

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (9/4)

BUTTER: Grade AA closed at \$1.4925. The weekly average for Grade AA is \$1.4910 (+0.0010).

CHEESE: Barrels closed at \$1.7000 and 40# blocks at \$2.1250. The weekly average for barrels is \$1.5575 (+0.1430) and blocks, \$1.9375 (+0.1125).

NONFAT DRY MILK: Grade A closed at \$1.0300. The weekly average for Grade A is \$1.0300 (+0.0175).

DRY WHEY: Extra grade dry whey closed at \$0.3325. The weekly average for dry whey is \$0.3340 (+0.0020).

CHEESE HIGHLIGHTS: Cheese market tones have rebounded with some virility in the past two weeks. Last week's announcement of continued governmental food box programs kicked already rebounding markets into another gear. Producers have reported in recent weeks that customers were a little more active, trying to get ahead of \$2 block prices. As of Thursday, those \$2 block prices came to fruition. CME barrel prices are also increasing, but remain notably lower than blocks. This scenario does give contacts concern, as what many consider a healthy market tone is a narrower block to barrel price gap. The spot milk price range narrowed this week, from \$4 under to Class. Reported spot milk purchases were markedly quieter this week, ahead of the holiday. Last year, during week 36, spot milk prices were \$.50 under to \$1 over Class. One distinct factor in the variance from last year to this year is that milk clearing into Class I facilities is much lighter, as many students are starting their school year on a hybrid or completely virtual learning program. Regarding cheese availability, cheese stocks are moving briskly in most cases. Barrel producers in the West and Midwest suggest their stores are a little heavier than a few weeks ago, but the recent boost in demand may have cheesemakers of all varieties trying to keep up with orders.

BUTTER HIGHLIGHTS: Nationwide, butter production is active and expected to ramp up during the upcoming Labor Day holiday weekend. Butter inventories are steady to building. Cream pulls from ice cream makers are waning, making cream volumes more accessible for churners. The butter market is generally on a bearish position as print/bulk supplies are ample, but demands from food service outlets are weak due to social distancing protocols at many restaurants. Nevertheless, butter requests destined for fall baking and confectionery manufacturing are expected to improve in the upcoming weeks. Across the country, this week, bulk prices are ranging from flat market to 7.0 cents above the market.

FLUID MILK: Eastern milk output is flat to lighter. In the Southeast, milk remains tight due to late summer temperatures

remaining in the 90s. Central milk yields vary, but cooler weather in the Southern portion of the Central region have contacts there expecting some increases in yields, as temperatures begin to offer cows a little more comfort. Conditions in the West vary as well, as in California and Arizona contacts report flat to lighter milk yields, but in New Mexico and the mountain states of Idaho, Utah, and Colorado, milk yields are steady to stronger. The price range of Class III spot milk narrowed on very slow trading in the Midwest. Cheesemakers report being generally fulfilled with contracted or internally sourced milk supplies. Cream multiples rose in the West on lighter availability, although in the rest of the country, cream was more available with the upcoming holiday weekend. F.O.B. cream multiples are 1.25-1.42 in the East, 1.23-1.36 in the Midwest, and 1.10-1.27 in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk (NDM) prices are higher. Demands from the bakery sector are good/fair. NDM orders for cheese fortification continue to be hearty. High heat NDM prices are mostly higher on an uptick in demand/trading activity. NDM market tones seem to be bullish. Dry buttermilk prices are mostly unchanged. Spot interests have started to increase ahead of the fall season. Market tones are stable. The dry whole milk price range has widened. Requests from industrial bakeries and confectioners are reported as fair/good. Whey powder prices are mixed throughout the regions. There is some push-pull from buyers' current demands. The market tone is unsettled. Whey protein concentrate 34% prices are steady to lower. Market participants note market activity is slow. Lactose prices are steady to slightly lower. Spot market activity is relatively quiet as industry contacts work on Q4 contracts. Acid and rennet casein prices are mixed. Some plants are gearing up for early seasonal production. Contract agreements are just beginning to form.

ORGANIC DAIRY MARKET NEWS: The August 2020 in-store surveys of supermarkets in selected U.S. cities show that prices for organic whole milk in half gallon containers range from \$3.14 in Houston, TX to \$5.84 in Pittsburg, PA. Surveyed cities that experienced a jump in prices, over the previous month, were Kansas City, MO., up 35 cents; Minneapolis, MN., up 15 cents; Hartford, CT., up 10 cents and Portland, OR., up 15 cents. The U.S. simple average price for August is \$4.13, up 4 cents from the previous month. Organic milk, half gallon containers, have steadily posted monthly simple average price increases since March 2020.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR AUGUST 31 - SEPTEMBER 4, 2020
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range	Mostly	Commodity	Range	Mostly	Commodity	Range	Mostly
NDM								
Central Low/Med. Heat	0.9600 1.0400	1.0000 1.0200	BUTTERMILK			LACTOSE		
Change	0.0100 0.0100	0.0100 0.0100	Central/East	0.9600 1.0300		Central/West	0.4000 0.6350	0.4450 0.5750
Central High Heat	1.0900 1.1600		Change	0.0100 N.C.		Change	N.C. -0.0050	N.C. -0.0050
Change	0.0200 0.0300		West	0.8500 1.0300	0.9200 0.9800	WPC 34%	0.7000 1.0250	0.7200 0.9750
West Low/Med. Heat	0.9400 1.0650	0.9700 1.0350	Change	N.C. N.C.	N.C. N.C.	Central/West	N.C. -0.0075	N.C. -0.0050
Change	0.0200 0.0100	0.0200 0.0050	WHEY			CASEIN		
West High Heat	1.0500 1.2050		Central	0.2750 0.3700	0.2800 0.3100	Rennet	3.4675 3.5550	
Change	N.C. 0.0050		Change	0.0050 N.C.	0.0050 -0.0050	Change	0.0050 N.C.	
DRY WHOLE MILK								
National	1.5500 1.8000		West	0.2775 0.3850	0.3200 0.3600	Acid	3.8000 3.8975	
Change	-0.0200 0.0300		Change	-0.0050 N.C.	N.C. N.C.	Change	N.C. -0.0025	
			Northeast	0.3200 0.3625		ANIMAL FEED WHEY		
			Change	N.C. -0.0125		Central	0.2500 0.2700	
						Change	0.0100 N.C.	

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

As the market for organic dairy expands, one dairy manufacturer has filled a worthwhile void with the development of a high-quality organic dairy protein ingredient, in the form of micellar casein isolate. The organic dairy ingredient combines high protein levels with functionality. Applications for uses include cheeses, yogurt, ice cream, and health and performance applications for high protein beverages and powder shakes. The dry organic dairy product is projected to market globally next year.

NATIONAL RETAIL REPORT (DMN): This week, the total number of conventional ads increased 20 percent, but organic ads declined 1 percent. Conventional ice cream in 48-64 oz containers remains the most advertised dairy item, followed by 8-ounce conventional cheese shreds. The national weighted average advertised price for conventional milk in gallons is \$3.28, compared to \$6.28 for organic milk gallons. This results in an organic premium of \$3.00. The total number of milk ads decreased 57 percent for conventional and declined 34 percent for organic.

JULY AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$20.50 in July, up \$1.80 from July 2019. Milk Cows price was \$1310 in July, up \$80.00 from July 2019. Alfalfa hay price was \$174.00 in July, down \$9.00 from July 2019. Corn price was \$3.21 in July, down \$0.95 from July 2019. Soybean price was \$8.51 in July, up \$.13 from July 2019. The milk-feed price ratio was 2.69 in July, up 0.53 from July 2019. The index of prices received by farmers for dairy products during the month of July 2020 was up 12 to 102.0. Compared to July 2019, the index was up 9 points (9.7 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2020 was up 0.5 to 109.7. Compared with July 2019, the index was down 0.9 point (-0.8 percent).

JULY DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 152 million pounds, 0.7 percent above July 2019, and 1.1 percent above June 2020. American type cheese production totaled 452 million pounds, 4.0 percent above July 2019, and 3.5 percent above June 2020. Total cheese output (excluding cottage cheese) was 1.11 billion pounds, 1.8 percent above July 2019, but 0.4 percent below June 2020. Nonfat dry milk production, for human food, totaled 163 million pounds, 5.2 percent below July 2019, but 11.1 percent above June 2020. Dry whey production, for human food, was 83 million pounds, 2.2 percent above July 2019, but 1.1 percent below June 2020. Ice cream, regular hard production, totaled 71.1 million gallons, 9.6 percent above July 2019, but 1.1 percent below June 2020.

AUGUST FINAL CLASS PRICES (FMMO): The following are the August 2020 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$13.27 (\$-0.52), Class III: \$19.77 (\$-4.77), and Class IV: \$12.53 (\$-1.23). Under the Federal milk order pricing system, the butterfat price for August 2020 is \$1.6275 per pound. Thus, the Class II butterfat price is \$1.6345 per pound. The protein and other solids prices for August 2020 are \$4.4394 and \$0.1387 per pound, respectively. These component prices set the Class III skim milk price at \$14.58 per cwt. The August 2020 Class IV skim milk price is \$7.08, which is derived from the nonfat solids price of \$0.7862 per pound. The product price averages for August 2020 are butter \$1.5154, nonfat dry milk \$0.9619, cheese \$2.1099, and dry whey \$0.3338.

COMMODITY	MONDAY AUG 31	TUESDAY SEP 1	WEDNESDAY SEP 2	THURSDAY SEP 3	FRIDAY SEP 4	::	WEEKLY CHANGE	::	WEEKLY AVERAGE
CHEESE									
BARRELS	\$1.4375 (+0.0075)	\$1.4450 (+0.0075)	\$1.5700 (+0.1250)	\$1.6350 (+0.0650)	\$1.7000 (+0.0650)	::	(+0.2700)	::	\$1.5575 (+0.1430)
40 POUND BLOCKS	\$1.7975 (-0.0300)	\$1.8025 (+0.0050)	\$1.9100 (+0.1075)	\$2.0525 (+0.1425)	\$2.1250 (+0.0725)	::	(+0.2975)	::	\$1.9375 (+0.1125)
NONFAT DRY MILK									
GRADE A	\$1.0250 (+0.0050)	\$1.0300 (+0.0050)	\$1.0350 (+0.0050)	\$1.0300 (-0.0050)	\$1.0300 (N.C.)	::	(+0.0100)	::	\$1.0300 (+0.0175)
BUTTER									
GRADE AA	\$1.4875 (+0.0400)	\$1.4650 (-0.0225)	\$1.5100 (+0.0450)	\$1.5000 (-0.0100)	\$1.4925 (-0.0075)	::	(+0.0450)	::	\$1.4910 (+0.0010)
DRY WHEY									
EXTRA GRADE	\$0.3350 (-0.0050)	\$0.3350 (N.C.)	\$0.3350 (N.C.)	\$0.3325 (-0.0025)	\$0.3325 (N.C.)	::	(-0.0075)	::	\$0.3340 (+0.0020)

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

The butter market is bearish and volatile, as wholesale prices wander lower. The CME weekly average bulk butter price declined three cents last week, and the latest GDT report shows the all contract butter price dropping 1.2 percent. In the East, the wholesale bulk butter price ranges 2-6 cents over the CME, with various time frames and averages used. Sources see little or no difficulty in purchasing bulk butter. Retail ads nearly doubled compared to the previous week and point to an upward shift in print orders. Manufacturers' stocks are at/near fully adequate. Plant production varies. Some operations are actively churning, while others prioritize cream commitments, limiting churn volumes. An increase in butter production can be expected, as sources say that surplus cream will likely fill the market ahead of the Labor Day holiday.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0200 - +0.0600

Secondary Sourced Information:

CME TRADING

CME Group's Tuesday spot butter trading ended the day at \$1.4650 down from the \$1.5200 close a week ago.

CENTRAL

Bulk butter is reportedly available from various brokers in and outside the region. For most of the summer, cream has been up and down from week to week. Unsurprisingly, ahead of the holiday weekend, cream has been more available this week, as regional butter plant managers report multiples within their financial range. Some are expecting similar prices next week, but with more baking and confectionery production for autumn in the upcoming weeks, some suggest it may lighten near term, particularly with less cream being spun off from bottlers due to lighter school district demand. Butter market tones are trying, but struggling, to find any bullish notes. National inventories are notably available. That said, regional churners reported a bounce in retail demand last week and early this week.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: 0.0000 - +0.0500

WEST

Western butter makers are preparing for a surge of cream over the upcoming Labor Day weekend. Ice cream production is slowing. And although limited, some schools have reopened, or are planning to reopen soon, engaging school milk bottling. Both segments are contributing more cream for potential butter production. While some butter makers look at this as an opportunity to catch up on fall print butter needs, others are concerned with the uncertainty prevailing in many dairy markets. Bulk butter stocks are heavy. Retail orders have cooled. Although manufacturers expect more print demand to develop closer to the Q4 holiday baking season, it is difficult to assess what impacts the mix of virtual, hybrid and in-person classrooms will have on near-term butter needs for food service, baking and at-home family meal preparations. Regional pockets of dining out are improving. However, current food service demand is still languishing. Social unrest has squelched restaurant activity in several larger markets. COVID-19 is still suppressing a lot of sit-down dining. And while carry-out and quick dining services continue at reduced levels, butter is not a big item for those outlets.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: 0.0000 - +0.0700

Secondary Sourced Information:

CME CLOSING PRICE

The Grade AA butter price at the CME Group on Wednesday closed at \$1.5100, compared to the weekly average price of \$1.4900 from last week.

CHEESE MARKETS

NORTHEAST

Cheese markets are finding steady ground on various market exchanges. Cheese demands from educational institutions have improved, however there are reports orders are lower compared to last year. Restaurant sales continue to fluctuate for every eatery. Market participants note customers' Italian type cheese demands are healthy. Retailers' orders have been fairly steady. Milk volumes are a little less available for Northeast cheese production. Manufacturers' inventory levels are steady to growing in storage facilities. So far on the CME Group, barrel prices are ranging around the \$1.40s and block prices are ranging around the \$1.80 mark.

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

Cheddar 40 pound Block	2.2725-2.5600
Muenster	2.2600-2.6100
Process American 5 pound Sliced	1.5150-1.9950
Swiss 10-14 pound Cuts	2.7950-3.1175

MIDWEST

Class III spot milk trading, at the midpoint of the week, has been quiet. Some contacts expected holiday affected discounted spot milk trades, but trades in general were muted and on a narrower range than last week. Cheesemakers report a general inactivity regarding seeking out spot milk loads, as a number of plants are internally stocked. Cheese production, nevertheless, remains busy in the region. Some plant managers say they are assisting other plants, which have been closed for updates. Orders have been robust on the retail side. Continued governmental assistance has spurred some customers to get ahead of potential market increases. In recent weeks, contacts have suggested a slight uptick in barrel supplies and generally balanced block supplies. Cheese market prices have rebounded and steadied somewhat. After blocks reached \$3 on the CME in July, then declined precipitously afterward, current market tones have rebounded and are steady. That said, there is a \$.35+ price gap between blocks and barrels, which contacts typically suggest indicates uncertainty. They say a less than \$.10 price difference connotes healthier market tones.

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

Blue 5 pounds	2.4550-3.5250
Brick 5 pounds	2.1875-2.6125
Cheddar 40 pound Block	1.9100-2.3100
Monterey Jack 10 pounds	2.1625-2.3675
Mozzarella 5-6 pounds	1.9875-2.9325
Muenster 5 pounds	2.1875-2.6125
Process American 5 pound Loaf	1.5000-1.8600
Swiss 6-9 pound Cuts	2.3100-2.4275

WEST

In the West, the cheese market is volatile and partly impacted by the effects of COVID-19. As USDA announces a plan to purchase up to \$1 billion more of food products, including dairy products such as cheese, through the Farmers to Families Food Box Program, some industry contacts report that this will continue to help with cheese clearing, while others anticipate that it might bring more volatility into the market. Cheese retail sales are strong, but orders from the food service are still down. Although domestic demands remain lower compared to last year, they have been steady compared to a week ago. International sales are active, especially with prices being low. According to contacts, some manufacturers are starting to prepare for the expected growth in demands during the year-end holidays. Diffi-

culties finding qualified staff at a few plants have disrupted production processes. However, cheese outputs remain mostly lively at many localities. Barrel cheese inventories are still higher compared to block cheese, but both supplies are enough to meet customers' needs. In the West, wholesale prices are up \$.0475 for process, and up \$.0975 for cheddar block, cuts and Monterey Jack. Swiss cut wholesale prices are unchanged from the previous week.

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

Cheddar 10 pound Cuts	2.1475-2.3475
Cheddar 40 pound Block	1.9000-2.3900
Monterey Jack 10 pounds	2.1350-2.4100
Process American 5 pound Loaf	1.5175-1.7725
Swiss 6-9 pound Cuts	2.6025-3.0325

FOREIGN TYPE

The sliced cheese market has been very stable in Germany. Contracted volumes of cheese for the balance of the third trimester are within expectations. Unlike in previous years, this summer, many people are restricting their travels to other countries. This has resulted in increased domestic cheese demands. Exports of sliced cheese to southern Europe are mixed. Due to worsening cases of COVID-19 in Spain, their intakes have diminished. Customers in that country are reluctant to buy too much cheese. German manufacturers are pleased with the orders coming from Italy. Sliced cheese exports to non-European countries are steady. The higher exchange rate for the euro in comparison to the dollar is making some fourth quarter contract negotiations more difficult for German processors. Semi-hard cheese production has declined a bit due to weather induced lower milk outputs. Inventories are declining and of a young age structure. Prices are generally unchanged to a bit firmer. In the U.S., domestic prices for blue, gorgonzola, parmesan, and Romano have increased by \$.0975, whereas all other cheese prices are unchanged.

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

VARIETY	NEW YORK		DOMESTIC
	:	:	
Blue	: 2.6400-5.2300	:	2.3325-3.8200*
Gorgonzola	: 3.6900-5.7400	:	2.8400-3.5575*
Parmesan	: -0-	:	3.7200-5.8100*
Romano	: -0-	:	3.5225-5.6775*
Sardo Romano (Argentina)	: 2.8500-4.7800	:	-0-
Reggianito (Argentina)	: 3.2900-4.7800	:	-0-
Jarlsberg	: 2.9500-6.4500	:	-0-
Swiss	: -0-	:	2.8325-3.1550
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
08/31/2020	:	76397	:	80952
08/01/2020	:	80680	:	78958
CHANGE	:	-4283	:	1994
% CHANGE	:	-5	:	3

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CHEESE MARKETS

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Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for export assistance on contracts to sell 438,720 pounds (199 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 24.297 million pounds of American-type cheeses in export markets. When combined with butter, cream cheese and whole milk powder, the program has assisted members with sales of 736.3 million pounds of milk on a milkfat basis.

2020 U.S. CHEESE AND CURD EXPORTS (USDA-FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
July	64.5	+ 6
TOTAL, JAN-JUL	490.1	+ 1
Exports - Destination Country		
1 Mexico	132.9	+ 12
2 South Korea	100.7	+ 9
3 Japan	51.4	- 6
4 Australia	33.7	+ 19
5 Chile	14.3	...

**2020 U.S. CHEESE AND CURD IMPORTS (USDA-FAS)
(Imports for Consumption)**

	2020 Imports (Million Lb.)	% Change From 1 Year Ago
July Imports		
TOTAL Cheese and Curd (H.S. Code 0406)	28.4	- 17
Cheese, Except Fresh (H.S. Code 040690)	24.0	- 18
Fresh Cheese (H.S. Code 040610)	2.3	+ 15
Cheese, Processed (H.S. Code 040630)	1.3	- 23
Cheese, Blue-Veined (H.S. Code 040640)	0.5	- 28
TOTAL, JAN-JUL	191.4	- 10
Imports - Country of Origin		
1 Italy	35.6	- 24
2 France	21.6	- 18
3 Netherlands	18.1	+ 8
4 Switzerland	11.3	+ 13
5 Spain	10.9	- 21

FLUID MILK AND CREAM

EAST

Northeast milk production is flat. More milk loads are clearing to educational institutions via Class I ordering. Some Class II and III operations are clearing fewer loads. There are plants closing down for the upcoming holiday. Ahead of the holiday, retailers are promoting dairy products for cooking and outside grilling. Last week, there were five adequate days for crop and field work in the region. **Mid-Atlantic** milk is clearing to Class I. Schools are receiving stable orders compared to last week. Seasonal flavored milk production is starting to pick up in operations. **Southeast** milk is tight as output continues to drop. There are little to no loads in manufacturing. The majority of loads are clearing to bottlers. Some plants are still working through uncertain milk orders from schools. **Florida's** temperatures continue to be in the 90s, with humid conditions. Milk has bottomed out and most loads are clearing to Class I. School system orders are currently stable. **Cream** availability has grown, with more milk clearing to bottlers. Buyers' demands are strong ahead of the holiday. Market participants are planning cream contracts for next year. **Condensed skim** markets have loosened a bit. Some operations will not be receiving loads due to being shut down for the upcoming holiday.

Northeastern U.S., F.O.B. Condensed Skim

Price Range - Class II; \$/LB Solids: 0.85 - 1.00

Price Range - Class III; \$/LB Solids: 1.00 - 1.35

Northeastern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.2500 - 1.4200

Price Range - Class II; \$/LB Butterfat: 1.8625 - 2.1158

MIDWEST

Milk yields are variant across the region and from farm to farm. Contacts reporting from the southern portion of the Central region, however, suggest that cooler weather is expected to start pushing yields higher. Upper Midwestern farmers reported similar notes. They say the short heatwave which passed through last week likely did little to affect overall yields. What has slightly affected some Midwestern farmer contacts' herds is feed quality, which they say is apparent in lower protein levels when compared to previous years. Class I demand is also mixed and varies from state to state, but dropped on the whole this week. Hurricane Laura, which did less damage than expected in Texas, still affected the week's overall Class I demand. That said, contacts say orders there are expected to increase next week. Cheesemakers did not report spot milk discounts below previous weeks' low prices. Pre-holiday week prices did come down from the top, as no sales were reported above Class. Generally, spot milk trading into cheese production was markedly slower this week. Many cheese producers say they are not in search of extra milk and have plentiful supplies of internally sourced milk available for their busy production schedules. Unlike spot milk, **cream** did exhibit more typical holiday week accessibility. Butter makers reported cream multiples into the low 1.20s. Some cream contacts expect to see similar availability next week, following the long weekend. That said, some also expect cream price upticks/lighter availability heading into the fall. Corn and soybean conditions in the upper Midwest are reportedly better than in previous years. Corn silage chopping is underway in the upper Midwest, and a number of states are expecting better conditions than last year. Soybean conditions, in some areas, are well ahead of the wet 2019 season. Some Midwestern farmers, particularly in Iowa, are still reeling from the derecho in early August. The damage to grain bins and silos, among other structures, was widespread in swaths of the state. Millions of bushels of stored grain were affected by the strong windstorm that blew through and took farmers by surprise. Fortunately, for Texas farmers, last week's

Hurricane Laura made much less of an impact than expected. Some farmers reported receiving rain, but south Texas fields were left mostly unharmed.

Price Range - Class III Milk; \$/CWT; Spot Basis: -4.00 - 0.00
Trade Activity: Slow

Midwestern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.2300 - 1.3600

Price Range - Class II; \$/LB Butterfat: 1.9370 - 2.0264

Multiples Range - Class II: 1.3000 - 1.3600

WEST

In **California**, milk outputs and demands are well balanced. Contacts report that milk supplies have been tighter in the past two weeks. Loads are just enough to satisfy immediate needs. Milk processing is going on an active tone. Several plants are not being run at full capacities. Bottled milk orders are unchanged from a week ago. In **Arizona**, hotter weather conditions continue to be an impediment for the wellbeing of dairy cows. Milk volumes produced have remained low. Processors report having enough time to work on repair and maintenance projects. All milk supplies are being mainly processed within the state. Class I and II demands are stable. **New Mexico** milk production has been stable. Class I orders vary depending on the processors. Milk movements to locations impacted by the hurricane have been less than usual, but it is expected that demands will go back to normal next week. Class II demands are slightly down, whereas Class III processing is more active. Milk supplies are enough to meet the needs of the market. Milk production in the **Pacific Northwest** is strong. Farmers have maintained cow comfort in spite of some warmer weather. With some processors easing back schedules over the upcoming Labor Day weekend, milk handlers are expecting that they will need to contend with some extra loads of milk and cream. Cheese plants are running at or near full capacity and should be able to absorb much of the extra milk. School milk bottling is subdued with some schools starting in a hybrid or virtual setting. In the mountain states of **Idaho, Utah, and Colorado**, milk production remains strong and steady. Manufacturers are running full schedules at facilities to keep up with milk supplies. Processors do not expect any issues over the holiday weekend. A few loads of milk, looking for homes, are available in Idaho at \$4 under Class IV. Western **condensed skim** is being processed without any issue. Many loads are moving through contracts. Spot trading is steady. The **cream** market is still strong, but not as much as in the past months. Cream multiples for all Classes have increased this week. According to contacts, lower milk outputs in some parts of the West have impacted milk and cream supplies. However, cream sales are steady. Cream churning is ongoing. Ice cream makers are taking consistent loads.

Western U.S., F.O.B. Cream

Multiples Range - All Classes: 1.1000 - 1.2700

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 and high heat nonfat dry milk (NDM) prices shifted higher in all facets this week. Availability of NDM has not altered dramatically, as loads are available. Demand, however, has increased with fall baking season just around the corner. Additionally, cheese producers are busy and even with plentiful milk, some are taking on NDM to fortify. Interestingly, condensed skim was reportedly more available this week after weeks of slimming availability. Even with recently higher availability of condensed skim, there are few indicators that NDM markets will shift bearishly near term. High heat NDM prices firmed as was expected in recent weeks. Fall baking demand and limited spot supplies are supporting the high heat NDM market tone.

EAST: Low/medium nonfat dry milk (NDM) prices moved one cent higher on all sides of the range and mostly prices series this week. Spot prices have firmed with operations offering loads at higher prices. Buyers are willing to purchase spots at increased prices currently. Some manufacturers are sold out of spot supplies until the end of the year. With shorter supplies, market participants' interests have strengthened. The NDM market tone is firm. High heat NDM prices are higher on the range. Some buyers are ordering supplies ahead of the holiday baking season. High heat drying time is intermittent and supplies are very limited.

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: 0.9600 - 1.0400
Mostly Range - Low & Medium Heat; \$/LB: 1.0000 - 1.0200

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: 1.0900 - 1.1600

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk (NDM) spot prices are higher this week as supply seems to be shorter than demand. A good portion of current NDM production is committed through Q4 contracts. Compared to a few weeks ago, NDM supplies in the regional spot market are less accessible to buyers with immediate needs. Some NDM producers have been strategically retaining stocks from recent production in order to sell at a higher price during Q4. There are some glimpses of optimism for sellers in the NDM future markets as contract values and volumes for Q3/Q4 are generally up. A few buyers are taking a wait and see approach, anticipating a drop in prices in the upcoming weeks. NDM production is expected to be very active during the upcoming holiday weekend, as a large quantity of regional milk must be balanced. While cheese orders from the restaurant sector remain volatile, NDM orders for cheese fortification have remained hearty. NDM requests from the bakery sector are reported as good/fair. High heat nonfat dry milk prices shifted higher, shadowing upward pricing from low/medium heat NDM. Production is stable and directed toward fulfilling contractual demands. Albeit spot sale activities are limited, the market undertone seems to be in a bullish position.

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 - 1.0650
Mostly Range - Low & Medium Heat; \$/LB: .9700 - 1.0350

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: 1.0500 - 1.2050

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices shifted higher on the bottom of the range. Spot market activity was quite a bit busier, as demand is starting to increase ahead of the fall season. Although buttermilk drying schedules have been mixed, there is currently plenty of cream available ahead of the holiday weekend and churning will undoubtedly increase. Contacts expect cream to be available into next week, as well. Some contacts suggest there are dry buttermilk loads available, but because they are not recently produced, customers are not as enticed to take them on. Loads dried as recently as this summer are reportedly much harder to find. Dry buttermilk market tones are steady to slightly bullish.

EAST: Dry buttermilk prices inched up on the bottom of the range. Spot market activity has sparked a bit ahead of the holiday. Interests from seasonal baking operations are picking up. Although stable milk supplies are clearing to Class I, dry buttermilk production is slower. The majority of scheduled drying time is for committed orders. Inventory levels are tight. The market undertone is stable.

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

Price Range ; \$/LB: .9600 - 1.0300

DRY BUTTERMILK - WEST

Western dry buttermilk spot prices are steady this week. Although there is more regional cream accessible for churning, dry buttermilk manufacturing levels are mainly steady. Most of drying time has been dedicated to convert skim milk volumes into NDM. Therefore, dry buttermilk production schedules have been consistent with the previous weeks. Due to limited dryer capacity at many balancing plants during this shortened holiday week, large volumes of condensed buttermilk were sold to Class II, instead of being dried. At this point, dry buttermilk spot sales are moderated sales, while inventories in the spot market are enough to cover most needs.

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

Price Range ; \$/LB: .8500 - 1.0300
Mostly Range - ; \$/LB: .9200 - 0.9800

DRY WHOLE MILK - U.S.

National dry whole milk prices are mixed for a wider pricing range on an unsettled market. Some sales from Q1 production pulled down the low end of the pricing range. In contrast, some trades based on specific branding pulled up the high end of the range. Requests from industrial bakeries and confectioners are reported as fair/good ahead of the upcoming baking season. Inventories vary in each region of the country.

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

Price Range - 26% Butterfat; \$/LB: 1.5500 - 1.8000

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

Even as CME dry whey prices near the mid \$.30s, spot loads in the Midwest continue to be reported at closer to \$.30 and slightly below. Prices for Central dry whey inched up on the bottom of the range, maintained on the high end and narrowed on the mostly. Dry whey production is maintaining strength, as cheese markets have bounced back from the recent precipitous declines. Class III producers in the region say cheese demand is topping availability, for the most part, and many are running full production schedules. That said, customers relayed producers are more aggressive. Some say offers this week were two to three pennies higher than last month. There is some push-pull, as buyers know production is ongoing, and there has been plentiful milk available. Animal feed whey prices moved up a penny on the low end of the range. Interestingly, animal feed producers say they are shifting to more dairy powder usage than alternatives (plant based proteins), to suit customers' needs. That said, they have plentiful high protein blends available at this time, as both feed and food grade WPC 80% is widely accessible. In general, dry whey market tones are sideways, with both bullish and bearish potentials.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey
Price Range - Animal Feed; \$/LB: .2500 - .2700

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: .2750 - .3700
Mostly Range - Non-Hygroscopic; \$/LB: .2800 - .3100

DRY WHEY- NORTHEAST

Eastern dry whey prices are lower on the top of the range. Some market participants feel market conditions are depressed. On the CME Group, spot prices are around the \$.3350 mark. Some market participants are not purchasing on the spot market. There are buyers with adequate inventories and contracts that are meeting their production needs. Dry whey schedules are a bit lower with some operations shutting down for the holiday. There are reports inventory levels are available in the region. The market tone is unsettled.

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: .3200 - .3625

DRY WHEY- WEST

In the West, the prices for dry whey have declined at the bottom of the range, while remaining steady anywhere else. Current sales and supplies are in good equilibrium. Domestic demands have remained, in some cases, at the same levels as in the prior week, whereas, in other cases, they are weaker. International sales are a bit livelier, but they are taking place at prices close to the bottom of the range. Dry whey stocks are steady. Processing is active and following the same course as cheese outputs.

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: .2775 - .3850
Mostly Range - Non-Hygroscopic; \$/LB: .3200 - .3600

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices slipped slightly lower at the top of both the price range and mostly price series. Weakness in the higher whey protein concentrate markets is still putting pressure on WPC 34% prices in some markets. Infant formula and applications that require certain brands of WPC34% are independent of those market pressures. Industry contacts say market activity is slow. WPC 34% is moving well through contracts, but spot sales are slow to develop. WPC34% is available, but favored brands are harder to come by. Production is steady.

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: .7000 - 1.0250
Mostly Range - 34% Protein; \$/LB: .7200 - .9750

LACTOSE

Prices for lactose are steady to lower, moving down at the top of both the price range and mostly price series. Spot sale prices are trending lower from levels seen several months ago. But spot market activity is relatively quiet as market participants work on Q4 contracts. Manufacturers report buyers have mixed responses to their offers. In some cases, end users are not hesitating to make their purchases, but are asking to increase volumes of the offered lactose. In other cases, end users push back at the price offered and expect concessions. The varied views of the market seem indicative of the challenges faced by many in an uncertain economy caused by the COVID-19 pandemic; end users need to get the right amount of necessary ingredients and accurately predict demand for their finished goods. Many manufacturers report lactose inventories are well-balanced. However, some industry contacts say there has been an increase in lactose offers in the spot market. Lactose production is steady.

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: .4000 - .6350
Mostly Range - Non Pharmaceutical; \$/LB: .4450 - .5750

CASEIN

Acid casein prices are steady to slightly lower at the top of the price range. This seems related to early seasonal casein production indicators in New Zealand where plants are gearing up. Rennet casein prices are up slightly at the low end of the price range but steady at the top. Western European rennet casein producers are reflecting the recent dip in milk production following the heat wave, particularly in France. Negotiations for late 2020 and early 2021 acid casein contracts in New Zealand are underway. As it is quite early in the production season, contract completions are just beginning to jell.

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: 3.8000-3.8975
Rennet; Price Range - \$/LB: 3.4675-3.5550

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
08/22/2020	54.6	2,010.2	60.0	2,105.9

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	11.42	16.56	19.78	18.44			
II	17.05	16.84	16.75	13.87	12.30	12.99	13.79	13.27				
III	17.05	17.00	16.25	13.07	12.14	21.04	24.54	19.77				
IV	16.65	16.20	14.87	11.40	10.67	12.90	13.76	12.53				

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
08/29/2020	1,4988 6,878,730	1,8419 11,701,324	1,5959 13,454,705	.3203 6,512,321	.9464 26,903,276

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	08/28	08/31	09/01	09/02	09/03
AUG 20	19.76	19.77	19.81	19.77	19.77
SEP 20	15.69	15.68	15.88	16.63	16.82
OCT 20	17.64	17.86	18.27	19.02	18.96

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

DATE	08/28	08/31	09/01	09/02	09/03
AUG 20	96.78	96.78	96.80	96.19	96.19
SEP 20	101.00	100.80	101.00	101.13	100.00
OCT 20	106.03	106.50	107.10	106.80	105.45

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

DATE	08/28	08/31	09/01	09/02	09/03
AUG 20	12.73	12.73	12.70	12.53	12.53
SEP 20	12.96	13.00	12.92	12.98	12.91
OCT 20	13.87	13.87	13.97	14.04	13.92

WHEY (Electronic-Traded) (¢/lb)

DATE	08/28	08/31	09/01	09/02	09/03
AUG 20	33.45	33.45	33.45	33.38	33.38
SEP 20	31.75	31.75	32.00	32.00	31.50
OCT 20	31.50	31.50	31.53	31.53	31.05

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

DATE	08/28	08/31	09/01	09/02	09/03
AUG 20	153.20	152.85	152.85	151.54	151.54
SEP 20	153.35	153.00	151.93	153.50	153.00
OCT 20	160.30	161.00	162.03	164.50	165.50

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

DATE	08/28	08/31	09/01	09/02	09/03
AUG 20	2.20	2.20	2.20		
SEP 20	1.85	1.85	1.86	1.89	1.92
OCT 20	1.95	1.95	1.99	2.07	2.08

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

ORGANIC DAIRY MARKET NEWS
Information gathered August 24 - September 4, 2020

ORGANIC DAIRY FLUID OVERVIEW

Deadline for Coronavirus Food Assistance Program. The USDA Farm Service Agency (FSA) has announced that the deadline to apply for the Coronavirus Food Assistance Program (CFAP) is September 11, 2020. The program provides direct relief to producers who faced price declines and additional marketing costs due to COVID-19. Over 160 commodities are eligible, including dairy. Call 877-508-8364 for general assistance.

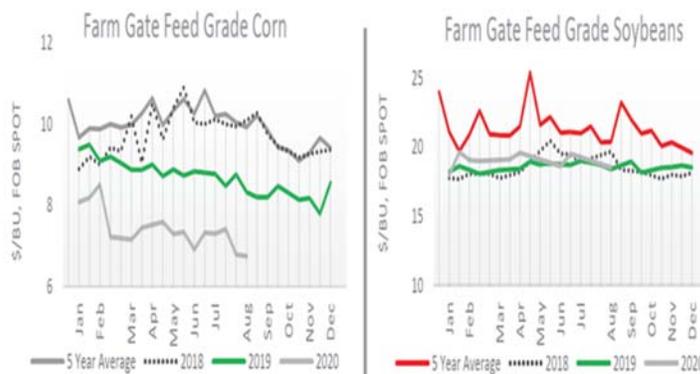
Innovative Organic Casein Isolate. As the market for organic dairy expands, one dairy manufacturer has filled a worthwhile void with the development of a high-quality organic dairy protein ingredient, in the form of micellar casein isolate. The organic dairy ingredient combines high protein levels with functionality. Applications for uses include cheeses, yogurt, ice cream, and health and performance applications for high protein beverages and powder shakes. The dry organic dairy product is projected to market globally next year.

Organic Cow Auction Prices. In a recent report of an Oregon livestock auction, organic cull cows sold for less than conventional cows. The average price for the top 10 organic cows auctioned was \$52.95 per hundredweight, compared to an average price of \$65.61 per hundredweight for the top 10 conventional cows auctioned.

Dutch Organic Milk Pay Price. In the Netherlands, a large processor of organic milk announced the September 2020 pay price for organic milk is 47.00 EUR/100kg (currently \$55.45 USD). The price decreased by EUR 0.50 compared to last month (EUR 47.50). The prices stated apply to an organic milk producer who supplies an annual average of 550,000 kilograms of milk, containing a fat content of 4.42 percent, protein content of 3.57 percent and a lactose content of 4.53 percent, on an annual basis.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

National Organic Grain Feedstuff. Trade activity is good on moderate demand for organic feed grade corn. Bushels are trading 4 cents lower FOB, with the bulk of market activity done through forward contracting. Trade activity is light on good demand for organic feed grade soybeans. Exchanges are 56 cents higher, delivered elevator. The markets are too thinly tested to trend organic wheat, oats, and barley. However, steady undertones are noted. Buyers' and sellers' transactions are limited on all other organic grains.



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

ORGANIC DAIRY RETAIL OVERVIEW

Retail Organic Milk Prices for Selected U.S. Cities. The August 2020 in-store surveys of supermarkets in selected U.S. cities show that prices for organic whole milk in half gallon containers range from \$3.14 in Houston, TX to \$5.84 in Pittsburg, PA. Surveyed cities that experienced a jump in prices, over the previous month, were Kansas City, MO., up 35 cents; Minneapolis, MN., up 15 cents; Hartford, CT., up 10 cents and Portland, OR., up 15 cents. The U.S. simple average price for August is \$4.13, up 4 cents from the previous month. Organic milk, half gallon containers, have steadily posted monthly simple average price increases since March 2020.



Grower FOB Farm Gate Organic Grain								
Feed Grade	Unit	Spot Transactions			Forward Contracts		Cash Bids	
		Price Range	Avg.	Change	Prior Year	Price Range		Delivery Period
Yellow Corn	\$/bu	5.70 - 8.25	6.74	-0.04	8.32	6.15 - 7.50	Aug-20 - Aug-21	5.70 - 7.00
Soybeans	\$/bu	17.50 - 19.00	18.51	N/A	18.40	18.00 - 19.00	Oct-20 - Jan-21	19.00 - 19.00
Wheat	\$/bu	N/A - N/A	N/A	N/A	N/A	5.75 - 5.75	Aug-20 - Oct-20	N/A - N/A
Oats	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A
Barley	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A
Rye	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A
Sorghum	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A

¹ As collected by Federal milk order market administrators based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and weekends) in selected cities or metropolitan areas. One outlet of the largest and second largest food store chains are surveyed. The price represents the most common brand in nonreturnable containers. ² Simple average of monthly prices. ³ The California Order became effective November 1, 2018. Retail price data for Sacramento, CA, became available beginning in February 2020.

ORGANIC DAIRY MARKET NEWS
Information gathered August 24 - September 4, 2020

-CONTINUED FROM PAGE 8-

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

Organic Dairy Retail Ad Analysis. This survey period, organic dairy store advertisements declined 1 percent. Retail stores across the country added organic sour cream to their weekly features this week. Organic butter posted for a second consecutive week, but ads declined 38 percent from last survey period.

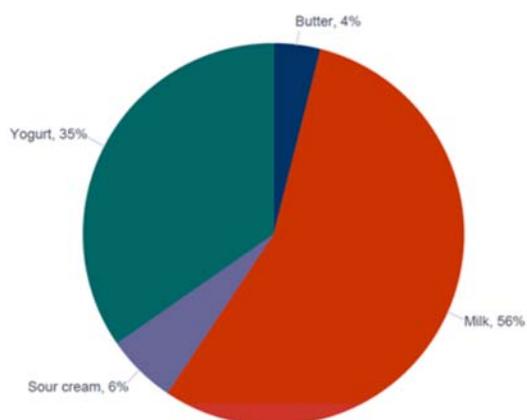
Total organic milk ads declined 34 percent. Organic milk, half gallon container, placed the greatest volume of ads for the category, while also declining 56 percent from the previous week. Total yogurt ads grew by 223 percent. Based on comparisons from last week of specific organic dairy items, the organic milk half gallon price, \$3.95, is down 15 cents. But, the price of 16 ounce organic butter rose by 83 cents to \$5.79.

Each advertised organic dairy product and ad percentages, from the most recent Dairy Market News retail survey, are shown in the pie chart below.

COMMODITY	<u>This Week</u>	<u>Last Week</u>	<u>Last Year</u>
Butter	\$5.79	\$4.96.	n.a.
Sour Cream	\$2.50	n.a.	\$2.50
Milk			
Half Gal.	\$3.95	\$4.10	\$3.88
Gallon	\$6.28	n.a.	\$5.00
8 oz.UHT	\$0.88	n.a.	n.a.
Yogurt			
4-6 oz. Greek	n.a.	\$1.25	n.a.
32 oz. Greek	n.a.	\$4.98	\$5.45
4-6 oz. Yogurt	\$1.32	n.a.	\$0.69
32 oz. Yogurt	\$3.20	n.a.	\$3.67

Data source: USDA Dairy Market News

Percentage of Total Organic Ads by Commodity



Data source: USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from September 3–11, 2020. 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:

2020 MONTHLY AVERAGES

AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
CME GROUP ¹								
BUTTER - DAILY TRADING								
GRADE AA	1.8813	1.7913	1.7235	1.1999	1.4710	1.8291	1.6925	1.5038
CHEESE - DAILY TRADING								
BARRELS	1.5721	1.5470	1.4399	1.0690	1.5980	2.3376	2.4080	1.4937
40 POUND BLOCKS	1.9142	1.8343	1.7550	1.1019	1.6704	2.5620	2.6466	1.7730
NONFAT DRY MILK - DAILY TRADING								
GRADE A	1.2688	1.1816	1.0259	0.8485	0.9191	1.0092	1.0038	0.9830
WHEY - DAILY TRADING								
EXTRA GRADE	0.3520	0.3708	0.3339	0.3644	0.3736	0.3181	0.3253	0.3276
DAIRY MARKET NEWS ²								
CHEESE								
WISCONSIN								
PROCESS AMERICAN 5 POUND LOAF	1.8671	1.8055	1.7613	1.3897	1.6623	2.5047	2.6749	1.9907
BRICK AND/OR MJENSTER 5 POUNDS	2.4880	2.4595	2.3710	1.7858	2.0283	3.0173	3.2867	2.4774
CHEDDAR 40 POUND BLOCK	2.1980	2.1695	2.0810	1.4958	1.7383	2.7273	2.9967	2.1874
MONTEREY JACK 10 POUNDS	2.3530	2.3245	2.2360	1.6508	1.8933	2.8823	3.1517	2.3424
BLUE 5 POUNDS	3.0780	3.0495	2.9610	2.3758	2.6183	3.6073	3.8767	3.0674
MOZZARELLA 5-6 POUNDS	2.5480	2.5195	2.4310	1.8458	2.0883	3.0773	3.3467	2.5374
SWISS 6-9 POUND CUTS	3.1070	3.2429	3.2022	2.9614	2.9215	2.8556	2.5210	2.3938
NORTHEAST								
CHEDDAR 40 POUND BLOCK	2.5042	2.4757	2.3873	1.8020	2.0445	3.0335	3.3030	2.4936
PROCESS AMERICAN 5 POUND SLICED	1.9971	1.9355	1.8913	1.4847	1.7373	2.5797	2.7499	2.0657
MJENSTER	2.5230	2.4945	2.4060	1.8208	2.0633	3.0523	3.3217	2.5124
SWISS 10-14 POUND CUTS	3.6945	3.8406	3.7985	3.5489	3.5090	3.4431	3.1085	2.9813
WEST								
PROCESS AMERICAN 5 POUND LOAF	1.8321	1.7705	1.7263	1.3547	1.6273	2.4697	2.6399	1.9557
CHEDDAR 40 POUND BLOCK	2.2330	2.2045	2.1160	1.5308	1.7733	2.7623	3.0317	2.2224
CHEDDAR 10 POUND CUTS	2.3355	2.3070	2.2185	1.6333	1.8758	2.8648	3.1342	2.3249
MONTEREY JACK 10 POUNDS	2.3605	2.3320	2.2435	1.6583	1.9008	2.8898	3.1592	2.3499
SWISS 6-9 POUND CUTS	3.3457	3.4918	3.4498	3.2001	3.1603	3.0943	2.7598	2.7925
FLUID PRODUCTS								
CLASS II CREAM								
NORTHEAST - F.O.B.	2.1614	2.0461	1.9637	0.9716	1.5989	2.5839	2.3780	2.1107
UPPER MIDWEST - F.O.B.	2.3045	2.1408	2.0912	1.1746	1.7044	2.5417	2.3992	2.1264
CONDENSED SKIM - NORTHEAST - F.O.B.								
CLASS II	0.8690	0.9000	0.8500	0.4341	0.6638	0.8273	0.8500	0.9071
CLASS III	0.8048	0.8500	0.7489	0.4000	0.5975	0.7523	0.7750	1.1333

1 Monthly averages are a simple average of all the closes during the month.

2 Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded.

2020 MONTHLY AVERAGES

AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
DAIRY MARKET NEWS, CONTINUED ²								
DRY PRODUCTS								
NONFAT DRY MILK								
CENTRAL/EAST - LOW/MEDIUM HEAT	1.2683	1.2246	1.1005	0.9039	0.8980	1.0094	1.0203	0.9798
--MOSTLY	1.2581	1.2305	1.0935	0.8898	0.8943	1.0167	1.0177	0.9921
CENTRAL/EAST - HIGH HEAT	1.3271	1.3166	1.2534	1.0366	1.0342	1.1207	1.1509	1.1036
WEST - LOW/MEDIUM HEAT	1.2543	1.2118	1.0818	0.8980	0.8832	0.9924	1.0148	0.9754
--MOSTLY	1.2583	1.2153	1.0818	0.8789	0.8935	1.0095	1.0142	0.9799
WEST - HIGH HEAT	1.3738	1.3433	1.2341	1.0468	1.0568	1.1450	1.1455	1.1096
WHEY POWDER								
CENTRAL -	0.3427	0.3505	0.3511	0.3550	0.3687	0.3381	0.3114	0.3177
--MOSTLY	0.3471	0.3591	0.3540	0.3528	0.3644	0.3491	0.3215	0.3010
WEST -	0.3460	0.3761	0.3468	0.3493	0.3719	0.3359	0.3298	0.3310
--MOSTLY	0.3526	0.3720	0.3691	0.3635	0.3770	0.3517	0.3495	0.3412
NORTHEAST - EXTRA AND GRADE A	0.3449	0.3585	0.3738	0.3795	0.3806	0.3765	0.3489	0.3487
WHEY PROTEIN CONCENTRATE 34%								
CENTRAL AND WEST	1.0020	1.0339	1.0547	1.0186	0.9509	0.9274	0.9002	0.8720
-- MOSTLY	1.0017	1.0140	1.0148	1.0027	0.9590	0.9356	0.8945	0.8591
ANIMAL FEED								
CENTRAL - MILK REPLACER	0.2900	0.2997	0.2973	0.2968	0.3098	0.2914	0.2680	0.2540
DRY BUTTERMILK								
CENTRAL/EAST	1.1483	1.1613	1.1303	0.9736	0.9210	0.9774	1.0113	0.9819
WEST	1.1231	1.1450	1.1335	0.9766	0.8735	0.9222	0.9261	0.9388
--MOSTLY	1.1320	1.1574	1.1391	0.9936	0.9045	0.9227	0.9196	0.9440
DRY WHOLE MILK								
NATIONAL	1.8083	1.8118	1.7807	1.6766	1.6808	1.6909	1.6978	1.6714
LACTOSE								
CENTRAL AND WEST	0.3157	0.3236	0.3294	0.3658	0.4129	0.4373	0.4997	0.5181
-- MOSTLY	0.2979	0.3043	0.3107	0.3467	0.4018	0.4618	0.5170	0.5136
CASEIN								
RENNET	4.1240	4.4857	4.5139	4.4036	4.0582	3.8696	3.6438	3.5410
ACID	3.6645	3.7338	3.8031	3.9980	3.8798	3.8614	3.8500	3.8499

² Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded.

July Agricultural Prices Highlights

The All Milk price received by farmers was \$20.50 in July, up \$1.80 from July 2019. Milk Cows price was \$1310 in July, up \$80.00 from July 2019. Alfalfa hay price was \$174.00 in July, down \$9.00 from July 2019. Corn price was \$3.21 in July, down \$0.95 from July 2019. Soybean price was \$8.51 in July, up \$.13 from July 2019. The milk-feed price ratio was 2.69 in July, up 0.53 from July 2019.

The index of prices received by farmers for dairy products during the month of July 2020 was up 12 to 102.0. Compared to July 2019, the index was up 9 points (9.7 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2020 was up 0.5 to 109.7. Compared with July 2019, the index was down 0.9 point (-0.8 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., July 2020 with Comparisons

State	All-Milk price ^{1,2}		Milk cows ³		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Jul		Jul		Jul		Jul		Jul	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
	<i>(dollars per cwt)</i>		<i>(dollars per head)</i>		<i>(dollars per ton)</i>		<i>(dollars per bushel)</i>		<i>(dollars per bushel)</i>	
AZ	18.40	16.30	1,350	1,450	190.00	175.00	---	---	---	---
CA	18.60	20.90	1,300	1,350	195.00	185.00	---	---	---	---
CO	18.80	17.00	1,250	1,250	230.00	225.00	4.18	3.46	---	---
GA	20.10	20.30	1,260	1,270	---	---	---	---	---	---
ID	18.20	21.60	1,300	1,350	155.00	145.00	---	---	---	---
IN	18.00	17.90	1,150	1,220	---	---	4.55	3.51	8.80	8.87
IA	19.10	23.50	1,180	1,260	123.00	112.00	4.11	3.14	8.38	8.48
MI	17.30	17.00	1,250	1,320	185.00	180.00	4.49	3.45	8.60	8.66
MN	19.20	23.80	1,100	1,160	151.00	122.00	3.88	3.04	8.31	8.36
NM	17.20	19.10	1,250	1,400	235.00	215.00	---	---	---	---
NY	18.80	18.50	1,180	1,230	191.00	198.00	---	---	---	---
OH	18.40	18.70	1,050	1,170	210.00	195.00	4.59	3.47	8.65	8.95
PA	19.20	19.30	1,160	1,250	240.00	221.00	4.74	3.69	---	---
TX	19.10	21.50	1,300	1,350	188.00	173.00	4.66	3.71	---	---
WA	19.10	18.80	1,250	1,300	200.00	195.00	---	---	---	---
WI	18.80	22.30	1,210	1,350	167.00	163.00	3.98	3.05	8.31	8.36
U.S.	18.70	20.50	1,230	1,310	183.00	174.00	4.16	3.21	8.38	8.51

(D) Withheld to avoid disclosing data for individual operations. ¹ Prices are shown at reported butterfat test. ² Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. ³ Animals sold for dairy herd replacement only. Quarterly United States milk cow prices are based on revised milk cow inventory.

Milk-Feed Price Ratio, Selected States and U.S., July 2020 with Comparisons

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

State ²	Jul 2019	Jun 2020	Jul 2020
IA	2.44	2.46	2.85
MI	2.05	2.27	2.45
MN	2.24	2.15	2.24
OH	1.91	1.99	2.11
WI	2.34	2.31	2.60
U.S.	2.16	2.36	2.69

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

General Price Measures, U.S., July 2020 with Comparisons

Item	Jul 2019	Jun 2020	Jul 2020
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	93.0	90.0	102.0
Prices paid by farmers for commodities and services, interest taxes, and wage rates	110.6	109.2	109.7

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, August 2020.*

July 2020 Dairy Products Highlights

Butter production was 152 million pounds, 0.7 percent above July 2019, and 1.1 percent above June 2020. **American type cheese** production totaled 452 million pounds, 4.0 percent above July 2019, and 3.5 percent above June 2020. **Total cheese** output (excluding cottage cheese) was 1.11 billion pounds, 1.8 percent above July 2019, but 0.4 percent below June 2020. **Nonfat dry milk** production, for human food, totaled 163 million pounds, 5.2 percent below July 2019, but 11.1 percent above June 2020. **Dry whey** production, for human food, was 83 million pounds, 2.2 percent above July 2019, but 1.1 percent below June 2020. **Ice cream, regular hard** production, totaled 71.1 million gallons, 9.6 percent above July 2019, but 1.1 percent below June 2020.

Production of Dairy Products									
Product	July 2020	Change from			Product	July 2020	Change from		
		July 2019	June 2020	Year to Date ¹			July 2019	June 2020	Year to Date ¹
	<i>(1,000 lbs)</i>	<i>(percent)</i>				<i>(1,000 lbs)</i>	<i>(percent)</i>		
Butter	151,799	0.7	1.1	6.2	Yogurt (plain and flavored)	365,854	4.9	-7.7	1.9
Cheese					Dry whey, human food	82,646	2.2	-1.1	---
American types ²	451,739	4.0	3.5	1.8	Dry whey, animal feed	1,902	-5.6	51.6	---
Cheddar	321,217	5.0	3.9	1.7	Dry whey, total ⁸	84,548	2.0	-0.3	3.7
Other American	130,522	1.5	2.5	---	Reduced lactose & minerals				
Brick & Muenster	17,369	-1.9	3.0	---	Human food	1,793	1.5	-5.2	---
Cream & Neufchatel	90,225	12.8	-3.2	---	Animal feed	2,738	0.1	-9.4	---
Hispanic	28,917	7.9	-0.5	---	Lactose, human food & animal feed	99,629	-6.9	-1.4	-13.2
Total Italian types	457,055	-1.5	-4.2	-0.2	Whey protein concentrate				
Mozzarella	368,760	0.2	-3.5	---	Human food ⁹	38,124	-0.9	-3.2	---
Other Italian	88,295	-7.7	-7.1	---	Animal feed ⁹	842	-37.1	112.1	---
Swiss	27,320	-6.1	4.9	---	Total ⁹	38,966	-2.1	-2.1	-4.1
All other types	34,096	-4.5	3.9	---	25.0-49.9 percent ¹⁰	14,181	-5.8	-0.2	---
Total	1,106,721	1.8	-0.4	0.8	50.0-89.9 percent ¹⁰	24,785	0.2	-3.1	---
Cottage cheese, curd ³	34,482	-6.7	8.1	---	Whey protein isolates ¹¹	9,912	1.6	-3.0	---
Cottage cheese, cream ⁴	32,543	0.6	5.0	2.5					
Cottage cheese, lowfat ⁵	29,520	-0.3	15.7	-4.1					
Dry buttermilk	9,011	-8.6	---	---					
Dry whole milk	10,128	18.1	-1.7	---					
Milk protein conc. (MPC), total ⁶	18,068	108.2	-0.7	---					
Nonfat dry milk (NDM), human	163,446	-5.2	11.1	0.7					
Skim milk powders (SMP) ⁷	51,220	9.7	-16.4	10.1					
Sour cream	113,834	-3.9	-6.7	3.0					

Manufacturers' Stocks, End of Month ¹²									
Product	July 2020	July 2019	June 2020	Product	July 2020	July 2019	June 2020		
	<i>(1,000 lbs)</i>	<i>(percent)</i>			<i>(1,000 lbs)</i>	<i>(percent)</i>			
Dry whey, human food	82,830	26.5	-0.8	Whey protein concentrate					
Dry whey, animal feed	1,655	-22.5	53.5	Human food ⁹	64,427	7.4	-1.9		
Reduced lactose & minerals—human & animal ¹³	4,745	-7.8	-11.9	Animal feed ⁹	1,118	16.7	-4.4		
Lactose, human food & animal feed	98,006	-14.2	1.8	Total ⁹	65,545	7.5	-1.9		
Dry buttermilk	24,006	69.6	-0.7	25.0-49.9 percent ¹⁰	24,785	12.5	-2.1		
Nonfat dry milk, human food	309,629	6.0	7.1	50.0-89.9 percent ¹⁰	40,760	4.7	-1.8		
				Whey protein isolates ¹¹	17,583	-4.4	6.8		

¹ 2019 cumulative as percent change of 2018 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, September 2020.*

Final Class Prices by Order, August 2020

August 2020 Highlights

Class Prices: The following are the August 2020 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$13.27 (\$-0.52), Class III: \$19.77 (\$-4.77), and Class IV: \$12.53 (\$-1.23).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for August 2020 is \$1.6275 per pound. Thus, the Class II butterfat price is \$1.6345 per pound. The protein and other solids prices for August 2020 are \$4.4394 and \$0.1387 per pound, respectively. These component prices set the Class III skim milk price at \$14.58 per cwt. The August 2020 Class IV skim milk price is \$7.08, which is derived from the nonfat solids price of \$0.7862 per pound.

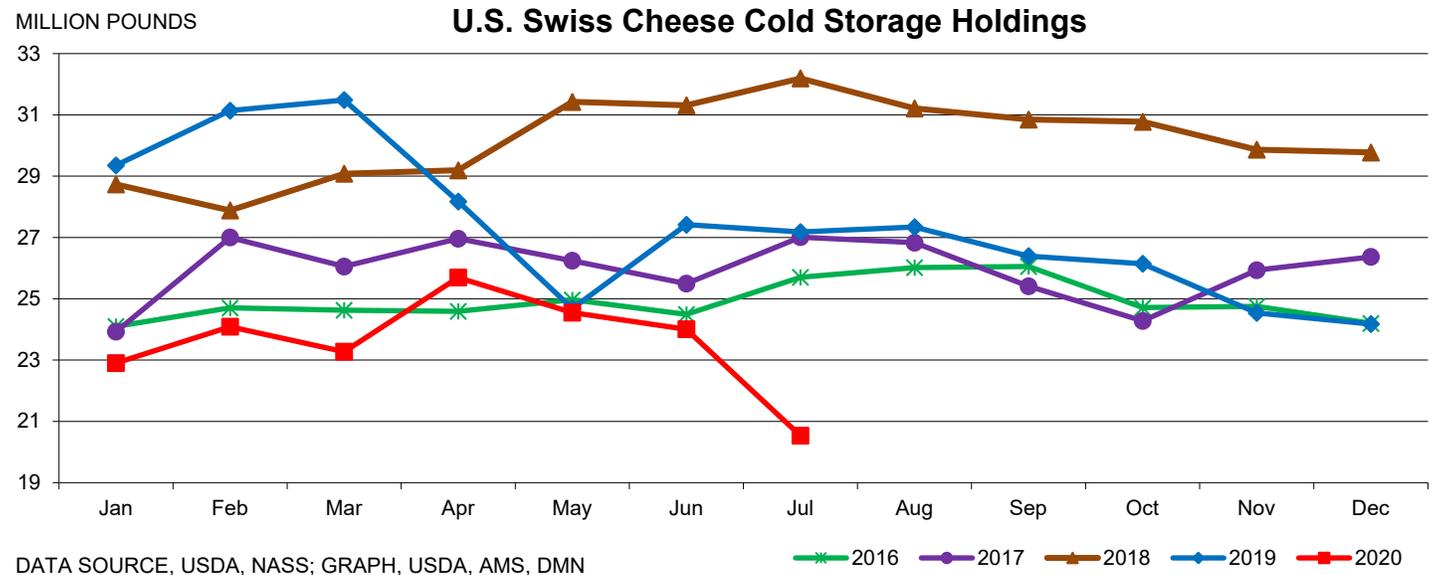
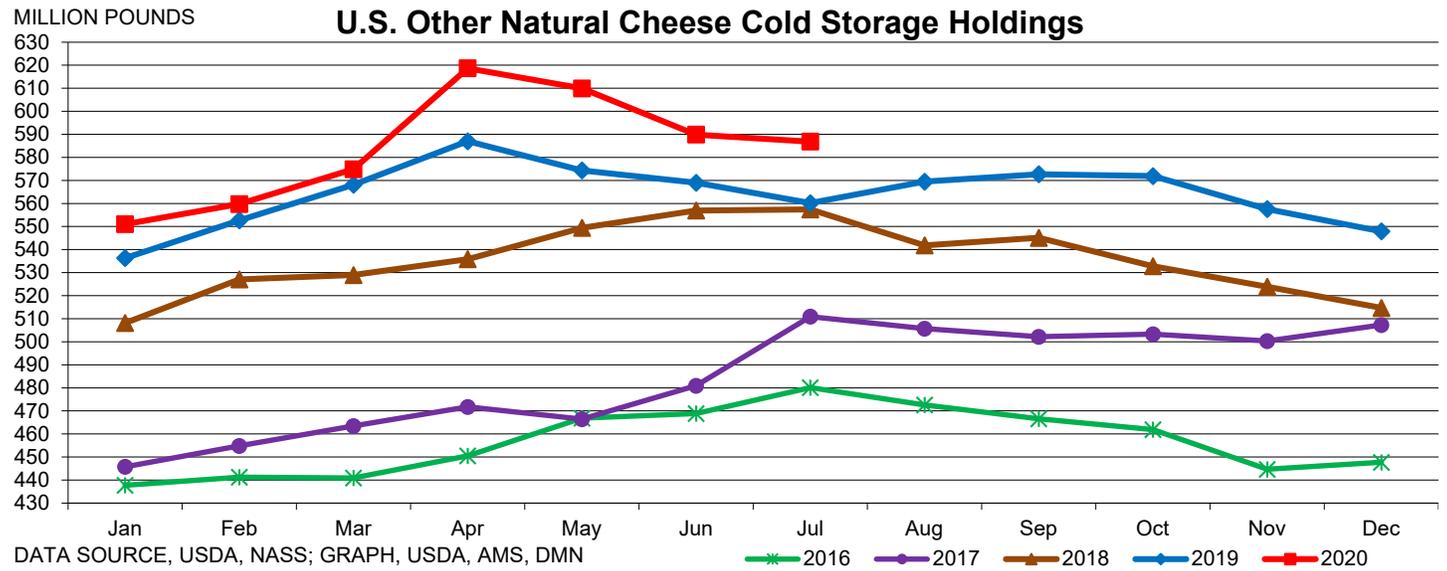
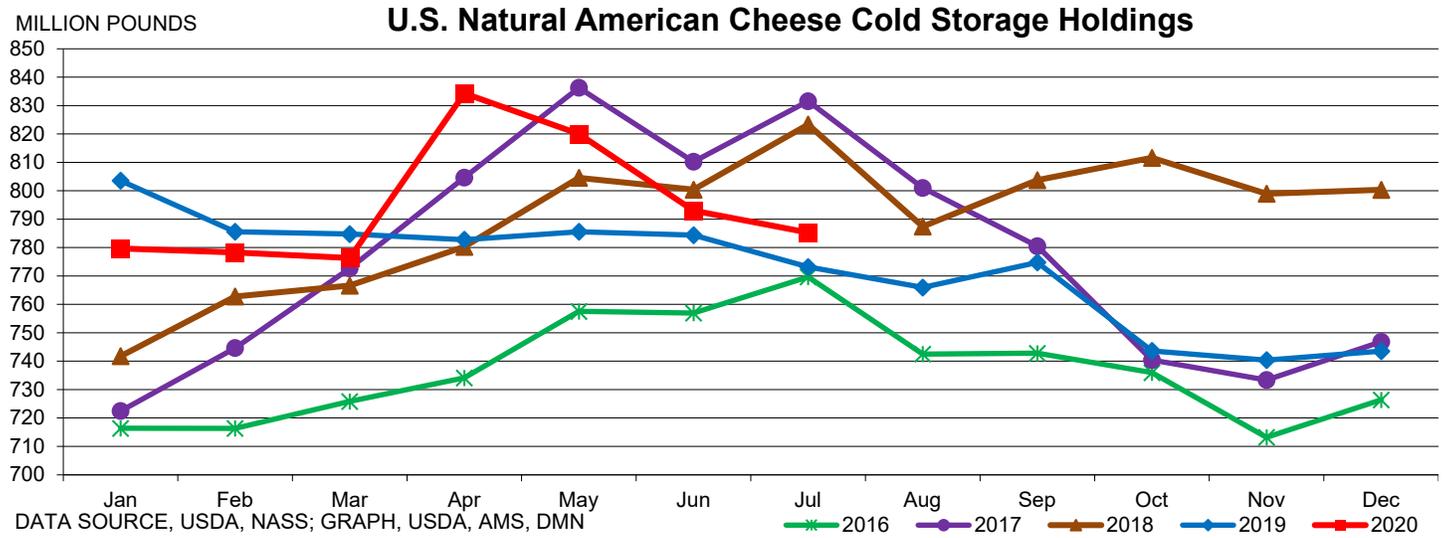
Product Price Averages: The product price averages for August 2020 are butter \$1.5154, nonfat dry milk \$0.9619, cheese \$2.1099, and dry whey \$0.3338.

Final Class Prices by Order for August 2020

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1, 2}

Federal Milk Order Marketing Area ³	Order Number	Aug 2020				Sep 2020
		Class I	Class II	Class III	Class IV	Class I
<i>(dollars per cwt)</i>						
Northeast (Boston)	001	23.03	13.27	19.77	12.53	21.69
Appalachian (Charlotte)	005	23.18	13.27	19.77	12.53	21.84
Florida (Tampa)	006	25.18	13.27	19.77	12.53	23.84
Southeast (Atlanta)	007	23.58	13.27	19.77	12.53	22.24
Upper Midwest (Chicago)	030	21.58	13.27	19.77	12.53	20.24
Central (Kansas City)	032	21.78	13.27	19.77	12.53	20.44
Mideast (Cleveland)	033	21.78	13.27	19.77	12.53	20.44
California (Los Angeles)	051	21.88	13.27	19.77	12.53	20.54
Pacific Northwest (Seattle)	124	21.68	13.27	19.77	12.53	20.34
Southwest (Dallas)	126	22.78	13.27	19.77	12.53	21.44
Arizona (Phoenix)	131	22.13	13.27	19.77	12.53	20.79
All-Market Average		22.60	13.27	19.77	12.53	21.26

¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk. ² The mandatory \$0.20 per cwt processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. ³ Names in parentheses are the major city in the principal pricing point of the markets. Class I prices at other cities are: Northeast (Boston): New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25; Appalachian (Charlotte): Knoxville, minus \$0.20; and Louisville, minus \$1.10; Florida (Tampa): Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40; Southeast (Atlanta): New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40; Upper Midwest (Chicago): Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10; Central (Kansas City): Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55; Mideast (Cleveland): Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20; California (Los Angeles): San Francisco, minus \$0.30; Sacramento, minus \$0.40; Tulare, minus \$0.50. Pacific Northwest (Seattle): Portland, same; and Spokane, same; Southwest (Dallas): Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75. Report Contact: Randal Stoker, randal.stoker@usda.gov





Dairy Market News Branch

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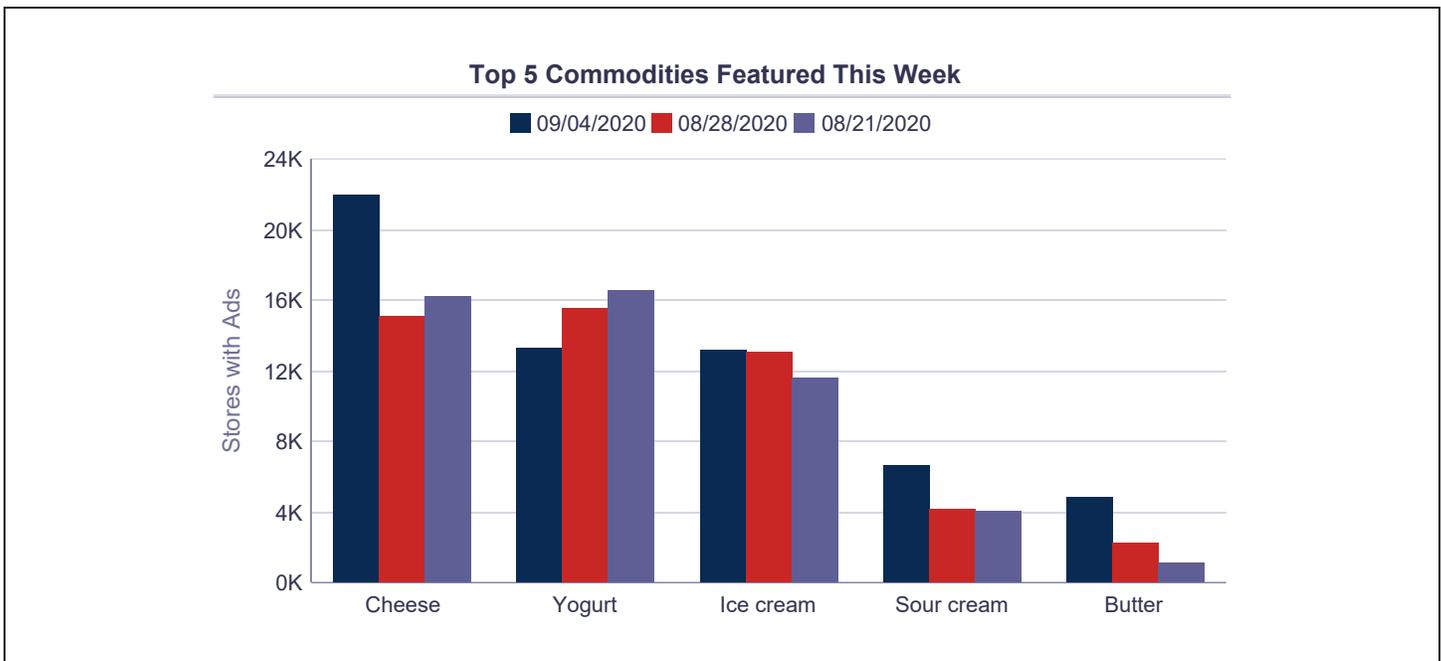
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/04/2020 to 09/10/2020

This week, the total number of conventional ads increased 20 percent, but organic ads declined 1 percent. Conventional ice cream in 48-64 oz containers remains the most advertised dairy item, followed by 8-ounce conventional cheese shreds. The weighted average price for conventional 48 to 64-ounce ice cream packages was \$3.00, up 19 cents from the week before. Ads for cottage cheese in 16 oz packages increased 139 percent, with a weighted average advertised price of \$1.85, compared to \$2.09 last week.

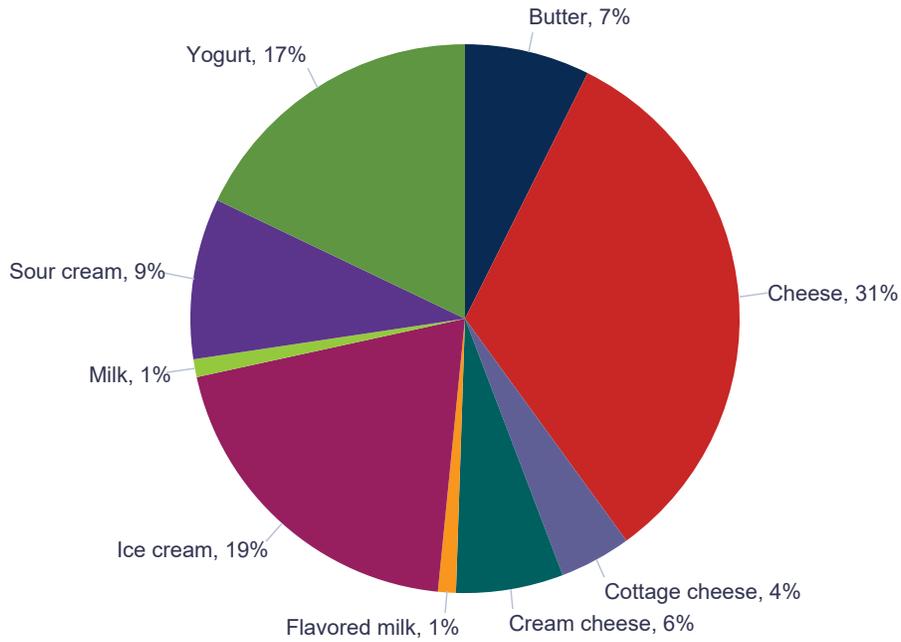
The total number of conventional cheese ads increased 46 percent from the previous survey period. There were no organic cheese ads this period. The weighted average price for 8-ounce conventional cheese shreds was \$2.28, down 24 cents from last week. The weighted average price for 8-ounce conventional cheese blocks was \$2.22, down 20 cents from last week.

The total number of conventional yogurt ads decreased by 20 percent, whereas the total number of organic yogurt ads increased by 223 percent. The average price for conventional yogurt in 32 oz containers is \$2.50 compared to \$3.20 for organic, an organic premium of \$0.70.

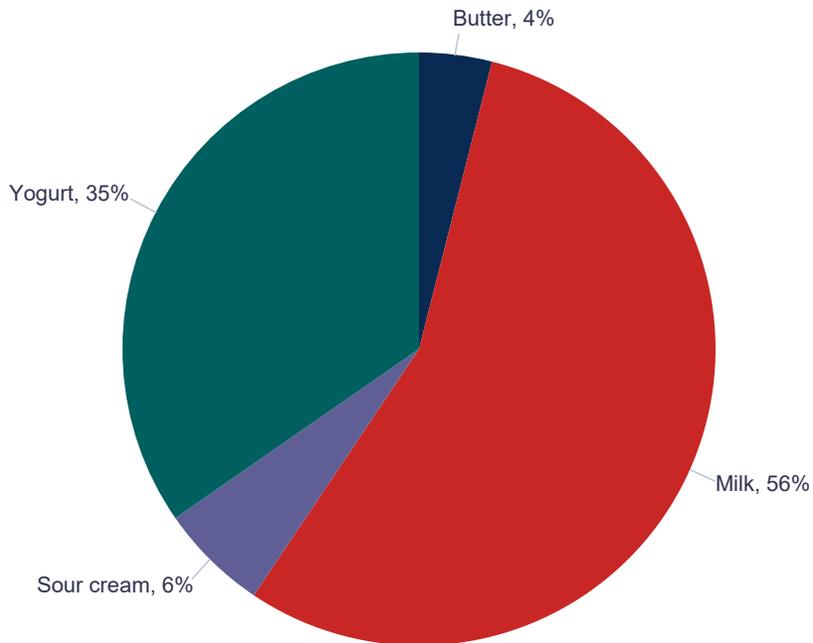
The national weighted average advertised price for conventional milk in gallons is \$3.28, compared to \$6.28 for organic milk gallons. This results in an organic premium of \$3.00. The total number of milk ads decreased 57 percent for conventional and declined 34 percent for organic. Milk in half gallon containers was the most advertised organic dairy item, while there were no ads for conventional milk in half gallon containers.



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 #	4667	3.05	2039	3.31	2219	3.62
Cheese	Natural Varieties	8 oz block	9479	2.22	4145	2.42	6792	2.10
Cheese	Natural Varieties	1 # block	1429	3.86	411	5.42	206	3.83
Cheese	Natural Varieties	2 # block	707	6.44	1665	6.98	1000	5.02
Cheese	Natural Varieties	8 oz shred	9507	2.28	7633	2.52	7303	2.31
Cheese	Natural Varieties	1 # shred	851	3.73	1220	3.81	914	3.94
Cottage cheese		16 oz	3012	1.85	1259	2.09	3150	1.65
Cream cheese		8 oz	4224	1.89	3044	1.92	5787	1.85
Flavored milk	All fat tests	half gallon	289	3.69	214	2.50		
Flavored milk	All fat tests	gallon	212	3.50	285	3.25	841	3.75
Ice cream		48-64oz	13135	3.00	13086	2.81	9545	2.96
Milk	All fat tests	half gallon			452	1.07	951	2.02
Milk	All fat tests	gallon	534	3.28	794	2.40	1704	3.26
Sour cream		16 oz	6478	1.86	4197	1.98	7215	1.64
Yogurt	Greek	4-6 oz	6859	.98	7328	.96	10695	.95
Yogurt	Greek	32 oz	2318	4.35	1355	4.13	1219	3.93
Yogurt	Yogurt	4-6 oz	2752	.55	5329	.47	4178	.52
Yogurt	Yogurt	32 oz	141	2.50	856	2.18	178	2.50

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-5.99	1283	3.63	1.98-3.50	580	2.77	1.99-2.50	663	2.15
Cheese	Natural Varieties	8 oz block	1.69-3.00	2825	2.17	1.69-3.00	3187	2.35	1.67-3.00	1802	2.15
Cheese	Natural Varieties	1 # block	2.99-4.99	680	3.99				3.29-3.50	282	3.34
Cheese	Natural Varieties	8 oz shred	1.88-3.00	2311	2.30	2.00-3.00	2920	2.40	1.67-2.99	2146	2.09
Cheese	Natural Varieties	1 # shred	3.59	102	3.59				3.29-3.50	282	3.34
Cottage cheese		16 oz	1.69-2.99	686	2.15	1.50-2.19	1216	2.07	0.99-1.25	556	1.16
Cream cheese		8 oz	1.50-2.79	1063	1.95	0.98-2.00	1250	1.84	0.99-1.99	715	1.73
Flavored milk	All fat tests	gallon							4.99	107	4.99
Ice cream		48-64oz	1.97-4.00	3362	3.03	1.97-5.79	2889	2.71	1.88-5.00	2005	3.10
Milk	All fat tests	gallon	4.49	147	4.49				3.00	69	3.00
Sour cream		16 oz	1.50-2.50	1989	1.81	1.66-2.19	1481	2.09	1.00-1.89	729	1.54
Yogurt	Greek	4-6 oz	1.00-1.25	2316	1.05	0.77-1.00	1039	.96	0.80-0.99	781	.90
Yogurt	Greek	32 oz	3.99-4.99	433	4.47	3.50-5.00	423	4.55	3.99-4.99	286	4.62
Yogurt	Yogurt	4-6 oz	0.33-0.80	1508	.58	0.33-0.60	275	.54	0.39-0.50	291	.44



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.99-3.50	607	2.85	1.99-3.99	1007	3.04	1.99-3.99	479	3.27
Cheese	Natural Varieties	8 oz block	1.69-2.50	900	1.97	1.88-2.50	540	2.13	2.50-3.00	187	2.83
Cheese	Natural Varieties	1 # block				3.99	178	3.99	3.99	289	3.99
Cheese	Natural Varieties	2 # block				6.99	244	6.99	4.99-6.49	463	6.15
Cheese	Natural Varieties	8 oz shred	1.88-2.50	794	2.14	1.88-2.99	755	2.25	1.67-3.00	515	2.50
Cheese	Natural Varieties	1 # shred				3.99	178	3.99	3.99	289	3.99
Cottage cheese		16 oz	1.25-2.28	213	1.60	1.49-2.49	306	1.69			
Cream cheese		8 oz	1.88-2.00	455	1.93	1.99	604	1.99	1.99	105	1.99
Flavored milk	All fat tests	half gallon							3.69	289	3.69
Flavored milk	All fat tests	gallon							1.99	105	1.99
Ice cream		48-64oz	1.88-5.99	2335	3.47	1.97-3.99	1913	2.78	1.88-3.98	450	2.28
Milk	All fat tests	gallon	2.50-3.59	213	3.18				1.99	105	1.99
Sour cream		16 oz	1.49-2.18	522	1.84	1.49-2.00	1285	1.90	1.25-1.67	410	1.55
Yogurt	Greek	4-6 oz	0.69-1.00	348	.88	0.88-1.00	1696	.98	0.88-1.00	647	.93
Yogurt	Greek	32 oz	3.29-4.49	175	3.66	3.50-5.49	712	4.57	3.50	289	3.50
Yogurt	Yogurt	4-6 oz	0.49-0.50	290	.49	0.49	244	.49	0.50	105	.50
Yogurt	Yogurt	32 oz	2.50	141	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	21	2.99	3.99	27	3.99
Cheese	Natural Varieties	8 oz block	2.50	11	2.50	2.99	27	2.99
Cheese	Natural Varieties	8 oz shred	2.50-2.99	39	2.85	2.99	27	2.99
Cottage cheese		16 oz	1.67	11	1.67	2.50	24	2.50
Cream cheese		8 oz	1.99-3.79	32	2.61			
Ice cream		48-64oz	2.49-6.29	103	3.99	3.25-4.99	78	3.94
Sour cream		16 oz	1.67	11	1.67	2.50-2.99	51	2.76
Yogurt	Greek	4-6 oz	1.00	32	1.00			
Yogurt	Yogurt	4-6 oz	0.70-1.00	39	.92			

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 #	135	5.79	216	4.96		
Cheese	Natural Varieties	8 oz block					98	3.49

Wtd Avg - Simple weighted average



Cheese	Natural Varieties	8 oz shred					289	3.79
Ice cream		48-64oz					105	5.99
Milk	All fat tests	half gallon	1337	3.95	3024	4.10	1623	3.88
Milk	All fat tests	gallon	438	6.28			105	5.00
Milk	All fat tests	8 oz UHT	233	.88				
Sour cream		16 oz	214	2.50			214	2.50
Yogurt	Greek	4-6 oz			118	1.25		
Yogurt	Greek	32 oz			270	4.98	376	5.45
Yogurt	Yogurt	4-6 oz	181	1.32			72	.69
Yogurt	Yogurt	32 oz	1071	3.20			376	3.67

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 #	5.79	135	5.79						
Milk	All fat tests	half gallon	3.99-4.50	820	4.18	4.50	61	4.50			
Milk	All fat tests	gallon	5.99-6.99	308	6.51	5.99	61	5.99	5.49	69	5.49
Milk	All fat tests	8 oz UHT							0.88	233	.88
Sour cream		16 oz				2.50	214	2.50			
Yogurt	Yogurt	4-6 oz	0.99-1.50	181	1.32						
Yogurt	Yogurt	32 oz	3.49	465	3.49	3.50-3.79	275	3.56	2.50	331	2.50

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon				2.50	167	2.50	4.00	289	4.00

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

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

Wtd Avg - Simple weighted average



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



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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>

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