

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (4/28)**

BUTTER: Grade AA closed at \$2.1050. The weekly average for Grade AA is \$2.1070 (+.0340).

CHEESE: Barrels closed at \$1.4175 and 40# blocks at \$1.4800. The weekly average for barrels is \$1.4225 (+.0110) and blocks, \$1.5300 (+.0410).

NONFAT DRY MILK: Grade A closed at \$0.8675. The weekly average for Grade A is \$0.8590 (+.0090).

BUTTER HIGHLIGHTS: Butter churns are active in the United States. Cream remains available to butter producers in the regions. In the West, milk output has been off a little in some of the butter production states. In the Northeast and Central, Class II commodities are showing more interest in the cream, taking some pressure off churns. Butter supplies are steady to building in the U.S. Although, in the West, some butter makers are trying to hold back on processing runs, to manage butter inventories. The butter demand is mixed throughout the country. The market tone is steady. Domestic bulk butter sales are at 4 cents below to 6 cents over the market, with various time periods and averages used. Friday's CME Group cash trading saw Grade AA butter close at \$2.1050, up \$0.0150 from last Friday.

CHEESE HIGHLIGHTS: Surplus milk volumes are flowing into cheese vats across the nation. Midwest cheese manufacturers are receiving spot milk offers ranging from \$1.50 to \$5.50 under Class. Cheese production is strong in all regions. Cheese inventories are long, and continuing to build. Cheese demand is mostly stable. Cheddar and barrel sales in the East and Midwest are picking up, as grilling season approaches. In the Midwest, pizza and traditional style cheese producers are seeing noticeable sales gains in recent weeks. The market tone in the West is moderate, and undertones are uncertain in the Midwest. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of March 2017 were 1.293 billion pounds, 3 percent above February 2017 and up 8 percent from March 2016. The CME Group weekly average price for barrels was \$1.4225, up \$.0110 from last week's average. This week's block average price was \$1.5300, up \$.0410 from last week's average price.

FLUID MILK: Milk production remains strong and above year ago levels in many major producing areas. The NASS *Milk Production* report notes that March 2017 milk production in the 23 selected states was 17.5 billion pounds, 1.8% above a year ago. While

milk production is seasonally active in all regions, warmer temperatures in Arizona led to a slight decline in milk output but supplies, in general, remain ample for processors' needs. Milk orders for Class I needs saw some drop-off in Florida and New Mexico. Moving toward the end of the month, bottling orders are mostly steady in the rest of the country. Class III processors, in the Midwest, who typically turn away spot milk offerings are taking in milk due to advantageous discounted pricing. Spot milk is moving into cheese plants from \$1.50 to \$5.50 below Class III prices. In most instances, markets report cream as readily available, outweighing processing capacity, but supplies tightened and are not as available in East cream markets. The trend is expected to progress into the other regional cream markets. This week, Class II multiples ranged in the East, **1.20-1.28**; Midwest, **1.16-1.22**, and West, **1.08-1.19**.

DRY PRODUCTS: Nonfat dry milk prices vary, with some firmness in an unsettled market. In the Central and East regions, prices held steady in the mostly series but gained a penny in the West mostly series. Purchases are often limited beyond immediate needs. Inventories are steadily building. The dry buttermilk market is steady to weak as churning remains active. Dry whey markets are showing some weakness throughout the regions. Domestic markets are facing price pressure from Europe and Canada. Stocks are adequate. WPC 34% markets are steady to higher. WPC 34% that caters to customer needs is in short supply and high demand. Lactose prices moved higher in both the range and the mostly series. Inventories are tight to comfortable. Rennet casein prices firmed, while acid casein prices are steady. Production has slowed in Argentina.

INTERNATIONAL DAIRY MARKET NEWS: WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: Milk production in the European Union this year continues to meet projections for lower first half volumes. Year to date January-February EU 2017 milk production is down 3.4% from the same period one year earlier according to Eurolait. Among the primary milk producing countries, February 2017 production was higher than February in only Italy (+5.5%) and Poland (+1.5%). February-February milk production declined in Germany (-7.0%); Ireland (-14.2%); France (-6.5%); Netherlands (-3.5%); and the United Kingdom (-5.3%). Processors in Germany have noted that milk consumption during January-February this year is also down.

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CME GROUP CASH TRADING

COMMODITY	MONDAY APR 24	TUESDAY APR 25	WEDNESDAY APR 26	THURSDAY APR 27	FRIDAY APR 28	:: WEEKLY CHANGE *	:: WEEKLY AVERAGE #
CHEESE BARRELS	\$1.4275 (N.C.)	\$1.4275 (N.C.)	\$1.4200 (-.0075)	\$1.4200 (N.C.)	\$1.4175 (-.0025)	:: (-.0100)	:: \$1.4225 (+.0110)
40# BLOCKS	\$1.5525 (+.0075)	\$1.5525 (N.C.)	\$1.5425 (-.0100)	\$1.5225 (-.0200)	\$1.4800 (-.0425)	:: (-.0650)	:: \$1.5300 (+.0410)
NONFAT DRY MILK GRADE A	\$.8450 (-.0100)	\$.8525 (+.0075)	\$.8525 (N.C.)	\$.8775 (+.0250)	\$.8675 (-.0100)	:: (+.0125)	:: \$.8590 (+.0090)
BUTTER GRADE AA	\$2.0750 (-.0150)	\$2.1375 (+.0625)	\$2.0975 (-.0400)	\$2.1200 (+.0225)	\$2.1050 (-.0150)	:: (+.0150)	:: \$2.1070 (+.0340)

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-**

EASTERN OVERVIEW: January-February year to date milk production in a number of Eastern European countries shows gains over one year earlier. Generally these countries are not significant milk producing countries relative to EU leaders, but their trends are positive rather than negative. Among countries with positive January-February milk production are Bulgaria (+0.5%); Cyprus (+2.8%); and Poland (+0.4%). **OCEANIA OVERVIEW: AUSTRALIA:** According to Dairy Australia, February 2017 milk production in Australia was 10.0% below February 2016. The state changes from February a year earlier are: New South Wales, -10.7%; Victoria, -11.5%; Queensland, -3.2%; South Australia, -12.1%; Western Australia, -5.7% and Tasmania, -3.9%. July 2016-February 2017 cumulative production is 8.4% below the same period one year ago. The cumulative July 2016-February 2017 changes are: New South Wales, -7.1%; Victoria, -9.7%; Queensland, +1.8%; South Australia, -10.9%; Western Australia, -1.5% and Tasmania, -6.3%. Each state's percentage of total January Australian production, is: New South Wales, 12.76%; Victoria, 61.20%; Queensland, 4.81%; South Australia, 5.61%; Western Australia, 4.36%; and Tasmania, 11.25%. **NEW ZEALAND:** New Zealand is still recovering from two cyclones in the last several weeks. The important dairy area of Waikato was hard hit. Apprehension persists that late season milk production will suffer. A number of paddocks remain under water. Some areas had not recovered from flooding from the first cyclone when the second one hit. Some producers will likely dry cows earlier than planned. However, with normal production relatively low when the season ends, that could be a mitigating factor when the final seasonal milk production is determined. At the April 18 GDT event #186, all contracts prices ranged from 3.8% lower to 6.0% 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, \$5,930, -0.5%; butter, \$4,892, +2.9%; buttermilk powder, \$1,720, n.a.; cheddar cheese, \$3,462, +6.0%; lactose, \$935, +1.2%; rennet casein, \$6,020, -3.8%; skim milk powder, \$2,044, +7.1%; and whole milk powder, \$2,998 +3.5%. **SOUTH AMERICA OVERVIEW:** During the last two weeks in **Argentina**, favorably dry climate helped to ease excessive moisture in the key dairy states of Buenos Aires, Cordoba, and Santa Fe. Consequently, some dairy operations (tambos) are seeing an uptick in milk production. Overall, cows' productivity is increasing as the autumn season advances, providing adequate milk volumes for most processing needs. Nevertheless, milk fat supplies continue to be tight, well below current strong demand. Therefore, cream premiums remain high. Interest for cheese is steady to lower, while stocks are building. As mentioned in the previous report, one of the country's leading dairy co-ops is facing financial problems. As a result, the Argentinian government has committed to help this cooperative with about 450 million Argentinian pesos. However, the payment has not materialized yet and several plants have had to close. Back to the farm, according to the government, as of April 20, corn and soybeans were 25 and 21 percent harvested, respectively. In **Uruguay**, farm milk production is steady. In general, milk supply is suitable to cover manufacturing needs. Requests for bottled/UHT milk from several public institutions are higher as public schools reopened recently. The cream market condition is straightening, as cream supply remains low, but demand is robust. In this way, the operational costs of many processors are increasing, making the final product more expensive to the customer. According to some industry stakeholders, cows' milk output in **Brazil** is already starting to improve, especially in the southern region. However, the interest for milk, outside contracts, is

low throughout the country. Meanwhile, the cheese market is quiet while inventories continue building. The active import trading of milk powders continues pushing down domestic prices. According to Paraná state government, as of April 17, second-crop corn was about 45% flowering to filling. Meanwhile, first-crop corn and soybeans are almost completely harvested at 94 and 97 percent, respectively.

MARCH COLD STORAGE (NASS): On March 31, U.S. cold storage holdings of butter totaled 272.5 million pounds, up 1.0% from the previous month and up 12.0% from March 2016. Natural American cheese holdings total 802.7 million pounds, 4% higher than the previous month and 11.0% more than March 2016. Total natural cheese stocks were 1.293 billion pounds, 3.0% higher than last month and 8% more than March 2016.

MARCH CONSUMER PRICE INDEX (BLS): The March CPI for all food is 249.2, up 0.5% from 2016. The dairy products index is 218.6, up 0.2% from a year ago. The following are the March to March changes for selected products: fresh whole milk is +1.5%; cheese, -0.7%; and butter, +0.1%.

MARCH AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$17.30 in March, up \$2.00 from March 2016. The alfalfa hay price was \$135.00 in March, down \$4.00 from March 2016. The corn price was \$3.49 in March, down \$0.07 from March 2016. The soybean price was \$9.69 in March, up \$1.13 from March 2016. The milk-feed price ratio was 2.39 in March, up 0.27 from March 2016. The index of prices received by farmers for dairy products during the month of March 2017 was down 5.9 to 86.1. Compared to March 2016, the index was up 10 points (13.1 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2017 was up 0.5 points to 106.4. Compared with March 2016, the index was down 0.1 points (0.1 percent).

NATIONAL RETAIL REPORT-DAIRY (DMN): This week, a week full of news about volumes of milk having challenges finding processors willing to pay for it, total conventional dairy advertisements decreased 35%, and organic dairy ads decreased 52%. Conventional ice cream in 48-64 oz. containers has an average price of \$2.82, down \$0.20 from last week. Ad numbers declined 16%. Conventional butter ads declined 69%, and organic butter ads decreased 79%. The national average price for 1 pound conventional butter is \$3.22, up \$0.31, while 1 pound organic butter is \$4.99, down \$0.12, representing an organic price premium of \$1.77. Conventional yogurt ads decreased 27% but organic yogurt ads increased 26%. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.97, while 4-6 ounce organic Greek yogurt is \$1.07, an organic price premium of \$0.10. The average sale price for 4-6 ounce conventional yogurt is \$0.48, while 4-6 ounce organic yogurt is \$1.00, an organic price premium of \$0.52. The U.S. advertised price for 8 ounce conventional cheese blocks average \$1.98, is down \$0.21 from last week. Ads for conventional 8 ounce shred cheese average \$2.09, down \$0.10 from last week. The number of conventional cheese ads declined 30%. There are no ads for organic cheese this week. This week, the difference between the weighted average price for organic half gallon milk, \$3.37, and the weighted average price for conventional half gallon milk, \$2.10, resulted in an organic price premium of \$1.27. Organic milk advertisements decreased 50% and ads for conventional milk decreased 47%.

MONDAY, APRIL 24, 2017

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5525; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5600
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8450; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8600
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$2.0800, 2 @ \$2.0750; LAST BID UNFILLED: 2 CARS GRADE AA: 1 @ \$2.0700, 1 @ \$2.0725; LAST OFFER UNCOVERED: 2 CARS GRADE AA: 1 @ \$2.0825, 1 @ \$2.0800

TUESDAY, APRIL 25, 2017

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4275; 1 CAR 40# BLOCKS @ \$1.5525
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.8525; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 10 CARS GRADE AA: 1 @ \$2.0800, 1 @ \$2.1325, 1 @ \$2.1475, 1 @ \$2.1500, 1 @ \$2.1300, 4 @ \$2.1200, 1 @ \$2.1375; LAST BID UNFILLED: 8 CARS GRADE AA: 5 @ \$2.0750, 1 @ \$2.0700, 1 @ \$2.0750, 1 @ \$2.1000; LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.1450, 2 @ \$2.1400, 1 @ \$2.1375

WEDNESDAY, APRIL 26, 2017

CHEESE -- SALES: 10 CARS BARRELS: 9 @ \$1.4250, 1 @ \$1.4200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4200; 1 CAR 40# BLOCKS @ \$1.5425
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 4 CARS GRADE A: 1 @ \$0.8525, 1 @ \$0.8450, 1 @ \$0.8325, 1 @ \$0.8525; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0975; LAST BID UNFILLED: 2 CARS GRADE AA: 1 @ \$2.0850, 1 @ \$2.0900; LAST OFFER UNCOVERED: 13 CARS GRADE AA: 1 @ \$2.1400, 5 @ \$2.2000, 5 @ \$2.1500, 1 @ \$2.1150, 1 @ \$2.1425

THURSDAY, APRIL 27, 2017

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4200; 1 CAR 40# BLOCKS @ \$1.5225
 NONFAT DRY MILK -- SALES: 21 CARS GRADE A: 2 @ \$0.8800, 4 @ \$0.8825, 5 @ \$0.8850, 3 @ \$0.8825, 6 @ \$0.8800, 1 @ \$0.8775; LAST BID UNFILLED: 5 CARS GRADE A: 2 @ \$0.8525, 1 @ \$0.8700, 2 @ \$0.8750; LAST OFFER UNCOVERED: 9 CARS GRADE A: 1 @ \$0.8900, 3 @ \$0.8800, 5 @ \$0.8850
 BUTTER -- SALES: 4 CARS GRADE AA: 2 @ \$2.0975, 1 @ \$2.1175, 1 @ \$2.1200; LAST BID UNFILLED: 9 CARS GRADE AA: 1 @ \$2.0875, 1 @ \$2.0800, 1 @ \$2.1025, 1 @ \$2.0700, 1 @ \$2.1050, 1 @ \$1.9900, 1 @ \$2.0900, 1 @ \$2.1100, 1 @ \$2.0900; LAST OFFER UNCOVERED: 6 CARS GRADE AA: 1 @ \$2.1250, 3 @ \$2.1800, 1 @ \$2.1250, 1 @ \$2.1300

FRIDAY, APRIL 21, 2017

CHEESE -- SALES: 22 CARS BARRELS: 8 @ \$1.3825, 2 @ \$1.3900, 1 @ \$1.3950, 1 @ \$1.4000, 2 @ \$1.4050, 2 @ \$1.4100, 1 @ \$1.4150, 2 @ \$1.4200, 2 @ \$1.4250, 1 @ \$1.4275; 5 CARS 40# BLOCKS: 2 @ \$1.5225, 2 @ \$1.5350, 1 @ \$1.5450; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.4300; 1 CAR 40# BLOCKS @ \$1.5550
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$0.8575, 1 @ \$0.8550; LAST BID UNFILLED: 8 CARS GRADE A: 1 @ \$0.8200, 1 @ \$0.8525, 1 @ \$0.7500, 1 @ \$0.8525, 1 @ \$0.8300, 2 @ \$0.8350, 1 @ \$0.8525; LAST OFFER UNCOVERED: 2 CARS GRADE A: 1 @ \$0.9000, 1 @ \$0.8675
 BUTTER -- SALES: 4 CARS GRADE AA: 1 @ \$2.0750, 1 @ \$2.0800, 1 @ \$2.0850, 1 @ \$2.0900; LAST BID UNFILLED: 2 CARS GRADE AA: 1 @ \$2.0575, 1 @ \$2.0500; LAST OFFER UNCOVERED: 8 CARS GRADE AA: 5 @ \$2.1200, 1 @ \$2.1000, 1 @ \$2.1100, 1 @ \$2.1000

BUTTER MARKETS

NORTHEAST

In the Northeast region, butter churning is active. Cream is available throughout the region and continues to clear to Class II commodities, taking some pressure off churns. The butter demand is fair this week. Bulk butter sales are 5 to 6 cents over the CME Group, based off time periods and averages used. Butter stocks are building. The market tone is steady. Tuesday, the CME Group cash trading saw Grade AA butter prices close at \$2.1375, up \$0.0750 from last Tuesday's closing price.

According to the *DMN National Retail Report-Dairy*, for April 21-27, 2017, the Northeast weighted average retail price for 1-pound butter was \$3.19, 28 cents higher than the national average price and 40 cents higher than last week's Northeast average butter price. Retail markets in the region reported butter prices ranging \$1.00 - \$3.99.

COLD STORAGE: According to NASS, U.S. butter in storage on March 31, 2017 totaled 272.5 million pounds, 12% above a year ago and 1% more than last month. Public warehouse stocks totaled 248.8 million pounds.

CENTRAL

Cream remains available for butter producers in the Central region. Class II producers continue to show increased interest in cream, but cream multiples are steady at 1.05 to 1.16. Butter demand reports ranged from steady to slightly strong. Retailer requests for print butter are better than expected according to some contacts. Butter production continues at active levels as cream continues clearing into churns. However, some producers report some upcoming off

time for plant maintenance. Inventory levels are steady to building. The butter market tone is steady. *DMN National Retail Report-Dairy* for April 21-27 noted the national weighted average advertised price for a 1 pound package of butter is \$2.91, \$0.20 above one week ago, but \$0.40 lower than one year ago. The weighted average regional prices in the Midwest and South Central were \$2.28 and \$2.81, respectively. Bulk butter prices are unchanged, ranging from 2 to 7 cents over the market, with various periods and averages used. The *NASS Cold Storage* report noted U.S. butter stocks as of March 31, 2017 were 272.5 million pounds, up 12% from last year and up 1% from last month. Bulk stocks in all warehouses were 269.9 million pounds last year at this time. Wednesday at the CME Group, Grade AA butter closed at \$2.0975, up \$.0275 from last Wednesday.

WEST

Although milk output has been off a little in some of the western butter production states, cream destined for the churn has been in good supply. As a result, western butter churns remain active to deal with the abundant cream. Some butter makers are trying to hold back on processing runs in order to keep butter inventories in check. Butter supplies are generally heavy. Domestic demand has eased back since the spring holidays, and some manufacturers are transitioning from print to bulk butter production. Bulk butter pricing in the West this week is 4 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 April 21-27

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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
April 22, 2017	2.1088 3,633,411	1.5033 13,653,534	1.4743 13,750,905	.5114 7,682,383	.8471 19,518,175

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

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found that the U.S. weighted average advertised price of 1 pound butter is \$2.91, up \$.20 from last week. The U.S. weighted average price was \$3.31 one year ago. There were no reported prices for 1 pound butter in the Southwest. However, in the Northwest, the weighted average advertised price of 1 pound butter is \$3.36 with a price range of \$2.99-\$3.99. The NASS *Cold Storage* report noted U.S. butter stocks as of March 31, 2017, were 272.5 million pounds, up 1% from last month, and up 12% from last year. Butter stocks in all warehouses were 243.1 million pounds last year at this time. According to the California Department of Food and Agriculture, March 2017 butter production was 50.7 million pounds, down 8.6% from a year ago. California year-to-date butter production through March is 150.8 million pounds, down 5.3% from 2016 butter production through March. The Grade AA butter price at the CME Group on Wednesday closed at \$2.0975, up \$.0275 from a week ago.

CHEESE MARKETS

NORTHEAST

Northeast cheese production is strong. Heavy milk volumes continue to clear to manufacturing plants at capacity. Cheddar cheese interest is picking up for grilling season. The CME Group cash trading 40# block prices have had an uptick this week. Cheese inventories continue to build. The market tone is moderate. Last week at the CME Group, barrel cheese weekly averages decreased \$0.0160, but block weekly averages increased \$0.0215. With the result of the CME weekly averages, there is a mixed shift in the East wholesale cheese prices for blocks, +\$.0225, process slices, -.0150 and Muenster, +\$.0225. Tuesday's CME Group daily cash prices saw barrels close at \$1.4275, up \$0.0075 from a week ago; blocks closed at \$1.5525, up \$0.0775 from a week ago. The *DMN National Retail Report-Dairy*, for April 21-27, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.29, 10 cents above the national average, with a regional price range of \$1.49-\$3.50. The Southeast 8 oz. block average price was \$2.32, 13 cents above the national average, with a regional price range of \$1.67-\$3.00. The Northeast average advertised price for 8 oz. cheese shreds was \$2.26, 7 cents above the national average price, with a regional price range of \$1.49-\$3.00. In the Southeast, the average price for 8 oz. shreds was \$2.12, 7 cents below the national average, with prices ranging \$1.67-\$3.00. **COLD STORAGE:** According to NASS, U.S. stocks of total natural cheese as of March 2017 totaled 1.3 billion pounds, 3 percent more than the previous month, and up 8 percent from a year ago. Swiss cheese totaled 26.1 million pounds, 6 percent more than a year ago, but down 3 percent from last month. In New England, stocks of American cheese totaled 67.4 million pounds 7 percent more than March 2016 and 3 percent more than the previous month.

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

Cheddar 40# Block	:	1.9500-2.2350
Process 5# Sliced	:	1.5500-2.0300
Muenster	:	1.9350-2.2850
Grade A Swiss Cuts 10 - 14#	:	3.3100-3.6325

MIDWEST

With the exception of some plant maintenance and updating, cheese production continues to match abundant milk supplies. Cheese production schedules, in some plants, are at 100 percent. Milk continues to flow into cheese vats. Some cheese manufacturers who have primarily used contractually supplied milk are taking advantage of spot market opportunities. Milk going into Class III has been reported at \$1.50 to \$5.50 under Class. Cheese demand is picking up in the Midwest. Some producers report that orders have noticeably improved in the past two to three weeks. Some pizza cheese producers also report gains in demand in recent weeks, but describe sales as slightly quieter than they were this time last year. Cheese inventories are long. The cheese market tone is uncertain. The *DMN National Retail Report-Dairy* shows that April 21-27 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.12, 7 cents below the national average. Midwest prices range from \$1.50-\$2.50. One year ago, the national price was \$2.37. For 8 ounce blocks, the Midwest average price is \$2.07, 12 cents below the national average price. Midwest ads are priced from \$1.79-\$3.50. Last year, the national price was \$2.32. In CME Group trading Wednesday, barrels closed at \$1.4200, up \$0.0200 from last Wednesday and blocks closed at \$1.5425, up \$0.0675 from last Wednesday. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of March 2017 were 1.293 billion pounds, 3% above February 2017 and up 8% from March 2016.

American stocks were 11% more, other natural stocks were 5% more, and Swiss stocks were 6% higher than last year. In the East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio), American cheese stocks at the end of March 2017, were 13% higher than last year and 4% more than last month. Other cheese stocks in the East North Central region were 7% higher than March 2016 and 2% more than last month. In the West North Central region (Minnesota, Iowa, Missouri, Kansas, Nebraska, South Dakota and North Dakota), American cheese stocks at the end of March 2017, were 23% higher than last year and 10% higher than last month. Other cheese stocks in the West North Central region were 5% lower than March 2016 and 1% below February 2017. This week, a cooperative export assistance program accepted requests for 740,753 pounds (336 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 29.164 million pounds of cheese in export markets. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.0150 for process, but up \$.0225 for all other types.

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

Process American 5# Loaf	:	1.5075-1.8675
Brick And/Or Muenster 5#	:	1.8550-2.2800
Cheddar 40# Block	:	1.5825-1.9775
Monterey Jack 10#	:	1.8300-2.0350
Blue 5#	:	2.1225-3.1100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6550-2.5950
Grade A Swiss Cuts 6 - 9#	:	2.8275-2.9450

WEST

Milk is plentiful in the Western dairy market. As such, cheese production is strong in most parts of the region. Domestic cheese demand is stable. Barrel sales are slowly increasing as grilling season is getting close. Commodity type cheese continues to be readily accessible to end-users while high quality cheese is harder to get. Buyers have abundant supplies, and are hesitant to take additional spot loads. In addition, a number of purchasers are limiting their activities in the cheese market, hoping that prices in the coming weeks will be more favorable. The *DMN National Retail Report-Dairy* for the week of April 21-27 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.19, down \$.12 from last week. Packs average \$2.43 in the Southwest and \$1.87 in the Northwest. One year ago, the national price was \$2.37. For 8 ounce blocks, the U.S. price is \$2.19, down \$.13 from last week. Blocks average \$2.07 in the Southwest and \$1.79 in the Northwest. One year ago, the national price was \$2.32. In the West, wholesale prices are down \$.0150 for process, but up \$.0225 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of March 2017 were 1.293 billion pounds, up 3% from February 2017 holdings, and up 8% from March 2016. American stocks were 11% more, other natural stocks were 5% more, and Swiss stocks were up 6% compared to last year. In the Mountain Region, American cheese stocks were 4% lower than one year earlier, but up 4% from one month earlier. Pacific Region American cheese stocks were 1% more than one year earlier, and 4% more than the previous month. Also in the Pacific Region, other natural cheese stocks were 7% above a year ago, and 2% higher than a month ago. According to the California Department of Food and Agriculture, March 2017 cheese production was 216.6 million pounds, up 0.8% from a year ago. California year-to-date cheese production through March is 0.620 billion pounds, down 1.5% from 2016 cheese production through March. In CME Group trading Wednesday, barrels closed at \$1.4200, up \$.0200 from a week ago and blocks closed at \$1.5425, up \$.0675.

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

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

Process 5# Loaf	:	1.4950-1.7525
Cheddar 40# Block	:	1.6150-2.0600
Cheddar 10# Cuts	:	1.7950-2.0150
Monterey Jack 10#	:	1.8050-1.9650
Grade A Swiss Cuts 6 - 9#	:	2.8875-3.3175

FOREIGN TYPE CHEESE

Less milk is available for cheese production. Cheese production since the beginning of 2017 has been lower than 2016 production. Meanwhile, domestic and international market demands continue to increase. There are good export opportunities to the third world countries. Cheese is following a stronger price trend after its price decline stopped in mid-March. In the U.S., wholesale blue, gorgonzola, parmesan Italy, and Romano prices are up \$0.0225. 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	: 2.0000-3.4875*
Gorgonzola	: 3.6900-5.7400	: 2.5075-3.2250*
Parmesan (Italy)	: -0-	: 3.3900-5.4800*
Romano (Cows Milk)	: -0-	: 3.1900-5.3400*
Sardo Romano (Argentina)	: 2.8500-4.7800	: -0-
Reggianito (Argentina)	: 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

	<u>BUTTER</u> : <u>CHEESE</u>	
	:	:
04/24/17	26,553	: 100,968
04/01/17	25,185	: 97,569
CHANGE	1,368	: 3,399
% CHANGE	5	: 3

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	175	0	145	0	180
SOUTHEAST STATES	0	0	0	0	0	0

In New England, milk flowing off the farm is moving up in most areas. Supplies into balancing are more than ample for steady to improved Class I demand. Schools that were on vacation reopened and are receiving scheduled levels of bottled milk. Farm milk in the Mid-Atlantic is plentiful for steady seasonal bottled milk demand. Manufacturing still reports large surplus milk receipts. Milk production is holding steady in the Southeast area. Production patterns are at/near peak levels. Fluid milk supplies are heavier, exceeding steady Class I demand. The diversion of milk to auxiliary manufacturing plants is ongoing. Milk handlers in Florida are seeing a slight jump in production, but expect current output trends to be short-lived. In general, Class I sales are mostly steady to weak. However, sales rose as cuts from the holiday week adjusted, increasing sale volumes this week. Weather has been hot, in the 80s, with highs in the 90s expected this weekend. South Florida had some rain but much of the rest of Florida is still very dry with no rain in the forecast. Milk exports grew to 175 shipments, 30 more loads than last week. The fluid **cream** market tightened this week. Sources indicate **cream multiples** increased, now ranging **1.20-1.28**. With the sudden climb in multiples, fewer spot loads are available. Butter churning remains relatively heavy, with a few cases of slowed production. Cream loads to ice cream production vary. Shifting weather tends to impact sales. Surplus volumes saturate the Eastern **condensed skim** markets. Interest is seasonally fair, but unspectacular. Loads are trading at distressed prices. With the announcement of April's Advanced Prices, the Class II Nonfat Solids price adjusted 2 cents lower, when compared to previous month. According to the *DMN National Retail Report-Dairy*, for April 21-27, 2017, the U.S. weighted average advertised price for a gallon of milk is \$2.44, down \$1.34 compared to last week, but up 9 cents over a year ago. In the Northeast, the weighted average advertised price for a gallon of milk is \$3.65, well above the national weighted average price by \$1.21. Retail prices for gallon milk range \$3.49-\$3.99 in the region.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during April 2017 totaled 17.5 billion pounds, up 1.8% from a year ago. Eastern states' milk production are as follows:

March 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	236	- 0.4
New York	1,281	+ 3.6
Pennsylvania	966	+ 3.0
Vermont	235	+ 0.9
Virginia	155	+ 0.6

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

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

F.O.B. producing plants: Northeast-	2.4876-2.6534
F.O.B. producing plants: Upper Midwest-	2.4047-2.5291

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.20-.93
Northeast - Class III - spot prices -	.25-1.00

MIDWEST

Wet weather in much of the North Central region and parts of the South Central U.S. has hampered fieldwork. Farmers in the South Central region report wheat, in a few areas, has been drowned out. As crop and feedstock output levels face weather related delays, milk production conversely is at spring flush volumes. Class I demand is steady. However, contacts are anxious about the upcoming school breaks for summer vacation. Spot milk was readily available for cheesemakers at \$1.50 to \$5.50 under Class III. Some cheese producers, who typically turn away spot milk offers, report the prices were advantageous for cheese production goals and opted to take on some spot milk this week. Ice cream manufacturers' interests are picking up. Class II **cream multiples** ranged from **1.16 to 1.22**. Cream remains readily available. Class IV multiples are being reported as low as 1.05. However, Central butter contacts suggest cream is expected to tighten in the near term. The *DMN National Retail Report-Dairy* for April 21-27 noted the national weighted average advertised price for one gallon of milk was \$2.44, down \$1.34 from a week ago, but \$.09 higher than a year ago. The weighted average regional prices in the Midwest and South Central were \$2.66 and \$2.24, respectively. The *NASS Milk Production* report noted March 2017 milk production in the 23 selected states was 17.5 billion pounds, 1.8% above a year ago. Milk cows in the 23 selected states totaled 8.7 million head, 72,000 head more than a year ago. The following table shows Central states included in the report and the monthly milk production changes compared to a year ago:

March 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	170	- 1.2
Indiana	368	+ 1.9
Iowa	444	+ 2.3
Kansas	306	+ 6.6
Michigan	956	+ 3.5
Minnesota	849	+ 1.9
Ohio	481	+ 1.1
South Dakota	223	+ 3.7
Texas	1,065	+16.4
Wisconsin	2,598	+ 1.5

WEST

Farm milk production in California is active, following normal seasonal patterns. Industry contacts report that some parts of the state have milk available for spot sales at discounted prices. Milk intakes into Class I continue to be higher. Manufacturers are getting enough milk to meet their processing needs. Warmer weather conditions in Arizona are conducive to lower milk output. However, milk supplies are adequate and in line with processing needs. Demand for Class I continues to be

-CONTINUED ON PAGE 4A-

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steady. Milk intakes into Class IV are increasing. Milk production is steadily higher in New Mexico. Processors have been managing well their excess milk supplies. Milk intakes into Class I and Class II are slightly down this week. A few manufacturing plants temporary reduced their daily milk intakes for repairs and maintenance work. Pacific Northwest milk production continues to grow. Although damp conditions persist across parts of the region, cow comfort is favorable for strong milk output. Milk is in good supply for most processing needs and bottling demand is steady. Milk production in the mountain states of Idaho, Utah and Colorado is strengthening. Most manufacturers are not having any trouble getting milk for processing. In some cases, milk is moving around the region at discounted prices. Industry contacts report precipitation is delaying some spring fieldwork. Feedstocks are generally in good supply as dairy farmers wait for new crop harvest. Western **condensed skim** volumes are increasing; however, demand is still lower. Western **cream** continues to be readily available in the dairy market, outweighing processing capacities. A few contacts suggest that cream from the Southwest region is moving into Idaho. Cream premiums in California are still around 5 cents. **Cream multiples** this week range **1.08 to 1.19**. According to the DMN *National Retail Report-Dairy* for the week of April 21-27, the national weighted average advertised price for one gallon of milk is \$2.44, down \$1.34 from last week, but \$0.09 higher from a year ago. The weighted average regional price in the Southwest is \$2.41, with a price range of \$1.89-\$2.99. The weighted average regional price in the Northwest is \$1.79, with no price range. According to California Department of Food and Agriculture, March 2017 pool receipts of milk in the state total 3.32 billion pounds. This is 3.8% lower compared to the same month a year ago. From January through March 2017, receipts are 3.7% lower from the comparable period in 2016. The Value at Test price is \$15.48, \$1.52 lower than the previous month, but \$1.60 above a year ago. The percentage of receipts used in Class 1 products is 13.29%. The March quota price is \$15.84 and the over quota price is \$14.14. These prices are \$1.35 below last month, but \$1.24 higher from a year ago. According to CDFA, March 2017 Class 1 sales in California totaled 54.3 million gallons, up 11.0% from last month, but down 1.8% from the previous year. From January through March 2017, Class 1 sales totaled 158.0 million gallons, down 2.9% from the comparable period in 2016. The NASS *Milk Production* report noted March 2017 milk production in the 23 selected states was 17.5 billion pounds, 1.8% above a year ago. Milk cows in the 23 selected states totaled 8.71 million head, 72,000 head more than a year ago. The following table shows western states included in the report and the monthly milk production changes compared to a year ago:

March 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Arizona	447	+ 0.4
California	3501	- 2.9
Colorado	353	+ 7.3
Idaho	1214	- 1.0
New Mexico	726	+ 9.0
Oregon	218	- 4.0
Utah	179	+ 1.7
Washington	553	- 3.3

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 saw a slight increase on the top of the range, but remained steady on the mostly price series. Spot market activity was expectedly light, but a few prices point to some firmness in the market. Reports on demand vary, but contacts report purchasing on the spot market only for situational purposes. Production and inventories of low/medium heat NDM are indicative of the surplus milk availability. The low/medium heat NDM market tone is uncertain. High heat NDM prices remain unchanged. Spot market trading was quiet. High heat NDM production and inventories are adequate for contractual needs.

EAST: Eastern nonfat dry milk (NDM) prices inched marginally higher at the top of the range. Some NDM producers are content to hold prices at the top of the range, based on the quality of product, while currently attracting limited interest. The undertone is unsettled. Spot demand is limited to a few replacement needs, as market sources report primarily unchanged market conditions. Production steadily increases. With additional milk available as supplies divert to butter/powder operations, plants are running NDM at/near capacity levels. The market suggests having balanced to heavy inventories on hand. Dryer schedules have increased. The NDM global market demand continues at light to moderate levels. High heat NDM market prices did not see any movement this week. Overall, the market is quiet, with very little new sales activity occurring at this time. Production scheduling is challenging as manufacturers opt to run high heat NDM only when necessary to meet regular customer needs. Wednesday's CME Group cash trading for Grade A nonfat dry milk closed at \$0.8525, up \$0.0050 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8000 - 0.9000 MOSTLY: .8300 - .8600
HIGH HEAT: .9250 - 1.0500

NONFAT DRY MILK - WEST

Western f.o.b. spot prices for low/medium heat nonfat dry milk (NDM) shifted slightly higher on the top of the range and the bottom of the mostly series, following upward trends of various indices. At this point, the market undertone is mixed. The current NDM values surprise some industry participants, as NDM supplies remain high and are readily available in the f.o.b. spot market. In this way, some NDM buyers/end users are taking a wait and see approach, anticipating lower prices in the short term. On the other hand, some manufacturers believe that the market is balanced and are optimistic about future values. Sales outside contracts have been light throughout the week. Low/medium NDM output is ongoing as heavy condensed skim volumes continue clearing into dryers. Inventories are generally steady to building. High heat nonfat dry milk prices are mixed as some spot sales pushed up the bottom of the range. The market undertone is unsettled. Demand from dry mix processors is active, but is weak from bakers. High heat processing is irregular, mostly driven by current contractual requirements. Inventories are in balance with contractual needs, but slightly tight in the spot market. According to California Department of Food and Agriculture (CDFA), March 2017 nonfat dried milk (NDM) production in California totaled 49.0 million pounds, 25.6% lower than a year ago. From January through March 2017, NDM production totaled 151.8 million pounds, down 8.2% from the same period in 2016.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .7900 - 0.9000 MOSTLY: .8200 - .8600
HIGH HEAT: .9300 - 1.0325

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
April 21	\$.8306	11,717,769
April 14	\$.8527	17,894,945

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: This week, dry buttermilk prices in the Central region decreased at the top of the range. Dry buttermilk spot offers were sporadic, and completed spot transactions were minimal. Demand for dry buttermilk continues to increase from ice cream makers. Production of dry buttermilk remained light with limited dryer time and due to some end users opting to purchase condensed buttermilk. Dry buttermilk inventories are adequate. The dry buttermilk undertone is uncertain.

EAST: The price for dry buttermilk moved lower at the top of the range. Buying interest is light, but increases are anticipated, subsequent to active seasonal ice cream production. Offerings are available from many plants in the region but current dry buttermilk demand is seldom better than fair. Production is inching up at some plants as milk output picks up. Producers' stocks are well balanced for current slow to fair demand. The market undertone remains unsettled.

F.O.B. CENTRAL/EAST: .8000 - .9000

DRY BUTTERMILK - WEST

Western f.o.b. spot prices for dry buttermilk are unchanged on the range and mostly series. Overall, the market is seasonally weak as the demand, mainly from the bakery sector, is below the current supply. The priority for many plant managers is to clear heavy condensed skim volumes into NDM/SMP. Thus, dry buttermilk production is irregular in most plants. Meanwhile, some regional ice cream makers started to pull more condensed buttermilk loads, which is helping to reduce drying schedules. In general, dry buttermilk stocks remain high in the west region.

F.O.B. WEST: .7500 - .9000 MOSTLY: .8000 - .8500

DRY WHOLE MILK - NATIONAL

National dry whole milk f.o.b. spot prices are unchanged on light trading. Some manufacturers' offers priced at 5-10 cents below the bottom of the range are expected to be finalized throughout the next few weeks. At this point, the market undertone varies in each region of the country. In order to reduce some cream inventories, several processors are actively drying condensed milk. Therefore, dry whole milk inventories are steadily increasing.

F.O.B. PRODUCING PLANT: 1.3800 - 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

Central dry whey prices saw a slight increase on the bottom of the range, but remained steady on the top of the range and mostly price series. Central dry whey contacts reported a relatively quiet week, as spot market activity was sporadic. Dry whey production is active. Surplus milk is flowing into cheese vats, thus adding to dry whey processing. Domestic demand is light. Many end users report being content with current stocks and plan to wait out an expected decline in prices. However, some whey sellers report continued, increasing interests from global markets. The dry whey market tone is uncertain. Animal feed whey prices were steady. The animal feed whey spot market was quiet. Animal feed whey inventory reports were mixed, but contacts suggest end users are stocked.

F.O.B. CENTRAL: .3800 - .6200 MOSTLY: .4500 - .5200
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3375 - .4400

DRY WHEY - NORTHEAST

Prices for Northeastern dry whey this week are steady to lower. The demand is light to moderate, with little movement in the spot market. Market representatives expect dry whey prices to decline in the short term. Manufacturing plants are producing cheese at a high level, prompting whey dryers to run upwards to 6 days a week. Output is mostly unchanged from last week. Inventories are adequate for near term customer needs. The market tone is unsettled.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4300 - .5625

DRY WHEY - WEST

Prices for Western whey are lower on the top of the range and both ends of the mostly price series. The bottom of the range held steady. In some areas, whey is offered in the spot market at discounted prices. Production is ongoing and sufficient to meet end-users' needs. Supplies continue to be tight to comfortable. In the international market, U.S. whey is facing price pressures from Europe and Canada. Industry contacts say whey is becoming more difficult to move at higher prices. Domestic demand is relatively stable.

NONHYGROSCOPIC: .4000 - .5700 MOSTLY: .4200 - .5300

LACTOSE - CENTRAL AND WEST

Lactose prices took a jump upward at the bottom of the range as a short term contract sunset. The top of the mostly price series moved higher and other prices were unchanged. Industry contacts report a steady to slightly firming tone to the market. Lactose is moving well through contracts and manufacturers say some buyers are seeking extra shipments to assure coverage. Inventories are tight to comfortable as demand and production appear to be well balanced.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .3400 - .5700 MOSTLY: .3700 - .4500

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices moved higher at the bottom of the range, but otherwise held steady. WPC34% is mostly moving through contracts with limited spot sales. Industry contacts suggest WPC34% that is interchangeable with other proteins is hard to move. WPC34% that meets tighter customer requirements and has higher demand is in short supply. Production is steady and inventories are generally low. However, some industry contacts have made adjustments to production schedules in order to have a little more WPC34% available.

F.O.B. EXTRA GRADE 34% PROTEIN: .7700 - 1.2350 MOSTLY: .8100 - 1.0550

CASEIN - NATIONAL

Rennet casein prices very slightly firmed, while acid casein prices are steady. Preliminary information suggests that casein production in Argentina has slowed in early 2017. Argentina has been a source of acid casein although certainly not among the major sources. That has contributed to keeping pressure on acid casein pricing. Rennet casein being more viewed as a commodity market type product, has been fluctuating more quickly in response to various factors. Two recent cyclones in New Zealand are perceived as likely to reduce milk production for the end of the current production season ending in May. This may somewhat reduce milk available for near term casein production in New Zealand, a significant source of casein. Current price movement in rennet casein markets is believed to reflect some of this concern.

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: 2.7500 - 3.0000
ACID: 3.5000 - 3.6500

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

<u>WEEK ENDING</u>	2017 WEEKLY <u>DAIRY COWS</u>	2017 <u>CUMULATIVE DAIRY COWS</u>	2016 WEEKLY <u>DAIRY COWS</u>	2016 <u>CUMULATIVE DAIRY COWS</u>
04/08/2017	57.5	855.3	53.9	889.6

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)

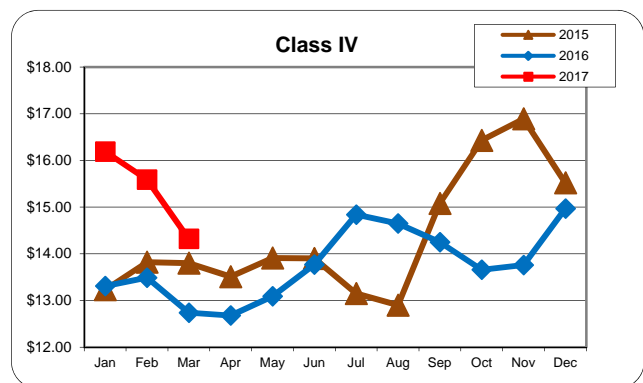
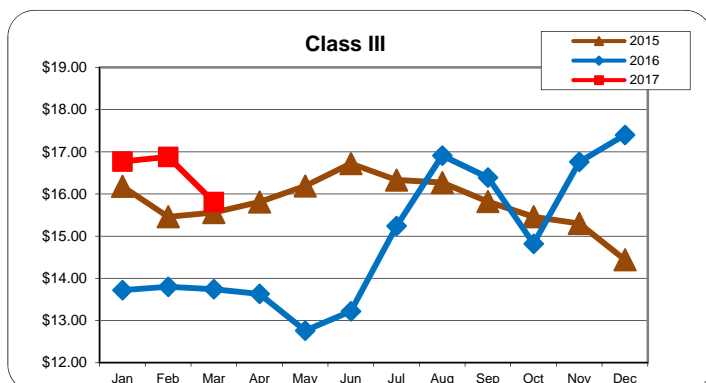
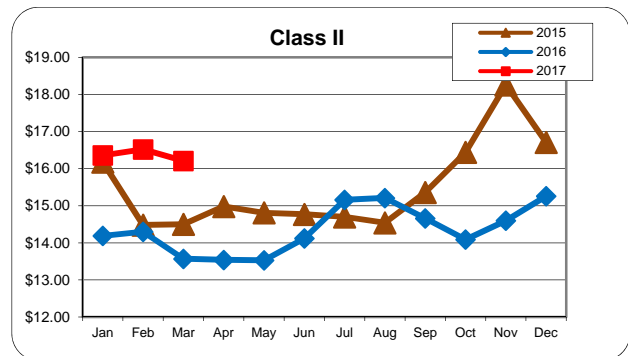
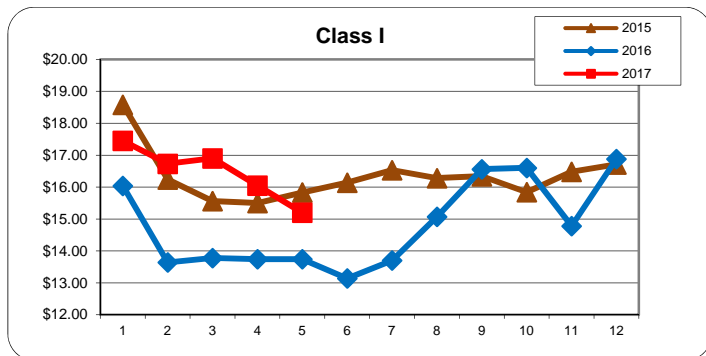
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	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 April 17 - 28, 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: Milk production in the European Union this year continues to meet projections for lower first half volumes. Year to date January-February EU 2017 milk production is down 3.4% from the same period one year earlier according to Eurolait. Among the primary milk producing countries, February 2017 production was higher than February in only Italy (+5.5%) and Poland (+1.5%). February-February milk production declined in Germany (-7.0%); Ireland (-14.2%); France (-6.5%); Netherlands (-3.5%); and the United Kingdom (-5.3%). Processors in Germany have noted that milk consumption during January-February this year is also down.

BUTTER/BUTTEROIL: European butter and butteroil prices firmed, reaching the highest level of 2017. Dutch butter prices increased more than in Germany and France. Packaged butter is in strong demand. Block butter demand is stable. Most short term needs for butter are covered. Locking in contracts for later dates is ongoing. Buyers are apprehensive about current high prices strengthening further, but also slightly hopeful of dips ahead. Manufacturers tend to have some confidence that demand for dairy fats will contribute to continuing butter price strength in coming months.

Butter exports from Western Europe January-February this year were 21.5% lower than last year according to Eurolait. Export volumes and primary destinations are shown in the following table:

Main Destinations
January-February 2017

Destination	Quantity (MT)	% of total
USA	3,700	18.1%
Saudi Arabia	1,530	7.5%
Singapore	1,211	5.9%

EU imports of butter during January-February 2017 increased 36.3% from one year earlier, according to Eurolait.

Butteroil exports from Western Europe January-February this year were 69% lower than last year according to Eurolait. Export volumes and primary destinations are shown in the following table:

Main Destinations
January-February 2017

Destination	Quantity (MT)	% of total
Indonesia	688	19.2%
Saudi Arabia	582	16.3%
China	470	13.1%

82% BUTTERFAT: 4,800 - 4,925
99% BUTTERFAT: 5,375 - 5,675

SKIM MILK POWDER (SMP): European skim milk powder prices slightly firmed. Within Europe there was slight weakening of prices in France, while German and Dutch prices slightly strengthened. Short term buying interest and activity has increased. While a number of buyers have attempted to secure longer term contracts at current pricing, manufacturers are less inclined to close such deals. Some will, but

others will not. European manufacturers are challenged to move much production into exports.

Western European SMP exports January-February this year were 4.8% lower than last year according to Eurolait. Export volumes and primary destinations are shown in the following table:

Main Destinations
January-February 2017

Destination	Quantity	% of Total
Algeria	15,917	13.7%
Philippines	12,658	10.9%
Indonesia	11,647	10.0%

1.25% BUTTERFAT: 1,850 - 1,950

SWEET WHEY POWDER: Whey prices in Europe are steady to firmer. Whey powder is in good demand but manufacturers are able to accommodate demand while maintaining comfortable inventories. Buyers are generally able to secure whey as needed.

EU exports of whey January-February 2017 decreased 3.7% from one year earlier, according to Eurolait. Export volumes and primary destinations are shown in the following table:

Main Destinations
January-February 2017

Destination	Quantity	% of Total
China	23,799	27.4%
Indonesia	14,101	16.2%
Malaysia	7,747	8.9%

EU imports of whey January-February 2017 decreased 16.5% from one year earlier, according to Eurolait.

NONHYGROSCOPIC: 1,000 - 1,150

WHOLE MILK POWDER (WMP): Whole milk powder prices in Europe slightly firmed. Demand is stable with most buying interest in the last two weeks for the internal EU market. Nevertheless, export activity in early 2017 has picked up. European WMP retains a slight price advantage to prices in Oceania. Some buyers who are more flexible and less committed to specific sources, often in Africa and the Middle East, have been more active recent importers.

Western European WMP exports January-February this year were 10.9% higher than last year according to Eurolait. Export volumes and primary destinations are shown in the following table:

CONTINUED TO PAGE 8

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered April 17 - 28, 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

Main Destinations
January-February 2017

Destination	Quantity (MT)	% of Total
Algeria	12,327	18.9%
Oman	8,798	13.5%
China	3,747	5.8%
26% BUTTERFAT:		2,900 - 3,050

EASTERN OVERVIEW: January-February year to date milk production in a number of Eastern European countries shows gains over one year earlier. Generally these countries are not significant milk producing countries relative to EU leaders, but their trends are positive rather than negative. Among countries with positive January-February milk production are Bulgaria (+0.5%); Cyprus (+2.8%); and Poland (+0.4%).

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 17 - 28, 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: According to Dairy Australia, February 2017 milk production in Australia was 10.0% below February 2016. The state changes from February a year earlier are: New South Wales, -10.7%; Victoria, -11.5%; Queensland, -3.2%; South Australia, -12.1%; Western Australia, -5.7% and Tasmania, -3.9%. July 2016-February 2017 cumulative production is 8.4% below the same period one year ago. The cumulative July 2016-February 2017 changes are: New South Wales, -7.1%; Victoria, -9.7%; Queensland, +1.8%; South Australia, -10.9%; Western Australia, -1.5% and Tasmania, -6.3%.

Each state's percentage of total January Australian production, is: New South Wales, 12.76%; Victoria, 61.20%; Queensland, 4.81%; South Australia, 5.61%; Western Australia, 4.36%; and Tasmania, 11.25%.

NEW ZEALAND: New Zealand is still recovering from two cyclones in the last several weeks. The important dairy area of Waikato was hard hit. Apprehension persists that late season milk production will suffer. A number of paddocks remain under water. Some areas had not recovered from flooding from the first cyclone when the second one hit. Some producers will likely dry cows earlier than planned. However, with normal production relatively low when the season ends, that could be a mitigating factor when the final seasonal milk production is determined.

At the April 18 GDT event #186, all contracts prices ranged from 3.8% lower to 6.0% 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, \$5,930, -0.5%; butter, \$4,892, +2.9%; buttermilk powder, \$1,720, n.a.; cheddar cheese, \$3,462, +6.0%; lactose, \$935, +1.2%; rennet casein, \$6,020, -3.8%; skim milk powder, \$2,044, +7.1%; and whole milk powder, \$2,998 +3.5%.

BUTTER: Butter prices in Oceania slightly increased at the bottom of the price range but are steady at the top. While not the highest prices of 2017, current pricing is near the upper reaches for the year. Concerns with milk production for the remaining months of the New Zealand season are believed to be influencing pricing of butter, especially after May. Two cyclones in the last several weeks have caused substantial flooding in some important dairy areas. This has increased apprehension as to what impact may accrue to dairy production and product prices.

At GDT Event 186 on April 18, the butter all contracts price increased 2.9%, but the May contract price decreased 6.5%.

82% BUTTERFAT: 4,900 - 5,350

SKIM MILK POWDER (SMP): Skim milk powder prices in Oceania firmed and remain slightly higher than prices in Europe. However, pricing is not the highest level of 2017 in Oceania and generally has weakened through the year. Manufacturers in the region are wary of future pricing potential being held back by heavy global production and inventories. Buyers continue to have the upper hand in negotiations with manufacturers. Moving SMP into export sales is challenging.

At GDT Event 186 on April 18, the SMP all contracts price increased 7.1% and the May contract price increased 5.9%.

1.25% BUTTERFAT: 2,000 - 2,050

CHEDDAR CHEESE: Cheddar prices are higher at the bottom of the price range but steady at the top. Pricing is lower than much of 2017, but up at the bottom of the price range from the low point of the year two weeks ago. Current pricing is considered to be probing buying interest and may reflect a recent trading range variation. Buyers are generally able to step back or slow buying at this time. However, recent adverse weather impacts on New Zealand have increased worries about reduced milk production in coming weeks, helping to nudge some buyers toward completing sales now.

At GDT Event 186 on April 18, the cheddar all contracts price increased 6.0% and the May contract price increased 7.5%.

39% MAXIMUM MOISTURE: 3,450 - 3,500

WHOLE MILK POWDER (WMP): Whole milk powder prices in Oceania strengthened, but are a bit lower than prices when 2017 began. Oceania pricing remains slightly higher than European pricing. WMP has shown some continuing strength in New Zealand futures trading. Export interest remains good, with a number of continuing export customers having an affinity for Oceania sourced WMP. The slight current price difference with WMP from Europe is not determinative for these customers.

At GDT Event 186 on April 18, the WMP all contracts price increased 3.5% and the May contract price increased 3.3%.

26% BUTTERFAT: 3,000 - 3,150

**Exchange rates for selected foreign currencies:
April 24, 2017**

.0650 Argentina Peso	.0155 India Rupee
.7569 Australian Dollar	.0091 Japan yen
.3197 Brazil Real	.0534 Mexican Peso
.7407 Canadian Dollar	.7017 New Zealand Dollar
.0015 Chile Peso	.2560 Poland Zloty
1.0868 Euro	.0352 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0534) = 18.7266 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 186 Recap - April 18, 2017													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	May-17		Jun-17		Jul-17		Aug-17		Sep-17		Oct-17			
Anhydrous Milk Fat	\$6,068	-7.5%	\$5,881	-1.1%	\$5,958	0.3%	\$5,881	-3.1%	\$5,998	9.1%	n.a.		\$5,930	-0.5%
Butter	\$5,000	-6.5%	\$4,965	2.3%	\$4,840	2.7%	\$4,880	3.4%	\$4,775	9.0%	n.a.		\$4,892	2.9%
Buttermilk Powder	n.a.		\$1,720	n.a.	n.a		n.a.		n.a.		n.a.		\$1,720	n.a.
Cheddar	\$3,506	7.5%	\$3,406	5.5%	\$3,427	4.4%	n.a.		\$3,700	11.8%	n.a.		\$3,462	6.0%
Lactose	n.a.		\$935	1.2%	n.a		n.a.		n.a.		n.a.		\$935	1.2%
Rennet Casein	\$5,794	-10.0%	\$6,048	-2.6%	\$6,029	-3.8%	\$6,090	-4.2%	n.a.		n.a.		\$6,020	-3.8%
Skim Milk Powder	\$2,051	5.9%	\$2,033	6.8%	\$2,051	7.9%	\$2,089	7.7%	\$2,055	7.9%	n.a.		\$2,044	7.1%
Sweet Whey Powder	n.a.		n.a.		n.a		n.a.		n.a.		n.a.		n.a.	
Whole Milk Powder	\$3,039	3.3%	\$2,961	2.1%	\$2,980	3.8%	\$3,069	5.6%	\$3,073	8.1%	n.a.		\$2,998	3.5%

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

US\$/Pound	Global/Dairy Trading (gDT) Event 186 Recap - April 18, 2017													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	May-17		Jun-17		Jul-17		Aug-17		Sep-17		Oct-17			
Anhydrous Milk Fat	\$2.7524	-7.5%	\$2.6676	-1.1%	\$2.7025	0.3%	\$2.6676	-3.1%	\$2.7207	9.1%	n.a.		\$2.6898	-0.5%
Butter	\$2.2680	-6.5%	\$2.2521	2.3%	\$2.1954	2.7%	\$2.2136	3.4%	\$2.1659	9.0%	n.a.		\$2.2190	2.9%
Buttermilk Powder	n.a.		\$0.7802	n.a.	n.a		n.a.		n.a.		n.a.		\$0.7802	n.a.
Cheddar	\$1.5903	7.5%	\$1.5450	5.5%	\$1.5545	4.4%	n.a.		\$1.6783	11.8%	n.a.		\$1.5704	6.0%
Lactose	n.a.		\$0.4241	1.2%	n.a		n.a.		n.a.		n.a.		\$0.4241	1.2%
Rennet Casein	\$2.6281	-10.0%	\$2.7434	-2.6%	\$2.7347	-3.8%	\$2.7624	-4.2%	n.a.		n.a.		\$2.7307	-3.8%
Skim Milk Powder	\$0.9303	5.9%	\$0.9222	6.8%	\$0.9303	7.9%	\$0.9476	7.7%	\$0.9321	7.9%	n.a.		\$0.9272	7.1%
Sweet Whey Powder	n.a.		n.a.		n.a		n.a.		n.a.		n.a.		n.a.	
Whole Milk Powder	\$1.3785	3.3%	\$1.3431	2.1%	\$1.3517	3.8%	\$1.3921	5.6%	\$1.3939	8.1%	n.a.		\$1.3599	3.5%

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

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered April 17 - 28, 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: During the last two weeks in **Argentina**, favorably dry climate helped to ease excessive moisture in the key dairy states of Buenos Aires, Cordoba, and Santa Fe. Consequently, some dairy operations (tambos) are seeing an uptick in milk production. Overall, cows’ productivity is increasing as the autumn season advances, providing adequate milk volumes for most processing needs. Nevertheless, milk fat supplies continue to be tight, well below current strong demand. Therefore, cream premiums remain high. Interest for cheese is steady to lower, while stocks are building. As mentioned in the previous report, one of the country’s leading dairy co-ops is facing financial problems. As a result, the Argentinian government has committed to help this cooperative with about 450 million Argentinian pesos. However, the payment has not materialized yet and several plants have had to close. Back to the farm, according to the government, as of April 20, corn and soybeans were 25 and 21 percent harvested, respectively.

In **Uruguay**, farm milk production is steady. In general, milk supply is suitable to cover manufacturing needs. Requests for bottled/UHT milk from several public institutions are higher as public schools reopened recently. The cream market condition is strengthening, as cream supply remains low, but demand is robust. In this way, the operational costs of many processors are increasing, making the final product more expensive to the customer.

According to some industry stakeholders, cows’ milk output in **Brazil** is already starting to improve, especially in the southern region. However, the interest for milk, outside contracts, is low throughout the country. Meanwhile, the cheese market is quiet while inventories continue building. The active import trading of milk powders continues pushing down domestic prices. According to Paraná state government, as of April 17, second-crop corn was about 45% flowering to filling. Meanwhile, first-crop corn and soybeans are almost completely harvested at 94 and 97 percent, respectively.

WHOLE MILK POWDER (WMP): Milk fat supply remains seasonally short across the Mercosur zone, but the current demand is strong. Thus, in order to increase cream volumes, many processors are curtailing WMP processing, especially in Uruguay and Argentina. In many processing plants, WMP stock levels are decreasing. During the past two weeks, in the Southern Cone of South America, WMP f.o.b. export prices shifted higher, in line with recent WMP upwards pricing trends at the GDT. The regional WMP market undertone is firming with WMP values well above Europe and Oceania. WMP demands from several food processors in Brazil remain strong and improving. In the Brazilian market, some WMP tenders from manufacturers can be found priced at or above \$3,650 per metric ton.

At the GDT Event 186 on April 18, whole milk powder (WMP) prices across all contract periods averaged \$2,998 per metric ton, up 3.5% from the last event.

26% BUTTERFAT:	3,275 - 3,625
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SKIM MILK POWDER (SMP): In the Southern Cone of South America, f.o.b. export prices for skim milk powder (SMP) shifted slightly up, remaining well above offshore values. Regional SMP prices are following recent WMP upward trends at the GDT. In order to ease the regional shortage of milkfat supply within the Mercosur zone, many processors are increasing SMP production. Although SMP stocks are steadily rising and therefore are more obtainable, SMP values continue firming, puzzling some stockholders in the region.

At the GDT Event 186 on April 18, skim milk powder (SMP) prices across all contract periods averaged \$2,044 per metric ton, up 7.1% from the last event.

1.25% BUTTERFAT:	2,500– 2,900
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CME GROUP, INC FUTURES

Selected settling prices

Month	04/14	04/17	04/18	04/19	04/20	04/21	04/24	04/25	04/26	04/27
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
APR 17	NO TRADING	15.24	15.24	15.24	15.18	15.20	15.20	15.20	15.21	15.18
MAY 17		15.14	15.21	15.18	15.33	15.64	15.61	15.32	15.32	15.50
JUN 17		15.29	15.40	15.36	15.54	15.87	15.85	15.42	15.36	15.64
JUL 17		15.80	15.89	15.86	15.94	16.26	16.22	15.89	15.85	16.10
AUG 17		16.28	16.33	16.27	16.35	16.60	16.59	16.26	16.25	16.49
SEP 17		16.48	16.53	16.48	16.55	16.78	16.77	16.50	16.52	16.75
OCT 17		16.50	16.50	16.47	16.54	16.73	16.74	16.50	16.56	16.74
NOV 17		16.41	16.45	16.43	16.50	16.68	16.68	16.45	16.46	16.68
DEC 17		16.38	16.41	16.41	16.45	16.55	16.52	16.39	16.42	16.56
JAN 18		16.26	16.31	16.26	16.26	16.31	16.33	16.29	16.29	16.37
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
APR 17	NO TRADING	14.02	14.02	14.02	13.95	13.95	13.95	13.95	13.95	13.95
MAY 17		14.06	14.06	14.06	14.07	14.23	14.30	14.30	14.26	14.34
JUN 17		14.18	14.17	14.17	14.23	14.46	14.46	14.46	14.46	14.55
JUL 17		14.46	14.45	14.45	14.45	14.55	14.55	14.62	14.62	14.81
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
APR 17	NO TRADING	212.73	210.78	210.78	210.78	210.78	210.78	210.78	210.78	210.80
MAY 17		207.75	207.03	208.50	208.60	210.30	210.60	212.25	212.13	213.50
JUN 17		209.00	208.75	210.50	210.53	212.50	212.73	212.75	214.00	215.00
JUL 17		212.00	211.50	212.68	212.68	213.75	213.75	215.00	215.00	216.23
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
APR 17	NO TRADING	84.50	84.50	84.40	83.75	83.68	83.85	83.85	83.50	83.55
MAY 17		86.00	86.50	86.40	87.00	87.23	87.53	87.00	85.33	87.95
JUN 17		86.60	86.75	86.50	87.30	89.00	89.50	87.63	87.45	88.50
JUL 17		88.58	88.70	88.50	88.60	90.25	90.98	89.00	89.00	89.83
WHEY (Electronic-Traded) (¢/lb)										
APR 17	NO TRADING	52.28	52.45	52.48	52.48	52.48	52.48	52.48	52.70	52.35
MAY 17		48.25	48.38	48.90	49.00	49.30	49.55	49.55	49.43	49.08
JUN 17		44.50	45.03	45.00	45.75	46.25	46.70	45.90	45.45	45.48
JUL 17		40.30	40.45	41.20	42.38	42.48	43.00	42.00	41.68	42.00
CHEESE CSC (Electronic-Traded) (\$/lb)										
APR 17	NO TRADING	1.50	1.50	1.50	1.49	1.49	1.49	1.49	1.49	1.49
MAY 17		1.52	1.52	1.52	1.53	1.56	1.56	1.52	1.53	1.54
JUN 17		1.55	1.56	1.56	1.57	1.60	1.60	1.56	1.56	1.58
JUL 17		1.63	1.64	1.63	1.64	1.67	1.67	1.64	1.63	1.65
AUG 17		1.69	1.69	1.69	1.70	1.71	1.71	1.69	1.68	1.70

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

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

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

All stocks in thousand pounds except where otherwise indicated

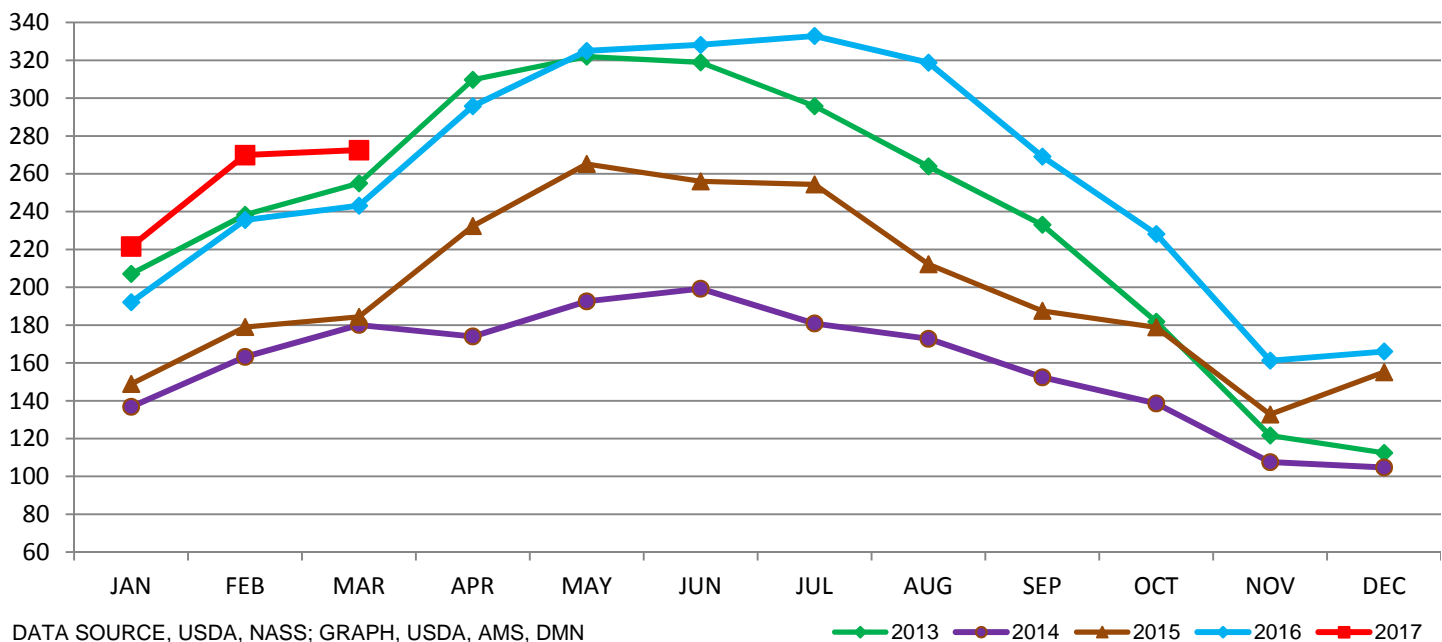
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	FEB 28, 2015	FEB 29, 2016	REVISED FEB 28, 2017	MAR 31, 2015	MAR 31, 2016	MAR 31, 2017
Butter	179,003	235,559	269,863	184,373	243,134	272,503
Cheese, Natural American	645,670	716,357	772,867	634,270	725,837	802,724
Cheese, Swiss	23,587	24,703	26,999	24,573	24,629	26,141
Cheese, Other Natural	397,803	441,248	455,482	409,802	440,928	463,644
Total Cheese	1,067,060	1,182,308	1,255,348	1,068,645	1,191,394	1,292,509

MARCH STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
New England	62,236	62,878	67,431				788	840	809
Middle Atlantic	66,467	85,725	82,341				23,600	17,853	16,709
East North Central	239,872	287,247	323,886				252,017	278,853	299,591
West North Central	102,656	109,531	135,177				45,195	51,096	48,424
South Atlantic	645	556	1,220				26,506	23,273	31,986
East South Central	4,444	6,874	15,032				12,491	21,644	14,849
West South Central	12,726	15,544	14,995				704	1,319	1,721
Mountain	50,620	59,384	57,241				1,907	2,513	3,048
Pacific	94,604	98,098	105,401				46,594	43,537	46,507
TOTAL	634,270	725,837	802,724	184,373	243,134	272,503	409,802	440,928	463,644

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

MILLION POUNDS

Butter Cold Storage Holdings



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

Consumer Price Index												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³	CPI ²	Pct. Chg ³
Jan 2017	248.2	-0.2	219.8	-0.5	207.0	-1.0	228.2	-1.6	236.4	-1.9	242.6	-3.6
Feb 2017	248.8	0.0	220.6	0.4	205.8	0.7	230.2	-0.5	233.9	-1.4	243.1	-3.3
Mar 2017	249.2	0.5	218.6	0.2	204.6	1.5	227.8	-0.7	237.7	0.1	244.3	-2.6

U.S. City Average Retail Prices										
Month	Whole Milk ⁴		Butter ⁵		Process Cheese ⁶		Natural Cheese ⁷		Ice Cream ⁸	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	<i>(dollars)</i>									
Jan	3.318	3.313	N/A	N/A	4.322	4.374	4.933	5.411	4.834	4.913
Feb	3.300	3.230	N/A	N/A	4.293	4.436	4.967	5.369	4.870	4.851
Mar	3.315	3.187	N/A	N/A	4.271	4.462	4.799	5.364	4.751	4.850

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

Dairy Products 2016 Summary

Butter production in the United States during 2016 totaled 1.84 billion pounds, 0.6 percent below 2015. California accounted for 30.6 percent of the production.

Total cheese production, excluding cottage cheeses, was 12.2 billion pounds, 2.8 percent above 2015 production. Wisconsin was the leading State with 26.6 percent of the production, followed by California with 20.7 percent and Idaho with 7.9 percent.

American type cheese production was 4.76 billion pounds, 1.3 percent above 2015 and accounted for 39.1 percent of total cheese in 2016. Wisconsin was the leading State in American type cheese production with 20.1 percent of the production, followed by California with 13.7 percent and Idaho with 12.7 percent.

Italian varieties, with 5.29 billion pounds were 4.1 percent above 2015 production and accounted for 43.5 percent of total cheese in 2016. Mozzarella accounted for 77.7 percent of the Italian production followed by Provolone with 7.6 percent and Parmesan with 7.6 percent. Wisconsin was the leading State in Italian cheese production with 31.0, followed by California with 30.8 percent and New York with 6.9 percent.

Ice cream, Regular totaled 919 million gallons, up 2.4 percent from 2015. Lowfat ice cream, at 435 million gallons, was down 0.8 percent.

Nonfat dry milk for human food totaled 1.75 billion pounds, down 3.8 percent from 2015. California was the leading state with 32.3 percent of the production. Skim milk powders totaled 559 million pounds, up 25.3 percent.

Dry whey, total production, at 955 million pounds, was down 2.3 percent from 2015. Lactose, human and animal production was 1.10 billion pounds, up 4.7 percent.

Dairy Plants: During 2016, there were 1,272 dairy plants in the U.S. manufacturing one or more dairy products, 1 less than in 2015.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Dairy Products 2016 Summary, April 2017.*

Annual Production of Selected Dairy Products and Number of Plants Manufacturing these Products, United States, 2015 and 2016

Product	2015 Revised		2016		Change from 2015
	Plants	Production	Plants	Production	
	(number)	(1,000 pounds)	(number)	(1,000 pounds)	(percent)
Butter	83	1,849,519	86	1,839,133	-0.6
Cheese Types:					
Cheddar	226	3,393,111	227	3,424,719	0.9
Other American ¹	148	1,301,360	148	1,331,481	2.3
Total American	242	4,694,471	242	4,756,200	1.3
Swiss	57	312,015	57	311,977	---
Muenster	38	177,540	37	181,341	2.1
Mozzarella	136	3,988,936	126	4,113,773	3.1
Other Italian	210	1,092,890	211	1,178,870	7.9
Total Italian	214	5,081,826	200	5,292,643	4.1
Cream & Neufchatel	34	876,286	32	908,960	3.7
Hispanic	62	254,291	59	266,254	4.7
Total ²	542	11,831,395	544	12,157,697	2.8
Cottage Cheese, Curd ³	55	400,634	52	406,427	1.4
Cottage Cheese, Creamed ⁴	55	317,531	54	329,444	3.8
Cottage Cheese, Lowfat ⁵	54	363,004	53	367,815	1.3
Canned Evaporated &					
Condensed Whole Milk ⁶	5	452,780	5	456,695	0.9
Dry Whole Milk	13	108,522	13	98,174	-9.5
Milk Protein Concentrate, Total ⁷	14	157,309	12	170,904	8.6
Nonfat Dry Milk, Human	50	1,822,348	50	1,753,507	-3.8
Skim Milk Powders ⁸	12	446,324	13	559,173	25.3
Dry Buttermilk	26	98,364	25	109,641	11.5
Sour Cream	108	1,325,629	114	1,373,058	3.6
Yogurt (Plain & Flavored)	152	4,645,594	155	4,455,819	-4.1
Condensed Whey, Solids Content, Human Food ⁹	12	121,892	12	127,526	4.6
Dry Whey Products					
Dry Whey, Human	30	960,895	30	932,277	-3.0
Dry Whey, Animal	21	16,673	21	22,669	36.0
Reduced Lactose and Minerals, Total	8	69,185	6	62,659	-9.4
Lactose Total	30	1,048,976	30	1,098,736	4.7
Whey Protein Concentrate					
Human Food ¹⁰	45	488,081	47	464,314	-4.9
Animal Feed ¹⁰	19	4,868	19	3,562	-26.8
Total ¹⁰	N/A	492,949	N/A	467,876	-5.1
25.0-49.9 Percent ¹¹	23	219,735	22	177,113	-19.4
50.0-89.9 Percent ¹¹	34	273,214	35	290,763	6.4
Whey Protein Isolates ¹²	18	101,222	17	111,322	10.0
Frozen Products	<u>Number</u>	<u>1,000 gallons</u>	<u>Number</u>	<u>1,000 gallons</u>	<u>Percent</u>
Ice Cream, Regular	N/A	896,688	N/A	918,643	2.4
Ice Cream, Lowfat ¹³	N/A	438,991	N/A	435,319	-0.8
Sherbet	N/A	44,743	N/A	41,227	-7.9
Yogurt	N/A	74,229	N/A	66,926	-9.8

N/A = Not available.

¹ Includes Colby, Monterey and Jack. ² Excluding cottage cheese. ³ Mostly used for processing into creamed or lowfat cottage cheese. ⁴ Fat content 4.0 percent or more. ⁵ Fat content less than 4.0 percent, mostly 0.5 to 2.0 fat. ⁶ Combined to avoid disclosing individual plant operations. ⁷ Dry milk protein concentrate, 40.0-89.9 percent. ⁸ Includes protein standardized and blends. ⁹ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified dry whey products. ¹⁰ Whey Protein Concentrate, 25.0 to 89.9 percent. ¹¹ Whey Protein Concentrate, Human and Animal. ¹² Whey Protein Isolate, 90.0 percent or higher. ¹³ Includes freezer-made milkshake.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Dairy Products 2015 Summary*, April 2017.

March Agricultural Prices Highlights

The All Milk price received by farmers was \$17.30 in March, up \$2.00 from March 2016. The alfalfa hay price was \$135.00 in March, down \$4.00 from March 2016. The corn price was \$3.49 in March, down \$0.07 from March 2016. The soybean price was \$9.69 in March, up \$1.13 from March 2016. The milk-feed price ratio was 2.39 in March, up 0.27 from March 2016.

The index of prices received by farmers for dairy products during the month of March 2017 was down 5.9 to 86.1. Compared to March 2016, the index was up 10 points (13.1 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2017 was up 0.5 points to 106.4. Compared with March 2016, the index was down 0.1 points (0.1 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., March 2017 with Comparisons								
State	All-Milk price ^{1,2}		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Mar		Mar		Mar		Mar	
	2016	2017	2016	2017	2016	2017	2016	2017
	(dollars per cwt)		(dollars per ton)		(dollars per bushel)		(dollars per bushel)	
AZ	14.00	16.20	180.00	170.00	---	---	---	---
CA	13.93	15.73	165.00	175.00	---	---	---	---
CO	15.70	18.00	180.00	150.00	3.61	3.62	---	---
ID	15.00	16.60	150.00	125.00	---	---	---	---
IN	15.10	17.90	---	---	3.93	3.77	8.90	9.97
IA	15.50	17.70	102.00	84.00	3.46	3.43	8.46	9.58
MI	14.10	16.50	130.00	140.00	3.57	3.62	8.70	9.97
MN	15.80	17.50	85.00	78.00	3.24	3.31	8.16	9.56
NM	14.60	15.70	185.00	170.00	---	---	---	---
NY	16.20	18.60	236.00	215.00	---	---	---	---
OH	16.00	18.50	160.00	170.00	3.87	3.69	8.88	9.92
PA	16.40	18.80	198.00	178.00	3.91	3.99	---	---
TX	16.00	17.80	195.00	171.00	4.05	3.61	---	---
WA	15.30	18.00	145.00	115.00	---	---	---	---
WI	15.80	18.00	92.00	91.00	3.43	3.42	8.53	9.75
U.S.	15.30	17.30	139.00	135.00	3.56	3.49	8.56	9.69

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

Milk-Feed Price Ratio, Selected States and U.S., March 2017 with Comparisons			
Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹			
State ²	Mar 2016	Feb 2017	Mar 2017
IA	2.43	3.08	2.89
MI	1.99	2.30	2.20
MN	2.73	3.22	2.97
OH	2.10	2.60	2.25
WI	2.57	3.04	2.87
U.S.	2.12	2.61	2.39

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., March 2017 with Comparisons			
Item	Mar 2016	Feb 2017	Mar 2017
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	76.1	92.0	86.1
Prices paid by farmers for commodities and services, interest taxes, and wage rates	106.5	105.9	106.4

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

Table 2--Retail prices for conventional whole milk, average of three outlets, selected cities, by months, 2017 1/

City and State	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. 2/
	Dollars Per Gallon												
Atlanta, GA	3.86	3.86	3.86	3.76									3.84
Baltimore, MD	4.11	4.11	4.11	4.11									4.11
Boston, MA	3.27	3.25	3.23	3.24									3.25
Chicago, IL	3.66	3.66	3.66	3.66									3.66
Cincinnati, OH	2.82	2.62	2.02	2.06									2.38
Cleveland, OH	3.36	3.26	3.19	3.12									3.23
Dallas, TX	3.28	3.19	2.92	2.99									3.10
Denver, CO	3.22	3.42	3.42	3.19									3.31
Detroit, MI	2.92	2.92	2.86	2.96									2.92
Fort Lee, NJ 3/	3.92	3.92	3.90	3.93									3.92
Hartford, CT	3.72	3.72	3.71	3.69									3.71
Houston, TX	2.59	2.39	2.39	2.35									2.43
Indianapolis, IN	2.42	2.42	2.42	2.39									2.41
Kansas City, MO	4.27	4.15	4.20	4.14									4.19
Louisville, KY	2.85	2.92	2.84	2.79									2.85
Miami, FL	3.75	3.87	3.89	3.89									3.85
Milwaukee, WI	3.99	3.99	3.99	3.99									3.99
Minneapolis, MN	3.99	4.06	4.06	4.06									4.04
New Orleans, LA	3.56	3.63	3.43	3.64									3.57
Oklahoma City, OK	3.65	3.76	3.67	3.57									3.66
Philadelphia, PA	4.09	3.97	4.00	3.92									4.00
Phoenix, AZ	2.76	2.76	2.69	2.69									2.73
Pittsburgh, PA	3.94	3.84	3.76	3.72									3.82
Portland, OR	3.46	3.46	3.46	3.39									3.44
Seattle, WA	3.49	3.49	3.49	3.49									3.49
St Louis, MO	3.69	3.65	3.65	3.65									3.66
Syracuse, NY	3.29	3.29	3.29	3.29									3.29
Washington, DC	3.79	3.78	3.78	4.12									3.87
Wichita, KS	2.84	2.98	2.82	2.69									2.83
Simple Average	3.47	3.46	3.40	3.40									3.43

1/ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and weekends) in selected cities or metropolitan areas. One outlet of the largest and second largest food store chains and the largest convenience store chain are surveyed. The price represents the most common brand in nonreturnable plastic containers. 2/ Simple average of monthly prices. 3/ City located in the metropolitan area of New York City.

Table 3--Retail prices for conventional reduced fat (2%) milk, average of three outlets, selected cities, by months, 2017 1/

City and State	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. 2/
	Dollars Per Gallon												
Atlanta, GA	3.86	3.86	3.86	3.76									3.84
Baltimore, MD	4.11	4.11	4.11	4.11									4.11
Boston, MA	3.24	3.22	3.19	3.20									3.21
Chicago, IL	3.49	3.49	3.49	3.49									3.49
Cincinnati, OH	2.82	2.62	2.02	2.06									2.38
Cleveland, OH	3.36	3.26	3.19	3.12									3.23
Dallas, TX	3.28	3.19	2.92	2.99									3.10
Denver, CO	3.16	3.49	3.42	3.19									3.32
Detroit, MI	2.92	2.92	2.86	2.96									2.92
Fort Lee, NJ 3/	3.92	3.92	3.90	3.93									3.92
Hartford, CT	3.69	3.69	3.68	3.66									3.68
Houston, TX 4/	2.59	2.39	2.39	2.35									2.43
Indianapolis, IN	2.42	2.42	2.42	2.39									2.41
Kansas City, MO	3.95	3.95	3.96	3.85									3.93
Louisville, KY	2.75	2.85	2.74	2.79									2.78
Miami, FL	3.75	3.87	3.89	3.89									3.85
Milwaukee, WI	3.79	3.79	3.79	3.79									3.79
Minneapolis, MN	3.92	3.99	3.99	3.99									3.97
New Orleans, LA	3.56	3.63	3.43	3.64									3.57
Oklahoma City, OK	3.49	3.63	3.53	3.46									3.53
Philadelphia, PA	3.87	3.72	3.75	3.67									3.75
Phoenix, AZ	2.76	2.76	2.69	2.69									2.73
Pittsburgh, PA	3.70	3.61	3.53	3.48									3.58
Portland, OR	3.26	3.26	3.26	3.16									3.24
Seattle, WA	3.49	3.49	3.49	3.49									3.49
St Louis, MO	3.62	3.59	3.55	3.55									3.58
Syracuse, NY	3.22	3.22	3.22	3.22									3.22
Washington, DC	3.79	3.78	3.78	4.12									3.87
Whichita, KS	2.84	2.98	2.82	2.49									2.78
Simple Average	3.40	3.40	3.34	3.33									3.37

1/ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and

Table 4--Retail prices for organic whole milk, average of two outlets, selected cities, by months, 2017 1/

City and State	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. 2/
Dollars Per Half-Gallon													
Atlanta, GA	3.97	3.97	3.97	3.97									3.97
Baltimore, MD	4.94	4.94	4.94	4.94									4.94
Boston, MA	4.14	4.14	4.14	4.14									4.14
Chicago, IL	4.99	4.99	4.99	4.99									4.99
Cincinnati, OH	3.59	3.59	3.34	3.59									3.53
Cleveland, OH	3.99	3.99	3.99	3.99									3.99
Dallas, TX	3.94	3.94	3.94	3.69									3.88
Denver, CO	3.54	3.69	3.14	3.39									3.44
Detroit, MI	3.64	3.59	3.59	3.59									3.60
Fort Lee, NJ 3/	3.99	3.99	3.99	3.99									3.99
Hartford, CT	4.09	4.09	4.39	4.44									4.25
Houston, TX	2.98	2.98	2.98	2.98									2.98
Indianapolis, IN	4.44	4.44	4.44	3.89									4.30
Kansas City, MO	4.99	5.34	5.24	5.24									5.20
Louisville, KY	3.39	3.39	3.39	3.69									3.47
Miami, FL	4.64	4.24	4.24	4.24									4.34
Milwaukee, WI	4.44	4.99	4.69	4.69									4.70
Minneapolis, MN	4.84	4.84	4.84	4.84									4.84
New Orleans, LA	5.07	5.07	5.07	5.07									5.07
Oklahoma City, OK	4.88	4.98	4.53	4.73									4.78
Philadelphia, PA	4.69	4.69	4.69	4.69									4.69
Phoenix, AZ	3.99	3.99	4.09	4.09									4.04
Pittsburgh, PA	5.39	5.39	5.39	5.39									5.39
Portland, OR	4.64	4.64	4.84	4.79									4.73
Seattle, WA	3.69	3.69	3.69	3.69									3.69
St Louis, MO	4.99	4.49	3.99	3.99									4.37
Syracuse, NY	4.34	4.34	4.34	4.34									4.34
Washington, DC	5.06	5.07	5.07	5.07									5.07
Wichita, KS	3.59	3.59	3.59	3.44									3.55
Simple Average	4.31	4.31	4.26	4.26									4.29

1/ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and

Table 5--Retail prices for organic reduced fat (2%) milk, average of two outlets, selected cities, by months, 2017 1/

City and State	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. 2/
	Dollars Per Half-Gallon												
Atlanta, GA	3.97	3.97	3.97	3.97									3.97
Baltimore, MD	4.94	4.94	4.94	4.94									4.70
Boston, MA	4.14	4.14	4.14	4.14									4.34
Chicago, IL	4.99	4.99	4.99	4.99									4.78
Cincinnati, OH	3.59	3.59	3.34	3.59									3.88
Cleveland, OH	3.99	3.99	3.99	3.99									3.89
Dallas, TX	3.94	3.94	3.94	3.69									3.89
Denver, CO	3.54	3.69	3.14	3.39									3.50
Detroit, MI	3.64	3.59	3.59	3.59									3.63
Fort Lee, NJ 3/	3.99	3.99	3.99	3.99									3.89
Hartford, CT	4.09	4.09	4.39	4.44									4.23
Houston, TX	2.98	2.98	2.98	2.98									3.26
Indianapolis, IN	4.44	4.44	4.44	3.89									3.94
Kansas City, MO	4.99	5.34	5.24	5.24									4.98
Louisville, KY	3.39	3.39	3.39	3.69									3.95
Miami, FL	4.64	4.24	4.24	4.24									4.13
Milwaukee, WI	4.39	4.99	4.69	4.69									4.50
Minneapolis, MN	4.84	4.84	4.84	4.84									4.88
New Orleans, LA	5.07	5.07	5.07	5.07									5.01
Oklahoma City, OK	4.88	4.98	4.53	4.73									4.80
Philadelphia, PA	4.69	4.69	4.69	4.69									4.76
Phoenix, AZ	3.99	3.99	4.09	4.09									4.22
Pittsburgh, PA	5.39	5.39	5.39	5.39									5.04
Portland, OR	4.64	4.64	4.84	4.79									4.92
Seattle, WA	3.69	3.69	3.69	3.69									3.93
St Louis, MO	4.99	4.49	3.99	3.99									4.17
Syracuse, NY	4.49	4.49	4.49	4.34									4.45
Washington, DC	5.06	5.07	5.07	5.07									4.92
Whichita, KS	3.59	3.59	3.59	3.44									3.92
Simple Average	4.31	4.32	4.26	4.26									4.29

1/ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and

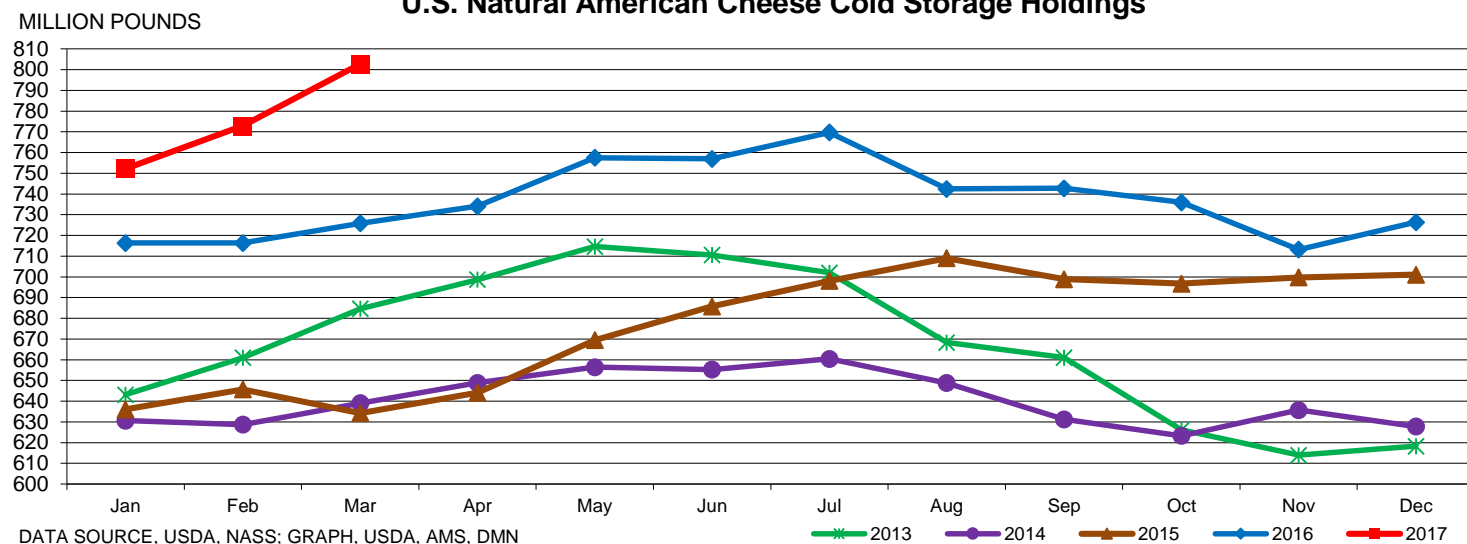
Retail Prices for Organic Whole and 2% Milk, Average of Two Outlets, by Months, 2017 ¹

Products	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. ²
	<i>(dollars per half gallon)</i>												
Whole Organic Milk	4.31	4.31	4.26	4.26									4.29
Organic 2% Milk	4.31	4.32	4.26	4.26									4.29

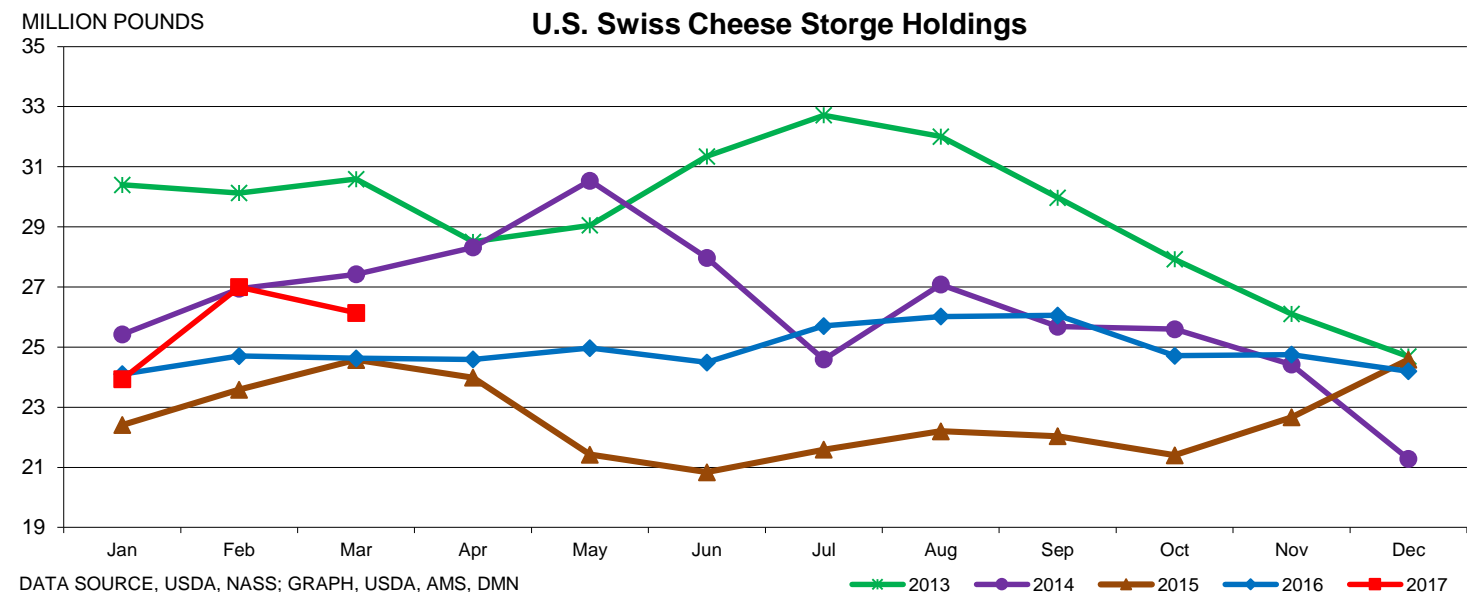
¹ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and weekends) in 28 selected cities or metropolitan areas. One outlet of the largest and second largest food store chains are surveyed. The price represents the most common brand in nonreturnable containers. ² Simple average of monthly prices. For more information.

https://www.ams.usda.gov/sites/default/files/media/Retail_Milk_Prices.pdf

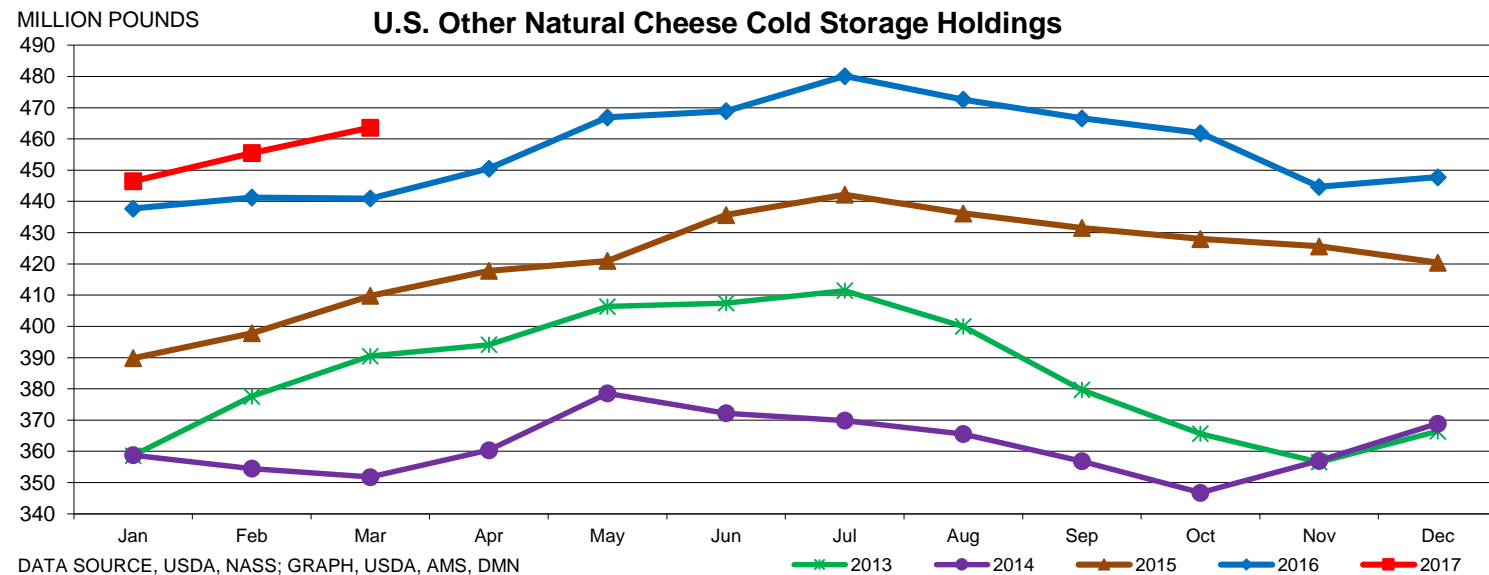
U.S. Natural American Cheese Cold Storage Holdings



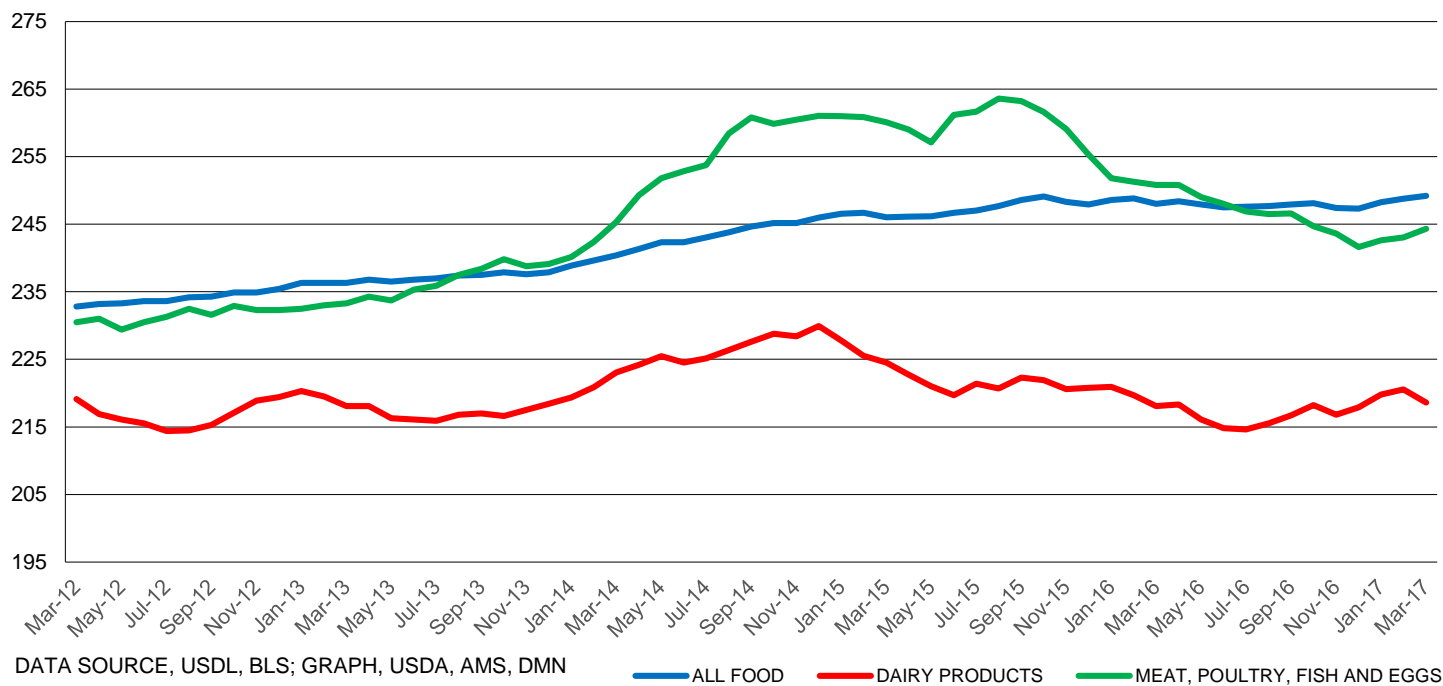
U.S. Swiss Cheese Storage Holdings



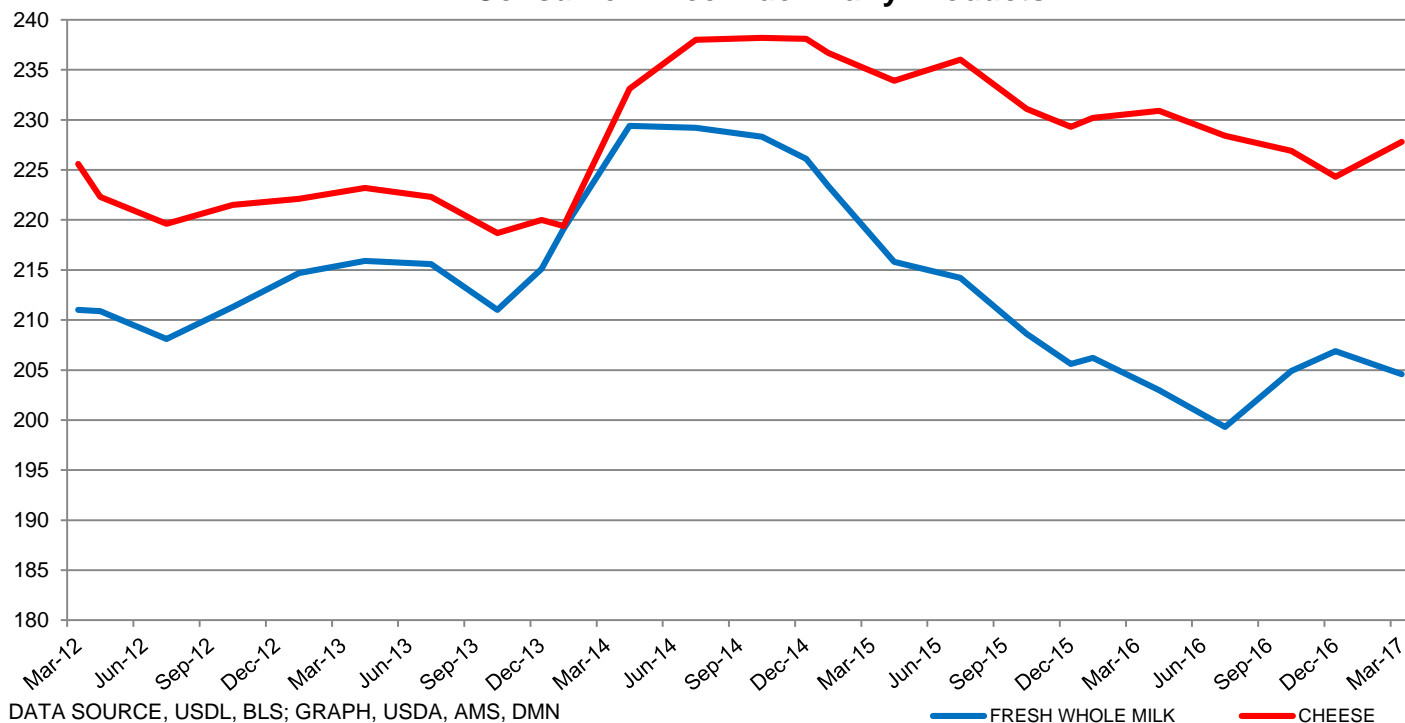
U.S. Other Natural Cheese Cold Storage Holdings



1982 - 1984 = 100

Consumer Price Index

1982 -1984=100

Consumer Price Index Dairy Products



Dairy Market News Branch

Agricultural
Marketing
Service

National Retail Report-Dairy

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

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Friday, April 28, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/28/2017 to 05/04/2017

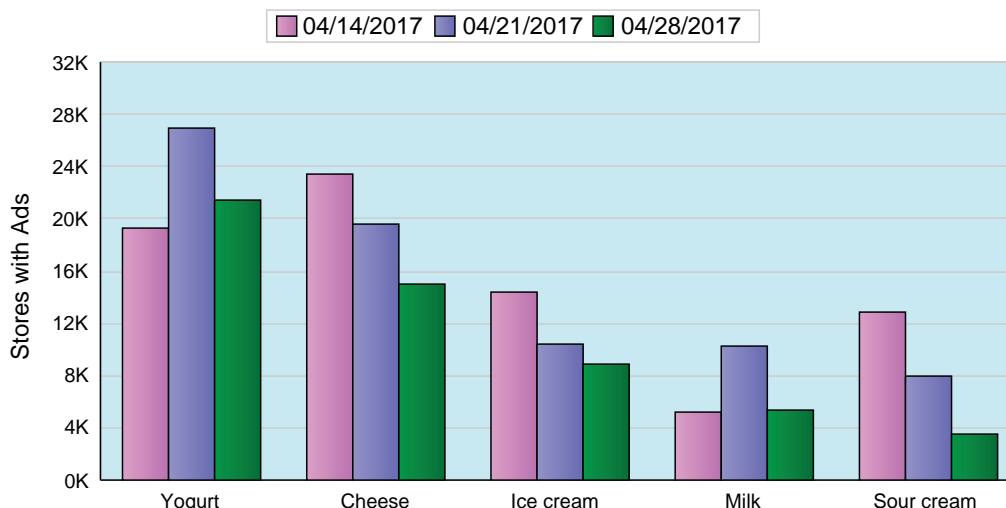
This week, a week full of news about volumes of milk having challenges finding processors willing to pay for it, total conventional dairy advertisements decreased 35%, and organic dairy ads decreased 52%. Conventional ice cream in 48-64 oz. containers has an average price of \$2.82, down \$0.20 from last week. Ad numbers declined 16%. Conventional butter ads declined 69%, and organic butter ads decreased 79%. The national average price for 1 pound conventional butter is \$3.22, up \$0.31, while 1 pound organic butter is \$4.99, down \$0.12, representing an organic price premium of \$1.77.

Conventional yogurt ads decreased 27% but organic yogurt ads increased 26%. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.97, while 4-6 ounce organic Greek yogurt is \$1.07, an organic price premium of \$0.10. The average sale price for 4-6 ounce conventional yogurt is \$0.48, while 4-6 ounce organic yogurt is \$1.00, an organic price premium of \$0.52.

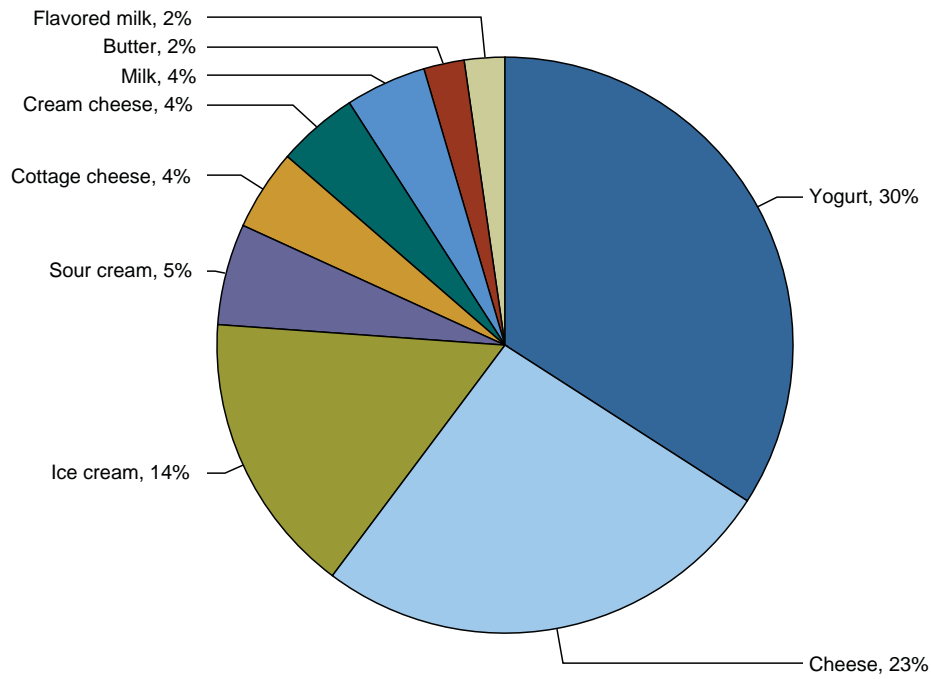
The U.S. advertised price for 8 ounce conventional cheese blocks average \$1.98, is down \$0.21 from last week. Ads for conventional 8 ounce shred cheese average \$2.09, down \$0.10 from last week. The number of conventional cheese ads declined 30%. There are no ads for organic cheese this week.

This week, the difference between the weighted average price for organic half gallon milk, \$3.37, and the weighted average price for conventional half gallon milk, \$2.10, resulted in an organic price premium of \$1.27. Organic milk advertisements decreased 50% and ads for conventional milk decreased 47%.

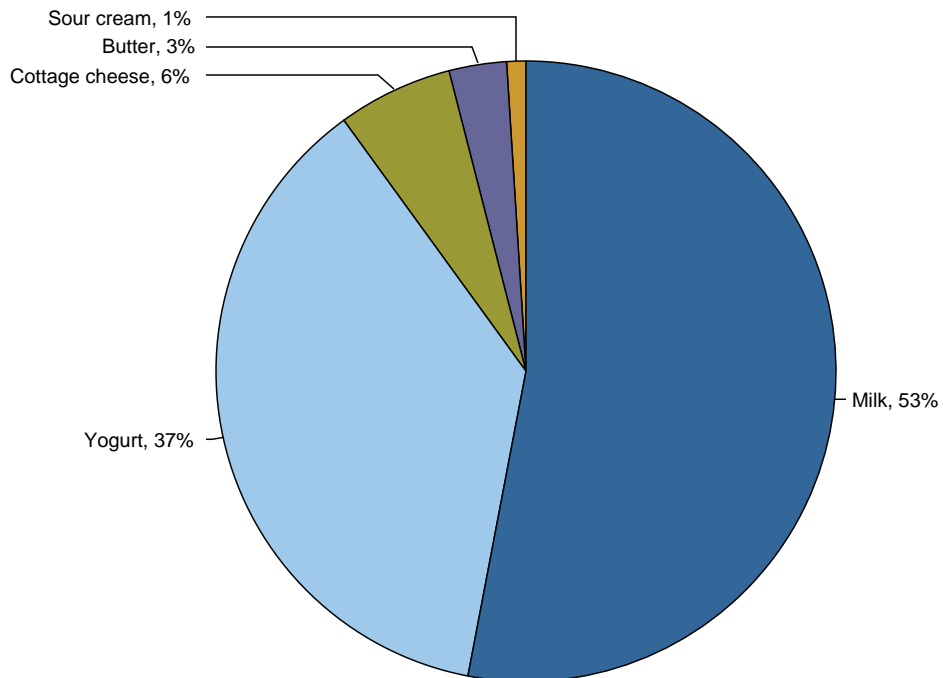
Top 5 Commodities Featured



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	1428	3.22	4575	2.91	2777	3.03
Cheese	Natural Varieties	8 oz block	3260	2.01	8847	2.19	6982	2.32
Cheese	Natural Varieties	1 # block	3016	3.52	1180	3.20	1361	3.12
Cheese	Natural Varieties	2 # block	587	4.50	705	6.22	371	5.11
Cheese	Natural Varieties	8 oz shred	5604	2.08	7931	2.19	8315	2.44
Cheese	Natural Varieties	1 # shred	2546	3.40	766	3.34	1298	2.80
Cottage cheese		16 oz	2815	1.82	5037	1.78	4515	2.03
Cream cheese		8 oz	2595	1.88	6031	1.86	2418	1.79
Flavored milk	All fat tests	half gallon	733	1.83	365	2.03	479	1.45
Flavored milk	All fat tests	gallon	266	2.54	1024	2.30	405	2.71
Ice cream		48-64oz	8809	2.82	10402	3.02	11639	3.11
Milk	All fat tests	half gallon	1511	2.14	892	2.47	464	1.60
Milk	All fat tests	gallon	863	2.36	3444	2.44	1479	2.12
Sour cream		16 oz	3518	1.61	6896	1.58	4980	1.71
Yogurt	Greek	4-6 oz	9555	.95	13132	.98	10954	.96
Yogurt	Greek	32 oz	2473	4.65	3414	4.44	606	3.82
Yogurt	Yogurt	4-6 oz	5248	.48	7656	.60	5710	.52
Yogurt	Yogurt	32 oz	2031	2.43	1295	2.48	467	2.45

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 #	2.99-3.99	687	3.33	2.98-3.29	295	3.22	2.88-3.00	179	2.96
Cheese	Natural Varieties	8 oz block	1.77-3.00	1324	2.16	1.67-2.19	438	1.91	1.57-2.99	733	2.07
Cheese	Natural Varieties	1 # block	2.99-3.99	346	3.78	3.49-3.99	1594	3.96	2.49-3.49	336	2.81
Cheese	Natural Varieties	8 oz shred	1.77-3.00	2113	2.15	1.67-2.49	642	2.05	1.88-3.00	1354	2.07
Cheese	Natural Varieties	1 # shred	2.99-3.99	227	3.73	2.49-3.99	1301	3.75	2.49-3.49	244	2.93
Cottage cheese		16 oz	1.50-2.69	619	2.15	1.25-2.00	542	1.73	1.25-1.29	485	1.26
Cream cheese		8 oz	1.50-2.59	956	1.87	1.67-2.50	599	1.92	1.69-2.49	274	2.09
Flavored milk	All fat tests	half gallon	2.00	396	2.00	2.50	61	2.50			
Flavored milk	All fat tests	gallon							2.49-2.99	122	2.71
Ice cream		48-64oz	2.49-3.49	1578	2.59	1.99-4.49	2008	2.57	1.99-4.00	1348	2.78
Milk	All fat tests	half gallon	2.00-2.99	468	2.15	2.50-2.99	294	2.60	2.49	69	2.49
Milk	All fat tests	gallon							1.69-3.29	543	2.23
Sour cream		16 oz	1.49-2.00	1151	1.70	1.25-2.00	517	1.53	1.25-1.69	701	1.32
Yogurt	Greek	4-6 oz	0.69-1.00	2375	.97	0.69-1.00	3264	.91	0.79-1.00	1058	.95
Yogurt	Greek	32 oz	3.99-4.99	1017	4.92	3.50-4.99	509	3.90	3.99-5.00	398	4.65
Yogurt	Yogurt	4-6 oz	0.35-0.59	1376	.48	0.40-0.60	1350	.52	0.33-0.60	1436	.45
Yogurt	Yogurt	32 oz	2.49-2.50	266	2.50	2.50	1002	2.50	1.99-2.50	588	2.30

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	142	2.99	2.99-3.50	125	3.24			
Cheese	Natural Varieties	8 oz block	0.48-1.99	358	1.44	1.88-2.00	232	1.97	1.88	121	1.88
Cheese	Natural Varieties	1 # block	2.49-3.00	196	2.80	2.49	451	2.49	3.49	66	3.49
Cheese	Natural Varieties	2 # block	4.99	235	4.99				3.99-4.99	350	4.16
Cheese	Natural Varieties	8 oz shred	0.48-2.49	526	1.72	1.88-2.49	795	2.19	1.88	121	1.88
Cheese	Natural Varieties	1 # shred	2.49-3.00	196	2.80	2.49	451	2.49	3.49-4.99	127	4.21
Cottage cheese		16 oz	1.00-2.49	230	1.83	1.00-2.50	738	1.97	1.25-2.00	187	1.74
Cream cheese		8 oz	1.78-2.00	129	1.90	1.50-1.99	348	1.82	1.69	289	1.69
Flavored milk	All fat tests	half gallon	1.00	121	1.00				0.99	121	.99
Flavored milk	All fat tests	gallon	2.28	133	2.28						
Ice cream		48-64oz	2.00-4.59	1336	3.22	1.99-4.99	1650	3.14	1.49-3.99	771	2.45
Milk	All fat tests	half gallon	1.00-2.50	467	1.57				0.99	121	.99
Milk	All fat tests	gallon	1.87-2.99	193	2.69	2.29	116	2.29			
Sour cream		16 oz	1.00-2.49	425	1.49	1.00-2.50	631	1.88	1.25	66	1.25
Yogurt	Greek	4-6 oz	0.69-1.00	933	.91	0.88-1.00	1022	.97	0.99-1.00	766	1.00
Yogurt	Greek	32 oz	4.99	152	4.99	3.99-4.99	331	4.72	4.99	66	4.99
Yogurt	Yogurt	4-6 oz	0.44-0.50	287	.48	0.40-0.60	452	.52	0.38	289	.38
Yogurt	Yogurt	32 oz				2.00-2.50	169	2.32			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz block	2.00-3.00	17	2.35	2.50	37	2.50
Cheese	Natural Varieties	1 # block				4.99	27	4.99
Cheese	Natural Varieties	2 # block	4.99	2	4.99			
Cheese	Natural Varieties	8 oz shred	2.00-3.00	16	2.31	2.50	37	2.50
Cottage cheese		16 oz	2.50	11	2.50	2.49	3	2.49
Flavored milk	All fat tests	half gallon				4.59	34	4.59
Flavored milk	All fat tests	gallon	3.79	11	3.79			
Ice cream		48-64oz	2.99-4.50	40	3.53	3.79-3.99	78	3.93
Milk	All fat tests	half gallon				3.00-7.29	92	4.79
Milk	All fat tests	gallon	3.79	11	3.79			
Sour cream		16 oz				2.99	27	2.99
Yogurt	Greek	4-6 oz	0.48-1.25	46	.88	1.25-1.50	91	1.32
Yogurt	Yogurt	4-6 oz				0.50-0.75	58	.65
Yogurt	Yogurt	32 oz				4.57	6	4.57

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 #	169	4.99	791	5.11	140	4.51
Cheese	Natural Varieties	8 oz block			71	4.04		
Cheese	Natural Varieties	1 # block			61	4.99		
Cheese	Natural Varieties	8 oz shred			69	4.00		
Cottage cheese		16 oz	364	3.50	1260	3.93	534	3.22
Cream cheese		8 oz			307	2.89		
Flavored milk	All fat tests	half gallon			289	4.59		
Milk	All fat tests	half gallon	2538	3.37	5654	3.99	3278	3.80
Milk	All fat tests	gallon	189	4.99	180	6.49	351	5.34
Milk	All fat tests	8 oz UHT	273	1.00	127	1.00		
Sour cream		16 oz	61	2.49	1083	2.99	417	2.72
Yogurt	Greek	4-6 oz	941	1.06	221	1.39	523	1.22
Yogurt	Greek	32 oz	242	3.81	342	3.82		
Yogurt	Yogurt	4-6 oz	693	.97	351	.80	133	1.23
Yogurt	Yogurt	32 oz	239	4.24	588	2.99	588	2.49

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	108	4.99	4.99	61	4.99			
Cottage cheese		16 oz	3.49	108	3.49	3.49-3.50	256	3.50			
Milk	All fat tests	half gallon	3.49-3.99	255	3.78	2.99-4.28	714	3.61	2.99	714	2.99
Milk	All fat tests	8 oz UHT				1.00	195	1.00			
Sour cream		16 oz				2.49	61	2.49			
Yogurt	Greek	4-6 oz	1.00-1.25	376	1.20				1.00	366	1.00
Yogurt	Greek	32 oz	3.50-4.99	180	4.10						
Yogurt	Yogurt	4-6 oz	0.69	72	.69	0.99-1.00	411	1.00			
Yogurt	Yogurt	32 oz				3.50	61	3.50			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	2.99-3.99	140	3.43	2.99-4.50	273	3.34	2.99-3.50	410	3.35
Milk	All fat tests	gallon	4.99	72	4.99	4.99	117	4.99			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	8 oz UHT	1.00	78	1.00						
Yogurt	Greek	4-6 oz	0.69-1.25	199	.91						
Yogurt	Greek	32 oz				2.99	62	2.99			
Yogurt	Yogurt	4-6 oz				1.00	210	1.00			
Yogurt	Yogurt	32 oz				4.49	178	4.49			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	2.99-3.50	32	3.32			

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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