

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (4/24)

BUTTER: Grade AA closed at \$1.1450. The weekly average for Grade AA is \$1.1525 (-.0050).

CHEESE: Barrels closed at \$1.0500 and 40# blocks at \$1.0700. The weekly average for barrels is \$1.0255 (+.0140) and blocks, \$1.0310 (+.0230).

NONFAT DRY MILK: Grade A closed at \$.8100. The weekly average for Grade A is \$.8250 (-.0335).

DRY WHEY: Extra grade dry whey closed at \$.3850. The weekly average for dry whey is \$.3860 (+.0210).

CHEESE HIGHLIGHTS: Cheese production varies from plant to plant, region to region. Milk availability does not. Cheese plant managers are managing output against the widely accessible milk supplies. Some are cutting back, working on projects and updating. Others are running six and seven day workweeks. Spot milk prices ranged from \$6 to \$8 under Class for the second week in a row. Some cheese producers have reported upticks week over week in food service demand, but when compared to previous years, the differences are noteworthy. Retail orders are somewhat busy, as cheese market prices are so low customers are less hesitant to take on a little extra. Regarding storage, multiple contacts report cold storage is and has been a concern. As inventories grow, some cheese producers are looking to age/store cheese loads and wait for greener market pastures. All said, cheese market tones are bearish. Market contacts hope to see some corrections posthaste, as some states are looking to, or already have, begun to lift social distancing restrictions.

BUTTER HIGHLIGHTS: Throughout the nation, butter makers are actively churning as the market remains flooded with cream. Even though plants are running at full capacities, it is becoming harder to clear all the cream available in the market. The hope is that ice cream production will increase soon and absorb some of the cream. Butter demands from the food service sector are lethargic as most restaurants are on hold due to COVID-19. In contrast, requests from grocery stores

are reported as fair/good. Across the country, this week, bulk prices are ranging from 4.0 cents below the market to 7.0 cents above the market.

FLUID MILK/CREAM: As seasonally warmer temperatures persist, milk production across the country continues to increase. In the west, California milk production is abundant, while Arizona production is unchanged from the previous week's plateau. New Mexico handlers and processors can hardly handle current milk output. In the Pacific Northwest, weather is good for cows, with gradual milk production increases being reported. The mountainous states of Utah, Idaho, and Colorado display strong farm-level milk production. Meanwhile, in the Midwest, farmers are working to limit production by rationing feed and culling. Class I bottling demand is mostly mixed in Florida, but heavy volumes of milk are clearing to bottling operations in the southeastern part of the East region. Cream is abundant and loads are being discounted across the regions. Churning and Class II manufacturing are unable to absorb the available cream. F.O.B. cream multiples are **.50-.90** in the East, **.50-1.00** in the Midwest, and **.45-.90** in the West.

DRY PRODUCTS: In general, the low/medium heat nonfat dry milk market undertone is weak. Spot sales are light on somewhat softer demand. Production is active as condensed skim volumes continue to increase with heavy seasonal milk output. Drying schedules for high heat nonfat dry milk are irregular, with steady to higher prices reported. Spot prices for dry buttermilk are steady to lower in the West, but lower in the East and Central regions. The market continues weakening. Prices for dry whole milk are mixed in an unsettled market. Supplies are limited. Prices for whey are unchanged in the Central region, but mixed in the Northeast and West regions. Domestic demand is steady and supports market prices. The WPC34% price is steady in the range. Production is steady, but availability depends on market segment. Lactose prices are higher. Both domestic and export sales are active. Supplies are tight. In general, casein prices are steady to lower.

CONTINUED ON PAGE 1A

TABLE OF CONTENTS

Product Highlights/CME/DMN at a Glance	1	Dry Whey/WPC 34%/Lactose/Casein	6	May Advanced Class Prices	11
Weekly CME Cash Trading/Butter Markets	2	U.S. Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures	7	Dairy Graphs	G1
Cheese Markets	3	International Dairy Market News	8	National Retail Report - Dairy	
Fluid Milk and Cream	4	March Milk Production	9	Dairy Market News Contacts	
Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk	5	March Cold Storage	10		

DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 20-24, 2020 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK				
Central Low/Med. Heat	0.8400	0.9500	0.8600	0.9000	Central/East	0.8000	1.0000		
Change	N.C.	-0.0300	-0.0100	-0.0300	Change	-0.0500	-0.0800		
Central High Heat	0.9500	1.1500			West	0.8500	1.0500	0.9200	0.9700
Change	N.C.	0.0500			Change	N.C.	-0.0200	-0.0600	-0.0500
West Low/Med. Heat	0.8000	0.9525	0.8500	0.9000	WHEY				
Change	N.C.	-0.0300	N.C.	N.C.	Central	0.3200	0.3900	0.3450	0.3600
West High Heat	1.0000	1.1500			Change	N.C.	N.C.	N.C.	N.C.
Change	0.0200	0.0100			West	0.3100	0.4000	0.3500	0.3850
DRY WHOLE MILK					Change	0.0275	-0.0050	N.C.	0.0050
National	1.5500	1.7500			Northeast	0.3500	0.4050		
Change	N.C.	-0.0300			Change	N.C.	-0.0025		

DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 13-24, 2020 PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Commodity	Range	
SMP			WHOLE MILK POWDER		
W. Europe	1675	1875	W. Europe	2325	2550
Change	-25	-175	Change	-100	-125
Oceania	2400	2575	Oceania	2675	2800
Change	-125	-250	Change	-125	-50
S. America	2500	2700	S. America	2750	3050
Change	-50	-50	Change	-50	-50
WHEY			BUTTER		
W. Europe	600	825	W. Europe	2275	2675
Change	25	N.C.	Change	-200	-500
			Oceania	4175	4300
			Change	-100	-50
			BUTTEROIL		
			W. Europe	3325	4050
			Change	-425	-50
			CHEDDAR CHEESE		
			Oceania	4450	4550
			Change	50	50

DAIRY MARKET NEWS AT A GLANCE**CONTINUED FROM PAGE 1A****INTERNATIONAL DAIRY MARKET NEWS: EUROPEAN OVERVIEW: WESTERN EUROPE:**

January – February 2020 milk production in the EU increased 3.2 percent YTD compared with January – February 2019 according to Eurostat. February 2020 production increased 4.9 percent from February 2019. German production increased 2.7 percent; France increased 3.1 percent; Italy increased 2.6 percent; and Netherlands increased 4.0 percent. Weakening dairy prices in the wake of COVID-19 impacts in Western European dairy markets may contribute to opening Private Storage Aid (PSA). This week the EU Council of Commissioners began the process to activate PSA for cheese. Formal adoption is expected by the end of April. A maximum of 100,000 MT of cheese is expected to be eligible. The expected storage period is 60 – 210 days. **EASTERN EUROPE:** In Eastern Europe, January – February 2020 milk production compared with January – February 2019 increased 2.1 percent in Poland, the largest milk producing country, and 4.1 percent in Hungary. For Poland, January - February 2020 production YTD showed changes compared with last year: butter, -0.6 percent; cheese, +5.8 percent; SMP, -6.4 percent; and WMP, -7.5 percent.

OCEANIA OVERVIEW: AUSTRALIA: July 2019 – February 2020 milk production in Australia decreased 2.6 percent from the corresponding previous period, according to Dairy Australia. February 2020 milk production, 618.4 million liters, was 8.1 percent higher than February 2019. Australia is moving toward the end of the current production season. The preponderance of the seasonal milk has already been produced. After a challenging start to the season, milk production has been steadier in recent months, even if lower than last season so far. Rain in many areas has helped to partially counter the early season impact of drought and fires. **NEW ZEALAND:** March 2020 New Zealand milk production reported by DCANZ was 1,680 million MT, down 1.9 percent from March 2019 milk production, 1,713 million MT. March 2020 milk solids, 161,619 million kg, are up 0.1 percent from March 2019, 161,433 million kg. New Zealand's dairy industry is structured to require significant dairy product exports to move production, and thus maintain milk pay prices. There is widespread anxiety in New Zealand about the increasingly unusual COVID-19 related factors in U.S. and European dairy markets as that may impact New Zealand's export opportunities.

SOUTH AMERICA OVERVIEW: In the Southern Cone region of South America, particularly, Argentina, Uruguay, and Paraguay, farm milk outputs are steady to slightly higher, in line with early-autumn seasonal patterns. Scattered shower improved the growth of corn and soybean. At this point, the availability of concentrate is not a concern. Furthermore, industry contacts are anticipating a larger corn harvest for this year. In addition, the recent collapse in oil prices is expected to lower the cost of grains, in some cases, making milk more profitable given current high farmgate prices. In general, farm milk intakes are less than adequate for some processing needs other than bottling. Cream supplies are still short, and the milk butterfat market remains on a bullish standing. With most of the food service and hotel sectors on hold due to COVID-19, cheese production and delivery schedules have been reoriented to meet the needs of grocery stores and some restaurants with delivery or pick up services. In Brazil, farm milk intakes are stable, but below adequate to meet most manufacturing requests.

NATIONAL RETAIL REPORT (DMN): Retail dairy advertising has been less robust in recent weeks. Some grocery stores have posted online notices that ads are temporarily suspended during this unusual stay at home period in the U.S. Conventional retail ad numbers this week increased 7 percent. Organic retail ad numbers declined 22 percent. The most advertised single category/size is 48-64 oz conventional ice cream. Ad numbers increased 42 percent from last week. The weighted average advertised price, \$3.11, increased \$0.05 from last week. There are no ads for organic ice cream. The national weighted average advertised price for conventional milk in half gallons

is \$1.93, compared with \$3.83 for organic milk half gallons. This results in an organic premium of \$1.90. Conventional milk ads increased by 59 percent, while organic milk ads decreased by 11 percent.

MARCH MILK PRODUCTION (NASS): Milk production in the 24 major States during March totaled 18.3 billion pounds, up 2.4 percent from March 2019. February revised production at 17.0 billion pounds, was up 5.6 percent from February 2019. The February revision represented a decrease of 7 million pounds or less than 0.1 percent from last month's preliminary production estimate. Adjusting February production for the additional day due to leap year causes February revised production to be up 1.9 percent on a per day basis. Production per cow in the 24 major States averaged 2,072 pounds for March, 34 pounds above March 2019. The number of milk cows on farms in the 24 major States was 8.85 million head, 64,000 head more than March 2019, and 5,000 head more than February 2020.

MARCH COLD STORAGE (NASS): On March 31, U.S. cold storage holdings of butter totaled 309.6 million pounds, up 3 percent from the previous month and up 15 percent from March 2019. Natural American cheese holdings total 775.1 million pounds, unchanged from the previous month, but 1 percent less than March 2019. Total natural cheese stocks were 1.373 billion pounds, 1 percent more than last month, but 1 percent less than March 2019.

MAY ADVANCED CLASS PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for May 2020 is \$12.95 per cwt. The base Class I price decreased \$3.69 per cwt when compared to the previous month of April 2020. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The advanced Class IV skim milk pricing factor is \$7.03. Thus, the Class II skim milk price for May 2020 is \$7.73 per cwt, and the Class II nonfat solids price is \$0.8589. The two-week product price averages for May 2020 are butter \$1.2407, nonfat dry milk \$0.9564, cheese \$1.4120 and dry whey \$0.3724.

NOTICE: USDA ANNOUNCES CORONAVIRUS FOOD ASSISTANCE PROGRAM

US. Secretary of Agriculture Sonny Perdue announced the Coronavirus Food Assistance Program (CFAP) on April 17, 2020. Information about this program can be accessed at this site: <https://www.usda.gov/media/press-releases/2020/04/17/usda-announces-coronavirus-food-assistance-program>

NOTICE: USDA TO PURCHASE UP TO \$3 BILLION IN AGRICULTURAL COMMODITIES, ISSUE SOLICITATIONS FOR INTERESTED PARTICIPANTS

On April 19, 2020, USDA announced that it is exercising authority under the Families First Coronavirus Response Act to purchase and distribute up to \$3 billion of agricultural products to those in need. Information about this program can be accessed at this site: <https://www.ams.usda.gov/content/usda-purchase-3-billion-agricultural-commodities-issue-solicitations-interested-participants>

Vendors wanting to be qualified as a vendor for the above program may contact Andrea Lang, andrea.lang@usda.gov

The following website contains information about selling food to USDA: <https://www.ams.usda.gov/selling-food>

Send inquiries regarding selling to USDA to NewVendor@usda.gov

CME GROUP COMMODITY	MONDAY APR 20	TUESDAY APR 21	WEDNESDAY APR 22	THURSDAY APR 23	FRIDAY APR 24	WEEKLY CHANGE	WEEKLY AVERAGE
CHEESE							
BARRELS	\$1.0125 (+0.0075)	\$1.0125 (N.C.)	\$1.0125 (N.C.)	\$1.0400 (+0.0275)	\$1.0500 (+0.0100)	:: (+0.0450)	:: \$1.0255 (+0.0140)
40 POUND BLOCKS	\$1.0075 (-0.0050)	\$1.0075 (N.C.)	\$1.0200 (+0.0125)	\$1.0500 (+0.0300)	\$1.0700 (+0.0200)	:: (+0.0575)	:: \$1.0310 (+0.0230)
NONFAT DRY MILK							
GRADE A	\$0.8400 (-0.0150)	\$0.8350 (-0.0050)	\$0.8250 (-0.0100)	\$0.8150 (-0.0100)	\$0.8100 (-0.0050)	:: (-0.0450)	:: \$0.8250 (-0.0335)
BUTTER							
GRADE AA	\$1.2000 (+0.0125)	\$1.1850 (-0.0150)	\$1.1325 (-0.0525)	\$1.1000 (-0.0325)	\$1.1450 (+0.0450)	:: (-0.0425)	:: \$1.1525 (-0.0050)
DRY WHEY							
EXTRA GRADE	\$0.3900 (N.C.)	\$0.3850 (-0.0050)	\$0.3850 (N.C.)	\$0.3850 (N.C.)	\$0.3850 (N.C.)	:: (-0.0050)	:: \$0.3860 (+0.0210)

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

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

BUTTER MARKETS

NORTHEAST

In the East, not much has changed from the previous butter report. Butter producers continue to churn heavy volumes daily, as the market remains saturated with cream. Some cream sellers, with the capacity to churn, are experiencing cancellations from their commitments as demand decreases, resulting in a higher volume of butter churning. The market hints it is somewhat difficult to move uncommitted cream. Hence, cream multiples tend to fluctuate below 1.0. Butter stocks are uncharacteristically heavy at manufacturing plants. Retail sales are fairly steady. Export interest is good. The domestic bulk butter price for sales in the East region is 1-6 cents over the market of the CME Group, with various time frames and averages used.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0100 - +0.0600

Secondary Sourced Information:

CME TRADING
The CME Group's Tuesday cash butter trading closed at \$1.1850, up from \$1.1500 a week ago.

EXPORT ASSISTANCE
This week, a cooperative export assistance program accepted requests for export assistance to sell 2,491 pounds (1,130 metric tons) of butter.

CENTRAL

Central region butter producers continue to churn at busy rates. They say retail demand and more active buyers, due to relatively low market prices, are helping to move butter somewhat. That said, a number of butter contacts say they are going to limit their cream intakes in the near term, as food service accounts are doing anything but helping the general situation. Some have said food service buying did tick up week to week, but remains well below normal. Cream is widely available, while multiples are and have been notably lower than normal. Butter plant managers report a "name your price" situation. All are simply hopeful to manage through the current trough, and they are hopeful for incremental improvements to the situation.

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

In the West, butter output is very active as processors attempt the near impossible of preventing a waste of cream. However, it is becoming harder to clear all the cream available in the market even though plants are running at full capacities. The hope is that ice cream production will increase soon and absorb some of the cream. Cold storage room for butter is becoming tighter as supplies outpace demands. In addition, some buyers are taking advantage of lower butter prices and are currently purchasing for delivery later in the year. Thus, these volumes also remain in cold storage. Retail sales are good, but demands for food service accounts have been low in recent weeks. Overall, the market tone is unsettled.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: -0.0400 - +0.0500

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for 2,491 million pounds (1,130 metric tons) of butter and 1,693 million pounds (768 metric tons) of anhydrous milkfat. So far this year, the program has assisted member cooperatives who have contracts to sell 4,264 million pounds of butter (82% milkfat) and 1,960 million pounds of anhydrous milkfat in export markets. When combined with other dairy products, the program has assisted members with sales of 450.3 million pounds of milk on a milkfat basis.

The Grade AA butter price at the CME Group on Wednesday closed at \$1.1325, compared to the weekly average price of \$1.1575 from last week.

CHEESE MARKETS

NORTHEAST

On various market exchanges, buyers are placing lower bids for spot loads. Currently, spot load transactions are lighter. Northeastern mozzarella, provolone, and cheddar cheese production is active in many operations. Manufacturers' inventory levels are growing. Also, some additional refrigerated warehouses are fairly full. The demand for aged cheddar cheese from various specialty retailers is slower. Foodservice sales are still negatively impacted at this time. Retail sales are mixed, as sales have slowed in retail channels. As these uncertain times continue, USDA is creating a procurement program for nonprofit organizations. While fast food chains are open, some fast food restaurants have intensely cut back their cheese orders, based on slower sales.

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

Cheddar 40 pound Block	1.4625-1.7500
Muenster	1.4500-1.8000
Process American 5 pound Sliced	1.1125-1.5925
Swiss 10-14 pound Cuts	3.3525-3.6750

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for export assistance to sell 2.945 million pounds (1,336 metric tons) of cheese.

MIDWEST

Cheese production in the Midwest is variant plant to plant. Even with the widely available milk supplies, some cheese producers, particularly those heavy on the food service accounts, are cutting back production by noticeable percentages. Others say retail demand is helping cheese move out the door, particularly as buyers are less hesitant to take on cheese at their current relatively low prices. Regarding food service demand, multiple cheesemakers have said that orders are up week to week, but far from normal. Some cheese plant managers say they are adding to cold storage, as the aforementioned market prices are not feasible for selling cheese currently. All said, cheese market participants are working their way through a wholly new and unexpected set of circumstances.

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

Blue 5 pounds	1.6450-2.7150
Brick 5 pounds	1.3775-1.8025
Cheddar 40 pound Block	1.1000-1.5000
Monterey Jack 10 pounds	1.3525-1.5575
Mozzarella 5-6 pounds	1.1775-2.1225
Muenster 5 pounds	1.3775-1.8025
Process American 5 pound Loaf	1.0975-1.4575
Swiss 6-9 pound Cuts	2.8675-2.9850

WEST

Western cheesemakers continue to try to find the new balance to cheese markets. Retail sales are still at levels above normal, but they do not make up the difference of lost food service sales. Food service accounts have seen some life as some restaurants pivot away from dine-in options to take out and drive through business. Manufacturers say delivery and frozen pizza has also helped support sales of some cheeses. However, cheese processors are adjusting week to week as sales fluctuate. Production is mostly active, especially for cheese destined for retail accounts. The challenge is not to have the cheese, but to have the cheese in the right form to meet customer needs. With ample amounts of milk and low prices, the pressure on cheese com-

panies is intense. Inventories continue to build and cold storage space is becoming less available.

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

Cheddar 10 pound Cuts	1.3375-1.5375
Cheddar 40 pound Block	1.0900-1.5800
Monterey Jack 10 pounds	1.3250-1.6000
Process American 5 pound Loaf	1.1150-1.3700
Swiss 6-9 pound Cuts	2.9500-3.3800

FOREIGN TYPE

Not a lot has changed in the German sliced cheese market this week. Although the food retail service demands for cheese are not as high as those of the past weeks, they remain stronger than usual. Overall, food service intakes continue to be low, but restaurants with delivery service and pick up options have increased their orders. According to industry players, the decline in intakes from large consumers cannot currently be offset. Sliced cheese export sales to other European Union countries are inconsistent. This is mainly because of the lack of tourism, which usually increases around this time of the year. Exports to other countries are better than anticipated. Cheese production has been partially cut back in response to the overall decline in sales. However, some processors are looking for new sale channels for the cheese they already have in warehouses. Generally, inventories are steady to up. Prices are inconsistent across the country. U.S. domestic prices for blue, gorgonzola, parmesan, and Romano decreased \$.1025 compared to a week ago, whereas all other cheese prices are stable.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	1.5225-3.0100*
Gorgonzola	3.6900-5.7400	2.0300-2.7475*
Parmesan	-0-	2.9100-5.0000*
Romano	-0-	2.7125-4.8675*
Sardo Romano (Argentina)	2.8500-4.7800	-0-
Reggiano (Argentina)	3.2900-4.7800	-0-
Jarlsberg	2.9500-6.4500	-0-
Swiss	-0-	3.3900-3.7125
Swiss (Finland)	2.6700-2.9300	-0-

* = Price change.

COLD STORAGE

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

	<u>BUTTER</u>	<u>CHEESE</u>
04/20/2020	82396	82124
04/01/2020	74988	76741
CHANGE	7408	5383
% CHANGE	10	7

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

Cold Storage – Cheese Summary

Released April 22, 2020, by the National Agricultural Statistics Service (NASS),
Agricultural Statistics Board, United States Department of Agriculture (USDA).

Natural Cheese	Stocks in all Warehouses (1,000 pounds)			3/31/20 as a percent of	
	3/31/19	2/29/20	3/31/20	3/31/19	2/29/20
Total natural cheese	1,384,366	1,362,091	1,373,405	99	101
American, total	784,761	778,265	775,141	99	100
New England	69,199	72,728	68,360	99	94
Middle Atlantic	73,542	73,605	73,350	100	100
East North Central	331,941	314,543	316,501	95	101
West North Central	122,382	124,759	128,431	105	103
South Atlantic	545	100	106	19	106
East South Central	13,712	10,083	10,188	74	101
West South Central	4,776	10,413	10,141	212	97
Mountain	54,242	55,070	51,426	95	93
Pacific	114,422	116,964	116,638	102	100
Swiss, total	31,487	24,089	23,100	73	96
Other, total	568,118	559,737	575,164	101	103
New England	914	852	820	90	96
Middle Atlantic	17,425	21,447	21,242	122	99
East North Central	359,284	340,495	353,547	98	104
West North Central	46,712	51,735	48,258	103	93
South Atlantic	50,840	42,449	43,865	86	103
East South Central	21,376	34,081	38,177	179	112
West South Central	4,695	3,496	3,837	82	110
Mountain	2,695	3,926	3,937	146	100
Pacific	64,177	61,256	61,481	96	100

FLUID MILK AND CREAM

EAST

In the **Northeast**, milk off the farms continues to increase. There have been warmer days in the region, promoting cow comfort. Milk is readily available for Class II and III operations. Class I sales are mixed, as bottlers are dropping and adding onto their immediate orders. **Mid-Atlantic** milk production is picking up. Manufacturing plants are receiving stronger milk supplies. With the current uncertainty in the dairy industry, USDA is creating a procurement program for nonprofit organizations. Milk production is coming up in areas of the **Southeast**. Heavy milk volumes are clearing to manufacturing, however milk is being pulled from operations, for Class I immediate needs. **Florida** milk output has reached its peak. Class I sales are mixed. Retail milk orders are down in numerous stores. **Cream** continues to show softness in the market. Butter manufacturers are strongly running churns in plants. Ice cream production and orders are also picking up. Currently, cream inventories continue to outshine buyers' immediate demands. **Condensed skim** markets are still negatively impacted in the region. The demand is outweighed by current supplies.

Northeastern U.S., F.O.B. Condensed Skim
 Price Range - Class II; \$/LB Solids: 0.30 - 0.45
 Price Range - Class III; \$/LB Solids: 0.30 - 0.40

Northeastern U.S., F.O.B. Cream
 Multiples Range - All Classes: 0.5000 - 0.9000
 Price Range - Class II; \$/LB Butterfat: 0.5788 - 1.0418

Secondary Sourced Information:

MILK PRODUCTION: According to NASS, milk production in the 24 major states during March 2020 totaled 18.3 billion pounds, up 2.4 percent from one year ago. Eastern states' monthly milk production and percent changes compared to a year ago are as follows:

March 2020 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	216	- 0.9
Georgia	166	+ 0.6
New York	1,315	+ 2.1
Pennsylvania	907	+ 2.0
Vermont	232	- 0.9
Virginia	137	+ 2.2

MIDWEST

Milk production rates continue to steadily grow week to week. Farmers in the region are facing hurdles, and milk continues to hit the ground. Farmers report they still expect to get paid for their milk loads, but they are concerned about pay amounts in the uncertainty of the times. They are working to limit production by rationing feed and culling. Bottling is mostly steady, as far as demand. The dairy retail sector is busy, but grocers report a number of hurdles from light staffing to packaging limitations. Cheesemakers continue to find milk at marked discounts, unchanged from week to week. Milk handlers have few bargaining chips, considering the aforementioned milk disposal. **Cream** handlers also report continued dumping, but they do expect incremental upticks near term as ice cream production/demand has been improving recently. Currently, however, cream is at a bargain for all takers. Butter churning is busy now, but a number of regional butter producers report upcoming checks on production, as their inventory to storage ratio is beginning to slim. Midwestern corn/bean farmers are preparing for fieldwork, as conditions are getting ready. They say fields are drying off, and some say early May is the target to get started.

Price Range - Class III Milk; \$/CWT; Spot Basis: -8.00 - -6.00
 Trade Activity: Moderate

Midwestern U.S., F.O.B. Cream
 Multiples Range - All Classes: 0.5000 - 1.0000
 Price Range - Class II; \$/LB Butterfat: 0.6945 - 1.1575
 Multiples Range - Class II: 0.6000 - 1.0000

Secondary Sourced Information:

The NASS Milk Production report noted March 2020 milk production in the 24 selected states was 18.3 billion pounds, 2.4 percent above a year ago. Milk cows in the 24 selected states totaled 8.853 million head, 64,000 head more than a year ago. The following table shows Central states included in the report and the monthly milk production and percent changes compared to a year ago:

March 2020 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	159	+ 0.6
Indiana	360	+ 0.8
Iowa	460	+ 1.3
Kansas	345	+ 7.5
Michigan	993	+ 2.3
Minnesota	850	+ 1.0
Ohio	484	+ 3.9
South Dakota	251	+ 6.8
Texas	1,286	+ 8.6
Wisconsin	2,608	- 0.1

WEST

In **California**, milk volumes are abundant. As so, several processors continue to receive requests to help clear some loads. Despite, currently discounted prices of spot loads, many can hardly increase their processing volumes as they are already running at full capacity. According to industry participants, spot milk is ranging from \$1.50-\$7.00 under Class. Class I intakes are steady compared to last week, but lower than usual. In **Arizona**, milk production is mostly unchanged from a week ago. Industry players continue to be challenged by abundant milk volumes and limited processing room. Many producers are pushing back on additional offers of milk. Bottled milk orders are unchanged, while milk balancing has skyrocketed to avoid many loads from going to waste. With the COVID-19 induced closing of schools and restaurants, milk supplies left without a place to go increased to the point that **New Mexico** industry participants could hardly handle all the loads. In an effort to better manage milk volumes, several producers engaged in a milk production reduction program. In addition, some processors are adding extra milk to their orders to help clear excess milk. Milk donations to food banks are also used to balance milk supplies. According to contacts, a combination of all these methods have, so far, contributed to better milk volume management. Class I and III intakes are lower from a week ago. Balancing needs have also declined. **Pacific Northwest** milk production continues to gradually increase along seasonal patterns. Favorable weather has facilitated strong milk output. Most processing facilities are at or near full capacity. Milk handlers say they are shifting loads around to make room for available milk. Bottling demand has stayed above normal levels, helping soak up a little of the extra milk. Although there have not been reports of dumped milk loads in the region, industry contacts say some liquid buttermilk has been discarded and balancing plants are not able to take on much more milk. Milk production in the mountain states of **Idaho, Utah,** and **Colorado** is strong. As shown by the recent NASS Milk Production

CONTINUED ON PAGE 4A

report, the number of dairy cows and milk per cow continues to expand in the mountain states. With an already stressed processing infrastructure, the abundant milk supply creates an obstinate challenge of what to do with all of the milk. Industry contacts say some milk is getting donated to food aid programs. Others say some milk is being diverted to calf feeding operations. Milk handlers are doing what they can to avoid milk hitting the ground. Even still, there are heavily discounted milk loads and loads of milk getting discarded in the region. Condensed skim sales are stable. Finding homes for spot loads is challenging because most customer outlets are full. However, some vendors report being able to sell a few loads locally. Western cream supplies continue to be plentiful, surpassing current demands. Butter churning is active, but can hardly absorb all the cream. As it is becoming more difficult to find new sale outlets, some processors are selling their cream to the first interested spot buyer. Cream multiples for all Classes are unchanged from a week ago.

Western U.S., F.O.B. Cream
 Multiples Range - All Classes: 0.4500 - 0.9000

Secondary Sourced Information:

The NASS Milk Production report noted March 2020 milk production in the 24 selected states was 18.3 billion pounds, 2.4 percent up from a year ago. Milk cows in the 24 selected states totaled 8.85 million head, 64,000 head more than a year ago. The following table shows western states included in the report and the monthly milk production changes compared to a year ago:

March 2020 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Arizona	438	- 0.7
California	3,618	+ 1.3
Colorado	430	+ 7.5
Idaho	1,362	+ 5.2
New Mexico	729	+ 2.4
Oregon	222	+ 2.3
Utah	192	+ 1.1
Washington	580	+ 3.2

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Low/medium heat nonfat dry milk (NDM) prices decreased in most facets following an active, yet mostly bearish trading week. Producers report demand has been somewhat softer, on a buyers' market. Condensed skim has been widely available, as drying has been busy. As milk hits the ground, contacts are simply hopeful for a near term rebound. High heat NDM trading was quiet, regionally. However, prices went up on the high heat NDM range. High heat NDM exchanges are mostly contractual, and spot inventories are limited. Overall, NDM market tones are uncertain and bearish.

EAST: Market prices for nonfat dry milk (NDM) are steady to lower in the range, as sluggish trading in cash markets led to adjustments. The current NDM market remains unpredictable as prices, over the past few weeks, have appeared to gain traction, decline and momentarily steady, before commencing the process all over again. As such, price spreads are wide in the NDM pricing range, as much as 10 cents currently. A few buyers that jumped in the market earlier are waiting to see where support might come from before jumping again, while others, as a whole, continue to hold back due to the uncertainty. Milk supplies into nonfat dry milk production plants are largely steady, at volumes that have grabbed most of the available dryer time. Consequently, limited high heat nonfat dry milk dryer time is dwindling supplies. Sources report that processors' inventories are tight. Prices for high heat nonfat dry milk are steady to higher. The market undertone for NDM is unsettled.

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: .8400 - .9500
Mostly Range - Low & Medium Heat; \$/LB: .8600 - .9000

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: .9500 - 1.1500

NONFAT DRY MILK - WEST

In the West, f.o.b. prices for low/medium heat nonfat dry milk are trending lower at the top of the range, but have remained steady on the mostly series. Some sellers report not being able to meet customers' delivery expectations due to hauling limitations. Inventory levels are building up, but so far warehouse spaces are available for storage. There currently are no significant sales of low/medium heat nonfat dry milk. However, demands from Southeast Asia seem a bit active. The market tone is stable compared to the prior week. F.O.B. prices for high heat nonfat dry milk are up on both ends of the range. According to industry contacts, there is little opportunity to make high heat nonfat dry milk. As the result, supplies are tight. Sales are mainly for fulfilling contractual needs.

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: .8000 - .9525
Mostly Range - Low & Medium Heat; \$/LB: .8500 - .9000

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: 1.0000 - 1.1500

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices faced markedly bearish price shifts for the second consecutive week. Both the top and bottom of the range were lower this week. Prices are still falling around and above the \$.90 mark in the Central region, regularly. Still, some large-volume trades, and offers, are being reported at and around \$.80. Production is limited, as dryer capacities are primarily being used for the widely available condensed skim supplies. Demand, though, has been somewhat stymied, as well. Buyers are, and have been, aware of the overall market situation. Therefore, they are in the driver's seat currently. Market tones are bearish.

EAST: Dry buttermilk prices lost traction on both the top and bottom ends of the range. Spot market trading is light on less than moderate demand. Regional manufacturers report limited buttermilk output and tight supplies as processing of condensed skim locks up dryer time. Discounts are being offered for condensed buttermilk to help free up dryer use. Loads of condensed buttermilk are moving into ice cream as warmer temperatures jump-start production. Market uncertainty underscores the dry buttermilk market.

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

Price Range ; \$/LB: .8000 - 1.0000

DRY BUTTERMILK - WEST

Western f.o.b. prices for dry buttermilk are lower at the top of the range and on both ends of the mostly series. Supplies are a bit tighter. Trading activities are seldom and most transaction are to fulfill contractual requirements. Dry buttermilk production is limited to what is needed in the short-term. Many processors are prioritizing nonfat dry milk outputs and can barely make room for dry buttermilk production. In some cases, plant managers didn't have other choice than to discard a few loads of condensed buttermilk.

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

Price Range ; \$/LB: .8500 - 1.0500
Mostly Range - ; \$/LB: .9200 - 0.9700

DRY WHOLE MILK - U.S.

This week, national f.o.b. spot prices for dry whole milk are steady to slightly lower. Drying times for condensed whole milk have been reduced at several balancing plants across the country, as the production effort is to clear large condensed skim volumes into NDM/SMP. Despite the situation of COVID-19, the national market for dry whole milk powder seems to be mainly stable as the supply/demand ratio is even.

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

Price Range - 26% Butterfat; \$/LB: 1.5500 - 1.7500

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 held steady in the Central region on a slow trading week. Contacts continue to report demand as less than hardy, but production rates have been noticeably disrupted. Therefore, the supply and demand ratio is maintaining a market friendly balance. The same could be said for most cheese derivatives, as well. End users say they are willing to work with producers, but they are not rushing to add to already somewhat balanced inventories during the current questionable market circumstances. Milk is more than available for Class III producers. However, a number of those producers are ebbing production in certain plants. Others, however, are producing actively. The animal feed whey price range tightened up on slower trading. Dry whey market tones are steady.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey
 Price Range - Animal Feed; \$/LB: .2900 - .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: .3200 - .3900
 Mostly Range - Non-Hygroscopic; \$/LB: .3450 - .3600

DRY WHEY-NORTHEAST

Dry whey prices are steady to a bit lower in the East. On various market indices, spot prices are mixed. On the CME Group, prices have been fairly steady at this time. On other market exchanges, prices have shifted downward. Market participants relay dry whey markets have been stable during this time. Production schedules are mostly active in the region. Manufacturers' inventory levels are adequate for contract and spot load requests. There are reports domestic demand is supporting market prices.

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: .3500 - .4050

DRY WHEY-WEST

The Western whey price range narrowed, as the top of the mostly price series moved higher. Industry contacts suggest significant demand is keeping inventories in check. Contracted shipments are move steadily. Buyers seem willing to seek out a few extra loads, but because cheese production has been held back in some regions of the country, the supplies of whey are tight. Dry whey production is lower than usual, as some liquid whey is getting diverted into production of higher whey protein concentrations.

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: .3100 - .4000
 Mostly Range - Non-Hygroscopic; \$/LB: .3500 - .3850

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are generally stable, except the bottom of the mostly price series moved lower. There is a virtual tug -o-war on WPC34% prices between two main market segments. On the one side, WPC34% that meets infant formula or some confectionary requirements is in tight supply and under the constant pressure of more inquiries from buyers. Prices are well-supported for this market segment. On the other side, WPC34% that is interchangeable with other dairy protein sources is under constant price pressures from lower prices and sufficient supplies of nonfat dry milk. End users in this market segment are willing to use the less expensive nonfat in lieu of WPC34%. Manufacturers that produce WPC34% are running facilities steadily, but availability of WPC34% supplies depends on the market segment the brand occupies.

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: .8500 - 1.1900
 Mostly Range - 34% Protein; \$/LB: .9100 - 1.0875

LACTOSE

Lactose prices shifted higher across both the price range and mostly price series. Industry contacts report spot sale prices are trending higher, above many of the Q2 contract prices, as buyers look to lay on added coverage. Manufacturers say they are getting constant inquiries from buyers. Infant formula and standardization accounts are active. Domestic demand and sales into Southeast Asia are both strong. Some contacts contend that some lactose is getting air freighted into Southeast Asian countries. However, a few market participants are concerned that Chinese buyers could be buying lactose ahead for the next 6 months, and then may go quiet. Time will tell. U.S. lactose supplies are tight, and manufacturers are urging their customers to request only what they need immediately. Production is active, but below requests. Prices on the GDT also rose significantly, driven by EU lactose sales. Contacts suggest standardization and infant formula needs are heavy, and supplies of lactose are tight in the EU as well.

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: .2800 - .4800
 Mostly Range - Non Pharmaceutical; \$/LB: .3100 - .4000

CASEIN

Rennet casein prices are lower. Acid casein prices are steady to slightly lower. Rennet casein prices were pulled by the downward trend affecting many dry dairy products traded in the GDT event. Some observers noted that offerings seemed greater than had been expected. Acid casein is a different situation, not part of GDT factors. Supplies are very committed with little spot trading. Observers expect little change in acid casein during coming weeks.

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: 3.9000-4.0900
 Rennet; Price Range - \$/LB: 4.1975-4.4575

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

WEEK ENDING	2020 WEEKLY DAIRY COWS	2020 CUMULATIVE DAIRY COWS	2019 WEEKLY DAIRY COWS	2019 CUMULATIVE DAIRY COWS
04/11/2020	64.6	981.0	63.7	1,016.2

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

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

FEDERAL MILK ORDER CLASS III MILK PRICES (3.5% Butterfat)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2019	13.96	13.89	15.04	15.96	16.38	16.27	17.55	17.60	18.31	18.72	20.45	19.37

FEDERAL MILK ORDER CLASS IV MILK PRICES (3.5% Butterfat)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2019	15.48	15.86	15.71	15.72	16.29	16.83	16.90	16.74	16.35	16.39	16.60	16.70

FEDERAL MILK ORDER CLASS PRICES FOR 2020 (3.5% Butterfat)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I (BASE)	19.01	17.55	17.46	16.64	12.95							
II	17.05	16.84	16.75									
III	17.05	17.00	16.25									
IV	16.65	16.20	14.87									

Further information may be found at: <https://www.ams.usda.gov/rules-regulations/mmr/dmr>

**NATIONAL DAIRY PRODUCTS SALES REPORT
U.S. AVERAGES AND TOTAL POUNDS**

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
04/18/2020	1,2417 4,889,034	1,3856 11,333,269	1,2132 13,785,078	3,739 4,666,316	9,338 23,236,372

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

**CME GROUP, INC FUTURES
Selected settling prices**

CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	13.41	13.41	13.37	13.41	13.19
MAY 20	11.10	10.91	10.39	10.52	10.68
JUN 20	12.16	11.91	11.16	11.05	11.32

NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	94.90	95.20	95.33	95.18	95.20
MAY 20	86.73	85.50	85.00	85.23	84.98
JUN 20	87.70	87.63	86.20	85.75	85.50

CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	11.42	11.42	11.42	11.42	11.42
MAY 20	10.66	10.59	10.39	10.28	10.05
JUN 20	11.09	11.16	11.01	10.65	10.41

WHEY (Electronic-Traded) (¢/lb)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	37.48	37.25	37.53	37.53	37.60
MAY 20	38.03	38.00	36.50	37.13	37.50
JUN 20	38.30	39.03	37.00	37.50	38.00

CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	127.68	127.48	127.43	127.40	127.53
MAY 20	126.00	125.90	120.90	117.98	114.00
JUN 20	135.65	136.75	131.75	126.75	121.75

CHEESE CSC (Electronic-Traded) (\$/lb)

DATE	04/17	04/20	04/21	04/22	04/23
APR 20	1.43	1.44	1.43	1.43	1.42
MAY 20	1.19	1.17	1.14	1.15	1.16
JUN 20	1.30	1.27	1.19	1.19	1.22

Further information may be found at: <http://www.cmegroup.com/market-data/daily-bulletin.html>

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered April 13 - 24, 2020

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

January – February 2020 milk production in the EU increased 3.2 percent YTD compared with January – February 2019 according to Eurostat. February 2020 production increased 4.9 percent from February 2019. German production increased 2.7 percent; France increased 3.1 percent; Italy increased 2.6 percent; and Netherlands increased 4.0 percent.

Cheese production in the EU increased 2.6 percent January – February 2020 compared with January – February 2019 according to Eurostat. February 2020 cheese production increased 3.6 percent YOY. Among some top producers, January – February 2020 compared with January – February 2019, Germany was +5.5 percent; France was +2.5 percent; and Italy was 0.6 percent.

January 2020 cheese exports from the EU, 80,766 MT, increased 18.9 percent YOY. Top destinations, quantity and percentage of the total, include the United States, 14,322 MT, 17.7 percent; Japan, 8,546 MT, 10.6 percent; and South Korea, 5,841 MT, 7.2 percent.

Weakening dairy prices in the wake of COVID-19 impacts in Western European dairy markets may contribute to opening Private Storage Aid (PSA). According to Eurolait, all EU agriculture ministers recently called for activation of private storage aid for cheese. This week the EU Council of Commissioners began the process to activate PSA for cheese. Formal adoption is expected by the end of April. A maximum of 100,000 MT of cheese is expected to be eligible. The expected storage period is 60 – 210 days. There is some conflicting information as to the maximum storage time, with other sources reported to cite six months.

There is also a proposal, not yet approved by the European Commission, concerning EU competition rules. The proposal is to allow agreements or decisions among producers and producer organizations to reduce milk production during a six-month period. France has already implemented a milk reduction program for April, according to Eurolait. European Commission approval remains pending.

EASTERN OVERVIEW

In Eastern Europe, January – February 2020 milk production compared with January – February 2019 increased 2.1 percent in Poland, the largest milk producing country, and 4.1 percent in Hungary. For Poland, January - February 2020 production YTD showed changes compared with last year: butter, -0.6 percent; cheese, +5.8 percent; SMP, -6.4 percent; and WMP, -7.5 percent.

BUTTER/BUTTEROIL

Butter and butteroil prices in Western Europe are lower. Demand for butter has eased. Seasonal milk increases are leading to higher butter production. Production is expected to move even higher toward expected seasonal highs. Storage space is getting tighter. Recent increases in cold storage of meat has contributed to refrigerated space competition. These factors have all been cited as leading to lower butter prices.

Weakening dairy prices in the wake of COVID-19 impacts in Western European dairy markets may contribute to opening Private Storage Aid (PSA). According to Eurolait, all EU agriculture ministers recently called for activation of private storage aid for butter. This week the EU Council of Commissioners began the process to activate PSA for butter. Formal adoption is expected by the end of April. A maximum of 140,000 MT of butter is expected to be eligible. The expected storage period is 90 – 210 days. There is some conflicting information as to the maximum storage time, with other sources reported to cite six months.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 2,275 - 2,675

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 3,325 - 4,050

Secondary Sourced Information:

Butter production in the EU decreased 0.3 percent January – February 2020 compared with January – February 2019 according to Eurostat. February 2020 butter production increased 0.7 percent YOY. Through February, France produced 2.8 percent more butter than last year. Italy is up 0.6 percent for 2020 through this February. Ireland reports production down 5.2 percent through this February compared with last year. The leading EU butter producer, Germany, is down 0.7 percent through this February compared with last year.

January 2020 butter exports from the EU, 18,216 MT, increased 71.2 percent YOY. Top destinations, quantity and percentage of the total, include the United States, 2,878 MT, 15.8 percent; Saudi Arabia, 1,892 MT, 10.4 percent; and Morocco, 1,226 MT, 6.7 percent.

SKIM MILK POWDER

Skim milk powder prices in Western Europe are lower than two weeks ago. While up is the preferred direction of price movement for manufacturers, the magnitude of lower prices this period remains relatively tolerable. Inquiries for new contracts are picking up. This is true for long term and near-term delivery. Export interest outside the EU is also picking up. Drying capacity is mixed. Some plants are more full than others at this point.

Weakening dairy prices in the wake of COVID-19 impacts in Western European dairy markets may contribute to opening Private Storage Aid (PSA). According to Eurolait, all EU agriculture ministers recently called for activation of private storage aid for SMP. This week the EU Council of Commissioners began the process to activate PSA for SMP. Formal adoption is expected by the end of April. A maximum of 90,000 MT of SMP is expected to be eligible. The expected storage period is 90 – 210 days. There is some conflicting information as to the maximum storage time, with other sources reported to cite six months.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 1,675 - 1,875

CONTINUED ON PAGE 8A

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered April 13 - 24, 2020

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

CONTINUED FROM PAGE 8

Secondary Sourced Information:

SMP production in the EU increased 2.5 percent January – February 2020 compared with January – February 2019 according to Eurostat. February 2020 SMP production increased 4.6 percent YOY. Among some top producers, January – February 2020 compared with January – February 2019, Germany was +4.0 percent and France was +9.9.

January 2020 SMP exports from the EU, 61,434 MT, decreased 29.1 percent YOY. Top destinations, quantity and percentage of the total, include China, 7,755 MT, 12.6 percent; Egypt, 6,591 MT, 10.7 percent; and Nigeria, 4,991 MT, 8.1 percent.

DRY WHEY

Whey powder prices in Western Europe are mixed, stronger at the low end of the price range, but steady at the top. The market is generally described as calm. Plants with drying capacity seem to still place a higher priority on drying SMP.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 600 - 825

Secondary Sourced Information:

January 2020 whey powder exports from the EU, 48,465 MT, decreased 6.5 percent YOY. Top destinations, quantity and percentage of the total include China, 15,184 MT, 31.3 percent; Malaysia, 5,669 MT, 11.7 percent; and Indonesia, 3,541 MT, 7.3 percent.

WHOLE MILK POWDER

Prices for whole milk powder in Western Europe are slightly lower. The dip is viewed as within normal trading variations. Contracting interest within the EU is picking up. Export interest is steady, but remains a secondary focus, even with Western European WMP pricing slightly below pricing in Oceania.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 2,325 - 2,550

Secondary Sourced Information:

WMP production in the EU increased 10.0 percent January – February 2020 compared with January – February 2019 according to Eurostat. February 2020 WMP production increased 13.2 percent YOY. Among some top producers, January – February 2020 compared with January – February 2019, Netherlands was +27.1 percent, while Germany was -8.4.

January 2020 WMP exports from the EU, 28,847 MT, increased 5.5 percent YOY. Top destinations, quantity and percentage of the total, include Oman, 5,612 MT, 19.5 percent; Nigeria, 1,933 MT, 6.7 percent; and Kuwait, 1,525 MT, 5.3 percent.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 13 - 24, 2020

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.

OCEANIA DAIRY MARKET OVERVIEW

AUSTRALIA: July 2019 – February 2020 milk production in Australia decreased 2.6 percent from the corresponding previous period, according to Dairy Australia. February 2020 milk production, 618.4 million liters, was 8.1 percent higher than February 2019. More detailed production data are in the table which follows.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

July 2019 - February 2020

State	Million Liters		Percent Change From 1 Year Ago		Percentage Milkfat Protein	
	Million Liters	Percent Change	From 1 Year Ago	Percentage Milkfat	Protein	
New South Wales	715.3	- 5.6		3.97	3.24	
Victoria	4,045.7	- 2.2		4.44	3.44	
Queensland	218.0	-13.1		3.97	3.25	
South Australia	330.3	- 4.4		3.99	3.32	
Western Australia	246.6	- 3.7		3.99	3.20	
Tasmania	674.4	+ 3.3		4.47	3.57	
Australia (Total)	6,230.3	- 2.6		4.32*	3.41**	

* -3.0 percent from prior year period

** +3.1 percent from prior year period

Data from Dairy Australia

Australia is moving toward the end of the current production season. The preponderance of the seasonal milk has already been produced. After a challenging start to the season, milk production has been steadier in recent months, even if lower than last season so far. Rain in many areas has helped to partially counter the early season impact of drought and fires.

Observers in Australia say that the season is far enough along that COVID-19 will not likely be a factor affecting the supply of dairy products. Yet to be determined is the seasonal impact of face-to-face trade activities, shipping, and distribution. New cases of COVID-19 have been dropping in Australia. As a result, the government is considering relaxing some restrictions next week.

NEW ZEALAND: March 2020 New Zealand milk production reported by DCANZ was 1,680 million MT, down 1.9 percent from March 2019 milk production, 1,713 million MT. March 2020 milk solids, 161,619 million kg, are up 0.1 percent from March 2019, 161,433 million kg.

New Zealand's dairy industry is structured to require significant dairy product exports to move production and, thus, maintain milk pay prices. There is widespread anxiety in New Zealand about the increasingly unusual COVID-19 related factors in U.S. and European dairy markets as that may impact New Zealand's export opportunities. Some economists are concerned about increasing potential for stressfully lower milk pay prices next season, which begins this summer.

Continuing dry weather impacts in New Zealand also remain a concern. Long range weather forecasting does not offer significant hope for meaningful improvement in coming months. Feed to get through winter is tight. Continuing challenges lie ahead for the dairy industry in New Zealand.

BUTTER/BUTTEROIL

Butter prices in Oceania are slightly lower overall. Some buyers with source preferences and timing factors are paying a premium to this week's GDT results. Oceania pricing remains significantly higher than Western European pricing. Yet this late in the season there is little new contracting for butter until next season begins. Sources in New Zealand cite an increase in some buyer resistance to Oceania price levels. Western Europe is increasingly beckoning some buyers. Of course, transportation and infrastructure challenges are currently not to be ignored.

Oceania, 82% Butterfat, Free on Board - Port Butter

Price Range - \$/MT:

4,175 - 4,300

Secondary Sourced Information:

Australian exports of butter July 2019 – February 2020, 5,051 MT, compared with July 2018 – February 2019, decreased 40.3 percent according to Dairy Australia.

At GDT event 258 on April 21, the butter all contracts price, \$4,117, decreased 3.6 percent. The May contract did not trade.

SKIM MILK POWDER

Skim milk powder prices in Oceania are lower. Even so, they remain less attractive than prices in Western Europe. Most regular customers already covered their late season needs some time ago. Few new customers are seeking current output not already committed. Or if they are, Western Europe often also invites a look in terms of the best prices. Buyers in Oceania hold the upper hand.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder

Price Range - 1.25% Butterfat; \$/MT:

2,400 - 2,575

Secondary Sourced Information:

Australian exports of SMP July 2019 – February 2020, 65,646 MT, compared with July 2018 – February 2019, decreased 39.3 percent according to Dairy Australia.

At GDT event 258 on April 21, the SMP all contracts price, \$2,380, decreased 4.9 percent. The May contract, \$2,551, decreased 8.9 percent.

CHEESE

Cheddar prices were one of the few bright spots in Oceania dairy commodity pricing, showing strength this period. Customers are finding that most late season stocks are committed. It is necessary to pay a bit more if you need Oceania manufactured cheddar now. To the pleasant surprise of manufacturers, there was enough new Cheddar buying interest to nudge prices higher even as most regional prices moved lower.

CONTINUED ON PAGE 8C

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered April 13 - 24, 2020

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 8B

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,
Price Range - \$/MT: 4,450 - 4,550

Secondary Sourced Information:

Australian exports of cheddar July 2019 – February 2020, 25,045 MT, compared with July 2018 – February 2019, decreased 28.2 percent according to Dairy Australia.

Australian exports of other cheese July 2019 – February 2020, 77,983 MT, compared with July 2018 – February 2019, increased 4.4 percent according to Dairy Australia.

At GDT event 258 on April 21, the cheddar all contracts price, \$4,840, increased 1.9 percent. The May contract did not trade.

WHOLE MILK POWDER

Oceania whole milk powder prices are lower. At this late phase of the regional milk production season, dwindling numbers of buyers have uncontracted needs. Manufacturers' phones don't often ring with calls from buyers. In fact, some New Zealand based sources commented that there was more WMP offered at this week's GDT event than they had expected. They view this as an indicator that there are some stocks to be moved. Buyers seemed to sense that they could be more assertive in price discussions and bids.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 2,675 - 2,800

Secondary Sourced Information:

Australian exports of WMP July 2019 – February 2020, 31,779 MT, compared with July 2018 – February 2019, decreased 8.7 percent according to Dairy Australia.

At GDT event 258 on April 21, the WMP all contracts price, \$2,707, decreased 3.9 percent. The May contract, \$2,693, decreased 4.3 percent.

Exchange rates for selected foreign currencies:**April 20, 2020**

.0152 Argentina Peso	.0131 India Rupee
.6335 Australian Dollar	.0093 Japan yen
.1881 Brazil Real	.0416 Mexican Peso
.7067 Canadian Dollar	.6038 New Zealand Dollar
.0012 Chile Peso	.2402 Poland Zloty
1.0864 Euro	.0230 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0416) = 24.0385 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered April 13 - 24, 2020

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

In the Southern Cone region of South America, particularly, Argentina, Uruguay, and Paraguay, farm milk outputs are steady to slightly higher, in line with early-autumn seasonal patterns. Scattered showers improved the growth of corn and soybean. At this point, the availability of concentrate is not a concern. Furthermore, industry contacts are anticipating a larger corn harvest for this year. In addition, the recent collapse in oil prices is expected to lower the cost of grains, in some cases, making milk more profitable given current high farmgate prices. In general, farm milk intakes are less than adequate for some processing needs other than bottling. Cream supplies are still short, and the milk butterfat market remains on a bullish standing. With most of the food service and hotel sectors on hold due to COVID-19, cheese production and delivery schedules have been reoriented to meet the needs of grocery stores and some restaurants with delivery or pick up services. In Brazil, farm milk intakes are stable, but below adequate to meet most manufacturing requests. Driven by the coronavirus crisis, this week, the Brazilian government held an auction to buy several hundreds of tons of powdered milk to distribute to populations in vulnerable situations, while also helping to reduce some milk powder stocks. Unlike a month ago, sales of UHT milk and yogurt at a retail level are losing steam as grocery stores are reported to have enough stock on the shelves. Due to high sales volumes of dairy products, some hypermarkets have limited weekly ad promotions, minimizing cannibalization among products. Throughout the Southern coasts, some ports are still partially closed, delaying export activity in general.

WHOLE MILK POWDER

With several schools, hotels, and restaurants closed due to COVID-19, large milk volumes have been diverted into dryers. Therefore, although farm milk production is seasonally steady in the main dairy basins of the continent, the manufacture of whole milk powder (WMP) is still active, while inventories continue building. As a result, WMP free on board export prices had declined, in line with some offshore auctions. In some countries, the government is actively buying WMP for social programs, which, according to some contacts, is reducing the accessibility in the cash market for the private sector. At this point, the WMP regional market tone is generally weak as uncertainty predominates among many participants of the industry.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 2,750 - 3,050

Secondary Sourced Information:

At the GDT Event 258 on April 21, whole milk powder (WMP) prices across all contract periods averaged \$2,707 per metric ton, down 3.9 percent from the last event.

SKIM MILK POWDER

During the past two weeks, in the Southern Cone region, free on board export prices for skim milk powder (SMP) moved down, parallel with recent downward SMP pricing trends in some auctions abroad. COVID-19 is starting to take a toll on SMP prices as there are more questions than answers among industry participants. At this moment, the production of SMP is unsteady as balancing plant managers focus on converting large volumes of condensed whole milk into WMP.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,500 - 2,700

Secondary Sourced Information:

At the GDT Event 258 on April 21, skim milk powder (SMP) prices across all contract periods averaged \$2,380 per metric ton, down 4.9 percent from the last event.

March Milk Production

Milk production in the 24 major States during March totaled 18.3 billion pounds, up 2.4 percent from March 2019. February revised production at 17.0 billion pounds, was up 5.6 percent from February 2019. The February revision represented a decrease of 7 million pounds or less than 0.1 percent from last month's preliminary production estimate. Adjusting February production for the additional day due to leap year causes February revised production to be up 1.9 percent on a per day basis. Production per cow in the 24 major States averaged 2,072 pounds for March, 34 pounds above March 2019. The number of milk cows on farms in the 24 major States was 8.85 million head, 64,000 head more than March 2019, and 5,000 head more than February 2020. Milk production in the United States during the January - March quarter totaled 56.0 billion pounds, up 2.9 percent from the January - March quarter last year. The average number of milk cows in the United States during the quarter was 9.37 million head, 27,000 head more than the October - December quarter, and 26,000 head more than the same period last year.

State	Milk Cows ^{1,2}				Milk Production ^{1,3}			
	March		January - March		March		January - March	
	2019	2020	2019	2020	2020	Percent change from 2019	2020	Percent change from 2019
	<i>(thousands)</i>				<i>(million lbs)</i>			
AL	--	--	5.0	4.0	--	--	15.0	-21.1
AK	--	--	(D)	(D)	--	--	(D)	(NA)
AZ	201	197	202.0	195.0	438	-0.7	1,258.0	-0.5
AR	--	--	5.5	5.0	--	--	18.0	-
CA	1,726	1,723	1,727.0	1,723.0	3,618	1.3	10,521.0	2.2
CO	182	193	181.0	192.0	430	7.5	1,251.0	7.8
CT	--	--	19.5	20.0	--	--	114.0	4.6
DE	--	--	4.5	3.8	--	--	19.0	-12.0
FL	116	115	116.0	116.0	216	-0.9	636.0	1.8
GA	82	82	82.0	82.0	166	0.6	479.0	1.5
HI	--	--	(D)	(D)	--	--	(D)	(NA)
ID	618	647	618.0	646.0	1,362	5.2	3,981.0	6.5
IL	84	82	85.0	82.0	159	0.6	459.0	0.4
IN	180	176	181.0	176.0	360	0.8	1,036.0	0.6
IA	219	218	220.0	217.0	460	1.3	1,341.0	0.9
KS	163	170	163.0	169.0	345	7.5	1,011.0	8.2
KY	--	--	52.0	49.0	--	--	251.0	-0.8
LA	--	--	11.0	10.0	--	--	40.0	-
ME	--	--	29.0	28.0	--	--	149.0	-3.9
MD	--	--	43.0	42.0	--	--	225.0	3.2
MA	--	--	10.5	10.0	--	--	52.0	8.3
MI	425	428	424.0	427.0	993	2.3	2,885.0	3.0
MN	448	445	449.0	445.0	850	1.0	2,483.0	1.1
MS	--	--	8.5	8.5	--	--	37.0	5.7
MO	--	--	79.0	77.0	--	--	280.0	-1.8
MT	--	--	11.5	12.0	--	--	64.0	-
NE	--	--	59.0	58.0	--	--	364.0	2.5
NV	--	--	33.0	31.0	--	--	185.0	-2.6
NH	--	--	11.5	11.0	--	--	61.0	1.7
NJ	--	--	5.0	4.7	--	--	26.0	-
NM	322	332	323.0	333.0	729	2.4	2,114.0	3.8
NY	627	626	627.0	626.0	1,315	2.1	3,824.0	3.2
NC	--	--	43.0	41.0	--	--	238.0	0.8
ND	--	--	14.5	14.5	--	--	80.0	-
OH	251	253	252.0	253.0	484	3.9	1,398.0	4.1
OK	--	--	41.0	41.0	--	--	195.0	2.6
OR	122	125	124.0	126.0	222	2.3	650.0	2.0
PA	495	485	498.0	483.0	907	2.0	2,606.0	1.6
RI	--	--	0.7	0.6	--	--	2.8	7.7
SC	--	--	13.0	11.0	--	--	55.0	-6.8
SD	124	129	124.0	129.0	251	6.8	738.0	7.3
TN	--	--	33.0	31.0	--	--	144.0	-4.0
TX	557	590	553.0	587.0	1,286	8.6	3,714.0	10.1
UT	98	98	99.0	97.0	192	1.1	552.0	-1.1
VT	126	124	126.0	124.0	232	-0.9	674.0	-
VA	76	75	77.0	76.0	137	2.2	398.0	2.8
WA	277	280	278.0	281.0	580	3.2	1,701.0	3.7
WV	--	--	6.5	6.0	--	--	23.0	-4.2
WI	1,270	1,260	1,270.0	1,260.0	2,608	-0.1	7,617.0	0.4
WY	--	--	6.0	6.5	--	--	40.0	11.4
23 State Total	8,789	8,853	--	--	18,340	2.4	--	--
U.S. ^{4,5}			9,346.0	9,372.0			56,006.0	2.9

(D) Withheld to avoid disclosing data for individual operations. (NA) Not available. ¹ Preliminary. ² Includes dry cows, excludes heifers not yet fresh. ³ Excludes milk sucked by calves. ⁴ Includes states for which individual monthly estimates are not available. ⁵ Milk cows will not add due to rounding. **Source:** U.S. Department of Agriculture, National Agricultural Statistics Service. *Milk Production*, (April 2020).

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

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

All stocks in thousand pounds except where otherwise indicated

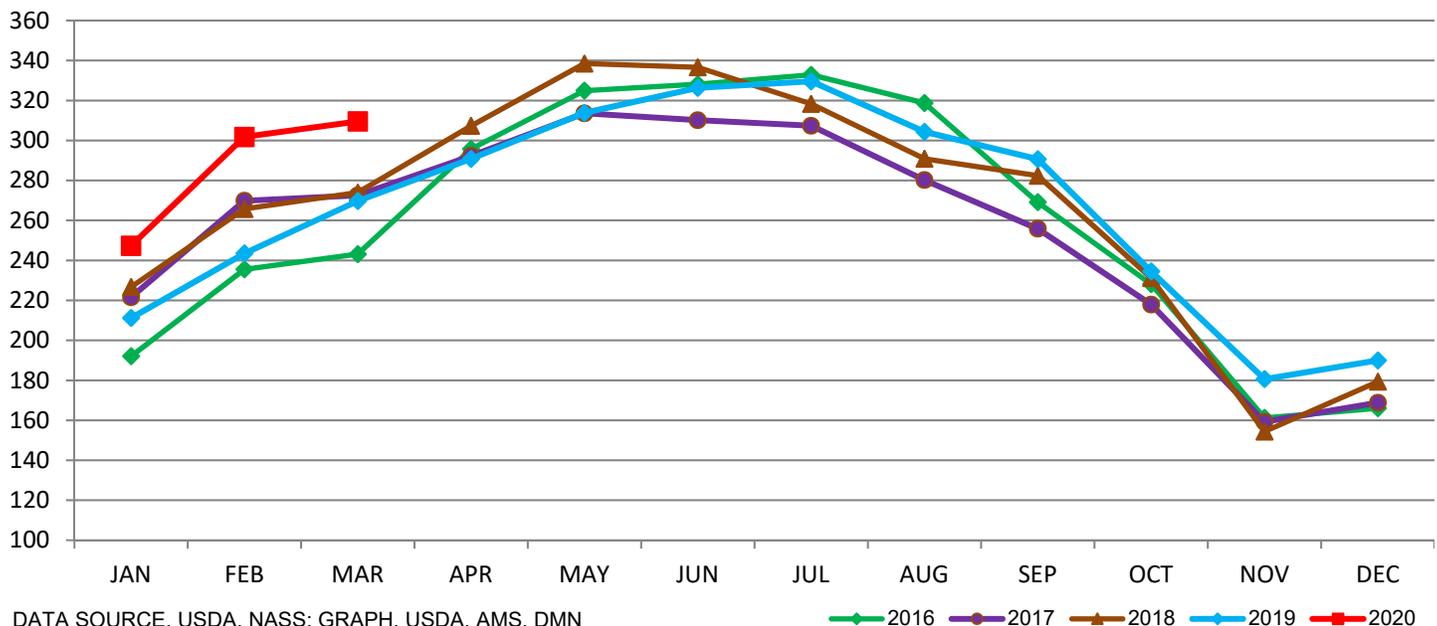
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	FEB 29, 2018	FEB 29, 2019	REVISED FEBRUARY 29, 2020	MAR 31, 2018	MAR 31, 2019	MAR 31, 2020
Butter	265,756	243,511	301,820	273,955	269,697	309,557
Cheese, Natural American	762,770	783,210	778,265	766,628	784,761	775,141
Cheese, Swiss	27,884	31,047	24,089	29,080	31,487	23,100
Cheese, Other Natural	527,077	552,680	559,737	529,020	568,118	575,164
Total Cheese	1,317,731	1,366,937	1,362,091	1,324,728	1,384,366	1,373,405

MARCH STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
New England	65,912	69,199	68,360				1,542	914	820
Middle Atlantic	57,361	73,542	73,350				14,573	17,425	21,242
East North Central	328,774	331,941	316,501				355,948	359,284	353,547
West North Central	120,161	122,382	128,431				49,462	46,712	48,258
South Atlantic	427	545	106				28,351	50,840	43,865
East South Central	19,071	13,712	10,188				17,400	21,376	38,177
West South Central	8,038	4,776	10,141				2,091	4,695	3,837
Mountain	59,236	54,242	51,426				3,825	2,695	3,937
Pacific	107,648	114,422	116,638				55,828	64,177	61,481
TOTAL	766,628	784,761	775,141	273,955	269,697	309,557	529,020	568,118	575,164

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

MILLION POUNDS

Butter Cold Storage Holdings



May 2020 Highlights

Base Class I Price: The base Class I price for May 2020 is \$12.95 per cwt, a decrease of \$3.69 per cwt when compared to April 2020. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price.

Class II Price Information: For May 2020, the advanced Class IV skim milk pricing factor is \$7.03 per cwt, the Class II skim milk price is \$7.73 per cwt, and the Class II nonfat solids price is \$0.8589 per pound.

Product Price Averages: The two-week product price averages for May 2020 are: butter \$1.2407, nonfat dry milk \$0.9564, cheese \$1.4120, and dry whey \$0.3724.

Advanced Class Prices by Order for May 2020

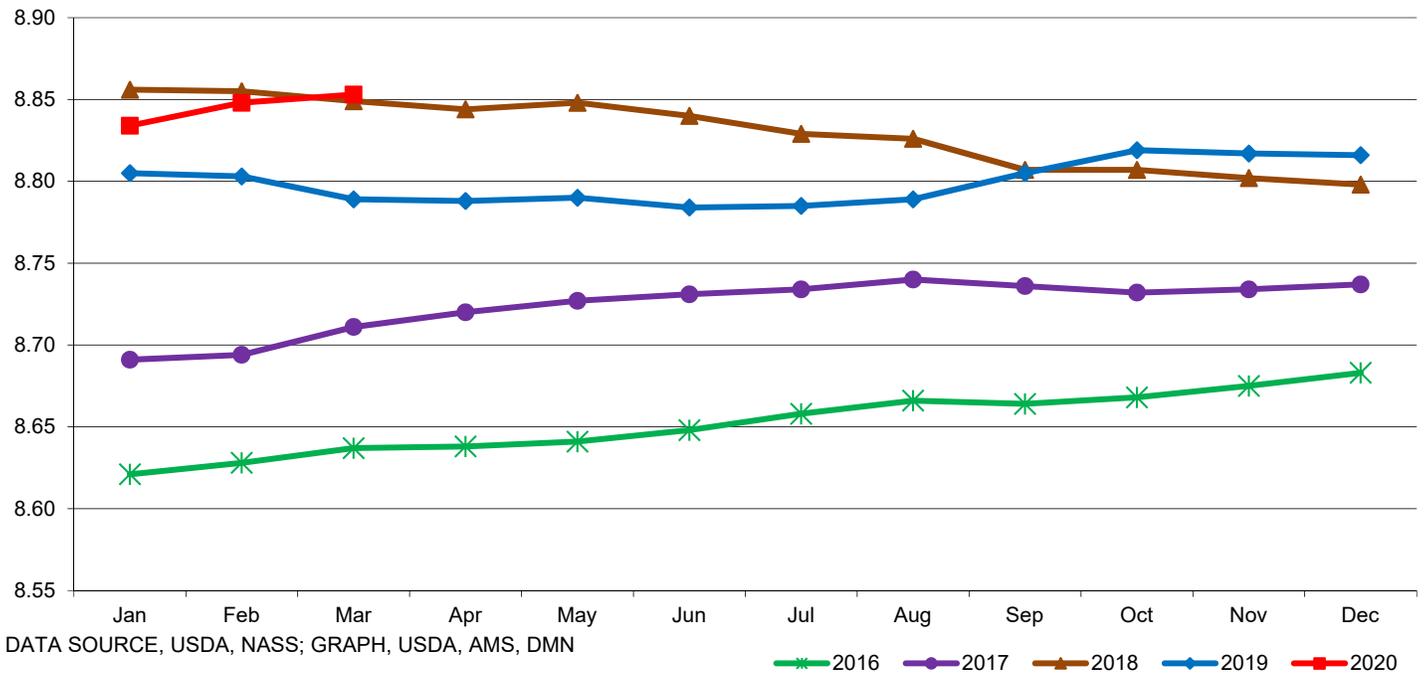
Federal Milk Order Class I Price Information ^{1,2}

Federal Milk Order Marketing Area ³	Order Number	May 2020		
		Class I Price (3.5%) <i>(dollars per cwt)</i>	Class I Skim Milk Price ⁴ <i>(dollars per cwt)</i>	Class I Butterfat Price <i>(dollars per pound)</i>
Northeast (Boston)	001	16.20	11.97	1.3273
Appalachian (Charlotte)	005	16.35	12.12	1.3288
Florida (Tampa)	006	18.35	14.12	1.3488
Southeast (Atlanta)	007	16.75	12.52	1.3328
Upper Midwest (Chicago)	030	14.75	10.52	1.3128
Central (Kansas City)	032	14.95	10.72	1.3148
Mideast (Cleveland)	033	14.95	10.72	1.3148
California (Los Angeles)	051	15.05	10.82	1.3158
Pacific Northwest (Seattle)	124	14.85	10.62	1.3138
Southwest (Dallas)	126	15.95	11.72	1.3248
Arizona (Phoenix)	131	15.30	11.07	1.3183
All-Market Average		15.77	11.54	1.3230

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 in this table. ³ Names in parentheses are the major city in the principal pricing point of the markets. ⁴ Please see the Advanced Prices and Pricing Factors Announcement: <https://www.ams.usda.gov/mnreports/dymadvancedprices.pdf>.

MILLION HEAD

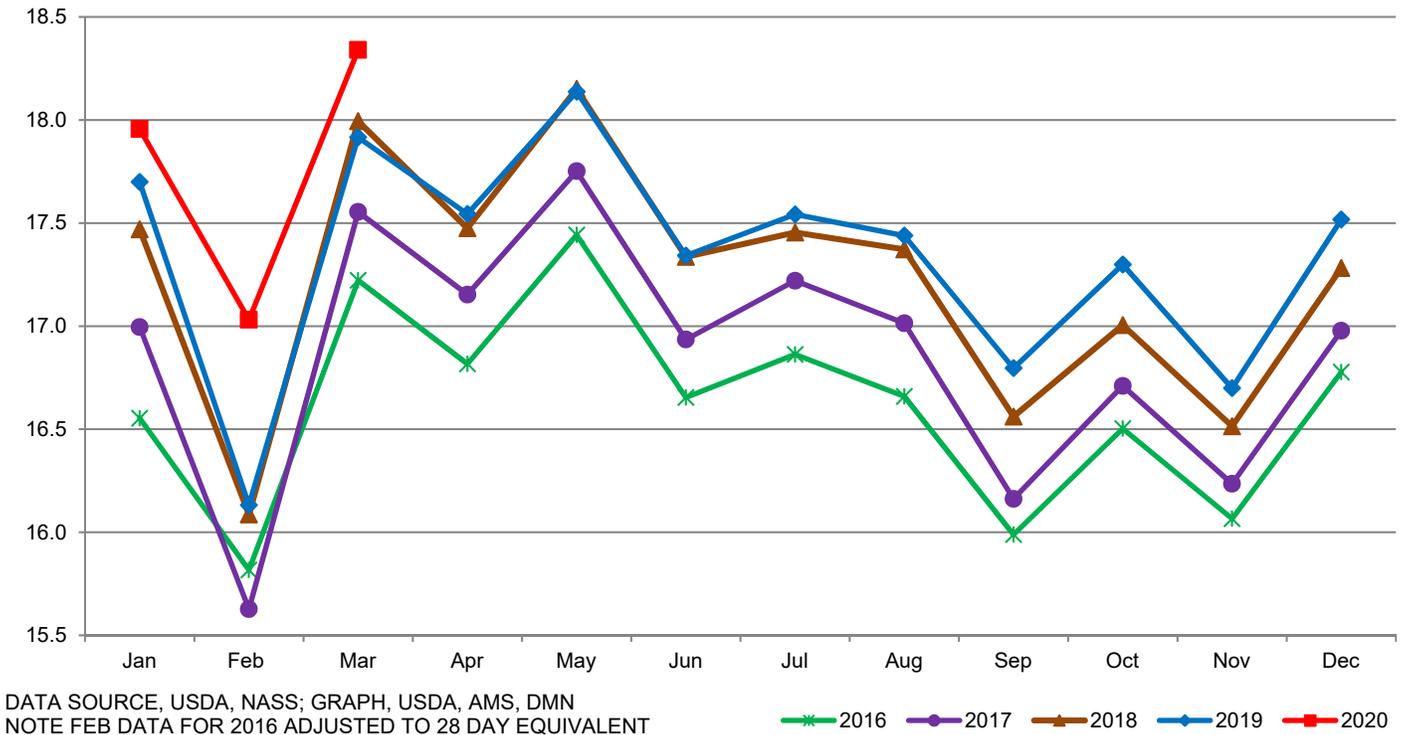
Milk Cow Numbers - 24 Selected States

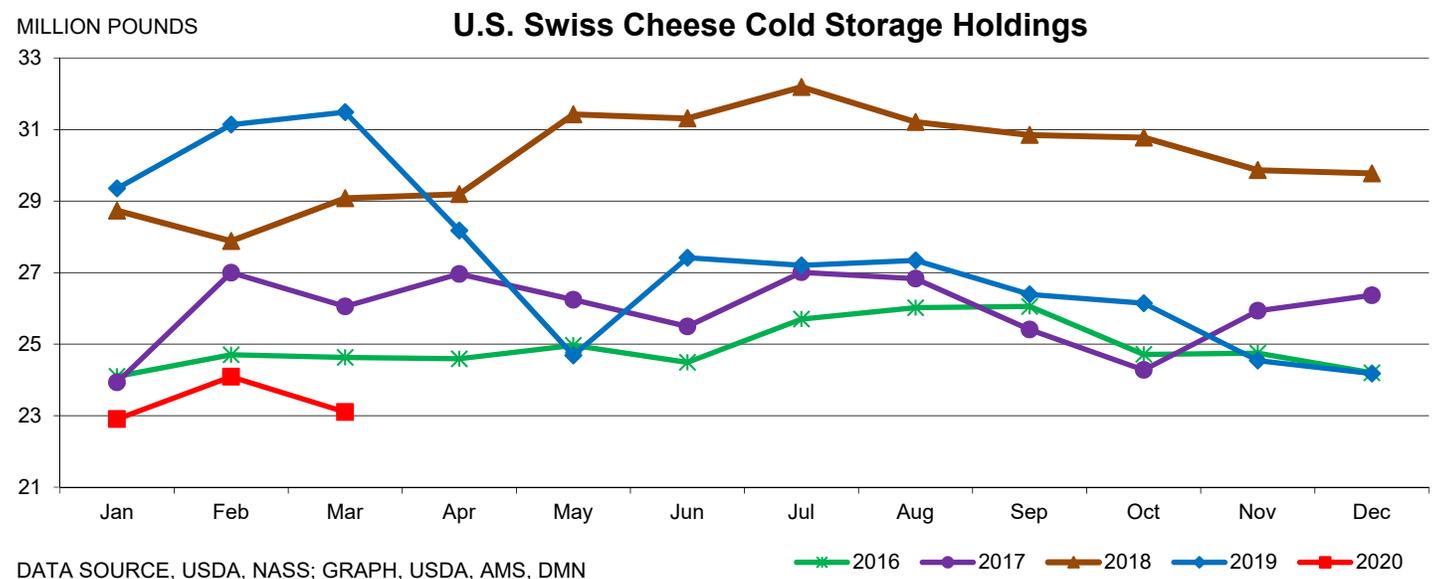
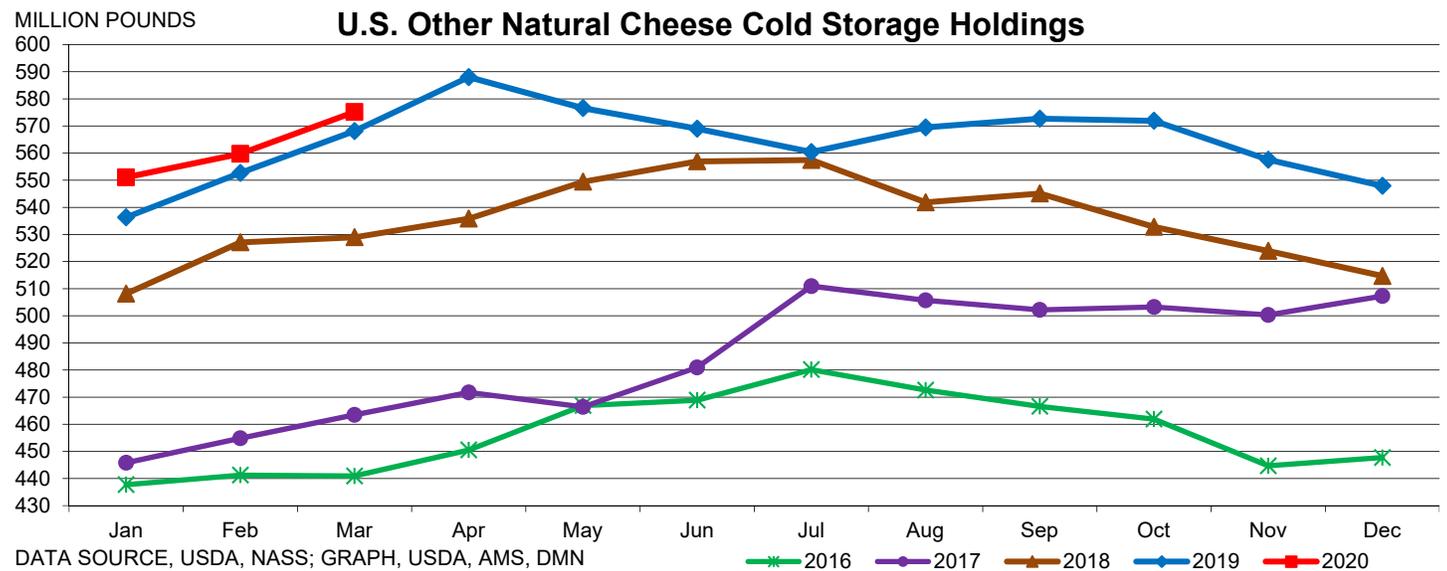
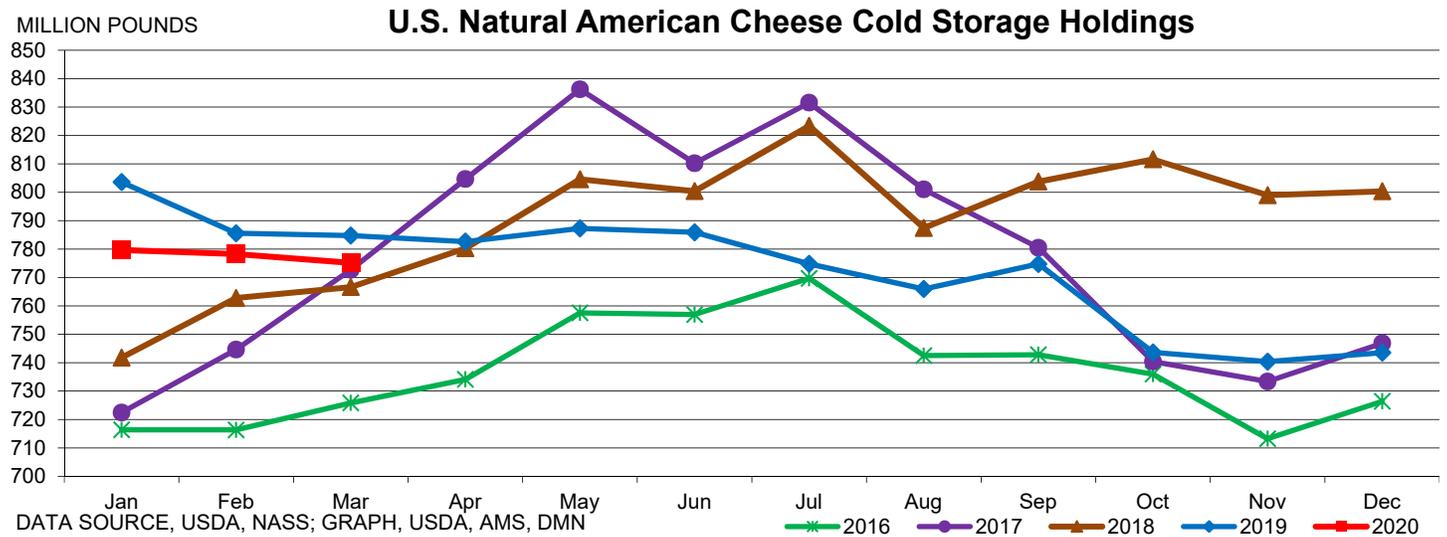


* Beginning with May 2019, data represents 24 major states, with the addition of Georgia to the major states tracked.

BILLION POUNDS

Milk Production - 24 Selected States







Dairy Market News Branch

Agricultural
Marketing
Service

National Retail Report-Dairy

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

Volume 87- Number 17

Issued Weekly

Friday, April 24, 2020

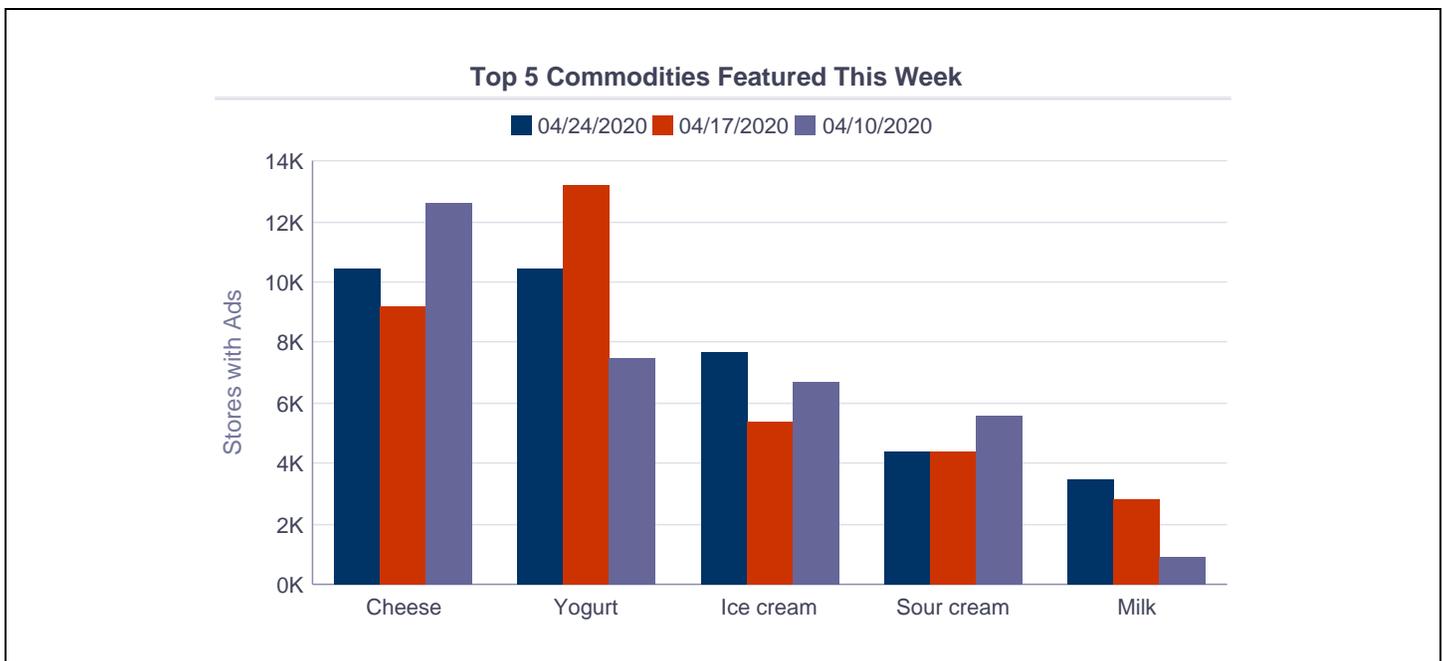
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 04/24/2020 to 04/30/2020

Retail dairy advertising has been less robust in recent weeks. Some grocery stores have posted online notices that ads are temporarily suspended during this unusual stay at home period in the U.S. Conventional retail ad numbers this week increased 7 percent. Organic retail ad numbers declined 22 percent. The most advertised single category/size is 48-64 oz conventional ice cream. Ad numbers increased 42 percent from last week. The weighted average advertised price, \$3.11, increased \$0.05 from last week. There are no ads for organic ice cream.

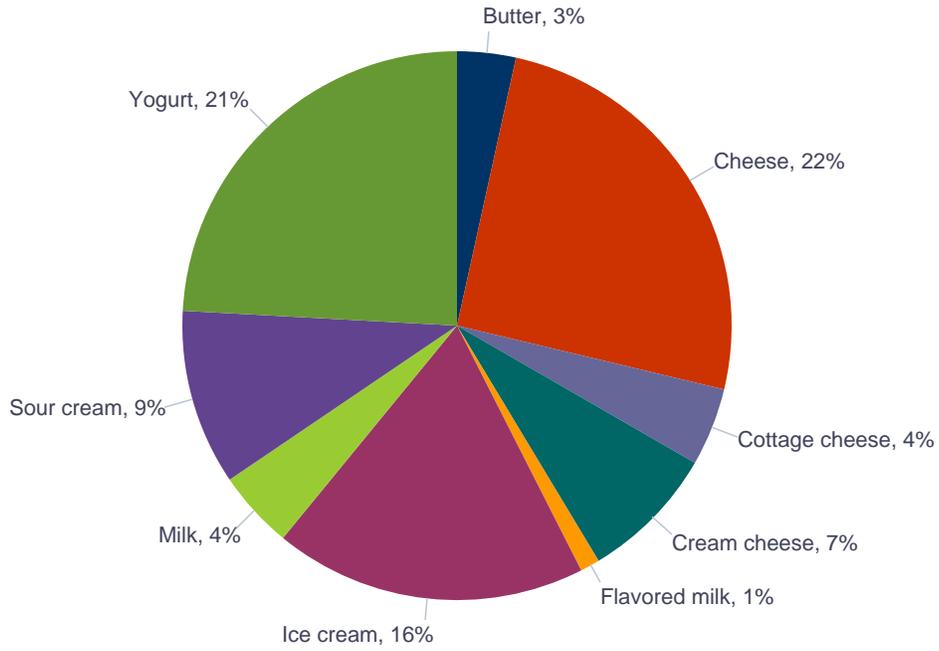
Conventional cheese ads increased 13 percent. There are no ads for organic cheese. Ads for 8 oz block increased 140 percent. The weighted average advertised price, \$2.43, decreased \$0.03. Ads for 8 oz shredded cheese decreased 23 percent. The average price, \$2.45, increased \$0.07.

Conventional yogurt ads declined 21 percent. There are over 47 times more ads for conventional yogurt than organic yogurt. Ads for conventional 4-6 oz Greek yogurt decreased 15 percent. The average price, \$0.99, increased \$0.02.

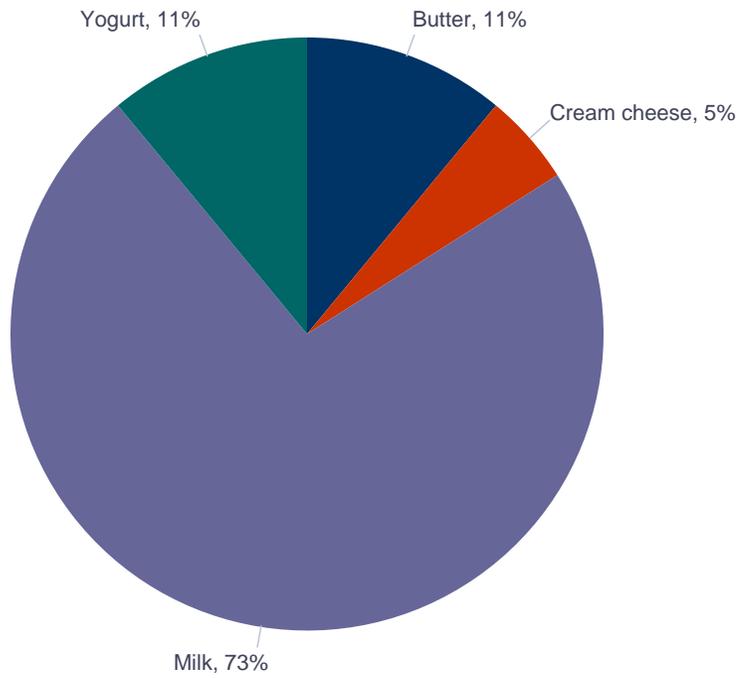
The national weighted average advertised price for conventional milk in half gallons is \$1.93, compared with \$3.83 for organic milk half gallons. This results in an organic premium of \$1.90. Conventional milk ads increased by 59 percent, while organic milk ads decreased by 11 percent.



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 #	1228	3.15	1913	3.21	2001	3.79
Cheese	Natural Varieties	8 oz block	4675	2.43	1944	2.46	6966	2.21
Cheese	Natural Varieties	1 # block	563	4.48	391	4.18	1307	4.07
Cheese	Natural Varieties	2 # block	473	5.91	544	6.77	991	5.64
Cheese	Natural Varieties	8 oz shred	4622	2.45	6039	2.38	6171	2.14
Cheese	Natural Varieties	1 # shred	99	5.99	290	4.13	424	3.99
Cottage cheese		16 oz	1735	2.08	1226	1.92	1120	2.29
Cream cheese		8 oz	3187	2.04	1623	2.05	2750	1.81
Flavored milk	All fat tests	half gallon	285	1.94			418	2.93
Flavored milk	All fat tests	gallon	180	4.99	574	3.19	11	2.99
Ice cream		48-64oz	7667	3.11	5399	3.06	7401	3.12
Milk	All fat tests	half gallon	1743	1.93	673	1.08	1039	1.45
Milk	All fat tests	gallon	367	2.90	657	2.56	1219	3.16
Sour cream		16 oz	4376	1.60	4398	1.71	3816	1.78
Yogurt	Greek	4-6 oz	5771	.99	6820	.97	6348	.95
Yogurt	Greek	32 oz	234	4.25	3501	3.61	717	4.35
Yogurt	Yogurt	4-6 oz	3344	.49	2346	.50	4952	.50
Yogurt	Yogurt	32 oz	626	2.29	313	1.82	1059	2.93

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 #	2.29-4.29	390	2.98	2.29	227	2.29	2.50	69	2.50
Cheese	Natural Varieties	8 oz block	1.88-2.50	596	2.11	1.88-3.00	1775	2.69	1.88-2.50	648	2.12
Cheese	Natural Varieties	2 # block							6.98	107	6.98
Cheese	Natural Varieties	8 oz shred	1.99-3.50	898	2.58	2.50-3.00	1272	2.65	1.88-2.50	873	2.06
Cottage cheese		16 oz	1.67-3.49	282	2.54	2.00	1297	2.00	1.99	69	1.99
Cream cheese		8 oz	1.99-2.99	172	2.63	0.99-2.99	1606	2.43	0.99-1.99	926	1.50
Flavored milk	All fat tests	half gallon							2.50	180	2.50
Flavored milk	All fat tests	gallon							4.99	180	4.99
Ice cream		48-64oz	1.99-3.99	1716	2.80	2.00-5.99	2989	3.14	2.88-3.99	1239	3.50
Milk	All fat tests	half gallon				1.99	1083	1.99			
Sour cream		16 oz	1.50-2.39	1094	1.85	0.99-2.00	1534	1.83	0.97-0.99	757	.99
Yogurt	Greek	4-6 oz	0.88-1.00	1388	.99	0.99-1.00	1302	1.00	0.88-1.00	1315	.98
Yogurt	Greek	32 oz	4.99	147	4.99	2.99	87	2.99			
Yogurt	Yogurt	4-6 oz	0.50-0.60	853	.52	0.39-0.60	412	.52	0.39-0.60	1323	.48
Yogurt	Yogurt	32 oz				2.99	214	2.99			



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50	55	2.50	3.49	137	3.49	3.98-3.99	350	3.99
Cheese	Natural Varieties	8 oz block	1.99-2.99	590	2.50	1.99-2.50	845	2.21	2.50-2.99	127	2.75
Cheese	Natural Varieties	1 # block				3.99-5.99	274	4.99	3.99	289	3.99
Cheese	Natural Varieties	2 # block				5.49	200	5.49	4.99-6.98	166	5.72
Cheese	Natural Varieties	8 oz shred	1.99-3.99	590	2.69	1.99-2.50	845	2.21	2.50	61	2.50
Cheese	Natural Varieties	1 # shred	5.99	99	5.99						
Cottage cheese		16 oz				1.69	63	1.69			
Cream cheese		8 oz	2.00	62	2.00				0.99-1.67	410	1.47
Flavored milk	All fat tests	half gallon							0.99	105	.99
Ice cream		48-64oz	2.50-3.99	387	3.11	2.67-3.50	729	3.00	2.99-3.50	524	3.05
Milk	All fat tests	half gallon	1.99	133	1.99	1.99	422	1.99	0.99	105	.99
Milk	All fat tests	gallon				2.79-2.99	367	2.90			
Sour cream		16 oz	1.50	121	1.50	0.99-1.69	320	1.35	0.99-1.79	515	1.44
Yogurt	Greek	4-6 oz	0.89-1.00	317	.96	0.99-1.09	1248	1.01	1.00	190	1.00
Yogurt	Yogurt	4-6 oz	0.37-0.50	457	.47	0.49	90	.49	0.44-0.50	174	.48
Yogurt	Yogurt	32 oz				2.59	62	2.59	1.67-2.50	350	1.81

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz block	2.00-4.00	43	2.76	2.50-3.00	51	2.76
Cheese	Natural Varieties	8 oz shred	2.50-4.00	32	3.02	2.50-3.00	51	2.76
Cottage cheese		16 oz				2.25	24	2.25
Cream cheese		8 oz	3.00	11	3.00			
Ice cream		48-64oz	2.98-3.99	32	3.33	3.98-4.99	51	4.46
Sour cream		16 oz	1.50	11	1.50	2.25	24	2.25
Yogurt	Greek	4-6 oz	1.25	11	1.25			
Yogurt	Yogurt	4-6 oz	0.50	11	.50	0.80	24	.80

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 #	214	5.49				
Cheese	Natural Varieties	8 oz shred					11	2.99
Cottage cheese		16 oz			162	2.99	137	3.99
Cream cheese		8 oz	87	2.50	502	3.50		

Wtd Avg - Simple weighted average



Ice cream		48-64oz						62	5.04
Milk	All fat tests	half gallon	1120	3.83	1044	4.05	6017	3.73	
Milk	All fat tests	gallon	105	5.00	114	6.99	105	5.00	
Milk	All fat tests	8 oz UHT	138	1.01	370	.99	313	.90	
Yogurt	Greek	4-6 oz					69	1.50	
Yogurt	Greek	32 oz	214	3.00			163	6.33	
Yogurt	Yogurt	4-6 oz			213	.93	380	.65	
Yogurt	Yogurt	32 oz					719	2.46	

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				5.49	214	5.49			
Cream cheese		8 oz				2.50	87	2.50			
Milk	All fat tests	half gallon	3.79	108	3.79				3.29	497	3.29
Milk	All fat tests	8 oz UHT							0.99	127	.99
Yogurt	Greek	32 oz				3.00	214	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
Milk	All fat tests	half gallon	3.29	78	3.29	4.99	137	4.99	4.39	289	4.39
Milk	All fat tests	gallon							5.00	105	5.00

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.49	11	3.49			
Milk	All fat tests	8 oz UHT	1.25	11	1.25			

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

Wtd Avg - Simple weighted average



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 87, Report 17

April 24, 2020

GENERAL NUMBER

(608) 422-8587

Elizabeth Frederick

(608) 422-8587

Elizabeth.Frederick@USDA.GOV

ORGANIC/ EAST

Daniel Johnson

(608) 422-8605

Daniel.Johnson4@USDA.GOV

EAST

Jessica Mueller

(608) 422-8589

Jessica.Mueller@USDA.GOV

CENTRAL

Israel Weber

(608) 422-8601

Israel.Weber@USDA.GOV

SOUTHWEST/SOUTH AMERICA

AJ (Angel José) Terán

(608) 422-8593

Angel.Teran@USDA.GOV

SOUTHWEST

Florence Kone-Gonzalez

(608) 422-8594

Florence.KoneGonzalez@USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 422-8592

Mike.Bandli@USDA.GOV

EUROPE/OCEANIA

Eric Graf

(608) 422-8590

Eric.Graf@USDA.GOV

DEPUTY DIRECTOR, DAIRY MARKET NEWS

Janet Linder

(608) 422-8588

Janet.Linder@USDA.GOV

DIRECTOR, DAIRY MARKET NEWS

Butch Speth

(608) 422-8586

Butch.Speth@USDA.GOV

RECORDED INFORMATION SYSTEM

(608) 422-8602

FAX

(608) 240-6689

USDA, Dairy Market News
4600 American Parkway, STE 106
Madison, WI 53718-8334

Additional Dairy Market News Information:

DMN Website: <https://www.ams.usda.gov/market-news/dairy>

DMN MARS (My Market News): <https://mymarketnews.ams.usda.gov/>