

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (10/09)**

**BUTTER:** Grade AA closed at \$2.4175. The weekly average for Grade AA is \$2.3735 (-.3285).

**CHEESE:** Barrels closed at \$1.6200 and 40# blocks at \$1.7000. The weekly average for barrels is \$1.6420 (+.0745) and blocks, \$1.7275 (+.0575).

**NONFAT DRY MILK:** Grade A closed at \$.9950. The weekly average for Grade A is \$1.0410 (+.0490).

**BUTTER HIGHLIGHTS:** Butter prices have moderated this week after reaching a record high two weeks ago, and seeing sharp declines last week. Churning is active for those butter operations looking to take advantage of good demand at current prices. Concerns of holding stocks at higher prices exist, while in general, most manufacturers seem fairly satisfied with current stock balances. Bulk butter pricing is 4 to 6 over the market in the East, 2 under to 7 over in the Central, and 4 under to 3 over in the West. Stronger butter sales are curbed by buyer uncertainty, as compelling price movements continue to emerge on the CME Group cash trading. Friday at the CME Group, Grade AA butter closed at \$2.4175 down \$.0825 from last week's close.

**CHEESE HIGHLIGHTS:** Seasonally declining regular milk supplies available to cheese manufacturers are easily being accommodated, with little interest in seeking additional spot milk supplies. Customer interest in buying cheese from manufacturers this week is mostly focused on current needs, with many buyers awaiting more price stability before making purchasing commitments for future needs. Mozzarella sales in all regions are strong. Recent increased cheddar demand has helped keep inventories at a comfortable level even with higher recent production. The CME Group September 2015 monthly average price for barrels, \$1.5840, compares with \$1.6689 in August this year and \$2.3663 for September one year ago. Blocks' September average price, \$1.6605, compares with \$1.7111 in August this year and \$2.3499 in September last year. In CME Group trading Friday, barrels closed at \$1.6200, up \$.0025 from last Friday and 40# blocks closed at \$1.7000, down \$.0475 from last Friday.

**FLUID MILK:** Hurricane Joaquin brought heavy rains to part of the Southeast, producing floods of historical proportions. However, milk hauling was marginally affected in the Northeast and Mid-Atlantic. A slight uptick of bottled milk sales in these region is

attributable to pulls from the hurricane situation. Northeast and Mid-Atlantic milk production is flat. Milk volumes are slightly lower in Florida. Central and Northwest milk intakes are seasonally declining. Heavy rains and high humidity are adversely affecting the milk yield in the Southwest. Western and Eastern cream supplies are steady to lower. Cream demand remains strong across the country.

**DRY PRODUCTS:** Low/medium heat nonfat dry milk prices climbed higher across the nation. The NDM market undertone is mixed in the Central region but firmer in the West and East. Prices for dry buttermilk are unchanged in a steady market. Drying schedules for dry whole milk are sporadic and inventories are mixed. Demand for whey is improving in all regions. Dry whey prices are steady in the West and Northeast, but higher in the Central region. Prices for WPC 34% are trending lower and the market tone is weak. Lactose prices moved lower and buying interest is mixed. Acid and rennet casein prices are lower in a weaker market.

**ORGANIC DAIRY MARKET NEWS (DMN):** July estimated total sales of organic fluid milk products, the most recent month with available USDA Dairy Programs data, represented the third month of 2015 when monthly sales were lower than the same month of the prior year, with another month tied and one more barely higher. This is reflective of continuing tight organic milk supplies. Organic dairy ad numbers are at a very low level, among the lowest in a number of years. With organic milk supplies being very tight, this is not unexpected. Organic milk ad numbers declined 65% from last week, with organic yogurt numbers down 67% and organic cheese down 95%. The U.S. weighted average advertised price of organic milk half gallons is \$4.49, up 76 cents from last week. One year ago the price was \$3.59. The U.S. weighted average advertised price of organic milk gallons is \$6.56, up \$1.14 from last week. One year ago the price was \$7.14. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.24, up 4 cents from last week. There were no ads one year ago. The U.S. weighted average price of 8 ounce cheese blocks is \$4.75, up \$1.35 from last week.

**CONTINUED ON PAGE 1A**

## \*\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*\*

ORGANIC DAIRY MARKET NEWS (PAGES 8-8A)  
DAIRY GRAPHS (G1-G6)

NATIONAL RETAIL REPORT - DAIRY

**CME GROUP CASH TRADING**

COMMODITY	MONDAY OCT 05	TUESDAY OCT 06	WEDNESDAY OCT 07	THURSDAY OCT 08	FRIDAY OCT 09	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.7300 (+.1125)	\$1.6200 (-.1100)	\$1.6200 (N.C.)	\$1.6200 (N.C.)	\$1.6200 (N.C.)	:: (+.0025)	:: \$1.6420 (+.0745)
40# BLOCKS	\$1.8000 (+.0525)	\$1.7400 (-.0600)	\$1.7275 (-.0125)	\$1.6700 (-.0575)	\$1.7000 (+.0300)	:: (-.0475)	:: \$1.7275 (+.0575)
NONFAT DRY MILK							
GRADE A	\$1.1000 (+.0400)	\$1.0675 (-.0325)	\$1.0350 (-.0325)	\$1.0075 (-.0275)	\$.9950 (-.0125)	:: (-.0650)	:: \$1.0410 (+.0490)
BUTTER							
GRADE AA	\$2.3500 (-.1500)	\$2.3500 (N.C.)	\$2.3700 (+.0200)	\$2.3800 (+.0100)	\$2.4175 (+.0375)	:: (-.0825)	:: \$2.3735 (-.3285)

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](http://WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY)

NATIONAL DAIRY MARKET NEWS AT A GLANCE

## CONTINUED FROM PAGE 1

**NATIONAL RETAIL REPORT – DAIRY (DMN):**

Conventional dairy ad numbers increased 3% in contrast to a 69% decrease in total organic dairy ad numbers. Conventional butter ads increased 56%, with the U.S. weighted average advertised price for 1 pound butter, \$3.09, down 23 cents from last week and down 59 cents from a year ago. Conventional ice cream ads increased 27%, with the average advertised price for 48-64 oz. ice cream, \$2.95, down 16 cents from last week and down 9 cents from a year ago. Conventional cheese ads decreased 14% from last week, less than organic cheese ads which declined 95%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.37, down 7 cents from last week and down 2 cents from a year ago; 8 ounce conventional shred cheese averaged \$2.47, up 7 cents from one week ago, and up 18 cents from one year ago. Conventional yogurt ad numbers increased 3% from last week, in contrast with organic yogurt ads which declined 67%. The average price of 4-6 ounce conventional Greek yogurt is 93 cents, down 3 cents from last week and down 1 cent from a year ago. Conventional yogurt in 4-6 ounce packages averaged 47 cents, down 2 cents from last week but up 1 cent from a year ago. The price spread between organic and conventional half gallon milk is \$3.33, the largest this year. The price spread is the difference between national weighted average prices for organic, \$4.49, and conventional, \$1.16. The organic price is the highest of the year, while the conventional price is the lowest.

**INTERNATIONAL DAIRY MARKET NEWS UPDATE**

**(DMN):** At the October 6 GDT event #149, average prices ranged from 2.3% lower to 13.8% 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, \$3,763 +9.9%; butter, \$3,037 -2.3%; buttermilk powder, \$1,945 +13.8%; cheddar cheese, \$3,234 +0.5%; lactose, \$524 +5.9%; rennet casein, \$6,048 +4.0%; skim milk powder, \$2,267 +13.4%; and whole milk powder, \$2,824 +12.9%.

## CME GROUP

MONDAY, OCTOBER 5, 2015

CHEESE -- SALES: 6 CARS BARRELS: 4 @ \$1.7600, 1 @ \$1.7550, 1 @ \$1.7300; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.8000; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 9 CARS GRADE A: 2 @ \$1.1200, 3 @ \$1.1150, 1 @ \$1.1075, 3 @ \$1.1000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 5 CARS GRADE AA: 1 @ \$2.3800, 1 @ \$2.3625, 3 @ \$2.3500; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3000; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3500

TUESDAY, OCTOBER 6, 2015

CHEESE -- SALES: 7 CARS BARRELS: 1 @ \$1.7200, 1 @ \$1.7175, 1 @ \$1.7100, 1 @ \$1.6825, 1 @ \$1.6200, 1 @ \$1.6175, 1 @ \$1.6200; LAST BID UNFILLED: NONE;  
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6300; 1 CAR 40# BLOCKS @ \$1.7400  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 4 CARS GRADE A @ \$1.0675  
 BUTTER -- SALES: 3 CARS GRADE AA @ \$2.3500; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3400; LAST OFFER UNCOVERED: NONE

WEDNESDAY, OCTOBER 7, 2015

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.6300, 1 @ \$1.6200; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6900; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7275  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.0350  
 BUTTER -- SALES: 5 CARS GRADE AA: 2 @ \$2.3500, 3 @ \$2.3700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3600; LAST OFFER UNCOVERED: NONE

THURSDAY, OCTOBER 8, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6700  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$1.0075; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9900; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.0075  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.3800; LAST OFFER UNCOVERED: NONE

FRIDAY, OCTOBER 9, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6200; 1 CAR 40# BLOCKS @ \$1.7000; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9950  
 BUTTER -- SALES: 5 CARS GRADE AA: 1 @ \$2.4000, 4 @ \$2.4025; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.4175; LAST OFFER UNCOVERED: NONE

## BUTTER MARKETS

## NORTHEAST

Butter production in the Northeast is fairly steady. Inventory volumes are mixed, due to levels of available cream. Market participants are somewhat apprehensive of the high butter price, while unclear to the triggering factors. Sources have noted that the price frenzy may result from reports of future butter demand, as some food service operations change menus. Consequently, uncertainty is prevalent as buyers hope to pinpoint plans for end-of-year purchasing. Demand remains good for both print and bulk butter. However, sources also note multiple transactions are necessary to get needed bulk product in some instances. The current bulk butter prices for domestic sales are reported 4-6 cents over the market of the CME Group, with various time frames and averages used. The market undertone is unsettled. According to the DMN *National Retail Report - Dairy*, for October 2-8, the U.S. weighted average advertised price for 1 pound butter is \$3.32, down 36 cents from a year ago, but up 8 cents from the previous week. The Northeast average butter price is \$3.51, up 19 cents from last week. The Southeast price averaged \$3.09 down 19 cents from a week ago. Tuesday's CME butter price steadied its free-fall from the recent record high. Grade AA butter price closed at \$2.3500, down \$0.4000 from a week ago. During that period, 30 loads changed hands. The CME Group monthly average price for Grade AA butter during September 2015 was \$2.6690, compared to \$2.9740 a year ago. The Foreign Agricultural Service (FAS) reports August 2015 U.S. exports of butter and milkfat totaled 5.3 million pounds, a 34% decline from a year ago.

DAIRY PRODUCTS: According to NASS, U.S. butter production for August 2015 totals 128.6 million pounds, down 1.2% from a year ago and down 3.5% from a month ago. Butter output in the Atlantic region totals 9.3 million pounds, up 27.9% from a year ago, but down 18.9% from the previous month.

## CENTRAL

Lower sales volumes due to the fluctuating pricing levels have some manufacturers concerned. Some manufacturers are wondering how long the prices will remain at the current pricing levels. Buyers are careful in negotiating Q1 2016 contracts. Sellers report being comfortable with current stock levels of print butter, even as they buy bulk butter or microfix to fill current orders. Bulk butter prices range from 2 cents under to 7 cents over the market, based on CME Group prices and various indices. The DMN *National Retail Report - Dairy* for October 2 - 8, noted the national weighted average advertised price for a 1 pound package of butter is \$3.32, up \$0.08 from a week ago, but down \$0.36 from a year ago. The weighted average advertised price in the Midwest is \$3.00. The CME Group monthly average price for Grade AA butter during September was 2.6690, compared to \$2.9740 a year ago. The NASS *Dairy Products* report noted August U.S. butter production totaled 128.6 million pounds, down 1.2% from a year ago. January-August cumulative U.S. production totals 1.238 billion pounds, 1.7% behind 2014 during the same time span. August production in the Central region totaled 50.2 million pounds, 7.0% lower than last year. The Central region accounted for 39% of U.S. production in August. The CME Group Grade AA butter market closed at \$2.3700. This is down 14 cents from last Wednesday.

## WEST

West butter makers report cream supplies are currently adequate to meet their needs for churning. Butter production is active as manufacturers try to capitalize on the strong seasonal demand for butter and current prices. Much of the production is currently

CONTINUED ON PAGE 2A

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

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
October 3, 2015	2.8655 3,782,737	1.6909 11,164,475	1.5990 9,085,703	.2430 8,058,046	.8757 18,363,059

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>

## CONTINUED FROM PAGE 2

focused on making print butter. Domestic butter demand is strong and is anticipated to continue through the Q4 holiday baking season. Inventories are trending lower as butter manufacturers draw butter out to meet consumer demand. Industry contacts state the recent price rise to a record high on the CME and subsequent drop-off was a result of buyers' reactions to seeming tightness of butter inventories. High cream multiples prompting cream sales away from butter production earlier in the year, lower YTD butter production, solid domestic butter demand, and a large draw down of butter inventories in August are being discussed as contributing factors that pushed up butter prices. Once the initial fervor subsided, prices fell. Industry contacts suggest that current pricing is now more comfortable. The DMN *National Retail Report – Dairy* for the week of October 2 - 8, found that the U.S. weighted average advertised price of 1 pound butter is \$3.32, up \$.08 from one week ago but down \$.36 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$3.43 with a price range of \$1.99 - \$5.49, and in the Northwest, \$3.60 with a price range of \$2.99 - \$3.99. This week, a cooperative export assistance program accepted requests for 6.515 million pounds of butter. Dairy Products (NASS) reports U.S. butter production during August 2015, 128.6 million pounds, was 1.2% lower than August last year and 3.5% lower than July 2015. U.S. cumulative 2015 butter production through August was 1.7% lower than the same period last year. In the West, total August butter production was 0.3% higher than August last year. Bulk butter pricing in the West this week is 4 cents under market to 3 cents above, based on the CME Group with various time frames and averages used. The CME Group September 2015 monthly average price for AA butter, \$2.6690, is up from the August monthly average of \$2.1542, but down from the September 2014 monthly average of \$2.9740. The Grade AA butter price at the CME Group on Wednesday closed at \$2.3700, down \$.1400 from a week ago.

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
August Total	5.3	- 34
TOTAL, JAN - AUGUST	40.3	- 70
1 Saudi Arabia	16.5	- 46
2 Mexico	7.6	+ 21
3 Canada	4.4	- 6
4 South Korea	2.7	- 10
5 Iran	1.2	- 91

## CHEESE MARKETS

## NORTHEAST

A few key cheese producers in the region report production as steady. Inventories are sufficient for near term needs. Supplies are being added to at some cheese operations. Demand is good for mozzarella, provolone and low fat cheddar. Advance cheese purchases for holiday needs are being evaluated against current price levels, as volatility grips the market. The market undertone is unsettled. According to the DMN National Retail Report-Dairy, during the week of October 2-8, the weighted average advertised price for 8 ounce cheese blocks in the Northeast was \$2.54, 10 cents more than the national average, and 5 cents more than a week ago. The Southeast 8 ounce block cheese price was \$2.59, 40 cents more than a week ago. Last week, the CME Group average cheese price for both blocks and barrels increased. This week cheese prices for both Northeast wholesale cheddar and Muenster rose \$0.0675, and processed grew \$0.0475. The Grade A Swiss price declined \$0.0450, a result of lagging adjustments based on Class III component prices. The CME Group monthly average price for cheese blocks during September 2015 was \$1.6605, compared to \$2.3499 one year ago; barrels averaged \$1.5840, compared to \$2.3663 from a year ago. Tuesday's CME Group daily cash trading saw barrels close at \$1.6200, up \$0.0700 from a week ago; blocks closed at \$1.7400, up \$0.1100 from a week ago. The Foreign Agricultural Service (FAS) reports that August 2015 U.S. cheese and curd exports totaled 50.0 million pounds, a 28% drop from a year ago.

DAIRY PRODUCTS: According to NASS, U.S. cheese production in August 2015 totaled 974.4 million pounds, 3.5% more than a year ago but 1.7% less than the previous month. In the Atlantic region, total cheese production was 125.5 million pounds, 7.0% more than a year ago and 5.3% more than the previous month. The total cheese production and percentage change from one year ago for individual Eastern states are: New York 71.8 million pounds, +9.6%; Pennsylvania 35.2 million pounds, +1.0%; and Vermont 11.2 million pounds, +6.1%.

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

Cheddar 40# Block	:	2.0650-2.3500
Process 5# Sliced	:	1.7825-2.2625
Muenster	:	2.0850-2.4350
Grade A Swiss Cuts 10 - 14#	:	3.2675-3.5900

## MIDWEST

Midwest cheese production is easily accommodating regular milk supplies, with little availability of extra milk. Customer interest in cheese purchases from manufacturers in the past week or so has slowed, due to the fluctuating prices and customer interest in seeing more price stability before committing to needs beyond immediate needs. Over the longer period of the last month or so, American cheese sales have been quite strong and helped prevent recent increased American cheese production from leading to burdensome inventories. Strong but typical early fall demand for Mozzarella cheese has helped manufacturers move higher regional production out the door. Manufacturers in the U.S. note the narrower difference between U.S. cheese prices and GDT prices compared with earlier in the year, as easing the pressure from cheese imports. Regional grass-fed milk production is nearing the end of the grazing season. Production this year has benefited from very good pastures. Cheese inventories are being held with confidence for sale in coming months. While previously the market niche was typically dominated by smaller specialty cheese manufacturers, there is in-

creasing interest from established larger cheese manufacturers, which has increased competition for grass-fed milk supplies. The DMN National Retail Report - Dairy shows that October 2 - October 8 Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.14, 26 cents lower than the national average. Midwest prices range from \$1.48 - \$2.50. One year ago the national price was \$2.29. For 8 ounce blocks, the Midwest average price is \$2.09, 35 cents lower than the national average price. Midwest ads are priced from \$1.48 to \$2.50. Last year, the national price was \$2.39. The CME Group September 2015 monthly average price for barrels, \$1.5840, compares with \$1.6689 in August this year and \$2.3663 for September one year ago. Blocks' September average price, \$1.6605, compares with \$1.7111 in August this year and \$2.3499 in September last year. Dairy Products (NASS) reports August 2015 U.S. total cheese production, 974.4 million pounds, was 3.5% more than a year ago but is 1.7% below July this year. Total 2015 cumulative U.S. cheese production through August was 2.5% ahead of the same months during 2014. In the Midwest, cheese production for August 2015 compared with August 2014 was: total cheese, +5.1%; American, +3.5%; cheddar, +2.7%; total Italian, +6.4%; and mozzarella, +6.8%. Midwestern wholesale prices are down \$.0450 for Swiss cuts, up \$.0475 for process, and up \$.0675 for all other types. CME Group trading last Friday left the block/barrel spread at \$.1300, called unsustainable by many cheesemakers, with \$.0300 to \$.0400 considered normal. In CME Group trading Wednesday, barrels closed at \$1.6200, up \$.0575 from last Wednesday and blocks closed at \$1.7275, up \$.0575, leaving the spread narrower but still \$.1075.

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

Process American 5# Loaf	:	1.6650-2.0250
Brick And/Or Muenster 5#	:	2.0450-2.4700
Cheddar 40# Block	:	1.7725-2.7750
Monterey Jack 10#	:	2.0200-2.2250
Blue 5#	:	2.3125-3.3000
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8450-2.7850
Grade A Swiss Cuts 6 - 9#	:	2.7850-2.9025

## WEST

Western cheese makers report production is steady to lower and following the typical seasonal declines in milk production. An increase in milk components is helping to boost cheese yields. Domestic demand continues to be strong, especially for natural cheese varieties. Cheese consumption in the U.S. has helped support prices while export opportunities have been limited. Manufacturers report cheese inventories in general are creeping up. Industry contacts note barrels are somewhat longer than blocks. The DMN National Retail Report - Dairy for the week of October 2 - 8 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.40, down \$.05 from last week but up \$.11 from a year ago. Packs averaged \$2.43 in the Southwest and \$2.19 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.44, up \$.05 from both last week and from a year ago. Blocks in the Southwest averaged \$2.42, and in the Northwest, \$2.19. In the West, wholesale prices are up \$.0475 for process, and up \$.0675 for cheddar block, cuts, and Monterey jack. Prices for Swiss cuts are down \$.0450. Dairy Products (NASS) reports August 2015 U.S. total cheese production, 974.4 million pounds, is 3.5% above August last year but is 1.7% below July this year. In the West, total cheese

CONTINUED ON PAGE 3A

## CHEESE MARKETS

CONTINUED FROM PAGE 3

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

production for August 2015 was 410.7 million pounds, 0.7% more than August 2014. For various types of cheese, August 2015 U.S. and West cheese production compared to August 2014 is as follows:

	U.S.	West
American	+3.5%	+3.7%
Cheddar	+3.1%	+4.0%
Total Italian	+2.2%	-1.4%
Mozzarella	+1.2%	-2.4%
Swiss	+10.5%	NC

The CME Group September 2015 monthly average price for barrels, \$1.5840, is down from the August monthly average of 1.6689, and down from the monthly average of a year ago, \$2.3663. Blocks' September average price, \$1.6605, is down from the \$1.7111 August monthly average and down from \$2.3499 one year ago. In CME Group trading Wednesday, barrels closed at \$1.6200, up \$.0575 from last Wednesday and blocks closed at \$1.7275, up \$.0575.

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

Process 5# Loaf	:	1.6800-1.9375
Cheddar 40# Block	:	1.7775-2.2225
Cheddar 10# Cuts	:	1.9575-2.1775
Monterey Jack 10#	:	1.9675-2.1275
Grade A Swiss Cuts 6 - 9#	:	2.8450-3.2750

BUTTER : CHEESE

	:	
10/05/15	14,453	: 100,338
10/01/15	14,301	: 100,326
CHANGE	152	: 12
% CHANGE	1	: 0

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
August Total	50.0	- 28
TOTAL, JAN - AUGUST	492.1	- 15
1 Mexico	136.4	+ 11
2 South Korea	98.0	- 10
3 Japan	54.6	- 39
4 Australia	28.5	- 7
5 Canada	18.3	- 8

## FOREIGN

Domestic foreign type cheese prices are up while Swiss prices are down and imported cheese prices are steady. Semi-hard cheese remains the highest demanded cheese, but sources suggest demand is picking up for other types of imported cheese as the holidays near. Milk volumes abroad have slowed production of cheese internationally. Wholesalers are reporting comfortable stock levels, but are interested in building inventories as sales volumes increase. According to NASS, US Parmesan production during August totaled 24.4 million pounds, 3.4% more than August 2014. Provolone production during August totaled 31.8 million pounds, 7.4% more than a year ago. Romano production during August totaled 4.3 million pounds, 33.7% more than a year ago. Swiss production during August totaled 25.1 million pounds, 10.5% more than a year ago.

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

	NEW YORK	
VARIETY	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.2400-3.7275*
Gorgonzola	: 3.6900-5.8900	: 2.7475-3.4450*
Parmesan (Italy)	: -0-	: 3.6300-5.7200*
Provolone (Italy)	: -0-	: 2.2825-2.5350*
Romano (Cows Milk)	: -0-	: 3.4300-5.5800*
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-	: 3.3050-3.6275*
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

\* = Price change.



## FLUID MILK AND CREAM

## EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	220	0	220	0	140	0
SOUTHEAST STATES	0	0	0	0	0	0

Parts of the East coast was battered by rain from an anticipated hurricane. Heavy accumulations caused flooding of historic proportions, particularly in areas of the Southeast. The conditions led to numerous roads closings. However, most milk delivery routes and milk receipt locations experienced minimum complications from the storm. Northeast and Mid-Atlantic milk production are flat. Class I sales are mostly steady to marginally higher, attributable to pulls from the Southeastern storm situation. Manufacturing milk supplies have declined slightly, but remain adequate for fulfilling contractual needs. Spot milk is in strong demand. Milk production volumes in the Southeast are unchanged as temperatures hold steady. Bottling plants continue to increase orders, leaving fewer loads to manufacturing. Milk volumes were rerouted as one plant took in too much rain water. Florida's milk production continues a slight downslide, but should stabilize as temperatures are somewhat cooler. Bottling sales are steady. Imports milk shipments are unchanged at 220 spot loads. According to the DMN *National Retail Report-Dairy*, for October 2-8, the U.S. weighted average advertised price for a gallon of milk was \$2.74, a decrease of \$1.27 cents from a year ago, but an increase of 20 cents from last week. **Condensed skim** supplies are adequate for contracted customer needs. With reports of limited condensed skim, balancing plants are drying fewer volumes. Demand for condensed skim to yogurt productions is good. The DMN September monthly average for Northeast Class II condensed skim was \$0.8086, compared to \$1.7550 a year ago. In the East, **cream multiples** range **1.29 to 1.39**. Buyer pushback is noted at the top of the range. Cream supplies are steady to lower due to weather related pulls on processors' milk intakes. Demand is good to Class II. The DMN September monthly average for Northeast Class II cream was \$3.5154, compared to \$3.8992 a year ago. Wednesday's CME Group trading saw Grade AA butter close at \$2.3700, down \$0.1400 from last week.

**DAIRY PRODUCTS:** According to NASS, hard ice cream production in the Atlantic region for August 2015 totaled 15.1 million gallons, 6% more than a year ago but 1.9% less than the previous month. Cumulative national production through August totals 525.0 million pounds, 2.5% less than a year ago. U.S. yogurt production for August 2015 totaled 401.3 million pounds, down 1.2% from a year ago but up 3.2% from the previous month.

## MIDWEST

Central region milk production has slowed seasonally. Processors are comfortable at current levels. Components are dropping, but manufacturers report cream is available. Cream demand from ice cream manufacturers has tapered, but other cream-based products have a strong demand. Cream multiples are steady, ranging from 1.25 -1.35. Harvesting for corn and soybeans is ongoing. Many farmers in the Upper Midwest report a fourth cutting on alfalfa. According to the DMN *National Retail Report-Dairy* for the week of October 2 - 8, the national weighted average advertised price for one gallon of milk is \$2.74 and \$2.65 in the Midwest

## WEST

Milk output is lower in California. A raise in humidity in the Central Valley is adversely affecting the milk yield. Demand for Class 1 is steady to lower. The interest of NDM processors for condensed skim is increasing. Harvesting of alfalfa hay and corn for silage is limited due to severe shortage of water. Thus, some dairy operators are buying these feeding crops from out of the State. The September 4a price (butter/powder) in California is \$15.40, up \$2.32 from August 2015, but \$7.32 lower than last year. This compares to the Federal Order Class IV price of \$15.08 for September. The September 4b price (cheese) is \$14.94, \$0.80 lower than last month, and \$7.45 lower than last year. This compares to the Federal Order Class III price for September at \$15.82. A combination of heavy rains and high humidity is decreasing the milk production in Arizona. Bottled milk sales are lower as some public schools are closed (fall break) during this week. Sales of spot condensed skim loads to Class IV products manufacturers are higher. Harvesting of good quality alfalfa hay and cottonseed is active throughout the state. Milk output is steady to lower in New Mexico. Wet conditions associated with scattered thunderstorms are taking a toll on the milking cows' comfort. Class I sales to the retail and food service sectors are steady to higher. Condensed skim sales to NDM processors are improving. The state is between the fifth and sixth cutting of fair to good quality alfalfa hay. According to the DMN *National Retail Report-Dairy* for the week of October 2 - 8, the national weighted average advertised price for one gallon of milk is \$2.74, \$2.21 in the Southwest and \$2.50 in the Northwest. Pacific Northwest milk production is steady to lower. Processors report milk supplies are adequate to meet most processing needs. The lighter milk intakes make it possible for manufacturers to schedule maintenance. Utah and Idaho milk production is following a typical seasonal decline. Manufacturers report milk is reasonably available for processing needs. Industry contacts say silage is good and plentiful, but hay quality is a little lower as fall begins. Dairy industry participants are talking about what impact El Niño may have this winter and whether the system will provide significant snows or lack of snows across the Rocky Mountains. Western cream demand from butter and sour cream manufacturers is seasonally increasing. Some industry participants note higher sales of spot cream loads within the region. Cream supplies are steady to lower. Some butter producers expect an increase of cream availability during Q4 holiday season. Western cream multiples for all classes are higher, ranging from 1.14 to 1.30. The Grade AA butter price at the CME Group on Wednesday closed at \$2.3700, down 14.0 cents from a week ago.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES:

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

F.O.B. producing plants: Northeast - 3.4855-3.7557  
 F.O.B. producing plants: Upper Midwest - 3.3775-3.6477

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

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .87 - .90  
 Northeast - Class III - spot prices - .86 - .89

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

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** Prices for Central low/medium heat nonfat dry milk are up in a mixed market. Some manufacturers report choosing to make NDM over other dry dairy products due to better returns, while other are making and storing until they receive desired pricing levels. Contract negotiations for Q1 2016 are underway as most buyers and seller understand that the prices are starting to stabilize. Some end users report high inventory levels as others report not wanting to build inventories. High heat nonfat dry milk prices are up. Sellers report adequate demand. The CME Group monthly average price for Grade A NDM during September was \$0.9045, compared to \$1.3554 a year ago. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during September was \$0.8769, compared to \$1.4760 a year ago. The September monthly average of the range price series for Central and East high heat was \$1.0054 compared to \$1.6230 a year ago. The NASS *Dairy Products* report noted U.S. human NDM production during August in the Central region totaled 21.1 million pounds, 12.1% higher than one year ago. The Central region accounted for 17% of the total U.S. production. Total U.S. human NDM production during August was 124.4 million pounds, 6.7% higher than last year. Total U.S. NDM human month ending stocks for August were 230.9 million pounds, 2.3% below a year ago. During January–August 2015, U.S. human NDM production totaled 1.303 billion pounds, 8.4% more than the same time span in 2014.

**EAST:** Prices for low/medium nonfat dry milk climbed higher in a firming market. This week, nonfat dry milk production dropped slightly. Extreme weather conditions in the region increased Class I demand. Processors in the region are comfortable with current NDM inventories, as diminishing milks supplies lead to reductions in low/medium heat drying schedules. Much of the current low heat nonfat dry milk is moving through sales contracts. Demand is good, with sources noting that buyers are showing active interest in securing product. However, buyers are circumventing the spot market, as trading become increasingly active through resale markets. Prices for high heat nonfat dry milk trended higher. A few processors scheduled high heat NDM production runs this week, which are mostly light. Emphasis is mainly placed on near term orders. Offerings are available from some manufacturers, but tighter from others, as the market firms. The September 2015 DMN monthly average for the Central/East low/medium heat nonfat dry milk range series is \$0.8879, compared to \$1.4345 a year ago.

**DAIRY PRODUCTS:** According to NASS, the Atlantic region's August 2015 production of nonfat dry milk totaled 24.1 million pounds, 17.1% more than a year ago, but 23.0% less than last month. The August 2015 U.S. production of skim milk powder totaled 39.3 million pounds, 27.2% less than a year ago, but 15.15 more than last month. Cumulative U.S. YTD skim milk powder production through August totaled 293.8 million pounds, 23.7% less than 2014 during the same time span.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .8850 - 1.1200 MOSTLY: .9400 - 1.0300  
HIGH HEAT: 1.0550 - 1.1800

## NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk prices are higher on the range and the mostly series. Production is steady to higher. Inventories are mixed throughout the West. The market undertone is stronger. Spot sales to the bakery sector are increasing. However, some end users are waiting to buy at this moment expecting a decline in prices in the near future. High heat nonfat dry prices are higher. The marked undertone is firmer.

Demand is improving as the Q4 holiday season approaches. Drying schedules are active. Inventories are steady. The September 2015 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.8425 compared to \$1.4250 a year ago. The average for Western high heat nonfat dry milk is \$0.9185 compared to \$1.6124 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of human food nonfat dry milk during August 2015 totaled 124.4 million pounds, 6.7% higher than a year ago but 20.1% lower than the previous month. The West region's production totaled 79.2 million pounds, 2.7% higher than a year ago, but 21.5% lower than the previous month.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .8500 - 1.1200 MOSTLY: .9200 - 1.0000  
HIGH HEAT: .9000 - 1.1600

## CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
October 2	\$.8945	12,165,033
September 25	\$.8386	9,199,866

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.

U.S. NDM Exports, H.S. Code 0402100000(FAS)		
	2015 Exports (Million Lb.)	% Change From 1 Year Ago
August Total	94.5	- 5
TOTAL, JAN - AUGUST	823.7	- 6
1 Mexico	333.3	+ 10
2 Philippines	104.4	- 9
3 Indonesia	66.8	- 7
4 China	52.5	- 39
5 Vietnam	50.3	- 27

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Central dry buttermilk prices are steady this week. There were few spot sales even though sellers report strong demand for dry buttermilk. Production is low and some sources indicate not having enough supply for current contract needs. Some manufacturers are choosing to sell condensed buttermilk as they do not have available drying space. The DMN monthly average of the range price series for Central and East dry buttermilk during September was \$.8692, compared to \$1.3500 a year ago. The NASS *Dairy Products* report noted U.S. dry buttermilk production during August totaled 6.4 million pounds, 16.7% lower than a year ago. Total U.S. dry buttermilk month ending stocks for August were 12.2 million pounds, 0.6% above last year.

-CONTINUED ON PAGE 5A-



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

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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.

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**-CONTINUED FROM PAGE 5-**

**EAST:** Eastern dry buttermilk prices are unchanged this week on a market with little trading and buyer interest. Dry buttermilk production is limited by lower butter output due to the levels of available cream. With seasonal declines in ice cream production, more condensed buttermilk is available for drying. Inventories of dry buttermilk are light to moderate and available to fill current needs. Spot interest is light. The market undertone is steady.

F.O.B. CENTRAL/EAST: .8250 - 1.0000

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**DRY BUTTERMILK - WEST**

Dry buttermilk prices are unchanged. Production is increasing, as butter churning is active in the West. Some processors expect a higher demand along this fall baking season. Inventories are mostly steady. The current uptick of NDM spot prices is helping to strengthen the demand for dry buttermilk. The market tone remains firm. The September 2015 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.7936 compared to \$1.5729 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of dry buttermilk during August 2015 totaled 6.4 million pounds, 16.7% lower than a year but 6.9% higher than the previous month.

F.O.B. WEST: .8300 - .9000 MOSTLY: .8500 - .8800

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**DRY WHOLE MILK - NATIONAL**

Prices for dry whole milk are steady. Drying schedules are sporadic. Inventories are mixed. Sales are mostly based on contracts. Some resellers are expecting an improvement in demand during Q4. The spot market activity is very sluggish. The market undertone is unsettled. The September 2015 Dairy Market News monthly average for the National price series for dry whole milk is \$1.2455 compared to \$1.9248 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of dry whole milk during August 2015 totaled 6.8 million pounds, 46.0% lower than a year ago and 31.6% less than the previous month.

F.O.B. PRODUCING PLANT: 1.1700 - 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**

Central dry whey prices are higher in the range and steady to higher in the mostly. Buyers and seller note that there is plenty of product available. Demand is increasing but, some sellers believe that this level of demand will not last as end users are stocking up while prices remain low. Production is steady to lower. Manufacturers report having comfortable inventories. Animal feed whey prices are steady in a weak market. The DMN monthly average of the mostly price series for Central dry whey during September was \$0.2044, compared to \$0.6412 a year ago. The monthly average of the range price series for Central animal feed whey during September was \$0.1793, compared to \$0.5229 a year ago. August dry whey (human) production in the Central region totaled 38.5 million pounds, 20.5% above a year ago. The Central region accounted for about 47% of the U.S. production in September.

DAIRY PRODUCTS: The NASS Dairy Products Report noted U.S. total dry whey production for August was 83.9 million pounds, up 18.1% from a year ago. January-August U.S. total dry whey production totals 646.8 million pounds, 10.6% ahead of the same time span in 2014. U.S. total dry whey month ending stocks for August were 81.0 million pounds, 45.9% higher than one year ago.

F.O.B. CENTRAL: .1675 - .2850

MOSTLY: .1800 - .2200

F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER:

.1000 - .1900

**DRY WHEY - NORTHEAST**

Dry whey prices are steady. While the spot market is fairly quiet, active trading is occurring in the resale market. Overall, demand is strong in the region. However, as the region experiences seasonal declines in cheese output, some whey channels are seemingly tight on product. Some market participants expect prices to rise, with the suggestion that sellers are confident with current stocks levels. The market undertone is unsettled.

DAIRY PRODUCTS: According to NASS, U.S. production of human food dry whey in August 2015 totaled 82.9 million pounds, 18.3% more than a year ago, and 3.9% more than the previous month. In the Atlantic region, August production of human food dry whey totaled 22.8 million pounds, 1.5% more than a year ago and 5.1% more than last month. U.S. month ending stocks of human food dry whey totaled 78.4 million pounds, 43.1% more than a year ago, and 6.9% more than the previous month. Cumulative U.S. YTD dry whey production through August 2015 totaled 646.8 million pounds, 10.6% more than 2014 during the same time span.

F.O.B. NORTHEAST:

EXTRA GRADE AND GRADE A:

.2075 - .2700

**DRY WHEY - WEST**

Western whey prices held steady this week with light spot sales activity. Some manufacturers note a surge in buyer interest. Inquiries have increased as buyers seek to replenish their stocks and capitalize on low prices. Although most industry contacts suggest there is plenty of product available, a few contacts are reporting tighter or committed stocks at their facilities. Whey production is steady to lower as cheese production slows seasonally. The DMN monthly average of the mostly price series for West dry whey during September was \$0.2185 compared to \$0.2864 one month ago and \$0.6192 a year ago. NASS reports that August 2015 U.S. human

whey production, 82.9 million pounds, is up 18.3% from a year ago and up 3.9% from July. The Western region produced 21.5 million pounds of U.S. edible dry whey during August. Western edible dry whey production this August is up 37.7% from last year and up 16.9% from July this year. Month ending stocks for U.S. human whey, at 78.4 million pounds are 43.1% higher than one year ago.

NONHYGROSCOPIC: .1850 - .2700

MOSTLY: .1900 - .2250

U.S. Dry Whey Exports, H.S. Code 0404104000 (FAS)	2015 Exports (Million Lb.)	% Change From 1 Year Ago
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August Total	30.6	- 22
TOTAL, JAN - AUGUST	289.1	- 18
1 China	82.0	- 29
2 Mexico	32.0	- 28
3 Canada	30.4	+ 6
4 Philippines	24.6	+ 47
5 Malaysia	19.5	- 11

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices moved down on the top of both the range and mostly price series. Low price offers across the whey protein complex are putting pressure on WPC34% prices. The market tone remains weak. Demand for WPC34 is light, but a few manufacturers report some long-term agreements are being sought by end users. Production is steady to lower. The September 2015 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.5610 compared to \$0.6473 one month ago and \$1.4355 one year ago. NASS reports U.S. production of human and animal WPC (25.0-49.9% protein) during August 2015 totaled 17.6 million pounds, 21.0% lower than one year ago. Cumulative year to date production for 2015 totals 155.6 million pounds, 16.6% lower than 2014. Manufacturers' end-of-month stocks totaled 36.0 million pounds, 37.4% higher than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: .4600 - .6900

MOSTLY: .4900 - .5700

U.S. WPC < 80% Exports, H.S. Code 0404100500 (FAS)	2015 Exports (Million Lb.)	% Change From 1 Year Ago
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August Total	19.3	+22
TOTAL, JAN - AUGUST	139.8	- 11
1 China	46.8	- 22
2 Canada	25.5	+ 1
3 Mexico	18.8	- 25
4 Indonesia	8.6	+ 54
5 Japan	6.6	+ 44

CONTINUED ON PAGE 6A

**WHEY, WPC 34%, LACTOSE & CASEIN**

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

**CONTINUED FROM PAGE 6****LACTOSE - CENTRAL AND WEST**

Lactose prices held mostly steady this week with the top end of the price range slipping slightly. Market participants are transitioning into Q4 agreements. Demand is mixed. Some manufacturers report lactose is moving slowly, mostly to regular customers. Other manufacturers see increases in demand and interest coming from end users and brokers. A few processors are turning down low price bids, opting to hold inventories or slow production instead of selling at a potential loss. Production is steady to lower. The September 2015 Dairy Market News average of the mostly price series for Central and West lactose was \$0.1893, compared to \$0.1912 one month ago and \$0.4693 one year ago. NASS's Dairy Products report shows U.S. human and animal lactose production during August 2015 totaled 88.7 million pounds, a 2.9% decrease from one year ago. Cumulative year to date 2015 lactose production totals 712.7 million pounds, a 7.7% decrease from 2014. Month ending stocks, at 129.4 million pounds, are 17.5% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1400 - .2600

MOSTLY: .1600 - .2100

**U.S. Lactose Exports, H.S. Code 1702110000(FAS)**

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
August Total	32.8	- 7
TOTAL, JAN - AUGUST	348.8	+ 14
1 China	59.6	+ 47
2 New Zealand	42.5	- 11
3 Mexico	41.0	+ 13
4 Australia	32.4	+ 134
5 Singapore	28.6	+ 76

**CASEIN - NATIONAL**

Both acid and rennet casein prices are lower with the start of some Q4 contract prices. Sellers are looking to negotiate higher prices for spot sales in the next three months, but demand is weak. The Global Dairy Trade at the October 6 event 149 saw the average price for rennet casein for all contract periods increase 4.0% to \$6,048/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: 2.6500 - 3.3500  
ACID: 2.7000 - 3.5000

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

WEEK ENDING	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS	2014 WEEKLY DAIRY COWS	2014 CUMULATIVE DAIRY COWS
09/19/2015	59.8	2,113.0	56.3	2,037.6

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

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

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

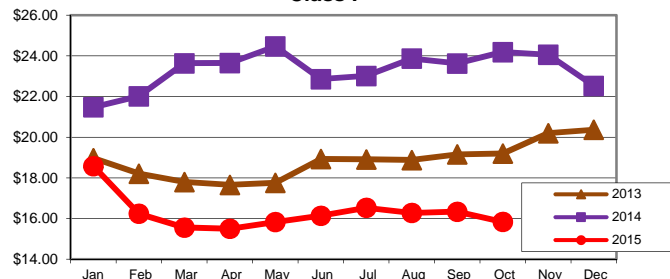
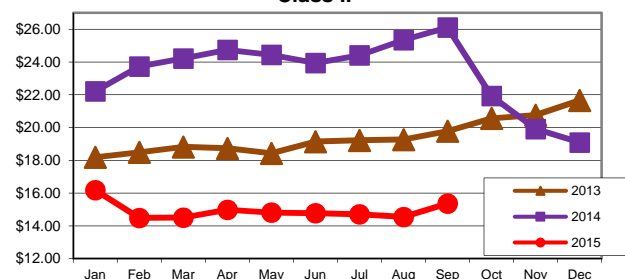
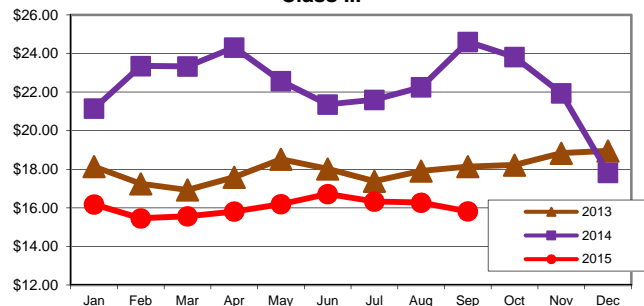
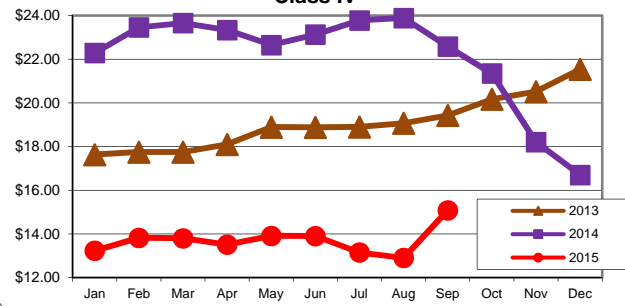
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25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

**CLASS IV MILK PRICES (3.5%)**

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

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

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.58	16.24	15.56	15.50	15.83	16.14	16.53	16.28	16.34	15.84		
II	16.18	14.48	14.50	14.98	14.81	14.77	14.70	14.54	15.36			
III	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82			
IV	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08			

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

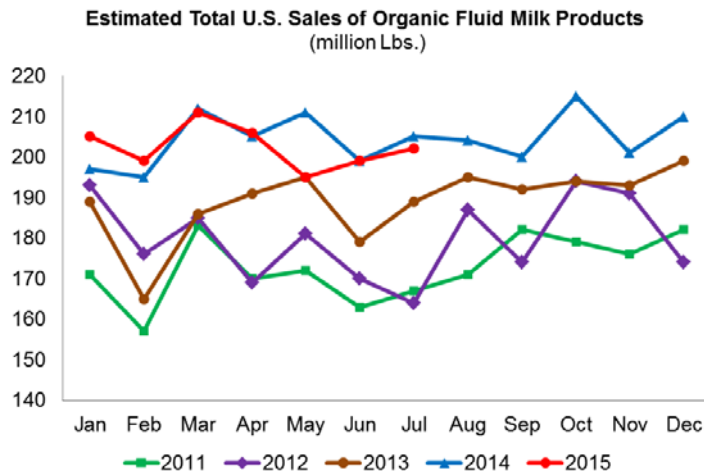
## ORGANIC DAIRY MARKET NEWS

Information gathered September 28 - October 9, 2015

## ORGANIC DAIRY FLUID OVERVIEW

July estimated total sales of organic fluid milk products, the most recent month with available USDA Dairy Programs data, represented the third month of 2015 when monthly sales were lower than the same month of the prior year, with another month tied and one more barely higher. This is reflective of continuing tight organic milk supplies.

Earlier this week in Wisconsin, the state with the highest number of organic farms, some brands of organic fluid milk were not available in various retail store coolers.



Hopes widely expressed over the last winter that organic milk production this year would increase year over year once cows could be out in pastures and 2015 organic feed became available, have not been realized. Declines in year over year organic milk sales during the last three reported months, leaves the organic dairy industry moving toward Fall with no cushion above last year levels. Although organic milk during recent months has been somewhat diverted from the fluid retail sales market into manufactured products, should production for the balance of 2015 remain weak, there will be difficult decisions ahead as to how available organic milk will be utilized. Recent reliance in the U.S. on products such as imported organic cheese from Oceania to supplement U.S. production may be less a factor. One of the larger processors of organic milk in New Zealand has characterized the tightness of organic milk supplies there as dire. The global organic dairy industry appears to be facing a struggle to keep up with demand in the near future.

Facts about the numbers of U.S. farms transitioning into organic milk certification are varied and usually non-specific. Some reports seem optimistic about a decent volume of potential new production being in the pipeline leading to certification. Other reports are less specific or optimistic. Until farms reach certified organic status it will be difficult to know the facts. Almost all reports are hopeful.

The trend of smaller organic dairy processing plants entering into direct supply contracts with individual organic dairy producers is growing, even if this still accounts for a small percentage of total organic milk volume. The security of having directly contracted organic milk sales to processors, in many cases, seems to lead to some degree of milk pay premiums or other benefits to producers. Processors able to assemble concentrated networks of organic milk supplies close to processing plants can pass along benefits of efficiencies in reduced truck route costs, for example.

A number of organic processors having good relationships in place for some time with regional or national organic milk supply sources are still receiving contracted volumes. However, some report an inability to arrange for increased volumes necessary to enable expansion plans.

Organic pastures in the Upper Midwest have been lush this growing season, with some fourth cutting of hay underway. There was no fourth cutting a year ago. Yet, the quality of this season's organic hay is lower overall than last year which is attributed to very wet weather at the wrong times.

Organic hay grown in Wisconsin is being regularly trucked to Maine and Northern New England to bolster inadequate supplies available to organic producers in those states. Milk from Wisconsin is being shipped in containers, to various other states to bolster supplies.

There are some organic cheese plants in California with sales throughout much of the country. So far this year, organic milk volumes have mostly been sufficient to maintain desired organic cheese production volumes. However, there is worry about whether the dry conditions this year and high prices of organic feed may result in reduced numbers of organic milk producers, so as to result in lower milk supplies next year. That would complicate organic cheese marketing relationships which realized significant growth in 2014, should manufacturers be unable to fill orders placed by retailers due to lower organic milk availability. Some organic cheese manufacturers reported sales growth in 2014 of 30% and retail supermarket ads for organic cheese have been noticeably up in 2015.

## ORGANIC DAIRY RETAIL OVERVIEW

**Organic Dairy Overview.** Organic ad numbers are at a very low level, among the lowest in a number of years. With organic milk supplies being very tight, this is not unexpected. Organic milk held the largest volume of organic dairy ads, 52%. The other organic category percentages are yogurt, 27%, sour cream, 14%; ice cream, 5%; and cheese 2%. Organic milk ad numbers declined 65% from last week, with organic yogurt numbers down 67% and organic cheese down 95%.

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from October 9-October 15, 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 Half Gallons.** The U.S. weighted average advertised price of organic milk half gallons is \$4.49, up 76 cents from last week. One year ago the price was \$3.59. Ads appeared only in the Northeast, Southeast, and Hawaii. U.S. weighted average prices of organic milk half gallons on a monthly basis, calculated from this Dairy Market News survey series, have been trending generally higher this year than in 2014 or 2013.

CONTINUED ON PAGE -8A-

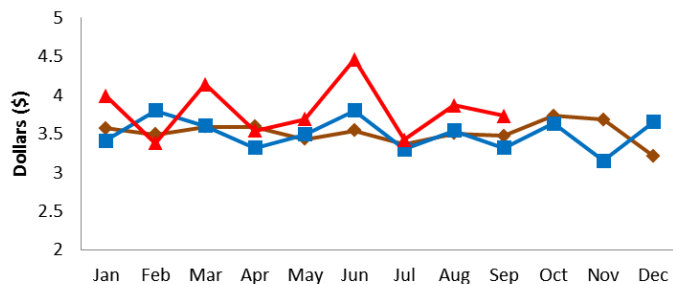


## ORGANIC DAIRY MARKET NEWS

Information gathered September 28 - October 9, 2015

CONTINUED FROM PAGE -8-

U.S. Weighted Average Advertised Price of Organic Milk Half Gallons\*



\*Last reporting period of month

— 2013 — 2014 — 2015

**Organic Milk Gallons.** The U.S. weighted average advertised price of organic milk gallons is \$6.56, up \$1.14 from last week. One year ago the price was \$7.14. Ads appeared only in the South Central and Southwest.

**8 Ounce Organic Milk.** The U.S. weighted average advertised price of 8 ounce organic milk is \$1.00, up 12 cents from last week. One year ago the price was 85 cents. Ads appeared only in the Northeast and Southwest.

**Organic Greek Yogurt.** The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.24, up 4 cents from last week. There were no ads one year ago. Almost all organic yogurt ads are this type and container size. Organic yogurt ads appeared in all regions except the Northwest and Hawaii.

**Organic 16 Ounce Sour Cream.** The U.S. weighted average price of 16 ounce organic sour cream is \$3.99. That is \$1.70 higher than a week ago. There were no ads a year ago. All ads appeared in the Southwest.

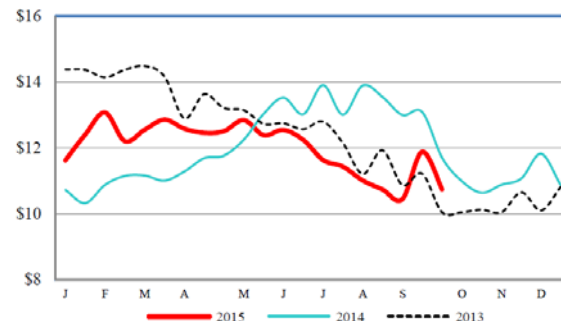
**Organic Cheese.** The U.S. weighted average price of 8 ounce cheese blocks is \$4.75, up \$1.35 from last week. One year ago the price was \$4.17. All ads appeared in the South Central Region.

**Organic 48-64 Ounce Ice Cream.** Organic ice cream has a weighted average advertised price of \$4.49. There were no ads one week or one year ago.

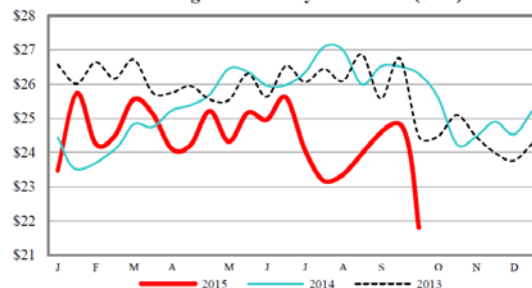
## ORGANIC GRAIN AND FEEDSTUFF MARKETS

**Organic Grain and Feedstuff Markets.** Over the last two weeks, AMS reported organic grain prices have moved lower with good demand. Import volumes have impacted domestic trading activity. Organic corn demand is good, with more interest in this season's crop and spotty interest in old crop inventories. Organic wheat trading is not active, with prices trending lower for feed grades. Feed Grade Soybeans have limited trading interest as the new crop comes in.

National Organic Feed Corn Prices (\$/bu)



National Organic Feed Soybean Prices (\$/bu)



## Organic Spot Market Negotiated Prices

Organic Commodity	Price Range	Average***
Corn*:	Feed Yellow 10.00 - 11.00	10.74
Corn**:	Feed Yellow 11.00 - 12.46	11.28
Soybeans*:	Feed Grade 20.75 - 23.00	21.81
Wheat****:	Feed Grade 7.50 - 8.50	7.94

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

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

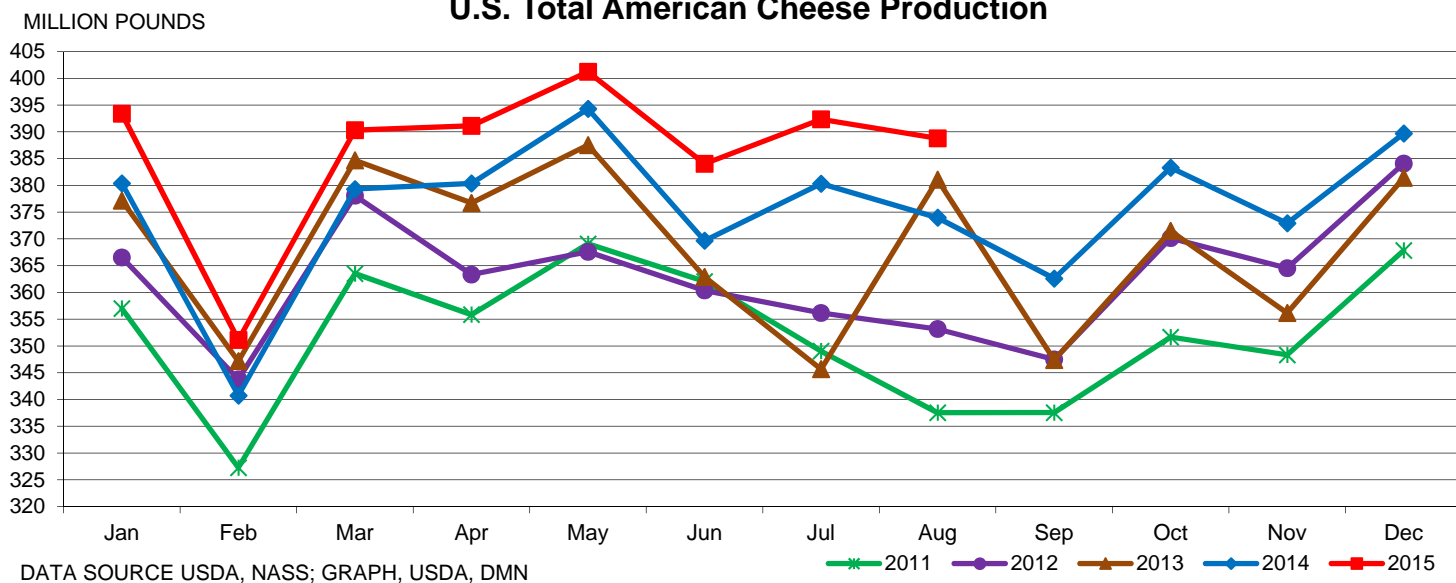
\*\*\*Weighted average price.

\*\*\*\*HRW

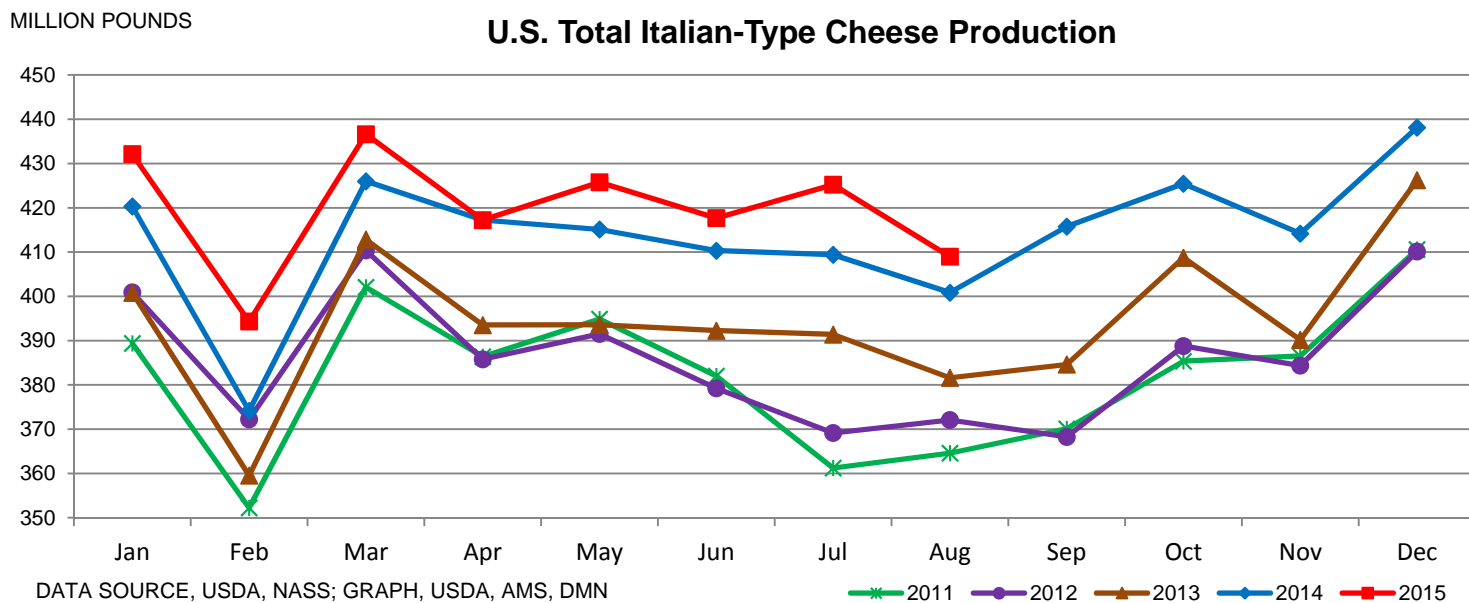
Additional livestock and grain market news information is available at:

[www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews)

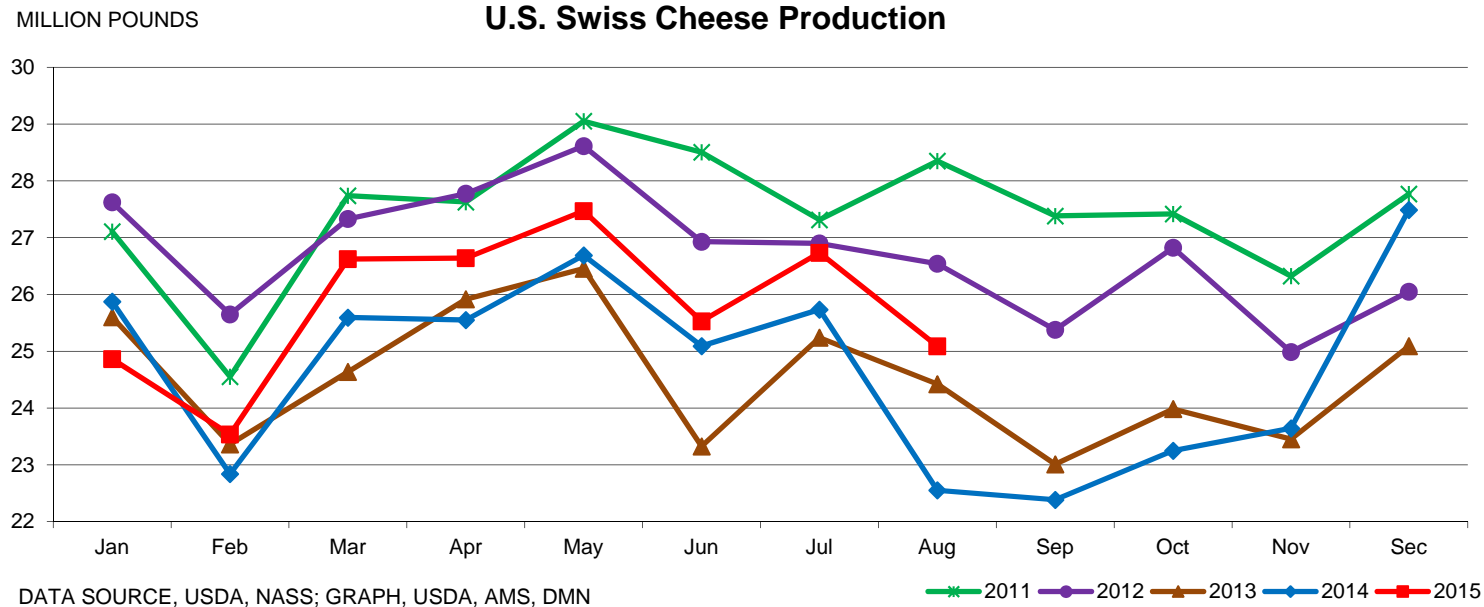
### U.S. Total American Cheese Production



### U.S. Total Italian-Type Cheese Production

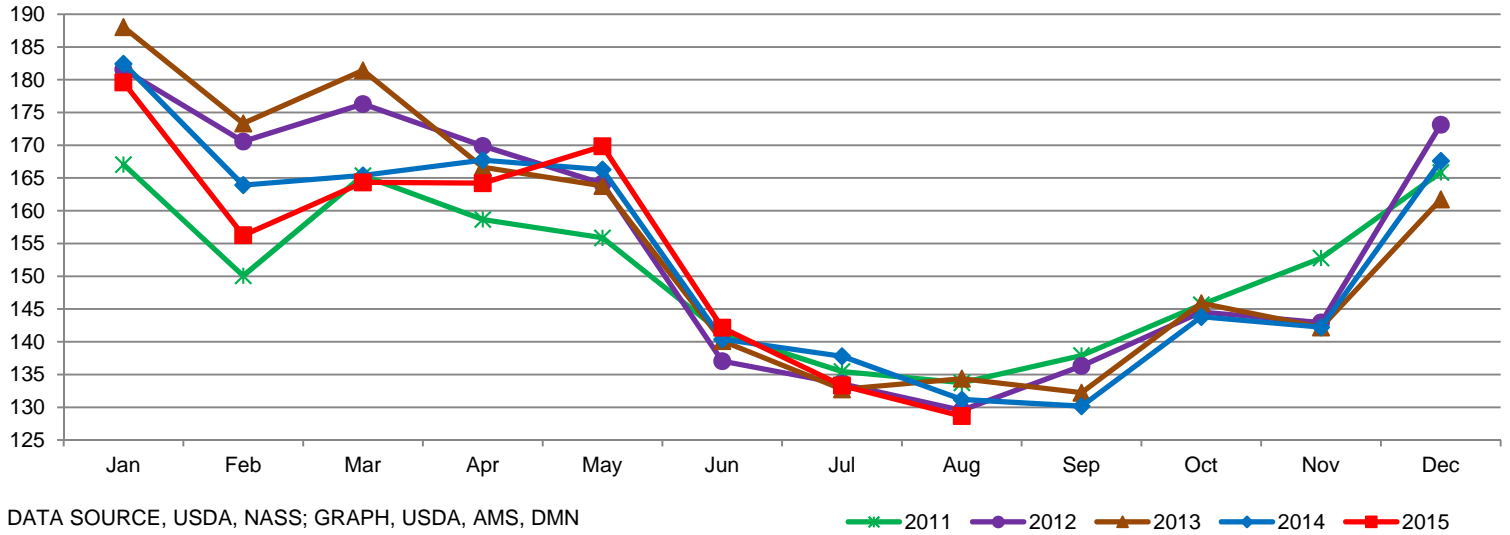


### U.S. Swiss Cheese Production



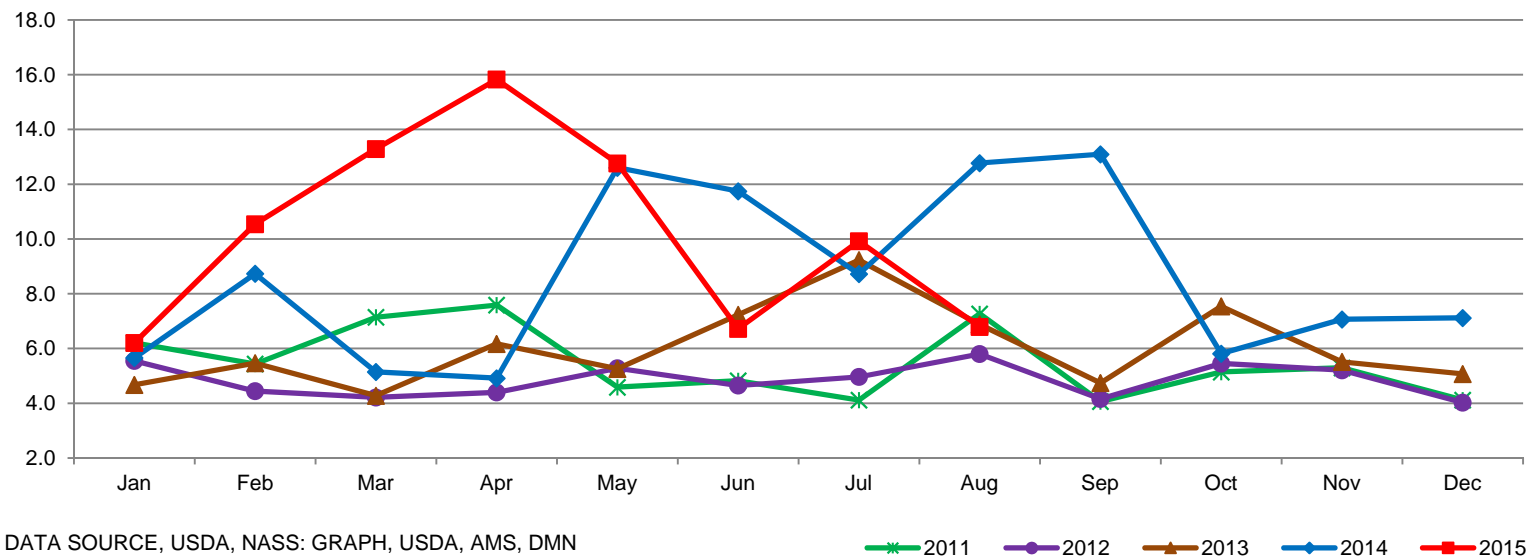
MILLION POUNDS

### U.S. Butter Production



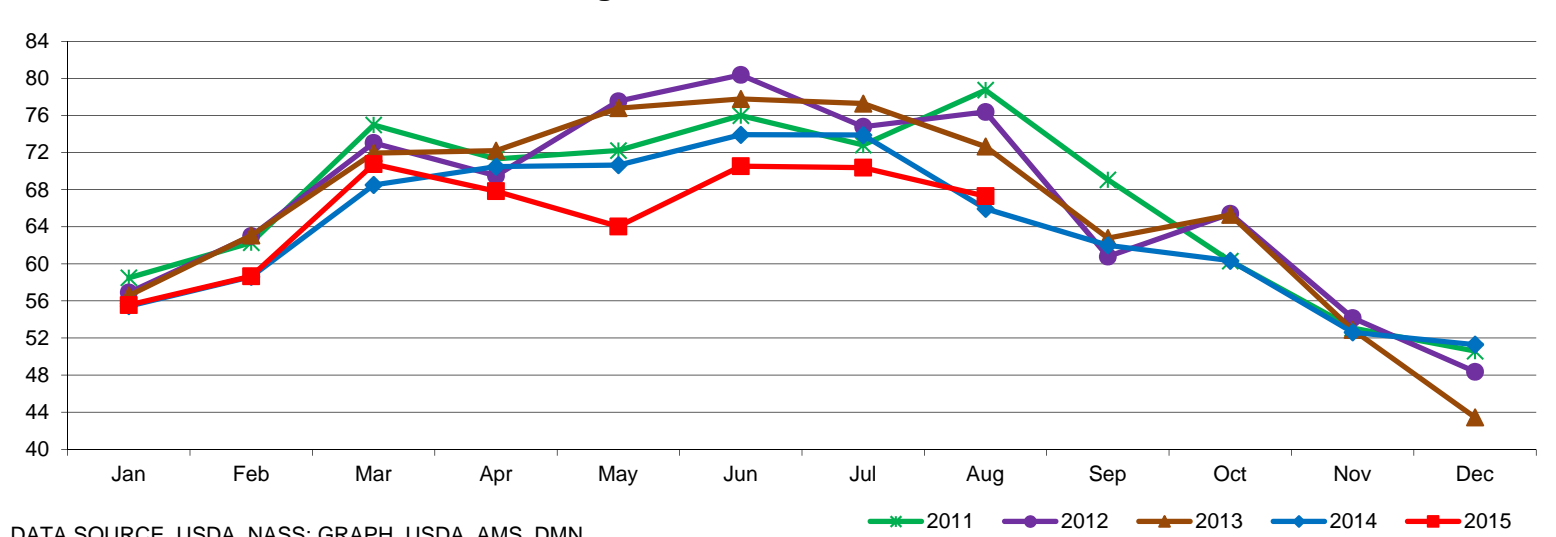
### U.S. Dry Whole Milk Production

MILLION POUNDS



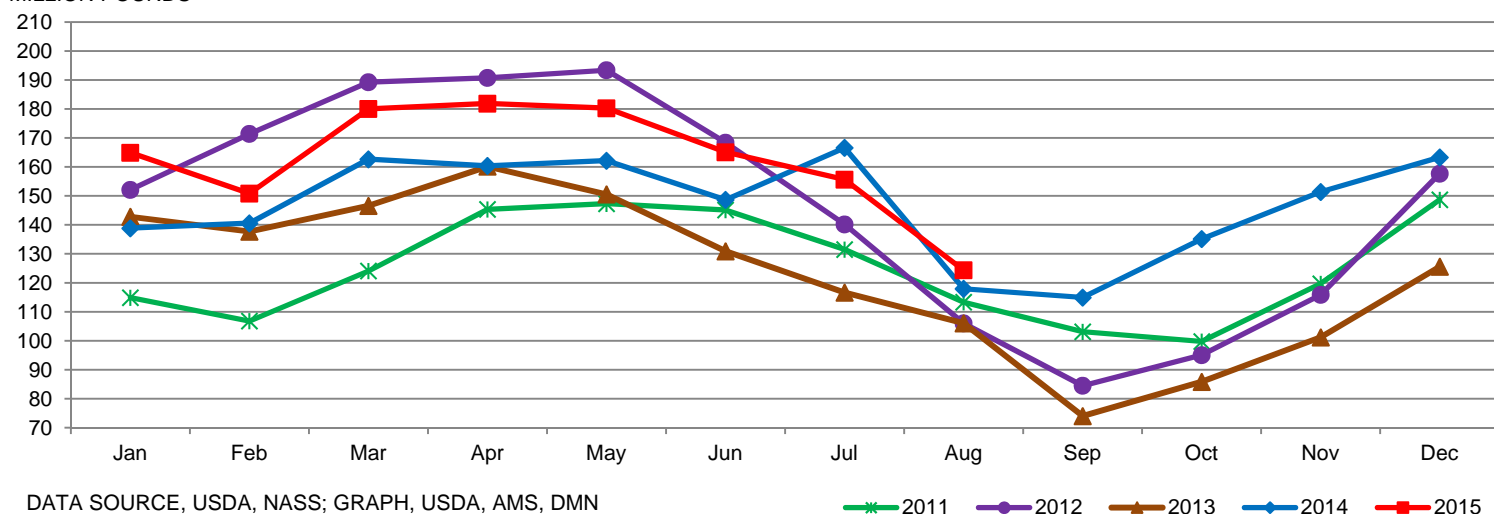
### U.S. Regular Hard Ice Cream Production

MILLION GALLONS



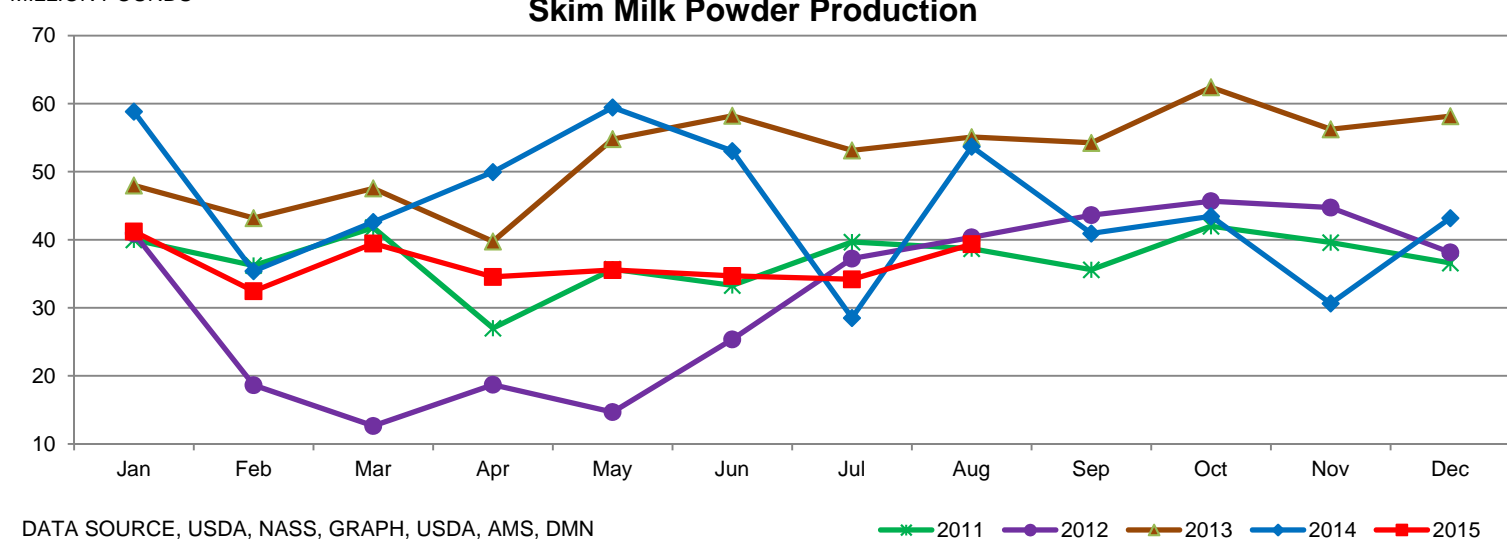
### U.S. Nonfat Dry Milk (NDM) Production, Human

MILLION POUNDS



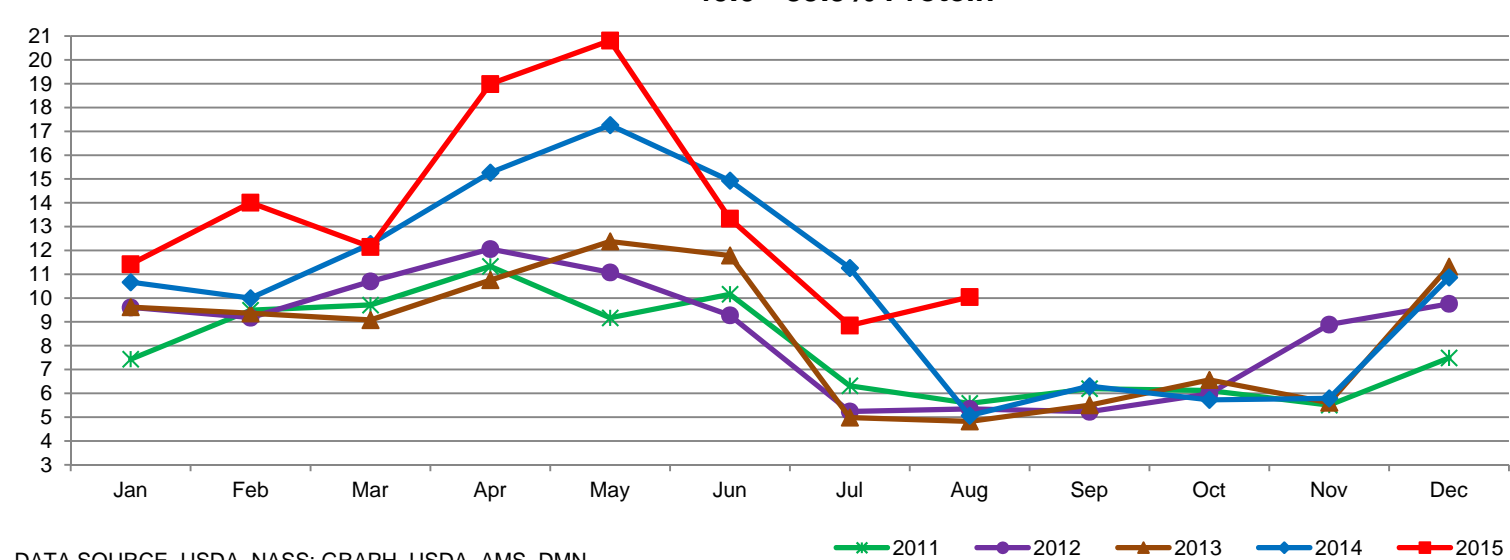
### Skim Milk Powder Production

MILLION POUNDS



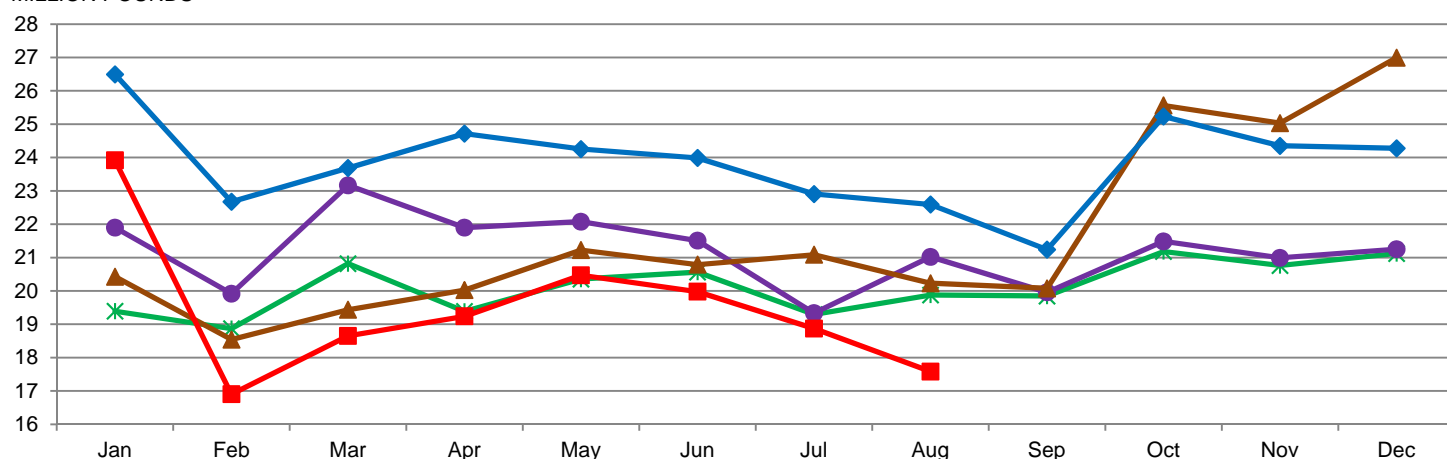
### U.S. Milk Protein Concentrate Production, 40.0 - 89.9% Protein

MILLION POUNDS



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

MILLION POUNDS

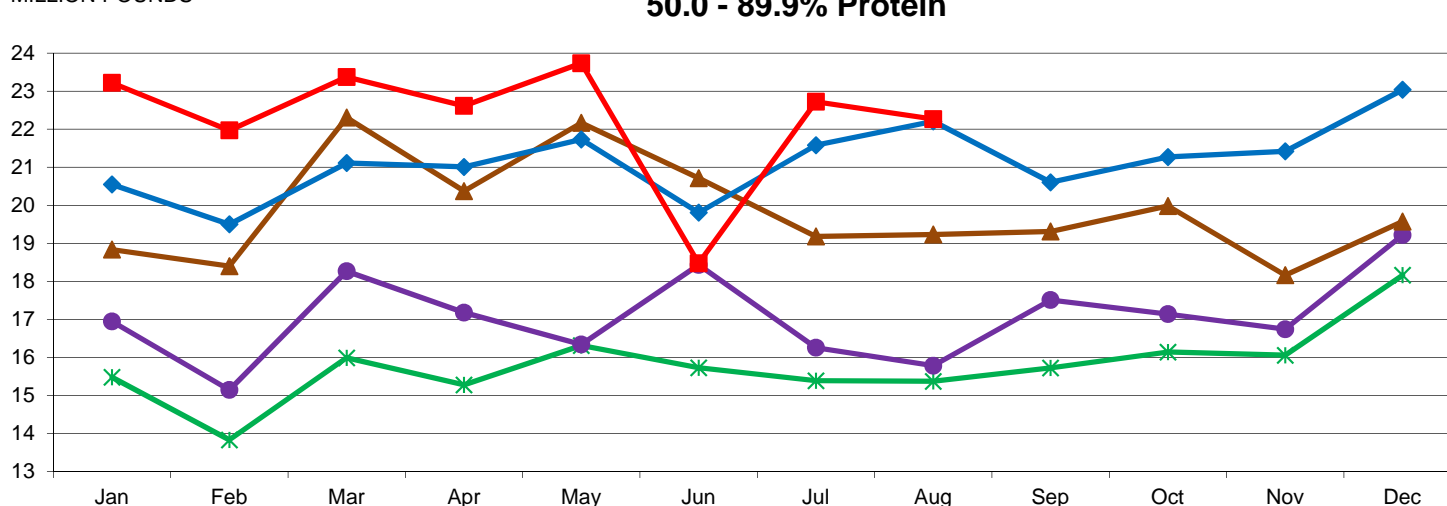


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

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

MILLION POUNDS

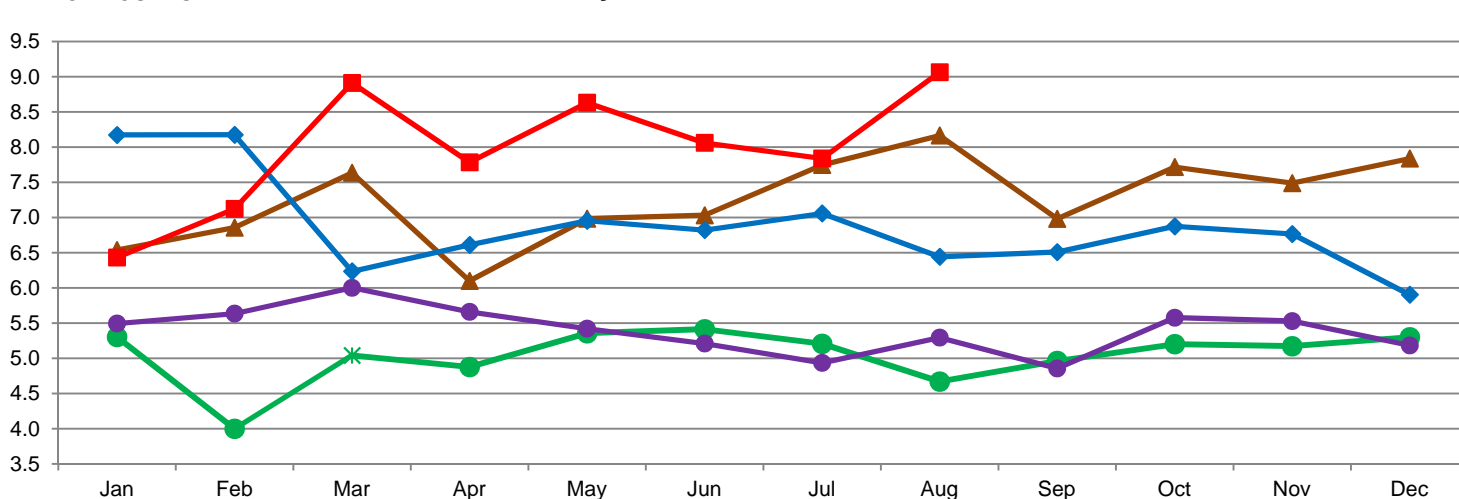


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

### U.S. Whey Protein Isolate Production

MILLION POUNDS

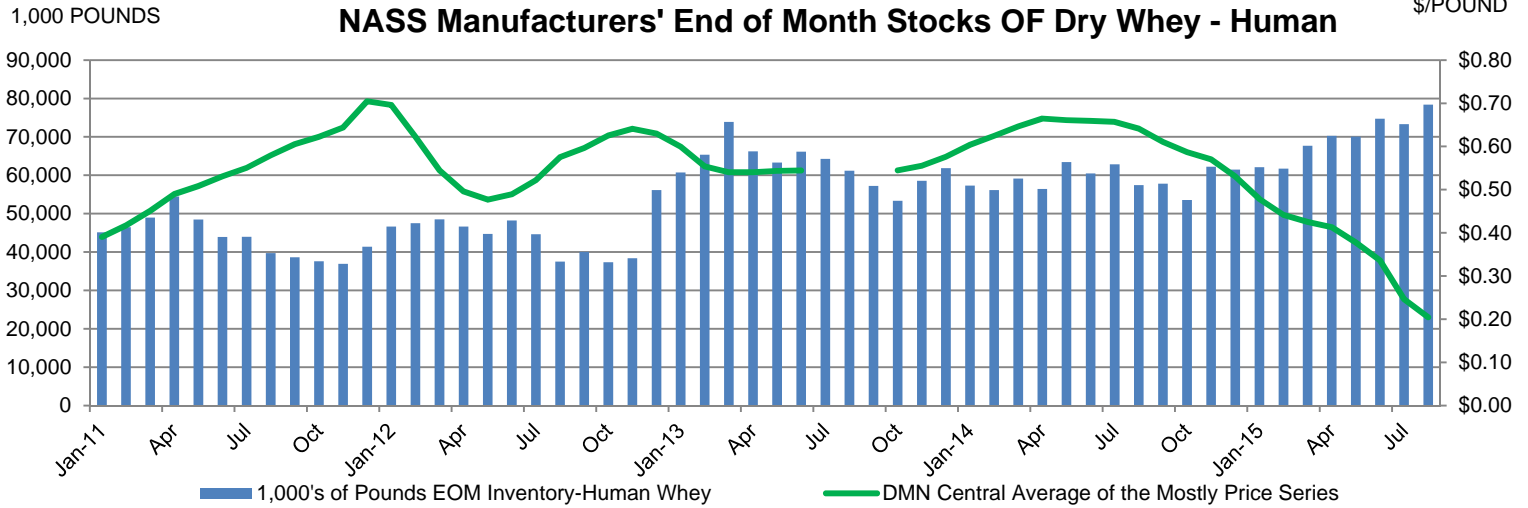


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

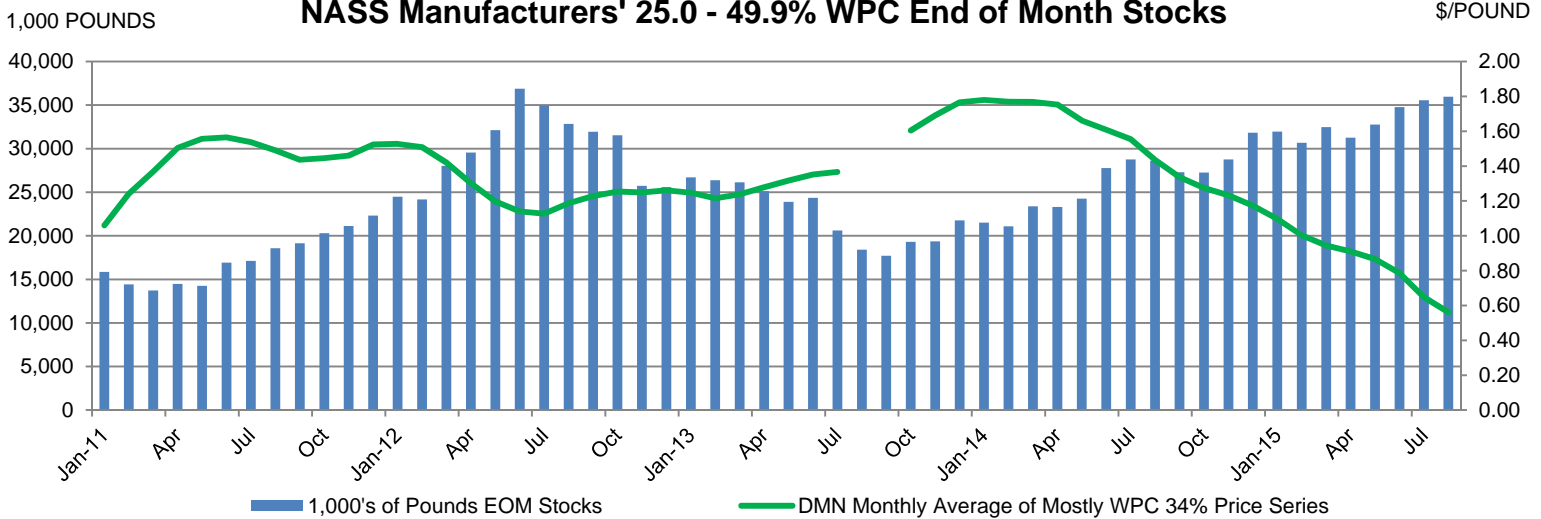


### DMN Central AOM Price Series vs. NASS Manufacturers' End of Month Stocks OF Dry Whey - Human



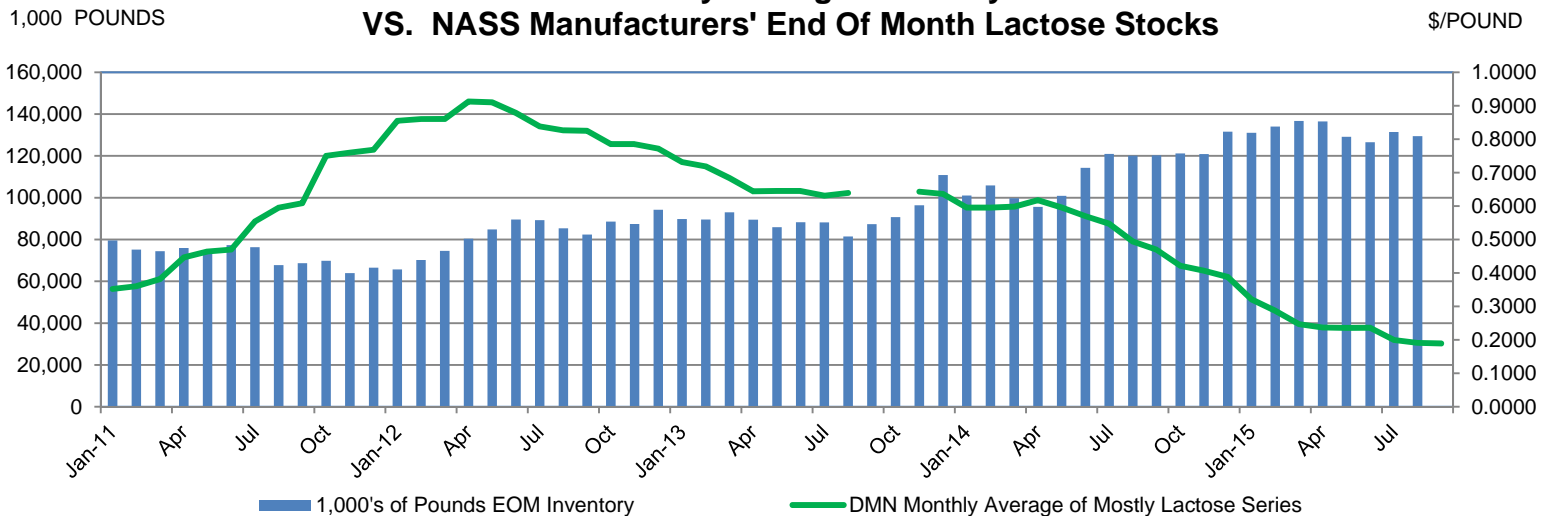
DATA SOURCE, USDA, NASS &amp; AMS, MIB; GRAPH, USDA, AMS, DMN

### DMN Monthly Average of WPC 34% Mostly Price Series vs. NASS Manufacturers' 25.0 - 49.9% WPC End of Month Stocks



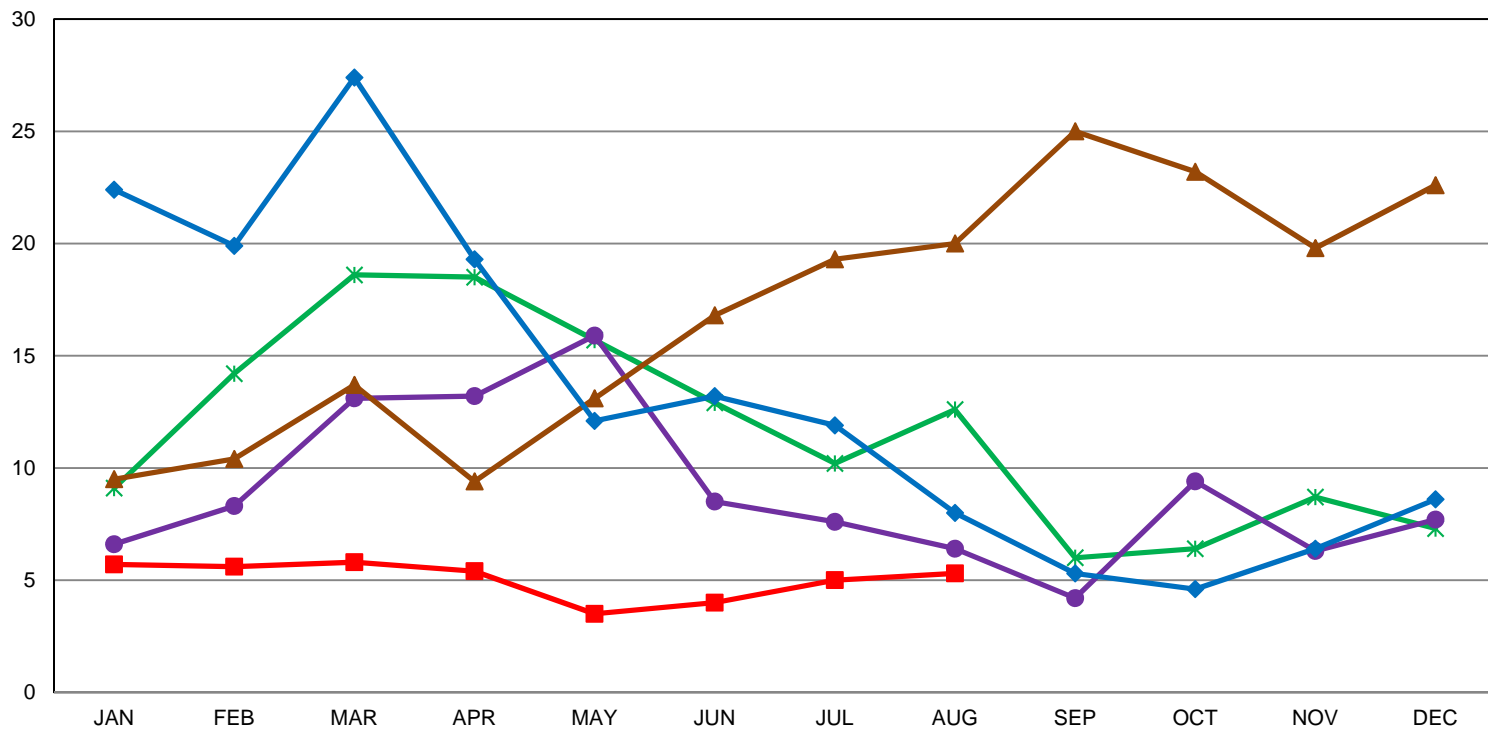
DATA SOURCE, USDA, NASS &amp; AMS, DMN; GRAPH, USDA, AMS, DMN

### DMN Lactose Monthly Average Of Mostly Price Series VS. NASS Manufacturers' End Of Month Lactose Stocks



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

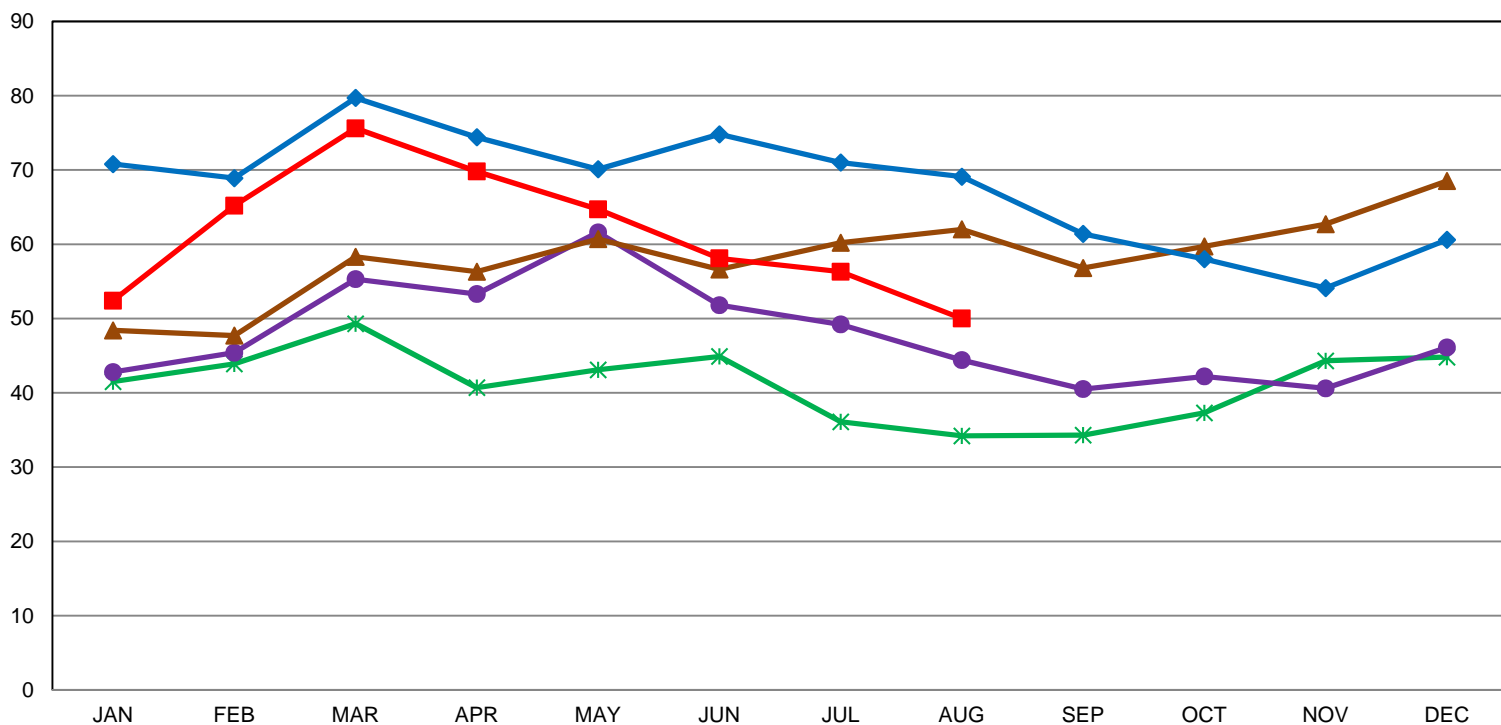
MILLION POUNDS

**U.S. Butter and Milkfat Exports**

GRAPH USDA, DMN; SOURCE USDA,FAS

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

MILLION POUNDS

**U. S. Cheese Exports**

GRAPH USDA, DMN; SOURCE USDA,FAS

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



## 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](http://www.ams.usda.gov/mnreports/wa_lo100.txt)

Volume 82- Number 40

Issued Weekly

Friday, October 9, 2015

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 10/09/2015 to 10/15/2015

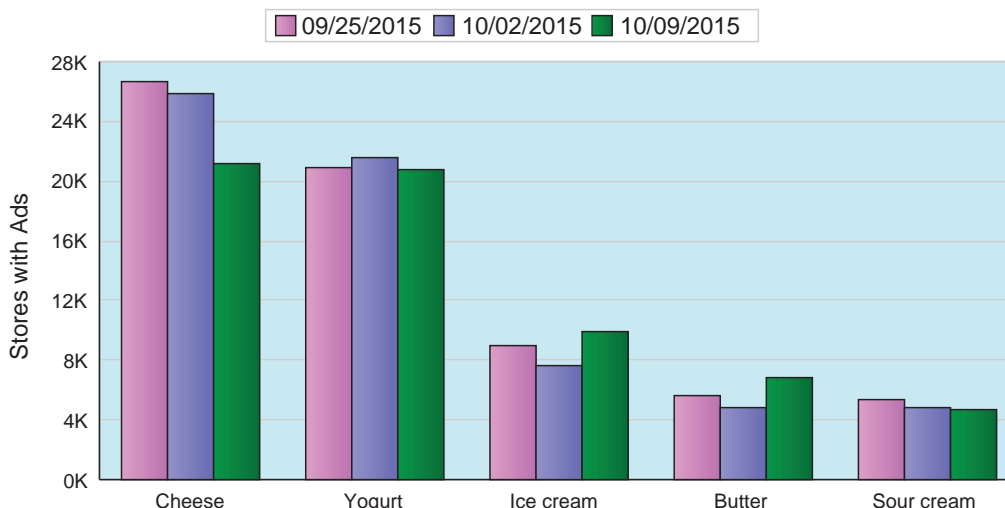
Conventional dairy ad numbers increased 3% in contrast to a 69% decrease in total organic dairy ad numbers. Conventional butter ads increased 56%, with the U.S. weighted average advertised price for 1 pound butter, \$3.09, down 23 cents from last week and down 59 cents from a year ago. Conventional ice cream ads increased 27%, with the average advertised price for 48-64 oz. ice cream, \$2.95, down 16 cents from last week and down 9 cents from a year ago.

Conventional cheese ads decreased 14% from last week, less than organic cheese ads which declined 95%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.37, down 7 cents from last week and down 2 cents from a year ago; 8 ounce conventional shred cheese averaged \$2.47, up 7 cents from one week ago, and up 18 cents from one year ago.

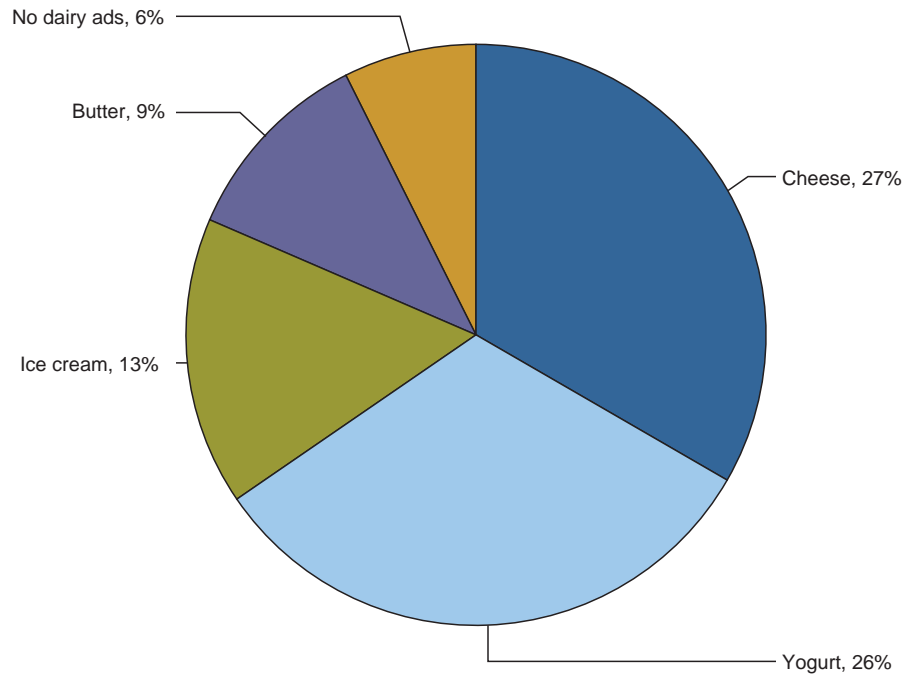
Conventional yogurt ad numbers increased 3% from last week, in contrast with organic yogurt ads which declined 67%. The average price of 4-6 ounce conventional Greek yogurt is 93 cents, down 3 cents from last week and down 1 cent from a year ago. Conventional yogurt in 4-6 ounce packages averaged 47 cents, down 2 cents from last week but up 1 cent from a year ago.

The price spread between organic and conventional half gallon milk is \$3.33, the largest this year. The price spread is the difference between national weighted average prices for organic, \$4.49, and conventional, \$1.16. The organic price is the highest of the year, while the conventional price is the lowest.

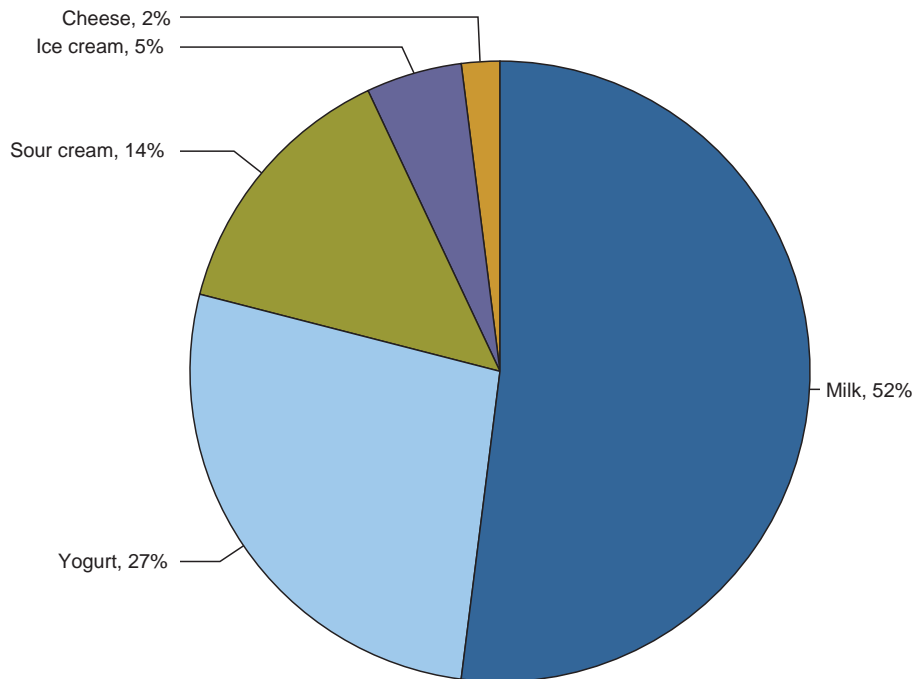
Top 5 Commodities Featured



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 #	6770	3.09	4326	3.32	4845	3.68
Cheese	Natural Varieties	8 oz block	7391	2.37	10417	2.44	7898	2.39
Cheese	Natural Varieties	1 # block	2353	4.13	1661	3.48	1127	4.67
Cheese	Natural Varieties	2 # block	802	5.72	346	6.52	2014	7.52
Cheese	Natural Varieties	8 oz shred	8052	2.47	10145	2.40	5635	2.29
Cheese	Natural Varieties	1 # shred	2444	4.04	2024	3.51	582	4.33
Cottage cheese		16 oz	3609	1.95	2104	2.06	2794	2.25
Cream cheese		8 oz	3811	1.96	4873	1.84	5084	1.97
Flavored milk	All fat tests	half gallon	549	2.09	322	2.55		
Flavored milk	All fat tests	gallon	585	3.17	441	3.28	1286	4.21
Ice cream		48-64oz	9807	2.95	7699	3.11	15315	3.04
Milk	All fat tests	half gallon	294	1.16	431	2.51	338	2.58
Milk	All fat tests	gallon	1960	2.56	2229	2.74	1189	4.01
Sour cream		16 oz	4336	1.62	4586	1.70	4100	2.04
Yogurt	Greek	4-6 oz	11086	.93	10498	.96	15486	.94
Yogurt	Greek	32 oz	1934	4.11	637	4.30	1349	5.43
Yogurt	Yogurt	4-6 oz	6958	.47	7415	.49	4519	.46
Yogurt	Yogurt	32 oz	127	2.75	883	2.63	222	2.87

## 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 #	1.06-4.59	1829	3.76	1.05-4.79	3014	2.71	3.00-3.49	367	3.14
Cheese	Natural Varieties	8 oz block	1.49-2.99	2751	2.25	2.39-2.50	1865	2.49	1.79-2.50	1104	2.26
Cheese	Natural Varieties	1 # block	2.99-3.99	482	3.73				2.99-3.79	354	3.55
Cheese	Natural Varieties	2 # block							5.24-5.99	122	5.57
Cheese	Natural Varieties	8 oz shred	1.66-2.89	2137	2.18	2.00-2.89	2037	2.76	1.79-2.50	1543	2.33
Cheese	Natural Varieties	1 # shred	3.49	108	3.49				2.99-3.79	942	3.39
Cottage cheese		16 oz	1.99-2.99	1440	2.18	1.50	1002	1.50	1.39-1.99	200	1.63
Cream cheese		8 oz	1.33-2.50	1522	2.00	2.50	735	2.50	0.88-2.00	454	1.57
Flavored milk	All fat tests	half gallon							1.00	110	1.00
Flavored milk	All fat tests	gallon							4.49	119	4.49
Ice cream		48-64oz	1.99-3.99	3370	2.97	2.50-3.50	1897	2.95	1.99-3.99	1583	2.94
Milk	All fat tests	half gallon				1.25	184	1.25	1.00	110	1.00
Milk	All fat tests	gallon	2.99	62	2.99				1.69-2.77	476	2.01
Sour cream		16 oz	1.29-2.50	2094	1.68	1.50	1064	1.50	1.33-1.69	270	1.61
Yogurt	Greek	4-6 oz	0.75-1.00	2794	.97	0.79-1.00	3141	.86	0.88-1.25	1134	1.00
Yogurt	Greek	32 oz	3.50-5.99	835	4.65	5.49	61	5.49	2.99	588	2.99

Wtd Avg - Simple weighted average





Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	4-6 oz	0.40-0.60	1897	.48	0.40-0.50	858	.49	0.39-0.50	1257	.45
Yogurt	Yogurt	32 oz	2.50	60	2.50						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	0.79-3.50	448	2.14	3.50-4.28	514	4.01	1.00-3.50	524	2.61
Cheese	Natural Varieties	8 oz block	1.19-2.75	765	2.16	2.50-2.99	775	2.88	2.50	60	2.50
Cheese	Natural Varieties	1 # block	2.99-3.79	360	3.63	2.99-5.99	986	4.70	3.99-4.49	171	4.18
Cheese	Natural Varieties	2 # block	5.99	262	5.99				4.99-7.99	416	5.59
Cheese	Natural Varieties	8 oz shred	1.50-2.99	1077	2.30	2.50-3.99	1032	2.81	2.50-2.79	126	2.65
Cheese	Natural Varieties	1 # shred	3.79	288	3.79	2.99-5.00	935	4.80	3.99-4.49	171	4.18
Cottage cheese		16 oz	1.46-3.49	257	2.26	1.50-1.79	307	1.73	2.29-2.50	350	2.33
Cream cheese		8 oz	0.88-2.50	677	1.82	1.29-1.50	351	1.35	2.50	61	2.50
Flavored milk	All fat tests	half gallon	1.99-4.19	195	2.82	1.99	244	1.99			
Flavored milk	All fat tests	gallon	1.99-2.50	288	2.13	3.99	167	3.99			
Ice cream		48-64oz	1.88-5.99	929	2.84	1.88-5.99	1561	2.93	2.99-3.00	349	3.00
Milk	All fat tests	gallon	1.99-2.50	288	2.13	1.99-3.99	990	2.95	1.99-2.50	130	2.23
Sour cream		16 oz	1.50-1.97	520	1.72	1.17-1.50	364	1.39			
Yogurt	Greek	4-6 oz	0.69-1.00	891	.93	0.69-1.00	2051	.93	0.88-1.00	1000	.96
Yogurt	Greek	32 oz				4.99	137	4.99	3.99	289	3.99
Yogurt	Yogurt	4-6 oz	0.33-0.60	906	.44	0.30-0.60	1493	.46	0.40-0.50	476	.46
Yogurt	Yogurt	32 oz							2.99	61	2.99

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 #	3.49-4.49	10	3.99	3.77-4.99	64	4.41
Cheese	Natural Varieties	8 oz block	2.50-3.00	6	2.92	2.25-3.50	65	2.42
Cheese	Natural Varieties	2 # block	5.99	2	5.99			
Cheese	Natural Varieties	8 oz shred	2.50-3.00	8	2.94	2.25-3.50	92	2.59
Cottage cheese		16 oz	2.89-3.00	23	2.90	2.77-2.79	30	2.79
Cream cheese		8 oz	1.39-2.50	8	1.92	3.00	3	3.00
Flavored milk	All fat tests	gallon	3.59	11	3.59			
Ice cream		48-64oz	3.98-4.00	26	4.00	2.75-4.29	92	3.73
Milk	All fat tests	gallon	3.59	11	3.59	4.88	3	4.88
Sour cream		16 oz				2.29	24	2.29
Yogurt	Greek	4-6 oz	1.00-1.25	14	1.18	1.20-1.25	61	1.22
Yogurt	Greek	32 oz				5.49	24	5.49
Yogurt	Yogurt	4-6 oz	0.60	3	.60	0.40-0.60	68	.53
Yogurt	Yogurt	32 oz	2.98	3	2.98	2.50	3	2.50



## 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 #			432	4.20	235	3.99
Cheese	Natural Varieties	8 oz block	63	4.75	743	3.40	129	4.17
Cheese	Natural Varieties	8 oz shred			535	3.38		
Cottage cheese		16 oz			365	3.49		
Ice cream		48-64oz	121	4.49				
Milk	All fat tests	half gallon	206	4.49	1241	3.73	3805	3.59
Milk	All fat tests	gallon	236	6.56	1778	5.42	116	7.14
Milk	All fat tests	8 oz UHT	903	1.00	774	.88	1589	.85
Sour cream		16 oz	360	3.99	297	2.29		
Yogurt	Greek	4-6 oz	623	1.24	1291	1.20		
Yogurt	Yogurt	4-6 oz	63	.99	474	1.20		
Yogurt	Yogurt	32 oz	2	3.50	338	2.94		

## 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
Milk	All fat tests	half gallon	4.99	60	4.99	3.99-4.25	137	4.15			
Milk	All fat tests	8 oz UHT	1.00	543	1.00						
Yogurt	Greek	4-6 oz	0.88-1.00	156	.94	1.25	120	1.25	1.25	180	1.25

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
Cheese	Natural Varieties	8 oz block	4.75	63	4.75						
Ice cream		48-64oz	4.49	121	4.49						
Milk	All fat tests	gallon	5.99	99	5.99	6.98	137	6.98			
Milk	All fat tests	8 oz UHT				1.00	360	1.00			
Sour cream		16 oz				3.99	360	3.99			
Yogurt	Greek	4-6 oz				1.50	167	1.50			
Yogurt	Yogurt	4-6 oz	0.99	63	.99						

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
Milk	All fat tests	half gallon				5.97-6.59	9	6.38
Yogurt	Yogurt	32 oz	3.50	2	3.50			

#### 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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