

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (2/24)**

BUTTER: Grade AA closed at \$2.1300. The weekly average for Grade AA is \$2.1294 (-.0116).

CHEESE: Barrels closed at \$1.5175 and 40# blocks at \$1.5750. The weekly average for barrels is \$1.5569 (-.0871) and blocks, \$1.5431 (-.0554).

NONFAT DRY MILK: Grade A closed at \$.8225. The weekly average for Grade A is \$.8550 (-.0375).

BUTTER HIGHLIGHTS: Butter production continues active, prompted by large cream supplies throughout the country. Current butter output is split between print and bulk packaging. Retail demand for print butter is improving ahead of the Q1 spring holiday season. Similarly, bulk butter sales to large-scale bakeries and food processors are active, too. Overall, bulk butter stocks are building into cold storage in many processing plants. This week, bulk butter pricing, across the country, is 4 cents below to 9 cents above, based on the CME Group with various periods and averages used. Friday at the CME Group, Grade AA butter closed at \$2.1300, down \$.0275 from last Friday.

CHEESE HIGHLIGHTS: Cheesemakers in the Midwest region have readily available milk. The ones in the West are getting their milk inside and outside the region due to milk intakes being suppressed by weather conditions. Cheese production is steady to abundant across the country, and the requests for cheese vary from region to region. The demand for cheese is seasonally slow in the West. In the Northeast, the drops in CME price prompt slightly higher cheese sales. However, buyers are holding on placing orders hoping for more declines in the price. There has been a CME barrel to block inversion since early February. Buyers are seeing this as a sign of market instability. Cheese inventories both Blocks and barrels are growing. In Western Europe, the demand for cheese is steady, with supplies available to cover it. In the CME Group trading Friday, barrels closed at \$1.5175 down \$0.1025 from last Friday. Blocks closed at \$1.5750 down \$0.005 from last Friday.

FLUID MILK: Milk yields are steady to higher in most regions this week. Although some parts of Idaho are still facing challenges brought by flooding, Milk volumes are slowly increasing in the state. California milk output is flat because of recent strong showery weather. There are also delays in milk deliveries and a decrease in farm milk components. Bottling demands are down in the

East, but steady in the Midwest and some areas of the West. Class I sales are lower in the Southeast, but fluctuate in the Midwest due to schools having spring break around the corner. Spot loads of milk are plentiful within the Midwest and surrounding states. Cream supplies are readily available in all parts of the United States. Some market actors sold class II cream at higher multiples in the East. In the Midwest, some of the flat market cream that was destined for butter churns changed hands. Cream multiples range .90 to 1.20 in the East, 1.04 to 1.20 in the Midwest, and .98-1.20 in the West.

DRY PRODUCTS: Around America, low/medium nonfat dry milk (NDM) prices shifted downward on the range and mostly pricing series this week. Some market participants are staying quiet, studying the market while other customers are finalizing spot market transactions in order to receive lower prices. In the West, some manufacturers are offering spot loads at a competitive rate. Currently, the demand for Low/medium NDM is light and sluggish internationally, while inventories are strongly building. The market undertone is unsteady. International buyers are cautious over currency and trade policies. With milk production continuing to climb, low/medium NDM production progresses. High heat NDM prices are steady to lower. Production remains at limited levels with the emphasis on low/medium NDM production. Inventories are light, but are in balance to cover contractual requirements. Dry buttermilk prices were mostly unchanged this week, but in the West, a few spot sales pulled down the bottom of the range price series. The demand for dry buttermilk is slightly above current supply. Production is sporadic because of the attention towards low/medium NDM production. Inventories are tightening, but are adequate to meet contract needs. Dry whole milk held steady on the price series this week. With the spring holidays approaching, baking and confectionary demand is improving. The market undertone is balanced and production is expected to be active in order utilize upcoming spring flows of milk. Dry whey prices held steady to higher in the price series this week. Demand is picking up throughout the United States but in the Northeast, some market participants sense a slowing demand in the market. However, in the Central, with continued international interest, export demand is trending upward. In all, the market undertone is stable. In the Central and Northeast, dry whey production is steady to

-CONTINUED ON PAGE 1A-

*******SPECIALS THIS ISSUE*******
 ORGANIC DAIRY MARKET NEWS (PAGES 8-8A)
 JANUARY MILK PRODUCTION (PAGE 9)
 MARCH FEDERAL MILK ORDER ADVANCE CLASS PRICES (PAGE 10)

JANUARY COLD STORAGE (PAGE 11)
 JANUARY CONSUMER PRICE INDEX (PAGE 12)
 DAIRY GRAPH (G1)
 NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY FEB 20	TUESDAY FEB 21	WEDNESDAY FEB 22	THURSDAY FEB 23	FRIDAY FEB 24	:: WEEKLY CHANGE *	:: WEEKLY AVERAGE #
CHEESE BARRELS	CME	\$1.6000 (-.0200)	\$1.5700 (-.0300)	\$1.5400 (-.0300)	\$1.5175 (-.0225)	:: (-.1025)	:: \$1.5569 (-.0871)
40# BLOCKS	CLOSED	\$1.5300 (-.0500)	\$1.5100 (-.0200)	\$1.5575 (+.0475)	\$1.5750 (+.0175)	:: (-.0050)	:: \$1.5431 (-.0554)
NONFAT DRY MILK GRADE A	NO	\$.8750 (+.0050)	\$.8700 (-.0050)	\$.8525 (-.0175)	\$.8225 (-.0300)	:: (-.0475)	:: \$.8550 (-.0375)
BUTTER GRADE AA	TRADING	\$2.1400 (-.0175)	\$2.1175 (-.0225)	\$2.1300 (+.0125)	\$2.1300 (N.C.)	:: (-.0275)	:: \$2.1294 (-.0116)

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-**

match surplus milk intakes. On the other hand, in the West from the emphasis on low/medium NDM production, dry whey production capacity is restrained. This week, whey protein concentrate 34% (WPC34%) held steady in the mostly price series, with prices moving higher at each end of the price range. Demand is strong for WPC 34% that meets infant formula necessities. Inventories are tight, and production is limited. A few end users are switching to NDM as a substitute to WPC34%. Currently, lactose prices are unchanged. Lactose 200 mesh with tight specifications continues to receive premium prices. The market undertone is steady and demand is generally strong. There is word that international demand is picking up, but there is potential pushback on prices from a few export markets. Inventories are tight to comfortable, with production steady. National prices for casein acid and rennet weakened this week. In some areas, inventories are ahead of demand, which has led to buyers feeling more in a stronger price position.

ORGANIC DAIRY MARKET NEWS (DMN): In New England, Federal Milk Market Order 1 reports that during January, 2017, organic whole milk utilization totaled 14.71 million pounds, up 9.7% from January, 2016. Organic reduced fat milk utilization for January this year, 21.24 million pounds, was down 2.7% from January last year. The national average organic milk mailbox price premium many organic dairy producers receive over conventional milk was \$19.05 for November 2016. This was calculated from the difference between the 12 month average national organic mailbox price, \$36.25, and the November All Federal Order Area conventional milk mailbox price, \$17.20. This week, organic milk accounts for 54% of organic dairy retail ad numbers by commodity, with a 37% decrease in ads over the previous period. Organic yogurt and cheese followed at 18% and 15%, respectively, of overall organic dairy advertisements for this survey week.

NATIONAL RETAIL REPORT (DMN): This week, total conventional dairy advertisement numbers decreased 24%, and organic dairy ads decreased 41%. Conventional 16 ounce cottage cheese ad numbers decreased 28%, but the weighted average advertised price increased to \$1.88. Conventional 8 ounce cream cheese advertisements decreased 16%, and the average price decreased to \$1.98. The collective number of conventional cheese ads decreased 23% while organic cheese ads increased 7%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.06. Ads for conventional 8 ounce shred cheese averaged \$2.12. Conventional yogurt ad numbers decreased 29%, and organic yogurt ad numbers decreased 41%. The average sale price for 4-6 ounce conventional yogurt is \$0.51, while 4-6 ounce organic yogurt averaged \$0.69, an organic price premium of \$0.18. The average advertised price for 4-6 ounce conventional Greek yogurt is \$0.98. There are no advertisements for 4-6 ounce organic Greek yogurt this week. Organic milk ad numbers decreased 37%, and ad numbers for conventional milk decreased 50%. The weighted average price for organic half gallon milk is \$3.74. For a conventional half gallon of milk, the average price is \$2.27, an organic price premium of \$1.47.

JANUARY MILK PRODUCTION (NASS): Milk production in the 23 major States during January totaled 17.0 billion pounds, up 2.7 percent from January 2016. December revised production, at 16.8 billion pounds, was up 2.6 percent from December 2015. The December revision represented a decrease of 2 million pounds or less than 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,957 pounds for January, 37 pounds above January 2016. This is the highest production per cow for the month of January since the 23 State series

began in 2003. The number of milk cows on farms in the 23 major States was 8.69 million head, 67,000 head more than January 2016, and 5,000 head more than December 2016.

MARCH FEDERAL MILK ORDER ADVANCE CLASS PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for March 2017 is \$16.90 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$8.65 and the advanced butterfat pricing factor of \$2.4428. 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 \$0.17 per cwt when compared to the previous month of February 2017. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.19 per cwt, \$0.016 per gallon; reduced fat milk (2%), \$0.29 per cwt, \$0.025 per gallon; fat-free (skim milk), \$0.41 per cwt, \$0.035 per gallon. The advanced Class IV skim milk pricing factor is \$7.30. Thus, the Class II skim milk price for March 2017 is \$8.00 per cwt, and the Class II nonfat solids price is \$0.8889. The two-week product price averages for March 2017 are: butter \$2.1887, nonfat dry milk \$0.9875, cheese \$1.6889 and dry whey \$0.4876.

JANUARY COLD STORAGE (NASS): On January 31, U.S. cold storage holdings of butter totaled 223.1 million pounds, up 34 percent from the previous month and 16 percent above January 2016. Natural American cheese holdings total 760.7 million pounds, 5 percent higher than the previous month, and 6 percent above January 2016. Total natural cheese stocks were 1.233 billion pounds, 3 percent above last month, and 5 percent more than January 2015.

JANUARY CONSUMER PRICE INDEX (BLS): The January CPI for all food is 248.2, down 0.2% from a year ago. The dairy products index is 219.8, down 0.5% from a year ago. The following are the January to January changes for selected products: fresh whole milk is down 1.0%; cheese is down 1.6%; and butter is down 1.9%.

MONDAY, FEBRUARY 20, 2017
CME CLOSED

TUESDAY, FEBRUARY 21, 2017

CHEESE -- SALES: 5 CARS BARRELS @ \$1.6000; 5 CARS 40# BLOCKS: 1 @ \$1.5525, 1 @ \$1.5425, 3 @ \$1.5300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS BARRELS @ \$1.6000; 1 CAR 40# BLOCKS @ \$1.5400
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 5 CARS GRADE A: 1 @ \$0.8500, 1 @ \$0.8475, 1 @ \$0.8400, 1 @ \$0.8750, 1 @ \$0.8500; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS GRADE AA @ \$2.1400

WEDNESDAY, FEBRUARY 22, 2017

CHEESE -- SALES: 4 CARS 40# BLOCKS: 1 @ \$1.5225, 1 @ \$1.5125, 1 @ \$1.5050, 1 @ \$1.5100; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5075; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5700; 1 CAR 40# BLOCKS @ \$1.5200
NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8700; LAST BID UNFILLED: 3 CARS GRADE A: 1 @ \$0.8400, 1 @ \$0.8525, 1 @ \$0.8550; LAST OFFER UNCOVERED: 9 CARS GRADE A: 5 @ \$0.9500, 1 @ \$0.9075, 1 @ \$0.8800, 1 @ \$0.9000, 1 @ \$0.8700
BUTTER -- SALES: 1 CAR GRADE AA @ \$2.1175; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

THURSDAY, FEBRUARY 23, 2017

CHEESE -- SALES: 20 CARS BARRELS: 9 @ \$1.5700, 1 @ \$1.5400; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5575; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5500
NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8525; LAST BID UNFILLED: 2 CARS GRADE A: 1 @ \$0.8350, 1 @ \$0.8500; LAST OFFER UNCOVERED: 3 CARS GRADE A: 1 @ \$0.8550, 1 @ \$0.8600, 1 @ \$0.8575
BUTTER -- SALES: 1 CAR GRADE AA @ \$2.1150; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1300; LAST OFFER UNCOVERED: NONE

FRIDAY, FEBRUARY 24, 2017

CHEESE -- SALES: 20 CARS BARRELS: 1 @ \$1.5350, 1 @ \$1.5175, 11 @ \$1.5200, 1 @ \$1.5225, 5 @ \$1.5200, 1 @ \$1.5175; 1 CAR 40# BLOCKS @ \$1.5750; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5100; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5300; 1 CAR 40# BLOCKS @ \$1.5800
NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 2 @ \$0.8200, 1 @ \$0.8175, 1 @ \$0.8250, 1 @ \$0.8275, 1 @ \$0.8200, 2 @ \$0.8225; LAST BID UNFILLED: 2 CARS GRADE A: 1 @ \$0.8150, 1 @ \$0.7900; LAST OFFER UNCOVERED: 4 CARS GRADE A: 2 @ \$0.8500, 2 @ \$0.8300
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1600

BUTTER MARKETS

NORTHEAST

Butter makers hint there is sufficient in-house cream available for churning needs. When desirable, some butter producers are taking advantage of opportunities to acquire extra cream loads for butter production needs, at below market prices. With churns running at seasonally active rates, butter stocks are building and will likely provide for the upcoming Easter and Passover holidays. The bulk price for domestic butter sales are 5 to 8 cents over the CME Group, with various time frames and averages used. On the national level print retail ads rose moderately. However, feature activity in the Northeast region spiked sharply, as outlets anticipate growing holiday interest. Currently, butter market demand varies as prices fluctuate. According to the DMN *National Retail Report-Dairy*, for the period of February 17-23, 2017, the Northeast weighted average price for 1-pound butter was \$3.48, up 29 cents from last week, and 17 cents higher than the current national average price. The Northeast reported price range was \$2.49-\$4.59.

CENTRAL

Cream remains readily available for butter producers in the Central U.S. this week. Cream interest from Class II operations is beginning to increase, so competition for cream may escalate as early as next week. With current surplus cream however, butter production is active. Demand reports vary. Some producers are seeing an uptick in bulk sales, as large scale bakeries are buying butter in preparation for spring holidays. Other producers are reporting steady retail and bulk sales this week, while expectations are that orders will increase in the upcoming weeks. Inventories of butter are building. The market tone is steady. DMN *National Retail Report-Dairy* for

February 17-23 noted the national weighted average advertised price for a 1 pound package of butter is \$3.31, \$0.27 above one week ago, but \$0.13 lower than one year ago. The weighted average regional prices in the Midwest and South Central were \$2.86 and \$3.00, respectively. Bulk butter prices reported ranged from 1 to 4 cents over the market, with various periods and averages used. Wednesday at the CME Group, Grade AA butter closed at \$2.1175, down \$.0400 from last Wednesday.

WEST

Western butter makers report plentiful cream. Some manufacturers are trying to sell off excess cream with mixed results. Butter production is active and processors are focusing a little more heavily on making print butter in advance of the spring holiday season. Butter inventories are building for both short and long term butter needs. A few manufacturers are also making bulk butter for late year needs with the plentiful cream and as scheduling allows. Domestic butter demand is steady with most butter moving through current contracts. Bulk butter pricing in the West this week is 4 cents below to 3 cents above, based on the CME Group with various time frames and averages used. The DMN *National Retail Report-Dairy* for the week of February 17-23 found that the U.S. weighted average advertised price of 1 pound butter is \$3.31, up \$.27 from last week. The U.S. weighted average price was \$3.44 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.72 with a price range of \$0.99-\$3.50. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.86 with a price range of \$2.50-\$4.49. The Grade AA butter price at the CME Group on Wednesday closed at \$2.1175, down \$.0400 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
February 18, 2017	2.1640 4,829,637	1.7134 13,520,767	1.6620 11,874,071	.4940 6,108,346	.9820 11,874,320

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

CHEESE MARKETS

NORTHEAST

Eastern cheese output is steady as seasonal milk volumes clear to Class III processing plants. The market continues to see slightly improved cash sales activity prompted by CME price drops. However, cheese buyers in general remain hesitant to place orders now, with expectations of continued declines. Hence, stocks overall are growing. Inventory rebuilding and cheddar aging programs have mostly supported a stabilized market but supply apprehensions linger heading into the seasonal spring peak productions period. Block and barrel interests range from relaxed to moderate. Meanwhile, mozzarella sales are irregular and often lighter. Cream cheese and kosher cream cheese processing is active for the upcoming Easter and Passover holiday.

This week, a cooperative export assistance program accepted requests for export assistance to sell 1.347 million pounds (611 metric tons) of cheddar cheese. Weekly average cheese prices at the CME Group drooped lower last week. As a result, barrels slipped \$0.0350, and blocks skidded \$0.0375. Prices for Grade A Swiss are steady. Tuesday's CME Group daily cash prices saw barrels close at \$1.6000, down \$0.0500 from a week ago; blocks closed at \$1.5300, down \$0.0800 from a week ago. The DMN *National Retail Report-Dairy*, February 17-23, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.27, 3 cents below the national average, with a regional price range of \$1.49-\$3.00. The Southeast 8 oz. block average price was \$2.20, 10 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 \$2.28, 3 cents below the national average price, with a regional price range of \$1.49-\$2.99. In the Southeast, the average price for 8 oz. shreds was \$2.24, 7 cents below the national average, with prices ranging \$1.49-\$2.50.

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

Cheddar 40# Block	:	2.0600-2.3450
Process 5# Sliced	:	1.7775-2.2575
Muenster	:	2.0450-2.3950
Grade A Swiss Cuts 10 - 14#	:	3.3100-3.6325

MIDWEST

Milk is abundant for cheesemakers in the Midwest this week. Cheese production is active. Cheese producers are trying to balance their inventories while maintaining production levels that coincide with the surplus milk receipts. Demand reports vary somewhat. Some cheese manufacturers report fluctuations in demand week by week, inconsistent with past years. Other producers report a general slowdown in demand, characteristic of this time of year. Some cheese producers are reporting that buyers are viewing the CME barrel to block inversion as a sign of instability on the market. Blocks, which have typically hovered slightly above barrels, have been lagging behind barrels since early February. Inventories of blocks and barrels are long. In CME Group trading Wednesday, barrels closed at \$1.5700, down \$.0800 from last Wednesday and blocks closed at \$1.5100, down \$.0950 from last Wednesday. The DMN *National Retail Report-Dairy* shows that February 17-23 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.29, 2 cents below the national average. Midwest prices range from \$1.75-\$2.79. One year ago, the national price was \$2.37. For 8 ounce blocks, the Midwest average price is \$2.19, 11 cents below the national average price. Midwest ads are priced from \$1.75-\$2.49. Last year, the national price was \$2.32. This week, a cooperative export assistance program accepted requests for

1.347 million pounds (611 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 8.374 million pounds of cheese in export markets. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.0350 for process and down \$.0375 for all other types.

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

Process American 5# Loaf	:	1.7350-2.0950
Brick And/Or Muenster 5#	:	1.9650-2.3900
Cheddar 40# Block	:	1.6925-2.0875
Monterey Jack 10#	:	1.9400-2.1450
Blue 5#	:	2.2325-3.2200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7650-2.7050
Grade A Swiss Cuts 6 - 9#	:	2.8275-2.9450

WEST

Western cheese production is steady and active. Although poor weather conditions in parts of the West have suppressed milk intakes, manufacturers are able to acquire loads of milk or condensed skim from inside and outside the region to keep production schedules full. Demand is seasonally lower at this time of year, but many processors are seeing a steady pull of cheese stocks from regular customers. New inquiries for cheese are a little slow to develop. Cheese stocks are rising and most industry contacts suggest both barrel and block inventories are heavy. The DMN *National Retail Report-Dairy* for the week of February 17-23 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.31, down \$.05 from last week. Packs average \$2.54 in the Southwest and \$2.29 in the Northwest. One year ago, the national price was \$2.37. For 8 ounce blocks, the U.S. price is \$2.30 up \$.04 from last week. Blocks average \$2.56 in the Southwest and \$2.78 in the Northwest. One year ago, the national price was \$2.32. In the West, wholesale prices are down \$.0350 for process, and down \$.0375 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted 6 requests for export assistance on contracts to sell 1.347 million pounds (611 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 8.4 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.5700, down \$.0800 from a week ago and blocks closed at \$1.5100, down \$.0950.

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

Process 5# Loaf	:	1.7225-1.9800
Cheddar 40# Block	:	1.7250-2.1700
Cheddar 10# Cuts	:	1.9050-2.1250
Monterey Jack 10#	:	1.9150-2.0750
Grade A Swiss Cuts 6 - 9#	:	2.8875-3.3175

FOREIGN TYPE CHEESE

Demand for cheese manufactured in Western Europe is steady. Supplies have been available to meet current demand although, only by dipping into manufacturer inventories. The weaker Euro is helping to boost export opportunities. For the coming weeks leading to Easter, internal European demand for cheese is expected to increase.

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3A

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.1100-3.5975*
Gorgonzola	: 3.6900-5.7400	: 2.6175-3.3350*
Parmesan (Italy)	: -0-	: 3.5000-5.5900*
Romano (Cows Milk)	: -0-	: 3.3000-5.4500*
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-	: 3.3475-3.6700
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 : CHEESE</u>	
	:	
02/20/17	20,339	: 87,800
02/01/17	16,304	: 83,541
CHANGE	4,035	: 4,259
% CHANGE	25	: 5

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	140	0	125	0	100
SOUTHEAST STATES	0	0	0	0	0	0

Throughout the Eastern region of the United States, milk production is gradually climbing, making production close to peak. Showery weather appears in the East this week, but is not expected to dampen production. With Southeastern milk production slightly scaling, the ample volumes of milk are moving to manufacturing plants. This week in parts of the East, bottling orders are down. Class I sales in the Southeast dropped off a tad, and do not expect to rise soon. Florida's milk shipments will export around 140 this week. Presently, **cream** multiples range **.90 to 1.20**. Some Northeastern market activity participants sold a few class II cream sales at the higher end of the range this week. In all, the Eastern cream quantity is readily accessible. The Eastern **condensed skim** market remained steady this current week. Condensed skim marketers report purchases are being made, and have additional loads to sell. According to the DMN *National Retail Report-Dairy*, for February 17-23, 2017, the U.S. weighted average advertised price for a half gallon of milk was \$1.48, down \$0.94 cents compared to last week, and a decrease of \$1.06 from last year. The Northeast weighted average price for a half gallon of milk was \$1.53.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during January 2017 totaled 17.0 billion pounds, up 2.7% from one year ago. Eastern states' milk production are as follows:

January 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	225	- 1.3
New York	1,261	+ 3.8
Pennsylvania	927	+ 2.0
Vermont	233	+ 1.3
Virginia	149	- 0.7

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-	1.9270-2.5692
F.O.B. producing plants: Upper Midwest-	2.2266-2.5692

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.30-1.04
Northeast - Class III - spot prices -	.30-.91

MIDWEST

Milk production is building across the central region. Some parts of the South Central area received beneficial precipitation that will help winter grains and early season pastures. Record warm temperatures are prompting some industry contacts to suggest the North Central region may have an early and strong spring flush. Feedstocks are in good supply, and an early spring would help assure adequate forages are available through the expected first hay harvest of 2017. Bottling demand is steady and pulling good volumes. Some contacts note a

little fluctuation of Class I interest due to schools having spring breaks approaching, but the overall impact is fairly small. There is plenty of milk available for Class III producers. Some processors are trying to slow down production a little as a way to control the buildup of cheese inventories. Other manufacturers are content to use the available milk to keep cheese facilities at full capacity. Spot loads of milk are readily available from within the region and neighboring states. Spot load prices range from \$2.00 under to \$1.00 over Class and vary depending on location and expected end use of the milk. A few contacts report loads of milk and condensed skim are also moving into the near western regions. Class II demand is steady. Ice cream manufacturing is ongoing and production of other Class II dairy products are building. Demand from Class IV producers is mixed. A few manufacturers are trying to hold back production, feeling some hesitancy of putting butter into cold storage while the CME butter price is over \$2.10, but others are willing to take a few loads of cream at lower multiples and produce print butter for the upcoming spring holiday season. Cream is plentiful. Class II cream prices are slightly higher, 1.04 – 1.20. A few industry contacts note that some flat market cream also changed hands that was destined for butter churns. The DMN *National Retail Report-Dairy* for February 17-23 noted the national weighted average advertised price for one gallon of milk was \$2.62, down \$0.23 from a week ago, but \$0.25 higher than a year ago. The weighted average regional prices in the Midwest and South Central were \$2.19 and \$3.25, respectively. The NASS *Milk Production report* noted January 2017 milk production in the 23 selected states was 17.0 billion pounds, 2.6% above a year ago. Milk cows in the 23 selected states totaled 8.7 million head, 67,000 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:

January 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	164	...
Indiana	359	+ 2.0
Iowa	433	+ 3.8
Kansas	294	+ 8.5
Michigan	927	+ 3.5
Minnesota	828	+ 1.7
Ohio	466	- 0.6
South Dakota	218	+ 2.8
Texas	995	+19.2
Wisconsin	2,541	+ 1.0

WEST

Recent heavy storms in California are causing multiples road closures and delays in farm milk deliveries. Milk output is flat this week. Cows are also uncomfortable with current weather conditions, leading to farm milk components being low. According to the California Department of Water Resources, the water content of the Sierra Nevada snowpack is 188% above normal for this time of the year. This is allowing dairy producers to safeguard enough water for the coming months. Producers anticipate more flooding in Northern California and are taking contingents measures in case there is a need to move cows along the San Joaquin River. The requests for Class 1 are mixed. In Arizona, milk output is plentiful, rapidly getting close

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

January 2017 Milk Production, (USDA-NASS)

to the seasonal flush level. The region is oversupplied with milk, and balancing plants have their dryers full to capacity, turning their milk into Class IV. Some of the milk is sent out-of-state to be processed. Bottled milk demand is steady as school pipelines are full. Milk processing into Class II is higher ahead of the upcoming Easter holiday. Milk production is higher in New Mexico this week following seasonal trends. Weather conditions are still favorable, allowing higher farm milk production and good quality output. System-wide holdovers remain high throughout the state due to repair and maintenance matters. Manufacturers do not have enough capacity to process all their milk intakes. Therefore, they continue clearing some of their stocks to Colorado and Texas to meet processing needs. Sales into Class I are slightly down, but up into Class II. Pacific Northwest milk production is following seasonal patterns. Farmers in some areas are still dealing with wet conditions, but milk intakes are generally in good balance with processing needs. Bottling demand is steady. Manufacturers are clearing good volumes of milk through processing facilities. Milk production conditions are gradually improving in the mountain states of Idaho, Utah and Colorado. However, parts of Idaho are still facing considerable challenges brought on by flooding. Lots of water from rapid snow melt, following cold temperatures, had no way to soak into the frozen ground. Streams and canals overflowed and water quickly backed up into low areas. Dairy farms close to the canal systems were hardest hit. A number of dairy farms were forced to either temporarily relocate, or deal with the flooded and muddy paddocks as best they could. Industry contacts say cull rates are rising and many hospital barns are full. In addition, hay stacks and silage piles that were flooded are significantly degraded and may not be useable. Milk production has decreased within the state. Some milk is moving from Class IV facilities to Class III facilities. There are also a few loads of milk and condensed skim milk coming in from Midwestern and Southwestern states to keep cheese plants at capacity. According to the DMN *National Retail Report-Dairy* for the week of February 17-23, the national weighted average advertised price for one gallon of milk is \$2.62, down 23 cents from last week but 25 cents higher from a year ago. The weighted average regional price in the Southwest is \$3.03, with a price range of \$2.50-\$3.28. The weighted average regional price in the Northwest is \$1.89, with no price range. Condensed skim milk volumes are clearing into dryers for NDM and skim milk powder processing. Some manufacturers are pulling more volumes from the Midwest to the West. Cream supplies are plentiful in the region. Some processors are churning cream into butter. The demand from ice cream and cream cheese makers remains strong as Easter holidays are getting close. Cream multiples are .98-1.20. The NASS *Milk Production report* noted January 2017 milk production in the 23 selected states was 17 billion pounds, 2.7% above a year ago. Milk cows in the 23 selected states totaled 8.69 million head, 67,000 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:

	(Million Lb.)	% Change From Year Ago
Arizona	414	+ 0.7
California	3,413	- 0.6
Colorado	341	+ 6.6
Idaho	1,191	+ 1.0
New Mexico	679	+15.3
Oregon	211	- 2.8
Utah	177	+ 2.3
Washington	553	- 0.4

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 (NDM) f.o.b. spot prices are lower on the range and the mostly series. Price changes for NDM result from adjustments based on spot sales and pricing indices. NDM spot offers are available, but some end users report being content with current supplies. With available milk, production of NDM continues at active levels. Demand is not matching increased inventories, and questions remain about export and trade deals. Contacts continue to report that NDM inventories are more than sufficient. The NDM market tone is unsteady. High heat NDM prices are unchanged. Production of high heat NDM continues at limited levels. End users report working through contracts, and spot market interest is sporadic. The market tone is steady. Inventories are light, but are adequate to cover contract needs.

EAST: F.O.B. spot prices for eastern low/medium heat nonfat dry milk (NDM) shifted down in the range as well as in the mostly pricing series. The market undertone is unsettled. Spot trading is light as most sales are driven by contract requirements. Some buyers/end users remain quiet, studying the market. Meanwhile, other NDM customers continue putting pressure on the spot market in order to get lower prices. There are plenty of offer from manufacturers. Condensed skim volumes, prompted by robust regional farm production, are more than adequate for NDM processing. As a result, NDM inventories are steady to building. High heat nonfat dry milk prices are steady on very light trading. High heat NDM production is sporadic as most processors are focusing on low/medium heat NDM production. Inventories are tight in the spot market, but are sufficient to cover contractual needs.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 0.8500 - 1.0300 MOSTLY: .9350 - .9900
HIGH HEAT: 1.0500 - 1.1600

NONFAT DRY MILK - WEST

F.O.B. spot prices for western low/medium heat nonfat dry milk (NDM) are mixed. However, prices in the mostly series are down, following downward trends on various indices. This week, most sales are based on Q1 contracts, while spot trading is light. There is a lot of uncertainty in the market. Many buyers are taking a wait and see attitude, trying to understand what is happening in the market. Meanwhile, some consumers continue to put pressure on NDM sellers in order to get lower prices. Mexican buyers are also cautious over trade policies and currency. NDM demand from Mexico is sluggish. Back to the U.S., some processors are trying to clear NDM inventories ahead of the upcoming spring flush. Thus, there are sufficient spot offers from manufacturers to traders/buyers at competitive prices. With large condensed skim intakes clearing into dryers, low/medium heat NDM production is ongoing. As a result, inventories are building. High heat nonfat dry milk prices are steady to lower. A few spot loads pulled down the top of the range, in line with low/medium heat NDM descending price movements. Production is sporadic, mostly dictated by contractual needs. Inventories in the spot market are limited, but are in balance to cover contract requirements.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 0.8150 - 1.0300 MOSTLY: .9300 - .9850
HIGH HEAT: 1.0500 - 1.1450

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
February 17	\$1.0099	4,705,718
February 10	\$0.9979	6,987,532

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: In the Central region, dry buttermilk prices are unchanged on light trading. The market undertone is steady to firm. Demand of dry buttermilk is active as springtime ordering season is gearing up. However, increasing dry buttermilk demand is slightly above the current supply. Dry buttermilk production is limited as processors are placing emphasis on converting large condensed skim intakes into NDM. Therefore, dry buttermilk inventories are steady to tight.

EAST: In the East, dry buttermilk prices are unchanged on light trading. The market undertone is steady. Demand for dry buttermilk is mixed throughout different market channels. Dry buttermilk production is sporadic as most processors are focusing on converting large condensed skim intakes into NDM. Some processors continue clearing condensed buttermilk mainly into Class II in order to circumvent drying time. Dry buttermilk inventories are tight in the spot market, but are sufficient to meet contractual needs.

F.O.B. CENTRAL/EAST: .9050 - 1.0500

DRY BUTTERMILK - WEST

In the West region, dry buttermilk f.o.b. spot prices are mixed on a wider range, as a few spot sales pulled down the bottom of the range. However, prices held steady on the mostly series. Drying schedules for condensed buttermilk are limited as balancing plant operators are placing emphasis on clearing large condensed skim loads into NDM and SMP. Furthermore, some processors are using condensed buttermilk internally, while others are selling some loads to ice cream makers. As a result, dry buttermilk supplies continue to be tight in the spot market. Thus, spot trading activity is light.

F.O.B. WEST: .9300 - 1.0500 MOSTLY: .9800 - 1.0200

DRY WHOLE MILK - NATIONAL

National dry whole milk f.o.b. spot prices are steady on light trading. At this point, the market undertone is balanced. Demands from the bakery and confectionary sectors are improving as the spring holidays are approaching. Dry whole milk processing is steady from last week. However, production rates are expected to be higher ahead of the spring flush. Stocks levels are adequate to cover contractual needs.

F.O.B. PRODUCING PLANT: 1.4000 - 1.6000

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

In the Central region, dry whey prices moved higher on both ends of the mostly price series and at the bottom of the price range. Production is steadily increasing to match surplus milk intakes. With continued interest from Southeast Asia, export demand is trending upward. Reports vary on spot trading. Some end users are content with current contracts and are hesitant to buy on the spot market, while other contacts suggest requests are occurring regularly. Inventories are adequate, but reportedly tightening. Animal feed whey prices are unchanged. Some industry contacts say manufacturers are floating out a few more offers for animal feed whey.

F.O.B. CENTRAL: .4300 - .5700 MOSTLY: .4550 - .5050
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3375 - .4450

DRY WHEY - NORTHEAST

Northeastern whey prices are unchanged this week. Manufacturers are making a few spot offers, but most dry whey is moving well through existing contracts. Industry contacts suggest the market tone is still strong, but some market participants sense a slowing market demand. Dry whey inventories are comfortable to tight and production is steady.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4450 - .5300

DRY WHEY - WEST

Western whey prices are steady. Although end users are able to find available sweet whey powder as needed, industry contacts say whey stocks are generally tight. Restraints on production capacity have limited the number of dry whey spot offers. Industry contacts suggest traders have grown quiet as they take a wait and see approach to whey markets. Some price sensitive buyers are starting to push back on prices at the top of the range, but other industry participants have yet to see much hesitancy.

NONHYGROSCOPIC: .4400 - .5700 MOSTLY: .4600 - .5300

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for whey protein concentrate 34% moved higher on the range, but held steady on the mostly price series. Resales are active and often at prices well above published WPC34% prices. Some manufacturers continue to get bids at the top end of the price range. However, a few industry contacts suggest overages on available loads are coming down somewhat. Inventories remain tight and manufacturers are not making many spot offers. Limited production is restricting available WPC34% supply to current contracted amounts. Demand is strong for WPC 34% that meets infant formula requirements, but easing for WPC34% that is interchangeable with other protein sources. A few end users report switching to nonfat dry milk as a substitute to WPC34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .8900 - 1.1625 MOSTLY: .9300 - 1.0650

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged and the market tone is steady. Manufacturers suggest inventories are tight to comfortable. Industry contacts report 200 mesh lactose that has tight specifications is in short supply and continues to receive premium prices. However, lower mesh lactose is more readily available and a few contacts say they are still able to find deals for lactose at the bottom of the price range. Lactose production is steady. Market demand is generally strong. A few industry contacts suggest demand from China is picking up, but some processors say they are getting push back on prices from a few export markets. At the GDT Event 182 on February 21, lactose prices across all contract periods averaged \$0.4382 per pound, up 6.8%.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2400 - .5800 MOSTLY: .3400 - .4100

CASEIN - NATIONAL

Casein acid and rennet prices weakened. While substantial sales are based on Q1 contracts, volumes of spot sales ticked up a bit from recent weeks. Inventories are leading demand in some areas, which has led to buyers feeling more in position to negotiate from a stronger position. This is pressuring prices. At GDT event 182 on February 21, the rennet casein all contracts price declined 5.8%.

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: 2.8500 - 2.8900
ACID: 2.8800 - 2.9800

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

<u>WEEK ENDING</u>	2017 WEEKLY <u>DAIRY COWS</u>	2017 <u>CUMULATIVE DAIRY COWS</u>	2016 WEEKLY <u>DAIRY COWS</u>	2016 <u>CUMULATIVE DAIRY COWS</u>
02/04/2017	66.4	313.1	64.6	369.5

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)

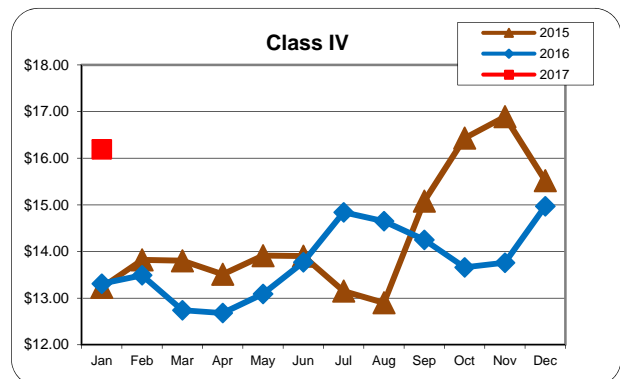
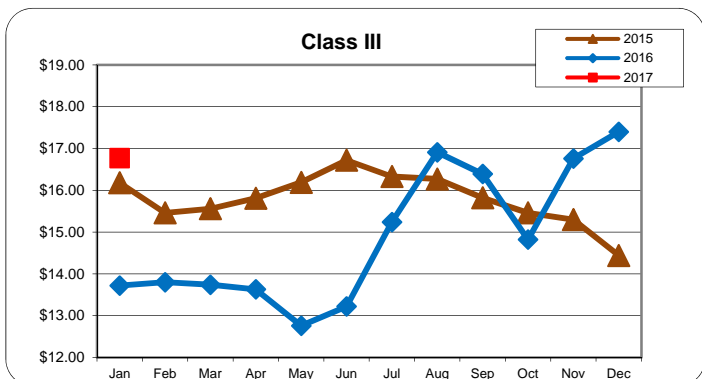
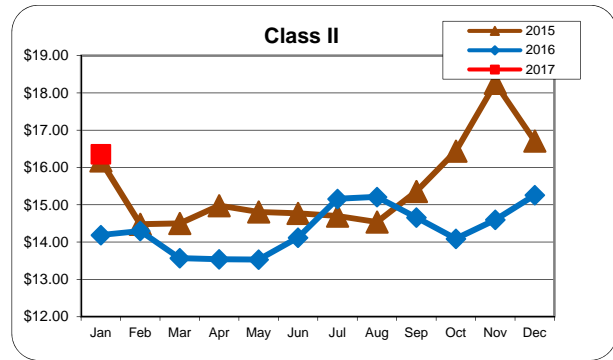
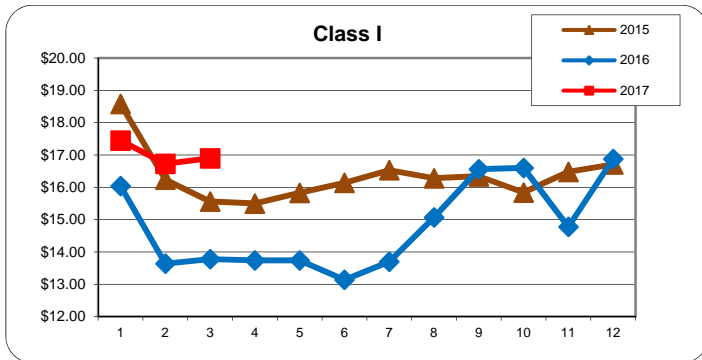
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44
2016	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91	16.39	14.82	16.76	17.40

CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2016	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65	14.25	13.66	13.76	14.97

FEDERAL MILK ORDER CLASS PRICES FOR 2017 (3.5%)[illegible]

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 February 13 - 24, 2017

ORGANIC DAIRY FLUID OVERVIEW

Organic Milk Producer Pay Price Premium over Conventional Milk. The national average organic milk mailbox price premium many organic dairy producers receive over conventional milk was \$19.05 for November 2016. This was calculated from the difference between the 12 month average national organic mailbox price, \$36.25, and the November All Federal Order Area conventional milk mailbox price, \$17.20. This premium is calculated by reference to publicly released data of a national organic dairy brand which sets prices separately for each of 17 regions based on geography and/or whether the organic milk is 100% grass-fed or not. The processor's 12 month average mailbox price nationally, is derived from the 17 regional prices which range from a low of \$33.43 in the Midwest, and Colorado for organic milk, to a high of \$39.68 in New England for organic grass-fed milk. In contrast, the most recently released monthly conventional milk mailbox price for June 2016 for all federal milk order areas is determined from area reports where the low was New Mexico at \$15.71, and the high was \$18.51 for Wisconsin. California, not included in the federal milk order system, had a November 2016 mailbox milk price of \$16.78.

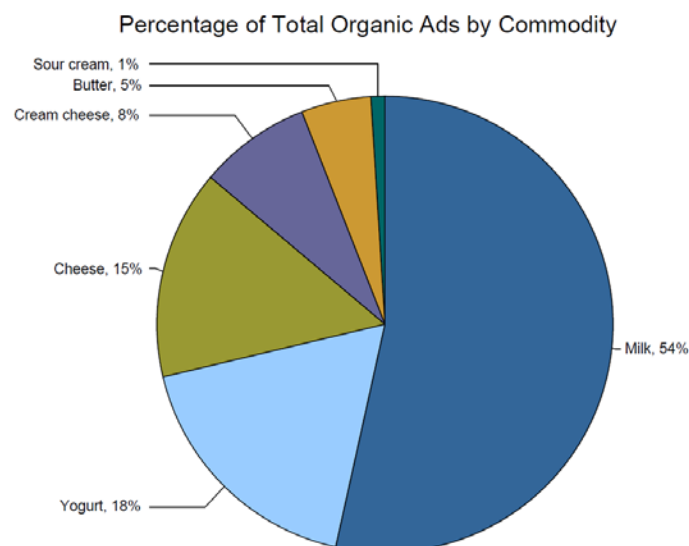
January Organic Milk Sales and Sourcing – New England. In New England, Federal Milk Market Order 1 reports utilization of types of organic milk by pool plants. During January, 2017, organic whole milk utilization totaled 14.71 million pounds, up 9.7% from January, 2016. The January, 2017 butterfat content was 3.29%, even with 3.29% in 2016. Organic reduced fat milk utilization for January this year, 21.24 million pounds, was down 2.7% from January last year. Butterfat this January was 1.28%, up from 1.19% last year.

ORGANIC GRAIN AND FEEDSTUFF MARKETS: Grower bids on feed grade organic grains were steady, with instances of \$1.75 higher. Feed grade organic corn demand is moderate to good, with active trading and prices steady to firm. Organic feed soybeans traded \$0.68 lower on a light test, with demand being light to moderate. Organic soybean meal traded \$8.33 per ton, lower on limited trades. Organic soybean oil traded mostly \$0.38/lb. on light demand with trade activity slow and prices steady. Organic wheat trades are slow with a steady undertone. Forward contract activity is good on organic corn and soybeans. Organic hay trades are too limited to trend. Trading activity on all other organic grains is inactive.

More information is available using this link:
www.ams.usda.gov/mnreports/lbncor.pdf

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk accounts for 54% of organic dairy retail ad numbers by commodity, with a 37% decrease in ads over the previous period. Organic yogurt and cheese followed at 18% and 15%, respectively, of overall organic dairy advertisements for this survey week. The remaining percentages for organic dairy commodities are shown in the following pie chart.



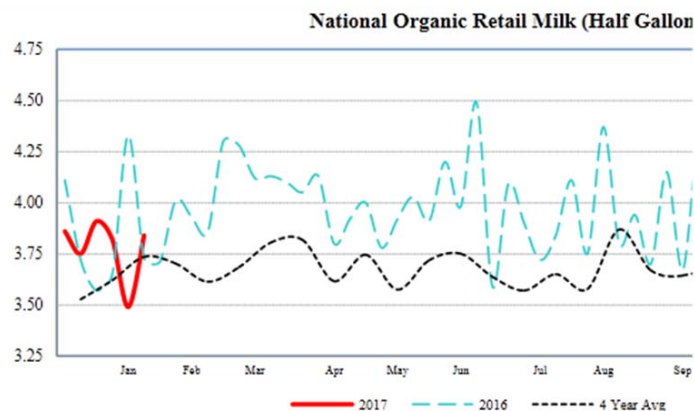
Data source/graph USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from February 24-March 2, 2017, identifying weekly specials and containing organic dairy content. Retail survey 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
Butter	\$5.61	\$5.07	\$5.39
Milk			
Half gal.	\$3.74	\$3.83	\$3.93
Gal.	\$5.99	...	\$5.95
8 oz.	...	\$1.02	\$1.00
Yogurt			
4-6 oz. Greek	...	\$1.19	\$1.36
32 oz. Greek	\$5.99	\$5.01	\$5.99
4-6 oz. Yogurt	\$.69	\$1.58	\$1.26
32 oz. Yogurt	\$2.88	\$4.24	\$2.61



Data source/graph USDA Dairy Market News

CONTINUED ON PAGE -8A-

ORGANIC DAIRY MARKET NEWSInformation gathered February 13 - 24, 2017

CONTINUED FROM PAGE -8-

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

January Milk Production

Milk production in the 23 major States during January totaled 17.0 billion pounds, up 2.7 percent from January 2016. December revised production, at 16.8 billion pounds, was up 2.6 percent from December 2015. The December revision represented a decrease of 2 million pounds or less than 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,957 pounds for January, 37 pounds above January 2016. This is the highest production per cow for the month of January since the 23 State series began in 2003.

The number of milk cows on farms in the 23 major States was 8.69 million head, 67,000 head more than January 2016, and 5,000 head more than December 2016.

January 2017 Milk Cows and Milk Production, by States							
State	Milk Cows ¹		Milk per Cow ²		Milk Production ²		
	2016	2017	2016	2017	2016	2017	Change from 2016
	(thousands)		(pounds)		(million pounds)		(percent)
AZ	195	196	2,110	2,110	411	414	0.7
CA	1,769	1,755	1,940	1,945	3,432	3,413	-0.6
CO	148	155	2,160	2,200	320	341	6.6
FL	126	122	1,810	1,845	228	225	-1.3
ID	588	600	2,005	1,985	1,179	1,191	1.0
IL	94	93	1,745	1,765	164	164	---
IN	184	186	1,915	1,930	352	359	2.0
IA	210	215	1,985	2,015	417	433	3.8
KS	142	151	1,905	1,950	271	294	8.5
MI	413	425	2,170	2,180	896	927	3.5
MN	460	460	1,770	1,800	814	828	1.7
NM	310	325	1,900	2,090	589	679	15.3
NY	620	621	1,960	2,030	1,215	1,261	3.8
OH	266	262	1,765	1,780	469	466	-0.6
OR	126	124	1,720	1,700	217	211	-2.8
PA	530	525	1,715	1,765	909	927	2.0
SD	112	116	1,890	1,875	212	218	2.8
TX	455	494	1,835	2,015	835	995	19.2
UT	94	92	1,845	1,925	173	177	2.3
VT	131	129	1,755	1,805	230	233	1.3
VA	91	87	1,645	1,710	150	149	-0.7
WA	277	275	2,005	2,010	555	553	-0.4
WI	1,280	1,280	1,965	1,985	2,515	2,541	1.0
23 State Total	8,621	8,688	1,920	1,957	16,553	16,999	2.7

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*, (February 2017).

FEDERAL MILK ORDER ADVANCE CLASS PRICES, MARCH

Base Class I Price: Under the Federal milk order pricing system, the base Class I price for March 2017 is \$16.90 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$8.65 and the advanced butterfat pricing factor of \$2.4428. 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 \$0.17 per cwt when compared to the previous month of February 2017. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.19 per cwt, \$0.016 per gallon; reduced fat milk (2%), \$0.29 per cwt, \$0.025 per gallon; fat-free (skim milk), \$0.41 per cwt, \$0.035 per gallon.

Class II Price Information: The advanced Class IV skim milk pricing factor is \$7.30. Thus, the Class II skim milk price for March 2017 is \$8.00 per cwt, and the Class II nonfat solids price is \$0.8889.

Product Price Averages: The two-week product price averages for March 2017 are: butter \$2.1887, nonfat dry milk \$0.9875, cheese \$1.6889 and dry whey \$0.4876.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1 2}				
Federal Milk Order Marketing Area ³	Order Number	March 2017		
		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	20.15	11.90	2.4753
Appalachian (Charlotte) ⁵	005	20.30	12.05	2.4768
Florida (Tampa) ⁶	006	22.30	14.05	2.4968
Southeast (Atlanta) ⁷	007	20.70	12.45	2.4808
Upper Midwest (Chicago) ⁸	030	18.70	10.45	2.4608
Central (Kansas City) ⁹	032	18.90	10.65	2.4628
Mideast (Cleveland) ¹⁰	033	18.90	10.65	2.4628
Pacific Northwest (Seattle) ¹¹	124	18.80	10.55	2.4618
Southwest (Dallas) ¹²	126	19.90	11.65	2.4728
Arizona (Phoenix)	131	19.25	11.00	2.4663
All-Market Average		19.79	11.54	2.4717

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.

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

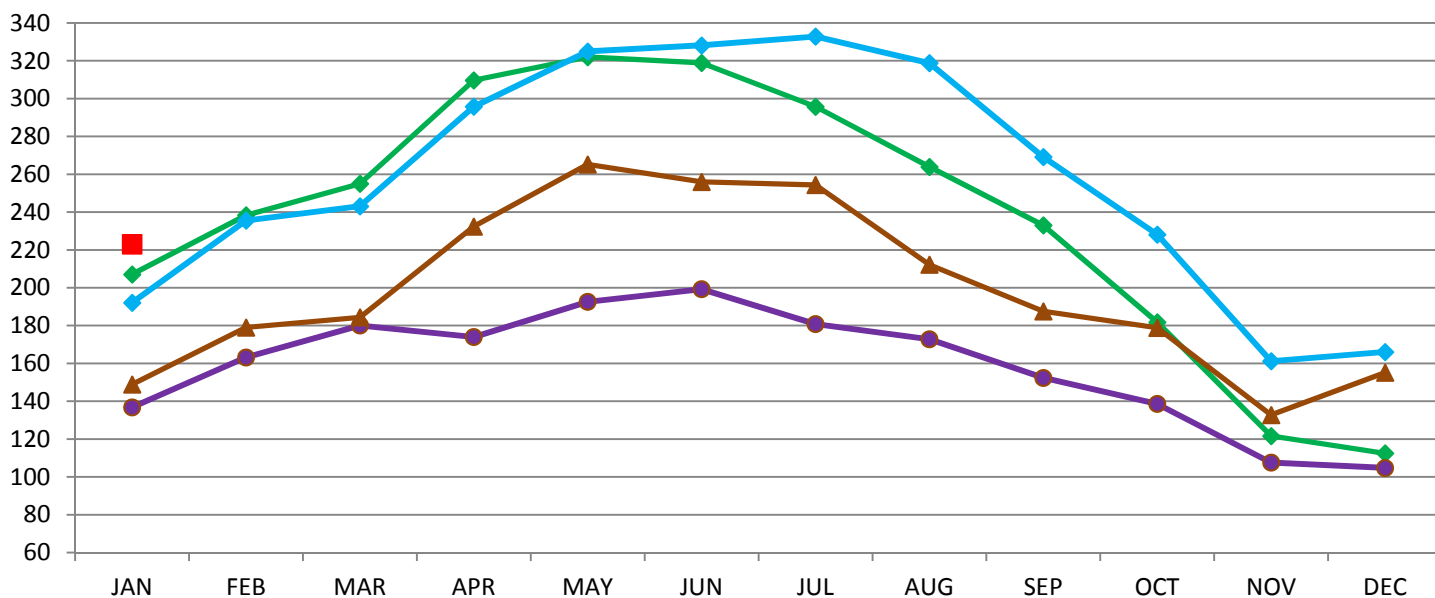
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	DEC 31, 2014	DEC 31, 2015	REVISED DEC 31, 2016	JAN 31, 2015	JAN 31, 2016	JAN 31, 2017
Butter	104,728	155,082	166,043	148,885	192,101	223,069
Cheese, Natural American	627,769	701,073	726,403	636,019	716,370	760,730
Cheese, Swiss	21,282	24,587	24,200	22,411	24,100	23,930
Cheese, Other Natural	368,885	420,426	447,731	389,813	437,724	447,969
Total Cheese	1,017,936	1,146,086	1,198,334	1,048,243	1,178,194	1,232,629

JANUARY STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
New England	61,803	62,052	71,043				953	793	695
Middle Atlantic	67,709	75,372	83,100				21,855	25,086	17,741
East North Central	234,850	285,164	308,515				241,021	273,686	283,158
West North Central	99,204	111,941	119,142				47,024	50,276	47,963
South Atlantic	573	697	1,095				24,695	22,746	23,520
East South Central	5,371	5,824	9,570				9,086	19,502	21,732
West South Central	13,111	12,082	14,343				875	1,138	1,346
Mountain	52,625	56,648	54,230				2,315	3,356	3,651
Pacific	100,773	106,590	99,692				41,989	41,141	48,163
TOTAL	636,019	716,370	760,730	148,885	192,101	223,069	389,813	437,724	447,969

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.

MILLION POUNDS

Butter Cold Storage Holdings



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

—◆— 2013 —●— 2014 —▲— 2015 —◆— 2016 —■— 2017

Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average ¹

Consumer Price Index												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³
Nov 2016	247.4	-0.4	216.8	-1.7	205.7	-1.3	227.0	-2.2	226.5	-4.5	243.6	-6.0
Dec 2016	247.3	-0.2	217.9	-1.3	206.9	-1.2	224.3	-2.8	224.0	-6.3	241.6	-5.4
Jan 2017	248.2	-0.2	219.8	-0.5	207.0	-1.0	228.2	-1.6	236.4	-1.9	242.6	-3.6

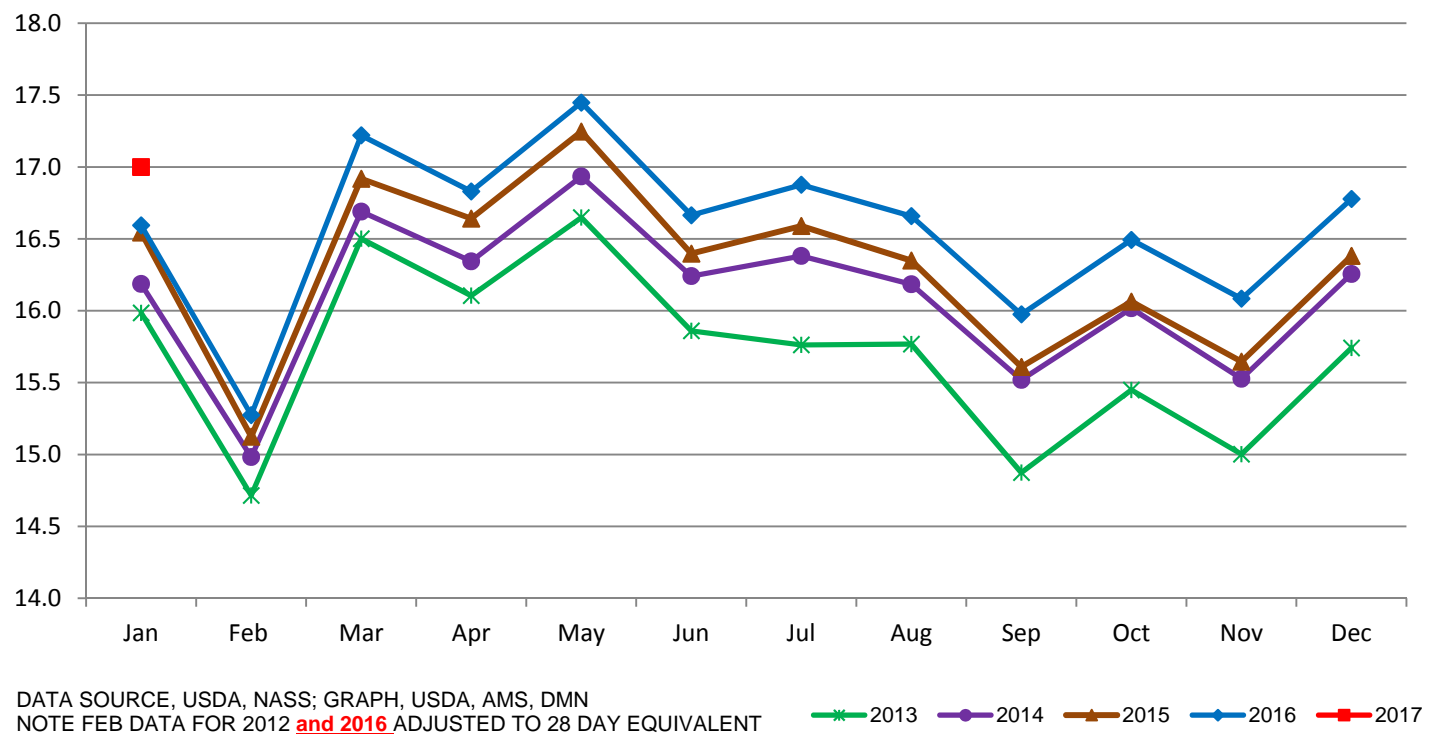
		U.S. City Average Retail Prices									
Month	Whole Milk ⁴		Butter ⁵		Process Cheese ⁶		Natural Cheese ⁷		Ice Cream ⁸		
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
Nov	(dollars)										
	3.280	3.299	N/A	N/A	4.322	4.333	4.914	5.433	4.615	4.684	
Dec	3.290	3.310	N/A	N/A	4.214	4.345	4.895	5.328	4.682	4.725	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
	(dollars)										
Jan	3.318	3.313	N/A	N/A	4.322	4.374	4.933	5.411	4.834	4.913	

N/A = Not available. ¹ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ² The standard reference base period for these indexes is 1982-1984 = 100. ³ Percent change over previous year. ⁴ Per gallon. ⁵ Per pound. Grade AA, salted, stick butter. ⁶ Per pound, any size and type of package. ⁷ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc). ⁸ Per 1/2 gallon prepackaged regular.

Milk Cow Numbers - 23 Selected States



Milk Production - 23 Selected States





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/dybretail.pdf>

Volume 84- Number 8

Issued Weekly

Friday, February 24, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 02/24/2017 to 03/02/2017

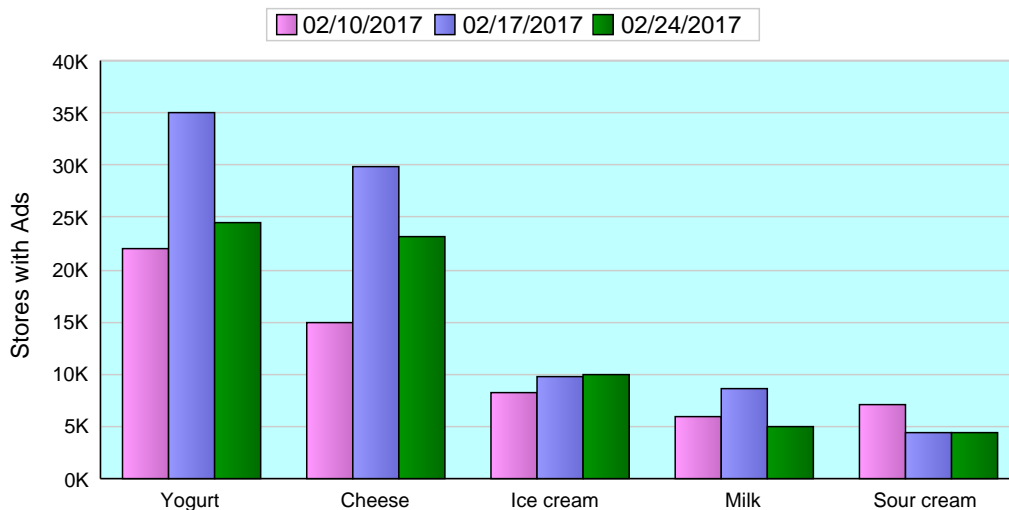
This week, total conventional dairy advertisement numbers decreased 24%, and organic dairy ads decreased 41%. Conventional 16 ounce cottage cheese ad numbers decreased 28%, but the weighted average advertised price increased to \$1.88. Conventional 8 ounce cream cheese advertisements decreased 16%, and the average price decreased to \$1.98.

The collective number of conventional cheese ads decreased 23% while organic cheese ads increased 7%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.06. Ads for conventional 8 ounce shred cheese averaged \$2.12.

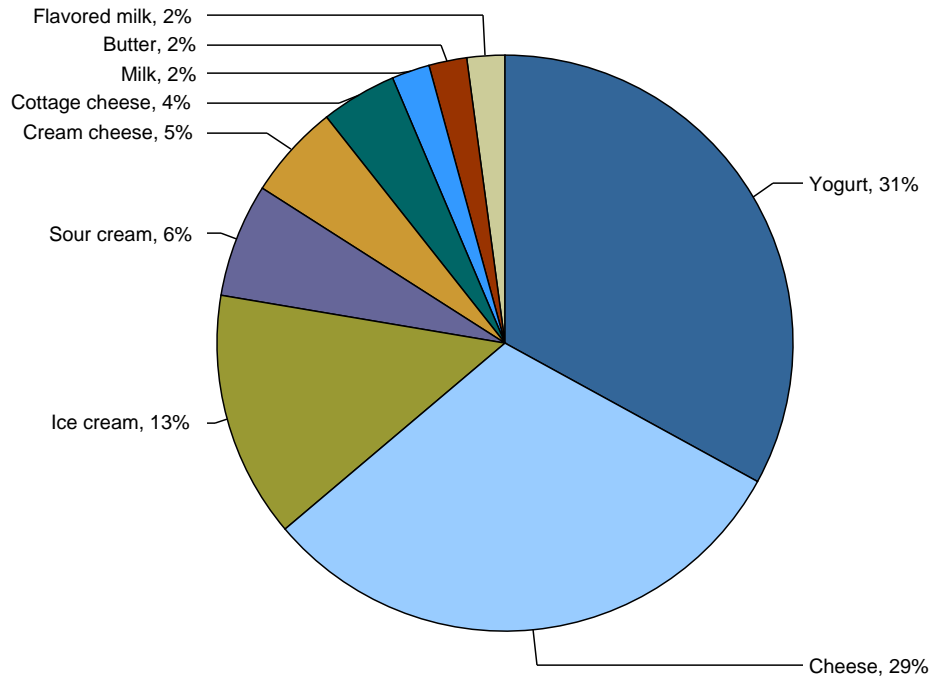
Conventional yogurt ad numbers decreased 29%, and organic yogurt ad numbers decreased 41%. The average sale price for 4-6 ounce conventional yogurt is \$0.51, while 4-6 ounce organic yogurt averaged \$0.69, an organic price premium of \$0.18. The average advertised price for 4-6 ounce conventional Greek yogurt is \$0.98. There are no advertisements for 4-6 ounce organic Greek yogurt this week.

Organic milk ad numbers decreased 37%, and ad numbers for conventional milk decreased 50%. The weighted average price for organic half gallon milk is \$3.74. For a conventional half gallon of milk, the average price is \$2.27, an organic price premium of \$1.47.

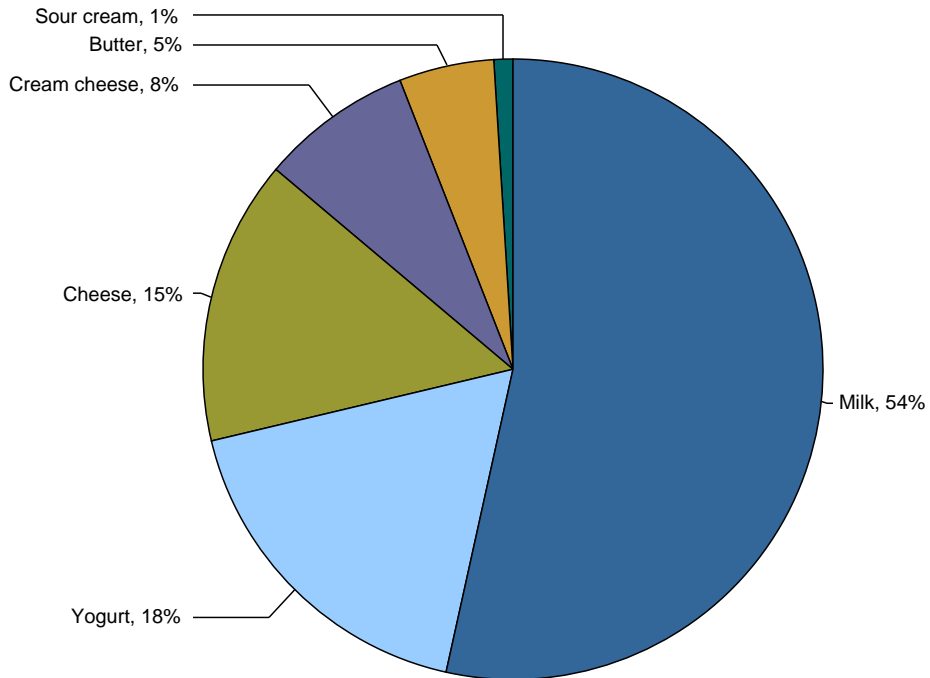
Top 5 Commodities Featured



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 #	1467	3.15	4758	3.31	4894	2.96
Cheese	Natural Varieties	8 oz block	7263	2.06	11193	2.30	9047	2.25
Cheese	Natural Varieties	1 # block	2312	3.74	2670	3.68	1066	3.61
Cheese	Natural Varieties	2 # block	788	5.42	686	5.69	757	5.65
Cheese	Natural Varieties	8 oz shred	9834	2.12	11597	2.31	10290	2.26
Cheese	Natural Varieties	1 # shred	2115	3.60	2899	3.58	1729	3.49
Cottage cheese		16 oz	2715	1.88	3776	1.81	3825	1.66
Cream cheese		8 oz	3539	1.98	4213	2.00	4500	1.84
Flavored milk	All fat tests	half gallon	874	2.83	615	2.35	1113	1.94
Flavored milk	All fat tests	gallon	374	2.10	352	2.33	141	1.89
Ice cream		48-64oz	9926	3.00	9779	3.02	12168	2.95
Milk	All fat tests	half gallon	243	2.27	515	1.48	694	1.35
Milk	All fat tests	gallon	1402	2.31	2761	2.62	1810	2.52
Sour cream		16 oz	4263	1.65	4206	1.60	6143	1.50
Yogurt	Greek	4-6 oz	13025	.98	14422	.95	13318	.96
Yogurt	Greek	32 oz	1933	3.87	2521	4.43	1128	4.18
Yogurt	Yogurt	4-6 oz	6304	.51	9356	.46	6946	.49
Yogurt	Yogurt	32 oz	2067	2.66	6760	2.22	397	2.20

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-3.99	573	3.16	2.99-3.48	279	3.33	2.98-2.99	176	2.99
Cheese	Natural Varieties	8 oz block	1.99-3.29	2252	2.35	1.66-2.50	1615	2.03	0.99-2.50	1585	1.82
Cheese	Natural Varieties	1 # block	2.99-4.99	773	3.91	2.99-4.00	826	3.60	3.33-3.99	458	3.55
Cheese	Natural Varieties	8 oz shred	1.50-2.99	2580	2.20	1.66-2.50	2788	2.23	1.49-2.79	1842	2.04
Cheese	Natural Varieties	1 # shred	3.49-3.99	368	3.69	2.99-4.00	826	3.60	2.99-3.99	617	3.43
Cottage cheese		16 oz	1.50-2.99	869	2.26	1.50-1.68	1197	1.53	1.99-2.00	421	1.99
Cream cheese		8 oz	1.49-2.50	902	1.73	1.29-2.89	1014	2.29	1.19-2.00	664	1.59
Flavored milk	All fat tests	half gallon	3.00	84	3.00	3.00	502	3.00	1.60-1.99	164	1.85
Flavored milk	All fat tests	gallon							1.99	233	1.99
Ice cream		48-64oz	2.00-4.99	3369	2.93	2.49-3.50	3296	2.91	2.50-3.99	1369	3.16
Milk	All fat tests	half gallon							1.60-2.99	126	2.36
Milk	All fat tests	gallon							1.58-2.50	367	1.97
Sour cream		16 oz	1.29-1.99	1700	1.63	1.28-2.00	1340	1.56	1.50-2.00	553	1.78
Yogurt	Greek	4-6 oz	0.69-1.09	3644	.94	0.75-1.25	3687	1.01	0.69-1.25	1828	.98
Yogurt	Greek	32 oz	2.79-4.39	653	3.34	3.99	502	3.99	3.99-4.99	299	4.39
Yogurt	Yogurt	4-6 oz	0.44-1.00	1431	.59	0.40-0.70	2243	.56	0.33-0.60	1103	.38
Yogurt	Yogurt	32 oz	1.99-3.50	1231	2.61	2.18-2.99	422	2.62			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-3.99	144	3.35	2.99	63	2.99	1.90-2.99	174	2.33
Cheese	Natural Varieties	8 oz block	1.25-1.99	785	1.64	1.77-1.99	713	1.92	2.00-2.50	138	2.25
Cheese	Natural Varieties	1 # block	4.00	55	4.00	3.99	63	3.99	3.99	135	3.99
Cheese	Natural Varieties	2 # block	5.00	80	5.00	4.99-5.99	468	5.56	4.99-5.99	235	5.28
Cheese	Natural Varieties	8 oz shred	1.25-2.49	1231	1.72	1.77-2.49	1039	2.03	2.00-2.99	204	2.49
Cheese	Natural Varieties	1 # shred	3.49-4.00	169	3.66				3.99	135	3.99
Cottage cheese		16 oz	2.00	74	2.00	1.88	120	1.88			
Cream cheese		8 oz	1.29-2.99	367	2.43	1.99	178	1.99	0.99-2.50	356	1.99
Flavored milk	All fat tests	half gallon	3.00	55	3.00				3.59	69	3.59
Flavored milk	All fat tests	gallon	2.29	141	2.29						
Ice cream		48-64oz	2.50-4.99	455	3.21	1.99-3.99	932	2.79	2.99-4.49	375	3.34
Milk	All fat tests	half gallon							1.25	66	1.25
Milk	All fat tests	gallon	2.29-2.89	274	2.58	1.99-2.79	758	2.36			
Sour cream		16 oz	1.50	62	1.50	1.88-2.00	227	1.94	0.99-1.99	295	1.41
Yogurt	Greek	4-6 oz	0.69-1.39	1104	.98	0.87-1.25	1908	1.04	0.75-1.00	756	.89
Yogurt	Greek	32 oz	3.99	55	3.99	3.99	178	3.99	3.99-5.00	243	4.28
Yogurt	Yogurt	4-6 oz	0.33-0.60	589	.46	0.40-0.50	484	.44	0.33-0.79	398	.50
Yogurt	Yogurt	32 oz	2.99	196	2.99	2.50	137	2.50	2.99	61	2.99

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.50	28	4.50	4.99	30	4.99
Cheese	Natural Varieties	8 oz block	2.50-3.98	70	3.14	1.99-3.79	105	3.27
Cheese	Natural Varieties	1 # block	5.99	2	5.99			
Cheese	Natural Varieties	2 # block	5.49-5.98	5	5.78			
Cheese	Natural Varieties	8 oz shred	2.50-3.98	42	2.88	1.99-3.79	108	3.25
Cottage cheese		16 oz				3.00	34	3.00
Cream cheese		8 oz	1.79-3.00	31	2.10	2.50	27	2.50
Ice cream		48-64oz	3.50-6.99	59	5.32	3.50-7.99	71	4.47
Milk	All fat tests	half gallon				2.99-3.79	51	3.37
Milk	All fat tests	gallon				5.29	3	5.29
Sour cream		16 oz	1.79-2.33	25	1.85	2.99-3.00	61	3.00
Yogurt	Greek	4-6 oz	1.00-1.50	33	1.47	0.79-1.25	65	1.06
Yogurt	Greek	32 oz				6.49	3	6.49
Yogurt	Yogurt	4-6 oz	0.58-0.90	23	.61	0.70-0.99	33	.75
Yogurt	Yogurt	32 oz	2.79-3.98	14	3.05	4.29	6	4.29

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 #	314	5.61	1330	5.07	757	5.39
Cheese	Natural Varieties	8 oz block	725	3.30	423	3.96	212	4.33
Cheese	Natural Varieties	1 # block	61	4.99				
Cheese	Natural Varieties	8 oz shred	130	3.29	431	3.71	388	3.42
Cottage cheese		16 oz			394	3.50	394	3.27
Cream cheese		8 oz	488	2.50	535	2.50		
Milk	All fat tests	half gallon	2774	3.74	4204	3.83	3480	3.93
Milk	All fat tests	gallon	604	5.99			1625	5.95
Milk	All fat tests	8 oz UHT			1127	1.02	84	1.00
Sour cream		16 oz	61	1.67				
Yogurt	Greek	4-6 oz			426	1.19	673	1.36
Yogurt	Greek	32 oz	105	5.99	651	5.01	227	5.99
Yogurt	Yogurt	4-6 oz	72	.69	121	1.58	294	1.26
Yogurt	Yogurt	32 oz	813	2.88	711	4.24	408	2.61

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 #	5.79	59	5.79				5.49	81	5.49
Cheese	Natural Varieties	8 oz block	3.99	72	3.99						
Cream cheese		8 oz							2.50	383	2.50
Milk	All fat tests	half gallon	3.50-4.99	822	4.13	2.99-4.28	603	3.55	2.99-3.99	801	3.42
Milk	All fat tests	gallon	5.99	543	5.99	5.99	61	5.99			
Yogurt	Yogurt	4-6 oz	0.69	72	.69						
Yogurt	Yogurt	32 oz	3.50	137	3.50				2.50	256	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 #							5.00-5.99	174	5.60
Cheese	Natural Varieties	8 oz block	3.00	141	3.00	3.00-3.49	451	3.26	3.50	61	3.50
Cheese	Natural Varieties	1 # block							4.99	61	4.99
Cheese	Natural Varieties	8 oz shred							2.50-3.99	130	3.29

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	105	2.50
Milk	All fat tests	half gallon	3.99	80	3.99	2.99-3.99	294	3.58	3.89-4.49	174	4.25
Sour cream		16 oz							1.67	61	1.67
Yogurt	Greek	32 oz							5.99	105	5.99
Yogurt	Yogurt	32 oz	2.50	141	2.50	2.50	210	2.50	5.00	69	5.00

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

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



Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

Volume 84, Report 8

February 24, 2017

GENERAL NUMBER

(608)422-8587

Elizabeth Frederick

(608) 422 -8587

Elizabeth.Frederick@AMS.USDA.GOV

EAST

Daniel Johnson

(608) 422-8605

Daniel.Johnson@AMS.USDA.GOV

Jessica Mueller

(608) 422-8589

Jessica.Mueller@AMS.USDA.GOV

CENTRAL

Janet Linder

(608) 422-8588

Janet.Linder@AMS.USDA.GOV

Israel Weber

(608) 422-8601

Israel.Weber@AMS.USDA.GOV

SOUTHWEST/SOUTH AMERICA

Angel Terán

(608) 422-8593

Angel.Terán@AMS.USDA.GOV

Florence Kone-Gonzalez

(608) 422-8594

Florence.KoneGonzalez@AMS.USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 422-8592

Mike.Bandli@AMS.USDA.GOV

ORGANIC/EUROPE & OCEANIA

Eric Graf

(608) 422-8590

Eric.Graf@AMS.USDA.GOV

ACTING NATIONAL SUPERVISOR

Janet Linder

(608) 422-8588

Janet.Linder@AMS.USDA.GOV

INTERNET ADDRESS

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

MARKET NEWS PORTAL

www.marketnews.usda.gov/mnp/da-home

RECORDED INFORMATION SYSTEM

(608) 422-8602

FAX

(608) 240-6689

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