

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (7/24)**

BUTTER: Grade AA closed at \$1.9550. The weekly average for Grade AA is \$1.8835 (+.0150)

CHEESE: Barrels closed at \$1.6600 and 40# blocks at \$1.6975. The weekly average for barrels is \$1.6395 (+.0275) and blocks, \$1.6680 (+.0200).

NONFAT DRY MILK: Grade A closed at \$.7125. The weekly average for Grade A is \$.7315 (-.0375).

BUTTER HIGHLIGHTS: Churning is active as demand remains strong throughout the country. Demand is limited in the Northeast, steady in the West and has increased slightly in the Central region. Cream levels have tightened so most manufacturers have decided to sell available cream as opposed to churning to higher multiples. Most manufacturers are reporting comfortable inventory levels. Friday at the CME Group, Grade AA butter closed at \$1.9550, up \$.1150 from last week's close.

CHEESE HIGHLIGHTS: Milk is available to cheese plants in desired volumes but all regions note some decline in milk production and components. The most significant impact has been less surplus milk sold below Class. Some sales at \$2.00 below Class were made in the Midwest. Cheese sales continue to be good. There is increasing discussion about whether private cheese holdings are nearing a point where end users and cut/wrap operations may slow purchasing. NASS reports that U.S. stocks of cheese (total natural) at the end of June 2015 were 1.14 billion pounds, up 3% from May 2015 and up 8% from June 2014. American stocks were 2% more, other natural stocks were 3% more, but Swiss stocks were 3% less than last month. Barrels closed Friday at \$1.6600, up \$.0650 from last week's close, and 40# blocks closed at \$1.6975, up \$.0850.

FLUID MILK: Farm level milk production is steady to lower following seasonal declining patterns in the Midwest and West, but production is holding strong in Florida. Some processors report a decline in protein content and a reduction of cheese yields. Bottling demand is steady to lower at seasonal levels and is expected to increase as schools re-open in a few weeks. Class II demand is mostly steady. Cream movement to meet demand attributed to frozen dessert processors is noted among Western states; however supplies remain tight across much of the country.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are lower in a weak market. Production rates remain strong in the Central

and East. Dry buttermilk prices were steady to higher in the Central and East and lower in the West. Production is light across the country, limited by strong cream demand from frozen dessert manufactures. Dry whole milk spot prices are lower on a quiet market. Central and West dry whey prices are steady to lower, although Northeastern whey prices are mixed. Production is mostly steady across the country in a weakening market. The top range of whey protein concentrate 34% moved slightly lower with reports of limited demand and long inventories. Prices for lactose moved slightly lower. Rennet and acid casein prices did not change. Buyers are hesitant to commit to Q4 contracts in a downward trending market.

INTERNATIONAL DAIRY MARKET NEWS (DMN):
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WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: An intense heat wave that covered much of Europe's major dairy producing regions has lowered milk deliveries in most of the regions in Europe. Drought conditions are developing in some areas of France which is likely to affect forages for dairy herds. Current forecasts indicate the return of high temperatures is likely as another heat wave is in the forecast in the upcoming week. Preliminary data indicates EU 28 milk production is above year ago levels, with above average increases in Ireland and the Netherlands. **EASTERN OVERVIEW:** Preliminary milk production estimates for May indicate Poland's production is above year ago levels. Eastern EU milk production was adversely affected by the recent heat wave that covered most of the continent. **OCEANIA OVERVIEW:** Cooler temperatures and the lack of rain over much of Southern Australia are restricting pasture and forage growth. Tight hay supplies and high transportation costs are prompting some dairy producers to look for more cost effective alternative feeds. Dairy Australia reports that June 2015 milk production in Australia was 0.1% above June 2014. The changes from one year earlier are: New South Wales, +0.3%; Victoria, -0.4%; Queensland, -7.1%; South Australia, +1.5%; Western Australia, +14.3%; and Tasmania, 0.0%. Australia's milk production season to date (July-June) is +2.6% compared to last season. **New Zealand's** May milk production, as reported by DCANZ, was 0.796

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NATIONAL RETAIL REPORT - DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY JUL 20	TUESDAY JUL 21	WEDNESDAY JUL 22	THURSDAY JUL 23	FRIDAY JUL 24	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.5800 (-.0150)	\$1.6375 (+.0575)	\$1.6450 (+.0075)	\$1.6750 (+.0300)	\$1.6600 (-.0150)	++ (+.0650)	++ \$1.6395 (+.0275)
40# BLOCKS	\$1.5950 (-.0175)	\$1.6700 (+.0750)	\$1.6650 (-.0050)	\$1.7125 (+.0475)	\$1.6975 (-.0150)	++ (+.0850)	++ \$1.6680 (+.0200)
NONFAT DRY MILK							
GRADE A	\$.7550 (N.C.)	\$.7450 (-.0100)	\$.7400 (-.0050)	\$.7050 (-.0350)	\$.7125 (+.0075)	++ (-.0425)	++ \$.7315 (-.0375)
BUTTER							
GRADE AA	\$1.8325 (-.0075)	\$1.8325 (N.C.)	\$1.8750 (+.0425)	\$1.9225 (+.0475)	\$1.9550 (+.0325)	++ (+.1150)	++ \$1.8835 (+.0150)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for international purposes. This data is available on the Internet at WWW.AMS.USDAGOV/DAIRYMARKETNEWS.

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

million MT, up 10.7% from May 2014 and 37.2% higher from two years ago. May milk solids reflect a 11.7% increase compared with May 2014. At the July 15 GDT event #144, average prices ranged from 13.9% lower to 1.9% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$2,621 -10.6%; butter, \$2,460 -9.5%; buttermilk powder, \$1,794 -4.4%; cheddar cheese, \$2,613 -13.9%; lactose, \$549 +1.9%; rennet casein, \$5,430 -8.0%; skim milk powder, \$1,702 -10.1%; and whole milk powder, \$1,848 -13.1%.

NATIONAL RETAIL REPORT-DAIRY (DMN): Total conventional dairy ad volumes declined 15% this week from last week. Even ice cream ads are down 11% as many states really heat up. Ice cream in 48-64 ounce containers has a national weighted average advertised price of \$2.89, up 5 cents from last week but 28 cents below a year ago. Half gallon flavored milk as numbers are up 43%, with an average price of \$2.46, 36 cents above a week ago but 38 cents below a year ago. The U.S. advertised prices for 8 ounce cheese blocks average \$2.27, compared with \$2.57 a year ago, and are down 9 cents from one week ago; 8 ounce shredded cheese averaged \$2.43, compared with \$2.33 one year ago, and are 14 cents above a week ago. Conventional cheese ads decreased 32% from the previous week and organic cheese ads decreased 44% from the previous week. The average price of 4-6 ounce Greek yogurt is \$.95, down 1 cent from last week, and down 4 cents from a year ago. This week, yogurt in 4-6 ounce packages averages \$0.47 compared to 48 cents a year ago, and last week. Conventional yogurt ad numbers declined 1% from the previous week. Organic - conventional half gallon milk has a price spread of \$1.63. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.80, and the average for organic half gallon milk, \$3.43.

JUNE MILK PRODUCTION (NASS): Milk production in the 23 major States during June totaled 16.4 billion pounds, up 0.7 percent from June 2014. May revised production, at 17.2 billion pounds, was up 1.5 percent from May 2014. The May revision represented an increase of 12 million pounds or 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,895 pounds for June, no change from the record high of June 2014. The State series began in 2003. The number of milk cows on farms in the 23 major States was 8.63.

JUNE COLD STORAGE (NASS): On June 31, U.S. cold storage holdings of butter totaled 254.7 million pounds, down 3.9% from the previous month, but up 27.8% from June 2014. Natural American cheese holdings total 684.9 million pounds, 2.3% higher than the previous month and 4.5% more than June 2014. Total natural cheese stocks were 1.141 billion pounds, 2.6% higher than last month and 8.1% more than June 2014.

AUGUST FEDERAL MILK ORDER ADVANCE PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for August 2015 is \$16.28 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$9.13 and the advanced butterfat pricing factor of \$2.1332. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The base Class I price decreased \$0.25 per cwt when compared to the previous month of July 2015. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.25 per cwt, -\$0.021 per gallon; reduced fat milk (2%), -\$0.29 per cwt, -\$0.025 per gallon; fat-free (skim milk), -\$0.33 per cwt, -\$0.028 per gallon. The advanced Class IV skim milk pricing factor is \$6.12. Thus, the Class II skim milk price for August 2015 is \$6.82 per cwt, and the Class II nonfat solids price is \$0.7578.

AUGUST FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (FMMO): Handler reports of receipts and utilization under the Federal milk order system for June 2015 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During June, more than 9.1 billion pounds of milk were received from Federally pooled producers. This volume of milk is 17.0 percent lower than the June 2014 volume. Regulated handlers pooled 3.209 billion pounds of producer milk as Class I products, up 3.2 percent when compared to the previous year. Class I utilization increased in all 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 35%, Class II = 17%, Class III = 30%, and Class IV = 18%. The weighted average statistical uniform price was \$16.86 per cwt, up \$0.32 from last month, but down \$6.42 from last year.

MAY ESTIMATED MILK SALES (FMO & CDFA): During May 3.8 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 3.7 percent lower than May 2014. Estimated sales of total conventional fluid milk products decreased 3.5 percent from May 2014 and estimated sales of total organic fluid milk products decreased 7.4 percent from a year earlier.

CME GROUP

MONDAY, JULY 20, 2015

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.5800, 1 @ \$1.5775, 2 @ \$1.5800, 1 @ \$1.5775, 1 @ \$1.5800; 1 CAR 40# BLOCKS @ \$1.5950; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7400; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 9 CARS GRADE AA: 2 @ \$1.8100, 1 @ \$1.8200, 3 @ \$1.8300, 1 @ \$1.8225, 1 @ \$1.8300, 1 @ \$1.8325; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

TUESDAY, JULY 21, 2015

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6400; 3 CARS 40# BLOCKS: 1 @ \$1.6500, 1 @ \$1.6600, 1 @ \$1.6700; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6700; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6375; 1 CAR 40# BLOCKS @ \$1.6800
 NONFAT DRY MILK -- SALES: 10 CARS GRADE A: 8 @ \$0.7500, 2 @ \$0.7450; LAST BID UNFILLED: 10 CARS GRADE A @ \$0.7450; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.8225; LAST OFFER UNCOVERED: NONE

WEDNESDAY, JULY 22, 2015

CHEESE -- SALES: 5 CARS BARRELS @ \$1.6475; 1 CAR 40# BLOCKS @ \$1.6650; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6650; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6450
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 2 @ \$0.7450, 2 @ \$0.7400; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7400; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.8750; LAST OFFER UNCOVERED: NONE

THURSDAY, JULY 23, 2015

CHEESE -- SALES: 4 CARS BARRELS @ \$1.6750; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7125; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 9 CARS GRADE A: 2 @ \$0.7200, 1 @ \$0.7100, 6 @ \$0.7050; LAST BID UNFILLED: 3 CARS GRADE A @ \$0.7000; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9225; LAST OFFER UNCOVERED: NONE

FRIDAY, JULY 24, 2015

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.6800, 3 @ \$1.6950, 1 @ \$1.6600; 2 CARS 40# BLOCKS: 1 @ \$1.7200, 1 @ \$1.6975; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6700
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7125; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$1.9500, 1 @ \$1.9525, 1 @ \$1.9550; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.9500; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9850

BUTTER MARKETS

NORTHEAST

Churning is seasonally active. The level of production varies amongst regional butter makers as some plants are selling loads of cream as multiples increase. Butter stocks are building. Offers are increasing. Demand is limited at current prices, as buyers are careful not to overload stocks, while bearing in mind futures' lower pricing. The current bulk butter prices are reported 5 to 6 cents over the market of the CME Group, with various time frames and averages used. According to the *DMN National Retail Report - Dairy*, for July 10-16, the U.S. weighted average advertised price for 1-pound butter is \$3.26, up 22 cents from a year ago, and up 24 cents from the previous week. The Northeast average price is \$3.41, up 33 cents from last week. In the Southeast, the butter price averaged \$2.39, up 8 cents from a week ago. Tuesday's CME Group cash trading saw Grade AA butter close at \$1.8325, down \$0.0675 from a week ago.

CENTRAL

Butter prices were uneven but moved sharply higher towards the middle of the week. Butter production is strong even with cream levels tight. Some manufacturers are electing to sell available cream for more favorable pricing levels instead of churning. Some manufacturers report food service and retail sales are increasing. Most manufacturers are reporting comfortable inventory levels. According to the *DMN National Retail Report - Dairy*, for July 17-23, the national weighted average advertised price for a 1 pound package of butter price is \$3.26, a 24 cent increase from last week and 22 cents from a year ago. The weighted average price in the Midwest was \$2.80, with a range of \$2.50-2.99. The *NASS Cold Storage* report noted U.S. butter stocks on June 30 were 254.7

million pounds, 4% lower than last month but 28% above a year ago. Bulk butter prices are at 6 cents under market to 2 cents over market, based on the CME Group and various indices. The Grade AA butter price at the CME Group closed Wednesday at \$1.8750, increasing 2.25 cents from last Wednesday.

WEST

Western butter demand has remained steady. Manufacturers report easily meeting customer demand with their current inventories or new production. Some butter makers are adjusting production schedules in order to maintain inventories. With strong ice cream production creating a heavy demand for cream, manufacturers have the opportunity to sell cream in lieu of churning. Some butter makers say it is currently more economically advantageous to sell the cream than churn. The *DMN National Retail Report - Dairy* for the week July 17 - 23, found that the U.S. weighted average advertised price of 1 pound butter is \$3.26, up \$.24 from one week ago and up \$.22 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$3.01 with a price range of \$2.49 - \$3.48, and in the Northwest, \$3.46 with a price range of \$2.50 - \$3.99. Bulk butter pricing in the West this week is 4 cents under market to 5 cents above, based on the CME Group with various time frames and averages used. The *NASS Cold Storage* report noted U.S. butter stocks as of June 30, 2015, were 254.7 million pounds, an increase of 28% or 55.4 million pounds, compared to a year ago. This is a decrease of 4% or 10.1 million pounds, compared to a month ago. The Grade AA butter price at the CME Group on Wednesday closed at \$1.8750, up \$.0225 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
July 18, 2015	1.9301 2,420,842	1.6761 12,529,817	1.6559 10,834,636	.3894 6,362,819	.8472 14,847,951

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

CHEESE MARKETS

NORTHEAST

Current cheese production is mostly steady. A few plants are continuing to operate full schedules. Demand is moderate to light. Manufacturers are mostly comfortable with inventory levels. Cheese yields continue to drift lower, due to losses in milk components, as temperatures grow warmer. The market undertone is mixed. Northeast wholesale cheese prices for cheddar and muenster declined \$0.0175; process 5# sliced moved fractionally lower \$0.0025. Grade A Swiss prices are steady. According to the *DMN National Retail Report-Dairy*, for the week of July 17-23, the weighted average advertised price for 8 oz. cheese blocks in the Northeast was \$2.45, 9 cents more than the national average, and 20 cents more than a week ago. The Southeast 8 oz. block cheese price was \$2.34, 10 cents more than a week ago. At the CME Group, Tuesday's daily cash trading saw barrels close at \$1.6375, up \$0.0075 from a week ago; blocks closed at \$1.6700, down \$0.0075 from a week ago.

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

Cheddar 40# Block	:	2.0425-2.3275
Process 5# Sliced	:	1.8325-2.3125
Muenster	:	2.0625-2.4125
Grade A Swiss Cuts 10 - 14#	:	3.2100-3.5325

MIDWEST

Cheese markets are difficult to categorize. Last week's CME Group price declines led to some discussion of weakness. However, in CME Group trading this week Wednesday, Barrels closed at \$1.6450, up \$.0350 from last Wednesday and Blocks closed at \$1.6650, up \$.0250. Recent domestic cheese prices have tended to be above international prices. Manufacturers don't take that as a continuing certainty and hence, more attention is being paid to cheese production trends overseas and particularly in New Zealand where milk production typically seasonally increases in August. There is some discussion about an anticipated shift in New Zealand from a historic focus on channeling milk into Whole Milk Powder (WMP), into more cheese production. That is causing more discussion as to the impact of added global cheese volumes on markets later this year. Favorable weather in much of the Midwest has kept late July milk flowing to cheese plants in volumes above what historically has occurred most years. Even with some seasonal declines in milk volumes and components, there is enough milk for any taker and some at prices of \$2.00 below Class in the Midwest. In some parts of Minnesota, very humid weather in the past week has resulted in a more noticeable decline in milk production than generally in the rest of the Midwest. Extreme heat in Iowa is also something being watched as it may affect milk production there. Cheese sales continue to be generally good. Many end users and cut/wrap operations are nearing the end of a several month cheese buying focus. With inventories now nearing desired levels for sale later in the year, cheese manufacturers are still readily able to sell cheese when they want, rather than build their own inventory levels. Some plants are shifting away from cheddar and increasing production of Monterey jack, Muenster and Colby jack. The *DMN National Retail Report-Dairy* shows that July 17-23 Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.30, 1 cent higher than the national average. Midwest prices range from \$1.79 - \$2.50. One year ago the national price was \$2.58. For 8 ounce blocks, the Midwest average price is \$2.38, 2 cents higher than the national average price. Midwest ads are priced from \$1.79 to \$2.50. Last year, the national price was \$2.57. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.0025 for process, and down \$.0175 for all other types.

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

Process American 5# Loaf	:	1.7150-2.0750
Brick And/Or Muenster 5#	:	2.0225-2.4475
Cheddar 40# Block	:	1.7500-2.1450
Monterey Jack 10#	:	1.9975-2.2025
Blue 5#	:	2.2900-3.2775
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8225-2.7625
Grade A Swiss Cuts 6 - 9#	:	2.7275-2.8450

WEST

Manufacturers report some decline in milk production, but still note plenty of milk is available for processing needs. Cheese production is steady. Domestic cheese demand continues to be good. And cheese makers say that demand can be met easily with current inventories or production. However, industry contacts are still trying to assess a potential slowdown in domestic demand. There is some anticipation that private cheese holdings may be nearing capacity and that buyers may slow their purchasing through the end of the year. The *DMN National Retail Report-Dairy* for the week of July 17-23 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.29, down \$.05 from last week and down \$.29 from a year ago. Packs averaged \$2.12 in the Southwest and \$2.28 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.36, up \$.08 from last week but down \$.21 from a year ago. Blocks in the Southwest averaged \$2.11, and in the Northwest, \$2.17. Western wholesale prices are unchanged for Swiss cuts, down \$.0025 for process, and down \$.0175 for all other types. According to the *NASS Cold Storage* report, U.S. stocks of cheese (total natural) at the end of June 2015 were 1.14 billion pounds, up 3% from May 2015 and up 8% from June 2014. American stocks were 2% more, other natural stocks were 3% more, but Swiss stocks were 3% less than last month. In the West Mountain Region, American cheese stocks were 9% less than one year earlier but 5% higher than one month earlier. Pacific Region American cheese stocks were 11% less than one year earlier and 1% less than a month before. Also in the Pacific Region, other natural cheese stocks were 35% above a year ago and 7% above a month ago. In CME Group trading Wednesday, Barrels closed at \$1.6450, up \$.0350 from last Wednesday and Blocks closed at \$1.6650, up \$.0250.

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

Process 5# Loaf	:	1.7300-1.9875
Cheddar 40# Block	:	1.7550-2.2000
Cheddar 10# Cuts	:	1.9350-2.1550
Monterey Jack 10#	:	1.9450-2.1050
Grade A Swiss Cuts 6 - 9#	:	2.7875-3.2175

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CHEESE MARKETS

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FOREIGN

Some domestic foreign type cheese prices moved lower this week. Prices for imported and Swiss cheese are steady. Demand for import cheese and domestic varieties are steady, as fairly good interest flows from food service. European cheese production is showing a slight decline, a reflection of drops in milk production. Aged cheese stocks are at seasonal levels.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.3800	2.1825-3.6700*
Gorgonzola	3.6900-5.8900	2.6900-3.3875*
Parmesan (Italy)	-0-	3.5725-5.6625*
Provolone (Italy)	-0-	2.2250-2.4775*
Romano (Cows Milk)	-0-	3.3725-5.5225*
Sardo Romano (Argentine)	2.8500-4.9300	-0-
Reggianito (Argentine)	3.2900-4.9300	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.3075-3.6300
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
07/20/15	19,947	101,375
07/01/15	20,347	101,646
CHANGE	-400	-271
% CHANGE	-2	0

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	0	0	50	0	35
SOUTHEAST STATES	0	0	0	0	0	0

Northeast and Mid-Atlantic milk production is mostly steady. Manufacturing milk supplies in the regions remain heavy. Balancing plants are running full work schedules. Sales to Class I are at seasonal levels. In the Southeast, hot-humid conditions intensified, sending milk production lower. Loads planned for secondary plant usage are being pulled to provide for Class I needs. With schools scheduled to re-open in two weeks, sales to Class I are expected to have a greater impact on processors' milk supplies. Milk supplies are currently balanced, limiting export/import shipments. Milk production at the farm is holding strong in Florida. Sales to bottling are at seasonal levels. The tourist season is keeping Class I at a good tick. Schools are expected back online in the coming weeks and should drive milk sales up. No Grade A milk shipments have gone out or come into the state. Cream markets are firming. Sources noted that cream supplies have been unattainable at times. **Cream multiples** for all Classes range **1.45-1.67**. Occurrences at 1.67 f.o.b. are uncommon, and primarily based on early week purchases and adjustments. Overall, demand is strong. A number of trades required lengthier shipments than usual across regions. Cream flows, in general, are declining to butter production. Sales to ice cream are steady. **Condensed skim** is moving under contract with limited spot market activity. Heavier volumes are clearing to Class II and III with production increases. According to the DMN *National Retail Report-Dairy*, for July 17-23 the U.S. weighted average advertised price for a gallon of milk was \$2.98, down 6 cents from last year, but up 17 cents from last week.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during June 2015 totaled 16.4 billion pounds, up 0.7% from one year ago. Eastern states' milk production is as follows:

June 2015 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	223	+ 2.3
New York	1,193	+ 2.9
Pennsylvania	909	+ 3.1
Vermont	226	+ 0.4
Virginia	147	+ 0.7

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 -	2.5974-3.0784
F.O.B. producing plants: Upper Midwest -	2.5012-2.8860

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B.

PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	.70-.84
Northeast - Class III - spot prices -	.75-.90

MIDWEST

The hot weather in the Midwest has slowed milk production. There were fewer spot loads available, with most selling at \$1-2 under Class. Bottlers are anxious for educational institutions to open again to hopefully aid in picking up demand. Class II demand is steady for cream-type products. **Multiples are higher, ranging from 1.40 to 1.60.**

Cream supplies are tight as most ice cream processors are using most available cream. Ice cream demand has started to taper. The DMN *National Retail Report-Dairy* for the week of July 17-23, noted the national weighted average advertised price for one gallon of milk was \$2.98, up \$0.17 from a week ago but down \$0.06 from a year ago. The weighted average price in the Midwest region was \$2.27, with a range of \$1.99-3.00. The NASS *Milk Production* report noted June milk production in the 23 selected states was 16.4 billion pounds, 0.7% above a year ago. The following shows Central states included in the report and the changes compared to a year ago: Illinois, +2.6%; Indiana, +2.7%; Iowa, +5.2%; Kansas, +0.8%; Michigan, +7.2%; Minnesota, +4.2%; Ohio, -0.7%; South Dakota, +12.0%; Texas, -2.1% and Wisconsin, +3.4%. Milk cows in the 23 selected states totaled 8.628 million head in June, 56,000 head more than a year ago. The weekly *Cow Slaughter under Federal Inspection* report shows U.S. dairy cow slaughter for the week ending July 4, at 48,500 head, 6,900 head more than the comparable week a year ago.

WEST

California milk output is trending steady to seasonally lower. The demand for bottled milk is steady at customary summer levels. Sales for Class 2 are steady this week. Industry contacts are reporting a waning in the solid components of the milk. Some milk producers are opting to dry off cows until temperatures begin to drop. Dairy operators continue importing fair/good alfalfa hay from other states. According to California Department of Food and Agriculture, June 2015, Class 1 sales total 51.4 million of gallons in state and 1.6 million of gallons out of the state. This represents a decrease of 3.4% and 27.7% respectively, compared with June 2014. Arizona milk production is trending lower. Seasonal high temperatures and a rise in humidity are increasing the stress of dairy cattle. Dairy manufacturers are processing local milk intakes, as well as clearing up milk volumes from nearby states. Sales for Class II are steady. Bottling orders are following seasonal trends with an expectation to move higher as schools re-open in the next few weeks. The milk output in New Mexico is slightly down. Loads of milk are going out of the state, helping in-state processors clear up milk supplies. Sales for Class I are lower. Class II sales are higher, as ice cream/frozen dessert plants are actively taking condensed skim milk supplies. According to DMN *National Retail Report-Dairy* for week of July 17 - July 23, the weighted average advertised price for one gallon of milk in the Southwest is \$3.72, 74 cents above the national price. Milk production in the Pacific Northwest is following typical seasonal patterns and is slowing. Manufacturers report milk is readily available for processing. Some rain is forecast for parts of the region for the coming week and may provide localized cooling. Warm daytime temperatures and slightly cooler temperatures at night have provided seasonal weather for Utah and Idaho. Milk production in the area is slowing and following seasonal declining patterns. Manufacturers are reporting there is still enough milk for processing needs. Some processors note a decline in protein content and a reduction of cheese yields. Cream supplies are moving among Western states to satisfy the high demand from ice cream, butter, and cream cheese manufacturers. However, cream inventories are still tight and very low in some areas of the region. Cream multiples for the West are unchanged, ranging from 1.23 to 1.50. At the CME Group, Grade AA butter closed Wednesday at \$1.8750, up \$0.0225 compared to a week ago. According to NASS, June milk production for the 23 surveyed states totals 16.4 billion pounds, 0.7% higher than a year ago. June milk production changes from a year ago for selected Western states are as follows: Arizona +2.0%, California -4.3%, Colorado +2.6%, Idaho +1.0%, New Mexico -4.5%, Oregon -3.2%, Utah +3.2%, and Washington -0.4%. Monthly milk production per cow for the 23 surveyed states was 1,895 pounds. Milk cow numbers on farms in the 23 selected states totaled 8.628 million cows, 56,000 head more than June 2014.

NONFAT DRY MILK, BUTTERMILK & 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: Low/medium heat nonfat dry milk prices moved lower this week. Sellers are reporting little buying interest in a weak market. Some buyers purchased stocks as the prices began to drop and now have enough for current needs. Production rates continue to be strong as most manufacturers are using available drying time to produce NDM. Export interest is light. High heat nonfat dry milk prices are also lower in a weak market. Production is scarce as most manufacturers are using drying time for other dry products. Demand is light.

EAST: Prices for low/medium nonfat dry milk are lower in a weak market. Manufacturers continue to dry heavy condensed skim volumes at a high rate. NDM demand is steady, with loads clearing to Class II, and III outlets. Buyers continue to make hand-to-mouth purchases in the current market, as prices decline. Inventories of low/medium NDM continue to expand. High heat nonfat dry milk prices declined. Manufacturing output is limited by available dryer time. Supplies remain hard to find in the spot market, but adequate for filling contracted demand.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7500 - .9300 MOSTLY: .7900 - .8500
HIGH HEAT: .9700 - 1.0500

NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk prices are lower in the range and the mostly price series. Outside of contracts, the demand for nonfat dry milk is sluggish in the spot market. According to some manufacturers, there is some export activity to Mexico occurring this week. Domestic buyers are looking for discount prices and are willing to wait for a decrease in the prices offered. The production of NDM is lower this week. Inventories are building. At the CME Group, Grade A nonfat dry milk closed Wednesday at \$.7400, down \$0.0050 compared to a week ago. High heat nonfat dry milk prices are lower to steady. High heat NDM sales are sporadic. Some manufacturers report a decrease in sales compared with the previous week. Production is steady to lower, depending on contractual needs.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .6850 - .8900 MOSTLY: .7000 - .7900
HIGH HEAT: .9700 - 1.0300

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
July 17	\$.8599	9,169,968
July 10	\$.8905	10,311,468

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. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices were steady to higher on a few spot sales. Dry buttermilk production is light as most processors are using drying time to make other products. Some manufacturers are reporting buying interest, but stocks are not available. There are manufacturers that are offering discounts for condensed buttermilk. Ice cream manufacturers are starting to buy more condensed buttermilk as the cream supply tightens.

EAST: Dry buttermilk prices moved fractionally higher at the top of the range due to fob transactions in a mixed market. Manufacturing output is seeing a slight decline, due to increasing pulls on cream supplies from various dairy processors. Brokers report offerings of new or resale product as scarce in the market. Market resources are unclear as to the extent of dry buttermilk holdings in the East. Indications are that near-term customer commitments are being met on time.

F.O.B. CENTRAL/EAST: .7900 - .8950

DRY BUTTERMILK - WEST

Western dry buttermilk prices are lower on the range and lower to steady in the mostly price series. The market undertone for dry buttermilk is weak. According to industry contacts, the sales of dry buttermilk are less active compared to the previous week. Production is lower and limited by the strong cream demand from ice cream/frozen dessert and cream cheese manufacturers. Inventories are steady to building.

F.O.B. WEST: .7500 - .8200 MOSTLY: .7700 - .8000

DRY WHOLE MILK - NATIONAL

Spot prices for dry whole milk are lower. There is very low activity in the spot market. Some manufacturers are not processing dry whole milk at this moment. Inventory levels are mixed.

F.O.B. PRODUCING PLANT: .9500 - 1.3000

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

Central whey prices were steady to lower in what continues to be a very weak market. Whey production continues to be steady as the cheese manufacturers report strong production. Most buyers are reporting current needs are met and so they are waiting for lower prices. Some sellers are doing what they can to sell high inventory levels, including selling at lower pricing levels. Some manufacturers are offering discounts for condensed whey, as dryer time is being used to manufacture other products. Animal feed whey prices were steady. Some manufacturers report profit margins are acceptable in the animal feed market.

F.O.B. CENTRAL: .2500 - .4550 MOSTLY: .3000 - .3600
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2000 - .2500

DRY WHEY - NORTHEAST

Dry whey prices are mixed. Production is mostly steady. The general market undertone continues to weaken. Trade activity is mostly contractual, while spot offers of whey remain difficult to clear. Demand is light to moderate. New production is adding to inventories.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3550 - .4350

DRY WHEY - WEST

The west whey market is weak, and the price range moved slightly lower. Domestic demand continues to be light with limited spot market activity. Industry contacts report some interest from Mexico, but mostly for animal feed. Some manufacturers are trying to modify inventories by offering animal feed grade whey or offering product held beyond one year. Last week, in a move intended to increase revenues to milk producers, California Department of Food and Ag Secretary Karen Ross announced a temporary change to the dry whey scale of the Class 4b pricing formula, starting August 1, 2015 and lasting through July 31, 2016.

NONHYGROSCOPIC: .3750 - .4100 MOSTLY: .3800 - .4000

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The upper end of the whey protein concentrate 34% prices moved slightly lower this week. Industry contacts report limited demand and long inventories exist across most of the industry. End users are taking a hand-to-mouth approach to purchasing, suggesting a desire to avoid taking on inventories. Production of WPC34% is steady. Some contacts also report a few processors are shifting production from WPC80% to WPC34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .7000 - .8925 MOSTLY: .7100 - .8250

LACTOSE - CENTRAL AND WEST

Prices for lactose moved slightly lower this week. Industry contacts report generally long inventories. However, some manufacturers say their lactose production is contracted out for the rest of the year. Most producers suggest they are actively making lactose to fulfill contracts. A few producers report they have reduced production due to lower prices and limited demand.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1650 - .2600 MOSTLY: .1700 - .2200

CASEIN - NATIONAL

Prices for rennet and acid casein did not change. Manufacturers are interested in finalizing Q4 contracts, but buyers are hesitant to commit in a downward trending market. Supplies are more than adequate to fulfill spot demand. Trading is light as buyers have enough supply to cover current needs as they wait for the market to settle. Continuing downward trending prices of skim milk powder are contributing to the weak market undertone. At the July 15 GDT event 144, the average winning price for rennet casein for all contract periods decreased 8.0% to \$5,430/MT.

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: 2.9000 - 3.5000
ACID: 2.8000 - 3.7000

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 IV

Month	2013	2014	2015
Jan	17.5	22.2	13.2
Feb	17.7	23.5	13.8
Mar	17.6	23.7	13.8
Apr	18.0	23.4	13.4
May	19.0	22.6	13.8
Jun	18.9	23.2	13.8
Jul	19.0	23.7	
Aug	19.2	23.9	
Sep	19.5	22.6	
Oct	20.2	21.3	
Nov	20.5	18.2	
Dec	21.5	16.6	

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered July 13 - 24, 2015

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW: An intense heat wave that covered much of Europe's major dairy producing regions has lowered milk deliveries in most of the regions in Europe. Drought conditions are developing in some areas of France which is likely to affect forages for dairy herds. Current forecasts indicate the return of high temperatures is likely as another heat wave is in the forecast in the upcoming week. Preliminary data indicates EU 28 milk production is above year ago levels, with above average increases in Ireland and the Netherlands.

BUTTER/BUTTEROIL: The summer holiday season is ongoing in Europe and has slowed domestic butter consumption. However, consumption is normal for the holiday season. Export interest is quiet with most Q3 needs covered. Negotiations for Q4 are ongoing, but progressing slowly. PSA butter stock levels on July 12 amounted to 78,140 MT. Stocks held by France and the Netherlands continue to represent over half of the total PSA stock holdings. Most European butter prices moved lower, though less so for butter of French origin. Butteroil prices declined at the low end of the price range in light trading. January-May 2015 butter exports for the EU-28, as reported by GTIS, increased 16.9% compared to the same period last year. May exports declined from April, to 11,000MT. The top three destinations were United States, Egypt and Saudi Arabia.

82% BUTTERFAT: 2,950 - 3,275
99% BUTTERFAT: 3,775 - 4,125

SKIM MILK POWDER (SMP): Market activity for SMP is quiet. Numerous traders are on summer holiday and most of the demand for Q3 has been covered, resulting in weak interest in SMP for short term delivery. Negotiations are ongoing for Q4 with few finalized agreements. Export interest is light in the Middle East due to Ramadan, which ends soon. PSA skim milk powder stock levels on July 12 amounted to 23,413 MT. Manufacturers in Latvia moved significant volumes into PSA over the past couple of weeks and have the third largest volumes behind Germany and Spain. January-May 2015 SMP for the EU-28, as reported by GTIS, increased 11.9% compared to the same period last year. May exports declined from April, to 55,900MT. The top three destinations were Algeria, China and Egypt.

1.25% BUTTERFAT: 1,825 - 1,925

WHOLE MILK POWDER (WMP): Market activity is very light, with light demand noted. Production is geared to covering domestic orders. Available supplies for export are limited. European prices moved lower but are not competitive with Oceania, which also moved lower to a greater magnitude. January - April 2015 whole milk powder exports for the EU-28, as reported by GTIS, decreased 11.9% compared to the same period last year. The drop in Algerian imports (-60% YTD), the number one destination in 2014, is not counterbalanced by the increase in imports from Oman (+330% YTD), which is the number one destination in 2015.

26% BUTTERFAT: 2,175 - 2,525

SWEET WHEY POWDER: Sweet whey powder prices continue a downward trend. Production has declined in recent weeks as cheese manufacturers have lowered production schedules. Demand for Q3 has declined as most buyers have adequate supplies for the near term. The competition on the global market has increased, which is contributing to the market's weak undertone. Exports of sweet dry whey for January-May 2015, as reported by GTIS, showed an increase of 1.3%, compared to the same period last year. May's export volumes were slightly lower compared to the previous month. Exports to China are slightly lower (-2.6% YTD) but higher to Indonesia (+14.2% YTD) and Malaysia (+16.7%).

NONHYGROSCOPIC: 800 - 850

EASTERN OVERVIEW: Preliminary milk production estimates for May indicate Poland's production is above year ago levels. Eastern EU milk production was adversely affected by the recent heat wave that covered most of the continent.

**Exchange rates for selected foreign currencies:
July 21, 2015**

.1091 Argentina Peso	.0081 Japan Yen
.7372 Australian Dollar	.0625 Mexican Peso
.7696 Canadian Dollar	.6567 New Zealand Dollar
1.0827 Euro	.2625 Poland Zloty
.0157 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0625) = 16.0000 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered July 13 - 24, 2015

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

OCEANIA OVERVIEW: Cooler temperatures and the lack of rain over much of Southern Australia are restricting pasture and forage growth. Tight hay supplies and high transportation costs are prompting some dairy producers to look for more cost effective alternative feeds. **NEW ZEALAND'S** May milk production, as reported by DCANZ, was 0.796 million MT, up 10.7% from May 2014 and 37.2% higher from two years ago. May milk solids reflect a 11.7% increase compared with May 2014. At the July 15 GDT event #144, average prices ranged from 13.9% lower to 1.9% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$2,621 -10.6%; butter, \$2,460 -9.5%; buttermilk powder, \$1,794 -4.4%; cheddar cheese, \$2,613 -13.9%; lactose, \$549 +1.9%; rennet casein, \$5,430 -8.0%; skim milk powder, \$1,702 -10.1%; and whole milk powder, \$1,848 -13.1%.

BUTTER: Prices for butter in Oceania declined. Interest was light. Oceania year to date exports of butter through May are below year ago levels. AMF year to date exports through May are also below last year's levels. At the July 15 GDT event #144, unsalted butter prices averaged \$2,455/MT for September contracts, -9.4% from the prior event. Butter prices averaged \$2,460/MT for all contracting periods, -9.5% from the prior event. AMF prices averaged \$2,495/MT for November contracts, -14.0% from the prior event. For all contracting periods, the AMF price average was \$2,621/MT, -10.6%.

82% BUTTERFAT: 2,450 - 3,200

SKIM MILK POWDER (SMP): Prices for SMP moved lower on both ends of the range this reporting period. Current demand is light. Buyers show interest in booking contracts into 2016 at current prices. Manufacturers are reluctant to commit too much of production for too long, which is tending to keep negotiations in process. Oceania SMP exports through May are above year ago levels. Exports of SMP to China have been fairly stable year to date. At the July 15 GDT event 144, SMP for all regions and contracting periods averaged \$1,702 per MT, -10.1%. For trading in contract period 3, October, prices averaged \$1,595 for NZ sourced medium heat product.

1.25% BUTTERFAT: 1,600 - 1,850

CHEDDAR CHEESE: Cheese prices moved lower this reporting period at the upper end of the price range. Cheese is viewed as providing the best return to manufacturers, which is expected to draw more milk into cheese manufacturing in the new production year, away from powders, especially WMP. Year to date cheese exports through May were mixed in Oceania with Australian exports below year ago levels, while New Zealand saw an increase in cheese exports compared to last year. Current demand is steady.

39% MAXIMUM MOISTURE: 3,000 - 3,400

WHOLE MILK POWDER (WMP): Prices for WMP moved lower this reporting period. New Zealand manufacturers are attempting to lower current supply levels prior to the end of July, which is the close of the financial year in New Zealand. This factor is motivating some manufacturers in terms of offering prices. Demand is tepid, with many large volume buyers only interested in hand to mouth purchases as the new production season nears. Oceania exports of WMP through May continue to perform below year ago levels. Decreased demand from China is the main contributing factor in the downward trend. At the July 15 GDT event 144, the WMP pricing index, across all contracting periods, averaged \$1,848 per MT, down 13.1% compared to the prior event. For contract period 5, December, regular WMP averaged \$1,849 per MT.

26% BUTTERFAT: 1,775 - 2,000

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 144 Recap - July 15, 2015													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Aug-15		Sep-15		Oct-15		Nov-15		Dec-15		Jan-16			
Anhydrous Milk Fat	n.a.		n.a.		n.a		\$2,495	-14.0%	\$2,728	-8.2%	\$2,842	-2.7%	\$2,621	-10.6%
Butter	n.a.		\$2,455	-9.4%	n.a		n.a.		\$2,450	-10.1%	\$2,560	-8.9%	\$2,460	-9.5%
Buttermilk Powder	n.a.		\$1,800	-0.8%	\$1,770	-8.3%	\$1,855	-3.9%	n.a.		n.a.		\$1,794	-4.4%
Cheddar	n.a.		\$2,935	-11.5%	n.a		\$2,533	-14.5%	n.a.		n.a.		\$2,613	-13.9%
Lactose	n.a.		\$549	1.9%	n.a		n.a.		n.a.		n.a.		\$549	1.9%
Rennet Casein	n.a.		\$5,404	-8.1%	\$5,395	-9.6%	\$5,730	-3.0%	n.a.		n.a.		\$5,430	-8.0%
Skim Milk Powder	\$1,610	-11.8%	\$1,655	-12.0%	\$1,595	-13.6%	\$1,713	-10.9%	\$1,810	-5.6%	\$1,840	-4.8%	\$1,702	-10.1%
Whole Milk Powder	n.a.		n.a.		\$1,780	-14.2%	\$1,830	-13.7%	\$1,849	-13.0%	n.a.		\$1,848	-13.1%

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (gDT) Event 144 Recap - July 15, 2015													
	Contract 1 Aug-15		Contract 2 Sep-15		Contract 3 Oct-15		Contract 4 Nov-15		Contract 5 Dec-15		Contract 6 Jan-16		All Contracts	
Anhydrous Milk Fat	n.a.		n.a.		n.a		\$1.1317	-14.0%	\$1.2374	-8.2%	\$1.2891	-2.7%	\$1.1889	-10.6%
Butter	n.a.		\$1.1136	-9.4%	n.a		n.a.		\$1.1113	-10.1%	\$1.1612	-8.9%	\$1.1158	-9.5%
Buttermilk Powder	n.a.		\$0.8165	-0.8%	\$0.8029	-8.3%	\$0.8414	-3.9%	n.a.		n.a.		\$0.8138	-4.4%
Cheddar	n.a.		\$1.3313	-11.5%	n.a		\$1.1490	-14.5%	n.a.		n.a.		\$1.1852	-13.9%
Lactose	n.a.		\$0.2490	1.9%	n.a		n.a.		n.a.		n.a.		\$0.2490	1.9%
Rennet Casein	n.a.		\$2.4512	-8.1%	\$2.4472	-9.6%	\$2.5991	-3.0%	n.a.		n.a.		\$2.4630	-8.0%
Skim Milk Powder	\$0.7303	-11.8%	\$0.7507	-12.0%	\$0.7235	-13.6%	\$0.7770	-10.9%	\$0.8210	-5.6%	\$0.8346	-4.8%	\$0.7720	-10.1%
Whole Milk Powder	n.a.		n.a.		\$0.8074	-14.2%	\$0.8301	-13.7%	\$0.8387	-13.0%	n.a.		\$0.8382	-13.1%

Average price US\$/pound and % change from previous event.

CME GROUP, INC FUTURES
Selected settling prices, (open interest)

Month	07/09	07/10	07/13	07/14	07/15	07/16	07/17	07/20	07/21	07/22
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 15	16.40 (4667)	16.47 (4648)	16.35 (4669)	16.38 (4685)	16.35 (4702)	16.31 (4719)	16.31 (4723)	16.28 (4710)	16.33 (4671)	16.37 (4636)
AUG 15	16.61 (4350)	16.56 (4343)	16.24 (4351)	16.40 (4343)	16.09 (4368)	16.07 (4361)	15.94 (4381)	15.84 (4410)	16.31 (4324)	16.39 (4317)
SEP 15	16.59 (4127)	16.44 (4123)	16.27 (4151)	16.36 (4140)	16.07 (4214)	16.05 (4325)	16.01 (4378)	15.90 (4414)	16.31 (4396)	16.43 (4417)
OCT 15	16.57 (3641)	16.48 (3651)	16.31 (3640)	16.38 (3648)	16.17 (3689)	16.12 (3771)	16.04 (3811)	16.00 (3826)	16.24 (3846)	16.34 (3910)
NOV 15	16.58 (3425)	16.50 (3418)	16.36 (3414)	16.42 (3411)	16.19 (3442)	16.10 (3468)	16.01 (3514)	15.96 (3517)	16.16 (3518)	16.30 (3506)
DEC 15	16.61 (3175)	16.45 (3178)	16.40 (3166)	16.42 (3124)	16.20 (3149)	16.14 (3189)	15.90 (3258)	15.86 (3274)	16.06 (3296)	16.07 (3322)
JAN 16	16.37 (927)	16.27 (937)	16.22 (940)	16.20 (944)	16.00 (993)	15.83 (1014)	15.61 (1026)	15.61 (1042)	15.66 (1082)	15.62 (1093)
FEB 16	16.35 (814)	16.23 (815)	16.15 (820)	16.12 (827)	15.95 (856)	15.76 (861)	15.45 (915)	15.50 (933)	15.45 (990)	15.43 (1003)
MAR 16	16.27 (716)	16.08 (721)	16.05 (726)	15.99 (741)	15.85 (758)	15.68 (772)	15.44 (806)	15.46 (822)	15.37 (849)	15.45 (868)
APR 16	16.35 (486)	16.05 (493)	16.00 (497)	15.92 (508)	15.76 (555)	15.64 (560)	15.50 (580)	15.50 (596)	15.52 (610)	15.50 (624)
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 15	13.63 (243)	13.58 (243)	13.50 (243)	13.50 (243)	13.50 (245)	13.47 (243)	13.46 (246)	13.46 (246)	13.46 (246)	13.39 (246)
AUG 15	13.75 (272)	13.63 (272)	13.60 (272)	13.56 (272)	13.36 (272)	13.26 (272)	13.14 (279)	13.14 (279)	13.14 (286)	13.14 (286)
SEP 15	13.79 (196)	13.65 (198)	13.63 (195)	13.73 (195)	13.22 (199)	13.01 (201)	13.01 (200)	13.01 (200)	13.30 (200)	13.30 (200)
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
JUL 15	192.75 (827)	192.50 (811)	192.50 (812)	192.28 (813)	192.08 (812)	192.00 (794)	192.00 (795)	192.00 (797)	191.50 (800)	191.50 (802)
AUG 15	195.53 (920)	196.00 (920)	195.75 (914)	190.75 (921)	186.03 (904)	184.03 (915)	184.03 (912)	184.50 (917)	189.00 (926)	189.03 (922)
SEP 15	195.03 (973)	195.28 (978)	193.53 (980)	190.75 (1000)	189.00 (985)	185.98 (993)	188.50 (994)	187.00 (997)	192.00 (1007)	195.05 (1014)
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
JUL 15	87.78 (775)	87.35 (774)	87.00 (775)	87.08 (775)	86.85 (775)	86.13 (805)	86.08 (799)	86.00 (800)	86.00 (800)	85.55 (796)
AUG 15	87.03 (747)	86.00 (752)	87.00 (751)	87.50 (755)	86.20 (766)	86.25 (791)	84.18 (818)	84.00 (823)	84.05 (833)	83.05 (838)
SEP 15	88.18 (701)	87.00 (700)	88.18 (700)	88.18 (704)	84.75 (716)	84.80 (739)	84.50 (743)	85.00 (745)	85.00 (738)	84.50 (749)
WHEY (Electronic-Traded) (¢/lb)										
JUL 15	39.05 (652)	39.33 (652)	39.00 (652)	39.75 (653)	39.70 (653)	39.70 (653)	39.70 (653)	39.70 (653)	39.70 (653)	39.98 (653)
AUG 15	38.10 (565)	38.15 (558)	38.15 (558)	38.90 (559)	38.85 (559)	38.05 (555)	38.05 (555)	38.13 (547)	38.60 (540)	39.18 (539)
SEP 15	35.23 (638)	36.05 (639)	35.50 (639)	35.28 (639)	35.28 (639)	35.35 (642)	35.35 (641)	35.35 (632)	35.93 (631)	35.83 (631)
CHEESE CSC (Electronic-Traded) (\$/lb)										
JUL 15	1.71 (3573)	1.71 (3568)	1.71 (3568)	1.70 (3563)	1.70 (3544)	1.70 (3541)	1.70 (3535)	1.70 (3530)	1.70 (3525)	1.70 (3525)
AUG 15	1.73 (3708)	1.72 (3628)	1.70 (3724)	1.71 (3732)	1.68 (3768)	1.68 (3794)	1.67 (3786)	1.66 (3792)	1.71 (3802)	1.71 (3797)
SEP 15	1.75 (3638)	1.73 (3637)	1.72 (3667)	1.72 (3671)	1.70 (3714)	1.70 (3756)	1.69 (3754)	1.68 (3750)	1.72 (3750)	1.73 (3756)
OCT 15	1.75 (3111)	1.74 (3122)	1.73 (3118)	1.74 (3129)	1.73 (3180)	1.72 (3222)	1.71 (3226)	1.71 (3251)	1.73 (3272)	1.74 (3308)
NOV 15	1.76 (3106)	1.76 (3071)	1.75 (3077)	1.75 (3073)	1.73 (3113)	1.72 (3125)	1.72 (3151)	1.71 (3220)	1.72 (3235)	1.73 (3236)
DEC 15	1.76 (2983)	1.76 (2983)	1.76 (2983)	1.75 (2972)	1.74 (3010)	1.73 (3048)	1.71 (3101)	1.70 (3163)	1.71 (3176)	1.72 (3181)

Source: <http://www.cmegroup.com/market-data/daily-bulletin.html>

June Milk Production

Milk production in the 23 major States during June totaled 16.4 billion pounds, up 0.7 percent from June 2014. May revised production, at 17.2 billion pounds, was up 1.5 percent from May 2014. The May revision represented an increase of 12 million pounds or 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,895 pounds for June, no change from the record high of June 2014. The State series began in 2003. The number of milk cows on farms in the 23 major States was 8.63 million head, 56,000 head more than June 2014, but 2,000 head fewer than May 2015. Milk production in the United States during the April – June quarter totaled 53.6 billion pounds, up 1.4 percent from the April – June quarter last year. The average number of milk cows in the United States during the quarter was 9.32 million head, 14,000 head more than the January – March quarter, and 66,000 head more than the same period last year.

State	Milk Cows ^{1,2}				Milk Production ^{1,3}			
	June		Apr – June		June		Apr – June	
	2014	2015	2014	2015	2015	Percent change from 2014	2015	Percent change from 2014
	<i>(thousands)</i>				<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>
AL	--	--	8.5	8.0	--	--	29.0	-6.5
AK	--	--	0.3	0.3	--	--	0.9	--
AZ	193	195	192.0	195.0	407	2.0	1,264.0	1.1
AR	--	--	7.5	7.0	--	--	27.0	-3.6
CA	1,779	1,778	1,779.0	1,778.0	3,396	-4.3	10,652.0	-3.0
CO	145	145	144.0	145.0	313	2.6	947.0	3.6
CT	--	--	19.0	19.5	--	--	102.0	5.2
DE	--	--	4.8	5.0	--	--	25.9	4.0
FL	123	125	123.0	125.0	223	2.3	699.0	2.8
GA	--	--	81.0	82.0	--	--	468.0	3.5
HI	--	--	2.2	2.2	--	--	8.4	7.7
ID	577	586	574.0	586.0	1,204	1.0	3,611.0	2.2
IL	94	94	94.0	95.0	158	2.6	495.0	2.7
IN	178	181	177.0	181.0	337	2.7	1,023.0	2.8
IA	207	212	207.0	212.0	405	5.2	1,241.0	5.3
KS	142	143	141.0	144.0	262	0.8	825.0	3.3
KY	--	--	64.0	62.0	--	--	288.0	7.5
LA	--	--	15.0	14.0	--	--	52.0	-8.8
ME	--	--	30.0	30.0	--	--	149.0	-2.0
MD	--	--	50.0	49.0	--	--	255.0	0.4
MA	--	--	12.5	12.0	--	--	56.0	-8.2
MI	387	408	385.0	406.0	865	7.2	2,606.0	7.7
MN	460	460	460.0	460.0	789	4.2	2,406.0	4.2
MS	--	--	13.0	12.0	--	--	48.0	-5.9
MO	--	--	91.0	88.0	--	--	370.0	-0.8
MT	--	--	14.0	14.0	--	--	77.0	1.3
NE	--	--	54.0	56.0	--	--	326.0	7.9
NV	--	--	29.0	29.0	--	--	182.0	3.4
NH	--	--	14.0	14.0	--	--	72.0	--
NJ	--	--	7.0	7.0	--	--	33.0	--
NM	323	323	323.0	323.0	657	-4.5	2,044.0	-2.8
NY	615	618	615.0	618.0	1,193	2.9	3,580.0	2.8
NC	--	--	45.0	46.0	--	--	255.0	2.4
ND	--	--	16.5	16.0	--	--	85.0	1.2
OH	266	266	266.0	267.0	455	-0.7	1,396.0	--
OK	--	--	40.0	40.0	--	--	184.0	-1.1
OR	125	123	125.0	123.0	210	-3.2	646.0	-3.0
PA	530	530	530.0	530.0	909	3.1	2,796.0	2.8
RI	--	--	0.9	0.9	--	--	4.0	-11.1
SC	--	--	16.0	15.0	--	--	71.0	--
SD	97	106	97.0	105.0	196	12.0	586.0	11.0
TN	--	--	46.0	46.0	--	--	202.0	2.5
TX	468	462	464.0	462.0	848	-2.1	2,656.0	-0.9
UT	95	96	95.0	96.0	191	3.2	576.0	4.0
VT	131	132	131.0	132.0	226	0.4	682.0	0.7
VA	93	91	93.0	92.0	147	0.7	461.0	0.7
WA	274	276	273.0	276.0	560	-0.4	1,697.0	0.1
WV	--	--	9.0	9.0	--	--	37.0	--
WI	1,270	1,278	1,269.0	1,278.0	2,403	3.4	7,285.0	3.8
WY	--	--	6.0	6.0	--	--	34.0	3.0
23 State Total	8,572	8,628	--	--	16,354	0.7	--	--
U.S. ^{4,5}			9,253.0	9,319.0			53,615.0	1.4

¹ Preliminary. ² Includes dry cows, excludes heifers not yet fresh. ³ Excludes milk sucked by calves. ⁴ Includes states for which individual monthly estimates are not available. ⁵ Milk cows will not add due to rounding. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production, July 2015*.

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

U.S. HOLDINGS OF DAIRY PRODUCTS

COMMODITY	MAY 31, 2013	MAY 31, 2014	REVISED MAY 31, 2015	JUNE 30, 2013	JUNE 31, 2014	JUNE 31, 2015
Butter	321,954	209,430	264,801	318,893	199,248	254,664
Cheese, Natural American	714,637	656,446	669,484	710,604	655,239	684,859
Cheese, Swiss	29,051	30,538	21,424	31,347	27,972	20,841
Cheese, Other Natural	406,351	378,556	420,966	407,426	372,231	435,396
Total Cheese	1,150,039	1,065,540	1,111,874	1,149,377	1,055,442	1,141,096

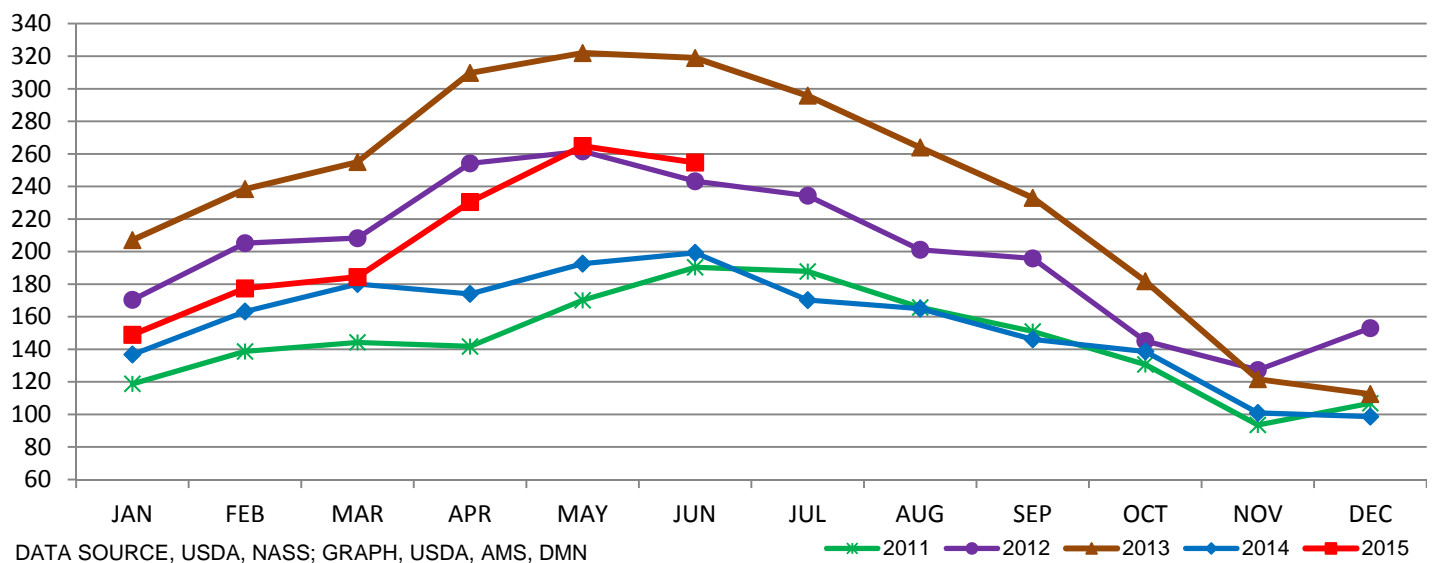
JUNE STORAGE HOLDINGS BY REGION

REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
New England	47,866	59,852	62,818	---	---	---	858	700	948
Middle Atlantic	53,829	58,256	70,227	---	---	---	21,819	23,408	24,784
East North Central	303,259	238,713	265,432	---	---	---	284,498	244,355	275,745
West North Central	105,681	107,107	117,311	---	---	---	37,407	45,389	47,108
South Atlantic	683	688	1,109	---	---	---	9,386	4,465	23,323
East South Central	5,791	5,071	5,700	---	---	---	15,100	17,410	14,223
West South Central	12,431	19,818	13,347	---	---	---	525	534	787
Mountain	53,186	57,724	52,681	---	---	---	4,831	2,261	3,055
Pacific	127,878	108,010	96,234	---	---	---	33,002	33,709	45,423
TOTAL	710,604	655,239	684,859	318,893	199,248	254,664	407,426	372,231	435,396

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.

Million Pounds

BUTTER COLD STORAGE HOLDINGS



Federal Milk Order Advance Prices, August

Base Class I Price: Under the Federal milk order pricing system, the base Class I price for August 2015 is \$16.28 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$9.13 and the advanced butterfat pricing factor of \$2.1332. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I Price.

Comparison to Previous Month: The base Class I price decreased \$0.25 per cwt when compared to the previous month of July 2015. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.25 per cwt, -\$0.021 per gallon; reduced fat milk (2%), -\$0.29 per cwt, -\$0.025 per gallon; fat-free (skim milk), -\$0.33 per cwt, -\$0.028 per gallon.

Class II Price Information: The advanced Class IV skim milk pricing factor is \$6.12. Thus, the Class II skim milk price for August 2015 is \$6.82 per cwt, and the Class II nonfat solids price is \$0.7578.

Product Price Averages: The two-week product price averages for August 2015 are: butter \$1.9330, nonfat dry milk \$0.8548, cheese \$1.6906 and dry whey \$0.3975.

Federal Milk Order Class I Price Information ^{1,2}				
Federal Milk Order Marketing Area ³	Order Number	August 2015		
		Class I Price (3.5%)	Class I Skim Milk Price	Class I Butterfat Price
		(per cwt)	(per cwt)	(dollar per pound)
Northeast (Boston) ⁴	001	19.53	12.38	2.1657
Appalachian (Charlotte) ⁵	005	19.68	12.53	2.1672
Florida (Tampa) ⁶	006	21.68	14.53	2.1872
Southeast (Atlanta) ⁷	007	20.08	12.93	2.1712
Upper Midwest (Chicago) ⁸	030	18.08	10.93	2.1512
Central (Kansas City) ⁹	032	18.28	11.13	2.1532
Mideast (Cleveland) ¹⁰	033	18.28	11.13	2.1532
Pacific Northwest (Seattle) ¹¹	124	18.18	11.03	2.1522
Southwest (Dallas) ¹²	126	19.28	12.13	2.1632
Arizona (Phoenix)	131	18.63	11.48	2.1567
All-Market Average		19.17	12.02	2.1621

¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.

² Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

³ Names in parentheses are the major city in the principal pricing point of the markets.

⁴ Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25.

⁵ Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

⁶ Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

⁷ Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

⁸ Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

⁹ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

¹¹ Class I prices at other cities are: Portland, same; and Spokane, same.

¹² Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

Federal Milk Order Marketing and Utilization Summary, June 2015

Highlights. Handler reports of receipts and utilization under the Federal milk order system for June 2015 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During June, more than 9.1 billion pounds of milk were received from Federally pooled producers. This volume of milk is 17.0 percent lower than the June 2014 volume. Regulated handlers pooled 3.209 billion pounds of producer milk as Class I products, up 3.2 percent when compared to the previous year. Class I utilization increased in all 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 35%, Class II = 17%, Class III = 30%, and Class IV = 18%. The weighted average statistical uniform price was \$16.86 per cwt, up \$0.32 from last month, but down \$6.42 from last year.

Price and Pool Statistics for Federal Milk Order Marketing Areas for the Month of June 2015

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes ³				Uniform Price ²
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>	<i>(percent)³</i>				<i>(\$ per cwt)</i>
Northeast (Boston)	001	2,090.1	-4.5	712.0	1.8	34	26	20	20	17.09
Appalachian (Charlotte)	005	456.2	0.1	302.6	7.3	66	18	5	10	18.24
Florida (Tampa)	006	210.9	-1.1	177.1	3.0	84	12	2	2	20.62
Southeast (Atlanta)	007	425.8	-0.3	304.1	3.8	71	13	8	7	18.94
Upper Midwest (Chicago)	030	2,067.1	-28.7	271.9	2.9	13	9	72	5	16.62
Central (Kansas City)	032	1,065.8	-12.6	370.7	3.5	35	14	32	20	16.30
Mideast (Cleveland)	033	1,434.4	3.3	484.6	3.8	34	24	23	19	16.26
Pacific Northwest (Seattle)	124	460.9	-38.5	159.4	1.5	35	10	2	54	15.38
Southwest (Dallas)	126	563.2	-48.7	321.3	2.3	57	18	2	23	17.21
Arizona (Phoenix)	131	396.9	-2.5	105.0	3.5	26	12	25	37	15.95
All Market Average or Total		9,171.4	-17.0	3,208.8	3.2	35	17	30	18	16.86

¹ Names in parentheses are the major city in the principal pricing point of the market.

² Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus

³ Totals may not add to 100 percent due to rounding.

May Milk Sales

During May 3.8 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 3.7 percent lower than May 2014. Estimated sales of total conventional fluid milk products decreased 3.5 percent from May 2014 and estimated sales of total organic fluid milk products decreased 7.4 percent from a year earlier. Additional data can be found at <http://www.ams.usda.gov/AMSV1.0/FluidMilkSalesDataMonthlyandYeartoDate>.

Estimated Total U.S. Sales of Fluid Milk Products, May 2015, with Comparisons ^{1 5}				
Product Name	Sales		Change from: ²	
	May	Year to Date	Previous Year	Year to Date
	(million pounds)		(percent)	
Conventional Production Practice				
Whole Milk	1,109	5,614	2.0	2.6
Flavored Whole Milk	45	228	7.2	2.7
Reduced Fat Milk (2%)	1,274	6,594	-9.6	-8.0
Low Fat Milk (1%)	605	3,074	6.4	7.4
Fat-Free Milk (Skim)	439	2,279	-11.9	-11.1
Flavored Fat-Reduced Milk	328	1,708	-2.3	0.8
Buttermilk	40	212	3.5	5.9
Other Fluid Milk Products	3	19	-9.6	-8.6
Total Fat-Reduced Milk ³	2,646	13,654	-5.9	-4.4
Total Conventional Milk Products	3,844	19,726	-3.5	-2.3
Organic Production Practice				
Whole Milk	64	330	1.3	10.2
Reduced Fat Milk (2%)	58	297	-6.8	-4.0
Low Fat Milk (1%)	37	189	-10.9	-6.9
Fat-Free Milk (Skim)	28	152	-17.3	-13.5
Flavored Fat-Reduced Milk	8	52	-14.9	2.9
Other Fluid Milk Products	0	1	----	----
Total Fat-Reduced Milk ³	131	689	-10.9	-6.6
Total Organic Milk Products	195	1,020	-7.4	-1.9
Total Fluid Milk Products	4,039	20,746	-3.7	-2.3
Total Fluid Milk Products Adjusted ⁴	*	*	*	*

* Total Fluid Milk Products Adjusted for Calendar Composition will not be published until the release of *An Overview of Calendar Composition of Fluid Milk Sales*.

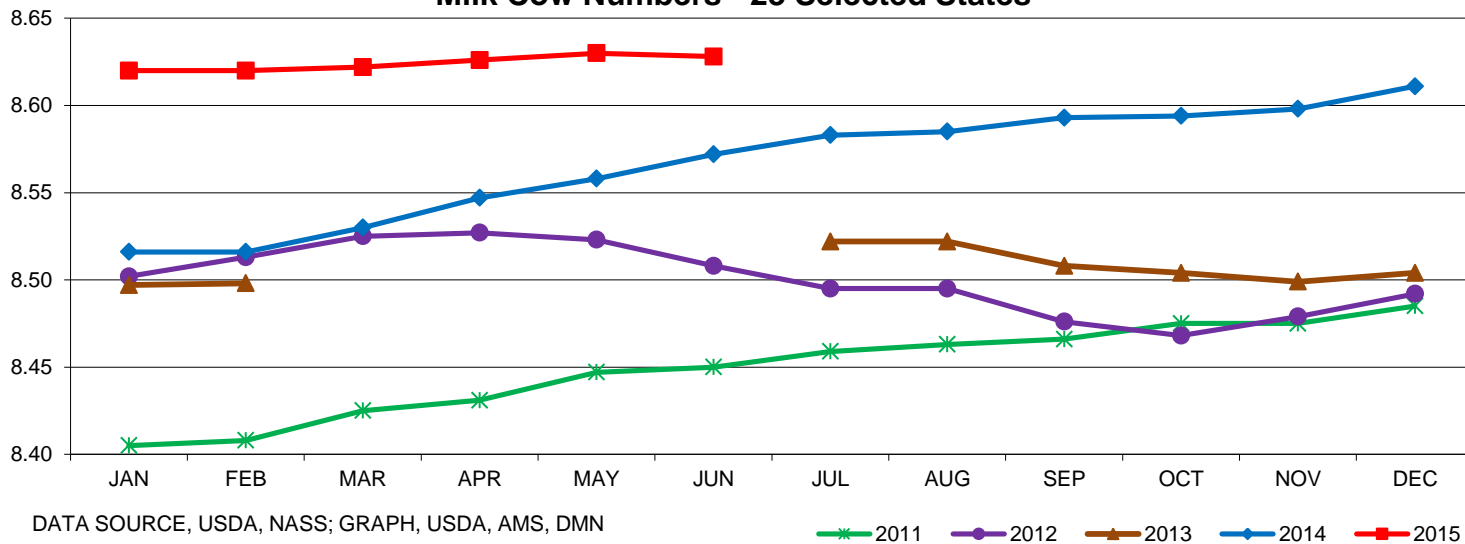
¹ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. ² Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis. ³ Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim and flavored fat-reduced milk. ⁴ Sales volumes and percent changes have been adjusted for calendar composition. ⁵ The California Department of Food and Agriculture (CDFA) clarified reporting instructions for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior years less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352

Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, May 2015, with Comparisons ¹				
Marketing Area	Order Number	Sales		Change from: ²
		May	Year to Date	Previous Year
		(million pounds)		(percent)
Northeast	001	701	3,539	-2.1
Appalachian	005	257	1,360	-3.3
Florida	006	220	1,153	-3.2
Southeast	007	360	1,886	-4.7
Upper Midwest	030	310	1,587	-6.0
Central	032	330	1,741	-4.7
Mideast	033	444	2,294	-3.9
Pacific Northwest	124	169	833	-1.5
Southwest	126	367	1,873	-1.9
Arizona	131	88	453	-2.0
California	---	468	2,365	-6.0
All Orders (Total)		3,248	16,722	-3.4
All Areas (Total)		3,716	19,087	-3.7

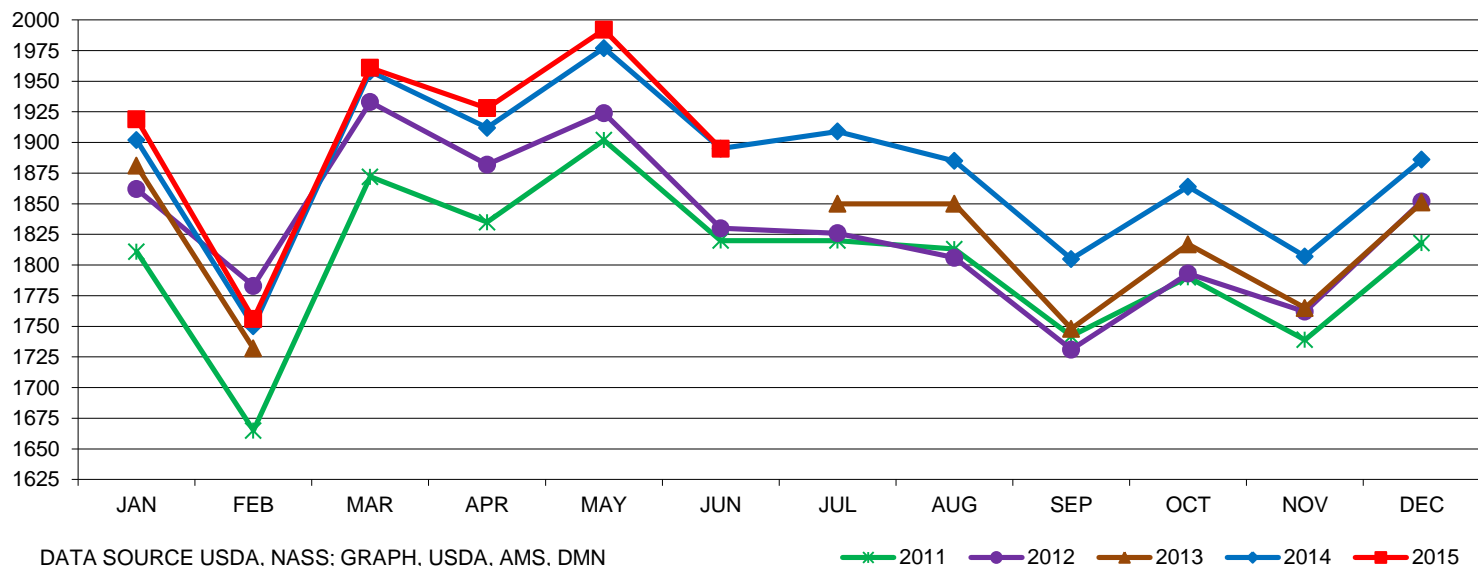
¹ These figures are representative of the consumption of total fluid milk products in the respective area; see footnote ⁴ above for the products included. ² Percent changes, as well as sales volumes, are shown on an unadjusted basis.

Source: U.S. Department of Agriculture. California Department of Food and Agriculture. Milk Stabilization Branch. *California Dairy Information Bulletin*, May 2015.

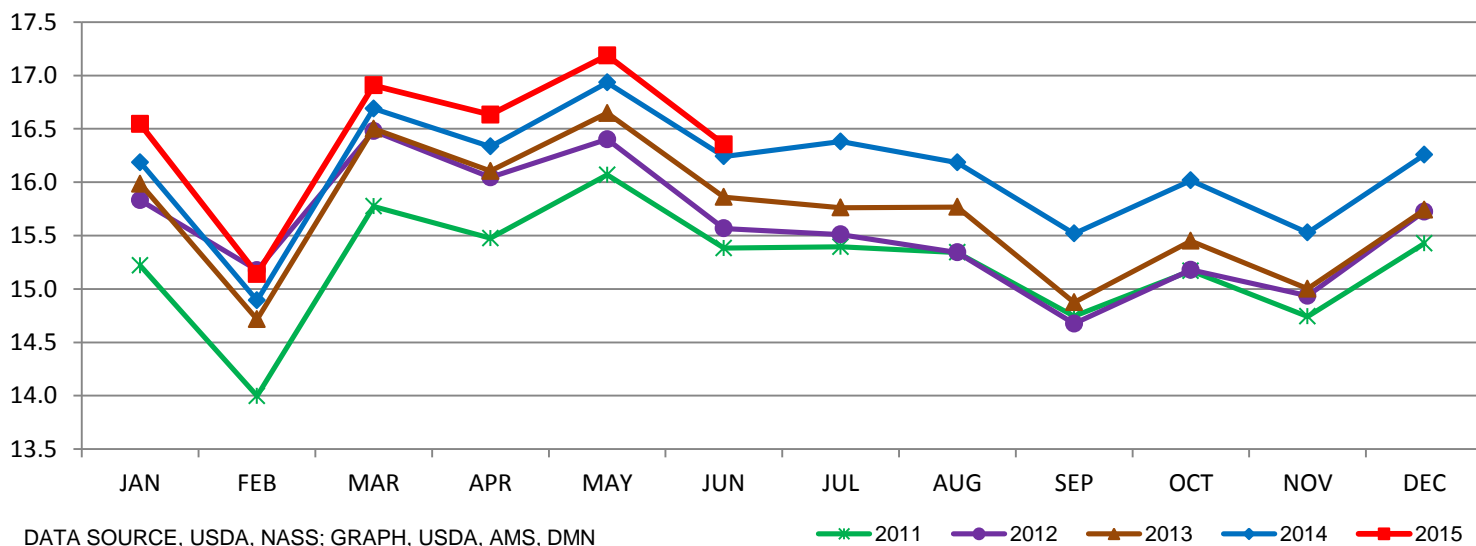
MILLION HEAD

Milk Cow Numbers - 23 Selected States

POUNDS

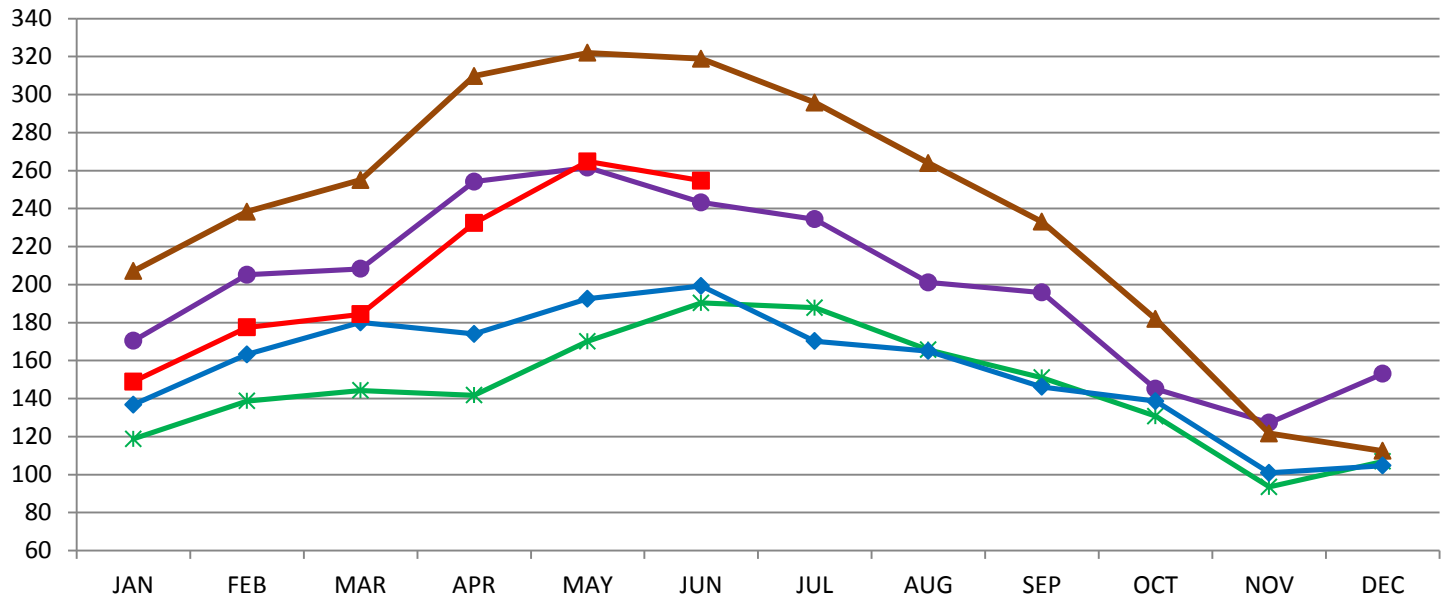
Monthly Milk Per Cow - 23 Selected States

BILLION POUNDS

Milk Production - 23 Selected States

U.S. Butter Cold Storage Holdings

MILLION POUNDS

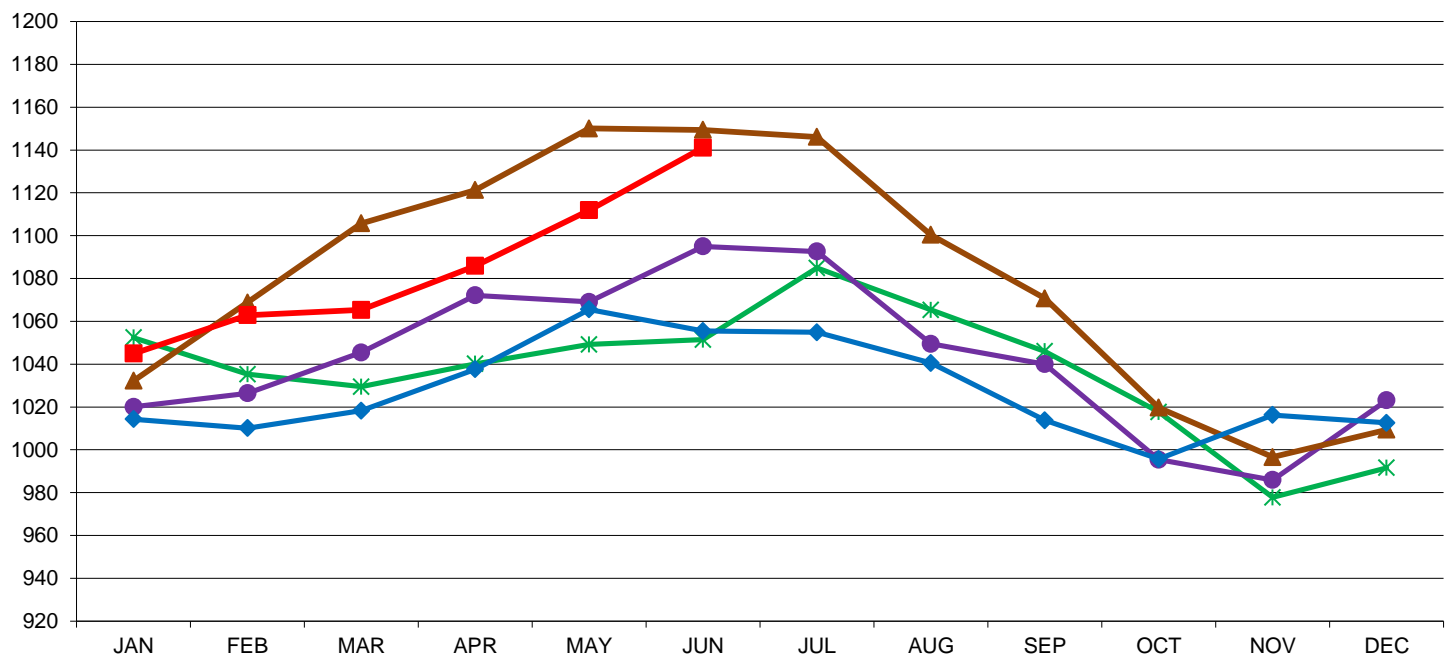


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

* 2011
 ● 2012
 ▲ 2013
 ◆ 2014
 ■ 2015

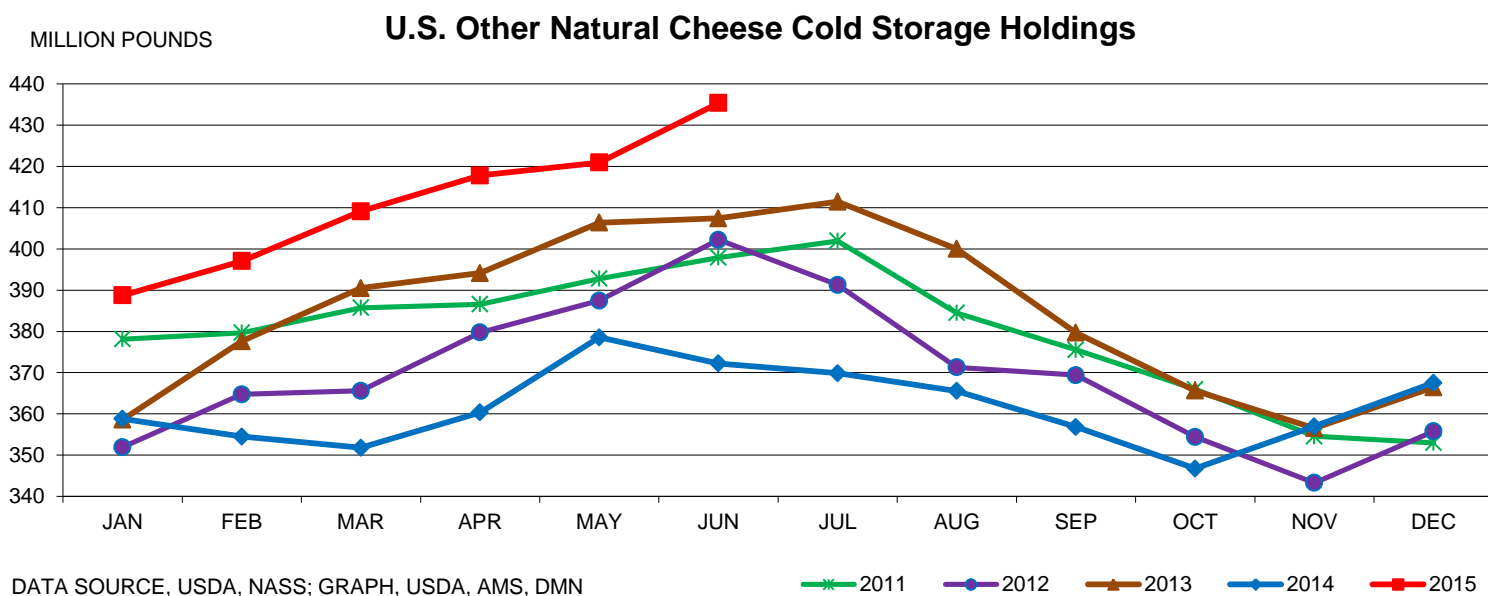
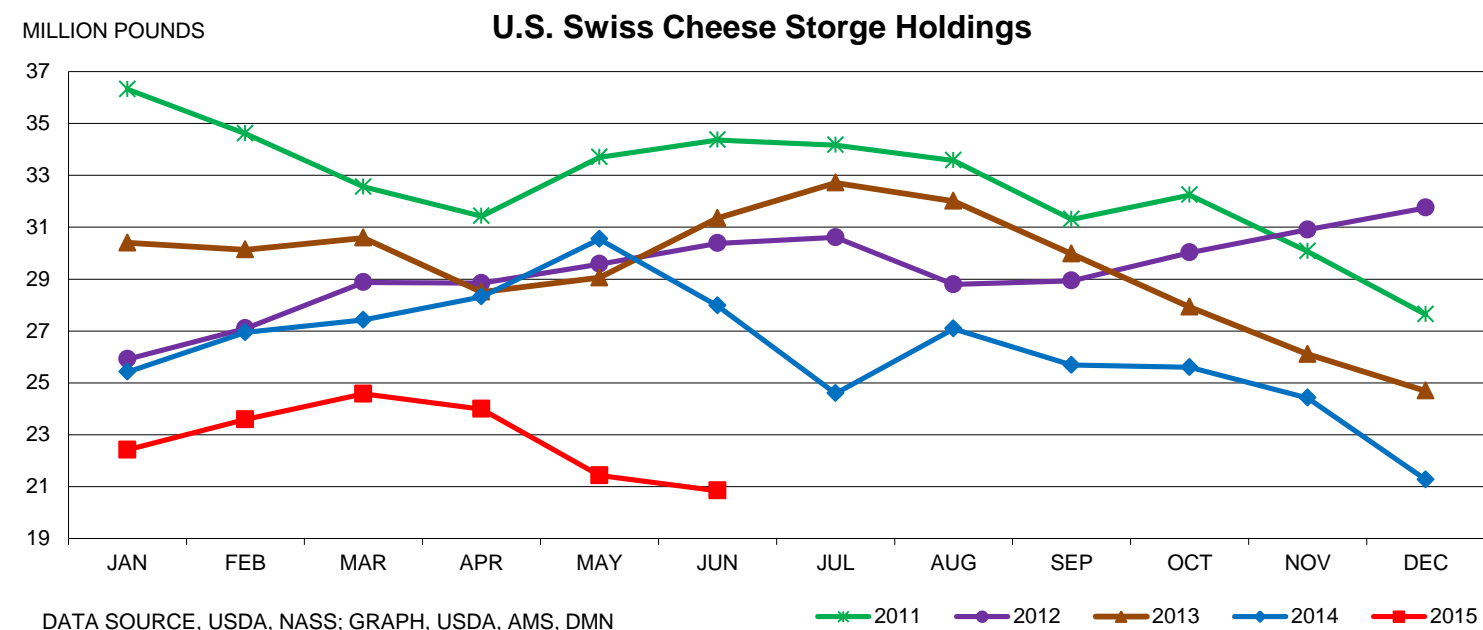
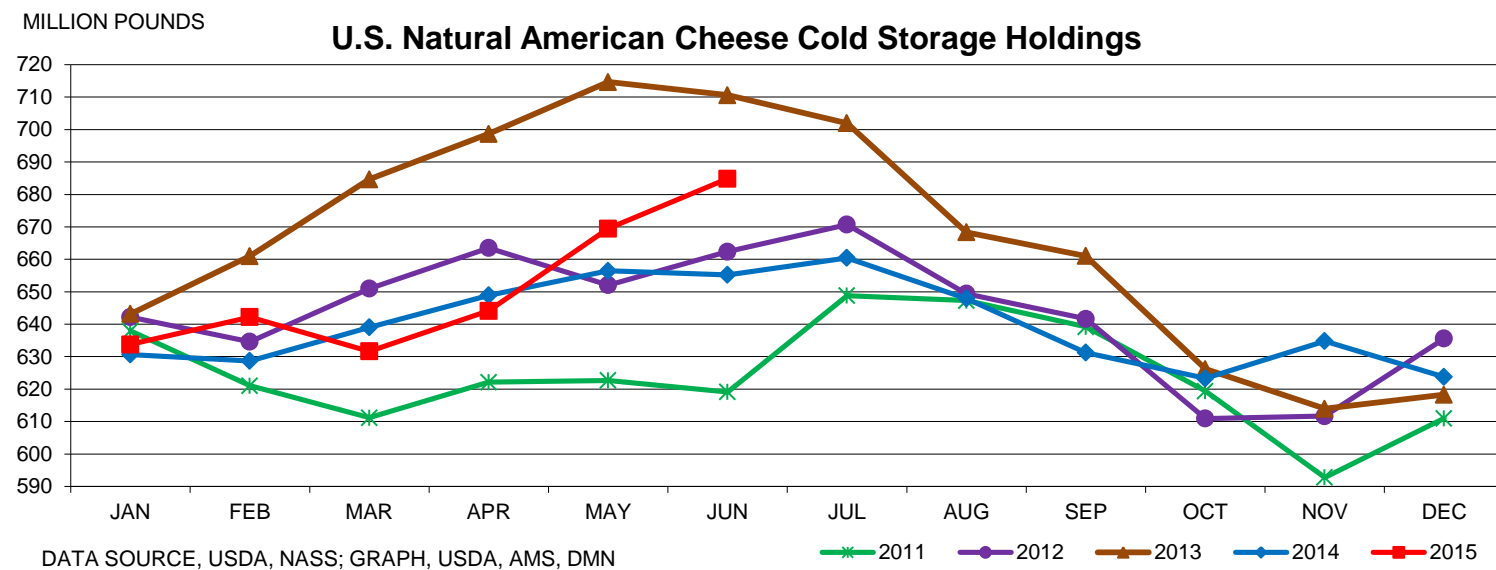
U.S. Total Natural Cheese Cold Storage Holdings

MILLION POUNDS



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

* 2011
 ● 2012
 ▲ 2013
 ◆ 2014
 ■ 2015





Dairy Market News Branch

Agricultural
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Service

National Retail Report - Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>
and http://www.ams.usda.gov/mnreports/wa_lo100.txt

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Friday, July 24, 2015

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 07/24/2015 to 07/30/2015

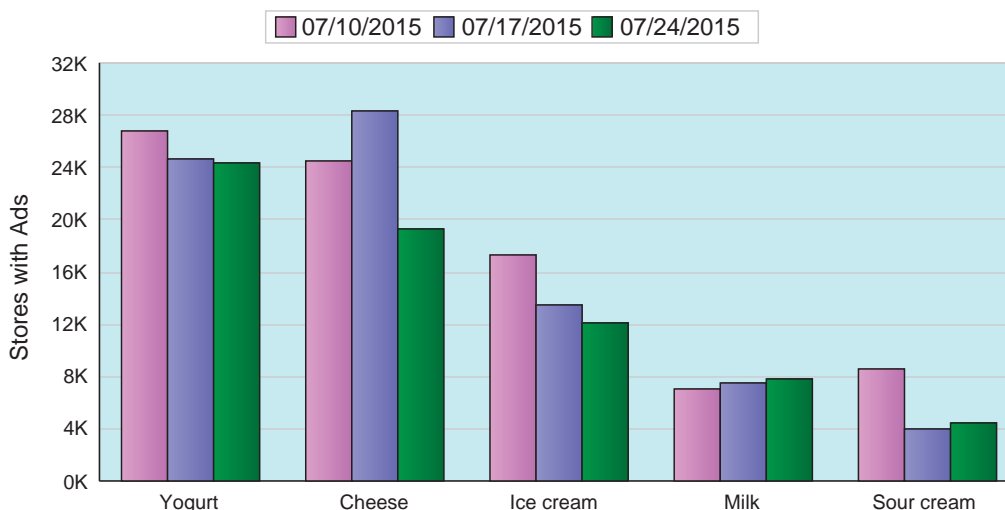
Total conventional dairy ad volumes declined 15% this week from last week. Even ice cream ads are down 11% as many states really heat up. Ice cream in 48-64 ounce containers has a national weighted average advertised price of \$2.89, up 5 cents from last week but 28 cents below a year ago. Half gallon flavored milk as numbers are up 43%, with an average price of \$2.46, 36 cents above a week ago but 38 cents below a year ago.

The U.S. advertised prices for 8 ounce cheese blocks average \$2.27, compared with \$2.57 a year ago, and are down 9 cents from one week ago; 8 ounce shredded cheese averaged \$2.43, compared with \$2.33 one year ago, and are 14 cents above a week ago. Conventional cheese ads decreased 32% from the previous week and organic cheese ads decreased 44% from the previous week.

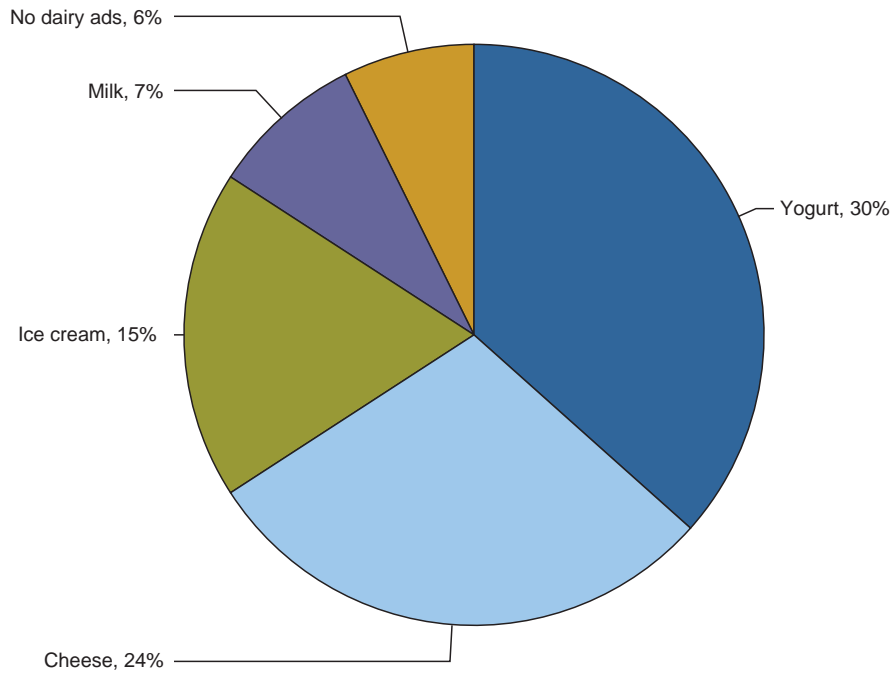
The average price of 4-6 ounce Greek yogurt is \$.95, down 1 cent from last week, and down 4 cents from a year ago. This week, yogurt in 4-6 ounce packages averages \$0.47 compared to 48 cents a year ago, and last week. Conventional yogurt ad numbers declined 1% from the previous week.

Organic - conventional half gallon milk has a price spread of \$1.63. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.80, and the average for organic half gallon milk, \$3.43.

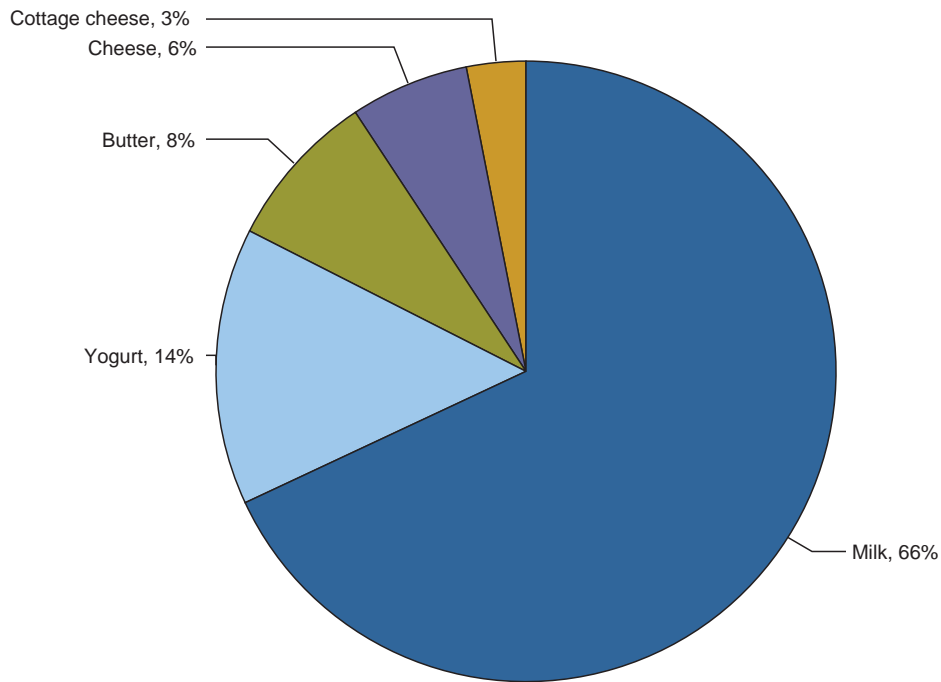
Top 5 Commodities Featured



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 #	2497	3.29	3167	3.26	3076	3.49
Cheese	Natural Varieties	8 oz block	6892	2.27	11636	2.36	4905	2.57
Cheese	Natural Varieties	1 # block	2061	3.17	2570	4.41	1895	4.40
Cheese	Natural Varieties	2 # block	939	6.02	563	5.50	116	4.99
Cheese	Natural Varieties	8 oz shred	7340	2.43	11240	2.29	10672	2.33
Cheese	Natural Varieties	1 # shred	1798	3.07	1806	4.86	588	4.63
Cottage cheese		16 oz	2169	2.01	3741	2.08	2417	2.20
Cream cheese		8 oz	3727	1.67	3822	1.67	7142	1.74
Flavored milk	All fat tests	half gallon	799	2.46	560	2.10	520	2.84
Flavored milk	All fat tests	gallon	565	2.86	461	2.29	144	4.21
Ice cream		48-64oz	12031	2.89	13492	2.84	12949	3.17
Milk	All fat tests	half gallon	515	1.80	1124	2.82	533	2.36
Milk	All fat tests	gallon	4641	2.49	4786	2.98	3008	3.04
Sour cream		16 oz	4379	1.51	3865	1.74	2886	1.78
Yogurt	Greek	4-6 oz	12366	.95	13459	.96	10523	.99
Yogurt	Greek	32 oz	1405	4.19	1012	4.83	461	4.15
Yogurt	Yogurt	4-6 oz	8845	.47	8798	.48	4415	.48
Yogurt	Yogurt	32 oz	1207	2.14	842	2.36	427	2.84

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 #	1.99-3.99	632	2.96	3.00	214	3.00	2.50	270	2.50
Cheese	Natural Varieties	8 oz block	1.88-3.29	2233	2.42	1.99-3.00	2508	2.19	1.67-3.29	921	2.10
Cheese	Natural Varieties	1 # block	3.99	135	3.99	2.99	184	2.99	2.89-2.99	194	2.96
Cheese	Natural Varieties	2 # block	6.99	84	6.99						
Cheese	Natural Varieties	8 oz shred	1.99-3.49	1875	2.50	2.00-3.00	2943	2.53	1.49-3.29	876	2.04
Cheese	Natural Varieties	1 # shred				2.99	184	2.99	2.99-3.99	256	3.45
Cottage cheese		16 oz	1.66-2.50	783	2.06	1.78-2.00	390	1.89	1.49-1.50	319	1.50
Cream cheese		8 oz	0.99-2.69	1081	1.58	1.00-2.00	890	1.60	1.00-2.69	761	1.54
Flavored milk	All fat tests	half gallon				2.50	502	2.50	1.66	69	1.66
Flavored milk	All fat tests	gallon				3.99	214	3.99			
Ice cream		48-64oz	1.99-3.99	3589	2.77	1.99-3.50	3564	2.92	1.88-3.00	1561	2.61
Milk	All fat tests	half gallon	1.99	135	1.99	2.00	233	2.00	1.66	69	1.66
Milk	All fat tests	gallon	1.99-2.59	271	2.23	2.50-2.59	2085	2.54	2.37	53	2.37
Sour cream		16 oz	1.49-1.99	1568	1.67	1.00-1.99	237	1.22	1.00-1.79	542	1.40
Yogurt	Greek	4-6 oz	0.88-1.00	3171	.99	0.80-1.00	3005	.93	0.78-1.00	2215	.96
Yogurt	Greek	32 oz	4.49	59	4.49	5.49	61	5.49	3.69-4.49	908	3.85

Wtd Avg - Simple weighted average



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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	0.33-0.60	2099	.48	0.40-0.50	1726	.47	0.29-0.50	2274	.46
Yogurt	Yogurt	32 oz	1.89-2.69	461	2.19	1.89	227	1.89			

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 #	2.99	121	2.99	2.99-5.49	638	3.86	2.50-3.99	565	3.47
Cheese	Natural Varieties	8 oz block	1.88-2.50	532	2.14	1.99-2.50	465	2.30	1.99-2.99	201	2.50
Cheese	Natural Varieties	1 # block	2.49-2.99	501	2.92	2.99-3.99	494	3.50	2.50-4.29	540	3.00
Cheese	Natural Varieties	2 # block	5.99	121	5.99	5.99	334	5.99	4.99-7.99	350	5.51
Cheese	Natural Varieties	8 oz shred	1.88-2.29	495	2.09	1.99-2.50	465	2.30	1.99-3.50	656	2.61
Cheese	Natural Varieties	1 # shred	2.49-2.99	501	2.92	2.99-3.99	378	3.35	2.50-3.99	479	2.84
Cottage cheese		16 oz	2.00-2.99	276	2.58	1.59	116	1.59	1.89-2.99	279	2.20
Cream cheese		8 oz	1.29-2.00	317	1.75	2.39-3.29	257	2.87	1.25-2.50	419	1.49
Flavored milk	All fat tests	half gallon	2.50-2.89	228	2.63						
Flavored milk	All fat tests	gallon	1.99-2.29	351	2.17						
Ice cream		48-64oz	1.99-3.50	1061	2.71	1.99-3.99	1475	2.95	2.99-5.00	639	3.99
Milk	All fat tests	half gallon	1.00	78	1.00						
Milk	All fat tests	gallon	1.99-2.99	751	2.35	1.99-3.29	1165	2.51	2.50	289	2.50
Sour cream		16 oz	1.00-1.69	1011	1.24	1.00-2.79	617	1.65	0.99-1.89	331	1.56
Yogurt	Greek	4-6 oz	0.78-1.00	1180	.91	0.88-1.00	1673	.97	0.75-1.00	1074	.88
Yogurt	Greek	32 oz	4.99	114	4.99	4.99	200	4.99	3.49	61	3.49
Yogurt	Yogurt	4-6 oz	0.33-0.53	1003	.45	0.33-0.50	1082	.44	0.38-0.50	589	.46
Yogurt	Yogurt	32 oz	1.89	151	1.89	1.99	167	1.99	2.50-2.59	174	2.55

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-4.00	27	3.78	3.77-4.99	30	4.87
Cheese	Natural Varieties	8 oz block	1.99-3.00	8	2.24	2.99	24	2.99
Cheese	Natural Varieties	1 # block	3.99-5.99	13	4.30			
Cheese	Natural Varieties	2 # block	6.99-8.99	23	7.16	8.99	27	8.99
Cheese	Natural Varieties	8 oz shred	1.99	6	1.99	2.99	24	2.99
Cottage cheese		16 oz	2.48	3	2.48	2.77	3	2.77
Cream cheese		8 oz	1.67	2	1.67			
Ice cream		48-64oz	3.49-4.50	58	3.55	3.50-6.99	84	4.11
Milk	All fat tests	gallon				4.99	27	4.99
Sour cream		16 oz	1.25-1.67	22	1.46	2.49-2.59	51	2.54
Yogurt	Greek	4-6 oz	0.99	11	.99	0.99-1.00	37	1.00
Yogurt	Greek	32 oz	4.00	2	4.00			
Yogurt	Yogurt	4-6 oz	0.69	21	.69	0.60-0.89	51	.74
Yogurt	Yogurt	32 oz				2.99	27	2.99

Wtd Avg - Simple weighted average



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 #	335	5.93	230	5.00		
Cheese	Natural Varieties	8 oz block	162	3.99	162	3.99		
Cheese	Natural Varieties	8 oz shred	84	3.99	276	3.79		
Cottage cheese		16 oz	121	2.99				
Milk	All fat tests	half gallon	1883	3.43	1280	4.00	2400	3.30
Milk	All fat tests	gallon	628	5.26	203	6.33	477	6.38
Milk	All fat tests	8 oz UHT	156	.99	53	1.00	1351	1.19
Sour cream		16 oz	121	1.99	121	1.99		
Yogurt	Greek	4-6 oz	573	1.19	323	1.19	1542	1.13
Yogurt	Yogurt	4-6 oz			143	.93		

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	84	5.49						
Cheese	Natural Varieties	8 oz shred	3.99	84	3.99						
Milk	All fat tests	half gallon	2.95-4.99	617	3.79	2.95	227	2.95	2.99-3.79	317	3.44
Milk	All fat tests	gallon				4.29	288	4.29			
Milk	All fat tests	8 oz UHT	0.99	156	.99						
Yogurt	Greek	4-6 oz	1.00-1.25	284	1.13						

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 #	4.99	114	4.99	6.99	137	6.99			
Cheese	Natural Varieties	8 oz block	3.99	162	3.99						
Cottage cheese		16 oz	2.99	121	2.99						
Milk	All fat tests	half gallon	2.95-2.99	484	2.98	2.99-4.49	227	3.90			

Wtd Avg - Simple weighted average



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				5.69-6.98	274	6.34	4.99	66	4.99
Sour cream		16 oz	1.99	121	1.99						
Yogurt	Greek	4-6 oz							1.25	289	1.25

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.29	11	3.29			

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
ALASKA	Alaska
HAWAII	Hawaii
NATIONAL	Continental United States

DAIRY MARKET NEWS

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