

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (3/03)**

BUTTER: Grade AA closed at \$2.1625. The weekly average for Grade AA is \$2.1795 (+.0501).

CHEESE: Barrels closed at \$1.4375 and 40# blocks at \$1.4800. The weekly average for barrels is \$1.4760 (-.0809) and blocks, \$1.5065 (-.0366).

NONFAT DRY MILK: Grade A closed at \$.8050. The weekly average for Grade A is \$.8085 (-.0465).

BUTTER HIGHLIGHTS: Although cream demand from Class II processors is improving, there are more than adequate cream volumes for butter churning. Thus, butter production is ongoing across the nation. Most processors are focusing on print butter output in order to meet improved spring holiday demand. In addition, bulk production is also active in some plants. Print/bulk butter inventories are steady to building into cold storage. This week, bulk butter pricing, across the country, is 3 cents below to 9 cents above, based on the CME Group with various periods and averages used. This week, a cooperative export assistance program accepted requests for 52,360 pounds of butter. The NASS *Cold Storage* report noted U.S. butter stocks in all warehouses as of January 31, 2017 were 223.1 million pounds, up 34% from the previous month and up 16% from last year. Friday at the CME Group, Grade AA butter closed at \$2.1625, up \$0.0325 from last Friday.

CHEESE HIGHLIGHTS: Cheese production across the country continues at active levels. With plenty of discounted milk, cheese contacts are attempting to find a middle ground between utilizing milk stocks and reining in growing cheese inventories. CME market prices have consistently slid this week for both process cheese and cheese blocks. One positive note regarding the market tone is that the large block to barrel price gap, a sign of instability according to some contacts, has diminished to \$.0425. Demand is edging back up in the Midwest, and food service interest is moderate in the Northeast. In the West, current cheese prices have enticed international buyers, while domestic sales remain slow. In Europe, export demand is on the rise and European cheesemakers do not expect a slowdown in the near term. In CME Group trading Friday, barrels closed at \$1.4375, down \$0.0800 from last Friday. Blocks closed at \$1.4800, down \$0.0950 from last Friday.

FLUID MILK: Across the country, milk production is higher following seasonal patterns. Because of good supplies of feedstocks and favorable weather conditions in the Midwest, milk components are strong on fat and protein. In California and the Pacific Northwest, comfortable weather is substituting for the rain, improving cow comfort and contributing to higher milk output volumes. Milk output is also higher in the Mountain States of Idaho, Utah, and Colorado, but still below seasonal patterns. Farmers in Idaho are concerned about the impact of the recent snowstorm on existing

feedstocks and alfalfa fields. Class I sales are mixed. In Eastern United States, Class I requests are steady to lower. Whereas in California, Class I requests are higher. In New Mexico, Class I and II requests are lower. Interest from Class III manufacturers is steady to increasing in the Midwest, and increasing in Arizona. Spot loads in the Midwest are selling at \$1.50 to \$2.00 under Class. Cream is plentiful in all parts of the U.S. Some processors in the Midwest and West regions are making sour cream, ice cream, and frozen desserts ahead of the upcoming spring holiday. Cream multiples range from .90 to 1.15 in the East, 1.04 to 1.15 in the Midwest, and .98 to 1.15 in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are weaker this week. Production is heavy in some plants. With expected higher milk production ahead, some buyers are pushing back from contract negotiations and near term purchases, hoping for lower prices. Some manufacturers are seeking to reduce inventories to make space for future production. All of this reflects a weaker market, strengthening the hand of buyers in negotiations. Central and east high heat NDM prices are weaker while unchanged in the West. Dry buttermilk prices weakened at the bottom of the price range in all regions, resulting from weak spot market sales. This resulted in a wider range. In the East and West, the heavier condensed skim volumes being processed limit dry buttermilk balancing plant time. Dry whole milk prices are mixed with a narrower price range. The market undertone is stable and inventories are adequate. Central dry whey prices are steady on the range and slightly higher on both ends of the mostly series. Western prices increased at the bottom of the range and mostly series. Northeast dry whey prices advanced at the upper end of the range. Manufacturer inventories range from tight to adequate. Whey protein concentrate 34% prices widened in the range and mostly price series. Weakness derives from falling nonfat dry milk prices while price strength resulted from limited availability specific brands. Production is steady. Lactose prices are unchanged. The market is quiet but steady. Production in the U.S. is steady. Rennet casein prices increased at the top of the price range while acid casein prices increased at each end of the price range. Acid casein supplies have become very tight.

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN

OVERVIEW: Total 2016 milk production in European Union member countries was up 0.6% from 2015 according to Eurolait. However, focusing solely on the annual percentage change conceals the reality that since June 2016, EU milk production each month has been lower than the 2015 counterpart. December 2016 EU production was 3.2% below December 2015. Considering major Western European milk producing nations, December 2016 production was higher than December 2015 in Italy

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CME GROUP CASH TRADING

COMMODITY	MONDAY FEB 27	TUESDAY FEB 28	WEDNESDAY MAR 01	THURSDAY MAR 02	FRIDAY MAR 03	:: WEEKLY CHANGE *	:: WEEKLY AVERAGE #
CHEESE							
BARRELS	\$1.4875 (-.0300)	\$1.5250 (+.0375)	\$1.4650 (-.0600)	\$1.4650 (N.C.)	\$1.4375 (-.0275)	:: (-.0800)	:: \$1.4760 (-.0809)
40# BLOCKS	\$1.5450 (-.0300)	\$1.5475 (+.0025)	\$1.4900 (-.0575)	\$1.4700 (-.0200)	\$1.4800 (+.0100)	:: (-.0950)	:: \$1.5065 (-.0366)
NONFAT DRY MILK							
GRADE A	\$.8225 (N.C.)	\$.8250 (+.0025)	\$.7925 (-.0325)	\$.7975 (+.0050)	\$.8050 (+.0075)	:: (-.0175)	:: \$.8085 (-.0465)
BUTTER							
GRADE AA	\$2.1600 (+.0300)	\$2.1800 (+.0200)	\$2.2325 (+.0525)	\$2.1625 (-.0700)	\$2.1625 (N.C.)	:: (+.0325)	:: \$2.1795 (+.0501)

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**

(+4.7%), even in Netherlands, but lower in Germany (-4.8%), France (-7.0%), and UK (-7.0%). Expectations for milk production again trending upward is closer to reality with reports this week of early year milk production in parts of Germany and France being slightly ahead of one year ago. A causal factor is prices for dairy products such as butter, whey, skim milk powder and whole milk powder, being ahead of one year ago. This is encouraging to producers and is expected to continue driving milk production to trend upward in coming months. In late February, Spain joined a growing list of EU member nations proposing mandatory country of origin labeling of milk and dairy products. Efforts are underway by other countries involved in dairy exporting, to discourage such measures. Further discussion is expected in the World Trade Organization. **EASTERN OVERVIEW:** Poland, a significant Eastern European milk producing nation, had 2.4% higher 2016 milk production than 2015, as well as 1.0% higher December 2016 production than December 2015. Preliminary estimates for January 2017 are that milk production in Poland is higher than one year earlier. Some processors note intakes over 3% higher. **OCEANIA OVERVIEW:** **Australia:** Financial losses continue to register for one of the largest dairy processors in Australia. Milk supplies have decreased over 20% in the last half year due to producers ending sales to the company and going to other processors, or quitting dairy production. The previous practice of issuing a full year profit or loss forecast has been discontinued while new management assesses the overall circumstances and expectations. This has led to what is characterized as an aggressive competitive environment in Australia by many processors to sign disenchanted dairy producers. **New Zealand:** A large cooperative in New Zealand has revised its milk forecast for the current production year which ends May 31, 2017, from a drop of 7% to a drop of 5%. The milk price forecast issued last November for the current production year was reaffirmed. That forecast is for members to receive 6.5 to 6.6 New Zealand Dollars per kilogram of milk content. This is calculated by including dividends on shares. At the February 21, 2017 GDT event #182, average prices ranged from 12.9% lower to 6.8% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous averages are: anhydrous milk fat, \$5,693 -1.3%; butter, \$4,598 +0.2%; buttermilk powder, \$2,090 -12.9%; cheddar cheese, \$3,590 -5.3%; lactose, \$966 +6.8%; rennet casein, \$6,135 -5.8%; skim milk powder, \$2,574, -3.8; and whole milk powder, \$3,189 -3.7%. **SOUTH AMERICA OVERVIEW:** In **Argentina**, weather conditions have improved in the recently flooded dairy states of Córdoba and Santa Fe. However, milk production continues decreasing as many cows died due to the recent floods. In addition, the current high summer temperatures are boosting heat stress on milking cows. With most educational institution reopening, milk requests from bottlers are increasing. As a result, there is less than adequate milk supply to cover some manufacturing needs. Because of this, some processors are limiting milk powder manufacturing and prioritizing the production of other dairy products, principally cheese. Currently, the Argentinian government is looking to expand their dairy products export volume to Mexico. In **Uruguay**, farm milk yields have plateaued in many dairy operations due to steady weather conditions. Milk intakes are mostly in balance with all processing needs. Fat and protein levels in the milk remain low. Butter production rates are lower, driven by shorter cream supplies. The Uruguayan government continues promoting the domestic dairy industry with loans and some aids to dairy farmers. In **Brazil**, farm milk output is steady to slightly lower, prompted by higher daytime temperatures, around 95 degrees, in some key dairy states. The shortage of milk is helping to sustain higher farm gate prices. Fluid milk orders from educational institutions are strong. However, bottled milk/UHT sales to retailers are lower, in part due the current holiday celebration throughout the week. With an increasing consumption of milk fat and lower seasonal supply, the cream market is strengthening. Cream demands from butter churners and manufacturers of other cream based products are strong. This week, trading is light in the Brazilian cheese market as interest from several market channels is low. Milk powder interest for industrial food processing is fair. Back to the farm, in southern Brazil, summer warmth is stimulating rapid soybean and corn crops development.

JANUARY AGRICULTURAL PRICES HIGHLIGHTS (NASS):

The All Milk price received by farmers was \$18.90 in January, up \$2.80 from January 2016. The milk cow price was \$1,620 in January, down \$210 from January 2016. The alfalfa hay price was \$128.00 in January, down \$13.00 from January 2016. The corn price was \$3.40 in January, down \$.26 from January 2016. The soybean price was \$9.71 in January, up \$1.00 from January 2016. The milk-feed price ratio was 2.69 in January, up 0.51 from January 2016. The index of prices received by farmers for dairy products during the month of January 2017 was up 0.5 points to 94.0. Compared to January 2016, the index was up 13.9 points (+17.4 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2017 was up 2.0 points to 106.5. Compared with January 2016, the index was down 0.2 points (-0.2 percent).

FEBRUARY FEDERAL MILK ORDER FINAL CLASS AND COMPONENT PRICES (FMMO): Class Prices: The following are the February 2017 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.52 (+\$0.16), Class III: \$16.88 (+\$0.11), and Class IV: \$15.59 (-\$0.60). **Component Price Information:** Under the Federal milk order pricing system, the butterfat price for February 2017 is \$2.4274 per pound. Thus, the Class II butterfat price is \$2.4344 per pound. The protein and other solids prices for February 2017 are \$2.2348 and \$0.2990 per pound, respectively. These component prices set the Class III skim milk price at \$8.69 per cwt. The February 2017 Class IV skim milk price is \$7.35, which is derived from the nonfat solids price of \$0.8166 per pound. **Product Price Averages:** The product price averages for January 2017 are: butter: \$2.1760, nonfat dry milk: \$0.9926, cheese: \$1.6871, and dry whey: \$0.4894.

JANUARY 2017 DAIRY PRODUCTS HIGHLIGHTS (NASS):

Butter production was 178 million pounds, 1.2 percent above January 2016, and 8.5 percent above December 2016. American type cheese production totaled 413 million pounds, 3.0 percent above January 2016, but 1.2 percent below December 2016. Total cheese output (excluding cottage cheese) was 1.04 billion pounds, 3.7 percent above January 2016, but 1.2 percent below December 2016. Nonfat dry milk production, for human food, totaled 155 million pounds, 13.1 percent above January 2016, but no percentage from December 2016. Dry whey production, for human food, was 82.2 million pounds, 1.3 percent below January 2016, but 2.1 percent above December 2016. Ice cream, regular hard production totaled 56.6 million gallons, 0.8 percent below January 2016, but 11.9 percent above December 2016.

NATIONAL RETAIL REPORT – DAIRY (DMN): This week, total conventional dairy advertisement numbers increased 1%, and organic dairy ads increased 34%. Amongst the bigger percentage differences in ad totals this week for conventional dairy commodities, the commodity, advertisement percentage difference, and national weighted average advertised prices are: 1 pound butter, +83%, \$3.04; 1 pound shredded cheese, -88%, \$3.15; and 16 ounce cottage cheese, +75%, \$1.84. The collective number of conventional cheese ads decreased 22%, and there were no organic cheese ads this week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.15. Ads for conventional 8 ounce shred cheese averaged \$2.21. Conventional yogurt ad numbers decreased 2%, and organic yogurt ad numbers increased 69%. The average sale price for 4-6 ounce conventional yogurt is \$0.53, while 4-6 ounce organic yogurt did not have any advertised average prices this week. The average advertised price for 4-6 ounce conventional Greek yogurt is \$0.97. The average advertised price for 4-6 ounce organic Greek yogurt is \$1.27, an organic price premium of \$0.30. Organic milk ad numbers increased 19%, and ad numbers for conventional milk increased 64%. The weighted average price for organic half gallon milk is \$3.54. For a conventional half gallon of milk, the average price is \$1.77, an organic price premium of \$1.77.

MONDAY, FEBRUARY 27, 2017

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4875; 1 CAR 40# BLOCKS @ \$1.5450; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4500; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4900; 1 CAR 40# BLOCKS @ \$1.5500

NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 5 CARS GRADE A: 1 @ \$0.8125, 1 @ \$0.7925, 1 @ \$0.8150, 1 @ \$0.7800, 1 @ \$0.7700; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8300

BUTTER -- SALES: 1 CAR GRADE AA @ \$2.1500; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1600; LAST OFFER UNCOVERED: NONE

TUESDAY, FEBRUARY 28, 2017

CHEESE -- SALES: 14 CARS BARRELS: 7 @ \$1.4950, 1 @ \$1.4975, 1 @ \$1.5000, 1 @ \$1.5050, 1 @ \$1.5100, 3 @ \$1.5250; 1 CAR 40# BLOCKS @ \$1.5475; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5500

NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.8250; LAST BID UNFILLED: 9 CARS GRADE A: 1 @ \$0.8225, 1 @ \$0.8250, 5 @ \$0.7800, 1 @ \$0.8250, 1 @ \$0.8150; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8400

BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$2.1600, 2 @ \$2.1725, 1 @ \$2.1800, 1 @ \$2.1750, 1 @ \$2.1800; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.1750; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1800

WEDNESDAY, MARCH 1, 2017

CHEESE -- SALES: 3 CARS BARRELS: 2 @ \$1.4700, 1 @ \$1.4650; 4 CARS 40# BLOCKS: 1 @ \$1.5050, 1 @ \$1.4925, 2 @ \$1.4900; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4600; LAST OFFER UNCOVERED: NONE

NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.7925; LAST BID UNFILLED: 9 CARS GRADE A: 1 @ \$0.7500, 1 @ \$0.7600, 1 @ \$0.7300, 5 @ \$0.7800, 1 @ \$0.7900; LAST OFFER UNCOVERED: 3 CARS GRADE A: 1 @ \$0.8125, 1 @ \$0.8075, 1 @ \$0.8100

BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.2250, 1 @ \$2.2300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2325; LAST OFFER UNCOVERED: 6 CARS GRADE AA @ \$2.3000

THURSDAY, MARCH 2, 2017

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.4700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.4800

NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.7900, 1 @ \$0.7975; LAST BID UNFILLED: 7 CARS GRADE A: 1 @ \$0.7750, 1 @ \$0.7950, 3 @ \$0.7500, 1 @ \$0.7925, 1 @ \$0.7200; LAST OFFER UNCOVERED: 2 CARS GRADE A: 1 @ \$0.8000, 1 @ \$0.7975

BUTTER -- SALES: 14 CARS GRADE AA: 1 @ \$2.2025, 6 @ \$2.1600, 1 @ \$2.1625, 2 @ \$2.1600, 2 @ \$2.1625, 1 @ \$2.1650, 1 @ \$2.1625; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1525; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.1625

FRIDAY, MARCH 3, 2017

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.4500, 1 @ \$1.4400, 1 @ \$1.4375; 1 CAR 40# BLOCKS @ \$1.4800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4500

NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.8050; LAST BID UNFILLED: 7 CARS GRADE A: 5 @ \$0.7800, 1 @ \$0.7900, 1 @ \$0.7850; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$0.8500

BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1625; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1900

BUTTER MARKETS

NORTHEAST

Eastern butter production rates are holding steady in most instances. Bulk output is heavier than current demand can clear. Print butter stocks are ample. Overall, interest is about average for February, heading into the spring holiday buying period. The bulk price for domestic butter sales are 5 to 8 cents over the CME Group, based on various time frames and averages used. The market undertone is steady. According to the DMN *National Retail Report-Dairy*, for February 24 – March 2, 2017, the Northeast weighted average retail price for 1-pound butter was \$3.16, 1 cent higher than the national average price, but 15 cents below last week's national butter price. Markets in the Northeast reported prices ranging \$2.50-\$3.99. In the Southeast, the weighted average butter price is \$3.33, 18 cents above the national price and 22 cents higher than the previous week regional price. Prices ranged \$2.99-\$3.40 in retail markets surveyed. In general, advertisements decreased significantly.

COLD STORAGE: The NASS *Cold Storage* report noted U.S. butter stocks in all warehouses as of January 31, 2017 were 223.1 million pounds, up 34% from the previous month and up 16% from last year.

CENTRAL

Cream is plentiful for butter makers in the Central U.S. Although Class II producers are also showing increasing interest in cream, some butter makers report the abundant cream supply has not deviated from previous weeks. Demand for butter in the Central region is strengthening. Spring holiday orders are in full swing. Print and bulk butter production is up, corresponding to the demand and the cream supply. Some butter producers are beginning to increase

bulk inventories for the fall. The market tone is steady. DMN *National Retail Report-Dairy* for February 24-March 2 noted the national weighted average advertised price for a 1 pound package of butter is \$3.15, \$0.16 below one week ago, but \$0.19 higher than one year ago. The weighted average regional prices in the Midwest and South Central were \$2.99 and \$3.35, respectively. The NASS Cold Storage report noted U.S. butter stocks as of January 31, 2017 were 223.1 million pounds, up 16% from last year and up 34% from last month. Bulk stocks in all warehouses were 192.1 million pounds last year at this time. This week, a cooperative export assistance program accepted requests for 52,360 pounds (23.75 metric tons) of butter. So far this year, the program has accepted assistance requests for 1.375 million pounds of butter. Bulk butter prices reported ranged from 2 to 6 cents over the market, with various periods and averages used. Wednesday at the CME Group, Grade AA butter closed at \$2.2325, up \$.1150 from last Wednesday.

WEST

Western butter makers report domestic retail demand is starting to ramp up for the spring holidays. Overall butter demand is steady with current contracted buyers pulling good volumes of butter. Churns are actively processing available cream, which is plentiful. Processors are focusing on print butter production, but are also working to make bulk butter. Inventories are building seasonally for late year butter needs. Bulk butter pricing in the West this week is 3 cents below to 1 cent above, based on the CME Group with various time frames and averages used. The DMN *National Retail Report-Dairy* for the week of February 24-March 2 found that the U.S. weighted average advertised price of 1 pound butter is \$3.15, down

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
February 25, 2017	2.1383 7,462,129	1.6729 11,463,523	1.6803 10,926,824	.5042 7,586,335	.9549 11,488,726

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

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\$.16 from last week. The U.S. weighted average price was \$2.96 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.99. In the Northwest, the weighted average advertised price of 1 pound butter is \$2.33 with a price range of \$1.90-\$2.99. This week, a cooperative export assistance program accepted requests for 52,360 pounds (23.75 metric tons) of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 1.4 million pounds of butter (82% milkfat) in export markets. The NASS *Cold Storage* report noted U.S. butter stocks as of January 31, 2017, were 223.1 million pounds, up 34% from last month, and up 16% from last year. Butter stocks in all warehouses were 192.1 million pounds last year at this time. According to the California Department of Food and Agriculture, January 2017 butter production was 51.6 million pounds, down 2.3% from a year ago. The Grade AA butter price at the CME Group on Wednesday closed at \$2.2325, up \$.1150 from a week ago.

CHEESE MARKETS

NORTHEAST

In the Northeast, cheese production is generally heavy. Output exceeds year ago volumes due to milk receipts and the decline of interest from Class I usage. With the recent notification of a possible closing of one regional cheese plant, balancing operations are concerned about the economic impact, as milk supplies could further extend beyond area demand. In light of the current milk supplies, cheese operations are adding to their inventory volumes. Meanwhile demand varies and is typically contingent upon market channels. Food service transactions are moderate to light, as interest develops around various fast food pipelines with promotional activity. This week, a cooperative export assistance program accepted requests for export assistance to sell 2.588 million pounds (1,174 metric tons) of cheese. Wholesale cheese markets continue to see prices trend lower, corresponding to drops in the weekly average price at the CME Group. The barrel price dipped \$0.0875, while blocks slipped \$0.0550. Prices for Grade A Swiss are stable. Tuesday's CME Group daily cash prices saw barrels close at \$1.5250, down \$0.0750 from a week ago; blocks closed at \$1.5475, up \$0.0175 from a week ago. Improved trading occurred as 14 carloads of cheese barrels exchanged hands, mostly on bids. The DMN *National Retail Report-Dairy*, for February 24 to March 02, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.35, 29 cents above the national average, with a regional price range of \$1.99-\$3.29. The Southeast's 8 oz. block price was \$2.03, 3 cents below the national average, with a regional price range of \$1.66-\$2.50. In the Northeast, average advertised prices for 8 oz. cheese shreds was \$2.20, 8 cents above the national average price, with a regional price range of \$1.50-\$2.99. While in the Southeast, the average price for 8 oz. shreds was \$2.23, 11 cents above the national average, with prices ranging \$1.66-\$2.50.

COLD STORAGE: According to NASS, U.S. stocks of total natural cheese, as of January 2017, totaled 1.2 billion pounds, 3 percent more than the previous month and up 5 percent from a year ago. Swiss cheese totaled 23.9 million pounds, 1 percent less than a year ago, and down 1 percent from last month. In New England, stocks of American cheese totaled 71.0 million pounds, 14% more than January 2016 and 11% more than the previous month.

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

Cheddar 40# Block	:	2.0050-2.2900
Process 5# Sliced	:	1.6900-2.1700
Muenster	:	1.9900-2.3400
Grade A Swiss Cuts 10 - 14#	:	3.3100-3.6325

MIDWEST

Milk continues to be abundant for Midwest region cheese producers. Some cheesemakers expect discounted milk prices in the near term and are buying spot milk when the price is favorable. Cheese production is steady to active. Midwestern cheesemakers are trying to maintain cheese production, yet manage increasing inventory levels. Although demand varied from producer to producer last week, this week cheese contacts report demand is generally improving. The seasonal lull has begun to fade and orders are slowly trending upward. Pizza cheese producers are also seeing a demand turnaround, with orders edging up compared to the past two to three weeks. The market tone is unsteady. CME block prices are slightly higher than barrels, which some contacts suggest is a sign of stability. In CME Group trading Wednesday, barrels closed at \$1.4650, down \$.1050 from last Wednesday and blocks closed at \$1.4900, down \$.0200 from last Wednesday. The DMN *National Retail Report-Dairy* shows that February 24-March 2 Midwest

ads for 8 ounce shred cheese have a weighted average advertised price of \$2.04, 8 cents below the national average. Midwest prices range from \$1.49-\$2.79. One year ago, the national price was \$2.26. For 8 ounce blocks, the Midwest average price is \$1.82, 24 cents below the national average price. Midwest ads are priced from \$0.99-\$2.50. Last year, the national price was \$2.25. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of January 2017 were 1.233 billion pounds, 3% above December 2016 and up 5% from January 2016. American stocks were 6% more, other natural stocks were 2% more, while Swiss stocks were 1% below last year. In the East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio), American cheese stocks at the end of January 2017, were 8% higher than last year and 6% more than last month. Other cheese stocks in the East North Central region were 3% higher than January 2016 and unchanged from December 2016. In the West North Central region (Minnesota, Iowa, Missouri, Kansas, Nebraska, South Dakota and North Dakota), American cheese stocks at the end of January 2017, were 6% higher than last year and 1% higher than last month. Other cheese stocks in the West North Central region were 5% lower than January 2016 and 3% below December 2016. This week, a cooperative export assistance program accepted requests for 2.588 million pounds (1,174 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 10.962 million pounds of cheese in export markets. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.0875 for process and down \$.0550 for all other types.

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

Process American 5# Loaf	:	1.6475-2.0075
Brick And/Or Muenster 5#	:	1.9100-2.3350
Cheddar 40# Block	:	1.6375-2.0325
Monterey Jack 10#	:	1.8850-2.0900
Blue 5#	:	2.1775-3.1650
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7100-2.6500
Grade A Swiss Cuts 6 - 9#	:	2.8275-2.9450

WEST

Western cheese makers report cheese is moving well through existing contracts. Manufacturers are hopeful that softening cheese prices may provide more opportunities for export sales. Domestic sales have slowed somewhat and new international sales could be a shot in the arm. Industry contacts say inventories are long for both barrel and block cheese. Cheese makers are busy with plenty of milk moving into cheese vats. The DMN *National Retail Report-Dairy* for the week of February 24-March 2 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.12, down \$.19 from last week. Packs average \$2.03 in the Southwest and \$2.49 in the Northwest. One year ago, the national price was \$2.26. For 8 ounce blocks, the U.S. price is \$2.06, down \$.24 from last week. Blocks average \$1.92 in the Southwest and \$2.25 in the Northwest. One year ago, the national price was \$2.25. In the West, wholesale prices are down \$.0875 for process, and down \$.0550 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted requests for export assistance on contracts to sell 2.588 million pounds (1.174 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 11.0 million pounds of cheese in export markets. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of January 2017 were

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CHEESE MARKETS

CONTINUED FROM PAGE 3A

1.233 billion pounds, up 3% from December 2016 holdings, and up 5% from January 2016. American stocks were 6% more, other natural stocks were 2% more, but Swiss stocks were down 1% compared to last year. In the Mountain Region, American cheese stocks were 4% lower than one year earlier, but up 5% from one month earlier. Pacific Region American cheese stocks were 6% less than one year earlier, but 1% more than the previous month. Also in the Pacific Region, other natural cheese stocks were 17% above a year ago, and unchanged from a month ago. According to the California Department of Food and Agriculture, January 2017 cheese production was 211.0 million pounds, down 1.9% from a year ago. In CME Group trading Wednesday, barrels closed at \$1.4650, down \$.1050 from a week ago and blocks closed at \$1.4900, down \$.0200.

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

Process 5# Loaf	:	1.6350-1.8925
Cheddar 40# Block	:	1.6700-2.1150
Cheddar 10# Cuts	:	1.8500-2.0700
Monterey Jack 10#	:	1.8600-2.0200
Grade A Swiss Cuts 6 - 9#	:	2.8875-3.3175

FOREIGN TYPE CHEESE

Export demand for cheese produced in Europe is increasing. Cheese manufacturers expect export sales to continue to strengthen. European domestic customers are taking contract deliveries on schedule. Current cheese making is adequate to supply contracts and spot sales, which leaves inventories steady. Negotiations for second quarter 2017 cheese contracts have been slow, due to uncertainty as to milk supplies and hence, cheese production volumes. In the U.S., wholesale blue, gorgonzola, parmesan Italy and Romano prices decreased \$.0550 and all other varieties are unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.0550-3.5425*
Gorgonzola	: 3.6900-5.7400	: 2.5625-3.2800*
Parmesan (Italy)	: -0-	: 3.4450-5.5350*
Romano (Cows Milk)	: -0-	: 3.2450-5.3950*
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.

COLD STORAGE

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

BUTTER : CHEESE

	:	
02/27/17	21,757	: 86,862
02/01/17	16,304	: 83,541
CHANGE	5,453	: 3,321
% CHANGE	33	: 4

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	140	0	75
SOUTHEAST STATES	0	0	0	0	0	0

In the Eastern region of the United States, milk production is strong. Each week, production continues to grow, filling manufacturing plants full with abundant volumes of milk. This week, in parts of the East, Class I sales were flat to weaker. Florida has been seeing near to record high temperatures for this time of year. Currently, Florida's milk shipments will export around 140, the same as the previous week. Presently, **cream multiples** range **.90 to 1.15**, shifting downward on the higher end of the range this week. Some Northeastern market participants sold Class II cream at the higher end of the range. The Eastern cream supplies are readily available. Recently, the Eastern **condensed skim** market has remained unchanged. In the Northeast, some condensed skim buyers report customers are purchasing loads, but there are additional loads to sell. There have been some plant complications in the East, making it difficult to take on extra volumes. With the announcement of March's Advanced Prices, the Class II Nonfat Solids price declined \$0.0322, compared to the previous month. According to the DMN *National Retail Report-Dairy*, for February 24 to March 02, 2017, the U.S. weighted average advertised price for a half gallon of milk was \$2.27, up \$0.79 cents compared to last week, and an increase of \$0.92 from last year. There were no advertised prices for the Northeast weighted average price for a half gallon of milk.

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-	1.9165-2.4489
F.O.B. producing plants: Upper Midwest-	2.2146-2.4488

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.30-1.01
Northeast - Class III - spot prices -	.30-.91

MIDWEST

Milk production continues to build across the Central United States. With good supplies of feedstocks and comfortable weather, North and South Central contacts report milk components are particularly strong on fat and protein content. Demand from bottlers is steady to lower throughout the region as some school districts are beginning to cut back on orders ahead of spring break. Interest from Class III manufacturers is steady to increasing. Some cheese makers, however, are content with their current milk supply as they are managing growing cheese inventories. Spot loads are available at \$1.50 to \$2.00 under Class. Cream, like milk, is plentiful. Some North Central region contacts were offered cream from as far away as the Pacific coast. Contacts report the spring holiday season has producers of sour cream, cream cheese and some other holiday favorites preparing for a retail push increasing Class II interest. Adding to that, the unseasonably warm weather has prompted more interest from ice cream makers. Class II cream multiples are in the 1.04 to 1.15 range. The DMN *National Retail Report-Dairy* for February 24-March 2 noted the national weighted average advertised price for one gallon of milk was \$2.31, down \$0.31 from a week ago, and \$0.21 lower than a

year ago. The weighted average regional prices in the Midwest and South Central were \$1.97 and \$2.58, respectively.

WEST

In the past weeks, dramatic storms in California have caused farm milk production to be flat at a time where it is usually increasing. Fortunately, this week, mild temperatures and drier weather are slowly replacing the showery weather, increasing cow comfort and supporting farm milk output and quality. The request for bottled milk is up and milk is currently available for all usages. Non-irrigated pasture and rangeland are improving due to all the recent rain and few sunny days. According to California Department of Food and Agriculture, January 2017 pool receipts of milk in the state total 3.23 billion pounds. This is 1.4% lower compared to the same month a year ago. The Value at Test price is \$17.35, \$0.12 lower than the previous month, but \$2.58 above a year ago. The percentage of receipts used in Class I products is 14.04%. The January quota price is \$17.35 and the over quota price is \$15.65. These prices are \$0.15 below last month, but \$2.21 higher from a year ago. According to CDFA, January 2017 Class I sales in California totaled 54.7 million gallons, up 0.7% from last month, but down 0.8% from the previous year. In Arizona, milk yield is higher this week. Current milk volumes are higher than that produced last year around the same time. However, rainy conditions at some areas have caused some delays in milk pickups and deliveries. Some cheese plants are working at full capacity. In a few plants, repair and maintenance issues slowed down the throughput of cream. Sales into Class III are increasing as handlers prepare for the spring holiday season. Harvesting of good quality alfalfa hay is active. Farm milk production is still trending higher in New Mexico this week. Holdovers continue to build up heavily as weeks go by. Consequently, some manufacturers are clearing their milk intakes into extra condensed milk. Milk volumes are more than sufficient to meet manufacturing needs. Interests for Class I are down due to school pipelines being full. Class II sales are also down. Some Class III processing plants are experiencing down days due to expansion and maintenance projects. As a result, some plant managers are requesting less farm milk. Pacific Northwest dairy contacts say milk production is increasing a little after stretches of cold, wet weather. Wet ground is starting to dry out and cow comfort is improving. Bottling demand is following seasonal patterns and there are adequate supplies of milk for most processing needs. Milk production in the mountain states of Idaho, Utah and Colorado is below seasonal patterns. Although cow comfort conditions are improving, parts of Idaho are still dealing with flooding and mud. In addition, another snow storm blanketed parts of the region. The moisture should assure the region of adequate water supplies for the growing season this year. However, there is still concern that flooding damaged existing feedstocks and may have drowned out some alfalfa fields. It may be some time before the full impact of the flooding is known. Dry condensed skim is readily available, moving into nonfat dry milk and skim milk powder. With the heavy supplies of cream in the West, some manufacturers are clearing more cream into butter. Others are processing their cream intakes into ice cream, sour cream, and frozen desserts. Cream multiples are still low, ranging 0.98 -1.15. According to the DMN *National Retail Report-Dairy* for the week of February 24-March 2, the national weighted average advertised price for one gallon of milk is \$2.31, down 31 cents from last week and 21 cents lower from a year ago. The weighted average regional price in the Southwest is \$2.36, with a price range of \$1.99-2.79. There were no reported prices for gallon milk in the Northwest this week.

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) prices dropped on both the range and mostly price series this week. Price changes for NDM result from adjustments based on spot sales and pricing indices. Spot trade reports picked up a bit from last week. Production of low/medium heat NDM continues to be active, corresponding to milk supplies. Domestic demand is relatively steady, but not on par with building NDM inventories. The NDM market tone is uncertain. High heat NDM prices are unchanged from last week. High heat NDM production is limited with producers focusing on low/medium heat NDM. End users continue to work through contracts, and spot market reports are infrequent. The market tone is steady. Inventories are adequate.

EAST: Prices for low/medium nonfat dry milk (NDM) moved lower in response to regional f.o.b. spot transactions. International market uncertainty is adding to the downward pressure. Production remains strong. Plants with limited capacity to dry are shopping loads of condensed skim. Trade contacts indicate that lower priced powder, having a little age, is still in the marketplace. Hence, at initial glance, low/medium heat NDM offerings appear in excess of current demand. In general, buyers/sellers are currently more price sensitive. As noted by one market observer, a buyers' market appears to be developing. The NDM undertone suggests a weak market. Index pricing shifted high heat NDM prices higher at the bottom of the range, while prices are lower at the top of the range. Demand is not aggressive, spot offerings remain minimal, and inventories are mostly tight. High heat NDM production is hampered by surplus milk availability at dryer operations. The market undertone is unsettled.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 0.7925 - 1.0000 MOSTLY: .8500 - .9400
 HIGH HEAT: 1.0625 - 1.1500

NONFAT DRY MILK - WEST

In the West region, f.o.b. spot prices for low/medium heat nonfat dry milk (NDM) are lower on the range and mostly series. NDM futures values are noticeably down, too. Sales in the spot market are light to moderate. Some NDM customers are pushing back Q2 contract negotiations, anticipating lower prices on various indices in a few weeks. The current NDM lower prices are encouraging the interest from some WPC34% end users. However, the strong United States dollar and uncertainty over trade policies are discouraging NDM/SMP interest from Mexico. In the U.S., the NDM market undertone is steady to weaker as the current NDM supply is above buyers/end users' needs. With the beginning of spring flush and upcoming active NDM production season, some manufacturers are trying to reduce current holdings, selling at prices close to the bottom of the range. Although condensed skim demands from yogurt and ice cream makers are improving, condensed skim volumes are more than sufficient to keep balancing plants actively processing NDM and SMP. Low/medium heat inventories are steady to building. High heat nonfat dry milk prices are unchanged on light trading. Production is intermittent, driven by contractual requirements. In the spot market, high heat inventories are mixed, but are in balance to meet contract needs.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 0.7750 - 1.0200 MOSTLY: .8800 - .9650
 HIGH HEAT: 1.0500 - 1.1450

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
February 24	\$0.9619	5,072,529
February 17	\$1.0099	4,705,718

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: Central region dry buttermilk prices are mixed on a wider range. A few spot sales pulled down the bottom of the range. Demand for dry buttermilk remains steady, as springtime orders continue. Dry buttermilk production continues to match increasing milk supplies when not being overshadowed by NDM production. Higher demand and limited production continue to keep inventories slightly tight. Spot market activity was reportedly active this week, continuing a trend from last week. The market tone is fair.

EAST: Dry buttermilk prices in the East region are steady to lower at the bottom of the range, on limited spot market trading. Drying activity is rather light, as operations continue to schedule dryer times to process heavy condensed skim volumes. On the demand side, some buyers are showing a bit more interest, but the market in general appears to be just shopping at this time. Plant level stocks are moderate to light. The dry buttermilk market undertone reflects some variability.

F.O.B. CENTRAL/EAST: .8800 - 1.0500

DRY BUTTERMILK - WEST

Western dry buttermilk f.o.b. spot prices are mixed as a few spot transactions pulled down the bottom of the range. Nevertheless, prices are unchanged on the mostly series. At this point, the market undertone is unsettled. Sales in the spot market are light due to low availability. Most balancing plant operators are focusing on converting large condensed skim intakes into NDM and SMP. Thus, drying time for condensed buttermilk is limited. Furthermore, considerable amounts of condensed buttermilk volumes are clearing into ice cream manufacturing. In addition, a few processors are using condensed buttermilk for internal purposes.

F.O.B. WEST: .8800 - 1.0500 MOSTLY: .9800 - 1.0200

DRY WHOLE MILK - NATIONAL

F.O.B. spot prices for national dry whole milk are mixed on a narrower range. U.S. dry whole milk prices are more in line with international WMP values. The market undertone for national dry whole milk is stable. Spot trading activity is more active this week. Dry whole milk production is steady, but is expected to be higher ahead of the spring flush. Inventories are adequate to cover spot market needs, as well as contact requirements.

F.O.B. PRODUCING PLANT: 1.4000 - 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

In the Central region, dry whey prices remained steady on the range and saw slight increases on both ends of the mostly price series. Dry whey production levels are corresponding to the surplus milk supplies and the active cheese production in the Midwest. Some reports suggest Southeast Asian interest may slow down due to increasing prices and comfortable inventory levels in China, while domestic demand is steady. Some contacts suggest whey is nearing or at its peak price. They point to dry whey futures, which indicate a steady slowdown. Other contacts suggest whey is steady, with possibility for near term steadiness and/or growth. Spot market activity was relatively quiet this week as end users work through contracts whenever possible. Dry whey inventory reports vary from tight to adequate. Animal feed whey prices increased at the top of the range this week. This week, the animal feed whey spot trades were less frequent than they have been in the previous two weeks.

F.O.B. CENTRAL: .4300 - .5700 MOSTLY: .4600 - .5100
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3375 - .4800

DRY WHEY - WEST

Western whey prices moved up slightly at the bottom of both the range and mostly price series. Buyers say whey producers are not offering any discounted loads and inventories are fairly tight. Manufacturers are seeing relatively good demand, especially from end users that require dry whey in their recipes. Some contacts report demand from Mexico is slightly lower. And, while there is good demand in Southeast Asia, current price points for dry whey make it more difficult to attract new business. Industry contacts suggest dry whey markets are stuck and some buyers are starting to take a wait and see approach to purchases. The recent devaluation of whey futures has given many market participants a pause. In addition, a few contacts say the current value of protein in whey is not sustainable in relation to the value of protein in nonfat dry milk.

NONHYGROSCOPIC: .4500 - .5700 MOSTLY: .4700 - .5300

DRY WHEY - NORTHEAST

Northeastern whey prices are steady to higher. Contracts continue to clear a large percentage of current production. Producers' stocks, in some venues, appear balanced at this time. Other marketers suggest that dry whey demand outpaces production. Dry whey exports are seeing fair movement, however, market conditions lend to uncertainty from a strong dollar, and existing Mexico/China relations. Ahead of the ice cream production period, the market undertone is moderately strong.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4450 - .5400

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The range and mostly price series for whey protein concentrate 34% widened this week. A few manufacturers are capturing spot prices well above the mostly price series due to the limited availability of specific brands and tight specifications of some WPC34%. However, the bottom ends of the range and mostly price series both moved lower under pressure from falling nonfat dry milk prices. Industry contacts suggest a number of buyers have switched from WPC34% to NDM to take advantage of the lower cost protein. WPC 34% production is steady, but remains constricted by greater manufacturing focus on higher protein concentrations.

F.O.B. EXTRA GRADE 34% PROTEIN: .8500 - 1.1975 MOSTLY: .9000 - 1.0650

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged. Many industry contacts use the words "quiet, but steady" to describe the lactose market. Lactose is moving well through regular contracts, but spot activity is a little light. Demand appears to be inversely related to inventory levels. There is generally good demand, but tight stocks, for higher mesh lactose. Buyers are glad to have any volumes available for lactose with tighter specifications. There is greater availability of unground and lower mesh lactose. However, buyers are pushing back at some of the pricing for this lactose. Some industry contacts suggest buyers from Oceania are making steady purchases of lactose for current and future standardization needs as the milk season in the southern hemisphere is slowing. Lactose production in the U.S. is steady.

Including spot sales and up to 3 month contracts.

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

CASEIN - NATIONAL

Rennet casein prices increased at the top of the range. Acid casein prices increased at each end of the price range. Continuing lower milk production in New Zealand, which is a major global supplier of acid casein, is a concern with buyers. Volumes already contracted through Q3 of 2017 have left slimmer supplies available for buyers who have not yet secured contract commitments. These buyers are now facing higher prices to gain commitments to purchase acid casein in a very tight market. Recently released information reports that New Zealand exports of casein(ates) during January, 2017, declined 23.3% from January 2016, according to Eucolait. January 2017 exports are also lower than January 2015. At GDT event 182 on February 21, the all contracts price for rennet casein, \$2.7828, was 5.8% lower than the previous event.

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 - 3.0500
ACID: 3.2000 - 3.3500

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

<u>WEEK ENDING</u>	<u>2017 WEEKLY DAIRY COWS</u>	<u>2017 CUMULATIVE DAIRY COWS</u>	<u>2016 WEEKLY DAIRY COWS</u>	<u>2016 CUMULATIVE DAIRY COWS</u>
02/11/2017	63.5	376.6	61.8	431.3

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)

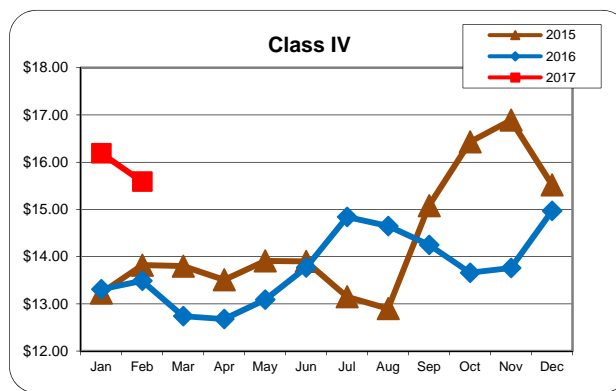
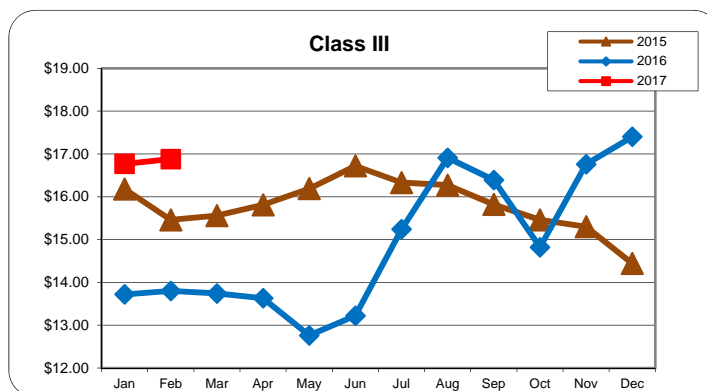
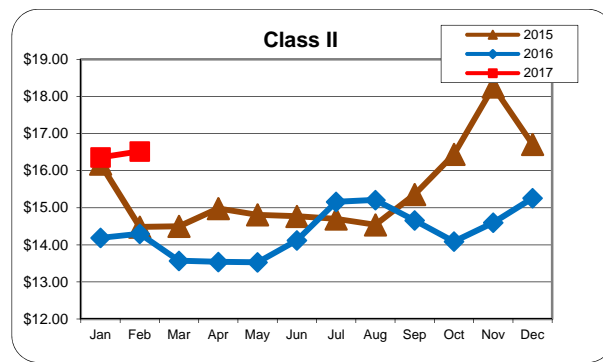
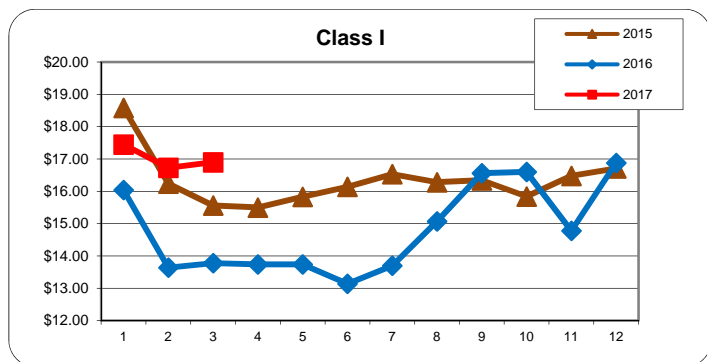
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	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.”



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered February 20 - March 3, 2017

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW: Total 2016 milk production in European Union member countries was up 0.6% from 2015 according to Eurolait. However, focusing solely on the annual percentage change conceals the reality that since June 2016, EU milk production each month has been lower than the 2015 counterpart. December 2016 EU production was 3.2% below December 2015. Considering major Western European milk producing nations, December 2016 production was higher than December 2015 in Italy (+4.7%), even in Netherlands, but lower in Germany (-4.8%), France (-7.0%), and UK (-7.0%).

Expectations for milk production again trending upward is closer to reality with reports this week of early year milk production in parts of Germany and France being slightly ahead of one year ago. A causal factor is prices for dairy products such as butter, whey, skim milk powder and whole milk powder, being ahead of one year ago. This is encouraging to producers and is expected to continue driving milk production to trend upward in coming months.

In late February, Spain joined a growing list of EU member nations proposing mandatory country of origin labeling of milk and dairy products. Efforts are underway by other countries involved in dairy exporting, to discourage such measures. Further discussion is expected in the World Trade Organization.

BUTTER/BUTTEROIL: Butter prices in Western Europe firmed at the bottom of the price range but are steady at the top. German and Dutch butter price firming primarily accounted for the price strength. Butteroil prices firmed.

Few longer term butter contracts have been finalized. Both sellers and buyers are content to move forward with shorter term butter contracts because each lacks confidence in their expectations for future prices and production. Neither wants to bet wrongly on a long term basis. Current buying interest is stronger for block butter than packaged butter.

Total 2016 butter production in European Union member countries was up 2.5% from 2015 according to Eurolait. Note however, that EU 2016 butter production each month beginning September has been lower than the corresponding 2015 month.

Of the top 4 EU butter producing nations, 2016 annual production was up from 2015, as well as December 2016 versus 2015, in Ireland (+4.3%, +4.7%), as well as Poland (+8.6%, +2.1%). In the two countries producing the most EU butter during 2016, annual 2016/2015 production as well as December 2016/December 2015 production was lower. These countries are Germany (-0.5%, -11.2%), and France (-2.8%, -15.2%).

European Union butter exports for 2016, 164,347 MT, were 20.8% higher than 2015 exports according to Eurolait. For the year, the main destinations were the U.S., 11.8%; Saudi Arabia, 11.7%; and Egypt, 7.7%. Butter imports for 2016, 7,556 MT, were 8.1% below 2015. The main origins were New Zealand, 71.9%; Ukraine, 9.1%; and Iceland, 5.4%.

Butteroil exports for 2016, 42,985 MT, were 14.9% higher than during 2015. Main destinations for the year were China, 33.9%; Hong Kong, 10.1%; and Saudi Arabia, 8.6%.

82% BUTTERFAT: 4,250 - 4,450
99% BUTTERFAT: 4,825 - 5,300

SWEET WHEY POWDER: Whey prices in Western Europe increased slightly at the bottom of the price range but are stable at the top. The market is considered firm. Food whey demand for both exports and European consumption is strong.

European Union whey exports for 2016, 556,754 MT, were 3.1% higher than 2015 exports according to Eurolait. For the year, the main destinations were China, 28.4%; Indonesia, 15.4%; and Malaysia, 10.2%.

European Union whey imports for 2016, 83,941 MT, were 11.4% lower than during 2015. The main origins were Switzerland, 88.7%; Norway, 7.2%; and United States, 2.9%.

NONHYGROSCOPIC: 1,075 - 1,125

SKIM MILK POWDER (SMP): Skim milk powder prices in Western Europe are lower this week at each end of the price range. Weaker prices occurred in a number of major SMP producing countries including Germany, France and Netherlands. Demand has lessened, both within the EU and in export markets. Buyers in domestic and export markets seem confident in strong SMP supplies going forward, leaving buyers more languid in closing deals unless sellers move toward buyers' price notions. Sellers are well aware of these dynamics and are more price flexible.

Total 2016 SMP production in European Union member countries was up 4.5% from 2015 according to Eurolait. Note however, that EU 2016 SMP production each month beginning July has been lower than the corresponding 2015 month.

Among EU SMP producing nations, 2016 annual production was up from 2015, as well as December 2016 versus 2015, in Germany (+8.9%, 3.8%), Netherlands (+3.2%, +11.1%), Belgium (+11.6%, +0.4%), Denmark (+21.6%, +50.0%), and Sweden (+15.3%, +14.4%). Annual 2016 and December 2016 SMP production was down from the previous year in Spain (-40.5%, -49.7%), France (-2.7%, -17.3%), Austria (-53.9%, -61.2%), and Portugal (-0.1%, -2.6%).

European Union SMP exports for 2016, 574,184 MT, were 17.0% lower than 2015 exports according to Eurolait. For the year, the main destinations were Algeria, 15.8%; China, 8.9%; and Indonesia, 8.2%.

1.25% BUTTERFAT: 1,950 - 2,050

WHOLE MILK POWDER (WMP): Western Europe whole milk powder prices weakened at each end of the price range. Beginning in the second half of February WMP markets in the EU quieted, and remain quiet. Many buyers are stocked and not in any rush to complete transactions. EU manufacturers continue efforts to increase their placements into export markets, but it remains a challenge to edge into existing WMP relationships with buyers comfortable with existing sources and formulations. Potential customers in the Middle East have been the focus of efforts most recently.

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INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered February 20 - March 3, 2017

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

CONTINUED FROM PAGE 8

EU production of WMP during 2016 was 3.8% higher than during 2015. December 2016 production was 0.7% higher than December 2015. Production during 2016 in Netherlands was the highest among EU countries, up 26.4% for the year and up 21.2% for December. France was the number two 2016 producer. However, 2016 annual production lagged 2015 by 0.4%, as well as for December 2016 compared with December 2015. Germany, the number three producer, had mixed results. Production for the year 2016 led 2015 by 5.9% while December 2016 production lagged December 2015 by 8.8%.

European Union WMP exports for 2016, 367,132 MT, were 0.7% lower than 2015 exports according to Eucolait. For the year, the main destinations were Oman, 12.5%; Algeria, 8.9%; and China, 4.9%.

26% BUTTERFAT: 3,025 - 3,200

EASTERN OVERVIEW: Poland, a significant Eastern European milk producing nation, had 2.4% higher 2016 milk production than 2015, as well as 1.0% higher December 2016 production than December 2015.

Preliminary estimates for January 2017 are that milk production in Poland is higher than one year earlier. Some processors note intakes over 3% higher.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered February 20 - March 3, 2017

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

AUSTRALIA: Financial losses continue to register for one of the largest dairy processors in Australia. Milk supplies have decreased over 20% in the last half year due to producers ending sales to the company and going to other processors, or quitting dairy production. The previous practice of issuing a full year profit or loss forecast has been discontinued while new management assesses the overall circumstances and expectations. This has led to what is characterized as an aggressive competitive environment in Australia by many processors to sign disenchanted dairy producers.

NEW ZEALAND: A large cooperative in New Zealand has revised its milk forecast for the current production year which ends May 31, 2017, from a drop of 7% to a drop of 5%. The milk price forecast issued last November for the current production year was reaffirmed. That forecast is for members to receive 6.5 to 6.6 New Zealand Dollars per kilogram of milk content. This is calculated by including dividends on shares. At the February 21, 2017 GDT event #182, average prices ranged from 12.9% lower to 6.8% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous averages are: anhydrous milk fat, \$5,693 - 1.3%; butter, \$4,598 +0.2%; buttermilk powder, \$2,090 -12.9%; cheddar cheese, \$3,590 -5.3%; lactose, \$966 +6.8%; rennet casein, \$6,135 - 5.8%; skim milk powder, \$2,574, -3.8; and whole milk powder, \$3,189 -3.7%.

BUTTER: Butter prices in Oceania firmed this week, reaching the highest level of 2017. This was expected as a consequence of the current deemed shortness of dairy fats in the region. Most sellers in Australia, deal with a pecking order of sorts, with preference in sales going to larger and longer term customers. Buyers who do not fit that description struggle to secure deliveries.

That has contributed to Australian butter exports declining while New Zealand, with a lower population, experienced increasing butter exports.

Australia butter exports during 2016, 19,992 MT, were 10.7% lower than during 2015 according to Eucolait. Main destinations were Singapore, 16.9%; Malaysia, 10.9%; and Hong Kong, 9.7%.

New Zealand butter exports during 2016, 297,475 MT, were 5.5% higher than during 2015. Main destinations were China, 17.6%; Iran, 9.1%; and Egypt, 8.3%.

New Zealand butteroil exports during 2016, 230,445 MT, were 6.7% higher than during 2015 according to Eucolait. Main destinations were Mexico, 22.1%; Philippines, 10.5%; and China, 8.1%.

At GDT Event 182 on February 21, the butter all contracts price increased 0.2% but the March contract price decreased 2.7%.

82% BUTTERFAT: 4,500 - 4,850

SKIM MILK POWDER (SMP): Skim milk powder prices in Oceania very slightly firmed this week, up slightly from last report. This market has been very short term focused, also wary of intervention stocks in the EU. Thus subtle price movements, as in this week, tend to be viewed as trading range adjustments rather than trends.

Australia SMP exports during 2016, 163,654 MT, were 18.4% lower than during 2015 according to Eucolait. Main destinations were Indone-

sia, 23.4%; Malaysia, 11.4%; and China, 10.6%.

New Zealand SMP exports during 2016, 451,252 MT, were 9.7% higher than during 2015 according to Eucolait. Main destinations were China, 24.2%; Iran, 9.3%; and Egypt, 8.9%.

At GDT Event 182 on February 21, the SMP all contracts price declined 3.8% but the March contract price increased 0.2%.

1.25% BUTTERFAT: 2,450 - 2,650

CHEDDAR CHEESE: Oceania cheddar prices slightly weakened but overall, during the coming weeks, the market is expected to be steady going forward. Market dynamics are different in Australia and New Zealand. New Zealand exports over twice as much cheese as Australia. Considering that Australia has multiples the population of New Zealand, this illustrates the significance of domestic cheese sales for Australia. Domestic cheddar sales in Australia have continued to grow. Cheese manufacturers cite steady growth in cheese sales throughout 2016, both volumes and revenues. That has been a factor leading to lower cheese exports recently.

Australia cheese exports during 2016, 167,160 MT, were 2.1% lower than during 2015 according to Eucolait. Main destinations were Japan, 49.1%; China, 11.9%; and Malaysia, 5.1%.

New Zealand cheese exports during 2016, 369,140 MT, were 13% higher than during 2015 according to Eucolait. Main destinations were Australia, 17.5%; Japan, 17.3%; and China, 14.6%.

At GDT Event 182 on February 21, the cheddar all contracts price declined 5.3% and the March contract price decreased 2.9%.

39% MAXIMUM MOISTURE: 3,750 - 3,925

WHOLE MILK POWDER (WMP): Whole milk powder prices in Oceania weakened at the top of the price range but remained unchanged at the bottom. There is discussion focusing on possibly higher milk production ahead in New Zealand than has been forecast. Some potential buyers have become wary of potential price weakness ahead, and have slowed purchases as a result. Another factor is increased efforts by European manufacturers to enter some WMP markets with WMP priced slightly below prevailing Oceania prices.

Australia WMP exports during 2016, 65,790 MT, were 4.9% higher than during 2015 according to Eucolait. Main destinations were China, 19.0%; Sri Lanka, 17.0%; and Singapore, 12.7%.

New Zealand WMP exports during 2016, 1,362,047 MT, were 0.7% lower than during 2015. Main destinations were China, 28.9%; Algeria, 12.4%; and UAE, 7.3%.

At GDT Event 182 on February 21, the WMP all contracts price declined 3.7% and the March contract price decreased 4.9%.

26% BUTTERFAT: 3,200 - 3,375

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INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered February 20 - March 3, 2017

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

CONTINUED FROM PAGE 8A**Exchange rates for selected foreign currencies:
February 27, 2017**

.0646 Argentina Peso	.0150 India Rupee
.7673 Australian Dollar	.0089 Japan yen
.3216 Brazil Real	.0502 Mexican Peso
.7588 Canadian Dollar	.7180 New Zealand Dollar
.0015 Chile Peso	.2455 Poland Zloty
1.0587 Euro	.0354 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0502) = 19.9203$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 182 Recap - February 21, 2017													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Mar-17		Apr-17		May-17		Jun-17		Jul-17		Aug-17			
Anhydrous Milk Fat	\$5,868	-9.3%	\$5,611	-1.4%	\$5,838	4.2%	\$5,625	-1.6%	\$5,625	-4.9%	n.a.		\$5,693	-1.3%
Butter	\$4,580	-2.7%	\$4,595	-0.5%	\$4,655	2.4%	\$4,565	-0.7%	\$4,550	0.9%	n.a.		\$4,598	0.2%
Buttermilk Powder	n.a.		\$2,090	-12.9%	n.a		n.a.		n.a.		n.a.		\$2,090	-12.9%
Cheddar	\$3,845	-2.9%	\$3,513	-8.1%	\$3,609	-5.0%	\$3,565	-3.3%	\$3,790	-5.0%	n.a.		\$3,590	-5.3%
Lactose	n.a.		\$966	6.8%	n.a		n.a.		n.a.		n.a.		\$966	6.8%
Rennet Casein	\$6,016	-3.9%	\$6,101	-7.1%	\$6,203	-4.7%	\$6,287	-2.7%	n.a.		n.a.		\$6,135	-5.8%
Skim Milk Powder	\$2,770	0.2%	\$2,570	-3.4%	\$2,647	-1.3%	\$2,486	-7.4%	\$2,512	-7.5%	n.a.		\$2,574	-3.8%
Sweet Whey Powder	n.a.		n.a.		n.a		n.a.		n.a.		n.a.		n.a.	
Whole Milk Powder	\$3,156	-4.9%	\$3,173	-3.9%	\$3,201	-3.0%	\$3,214	-3.6%	\$3,213	-3.5%	n.a.		\$3,189	-3.7%

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (gDT) Event 182 Recap - February 21, 2017												
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts
	Mar-17		Apr-17		May-17		Jun-17		Jul-17		Aug-17		
Anhydrous Milk Fat	\$2.6617	-9.3%	\$2.5451	-1.4%	\$2.6481	4.2%	\$2.5515	-1.6%	\$2.5515	-4.9%	n.a.	\$2.5823	-1.3%
Butter	\$2.0775	-2.7%	\$2.0843	-0.5%	\$2.1115	2.4%	\$2.0707	-0.7%	\$2.0639	0.9%	n.a.	\$2.0856	0.2%
Buttermilk Powder	n.a.		\$0.9480 -12.9%		n.a		n.a.		n.a.		n.a.	\$0.9480 -12.9%	
Cheddar	\$1.7441	-2.9%	\$1.5935	-8.1%	\$1.6370	-5.0%	\$1.6171	-3.3%	\$1.7191	-5.0%	n.a.	\$1.6284	-5.3%
Lactose	n.a.		\$0.4382 6.8%		n.a		n.a.		n.a.		n.a.	\$0.4382 6.8%	
Rennet Casein	\$2.7288	-3.9%	\$2.7674	-7.1%	\$2.8137	-4.7%	\$2.8518	-2.7%	n.a.		n.a.	\$2.7828	-5.8%
Skim Milk Powder	\$1.2565	0.2%	\$1.1657	-3.4%	\$1.2007	-1.3%	\$1.1276	-7.4%	\$1.1394	-7.5%	#####	n.a.	\$1.1676 -3.8%
Sweet Whey Powder	n.a.		n.a.		n.a		n.a.		n.a.		n.a.	n.a.	
Whole Milk Powder	\$1.4316	-4.9%	\$1.4393	-3.9%	\$1.4520	-3.0%	\$1.4579	-3.6%	\$1.4574	-3.5%	#####	n.a.	\$1.4465 -3.7%

Average price US\$/pound and % change from previous event.

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered February 20 - March 3, 2017

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

SOUTH AMERICA OVERVIEW: In Argentina, weather conditions have improved in the recently flooded dairy states of Córdoba and Santa Fe. However, milk production continues decreasing as many cows died due to the recent floods. In addition, the current high summer temperatures are boosting heat stress on milking cows. With most educational institution reopening, milk requests from bottlers are increasing. As a result, there is less than adequate milk supply to cover some manufacturing needs. Because of this, some processors are limiting milk powder manufacturing and prioritizing the production of other dairy products, principally cheese. Currently, the Argentinian government is looking to expand their dairy products export volume to Mexico.

In Uruguay, farm milk yields have plateaued in many dairy operations due to steady weather conditions. Milk intakes are mostly in balance with all processing needs. Fat and protein levels in the milk remain low. Butter production rates are lower, driven by shorter cream supplies. The Uruguayan government continues promoting the domestic dairy industry with loans and some aids to dairy farmers.

In Brazil, farm milk output is steady to slightly lower, prompted by higher daytime temperatures, around 95 degrees, in some key dairy states. The shortage of milk is helping to sustain higher farm gate prices. Fluid milk orders from educational institutions are strong. However, bottled milk/UHT sales to retailers are lower, in part due the current holiday celebration throughout the week. With an increasing consumption of milk fat and lower seasonal supply, the cream market is strengthening. Cream demands from butter churners and manufacturers of other cream based products are strong. This week, trading is light in the Brazilian cheese market as interest from several market channels is low. Milk powder interest for industrial food processing is fair. Back to the farm, in southern Brazil, summer warmth is stimulating rapid soybean and corn crops development.

WHOLE MILK POWDER (WMP): Whole milk powder (WMP) f.o.b. export prices in the Southern Cone of South America are lower, in line with recent downward trends at the GDT. The bottom price of the range is reflecting moderate WMP export trades from Argentina/Uruguay to Algeria and Russia. The top of the range is mirroring active Brazilian WMP imports from some countries within the Southern Cone. The strong Brazilian currency is supporting import trades. In the Southern Cone, WMP production is trending down, driven by lower regional milk output and a strong demand for milk fat. Nevertheless, WMP inventories are more than sufficient to meet manufacturing needs within the Mercosur bloc. In Brazil, WMP interest from food processors seems to be steady to light. According to the National Milk Institute (INALE), Uruguay WMP exports in January 2017 totaled 9,329 MT, up 189% from the same period in 2016. At the GDT Event 182 on February 21, whole milk powder (WMP) prices across all contract periods averaged \$3,189 per metric ton, down 3.7% from the last event.

26% BUTTERFAT: 2,850 - 3,450

SKIM MILK POWDER (SMP): Skim milk powder (SMP) f.o.b. export prices are slightly higher in the Southern Cone of South America. Export trades from Uruguay/Argentina to Brazil are active, reflected on the top of the pricing range. A strong Brazilian real is encouraging import activity. On the other hand, the bottom price of the range is mirroring moderate SMP export trading from the Southern Cone to countries outside the Mercosur bloc. SMP drying schedules are lower, driven by the availability of condensed skim supplies. At this point, SMP stocks are less than sufficient to cover all processing needs. According to the National Milk Institute (INALE), Uruguay SMP exports in January 2017 totaled 3,017 MT, up 172% from the same period in 2016. At the GDT Event 182 on February 21, skim milk powder (SMP) prices across all contract periods averaged \$2,574 per metric ton, down 3.8% from the last event.

1.25% BUTTERFAT: 2,575 - 2,775

CME GROUP, INC FUTURES

Selected settling prices

Month	02/17	02/20	02/21	02/22	02/23	02/24	02/27	02/28	03/01	03/02
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
FEB 17	16.88	NO TRADING	16.87	16.85	16.87	16.86	16.87	16.87	16.88	
MAR 17	16.87		16.57	16.38	16.43	16.27	16.10	16.27	16.04	16.03
APR 17	16.90		16.67	16.58	16.66	16.32	16.01	16.16	15.89	15.96
MAY 17	17.00		16.77	16.76	16.80	16.48	16.05	16.21	15.90	16.04
JUN 17	17.25		16.99	16.97	16.99	16.74	16.35	16.36	16.16	16.25
JUL 17	17.46		17.26	17.23	17.20	16.96	16.66	16.66	16.51	16.59
AUG 17	17.59		17.44	17.43	17.36	17.09	16.85	16.89	16.81	16.90
SEP 17	17.61		17.44	17.41	17.37	17.10	16.85	16.91	16.85	16.91
OCT 17	17.63		17.47	17.39	17.36	17.09	16.81	16.87	16.81	16.88
NOV 17	17.56		17.40	17.32	17.26	17.05	16.81	16.81	16.73	16.80
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
FEB 17	15.66	NO TRADING	15.66	15.66	15.66	15.66	15.66	15.70	15.59	
MAR 17	15.20		15.15	15.15	15.15	15.09	15.00	15.00	14.92	14.68
APR 17	14.97		14.94	14.98	14.98	14.60	14.60	14.60	14.59	14.31
MAY 17	14.98		14.98	15.09	15.05	14.85	14.75	14.75	14.73	14.49
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
FEB 17	219.75	NO TRADING	219.75	219.75	219.75	219.75	219.75	219.78	217.60	
MAR 17	218.00		217.00	216.53	218.00	219.03	222.00	222.75	224.00	220.35
APR 17	219.45		218.00	219.50	221.00	222.98	223.53	225.75	229.00	224.00
MAY 17	221.00		219.55	220.53	223.00	223.58	225.00	227.65	231.00	226.00
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
FEB 17	99.15	NO TRADING	99.43	99.18	99.23	99.13	99.13	99.45	99.26	
MAR 17	93.00		93.30	93.38	92.98	91.40	89.85	90.33	87.00	87.00
APR 17	89.75		90.80	91.00	89.45	86.08	84.30	84.90	81.70	81.70
MAY 17	91.10		92.00	92.25	91.30	87.30	85.20	86.20	82.73	83.60
WHEY (Electronic-Traded) (¢/lb)										
FEB 17	48.50	NO TRADING	48.45	48.45	48.25	48.25	48.25	48.50	48.94	
MAR 17	49.50		48.93	48.85	49.33	48.50	47.50	49.20	48.33	49.48
APR 17	49.25		48.80	48.88	48.23	45.00	44.08	46.90	45.50	47.65
MAY 17	49.25		48.98	48.75	47.93	44.58	41.45	44.00	43.00	45.08
CHEESE CSC (Electronic-Traded) (\$/lb)										
FEB 17	1.69	NO TRADING	1.69	1.69	1.69	1.69	1.69	1.69	1.69	
MAR 17	1.68		1.66	1.64	1.65	1.63	1.61	1.63	1.60	1.59
APR 17	1.69		1.67	1.66	1.67	1.66	1.62	1.62	1.60	1.60
MAY 17	1.70		1.68	1.68	1.68	1.68	1.65	1.65	1.62	1.62
JUN 17	1.72		1.71	1.70	1.71	1.70	1.69	1.67	1.66	1.66

Source: <http://www.cmegroup.com/market-data/daily-bulletin.html>

DAIRY MARKET NEWS DOMESTIC MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2017¹ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 5	::REPORT NUMBER 6	::REPORT NUMBER 7	::REPORT NUMBER 8	::REPORT NUMBER 9	::	2017	:	2016
	::-----::	::-----::	::-----::	::-----::	::-----::	::	Monthly	:	Monthly
	:: FEB 01 - 03	:: FEB 06 - 10	:: FEB 13 - 17	:: FEB 20 - 24	:: FEB 27 - 28	::	Average	:	Average
CHEESE									
WISCONSIN (WSP, Delivered, LTL)									
-- Process American 5# Loaf	:: 1.5575 - 1.9175	:: 1.6825 - 2.0425	:: 1.7700 - 2.1300	:: 1.7350 - 2.0950	:: 1.6475 - 2.0075	::	1.8732	:	1.7320
-- Brick And/Or Muenster 5#	:: 2.0200 - 2.4450	:: 2.1150 - 2.5400	:: 2.0025 - 2.4275	:: 1.9650 - 2.3900	:: 1.9100 - 2.3350	::	2.2297	:	2.0621
-- Cheddar 40# Block	:: 1.7475 - 2.1425	:: 1.8425 - 2.2375	:: 1.7300 - 2.1250	:: 1.6925 - 2.0875	:: 1.6375 - 2.0325	::	1.9422	:	1.7746
-- Monterey Jack 10#	:: 1.9950 - 2.2000	:: 2.0900 - 2.2950	:: 1.9775 - 2.1825	:: 1.9400 - 2.1450	:: 1.8850 - 2.0900	::	2.0947	:	1.9271
-- Blue 5#	:: 2.2875 - 3.2750	:: 2.3825 - 3.3700	:: 2.2700 - 3.2575	:: 2.2325 - 3.2200	:: 2.1775 - 3.1650	::	2.7785	:	2.6109
-- Mozzarella 5 - 6#	:: 1.8200 - 2.7600	:: 1.9150 - 2.8550	:: 1.8025 - 2.7425	:: 1.7650 - 2.7050	:: 1.7100 - 2.6500	::	2.2872	:	2.1196
-- Grade A Swiss Cuts 6 - 9#	:: 2.6125 - 2.7300	:: 2.8275 - 2.9450	:: 2.8275 - 2.9450	:: 2.8275 - 2.9450	:: 2.8275 - 2.9450	::	2.8523	:	2.7331
NORTHEAST (WSP, Delivered, LTL)									
-- Cheddar 40# Block	:: 2.1150 - 2.4000	:: 2.2100 - 2.4950	:: 2.0975 - 2.3825	:: 2.0600 - 2.3450	:: 2.0050 - 2.2900	::	2.2547	:	2.0296
-- Process 5# Sliced	:: 1.6000 - 2.0800	:: 1.7250 - 2.2050	:: 1.8125 - 2.2925	:: 1.7775 - 2.2575	:: 1.6900 - 2.1700	::	1.9757	:	1.8920
-- Muenster	:: 2.1000 - 2.4500	:: 2.1950 - 2.5450	:: 2.0825 - 2.4325	:: 2.0450 - 2.3950	:: 1.9900 - 2.3400	::	2.2722	:	2.0821
-- Grade A Swiss Cuts 10 - 14#	:: 3.0950 - 3.4175	:: 3.3100 - 3.6325	:: 3.3100 - 3.6325	:: 3.3100 - 3.6325	:: 3.3100 - 3.6325	::	3.4373	:	3.3181
WEST COAST (WSP, Delivered, LTL)									
-- Process 5# Loaf	:: 1.5450 - 1.8025	:: 1.6700 - 1.9275	:: 1.7575 - 2.0150	:: 1.7225 - 1.9800	:: 1.6350 - 1.8925	::	1.8094	:	1.6958
-- Cheddar 40# Block	:: 1.7800 - 2.2250	:: 1.8750 - 2.3200	:: 1.7625 - 2.2075	:: 1.7250 - 2.1700	:: 1.6700 - 2.1150	::	1.9997	:	1.8046
-- Cheddar 10# Cuts	:: 1.9600 - 2.1800	:: 2.0550 - 2.2750	:: 1.9425 - 2.1625	:: 1.9050 - 2.1250	:: 1.8500 - 2.0700	::	2.0672	:	1.8721
-- Monterey Jack 10#	:: 1.9700 - 2.1300	:: 2.0650 - 2.2250	:: 1.9525 - 2.1125	:: 1.9150 - 2.0750	:: 1.8600 - 2.0200	::	2.0472	:	1.8521
-- Grade A Swiss Cuts 6 - 9#	:: 2.6725 - 3.1025	:: 2.8875 - 3.3175	:: 2.8875 - 3.3175	:: 2.8875 - 3.3175	:: 2.8875 - 3.3175	::	3.0686	:	2.9494
FLUID PRODUCTS									
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)									
-- Northeast - f.o.b	:: 1.9868 - 2.5386	:: 1.9868 - 2.6490	:: 2.0473 - 2.4783	:: 1.9270 - 2.5692	:: 1.9165 - 2.4489	::	2.2658	:	2.5239
-- Upper Midwest - f.o.b	:: 2.3179 - 2.6049	:: 2.2958 - 2.6049	:: 2.2412 - 2.5429	:: 2.2266 - 2.5692	:: 2.2146 - 2.4488	::	2.4132	:	2.5590
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.									
-- Class II	:: 0.60 - 1.07	:: 0.30 - 1.04	:: 0.30 - 1.04	:: 0.30 - 1.04	:: 0.30 - 1.01	::	0.6944	:	0.7440
-- Class III	:: 0.55 - 1.06	:: 0.30 - 0.91	:: 0.30 - 0.91	:: 0.30 - 0.91	:: 0.30 - 0.91	::	0.6366	:	0.6575

DAIRY MARKET NEWS DOMESTIC MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2017¹ – (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 5	::REPORT NUMBER 6	::REPORT NUMBER 7	::REPORT NUMBER 8	::REPORT NUMBER 9	::	2017	:	2016
	::-----::	::-----::	::-----::	::-----::	::-----::	::	Monthly	:	Monthly
	:: FEB 01 - 03	:: FEB 06 - 10	:: FEB 13 - 17	:: FEB 20 - 24	:: FEB 27 - 28	::	Average	:	Average
DRY PRODUCTS									
NONFAT DRY MILK									
-- Central And East (f.o.b.)									
-- Low/Medium Heat	:: 0.9600 - 1.0600	:: 0.9450 - 1.0500	:: 0.9100 - 1.0500	:: 0.8500 - 1.0300	:: 0.7925 - 1.0000	::	0.9721	:	0.7894
-- Mostly	:: 1.0300 - 1.0600	:: 1.0000 - 1.0300	:: 0.9600 - 1.0100	:: 0.9350 - 0.9900	:: 0.8500 - 0.9400	::	0.9882	:	0.7860
-- High Heat	:: 1.1300 - 1.1600	:: 1.0500 - 1.1600	:: 1.0500 - 1.1600	:: 1.0500 - 1.1600	:: 1.0625 - 1.1500	::	1.1114	:	1.0220
-- West (f.o.b.)									
-- Low/Medium Heat	:: 0.8900 - 1.0550	:: 0.8800 - 1.0800	:: 0.8450 - 1.0200	:: 0.8150 - 1.0300	:: 0.7750 - 1.0200	::	0.9455	:	0.7444
-- Mostly	:: 0.9800 - 1.0300	:: 0.9700 - 1.0200	:: 0.9500 - 1.0000	:: 0.9300 - 0.9850	:: 0.8800 - 0.9650	::	0.9758	:	0.7296
-- High Heat	:: 1.0900 - 1.1750	:: 1.0800 - 1.1700	:: 1.0500 - 1.1550	:: 1.0500 - 1.1450	:: 1.0500 - 1.1450	::	1.1116	:	0.9648
WHEY POWDER (Nonhygroscopic)									
-- Central (f.o.b.)	:: 0.4025 - 0.5400	:: 0.4100 - 0.5500	:: 0.4100 - 0.5700	:: 0.4300 - 0.5700	:: 0.4300 - 0.5700	::	0.4876	:	0.2321
-- Mostly	:: 0.4200 - 0.4700	:: 0.4325 - 0.4900	:: 0.4475 - 0.5000	:: 0.4550 - 0.5050	:: 0.4600 - 0.5100	::	0.4684	:	0.2393
-- West (f.o.b.)	:: 0.4300 - 0.5550	:: 0.4400 - 0.5500	:: 0.4400 - 0.5700	:: 0.4400 - 0.5700	:: 0.4500 - 0.5700	::	0.5009	:	0.2794
-- Mostly	:: 0.4450 - 0.5225	:: 0.4600 - 0.5300	:: 0.4600 - 0.5300	:: 0.4600 - 0.5300	:: 0.4700 - 0.5300	::	0.4938	:	0.2500
-- Northeast (f.o.b.)	:: 0.4300 - 0.5650	:: 0.4450 - 0.5300	:: 0.4450 - 0.5300	:: 0.4450 - 0.5300	:: 0.4450 - 0.5400	::	0.4896	:	0.2569
WHEY PROTEIN CONCENTRATE									
-- Central And West (f.o.b.)									
-- Extra Grade 34% Protein	:: 0.8500 - 1.1300	:: 0.8700 - 1.1300	:: 0.8700 - 1.1300	:: 0.8900 - 1.1625	:: 0.8500 - 1.1975	::	1.0064	:	0.6033
-- Mostly	:: 0.9000 - 1.0300	:: 0.9275 - 1.0650	:: 0.9300 - 1.0650	:: 0.9300 - 1.0650	:: 0.9000 - 1.0650	::	0.9905	:	0.5750
ANIMAL FEED - WHEY									
-- Central (f.o.b.)									
-- Milk Replacer	:: 0.3400 - 0.4450	:: 0.3900 - 0.4450	:: 0.3375 - 0.4450	:: 0.3375 - 0.4450	:: 0.3375 - 0.4800	::	0.4002	:	0.1735
BUTTERMILK (Min. 30% protein)									
-- Central And East (f.o.b.)	:: 0.8900 - 1.0400	:: 0.9050 - 1.0500	:: 0.9050 - 1.0500	:: 0.9050 - 1.0500	:: 0.8800 - 1.0500	::	0.9742	:	0.7974
-- West (f.o.b.)	:: 0.9200 - 1.0900	:: 0.9500 - 1.0900	:: 0.9500 - 1.0500	:: 0.9300 - 1.0500	:: 0.8800 - 1.0500	::	1.0003	:	0.7894
-- Mostly	:: 0.9800 - 1.0200	:: 0.9800 - 1.0200	:: 0.9800 - 1.0200	:: 0.9800 - 1.0200	:: 0.9800 - 1.0200	::	1.0000	:	0.8018
DRY WHOLE MILK									
-- National (f.o.b.)	:: 1.4000 - 1.5700	:: 1.4000 - 1.6000	:: 1.4000 - 1.6000	:: 1.4000 - 1.6000	:: 1.4000 - 1.5500	::	1.4950	:	1.2812
LACTOSE									
-- Central And West (f.o.b.)	:: 0.2400 - 0.5800	:: 0.2400 - 0.5800	:: 0.2400 - 0.5800	:: 0.2400 - 0.5800	:: 0.2400 - 0.5800	::	0.4100	:	0.2465
-- Mostly	:: 0.3400 - 0.4100	:: 0.3400 - 0.4100	:: 0.3400 - 0.4100	:: 0.3400 - 0.4100	:: 0.3400 - 0.4100	::	0.3750	:	0.2166
CASEIN - Edible - National (f.o.b.)									
-- Nonrestricted - Rennet	:: 3.0150 - 3.0600	:: 2.9400 - 3.0100	:: 2.9400 - 3.0100	:: 2.8500 - 2.8900	:: 2.8500 - 3.0500	::	2.9601	:	2.9180
-- Nonrestricted - Acid	:: 3.0525 - 3.1500	:: 2.9825 - 3.1000	:: 2.9825 - 3.1000	:: 2.8800 - 2.9800	:: 3.2000 - 3.3500	::	3.0519	:	3.1058

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

DAIRY MARKET NEWS INTERNATIONAL MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2017¹
 (UNLESS OTHERWISE NOTED, PRICES ARE U.S.DOLLARS/METRIC TON, F.O.B. PORT)

COMMODITY	::REPORT NUMBER 5		::REPORT NUMBER 7		::REPORT NUMBER 9		2017 *	2016 *
	::		::		::		Monthly	Monthly
	:: FEB 01 - 03		:: FEB 06 - 17		:: FEB 20 - 28		Average	Average
BUTTER (82% BUTTERFAT)								
-- OCEANIA	:: 4375	- 4475	:: 4400	- 4600	:: 4500	- 4850	:: 4550	: 2976
-- WESTERN EUROPE	:: 4200	- 4525	:: 4125	- 4450	:: 4250	- 4450	:: 4321	: 2867
BUTTEROIL (99% BUTTERFAT)								
-- WESTERN EUROPE	:: 4550	- 5000	:: 4650	- 5075	:: 4825	- 5300	:: 4919	: 3730
CHEDDAR CHEESE (39% MAXIMUM MOISTURE)								
-- OCEANIA	:: 3675	- 3875	:: 3800	- 3950	:: 3750	- 3925	:: 3847	: 2887
SKIM MILK POWDER (1.25% BUTTERFAT)								
-- OCEANIA	:: 2350	- 2450	:: 2400	- 2550	:: 2450	- 2650	:: 2490	: 1798
-- SOUTH AMERICA	:: 2400	- 2550	:: 2525	- 2725	:: 2575	- 2775	:: 2620	: 1749
-- WESTERN EUROPE	:: 2150	- 2300	:: 2050	- 2165	:: 1950	- 2050	:: 2088	: 1749
WHEY POWDER (NONHYGROSCOPIC)								
-- WESTERN EUROPE	:: 0900	- 1075	:: 1050	- 1125	:: 1075	- 1125	:: 1077	: 603
WHOLE MILK POWDER (26% BUTTERFAT)								
-- OCEANIA	:: 3100	- 3275	:: 3200	- 3400	:: 3200	- 3375	:: 3279	: 2008
-- SOUTH AMERICA	:: 2800	- 3425	:: 2900	- 3500	:: 2850	- 3450	:: 3169	: 2169
-- WESTERN EUROPE	:: 3200	- 3350	:: 3150	- 3325	:: 3025	- 3200	:: 3199	: 2169

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

CME GROUP AVERAGES FOR FEBRUARY 2017

COMMODITY	::REPORT NUMBER 5		::REPORT NUMBER 6		::REPORT NUMBER 7		::REPORT NUMBER 8		::REPORT NUMBER 9		2017 *	2016 *
	::-----		::-----		::-----		::-----		::-----		Monthly	Monthly
	:: FEB 1 - 3		:: FEB 6 - 10		:: FEB 13 - 17		:: FEB 21 - 24		:: FEB 27 - 28		Average	Average
BUTTER*												
-- GRADE AA												
--Monday	::		::	2.1575	::	2.1025	::	1	::	2.1600	::	:
--Tuesday	::		::	2.1600	::	2.1300	::	2.1400	::	2.1800	::	:
--Wednesday	::	2.2400	::	2.1775	::	2.1575	::	2.1175	::		::	:
--Thursday	::	2.1800	::	2.1775	::	2.1575	::	2.1300	::		::	:
--Friday	::	2.1575	::	2.1025	::	2.1575	::	2.1300	::		::	2.1534 : 2.0840
--Weekly Average**	::	2.2075	::	2.1550	::	2.1410	::	2.1294	::		::	:
CHEESE*												
-- BARRELS												
--Monday	::		::	1.7100	::	1.6500	::	1	::	1.4875	::	:
--Tuesday	::		::	1.7000	::	1.6500	::	1.6000	::	1.5250	::	:
--Wednesday	::	1.5775	::	1.6850	::	1.6500	::	1.5700	::		::	:
--Thursday	::	1.6975	::	1.6500	::	1.6500	::	1.5400	::		::	:
--Friday	::	1.7075	::	1.6500	::	1.6200	::	1.5175	::		::	1.6230 : 1.4573
--Weekly Average**	::	1.5920	::	1.6790	::	1.6440	::	1.5569	::		::	:
-- 40# BLOCKS												
--Monday	::		::	1.7000	::	1.6000	::	1	::	1.5450	::	:
--Tuesday	::		::	1.6300	::	1.6100	::	1.5300	::	1.5475	::	:
--Wednesday	::	1.7500	::	1.6200	::	1.6050	::	1.5100	::		::	:
--Thursday	::	1.8500	::	1.6200	::	1.5975	::	1.5575	::		::	:
--Friday	::	1.7400	::	1.6100	::	1.5800	::	1.5750	::		::	1.6199 : 1.4744
--Weekly Average**	::	1.7475	::	1.6360	::	1.5985	::	1.5431	::		::	:
NONFAT DRY MILK*												
-- GRADE A												
--Monday	::		::	0.9400	::	0.9000	::	1	::	0.8225	::	:
--Tuesday	::		::	0.9500	::	0.9025	::	0.8750	::	0.8250	::	:
--Wednesday	::	0.9475	::	0.9600	::	0.9100	::	0.8700	::		::	:
--Thursday	::	0.9500	::	0.9625	::	0.8800	::	0.8525	::		::	:
--Friday	::	0.9400	::	0.9200	::	0.8700	::	0.8225	::		::	0.9000 : 0.7410
--Weekly Average**	::	0.9455	::	0.9465	::	0.8925	::	0.8550	::		::	:

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

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

1/ CME closed on February 20.

January Agricultural Prices Highlights

The All Milk price received by farmers was \$18.90 in January, up \$2.80 from January 2016. Milk Cows price was \$1,620 in January, down \$210 from January 2016. Alfalfa hay price was \$128.00 in January, down \$13.00 from January 2016. Corn price was \$3.40 in January, down \$.26 from January 2016. Soybean price was \$9.71 in January, up \$1.00 from January 2016. The milk-feed price ratio was 2.69 in January, up 0.51 from January 2016.

The index of prices received by farmers for dairy products during the month of January 2017 was up 0.5 points to 94. Compared to January 2016, the index was up 13.9 points (+17.4 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2017 was up 2 to 106.5. Compared with January 2016, the index was down 0.2 points (-0.2 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., January 2017 with Comparisons										
State	All-Milk price ^{1,2}		Milk cows ³		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Jan		Jan		Jan		Jan		Jan	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
	(dollars per cwt)		(dollars per head)		(dollars per ton)		(dollars per bushel)		(dollars per bushel)	
AZ	15.20	17.80	1,900	1,700	160.00	150.00	---	---	---	---
CA	15.12	17.54	1,800	1,600	165.00	160.00	---	---	---	---
CO	16.60	19.50	1,900	1,800	160.00	150.00	3.78	3.33	---	---
ID	15.60	18.30	1,850	1,650	170.00	120.00	---	---	---	---
IN	16.30	19.40	1,800	1,500	---	---	3.97	3.65	8.93	9.96
IA	15.90	19.20	1,860	1,570	122.00	94.00	3.55	3.34	8.46	9.58
MI	15.30	18.10	2,000	1,600	150.00	155.00	3.65	3.45	8.58	9.78
MN	16.50	19.10	1,730	1,490	100.00	84.00	3.44	3.21	8.32	9.38
NM	15.00	17.90	1,900	1,850	185.00	165.00	---	---	---	---
NY	17.00	19.70	1,700	1,500	225.00	196.00	---	---	---	---
OH	16.90	19.90	1,750	1,500	170.00	155.00	3.90	3.65	9.15	9.95
PA	17.40	20.00	1,780	1,480	215.00	192.00	3.87	4.02	---	---
TX	16.50	20.20	1,850	1,650	212.00	166.00	4.43	3.84	---	---
WA	16.40	19.70	1,800	1,650	155.00	125.00	---	---	---	---
WI	16.00	19.30	1,910	1,730	107.00	82.00	3.51	3.27	8.69	9.65
U.S.	16.10	18.90	1,830	1,620	141.00	128.00	3.66	3.40	8.71	9.71

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

³ Animals sold for dairy herd replacement only. Quarterly United States milk cow prices are based on revised milk cow inventory.

Milk-Feed Price Ratio, Selected States and U.S., January 2017 with Comparisons			
Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹			
State ²	Jan 2016	Dec 2016	Jan 2017
IA	2.32	3.10	3.07
MI	2.03	2.40	2.37
MN	2.62	3.25	3.24
OH	2.12	2.61	2.57
WI	2.44	3.25	3.25
U.S.	2.18	2.70	2.69

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

General Price Measures, U.S., January 2017 with Comparisons			
Item	Jan 2016	Dec 2016	Jan 2017
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	80.1	93.5	94.0
Prices paid by farmers for commodities and services, interest taxes, and wage rates	106.7	104.5	106.5

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, February 2017*.

Federal Milk Order Final Class and Component Prices, February

Class Prices: The following are the February 2017 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.52 (+\$0.16), Class III: \$16.88 (+\$0.11), and Class IV: \$15.59 (-\$0.60).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for February 2017 is \$2.4274 per pound. Thus, the Class II butterfat price is \$2.4344 per pound. The protein and other solids prices for February 2017 are \$2.2348 and \$0.2990 per pound, respectively. These component prices set the Class III skim milk price at \$8.69 per cwt. The February 2017 Class IV skim milk price is \$7.35, which is derived from the nonfat solids price of \$0.8166 per pound.

Product Price Averages: The product price averages for February 2017 are: butter: \$2.1760, nonfat dry milk: \$0.9926, cheese: \$1.6871, and dry whey: \$0.4894.

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1 2}						
Federal Milk Order Marketing Areas ³	Order Number	February 2017				March 2017
		Class I	Class II	Class III	Class IV	Class I
		(dollars per 100 pounds)				
Northeast (Boston) ⁴	001	19.98	16.52	16.88	15.59	20.15
Appalachian (Charlotte) ⁵	005	20.13	16.52	16.88	15.59	20.30
Florida (Tampa) ⁶	006	22.13	16.52	16.88	15.59	22.30
Southeast (Atlanta) ⁷	007	20.53	16.52	16.88	15.59	20.70
Upper Midwest (Chicago) ⁸	030	18.53	16.52	16.88	15.59	18.70
Central (Kansas City) ⁹	032	18.73	16.52	16.88	15.59	18.90
Mideast (Cleveland) ¹⁰	033	18.73	16.52	16.88	15.59	18.90
Pacific Northwest (Seattle) ¹¹	124	18.63	16.52	16.88	15.59	18.80
Southwest (Dallas) ¹²	126	19.73	16.52	16.88	15.59	19.90
Arizona (Phoenix)	131	19.08	16.52	16.88	15.59	19.25
All-Market Average	---	19.62	16.52	16.88	15.59	19.79

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

² The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

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.

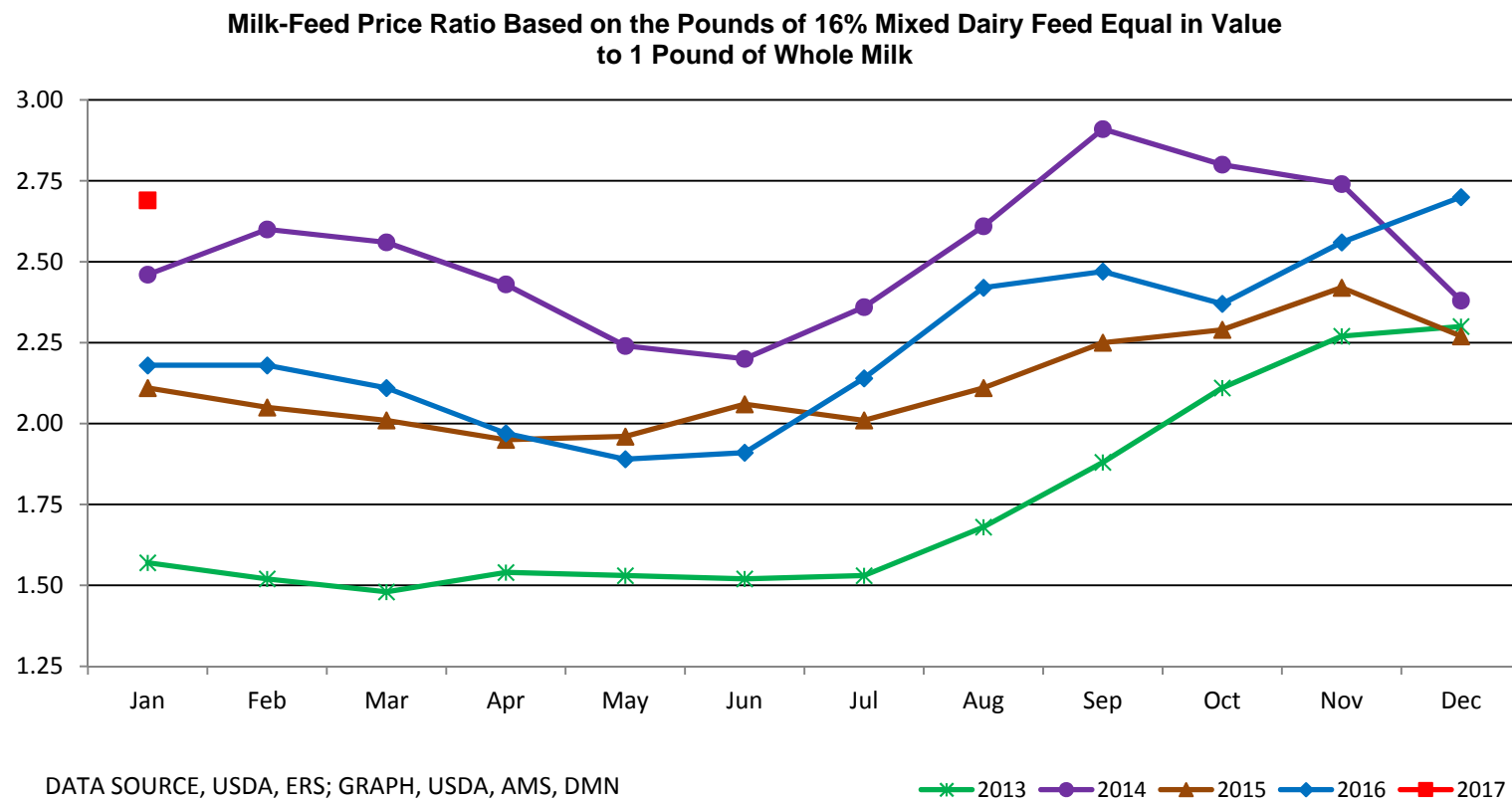
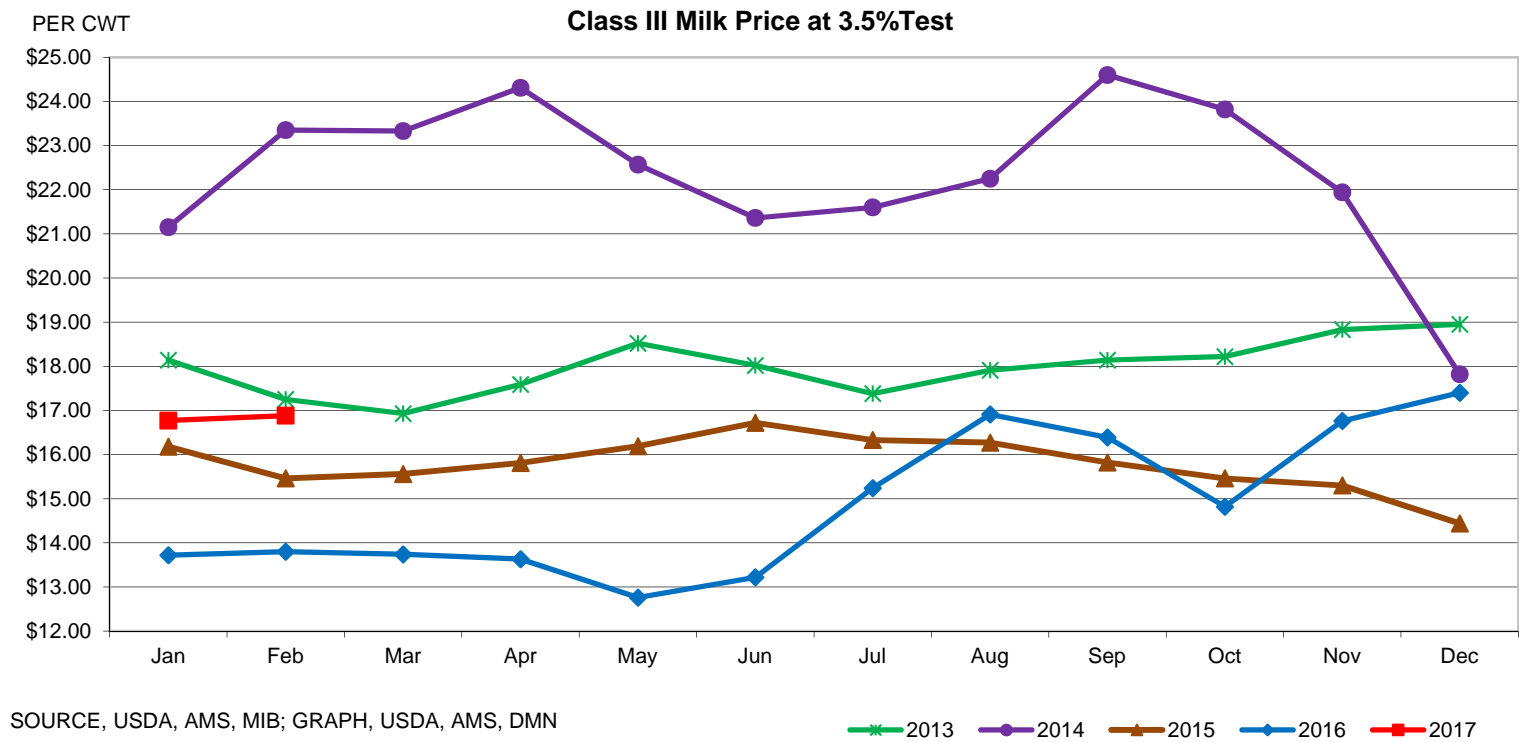
January 2017 Dairy Products Highlights

Butter production was 178 million pounds, 1.2 percent above January 2016, and 8.5 percent above December 2016. **American type cheese** production totaled 413 million pounds, 3.0 percent above January 2016, but 1.2 percent below December 2016. **Total cheese** output (excluding cottage cheese) was 1.04 billion pounds, 3.7 percent above January 2016, but 1.2 percent below December 2016. **Nonfat dry milk** production, for human food, totaled 155 million pounds, 13.1 percent above January 2016, but no percentage from December 2016. **Dry whey** production, for human food, was 82.2 million pounds, 1.3 percent below January 2016, but 2.1 percent above December 2016. **Ice cream, regular hard** production totaled 56.6 million gallons, 0.8 percent below January 2016, but 11.9 percent above December 2016.

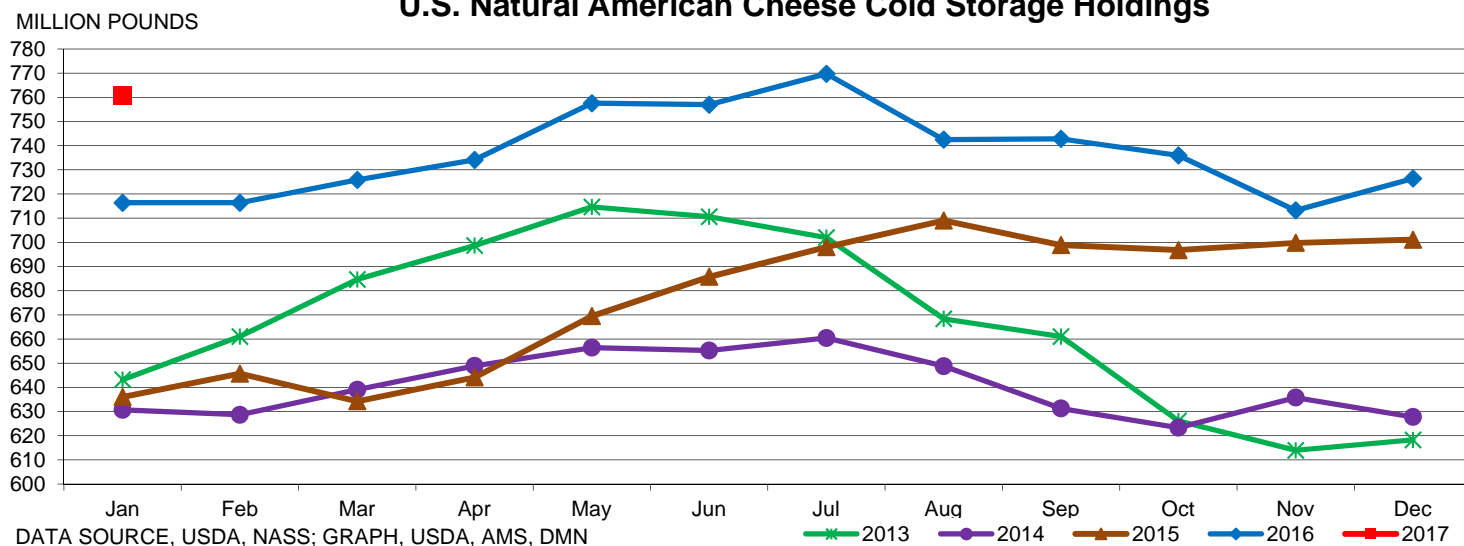
Production of Dairy Products									
Product	Jan 2017	Change from			Product	Jan 2017	Change from		
		Jan 2016	Dec 2016	Year to Date ¹			Jan 2016	Dec 2016	Year to Date ¹
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	177,761	1.2	8.5	1.2	Yogurt (plain and flavored)	375,392	-4.9	4.4	-4.9
Cheese					Dry whey, human food	79,807	-0.8	4.0	---
American types ²	412,887	3.0	-1.2	3.0	Dry whey, animal feed	2,413	-14.8	57.3	---
Cheddar	306,755	3.5	0.6	3.5	Dry whey, total ⁸	82,220	-1.3	5.1	-1.3
Other American	106,132	1.6	-5.9	---	Reduced lactose & minerals				
Brick & Muenster	15,260	1.9	3.9	---	Human food	2,737	-8.8	18.5	---
Cream & Neufchatel	77,678	12.5	-0.5	---	Animal feed	2,679	-10.0	4.2	---
Hispanic	21,046	8.1	-6.9	---	Lactose, human food & animal feed	92,178	9.0	-1.1	9.0
Total Italian types	451,890	3.8	-1.5	3.8	Whey protein concentrate				
Mozzarella	352,188	4.5	-1.7	4.5	Human food ⁹	39,720	2.2	2.5	---
Other Italian	99,702	1.4	-0.8	---	Animal feed ⁹	328	69.9	6.8	---
Swiss	26,010	-5.4	-3.3	---	Total ⁹	40,048	2.6	2.5	2.6
All other types	35,239	-2.4	3.9	---	25.0-49.9 percent ¹⁰	14,981	-0.4	3.2	---
Total	1,040,010	3.7	-1.2	3.7	50.0-89.9 percent ¹⁰	25,067	4.4	2.1	---
Cottage cheese, curd ³	30,778	-1.9	-1.7	---	Whey protein isolates ¹¹	9,914	12.8	-9.8	---
Cottage cheese, cream ⁴	23,809	0.1	-7.6	0.1					
Cottage cheese, lowfat ⁵	27,088	-5.3	-1.9	-5.3					
Dry buttermilk	11,788	3.3	7.3	---	Frozen products				
Dry whole milk	10,660	7.2	10.3	---	Ice cream, regular hard	56,628	-0.8	11.9	-0.8
Milk protein conc. (MPC), total ⁶	17,297	8.8	23.5	---	Ice cream, lowfat, hard	13,771	-4.6	11.2	---
Nonfat dry milk (NDM), human	155,039	13.1	---	13.1	Ice cream, lowfat, soft	15,723	39.2	16.9	---
Skim milk powders (SMP) ⁷	50,540	-1.4	-7.6	-1.4	Ice cream, lowfat, total	29,494	14.7	14.1	14.7
Sour cream	111,200	8.0	-15.0	8.0	Sherbet, hard	3,135	27.4	47.0	27.4
					Frozen yogurt, total	4,236	2.7	5.8	2.7

Manufacturers' Stocks, End of Month ¹²							
Product	Jan 2017	Jan 2016	Dec 2016	Product	Jan 2017	Jan 2016	Dec 2016
	(1,000 lbs)	(percent)			(1,000 lbs)	(percent)	
Dry whey, human food	66,396	-18.9	4.1	Whey protein concentrate			
Dry whey, animal feed	817	-59.7	-55.5	Human food ⁹	55,372	-13.6	-0.8
Reduced lactose & minerals—human & animal ¹³	6,092	-17.1	-4.0	Animal feed ⁹	1,490	15.5	132.8
Lactose, human food & animal feed	108,977	-5.6	8.5	Total ⁹	56,862	-13.0	0.7
Dry buttermilk	22,272	4.0	-2.3	25.0-49.9 percent ¹⁰	19,347	-31.3	0.8
Nonfat dry milk, human food	229,046	1.1	0.5	50.0-89.9 percent ¹⁰	37,515	0.9	0.6
				Whey protein isolates ¹¹	23,096	38.7	2.2

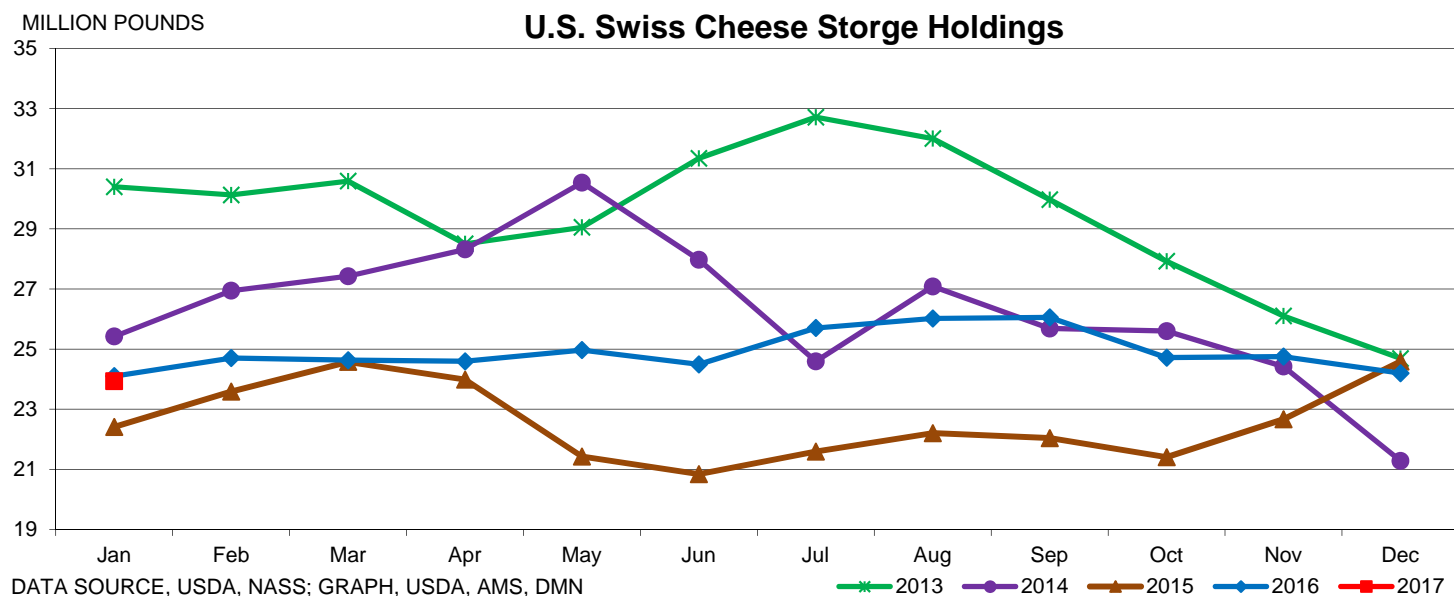
¹ 2016 cumulative as percent change of 2015 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products*, (March 2017).



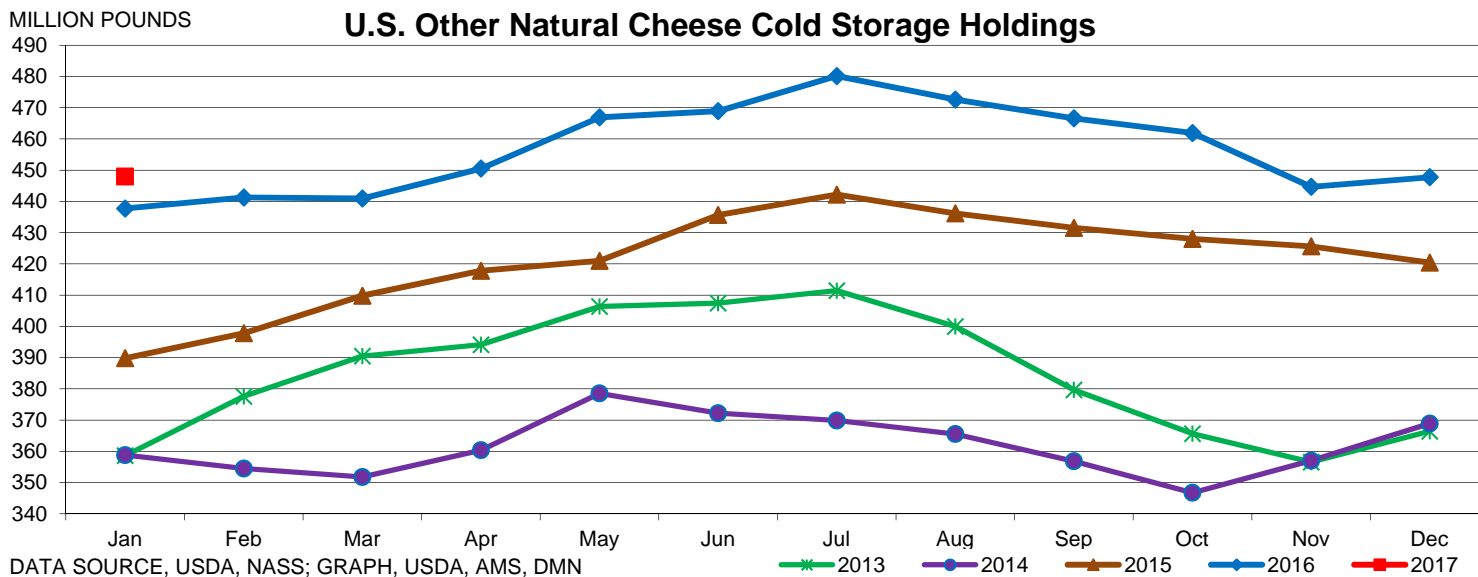
U.S. Natural American Cheese Cold Storage Holdings



U.S. Swiss Cheese Storge Holdings



U.S. Other Natural Cheese Cold Storage Holdings





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Friday, March 3, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 03/03/2017 to 03/09/2017

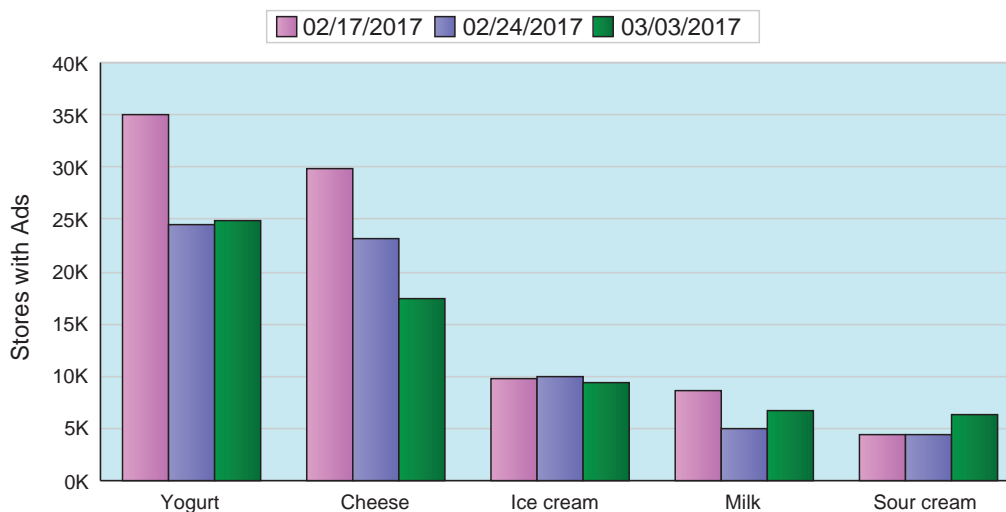
This week, total conventional dairy advertisement numbers increased 1%, and organic dairy ads increased 34%. Amongst the bigger percentage differences in ad totals this week for conventional dairy commodities, the commodity, advertisement percentage difference, and national weighted average advertised prices are: 1 pound butter, +83%, \$3.04; 1 pound shredded cheese, -88%, \$3.15; and 16 ounce cottage cheese, +75%, \$1.84.

The collective number of conventional cheese ads decreased 22%, and there were no organic cheese ads this week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.15. Ads for conventional 8 ounce shred cheese averaged \$2.21.

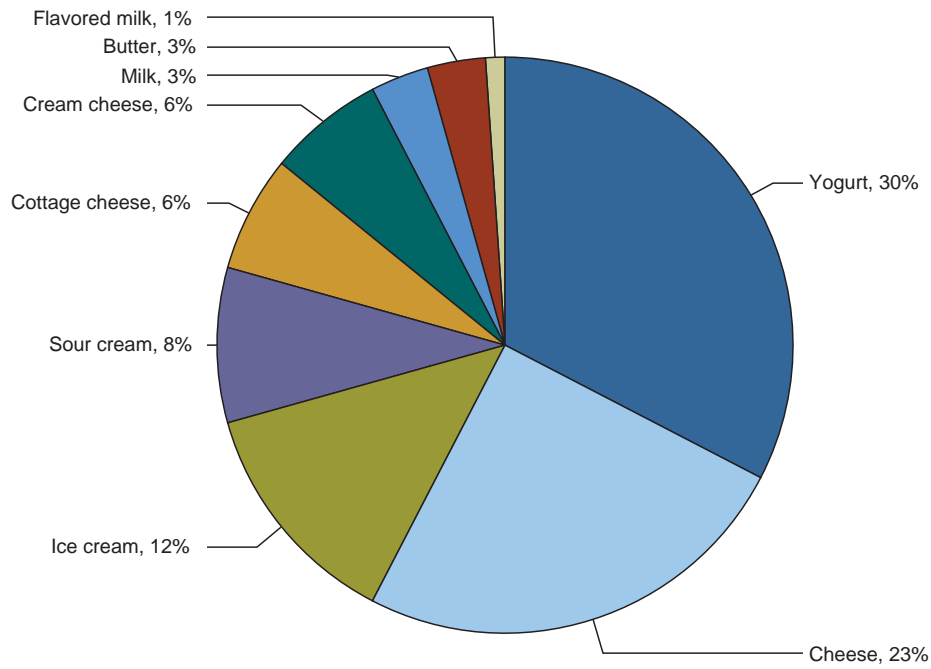
Conventional yogurt ad numbers decreased 2%, and organic yogurt ad numbers increased 69%. The average sale price for 4-6 ounce conventional yogurt is \$0.53, while 4-6 ounce organic yogurt did not have any advertised average prices this week. The average advertised price for 4-6 ounce conventional Greek yogurt is \$0.97. The average advertised price for 4-6 ounce organic Greek yogurt is \$1.27, an organic price premium of \$0.30.

Organic milk ad numbers increased 19%, and ad numbers for conventional milk increased 64%. The weighted average price for organic half gallon milk is \$3.54. For a conventional half gallon of milk, the average price is \$1.77, an organic price premium of \$1.77.

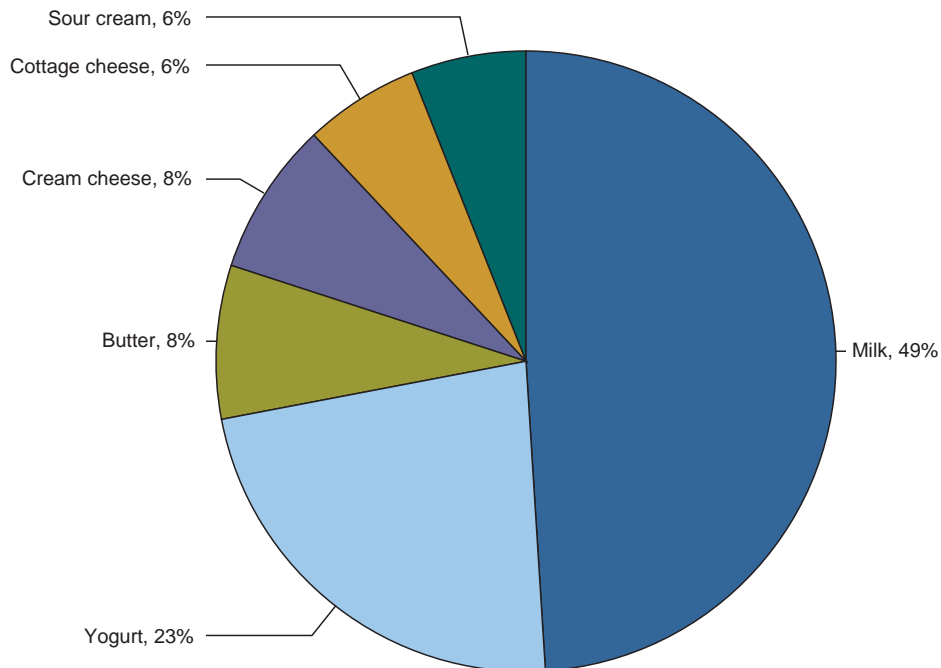
Top 5 Commodities Featured



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 #	2688	3.04	1467	3.15	4237	2.90
Cheese	Natural Varieties	8 oz block	8831	2.15	7263	2.06	4934	2.29
Cheese	Natural Varieties	1 # block	897	3.44	2312	3.74	3154	3.63
Cheese	Natural Varieties	2 # block	298	5.79	788	5.42	799	6.20
Cheese	Natural Varieties	8 oz shred	7118	2.21	9834	2.12	7788	2.28
Cheese	Natural Varieties	1 # shred	262	3.15	2115	3.60	2800	3.72
Cottage cheese		16 oz	4751	1.84	2715	1.88	4333	1.99
Cream cheese		8 oz	4371	1.66	3539	1.98	8566	1.88
Flavored milk	All fat tests	half gallon	122	2.56	874	2.83	427	1.98
Flavored milk	All fat tests	gallon	576	2.82	374	2.10	819	2.99
Ice cream		48-64oz	9425	3.03	9926	3.00	12210	3.02
Milk	All fat tests	half gallon	296	1.77	243	2.27	499	1.41
Milk	All fat tests	gallon	2395	3.11	1402	2.31	2487	2.38
Sour cream		16 oz	5885	1.73	4263	1.65	5369	1.71
Yogurt	Greek	4-6 oz	11945	.97	13025	.98	13141	.95
Yogurt	Greek	32 oz	984	4.03	1933	3.87	1555	4.93
Yogurt	Yogurt	4-6 oz	8658	.53	6304	.51	7983	.48
Yogurt	Yogurt	32 oz	1358	2.39	2067	2.66	912	2.18

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 #	2.99-4.49	673	3.36	3.28-3.29	564	3.29	1.68-2.88	543	2.19
Cheese	Natural Varieties	8 oz block	1.77-3.50	3337	2.22	1.79-3.00	2392	2.15	1.49-2.79	1324	1.99
Cheese	Natural Varieties	1 # block	2.99-3.99	668	3.54				2.99-3.33	229	3.17
Cheese	Natural Varieties	8 oz shred	1.99-3.00	2381	2.42	1.88-2.99	1486	2.12	1.49-2.79	1267	1.99
Cheese	Natural Varieties	1 # shred							3.33	123	3.33
Cottage cheese		16 oz	1.50-2.99	1541	2.08	1.50-2.50	2074	1.81	1.00-1.99	808	1.51
Cream cheese		8 oz	0.99-2.50	1315	1.52	1.50-2.50	1232	1.68	0.99-2.49	1115	1.68
Flavored milk	All fat tests	half gallon							1.99	53	1.99
Flavored milk	All fat tests	gallon							1.99-3.49	576	2.82
Ice cream		48-64oz	1.99-3.99	2387	2.73	2.50-3.50	2187	2.80	1.98-3.99	1622	3.15
Milk	All fat tests	half gallon	2.49	62	2.49	1.49-1.67	234	1.58			
Milk	All fat tests	gallon	3.69	137	3.69	2.49-4.29	825	3.87	1.99-2.99	805	2.41
Sour cream		16 oz	1.49-2.00	2019	1.86	1.28-2.00	2139	1.68	1.00-2.00	929	1.63
Yogurt	Greek	4-6 oz	0.69-1.33	3828	.98	0.69-1.25	4282	.95	0.88-1.25	1979	1.00
Yogurt	Greek	32 oz	3.39-5.49	681	4.05				3.99	237	3.99
Yogurt	Yogurt	4-6 oz	0.50-1.00	1951	.63	0.50-0.70	3070	.57	0.30-1.00	2098	.47
Yogurt	Yogurt	32 oz	2.50	147	2.50	2.00-2.50	379	2.25	2.00-3.99	207	2.74

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 #	2.99-3.99	243	3.53	2.50-2.99	438	2.89	2.50-3.99	182	3.00
Cheese	Natural Varieties	8 oz block	1.48-2.99	691	2.09	1.99-3.29	584	2.35	1.49-2.50	461	1.92
Cheese	Natural Varieties	2 # block	4.99	121	4.99	5.99	116	5.99	6.99	61	6.99
Cheese	Natural Varieties	8 oz shred	1.48-3.00	885	2.13	1.99-2.99	588	2.28	1.49-2.50	469	2.06
Cheese	Natural Varieties	1 # shred	2.99	139	2.99						
Cottage cheese		16 oz	2.00	55	2.00	1.00	90	1.00	1.50-2.00	127	1.74
Cream cheese		8 oz	1.50-1.99	579	1.73				2.00	69	2.00
Flavored milk	All fat tests	half gallon							2.99	69	2.99
Ice cream		48-64oz	2.49-4.99	1023	3.67	1.50-4.49	1815	3.06	3.00-4.49	314	3.89
Milk	All fat tests	gallon	2.29-4.29	330	3.07	1.99	63	1.99	1.69-2.39	174	2.11
Sour cream		16 oz	2.00	55	2.00	1.00-1.79	388	1.36	1.50-2.99	298	1.93
Yogurt	Greek	4-6 oz	0.79-1.00	728	.96	1.00	1027	1.00	1.00	61	1.00
Yogurt	Greek	32 oz							3.99	61	3.99
Yogurt	Yogurt	4-6 oz	0.33-0.50	365	.41	0.33-0.50	625	.40	0.30-0.60	543	.42
Yogurt	Yogurt	32 oz				2.00	285	2.00	2.50	289	2.50

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.48-3.99	11	3.76	4.39	34	4.39
Cheese	Natural Varieties	8 oz block	1.67-2.99	8	2.66	3.25	34	3.25
Cheese	Natural Varieties	8 oz shred	2.00-2.99	8	2.74	3.25	34	3.25
Cottage cheese		16 oz	2.28-2.50	5	2.37	2.50-2.99	51	2.76
Cream cheese		8 oz				2.49-2.50	61	2.50
Ice cream		48-64oz	2.99-4.99	26	4.14	3.50-6.59	51	3.91
Milk	All fat tests	gallon				4.89-4.99	61	4.93
Sour cream		16 oz	1.98-2.50	30	2.35	1.99	27	1.99
Yogurt	Greek	4-6 oz	1.00	2	1.00	0.88-1.25	38	.92
Yogurt	Greek	32 oz	3.39-3.98	5	3.74			
Yogurt	Yogurt	4-6 oz	0.70	2	.70	0.70	4	.70
Yogurt	Yogurt	32 oz	2.49-3.00	27	2.89	3.69	24	3.69

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 #	679	5.82	314	5.61	840	5.47

Wtd Avg - Simple weighted average



Cheese	Natural Varieties	8 oz block			725	3.30	717	4.49
Cheese	Natural Varieties	1 # block			61	4.99		
Cheese	Natural Varieties	8 oz shred			130	3.29	627	3.73
Cottage cheese		16 oz	502	3.47			276	3.00
Cream cheese		8 oz	666	2.76	488	2.50		
Milk	All fat tests	half gallon	3350	3.54	2774	3.74	1652	3.85
Milk	All fat tests	gallon	471	4.70	604	5.99	891	5.20
Milk	All fat tests	8 oz UHT	183	1.00			271	1.11
Sour cream		16 oz	461	2.99	61	1.67		
Yogurt	Greek	4-6 oz	376	1.27			1400	1.29
Yogurt	Greek	32 oz	549	4.58	105	5.99	626	5.87
Yogurt	Yogurt	4-6 oz			72	.69	238	1.20
Yogurt	Yogurt	32 oz	983	2.79	813	2.88	322	3.13

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 #	3.99-5.99	618	5.80	5.99	61	5.99			
Cream cheese		8 oz				2.50	90	2.50	2.50	225	2.50
Milk	All fat tests	half gallon	3.79	110	3.79	3.79-3.98	1197	3.82	2.99-3.99	558	3.11
Milk	All fat tests	gallon	3.99-5.99	471	4.70						
Milk	All fat tests	8 oz UHT				1.00	114	1.00			
Sour cream		16 oz							2.99	110	2.99
Yogurt	Greek	4-6 oz	1.00-1.33	376	1.27						
Yogurt	Greek	32 oz	3.50-4.99	239	3.95						
Yogurt	Yogurt	32 oz				2.50	90	2.50	2.50-2.99	813	2.85

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
Cottage cheese		16 oz	2.99	141	2.99	2.99-3.99	361	3.66			
Cream cheese		8 oz	2.99	141	2.99	2.99	210	2.99			
Milk	All fat tests	half gallon	2.99-3.49	337	3.28	2.99-3.99	651	3.67	2.99-3.49	476	3.29
Milk	All fat tests	8 oz UHT							1.00	69	1.00
Sour cream		16 oz	2.99	141	2.99	2.99	210	2.99			
Yogurt	Greek	32 oz							4.99	289	4.99
Yogurt	Yogurt	32 oz	2.49	80	2.49						

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	3.49	21	3.49			
Yogurt	Greek	32 oz	5.99	21	5.99			

REGIONAL DEFINITIONS

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

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



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