

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (5/19)**

**BUTTER:** Grade AA closed at \$2.3750. The weekly average for Grade AA is \$2.3740 (+.2010).

**CHEESE:** Barrels closed at \$1.4700 and 40# blocks at \$1.6700. The weekly average for barrels is \$1.5020 (+.0100) and blocks, \$1.6595 (+.0465).

**NONFAT DRY MILK:** Grade A closed at \$0.9150. The weekly average for Grade A is \$.8945 (+.0365).

**BUTTER HIGHLIGHTS:** United States butter prices are fluctuating. In the Northeast, prices are steady to higher. In the Central, bulk butter prices are 2 to 7 cents over the market. In the West, market butter prices have been prodded higher by tight supplies and higher prices abroad. Recent news of export opportunities has many individuals wondering what will happen to the butter price. Butter prices on the CME spot market surged late last week and into this week. The recent price increases prompted a rush of domestic buying activity. Butter production is generally steady. Throughout the U.S., cream is available for churning. Ice cream manufacturers are pulling larger amounts of cream, allowing some butter makers to ease back a little on production. Butter inventories are controllable to long, as some plants are planning to build late summer/fall inventories. Interest is mixed. Some are seeing better-than-expected sales numbers, while others report a seasonal slowdown. Also, some other end users are taking regular shipments and are willing to take a wait and see approach to market prices. The market undertone is generally mixed, with indications of strength throughout the nation. Friday's CME Group cash trading saw Grade AA butter close at \$2.3750, up \$0.1125 from last Friday.

**CHEESE HIGHLIGHTS:** Milk supplies are abundant for cheese production in the United States. Milk management is becoming a concern for cheese manufacturers across the country. Spot milk, with prices reported in the Midwest from \$3.00 to \$6.00 under Class III, is expected to remain readily available for the near term. Cheese production in the West is at/near capacity, with a few exceptions for plant maintenance. Northeastern and Midwestern cheesemakers also continue to try to match milk supplies with active production. Generally, cheese barrels are long. Block inventories in the West and Midwest are balanced to long. Demand reports are generally steady to strong. In the Northeast, retail orders have increased. In the Midwest,

process cheese orders are inching up. Western retail cheese sales are steady. CME market prices have given contacts mixed feelings. Bullish contacts are taking the increasing prices as a sign of market improvement. Other contacts suggest increased CME prices could ward off potential global interests. Some Midwestern cheese producers are also concerned that the widening price discrepancy between blocks and barrels points to market instability. In CME Group trading Friday, barrels closed at \$1.4700, down \$0.0600 from last Friday. Blocks closed at \$1.6700, up \$0.0350 from last Friday.

**FLUID MILK:** In most regions of the U.S., farm milk output is steady to higher. Some Western regions have had some cooler weather which is prompting upward production trends. However, Arizona is expecting triple-digit temperatures next week, likely curtailing milk outputs. Midwest milk production remains strong. Some Central contacts expect flush to be near its peak, while others approximate another month of peak milk yields. Bottling demand is steady to slower across the country. Bottling demand in the Northeast, Florida, and much of the Western/Mountain states is declining. Reports from Midwestern and Southeastern bottlers point to steady/higher demand, although contacts expect slowdowns with upcoming school vacations. Cheese plants in the Midwest and Southeast are taking on surplus volumes of milk. Class III producers saw spot milk prices from \$3.00 to \$6.00 under Class. Cream supplies are abundant throughout the country. Some upticks in demand are being reported from butter makers in the West and frozen yogurt manufacturers in the Midwest. Cream multiples for various uses range from **1.15 to 1.25** in the East, **1.16 to 1.26** in the Midwest, and **1.03 to 1.22** in the West.

**DRY PRODUCTS:** Low/medium heat nonfat dry milk (NDM) prices shifted up in all aspects across the country. Low/medium heat NDM demand is fair, and contacts suggest current demand has helped prices. However, other contacts question the price increases with ample NDM production and supplies. High heat NDM prices held steady in the Central and East as spot trading was light, but the bottom of the range slightly dipped in the West. High heat NDM production and inventories are adequate in all regions. Dry buttermilk prices were mixed in the Central and East, but trended upward in the Western U.S.

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**CME GROUP CASH TRADING**

COMMODITY	MONDAY MAY 15	TUESDAY MAY 16	WEDNESDAY MAY 17	THURSDAY MAY 18	FRIDAY MAY 19	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.5300 (N.C.)	\$1.5400 (+.0100)	\$1.5000 (-.0400)	\$1.4700 (-.0300)	\$1.4700 (N.C.)	:: (-.0600)	:: \$1.5020 (+.0100)
40# BLOCKS	\$1.6350 (N.C.)	\$1.6700 (+.0350)	\$1.6700 (N.C.)	\$1.6525 (-.0175)	\$1.6700 (+.0175)	:: (+.0350)	:: \$1.6595 (+.0465)
NONFAT DRY MILK GRADE A	\$.8825 (+.0200)	\$.8825 (N.C.)	\$.8975 (+.0150)	\$.8950 (-.0025)	\$.9150 (+.0200)	:: (+.0525)	:: \$.8945 (+.0365)
BUTTER GRADE AA	\$2.3200 (+.0575)	\$2.4300 (+.1100)	\$2.3450 (-.0850)	\$2.4000 (+.0550)	\$2.3750 (-.0250)	:: (+.1125)	:: \$2.3740 (+.2010)

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](http://WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY)

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

Dry buttermilk spot activity was generally light across the country, and inventories are mixed in the Central/East regions, while Western supplies are decreasing. Dry whole milk prices are steady. Trading of dry whole milk was moderate. Dry whole milk market undertones are uncertain, but showing signs of firmness. Dry whole milk production is based on contractual needs, and inventories are balanced. Dry whey prices trended lower in all regions. End users who have previously opted to wait out price reductions in the Central region are making purchases, as offers are starting to meet their expectations. Dry whey production is active in the West and Central regions. Southeast Asian whey demand is reportedly steady to strengthening according to Western U.S. contacts. Dry whey inventories are mixed, and market tones are generally weak. Whey protein concentrate (WPC) 34% prices moved slightly lower on the bottom of the price range. WPC 34% production is steady, and inventory reports are mixed depending on end user requirements regarding brands/specifications. Lactose prices and production are steady, while inventories are comfortable. Lactose demand is generally strong. Rennet casein prices decreased, while acid casein prices held steady.

**ORGANIC DAIRY MARKET NEWS (DMN):** AMS reports total organic milk products sales for March 2017, 231 million pounds, is up 8.0 percent from the previous March and up 2.7 percent, January-March compared with the same period of 2016. Total organic whole milk products sales for March 2017, 89 million pounds, is up 17.4 percent compared with March last year and up 10.6 percent, January-March compared with the same period of 2016. This week, organic milk accounts for 61 percent of total organic dairy retail ad numbers by commodity. Organic yogurt ads accounted for 31 percent followed by ice cream, 7 percent, while butter was 2 percent of the total retail organic ads surveyed by commodity. Regionally, the highest percentage change in organic milk ads was in the South Central region, increasing 310 percent. Ads in the Northwest declined 73 percent. The Northeast posted the largest volume of organic ads, a 34 percent increase compared to the previous survey period.

**NATIONAL RETAIL REPORT-DAIRY (DMN):** This week, total conventional dairy advertisements declined 14 percent, but organic dairy ads increased 16 percent. For conventional ice cream, the national weighted average advertised price, \$2.90, is down 16 cents from last week. Organic ice cream in 48-64 oz. containers has an average price of \$4.30, down 5 cents from the previous week. Conventional yogurt ads declined 20 percent, while organic yogurt ads increased 686 percent. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.97, while 4-6 ounce organic Greek yogurt is \$1.56, an organic price premium of 59 cents. The average sale price for 4-6 ounce conventional yogurt is \$0.52, while 4-6 ounce organic yogurt is \$0.58, an organic price premium of 6 cents. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 4 cents from last week, with ads increasing 15 percent. There were no ads for organic 8 ounce cheese blocks. The advertised price for conventional 8 ounce shred cheese averaged \$2.20, down 11 cents from last week, as ads declined 12 percent. There were no ads for organic 8 ounce cheese shreds. This week, the difference between the weighted average price for organic half gallon milk, \$3.82, and the weighted average price for conventional half-gallon milk, \$1.71, resulted in an organic price premium of \$2.11. Organic milk advertisements increased 1 percent, but ads for conventional milk decreased 21 percent. Advertisements for conventional half gallon and gallon flavored milk declined, 81 percent and 59 percent, respectively.

**FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, APRIL 2017 (FMMO):** Highlights. Handler reports of receipts and utilization under the Federal milk order system for April 2017 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During April, more than 12.2 billion pounds of milk were received from Federally pooled producers. This volume of milk is 0.9 percent higher than the April 2016 volume. Regulated handlers pooled 3.208 billion pounds of producer milk as Class I products, down 5.7 percent when compared to the previous year. Class I utilization decreased in all 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 26 percent, Class II = 13 percent, Class III = 43 percent, and Class IV = 17 percent. The weighted average statistical uniform price was \$15.98 per cwt, down \$0.84 from last month but up \$1.57 from last year.

**RETAIL PRICES FOR CONVENTIONAL AND ORGANIC MILK, MAY 2017 (FMMO):** A survey of retail prices conducted by the Federal milk market administrators found conventional whole milk prices for May 2017 average \$3.38 per gallon. May organic whole milk prices average \$4.28 per gallon, an organic premium of \$0.90. The simple averages of monthly gallon prices for the period of January through May are \$3.42 for conventional whole milk and \$4.29 for organic whole milk. In May, conventional reduced fat (2%) milk gallons average \$3.31 and organic reduced fat (2%) milk gallons average \$4.28, an organic premium of \$0.97. The simple averages of monthly gallon prices for the period of January through May are \$3.36 for conventional reduced fat (2%) milk and \$4.29 for organic reduced fat (2%) milk.

**FEDERAL MILK ORDER ADVANCE CLASS PRICES, JUNE 2017 (FMMO):** Under the Federal milk order pricing system, the base Class I price for June 2017 is \$15.31 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$7.34 and the advanced butterfat pricing factor of \$2.3492. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The base Class I price increased \$0.11 per cwt when compared to the previous month of May 2017. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.12 per cwt, \$0.010 per gallon; reduced fat milk (2%), \$0.15 per cwt, \$0.013 per gallon; fat-free (skim milk), \$0.19 per cwt, \$0.016 per gallon. The advanced Class IV skim milk pricing factor is \$6.19. Thus, the Class II skim milk price for June 2017 is \$6.89 per cwt, and the Class II nonfat solids price is \$0.7656. The two-week product price averages for June 2017 are: butter \$2.1114, nonfat dry milk \$0.8620, cheese \$1.5120 and dry whey \$0.5124.

MONDAY, MAY 15, 2017

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS BARRELS @ \$1.5300; 1 CAR 40# BLOCKS @ \$1.6400  
 NONFAT DRY MILK -- SALES: 12 CARS GRADE A: 2 @ \$0.8725, 1 @ \$0.8750, 1 @ \$0.8775, 7 @ \$0.8800, 1 @ \$0.8825; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8750; LAST OFFER UNCOVERED: 7 CARS GRADE A: 2 @ \$0.9000, 5 @ \$0.8900  
 BUTTER -- SALES: 7 CARS GRADE AA: 1 @ \$2.3200, 1 @ \$2.3100, 2 @ \$2.3000, 1 @ \$2.3050, 2 @ \$2.3200; LAST BID UNFILLED: 8 CARS GRADE AA: 1 @ \$2.2900, 1 @ \$2.2950, 1 @ \$2.3000, 1 @ \$2.3025, 1 @ \$2.3175, 2 @ \$2.3000, 1 @ \$2.3125; LAST OFFER UNCOVERED: 7 CARS GRADE AA: 1 @ \$2.3250, 1 @ \$2.3200, 5 @ \$2.3350

TUESDAY, MAY 16, 2017

CHEESE -- SALES: 19 CARS BARRELS: 14 @ \$1.5300, 5 @ \$1.5400; 4 CARS 40# BLOCKS: 1 @ \$1.6525, 2 @ \$1.6600, 1 @ \$1.6700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.5400  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8825; LAST BID UNFILLED: 6 CARS GRADE A: 1 @ \$0.8725, 1 @ \$0.8750, 1 @ \$0.8800, 1 @ \$0.8775, 1 @ \$0.8825, 1 @ \$0.8700; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 8 CARS GRADE AA: 2 @ \$2.4000, 3 @ \$2.4200, 1 @ \$2.4375, 1 @ \$2.4350, 1 @ \$2.4300; LAST BID UNFILLED: 5 CARS GRADE AA: 1 @ \$2.4200, 3 @ \$2.3950, 1 @ \$2.4300; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.4400

WEDNESDAY, MAY 17, 2017

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.5050, 2 @ \$1.5025; 1 CAR 40# BLOCKS @ \$1.6700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5000; 1 CAR 40# BLOCKS @ \$1.6800  
 NONFAT DRY MILK -- SALES: 17 CARS GRADE A: 2 @ \$0.8875, 1 @ \$0.8900, 2 @ \$0.8950, 5 @ \$0.9000, 3 @ \$0.8975, 1 @ \$0.9000, 2 @ \$0.8975, 1 @ \$0.9000; LAST BID UNFILLED: 3 CARS GRADE A: 1 @ \$0.8925, 1 @ \$0.8900, 1 @ \$0.8975; LAST OFFER UNCOVERED: 6 CARS GRADE A: 1 @ \$0.9100, 1 @ \$0.9025, 4 @ \$0.9000  
 BUTTER -- SALES: 3 CARS GRADE AA @ \$2.3450; LAST BID UNFILLED: 3 CARS GRADE AA: 2 @ \$2.1000, 1 @ \$2.3350; LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.3800, 2 @ \$2.3750, 1 @ \$2.3725

THURSDAY, MAY 18, 2017

CHEESE -- SALES: 14 CARS BARRELS: 4 @ \$1.4875, 3 @ \$1.4850, 1 @ \$1.4875, 1 @ \$1.4900, 1 @ \$1.4875, 1 @ \$1.4900, 1 @ \$1.4875, 2 @ \$1.4700; 1 CAR 40# BLOCKS @ \$1.6525; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4700; 1 CAR 40# BLOCKS @ \$1.6600  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 3 CARS GRADE A: 1 @ \$0.8900, 1 @ \$0.8875, 1 @ \$0.8750; LAST OFFER UNCOVERED: 8 CARS GRADE A: 7 @ \$0.9200, 1 @ \$0.8950  
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.3850, 1 @ \$2.4000; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.3875; LAST OFFER UNCOVERED: 8 CARS GRADE AA: 1 @ \$2.6000, 5 @ \$2.5000, 1 @ \$2.4700, 1 @ \$2.4150

FRIDAY, MAY 19, 2017

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.4700, 1 @ \$1.4675, 1 @ \$1.4700; 4 CARS 40# BLOCKS: 1 @ \$1.6600, 1 @ \$1.6700, 2 @ \$1.6800; LAST BID UNFILLED: 2 CARS BARRELS: 1 @ \$1.4600, 1 @ \$1.4700; 2 CARS 40# BLOCKS: 1 @ \$1.6525, 1 @ \$1.6700; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$0.9100, 1 @ \$0.9175, 1 @ \$0.9125, 1 @ \$0.9150; LAST BID UNFILLED: 4 CARS GRADE A: 1 @ \$0.9050, 1 @ \$0.8900, 2 @ \$0.9125; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$0.9500  
 BUTTER -- SALES: 6 CARS GRADE AA: 2 @ \$2.3675, 2 @ \$2.3700, 2 @ \$2.3750; LAST BID UNFILLED: 4 CARS GRADE AA: 1 @ \$2.3275, 1 @ \$2.3300, 1 @ \$2.3325, 1 @ \$2.3400; LAST OFFER UNCOVERED: 2 CARS GRADE AA: 1 @ \$2.3775, 1 @ \$2.3800

## BUTTER MARKETS

### NORTHEAST

Butter production in the Northeast is steady to strong as available cream clears to churns. In some manufacturing plants, salted production overshadows unsalted because of contractual needs and requests. Butter prices in the Northeast are steady to higher. Some market participants report strong retail orders. Retail interest is steady to increased for salted and steady to fair for unsalted. Recent news of export opportunities increasing has many individuals wondering what will happen to the butter price. For the past week, the CME Group cash trading has had daily butter sales increase in price. Even though there is an uptick in trading activity on the CME, some market participants are not convinced of the high interest for butter. Supplies are controllable to long, overall adequate for contracts in the near term. The market undertone is steady, with some signs of strength. Tuesday, the CME Group cash trading saw Grade AA butter prices close at \$2.4300, up \$0.3250 from last Tuesday's closing price. This week, a cooperative export assistance program accepted requests for export assistance to sell 220,462 pounds (100 metric tons) of butter. According to the DMN *National Retail Report-Dairy*, for May 12-18, 2017, the Northeast weighted average retail price for 1-pound butter was \$3.93, 58 cents higher than the national average price and 42 cents higher than last week's Northeast average butter price. Retail markets in the region reported butter prices ranging \$2.49-\$4.79.

### CENTRAL

Butter production is active in the Central region. Some butter manufacturers report that for the near term they plan to build late summer/fall inventories. Readily available cream continues to flow into butter churns. Some Central butter makers report receiving

discounted cream from the Southwestern region. Cream multiples into Class IV production have been reported from 1.15 to 1.20. Retail butter demand reports varied from contact to contact. Some are seeing better-than-expected sales numbers, while others report a seasonal slowdown. Butter prices on the CME spot market surged late last week and into this week. Some contacts suggest a global tightness on milk fat has some buyers purchasing butter ahead of an increasing export demand. Reported bulk butter prices are 2 to 7 cents over the market. DMN *National Retail Report-Dairy* for May 12-18 noted the national weighted average advertised price for a 1 pound package of butter is \$3.35, \$0.50 above one week ago and \$0.60 higher than one year ago. The weighted average regional prices in the Midwest and South Central were \$3.00 and \$2.90, respectively. This week, a cooperative export assistance program accepted requests for 220,462 pounds (100 metric tons) of butter. So far this year, the program has accepted assistance requests for 2.1 million pounds of butter. Wednesday at the CME Group, Grade AA butter closed at \$2.3450, up \$0.2150 from last Wednesday.

### WEST

Western butter production is generally steady. However, larger pulls of cream from ice cream manufacturers are allowing butter makers to ease back a little on production. Industry contacts report there is still plenty of cream available for churning. U.S. market butter prices have been prodded higher by tight supplies and subsequent higher prices abroad. However, butter inventories here in the U.S. remain long. The recent price increases have prompted a rush of domestic buying activity as some buyers are eager to assure late year coverage. Some other end users are taking regular shipments and are willing to take a wait and see approach to market prices. The DMN

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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
May 13, 2017	2.1181 4,814,566	1.5370 11,543,600	1.4675 12,612,881	.5078 6,246,106	.8603 17,504,834

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

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*National Retail Report—Dairy* for the week of May 12-18 found that the U.S. weighted average advertised price of 1 pound butter is \$3.35, up \$.50 from last week. The U.S. weighted average price was \$2.75 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.80 with a price range of \$2.49-\$3.50. In the Northwest, there were no reported sales prices this week. This week, a cooperative export assistance program accepted requests for 220,462 pounds (100 metric tons) of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 2.1 million pounds of butter (82% milkfat) in export markets. The Grade AA butter price at the CME Group on Wednesday closed at \$2.3450, up \$.2150 from a week ago.



## CHEESE MARKETS

## NORTHEAST

A strong milk supply continues to factor into generous cheese production volumes for regional cheese processors. While sales into food service appear somewhat mixed, retail orders have improved seasonally in area markets. Nonetheless, cheese supplies are increasing with heightened production rates. Global markets should provide some respite as higher international prices equate to a competitive price advantage that drives stronger sales of U.S. cheddar stocks into various export channels. This week, a cooperative export assistance program accepted eight requests for export assistance to sell 930,351 pounds (422 metric tons) of cheese. Prompted by the CME Group weekly average cheese prices, Northeast wholesale selling prices for cheddar and Muenster advanced \$0.1075, and the process 5# cheese price moved higher, \$0.0725. The Grade A Swiss cheese price is unchanged. Tuesday's CME Group daily cash prices saw barrels close at \$1.5400, up \$0.0800 from a week ago, and blocks closed at \$1.6700, up \$0.0800 from a week ago. The DMN *National Retail Report-Dairy*, for May 12-18, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.31, 9 cents above last week's price and 6 cents above the national average price. Northeast retail prices range \$1.62-\$3.99. The Southeast 8 oz. average block price was \$2.26, down 5 cents from the national average price and down 13 cents from the previous week, with surveyed retail prices ranging \$1.99-\$2.50 in the region. The Northeast average advertised price for 8 oz. cheese shreds was \$2.48, 17 cents above the national average price, with prices ranging \$1.69-\$3.49. In the Southeast, the average price for 8 oz. shreds was \$2.29, a 7 cent drop from the previous week, with prices ranging \$1.99-\$2.50.

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

Cheddar 40# Block	:	2.0725-2.3575
Process 5# Sliced	:	1.6300-2.1100
Muenster	:	2.0575-2.4075
Grade A Swiss Cuts 10 - 14#	:	3.3225-3.6450

## MIDWEST

There is no shortage of milk for cheesemakers in the Midwest region. Some cheese producers continue to take on spot milk, at prices ranging from \$3.00 to \$6.00 under Class, whereas others report using internal supplies. Cheese production continues actively, keeping in line with milk supplies. Block supplies vary by producer. Barrel inventories are long, and producers are pushing to clear some aged product. Process cheese producers are reporting slight increases in sales, whereas traditional and pizza cheese demand has increased noticeably. Both barrel and block prices on the CME market have seen large increases in recent weeks. There is some concern regarding the widening price gap, as block price gains have outpaced those of barrels. Some contacts suggest a stable market depends on a narrow block to barrel price variance. The DMN *National Retail Report-Dairy* shows that May 12-18 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.08, 23 cents below the national average. Midwest prices range from \$1.50-\$3.29. One year ago, the national price was \$2.18. For 8 ounce blocks, the Midwest average price is \$2.05, 20 cents below the national average price. Midwest ads are priced from \$1.50-\$3.00. Last year, the national price was \$2.12. In CME Group trading Wednesday, barrels closed at \$1.5000, up \$0.0400 from last Wednesday and blocks closed at \$1.6700, up \$0.0700 from last Wednesday. This week, a cooperative export assistance program accepted requests for 930,351 pounds (422 metric tons) of cheese. So far this

year, the program has assisted member cooperatives who have contracts to sell 31.6 million pounds of cheese in export markets. Midwestern wholesale prices are unchanged for Swiss cuts, up \$.0725 for process and up \$.1075 for all other types.

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

Process American 5# Loaf	:	1.5875-1.9475
Brick And/Or Muenster 5#	:	1.9775-2.4025
Cheddar 40# Block	:	1.7050-2.1000
Monterey Jack 10#	:	1.9525-2.1575
Blue 5#	:	2.2450-3.2325
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7775-2.7175
Grade A Swiss Cuts 6 - 9#	:	2.8400-2.9575

## WEST

Western cheese production is at or near full capacity. In a few cases, contacts report cheese plant operators are running into production issues. Other manufacturers have scheduled downtime to complete needed repairs or maintenance. Either way, cheese makers are facing challenges in processing the plentiful milk. In parts of the Western region, condensed skim milk from outside the region and discounted loads of milk are competing for processors' attention. Cheese supplies are long, especially for barrels. Inventories for block cheese are a little better balanced, but contacts report some offers at heavily discounted prices. Traders and manufacturers are eager to move cheese in any market possible. The grilling season has begun and domestic retail demand is steady. However, some market participants feel the recent price increases in market trading could choke off available export opportunities. The DMN *National Retail Report-Dairy* for the week of May 12-18 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.31, up \$.09 from last week. Packs average \$2.12 in the Southwest and \$2.32 in the Northwest. One year ago, the national price was \$2.18. For 8 ounce blocks, the U.S. price is \$2.25, up \$.09 from last week. Blocks average \$1.88 in the Southwest and \$1.50 in the Northwest. One year ago, the national price was \$2.12. In the West, wholesale prices are up \$.0725 for process, and up \$.1075 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted requests for export assistance on contracts to sell 930,351 pounds (422 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 31.6 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.5000, up \$.0400 from a week ago and blocks closed at \$1.6700, up \$.0700.

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

Process 5# Loaf	:	1.5750-1.8325**
Cheddar 40# Block	:	1.7375-2.1825**
Cheddar 10# Cuts	:	1.9175-2.1375**
Monterey Jack 10#	:	1.9275-2.0875**
Grade A Swiss Cuts 6 - 9#	:	2.9000-3.3300**

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## CHEESE MARKETS

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## FOREIGN TYPE CHEESE

Cheese demand is following a strong trend in the European Union. Demand from domestic and international markets continues to be very good. In some areas, it is growing at above average rates. The markets for cheddar and mozzarella are currently increasing. Asia and Southern Europe have good demand for EU cheese, partly due to the coming holiday season. Prices are increasing, while supplies are declining despite the effort to increase production. In the U.S., wholesale blue, gorgonzola, parmesan Italy, and Romano prices are up \$0.1075. 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	2.1225-3.6100*
Gorgonzola	3.6900-5.7400	2.6300-3.3475*
Parmesan (Italy)	-0-	3.5125-5.6025*
Romano (Cows Milk)	-0-	3.3125-5.4625*
Sardo Romano (Argentine)	2.8500-4.7800	-0-
Reggianito (Argentine)	3.2900-4.7800	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.3600-3.6825
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>
	:	:
05/15/17	31,299	97,460
05/01/17	29,492	100,143
CHANGE	1,807	-2,683
% CHANGE	6	-3

## FLUID MILK AND CREAM

## EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	170	0	170	0	160
SOUTHEAST STATES	0	0	0	0	0	0

Farm milk output in the Northeast is steady at high levels. Fluid milk supplies are excessive beyond Class I needs, thrusting heavier milk intakes into balancing plants. Class II plants are still running at capacity. In parts of the Mideast, milk production is steady, but receipts are building incrementally in other areas. Demand for fluid milk is seeing some reduction following fair to good bottling orders over the first 7–10 days of May. Most manufacturing plants are full. Southeast milk production is on the downside of peak. Bottling plants in the Southeast are seeing a slight uptick in orders with active retail demand. Cheese plants designated to handle the surplus milk volumes are busy with heavy intakes. In Florida, mostly steady milk production with diminished bottling orders prompted some handlers to transfer loads out of state. Milk shipments exported out of the state, 170 loads, are unchanged from last week. Although fluid sales are down, sources are seeing a decline in Class I order cutbacks this week. Not much has changed from last week's **cream** report, as the undertone remains steady with heavy supplies. Due to maintenance activity at a Eastern plant, sources note increased surplus cream availability. In-house cream supplies are mostly plentiful, which equates to numerous offers to sell, in a sluggish spot market. The urgency of handlers to clear loads erases the multiple as a pricing factor. Consequently, trades are occurring flat market, based on the CME butter average. However, **cream multiples** primarily range **1.15–1.25**. Ice cream plants note a moderate increase in cream demand as the season progresses. **Condensed skim** supplies remain readily available. Sales are flat to improving. Condensed skim spot prices are steady as a few loads clear at the cost of shipping. Dryer operations are running near capacity at most manufacturing plants to manage heavy supplies. According to the *DMN National Retail Report-Dairy*, for May 12-18, 2017, the U.S. weighted average advertised price for a gallon of milk is \$2.58, down 4 cents compared to last week, but up 31 cents from a year ago. In the Northeast, the weighted average advertised price for a gallon of milk is \$3.69, up 57 cents from last week's regional price.

## 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-	2.4990-2.7163
F.O.B. producing plants: Upper Midwest-	2.5207-2.7380

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

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.10-.73
Northeast - Class III - spot prices -	.20-.80

## MIDWEST

Milk production continues undiminished in the Central U.S. Some contacts suggest spring flush is near its peak, while others foresee similar milk surpluses into June. Class I demand is steady, but concerns persist about upcoming school vacations. Midwestern cheesemakers are taking on milk spot loads from \$3.00 to \$6.00 under Class III. Other cheese producers are using internally sourced milk supplies and do not plan to use spot milk in the near term.

**Cream** remains available. Some contacts predict a slowdown in cream to come after Memorial Day, as frozen yogurt and ice cream interests have begun to increase. **Cream multiples**, into Class II manufacturing, were reported from **1.16 to 1.26** f.o.b. South Central contacts report that the corn crop is in good to excellent condition, but farmers in some Southern regions are preparing for multiple days of forecasted storms. In the Upper Midwest, persistent precipitation is continuing to hamper fieldwork, but dry conditions late last week gave some farmers a much needed opportunity to plant. The *DMN National Retail Report-Dairy* for May 12-18 noted the national weighted average advertised price for one gallon of milk was \$2.58, down \$.04 from a week ago, but \$.31 higher than a year ago. The weighted average regional prices in the Midwest and South Central were \$2.24 and \$2.58, respectively.

## WEST

California handlers indicate that milk production is mixed this week. In some areas, it is higher, while other areas see a decline in production. A handful of processors have increased their milk intakes as some dairies are changing where their milk goes for processing. Fluid milk interest is flat as many school districts adjust their orders in preparation to close for the summer break. Farm milk output in Arizona is mixed due to the weather being cooler this week. Temperatures are expected to be back into the 100s by next week. Balancing plants are processing the increased volumes with minimal delays. Bottled milk orders from educational institutions are steady to lower as they get ready to close for the upcoming summer break. New Mexico milk production at the farm level is flat. Handlers report that the availability of spot milk is increasing as a result of less milk utilization by processors. A number of processors have scheduled repair/maintenance downtime that forces them to reduce their daily intakes. Class I interest is slightly down and Class II demand is steady. Pacific Northwest milk production is steady to higher. Cow comfort has improved as warmer temperatures and a little less rain build into the region. Bottling demand is edging back as the school terms at some educational institutions are coming to a close. Manufacturers report no problems getting the milk needed for processing. Many processors are running facilities at or near capacity. Farmers anticipate adequate irrigation water for crops. Reservoir levels are near or above average in Oregon. In Washington, reservoirs have been kept low in anticipation of heavy spring and summer runoff. Milk production is generally flat across much of the mountain states of Idaho, Utah and Colorado. Area manufacturers report unfilled processing capacity is limited due to the discounted milk loads that are widely available. In addition, industry contacts report a considerable amount of condensed skim milk is coming into the mountain states from other regions. The ample supplies are challenging processors to find ways to make use of the milk. Reservoir storage is near or above average levels in the mountain states, suggesting a good supply of irrigation water for forage production. Demand for **condensed skim** in the West picked up slightly with ice cream and frozen dessert makers increasing their usage. **Cream** demand continues to slowly move up in the Western region. Demand by butter manufacturers is a little higher than usual. Supplies are still abundant, but starting to firm up a little bit. Intakes into frozen desserts production are also increasing. Contacts report that some butter processors are hoping to stop churning cream very soon. **Cream multiples** for all Classes are steady, ranging from **1.03 to 1.22**. According to the *DMN National Retail Report-Dairy* for the

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week of May 12-18, the national weighted average advertised price for one gallon of milk is \$2.58, down \$0.04 from last week, but \$0.31 higher from a year ago. The weighted average regional price in the Southwest is \$2.58, with a price range of \$1.99-\$3.99. No ads were reported in the Northwest.



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

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

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** Central low/medium heat nonfat dry milk (NDM) prices increased on both ends of the price range and mostly price series. Some Central contacts are concerned about the recent firmness of low/medium heat NDM prices with the availability of supplies and continually active production. Nevertheless, the market continues to exhibit strength. Domestic demand is fair, and strengthening. The low/medium heat NDM market tone is mixed. Some contacts expect firmness to continue, while others are more bearish about the near term price trends. High heat NDM prices went unchanged. Spot market trading of high heat NDM was light. High heat NDM production and inventories continue to meet contractual needs.

**EAST:** Prices for low/medium heat nonfat dry milk (NDM) in the East shifted upwards on both ends of the range and mostly price series this week. With milk readily available in the region, low/medium heat NDM production is strong as dryers are full and operating at steady levels. Supplies are manageable to growing and are able to handle future needs and requests. On the other hand, some manufacturers are fully committed with contracts and do not have any excess low/medium heat NDM to sell. There are also manufacturers who have supply, but are holding off on selling to see where the price will go. Interest is blended. With the abundant supply of low/medium heat NDM, some traders see a weak market. However, some market participants report strong interest and that prices are firming. Increased export opportunities are also a potential factor in the higher price for international skim milk powder. The market tone is mixed. High heat NDM prices are unchanged this week, as spot sales continue to be light. Production is steady and dryers are running when needed, but the focus is on low/medium heat NDM production. The interest for high heat NDM is unchanged. Wednesday's CME Group cash trading for Grade A nonfat dry milk closed at \$0.8975, up \$0.0400 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: .8300 - 0.9250 MOSTLY: .8600 - .8900  
 HIGH HEAT: .9400 - 1.0500

## NONFAT DRY MILK - WEST

In the West, low/medium heat nonfat dry milk (NDM) f.o.b. spot prices shifted up. NDM values are tracking upward pricing movements of various indices and offshore auctions. Spot trading activity is light to moderate. Industry participants have different thoughts about the current NDM market conditions. According to some buyers/end users, NDM prices are increasing without any economic foundation as the current supply is above buyers' interest. Furthermore, a few producers are clearing 5-9 month old inventories at prices close to the bottom of the range. Meanwhile, some processors believe the market is gaining ground based on higher NDM values in futures markets and higher international demand. Therefore, some NDM processors are still stocking with expectations to sell at higher prices in the short term. In fact, the stocks of some manufacturers are committed to new contracts starting in June and throughout Q3. Low/medium heat NDM production is active as many processors are focusing on clearing large regional condensed skim volumes. Prices for high heat nonfat dry milk are mixed as a few spot sales pulled slightly down the low end of the pricing range. Trading is light, outside contracts. Production is intermittent, mostly based on filling near-term contractual requirements. Inventories are slightly tight in the f.o.b. spot market, but in balance to meet contract needs.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: .8275 - 0.9300 MOSTLY: .8800 - .9000  
 HIGH HEAT: .9300 - 1.0575

## CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
May 12	\$.8669	8,889,189
May 5	\$.8548	6,767,287

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 increased on the bottom and decreased on the top of the price range. Dry buttermilk spot market activity was steady. Demand for dry buttermilk is fair. Dry buttermilk production and inventory reports vary. Some contacts note that supplies are tight, while others are seeing available loads. The dry buttermilk market tone is mixed.

**EAST:** Dry buttermilk prices in the region shifted upward on the bottom half, but shifted downward on the top half of the price series this week. Spot market sales have been moderate to light. Dryers are running on active to light schedules and inventories are controllable to building. Currently, dry buttermilk interest is fair and some market participants report light trading activity. The market undertone is unchanged.

F.O.B. CENTRAL/EAST: .8000 - .8800

## DRY BUTTERMILK - WEST

F.O.B. spot prices for western dry buttermilk are higher, shadowing upward pricing trends of regional NDM. The increase of butterfat premiums and the reduction of dry buttermilk supplies are also pushing up dry buttermilk prices. Production is slightly down as ice cream makers are pulling more condensed buttermilk volumes as the summer season approaches. In addition, balancing plant managers are focusing operational schedules on converting heavy condensed skim intakes into NDM/SMP, thus, limiting drying time for buttermilk. Spot sales activity is very light this week as the bulk of sales is based on contracts.

F.O.B. WEST: .8000 - .9100 MOSTLY: .8100 - .8600

## DRY WHOLE MILK - NATIONAL

F.O.B. spot prices for national dry whole milk are steady and below international WMP values. In this way, the low price of dry whole milk is creating an export opportunity for some domestic producers. Trading activity, outside contracts, is light to moderate throughout the country. At this point, the market undertone is unsettled, but could firm in the short term as butterfat values are increasing. Production is irregular, based on contractual requirements. Inventories are mostly in balance. At the GDT Event 188 on May 16, whole milk powder (WMP) prices across all contract periods averaged \$1.5023 per pound, up 1.3% from the last event.

F.O.B. PRODUCING PLANT: 1.2800 - 1.4500

**WHEY, WPC 34%, LACTOSE & CASEIN**

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

**DRY WHEY - CENTRAL**

Central dry whey prices declined on the bottom of the price range and saw declines on both ends of the mostly price series. The Central dry whey spot market was somewhat active. End users, who have been taking a wait-and-see approach, have begun to take advantage of financially favorable spot loads. Dry whey production remains active, as discounted milk continues to flow into Midwestern cheese plants. Dry whey export interest reports vary by contact, but some producers noted a slowdown in global demand. Dry whey inventories are generally adequate. Animal feed whey prices remain unchanged. Animal feed whey spot activity was quiet, as contacts point out that some end users are opting for discounted feed grade nonfat dry milk. Animal feed whey inventories are adequate.

F.O.B. CENTRAL: .3500 - .5950 MOSTLY: .4575 - .5225  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3375 - .4400

**DRY WHEY - NORTHEAST**

Eastern dry whey f.o.b. spot prices edged lower at the bottom of the range, on light trading. The downshift in price has begun a wait-and-see attitude for some, with thoughts of the market moving lower. Manufacturers are having little problem moving volumes in the mid to lower 40s. However, those buyers seeking loads in cash markets find light availability, as manufacturers of dry whey ship against contracts. The market undertone is steady to lower.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4200 - .5625

**DRY WHEY - WEST**

West whey prices edged back at the top of both the range and mostly price series. Many market participants describe the market tone as weak. Whey is moving through regular contracts, but buyers are not seeking much extra. Demand from Southeast Asia is steady with generally stronger purchase prices than domestic markets. Production is active, but some manufacturers are shifting production schedules among products within the whey protein complex to meet internal strategic needs. Inventories are largely plentiful.

NONHYGROSCOPIC: .4000 - .5375 MOSTLY: .4200 - .5000

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices are mostly unchanged, but moved lower at the bottom of the price range. Production is generally steady, but some manufacturers have adjusted schedules to produce a little more, and other producers are shifting to other products within the whey protein complex to meet contractual or internal strategic needs. There continues to be a wide range among availabilities, brands, marketing strategies and prices. Although many manufacturers report heavily committed inventories, some have stocks that they are willing to move out. Supplies for WPC34% that meet infant formula or sports nutrition requirements are tight and manufacturers have only a limited amount of product to offer in the spot market. These manufacturers are firm on the top end of the price range and mostly price series. Demand is strong for these highly desired brands, however, interest remains weak for WPC34% that is interchangeable with other protein sources.

F.O.B. EXTRA GRADE 34% PROTEIN: .7400 - 1.2350 MOSTLY: .8200 - .9900

**LACTOSE - CENTRAL AND WEST**

Lactose prices are unchanged this week. Production is steady and manufacturers generally report their inventories as committed to comfortable. Some industry contacts say there is a little more availability of lactose, especially for unground and lower mesh sizes. Demand is strong for most types of lactose. However, some market participants suggest interest has slowed in Oceania, possibly due to the seasonal close of the Australian and New Zealand milk production seasons. Contracting for Q3 business is starting up. A few manufacturers say they are running into some push back on prices for the new business. At the GDT Event 188 on May 16, lactose prices across all contract periods averaged \$0.4386 per pound, up 2.0%.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .3200 - .5700 MOSTLY: .3700 - .4500

**CASEIN - NATIONAL**

Rennet casein prices weakened this week, while acid casein remained steady. Current weakness in rennet markets is reflective of slowing buyer interest. However, interest in acid casein remains steady. New Zealand exports of casein(ates) January-March this year, 21,700 MT, declined 16.6% from one year earlier. Main destinations were the United States, 31.4%, China, 11.6%, and Japan, 11.2%, according to Eurolait. EU exports of casein(ates) January-March, 30,104 MT, were up 0.5%. United States imports January-March, 17,809 MT, were up 0.2%. Rennet casein at GDT event 188 on May 16 was the only commodity with a lower all contracts price, -3.7%. For the June contract, the price declined 6.1%.

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 - 3.7000

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

WEEK ENDING	2017 WEEKLY DAIRY COWS	2017 CUMULATIVE DAIRY COWS	2016 WEEKLY DAIRY COWS	2016 CUMULATIVE DAIRY COWS
04/29/2017	55.5	1,021.3	53.2	1,050.6

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

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

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

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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

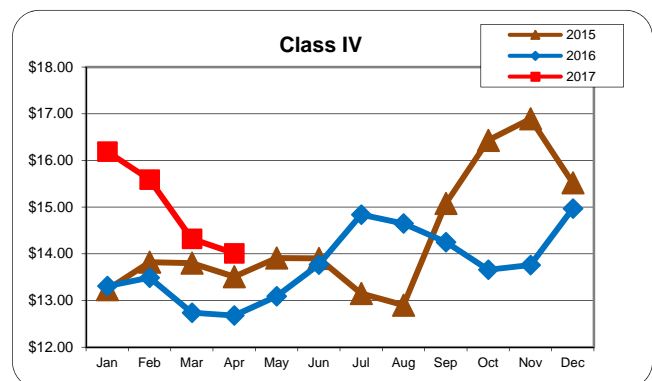
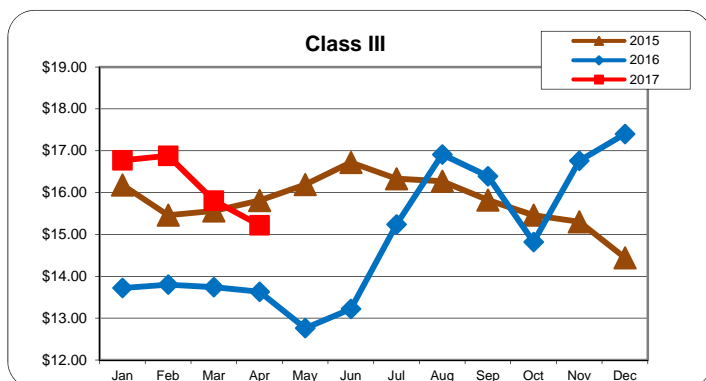
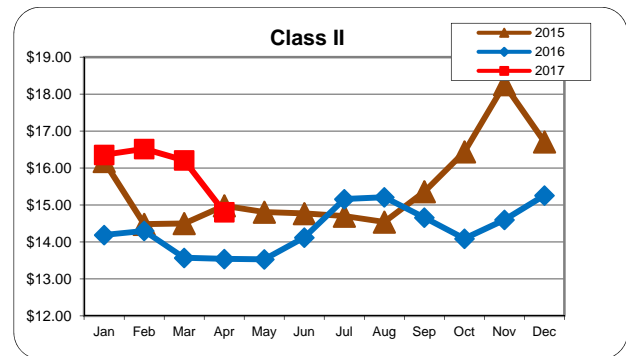
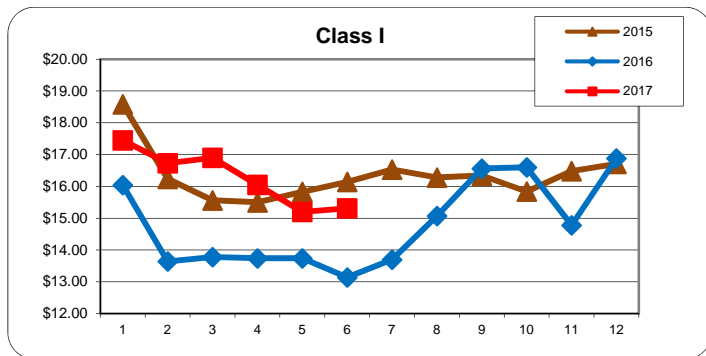
**CLASS IV MILK PRICES (3.5%)**

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%)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	17.45	16.73	16.90	16.05	15.20	15.31						
II	16.36	16.52	16.21	14.81								
III	16.77	16.88	15.81	15.22								
IV	16.19	15.59	14.32	14.01								

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



## ORGANIC DAIRY MARKET NEWS

Information gathered May 8 - 19, 2017

## ORGANIC DAIRY FLUID OVERVIEW

**U.S Organic Milk Product Sales.** AMS reports total organic milk products sales for March 2017, 231 million pounds, is up 8.0% from the previous March and up 2.7%, January-March compared with the same period of 2016.

Total organic whole milk products sales for March 2017, 89 million pounds, is up 17.4% compared with March last year and up 10.6%, January-March compared with the same period of 2016.

#### ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, MARCH 2017, WITH COMPARISONS<sup>1/</sup>

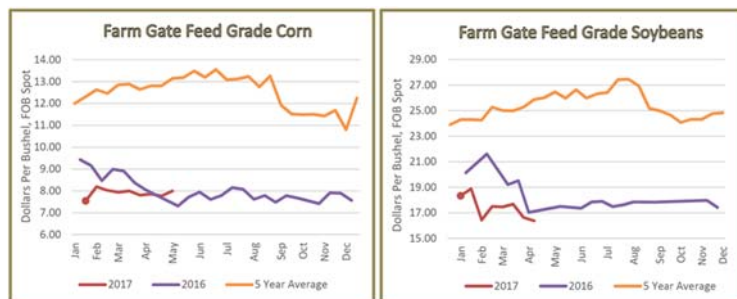
Product Name	Sales		Change <sup>2/</sup>	
	MAR	Y-T-D	Prev Yr.	Y-T-D
Mil. Lbs.		Percent		
ORGANIC PRODUCTION PRACTICE				
Whole Milk	89	252	17.4	10.6
Reduced Fat Milk (2%)	70	203	7.9	0.9
Low Fat Milk (1%)	36	102	-2.1	-6.6
Fat-Free Milk (Skim)	25	73	-7.1	-11.9
Flavored Fat-Reduced Milk	11	31	16.8	35.9
Other Fluid Milk Products	0	1	11.1	3.0
Total Fat-Reduced Milk 3/	142	410	2.9	-1.7
Tot. Organic Milk Products	231	662	8.0	2.7

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

**New England Organic Milk Sales and Sourcing.** New England area organic milk sales are also stronger. In New England, Federal Milk Market Order 1 reports that March, 2017, organic whole milk utilization totaled 16.3 million pounds, up 11.6% from one year earlier. The March, 2017 butterfat content was 3.28%, down from 3.29% in 2016. Organic reduced fat milk utilization for March this year, 23.1 million pounds, was up 6.2% from one year earlier. Butterfat this March was 1.25%, up from 1.20% last year. During March there was also withdrawal of some sources of organic milk produced from outside the order which had previously been pooled and sold within Order 1. Organic milk from cooperatives in Virginia and West Virginia stopped sending organic milk to the pool. Milk from a Minnesota cooperative commenced pooling within the order.

**Organic Milk Pay Prices in the EU.** Average organic milk farm prices in Germany for March 2017, 48.93 Euros/100kg, are 0.39% higher than a year earlier and up 0.31% from February, according to CLAL. The exchange rate for 1 Euro on May 17 was \$1.11. In Bavaria, the March price, 49.45 Euros, is up 0.12% from a year earlier and up 0.14% from February. In France, the March price, 46.08 Euros, is up 6.66% from a year earlier but down 0.86% from February. A large milk processor in Netherlands has a May 2017 guaranteed price for organic milk of 49.00 Euros/100kg, up 1.00 Euro from April. This price applies to organic milk with a protein content of 3.47%, a fat content of 4.41% and a lactose content of 4.51%.

**ORGANIC GRAIN AND FEEDSTUFF MARKETS:** Organic feed grade corn demand and activity is moderate, trading 8 cents higher f.o.b. Bids are mostly \$7.00 to \$8.00 f.o.b. East coast bids are \$10.00 to \$10.50 delivered. Activity is lighter than the prior period due to buyers being stocked or contracted, as well as being busy with planting. Organic feed grade soybean demand and activity is light, with no trend available due to lack of comparable f.o.b. trades. Bids are mostly \$17.50 to \$18.00 delivered to an elevator. Soybean meal trading is inactive on the spot market. Trading activity on feed wheat is moderate, with good demand. Bids range from \$8.00 to \$9.00 delivered, with demand increasing. Organic soybean oil trading activity is light, with good demand. Prices remain higher



than last year. Organic hay trades are limited.

Additional livestock and grain market news information is available at: <https://www.ams.usda.gov/mnreports/lbnof.pdf>

## ORGANIC DAIRY RETAIL OVERVIEW

**Organic Dairy Overview.** This week, organic milk accounts for 61% of total organic dairy retail ad numbers by commodity. Organic yogurt ads accounted for 31% followed by ice cream, 7%, while butter was 2% of the total retail organic ads surveyed by commodity. Regionally, the highest percentage change in organic milk ads was in the South Central region, increasing 310%. Ads in the Northwest declined 73%. The Northeast posted the largest volume of organic ads, a 34% increase compared to the previous survey period. The following pie chart displays ad percentages for each organic dairy commodity surveyed.

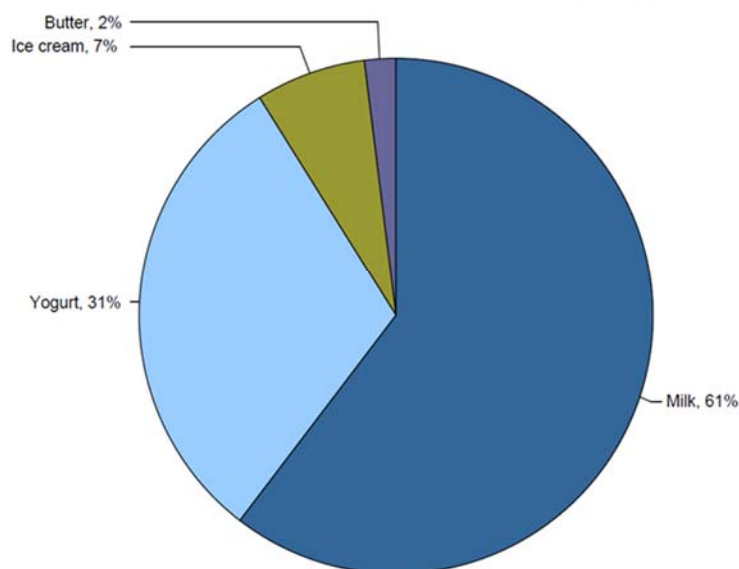
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## ORGANIC DAIRY MARKET NEWS

Information gathered May 8 - 19, 2017

including regional delineation, can be accessed at: <https://www.ams.usda.gov/market-news/organic>

Percentage of Total Organic Ads by Commodity



CONTINUED FROM PAGE -8-

Data source/graph USDA Dairy Market News

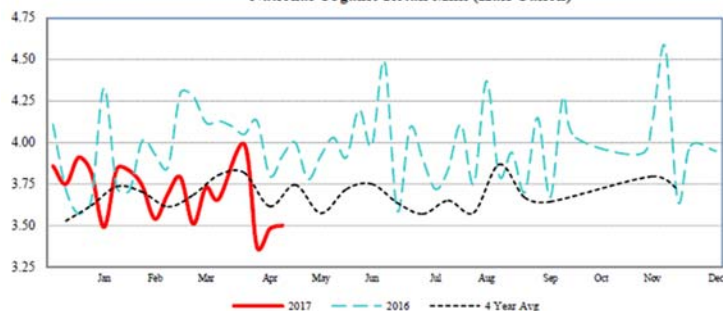
Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from May 19-25, 2017, identifying weekly specials and containing organic dairy content. Retail survey ads reflect “advertised specials” and not the range of non-advertised supermarket cooler prices.

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

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

Commodity	This Week	Last Week	Last Year
<b>Butter</b>	\$5.70	\$4.49	\$5.24
<b>Milk</b>			
Half Gal.	\$3.82	\$3.50	\$3.78
Gal.	\$6.05	\$5.67	\$4.05
8 oz.	\$1.00	\$1.00	\$1.00
<b>Yogurt</b>			
4-6 oz. Greek	\$1.56	\$1.00	\$1.50
32 oz. Greek	\$2.86	...	...
4-6 oz. Yogurt	\$0.58	\$0.88	...

National Organic Retail Milk (Half Gallon)



32 oz. Yogurt \$2.95 ... \$2.95

Data source/graph USDA/AMS/Dairy Market News

Complete results of the weekly organic dairy retail survey



## Federal Milk Order Marketing and Utilization Summary, April 2017

**Highlights.** Handler reports of receipts and utilization under the Federal milk order system for April 2017 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During April, more than 12.2 billion pounds of milk were received from Federally pooled producers. This volume of milk is 0.9 percent higher than the April 2016 volume. Regulated handlers pooled 3.208 billion pounds of producer milk as Class I products, down 5.7 percent when compared to the previous year. Class I utilization decreased in all 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 26%, Class II = 13%, Class III = 43%, and Class IV = 17%. The weighted average statistical uniform price was \$15.98 per cwt, down \$0.84 from last month but up \$1.57 from last year.

### Price and Pool Statistics for Federal Milk Order Marketing Areas for the Month of April 2017

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes <sup>3</sup>				Uniform Price <sup>2</sup>
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>	<i>(percent)<sup>3</sup></i>				<i>(\$ per cwt)</i>
Northeast (Boston)	001	2,354.8	3.9	692.0	-4.6	29	23	25	22	16.39
Appalachian (Charlotte)	005	480.6	-1.3	303.0	-5.7	63	16	5	16	17.77
Florida (Tampa)	006	219.9	-5.0	177.2	-9.4	81	11	3	5	20.08
Southeast (Atlanta)	007	501.6	1.7	298.8	-5.8	60	13	14	14	17.97
Upper Midwest (Chicago)	030	3,080.2	-3.5	257.6	-9.1	8	6	80	5	15.37
Central (Kansas City)	032	1,460.9	5.1	385.3	-7.1	26	11	43	19	15.42
Mideast (Cleveland)	033	1,842.6	5.6	502.1	-3.1	27	20	35	18	15.61
Pacific Northwest (Seattle)	124	609.6	5.0	147.4	-3.6	24	7	30	39	15.23
Southwest (Dallas)	126	1,210.6	-3.6	342.7	-7.1	28	11	45	16	16.32
Arizona (Phoenix)	131	441.3	-0.9	101.5	-2.1	23	9	23	45	15.35
All Market Average or Total		12,202.2	0.9	3,207.5	-5.7	26	13	43	17	15.98

<sup>1</sup> Names in parentheses are the major city in the principal pricing point of the market.

<sup>2</sup> Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

<sup>3</sup> Totals may not add to 100 percent due to rounding.

Report Contact: Randal Stoker, [randal.stoker@usda.gov](mailto:randal.stoker@usda.gov) or 202-690-1932.

**Retail Prices for Organic Whole and 2% Milk, Average of Two Outlets, by Months, 2017 <sup>1</sup>**

Products	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. <sup>2</sup>
	<i>(dollars per half gallon)</i>												
Organic Whole Milk	4.31	4.31	4.26	4.26	4.28								4.29
Organic 2% Milk	4.31	4.32	4.26	4.26	4.28								4.29

<sup>1</sup> 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. <sup>2</sup> Simple average of monthly prices. For more information.

[https://www.ams.usda.gov/sites/default/files/media/Retail\\_Milk\\_Prices.pdf](https://www.ams.usda.gov/sites/default/files/media/Retail_Milk_Prices.pdf)

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	3.76								3.82
Baltimore, MD	4.11	4.11	4.11	4.11	4.11								4.11
Boston, MA	3.27	3.25	3.23	3.24	3.26								3.25
Chicago, IL	3.66	3.66	3.66	3.66	3.66								3.66
Cincinnati, OH	2.82	2.62	2.02	2.06	2.09								2.32
Cleveland, OH	3.36	3.26	3.19	3.12	3.12								3.21
Dallas, TX	3.28	3.19	2.92	2.99	2.82								3.04
Denver, CO	3.22	3.42	3.42	3.19	3.19								3.29
Detroit, MI	2.92	2.92	2.86	2.96	2.96								2.92
Fort Lee, NJ 3/	3.92	3.92	3.90	3.93	3.97								3.93
Hartford, CT	3.72	3.72	3.71	3.69	3.33								3.63
Houston, TX	2.59	2.39	2.39	2.35	2.35								2.41
Indianapolis, IN	2.42	2.42	2.42	2.39	2.59								2.45
Kansas City, MO	4.27	4.15	4.20	4.14	4.09								4.17
Louisville, KY	2.85	2.92	2.84	2.79	2.89								2.86
Miami, FL	3.75	3.87	3.89	3.89	3.89								3.86
Milwaukee, WI	3.99	3.99	3.99	3.99	3.99								3.99
Minneapolis, MN	3.99	4.06	4.06	4.06	4.06								4.05
New Orleans, LA	3.56	3.63	3.43	3.64	3.64								3.58
Oklahoma City, OK	3.65	3.76	3.67	3.57	3.58								3.65
Philadelphia, PA	4.09	3.97	4.00	3.92	3.86								3.97
Phoenix, AZ	2.76	2.76	2.69	2.69	2.69								2.72
Pittsburgh, PA	3.94	3.84	3.76	3.72	3.67								3.79
Portland, OR	3.46	3.46	3.46	3.39	3.32								3.42
Seattle, WA	3.49	3.49	3.49	3.49	3.49								3.49
St Louis, MO	3.69	3.65	3.65	3.65	3.65								3.66
Syracuse, NY	3.29	3.29	3.29	3.29	3.29								3.29
Washington, DC	3.79	3.78	3.78	4.12	4.12								3.92
Wichita, KS	2.84	2.98	2.82	2.69	2.45								2.76
Simple Average	3.47	3.46	3.40	3.40	3.38								3.42

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)

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	3.76								3.82
Baltimore, MD	4.11	4.11	4.11	4.11	4.11								4.11
Boston, MA	3.24	3.22	3.19	3.20	3.22								3.21
Chicago, IL	3.49	3.49	3.49	3.49	3.49								3.49
Cincinnati, OH	2.82	2.62	2.02	2.06	2.09								2.32
Cleveland, OH	3.36	3.26	3.19	3.12	3.12								3.21
Dallas, TX	3.28	3.19	2.92	2.99	2.82								3.04
Denver, CO	3.16	3.49	3.42	3.19	3.19								3.29
Detroit, MI	2.92	2.92	2.86	2.96	2.96								2.92
Fort Lee, NJ 3/	3.92	3.92	3.90	3.93	3.97								3.93
Hartford, CT	3.69	3.69	3.68	3.66	3.30								3.60
Houston, TX 4/	2.59	2.39	2.39	2.35	2.35								2.41
Indianapolis, IN	2.42	2.42	2.42	2.39	2.59								2.45
Kansas City, MO	3.95	3.95	3.96	3.85	3.82								3.91
Louisville, KY	2.75	2.85	2.74	2.79	2.79								2.78
Miami, FL	3.75	3.87	3.89	3.89	3.89								3.86
Milwaukee, WI	3.79	3.79	3.79	3.79	3.79								3.79
Minneapolis, MN	3.92	3.99	3.99	3.99	3.99								3.98
New Orleans, LA	3.56	3.63	3.43	3.64	3.64								3.58
Oklahoma City, OK	3.49	3.63	3.53	3.46	3.48								3.52
Philadelphia, PA	3.87	3.72	3.75	3.67	3.62								3.73
Phoenix, AZ	2.76	2.76	2.69	2.69	2.69								2.72
Pittsburgh, PA	3.70	3.61	3.53	3.48	3.44								3.55
Portland, OR	3.26	3.26	3.26	3.16	3.09								3.21
Seattle, WA	3.49	3.49	3.49	3.49	3.49								3.49
St Louis, MO	3.62	3.59	3.55	3.55	3.55								3.57
Syracuse, NY	3.22	3.22	3.22	3.22	3.22								3.22
Washington, DC	3.79	3.78	3.78	4.12	4.12								3.92
Whichita, KS	2.84	2.98	2.82	2.49	2.42								2.71
Simple Average	3.40	3.40	3.34	3.33	3.31								3.36

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)

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	3.72								3.92
Baltimore, MD	4.94	4.94	4.94	4.94	4.94								4.94
Boston, MA	4.14	4.14	4.14	4.14	4.14								4.14
Chicago, IL	4.99	4.99	4.99	4.99	4.99								4.99
Cincinnati, OH	3.59	3.59	3.34	3.59	3.37								3.50
Cleveland, OH	3.99	3.99	3.99	3.99	3.99								3.99
Dallas, TX	3.94	3.94	3.94	3.69	3.69								3.84
Denver, CO	3.54	3.69	3.14	3.39	3.49								3.45
Detroit, MI	3.64	3.59	3.59	3.59	3.54								3.59
Fort Lee, NJ 3/	3.99	3.99	3.99	3.99	3.99								3.99
Hartford, CT	4.09	4.09	4.39	4.44	4.44								4.29
Houston, TX	2.98	2.98	2.98	2.98	2.98								2.98
Indianapolis, IN	4.44	4.44	4.44	3.89	3.89								4.22
Kansas City, MO	4.99	5.34	5.24	5.24	5.39								5.24
Louisville, KY	3.39	3.39	3.39	3.69	3.69								3.51
Miami, FL	4.64	4.24	4.24	4.24	4.64								4.40
Milwaukee, WI	4.44	4.99	4.69	4.69	4.99								4.76
Minneapolis, MN	4.84	4.84	4.84	4.84	4.84								4.84
New Orleans, LA	5.07	5.07	5.07	5.07	5.07								5.07
Oklahoma City, OK	4.88	4.98	4.53	4.73	4.93								4.81
Philadelphia, PA	4.69	4.69	4.69	4.69	4.69								4.69
Phoenix, AZ	3.99	3.99	4.09	4.09	4.09								4.05
Pittsburgh, PA	5.39	5.39	5.39	5.39	5.39								5.39
Portland, OR	4.64	4.64	4.84	4.79	4.79								4.74
Seattle, WA	3.69	3.69	3.69	3.69	3.69								3.69
St Louis, MO	4.99	4.49	3.99	3.99	3.99								4.29
Syracuse, NY	4.34	4.34	4.34	4.34	4.34								4.34
Washington, DC	5.06	5.07	5.07	5.07	5.05								5.06
Wichita, KS	3.59	3.59	3.59	3.44	3.44								3.53
Simple Average	4.31	4.31	4.26	4.26	4.28								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)



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	3.72								3.92
Baltimore, MD	4.94	4.94	4.94	4.94	4.94								4.75
Boston, MA	4.14	4.14	4.14	4.14	4.14								4.30
Chicago, IL	4.99	4.99	4.99	4.99	4.99								4.82
Cincinnati, OH	3.59	3.59	3.34	3.59	3.37								3.78
Cleveland, OH	3.99	3.99	3.99	3.99	3.99								3.91
Dallas, TX	3.94	3.94	3.94	3.69	3.69								3.85
Denver, CO	3.54	3.69	3.14	3.39	3.49								3.50
Detroit, MI	3.64	3.59	3.59	3.59	3.54								3.61
Fort Lee, NJ 3/	3.99	3.99	3.99	3.99	3.99								3.91
Hartford, CT	4.09	4.09	4.39	4.44	4.44								4.27
Houston, TX	2.98	2.98	2.98	2.98	2.98								3.20
Indianapolis, IN	4.44	4.44	4.44	3.89	3.89								3.93
Kansas City, MO	4.99	5.34	5.24	5.24	5.39								5.06
Louisville, KY	3.39	3.39	3.39	3.69	3.69								3.90
Miami, FL	4.64	4.24	4.24	4.24	4.64								4.23
Milwaukee, WI	4.39	4.99	4.69	4.69	4.99								4.60
Minneapolis, MN	4.84	4.84	4.84	4.84	4.84								4.87
New Orleans, LA	5.07	5.07	5.07	5.07	5.07								5.02
Oklahoma City, OK	4.88	4.98	4.53	4.73	4.93								4.83
Philadelphia, PA	4.69	4.69	4.69	4.69	4.69								4.75
Phoenix, AZ	3.99	3.99	4.09	4.09	4.09								4.19
Pittsburgh, PA	5.39	5.39	5.39	5.39	5.39								5.11
Portland, OR	4.64	4.64	4.84	4.79	4.79								4.89
Seattle, WA	3.69	3.69	3.69	3.69	3.69								3.88
St Louis, MO	4.99	4.49	3.99	3.99	3.99								4.13
Syracuse, NY	4.49	4.49	4.49	4.34	4.34								4.43
Washington, DC	5.06	5.07	5.07	5.07	5.05								4.95
Whichita, KS	3.59	3.59	3.59	3.44	3.44								3.83
Simple Average	4.31	4.32	4.26	4.26	4.28								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)

## FEDERAL MILK ORDER ADVANCE CLASS PRICES, JUNE 2017

**Base Class I Price:** Under the Federal milk order pricing system, the base Class I price for June 2017 is \$15.31 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$7.34 and the advanced butterfat pricing factor of \$2.3492. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I Price

**Comparison to Previous Month:** The base Class I price increased \$0.11 per cwt when compared to the previous month of May 2017. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.12 per cwt, \$0.010 per gallon; reduced fat milk (2%), \$0.15 per cwt, \$0.013 per gallon; fat-free (skim milk), \$0.19 per cwt, \$0.016 per gallon.

**Class II Price Information:** The advanced Class IV skim milk pricing factor is \$6.19. Thus, the Class II skim milk price for June 2017 is \$6.89 per cwt, and the Class II nonfat solids price is \$0.7656.

**Product Price Averages:** The two-week product price averages for June 2017 are: butter \$2.1114, nonfat dry milk \$0.8620, cheese \$1.5120 and dry whey \$0.5124.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION <sup>1 2</sup>				
Federal Milk Order Marketing Area <sup>3</sup>	Order Number	June 2017		
		Class I Price (3.5%)	Class I Skim Milk Price	Class I Butterfat Price
		<i>\$ per cwt</i>	<i>\$ per cwt</i>	<i>\$ per pound</i>
Northeast (Boston) <sup>4</sup>	001	18.56	10.59	2.3817
Appalachian (Charlotte) <sup>5</sup>	005	18.71	10.74	2.3832
Florida (Tampa) <sup>6</sup>	006	20.71	12.74	2.4032
Southeast (Atlanta) <sup>7</sup>	007	19.11	11.14	2.3872
Upper Midwest (Chicago) <sup>8</sup>	030	17.11	9.14	2.3672
Central (Kansas City) <sup>9</sup>	032	17.31	9.34	2.3692
Mideast (Cleveland) <sup>10</sup>	033	17.31	9.34	2.3692
Pacific Northwest (Seattle) <sup>11</sup>	124	17.21	9.24	2.3682
Southwest (Dallas) <sup>12</sup>	126	18.31	10.34	2.3792
Arizona (Phoenix)	131	17.66	9.69	2.3727
All-Market Average		18.20	10.23	2.3781

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

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

<sup>3</sup> Names in parentheses are the major city in the principal pricing point of the markets.

<sup>4</sup> Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25.

<sup>5</sup> Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

<sup>6</sup> Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

<sup>7</sup> Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

<sup>8</sup> Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

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

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

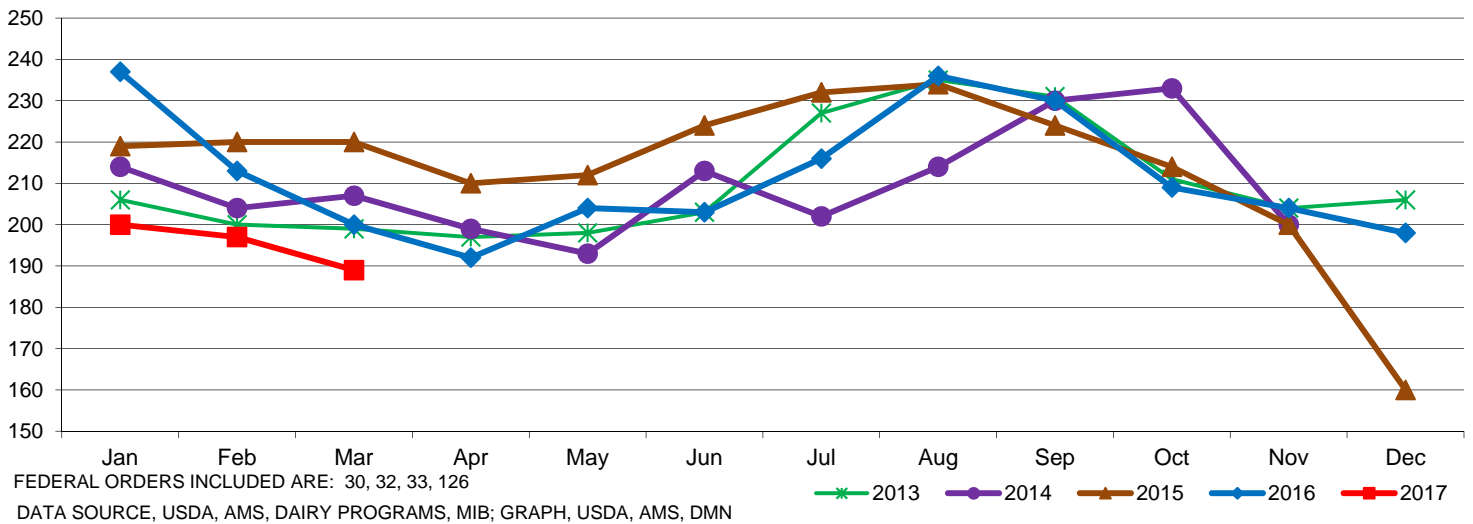
<sup>11</sup> Class I prices at other cities are: Portland, same; and Spokane, same.

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

Report Contact: Randal Stoker, [randal.stoker@usda.gov](mailto:randal.stoker@usda.gov) or 202-690-1932.

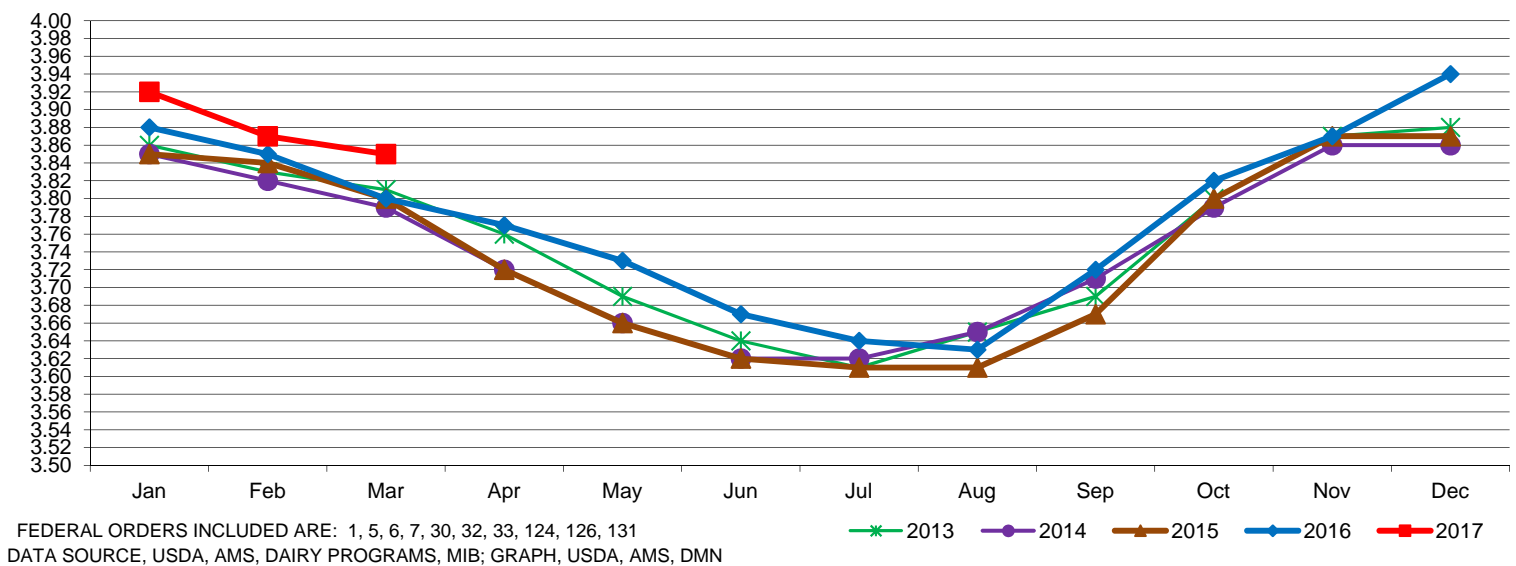
### Average Somatic Cell Count of Producer Milk in Four Federal Milk Orders Combined

THOUSANDS



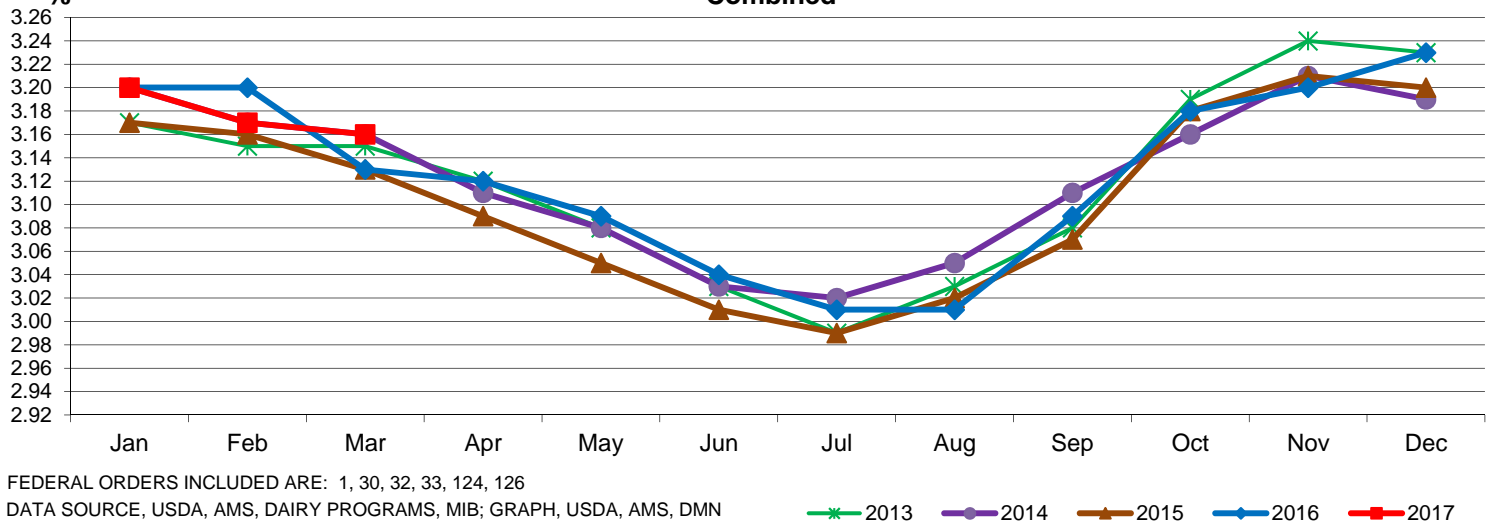
### Average Butterfat Test of Producer Milk in All Federal Milk Orders Combined

%



### Average Protein (True) Test of Producer Milk in Six Component Pricing Federal Milk Orders Combined

%





## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Retail Report-Dairy

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

Volume 84- Number 20

Issued Weekly

Friday, May 19, 2017

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 05/19/2017 to 05/25/2017

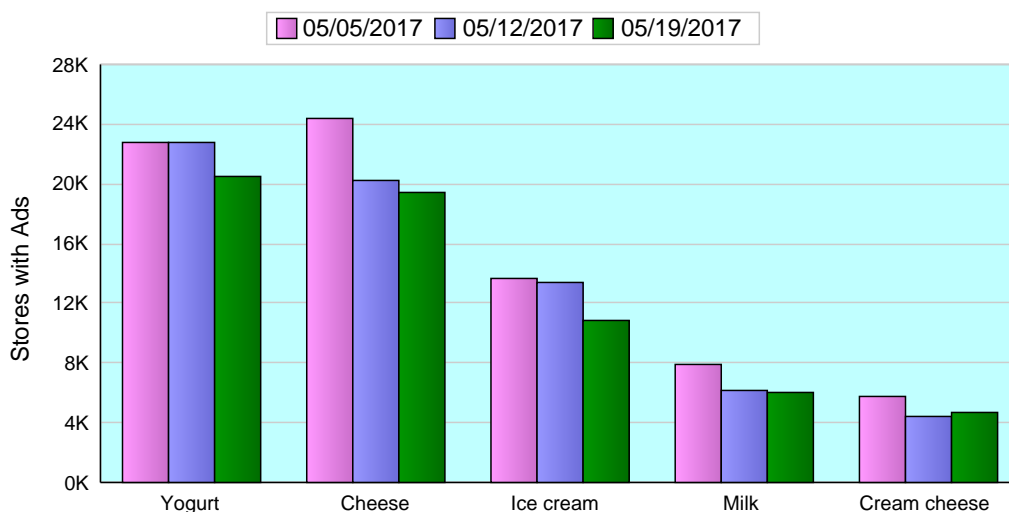
This week, total conventional dairy advertisements declined 14%, but organic dairy ads increased 16%. For conventional ice cream, the national weighted average advertised price, \$2.90, is down 16 cents from last week. Organic ice cream in 48-64 oz. containers has an average price of \$4.30, down 5 cents from the previous week.

Conventional yogurt ads declined 20%, while organic yogurt ads increased 686%. The average sale price for 4-6 ounce conventional Greek yogurt is \$0.97, while 4-6 ounce organic Greek yogurt is \$1.56, an organic price premium of 59 cents. The average sale price for 4-6 ounce conventional yogurt is \$0.52, while 4-6 ounce organic yogurt is \$0.58, an organic price premium of 6 cents.

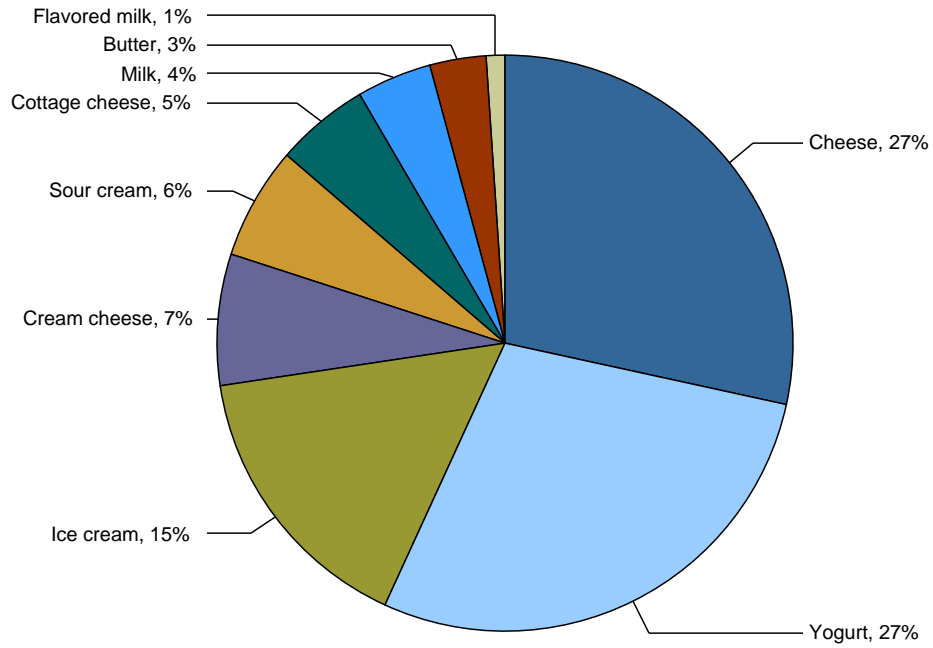
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 4 cents from last week, with ads increasing 15%. There were no ads for organic 8 ounce cheese blocks. The advertised price for conventional 8 ounce shred cheese averaged \$2.20, down 11 cents from last week, as ads declined 12%. There were no ads for organic 8 ounce cheese shreds.

This week, the difference between the weighted average price for organic half gallon milk, \$3.82, and the weighted average price for conventional half-gallon milk, \$1.71, resulted in an organic price premium of \$2.11. Organic milk advertisements increased 1%, but ads for conventional milk decreased 21%. Advertisements for conventional half gallon and gallon flavored milk declined, 81% and 59%, respectively.

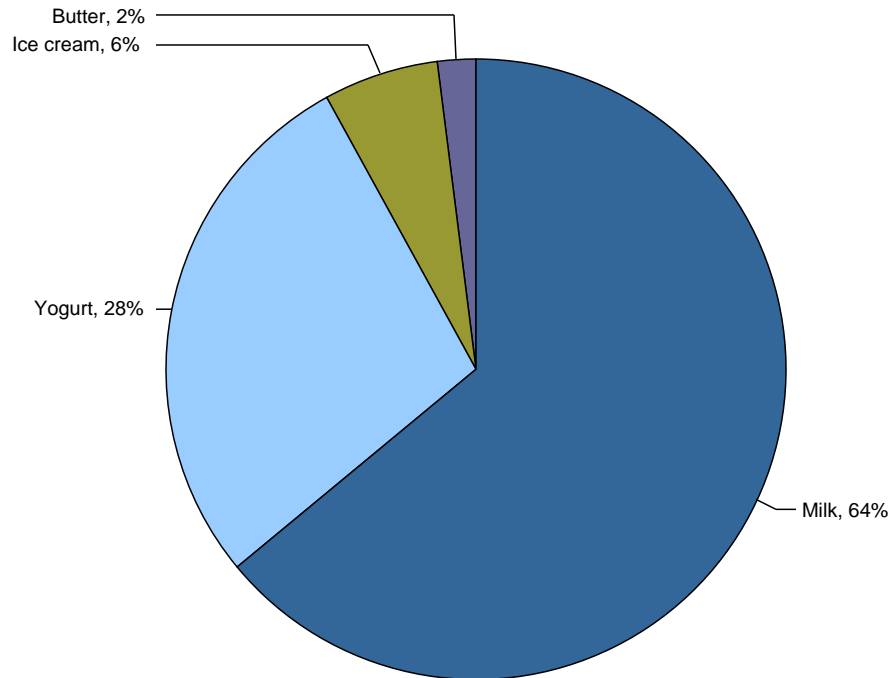
Top 5 Commodities Featured



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 #	1879	3.21	2968	3.35	2099	3.29
Cheese	Natural Varieties	8 oz block	8047	2.26	6361	2.25	7584	2.32
Cheese	Natural Varieties	1 # block	651	3.47	1494	3.37	1380	3.71
Cheese	Natural Varieties	2 # block	1064	5.82	1235	5.80	958	5.42
Cheese	Natural Varieties	8 oz shred	9181	2.18	9634	2.31	6617	2.23
Cheese	Natural Varieties	1 # shred	511	4.41	1352	3.35	1946	3.28
Cottage cheese		16 oz	3411	2.03	1013	1.90	4983	1.67
Cream cheese		8 oz	4629	1.60	4396	1.72	4294	2.15
Flavored milk	All fat tests	half gallon	258	2.65	1352	2.11	538	2.14
Flavored milk	All fat tests	gallon	391	1.90	963	2.31	1013	2.84
Ice cream		48-64oz	10556	2.90	13064	3.06	14457	3.12
Milk	All fat tests	half gallon	592	1.79	836	1.54	290	1.20
Milk	All fat tests	gallon	2026	2.46	2418	2.58	4215	2.34
Sour cream		16 oz	4429	1.93	4438	1.64	5923	1.53
Yogurt	Greek	4-6 oz	10875	.95	13595	.99	12105	.95
Yogurt	Greek	32 oz	2154	4.19	1950	4.06	908	4.61
Yogurt	Yogurt	4-6 oz	5443	.52	5729	.54	6870	.50
Yogurt	Yogurt	32 oz	497	2.33	1374	2.61	927	2.33

## REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-4.49	927	3.35	2.99-3.48	396	3.23	2.99-4.99	126	4.09
Cheese	Natural Varieties	8 oz block	1.99-2.99	2301	2.19	1.69-3.00	3344	2.50	1.77-2.50	1400	1.98
Cheese	Natural Varieties	1 # block	2.99	60	2.99	3.97	214	3.97			
Cheese	Natural Varieties	8 oz shred	1.77-3.29	2265	2.24	1.29-2.50	3210	2.25	1.67-2.50	1457	1.97
Cheese	Natural Varieties	1 # shred							3.00-4.49	228	3.77
Cottage cheese		16 oz	1.66-2.50	920	2.08	1.99-2.00	1860	2.00	1.50-3.00	203	2.10
Cream cheese		8 oz	1.50-2.00	1010	1.69	0.99-2.00	1150	1.49	1.29-2.00	1393	1.51
Flavored milk	All fat tests	half gallon				1.99	64	1.99			
Flavored milk	All fat tests	gallon							1.69	123	1.69
Ice cream		48-64oz	1.99-3.99	2789	2.75	1.99-3.99	2935	2.77	1.99-4.00	1632	2.94
Milk	All fat tests	half gallon	1.00	100	1.00				1.00	116	1.00
Milk	All fat tests	gallon	3.49-3.99	334	3.78	2.49	324	2.49	1.89-3.29	282	2.21
Sour cream		16 oz	0.99-3.00	2687	1.89	1.99-2.39	1186	2.02	1.50-1.79	238	1.66
Yogurt	Greek	4-6 oz	0.69-1.25	3725	.97	0.69-1.00	3814	.93	0.69-1.00	832	.90
Yogurt	Greek	32 oz	2.49-5.49	1101	4.50	5.49	61	5.49	3.49-4.69	875	3.84
Yogurt	Yogurt	4-6 oz	0.49-0.60	1874	.51	0.50-0.60	1608	.58	0.50-0.60	1051	.55
Yogurt	Yogurt	32 oz	2.49	118	2.49				2.00	272	2.00

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	72	2.99	2.49-2.99	231	2.74	1.99	121	1.99
Cheese	Natural Varieties	8 oz block	1.38-2.00	749	1.77	2.99	114	2.99	1.67	66	1.67
Cheese	Natural Varieties	1 # block	3.99	60	3.99	2.99-3.00	262	2.99			
Cheese	Natural Varieties	2 # block	5.99-6.99	242	6.49	4.99-7.99	281	6.77	4.49-5.99	479	4.83
Cheese	Natural Varieties	8 oz shred	1.48-3.00	1277	2.07	1.99-3.00	550	2.39	1.67-1.99	355	1.93
Cheese	Natural Varieties	1 # shred				3.00-5.99	283	4.93			
Cottage cheese		16 oz	1.99-2.00	169	1.99	2.50	114	2.50	1.50	121	1.50
Cream cheese		8 oz	1.49-1.99	509	1.71	1.50-1.99	468	1.72	1.99	69	1.99
Flavored milk	All fat tests	half gallon	2.79-2.99	194	2.87						
Flavored milk	All fat tests	gallon	1.99	199	1.99				1.99	69	1.99
Ice cream		48-64oz	1.68-4.88	1326	3.07	2.50-3.99	1004	3.44	2.50-4.99	777	2.78
Milk	All fat tests	half gallon	1.99-2.50	273	2.29				0.99	66	.99
Milk	All fat tests	gallon	1.99-3.34	335	2.35	1.89-2.19	621	1.96	1.99-2.50	130	2.23
Sour cream		16 oz	1.99-2.00	134	1.99				1.67	61	1.67
Yogurt	Greek	4-6 oz	0.79-1.25	976	.98	1.00-1.25	766	1.08	0.58-1.00	639	.76
Yogurt	Greek	32 oz				2.99	114	2.99			
Yogurt	Yogurt	4-6 oz	0.25-0.66	309	.49	0.25-0.50	306	.30	0.25-0.50	251	.35
Yogurt	Yogurt	32 oz				2.99	107	2.99			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	6	4.99			
Cheese	Natural Varieties	8 oz block	2.50	6	2.50	2.49-3.89	67	3.25
Cheese	Natural Varieties	1 # block	2.50	28	2.50	4.99	27	4.99
Cheese	Natural Varieties	2 # block	4.98-5.99	35	5.60	7.88	27	7.88
Cheese	Natural Varieties	8 oz shred	2.49-2.50	27	2.49	3.00-3.89	40	3.76
Cottage cheese		16 oz				2.69	24	2.69
Cream cheese		8 oz	1.99	6	1.99	1.69	24	1.69
Ice cream		48-64oz	2.50-5.48	36	3.23	3.99-4.69	57	4.34
Milk	All fat tests	half gallon				2.89-4.29	37	4.18
Sour cream		16 oz	1.50-3.00	65	2.37	2.50-3.00	58	2.79
Yogurt	Greek	4-6 oz	0.68-1.25	29	.83	0.80-1.50	94	1.14
Yogurt	Greek	32 oz				5.99	3	5.99
Yogurt	Yogurt	4-6 oz	0.50-0.80	44	.70			

## 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 #	84	5.00	345	5.99	257	5.66
Cheese	Natural Varieties	8 oz block					114	3.49
Cheese	Natural Varieties	8 oz shred			119	3.50		
Cottage cheese		16 oz			245	2.99	166	3.25
Cream cheese		8 oz					137	2.69
Ice cream		48-64oz	326	4.30	367	4.35	137	5.99
Milk	All fat tests	half gallon	2597	3.93	2565	3.50	2025	3.78
Milk	All fat tests	gallon	688	6.05	179	5.67	532	4.05
Milk	All fat tests	8 oz UHT	158	1.00	228	1.00	114	1.00
Sour cream		16 oz					392	2.02
Yogurt	Greek	4-6 oz	390	1.56	114	1.00	167	1.50
Yogurt	Greek	32 oz	189	2.86				
Yogurt	Yogurt	4-6 oz	121	.58	78	.88		
Yogurt	Yogurt	32 oz	809	2.95			455	2.95

## REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	5.00	84	5.00						
Ice cream		48-64oz				4.99	101	4.99	3.99	225	3.99
Milk	All fat tests	half gallon	3.99-4.99	673	4.39	2.99	324	2.99	2.99-4.49	813	3.77
Milk	All fat tests	gallon	5.99	543	5.99	5.99-6.49	145	6.28			
Yogurt	Greek	4-6 oz	0.80-1.67	363	1.53						
Yogurt	Yogurt	32 oz							2.50	366	2.50

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	2.99-3.99	150	3.47	3.99-4.49	537	4.15	2.99	66	2.99
Milk	All fat tests	8 oz UHT	1.00	158	1.00						
Yogurt	Greek	32 oz				2.50	120	2.50	3.49	69	3.49
Yogurt	Yogurt	4-6 oz	0.58	121	.58						
Yogurt	Yogurt	32 oz	2.50-3.49	199	3.10	3.49	244	3.49			



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				7.99	34	7.99
Yogurt	Greek	4-6 oz				2.00	27	2.00

#### REGIONAL DEFINITIONS

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

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



# Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

Volume 84, Report 20

May 19, 2017

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