

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (8/28)**

BUTTER: Grade AA closed at \$2.3400. The weekly average for Grade AA is \$2.3180 (+.0690).

CHEESE: Barrels closed at \$1.6000 and 40# blocks at \$1.7000. The weekly average for barrels is \$1.6100 (-.0635) and blocks, \$1.6815 (-.0210).

NONFAT DRY MILK: Grade A closed at \$.7700. The weekly average for Grade A is \$.7820 (+.0345).

BUTTER HIGHLIGHTS: Butter production is steady to higher in the Northeast, steady to lower in the West, and marginally lower in the Central region. Some butter makers are trying to increase butter production looking to meet the seasonally high demand in the last quarter of the year. There are concerns in the market about the recent uptick in the CME spot prices. Some are attributed to the uncertain availability of butter for the holiday season. The market undertone is unsettled in all regions. The demand for print butter is strong in the Northeast and steady to higher in the Central region. The NASS Cold Storage report noted U.S. butter stocks as of July 31, 2015, were 254.5 million pounds, down 1% from last month. Butter stocks in all warehouses were 180.8 million pounds a year earlier. Friday at the CME Group, Grade AA butter closed at \$2.3400, down 3 cents from last week's close.

CHEESE HIGHLIGHTS: Although milk intakes are slowly declining, most manufacturers report having enough milk for processing. Production schedules range from full to some cheese makers stating they have a little extra capacity. In the Northeast, output for regular and low fat cheddar is steady. Industry contacts suggest inventories of hard Italian cheeses and cheddars are building in advance of the Q4 holidays. This is not a major concern, depending on the ability to move cheese through the end of the year. Domestic cheese demand and retail sales have generally been good this summer. Demand for mozzarella is increasing, but buyer interest has been a little slow to develop. Buyers have been more interested in restocking used supplies than increasing their inventories. The NASS Cold Storage report stated U.S. stocks of cheese (total natural) at the end of July 2015 are up 10% from the year before. Some sources suggest the weakening of the U.S. dollar could lead to higher export possibilities. In CME Group trading Friday, Barrels closed at \$1.6000, down \$.0950 from last Friday and 40# Blocks closed at \$1.7000, down \$.0400.

FLUID MILK: Milk production is lower throughout most of the country. Slight increases were noted in the Southeast and New Mexico due to cooler temperatures. Processors are still reporting increases in bottling demand as fall sessions start for educational institutions. Even with the milk declines, manufacturers are noting full production schedules. Ice cream, cream cheese and other cream-based products are pulling heavy on cream supplies, making the cream market tighter than desired. Higher butter prices have made overall cream prices higher than anticipated as well.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices moved higher in an unsettled market. Spot sales are increasing. Production is lower due to lower milk intakes. Dry buttermilk prices are steady to higher. High cream prices are limited butter production and therefore, buttermilk production as well. Interest from bakeries is picking up for the fall baking season. Prices for dry whole milk are unchanged in an unsettled market. Dry whey prices are steady to lower in a weak market. Buyers are taking contracted loads with some willing to take spot loads at discounted prices. Whey protein concentrate 34% prices move lower this week. Some manufacturers are shifting production to dry whey. Casein prices are unchanged with discounts being offered for large volume sales. Lactose prices are steady. Inquiries are picking up with most bids below current pricing levels.

ORGANIC DAIRY MARKET OVERVIEW (DMN): AMS reports June 2015 total organic milk products sales at 199 million pounds, unchanged from the previous year. This is the first time since 2011 that June total organic milk products sales have not shown an increase when compared to previous year sales. Sales are down 1.6%, January through June 2015, compared with the same months of 2014. June organic whole milk sales are 67 million pounds, up 13.0% from June last year. Year to date sales are up 10.7% compared to sales within the same period last year. The impact of tightness in organic fluids sales will most likely be seen in private label brands. Organic dairy product ads saw a moderate spike in retail survey ad numbers compared to last week. Ads for organic yogurt 4-6 ounce were 8 times as many as last week. The Southeast region recorded the largest increase for organic milk dairy ads. In the Midwest, organic ads decreased by half of previous week's survey.

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DAIRY GRAPHS (G1-G2)
NATIONAL RETAIL REPORT - DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY AUG 24	TUESDAY AUG 25	WEDNESDAY AUG 26	THURSDAY AUG 27	FRIDAY AUG 28	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.6300 (-.0650)	\$1.6200 (-.0100)	\$1.6000 (-.0200)	\$1.6000 (N.C.)	\$1.6000 (N.C.)	:- (.0950)	:- \$1.6100 (-.0635)
40# BLOCKS	\$1.7100 (-.0300)	\$1.6700 (-.0400)	\$1.6700 (N.C.)	\$1.6575 (-.0125)	\$1.7000 (+.0425)	:- (.0400)	:- \$1.6815 (-.0210)
NONFAT DRY MILK							
GRADE A	\$.7625 (-.0225)	\$.7800 (+.0175)	\$.7875 (+.0075)	\$.8100 (+.0225)	\$.7700 (-.0400)	:- (.0150)	:- \$.7820 (+.0345)
BUTTER							
GRADE AA	\$2.3225 (-.0475)	\$2.2925 (-.0300)	\$2.2925 (N.C.)	\$2.3425 (+.0500)	\$2.3400 (-.0025)	:- (.0300)	:- \$2.3180 (+.0690)

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.USDA.GOV/MARKET-NEWS/DAIRY

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

Organic milk held the largest volume of ads, a 32% increase. The percentages for total organics ads were milk at 51%, yogurt 16%, cottage cheese 14%, cheese 10% and sour cream 8%.

NATIONAL RETAIL REPORT – DAIRY (DMN):

Conventional dairy ad volumes are steady with last week. The price for 1 pound butter increased 18 cents to \$3.16, and butter ads increased 53% from last week. The price for ice cream 48-64 ounce increased 10 cents to \$3.12. Ice cream was the most advertised dairy item followed by Greek 4-6 ounce yogurt and cheese 8 ounce shred. The average price of 4-6 ounce Greek yogurt is 96 cents, unchanged from last week, but down 5 cents from a year ago. Yogurt in 4-6 ounce packages averaged 55 cents, up 6 cents from last week and up 7 cents from a year ago. Conventional yogurt ad numbers decreased 21% from the previous week. The U.S. advertised price for 8 ounce cheese blocks averaged \$2.34, up 3 cents from both a week ago and a year ago; 8 ounce shred cheese averaged \$2.46, up 12 cents from one week ago and up 4 cents from one year ago. Conventional cheese ads increased 3% from the previous week. Organic - conventional half gallon milk has a price spread of \$1.91. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.96 and the average for organic half gallon milk, \$3.87. Organic dairy ad volumes for all items grew 55%.

COLD STORAGE (NASS): On July 31, U.S. cold storage holdings of butter totaled 254.5 million pounds, down 1% from the previous month, but up 41% from July 2014. Natural American cheese holdings total 698.3 million pounds, 2% higher than the previous month and 6% more than July 2014. Total natural cheese stocks were 1.162 billion pounds, 2% higher than last month and 10% more than July 2014.

JULY CONSUMER PRICE INDEX (BLS): The July CPI for all food is 247.0, up 1.6% from 2014. The dairy products index is 221.4, down 1.6% from a year ago. The following are the July to July changes for selected products: fresh whole milk is -6.5%; cheese, -0.9%; and butter, -1.3%.

CME GROUP

MONDAY, AUGUST 24, 2015

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.6800, 1 @ \$1.6650, 1 @ \$1.6550, 1 @ \$1.6400, 1 @ \$1.6350, 1 @ \$1.6300; 3 CARS 40# BLOCKS: 1 @ \$1.7400, 2 @ \$1.7100; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6400; 1 CAR 40# BLOCKS @ \$1.7200
 NONFAT DRY MILK -- SALES: 12 CARS GRADE A: 10 @ \$0.7800, 1 @ \$0.7700, 1 @ \$0.7625; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7600;
 LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7650
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2850; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3225

TUESDAY, AUGUST 25, 2015

CHEESE -- SALES: 16 CARS BARRELS: 1 @ \$1.6150, 7 @ \$1.6000, 1 @ \$1.6075, 4 @ \$1.6000, 1 @ \$1.6075, 1 @ \$1.6125, 1 @ \$1.6200; 2 CARS 40# BLOCKS: 1 @ \$1.7100, 1 @ \$1.6700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6775
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.7800; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7800; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7900
 BUTTER -- SALES: 2 CARS GRADE AA @ \$2.2800; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2925; LAST OFFER UNCOVERED: NONE

WEDNESDAY, AUGUST 26, 2015

CHEESE -- SALES: 8 CARS BARRELS: 2 @ \$1.6200, 1 @ \$1.6100, 5 @ \$1.6000; 2 CARS 40# BLOCKS @ \$1.6700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6800; 1 CAR 40# BLOCKS @ \$1.6800
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 2 @ \$0.7800, 1 @ \$0.7825, 1 @ \$0.7875; LAST BID UNFILLED: 4 CARS GRADE A @ \$0.7850;
 LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

THURSDAY, AUGUST 27, 2015

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6200; 2 CARS 40# BLOCKS: 1 @ \$1.6550, 1 @ \$1.6575; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6550;
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6000
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A: 5 @ \$0.8075, 1 @ \$0.8100; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8300
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3425; LAST OFFER UNCOVERED: NONE

FRIDAY, AUGUST 28, 2015

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.6575; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6000; 1 CAR 40# BLOCKS @ \$1.7000; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6800; 1 CAR 40# BLOCKS @ \$1.7200
 NONFAT DRY MILK -- SALES: 10 CARS GRADE A: 1 @ \$0.8025, 2 @ \$0.7900, 1 @ \$0.7800, 1 @ \$0.7700, 2 @ \$0.7600, 1 @ \$0.7500, 1 @ \$0.7600, 1 @ \$0.7700;
 LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.3500, 1 @ \$2.3400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2850; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Churning rates are steady to higher, compared to last week. With softer milk output, some plants are carrying out maintenance activities. Plants continue to cash in on higher returns by sourcing cream supplies to Class II production; conversely, some butter makers are adding to on hand cream supplies as those manufacturers look to fill growing Q4 demand. Market participants attribute recent upticks in the CME butter prices to rumors and uncertainty of the availability of end-of-year butter. Others contradict that notion after having procured ample supplies for near term deliveries. The general expectation is that the butter price will retreat from the unexpected rise. The current bulk butter price is flat to 5 over the CME Group market, with various time frames and averages used. Demand for print butter is strong. The undertone indicates an unsettled market. According to the DMN National Retail Report-Dairy, for August 21-27, the U.S. weighted average advertised price for 1 pound butter is \$2.98, down 38 cents from a year ago, and down 13 cents from the previous week. The Northeast average price is \$3.23, up 4 cents from last week. The Southeast butter price averaged \$2.24, down 73 cents from a week ago. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.2925, up \$0.1325 from a week ago. However, prices have dropped \$0.0775 Monday and Tuesday this week. COLD STORAGE: According to NASS, U.S. butter in storage on July 31, 2015 totaled 254.5 million pounds, 41% above a year ago but 1% less than last month.

CENTRAL

Cream availability for churning is tight as the butterfat component in milk continues low. In addition, some processors prefer to sell cream as demand and multiples remain strong. Consequently, butter

production is marginally lower. At this point, the market tone is unsettled. However, some manufacturers are expecting an increase in production during this fall to meet the seasonal high demand during Q4. Bulk output is lower as butter is increasingly moving to the print lines. Retail sales for print butter are steady to higher as the Labor Day holiday approaches. According to the DMN *National Retail Report- Dairy*, for August 21 - 27, the national weighted average advertised price for a 1 pound package of butter price is \$2.98, a 13 cent decrease from last week, and 38 cents lower than one year ago. The weighted average price in the Midwest is \$2.26, with a range of \$1.99-\$2.39. The NASS Cold Storage report noted U.S. butter stocks on July 31 were 254.5 million pounds, 1% lower than last month but 41% 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 \$2.2925, increasing 2.25 cents from last Wednesday.

WEST

Regular customers are providing a steady demand for butter, but the increased draw down of butter supplies normally seen in late summer has not fully started. Some manufacturers are now beginning to see retail orders building for holiday season requests. Traders are sending signals in some market channels to try to entice buyers to get engaged. Industry contacts suggest butter inventories are mixed, being slightly long in general, but a little more tight for western butter. Current production is steady to lower depending on the strategies of cream use.

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
August 22, 2015	2,0210 3,679,446	1,7365 13,510,220	1,7471 9,738,968	2,996 7,480,924	7,355 30,145,402

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

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Ice cream production is slowing somewhat, but processors trying to build or maintain retail freezer space still are creating a demand for cream. The increase in school milk bottling is also making milk fat available for butter or ice cream production. Some butter manufacturers are seeing a shift in demand and economics for cream and are using the cream more fully in their own operations. The DMN National Retail Report – Dairy for the week of August 21 – 27, found that the U.S. weighted average advertised price of 1 pound butter is \$2.98, down \$.13 from one week ago and down \$.38 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$3.17 with a price range of \$2.99 - \$3.48, and in the Northwest, \$3.26 with a price range of \$2.99 - \$3.99. The NASS Cold Storage report noted U.S. butter stocks as of July 31, 2015, were 254.5 million pounds, down 1% from last month. Butter stocks in all warehouses were 180.8 million pounds last year at this time. Bulk butter pricing in the West is 4 cents under 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 \$2.2925, up \$.0225 from a week ago.

CHEESE MARKETS

NORTHEAST

Milk intakes are somewhat softer, however, some Northeast cheese plants continue to run full production schedules. Output is holding steady for regular cheddar and low fat cheddar. Some manufacturers are focusing on building existing stocks. Increasing demand for mozzarella from the food service sector is encouraging for processors, albeit anticipated interest level is slow to develop. Buyers are mostly procuring cheese to restock used supplies, while careful not to increase inventories at this stage. According to the DMN National Retail Report -Dairy, during the week of August 21-27, the weighted average advertised price for 8 ounce cheese blocks in the Northeast was \$2.17, 14 cent less than the national average, and 20 cents less than a week ago. The Southeast 8 ounce block cheese price was \$2.62, 3 cent more than a week ago. This week, cheese prices for Northeast wholesale cheddar and Muenster declined \$0.0175; process 5# sliced dipped \$0.0300. The Grade A Swiss Cuts price is steady. Tuesday's CME Group daily cash trading saw barrels close at \$1.6200, down \$0.0400 from a week ago; blocks closed at \$1.6700, down \$0.0050 from a week ago. Cold Storage: According to NASS, U.S. stocks of total natural cheese as of July 31, 2015 totaled 1.162 billion pounds, 10% more than a year ago and 2% above the previous month. Other cheese totaled 442.5 million pounds, 20% more than a year ago, and 2% more than the previous month. Swiss cheese totaled 21.6 million pounds, 12% less than a year ago but 4% above last month.

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

Cheddar 40# Block	: 2.0975-2.3825
Process 5# Sliced	: 1.8900-2.3700
Muenster	: 2.1175-2.4675
Grade A Swiss Cuts 10 - 14#	: 3.2525-3.5750

MIDWEST

Some cheese manufacturers report milk intakes are down slightly, due to the seasonal decline in milk production and the increased bottling demand for schools. A short stretch of hot, humid days has created a little dip in milk production, but with cooler temperatures and the good cross-ventilation of newer cow barns, the impact has been minimal. Cheese production is active with only a little extra capacity available in the plants. Cheese makers are buying occasional loads of spot milk to fill capacity, but only when loads can be purchased at or below Class. Demand for cheese continues to be good in both retail and wholesale markets. Inventories have been building for hard Italian cheese and cheddars. Industry contacts suggest this is not a major concern, depending on the ability to move this cheese through the end of the year. The DMN National Retail Report - Dairy shows that August 21 - 27 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.96, 38 cents lower than the national average. Midwest prices range from \$1.50 - \$2.50. One year ago, the national price was \$2.42. For 8 ounce blocks, the Midwest average price is \$1.97, 34 cents lower than the national average price. Midwest ads are priced from \$1.50 to \$2.50. Last year, the national price was \$2.31. Western wholesale prices are unchanged for Swiss cuts, down \$.0300 for process, and down \$.0175 for all other types. According to the NASS Cold Storage report, July 31, 2015 East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio) American cheese stocks are 115% of July 31, 2014, and 104% of June 30, 2015. East North Central region other cheese stocks are up 15% from last year and

up 3% from last month. Total U.S. natural cheese stocks are up 10% from last year and up 2% from last month. In CME Group trading Wednesday, Barrels closed at \$1.6000, down \$.0600 from last Wednesday and Blocks closed at \$1.6700, down \$.0200.

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

Process American 5# Loaf	: 1.7725-2.1325
Brick And/Or Muenster 5#	: 2.0775-2.5025
Cheddar 40# Block	: 1.8050-2.2000
Monterey Jack 10#	: 2.0525-2.2575
Blue 5#	: 2.3450-3.3325
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 1.8775-2.8175
Grade A Swiss Cuts 6 - 9#	: 2.7700-2.8875

WEST

West cheese production is steady. The beginning of school terms and increase in bottling have pulled some milk away from processing, but the impact has been minimal. Manufacturers report a slow seasonal decline in milk production and an adequate supply of milk for processing. Domestic cheese demand and retail sales have been strong throughout the summer. Industry contacts suggest inventories of hard Italian cheeses and cheddars are building in advance of the Q4 holidays. Current market prices at the CME Group have been range bound between \$1.60 and \$1.75. Industry contacts suggest this will not likely change soon, however the strength of Q4 sales could have a significant impact on price pressures faced by the industry in 2016. The DMN National Retail Report - Dairy for the week of August 21 - 27 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.34, down \$.01 from last week and down \$.08 from a year ago. Packs averaged \$2.43 in the Southwest and \$2.36 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.31, down \$.05 from last week and unchanged from a year ago. Blocks in the Southwest averaged \$2.34, and in the Northwest, \$1.99. Western wholesale prices are unchanged for Swiss cuts, down \$.0300 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 July 2015 were 1.16 billion pounds, up 2% from June 2015 and up 10% from July 2014. American stocks were 6% more, other natural stocks were 20% more, but Swiss stocks were 12% less than last year. In the Mountain Region, American cheese stocks were 5% more than one year earlier and 9% higher than one month earlier. Pacific Region American cheese stocks were 11% less than one year earlier but 2% more than a month before. Also in the Pacific Region, other natural cheese stocks were 35% above a year ago but 5% below a month ago. In CME Group trading Wednesday, Barrels closed at \$1.6000, down \$.0600 from last Wednesday and Blocks closed at \$1.6700, down \$.0200.

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

Process 5# Loaf	: 1.7875-2.0450
Cheddar 40# Block	: 1.8100-2.2550
Cheddar 10# Cuts	: 1.9900-2.2100
Monterey Jack 10#	: 2.0000-2.1600
Grade A Swiss Cuts 6 - 9#	: 2.8300-3.2600

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CHEESE MARKETS

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FOREIGN

Domestically produced foreign type cheese prices moved lower this week. Sources suggest the weakening of the U.S. dollar could lead to higher export possibilities. With the summer coming to an end, demand has slowed, but sellers are looking for that to pick up again soon. Inventories are adequate and product is readily available. According to FAS, cheese quota imports for January through July were at 116.9 million pounds, up 30% from 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	: 2.2725-3.7600*
Gorgonzola	: 3.6900-5.8900	: 2.7800-3.4775*
Parmesan (Italy)	: -0-	: 3.6625-5.7525*
Provolone (Italy)	: -0-	: 2.3150-2.5675*
Romano (Cows Milk)	: -0-	: 3.4625-5.6125*
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-	: 3.3500-3.6725
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

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

BUTTER : CHEESE

08/24/15	18,754	: 102,778
08/01/15	19,342	: 102,562
CHANGE	-588	: 216
% CHANGE	-3	: 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	200	0	60	0	120	0
SOUTHEAST STATES	50	0	50	0	0	0

Milk production in the Northeast and Mid-Atlantic regions is moving lower. Sales to Class I are increasing as bottlers replenish school pipelines. Milk supplies for Class II, III, and IV usage are lower for most dairy operations. Southeast milk production rose slightly as somewhat cooler temperatures enhanced cow comfort. Manufacturing milk receipts continue to decline due to increased Class I school orders. Florida's farm-level milk production is continuing to fall. Sales are up but leveling off. There is a hurricane that is threatening that could disrupt distribution. Import spot shipments are 200 loads this week. **Cream multiples** ranged **1.36-1.66**, with the rBST free loads at the high end of the range. Supplies remain tight, with good demand. Ice cream processing continues to pull on the bulk of cream supplies. With cream cheese interest expected to build during fall seasonal demand, that will likely change. Some ice cream manufacturers credit unusually strong and steady orders to the supply void left by a previous regional ice cream processor. Wednesday's CME Group daily cash closing saw butter close at \$2.2925, gaining \$0.0225 from a week ago. Manufacturers note declines in **condensed skim** supplies due to Class I pulls. Available non-contractual loads are diminishing significantly. Condensed skim demand is good, with active ice cream, cream cheese, and yogurt production. According to the *DMN National Retail Report-Dairy*, for August 21 - 27, the U.S. weighted average advertised price for a gallon of milk was \$2.57, down 52 cents from last year, but up 53 cents compared to last week.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during July 2015 totaled 16.6 billion pounds, up 1.2% from one year ago. Eastern states' milk production is as follows:

July 2015 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	214	+ 1.4
New York	1,219	+ 3.2
Pennsylvania	917	+ 2.3
Vermont	230	+ 0.9
Virginia	148	+ 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 - 3.0586-3.7333
F.O.B. producing plants: Upper Midwest - 3.0362-3.5984

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

PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .65-.83
Northeast - Class III - spot prices - .70-1.18

MIDWEST

The effects of the recent hotter weather in the upper Midwest is contributing to milk production trending lower. Processors are still noting full production schedules, but have noticed the decline. Spot milk has limited availability and sales are at Class to \$2.00 over Class. Bottlers are still reporting increases in demand as more and more schools start fall sessions. Processors are reporting tightness in cream. Most say it is available, but at a higher pricing level than they want to pay. The higher butter prices and subsequent basing points have made overall cream prices higher. **Cream multiples decreased slightly, now spanning 1.35 to 1.60.** The *DMN National Retail Report-Dairy* for the week of August 21 - 27, noted the national weighted average advertised price for one gallon of milk was \$2.57, up \$0.53 from a week ago, but \$.52 lower from a year ago. The weighted average price in the Midwest region was \$2.77.

WEST

Milk output in California is steady. Temperatures in the Central Valley are slightly lower. Milk volumes into local manufacturing plants are lower, as well as shipments out of the state. Bottling sales are higher as most of the public schools are reopening. Sales for condensed skim are quiet with expectations to increase as Labor Day Holiday approaches. July 2015 pool receipts of milk in California total 3.27 billion pounds, 4.4% lower compared to July last year, according to California Department of Food and Agriculture. Year-to-date through July 2015 receipts are 4.1% lower from the comparable months in 2014. The July Value at Test price is \$14.95, \$.41 lower than June 2015 and \$6.64 lower than July 2014. The percentage of receipts used in Class I products is 13.15%. The July quota price is \$16.02 and the over quota price is \$14.32. These prices are \$.32 lower than July 2015 and \$6.51 lower than a year ago. Milk output in Arizona is seasonally lower. Temperatures remain high, adversely affecting cows' comfort and milk yield. Some nearby processors continue helping to clear up milk volumes from Arizona's producers. Sales for Class I are higher as schools recently reopened. Sales for Class II are steady. Translate from: Spanish Milk production in New Mexico is increasing slightly as favorable cool temperatures are improving milk production. The percentage of butterfat component of the milk is marginally improving. Milk volumes into manufacturing are adequate. Class I sales are higher in the state and out of the state. Class II sales are steady. The state is into the fourth cut of alfalfa hay. According to *DMN National Retail Report-Dairy* for week of August 21 - 27, the weighted average advertised price for one gallon of milk is \$2.32 in the Southwest, \$2.50 in the Northwest and \$2.57 for the U.S. Pacific Northwest milk production is in a slow seasonal decline. With each heat wave, production takes a small dip, but bounces back with each period of cooler temperatures. Bottling demand is increasing as schools begin their fall terms. Milk available for processing is adequate. Small grain harvest is nearing completion. Pasture and rangeland are generally in poor condition. The wildfires along the Idaho/Oregon border have not interfered much with getting milk to processors. But the fires have impacted air quality. Lack of rain has increased the concern for additional fires to develop. Milk production is steady to lower for Utah and Idaho. Manufacturers report having adequate supplies of milk for processing, even though there is an increase in milk going into bottling. Western cream demand from butter churns and cream cheese is strong. The increase in milk bottling is making cream more available for processing. However, the butterfat component remains low around the region. Therefore, cream supplies in the West are mostly tight. West cream multiples are steady, ranging from 1.25 to 1.50. At the CME Group, Grade AA butter closed Wednesday at \$2.2925, increasing 2.25 cents from last Wednesday.

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: Central nonfat dry milk prices are steady to higher. The market tone is unsettled. The increase in the CME Group pricing has some wondering if the market is firming. Some manufacturers are making and storing NDM in order to wait for higher pricing levels, while others are selling at discounts in order to not keep high inventory levels. Demand is low domestically, as some end users report having adequate supplies through the end of the year, while others are purchasing product to build inventories. Some sellers are reporting export interest is picking up. Some cheese manufacturers are discontinuing use of NDM in order to sell available cream. High heat nonfat dry milk prices are slightly lower. Production is limited. Some manufacturers report only producing for orders.

EAST: Prices for Eastern nonfat dry milk show signs of firming with the upward movement of spot transactions. Some producers maintain confidence after holding prices steady at the high end of the range. The production of low/medium NDM is lower in the East due to declining milk intakes into Class IV operations. Spot market sales are intermittent with purchases occurring generally on as-needed-bases. High heat nonfat dry milk prices are softer. A few processors ramped up high heat production. Buyer needs are light with trades occurring primarily through contracts. Baking interest is improving. Sales in the spot market are marginal, while light stocks limit volumes traded. The market undertone is unsettled.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7500 - .8500 MOSTLY: .7500 - .8000
HIGH HEAT: .8550 - 1.0300

NONFAT DRY MILK - WEST

Prices for low/medium heat nonfat dry milk are higher on the range, as well on the mostly price series. The spot market undertone is unsettled. According to some buyers, prices are higher but market activity is mostly steady. However, some processors note moderate spot sales during the current week. The production of low/medium NDM is declining as milk volumes into bottling are increasing. Inventories are steady. Prices for high heat nonfat dry milk are unchanged. The market undertone is irregular. Some sporadic sales are occurring during this week. Production is limited and is mostly based on filling contracts orders. Inventories are steady.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7000 - .8200 MOSTLY: .7100 - .7400
HIGH HEAT: .7350 - .9800

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
August 21	\$.7460	20,094,146
August 14	\$.7825	8,836,635

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 are higher. Some sellers are receiving inquiries, but have no available dry buttermilk to sell. Interest is starting to pick up for the fall baking season. Sellers who do have available dry buttermilk are offering to long term customers first. Dry buttermilk production is declining as cream multiples pick up and butter manufacturing tapers. Inventories are low, but adequate for most producers.

EAST: Dry buttermilk prices moved higher in the East. Production is steady to lower. Demand is fair. Interest from bakeries is expected to increase seasonally. Movement is mostly through commitments. Inventories are adequate for most contractual customer needs. Buyers are reporting that buttermilk is scarce in the spot market. The market undertone is firming.

F.O.B. CENTRAL/EAST: .7300 - .8700

DRY BUTTERMILK - WEST

Prices for dry buttermilk are steady on the range and the mostly price series. Dry buttermilk manufacturing is lower. The high demand of cream from other dairy processors instead butter churns is limiting the production of buttermilk powder. Inventories are lower. The market undertone is mixed. Currently, some manufacturers are noticing steady sales.

F.O.B. WEST: .7000 - .8200 MOSTLY: .7200 - .7850

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are unchanged. Production is limited as most of the milk is being used to manufacture other dairy products. Inventories are lower. The activity in the spot market is very quiet. The market tone is unsettled.

F.O.B. PRODUCING PLANT: .9500 - 1.3500

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 steady to lower in a weak market. Production is strong as cheese production remains active. Sellers note that buyers are taking contracted loads, but there is little spot interest. Most buyers are buying hand-to-mouth as they wait to see how low prices will go, while others are committed through 2015. There are some brokers and resellers buying whey at current pricing levels to store and sell later as they feel the markets will recover. Some end users are choosing to buy condensed at further discounts. Inventory levels are mixed, as some manufacturers are making and storing product, while others are selling to not have to pay storage fees. Animal feed dry whey prices are unchanged. Manufacturers are reporting demand is picking up and some are gaining new customers.

F.O.B. CENTRAL: .1600 - .3475 MOSTLY: .2000 - .2500
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1800 - .2000

DRY WHEY - NORTHEAST

This week, dry whey price saw declines at both ends of the range due to lower spot transactions and pricing indices. Dry whey output continues to pace decreasing milk intakes at cheese processing facilities. Inventories are being added to in some channels. Demand is uneven. The market tone continues to soften.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2200 - .3475

DRY WHEY - WEST

West whey prices moved lower again this week. Production is steady and in parallel with milk intakes for cheese making. In some cases, manufacturers have shifted production from whey protein concentrates to dry whey. Demand is steady, with buyers willing to take spot loads at lower prices. These spot sales and regular commitments have helped keep inventories in check, although inventories are commonly heavy across the industry.

NONHYGROSCOPIC: .1850 - .3600 MOSTLY: .2000 - .3000

LACTOSE - CENTRAL AND WEST

Lactose prices are steady. Industry contacts generally report quiet activity, but some spot sales occurred. Inquiries from buyers continue. Many of the requests are at prices below the current price range and are not accepted. A few buyers are beginning to look at Q4 contracts. In some cases, buyers are looking to lock in pricing for 2016. Production remains steady. Although inventories are generally long, some manufacturers report tight or committed stocks at their facilities.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1500 - .2500 MOSTLY: .1700 - .2100

CASEIN - NATIONAL

Casein prices were unchanged in a soft market. Spot demand is quiet. Many sellers report buyers have contracted pricing levels and are, therefore, comfortable on inventories. There are some discounts being offered to spot buyers with larger volume purchases. Sellers are also offering larger discounts to long term clients.

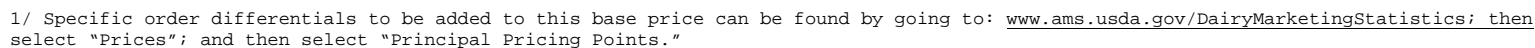
SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.7500 - 3.5000
ACID: 2.8000 - 3.7000

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for whey protein concentrate 34% moved lower this week in a feeble market. Some manufacturers are working to reduce inventories. Others have tighter or committed inventories, often with specific sensory or physical characteristics desired by the end user. Production is steady to lower depending on the ability of the manufacturer to adjust production strategies. Some processors are shifting production to whey powder or whey protein isolates.

F.O.B. EXTRA GRADE 34% PROTEIN: .5200 - .8000 MOSTLY: .5600 - .6200



ORGANIC DAIRY MARKET NEWS

Information gathered August 17 - 28, 2015

ORGANIC DAIRY FLUID OVERVIEW

Milk Product Sales. AMS reports June 2015 total organic milk products sales at 199 million pounds, unchanged from the previous year. This is the first time since 2011 that June total organic milk products sales have not shown an increase when compared to previous year sales. Sales are down 1.6%, January through June 2015, compared with the same months of 2014. June organic whole milk sales are 67 million pounds, up 13.0% from June last year. Year to date sales are up 10.7% compared to sales within the same period last year. The impact of tightness in organic fluid sales will most likely be seen in private label brands.

Total milk volumes received by some larger organic producers throughout the U.S. are slightly below year ago levels. Optimism is increasing about the interest of conventional dairy producers to convert to organic dairy production. However, a 3 year certification wait period pushes additional organic milk volumes into the future.

North Carolina, a growing market, is seeing very dry conditions that challenge organic milk production. Heavy rainfall in Pennsylvania is hampering the growth of organic forage. Maine is facing shifting wet to dry weather, which impacts organic feed production.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, June 2015, WITH COMPARISONS 1/

Product Name	Sales	Y-T-D	Change from:	
	June		Prev Yr.	Y-T-D
	Mil. Lbs.		Percent	Percent

ORGANIC PRODUCTION PRACTICE

Whole Milk	67	397	13.0	10.7
Reduced Fat Milk (2%)	60	356	1.1	-3.2
Low Fat Milk (1%)	38	227	-0.4	-5.8
Fat-Free Milk (Skim)	28	180	-14.0	-13.6
Flavored Fat-Reduced Milk	7	59	-33.8	-3.2
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk 3/	132	821	-5.4	-6.4
Tot. Organic Milk Products	199	1,219	0.0	-1.6

*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until 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.

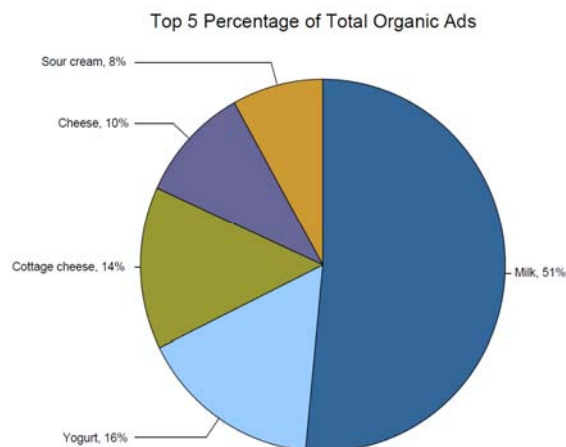
NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Organic dairy product ads saw a moderate spike in retail survey ad numbers compared to last week. Ads for organic yogurt 4-6 ounce were 8 times as many as last week. The Southeast region recorded the largest increase for organic milk dairy ads. In the Midwest, organic ads decreased by half of previous week's survey. Organic milk held the largest volume of ads, a 32% increase. The percentages for total organics ads were milk at 51%, yogurt 16%, cottage cheese 14%, cheese 10% and sour cream 8%.

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from August 28-September 3, 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/market-news/retail-dairy-market-news>



Organic Milk Gallons. The U.S. weighted average advertised price of organic milk gallons is \$6.26, down 10 cents from last week.

Organic Half Milk Gallons. The U.S. weighted average advertised price of organic half milk gallons is \$3.87, up 12 cents from last week and up 53 cents from one year ago.

Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.25, up 12 cents from last week and up 1 cent from one year ago.

Organic Yogurt. The U.S. weighted average price of 32 ounce organic yogurt is \$3.50, up 68 cents from one year ago.

Organic Cheese. The U.S. weighted average price of 8 ounce cheese blocks is \$3.67, down \$0.32 from last week.

Organic Sour Cream. The U.S. weighted average price of 16 ounce organic sour cream is \$2.53, up \$0.54 from last week.

ORGANIC DAIRY MARKET NEWS

Information gathered August 17 - 28, 2015

CONTINUED FROM PAGE -8-

Organic Grain and Feedstuff Markets: Organic grain prices are trending steady with lower undertones noted. Market activity is slow to moderate on all organic grains due to larger volumes of imports trading. Demand is light to moderate with interest and movement spotty. Continued offers on forward contracts took place this reporting period on organic corn and soybeans with offers showing influence from lower prices and increased volumes of imported organic grains on the domestic marketplace. According to the USDA NASS Weekly Crop Progress Report, for the week ending August 17, 2015 conventional crop progress is as follows: 71% corn dough, 21% corn dented, 93% soybeans blooming, 79% soybeans setting pods, 83% sorghum headed, 39% sorghum coloring, 53% spring wheat harvested, 80% oats harvested, and 66% barley harvested.

Additional livestock and grain market news information is available at: www.ams.usda.gov/LSMarketNews

Organic Spot Market Negotiated Prices*

Organic Commodity	Price Range	Average**
Corn: Feed Yellow	9.25 -12.00	10.73
Oats: Feed Grade	4.75 - 5.00	4.84
Barley: Feed Grade	7.75 - 8.30	7.96
Wheat: Feed Grade HRW	8.50 - 9.00	8.80

*Prices quoted \$/bushel FOB the farm, except soybean meal (\$/ton and FOB the mill).

**Weighted average price.

Contracts/Other Items

Alfalfa	Supreme	285.00	OR
Alfalfa	Good	270.00	CA
Alfalfa/Grass Mix	Good	259.00	OR
Feed Soybeans	New Crop	23.50 - 24.00	HARV-JAN
Feed Corn	New Crop	9.50 - 10.75	HARV

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	JUNE 30, 2013	JUNE 30, 2014	REVISED JUNE 30, 2015	JULY 31, 2013	JULY 31, 2014	JULY 31, 2015
Butter	318,893	199,248	256,000	295,751	180,834	254,454
Cheese, Natural American	710,604	655,239	685,745	701,964	660,438	698,290
Cheese, Swiss	31,347	27,972	20,841	32,715	24,593	21,609
Cheese, Other Natural	407,426	372,231	435,655	411,452	369,861	442,502
Total Cheese	1,149,377	1,055,442	1,142,241	1,146,131	1,054,892	1,162,401

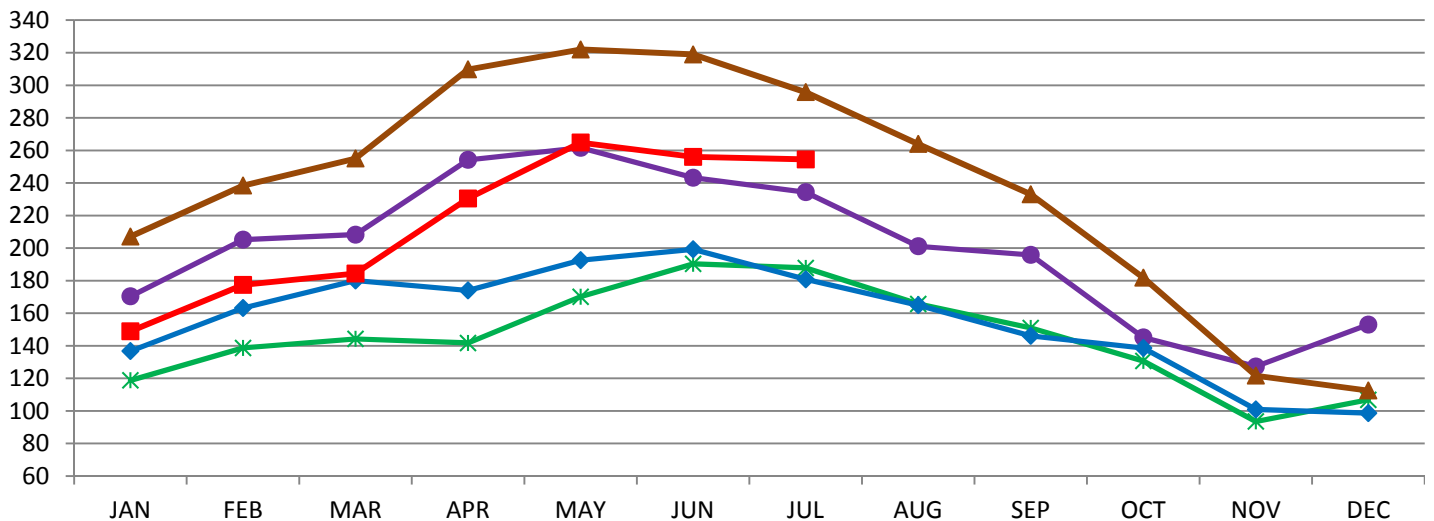
JULY STORAGE HOLDINGS BY REGION

REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
New England	47,385	61,092	63,369	---	---	---	817	755	772
Middle Atlantic	55,980	55,456	70,623	---	---	---	22,028	22,698	24,375
East North Central	301,280	240,158	275,417	---	---	---	285,399	246,831	283,812
West North Central	101,004	111,177	112,230	---	---	---	42,619	45,655	45,810
South Atlantic	600	541	1,029	---	---	---	9,660	5,071	26,757
East South Central	6,468	5,242	6,583	---	---	---	12,798	13,637	13,640
West South Central	13,418	21,418	13,061	---	---	---	610	554	1,195
Mountain	55,727	54,596	57,239	---	---	---	4,104	2,593	2,766
Pacific	120,102	110,758	98,739	---	---	---	33,417	32,067	43,375
TOTAL	701,964	660,438	698,290	295,751	180,834	254,454	411,452	369,861	442,502

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

MILLION POUNDS

BUTTER COLD STORAGE HOLDINGS



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

—*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015

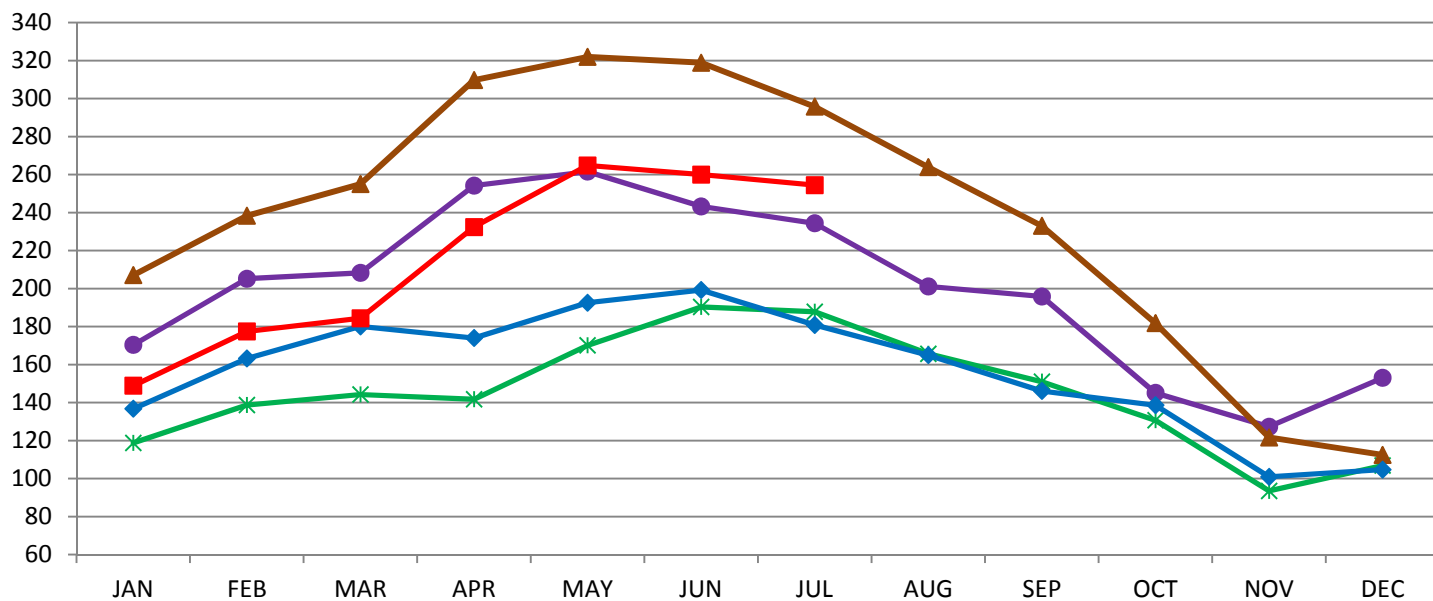
Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average ¹

Consumer Price Index – 2015												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³
May	246.2	1.6	221.0	-2.0	211.8	-7.4	233.1	-1.3	221.9	2.6	257.1	2.1
Jun	246.7	1.8	219.7	-2.1	209.3	-7.8	231.1	-1.9	222.9	-0.1	261.2	3.3
Jul	247.0	1.6	221.4	-1.6	212.6	-6.5	234.2	-0.9	228.5	-1.3	261.6	3.1
U.S. City Average Retail Prices												
Month	Whole Milk ⁴		Butter ⁵		Process Cheese ⁶		Natural Cheese ⁷		Ice Cream ⁸			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
May	3.387	3.735	N/A	N/A	4.417	4.515	5.312	5.586	4.696	4.911		
Jun	3.366	3.626	N/A	N/A	4.265	4.412	5.256	5.560	4.620	4.691		
Jul	3.430	3.645	N/A	N/A	4.352	4.426	5.376	5.560	4.466	4.719		

N/A = Not available. ¹ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ² The standard reference base period for these indexes is 1982-1984 = 100. ³ Percent change over previous year. ⁴ Per gallon. ⁵ Per pound. Grade AA, salted, stick butter. ⁶ Per pound, any size and type of package. ⁷ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). ⁸ Per 1/2 gallon prepackaged regular.

U.S. Butter Cold Storage Holdings

MILLION POUNDS

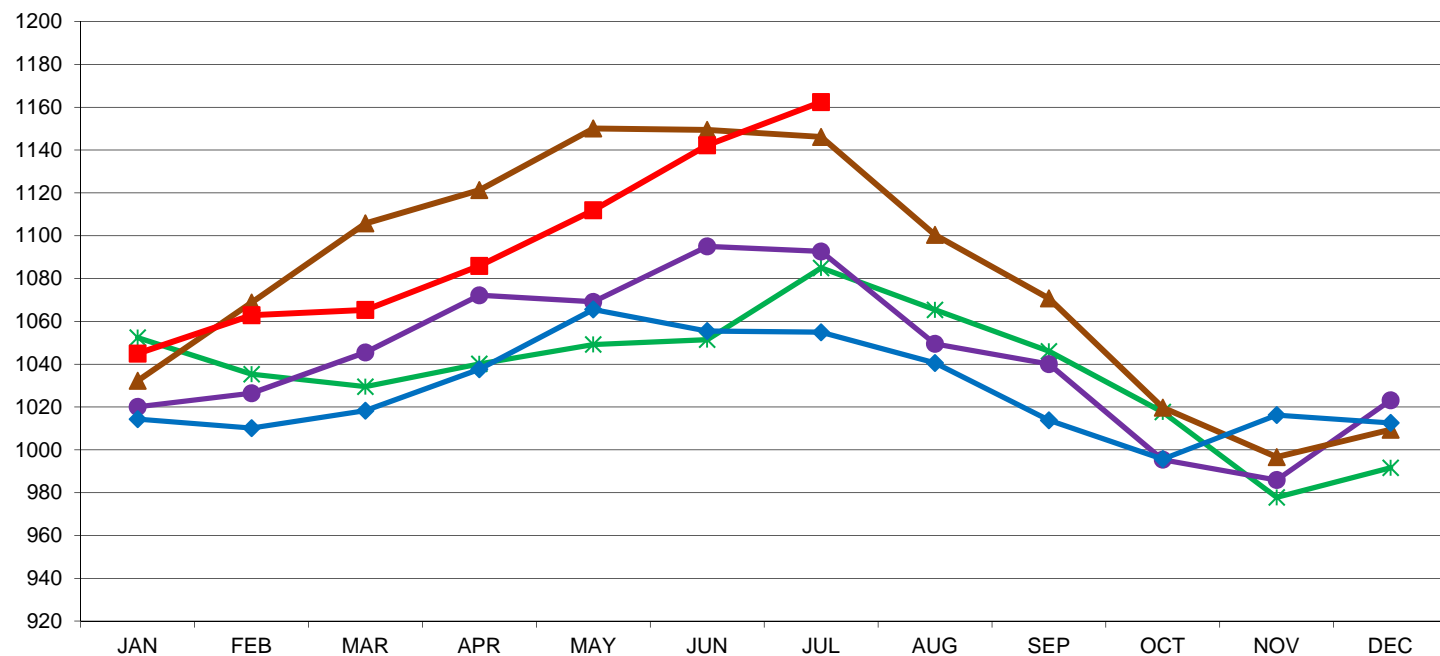


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015

U.S. Total Natural Cheese Cold Storage Holdings

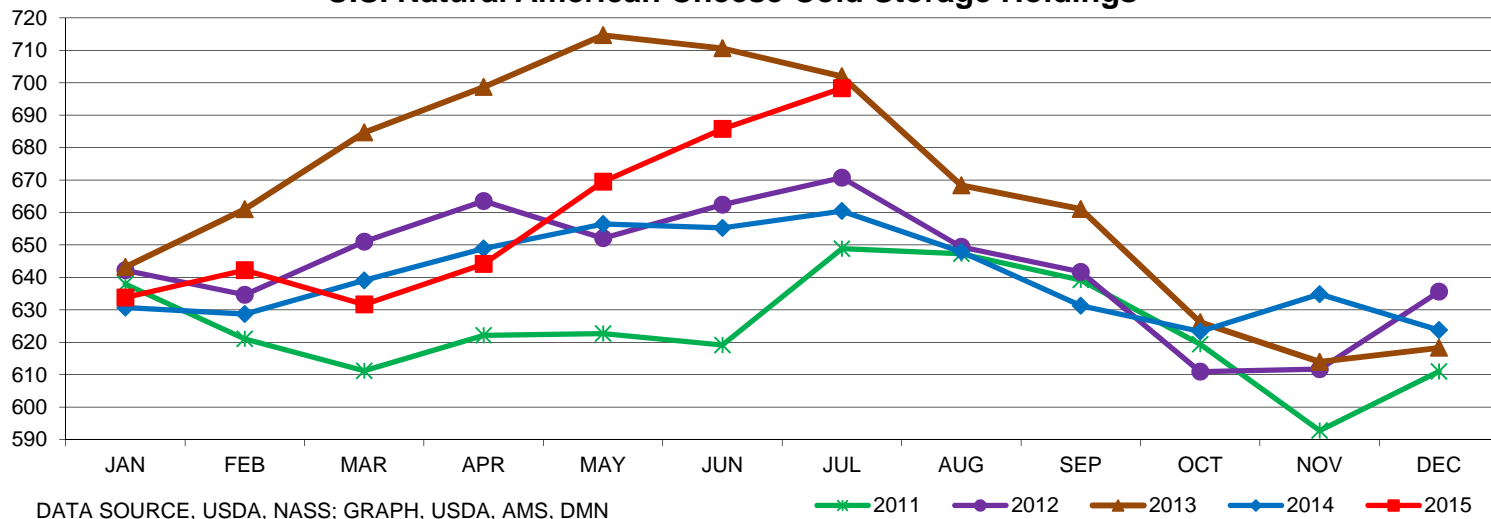
MILLION POUNDS



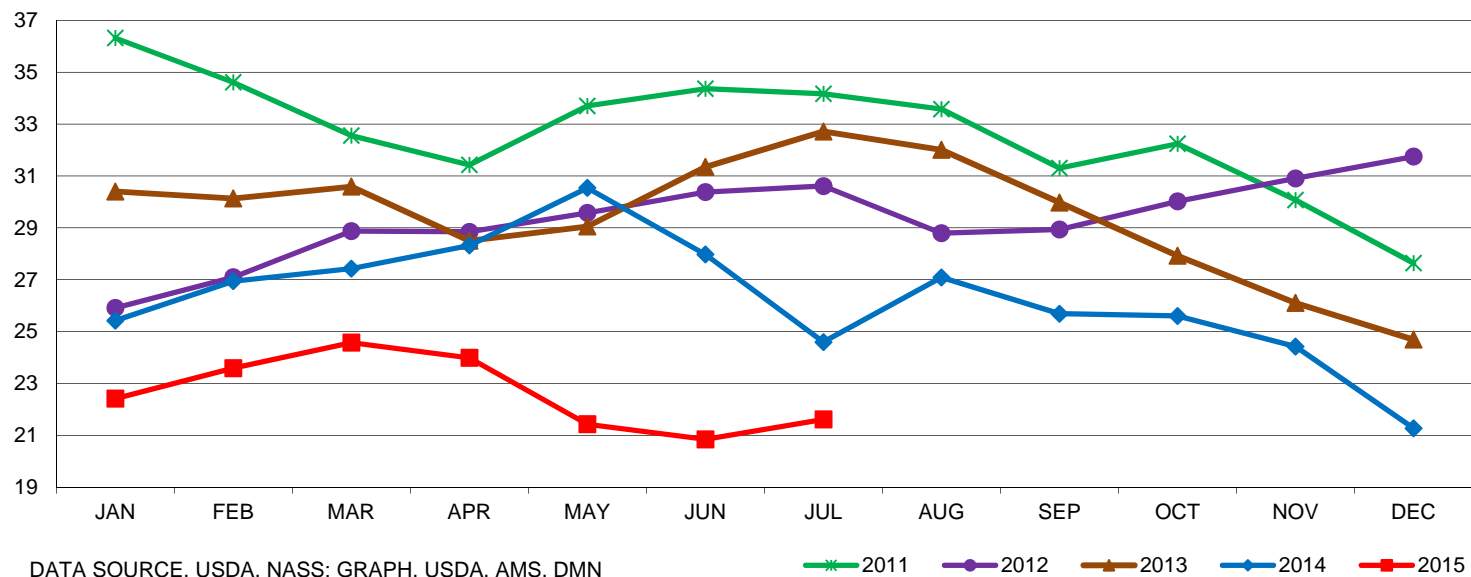
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015

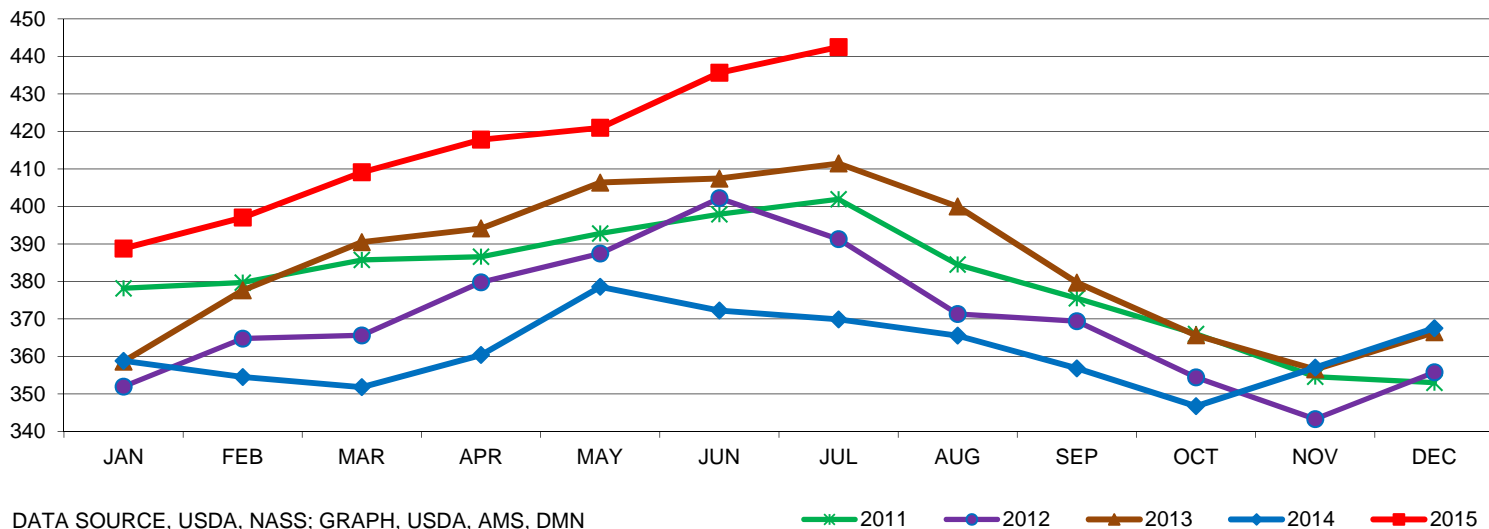
MILLION POUNDS

U.S. Natural American Cheese Cold Storage Holdings

MILLION POUNDS

U.S. Swiss Cheese Storage Holdings

MILLION POUNDS

U.S. Other Natural Cheese Cold Storage Holdings



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>
and http://www.ams.usda.gov/mnreports/wa_lo100.txt

Volume 82- Number 34

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Friday, August 28, 2015

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 08/28/2015 to 09/03/2015

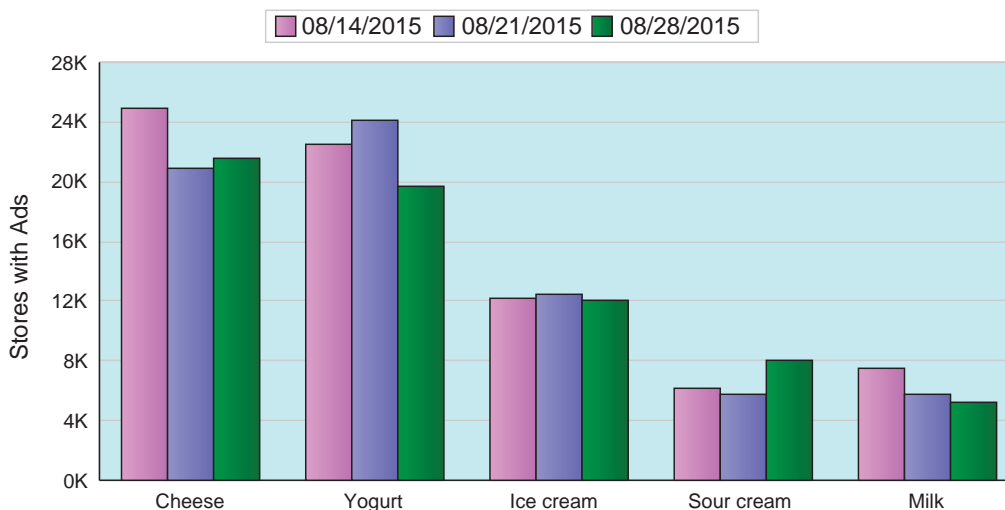
Conventional dairy ad volumes are steady with last week. The price for 1 pound butter increased 18 cents to \$3.16, and butter ads increased 53% from last week. The price for ice cream 48-64 ounce increased 10 cents to \$3.12. Ice cream was the most advertised dairy item followed by Greek 4-6 ounce yogurt and cheese 8 ounce shred.

The average price of 4-6 ounce Greek yogurt is 96 cents, unchanged from last week, but down 5 cents from a year ago. Yogurt in 4-6 ounce packages averaged 55 cents, up 6 cents from last week and up 7 cents from a year ago. Conventional yogurt ad numbers decreased 21% from the previous week.

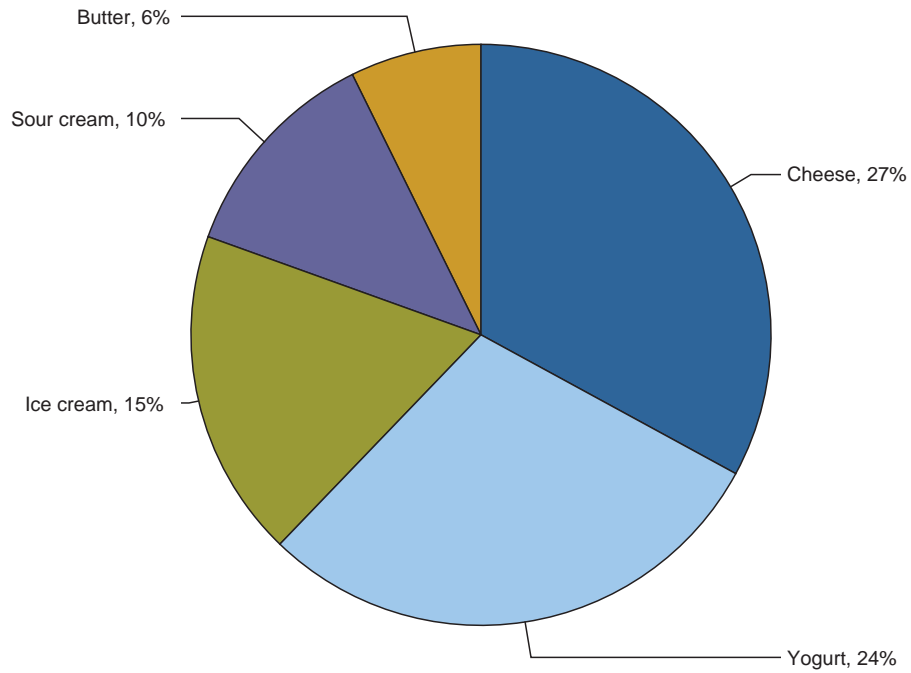
The U.S. advertised price for 8 ounce cheese blocks averaged \$2.34, up 3 cents from both a week ago and a year ago; 8 ounce shred cheese averaged \$2.46, up 12 cents from one week ago and up 4 cents from one year ago. Conventional cheese ads increased 3% from the previous week.

Organic - conventional half gallon milk has a price spread of \$1.91. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.96 and the average for organic half gallon milk, \$3.87. Organic dairy ad volumes for all items grew 55%.

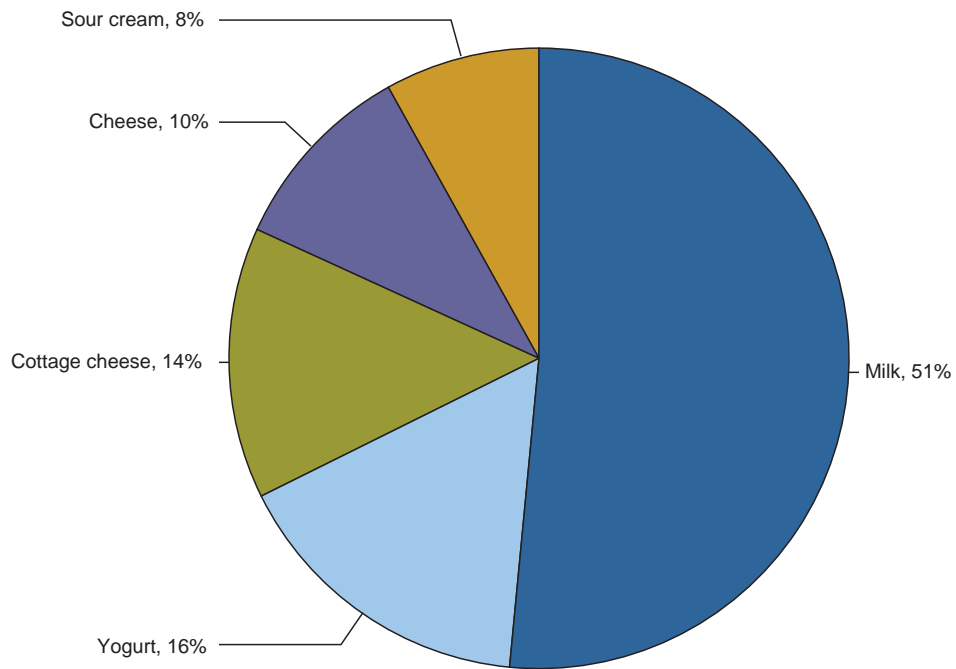
Top 5 Commodities Featured



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 #	4934	3.16	3218	2.98	1651	3.36
Cheese	Natural Varieties	8 oz block	6981	2.34	8185	2.31	3647	2.31
Cheese	Natural Varieties	1 # block	2856	3.37	2763	3.42	1111	4.26
Cheese	Natural Varieties	2 # block	340	7.55	98	6.08		
Cheese	Natural Varieties	8 oz shred	7910	2.46	6664	2.34	6170	2.42
Cheese	Natural Varieties	1 # shred	2923	3.26	2781	3.45	1408	3.64
Cottage cheese		16 oz	3319	1.95	2575	1.92	3821	1.81
Cream cheese		8 oz	3679	1.89	2974	1.92	4378	1.74
Flavored milk	All fat tests	half gallon	143	2.00	69	1.66	70	1.66
Flavored milk	All fat tests	gallon	351	1.99	106	2.99	251	5.23
Ice cream		48-64oz	12084	3.12	12464	3.02	12585	2.89
Milk	All fat tests	half gallon	879	1.96	1152	2.14	528	1.79
Milk	All fat tests	gallon	1757	2.51	2601	2.57	3551	3.09
Sour cream		16 oz	7595	1.71	5337	1.77	4286	1.74
Yogurt	Greek	4-6 oz	11377	.96	15076	.96	15856	1.01
Yogurt	Greek	32 oz	1482	3.98	1453	4.08	80	3.00
Yogurt	Yogurt	4-6 oz	4403	.55	5278	.49	5468	.48
Yogurt	Yogurt	32 oz	1518	2.21	1716	2.68	287	2.51

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 #	2.50-4.99	1547	3.44	2.50-3.00	1297	2.92	1.99	180	1.99
Cheese	Natural Varieties	8 oz block	1.79-3.50	2752	2.42	1.99-2.50	1785	2.35	1.99-2.50	1154	2.09
Cheese	Natural Varieties	1 # block	3.49-3.99	462	3.84	2.99	184	2.99	2.99-3.99	634	3.40
Cheese	Natural Varieties	8 oz shred	1.88-3.69	2681	2.36	1.99-3.50	2015	2.87	1.99-2.50	996	2.16
Cheese	Natural Varieties	1 # shred	3.99	135	3.99	2.99	184	2.99	2.99-3.99	1206	3.35
Cottage cheese		16 oz	1.66-3.00	1567	2.23	2.00	214	2.00	1.00-2.00	566	1.76
Cream cheese		8 oz	1.49-2.50	1989	1.93	1.50	214	1.50	1.00-2.29	645	1.73
Flavored milk	All fat tests	half gallon							1.50	119	1.50
Ice cream		48-64oz	1.99-4.99	3683	3.14	2.39-3.99	3280	3.03	2.50-3.99	1749	3.10
Milk	All fat tests	half gallon							1.00-2.99	656	2.19
Milk	All fat tests	gallon	2.99-3.69	209	3.45	2.50	62	2.50	1.79-2.98	253	2.56
Sour cream		16 oz	1.29-2.50	2818	1.87	1.00-2.00	1982	1.79	1.00-2.00	1160	1.58
Yogurt	Greek	4-6 oz	0.88-1.25	3226	1.02	0.80-1.00	2378	.91	0.80-1.00	2184	.95
Yogurt	Greek	32 oz	3.99-5.00	734	4.18				3.50-4.68	393	4.04
Yogurt	Yogurt	4-6 oz	0.44-0.50	1558	.49	0.50-1.25	515	.90	0.39-1.00	1271	.44
Yogurt	Yogurt	32 oz	1.89-2.69	737	2.22	1.89	227	1.89	2.39	81	2.39

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
Butter		1 #	1.59-2.99	646	2.83	2.79-3.99	813	3.26	3.50-3.99	394	3.63
Cheese	Natural Varieties	8 oz block	1.67-2.99	368	2.10	1.66-3.00	497	2.18	1.67-3.00	419	2.78
Cheese	Natural Varieties	1 # block	2.99-3.99	513	3.31	2.88-3.99	796	3.30	2.99	256	2.99
Cheese	Natural Varieties	2 # block							6.99	289	6.99
Cheese	Natural Varieties	8 oz shred	1.67-2.99	860	2.21	1.66-3.00	905	2.22	1.67-3.00	419	2.78
Cheese	Natural Varieties	1 # shred	2.99-3.99	513	3.31	2.88-3.49	629	3.11	2.99	256	2.99
Cottage cheese		16 oz	1.00-1.69	422	1.18	1.49-2.49	284	2.08	1.00-1.50	187	1.18
Cream cheese		8 oz	1.00-2.29	362	1.26	1.50-2.99	303	2.69	1.99-2.50	138	2.25
Flavored milk	All fat tests	gallon	1.99	351	1.99						
Ice cream		48-64oz	2.50-3.99	1177	3.24	1.99-3.99	1533	3.05	2.99-3.99	602	3.30
Milk	All fat tests	half gallon	1.00	78	1.00				0.99	121	.99
Milk	All fat tests	gallon	1.79-2.98	576	2.06	1.99-2.98	588	2.51	3.29	69	3.29
Sour cream		16 oz	1.00-1.79	639	1.31	1.00-1.99	571	1.52	1.00-1.50	397	1.34
Yogurt	Greek	4-6 oz	0.75-1.00	1076	.91	0.75-1.00	1351	.93	0.83-1.00	1080	.95
Yogurt	Greek	32 oz				3.50	178	3.50	3.50	174	3.50
Yogurt	Yogurt	4-6 oz	0.50	136	.50	0.40-0.88	351	.73	0.50-0.60	455	.52
Yogurt	Yogurt	32 oz	1.89-2.50	368	2.25				2.49	105	2.49

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 #	3.50-4.00	23	3.96	4.00	34	4.00
Cheese	Natural Varieties	8 oz block	2.50	6	2.50			
Cheese	Natural Varieties	1 # block	4.99	11	4.99			
Cheese	Natural Varieties	2 # block	5.99-12.98	51	10.71			
Cheese	Natural Varieties	8 oz shred	2.50-3.48	34	3.31			
Cottage cheese		16 oz	3.28	28	3.28	2.79-2.99	51	2.90
Cream cheese		8 oz	2.98	28	2.98			
Flavored milk	All fat tests	half gallon				4.49	24	4.49
Ice cream		48-64oz	3.99-4.99	36	4.14	3.50	24	3.50
Milk	All fat tests	half gallon				3.79	24	3.79
Sour cream		16 oz	3.28	28	3.28			
Yogurt	Greek	4-6 oz	1.25-1.48	31	1.46	1.19-1.25	51	1.22
Yogurt	Greek	32 oz				5.99	3	5.99
Yogurt	Yogurt	4-6 oz	0.50-1.00	56	.75	0.69-0.80	61	.75

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 #	69	4.79	69	4.79	169	4.99
Cheese	Natural Varieties	8 oz block	527	3.67	365	3.99		
Cottage cheese		16 oz	693	2.99				
Cream cheese		8 oz			84	2.50		
Milk	All fat tests	half gallon	1253	3.87	727	3.75	2502	3.34
Milk	All fat tests	gallon	502	6.26	586	6.36		
Milk	All fat tests	8 oz UHT	831	1.00	651	.83	4344	1.00
Sour cream		16 oz	404	2.53	434	1.99		
Yogurt	Greek	4-6 oz	117	1.25	284	1.13	811	1.24
Yogurt	Greek	32 oz					125	4.82
Yogurt	Yogurt	4-6 oz	614	1.01	72	1.00	184	1.25
Yogurt	Yogurt	32 oz	69	3.50			680	2.82

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
Cottage cheese		16 oz				3.00	214	3.00			
Milk	All fat tests	half gallon				3.99	619	3.99	4.29	137	4.29
Milk	All fat tests	8 oz UHT	1.00	605	1.00						
Sour cream		16 oz				3.00	214	3.00			
Yogurt	Greek	4-6 oz				1.25	117	1.25			
Yogurt	Yogurt	4-6 oz	0.85-1.00	363	.98	0.75	84	.75			

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 #							4.79	69	4.79
Cheese	Natural Varieties	8 oz block				2.99-3.99	527	3.67			
Cottage cheese		16 oz	2.99	235	2.99	2.99	244	2.99			
Milk	All fat tests	half gallon	2.99-4.49	310	3.37				3.99	187	3.99
Milk	All fat tests	gallon	5.99	121	5.99	5.99-6.98	381	6.35			
Milk	All fat tests	8 oz UHT	1.00	121	1.00				1.00	105	1.00
Sour cream		16 oz	1.99	121	1.99				1.99	69	1.99
Yogurt	Yogurt	4-6 oz				1.20	167	1.20			
Yogurt	Yogurt	32 oz							3.50	69	3.50

Wtd Avg - Simple weighted average



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

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

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