

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (9/9)**

BUTTER: Grade AA closed at \$2.0325. The weekly average for Grade AA is \$2.0350 (-.0375).

CHEESE: Barrels closed at \$1.6050 and 40# blocks at \$1.7100. The weekly average for barrels is \$1.6344 (+.0019) and blocks, \$1.7075 (+.0115).

NONFAT DRY MILK: Grade A closed at \$0.9050. The weekly average for Grade A is \$0.9044 (+.0454).

BUTTER HIGHLIGHTS: Butter production is increasing in the East, as cream is more available. In the Central region, butter churning is mixed. Some processors report having enough cream volumes and are running operations at full capacity. However, cream supplies are very tight in a few processing plants as cream continues clearing into Class II and Class III. Microfixing is active. In the West, butter production is steady. A few processors continue to sell cream in lieu of churning. Nationwide, manufacturers are focusing on filling current print orders, as the domestic demand is strong. Butter inventories are mixed throughout the country. Bulk butter prices reported throughout the country are ranging from one cent under to 7.5 cents over the market, based on the CME Group with various periods and averages used. The Foreign Agricultural Service (FAS) reports July 2016 U.S. exports of butter and milkfat totals 2.8 million pounds, a 44% decline from a year ago. The Grade AA butter price at the CME Group on Friday closed at \$2.0325, down \$.0175 from a week ago.

CHEESE HIGHLIGHTS: Cheese production is steady to marginally increasing in the Northeast U.S; steady in the West, and slower in the Midwest. Midwest milk production is down and cheese manufacturers in this important cheese making region are currently reluctant to purchase spot milk to bolster production unless needed for commitments, or at occasional times when a discount is available. Some manufacturers have responded to reduced milk by scheduling facility downtime to do maintenance and repairs. Cheese block availability is lower in the Midwest and West and commodity cheese stocks in the West are long, but not at levels leading sellers to take steps to clear stocks. European cheese supplies available for immediate sale from manufacturers are tight to scarce. *Dairy Products* (NASS) reports total 2016 U.S. cheese production, year to date through July, is 6.984 billion pounds, 2.0% above January through July 2015. July 2016 U.S. total cheese production, 1.017 billion pounds, is 2.6% above

June 2016. In CME Group trading Friday, barrels closed at \$1.6050, down \$.0350 from last Friday and blocks closed at \$1.7100, up \$.0300.

FLUID MILK: Milk production in much of the northern part of the United States is following typical seasonal declines. Weather that is favorable for milk production and cow comfort has been prevalent across the mountain states, Pacific Northwest and North Central Regions. In some areas of the Northeast, Mid-Atlantic and Southeast, milk outputs are declining sharply due to heat and humidity. Farm milk production is improving in California and the South Central region. However, wet conditions are causing milk quality issues in the South Central region and are suppressing milk production in Arizona and New Mexico. School milk pipelines are being filled and bottling demands are leveling off in some regions. Milk loads moving between Mid-Atlantic, Central and Southeast are supporting bottling needs, but also limiting available loads for manufacturing. Industry contacts report a seasonal ramp up of milk demand from cheese production. Condensed skim milk demand is strong in the East and West. Some drying schedules have expanded in the East to absorb extra supplies made available over the holiday. Demand for cream is decreasing from ice cream manufacturers, but is active from eastern and western cream cheese operators. Demand from some central Class III manufacturers of cream cheese has yet to emerge. Cream multiples are 1.28-1.38 in the East, 1.22-1.32 in the Central and 1.17-1.29 in the West.

DRY PRODUCTS: Nonfat dry milk prices across the nation are steady to higher. Inventories are sufficient for most customer needs and are slightly higher in the West. High heat nonfat dry milk prices are rising as interest continues to develop for the approaching fall baking season. Some high heat manufacturers in the East and Central regions are ramping up production in anticipation of orders. Prices for dry buttermilk are steady to higher. Production is active and manufacturers at some plants report increased dryer time is available for drying buttermilk. National whole milk prices are unchanged on light trading. Dry whey prices are steady to higher. Some industry contacts describe the market as firming. Inventories are mixed. While some contacts state dry whey is readily available, specific brands are tight or committed. Prices for whey protein concentrate 34% continue to inch higher and some manufacturers suggest they could sell more WPC 34% if they had it. Resellers report active sales for

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*****SPECIALS THIS ISSUE*****

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

NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY SEP 05	TUESDAY SEP 06	WEDNESDAY SEP 07	THURSDAY SEP 08	FRIDAY SEP 09	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	CME	\$1.6525 (+.0125)	\$1.6600 (+.0075)	\$1.6200 (-.0400)	\$1.6050 (-.0150)	:: (-.0350)	:: \$1.6344 (+.0019)
40# BLOCKS	CLOSED	\$1.7000 (+.0200)	\$1.7200 (+.0200)	\$1.7000 (-.0200)	\$1.7100 (+.0100)	:: (+.0300)	:: \$1.7075 (+.0115)
NONFAT DRY MILK GRADE A		\$.9100 (+.0400)	\$.8975 (-.0125)	\$.9050 (+.0075)	\$.9050 (N.C.)	:: (+.0350)	:: \$.9044 (+.0454)
BUTTER GRADE AA	NO TRADING	\$2.0375 (-.0125)	\$2.0350 (-.0025)	\$2.0350 (N.C.)	\$2.0325 (-.0025)	:: (-.0175)	:: \$2.0350 (-.0375)

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

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

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

most specs, but a few contacts say the market is sluggish for WPC 34% that does not meet infant formula requirements. Lactose prices moved higher this week as manufacturers begin sending out offers for Q4 contracting. Inventories at many U.S. manufacturers remain tight with demand outstripping supply. Prices for both acid and rennet casein strengthened.

NATIONAL RETAIL REPORT (DMN): Advertisements for conventional ice cream in a 48-64 ounce containers decreased by 34% compared to the previous week. The national weighted average price for 1 pound conventional butter is \$3.29, while 1 pound organic butter is \$4.69. Total ads for 1 pound conventional butter significantly decreased by 50%. Total conventional ads decreased by 6%, while total organic ads decreased by 5%. Conventional Greek yogurt in 4-6 ounce containers became the top advertised dairy item for the week, with an average price of \$0.97, even with last week's price. Meanwhile, organic Greek yogurt in the same size packages averaged \$1.06. Conventional non-Greek yogurt in 4-6 ounce containers averaged \$0.48, while its organic counterpart averaged \$.99. Conventional yogurt ads increased by 12% this week, while organic yogurt ads decreased by 12%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.10, down 7 cents from last week; 8 ounce shred cheese averaged \$2.18, down 1 cent from last week. Ads for 8 ounce organic block cheese average \$3.50. Ads for 8 ounce organic shred cheese average \$3.78. The number of conventional cheese ads slightly increased 2%, while organic cheese ads noticeably increased 382% this week. The price spread between organic and conventional half gallon milk is \$2.77. The price spread is the difference between the national weighted average price for organic, \$3.94, and conventional, \$1.17. Organic milk advertisements decreased by 23%, while ads for conventional milk increased by 107%.

ORGANIC DAIRY MARKET NEWS (DMN): This week, organic milk accounts for 47% of surveyed organic dairy ads, yogurt 30%, flavored milk 10%, cheese 5%, butter 4%, sour cream 3%, and cottage cheese 2%. The U.S. weighted average advertised price of organic milk half gallons, \$3.94, is up from \$3.80 last week, but down from \$4.35 one year ago. Some organic producers in the Northeast were recently notified by a national organic dairy processor that it is oversupplied with milk, and will keep the market adjustment premium at a reduced rate of \$2 (it is normally \$3) until the end of the year. The processor has also requested a voluntary cut in production of 3% to 4%. Other organic processors in the region are not oversupplied and would be alternative outlets for affected producers except that some of the affected producers are contracted into late next year, so they are unable to change contracting processors at this time.

CME GROUP

MONDAY, SEPTEMBER 5, 2016 CME CLOSED

TUESDAY, SEPTEMBER 6, 2016

CHEESE -- SALES: 10 CARS BARRELS: 1 @ \$1.6400, 1 @ \$1.6500, 1 @ \$1.6600, 1 @ \$1.6650, 1 @ \$1.6600, 1 @ \$1.6575, 1 @ \$1.6600, 1 @ \$1.6575, 1 @ \$1.6550, 1 @ \$1.6525; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6525; 1 CAR 40# BLOCKS @ \$1.7000; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A: 1 @ \$0.9100, 1 @ \$0.9200, 1 @ \$0.9075, 1 @ \$0.9100, 1 @ \$0.9050, 1 @ \$0.9100; LAST BID UNFILLED: NONE;
 LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9200
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0375; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0600

WEDNESDAY, SEPTEMBER 7, 2016

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6725; 3 CARS 40# BLOCKS: 1 @ \$1.7050, 1 @ \$1.7150, 1 @ \$1.7200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6600; 1 CAR 40# BLOCKS @ \$1.7275
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.9000, 1 @ \$0.8975; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8900; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9000
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0350; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0600

THURSDAY, SEPTEMBER 8, 2016

CHEESE -- SALES: 8 CARS BARRELS: 1 @ \$1.6400, 1 @ \$1.6250, 1 @ \$1.6300, 1 @ \$1.6275, 1 @ \$1.6175, 1 @ \$1.6150, 1 @ \$1.6100, 1 @ \$1.6200; 6 CARS 40# BLOCKS: 3 @ \$1.7175, 1 @ \$1.7150, 1 @ \$1.7100, 1 @ \$1.7000; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6200; 1 CAR 40# BLOCKS @ \$1.6900; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6300
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9000; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9050; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9100
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0500

FRIDAY, SEPTEMBER 9, 2016

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.6175, 1 @ \$1.6150, 1 @ \$1.6125, 1 @ \$1.6075, 1 @ \$1.6050; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5900; 1 CAR 40# BLOCKS @ \$1.7100; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6100; 1 CAR 40# BLOCKS @ \$1.7200
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$0.9025, 2 @ \$0.9050; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9000; LAST OFFER UNCOVERED: 4 CARS GRADE A @ \$0.9100
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$2.0175, 1 @ \$2.0575, 1 @ \$2.0550; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0325

BUTTER MARKETS

NORTHEAST

Butter production levels are increasing. Butter makers in the region are adding to stocks through both churning and reworking processes. In addition, operations are evaluating the market as they consider domestic customers' yearend holiday butter needs. The current bulk butter price for domestic sales are reported at 3-5 cents over the market of the CME Group, with various time frames and averages used. Inventories are fair. According to the *DMN National Retail Report-Dairy*, for September 2-8, 2016, the national weighted average ad price for 1-pound butter is \$3.84, up 84 cents from last week and up 89 cents from a year ago. The Northeast regional price is \$3.86, 2 cents higher than the advertised national average. In the Southeast, butter prices average \$3.95, up 65 cents over last week's average. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.0375, down \$0.0725 from a week ago. The CME Group monthly average price for Grade AA butter during August was \$2.0375, compared to \$2.1542 a year ago. The Foreign Agricultural Service (FAS) reports July 2016 U.S. exports of butter and milkfat totals 2.8 million pounds, a 44% decline from a year ago.

DAIRY PRODUCTS: According to NASS, U.S. butter production for July 2016, totals 143.595 million pounds, up 6.0% from last year, but down 5.1% from a month ago. Cumulative 2016 butter production through July totals 1.2 billion pounds, 5.6% above the same period for 2015. July butter production in the Atlantic region totaled 10.9 million pounds, down 5.5% from last year and 20.7% from a month ago.

CENTRAL

This week, butter production is mixed in the Central region. Some butter manufacturers report having enough cream supplies for

churning and are running operations at full capacity. However, cream volumes are very tight in a few processing plants as cream is clearing into Class II and Class III. As a result, butter churning is sporadic in those facilities. Some processors are actively microfixing bulk butter to meet the current high demand for print butter from restaurants and retailers. The market undertone is steady. Inventories vary from plant to plant. Bulk butter prices reported ranged from market to 7.5 cents over the market, with various periods and averages used. The *DMN National Retail Report-Dairy* for September 2-8 noted the national weighted average advertised price for a 1 pound package of butter is \$3.84, \$0.84 above one week ago and \$0.89 higher than one year ago. The regional weighted average prices in the Midwest and South Central are \$2.92 and \$2.94, respectively. The CME Group monthly average price for Grade AA butter during August was \$2.1776, compared to \$2.1542 a year ago. The NASS *Dairy Products* report noted U.S. butter production during July 2016 in the Central region totaled 53.9 million pounds, 1.8 percent lower than one year ago. Total U.S. butter production during July 2016 was 143.6 million pounds, 6.0 percent higher than last year. During January-July 2016, U.S. butter production totaled 1,173.4 million pounds, 5.6 percent more than the same period in 2015. The Foreign Agricultural Service (FAS) reports July 2016 U.S. exports of butter and milkfat totaled 2.8 million pounds, a 44% decline from a year ago. Wednesday at the CME Group, Grade AA butter closed at \$2.0350, down \$.0450 from last Wednesday.

WEST

Western butter production is steady. Domestic retail demand is firm and butter is moving well through contracts. Manufacturers are using available cream to focus on filling current print orders.

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
September 3, 2016	2.1204 2,423,041	1.8251 14,532,599	1.8761 9,163,641	.2969 5,932,557	.8533 25,270,092

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

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Industry contacts say manufacturers have butter available to meet most buyer requests. With comfortable inventories, a few processors continue to sell cream in lieu of churning. Other processors have more committed inventories and are actively churning to assure meeting commitments for this fall. The *DMN National Retail Report -Dairy* for the week of September 2-8 found that the U.S. weighted average advertised price of 1 pound butter is \$3.84, up \$.84 from last week. The U.S. weighted average price was \$2.95 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$4.35, with a price range of \$3.49-\$5.49. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.70, with a price range of \$2.88-\$4.29. According to the NASS *Dairy Products* report, U.S. butter production during July 2016, 143.6 million pounds, was 6.0% higher than July 2015, but 5.1% lower than June 2016. U.S. cumulative 2016 butter production through July is 1.173 billion pounds, 5.6% higher than the same period last year. In the West, total July butter production was 78.8 million pounds, 14.0% higher than last year, but 0.6% lower than last month. California July production was 43.4 million pounds, 6.7% higher than last year, but 5.6% lower than last month. Bulk butter pricing in the West this week is 1 cent under market to 3 cents above, based on the CME Group with various time frames and averages used. The CME Group August 2016 monthly average price for AA butter, \$2.1776, is down from the July monthly average of \$2.2731, but up from the August 2015 monthly average of \$2.1542. The Grade AA butter price at the CME Group on Wednesday closed at \$2.0350, down \$.0450 from a week ago.

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	2.8	- 44
TOTAL, JAN - JUL	31.9	- 9
1 Mexico	17.7	+142
2 Canada	5.4	+ 36
3 Saudi Arabia	2.8	- 78
4 South Korea	0.9	- 67
5 China	0.8	+522

CHEESE MARKETS

NORTHEAST

Cheese production is steady to marginally increasing. Some areas are experiencing fairly tight milk supplies, due to strong Class I pulls. With schools and universities back in session, pizza consumption prompts strong mozzarella orders. Retailers are attempting to stay ahead of prices they expect to trend upward as the year progresses. For now, cheese retail advertising volumes show a significant increase from last week. Stocks are adequate. This week, Northeast wholesale cheese selling prices for cheddar blocks and Muenster adjusted lower \$0.0975, as Process 5# sliced plunged \$0.1550. The Grade A Swiss price added \$0.0525 following the release of the Announcement of Class and Component Prices. The Northeast August 2016 monthly average price for cheddar blocks is \$2.3220, compared to \$2.2504 one year ago. Processed 5# sliced average price is \$2.2688, compared to \$2.1425 one year ago. According to the *DMN National Retail Report-Dairy*, for September 2-8, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.26, 9 cents above the national average and 3 cents higher than the previous week. The Southeast 8 oz. block cheese price was \$2.28, up 7 cents from the previous week. The Northeast advertised price for 8 oz. shredded cheese is \$2.21, 2 cents more than the national average price. In the Southeast, the average price for 8 oz. shredded cheese is \$2.24, down 5 cents from last week. The CME Group August 2016 monthly average price for barrels was \$1.8110, compared to \$1.6689 a year ago; blocks' average price was \$1.7826, up from \$1.7111 a year ago. Tuesday's CME Group daily cash prices saw barrels close at \$1.6525, up \$0.0275 from a week ago; blocks closed at \$1.7000, down \$0.0100 from a week ago.

DAIRY PRODUCTS: According to NASS, U.S. total cheese production in July 2016 was 1.0 billion pounds, 1.4% higher than a year ago and 2.6% above the previous month. In the Atlantic region, total cheese production was 125.2 million pounds, 0.8% higher than a year ago and 3.9% above the previous month. The total cheese production and percentage changes from one year ago for individual Eastern states are, New York 69.0 million pounds, +1.8%; Pennsylvania 33.7, -2.5%; Vermont 10.6, +0.7%, and New Jersey 5.0 million pounds, 11.9%.

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

Cheddar 40# Block	:	2.0950-2.3800
Process 5# Sliced	:	1.8325-2.3125
Muenster	:	2.0800-2.4300
Grade A Swiss Cuts 10 - 14#	:	2.9175-3.2400

MIDWEST

Midwest cheese production has slowed somewhat. With the seasonal downturn in milk intakes, manufacturers report discounted spot loads of milk are not as readily available. Processors are hesitant to buy additional milk unless they can get a good deal or unless they need it to meet product commitments. A few manufacturers have scheduled facility downtime in order to get maintenance and repairs completed. Cheese orders are steady. A few cheese makers note an increase in orders from food service over the last week. Retail orders for specialty cheese varieties are also strong. Industry contacts suggest inventories are still a little long, but not to the point of being a concern. Some cheese cutters say they have noticed a little more tightness for cheese blocks. The *DMN National Retail Report-Dairy* shows that September 2-8 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.85, 34 cents lower than the national average. Midwest prices range from \$1.28-\$2.50. One year ago, the national price was \$2.26. For 8 ounce blocks, the Midwest average price is \$1.86, 31 cents below the national average price. Midwest ads are

priced from \$1.28-\$2.50. Last year, the national price was \$2.14. Mid-western wholesale prices are up \$.0525 for Swiss cuts, down \$.1550 for process, and down \$.0975 for all other types. *Dairy Products* (NASS) reports total 2016 U.S. cheese production, year to date through July, is 6.98 billion pounds, 2.0 percent above January through July 2015. July 2016 total U.S. cheese production, 1.02 billion pounds, is 2.6 percent above last month. Central total cheese production for July was 453.0 million pounds, 1.3 percent more than last month. For total cheese production and various types of cheese, July 2016 U.S. and Central cheese production compared to July 2015 were as follows:

	U.S.	Central
Total	+ 1.4%	- 0.7%
American	+ 0.2%	- 1.9%
Cheddar	- 1.7%	- 4.1%
Total Italian	+ 3.2%	+ 2.0%
Mozzarella	+ 2.5%	+ 1.2%

The CME Group August 2016 monthly average price for barrels, \$1.8110, is up from the last month's average of \$1.7363, and up from the monthly average of a year ago, \$1.6689. Blocks' August average price, \$1.7826, is up from the \$1.6613 July monthly average, and up from \$1.7111 one year ago. In CME Group trading Wednesday, barrels closed at \$1.6600, up \$.0350 from last Wednesday and blocks closed at \$1.7200, up \$.0400.

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

Process American 5# Loaf	:	1.7250-2.0850
Brick And/Or Muenster 5#	:	2.0650-2.4900
Cheddar 40# Block	:	1.7925-2.1875
Monterey Jack 10#	:	2.0400-2.2450
Blue 5#	:	2.3325-3.3200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8650-2.8050
Grade A Swiss Cuts 6 - 9#	:	2.4350-2.5525

WEST

Western cheese production is relatively steady and consistent with available milk supply. Although milk production is waning a little in the northern states of the region, processors report there are not any major problems getting enough milk for the cheese vats. Domestic retail and food service demand has been good. Customers are taking regular shipments and helping keep cheese stocks under control. Industry contacts say commodity cheese inventories are long, but sellers are not in a rush to clear stocks. A few cheese makers indicate their inventories of 40 pound block cheese has been drawn down to more comfortable levels leading into the fall holidays. The *DMN National Retail Report-Dairy* for the week of September 2-8 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.19, down \$.11 from last week, and down \$.07 from a year ago. Packs average \$2.18 in the Southwest and \$1.72 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.17, the same as last week, and up \$.03 from a year ago. Blocks average \$2.24 in the Southwest and \$1.35 in the Northwest this week. In the West, wholesale prices are down \$.1550 for process, and down \$.0975 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are up \$.0525. *Dairy Products* (NASS) reports total 2016 U.S. cheese production, year to date through July, is 6.984 billion pounds, 2.0% above January through July 2015. July 2016 U.S. total cheese production, 1.017 billion pounds, is 2.6% above June 2016. In the West, total cheese production for July

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CHEESE MARKETS

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2016 was 438.5 million pounds, 3.7% more than last month. For total cheese production and various types of cheese, July 2016 U.S. and West cheese production percent changes compared to July 2015 are as follows:

	U.S.	West
Total Cheese	+ 1.4%	+ 3.8%
American	+ 0.2%	+ 2.3%
Cheddar	- 1.7%	+ 0.1%
Total Italian	+ 3.2%	+ 3.9%
Mozzarella	+ 2.5%	+ 2.9%
Swiss	+ 0.3%	...

The CME Group August 2016 monthly average price for barrels, \$1.8110, is up from the July 2016 monthly average of \$1.7363, and up from the monthly average of a year ago, \$1.6689. Blocks' August average price, \$1.7826, is up from the \$1.6613 July monthly average, and up from \$1.7111 one year ago. In CME Group trading Wednesday, barrels closed at \$1.6600, up \$.0350 from a week ago and blocks closed at \$1.7200, up \$.0400.

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

Process 5# Loaf	:	1.7400-1.9975
Cheddar 40# Block	:	1.7975-2.2425
Cheddar 10# Cuts	:	1.9775-2.1975
Monterey Jack 10#	:	1.9875-2.1475
Grade A Swiss Cuts 6 - 9#	:	2.4950-2.9250

FOREIGN

European cheese supplies available for immediate sale from manufacturers, are tight to scarce. Demand remains active from consumers and food service. Northern European cheese manufacturers also have strong demand from buyers in Southern European countries. Milk supplies are not sufficient to meet cheese manufacturer interest, which is restricting desired production levels. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices decreased \$.00975 following lower weekly average CME Group block prices. Swiss cuts Switzerland prices increased \$.0525. The remaining prices are unchanged.

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

VARIETY	: IMPORTED	: DOMESTIC
Blue	: 2.6400-5.2300	: 2.2600-3.7475*
Gorgonzola	: 3.6900-5.7400	: 2.7675-3.4850*
Parmesan (Italy)	: -0-	: 3.6500-5.7400*
Romano (Cows Milk)	: -0-	: 3.4500-5.6000*
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-	: 2.9550-3.2775*
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

COLD STORAGE

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

	BUTTER	: CHEESE
09/05/16	27,381	: 89,017
09/01/16	27,497	: 89,021
CHANGE	-116	: - 4
% CHANGE	-0	: - 0

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	52.8	- 6
TOTAL, JAN - JUL	361.4	- 18
1 Mexico	115.9	- 5
2 South Korea	51.4	- 42
3 Japan	38.4	- 26
4 Australia	18.9	- 29
5 Canada	14.8	- 5

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	55	0	95	0	160	0
SOUTHEAST STATES	0	0	0	0	50	0

Most schools are now in session. Manufacturing operations can expect the strong effect of Class I demand to limit supply intakes, as pipelines fill, particularly in the Northeast. Milk production in the Northeast and Mid-Atlantic is continuing along their seasonal declines, with sharper falloffs noted in some areas due to recent periods of heat and humidity. Mid-Atlantic milk re-distributions are supporting bottled milk sales in the Central region. In the Southeast, milk output experiences rapid declines in some areas. Manufacturing plant operators who typically facilitate milk distribution report very limited to no deliveries made this week as strong demand from Class I and decreases in milk production persist. Declines in Florida's farm milk output remain steady. Schools in the South have been in session for a couple of weeks, as a result, Class I pulls leveled somewhat. **Cream multiples** for all Classes range **1.28-1.38**. As increased volumes of standardized cream come from Class I plants, ice cream processors have eased production schedules as the height of the season concludes. However, with active pulls from cream cheese and butter makers, demand remains good. The DMN August monthly average for Northeast Class II cream was \$2.9757, compared to \$3.0588 a year ago. **Condensed skim** supplies were more available over the holiday, with most supplies moving through contracts. Some drying schedules expanded to accommodate the increased manufacturing milk supply. The Class III price released August 31, increased \$1.67 to \$16.91. The DMN August monthly average for Northeast Class II condensed skim was \$0.7683, compared to \$0.7817 a year ago. According to the DMN *National Retail Report-Dairy*, for September 2-8, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.80, up 34 cents compared to last year, and up 43 cents from last week. The Northeast weighted average price for a gallon of milk was \$2.15, down 19 from last week. This week, prices range \$1.79-\$2.50.

DAIRY PRODUCTS: According to NASS, July 2016 hard ice cream production in the Atlantic region totaled 15.6 million gallons, 6.9% less than last month and 0.8% less than a year ago. Cumulative 2016 production through July totaled 477.6 million gallons, 2.1% higher than the previous year total through July. U.S. Yogurt production (plain and flavored) for July totaled 361.8 million pounds, down 8.9% from last month and down 6.9% from the previous year.

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 - 2.6528-2.8600

F.O.B. producing plants: Upper Midwest - 2.5285-2.7357

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

Northeast - Class II - includes monthly formula prices - .75-.93

Northeast - Class III - spot prices - .71-.94

MIDWEST

Milk production in the southern area of the Central region is rebuilding incrementally as summer heat dissipates. However, milk quality issues are mounting as heavy rainstorms hit dry lot-housed

dairy herds across the southern band of states. North Central area operations are benefiting from comfortable weather and abundant feed. Milk production is mostly steady. Overall demand into bottlers is mixed. Milk clearing into bottlers is lower for some suppliers but inching higher for other marketers. Milk loads clearing from the Central region into the Southeast continue to ease the supply deficits there, but limit availability of spot loads in the Central. Cheese makers are still looking for spot loads of milk on a weekly basis, but some have resorted to using NDM for fortification due to the shortfalls in milk supply and disadvantageous pricing on spot milk. Prices for spot loads range from \$.75 to \$3.00 over class. Cream was long throughout the region over the holiday week. A few churn operators ran longer schedules to clear cream loads that could have been sold if buyers showed interest. The expected increase in demand from some Class III manufacturers for cream cheese has yet to emerge. Some cream sellers speculate that imports of anhydrous milkfat are tempering demand for regional cream loads. Cream multiples are unchanged to lower, 1.22-1.32. The DMN *National Retail Report-Dairy* for September 2-8 noted the national weighted average advertised price for one gallon of milk was \$2.80, up \$0.43 from a week ago, and \$0.34 higher than a year ago. The weighted average regional prices in the Midwest and South Central, and changes from the previous week are \$1.99(+\$.03) and \$2.82(-\$.40), respectively. Corn maturity is advancing, with percentage of total crop maturity having a wide range within the region. Corn silage harvest is underway. A few producers in the north Central are taking fourth cuttings of alfalfa as spring and summer weather allowed for earlier and/or more frequent cuttings.

WEST

Farm milk output is slowly improving in California. Daytime temperatures below 95 degrees are supporting cows' comfort. Manufacturing milk supplies are adequate for post-holiday orders. Class 1 sales are steady to lower as the schools' pipelines are at comfortable levels. Sales into Class 3 are lower as interest for ice cream and frozen desserts is steadily decreasing. The August 4a price (butter/powder) in California is \$13.99, down 24 cents from the previous month, but 91 cents higher from a year ago. This compares to the Federal Order Class IV price of \$14.65 for August. The August 4b price (cheese) is \$16.34, up \$1.67 from the previous month and 60 cents above a year ago. This compares to the Federal Order Class III price for August at \$16.91. The remnants of tropical storm Newton are causing heavy rains throughout Arizona. As a result, milk yields are lower due to the wet conditions. However, balancing plants are receiving sufficient milk volumes for processing. Class I demands from retailers, food service and educational institutions are higher. Sales into Class II are seasonally decreasing. Alfalfa hay harvesting has been delayed due to the weather conditions. New Mexico milk output is steady to slightly lower. The wet conditions are reducing cows' comfort. Class I sales are steady to lower, as most K-12 schools' pipelines are full. Bottled milk requests from retailers and food service are steady. Manufacturing milk volumes moving into Class II are higher this week. Sales into Class III are even. According to the DMN *National Retail Report-Dairy* for the week of September 2-8, the national weighted average advertised price for one gallon of milk is \$2.80, up 43 cents from last week and 34 cents higher from a year ago. The weighted average regional prices in the Southwest and Northwest are \$3.45 and \$2.50, respectively. Pacific Northwest milk production is steady to lower and following typical seasonal trends.

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Bottling demand has plateaued as school milk pipelines are filled. Manufacturers have adequate milk supplies for most processing needs. Milk intakes are steady to lower in the mountain states of Colorado, Idaho and Utah. Current weather patterns are favorable for cow comfort and milk production. Industry contacts report some seasonal ramp up of milk demand from cheese production, but nothing out of the ordinary. The good growing season has yielded a lot of high quality hay and other crops. Contacts expect feed costs to remain favorable for dairy production into the coming year. Western **condensed skim** demands from NDM and SMP processors are strong. Meanwhile, interest from ice cream manufacturers is steadily decreasing. Condensed skim manufacturing is ongoing, while supplies are slightly lower. Western cream supplies are mostly steady. Demands from churn operators and cream cheese makers are active. Less cream volumes are moving into ice cream manufacturing as interest for ice cream continues waning. **Multiples** for all classes are slightly lower, ranging from **1.17 to 1.29**.

DAIRY PRODUCTS: According to NASS, hard ice cream production in the West region for July 2016 is 16.3 million gallons, 19.4% below a year ago and 14.4% lower than the previous month.

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: Prices for low/medium heat nonfat dry milk are steady to higher in the mostly series, as f.o.b. spot transactions adjusted the bottom of the series. Global price indices sparked buyer interest, as some manufacturers report an increased number of calls. Milk intakes are steady to seasonally lower at various plants, while condensed skim sales remain active, as fewer loads of condensed clear into the Central region. As a result, low/medium heat NDM production is steady to lower. NDM inventories are adequate for near term contracts. Central high heat nonfat dry milk prices, in keeping pace with low/medium heat NDM, moved higher this week. Lower milk volumes have allowed for some increased high heat production as dryers find some available time to increase those inventories. Interest continues to develop with the baking season approaching. The August 2016 Dairy Market News Central/East monthly average for the low/medium heat nonfat dry milk mostly series is \$0.8801 compared to \$.7643 a year ago. The average for Central/East high heat nonfat dry milk is \$0.9704 compared to \$.9643 a year ago. The CME Group's, August 2016 monthly average for Grade A NDM is \$0.8454 compared to \$.7329 a year ago. The NASS *Dairy Products* report noted U.S. human NDM production during July 2016 in the Central region totaled 26.9 million pounds, 15.4 percent more than one year ago. Total U.S. human NDM production during July 2016 was 152.9 million pounds, 1.5 percent lower than last year. Total U.S. NDM, human, month ending stocks for July were 250.6 million pounds, 7.2 percent below a year ago. The Foreign Agricultural Service (FAS), reports January-July 2016 U.S. nonfat dry milk exports totaled 674.8 million pounds, down 7% from a year ago.

EAST: East region low/medium nonfat dry milk prices saw some slight firmness through the range based on reported f.o.b. spot trading. Manufacturing milk supplies were more readily available over the holiday weekend, resulting in increased drying schedules at some plants. Post-holiday Class I demand is strong throughout the East and squeezes NDM operations' milk supplies, as most schools have reopened. Low/medium heat NDM operations are seeing heavier pulls from contracts. As well, active condensed skim sales continue to limit NDM spot availability at a few facilities. However, inventories remain sufficient for near term customer needs. High heat NDM prices are rising on less than active spot trading. Customer interest is building on the verge of the fall baking season. Some high heat NDM manufacturers have ramped up production in anticipation of orders. Inventories are adequate for meeting customer obligations. The August 2016 DMN monthly average for low/medium heat nonfat dry milk in the Central/East range series is \$0.8732 compared to \$.7817 a year ago. Wednesday at the CME Group, Grade A NDM closed at \$0.8975, up \$0.0425 from last Wednesday. The CME Group's, August 2016 monthly average for Grade A NDM is \$0.8454 compared to \$.7329 a year ago. The Foreign Agricultural Service (FAS), reports July 2016 U.S. nonfat dry milk exports totaled 105.8 million pounds, an 18% increase from a year ago.

DAIRY PRODUCTS: According to NASS, July 2016 production of human food nonfat dry milk, in the Atlantic region, totaled 32.0 million pounds, 11.3% below the previous month, but 4.4% above a year ago. The July 2016 U.S. production of skim milk powder totaled 46.3 million pounds, 32.9% above a year ago, but 16.2% less than the previous month. Cumulative U.S. YTD skim milk powder production through July totals 327.7 million pounds, 30.0% higher than 2015.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8500 - .9600 MOSTLY: .8800 - .9200
HIGH HEAT: .9800 - 1.0700

NONFAT DRY MILK - WEST

F.O.B. spot prices for Western low/medium heat nonfat dry milk (NDM) are mixed on the range, but higher on the mostly series. Spot trading activity has been moderate throughout the week. The market undertone is firmer for many industry participants, but unsettled for others. According to some processors, the recent upward GDT price movement is boosting domestic prices. Consequently, some manufacturers are holding stocks instead of selling, anticipating higher prices in the next few weeks. Meanwhile, some buyers/end users continue pushing NDM producers to drop prices. Low/medium heat NDM demands from bakers and cheese makers are active. Moderate condensed skim volumes continue clearing into NDM processing. As a result, NDM production is ongoing and inventories are slightly higher. F.O.B. spot prices for high heat nonfat dry milk are steady on the bottom of the range, but higher on the top. Interest from the bakery sector is fair to good. Production is irregular, based on contractual requirements. High heat NDM supplies continue tightening. As a result, spot trading activity is light. The CME Group monthly average price for Grade A NDM during August was \$0.8454, compared to \$.7329 a year ago. The August 2016 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.8875 compared to \$.7121 a year ago. The average for Western high heat nonfat dry milk is \$0.9825 compared to \$0.8741 a year ago. The NASS *Dairy Products* report noted U.S. human NDM production during July 2016 in the West region totaled 94.1 million pounds, 7.1 percent lower than one year ago. Total U.S. human NDM production during July 2016 was 152.9 million pounds, 1.5 percent lower than last year. During January-July 2016, U.S. human NDM production totaled 1,083.6 million pounds, 8.2 percent less than the same period in 2015. Total U.S. NDM, human, month ending stocks for July were 250.6 million pounds, 7.2 percent below a year ago. The Foreign Agricultural Service (FAS) reports July 2016 U.S. exports of nonfat dry milk and milkfat totaled 105.8 million pounds, up 18% from a year ago.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8425 - .9500 MOSTLY: .8900 - .9300
HIGH HEAT: .9300 - 1.0600

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
September 2	\$.8460	10,962,954
August 26	\$.8518	6,397,210

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.

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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.

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	105.8	+ 18
TOTAL, JAN – JULY	674.8	- 7
1 Mexico	289.2	- 1
2 Philippines	102.4	+ 11
3 Indonesia	62.9	+ 15
4 Pakistan	33.1	- 11
5 Malaysia	29.7	- 18

DRY WHOLE MILK - NATIONAL

National dry whole milk prices are unchanged on light trading. According to some processors, the usage of dry whole milk to manufacture cocoa mix is seasonally ramping up. The market undertone is unsettled. Dry whole milk production is irregular, mostly dictated by contractual needs. Some manufacturers expect to increase the production, as the baking season is close. Inventories are mixed throughout the country. The August 2016 Dairy Market News monthly average for the National price series for dry whole milk is \$1.3330 compared to \$1.1381 a year ago. The NASS *Dairy Products* report noted U.S. dry whole milk production during July 2016 totaled 8.8 million pounds, 11.3 percent lower than a year ago. Total U.S. dry whole milk month-ending stocks for July were 13.9 million pounds, 40.1 percent below last year.

F.O.B. PRODUCING PLANT:

1.2900 - 1.3500

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk markets are strengthening as f.o.b. spot purchases inched prices upward. Manufacturers at some plants report increased dryer time is available and are able to escalate dry buttermilk production. Inventories are tight in some plants but adequate in others. F.O.B. spot activity is light. With anticipation of prices moving higher, manufacturers in some instances are reluctant to sell loads of dry buttermilk.

DAIRY PRODUCTS: According to NASS, U.S. production of dry buttermilk during July 2016 totaled 7.3 million pounds, 21.7% more than a year ago, but 10.2% less than the previous month. Month ending stocks were 18.6 million pounds, up 29.0% from last year but down 13.2% from last month.

EAST: This week, the price of dry buttermilk increased at both the bottom and top of the range. Butter manufacturers note a marginal jump in production, which leads to increased volumes of condensed buttermilk available for drying. Market sources indicate very good movement to contract customers, with limited transactions in spot markets. Producers' stocks are light to moderate and mostly committed. The dry buttermilk market undertone is firm, as prices change with NDM. The August 2016 Dairy Market News monthly average for Central/East dry buttermilk range series is \$0.8176 compared to \$0.7846 a year ago.

F.O.B. CENTRAL/EAST:

.8100 - .8900

DRY BUTTERMILK - WEST

Prices for western dry buttermilk are mixed on the range, but unchanged on the mostly series. The market undertone is steady. Sales volumes in the f.o.b. spot market are slightly higher, compared to the previous week. Interest from bakers is active. Condensed buttermilk demand from ice cream makers is waning. Consequently, there are more condensed buttermilk supplies available to dry. Dry buttermilk production is active. Inventories are steady to higher. The August 2016 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.8404 compared to \$0.7561 a year ago. The NASS *Dairy Products* report noted U.S. dry buttermilk production during July 2016 totaled 7.3 million pounds, 21.7 percent higher than a year ago. Total U.S. dry buttermilk month-ending stocks for July were 18.6 million pounds, 29.0 percent above last year.

F.O.B. WEST:

.7800 - .8900

MOSTLY: .8200 - .8500

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central whey prices are higher and industry contacts describe the market tone as firming a little. Some manufacturers report tight or comfortable inventories. Dry whey production is steady and in line with cheese production. A few industry contacts note some buyers are open to taking in a few extra loads to insulate themselves from potential price increases. In addition, a few processors are willing to clear out any excess inventories. Animal feed whey prices are higher, driven by price increases in the food grade whey market and export buyers seeking out material for animal feed. Domestic activity is a little slow. A few end users say they are content to work through existing inventories and are not receiving many offers from manufacturers. The DMN monthly average of the mostly price series for Central dry whey during August was \$0.2798, compared to \$0.2462 a year ago. The monthly average of the range price series for Central animal feed whey during August was \$0.2123, compared to \$0.2064 a year ago. The NASS *Dairy Products* report noted U.S. total dry whey production for July 2016 was 83.9 million pounds, up 2.7 percent from a year ago. January-July U.S. total dry whey production totals 570.1 million pounds, 0.9 percent ahead of the same time span in 2015. The Central region accounted for 47.6 percent (38.9 million pounds) of U.S. human dry whey production in July. This production is 3.2 percent lower than a year ago. Total U.S. dry whey human month ending stocks for July were 68.7 million pounds, 10.1 percent below a year ago.

F.O.B. CENTRAL: .2550 - .3800 MOSTLY: .2750 - .3350
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2250 - .2750

DRY WHEY - WEST

Western whey prices are higher on the bottom of the range, but otherwise steady. Dry whey is generally available. Some industry contacts, however, say specific brands are tight or committed. Dry whey production is ongoing and in line with cheese production. A few processors suggest the commitments to higher protein concentrations are reducing the amount of dry whey they are able to make. Domestic demand is stable and export demand is solid. The DMN monthly average of the mostly price series for West dry whey during August was \$0.3020 compared to \$0.2687 one month ago and \$0.2864 a year ago. NASS reports that July 2016 U.S. human whey production, 81.7 million pounds, is up 1.2% from a year ago, and up 4.1% from June 2016. The Western region produced 21.1 million pounds of edible dry whey during July, up 14.7% from last year, and up 14.5% from June. Month ending stocks for U.S. human whey, at 68.7 million pounds, are 10.1% lower than one year ago and down 5.6% from June 2016.

NONHYGROSCOPIC: .2850 - .3800

MOSTLY: .3000 - .3425

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate prices inched higher. Although a few contacts report lower prices and a sluggish market, other manufacturers suggest they could sell more WPC 34% if they had it available. Resellers report sales are active for most specs of WPC34% at prices in the upper end of the price range. Supplies are generally tight, especially for WPC 34% that meets infant formula requirements. Production is active, but trending lower as more processors make higher protein concentrations in lieu of WPC 34%. The August 2016 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.7151 compared to \$0.6937 one month ago and \$0.6473 one year ago. According to the NASS *Dairy Products* report U.S. production of WPC (25.0-49.9% protein) during July 2016 totaled 15.0 million pounds, 20.5% lower than one year ago. Year to date total WPC 34% production through July is 105.9 million pounds, 21.7% less than January through July one year ago. Manufacturers' end-of-month stocks for WPC (25.0-49.9% protein) totaled 20.5 million pounds, 43.9% lower than one year ago, and 2.2% less than June 2016.

F.O.B. EXTRA GRADE 34% PROTEIN: .5950 - .8750 MOSTLY: .6700 - .7800

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	36.9	+ 1
TOTAL, JAN - JULY	220.9	- 15
1 China	66.3	- 13
2 Canada	27.5	+ 3
3 Mexico	21.2	- 23
4 Vietnam	16.7	+50
5 Philippines	15.8	- 26

DRY WHEY - NORTHEAST

A very limited number of f.o.b. spot sales elevated the East dry whey price at the bottom of the range, as market firmness persist. Market participants note a growing number of resale transactions, typically at premiums, as producers undergo seasonal challenges in supplying regional cash markets. Production is steady, as Class I needs continue to draw from milk supplies. Inventories are tight. The August 2016 Dairy Market News monthly average for Northeast dry whey was \$0.2921 compared to \$0.3123 one year ago.

DAIRY PRODUCTS: According to NASS, July 2016 U.S. human food dry whey production totaled 81.7 million pounds, 1.2% more than a year ago and 4.1% above the previous month. The Atlantic region's production of human food dry whey totaled 21.7 million pounds, 1.8% less than a year ago and 3.6% lower than last month.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3000 - .3350

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	26.3	+ 59
TOTAL, JAN - JULY	174.2	+ 44
1 China	80.6	+100
2 Mexico	21.8	+ 32
3 Canada	19.1	- 15
4 Malaysia	10.4	+471
5 Indonesia	7.5	+ 11

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WHEY, WPC 34%, LACTOSE & CASEIN

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

-CONTINUED FROM PAGE 6-

LACTOSE - CENTRAL AND WEST

Lactose prices moved higher this week. A few Q3 contracts anchor the lower end of the price range in place; manufacturers report pushing for higher prices on Q4 contracts. Processors say a few Q4 deals have been signed and buyers, eager to gain coverage for the coming months, are generally taking the offers with limited push back. Some volume customers, however, are balking at the higher prices and are seeking longer contract terms. They say the higher prices are prompting the EU lactose manufacturers to initiate more activity. Inventories at many U.S. manufacturing facilities remain tight with demand outstripping supply. Lactose production continues at an active pace. The August 2016 Dairy Market News average of the mostly price series for Central and West lactose was \$0.2948, compared to \$0.2769 one month ago and \$0.1912 one year ago. NASS's *Dairy Products* report shows U.S. lactose production during July 2016 totaled 97.7 million pounds, an 8.2% increase from one year ago. Year to date lactose production through July is 632.3 million pounds, 1.9% more than a year ago. Month ending stocks, at 115.1 million pounds, are 9.8% lower than one year ago, and 4.6% lower than June 2016.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2300 - .4050 MOSTLY: .2800 - .3600

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
July Total	46.2	- 7
TOTAL, JAN - JULY	322.7	+ 3
1 China	57.4	+ 5
2 New Zealand	56.1	+ 42
3 Mexico	41.7	+ 11
4 Japan	26.7	+ 22
5 Indonesia	26.2	+ 63

CASEIN - NATIONAL

Prices for rennet and acid casein strengthened at each end of the price range. The results of GDT event 171 on September 6 were stronger rennet casein prices, which is consistent with what a number of market participants have been experiencing. With most current production already committed, the GDT event served as a buying opportunity for some customers seeking available sources of casein otherwise difficult to source.

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: 3.0100 - 3.0700
ACID: 3.0350 - 3.1000

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
08/20/2016	54.9	1,861.6	55.0	1,890.4

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

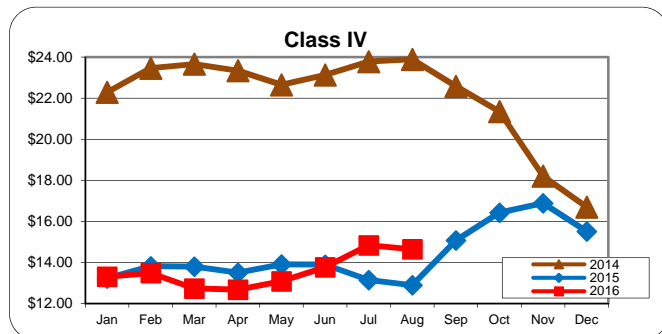
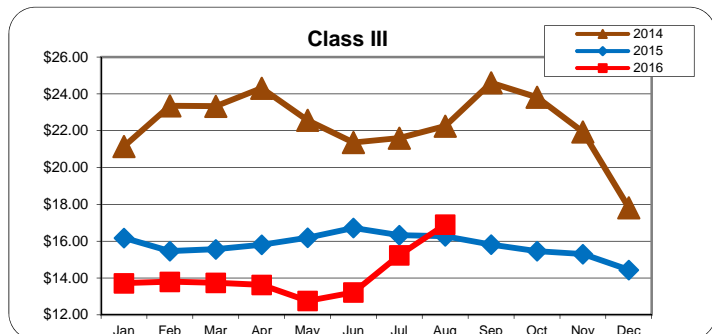
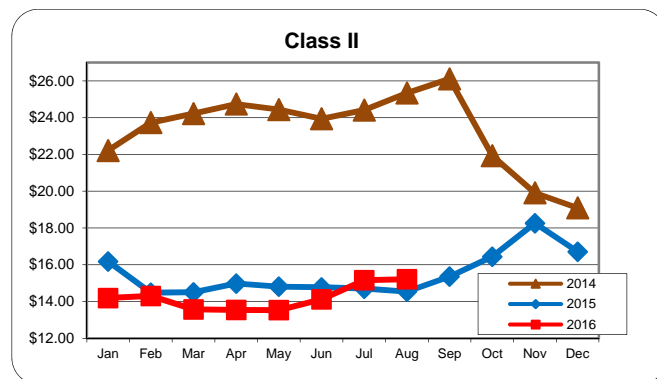
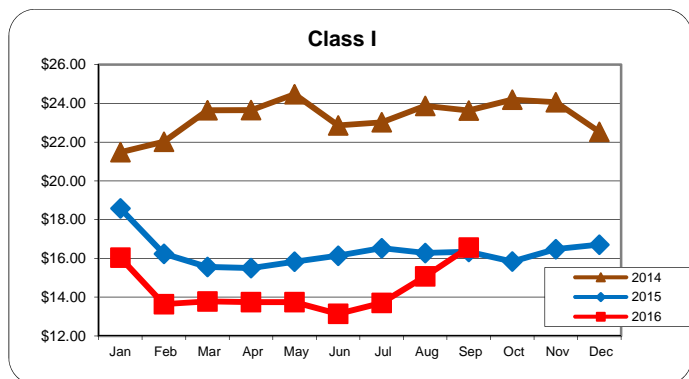
CLASS IV MILK PRICES (3.5%)

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	13.14	13.70	15.07	16.56			
II	14.19	14.30	13.57	13.54	13.53	14.12	15.16	15.21				
III	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91				
IV	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65				

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 August 29 - September 9, 2016

ORGANIC DAIRY FLUID OVERVIEW

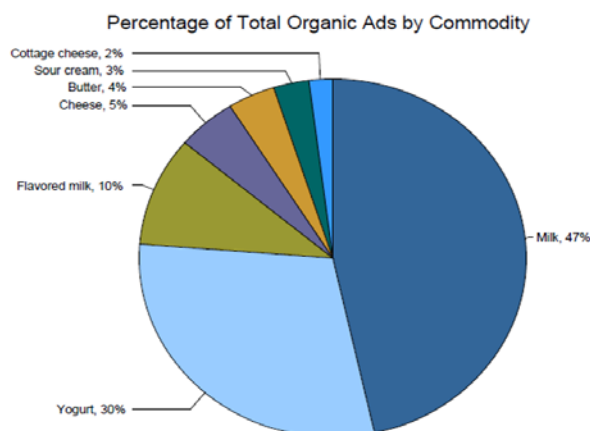
Vermont Organic Dairy Transitioning. Vermont is another state in the Northeast, joining New York, with increased organic dairy transitioning in 2016. It is reported that 16 dairy producers are transitioning into organic dairy this year, up from three to five in recent years. Factors often cited are the continuing increase in demand for organic milk, as well as more stable prices than with conventional milk. Of course, the pay price premium is also a cited factor. Historically Vermont has been populated with dairy operations with smaller cow numbers per farm than a number of other states, especially in the West. The existing model of smaller numbers of cows is suited to entry into organic production in terms of financial requirements. So far the demand for organic milk in the Northeast from organic dairy manufacturing operations has continued to provide an overall decent market for increasing volumes of organic milk in the region. Experts in the region do not expect much additional organic milk from transitioning operations to enter markets until spring 2017.

Northeast Organic Milk. Lingering effects of dry conditions have left a number of organic pastures in the Northeast below quality expectations for grazing. Some organic producers have begun feeding hay earlier than normal to supplement grazing. Nevertheless, some organic producers in the Northeast were recently notified by a national organic dairy processor that it is oversupplied with milk and will keep the market adjustment premium at a reduced rate of \$2 (it is normally \$3) until the end of the year. The processor has also requested a voluntary cut in production of 3% to 4%. Other organic processors in the region are not oversupplied and would be alternative outlets for affected producers except that some of the affected producers are contracted into late next year, so they are unable to change contracting processors at this time. A proposed and pending merger of a national organic processor with an international yogurt company has led to some unease among producers. Having options of a number of processors to negotiate contracts with is of importance to organic dairy producers. There is uncertainty as to what the aftermath of the proposed merger would be as to sales options available to dairy producers. A number of producers are actively evaluating the situation and what the likely outcome might be as to sales options for organic milk. There is some wariness as to the outcome impacting organic producers.

ORGANIC GRAIN AND FEEDSTUFF MARKETS: Feed Corn demand is moderate to good, with active trading with steady to firm prices. Feed soybean demand is light to moderate, with slow trading and steady prices. Food wheat trading is active. Feed wheat demand is light, with steady prices and slow trading. Soybean oil traded mostly \$.35/lb. f.o.b., with light demand, slow trade activity and steady prices. Feed barley demand is moderate, with slow trading and steady prices. Feed oats traded mostly \$4.00-\$5.50/bushel delivered, with good demand and active trading. New crop forward contracts are mostly for feed corn. Hay trading and demand is moderate. Additional livestock and grain market news information is available at: www.ams.usda.gov/mnreports/lbncor.pdf

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk leads all organic dairy products in ad numbers, further delineated in the pie chart below.



Data source/graph USDA Dairy Market News

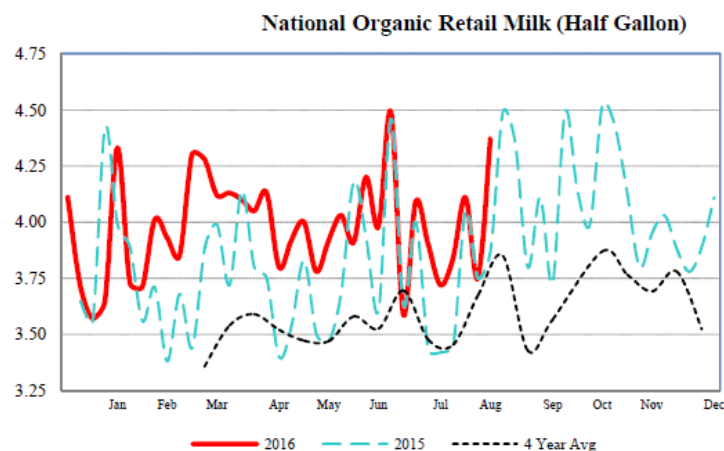
Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from September 9-15, 2016 identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Selected organic dairy product pricing information from the current weekly survey is shown in the following table:

NATIONAL RETAIL ORGANIC DAIRY (Wtd.Avg.Price)

Commodity	This Week	Last Week	Last Year
Butter	4.69	5.67	...
Cheese			
8 oz. Blk.	3.50	4.69	5.09
8 oz. shred	3.78	...	2.50
Milk			
Half gal.	3.94	3.80	4.35
Gal.	4.99	5.47	5.92
8 oz.	1.00	1.01	1.00
Yogurt			
4-6 oz. Greek	1.06	1.11	1.00
4-6 oz.	.99	.60	.99

Historic pricing information of organic half-gallon milk is shown in the graph below:



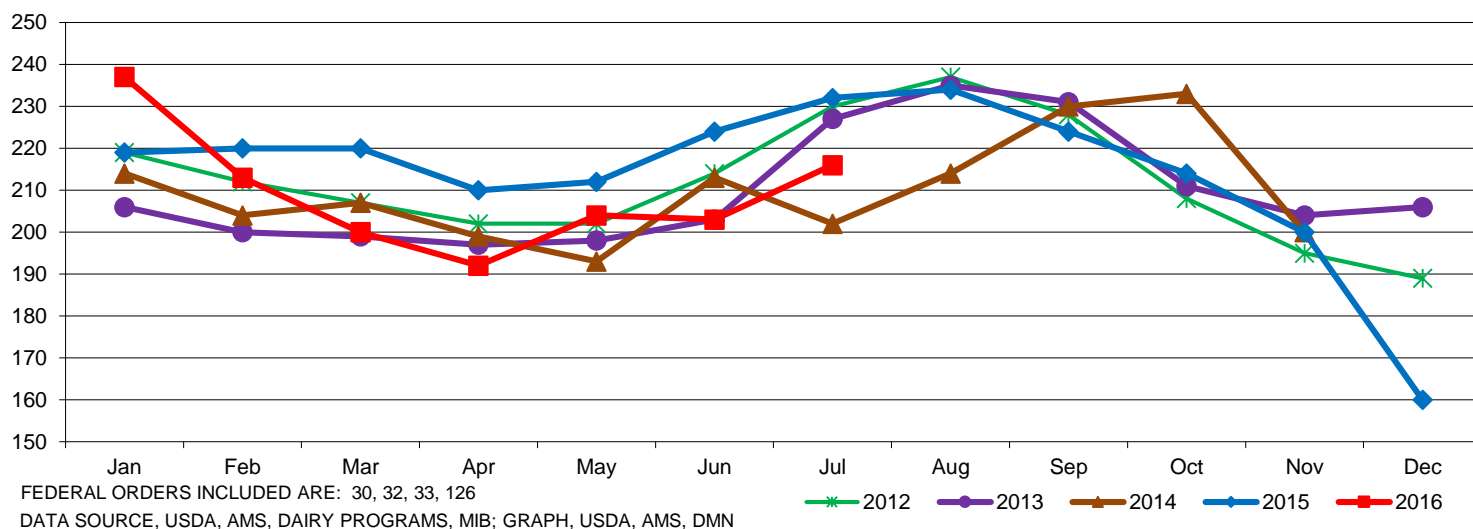
Data source/graph USDA/AMS/Dairy Market News

Complete results of the weekly organic dairy retail survey including regional delineation, can be accessed at:

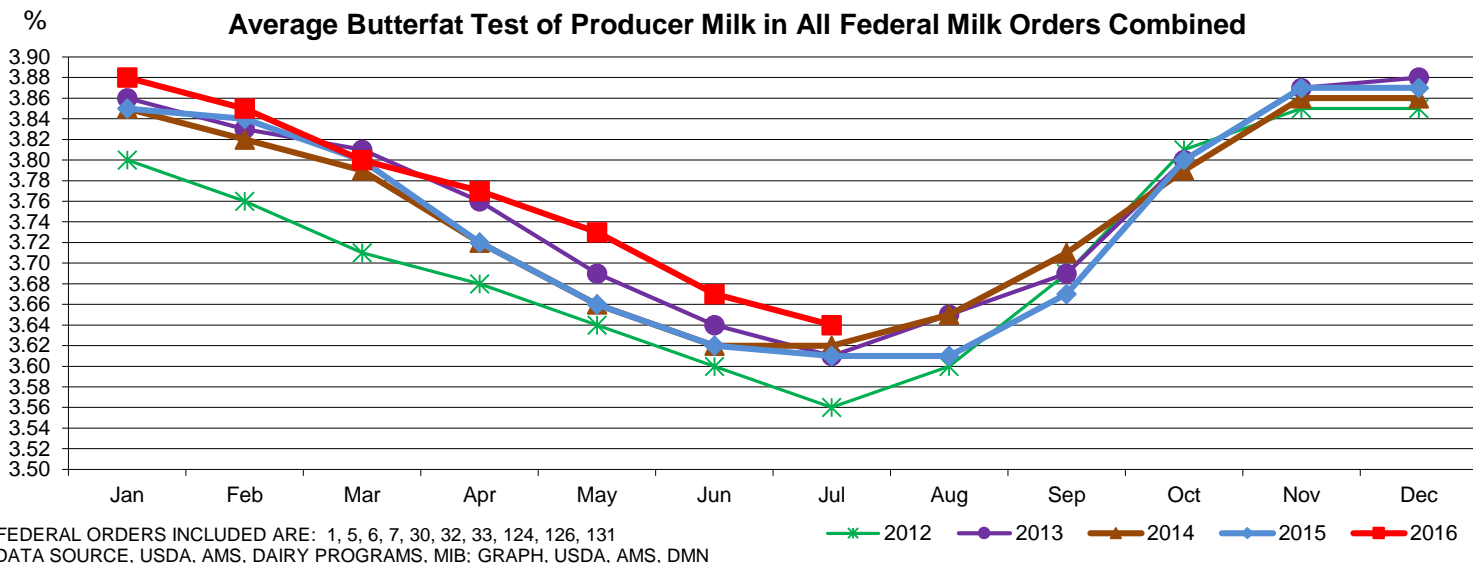
<http://www.ams.usda.gov/market-news/retail-dairy-market-news>

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

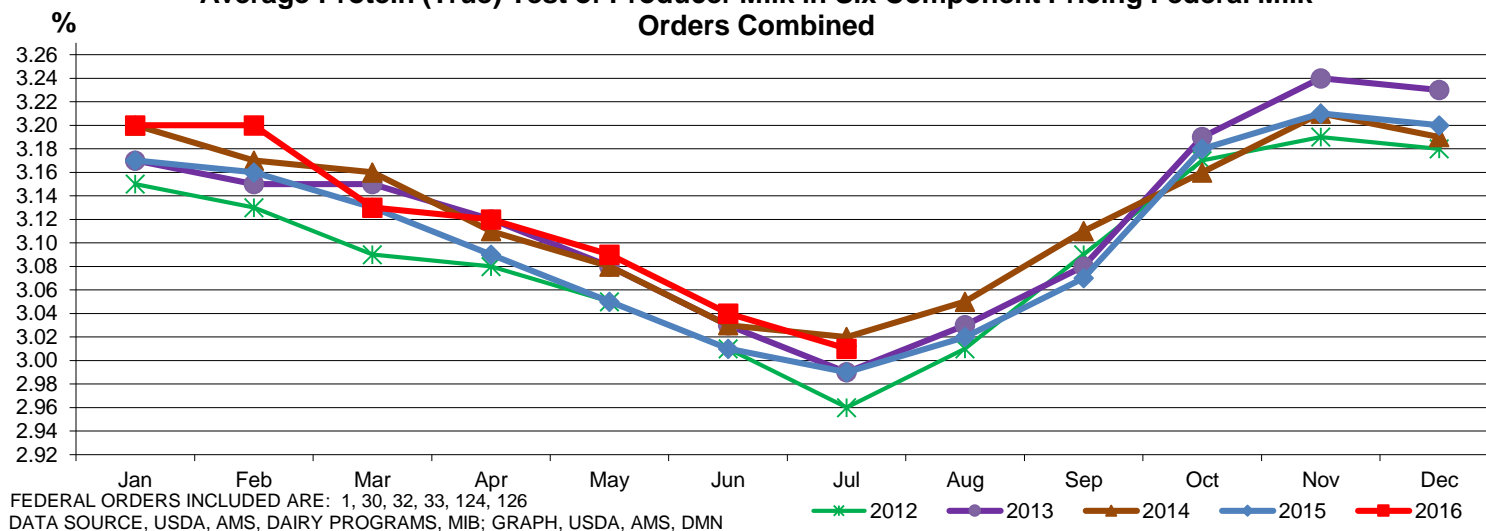
THOUSANDS



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



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





Dairy Market News Branch

Agricultural
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National Retail Report-Dairy

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

Volume 83- Number 36

Issued Weekly

Friday, September 9, 2016

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/09/2016 to 09/15/2016

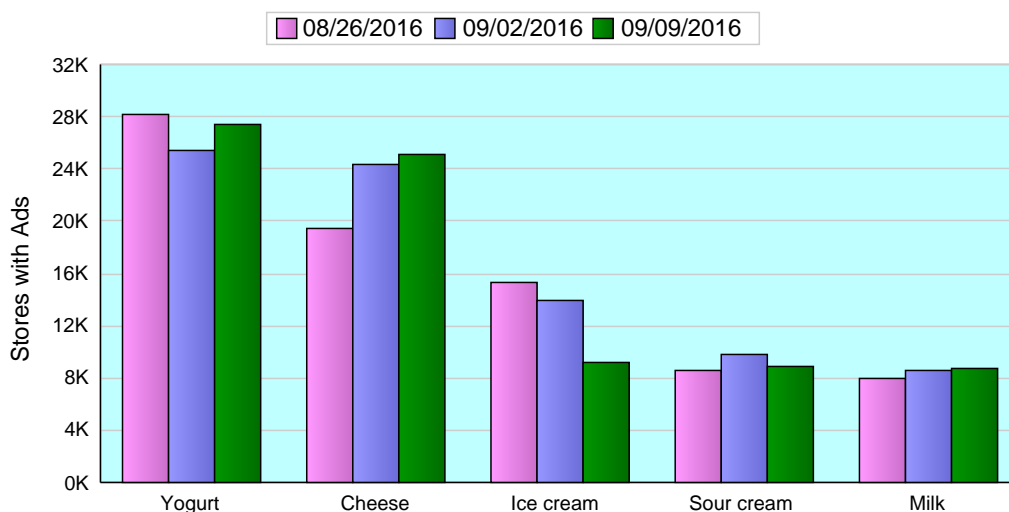
Advertisements for conventional ice cream in a 48-64 ounce containers decreased by 34% compared to the previous week. The national weighted average price for 1 pound conventional butter is \$3.29, while 1 pound organic butter is \$4.69. Total ads for 1 pound conventional butter significantly decreased by 50%. Total conventional ads decreased by 6%, while total organic ads decreased by 5%.

Conventional Greek yogurt in 4-6 ounce containers became the top advertised dairy item for the week, with an average price of \$0.97, even with last week's price. Meanwhile, organic Greek yogurt in the same size packages averaged \$1.06. Conventional non-Greek yogurt in 4-6 ounce containers averaged \$0.48, while its organic counterpart averaged \$0.99. Conventional yogurt ads increased by 12% this week, while organic yogurt ads decreased by 12%.

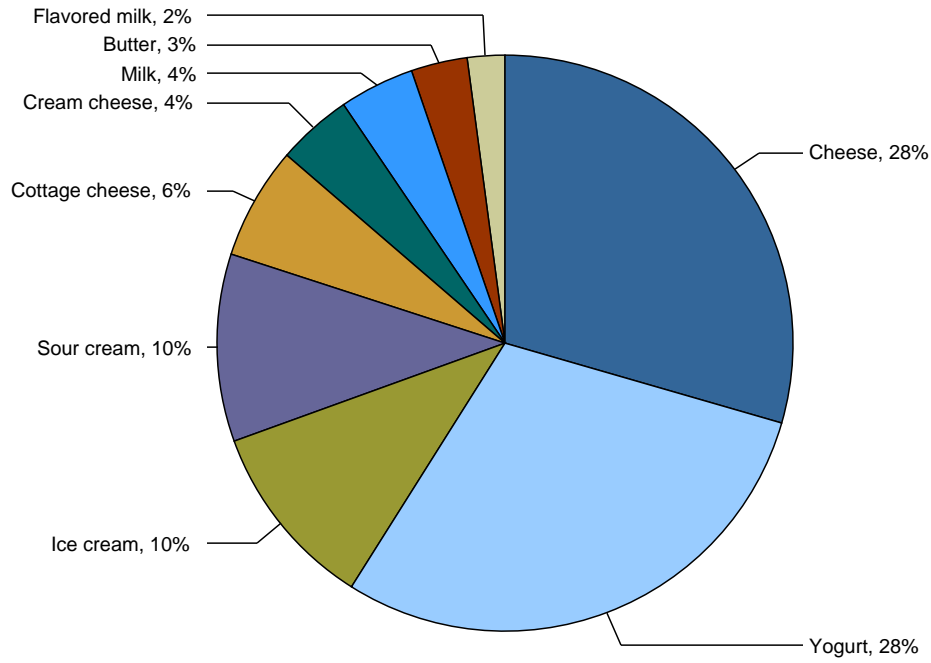
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.10, down 7 cents from last week; 8 ounce shred cheese averaged \$2.18, down 1 cent from last week. Ads for 8 ounce organic block cheese average \$3.50. Ads for 8 ounce organic shred cheese average \$3.78. The number of conventional cheese ads slightly increased 2%, while organic cheese ads noticeably increased 382% this week.

The price spread between organic and conventional half gallon milk is \$2.77. The price spread is the difference between the national weighted average price for organic, \$3.94, and conventional, \$1.17. Organic milk advertisements decreased by 23%, while ads for conventional milk increased by 107%.

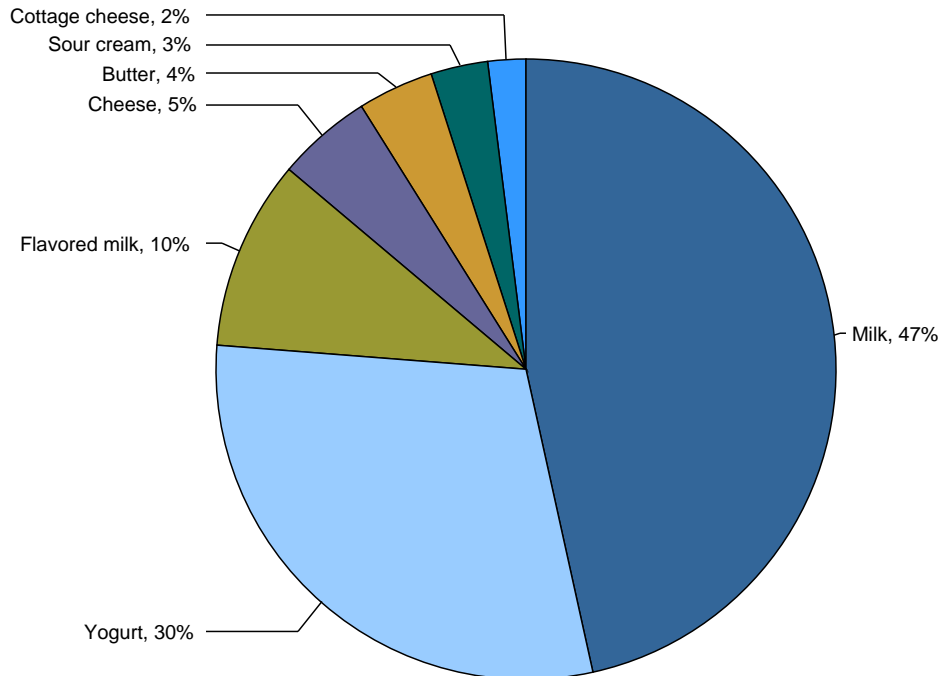
Top 5 Commodities Featured



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 #	2997	3.29	6045	3.84	3308	2.97
Cheese	Natural Varieties	8 oz block	10142	2.10	9923	2.17	7248	2.21
Cheese	Natural Varieties	1 # block	1262	3.53	1177	3.37	1505	4.33
Cheese	Natural Varieties	2 # block	931	6.01	1083	6.22	637	6.67
Cheese	Natural Varieties	8 oz shred	11773	2.18	10432	2.19	9329	2.27
Cheese	Natural Varieties	1 # shred	571	3.51	1579	3.09	581	3.64
Cottage cheese		16 oz	5412	1.70	6064	1.92	3560	1.73
Cream cheese		8 oz	3541	1.88	5392	1.91	7440	2.03
Egg nog		half gallon	78	2.99				
Flavored milk	All fat tests	half gallon	1548	1.28	231	2.51	390	2.05
Flavored milk	All fat tests	gallon	610	2.29	461	3.37	507	2.39
Ice cream		48-64oz	9183	3.09	13879	2.90	11735	3.05
Milk	All fat tests	half gallon	1593	1.17	27	3.69	428	1.94
Milk	All fat tests	gallon	1934	2.82	1676	2.80	2978	2.45
Sour cream		16 oz	8553	1.58	9631	3.86	5953	1.53
Yogurt	Greek	4-6 oz	12113	.97	10912	.97	9015	.95
Yogurt	Greek	32 oz	1967	4.19	1744	4.44	2461	4.43
Yogurt	Yogurt	4-6 oz	9349	.48	8244	.51	5979	.48
Yogurt	Yogurt	32 oz	761	2.35	768	2.20	1048	2.19

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 #	3.00	167	3.00	2.79-3.50	1094	3.01	2.79-3.49	587	3.01
Cheese	Natural Varieties	8 oz block	1.88-2.50	2140	2.08	0.99-2.50	4074	2.32	0.99-2.25	707	1.44
Cheese	Natural Varieties	1 # block	2.99-3.99	558	3.38	3.99	214	3.99			
Cheese	Natural Varieties	2 # block	8.98	63	8.98	5.99	64	5.99			
Cheese	Natural Varieties	8 oz shred	1.88-3.99	2233	2.27	0.99-2.50	3799	2.30	0.99-2.50	707	1.49
Cheese	Natural Varieties	1 # shred	1.67-3.00	135	2.28						
Cottage cheese		16 oz	1.50-2.69	776	2.16	1.25-1.50	2295	1.40	1.25-2.29	503	1.63
Cream cheese		8 oz	1.39-2.50	1236	1.82	1.25-2.00	1247	1.90	1.99-2.00	406	2.00
Flavored milk	All fat tests	half gallon				0.99-1.99	184	1.34	0.99-1.99	923	1.28
Flavored milk	All fat tests	gallon							2.79-2.99	200	2.91
Ice cream		48-64oz	2.50-3.99	2442	2.89	1.99-4.99	3624	2.80	2.50-5.48	1273	3.54
Milk	All fat tests	half gallon				0.99	120	.99	0.99-3.29	779	1.30
Milk	All fat tests	gallon	2.50-2.88	197	2.62	2.49-2.99	174	2.73	1.99-5.99	474	3.65
Sour cream		16 oz	1.25-1.99	1424	1.65	1.25-1.50	3423	1.43	1.25-2.00	913	1.46
Yogurt	Greek	4-6 oz	0.77-1.25	2722	.99	0.80-1.00	3998	.96	0.77-1.18	1323	.96
Yogurt	Greek	32 oz	3.99-5.88	668	4.16	3.49	87	3.49	3.99-5.28	249	4.92

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	4-6 oz	0.40-0.50	1784	.49	0.44-0.50	2946	.50	0.39-0.55	1166	.49
Yogurt	Yogurt	32 oz	1.99	167	1.99				1.88	213	1.88

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 #	3.00-3.49	227	3.30	2.99-5.49	572	4.07	2.88-3.99	345	3.52
Cheese	Natural Varieties	8 oz block	0.99-3.33	715	1.95	0.99-3.00	1618	2.08	0.99-3.50	770	1.69
Cheese	Natural Varieties	1 # block				3.49-3.50	490	3.49			
Cheese	Natural Varieties	2 # block				4.99-7.99	802	5.77			
Cheese	Natural Varieties	8 oz shred	0.99-3.33	1779	2.31	0.99-3.49	2242	2.10	0.99-3.50	929	1.84
Cheese	Natural Varieties	1 # shred	3.99-4.99	192	4.38	3.50	244	3.50			
Cottage cheese		16 oz	2.49	62	2.49	1.50-2.49	1063	1.99	1.25-1.99	634	1.61
Cream cheese		8 oz	1.25	78	1.25	1.99	244	1.99	1.25-2.29	276	1.93
Egg nog		half gallon	2.99	78	2.99						
Flavored milk	All fat tests	half gallon	0.99-1.99	230	1.48	0.99	90	.99	0.99	121	.99
Flavored milk	All fat tests	gallon	1.99	121	1.99				1.99	289	1.99
Ice cream		48-64oz	2.49-3.99	530	3.42	2.79-5.00	1159	3.62			
Milk	All fat tests	half gallon	0.99-1.49	297	1.12	0.99	210	.99	0.99	187	.99
Milk	All fat tests	gallon	1.99-2.99	478	2.71	2.59	241	2.59	1.99-2.50	350	2.08
Sour cream		16 oz	1.25-1.89	677	1.50	1.25-2.49	1341	2.00	1.25-1.99	703	1.60
Yogurt	Greek	4-6 oz	0.88-1.11	573	.96	0.69-1.25	2275	.97	0.40-1.25	1112	.92
Yogurt	Greek	32 oz	3.99-4.99	512	4.67	2.99-3.99	424	3.41			
Yogurt	Yogurt	4-6 oz	0.25-0.55	905	.41	0.39-0.79	1636	.48	0.33-0.50	816	.46
Yogurt	Yogurt	32 oz				2.49	246	2.49	2.50-3.99	130	3.29

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.00	2	4.00	4.77	3	4.77
Cheese	Natural Varieties	8 oz block	1.66-3.50	53	2.71	2.50-3.29	65	3.08
Cheese	Natural Varieties	2 # block	7.99	2	7.99			
Cheese	Natural Varieties	8 oz shred	1.66-2.00	19	1.77	2.50-3.29	65	3.08
Cottage cheese		16 oz	2.00	21	2.00	2.50-2.69	58	2.58
Cream cheese		8 oz				2.00-2.50	54	2.28
Ice cream		48-64oz	3.49-4.00	36	3.92	3.25-4.99	119	4.11
Milk	All fat tests	gallon	3.59	11	3.59	4.77-4.97	9	4.84
Sour cream		16 oz	2.00	21	2.00	1.99-2.29	51	2.13
Yogurt	Greek	4-6 oz	0.99-1.25	32	1.04	0.79-1.29	78	1.10
Yogurt	Greek	32 oz				3.49	27	3.49
Yogurt	Yogurt	4-6 oz	0.60-1.00	49	.83	0.60-1.00	47	.63
Yogurt	Yogurt	32 oz	2.50-2.98	5	2.79			

Wtd Avg - Simple weighted average



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 #	455	4.69	423	5.67		
Cheese	Natural Varieties	8 oz block	310	3.50	105	4.69	147	5.09
Cheese	Natural Varieties	8 oz shred	196	3.78			214	2.50
Cottage cheese		16 oz	219	2.73	219	3.39	276	3.28
Flavored milk	All fat tests	half gallon	1083	4.49	161	4.99		
Milk	All fat tests	half gallon	4918	3.94	5255	3.80	1685	4.35
Milk	All fat tests	gallon	214	4.99	472	5.47	794	5.92
Milk	All fat tests	8 oz UHT	105	1.00	1068	1.01	370	1.00
Sour cream		16 oz	310	2.02	219	2.49		
Yogurt	Greek	4-6 oz	912	1.06	1207	1.11	306	1.00
Yogurt	Greek	32 oz			245	5.65	221	3.99
Yogurt	Yogurt	4-6 oz	59	.99	161	.60	65	.99
Yogurt	Yogurt	32 oz	2301	3.96	2107	3.97	78	2.99

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	119	4.49
Cheese	Natural Varieties	8 oz shred				3.49	61	3.49			
Flavored milk	All fat tests	half gallon				4.49	1083	4.49			
Milk	All fat tests	half gallon	3.76-4.99	718	4.15	3.99	1170	3.99	3.59-4.78	1127	3.90
Milk	All fat tests	gallon				4.99	214	4.99			
Yogurt	Greek	4-6 oz	1.00	131	1.00	0.88	210	.88	0.88	247	.88
Yogurt	Yogurt	4-6 oz	0.99	59	.99						
Yogurt	Yogurt	32 oz	3.50-3.99	510	3.93				3.97	810	3.97

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.	SOUTHWEST U.S.	NORTHWEST U.S.
Wtd Avg - Simple weighted average					



			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 #	3.99	162	3.99				5.00-5.79	174	5.48
Cheese	Natural Varieties	8 oz block							3.50	289	3.50
Cheese	Natural Varieties	8 oz shred	3.99	114	3.99						
Cottage cheese		16 oz				2.49	114	2.49	2.99	105	2.99
Milk	All fat tests	half gallon	3.76-3.99	1087	3.78	3.50-4.49	429	3.95	2.99-4.49	364	3.91
Milk	All fat tests	8 oz UHT							1.00	105	1.00
Sour cream		16 oz							1.99	289	1.99
Yogurt	Greek	4-6 oz	0.88	78	.88	1.50	246	1.50			
Yogurt	Yogurt	32 oz	3.97	973	3.97						

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
Cheese	Natural Varieties	8 oz block	3.50	21	3.50			
Cheese	Natural Varieties	8 oz shred	3.50	21	3.50			
Milk	All fat tests	half gallon	4.39-4.99	23	4.70			
Sour cream		16 oz	2.49	21	2.49			
Yogurt	Yogurt	32 oz	5.14	8	5.14			

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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Dairy Programs

Market Information Branch

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