

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (8/4)**

BUTTER: Grade AA closed at \$2.7300. The weekly average for Grade AA is \$2.7100 (+.0755).

CHEESE: Barrels closed at \$ 1.5300 and 40# blocks at \$ 1.6975. The weekly average for barrels is \$ 1.5730 (+.1045) and blocks, \$1.7420 (+.0235).

NONFAT DRY MILK: Grade A closed at \$0.8625. The weekly average for Grade A is \$0.8640 (+.0025).

BUTTER HIGHLIGHTS: Butter spot sales activity and prices increased this week. Butter makers continue to report that weekly sales figures are improved from last year's figures. Contracted volumes are moving as planned. Domestic demand is good and international demand seems to be picking up as a result of higher foreign prices. Cream is available in the United States for Class II and IV manufacturers. A handful of processors continue to sell their cream in lieu of churning. Butter production is steady to shut off. Inventories are steady to decreasing as churns are turned off, but butter orders are good. Bulk butter prices range 2 cents below to 7 cents over the market. Some market participants report overages around 10 cents above from limited quantities. The market undertone is in good shape as there is active sales activity around higher prices. Friday's CME Group cash trading saw Grade AA butter closed at \$2.7300, up \$0.0100 from last Friday.

CHEESE HIGHLIGHTS: Spot milk intakes into cheese facilities are declining in the East. Midwestern Class III facilities are still able to get milk, although discounted spot milk is noticeably diminishing. Spot milk prices ranged from flat market to \$2 under Class. Western cheese plants are still receiving plentiful milk intakes. Cheese production has shifted lower where milk intakes have declined. Some Midwestern cheese plants were able to accommodate some days off for the first time in recent months. Mountain state contacts reported that due to some disruptions in cheese plants, some milk had to be discarded. Northeastern and Western cheese sales are generally steady, both domestically and globally. Pizza cheese producers have reported seasonally adequate sales in the Midwest, whereas some producers have shifted focus to curds, as state fairs and community events are in full swing. Inventories vary by plant and by region, but Western producers continue to report long stocks. Barrel prices jumped on the CME early in the week, giving industry contacts a brief glimpse of stability. However, barrel prices have declined since Tuesday. CME

Group trading Friday, barrels closed at \$1.5300, down \$0.0250 from last Friday. Blocks closed at \$1.6975, down \$0.0575 from last Friday.

FLUID MILK: Summertime heat is suppressing milk production across a good portion of the country. Heat incidents in the East and West regions have cut into milk output. In addition, monsoonal rains in Arizona and tropical storm Emily in Florida have added wet conditions that further degrade cow comfort. Extreme heat baked the Pacific Northwest through much of the week. Industry contacts expect lower milk volumes for this week and next. Milk volumes are mixed across the Central part of the country. Although available spot loads are getting harder to find, manufacturers have plenty of milk available for processing. Spot milk prices, into Class III production, ranged from flat market to \$2 under Class. In the mountain states of Idaho, Colorado and Utah, milk intakes are heavy. The combination of heavy milk supplies, disruptions at several processing facilities and difficulty moving milk to alternative locations has led to some discarding of excess milk. A few loads of distressed Idaho milk found homes at \$4 to \$5 under Class. Industry contacts say condensed skim is still widely available nationwide. Cream supplies are slightly lighter in the East, but plentiful in the West. A few contacts suggest ice cream manufacturers are taking on a little less cream in the Central region. Cream multiples are **1.30-1.37** in the East, **1.22-1.32** in the Midwest, and **1.09-1.26** in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are steady to lower in the Central and East, but slightly higher in the West. The market tone is stable. High heat NDM prices are unchanged in the Central and East, but steady to lower in the West. Prices for dry buttermilk are mostly steady. A few spot market transactions in the Central and East edged the top of the range up a smidge. For dry whole milk, some spot transactions pulled up the top of the price range. Dry whey prices are mixed across the country. A number of larger-volume transactions were reported this week as manufacturers work hard to control inventories. Prices for whey protein concentrate 34% are steady to lower, pulled down by lower spot sale prices, even though preferred and qualified brands of WPC34% are holding prices steady at the top of the range. Lactose prices are unchanged to lower. Several sizeable block sales moved this week. Prices for both rennet and acid casein are steady to lower.

-CONTINUED ON PAGE 1A -

*****SPECIALS THIS ISSUE*****

INTERNATIONAL DAIRY MARKET NEWS (PAGES 8-8C)
CME FUTURES (PAGE 9)
JULY DAIRY MONTHLY AVERAGES (PAGES 10-13)
JUNE AGRICULTURAL PRICE HIGHLIGHTS (PAGE 14)
JUNE DAIRY PRODUCTS (PAGE 15)

MEASURES OF GROWTH IN FEDERAL MILK ORDER MARKETS 1950-2016 (PAGES 16-17)
JULY FEDERAL MILK ORDER CLASS AND COMPONENT PRICES (PAGE 18)
DAIRY GRAPHS (G1)
NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY JUL 31	TUESDAY AUG 01	WEDNESDAY AUG 02	THURSDAY AUG 03	FRIDAY AUG 04	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.5450 (-.0100)	\$1.6600 (+.1150)	\$1.5900 (-.0700)	\$1.5400 (-.0500)	\$1.5300 (-.0100)	:: (-.0250)	:: \$1.5730 (+.1045)
40# BLOCKS	\$1.7550 (N.C.)	\$1.7875 (+.0325)	\$1.7400 (-.0475)	\$1.7300 (-.0100)	\$1.6975 (-.0325)	:: (-.0575)	:: \$1.7420 (+.0235)
NONFAT DRY MILK GRADE A	\$.8625 (+.0025)	\$.8675 (+.0050)	\$.8650 (-.0025)	\$.8625 (-.0025)	\$.8625 (N.C.)	:: (+.0025)	:: \$.8640 (+.0025)
BUTTER GRADE AA	\$2.6900 (-.0300)	\$2.6825 (-.0075)	\$2.7100 (+.0275)	\$2.7375 (+.0275)	\$2.7300 (-.0075)	:: (+.0100)	:: \$2.7100 (+.0755)

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 -

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW:

Milk production in the EU for 2017 remains weaker than had been projected by a number of observers as the year began. January through May milk production is 1 percent below the same period last year. Production during this May was 0.2 percent lower than May last year. Overall EU production is weighed down by lower production in the two countries usually leading the EU in milk production, Germany and France. January-May 2017 milk production declined 3.8 percent in Germany and declined 3.2 percent in France. In contrast, January-May production was up 3.0 percent in Italy and 6.2 percent in Ireland. Overall these and some other counties with positive results could not overcome the drag of significant declines such as Germany and France.

Factors negatively affecting milk production include droughts in May into June, as well as a poor spring. Prices for milk were not high enough to incentivize additional production.

EU milk production is expected to gain against production last year, in the balance of the second half of the year. The split between fat and protein prices in the EU has increased so far during 2017. Little or modest correction at best, is what many observers expect during coming months. Others are less certain.

A significant lingering uncertainty is the magnitude of intervention skim milk powder stocks. The timing and method of possible release is of concern as to the impact on markets.

EASTERN OVERVIEW: May milk production during May in a number of Eastern European countries showed the following results for January-May this year compared with last year, and May 2017 compared with May last year: Bulgaria, +4.7 percent, +9.7 percent; Czech Republic, +2.8 percent, +7.1 percent; Poland, +3.5 percent, +3.1 percent; and Romania, +2.7 percent, +5.7 percent.

OCEANIA OVERVIEW: AUSTRALIA: Last week a large dairy cooperative in Australia increased the previously announced 2017-18 season milk price by 25 Australian cents per kg/milk solids, to 6.75 Australian dollars per kg/milk solids. Factors believed to underlie the increased price relate to viewing global dairy demand as improving and greater on farm confidence in Australia. Some agricultural lenders expect the higher income will result in reduction of existing debt, as well as further producer investment into their farms.

According to Dairy Australia, national June 2017 milk production was 645.7 million litres, up 2.2 percent from June 2016. The June changes from one year earlier are: New South Wales, +1.1 percent, Victoria, +3.1 percent, Queensland, -0.8 percent, South Australia, -7.6 percent, Western Australia, -2.6 percent, Tasmania, +10.2 percent. Australia's milk production season to date is down 6.9 percent compared to last season.

NEW ZEALAND: Although DCANZ has not yet published results for June milk production in New Zealand, some large processors have noted June production approaching 20 percent higher than June last year. However, this percentage may be misleading, because June is often the lowest volume milk producing month each year. As a result, a relatively small change in absolute milk production tons in June can greatly magnify the percentage variation, far more than the same change in tons in a far higher production month. While the indicator of a higher June production percentage may be notable, the magnitude should not be over cited as a seasonal predictor.

At the August 1 GDT event #193, all contracts prices ranged from 1.3 percent higher to 4.9 percent lower from the prior event across categories. The all contracts price averages (US\$ per MT) and percent

changes from the previous averages are: anhydrous milk fat, \$6,289, -4.9 percent; butter, \$5,747, -4.9 percent; buttermilk powder, \$2,198, +0.4 percent; cheddar cheese, \$3,932, -4.8 percent; lactose, \$787, -4.3 percent; rennet casein, \$6,122, -4.4 percent; skim milk powder, \$1,966, -3.0 percent; and whole milk powder, \$3,155, +1.3 percent. Higher volumes of products were offered at this auction. The lower prices in a number of categories are attributed to increased offerings. This may become problematic in terms of maintaining prices in coming months as seasonal production will be increasing.

SOUTH AMERICA OVERVIEW: One year ago, heavy storms and catastrophic floods affected many dairy operations throughout the Southern Cone region. Today, the dairy industry has recovered and is in better shape from a year ago. Furthermore, ample regional supply of grain and its relative lower price has been beneficial for dairy operators, easing their operational costs.

In **Argentina** and **Uruguay**, farm milk output is steady to lower taking in consideration that cooler temperatures are hampering cows' performance. Nevertheless, milk supply is more than adequate to meet most processing needs, especially fluid milk and cheese. Milk requests from bottlers are very strong as many educational institutions are reopening after finishing their winter break.

Milk production in **Brazil** is improving, while prices paid to producers dropped in July for the second consecutive month. Manufacturing milk volumes are sufficient to cover bottled milk and cheese processing. With higher milk supply, Brazil is depending less of imports from nearby countries, such as Argentina and Uruguay. Meanwhile, the overall retail demand for dairy products is expected to remain weak in the short/medium term, as the purchase power of Brazilian consumers is currently low.

NATIONAL RETAIL REPORT-DAIRY (DMN): This week, total conventional dairy ads decreased 10 percent, but organic dairy ads increased 27 percent. Conventional ice cream posted the largest number of ads within the survey, but ad numbers decreased 20 percent from last week. Conventional 1 # butter advertisement numbers increased 45 percent, with an average price of \$3.57, up 8 cents from last week's price. Organic 1 # butter has an average price of \$5.42, up 24 cents from last week and carrying an organic price premium of \$1.85.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.27, up 11 cents from last week. The U.S. advertised price for 8 ounce organic cheese blocks averaged \$3.38, down \$1.61 from last week. The advertised price for conventional 8 ounce shred cheese averaged \$2.19, up 10 cents from last week, as ads increased 13 percent. Conventional cheese ad numbers declined 16 percent this week.

Conventional yogurt ads decreased 3 percent and organic yogurt ads decreased 17 percent. The average sale price for 4-6 ounce conventional Greek yogurt is 97 cents, up 2 cents. Organic 4-6 ounce Greek yogurt has an average price of \$1.22, up 3 cents, resulting in an organic premium this week of 25 cents. The average sale price for 4-6 ounce conventional yogurt is 50 cents, unchanged from last week, while the 4-6 ounce organic yogurt averages 18 cents more than its conventional equivalent.

The conventional half gallon milk price was \$1.84. Organic half gallon milk containers \$4.03, resulting in a premium of \$2.19. Conventional half gallon milk ads decreased 87 percent, while conventional gallon milk ads increased by the same number, 87 percent. Organic gallon milk ads saw an increase week over week of 165 percent. Total organic milk ad numbers increased 22 percent, as ad numbers for conventional milk decreased 31 percent.

-CONTINUED ON PAGE 1B -

NATIONAL DAIRY MARKET NEWS AT A GLANCE

- CONTINUED FROM PAGE 1A -

JUNE AGRICULTURAL PRICES HIGHLIGHTS (NASS):

The All Milk price received by farmers was \$17.30 in June, up \$2.50 from June 2016. The alfalfa hay price was \$152.00 in June, up \$10.00 from June 2016. The corn price was \$3.43 in June, down -\$0.39 from June 2016. The soybean price was \$9.10 in June, down -\$1.10 from June 2016. The milk-feed price ratio was 2.32 in June, up 0.41 from June 2016. The index of prices received by farmers for dairy products during the month of June 2017 was up .3 to 86.1. Compared to June 2016, the index was up 12.5 points (17.0 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in June 2017 was down -0.1 points to 106.9. Compared with June 2016, the index was down 0.3 points (0.3 percent).

JUNE DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 141 million pounds, 4.8 percent below June 2016, and 14.0 percent below May 2017. American type cheese production totaled 404 million pounds, 3.0 percent above June 2016, but 5.3 percent below May 2017. Total cheese output (excluding cottage cheese) was 1.03 billion pounds, 3.2 percent above June 2016, but 2.5 percent below May 2017. Nonfat dry milk production, for human food, totaled 164 million pounds, 11.6 percent above June 2016, but 2.8 percent below May 2017. Dry whey production, for human food, was 86.1 million pounds, 10.3 percent above June 2016, and 5.3 percent above May 2017. Ice cream, regular hard production totaled 75.5 million gallons, 0.2 percent below June 2016, but 3.8 percent above May 2017.

JULY CLASS AND COMPONENT PRICES (FMMO): Class Prices: The following are the July 2017 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$17.48 (+\$1.33), Class III: \$15.45 (-\$0.99), and Class IV: \$16.60 (+\$0.71).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for July 2017 is \$2.9456 per pound. Thus, the Class II butterfat price is \$2.9526 per pound. The protein and other solids prices for July 2017 are \$1.2248 and \$0.2599 per pound, respectively. These component prices set the Class III skim milk price at \$5.33 per cwt. The July 2017 Class IV skim milk price is \$6.52, which is derived from the nonfat solids price of \$0.7240 per pound.

Product Price Averages: The product price averages for July 2017 are: butter: \$2.6039, nonfat dry milk: \$0.8991, cheese: \$1.5430, and dry whey: \$0.4514.

MONDAY, JULY 31, 2017

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.5475, 1 @ \$1.5400, 1 @ \$1.5450; 1 CAR 40# BLOCKS @ \$1.7550; LAST BID UNFILLED: 2 CARS BARRELS: 1 @ \$1.5000, 1 @ \$1.5300;
 2 CARS 40# BLOCKS: 1 @ \$1.7200, 1 @ \$1.7225; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 20 CARS GRADE A: 2 @ \$0.8525, 2 @ \$0.8425, 3 @ \$0.8600, 1 @ \$0.8625, 5 @ \$0.8550, 1 @ \$0.8575, 1 @ \$0.8600, 5 @ \$0.8500;
 LAST OFFER UNCOVERED: 2 CARS GRADE A: 1 @ \$0.8975, 1 @ \$0.8925
 BUTTER -- SALES: 16 CARS GRADE AA: 1 @ \$2.7200, 1 @ \$2.7300, 1 @ \$2.7275, 1 @ \$2.7250, 1 @ \$2.7175, 1 @ \$2.7150, 1 @ \$2.6950, 1 @ \$2.6975, 1 @ \$2.7000, 1 @ \$2.7025, 1 @ \$2.7050, 1 @ \$2.7000, 1 @ \$2.6950, 1 @ \$2.6975, 1 @ \$2.6900; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.6850; LAST OFFER UNCOVERED: 5 CARS GRADE AA: 2 @ \$2.9975, 1 @ \$2.7100, 1 @ \$2.7400, 1 @ \$2.7000

TUESDAY, AUGUST 1, 2017

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.5500, 1 @ \$1.5600, 1 @ \$1.6675, 1 @ \$1.6625, 1 @ \$1.6600; 1 CAR 40# BLOCKS @ \$1.7600; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7875;
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7000
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.8675; LAST BID UNFILLED: 31 CARS GRADE A: 3 @ \$0.8600, 1 @ \$0.8400, 1 @ \$0.8500, 1 @ \$0.8400, 5 @ \$0.8300, 5 @ \$0.8575, 12 @ \$0.8525, 1 @ \$0.8550, 1 @ \$0.8625, 1 @ \$0.8675; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8725
 BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$2.6800, 1 @ \$2.6825, 2 @ \$2.6800, 1 @ \$2.6775, 1 @ \$2.6825; LAST BID UNFILLED: 3 CARS GRADE AA: 1 @ \$2.6725, 1 @ \$2.6625, 1 @ \$2.6800;
 LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.7200, 1 @ \$2.6900, 1 @ \$2.7500, 1 @ \$2.6875

WEDNESDAY, AUGUST 2, 2017

CHEESE -- SALES: 21 CARS BARRELS: 1 @ \$1.6600, 1 @ \$1.6575, 3 @ \$1.6600, 1 @ \$1.6575, 3 @ \$1.6600, 1 @ \$1.6575, 1 @ \$1.6600, 1 @ \$1.6575, 1 @ \$1.6550, 1 @ \$1.6500, 1 @ \$1.6475, 1 @ \$1.6375, 1 @ \$1.6300, 1 @ \$1.6100, 1 @ \$1.6000, 2 @ \$1.5900; 1 CAR 40# BLOCKS @ \$1.7400; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 5 CARS BARRELS: 1 @ \$1.6575, 1 @ \$1.6600, 1 @ \$1.6700, 1 @ \$1.7000, 1 @ \$1.6400; 1 CAR 40# BLOCKS @ \$1.7475
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 2 @ \$0.8700, 1 @ \$0.8675, 1 @ \$0.8650; LAST BID UNFILLED: 9 CARS GRADE A: 1 @ \$0.8400, 3 @ \$0.8550, 1 @ \$0.8600, 1 @ \$0.8500, 1 @ \$0.8400, 2 @ \$0.8650; LAST OFFER UNCOVERED: 3 CARS GRADE A: 2 @ \$0.8750, 1 @ \$0.8700
 BUTTER -- SALES: 11 CARS GRADE AA: 6 @ \$2.7000, 1 @ \$2.7025, 1 @ \$2.7000, 3 @ \$2.7100; LAST BID UNFILLED: 3 CARS GRADE AA: 1 @ \$2.6875, 1 @ \$2.6900, 1 @ \$2.6925;
 LAST OFFER UNCOVERED: 3 CARS GRADE AA: 1 @ \$2.7150, 1 @ \$2.7200, 1 @ \$2.7125

THURSDAY, AUGUST 3, 2017

CHEESE -- SALES: 10 CARS BARRELS: 1 @ \$1.5800, 1 @ \$1.5775, 2 @ \$1.5600, 1 @ \$1.5575, 2 @ \$1.5500, 3 @ \$1.5400; 1 CAR 40# BLOCKS @ \$1.7300; LAST BID UNFILLED: 2 CARS BARRELS: 1 @ \$1.5400, 1 @ \$1.5300; 1 CAR 40# BLOCKS @ \$1.6975; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5700
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8625; LAST BID UNFILLED: 9 CARS GRADE A: 2 @ \$0.8400, 1 @ \$0.8550, 1 @ \$0.8525, 1 @ \$0.8600, 3 @ \$0.8575, 1 @ \$0.8600;
 LAST OFFER UNCOVERED: 6 CARS GRADE A: 1 @ \$0.8900, 1 @ \$0.8875, 1 @ \$0.8750, 1 @ \$0.8825, 1 @ \$0.8800, 1 @ \$0.8700
 BUTTER -- SALES: 15 CARS GRADE AA: 2 @ \$2.7400, 3 @ \$2.7375, 1 @ \$2.7400, 1 @ \$2.7375, 1 @ \$2.7425, 1 @ \$2.7400, 2 @ \$2.7425, 2 @ \$2.7450, 2 @ \$2.7375; LAST BID UNFILLED: 6 CARS GRADE AA: 1 @ \$2.7350, 1 @ \$2.7375, 4 @ \$2.7250; LAST OFFER UNCOVERED: 6 CARS GRADE AA: 1 @ \$2.7525, 1 @ \$2.7475, 1 @ \$2.8500, 3 @ \$2.7425

FRIDAY, AUGUST 4, 2017

CHEESE -- SALES: 9 CARS BARRELS: 1 @ \$1.5425, 1 @ \$1.5400, 4 @ \$1.5325, 1 @ \$1.5300, 1 @ \$1.5325, 1 @ \$1.5300; 1 CAR 40# BLOCKS @ \$1.7200; LAST BID UNFILLED: 3 CARS BARRELS: 1 @ \$1.5200, 1 @ \$1.4600, 1 @ \$1.5200; 1 CAR 40# BLOCKS @ \$1.6500; LAST OFFER UNCOVERED: 2 CARS BARRELS: 1 @ \$1.5900, 1 @ \$1.5400; 2 CARS 40# BLOCKS: 1 @ \$1.6975, 1 @ \$1.7300
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 5 CARS GRADE A: 1 @ \$0.8575, 3 @ \$0.8500, 1 @ \$0.8550; LAST OFFER UNCOVERED: 15 CARS GRADE A: 5 @ \$0.8900, 6 @ \$0.8850, 4 @ \$0.8750
 BUTTER -- SALES: 15 CARS GRADE AA: 9 @ \$2.7100, 3 @ \$2.7200, 2 @ \$2.7250, 1 @ \$2.7300; LAST BID UNFILLED: 5 CARS GRADE AA: 1 @ \$2.7000, 1 @ \$2.7100, 1 @ \$2.7225, 2 @ \$2.7250;
 LAST OFFER UNCOVERED: 4 CARS GRADE AA: 1 @ \$2.7400, 1 @ \$2.7900, 1 @ \$2.7325, 1 @ \$2.7350

BUTTER MARKETS

NORTHEAST

Butter spot sales activity and prices have increased this week. Northeastern butter sales through retail and food service channels are strong as weekly announcements advertise butter. The demand is stable. Cream multiples in the East are firm as Class II and IV manufacturers are purchasing cream to clear into production. With the current humidity, milk volumes into balancing plants have decreased. Butter churns in the Northeast are steady to shut off. A number of butter makers continue to sell cream. Inventories are steady to decreasing, as many churns are turned off, but butter orders are good. Bulk butter prices are 5 to 7 cents over the market of the CME Group, with various time periods and averages used. The market tone is in good shape as there is active sales activity around higher prices. Tuesday's CME Group cash trading saw Grade AA butter prices closed at \$2.6825, up \$0.0925 from the previous week. According to the *DMN National Retail Report-Dairy*, for July 28 to August 3, 2017, the Northeast weighted average retail price for 1-pound butter was \$3.75, 26 cents higher than the national average price and up 37 cents from last week's Northeast butter price. Retail butter markets reported prices ranging \$2.50-\$4.59. The surveyed average price in the Southeast moved to \$3.73, with prices ranging \$3.00-\$3.89.

CENTRAL

Last week the West comment appeared under the Central heading. Butter makers continue to report that weekly sales figures are improved from last year's figures. Food service orders continue to be the focus of production for some butter producers. Butter

manufacturers continue to try to manage plant updates/maintenance, while keeping fairly active churning schedules. Cream moving into Class IV plants is still available. Cream multiples into Class IV were reported between 1.20 and 1.25. Some market participants consider the possibility of a \$3.00 CME cash price by the early fall. Last week's \$1.350 bump on the CME, according to contacts, helped bolster that possibility. Bulk butter prices ranged from flat market to \$.0700 over the CME average. Wednesday at the CME Group, Grade AA butter closed at \$2.7100, up \$0.1025 from last Wednesday. *DMN National Retail Report-Dairy* for July 28-August 3 noted the national weighted average advertised price for a 1 pound package of butter is \$3.49, \$0.27 above one week ago and \$0.28 higher than one year ago. The weighted average regional prices in the Midwest and South Central were \$3.10 and \$2.39, respectively.

WEST

Last week the Central comment appeared under the West heading. Western contacts report that processors do not have any problem getting the cream needed for butter production. Butter production is steady and following its normal pattern. Supplies are comfortable for many manufacturers. However, a few processors continue to sell their cream in lieu of churning it for storage. Domestic butter demand is good. Contracted volumes are moving as planned, and spot sales are active. International demand seems to be picking up as

CONTINUED ON PAGE 2A

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 29, 2017	2.6471 2,081,483	1.6208 11,725,036	1.4863 10,935,962	.4501 6,215,330	.8862 17,525,222

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

CONTINUED FROM PAGE 2

the result of higher foreign prices. This week, western bulk butter prices are 2 cents below to 5 cents above, based on the CME Group with various time frames and averages used.

Nevertheless, some market participants report overages as high as 10 cents above for limited quantities. The DMN *National Retail Report-Dairy* for the week of July 28-August 3 found that the U.S. weighted average advertised price of 1 pound butter is \$3.49, up \$.27 from last week. The U.S. weighted average price was \$3.21 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$3.89, with a range of 3.49-3.99. In the Northwest, no advertised ads were reported this week. The Grade AA butter price at the CME Group on Wednesday closed at \$2.7100, up \$.1025 from a week ago.

CHEESE MARKETS

NORTHEAST

With both farm milk output and yield falloffs, cheese processing has shifted to lower production rates, typically associated with hot/humid seasonal conditions. With milk receipts inching lower, some traders expect stocks to tighten as school reopen. Even so, supplies are adequate in the midst of reports of slight declines in the stocks of some manufacturers. Cheese sales are steady for cheddar. Conversely, demand is slower than expected for cheese of the mozzarella variety. Global market interests are steady. Additional forward sales are receiving support, as the latest GDT index indicates future weakness. This week, a cooperatives export assistance program, accepted requests for 304,238 pounds of cheddar cheese. CME Group daily cash trading on Tuesday saw the barrel cheese price close at \$1.6600, up \$0.2025 from a week ago, while block cheese ended the day at \$1.7875, up \$0.0800. The DMN National Retail Report-Dairy, for July 28-August 3, 2017, noted the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.27, 11 cents above the national average, with a regional price range of \$1.77-\$3.00. The Southeast 8 oz. block average price was \$2.15, 1 cent below the national average, with a regional price range of \$1.67-\$3.00. The Northeast average advertised price for 8 oz. cheese shreds was \$2.25, 16 above the national average price, with a regional price range of \$1.88-\$3.49. In the Southeast, the average price for 8 oz. shreds was \$2.21, 12 cents above the national average, with prices ranging \$1.67-\$2.50.

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

Cheddar 40# Block	:	2.1575-2.4425
Process 5# Sliced	:	1.6250-2.1050
Muenster	:	2.1425-2.4925
Grade A Swiss Cuts 10 - 14#	:	3.1325-3.4550

MIDWEST

Cheese producers in the Midwest are reporting that milk supplies are still available, but noticeably lower than this time last month. A majority of spot milk prices range from flat market to \$2 under Class III, although some situational loads were brought into cheese plants as low as \$3.50 under. Food service orders are growing for specialty/traditional cheesemakers. Pizza cheese producers report sales are meeting seasonal expectations. Curd producers are still experiencing a seasonal push as state fairs are beginning this week in Midwestern states. Cheese inventory reports vary by plant. Some cheese producers are reporting that plant employees were granted some days off, as milk intakes have been lighter. Barrel prices jumped on the CME Tuesday. Although the block to barrel price gap is still relatively large, many contacts suggest this is a positive movement. Expectations were that prices would eventually converge, and contacts point out that barrel prices increasing is much preferred to the alternative. The DMN *National Retail Report-Dairy* shows that July 28-August 3 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.05, 4 cents below the national average. Midwest prices range from \$1.49-\$3.49. One year ago, the national price was \$2.22. For 8 ounce blocks, the Midwest average price is \$2.01, 15 cents below the national average price. Midwest ads are priced from \$1.49-\$3.49. Last year, the national price was \$2.05. In CME Group trading Wednesday, barrels closed at \$1.5900, up \$.1400 from last Wednesday and blocks closed at \$1.7400, up \$.0325 from last Wednesday. Midwestern wholesale prices are unchanged for Swiss cuts and up \$.0125 for process and all other types.

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

Process American 5# Loaf	:	1.5625-1.9225
Brick And/Or Muenster 5#	:	2.0825-2.5075
Cheddar 40# Block	:	1.8100-2.2050
Monterey Jack 10#	:	2.0575-2.2625
Blue 5#	:	2.3500-3.3375
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8825-2.8225
Grade A Swiss Cuts 6 - 9#	:	2.6500-2.7675

WEST

Many Western cheese producers report there is plenty of milk available for their cheese vats. Manufacturers suggest they are running their processing facilities at or near full capacity, making a lot of barrels and cheddar style cheese to find ways to handle the milk. Although some parts of the region are seeing a good balance between milk intakes and cheese production needs, a few contacts in the mountain states report some milk being discarded due to disruptions at several cheese plants, heavy milk supplies and the difficulty in moving milk to alternative processing sites. Cheese industry contacts are hopeful this is a short term problem and not something that lasts long. Domestic cheese demand is solid and market participants are still hopeful that international exports can effectively soak up the available cheese stocks. Inventories are heavy. The DMN *National Retail Report-Dairy* for the week of July 28-Aug 3 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.09, down \$.26 from last week. Packs average \$1.84 in both the Southwest and the Northwest. One year ago, the national price was \$2.22. For 8 ounce blocks, the U.S. price is \$2.16, down \$.08 from last week. Blocks average \$2.16 in the Southwest and \$1.85 in the Northwest. One year ago, the national price was \$2.05. In the West, wholesale prices were up \$.0125 for process, and up \$.0125 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 304,238 pounds (138 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 45.0 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.5900, up \$.1300 from a week ago and blocks closed at \$1.7400, up \$.0325.

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

Process 5# Loaf	:	1.5500-1.8075
Cheddar 40# Block	:	1.8425-2.2875
Cheddar 10# Cuts	:	2.0225-2.2425
Monterey Jack 10#	:	2.0325-2.1925
Grade A Swiss Cuts 6 - 9#	:	2.7100-3.1400

FOREIGN TYPE CHEESE

The European Union (EU) cheese market remains firm. While cheese production in the former EU-15 was stagnated in May, in the ten countries that joined the EU in 2004, production increased on average by 5.3%. Although many dairy plants are currently prioritizing cheese production, cheese inventories continue to be very low. In part, demand is still higher than supply and not all cheese inquiries can be fulfilled at the moment. Exports to Southern Europe are higher and are currently driving the EU cheese market. The lower cheese inquiries in Germany do not have much impact on the EU market. Prices have risen in June and July and are starting to stabilize at higher levels. In the U.S., wholesale blue, gorgonzola, parmesan Italy, and Romano prices increased \$0.0125. All other prices are unchanged from last week.

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.2275-3.7150*
Gorgonzola	: 3.6900-5.7400	: 2.7350-3.4525*
Parmesan (Italy)	: -0-	: 3.6175-5.7075*
Romano (Cows Milk)	: -0-	: 3.4175-5.5675*
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

	<u>BUTTER</u>	<u>: CHEESE</u>
	:	
07/31/17	35,411	: 106,838
07/01/17	35,826	: 105,944
CHANGE	-415	: 894
% CHANGE	-1	: 1

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	0	0	50	5	0
SOUTHEAST STATES	0	0	0	0	0	0

Warmer than normal temperatures and precipitation has influenced milk production throughout the East region. Fluid milk sales are expected to spike as schools are set to restart. In the Northeast, sources noted that fewer discounted loads are transferring, with the diminishing milk production. Mid-Atlantic milk output, at the farm level, is seeing declines as lesser volumes move into balancing. In general, manufacturers are in good shape as supplies are well balanced. Milk handlers in the Southeast, report that milk production levels are providing for little to no milk into manufacturing. As a result, milk loads are being shipped in from the Southwest. Drop offs, have been attributed to the consistent hot temperatures. Also, Class I needs are pulling on available milk supplies as school pipelines are being filled and replenished from summer break. This week, along with the hot temperatures, Florida saw some heavy precipitation as tropical storm Emily produced a lot of rain. Hence, milk output remains in a steady decline and the wet conditions are likely to accelerate the falloff in production. Class I milk sales are up this week as schools prepare to open the first week of August. Milk distributors report no export shipments this week as milk surpluses diminish from the market. The volume of **condensed skim** that saturates the market is shrinking. However, supplies remain readily available as loads from the region ship to buyers across country. Spot prices remain steady, with the majority of condensed skim sales at the high end of the spot pricing range. Dryer operations are busy clearing loads, along with moderate Class II usage. **Cream** markets are showing some firmness. In general, cream supplies are lighter, but sources noted extra volumes filtered into regional markets as a few cream based plants are offline. **Cream multiples** trudged higher, **1.30-1.37**, in the East region. According to the *DMN National Retail Report-Dairy*, for July 28-August 4, 2017, the U.S. weighted average advertised price for a gallon of milk was \$2.43, unchanged compared to last week, but down 23 cents from a year ago.

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

F.O.B. producing plants: Northeast-	3.4249-3.6093
F.O.B. producing plants: Upper Midwest-	3.2141-3.4775

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices-	.30-.80
Northeast - Class III - spot prices -	.30-.75

MIDWEST

Fluid milk flowing into Midwestern intake facilities is reportedly mixed this week. Some contacts report lots of milk is crossing state borders within the region. Others suggest milk is becoming harder to find. Some fluid milk contacts point out that overall milkfat percentages, in the upper Midwest, are higher than in previous summers. Bottling contacts suggest a continued slowness, prior to the upcoming school rush. Cheese facilities are reporting a declining amount of spot milk availability. A majority of spot milk prices, into Class III production, ranged from flat market to \$2 under Class. **Cream** is still available at similar **multiples** to previous weeks,

1.22 to 1.32 f.o.b. Some contacts convey that packaged ice cream manufacturers are taking on less cream, creating more availability for other types of manufacturing. Butter makers report cream availability has slightly declined, although intakes are still available to meet churning needs. The *DMN National Retail Report-Dairy* for July 28-August 3 noted the national weighted average advertised price for one gallon of milk was \$2.43, unchanged from last week and \$0.23 lower than a year ago. The weighted average regional price in the Midwest was \$1.96.

WEST

Farm milk production in **California** is following a downward trend due to hotter daytime temperatures and some rainfalls. Some processors report having a hard time finding the volume of milk needed for their daily activities. Others report having enough milk to cover their current manufacturing obligations. Class 1 demand is slightly down. Demands for dry milk products are lower as well. Requests for ice cream and other frozen desserts are strong. The July 4a price (butter/powder) in California is \$16.41, up \$0.50 from the previous month, and \$2.18 higher from a year ago. This compares to the Federal Order Class IV price of \$16.60 for July. The July 4b price (cheese) is \$15.29, down \$0.31 from the previous month, but \$0.62 above a year ago. This compares to the Federal Order Class III price for July at \$15.45. **Arizona's** milk production is still dropping. Monsoon rains have caused some flooding in the region this week. However, they did not affect milk hauling to the plants. There are enough milk supplies to meet most of the processing needs. Contacts report that schools are starting to reopen. As a result, Class I milk intakes are increasing. Demand for ice cream and frozen desserts' manufacturing is strong as it is usually for this time of the year. Alfalfa hay was reported 74 percent good to excellent, and topsoil moisture levels are 100 percent adequate to surplus. In **New Mexico**, several recent heat incidents have contributed to lower milk production. However, they have not much distressed milk volumes. Class I intakes are slightly down, but they are anticipated to increase in the coming weeks as educational institutions reopen for the new school year. Class II sales are steady to increasing as interest for ice cream production remains strong. Demand for Class III is steady. In some parts of New Mexico, report suggest the presence of light stripe in alfalfa fields due to recent rains as well as some insect pressure from army worms. **Pacific Northwest** milk cows had been enjoying good cow comfort, but a heat wave this week is baking the West Coast. Although a little early to know the full effects of the heat, industry contacts expect decreased milk production and lower components. Demand for the milk is steady with processors currently getting adequate amounts. Bottling demand for school startups is still a few weeks away. In the mountain states of **Idaho, Utah and Colorado**, milk intakes are heavy. Manufacturers report milk components are down, but the region has seen strong growth in overall milk production through the year. Industry contacts report some milk is being discarded in parts of Idaho. The combination of heavy milk supplies, disruptions at several processing facilities and difficulty in moving milk to alternative processing facilities has led to the situation. Some distressed milk is moving at \$4 to \$5 under Class. Milk contacts hope the situation will correct itself soon. In the West, **condensed skim** is readily available for processing needs. Some contacts report selling higher volumes of condensed skim to cheese plants. Although Western **cream** demand was quiet in some part of the region last week, it has come back stronger this week. In general,

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

cream is readily available for manufacturing activities. Some industry contacts report that conventional cream is harder to place.

Cream multiples are **1.09-1.26**. According to the DMN *National Retail Report-Dairy* for the week of July 28-August 3, the national weighted average advertised price for one gallon of milk is \$2.43, no change from last week, and \$0.23 lower from a year ago. The weighted average regional price in the Southwest is \$2.75, with a price range of \$1.89-\$2.97. The weighted average regional price in the Northwest is 2.99.

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. decreased on the top of the range, but held steady on the mostly price series. Spot trading activity remained moderate. Central contacts suggest buyers are exercising patience, and working through on-hand supplies before entering into the spot market. Low/medium heat NDM production is steady week over week, although some contacts suggest it is a bit slower as milk intakes have edged back. The low/medium heat NDM market undertone is fairly stable. High heat NDM prices remained steady. Spot sale trading of high heat NDM was quiet. Production and inventories of high heat NDM remain geared toward contractual obligations, but some fairly large volumes changed hands, suggesting some manufacturers are looking to reduce inventories.

EAST: Low/medium heat nonfat dry milk (NDM) prices in the East slid down on the top of the range, but are unchanged on the mostly price series. Spot sales activity is moderate to minimal as many suppliers are offering readily available loads. A number of market participants are purchasing spot loads around the mostly series. As Eastern states are getting hit with hot weather and humidity, milk production is decreasing. Balancing plants are currently taking in lower milk volumes. A handful of manufacturers report low/medium heat NDM production slowed down this week. Inventories are manageable and are available. The market undertone is fair with views of softness as prices are staying around the low \$.90's, and supplies are plentiful. Eastern high heat NDM prices are steady. Spot load transactions are light as many manufacturers are not offering high heat. Production is limited. High heat NDM inventories are in small measures. The market tone is generally stable. Wednesday's CME Group cash trading for Grade A nonfat dry milk closed at \$0.8650, up \$0.0050 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8500 - 0.9500 MOSTLY: .8800 - .9200
HIGH HEAT: 1.0000 - 1.0900

NONFAT DRY MILK - WEST

Western f.o.b prices for low/medium heat nonfat dry milk (NDM) are higher on both ends of the range and steady on the mostly price series. The market undertone is uncertain. Some processors are taking the wait-and-see approach, hoping that prices will further increase in the near future. As milk output in some Western states decreases, NDM production is also dropping to some extent. Supplies are steady to building up. Reports suggest that a number of manufacturers are running into limited storage problems. Domestic sales are steady. More contracted volumes continue moving to Mexico. F.O.B prices for high heat nonfat dry milk in the West move slight down on the range. Demand is steady. Production is limited outside of contracts due to limited drying time. Supplies are tight. Consequently, spot trade is limited. At the GDT Event 193 on August 1, 2017 skim milk powder (SMP) prices across all contract periods averaged \$.8918 per pound, down 3.0 percent from the last event.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8150 - 0.9600 MOSTLY: .8700 - .9200
HIGH HEAT: .9800 - 1.0650

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
July 28	\$.8958	7,782,206
July 21	\$.9053	8,196,328

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 saw a slight increase on the top of the range. Spot sale trading was a bit more active. Demand for dry buttermilk is moderate, and some manufacturers who have been focusing on contracted obligations had a bit more dry buttermilk for spot market transactions. That being said, dry buttermilk production is still being sidelined, as NDM production remains priority number one for many manufacturers. Inventory reports range from slight to available. The market undertone is somewhat stable.

EAST: Prices in the East region for dry buttermilk jumped up on the top of the range this week. Market participants are seeing limited spot load offers. Dairy industry individuals with time demands for dry buttermilk are purchasing spots at higher prices, and some end users are seeing offers at prices higher than the price range. Production is steady to shut off. Many manufacturers are currently not drying buttermilk. Stockpiles are light in a number of plants. The market undertone is steady.

F.O.B. CENTRAL/EAST: .8450 - .9225

DRY BUTTERMILK - WEST

F.O.B spot prices for Western dry buttermilk are holding steady on the top of the range and the mostly price series. According to industry contacts, the market undertone is quiet. More condensed buttermilk is available in the market due to active butter production. However, ice cream manufacturers continue to take on more loads, reducing the volume of condensed buttermilk available to dry. Dry buttermilk production is mixed. Some manufacturers report stable output while others report lower to nonexistent processing of dry buttermilk. Inventories are unchanged from last week. Trading is generally steady with most transactions moving through contracts. Spot sales are light. At the GDT Event 193 on August 1, 2017, buttermilk powder prices across all contract periods averaged \$.9970 per pound, up 0.4 percent from the last event.

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

DRY WHOLE MILK - NATIONAL

F.O.B. spot prices for national dry whole milk are steady to higher as some spot transactions pulled up the top of the pricing range. The strong demand and firmer premiums for fat are boosting dry whole milk values, according to some industry contacts. Across the nation, spot trading is light to moderate. The market undertone is mostly bullish in each region of the country. Overall, the demand is fair to good. Dry whole milk production is sporadic as the bulk of condensed milk supplies are clearing into Class II. Dry whole milk inventories are steady to lower.

F.O.B. PRODUCING PLANT: 1.3000 - 1.7000

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 price range, but slid on the mostly price series. The spot market for dry whey was active. A number of larger-volume transactions were reported this week, which applied some downward pressure on prices. Manufacturers report that inventories vary by plant. Buyers and end users continue to report receiving regular offers. Some contacts suggest the increase in overall spot activity is due to manufacturers being more inclined to manage/clear inventories. Dry whey production is unchanged. Feed whey spot market prices decreased on both ends of the price range. Feed whey spot activity followed last week's trend, and was noticeably busier than earlier in the season. Feed whey inventories remain available.

F.O.B. CENTRAL: .3200 - .5100 MOSTLY: .3600 - .4600
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2800 - .4550

DRY WHEY - NORTHEAST

This week, prices for dry whey are mixed as f.o.b. spot sales moved prices higher at the bottom of the range, but prices eased at the top of the range. Buyer interest is active in the spot market, with reports of bulk purchases occurring, predominately from export markets and brokers. Production is steady to slightly lower, with declines in milk supplies as volumes shift to Class I processing needs as a new school year begins. Market participants noted expectations of some firming in the near term. For now, manufacturers' stocks are adequate to balance. The dry whey market has a steady undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3600 - .4700

DRY WHEY - WEST

Western whey prices moved lower at the top of the range and bottom of the mostly price series. Whey that is rBST-free, white or meets other end user desired characteristics seems to capture slightly higher prices. Demand is mixed. Industry contacts say domestic demand is fair, but quiet in Mexico and slow in Asia. Inventories are a little heavy. Some market participants report more production of dry whey in preference to higher protein concentrations.

NONHYGROSCOPIC: .3600 - .4625 MOSTLY: .3950 - .4450

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate prices edged lower at the bottom of the range. The mostly price series also moved down, pulled along by lower spot sale prices, even though preferred and qualified brands of WPC34% are holding serve at the upper ends of both the range and mostly price series. Demand is steady for WPC34% that meets tight end user specifications, but somewhat stagnant for WPC34% that is under pressure from those other protein sources. Production and inventories are relatively stable.

F.O.B. EXTRA GRADE 34% PROTEIN: .7100 - 1.1850 MOSTLY: .8000 - .9425

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged to lower. A number of spot sales weighed down the bottom of the mostly price series. Industry contacts suggest large volumes and lower prices for permeate are putting price pressures on some lactose markets. Contacts say several sizeable block sales of lactose moved this week. Some manufacturers have heavy inventories and a desire to keep their stocks in check. Production is steady to lower. Overall, demand is a little frail, except for lactose that is a favorite or qualified brand. Those brands continue to get regular inquiries from buyers.

Including spot sales and up to 3 month contracts.

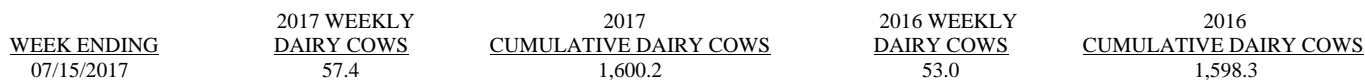
F.O.B. EDIBLE, NON PHARMACEUTICAL .2500 - .4900 MOSTLY: .3100 - .4000

CASEIN - NATIONAL

Casein prices are steady to lower, both acid and rennet. Awareness of possible higher milk production is leading to sensitivity to potential future price impacts. Early anecdotal reports are that June milk production in New Zealand is up 19 percent from June last year. However, this percentage may be misleading, because June is often the lowest volume milk producing month each year. As a result, a relatively small change in absolute milk production tons in June can greatly magnify the percentage variation, far more than the same change in tons in a far higher production month. While the indicator of a higher June production percentage may be notable, the magnitude should not be over cited as a seasonal predictor. At GDT event 193 on August 1, the rennet casein all contracts price declined 4.4 percent and the September contract declined 5.6 percent.

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 - 2.8000
ACID: 3.4000 - 3.6000



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered July 24 - August 4, 2017

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

WESTERN OVERVIEW: Milk production in the EU for 2017 remains weaker than had been projected by a number of observers as the year began. January through May milk production is 1 percent below the same period last year. Production during this May was 0.2 percent lower than May last year. Overall EU production is weighed down by lower production in the two countries usually leading the EU in milk production, Germany and France. January-May 2017 milk production declined 3.8 percent in Germany and declined 3.2 percent in France. In contrast, January-May production was up 3.0 percent in Italy and 6.2 percent in Ireland. Overall these and some other countries with positive results could not overcome the drag of significant declines such as Germany and France.

Factors negatively affecting milk production include droughts in May into June, as well as a poor spring. Prices for milk were not high enough to incentivize additional production.

EU milk production is expected to gain against production last year, in the balance of the second half of the year. The split between fat and protein prices in the EU has increased so far during 2017. Little or modest correction at best, is what many observers expect during coming months. Others are less certain.

A significant lingering uncertainty is the magnitude of intervention skim milk powder stocks. The timing and method of possible release is of concern as to the impact on markets.

BUTTER/BUTTEROIL: Butter prices in Western Europe continue trending upward, once again reaching new 2017 highs. Among significant producers of butter, the highest prices are recorded in Germany with lower prices in Netherlands, then France, then Italy. Packaged butter demand has recently increased. Block butter demand is active. With overall milk supplies seasonally declining, markets are responding with higher cream and thus, butter prices. Contracting for the fourth quarter of the year is slow. Both buyers and sellers are being very cautious. Export activity is quiet.

The Dairy Market News international monthly average price in dollars/metric ton for European butter prices in July, 2017, \$7,205, compares with \$3,379 one year earlier.

82% BUTTERFAT: 7,200 - 7,675

99% BUTTERFAT: 6,400 - 8,350

SKIM MILK POWDER (SMP): Skim milk powder prices slightly increased, following four weeks with weaker prices. Among the larger SMP producing countries, prices are highest in Germany and lowest in the Netherlands. The next tender date is September 19. Markets have been quiet. This is a common vacation time in Europe, leading to less activity. Moreover, the stronger Euro is impacting export sales. Most current production is going to fill existing contracts. Demand from countries in the Southern part of the EU for skim milk concentrate have led to more current production focus on meeting those needs.

The Dairy Market News international monthly average price in dollars/metric ton for European SMP prices in July, 2017, \$2,096, compares with \$1,968 one year earlier.

1.25% BUTTERFAT: 2,050 - 2,225

SWEET WHEY POWDER: European whey prices are steady. Domestic EU demand is quiet and there is a sufficient supply. It is also noted that the stronger Euro is now having an adverse impact on export sales.

The Dairy Market News international monthly average price in dollars/metric ton for European whey prices in July, 2017, \$1,052, compares with \$712 one year earlier.

NONHYGROSCOPIC: 975 - 1,100

WHOLE MILK POWDER (WMP): Whole milk powder prices strengthened, reaching 2017 highs. Current interest in dairy fats has helped strengthen WMP pricing. Market interest is limited but buyers who need to finalize purchases now are paying more. Expectations are that buyers seeking contracts for the final quarter of the year will end up paying higher prices. Export activity is quiet.

The Dairy Market News international monthly average price in dollars/metric ton for European WMP prices in July, 2017, \$3,554, compares with \$2,435 one year earlier.

26% BUTTERFAT: 3,600 - 3,800

EASTERN OVERVIEW: May milk production during May in a number of Eastern European countries showed the following results for January-May this year compared with last year, and May 2017 compared with May last year: Bulgaria, +4.7 percent, +9.7 percent; Czech Republic, +2.8 percent, +7.1%; Poland, +3.5 percent, +3.1 percent; and Romania, +2.7 percent, +5.7 percent.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered July 24 - August 4, 2017

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

AUSTRALIA: Last week a large dairy cooperative in Australia increased the previously announced 2017-18 season milk price by 25 Australian cents per kg/milk solids, to 6.75 Australian dollars per kg/milk solids. Factors believed to underlie the increased price relate to viewing global dairy demand as improving and greater on farm confidence in Australia. Some agricultural lenders expect the higher income will result in reduction of existing debt, as well as further producer investment into their farms.

According to Dairy Australia, national June 2017 milk production was 645.7 million litres, up 2.2% from June 2016. The June changes from one year earlier are: New South Wales, +1.1%, Victoria, +3.1%, Queensland, -0.8%, South Australia, -7.6%, Western Australia, -2.6%, Tasmania, +10.2%. Australia's milk production season to date is down 6.9% compared to last season.

NEW ZEALAND: Although DCANZ has not yet published results for June milk production in New Zealand, some large processors have noted June production approaching 20% higher than June last year. However, this percentage may be misleading, because June is often the lowest volume milk producing month each year. As a result, a relatively small change in absolute milk production tons in June can greatly magnify the percentage variation, far more than the same change in tons in a far higher production month. While the indicator of a higher June production percentage may be notable, the magnitude should not be over cited as a seasonal predictor.

At the August 1 GDT event #193, all contracts prices ranged from 1.3 percent higher to 4.9 percent lower from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous averages are: anhydrous milk fat, \$6,289, -4.9 percent; butter, \$5,747, -4.9 percent; buttermilk powder, \$2,198, +0.4 percent; cheddar cheese, \$3,932, -4.8 percent; lactose, \$787, -4.3 percent; rennet casein, \$6,122, -4.4 percent; skim milk powder, \$1,966, -3.0 percent; and whole milk powder, \$3,155, +1.3 percent. Higher volumes of products were offered at this auction. The lower prices in a number of categories are attributed to increased offerings. This may become problematic in terms of maintaining prices in coming months as seasonal production will be increasing.

BUTTER: Butter prices in Oceania slightly weakened, slipping back from the high of 2017. Higher volumes were offered than at the prior event. That is viewed as a factor in weaker prices. Also mentioned is perceived buyer resistance to recent higher prices.

This year January-June, New Zealand butter exports, 129,929 MT, decreased 11.8 percent from the same period one year earlier, according to Euclait. January-June, the range of percentage changes year to date in cumulative export volumes varies from -30.3 percent in January, to June's -11.8 percent.

Export volumes and primary destinations are shown in the following table:

New Zealand Butter Exports
Main Three Destinations
January-June 2017

Destination	Quantity(MT)	Percent of Total
China	26,247	19.5

Australia	12,474	9.3
Iran	8,004	6.0

The Dairy Market News international monthly average price in dollars/metric ton for Oceania butter prices in July, 2017, \$6,046, compares with \$2,282 one year earlier.

At GDT Event 193 on August 1, the butter all contracts price decreased 4.9 percent.

82% BUTTERFAT: 5,750 - 6,200

CHEDDAR CHEESE: Cheddar cheese prices in Oceania very slightly declined. However, prices remain higher than most of 2017 and all of 2016.

This year, January-June, New Zealand cheese exports, 177,587 MT, decreased 5.3 percent from the same period one year earlier, according to Euclait. January-June, the range of percentage changes year to date in cumulative export volumes varies from -5.3 percent in June, to -18.9 percent in February.

Export volumes and primary destinations are shown in the following table:

New Zealand Cheese Exports
Main Three Destinations
January-June 2017

Destination	Quantity(MT)	Percent of Total
Australia	35,377	19.4
China	32,432	17.6
South Korea	30,129	16.3

The Dairy Market News international monthly average price in dollars/metric ton for Oceania cheese prices in July, 2017, \$4,027, compares with \$2,865 one year earlier.

At GDT Event 193 on August 1, the cheddar all contracts price decreased 4.8 percent.

39% MAXIMUM MOISTURE: 3,975 - 4,025

SKIM MILK POWDER (SMP): Oceania skim milk powder prices declined slightly. Buyers continue to purchase mostly as needed rather than maintain a large inventory cushion.

This year, January-June, New Zealand SMP exports, 188,591 MT, decreased 14.6 percent from the same period one year earlier, according to Euclait. January-June, the range of percentage changes year to date in cumulative export volumes ranges from -7.9 percent in January, to -22.9 percent in February.

Export volumes and primary destinations are shown in the following table:

CONTINUED ON PAGE 8AA

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered July 24 - August 4, 2017

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

CONTINUED FROM PAGE 8A

Exchange rates for selected foreign currencies:
July 31, 2017

New Zealand SMP Exports
Main Three Destinations
January-June 2017

Destination	Quantity(MT)	Percent of Total
China	53,266	27.8
China	17,856	9.3
Malaysia	14,890	7.8

The Dairy Market News international monthly average price in dollars/metric ton for Oceania SMP prices in July, 2017, 2,057, compares with \$1,925 one year earlier.

At GDT Event 193 on August 1, the SMP all contracts price decreased 3.0 percent.

1.25% BUTTERFAT: 2,000 - 2,025

.0567 Argentina Peso	.0156 India Rupee
.8004 Australian Dollar	.0091 Japan yen
.3200 Brazil Real	.0562 Mexican Peso
.8013 Canadian Dollar	.7515 New Zealand Dollar
.0015 Chile Peso	.2782 Poland Zloty
1.1843 Euro	.0354 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0562) = 17.7936$ Mexican Pesos. Source: "Wall Street Journal"

WHOLE MILK POWDER (WMP): Whole milk powder prices in Oceania slightly firmed at the bottom of the price range but remained unchanged at the top. This keeps pricing near the high for 2016-2017. Nevertheless, pricing is lower than in Western Europe. Markets are believed to reflect buyers are showing more resistance to pricing increases, especially at the top of the price range.

This year January-June, New Zealand WMP exports, 687,035 MT, are 0.1 percent below the same period one year earlier, according to Eurolait. January-June, the range of percentage changes year to date in cumulative export volumes ranges from -11.8 percent in January, to June's -0.1 percent.

Export volumes and primary destinations are shown in the following table:

New Zealand WMP Exports
Main Three Destinations
January-June 2017

Destination	Quantity(MT)	Percent of Total
China	204,646	29.3
Algeria	70,951	10.2
UAE	56,168	8.1

The Dairy Market News international monthly average price in dollars/metric ton for Oceania WMP prices in July, 2017, \$3,192, compares with \$2,215 one year earlier.

At GDT Event 193 on August 1, the WMP all contracts price increased 1.3 percent while the September contract declined 0.6 percent.

26% BUTTERFAT: 3,175 - 3,275

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 193 Recap - August 1, 2017													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Sep-17		Oct-17		Nov-17		Dec-17		Jan-18		Feb-18			
Anhydrous Milk Fat	\$6,747	-8.5%	\$6,356	-5.4%	\$6,181	-5.1%	\$6,234	-3.2%	\$6,143	-3.6%		n.a.	\$6,289	-4.9%
Butter	\$6,405	1.3%	\$6,080	-7.3%	\$5,735	-6.6%	\$5,735	2.9%	\$5,045	-9.2%		n.a.	\$5,747	-4.9%
Buttermilk Powder	\$2,510	-4.2%	\$1,950	6.6%	\$2,245	-3.4%	\$2,260	1.3%	\$2,240	0.9%		n.a.	\$2,198	0.4%
Cheddar	\$4,400	n.a.	\$4,044	1.6%	\$4,004	-1.9%	\$3,690	-11.7%	\$3,995	-6.1%		n.a.	\$3,932	-4.8%
Lactose		n.a.	\$787	-4.3%		n.a		n.a.		n.a.		n.a.	\$787	-4.3%
Rennet Casein	\$5,952	-5.6%	\$5,903	-5.1%	\$6,287	-4.4%	\$6,314	-3.8%	\$6,316	-1.1%		n.a.	\$6,122	-4.4%
Skim Milk Powder	\$1,998	n.a.	\$1,950	-3.1%	\$1,989	-0.7%	\$2,013	-1.7%	\$1,904	-7.5%		n.a.	\$1,966	-3.0%
Whole Milk Powder	\$3,265	-0.6%	\$3,166	0.6%	\$3,148	1.8%	\$3,142	1.5%	\$3,144	2.4%		n.a.	\$3,155	1.3%

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

US\$/Pound	Global/Dairy Trading (gDT) Event 193 Recap - August 1, 2017													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Sep-17		Oct-17		Nov-17		Dec-17		Jan-18		Feb-18			
Anhydrous Milk Fat	\$3.0604	-8.5%	\$2.8831	-5.4%	\$2.8037	-5.1%	\$2.8277	-3.2%	\$2.7864	-3.6%		n.a.	\$2.8527	-4.9%
Butter	\$2.9053	1.3%	\$2.7579	-7.3%	\$2.6014	-6.6%	\$2.6014	2.9%	\$2.2884	-9.2%		n.a.	\$2.6068	-4.9%
Buttermilk Powder	\$1.1385	-4.2%	\$0.8845	6.6%	\$1.0183	-3.4%	\$1.0251	1.3%	\$1.0161	0.9%		n.a.	\$0.9970	0.4%
Cheddar	\$1.9958	n.a.	\$1.8343	1.6%	\$1.8162	-1.9%	\$1.6738	-11.7%	\$1.8121	-6.1%		n.a.	\$1.7835	-4.8%
Lactose		n.a.	\$0.3570	-4.3%		n.a		n.a.		n.a.		n.a.	\$0.3570	-4.3%
Rennet Casein	\$2.6998	-5.6%	\$2.6776	-5.1%	\$2.8518	-4.4%	\$2.8640	-3.8%	\$2.8649	-1.1%		n.a.	\$2.7769	-4.4%
Skim Milk Powder	\$0.9063	n.a.	\$0.8845	-3.1%	\$0.9022	-0.7%	\$0.9131	-1.7%	\$0.8636	-7.5%		n.a.	\$0.8918	-3.0%
Whole Milk Powder	\$1.4810	-0.6%	\$1.4361	0.6%	\$1.4279	1.8%	\$1.4252	1.5%	\$1.4261	2.4%		n.a.	\$1.4311	1.3%

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

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered July 24 - August 4, 2017

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

SOUTH AMERICA OVERVIEW: One year ago, heavy storms and catastrophic floods affected many dairy operations throughout the Southern Cone region. Today, the dairy industry has recovered and is in better shape from a year ago. Furthermore, ample regional supply of grain and its relative lower price has been beneficial for dairy operators, easing their operational costs.

In **Argentina** and **Uruguay**, farm milk output is steady to lower taking in consideration that cooler temperatures are hampering cows' performance. Nevertheless, milk supply is more than adequate to meet most processing needs, especially fluid milk and cheese. Milk requests from bottlers are very strong as many educational institutions are reopening after finishing their winter break.

Milk production in **Brazil** is improving, while prices paid to producers dropped in July for the second consecutive month. Manufacturing milk volumes are sufficient to cover bottled milk and cheese processing. With higher milk supply, Brazil is depending less of imports from nearby countries, such as Argentina and Uruguay. Meanwhile, the overall retail demand for dairy products is expected to remain weak in the short/medium term, as the purchase power of Brazilian consumers is currently low.

SKIM MILK POWDER (SMP): In the Southern Cone of South America, skim milk powder (SMP) f.o.b. export prices are unchanged from two weeks ago. Skim milk intakes moving into dryers are irregular as most processors are focusing on clearing milk volumes into WMP. In this way, spot loads are less available in the spot market and fully committed thru contract. SMP export transactions have been light throughout the past two weeks.

Meanwhile, SMP exports from the United States to Chile continue to increase significantly, but are well below export volumes to Mexico. It is important to mention that the U.S. is the main SMP/cheese importer in Chile and Mexico.

The July 2017 Dairy Market News monthly average price per metric ton for WMP in the southern Cone of South America is \$3,336.

At the GDT Event 193 on August 1, skim milk powder (SMP) prices across all contract periods averaged \$1,966 per metric ton, down 3.0 percent from the last event.

1.25% BUTTERFAT: 2,850– 3,150

WHOLE MILK POWDER (WMP): In the Southern Cone of South America, whole milk powder (WMP) f.o.b. export prices are steady to lower. The weaker demand from Brazil pushed down the top of the pricing range. Meanwhile, moderate WMP export activity from Argentina/Uruguay to Russia and Algeria maintained unchanged the bottom of the pricing range. Regional WMP production is active. Inventory levels are increasing in most processing plants.

The July 2017 Dairy Market News monthly average price per metric ton for SMP in the southern Cone of South America is \$2,982.

At the GDT Event 193 on August 1, whole milk powder (WMP) prices across all contract periods averaged \$3,155 per metric ton, up 1.3 percent from the last event.

26% BUTTERFAT: 3,100 - 3,500

CME GROUP, INC FUTURES

Selected settling prices

Month	07/21	07/24	07/25	07/26	07/27	07/28	07/31	08/01	08/02	08/03
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 17	15.50	15.50	15.51	15.50	15.49	15.48	15.47	15.49	15.45	
AUG 17	16.10	16.01	16.31	16.38	16.45	16.56	16.59	16.73	16.49	16.42
SEP 17	16.46	16.39	16.73	16.78	16.91	17.16	17.31	17.48	17.07	16.86
OCT 17	16.71	16.71	16.97	16.99	17.10	17.26	17.34	17.53	17.23	17.07
NOV 17	16.83	16.82	17.00	17.04	17.15	17.27	17.34	17.43	17.16	17.10
DEC 17	16.73	16.74	16.90	16.86	16.89	17.01	17.07	17.11	16.97	16.87
JAN 18	16.56	16.56	16.69	16.66	16.66	16.74	16.75	16.79	16.65	16.63
FEB 18	16.59	16.57	16.65	16.64	16.64	16.70	16.69	16.72	16.63	16.62
MAR 18	16.50	16.53	16.58	16.60	16.60	16.60	16.65	16.68	16.61	16.60
APR 18	16.52	16.52	16.55	16.55	16.55	16.55	16.55	16.58	16.54	16.53
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 17	16.70	16.64	16.64	16.64	16.64	16.64	16.64	16.66	16.60	
AUG 17	16.73	16.69	16.69	16.69	16.71	16.92	16.92	16.90	16.90	16.90
SEP 17	16.92	16.85	16.85	16.87	16.87	17.19	17.23	17.16	17.15	17.16
OCT 17	17.09	17.09	17.10	17.09	17.09	17.26	17.42	17.30	17.30	17.38
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
JUL 17	260.25	259.50	259.50	261.00	260.50	260.50	260.50	260.50	260.39	
AUG 17	261.85	260.00	262.45	263.45	266.10	271.10	270.38	269.35	269.35	272.00
SEP 17	263.48	263.00	263.00	264.50	269.33	274.33	271.88	272.48	273.00	274.95
OCT 17	264.53	264.05	263.65	264.58	268.98	273.98	271.55	271.63	273.70	276.35
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
JUL 17	90.33	90.35	90.35	90.48	90.35	90.25	90.25	90.23	89.91	
AUG 17	90.30	90.10	90.03	89.98	88.68	88.65	88.90	88.50	88.28	88.03
SEP 17	92.03	92.00	91.93	91.35	89.95	90.63	91.10	90.08	89.95	90.00
OCT 17	93.13	92.95	93.18	92.83	91.50	92.35	92.55	91.65	91.53	91.50
WHEY (Electronic-Traded) (¢/lb)										
JUL 17	45.00	44.98	45.05	45.00	44.95	44.95	45.08	45.08	45.14	
AUG 17	43.00	42.00	41.45	41.45	42.28	42.25	42.75	42.83	42.50	43.30
SEP 17	41.80	40.75	40.55	40.55	41.00	40.90	41.08	40.55	40.50	41.00
OCT 17	40.45	39.75	40.08	40.08	40.50	40.25	40.63	40.50	40.45	40.80
CHEESE CSC (Electronic-Traded) (\$/lb)										
JUL 17	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.55	1.54	
AUG 17	1.62	1.62	1.65	1.66	1.66	1.67	1.67	1.69	1.66	1.65
SEP 17	1.67	1.66	1.70	1.70	1.72	1.74	1.75	1.77	1.74	1.71
OCT 17	1.70	1.71	1.73	1.73	1.74	1.76	1.76	1.78	1.74	1.74
NOV 17	1.72	1.72	1.74	1.74	1.74	1.76	1.77	1.77	1.75	1.74

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

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

COMMODITY	::REPORT NUMBER 27 ::	REPORT NUMBER 28 ::	REPORT NUMBER 29 ::	REPORT NUMBER 30 ::	REPORT NUMBER 31 ::	2017 ::	2016 ::
	-----	-----	-----	-----	-----	Monthly	Monthly
	JUL 3 - 7	JUL 10 - 14	JUL 17 - 21	JUL 24 - 28	JUL 31	Average	Average
CHEESE							
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.4550 - 1.8150	:: 1.4600 - 1.8200	:: 1.5275 - 1.8875	:: 1.5500 - 1.9100	:: 1.5625 - 1.9225	:: 1.6835	: 1.9688
-- Brick And/Or Muenster 5#	:: 1.8825 - 2.3075	:: 1.9075 - 2.3325	:: 1.9900 - 2.4150	:: 2.0700 - 2.4950	:: 2.0825 - 2.5075	:: 2.1850	: 2.2084
-- Cheddar 40# Block	:: 1.6100 - 2.0050	:: 1.6350 - 2.0300	:: 1.7175 - 2.1125	:: 1.7975 - 2.1925	:: 1.8100 - 2.2050	:: 1.8975	: 1.9209
-- Monterey Jack 10#	:: 1.8575 - 2.0625	:: 1.8825 - 2.0875	:: 1.9650 - 2.1700	:: 2.0450 - 2.2500	:: 2.0575 - 2.2625	:: 2.0500	: 2.0734
-- Blue 5#	:: 2.1500 - 3.1375	:: 2.1750 - 3.1625	:: 2.2575 - 3.2450	:: 2.3375 - 3.3250	:: 2.3500 - 3.3375	:: 2.7338	: 2.7571
-- Mozzarella 5 - 6#	:: 1.6825 - 2.6225	:: 1.7075 - 2.6475	:: 1.7900 - 2.7300	:: 1.8700 - 2.8100	:: 1.8825 - 2.8225	:: 2.2425	: 2.2659
-- Grade A Swiss Cuts 6 - 9#	:: 2.6500 - 2.7675	:: 2.6500 - 2.7675	:: 2.6500 - 2.7675	:: 2.6500 - 2.7675	:: 2.6500 - 2.7675	:: 2.7088	: 2.5419
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 40# Block	:: 1.9575 - 2.2425	:: 1.9825 - 2.2675	:: 2.0650 - 2.3500	:: 2.1450 - 2.4300	:: 2.1575 - 2.4425	:: 2.1900	: 2.1684
-- Process 5# Sliced	:: 1.5175 - 1.9975	:: 1.5225 - 2.0025	:: 1.5900 - 2.0700	:: 1.6125 - 2.0925	:: 1.6250 - 2.1050	:: 1.8060	: 2.1363
-- Muenster	:: 1.9425 - 2.2925	:: 1.9675 - 2.3175	:: 2.0500 - 2.4000	:: 2.1300 - 2.4800	:: 2.1425 - 2.4925	:: 2.2075	: 2.2209
-- Grade A Swiss Cuts 10 - 14#	:: 3.1325 - 3.4550	:: 3.1325 - 3.4550	:: 3.1325 - 3.4550	:: 3.1325 - 3.4550	:: 3.1325 - 3.4550	:: 3.2938	: 3.1269
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.4425 - 1.7000	:: 1.4475 - 1.7050	:: 1.5150 - 1.7725	:: 1.5375 - 1.7950	:: 1.5500 - 1.8075	:: 1.6198	: 1.9325
-- Cheddar 40# Block	:: 1.6425 - 2.0875	:: 1.6675 - 2.1125	:: 1.7500 - 2.1950	:: 1.8300 - 2.2750	:: 1.8425 - 2.2875	:: 1.9550	: 1.9509
-- Cheddar 10# Cuts	:: 1.8225 - 2.0425	:: 1.8475 - 2.0675	:: 1.9300 - 2.1500	:: 2.0100 - 2.2300	:: 2.0225 - 2.2425	:: 2.0225	: 2.0184
-- Monterey Jack 10#	:: 1.8325 - 1.9925	:: 1.8575 - 2.0175	:: 1.9400 - 2.1000	:: 2.0200 - 2.1800	:: 2.0325 - 2.1925	:: 2.0025	: 1.9984
-- Grade A Swiss Cuts 6 - 9#	:: 2.7100 - 3.1400	:: 2.7100 - 3.1400	:: 2.7100 - 3.1400	:: 2.7100 - 3.1400	:: 2.7100 - 3.1400	:: 2.9250	: 2.7581
FLUID PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	:: 3.2135 - 3.5560	:: 3.1343 - 3.5261	:: 3.1962 - 3.5080	:: 3.2195 - 3.5336	:: 3.4249 - 3.6093	:: 3.3675	: 2.9970
-- Upper Midwest - f.o.b	:: 3.1608 - 3.3979	:: 3.1343 - 3.3955	:: 3.1182 - 3.4300	:: 3.1672 - 3.4551	:: 3.2141 - 3.4775	:: 3.2857	: 2.8892
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	:: 0.35 - 0.65	:: 0.35 - 0.65	:: 0.35 - 0.77	:: 0.35 - 0.81	:: 0.30 - 0.80	:: 0.5375	: 0.5563
-- Class III	:: 0.30 - 0.70	:: 0.30 - 0.70	:: 0.30 - 0.75	:: 0.30 - 0.75	:: 0.30 - 0.75	:: 0.5138	: 0.4038

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

COMMODITY	::REPORT NUMBER 27 ::-----::	::REPORT NUMBER 28 ::-----::	::REPORT NUMBER 29 ::-----::	::REPORT NUMBER 30 ::-----::	::REPORT NUMBER 31 ::-----::	2017 :: Monthly :: Average	2016 :: Monthly :: Average
	JUL 3 - 7	JUL 10 - 14	JUL 17 - 21	JUL 24 - 28	JUL 31		
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central And East (f.o.b.)							
-- Low/Medium Heat	:: 0.8450 - 0.9400	:: 0.8500 - 0.9400	:: 0.8500 - 0.9800	:: 0.8500 - 0.9600	:: 0.8500 - 0.9500	:: 0.9023	: 0.8824
-- Mostly	:: 0.8800 - 0.9200	:: 0.8800 - 0.9200	:: 0.8800 - 0.9200	:: 0.8800 - 0.9200	:: 0.8800 - 0.9200	:: 0.9000	: 0.8774
-- High Heat	:: 0.9900 - 1.0900	:: 1.0000 - 1.0900	:: 1.0000 - 1.0900	:: 1.0000 - 1.0900	:: 1.0000 - 1.0900	:: 1.0440	: 0.9531
-- West (f.o.b.)							
-- Low/Medium Heat	:: 0.8000 - 0.9500	:: 0.8150 - 0.9500	:: 0.8050 - 0.9600	:: 0.8050 - 0.9400	:: 0.8150 - 0.9600	:: 0.8788	: 0.8736
-- Mostly	:: 0.8500 - 0.9300	:: 0.8700 - 0.9200	:: 0.8700 - 0.9200	:: 0.8700 - 0.9200	:: 0.8700 - 0.9200	:: 0.8940	: 0.8910
-- High Heat	:: 0.9800 - 1.0600	:: 0.9800 - 1.0600	:: 0.9800 - 1.0700	:: 0.9800 - 1.0700	:: 0.9800 - 1.0650	:: 1.0226	: 0.9713
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	:: 0.3500 - 0.5500	:: 0.3400 - 0.5200	:: 0.3200 - 0.5100	:: 0.3200 - 0.5100	:: 0.3200 - 0.5100	:: 0.4258	: 0.2903
-- Mostly	:: 0.3900 - 0.4850	:: 0.3900 - 0.4700	:: 0.3800 - 0.4700	:: 0.3800 - 0.4700	:: 0.3600 - 0.4600	:: 0.4280	: 0.2546
-- West (f.o.b.)	:: 0.3800 - 0.5150	:: 0.3800 - 0.4925	:: 0.3800 - 0.4850	:: 0.3600 - 0.4850	:: 0.3600 - 0.4625	:: 0.4329	: 0.2853
-- Mostly	:: 0.4000 - 0.4650	:: 0.4000 - 0.4500	:: 0.4000 - 0.4500	:: 0.4000 - 0.4450	:: 0.3950 - 0.4450	:: 0.4256	: 0.2687
-- Northeast (f.o.b.)	:: 0.3700 - 0.5075	:: 0.3700 - 0.5050	:: 0.3500 - 0.4900	:: 0.3500 - 0.4800	:: 0.3600 - 0.4700	:: 0.4266	: 0.2787
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 0.7200 - 1.2350	:: 0.7500 - 1.1850	:: 0.7400 - 1.1850	:: 0.7200 - 1.1850	:: 0.7100 - 1.1850	:: 0.9635	: 0.6831
-- Mostly	:: 0.8000 - 0.9900	:: 0.8300 - 0.9550	:: 0.8300 - 0.9550	:: 0.8300 - 0.9550	:: 0.8000 - 0.9425	:: 0.8919	: 0.6937
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.3000 - 0.4725	:: 0.3000 - 0.4725	:: 0.3000 - 0.4725	:: 0.3200 - 0.4725	:: 0.2800 - 0.4550	:: 0.3878	: 0.1722
BUTTERMILK (Min. 30% protein)							
-- Central And East (f.o.b.)	:: 0.8400 - 0.9200	:: 0.8450 - 0.9200	:: 0.8450 - 0.9200	:: 0.8450 - 0.9200	:: 0.8450 - 0.9225	:: 0.8821	: 0.8065
-- West (f.o.b.)	:: 0.8200 - 0.9400	:: 0.8200 - 0.9400	:: 0.8200 - 0.9400	:: 0.8200 - 0.9600	:: 0.8200 - 0.9600	:: 0.8830	: 0.7774
-- Mostly	:: 0.9000 - 0.9200	:: 0.9000 - 0.9200	:: 0.9000 - 0.9200	:: 0.9100 - 0.9200	:: 0.9100 - 0.9200	:: 0.9115	: 0.7720
DRY WHOLE MILK							
-- National (f.o.b.)	:: 1.3000 - 1.5500	:: 1.3000 - 1.6000	:: 1.3000 - 1.6000	:: 1.3000 - 1.6000	:: 1.3000 - 1.7000	:: 1.4475	: 1.3018
LACTOSE							
-- Central And West (f.o.b.)	:: 0.2950 - 0.5500	:: 0.2800 - 0.4900	:: 0.2800 - 0.4900	:: 0.2500 - 0.4900	:: 0.2500 - 0.4900	:: 0.3880	: 0.2821
-- Mostly	:: 0.3400 - 0.4400	:: 0.3400 - 0.4200	:: 0.3300 - 0.4200	:: 0.3200 - 0.4000	:: 0.3100 - 0.4000	:: 0.3745	: 0.2769
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 2.7000 - 2.8500	:: 2.7000 - 2.8000	:: 2.7000 - 2.8500	:: 2.7000 - 2.8500	:: 2.7000 - 2.8000	:: 2.7675	: 2.7363
-- Nonrestricted - Acid	:: 3.4000 - 3.6500	:: 3.4000 - 3.6500	:: 3.4000 - 3.6500	:: 3.4000 - 3.6500	:: 3.4000 - 3.6000	:: 3.5238	: 2.7925

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

DAIRY MARKET NEWS INTERNATIONAL MONTHLY SUMMARY AND AVERAGES FOR JULY 2017¹

(UNLESS OTHERWISE NOTED, PRICES ARE U.S.DOLLARS/METRIC TON, F.O.B. PORT)

COMMODITY	::REPORT NUMBER 27 ::		REPORT NUMBER 29 ::		REPORT NUMBER 31 ::		2017 *	2016 *
	::-----::		-----::		-----::		Monthly	Monthly
	:: JUL 3 - 7 ::		JUL 10 - 21 ::		JUL 24 - 31 ::		Average	Average
BUTTER (82% BUTTERFAT)								
-- OCEANIA	:: 5800	- 6050	:: 6000	- 6300	:: 5750	- 6200	:: 6046	: 2882
-- WESTERN EUROPE	:: 6800	- 7025	:: 6950	- 7475	:: 7200	- 7675	:: 7205	: 3379
BUTTEROIL (99% BUTTERFAT)								
-- WESTERN EUROPE	:: 6000	- 7300	:: 6300	- 7600	:: 6400	- 8350	:: 7000	: 3843
CHEDDAR CHEESE (39% MAXIMUM MOISTURE)								
-- OCEANIA	:: 3975	- 4050	:: 4025	- 4075	:: 3975	- 4025	:: 4027	: 2865
SKIM MILK POWDER (1.25% BUTTERFAT)								
-- OCEANIA	:: 2100	- 2150	:: 2025	- 2075	:: 2000	- 2025	:: 2057	: 1925
-- SOUTH AMERICA	:: 2775	- 3075	:: 2850	- 3150	:: 2850	- 3150	:: 2982	: 1925
-- WESTERN EUROPE	:: 2000	- 2175	:: 2000	- 2150	:: 2050	- 2225	:: 2096	: 1968
WHEY POWDER (NONHYGROSCOPIC)								
-- WESTERN EUROPE	:: 1000	- 1200	:: 0975	- 1100	:: 0975	- 1100	:: 1052	: 712
WHOLE MILK POWDER (26% BUTTERFAT)								
-- OCEANIA	:: 3050	- 3225	:: 3125	- 3275	:: 3175	- 3275	:: 3192	: 2215
-- SOUTH AMERICA	:: 3200	- 3500	:: 3100	- 3600	:: 3100	- 3500	:: 3336	: 2215
-- WESTERN EUROPE	:: 3325	- 3650	:: 3400	- 3600	:: 3600	- 3800	:: 3554	: 2435

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

CME GROUP AVERAGES FOR JULY 2017

COMMODITY	::REPORT NUMBER 27::	REPORT NUMBER 28::	REPORT NUMBER 29::	REPORT NUMBER 30::	REPORT NUMBER 31::	2017 *	2016 *
	::-----::	-----::	-----::	-----::	-----::	Monthly	Monthly
	:: JUL 3 - 7	JUL 10 - 14	JUL 17 - 21	JUL 24 - 28	JUL 31	:: Average	:: Average

BUTTER*							
-- GRADE AA							
--Monday	:: 2.6450	:: 2.6150	:: 2.6150	:: 2.5850	:: 2.6900	::	:
--Tuesday	:: 1	:: 2.6075	:: 2.6450	:: 2.5900		::	:
--Wednesday	:: 2.6450	:: 2.5850	:: 2.6325	:: 2.6075		::	:
--Thursday	:: 2.5725	:: 2.5850	:: 2.6100	:: 2.6700		::	:
--Friday	:: 2.5850	:: 2.6000	:: 2.5850	:: 2.7200		:: 2.6195	: 2.2731
--Weekly Average**	:: 2.6119	:: 2.5985	:: 2.6175	:: 2.6345		::	:
CHEESE*							
-- BARRELS							
--Monday	:: 1.3525	:: 1.3850	:: 1.4850	:: 1.4100	:: 1.5450	::	:
--Tuesday	:: 1	:: 1.4175	:: 1.4850	:: 1.4575		::	:
--Wednesday	:: 1.3700	:: 1.4375	:: 1.4850	:: 1.4600		::	:
--Thursday	:: 1.3675	:: 1.4500	:: 1.4100	:: 1.4600		::	:
--Friday	:: 1.3750	:: 1.4750	:: 1.4100	:: 1.5550		:: 1.4396	: 1.7363
--Weekly Average**	:: 1.3663	:: 1.4330	:: 1.4550	:: 1.4685		::	:
-- 40# BLOCKS							
--Monday	:: 1.5250	:: 1.5550	:: 1.6950	:: 1.7075	:: 1.7550	::	:
--Tuesday	:: 1	:: 1.6150	:: 1.7100	:: 1.7075		::	:
--Wednesday	:: 1.5400	:: 1.6300	:: 1.7100	:: 1.7075		::	:
--Thursday	:: 1.5550	:: 1.6500	:: 1.7050	:: 1.7150		::	:
--Friday	:: 1.5525	:: 1.6750	:: 1.7075	:: 1.7550		:: 1.6586	: 1.6613
--Weekly Average**	:: 1.5431	:: 1.6250	:: 1.7055	:: 1.7185		::	:
NONFAT DRY MILK*							
-- GRADE A							
--Monday	:: 0.8400	:: 0.8725	:: 0.8525	:: 0.8700	:: 0.8625	::	:
--Tuesday	:: 1	:: 0.8725	:: 0.8525	:: 0.8650		::	:
--Wednesday	:: 0.8500	:: 0.8700	:: 0.8600	:: 0.8600		::	:
--Thursday	:: 0.8625	:: 0.8675	:: 0.8600	:: 0.8525		::	:
--Friday	:: 0.8675	:: 0.8625	:: 0.8725	:: 0.8600		:: 0.8616	: 0.8638
--Weekly Average**	:: 0.8550	:: 0.8690	:: 0.8595	:: 0.8615		::	:

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

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

1/ CME closed for National Holiday.

June Agricultural Prices Highlights

The All Milk price received by farmers was \$17.30 in June, up \$2.50 from June 2016. The alfalfa hay price was \$152.00 in June, up \$10.00 from June 2016. The corn price was \$3.43 in June, down -\$0.39 from June 2016. The soybean price was \$9.10 in June, down -\$1.10 from June 2016. The milk-feed price ratio was 2.32 in June, up 0.41 from June 2016.

The index of prices received by farmers for dairy products during the month of June 2017 was up .3 to 86.1. Compared to June 2016, the index was up 12.5 points (17.0 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in June 2017 was down -0.1 points to 106.9. Compared with June 2016, the index was down 0.3 points (0.3 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., June 2017 with Comparisons

State	All-Milk price ^{1,2}		Alfalfa hay, baled		Corn for Grain		Soybeans	
	June		June		June		June	
	2016	2017	2016	2017	2016	2017	2016	2017
	<i>(dollars per cwt)</i>		<i>(dollars per ton)</i>		<i>(dollars per bushel)</i>		<i>(dollars per bushel)</i>	
AZ	14.10	16.70	140.00	180.00	---	---	---	---
CA	13.83	16.55	155.00	175.00	---	---	---	---
CO	15.20	17.70	160.00	170.00	3.85	3.55	---	---
ID	14.60	16.70	140.00	130.00	---	---	---	---
IN	14.80	17.10	---	---	4.26	3.84	10.90	9.27
IA	14.90	17.90	96.00	102.00	3.75	3.35	10.00	8.98
MI	13.70	15.80	115.00	155.00	3.95	3.58	10.50	9.43
MN	15.00	17.50	84.00	91.00	3.65	3.29	9.88	9.11
NM	13.90	15.70	165.00	185.00	---	---	---	---
NY	15.80	17.60	200.00	222.00	---	---	---	---
OH	15.50	17.90	170.00	180.00	4.19	3.78	10.60	9.39
PA	15.80	18.20	168.00	157.00	4.31	4.52	---	---
TX	15.20	17.70	182.00	190.00	3.93	4.06	---	---
WA	15.30	18.00	145.00	160.00	---	---	---	---
WI	14.90	17.90	95.00	113.00	3.75	3.42	10.30	9.19
U.S.	14.80	17.30	142.00	152.00	3.82	3.43	10.20	9.10

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

Milk-Feed Price Ratio, Selected States and U.S., June 2017 with Comparisons

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹

State ²	June 2016	May 2017	June 2017
IA	2.22	2.76	2.82
MI	1.86	2.01	2.05
MN	2.36	2.81	2.88
OH	1.89	2.31	2.21
WI	2.21	2.57	2.69
U.S.	1.91	2.21	2.32

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

General Price Measures, U.S., June 2017 with Comparisons

Item	June 2016	May 2017	June 2017
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	73.6	83.1	86.1
Prices paid by farmers for commodities and services, interest taxes, and wage rates	106.6	107.0	106.9

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

June 2017 Dairy Products Highlights

Butter production was 141 million pounds, 4.8 percent below June 2016, and 14.0 percent below May 2017. **American type cheese** production totaled 404 million pounds, 3.0 percent above June 2016, but 5.3 percent below May 2017. **Total cheese** output (excluding cottage cheese) was 1.03 billion pounds, 3.2 percent above June 2016, but 2.5 percent below May 2017. **Nonfat dry milk** production, for human food, totaled 164 million pounds, 11.6 percent above June 2016, but 2.8 percent below May 2017. **Dry whey** production, for human food, was 86.1 million pounds, 10.3 percent above June 2016, and 5.3 percent above May 2017. **Ice cream, regular hard** production totaled 75.5 million gallons, 0.2 percent below June 2016, but 3.8 percent above May 2017.

Production of Dairy Products									
Product	June 2017	Change from			Product	June 2017	Change from		
		June 2016	May 2017	Year to Date ¹			June 2016	May 2017	Year to Date ¹
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	140,620	-4.8	-14.0	-1.7	Yogurt (plain and flavored)	371,630	-1.8	-0.7	-0.9
Cheese					Dry whey, human food	86,148	10.3	5.3	---
American types ²	403,839	3.0	-5.3	4.1	Dry whey, animal feed	1,447	-10.6	29.9	---
Cheddar	288,105	2.8	-7.7	6.0	Dry whey, total ⁸	87,595	9.8	5.6	3.5
Other American	115,734	3.5	1.0	---	Reduced lactose & minerals				
Brick & Muenster	15,916	5.7	-5.7	---	Human food	2,190	-11.2	-24.1	---
Cream & Neufchatel	72,625	1.4	2.4	---	Animal feed	2,553	7.1	-7.5	---
Hispanic	23,831	4.8	-1.2	---	Lactose, human food & animal feed	96,727	3.2	1.9	3.4
Total Italian types	448,857	3.1	-0.8	1.3	Whey protein concentrate				
Mozzarella	349,540	3.1	-0.3	0.7	Human food ⁹	39,450	4.4	-6.9	---
Other Italian	99,317	3.1	-2.5	---	Animal feed ⁹	472	94.2	14.0	---
Swiss	25,981	-4.3	0.0	---	Total ⁹	39,922	5.0	-6.7	1.5
All other types	38,065	13.8	0.1	---	25.0-49.9 percent ¹⁰	14,546	-4.1	-3.1	---
Total	1,029,114	3.2	-2.5	2.7	50.0-89.9 percent ¹⁰	25,376	10.9	-8.6	---
Cottage cheese, curd ³	32,409	-4.4	-8.8	---	Whey protein isolates ¹¹	9,735	13.4	1.4	---
Cottage cheese, cream ⁴	27,436	-3.2	-5.6	-3.4					
Cottage cheese, lowfat ⁵	27,934	-9.2	-10.8	-7.2					
Dry buttermilk	8,043	-0.9	-14.1	---					
Dry whole milk	7,953	28.2	7.6	---	Frozen products				
Milk protein conc. (MPC), total ⁶	15,923	-12.7	-4.4	---	Ice cream, regular hard	75,489	-2.0	3.8	-1.8
Nonfat dry milk (NDM), human	163,666	11.6	-2.8	2.4	Ice cream, lowfat, hard	20,316	6.2	1.7	---
Skim milk powders (SMP) ⁷	39,997	-28.4	-21.6	2.6	Ice cream, lowfat, soft	25,173	5.4	6.5	---
Sour cream	117,687	-0.2	-0.7	1.9	Ice cream, lowfat, total	45,489	5.8	4.3	2.6
					Sherbet, hard	3,607	-1.8	9.6	-3.2
					Frozen yogurt, total	6,035	-5.8	-0.3	-2.1
Manufacturers' Stocks, End of Month ¹²									
Product	June 2017	June 2016	May 2017		Product	June 2017	June 2016	May 2017	
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Dry whey, human food	81,885	12.2	-4.8		Whey protein concentrate				
Dry whey, animal feed	1,954	34.4	6.7		Human food ⁹	66,916	3.8	-0.1	
Reduced lactose & minerals—human & animal ¹³	6,860	-10.6	-0.7		Animal feed ⁹	959	104.9	6.7	
Lactose, human food & animal feed	136,134	8.8	3.7		Total ⁹	67,875	4.5	---	
Dry buttermilk	16,167	-24.5	-21.8		25.0-49.9 percent ¹⁰	24,038	-5.4	-3.5	
Nonfat dry milk, human food	297,507	28.9	6.0		50.0-89.9 percent ¹⁰	43,837	10.8	2.1	
					Whey protein isolates ¹¹	25,238	44.5	-0.9	

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

Measures of Growth in Federal Order Markets: 1950 - 2016

Year	Number of Markets ¹	Number of Pool Handlers ¹	Number of Pooled Producers ²	Population of Federal Milk Marketing Areas ³	Total Receipts of Producer Milk ⁴	Producer Milk Used as Class I	Percent Used as Class I	Percentage of All Milk Sold		Milk Price at 3.5% Butterfat Content ⁶		Average Daily Delivery per Producer	Gross Value of Producer Milk ⁷	
								Fluid Grade	All Milk	Class I	Blend		Per Pooled Producer	All Pooled Producers
1950	39	1,101	156,584	⁵	18,660	11,000	58.9	41	25	4.51	3.93	326	4,914	769,442
1955	63	1,483	188,611	46,963	28,948	18,032	62.3	51	32	4.67	4.08	420	6,510	1,227,815
1960	80	2,259	189,816	88,818	44,812	28,758	64.2	64	43	4.88	4.47	648	10,482	1,989,615
1965	73	1,891	158,077	102,351	54,444	34,561	63.5	70	48	4.93	4.31	944	15,300	2,418,526
1970	62	1,588	143,411	125,721	65,104	40,063	61.5	79	59	6.74	5.95	1,244	27,636	3,963,311
1975	56	1,315	123,855	150,666	69,249	40,106	57.9	78	63	9.36	8.64	1,532	49,233	6,097,768
1980	47	1,091	117,490	164,908	83,998	41,034	48.9	80	67	13.77	12.86	1,954	93,685	11,007,001
1985	44	884	116,765	176,440	97,762	42,201	43.2	80	70	13.88	12.61	2,294	107,871	12,595,522
1990	42	753	100,397	195,841	102,396	43,783	42.8	77	70	15.55	13.78	2,796	142,324	14,289,567
1995	33	571	88,717	207,548	108,548	45,044	41.5	75	71	14.19	12.79	3,350	157,754	13,995,454
2000	11	346	69,590	228,899	116,920	45,989	39.3	72	70	14.24	12.11	4,590	207,913	14,468,892
2005	10	302	53,036	238,428	114,682	44,570	38.9	66	65	17.13	15.07	5,904	334,626	17,747,577
2010	10	251	45,918	247,031	126,909	44,970	35.4	67	66	18.25	16.07	7,572	444,038	20,389,201
2012	10	237	40,750	250,724	122,388	43,492	35.5	62	61	20.39	18.05	8,229	542,121	22,091,337
2013	10	225	40,048	251,201	132,100	42,742	32.4	67	66	21.80	19.44	9,047	641,295	25,682,588
2014	10	223	38,391	255,184	129,420	41,420	32.0	63	63	26.14	23.54	9,236	793,728	30,472,016
2015	10	214	36,118	256,526	126,126	41,206	32.7	61	61	19.21	16.70	9,559	583,173	21,063,042
2016	10	216	34,693	258,846	133,846	41,140	30.7	64	64	17.70	15.38	10,525	593,362	20,585,515

1 End of year.

2 Average for year.

3 Figures for following time periods on respective U.S. Census: 1951-59 (1950), 1960-70 (1970), 1980, 1990, 2000, and 2010. Figures for following time periods are estimated based on other Census Bureau reports: 1972-79, 1981-99, 2001-2009, 2011-2016.

4 Beginning in 1988, due to disadvantageous price situations in some markets, handlers elected not to pool milk that normally would have been associated with the order. This has reduced, sometimes substantially, the volume of producer milk receipts reported for some markets. This can also affect significantly the comparability of other "Measures of Growth" based on this statistic.

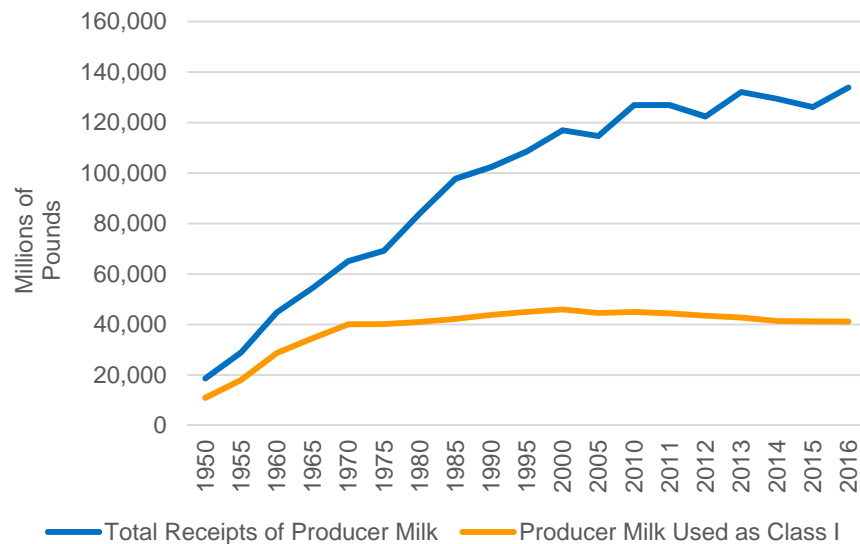
5 Data not available.

6 Prices are simple averages for 1947-61 and weighted averages for 1962 to date.

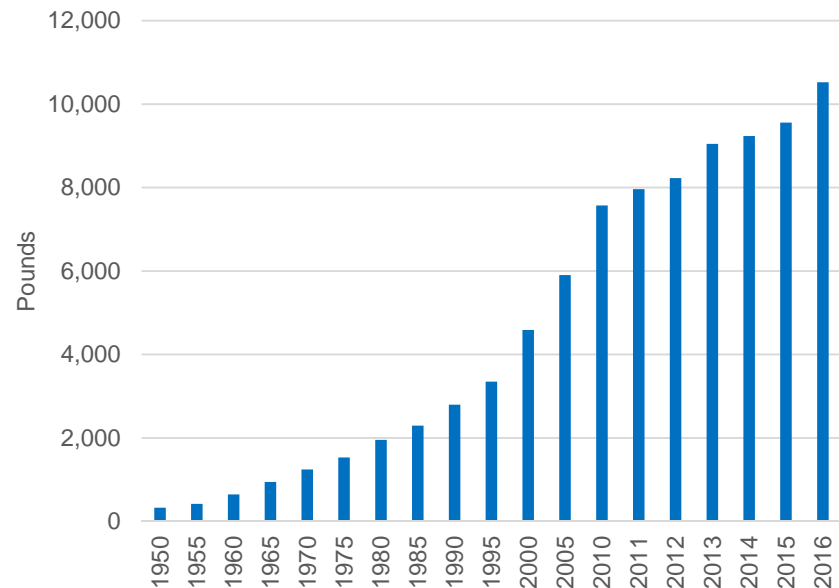
7 Based on blend (uniform) price adjusted for the butterfat content, and starting in 1988, other milk components of producer milk.

Report Contact: Randal Stoker, Dairy Marketing Specialist, randal.stoker@usda.gov or 202-690-1932.

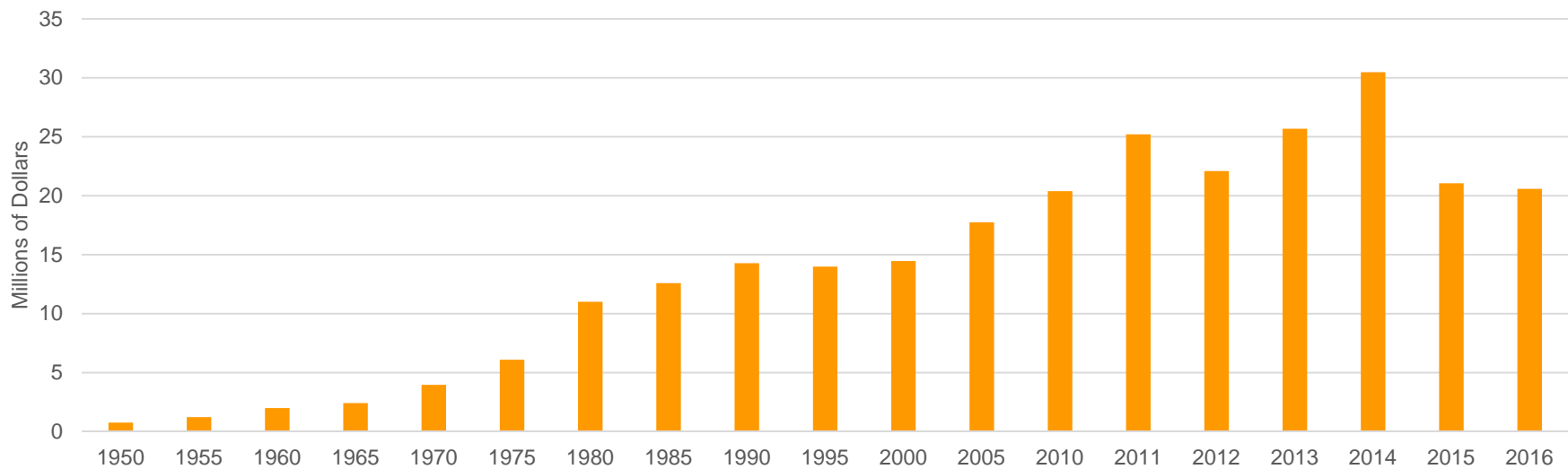
**Total Receipts of Producer Milk &
Producer Milk Used as Class I**



Average Daily Delivery per Producer



Gross Value



Federal Milk Order Final Class and Component Prices, July 2017

Class Prices: The following are the July 2017 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$17.48 (+\$1.33), Class III: \$15.45 (-\$0.99), and Class IV: \$16.60 (+\$0.71).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for July 2017 is \$2.9456 per pound. Thus, the Class II butterfat price is \$2.9526 per pound. The protein and other solids prices for July 2017 are \$1.2248 and \$0.2599 per pound, respectively. These component prices set the Class III skim milk price at \$5.33 per cwt. The July 2017 Class IV skim milk price is \$6.52, which is derived from the nonfat solids price of \$0.7240 per pound.

Product Price Averages: The product price averages for July 2017 are: butter: \$2.6039, nonfat dry milk: \$0.8991, cheese: \$1.5430, and dry whey: \$0.4514.

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1,2}						
Federal Milk Order Marketing Areas ³	Order Number	July 2017				August 2017
		Class I	Class II	Class III	Class IV	Class I
		(dollars per 100 pounds)				
Northeast (Boston) ⁴	001	19.84	17.48	15.45	16.60	19.97
Appalachian (Charlotte) ⁵	005	19.99	17.48	15.45	16.60	20.12
Florida (Tampa) ⁶	006	21.99	17.48	15.45	16.60	22.12
Southeast (Atlanta) ⁷	007	20.39	17.48	15.45	16.60	20.52
Upper Midwest (Chicago) ⁸	030	18.39	17.48	15.45	16.60	18.52
Central (Kansas City) ⁹	032	18.59	17.48	15.45	16.60	18.72
Mideast (Cleveland) ¹⁰	033	18.59	17.48	15.45	16.60	18.72
Pacific Northwest (Seattle) ¹¹	124	18.49	17.48	15.45	16.60	18.62
Southwest (Dallas) ¹²	126	19.59	17.48	15.45	16.60	19.72
Arizona (Phoenix)	131	18.94	17.48	15.45	16.60	19.07
All-Market Average	---	19.48	17.48	15.45	16.60	19.61

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

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

³ Names in parentheses are the major city in the principal pricing point of the markets.

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

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

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

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

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

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

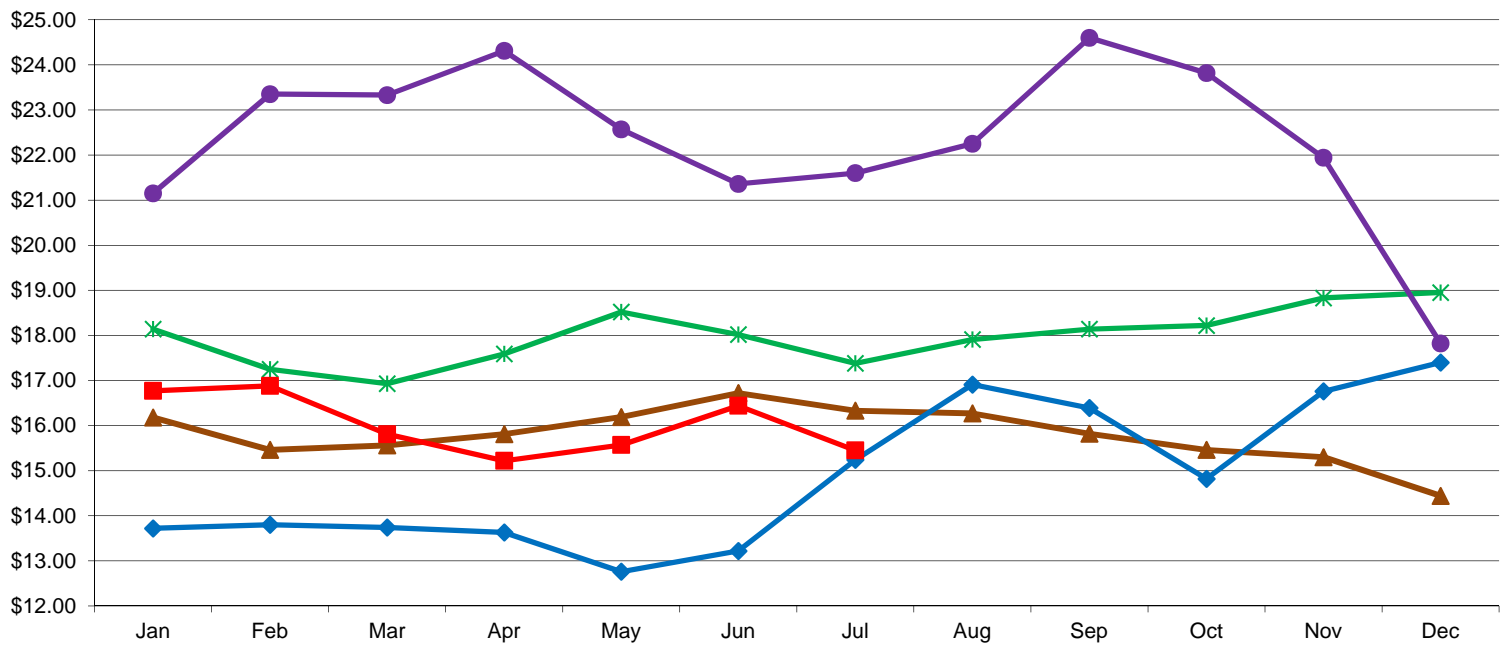
¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

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

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

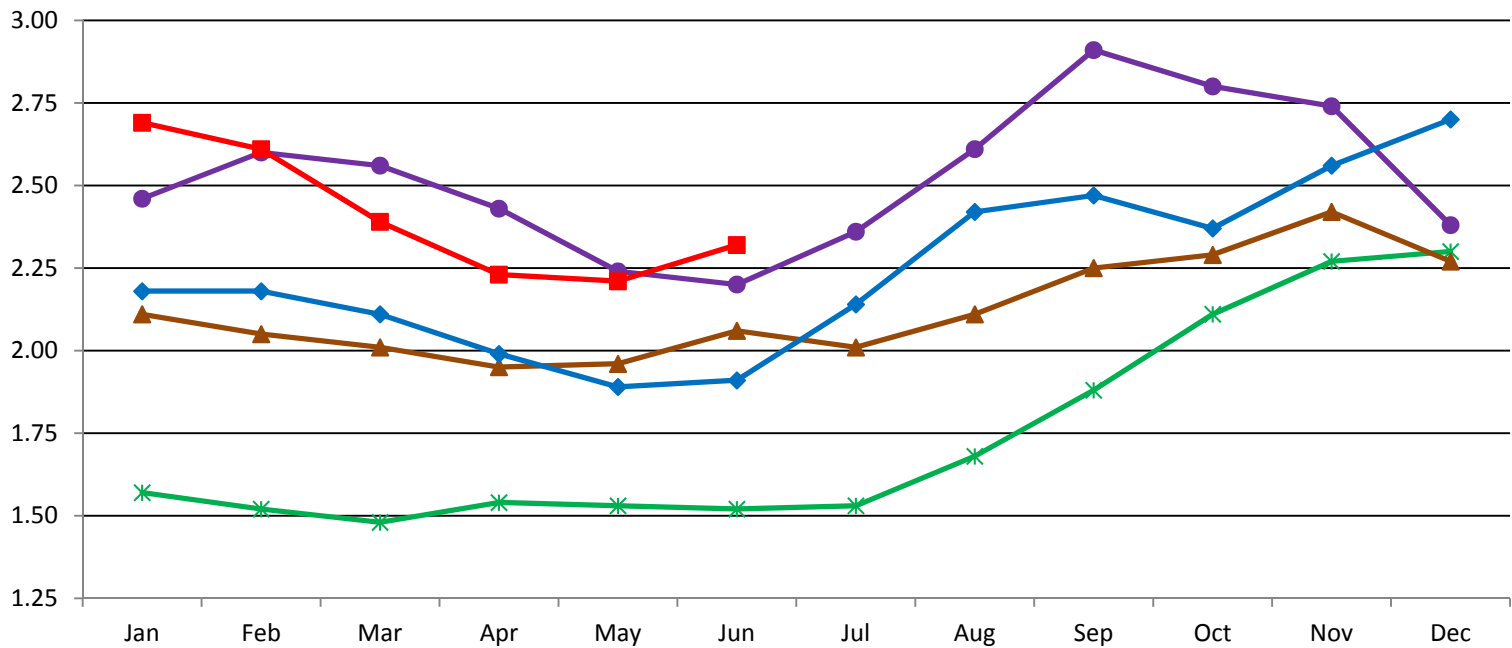
Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932.

PER CWT

Class III Milk Price at 3.5%Test

SOURCE, USDA, AMS, MIB; GRAPH, USDA, AMS, DMN

✱ 2013
 ● 2014
 ▲ 2015
 ◆ 2016
 ■ 2017

Milk-Feed Price Ratio Based on the Pounds of 16% Mixed Dairy Feed Equal in Value to 1 Pound of Whole Milk


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

✱ 2013
 ● 2014
 ▲ 2015
 ◆ 2016
 ■ 2017



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 84- Number 31

Issued Weekly

Friday, August 4, 2017

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 08/04/2017 to 08/10/2017

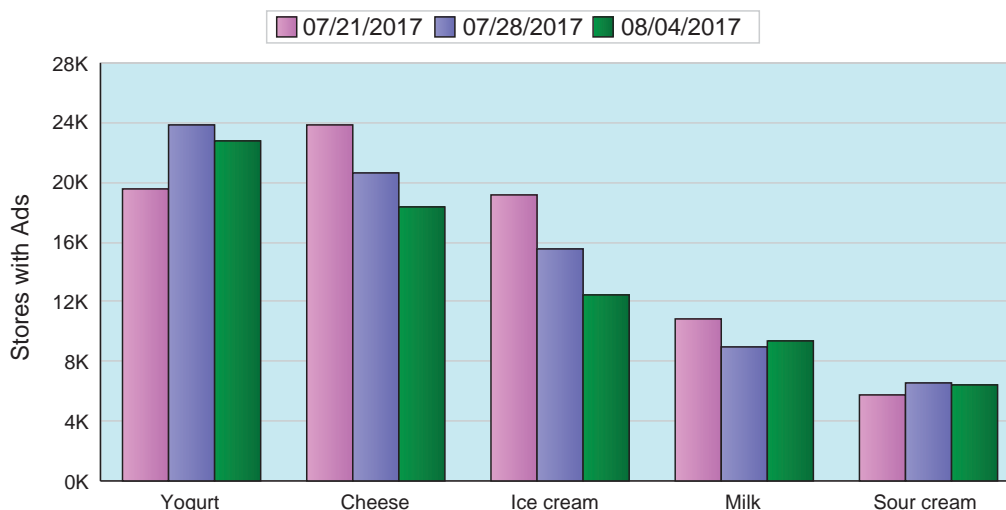
This week, total conventional dairy ads decreased 10 percent, but organic dairy ads increased 27 percent. Conventional ice cream posted the largest number of ads within the survey, but ad numbers decreased 20 percent from last week. Conventional 1 # butter advertisement numbers increased 45 percent, with an average price of \$3.57, up 8 cents from last week's price. Organic 1 # butter has an average price of \$5.42, up 24 cents from last week and carrying an organic price premium of \$1.85.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.27, up 11 cents from last week. The U.S. advertised price for 8 ounce organic cheese blocks averaged \$3.38, down \$1.61 from last week. The advertised price for conventional 8 ounce shred cheese averaged \$2.19, up 10 cents from last week, as ads increased 13 percent. Conventional cheese ad numbers declined 16 percent this week.

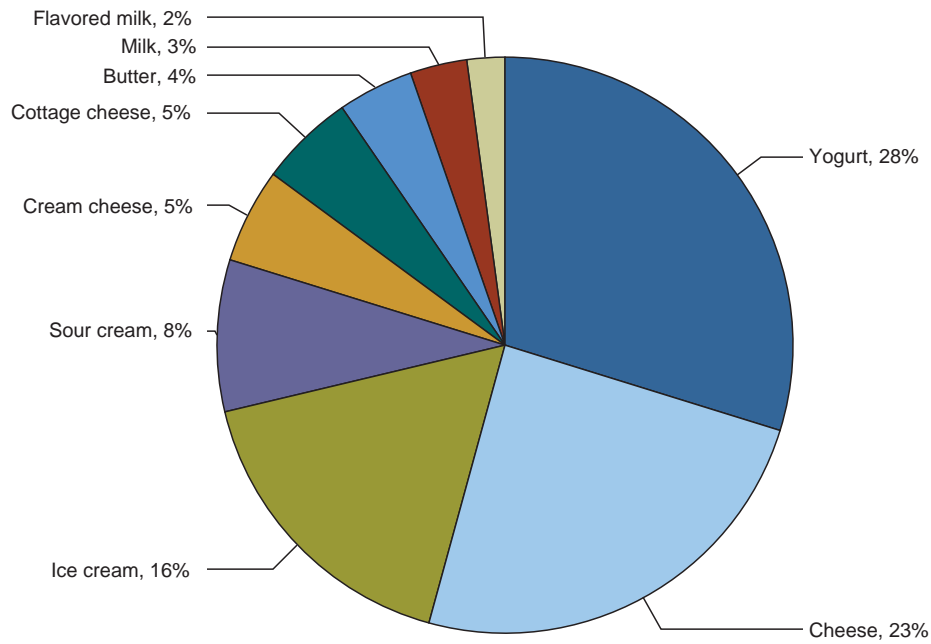
Conventional yogurt ads decreased 3 percent and organic yogurt ads decreased 17 percent. The average sale price for 4-6 ounce conventional Greek yogurt is 97 cents, up 2 cents. Organic 4-6 ounce Greek yogurt has an average price of \$1.22, up 3 cents, resulting in an organic premium this week of 25 cents. The average sale price for 4-6 ounce conventional yogurt is 50 cents, unchanged from last week, while the 4-6 ounce organic yogurt averages 18 cents more than its conventional equivalent.

The conventional half gallon milk price was \$1.84. Organic half gallon milk containers \$4.03, resulting in a premium of \$2.19. Conventional half gallon milk ads decreased 87 percent, while conventional gallon milk ads increased by the same number, 87 percent. Organic gallon milk ads saw an increase week over week of 165 percent. Total organic milk ad numbers increased 22 percent, as ad numbers for conventional milk decreased 31 percent.

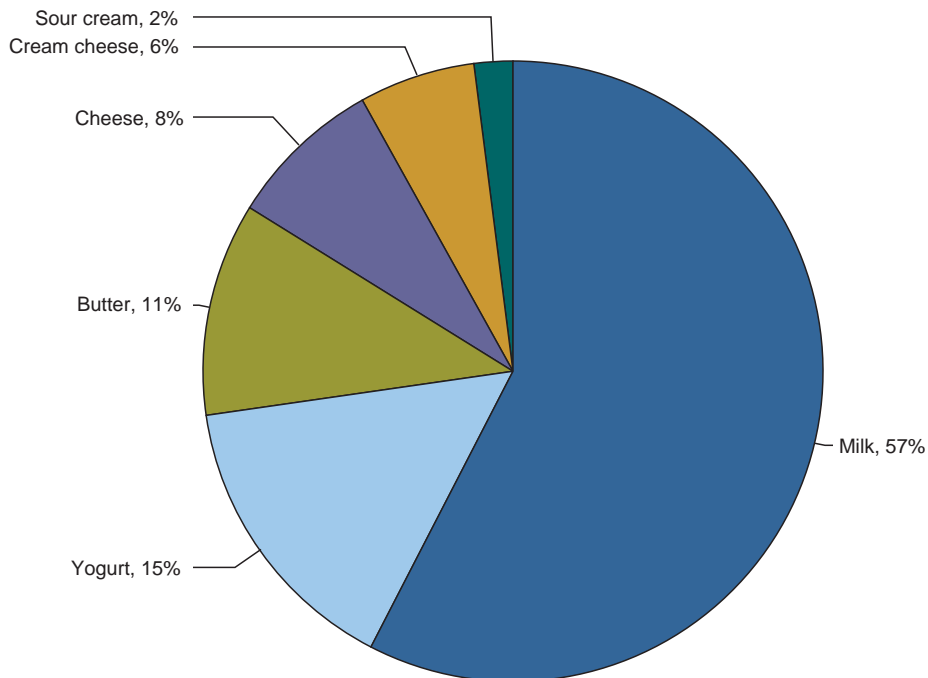
Top 5 Commodities Featured



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 #	3309	3.57	2279	3.49	3354	2.99
Cheese	Natural Varieties	8 oz block	4085	2.27	7371	2.16	9707	2.14
Cheese	Natural Varieties	1 # block	1146	3.45	1064	3.90	385	4.13
Cheese	Natural Varieties	2 # block	1144	7.06	1857	6.78	1018	6.67
Cheese	Natural Varieties	8 oz shred	9714	2.19	8613	2.09	11295	2.29
Cheese	Natural Varieties	1 # shred	1285	3.73	1706	4.02	590	3.52
Cottage cheese		16 oz	3740	1.82	3817	1.88	4549	2.08
Cream cheese		8 oz	4013	2.15	4910	1.90	3845	1.87
Flavored milk	All fat tests	half gallon	820	2.46	716	2.16	214	3.00
Flavored milk	All fat tests	gallon	759	3.43	618	3.92	528	3.41
Ice cream		48-64oz	12382	3.06	15569	2.97	14230	3.01
Milk	All fat tests	half gallon	274	1.84	2143	2.86	386	2.67
Milk	All fat tests	gallon	1925	2.60	1032	2.43	2252	2.54
Sour cream		16 oz	6212	1.74	6628	1.68	5782	1.73
Yogurt	Greek	4-6 oz	11726	.97	11296	.95	13296	.93
Yogurt	Greek	32 oz	1337	4.24	1015	4.29	2239	4.23
Yogurt	Yogurt	4-6 oz	7611	.50	7093	.50	7231	.48
Yogurt	Yogurt	32 oz	208	2.59	2012	2.19	1152	2.10

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-4.99	1084	3.91	3.00-3.50	1205	3.47	2.99-3.49	259	3.09
Cheese	Natural Varieties	8 oz block	1.49-3.49	1294	2.18	1.49-3.50	1685	2.34	1.49-2.00	473	1.73
Cheese	Natural Varieties	1 # block	3.29	304	3.29	2.50-4.90	294	4.40	3.49	119	3.49
Cheese	Natural Varieties	8 oz shred	1.50-2.99	1682	2.29	1.49-3.00	2486	2.19	1.49-2.50	1405	2.08
Cheese	Natural Varieties	1 # shred	3.49-4.29	368	3.81	4.90	233	4.90	2.79-4.50	570	3.56
Cottage cheese		16 oz	1.50-2.50	645	2.19	1.50-2.00	1799	1.72	1.25-2.29	710	1.64
Cream cheese		8 oz	1.50-2.50	770	1.95	1.99-2.50	2298	2.24	1.75-2.00	270	1.95
Flavored milk	All fat tests	half gallon	2.49	62	2.49	2.00-2.49	562	2.44	0.77	53	.77
Flavored milk	All fat tests	gallon				3.50-3.99	428	3.75	2.99	320	2.99
Ice cream		48-64oz	1.99-3.99	1596	2.73	2.39-4.99	3598	3.03	1.88-3.50	2832	2.81
Milk	All fat tests	half gallon	2.99	137	2.99				0.69	137	.69
Milk	All fat tests	gallon	3.69	137	3.69				2.27-2.99	266	2.85
Sour cream		16 oz	1.29-2.00	747	1.75	1.25-2.00	3267	1.76	1.25-1.89	1153	1.56
Yogurt	Greek	4-6 oz	0.69-1.25	2143	.94	1.00	4053	1.00	0.88-1.00	1182	.97
Yogurt	Greek	32 oz	3.99-5.99	399	4.68	3.78-5.00	470	4.49	1.99-3.99	253	2.91
Yogurt	Yogurt	4-6 oz	0.42-0.60	1353	.52	0.50-0.60	2253	.50	0.44-0.88	1185	.52

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 #	2.49-3.79	335	3.01	2.99-3.99	257	3.52	3.79-3.99	166	3.86
Cheese	Natural Varieties	8 oz block	1.79-2.99	365	2.43	2.50	62	2.50	2.50	69	2.50
Cheese	Natural Varieties	1 # block	1.99-3.99	429	2.91						
Cheese	Natural Varieties	2 # block	6.99-7.99	160	7.49	5.99-7.99	747	7.09	5.99-6.99	210	6.49
Cheese	Natural Varieties	8 oz shred	1.49-2.50	2186	2.05	1.99-3.00	1235	2.46	1.99-2.50	617	2.05
Cheese	Natural Varieties	1 # shred	1.99	114	1.99						
Cottage cheese		16 oz	1.89-2.19	405	1.97	1.99	63	1.99	1.25	66	1.25
Cream cheese		8 oz	1.79-2.99	323	2.38	1.67	246	1.67	2.50	69	2.50
Flavored milk	All fat tests	half gallon	2.39	74	2.39						
Ice cream		48-64oz	2.49-6.00	2168	3.56	2.50-3.99	1780	3.12	2.50-3.99	342	3.31
Milk	All fat tests	gallon	1.99-2.99	527	2.49	1.99-2.99	518	2.70	1.79-1.99	394	1.84
Sour cream		16 oz	1.00-2.29	608	1.89	1.79-1.99	309	1.83	1.25	66	1.25
Yogurt	Greek	4-6 oz	0.50-1.25	1791	.96	0.83-1.00	1827	.95	0.79-1.00	545	.87
Yogurt	Greek	32 oz	3.79-4.99	194	4.50						
Yogurt	Yogurt	4-6 oz	0.33-0.50	751	.45	0.39-0.50	1464	.45	0.33-0.50	419	.47
Yogurt	Yogurt	32 oz							2.49-2.50	166	2.49

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
Butter		1 #	3.99-5.29	3	4.42			
Cheese	Natural Varieties	8 oz block	3.49-3.99	22	3.51	3.00-3.99	115	3.35
Cheese	Natural Varieties	2 # block				7.99	27	7.99
Cheese	Natural Varieties	8 oz shred	2.50-3.00	42	2.75	3.00	61	3.00
Cottage cheese		16 oz	2.98	28	2.98	2.79	24	2.79
Cream cheese		8 oz				2.50-3.00	37	2.96
Flavored milk	All fat tests	half gallon	2.79-3.79	42	3.29	4.99	27	4.99
Flavored milk	All fat tests	gallon	3.79	11	3.79			
Ice cream		48-64oz	3.24-4.99	17	4.17	3.18-4.00	49	3.80
Milk	All fat tests	gallon	2.99-3.79	53	3.16	4.99	30	4.99
Sour cream		16 oz	2.00	11	2.00	2.29-2.49	51	2.40
Yogurt	Greek	4-6 oz	0.89-1.50	97	1.22	0.95-1.25	88	1.15
Yogurt	Greek	32 oz	4.00	21	4.00			
Yogurt	Yogurt	4-6 oz	0.60-0.70	23	.61	0.59-0.88	163	.67
Yogurt	Yogurt	32 oz	2.50-2.98	5	2.79	2.79-3.00	37	2.98

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD	LAST WEEK	LAST YEAR
-----------	------	-----------	-------------	-----------	-----------

Wtd Avg - Simple weighted average



			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	1397	5.42	827	5.18	309	5.27
Cheese	Natural Varieties	8 oz block	373	3.38	84	4.99	902	4.19
Cheese	Natural Varieties	8 oz shred	586	3.60			178	3.79
Cottage cheese		16 oz					1297	3.51
Cream cheese		8 oz	798	2.50	817	2.50	72	2.50
Flavored milk	All fat tests	half gallon					161	4.99
Ice cream		48-64oz	62	5.99				
Milk	All fat tests	half gallon	5184	4.03	5155	3.86	4965	3.84
Milk	All fat tests	gallon	1828	5.49	689	5.77	613	4.84
Milk	All fat tests	8 oz UHT	101	1.05			183	1.00
Sour cream		16 oz	273	2.55			997	3.31
Yogurt	Greek	4-6 oz	1260	1.22	1357	1.19	61	1.67
Yogurt	Greek	32 oz			119	5.49		
Yogurt	Yogurt	4-6 oz	527	.68	705	1.01		
Yogurt	Yogurt	32 oz	128	3.58	117	3.00		

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.49	100	4.49	5.49	1297	5.49			
Cheese	Natural Varieties	8 oz block	3.00	84	3.00						
Cheese	Natural Varieties	8 oz shred	3.00	84	3.00				3.99	213	3.99
Cream cheese		8 oz	2.50	100	2.50	2.50	204	2.50	2.50	348	2.50
Milk	All fat tests	half gallon	3.49-4.99	702	4.21	3.99-4.49	1585	4.33	2.99-3.99	599	3.66
Milk	All fat tests	gallon				4.99	1083	4.99	5.99	213	5.99
Yogurt	Greek	4-6 oz	1.00	72	1.00	1.25	1083	1.25			
Yogurt	Yogurt	4-6 oz	0.58	161	.58				1.00	119	1.00

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
Cheese	Natural Varieties	8 oz block							3.49	289	3.49
Cheese	Natural Varieties	8 oz shred							3.49	289	3.49
Cream cheese		8 oz	2.50	80	2.50				2.50	66	2.50
Ice cream		48-64oz				5.99	62	5.99			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	2.99-4.99	900	3.49	2.99-4.49	1055	4.02	3.49-3.99	234	3.77
Milk	All fat tests	gallon	3.99	121	3.99	6.99	411	6.99			
Milk	All fat tests	8 oz UHT	1.00	80	1.00						
Sour cream		16 oz				2.50	246	2.50			
Yogurt	Greek	4-6 oz	1.00	78	1.00						
Yogurt	Yogurt	4-6 oz				0.58	244	.58			
Yogurt	Yogurt	32 oz	2.49	80	2.49						

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	4.49	21	4.49	4.99-6.99	88	6.07
Milk	All fat tests	8 oz UHT	1.25	21	1.25			
Sour cream		16 oz				2.99	27	2.99
Yogurt	Greek	4-6 oz				1.25	27	1.25
Yogurt	Yogurt	4-6 oz				1.00	3	1.00
Yogurt	Yogurt	32 oz	3.99	21	3.99	6.49	27	6.49

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 31

August 4, 2017

GENERAL NUMBER

(608) 422-8587

Elizabeth Frederick

(608) 422 -8587

Elizabeth.Frederick@AMS.USDA.GOV

EAST/ ORGANIC

Daniel Johnson

(608) 422-8605

Daniel.Johnson@AMS.USDA.GOV

Jessica Mueller

(608) 422-8589

Jessica.Mueller@AMS.USDA.GOV

CENTRAL

Israel Weber

(608) 422-8601

Israel.Weber@AMS.USDA.GOV

SOUTHWEST/SOUTH AMERICA

AJ (Angel José) Terán

(608) 422-8593

Angel.Terán@AMS.USDA.GOV

Florence Kone-Gonzalez

(608) 422-8594

Florence.KoneGonzalez@AMS.USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 422-8592

Mike.Bandli@AMS.USDA.GOV

ORGANIC/EUROPE & OCEANIA

Eric Graf

(608) 422-8590

Eric.Graf@AMS.USDA.GOV

NATIONAL SUPERVISOR

Janet Linder

(608) 422-8588

Janet.Linder@AMS.USDA.GOV

BRANCH CHIEF

Butch Speth

(608) 422-8586

Butch.Speth@AMS.USDA.GOV

INTERNET ADDRESS

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

MARKET NEWS PORTAL

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

RECORDED INFORMATION SYSTEM

(608) 422-8602

FAX

(608) 240-6689

USDA, Dairy Market News

4600 American Parkway, STE 106

Madison, WI 53718-8334