.7470 (-.0124)

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CONTINUED FROM PAGE 1**

**ORGANIC DAIRY MARKET NEWS (DMN):** The U.S. weighted average advertised price of organic milk half gallons is \$4.14, up 42 cents from the last week. One year ago the price was \$3.60. This is the highest U.S. weighted average advertised price for organic milk half gallons in at least 3 years. Organic milk gallons have a U.S. average price of \$5.91. The U.S. average price for 8 ounce shredded organic cheese is \$3.99 and 32 ounce organic yogurt, \$2.50. Organic milk accounts for 76% of organic dairy ads, organic yogurt for 15%, organic butter 5%, and organic cheese 3%. The recent re-focus on California's drought, while a reality, has generated concerns from organic processors, producer association officials, and also organic producers, about the magnitude of this factor in holding back needed organic milk production increases. Uncertainty is a complicating factor undermining what had been more energetic efforts to help increase organic dairy production.

**FEBRUARY DAIRY PRODUCTS (NASS):** **Butter** production was 156.1 million pounds, 4.8 percent below February 2014 and 13.1 percent below January 2015. **American type cheese** production totaled 349.3 million pounds, 2.5 percent above February 2014 but 12.0 percent below January 2015. **Total cheese** output (excluding cottage cheese) was 884.3 million pounds, 3.9 percent above February 2014 but 9.5 percent below January 2015. **Nonfat dry milk** production, for human food, totaled 148.1 million pounds, 5.4 percent above February 2014 but 10.2 percent below January 2015. **Dry whey** production, for human food, was 76.6 million pounds, 25.4 percent above February 2014 and 2.6 percent above January 2015. **Ice cream, regular hard** production totaled 58.8 million gallons, 0.4 percent above February 2014 and 5.9 percent above January 2015.

**APRIL MILK SUPPLY AND DEMAND ESTIMATES (WAOB):** The milk production forecast for 2015 is lowered from last month as growth in output per cow is constrained by dry conditions in the West. Fat basis imports are raised on demand for butterfat, but skim-solids imports are unchanged. Exports are hampered by relatively weak international prices and the strong dollar; thus forecasts for both fat and skim-solids are reduced from last month. Product price forecasts for butter and cheese are raised on domestic demand strength. However, relatively weak exports of nonfat dry milk (NDM) are expected to pressure prices lower. The whey price forecast is unchanged. The Class III price is raised on the strength of cheese prices, but the Class IV price is reduced as a lower NDM price more than offsets a higher butter price. The all milk price is forecast at \$17.10 to \$17.60 per cwt.

**NATIONAL RETAIL REPORT - DAIRY (DMN):** Ad numbers are lower than last week for ice cream (-47%); cream cheese (-57%); butter (-52%); and sour cream (-68%). The national average prices and changes compared to last week are: 48-64 oz. ice cream, \$3.14, +4 cents; 8 oz. cream cheese, \$1.58, + 5 cents; 1# butter \$2.81, +35 cents; and 16 oz. sour cream \$1.64, -13 cents. Store ad volumes for or Greek 4-6 ounce yogurt continue to significantly lead all other categories and sizes of yogurt, and volume increased 12% from last week. The average price of 4-6 ounce Greek yogurt, \$1.00, is 2 cents above last week and 1 cent above one year ago. Ads for 4-6 ounce yogurt, the second most advertised yogurt, have an average price of 47 cents, down 2 cents from last week and 3 cents below one year ago. The U.S. average advertised price for 8 ounce cheese blocks, \$2.40, is 9 cents higher than one week ago, and 18 cents higher than a year ago; while 8 ounce shredded cheese at \$2.35, down 4 cents from one week ago and down 9 cents from one year ago. The organic - conventional half gallon milk price spread is \$2.32, up 68 cents from last week. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.82, down 26 cents from one week ago, and the average for organic half gallon milk, \$4.14, up 42 cents from last week.

**CME GROUP**

MONDAY, APRIL 6, 2015

CHEESE -- SALES: 2 CARS 40# BLOCKS @ \$1.5775; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9800; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

TUESDAY, APRIL 7, 2015

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6100; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A: 3 @ \$1.0000, 3 @ \$0.9900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$0.9950  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.7200; LAST OFFER UNCOVERED: NONE

WEDNESDAY, APRIL 8, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$1.5775; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 1 @ \$0.9875, 6 @ \$0.9700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.7500; LAST OFFER UNCOVERED: NONE

THURSDAY, APRIL 9, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5775; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9600  
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.7500; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.7525; LAST OFFER UNCOVERED: NONE

FRIDAY, APRIL 10, 2015

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6100; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6000; 1 CAR 40# BLOCKS @ \$1.5775; LAST OFFER UNCOVERED: 2 CARS  
 BARRELS @ \$1.6200  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9300; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9200; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

**BUTTER MARKETS****NORTHEAST**

Active churning, due to the level of cream availability within the region, is furthering butter stocks. The bulk of butter production is moving into inventory programs. In general, post-holiday trading is rather quiet. Retail butter sales are much lower for most processors. The current bulk butter prices for domestic sales are reported flat to 4 cents over the market of the CME Group, with various time frames and averages used. According to the DMN *National Retail Report-Dairy*, for April 3-9, the national weighted average advertised price for 1-pound butter is \$2.46, down \$0.33 from a year ago. The Northeast regional price is \$2.71, a \$0.18 increase from the previous week. In the Southeast, butter averaged \$2.25, a \$31 decline compared to a week ago. The CME Group monthly average price for Grade AA butter during March was \$1.7166, compared to \$1.9145 a year ago. Tuesday's CME Group cash trading saw Grade AA butter close at \$1.7400, down \$0.0450 from a week ago. The Foreign Agricultural Service (FAS) reports February 2015 U.S. exports of butter and milkfat totaled 5.6 million pounds, a 72% decline from a year ago.

DAIRY PRODUCTS: According to NASS, U.S. butter production for February 2015 totals 156.1 million pounds, down 4.8% from last year and down 13.1% from a month ago. Butter output in the Atlantic region totals 18.6 million pounds, up 6.1% from last year but down 11.0% from a month ago.

**CENTRAL**

Churning has slowed for print butter with the lapse of the holidays. Butter manufacturers are making and storing more bulk butter as demand has slowed. Inventories are mixed but most manufacturers want to increase stocks on hand for future contract needs. Cream supplies are available. Bulk butter prices range from market to 6 cents over the market, based on the CME Group and various indices. Production levels are up. The NASS *Dairy Products* report

noted February U.S. butter production totaled 156.1 million pounds, 4.8% lower than a year ago. January-February cumulative U.S. production totals 335.7 billion pounds, 3.1% behind 2014 during the same time span. February production in the Central region totaled 64.7 million pounds, 1.5% above last year. According to the DMN *National Retail Report- Dairy*, for April 3-9, the weighted average advertised price for a 1 pound package of butter in the Midwest was \$2.13, with a range of \$1.38-3.98. The national weighted average price is \$2.46, a 23 cent decrease from last week and 33 cents lower than a year ago. The Grade AA butter price at the CME Group closed Wednesday at \$1.7500, a 1 cent decrease from last Wednesday's close.

**WEST**

Churns in the West are producing butter for print and bulk demand. Manufacturers have noted bulk butter holdings being tighter than had been expected. Some manufacturers though, are making print butter to fill contracts and selling unneeded cream rather than add butter to inventories. The National Retail Report – Dairy for the week April 3 – April 9, found that the U.S. weighted average advertised price of 1# butter, \$2.46, is \$.23 below the price one week ago and \$.33 below one year ago. Retail prices for 1# butter in the Southwest have a weighted average advertised price of \$2.81. The average butter price for the Northwest is \$3.01. Dairy Products (NASS) reports total 2015 U.S. butter production during February 2015, 156.1 million pounds, was 4.8% lower than February last year. U.S. cumulative 2015 butter production through February was 3.1% lower than the same period last year. In the West, total February butter production was 11.9% lower than February last year. The CME Group March 2015 monthly average price for AA butter, \$1.7166, is down \$.0127 from February and down \$.1979

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**NATIONAL DAIRY PRODUCTS SALES REPORT**  
 U.S. AVERAGES AND TOTAL POUNDS

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS 38% MOISTURE</u>	<u>DRY WHEY</u>	<u>NDM</u>
April 4, 2015	1.6973 2,689,620	1.5756 12,178,948	1.5729 9,557,021	.4678 6,343,117	0.9955 18,818,117

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/AMSV1.0/DairyProductMandatoryReporting>

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from March one year ago. Bulk butter pricing in the West this week is even market to 5 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Wednesday closed at \$1.7500, down \$0.0100 from a week ago.

## 2015 U.S. Butter and Milkfat Exports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
February	5.6	- 72
Total Jan. - Feb.	11.3	- 73
1 Mexico	3.8	+ 298
2 Saudi Arabia	3.6	- 61
3 Iran	1.0	- 57
4 Canada	0.7	+ 23
5 South Korea	0.4	0



## CHEESE MARKETS

## NORTHEAST

Manufacturers' cheese supplies are growing with production rates. Retail sales, overall, have weakened following the Easter/Passover holidays. Buyers' current objectives are to work through existing inventories, while looking down the road to potentially lower priced procurements. Last week, weekly average cheese prices increased. As a result, this week wholesale cheese prices for cheddar and muenster increased \$0.0450, and process 5# sliced rose \$0.0750. Grade A Swiss prices decreased \$0.1825 with adjustments based on Class III component prices. Tuesday's CME Group daily cash prices saw blocks close at \$1.5775, down \$0.0025 from a week ago; barrels closed at \$1.6100, up \$0.0100 from a week ago. The CME Group monthly average price for cheese blocks during March 2015 was \$1.5549, compared to \$2.3554 one year ago; barrels averaged \$1.5290, compared to \$2.2790 one year ago. According to the DMN *National Retail Report-Dairy*, for April 3-9, the regional weighted average advertised price for 8 oz. cheese blocks in the Northeast is \$2.20, 11 cents less than the national average and 10 cents less than a week ago. The Southeast 8 oz. block cheese price was \$2.24, 21 cents less than the previous week. The Foreign Agricultural Service (FAS) reports that February 2015 U.S. cheese and curd exports totaled 65.2 million pounds, a 5% decrease from a year ago. DAIRY PRODUCTS: According to NASS, U.S. total cheese production in February 2015 was 884.3 million pounds, 3.9% more than a year ago but 9.5% less than the previous month. In the Atlantic region, total cheese production was 108.2 million pounds, 5.0% more than a year ago but 7.9% less than the previous month. The total cheese production and percentage change from one year ago for individual Eastern states are: New York 58.6 million pounds, +7.2%; Pennsylvania 33.9 million pounds, +8.8%; and Vermont 10.0 million pounds, +1.0%.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 40# Block	:	1.9750-2.2600
Process 5# Sliced	:	1.8150-2.2950
Muenster	:	1.9950-2.3450
Grade A Swiss Cuts 10 - 14#	:	3.2525-3.5750

## MIDWEST

Orders received by most Midwest cheese manufacturers continue to be consistently strong, leading to maintaining high levels of production. Extra milk is often available and is being purchased to achieve desired production levels. Many plants have found that they can be opportunistic and hold out for milk discounts of \$2.00 or more under class, and generally find sellers. There is some surprise expressed at how long milk has been available at a discount in the Midwest. The storage capacity available to plants varies. Some manufacturers continue to make as much cheese as available milk allows, with no concern to storing what can't be immediately sold. However, some plants are now facing fuller storage facilities which may begin to affect manufacturing schedules in the near future. Storage capacity is not so much a factor for cheese manufacturers with specialty products or those in niche markets. DAIRY PRODUCTS: (NASS) reports February 2015 U.S. total cheese production, 884.3 million pounds, leads February last year by 3.9%, but is 9.5% below January this year. For various types of cheese, February 2015 U.S. production compared with February 2014 includes: American, +2.5%; cheddar, +3.4%; total Italian, +5.4%; and Swiss, +3.2%. In the Central region, cheese production for February 2015 compared with February 2014 was: total cheese, +3.5%; American cheese, +0.1%; cheddar cheese, +2.9%; total Italian cheese, +8.0%; and mozzarella cheese, +3.8%. The *National Retail Report -*

*Dairy* (DMN) found that April 3-9 Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.14, 25 cents lower than the national average, \$2.39. The Midwest price range is \$1.66 to \$2.99. One year ago the national average price was \$2.44. For 8 ounce blocks, the Midwest average price is \$2.20, 11 cents lower than the national average price, \$2.31. Midwest ads are priced from \$1.66 to \$2.99. One year ago the national average price was \$2.22. The CME Group March 2015 monthly average price for barrels, \$1.5290, is up \$.0441 from February but down \$.7500 from March one year ago. Blocks' March average price, \$1.5549, is up 0+\$.0167 from February but down \$.8005 from one year ago. Wisconsin wholesale prices for 1,000 to 5,000 pound mixed lots of process cheese increased \$.0750, Swiss declined \$.1825 and the remaining varieties declined \$.0450. In CME Group trading Wednesday, Barrels closed at \$1.6100, up \$.0150 from last Wednesday and Blocks closed at \$1.5775, down \$.0025 from last Wednesday.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.6975-2.0575
Brick And/Or Muenster 5#	:	1.9550-2.3800
Cheddar 40# Block	:	1.6825-2.0775
Monterey Jack 10#	:	1.9300-2.1350
Blue 5#	:	2.2225-3.2100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7550-2.6950
Grade A Swiss Cuts 6 - 9#	:	2.7700-2.8875

## WEST

Western cheese manufacturers continue to find strong customer demand for cheese. The term "robust" was used in some discussions. Retail customers are perceived to like current pricing, which is driving orders from retailers. Demand is also strong from food service customers as well as brokers and resellers. While some cheese is going into storage, there is a growing perception that fresh usage demand is accounting for significant volumes of cheese production. With steady to increasing milk supplies, maintaining desired cheese production is not presenting challenges to manufacturers. DAIRY PRODUCTS: (NASS) reports February 2015 U.S. total cheese production, 884.3 million pounds, which leads February last year by 3.9% but is 9.5% below January this year. For various types of cheese, February 2015 U.S. production compared with February 2014 includes: American, +2.5%; cheddar, +3.4%; total Italian, +5.4%; and Swiss, +3.2%. In the West, cheese production for February 2015 compared with February 2014 was: total cheese, +4.1%; American cheese, +4.5%; cheddar cheese, +3.2%; total Italian cheese, +3.9%; and mozzarella cheese, +2.6%. The DMN *National Retail Report-Dairy* for the week of April 3-9 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.39, down \$.03 from last week and down \$.05 from a year ago. Packs averaged \$2.73 in the Southwest and \$2.76 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.31, down 16 cents from last week, but up 9 cents from a year ago. Blocks in the Southwest averaged \$2.58 and in the Northwest, \$2.50. Western wholesale prices are up \$.0750 for process, Swiss is down \$.1825, and the remaining varieties are up \$.0450. The CME Group March 2015 monthly average price for barrels, \$1.5290, is up \$.0441 from February but down \$.7500 from March one year ago. Blocks' March average price, \$1.5549, is up \$.0167 from February but down \$.8005 from one year ago.

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## CHEESE MARKETS

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In CME Group trading Wednesday, Barrels closed at \$1.6100, up \$.0150 from last Wednesday and Blocks closed at \$1.5775, down \$.0025 from last Wednesday.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.7125-1.9700
Cheddar 40# Block	:	1.6875-2.1325
Cheddar 10# Cuts	:	1.8675-2.0875
Monterey Jack 10#	:	1.8775-2.0375
Grade A Swiss Cuts 6 - 9#	:	2.8300-3.2600

## 2015 U.S. Cheese and Curd Exports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
February	65.2	- 5
Total Jan. - Feb.	117.6	- 16
1 Mexico	31.1	0
2 South Korea	26.8	+ 31
3 Japan	15.0	- 11
4 Australia	5.7	- 27
5 China	4.6	+ 13

## FOREIGN

Domestic foreign type cheese prices increased this week, while domestic Swiss cheese prices moved substantially lower following the change in the Class/Component prices. Imported cheese prices were unchanged. Retail demand for cheese has slowed following the holiday weekend. Some cheese varieties will likely see a rebound in demand as the weather improves with warmer temperatures. Cheese brokers are maintaining their imported cheese inventories, partially due to the favorable currency exchange rates. According to NASS, U.S. domestic Parmesan production during February totaled 27.6 million pounds, 26.3% more than February 2014. Provolone production during February totaled 28.2 million pounds, 10.6% more than a year ago. Romano production during February totaled 4.5 million pounds, 51.3% more than a year ago. Swiss production during February totaled 23.6 million pounds, 3.2% more than a year ago.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.1150-3.6025*
Gorgonzola	: 3.6900-6.4900	: 2.6225-3.3200*
Parmesan (Italy)	: -0-	: 3.5050-5.5950*
Provolone (Italy)	: -0-	: 2.1575-2.4100*
Romano (Cows Milk)	: -0-	: 3.3050-5.4550*
Sardo Romano (Argentine)	: 2.8500-4.4900	: -0-
Reggianito (Argentine)	: 3.2900-4.7500	: -0-
Jarlsberg-(Brand)	: 2.9500-6.2500	: -0-
Swiss Cuts Switzerland	: -0-	: 3.3500-3.6725*
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

\*= Price change.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
04/06/15	10,619	97,097
04/01/15	10,636	95,684
CHANGE	-17	1,413
% CHANGE	0	1

## FLUID MILK AND CREAM

## EAST

## SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA &amp; SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	130	0	140	0	120
SOUTHEAST STATES	0	0	0	0	0	0

Although the spring flush is slow to begin in the Northeast, as in some areas of the East, production is seeing an uptick. Milk intakes are steady to higher at various balancing plants. Bottling demand has gained little ground since tapering prior to the holiday. Mid-Atlantic milk supplies are trending higher. Production is building seasonally around the spring flush. Sales for Class I usage are unchanged to higher. Southeast farm-level milk production continues to rise with the flush. Most manufacturing distribution channels are full. Bottlers' orders are down relative to volumes of available milk supplies. Balancing plants are catching up from holiday weekend milk volumes. Class I demand is steady. This week in Florida, milk production in general is steady to higher. Class I interest has declined slightly, following the typical after Easter/Passover slowdown. This week, F.O.B. spot shipments totaled 130 out of the state loads, in comparison to 140 the previous week. According to the DMN *National Retail Report-Dairy*, for April 3-9, the U.S. weighted average advertised price for a gallon of milk was \$2.57, a \$0.43 decline compared to last year and a \$0.31 decline from last week. Cream supplies remain heavy. Surplus loads transferred across regions earlier in the week. However, suppliers note that levels are now more manageable with most loads staying in the East. **Cream multiples for all Classes ranged 1.10-1.24.** Movements through contracts are steady, largely due to ice cream and ice cream mix manufacturers. The DMN monthly average of the range price series for Northeast Class II F.O.B. spot cream during March was \$2.0655, compared to \$2.3856 a year ago. At the CME Group, Grade AA butter closed Wednesday at \$1.7500, down \$0.0100 from a week ago. Sales of **condensed skim** on the spot market remain nominal. Powder production is at/close to capacity. Class II plants are gradually increasing the use of condensed skim. Cheese makers are using NDM to extend vat yields due to pricing advantages. Class III nonfat solids price moved fractionally higher based on the recent Class and Component Prices.

**DAIRY PRODUCTS:** According to NASS, hard ice cream production in the Atlantic region for February 2015 totaled 13.2 million gallons, 24.5% more than a year ago and 8.4% more than the previous month. Yogurt production in the U.S. totaled 421.3 million pounds, up 7.2% from a year ago and up 11.8% from the previous month. Cumulative YTD production through February totals 798.1 million pounds, 1.3% more than a year ago.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast - 1.9353-2.1816  
F.O.B. producing plants: Upper Midwest - 2.0409-2.2168

## PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .92 - .96  
Northeast - Class III - spot prices - 1.00-1.05

## MIDWEST

Milk production is on the rise partly due to favorable weather conditions. Some manufacturers are selling in lower classes due to lower needs in Class I and some are reporting no spot loads available. Bottling demand is steady to down, but sales for next week look to pick up. Class II demand is picking up as ice cream production is underway. Surplus milk pricing is at mainly Class to \$2.50 under, with some buyers looking for pricing at \$3.00 under. **Cream multiples are steady to down this week, ranging from 1.16 to 1.26.** Cream supplies are available even as ice cream manufacturers have started to increase production. The lower part of the region now has ideal growth weather with a late start. The Upper Midwest was dry with some farmers starting field work. The DMN monthly average of the range price series for Upper Midwest Class II cream during March was \$2.0660, compared to \$2.3969 a year ago. The NASS *Dairy Products Report* noted February U.S. regular (hard) ice cream production totaled 58.8 million gallons, up 0.4% from last year. January-February U.S. production totals 114.4 million gallons, 0.3% up from 2014 during the same time span. February production in the Central region totaled 33.9 million gallons, 0.7% less than a year ago. The weekly *Cow Slaughter under Federal Inspection* report shows U.S. dairy cow slaughter for the week ending March 21, at 60,400 head, compared to 58,300 for the same week a year ago. According to *DMN National Retail Report-Dairy*, the national weighted average advertised price for the week of April 3-9 for a gallon of milk was \$2.57 compared to \$3.00 a year ago and \$2.88 a week ago. In the Midwest, the advertised price for a gallon of milk was \$2.13, with a range of \$1.99-2.99.

## WEST

In California, milk production is steady to slightly higher. Dairy operators indicate the peak of the flush seems to be arriving ahead of the usual time period, mirroring the arrival of early in the season 90+ degree daytime temperatures. Bottler demand is steady as many school districts have cycled into spring break, while others have students returning to classrooms. Milk production in Arizona is higher compared to last week, approaching the peak of spring flush. Processors indicate intakes are within plant capacities, with some waiting times extending occasionally. Sales into fluid accounts returned to pre-spring break volumes. Stick/cup/cone and novelty frozen dessert manufacturers have seasonally increased condensed skim/cream orders. New Mexico milk production took another step up compared to one week ago. Processors are also handling some out of state loads, as the need arises. Bottler demand is higher as some stores carry milk features. Class II usage declined as ice cream and frozen dessert manufacturers reassess current holdings for this time of year. California cream demand is active, with buyers vying for spot loads as they become available. In-state butter manufacturers are actively taking in loads to rebuild print supplies post-holiday. Butter manufacturers in other Western states are sending cream loads to the f.o.b. spot market to keep butter holdings in check. Cream sellers report trucks/drivers are becoming scarce as the juice and vegetable oil transportation season kicks in. Ice cream, frozen dessert, and aerated cream producers are also in higher volumes, via seasonal contracts and the spot market, as production schedules ramp up to meet summer demand. Cream multiples are unchanged to higher, 1.18 to 1.28.

-CONTINUED ON PAGE 4A-

## FLUID MILK AND CREAM

**-CONTINUED FROM PAGE 4-**

At the CME Group, Grade AA butter closed Wednesday at \$1.7500, up \$.0100 compared to a week earlier. Washington milk production has been gradually increasing over recent weeks. Processors view this as not a historically normal season, with defined sharp increases. Milk production has been steadily increasing at a gradual pace and that is expected to continue in coming weeks with no defined sharp spikes upward. Production this week is steady. Western Washington has plenty of water for dairying. Eastern Washington is dryer but not abnormally so. Oregon is seeing increased milk production volumes. Milk volumes are being handled in the course of business. Utah soil moisture is dryer than desired while Idaho is generally adequate. This week, Utah has been mostly cool with some precipitation. Most pasture and range conditions are characterized as fair to good. Milk production is steady to increasing. Idaho milk production is up seasonally.



## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

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.

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** Nonfat dry milk prices moved lower this week. Sales are down as end users are using stocks on hand. Buyers are shopping around for better pricing and are content going hand-to-mouth. Some buyers are buying higher protein products due to better pricing points. Others are buying off spec product to take advantage of discounted pricing. Export demand is starting to pick up. Inventory levels are high. The CME Group monthly average price for Grade A NDM during March was \$1.0108, compared to \$2.0330 a year ago. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during March was \$1.0788, compared to \$2.1083 a year ago. The March monthly average of the range price series for Central and East high heat was \$1.1785, compared to \$2.1954 a year ago. The NASS Dairy Products Report noted U.S. human NDM production during February was 148.1 million pounds, 5.4% higher than last year. Total U.S. NDM human month ending stocks for February was 240.7 million pounds, 32.6% above a year ago. January - February, U.S. human NDM production totals 313.0 million pounds, 12% more than the same time span in 2014. February production in the Central region totaled 23.5 million pounds, 17.1% higher than a year ago. Wednesday at the CME Group, Grade A NDM closed at \$9.700, down \$.0050 from last Wednesday.

**EAST:** Prices for low/medium nonfat dry milk decreased on lower F.O.B. spot sales and multiple indices. Production levels are steady to increasing. Inventory levels are expanding as surplus condensed skim channels to low heat nonfat powder operations. Domestic demand is fair with some cheesemakers using additional supplies to increase yields. Buyers are making NDM purchases for immediate needs, careful not to expand inventories as the market trends downward. High heat nonfat production is variable. High heat nonfat dry milk prices are steady to lower. Manufacturers of high heat NDM are mainly running at production levels to fill current contracts. Spot market availability is light, with a few transactions occurring this week. Inventories are mixed. The market undertone is quiet. The March 2015 Dairy Market News monthly average for the Central/East low/medium heat nonfat dry milk mostly series is \$1.0788 compared to \$2.1083 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of human food nonfat dry milk during February 2015 in the Atlantic region totaled 25.1 million pounds, 52.8% more than a year ago. Month ending U.S. stocks, at 240.7 million pounds are 32.6% higher than a year ago. U.S. production of skim milk powder, totaled 32.4 million pounds, 8.3% less than a year ago.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .9400 - 1.0800 MOSTLY: .9800 - 1.0625  
HIGH HEAT: 1.0900 - 1.2500

## NONFAT DRY MILK - WEST

Pricing for low/medium nonfat dry milk is mixed, with higher and lower daily prices reported at the CME Group, and lower prices for other contract bases. The market tone is weak. Buyers/end users believe stocks are building seasonally, year over year production is higher, and there are few reasons to take a position on low/medium heat NDM at this time unless pricing is favorable. Production of low/medium heat NDM is active throughout the Western region. Some condensed skim clearing to cheese production is helping moderate NDM inventories at a few locations. High heat NDM prices are steady to lower. Manufacturers report interest is light outside of contracts. Production is intermittent. According to NASS, in February 2015, California produced 59.7 million pounds of NDM, about 40.3% of the national monthly production. NDM production in the West region totaled 99.5 million pounds, 4.4% less than one year ago. This is about 67.2% of

total February production in the U.S. Cumulative Western region 2015 production totals 208.7 million pounds, a 3.8% increase compared to 2014. The March 2015 Dairy Market News average of the mostly price series for Western low/medium heat nonfat dry milk was \$1.0420 compared to \$2.0875 one year ago. The average for Western high heat nonfat dry milk was \$1.1750 compared to \$2.1868 one year ago.

**DAIRY PRODUCTS:** NASS reports U.S. production of human food NONFAT DRY MILK during February 2015 totaled 148.1 million pounds, a 5.4% increase from one year ago. Cumulative nonfat dry milk production for 2015 totals 313.0 million pounds, 12.0% higher than 2014. Month ending stocks, at 240.7 million pounds, are 32.6% higher than one year ago. February 2015 production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 32.4 million pounds, 8.3% lower than one year ago. Cumulative 2015 skim milk powder production totals 76.1 million pounds, a 19.2% decrease compared to 2014.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9200 - 1.0750 MOSTLY: .9450 - 1.0150  
HIGH HEAT: 1.0750 - 1.2400

U.S. NDM Exports, H.S. Code 0402100000(FAS)		
	2015 Exports (Million Lb.)	% Change From 1 Year Ago
February Total	78.5	- 2
TOTAL, JAN - FEB	155.6	- 6
1 Mexico	75.0	+ 37
2 Philippines	19.4	- 23
3 China	9.8	- 25
4 Indonesia	8.6	- 49
5 Malaysia	8.0	- 32

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Dry buttermilk prices were mixed this week. There were more spots loads available. With the holidays gone by, there is more dry buttermilk available but buyers and sellers want to negotiate prices. Manufacturers are still offering discounts on condensed buttermilk. The NASS Dairy Products Report noted U.S. dry buttermilk production during February totaled 9.4 million pounds, 13.2% lower than a year ago. Month ending stocks for were 24.8 million pounds, 55.6% above last year.

**EAST:** The price range widen for dry buttermilk. Production rates for the most part are higher. Heavy cream supplies increased churning rates and supplemented dry buttermilk production, as condensed buttermilk volumes cleared to drying operations. Inventories of dry buttermilk vary by processor, as dryer schedules are being managed around other dry products. Domestic demand is light. The March 2015 Dairy Market News monthly average for the Central/East dry buttermilk series is \$0.9374 compared to \$1.9169 a year ago.

F.O.B. CENTRAL/EAST: .8300 - 1.0500

-CONTINUED ON PAGE 5A-

## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

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.

**-CONTINUED FROM PAGE 5-****DRY BUTTERMILK - WEST**

Prices on the Western dry buttermilk range and mostly are unchanged on light activity. The market tone is weak. Some producers indicate ice cream manufacturers have been slower this year, compared to last year, to ramp up ice cream production at some locations. Buyers report they are confident of being able to readily obtain dry buttermilk, thus they are buying on a just in time basis. Dry buttermilk production is ongoing, following active butter production through the holidays. Inventories are steady to building. The March 2015 Dairy Market News average of the mostly price series for West dry buttermilk was \$0.8965 compared to \$1.9543 one year ago.

DAIRY PRODUCTS: NASS reports dry buttermilk production in the U.S. for February 2015 totals 9.4 million pounds, down 13.2% from one year ago. Cumulative 2015 dry buttermilk production totals 19.7 million pounds, an 11.4% decrease compared to 2014. Stocks at the end of February were 24.8 million pounds, a 55.6% increase from one year ago.

F.O.B. WEST: .8500 - 1.0100 MOSTLY: .8800 - .9000

**DRY WHOLE MILK - NATIONAL**

Prices for dry whole milk are lower on the bottom of the range, but unchanged on the top on a lightly traded market. Contract sales cover the majority of transactions for the week. The wide range of prices represents producers trying to lighten inventories and buyers taking scheduled loads on specific brands. Production is light as dryer schedules are more actively devoted to NDM production. The March 2015 Dairy Market News average of the price series for dry whole milk was \$1.3950, compared to \$2.1538 one year ago.

DAIRY PRODUCTS: NASS reports U.S. dry whole milk production during February 2015 totaled 10.5 million pounds, 20.7% higher than one year ago. Cumulative 2015 production totals 16.7 million pounds, a 16.3% increase compared to 2014. Month ending stocks, at 17.4 million pounds, are 89.3% higher than stocks of one year ago.

F.O.B. PRODUCING PLANT: 1.0500 - 1.5400

**CALIFORNIA MANUFACTURING PLANTS - NDM**

WEEK ENDING	PRICE	TOTAL SALES
April 3	\$.9833	11,007,822
March 27	\$.9723	20,950,017

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

**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 are mixed this week, with the bottom of the range down and the top up. Some buyers are purchasing with futures pricing for Q3. Dry whey production rates are steady. Current inventory levels are mixed. Demand has picked up but some buyers are content to work off current inventories or buy hand-to-mouth, waiting for desired pricing levels. Export demand is steady. Animal feed prices are unchanged. Inventory levels are mixed as some manufacturers only produce on a limited basis. Demand is steady to lower as some buyers have reduced needs due to lower animal numbers. The DMN monthly average of the mostly price series for Central dry whey during March was \$0.4416, compared to \$0.6246 a year ago. The monthly average of the range price series for Central animal feed whey during March was \$0.3514, compared to \$0.5230 a year ago. The NASS *Dairy Products Report* noted U.S. total dry whey production for February was 78.0 million pounds, up 25.7% from a year ago. January-February U.S. total dry whey production totals 153.6 million pounds, 16.3% ahead of the same time span in 2014. U.S. total dry whey month ending stocks for February were 61.6 million pounds, 8.7% more than last year. February dry whey (human) production in the Central region totaled 32.0 million pounds, 4.2% higher than a year ago.

F.O.B. CENTRAL: .3500 - .5450 MOSTLY: .4000 - .4600  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2500 - .3800

**DRY WHEY - NORTHEAST**

EAST: Dry whey prices are steady to higher due to F.O.B. spot sales and indices adjusting higher. Cheese manufacturing remains active this week, contributing to the continuation of heavy whey production. Manufacturers are focused on fulfilling customers' near term orders. Resale markets are active as buyers make purchases to fulfill immediate needs. Domestic demand is moderate. The March 2015 Dairy Market News monthly average for the Northeast dry whey range series is \$0.4820 compared to \$0.6698 one year ago.

DAIRY PRODUCTS: According to NASS, U.S. production of human food dry whey in February 2015 totaled 76.6 million pounds, 25.4% more than a year ago. Month ending stocks of human food dry whey totaled 60.7 million pounds, 8.2% more than a year ago. In the Atlantic region, February 2015 production of human food dry whey totaled 20.7 million pounds, 3.5% more than a year ago. Cumulative YTD 2015 total dry whey production totaled 153.6 million pounds, 16.3% more than the same period last year.

EXTRA GRADE AND GRADE A: .4300 - .5225

**DRY WHEY - WEST**

Western dry whey prices are unchanged in a week where production is said to be in balance with current demand. Contract deliveries are steady and there is little spot or resale activity. Potential non-contract buyers shopping around show little potential interest in non-premium brands unless price discounts are a possibility. In any event, manufacturers and brokers were aware of little completed sales activity aside from existing contracts, particularly with some manufacturers maintaining production volumes in line with contractual obligations. Discussion about potential larger volumes of dry whey reaching markets in the future was a factor pertinent to this week being characterized as quiet. A number of buyers are awaiting greater clarity about the direction of future pricing. NASS reports that February 2015 U.S. dry human whey production, 76.6 million pounds, is up 25.4% from February last year. Western region dry whey this February is up 129.7% from February 2014.

NONHYGROSCOPIC: .3800 - .5050

MOSTLY: .4200 - .4650

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices on the whey protein concentrate 34% range are lower and higher. The mostly series is unchanged to lower. Some market participants note the current market weakness is limited in scope as several manufacturers report limited availability of f.o.b. spot loads. However, producers relying heavily on feed formulators to clear their edible WPC 34% continue to run into competition from off spec NDM and various higher protein content WPCs. Whey protein concentrate 34% production is steady at some locations, but lower at others where liquid whey is clearing instead into dry whey. Inventories are variable. The March 2015 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$1.0031 compared to \$1.7694 one year ago.

DAIRY PRODUCTS: NASS reports U.S. production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during February 2015 totaled 16.6 million pounds, 26.6% lower than one year ago. Cumulative production for 2015 totals 40.6 million pounds, 17.5% lower than 2014. Manufacturers' end-of-month stocks totaled 30.5 million pounds, 44.8% higher than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: .8500 - 1.1300 MOSTLY: .8800 - 1.0300

**U.S. WPC ≤ 80% Exports, H.S. Code 0404100500(FAS)**

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
February Total	14.9	- 26
TOTAL, JAN - FEB	28.1	- 23
1 China	5.8	- 56
2 Canada	5.4	+ 4
3 Mexico	5.1	- 21
4 Indonesia	2.2	+ 89
5 Japan	2.1	+ 80

**LACTOSE - CENTRAL AND WEST**

Lactose prices are unchanged on the mostly, but lower and higher on the range. The market is mixed, depending on lactose end uses. Manufacturers selling into infant formula and some industrial uses indicate demand is active and inventories are limited. However, a few manufacturers who sell edible lactose into the feed industry report permeate is supplanting lactose volumes in feed formulations. Additionally, some prices being bid for lactose volumes are too low, in the view of producers, and they are choosing to hold lactose at those prices. Also, a few producers have run into certification road blocks trying to clear lactose into China, despite current interest from buyers in that country. Lactose production is ongoing, following the trend of active cheese production. Inventories vary from short of current needs to building. The March 2015 Dairy Market News average of the mostly price series for Central and West lactose was \$0.2472, compared to \$0.5983 one year ago.

DAIRY PRODUCTS: NASS's Dairy Products report shows U.S. HUMAN and ANIMAL LACTOSE production during February 2015 totaled 81.3 million pounds, a 9.2% decrease from one year ago. Cumulative 2015 lactose production totals 171.4 million pounds, an 8.1% decrease from 2014. Month ending stocks, at 133.7 million pounds, are 26.2% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1800 - .3600 MOSTLY: .2000 - .2750

CONTINUED ON PAGE 6A

**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.

**CONTINUED FROM PAGE 6****U.S. Lactose Exports, H.S. Code 1702110000(FAS)**

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
February Total	39.0	+ 9
TOTAL, JAN - FEB	72.2	- 6
1 China	11.6	+ 107
2 Mexico	9.9	+ 3
3 New Zealand	8.7	- 45
4 Singapore	6.6	+ 177
5 Japan	4.7	- 34

**CASEIN - NATIONAL**

Prices held steady for both acid and rennet casein. The market undertone is weak. The Q2 pricing levels moved lower compared to Q1. Both varieties of casein are readily available on the global market. Casein production in Europe is expected to increase, reflecting the seasonal increases in milk production. Supplies in the U.S. are adequate to cover needs in the near term with numerous buyers willing to take a wait and see attitude, not wanting to make purchases on a downward trending market.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 3.3500 - 3.8000  
ACID: 3.5000 - 4.1000

**2015 U.S. Casein Imports (USDA-FAS)**

	(Million Lb.)	% Change From 1 Year Ago
February	12.8	- 25
Total Jan. - Feb.	23.3	- 31
1 New Zealand	11.2	+ 14
2 Netherlands	3.5	- 72
3 Ireland	2.4	+ 297
4 Argentina	1.6	0
5 India	1.2	- 70

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

	2015 WEEKLY	2015	2014 WEEKLY	2014
<u>WEEK ENDING</u>	<u>DAIRY COWS</u>	<u>CUMULATIVE DAIRY COWS</u>	<u>DAIRY COWS</u>	<u>CUMULATIVE DAIRY COWS</u>
03/21/2015	60.4	731.6	58.3	710.3

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](http://www.ams.usda.gov/mnreports/sj_ls714.txt)

**SOURCE:** The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

### CLASS III MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82

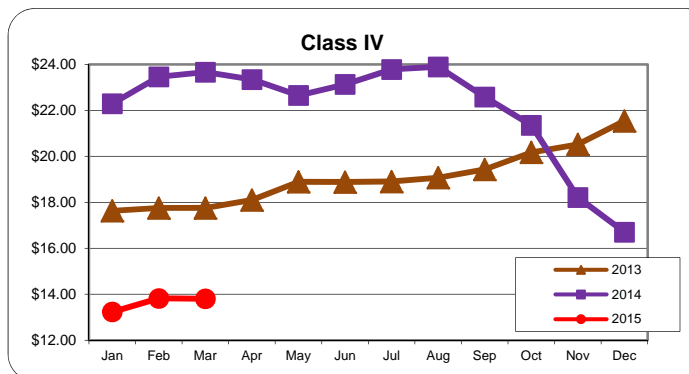
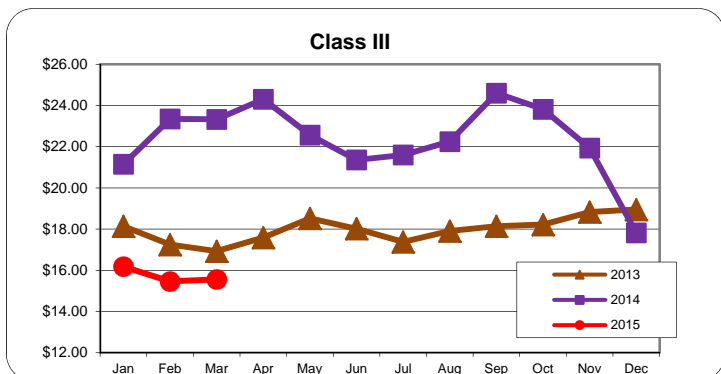
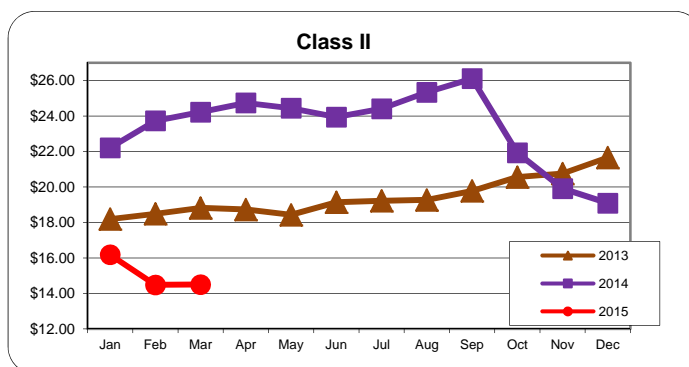
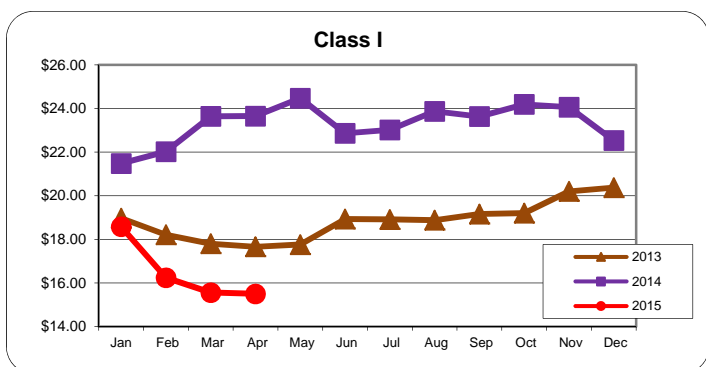
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70

## FEDERAL MILK ORDER CLASS PRICES FOR 2015 (3.5%)

[illegible]

1/ Specific order differentials to be added to this base price can be found by going to: [www.ams.usda.gov/DairyMarketingStatistics](http://www.ams.usda.gov/DairyMarketingStatistics); then select "Prices"; and then select "Principal Pricing Points."





## ORGANIC DAIRY MARKET NEWS

Information gathered March 30 - April 10, 2015

## ORGANIC DAIRY FLUID OVERVIEW

The announcement last weekend of residential water restrictions in California due to continuing multi-season drought rekindled the focus of many people outside California of a reality that has been facing California organic dairy producers for some time. With much of California currently classified as experiencing either extreme or severe drought, California organic producers are facing challenges in keeping pace with increasing consumer demand.

California was identified as the state with the highest production of organic milk in the last Survey of Agriculture. California also manufactures a significant volume of organic cheese sold outside California and used by downstream manufacturers as ingredients in other organic food products. A California cheese industry observer calls the current situation in California very serious.

Poor pasture conditions related to drought have led to many California organic producers purchasing more organic hay for feeding. Hay and feed prices have significantly risen and increasingly must be trucked from some distance. That increases costs of producing organic milk and/or results in less feeding and/or culling herds, or using hay and feed of lower quality, all of which adversely affects organic milk production and profitability.

While recent pay price increases had been expected to begin to mitigate increased production costs and temper declines in organic milk production, the challenge of stimulating increased production depends on transitioning producers feeling confident that the three year process to certify land and cows is one that will be financially sound three years down the road. Some California processors are having some success in gaining commitments from producers to transition to organic, typically by offering financial assistance.

The recent re-focus on California's drought, while a reality, has generated concerns from organic processors, producer association officials, and also organic producers, about the magnitude of this factor in holding back needed organic milk production increases. Uncertainty is a complicating factor undermining what had been more energetic efforts to help increase organic dairy production.

A mitigating factor helping organic producers in California to keep going is that many organic dairies tend to be concentrated in coastal regions along the North Bay and Sonoma, Marin and Humboldt counties due to pasture grazing requirements associated with being a certified organic producer. Those areas are less severely affected by drought and irrigation challenges, somewhat helps to ease the impact of current conditions. Organic producers in the Central Valley are more seriously challenged by the need for substantial irrigation to maintain pasture conditions.

It is generally acknowledged that California's organic milk volumes tightened last fall and continued to tighten through the winter, which led to some price improvement for producers as processors became more willing to increase pay prices, now in many instances in the \$40 to \$45 range. A question now under active discussion is how well the increased pay prices will help to mitigate the impact of weather in the short term and long run.

Of some concern is also the more recent trend of using land that once raised organic hay and feed, for permanent crops such as almonds and walnuts. This has occurred as some organic dairy and beef producers decided to give it up. Not only do those permanent crops often consume more water than organic pasture, but have had the effect of reducing acreage in California used for organic pasture or to raise organic hay.

There is no current consensus as to what these factors will lead to later this season, or in the next several seasons as far as organic

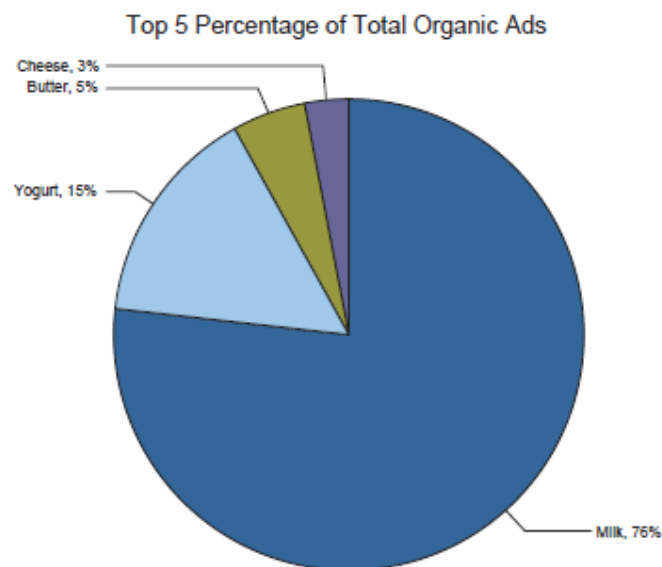
dairy volumes produced in California. Organic dairy producers, processors, and agricultural lenders asked to extend credit to help continue existing operations or fund expansions or transitions, are quite attuned to future uncertainties the extended drought presents. The most immediate effect is aggressive efforts by existing organic processors to sign new producers to contracts, often at the expense of other processors.

## ORGANIC DAIRY RETAIL OVERVIEW

## NATIONALLY ADVERTISED PRICE COMPARISON

**Organic Dairy Overview.** Organic dairy ad numbers in most categories are low relative to earlier weeks of 2015. Ads for organic milk gallons sold as a store brand of a national grocery store chain are substantially responsible for the number of organic milk gallon ads, which comprise over 60% of all organic dairy ads this week.

Organic milk accounts for 76% of organic dairy ads, organic yogurt for 15%, organic butter 5%, and organic cheese 3%.



Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from April 10 to April 16, 2015, identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Complete results of this weekly survey providing additional graphs, tables, and regional delineation, follow at the end of Dairy Market News, or can be accessed at: <http://www.ams.usda.gov/AMSV1.0/DairyRetailReport>

**Organic Milk Half Gallons.** The U.S. weighted average advertised price of organic milk half gallons is \$4.14, up 42 cents from the last week. One year ago the price was \$3.60. This is the highest U.S. weighted average advertised price for organic milk half gallons in at least 3 years. Ads are almost evenly split between the Northeast and Midwest.

CONTINUED ON PAGE - 8 A -

## ORGANIC DAIRY MARKET NEWS

Information gathered March 30 - April 10, 2015

CONTINUED FROM PAGE - 8 -

**Organic Milk Gallons.** The U.S. weighted average advertised price of organic milk gallons is \$5.91, down 9 cents. One year ago the price was \$5.95. Ads for organic milk gallons appeared in the Southwest and South Central regions.

**Organic Cheese.** The U.S. average price for 8 ounce shredded organic cheese is \$3.99, identical with last report. All ads appeared in the Northeast.

**Organic Yogurt.** The U.S. weighted average price of 32 ounce organic yogurt, \$2.50, compares with \$3.24 one year ago. There were no ads for the last report. The remaining organic yogurt ads are for 4-6 ounce organic yogurt, with a U.S. average price of \$.99.

**Organic Butter.** The U.S. average price for 1# organic butter is \$5.49, up from \$5.21 for the last report. No ads ran one year ago.

**Organic Grain and Feedstuff Markets.** Organic corn prices are mixed, while prices are trending mostly steady for the balance of organic grains. Spot market activity has been moderate to active for small grains (e.g. oats, milo, rye, buckwheat, sunflower seeds, flax, field peas, and lentils), especially oats, but slow to moderate for the balance of organic grains. Demand is moderate for organic corn and soybeans, light to moderate on wheat, and for small grains, light to good.

Forward contracts are being negotiated for new crop organic corn, soybeans, and flax. Forward contract negotiations for new crop wheat have slowed. Uncertainty is expressed involving imports and pricing competitiveness, as well as the start of planting season, weather, and ongoing issues with quality and transportation. Specific factors of uncertainty are cost, port delays, and crop availability.

Additional livestock and grain market news information is available at: [www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews)

## February 2015 Dairy Products Highlights

**Butter** production was 156.1 million pounds, 4.8 percent below February 2014 and 13.1 percent below January 2015. **American type cheese** production totaled 349.3 million pounds, 2.5 percent above February 2014 but 12.0 percent below January 2015. **Total cheese** output (excluding cottage cheese) was 884.3 million pounds, 3.9 percent above February 2014 but 9.5 percent below January 2015. **Nonfat dry milk** production, for human food, totaled 148.1 million pounds, 5.4 percent above February 2014 but 10.2 percent below January 2015. **Dry whey** production, for human food, was 76.6 million pounds, 25.4 percent above February 2014 and 2.6 percent above January 2015. **Ice cream, regular hard** production totaled 58.8 million gallons, 0.4 percent above February 2014 and 5.9 percent above January 2015.

Production of Dairy Products									
Product	Feb 2015	Change from			Product	Feb 2015	Change from		
		Feb 2014	Jan 2015	Year to Date <sup>1</sup>			Feb 2014	Jan 2015	Year to Date <sup>1</sup>
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	156,101	-4.8	-13.1	-3.1	Yogurt (plain and flavored)	421,251	7.2	11.8	1.3
Cheese					Dry whey, human food	76,642	25.4	2.6	---
American types <sup>2</sup>	349,258	2.5	-12.0	3.4	Dry whey, animal feed	1,384	40.1	53.8	---
Cheddar	257,300	3.4	-11.8	4.4	Dry whey, total <sup>8</sup>	78,026	25.7	3.2	16.3
Other American	91,958	-	-12.3	---	Reduced lactose & minerals				
Brick & Muenster	12,663	7.7	-18.3	---	Human food	2,405	5.1	-23.3	---
Cream & Neufchatel	53,308	3.7	-13.7	---	Animal feed	5,358	-2.5	14.2	---
Hispanic	18,552	2.6	-7.1	---	Lactose, human food & animal feed	81,276	-9.2	-9.8	-8.1
Total Italian types	394,164	5.4	-7.4	3.2	Whey protein concentrate				
Mozzarella	310,016	3.4	-7.6	2.1	Human food <sup>9</sup>	38,458	-8.2	-17.8	---
Other Italian	84,148	13.3	-6.3	---	Animal feed <sup>9</sup>	359	18.5	9.5	---
Swiss	23,573	3.2	-3.3	---	Total <sup>9</sup>	38,817	-8.0	-17.6	-3.7
All other types	32,738	2.5	-2.8	---	25.0-49.9 percent <sup>10</sup>	16,646	-26.6	-30.4	---
Total	884,256	3.9	-9.5	3.2	50.0-89.9 percent <sup>10</sup>	22,171	13.7	-4.5	---
Cottage cheese, curd <sup>3</sup>	29,570	4.7	11.5	---	Whey protein isolates <sup>11</sup>	6,213	-24.0	-3.4	---
Cottage cheese, cream <sup>4</sup>	23,422	3.5	10.1	-6.8					
Cottage cheese, lowfat <sup>5</sup>	29,021	5.8	0.3	1.9					
Dry buttermilk	9,431	-13.2	-8.4	---	Frozen products				
Dry whole milk	10,541	20.7	69.9	---	Ice cream, regular hard	58,818	0.4	5.9	0.3
Milk protein conc. (MPC), total <sup>6</sup>	13,972	39.8	0.3	---	Ice cream, lowfat, hard	16,283	2.0	1.8	---
Nonfat dry milk (NDM), human	148,094	5.4	-10.2	12.0	Ice cream, lowfat, soft	14,569	6.5	14.1	---
Skim milk powders (SMP) <sup>7</sup>	32,442	-8.3	-25.7	-19.2	Ice cream, lowfat, total	30,852	4.1	7.2	8.1
Sour cream	94,690	23.8	-10.8	8.9	Sherbet, hard	3,252	-3.1	8.4	-0.3
					Frozen yogurt, total	4,843	-14.3	11.5	-9.7
Manufacturers' Stocks, End of Month <sup>12</sup>									
Product	Feb 2015	Feb 2014	Jan 2015		Product	Feb 2015	Feb 2014	Jan 2015	
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Dry whey, human food	60,737	8.2	-2.2		Whey protein concentrate				
Dry whey, animal feed	847	55.7	1.6		Human food <sup>9</sup>	64,418	34.6	-1.7	
Reduced lactose & minerals—human & animal <sup>13</sup>	11,135	15.3	8.2		Animal feed <sup>9</sup>	931	13.4	-10.0	
Lactose, human food & animal feed	133,673	26.2	2.0		Total <sup>9</sup>	65,349	34.2	-1.8	
Dry buttermilk	24,841	55.6	0.2		25.0-49.9 percent <sup>10</sup>	30,532	44.8	-4.5	
Nonfat dry milk, human food	240,699	32.6	0.1		50.0-89.9 percent <sup>10</sup>	34,817	26.2	0.7	
					Whey protein isolates <sup>11</sup>	11,300	19.2	-4.6	

<sup>1</sup> 2015 cumulative as percent change of 2014 cumulative. <sup>2</sup> Includes Cheddar, Colby, Monterey and Jack. <sup>3</sup> Mostly used for processing into cream or lowfat cottage cheese. <sup>4</sup> Fat content 4 percent or more. <sup>5</sup> Fat content less than 4 percent. <sup>6</sup> Dry milk protein concentrate, 40-89.9 percent. <sup>7</sup> Includes protein standardized and blends. <sup>8</sup> Excludes all modified dry whey products. <sup>9</sup> Whey protein concentrate, 25.0 to 89.9 percent. <sup>10</sup> Whey protein concentrate, human and animal. <sup>11</sup> Whey protein isolates, 90.0 percent or greater. <sup>12</sup> Stocks held by manufacturers at all points and in transit. <sup>13</sup> Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, April 2015.*

## April Milk Supply and Demand Estimates

The milk production forecast for 2015 is lowered from last month as growth in output per cow is constrained by dry conditions in the West. Fat basis imports are raised on demand for butterfat, but skim-solids imports are unchanged. Exports are hampered by relatively weak international prices and the strong dollar; thus forecasts for both fat and skim-solids are reduced from last month.

Product price forecasts for butter and cheese are raised on domestic demand strength. However, relatively weak exports of nonfat dry milk (NDM) are expected to pressure prices lower. The whey price forecast is unchanged. The Class III price is raised on the strength of cheese prices, but the Class IV price is reduced as a lower NDM price more than offsets a higher butter price. The all milk price is forecast at \$17.10 to \$17.60 per cwt.

U.S. Milk Supply and Use					
Commodity	2013	2014 Estimated		2015 Projected	
		Mar	Apr	Mar	Apr
Milk	(billion pounds)				
Production	201.2	206.0	206.0	211.1	210.0
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	12.2	11.2	11.2	11.2	11.2
Marketings	200.3	205.1	205.1	210.1	209.0
Imports	3.7	4.3	4.3	4.1	4.4
Total Commercial Supply	216.2	220.5	220.5	225.5	224.6
Fat Basis Use					
Commercial Exports	12.4	12.5	12.5	10.8	10.7
Ending Commercial Stocks	11.2	11.2	11.2	11.5	11.4
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	192.6	196.9	196.9	203.1	202.5
Skim-Solid Basis Supply					
Beginning Commercial Stocks	12.4	11.6	11.6	13.1	13.1
Marketings	200.3	205.1	205.1	210.1	209
Imposts	5.3	5.6	5.6	5.5	5.5
Total Commercial Supply	217.9	222.3	222.3	228.7	227.6
Skim-Solids Basis Use					
Commercial Exports	38.5	39.2	39.2	37.3	36.5
Ending Commercial Stocks	11.6	13.1	13.1	13.0	12.9
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	167.7	170.0	170.0	178.4	178.2

NOTE: Totals may not add due to rounding.

Continued on page 11

## April Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices						
Commodity	2013	2014 Estimated		2015 Projected		
		Mar	Apr	Mar	Apr	
Product Prices <sup>1</sup>	(dollars per pound)					
	Cheese	1.7683	2.1551	2.1551	1.600-1.660	1.625-1.675
	Butter	1.5451	2.1361	2.1361	1.670-1.760	1.705-1.785
	Nonfat Dry Milk	1.7066	1.7682	1.7682	1.205-1.255	1.090-1.130
	Dry Whey	0.5902	0.6538	0.6538	0.490-0.520	0.490-0.520
Milk Prices <sup>2</sup>	(dollars per cwt)					
	Class III	17.99	22.34	22.34	15.95-16.55	16.20-16.70
	Class IV	19.05	22.09	22.09	15.30-16.00	14.45-15.05
	All Milk <sup>3</sup>	20.05	23.98	23.98	17.05-17.65	17.10-17.60
	Quarterly					
	2014 IV	2015 I <sup>4</sup>	2015 II <sup>4</sup>	2015 III <sup>4</sup>	2015 IV <sup>4</sup>	
Milk Production	(billion pounds)					
	51.0	52.1	53.9	52.0	52.0	
	(dollars per cwt)					
	All Milk Price <sup>2, 3</sup>	22.77	16.95-17.05	16.25-16.65	17.10-17.80	17.90-18.90
	Class III Price <sup>2</sup>	21.19	15.70-15.80	15.70-16.10	16.55-17.25	16.75-17.75
Class IV Price <sup>2</sup>	18.75	13.50-13.70	13.95-14.45	14.75-15.55	15.45-16.55	

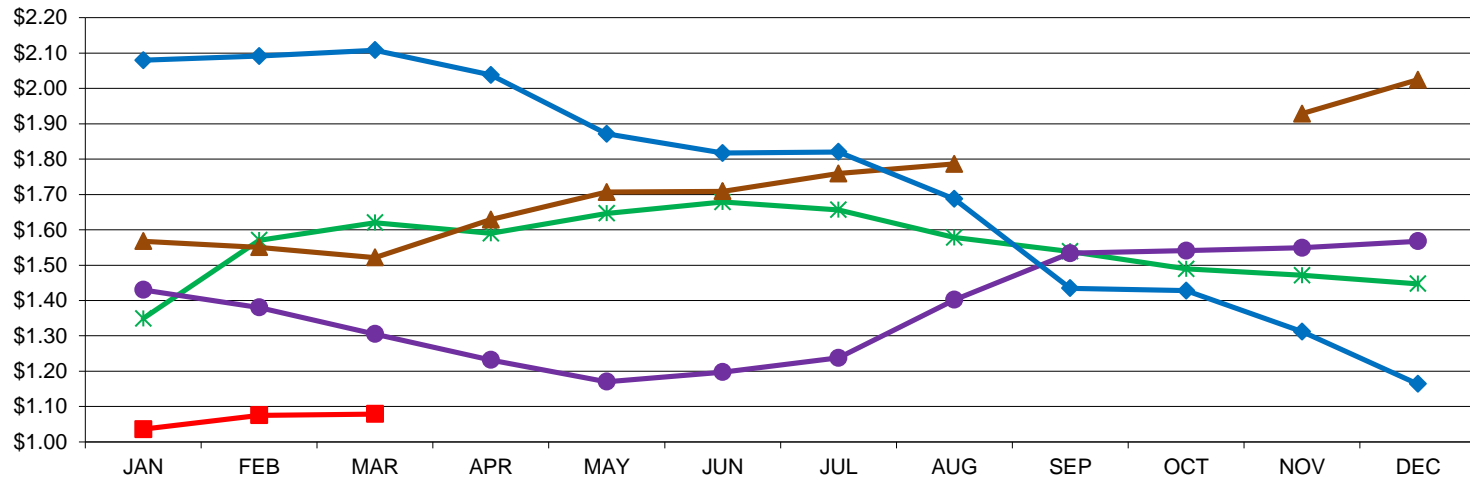
<sup>1</sup> Simple average of monthly prices calculated from AMS weekly average dairy product prices for class price computations. Details may be found by going to <http://www.ams.usda.gov/DairyMarketStatistics>; then select "Prices;" then select "Description." <sup>2</sup> Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test. <sup>3</sup> Does not reflect any deductions from producers as authorized by legislation. <sup>4</sup> Projection.

**Source:** U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-539, April 9, 2015*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Uthra Raghunathan, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].



### Central & East Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

PER POUND

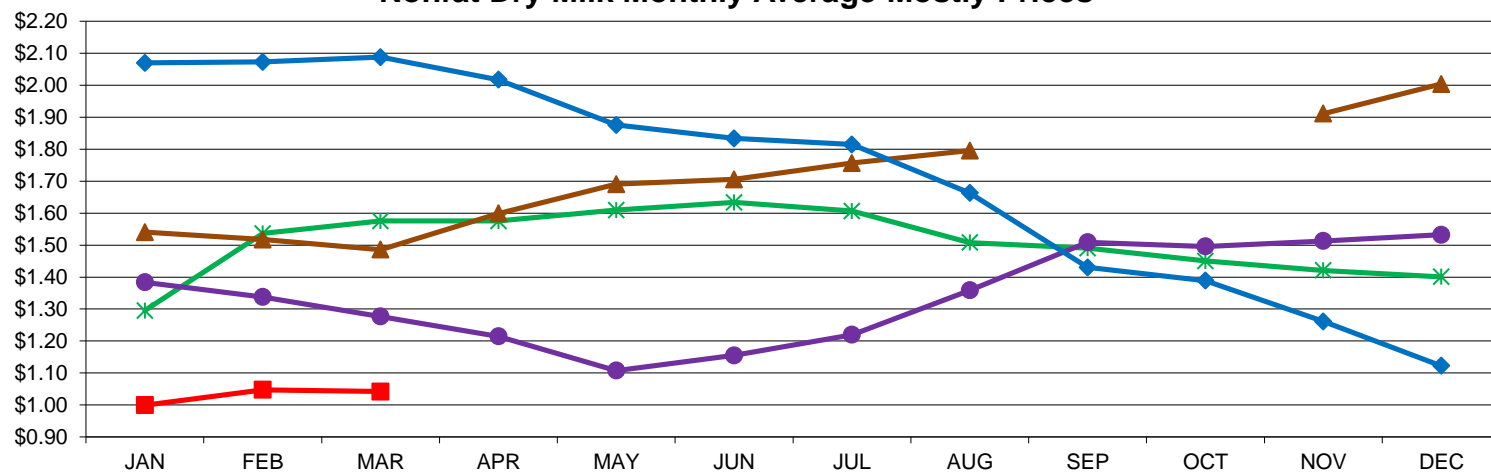


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

### Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

PER POUND

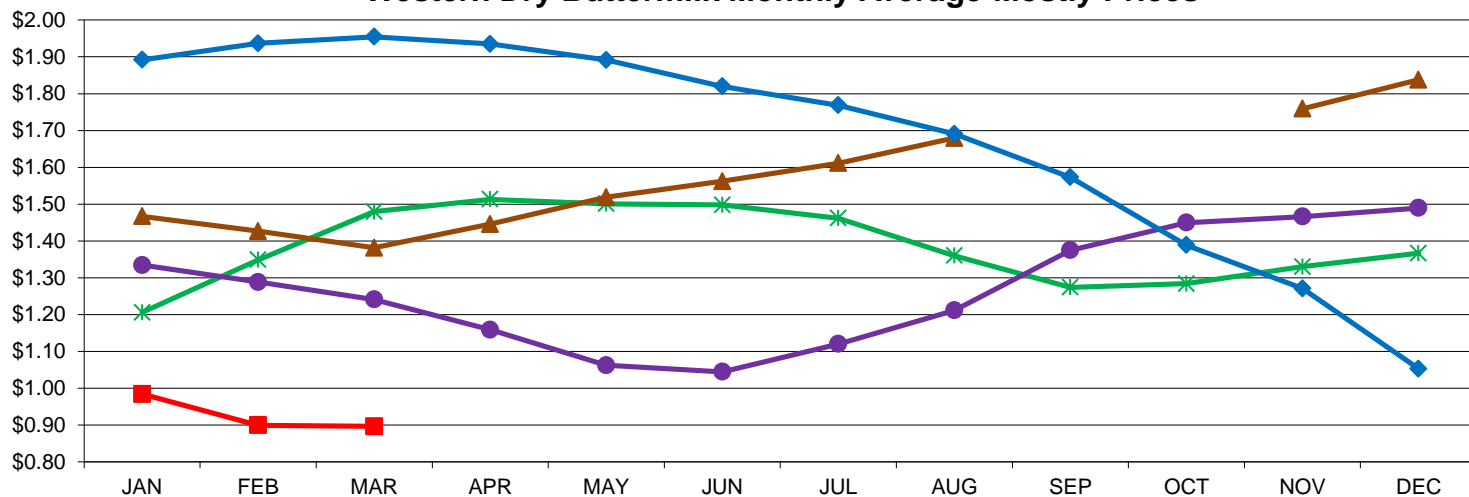


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

### Western Dry Buttermilk Monthly Average Mostly Prices

PER POUND

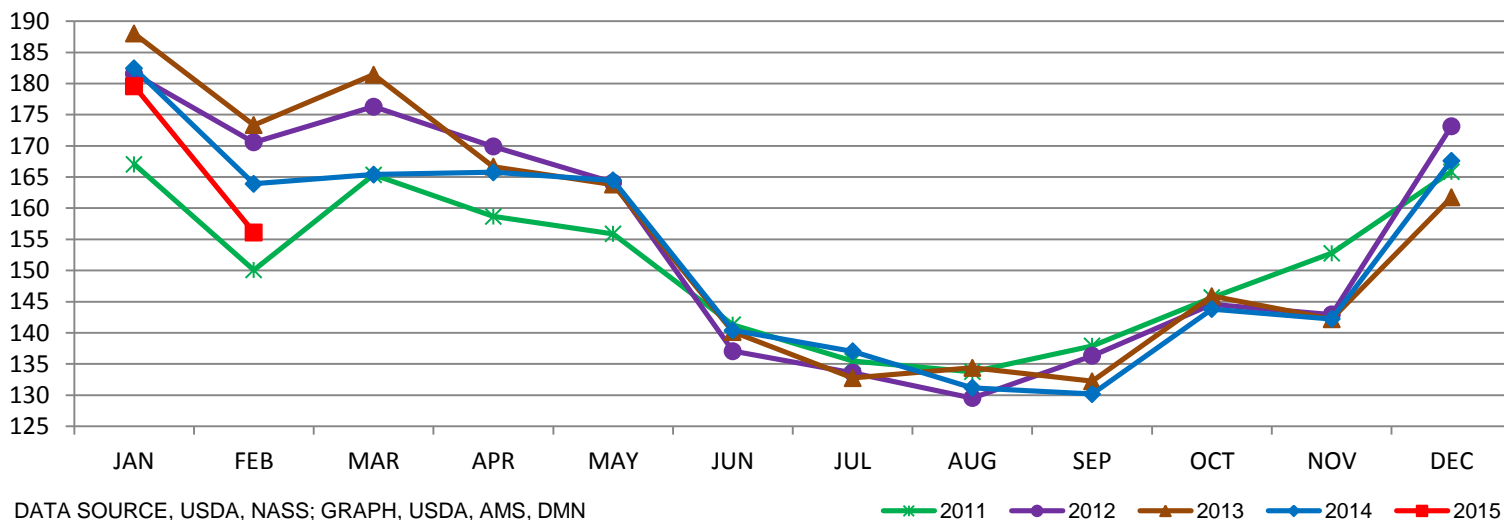


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

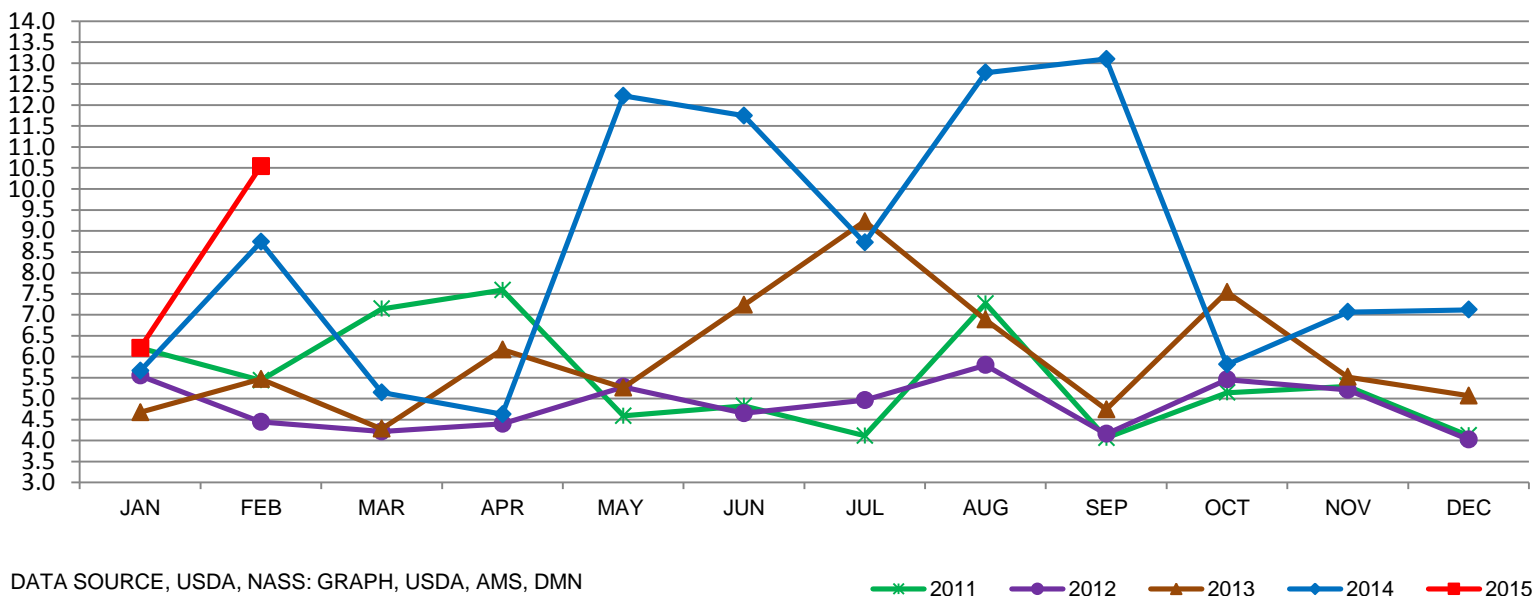
million pounds

### U.S. Butter Production



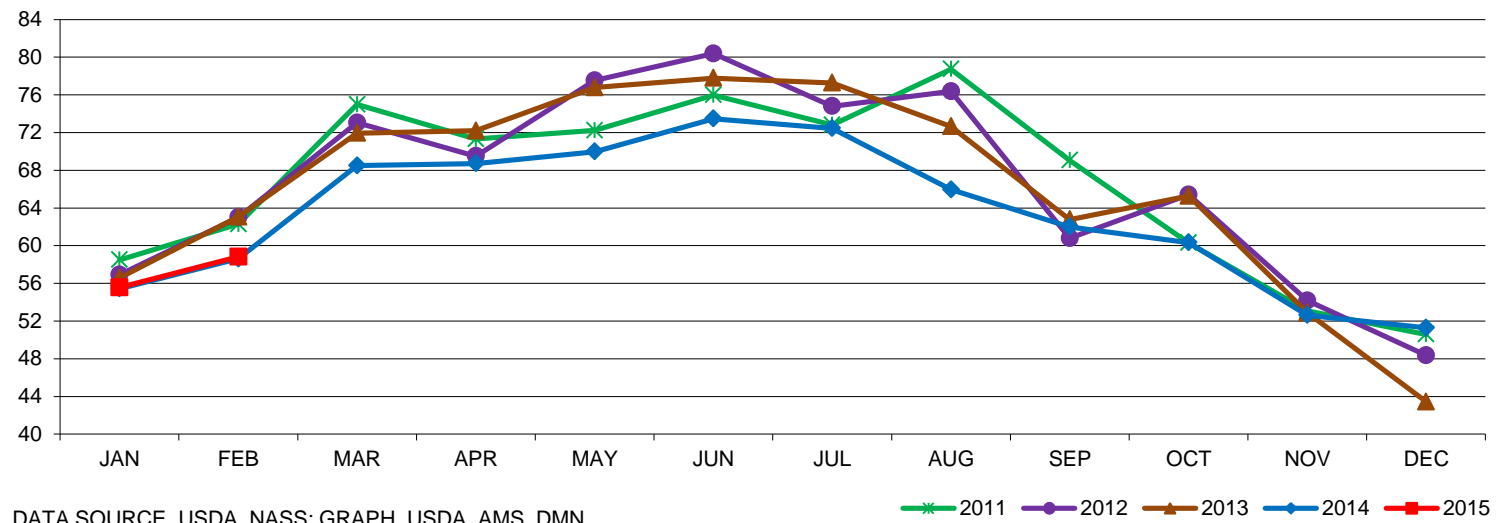
### U.S. Dry Whole Milk Production

million pounds



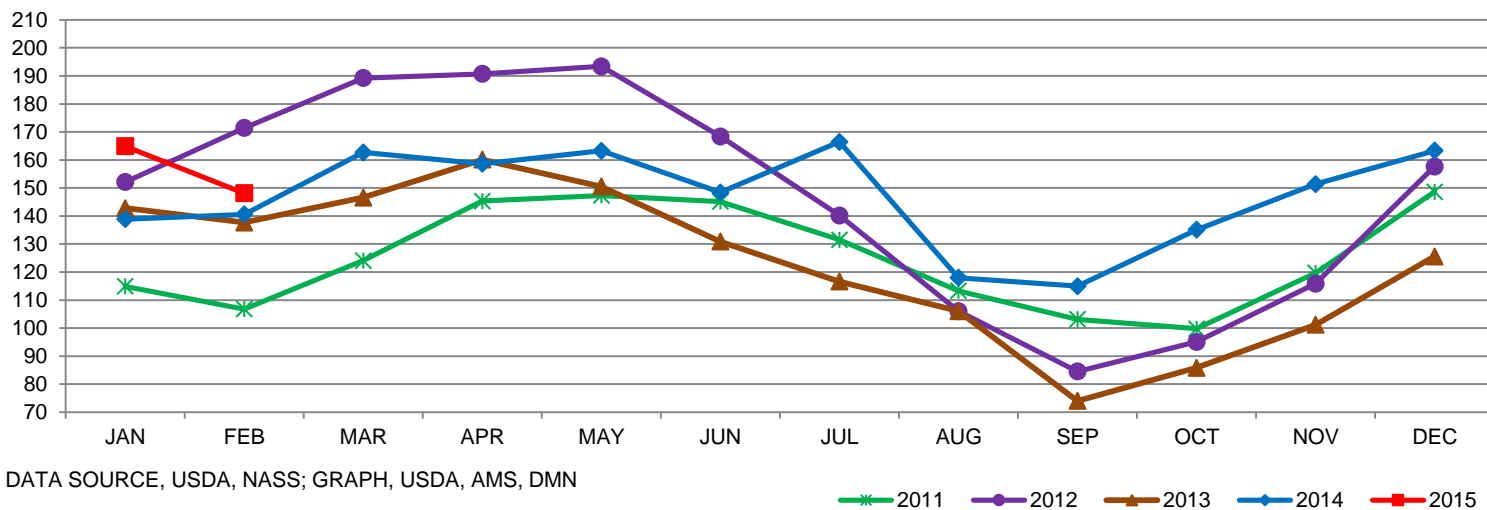
### U.S. Regular Hard Ice Cream Production

million gallons



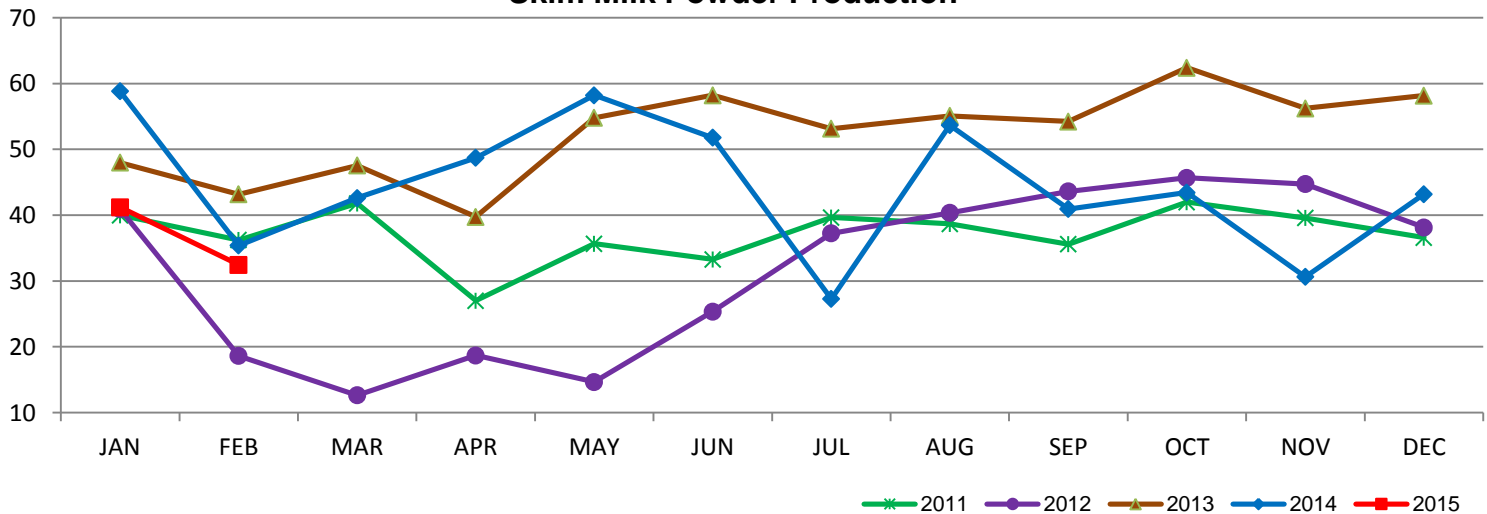
MILLION POUNDS

## U.S. Nonfat Dry Milk (NDM) Production, Human



MILLION POUNDS

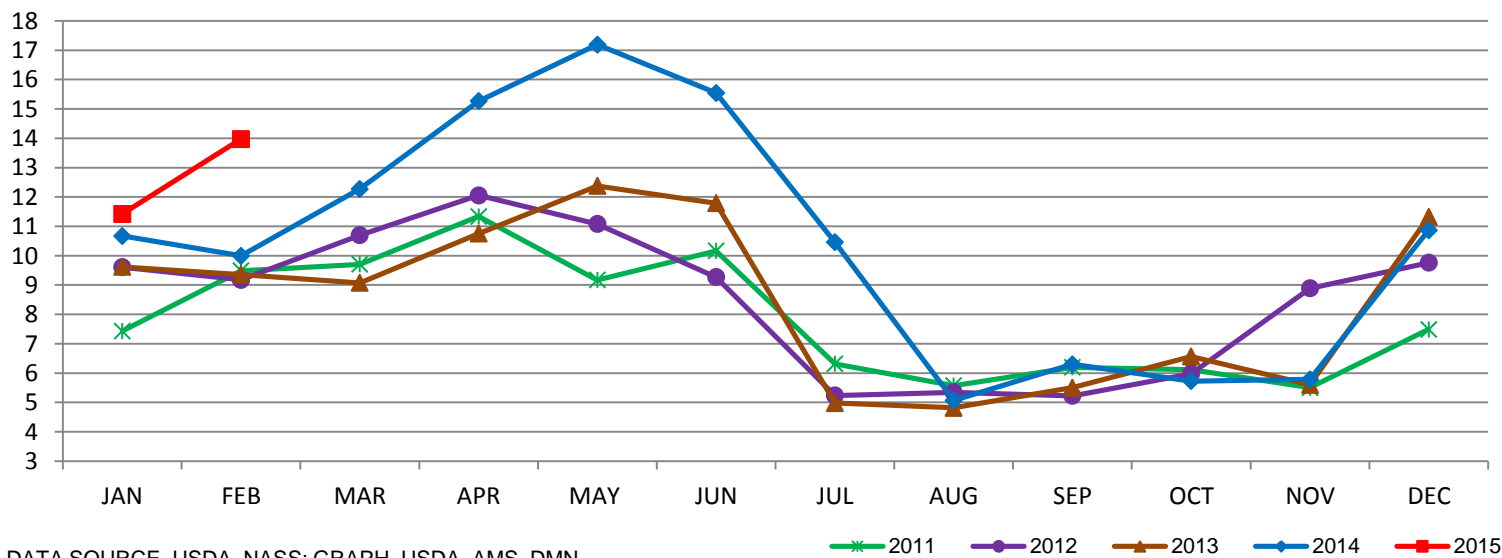
## Skim Milk Powder Production



DATA SOURCE, USDA, NASS, GRAPH, USDA, AMS, DMN

MILLION POUNDS

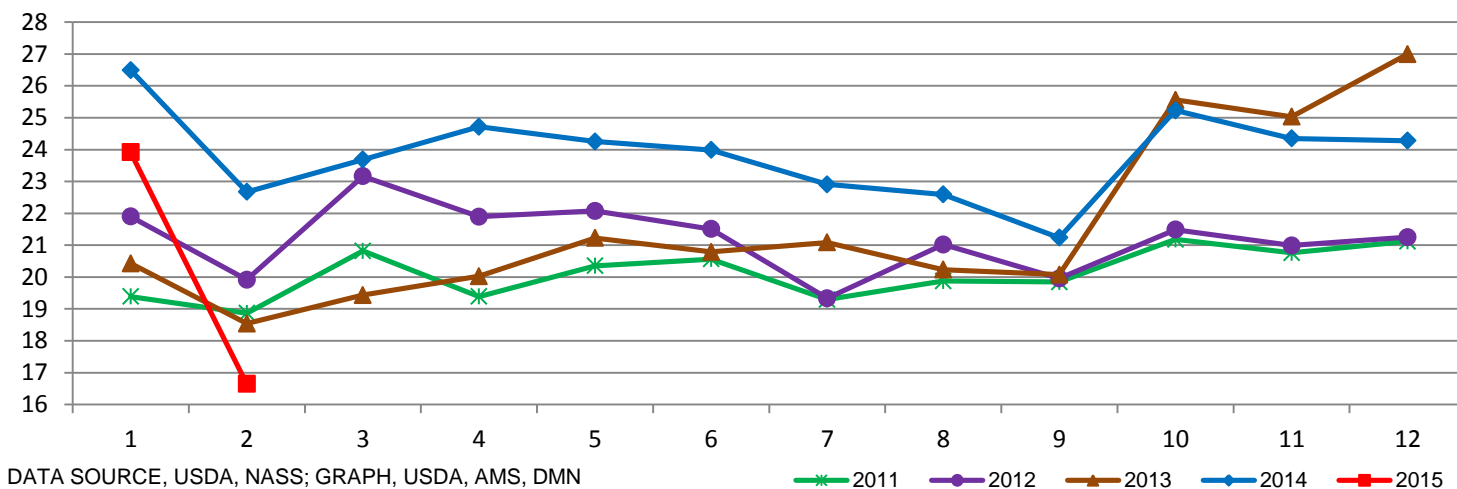
## U.S. Milk Protein Concentrate Production, 40.0 - 89.9% Protein



DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

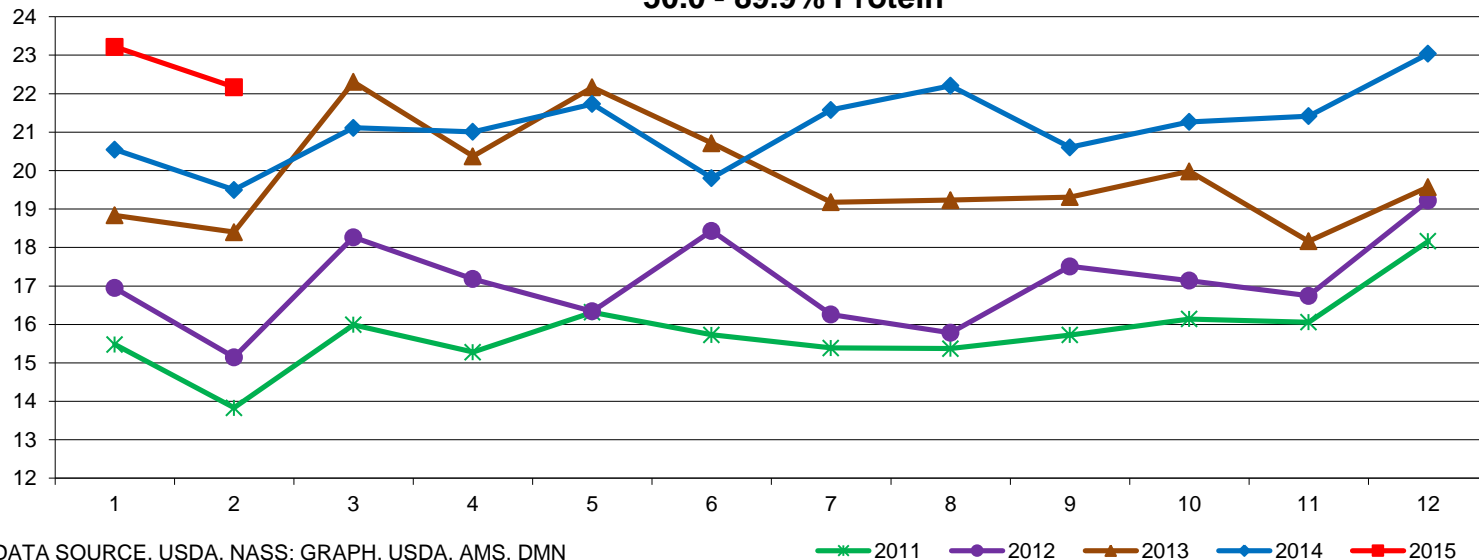
### U.S. Total Dry WPC Production, Human and Animal, 25.0 - 49.9% Protein

MILLION POUNDS



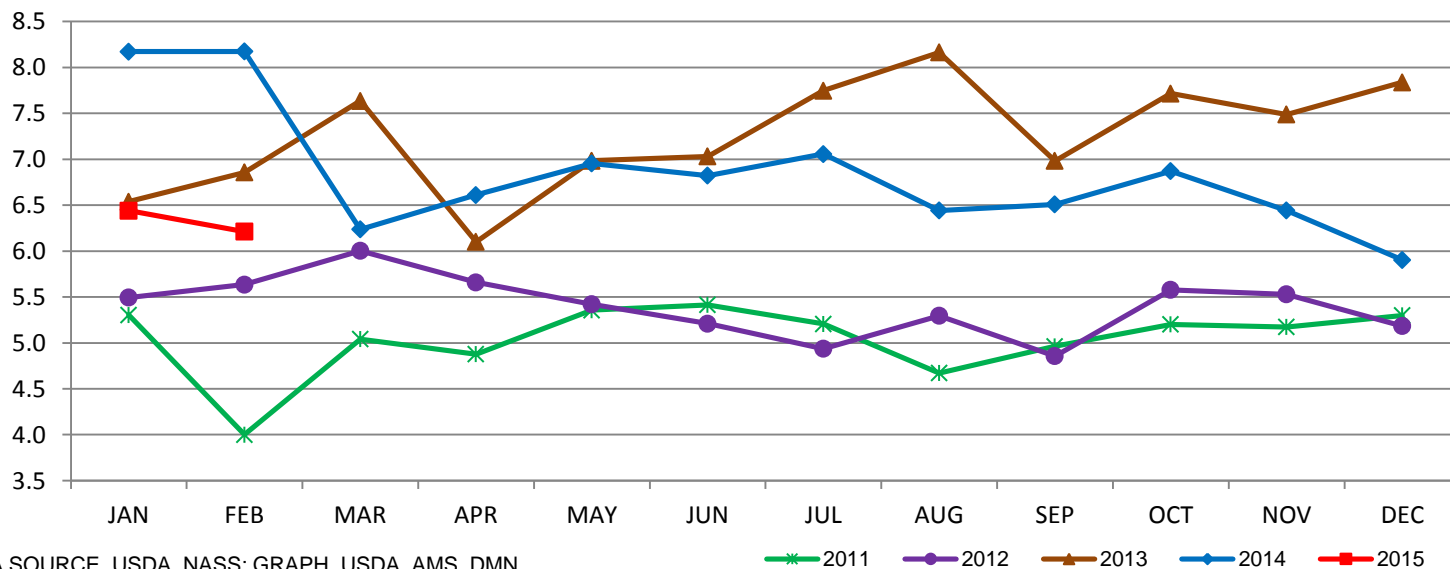
### U.S. Total Dry WPC Production, Human and Animal, 50.0 - 89.9% Protein

MILLION POUNDS



## U.S. Whey Protein Isolate Production

MILLION POUNDS





## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Retail Report - Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>

Volume 82- Number 14

Issued Weekly

Friday, April 10, 2015

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/10/2015 to 04/16/2015

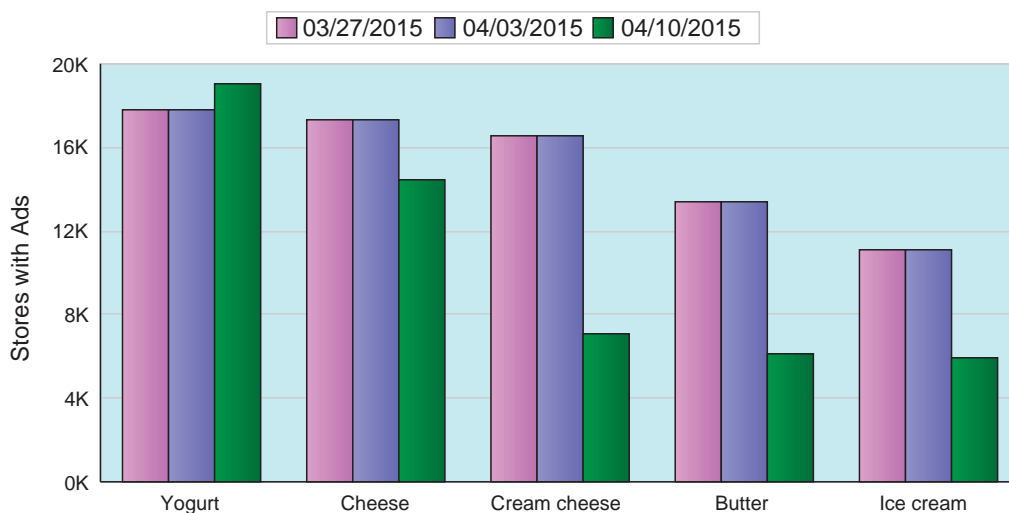
Ad numbers are lower than last week for ice cream (-47%); cream cheese (-57%); butter (-52%); and sour cream (-68%). The national average prices and changes compared to last week are: 48-64 oz. ice cream, \$3.14, +4 cents; 8 oz. cream cheese, \$1.58, + 5 cents; 1# butter \$2.81, +35 cents; and 16 oz. sour cream \$1.64, -13 cents.

Store ad volumes for or Greek 4-6 ounce yogurt continue to significantly lead all other categories and sizes of yogurt, and volume increased 12% from last week. The average price of 4-6 ounce Greek yogurt, \$1.00, is 2 cents above last week and 1 cent above one year ago. Ads for 4-6 ounce yogurt, the second most advertised yogurt, have an average price of 47 cents, down 2 cents from last week and 3 cents below one year ago.

The U.S. average advertised price for 8 ounce cheese blocks, \$2.40, is 9 cents higher than one week ago, and 18 cents higher than a year ago; while 8 ounce shredded cheese at \$2.35, down 4 cents from one week ago and down 9 cents from one year ago.

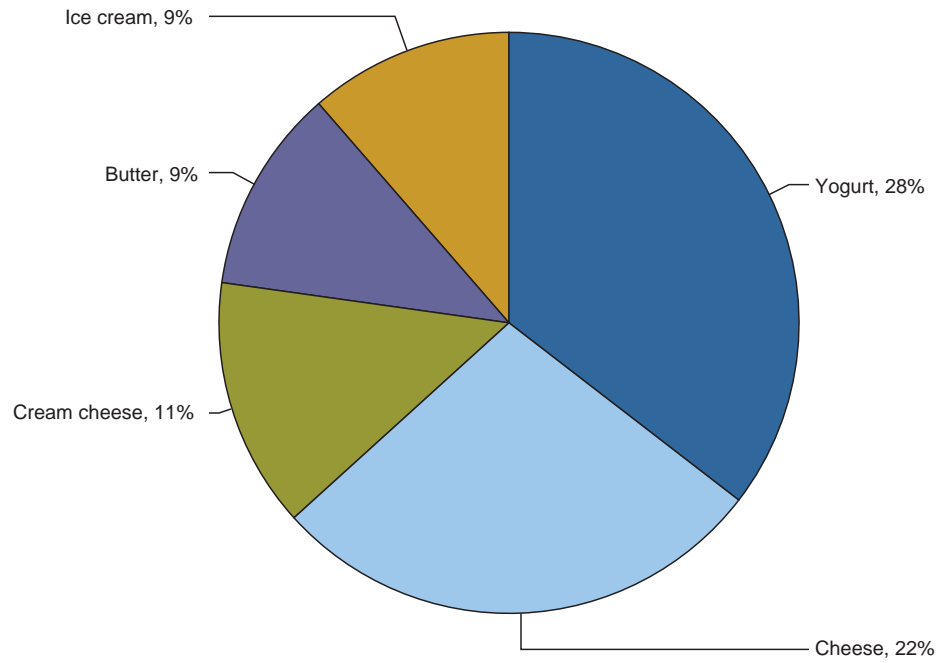
The organic - conventional half gallon milk price spread is \$2.32, up 68 cents from last week. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.82, down 26 cents from one week ago, and the average for organic half gallon milk, \$4.14, up 42 cents from last week.

Top 5 Commodities Featured

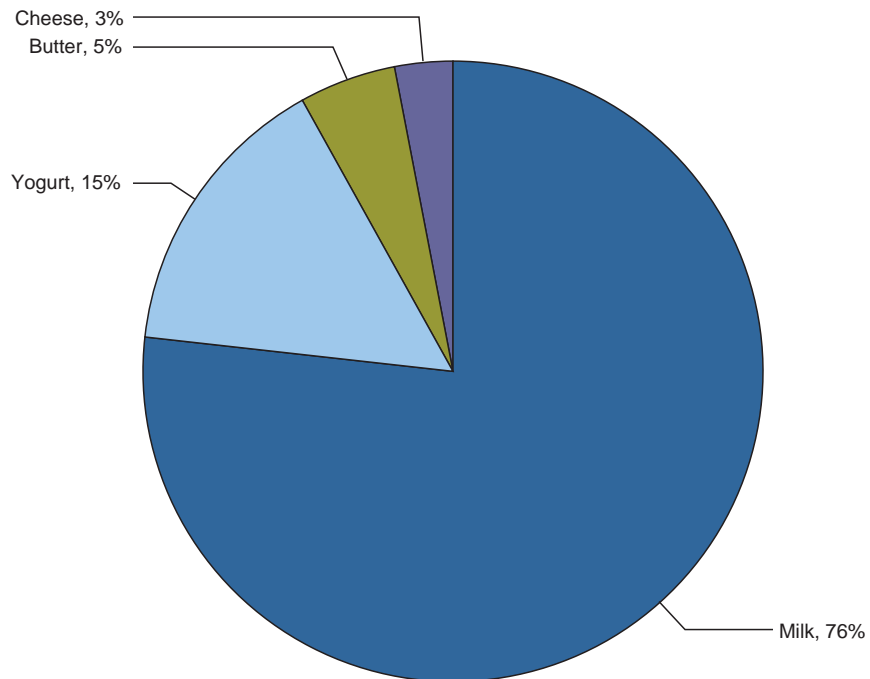




Top 5 Percentage of Total Conventional Ads



Top 5 Percentage of Total Organic Ads





## NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	6026	2.81	12574	2.46	3010	2.79
Cheese	Natural Varieties	8 oz block	4554	2.40	6637	2.31	5422	2.22
Cheese	Natural Varieties	1 # block	1644	3.47	250	3.78	2249	4.78
Cheese	Natural Varieties	2 # block	774	7.36	1010	7.24	1642	7.14
Cheese	Natural Varieties	8 oz shred	6192	2.35	8519	2.39	9413	2.44
Cheese	Natural Varieties	1 # shred	1193	3.08	732	4.89	1276	3.39
Cottage cheese		16 oz	2836	2.07	3088	1.86	1949	2.12
Cream cheese		8 oz	7054	1.58	16590	1.53	7105	1.68
Flavored milk	All fat tests	half gallon	110	1.00	547	1.90	165	2.48
Flavored milk	All fat tests	gallon	316	2.59			403	3.95
Ice cream		48-64oz	5925	3.14	11114	3.10	11844	3.22
Milk	All fat tests	half gallon	605	1.82	1050	2.08	628	1.53
Milk	All fat tests	gallon	2525	2.80	1957	2.57	1346	3.00
Sour cream		16 oz	3045	1.64	9428	1.77	4984	1.66
Yogurt	Greek	4-6 oz	11008	1.00	9811	.98	10380	.99
Yogurt	Greek	32 oz	944	4.37	1497	4.50	706	3.64
Yogurt	Yogurt	4-6 oz	5746	.47	3117	.49	4042	.50
Yogurt	Yogurt	32 oz	1051	2.64	1809	2.37	553	2.29

## REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.49-3.99	1669	3.06	2.49-3.00	1522	2.69	1.89-2.49	1174	2.19
Cheese	Natural Varieties	8 oz block	1.49-2.99	1709	2.32	1.66-2.99	945	2.45	2.33-2.50	294	2.38
Cheese	Natural Varieties	1 # block	3.99	135	3.99	2.99	184	2.99	2.99	247	2.99
Cheese	Natural Varieties	2 # block	7.99	84	7.99				6.99	53	6.99
Cheese	Natural Varieties	8 oz shred	1.99-3.00	2943	2.40	1.66-2.99	1175	2.26	2.50	250	2.50
Cheese	Natural Varieties	1 # shred	3.99	135	3.99	2.99	184	2.99	2.99	247	2.99
Cottage cheese		16 oz	1.99-2.69	1053	2.10	2.00-2.50	1280	2.11	1.99	81	1.99
Cream cheese		8 oz	0.99-2.39	1973	1.72	0.99-2.50	1937	1.68	0.89-2.50	2082	1.29
Flavored milk	All fat tests	half gallon							1.00	110	1.00
Flavored milk	All fat tests	gallon							3.79	106	3.79
Ice cream		48-64oz	1.98-3.99	2627	2.92	2.50-4.99	1988	3.28	3.00-3.88	894	3.35
Milk	All fat tests	half gallon	3.99	167	3.99				0.99-1.00	438	1.00
Milk	All fat tests	gallon	3.49-3.69	419	3.55	2.98-3.49	470	3.05	1.99-2.50	261	2.25
Sour cream		16 oz	1.19-2.50	2286	1.65	1.79	84	1.79			
Yogurt	Greek	4-6 oz	0.88-1.25	2433	1.01	0.79-1.00	1805	.98	0.75-1.25	1738	.95
Yogurt	Greek	32 oz	5.99	137	5.99				3.89	588	3.89

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	4-6 oz	0.34-0.60	1814	.48	0.39-0.50	1045	.48	0.39-0.58	1273	.46
Yogurt	Yogurt	32 oz	1.99-2.50	442	2.31				1.88-1.99	332	1.92

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.49-3.50	531	2.88	2.50-3.50	895	3.17	2.99-3.99	235	3.28
Cheese	Natural Varieties	8 oz block	1.99-2.50	362	2.40	1.99-2.50	894	2.43	2.50-3.00	350	2.59
Cheese	Natural Varieties	1 # block	2.99	351	2.99	2.79-2.99	451	2.94	2.99-6.49	276	5.46
Cheese	Natural Varieties	2 # block	7.99	114	7.99	6.99-7.99	357	7.67	4.99-7.99	166	6.09
Cheese	Natural Varieties	8 oz shred	1.48-2.50	752	2.23	1.99-2.50	1072	2.36			
Cheese	Natural Varieties	1 # shred	2.99	351	2.99	2.79-2.99	210	2.88	2.99	66	2.99
Cottage cheese		16 oz				0.99-1.50	179	1.17	1.99-2.50	243	2.36
Cream cheese		8 oz	0.99-2.50	347	1.55	1.49-2.50	646	1.77	2.50	69	2.50
Flavored milk	All fat tests	gallon	1.99	210	1.99						
Ice cream		48-64oz	3.00-4.99	216	3.71	2.99	200	2.99			
Milk	All fat tests	gallon	1.99	351	1.99	1.99-2.69	630	2.37	2.50-3.79	394	3.45
Sour cream		16 oz	1.79	72	1.79	0.99-1.79	473	1.47	1.99-2.00	130	1.99
Yogurt	Greek	4-6 oz	0.80-1.25	1367	1.00	0.80-1.25	2482	1.02	0.88-1.25	1183	1.06
Yogurt	Greek	32 oz	5.49	114	5.49				3.69	105	3.69
Yogurt	Yogurt	4-6 oz	0.39-0.50	442	.45	0.39-0.70	629	.50	0.39-0.50	543	.48
Yogurt	Yogurt	32 oz	4.99	51	4.99				2.49-4.99	226	3.83

## NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	90	5.49	808	5.21		
Cheese	Natural Varieties	8 oz block			84	3.99		
Cheese	Natural Varieties	8 oz shred	59	3.99	84	3.99		
Milk	All fat tests	half gallon	165	4.14	991	3.72	1741	3.60
Milk	All fat tests	gallon	1128	5.91	1441	6.00	213	5.95
Milk	All fat tests	8 oz UHT	69	1.00			1761	1.00
Yogurt	Greek	4-6 oz			1134	1.25	1082	1.00
Yogurt	Greek	32 oz			474	3.68	167	3.99
Yogurt	Yogurt	4-6 oz	59	.99			237	.50

Wtd Avg - Simple weighted average



Yogurt	Yogurt	32 oz	214	2.50			228	3.24
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## REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				5.49	90	5.49			
Cheese	Natural Varieties	8 oz shred	3.99	59	3.99						
Milk	All fat tests	half gallon	3.99	84	3.99				4.29	81	4.29
Yogurt	Yogurt	4-6 oz	0.99	59	.99						
Yogurt	Yogurt	32 oz				2.50	214	2.50			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	gallon	5.79-6.49	235	6.15	5.99-6.39	604	6.07	5.39	289	5.39
Milk	All fat tests	8 oz UHT							1.00	69	1.00

## REGIONAL DEFINITIONS

As used in this report, regions include the following states:

NORTHEAST U.S.	Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont
SOUTHEAST U.S.	Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia
MIDWEST U.S.	Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin
SOUTH CENTRAL U.S.	Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas
SOUTHWEST U.S.	Arizona, California, Nevada and Utah
NORTHWEST U.S.	Idaho, Montana, Oregon, Washington, and Wyoming
NATIONAL	Continental United States

# DAIRY MARKET NEWS

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