

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (04/15)**

**BUTTER:** Grade AA closed at \$2.0700. The weekly average for Grade AA is \$2.0880 (+.0395).

**CHEESE:** Barrels closed at \$1.4100 and 40# blocks at \$1.4275. The weekly average for barrels is \$1.4220 (-.0115) and blocks, \$1.4250 (-.0095).

**NONFAT DRY MILK:** Grade A closed at \$.7250. The weekly average for Grade A is \$.7115 (+.0105).

**BUTTER HIGHLIGHTS:** Butter production continues active in all regions. Cream volumes are more than adequate for butter processing needs. As a result, many butter manufactures are avoiding buying extra cream loads in the spot market. Many processors are concentrating production on bulk butter ahead of summer and fall seasons. However, some print butter has been produced for groceries stores with private labels. Inventories continue building into cold storage. Nevertheless, some processors and secondary marketers are hesitant to place more stocks into cold storage without seeing a rise in demand. Sales into the retail sector have slowed near typical seasonal levels. In all regions, bulk butter prices are ranging from 3 cents under market to 7 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Friday closed at \$2.0700, down 5 cents from a week ago.

**CHEESE HIGHLIGHTS:** Continual rises in milk production are keeping cheese manufacturers nationwide very busy. The Northeast is experiencing modest sales. Buyers in this region are choosing to work through current inventories. Producers report comfortable stock levels with the anticipation that these inventories will be growing. Manufacturers in the Midwest feel that domestic cheese demand is good. Several producers, however, have experienced a mild decrease in sales. Producers are working hard to keep production in line with the current demand. Several West producers say milk supplies are in fairly good balance with production. Although some manufacturers report heavy commercial cheese inventories, they are not finding their current stocks overly burdensome. Industry contacts in the West report steady domestic demand but limited export opportunities. In CME Group trading Friday, barrels closed at \$1.4100, down \$.0075 from last Friday and blocks closed at \$1.4275, up \$.0075 from last Friday.

**FLUID MILK:** Farm level milk production is higher in most regions of the country as favorable weather conditions to dairy herds are boosting their comfort. However, in California and Arizona, higher

temperatures and rainy conditions are adding stress on cows. Nationwide, manufacturing milk volumes are moderate to heavy. Bottled milk sales vary throughout the country depending on the current buyers needs in every region. Condensed skim volumes are more than adequate and demand from Class II processors is steadily picking up. Cream supplies are readily available in the East and West, but mixed in the Central region. Cream volumes are mostly moving into butter manufacturing. However, ice cream makers continue pulling moderate cream loads as summer season approaches.

**DRY PRODUCTS:** The low/medium heat nonfat dry milk market undertone is weak. Spot sales in the f.o.b. market are light to moderate. Production is active as condensed skim volumes continue to increase with heavy seasonal milk output. Drying schedules for high heat nonfat dry milk are irregular as production is mostly driven by contractual needs. Spot prices for dry buttermilk are steady to lower in the East and Central region, but steady in the West. The market continues weakening. Prices for dry whole milk are mixed on an unsettled market. Demand from the confectionery sector is active. Prices for whey are unchanged in the Central region, but mixed in the Northeast and West regions. Demand is steadily waning in all regions of the country. The market tone for WPC34% is somehow unsettled. Inventories are tight, especially for highly desired brands. Lactose prices are unchanged to slightly higher. Production is active and inventories are relatively committed. Casein prices are unchanged and the market is steady.

**INTERNATIONAL DAIRY MARKET NEWS (DMN):**  
**WESTERN AND EASTERN EUROPE: Western Overview:** The European Commission Farm Council met on April 11. Present were farm ministers of member states and Commission officials. Discussion ensued about what was characterized as the "deteriorating" dairy market situation. It was announced that the previously proposed measure to allow supply management measures to be adopted by some producer organizations, cooperatives and other organizations, becomes effective on April 13. The authority for supply management will remain in effect until October 13, 2016. It was also announced that a high level forum addressing structural challenges in the EU dairy industry will occur during summer 2016. Further review of options for

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**CME GROUP CASH TRADING**

COMMODITY	MONDAY APR 11	TUESDAY APR 12	WEDNESDAY APR 13	THURSDAY APR 14	FRIDAY APR 15	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.4150 (-.0025)	\$1.4350 (+.0200)	\$1.4275 (-.0075)	\$1.4225 (-.0050)	\$1.4100 (-.0125)	:: (-.0075)	:: \$1.4220 (-.0115)
40# BLOCKS	\$1.4175 (-.0025)	\$1.4250 (+.0075)	\$1.4275 (+.0025)	\$1.4275 (N.C.)	\$1.4275 (N.C.)	:: (+.0075)	:: \$1.4250 (-.0095)
NONFAT DRY MILK GRADE A	\$.6975 (+.0075)	\$.7050 (+.0075)	\$.7150 (+.0100)	\$.7150 (N.C.)	\$.7250 (+.0100)	:: (+.0350)	:: \$.7115 (+.0105)
BUTTER GRADE AA	\$2.1700 (+.0500)	\$2.0700 (-.1000)	\$2.0700 (N.C.)	\$2.0600 (-.0100)	\$2.0700 (+.0100)	:: (-.0500)	:: \$2.0880 (+.0395)

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

Computed by Dairy Market News for international purposes. This data is available on the Internet at [WWW.AMS.USDAGOV/DAIRY](http://WWW.AMS.USDAGOV/DAIRY)

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

enhancing the status of dairy producers in the milk supply chain will be undertaken. A previously proposed measure doubling quantities of skim milk powder allowed into the intervention program, was approved by the Commission last week and is reportedly expected to be adopted by the Council next week. Other discussion occurred as to adding promotional funding for dairy products. Eurolait reports that during the week of April 4-10, 2016, 5,782 MT of cheese were offered into the 90-120 day private storage arrangement program. Cheese from the following countries was offered in the volumes shown: France 86 MT; Netherlands 4,499 MT; and United Kingdom 1,197 Mt. Total 2016 offerings through April 10 are 34,195 MT. **Eastern Overview:** In the Slovak Republic, the monthly average price of farm-gate milk declined in February to the lowest February price in the four reported years, 26,48 Euros/100 kg., according to CLAL. This is down 4.02% from January and down 11.7% from February last year. **OCEANIA OVERVIEW:** According to Dairy Australia, February 2016 milk production in **Australia** was -1.5% below February 2015. The state changes from a year earlier are: New South Wales, +0.5%; Victoria, -3.3%; Queensland, -1.3%; South Australia, -2.0%; Western Australia, +13.0% and Tasmania +2.4%. For the 2015-16 milk production season through February compared with the 2014-15 season, milk production in Australia was -0.7% lower. The state changes from a year earlier are: New South Wales, +2.2%; Victoria, -1.8%; Queensland, -2.4%; South Australia, +1.0%; Western Australia, +6.5% and Tasmania +1.0%. Victoria leads the regions in milk production to date for the 2015-16 milk season, with 65.7% of Australia's total production. Total 2016 milk production through February (in million liters), and the percentage change compared with the first two months of 2015, was: New South Wales 820.9, +2.2%; Victoria 4,585.4, -1.8%; Queensland 278.8, -2.4%; South Australia 354.2, +1.0%; Western Australia 261.9, +6.5%; Tasmania 634.8, +1.0%; and total Australia, 6,935.9, -0.7%. **New Zealand's** dairy season typically reaches peak production in late September-October. The most recently reported 2016 production volumes, February, were close to half the volumes of peak production. Production typically reaches a low point in June. According to Eurolait, New Zealand dairy exports year to date through February 2016 compared with the same period one year earlier, are: cheese +29.6%; butter +12%; skim milk powder +20%; and whole milk powder +0.4%.

**NATIONAL RETAIL REPORT-DAIRY (DMN):** This week total conventional dairy ad numbers increased 16% and organic dairy ad numbers decreased 23%. Conventional 16 oz. containers of cottage cheese and half gallons of flavored milk both had substantial rises in ad numbers this week registering at a 121% and 72% increase respectively. However, 48-64 oz. containers of ice cream and 4-6 oz. containers of Greek yogurt were the most heavily advertised times in the dairy case. One pound packages of butter had a 39% increase in ad numbers and a \$.06 decrease in price this week. The average price for conventional yogurt in 4-6 ounce packages is \$.53, up \$.07 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down \$.04 from last week. Conventional yogurt ad numbers are up 1% from last week. The average price for organic yogurt in 4-6 ounce packages is \$1.25. Organic yogurt ads are down 26% from last week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.33, down \$.09 from last week; 8 ounce shred cheese averaged \$2.50, up \$.23 from last week. There were no advertisements this week for organic cheese. Ads for all varieties and package sizes of conventional cheese are up 22%, and the weighted average price for conventional cheese experienced a 1% increase in price averaging \$2.72. The price spread between organic and

conventional half gallon milk is \$2.74. The price spread is the difference between national weighted average prices for organic, \$4.05, and conventional, \$1.31. Conventional milk ad numbers increased 4% from last week while organic milk ad numbers decreased 19%.

**FEBRUARY MILK SALES (FMMO & CDFA):** During February 4.0 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 2.2 percent higher than February 2015. Estimated sales of total conventional fluid milk products increased 1.9 percent from February 2015 and estimated sales of total organic fluid milk products increased 7.3 percent from a year earlier.

**APRIL SUPPLY AND DEMAND ESTIMATES (FMMO):** The milk production forecast is increased from last month on a slower reduction in the cow inventory and slightly faster growth in milk per cow. Fat basis exports are raised on strong exports of butterfat-containing products, but strong imports of butterfat and cheese supported an increase in the fat basis import forecast. Skim-solids exports and imports are lowered on the pace of trade to date. The butter and nonfat dry milk (NDM) price forecast are reduced from last month on relatively large supplies and continued pressure from weak international prices. Cheese and whey prices are unchanged at the midpoint, but the range is narrowed for cheese. With no change made to cheese and whey, the Class III price is unchanged at the midpoint. The Class IV price is lowered on lower butter and NDM prices. The annual all milk price forecast is unchanged at the midpoint as stronger first-half prices are offset by lower second-half price forecasts.

**2015 ANNUAL MAILBOX MILK PRICES (AMS & CDFA):** For 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.02 per cwt., \$.72 lower than the all-area average reported for 2014. The component tests of producer milk in 2015 averaged: butterfat, 3.75 percent; protein, 3.11 percent; and other solids, 5.74 percent. On an individual reporting area basis, mailbox prices decreased for all Federal order milk reporting areas, and ranged from \$19.15 in Florida to \$15.01 in New Mexico. The Florida reporting area experienced the largest annual decrease of \$7.92 per cwt, while the New Mexico reporting area experienced the lowest annual decrease of \$6.49 per cwt.

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**CME GROUP****MONDAY, APRIL 11, 2016**

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4150; 2 CARS 40# BLOCKS: 1 @ \$1.4200, 1 @ \$1.4175; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4175;  
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4275; 1 CAR 40# BLOCKS @ \$1.4300  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.6975; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 4 CARS GRADE AA: 1 @ \$2.1800, 1 @ \$2.2000, 1 @ \$2.1900, 1 @ \$2.1700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1500;  
 LAST OFFER UNCOVERED: NONE

**TUESDAY, APRIL 12, 2016**

CHEESE -- SALES: 2 CARS 40# BLOCKS: 1 @ \$1.4175, 1 @ \$1.4250; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4350; 1 CAR 40# BLOCKS @ \$1.4250;  
 LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7050; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7200  
 BUTTER -- SALES: 4 CARS GRADE AA @ \$2.0700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0700; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.0800

**WEDNESDAY, APRIL 13, 2016**

CHEESE -- SALES: 12 CARS BARRELS: 2 @ \$1.4350, 1 @ \$1.4325, 1 @ \$1.4300, 3 @ \$1.4250, 1 @ \$1.4325, 1 @ \$1.4275, 3 @ \$1.4250;  
 LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4275; 1 CAR 40# BLOCKS @ \$1.4275; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4350  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7150; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7200  
 BUTTER -- SALES: 8 CARS GRADE AA: 2 @ \$2.0650, 1 @ \$2.0675, 5 @ \$2.0700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0500; LAST OFFER UNCOVERED: NONE

**THURSDAY, APRIL 14, 2016**

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4225  
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7200, 1 @ \$0.7150; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7150;  
 LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7200  
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.0700, 1 @ \$2.0600; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0500;  
 LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.0700

**FRIDAY, APRIL 15, 2016**

CHEESE -- SALES: 4 CARS BARRELS: 1 @ \$1.4200, 1 @ \$1.4225, 2 @ \$1.4150; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4275;  
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4100  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7250; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0675; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1000

**BUTTER MARKETS****NORTHEAST**

There is little change from previous week's ample supply of cream in the region. As may be expected, in house cream volumes are more than adequate for manufacturing needs; therefore, most butter operations are bypassing surplus cream purchases. Butter outputs from regional balancing plants focus primarily on contractual requirements that address the salted variety, while unsalted runs are intermittent. Retail sales as noted by sources have slowed near typical seasonal levels. At the same time, interest from the private label sector is developing, based on buyers' near term demand projections. Bulk butter prices range 5 to 7 cents over the CME Group price, relative to various time frames and averages. According to the DMN National Retail Report-Dairy, for April 8-14, 2016 the U.S. weighted average advertised price for 1-pound butter is \$3.05, up 24 cents from last year and up 9 cents from last week. The Northeast butter price is \$2.92, a 31 cents increase from last week. The undertone of the market comprises uncertainty, as some market observers remain baffled by the strength of butter. However, after the Monday's CME \$0.0500 increase, prices retreated sharply \$0.1000 on Tuesday. The Grade AA butter price, at the CME Group, closed Tuesday at \$2.0700, up \$0.0675 from a week ago.

**CENTRAL**

Butter production is active in the Central region. Many processors are concentrating production on bulk butter. However, some print butter has been produced for groceries stores with private labels. Major parts of bulk butter inventories are building into cold storage ahead of summer and fall seasons. Requests from retailers are seasonally lower. Demand from food service is steady. Many industry participants are still confused by the recent sustained

strength of the butter price at the CME Group. At this point, the market undertone is unclear. This week, bulk butter prices are ranging from market to 6 cents over the market, with various time frames and averages used. The DMN National Retail Report-Dairy for April 8-14 noted the national weighted average advertised price for a 1 pound package of butter is \$3.05, 9 cents above one week ago, and 24 cents above one year ago. The weighted average prices the South Central region is \$2.99. Wednesday at the CME Group, Grade AA butter closed at \$2.0700, down one cent from last Wednesday.

**WEST**

Western butter makers report cream supplies are more than adequate for current needs. Churns are still active, but are beginning to slow somewhat as summer draws near. Butter processors say stocks have grown to the point that they do not want to increase inventories any further and are working hard to manage their holdings. Both manufacturers and secondary marketers are hesitant to place more into cold storage without an increase in demand. Domestic retail demand has so far provided that demand, but this too has slowed somewhat. In addition, with U.S. butter priced much higher than butter production from other countries, there are limited export opportunities. The DMN National Retail Report-Dairy for the week of April 8-14 found that the U.S. weighted average advertised price of 1 pound butter is \$3.05, up \$.09 from last week. The U.S. weighted average price was \$2.81 one year ago. In both the Southwest and the Northwest, the weighted average advertised price of 1 pound butter is \$3.50. Bulk butter pricing in the West this week is 3 cents under market to 2 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 \$2.0700, down \$.0100 from a week ago.

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

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS 38% MOISTURE</u>	<u>DRY WHEY</u>	<u>NDM</u>
April 9, 2016	1.9553 4,261,594	1.5122 12,779,579	1.5012 9,675,065	.2498 6,982,608	.7359 20,153,163

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



## CHEESE MARKETS

## NORTHEAST

With the prevailing flush, increases in milk supplies are maintaining the elevated cheese production level for most manufacturers. Overall, sales are modest. The approach of some buyers is to work through existing stocks, while monitoring the market for near-term purchase opportunities. Global interest remains somewhat weak, a reflection of price differences. Producers seem relaxed with existing stock levels, but expect current volumes to grow. Programs for aging cheese are active as supplies build. Wholesale cheese prices are trending lower. Last week, the CME Group weekly average price preceded this week's \$0.0325 reduction in the block and Munster price, along with a \$0.0150 decline in the barrels. Swiss cheese prices are unchanged.

According to the DMN *National Retail Report-Dairy*, for April 8-14 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.35, 7 cents below the national average, but 6 cents higher than the previous week. The Southeast 8 oz. block cheese price was \$2.82, up 80 cents from the previous week. Tuesday's CME Group daily cash prices saw barrels close at \$1.4350, down \$0.0075 from a week ago; blocks closed at \$1.4250, down \$0.0250 from a week ago.

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

Cheddar 40# Block	:	1.8400-2.1250
Process 5# Sliced	:	1.6350-2.1150
Muenster	:	1.8600-2.2100
Grade A Swiss Cuts 10 - 14#	:	2.9750-3.2975

## MIDWEST

Cheese production in the Midwest continues to be very active as many manufacturers report running full schedules. Processors say milk intakes are up, but not quite at spring flush levels. Domestic cheese demand has been good; however, a few cheese makers say sales are down slightly over the past few weeks. Cheese manufacturers are working hard to balance production and demand. Some Midwest cheese plants report comfortable inventory levels. However, others suggest that inventories may be heavy in secondary markets and third party warehouses. The DMN *National Retail Report-Dairy* shows that April 8-14 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.19, 8 cents lower than the national average. Midwest prices range from \$1.99-\$2.50. One year ago, the national price was \$2.35. For 8 ounce blocks, the Midwest average price is \$2.38, 4 cents below the national average price. Midwest ads are priced from \$1.99-\$3.50. Last year, the national price was \$2.40. This week, a cooperative export assistance program accepted requests for 1.614 million pounds (732 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 13.975 million pounds of cheese in export markets. In the Midwest, wholesale prices are down \$.0150 for process, and down \$.0325 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged this week. In CME Group trading Wednesday, barrels closed at \$1.4275, down \$.0150 from last Wednesday and blocks closed at \$1.4275, down \$.0050.

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

Process American 5# Loaf	:	1.5275-1.8875
Brick And/Or Muenster 5#	:	1.8100-2.2350
Cheddar 40# Block	:	1.5375-1.9325
Monterey Jack 10#	:	1.7850-1.9900
Blue 5#	:	2.0775-3.0650
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6100-2.5500
Grade A Swiss Cuts 6 - 9#	:	2.4925-2.6100

## WEST

Western cheese production is steady to higher as milk intakes continue to rise seasonally. Some manufacturers say milk supplies are in fairly good balance with processing needs. Although commercial cheese inventories are heavy, a few industry contacts report cheese stocks are not necessarily overly burdensome. All the same, neither manufacturers, nor end users, are very eager to add to the already heavy inventories. Domestic cheese demand is steady, but export opportunities are generally limited. The market tone remains a little bearish. The DMN *National Retail Report-Dairy* for the week of April 8-14 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.27, down \$.09 from last week, and down \$.08 from a year ago. Packs average \$2.33 in the Southwest and \$2.60 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.42, up \$.27 from last week, and up \$.02 from a year ago. Blocks average \$2.26 in the Southwest and \$2.38 in the Northwest this week. In the West, wholesale prices are down \$.0150 for process, and down \$.0325 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged this week. This week, a cooperative export assistance program accepted requests for 1.614 million pounds (732 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 13.975 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.4275, down \$.0150 from a week ago and blocks closed at \$1.4275, down \$.0050.

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

Process 5# Loaf	:	1.5425-1.8000
Cheddar 40# Block	:	1.5425-1.9875
Cheddar 10# Cuts	:	1.7225-1.9425
Monterey Jack 10#	:	1.7325-1.8925
Grade A Swiss Cuts 6 - 9#	:	2.5525-2.9825

## CHEESE MARKETS

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## FOREIGN

Cheese production in the EU remains at higher levels than a year ago, driven by higher milk production. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices decreased \$0.0325 following lower weekly average CME Group block prices, while the remaining prices are unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.0050-3.4925*
Gorgonzola	3.6900-5.7400	2.5125-3.2300*
Parmesan (Italy)	-0-	3.3950-5.4850*
Romano (Cows Milk)	-0-	3.1950-5.3450*
Sardo Romano (Argentine)	2.8500-4.7800	-0-
Reggianito (Argentine)	3.2900-4.7800	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.0125-3.3350
Swiss Cuts Finnish	2.6700-2.9300	-0-

\* = Price change.

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

	BUTTER	CHEESE
	:	:
04/11/16	26,129	93,432
04/01/16	25,316	94,825
CHANGE	813	-1,393
% CHANGE	3	-1

## EAST

## FLUID MILK AND CREAM

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	130	0	140	0	100
SOUTHEAST STATES	0	0	0	0	0	0

The spring flush is adding to farm milk output in both the Northeast and Mid-Atlantic regions. Bottling demand is mixed, while steady to lower. Manufacturers are working full schedule to maximize production as milk supply volumes increase. Southeast milk output is seasonally strong. A plant that had been down is now running. As such, milk handlers have been able to resolve previous distribution issues. In general, Class I sales are steady to higher as bottlers in some areas add to orders. Florida's farm production is up slightly. NASS reports indicate dryer conditions and warmer temperatures effect good cow comfort in the state. Forage growth and pasture quality is mostly fair to good in several counties. Sources expect peak levels to begin a gradual decline. Bottling sales are down, with weaker tourism noted. Milk exports shipments totaled 130 loads this week. According to the DMN *National Retail Report-Dairy*, for April 8-14, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.42, down 34 cents from last week and down 38 cents from a year ago. **Condensed skim** supplies are more than adequate. Spot transactions remain limited. Heavy volumes continue to clear to Class IV low heat nonfat dry milk production. Suppliers are more likely to dry surplus volumes rather than trade at a substantial discount. **Cream multiples** for all Classes range **1.05-1.15** this week. The cream supply is plentiful and surpasses demand, prompting a steady to lower multiple. Brokers faced some struggles moving surplus cream. Spot trading was more favorable to other regions, with most transactions occurring at the bottom of the range. Cream cheese production is fairly active. The CME Group, Grade AA butter price closed at \$2.07 on Wednesday, down 1 cent 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 - 2.0459-2.3382

F.O.B. producing plants: Upper Midwest - 2.3558-2.5401

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

Northeast - Class II - includes monthly formula prices - .30-.80

Northeast - Class III - spot prices - .20-.73

## MIDWEST

This week, farm level milk production is slightly higher throughout the Central region. The warmer weather is aiding to dairy cows' comfort. However, the butterfat component of the milk is slowly decreasing. Manufacturing milk volumes for processing are heavy in the region. Bottling demand from groceries stores, food service and educational institutions are mostly steady this week. Milk load prices are ranging from \$3.50 to \$1.50 under Class. Interest for cream from Class II processors is gradually picking up. The use of cream and condensed skim for ice cream manufacturing is seasonally increasing. Cream supplies are mixed. Some Class II manufacturers are reporting some tightness on cream supplies. On the other hand, some industry participants note enough cream volumes in the market. This week, multiples for Class II cream are steady, ranging, 1.15 to 1.24. The DMN *National Retail Report-Dairy* for April 8-14 noted the national

weighted average advertised price for one gallon of milk is \$2.42, down \$0.34 from a week ago, and \$0.38 lower than a year ago. The weighted average regional prices in the Midwest and South Central regions are \$1.92 and \$2.49, respectively.

## WEST

Compared to the previous week, milk production is steady to lower in California. Higher temperatures and rainy weather conditions are adding stress on cows. Some industry participants suggest that the state hit the peak of the flush in late March. The protein and butterfat components of the milk continue declining, gradually. Class 1 sales are mixed this week as many K-12 school pipelines are filled. However, bottled milk requests from groceries stores and food service are up. The May 2016 Class 1 prices in California are \$14.84 in the north and \$15.11 in the south. The statewide average Class 1 price based on production is \$14.85. This price is 42 cents lower than April 2016 and \$2.23 lower than May 2015. In Arizona, farm level milk output is flat to lower. Daytime temperatures around 95 degrees are starting to reduce dairy herds comfort. However, milk volumes for processing are moderate to heavy. Class I demand from retailers and food service is even this week. Condensed skim volumes moving into Class II processing facilities are strong. Milk production is steady to higher in New Mexico. The climate remains comfortable for dairy cows with temperatures averaging 77 degrees. Manufacturing milk volumes in the state are adequate. Bottled milk requests from groceries stores and restaurants are higher. Milk volumes moving into cheese manufacturing are increasing. Condensed skim volumes moving into Class II accounts are up this week. Some processing plants have repair/maintenance works with their dryers. As a result, condensed skim volumes moving into NDM manufacturing are lower. In addition, some Class III processors are cutting some milk orders due to minor operational issues. According to the DMN *National Retail Report-Dairy* for the week of April 8-14, the national weighted average advertised price for one gallon of milk is \$2.42, \$2.57 in the Southwest and \$1.79 in the Northwest. Pacific Northwest processors say milk intakes are at or near seasonal highs. Good demand from bottlers continues to take up excess milk. Milk is readily available for processing and in relatively good balance. Processors in Utah and Idaho report milk intakes are steady. Milk production is following seasonal patterns, and has yet to come into spring flush. Manufacturers say intakes are adequate for most processing needs. In the West, cream supplies are readily available for processing. After the end of the spring break in schools, bottling processing is making cream more available in the region. Demand from ice cream manufacturers is steadily increasing as summer season approaches. This week, multiples for all classes are slightly lower, ranging from 1.00 to 1.23.

## 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 moved lower through the mostly series on very moderate f.o.b. spot trading. In a somewhat quiet market this week, producers noted limited inquiries. However, buyers are interested in discounted offering, although a majority of purchases being made utilize a hand-to-mouth approach. As well, buyers are shopping other regions for competitive prices. Relative to low/medium heat NDM production, milk processors are actively drying condensed skim as volumes continue to increase with heavy seasonal milk output. The low/medium heat NDM market undertone is weak. Prices for high heat nonfat dry milk are unchanged. Domestic demand is steady. Most high heat NDM manufacturers are working stocks lower through contract fulfillment. Production is intermittent based, as dryer schedules expand for low/medium heat NDM.

**EAST:** The market price for low/medium heat nonfat dry milk in the East is lower and the market tone is weak. Inventories of low/medium heat NDM continue to expand, as minimal product exchanged hands this week in a relative slow market. Spot trading is limited. Buyers seem content with minimizing purchases, while waiting for possible lower nonfat dry milk prices, as inventory volumes increase. In general, aside from contract obligations demand is relatively light. Drying operations are actively manufacturing low/medium heat nonfat dry milk with increases in condensed skim supplies, as farm milk production picks up in the region. Slow condensed skim sales to Class III and Class II operations are also adding to dryer volumes. The price for high heat nonfat dry milk is steady. Production is restricted to producers' immediate or near-term needs. Spot loads are available, although limited. Inventories are adequate. At the CME Group, Grade A NDM closed Wednesday \$0.7150, up \$0.0250 from last Wednesday's close.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .7000 - .8325 MOSTLY: .7250 - .7600  
HIGH HEAT: .8500 - 1.0200

## NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk (NDM) prices are mixed on the range, but steady on the mostly series. The market undertone continues to be weak. Demand from the bakery sector is steadily waning. Spot sales in the f.o.b. market have been slow throughout the week. Many buyers/end users are putting pressure on the market by holding purchases until prices come down enough. Production is active as moderate to heavy condensed skim volumes continue clearing into dryers. As a result, inventories are steady to building. High heat nonfat dry milk prices are steady to lower on a light trading. Demand is sluggish. The market undertone is still weak. Drying schedules in many processing plants are irregular as production is mostly driven by contractual needs. Inventories are mixed.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .6425 - .7850 MOSTLY: .7050 - .7475  
HIGH HEAT: .8200 - 1.0725

## CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
April 8	\$.7404	8,093,869
April 1	\$.7634	7,682,719

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:** Prices for Central dry buttermilk are unchanged to lower, as the market continues a weak undertone. Active drying is boosting output as butter operations process heavy solids coming off regional production. Overall sales remain very light, as current dry buttermilk production clears loads to existing contracts and adds to growing supplies. Buyers are assessing current and future needs against where they feel future pricing will settle. Producer offerings are moderate but expected to increase as more cream converts to butter.

**EAST:** Dry buttermilk prices inched lower at the top of the range on light market activity. Dry buttermilk production has expanded at a number of processing locations. With increased farm milk intakes, the market is seeing cream supplies swell at lower multiples, which is paving the way for heavy churning and increased dry buttermilk output. Inventory levels are adequate and growing. Supplies are filling current contracts or being utilized internally. Spot sales are slow to develop, with a few offers below market noted. The undertone is steady to weak.

F.O.B. CENTRAL/EAST: .7200 - .8100

## DRY BUTTERMILK - WEST

Western dry buttermilk prices are unchanged on a weak market. The dry buttermilk supply is above the current demand of buyers. Sales activity in the f.o.b. spot market has been very quiet throughout this week. Some manufacturers are selling condensed buttermilk volumes into Class II processing instead of drying it. As a result dry buttermilk production is mixed around the region. Inventories are steady.

F.O.B. WEST: .6800 - .8000 MOSTLY: .6900 - .7900

## DRY WHOLE MILK - NATIONAL

Prices for dry whole milk continue to be mixed. Some f.o.b. spot sales pulled sharply higher the top of the range. According to some manufacturers, interest from the confectionery sector is active as Mother's Day is approaching. On the other hand, there are some processors offering supplies at 2 to 3 cents under the market, trying to clear inventories. At this point, the market tone is unsettled. Dry whole milk manufacturing is sporadic, driven by contractual requirements. Inventories vary from plant to plant. This week, a cooperative export assistance program accepted requests for 132,277 pounds of dry whole milk.

F.O.B. PRODUCING PLANT: 1.2000 - 1.3900



**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**

The whey market continues to have a weak undertone in the Central region. Prices for central whey are unchanged for the week. Manufacturers report making dry whey in line with active cheese production. In general, inventories are fairly heavy. End users say they are not looking to carry additional inventory. Buyers are accepting their contracted loads, but in some cases trying to push off a few loads to other end users. This has proven difficult because many processors are full as well. Several producers have seen buyer interest, but many feel that those interested are seeking a deal. Animal feed dry whey prices are unchanged in a quiet market. Feed manufacturers are working through existing inventories and are only purchasing materials if the price is right.

F.O.B. CENTRAL: .1800 - .2925 MOSTLY: .2200 - .2600  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1250 - .2325

**DRY WHEY - NORTHEAST**

This week, dry whey prices are fractionally lower at the top of the range. The market tone is steady to weak. Dry whey production is active as increased milk supplies expand cheese processing. Inventories vary, but producers' holdings are adequate for both contract needs and spot transactions. Cash sales are light as many traders and end users are willing to wait for a clearer picture of supply, demand and pricing.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2200 - .2825

**DRY WHEY - WEST**

West whey prices are steady to lower this week. The bottom of the price range and the top of the mostly price series edged back slightly. Although dry whey production is generally steady, a few industry contacts suggest some manufacturers are making dry whey instead of whey protein concentrates. Demand has slowed for sales outside of regular contracts. Inventories are heavy and building slowly. The market tone remains soft.

NONHYGROSCOPIC: .2200 - .2800 MOSTLY: .2300 - .2550

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices are largely steady, but moved slightly lower at the bottom of the mostly price series. The market tone for WPC34% is a little unsettled as several tiers pull the market in different directions. Inventories are a tight, especially for highly desired brands. WPC34% with characteristics that are preferred by some buyers are commanding higher prices. Meanwhile, some industry contacts report a few price-sensitive end users are substituting nonfat dry milk for WPC34% in certain applications. Manufacturers note inquiries have picked up somewhat, but it is a mix between buyers seeking coverage for favored brands and buyers shopping for deals. Production is stable at many processors. However, a few manufacturers continue to opt to either produce higher whey protein concentrations or dry whey in lieu of making WPC34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .5400 - .7300 MOSTLY: .5600 - .6500

**LACTOSE - CENTRAL AND WEST**

Lactose prices are unchanged to a smidge higher. A few spot sales moved the top of the price range up slightly. The market tone for lactose is one of firmness, steadiness, or flatness depending on perspective. A few industry contacts say 200 mesh and ground lactose or lactose with low spore counts have good demand and is creating some support to prices at the top end of the range. Manufacturers that make lower mesh or unground lactose are having a little more difficulty capturing the full interest of buyers. They say buyers are making regular purchases, but often are slower to act unless the price is right. Manufacturers report active production and relatively tight, or committed, inventories for all mesh sizes of lactose.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1800 - .3550 MOSTLY: .2100 - .2600

**CASEIN - NATIONAL**

U.S. casein prices are unchanged. The market is steady. Last week's GDT Event 161 resulted in May, June and July rennet casein contracts finalizing, but none for August, September or October. The highest pricing was for June contracts.

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: 2.0000 - 2.9000  
ACID: 2.1600 - 2.9500



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

WEEK ENDING	2016 WEEKLY DAIRY COWS	2016 CUMULATIVE DAIRY COWS	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS
03/26/2016	54.4	3,691.4	59.1	3,596.9

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
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

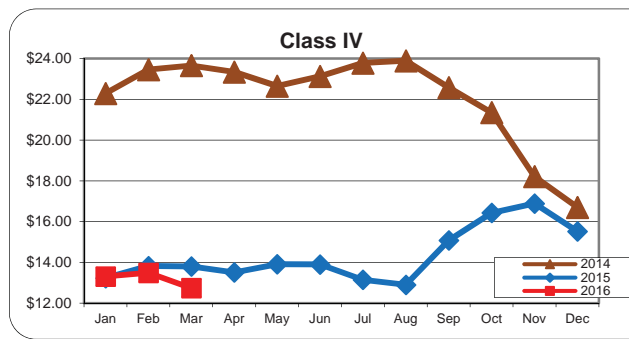
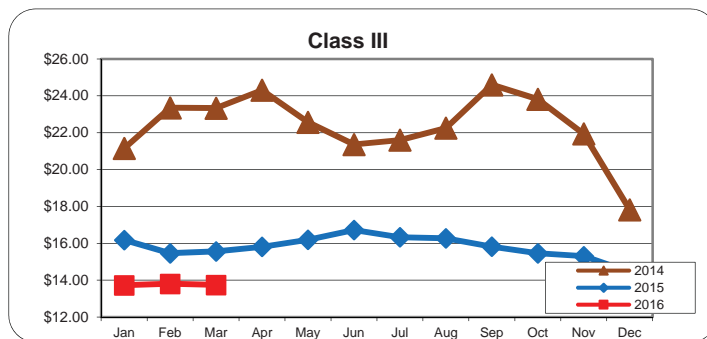
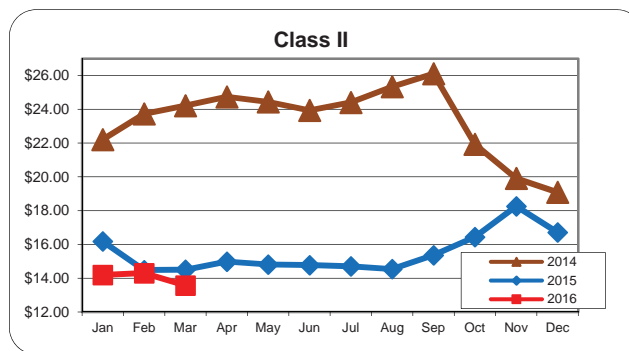
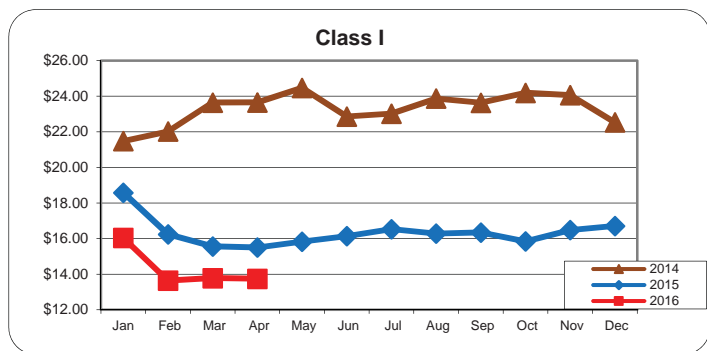
**CLASS IV MILK PRICES (3.5%)**

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%)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64	13.78	13.74								
II	14.19	14.30	13.57									
III	13.72	13.80	13.74									
IV	13.31	13.49	12.74									

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."



## INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered April 4 - 15, 2016

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

**WESTERN OVERVIEW:** The European Commission Farm Council met on April 11. Present were farm ministers of member states and Commission officials. Discussion ensued about what was characterized as the “deteriorating” dairy market situation. It was announced that the previously proposed measure to allow supply management measures to be adopted by some producer organizations, cooperatives and other organizations, becomes effective on April 13. The authority for supply management will remain in effect until October 13, 2016. It was also announced that a high level forum addressing structural challenges in the EU dairy industry will occur during summer 2016. Further review of options for enhancing the status of dairy producers in the milk supply chain will be undertaken. A previously proposed measure doubling quantities of skim milk powder allowed into the intervention program, was approved by the Commission last week and is reportedly expected to be adopted by the Council next week. Other discussion occurred as to adding promotional funding for dairy products. Eucolait reports that during the week of April 4-10, 2016, 5,782 MT of cheese were offered into the 90-120 day private storage arrangement program. Cheese from the following countries was offered in the volumes shown: France 86 MT; Netherlands 4,499 MT; and United Kingdom 1,197 Mt. Total 2016 offerings through April 10 are 34,195 MT.

**BUTTER/BUTTEROIL:** Current butter pricing in Western Europe weakened. Demand for packaged butter is at expected and seasonally normal levels. Bulk butter interest for delivery over the next several months is steady. January 2016 production compared with January 2015, was up 5.8% according to Eurostat. During the week of April 4-10, 2016, Eucolait reports that 6,818 MT of butter were offered into the 90-120 day private storage arrangement program. Butter from the following countries was offered in the volumes shown: Belgium 224 MT; Germany 879 MT; Ireland 110 MT; Spain 94 MT; France 793 MT; and Netherlands 4,718 MT. Total 2016 offerings through April 10 are 55,190 MT. Eurostat reports that January 2016 EU butter exports, 11,021 MT, were up 8% from January 2015. The top January 2016 export destinations for EU butter, volumes and percentage change from January 2015, are: United States 1.3 MT, +46%; Saudi Arabia 968 MT, -33%; and Turkey 888 MT, just over 800%.

82% BUTTERFAT: 2,450 - 2,700  
99% BUTTERFAT: 3,475 - 3,900

**SKIM MILK POWDER (SMP):** Current Western Europe skim milk powder pricing weakened slightly at the upper end of prices. Supply remains higher than demand. Buying interest for long term contracts is stronger than spot market purchases. January 2016 production compared with January 2015, was up 12.5% according to Eurostat. January 2016 EU SMP exports, 62,736 MT, were up 1% from January 2015. The top January 2016 export destinations for EU SMP, volumes and percentage change from January 2015, are: Algeria 18,234 MT, -24%; Indonesia 6,259 MT, +48%; and China 6,254 MT, +113%. Eucolait reports that the week of April 4-10, 2016, was the fourth consecutive week that no skim milk powder was offered into the 90-120 day private storage arrangement program. During 2016, 4,643 MT of SMP have entered the program. SMP from the following countries was offered in the volumes shown during 2016: Belgium 842 MT; Germany 2,512; Spain 243 MT; and France 145 MT; and Netherlands 901 MT.

1.25% BUTTERFAT: 1,650 - 1,775

**SWEET WHEY POWDER:** Current whey pricing is steady. Production of feed quality is steady while food quality production is uneven.

NONHYGROSCOPIC: 500 - 700

**WHOLE MILK POWDER (WMP):** Current Western European whole milk powder prices are steady to lower. January 2016 production compared with January 2015, was up 23% according to Eurostat. January 2016 EU WMP exports, 33,372 MT, were up 9% from January 2015. The top January 2016 export destinations for EU SMP, volumes and percentage change from January 2015, are: Oman 5,864 MT, unchanged; China 2,822 MT, up slightly over +500%; and Nigeria 2,599 MT, -12%.

26% BUTTERFAT: 1,975 - 2,150

**EASTERN OVERVIEW:** In the Slovak Republic, the monthly average price of farm-gate milk declined in February to the lowest February price in the four reported years, 26,48 Euros/100 kg., according to CLAL. This is down 4.02% from January and down 11.7% from February last year.

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 4 - 15, 2016

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

**AUSTRALIA:** According to Dairy Australia, February 2016 milk production in Australia was -1.5% below February 2015. The state changes from a year earlier are: New South Wales, +0.5%; Victoria, -3.3%; Queensland, -1.3%; South Australia, -2.0%; Western Australia, +13.0% and Tasmania +2.4%. For the 2015-16 milk production season through February compared with the 2014-15 season, milk production in Australia was -0.7% lower. The state changes from a year earlier are: New South Wales, +2.2%; Victoria, -1.8%; Queensland, -2.4%; South Australia, +1.0%; Western Australia, +6.5% and Tasmania +1.0%. Victoria leads the regions in milk production to date for the 2015-16 milk season, with 65.7% of Australia's total production. Total 2016 milk production through February (in million liters), and the percentage change compared with the first two months of 2015, was: New South Wales 820.9, +2.2%; Victoria 4,585.4, -1.8%; Queensland 278.8, -2.4%; South Australia 354.2, +1.0%; Western Australia 261.9, +6.5%; Tasmania 634.8, +1.0%; and total Australia, 6,935.9, -0.7%. **NEW ZEALAND'S** dairy season typically reaches peak production in late September-October. The most recently reported 2016 production volumes, February, were close to half the volumes of peak production. Production typically reaches a low point in June. According to Eurolait, New Zealand dairy exports year to date through February 2016 compared with the same period one year earlier, are: cheese +29.6%; butter +12%; skim milk powder +20%; and whole milk powder +0.4%.

**CHEDDAR CHEESE:** Current Oceania cheddar cheese prices firmed. This follows the April 5 GDT Event 161 which saw all traded contract periods report positive percentage changes. Dairy Australia reports Australia cheese production during January, 28,993 MT, was up 0.3% from January 2015. For the season through January, 200,731 MT were produced, 0.3% below the same period in the prior production season. Primary export destinations for New Zealand cheese January-February, 2016, according to Eurolait, with percentage of total cheese exports, were: Japan 19.1%; Australia 15.3%; and China 10.6%.

39% MAXIMUM MOISTURE: 2,450 - 2,750

**BUTTER:** Current Oceania butter prices weakened following weakness in butter contracts during GDT Event 161 on April 5. Dairy Australia reports Australia butter production during January, 6,427 MT, was down 21.2% from January 2015. For the season through January, 54,211 MT were produced, 4.5% below the same period in the prior production season. Primary export destinations for New Zealand butter January-February, 2016, according to Eurolait, with percentage of total butter exports, were: Iran 18.5%; China 14.3%; and Egypt 10.7%.

82% BUTTERFAT: 2,600 - 2,800

**SKIM MILK POWDER (SMP):** Current Oceania skim milk powder prices are steady for lower prices to lower for prices at the top of the range. Dairy Australia reports Australia SMP production during January, 20,535 MT, was down 13.1% from January 2015. For the season through January, 189,845 MT were produced, 11.9% above the same period in the prior production season. Primary export destinations for New Zealand SMP January-February, 2016, according to Eurolait, with percentage of total cheese exports, were: China 22.3%; Philippines 10.8%; and Vietnam 10.5%.

1.25% BUTTERFAT: 1,675 - 1,775

**WHOLE MILK POWDER (WMP):** Current Oceania whole milk powder prices are mixed, with the price range contracting, slightly firming at the bottom of the price range while weakening at the top. The market was characterized as bumping along the bottom. Dairy Australia reports Australia WMP production during January, 5,573 MT, was up 30.2% from January 2015. For the season through January, 54,902 MT were produced, 16.2% below the same period in the prior production season. Primary export destinations for New Zealand WMP January-February, 2016, according to Eurolait, with percentage of total WMP exports, were: China 28.9%; UEA 7.3%; and Vietnam 5.7%.

26% BUTTERFAT: 1,950 - 2,100

**Exchange rates for selected foreign currencies:  
April 11, 2016**

.0688 Argentina Peso	.0093 Japan Yen
.7595 Australian Dollar	.0567 Mexican Peso
.7753 Canadian Dollar	.6860 New Zealand Dollar
1.1409 Euro	.2667 Poland Zloty
.0151 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0567) = 17.6367 Mexican Pesos. Source: "Wall Street Journal"

## INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 161 Recap - April 5, 2016									
	Contract 1 May-16	Contract 2 Jun-16	Contract 3 Jul-16	Contract 4 Aug-16	Contract 5 Sep-16	Contract 6 Oct-16	All Contracts			
Anhydrous Milk Fat	\$3,018 -10.9%	\$3,140 7.2%	\$3,296 11.7%	\$3,164 0.8%	\$3,155 -2.9%	\$3,793 17.7%	\$3,203	6.7%		
Butter	\$2,665 -3.3%	\$2,574 -3.3%	\$2,740 -1.6%	\$2,804 1.4%	\$2,820 -3.6%	\$2,900 -2.2%	\$2,702	-2.0%		
Buttermilk Powder	n.a.	\$1,385 -8.7%	\$1,470 -5.5%	n.a.	n.a.	n.a.	\$1,395	-8.2%		
Cheddar	\$2,903 15.3%	\$2,791 10.3%	\$2,735 9.6%	n.a.	n.a.	n.a.	\$2,778	10.5%		
Lactose	n.a.	\$661 6.2%	n.a.	n.a.	n.a.	n.a.	\$661	6.2%		
Rennet Casein	\$4,225 n.a.	\$4,521 12.6%	\$4,290 8.2%	n.a.	n.a.	n.a.	\$4,438	11.8%		
Skim Milk Powder	\$1,719 -2.9%	\$1,696 0.2%	\$1,712 -0.5%	\$1,759 4.3%	\$1,727 1.3%	\$1,847 -1.4%	\$1,721	0.1%		
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Whole Milk Powder	\$2,029 5.4%	\$1,969 1.0%	\$2,003 2.8%	\$2,064 2.9%	\$2,120 -0.4%	\$2,111 -1.2%	\$2,013	1.5%		

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

US\$/Pound	Global/Dairy Trading (gDT) Event 161 Recap - April 5, 2016									
	Contract 1 May-16	Contract 2 Jun-16	Contract 3 Jul-16	Contract 4 Aug-16	Contract 5 Sep-16	Contract 6 Oct-16	All Contracts			
Anhydrous Milk Fat	\$1.3690 -10.9%	\$1.4243 7.2%	\$1.4951 11.7%	\$1.4352 0.8%	\$1.4311 -2.9%	\$1.7205 17.7%	\$1.4529	6.7%		
Butter	\$1.2088 -3.3%	\$1.1676 -3.3%	\$1.2429 -1.6%	\$1.2719 1.4%	\$1.2791 -3.6%	\$1.3154 -2.2%	\$1.2256	-2.0%		
Buttermilk Powder	n.a.	\$0.6282 -8.7%	\$0.6668 -5.5%	n.a.	n.a.	n.a.	\$0.6328	-8.2%		
Cheddar	\$1.3168 15.3%	\$1.2660 10.3%	\$1.2406 9.6%	n.a.	n.a.	n.a.	\$1.2601	10.5%		
Lactose	n.a.	\$0.2998 6.2%	n.a.	n.a.	n.a.	n.a.	\$0.2998	6.2%		
Rennet Casein	\$1.9164 n.a.	\$2.0507 12.6%	\$1.9459 8.2%	n.a.	n.a.	n.a.	\$2.0131	11.8%		
Skim Milk Powder	\$0.7797 -2.9%	\$0.7693 0.2%	\$0.7766 -0.5%	\$0.7979 4.3%	\$0.7834 1.3%	\$0.8378 -1.4%	\$0.7806	0.1%		
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
Whole Milk Powder	\$0.9203 5.4%	\$0.8931 1.0%	\$0.9086 2.8%	\$0.9362 2.9%	\$0.9616 -0.4%	\$0.9575 -1.2%	\$0.9131	1.5%		

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



## CME GROUP, INC FUTURES

Selected settling prices

Month	04/01	04/04	04/05	04/06	04/07	04/08	04/11	04/12	04/13	04/14
<b>CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)</b>										
APR 16	13.81	13.75	13.72	13.70	13.72	13.74	13.76	13.81	13.77	13.71
MAY 16	13.98	13.80	13.72	13.69	13.73	13.67	13.70	13.78	13.70	13.61
JUN 16	14.05	13.83	13.84	13.79	13.83	13.87	13.88	14.01	13.91	13.85
JUL 16	14.29	14.12	14.15	14.08	14.12	14.17	14.20	14.41	14.33	14.26
AUG 16	14.63	14.56	14.54	14.50	14.54	14.59	14.62	14.81	14.76	14.69
SEP 16	14.85	14.79	14.83	14.71	14.83	14.87	14.95	15.13	15.01	14.95
OCT 16	14.95	14.89	14.91	14.83	14.89	14.97	15.08	15.29	15.14	15.01
NOV 16	14.95	14.87	14.96	14.81	14.92	15.00	15.09	15.26	15.10	15.00
DEC 16	14.90	14.84	14.85	14.77	14.84	14.92	15.02	15.23	15.08	15.00
JAN 17	14.76	14.75	14.76	14.76	14.81	14.90	14.95	15.19	15.10	15.09
<b>CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)</b>										
APR 16	14.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76	12.76
MAY 16	12.96	12.96	13.02	13.25	13.25	13.41	13.41	13.41	13.41	13.41
JUN 16	13.28	13.29	13.36	13.60	13.60	13.95	13.95	13.95	13.95	13.95
JUL 16	13.55	13.55	13.65	13.95	14.01	14.13	14.37	14.39	14.34	14.34
<b>CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)</b>										
APR 16	198.00	198.00	198.78	203.38	201.20	203.25	204.00	200.53	201.53	201.75
MAY 16	202.75	203.30	206.00	211.00	211.10	216.10	218.00	213.00	211.48	210.00
JUN 16	205.05	205.15	209.40	214.00	214.98	219.98	221.98	216.98	214.00	212.13
JUL 16	207.03	207.03	210.58	214.60	215.63	219.00	222.70	217.70	214.50	214.03
<b>NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)</b>										
APR 16	74.55	74.55	74.13	74.28	74.48	74.48	74.48	74.60	74.15	73.85
MAY 16	76.30	75.88	76.03	76.03	75.50	75.50	75.98	75.98	76.58	76.00
JUN 16	79.30	78.95	79.00	79.03	79.00	78.80	79.50	80.00	79.50	79.60
JUL 16	81.08	81.00	81.08	82.65	83.25	82.58	83.00	83.53	83.35	83.80
<b>WHEY (Electronic-Traded) (¢/lb)</b>										
APR 16	24.25	24.23	24.25	24.25	24.25	24.25	24.75	25.00	25.00	24.93
MAY 16	24.50	24.38	24.38	24.35	24.40	24.38	24.55	24.63	24.63	24.95
JUN 16	24.75	24.68	24.68	24.68	24.93	24.93	24.93	24.93	25.13	25.13
JUL 16	24.75	24.75	24.75	24.75	24.78	25.00	25.00	25.25	25.53	26.00
<b>CHEESE CSC (Electronic-Traded) (\$/lb)</b>										
APR 16	1.53	1.52	1.52	1.51	1.51	1.52	1.52	1.52	1.52	1.51
MAY 16	1.54	1.52	1.52	1.51	1.51	1.50	1.51	1.51	1.51	1.50
JUN 16	1.54	1.53	1.52	1.52	1.52	1.52	1.52	1.53	1.53	1.52
JULY 16	1.57	1.55	1.55	1.54	1.54	1.55	1.55	1.57	1.57	1.56
AUG 16	1.60	1.60	1.59	1.59	1.59	1.59	1.59	1.62	1.61	1.60
SEP 16	1.62	1.62	1.62	1.61	1.61	1.62	1.62	1.65	1.63	1.62

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

## February Milk Sales

During February 4.0 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 2.2 percent higher than February 2015. Estimated sales of total conventional fluid milk products increased 1.9 percent from February 2015 and estimated sales of total organic fluid milk products increased 7.3 percent from a year earlier.

Estimated Total U.S. Sales of Fluid Milk Products, February 2016, with Comparisons <sup>1,4</sup>				
Product Name	Sales		Change from: <sup>2</sup>	
	Feb	Year to Date	Previous Year	Year to Date
	(million pounds)		(percent)	
Conventional Production Practice				
Whole Milk	1,141	2,361	6.6	4.3
Flavored Whole Milk	48	95	11.0	8.0
Reduced Fat Milk (2%)	1,257	2,629	-0.8	-2.7
Low Fat Milk (1%)	575	1,190	-0.4	-3.5
Fat-Free Milk (Skim)	403	835	-7.3	-10.2
Flavored Fat-Reduced Milk	360	704	13.0	5.2
Buttermilk	42	83	-0.9	-2.1
Other Fluid Milk Products	4	9	13.5	11.7
Total Fat-Reduced Milk <sup>3</sup>	2,595	5,358	-0.1	-3.2
Total Conventional Milk Products	3,830	7,906	1.9	-0.9
Organic Production Practice				
Whole Milk	75	152	18.8	16.0
Reduced Fat Milk (2%)	68	136	12.5	12.8
Low Fat Milk (1%)	35	73	-3.5	-2.5
Fat-Free Milk (Skim)	28	56	-5.0	-8.9
Flavored Fat-Reduced Milk	7	14	-22.9	-31.6
Other Fluid Milk Products	0	0	-----	-----
Total Fat-Reduced Milk <sup>3</sup>	138	279	2.0	0.7
Total Organic Milk Products	213	431	7.3	5.6
Total Fluid Milk Products	4,043	8,337	2.2	-0.6

<sup>1</sup> 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. <sup>2</sup> Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis. <sup>3</sup> Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim and flavored fat-reduced milk. <sup>4</sup> 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](mailto:Daniel.manzoni@ams.usda.gov) or 202-720-2352.

Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, February 2016, with Comparisons <sup>1</sup>					
Marketing Area	Order Number	Sales		Change from: <sup>2</sup>	
		Feb	Year to Date	Previous Year	Year to Date
		(million pounds)		(percent)	
Northeast	001	682	1,405	2.0	-1.0
Appalachian	005	266	557	-1.3	0.0
Florida	006	234	479	5.6	2.0
Southeast	007	368	773	0.9	0.0
Upper Midwest	030	321	641	6.7	-0.1
Central	032	341	703	0.9	-1.3
Mideast	033	447	926	2.6	-0.7
Pacific Northwest	124	163	333	4.4	1.3
Southwest	126	365	760	4.5	0.7
Arizona	131	89	182	3.2	0.8
California <sup>3</sup>	---	443	911	-1.2	-3.9
All Orders (Total)		3,276	6,760	2.7	-0.1
All Areas (Total)		3,719	7,670	2.2	-0.6

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

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

## April Supply and Demand Estimates

The milk production forecast is increased from last month on a slower reduction in the cow inventory and slightly faster growth in milk per cow. Fat basis exports are raised on strong exports of butterfat-containing products, but strong imports of butterfat and cheese supported an increase in the fat basis import forecast. Skim-solids exports and imports are lowered on the pace of trade to date. The butter and nonfat dry milk (NDM) price forecast are reduced from last month on relatively large supplies and continued pressure from weak international prices. Cheese and whey prices are unchanged at the midpoint, but the range is narrowed for cheese. With no change made to cheese and whey, the Class III price is unchanged at the midpoint. The Class IV price is lowered on lower butter and NDM prices. The annual all milk price forecast is unchanged at the midpoint as stronger first-half prices are offset by lower second-half price forecasts.

U.S. Milk Supply and Use					
Commodity	2014	2015 Estimated		2016 Projected	
		Mar	Apr	Mar	Apr
Milk	(billion pounds)				
Production	206.1	208.6	208.6	211.6	211.8
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	11.2	11.2	13.3	13.3
Marketings	205.1	207.7	207.7	210.6	210.9
Imports	4.3	5.7	5.7	7.0	7.5
Total Commercial Supply	220.6	224.6	224.6	230.9	231.7
Fat Basis Use					
Commercial Exports	12.4	8.8	8.8	8.2	8.4
Ending Commercial Stocks	11.2	13.3	13.3	12.4	12.7
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	196.9	202.5	202.5	210.3	210.6
Skim-Solid Basis Supply					
Beginning Commercial Stocks	11.7	13.1	13.1	13.9	13.9
Marketings	205.1	207.7	207.7	210.6	210.9
Imposts	5.6	5.9	5.9	6.4	6.2
Total Commercial Supply	222.4	226.7	226.7	230.8	230.9
Skim-Solids Basis Use					
Commercial Exports	39.1	37.3	37.3	36.3	36.2
Ending Commercial Stocks	13.1	13.9	13.9	14.1	14.1
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	170.2	175.5	175.5	180.5	180.6

NOTE: Totals may not add due to rounding.

Continued on page 12

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

U.S. Dairy Prices						
Commodity	2014	2015 Estimated		2016 Projected		
		Mar	Apr	Mar	Apr	
Product Prices <sup>1</sup>	(dollars per pound)					
	Cheese	2.1551	1.6454	1.6454	1.505-1.565	1.510-1.560
	Butter	2.1361	2.0670	2.0670	2.010-2.100	2.005-2.085
	Nonfat Dry Milk	1.7682	0.9016	0.9016	0.770-0.820	0.760-0.800
	Dry Whey	0.6538	0.3804	0.3804	0.230-0.260	0.230-0.260
Milk Prices <sup>2</sup>	(dollars per cwt)					
	Class III	22.34	15.80	15.80	13.60-14.20	13.65-14.15
	Class IV	22.09	14.35	14.35	13.05-13.75	12.90-13.50
	All Milk <sup>3</sup>	23.97	17.08	17.08	14.95-15.55	15.00-15.50
	Quarterly					
	2015 IV	2016 I <sup>4</sup>	2016 II <sup>4</sup>	2016 III <sup>4</sup>	2016 IV <sup>4</sup>	
Milk Production	(billion pounds)					
	51.3	52.8	54.1	52.5	52.4	
All Milk Price <sup>2,3</sup>	(dollars per cwt)					
	17.70	15.60-15.70	14.40-14.80	14.60-15.30	15.30-16.30	
	15.07	13.70-13.80	13.30-13.70	13.60-14.30	13.90-14.90	
	16.28	13.10-13.30	12.70-13.20	12.85-13.65	12.80-13.90	

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

**Source:** U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-552, April 12, 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].



## Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, 2015 Annual Averages, with Comparisons<sup>1</sup>

For 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.02 per cwt., \$7.02 lower than the all-area average reported for 2014. The component tests of producer milk in 2015 averaged: butterfat, 3.75 percent; protein, 3.11 percent; and other solids, 5.74 percent. On an individual reporting area basis, mailbox prices decreased for all Federal order milk reporting areas, and ranged from \$19.15 in Florida to \$15.01 in New Mexico. The Florida reporting area experienced the largest annual decrease of \$7.92 per cwt, while the New Mexico reporting area experienced the lowest annual decrease of \$6.49 per cwt.

Reporting Area <sup>2</sup>	Mailbox Milk Price <sup>3</sup>		
	2014	2015	Difference
	<i>(dollars per hundredweight)</i>		
New England States <sup>4</sup>	25.42	18.55	-6.87
New York	24.53	17.20	-7.33
Eastern Pennsylvania <sup>5</sup>	24.50	17.13	-7.37
Appalachian States <sup>6</sup>	25.44	17.90	-7.54
Southeast States <sup>7</sup>	25.87	18.16	-7.71
Southern Missouri <sup>8</sup>	24.80	17.70	-7.10
Florida	27.07	19.15	-7.92
Western Pennsylvania <sup>9</sup>	24.45	17.29	-7.16
Ohio	24.20	17.29	-6.91
Indiana	23.53	16.46	-7.07
Michigan	23.45	16.04	-7.41
Wisconsin	24.22	17.68	-6.54
Minnesota	24.21	17.46	-6.75
Iowa	24.50	17.10	-7.40
Illinois	24.50	17.31	-7.19
Corn Belt States <sup>10</sup>	22.95	16.06	-6.89
Western Texas <sup>11</sup>	22.71	16.05	-6.66
New Mexico	21.50	15.01	-6.49
Northwest States <sup>12</sup>	23.75	16.41	-7.34
All Reported Areas <sup>13</sup>	24.04	17.02	-7.02
California <sup>14</sup>	21.83	15.08	-6.75

<sup>1</sup> Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the reporting area and is reported at the average butterfat test. Mailbox price does not include any Milk Income Loss Contract (MILC) payments. Mailbox price does include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

<sup>2</sup> Information is shown for those areas for which prices are reported for at least 75 percent of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from that area.

<sup>3</sup> Figures are annual averages -- the weighted average of the monthly figures; except California, which is the simple average. <sup>4</sup> Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

<sup>5</sup> All counties to the east of those listed in footnote <sup>9</sup>.

<sup>6</sup> Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

<sup>7</sup> Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

<sup>8</sup> The counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

<sup>9</sup> The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

<sup>10</sup> Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in footnote <sup>8</sup>.

<sup>11</sup> All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

<sup>12</sup> Includes Oregon and Washington.

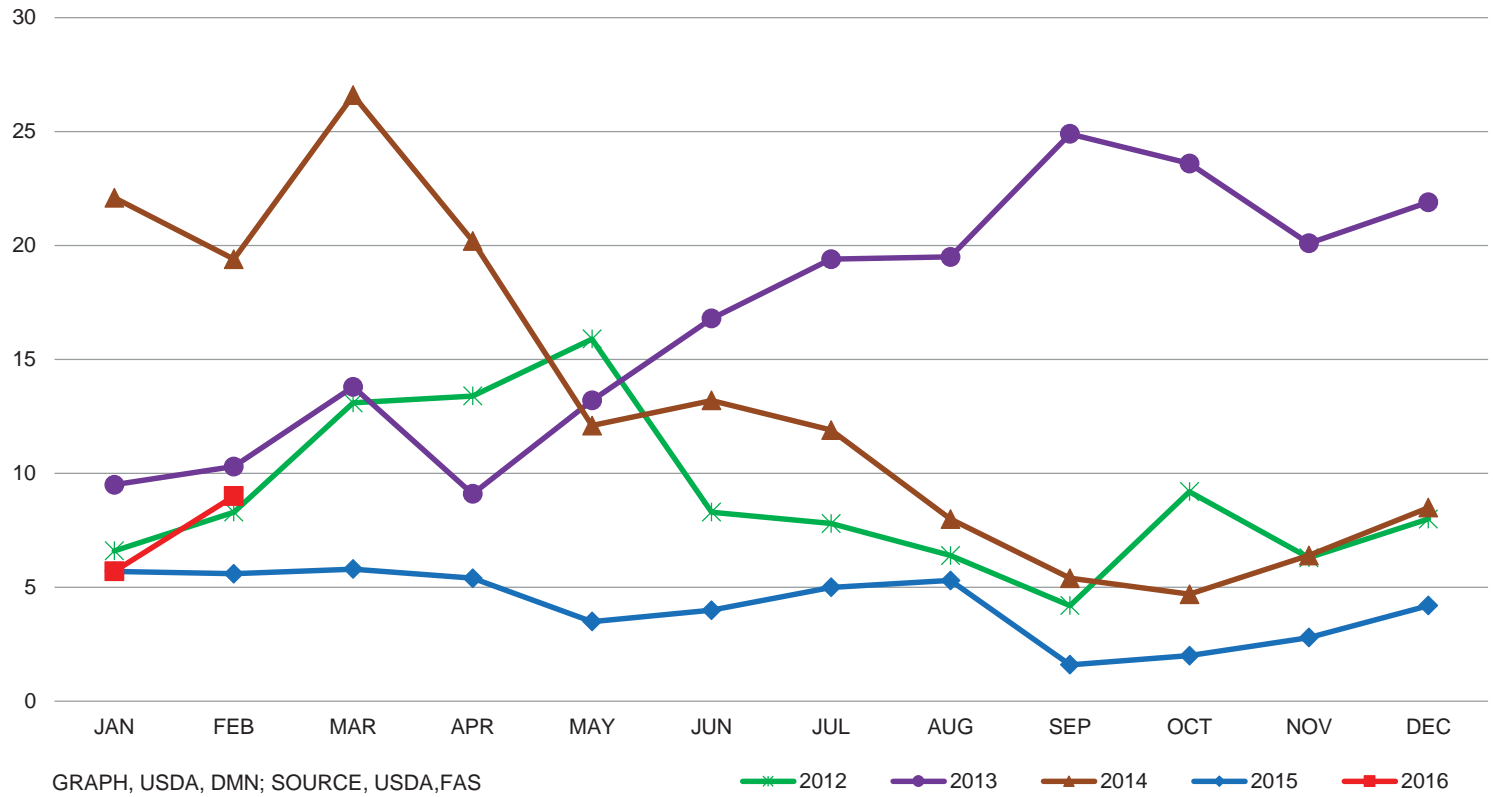
<sup>13</sup> Weighted average of the information for all selected reporting areas in Federal milk orders.

<sup>14</sup> Calculated by California Department of Food and Agriculture, and published at

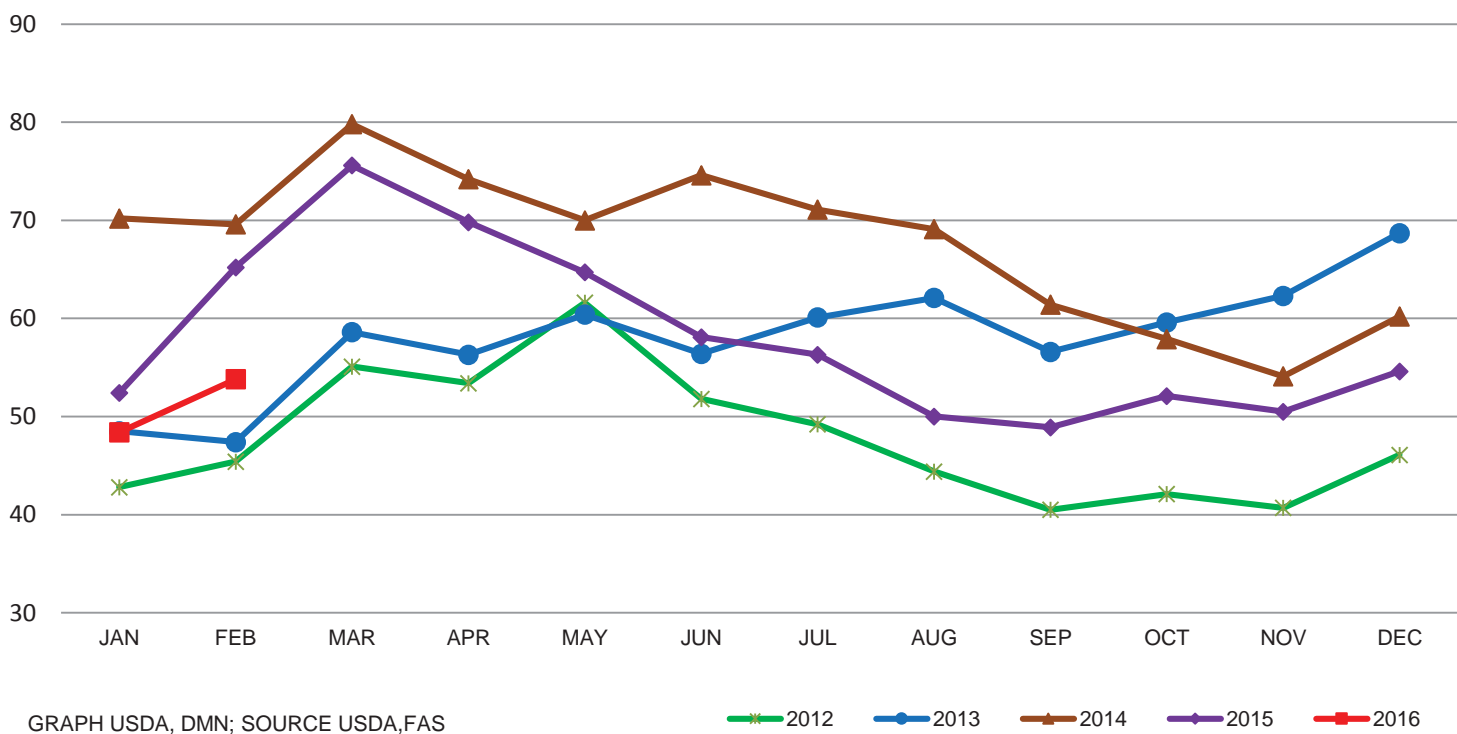
<http://cdfa.ca.gov/dairy/uploader/docs/MailBox%20Data%202014.pdf>. Annual average is simple average.

Report Contact: Randal Stoker, [randal.stoker@usda.gov](mailto:randal.stoker@usda.gov) or 202-690-1932.

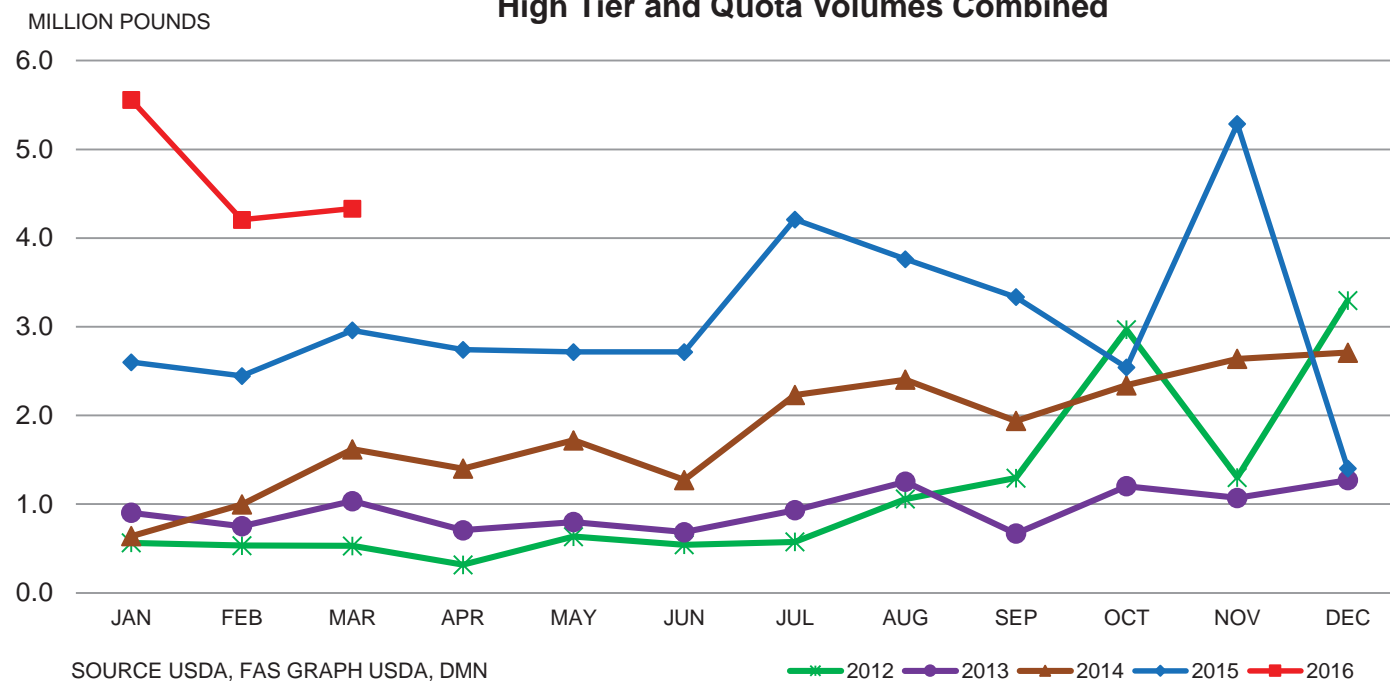
MILLION POUNDS

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

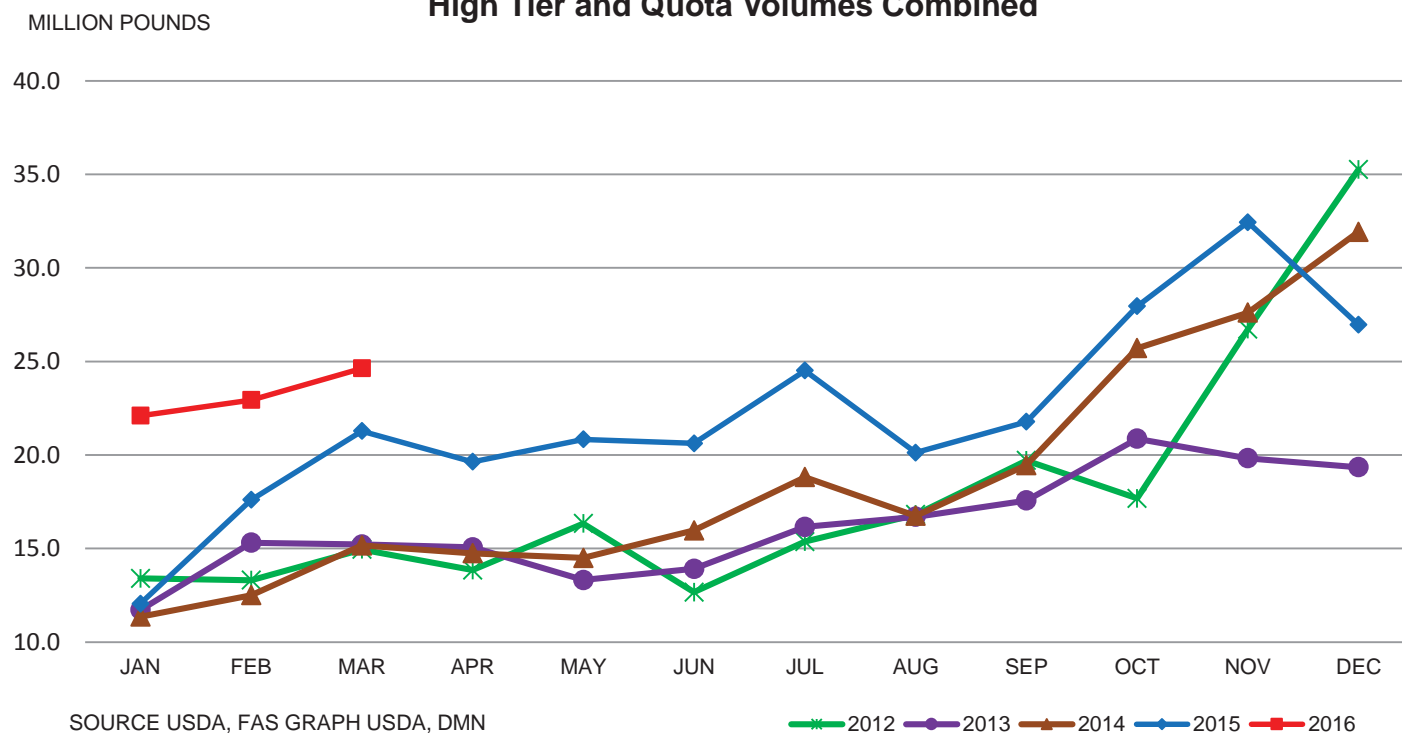
MILLION POUNDS

**Cheese Exports**

### Total U.S. Butter Imports High Tier and Quota Volumes Combined



### Total U.S. Cheese Imports High Tier and Quota Volumes Combined





## Dairy Market News Branch

Agricultural  
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# National Retail Report-Dairy

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

Volume 83- Number 15

Issued Weekly

Friday, April 15, 2016

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/15/2016 to 04/21/2016

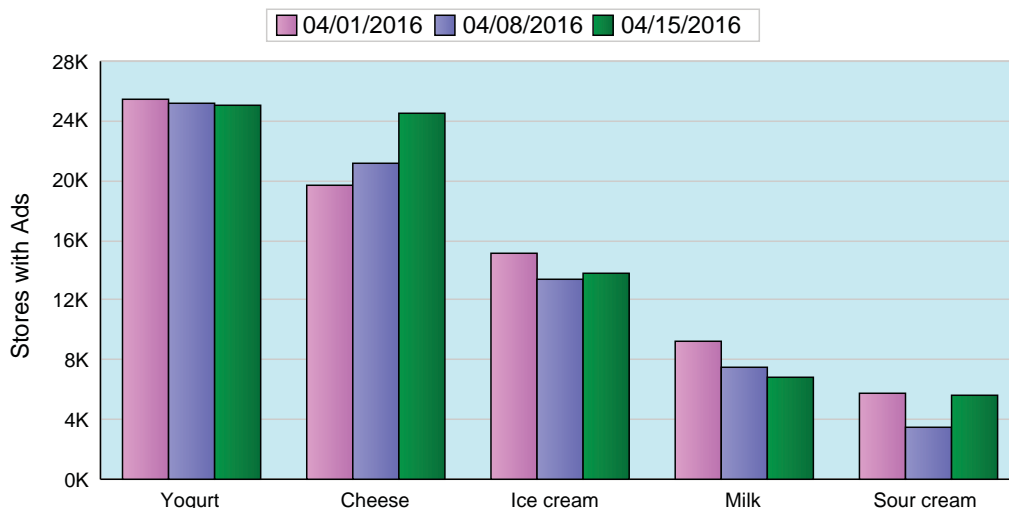
This week total conventional dairy ad numbers increased 16% and organic dairy ad numbers decreased 23%. Conventional 16 oz. containers of cottage cheese and half gallons of flavored milk both had substantial rises in ad numbers this week registering at a 121% and 72% increase respectively. However, 48-64 oz. containers of ice cream and 4-6 oz. containers of Greek yogurt were the most heavily advertised times in the dairy case. One pound packages of butter had a 39% increase in ad numbers and a \$.06 decrease in price this week.

The average price for conventional yogurt in 4-6 ounce packages is \$.53, up \$.07 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.92, down \$.04 from last week. Conventional yogurt ad numbers are up 1% from last week. The average price for organic yogurt in 4-6 ounce packages is \$1.25. Organic yogurt ads are down 26% from last week.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.33, down \$.09 from last week; 8 ounce shred cheese averaged \$2.50, up \$.23 from last week. There were no advertisements this week for organic cheese. Ads for all varieties and package sizes of conventional cheese are up 22%, and the weighted average price for conventional cheese experienced a 1% increase in price averaging \$2.72.

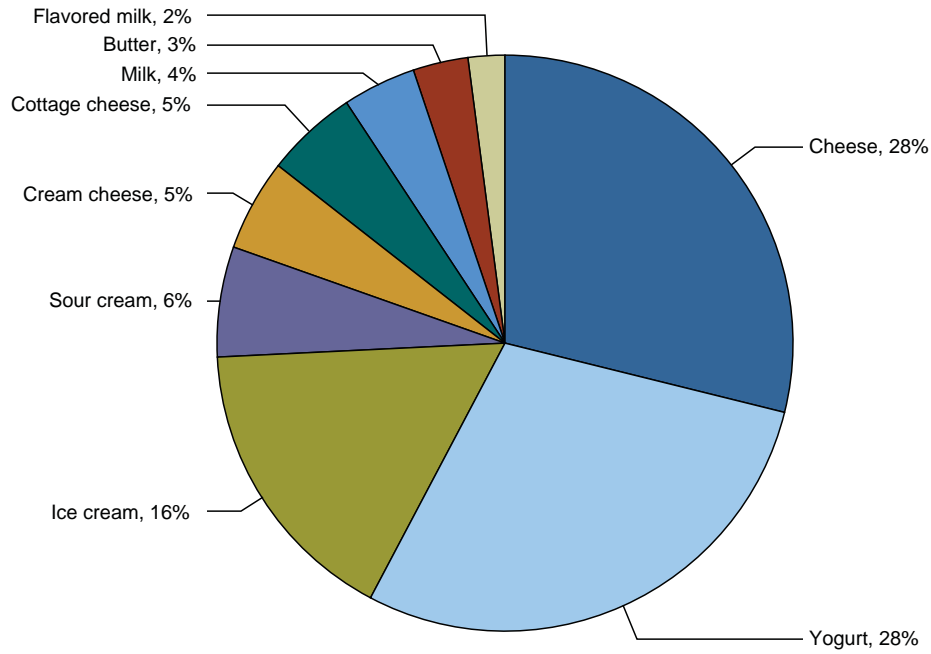
The price spread between organic and conventional half gallon milk is \$2.74. The price spread is the difference between national weighted average prices for organic, \$4.05, and conventional, \$1.31. Conventional milk ad numbers increased 4% from last week while organic milk ad numbers decreased 19%.

Top 5 Commodities Featured

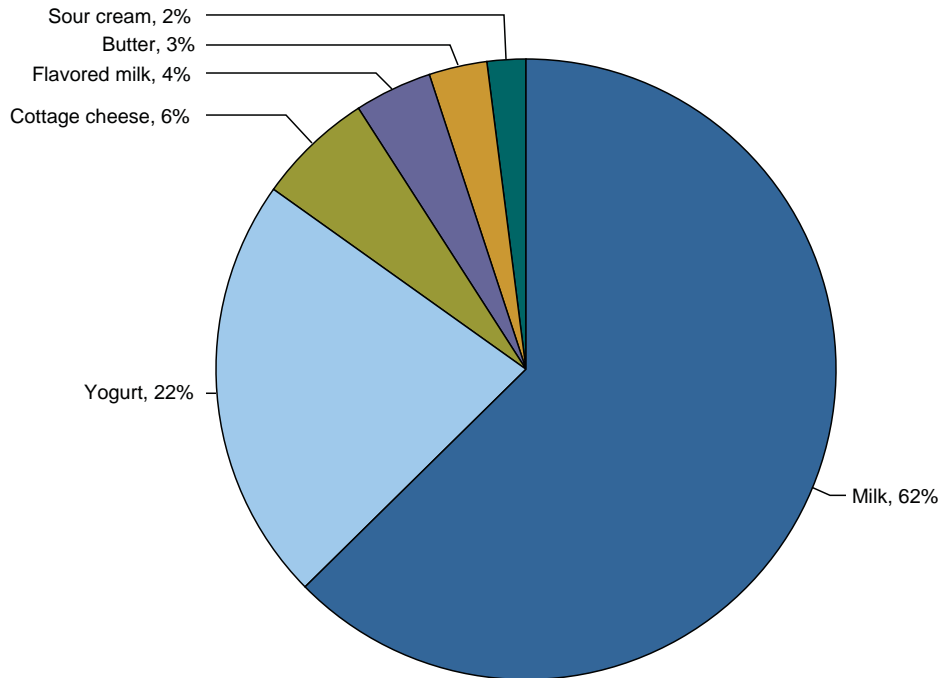




Percentage of Total Conventional Ads by Commodity



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 #	2420	2.99	1741	3.05	2005	3.26
Cheese	Natural Varieties	8 oz block	9972	2.33	7901	2.42	6815	2.22
Cheese	Natural Varieties	1 # block	2074	3.64	1675	3.12	2645	3.94
Cheese	Natural Varieties	2 # block	649	5.82	1059	6.67	408	6.17
Cheese	Natural Varieties	8 oz shred	9518	2.50	7903	2.27	8558	2.30
Cheese	Natural Varieties	1 # shred	2275	3.59	1592	3.09	1839	3.99
Cottage cheese		16 oz	4004	1.90	1809	2.35	1319	2.31
Cream cheese		8 oz	4152	1.93	3367	1.97	4264	1.87
Flavored milk	All fat tests	half gallon	442	2.73	656	2.56		
Flavored milk	All fat tests	gallon	1695	2.63	985	3.35	221	3.51
Ice cream		48-64oz	13795	3.04	13420	3.22	9430	3.23
Milk	All fat tests	half gallon	510	1.31	695	2.15	726	2.13
Milk	All fat tests	gallon	3114	2.41	2803	2.42	2018	2.85
Sour cream		16 oz	5453	1.64	3321	1.81	4535	1.64
Yogurt	Greek	4-6 oz	13131	.92	12665	.96	14901	.98
Yogurt	Greek	32 oz	3823	4.77	2997	4.79	638	4.94
Yogurt	Yogurt	4-6 oz	6559	.53	7541	.60	8915	.48
Yogurt	Yogurt	32 oz	433	2.98	489	2.37	582	2.48

## REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-4.49	557	3.50	2.34-3.48	781	2.73	2.49-3.00	450	2.76
Cheese	Natural Varieties	8 oz block	1.66-3.00	2501	2.26	1.79-2.99	4630	2.42	1.79-2.99	1377	2.24
Cheese	Natural Varieties	1 # block	2.50-3.50	144	3.00	3.79	274	3.79	2.69-3.99	845	3.48
Cheese	Natural Varieties	8 oz shred	1.66-3.49	2173	2.47	2.00-3.00	3375	2.51	1.98-2.99	1132	2.42
Cheese	Natural Varieties	1 # shred	3.99	167	3.99	3.00-3.79	304	3.48	2.99-4.49	796	3.73
Cottage cheese		16 oz	1.79-2.99	1120	2.29	1.25-3.00	1610	1.95	1.00-1.25	350	1.10
Cream cheese		8 oz	0.99-2.50	2012	1.96	1.66-2.50	1085	1.91	1.69-2.00	222	1.85
Flavored milk	All fat tests	half gallon	2.99	304	2.99	1.99	64	1.99			
Flavored milk	All fat tests	gallon	3.99	167	3.99	1.99-3.00	353	2.66	2.99-3.49	175	3.29
Ice cream		48-64oz	1.99-3.99	3569	2.86	1.99-3.99	4734	3.21	1.99-3.99	1333	2.94
Milk	All fat tests	half gallon	1.99	137	1.99				1.00	233	1.00
Milk	All fat tests	gallon	2.99-3.00	162	3.00	1.99-2.39	394	2.08	1.69-3.00	525	2.46
Sour cream		16 oz	1.50-2.00	927	1.65	1.25-2.00	2215	1.76	1.25-1.67	378	1.43
Yogurt	Greek	4-6 oz	0.80-1.33	2778	.99	0.70-1.29	3835	.92	0.50-1.00	2078	.89
Yogurt	Greek	32 oz	3.99-4.98	627	4.70	3.68-4.79	1278	4.62	4.98	810	4.98
Yogurt	Yogurt	4-6 oz	0.45-0.60	1894	.50	0.44-0.98	1587	.55	0.39-0.55	1264	.47
Yogurt	Yogurt	32 oz	2.50	60	2.50	3.68	195	3.68			

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 #	2.50	197	2.50	2.99-3.50	176	3.17	2.50-2.99	190	2.81
Cheese	Natural Varieties	8 oz block	1.66-2.50	749	2.01	1.99-2.50	607	2.40	3.00	105	3.00
Cheese	Natural Varieties	1 # block	2.99-4.49	333	3.62	3.79-3.99	451	3.94			
Cheese	Natural Varieties	2 # block				4.99-5.99	580	5.57	7.99	61	7.99
Cheese	Natural Varieties	8 oz shred	1.66-2.99	1050	2.36	1.89-2.99	1068	2.57	1.88-3.00	637	2.71
Cheese	Natural Varieties	1 # shred	2.99-3.49	429	3.08	2.99-3.99	513	3.82	3.00	66	3.00
Cottage cheese		16 oz	1.25-1.99	527	1.47	1.50-1.99	152	1.70	0.99-2.50	182	1.50
Cream cheese		8 oz	1.50-2.50	312	1.95	1.79	244	1.79	0.99-3.00	251	1.91
Flavored milk	All fat tests	half gallon	2.29	74	2.29						
Flavored milk	All fat tests	gallon	1.79-3.99	697	2.42	1.89-1.99	234	1.94	1.89	69	1.89
Ice cream		48-64oz	1.99-4.00	1632	2.92	1.88-3.50	1816	2.95	2.99-3.99	551	3.37
Milk	All fat tests	half gallon	1.28	74	1.28				0.99	66	.99
Milk	All fat tests	gallon	1.79-3.69	986	2.53	1.85-2.99	978	2.34	1.89	69	1.89
Sour cream		16 oz	1.25-1.99	741	1.45	1.25-1.89	620	1.71	0.99-1.50	515	1.38
Yogurt	Greek	4-6 oz	0.70-1.00	1287	.87	0.70-1.00	2399	.89	0.88-1.00	695	.92
Yogurt	Greek	32 oz	4.98-4.99	1027	4.98				2.00	61	2.00
Yogurt	Yogurt	4-6 oz	0.38-1.00	308	.56	0.50-0.88	775	.59	0.40-0.60	639	.54
Yogurt	Yogurt	32 oz				2.49	62	2.49	1.99	66	1.99

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 #	3.99-5.48	39	5.06	3.99-4.29	30	4.02
Cheese	Natural Varieties	8 oz block				2.99	3	2.99
Cheese	Natural Varieties	1 # block				5.99	27	5.99
Cheese	Natural Varieties	2 # block	7.49-7.99	8	7.62			
Cheese	Natural Varieties	8 oz shred	3.00-3.49	49	3.21	3.25	34	3.25
Cottage cheese		16 oz	2.50-3.98	36	3.68	2.50	27	2.50
Cream cheese		8 oz	3.00	2	3.00	2.00	24	2.00
Ice cream		48-64oz	3.98-4.00	35	4.00	3.50-5.29	125	4.38
Sour cream		16 oz	2.00-2.48	30	2.09	2.50	27	2.50
Yogurt	Greek	4-6 oz	1.00-1.48	25	1.23	1.00-1.25	34	1.20
Yogurt	Greek	32 oz	6.28	8	6.28	6.28	12	6.28
Yogurt	Yogurt	4-6 oz	0.70	21	.70	0.50-1.00	71	.58
Yogurt	Yogurt	32 oz	2.50-2.99	13	2.91	2.50-2.69	37	2.67

## 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 #	161	4.99	114	4.99		
Cheese	Natural Varieties	8 oz block			307	4.74		
Cheese	Natural Varieties	8 oz shred			425	3.99		
Cheese	Natural Varieties	1 # shred			244	5.99		
Cottage cheese		16 oz	328	3.00				
Flavored milk	All fat tests	half gallon	195	4.28				
Milk	All fat tests	half gallon	2388	4.05	2130	4.10	1405	3.80
Milk	All fat tests	gallon	280	4.97	524	4.93	221	6.98
Milk	All fat tests	8 oz UHT	543	1.00	1231	.96		
Sour cream		16 oz	114	1.99	180	3.49		
Yogurt	Greek	4-6 oz	656	1.25			568	1.21
Yogurt	Yogurt	4-6 oz			833	1.22	34	1.25
Yogurt	Yogurt	32 oz	482	2.49	710	2.86	166	2.96

## REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	161	4.99						
Cottage cheese		16 oz				3.00	214	3.00			
Flavored milk	All fat tests	half gallon				4.28	195	4.28			
Milk	All fat tests	half gallon	3.99-4.99	750	4.66	2.99-4.28	499	3.49	2.99-4.79	218	3.66
Milk	All fat tests	gallon				4.97	214	4.97			
Milk	All fat tests	8 oz UHT	1.00	543	1.00						
Yogurt	Greek	4-6 oz				0.88	184	.88			
Yogurt	Yogurt	32 oz	2.49	255	2.49	2.49	227	2.49			

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
Cottage cheese		16 oz	2.99	114	2.99						
Milk	All fat tests	half gallon	2.99-4.49	192	3.88	2.99-4.49	695	3.86			
Milk	All fat tests	gallon							4.99	66	4.99
Sour cream		16 oz	1.99	114	1.99						
Yogurt	Greek	4-6 oz				1.25-1.50	411	1.35	1.69	61	1.69

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				5.99	34	5.99

#### 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



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