

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (9/23)**

BUTTER: Grade AA closed at \$2.0275. The weekly average for Grade AA is \$1.9835 (-.0325).

CHEESE: Barrels closed at \$1.5100 and 40# blocks at \$1.5600. The weekly average for barrels is \$1.5025 (-.0270) and blocks, \$1.5785 (-.0825).

NONFAT DRY MILK: Grade A closed at \$0.9350. The weekly average for Grade A is \$0.9265 (+.0200).

BUTTER HIGHLIGHTS: Nationwide, butter production is steadily increasing, as cream volumes are more available for churning. Bottled milk standardization and an improvement in the milk butterfat levels are adding to cream supplies. Bulk butter stocks continue clearing into microfixing in some plants across the country. Many processors are running operations at full capacity, focusing production on print butter ahead of Q4 needs. Consequently, inventories are steady to building. Retail demand continues to improve. Bulk butter prices reported throughout the country are ranging from one cent under to 8 cents over the market, based on the CME Group with various periods and averages used. The Grade AA butter price at the CME Group on Friday closed at \$2.0275, up \$.0275 from a week ago.

CHEESE HIGHLIGHTS: Extra milk is available to make cheese in the Northeast and Midwest, and is in good supply in the West, where cheese production is active. In all regions some plants have been down for maintenance. The extra milk availability in the Northeast substantially resulted from a plant being down for maintenance. Demand for cheese in the West is firm, mixed in the Midwest, and for mozzarella in the Northeast, very good. However, the undertone in the Northeast is unsettled. European cheese manufacturers continue to struggle to keep up with demand for cheese. In CME Group trading Friday, barrels closed at \$1.5100, up \$.0300 from last Friday and blocks closed at \$1.5600, down \$.0900.

FLUID MILK: There is no uniform national trend for milk production this week. Seasonal and weather factors are in play. Production is mostly flat to marginally lower in the Northeast and Mid-Atlantic states. Southeast, North Central and Pacific Northwest states have steady farm milk output. Arizona has steady to slightly higher milk production. South Central milk production bobbled following rainstorms. Milk output in Florida, New Mexico, Colorado, Utah, and Idaho, is lower. California has experienced higher farm milk intakes as

well as increased improvements in milk protein and butterfat components following cooler temperatures. Midwest spot milk demand is active, with prices ranging from \$1.25-\$3.00 over class. Transportation and pricing factors are stalling some spot milk sales. Central cream is tighter due to a new churning operation making bulk butter, rather than selling cream. Cream volumes are more available in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are steady to higher in the Central and Eastern states, but higher in the West. High heat NDM prices are higher in the East and Central states but steady to higher in the West, with light trading. Dry buttermilk prices adjusted higher through the range in the Central and Eastern states, with a flat/quiet market. In the West, dry buttermilk prices are steady with light to moderate trading. Dry whole milk prices are steady to higher. Inventories are light and production is irregular, mostly dictated by contractual needs. Central whey prices range moved higher, but the mostly price series held steady. Eastern and western dry whey prices increased at the top of the range while western prices also increased in the mostly price series. Demand is varied within the respective regions. Whey protein concentrate 34% prices are mixed, demand is robust, and buyers are looking for product. Lactose prices held steady this week. Overall demand has not lessened. Rennet and acid casein prices strengthened at each end of their price ranges.

ORGANIC DAIRY MARKET NEWS (DMN): AMS reports July 2016 total organic milk products sales at 196 million pounds, down 2.8% from the previous year. Sales are up 4.4%, January through July 2016, compared with the same months of 2015. July organic whole milk sales are 73 million pounds, up 6.4% from July last year. Year to date organic whole milk sales are up 14.9% compared to sales within the same period last year. In New England, During August, 2016, organic whole milk utilization totaled 14.3 million pounds, up 32.8% from August 2015. The 2016 butterfat content was 3.29%, up from 3.27% in 2015. Organic reduced fat milk utilization for August this year, 19.2 million pounds, was down 4.9% from August last year. Butterfat this August was 1.26%, up from 1.16% last year.

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CME GROUP CASH TRADING

COMMODITY	MONDAY SEP 19	TUESDAY SEP 20	WEDNESDAY SEP 21	THURSDAY SEP 22	FRIDAY SEP 23	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4750 (-.0050)	\$1.5075 (+.0325)	\$1.5100 (+.0025)	\$1.5100 (N.C.)	\$1.5100 (N.C.)	:: (+.0300)	:: \$1.5025 (-.0270)
40# BLOCKS	\$1.5875 (-.0625)	\$1.5975 (+.0100)	\$1.5850 (-.0125)	\$1.5625 (-.0225)	\$1.5600 (-.0025)	:: (-.0900)	:: \$1.5785 (-.0825)
NONFAT DRY MILK							
GRADE A	\$.9200 (+.0100)	\$.9200 (N.C.)	\$.9225 (+.0025)	\$.9350 (+.0125)	\$.9350 (N.C.)	:: (+.0250)	:: \$.9265 (+.0200)
BUTTER							
GRADE AA	\$1.9675 (-.0325)	\$1.9550 (-.0125)	\$1.9675 (+.0125)	\$2.0000 (+.0325)	\$2.0275 (+.0275)	:: (+.0275)	:: \$1.9835 (-.0325)

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-**

AUGUST MILK PRODUCTION (NASS): Milk production in the 23 major States during August totaled 16.7 billion pounds, up 1.9 percent from August 2015. July revised production, at 16.9 billion pounds, was up 1.7 percent from July 2015. The July revision represented an increase of 48 million pounds or 0.3 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,920 pounds for August, 26 pounds above August 2015. This is the highest production per cow for the month of August since the 23 State series began in 2003. The number of milk cows on farms in the 23 major States was 8.68 million head, 43,000 head more than August 2015, and 15,000 head more than July 2016.

AUGUST FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (FMMO): During August, more than 9.559 billion pounds of milk were received from Federally pooled producers. This volume of milk is 3.4 percent lower than the August 2015 volume. Regulated handlers pooled 3.484 billion pounds of producer milk as Class I products, up 3.8 percent when compared to the previous year. Class I utilization increased from last year in 8 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 36%, Class II = 18%, Class III = 32%, and Class IV = 14%. The weighted average statistical uniform price was \$16.71 per cwt, up \$0.93 from last month but down \$0.03 from last year.

OCTOBER FEDERAL ORDER ADVANCE PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for October 2016 is \$16.60 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$8.78 and the advanced butterfat pricing factor of \$2.3223. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The base Class I price increased \$0.04 per cwt when compared to the previous month of September 2016. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.08 per cwt, \$0.007 per gallon; reduced fat milk (2%), \$0.29 per cwt, \$0.025 per gallon; fat-free (skim milk), \$0.53 per cwt, \$0.046 per gallon. The advanced Class IV skim milk pricing factor is \$6.44. Thus, the Class II skim milk price for October 2016 is \$7.14 per cwt, and the Class II nonfat solids price is \$0.7933. The two-week product price averages for October 2016 are: butter \$2.0892, nonfat dry milk \$0.8906, cheese \$1.7758 and dry whey \$0.3015.

NATIONAL RETAIL REPORT (DMN): The national average price for 1 pound conventional butter is \$3.19, while 1 pound organic butter is \$5.15, an organic price premium of \$1.96. Total conventional butter ads increased 26% while total organic butter ads decreased 1%. Advertisements for conventional ice cream in 48-64 ounce containers increased 33% and the national weighted average advertised price is \$3.07. There are no ads for organic ice cream. Conventional Greek yogurt in 4-6 ounce containers have an average price of \$0.94, while 4-6 ounce organic Greek yogurt averaged \$1.15, an organic price premium of \$.21. Conventional yogurt ads decreased 8% this week, while organic yogurt ads increased 36%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.18, while 8 ounce organic block cheese averaged \$4.72, an organic price premium of \$2.54. Ads for conventional 8 ounce shred cheese averaged \$2.16 while 8 ounce organic shred cheese averaged \$3.50, an organic price premium of \$1.34. The number of conventional cheese ads is stable, while organic cheese ads increased 3% this week. The price premium of the organic half gallon milk price over the conventional half gallon milk price is \$3.05. This represents the difference between the national weighted average price for organic, \$4.15, and conventional, \$1.10. Organic milk advertisements increased 1%, while ads for conventional milk increased 46%.

CME GROUP

MONDAY, SEPTEMBER 19, 2016

CHEESE -- SALES: 10 CARS BARRELS: 2 @ \$1.5000, 1 @ \$1.4950, 1 @ \$1.4850, 2 @ \$1.4800, 1 @ \$1.4775, 1 @ \$1.4800, 1 @ \$1.4775, 1 @ \$1.4750; 3 CARS 40# BLOCKS: 1 @ \$1.6325, 1 @ \$1.6350, 1 @ \$1.6300;
 LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5875
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9200; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.9200; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9500
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.9675

TUESDAY, SEPTEMBER 20, 2016

CHEESE -- SALES: 11 CARS BARRELS: 1 @ \$1.4850, 1 @ \$1.5000, 9 @ \$1.5050; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.5075; 1 CAR 40# BLOCKS @ \$1.5975; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$0.9100, 1 @ \$0.9200; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.9100; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9200
 BUTTER -- SALES: 8 CARS GRADE AA: 3 @ \$1.9400, 1 @ \$1.9500, 1 @ \$1.9400, 2 @ \$1.9500, 1 @ \$1.9550; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9400; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9550

WEDNESDAY, SEPTEMBER 21, 2016

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.5200, 1 @ \$1.5175, 1 @ \$1.5150, 1 @ \$1.5100, 1 @ \$1.5075, 1 @ \$1.5100; 8 CARS 40# BLOCKS: 2 @ \$1.5975, 1 @ \$1.6000, 1 @ \$1.5950, 1 @ \$1.5925, 1 @ \$1.5900, 1 @ \$1.5875, 1 @ \$1.5850; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5750; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5300; 1 CAR 40# BLOCKS @ \$1.5900
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$0.9250, 1 @ \$0.9225; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.9200; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9300
 BUTTER -- SALES: 6 CARS GRADE AA: 2 @ \$1.9550, 1 @ \$1.9600, 1 @ \$1.9650, 1 @ \$1.9625, 1 @ \$1.9675; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9400; LAST OFFER UNCOVERED: NONE

THURSDAY, SEPTEMBER 22, 2016

CHEESE -- SALES: 13 CARS BARRELS: 2 @ \$1.5050, 1 @ \$1.5000, 6 @ \$1.4800, 1 @ \$1.4900, 1 @ \$1.5000, 1 @ \$1.5025, 1 @ \$1.5100; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$1.5600; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5625
 NONFAT DRY MILK -- SALES: 17 CARS GRADE A: 10 @ \$0.9250, 3 @ \$0.9300, 1 @ \$0.9325, 3 @ \$0.9350; LAST BID UNFILLED: 5 CARS GRADE A @ \$0.9350; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 3 CARS GRADE AA: 2 @ \$1.9900, 1 @ \$2.0000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9800; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0000

FRIDAY, SEPTEMBER 23, 2016

CHEESE -- SALES: 5 CARS 40# BLOCKS: 2 @ \$1.5625, 1 @ \$1.5600, 1 @ \$1.5575, 1 @ \$1.5600; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5650
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9350; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9300; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9400
 BUTTER -- SALES: 9 CARS GRADE AA: 1 @ \$1.9900, 1 @ \$2.0200, 1 @ \$2.0300, 1 @ \$2.0400, 4 @ \$2.0500, 1 @ \$2.0275; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0100; LAST OFFER UNCOVERED: 3 CARS GRADE AA @ \$2.0500

BUTTER MARKETS

NORTHEAST

Butter production dipped slightly this week as a maintenance issue slowed output at a large butter facility. Additionally, the level of seasonal milk supply into balancing restricts churning at some plants. Orders are steady as upcoming yearend needs continue to develop. As butter prices decline, feature activity supports an increase in retail butter orders. Stocks remain adequate for closed orders. Bulk butter prices range 5-8 over the market of the CME Group, with various time frames and averages used. According to the DMN *National Retail Report-Dairy*, for September 16-22, 2016, the national weighted average ad price for 1-pound butter is \$3.64, up 35 cents from last week and 24 cents higher than a year ago. The Northeast regional price is \$3.53, 53 cents above the previous week's advertised price. In the Southeast, the butter price averages \$3.61, moving 60 cents above last week's average. Tuesday's CME Group cash trading saw Grade AA butter close at \$1.9550, down \$0.0775 from a week ago.

CENTRAL

Compared to the previous week, butter production is more active in the Central region as cream is more available. Bottled milk standardization is adding to cream supplies. In addition, the butterfat levels in the milk are improving. Processors are focusing production on print butter ahead of Q4 needs. Current demands from food service are steady, but are higher from retailers. Regional bulk butter microfixing is active. This week, there are more bulk butter supplies available in the spot market. Print butter inventories are steady to building. Bulk butter prices reported ranged from one cent under market to 7 cents over the market, with various periods and averages used. The DMN *National Retail*

Report-Dairy for September 16-22 noted the national weighted average advertised price for a 1 pound package of butter is \$3.64, \$0.35 above one week ago and \$0.24 higher than one year ago. The regional weighted average prices in the Midwest and South Central are \$3.08 and \$3.40, respectively. Wednesday at the CME Group, Grade AA butter closed at \$1.9675, down \$0.0425 from last Wednesday.

WEST

Western butter makers continue to gear up for late year butter needs. Retail demand for butter is building. Butter production is active and a few butter makers are diverting excess cream into the churns. Some industry contacts suggest butter manufacturers are wanting to make sure they turn over their inventories. Processors seem willing to pull butter out of inventory to prepare it for retail market sales. Industry-wide butter inventories are still long, but many contacts are not concerned and feel Q4 demand will deflate stocks to more comfortable levels. The DMN *National Retail Report-Dairy* for the week of September 16-22 found that the U.S. weighted average advertised price of 1 pound butter is \$3.64, up \$0.35 from last week. The U.S. weighted average price was \$3.40 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$4.40, with a price range of \$2.99-\$5.49. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.79, with a price range of \$3.59-\$3.99. 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 Grade AA butter price at the CME Group on Wednesday closed at \$1.9675, down \$0.0425 from a week ago. This week is the first time since April 4, 2016, the butter price has closed below \$2. Last year, in weeks 38 and 39, the CME butter price closed above \$3 for four trading days.

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 17, 2016	2.0658 2,483,685	1.7599 13,055,365	1.7234 9,957,084	.3060 6,661,643	.8984 15,423,762

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

CHEESE MARKETS

NORTHEAST

Extra milk supplies were available this week, increasing cheese production. Sources report a dairy operation in the region was unable to process milk supplies due to a maintenance problem. Prior to those loads becoming available, limited volumes of milk solids were obtainable, apart from contracted customer loads. Market demand for mozzarella cheese continues to be very good with strong orders from food service and pizza makers. Cheddar manufacturers are comfortable with their current inventories. The undertone in the Northeast is unsettled. This week, the Northeast wholesale cheese selling price for cheddar blocks and Muenster moved lower \$0.0475, as the Process 5# price tumbled \$0.1050. The Grade A Swiss cheese price is unchanged. According to the *DMN National Retail Report-Dairy*, for September 16-22, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.17, 23 cents less than the national average, but 9 cents more than the previous week. The Southeast 8 oz. block cheese price was \$2.45, up 13 cents from last week's average. The Northeast advertised price for 8 oz. cheese shreds was \$2.26, 13 cents lower than the national average price. In the Southeast, the average price for 8 oz. shredded cheese is \$2.40, up 10 cents from last week. Tuesday's CME Group daily cash prices saw barrels cheese close at \$1.5075, dipping \$0.0425 from a week ago, while blocks closed at \$1.5975, down \$0.0675 from the previous Tuesday.

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

Cheddar 40# Block	:	2.0600-2.3450
Process 5# Sliced	:	1.7300-2.2100
Muenster	:	2.0450-2.3950
Grade A Swiss Cuts 10 - 14#	:	2.9175-3.2400

MIDWEST

Midwest cheese production is relatively steady. Some manufacturers are scheduling maintenance days and others are not at full capacity. However, a few cheese makers report ramping up for fall cheese needs. Processors seem willing to take in a few extra loads of milk to bump up cheese production. Milk components are improving a little, but some cheese makers are still fortifying the cheese make process to bolster yields. Domestic cheese demand is mixed. Stocks are generally long for commercial varieties. Recent price decreases have allowed some manufacturers to clear inventories, however a few industry contacts suggest the price changes are giving some buyers pause. The buyers want to take a wait and see approach, buying only what is needed until the price settles. The *DMN National Retail Report-Dairy* shows that September 16-22 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.16, 23 cents lower than the national average. Midwest prices range from \$1.50-\$2.50. One year ago, the national price was \$2.38. For 8 ounce blocks, the Midwest average price is \$1.83, 57 cents below the national average price. Midwest ads are priced from \$1.50-\$2.00. Last year, the national price was \$2.29. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.1050 for process, and down \$.0475 for all other types. In CME Group trading Wednesday, barrels closed at \$1.5100, down \$.0175 from last Wednesday and blocks closed at \$1.5850, down \$.0850.

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

Process American 5# Loaf	:	1.6225-1.9825
Brick And/Or Muenster 5#	:	2.0300-2.4550
Cheddar 40# Block	:	1.7575-2.1525
Monterey Jack 10#	:	2.0050-2.2100
Blue 5#	:	2.2975-3.2850
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8300-2.7700
Grade A Swiss Cuts 6 - 9#	:	2.4350-2.5525

WEST

Western cheese production is active. A few cheese manufacturers have had down days for repairs or maintenance, but facilities are mostly running near full capacity. Milk is in good supply. Export cheese markets remain soft, while domestic demand from retail and food service markets is firm. Cheese manufacturers say healthy amounts of bulk cheese are moving into cut and wrap facilities. A few end users suggest they are comfortable to work through inventories, but may be more interested to reenter the market if cheese prices continue to slide lower. The *DMN National Retail Report-Dairy* for the week of September 16-22 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.39, up \$.21 from last week, and up \$.01 from a year ago. Packs average \$2.38 in the Southwest and \$2.84 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.40, up \$.30 from last week, and up \$.11 from a year ago. Blocks average \$2.58 in the Southwest and \$2.91 in the Northwest this week. In the West, wholesale prices are down \$.1050 for process, and down \$.0475 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. In CME Group trading Wednesday, barrels closed at \$1.5100, down \$.0175 from a week ago and blocks closed at \$1.5850, down \$.0850.

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

Process 5# Loaf	:	1.6375-1.8950
Cheddar 40# Block	:	1.7625-2.2075
Cheddar 10# Cuts	:	1.9425-2.1625
Monterey Jack 10#	:	1.9525-2.1125
Grade A Swiss Cuts 6 - 9#	:	2.4950-2.9250

FOREIGN

European cheese manufacturers continue to struggle to keep up with demand for cheese. Manufacturing volumes remain below desired levels, mostly due to lower milk supplies available for cheese making. This has resulted in aging stocks being below levels needed to meet projected future demand for aged cheese because cheese is being taken from aging to meet current demand. Customers seeking to obtain new orders of cheese in the near term are usually disappointed. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices decreased \$0.0475 following lower weekly average CME Group block prices. The remaining prices are unchanged.

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CHEESE MARKETS

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.2250-3.7125*
Gorgonzola	: 3.6900-5.7400	: 2.7325-3.4500*
Parmesan (Italy)	: -0-	: 3.6150-5.7050*
Romano (Cows Milk)	: -0-	: 3.4150-5.5650*
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.

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

	<u>BUTTER</u>	<u>: CHEESE</u>
	:	
09/19/16	24,759	: 87,716
09/01/16	27,497	: 89,021
CHANGE	-2,738	: -1,305
% CHANGE	-10	: -1

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	70	0	50	0	120	0
SOUTHEAST STATES	0	0	0	0	0	0

Milk production in the Northeast and Mid-Atlantic is mostly flat, but in some areas milk volumes continue to move marginally lower. Milk haulers point out load volumes have stabilized somewhat after the most recent declines. Sales are good across the Classes in the Northeast. Southeast farm milk output is steady. Milk supplies continue to circumvent a few manufacturing operations. Bottling is receiving support from Southwest and Mideast milk. Milk production in Florida dipped once again. The state's fluid demand is mostly flat. However, milk imports rose by 20 loads this week to 70 f.o.b. spot shipments, in support of bottled milk sales. **Cream multiples** for all Classes range **1.25 to 1.33**. The spread closed slightly as spot transactions adjusted East multiples at the top and bottom of the range. Cream sales are steady. Market participants note the market is in good balance. A few surplus loads are available in some locations. Wednesday at the CME Group saw Grade AA butter close at \$1.9675, down \$0.0425 from a week ago. **Condensed skim** remains adequate. Supplies expanded marginally with most volumes moving through contracts. Class II demand is steady to weaker. Interest from yogurt and cottage cheese markets are steady, and likely to increase seasonally. According to the *DMN National Retail Report-Dairy*, for September 16-22, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.71, up 2 cents compared to last year, but down 11 cents from last week. The Southeast weighted average price for a gallon of milk was \$2.62, down 11 cents from last week. Prices in the Southeast range \$1.99-\$2.69.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during August 2016 totaled 16.7 billion pounds, up 1.9% from one year ago. Milk production in the Eastern states are as follows:

August 2016 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	180	- 7.2
New York	1,243	+ 3.2
Pennsylvania	897	- 0.4
Vermont	227	+ 1.3
Virginia	139	- 4.1

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 - 2.5200-2.6813

F.O.B. producing plants: Upper Midwest - 2.3789-2.6208

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

Northeast - Class II - includes monthly formula prices - .50-.90

Northeast - Class III - spot prices - .75-.94

MIDWEST

South Central milk production bobbled in some areas as rainstorms delivered challenging conditions to operators with dry lot housing. North Central operations fared a little better, despite frequent rainstorms, as most herds are housed inside. Farm milk pickup volumes are steady. No disruptions are reported for transportation this week. Demand for spot milk loads is active, but price remains a factor. Cheese plant operators are scouring the region looking for milk loads, but pricing and transportation costs are stalling some sales. Spot milk prices range from \$1.25-\$3.00 over class. Fluid milk demand is mixed throughout the region. A few plant operators indicated orders are lower as bottlers adjust for weekly features, but others are sending additional loads to their Class I customers. The *DMN National Retail Report-Dairy* for September 16-22 noted the national weighted average advertised price for one gallon of milk was \$2.71, down \$0.11 from a week ago, but \$0.02 higher than a year ago. The weighted average regional prices in the Midwest and South Central and changes from the previous week are \$1.94(-\$1.71) and \$2.99(+\$.28), respectively. Overall Class II demand is mixed with a rise in milk clearing into baking mixes but slower sales into frozen dessert products. Cream multiples are mixed, ranging from 1.18-1.30. Some cream processors indicate cream is tighter in the region as a new churning operation recently began manufacturing bulk butter instead of selling cream. The *NASS Milk Production* report noted August 2016 milk production in the 23 selected states was 16.7 billion pounds, 1.5% above a year ago. Milk cows in the 23 selected states totaled 8.68 million head, 43,000 head more than a year ago. The following table shows Central states included in the report and the monthly milk production changes compared to a year ago:

August 2016 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	148	- 1.3
Indiana	344	+ 2.1
Iowa	416	+ 3.0
Kansas	270	+ 2.7
Michigan	935	+ 6.6
Minnesota	802	+ 0.8
Ohio	469	+ 0.6
South Dakota	216	+ 5.4
Texas	918	+ 11.0
Wisconsin	2,543	+ 2.4

Cropping operations continue harvests on alfalfa, corn, and soybeans. Harvest in many areas is running about even with year ago and/or 5 year average values. One of the biggest challenges is working between spells of wet weather that are slowing fieldwork. Planting of oats and winter wheat is progressing. Despite recent rainstorms, some areas of the Central region still rank as having abnormally dry to severe drought conditions.

WEST

Farm milk intakes in California are higher this week. The cooler temperatures in the Central Valley are conducive to cows' comfort. In addition, some dairy operators are adding more cows to the milking parlor. Milk protein and butterfat components are improving. Class 1 orders from retailers are higher as some supermarkets are

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

restocking shelves. Orders from the food service sector are steady this week. Sales into Class 2 are even. Demand for Class 3 (ice cream) is seasonally lower. Harvestings of corn, sorghum and alfalfa are active throughout California. Milk production is steady to slightly higher in Arizona. Lower temperatures and humidity are helping to support cows' comfort. Class I sales are ramping up this week for many educational institutions. In addition, orders from retailers are strong. Requests from restaurants are steady. Demands for some Class II dairy products, such as sour cream, are inching up as the football season started. Harvesting of good to excellent quality alfalfa is active throughout the state. In New Mexico, the rainy conditions are slightly reducing milk yields at the farm level. However, there are enough milk supplies for processing. Bottled milk orders from many retail channels and restaurants are higher this week. Requests from schools are even. Moderate to heavy manufacturing milk volumes continue clearing into Class III processing plants. Harvesting of alfalfa hay has been delayed due to the rains. New Mexico is between the fourth and fifth cutting of high quality alfalfa. According to the DMN *National Retail Report-Dairy* for the week of September 16-22, the national weighted average advertised price for one gallon of milk is \$2.71, down 11 cents from last week, but 2 cents higher from a year ago. The weighted average regional price in the Northwest is \$1.99. Pacific Northwest milk production is steady. Seasonal temperatures are aiding cow comfort. Bottling demand continues to pull strong volumes of milk, while manufacturers start to gear up for the fall and winter holidays. Processors are not having any trouble finding milk for processing needs. In the mountain states of Colorado, Utah and Idaho milk intakes are mostly following seasonal trends. After reaching the peak production in the summer months, milk production has backed off slightly. Manufacturers report milk is still plentiful for most processing needs. Processors have been buying a few loads to fill up production runs, often at or just below the Class III price. In the west, interest for **condensed skim** from ice cream makers is seasonally waning. However, demands from NDM and SMP manufacturers are strengthening. Condensed skim supplies are readily available in the market. **Cream** volumes are more available in the West region as the milk butterfat component continues improving. In addition, the milk standardization process is adding to cream supplies. Cream demands from ice cream/frozen dessert makers are weakening, but are strong from butter churners and cream cheese makers. This week, multiples for all classes are slightly lower, ranging from **1.15 to 1.28**.

The NASS *Milk Production* report noted August 2016 milk production in the 23 selected states was 16.7 billion pounds, 1.9% above a year ago. Milk cows in the 23 selected states totaled 8.68 million head, 43,000 head more than a year ago. The following table shows western states included in the report and the monthly milk production changes compared to a year ago:

August 2016 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Arizona	368	+ 0.8
California	3,287	- 1.7
Colorado	342	+ 6.9
Idaho	1,285	+ 4.9
New Mexico	659	+ 1.5
Oregon	220	+ 2.8
Utah	184	- 3.7
Washington	569	+ 0.5

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: Low/medium heat nonfat dry milk prices are unchanged to higher in the mostly series. F.O.B. sales of aged product pushed prices significantly lower at the bottom of the low/medium heat NDM range series. Current NDM production is unchanged from the previous week, as plants operate well below capacity in the Central region. Buyers' purchasing interest is somewhat restrained as apprehension exists around future pricing. Low/medium nonfat dry milk stocks are variable. High heat nonfat dry milk prices adjusted higher this week. As end user demand improves, manufacturers are looking to expand high heat NDM inventories for Q4 yearend contracts. Stocks are sufficient for near term customer needs. The market undertone is mostly steady.

EAST: East region low/medium nonfat dry milk prices are steady to higher in the mostly series as the market continues to strengthen. As pricing heads in a favorable direction for processors, buyer demand, in general, is slow to emerge for volume purchases at the higher price points. Seasonal production rates are mostly steady, however, several sources pointed out dryers in the region being down this week. Low/medium inventories remain adequate and continue to build for a few manufacturers. As prices firm, the market undertone remains unsettled. High heat NDM prices are higher in the range. Production schedules are intermittent. Manufacturers are priming for typical seasonal demand as sellers note orders from bakery accounts are increasing. High heat NDM supplies used for spot market trading are scarce, as inventories remain tight. The market notes willingness in some manufacturers to supply their cash market needs, but with a notably high premium attached. Wednesday at the CME Group, Grade A NDM closed at \$0.9225, up \$0.0175 from the previous week.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7800 - .9800 MOSTLY: .9000 - .9600
HIGH HEAT: 1.0000 - 1.0800

NONFAT DRY MILK - WEST

F.O.B. spot prices for western low/medium heat nonfat dry milk (NDM) are higher, following upward movements of various indices. According to some market participants, the recent SMP pricing uptick at the GDT is helping to boost domestic NDM prices. Trading activity has been moderate throughout the week. The market undertone is firm. Compared to the previous week, the resale market is more active. Some buyers/end users continue pushing NDM manufacturers in order to drop prices. Meanwhile, some NDM processors are anticipating higher prices in the near future. Consequently, they are holding stocks in lieu of selling. Low/medium heat NDM demand from bakers is inching up as the fall baking season approaches. Also, NDM usage for cheese fortification is active. NDM production is ongoing as moderate condensed skim volumes continue clearing into dryers. Inventories are steady to slightly lower. F.O.B. spot prices for high heat nonfat dry milk are steady to higher on very light trading. Demand from the bakery sector is fair to good. Drying schedules are irregular in most processing plants as production is mostly based on contractual requirements. High heat NDM supplies continue tightening.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8650 - 1.0000 MOSTLY: .9200 - .9500
HIGH HEAT: .9500 - 1.0700

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
September 16	\$.8710	12,245,635
September 9	\$.8612	9,688,100

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

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Prices in the Central dry buttermilk market adjusted higher through the range, prompted by limited f.o.b. spot trading. Production is at seasonal levels. Manufacturers expect increases in production schedules as they manage existing dry buttermilk inventories based on customer orders. In general, buyers/sellers indicate a mostly flat market. The market undertone is steady.

EAST: Dry buttermilk prices in the East continued the upward trend this week. Production is mixed. Higher output and availability levels were sidelined somewhat this week, as plants' dryers were reported down. Although light, inventory levels are sufficient for customer orders. Overall, new demand is rather quiet as buyers withhold from purchasing beyond immediate needs while the market settles. The market undertone is firm.

F.O.B. CENTRAL/EAST: .8400 - .9000

DRY BUTTERMILK - WEST

F.O.B. spot prices for western dry buttermilk are steady this week on light to moderate trading. The market undertone is balanced. Demand from the bakery sector is improving as the fall baking season approaches. Dry buttermilk production is ongoing as butter churning is active in the region. In addition, ice cream manufacturers are pulling less condensed buttermilk volumes. Dry buttermilk inventories are mixed throughout the region.

F.O.B. WEST: .8000 - .9200 MOSTLY: .8200 - .8700

DRY WHOLE MILK - NATIONAL

National dry whole milk prices are steady to higher. The top of the pricing range shifted up due to some spot sales of dry whole milk with milkfat levels above the minimum required by the USDA standards. The usage of dry whole milk to process cocoa mix is active. The market undertone is slightly firmer in the East, but mixed in the West and Central regions. Dry whole milk production is irregular, mostly dictated by contractual needs. Some processors expect to increase production, as the fall baking season approaches. Inventories are tight. Some resellers are importing dry whole milk from out of the country in order to cover current buyers' needs.

F.O.B. PRODUCING PLANT: 1.2900 - 1.4500

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

The central whey price range moved higher, but the mostly price series held steady. Manufacturers report dry whey inventories are a little tighter and spot availability has declined recently. Dry whey production is active, but some processors have swayed to making higher proteins instead of dry whey. Industry contacts are mixed in their view of current demand. Some say domestic demand is balanced, good but not great, while others suggest demand has dropped off considerably in recent weeks. Animal feed whey prices expanded this week. Prices for various feed substitutes are tugging animal feed whey prices in different directions. End users are looking for deals among the feed material options.

F.O.B. CENTRAL: .2600 - .4100 MOSTLY: .2750 - .3350
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2100 - .2900

LACTOSE - CENTRAL AND WEST

Lactose prices held steady this week. Overall demand has not lessened. Contracts for Q4 are mostly in place, and in some cases market participants are starting to work on 2017 agreements. Because lactose supplies are relatively tight, manufacturers are negotiating from a position of strength on the current contracts and buyers have not pushed back much. However, a few industry contacts note a little more availability for lower mesh lactose used for standardization and some buyers are beginning to balk at the trend of higher prices. Production is active and steady, but a few manufacturers say lactose production is being held back by slower cheese production at their facilities.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .2300 - .4050 MOSTLY: .2800 - .3650

DRY WHEY - NORTHEAST

Eastern f.o.b. dry whey spot sales advanced prices at the top of the range. This week, dry whey production is steady to higher as additional milk supplies cleared to a few cheese manufacturers. Demand for dry whey is relatively steady, prompted by customers' obligations. Previously sold out suppliers made loads available in the spot market this week. Generally, inventories are light to adequate. Resale market trading continues to occur at a premium.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3000 - .3550

CASEIN - NATIONAL

Rennet and acid casein prices strengthened at each end of their price ranges. U.S. imports of casein and caseinates through July are 6% lower than the same months of 2015, according to Eurolait. The top three sources of U.S. imports are New Zealand, 46.9%; Ireland, 14.9%; and Netherlands, 9.3%. Among major casein exporters, EU exports to all countries through July are 55.8% above the same period of 2015. New Zealand exports through July are 2% below 2015 January-July. At GDT event 172 on September 20, rennet casein contracts for October yielded price increases of 2.6%, while the all contracts average price increase was 2.0%.

DRY WHEY - WEST

Western whey prices moved higher at the top ends of both the range and mostly price series. Industry contacts say domestic demand is not great, but decent. A few end users are content to work through inventories rather than buy more whey. The call from Southeast Asian feed markets continues to support some export demand for dry whey. Production is steady to lower. Inventories are mixed. Some manufacturers report having committed stocks into the near future while others have greater availability.

NONHYGROSCOPIC: .2850 - .4100 MOSTLY: .3000 - .3525

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: 3.0950 - 3.1200
ACID: 3.1100 - 3.1500

WHEY PROTEIN CONCENTRATE—CENTRAL AND WEST

Whey protein concentrate 34% prices are mixed. The bottom of the price range slid a half cent lower, while the mostly price series crept higher. Demand is robust and buyers are looking for WPC 34%. Some end users are finding blocks of inventory hard to find. Many manufacturers indicate their stocks are committed and they have limited spot load availability. A few manufacturers, however, say they have some WPC 34% available that does not meet high end product specifications and is facing stiff competition from other inexpensive protein sources. Production is steady to lower as some manufacturers are shut down for repairs and maintenance, and others are shifting to higher protein concentrations in lieu of WPC34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .5950 - .8750 MOSTLY: .6800 - .7875

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
09/03/2016	56.3	1,972.9	57.4	2,001.7

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

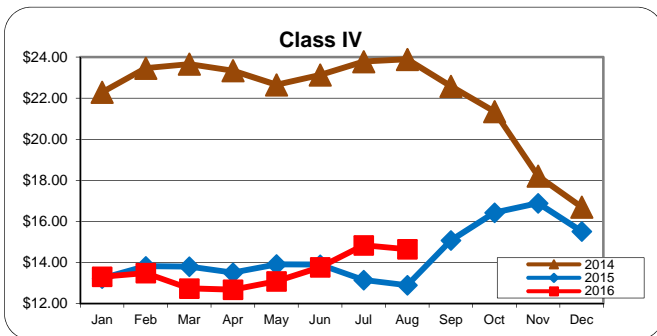
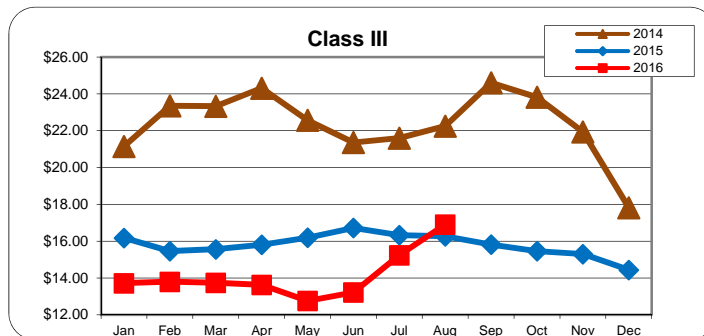
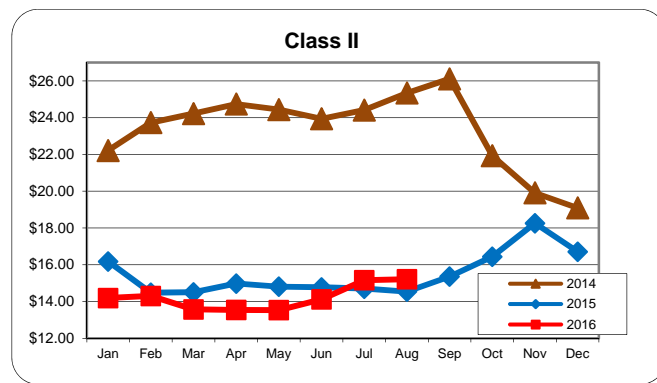
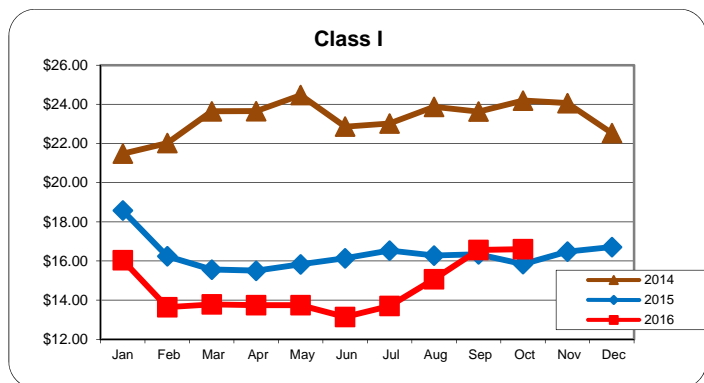
CLASS IV MILK PRICES (3.5%)

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	16.60		
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 September 12 - 23, 2016

ORGANIC DAIRY FLUID OVERVIEW

AMS reports July 2016 total organic milk products sales at 196 million pounds, down 2.8% from the previous year. Sales are up 4.4%, January through July 2016, compared with the same months of 2015.

July organic whole milk sales are 73 million pounds, up 6.4% from July last year. Year to date organic whole milk sales are up 14.9% compared to sales within the same period last year.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, July 2016, WITH COMPARISONS 1/

Product Name	Sales	Sales	Change from:	
	Jul.	Y-T-D	Prev Yr.	Y-T-D
	Mil.	Lbs.		Percent
ORGANIC PRODUCTION PRACTICE				
Whole Milk	73	536	6.4	14.9
Reduced Fat Milk (2%)	60	455	-0.8	9.2
Low Fat Milk (1%)	33	255	-9.3	-3.1
Fat-Free Milk (Skim)	23	187	-16.9	-9.8
Flavored Fat-Reduced Milk	6	49	-18.8	-25.2
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk 3/	122	947	-7.6	-0.7
Tot. Organic Milk Products	196	1,484	-2.8	4.4

*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of "An Overview of Calendar Composition of Fluid Milk Sales." 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim, and flavored fat reduced milk. 4/ Sales volumes and percent changes have been adjusted for calendar composition.

August Organic Milk Sales and Sourcing – New England. In New England, Federal Milk Market Order 1 reports utilization of types of organic milk by pool plants. During August, 2016, organic whole milk utilization totaled 14.3 million pounds, up 32.8% from August 2015. The 2016 butterfat content was 3.29%, up from 3.27% in 2015. Organic reduced fat milk utilization for August this year, 19.2 million pounds, was down 4.9% from August last year. Butterfat this August was 1.26%, up from 1.16% last year.

Organic Milk in the EU. Organic milk farm gate prices in the EU are trending higher than a year ago. Average organic milk farm prices in Germany for July 2016, 46.76 Euros/100kg, are 1.18% lower than a year ago, and down 0.43% from June, according to CLAL. In Bavaria, the July price, 47.47 Euros/100kg, is down 0.38% from a year earlier and down 0.23% from April. In France the July average price of 44.82 Euros/100kg, is up 5.76% from a year earlier and up 15.41% from June. Organic milk production volumes in Germany through July 2016 are 12.6% above the same months of 2015. German organic cheese production is up 9.3% January-July this year compared with last year.

Organic Milk Supply and Processing. There is disagreement among some organic dairy producers and processors, as to whether organic milk supplies are in balance, or oversupplied. Certainly regional variation in organic transitioning and production viewed against organic processing facilities is complex to assess. Efforts by some processors to continue to work on route efficiencies leads to shifting around of where organic milk goes for processing. A number of

organic producers believe they are facing efforts to reduce milk pay prices because processors feel production is higher than what processors need to meet organic milk and milk product demand. A different view is advanced by some processors, a number of which still have farms transitioning into organic certification. Certainly recent developments in the West involving purchase and renovation/retrofitting of a predominantly conventional dairy plant into a dedicated organic processing facility will increase organic processing capacity on a dedicated basis. This discussion between processors and producers will certainly continue.

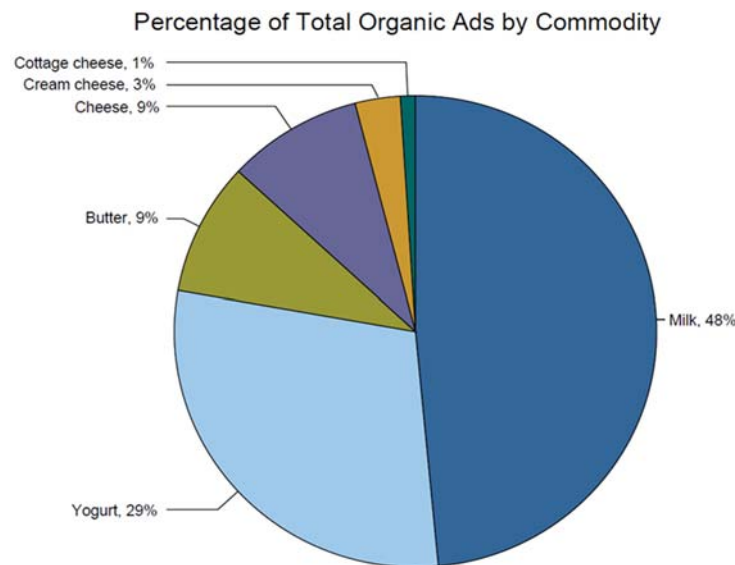
ORGANIC GRAIN AND FEEDSTUFF MARKETS

Feed corn demand is moderate to good, with moderate trading and steady to firm prices. Organic feed soybean trades are too limited to trend. Organic feed wheat demand is light, with prices sharply lower on slow trading. Organic soybean meal trading is moderate, with moderate demand and steady prices. Organic soybean oil and feed barley trading is too limited to trend. Organic feed oats enjoys good demand and firm prices. Organic hay trading and demand is light. New organic crop forward contracts are mostly for feed corn.

Additional livestock and grain market news information is available at: <https://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.

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ORGANIC DAIRY MARKET NEWS
Information gathered September 12 - 23, 2016

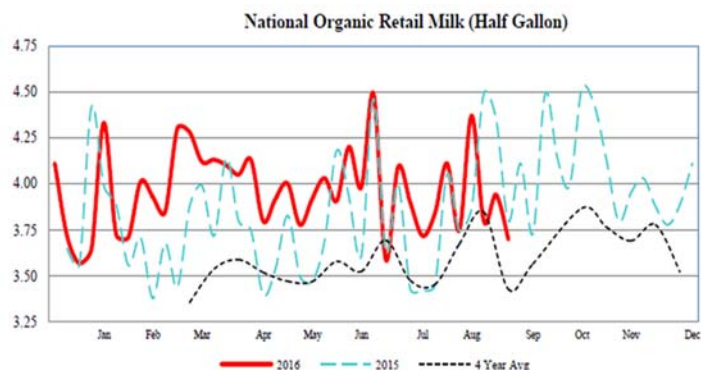
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Selected organic dairy product pricing information from the current weekly survey is shown in the following table:

NATIONAL RETAIL ORGANIC DAIRY (Wtd.Avg.Price)

Commodity	This Week	Last Week	Last Year
Butter	5.15	5.05	2.79
Cheese			
8 oz. Blk.	4.72	3.21	3.84
8 oz. shred	3.50	3.21	3.81
Milk			
Half gal.	4.15	3.70	4.11
Gal.	6.19	5.25	...
8 oz.	1.05	1.02	.90
Yogurt			
4-6 oz. Greek	1.15	1.08	1.18
32 oz.	2.82	...	3.50

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



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>

August Milk Production

Milk production in the 23 major States during August totaled 16.7 billion pounds, up 1.9 percent from August 2015. July revised production, at 16.9 billion pounds, was up 1.7 percent from July 2015. The July revision represented an increase of 48 million pounds or 0.3 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,920 pounds for August, 26 pounds above August 2015. This is the highest production per cow for the month of August since the 23 State series began in 2003.

The number of milk cows on farms in the 23 major States was 8.68 million head, 43,000 head more than August 2015, and 15,000 head more than July 2016.

August 2016 Milk Cows and Milk Production, by States							
State	Milk Cows ¹		Milk per Cow ²		Milk Production ²		
	2015	2016	2015	2016	2015	2016	Change from 2015
	(thousands)		(pounds)		(million pounds)		(percent)
AZ	195	197	1,870	1,870	365	368	0.8
CA	1,778	1,767	1,880	1,860	3,343	3,287	-1.7
CO	145	153	2,210	2,235	320	342	6.9
FL	125	120	1,555	1,500	194	180	-7.2
ID	586	599	2,090	2,145	1,225	1,285	4.9
IL	94	93	1,600	1,590	150	148	-1.3
IN	181	184	1,860	1,870	337	344	2.1
IA	211	211	1,915	1,970	404	416	3.0
KS	143	145	1,840	1,860	263	270	2.7
MI	410	422	2,140	2,215	877	935	6.6
MN	460	462	1,730	1,735	796	802	0.8
NM	323	317	2,010	2,080	649	659	1.5
NY	619	620	1,945	2,005	1,204	1,243	3.2
OH	266	266	1,750	1,765	466	469	0.6
OR	123	125	1,740	1,760	214	220	2.8
PA	530	529	1,700	1,695	901	897	-0.4
SD	107	115	1,915	1,880	205	216	5.4
TX	462	487	1,790	1,885	827	918	11.0
UT	96	92	1,990	2,000	191	184	-3.7
VT	132	130	1,700	1,745	224	227	1.3
VA	91	89	1,595	1,560	145	139	-4.1
WA	276	275	2,050	2,070	566	569	0.5
WI	1,280	1,278	1,940	1,990	2,483	2,543	2.4
23 State Total	8,633	8,676	1,894	1,920	16,349	16,661	1.9

¹ Includes dry cows. Excludes heifers not yet fresh.

² Excludes milk sucked by calves.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Milk Production*, (September 2016).

Federal Milk Order Marketing and Utilization Summary, August 2016

Highlights. Handler reports of receipts and utilization under the Federal milk order system for August 2016 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During August, more than 9.559 billion pounds of milk were received from Federally pooled producers. This volume of milk is 3.4 percent lower than the August 2015 volume. Regulated handlers pooled 3.484 billion pounds of producer milk as Class I products, up 3.8 percent when compared to the previous year. Class I utilization increased from last year in 8 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 36%, Class II = 18%, Class III = 32%, and Class IV = 14%. The weighted average statistical uniform price was \$16.71 per cwt, up \$0.93 from last month but down \$0.03 from last year.

Price and Pool Statistics for Federal Milk Order Marketing Areas for the Month of August 2016

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes ³				Uniform Price ²
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>	<i>(percent)³</i>				<i>(\$ per cwt)</i>
Northeast (Boston)	001	2,244.7	1.5	711.6	-0.2	32	26	26	16	16.97
Appalachian (Charlotte)	005	469.7	2.6	348.7	10.0	74	18	3	5	17.62
Florida (Tampa)	006	220.6	-3.9	185.6	-2.6	84	12	0 ⁴	3	19.51
Southeast (Atlanta)	007	419.2	-0.5	339.5	4.6	81	14	2	2	18.24
Upper Midwest (Chicago)	030	2,173.4	8.0	286.9	3.0	13	9	72	6	16.66
Central (Kansas City)	032	994.1	-11.8	414.9	5.7	42	17	24	17	16.09
Mideast (Cleveland)	033	1,501.7	5.3	543.5	4.0	36	27	23	14	16.14
Pacific Northwest (Seattle)	124	588.4	29.1	162.1	2.8	28	8	28	36	15.79
Southwest (Dallas)	126	585.1	-51.1	378.5	7.8	65	21	2	13	16.83
Arizona (Phoenix)	131	362.8	0.6	112.3	2.8	31	15	28	27	16.16
All Market Average or Total		9,559.6	-3.4	3,483.5	3.8	36	18	32	14	16.71

¹ Each city name in parentheses is the major city in the principal pricing point of that market.

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

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

⁴ Less than 1 Percent

FEDERAL MILK ORDER ADVANCE CLASS PRICES, OCTOBER

Base Class I Price: Under the Federal milk order pricing system, the base Class I price for October 2016 is \$16.60 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$8.78 and the advanced butterfat pricing factor of \$2.3223. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I Price.

Comparison to Previous Month: The base Class I price increased \$0.04 per cwt when compared to the previous month of September 2016. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.08 per cwt, \$0.007 per gallon; reduced fat milk (2%), \$0.29 per cwt, \$0.025 per gallon; fat-free (skim milk), \$0.53 per cwt, \$0.046 per gallon.

Class II Price Information: The advanced Class IV skim milk pricing factor is \$6.44. Thus, the Class II skim milk price for October 2016 is \$7.14 per cwt, and the Class II nonfat solids price is \$0.7933.

Product Price Averages: The two-week product price averages for October 2016 are: butter \$2.0892, nonfat dry milk \$0.8906, cheese \$1.7758 and dry whey \$0.3015.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION^{1 2}

Federal Milk Order Marketing Area ³	Order Number	October 2016		
		Class I Price (3.5%)	Class I Skim Milk Price	Class I Butterfat Price
		<i>\$ per cwt</i>	<i>\$ per cwt</i>	<i>\$ per pound</i>
Northeast (Boston) ⁴	001	19.85	12.03	2.3548
Appalachian (Charlotte) ⁵	005	20.00	12.18	2.3563
Florida (Tampa) ⁶	006	22.00	14.18	2.3763
Southeast (Atlanta) ⁷	007	20.40	12.58	2.3603
Upper Midwest (Chicago) ⁸	030	18.40	10.58	2.3403
Central (Kansas City) ⁹	032	18.60	10.78	2.3423
Mideast (Cleveland) ¹⁰	033	18.60	10.78	2.3423
Pacific Northwest (Seattle) ¹¹	124	18.50	10.68	2.3413
Southwest (Dallas) ¹²	126	19.60	11.78	2.3523
Arizona (Phoenix)	131	18.95	11.13	2.3458
All-Market Average		19.49	11.67	2.3512

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 Note: 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.

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.

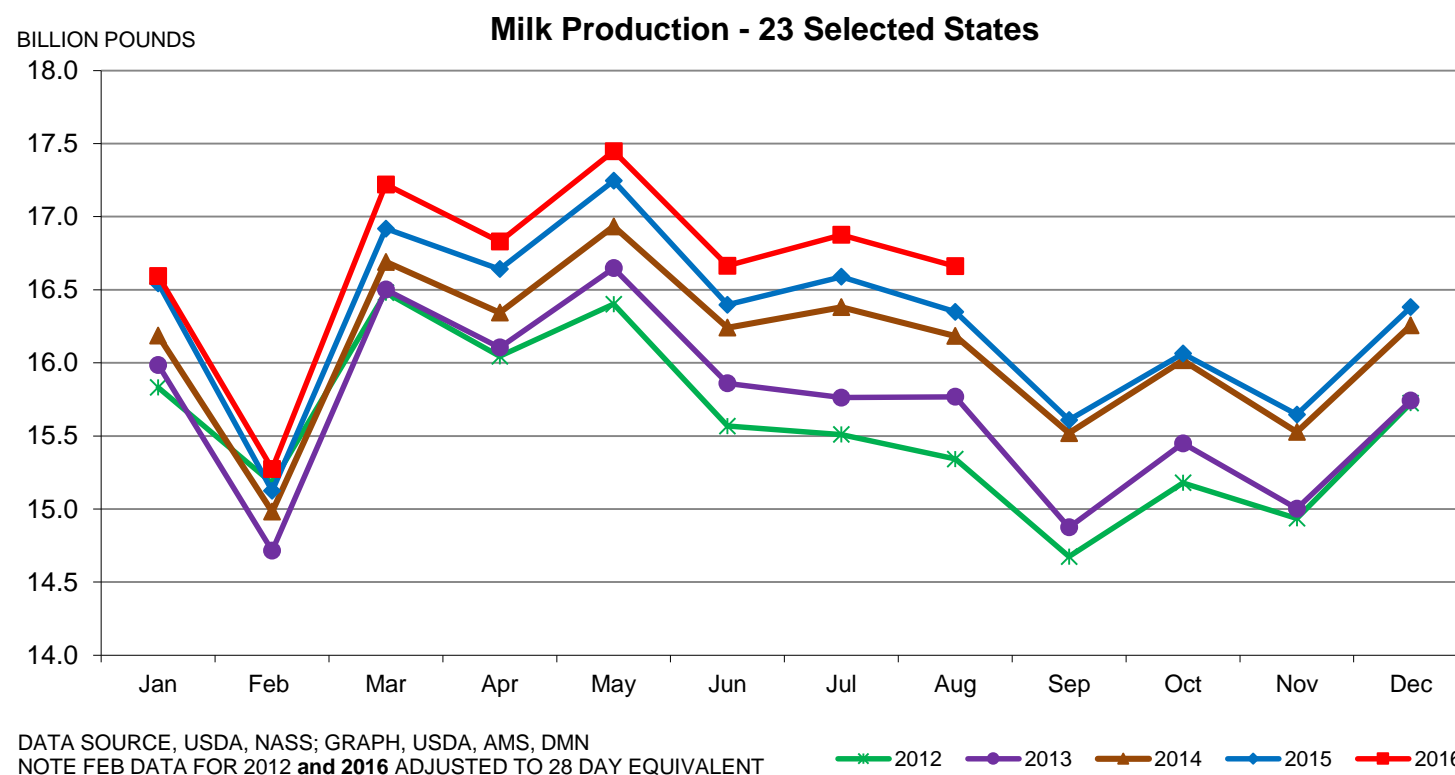
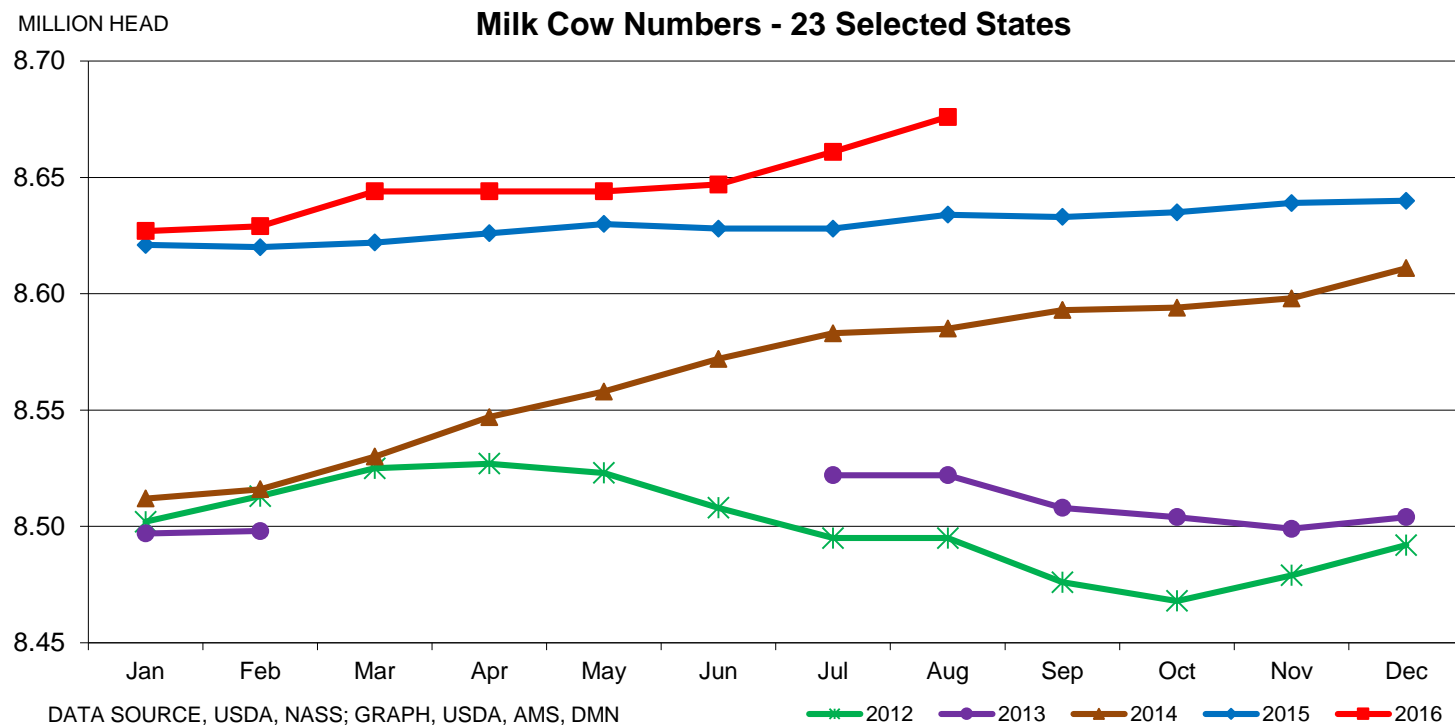
⁹ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

¹¹ Class I prices at other cities are: Portland, same; and Spokane, same.

¹² Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

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





Dairy Market News Branch

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Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/23/2016 to 09/29/2016

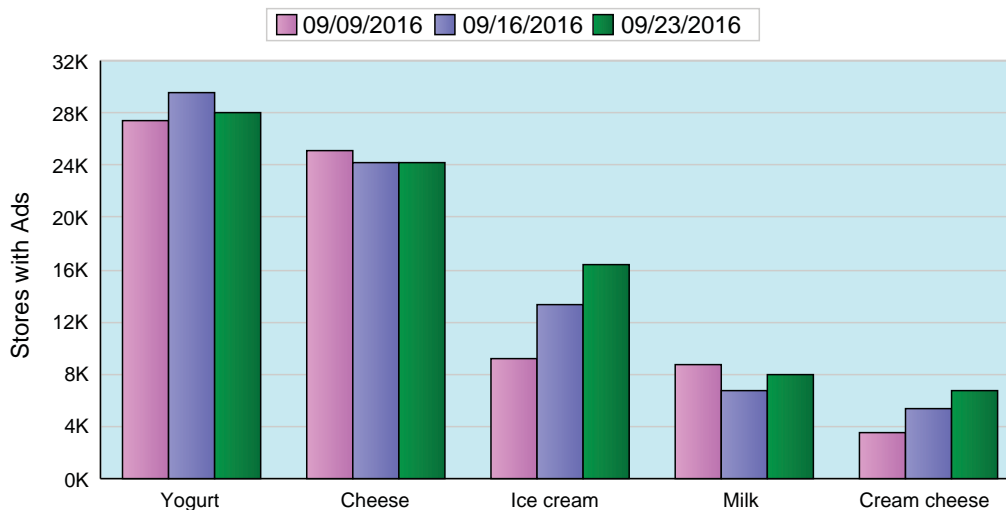
The national average price for 1 pound conventional butter is \$3.19, while 1 pound organic butter is \$5.15, an organic price premium of \$1.96. Total conventional butter ads increased 26% while total organic butter ads decreased 1%. Advertisements for conventional ice cream in 48-64 ounce containers increased 33% and the national weighted average advertised price is \$3.07. There are no ads for organic ice cream.

Conventional Greek yogurt in 4-6 ounce containers have an average price of \$0.94, while 4-6 ounce organic Greek yogurt averaged \$1.15, an organic price premium of \$.21. Conventional yogurt ads decreased 8% this week, while organic yogurt ads increased 36%.

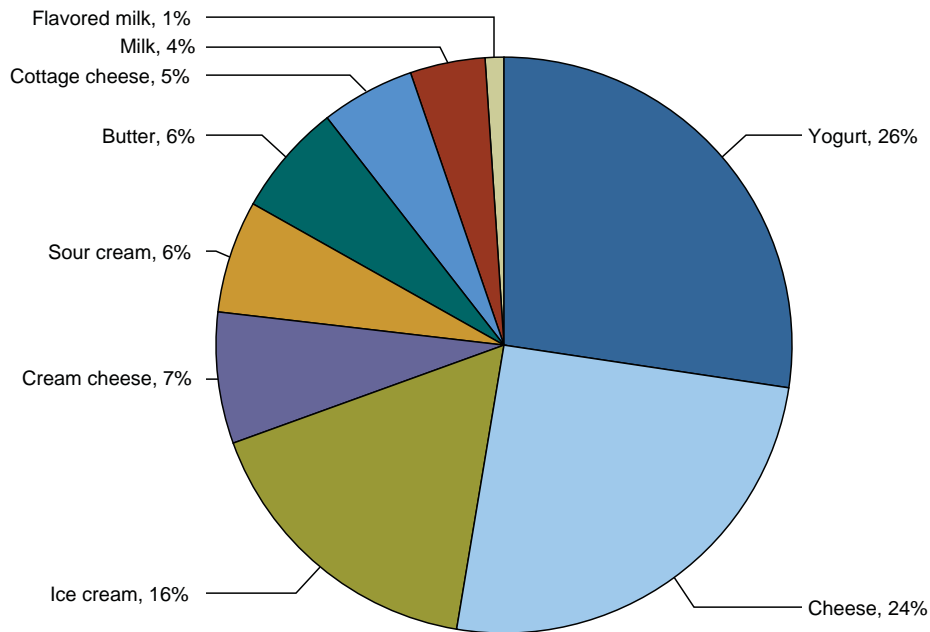
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.18, while 8 ounce organic block cheese averaged \$4.72, an organic price premium of \$2.54. Ads for conventional 8 ounce shred cheese averaged \$2.16 while 8 ounce organic shred cheese averaged \$3.50, an organic price premium of \$1.34. The number of conventional cheese ads is stable, while organic cheese ads increased 3% this week.

The price premium of the organic half gallon milk price over the conventional half gallon milk price is \$3.05. This represents the difference between the national weighted average price for organic, \$4.15, and conventional, \$1.10. Organic milk advertisements increased 1%, while ads for conventional milk increased 46%.

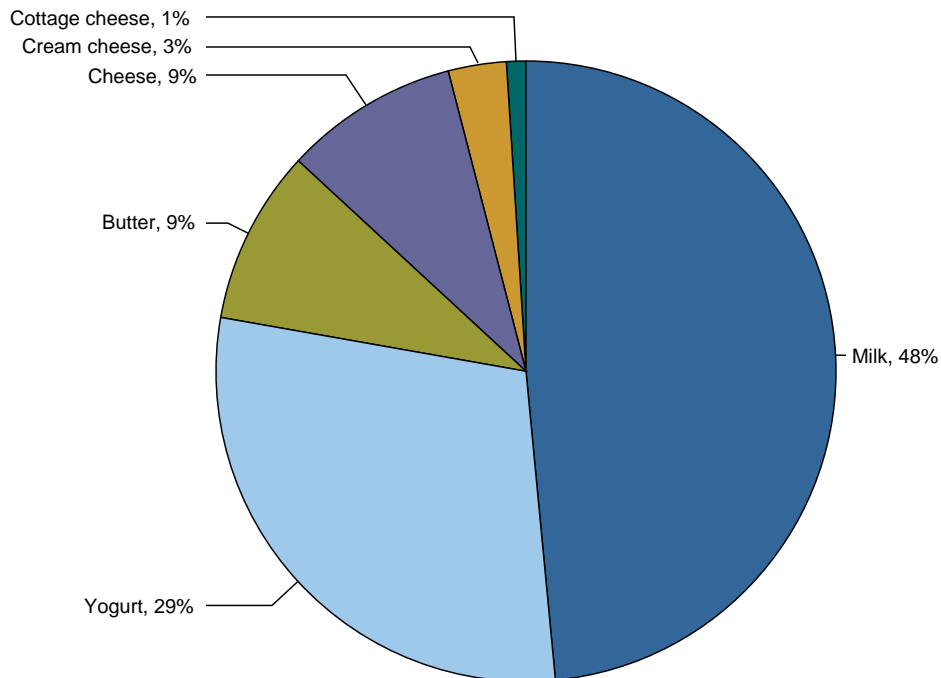
Top 5 Commodities Featured



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 #	5462	3.19	4325	3.64	5303	3.24
Cheese	Natural Varieties	8 oz block	8861	2.18	8641	2.40	9013	2.39
Cheese	Natural Varieties	1 # block	1938	3.56	2142	3.68	1917	3.81
Cheese	Natural Varieties	2 # block	690	6.66	1097	6.43	1072	6.58
Cheese	Natural Varieties	8 oz shred	9756	2.16	9430	2.39	10915	2.45
Cheese	Natural Varieties	1 # shred	2182	3.25	2132	3.62	2788	4.01
Cottage cheese		16 oz	5157	1.96	2720	1.85	2999	2.12
Cream cheese		8 oz	6445	1.76	5343	2.04	4511	1.79
Egg nog		half gallon					387	2.99
Flavored milk	All fat tests	half gallon	1241	2.15	900	1.91	236	2.66
Flavored milk	All fat tests	gallon	178	2.99	404	2.82	393	2.34
Ice cream		48-64oz	16306	3.07	12305	3.10	8909	2.84
Milk	All fat tests	half gallon	813	1.10	150	1.77	366	1.71
Milk	All fat tests	gallon	3011	2.32	2473	2.71	4053	2.54
Sour cream		16 oz	6263	1.62	5368	1.70	5277	1.75
Yogurt	Greek	4-6 oz	14768	.94	14924	.95	11399	.97
Yogurt	Greek	32 oz	3204	4.32	3760	4.58	1062	4.86
Yogurt	Yogurt	4-6 oz	5180	.51	7191	.50	4572	.52
Yogurt	Yogurt	32 oz	2432	2.39	1804	2.50	1682	2.08

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 #	2.49-4.99	2775	3.32	3.00	61	3.00	1.99-3.50	692	2.94
Cheese	Natural Varieties	8 oz block	1.50-2.99	3371	2.17	2.00-2.50	2147	2.25	1.48-2.50	761	1.90
Cheese	Natural Varieties	1 # block	3.99-6.99	207	5.03	2.99-3.50	257	3.33	2.99-3.49	244	3.21
Cheese	Natural Varieties	2 # block	8.98	63	8.98						
Cheese	Natural Varieties	8 oz shred	1.50-2.89	2830	2.12	1.99-2.50	2268	2.18	1.48-1.99	751	1.78
Cheese	Natural Varieties	1 # shred	3.69	221	3.69	2.99-3.50	257	3.33	2.99-3.49	604	3.08
Cottage cheese		16 oz	1.66-2.99	1594	2.24	1.99-2.50	1568	2.16	0.99-1.00	356	1.00
Cream cheese		8 oz	0.99-2.50	1741	1.77	1.00-2.00	3030	1.78	0.99-2.49	458	1.72
Flavored milk	All fat tests	half gallon	1.66-2.50	766	2.02	2.50	61	2.50			
Ice cream		48-64oz	1.88-4.49	4822	2.93	1.88-4.99	4148	3.12	1.99-5.48	2341	3.08
Milk	All fat tests	half gallon							1.00	233	1.00
Milk	All fat tests	gallon	1.79-2.99	550	2.18	2.29-2.69	1310	2.62	1.00-1.99	383	1.55
Sour cream		16 oz	1.49-2.00	1709	1.62	1.49-2.00	1357	1.87	1.00-1.69	547	1.21
Yogurt	Greek	4-6 oz	0.68-1.25	3260	.96	1.00-1.25	4204	1.01	0.70-1.00	1775	.93
Yogurt	Greek	32 oz	1.99-5.00	1025	4.25	4.49	1083	4.49	3.49-5.29	286	4.62
Yogurt	Yogurt	4-6 oz	0.39-0.60	1818	.50	0.50	1339	.50	0.39-0.60	484	.48

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	32 oz	1.99-2.79	630	2.30	2.00	1002	2.00			

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 #	1.99-3.48	609	3.04	1.88-2.99	338	2.61	1.99-4.49	984	3.30
Cheese	Natural Varieties	8 oz block	1.25-3.33	614	2.42	1.49-3.00	1450	2.24	0.99-2.99	463	1.74
Cheese	Natural Varieties	1 # block	2.88-3.50	259	3.16	2.77-3.99	971	3.50			
Cheese	Natural Varieties	2 # block	5.99	121	5.99				3.99-8.99	506	6.53
Cheese	Natural Varieties	8 oz shred	1.25-3.33	1432	2.37	1.49-3.50	1913	2.29	0.99-2.99	532	1.78
Cheese	Natural Varieties	1 # shred	2.88-3.50	337	3.12	2.77-3.99	697	3.31	2.99	66	2.99
Cottage cheese		16 oz	1.00-2.69	388	1.71	1.00-1.99	987	1.64	1.99-2.00	243	2.00
Cream cheese		8 oz	1.25-2.00	469	1.69	1.66-1.79	362	1.70	1.50-2.50	358	1.69
Flavored milk	All fat tests	half gallon	1.25-2.99	309	1.94				3.49	105	3.49
Flavored milk	All fat tests	gallon				2.99	178	2.99			
Ice cream		48-64oz	2.48-4.99	1418	3.53	1.77-5.00	2396	3.21	0.99-3.99	1181	2.54
Milk	All fat tests	half gallon	1.00-1.48	273	1.24	1.00	120	1.00	0.99-1.25	187	1.08
Milk	All fat tests	gallon	2.19	141	2.19	1.99-2.59	505	2.31	1.99	105	1.99
Sour cream		16 oz	1.00-1.50	613	1.32	1.00-1.99	1234	1.61	1.50-2.00	803	1.71
Yogurt	Greek	4-6 oz	0.40-1.00	2118	.83	0.70-1.00	2101	.94	0.69-1.00	1307	.92
Yogurt	Greek	32 oz	3.99	324	3.99	3.99-4.99	356	4.49	3.00-3.50	130	3.23
Yogurt	Yogurt	4-6 oz	0.44-0.50	401	.48	0.39-0.99	716	.60	0.50	394	.50
Yogurt	Yogurt	32 oz				1.99-4.49	800	2.95			

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 #				4.77	3	4.77
Cheese	Natural Varieties	8 oz block	2.00-2.50	17	2.25	2.50-3.00	38	2.95
Cheese	Natural Varieties	8 oz shred	2.00	6	2.00	3.29	24	3.29
Cottage cheese		16 oz	2.00	21	2.00			
Cream cheese		8 oz				2.50	27	2.50
Milk	All fat tests	gallon	3.59	11	3.59	4.57	6	4.57
Yogurt	Greek	4-6 oz	1.25	3	1.25			
Yogurt	Yogurt	4-6 oz	0.80	28	.80			

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 #	793	5.15	798	5.05	258	2.79
Cheese	Natural Varieties	8 oz block	659	4.72	371	3.21	718	3.84
Cheese	Natural Varieties	8 oz shred	105	3.50	369	3.21	194	3.81
Cottage cheese		16 oz	105	2.99	105	2.99		
Cream cheese		8 oz	215	2.50				
Ice cream		48-64oz			1083	4.00	5	3.99
Milk	All fat tests	half gallon	3338	4.15	2678	3.70	1692	4.11
Milk	All fat tests	gallon	205	6.19	740	5.25		
Milk	All fat tests	8 oz UHT	556	1.05	638	1.02	910	.90
Sour cream		16 oz	21	2.49			121	1.99
Yogurt	Greek	4-6 oz	1232	1.15	1480	1.08	1416	1.18
Yogurt	Greek	32 oz			289	4.49	214	3.39
Yogurt	Yogurt	4-6 oz			59	.99	135	1.00
Yogurt	Yogurt	32 oz	1260	2.82			379	3.50

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 #	5.00-5.49	168	5.25						
Cheese	Natural Varieties	8 oz block	3.49-5.99	476	5.02						
Cheese	Natural Varieties	8 oz shred	3.50	84	3.50						
Cream cheese		8 oz							2.50	137	2.50
Milk	All fat tests	half gallon	3.49-4.99	925	4.08	2.99-4.49	1293	4.25			
Milk	All fat tests	gallon	6.49	84	6.49						
Milk	All fat tests	8 oz UHT	1.19	147	1.19						
Yogurt	Greek	4-6 oz	1.25	471	1.25	1.00-1.25	271	1.06			
Yogurt	Yogurt	32 oz							2.50	387	2.50

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	162	4.99				4.99-5.79	463	5.17
Cheese	Natural Varieties	8 oz block	3.99	162	3.99						
Cottage cheese		16 oz							2.99	105	2.99

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cream cheese		8 oz	2.50	78	2.50						
Milk	All fat tests	half gallon				3.50-4.99	643	4.32	3.50-4.49	463	3.77
Milk	All fat tests	gallon	5.99	121	5.99						
Milk	All fat tests	8 oz UHT	1.00	121	1.00	1.00	114	1.00	1.00	174	1.00
Yogurt	Greek	4-6 oz				0.69-1.50	490	1.10			
Yogurt	Yogurt	32 oz	2.50	78	2.50	2.50-2.99	629	2.83	3.50-3.99	166	3.68

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	4.49-4.98	14	4.60			
Sour cream		16 oz	2.49	21	2.49			

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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GENERAL NUMBER

(608)557-7000

Elizabeth Frederick

(608) 557-7002

Elizabeth.Frederick@AMS.USDA.GOV

EAST

Daniel Johnson

(608) 557-7006

Daniel.Johnson@AMS.USDA.GOV

CENTRAL

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

SOUTHWEST

Angel Terán

(608) 557-7011

Angel.Teran@AMS.USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 557-7010

Mike.Bandli@AMS.USDA.GOV

ORGANIC/INTERNATIONAL

Eric Graf

(608) 557-7005

Eric.Graf@AMS.USDA.GOV

ACTING NATIONAL SUPERVISOR

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

INTERNET ADDRESS

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

MARKET NEWS PORTAL

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RECORDED INFORMATION SYSTEM

(608) 557-7000

FAX

(608) 819-0629

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