

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (9/11)

BUTTER: Grade AA closed at \$1.4800. The weekly average for Grade AA is \$1.4906 (-0.0004).

CHEESE: Barrels closed at \$1.5950 and 40# blocks at \$2.1650. The weekly average for barrels is \$1.6538 (+0.0963) and blocks, \$2.1563 (+0.2188).

NONFAT DRY MILK: Grade A closed at \$1.0400. The weekly average for Grade A is \$1.0381 (+0.0081).

DRY WHEY: Extra grade dry whey closed at \$0.3550. The weekly average for dry whey is \$0.3425 (+0.0085).

CHEESE HIGHLIGHTS: Cheese production, particularly in the Midwest and West, has been very busy. Plentiful milk in both those regions, along with reinvigorated market tones, has both customers and cheesemakers busy. The spot milk market was quiet following the holiday. The spot milk price range did not change from the previous week, from \$4 under Class to Class III. Fresh supplies of cheese are moving. Frozen and pizza restaurant cheese sales are keeping mozzarella and other Italian style cheesemakers busy. As mentioned, cheese market tones have strengthened in recent weeks. That said, as of Thursday there is an atypically large block to barrel price gap on the CME which many contacts suggest does not equate to a healthy market tone.

BUTTER HIGHLIGHTS: Across the county, surplus holiday cream provided the impetus that prompted butter plants to churn at a high rate over the weekend into this Labor Day holiday week. As such, there is some growth being displayed in stock levels for most butter manufacturers. Retail butter channels have begun to perform at seasonal levels, as inspired demand nudges up orders, with the commencing of the fall baking season. Food service is a little more active, but remains mostly steady across the regions as COVID-19 continues to impact consumer behavior. Regionally, bulk prices are flat market to 7.0 in the West; flat to 5.0 in the Central, and 2.0 to 7.0 over the market in the East.

FLUID MILK: Milk production across the U.S. is mostly steady and manufacturers are getting the milk needed for processing. But contacts note a slight decrease in milk output in California and in the Southeast. In the West, heat, drought and wildfires are challenging farmers to maintain milk production. And milk loads are moving from the Mid-Atlantic region into the Southeast to fill immediate needs. Condensed skim offers are increasing. Cream is still widely available following the holiday weekend. Expectations for Q4 cream availability are mixed, with cream suppliers and customers grappling with a myriad of factors as they begin their 2021 contract talks. F.O.B. cream multiples for all Classes are **1.30-1.41** in the East, **1.22-1.36** in the Midwest, and **1.05-1.25** in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk (NDM) prices shifted higher on somewhat steady, if not busier, market activity. High heat NDM prices are unchanged. Although low heat NDM production remains a focus for producers, the fall season has introduced more whole milk and buttermilk production. Dry buttermilk prices and dry whole milk prices are steady. The fall baking demand has begun. Dry whey prices are mixed, with ranges narrowing. Producers report having availability, with current production in good balance with demand. Whey production is active and in line with hearty cheese production. Prices for whey protein concentrate 34% are steady to higher. Some contacts think market activity has picked up, but it is hard to be overly optimistic given the weakness in higher whey protein concentrate markets. The market tone for lactose is stable, but prices are steady to lower. A few lower-priced spot sales appeared briefly on limited volumes. Casein prices moved only slightly as the rennet casein price range narrowed and the acid casein price range expanded. New Zealand has been able to increase acid casein production as the country is near peak milk production. And increasing milk output has helped rennet casein production in Ireland.

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DAIRY MARKET NEWS PRICE SUMMARY FOR SEPTEMBER 7-11, 2020

PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK					LACTOSE				
Central Low/Med. Heat	0.9800	1.0600	1.0000	1.0400	Central/East	0.9600	1.0300			Central/West	0.3600	0.6350	0.4600	0.5500
Change	0.0200	0.0200	N.C.	0.0200	Change	N.C.	N.C.			Change	-0.0400	N.C.	0.0150	-0.0250
Central High Heat	1.0900	1.1600			West	0.8500	1.0300	0.9200	0.9800	WPC 34%				
Change	N.C.	N.C.			Change	N.C.	N.C.	N.C.	N.C.	Central/West	0.7100	1.0250	0.7500	0.9450
West Low/Med. Heat	0.9450	1.0750	0.9700	1.0350	WHEY					Change	0.0100	N.C.	0.0300	-0.0300
Change	0.0050	0.0100	N.C.	N.C.	Central	0.2800	0.3600	0.2900	0.3150	CASEIN				
West High Heat	1.0500	1.2050			Change	0.0050	-0.0100	0.0100	0.0050	Rennet	3.4700	3.5525		
Change	N.C.	N.C.			West	0.2775	0.3800	0.3200	0.3600	Change	0.0025	-0.0025		
DRY WHOLE MILK					Change	N.C.	-0.0050	N.C.	N.C.	Acid	3.7975	3.8975		
National	1.5500	1.8000			Northeast	0.3200	0.3525			Change	-0.0025	N.C.		
Change	N.C.	N.C.			Change	N.C.	-0.0100			ANIMAL FEED WHEY				
										Central	0.2500	0.2700		
										Change	N.C.	N.C.		

DAIRY MARKET NEWS PRICE SUMMARY FOR AUGUST 31 - SEPTEMBER 11, 2020

PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Commodity	Range		Commodity	Range	
SMP			WHOLE MILK POWDER			BUTTER		
W. Europe	2525	2725	W. Europe	3175	3375	W. Europe	3975	4175
Change	150	50	Change	N.C.	N.C.	Change	25	50
Oceania	2625	2775	Oceania	2825	3000	Oceania	3300	3675
Change	N.C.	-375	Change	-100	-50	Change	N.C.	175
S. America	2550	2750	S. America	2850	3150	BUTTEROIL		
Change	N.C.	50	Change	N.C.	N.C.	W. Europe	4925	5025
WHEY						Change	N.C.	-75
W. Europe	800	1025				CHEDDAR CHEESE		
Change	25	N.C.				Oceania	3350	3700
						Change	-25	N.C.

DAIRY MARKET NEWS AT A GLANCE

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INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPE OVERVIEW: Discussions between the United Kingdom and European Union surrounding their future relationship are fraught with great uncertainty as to future trade relationships. The early September post heat wave report suggests milk production is quite decent in some countries compared to last year. Internal EU demand for sliced cheese is very good. This fact, coupled with lower milk production during the recent heat wave in Germany and France in particular, have led to tighter cheese supplies. **EASTERN EUROPE OVERVIEW:** Preliminary data for Poland indicates that July milk production was up from July last year. Production also was higher than the three-year average. The civil unrest in Belarus has disrupted some dairy exports.

OCEANIA OVERVIEW: AUSTRALIA: Milk production in Australia, July 2019 – June 2020, decreased 0.2 percent from the corresponding previous period, according to Dairy Australia. **NEW ZEALAND:** New Zealand is nearing the peak of seasonal milk production. This has also resulted in heavy production schedules at most dairy manufacturing plants. Early calving is expected to be beneficial to milk production. Last week a major dairy cooperative has reaffirmed the current milk pay price forecast.

SOUTH AMERICA OVERVIEW: Milk production in the Southern Cone of South America, **Argentina, Uruguay** and **Chile** continues to rise as the spring flush approaches. Improved weather conditions have produced healthy pastures for farmers. **Brazil** has endured dry weather conditions that have hindered the quality and growth of pastures. Industry contacts relay there is rain in different areas that will hopefully start to improve pastures. Milk output is slowly growing; however, milk intake volumes are behind compared to last year.

NATIONAL RETAIL REPORT (DMN): This week, total conventional ads are nearly the same as last week, but organic ads increased by 21 percent. While conventional ice cream in 48-64 oz containers is still the most featured dairy item, there was a 14 percent decline, as the ice cream season comes to an end. Reports show that the weighted average price for conventional ice cream 48 to 64-ounces is \$2.95, down 5 cents from the week before. The total number of conventional cheese ads decreased 13 percent from the previous survey period. The weighted average price for conventional 8-ounce cheese shreds was \$2.36, up 8 cents from last week. The weighted average price for 8-ounce conventional cheese blocks was \$2.18, down 4 cents from last week. The national weighted average advertised price for conventional milk in the half gallon container is \$1.99, compared to \$4.21 for organic milk half gallon. The result is an organic premium of \$2.22. The total number of milk ads decreased 10 percent for conventional but increased 11 percent for organic.

COMMODITY	MONDAY SEP 7	TUESDAY SEP 8	WEDNESDAY SEP 9	THURSDAY SEP 10	FRIDAY SEP 11	:: WEEKLY CHANGE	:: WEEKLY AVERAGE
CHEESE							
BARRELS	No Trading	\$1.7150 (+0.0150)	\$1.6750 (-0.0400)	\$1.6300 (-0.0450)	\$1.5950 (-0.0350)	:: (-0.1050)	:: \$1.6538 (+0.0963)
40 POUND BLOCKS	No Trading	\$2.1525 (+0.0275)	\$2.1575 (+0.0050)	\$2.1500 (-0.0075)	\$2.1650 (+0.0150)	:: (+0.0400)	:: \$2.1563 (+0.2188)
NONFAT DRY MILK							
GRADE A	No Trading	\$1.0300 (N.C.)	\$1.0425 (+0.0125)	\$1.0400 (-0.0025)	\$1.0400 (N.C.)	:: (+0.0100)	:: \$1.0381 (+0.0081)
BUTTER							
GRADE AA	No Trading	\$1.5000 (+0.0075)	\$1.5000 (N.C.)	\$1.4825 (-0.0175)	\$1.4800 (-0.0025)	:: (-0.0125)	:: \$1.4906 (-0.0004)
DRY WHEY							
EXTRA GRADE	No Trading	\$0.3325 (N.C.)	\$0.3375 (+0.0050)	\$0.3450 (+0.0075)	\$0.3550 (+0.0100)	:: (+0.0225)	:: \$0.3425 (+0.0085)

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

Churning continues on a very active basis for some Eastern butter plants, but tighter availability of excess cream, attributable to contracted cream fulfillment, prevents other plants from reaching full production levels. Butter stocks are more than adequate to meet current orders. While fall butter interest is improving, some manufacturers view current retail demand as below expectations. Retail grocery chains are placing orders, with plans to feature standalone butter, as the baking season arrives. Sources indicate that foodservice demand is the best it has been since the start of the pandemic. Export interest has been substantial. Bulk sales are steady. The wholesale bulk butter price ranges 2-7 cents over the CME, with various time frames and averages used. In years past butter prices edged up through the summer and held there as holiday orders were being placed. However, there is quite a bit of instability in the market as price changes occur more frequently in the COVID-19 pandemic. The current butter market undertone is unsettled.

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 - +0.0700

Secondary Sourced Information:

CME TRADING

CME Group's Tuesday spot butter trading ended the day at \$1.5000 up from the \$1.4650 close a week ago.

CME MONTHLY AVERAGE PRICE

The CME Group August 2020 monthly average price for AA butter, \$1.5038, is down from the previous average of \$1.6925. One year ago, the CME Group monthly average was \$2.2942.

CENTRAL

Cream remains accessible for butter churners following the holiday weekend. That said, some butter plant managers report they are hesitant about taking on more cream, as bulk butter supplies are plentiful, as well. Cream handlers say demand for cream, in general, is lackluster, but some Midwestern butter plants being down for maintenance has not aided finding homes for cream. With the exception of said plants undergoing planned downtime, production remains busy as Class IV producers prepare for fall

demand. Food service orders have climbed to a more comfortable point for some butter contacts. Even though they are notably lower than in previous years, they have shown more life in recent weeks. Some butter producers suggest retail orders remain higher than previous years' numbers. Butter market tones remain somewhat delicate of late. A number of contacts, even those with a bearish outlook earlier in the year, say \$1.50 butter market prices were not in their forecasts.

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

The CME Group August monthly average price for Grade AA butter was \$1.5038, compared to \$1.6925 in July.

WEST

In the West, due to the Labor Day holiday, the butter market was flooded with cream at the beginning of the week. However, processors were prepared for that and managed efficiently all the loads of cream they received. Butter production is active even though cream supplies are almost back to pre-holiday levels. Butter inventories have grown a bit. Domestic sales remain stable at last week's levels. Print butter demands are active, whereas the catering sector sales are mixed. Current lower U.S. prices could stimulate more international sales, but as of right now, export demands are unchanged. On September 3rd, USDA issued a request to purchase 2.6 million pounds of butter with a planned delivery date between January and April of next year. The COVID-19 and its repercussions on consumers' behaviors and lifestyles are keeping the butter market unsettled.

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

Secondary Sourced Information:

The Grade AA butter price at the CME Group on Wednesday closed at \$1.5000, compared to the weekly average price of \$1.4910 from last week.

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The CME Group August 2020 monthly average price for AA butter is \$1.5038, compared to the July 2020 monthly average of \$1.6925. One year ago, the CME Group monthly average was \$2.2942.

This week, a cooperative export assistance program accepted requests for 52,911 pounds (24 metric tons) of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 6.986 million pounds of butter (82% milkfat) and 1.981 million pounds of anhydrous milkfat in export markets. When combined with other dairy products, the program has assisted members with sales of 740.9 million pounds of milk on a milkfat basis.

2020 U.S. BUTTER AND MILKFAT EXPORTS (USDA-FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
July	5.7	+111
TOTAL, JAN – JUL	31.7	- 5
Exports – Destination Country		
1 Canada	9.7	- 9
2 Saudi Arabia	5.3	+ 79
3 Mexico	5.1	- 6
4 South Korea	2.7	- 7
5 Taiwan	1.3	+ 44

2020 U.S. BUTTER AND MILKFAT IMPORTS (USDA-FAS)

(Imports for Consumption)

	2020 Imports (Million Lb.)	% Change From 1 Year Ago
July Imports		
Total Butter, Fats, Milk (H.S. Code 0405)	13.9	+ 12
Butter		
Quota (H.S. Code 405101000)	1.1	- 21
Over Quota (H.S. Code 405102000)	6.5	- 10
AMF		
Quota (H.S. Code 405901020)	1.0	+ 71
Over Quota (H.S. Code 405902020)	0.9	- 55
Other Milk Fat	4.4	+226
	2020 Imports (Million Lb.)	% Change From 1 Year Ago
TOTAL, JAN – JUL	86.4	+ 15
Imports – Country of Origin		
1 Ireland	43.2	+ 11
2 India	15.8	+213
3 Mexico	12.4	- 10
4 New Zealand	2.8	- 21
5 France	2.7	+ 11

DAIRY PRODUCTS REPORT – BUTTER SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Butter Production – States and United States: July 2019 and 2020

Region	Monthly Production (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
United States	150,705	150,200	151,799	0.7	1.1
Atlantic	12,637	14,460	13,073	3.5	-9.6

Butter Production – Cumulative Production January - July

Report Month	Cumulative Production (1000 pounds)		Percent Change from 2019
	2019	2020	
July	1,199,871	1,274,839	6.2

CHEESE MARKETS

NORTHEAST

Cheese makers are receiving steady to lighter milk volumes due to additional milk loads clearing to Class I. Some Class III inventory levels are adequate for customers. On the CME Group, cheese block and barrel prices have shifted higher. Market participants' demands have improved compared to interests in August. There are buyers purchasing spot loads for immediate needs. In addition, USDA has extended programs to provide free meals to students in school or learning from home until the end of the year. Restaurant sales continue to vary with capacity limitations and consumer demands for every eatery. Market participants note, Italian type cheese interests are healthy, with current demands potentially outweighing available fresh supplies. Cheese markets have firmed this week. The DMN Northeast August 2020 monthly average price for cheddar blocks is \$2.4936, compared to \$3.3030 one month ago. Processed 5# sliced average price is \$2.0657, compared to \$2.7499 one month ago.

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

Cheddar 40 pound Block	2.3850-2.6725
Muenster	2.3725-2.7225
Process American 5 pound Sliced	1.6575-2.1375
Swiss 10-14 pound Cuts	3.8075-4.1300

MIDWESTERN

Midwestern cheesemakers remain busy. Spot milk trading was slower again, as a number of cheesemakers are not seeking milk outside of what they have internally or coming in via contract. Available milk, along with active customers, have added to the list of cheese producer contacts who say they are running either six or seven day workweeks, even over the holiday weekend. That said, some plants have been down in order to update/maintain their facilities. Regardless, cheese production has been quite busy in the Midwest for most of the summer and things do not look to change coming into the fall. Cheese inventory notes have changed, as well. Most contacts report cheese loads are moving out the door. Cheese market tones have benefited from the announcement of continued governmental lunch box programs. The large gap between block and barrel prices on the CME does remain an issue, but weekly average prices have resoundingly answered back following the precipitous drops in July and August.

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

Blue 5 pounds	2.5675-3.6375
Brick 5 pounds	2.3000-2.7250
Cheddar 40 pound Block	2.0225-2.4225
Monterey Jack 10 pounds	2.2750-2.4800
Mozzarella 5-6 pounds	2.1000-3.0450
Muenster 5 pounds	2.3000-2.7250
Process American 5 pound Loaf	1.6425-2.0025
Swiss 6-9 pound Cuts	3.3225-3.4400

WEST

Western cheese production is active. Industry contacts feel that the announcement of government purchases has spurred cash pit prices higher and prompted manufacturers to amp up cheese production. Some processors say that prices have been favorable for export sales. And, in addition, other market participants have put cheese into storage due to the difference between cash and futures prices. Manufacturers say demand has been strong for American type block cheese, and they have had no trouble selling supplies. Italian type cheeses are also in good demand. Normally, football season pizza sales might be a topic of discussion for this time of year, but with some league com-

petitions postponed, no fans in the stands and with smaller gatherings encouraged, it may be a more subdued season. That said, frozen and delivery pizza sales have remained strong. Cheese supplies are generally available for both block and barrel cheeses.

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

Cheddar 10 pound Cuts	2.2600-2.4600
Cheddar 40 pound Block	2.0125-2.5025
Monterey Jack 10 pounds	2.2475-2.5225
Process American 5 pound Loaf	1.6600-1.9150
Swiss 6-9 pound Cuts	3.6150-4.0450

FOREIGN TYPE

In Germany, the sliced cheese market tone is unchanged from last week. Recent increases in temperatures across the country have caused declines in milk production and, by the same token, drops in cheese outputs. As so, cheese inventories remain low. Generally, there are enough supplies of cheese to meet contracted orders, but additional inquiries can barely be fulfilled. Bulk consumers and food retailers are both taking sustained loads of sliced cheese. Demands from the catering service sector are fluctuating, partly due to weather outcomes and their repercussions on customers' traffic to restaurants and hotels. Other European Union countries have steady demands. In the U.S., domestic prices for blue, gorgonzola, parmesan, and Romano have increased by \$.1125, whereas Swiss cheese prices are up \$.9900. All other prices are steady.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.4450-3.9325*
Gorgonzola	3.6900-5.7400	2.9525-3.6700*
Parmesan	-0-	3.8325-5.9225*
Romano	-0-	3.6350-5.7900*
Sardo Romano (Argentina)	2.8500-4.7800	-0-
Reggianito (Argentina)	3.2900-4.7800	-0-
Jarlsberg	2.9500-6.4500	-0-
Swiss	-0-	3.8450-4.1675*
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	
09/07/2020	74983		81550	
09/01/2020	76114		81072	
CHANGE	-1131		478	
% CHANGE	-1		1	

Secondary Sourced Information:

EXPORT ASSISTANCE

This week, a cooperative export assistance program accepted requests for export assistance on contracts to sell 101,413 pounds (46 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 24.399 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 740.9 million pounds of milk on a milkfat basis.

CHEESE MARKETS

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Dairy Products Report – Cheese Summary

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Cheese Production – United States: July 2019 and 2020

Total Cheese ¹	Monthly Production (1000 pounds)			Percent Change from	
	July	June	July	July	June
	2019	2020	2020	2019	2020
United States	1,087,602	1,111,446	1,106,721	1.8	-0.4
Atlantic	135,083	134,468	135,438	0.3	0.7
Central	493,608	516,982	511,679	3.7	-1.0
West	458,911	459,996	459,604	0.2	-0.1

American Cheese ²	Monthly Production (1000 pounds)			Percent Change from	
	July	June	July	July	June
	2019	2020	2020	2019	2020
United States	434,449	436,406	451,739	4.0	3.5
Atlantic	28,092	27,281	28,016	-0.3	2.7
Central	214,916	221,172	225,090	4.7	1.8
West	191,441	187,953	198,633	3.8	5.7

Italian Cheese	Monthly Production (1000 pounds)			Percent Change from	
	July	June	July	July	June
	2019	2020	2020	2019	2020
United States	463,865	477,058	457,055	-1.5	-4.2
Atlantic	57,671	56,443	54,591	-5.3	-3.3
Central	186,323	193,793	186,419	0.1	-3.8
West	219,871	226,822	216,045	-1.7	-4.8

Cheese Production – Cumulative Production January - July

Cheese Type	Cumulative Production (1000 pounds)		Percent Change from
	2019	2020	2019
Total Cheese ¹	7,588,887	7,649,140	0.8
American Cheese ²	3,030,108	3,083,585	1.8
Italian Cheese	3,292,453	3,286,248	-0.2

1/ Excludes cottage cheese.

2/ Includes cheddar, colby, washed curd, stirred curd, Monterey and jack.

FLUID MILK AND CREAM

EAST

Northeast milk production is flat. Temperatures are in the 80s and pleasant for cow comfort. Class I sales have picked up this week. Balancing operations are receiving steady to lighter milk volumes. However, milk clearing to Class II and III operations has been better than previous years at this time, due to the pandemic and educational institutions needing fewer loads. **Mid-Atlantic** milk is adequate for Class I needs. Milk loads are traveling to the **Southeast** for some manufacturers' immediate needs. Eggnog and pumpkin spice flavored milk production is starting to pick up. Southeast milk production is tight as output is down. Most milk loads are clearing to Class I plants. There are no loads in manufacturing. Weather conditions are very humid, with thunderstorms and a heat index in the low 100s. Milk output has bottomed out with little to no expectations of an increase until the end of September. Class I sales are steady to slightly increased with schools in session and some government programs are purchasing extra loads from manufacturers this week. Some bottlers are receiving milk from other regions. **Cream** availability is loosening in the region. Market participants are purchasing loads based on multiples around the 1.30s to 1.40s currently. Yogurt orders from retailers are healthy. **Condensed skim** offers have increased on the spot market. Spot market activities are steady.

The DMN August average for Northeast Class II cream was \$2.1107, compared to \$2.3780 a month ago.

The DMN August monthly average for Northeast Class II condensed skim was \$0.9071, compared to \$0.8500 a month ago.

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:	1.3000 - 1.4100
Price Range - Class II; \$/LB Butterfat:	1.9383 - 2.1023

MIDWEST

Although cooler weather throughout the **Central** region has contacts expecting stronger production near term, current notes reflect steady week to week milk yields. Current yields are plentiful for the lighter Class I sales. Bottling demand varies state to state, but unsurprisingly, sales are markedly lower than in previous years. Some Class I contacts in Texas relayed slightly stronger weekly sales, while moving north, demand has declined slightly. Cheese and balancing plants have plentiful milk, as a number of plants for various Classes are undergoing updating/maintenance. Cheese plant managers are still seeing discounts on slow spot milk trading, unchanged from one week ago. Cheese production is and has been very active according to Midwestern cheese producers. **Cream** remains available following the holiday week. Butter plant managers reported multiples in the lower 1.20s, while Class II manufacturers are finding spot cream in and around the 1.30 multiple range. Expectations for Q4 cream markets are mixed. Some contacts say with less cream being spun off from school district bottling orders and typical fall demand upticks, cream may become very tight. Others suggest demand is and has been slightly underwhelming, and with uncertainty due to COVID-19 effects, cream may remain more available. Regardless, cream suppliers and customers are grappling with myriad factors as they begin their 2021 contract talks. Crop conditions in the **upper Midwest** remain positive in many areas. Farmers there say some scattered storms late last week did little to inhibit field work. Silage corn harvesting is underway, with strong yields expected, particularly when compared to the last two years, when fields were very wet to

unworkable. Dry weather in parts of Texas has some farmers there expecting questionable yields, but corn harvesting is moving along with workable, albeit dry fields in areas.

The DMN monthly average of the range price series for Upper Midwest Class II cream during August was \$2.1264, compared to \$2.3992 in July.

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:	1.2200 - 1.3600
Price Range - Class II; \$/LB Butterfat:	1.9234 - 2.0278
Multiples Range - Class II:	1.2900 - 1.3600

WEST

In **California**, the weather continues to be warm, reaching the three-digit numbers at times. Milk production has been stable to slightly down. Although milk loads are enough to fulfill day to day processing obligations, there are not much left for spot sales. Class I milk requests are unchanged from a week ago. In **Arizona**, milk yield is steady. Milk holdovers increased as the result of the closure of several manufacturing plants for the Labor Day holiday. Class I demands are steady. USDA announced last week that it will extend the school meal program across the U.S. from the end of September to December 31. The program, which usually operates during the summer months, started early this year because of the COVID-19 pandemic. The extension of the program will likely help clear milk. Milk production is following its usual course in **New Mexico**. Surplus milk volumes slightly increased this week. Class I and II demands have declined, but Class III sales are trending up. Annual maintenance projects at a few manufacturing facilities have caused a slow down in their processing schedules. Nonetheless, other plant managers took additional loads to help clear milk loads. **Pacific Northwest** milk production is strong. Manufacturers are not having any trouble getting the milk needed for processing. Bottling demand is steady. Drought conditions and wildfires are creating some concerns within the region but have not yet affected dairy production much. Winter snows will be crucial to recharging water supplies for next year's cropping season. Mountain state milk production in **Idaho, Utah, and Colorado**, is strong and steady. A few discounted loads of milk remain available in Idaho at \$4 under Class IV. Most manufacturers are running at or near full capacity to keep up with milk supplies. In the northern part of the region, adequate rainfall has resulted in good volumes of forages and water reservoir levels going into the fall. However, drought conditions, wildfires and a huge temperature swing resulting in an early snowfall have challenged farmers in some areas within the southern part of the region. During this holiday week, **condensed skim** and **cream** supplies both increased. Nonfat dry milk and butter plants were running full as they manage to keep holdovers under control. Ice cream makers have diminished their cream intakes this week. Cream multiples for all Class are a bit down on both sides of the range

Western U.S., F.O.B. Cream	
Multiples Range - All Classes:	1.0500 - 1.2500

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DAIRY PRODUCTS REPORT - ICE CREAM, REGULAR, HARD

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States De-

Ice Cream, Regular (Hard) Production – States and United States: July 2019 and 2020

Region	<u>Monthly Production (1000 lbs)</u>		<u>Percent Change from</u>		
	July 2019	June 2020	July 2020	July 2019	June 2020
United States	64,846	71,841	71,064	9.6	-1.1
Atlantic	14,478	14,421	15,669	8.2	8.7
Pennsylvania	3,913	3,528	3,860	-1.4	9.4
Central	39,155	44,456	42,311	8.1	-4.8
Missouri	2,801	2,877	2,760	-1.5	-4.1
Ohio	2,874	2,885	2,898	0.8	0.5
West	11,213	12,964	13,084	16.7	0.9
California	5,790	7,090	6,808	17.6	-4.0
Oregon	1,398	1,582	1,697	21.4	7.3
Utah	1,671	2,288	2,270	35.8	-0.8

Ice Cream, Regular (Hard) – Cumulative Production: January - July

Report Month	<u>Cumulative Production</u>		<u>Percent Change</u>
	(1000 lbs)		from
	2019	2020	2019
July	434,251	438,404	1.0

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 shifted higher on somewhat steady, if not busier, market activity. Customers say finding NDM at below \$1 is becoming increasingly difficult in the region. Condensed skim availability has varied in recent weeks, and although NDM production remains a focus of producers, the fall season has introduced more whole milk and buttermilk production. Additionally, some plants are just wrapping up or currently undergoing scheduled maintenance/updates. High heat NDM prices are unchanged, on a quiet spot trading week. In general, NDM market tones may have some positive pressure near term, as end user contacts suggest they are open to offers and seeking loads out to fulfill final quarter needs

EAST: The nonfat dry milk (NDM) market price is higher through the range, while steady to higher in the mostly series. With marginal milk production in sections of the East region, several school reopenings, and Class I milk shipments moving into the Southeast, some light nonfat dry milk processing is continuing. However, milk supply volumes will help increase production rates as the summer heat culminates. But, as it stands, nonfat output is moderate to light. Although trading has been rather quiet this week, sources did hint that higher NDM prices were emerging and with a smaller number of discounts from secondary sources when compared to last week. Accompanying the slowdown in trading, buyers give every indication of being cautious as the upward price swing occurs in an unsettled market. Manufacturers' July 2020 NDM inventories, in Pennsylvania, increased by 10.7 percent over June 2020. Stocks are mixed throughout the region. High heat nonfat dry milk prices are unchanged. Some manufacturers scheduled high heat runs this week, with the expectation of improved trade activity. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during August was \$.9921, compared to \$1.0177 in July.

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: 0.9800 - 1.0600
Mostly Range - Low & Medium Heat; \$/LB: 1.0000 - 1.0400

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

Low/medium heat nonfat dry milk prices have moved up on the range, but haven't changed on the mostly. According to industry players, supplies and demands are in good balance. However, stocks are of a young age structure, running between one to two months old. Last month, they were mostly four to five months old. A few wholesalers report receiving purchase requests from unhabitual customers. Low/medium heat nonfat dry milk demands from Mexico are steady. Domestic sales are lively. Production is active, particularly this week, with the closing of several processing facilities for Labor Day. Despite seemingly healthy market undertone, industry players are cautious while making their day to day buying decisions. High heat nonfat dry milk prices are unchanged on both ends of the range. Time constraints are keeping processors from producing too much high heat nonfat dry milk. Consequently, inventories remain just enough to meet pressing needs. The August 2020 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.9799 compared to \$1.0300 a year ago. The average for Western high heat nonfat dry milk is \$1.1096 compared to \$1.1870 a year ago.

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: .9450 - 1.0750
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

DAIRY PRODUCTS REPORT – NONFAT DRY MILK, HUMAN SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Nonfat Dry Milk, Human Production – States & United States: July 2019 and 2020

Region	Monthly Production (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
United States	172,329	147,134	163,446	-5.2	11.1
Atlantic	28,929	29,515	28,271	-2.3	-4.2
Pennsylvania	15,127	13,996	15,500	2.5	10.7
Central	37,544	37,989	35,513	-5.4	-6.5
West	105,856	79,630	99,662	-5.9	25.2
California	57,205	48,147	64,167	12.2	33.3
Other States	1/ 99,997	84,991	83,779	-16.2	-1.4

1/ States not shown when fewer than 3 plants reported or individual plant operations could be disclosed.

Nonfat Dry Milk, Human Production – Cumulative Production: January - July

Report Month	Cumulative Production (1000 pounds)		Percent Change from
	2019	2020	2019
July	1,164,227	1,172,106	0.7

Manufacturers' stocks end-of-month 3/

Product	End of month stocks (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
Nonfat dry milk, human	292,077	289,021	309,629	6.0	7.1

3/ Stocks held by manufacturers at all points and in transit.

Manufacturers' shipments 4/

Product	July		June		Percent Change from
	2019	2020	2020	2019	2020
Nonfat dry milk, human	173,434	198,480	136,829	-21.1	-31.1

4/ For dry products, shipments of bulk goods.

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.

-CONTINUED FROM PAGE 5-

U.S. NDM Exports, H.S. Code 0402100000(FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
JULY Total	166.0	+ 52
TOTAL, JAN - JULY	1,068.3	+ 28
1 Mexico	356.0	- 15
2 Philippines	144.6	+ 60
3 Indonesia	135.9	+ 97
4 Vietnam	79.8	+ 22
5 Malaysia	62.0	+ 137

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices in the Central region were unchanged on a somewhat slow trading week. Trading is in a push-pull scenario. Some producers report having available loads, but they were produced earlier in 2020 or in late 2019. Buyers are more actively seeking recent production. Also, end users who can utilize condensed buttermilk are taking on those loads. Buttermilk drying is mixed, as some plants are undergoing scheduled maintenance. Cream availability is uncertain for the rest of the year. It has been readily available in recent weeks, but some contacts expect tightness in the final quarter. Generally, dry buttermilk market tones have a lot of questions, but few expect markets to face too many bears during the fall baking season, which is underway.

EAST: Dry buttermilk prices are steady. Sources noted that they are not seeing dry buttermilk prices moving with nonfat dry milk prices this week. While production is light, dryer schedules meet processors' expectations for this time of year and stocks are at good working levels. End-users are comfortable for now, as some postponed shipments this week. The buttermilk market is unchanged. The DMN monthly average of the range price series for Central and East dry buttermilk during August was \$.9819, compared to \$1.0113 in July.

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

F.O.B. prices for western dry buttermilk are stable on the range and on the mostly series. There is a lot of condensed buttermilk available from churning; however, limitations in dry time are preventing processors from increasing dry buttermilk outputs. They are mainly producing based on how much they need to satisfy contractual obligations. Dry buttermilk spot sales are unchanged compared to the previous week. Inventories are in good balance with consumers' needs. The dry buttermilk market tone is steady. The August 2020 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.9440 compared to \$1.0291 a year ago.

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

DAIRY PRODUCTS REPORT – DRY BUTTERMILK SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Dry Buttermilk – United States: July 2019 and 2020

Region	Monthly Production (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
United States	9,857	9,008	9,011	-8.6	-

Manufacturers' stocks end-of-month 3/

Product	End of month stocks (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2019
Dry butter-milk, total	14,155	24,178	24,006	69.6	-0.7

3/ Stocks held by manufacturers at all points and in transit.

DRY WHOLE MILK - U.S.

Dry whole milk prices were unchanged on steady to slightly lighter trading. Fall baking demand has begun, but variant inventory levels throughout the country have kept the low prices at similar points. Brand preference pulled up the top of the range last week, and it has maintained into this week. Near term market outlook is somewhat mixed, but baking demand is giving some contacts more bullish viewpoints. Per usual, domestic whole milk drying is primarily based on contractual needs. The DMN average monthly price for dry whole milk in August was \$1.6714, compared to \$1.6978 in July.

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

Since early summer, dry whey prices in the region have mostly moved slightly lower or held steady week to week. This week, prices firmed on the mostly and the bottom of the range. End users, last week, began to report September offers were a little firmer than those of August. Producers do report having some availability, unsurprisingly as cheese production has been hearty in recent months, but they also suggest interest has picked up quite a bit. Some end users are looking to fulfill their end-of-year needs. Animal feed whey trading was slower this week, as prices are unchanged. The dry whey market tone is far from certain. That said, one positive factor contacts have pointed out is an uptick in Southeast Asia, as they rebuild their pig farms following the African swine fever epidemic. Still, COVID-19's effect on the entire whey complex, particularly higher protein blends processed into retail products used by gym goers, does little to assure contacts of stronger market sentiment in the near term.

The DMN monthly average of the mostly price series for Central dry whey during August was \$.3010, compared to \$.3215 in July. The monthly average of the range price series for Central animal feed whey during August was \$.2540, compared to \$.2680 in July.

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: .2800 - .3600
Mostly Range - Non-Hygroscopic; \$/LB: .2900 - .3150

Secondary Sourced Information:

The CME Group monthly average price for Extra Grade Whey during August was \$.3276, compared to \$.3253 in July.

DRY WHEY- NORTHEAST

Whey powder prices continue to dip lower on the top of the range. With strong Class III production, manufacturers are able to push heavy drying schedules. Inventory levels are balanced to growing. Customers are purchasing weekly loads, however spot market activities are a bit quiet. There are reports exports have been healthy for manufacturers. Industry contacts sense market conditions are currently stagnant. Some market participants have adequate inventory levels and do not plan to purchase on the spot market. On the CME Group, spot prices are around the \$0.3300 mark. The market tone is a bit soft.

The August 2020 Dairy Market News monthly average for Northeast dry whey was \$ 0.3487 compared to \$ 0.3489 one month ago.

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 - .3525

Secondary Sourced Information:

The August 2020 dry whey extra grade monthly average price, at the CME Group, is \$ 0.3276 compared to \$0.3253 the previous month.

DRY WHEY- WEST

Western whey prices are mostly unchanged but moved slightly lower at the top of the price range. Industry contacts say they are not having any issues moving whey through contracts, and demand from buyers is steady. Although whey supplies are readily available, current production is in good balance with demand. Some contacts think this could change if stronger cheese prices continue to promote cheese production. The resulting increase of whey solids, coupled with weak markets for whey protein concentrates, could prompt more dry whey production.

The DMN monthly average of the mostly price series for West dry whey during August was \$.3412 compared to \$.3495 one month ago and \$.3451 a year ago.

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 - .3800
Mostly Range - Non-Hygroscopic; \$/LB: .3200 - .3600

Secondary Sourced Information:

The Extra Grade Dry Whey price at the CME Group on Wednesday closed at \$.3375, compared to the weekly average price of \$.3340 from last week.

The CME Group monthly average price for dry whey during August was \$.3276, compared to \$.3253 a month ago and \$.3701 a year ago.

U.S. DRY WHEY EXPORTS. H.S. CODE 0404104000(FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
JULY Total	40.7	+ 65
TOTAL, JAN - JULY	255.8	+ 25
1 China	104.9	+127
2 Indonesia	18.3	+ 91
3 Mexico	16.7	- 18
4 Philippines	15.0	- 35
5 Vietnam	14.9	+ 3

CONTINUED ON PAGE 6A

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.

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DAIRY PRODUCTS REPORT – WHEY SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Dry Whey (Human) Production – States and United States					
State	Monthly Production (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
United States	80,892	83,540	82,646	2.2	-1.1
Atlantic	23,396	21,204	21,341	-8.8	0.6
Central	35,938	42,126	39,697	10.5	-5.8
Wisconsin	23,521	25,889	23,111	-1.7	-10.7
West	21,558	20,210	21,608	0.2	6.9

Dry Whey – Cumulative Production January - July			
Dry Whey	Cumulative Production (1000 pounds)		Percent Change from
	2019	2020	2019
Total ¹	556,259	576,583	3.7
Human ²	546,030	566,450	3.7

1. Excludes all modified dry whey products.
2. Values are calculated from Dairy Products report data.

Manufacturers' stocks end of month ³					
Dry Whey	End of month stocks (1000 pounds)			Percent Change from	
	July 2019	June 2020	July 2020	July 2019	June 2020
Human	65,500	83,518	82,830	26.5	-0.8
Animal	2,135	1,078	1,655	-22.5	53.5
Total	67,635	84,596	84,485	24.9	-0.1

3. Stocks held by manufacturers at all points and in transit.

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices moved slightly higher at the bottom of the price range, and the mostly price series narrowed. Some contacts think market activity has picked up, inventories are in better balance and recent improvements in nonfat dry milk prices have helped support WPC 34% prices. However, others say it is hard to be overly optimistic given the weakness in higher whey protein concentrate markets. The sports nutrition segment has been weak, and that may not change until gyms and school sports seasons reopen more fully. WPC 34% that meets stringent end user specifications, such as infant formula requirements, are less encumbered by the external forces that affect WPC 34% that is more interchangeable with other dairy proteins. Favored brands of WPC 34% are still in higher demand and have tighter supplies. WPC 34% production is steady.

The August 2020 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% is \$.8591, compared to \$.8945 in July and \$.9444 one year ago.

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: .7100 - 1.0250
Mostly Range - 34% Protein; \$/LB: .7500 - .9450

DAIRY PRODUCTS REPORT – WHEY DERIVATIVES SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Product	Selected Whey Derivatives Production – United States					
	Monthly Production (1000 pounds)			Percent Change from		
	JUL 2019	JUN 2020	JUL 2020	JUL 2019	JUN 2020	
Whey Protein Concentrate, human and animal						
25.0-49.9 percent	15,058	14,212	14,181	-5.8	-0.2	
50.0-89.9 percent	24,744	25,573	24,785	0.2	-3.1	
Whey protein isolates, 90.0 percent or greater						
	9,754	10,221	9,912	1.6	-3.0	
Lactose, human and animal						
	106,989	101,024	99,629	-6.9	-1.4	

Selected Whey Derivatives – Cumulative Production January - July

Product	Percent Cumulative Production Change (1000 pounds) from		
	2019	2020	2019
Whey Protein Concentrate, human and animal ¹			
25.0-49.9 percent	106,800	103,162	-3.4
50.0-89.9 percent	179,516	171,289	-4.6
Whey protein isolates, 90.0 percent or greater ¹			
	72,106	69,097	-4.2
Lactose, human and animal			
	758,539	658,624	-13.2

1. Values are calculated from Dairy Products report data.

Product	Manufacturers' stocks end of month ²					
	End of month stocks (1000 pounds)			Percent Change from		
	JUL 2019	JUN 2020	JUL 2020	JUL 2019	JUN 2020	
Whey Protein Concentrate, human and animal						
25.0-49.9 percent	22,030	25,312	24,785	12.5	-2.1	
50.0-89.9 percent	38,943	41,516	40,760	4.7	-1.8	
Whey protein isolates, 90.0 percent or greater						
	18,387	16,456	17,583	-4.4	6.8	
Lactose, human and animal						
	114,247	96,259	98,006	-14.2	1.8	

2. Stocks held by manufacturers at all points and in transit.

U.S. WPC < 80% EXPORTS, H.S. CODE 0404100500(FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
JULY Total	27.8	+ 31
TOTAL, JAN - JULY	175.9	+ 15
1 China	66.6	+ 65
2 Mexico	26.9	- 40
3 Canada	21.4	+ 26
4 Philippines	14.9	+ 67
5 Indonesia	9.0	+ 24

CONTINUED ON PAGE 6B

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.

CONTINUED FROM PAGE 6A**CASEIN****LACTOSE**

The market tone for lactose is steady. The mostly price series narrowed, the top of the price range is unchanged, and the bottom of the price range moved lower. A few lower-priced spot sales appeared briefly on limited volumes. Most manufacturers report inventories are comfortable, and spot lactose prices are in the upper \$.40s to the lower/mid \$.50s. Manufacturers and buyers are posturing while trying to finalize Q4 contracts. Some contacts say there is more European lactose that is competing in a few international markets. U.S. lactose production is steady to lower as a few processors try to control the amount of higher whey protein concentrates they produce.

The August 2020 Dairy Market News average of the mostly price series for Central and West lactose was \$0.5136, compared to \$0.5170 in July, and \$.2973 one year ago.

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: .3600 - .6350
 Mostly Range - Non Pharmaceutical; \$/LB: .4600 - .5500

Acid casein prices dipped slightly at the low end of the price range but remained steady at the top. Rennet casein prices increased at the low end of the price range and moved slightly lower at the top.

New Zealand has recently been able to increase acid casein production utilizing milk produced near the peak of the milk production season. Contracting is underway but many negotiations await finalization. Pricing in coming weeks is awaiting finalization of more contracts as a guide to where prices may go.

Ireland is a significant source for rennet casein in Western Europe. Increasing milk production in recent months has benefitted casein production schedules in Ireland. France, another of the top European casein producers, is emerging from lower milk production following the recent heat wave. Most buyers from Europe are contracted. Currently Ireland is more likely to have non contracted casein for last minute buyers.

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: 3.7975-3.8975
 Rennet; Price Range - \$/LB: 3.4700-3.5525

DAIRY PRODUCTS REPORT – LACTOSE SUMMARY

Released September 3, 2020, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Monthly Production – United States

Product	Monthly Production (1000 pounds)		Percent Change from	
	July 2019	June 2020	July 2020	July 2019
Lactose, human and animal	106,989	101,024	99,629	-6.9
				-1.4

Cumulative Production January - July

Product	Cumulative Production (1000 pounds)		Percent Change from 2019
	2019	2020	
Lactose, human and animal	758,539	658,624	-13.2

Manufacturers' stocks end of month 1

Product	End of month stocks (1000 pounds)		Percent Change from	
	July 2019	June 2020	July 2020	July 2019
Lactose, human and animal	114,247	96,259	98,006	-14.2
				1.8

1. Stocks held by manufacturers at all points and in transit.

U.S. LACTOSE EXPORTS, H.S. CODE 1702110000(FAS)

	2020 Exports (Million Lb.)	% Change From 1 Year Ago
JULY Total	56.3	- 10
TOTAL, JAN - JULY	408.2	+ 70
1 China	61.4	- 1
2 New Zealand	51.9	+ 1
3 Japan	46.1	+ 8
4 Mexico	43.2	- 30
5 Indonesia	30.7	+57

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
08/29/2020	54.1	2,064.3	61.7	2,167.6

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
09/05/2020	1,4715 5,741,566	1,8058 11,879,996	1,4790 13,424,023	.3103 7,189,283	.9723 20,506,139

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	09/04	09/07	09/08	09/09	09/10
SEP 20	17.06	No Trading	16.85	16.62	16.52
OCT 20	18.89		18.81	18.48	18.63
NOV 20	17.55		17.39	17.25	17.27

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

DATE	09/04	09/07	09/08	09/09	09/10
SEP 20	12.82	No Trading	12.83	12.83	12.77
OCT 20	13.86		13.85	13.64	13.60
NOV 20	14.39		14.27	14.25	14.07

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

DATE	09/04	09/07	09/08	09/09	09/10
SEP 20	151.78	No Trading	151.80	151.25	149.25
OCT 20	164.00		162.03	158.53	158.40
NOV 20	168.25		167.45	164.90	163.00

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

DATE	09/04	09/07	09/08	09/09	09/10
SEP 20	99.80	No Trading	100.05	99.95	99.75
OCT 20	105.00		105.00	105.53	105.00
NOV 20	108.90		108.50	109.35	108.10

WHEY (Electronic-Traded) (¢/lb)

DATE	09/04	09/07	09/08	09/09	09/10
SEP 20	31.50	No Trading	31.50	31.50	31.50
OCT 20	31.00		31.00	31.00	31.00
NOV 20	31.40		31.40	31.50	31.50

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

DATE	09/04	09/07	09/08	09/09	09/10
SEP 20	1.96	No Trading	1.96	1.95	1.95
OCT 20	2.09		2.09	2.08	2.13
NOV 20	1.97		1.97	1.96	1.96

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

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered August 31– September 11, 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

Discussions between the United Kingdom and European Union surrounding their future relationship recently took a new direction. The UK proposes rescinding some parts of previous agreements affecting Northern Irish borders. This leaves great uncertainty as to future trade relationships.

Early September post heat wave milk production is reported to be quite decent in some countries. Irish sources say that even in July, very wet summer helped milk production rebound to a good increase compared with last year. The same perspective comes from Germany for early September.

Internal EU demand for sliced cheese is very good. This fact, coupled with lower milk production during the recent heat wave in Germany and France in particular, have led to tighter cheese supplies. Some aging stocks have been sacrificed to meet current demand. A longer-term goal is to build the aging stocks, but not now. Current contracts are being met. Some inquiries for new contracts cannot be met.

EASTERN OVERVIEW

Preliminary data for Poland indicates that July milk production was up from July last year. Production also was higher than the three-year average. The civil unrest in Belarus has disrupted some dairy exports. Uncertainty as to normalization returning is an active topic of discussion.

BUTTER/BUTTEROIL

Butter prices in Western Europe are higher. Within countries, the highest prices are found in Germany, followed by Netherlands, Italy and France. Butteroil prices are steady to slightly lower.

While packaged butter demand is classified as generally stable, the perceived high price of cream has resulted in less butter churning. That is lifting prices. The same situation prevails as to bulk butter. Less bulk butter is being made due to cream prices. That has increased butter prices for buyers who want butter in the near term. Many holders of butter in cold storage are only too happy to sell at higher current prices, often above the price basis of the stored butter.

Contracting for new butter production is slow because buyers are resistant to making longer term commitments to current pricing. Some buyers say they expect lower butter prices by late October, continuing lower into early 2021. That expectation is keeping these buyers cautious until some seller price concessions evolve.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 3,975 - 4,175

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 4,925 - 5,025

SKIM MILK POWDER

Western European skim milk powder prices firmed. The highest prices are reported from plants in Germany, followed by France and Netherlands. Sources from some plants report increased buying interest. Often that is leading to resistance from buyers as to what price sellers expect. While the hit on Western European milk production from the recent heat wave has abated, SMP manufacturers are still catching up on production.

That leaves asking prices a bit higher than some buyers like. Many contracts through 2020 and into 2021 point to additional SMP price firming. That is giving some confidence to manufacturers in holding close to asking prices. Buyers who can wait and see are not sure how long to wait. Buyers not covered for Q4 2020 do not have much longer to get stocked and manufacturers say that some regular buyers are not yet covered. The SMP market is shaking itself out. SMP will be available but pricing is still a sticking point for some participants.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,525 - 2,725

DRY WHEY

In Western Europe, whey powder prices are mixed but very close to the last price report. German manufacturers tend to receive higher prices than in Netherlands. Demand is called stable to slightly revived. Manufacturers and buyers do not expect very much price fluctuation in coming months. That contributes to an orderly market.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 800 - 1,025

WHOLE MILK POWDER

Whole milk powder prices in Western Europe are steady. Plants in Germany report the highest prices followed by plants in Netherlands. There is inconsistency among prices in various countries.

This market has been quiet and stable. Manufacturers have a good sense of what regular customers will buy and production is scheduled accordingly. Occasional export orders lead to special production schedules but that is not a very common occurrence, especially with New Zealand WMP production near the seasonal peak and prices there being lower.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,175 - 3,375

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered August 31 - September 11, 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 – June 2020 milk production in Australia decreased 0.2 percent from the corresponding previous period, according to Dairy Australia. June 2020 milk production, 623.5 million liters, was 4.1 percent higher than June 2019. More detailed production data are in the table which follows.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

July 2019 - June 2020

State	Million Percent Change		Percentage	
	Liters	From 1 Year Ago	Milkfat	Protein
New South Wales	1,043.6	- 3.6	4.10	3.43
Victoria	5,618.7	+ 0.8	4.31	3.52
Queensland	311.0	-12.9	4.18	3.40
South Australia	487.9	- 1.7	4.13	3.41
Western Australia	364.3	- 2.7	4.00	3.32
Tasmania	950.0	+ 4.4	4.88	3.76
Australia (Total)	8,775.5	- 0.2	4.29*	3.51**

+1.5 percent from prior year period
 ** +2.0 percent from prior year period

NEW ZEALAND: New Zealand is nearing the peak of seasonal milk production. This has also resulted in heavy production schedules at most dairy manufacturing plants. Early calving is expected to be beneficial to milk production. With a majority of New Zealand dairy production and products exported, New Zealand is quite focused on global conditions. A continuing concern is whether economic growth will slow, which would likely slow export demand. So far the New Zealand view is that dairy demand is growing.

Following the advent of COVID-19, New Zealand required some skilled foreign farm workers to return to their countries of citizenship. This week that was eased, so some visa holding farm workers with past ties to New Zealand will be allowed to return.

Last week a major dairy cooperative has reaffirmed the current milk pay price forecast. Ultimately this will depend on dairy product pricing holding, especially whole milk powder.

BUTTER/BUTTEROIL

Butter prices in Oceania are steady to higher. Demand for current delivery has increased and buyers are paying more to get stocked. The magnitude of the price increase was a surprise to some people, especially buyers who needed to stock up now. Some participants had expected weaker prices but that did not occur. Buyers who could contract for delivery late in 2020 were able to secure lower pricing. While some analysts do not think the higher prices can hold, there had been some thought two weeks ago that prices would decline. Because prices increased, discussions are actively evaluating what may happen next for near term deliveries.

Oceania, 82% Butterfat, Free on Board - Port Butter
 Price Range - \$/MT: 3,300 - 3,675

Secondary Sourced Information:

At GDT event 267 on September 1, 2020, the butter all contracts price, \$3,334, decreased 1.2 percent. The October contract, \$3,670, increased 9.1 percent.

SKIM MILK POWDER

Skim milk powder prices in Oceania are mixed. Low range prices held steady. Upper range prices significantly dipped. Near term SMP pricing has been somewhat volatile. The magnitude of the increase two weeks ago surprised many people. This week the previous increase pulled back down. So yes there was a very noticeable price dip this week, but that was a dip from a significant increase.

Production is near the seasonal high. Export interest from Southeast Asia and China has been decent. Manufacturers are filling contracts and see the market in pretty good balance

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
 Price Range - 1.25% Butterfat; \$/MT: 2,625 - 2,775

Secondary Sourced Information:

At GDT event 267 on September 1, 2020, the skim milk powder all contracts price, \$2,663, increased 1.8 percent. The October contract, \$2,771, decreased 12.4 percent.

CHEESE

Oceania cheddar prices dipped slightly at the bottom of the price range but remained steady at the top. Higher pricing tends to relate to current sales. Buyers who can wait for deliveries can get lower range pricing. Manufacturers say that current buying interest was a bit heavier than they had expected. There will be plenty of cheese for contract obligations but the current pacing of buying is a factor this period.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,
 Price Range - \$/MT: 3,350 - 3,700

Secondary Sourced Information:

At GDT event 267 on September 1, 2020, the cheddar all contracts price, \$3,428, decreased 0.4 percent. The October contract, \$3,618, increased 2.5 percent.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered August 31 - September 11, 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 8A

WHOLE MILK POWDER

Oceania whole milk powder prices moved lower. Although it seems like not long ago that the new milk season began, New Zealand is now nearly at the peak of seasonal milk production. WMP plants are very actively drying. Production is high. At the same time, buying interest from the Middle East eased. New Zealand is very export focused so all of this coalesced to slightly weaken prices.

WMP is a mainstay of Oceania dairy product production. WMP pricing is a significant factor in determining seasonal milk pay prices. Dairy managers feel the market is close to balanced and demand is good. However, antennas are up for signs of an economic slowdown. That is a factor that could adversely affect dairy export sales.

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

Price Range - 26% Butterfat; \$/MT: 2,825 - 3,000

Secondary Sourced Information:

At GDT event 267 on September 1, 2020, the whole milk powder all contracts price, \$2,884, decreased 2.0 percent. The October contract, \$2,941, decreased 3.1 percent.

**Exchange rates for selected foreign currencies:
September 7, 2020**

.0134 Argentina Peso	.0136 India Rupee
.7276 Australian Dollar	.0094 Japan yen
.1887 Brazil Real	.0463 Mexican Peso
.7635 Canadian Dollar	.6692 New Zealand Dollar
.0013 Chile Peso	.2663 Poland Zloty
1.1816 Euro	.0236 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0463) = 21.5983$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered August 31 - September 11, 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

Milk production in the Southern Cone of South America, Argentina, Uruguay and Chile continues to rise as the spring flush approaches. Improved weather conditions have assisted with healthy pastures for farmers. Some market participants report there are enough raw milk supplies to meet dairy processors' needs. The industry is adjusting to a new normal from the pandemic as social distancing procedures are becoming a new operating standard in processing plants. Manufacturers are also adapting to changes in consumer consumptions, by producing more fluid milk, particularly UHT milk. Ice cream and chocolate plants have revved up production schedules ahead of the spring/summer. Cheese sales are healthy as the food service sector continues to improve.

Brazil has endured dry weather conditions that have hindered the quality and growth of pastures. Industry contacts relay there is rain in different areas that will hopefully start to improve pastures. Milk output is slowly growing, however milk intake volumes are behind compared to last year. Currently, raw milk is limited to meet most processing needs. Some operations continue to prioritize UHT milk production over other dairy products. The powdered milk markets are fairly steady with somewhat slower trading activity.

Market participants expect WMP production to rise along with seasonal milk output increases. Unless consumer demand for finished goods improves, this may place downward pressure on WMP prices in the near term.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 2,850 - 3,150

Secondary Sourced Information:

At the GDT Event 267 on September 1, whole milk powder (WMP) prices across all contract periods averaged \$2,884 per metric ton, down 2.0 percent from the last event.

SKIM MILK POWDER

In the first half of September, skim milk powder (SMP) market activities are a bit slower, with some buyers being on the sidelines due to the economic challenges from the pandemic. In general, SMP demands have been solid for many market participants and some have no difficulties within the industry in trading activities and current interests. There are anticipations prices will grow in the coming months due to limited trading in international markets and ice cream and chocolate operations increasing production schedules ahead of the spring/summer. SMP production is prompted by higher condensed skim milk volumes. Manufacturers' inventory levels are fairly balanced with most spot and contractual needs.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,550 - 2,750

Secondary Sourced Information:

At the GDT Event 267 on September 1, skim milk powder (SMP) prices across all contract periods averaged \$2,663 per metric ton, up 1.8 percent from the last event.

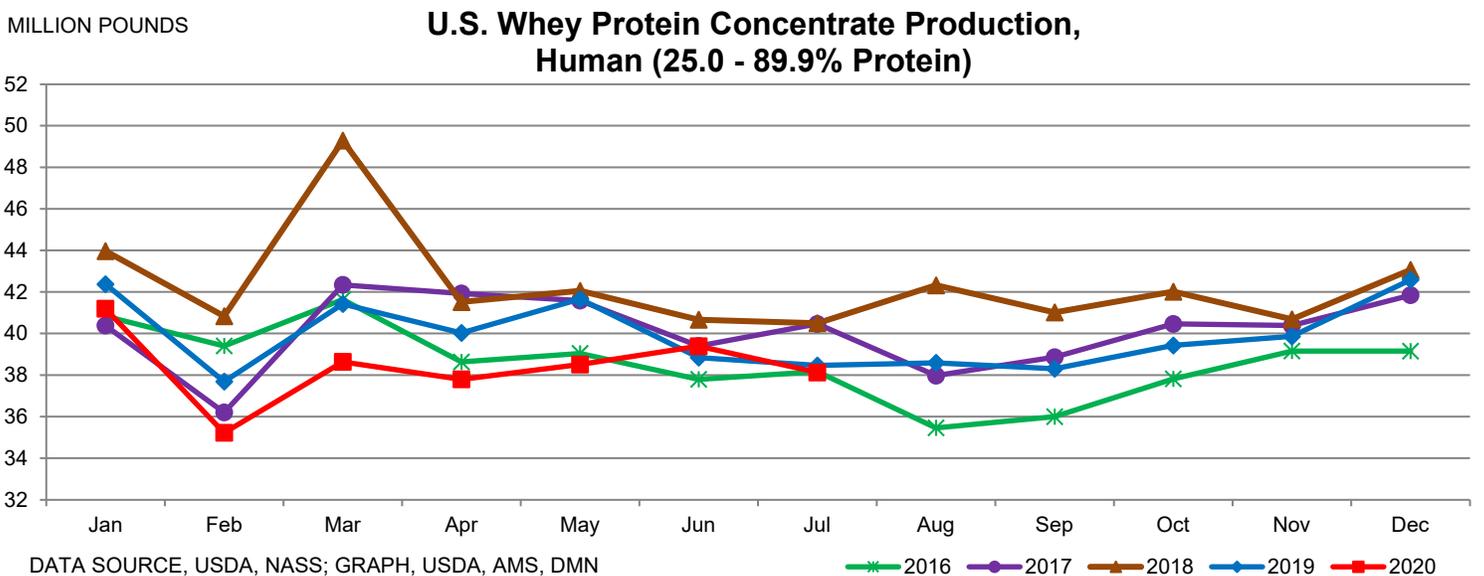
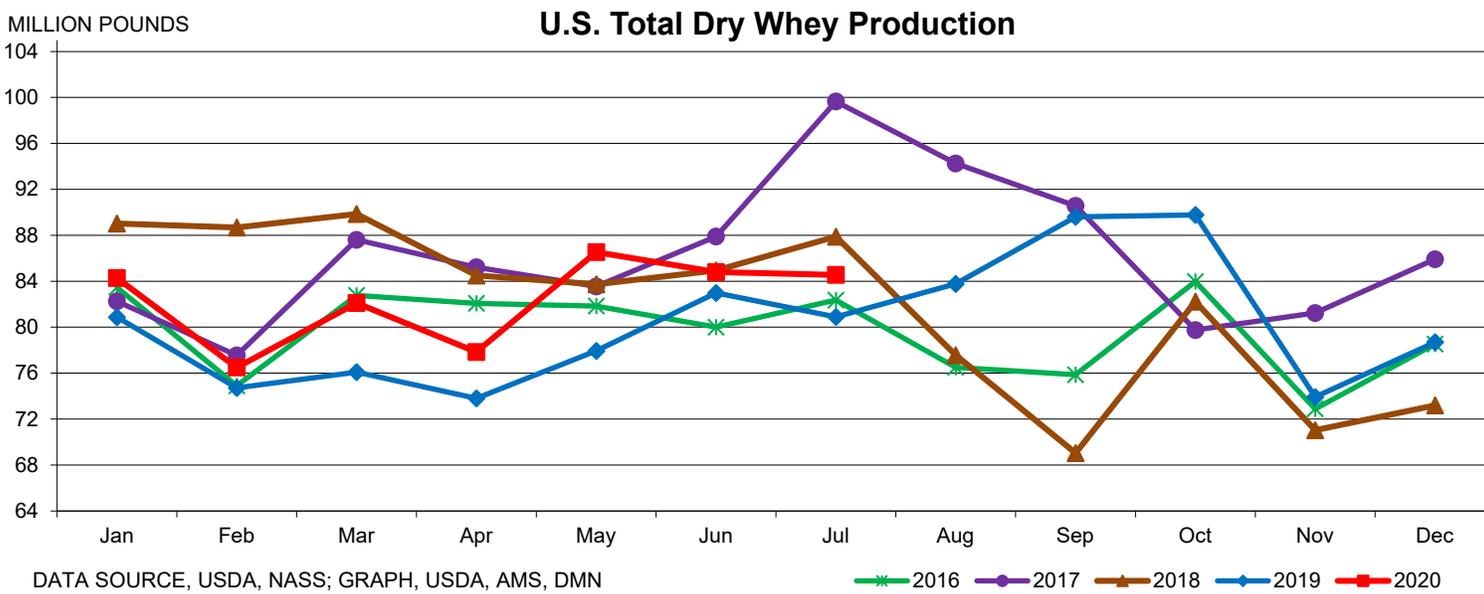
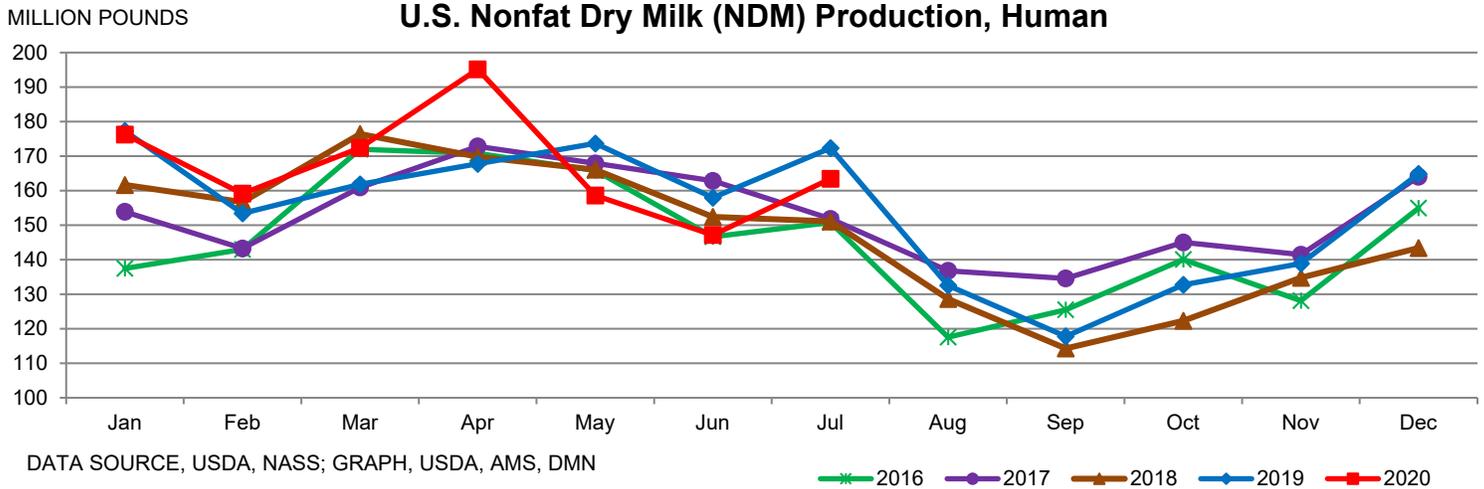
WHOLE MILK POWDER

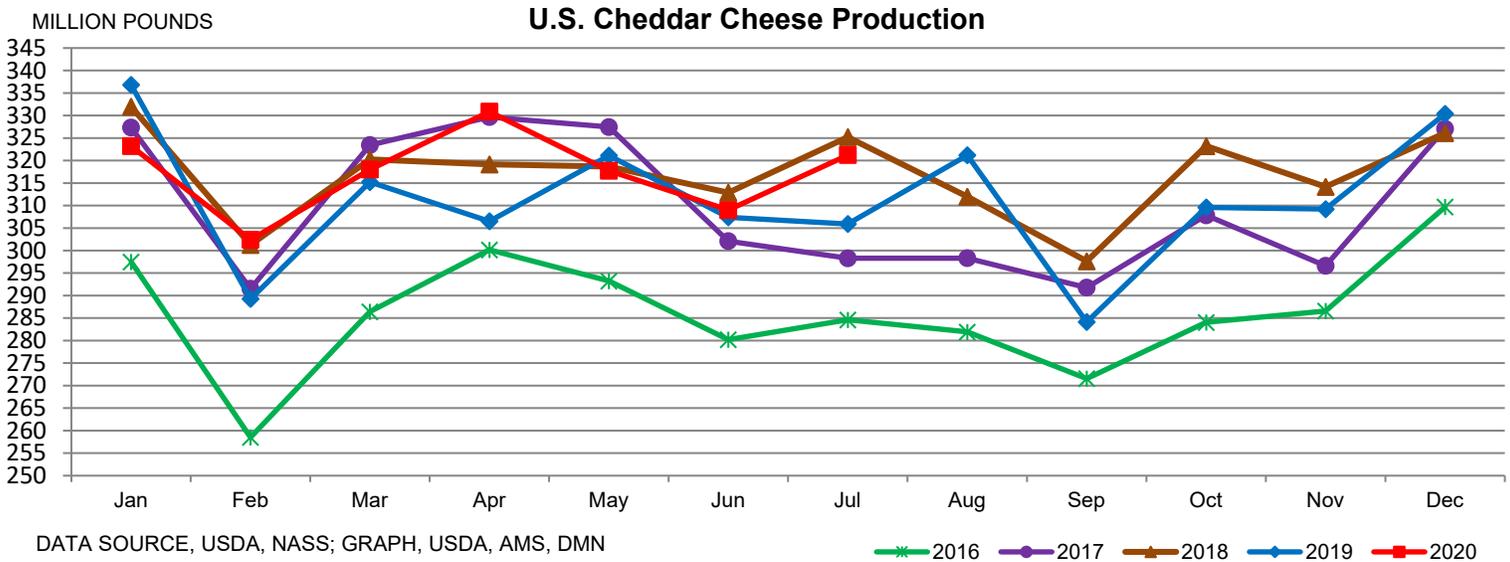
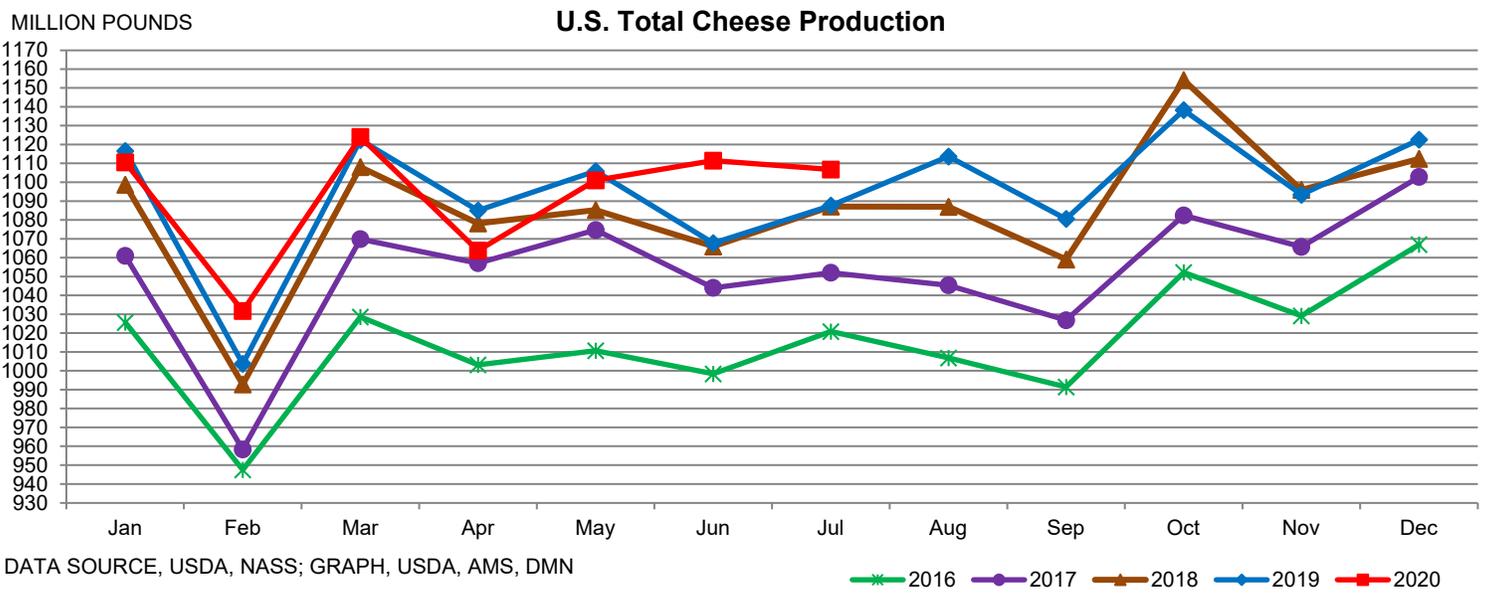
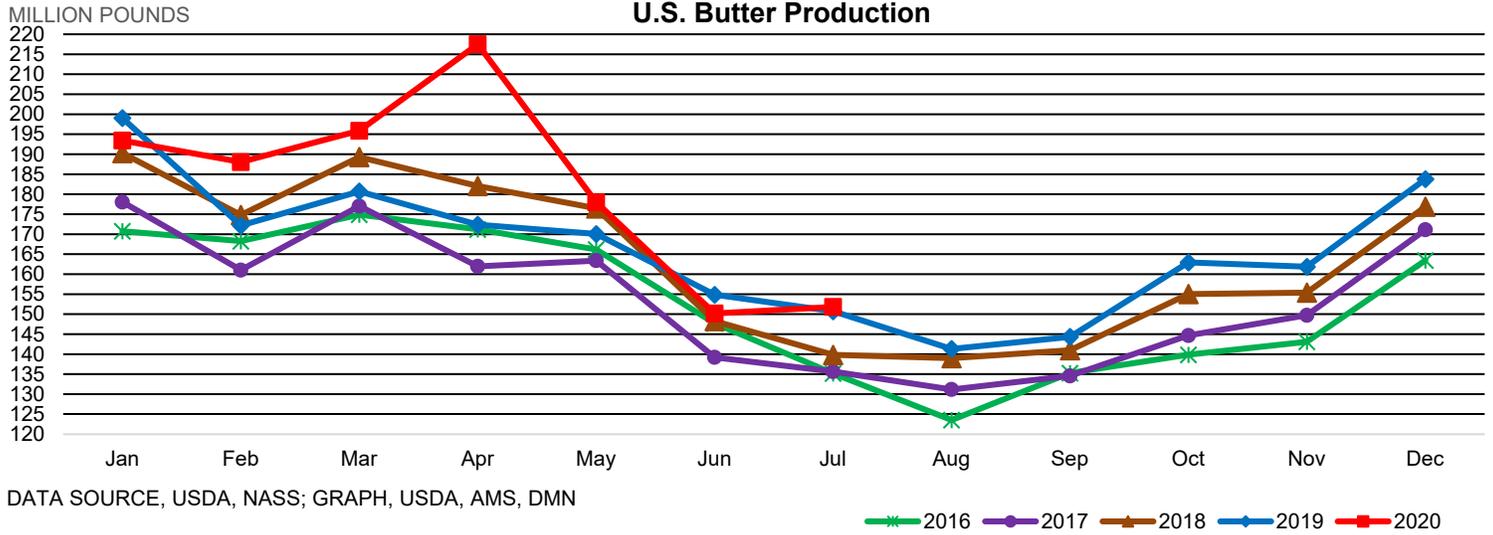
Whole milk powder prices in South America are unchanged from last week. Industry contacts say demand has eased back slightly. While export sales to Algeria and Brazil have been strong, weaker oil prices, currency issues and uncertainty caused by the coronavirus pandemic have held back sales. WMP production is steady but has had to compete with UHT milk processing for available milk supplies. However, buyers say WMP stocks are still readily available.

2020 INTERNATIONAL MONTHLY AVERAGES

AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
DAIRY MARKET NEWS ¹								
BUTTER (82% BUTTERFAT)								
-- OCEANIA	4096	4169	4273	4210	3824	3641	3639	3440
-- WEST EUROPE	4045	3938	3626	2602	2579	3056	3857	4063
BUTTEROIL (99% BUTTERFAT)								
-- WEST EUROPE	5056	4981	4414	3758	3594	3699	4706	4945
CHEDDAR CHEESE (39% MAXIMUM MOISTURE)								
-- OCEANIA	4034	4431	4365	4427	4018	3835	3845	3531
SKIM MILK POWDER (1.25% BUTTERFAT)								
-- OCEANIA	3076	3006	2755	2549	2548	2624	2737	2801
-- SOUTH AMERICA	3020	2875	2695	2600	2536	2627	2693	2626
-- WEST EUROPE	2906	2838	2460	1816	1836	2102	2478	2512
WHEY POWDER (NONHYGROSCOPIC)								
-- WEST EUROPE	923	913	882	710	734	784	911	907
WHOLE MILK POWDER (26% BUTTERFAT)								
-- OCEANIA	3185	3006	2870	2765	2715	2798	3204	3020
-- SOUTH AMERICA	3183	3050	2905	2900	2877	2904	3097	3036
-- WEST EUROPE	3416	3350	3061	2476	2398	2618	3167	3281

¹ Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays and Sundays excluded.







Dairy Market News Branch

Agricultural
Marketing
Service

National Retail Report-Dairy

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

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Friday, September 11, 2020

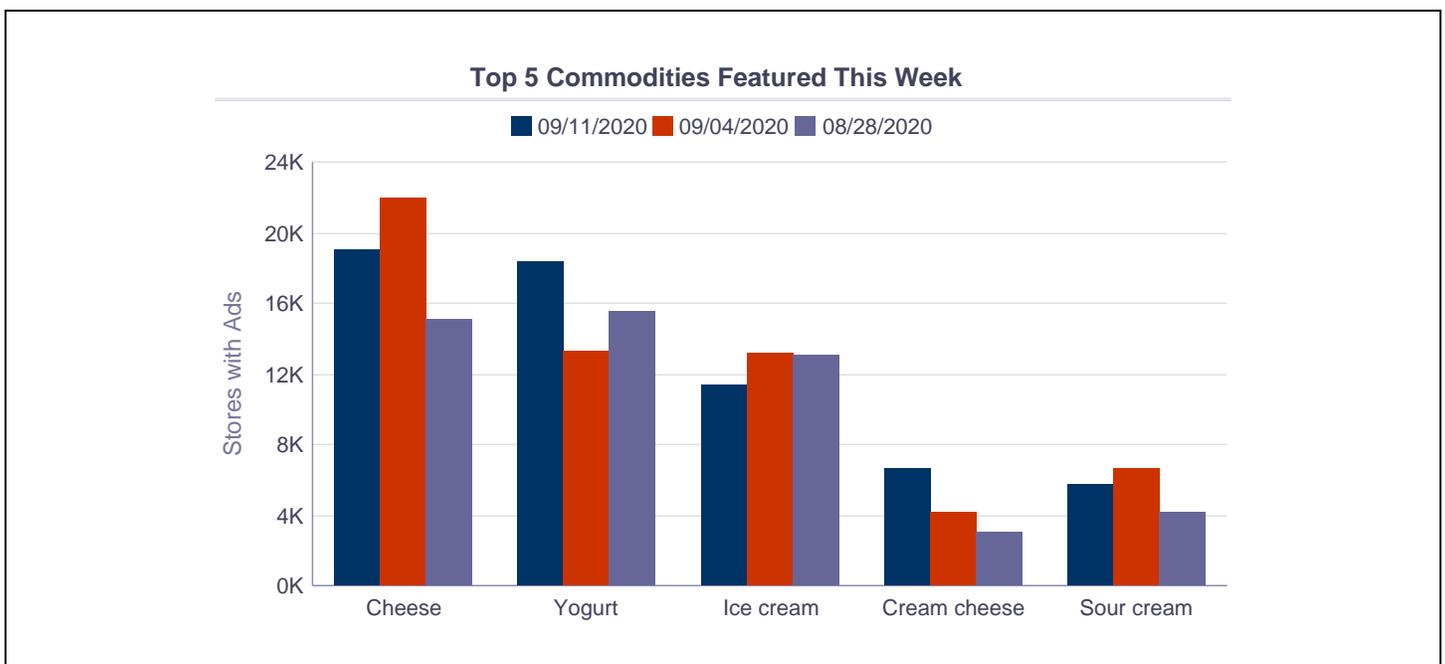
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/11/2020 to 09/17/2020

This week, total conventional ads are nearly the same as last week, but organic ads increased by 21 percent. Ads for conventional 32 ounce yogurt posted the largest jump in ads, for surveyed dairy items, 2,649 percent as many ads as the previous week. Organic sour cream 16 ounce was next with a 406 percent increase across the country, followed by conventional cheese 2 pound block, up 226 percent.

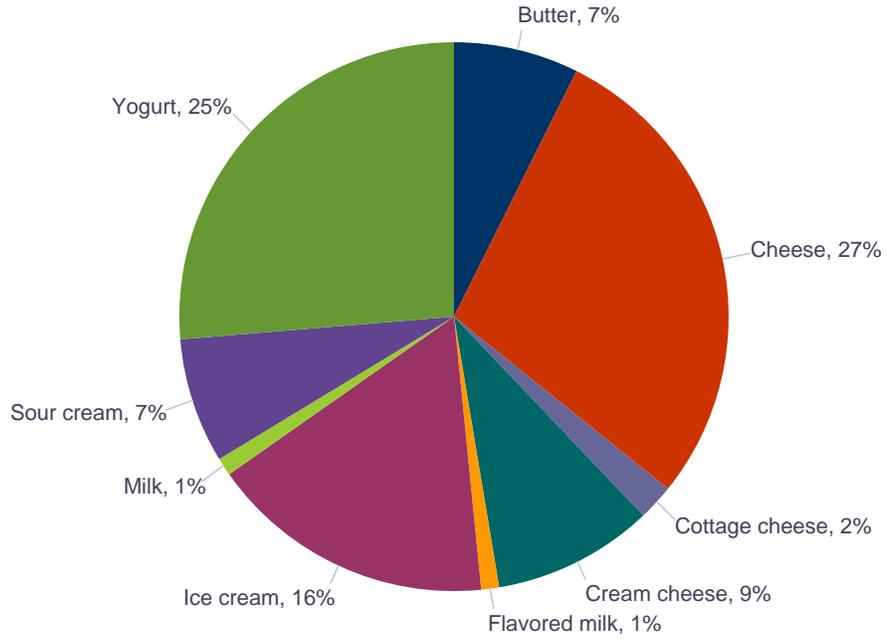
While conventional ice cream in 48-64 oz containers remain the most featured dairy item, there was a 14 percent decline, as the ice cream season comes to an end. Reports show that the weighted average price for conventional ice cream 48 to 64-ounces is \$2.95, down 5 cents from the week before. The total number of conventional yogurt ads grew 45 percent, but total organic yogurt ads declined 37 percent. Conventional yogurt 32 ounce has a weighted average price of \$2.38, down 12 cents from last week.

The total number of conventional cheese ads decreased 13 percent from the previous survey period. There were no organic cheese ads featured this period. The weighted average price for conventional 8 ounce cheese shreds was \$2.36, up 8 cents from last week. The weighted average price for 8-ounce conventional cheese blocks was \$2.18, down 4 cents from last week.

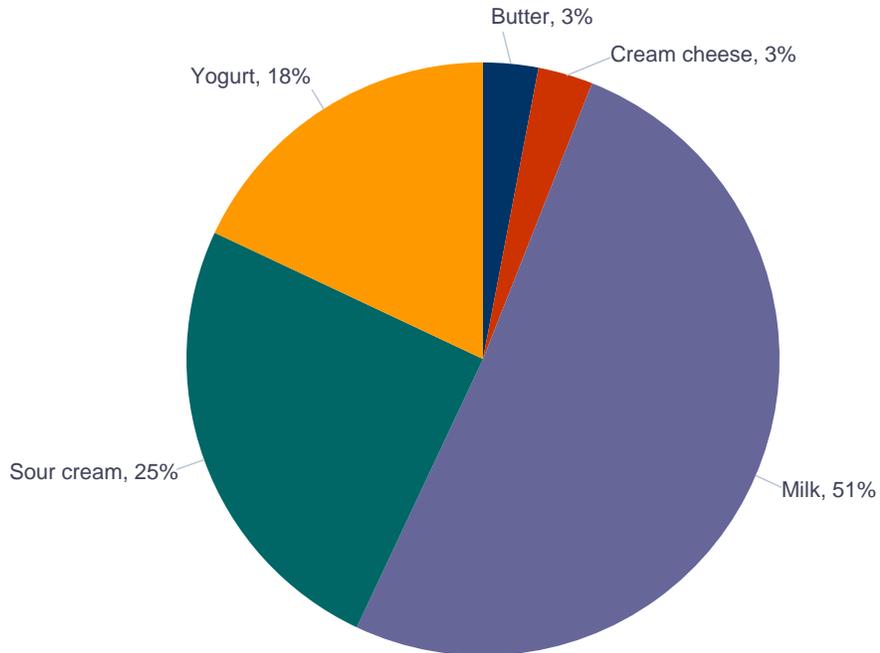
The national weighted average advertised price for conventional milk in the half gallon container is \$1.99, compared to \$4.21 for organic milk half gallon. The result is an organic premium of \$2.22. The total number of milk ads decreased 10 percent for conventional, but increased 11 percent for organic.



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 #	4796	3.01	4667	3.05	3193	3.67
Cheese	Natural Varieties	8 oz block	6284	2.18	9479	2.22	7176	2.12
Cheese	Natural Varieties	1 # block	568	4.06	1429	3.86	72	3.49
Cheese	Natural Varieties	2 # block	2306	6.57	707	6.44	1464	6.85
Cheese	Natural Varieties	8 oz shred	8333	2.36	9507	2.28	6276	2.28
Cheese	Natural Varieties	1 # shred	1522	4.64	851	3.73	335	4.22
Cottage cheese		16 oz	1642	2.28	3012	1.85	1851	1.70
Cream cheese		8 oz	6499	2.03	4224	1.89	3196	1.90
Flavored milk	All fat tests	half gallon	523	2.89	289	3.69	1668	2.26
Flavored milk	All fat tests	gallon	333	3.10	212	3.50	394	4.18
Ice cream		48-64oz	11357	2.95	13135	3.00	8005	2.96
Milk	All fat tests	half gallon	202	1.99			372	2.65
Milk	All fat tests	gallon	276	3.66	534	3.28	404	2.59
Sour cream		16 oz	4714	1.87	6478	1.86	3118	1.67
Yogurt	Greek	4-6 oz	8040	.97	6859	.98	6839	.94
Yogurt	Greek	32 oz	2814	3.82	2318	4.35	2153	4.33
Yogurt	Yogurt	4-6 oz	2818	.55	2752	.55	3937	.49
Yogurt	Yogurt	32 oz	3876	2.38	141	2.50	1082	3.23

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 #	2.29-3.99	1651	2.97	2.99-3.50	1063	3.47	1.99-3.88	1004	2.74
Cheese	Natural Varieties	8 oz block	1.77-3.00	1399	2.24	1.67-3.00	2760	2.23	1.25-2.00	773	1.63
Cheese	Natural Varieties	1 # block	4.99	137	4.99						
Cheese	Natural Varieties	8 oz shred	1.79-3.59	2267	2.48	1.50-3.50	2772	2.57	1.25-2.49	1046	1.77
Cheese	Natural Varieties	1 # shred	4.99	110	4.99	4.99	1002	4.99			
Cottage cheese		16 oz	1.69-2.50	1029	2.29	2.00-2.50	327	2.33	3.00	53	3.00
Cream cheese		8 oz	0.99-3.99	1479	2.29	0.99-2.99	3346	1.96	2.00-2.49	333	2.39
Flavored milk	All fat tests	half gallon							1.49-1.88	213	1.69
Flavored milk	All fat tests	gallon				3.50	214	3.50	2.39	119	2.39
Ice cream		48-64oz	1.50-3.99	3230	2.97	1.99-5.98	3405	2.95	1.99-3.77	2293	2.67
Milk	All fat tests	half gallon							1.99	69	1.99
Milk	All fat tests	gallon				3.99	84	3.99	2.77	53	2.77
Sour cream		16 oz	1.50-2.50	1929	1.87	1.50-2.00	1363	1.91	1.69-1.88	226	1.78
Yogurt	Greek	4-6 oz	0.88-1.25	2370	1.01	0.99-1.00	2717	1.00	0.88-1.00	574	.95
Yogurt	Greek	32 oz	3.99	135	3.99	3.47-5.00	1514	3.69	4.99	180	4.99
Yogurt	Yogurt	4-6 oz	0.40-0.88	1071	.64	0.50	53	.50	0.40-0.50	462	.45

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	1.99-3.50	673	2.43	1.99-2.99	1230	2.44	1.99-2.66	1241	2.32

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 #	1.99-3.99	274	2.53	2.49	120	2.49	1.99-3.99	645	3.03
Cheese	Natural Varieties	8 oz block	1.25-2.50	195	1.74	1.77-2.99	837	2.44	1.67-2.99	240	2.09
Cheese	Natural Varieties	1 # block							2.99-3.99	410	3.69
Cheese	Natural Varieties	2 # block	6.96	973	6.96	5.99-6.99	446	6.54	4.98-6.99	849	6.09
Cheese	Natural Varieties	8 oz shred	1.25-2.78	807	2.42	1.25-2.50	907	2.05	1.67-2.69	523	2.33
Cheese	Natural Varieties	1 # shred							2.99-3.99	410	3.69
Cottage cheese		16 oz	2.49	80	2.49	1.50	63	1.50	1.29	69	1.29
Cream cheese		8 oz	0.99-1.19	128	1.07	1.66-1.99	680	1.89	1.29-1.99	425	1.75
Flavored milk	All fat tests	half gallon							3.69	289	3.69
Ice cream		48-64oz	1.99-4.50	954	2.97	2.49-3.99	856	3.18	1.99-4.49	521	3.28
Milk	All fat tests	half gallon	1.99	133	1.99						
Milk	All fat tests	gallon	3.50	118	3.50						
Sour cream		16 oz	1.50	74	1.50	1.50-2.00	583	1.94	1.29-1.99	463	1.69
Yogurt	Greek	4-6 oz	0.88-1.00	525	.98	0.88-1.00	551	.93	0.49-1.00	1261	.85
Yogurt	Greek	32 oz	3.29	121	3.29	3.99	527	3.99	3.50	289	3.50
Yogurt	Yogurt	4-6 oz	0.33-0.88	769	.55	0.39	246	.39	0.50	190	.50
Yogurt	Yogurt	32 oz	1.99-2.66	338	2.33				1.79-2.50	394	2.31

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.49	39	3.49			
Cheese	Natural Varieties	8 oz block	3.00-3.99	32	3.34	3.69	48	3.69
Cheese	Natural Varieties	1 # block	4.99	21	4.99			
Cheese	Natural Varieties	2 # block	6.49	11	6.49	7.99	27	7.99
Cheese	Natural Varieties	8 oz shred	3.99	11	3.99			
Cottage cheese		16 oz	3.99	21	3.99			
Cream cheese		8 oz	2.29-3.99	60	3.12	1.50-2.00	48	1.75
Flavored milk	All fat tests	half gallon	3.99	21	3.99			
Ice cream		48-64oz	3.99-5.49	74	4.50	4.00	24	4.00
Milk	All fat tests	gallon	5.49	21	5.49			
Sour cream		16 oz	1.99-2.29	49	2.16	2.99	27	2.99
Yogurt	Greek	4-6 oz	1.00-1.25	42	1.13			
Yogurt	Greek	32 oz	3.99	21	3.99	4.99	27	4.99
Yogurt	Yogurt	4-6 oz				0.49	27	.49



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	135	5.79		
Cheese	Natural Varieties	8 oz block					121	3.49
Cheese	Natural Varieties	8 oz shred					121	3.49
Cottage cheese		16 oz					51	2.99
Cream cheese		8 oz	135	3.29			339	2.99
Milk	All fat tests	half gallon	2002	4.21	1337	3.95	940	3.88
Milk	All fat tests	gallon			438	6.28	503	5.56
Milk	All fat tests	8 oz UHT	233	.88	233	.88		
Sour cream		16 oz	1083	1.99	214	2.50		
Yogurt	Greek	32 oz	297	3.85			55	6.99
Yogurt	Yogurt	4-6 oz	209	1.41	181	1.32		
Yogurt	Yogurt	32 oz	282	4.19	1071	3.20		

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						
Cream cheese		8 oz	3.29	135	3.29						
Milk	All fat tests	half gallon	3.99-5.99	794	4.61	4.98	195	4.98	4.49	116	4.49
Milk	All fat tests	8 oz UHT							0.88	233	.88
Sour cream		16 oz				1.99	1083	1.99			
Yogurt	Greek	32 oz	3.99	62	3.99	3.50	214	3.50			
Yogurt	Yogurt	4-6 oz	0.69-1.79	209	1.41						
Yogurt	Yogurt	32 oz	3.99	147	3.99						

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
Milk	All fat tests	half gallon	2.99	141	2.99	3.99	167	3.99	2.99-4.00	568	3.69

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	4.49	114	4.49						

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	4.49	21	4.49			
Yogurt	Greek	32 oz	6.99	21	6.99			
Yogurt	Yogurt	32 oz	3.99	21	3.99			

REGIONAL DEFINITIONS

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

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



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