

## DAIRY MARKET NEWS AT A GLANCE

### CME GROUP CASH MARKETS (4/18)

**BUTTER:** Grade AA closed at \$2.2825. The weekly average for Grade AA is \$2.2725 (+.0125).

**CHEESE:** Barrels closed at \$1.5150 and 40# blocks at \$1.6675. The weekly average for barrels is \$1.5750 (-.0205) and blocks, \$1.6619 (+.0129).

**NONFAT DRY MILK:** Grade A closed at \$1.0000. The weekly average for Grade A is \$.9925 (+.0500).

**DRY WHEY:** Extra grade dry whey closed at \$.3400. The weekly average for dry whey is \$.3444 (-.0096).

**BUTTER HIGHLIGHTS:** Industry contacts across the nation relay that production levels are transitioning from active to stagnant as large cream volumes continue clearing into Class II manufacturing. Producers have noted a dip in interest from both retail and wholesale customers whose holiday purchase orders have been satisfied. Bulk butter demand is generally steady. In general butter stocks are steady to slightly building. Bulk butter pricing varies among the regions: East, 5.0 cents to 8.0 cents over the market; Central, 4.0 cents to 7.0 cents above the market; West, 2.0 cents to 7.5 cents over the market, with various periods and averages used.

**CHEESE HIGHLIGHTS:** Northeast and Midwest cheese demand reports were stable to improved this week, while Western cheese outfits suggested sales were mixed. Curd and specialty cheese producers are seeing some seasonal ordering pushes. Curd producers have suggested end of April and May orders are particularly healthy this year. Milk is available to fulfill cheesemaking needs nationwide, although Midwestern cheese producers suggest it is not as accessible this year when compared to recent years. Week 16 reported spot milk prices ranged from \$1 over to \$3 under Class. For some context, last year the spot price range was \$2 to \$3 under Class. Cheese production is generally steady throughout the country, but Western producers are aware of long inventories and are have made plans to reduce output. Cheese markets are a bit shakier this week. Block prices have been generally positive, while barrel prices on the CME slipped, reintroducing market participants to a growing price gap.

**FLUID MILK:** Through much of the country, fluid milk output is increasing. However, in California, Arizona, the Pacific Northwest and Central regions, industry contacts suggest the spring milk levels are not as high as they may typically be at this time of year. Cow culling has been heavy in the Upper Midwest, Mid-East and Eastern regions, and many farmers are calling it quits. Florida milk output is flat. Hot weather and heavy rains are expected to suppress milk production for the near future. Bottling demand is mixed across the country. Some

areas are seeing a ripple of activity before the spring holidays, while others have lower sales. Cream is generally available in the West, but seemingly tightens the further east you go. Some butter makers expect cream supplies to further tighten and affordable cream to become less accessible as ice cream makers ramp up in the next few weeks. Cream multiples for all classes are **1.20 to 1.30** in the East; **1.20 to 1.28** in the Central; and **1.06 to 1.23** in the West.

**DRY PRODUCTS:** Prices for low/medium heat nonfat dry milk are higher across all regions. Robust demand is pushing the rise, while dryers are active. High heat nonfat dry milk prices are higher. Production and inventories are slight as much of the focus is on making low heat. Dry buttermilk prices increased. Buyer demands are picking up, but inventories are tight. Dry whole milk prices are mixed as some trades based on specific brands pushed up the bottom price on the range. Dry whey prices are a mixed bag. Prices increased at the bottom of the central and west ranges, but are lower on the top of the west and northeastern ranges. Trade issues, the African swine fever and ample supplies are creating an unsettled market tone for dry whey. Prices for whey protein concentrate 34% are unchanged. Lactose prices edged lower at the bottom of both the range and mostly price series. Low prices in spot markets within Asia and Mexico are putting extreme price pressures on some processors, while other manufacturers have been able to maintain strong price points. The rennet and acid casein price ranges narrowed. Increased confidence in higher European milk and casein production has contributed to prices falling back.

**ORGANIC DAIRY MARKET NEWS:** AMS reports total organic milk product sales for February 2019 were 196 million pounds, down 4.3 percent. The decline represents the largest January to February dip, over the last five years. Total organic whole milk products sales for February 2019, 84 million pounds, were up 2.0 percent from the previous year and up 3.9 percent year-to-date over the same period in 2018. During February 2019, organic whole milk utilization totaled 12.6 million pounds, down from 14.5 million pounds one year earlier. Organic reduced fat milk utilization for February this year, 15.1 million pounds, was down from 18.2 million pounds one year earlier.

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### DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 15 - 19, 2019 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range	Mostly	Commodity	Range	Mostly	Commodity	Range	Mostly
<b>NDM</b>			<b>BUTTERMILK</b>			<b>LACTOSE</b>		
Central Low/Med. Heat	0.9600 1.0200	0.9800 0.9950	Central/East	0.9900 1.0625		Central/West	0.2000 0.4800	0.2800 0.4200
Change	0.0100 0.0100	0.0200 0.0050	Change	N.C. 0.0075		Change	-0.0250 N.C.	-0.0200 N.C.
Central High Heat	1.0750 1.1800		West	0.9000 1.0300	0.9800 1.0000	<b>WPC 34%</b>		
Change	0.0050 0.0300		Change	0.0200 0.0150	0.0300 0.0200	Central/West	0.7300 1.0600	0.8300 0.9750
West Low/Med. Heat	0.9400 1.0225	0.9800 1.0100	<b>WHEY</b>			Change	N.C. N.C.	N.C. N.C.
Change	0.0175 0.0075	0.0200 0.0300	Central	0.3350 0.4975	0.3500 0.4450	<b>CASEIN</b>		
West High Heat	1.1000 1.1800		Change	0.0050 N.C.	N.C. N.C.	Rennet	2.9300 3.1075	
Change	0.0500 0.0250		West	0.2975 0.4500	0.3400 0.4200	Change	0.0625 -0.1850	
<b>DRY WHOLE MILK</b>			Change	0.0150 -0.0125	N.C. -0.0025	Acid	3.0950 3.2100	
National	1.6200 1.6500		Northeast	0.3400 0.4250		Change	N.C. -0.0200	
Change	0.0200 N.C.		Change	N.C. -0.0250		<b>ANIMAL FEED WHEY</b>		
						Central	0.2700 0.3000	
						Change	N.C. N.C.	

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

Organic retail advertisements declined 8 percent, compared to the previous period. Organic milk ads declined 12 percent, but maintained the largest volume of ads for a commodity, followed by organic yogurt, which also saw a drop in ads, 11 percent. The milk price spread between organic and conventional half gallon milk represents an organic premium of \$2.27, up \$0.35 cents from last week.

**NATIONAL RETAIL REPORT (DMN):** Conventional ice cream, in 48 to 64 oz containers, reigns supreme as the single most advertised dairy item this week, with an 8 percent growth week over week in ads. Greek yogurt, in 4 to 6 oz containers, is the second most advertised dairy item on the conventional aisle, with a 2 percent growth from last week. The national weighted average advertised price for conventional milk half gallons is \$2.00, down 19 cents from last week. Organic milk in half gallon containers national weighted advertised price is \$4.27, resulting in an organic price premium of \$2.27. The weighted average price for conventional 8 oz. block cheese is \$2.09, down just 2 cents from last week. The weighted average price for conventional 8 oz. cheese shreds is \$2.00, down 14 cents from Week 15. Conventional yogurt ad numbers increased 2 percent, but organic ads decreased 11 percent this week.

**FEBRUARY MILK SALES (FMMO):** 3.6 billion pounds of packaged fluid milk products were shipped by milk handlers in February 2019. This was 1.9 percent lower than a year earlier. Estimated sales of total conventional fluid milk products decreased 1.8 percent from February 2018 and estimated sales of total organic fluid milk products decreased 4.3 percent from a year earlier.

**NOTICE -USDA CLARIFIES EFFECTIVE DATE OF CLASS I SKIM MILK PRICE FORMULA:** The U.S. Department of Agriculture (USDA) recently published in the Federal Register a clarification and a correction to a final rule published on March 11, 2019, and effective May 1, 2019, announcing an amendment to the Class I skim milk price formula in accordance with the Agriculture Improvement Act of 2018 (2018 Farm Bill). The notice clarifies that the final rule amending the Class I skim milk price formula will apply to milk pooled on and after May 1, 2019. The amended price formula will be reflected in the May Advanced Class I skim milk price to be announced April 17, 2019. The notice also includes a rounding instruction in the price calculation.

The Federal Register notice is available at:

<https://www.federalregister.gov/documents/2019/04/02/2019-06335/federal-milk-marketing-orders-amending-the-class-i-skim-milk-price-formula-correction>

COMMODITY	MONDAY APR 15	TUESDAY APR 16	WEDNESDAY APR 17	THURSDAY APR 18	FRIDAY APR 19	::	WEEKLY CHANGE	::	WEEKLY AVERAGE
CHEESE									
BARRELS	\$1.5975 (-0.0200)	\$1.5975 (N.C.)	\$1.5900 (-0.0075)	\$1.5150 (-0.0750)	No Trading	::	(-0.1025)	::	\$1.5750 (-0.0205)
40 POUND BLOCKS	\$1.6500 (+0.0050)	\$1.6575 (+0.0075)	\$1.6725 (+0.0150)	\$1.6675 (-0.0050)	No Trading	::	(+0.0225)	::	\$1.6619 (+0.0129)
NONFAT DRY MILK									
GRADE A	\$0.9875 (N.C.)	\$0.9875 (N.C.)	\$0.9950 (+0.0075)	\$1.0000 (+0.0050)	No Trading	::	(+0.0125)	::	\$0.9925 (+0.0050)
BUTTER									
GRADE AA	\$2.2575 (N.C.)	\$2.2700 (+0.0125)	\$2.2800 (+0.0100)	\$2.2825 (+0.0025)	No Trading	::	(+0.0250)	::	\$2.2725 (+0.0125)
DRY WHEY									
EXTRA GRADE	\$0.3475 (-0.0100)	\$0.3475 (N.C.)	\$0.3425 (-0.0050)	\$0.3400 (-0.0025)	No Trading	::	(-0.0175)	::	\$0.3444 (-0.0096)

Prices shown are in U.S. dollars per lb. in carlot quantities. Carlot unit weights: CHEESE, 40,000-44,000 lbs.; NONFAT DRY MILK, 41,000-45,000 lbs.; BUTTER, 40,000-43,000 lbs.; DRY WHEY, 41,000-45,000 lbs. Weekly Change is the sum of Daily Price Changes. Weekly Average is the simple average of the Daily Cash Close prices for the calendar week. Weekly Average Change is the difference between current and previous Weekly Average. Computed by Dairy Market News for informational purposes. This data is available on the Internet at [WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY](http://WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY)

NOTICE: Five days of trading information can be found at [www.cmegroup.com/trading/agricultural/spot-call-data.html](http://www.cmegroup.com/trading/agricultural/spot-call-data.html)

## BUTTER MARKETS

### NORTHEAST

Butter manufacturing is stagnant, at seasonal levels. Producers have noted a dip in interest from both retail and wholesale customers whose holiday purchase orders have been satisfied. While heavy cream volumes continue to clear into Class II manufacturing, Northeast butter stocks are subject to expansion, championed by increasing proportions of milk supply into butter/powder plants. The likelihood of U.S. tariffs being imposed on imported butter boosts uncertainty in the Northeast butter markets. In the meantime, the wholesale bulk butter price for regional sales is 5-8 cents over the CME Group price, with various time frames and averages used. The market undertone is mixed.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0500 - +0.0800

### CENTRAL

This week, butter makers are still receiving sufficient cream supplies at similar prices to last week. That said, they do not expect this to last much longer. As cream has tightened up recently and is expected to continue this path, some producers have reported taking on some bulk butter for the weeks ahead. Retail sales are down somewhat, as late holiday orders ebbed. Still, butter makers say demand is up on average, year over year. Without fail, butter markets remain steady.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0400 - +0.0700

### WEST

Western butter makers suggest pre-holiday orders that had been going strong evaporated late last week. Butter needed for the holidays has shipped and is already on store shelves. The remaining orders are filling back up needs and starting to refill inventories in the secondary markets. Bulk butter demand is generally steady. Industry contacts relay that production levels are stable. They are getting offers of extra cream, but so far, it has not been the flood of cream that is sometimes expected at this point in the year. Butter stocks are building somewhat.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0200 - +0.0750

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## NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
04/13/2019	2.2494 6,136,189	1.6620 12,804,710	1.5901 11,161,332	.3964 5,734,082	.9543 27,773,869

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

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**National Retail Report Dairy – Butter Summary**

Advertised Prices at Major Retail Supermarket Outlets ending  
period of 4/12/2019 to 4/18/2019

Butter 1# National	<u>Weighted Average Price</u>		
	This Period	Last Week	Last Year
Organic	\$3.99	\$6.49	\$5.17
Conventional	\$3.03	\$3.31	\$3.23

Regional (Conventional)	<u>Prices This Period</u>		
	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	\$3.00	\$3.00	\$3.00
Midwest	\$3.13	\$2.49	\$4.39
Northeast	\$3.20	\$2.00	\$4.49
Northwest	\$2.99	\$2.99	\$3.00
South Central	\$3.28	\$2.99	\$3.99
Southeast	\$2.78	\$2.29	\$3.29
Southwest	\$3.16	\$2.50	\$3.99

Regional (Organic)	<u>Prices This Period</u>		
	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	n.a.	n.a.	n.a.
Northeast	n.a.	n.a.	n.a.
Northwest	n.a.	n.a.	n.a.
South Central	n.a.	n.a.	n.a.
Southeast	n.a.	n.a.	n.a.
Southwest	\$3.99	\$3.99	\$3.99

## CHEESE MARKETS

## NORTHEAST

Northeastern cheese demand is stable in the region. Manufacturers' spring orders have been strong. Consumer demand is healthy as retail sales are steady to increasing. Cheese operations are running on steady to lower production schedules. Some plants are shut down for the spring holiday. Inventories are generally in a good place. Cheddar cheese spot prices are steady to higher in various markets. There are reports the USDA's Trade Mitigation Program is in its last round of purchasing cheese. According to contacts, this program is helping to balance the market. Spot market activity is steady to somewhat active this week. Northeast wholesale cheese prices for cheddar and Muenster dropped, \$0.0050, however process cheese prices moved up, \$0.0175. The Grade A Swiss price is unchanged this week.

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

Cheddar 40 pound Block	2.1075-2.3925
Muenster	2.0925-2.4425
Process American 5 pound Sliced	1.7275-2.2075
Swiss 10-14 pound Cuts	3.0025-3.3250

## MIDWEST

Cheese contacts continue to report bullish demand in the Midwestern region. Curd, mozzarella and specialty cheesemakers all say there has been a seasonal push from buyers. Cheese inventories in the region are in good balance generally. Nationally, however, long cheese inventories remain a concern. Contacts within the region are pointing to more and more dairy farms calling it quits and there are questions regarding what farm closures will mean for upcoming availability. That said, this week cheesemakers received some spot loads at deeper discounts than in weeks past. Reported spot milk prices ranged from \$1 over to \$3 under Class. Most spot milk loads were reported within \$.50 over to \$.50 under Class. Cheese market tones are somewhat steady week over week. Midwestern wholesale prices are unchanged for Swiss cuts, up \$.0175 for process, but down \$.0050 for all other types.

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

Blue 5 pounds	2.2825-3.3525
Brick 5 pounds	2.0150-2.4400
Cheddar 40 pound Block	1.7375-2.1375
Monterey Jack 10 pounds	1.9900-2.1950
Mozzarella 5-6 pounds	1.8150-2.7550
Muenster 5 pounds	2.0150-2.4400
Process American 5 pound Loaf	1.6825-2.0425
Swiss 6-9 pound Cuts	2.5175-2.6350

## WEST

In the West, cheese production remains active with plenty of milk going to cheese vats. Nonetheless, some processors are attempting to control massive growth in supplies through planned output reduction. With demand not as good as they would want to and more milk available in the West, cheese production control seems to be one of the best ways to manage cheese inventories from building up too much. Cheese sales are reported as a bit mixed. Some retailers and restaurant managers are taking more cheese than usual, but others are either maintaining their intakes at the same levels or decreasing them. Contractual loads of cheese are moving as agreed upon, but additional spot sales are harder to develop despite sellers' effort to find new sale outlets. The tenor of the western cheese market is somewhat unsettled. In the West, wholesale prices were up \$.0175 for process, but down \$.0050 for cheddar block, cuts and Monterey Jack. Swiss cut prices are unchanged from the previous week.

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

Cheddar 10 pound Cuts	1.9550-2.1750
Cheddar 40 pound Block	1.7750-2.2175
Monterey Jack 10 pounds	1.9650-2.1250
Process American 5 pound Loaf	1.6700-1.9250
Swiss 6-9 pound Cuts	2.6000-3.0300

## FOREIGN TYPE

In Germany, semi-hard cheese orders from domestic buyers are strong during this holiday season. Demand from the retail sector is wide-ranging. Requests for sliced cheese by Southern European customers are seasonally up. Likewise, export sales to countries other than the EU are active. Overall, the market tenor is well-adjusted. In general, stocks are still low with a young age structure. As milk production in the major milk producing EU countries rises, cheese output in the EU will likely improve as well. German sliced cheese prices have developed inconsistently in recent weeks. Buyers are also bidding low on Block cheese. In the U.S., the prices for wholesale blue, gorgonzola, parmesan Italy, and Romano declined \$.0050. All other prices remain the same as in previous week.

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

VARIETY	: NEW YORK	: DOMESTIC
	: IMPORTED	
Blue	: 2.6400-5.2300	: 2.1600-3.6475*
Gorgonzola	: 3.6900-5.7400	: 2.6675-3.3850*
Parmesan	: -0-	: 3.5500-5.6400*
Romano	: -0-	: 3.3500-5.5050*
Sardo Romano (Argentina)	: 2.8500-4.7800	: -0-
Reggianito (Argentina)	: 3.2900-4.7800	: -0-
Jarlsberg	: 2.9500-6.4500	: -0-
Swiss	: -0-	: 3.0400-3.3625
Swiss (Finland)	: 2.6700-2.9300	: -0-

\* = Price change.

## COLD STORAGE

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

	: BUTTER	: CHEESE
04/15/2019	: 39993	: 88115
04/01/2019	: 38360	: 93361
CHANGE	: 1633	: -5246
% CHANGE	: 4	: -6

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## CHEESE MARKETS

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## National Retail Report Dairy – Cheese Summary

Advertised Prices at Major Retail Supermarket Outlets ending during the period of 4/12/2019 to 4/18/2019

Cheese 8 oz. Blocks		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	\$4.99	\$4.99	n.a.
Conventional	\$2.11	\$2.26	\$2.06
Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	\$2.79	\$2.50	\$3.00
Midwest	\$1.94	\$1.77	\$2.00
Northeast	\$2.13	\$1.49	\$3.00
Northwest	\$2.11	\$1.99	\$2.33
South Central	\$1.60	\$1.33	\$2.00
Southeast	\$2.16	\$1.49	\$3.00
Southwest	\$2.21	\$1.77	\$2.50

Cheese 8 oz. Shred		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	n.a.	n.a.	n.a.
Conventional	\$2.14	\$2.27	\$2.28
Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	\$3.00	\$3.00	\$3.00
Hawaii	\$2.78	\$2.50	\$3.00
Midwest	\$2.05	\$1.69	\$2.49
Northeast	\$2.15	\$1.77	\$3.00
Northwest	\$1.99	\$1.69	\$2.33
South Central	\$2.18	\$1.33	\$3.00
Southeast	\$2.19	\$1.50	\$2.50
Southwest	\$2.14	\$1.77	\$2.50



## EAST

**Northeast** milk production is moving up. In some states, the spring flush has hit. Class I sales are fairly level. Many balancing operations are at capacity. **Mid-Atlantic** milk production is increasing. Milk loads are being transported to other areas of the East region. **Southeast** milk production is coming up, but not fast enough in some parts. Some plants are shut down for the spring holiday. **Florida** milk output is flat and expect that trend to continue. Weather conditions have been hot but heavy rains expected later in the week. Class I sales are up slightly. **Cream** demand is strong currently. The availability is still tight, and contract orders have increased in the region. Cream multiples range 1.20-1.30. Manufacturers are working through condensed skim orders.

Northeastern U.S., F.O.B. Condensed Skim	
Price Range - Class II; \$/LB Solids:	0.75 - 0.90
Price Range - Class III; \$/LB Solids:	0.70 - 0.80

Northeastern U.S., F.O.B. Cream	
Multiples Range - All Classes:	1.2000 - 1.3000
Price Range - Class II; \$/LB Butterfat:	2.7120 - 2.9380

## MIDWEST

Last year and into 2019, small dairy farms have been and are closing at a rapid clip throughout the **upper Midwest** and in the **Mid-East** and **Eastern** parts of the U.S. Recently, there are more reports of medium to larger dairy farms calling it quits. Some contacts suggest a larger number of cows are being culled as well. As fewer cows milk, contacts are anxious about how this will affect milk production this flush season. A growing number of dairy industry contacts, fluid milk and processors alike, have suggested that spring flush volumes are atypically low this year. Additionally, hay shortages in the upper Midwest are being regularly reported by farmers. Bottling reports are mixed in the region. Some milk handlers suggest sales are steady to up, while others report flat to lower bottling intakes. Although a number of cheesemakers suggest spot milk is tighter than in recent years, some cheese producers received healthy discounts this week. Reported spot milk prices ranged from \$1 over to \$3 under Class. **Cream** availability was steady, while butter makers do not expect the accessibility to remain for long. They say this week was one of their last weeks to take on affordable cream, and some butter plant managers expect to be micro-fixing by the end of the month. With continuing cold weather in the upper Midwest, ice cream production/sales are back and forth. Contacts suggest some ice cream manufacturers are scheduling long weekends for staff during the spring holidays. In the Midwest, field work is still slow to take off, due to wet fields and continued coldness. **Southern Central** farmers are also waiting for some dryness, but harvest expectations are promising if the weather cooperates. South Central farmers are also sharing concern regarding maintaining qualified and experienced hands, as other industries are wooing away workers.

Midwestern U.S., F.O.B. Cream	
Multiples Range - All Classes:	1.2000 - 1.2800
Price Range - Class II; \$/LB Butterfat:	2.8024 - 2.8928
Multiples Range - Class II:	1.2400 - 1.2800

## WEST

In **California**, although milk output is strong, it is trending below last year's levels according to market participants. Class I demand is a bit higher this week. Milk processing is either at full capacities or close to it. Plant managers are in control of milk supplies management within their areas, so they are not sending any loads into neighboring regions for processing. In **Arizona**, milk production is still lower than usual for this time of the year, but has picked up from previous weeks. Weather, though warming up, is still comfortable for cows. The handling of all the milk loads produced is taking place within the state as manufacturers have enough room to do so. Nonetheless, their schedules are full. Bottlers' milk intakes are steady. More of the holiday dairy items production were prioritized over other dairy products in past weeks. Class III sales are the most prevalent in the state of **New Mexico** right now. While cheese vats are being actively run, Class I and Class II demands have weakened a bit. Except for a few last-minute orders, most of the holiday Class II milk needs have been satisfied. Milk yield is about the same as last week. Most disruptions to normal activities that occurred last week at a few dairy facilities have been taken care of. **Pacific Northwest** milk production is creeping higher. Industry contacts are anticipating a flood of milk, but so far, the seasonal spring flush has yet to appear. Bottling demand is steady, and manufacturers have plenty of milk available. Likewise, cream supplies are available, but not overwhelming. Contacts say ice cream manufacturers are not waiting for summer-like weather to ramp up, but instead are slowly increasing activities. Milk production in the mountain states of **Idaho**, **Utah** and **Colorado** is increasing. Some contacts suggest intakes are growing faster in southern reaches of the region than in the north. Milk supplies can fill most processing needs. Some loads of milk are moving within the region, but few, if any, are leaving the region in the search for a processing home. Several reports suggest that **condensed skim** is selling well based on contractual agreements while at the same time many spot requests are also coming in. Prices are in the normal range. Large volumes of condensed skim are moving to ice cream and cheese plants. **Cream** sales are still high, but not as high as in the preceding week. Ice cream continues to pull in more cream, taking some loads away from the churns. Cream supplies have declined over the last few weeks. However, there was a slight decline at the top of the range for all Classes cream multipliers.

Western U.S., F.O.B. Cream	
Multiples Range - All Classes:	1.0600 - 1.2300

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**National Retail Report Dairy – Fluid Milk Summary**

Advertised Prices at Major Retail Supermarket Outlets ending during the period of 4/12/2019 to 4/18/2019

Half Gallon, All Fat Tests		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	\$4.11	\$4.20	\$3.60
Conventional	\$2.19	\$2.03	\$2.28

Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	\$2.99	\$2.99	\$2.99
Midwest	\$2.82	\$1.99	\$3.29
Northeast	\$2.05	\$0.99	\$2.99
Northwest	n.a.	n.a.	n.a.
South Central	\$1.89	\$1.89	\$1.89
Southeast	n.a.	n.a.	n.a.
Southwest	\$1.99	\$1.99	\$1.99

Regional (Organic)	Wtd. Ave.	Low	High
Alaska	\$3.49	\$3.49	\$3.49
Hawaii	n.a.	n.a.	n.a.
Midwest	n.a.	n.a.	n.a.
Northeast	\$4.47	\$3.69	\$5.49
Northwest	\$2.50	\$2.50	\$2.50
South Central	\$4.30	\$3.50	\$4.79
Southeast	\$3.88	\$3.88	\$3.88
Southwest	\$3.99	\$3.99	\$3.99

Gallon, All Fat Tests		<u>Weighted Average Price</u>	
National	This Period	Last Week	Last Year
Organic	n.a.	\$6.41	n.a.
Conventional	\$2.74	\$2.40	\$2.35

Regional (Conventional)	Wtd. Ave.	Low	High
Alaska	n.a.	n.a.	n.a.
Hawaii	n.a.	n.a.	n.a.
Midwest	\$2.79	\$1.99	\$2.99
Northeast	n.a.	n.a.	n.a.
Northwest	\$2.51	\$1.79	\$2.99
South Central	n.a.	n.a.	n.a.
Southeast	\$2.99	\$2.99	\$2.99
Southwest	n.a.	n.a.	n.a.



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

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

## NONFAT DRY MILK - CENTRAL AND EAST

**CENTRAL:** Low/medium heat nonfat dry milk (NDM) prices shifted up in every aspect. This is the second week of nearly comprehensive positive price shifts on the NDM spot market. Additionally, high heat NDM prices shifted north as well. In recent weeks, producers have reported increased interest and a push to increase low/medium heat NDM offer amounts to \$1. This week, more trades met, and some exceeded, the \$1 mark. Low/medium heat NDM production remains brisk. High heat NDM production and inventories are both very slight, as dryer times are angled towards low/medium heat and/or buttermilk drying. Steady to bullish market tones are what a growing number of dairy industry contacts have relayed regarding nonfat dry milk.

**EAST:** Low/medium heat nonfat dry milk prices grew on all sides of the range and mostly price series. Spot prices are showing signs of firmness in the market. Trading activity has increased in the region. Nonfat dry milk production is strong, and manufacturers' supplies are stable and available. Demand is currently moderate to good. There are some buyers trying unsuccessfully to bid for lower prices before making purchases. High heat nonfat dry milk prices increased this week. Drying time is steady to limited. Inventories are mainly available for contracted needs. Spot availability is tight currently. The demand has increased, and some market participants are willing to purchase spot loads at high prices. Market conditions are stable.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - Low & Medium Heat; \$/LB: .9600 - 1.0200

Mostly Range - Low & Medium Heat; \$/LB: .9800 - 0.9950

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - High Heat; \$/LB: 1.0750 - 1.1800

## Secondary Sourced Information:

Wednesday at the CME Group Grade A NDM closed at \$0.9950, up from last week's weekly average price of \$0.9750.

## NONFAT DRY MILK - WEST

In the west region, free on board cash prices for low/medium heat nonfat dry milk (NDM) adjusted higher, mirroring a firmer market tone compared to the previous week. Some NDM buyers seem to be optimistic as future values improved for Q2 and Q3. Recently, in some overseas auctions, the average price of SMP for all 2019 contracts increased slightly, which probably had some impact on the upturn movement of the regional NDM pricing, according to some market participants. Albeit NDM regional spot pricing is up, prices are still below several international SMP values, which in turn is boosting the competitive advantage of many regional manufacturers when it comes to export. As reported by some processors, the NDM market is steadily strengthening based on a robust demand within the domestic food processing market. However, not all opinions in the industry are optimistic as to some customers it seems strange that the NDM values continue raising, especially throughout the spring flush when milk intakes moving into dryers are usually higher. According to them, their demands are not outpacing supply and a few manufacturers are reserving some NDM/SMP volumes from recent production in order to sell it soon at a higher price. The international demand, specifically from Mexico, had backed down a little bit as they are thru their spring flush and some buyers are concerned about border matters. Back to the U.S., the production of low/medium nonfat dry milk is very active, sustained by higher farm milk outputs that are at or near to the seasonal peak. However, to date, production remains below the production levels of the previous year. Low/medium heat NDM inventories are stable to steadily building. Prices for high heat NDM are higher on a quiet market. Production is irregular, mostly driven by current contractual requirements. Inventories are in balance with contract needs but are tight in the spot market.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - Low & Medium Heat; \$/LB: .9400 - 1.0225

Mostly Range - Low & Medium Heat; \$/LB: .9800 - 1.0100

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - High Heat; \$/LB: 1.1000 - 1.1800

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Dry buttermilk prices have continued to climb up on the top of the range. Midwestern producers report limited to no spot availability. Some have suggested dryer time limitations, as historically nonfat dry milk is the preferred choice for dryers. Other producers have had dryer maintenance issues, thus all of their stocks have been obligated to contractual buyers. Some contacts say buttermilk powder's bullishness has been unexpected and are cautious about its longevity. That said, even nonfat dry milk markets have recently started to display more bullish signals. Market tones are solid, as supply and demand, within the Central region, have kept them buoyed.

**EAST:** Dry buttermilk spot prices improved in the region. Interest is growing from customer contracts, ice cream manufacturers and confectionaries. Buyers' demands have heightened in a market where available spot loads are currently limited. Some traders have sourced for spot loads in other regions to fill their customers' requests. Dry buttermilk production is intermittent as nonfat dry milk production increases. Manufacturers' inventories are fairly tight in the East. The market undertone is firm.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk

Price Range ; \$/LB: .9900 - 1.0625

## DRY BUTTERMILK - WEST

In the west, f.o.b. spot prices for dry buttermilk are higher, shadowing NDM bullish pricing tendencies. This week, the spot trading activity for dry buttermilk is slow as the bulk of sales is grounded on contractual needs. For most industry participants, the market undertone is firming as the current supply is not enough to cover all spot needs. The interest from ice cream/frozen dessert manufacturers is improving as the summer season approaches. Dry buttermilk production is steady, parallel with the regional butter production. Dry buttermilk inventories are in balance with contractual requirements, but are scarce in the regional spot market.

Prices for: Western U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk

Price Range ; \$/LB: .9000 - 1.0300

Mostly Range - ; \$/LB: .9800 - 1.0000

## DRY WHOLE MILK - NATIONAL

The national f.o.b. spot prices for dry whole milk are mixed as some trades based on specific brands pushed up the bottom price of the range. The national dry whole milk market is very stable as in general, supply is even with its demand. Requests from the confectionery and bakery sectors are fair and slightly improving. Meanwhile, drying schedules for condensed milk are periodic as dry whole milk production is mostly driven by contractual needs. However, at this point, dry whole milk supplies are enough to meet most contract/spot needs.

Prices for: U.S., All First Sales, F.O.B., Conventional, and Edible Dry Whole Milk

Price Range - 26% Butterfat; \$/LB: 1.6200 - 1.6500

**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**

Dry whey prices shifted slightly up on the bottom of the price range, while most prices held steady during a slow trading week. As exporting issues continue to haunt Western producers, the effects are reverberating eastward. Additionally, regional end users report holding sufficient, if not excessive, stocks. Some buyers have mentioned that producers are aware of this as offers have been somewhat quiet. Cheese/whey production is picking up somewhat, but a number of cheese producers suggest milk availability is not as accessible as it typically is this time of year. Thus, there are questions as to how much production activity will increase in the spring and early summer months. Animal feed whey prices are also steady on a comparably slow trading week. Contacts suggest feed whey customers have taken a step back in recent weeks. They say some expect even lower prices on the feed whey market. Whey market tones are mixed, with bearish undertones tipping the scale. That said, preferred brand demand in the region has spared the market from a larger downward slip.

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey  
Price Range - Animal Feed; \$/LB: .2700 - .3000

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/LB: .3350 - .4975  
Mostly Range - Non-Hygroscopic; \$/LB: .3500 - .4450

**DRY WHEY- NORTHEAST**

Dry whey prices are currently steady to a bit lower on the Eastern price range this holiday trading week. The majority of spot sales are purchased around the mid to high \$.30s at this time. Domestic interest is mixed currently. With movements on various indices, some buyers are waiting for prices to decline before making purchases. Dry whey production is stable and inventories are in good shape. Manufacturers report regular contracts are receiving most supplies. Market conditions are steady to mixed.

Prices for: Eastern U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/LB: .3400 - .4250

**DRY WHEY- WEST**

The prices for western dry whey increased at the bottom of the range, but declined at the top. The mostly price series moved down at the top of the range. Dry whey prices for volumes moving into Mexico and Southeast Asia are close to the bottom end of the range. The African swine fever and tariff related issues continue to depress market conditions. Therefore, dry whey demand from the global market is trending down while domestic sales are mainly stable. Production is flat to a tad down. Supplies are profuse in the region and are building up. Overall, the tone of the market is unsettled.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/LB: .2975 - .4500  
Mostly Range - Non-Hygroscopic; \$/LB: .3400 - .4200

**WHEY PROTEIN CONCENTRATE**

Whey protein concentrate 34% prices continue their unchanged ways. There does not seem to be much that is moving the market one way or the other. Some manufacturers are maintaining their pricing premiums, supported by strong brands and higher prices for other protein sources. Inventories are comfortable to tight and these processors are choosy which bids to take. Other manufacturers suggest demand is stable, but nothing to get too excited about.

Production is steady, although a few processors are more interested in making higher whey protein concentrations than WPC 34% currently.

Prices for: Central and Western U.S., All First Sales, F.O.B., Extra Grade, Conventional, and Edible Whey Protein Concentrate  
Price Range - 34% Protein; \$/LB: .7300 - 1.0600  
Mostly Range - 34% Protein; \$/LB: .8300 - .9750

**LACTOSE**

Lactose prices edged lower at the bottom of both the range and mostly price series. While some manufacturers maintain strong prices for their lactose brands, low prices in spot markets within Asia and Mexico are putting extreme price pressures on other processors, veritable immovable adversaries to some bullish sentiment. Lactose production is steady to higher. A few manufacturers are choosing to make more higher whey protein concentrations and the resulting lactose. Inventories, while tight for some favorite brands, are growing for other brands. Industry contacts express some uncertainty for ongoing market conditions. Some think markets will strengthen further if trade issues and the African swine fever can be subdued. Others, however are concerned the industry will have a longer term market misery to thole.

Prices for: Central and Western U.S., Spot Sales And Up to 3 Month Contracts, F.O.B., Conventional, and Edible Lactose  
Price Range - Non Pharmaceutical; \$/LB: .2000 - .4800  
Mostly Range - Non Pharmaceutical; \$/LB: .2800 - .4200

**Secondary Sourced Information:**

Global Dairy Trade (GDT) Event At the GDT Event 234 on April 16, the lactose price for the June contract period was \$0.4137 per pound, down 3.4 percent.

**CASEIN**

Rennet casein prices are mixed, stronger at the low end of the price range but lower at the top. Acid casein prices are steady to slightly lower. Confidence has increased that Western European milk production has recovered from the early 2019 decline. April results have been very good. That has increased confidence that Western European casein production will be up seasonally, even as New Zealand production is near a seasonal low point. This confidence has contributed to backing off high range prices.

Prices for: Spot Sales And Up to 3 Month Contracts, Free on Board - Warehouse, Non-Restricted, All Mesh Sizes, Conventional, and Edible Casein

Acid; Price Range - \$/LB: 3.0950-3.2100  
Rennet; Price Range - \$/LB: 2.9300-3.1075

**Secondary Sourced Information:**

Ireland is a significant manufacturer of casein in the EU. The three primary January-February 2019 destinations for Irish casein, percent change from 2018 casein exports, and quantity, are shown in the following table (CLAL data.)

Country	% of Total	Quantity MT
United States	-6.33	1,719
Mexico	-23.86	840
Netherlands	+29.54	650

At GDT event 234 on April 16, 2019, the all contracts price for rennet casein, \$2.9302 decreased 2.4 percent. The May contract price, \$3.1053, decreased 5.2 percent.

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

WEEK ENDING	2019 WEEKLY DAIRY COWS	2019 CUMULATIVE DAIRY COWS	2018 WEEKLY DAIRY COWS	2018 CUMULATIVE DAIRY COWS
03/30/2019	66.7	886.0	59.9	837.8

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

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

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

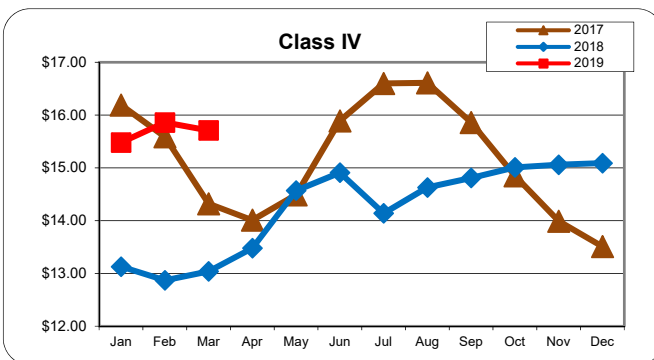
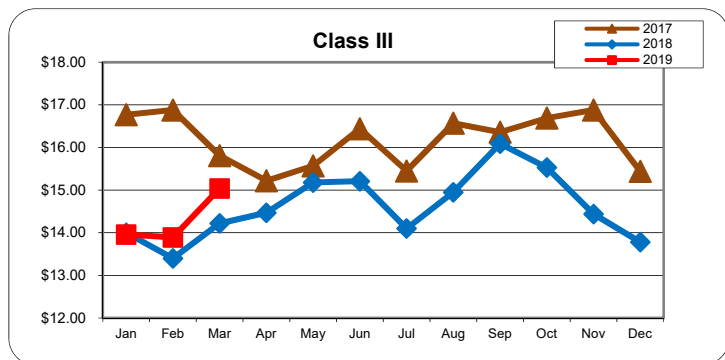
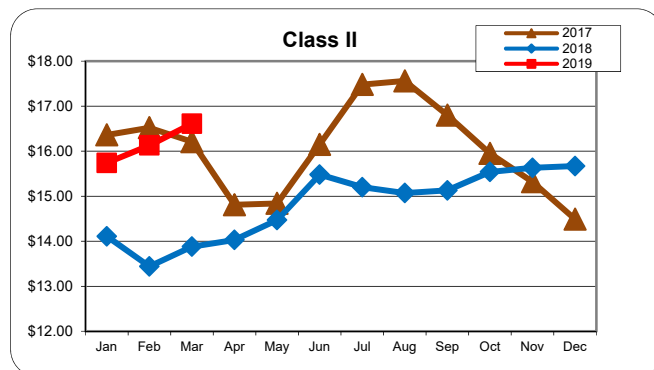
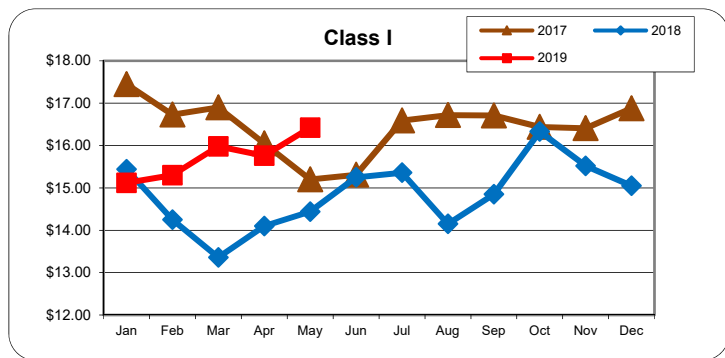
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44
2016	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91	16.39	14.82	16.76	17.40
2017	16.77	16.88	15.81	15.22	15.57	16.44	15.45	16.57	16.36	16.69	16.88	15.44
2018	14.00	13.40	14.22	14.47	15.18	15.21	14.10	14.95	16.09	15.53	14.44	13.78

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

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52
2016	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65	14.25	13.66	13.76	14.97
2017	16.19	15.59	14.32	14.01	14.49	15.89	16.60	16.61	15.86	14.85	13.99	13.51
2018	13.13	12.87	13.04	13.48	14.57	14.91	14.14	14.63	14.81	15.01	15.06	15.09

**FEDERAL MILK ORDER CLASS PRICES FOR 2019 (3.5% Butterfat)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	15.12	15.30	15.98	15.76	16.42							
II	15.74	16.13	16.61									
III	13.96	13.89	15.04									
IV	15.48	15.86	15.71									

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

## ORGANIC DAIRY MARKET NEWS

Information gathered April 8 - 19, 2019

## ORGANIC DAIRY FLUID OVERVIEW

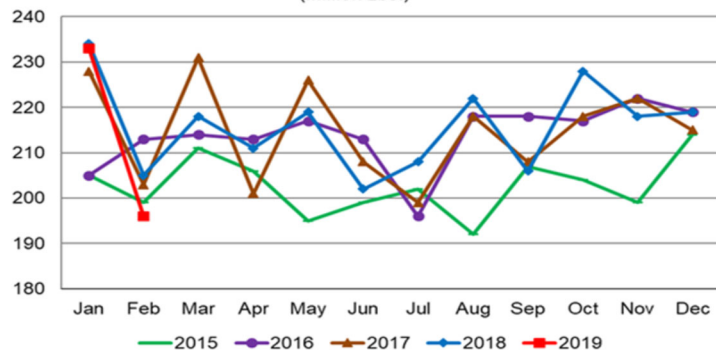
**Organic Milk Product Sales.** AMS reports total organic milk product sales for February 2019 were 196 million pounds, down 4.3 percent. The decline represents the largest January to February dip, over the last five years. Total organic whole milk products sales for February 2019, 84 million pounds, were up 2.0 percent from the previous year and up 3.9 percent year-to-date over the same period in 2018.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, February 2019, WITH COMPARISONS<sup>1/</sup>

Product Name	Sales <sup>2/</sup>		Change <sup>4/</sup>	
	February (Mil. Lbs.)	Y-T-D <sup>3/</sup>	Prev Yr. (Percent)	Y-T-D (Percent)
<b>ORGANIC PRODUCTION PRACTICE</b>				
Whole Milk	84	183	2.0	3.9
Reduced Fat Milk (2%)	62	137	-5.1	-2.5
Low Fat Milk (1%)	27	61	-7.7	-5.8
Fat-Free Milk (Skim)	15	33	-22.3	-21.4
Flavored Fat-Reduced Milk	8	14	-6.5	-17.7
Other Fluid Milk Products	0	0	7.4	1,738.8
Total Fat-Reduced Milk <sup>3/</sup>	12	245	-8.6	-7.3
Tot. Organic Milk Products	196	429	-4.3	-2.7

<sup>1/</sup> These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order data. <sup>2/</sup> Data may not add due to rounding. <sup>3/</sup> Both conventional and organic fat-reduced milk categories are the total of reduced fat, lowfat, skim and flavored fat-reduced milk. <sup>4/</sup> Year to Date Sales, Change from Previous Year, and Change in Year to Date figures are influenced by the shift of California from being administered by the California Department of Food and Agriculture (CDFA) to a Federal order (i.e., changes in product classification, etc.). The California Federal Milk Marketing Order became effective on November 1, 2018.

Estimated Total U.S. Sales of Organic Fluid Milk Products (Million Lbs.)



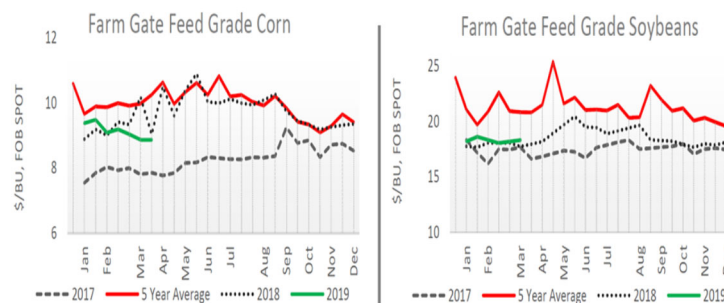
**New England Organic Milk Sales and Sourcing.** Federal Milk Market Order 1 in New England reports utilization of types of organic milk by pool plants. During February 2019, organic whole milk utilization totaled 12.6 million pounds, down from 14.5 million pounds one year earlier. The February 2019 butterfat content was 3.28 percent, a slight decline from 3.29 percent in 2018. Organic reduced fat milk utilization for February this year, 15.1 million pounds, was down from 18.2 million pounds one year earlier. Butterfat content was 1.33 percent, declining from 1.34 percent the previous year.

**USDA Announces Dairy Industry Support Program.** This week, the U.S. Department of Agriculture (USDA) announced \$1.5 million in competitive grant funding is available for the Dairy Business Innovation (DBI) Initiatives. The program supports efforts to reduce risk and develop higher-value uses for dairy products, diversify farmer income through processing and marketing innovation, and encourage the use of regional milk production.

**Organic Milk Pay Prices in Europe.** According to CLAL, averages for the February 2019 organic monthly milk pay price were mixed in the EU. The monthly average organic milk farm price in Germany was 47.65 euros/100lt (\$53.83 USD), down 2.70 percent compared to the previous year, but up 0.19 percent from last month. Bavaria, an important milk producing region of Germany had a monthly average pay price of 47.95 euros/100lt (\$54.17 USD), 4.20 percent lower than one year earlier and 0.02 percent below the previous month. In France, the average organic milk farm price for the month of February 2019, 46.20 euros/100lt (\$54.68 USD), is 1.45 percent lower than the previous year and 0.93 percent below January 2019.

## ORGANIC GRAIN FEEDSTUFF OVERVIEW

**Organic Grain and Feed Market.** Trading between buyers/sellers in feed grade corn markets was moderate on fairly light demand. All other organic grain markets were sluggish. Organic import data reported by the USDA Foreign Agriculture Service (FAS) show 2018 corn imports totaled 8.7 million bushels, down 43 percent compared to 2017. Soybean imports were down 25 percent, and durum wheat imports are down 42 percent.



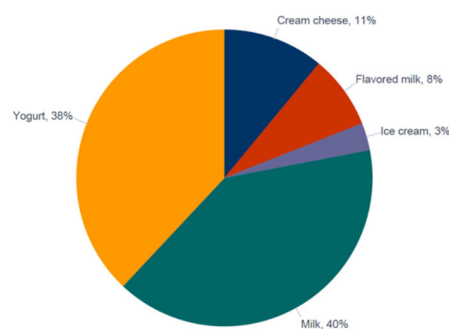
For more additional information, access the link:  
<https://www.ams.usda.gov/mnreports/lbfnof.pdf>

## ORGANIC DAIRY RETAIL OVERVIEW

This survey period, organic retail advertisements declined 8 percent, compared to the previous period. Regionally, the largest change in ads was reported in the Northwest, up 294 percent. However, the South Central region noted the largest decline, 64 percent. Based on volume of ads, the Southeast region posted more retail organic ads.

Organic ice cream saw the largest jump in ad numbers, increasing 52 percent, with a \$1.00 jump in the average retail price. Organic milk ads declined 12 percent, but maintained the largest volume of ads for a commodity, followed by organic yogurt, which also saw a drop in ads, 11 percent. The milk price spread between organic and conventional half gallon milk represents an organic premium of \$2.27, up \$0.35 cents from last week.

Percentage of Total Organic Ads by Commodity



-CONTINUED ON PAGE 8A-



**ORGANIC DAIRY MARKET NEWS**

Information gathered April 8 - 19, 2019

**-CONTINUED FROM PAGE 8-**

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from April 19-25, 2019. Retail survey ads reflect “advertised specials” and not the range of non-advertised supermarket cooler prices.

Product pricing information of selected organic dairy commodities, from the current weekly retail survey, is presented in the following table:

**NATIONAL RETAIL ORGANIC DAIRY  
WEIGHTED AVERAGE ADVERTISED PRICE**

(Dollars)

<b>Commodity</b>	<b><u>This Week</u></b>	<b><u>Last Week</u></b>	<b><u>Last Year</u></b>
<b>Butter</b>	n.a.	3.99	4.98
<b>Milk</b>			
Half Gal.	4.27	4.11	3.84
Gal.	5.15	n.a.	6.88
8 oz.	1.00	1.00	0.97
<b>Yogurt</b>			
4-6 oz. Greek	n.a.	n.a.	1.25
32 oz. Greek	6.99	6.33	4.66
4-6 oz. Yogurt	n.a.	1.11	1.25
32 oz. Yogurt	3.09	3.10	3.50

Complete results of the “National Retail Report-Dairy” and “Bi-Weekly Organic Report” are accessible using the following links:

1 <https://www.ams.usda.gov/mnreports/dybretail.pdf>

2 <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>

## February Milk Sales

3.6 billion pounds of packaged fluid milk products were shipped by milk handlers in February 2019. This was 1.9 percent lower than a year earlier. Estimated sales of total conventional fluid milk products decreased 1.8 percent from February 2018 and estimated sales of total organic fluid milk products decreased 4.3 percent from a year earlier.

### Estimated Total U.S. Sales of Fluid Milk Products, February 2019, with Comparisons <sup>1</sup>

Product Name	Sales <sup>2</sup>		Change from:	
	February	Year to Date <sup>4</sup>	Previous Year <sup>4</sup>	Year to Date <sup>4</sup>
	<i>(million pounds)</i>		<i>(percent)</i>	
<b>Conventional Production Practice</b>				
Whole Milk	1,156	2,508	1.0	1.9
Flavored Whole Milk	56	126	11.0	23.0
Reduced Fat Milk (2%)	1,126	2,426	-1.9	-2.1
Low Fat Milk (1%)	458	987	-6.3	-5.0
Fat-Free Milk (Skim)	275	587	-9.3	-9.2
Flavored Fat-Reduced Milk	327	681	-3.8	-2.5
Buttermilk	31	66	-17.9	-16.7
Other Fluid Milk Products	23	49	741.1	668.9
Total Fat-Reduced Milk <sup>3</sup>	2,186	4,681	-4.1	-3.7
Total Conventional Milk Products	3,452	7,430	-1.8	-1.1
<b>Organic Production Practice</b>				
Whole Milk	84	183	2.0	3.9
Reduced Fat Milk (2%)	62	137	-5.1	-2.5
Low Fat Milk (1%)	27	61	-7.7	-5.8
Fat-Free Milk (Skim)	15	33	-22.3	-21.4
Flavored Fat-Reduced Milk	8	14	-6.5	-17.7
Other Fluid Milk Products	0	0	-7.4	1,738.8
Total Fat-Reduced Milk <sup>3</sup>	112	245	-8.6	-7.3
Total Organic Milk Products	196	429	-4.3	-2.7
<b>Total Fluid Milk Products</b>	<b>3,648</b>	<b>7,858</b>	<b>-1.9</b>	<b>-1.2</b>

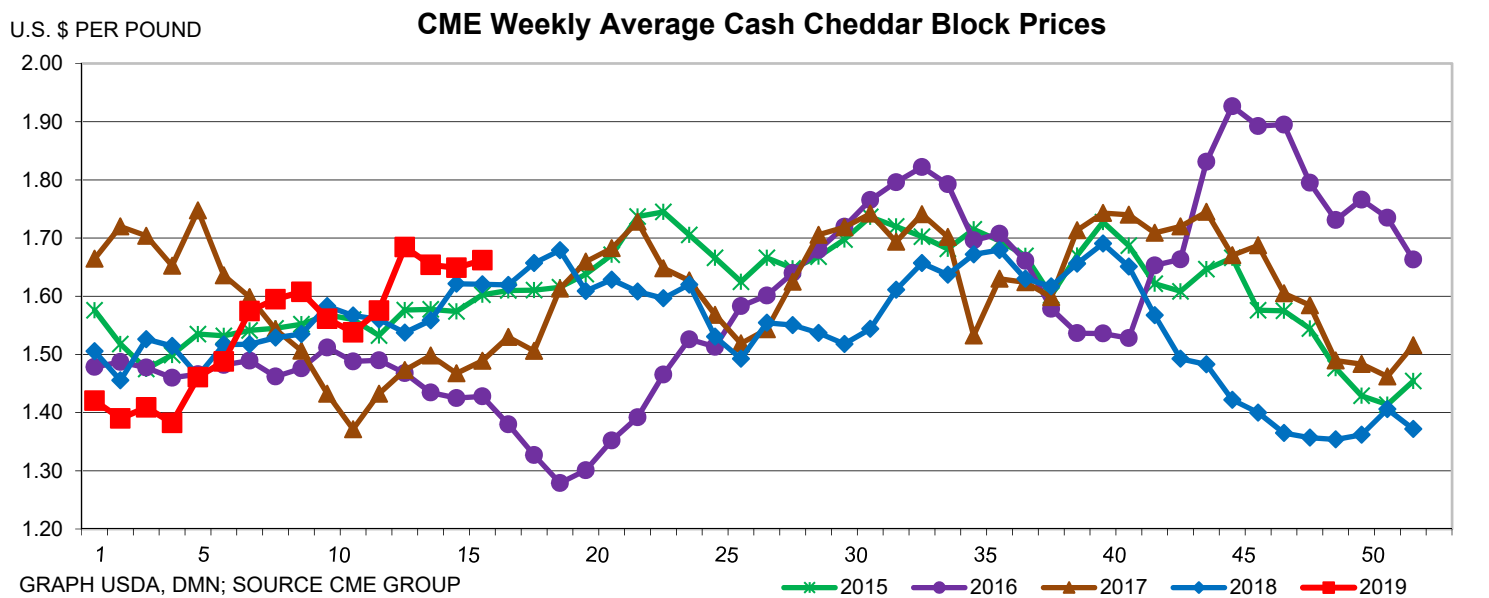
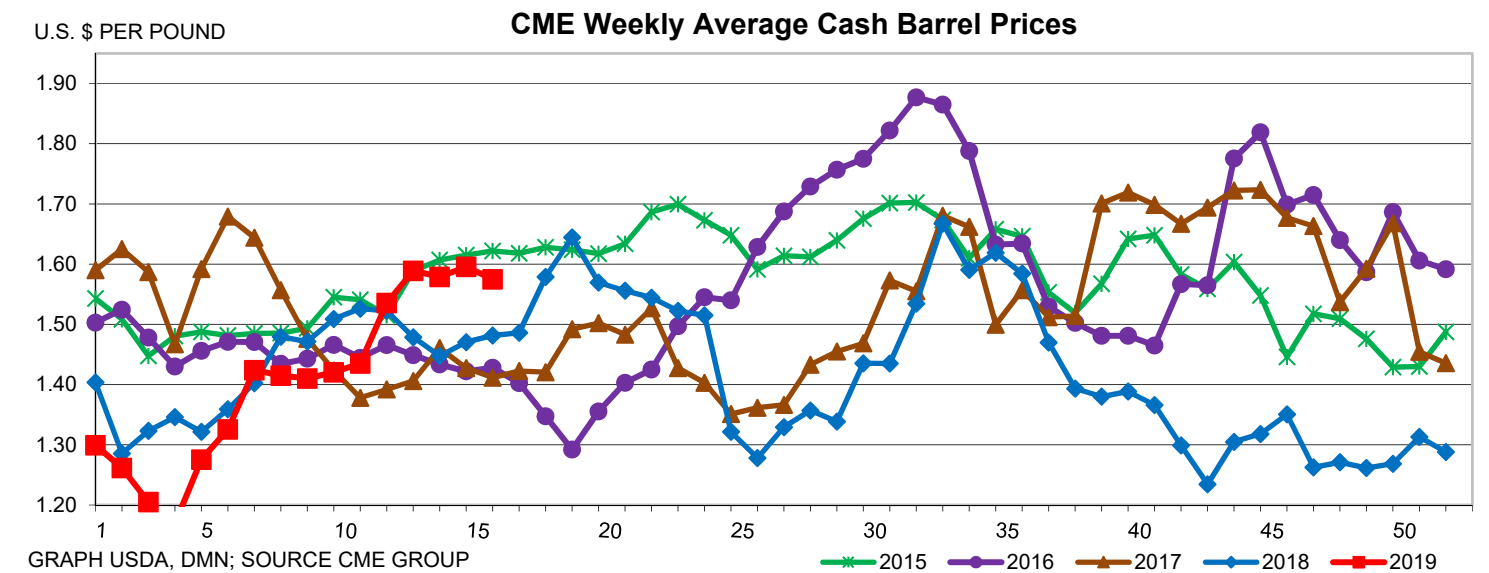
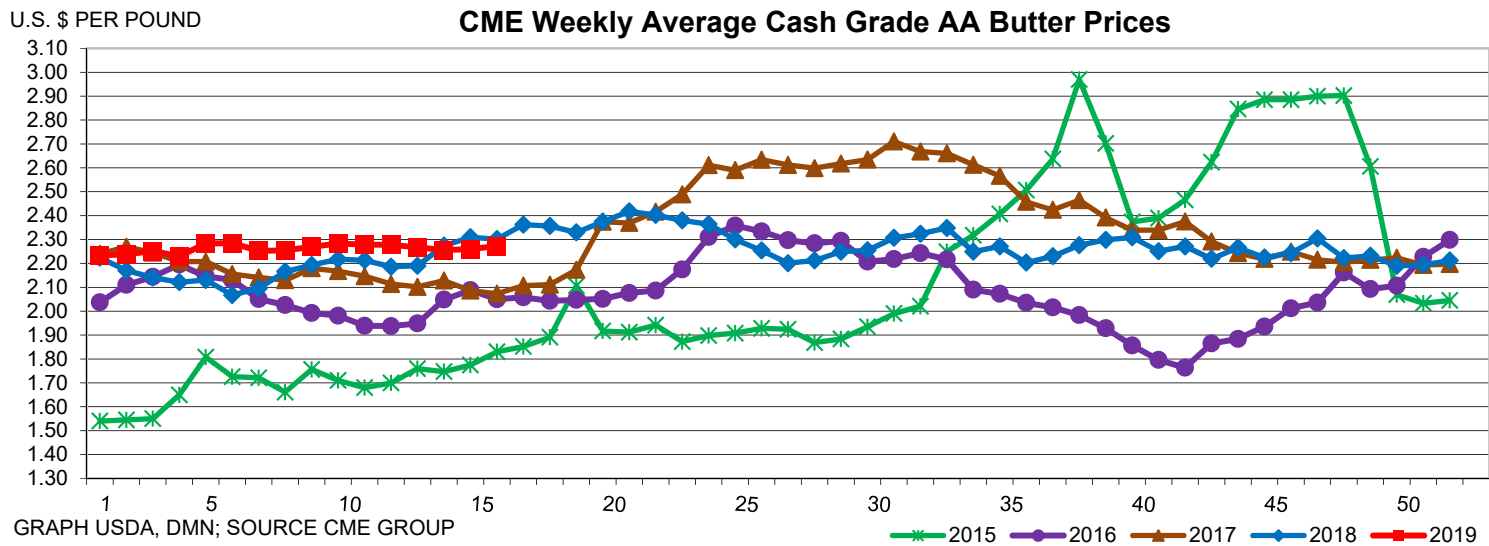
<sup>1</sup> These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order data. <sup>2</sup> Data may not add due to rounding. <sup>3</sup> Both conventional and organic fat-reduced milk categories are the total of reduced fat, lowfat, skim and flavored fat-reduced milk. <sup>4</sup> Year to Date Sales, Change from Previous Year, and Change in Year to Date figures are influenced by the shift of California from being administered by the California Department of Food and Agriculture (CDFA) to a Federal order (i.e., changes in product classification, etc.). The California Federal Milk Marketing Order became effective on November 1, 2018.

### Package Sales of Total Fluid Milk Products in Federal Milk Orders, February 2019, with Comparisons <sup>1</sup>

Marketing Area	Order Number	Sales <sup>2</sup>		Change from:	
		February	Year to Date	Previous Year <sup>3</sup>	Year to Date <sup>3</sup>
		<i>(million pounds)</i>		<i>(percent)</i>	
Northeast	001	589	1,277	-5.4	-3.5
Appalachian	005	240	527	-4.6	-4.0
Florida	006	219	464	1.3	0.3
Southeast	007	325	710	-4.8	-3.5
Upper Midwest	030	267	567	-3.8	-4.1
Central	032	311	671	-3.6	-2.4
Mideast	033	417	903	1.4	3.0
California <sup>3</sup>	051	421	896	6.0	6.3
Pacific Northwest	124	146	306	-1.0	-2.4
Southwest	126	341	737	-2.2	-2.1
Arizona	131	79	170	-5.0	-4.0
<b>All Areas (Totals) <sup>1</sup></b>		<b>3,356</b>	<b>7,230</b>	<b>-1.9</b>	<b>-1.2</b>

<sup>1</sup> These figures are representative of the consumption of total fluid milk products in the respective area. <sup>2</sup> Data may not add due to rounding. <sup>3</sup> The figures for California include data obtained from the California Department of Food and Agriculture (CDFA) for the months of January through October 2018, and prior years. The California Federal Milk Marketing Order became effective November 1, 2018.







## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Retail Report-Dairy

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

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Issued Weekly

Friday, April 19, 2019

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/19/2019 to 04/25/2019

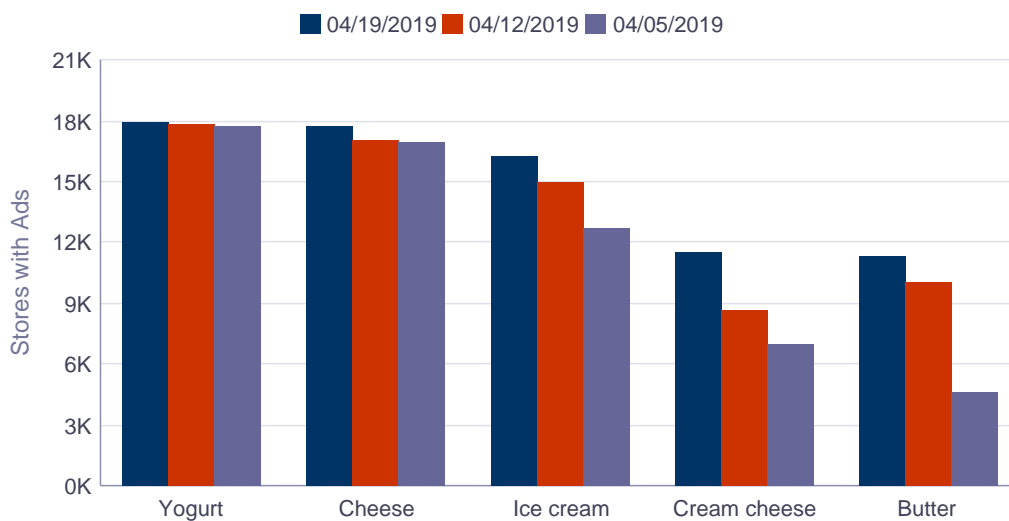
Conventional ice cream, in 48 to 64 oz containers, reigns supreme as the single most advertised dairy item this week, with an 8 percent growth week over week in ads. Greek yogurt, in 4 to 6 oz containers, is the second most advertised dairy item on the conventional aisle, with a 2 percent growth from last week. Conventional half gallon milk ads decreased by the largest amount, down 85 percent from week 15.

The national weighted average advertised price for conventional milk half gallons is \$2.00, down 19 cents from last week. Organic milk in half gallon containers national weighted advertised price is \$4.27, resulting in an organic price premium of \$2.27. Organic half gallon milk advertisements slid 27 percent week over week, as conventional advertisements for bottled milk dwindled by 66 percent.

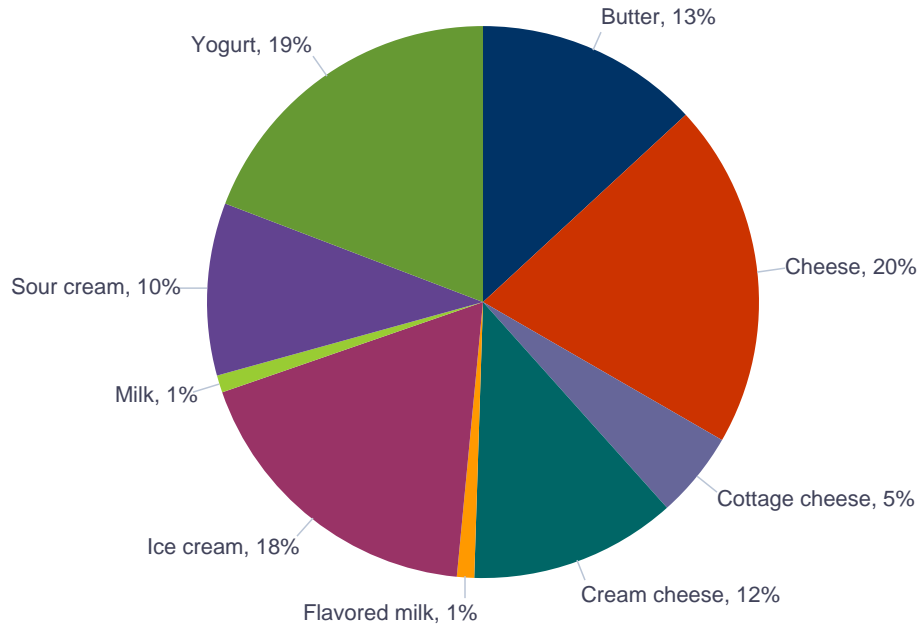
Conventional cheese ad numbers increased 6 percent, while this week exhibited a spring holiday goose egg on the organic cheese aisle. The weighted average price for conventional 8 oz. block cheese is \$2.09, down just 2 cents from last week. The weighted average price for conventional 8 oz. cheese shreds is \$2.00, down 14 cents from Week 15.

Conventional yogurt ad numbers increased 2 percent, but organic ads decreased 11 percent this week. The weighted average advertised price for conventional yogurt in 32 oz containers is \$3.49, while \$6.99 is the weighted advertised price on the organic advertisement aisle, resulting in an organic premium of \$3.50.

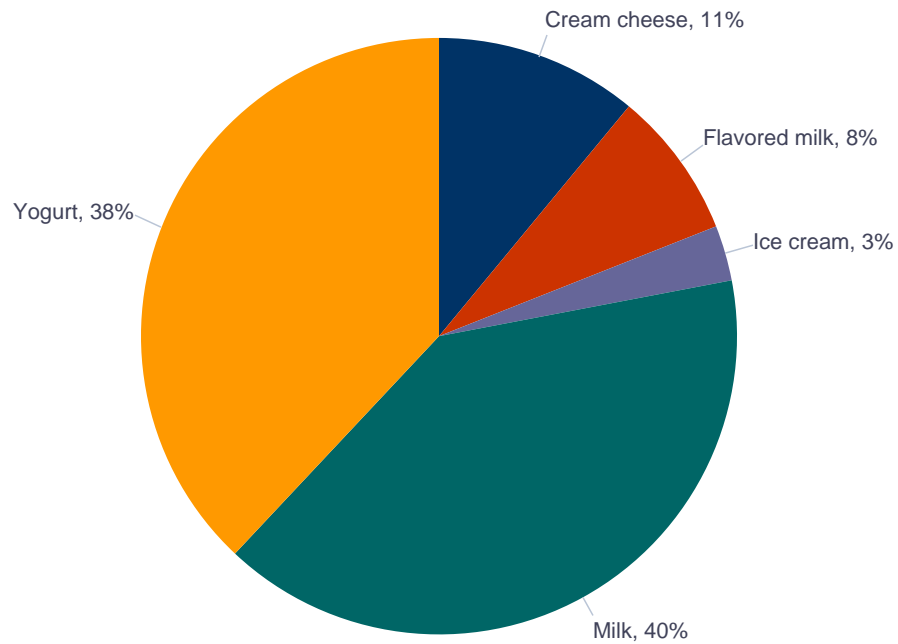
Top 5 Commodities Featured This Week



### 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 #	11365	2.91	9963	3.03	4044	2.92
Cheese	Natural Varieties	8 oz block	7549	2.09	6799	2.11	6309	2.22
Cheese	Natural Varieties	1 # block	941	3.84	795	4.30	1525	4.04
Cheese	Natural Varieties	2 # block	922	6.02	757	5.49	1441	5.56
Cheese	Natural Varieties	8 oz shred	8039	2.00	8158	2.14	11342	2.27
Cheese	Natural Varieties	1 # shred	289	3.99	302	4.10	1692	4.05
Cottage cheese		16 oz	4478	1.92	4904	1.88	3979	1.96
Cream cheese		8 oz	11130	1.83	8337	1.71	3161	1.78
Flavored milk	All fat tests	half gallon	247	2.58	454	2.60	514	2.26
Flavored milk	All fat tests	gallon	212	3.00	423	2.87	931	2.16
Ice cream		48-64oz	16158	2.92	14903	2.88	11266	2.73
Milk	All fat tests	half gallon	144	2.00	978	2.19	983	1.55
Milk	All fat tests	gallon	446	2.46	759	2.74	3041	2.42
Sour cream		16 oz	8954	1.77	5766	1.76	8655	1.93
Yogurt	Greek	4-6 oz	10596	.93	10389	.95	9549	.97
Yogurt	Greek	32 oz	1854	3.49	1227	3.63	2167	4.40
Yogurt	Yogurt	4-6 oz	3636	.50	4098	.51	5784	.49
Yogurt	Yogurt	32 oz	472	2.35	357	2.52	249	2.55

## 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 #	2.00-4.99	3342	3.05	2.49-3.00	2529	2.77	1.97-4.39	2208	2.68
Cheese	Natural Varieties	8 oz block	1.67-3.50	2639	2.28	1.50-2.50	1749	1.84	0.99-2.00	1120	1.75
Cheese	Natural Varieties	1 # block	2.50-3.00	255	2.73	3.99	508	3.99			
Cheese	Natural Varieties	2 # block							5.99	98	5.99
Cheese	Natural Varieties	8 oz shred	1.67-3.49	2655	2.09	1.50-2.50	1603	1.84	0.99-2.99	1783	1.92
Cottage cheese		16 oz	1.67-2.69	1107	2.13	1.39-2.50	1670	2.01	0.89-2.50	829	1.38
Cream cheese		8 oz	0.99-2.99	2833	1.87	1.23-3.00	3771	1.74	0.99-2.49	1601	1.82
Flavored milk	All fat tests	half gallon							2.19	213	2.19
Flavored milk	All fat tests	gallon							3.99	107	3.99
Ice cream		48-64oz	1.77-3.99	3530	2.66	1.98-5.50	4203	2.77	1.99-4.49	4145	2.96
Milk	All fat tests	gallon	2.50-2.99	172	2.71				2.50	169	2.50
Sour cream		16 oz	1.49-2.50	3167	1.77	1.39-2.00	2061	1.86	0.89-2.00	1345	1.42
Yogurt	Greek	4-6 oz	0.69-1.00	3051	.93	0.80-1.00	3208	.92	0.75-1.00	1475	.91
Yogurt	Greek	32 oz	2.99-5.99	508	3.84	1.69-5.00	562	3.00	3.99	107	3.99
Yogurt	Yogurt	4-6 oz	0.39-0.60	1697	.49	0.40-0.50	820	.49	0.60	180	.60
Yogurt	Yogurt	32 oz	1.99-2.69	398	2.32						

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 #	2.49-3.99	1205	2.82	1.99-3.99	1115	3.00	1.99-3.99	934	3.26
Cheese	Natural Varieties	8 oz block	1.50-2.99	1093	2.18	1.67-3.00	695	2.37	1.67-3.00	242	2.06
Cheese	Natural Varieties	1 # block				4.99	178	4.99			
Cheese	Natural Varieties	2 # block	4.99	121	4.99	4.88-6.99	424	5.77	4.99-8.99	279	6.87
Cheese	Natural Varieties	8 oz shred	1.33-2.49	834	1.94	1.67-3.00	988	2.25	1.67-1.99	165	1.87
Cheese	Natural Varieties	1 # shred							3.99	289	3.99
Cottage cheese		16 oz	1.99-2.00	172	1.99	1.99-2.00	538	1.99	1.99-2.00	130	1.99
Cream cheese		8 oz	1.49-2.36	1619	2.06	1.49-1.99	850	1.77	1.00-1.88	400	1.48
Flavored milk	All fat tests	gallon							1.99	105	1.99
Ice cream		48-64oz	2.97-4.49	1578	3.25	2.50-5.99	1927	3.25	2.97-3.50	730	3.07
Milk	All fat tests	half gallon	1.89	133	1.89						
Milk	All fat tests	gallon							1.99	105	1.99
Sour cream		16 oz	0.89-2.18	489	1.74	1.50-2.00	1363	1.93	1.00-2.00	463	1.77
Yogurt	Greek	4-6 oz	0.85-1.00	836	.94	0.75-1.00	1600	.92	0.88-1.00	405	.97
Yogurt	Greek	32 oz	2.99-3.99	327	3.16				3.50-3.99	350	3.90
Yogurt	Yogurt	4-6 oz	0.50	148	.50	0.49-0.50	441	.49	0.50	350	.50
Yogurt	Yogurt	32 oz	2.50	74	2.50						

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-4.00	32	3.65			
Cheese	Natural Varieties	8 oz block	2.49	11	2.49			
Cheese	Natural Varieties	8 oz shred	2.49	11	2.49			
Cottage cheese		16 oz	1.39-2.49	32	2.11			
Cream cheese		8 oz	1.67-2.79	22	2.23	3.00	34	3.00
Flavored milk	All fat tests	half gallon				4.99	34	4.99
Ice cream		48-64oz	2.49	11	2.49	3.99	34	3.99
Milk	All fat tests	half gallon	3.29	11	3.29			
Sour cream		16 oz	1.39-2.49	32	2.11	3.00	34	3.00
Yogurt	Greek	4-6 oz	1.25	21	1.25			

## NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #			117	3.99	534	4.98

Wtd Avg - Simple weighted average



Cheese	Natural Varieties	8 oz block			178	4.99		
Cheese	Natural Varieties	8 oz shred					186	3.99
Cottage cheese		16 oz			51	3.97	234	3.99
Cream cheese		8 oz	411	2.58	356	2.84	117	2.46
Flavored milk	All fat tests	half gallon	289	3.49				
Ice cream		48-64oz	105	6.99	69	5.99		
Milk	All fat tests	half gallon	1042	4.27	1429	4.11	3671	3.84
Milk	All fat tests	gallon	325	5.15			641	6.88
Milk	All fat tests	8 oz UHT	61	1.00	198	1.00	968	.97
Sour cream		16 oz					114	3.00
Yogurt	Greek	4-6 oz					59	1.25
Yogurt	Greek	32 oz	55	6.99	163	6.33	410	4.66
Yogurt	Yogurt	4-6 oz			123	1.11	284	1.25
Yogurt	Yogurt	32 oz	1327	3.09	1261	3.10	108	3.50

## 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
Cream cheese		8 oz							2.50	233	2.50
Milk	All fat tests	half gallon	4.49-4.99	445	4.80	4.00	61	4.00	3.00	69	3.00
Milk	All fat tests	gallon	4.99	60	4.99	4.99	214	4.99			
Milk	All fat tests	8 oz UHT				1.00	61	1.00			
Yogurt	Yogurt	32 oz				3.00	1083	3.00			

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
Cream cheese		8 oz				2.69	178	2.69			
Flavored milk	All fat tests	half gallon							3.49	289	3.49
Ice cream		48-64oz							6.99	105	6.99
Milk	All fat tests	half gallon				3.99	178	3.99	4.00	289	4.00
Milk	All fat tests	gallon	5.99	51	5.99						
Yogurt	Greek	32 oz	6.99	55	6.99						
Yogurt	Yogurt	32 oz				3.50	244	3.50			





Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price

#### REGIONAL DEFINITIONS

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

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



# Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

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