

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (12/16)**

**BUTTER:** Grade AA closed at \$2.1900. The weekly average for Grade AA is \$2.1070 (+.0145).

**CHEESE:** Barrels closed at \$1.7000 and 40# blocks at \$1.8000. The weekly average for barrels is \$1.6865 (+.1000) and blocks, \$1.7660 (+.0350)

**NONFAT DRY MILK:** Grade A closed at \$1.0200. The weekly average for Grade A is \$0.9925 (+.0170).

**BUTTER HIGHLIGHTS:** Butter production varies throughout the country. In the West and Central regions, cream is becoming more available for churning as usage into Class II is waning. In the East, cream supplies remain tight, but are foreseen to increase during next week. Nationwide, most of the holiday supply has been completed. Currently, some manufacturers are switching butter output from print to bulk. Overall, butter stocks are starting to build into cold storage. Across all regions, bulk butter prices reported ranged from even market to 8 cents over the market, with various periods and averages used. This week, a cooperative export assistance program accepted requests for 440,925 pounds of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 12.4 million pounds of butter in export markets. Friday at the CME Group, Grade AA butter closed at \$2.1900, unexpectedly up \$.1250 from last Friday.

**CHEESE HIGHLIGHTS:** Milk supplies across the U.S. are balanced, while contacts report milk supplies for cheese plants in the Northeast are beginning to lighten. Midwestern and Western cheese production is active, and most contacts report that facilities will be running on regular schedules until the end-of-year holidays. Cheddar, mozzarella and process cheeses are in demand in the Northeast, as restaurants and fast food chains are busy during the holiday shopping season. Orders have remained strong in the Midwest and West, in spite of speculation about a pre-holiday slowdown this week. Block cheese inventories remain balanced, while barrel stores are still a little long. In CME Group trading Friday, barrels closed at \$1.7000, up \$.1225 from last Friday. Blocks closed at \$1.8000, up \$.0900 from last Friday.

**FLUID MILK:** Milk production is varied among regions of the United States. Minimal gains are found in the Northeast. Production is described as marginally higher/higher/robust in Florida, the Midwest, California, Arizona, and the mountain states of Idaho, Colorado, and Utah. Milk production is steady or balanced in the mid-Atlantic and

Southeast states, as well as New Mexico. Sales into educational institutions are slowing as Christmas and other yearend holidays draw nearer. In the Midwest, spot milk is offered from flat market to \$1.00 over class. Milk is noted as being readily available for making cheese in the Midwest and mountain states. While manufacturing milk supplies are minimal to none in the Southeast, in New Mexico and the Pacific Northwest milk is available for processing and manufacturing needs. Multiples in the East are 1.30-1.35; in the Midwest 1.17-1.26; and in the West 1.04-1.24.

**DRY PRODUCTS:** Central and east low/medium heat nonfat dry milk prices increased at the lower end of the range, are steady at the top, and are higher through the mostly series. Production is steady in central states, slightly lower in the East. West NDM low/medium heat prices are mostly higher. Dry buttermilk prices declined in central and eastern states. In the West, dry buttermilk prices are unchanged on the range, but higher on the mostly series. Dry whole milk prices are unchanged on light trading, with limited processing. Central dry whey prices firmed at the bottom of the range and mostly price series. Prices are steady to higher in the Northeast and West, where there are limited spot market offerings. Whey protein concentrate 34% prices moved higher across the range and the bottom of the mostly price series. Most product movement is through contracts. The lactose price range held steady while the mostly price series moved slightly higher. Rennet casein prices slightly firmed at the bottom of the price range, with all other prices steady.

**ORGANIC DAIRY MARKET NEWS (DMN):** AMS reports October 2016 total organic milk products sales at 217 million pounds, up 6.3% from the previous year. Sales are up 5.6%, January through October 2016, compared with the same months of 2015. October organic whole milk sales are 82 million pounds, up 15.7% from October last year. Year to date through October, organic whole milk sales are up 16.5% compared to sales with the same period last year. A large dairy processor in New Zealand has announced the launch of a UHT fluid milk product using certified New Zealand organic milk, targeted for sale in China. The product meets both New Zealand and Chinese organic standards. This week, organic milk accounts for 33% of organic dairy retail ad numbers by commodity, with a 43% increase in ads over the previous period. Organic ice cream and butter followed at 24% and 15%, respectively, of the total organic dairy ads for this week.

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**CME GROUP CASH TRADING**

COMMODITY	MONDAY DEC 12	TUESDAY DEC 13	WEDNESDAY DEC 14	THURSDAY DEC 15	FRIDAY DEC 16	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
<b>CHEESE</b>							
BARRELS	\$1.6275 (+.0500)	\$1.6800 (+.0525)	\$1.7150 (+.0350)	\$1.7100 (-.0050)	\$1.7000 (-.0100)	:: (+.1225)	:: \$1.6865 (+.1000)
40# BLOCKS	\$1.7300 (+.0200)	\$1.7575 (+.0275)	\$1.7575 (N.C.)	\$1.7850 (+.0275)	\$1.8000 (+.0150)	:: (+.0900)	:: \$1.7660 (+.0350)
<b>NONFAT DRY MILK</b>							
GRADE A	\$.9700 (-.0025)	\$.9725 (+.0025)	\$.9975 (+.0250)	\$1.0025 (+.0050)	\$1.0200 (+.0175)	:: (+.0475)	:: \$.9925 (+.0170)
<b>BUTTER</b>							
GRADE AA	\$2.0800 (+.0150)	\$2.0850 (+.0050)	\$2.0850 (N.C.)	\$2.0950 (+.0100)	\$2.1900 (+.0950)	:: (+.1250)	:: \$2.1070 (+.0145)

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

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

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

**NATIONAL RETAIL REPORT (DMN):** This week, total conventional dairy advertisements increased 88%, while organic dairy ads decreased 9%. Conventional butter ads increased 145% and organic butter ads increased 149%. The national average price for 1 pound conventional butter is \$2.77, while 1 pound organic butter is \$5.00, representing an organic price premium of \$2.23. Conventional yogurt ads increased 72%, but organic yogurt ads decreased 53%. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.98, while 4-6 ounce organic Greek yogurt averaged \$0.60. The average sale price for 4-6 ounce conventional yogurt is \$0.61, while 4-6 ounce organic yogurt averaged \$1.33. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.23, up 33 cents from last week. Ads for conventional 8 ounce shred cheese averaged \$2.14, up 3 cents from last week. The collective number of conventional cheese ads increased 83%, while organic cheese ad numbers did not change from last week. This week, the difference between the average weighted price for organic half gallon milk, \$3.98, and the average weighted price for conventional half gallon milk, \$1.99, resulted in an organic price premium of \$1.99. Organic milk advertisements increased 43%, while ads for conventional milk decreased 13%.

**DECEMBER SUPPLY AND DEMAND ESTIMATES (FMMO):** The milk production forecast is lowered for both 2016 and 2017 as slower growth in cow numbers more than offsets slightly higher growth in milk per cow. Fat basis exports are raised for 2016 on higher butter exports, and skim-solids basis exports are increased on stronger sales of lactose. For 2017, fat basis exports are reduced on expected increased competition in cheese markets, but strength in lactose and nonfat dry milk (NDM) exports are expected to support higher skim-solids basis exports. Import forecasts are lowered from last month for both fat and skim-solids bases. Fat basis ending stock forecasts for 2016 and 2017 are raised on higher expected cheese stocks. Although the skim-solids basis ending stock forecast for 2016 is raised on higher-than-expected cheese and NDM stocks, the forecast for 2017 is unchanged as robust NDM exports are expected to draw down stocks during the year. Price forecasts for cheese and butter are raised for 2016 on current price strength, but the forecasts for NDM and whey prices are unchanged. Product prices are forecast higher for 2017 as domestic demand strength is expected to carry into next year and higher export demand will support NDM and whey prices. As a result of the higher cheese and butter price forecasts, Class III and Class IV price forecasts are raised for 2016. Class III and IV prices are forecast higher for 2017 on higher component product prices. All milk prices are forecast higher at \$16.05 to \$16.15 per cwt for 2016 and \$16.85 to \$17.65 per cwt for 2017.

**SEPTEMBER MAILBOX MILK PRICES (FMMO & CDFA):** In September 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.10 per cwt, up \$0.41 per cwt from the August 2016 average but down \$0.27 per cwt from the September 2015 average. The component tests of producer milk in September 2016 were: butterfat, 3.72%; protein, 3.09%; and other solids, 5.74%. When compared to the previous month, the September Mailbox prices increased in 17 of the 19 Federal milk order reporting areas. The Minnesota reporting area decreased \$0.15 per cwt, while the Wisconsin reporting area stayed the same when compared to the previous month. The greatest increase of \$1.65 per cwt occurred in the Florida reporting area. Averaged over all Federal milk order reporting areas, the September 2016 Mailbox price increased an average of \$0.63 per cwt. Mailbox prices in September 2016 ranged from \$19.65 in Florida to \$15.32 in the Michigan reporting area.

**CME GROUP****MONDAY, DECEMBER 12, 2016**

CHEESE – SALES: 5 CARS BARRELS: 1 @ \$1.5775, 1 @ \$1.5875, 2 @ \$1.6300, 1 @ \$1.6275; 8 CARS 40# BLOCKS: 5 @ \$1.7100, 2 @ \$1.7200, 1 @ \$1.7300; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7200; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK – SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9200; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9700  
 BUTTER – SALES: 1 CAR GRADE AA @ \$2.0800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

**TUESDAY, DECEMBER 13, 2016**

CHEESE – SALES: 1 CAR 40# BLOCKS @ \$1.7575; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6800; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK – SALES: 10 CARS GRADE A: 5 @ \$0.9700, 1 @ \$0.9675, 3 @ \$0.9700, 1 @ \$0.9725; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9650; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9750  
 BUTTER – SALES: 1 CAR GRADE AA @ \$2.0825; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0850; LAST OFFER UNCOVERED: NONE

**WEDNESDAY, DECEMBER 14, 2016**

CHEESE – SALES: 7 CARS BARRELS: 1 @ \$1.6800, 1 @ \$1.6900, 1 @ \$1.7000, 2 @ \$1.7100, 1 @ \$1.7125, 1 @ \$1.7150; 5 CARS 40# BLOCKS @ \$1.7575; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK – SALES: 7 CARS GRADE A: 5 @ \$0.9800, 2 @ \$0.9850; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9975; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$1.0000  
 BUTTER – SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0750; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1100

**THURSDAY, DECEMBER 15, 2016**

CHEESE – SALES: 15 CARS BARRELS: 13 @ \$1.7150, 1 @ \$1.7125, 1 @ \$1.7100; 8 CARS 40# BLOCKS: 4 @ \$1.7575, 2 @ \$1.7600, 2 @ \$1.7700; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7850; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.7150  
 NONFAT DRY MILK – SALES: 5 CARS GRADE A: 1 @ \$1.0000, 1 @ \$1.0050, 1 @ \$1.0025, 1 @ \$1.0000, 1 @ \$1.0025; LAST BID UNFILLED: 3 CARS GRADE A @ \$1.0000; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.0100  
 BUTTER – SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0950; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.1200

**FRIDAY, DECEMBER 16, 2016**

CHEESE – SALES: 3 CARS BARRELS @ \$1.7075; 1 CAR 40# BLOCKS @ \$1.8000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7000  
 NONFAT DRY MILK – SALES: 6 CARS GRADE A: 2 @ \$1.0100, 2 @ \$1.0150, 2 @ \$1.0200; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.0150; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.0300  
 BUTTER – SALES: 4 CARS GRADE AA: 1 @ \$2.1400, 2 @ \$2.1700, 1 @ \$2.1900; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1600; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.2200

**BUTTER MARKETS****NORTHEAST**

Regional churning activity is light to moderate while proportional to available cream supplies. Sources note supplies are exceptionally tight. However, cream volumes are likely to increase into next week, thereby encouraging heavier butter production. Holiday needs are now filled, although a few last minute immediate shipments are expected. Producers indicate demand is fair as the market is showing hesitancy in placing large orders in anticipation of additional price weakness. Cream buyers are also watching butter market prices and waiting for lower multiples. While movement is limited in spot markets, current bulk butter prices for domestic sales are reported 5-8 cents over the market of the CME Group, with various time frames and averages used. The market has a softer undertone. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.0850, down \$0.0350 from the previous week. The DMN *National Retail Report-Dairy*, for December 9-15, 2016, noted the national advertised weighted average price for 1-pound butter was \$2.77, down 21 cents from last week and down 42 cents from a year ago. The Northeast regional price was \$2.72, down 13 cents from last week, with a price range of \$2.50-\$3.00. In the Southeast, the butter price averages \$3.26, down 15 cents from the previous week, with a price range of \$2.69-\$3.99.

**CENTRAL**

Most of the holiday butter production has been finished in the Central region. Cream availability for churning is higher as cream loads moving into Class II are waning. However, churners are not eager to buy spot cream loads, as their internal cream supplies are adequate. At this point, some manufacturers are switching butter supply from print to bulk. Inventories are starting to build into cold storage. Requests from retailers are lower, but are generally steady from food service. Bulk butter prices reported ranged from 2 to 6 cents over the market, with various periods and averages used. DMN *National Retail Report-Dairy* for December 9-15 noted the national weighted average advertised price for a 1 pound package of butter is \$2.77, \$0.21 below

one week ago and \$0.42 lower than one year ago. The weighted average price in the Midwest and South Central regions are \$2.39 and \$2.52, respectively. This week, a cooperative export assistance program accepted requests for 440,925 pounds of butter. So far this year, the program has accepted assistance requests for 12.399 million pounds of butter. Wednesday at the CME Group, Grade AA butter closed at \$2.0850, down \$0.0100 from last Wednesday.

**WEST**

Western butter production is steady. Cream is becoming more readily available as some Class II manufacturers wind down ahead of the holiday season. Butter makers continue to transition to bulk butter production or advance print production for the spring holidays. Domestic butter demand is solid. Although manufacturers expect it will ease back a bit over the winter holidays, some suggest demand may stay seasonally strong for some time. There has also been relatively good international demand for butter. Many industry contacts are eager to see how much inventories have changed in the last month when cold storage numbers are reported next week. Bulk butter pricing in the West this week is even to 5 cents above, based on the CME Group with various time frames and averages used. The DMN *National Retail Report-Dairy* for the week of December 9-15 found that the U.S. weighted average advertised price of 1 pound butter is \$2.77, down \$.21 from last week. The U.S. weighted average price was \$3.19 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.81 with a price range of \$1.99-\$3.00. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.20 with a price range of \$2.50-\$3.99. This week, a cooperative export assistance program accepted requests for 440,925 pounds (200 metric tons) of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 12.4 million pounds of butter (82% milkfat) in export markets. The Grade AA butter price at the CME Group on Wednesday closed at \$2.0850, down \$0.0100 from a week ago.

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

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS 38% MOISTURE</u>	<u>DRY WHEY</u>	<u>NDM</u>
December 10, 2016	2.1053 3,869,093	1.8847 14,208,265	1.7338 12,170,956	.3932 6,430,465	.9557 15,236,651

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

## CHEESE MARKETS

## NORTHEAST

Cheese output in the East is steady at moderate levels. Milk supplies are adequate with less surplus volumes available to local cheese plants. Cheddar is seasonally active, but current prices can be a deterrent. Process and mozzarella cheeses are holding at good levels, as fast food outlets and other restaurants are enjoying good business over the holiday shopping season. Store ads and feature activity are seeing minor reductions. The market undertone is steady. The *DMN National Retail Report-Dairy*, for December 9-15, 2016, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$1.94, 4 cents above the national average, with a regional price range of \$1.49-\$2.99. The Southeast 8 oz. block average price was \$1.78, 12 cents below the national average, with a regional price range of \$1.49-\$2.50. The Northeast average advertised price for 8 oz. cheese shreds was \$1.99, 12 cents below the national average price, with a regional price range of \$1.88-\$2.00. In the Southeast, the average price for 8 oz. shred cheese was \$2.07, with a price range of \$2.00-\$2.50. The Northeast wholesale cheese price for cheddar and Muenster declined \$0.0650, and the process 5# sliced cheese price dropped \$0.0525. Tuesday's CME Group daily cash prices saw barrels closed at \$1.6800, up \$0.0875 from a week ago. Blocks closed Tuesday at \$1.7575, up \$0.0250 from a week ago.

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

Cheddar 40# Block	:	2.1275-2.4125
Process 5# Sliced	:	1.7850-2.2650
Muenster	:	2.1125-2.4625
Grade A Swiss Cuts 10 - 14#	:	3.2700-3.5925

## MIDWEST

Midwestern cheese makers report orders are still strong. Some manufacturers anticipated a slowdown in orders this week, but that has yet to be fully realized. A few cheese processors say they are slightly behind on orders or have been able to draw down on cheese stocks somewhat. Inventories for barrels remain a little long. Some barrel manufacturers suggest they have sold a few loads of milk to bottling operations in lieu of making more barrel cheese. These manufacturers are hopeful that the spread between barrel and block prices will narrow and improve the economics of barrel cheese production. Milk supplies are generally well balanced right now and extra spot loads are not widely offered. The *DMN National Retail Report-Dairy* shows that December 9-15 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.02, 9 cents below the national average. Midwest prices range from \$1.88-\$2.50. One year ago, the national price was \$2.20. For 8 ounce blocks, the Midwest average price is \$1.98, 8 cents above the national average price. Midwest ads are priced from \$1.88-\$2.00. Last year, the national price was \$2.29. Midwestern wholesale prices unchanged for Swiss cuts, down \$.0525 for process, and down \$.0650 for all other types. This week, a cooperative export assistance program accepted requests for 2.518 million pounds (1,142 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 51.4 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.7150, up \$.1300 from last Wednesday and blocks closed at \$1.7575, up \$.0275.

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

Process American 5# Loaf	:	1.6775-2.0375
Brick And/Or Muenster 5#	:	2.0975-2.5225
Cheddar 40# Block	:	1.8250-2.2200
Monterey Jack 10#	:	2.0725-2.2775
Blue 5#	:	2.3650-3.3525
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8975-2.8375
Grade A Swiss Cuts 6 - 9#	:	2.7875-2.9050

## WEST

Western cheese makers say they continue to fill holiday orders and some additional block demand. Domestic retail demand is solid. Cheese production is active with good volumes of milk flowing into cheese vats. Block cheese manufacturing is in good balance with current cheese demands and inventories are steady. Inventories for barrel cheese are a little long. Some processors are selling barrels at sizeable discounts to published market prices. The *DMN National Retail Report-Dairy* for the week of December 9-15 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.11, down \$.21 from last week. Packs average \$2.20 in the Southwest and \$1.52 in the Northwest. One year ago, the national price was \$2.20. For 8 ounce blocks, the U.S. price is \$1.90, down \$.35 from last week. Blocks average \$2.20 in the Southwest and \$1.52 in the Northwest this week. One year ago, the national price was \$2.29. In the West, wholesale prices are down \$.0525 for process, and down \$.0650 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted requests for 2.518 million pounds (1,142 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 51.4 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.7150, up \$.1300 from last Wednesday and blocks closed at \$1.7575, up \$.0275.

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

Process 5# Loaf	:	1.6925-1.9500
Cheddar 40# Block	:	1.8300-2.2750
Cheddar 10# Cuts	:	2.0100-2.2300
Monterey Jack 10#	:	2.0200-2.1800
Grade A Swiss Cuts 6 - 9#	:	2.8475-3.2775

## FOREIGN TYPE CHEESE

Recent price increases in the EU for sliced cheese have slowed. EU cheese stocks remain lower than desirable. Milk supplies continue to be a restraining factor on cheese production. In the U.S., wholesale blue, gorgonzola, parmesan and Romano prices decreased \$.0650, and all other varieties are unchanged.



## CHEESE MARKETS

## CONTINUED FROM PAGE 3

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.2925-3.7800*
Gorgonzola	3.6900-5.7400	2.8000-3.5175*
Parmesan (Italy)	-0-	3.6825-5.7725*
Romano (Cows Milk)	-0-	3.4825-5.6325*
Sardo Romano (Argentine)	2.8500-4.7800	-0-
Reggianito (Argentine)	3.2900-4.7800	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.3075-3.6300
Swiss Cuts Finnish	2.6700-2.9300	-0-

## COLD STORAGE

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

	<u>BUTTER</u>	<u>: CHEESE</u>
	:	
12/12/16	19,548	: 77,509
12/01/16	16,872	: 78,273
CHANGE	2,676	: -764
% CHANGE	16	: -1

## FLUID MILK AND CREAM

## EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	25	0	7	0	10
SOUTHEAST STATES	0	0	0	0	0	0

Colder weather and snow have been common across some areas of the East region. However, temperatures in the region's southernmost portion has the feel of summer. In the Northeast, the prolonged drought gained some relief attributable to periods of rain and snow. Farm milk output shows minimal gains as wintry conditions slow production. Class I milk sales are good. Milk production volumes in the Mid-Atlantic states are mostly steady. Manufacturers' milk intakes are sufficient but below expected levels as some comment on volumes coming into their plants. Milk handlers in the Southeast area of the region note balanced milk production. Strong Class I pulls should continue into next week. With little surplus milk available, manufacturing milk supplies are minimal to none. Milk distribution outlets are already preparing for the next two weeks when schools will be on vacation. Under warmer than usual conditions, currently, Florida's farm milk production is climbing marginally. Supplemental cattle feeding continues in several counties. Bottling sales are slightly higher. Milk export shipments grew to 25 loads this week. The **condensed skim** market is mostly unchanged. Spot sales of condensed skim are few. Prices are generally unchanged for Class II and III wet solids. The fluid **cream** market is firmer than market participants anticipated and supplies have been somewhat tight. Loads continue to clear into Canada. Multiples are in the **1.30-1.35** f.o.b. range. Cream cheese, sour cream, bottled cream, and eggnog production rates are moderate to heavy. Producers indicate eggnog output may likely ease after this week. According to the DMN *National Retail Report-Dairy*, for December 9-15, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.35, down 11 cents compared to last week and down 29 cents from last year. The Northeast weighted average price for a gallon of milk was \$2.66, up 32 cents from last week, with a price range of \$2.50-\$3.00. At the CME Group, Grade AA butter closed Wednesday at \$2.0850, down \$.0100 from a week ago.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast-	2.7202-2.8249
F.O.B. producing plants: Upper Midwest-	2.4482-2.6366

## PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.70-1.01
Northeast - Class III - spot prices -	.80-1.08

## MIDWEST

In the Central region, current farm milk production is slightly higher, following seasonal patterns. However, the winter storm Decima is expected to pass throughout the Midwest during the end of the week. Therefore, some dairy operators, in this area, are anticipating a reduction in milk yields due to the upcoming wintry weather. At this point, milk intakes are in good balance with processing needs. Milk butterfat and protein components continue improving and are close to the peak of the season. A few Class III processors are looking for

extra milk loads in order to support the active regional cheese production. Spot milk prices range from flat market to \$1.00 over Class. Bottlers are decreasing milk orders as schools get close to the holiday break. Nevertheless, demands from retailers and food service are fair to good. Condensed skim demand from Class II processors is weakening. Cream multiples are slightly lower this week, 1.17-1.26. Industry contacts report condensed skim demand is weak. The DMN *National Retail Report-Dairy* for December 9-15 noted the national weighted average advertised price for one gallon of milk was \$2.35. The weighted average prices in the Midwest and South Central regions were \$2.10 and \$2.48, respectively. The weekly Cow Slaughter under Federal Inspection report shows U.S. dairy cow slaughter for the week ending November 26, at 45,700 head, 1,500 head higher than the comparable week a year ago.

## WEST

Although rain showers associated with the winter storm Decima are present in some areas of California, farm milk output continues improving. Milk volumes are heavy and sufficient to keep balancing plants busy. Most educational institutions are reducing Class I requests as the upcoming holiday break is near. Bottled milk orders from retailers and food service are fair to good. According to some industry participants, rains are helping newly planted forage crops to germinate. Alfalfa hay is into the last cutting of the year, while demand from dairy operators is light. The January 2017 Class I prices in California are \$18.77 in the north and \$19.04 in the south. The statewide average Class I price based on production is \$18.78. This price is down \$0.45 from the previous month, but \$0.88 higher than a year ago. In Arizona, milk production is on the raise as cooler temperatures continue boosting cow comfort. Milk components are steadily improving. Retail demand for Class I is good ahead of the upcoming year-end holiday needs. However, bottled milk orders from schools are easing gradually. Milk pooled on the Arizona Order 131 totaled 378.1 million pounds in November 2016. Class I utilization accounted for about 29.7% of producer milk. The uniform price was \$15.52, \$0.13 above last month, but \$1.76 below one year ago. Compared to the last week, milk output is steady in New Mexico. Milk intakes are more than sufficient to cover manufacturing needs. Also, some milk intakes are clearing into processing plants out of the state. Sales into Class I and Class II are lower this week. However, sales into cheese manufacturing are up. In the Pacific Northwest, milk production is seasonally strong. Industry contacts report plenty of milk is available for most processing needs. Bottling demand is steady to lower as educational institutions wind down prior to winter breaks. A lot of the milk freed up from fluid containers is finding its way into cheese vats. Milk production in the mountain states of Idaho, Colorado and Utah is robust. Cheese makers, in particular, are not having any trouble getting enough milk for processing. Some industry contacts report there are a few loads of milk available within the region at or slightly below Class III prices. Processing capacity has stayed in fairly good balance with the region's expansions in milk production. Milk pooled on Pacific Northwest Order 124 totaled 556.0 million pounds in November 2016. Class I utilization accounted for about 29.3% of producer milk. The uniform price was \$15.07, \$0.11 above last month, but \$1.61 below one year ago. According to the DMN *National Retail Report-Dairy* for the week of December 9-15, the national weighted average advertised price for one gallon of milk is \$2.35. The weighted average regional prices in the Southwest and Northwest are \$2.32 and \$2.50, respectively. In the

-CONTINUED ON PAGE 4A-

## FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

West, moderate to heavy intakes of condensed skim continue clearing into dryers. Condensed skim demand from Class II is weakening. Western cream is getting more available for churning as sour cream, eggnog, and cream cheese manufacturers finished production for the upcoming holiday. Multiples are steady, ranging from 1.04 to 1.24. Industry contacts are expecting a drop in cream premiums in the short term.

## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

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

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** Low/medium heat nonfat dry milk prices are steady to higher in the range and higher through the mostly series. This week, spot markets saw a noticeable spurge in trades. However, most NDM movement continues to occur primarily on a contractual basis. New NDM production trades at a premium in some cases. Overall, regional production is steady. For some buyers, NDM interest is somewhat reserved due to yearend considerations. A few instances existed where low/medium heat NDM suppliers discounted the price of Q1/Q2 product well below the range to clear inventory. The market undertone is firm. Prices for high heat nonfat dry milk are steady to higher. High heat NDM demand picked up as bakeries continue to prepare for upcoming holiday consumption.

**EAST:** Prices for low/medium heat nonfat dry milk increased in the mostly series on f.o.b. spot sales. Nonfat dry milk production is steady to slightly lower due to stagnant milk output in areas of the region and good Class I sales. Most Eastern low/medium heat NDM inventories are closely balanced. Demand is fair as buyers/sellers look to clear some existing inventory before the end of year. The high heat nonfat dry milk price adjusted higher at the top of the range. Some producers are running active production schedules to fill current orders in a timely fashion. Wednesday at the CME Group, Grade A NDM closed at \$0.9975, up \$0.04 from last Wednesday's close.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .9500 - 1.0200 MOSTLY: .9700 - 1.0000  
HIGH HEAT: 1.0625 - 1.2000

## NONFAT DRY MILK - WEST

Prices for western low/medium heat nonfat dry milk (NDM) are mostly higher, mirroring upward movements on various indices. The market undertone is unsteady for some buyers/end users, but firmer for many manufacturers. According to some industry participants, higher international SMP pricing is boosting domestic prices. NDM production is ongoing as heavy condensed skim volumes continue clearing into dryers. Inventories are steady to higher, but are highly committed thru the end of the year. In addition, some processors are holding stocks instead of selling, anticipating stronger prices in the short term. Therefore, sales activity in the spot market is light to moderate. Prices for high heat NDM are higher on light trading. Production is irregular, driven by contractual needs. Inventories continue to be tight in most processing facilities.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
LOW/MEDIUM HEAT: .9150 - 1.0500 MOSTLY: .9800 - 1.0000  
HIGH HEAT: .9950 - 1.1400

## CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
December 9	\$ .9435	4,626,757
December 2	\$ .9187	12,031,380

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

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Dry buttermilk prices in the Central region show lower numbers for f.o.b. spot market transactions this week. Typically, at this time of year, that is a sign of manufacturers clearing inventory. Comparably, there are offerings of older dry buttermilk powder clearing the region's markets. Production is mostly steady to lower. Manufacturers anticipate escalated drying schedules with the likelihood of surplus cream holdings for butter makers as the week concludes and into next week. Dry buttermilk interest appears seasonally active. Supplies are moderate to light.

**EAST:** Eastern dry buttermilk prices declined noticeably at the bottom of the range, a reflection of the available volumes of Q1/Q2 buttermilk. Dry buttermilk drying rates lessened because churning rates were lower this week as cream supplies tightened under good Class II and export demand. However, butter makers expect heavier volumes of cream during the holidays and are preparing accordingly. At this point, producers' dry buttermilk stocks are fairly balanced. Demand is steady. Contracts for 2017 are ongoing.

F.O.B. CENTRAL/EAST: .7800 - .9200

## DRY BUTTERMILK - WEST

Prices for western dry buttermilk are unchanged on the range, but higher on the mostly series. According to some processors, higher NDM pricing is enhancing dry buttermilk prices. Trading in the spot market has been more active this week. Demand from bakers is fair to good. However, some manufacturers are expecting a decrease in buyers' interest in the short term as the end of the baking season is near. Dry buttermilk processing is active, parallel with regional butter churning. Inventories vary from plant to plant.

F.O.B. WEST: .8500 - .9800 MOSTLY: .8900 - .9200

## DRY WHOLE MILK - NATIONAL

Prices for national dry whole milk are unchanged on light trading. Demands from the bakery and confectionery sectors are active, but are expected to drop in the next few weeks. Dry whole milk processing is limited, as milk butterfat has been used to process other seasonal dairy products. Nevertheless, inventories are sufficient to cover contractual needs.

F.O.B. PRODUCING PLANT: 1.2500 - 1.5500



**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 bottom of both the range and mostly price series moved higher this week. Manufacturers report solid demand and dry whey is moving well through contracts. A lot of the 2017 contracts are now in place. However, a few buyers are delaying purchases, opting to work through inventories and waiting to see what direction the market takes after the first of the year. The overall market tone is firming, but a few contacts say dry whey sales have slowed somewhat. A number of processors are watching Southeast Asian whey permeate purchases closely. The processors feel that whey and permeate purchases in the next few weeks, ahead of the Chinese New Year, will give a strong indication of what to expect in export whey markets over the next few months. The strength of the U.S. dollar in relation to other currencies has made it more difficult to be competitive in some price-sensitive export markets. Dry whey production is steady. Animal feed whey prices held steady this week. End users seem content to take whey through current contracts as opposed to making new purchases.

F.O.B. CENTRAL: .3100 - .4400 MOSTLY: .3700 - .4025  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2700 - .3725

**DRY WHEY - NORTHEAST**

Dry whey prices are higher at the top of the range on a firm market. The market undertone is unchanged. Production levels are steady. Most of the eastern producers have little or no product to offer on the spot market. Inventories are in balance to tight, with some sold-out for several weeks. Contracting for 2017 is ongoing, but nearly complete for some buyers/sellers.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3625 - .4600

**DRY WHEY - WEST**

Western whey prices are steady to higher, increasing on the top of the range and bottom of the mostly price series. Manufacturers report inventories are committed and tight through the end of the year. However, a few end users say whey supplies are adequate for most processing needs. Dry whey production is steady, but some industry contacts suggest manufacturers are making more whey protein concentrations in lieu of dry whey. Export demand has been good and contracting for 2017 is progressing well. A few buyers are hesitant to make commitments on the proposed, higher-priced offers floated out for Q1.

NONHYGROSCOPIC: .3500 - .4625 MOSTLY: .3950 - .4300

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices moved higher across the range and the bottom of the mostly price series. Much of the available WPC 34% is moving through existing contracts and there is little left for spot sales activity. Manufacturers report numerous inquiries from a wide range of shoppers. In some cases, regular purchasers are approached by other buyers to see if any WPC 34% is available. Resales are commonplace above published prices. A few processors still report some resistance to prices for WPC 34% that is interchangeable with other protein sources. Production is steady to lower. Some manufacturers are opting to make higher protein concentrations instead of WPC 34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .7625 - 1.0000 MOSTLY: .8150 - .9000

**LACTOSE - CENTRAL AND WEST**

The lactose price range held steady, while the mostly price series moved slightly higher. The market tone is mixed. Some manufacturers are reporting healthy demand, tight supplies, and stronger prices, especially for low-spore, higher mesh, and highly desired brands. Other industry contacts suggest the market is showing signs of weakness. A few manufacturers have made spot sales and initial Q1 agreements at discounted prices. These processors are not seeing an active demand for lactose and their inventories have grown beyond comfortable levels. Some market participants propose a little softness in whey permeate markets and limited export opportunities have kept the lactose market suppressed for a few processors.

Including spot sales and up to 3 month contracts.  
F.O.B. EDIBLE, NON PHARMACEUTICAL .2400 - .4800 MOSTLY: .3400 - .3850

**CASEIN - NATIONAL**

Rennet casein prices slightly firmed at the bottom of the price range. All other casein prices are steady. Trading was very light for current needs. Most customers have contracted ahead, some through the first half of next year. Many casein customers are quite committed to certain manufacturers or at least, supplies from a specific country, for various reasons. For example, some dairy manufacturers based in Ireland gravitate toward sourcing casein from New Zealand manufacturers, rather than Ireland. Other customers tend to favor Ireland or other E.U. sources. This phenomenon leads to a market where pricing alone is often not dispositive in finalizing sale transactions.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.9950 - 3.0500  
ACID: 3.0500 - 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
11/26/2016	45.7	2,641.5	44.2	2,685.4

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](http://www.ams.usda.gov/mnreports/sj_ls714.txt)

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

**CLASS III MILK PRICES (3.5% BF)**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44

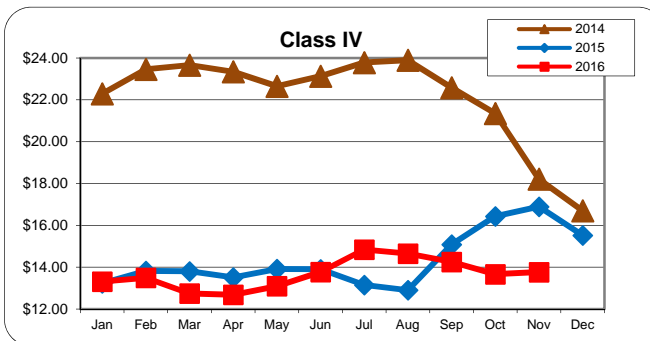
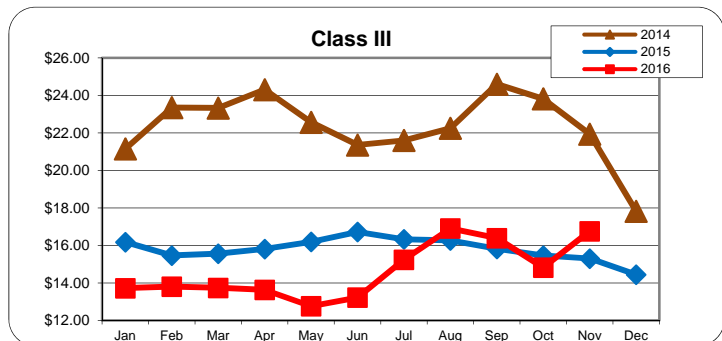
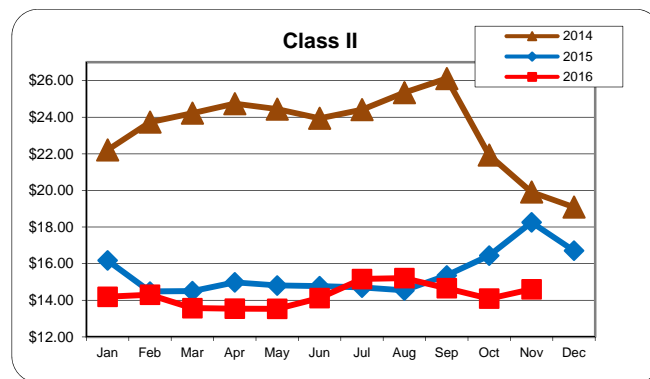
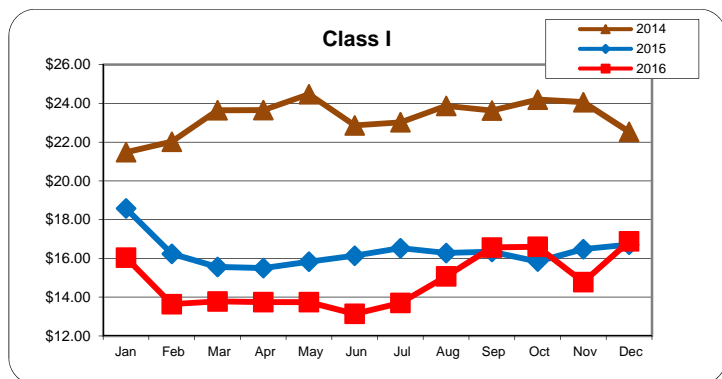
**CLASS IV MILK PRICES (3.5%)**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52

**FEDERAL MILK ORDER CLASS PRICES FOR 2016 (3.5%)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64	13.78	13.74	13.70	13.14	13.70	15.07	16.56	16.60	14.78	16.88
II	14.19	14.30	13.57	13.54	13.53	14.12	15.16	15.21	14.66	14.09	14.60	
III	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91	16.39	14.82	16.76	
IV	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65	14.25	13.66	13.76	

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



## ORGANIC DAIRY MARKET NEWS

Information gathered December 5 - 16, 2016

## ORGANIC DAIRY FLUID OVERVIEW

AMS reports October 2016 total organic milk products sales at 217 million pounds, up 6.3% from the previous year. Sales are up 5.6%, January through October 2016, compared with the same months of 2015.

October organic whole milk sales are 82 million pounds, up 15.7% from October last year. Year to date through October, organic whole milk sales are up 16.5% compared to sales with the same period last year.

## ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS,

October 2016, WITH COMPARISONS 1/

Product Name	Sales		Change from: 2/	
	Oct.	Y-T-D	Prev Yr.	Y-T-D
	Mil. Lbs.		Percent	

## ORGANIC PRODUCTION PRACTICE

Whole Milk	82	782	15.7	16.5
Reduced Fat Milk (2%)	65	655	1.2	8.3
Low Fat Milk (1%)	35	359	-0.6	-2.9
Fat-Free Milk (Skim)	24	262	-11.7	-9.7
Flavored Fat-Reduced Milk	11	76	63.1	-11.3
Other Fluid Milk Products	0	2	--	--
Total Fat-Reduced Milk 3/	135	1,352	1.4	0.1
Tot. Organic Milk Products	217	2,136	6.3	5.6

\*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.

**Organic Milk Pay Prices in the EU.** Average organic milk farm prices in France for September 2016, 46.47 Euros/100 lt, are 4.82% higher than a year ago and up 3.42% from August, according to CLAL. In contrast, average farm-gate raw milk prices in France for September, 29.74 Euros/100 lt, are 6.39% lower than a year ago but 0.91% higher than August. As of December 14, the exchange rate was 1.0643 Euros per 1 U.S. dollar.

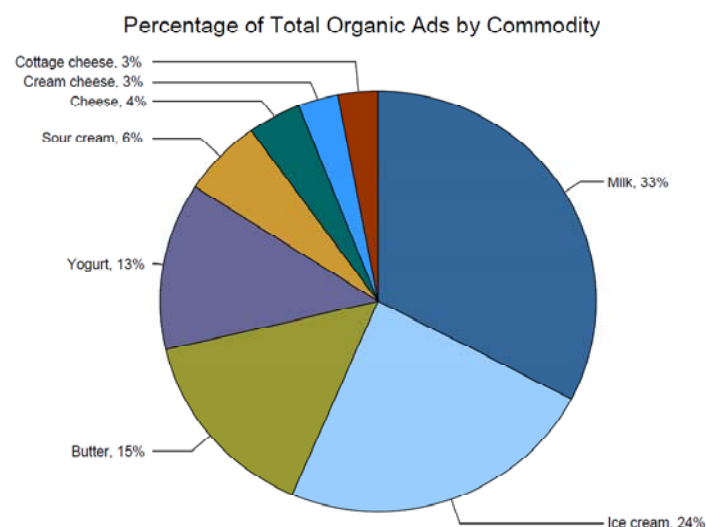
**Organic Milk Sales to China.** A large dairy processor in New Zealand has announced the launch of a UHT fluid milk product using certified New Zealand organic milk, targeted for sale in China. The product meets both New Zealand and Chinese organic standards. The product is being sold at a premium price, targeted for the growing market in China for premium dairy and food products. The UHT milk product will be manufactured and packaged in New Zealand, using organic milk produced in New Zealand, then shipped to China.

**Organic Grain and Feedstuff Markets:** Grower bids on feed grade organic grains were unevenly steady. Food grade organic corn trades were limited, with moderate demand. Organic food grade wheat traded with good activity and demand. Trade was inactive on all other organic food grade commodities. Organic feed corn trading was active, with moderate demand. Trade and demand was light for organic feed grade soybeans. Forward contract activity was down compared to this time last year. Hay trade and demand was light.

Additional information is available at: <https://www.ams.usda.gov/mnreports/lbncor.pdf>

## ORGANIC DAIRY RETAIL OVERVIEW

**Organic Dairy Overview.** This week, organic milk accounts for 33% of organic dairy retail ad numbers by commodity, with a 43% increase in ads over the previous period. Organic ice cream and butter followed at 24% and 15%, respectively, of total organic dairy ads for this week. The remaining percentages for organic dairy commodities are shown in the following pie chart.



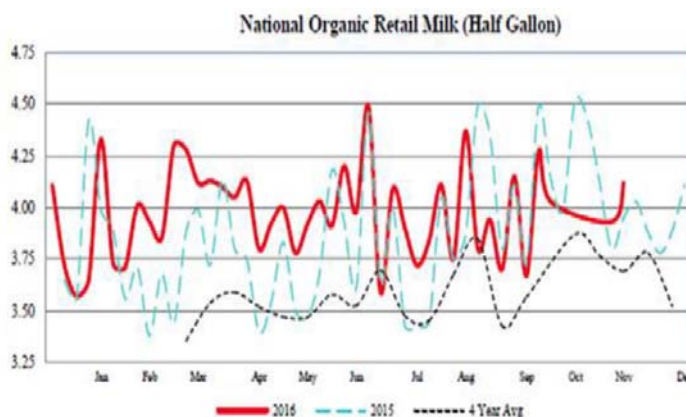
Data source/graph USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from December 16-22, 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 presented in the following table:

## NATIONAL RETAIL ORGANIC DAIRY (Wtd.Avg.Price)

Commodity	This Week	Last Week	Last Year
<b>Butter</b>	5.00	4.89	5.13
<b>Milk</b>			
Half gal.	3.98	3.65	3.78
Gal.	5.99	5.59	5.99
8 oz.	1.07	...	...
<b>Yogurt</b>			
4-6 oz. Greek	.60	.98	1.25
32 oz. Yogurt	3.99	3.50	2.50



Data source/graph USDA/AMS/Dairy Market News

Complete results of the weekly organic dairy retail survey including regional delineation, can be accessed at: <https://www.ams.usda.gov/market-news/organic>

## December Supply and Demand Estimates

The milk production forecast is lowered for both 2016 and 2017 as slower growth in cow numbers more than offsets slightly higher growth in milk per cow. Fat basis exports are raised for 2016 on higher butter exports, and skim-solids basis exports are increased on stronger sales of lactose. For 2017, fat basis exports are reduced on expected increased competition in cheese markets, but strength in lactose and nonfat dry milk (NDM) exports are expected to support higher skim-solids basis exports. Import forecasts are lowered from last month for both fat and skim-solids bases. Fat basis ending stock forecasts for 2016 and 2017 are raised on higher expected cheese stocks. Although the skim-solids basis ending stock forecast for 2016 is raised on higher-than-expected cheese and NDM stocks, the forecast for 2017 is unchanged as robust NDM exports are expected to draw down stocks during the year. Price forecasts for cheese and butter are raised for 2016 on current price strength, but the forecasts for NDM and whey prices are unchanged. Product prices are forecast higher for 2017 as domestic demand strength is expected to carry into next year and higher export demand will support NDM and whey prices. As a result of the higher cheese and butter price forecasts, Class III and Class IV price forecasts are raised for 2016. Class III and IV prices are forecast higher for 2017 on higher component product prices. All milk prices are forecast higher at \$16.05 to \$16.15 per cwt for 2016 and \$16.85 to \$17.65 per cwt for 2017.

U.S. Milk Supply and Use					
Commodity	2015	2016 Projected		2017 Projected	
		Nov	Dec	Nov	Dec
Milk	<i>(billion pounds)</i>				
Production	208.6	212.5	212.4	217.0	216.8
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	13.3	13.3	13.4	14.0
Marketings	207.7	211.5	211.5	216.0	215.9
Imports	5.7	7.2	7.0	7.1	7.0
Total Commercial Supply	224.6	232.0	231.8	236.4	236.8
Fat Basis Use					
Commercial Exports	8.8	8.7	8.8	8.9	8.4
Ending Commercial Stocks	13.3	13.4	14.0	12.8	13.7
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	202.5	209.9	209.0	214.7	214.8
Skim-solid Basis Supply					
Beginning Commercial Stocks	13.1	13.9	13.9	13.5	13.8
Marketings	207.7	211.5	211.5	216.0	215.9
Imports	6.0	6.6	6.4	6.4	6.2
Total Commercial Supply	226.7	231.9	231.7	235.8	235.8
Skim-solid Basis Use					
Commercial Exports	37.3	38.4	38.7	39.7	40.1
Ending Commercial Stocks	13.9	13.5	13.8	13.2	13.2
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	175.5	180.0	179.2	182.9	182.5

NOTE: Totals may not add due to rounding.

Continued on page 10

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

U.S. Dairy Prices						
Commodity	2015	2016 Projected		2017 Projected		
		Nov	Dec	Nov	Dec	
Product Prices <sup>1</sup>	(dollars per pound)					
	Cheese	1.6454	1.590-1.600	1.595-1.605	1.610-1.700	1.650-1.730
	Butter	2.0670	2.035-2.065	2.060-2.090	1.810-1.930	1.920-2.030
	Nonfat Dry Milk	0.9016	0.820-0.840	0.820-0.840	0.930-1.000	0.950-1.010
	Dry Whey	0.3804	0.280-0.290	0.280-0.290	0.360-0.390	0.380-0.410
Milk Prices <sup>2</sup>	(dollars per cwt)					
	Class III	15.80	14.70-14.80	14.75-14.85	15.30-16.20	15.85-16.65
	Class IV	14.35	13.55-13.75	13.65-13.85	13.55-14.55	14.20-15.10
	All Milk <sup>3</sup>	17.12	16.00-16.10	16.05-16.15	16.30-17.20	16.85-17.65
	Quarterly					
	2016 III	2016 IV <sup>4</sup>	2017 I <sup>4</sup>	2017 II <sup>4</sup>	2017 III <sup>4</sup>	
Milk Production	(billion pounds)					
	52.6	52.5	53.7	55.5	53.8	
	(dollars per cwt)					
	All Milk Price <sup>2,3</sup>	16.83	17.05-17.25	17.25-17.75	16.40-17.20	16.70-17.70
	Class III Price <sup>2</sup>	16.18	16.05-16.25	16.00-16.50	15.65-16.45	15.85-16.85
Class IV Price <sup>2</sup>	14.58	13.90-14.20	14.20-14.80	14.30-15.20	14.25-15.35	

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

**Source:** U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates*, WASDE-560, December 9, 2016. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Carolyn Liebrand, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].



## 2017 OFFICIAL MONTHLY AVERAGE RELEASE DATES

<u>MONTH</u>	<u>RELEASE DAY FOR DOMESTIC*</u>	<u>RELEASE DAY FOR INTERNATIONAL*</u>
JANUARY	FRIDAY, FEBRUARY 3, 2017	FRIDAY, FEBRUARY 3, 2017
FEBRUARY	FRIDAY, MARCH 3	FRIDAY, MARCH 3
MARCH	MONDAY, APRIL 3	MONDAY, APRIL 3
APRIL	MONDAY, MAY 1	MONDAY, MAY 1
MAY	FRIDAY, JUNE 2	FRIDAY, JUNE 9
JUNE	MONDAY, JULY 3	MONDAY, JULY 3
JULY	FRIDAY, AUGUST 4	FRIDAY, AUGUST 4
AUGUST	FRIDAY, SEPTEMBER 1	FRIDAY, SEPTEMBER 1
SEPTEMBER	MONDAY, OCTOBER 2	MONDAY, OCTOBER 2
OCTOBER	FRIDAY, NOVEMBER 3	FRIDAY, NOVEMBER 10
NOVEMBER	FRIDAY, DECEMBER 1	FRIDAY, DECEMBER 8
DECEMBER	TUESDAY, JANUARY 2, 2018	FRIDAY, JANUARY 5, 2018

\*Release time: 9:00 am Central time

## Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, September 2016, With Comparisons

In September 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.10 per cwt, up \$0.41 per cwt from the August 2016 average but down \$0.27 per cwt from the September 2015 average. The component tests of producer milk in September 2016 were: butterfat, 3.72%; protein, 3.09%; and other solids, 5.74%. When compared to the previous month, the September Mailbox prices increased in 17 of the 19 Federal milk order reporting areas. The Minnesota reporting area decreased \$0.15 per cwt, while the Wisconsin reporting area stayed the same when compared to the previous month. The greatest increase of \$1.65 per cwt occurred in the Florida reporting area. Averaged over all Federal milk order reporting areas, the September 2016 Mailbox price increased an average of \$0.63 per cwt. Mailbox prices in September 2016 ranged from \$19.65 in Florida to \$15.32 in the Michigan reporting area.

Reporting Area <sup>1</sup>	Mailbox Milk Price <sup>2</sup>		
	September 2015	August 2016	September 2016
	<i>(dollars per hundredweight)</i>		
New England States <sup>3</sup>	18.66	17.68	18.13
New York	17.32	16.35	16.82
Eastern Pennsylvania <sup>4</sup>	17.45	16.34	16.86
Appalachian States <sup>5</sup>	19.01	16.81	18.00
Southeast States <sup>6</sup>	19.36	17.13	18.48
Southern Missouri <sup>7</sup>	19.36	17.19	18.66
Florida	20.19	18.00	19.65
Western Pennsylvania <sup>8</sup>	17.66	16.43	17.04
Ohio	17.61	16.35	17.26
Indiana	16.83	16.00	16.80
Michigan	16.61	14.70	15.32
Wisconsin	17.76	17.78	17.78
Minnesota	17.44	17.78	17.63
Iowa	17.59	17.19	17.59
Illinois	17.72	17.09	17.55
Corn Belt States <sup>9</sup>	15.83	16.06	16.36
Western Texas <sup>10</sup>	16.62	16.25	16.69
New Mexico	15.52	15.42	15.63
Northwest States <sup>11</sup>	17.24	16.83	17.13
All Federal Order Areas <sup>12</sup>	17.37	16.69	17.10
California <sup>13</sup>	15.71	15.75	15.63

<sup>1</sup> Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders.

<sup>2</sup> Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

<sup>3</sup> Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

<sup>4</sup> Includes all counties to the east of those listed in <sup>8</sup>.

<sup>5</sup> Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

<sup>6</sup> Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

<sup>7</sup> Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

<sup>8</sup> The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

<sup>9</sup> Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in <sup>7</sup>.

<sup>10</sup> Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

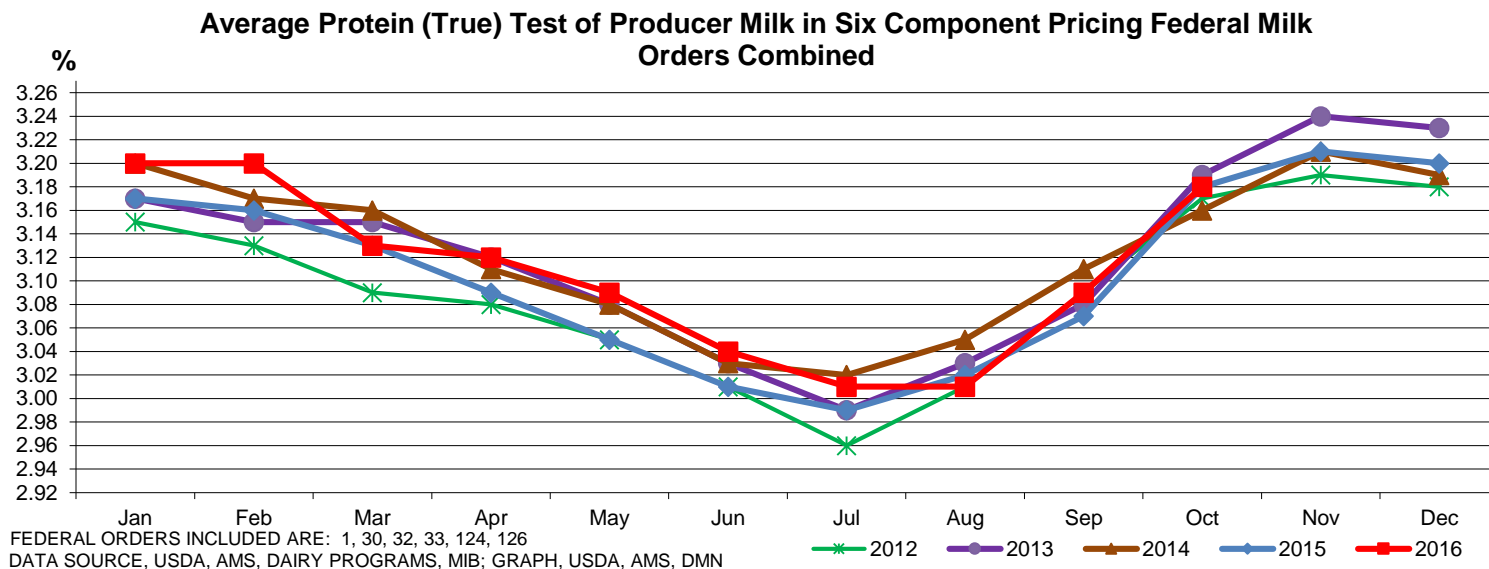
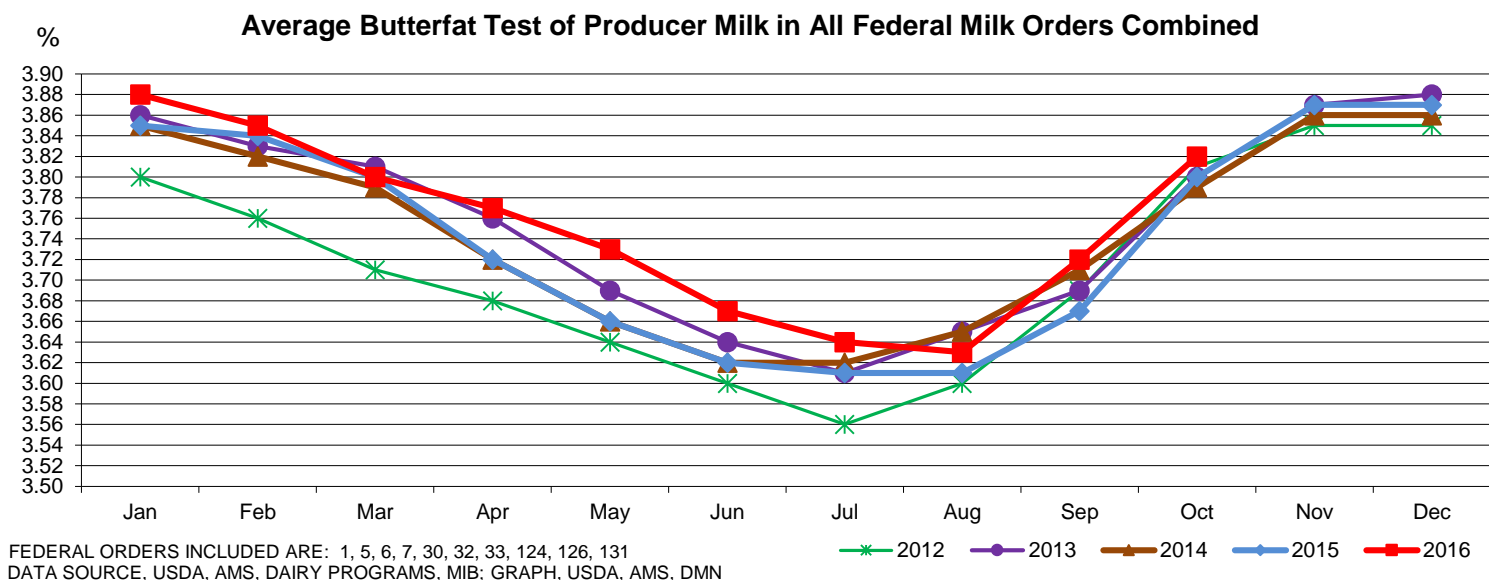
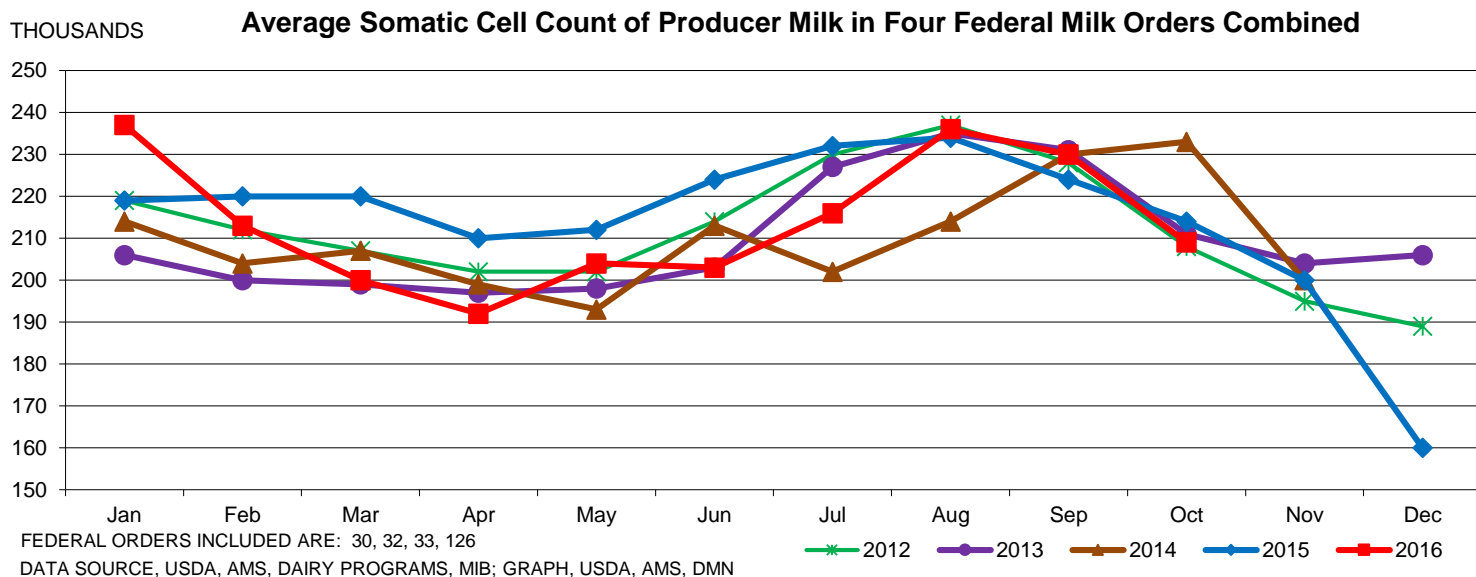
<sup>11</sup> Includes Oregon and Washington.

<sup>12</sup> Weighted average of prices for all selected reporting areas.

<sup>13</sup> Calculated by California Department of Food and Agriculture, and published at:

<https://www.cdffa.ca.gov/dairy/uploader/postings/mailboxmap/Default.aspx>

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## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Retail Report-Dairy

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

Volume 83- Number 50

Issued Weekly

Friday, December 16, 2016

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 12/16/2016 to 12/22/2016

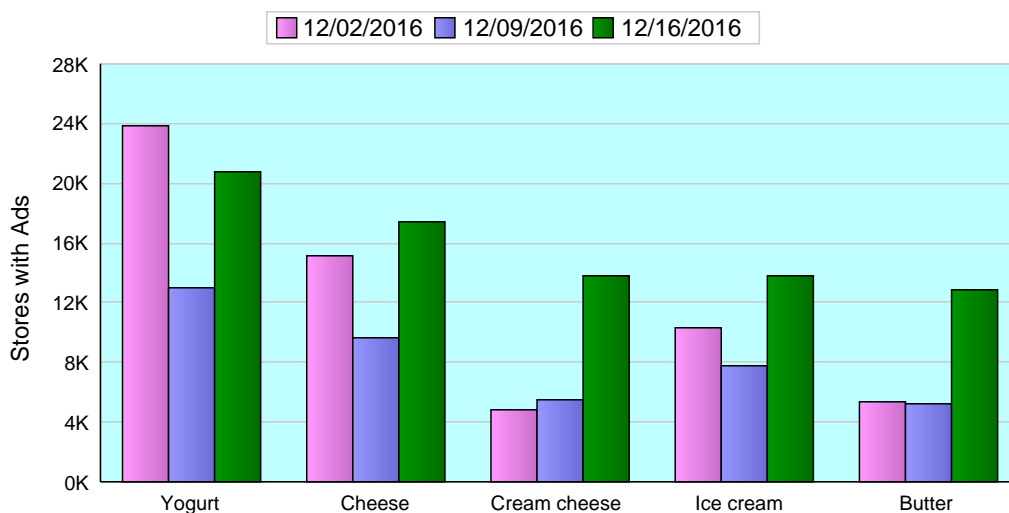
This week, total conventional dairy advertisements increased 88%, while organic dairy ads decreased 9%. Conventional butter ads increased 145% and organic butter ads increased 149%. The national average price for 1 pound conventional butter is \$2.77, while 1 pound organic butter is \$5.00, representing an organic price premium of \$2.23.

Conventional yogurt ads increased 72%, but organic yogurt ads decreased 53%. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.98, while 4-6 ounce organic Greek yogurt averaged \$0.60. The average sale price for 4-6 ounce conventional yogurt is \$0.61, while 4-6 ounce organic yogurt averaged \$1.33.

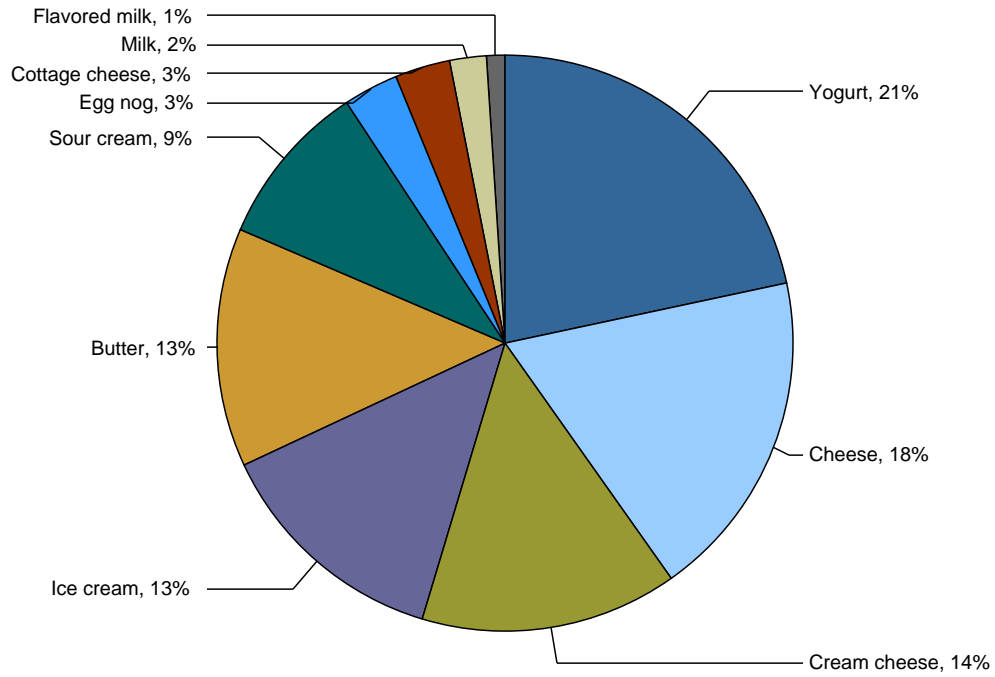
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.23, up 33 cents from last week. Ads for conventional 8 ounce shred cheese averaged \$2.14, up 3 cents from last week. The collective number of conventional cheese ads increased 83%, while organic cheese ad numbers did not change from last week.

This week, the difference between the average weighted price for organic half gallon milk, \$3.98, and the average weighted price for conventional half gallon milk, \$1.99, resulted in an organic price premium of \$1.99. Organic milk advertisements increased 43%, while ads for conventional milk decreased 13%.

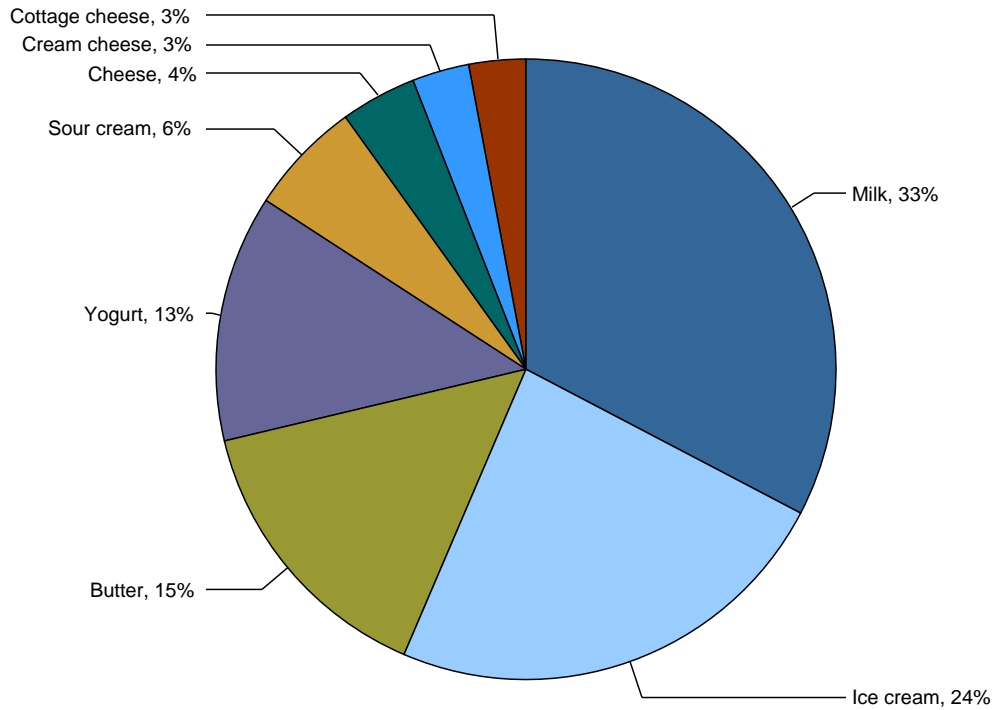
Top 5 Commodities Featured



### 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 #	12152	2.77	4961	2.77	11834	3.10
Cheese	Natural Varieties	8 oz block	7547	2.23	4261	1.90	10789	2.22
Cheese	Natural Varieties	1 # block	859	3.91	714	3.67	928	4.08
Cheese	Natural Varieties	2 # block	1131	6.19	773	7.15	835	6.36
Cheese	Natural Varieties	8 oz shred	7227	2.14	3033	2.11	9800	2.27
Cheese	Natural Varieties	1 # shred	488	4.16	652	3.56	579	4.36
Cottage cheese		16 oz	2897	1.83	1824	1.87	4359	1.87
Cream cheese		8 oz	13689	1.51	5435	1.45	12723	1.43
Egg nog		quart	620	2.74	296	3.08	1623	2.98
Egg nog		half gallon	2530	3.71	955	3.41	2113	3.54
Flavored milk	All fat tests	half gallon	349	1.82	930	2.38	213	2.94
Flavored milk	All fat tests	gallon	403	3.73	485	2.37	276	3.44
Ice cream		48-64oz	12562	3.05	6689	3.21	9441	3.01
Milk	All fat tests	half gallon	767	1.99	622	1.65	27	3.70
Milk	All fat tests	gallon	1008	2.92	1410	2.35	1064	2.72
Sour cream		16 oz	8751	1.67	4815	1.57	11215	1.65
Yogurt	Greek	4-6 oz	9829	.98	6597	.98	9230	.94
Yogurt	Greek	32 oz	1005	4.44	937	4.16	677	4.14
Yogurt	Yogurt	4-6 oz	6274	.61	2877	.54	2249	.51
Yogurt	Yogurt	32 oz	3023	2.16	1299	3.05	556	2.37

## 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 #	1.99-6.99	1800	3.17	1.99-3.00	4409	2.86	1.88-3.50	2652	2.54
Cheese	Natural Varieties	8 oz block	1.49-3.79	2339	2.30	1.99-3.00	1056	2.18	1.25-3.00	3102	2.14
Cheese	Natural Varieties	1 # block	3.49-3.79	207	3.69				2.49-4.99	545	3.74
Cheese	Natural Varieties	2 # block				5.98	195	5.98	6.99-8.99	241	8.48
Cheese	Natural Varieties	8 oz shred	1.66-2.99	2454	2.14	1.67-3.00	1428	2.04	1.50-3.00	1314	2.11
Cheese	Natural Varieties	1 # shred							2.49-4.99	443	4.03
Cottage cheese		16 oz	1.50-2.50	430	2.05	1.00-2.00	1276	1.79	1.50-2.00	197	1.71
Cream cheese		8 oz	0.79-2.00	2206	1.49	0.79-2.00	5428	1.56	0.85-1.50	2134	1.18
Egg nog		quart	2.99	59	2.99	3.00	120	3.00	2.79-3.59	164	3.07
Egg nog		half gallon	2.99-4.99	416	4.32	2.98	195	2.98	2.99-3.99	296	3.49
Flavored milk	All fat tests	half gallon							1.99	107	1.99
Flavored milk	All fat tests	gallon				3.99	334	3.99	2.49	69	2.49
Ice cream		48-64oz	1.75-3.89	3470	2.50	1.99-4.50	3715	3.24	2.99-4.00	1082	3.31
Milk	All fat tests	half gallon	2.39	62	2.39	1.67-2.49	448	2.28			
Milk	All fat tests	gallon	2.99	118	2.99	3.99	334	3.99	1.68-2.49	150	2.05

Wtd Avg - Simple weighted average



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Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Sour cream		16 oz	0.99-2.00	1803	1.53	0.98-2.00	3353	1.71	0.99-2.00	1323	1.38
Yogurt	Greek	4-6 oz	0.60-1.25	2278	.93	0.90-1.00	2258	1.00	0.75-1.00	2304	.98
Yogurt	Greek	32 oz	3.99-4.99	422	4.37				3.99-4.98	173	4.32
Yogurt	Yogurt	4-6 oz	0.40-1.00	1800	.55	0.50-1.00	3148	.64	0.40-0.60	405	.53
Yogurt	Yogurt	32 oz	1.99-2.50	382	2.23	1.99-2.00	1591	2.00	1.99-3.98	876	2.22

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 #	1.88-3.49	1478	2.53	1.88-2.99	1599	2.59	2.49-2.50	116	2.50
Cheese	Natural Varieties	8 oz block	1.49-3.00	584	2.45	1.66-3.00	427	2.23			
Cheese	Natural Varieties	1 # block				4.99	62	4.99			
Cheese	Natural Varieties	2 # block	4.99	262	4.99	4.99-6.99	360	5.63	5.99	66	5.99
Cheese	Natural Varieties	8 oz shred	1.49-3.99	771	2.23	1.66-3.00	1020	2.20	2.00	174	2.00
Cottage cheese		16 oz	1.25-2.58	623	1.95	1.25-2.00	300	1.70	1.25	66	1.25
Cream cheese		8 oz	0.49-2.00	1590	1.57	1.25-2.99	1280	1.78	0.99-2.00	874	1.44
Egg nog		quart	1.99-2.69	240	2.39						
Egg nog		half gallon	2.99-3.99	240	3.40	2.99-3.50	674	3.25	3.49-4.59	644	3.98
Flavored milk	All fat tests	half gallon	2.50	121	2.50				0.99	121	.99
Ice cream		48-64oz	1.99-4.99	1554	3.45	1.88-3.99	1485	2.86	2.50-3.99	1093	3.25
Milk	All fat tests	half gallon	1.69	133	1.69				0.99	121	.99
Milk	All fat tests	gallon	1.78-3.99	238	2.70	1.99	63	1.99	1.77	105	1.77
Sour cream		16 oz	1.00-2.00	1345	1.83	1.25-2.00	300	1.70	1.25-1.99	460	1.88
Yogurt	Greek	4-6 oz	0.66-1.00	756	.97	0.98-1.00	948	1.00	0.75-1.19	1159	1.01
Yogurt	Greek	32 oz	3.49	121	3.49				5.00	289	5.00
Yogurt	Yogurt	4-6 oz	0.33-0.60	296	.45	0.40-0.50	306	.48	1.00	289	1.00
Yogurt	Yogurt	32 oz				3.00	137	3.00			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.85-5.00	48	4.53	3.50-3.99	50	3.61
Cheese	Natural Varieties	8 oz block	3.00-3.50	30	3.47	2.50-2.98	9	2.66
Cheese	Natural Varieties	1 # block	3.99	11	3.99	5.99	34	5.99
Cheese	Natural Varieties	2 # block	7.49-7.99	7	7.63			
Cheese	Natural Varieties	8 oz shred	3.00-3.50	30	3.47	2.49-2.98	36	2.53
Cheese	Natural Varieties	1 # shred	3.99	11	3.99	5.99	34	5.99
Cottage cheese		16 oz	2.50	5	2.50			
Cream cheese		8 oz	1.25-1.66	37	1.50	1.25-2.33	140	1.76
Egg nog		quart				2.19-2.39	37	2.37
Egg nog		half gallon	3.99-8.48	65	6.08			
Ice cream		48-64oz	2.99-8.49	66	5.97	3.00-5.27	97	4.28

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon				2.97	3	2.97
Sour cream		16 oz	1.89-3.50	46	3.02	2.00-3.08	121	2.47
Yogurt	Greek	4-6 oz	0.89-1.25	28	1.17	1.00-1.66	98	1.30
Yogurt	Yogurt	4-6 oz				0.69-0.79	30	.78
Yogurt	Yogurt	32 oz				3.50-3.99	37	3.95

## 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 #	725	5.00	291	4.89	1080	5.13
Cheese	Natural Varieties	8 oz block	180	3.29	180	3.29	631	4.54
Cheese	Natural Varieties	8 oz shred					432	4.11
Cottage cheese		16 oz	141	3.29	105	3.49		
Cream cheese		8 oz	152	2.52	62	1.50		
Egg nog		quart	3	3.99	1083	3.99	100	4.50
Ice cream		48-64oz	1220	4.21	1083	3.99	117	4.99
Milk	All fat tests	half gallon	927	3.98	852	3.65	2669	3.78
Milk	All fat tests	gallon	180	5.99	298	5.59	347	5.99
Milk	All fat tests	8 oz UHT	543	1.07				
Sour cream		16 oz	294	2.50	180	2.50	474	2.37
Yogurt	Greek	4-6 oz	62	.60	1155	.98	137	1.25
Yogurt	Greek	32 oz	147	3.99			692	2.86
Yogurt	Yogurt	4-6 oz	195	1.33	114	1.25	137	1.00
Yogurt	Yogurt	32 oz	221	3.99	72	3.50	983	2.50

## 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 #	2.99-6.99	245	4.75	5.49-6.99	181	6.00	4.49-5.99	180	5.00
Cheese	Natural Varieties	8 oz block							3.29	180	3.29
Ice cream		48-64oz				3.99	1083	3.99			
Milk	All fat tests	half gallon	3.99-5.99	343	4.76				3.29-4.78	317	4.14
Milk	All fat tests	gallon							5.99	180	5.99
Milk	All fat tests	8 oz UHT	1.00-1.25	543	1.07						
Sour cream		16 oz							2.50	180	2.50
Yogurt	Greek	4-6 oz	0.60	62	.60						
Yogurt	Greek	32 oz	3.99	147	3.99						
Yogurt	Yogurt	4-6 oz				1.33	195	1.33			
Yogurt	Yogurt	32 oz	3.99	221	3.99						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				3.99	117	3.99			
Cottage cheese		16 oz	3.29	141	3.29						
Cream cheese		8 oz	2.50	141	2.50						
Ice cream		48-64oz				5.99	137	5.99			
Milk	All fat tests	half gallon	2.99	78	2.99	2.50	120	2.50	2.99	66	2.99
Sour cream		16 oz	2.49	114	2.49						

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	5.69	2	5.69			
Cream cheese		8 oz	2.79	11	2.79			
Egg nog		quart				3.99	3	3.99
Milk	All fat tests	half gallon				5.97	3	5.97

#### REGIONAL DEFINITIONS

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

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

Wtd Avg - Simple weighted average



# Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

Volume 83, Report 50

December 16, 2016

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