

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (5/6)**

BUTTER: Grade AA closed at \$2.0500. The weekly average for Grade AA is \$2.0430 (-.0150).

CHEESE: Barrels closed at \$1.3000 and 40# blocks at \$1.3050. The weekly average for barrels is \$1.3475 (-.0550) and blocks, \$1.3270(-.0530).

NONFAT DRY MILK: Grade A closed at \$.7775. The weekly average for Grade A is \$.7610 (-.0070).

BUTTER HIGHLIGHTS: Butter production is strong in the Northeast and West, while in the Central region it is steady to lower as additional cream volumes clear to Class II processing. Nationwide, butter inventories are steady to building. In the East, interest from retailers and food service is strong ahead of the summer and fall seasons. In the Central region, demand from food service is even. However, demand from retailers is trending sideways. In the West, sales are good for this time of year, according to some butter processors. According to the NASS *Dairy Products* report, U.S. butter production during March 2016, 182.0 million pounds, was 8.6% higher than March 2015 and 4.4% higher than February 2016. U.S. cumulative 2016 butter production through March is 532.0 million pounds, 7.0% higher than the same period last year. The CME Group April 2016 monthly average price for Grade AA butter was \$2.0563, compared to \$1.7937 a year ago. The Grade AA butter price at the CME Group on Friday closed at \$2.0500, down 7 cents from a week ago.

CHEESE HIGHLIGHTS: Cheese production continues to be very active across the nation. Northeast cheese manufacturers are working diligently to move cheese and keep inventories at comfortable levels. Cheddar and American varieties saw increases in interest. Inventory pressures in the Midwest are seeing some relief this week. Several producers report increases in sales. However, other industry contacts are reporting a slowdown in the market. They feel that buyers may be holding out on purchases to see if cheese prices will continue to decline. Overall, it is a mixed market in the Central region. Stocks are building in the West. Although demand is steady, storage space is becoming increasingly difficult to find. There is some cheese being exported from the Western region. In CME Group trading Friday, barrels closed at \$1.3000, down \$.1125 from last Friday and blocks closed at \$1.3050, down \$.0650 from last Friday.

FLUID MILK: Farm milk output is up this week in most areas of the country. However, higher temperatures are shrinking milk yields in Florida, California and Arizona. Nationwide, the butterfat component level of milk continues falling, gradually. Manufacturing milk volumes are heavy. Bottled milk orders vary throughout the country. Demands from ice cream and frozen dessert makers are generally improving as the summer season approaches. Condensed skim volumes moving into dryers are heavy. Cream supplies are readily available in the East and Central regions. Competition for cream between various manufacturers is growing in the West. This week, cream multiples for all classes range 1.05-1.28 in the East, 1.16-1.22 in the Central region, and 1.04-1.25 in the West.

DRY PRODUCTS: The low/medium heat nonfat market is unsettled at this point. Spot sales are light as most transactions are moving through contracts. Production is active as heavy condensed skim volumes continue clearing into dryers. Inventories are steady to building. High heat drying schedules are sporadic as processing is mostly driven by contractual needs. The dry buttermilk market is mixed in the Central region, as availability is occasionally limited from some manufacturers while others have loads available for immediate sale. In the East and West coasts, the market is generally weak. Dry whole milk spot sales are light and some manufacturers are lowering prices to help clear inventories. Whey production is ongoing in line with the active cheese processing. The market undertone is mixed in the Central region. In the East, demand is light outside of regular contracts. In the West, highly desired brands received a slight price bump in some markets this week. WPC34% inventories are contracted out and there is very little available for spot sales. Demand is strong for lactose used in standardization as end users seek coverage for their late year needs. Lactose supplies are tight. Buyer interest for casein has firmed this week.

ORGANIC DAIRY MARKET NEWS (DMN): There has been increased discussion between some organic dairy producers, as to a more intense focus by processors on enhancing efficiency in milk route development. This is leading to some producers not being offered organic milk contract renewals if they are located away from the efficient core of organic producers providing milk to various organic processing plants. Increasing production by some organic dairy producers, or newly transitioned organic dairy producers, or

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NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY MAY 02	TUESDAY MAY 03	WEDNESDAY MAY 04	THURSDAY MAY 05	FRIDAY MAY 06	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4000 (-.0125)	\$1.3700 (-.0300)	\$1.3525 (-.0175)	\$1.3150 (-.0375)	\$1.3000 (-.0150)	:- (.1125)	:- \$1.3475 (-.0550)
40# BLOCKS	\$1.3600 (-.0100)	\$1.3400 (-.0200)	\$1.3250 (-.0150)	\$1.3050 (-.0200)	\$1.3050 (N.C.)	:- (.0650)	:- \$1.3270 (-.0530)
NONFAT DRY MILK							
GRADE A	\$.7475 (-.0075)	\$.7500 (+.0025)	\$.7550 (+.0050)	\$.7750 (+.0200)	\$.7775 (+.0025)	:- (+.0225)	:- \$.7610 (-.0070)
BUTTER							
GRADE AA	\$2.0600 (-.0600)	\$2.0250 (-.0350)	\$2.0300 (+.0050)	\$2.0500 (+.0200)	\$2.0500 (N.C.)	:- (-.0700)	:- \$2.0430 (-.0150)

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

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

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

both, are producing some organic dairy producers, or newly transitioned organic dairy producers, or both, are producing sufficiently increased volumes of organic milk so as to allow producers to take steps to enhance overall route efficiencies. In some cases, affected organic producers located outside the efficient core area are being renewed, but at the cost of bearing some portion of the trucking expense. The U.S. weighted average advertised price of organic milk half gallons is \$3.92, up 12 cents from last week and up 38 cents from a year ago. Organic milk gallons have a weighted average advertised price of \$6.99, 73 cents above one year ago, and \$1.65 above last week. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.25, up 3 cents from last week. The U.S. weighted average price of 8 ounce organic cheese shreds is \$3.93, down 6 cents from a year ago. Organic 1 pound butter has a U.S. weighted average price of \$5.24, up 73 cents from last week, but down \$1.05 from a year ago. Total organic ads increased 11% compared to the previous report week.

NATIONAL RETAIL REPORT-DAIRY (DMN): The total volume of conventional dairy ads increased 40%, and organic dairy ads increased 11% this week. For conventional dairy advertisements, ice cream in 48-64 ounce containers, Greek yogurt in 4-6 ounce containers and 8 ounce packs of shred cheese had the largest volume of ads. Ads for 1 pound packages of butter increased 57%, with a weighted average price of \$2.91, down \$.12 from last week. The weighted average price for 1 pound packages of organic butter was \$5.24, up \$.73 from a week ago. Regular organic yogurt in 4 to 6 ounce containers had the largest percentage increase among reported dairy items, an increase of 760%. The average price for conventional yogurt in 4-6 ounce packages is \$.47, down \$.05 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.93, down \$.03 from last week. Conventional yogurt ad numbers are up 21% from last week, and organic yogurt ads are up 64%. The average price for organic yogurt in 4-6 ounce packages is \$1.01. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.11, down \$.21 from last week; 8 ounce shred cheese averaged \$2.24, down \$.20 from last week. Conventional two pound blocks saw a 130% increase in ads this week with a weighted average price of \$5.95. The U.S. advertised price for 8 ounce organic cheese blocks averaged \$3.92, while 8 ounce shred cheese averaged \$3.93. The price spread between organic and conventional half gallon milk is \$2.40. The price spread is the difference between national weighted average prices for organic, \$3.92, and conventional, \$1.52. Conventional milk ad numbers increased 48% from last week while organic milk ad numbers decreased 36%.

INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN): At the May 3 GDT event #163, average prices ranged from 5.5% lower to 3.5% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$3,195 -1.6%; butter, \$2,601 -5.5%; buttermilk powder, \$1,366 -5.5%; cheddar cheese, \$2,727 +1.8%; lactose, \$693 -2.7%; rennet casein, \$5,024 +3.5%; skim milk powder, \$1,676 -3.6%; and whole milk powder, \$2,176 +0.7%.

MARCH AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$15.30 in March, down \$1.30 from March 2015. The alfalfa hay price was \$144.00 in March, down \$25.00 from March 2015. The corn price was \$3.57 in March, down \$0.24 from March 2015. The soybean price was \$8.56 in March, down \$1.29 from March 2015. The milk-feed price ratio was 2.08 in March, up 0.07 from March 2015. The index of prices

received by farmers for dairy products during the month of March 2016 was down 2.0 to 76.1. Compared to March 2015, the index was down 6.5 points (-7.9 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2016 was up 0.2 point to 107.1. Compared with March 2015, the index was down 4.3 points (-3.9 percent).

APRIL FEDERAL MILK ORDER FINAL CLASS AND COMPONENT PRICES (FMMO): The following are the April 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$13.54 (-\$.03), Class III: \$13.63 (-\$.11), and Class IV: \$12.68 (-\$.06). Under the Federal milk order pricing system, the butterfat price for April 2016 is \$2.2376 per pound. Thus, the Class II butterfat price is \$2.2446 per pound. The protein and other solids prices for April 2016 are \$1.8450 and \$0.0489 per pound, respectively. These component prices set the Class III skim milk price at \$6.01 per cwt. The April 2016 Class IV skim milk price is \$5.02, which is derived from the nonfat solids price of \$0.5573 per pound. The product price averages for April 2016 are: butter: \$2.0192, nonfat dry milk: \$0.7307, cheese: \$1.5041, and dry whey: \$0.2466.

MARCH DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 182.0 million pounds, 8.6 percent above March 2015, and 4.4 percent above February 2016. American type cheese production totaled 399.3 million pounds, 0.9 percent above March 2015, and 8.9 percent above February 2016. Total cheese output (excluding cottage cheese) was 1.03 billion pounds, 1.8 percent above March 2015, and 7.8 percent above February 2016. Nonfat dry milk production, for human food, totaled 171.6 million pounds, 5.1 percent below March 2015, but 22.4 percent above February 2016. Dry whey production, for human food, was 81.3 million pounds, 4.8 percent below March 2015, but 10.4 percent above February 2016. Ice cream, regular hard production totaled 70.5 million gallons, 1.8 percent below March 2015, but 16.7 percent above February 2016.

MILK PRODUCTION, DISPOSITION, AND INCOME 2015 (NASS): Milk production increased 1.3 percent in 2015 to 209 billion pounds. The rate per cow, at 22,393 pounds, was 134 pounds above 2014. The annual average number of milk cows on farms was 9.32 million head, up 60,000 head from 2014. Cash receipts from marketings of milk during 2015 totaled \$35.7 billion, 27.6 percent lower than 2014. Producer returns averaged \$17.21 per hundredweight, 28.5 percent below 2014. Marketings totaled 207.7 billion pounds, 1.3 percent above 2014. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers. An estimated 969 million pounds of milk were used on farms where produced, 0.5 percent more than 2014. Calves were fed 91 percent of this milk, with the remainder consumed in producer households.

CME GROUP

MONDAY, MAY 2, 2016

CHEESE -- SALES: 5 CARS BARRELS: 2 @ \$1.4125, 1 @ \$1.4100, 1 @ \$1.4050, 1 @ \$1.4000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4125; 2 CARS 40# BLOCKS @ \$1.3600

NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7550, 1 @ \$0.7475; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7425; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7525

BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0600; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0750

TUESDAY, MAY 3, 2016

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.3800, 1 @ \$1.3750, 1 @ \$1.3700; 3 CARS 40# BLOCKS: 1 @ \$1.3400, 1 @ \$1.3375, 1 @ \$1.3400; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3750; 1 CAR 40# BLOCKS @ \$1.3425

NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$0.7450, 3 @ \$0.7500; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7300; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7500

BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0250; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MAY 4, 2016

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.3575, 1 @ \$1.3525; 1 CAR 40# BLOCKS @ \$1.3250; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3600; 1 CAR 40# BLOCKS @ \$1.3275

NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7550; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$0.7600

BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0300; LAST OFFER UNCOVERED: NONE

THURSDAY, MAY 5, 2016

CHEESE -- SALES: 4 CARS BARRELS: 1 @ \$1.3425, 1 @ \$1.3300, 1 @ \$1.3250, 1 @ \$1.3225; 4 CARS 40# BLOCKS: 1 @ \$1.3100, 2 @ \$1.3075, 1 @ \$1.3050; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.3050; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3150; 1 CAR 40# BLOCKS @ \$1.3100

NONFAT DRY MILK -- SALES: 6 CARS GRADE A: 1 @ \$0.7600, 1 @ \$0.7625, 1 @ \$0.7675, 2 @ \$0.7700, 1 @ \$0.7750; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7700; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$0.7800

BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0500; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0400; LAST OFFER UNCOVERED: NONE

FRIDAY, MAY 6, 2016

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.3050; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.2900; 1 CAR 40# BLOCKS @ \$1.2900; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3000; 1 CAR 40# BLOCKS @ \$1.3075

NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7800, 1 @ \$0.7775; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7750; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.7800

BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.0500; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0800

BUTTER MARKETS**NORTHEAST**

Butter processing is strong in the Northeast as heavy cream volumes continue clearing into churns. Many processors are focusing production on bulk butter. Manufacturers' stocks are generally steady to building. However, there are not enough supplies available in the spot market at the present. Print butter production is active in some plants. Demands from retailers and food service are strong ahead of the summer and fall seasons. Retail commitments toward Q3 and Q4 are active. Bulk butter prices reported are ranging from 5 to 8 cents over the CME Group based on various periods and averages. According to the *DMN National Retail Report-Dairy*, for April 29-May 5, 2016 the U.S. weighted average advertised price for 1-pound butter is \$3.03, down 28 cents from last week and down 36 cents from last year. The Northeast butter price is \$3.23, 11 cents below the previous week. The CME Group April 2016 monthly average price for Grade AA butter was \$2.0563, compared to \$1.7937 a year ago. The Grade AA butter price, at the CME Group, closed Tuesday at \$2.0250, down 1.5 cents from a week ago.

CENTRAL

Central butter demand is generally unchanged from year ago patterns, according to butter manufacturers. Food service interest is steady. Retail demand is trending sideways. Some recent features at consumer outlets offering bundled pricing on one pound packages have helped clear retailer inventories brought in prior to the spring holidays. Bulk butter prices reportedly range from market to 9 cents over the market, with various time frames and averages used. Butter production is steady to lower as additional cream volumes clear to Class II production. Butter stocks are building steadily, although most manufacturers are holding those stocks with confidence. The *DMN National Retail Report-Dairy* for April 29-May 5 noted the national weighted average advertised price for a 1 pound package of

butter was \$3.03, \$0.28 below one week ago, and \$0.36 below one year ago. The weighted average prices in the South Central region is \$3.00. There were no advertisements for one pound packages of conventional butter in the Midwest this week. The CME Group monthly average price for Grade AA butter during April was \$2.0563, compared to \$1.7937 a year ago. Wednesday at the CME Group, Grade AA butter closed at \$2.0300, down \$0.0100 from last Wednesday.

WEST

Western butter manufacturers are able to get plenty of cream to meet their current processing needs. However, a bit more cream is starting to move into Class II channels and taking a little of the pressure off the churns. Butter production is still active with most churning directed toward bulk butter production. Butter makers are also making some print butter to meet immediate retail needs and requests for co-packed butter. Manufacturers say butter production and sales are good for this time of year. Inventories continue to build seasonally. The *DMN National Retail Report-Dairy* for the week of April 29-May 5 found that the U.S. weighted average advertised price of 1 pound butter is \$3.03, down \$.28 from last week. The U.S. weighted average price was \$3.39 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.81, with a range of \$2.49-\$2.99. In the Northwest, the weighted average advertised price of 1 pound butter is \$2.19, with a range of \$1.00-\$2.99. 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 CME Group April 2016 monthly average price for AA butter, \$2.0563, is up from the March monthly average of \$1.9605, and up from the April 2015

-CONTINUED ON PAGE 2A-**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 30, 2016	2.0719 3,353,410	1.4607 13,607,260	1.4727 10,394,852	.2470 6,643,427	.7256 31,393,478

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

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monthly average of \$1.7937. The Grade AA butter price at the CME Group on Wednesday closed at \$2.0300, down \$.0100 from a week ago.

2016 U.S. Butter and Milkfat Exports (USDA-FAS)

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
March Total	7.3	+ 26
 TOTAL, JAN - MAR	 22.1	 + 29
1 Mexico	16.5	+219
2 Canada	1.9	+ 38
3 Saudi Arabia	1.4	- 77
4 South Korea	0.4	- 56
5 Taiwan	0.2	+ 32

CHEESE MARKETS

NORTHEAST

There is a plentiful supply of milk throughout the Northeast this week, keeping cheese producers very busy. Many manufacturers report only minor issues moving cheese and are happy with current sales. Even though cheese production continues to increase, some processors report having comfortable inventory levels and show little to no concern about building stocks. As the summer months are quickly approaching, there is less interest in mozzarella and processed cheese varieties while cheddar and American type cheeses are seeing increases in sales. Northeast cheese prices for cheddar and Muenster shifted lower, \$.0475, and process cheese prices moved lower \$.0250. The Grade A Swiss price is unchanged. This week, a cooperative export assistance program accepted requests for 1.232 million pounds of cheese. According to the *DMN National Retail Report-Dairy*, for April 29-May 5, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.24, 8 cents less than the national average and 6 cents less than a week ago. The Southeast 8 oz. block cheese price was \$2.53, 10 cents less than the previous week. The April 2016 monthly average price for Northeast cheddar blocks is \$1.9887, compared to \$2.1153 one year ago. Processed 5# sliced average price is \$1.8754, compared to \$2.0603 one year ago. The CME Group April 2016 monthly average price for barrels was, \$1.4231, compared to \$1.6135 a year ago; blocks' average price was \$1.4194, down from \$1.5890 a year ago. Tuesday's CME Group Daily cash prices saw barrels close at \$1.3700, down \$.0100 from last week. Blocks closed at \$1.3400, \$.0400 lower than a week ago.

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

Cheddar 40# Block	:	1.7850-2.0700
Process 5# Sliced	:	1.6025-2.0825
Muenster	:	1.8050-2.1550
Grade A Swiss Cuts 10 - 14#	:	2.9750-3.2975

MIDWEST

Cheese vats throughout the Midwest are getting little to no rest as high volumes of milk intakes show little sign of slowing. Cheese production is steady to increasing. Last week, the CME Group average cheese price for both blocks and barrels saw a decrease. This change in price may be contributing to the increase in sales some manufacturers are reporting. This movement of cheese seems to be giving some relief to the inventory pressure felt across the Central region. A handful of cheese producers report being content with their current stock levels. However, other processors have seen a slowdown in the market and believe buyers are holding out to see if prices will continue to drop. Overall, the market undertone is unsettled. The *DMN National Retail Report-Dairy* shows that April 29-May 5 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.81, 63 cents lower than the national average. Midwest prices range from \$1.49-\$1.99. One year ago, the national price was \$2.34. For 8 ounce blocks, the Midwest average price is \$1.81, 52 cents below the national average price. Midwest ads are priced from \$1.49-\$1.99. Last year, the national price was \$2.27. Midwestern wholesale prices are unchanged for Swiss cuts, but down \$.0250 for process, and down \$.0475 for all other types. This week, a cooperative export assistance program accepted requests for 1.232 million pounds of cheese. So far this year, the program has accepted requests to sell 18.340 million pounds of cheese. The CME Group April 2016 monthly average price for barrels,

\$1.4231, compares with \$1.6135 for April last year. The April 2016 price for blocks, \$1.4194, compares with \$1.5890 in April last year. In CME Group trading Wednesday, barrels closed at \$1.3525, down \$.0275 from last Wednesday and blocks closed at \$1.3250, down \$.0375.

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

Process American 5# Loaf	:	1.4950-1.8550
Brick And/Or Muenster 5#	:	1.7550-2.1800
Cheddar 40# Block	:	1.4825-1.8775
Monterey Jack 10#	:	1.7300-1.9350
Blue 5#	:	2.0225-3.0100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5550-2.4950
Grade A Swiss Cuts 6 - 9#	:	2.4925-2.6100

WEST

Western cheese production continues to be active. Milk is readily available and many cheese manufacturers are running full production schedules. Late last week however, a regional power outage disrupted milk flow and cheese production at a few southwestern dairy facilities. Dairy processing resumed normal activities early this week. Cheese inventories are long, especially for commercial cheese. In some cases, available storage space is becoming harder to find. However, demand is steady. Cheese, both retail and commercial, is moving at current market prices. Industry contacts say buyers are content with commodity cheese prices close to CME Group bases. Some cheese is clearing to export channels, albeit at lower levels than the last year. The *DMN National Retail Report-Dairy* for the week of April 29-May 5 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.44, up \$.07 from last week, and up \$.10 from a year ago. Packs average \$2.29 in the Southwest and \$2.61 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.32, unchanged from last week, and up \$.05 from a year ago. Blocks average \$2.11 in the Southwest and \$2.84 in the Northwest this week. In the West, wholesale prices are down \$.0250 for process, and down \$.0475 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 1.232 million pounds (559 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 18.340 million pounds of cheese in export markets. The CME Group April 2016 monthly average price for barrels, \$1.4231, is down from the March 2016 monthly average of 1.4530, and down from the monthly average of a year ago, \$1.6135. Blocks' April average price, \$1.4194, is down from the \$1.4877 March monthly average, and down from \$1.5890 one year ago. In CME Group trading Wednesday, barrels closed at \$1.3525, down \$.0275 from a week ago and blocks closed at \$1.3250, down \$.0375.

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

Process 5# Loaf	:	1.5100-1.7675
Cheddar 40# Block	:	1.4875-1.9325
Cheddar 10# Cuts	:	1.6675-1.8875
Monterey Jack 10#	:	1.6775-1.8375
Grade A Swiss Cuts 6 - 9#	:	2.5525-2.9825

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CHEESE MARKETS

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2016 U.S. Cheese and Curd Exports (USDA-FAS)

FOREIGN

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
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March Total	56.2	- 26
TOTAL, JAN - MAR	158.4	- 18
1 Mexico	54.8	+10
2 South Korea	21.6	- 52
3 Japan	18.3	- 20
4 Australia	7.8	- 32
5 Canada	5.6	- 16

Demand for semi hard cheese in the EU has increased in recent weeks. Higher domestic EU sales have drawn down inventories. There has also been higher export activity. Manufacturers have recently reduced cheese manufacturing volumes and sent some milk to other manufacturing uses. Stocks in aging programs are lower. Cheese production in coming weeks is mostly spoken for. All of this has stabilized prices, with some prices for delivery in coming weeks showing signs of strengthening. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices decreased \$0.0475 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	: 1.9500-3.4375*
Gorgonzola	: 3.6900-5.7400	: 2.4575-3.1750*
Parmesan (Italy)	: -0-	: 3.3400-5.4300*
Romano (Cows Milk)	: -0-	: 3.1400-5.2900*
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

		:
05/02/16	28,245	: 95,170
05/01/16	28,011	: 95,173
CHANGE	234	: -3
% CHANGE	1	: -0

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	180	0	180	0	100
SOUTHEAST STATES	0	0	0	0	0	30

Milk volumes into manufacturing are heavy, but not overly excessive in the Northeast and Mid-Atlantic regions. Class I demand is steady with last week. Sales to Class II and I are showing a slight uptick. Southeast farm-level milk output is mostly steady. Class I plants in some instances are adding to orders, with very few cancellations noted this week. Milk loads are being redistributed to accommodate unexpected demand. Haulers report load sizes are dropping slightly due to constant rainfall in areas of the region. Florida's milk production is lower. Sources note a projected May peak in milk output has likely already occurred, as output trends lower. Class I milk sales are flat. Temperatures remain above normal, with mid-week thunder storms expected. Export milk shipments to cheese and ultrafiltration plants total 180 loads, unchanged from last week. According to the DMN *National Retail Report-Dairy*, for April 29-May 5, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.12, down 23 cents from last week and down 56 cents from a year ago. Northeast gallons of milk are priced at \$2.50, up 51 cents from last week. Condensed skim volumes are heavy in manufacturing. However, some plant managers are finding a little relief as supplies clearing to Class II and Class III improve. Some Eastern suppliers are competing with discounted condensed skim moving into the region. Cream multiples for all Classes range 1.05-1.28. Manufacturers in the region note heavy milk production is lending to readily available cream volumes. Cream continues to exceed demand as suppliers endeavor to find homes for surpluses, outside the East region market. Several reports suggest the discarding of cream in some areas of the country. The CME Group, Grade AA butter price closed at \$2.0300 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 - 2.1609-2.6342

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

Northeast - Class II - includes monthly formula prices - .27-.73

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

MIDWEST

Farm level milk production continues to increase in the North Central area. Some parts of the South Central area are hovering near the peak. One Midwest plant shut down this week for maintenance, requiring more trucking and processing elsewhere in the region. This bountiful supply of milk is keeping processors working diligently to make sure all loads of milk find a home. Spot loads are being reported at \$3.00 to \$4.00 under Class. Bottling is starting to see a slow down as colleges wrap up their last few days of classes for the year. There is an abundant supply of cream available. Multiples for Class II cream are steady to lower this week, 1.16-1.22. Class II cream sales are unsteady right now as the weather has yet to level out in the higher temperatures for most of the region. Industry participants are hopeful for some hot weather to help boost ice cream sales. However, in the South Central area, warmer temperatures are helping support the increase in ice cream production. Industry contacts mentioned a few South American countries are currently facing grain issues that may start to affect global feed

prices for dairy farmers. The DMN monthly average of the range price series for Upper Midwest Class II cream during April was \$2.4293, compared to \$2.1587 a year ago. The DMN *National Retail Report-Dairy* for April 29-May 5 noted the national weighted average advertised price for one gallon of milk was \$2.12, down \$0.23 from a week ago, and \$0.56 lower than a year ago. The weighted average regional prices in the Midwest and South Central regions were \$1.85 and \$2.50, respectively. It was a cool, wet week across the Central region, delaying fieldwork in many of the Midwest states. Winter wheat is performing well in the North Central area. Corn is emerging and soybeans are being planted in the South Central area.

WEST

Farm milk production is steady to lower in California. Higher temperatures in the Central Valley are raising heat stress on cows. Bottled milk sales to retailers, food service, and educational institutions are higher this week. Demands from ice cream and frozen dessert manufacturers are steady to slightly higher as the summer season approaches. Cottonseed planting is active and near to finishing in a few weeks. The April 4a price (butter/powder) in California is \$12.54, up 13 cents from the previous month, but down 82 cents from a year ago. This compares to the Federal Order Class IV price of \$12.68 for April. The April 4b price (cheese) is \$12.71, down 53 cents from the previous month and \$1.51 below a year ago. This compares to the Federal Order Class III price for April at \$13.63. In Arizona, milk output is still dropping slowly. Most manufacturing outlets are full handling heavy milk volumes. The comfort of dairy herds is decreasing as temperatures and humidity rise. The butterfat component level of milk continues falling, gradually. Condensed milk volumes are heavy and sales are steady. In New Mexico, milk yields continue increasing, but slowly. Class I sales are down as many supermarket shelves and school pipelines are filled. Class II sales are up as demand for ice cream is seasonally raising ahead of summer. Some Class III processors cut milk orders for the rest of the current week to accommodate maintenance projects. Condensed skim volumes moving into dryers are higher. This week, most regions of the state are starting the first cutting of fair/good quality alfalfa hay. According to the DMN *National Retail Report-Dairy* for the week of April 29-May 5, the national weighted average advertised price for one gallon of milk is \$2.12, \$2.17 in the Southwest and \$1.89 in the Northwest. Pacific Northwest milk production has hit a little bit of a plateau within the spring flush. Manufacturers report ample supplies of milk for most processing needs. Milk receipts are in good balance with manufacturing and bottling needs. Industry contacts say only an occasional load of milk needs to be shifted between facilities. According to NASS, pasture and rangeland conditions are good or excellent in 58% of Oregon, and 76% of Washington. Industry contacts in Utah and Idaho say there is plenty of milk available for processing. Manufacturers are running relatively full, but it has not been a problem to find homes for the milk. Milk intakes and manufacturing needs are in relatively good balance. Recent warm days and cool nights have promoted cow comfort and strong production. According to NASS, pasture and rangeland conditions are good or excellent in 67% of Utah, and 70% of Idaho. In the West, competition for cream supplies between various manufacturers is growing. Ice cream/frozen dessert makers are pulling moderate cream volumes, while heavy cream loads continue clearing into butter churning. In addition, demand from cream cheese processors is inching up. Consequently, multiples for all classes are higher this week, ranging from 1.04 to 1.25.

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: In the Central region, low/medium heat nonfat dry milk prices are unchanged to lower in an unsettled market. Prices on various auction sites are mixed. Manufacturers are trying to hold prices steady in the wake of the changes to various indices, but interest from buyers is price sensitive. Other market participants provided additional market views, including the availability of <1 year old loads priced below the current low end of the range. Plentiful milk intakes continue throughout the Central region. Processors are handling volumes to maximize throughput and returns to investment. Class II end users report condensed skim loads are available at a discount to the market. In some cases, condensed skim loads are clearing through to disposal. Overall low/medium heat production is active and inventories are building. Overseas export demand is limited. Sales into Mexico are intermittent. Prices for Central high heat NDM moved higher on the bottom of the range as variable contract prices adjusted to index movement. Most interest is contract driven. Production at many facilities is limited to end-of-day runs. Inventories are light, but generally sufficient to meet near-term obligations. The CME Group monthly average price for Grade A NDM during April was \$0.7306, compared to \$0.9415 a year ago. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during April was \$0.7530, compared to \$1.0059 a year ago. The April monthly average of the range price series for Central and East high heat was \$0.9355 compared to \$1.1677 a year ago.

EAST: Low/medium heat nonfat dry (NDM) milk prices are lower on the range, but unchanged on the mostly series. The market tone is unsettled. Low/medium heat processing continues to be strong in line with the heavy milk production in the East. Inventories are steady to higher in many processing plants. According to some industry participants, f.o.b. spot sales are light as most transactions are moving through contracts. High heat NDM prices are mixed. Sales outside contracts are sporadic. Production is irregular based on filling near-term contractual obligations between parties. Some buyers are having difficulties in finding supplies in the spot market. Inventories are steady to lower.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7100 - .8175 MOSTLY: .7500 - .7800
 HIGH HEAT: .8800 - .9700

NONFAT DRY MILK - WEST

Prices for low/medium heat nonfat dry milk (NDM) are slightly lower. The market undertone is unsettled at the present. Trading outside contracts has been light throughout the week. Usage of low/medium heat NDM for cheese fortification is active, but is slow from the bakery sector. A few processors are performing repair/maintenance projects on their dryers. However, NDM production has been only marginally affected. In fact, NDM processing is very active in the West. Manufacturers' stocks are steady to building. Supplies are readily available in the f.o.b. spot market. Prices for high heat nonfat dry milk are unchanged on light trading. Drying schedules are sporadic in many manufacturing plants, as processing is mostly driven by contractual needs. Inventories are steady. The CME Group monthly average price for Grade A NDM during April was \$0.7306, compared to \$0.9415 a year ago. The April 2016 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.7357 compared to \$0.9660 a year ago. The average for Western high heat nonfat dry milk is \$0.9340 compared to \$1.1334 a year ago.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .6925 - .7850 MOSTLY: .7375 - .7700
 HIGH HEAT: .8200 - .9500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
April 29	\$.7144	20,375,111
April 22	\$.7349	10,528,568

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
March Total	90.8	- 25
TOTAL, JAN - MAR	276.5	...
1 Mexico	126.9	- 4
2 Philippines	43.8	+ 28
3 Indonesia	15.3	- 10
4 Colombia	11.7	+268
5 Peru	10.9	+ 10

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Prices for dry buttermilk in the Central region are unchanged to fractionally lower. The market tone is mixed. Availability is occasionally limited from some manufacturers while others have loads available for immediate sale. Ice cream manufacturers are siphoning off some condensed buttermilk loads as Class II production ramps up for the summer season. Dry buttermilk production is steady. The DMN monthly average of the range price series for Central and East dry buttermilk during April was \$0.7594, compared to \$0.9264 a year ago.

EAST: Prices for dry buttermilk are steady to lower on light trading. The market undertone is generally weak. Interest from ice cream makers is active. However, demand from bakers continues weakening. Dry buttermilk processing is strong as heavy condensed buttermilk loads continue clearing into dryers. Inventories are building and are readily available in the spot market.

F.O.B. CENTRAL/EAST: .7000 - .8000

DRY BUTTERMILK - WEST

Dry buttermilk prices are mixed on the range, but unchanged on the mostly series. The market undertone continues to be weak. Interest for dry buttermilk is poor. Sales in the f.o.b. spot market are light this week. Some processors are opting to sell condensed buttermilk volumes rather than dry them. Production is active in line with the western butter churning. Inventories are steady to higher. The April 2016 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.7283 compared to \$0.8775 a year ago.

F.O.B. WEST: .6700 - .7550 MOSTLY: .6900 - .7400

-CONTINUED ON PAGE 5A-

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.

-CONTINUED FROM PAGE 5-**DRY WHOLE MILK - NATIONAL**

National dry whole milk prices are lower on light trading. The market undertone is weak. Some manufacturers are lowering prices to help clear inventories. Dry whole milk processing is irregular, dictated by contractual requirements. Inventories vary from plant to plant. The April 2016 Dairy Market News monthly average for the National price series for dry whole milk is \$1.2648 compared to \$1.2882 a year ago. This week, a cooperative export assistance program accepted requests for 130,073 pounds of dry whole milk.

F.O.B. PRODUCING PLANT:

1.0800 - 1.3000

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Whey prices are mostly steady this week in a mixed market. Whey manufacturers are working hard to manage the abundant whey stream resulting from another week of active cheese making in the Central region. Inventories are seeing moderate increases in stocks as some processors choose not to sell in the current market. However, other processors have had success moving considerable amounts of inventories and report very little stocks. Contracts continue to be filled, and in some cases, contract buyers are taking a few extra loads here and there. Buyers looking for specific brands and/or specifications are still willing to pay premiums. Overall, there is a sizeable amount and variety of whey in the market place for buyers to choose from. Revenue for Chinese hog growers has reportedly increased from 2015. United States whey producers are optimistic this will increase whey exports in the near future. Animal feed whey prices are unchanged this week. Feed blenders are running full schedules. Many producers report being happy with their current sales and inventory levels. There is animal feed nonfat dry milk available in the market, which could lead to a decrease in whey use for feed blenders. The DMN monthly average of the mostly price series for Central dry whey during April was \$0.2371, compared to \$0.4251 a year ago. The monthly average of the range price series for Central animal feed whey during April was \$0.1752, compared to \$0.3109 a year ago.

F.O.B. CENTRAL: .2000 - .2750 MOSTLY: .2100 - .2550
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1250 - .2150

DRY WHEY - NORTHEAST

A few spot sales occurred to drive the bottom end of the Northeastern dry whey price range significantly lower. These transactions were an effort to clear inventories. Other industry contacts, however, say prices have generally settled in at a narrow range of prices. Demand is light outside of regular contracts. A few processors say regular customers are taking an occasional extra load, but most processors and resellers are looking for ways to move more whey and control inventories. Stocks are building. Dry whey production is steady and active. The April 2016 Dairy Market News monthly average for Northeast dry whey was \$0.2505 compared to \$0.4666 one year ago.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .1700 - .2750

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
March Total	23.8	- 39
TOTAL, JAN - MAR	82.9	- 17
1 China	19.1	- 30
2 Canada	11.7	- 1
3 Mexico	8.5	- 21
4 Japan	6.4	+ 11
5 Philippines	6.3	- 35

DRY WHEY - WEST

Prices for western whey are mixed this week. The bottom of both the range and mostly price series dropped a penny, while the top end of each price series went up one half-cent. A few end users report dry whey is readily available and they are seeing processors more willing to negotiate at slightly lower prices. Highly desired brands however, received a little price bump in some markets this week. Industry contacts report activity is quiet outside of regular contracts, although a few manufacturers say they are getting some new inquiries from buyers in export markets. Production is steady and inventories are building. The DMN monthly average of the mostly price series for West dry whey during April was \$0.2411 compared to \$0.2491 one month ago and \$0.4409 a year ago.

NONHYGROSCOPIC: .2100 - .2800

MOSTLY: .2125 - .2550

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are unchanged this week with limited spot sales activity. Some manufacturers continue to report inventories are contracted out and there is very little WPC34% available for spot sales. In these cases, the processors say if they could offer spot loads, it would likely be at prices well above the mostly price series. Industry contacts report markets for higher whey protein concentrations are strengthening and are hopeful this may impact WPC34% prices favorably. On the other hand, a few end users report WPC34% is available, but they have a desire to work through their own stocks before making additional purchases. There continues to be some additional price pressures on standard ingredient WPC34% from low-priced nonfat dry milk that can be substituted for WPC34% in certain applications. Production for WPC34% remains steady. The April 2016 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.6076 compared to \$0.5852 one month ago and \$0.9439 one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: .5600 - .7300 MOSTLY: .5650 - .6500

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
March Total	18.0	+ 6
TOTAL, JAN - MAR	56.6	+ 26
1 China	21.4	+109
2 Canada	7.3	- 10
3 Mexico	6.7	- 22
4 Malaysia	4.9	+464
5 Indonesia	2.0	- 28

-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 are unchanged. Many manufacturers continue to report tight to very tight inventories. In some cases, production is contracted well into next quarter, and any available lactose is quickly taken up by regular customers seeking extra coverage, especially for higher mesh or specific brands of lactose. A few processors feel if they had available inventory, the lactose would be able to command prices at, or even above the top of the price range. In addition, some industry contacts suggest demand is strong for lactose used in standardization as end users seek coverage for their late year needs. However, a few other manufacturers are wary of what may be a temporary bump in lactose market strength. They see a push for finer mesh lactose right now, but are concerned that if long term needs are filled in the near term, market prices may be pushed lower after this demand is filled. There are some in the industry who also see a few manufacturers with inventories and needs to clear those stocks at lower prices from time to time. The April 2016 Dairy Market News average of the mostly price series for Central and West lactose was \$0.2408, compared to \$0.2280 one month ago and \$0.2370 one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2000 - .3550 MOSTLY: .2100 - .2950

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
March Total	43.6	- 16
TOTAL, JAN - MAR	130.3	+ 5
1 New Zealand	28.1	+ 51
2 China	20.1	- 5
3 Mexico	17.0	+ 10
4 Japan	11.0	+ 34
5 Indonesia	10.3	+ 43

CASEIN - NATIONAL

Casein prices are slightly higher. Both casein rennet and acid prices strengthened at each end of the price range. Buyer interest has firmed. This week Eurolait reported that New Zealand caseinate exports January-March 2016, are 4.2% above January-March 2015. New Zealand is a significant global exporter. Main destinations and percent of New Zealand total caseinate exports are: China, 23.3%; Philippines, 11.5%; and Vietnam, 8.4%. At GDT event 163 on May 3, rennet casein was the only product with all positive price increases for contract periods where contracts were completed.

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: 2.3500 - 2.7500
ACID: 2.5000 - 2.8500

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
04/16/2016	54.6	943.7	54.3	957.9

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

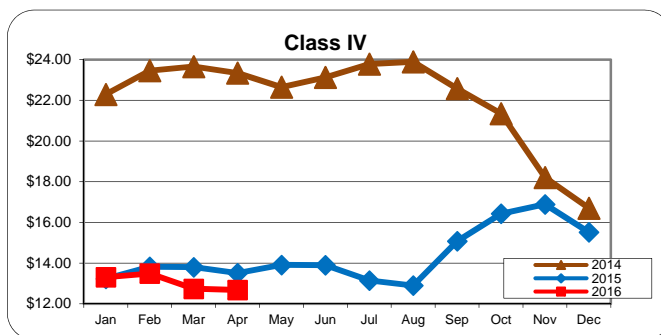
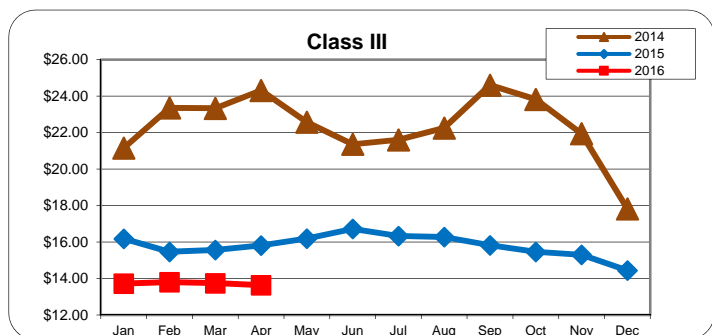
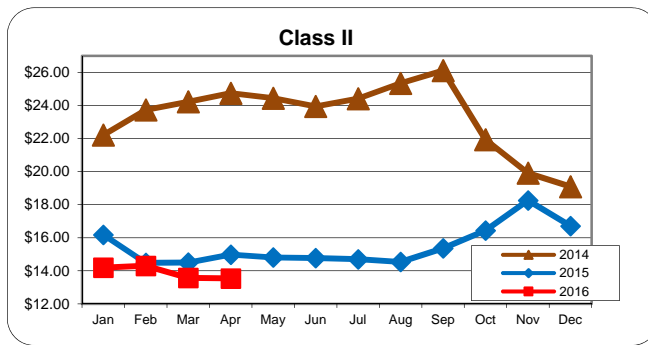
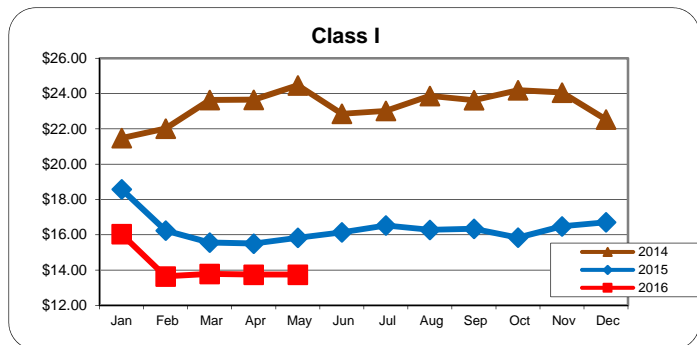
CLASS IV MILK PRICES (3.5%)

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%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64	13.78	13.74	13.70							
II	14.19	14.30	13.57	13.54								
III	13.72	13.80	13.74	13.63								
IV	13.31	13.49	12.74	12.68								

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."



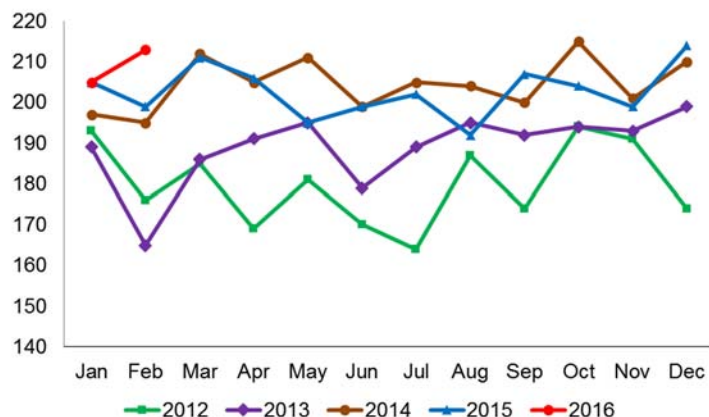
ORGANIC DAIRY MARKET NEWS

Information gathered April 25 - May 6, 2016

ORGANIC DAIRY FLUID OVERVIEW

Organic Milk Production: Following a number of months during 2015 when U.S. total organic milk sales declined from year earlier levels, total U.S. 2015 organic milk sales reported by USDA-AMS ended with lower annual milk products sales than 2014. Many organic dairy processors have been working intensively to help existing organic dairy producers expand production, as well as to continue to help operators transitioning into organic dairy. The transitioning efforts have been graduating more producers into organic dairy certification. As the graph below shows, after starting 2015 with January sales even with 2014, February shot ahead of both year earlier sales, as well as February sales of any of the 5 years shown on the graph.

Estimated Total U.S. Sales of Organic Fluid Milk Products
(Million Lbs.)



Organic Milk Producer Concerns: There has been increased discussion between some organic dairy producers, as to a more intense focus by processors on enhancing efficiency in milk route development. This is leading to some producers not being offered organic milk contract renewals if they are located away from the efficient core of organic producers providing milk to various organic processing plants. Increasing production by some organic dairy producers, or newly transitioned organic dairy producers, or both, are producing sufficiently increased volumes of organic milk so as to allow producers to take steps to enhance overall route efficiencies. In some cases, affected organic producers located outside the efficient core area are being renewed, but at the cost of bearing some portion of the trucking expense.

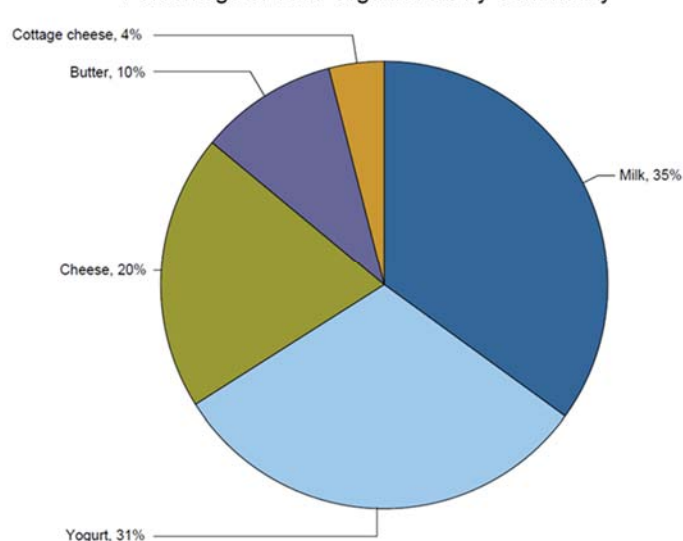
Organic Milk Production Northeast U.S. Data reported by Federal Milk Marketing Order 1 for utilization of organic milk products by pooled plants within the Order, quantifies March 2016 organic whole milk production was 14.62 million pounds, up from 12.17 million pounds during March 2015. The butterfat percentage during March 2015 was 3.29%, up from 3.27% one year earlier. Organic reduced fat milk production during March 2016, 21.77 million pounds, was down from 23.19 million pounds one year earlier. The butterfat percentage during March 2016 was 1.20%, up from 1.16% one year earlier.

EU Organic Milk Prices. CLAL reports organic milk farmgate prices in Germany for February 2016, 48.83 Euros/100kg, are up 4.56% from February 2015. Using the Euro/U.S. Dollar exchange rate for May 4, 1.1497, 48.33 Euros, equates to \$55.57 USD.

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk accounts for 35% of organic dairy ads, organic yogurt 31%, organic cheese 20%, organic butter 10%, and organic cottage cheese 4%. Total organic ads increased 11% compared to the previous report week. Organic yogurt ads went up 64%, while organic milk ads decreased 36%. The individual organic item with the highest ad volume was milk in half gallons. The Northeast region had the highest number of total ads, followed closely by the Southwest, Midwest and Southeast regions.

Percentage of Total Organic Ads by Commodity



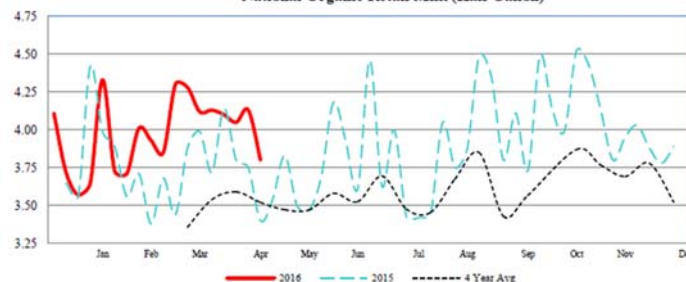
Data source/graph USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from April 22-28, 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 \$3.92, up 12 cents from last week and up 38 cents from a year ago. Ads appeared in all regions except the Southeast.

National Organic Retail Milk (Half Gallon)



Data source/graph USDA/AMS/Dairy Market News

Organic Milk Gallons. The U.S. weighted average advertised price of organic milk gallons is \$6.99, 73 cents above one year ago, and \$1.65 above last week. Ads appeared only in the Southwest region.

8 Ounce Block Organic Cheese. The U.S. weighted average price of 8 ounce organic cheese blocks is \$3.92, down 7 cents from a year ago. Ads appeared in the South Central, Southwest and Northwest regions.

8 Ounce Shred Organic Cheese. The U.S. weighted average price of 8 ounce organic cheese shreds is \$3.93, down 6 cents from a year ago. Ads appeared in the South Central and Northwest regions.

32 Ounce Organic Yogurt. The U.S. weighted average price of 32 ounce organic yogurt is \$2.99, up 30 cents from a year ago and up 50 cents from last week. Ads appeared only in the Midwest region.

ORGANIC DAIRY MARKET NEWS

Information gathered April 25 - May 6, 2016

-CONTINUED FROM PAGE 8-

32 Ounce Organic Greek Yogurt. The U.S. weighted average price of 32 ounce organic Greek yogurt is \$1.79. There were no ads last week or last year. Ads appeared only in the Midwest region this week.

4-6 Ounce Organic Yogurt. The U.S. weighted average price of 4-6 ounce organic yogurt is \$1.01, down 22 cents from last week, but up 1 cent from a year ago. Ads appeared in the Southeast and Northwest regions.

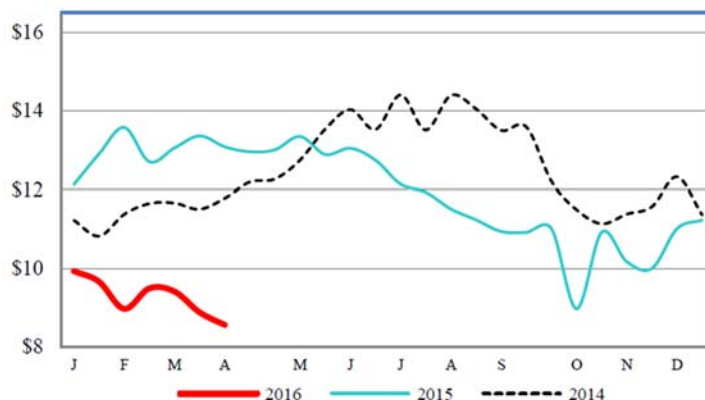
4-6 Ounce Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.25, up 3 cents from last week. There were no ads one year ago for 4-6 ounce organic Greek yogurt. This week ads appeared in the Northeast and Southeast regions.

1 Pound Organic Butter. The U.S. weighted average price of 1 pound organic butter is \$5.24, up 73 cents from last week, but down \$1.05 from a year ago. Organic butter ads appeared in Alaska and the Midwest, South Central, Southwest, and Northwest regions.

16 ounce Organic Cottage. The U.S. weighted average price of 16 ounce organic cottage cheese is \$3.31, up 9 cents from last week. There were no ads a year ago. Organic cottage cheese ads appeared in the Northeast and Midwest regions.

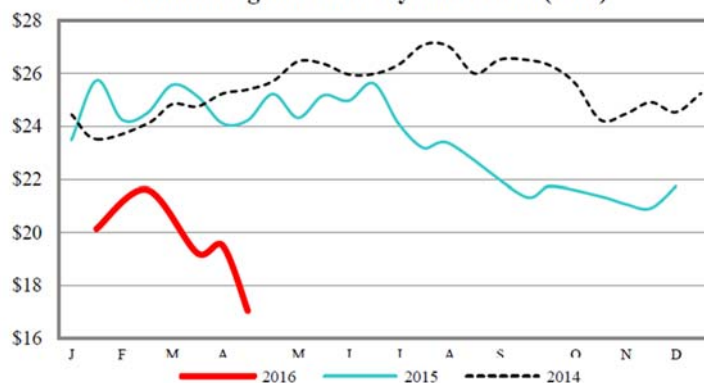
Organic Grain. Organic feed corn and feed soybean prices are lower than recent years, as shown on the following graphs. High organic grain prices have often been cited as a factor weighing on organic milk production in recent years, due to a number of producers reducing feeding to reduce costs. This also led to some reductions in organic dairy herd sizes. Optimism that the corner has been turned is increasing.

National Organic Feed Corn Prices (\$/bu)



Data source/graph USDA Livestock, Poultry & Grain Market News

National Organic Feed Soybean Prices (\$/bu)



Data source/graph USDA Livestock, Poultry & Grain Market News

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

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR APRIL 2016¹ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 13	::REPORT NUMBER 14	::REPORT NUMBER 15	::REPORT NUMBER 16	::REPORT NUMBER 17	:: 2016	: 2015
	::-----	::-----	::-----	::-----	::-----	:: Monthly	: Monthly
	:: APR 1	:: APR 4 - 8	:: APR 11 - 15	:: APR 18 - 22	:: APR 25 - 29	:: Average	: Average
CHEESE							
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.5600 - 1.9200	:: 1.5425 - 1.9025	:: 1.5275 - 1.8875	:: 1.5150 - 1.8750	:: 1.5200 - 1.8800	:: 1.7079	: 1.8828
-- Brick And/Or Muenster 5#	:: 1.8650 - 2.2900	:: 1.8425 - 2.2675	:: 1.8100 - 2.2350	:: 1.8000 - 2.2250	:: 1.8025 - 2.2275	:: 2.0287	: 2.1653
-- Cheddar 40# Block	:: 1.5925 - 1.9875	:: 1.5700 - 1.9650	:: 1.5375 - 1.9325	:: 1.5275 - 1.9225	:: 1.5300 - 1.9250	:: 1.7412	: 1.8778
-- Monterey Jack 10#	:: 1.8400 - 2.0450	:: 1.8175 - 2.0225	:: 1.7850 - 1.9900	:: 1.7750 - 1.9800	:: 1.7775 - 1.9825	:: 1.8937	: 2.0303
-- Blue 5#	:: 2.1325 - 3.1200	:: 2.1100 - 3.0975	:: 2.0775 - 3.0650	:: 2.0675 - 3.0550	:: 2.0700 - 3.0575	:: 2.5774	: 2.7141
-- Mozzarella 5 - 6#	:: 1.6650 - 2.6050	:: 1.6425 - 2.5825	:: 1.6100 - 2.5500	:: 1.6000 - 2.5400	:: 1.6025 - 2.5425	:: 2.0862	: 2.2259
-- Grade A Swiss Cuts 6 - 9#	:: 2.5725 - 2.6900	:: 2.4925 - 2.6100	:: 2.4925 - 2.6100	:: 2.4925 - 2.6100	:: 2.4925 - 2.6100	:: 2.5551	: 2.8536
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 40# Block	:: 1.8950 - 2.1800	:: 1.8725 - 2.1575	:: 1.8400 - 2.1250	:: 1.8300 - 2.1150	:: 1.8325 - 2.1175	:: 1.9887	: 2.1153
-- Process 5# Sliced	:: 1.6675 - 2.1475	:: 1.6500 - 2.1300	:: 1.6350 - 2.1150	:: 1.6225 - 2.1025	:: 1.6275 - 2.1075	:: 1.8754	: 2.0603
-- Muenster	:: 1.9150 - 2.2650	:: 1.8925 - 2.2425	:: 1.8600 - 2.2100	:: 1.8500 - 2.2000	:: 1.8525 - 2.2025	:: 2.0412	: 2.1678
-- Grade A Swiss Cuts 10 - 14#	:: 3.0550 - 3.3775	:: 2.9750 - 3.2975	:: 2.9750 - 3.2975	:: 2.9750 - 3.2975	:: 2.9750 - 3.2975	:: 3.1401	: 3.4386
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.5750 - 1.8325	:: 1.5575 - 1.8150	:: 1.5425 - 1.8000	:: 1.5300 - 1.7875	:: 1.5350 - 1.7925	:: 1.6716	: 1.8466
-- Cheddar 40# Block	:: 1.5975 - 2.0425	:: 1.5750 - 2.0200	:: 1.5425 - 1.9875	:: 1.5325 - 1.9775	:: 1.5350 - 1.9800	:: 1.7712	: 1.9078
-- Cheddar 10# Cuts	:: 1.7775 - 1.9975	:: 1.7550 - 1.9750	:: 1.7225 - 1.9425	:: 1.7125 - 1.9325	:: 1.7150 - 1.9350	:: 1.8387	: 1.9753
-- Monterey Jack 10#	:: 1.7875 - 1.9475	:: 1.7650 - 1.9250	:: 1.7325 - 1.8925	:: 1.7225 - 1.8825	:: 1.7250 - 1.8850	:: 1.8187	: 1.9553
-- Grade A Swiss Cuts 6 - 9#	:: 2.6325 - 3.0625	:: 2.5525 - 2.9825	:: 2.5525 - 2.9825	:: 2.5525 - 2.9825	:: 2.5525 - 2.9825	:: 2.7713	: 3.0699
FLUID PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	:: 2.1313 - 2.2281	:: 2.0459 - 2.3382	:: 2.1509 - 2.3558	:: 2.0880 - 2.5056	:: 2.1525 - 2.4190	:: 2.2533	: 2.0709
-- Upper Midwest - f.o.b	:: 2.2088 - 2.4025	:: 2.2408 - 2.4161	:: 2.3558 - 2.5401	:: 2.4221 - 2.5891	:: 2.3780 - 2.5420	:: 2.4293	: 2.1587
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	:: 0.15 - 0.65	:: 0.20 - 0.65	:: 0.30 - 0.80	:: 0.20 - 0.80	:: 0.20 - 0.78	:: 0.4869	: 0.9661
-- Class III	:: 0.15 - 0.63	:: 0.15 - 0.69	:: 0.20 - 0.73	:: 0.20 - 0.73	:: 0.20 - 0.73	:: 0.4507	: 1.0570

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR APRIL 2016¹ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 13	::REPORT NUMBER 14	::REPORT NUMBER 15	::REPORT NUMBER 16	::REPORT NUMBER 17	::	2016	:	2015
	::-----	::-----	::-----	::-----	::-----	::	Monthly	:	Monthly
	:: APR 1	:: APR 4 - 8	:: APR 11 - 15	:: APR 18 - 22	:: APR 25 - 29	::	Average	:	Average
DRY PRODUCTS									
NONFAT DRY MILK									
-- Central And East (f.o.b.)									
-- Low/Medium Heat	:: 0.7100 - 0.8325	:: 0.7100 - 0.8325	:: 0.7000 - 0.8325	:: 0.7100 - 0.8250	:: 0.7150 - 0.8250	::	0.7689	:	0.9825
-- Mostly	:: 0.7400 - 0.8100	:: 0.7300 - 0.7800	:: 0.7250 - 0.7600	:: 0.7300 - 0.7600	:: 0.7500 - 0.7800	::	0.7530	:	1.0059
-- High Heat	:: 0.8500 - 1.0400	:: 0.8500 - 1.0200	:: 0.8500 - 1.0200	:: 0.8800 - 1.0200	:: 0.8700 - 0.9700	::	0.9355	:	1.1677
-- West (f.o.b.)									
-- Low/Medium Heat	:: 0.6600 - 0.7950	:: 0.6350 - 0.7850	:: 0.6425 - 0.7850	:: 0.6800 - 0.7850	:: 0.7050 - 0.7900	::	0.7260	:	0.9747
-- Mostly	:: 0.7150 - 0.7575	:: 0.7050 - 0.7475	:: 0.7050 - 0.7475	:: 0.7150 - 0.7475	:: 0.7425 - 0.7750	::	0.7357	:	0.9660
-- High Heat	:: 0.8400 - 1.1025	:: 0.8200 - 1.0825	:: 0.8200 - 1.0725	:: 0.8200 - 1.0725	:: 0.8200 - 0.9500	::	0.9340	:	1.1334
WHEY POWDER (Nonhygroscopic)									
-- Central (f.o.b.)	:: 0.1800 - 0.2925	:: 0.1800 - 0.2925	:: 0.1800 - 0.2925	:: 0.1800 - 0.2800	:: 0.1800 - 0.2750	::	0.2327	:	0.4405
-- Mostly	:: 0.2200 - 0.2625	:: 0.2200 - 0.2600	:: 0.2200 - 0.2600	:: 0.2100 - 0.2600	:: 0.2100 - 0.2550	::	0.2371	:	0.4251
-- West (f.o.b.)	:: 0.2300 - 0.2800	:: 0.2300 - 0.2800	:: 0.2200 - 0.2800	:: 0.2200 - 0.2800	:: 0.2200 - 0.2750	::	0.2508	:	0.4415
-- Mostly	:: 0.2300 - 0.2600	:: 0.2300 - 0.2600	:: 0.2300 - 0.2550	:: 0.2300 - 0.2500	:: 0.2225 - 0.2500	::	0.2411	:	0.4409
-- Northeast (f.o.b.)	:: 0.2200 - 0.2875	:: 0.2200 - 0.2850	:: 0.2200 - 0.2825	:: 0.2200 - 0.2800	:: 0.2200 - 0.2750	::	0.2505	:	0.4666
WHEY PROTEIN CONCENTRATE									
-- Central And West (f.o.b.)									
-- Extra Grade 34% Protein	:: 0.5100 - 0.7300	:: 0.5400 - 0.7300	:: 0.5400 - 0.7300	:: 0.5600 - 0.7300	:: 0.5600 - 0.7300	::	0.6390	:	0.9720
-- Mostly	:: 0.6000 - 0.6200	:: 0.5700 - 0.6500	:: 0.5600 - 0.6500	:: 0.5650 - 0.6500	:: 0.5650 - 0.6500	::	0.6076	:	0.9439
ANIMAL FEED - WHEY									
-- Central (f.o.b.)									
-- Milk Replacer	:: 0.1250 - 0.2325	:: 0.1250 - 0.2325	:: 0.1250 - 0.2325	:: 0.1250 - 0.2200	:: 0.1250 - 0.2150	::	0.1752	:	0.3109
BUTTERMILK (Min. 30% protein)									
-- Central And East (f.o.b.)	:: 0.7200 - 0.8125	:: 0.7200 - 0.8125	:: 0.7200 - 0.8100	:: 0.7000 - 0.8050	:: 0.7000 - 0.8050	::	0.7594	:	0.9264
-- West (f.o.b.)	:: 0.6800 - 0.8100	:: 0.6800 - 0.8000	:: 0.6800 - 0.8000	:: 0.6700 - 0.7900	:: 0.6700 - 0.8300	::	0.7402	:	0.9263
-- Mostly	:: 0.6900 - 0.8000	:: 0.6900 - 0.7900	:: 0.6900 - 0.7900	:: 0.6900 - 0.7400	:: 0.6900 - 0.7400	::	0.7283	:	0.8775
DRY WHOLE MILK									
-- National (f.o.b.)	:: 1.1200 - 1.3500	:: 1.2000 - 1.3000	:: 1.2000 - 1.3900	:: 1.2800 - 1.3300	:: 1.1000 - 1.3300	::	1.2648	:	1.2882
LACTOSE									
-- Central And West (f.o.b.)	:: 0.1800 - 0.3500	:: 0.1800 - 0.3525	:: 0.1800 - 0.3550	:: 0.1800 - 0.3550	:: 0.2000 - 0.3550	::	0.2695	:	0.2587
-- Mostly	:: 0.2050 - 0.2600	:: 0.2100 - 0.2600	:: 0.2100 - 0.2600	:: 0.2100 - 0.2750	:: 0.2100 - 0.2950	::	0.2408	:	0.2370
CASEIN - Edible - National (f.o.b.)									
-- Nonrestricted - Rennet	:: 2.2200 - 2.9000	:: 2.0000 - 2.9000	:: 2.0000 - 2.9000	:: 2.2500 - 2.9000	:: 2.2500 - 2.7000	::	2.4910	:	3.5750
-- Nonrestricted - Acid	:: 2.3600 - 3.0500	:: 2.1600 - 2.9500	:: 2.1600 - 2.9500	:: 2.4000 - 2.9500	:: 2.4000 - 2.7500	::	2.5955	:	3.7523

1 Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR APRIL 2016

COMMODITY	::REPORT NUMBER 13::		REPORT NUMBER 14::		REPORT NUMBER 15::		REPORT NUMBER 16::		REPORT NUMBER 17::		2016 *	2015 *
	::-----::		-----::		-----::		-----::		-----::		Monthly	Monthly
	::		::		::		::		::		Average	Average
	APR 1		APR 4 - 8		APR 11 - 15		APR 18 - 22		APR 25 - 29			

BUTTER*												
-- GRADE AA												
--Monday	::	::	1.9600	::	2.1700	::	2.0700	::	2.0300	::	:	:
--Tuesday	::	::	2.0025	::	2.0700	::	2.0700	::	2.0400	::	:	:
--Wednesday	::	::	2.0800	::	2.0700	::	2.0400	::	2.0400	::	:	:
--Thursday	::	::	2.0800	::	2.0600	::	2.0400	::	2.0600	::	:	:
--Friday	::	1.9600	2.1200	::	2.0700	::	2.0300	::	2.1200	::	2.0563	1.7937
--Weekly Average**	::	1.9485	2.0485	::	2.0880	::	2.0500	::	2.0580	::	:	:
CHEESE*												
-- BARRELS												
--Monday	::	::	1.4475	::	1.4150	::	1.4200	::	1.4250	::	:	:
--Tuesday	::	::	1.4425	::	1.4350	::	1.4200	::	1.3800	::	:	:
--Wednesday	::	::	1.4425	::	1.4275	::	1.4500	::	1.3800	::	:	:
--Thursday	::	::	1.4175	::	1.4225	::	1.4250	::	1.4150	::	:	:
--Friday	::	1.4550	1.4175	::	1.4100	::	1.4250	::	1.4125	::	1.4231	1.6135
--Weekly Average**	::	1.4490	1.4335	::	1.4220	::	1.4280	::	1.4025	::	:	:
-- 40# BLOCKS												
--Monday	::	::	1.4500	::	1.4175	::	1.4275	::	1.4200	::	:	:
--Tuesday	::	::	1.4500	::	1.4250	::	1.4275	::	1.3800	::	:	:
--Wednesday	::	::	1.4325	::	1.4275	::	1.4400	::	1.3625	::	:	:
--Thursday	::	::	1.4200	::	1.4275	::	1.4225	::	1.3675	::	:	:
--Friday	::	1.4700	1.4200	::	1.4275	::	1.4225	::	1.3700	::	1.4194	1.5890
--Weekly Average**	::	1.4680	1.4345	::	1.4250	::	1.4280	::	1.3800	::	:	:
NONFAT DRY MILK*												
-- GRADE A												
--Monday	::	::	0.7175	::	0.6975	::	0.7350	::	0.7600	::	:	:
--Tuesday	::	::	0.7175	::	0.7050	::	0.7400	::	0.7750	::	:	:
--Wednesday	::	::	0.6900	::	0.7150	::	0.7475	::	0.7750	::	:	:
--Thursday	::	::	0.6900	::	0.7150	::	0.7500	::	0.7750	::	:	:
--Friday	::	0.7175	0.6900	::	0.7250	::	0.7500	::	0.7550	::	0.7306	0.9415
--Weekly Average**	::	0.7200	0.7010	::	0.7115	::	0.7445	::	0.7680	::	:	:

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

March Agricultural Prices Highlights

The All Milk price received by farmers was \$15.30 in March, down \$1.30 from March 2015. The alfalfa hay price was \$144.00 in March, down \$25.00 from March 2015. The corn price was \$3.57 in March, down \$0.24 from March 2015. The soybean price was \$8.56 in March, down \$1.29 from March 2015. The milk-feed price ratio was 2.08 in March, up 0.07 from March 2015.

The index of prices received by farmers for dairy products during the month of March 2016 was down 2.0 to 76.1. Compared to March 2015, the index was down 6.5 points (-7.9 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2016 was up 0.2 point to 107.1. Compared with March 2015, the index was down 4.3 points (-3.9 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., March 2016 with Comparisons								
State	All-Milk price ^{1,2}		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Mar		Mar		Mar		Mar	
	2015	2016	2015	2016	2015	2016	2015	2016
	(dollars per cwt)		(dollars per ton)		(dollars per bushel)		(dollars per bushel)	
AZ	15.20	14.00	200.00	180.00	---	---	---	---
CA	14.92	14.13	190.00	165.00	---	---	---	---
CO	17.30	15.70	195.00	180.00	3.94	3.61	---	---
ID	16.30	15.00	170.00	150.00	---	---	---	---
IN	16.70	15.10	---	---	3.94	3.93	10.10	8.90
IA	16.90	15.50	132.00	102.00	3.83	3.47	9.76	8.46
MI	16.20	14.10	170.00	130.00	3.73	3.57	9.91	8.77
MN	17.40	15.80	122.00	85.00	3.66	3.25	9.52	8.17
NM	15.70	14.60	200.00	185.00	---	---	---	---
NY	17.60	16.20	225.00	236.00	---	---	---	---
OH	17.50	16.00	180.00	180.00	3.93	3.87	10.10	8.88
PA	17.90	16.30	244.00	198.00	4.08	3.91	---	---
TX	17.20	16.00	228.00	195.00	4.46	4.05	---	---
WA	16.40	15.30	200.00	145.00	---	---	---	---
WI	17.60	15.80	125.00	96.00	3.72	3.43	9.72	8.54
U.S.	16.60	15.30	169.00	144.00	3.81	3.57	9.85	8.56

¹ Prices are shown at reported butterfat test. ² Before deduction for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

Milk-Feed Price Ratio, Selected States and U.S., March 2016 with Comparisons			
Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹			
State ²	Mar 2015	Feb 2016	Mar 2016
IA	2.25	2.41	2.43
MI	1.97	2.03	1.99
MN	2.45	2.71	2.73
OH	2.08	2.00	1.88
WI	2.43	2.63	2.54
U.S.	2.01	2.15	2.08

¹ The price of commercial prepared dairy feed is based on current United States prices received for corn, soybeans, and alfalfa. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. ² Available states that provided all necessary data to compute milk-feed price ratios.

General Price Measures, U.S., March 2016 with Comparisons			
Item	Mar 2015	Feb 2016	Mar 2016
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	82.6	78.1	76.1
Prices paid by farmers for commodities and services, interest taxes, and wage rates	111.4	106.9	107.1

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices*, April 2016.

Federal Milk Order Final Class and Component Prices, April

Class Prices: The following are the April 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$13.54 (-\$0.03), Class III: \$13.63 (-\$0.11), and Class IV: \$12.68 (-\$0.06).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for April 2016 is \$2.2376 per pound. Thus, the Class II butterfat price is \$2.2446 per pound. The protein and other solids prices for April 2016 are \$1.8450 and \$0.0489 per pound, respectively. These component prices set the Class III skim milk price at \$6.01 per cwt. The April 2016 Class IV skim milk price is \$5.02, which is derived from the nonfat solids price of \$0.5573 per pound.

Product Price Averages: The product price averages for April 2016 are: butter: \$2.0192, nonfat dry milk: \$0.7307, cheese: \$1.5041, and dry whey: \$0.2466.

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1,2}						
Federal Milk Order Marketing Areas ³	Order Number	April 2016				May 2016
		Class I	Class II	Class III	Class IV	Class I
		<i>(dollars per 100 pounds)</i>				
Northeast (Boston) ⁴	001	16.99	13.54	13.63	12.68	16.95
Appalachian (Charlotte) ⁵	005	17.14	13.54	13.63	12.68	17.10
Florida (Tampa) ⁶	006	19.14	13.54	13.63	12.68	19.10
Southeast (Atlanta) ⁷	007	17.54	13.54	13.63	12.68	17.50
Upper Midwest (Chicago) ⁸	030	15.54	13.54	13.63	12.68	15.50
Central (Kansas City) ⁹	032	15.74	13.54	13.63	12.68	15.70
Mideast (Cleveland) ¹⁰	033	15.74	13.54	13.63	12.68	15.70
Pacific Northwest (Seattle) ¹¹	124	15.64	13.54	13.63	12.68	15.60
Southwest (Dallas) ¹²	126	16.74	13.54	13.63	12.68	16.70
Arizona (Phoenix)	131	16.09	13.54	13.63	12.68	16.05
All-Market Average	---	16.63	13.54	13.63	12.68	16.59

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

² The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

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

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

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

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

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

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

March 2016 Dairy Products Highlights

Butter production was 182.0 million pounds, 8.6 percent above March 2015, and 4.4 percent above February 2016. **American type cheese** production totaled 399.3 million pounds, 0.9 percent above March 2015, and 8.9 percent above February 2016. **Total cheese** output (excluding cottage cheese) was 1.03 billion pounds, 1.8 percent above March 2015, and 7.8 percent above February 2016. **Nonfat dry milk** production, for human food, totaled 171.6 million pounds, 5.1 percent below March 2015, but 22.4 percent above February 2016. **Dry whey** production, for human food, was 81.3 million pounds, 4.8 percent below March 2015, but 10.4 percent above February 2016. **Ice cream, regular hard** production totaled 70.5 million gallons, 1.8 percent below March 2015, but 16.7 percent above February 2016.

Production of Dairy Products									
Product	Mar 2016	Change from			Product	Mar 2016	Change from		
		Mar 2015	Feb 2016	Year to Date ¹			Mar 2015	Feb 2016	Year to Date ¹
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	181,992	8.6	4.4	7.0	Yogurt (plain and flavored)	413,328	-5.3	4.2	-1.8
Cheese					Dry whey, human food	81,388	-4.8	10.4	---
American types ²	399,380	0.9	8.9	1.0	Dry whey, animal feed	1,588	8.2	-7.5	---
Cheddar	284,469	-0.9	10.5	-0.9	Dry whey, total ⁸	82,976	-4.5	10.0	0.7
Other American	114,911	5.6	5.1	---	Reduced lactose & minerals				
Brick & Muenster	14,179	-3.9	0.2	---	Human food	2,653	-20.0	1.2	---
Cream & Neufchatel	69,545	-2.4	-1.8	---	Animal feed	2,623	6.3	11.1	---
Hispanic	22,662	-2.0	10.1	---	Lactose, human food & animal feed	95,618	2.9	14.0	0.2
Total Italian types	459,050	4.3	8.3	4.4	Whey protein concentrate				
Mozzarella	359,295	4.8	8.0	4.0	Human food ⁹	38,050	-8.7	4.0	---
Other Italian	99,755	2.4	9.2	---	Animal feed ⁹	238	-49.6	19.0	---
Swiss	26,119	-2.0	6.8	---	Total ⁹	38,288	-9.1	4.1	-8.3
All other types	38,471	-2.8	12.3	---	25.0-49.9 percent ¹⁰	15,818	-16.2	2.2	---
Total	1,029,406	1.8	7.8	2.9	50.0-89.9 percent ¹⁰	22,470	-3.4	5.5	---
Cottage cheese, curd ³	36,926	8.1	16.4	---	Whey protein isolates ¹¹	8,621	-3.3	9.1	---
Cottage cheese, cream ⁴	28,659	6.2	13.6	1.8					
Cottage cheese, lowfat ⁵	34,309	6.7	19.5	1.7					
Dry buttermilk	9,618	9.6	-11.1	---	Frozen products				
Dry whole milk	9,968	-26.8	15.3	---	Ice cream, regular hard	70,524	-1.8	16.7	-0.4
Milk protein conc. (MPC), total ⁶	14,979	23.3	-9.7	---	Ice cream, lowfat, hard	18,211	-7.1	26.1	---
Nonfat dry milk (NDM), human	171,616	-5.1	22.4	-10.1	Ice cream, lowfat, soft	22,746	23.0	36.2	---
Skim milk powders (SMP) ⁷	40,564	2.8	0.9	15.9	Ice cream, lowfat, total	40,957	7.5	31.5	-1.3
Sour cream	114,923	3.6	11.1	1.3	Sherbet, hard	3,757	-5.8	17.4	-7.6
					Frozen yogurt, total	6,054	-3.6	12.6	-6.3

Manufacturers' Stocks, End of Month ¹²							
Product	Mar 2016	Mar 2015	Feb 2016	Product	Mar 2016	Mar 2015	Feb 2016
	<i>(1,000 lbs)</i> <i>(percent)</i>				<i>(1,000 lbs)</i> <i>(percent)</i>		
Dry whey, human food	75,904	5.9	0.0	Whey protein concentrate			
Dry whey, animal feed	1,396	111.2	-13.6	Human food ⁹	107,109	53.7	12.7
Reduced lactose & minerals—human & animal ¹³	7,875	-18.4	3.9	Animal feed ⁹	690	-38.3	12.0
Lactose, human food & animal feed	187,392	38.7	49.7	Total ⁹	107,799	52.3	12.7
Dry buttermilk	25,423	23.2	-1.0	25.0-49.9 percent ¹⁰	55,349	70.6	23.1
Nonfat dry milk, human food	231,852	-7.5	7.1	50.0-89.9 percent ¹⁰	52,450	36.8	3.4
				Whey protein isolates ¹¹	17,194	33.8	9.4

¹ 2016 cumulative as percent change of 2015 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture, National Agricultural Statistics Service, Agricultural Statistics Board. *Dairy Products*, (May2016).

Dairy Products 2015 Summary

Butter production in the United States during 2015 totaled 1.86 billion pounds, 0.1 percent above 2014. California accounted for 31.2 percent of the production.

Total cheese production, excluding cottage cheeses, was 11.8 billion pounds, 2.8 percent above 2014 production. Wisconsin was the leading State with 25.9 percent of the production, followed by California with 20.6 percent and Idaho with 8.0 percent.

American type cheese production was 4.69 billion pounds, 2.3 percent above 2014 and accounted for 39.7 percent of total cheese in 2015. Wisconsin was the leading State in American type cheese production with 19.4 percent of the production, followed by California with 13.9 percent and Idaho with 13.0 percent.

Italian varieties, with 5.09 billion pounds were 2.8 percent above 2014 production and accounted for 43.0 percent of total cheese in 2015. Mozzarella accounted for 78.5 percent of the Italian production followed by Provolone with 7.5 percent and Parmesan with 6.7 percent. California was the leading State in Italian cheese production with 30.7, followed by Wisconsin with 30.2 percent and New York with 6.9 percent.

Ice cream, Regular totaled 898 million gallons, up 3.7 percent from 2014. Lowfat ice cream, at 432 million gallons, was up 4.9 percent.

Nonfat dry milk for human food totaled 1.82 billion pounds, up 3.3 percent from 2014. California was the leading state with 38.5 percent of the production. Skim milk powders totaled 446 million pounds, down 17.9 percent.

Dry whey, total production, at 975 million pounds, was up 12.1 percent from 2014. Lactose, human and animal production was 1.05 billion pounds, down 7.4 percent.

Dairy Plants: During 2015, there were 1,267 dairy plants in the U.S. manufacturing one or more dairy products, 2 less than in 2014.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Dairy Products 2015 Summary*, April 2016.

Annual Production of Selected Dairy Products and Number of Plants Manufacturing these Products, United States, 2014 and 2015

Product	2014 Revised		2015		Change from 2014
	Plants	Production	Plants	Production	
	(number)	(1,000 pounds)	(number)	(1,000 pounds)	(percent)
Butter	82	1,855,315	84	1,857,998	0.1
Cheese Types:					
Cheddar	223	3,317,038	226	3,393,464	2.3
Other American ¹	149	1,270,985	150	1,301,422	2.4
Total American	237	4,588,023	242	4,694,886	2.3
Swiss	68	297,802	61	312,040	4.8
Muenster	40	163,650	41	177,151	8.2
Mozzarella	127	3,924,925	134	3,995,810	1.8
Other Italian	209	1,025,310	208	1,092,945	6.6
Total Italian	215	4,950,235	213	5,088,755	2.8
Cream & Neufchatel	32	851,713	35	876,285	2.9
Hispanic	64	249,579	63	254,344	1.9
Total ²	536	11,512,105	540	11,838,425	2.8
Cottage Cheese, Curd ³	55	381,146	55	398,693	4.6
Cottage Cheese, Creamed ⁴	55	303,113	55	317,528	4.8
Cottage Cheese, Lowfat ⁵	54	364,614	54	363,005	-0.4
Canned Evaporated &					
Condensed Whole Milk ⁶	4	315,290	5	452,780	43.6
Dry Whole Milk	11	103,122	13	108,522	5.2
Milk Protein Concentrate, Total ⁷	12	126,017	14	157,305	24.8
Nonfat Dry Milk, Human	47	1,764,632	50	1,822,183	3.3
Skim Milk Powders ⁸	12	543,504	12	446,324	-17.9
Dry Buttermilk	25	111,097	26	98,364	-11.5
Sour Cream	107	1,302,900	107	1,316,454	1.0
Yogurt (Plain & Flavored)	148	4,756,562	149	4,742,087	-0.3
Condensed Whey, Solids Content, Human Food ⁹	13	92,486	12	121,892	31.8
Dry Whey Products					
Dry Whey, Human	29	855,984	29	958,139	11.9
Dry Whey, Animal	21	13,717	21	16,766	22.2
Reduced Lactose and Minerals, Total	8	93,401	8	69,185	-25.9
Lactose Total	31	1,133,030	30	1,048,778	-7.4
Whey Protein Concentrate					
Human Food ¹⁰	47	533,051	44	489,205	-8.2
Animal Feed ¹⁰	19	7,050	19	5,200	-26.2
Total ¹⁰	N/A	540,101	N/A	494,405	-8.5
25.0-49.9 Percent ¹¹	26	283,196	23	219,733	-22.4
50.0-89.9 Percent ¹¹	35	256,905	33	274,672	6.9
Whey Protein Isolates ¹²	16	81,282	17	98,004	20.6
Frozen Products	<u>Number</u>	<u>1,000 gallons</u>	<u>Number</u>	<u>1,000 gallons</u>	<u>Percent</u>
Ice Cream, Regular	N/A	865,753	N/A	897,676	3.7
Ice Cream, Lowfat ¹³	N/A	411,701	N/A	431,701	4.9
Sherbet	N/A	48,353	N/A	46,059	-4.7
Yogurt	N/A	66,456	N/A	68,715	3.4

N/A = Not available.

¹ Includes Colby, Monterey and Jack. ² Excluding cottage cheese. ³ Mostly used for processing into creamed or lowfat cottage cheese. ⁴ Fat content 4.0 percent or more. ⁵ Fat content less than 4.0 percent, mostly 0.5 to 2.0 fat. ⁶ Combined to avoid disclosing individual plant operations. ⁷ Dry milk protein concentrate, 40.0-89.9 percent. ⁸ Includes protein standardized and blends. ⁹ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified dry whey products. ¹⁰ Whey Protein Concentrate, 25.0 to 89.9 percent. ¹¹ Whey Protein Concentrate, Human and Animal. ¹² Whey Protein Isolate, 90.0 percent or higher. ¹³ Includes freezer-made milkshake.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Dairy Products 2015 Summary*, April 2016.

Milk Production, Disposition, and Income 2015

Milk production increased 1.3 percent in 2015 to 209 billion pounds. The rate per cow, at 22,393 pounds, was 134 pounds above 2014. The annual average number of milk cows on farms was 9.32 million head, up 60,000 head from 2014.

Cash receipts from marketings of milk during 2015 totaled \$35.7 billion, 27.6 percent lower than 2014. Producer returns averaged \$17.21 per hundredweight, 28.5 percent below 2014. Marketings totaled 207.7 billion pounds, 1.3 percent above 2014. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers.

An estimated 969 million pounds of milk were used on farms where produced, 0.5 percent more than 2014. Calves were fed 91 percent of this milk, with the remainder consumed in producer households.

Milk Cows and Production of Milk: United States, 2014-2015

Year	Number of milk cows ¹	Production of Milk ²		
		Per milk cow	All milk percent of fat	Total
		Milk		Milk
	<i>(1,000 head)</i>	<i>(pounds)</i>	<i>(percent)</i>	<i>(million pounds)</i>
2014	9,257	22,259	3.74	206,054
2015	9,317	22,393	3.74	208,633

¹ Average number during year, excluding heifers not yet fresh. ² Excludes milk sucked by calves.

Milk Marketings and Income: United States, 2014-2015

Year	Combined Marketings of Milk and Cream			
	Milk marketed by producers		All milk average returns per cwt ¹	Cash receipts from marketings
	Total ²	Fluid grade ³		
	<i>(million pounds)</i>	<i>(percent)</i>	<i>(dollars)</i>	<i>(1,000 dollars)</i>
2014	205,091	99	24.07	49,352,950
2015	207,633	99	17.21	35,739,249

¹ Cash receipts divided by milk marketings. ² Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. ³ Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production, Disposition, and Income 2015 Summary*, April 2016.

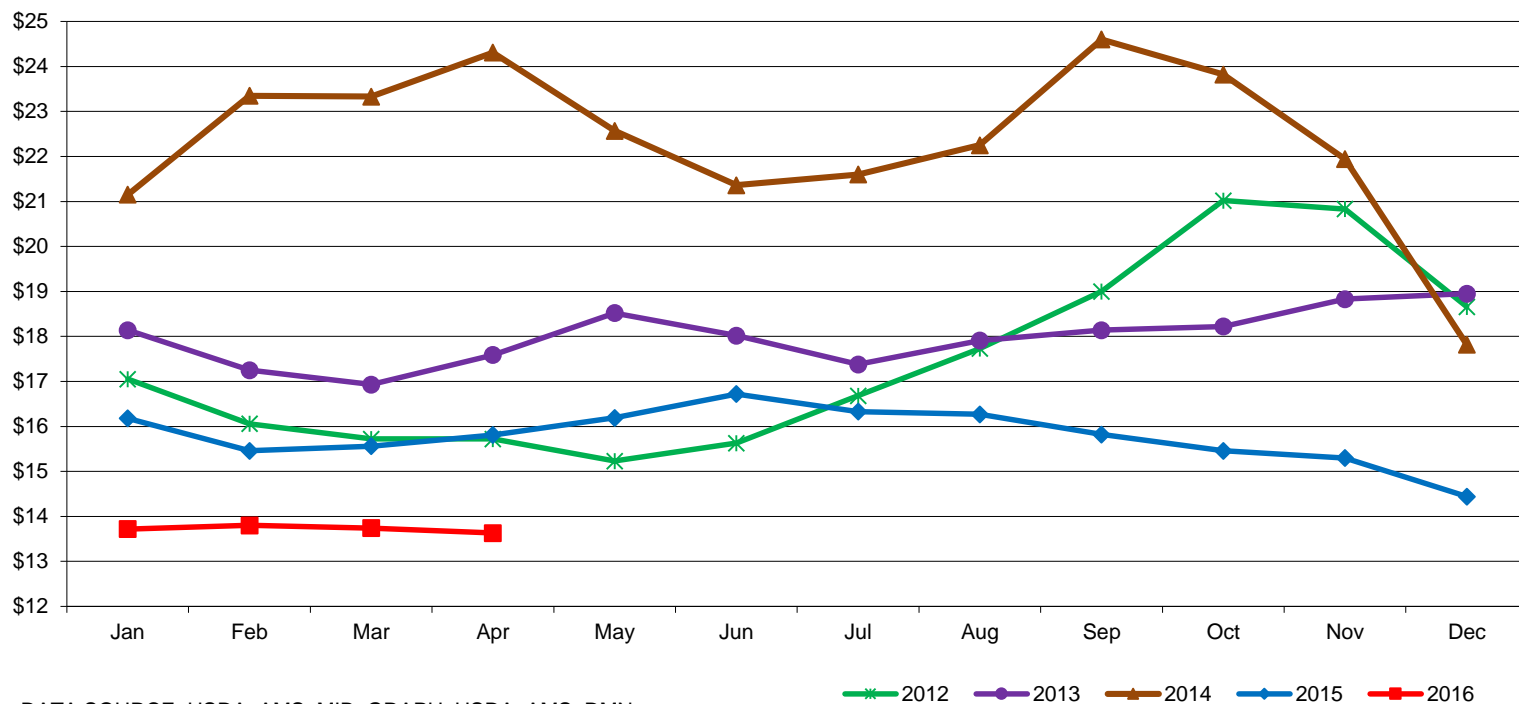
Annual Milk Marketings by Producers and Cash Receipts from Marketings, by State, 2015

State	Milk Marketed by Producers		Cash Receipts from Marketings	
	Quantity ¹	Fluid Grade ²	Total	Average Return ³
	(million pounds)	(percent)	(1,000 dollars)	(dollars per cwt)
AL	100.0	100	19,500	19.50
AK	3.1	100	682	22.00
AZ	4,760.0	100	761,600	16.00
AR	89.0	100	16,109	18.10
CA	40,865.0	99	6,293,210	15.40
CO	3,728.0	100	663,584	17.80
CT	393.0	100	73,098	18.60
DE	97.5	100	16,965	17.40
FL	2,576.0	100	548,688	21.30
GA	1,789.0	100	357,800	20.00
HI	34.8	100	9,918	28.50
ID	14,081.0	100	2,351,527	16.70
IL	1,880.0	98	332,760	17.70
IN	4,003.0	100	688,516	17.20
IA	4,826.0	99	834,898	17.30
KS	3,167.0	100	535,223	16.90
KY	1,067.0	100	200,596	18.80
LA	184.0	100	34,960	19.00
ME	590.0	100	118,000	20.00
MD	976.0	100	172,752	17.70
MA	215.0	100	39,990	18.60
MI	10,225.0	100	1,697,350	16.60
MN	9,361.0	99	1,647,536	17.60
MS	163.0	100	31,622	19.40
MO	1,344.0	97	248,640	18.50
MT	294.0	100	43,806	14.90
NE	1,299.0	100	231,222	17.80
NV	663.0	100	117,351	17.70
NH	280.0	100	51,800	18.50
NJ	125.0	100	22,000	17.60
NM	7,789.0	100	1,254,029	16.10
NY	14,053.0	100	2,557,646	18.20
NC	980.0	100	182,280	18.60
ND	327.0	97	55,917	17.10
OH	5,468.0	97	978,772	17.90
OK	714.0	100	132,804	18.60
OR	2,530.0	100	470,580	18.60
PA	10,736.0	100	1,986,160	18.50
RI	15.7	100	2,967	18.90
SC	258.0	100	51,084	19.80
SD	2,352.0	99	435,120	18.50
TN	737.0	100	138,556	18.80
TX	10,270.0	100	1,817,790	17.70
UT	2,209.0	100	375,530	17.00
VT	2,651.0	100	493,086	18.60
VA	1,763.0	100	342,022	19.40
WA	6,588.0	100	1,133,136	17.20
WV	139.0	100	24,325	17.50
WI	28,771.0	99	5,121,238	17.80
WY	133.9	100	24,504	18.30
US ⁴	207,663.0	99	35,739,249	17.21

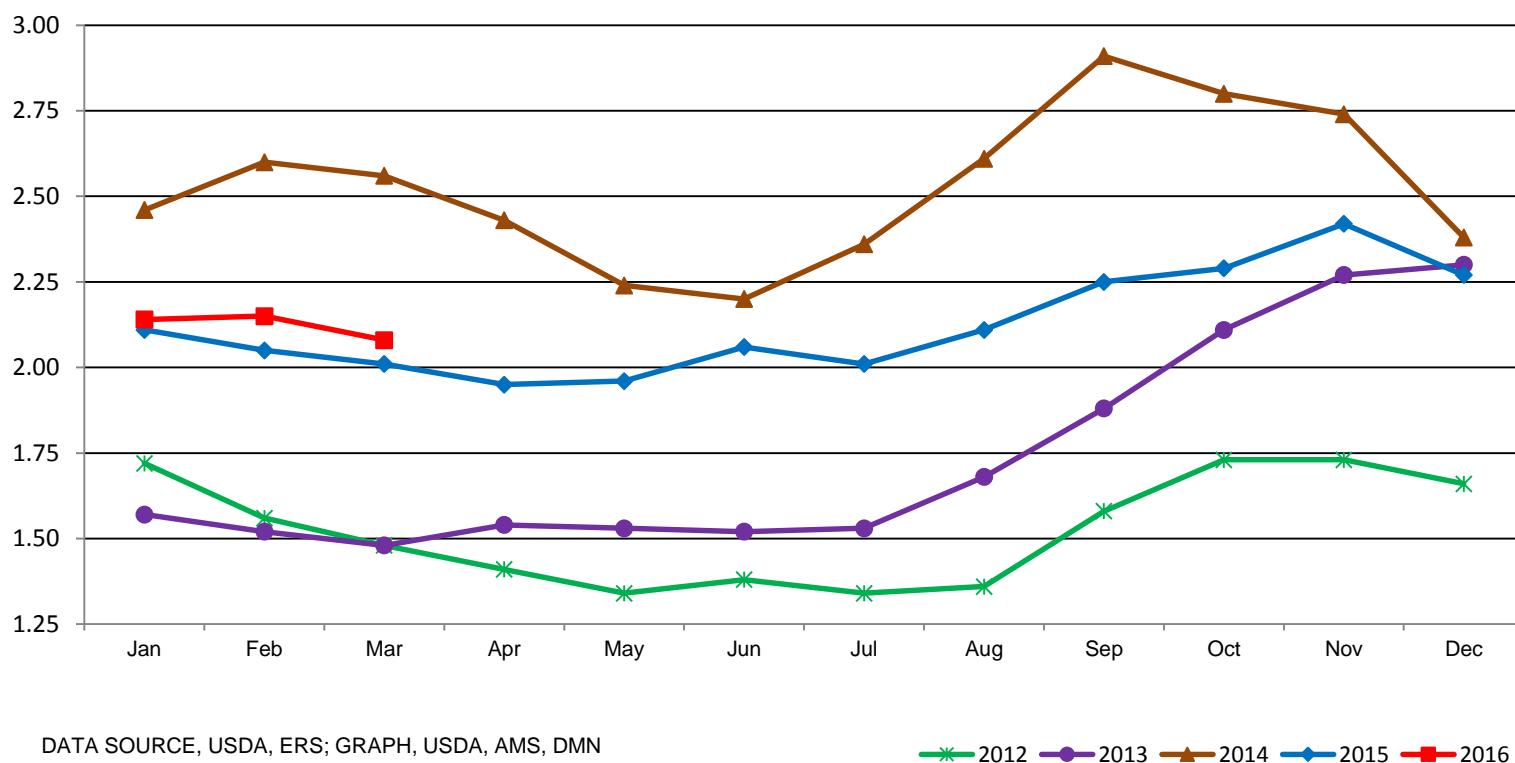
¹ Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. ² Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products. ³ Cash receipts divided by milk marketings. ⁴ May not add due to rounding.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production, Disposition, and Income 2015 Summary, April 2016.*

PER CWT

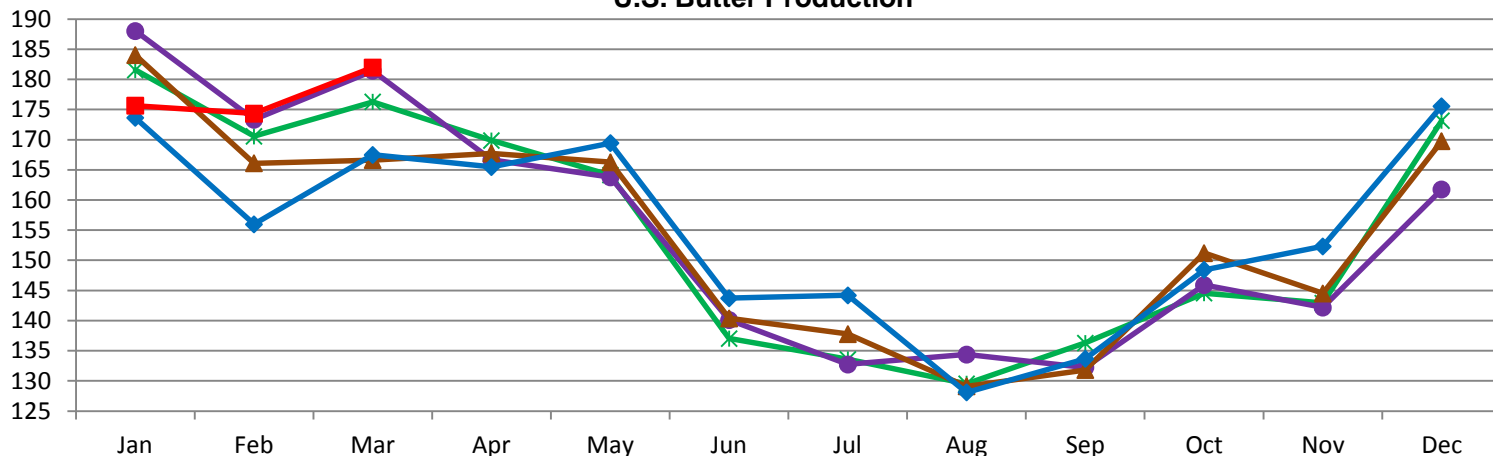
Class III Milk Price at 3.5%Test

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

Milk-Feed Price Ratio Based on the Pounds of 16% Mixed Dairy Feed Equal in Value to 1 Pound of Whole Milk

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

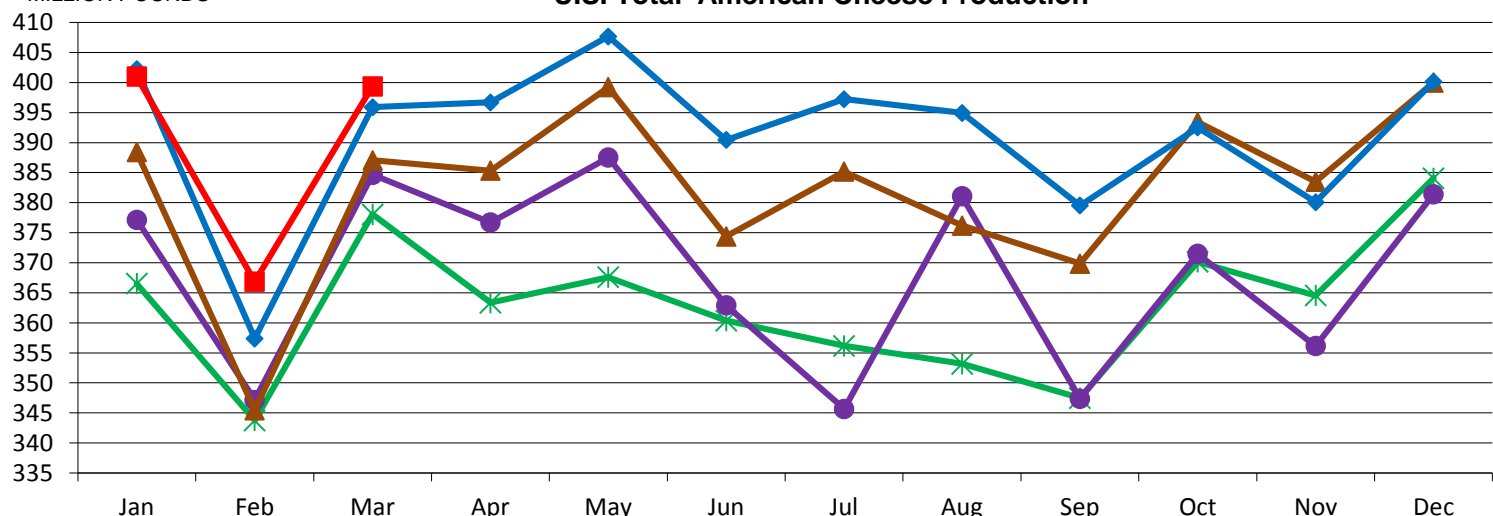
MILLION POUNDS

U.S. Butter Production

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

2012 2013 2014 2015 2016

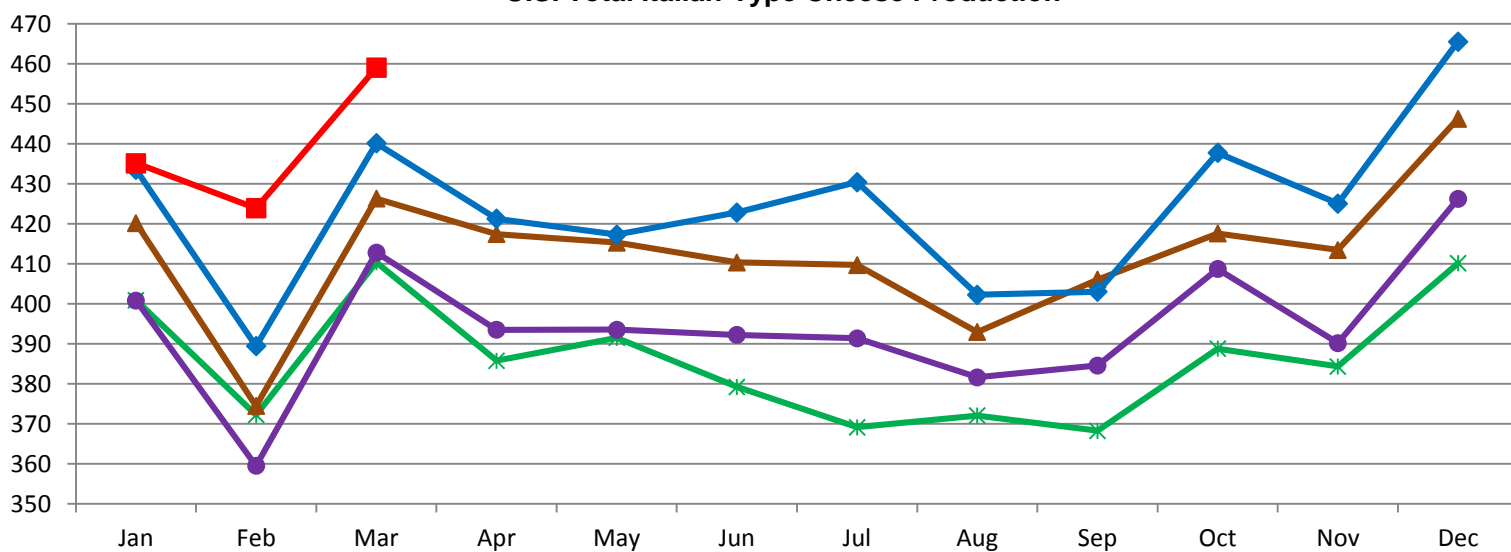
MILLION POUNDS

U.S. Total American Cheese Production

DATA SOURCE USDA, NASS; GRAPH, USDA, DMN

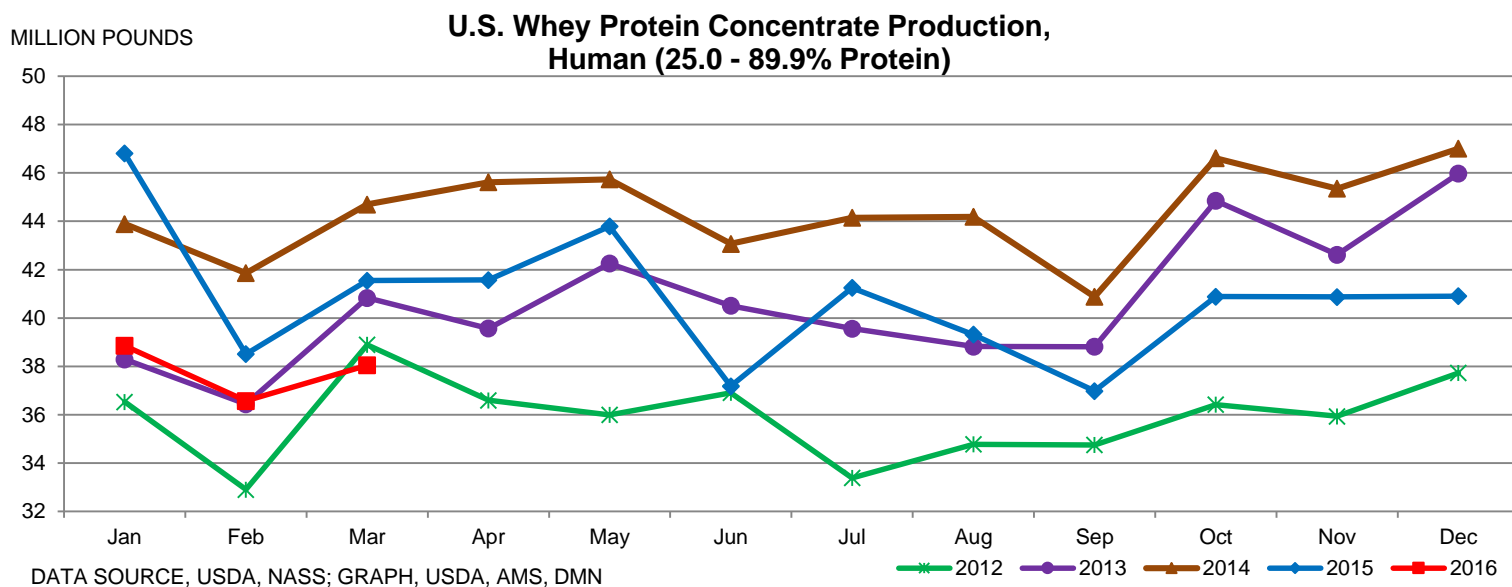
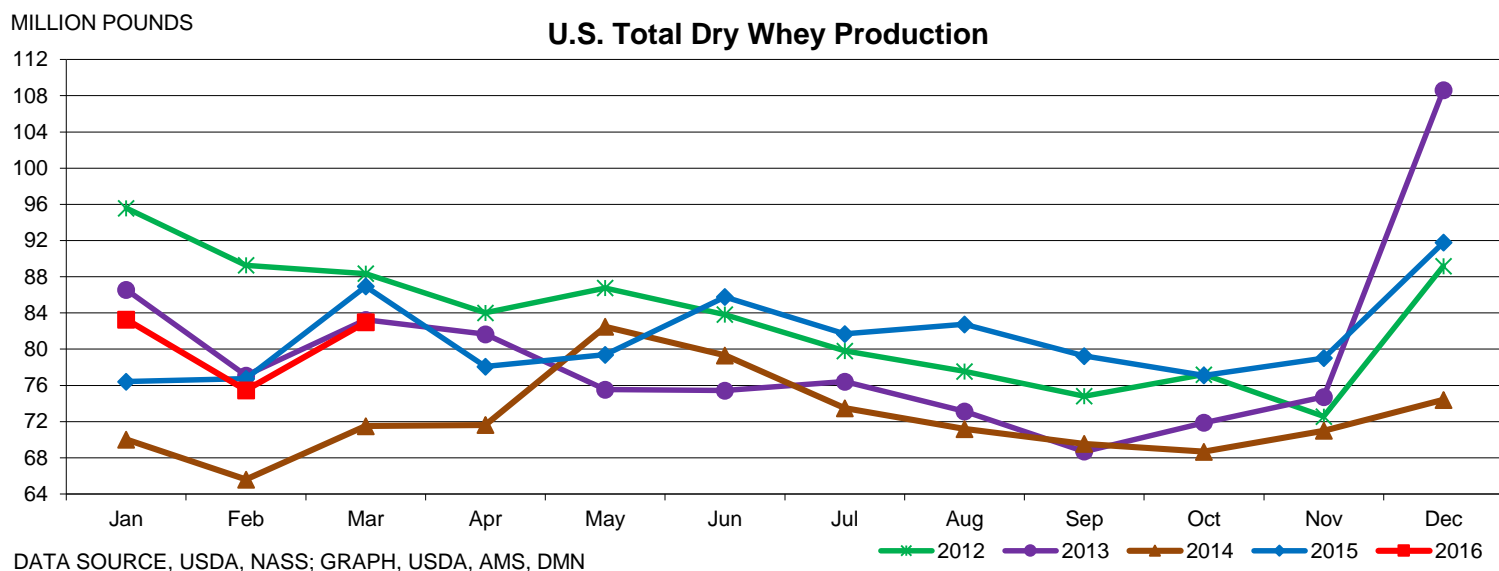
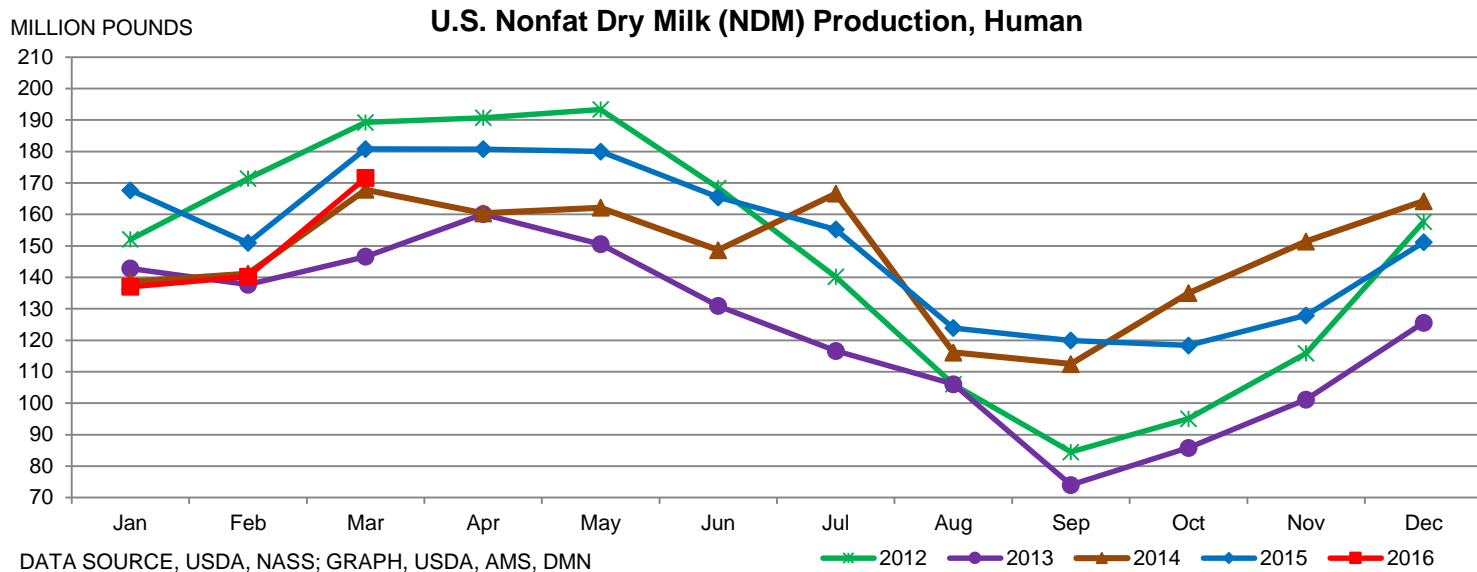
2012 2013 2014 2015 2016

MILLION POUNDS

U.S. Total Italian-Type Cheese Production

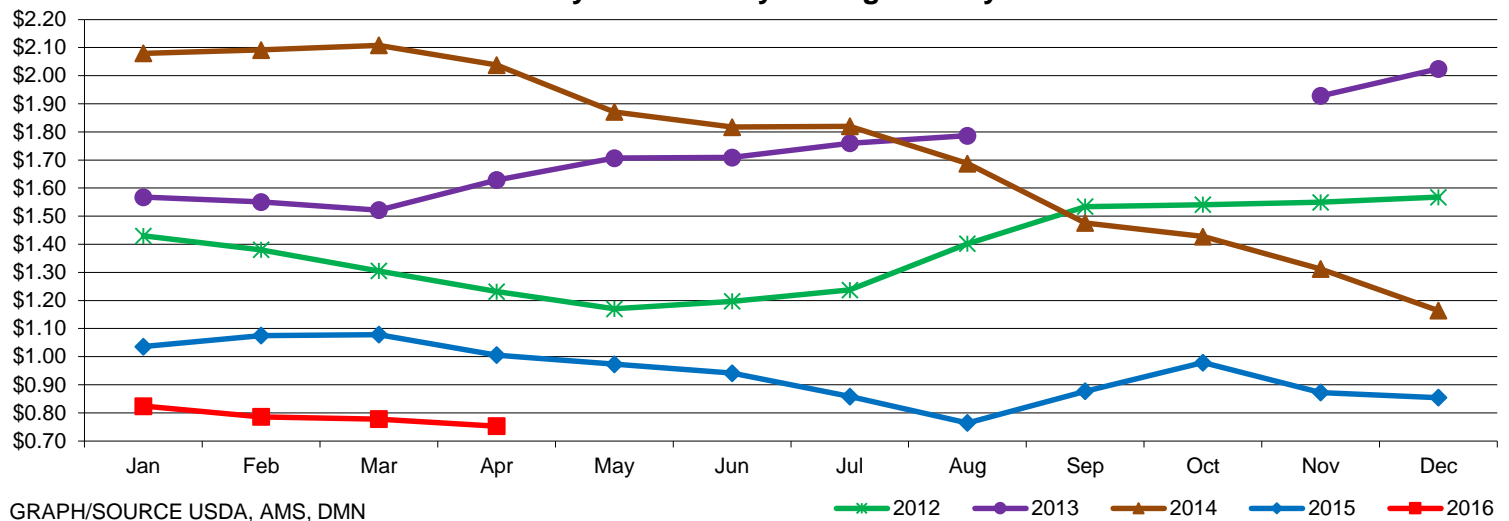
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2012 2013 2014 2015 2016



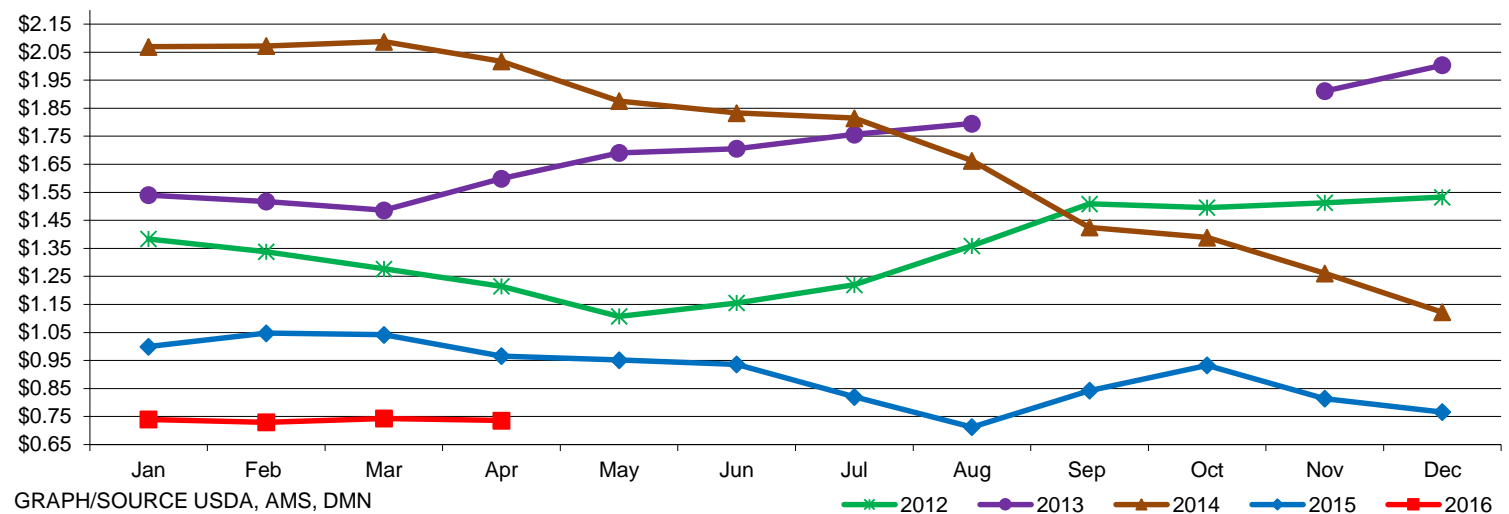
PER POUND

Central & East Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices



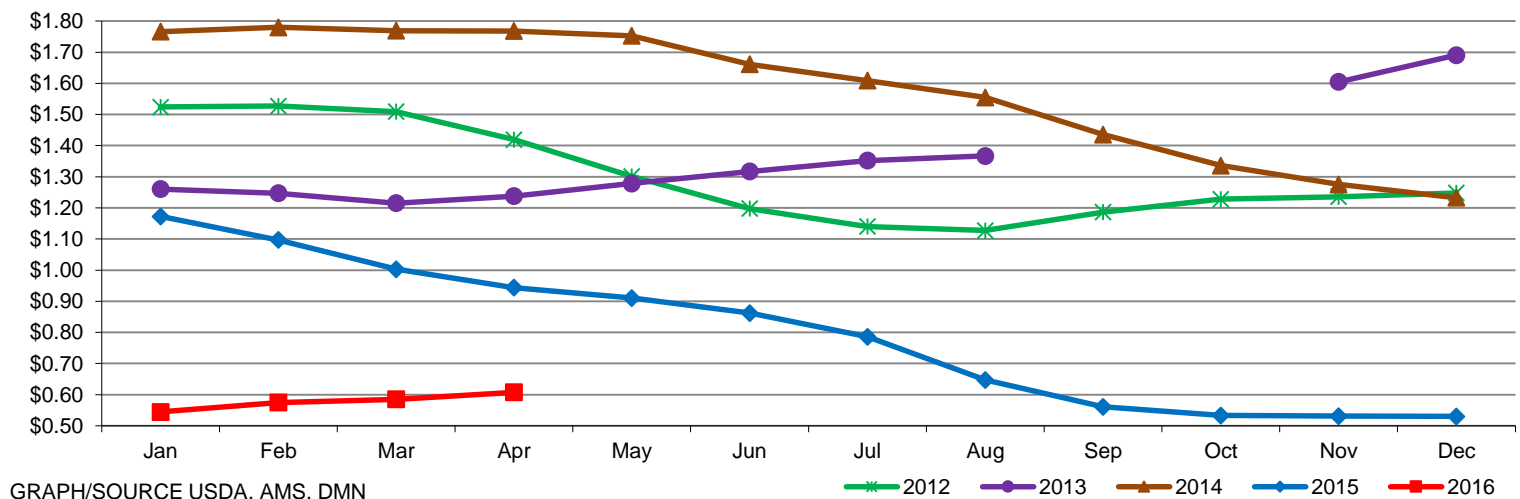
PER POUND

Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

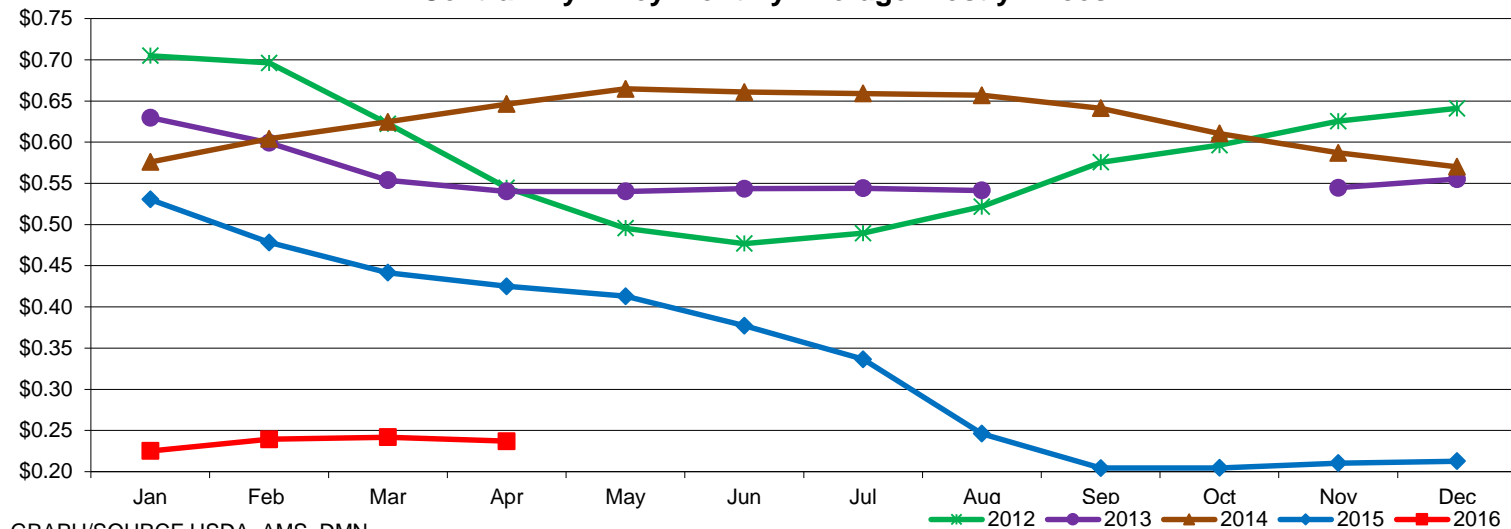


PER POUND

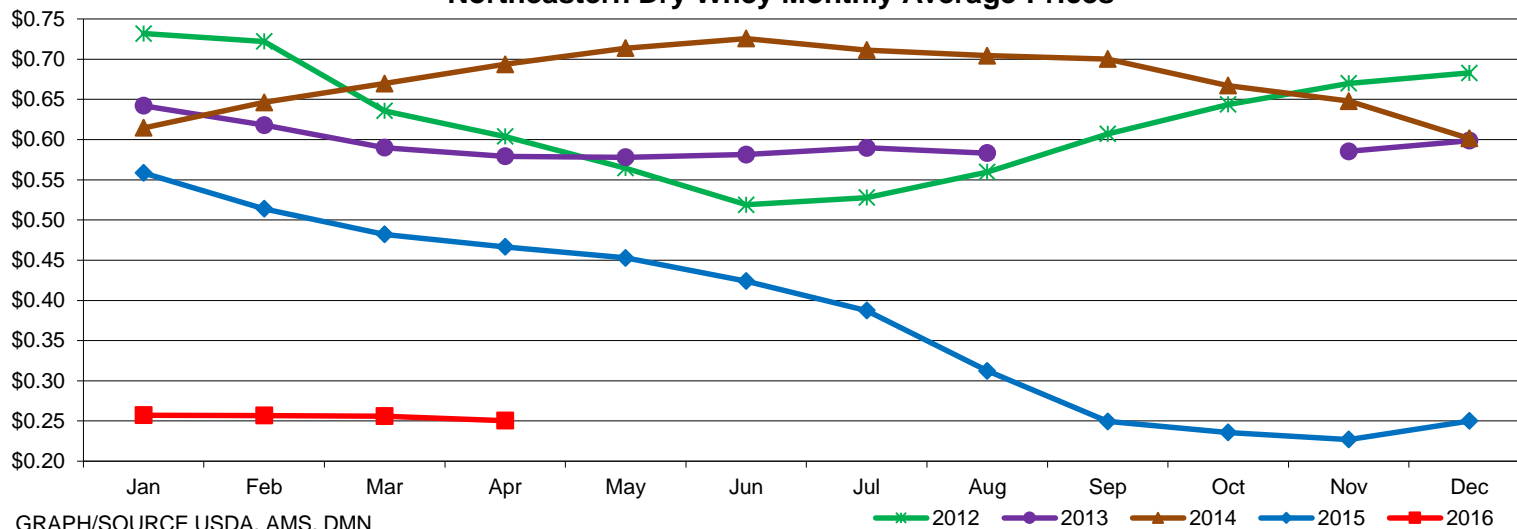
Central & West Dry WPC 34% Monthly Average Mostly Prices



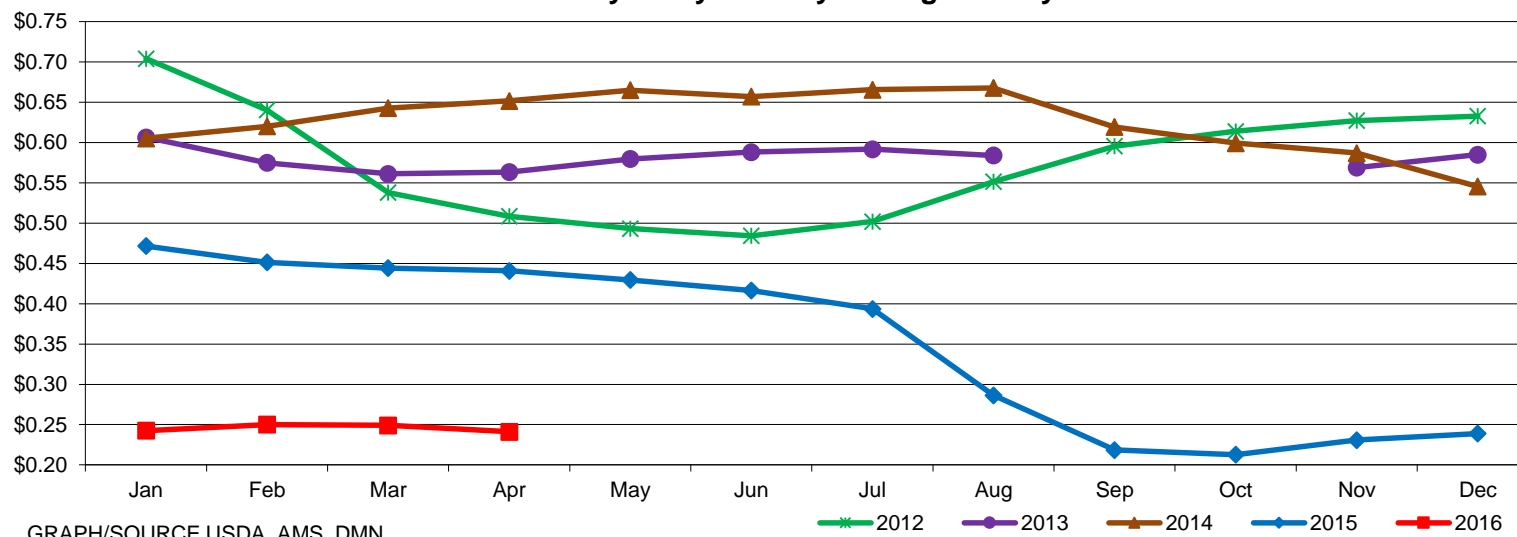
PER POUND

Central Dry Whey Monthly Average Mostly Prices

PER POUND

Northeastern Dry Whey Monthly Average Prices

PER POUND

Western Dry Whey Monthly Average Mostly Prices



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/dybretil.pdf>

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Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 05/06/2016 to 05/12/2016

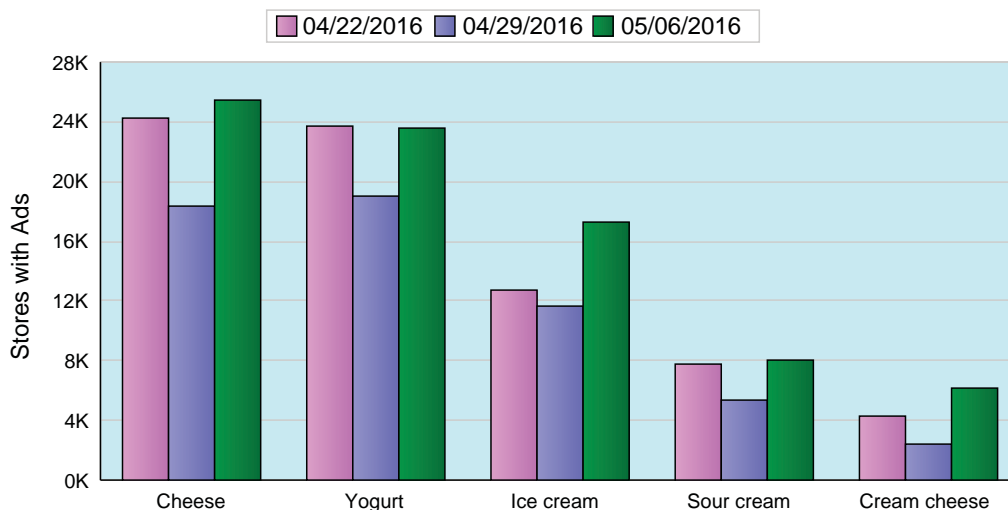
The total volume of conventional dairy ads increased 40%, and organic dairy ads increased 11% this week. For conventional dairy advertisements, ice cream in 48-64 ounce containers, Greek yogurt in 4-6 ounce containers and 8 ounce packs of shred cheese had the largest volume of ads. Ads for 1 pound packages of butter increased 57%, with a weighted average price of \$2.91, down \$.12 from last week. The weighted average price for 1 pound packages of organic butter was \$5.24, up \$.73 from a week ago. Regular organic yogurt in 4 to 6 ounce containers had the largest percentage increase among reported dairy items, an increase of 760%.

The average price for conventional yogurt in 4-6 ounce packages is \$.47, down \$.05 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.93, down \$.03 from last week. Conventional yogurt ad numbers are up 21% from last week, and organic yogurt ads are up 64%. The average price for organic yogurt in 4-6 ounce packages is \$1.01.

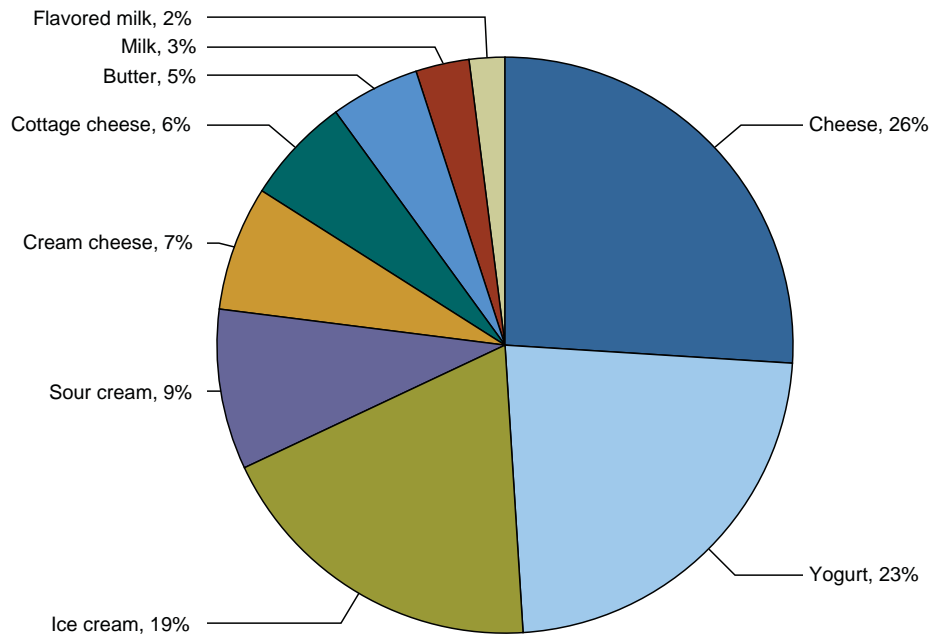
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.11, down \$.21 from last week; 8 ounce shred cheese averaged \$2.24, down \$.20 from last week. Conventional two pound blocks saw a 130% increase in ads this week with a weighted average price of \$5.95. The U.S. advertised price for 8 ounce organic cheese blocks averaged \$3.92, while 8 ounce shred cheese averaged \$3.93.

The price spread between organic and conventional half gallon milk is \$2.40. The price spread is the difference between national weighted average prices for organic, \$3.92, and conventional, \$1.52. Conventional milk ad numbers increased 48% from last week while organic milk ad numbers decreased 36%.

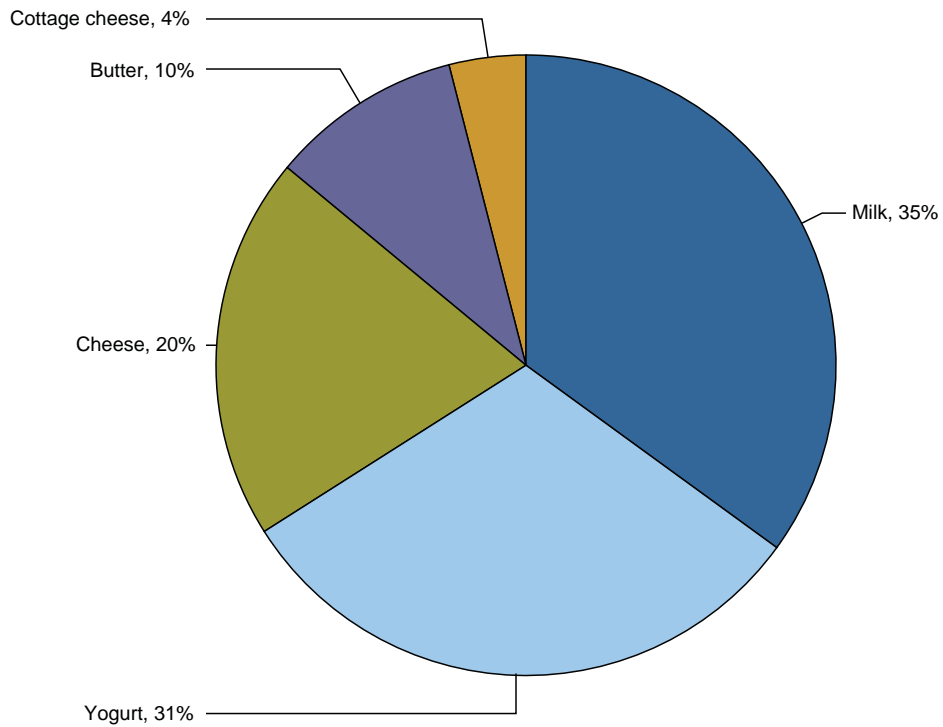
Top 5 Commodities Featured



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 #	4365	2.91	2777	3.03	4329	3.09
Cheese	Natural Varieties	8 oz block	8016	2.11	6982	2.32	10720	2.39
Cheese	Natural Varieties	1 # block	2644	3.06	1361	3.12	1003	3.58
Cheese	Natural Varieties	2 # block	855	5.95	371	5.11	1444	5.98
Cheese	Natural Varieties	8 oz shred	10451	2.24	8315	2.44	9211	2.39
Cheese	Natural Varieties	1 # shred	2121	2.86	1298	2.80	1331	3.42
Cottage cheese		16 oz	5211	1.91	4515	2.03	2540	1.90
Cream cheese		8 oz	6193	1.96	2418	1.79	2598	1.91
Flavored milk	All fat tests	half gallon	1038	2.11	479	1.45	543	2.42
Flavored milk	All fat tests	gallon	466	3.10	405	2.71	273	3.67
Ice cream		48-64oz	17311	2.97	11639	3.11	16053	2.91
Milk	All fat tests	half gallon	599	1.52	464	1.60	526	2.33
Milk	All fat tests	gallon	2270	2.29	1479	2.12	2502	2.62
Sour cream		16 oz	8066	1.75	4980	1.71	6284	1.82
Yogurt	Greek	4-6 oz	14551	.93	10954	.96	11484	.97
Yogurt	Greek	32 oz	910	4.29	606	3.82	1517	4.02
Yogurt	Yogurt	4-6 oz	5416	.47	5710	.52	7474	.52
Yogurt	Yogurt	32 oz	640	2.57	467	2.45	675	2.44

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 #	2.49-3.99	2131	3.12	1.78-3.00	701	2.53	2.49-3.00	437	2.82
Cheese	Natural Varieties	8 oz block	1.69-3.50	3127	2.15	1.67-3.99	1456	2.19	0.99-2.79	1063	1.87
Cheese	Natural Varieties	1 # block	2.99-3.99	380	3.35	2.49	394	2.49	2.49	595	2.49
Cheese	Natural Varieties	2 # block	6.99	84	6.99						
Cheese	Natural Varieties	8 oz shred	1.99-3.50	3089	2.38	1.67-3.89	2047	2.33	0.99-2.50	1637	2.00
Cheese	Natural Varieties	1 # shred	2.99	108	2.99	2.49	304	2.49	2.49	595	2.49
Cottage cheese		16 oz	1.50-2.79	2313	1.97	1.50-2.50	1341	1.59	1.49-1.99	306	1.63
Cream cheese		8 oz	1.50-2.50	1592	1.92	1.49-2.00	1469	1.79	1.49-2.22	538	1.91
Flavored milk	All fat tests	half gallon	2.00-3.49	368	2.82	1.99	64	1.99	0.78-2.00	606	1.69
Flavored milk	All fat tests	gallon	3.99	62	3.99	3.97	214	3.97	1.79	110	1.79
Ice cream		48-64oz	1.88-3.99	5387	2.72	1.99-5.50	2656	2.85	1.99-3.50	2824	2.70
Milk	All fat tests	half gallon	1.25-2.00	199	1.77	1.00-1.99	268	1.31	0.88	98	.88
Milk	All fat tests	gallon	2.50	167	2.50	1.99-3.99	372	2.96	1.69-2.50	492	1.88
Sour cream		16 oz	1.49-2.00	3335	1.63	1.49-2.19	1407	1.65	1.29-1.50	987	1.45
Yogurt	Greek	4-6 oz	0.66-1.00	6394	.90	0.79-1.00	2598	.98	0.78-1.00	1763	.93
Yogurt	Greek	32 oz	3.99	281	3.99						
Yogurt	Yogurt	4-6 oz	0.35-0.60	1610	.47	0.40-0.50	455	.48	0.39-0.59	1357	.47

Wtd Avg - Simple weighted average



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Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	2.99	62	2.99	2.18	195	2.18			

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 #	2.49-2.99	428	2.65				1.79-3.49	647	2.86
Cheese	Natural Varieties	8 oz block	0.99-2.99	1013	2.02	1.67-3.99	1023	2.52	0.99	289	.99
Cheese	Natural Varieties	1 # block	2.49-4.49	543	2.91	2.49-3.99	605	3.69	3.49-4.99	127	4.21
Cheese	Natural Varieties	2 # block	5.00-6.99	198	6.19	4.99-6.99	406	5.56	5.00-5.99	135	5.48
Cheese	Natural Varieties	8 oz shred	0.99-3.49	1547	2.08	1.67-2.99	1447	2.37	1.49-3.00	639	1.86
Cheese	Natural Varieties	1 # shred	2.49	429	2.49	2.49-3.99	498	3.36	3.49-4.49	187	4.14
Cottage cheese		16 oz	2.69	178	2.69	1.25-2.69	1073	2.15			
Cream cheese		8 oz	1.25-3.00	1151	2.00	1.49-2.99	1051	2.14	1.99-2.49	355	2.08
Flavored milk	All fat tests	gallon	1.89	80	1.89						
Ice cream		48-64oz	1.97-5.00	2803	3.39	2.49-4.99	2927	3.25	2.49-4.99	546	3.39
Milk	All fat tests	gallon	1.89-3.89	281	2.37	1.85-2.49	872	2.18	1.79	69	1.79
Sour cream		16 oz	1.79-2.49	493	2.14	1.25-2.50	1672	2.07	1.67	61	1.67
Yogurt	Greek	4-6 oz	0.79-1.00	1164	.93	0.79-1.00	2359	.94	1.00	196	1.00
Yogurt	Greek	32 oz				2.99-5.99	629	4.43			
Yogurt	Yogurt	4-6 oz	0.32-0.50	720	.43	0.39-0.69	1120	.47	0.50	69	.50
Yogurt	Yogurt	32 oz	2.50	99	2.50	2.99	200	2.99	2.00	61	2.00

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	21	3.99			
Cheese	Natural Varieties	8 oz block	2.50-3.00	8	2.63	3.00-3.25	37	3.23
Cheese	Natural Varieties	2 # block	5.99-6.98	5	6.58	8.99	27	8.99
Cheese	Natural Varieties	8 oz shred	2.50-3.00	8	2.63	3.00-3.25	37	3.23
Cream cheese		8 oz				2.50	37	2.50
Ice cream		48-64oz	3.98-4.50	46	4.09	3.50-7.97	122	4.58
Milk	All fat tests	half gallon				3.49	34	3.49
Milk	All fat tests	gallon	2.98-3.49	14	3.38	4.97	3	4.97
Sour cream		16 oz	1.88-2.00	26	1.90	1.99-2.99	85	2.53
Yogurt	Greek	4-6 oz	0.99-1.60	36	1.47	1.00-1.29	41	1.02
Yogurt	Yogurt	4-6 oz	0.60	21	.60	0.50-0.80	64	.70
Yogurt	Yogurt	32 oz	2.99-3.00	23	2.99			

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 #	672	5.24	140	4.51	180	6.29
Cheese	Natural Varieties	8 oz block	852	3.92			1239	3.99
Cheese	Natural Varieties	8 oz shred	471	3.93			114	3.99
Cottage cheese		16 oz	264	3.31	534	3.22		
Milk	All fat tests	half gallon	2091	3.92	3278	3.80	677	3.54
Milk	All fat tests	gallon	246	6.99	351	5.34	1706	6.26
Milk	All fat tests	8 oz UHT					1128	1.00
Sour cream		16 oz			417	2.72		
Yogurt	Greek	4-6 oz	712	1.25	523	1.22		
Yogurt	Greek	32 oz	127	1.79				
Yogurt	Yogurt	4-6 oz	1144	1.01	133	1.23	183	1.00
Yogurt	Yogurt	32 oz	57	2.99	588	2.49	243	2.69

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 #							4.49	180	4.49
Cottage cheese		16 oz	3.99	84	3.99				2.99	180	2.99
Milk	All fat tests	half gallon	3.79-4.99	623	4.13				2.99-4.79	604	3.69
Yogurt	Greek	4-6 oz	1.25	651	1.25	1.25	61	1.25			
Yogurt	Greek	32 oz							1.79	127	1.79
Yogurt	Yogurt	4-6 oz				1.00	1083	1.00			
Yogurt	Yogurt	32 oz							2.99	57	2.99

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	114	4.99	5.99	246	5.99	4.99	121	4.99
Cheese	Natural Varieties	8 oz block	3.49-3.99	317	3.81	3.99	246	3.99	3.99	289	3.99
Cheese	Natural Varieties	8 oz shred	3.99	121	3.99				3.50-3.99	350	3.90
Milk	All fat tests	half gallon	2.99-3.49	192	3.29	3.79-4.99	537	4.37	2.99	121	2.99
Milk	All fat tests	gallon				6.99	246	6.99			
Yogurt	Yogurt	4-6 oz							1.25	61	1.25

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
Butter		1 #	5.99	11	5.99			
Milk	All fat tests	half gallon	3.29	11	3.29	5.97	3	5.97

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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