

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (2/12)**

BUTTER: Grade AA closed at \$2.1100. The weekly average for Grade AA is \$2.1310 (-.0145).

CHEESE: Barrels closed at \$1.4800 and 40# blocks at \$1.4900. The weekly average for barrels is \$1.4710 (+.0150) and blocks, \$1.4820 (+.0160).

NONFAT DRY MILK: Grade A closed at \$.7375. The weekly average for Grade A is \$.7455 (+.0255).

BUTTER HIGHLIGHTS: Butter production is seasonally strong as cream supplies are readily available throughout the country. Several butter processors indicate their churns are running close to full capacity. Interest from retailers is improving as spring holiday ordering advances. After the Super Bowl weekend, butter requests from foodservice are steady to lower. For all regions, bulk butter prices are ranging from 4 cents under to 8 cents over the market, based on CME Group prices and various indices. At the CME Group, Grade AA butter price on Friday closed at \$2.1100, down 6 cents from a week ago.

CHEESE HIGHLIGHTS: Cheese production is active in the East and West coasts, but steady in the Central region. In the East, cheese sales remain good and supplies are starting to build in some plants. The market undertone is mostly steady. In the Central region, interest from packaging firms is slower. Inventories are increasing in many cheese manufacturing facilities. Process demand is moderate. In the West, cheese demand is mostly steady. Swiss cheese sales have been slow throughout the country. This week, a cooperative export assistance program accepted requests for 101,413 pounds of cheese. In CME Group trading Friday, barrels closed at \$1.4800, up 1.5 cents from last Friday and blocks closed at \$1.49, up 2 cents.

FLUID MILK: Winter snow storms in the Northeast closed schools but did not impede milk distribution. Road travel was slow, however, cancellations were not reported. Farm-level milk production varies across the nation. Milk handlers in the Northeast, California, and New Mexico note steady production. In the Southeast, Arizona, and Pacific Northwest, milk volumes are increasing, while steady to increasing in the Central region. Production is flat in the Mid-Atlantic and Florida, as milk volumes dip marginally lower in Utah and Idaho. Bottling demand is mostly steady in the West, but lower in areas of the East and Central regions. Demand for Class II products such as ice cream and frozen desserts are good. Ice cream manufacturers are ramping up production to build stocks for the upcoming season.

DRY PRODUCTS: Prices of low/medium heat nonfat dry milk were mixed, but generally weaker in an unsettled market. Demand is light, as buyers typically engage purchase options that provide the better price advantage. Dry buttermilk prices are lower in the Central and East, but steady to higher in the West. Supplies are mixed, but in general growing. Prices of dry whey are steady to higher, as demand is fairly good domestically, but limited globally. Whey protein concentrate 34% prices were steady to higher, on light spot sale activity. Demand is expected to rise subsequent to the Chinese New Year. Prices of lactose were higher, with stocks being well committed into 2016. Casein prices are steady.

ORGANIC DAIRY MARKET NEWS (DMN): AMS reports total organic milk products sales for December 2015, 214 million pounds, were down 1.3% from December last year. As well, year to date sales are down 2.2%, compared with year to date sales last year at this time. Nationwide, lower fuel and electricity costs have been a positive development for many organic dairy producers, helping to marginally increase net returns. Following a period of higher feed costs, this is welcome. The U.S. weighted average advertised price of organic milk half gallons is \$3.71, up 15 cents from last year, but down 2 cents from last week. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.25, up 26 cents from one year ago, but down 12 cents from last week.

NATIONAL RETAIL REPORT-DAIRY (DMN): The total volume of conventional dairy ads decreased 6%, and organic dairy ads decreased 20% this week. For conventional dairy advertisements, Greek yogurt in 4-6 ounce containers had the largest volume of ads, followed by 48-64 ounce ice cream and 8 ounce blocks of cheese. Advertisements for 1 pound packages of cheese, shred and blocks, had the largest percentage increase, 2,419% and 609% respectively. Some stores also ran wine and specialty cheese pairing specials for Valentine's Day. Ads for 1# packages of butter increased 47%, with an average weighted price of \$3.29. The average price for conventional yogurt in 4-6 ounce packages is \$.49, down 3 cents from last week and down 1 cent from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down 5 cents from both last week and a year ago. The average prices of 4-6 ounce organic yogurt and

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CME GROUP CASH TRADING

COMMODITY	MONDAY FEB 08	TUESDAY FEB 09	WEDNESDAY FEB 10	THURSDAY FEB 11	FRIDAY FEB 12	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4650 (N.C.)	\$1.4650 (N.C.)	\$1.4650 (N.C.)	\$1.4800 (+.0150)	\$1.4800 (N.C.)	++ (+.0150)	++ \$1.4710 (+.0150)
40# BLOCKS	\$1.4700 (N.C.)	\$1.4700 (N.C.)	\$1.4900 (+.0200)	\$1.4900 (N.C.)	\$1.4900 (N.C.)	++ (+.0200)	++ \$1.4820 (+.0160)
NONFAT DRY MILK							
GRADE A	\$.7500 (N.C.)	\$.7300 (-.0200)	\$.7500 (+.0200)	\$.7600 (+.0100)	\$.7375 (-.0225)	++ (-.0125)	++ \$.7455 (+.0255)
BUTTER							
GRADE AA	\$2.1550 (-.0150)	\$2.1350 (-.0200)	\$2.1250 (-.0100)	\$2.1300 (+.0050)	\$2.1100 (-.0200)	++ (-.0600)	++ \$2.1310 (-.0145)

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.USA.GOV/DAIRY

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

organic Greek yogurt were \$.99 and \$1.25 respectively. Conventional yogurt ad numbers increased 16% from last week. Organic yogurt ads are down 47% from the previous week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.22, up 15 cents from last week, but down 14 cents from a year ago; 8 ounce shred cheese averaged \$2.22, up 4 cents from last week, but 25 cents below one year ago. Organic 8 ounce blocks averaged \$4.84, while 8 ounce shred cheese averaged \$3.99. Advertisements for conventional cheese were down 2%, and organic cheese ads dropped 42% from last week. The price spread between organic and conventional half gallon milk is \$2.65. The price spread is the difference between national weighted average prices for organic, \$3.71, and conventional, \$1.06. Conventional milk ads decreased by 27% from last week, while organic ads increased by 12%.

DECEMBER MILK SALES (FMMO & CDFA): During December 4.3 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.3% lower than December 2014. Estimated sales of total conventional fluid milk products decreased 1.3% from December 2014 and estimated sales of total organic fluid milk products decreased 1.3% from a year earlier.

FEBRUARY SUPPLY AND DEMAND ESTIMATES (FMMO): The milk production forecast for 2016 is raised from last month as the cow herd is adjusted slightly to reflect the January 1 dairy cow inventory reported in USDA's *Cattle* report and milk per cow is raised for the first quarter. Beginning stocks are raised from last month as cheese stocks at the end of 2015 were high. Both fat basis and skim-solids exports for 2016 are reduced from last month reflecting continued pressure on cheese, nonfat dry milk (NDM), whey, and lactose exports, due to large global supplies and a relatively strong dollar. Imports are unchanged from last month. For 2015, production, trade, and stock estimates are updated based on data through December. Product price forecasts for NDM and whey are forecast lower as U.S. prices continue to reflect weakness in international markets. The butter price forecast is raised as domestic demand remains strong. The cheese price forecast is unchanged from last month, although the range is narrowed. The Class III price is lowered on lower whey prices. The Class IV price is down as a lower NDM price more than offsets a higher butter price. The all milk price is forecast at \$15.30 to \$16.00 per cwt.

ANNUAL 2015 FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (FMMO): During 2015, more than 126.1 billion pounds of milk were received from Federally pooled producers. This volume of milk is 2.5% lower than the 2014 pooled volume. Regulated handlers pooled 41.206 billion pounds of producer milk as Class I products, down 0.5% when compared to the previous year. Class I utilization decreased in 6 Federal Milk Order Marketing areas, remained essentially the same in the Southeast Federal Milk Order Marketing area, and increased in 3 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 33%, Class II = 14%, Class III = 40%, and Class IV = 14%. The weighted average statistical uniform price was \$16.70 per cwt, \$6.84 lower than 2014's \$23.54.

CME GROUP**MONDAY, FEBRUARY 8, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4700; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7500; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.7550
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.1550; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

TUESDAY, FEBRUARY 9, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4700; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.7300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7300
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.1350

WEDNESDAY, FEBRUARY 10, 2016

CHEESE -- SALES: 8 CARS 40# BLOCKS: 1 @ \$1.4800, 1 @ \$1.4825, 6 @ \$1.4900; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4900; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7500; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 15 CARS GRADE AA: 6 @ \$2.1200, 1 @ \$2.1275, 1 @ \$2.1400, 2 @ \$2.1600, 1 @ \$2.1550, 1 @ \$2.1525, 1 @ \$2.1500, 1 @ \$2.1400, 1 @ \$2.1300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1200; LAST OFFER UNCOVERED: NONE

THURSDAY, FEBRUARY 11, 2016

CHEESE -- SALES: 5 CARS 40# BLOCKS @ \$1.4900; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4800; 5 CARS 40# BLOCKS @ \$1.4700; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.7600; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$0.7700
 BUTTER -- SALES: 15 CARS GRADE AA: 6 @ \$2.1200, 1 @ \$2.1275, 1 @ \$2.1400, 2 @ \$2.1600, 1 @ \$2.1550, 1 @ \$2.1525, 1 @ \$2.1500, 1 @ \$2.1400, 1 @ \$2.1300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1200; LAST OFFER UNCOVERED: NONE

FRIDAY, FEBRUARY 12, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: 3 CARS 40# BLOCKS @ \$1.4900; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 5 @ \$0.7500, 2 @ \$0.7375; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7350; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$2.1100, 1 @ \$2.1075, 4 @ \$2.1100; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS**NORTHEAST**

Churning schedules are seasonally strong. Some butter manufacturers are placing emphasis on storing adequate quantities of bulk butter. Regional cream is not hard to find, which translated to a weaker multiple by midweek, as noted by some sellers in the spot market. As retail and food service outlets prepare for the Easter/Passover holiday demand, butter feature activity at the retail level appears to be lighter than last year at this time. As it stands, current butter prices at the CME are trending weaker, while a few butter market participants anticipate prices to drift even lower. Bulk butter prices for most domestic transactions are reported flat to 8 over the CME Group price, with various time frames and averages used. At the CME Group, Grade AA butter closed Tuesday at \$2.1350, up \$0.0350 from a week ago, but fell \$0.0650 over the past three sessions. According to the DMN *National Retail Report-Dairy*, during the week of February 5-11, 2016, the U.S. weighted average advertised price for 1 pound butter was \$3.32, up 29 cents from a year ago and 40 cents higher than the previous week. The weighted average butter price in the Northeast was \$3.52, up 27 cents from a week ago.

DAIRY PRODUCTS: According to NASS, U.S. butter production for December 2015 totals 177.1 million pounds, up 4.3% from last year, and 17.0% from a month ago. Butter output in the Atlantic region totals 18.0 million pounds, down 7.7% from last year, but up 26.5% from a month ago.

CENTRAL

In the Central region, cream supplies are readily available on the f.o.b. spot market. Several butter manufacturers indicate their churns are running close to full just on internal and contract cream supplies. However, a few butter producers report they have comfortable inventories on hand and are now selling some cream intakes to

maintain the current supply/demand balance. Salted and unsalted butter production is active, with comparatively larger cream volumes clearing into salted bulk butter. Demand from retailers is steady to higher as spring holiday ordering advances. Sales into manufacturing are light. Foodservice orders are steady to lower post Super Bowl. Bulk butter prices are steady, ranging from 4 cents under to 7 cents over the market, based on CME Group prices and various indices. The NASS *Dairy Products* report noted December U.S. butter production totaled 177.1 million pounds, up 4.3 percent from a year ago. January-December cumulative U.S. production totals 1.849 billion pounds, 0.4 percent behind 2014 during the same time span. December production in the Central region totaled 72.6 million pounds, 0.4 percent lower than last year. The Central region accounted for 41% of U.S. production in December. The DMN *National Dairy Retail Report-Dairy* for February 5-11 noted the national weighted average advertised price for a 1 pound package of butter was \$3.32, \$0.40 above one week ago and \$0.29 above one year ago. The weighted average price in the South Central region is \$2.96. The CME Group Grade AA butter market closed Wednesday at \$2.1250, down \$0.0350 from last Wednesday.

WEST

Western butter production is strong and running at full production schedules. Butter makers are finding plenty of cream available. In some cases, manufacturers are turning away extra loads of cream. Although inventories are long and export opportunities are very limited, domestic retail demand is still solid. Retail buyers seem willing to pay current market prices to assure coverage for the Q1 holidays. The DMN *National Retail Report-Dairy* for the week of February 5-11 found that the U.S. weighted average advertised price of 1 pound butter is \$3.32, up \$.40 from last week, and up \$.29 from one year ago.

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

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS 38% MOISTURE</u>	<u>DRY WHEY</u>	<u>NDM</u>
February 6, 2016	2,1720 5,002,906	1,5048 11,695,965	1,5102 9,478,002	2,479 7,168,735	7,735 17,448,361

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

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In the Southwest, the weighted average advertised price of 1 pound butter was \$2.99. In the Northwest the weighted average advertised price of 1 pound butter was \$3.49. Bulk butter pricing in the West this week is 2 cents under market to 3 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 \$2.1250, down \$.0350 from a week ago.

2016 U.S. Butter Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
TOTAL, JANUARY			
High Tier	4.0	+ 309.9	...
Quota	1.6	4.3	10.1

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	4.2	- 51
TOTAL, JAN – DEC	51.0	- 68
1 Saudi Arabia	16.6	- 50
2 Mexico	11.3	- 20
3 Canada	8.0	+ 28
4 South Korea	3.2	- 25
5 Iran	1.2	- 94

CHEESE MARKETS

NORTHEAST

Milk supplies are at levels that continue active cheese production at area plants. Sales remain good, as demand exceeds the expectation of a few cheese manufacturers. Supplies are starting to build for some cheese operations. The market undertone is mostly steady. Northeast cheese prices for cheddar and Muenster shifted higher \$0.0050, and process cheese prices moved higher \$0.0250. The Grade A Swiss price declined \$0.0175, a result of lagging adjustments based on Class III component prices. According to the *DMN National Retail Report-Dairy*, for February 5-11, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.19, 12 cents more the national average, but 14 cents less than the previous week. The Southeast 8 oz. block cheese price was \$2.03, 78 cents less than the previous week. Tuesday's CME Group daily cash prices saw barrels close at \$1.4650, up \$0.0150 from a week ago; blocks closed at \$1.4700, up \$0.0100 from a week ago.

DAIRY PRODUCTS: According to NASS, U.S. total cheese production in December 2015 was 1.02 billion pounds, 1.2% higher than a year ago and 2.8% above than the previous month. In the Atlantic region, total cheese production was 128.8 million pounds, 2.6% higher than a year ago and 1.8% above than the previous month. The total cheese production and percentage change from one year ago for individual Eastern states are: New York 71.1 million pounds, -2.1%; Pennsylvania 33.7 million pounds, -2.9%; and Vermont 11.4 million pounds, +5.4%.

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

Cheddar 40# Block	:	1.8800-2.1650
Process 5# Sliced	:	1.6525-2.1325
Muenster	:	1.9000-2.2500
Grade A Swiss Cuts 10 - 14#	:	3.1525-3.4750

MIDWEST

Cheese production is steady, with milk supplies remaining mostly even. Demand is slower at many packaging firms, which has rippled back to manufacturers. Concern with inventory levels is increasing in many cheese plants. Process demand is moderate. The *DMN National Retail Report-Dairy* shows that February 5-February 11 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.03, 15 cents lower than the national average. Midwest prices range from \$1.49-\$2.50. One year ago, the national price was \$2.52. For 8 ounce blocks, the Midwest average price is \$1.94, 13 cents below the national average price. Last year, the national price was \$2.47. Midwestern wholesale prices declined \$0.0175 for Swiss cuts due to a decline in the Class III price, increased \$0.0250 for process, and increased \$0.0050 for all other varieties. In CME Group trading Wednesday, barrels closed at \$1.4650, up \$0.0150 from last Wednesday and blocks closed at \$1.4900, up \$.0200.

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

Process American 5# Loaf	:	1.5525-1.9125
Brick And/Or Muenster 5#	:	1.8425-2.2675
Cheddar 40# Block	:	1.5700-1.9650
Monterey Jack 10#	:	1.8175-2.0225
Blue 5#	:	2.1100-3.0975
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6425-2.5825
Grade A Swiss Cuts 6 - 9#	:	2.6700-2.7875

WEST

Western cheese production is active and stable. Although most cheese makers say they have plenty of milk for all their processing needs, a few industry contacts report some temporary pockets of tightness for milk supplies. The occasional instances of this occurring are in areas with large concentrations of processing of other seasonal dairy products. Cheese demand is mostly steady. Any Super Bowl effect has now ended and cheese makers are hoping domestic demand can continue to be strong. Concern is building somewhat over the limited amount of export opportunities and heavy cheese inventories. The *DMN National Retail Report-Dairy* for the week of February 5-11 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.18, down \$.16 from last week, and down \$.34 from a year ago. Packs averaged \$2.31 in the Southwest and \$2.35 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.07, down \$.13 from last week, and down \$.40 from a year ago. Blocks averaged \$2.12 in the Southwest and \$2.76 in the Northwest this week. In the West, wholesale prices are up \$.0250 for process, and up \$.0050 for cheddar block, cuts, and Monterey jack. Prices are down \$.0175 for Swiss cuts. This week, a cooperative export assistance program accepted requests for 101,413 pounds of cheese. In CME Group trading Wednesday, barrels closed at \$1.4650, up \$.0150 from a week ago and blocks closed at \$1.4900, up \$.0200.

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

Process 5# Loaf	:	1.5675-1.8250
Cheddar 40# Block	:	1.5750-2.0200
Cheddar 10# Cuts	:	1.7550-1.9750
Monterey Jack 10#	:	1.7650-1.9250
Grade A Swiss Cuts 6 - 9#	:	2.7300-3.1600

FOREIGN

Domestic Swiss cheese production remains fairly steady. With sluggish sales, inventories have increased more than most varieties. U.S. wholesale domestic Swiss prices adjusted down \$0.0175 due to a decline in the Class III price. The remaining domestic foreign type cheese prices adjusted up \$0.0050 following the higher weekly average CME Group block price.

CHEESE MARKETS

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.3800	2.0375-3.5250*
Gorgonzola	3.6900-5.8900	2.5450-3.2425*
Parmesan (Italy)	-0-	3.4275-5.5175*
Romano (Cows Milk)	-0-	3.2275-5.3775*
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-	3.1900-3.5125*
Swiss Cuts Finnish	2.6700-2.9300	-0-

* = Price change.

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

BUTTER : CHEESE

	:	
02/08/16	16,413	: 91,827
02/01/16	14,496	: 91,963
CHANGE	1,917	: -136
% CHANGE	13	: -0

2016 U.S. Cheese Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
TOTAL, JANUARY			
High Tier	3.1	+ 60.1	...
Quota	19.0	+ 88.0	6.4

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	54.6	- 9
TOTAL, JAN - DEC	698.2	- 14
1 Mexico	200.3	+ 10
2 South Korea	124.7	- 20
3 Japan	75.7	- 39
4 Australia	38.2	- 3
5 Canada	29.0	- 6

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	30	0	35	0	60
SOUTHEAST STATES	0	0	0	0	0	0

Milk production in the Northeast is steady. A second winter storm in four days hit New England on Monday, and most schools were closed across the region. Travel was slow, however, no delays of milk pickups or deliveries were reported. Class I sales dipped slightly. Manufacturing supplies are slightly higher. Milk production in the Mid-Atlantic is mostly flat. Class I sales are showing a slight uptick, while Class II and III sales are level. Milk output is rising in the Southeast. Milk handlers report that bottlers are applying significant cuts to orders this week. As a result, surplus milk is being shipped to a few supporting cheese plants as cancellations of milk loads from the Mid-east occur. In Florida, temperatures are abnormally cool. Milk production is reported flat for most of the area. Sources note that bottling sales are down. Milk export shipments total 30 f.o.b. spot loads this week. According to the *DMN National Retail Report-Dairy*, for February 5-11, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.31, a 68 cents decline compared to a year ago, but up 6 cents from last week. **Condensed skim** production is steady. With the height of the ice cream production season a few weeks away, Class II demand is good. Class IV drying is also active. However, regional supplies of condensed skim are above current demand, as a result heavy volumes are being shipped to other regions. **Cream** quantities are available, though somewhat tighter than the previous week. Coming into the week, multiples were much stronger, but demand took a dive by mid-week causing a slight drop. The range for most trades occur at **1.15-1.25 multiples**, slightly higher on the bottom compared to last week. Cream cheese production is reported steady to lower for the week. Cream supplies clearing to ice cream are fairly active in the Northeast. At the CME Group, Grade AA butter closed Wednesday at \$2.1250, down \$0.0350 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 - 2.4673-2.6819

F.O.B. producing plants: Upper Midwest - 2.5317-2.6390

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

Northeast - Class II - includes monthly formula prices - .55-.86

Northeast - Class III - spot prices - .55-.75

MIDWEST

Central milk production continues its steady march higher from week to week. Handlers report there were some pockets of milk production holding steady, especially within areas hit by single digit temperatures, but the overall trend is toward seasonally higher farm milk pickups. Within the region, though, various plant operators are experiencing lower and higher intake volumes as dairy operators switch receiving plants. This is causing some additional shifting of milk to make up volumes in those processing plants losing some historical shippers. With generally clear weather throughout the week, the region did not experience any weather related closures or transportation delays. Bottled milk sales are steady to somewhat lower as school districts adjust orders to account for the upcoming holiday-shortened school week. In the *DMN National Retail Report-Dairy* for the week of February 5-11, the national average price for

gallons of milk was \$2.31, \$0.68 lower than one year ago. In the Midwest and South Central, the current weekly average prices were \$1.88 and \$2.24, respectively. Demand from cheese plant operators is steady to lower. With Super Bowl related sales completed, cheese sellers indicate they have a long stretch ahead of them to get to grilling season. Some manufacturers indicate they want to moderate cheese inventories carefully through Q1-Q2, which starts with modifying milk intakes via pushback on milk suppliers or generating f.o.b. spot sales. Spot milk prices range from \$3.00 under to \$1.50 over Class, with various delivery timeframes within the week. Cream demand is steady into Class II end uses, but lighter into Class IV. Ice cream manufacturers are pulling early in the season cream volumes. Butter plant operators at some locations are reluctant to take on additional cream as internal cream supplies are ample. Cream multiples are steady to lower, ranging from 1.18 to 1.23.

WEST

Milk production at the farm level is steadily climbing in California. Manufacturing milk volumes are heavy. Demands for Class 1 and Class 2 are seasonally active. The March 2016 Class 1 prices in California are \$15.38 in the north and \$15.65 in the south. The statewide average Class 1 price based on production is \$15.40. This price is 41 cents higher than February 2016, but \$1.28 lower than March 2015. Farm level milk output is higher in Arizona as the weather remains advantageous for the dairy herds. Bottled milk sales into retail and food service accounts are steady to higher. Sales into Class II are slightly lower this week. Condensed skim volumes moving into Class IV (butter/powder) are increasing. According to NASS, in January 2016, alfalfa conditions were mostly good to excellent in Arizona and harvesting occurred on at least 70% of the acres across the state. Compared to the previous week, milk production is steady in New Mexico. Manufacturing milk volumes moving into processing plants are improving gradually. Class I and Class II sales are unchanged. According to the *DMN National Retail Report-Dairy* for the week of February 5 to 11, the national weighted average advertised price for one gallon of milk is \$2.31, \$1.99 in the Southwest and \$2.50 in the Northwest. Pacific Northwest milk production is inching higher. Cow comfort has improved as temperatures have gone up in the last few days. Bottlers are providing a steady demand for milk. Utah and Idaho milk production is at or slightly below normal seasonal levels. Although milk supplies are mostly well balanced with milk needs, a few contacts say there are some occurrences of tightness of milk supplies. Dairy officials report some farmers are hesitant to expand their herd at this time because of higher replacement heifer costs and anticipated lower milk prices through 2016. Dairy feed supplies are plentiful for late winter and early spring needs. Most farmers expect a good carryover of feed supplies and feed costs to be favorable through the year. Cream supplies are higher throughout the West. Most of the cream is moving into butter manufacturing. Many butter processors indicate their churns are running at full capacity. Some western cream loads are clearing into the Central region. Demand from ice cream/frozen dessert manufacturers is gradually inching up. This week, multiples for all classes are lower, ranging from .98 to 1.20.

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 low/medium heat nonfat dry milk prices are mostly lower. The market tone is mixed as some participants see encouraging price trends in the futures market. Offers from manufacturers are variable as some are building inventories with confidence based on use of the futures/hedging. Other producers indicate they would like to sell additional NDM, but are finding limited interest in the marketplace. Low/medium heat NDM production is active throughout the region as milk intakes step seasonally higher. With progressively lighter interest from Classes I/III manufacturers, more farm milk is clearing through balancing plants into NDM. Low/medium heat NDM inventories are building. High heat nonfat dry milk prices are unchanged on light trading. Inventories are steady. Most sales are based on contracts. Production is light as manufacturers are opting to maximize clearing condensed skim through low/medium NDM production.

EAST: The f.o.b. price for East nonfat dry milk moved lower in a weak market. Low/medium heat nonfat production is steady. Drying is heavy, 6 to 7 days at some plants, although increasing interest in condensed skim is easing the burden. The Eastern spot market in general is quiet, apart from a block of NDM exchanging hands. Discussions that are ongoing reflect a lack of buyer interest at this point. Some expect prices to move lower and are careful not to over-expand stocks in a downward trending market. However, trades are moving through contract accounts to satisfy customers' seasonal confectionary and bakery needs. Processors report continued second quarter interest from the market. The market undertone is weak. High heat NDM prices are steady. Demand is light and mainly being filled by contracted volumes. Occasional production is adequate as dryers become available for current and short-term order fulfillment. Wednesday at the CME Group, Grade A NDM closed at \$0.7500, up \$0.0400 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7100 - .8500 MOSTLY: .7500 - .8200
HIGH HEAT: .9000 - 1.1500

NONFAT DRY MILK - WEST

F.O.B. spot prices for low/medium heat nonfat dry milk are mixed on the range, but steady on the mostly series. At this point, the market undertone is unsettled. Sales in the spot market have been slow throughout the week. Demands from buyers/end users are light. However, some processors anticipate an increase in sales during the spring holiday baking season. Production of low/medium heat NDM is higher as heavy condensed skim volumes continue to clear into dryers. Inventories are steady to building. High heat nonfat dry milk prices are steady to lower in a weaker market. Interest from the bakery sector is light. Production is intermittent based on contractual needs. Inventories are unchanged.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .6750 - .8200 MOSTLY: .6950 - .7600
HIGH HEAT: .8250 - 1.0950

U.S. NDM Exports, H.S. Code 0402100000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	101.8	+ 35
TOTAL, JAN - DEC	1,234.0	+ 3
1 Mexico	556.5	+ 24
2 Philippines	142.5	- 9
3 Indonesia	81.8	- 18
4 Vietnam	73.3	- 4
5 China	64.4	- 38

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
February 5	\$.7797	7,954,560
January 29	\$.7935	6,896,880

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, Central, shifted lower. With active clearing of cream through the churns, dry buttermilk production is active at several Central plants. However, some manufacturers are circumventing the dryers by selling condensed buttermilk to Class II plant operators. With warmer weather arriving in the southern area of the Central region, ice cream/soft serve mix production there is increasing steadily. Dry buttermilk inventories are steady to building.

EAST: Dry buttermilk prices declined in the East, in a weak market. Production remains steady as butter production supports output levels. With rising ice cream production, condensed buttermilk is clearing moderately to some operations in the region. Manufacturers of dry buttermilk are adding to inventories. Customer contracts are being filled on time. The market undertone is unsettled.

F.O.B. CENTRAL/EAST: .7400 - .8550

DRY BUTTERMILK - WEST

Dry buttermilk prices are higher on the range, but steady on the mostly series. According to some processors, ice cream makers are pulling higher volumes of condensed buttermilk. As a result, dry buttermilk supplies are slightly tight in some manufacturing plants, but adequate in others. Production is mixed throughout the region.

F.O.B. WEST: .7800 - .8500 MOSTLY: .8000 - .8200

DRY WHOLE MILK - NATIONAL

F.O.B. spot prices for dry whole milk are lower on a weaker market. Lower global prices are putting some pressure on domestic prices. Sales in the spot market have been light to moderate. Production is irregular and is mostly based on contractual needs. Inventories are steady to building. This week, a cooperative export assistance program accepted requests for 4.133 million pounds of dry whole milk.

F.O.B. PRODUCING PLANT: 1.0000 - 1.5200

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 unchanged on the range, but higher on the mostly price series. The market tone is mostly steady to firm as some contract and f.o.b. spot prices adjust to variable indices. A few manufacturers report the absence or decreased interest from usual export channels is resulting in growing inventories. With current cheese demand moving lower, some cheese makers are signaling lower interest in maintaining or increasing milk intakes. However, in some cases, increases in intakes are inevitable due to decreases in weekly sales to bottling and/or other end uses coupled with seasonally higher farm milk intakes. Recent strong availability of higher protein content WPCs has spurred additional interest in dry whey in the Central region from several feed blenders. End users indicate they've had good results purchasing from a full spectrum of sellers, including manufacturers, marketing agents, and brokers/traders. Prices for animal feed dry whey shifted higher on light trading. Most manufacturers report their inventories are limited and some loads are committed to contract fulfillment.

F.O.B. CENTRAL: .1800 - .2750 MOSTLY: .2250 - .2550
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1400 - .2150

DRY WHEY - NORTHEAST

Dry whey prices in the Northeast are steady to higher, with changes in contracts. Otherwise, few spot trades are reported. Output this week matches the region's steady to higher cheese production. Inventory levels vary, as some manufacturers diversify whey stream end products. With some orders having been pushed back, those buyers are searching other regions for dry whey product. The market undertone is unsettled.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2250 - .2750

DRY WHEY - WEST

Western whey prices are steady. Domestic demand is relatively good, but international demand is lower in countries celebrating the Chinese New Year. Some western manufacturers report inventories are stable, but fairly committed. Dry whey production is active. The market tone remains somewhat unsettled. Although there are a few indications of market improvement, there are still persistent concerns about heavy cheese and whey production across the globe, especially as dairy operations in the Northern Hemisphere enter into the spring flush.

NONHYGROSCOPIC: .2200 - .3350 MOSTLY: .2300 - .2700

U.S. Dry Whey Exports. H.S. Code 0404104000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	27.7	- 24
TOTAL, JAN - DEC	394.5	- 22
1 China	100.6	- 39
2 Mexico	45.4	- 31
3 Canada	42.1	- 4
4 Japan	32.7	+ 1
5 Philippines	30.9	+ 19

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are mostly steady to higher on light spot sale activity. A few spot sales moved the top end of the range price series up a penny. Although production schedules are steady at most processors, industry-wide production of WPC34% is lower. A number of manufacturers are choosing to make higher protein concentrations rather than WPC34%. Some manufacturers anticipate a bump in demand once the Chinese New Year passes. A few industry contacts feel WPC34% stocks in China may start reaching age limits and may need to be converted into animal feed. Inquiries have picked up over the last few weeks with brokers actively seeking WPC34%. The resale market has also been more active. Inventories are mixed. Manufacturers of WPC34% used for infant formulas say their stocks are getting tight and will continue to be in that state through the next few quarters. Inventories of WPC34% used in other applications have grown somewhat.

F.O.B. EXTRA GRADE 34% PROTEIN: .4700 - .6900 MOSTLY: .5300 - .6100

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	16.5	- 10
TOTAL, JAN - DEC	224.4	+ 1
1 China	82.8	+ 4
2 Canada	38.6	...
3 Mexico	30.2	- 17
4 Indonesia	11.9	+ 26
5 Philippines	8.8	+ 45

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 moved only slightly higher. Demand is stable. Many manufacturers report inventories are tight and some also say their lactose stocks are committed well into 2016. In an effort to meet shipping deadlines, a few manufacturers are juggling shipping schedules. Others are holding loads back. Production is relatively steady.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1800 - .3100

MOSTLY: .1800 - .2500

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
December Total	42.3	- 7
TOTAL, JAN – DEC	520.7	+ 9
1 China	83.9	+ 9
2 New Zealand	70.2	- 12
3 Mexico	68.2	+ 28
4 Australia	41.8	+ 67
5 Japan	41.8	- 5

CASEIN - NATIONAL

Casein prices are steady this week. With no GDT event until next week, Oceania pricing is limited to few and occasional spot transactions. Contractual commitments are being met globally according to traders and manufacturers. Seasonal casein output in the EU is just underway.

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: 2.5000 - 3.3500
ACID: 2.7300 - 3.5000

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

	2016 WEEKLY	2016	2015 WEEKLY	2015
<u>WEEK ENDING</u>	<u>DAIRY COWS</u>	<u>CUMULATIVE DAIRY COWS</u>	<u>DAIRY COWS</u>	<u>CUMULATIVE DAIRY COWS</u>
01/23/2016	62.2	3,147.2	65.5	3,050.0

WEBSITE: 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
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
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44

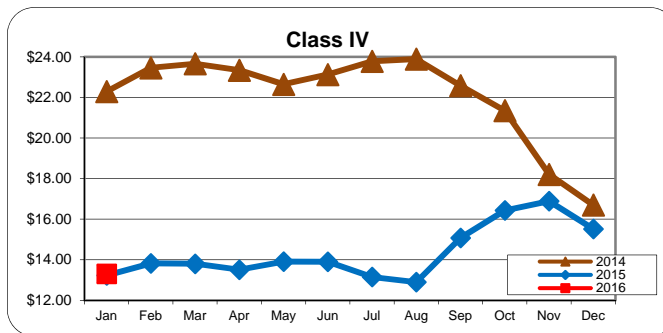
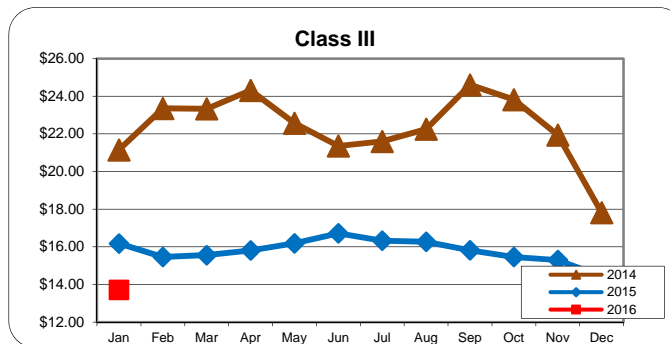
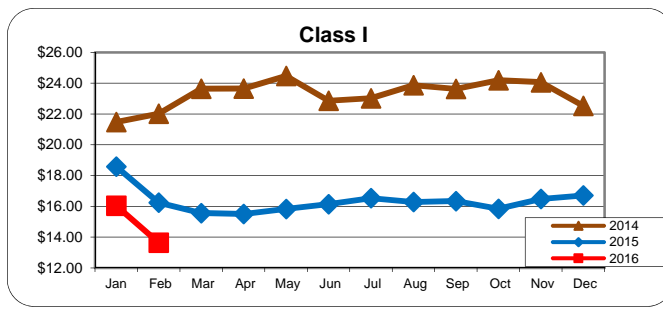
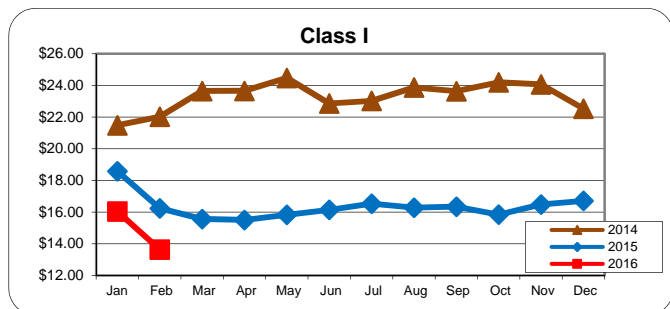
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52

FEDERAL MILK ORDER CLASS PRICES FOR 2016 (3.5%)

[illegible]

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



ORGANIC DAIRY MARKET NEWS

Information gathered February 1 - 12, 2016

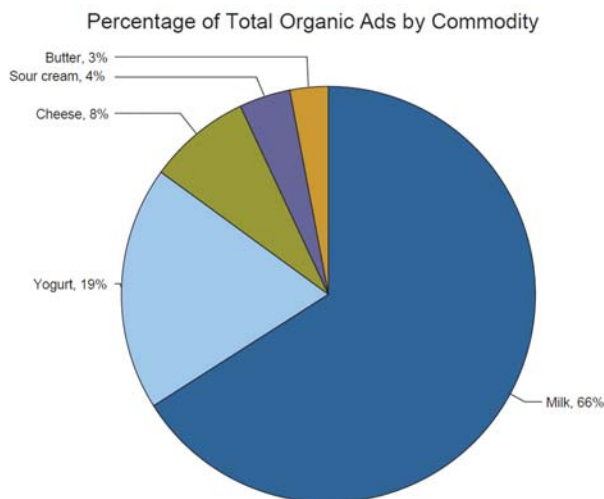
ORGANIC DAIRY FLUID OVERVIEW

Milk Product Sales. AMS reports total organic milk products sales for December 2015, 214 million pounds, were down 1.3% from December last year. As well, year to date sales are down 2.2%, compared with year to date sales last year at this time. Lower monthly organic dairy products sales than during the prior year at this magnitude has not happened other years during the period 2011 through 2015. Of current concern is that many of the lower production 2015 months tend to be later in the year, when production was more supported by current pastures than over winter months when more stored feed was needed. The relatively poorer showing for prime pasturing months has increased concern with the quality and adequacy of hay and feed currently stored in terms of getting through to the next pasture season.

Winter Views. Nationwide, lower fuel and electricity costs have been a positive development for many organic dairy producers, helping to marginally increase net returns. Following a period of higher feed costs, this is welcome. For many producers there has been some moderation in feed costs – important over winter months. Even so, there are a number of producers who have sold young stock to reduce the need for some forage purchases. The downside is the lack of herd expansion and resulting increases in organic milk production. The nationwide trend of conventional dairy producers increasing herd sizes and thus adding acreage has led to competition for good land that some organic producers would also like to acquire. In areas good for dairy production, conventional producers who do not face the added costs of transitioning acreage over several years into being certified organic, are often better financially situated to bid more for desirable dairy acreage. This is a challenge to increasing organic milk production in some good dairy regions.

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk accounts for 66% of organic dairy ads, organic yogurt 19%, organic cheese 8%, organic sour cream 4%, and organic butter 3%.



Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from February 12-18, 2016 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 \$3.71, up 15 cents from last year, but down 2 cents from last week. Ads appeared in all regions except Alaska.

Organic Milk 8 Ounce UHT. The U.S. weighted average advertised price of organic 8 ounce UHT milk is \$1.00, up 6 cents from last week. Ads appeared in the Northeast region.

8 Ounce Block Organic Cheese. The U.S. weighted average price of 8 ounce cheese blocks is \$4.84, up 85 cents from last week. Ads appeared in the South Central region.

8 Ounce Shred Organic Cheese. The U.S. weighted average price of 8 ounce cheese shreds is \$3.99, up 56 cents from a week ago. Ads appeared in the South Central and Northwest regions.

4-6 Ounce Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.25, up 26 cents from one year ago, but down 12 cents from last week. Ads appeared in the Northeast and South Central regions.

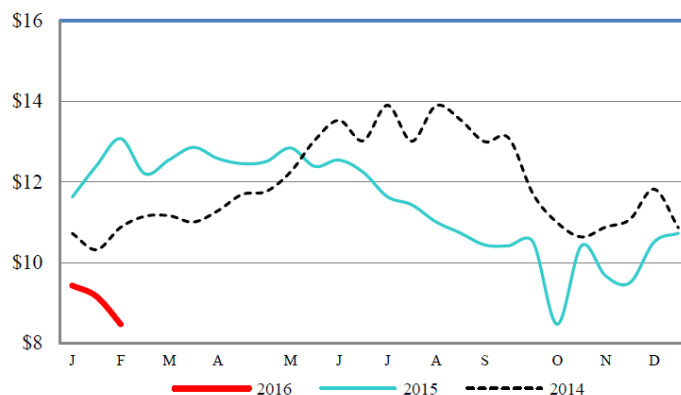
32 Ounce Organic Yogurt. The U.S. weighted average price of 32 ounce organic Greek yogurt is \$4.49, down \$2.04 from one year ago and down 67 cents from last week. Ads appeared in the Northwest region.

1 Pound Organic Butter. The U.S. weighted average price of 1 pound organic butter is \$4.99, unchanged from last week. Ads appeared in the Northwest region.

ORGANIC GRAIN AND FEEDSTUFF MARKETS:

Organic grains traded moderately with light demand. Organic feed grade corn traded slightly lower with active trading. Trade activity was spotty for organic feed grade soybeans, with steady to slightly lower undertones. Limited trades occurred for soybean meal, roasted -soybeans, oats and barley. Import volumes of organic wheat from Canada are affecting domestic wheat trade activity due to a low Canadian dollar value. A strong U.S. dollar is increasing import volumes. Organic corn contracts for 2016 are reflecting lower prices than the previous year.

National Organic Feed Corn Prices (\$/bu)



Organic Spot Market Negotiated Grain Prices

Organic Commodity	Price Range	Average**
Corn*: Feed Yellow	8.35 – 9.25	8.47

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

**Weighted average price.

December Milk Sales

During December 4.3 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.3 percent lower than December 2014. Estimated sales of total conventional fluid milk products decreased 1.3 percent from December 2014 and estimated sales of total organic fluid milk products decreased 1.3 percent from a year earlier.

Estimated Total U.S. Sales of Fluid Milk Products, December 2015, with Comparisons ^{1,4}				
Product Name	Sales		Change from: ²	
	Dec	Year to Date	Previous Year	Year to Date
	(million pounds)		(percent)	
Conventional Production Practice				
Whole Milk	1,240	13,776	4.3	4.1
Flavored Whole Milk	54	577	7.9	7.1
Reduced Fat Milk (2%)	1,390	15,899	-2.9	-6.4
Low Fat Milk (1%)	593	7,143	-2.6	5.7
Fat-Free Milk (Skim)	427	5,263	-11.3	-10.4
Flavored Fat-Reduced Milk	301	3,703	1.6	1.9
Buttermilk	47	516	0.4	5.6
Other Fluid Milk Products	51	150	-6.8	-5.8
Total Fat-Reduced Milk ³	2,711	32,009	-3.8	-3.7
Total Conventional Milk Products	4,104	47,028	-1.3	-1.3
Organic Production Practice				
Whole Milk	76	817	9.5	9.4
Reduced Fat Milk (2%)	66	730	8.7	-0.9
Low Fat Milk (1%)	38	442	-5.5	-6.5
Fat-Free Milk (Skim)	27	345	-17.6	-14.6
Flavored Fat-Reduced Milk	7	101	-49.7	-20.9
Other Fluid Milk Products	0	2	----	----
Total Fat-Reduced Milk ³	138	1,618	-6.4	-7.1
Total Organic Milk Products	214	2,437	-1.3	-2.2
Total Fluid Milk Products	4,318	49,465	-1.3	-1.4

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 The California Department of Food and Agriculture (CDFA) clarified reporting instructions starting in July 2015, for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior years less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352.

Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, December 2015, with Comparisons ¹					
Marketing Area	Order Number	Sales		Change from: ²	
		Dec	Year to Date	Previous Year	Year to Date
		(million pounds)		(percent)	
Northeast	001	745	8,457	-2.5	-0.6
Appalachian	005	279	3,249	-1.2	-0.4
Florida	006	240	2,732	1.4	0.3
Southeast	007	387	4,534	-1.8	-1.1
Upper Midwest	030	333	3,768	-1.7	-3.0
Central	032	370	4,161	-0.7	-2.3
Mideast	033	484	5,458	-0.6	-1.1
Pacific Northwest	124	176	2,004	-0.1	-1.2
Southwest	126	384	4,442	2.5	0.6
Arizona	131	96	1,084	-0.6	-1.7
California ³	---	480	5,613	-4.8	-4.3
All Orders (Total)		3,493	39,895	-0.8	-1.0
All Areas (Total)		3,973	45,508	-1.3	-1.4

¹ These figures are representative of the consumption of total fluid milk products in the respective area; see footnote ³ above for the products included. ² Percent changes, as well as sales volumes, are shown on an unadjusted basis. ³ See footnote ⁴ in the above table regarding California sales.

Source: U.S. Department of Agriculture. California Department of Food and Agriculture.

February Milk Supply and Demand Estimates

The milk production forecast for 2016 is raised from last month as the cow herd is adjusted slightly to reflect the January 1 dairy cow inventory reported in USDA's *Cattle* report and milk per cow is raised for the first quarter. Beginning stocks are raised from last month as cheese stocks at the end of 2015 were high. Both fat basis and skim-solids exports for 2016 are reduced from last month reflecting continued pressure on cheese, nonfat dry milk (NDM), whey, and lactose exports, due to large global supplies and a relatively strong dollar. Imports are unchanged from last month. For 2015, production, trade, and stock estimates are updated based on data through December. Product price forecasts for NDM and whey are forecast lower as U.S. prices continue to reflect weakness in international markets. The butter price forecast is raised as domestic demand remains strong. The cheese price forecast is unchanged from last month, although the range is narrowed. The Class III price is lowered on lower whey prices. The Class IV price is down as a lower NDM price more than offsets a higher butter price. The all milk price is forecast at \$15.30 to \$16.00 per cwt.

U.S. Milk Supply and Use					
Commodity	2014	2015 Estimated		2016 Projected	
		Jan	Feb	Jan	Feb
Milk	<i>(billion pounds)</i>				
Production	206.0	208.4	208.5	211.8	211.9
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	11.2	11.2	12.8	13.3
Marketings	205.1	207.4	207.5	210.8	210.9
Imports	4.3	5.8	5.7	5.9	5.9
Total Commercial Supply	220.6	224.5	224.4	229.6	230.1
Fat Basis Use					
Commercial Exports	12.4	8.7	8.8	8.6	8.3
Ending Commercial Stocks	11.2	12.8	13.3	12.0	12.2
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	196.9	203.0	202.4	209.0	209.6
Skim-Solid Basis Supply					
Beginning Commercial Stocks	11.7	13.1	13.1	14.0	13.8
Marketings	205.1	207.4	207.5	210.8	210.9
Imports	5.6	6.0	5.9	6.2	6.2
Total Commercial Supply	222.4	226.5	226.6	231.0	230.9
Skim-Solids Basis Use					
Commercial Exports	39.1	37.3	37.3	37.7	37.0
Ending Commercial Stocks	13.1	14.0	13.8	14.0	14.0
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	170.2	175.2	175.4	179.3	179.8

NOTE: Totals may not add due to rounding.

Continued on page 11

February Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices						
Commodity	2014	2015 Estimated		2016 Projected		
		Jan	Feb	Jan	Feb	
Product Prices ¹	(dollars per pound)					
	Cheese	2.1551	1.6454	1.6454	1.545-1.625	1.550-1.620
	Butter	2.1361	2.0670	2.0670	1.890-2.000	1.990-2.090
	Nonfat Dry Milk	1.7682	0.9016	0.9016	0.865-0.925	0.775-0.835
	Dry Whey	0.6538	0.3804	0.3804	0.240-0.270	0.230-0.260
Milk Prices ²	(dollars per cwt)					
	Class III	22.34	15.80	15.80	14.05-14.85	14.05-14.75
	Class IV	22.09	14.35	14.35	13.35-14.25	13.00-13.80
	All Milk ³	23.97	17.08	17.08	15.35-16.15	15.30-16.00
	Quarterly					
	2015 IV	2016 I ⁴	2016 II ⁴	2016 III ⁴	2016 IV ⁴	
Milk Production	(billion pounds)					
	51.2	52.9	54.0	52.5	52.4	
	(dollars per cwt)					
	All Milk Price ^{2,3}	17.70	15.50-15.80	14.60-15.20	15.35-16.25	15.80-16.80
	Class III Price ²	15.07	13.55-13.85	13.70-14.30	14.50-15.40	14.40-15.40
Class IV Price ²	16.28	13.15-13.55	12.75-13.45	13.05-14.05	13.05-14.15	

¹ Simple average of monthly prices calculated from AMS weekly average dairy product prices for class price computations. Details may be found by going to <http://www.ams.usda.gov/rules-regulations/mmr/dmr>; scroll down to Publications, National Dairy Products Sales Reports, and select Current Release & Archives.” ² Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test. ³ Does not reflect any deductions from producers as authorized by legislation. ⁴ Projection.

Source: U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates*, WASDE-550, February 9, 2016. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Roger Cryan, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].

FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, ANNUAL 2015

HIGHLIGHTS. Handler reports of receipts and utilization under the Federal milk order system for 2015 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During 2015, more than 126.1 billion pounds of milk were received from Federally pooled producers. This volume of milk is 2.5 percent lower than the 2014 pooled volume. Regulated handlers pooled 41.206 billion pounds of producer milk as Class I products, down 0.5 percent when compared to the previous year. Class I utilization decreased in 6 Federal Milk Order Marketing areas, remained essentially the same in the Southeast Federal Milk Order Marketing area, and increased in 3 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 33%, Class II = 14%, Class III = 40%, and Class IV = 14%. The weighted average statistical uniform price was \$16.70 per cwt, \$6.84 lower than 2014's \$23.54.

Price and Pool Statistics for Federal Milk Order Marketing Areas for the Year 2015

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes ³				Uniform Price ²
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		(million lbs)	(percent)	(million lbs)	(percent)	(percent) ³				(\$ per cwt)
Northeast (Boston)	001	26,039	1.0	8,943	-2.0	34	24	24	18	17.14
Appalachian (Charlotte)	005	5,646	0.9	3,871	2.3	69	16	5	10	18.57
Florida (Tampa)	006	2,741	-1.1	2,319	-1.0	85	11	2	3	20.90
Southeast (Atlanta)	007	5,205	-1.6	3,906	0.0	75	13	6	6	19.27
Upper Midwest (Chicago)	030	30,318	-7.5	3,502	-2.4	12	6	79	3	15.91
Central (Kansas City)	032	14,476	-3.9	4,803	-0.3	33	11	42	14	16.13
Mideast (Cleveland)	033	18,376	6.2	6,279	0.5	34	20	28	17	16.24
Pacific Northwest (Seattle)	124	6,646	-15.8	1,980	-2.1	30	8	21	41	15.67
Southwest (Dallas)	126	11,891	-2.0	4,293	-0.4	36	10	43	11	17.01
Arizona (Phoenix)	131	4,788	-0.3	1,310	1.8	27	11	25	36	16.03
All Market Average or Total ³		126,126	-2.5	41,206	-0.5	33	14	40	14	16.70

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

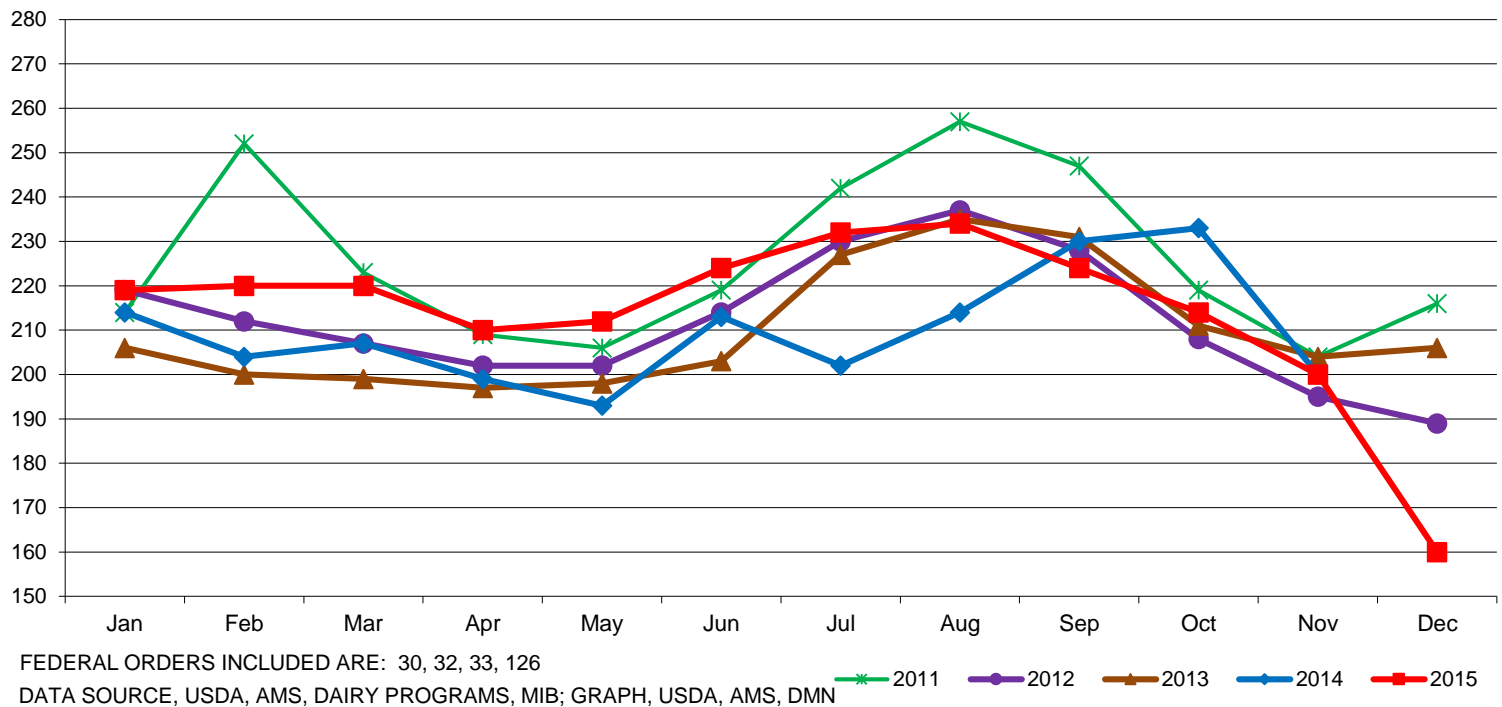
² Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

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

Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932.

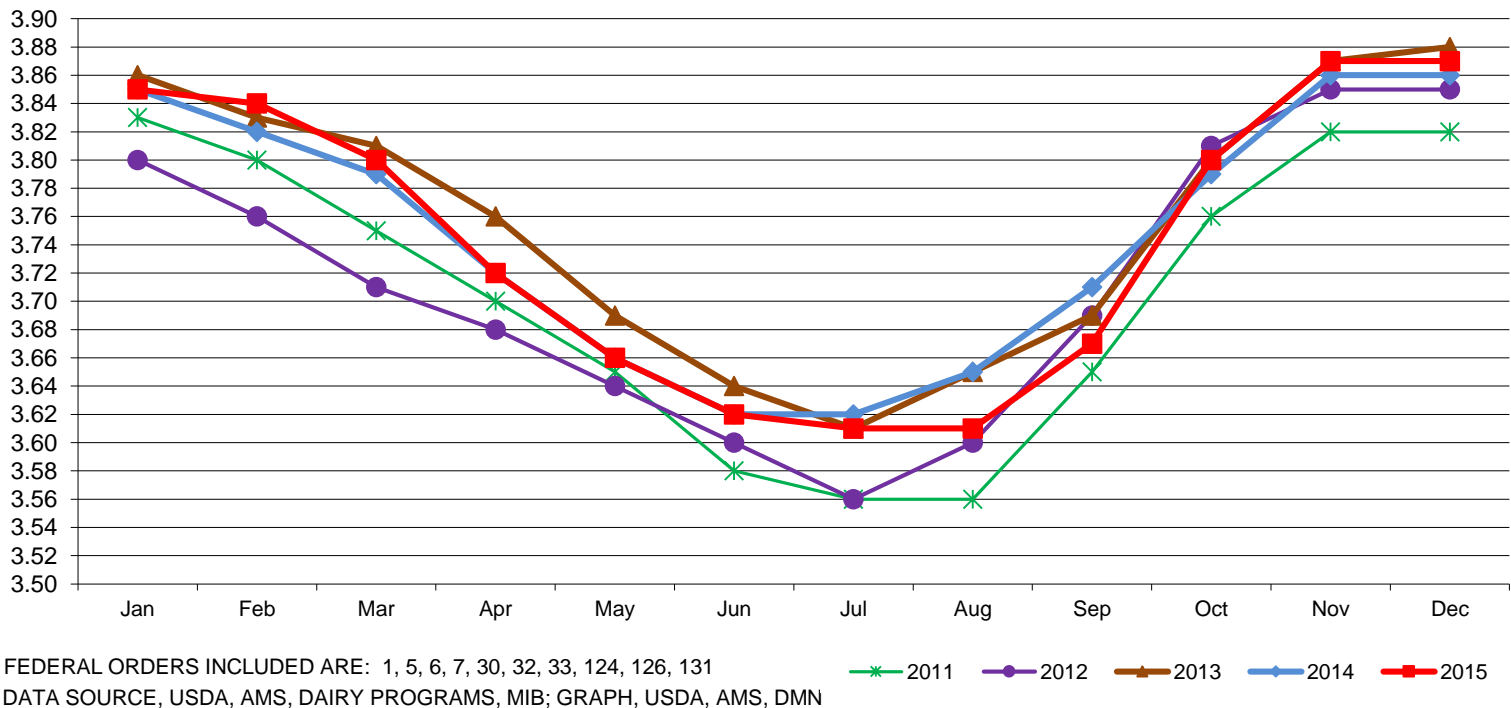
Average Somatic Cell Count of Producer Milk in Four Federal Milk Orders Combined

THOUSANDS

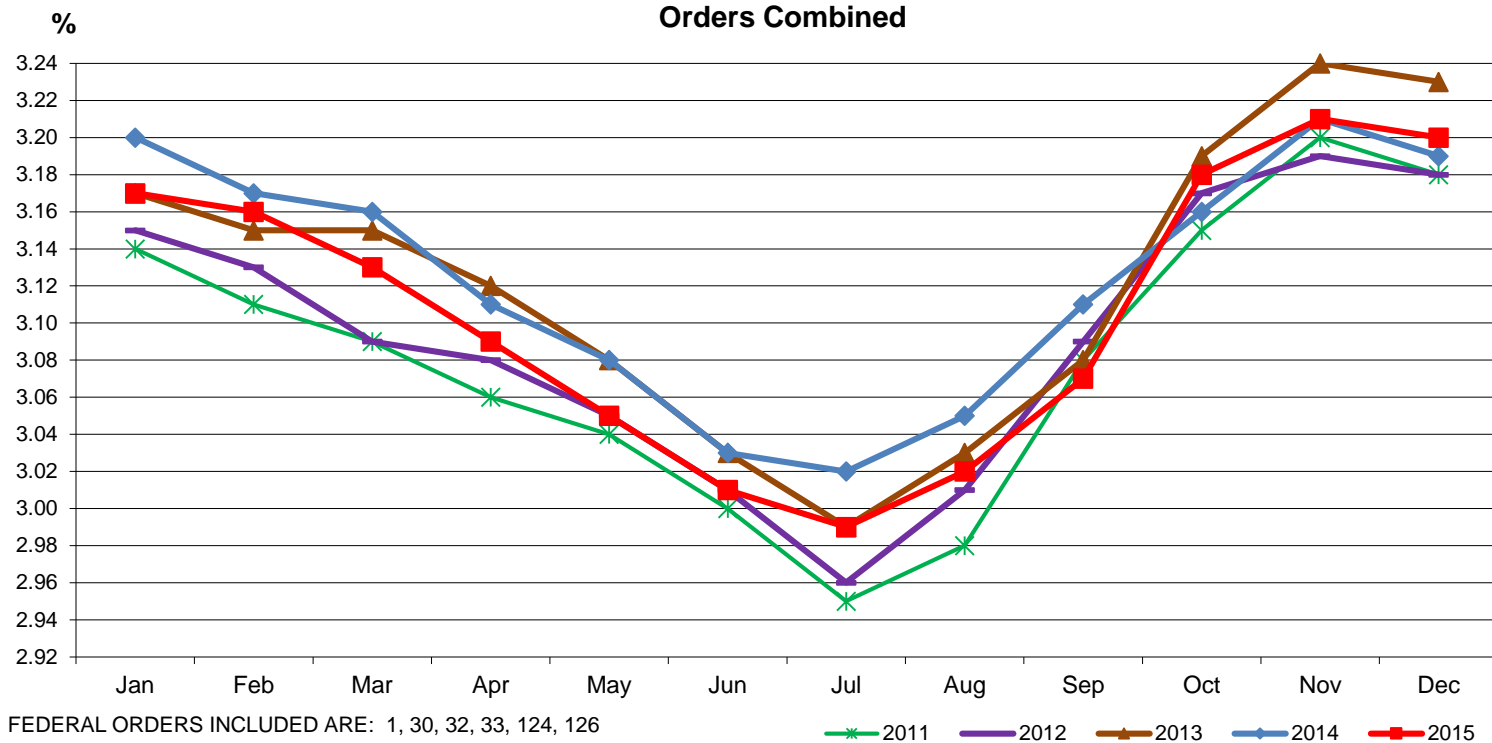


Average Butterfat Test of Producer Milk in All Federal Milk Orders Combined

%



Average Protein (True) Test of Producer Milk in Six Component Pricing Federal Milk Orders Combined





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Volume 83- Number 6

Issued Weekly

Friday, February 12, 2016

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 02/12/2016 to 02/18/2016

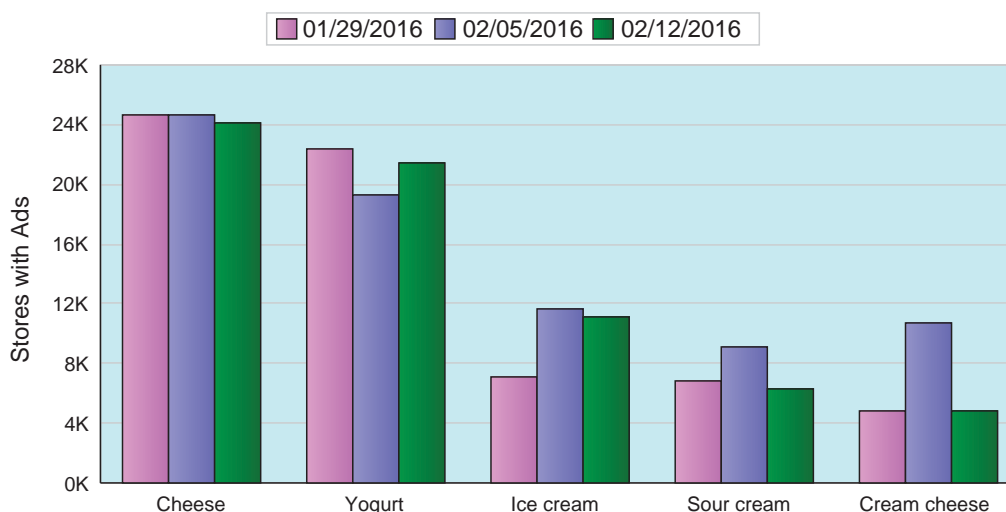
The total volume of conventional dairy ads decreased 6%, and organic dairy ads decreased 20% this week. For conventional dairy advertisements, Greek yogurt in 4-6 ounce containers had the largest volume of ads, followed by 48-64 ounce ice cream and 8 ounce blocks of cheese. Advertisements for 1 pound packages of cheese, shred and blocks, had the largest percentage increase, 2,419% and 609% respectively. Some stores also ran wine and specialty cheese pairing specials for Valentine's Day. Ads for 1# packages of butter increased 47%, with an average weighted price of \$3.29.

The average price for conventional yogurt in 4-6 ounce packages is \$.49, down 3 cents from last week and down 1 cent from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down 5 cents from both last week and a year ago. The average prices of 4-6 ounce organic yogurt and organic Greek yogurt were \$.99 and \$1.25 respectively. Conventional yogurt ad numbers increased 16% from last week. Organic yogurt ads are down 47% from the previous week.

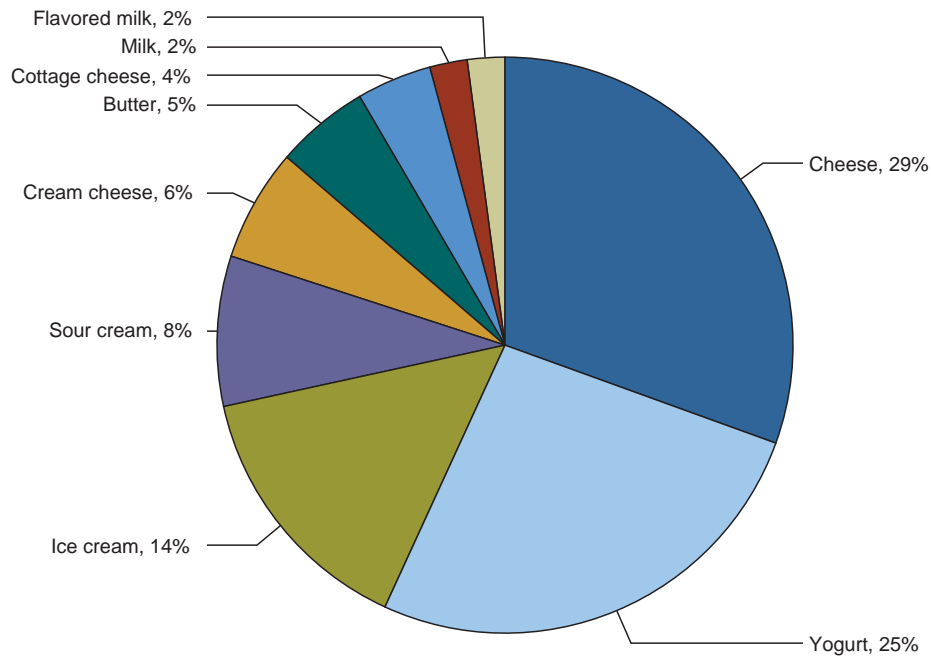
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.22, up 15 cents from last week, but down 14 cents from a year ago; 8 ounce shred cheese averaged \$2.22, up 4 cents from last week, but 25 cents below one year ago. Organic 8 ounce blocks averaged \$4.84, while 8 ounce shred cheese averaged \$3.99. Advertisements for conventional cheese were down 2%, and organic cheese ads dropped 42% from last week.

The price spread between organic and conventional half gallon milk is \$2.65. The price spread is the difference between national weighted average prices for organic, \$3.71, and conventional, \$1.06. Conventional milk ads decreased by 27% from last week, while organic ads increased by 12%.

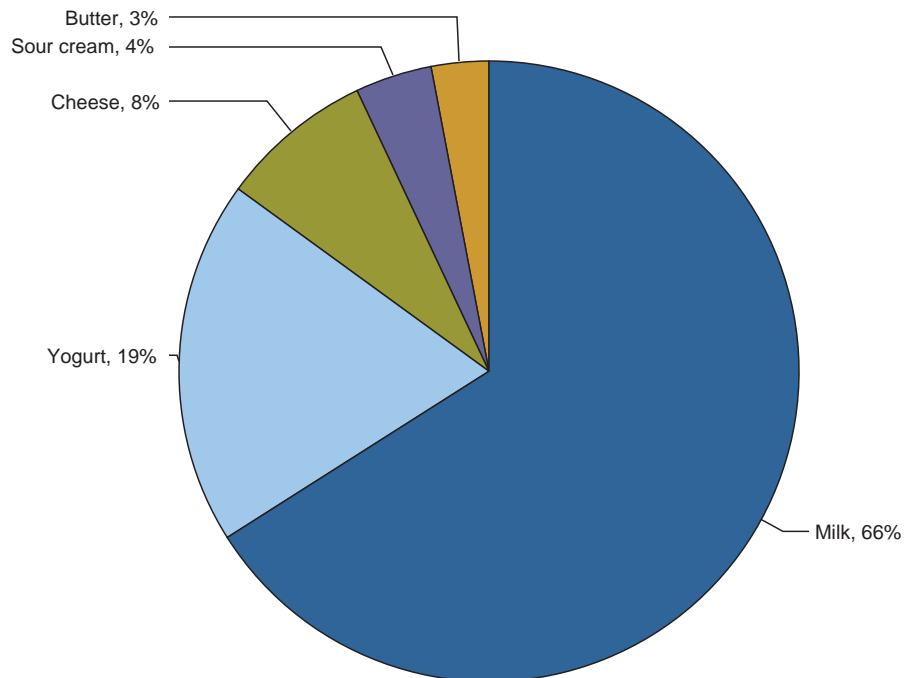
Top 5 Commodities Featured



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





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 #	4024	3.29	2731	3.32	5337	3.62
Cheese	Natural Varieties	8 oz block	8909	2.22	9304	2.07	6986	2.36
Cheese	Natural Varieties	1 # block	3777	3.95	533	3.07	1340	3.81
Cheese	Natural Varieties	2 # block	190	6.04	1361	6.33	1295	8.07
Cheese	Natural Varieties	8 oz shred	7807	2.22	12829	2.18	11188	2.47
Cheese	Natural Varieties	1 # shred	3073	3.83	122	3.99	1460	3.98
Cottage cheese		16 oz	3568	1.83	2822	1.79	1654	2.24
Cream cheese		8 oz	4863	1.96	10735	1.71	4168	2.19
Flavored milk	All fat tests	half gallon	1058	1.71	608	2.42	200	2.63
Flavored milk	All fat tests	gallon	413	2.84	829	3.15	357	3.99
Ice cream		48-64oz	11134	3.03	11467	2.94	10584	3.22
Milk	All fat tests	half gallon	296	1.06	226	2.13	396	1.92
Milk	All fat tests	gallon	1640	2.33	2444	2.31	2368	3.44
Sour cream		16 oz	6187	1.72	8996	1.67	1927	1.72
Yogurt	Greek	4-6 oz	13330	.92	11040	.97	12436	.97
Yogurt	Greek	32 oz	913	4.43	1533	4.09	1015	5.19
Yogurt	Yogurt	4-6 oz	4862	.49	3957	.52	10550	.50
Yogurt	Yogurt	32 oz	1579	2.76	1232	2.24	549	2.41

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 #	2.50-5.49	1197	3.75	3.00-3.99	1511	3.68	2.50-3.00	373	2.86
Cheese	Natural Varieties	8 oz block	1.49-3.50	2493	2.19	1.99-2.99	1214	2.21	1.50-3.50	1699	2.16
Cheese	Natural Varieties	1 # block	3.50-5.99	317	4.27	3.50-3.79	1186	3.54	3.79-3.99	759	3.92
Cheese	Natural Varieties	8 oz shred	1.88-2.99	1395	2.20	1.99-2.99	902	2.19	1.66-2.50	1354	2.06
Cheese	Natural Varieties	1 # shred	3.50	110	3.50	3.50-3.79	1186	3.54	3.79-3.99	579	3.90
Cottage cheese		16 oz	1.50-2.99	1605	2.07	1.50	1002	1.50	1.00-2.00	467	1.25
Cream cheese		8 oz	1.50-2.50	1473	1.89	2.00-2.50	1170	2.04	1.00-2.29	595	1.54
Flavored milk	All fat tests	half gallon	2.99	137	2.99				0.99-2.00	500	1.13
Flavored milk	All fat tests	gallon							2.99	106	2.99
Ice cream		48-64oz	2.00-3.49	2353	2.76	2.00-3.99	3231	2.91	1.88-4.49	2380	3.16
Milk	All fat tests	half gallon							1.00	110	1.00
Milk	All fat tests	gallon	2.99-4.39	266	3.30	2.39	184	2.39	1.79-2.49	403	1.99
Sour cream		16 oz	0.99-2.99	2249	1.77	1.50-2.00	1212	1.58	1.00-1.99	754	1.41
Yogurt	Greek	4-6 oz	0.50-1.00	2788	.99	0.70-1.00	3350	.92	0.69-1.00	2460	.90
Yogurt	Greek	32 oz	3.99	289	3.99						
Yogurt	Yogurt	4-6 oz	0.33-0.55	2266	.50	0.50	275	.50	0.40-0.50	1138	.48
Yogurt	Yogurt	32 oz	2.49	147	2.49				1.89-3.69	1295	2.72

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 #	0.89-2.99	136	1.85	0.69-2.99	422	1.66	2.99-3.00	358	3.00
Cheese	Natural Varieties	8 oz block	1.98-2.50	1658	2.24	1.99-2.50	869	2.16	1.67-3.00	821	2.36
Cheese	Natural Varieties	1 # block	3.49-4.99	929	4.17	3.50-4.99	451	4.37	3.99	135	3.99
Cheese	Natural Varieties	2 # block	5.99	114	5.99				5.99	69	5.99
Cheese	Natural Varieties	8 oz shred	1.99-2.78	1933	2.19	1.99-2.99	1177	2.24	1.67-3.00	887	2.41
Cheese	Natural Varieties	1 # shred	3.49-3.99	550	3.72	3.50-5.99	513	4.57	3.99	135	3.99
Cottage cheese		16 oz	2.00	78	2.00	1.50-2.49	304	2.28	2.00	61	2.00
Cream cheese		8 oz	1.25-2.29	293	1.92	1.66-2.50	797	2.02	2.00-2.50	488	2.43
Flavored milk	All fat tests	half gallon	1.99-2.50	232	2.21	1.00	120	1.00	2.99	69	2.99
Flavored milk	All fat tests	gallon	1.89-3.99	273	2.39						
Ice cream		48-64oz	1.88-5.50	1492	3.37	1.99-3.99	1119	3.03	2.99-4.49	421	3.23
Milk	All fat tests	half gallon				1.00	120	1.00	1.25	66	1.25
Milk	All fat tests	gallon	1.89-2.19	340	1.99	1.85-2.29	331	2.17	2.49	105	2.49
Sour cream		16 oz	1.49-2.00	337	1.71	1.49-2.49	1010	1.97	1.69-2.00	590	1.77
Yogurt	Greek	4-6 oz	0.50-1.00	1913	.87	0.70-1.00	1773	.91	0.70-1.00	915	.92
Yogurt	Greek	32 oz				4.99	137	4.99	3.00-4.99	463	4.47
Yogurt	Yogurt	4-6 oz	0.33-0.50	544	.47	0.50	287	.50	0.40-0.60	336	.50
Yogurt	Yogurt	32 oz				3.49	137	3.49			

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 #				4.39	27	4.39
Cheese	Natural Varieties	8 oz block	2.50-3.50	70	3.00	2.00-3.99	85	3.13
Cheese	Natural Varieties	2 # block	5.99-7.49	7	7.28			
Cheese	Natural Varieties	8 oz shred	2.00-3.50	74	2.98	2.00-3.99	85	3.13
Cottage cheese		16 oz				2.79-2.88	51	2.84
Cream cheese		8 oz	3.00	23	3.00	1.69	24	1.69
Flavored milk	All fat tests	gallon				5.99	34	5.99
Ice cream		48-64oz	3.49-4.00	44	3.93	3.50-4.50	94	3.97
Milk	All fat tests	gallon	3.59	11	3.59			
Sour cream		16 oz	1.99-2.50	23	2.03	3.08	12	3.08
Yogurt	Greek	4-6 oz	0.99-1.50	63	1.30	1.00-1.50	68	1.35
Yogurt	Greek	32 oz				5.99	24	5.99
Yogurt	Yogurt	4-6 oz	0.60	9	.60	0.50-0.67	7	.57

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 #	121	4.99	229	4.99		
Cheese	Natural Varieties	8 oz block	126	4.84	84	3.99		
Cheese	Natural Varieties	8 oz shred	183	3.99	452	3.43		
Ice cream		48-64oz			244	4.99		
Milk	All fat tests	half gallon	2150	3.71	1649	3.73	305	3.56
Milk	All fat tests	gallon	242	6.98	105	6.99	1509	6.14
Milk	All fat tests	8 oz UHT	292	1.00	647	.94		
Sour cream		16 oz	167	2.99	167	2.99		
Yogurt	Greek	4-6 oz	206	1.25	867	1.37	63	.99
Yogurt	Greek	32 oz	105	4.49	458	5.16	928	6.53
Yogurt	Yogurt	4-6 oz	182	.99	178	.99	61	.99
Yogurt	Yogurt	32 oz	300	3.52				

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	3.49-4.99	441	4.52	3.99	84	3.99	2.95	588	2.95
Milk	All fat tests	8 oz UHT	1.00	231	1.00	1.00	61	1.00			
Yogurt	Greek	4-6 oz	1.25	206	1.25						
Yogurt	Yogurt	4-6 oz							0.89	119	.89
Yogurt	Yogurt	32 oz	4.29	168	4.29						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #							4.99	121	4.99
Cheese	Natural Varieties	8 oz block	4.69-4.99	126	4.84						
Cheese	Natural Varieties	8 oz shred	3.99	78	3.99				3.99	105	3.99
Milk	All fat tests	half gallon	3.99	228	3.99	2.29-4.15	601	3.40	4.29-4.49	174	4.41
Milk	All fat tests	gallon				6.98	137	6.98	6.99	105	6.99
Sour cream		16 oz				2.99	167	2.99			
Yogurt	Greek	32 oz							4.49	105	4.49
Yogurt	Yogurt	4-6 oz	1.19	63	1.19						
Yogurt	Yogurt	32 oz							2.50	121	2.50

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
Milk	All fat tests	half gallon				5.29	34	5.29
Yogurt	Yogurt	32 oz	2.99	11	2.99			

REGIONAL DEFINITIONS

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

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



Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

Volume 83 Report #06

February 12, 2016

GENERAL NUMBER

(608)557-7000

Elizabeth Frederick

(608) 557-7002

Elizabeth.Frederick@AMS.USDA.GOV

EAST

Daniel Johnson

(608) 557-7006

Daniel.Johnson@AMS.USDA.GOV

CENTRAL

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

SOUTHWEST

Angel Teran

(608) 557-7011

Angel.Teran@AMS.USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 557-7010

Mike.Bandli@AMS.USDA.GOV

ACTING NATIONAL SUPERVISOR

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

ORGANIC/INTERNATIONAL

Eric Graf

(608) 557-7005

Eric.Graf@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/market-news/dairy

MARKET NEWS PORTAL

www.marketnews.usda.gov/mnp/da-home

RECORDED INFORMATION SYSTEM

(608) 557-7000

FAX

(608) 819-0629

USDA, Dairy Market News
4600 American Parkway, STE 106
Madison, WI 53718-8334