

NATIONAL DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (7/28)

BUTTER: Grade AA closed at \$2.7200. The weekly average for Grade AA is \$2.6345 (+.0170).

CHEESE: Barrels closed at \$ 1.5550 and 40# blocks at \$ 1.7550. The weekly average for barrels is \$ 1.4685 (+.0135) and blocks, \$1.7185 (+.0130).

NONFAT DRY MILK: Grade A closed at \$0.8600. The weekly average for Grade A is \$ 0.8615 (+.0020).

BUTTER HIGHLIGHTS: Butter sales activity in retail and food service are stable throughout the United States as advertisements promote higher priced butter. International markets are showing more interest and orders from end users have been active because of higher butter prices overseas. Ice cream producers and other Class II processors are using a lot of cream, however, cream is available to butter makers. Butter production schedules are full to unfilled. Due to fairly high cream prices, a number of butter processors are trading their cream. Inventories are balanced to building. Some manufacturers are bulking up storage and holding on to their stock for immediate and year end holiday needs. Market participants point out that current butter market prices are at higher prices than recent years. Some contacts suggest the market prices will continue to maintain the lead over historical prices. Bulk butter prices range 2 cents below to 7 cents over the market. The market undertone is generally stable as prices are around the \$2.50-\$2.70 range. Friday's CME Group cash trading saw Grade AA butter closed at \$2.7200, up \$0.1350 from last Friday.

CHEESE HIGHLIGHTS: Spot milk supplies into cheese plants are balanced in the Northeast, dwindling in the Midwest and generally adequate for Western producers. Domestic cheese demand, outside of regular contracts, is lighter in the East and West. Curd and pizza cheese producers in the Midwest report heavy orders. Many cheese producers are bracing for a push in the upcoming weeks, as school summer breaks are nearing their conclusion. Cheese production is steady, with few exceptions, across all regions. Barrel cheese inventories are long, while some block producers report balanced inventories. The elephant in the room, regarding the cheese markets, is the growing block to barrel price chasm on the CME. Some participants are concerned the large spread could become the new normal. CME Group trading Friday, barrels closed at \$1.5550, up \$0.1450 from last Friday. Blocks closed at \$1.7550, up \$0.0475 from last Friday.

FLUID MILK: In the U.S., the summer heat and high humidity/precipitation are favoring lower to steady milk yield. In general, milk supplies are in line with balancing needs. Class I sales are mixed. They are decreasing in the Mid-Atlantic, and steady in Arizona, the Pacific Northwest, and the mountain states of Idaho, Utah, and Colorado. However, bottling demand is higher in New Mexico. In the Midwest and Southeast, milk intakes for Class I production are expected to increase when schools reopen in a few weeks. Midwest cheese processors report that spot milk loads are priced at flat market to \$1 under the market. Condensed skim loads are plentiful in the East with some clearing to the Central region to find processing room. Cream demand for Class II processing is higher in the East, and steady in the Midwest. In the West, cream is more available than usual. This week cream multiples are **1.23-1.35** in the East, **1.21-1.32** in the Midwest, and **1.05-1.27** in the West.

DRY PRODUCTS: Across regions, low/medium heat nonfat dry milk (NDM) prices are lower on the top of the range, but held steady on the mostly price series this week. A few suppliers are offering spot loads at higher prices, but interest is limited. Overall, spot trading activity is steady to moderate in the market. International demand is increasing as industry contacts report end users are actively bidding. The market undertone is on solid ground. High heat NDM prices are stable. Spot trading has been light as a number of market participants are not offering high heat currently. The demand is above current stocks in parts of the U.S. The market tone is firm. Prices for dry buttermilk are steady to higher. Spot sales are currently light as a handful of traders are not seeing many spot load offers on the market. A few end users are paying higher premiums for brand-name dry buttermilk. The demand is steady to fair and the tone is fairly balanced with signs of uncertainty, as there are limited offers on the market. Dry whole milk prices are steady. Spot sales are light with demand being fair to good. The market undertone is in good balance within each region of the country. Dry whey prices are mixed throughout the regions. Some contacts suggest there are large-volume spot offers, but trading has been moderate to quiet. Many buyers seem content to hold off on purchases. The demand is trending upward or remaining lackluster. Feed whey trading picked up this week as prices increased. Whey protein concentrate 34% shifted downward on the range, but held steady on the mostly price series. A few manufacturers with

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NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY JUL 24	TUESDAY JUL 25	WEDNESDAY JUL 26	THURSDAY JUL 27	FRIDAY JUL 28	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.4100 (N.C.)	\$1.4575 (+.0475)	\$1.4600 (+.0025)	\$1.4600 (N.C.)	\$1.5550 (+.0950)	:: (+.1450)	:: \$1.4685 (+.0135)
40# BLOCKS	\$1.7075 (N.C.)	\$1.7075 (N.C.)	\$1.7075 (N.C.)	\$1.7150 (+.0075)	\$1.7550 (+.0400)	:: (+.0475)	:: \$1.7185 (+.0130)
NONFAT DRY MILK GRADE A	\$.8700 (-.0025)	\$.8650 (-.0050)	\$.8600 (-.0050)	\$.8525 (-.0075)	\$.8600 (+.0075)	:: (-.0125)	:: \$.8615 (+.0020)
BUTTER GRADE AA	\$2.5850 (N.C.)	\$2.5900 (+.0050)	\$2.6075 (+.0175)	\$2.6700 (+.0625)	\$2.7200 (+.0500)	:: (+.1350)	:: \$2.6345 (+.0170)

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 -**

differentiated products are able to hold firm on premium pricing. The demand is weak, except for highly desired brands. Lactose prices decreased this week. International demand is weak as there is competition emerging from international lactose brands. Domestic demand is steady and lactose is actively moving through contracts. Rennet and acid casein prices are unchanged. Dairy product trading has been quiet in the EU and Oceania. International manufacturers expect activity in casein markets to pick up in upcoming weeks.

ORGANIC DAIRY MARKET NEWS: Projections by some large organic dairy processors are for about 5.5 percent growth in U.S. organic milk production during 2017. Growth closer to 1 percent would be closer to the comfort level of some processors in terms of expanding processing, distribution and sales. There is some apprehension as to the ability of processing capacity and sales, both retail and wholesale, to absorb the entire increase.

Organic milk ads as a percentage of all organic dairy ads moved up to 59 percent this week. Organic cheese ads dropped back to only 1 percent. Organic advertisement numbers decreased 8 percent this period. Organic butter ad numbers are up 50 percent and organic cream cheese numbers are up nearly thirteen fold.

NATIONAL RETAIL REPORT-DAIRY (DMN): This week, total conventional dairy ads increased 1 percent, and organic dairy ads decreased 8 percent. As a summer season favorite, ice cream posted the major number of conventional ads, but decreased 18 percent from the previous survey. The U.S. weighted average advertised price for conventional ice cream in 48-64 oz. containers is \$2.97, down 17 cents from the last period. There were no reported advertised prices for organic ice cream this week.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.16, down 8 cents from last week. Organic 8 ounce cheese blocks have an average price of \$4.99, up \$1.48, resulting in an organic premium of \$2.83. The advertised price for conventional 8 ounce shred cheese averaged \$2.09, down 26 cents from last week. There were no reported advertised prices for organic 8 ounce shred cheese this week. Conventional cheese ad numbers decreased 10 percent this week, while organic cheese ad numbers decreased 90 percent.

The average sale price for 4-6 ounce conventional Greek yogurt is \$0.95, down 3 cents from the previous week. Organic 4-6 ounce Greek yogurt has an average price of \$1.19, down 8 cents, resulting in an organic premium of 24 cents. The average price for 4-6 ounce conventional yogurt is \$0.50, while the price for organic yogurt is \$1.01, resulting in a \$0.51 organic premium. Total conventional yogurt ads increased 19 percent and organic yogurt ads rose 68 percent.

The weighted average price for conventional half gallon milk is \$2.86. The weighted average price for organic half gallon is \$3.86, resulting in an organic price premium of \$1.00. Organic milk ad numbers decreased 15 percent and numbers for conventional milk decreased 20 percent. Half gallons of milk had the largest number of ads for organic dairy items in the survey.

JUNE COLD STORAGE (NASS): On June 30, U.S. cold storage holdings of butter totaled 310.1 million pounds, down 1 percent from the previous month, and down 5 percent from June 2016. Natural American cheese holdings total 810.3 million pounds, 3 percent lower than the previous month, but 7 percent more than June 2016. Total natural cheese stocks were 1.317 billion pounds, 1 percent lower last month, but 5 percent higher than June 2016.

JULY DANE COUNTY FARMERS' MARKET: The Dane County Farmers' Market is a large, urban market located on the Capitol Square in Madison, Wisconsin. The market has a wide range of agricultural products available. It is reportedly the largest producer-only market in the country. This month, conventional 1- pound mild-sharp cheddar cheese prices ranged \$5.95-\$7.25. For organic, prices ranged \$9.00-\$11.00. Conventional 1-pound muenster cheese prices ranged \$5.95-\$7.00. Organic is priced at \$11.00. Conventional 1-pound Swiss cheese prices ranged \$7.95-\$9.50.

JUNE CONSUMER PRICE INDEX (BLS): The June CPI for all food is 249.7, up 0.9 percent from 2016. The dairy products index is 215.2, up 0.2 percent from a year ago. The following are the June to June changes for selected products: fresh whole milk is -0.3 percent; cheese, +0.6 percent; and butter, +1.2 percent.

MONDAY, JULY 24, 2017

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.4125, 1 @ \$1.4100; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4100; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4200;
 1 CAR 40# BLOCKS @ \$1.7200
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 1 @ \$0.8775, 1 @ \$0.8800, 3 @ \$0.8725, 2 @ \$0.8675; LAST BID UNFILLED: 6 CARS GRADE A: 2 @ \$0.8500, 1 @ \$0.8625, 2 @ \$0.8700, 1 @ \$0.8625;
 LAST OFFER UNCOVERED: 3 CARS GRADE A: 1 @ \$0.8825, 1 @ \$0.8750, 1 @ \$0.8800
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA: 1 @ \$2.5000, 1 @ \$2.5450; LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.6500, 1 @ \$2.6100, 2 @ \$2.6025

TUESDAY, JULY 25, 2017

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.4300, 1 @ \$1.4400, 2 @ \$1.4500, 1 @ \$1.4600, 1 @ \$1.4575; LAST BID UNFILLED: 8 CARS BARRELS: 1 @ \$1.4200, 2 @ \$1.4000, 1 @ \$1.4300, 3 @ \$1.4100, 1 @ \$1.4225; LAST OFFER UNCOVERED: 3 CARS BARRELS: 2 @ \$1.4650, 1 @ \$1.4600; 1 CAR 40# BLOCKS @ \$1.7400
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8650; LAST BID UNFILLED: 10 CARS GRADE A: 2 @ \$0.8625, 2 @ \$0.8575, 2 @ \$0.8500, 2 @ \$0.8550, 2 @ \$0.8600; LAST OFFER UNCOVERED: 5 CARS GRADE A: 1 @ \$0.8900, 1 @ \$0.8975, 1 @ \$0.9025, 1 @ \$0.9000, 1 @ \$0.8900
 BUTTER -- SALES: 2 CARS GRADE AA @ \$2.5900; LAST BID UNFILLED: 3 CARS GRADE AA: 1 @ \$2.5650, 2 @ \$2.5550; LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.6000, 3 @ \$2.6175

WEDNESDAY, JULY 26, 2017

CHEESE -- SALES: 4 CARS BARRELS @ \$1.4600; LAST BID UNFILLED: 2 CARS BARRELS: 1 @ \$1.4575, 1 @ \$1.4475; 2 CARS 40# BLOCKS: 1 @ \$1.7000, 1 @ \$1.6975; LAST OFFER UNCOVERED: 3 CARS BARRELS: 1 @ \$1.4600, 1 @ \$1.4700, 1 @ \$1.4625; 1 CAR 40# BLOCKS @ \$1.7075
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8600; LAST BID UNFILLED: 13 CARS GRADE A: 2 @ \$0.8450, 2 @ \$0.8400, 2 @ \$0.8550, 3 @ \$0.8400, 2 @ \$0.8300, 1 @ \$0.8575, 1 @ \$0.8600;
 LAST OFFER UNCOVERED: 4 CARS GRADE A: 1 @ \$0.8950, 1 @ \$0.8900, 1 @ \$0.8625, 1 @ \$0.8750
 BUTTER -- SALES: 14 CARS GRADE AA: 3 @ \$2.6050, 1 @ \$2.6025, 9 @ \$2.6050, 1 @ \$2.6075; LAST BID UNFILLED: 12 CARS GRADE AA: 10 @ \$2.5500, 1 @ \$2.5000, 1 @ \$2.6025; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.6100

THURSDAY, JULY 27, 2017

CHEESE -- SALES: 5 CARS BARRELS @ \$1.4600; 1 CAR 40# BLOCKS @ \$1.7075; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.4300; 2 CARS 40# BLOCKS: 1 @ \$1.7075, 1 @ \$1.7150;
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4600
 NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 1 @ \$0.8525, 1 @ \$0.8500, 1 @ \$0.8525, 1 @ \$0.8550, 1 @ \$0.8575, 1 @ \$0.8550, 2 @ \$0.8525; LAST BID UNFILLED: 25 CARS GRADE A: 2 @ \$0.8300, 2 @ \$0.8200, 1 @ \$0.8400, 1 @ \$0.8450, 1 @ \$0.8425, 1 @ \$0.8400, 1 @ \$0.8425, 9 @ \$0.8500, 5 @ \$0.8400, 2 @ \$0.8525; LAST OFFER UNCOVERED: 9 CARS GRADE A: 1 @ \$0.8700, 1 @ \$0.8800, 1 @ \$0.8900, 2 @ \$0.8700, 4 @ \$0.8900
 BUTTER -- SALES: 13 CARS GRADE AA: 1 @ \$2.6400, 4 @ \$2.6500, 1 @ \$2.6600, 1 @ \$2.6550, 1 @ \$2.6650, 1 @ \$2.6700, 2 @ \$2.6650, 2 @ \$2.6700; LAST BID UNFILLED: 3 CARS GRADE AA: 1 @ \$2.6100, 1 @ \$2.6525, 1 @ \$2.6650; LAST OFFER UNCOVERED: 3 CARS GRADE AA: 1 @ \$2.6750, 1 @ \$2.7100, 1 @ \$2.6800

FRIDAY, JULY 28, 2017

CHEESE -- SALES: 19 CARS BARRELS: 5 @ \$1.4625, 1 @ \$1.4600, 1 @ \$1.4650, 1 @ \$1.4600, 2 @ \$1.4700, 2 @ \$1.4825, 5 @ \$1.5000, 1 @ \$1.5625, 1 @ \$1.5550; LAST BID UNFILLED: 9 CARS BARRELS: 1 @ \$1.4650, 1 @ \$1.4525, 1 @ \$1.4575, 1 @ \$1.4625, 1 @ \$1.4750, 1 @ \$1.4900, 1 @ \$1.4975, 1 @ \$1.5025, 1 @ \$1.5400; 2 CARS 40# BLOCKS: 1 @ \$1.7150, 1 @ \$1.7550; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 22 CARS GRADE A: 2 @ \$0.8525, 8 @ \$0.8600, 1 @ \$0.8500, 10 @ \$0.8550, 1 @ \$0.8475; LAST OFFER UNCOVERED: 2 CARS GRADE A: 1 @ \$0.9000, 1 @ \$0.8950
 BUTTER -- SALES: 22 CARS GRADE AA: 2 @ \$2.7500, 1 @ \$2.7475, 1 @ \$2.7450, 1 @ \$2.6900, 7 @ \$2.7000, 1 @ \$2.7025, 3 @ \$2.7050, 1 @ \$2.7000, 1 @ \$2.7025, 1 @ \$2.7100, 2 @ \$2.7125, 1 @ \$2.7200;
 LAST BID UNFILLED: 2 CARS GRADE AA: 1 @ \$2.6700, 1 @ \$2.7125; LAST OFFER UNCOVERED: 2 CARS GRADE AA: 1 @ \$3.0000, 1 @ \$2.7200

BUTTER MARKETS

NORTHEAST

The demand for Northeastern butter is moderate to good as orders from domestic and international end users have been active. Sales are stable in retail channels as advertisements promote higher priced butter. Cream multiples are steady and Class II manufacturers are diverting cream into ice cream manufacturing. In addition, a number of Class IV manufacturers are clearing cream into balancing for butter production and for other uses. Eastern churns are operating on full to unfilled schedules. A handful of butter makers are trading their cream instead of churning. Butter inventories are balanced to building, in all, supplies are adequate for contractual requests. Bulk butter prices are 5 to 7 cents over the market of the CME Group, with various time frames and averages used. The market undertone is generally stable as butter prices are appearing around the \$2.60 mark. Tuesday's CME Group cash trading saw Grade AA butter prices closed at \$2.5900, down \$0.0550 from the previous week. According to the *DMN National Retail Report-Dairy*, for July 21-27, 2017, the Northeast weighted average retail price for 1-pound butter was \$3.38, 16 cents higher than the national average price, but down 38 cents from last week's Northeast butter price. Retail butter markets reported prices ranging \$2.47-\$4.59. There are no weighted average retail prices for the Southeast region this week. **COLD STORAGE:** The *NASS Cold Storage* report noted U.S. butter stocks as of June 30, 2017 were 310.1 million pounds, down 5 percent from last year, and down 1 percent from last month. Bulk stocks in all warehouses were 328.1 million pounds last year at this time.

CENTRAL

In the West region, butter production is unchanged from last week. Although ice cream producers and other Class II milk processors are using a lot of cream, cream is still available to butter makers. Butter churning is active. However, due to fairly high cream prices, some processors are opting to sell their cream instead of churning butter for storage. Other manufacturers are holding on to their stock for immediate and year end holiday needs. Domestic demand continues to be strong. Butter is moving well within contracts, and spot sales are regular. Contacts report that the international market is showing more interest in U.S. butter because of higher butter prices overseas. Bulk butter pricing in the West this week is 2 cents below to 5 cents above, based on the CME Group with various time frames and averages used. The *DMN National Retail Report-Dairy* for the week of July 21-27 found that the U.S. weighted average advertised price of 1 pound butter is \$3.22, up \$.31 from last week. The U.S. weighted average price was \$3.07 one year ago. In the Southwest, no advertised ads were reported this week. In the Northwest, the weighted average advertised price of 1 pound butter is \$2.68. The *NASS Cold Storage* report noted U.S. butter stocks as of June 30, 2017, were 310.1 million pounds, down 1 percent from last month, and down 5 percent from last year. Butter stocks in all warehouses were 328.1 million pounds last year at this time. According to the California Department of Food and Agriculture, June 2017 butter production was 40.6 million pounds, down 11.8 percent from a year ago. California year-to-date butter production through June is 285.3

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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
July 22, 2017	2.5862 4,196,901	1.5881 10,930,590	1.4493 9,110,354	.4413 7,992,503	.8909 20,944,532

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

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million pounds, down 6.9 percent from 2016 butter production through June. The Grade AA butter price at the CME Group on Wednesday closed at \$2.6075, down \$.0250 from a week ago.

WEST

Some Midwestern butter producers report that current sales have improved from last year, both in retail and more noticeably in the food service sector. Cream continues to be available for butter production at reasonable multiples, at or around 1.20 f.o.b. Butter makers are attempting to fit in maintenance/updates to plants, prior to the hectic fall season rush. Some contacts suggest butter market prices will continue to maintain and/or increase. They propose current conditions, including the global milkfat shortage and the positive public health views of butter, will sustain a market price in the current \$2.50-\$2.70 range. Contacts point out that current butter market prices are at or ahead of where they were in 2014 and 2015, when the CME butter price broke the \$3.00 threshold by late September, in both years. Wednesday at the CME Group, Grade AA butter closed at \$2.6075, down \$0.0250 from last Wednesday. The NASS *Cold Storage* report noted U.S. butter stocks as of June 30, 2017 were 310.1 million pounds, down 5 percent from last year and down 1 percent from last month. Bulk stocks in all warehouses were 328.1 million pounds last year at this time. DMN *National Retail Report-Dairy* for July 21-27 noted the national weighted average advertised price for a 1 pound package of butter is \$3.22, \$0.31 above one week ago and \$0.15 higher than one year ago. The weighted average regional prices in the Midwest and South Central were \$3.15 and \$2.99, respectively.

CHEESE MARKETS

NORTHEAST

Cheese production remains moderate in the Northeast region. Some cheese producers point out that milk intakes, for the first time in recent months, are well balanced. However, contacts have started to show concern about school districts cutting into milk supplies. The current balanced milk supply, for cheese processors, may be short lived. Overall, domestic cheese demand is on the lighter side, similar to last year's numbers at this time. Cheese inventories in the Northeast are mixed. The market tone is firming a bit of late, and expectations are positive for the near term. CME Group daily cash trading on Tuesday saw the barrel cheese price close at \$1.4575, down \$0.0275 from a week ago, while block cheese ended the day at \$1.7075, down \$0.0025 from a week ago. The DMN *National Retail Report-Dairy*, for July 21-27, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.19, 5 cents below the national average, with a regional price range of \$1.49-\$3.00. The Southeast 8 oz. block average price was \$2.46, 22 cents above the national average, with a regional price range of \$1.98-\$2.50. The Northeast average advertised price for 8 oz. cheese shreds was \$2.35, the same price as the national average price, with a regional price range of \$1.66-\$3.99. In the Southeast, the average price for 8 oz. shreds was \$2.46, 11 cents above the national average, with prices ranging \$1.98-\$2.50. **COLD STORAGE:** According to NASS, U.S. stocks of total natural cheese as of June 2017 totaled 1.3 billion pounds, 1 percent less than the previous month, but up 5 percent from a year ago. Swiss cheese totaled 25.5 million pounds, 4 percent more than a year ago, but down 3 percent from last month. In New England, stocks of American cheese totaled 67.3 million pounds, 6 percent more than June 2016, but no change from May 2017. Northeast wholesale cheese prices for cheddar and Muenster shifted higher, \$0.0800, and process cheese prices moved higher, \$0.0225. The Grade A Swiss price is unchanged.

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

Cheddar 40# Block	:	2.1450-2.4300
Process 5# Sliced	:	1.6125-2.0925
Muenster	:	2.1300-2.4800
Grade A Swiss Cuts 10 - 14#	:	3.1325-3.4550

MIDWEST

Cheese demand reports in the Central region vary. Pizza cheese producers report upticks in orders and expect to get busier in the next few weeks. Curd producers continue to report a strong, seasonal push. Cheddar and traditional producers' demand varies from mediocre to seasonally appropriate. Cheese production in the Midwest varies, but generally plants remain on regular and active schedules. Milk availability has decreased. The majority of reported spot milk loads were flat market to \$1 under Class. However, there were some situational loads reported at \$3 under. Even so, contacts at cheese plants that typically take on spot milk loads, suggest diminishing availability. Even as cheese prices continue to be somewhat strong, the burdensome price gap on the CME is a recurring representation of an unstable market. The DMN *National Retail Report-Dairy* shows that July 21-27 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.31, 4 cents below the national average. Midwest prices range from \$1.99-\$3.00. One year ago, the national price was \$2.26. For 8 ounce blocks, the Midwest average price is \$1.95, 29 cents below the national average price. Midwest ads are priced from \$1.66-\$2.00. Last year, the national price was \$2.13. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of June 2017 were 1.317 billion pounds, 1 percent below May 2017, but

up 5 percent from June 2016. American stocks were 7 percent more, other natural stocks were 3 percent more, and Swiss stocks were 4 percent higher than last year. In the East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio), American cheese stocks at the end of June 2017, were 19 percent higher than last year, but unchanged from last month. Other cheese stocks in the East North Central region were 5 percent higher than June 2016 and 2 percent 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 June 2017, were 1 percent lower than last year and 5 percent lower than last month. Other cheese stocks in the West North Central region were 1 percent higher than May 2016, but 4 percent below May 2017. In CME Group trading Wednesday, barrels closed at \$1.4600, down \$.0250 from last Wednesday and blocks closed at \$1.7075, down \$.0025 from last Wednesday. Midwestern wholesale prices are unchanged for Swiss cuts, up \$.0225 for process, and up \$.0800 for all other types.

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

Process American 5# Loaf	:	1.5500-1.9100
Brick And/Or Muenster 5#	:	2.0700-2.4950
Cheddar 40# Block	:	1.7975-2.1925
Monterey Jack 10#	:	2.0450-2.2500
Blue 5#	:	2.3375-3.3250
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8700-2.8100
Grade A Swiss Cuts 6 - 9#	:	2.6500-2.7675

WEST

Western cheese makers say production is steady and cheese is generally moving well through regular agreements. Domestic demand outside of current contracts is not spectacular. Buyers are not seeking extra loads of cheese, and they are content to wait until consumer demand picks up with the start of football seasons and school start-ups. Milk supplies are adequate to plentiful for most processing needs. Industry contacts report there were a few disruptions at several western cheese plants this week. However, those interruptions to processing were minor and only resulted in a few loads of milk being diverted within the region. Inventories, although generally long, are stable. The DMN *National Retail Report-Dairy* for the week of July 21-27 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.35, up \$.16 from last week. Packs average \$2.24 in the Southwest and \$2.50 in the Northwest. One year ago, the national price was \$2.26. For 8 ounce blocks, the U.S. price is \$2.24, up \$.10 from last week. Blocks average \$2.13 in the Southwest and \$2.25 in the Northwest. One year ago, the national price was \$2.13. In the West, wholesale prices were up \$.0225 for process, and up \$.0800 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 1.4 million pounds (640 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 45.7 million pounds of cheese in export markets. According to the NASS *Cold Storage* report, U.S. stocks of cheese (total natural) at the end of June 2017 were 1.317 billion pounds, down 1 percent from May 2017 holdings, but up 5 percent from June 2016. American stocks were 7 percent more, Swiss stocks were up 4 percent, and other natural stocks were up 3 percent compared to last year. In the Mountain Region, American cheese stocks were 15 percent higher than one year earlier, but down 3 percent from one month earlier. Pacific Region American cheese stocks were 9 percent more than one year earlier, but 1 percent less than the previous

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CHEESE MARKETS

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month. Also in the Pacific Region, other natural cheese stocks were 14 percent below a year ago, but 1 percent higher than a month ago. According to the California Department of Food and Agriculture, June 2017 cheese production was 207.2 million pounds, down 0.2 percent from a year ago. California year-to-date cheese production through June is 1.257 billion pounds, up 0.4 percent from 2016 cheese production through June. In CME Group trading Wednesday, barrels closed at \$1.4600, down \$.0250 from a week ago and blocks closed at \$1.7075, down \$.0025.

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

Process 5# Loaf	:	1.5375-1.7950
Cheddar 40# Block	:	1.8300-2.2750
Cheddar 10# Cuts	:	2.0100-2.2300
Monterey Jack 10#	:	2.0200-2.1800
Grade A Swiss Cuts 6 - 9#	:	2.7100-3.1400

FOREIGN TYPE CHEESE

The European Union (EU) cut cheese market is still firm. Inventories continue to be lower while cheese sellers' revenues stay higher than in the previous month. Mozzarella demand has slightly declined because of cooler temperatures. EU domestic demand is at a normal level for this time of the year. Due to the holiday season, exports to southern Europe increased. In the first five months of 2017, EU cheese exports to Japan grew by 37 percent. However, EU imports of cheese decreased by 21 percent. July cheese prices are stabilizing at higher levels, and prices for the coming month have seen some recent increases. In the U.S., wholesale blue, gorgonzola, parmesan Italy, and Romano prices increased \$0.0800. All other prices are unchanged from last week.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.2150-3.7025*
Gorgonzola	: 3.6900-5.7400	: 2.7225-3.4400*
Parmesan (Italy)	: -0-	: 3.6050-5.6950*
Romano (Cows Milk)	: -0-	: 3.4050-5.5550*
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-	: 3.1700-3.4925
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

COLD STORAGE

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

	BUTTER	CHEESE
	:	:
07/24/17	35,543	: 105,917
07/01/17	35,826	: 105,944
CHANGE	-283	: -27
% CHANGE	-1	: -0

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	50	0	70	0	13
SOUTHEAST STATES	0	0	0	0	0	0

With the summer heat rising, milk production in the East region is decreasing. Manufacturing plants are taking in heavy to manageable milk supplies. Some balancing plants in the Mid-Atlantic report lower milk volumes and are able to take on additional loads. Manufacturers communicate being offered discounted milk, as bottling orders are down. However, in the Southeast, bottling for school will start to pick up in the upcoming weeks. Florida's milk production is dropping rapidly. Market participants communicate Florida's heat has caused production to make greater declines. Sales are flat to slightly down this week. Milk shipments exported 50 loads this week, 20 below last week. **Condensed skim** supplies are abundant and continue to be available. A number of dairy industry individuals are shipping condensed skim out of state, although market participants are able to sell supplies locally. Overall, there are large amounts traveling to areas in the Upper Midwest. **Cream multiples** this week are **1.23-1.35**. Class II manufacturers are in high demand for cream as ice cream season is upon us. With the announcement of August's Advanced Prices, the Class II Nonfat Solids price declined \$0.0177, compared to the previous month. According to the *DMN National Retail Report -Dairy*, for July 21-27, 2017, the U.S. weighted average advertised price for a gallon of milk was \$2.43, up \$0.17 cents compared to last week and up \$0.02 cents from a year ago.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during June 2017 totaled 16.9 billion pounds, up 1.7 percent from one year ago. Eastern states' milk production is as follows:

June 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	214	+ 1.4
New York	1,254	+ 0.4
Pennsylvania	906	...
Vermont	228	- 0.4
Virginia	141	- 1.4

SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:
 F.O.B. producing plants: Northeast- 3.2195-3.5336
 F.O.B. producing plants: Upper Midwest- 3.1672-3.4551

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,
 F.O.B. PRODUCING PLANTS:
 Northeast - Class II - includes monthly formula prices- .35-.81
 Northeast - Class III - spot prices - .30-.75

MIDWEST

Midwestern fluid milk and cream contacts are reporting a general sense of balance currently in the Central region. Summer temperatures and persistent high humidity/precipitation have slowed milk production and decreased protein and fat contents somewhat. However, with the long and heavy spring flush, regional intake facilities are satisfied with current milk availability. Class I operations

are preparing for hectic weeks in the near future, as some regional schools reopen in early August. Cheese makers are generally reporting spot milk loads from flat market to \$1 under. Midwestern cheese producers are experiencing a marked decline in spot milk offerings. **Cream multiples** have inched up this week, currently **1.21 to 1.32** f.o.b. Butter makers report receiving some spot cream loads from Class III processors. Ice cream manufacturers' cream interests are holding steady, more so than some contacts expected at this time of the summer. The *DMN National Retail Report-Dairy* for July 21-27 noted the national weighted average advertised price for one gallon of milk was \$2.43, up \$0.17 from a week ago and \$0.02 higher than a year ago. The weighted average regional price in the Midwest and South Central was \$1.95, the same in both regions. The *NASS Milk Production* report noted June 2017 milk production in the 23 selected states was 16.9 billion pounds, 1.7 percent above a year ago. Milk cows in the 23 selected states totaled 8.7 million head, 83,000 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:

June 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	163	+ 3.8
Indiana	346	+ 2.7
Iowa	426	+ 1.7
Kansas	280	+ 4.1
Michigan	948	+ 2.8
Minnesota	822	+ 1.4
Ohio	468	+ 0.4
South Dakota	215	+ 2.9
Texas	1,017	+15.0
Wisconsin	2,543	+ 0.2

WEST

California handlers report that milk intakes clearing to bottlers are steady this week. Farm milk production is steady to slightly lower. Hot temperatures continue to melt the snow on the mountains, making water more available for pasture and rangeland irrigation. Manufacturing plants are working at or near full capacity, and milk seems to be in good balance with processing needs. Hot daytime temperatures continue to affect cows' milk yield in **Arizona**. Milk production is lower following normal seasonal pattern. However, manufacturers don't have any problem getting the volume of milk needed for processing activities. Milk demand from Class I is stable. Contacts report an active milk intake for Class II production. In Arizona, fifty-nine percent of alfalfa hay is rated good to excellent, and three quarters of alfalfa is being harvested. Topsoil moisture is 100 percent adequate. **New Mexico** farm milk production shifted down as the summer continues to bring forth higher temperatures and a few heavy rainfalls, distressing the well-being of cows. Bottling milk demand is a little up while Class II intakes are steady to lower. Manufacturing milk volumes going into Class III are trending up. Some contacts report that milk is moving from the Southwest to the East. Fifty-nine percent of alfalfa hay third cutting is complete, and thirty percent of the fourth cutting is complete. Sixty-six percent of alfalfa hay is in good to excellent condition. **Pacific Northwest** milk production is following typical seasonal patterns. Favorable weather,

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

conducive to good cow comfort, continues to support steady milk production. Manufacturers say there is plenty of milk for most processing needs. Bottling demand is steady and ice cream and other Class II manufacturers are pulling good volumes of cream and fluid milk. In the mountain states of **Idaho, Utah and Colorado**, milk intakes are in relatively good balance. Although the region has had some hot days, cooler nights have helped the cows recharge and keep milk production steady. Manufacturers report not having any trouble getting the milk they need. Although minor disruptions occurred at several area processing facilities, the setbacks did not impede milk handling much. Industry contacts say only a few loads of milk needed to be juggled around, but they quickly found homes within the region. In the West, manufacturers are selling more **condensed buttermilk** due to dryers' limited availability. **Cream** sales are active, and supplies remain less firm than usual. **Cream multiples** for all usages range **1.05-1.27**. According to the DMN *National Retail Report-Dairy* for the week of July 21-27, the national weighted average advertised price for one gallon of milk is \$2.43, up \$0.17 from last week, and \$0.02 higher from a year ago. The weighted average regional price in the Southwest is \$2.73, with a price range of \$2.59-\$2.97. No ads were reported in the Northwest. According to California Department of Food and Agriculture, June 2017 pool receipts of milk in the state total 3.11 billion pounds. This is 3.2 percent lower compared to the same month a year ago. From January through June 2017, receipts are 3.1 percent lower from the comparable period in 2016. The Value at Test price is \$16.47, \$0.57 higher than the previous month, and \$2.67 above a year ago. The percentage of receipts used in Class 1 products is 12.67 percent. The June quota price is \$17.08 and the over quota price is \$15.38. These prices are \$0.62 above last month, and \$2.46 higher from a year ago. According to CDFA, June 2017 Class 1 sales in California totaled 48.8 million gallons, down 9.2 percent from last month, and down 2.7 percent from the previous year. From January through June 2017, Class 1 sales totaled 310.6 million gallons, down 3.3 percent from the comparable period in 2016. The NASS *Milk Production* report noted June 2017 milk production in the 23 selected states was 16.9 billion pounds, 1.7 percent above a year ago. Milk cows in the 23 selected states totaled 8.73 million head, 83,000 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:

June 2017 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Arizona	413	+ 3.8
California	3,290	- 2.1
Colorado	347	+ 8.1
Idaho	1,264	+ 1.9
New Mexico	696	+ 9.8
Oregon	213	- 3.2
Utah	190	+ 6.1
Washington	546	- 1.3

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 in the Central U.S. slipped at the top of the price range, but remained steady on the mostly price series. Spot trading activity was moderate. Low/medium heat NDM production continues to be the primary focus of dryer time, leading to plentiful stores. The low/medium heat NDM market undertone is on solid ground. Contacts suggest Mexican end users are actively bidding after a quiet fortnight. High heat NDM prices held steady. Spot sale trading of high heat NDM was quieter than the previous week. Production and inventories of high heat NDM are generally focused on contractual obligations.

EAST: Prices for low/medium heat nonfat dry milk (NDM) in the East shifted downward on the top of the range, but held steady on the mostly price series this week. A few suppliers are offering spot loads at higher prices, but interest is limited. With Eastern areas still producing heavy amounts of milk, low/medium heat NDM production is strong, as dryers are running on packed schedules, taking up most drying time. As dryers are continuously pumping out low/medium heat NDM, inventories are adequate for contractual needs and spot load requests. The demand is moderate to light as a handful of end users are purchasing spot loads, but at prices lower than what the suppliers are looking to sell for. The market undertone is generally fair. Eastern high heat NDM prices are stable. Spot activity is limited as a number of market participants are not offering high heat currently. The demand is moderate as some market participants have a need for high heat and are willing to purchase at prices on the top end of the price series. In addition, production is light to quiet, but there are anticipations of production picking up in the near future. High heat NDM inventories are short. The market tone is steady. Wednesday's CME Group cash trading for Grade A nonfat dry milk closed at \$0.8600, no change in price from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8500 - .9600 MOSTLY: .8800 - .9200
HIGH HEAT: 1.0000 - 1.0900

NONFAT DRY MILK - WEST

F.O.B spot prices for Western low/medium heat nonfat dry milk (NDM) are lower at the top of the range and steady on the mostly price series. The market undertone is unsettled. NDM is moving well within contracts. Sales are steady in the spot market. Industry contacts report strong commercial sales to Mexico. With the dollar being weaker, the Mexican market has a higher buying power. NDM inventories are abundant and continue to build up. Reports suggest that some manufacturers are not eager to sell their stocks as they expect the market to firm up in a couple of weeks when educational institutions reopen. Production is seasonally lower due to lower milk output. Western high heat nonfat dry milk f.o.b spot prices are stable on light trading. The market undertone is firm as demand continues to be above current stocks. Production is irregular and in line with contractual needs. Spot sales are light.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8050 - .9400 MOSTLY: .8700 - .9200
HIGH HEAT: .9800 - 1.0700

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
July 21	\$.9053	8,196,328
July 14	\$.9155	6,259,934

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: Prices for Central dry buttermilk held steady. Spot sale trading was relatively unchanged from the past two to three weeks. Dry buttermilk production is down. Inventories are mixed. In previous weeks, inventory reports were pointing to a dwindling supply. However, some contacts have started to suggest offers are more abundant recently. Dry buttermilk demand is steady. The market undertone is fairly firm.

EAST: Dry buttermilk prices in the East region are unchanged. Currently, many traders are not seeing spot load offers on the market. Market participants communicate some suppliers are holding off on selling dry buttermilk to see where the price will go. Production is moderate to limited, as production schedules are filled for drying condensed skim. Inventories are light. The demand is fair and market tone is balanced with signs of uncertainty, as there are limited offers of dry buttermilk.

F.O.B. CENTRAL/EAST: .8450 - .9200

DRY BUTTERMILK - WEST

Western dry buttermilk f.o.b. spot prices are mixed on an unsettled market. The high end of the pricing range has risen as a few buyers/end users are paying higher premiums for brand-name dry buttermilk. Meanwhile, some spot sales pushed slightly up the bottom of the mostly series. Spot sales activity has been light throughout the week. Dry buttermilk production is mixed. Several butter manufacturers report scattered production based on contractual needs. At this point, the bulk of condensed buttermilk supplies continue clearing into ice cream manufacturing. Thus, drying schedules are limited. Dry buttermilk inventories are balanced in some plants, but tight in others.

F.O.B. WEST: .8200 - .9600 MOSTLY: .9100 - .9200

DRY WHOLE MILK - NATIONAL

F.O.B. spot prices for national dry whole milk are unchanged, in line with current offshore WMP values. Nationwide, spot trading is light this week. The market undertone is mostly balanced in each region of the country. Overall, the demand is fair to good. Dry whole milk production is irregular, based on contractual needs. Inventories vary from plant to plant.

F.O.B. PRODUCING PLANT: 1.3000 - 1.6000

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central whey prices remained steady on the range and mostly price series. Demand is trending upward as prices are more approachable of late. Spot offers are pervasive. Some reports point out that Mexican buyers are showing more interest if the price is toward the bottom of the range. Manufacturers report inventories are mixed. Some buyers report that finding specific brands is getting a little more difficult. Undoubtedly, cheese production has been steady, so whey production has followed suit. Feed whey markets are a little more active as prices increased on the bottom of the range. Feed whey inventories remain available.

F.O.B. CENTRAL: .3200 - .5100 MOSTLY: .3800 - .4700
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3200 - .4725

LACTOSE - CENTRAL AND WEST

Lactose prices moved lower at the bottom of the range and both ends of the mostly price series. Aside from a few highly desired brands with tight supplies, inventories are generally building and getting heavy. Manufacturers report steady lactose production, but periods of higher heat and humidity have made it more difficult to make the lactose. Domestic demand is stable and lactose is moving well through contracts. However, international market demand is weak and U.S. suppliers are running into more competition from European lactose or other heavily discounted American lactose.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2500 - .4900 MOSTLY: .3200 - .4000

DRY WHEY - NORTHEAST

Dry whey prices in the Northeast decreased on the top of the range. Some contacts suggest there are large-volume spot offers, in the middle of the current price range, that are dictating the current market prices. Whey producers in the Atlantic region report that whey is moving steadily via contracts. Whey inventory reports are mixed, from balanced to heavy. The Northeast dry whey market tone is unstable.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3500 - .4800

CASEIN - NATIONAL

Rennet and acid casein prices are steady. It is a quiet time of the year for dairy product trading in the EU and Oceania. New Zealand exports of casein(ates) January through June, are 13.1 percent lower than same period last year. Export volumes and primary destinations are shown in the following table:

New Zealand Casein(ate) Exports

Main Three Destinations
January-June 2017

Destination	Quantity(MT)	Percent of Total
U.S.A.	17,039	36.1
China	6,352	13.5
Japan	4,654	9.9

DRY WHEY - WEST

Western whey prices moved lower at the bottom of the range and at the top of the mostly price series. Industry contacts say inventories are heavy. Whey production is steady to higher as processors try to find a home for whey proteins coming from active cheese manufacturing. Demand is lackluster and spot sale activity is quiet. Many buyers seem content to hold off on purchases until they need whey.

NONHYGROSCOPIC: .3600 - .4850 MOSTLY: .4000 - .4450

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

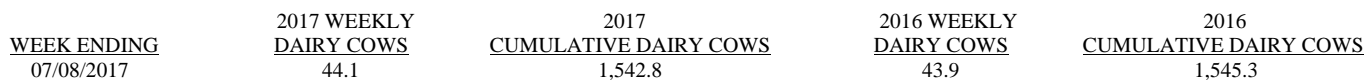
Whey protein concentrate 34% prices moved lower at the bottom of the range driven by spot sales activity and price pressures from other interchangeable protein sources. The top of the range and both ends of the mostly prices series, however, remain unchanged. A few manufacturers with differentiated products and tight inventories are able to hold firm on premium pricing. Other reported spot sales are distributed across the breadth of the price range. Demand is weak, except for highly desired brands. Stocks are much more available for WPC34% that can be substituted by other protein sources. Manufacturers report production is steady to higher for most WPC34%. However, production is still not high enough to meet demand and build inventories for WPC34% that meets tight customer specifications and is not easily supplanted.

F.O.B. EXTRA GRADE 34% PROTEIN: .7200 - 1.1850 MOSTLY: .8300 - .9550

With milk production in New Zealand typically moving only slightly up from seasonal June lows into July, which is believed to be the pattern this year, we are nearing August, when milk production usually jumps up significantly. New Zealand manufacturers expect the same pattern this year and look forward to more extensive activity in casein markets in coming weeks.

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: 2.7000 - 2.8500
ACID: 3.4000 - 3.6500



ORGANIC DAIRY MARKET NEWS

Information gathered July 17 - 28, 2017

ORGANIC DAIRY FLUID OVERVIEW

U.S. Organic Milk Production and Sales. Projections by some large organic dairy processors are for about 5.5 percent growth in U.S. organic milk production during 2017. Growth closer to 1 percent would be closer to the comfort level of some processors in terms of expanding processing, distribution and sales. There is some apprehension as to the ability of processing capacity and sales, both retail and wholesale, to absorb the entire increase.

One possibility is that more organic milk will flow into conventional markets until a new organic dairy equilibrium develops. A trinity of variables in this equation are wetness, heat, and imports. The quality and quantity of organic feed grown during the current growing season is yet to be determined as weather conditions play out. Growing conditions domestically have been challenged in a number of areas by nearly constant wetness. Other areas are affected by extreme heat. Heightened attention to sourcing of organic feed imports has yet to ripen into certain import quantities for the year. The final outcome of the 2017 organic feed crop year is still to be determined and remains an uncertainty at this point.

For a number of organic dairy processors, efforts to recruit dairy producers to transition into organic have stalled. A number of previous recruits remain in the transition process and efforts are being made to accommodate them as they fully transition. Interest in signing new prospects is near zero. Very few dairy producers are scheduled to complete the transition process beyond the end of 2018.

Monthly Retail Milk Price Comparison for Twenty Nine U.S. Cities. In a continuing data series, the July 2017 in store survey of supermarkets in twenty nine U.S. cities as to pricing of organic whole milk in half gallon containers, reveals that prices range from \$2.98, to \$5.07. The relative pricing in the twenty nine cities is displayed on the map below based on the size of the dot.

If you are reading this in text format, images will not appear. To view all images please go to the PDF version of this report, <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>.

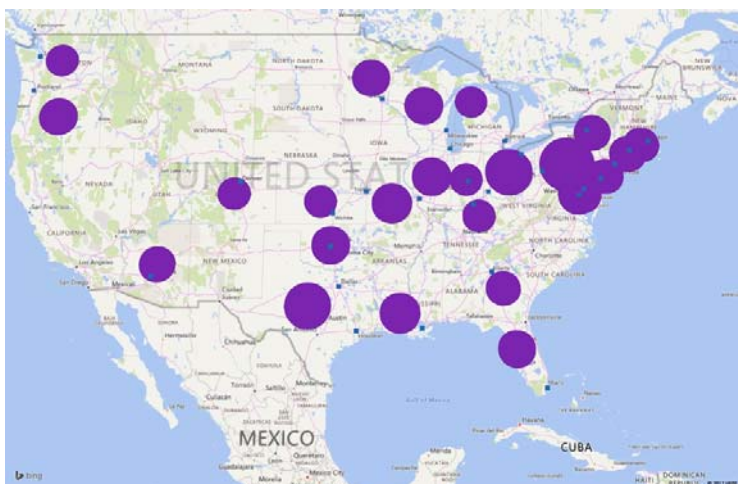


Image: Dairy Market News. Data Source: Federal Milk Market Order Administrators.

The July average of pricing for the twenty nine cities, \$4.20, has generally trended lower throughout 2017.

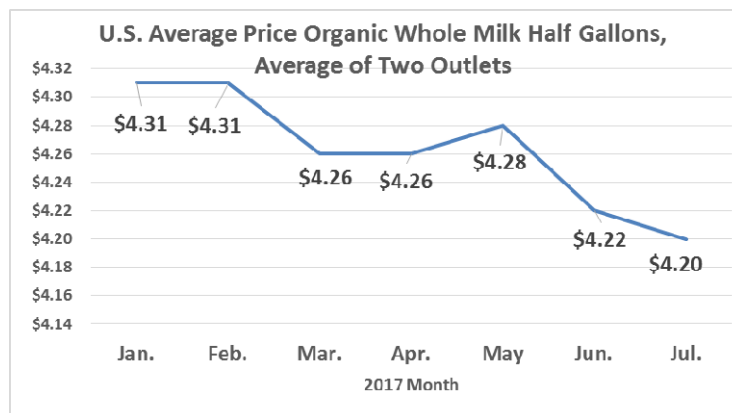


Image: Dairy Market News. Data Source: Federal Milk Market Order Administrators.

City by city, the greatest July organic premium (the organic milk price minus the conventional milk price) is in Portland, Oregon, \$1.50. The lowest Fort Lee, New Jersey, \$0.09. Atlanta stands alone as the only city among the twenty nine in which organic whole milk half gallons had a lower price than conventional, \$0.04 lower. The following table provides more detail.

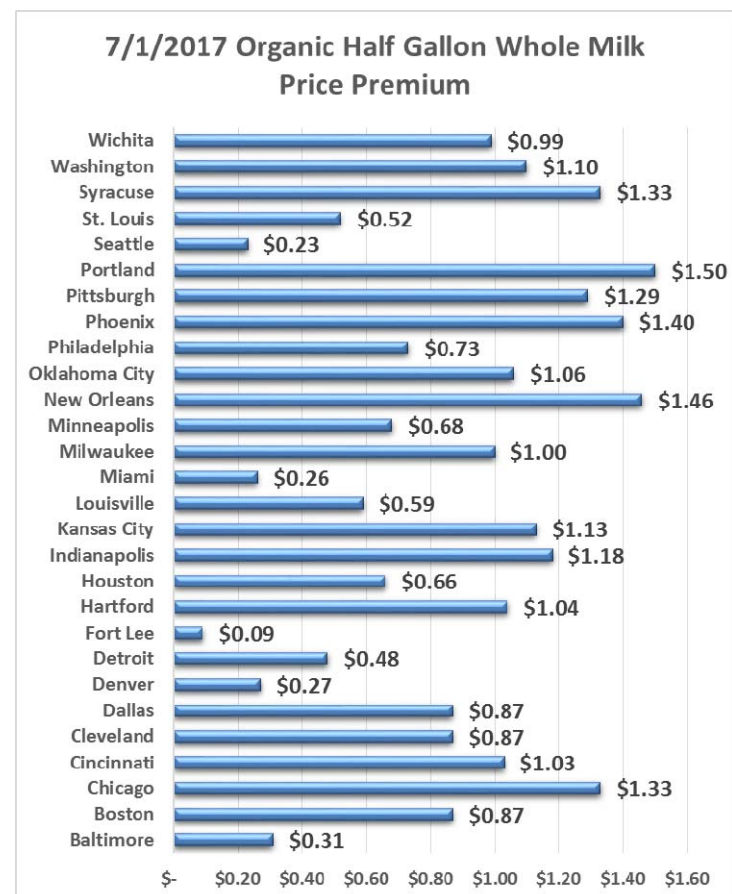


Image and data calculation: Dairy Market News. Data Source: Federal Milk Market Order Administrators.

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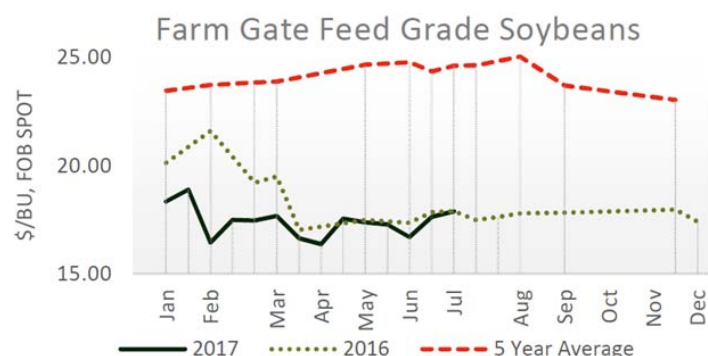
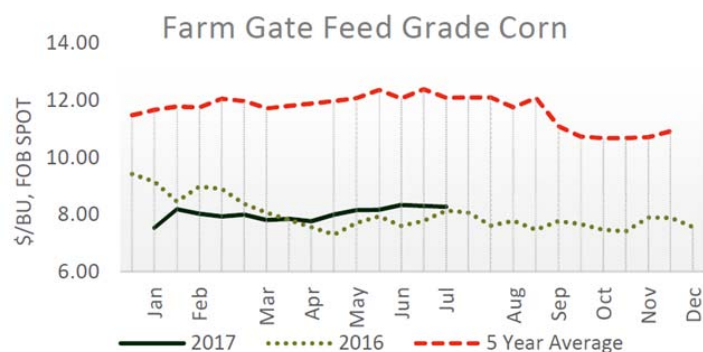
ORGANIC DAIRY MARKET NEWS

Information gathered July 17 - 28, 2017

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The organic price listed in this survey represents the simple average of two prices, (three prices for conventional milk), the price of the single most common brand in non-returnable plastic containers in one outlet of each of the two largest food store chains (and the largest convenience store chain) in each of the twenty nine cities. Not all brands of organic milk in each surveyed store are included and higher or lower prices of milk offered by other than the most common brand in each of the two stores are not included. Prices are collected by Federal Milk Market Administrators during the first non-Friday or weekend ten days of each month. Complete data may be found here: <https://www.ams.usda.gov/sites/default/files/media/RetailMilkPrices.pdf>

ORGANIC GRAIN AND FEEDSTUFF MARKETS: Organic feed grade corn demand and activity is moderate, with no comparable trades from the prior period. Organic feed grade soybean demand and activity is also moderate, trading 25 cents higher this period. Organic soybean meal and soybean oil trading is moderate, with good demand. Trade activity and demand on feed wheat is moderate. Forward contracts for organic food grade hard red winter wheat were mostly \$13.00/bu delivered, with hard red spring wheat \$18.25 to \$19.25 delivered. Due to ongoing inclement weather, buyers are unsure of organic crop yields on current crop corn and wheat.



Graphs by Livestock, Poultry and Grain Market News

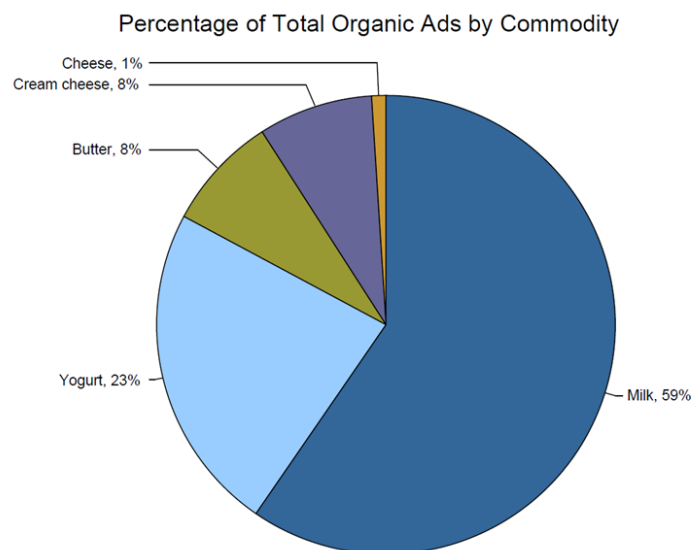
Additional livestock and grain market news information is available at: <https://www.ams.usda.gov/mnreports/lbsnof.pdf>

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. Organic milk ads as a percentage of all organic dairy ads moved up to 59 percent this week. Organic cheese ads dropped back to only 1 percent. The following pie chart displays percentages of all organic commodities noted in the survey.

If you are reading this in text format, images will not appear. To view all images please go to the PDF version of this report, <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>.

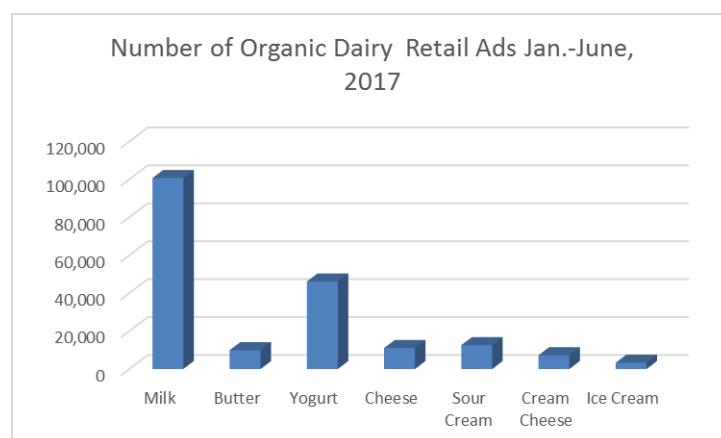
Organic advertisement numbers decreased 8 percent this period. Organic butter ad numbers are up 50 percent and organic cream cheese numbers are up nearly thirteen fold.



Data source/graph USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from July 28-August 3, 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.

First Half 2017 Organic Dairy Ad Profile. January through June 2017, organic milk was clearly the most advertised organic dairy product. Not surprisingly, organic yogurt was a strong second place item.



Data source: USDA/AMS/Weekly National Organic Summary. Graph: Dairy Market News

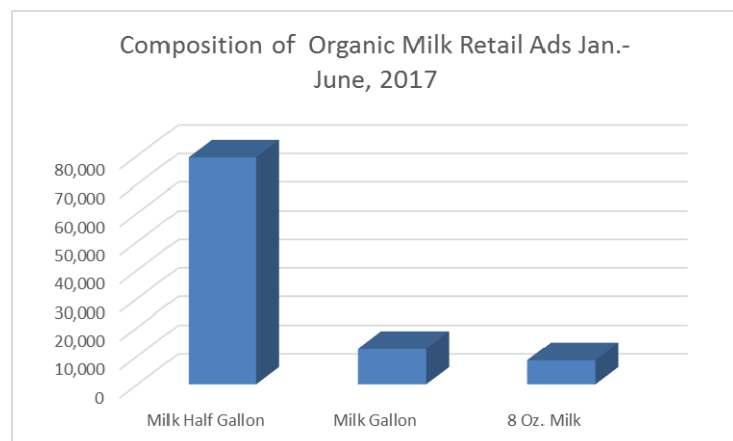
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ORGANIC DAIRY MARKET NEWS

Information gathered July 17 - 28, 2017

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In the organic milk category, half gallons are most advertised.



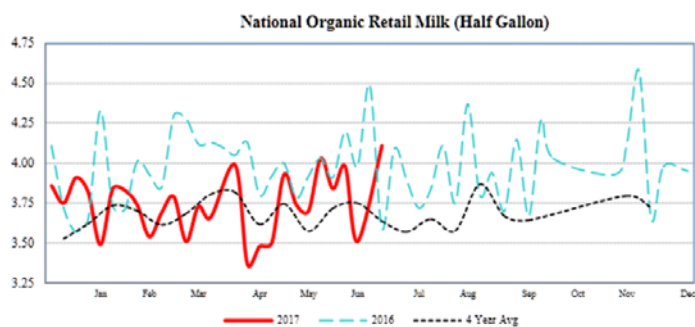
Data source: USDA/AMS/Weekly National Organic Summary. Graph: Dairy Market News

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

NATIONAL RETAIL ORGANIC DAIRY (Wtd.Avg.Price - Dollars)

Commodity	This Week	Last Week	Last Year
Butter	5.18	4.99	4.36
Milk			
Half Gal.	3.86	3.78	3.72
Gal.	5.77	5.93	5.51
8 oz.94	1.00
Yogurt			
4-6 oz. Greek	1.19	1.27	1.11
32 oz. Greek	5.49	...	4.67
4-6 oz. Yogurt	1.01	1.14	...
32 oz. Yogurt	3.00	4.49	3.99

Complete results of the National Retail Report-Dairy can be accessed at: <https://www.ams.usda.gov/mnreports/dybretil.pdf>



Data source/graph USDA/AMS/Weekly National Organic Summary

Complete results of the Weekly National Organic Summary can be accessed at: <https://www.ams.usda.gov/mnreports/lswnos.pdf>

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

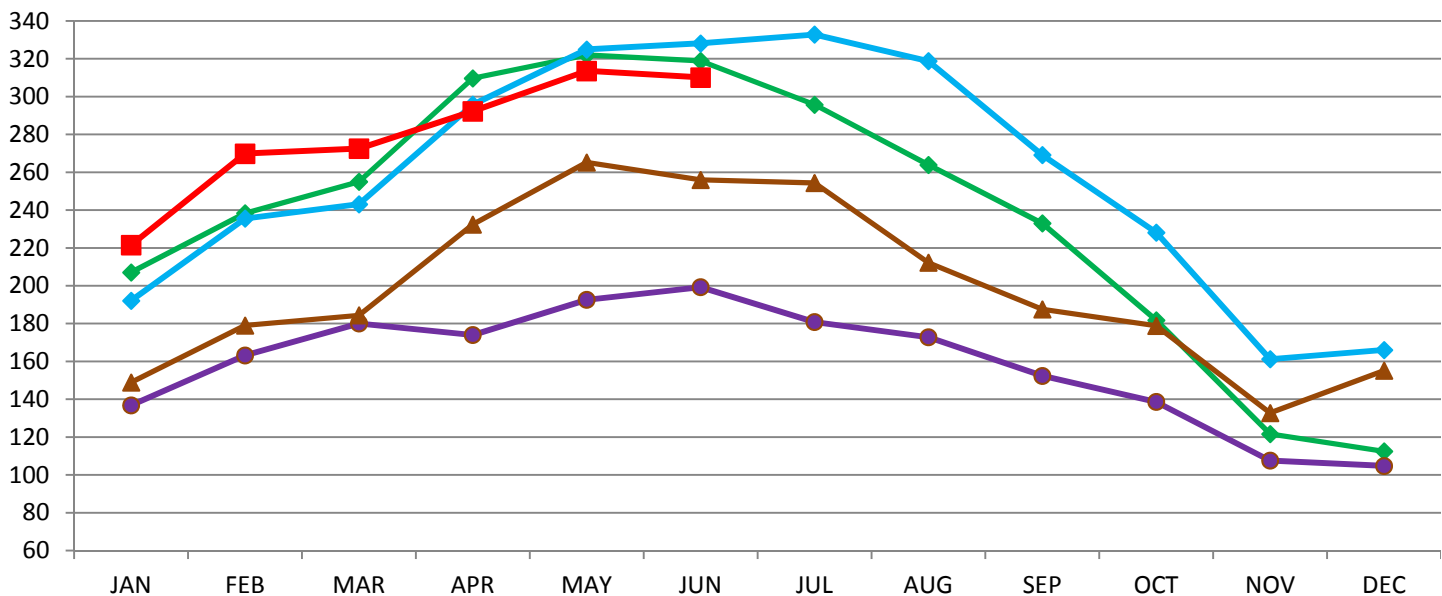
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	MAY 31, 2015	MAY 31, 2016	REVISED MAY 31, 2017	JUNE 30, 2015	JUNE 30, 2016	JUNE 30, 2017
Butter	265,198	324,942	313,599	256,000	328,149	310,114
Cheese, Natural American	669,464	757,530	836,712	685,745	756,950	810,275
Cheese, Swiss	21,424	24,967	26,242	20,841	24,492	25,495
Cheese, Other Natural	420,966	466,885	467,025	435,655	468,886	481,037
Total Cheese	1,111,854	1,249,382	1,329,979	1,142,241	1,250,328	1,316,807

JUNE STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
New England	62,818	63,273	67,333				927	690	594
Middle Atlantic	70,385	90,652	54,597				24,784	16,903	18,605
East North Central	265,482	296,086	353,335				275,954	297,507	313,629
West North Central	117,311	131,697	130,733				47,108	46,884	47,217
South Atlantic	1,109	1,216	1,204				23,323	28,040	35,431
East South Central	5,700	6,356	15,065				14,223	24,226	15,395
West South Central	13,331	16,779	20,848				787	1,203	1,576
Mountain	52,681	47,488	54,496				3,055	3,910	5,953
Pacific	96,928	103,403	112,664				45,494	49,523	42,637
TOTAL	685,745	756,950	810,275	256,000	328,149	310,114	435,655	468,886	481,037

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

MILLION POUNDS

Butter Cold Storage Holdings



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

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

MD_DA 910

Madison, WI Saturday, July 22, 2017 USDA-AMS Market News

The Dane County Farmers' Market is a large, urban market located on the Capitol Square in Madison, Wisconsin. The market has a wide range of agricultural products available. It is reported the largest producer-only market in the country. Dane County Farmers' Market requires [dairy product] vendors to have either made their products with their own animals' milk, have them processed at a licensed dairy facility using only their milk or procured milk from farmers and processed the milk into dairy products.

Data from the Dane County Farmers' Market are listed in the table below. All reported dairy products are local to Wisconsin and sold by producers. These are cows' milk products.

Dane County Farmers' Market, Madison, Wisconsin
Saturday, July 22, 2017
Dairy Products

Commodity	Type	Pack size	:	Conventional*	:	Organic
			:	Price Range \$:	Price Range \$
Cheese	Blue	Per lb	:	8.95-11.00	:	
Cheese	Brick	Per lb	:	5.95- 7.00	:	
Cheese	Butterkase	Per lb	:	6.50	:	10.00-11.00
Cheese	Cheddar Mild-Sharp	Per lb	:	5.95- 7.25	:	9.00-11.00
Cheese	Cheddar 1 year	Per lb	:	6.50- 8.00	:	
Cheese	Cheddar 2-4 year	Per lb	:	6.49-11.50	:	
Cheese	Cheddar 5-9 year	Per lb	:	8.95-20.00	:	
Cheese	Cheddar 10 year	Per lb	:	15.00-19.95	:	
Cheese	Cheddar 11-14 year	Per lb	:	20.00-26.95	:	
Cheese	Colby	Per lb	:	5.95- 8.25	:	11.50
Cheese	Farmers	Per lb	:	5.95- 6.50	:	
Cheese	Havarti	Per lb	:	7.50- 8.00	:	
Cheese	Jack, Mont. or Flav.	Per lb	:	5.95-10.00	:	11.50
Cheese	Mozzarella	Per lb	:	7.00	:	10.00-11.00
Cheese	Muenster	Per lb	:	5.95- 7.00	:	11.00
Cheese	Swiss	Per lb	:	7.95- 9.50	:	
Cheese	Swiss, Aged 1-5 year	Per lb	:	8.95-14.95	:	
Cheese	Curds	12 oz	:	4.50- 5.00	:	4.00-5.50
Cheese	Curds	1 lb	:	6.00	:	
Cheese	Gruyere	1 lb	:	14.00	:	

* Conventional prices reported may include "grass-fed" or "pasture-grazed" products.

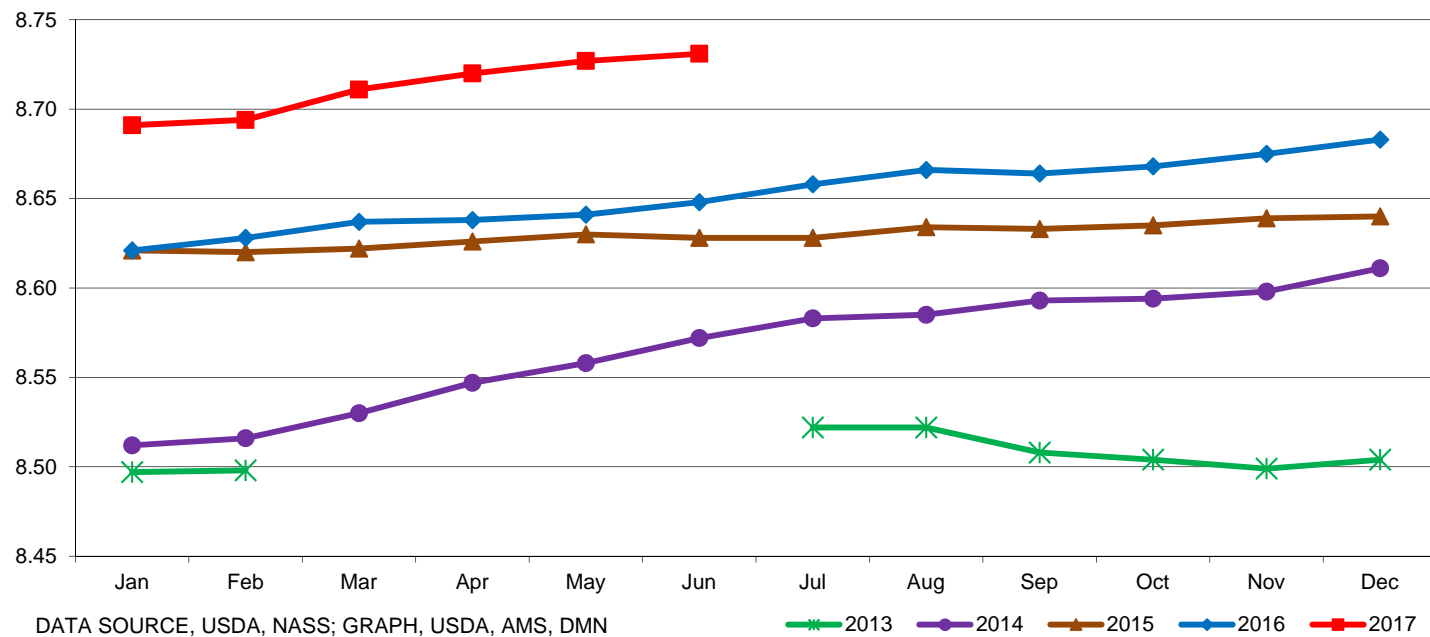
Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average ¹

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
Apr 2017	249.7	0.5	217.8	-0.2	201.3	0.1	228.2	-0.8	233.8	-0.3	243.3	-3.0
May 2017	250.0	0.9	217.0	0.4	201.3	0.4	227.0	-0.7	238.6	3.9	243.8	-2.1
Jun 2017	249.7	0.9	215.2	0.2	198.5	-0.3	226.5	0.6	236.3	1.2	245.8	-0.9

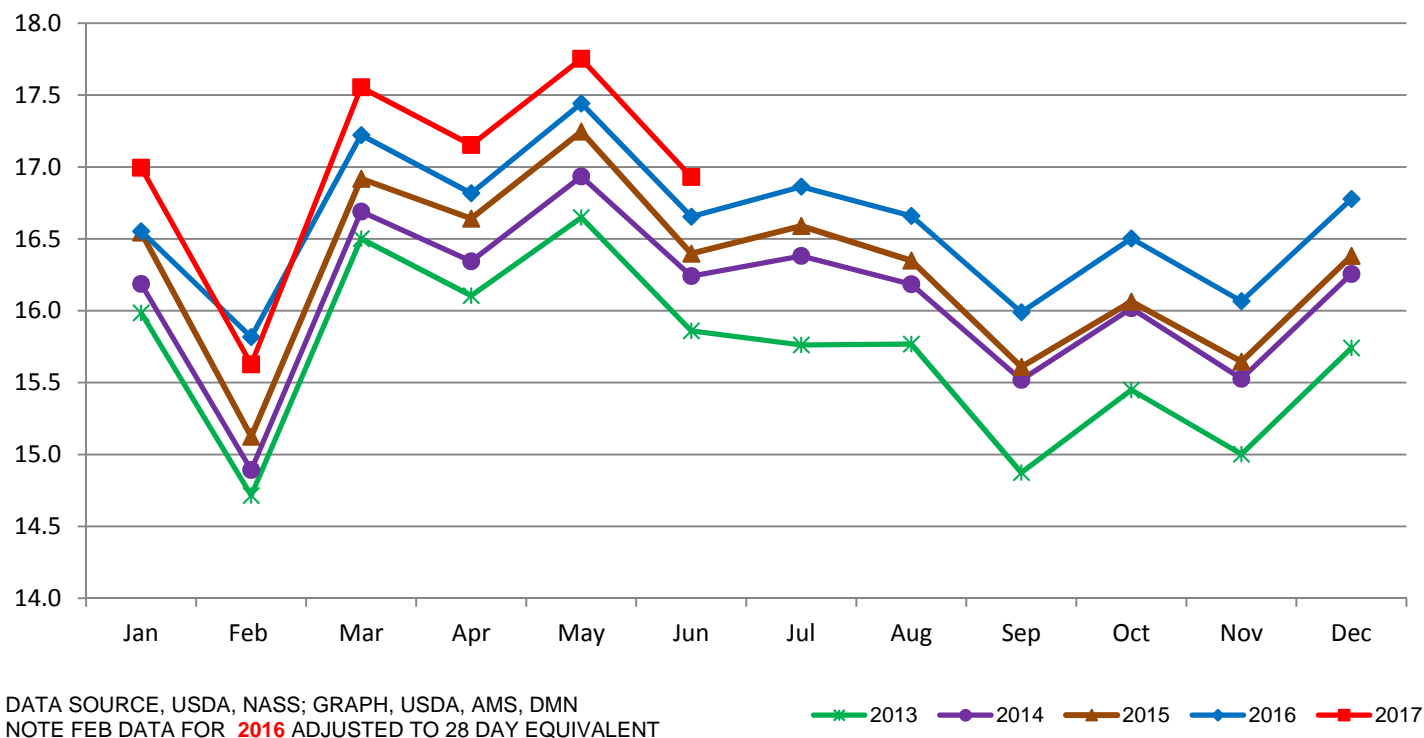
U.S. City Average Retail Prices										
Month	Whole Milk ⁴		Butter ⁵		Process Cheese ⁶		Natural Cheese ⁷		Ice Cream ⁸	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	<i>(dollars)</i>									
Apr	3.259	3.155	N/A	N/A	4.352	4.434	4.794	5.399	4.659	4.915
May	3.242	3.157	N/A	N/A	4.393	4.325	4.748	5.365	4.631	4.801
Jun	3.213	3.115	N/A	N/A	4.306	4.310	4.797	5.269	4.629	4.710

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.

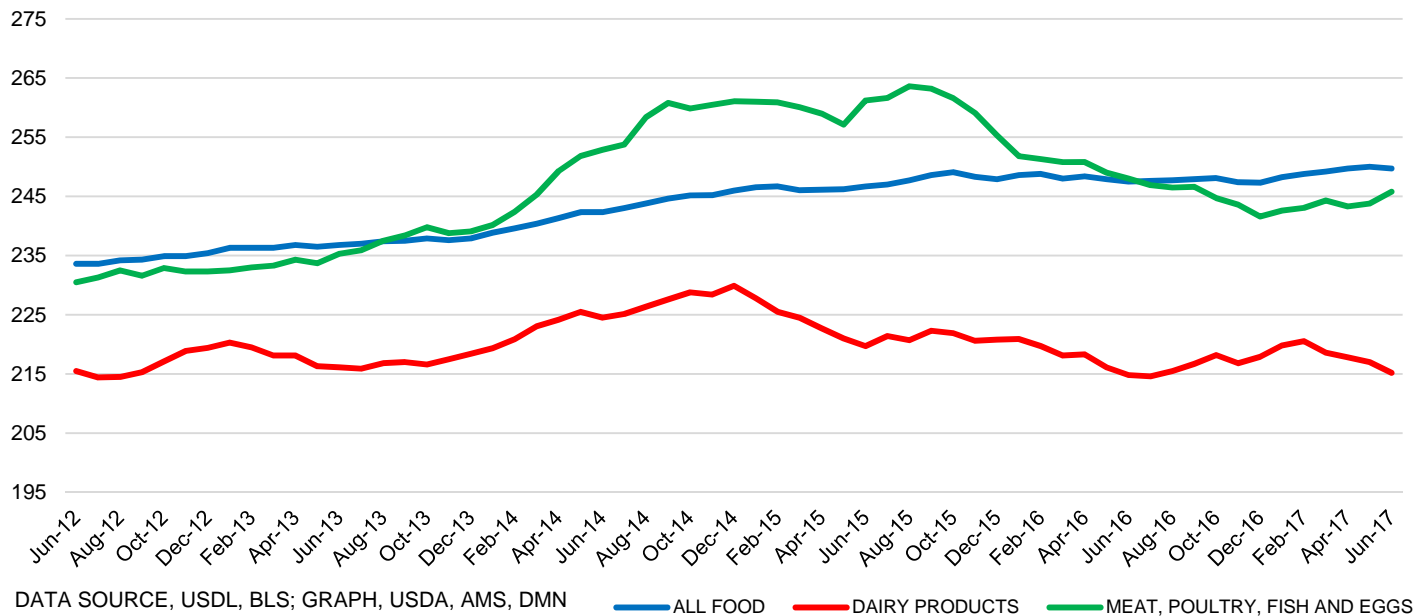
MILLION HEAD

Milk Cow Numbers - 23 Selected States

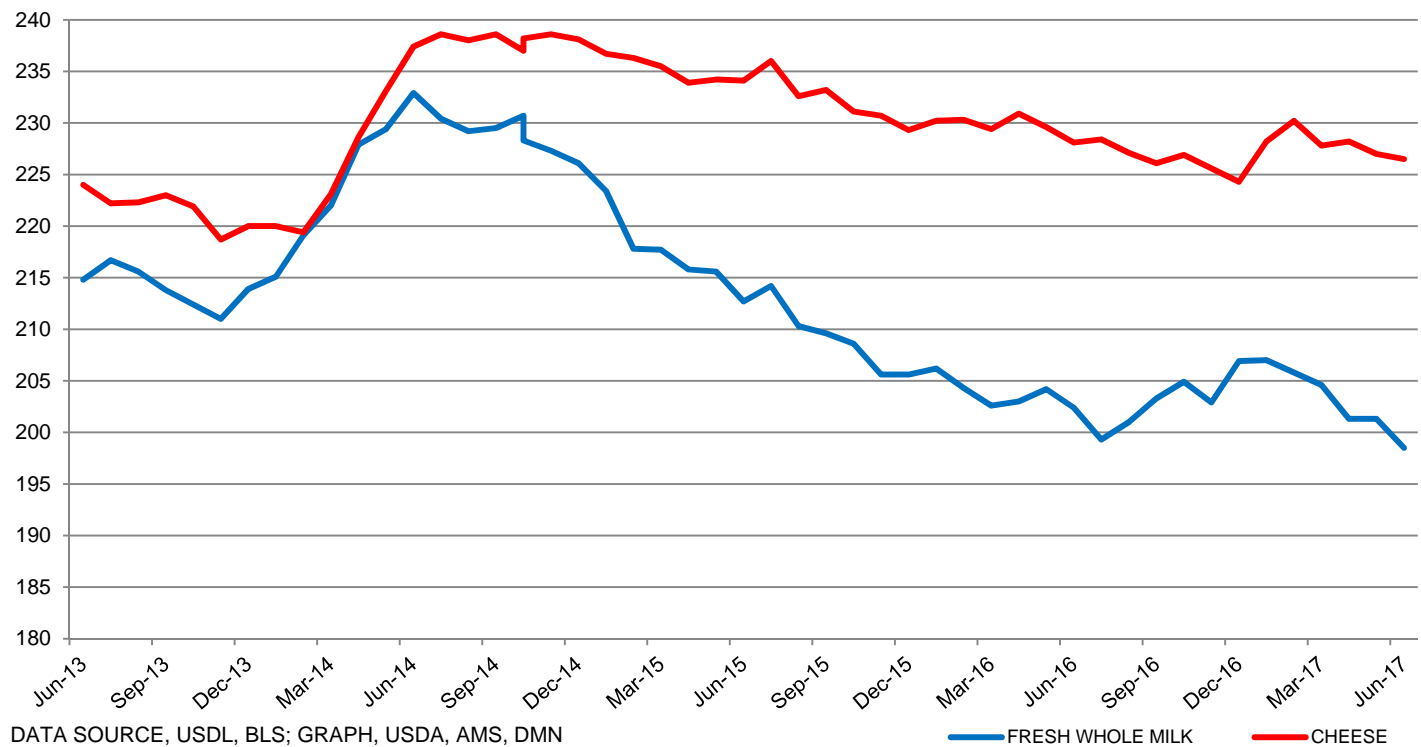
BILLION POUNDS

Milk Production - 23 Selected States

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>

Volume 83- Number 30

Issued Weekly

Friday, July 28, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 07/28/2017 to 08/03/2017

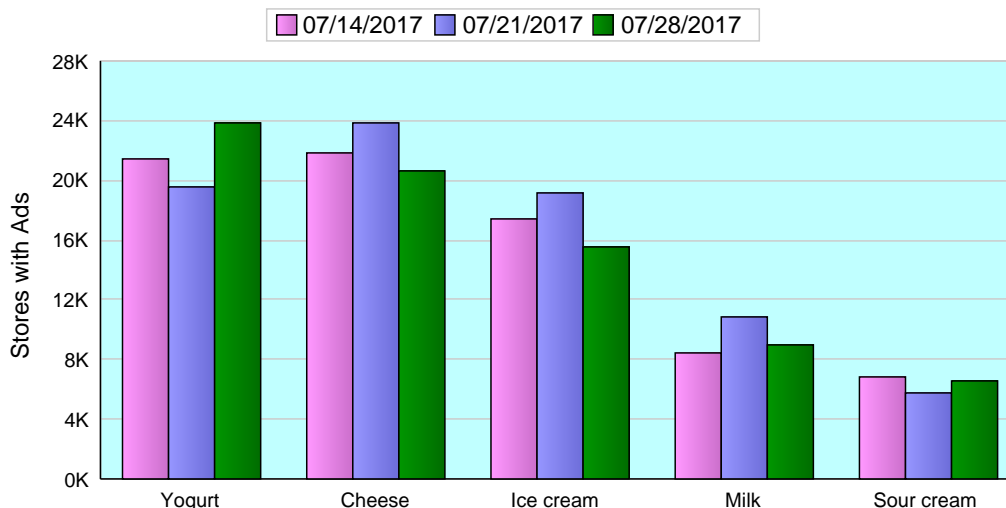
This week, total conventional dairy ads increased 1 percent, and organic dairy ads decreased 8 percent. As a summer season favorite, ice cream posted the major number of conventional ads, but decreased 18 percent from the previous survey. The U.S. weighted average advertised price for conventional ice cream in 48-64 oz. containers is \$2.97, down 17 cents from the last period. There were no reported advertised prices for organic ice cream this week.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.16, down 8 cents from last week. Organic 8 ounce cheese blocks have an average price of \$4.99, up \$1.48, resulting in an organic premium of \$2.83. The advertised price for conventional 8 ounce shred cheese averaged \$2.09, down 26 cents from last week. There were no reported advertised prices for organic 8 ounce shred cheese this week. Conventional cheese ad numbers decreased 10 percent this week, while organic cheese ad numbers decreased 90 percent.

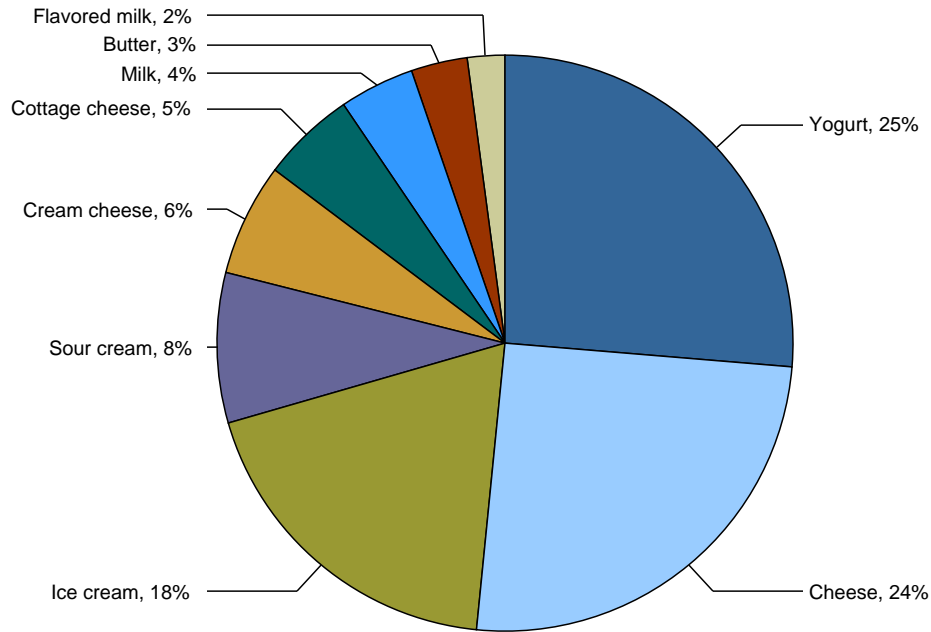
The average sale price for 4-6 ounce conventional Greek yogurt is \$0.95, down 3 cents from the previous week. Organic 4-6 ounce Greek yogurt has an average price of \$1.19, down 8 cents, resulting in an organic premium of 24 cents. The average price for 4-6 ounce conventional yogurt is \$0.50, while the price for organic yogurt is \$1.01, resulting in a \$0.51 organic premium. Total conventional yogurt ads increased 19 percent and organic yogurt ads rose 68 percent.

The weighted average price for conventional half gallon milk is \$2.86. The weighted average price for organic half gallon is \$3.86, resulting in an organic price premium of \$1.00. Organic milk ad numbers decreased 15 percent and numbers for conventional milk decreased 20 percent. Half gallons of milk had the largest number of ads for organic dairy items in the survey.

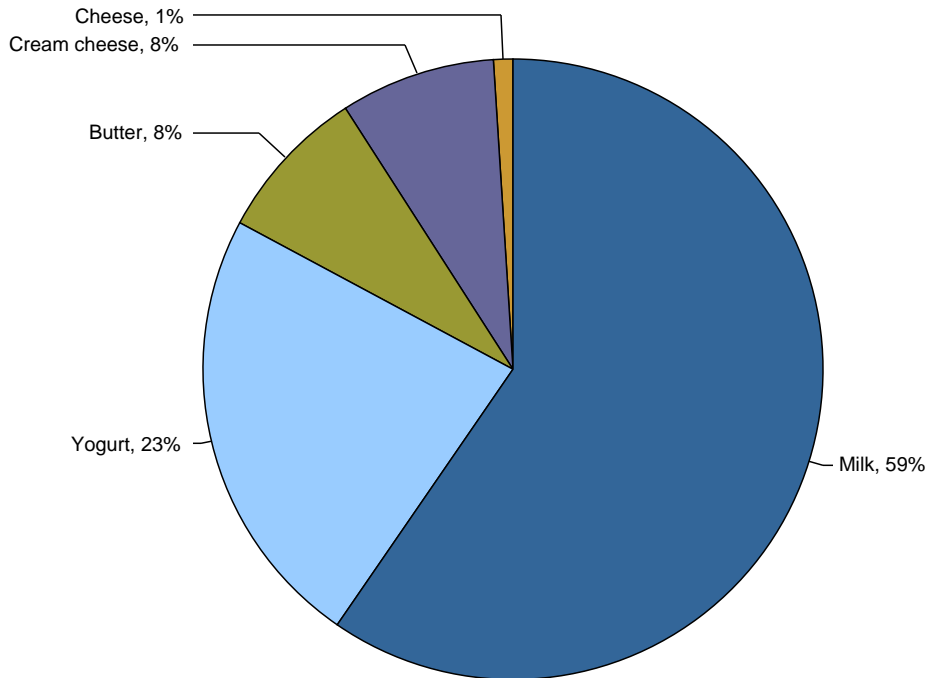
Top 5 Commodities Featured



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 #	2279	3.49	1744	3.22	2648	3.21
Cheese	Natural Varieties	8 oz block	7371	2.16	7369	2.24	5834	2.05
Cheese	Natural Varieties	1 # block	1064	3.90	3085	3.79	383	4.10
Cheese	Natural Varieties	2 # block	1857	6.78	814	6.69	761	6.59
Cheese	Natural Varieties	8 oz shred	8613	2.09	8778	2.35	10264	2.22
Cheese	Natural Varieties	1 # shred	1706	4.02	2943	3.86	69	3.99
Cottage cheese		16 oz	3817	1.88	4380	1.93	3193	1.80
Cream cheese		8 oz	4910	1.90	2252	1.91	4805	1.88
Flavored milk	All fat tests	half gallon	716	2.16	763	2.16	1475	2.30
Flavored milk	All fat tests	gallon	618	3.92	447	3.19	380	3.43
Ice cream		48-64oz	15569	2.97	18976	3.14	13053	3.02
Milk	All fat tests	half gallon	2143	2.86	2016	2.88	907	2.27
Milk	All fat tests	gallon	1032	2.43	1950	2.43	2153	2.66
Sour cream		16 oz	6628	1.68	5129	1.79	6006	1.67
Yogurt	Greek	4-6 oz	11296	.95	11356	.98	14665	.93
Yogurt	Greek	32 oz	1015	4.29	744	4.52	3183	4.35
Yogurt	Yogurt	4-6 oz	7093	.50	5582	.51	6513	.46
Yogurt	Yogurt	32 oz	2012	2.19	462	2.67	1005	2.51

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 #	2.50-4.59	461	3.75	3.00-3.89	797	3.73	2.99-3.39	438	3.10
Cheese	Natural Varieties	8 oz block	1.77-3.00	2886	2.27	1.67-3.00	1375	2.15	1.49-3.49	1726	2.01
Cheese	Natural Varieties	1 # block	3.49-3.99	471	3.67	3.48	195	3.48	3.49-4.99	336	4.44
Cheese	Natural Varieties	2 # block	7.99	167	7.99				7.99	180	7.99
Cheese	Natural Varieties	8 oz shred	1.88-3.49	2314	2.25	1.67-2.50	2253	2.21	1.49-3.49	1939	2.05
Cheese	Natural Varieties	1 # shred	4.29-4.49	651	4.41	3.48-4.29	580	3.57	3.49-4.99	336	4.44
Cottage cheese		16 oz	1.79-3.49	1183	2.43	2.00	759	2.00	1.00-1.75	616	1.31
Cream cheese		8 oz	1.50-2.00	888	1.70	1.50-2.00	2078	1.95	1.00-2.00	1261	1.84
Flavored milk	All fat tests	half gallon	2.00	137	2.00	1.99	64	1.99	1.69-2.50	446	2.10
Flavored milk	All fat tests	gallon				3.99	214	3.99	2.88-4.79	299	4.03
Ice cream		48-64oz	1.99-3.99	3970	2.98	2.49-3.50	4289	2.92	2.28-3.99	2468	2.88
Milk	All fat tests	half gallon	2.00-2.50	304	2.27	1.25-1.50	324	1.41	1.00	98	1.00
Milk	All fat tests	gallon	2.99	72	2.99				1.69-2.50	552	1.96
Sour cream		16 oz	1.50-2.00	1203	1.79	1.25-2.00	2502	1.90	1.00-1.75	912	1.37
Yogurt	Greek	4-6 oz	0.75-1.25	2524	.98	0.80-1.00	4133	.95	0.70-1.50	1133	.96
Yogurt	Greek	32 oz	4.59-4.99	177	4.86	3.49	87	3.49			
Yogurt	Yogurt	4-6 oz	0.39-0.60	2640	.50	0.44-0.90	3125	.52	0.50-0.88	233	.59

Wtd Avg - Simple weighted average



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
Yogurt	Yogurt	32 oz	2.00-2.99	287	2.40	1.97-2.00	1216	1.99			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.97-3.89	249	2.39	3.49-3.99	307	3.89			
Cheese	Natural Varieties	8 oz block	1.49-3.00	717	2.26	1.49-2.49	364	2.16	1.49-2.49	292	1.85
Cheese	Natural Varieties	1 # block				3.99	62	3.99			
Cheese	Natural Varieties	2 # block	4.99	121	4.99	5.99-8.99	794	7.24	4.99-7.99	568	5.73
Cheese	Natural Varieties	8 oz shred	1.49-2.50	981	1.71	1.49-2.49	695	1.84	1.49-1.99	410	1.84
Cheese	Natural Varieties	1 # shred	2.99	139	2.99						
Cottage cheese		16 oz	1.29-2.00	404	1.39	1.25-2.00	668	1.79	1.25-1.29	187	1.28
Cream cheese		8 oz	1.50-2.50	309	1.94	2.49	200	2.49	1.99-2.00	174	1.99
Flavored milk	All fat tests	half gallon							3.00	69	3.00
Flavored milk	All fat tests	gallon							3.49	105	3.49
Ice cream		48-64oz	2.49-4.99	2815	3.20	1.99-3.49	1329	2.74	2.50-3.99	659	3.01
Milk	All fat tests	half gallon	1.89-3.88	1300	3.44	3.50	117	3.50			
Milk	All fat tests	gallon				1.89-2.97	309	2.75	2.99	61	2.99
Sour cream		16 oz	1.00-2.00	754	1.47	1.25-1.89	638	1.58	1.25-1.79	581	1.36
Yogurt	Greek	4-6 oz	0.87-1.00	1200	.96	0.75-1.00	1554	.93	0.69-1.00	703	.91
Yogurt	Greek	32 oz	4.99	194	4.99	2.99-4.99	488	3.99	3.99	69	3.99
Yogurt	Yogurt	4-6 oz	0.44-0.50	397	.47	0.39-0.50	306	.41	0.25-0.50	358	.45
Yogurt	Yogurt	32 oz	2.99-3.00	205	2.99	1.99-2.50	304	2.22			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				3.50	27	3.50
Cheese	Natural Varieties	8 oz block	1.88	11	1.88			
Cheese	Natural Varieties	2 # block				7.99	27	7.99
Cheese	Natural Varieties	8 oz shred	3.99	21	3.99			
Ice cream		48-64oz	3.49-5.00	39	4.57			
Milk	All fat tests	gallon	3.79	11	3.79	4.99	27	4.99
Sour cream		16 oz	1.50	11	1.50	1.99	27	1.99
Yogurt	Greek	4-6 oz	1.00-1.25	49	1.11			
Yogurt	Yogurt	4-6 oz				0.77	34	.77

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 #	827	5.18	552	4.99	291	4.36
Cheese	Natural Varieties	8 oz block	84	4.99	310	3.51	345	4.02
Cheese	Natural Varieties	8 oz shred			492	3.66	463	3.68
Cottage cheese		16 oz			288	3.34	198	3.41
Cream cheese		8 oz	817	2.50	63	2.59		
Ice cream		48-64oz			173	5.99		
Milk	All fat tests	half gallon	5155	3.86	5084	3.78	2924	3.72
Milk	All fat tests	gallon	689	5.77	586	5.93	162	5.51
Milk	All fat tests	8 oz UHT			1089	.94	244	1.00
Milk		half gallon			141	2.99		
Sour cream		16 oz			617	2.99	324	2.26
Yogurt	Greek	4-6 oz	1357	1.19	733	1.27	2296	1.11
Yogurt	Greek	32 oz	119	5.49			422	4.67
Yogurt	Yogurt	4-6 oz	705	1.01	394	1.14		
Yogurt	Yogurt	32 oz	117	3.00	244	4.49	221	3.99

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 #				5.49	214	5.49			
Cheese	Natural Varieties	8 oz block	4.99	84	4.99						
Cream cheese		8 oz							2.50	366	2.50
Milk	All fat tests	half gallon	2.99-4.99	1393	4.09	2.99-3.98	1605	3.71	2.99-3.88	1031	3.69
Milk	All fat tests	gallon				4.99-6.99	315	5.63	5.99	180	5.99
Yogurt	Greek	4-6 oz				1.25	1083	1.25	0.99	213	.99
Yogurt	Greek	32 oz							5.49	119	5.49
Yogurt	Yogurt	4-6 oz	1.00	304	1.00	1.33	195	1.33			

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 #	4.99	276	4.99				4.99	289	4.99
Cream cheese		8 oz	2.50	210	2.50	2.50	241	2.50			

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	half gallon				3.49-4.29	996	3.94	3.88	130	3.88
Milk	All fat tests	gallon	5.79	194	5.79						
Yogurt	Greek	4-6 oz							0.88	61	.88
Yogurt	Yogurt	4-6 oz				0.63	137	.63	0.88	69	.88
Yogurt	Yogurt	32 oz				3.00	117	3.00			

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.99	21	4.99	6.99	27	6.99

REGIONAL DEFINITIONS

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

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



Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

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