

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (12/18)

BUTTER: Grade AA closed at \$1.4550. The weekly average for Grade AA is \$1.4560 (-0.0580).

CHEESE: Barrels closed at \$1.4750 and 40# blocks at \$1.6175. The weekly average for barrels is \$1.4520 (+0.0295) and blocks, \$1.6400 (+0.0115).

NONFAT DRY MILK: Grade A closed at \$1.1500. The weekly average for Grade A is \$1.1465 (+0.0080).

DRY WHEY: Extra grade dry whey closed at \$0.4550. The weekly average for dry whey is \$0.4625 (-0.0035).

CHEESE HIGHLIGHTS: Cheese market tones have continued at relatively stable conditions. Regarding demand, similar notes are being reported week by week. Some retail cheese buyers have returned as markets stabilize, but food service demand remains problematic, to put it lightly. Milk is widely available nationwide. Spot prices were wholly discounted and that is expected to remain into early 2021. Cheese inventories are a growing concern for Western contacts. Midwestern contacts report positive notes regarding staffing shortages due to COVID-19, but potential absences remain at the forefront of their schedule planning.

BUTTER HIGHLIGHTS: Butter production shows no sign of slowing across the nation as churners are operating 7 day schedules to process heavy cream volumes. Retail demand is good, with some descent from last week, as the bulk of holiday shipments are being delivered. Food service orders have slowed even more, compounding manufacturers' efforts to lighten inventories before the end of the year. The butter market undertone is unsettled at this point. This week, bulk butter pricing varies by regions: East, 3.0 cents to 8.0 cents over the market; Central, 0.0 cent to 5.0 cents above the market; West, 2.0 cents to 7.5 cents over the market, with various periods and averages used.

FLUID MILK: Farm level milk production is steady to increasing across the regions as cows respond to somewhat cooler and favorable temperatures. Bottling shipments across the country

are mixed. Class I milk demand pushed up some in the South Central area and Midwest. In California, bottled milk demand is starting to slow down as schools prepare to close for the winter break. Class I sales are stable to declining in Arizona. As a winter snowstorm develops in the Northeast, the region is experiencing a spike in Class I sales. Operations are importing milk from other regions to supply Class I demand in Florida. Cream sales are down a bit, ahead of the upcoming holiday. Suppliers are trying to ensure that all loads have a destination over the next few weeks. F.O.B. cream multiples are **1.10-1.20** in the East, **1.04-1.25** in the Midwest, and **1.05-1.24** in the West.

DRY PRODUCTS: Nonfat dry milk prices are mixed. Trading has been slow this week in a fairly quiet spot market. Export demand is supporting firm prices and helping to balance inventories. Dry buttermilk prices were steady to higher throughout the regions. Buttermilk is available, but more so in the condensed form. End users are looking to work out FY2021 contracts. Dry whey prices are steady to higher in a firm market as limited offerings drive price points. Demand is solid from international and domestic buyers. Whey protein concentrate 34% prices are steady to higher. The current interest and production are steady. A few processors are oversold in the near term. Dry whole milk prices are mixed. Although production is sporadic, supplies are easily accessible. Lactose prices are steady to lower. Production is steady to lower, and inventories are mixed. The price ranges for acid and rennet casein are steady. Production is at a steady pace.

INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPE OVERVIEW: A relaxed holiday mood prevails in the Western European dairy industry. Many calls go unanswered. There are fewer Skype calls. The pace is slower. EU milk production January – October 2020 increased 1.7 percent from January – October 2019 according to CLAL data made available to USDA.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR DECEMBER 14-18, 2020
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK					LACTOSE				
Central Low/Med. Heat	1.0900	1.1500	1.1100	1.1400	Central/East	1.0000	1.0400			Central/West	0.2500	0.6000	0.3600	0.5000
Change	0.0200	N.C.	0.0200	0.0150	Change	0.0100	N.C.			Change	-0.0500	N.C.	N.C.	-0.0250
Central High Heat	1.1700	1.3000			West	0.9900	1.0500	1.0000	1.0250	WPC 34%				
Change	N.C.	N.C.			Change	N.C.	N.C.	0.0050	N.C.	Central/West	0.8900	1.0975	0.9000	0.9550
West Low/Med. Heat	1.0800	1.1800	1.1100	1.1400	WHEY					Change	0.0200	N.C.	0.0100	N.C.
Change	0.0300	-0.0075	0.0100	0.0100	Central	0.4000	0.4700	0.4200	0.4500	CASEIN				
West High Heat	1.1800	1.2800			Change	0.0300	N.C.	0.0100	0.0200	Rennet	3.4625	3.4975		
Change	0.0100	-0.0500			West	0.4100	0.5200	0.4200	0.4900	Change	N.C.	N.C.		
DRY WHOLE MILK					Change	0.0225	N.C.	0.0200	0.0300	Acid	3.4550	3.7000		
National	1.4725	1.7500			Northeast	0.4000	0.4600			Change	N.C.	N.C.		
Change	0.0025	N.C.			Change	0.0100	0.0100			ANIMAL FEED WHEY				
									Central	0.3200	0.3600			
									Change	N.C.	0.0100			

**DAIRY MARKET NEWS PRICE SUMMARY FOR DECEMBER 7-18, 2020
PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Commodity	Range		Commodity	Range	
SMP			WHOLE MILK POWDER			BUTTER		
W. Europe	2525	2800	W. Europe	3300	3450	W. Europe	3925	4150
Change	-25	100	Change	50	50	Change	25	-50
Oceania	2925	2950	Oceania	3200	3225	Oceania	4125	4250
Change	100	25	Change	150	50	Change	250	225
S. America	2875	2975	S. America	3175	3225	BUTTEROIL		
Change	25	50	Change	25	N.C.	W. Europe	4750	4925
WHEY						Change	150	-25
W. Europe	900	1050				CHEDDAR CHEESE		
Change	50	50				Oceania	3875	3925
						Change	175	75

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Negotiations between the EU and New Zealand concerning a free trade agreement recently completed the ninth round. The next round is expected to occur during the first quarter of 2021. A topic to be addressed is dairy provisions. European sources say that New Zealand believes that the dairy provisions leave it at a trade disadvantage to other EU treaty partners such as Canada and Chile.

EASTERN EUROPEAN OVERVIEW: Polish milk production January – October 2020 increased 2.5 percent from January – October 2019 according to CLAL data made available to USDA. Comparing dairy product production January – October this year against that period last year, butter is +8.2 percent; cheese is +3.7 percent; SMP is +6.4 percent; but WMP is -12.3 percent.

OCEANIA OVERVIEW: Australia: July - October 2020 milk production in Australia, October being the fourth month of the new season, increased 1.6 percent from July - October 2019, according to Dairy Australia. This milk season began with the benefit of warm and wet weather, which spurred good pasture growth. Dairy producers in turn, have benefitted from eased hay and grain prices. Production conditions remain generally good. However, even with season to date milk production through October being positive, and July, August and September YOY production percentage changes each being positive, October YOY declined -0.3 percent. Observers in Australia cite factors such as a smaller national herd, fewer dairy farms, and less hired labor availability. With seasonal production now moving down, monthly production outcomes become more a matter of concern. The decent early season gains provide a cushion. The October YOY production decline is slight. **New Zealand:** Dairy producers in New Zealand received welcome December news last week in advance of the holiday season. A large New Zealand dairy cooperative increased the projected low end of the seasonal milk pay price. The new projected price is NZ\$6.70 – NZ\$7.30 per kilogram of milk solids. The previous projection had a low range price of NZ\$6.30. Officials attribute the increase to early season strength in exports, not only to China, but Asia more widely. Whole milk powder exports, in particular, are in good demand. The export strength is expected to continue based on ordering so far. Weather has been decent, but there is always some nervousness about the potential for dry conditions setting in.

SOUTH AMERICA OVERVIEW: In the last two weeks, summer temperatures and dry climatic conditions have prevailed in **Argentina and Uruguay**, limiting humidity for the development of corn and soybeans. However, the drying and harvesting of winter grains has accelerated thanks to this climate. Meanwhile, moderate rains have maintained favorable conditions for first crop soybeans and corn in the main production areas of central and southern **Brazil**. Apart from Brazil, milk intakes are enough to cover most processing needs for fluid/bottled milk, including UHT, throughout the Southern Cone region. With most schools closed during the summer break, bottled/UHT milk sales are fading. The cream market is firming across the continent as milk component levels continue sliding down. As a result, the production of cream-based products, such as butter, ice cream, and milk caramel have been somewhat shortened in several plants. Meanwhile, cheese and butter year-end holiday orders from retailers have been shipped and delivered.

NATIONAL RETAIL REPORT (DMN): This week, conventional retail ad numbers increased 3 percent, while organic retail ad numbers decreased 36 percent. The most advertised dairy item is conventional ice cream in 48-64 ounces containers with a weighted average advertised price of \$2.93. Total conventional cheese ads increased 16 percent. No ads for organic cheese were reported this week. Ads for conventional 8-ounce block cheese increased 35 percent, with a weighted average advertised price of \$2.34. Ads for 8-ounce conventional shred cheese decreased 1 percent, with an average price of \$2.24. Total conventional yogurt ads decreased 27 percent, and organic ads decreased 90 percent. The

national weighted average price for organic Greek yogurt in 4 to 6 ounce containers is \$1.25. The weighted average price for conventional 4 to 6 ounce yogurt is \$0.46. Total conventional milk ads decreased 49 percent, while organic milk ads decreased 19 percent. The national weighted average price for conventional half gallon milk is \$2.24. The national weighted average advertised price for organic half gallons is \$3.24, resulting in an organic premium of \$1.00.

NOVEMBER MILK PRODUCTION (NASS): Milk production in the 24 major States during November totaled 17.2 billion pounds, up 3.1 percent from November 2019. October revised production, at 17.7 billion pounds, was up 2.5 percent from October 2019. The October revision represented a decrease of 7 million pounds or less than 0.1 percent from last month's preliminary production estimate. Production per cow in the 24 major States averaged 1,935 pounds for November, 41 pounds above November 2019. The number of milk cows on farms in the 24 major States was 8.90 million head, 82,000 head more than November 2019, and 13,000 head more than October 2020.

OCTOBER FLUID MILK SALES (FMMO): Total Fluid Products Sales 4.0 billion pounds of packaged fluid milk products were shipped by milk handlers in October 2020. This was 1.8 percent lower than a year earlier. Estimated sales of total conventional fluid milk products decreased 2.1 percent from October 2019 and estimated sales of total organic fluid milk products increased 2.8 percent from a year earlier.

COMMODITY	MONDAY DEC 14	TUESDAY DEC 15	WEDNESDAY DEC 16	THURSDAY DEC 17	FRIDAY DEC 18	::	WEEKLY CHANGE	::	WEEKLY AVERAGE
CHEESE									
BARRELS	\$1.4350 (-0.0075)	\$1.4575 (+0.0225)	\$1.4575 (N.C.)	\$1.4350 (-0.0225)	\$1.4750 (+0.0400)	::	(+0.0325)	::	\$1.4520 (+0.0295)
40 POUND BLOCKS	\$1.6300 (+0.0125)	\$1.6525 (+0.0225)	\$1.6500 (-0.0025)	\$1.6500 (N.C.)	\$1.6175 (-0.0325)	::	(N.C.)	::	\$1.6400 (+0.0115)
NONFAT DRY MILK									
GRADE A	\$1.1375 (+0.0100)	\$1.1425 (+0.0050)	\$1.1500 (+0.0075)	\$1.1525 (+0.0025)	\$1.1500 (-0.0025)	::	(+0.0225)	::	\$1.1465 (+0.0080)
BUTTER									
GRADE AA	\$1.4450 (-0.0350)	\$1.4750 (+0.0300)	\$1.4525 (-0.0225)	\$1.4525 (N.C.)	\$1.4550 (+0.0025)	::	(-0.0250)	::	\$1.4560 (-0.0580)
DRY WHEY									
EXTRA GRADE	\$0.4675 (N.C.)	\$0.4675 (N.C.)	\$0.4650 (-0.0025)	\$0.4575 (-0.0075)	\$0.4550 (-0.0025)	::	(-0.0125)	::	\$0.4625 (-0.0035)

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

Butter manufacturers are operating 7 day schedules to process heavy cream volumes. Additionally, plants that were not churning previously, have begun to make butter. Retail demand is good, with some descent from last week, as the bulk of holiday shipments are being delivered. A few just in time orders are expected. The DMN retail report for the Northeast butter market reported 2251 retail feature ads, promoting 1 pound butter at a \$2.80 weighted average price. Over the same period a year ago, retail stores surveyed featured 2356 ads, with a weighted average price of \$3.19. Food service orders have slowed even more, compounding manufacturers' efforts to lighten inventories before the end of the year. As prices swing, in the correction phase to some market sources, there is the usual uncertainty of where prices will settle in the next few weeks. The current market has an unstable undertone. Bulk butter prices are 3-8 cents over the market of the CME Group, with various time frames and averages used. Global interest for U.S. butter remains active.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0300 - +0.0800

Secondary Sourced Information:

CME TRADING

Tuesday's CME Group cash trading saw Grade AA butter close at \$1.4750, down from \$1.5350 a week ago.

WEST

Western butter production shows no sign of slowing, as butter makers actively churn in response to heavy cream supplies. Cream is tracking to the readily available level, at bargain multiples. There are a few remaining holiday orders being filled, with the decline in print butter orders. Meanwhile, the bakery business appears to be making a final holiday stand, as sources report unexpected last minute orders for unsalted bulk. Accordingly, butter makers' concerns have pivoted to processing bulk butter for storage and use for near term 2021 butter needs. Overall, interest is following normal seasonal patterns, as a few buyers assess near term butter needs and look ahead to the expected end-of-year price declines. The domestic butter price remains competitive in the export market and butter industry representatives are keeping a close watch on the global butter price. The latest GDT butter price for all contracts is \$1.9146, up 6.0 percent from the last event. Bulk butter pricing in the West this week is \$0.0200 to \$0.0750 cents above the market, based on the CME Group with various periods and averages used. The butter market undertone is unsettled.

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

Secondary Sourced Information:

CME TRADING

The Grade AA butter price at the CME Group on Wednesday ended trading at \$1.4525, compared to last week's close of \$1.5150.

CENTRAL

Bulk butter is available according to most contacts. That said, some plant managers report continued interest has kept supplies in check. Cream availability is wide and to the point of putting stress on suppliers, particularly in trying to find homes next week and the last week of the year. Cream multiples are moving lower week to week, and some butter plant managers relay being full through the rest of the year, into Q1. Butter market tones are uncertain.

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

CHEESE MARKETS

NORTHEAST

East cheese makers are running strong production schedules. Milk availability is abundant in the region. Inventory levels are hearty as manufacturers' supplies are readily available for spot/contract demands. Market participants relay cheese markets are bearing softer market tones. Foodservice sales are down this holiday season. Restaurants throughout the East are working through shifting COVID-19 regulations and consumers' safety requirements. Retail sales are reportedly steady. Some industry contacts report retail orders are somewhat shifting lower as retailers have enough cheese supplies for the holidays. Specialty aged cheese demands from retailers are healthy. On the CME Group, cheddar cheese block prices are ranging around the \$1.60s. Cheddar cheese barrel prices are ranging around the \$1.40s this week. Trading activities are slower, as several buyers are done purchasing supplies for the end of the year.

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

Cheddar 40 pound Block	2.0800-2.3675
Muenster	2.0675-2.4175
Process American 5 pound Sliced	1.5225-2.0025
Swiss 10-14 pound Cuts	3.2975-3.6200

MIDWEST

Demand remains steady for cheesemakers in the Midwest. Mozzarella and/or pizza style cheesemakers have reported buyers returning. For curd and barrel producers, there remains an interest, but sales have slowed. Food service demand, in general, is described as tricky at best. Spot milk is widely available, and offers remain well under Class. Production, however, is steady. A positive note from some cheesemakers is they have begun to see employees return after COVID-19 quarantines. Still, staffing remains a concern in some Midwestern plants. Cheese market tones have steadied.

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

Blue 5 pounds	2.2625-3.3325
Brick 5 pounds	1.9950-2.4200
Cheddar 40 pound Block	1.7175-2.1175
Monterey Jack 10 pounds	1.9700-2.1750
Mozzarella 5-6 pounds	1.7950-2.7400
Muenster 5 pounds	1.9950-2.4200
Process American 5 pound Loaf	1.5075-1.8675
Swiss 6-9 pound Cuts	2.8125-2.9300

WEST

Western cheesemakers are having no issues getting the milk needed for processing. Cheese production is active, but processors are cautious on how hard they push their facilities. Cheese inventories are plentiful, and stocks are able to meet existing demand. While retail and pizza cheese sales have been somewhere between adequate and solid, food service demand has been disappointing. As schools enter their winter breaks and pockets of the region face tighter restrictions on sit down dining, food service demand could diminish into the abysmal category. One positive note is that with the lower market prices, buyers, including those from export markets, are more interested in seeking cheese deals.

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

Cheddar 10 pound Cuts	1.9550-2.1550
Cheddar 40 pound Block	1.7075-2.1975
Monterey Jack 10 pounds	1.9425-2.2175
Process American 5 pound Loaf	1.5250-1.7800
Swiss 6-9 pound Cuts	3.1050-3.5350

FOREIGN TYPE

Sources in Germany confirm that while December cheese demand in the EU is strong, domestic and export orders continue to be filled on time. Cheese markets in Western Europe are balanced and the supply is just enough. Cheese manufacturers continue to maintain export relationships with existing customers, while still seeking out new export opportunities. Similar situations prevail in Netherlands, Ireland and Italy. French cheese production continues to lag, which restrains the ability to meet demand, much less grow sales. EU cheese production January – October 2020 increased 2.0 percent from January – October 2019, according to CLAL data made available to USDA. In some leading cheese producing countries for the period, percentage changes are Germany, +2.8 percent; France, -1.9 percent; Italy, +1.9 percent; Netherlands, +4.3 percent; and Ireland, +4.0 percent.

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

	:	NEW YORK	:	
VARIETY	:	IMPORTED	:	DOMESTIC
	:		:	
Blue	:	2.6400-5.2300	:	2.0875-3.5750*
Gorgonzola	:	3.6900-5.7400	:	2.5950-3.3125*
Parmesan	:	-0-	:	3.4750-5.5650*
Romano	:	-0-	:	3.2775-5.4325*
Sardo Romano (Argentina)	:	2.8500-4.7800	:	-0-
Reggiano (Argentina)	:	3.2900-4.7800	:	-0-
Jarlsberg	:	2.9500-6.4500	:	-0-
Swiss	:	-0-	:	3.3350-3.6575
Swiss (Finland)	:	2.6700-2.9300	:	-0-

* = Price change.

COLD STORAGE

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

	:	<u>BUTTER</u>	:	<u>CHEESE</u>
12/14/2020	:	44646	:	74939
12/01/2020	:	47337	:	76140
CHANGE	:	-2691	:	-1201
% CHANGE	:	-6	:	-2

FLUID MILK AND CREAM

EAST

Milk availability is mounting in the Northeast. Milk output is slightly increasing. Class I sales are mostly steady compared to last week. Class I demands from the retail sector are healthy. Market participants anticipate a decline in Class I demands once the holidays draw closer. Class II and Class III manufacturers are receiving hearty milk supplies for strong production schedules. Milk production remains flat to increasing in the Mid-Atlantic. Bottling demands are stable for the near term. Manufacturers report having plenty of milk to cover most processing needs. Milk loads are traveling to other areas/regions for manufacturers' immediate needs. Southeast milk production is slightly up. Bottlers are receiving the majority of milk loads. Milk managers note additional add-ons/milk cuts this week. Some Class II and III operations are receiving milk. Milk off farms in Florida is increasing. Temperatures are fluctuating to 30s at night and higher 70s during the day. Market participants report little to no issues with cow comfort in December. There are operations importing milk from other regions to supply Class I demands. Eastern cream markets are softening. Supplies are plentiful and growing. Buyers are purchasing cream at lower multiples this week. Butter makers are receiving heavy cream supplies for strong churning schedules. Condensed skim markets are bearing a weaker market tone, similar to the cream market. Ice cream operations are running lighter production schedules.

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

Price Range - Class II; \$/LB Solids: 0.50 - 0.80

Price Range - Class III; \$/LB Solids: 0.70 - 0.90

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

Multiples Range - All Classes: 1.1000 - 1.2000

Price Range - Class II; \$/LB Butterfat: 1.6654 - 1.8168

MIDWEST

Cooler weather throughout the region has continued to prompt higher milk yield reports. With updated feed supplies, more farmers are also pointing to improving component levels, as well. Undoubtedly, there is currently a surplus of milk for all categories. Class I milk demand pushed up some this week in the South Central area and also the Midwest. Kansas and Oklahoma bottling demand ebbed slightly according to some contacts. Food service demand from bottlers has been inconsistent, to say the least. Cheese producers are generally full on self-sourced/contracted loads. Spot milk trading was slow, and wholly at a discount again this week. Contacts expect the next few weeks to be more of the same regarding milk supplies. Cream is in a similar state to milk. With butter plant managers starting to give extra time off as early as this week, cream suppliers are simply trying to ensure that all loads have a destination over the next few weeks. Cream multiples, this week and through the rest of the year, are under a strong and bearish pressure. The plains region was met with some welcome precipitation last weekend and early this week. Parts of Oklahoma and Kansas received relatively heavy snow, and farmers expect some benefits to their winter wheat crops there.

Price Range - Class III Milk; \$/CWT; Spot Basis: -5.00 - -4.00

Trade Activity: Slow

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

Multiples Range - All Classes: 1.0400 - 1.2500

Price Range - Class II; \$/LB Butterfat: 1.7411 - 1.8925

Multiples Range - Class II: 1.1500 - 1.2500

WEST

Farm milk production in California is generally stable this week. Industry contacts suggest milk intakes are in good balance with processing needs. Bottled milk demand is starting to slow down as schools prepare to close for the winter break. Therefore, more milk has been moving toward Class III manufacturing plants, with some of them operating close to full capacities.

With lower daytime temperatures and longer nights, cow's milk production is slowly increasing in Arizona. Some processors are bracing for next week's anticipated spike in balancing and churning activity. Out-of-state milk extraction has declined, and handlers are filling their customers' orders primarily with milk from state farmers. Class I and II sales are stable to declining.

Farm milk outputs are on the rise as cows respond favorably to cooler weather in New Mexico. Balancing needs have increased due to downtimes at a few Class III producing plants. Nevertheless, all milk loads were redirected appropriately to meet other processing needs aside from cheese. Shipments into Class I are trending lower as schools prepare to close. Class II requests are slightly up.

Pacific Northwest milk production is steady. Milk intakes are in good balance with processing needs. While milk handlers have not had any issues getting milk to where it is needed, they do expect to make more adjustments next week for the holidays. Retail fluid milk bottling is steady to higher.

Idaho, Utah, and Colorado milk production is strong. Manufacturers have plenty of milk for processing. A few loads are available at a \$4 under Class IV discount. Milk handlers are trying to get ahead of the annual holiday milk load juggling. Some contacts anticipate a few challenges to find homes for all of the milk.

Across the West, condensed skim demand is generally unchanged from the previous week. Cream sales in the West are stable to a bit down ahead of the holiday. Plant managers are expecting a seasonal upsurge in cream availability come next week. This week, cream multiples are unchanged from last week.

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

Multiples Range - All Classes: 1.0500 - 1.2400

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.

***Correction to West NDM report - Narrative and prices were not published on page 5.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Prices for low/medium heat nonfat dry milk (NDM) shifted up in most facets this week. Trading was limited, in typical pre-holiday week fashion. Producers are in the driver's seat right now, and offer amounts continue to push higher. There is, and has been, a notably ample amount of condensed skim available for production. Some producers relay they have some holiday week production schedules already set and they are planning to be busier than in a typical year. Therefore, there could be some more availability in the near term. High heat NDM trading activity was quiet, as prices are unchanged. In general, the NDM market tone is steady to slightly bullish.

EAST: Prices for low/medium heat nonfat dry milk (NDM) are higher in the mostly price series. The production of low/medium heat nonfat dry milk (NDM) decelerated this week. Manufacturers notes strong milk supply pulls from bottling, following a winter storm warning. Higher farm milk intakes are anticipated during the upcoming holiday week. Domestic demand is moderate in a fairly quiet NDM market. As the year winds down, buyers tend to place NDM orders on a need to basis. NDM export interest helps balance inventories. High heat nonfat dry milk prices are steady. Customer high heat NDM needs are being met. Spot markets are seeing a slowdown in buyer/seller transactions.

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: 1.0900 - 1.1500
Mostly Range - Low & Medium Heat; \$/LB: 1.1100 - 1.1400

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: 1.1700 - 1.3000

NONFAT DRY MILK - WEST

*

In the West, low/medium heat nonfat dry milk (NDM) prices are down on the top of the range. However, prices shifted higher on the bottom of the range and bottom and top of the mostly price series this week. Trading activities are steady to slower, yet buyers are trading within a firmer market. Manufacturers continue to offer loads at stable/higher prices. Some market participants are not purchasing on the spot market. Export demand is stable for the near term. Low/medium heat NDM production schedules are strong. The market tone is currently firm. High heat NDM prices are mixed on very light trading. Market participants report the market tone is fairly steady. Spot availability is tight in the region. A few manufacturers are offering a couple loads to year-end orders. Dryers are limited, with low/medium heat receiving the majority of drying time.

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: 1.0800 - 1.1800
Mostly Range - Low & Medium Heat; \$/LB: 1.1100 - 1.1400

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: 1.1800 - 1.2800

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk spot trading was active compared to a normal pre-holiday week. Prices continued to edge their way up on the bottom of the range, as the range narrowed this week. Condensed buttermilk availability is ample, but as dryer time is focused primarily on contractual needs, spot availability is limited. The limitations are enough to prompt producers to increase prices on offers. Demand notes from contacts are reportedly steady.

EAST: The East dry buttermilk price is steady to higher. Buyer/seller transactions are sluggish in a quiet market this week. Seasonal accounts have limited interest, while other buyers' purchases are only for immediate needs. Heavy churning in the region is adding to dry buttermilk stocks. Manufacturers are exploring options to avoid drying and/or possessing surplus stock. Stocks are fairly balanced, with a limited amount of dry buttermilk available in the spot market. The undertone is unchanged.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk
Price Range ; \$/LB: 1.0000 - 1.0400

DRY BUTTERMILK - WEST

Dry buttermilk prices in the Western region were steady for the most part, although the bottom of the mostly increased by half a cent. Trading activity has slowed toward the end of the year. Buttermilk is available, but more so in the condensed form. Buttermilk drying has been sporadic, while producers are focused more on contractual needs. Therefore, spot availability and trading is limited. End users are looking to work out FY2021 contracts. Generally, Western dry buttermilk market tones are quietly steady, although there is expected to be a heavy amount of cream entering the churn over the next few weeks.

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

Price Range ; \$/LB: 0.9900 - 1.0500
Mostly Range - ; \$/LB: 1.0000 - 1.0250

DRY WHOLE MILK - U.S.

National dry whole milk free on board spot prices are mixed on a narrower range as a few spot sales pushed slightly up the low end of the range, following upward trends at some actions abroad. However, the high-end price of the range remained unchanged. The market undertone seems to be unsettled at this moment. Dry whole milk output is sporadic as it is mainly driven by contractual needs. Nevertheless, inventories are easily accessible in the cash market.

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

Price Range - 26% Butterfat; \$/LB: 1.4725 - 1.7500

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY- CENTRAL

Dry whey prices in the Central region got another shot in the arm. Market participants say domestic demand is somewhat tepid, but limited offers from producers have kept price points steady or higher when end users are in need of supplies. There is plenty of milk for Class III production, but cheese plant managers are attempting to curb growing inventories. Therefore, production is active, but some producers are allotting a day off (or more) per week, when they would typically be running very active schedules with the abundance of discounted milk prices. Animal feed whey prices also saw a tick up on the top of the range, on limited trading. Dry whey market tones are quietly bullish.

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

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: .4000 - .4700
Mostly Range - Non-Hygroscopic; \$/LB: .4200 - .4500

DRY WHEY- NORTHEAST

Spot prices are higher in the East dry whey market. Several buyers are purchasing spot loads this week. Some manufacturers are not able to offer additional loads to buyers due to strong spot and contract requests. Industry contacts report inventories are tightening. Dry whey production is fairly steady for the near term. Domestic and international demands are strong. Some traders are reaching out to buy additional dry whey loads from other resellers. The market undertone is steadily bullish.

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: .4000 - .4600

DRY WHEY- WEST

Western whey prices are edging higher. Prices moved up at the bottom of the price range and both ends of the mostly price series. Industry contacts relay that demand is solid from international and domestic buyers. Inventories are tight. Manufacturers suggest they only have enough whey to meet current customer demand. End users relay that extra spot loads are hard to find. Whey production is steady, but below that of the previous year.

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: .4100 - .5200
Mostly Range - Non-Hygroscopic; \$/LB: .4200 - .4900

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are steady to higher, moving up at the bottom of both the price range and mostly price series. Industry contacts say, aside from the WPC 34% brands that meet stringent end user specifications, supplies of WPC 34% are adequate to meet most buyer needs. The surge of interest for whey proteins over the last few weeks has helped some manufacturers balance their stocks. Other processors suggest they are oversold in the near term. Current demand and production are 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: .8900 - 1.0975
Mostly Range - 34% Protein; \$/LB: .9000 - .9550

LACTOSE

Lactose prices are steady to lower. A few spot sales pushed the bottom of the price range and top of the mostly price series downward. Industry contacts suggest some manufacturers are trying to clean out any excess inventory before the end of the year. Lactose inventories are mixed. A few manufacturers state they are committed through the end of the year, but lactose offers are generally prevalent. Production is steady to lower. Quarter 1 contracting is ongoing, but proving challenging for buyers and sellers. While some end users are holding out for lower prices, manufacturers are not always willing to chase sales. Lactose demand has slackened over the last few months. Marketers report some buyers have bought ahead and are taking a break from making purchases. Other processors have seen their finished goods demand wane due to COVID and the slow global economy. They do not want to take on more lactose inventories right now. Manufacturers are hopeful that lactose demand may increase after the winter holidays, but there is a lot of uncertainty in the market currently.

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: .2500 - .6000
Mostly Range - Non Pharmaceutical; \$/LB: .3600 - .5000

CASEIN

The price ranges for acid and rennet casein are steady. In Western Europe and New Zealand, it has been a slow week for new business. Ordering focus is to some extent still Q1 2021 but more so for Q2. Thus, buyers and sellers feel some leeway to step back over the holiday period. Production continues at a steady pace. Steadiness is expected through the balance of 2020.

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: 3.4550-3.7000
Rennet; Price Range - \$/LB: 3.4625-3.4975

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
12/05/2020	65.9	2,924.9	66.2	3,031.7

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	15.20	18.04	19.87
II	17.05	16.84	16.75	13.87	12.30	12.99	13.79	13.27	13.16	13.63	13.86	
III	17.05	17.00	16.25	13.07	12.14	21.04	24.54	19.77	16.43	21.61	23.34	
IV	16.65	16.20	14.87	11.40	10.67	12.90	13.76	12.53	12.75	13.47	13.30	

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
12/12/2020	1,4392 2,423,035	1,7497 12,207,463	1,4773 13,209,507	.4089 5,585,881	1.1011 19,726,186

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	12/11	12/14	12/15	12/16	12/17
DEC 20	15.79	15.84	15.79	15.77	15.63
JAN 21	16.22	16.10	16.32	16.13	15.64
FEB 21	17.27	17.43	17.81	17.30	16.63

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

DATE	12/11	12/14	12/15	12/16	12/17
DEC 20	109.28	109.30	109.30	109.33	109.33
JAN 21	111.50	112.25	112.50	112.00	112.50
FEB 21	113.28	114.05	114.73	113.90	115.03

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

DATE	12/11	12/14	12/15	12/16	12/17
DEC 20	13.48	13.46	13.46	13.42	13.42
JAN 21	13.89	13.87	13.87	13.91	13.91
FEB 21	14.31	14.15	14.28	14.25	14.32

WHEY (Electronic-Traded) (¢/lb)

DATE	12/11	12/14	12/15	12/16	12/17
DEC 20	42.75	42.60	42.60	42.40	42.35
JAN 21	45.55	45.10	45.20	44.50	44.50
FEB 21	47.00	46.48	45.70	44.63	44.80

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

DATE	12/11	12/14	12/15	12/16	12/17
DEC 20	146.50	146.33	147.00	147.25	146.50
JAN 21	154.00	150.25	152.55	153.73	152.05
FEB 21	158.00	154.00	157.00	156.75	156.50

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

DATE	12/11	12/14	12/15	12/16	12/17
DEC 20	1.76	1.76	1.76	1.76	1.75
JAN 21	1.72	1.72	1.72	1.76	1.70
FEB 21	1.81	1.83	1.88	1.85	1.81

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

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered December 7 - 18, 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

A relaxed holiday mood prevails in the Western European dairy industry. Many calls go unanswered. There are fewer Skype calls. The pace is slower.

EU milk production January – October 2020 increased 1.7 percent from January – October 2019 according to CLAL data made available to USDA. Among some of the milk producers, the percentage change January – October 2020 compared with January – October 2019 is Germany, +0.5 percent; France, +0.7 percent; Netherlands, +1.4 percent; Italy, +4.3 percent; and Ireland, +3.7 percent.

EU cheese production January – October 2020 increased 2.0 percent from January – October 2019 according to CLAL data made available to USDA. Among some of the cheese producers, the percentage change January – October 2020 compared with January – October 2019 is Germany, +2.8 percent; France, -1.9 percent; Netherlands, +4.3 percent; Italy, +1.9 percent; and Ireland, +4.0 percent.

Negotiations between the EU and New Zealand concerning a free trade agreement recently completed the ninth round. The next round is expected to occur during the first quarter of 2021. A topic to be addressed is dairy provisions. European sources say that New Zealand believes that the dairy provisions leave it at a trade disadvantage to other EU treaty partners such as Canada and Chile.

EASTERN EUROPE

Polish milk production January – October 2020 increased 2.5 percent from January – October 2019 according to CLAL data made available to USDA. Comparing dairy product production January – October this year against that period last year, butter is +8.2 percent; cheese is +3.7 percent; SMP is +6.4 percent; but WMP is -12.3 percent.

BUTTER/BUTTEROIL

The butter price range in Western Europe is mixed. Firming lower range prices are noted while the top range price is slightly lower. While a number of individual plants have been able to increase prices within the range for various customers, the highest prices stepped back slightly. Looking ahead, most price movement in coming weeks is expected to trend up.

Many plants in France seem to predominate the low range pricing. The highest butter prices are reported in Belgium, followed by Germany, Italy, then Netherlands. Some plants with pricing within the range notched prices higher in sales this period. The butteroil price range is mixed.

December holiday butter sales in retail stores remain strong, bolstered by increased advertising in Germany. Manufacturers have refocused on packaged butter sales to the extent they can, due to less dining out. Plants making bulk butter also report an uptick in sales interest. Slowly increasing milk production is helping butter plants maintain desired production schedules.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 3,925 - 4,150

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 4,750 - 4,925

Secondary Sourced Information:

EU butter production January – October 2020 increased 1.9 percent from January – October 2019 according to CLAL data made available to USDA. Among some of the butter producers, the percentage change January – October 2020 compared with January – October 2019 is Germany, +0.8 percent; France, +0.6 percent; Netherlands, -7.8 percent; and Ireland, +4.2 percent.

SKIM MILK POWDER

Skim milk powder prices are mixed. A slight dip at the bottom of the price range contrasts with firming at the top. The low range movement was primarily from some plants in France and Netherlands. The highest prices tend to be found in Germany. Demand is reported to be good. Contracted customers are taking deliveries. New contracts are being made. There is also spot market interest. All of these factors are evident in export sales as well as sales within the EU. Manufacturers see continuing good demand and expect some price firming ahead.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,525 - 2,800

Secondary Sourced Information:

EU SMP production January – October 2020 increased 4.0 percent from January – October 2019 according to CLAL data made available to USDA. Among some of the SMP producers, the percentage change January – October 2020 compared with January – October 2019 is Germany, +5.1 percent; France, +1.9 percent; Netherlands, +8.8 percent; and Ireland, +12.7 percent.

WHEY

The dry whey price range in Western Europe firmed. Recent food grade whey export interest from Asia has led to new export contracts. Sales to customers within the EU are steady and contracting into Q2 2021 is finalizing. External EU customers are still working on new contracts. Drying schedules are more active than manufacturers had recently expected. There is a high comfort level that contract deliveries will be made on time.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 900 - 1,050

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered December 7 - 18, 2020

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CONTINUED FROM PAGE 8**WHOLE MILK POWDER**

The whole milk powder price range continued climbing in Western Europe. Yet sources note great inconsistency among plants within the same country and among countries. The consistency agreed upon is that buying interest has increased. This is expected to continue in coming weeks. Most interest is for internal EU shipment. Export interest outside the EU is quiet.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,300 - 3,450

Secondary Sourced Information:

EU WMP production January – October 2020 increased 3.5 percent from January – October 2019 according to CLAL data made available to USDA. Among some of the WMP producers, the percentage change January – October 2020 compared with January – October 2019 is Germany, -0.6 .

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered December 7 - 18, 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 - October 2020 milk production in Australia, October being the fourth month of the new season, increased 1.6 percent from July - October 2019, according to Dairy Australia. More detailed production data are in the table which follows.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

July – October 2020

State	Million Liters		Percent Change From 1 Year Ago		Percentage Milkfat Protein	
New South Wales	378.2	+0.8	3.96	3.30		
Victoria	2,109.9	+1.8	4.06	3.40		
Queensland	109.5	-5.1	3.98	3.31		
South Australia	167.7	+4.3	3.77	3.32		
Western Australia	127.2	-0.2	3.79	3.35		
Tasmania	274.2	+3.1	4.15	3.43		
Australia (Total)	3,166.6	+1.6	4.03*	3.39**		

- +5.4 percent from prior year period
- ** +1.0 percent from prior year period

This milk season began with the benefit of warm and wet weather, which spurred good pasture growth. Dairy producers in turn, have benefitted from eased hay and grain prices. Production conditions remain generally good. However, even with season to date milk production through October being positive, and July, August and September YOY production percentage changes each being positive, October YOY declined -0.3 percent. Observers in Australia cite factors such as a smaller national herd, fewer dairy farms, and less hired labor availability. With seasonal production now moving down, monthly production outcomes become more a matter of concern. The decent early season gains provide a cushion. The October YOY production decline is slight. Results for November are awaited as a possible signal of what to expect seasonally moving forward.

Another simmering issue in Australia is political and trade relations with China. There has been some political friction of late. The potential for spill over into Australian exports to China are in the forefront of concerns. This remains an additional uncertainty for the future of the dairy economy in Australia.

NEW ZEALAND: Dairy producers in New Zealand received welcome December news last week in advance of the holiday season. A large New Zealand dairy cooperative increased the projected low end of the seasonal milk pay price. The new projected price is NZ\$6.70 – NZ\$7.30 per kilogram of milk solids. The previous projection had a low range price of NZ\$6.30. Officials attribute the increase to early season strength in exports, not only to China, but Asia more widely. Whole milk powder exports, in particular, are in good demand. The export strength is expected to continue based on ordering so far. Weather has been decent, but there is always some nervousness about the potential for dry conditions setting in. As 2020 nears an end, there is some comfort in seasonal results so far.

BUTTER/BUTTEROIL

The Oceania butter price range continued moving higher. Within the range, some plants also enforced higher pricing. Buyers looking for butter deliveries in coming weeks into spring helped move prices up. Butter production remains active. Even with milk production past the seasonal peak, customers for butter are signing contracts that need to be filled. While buying and selling is expected to briefly slow this week and next reflecting December holidays, some manufacturing schedules may ease slightly.

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

4,125 - 4,250

Secondary Sourced Information:

Seasonal butter exports from Australia July – October 2020, 5,314 MT, increased 93.4 percent from July – October 2020 according to Dairy Australia.

At GDT event 274 on December 16, the butter all contracts price, \$4,221, increased 6.0 percent. The January contract, \$4,220 increased 5.4 percent.

SKIM MILK POWDER

Continuing strong buying demand led to a firming skim milk powder price range. Both New Zealand and Australian manufacturers report good current late year export interest. So far shipments have been moving smoothly. Buyers who prefer Oceania SMP are finalizing contracts with little price resistance. Few believe that waiting will lead to significantly better price options. Plants are working to keep enough SMP flowing as milk production gradually moves seasonally lower.

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

2,925 - 2,950

Secondary Sourced Information:

Seasonal SMP exports from Australia July – October 2020, 32,756 MT, increased 23.4 percent from July – October 2020 according to Dairy Australia.

At GDT event 274 on December 16, the SMP all contracts price, \$2,930, increased 1.2 percent. The January contract, \$2,938 increased 1.2 percent.

CHEESE

Cheese sales continue to be strong, helping to move the price range higher. New Zealand cheese manufacturers are pleased with a lively export market. In Australia, artisanal cheese is a more recent growing segment which has notched good export sales. In both countries, cheese plants expect to remain as busy as milk availability will permit.

CONTINUED ON PAGE 8C

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered December 7 - 18, 2020

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CONTINUED FROM PAGE 8B

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,
Price Range - \$/MT: 3,875 - 3,925

Secondary Sourced Information:

Seasonal other cheese exports from Australia July – October 2020, 37,561 MT, increased 2.4 percent from July – October 2020 according to Dairy Australia.

Seasonal cheddar exports from Australia July – October 2020, 10,266 MT, decreased 24.0 percent from July – October 2020 according to Dairy Australia.

At GDT event 274 on December 16, the cheddar all contracts price, \$3,893, increased 4.2 percent. The January contract, \$3,902 increased 2.5 percent.

WHOLE MILK POWDER

The Oceania whole milk powder price range moved higher. Regular buyers continue to be motivated to lock in contracts now that the seasonal milk production peak is behind us. New Zealand sources report that WMP export buyers have been steady and stepping up. Pricing for the next few months is expected to hold. The current pricing level is generating a decent profit for manufacturers.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,200 - 3,225

Secondary Sourced Information:

Seasonal WMP exports from Australia July – October 2020, 13,567 MT, decreased 11.5 percent from July – October 2020 according to Dairy Australia.

At GDT event 274 on December 16, the WMP all contracts price, \$3,210, increased 0.5 percent. The January contract, \$3,210 increased 0.6 percent.

**Exchange rates for selected foreign currencies:
December 14, 2020**

.0121 Argentina Peso	.0136 India Rupee
.7533 Australian Dollar	.0096 Japan yen
.1953 Brazil Real	.0494 Mexican Peso
.7834 Canadian Dollar	.7081 New Zealand Dollar
.0014 Chile Peso	.2736 Poland Zloty
1.2143 Euro	.0236 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0494) = 20.2429$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered December 7 - 18, 2020

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

SOUTH AMERICA OVERVIEW

In the last two weeks, summer temperatures and dry climatic conditions have prevailed in Argentina and Uruguay, limiting humidity for the development of corn and soybeans. However, the drying and harvesting of winter grains has accelerated thanks to this climate. Meanwhile, moderate rains have maintained favorable conditions for first crop soybeans and corn in the main production areas of central and southern Brazil. In general, the volume and quality of the forage are described as fair/good in the main dairy basins of the continent. In terms of milk production at the farm level, cow's milk yields are seasonally falling mainly due to increased heat stress caused by high summer temperatures. Apart from Brazil, milk intakes are enough to cover most processing needs for fluid/bottled milk, including UHT, throughout the Southern Cone region. With most schools closed during the summer break, bottled/UHT milk sales are fading. The cream market is firming across the continent as milk component levels continue sliding down. As a result, the production of cream-based products, such as butter, ice cream, and milk caramel have been somewhat shortened in several plants. Meanwhile, cheese and butter year-end holiday orders from retailers have been shipped and delivered. The food service sector continues struggling with the effects of COVID-19 lockdowns.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,175 - 3,225

Secondary Sourced Information:

At the GDT Event 274 on December 16, whole milk powder (WMP) prices across all contract periods averaged \$3,210 per metric ton, up 0.5 percent from the last event.

SKIM MILK POWDER

Albeit most year-end skim milk powder (SMP) orders has been fulfilled, free on board port prices adjusted higher in the Southern Cone region of South America, on a bullish market. The regional and international demand for SMP are currently strong, compared to its relatively low supply. As condensed skim milk volumes are becoming less available for drying, SMP production is irregular in most balancing plants, while inventories are lower in the cash market.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,875 - 2,975

Secondary Sourced Information:

At the GDT Event 274 on December 16, skim milk powder (SMP) prices across all contract periods averaged \$2,930 per metric ton, up 1.2 percent from the last event.

WHOLE MILK POWDER

South American whole milk powder (WMP) free on board export prices are mixed as the bottom price of the range adjusted slightly up, in line with recent upward price trends in some offshore auctions. However, the top price of the range, which is mainly mirroring export to Brazil, remained unchanged. Most balancing plants across the continent continue actively processing WMP, mostly to meet contractual needs for the rest of Q4 and Q1. At this point, WMP inventories are steady to decreasing. Trading is more active within the Mercosur bloc, compared to a few weeks ago. Exports to Algeria and Russia remain strong.

November Milk Production

Milk production in the 24 major States during November totaled 17.2 billion pounds, up 3.1 percent from November 2019. October revised production, at 17.7 billion pounds, was up 2.5 percent from October 2019. The October revision represented a decrease of 7 million pounds or less than 0.1 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 1,935 pounds for November, 41 pounds above November 2019.

The number of milk cows on farms in the 24 major States was 8.90 million head, 82,000 head more than November 2019, and 13,000 head more than October 2020.

November 2020 Milk Cows and Milk Production, by States

State	Milk Cows ¹		Milk per Cow ²		Milk Production ²		Change from 2019
	2019	2020	2019	2020	2019	2020	
	(thousands)		(pounds)		(million pounds)		(percent)
AZ	196	195	1,990	1,960	390	382	-2.1
CA	1,725	1,720	1,895	1,950	3,269	3,354	2.6
CO	190	201	2,085	2,110	396	424	7.1
FL	117	112	1,570	1,570	184	176	-4.3
GA	81	81	1,755	1,780	142	144	1.4
ID	634	645	2,000	2,005	1,268	1,293	2.0
IL	82	84	1,700	1,750	139	147	5.8
IN	176	191	1,825	1,865	321	356	10.9
IA	216	219	1,980	2,000	428	438	2.3
KS	165	173	1,920	1,940	317	336	6.0
MI	427	433	2,125	2,170	907	940	3.6
MN	446	448	1,770	1,830	789	820	3.9
NM	330	332	1,970	2,005	650	666	2.5
NY	626	626	1,940	1,980	1,214	1,239	2.1
OH	252	257	1,730	1,780	436	457	4.8
OR	127	125	1,645	1,650	209	206	-1.4
PA	485	482	1,665	1,690	808	815	0.9
SD	127	140	1,825	1,880	232	263	13.4
TX	575	608	1,955	2,030	1,124	1,234	9.8
UT	97	95	1,860	1,880	180	179	-0.6
VT	124	120	1,725	1,725	214	207	-3.3
VA	74	74	1,610	1,630	119	121	1.7
WA	281	279	1,930	1,935	542	540	-0.4
WI	1,264	1,259	1,915	1,975	2,421	2,487	2.7
24 State Total	8,817	8,899	1,894	1,935	16,699	17,224	3.1

¹ Includes dry cows. Excludes heifers not yet fresh.

² Excludes milk sucked by calves.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Milk Production*, (December 2020).

2021 Official Monthly Average Release Times

<u>Month</u>	<u>Release Day for Domestic*</u>	<u>Release Day for International**</u>
January	Monday, February 1, 2021	Monday, February 4, 2021**
February	Monday, March 1	Monday, March 4**
March	Friday, April 2	Thursday, April 2*
April	Friday, May 3	Thursday, May 3*
May	Monday, June 4	Thursday, June 10**
June	Monday, July 2	Monday, July 8**
July	Monday, August 2	Monday, August 5**
August	Friday, September 3	Thursday, September 3*
September	Friday, October 1	Thursday, October 1*
October	Monday, November 1	Thursday, November 1*
November	Friday, December 3	Thursday, December 9**
December	Monday, January 3, 2022	Thursday, January 6, 2022**

*Release time: 9:00 am Central time

** Release time: 12:00 pm Central time

October 2020 Milk Sales

Total Fluid Products Sales 4.0 billion pounds of packaged fluid milk products were shipped by milk handlers in October 2020. This was 1.8 percent lower than a year earlier. Estimated sales of total conventional fluid milk products decreased 2.1 percent from October 2019 and estimated sales of total organic fluid milk products increased 2.8 percent from a year earlier.

Product Name	Sales ²		Change from:	
	Oct	Year to Date ⁴	Previous Year	Year to Date
Conventional Production Practice	<i>(million pounds)</i>		<i>(percent)</i>	
Whole Milk	1,270	12,937	-1.6	3.5
Flavored Whole Milk	73	614	---	-2.5
Reduced Fat Milk (2%)	1,302	12,196	8.6	3.2
Low Fat Milk (1%)	465	4,491	-7.7	-4.9
Fat-Free Milk (Skim)	232	2,387	-16.3	-14.6
Flavored Fat-Reduced Milk	264	2,346	-31.0	-23.3
Buttermilk	36	342	-9.3	-5.8
Other Fluid Milk Products	90	671	97.0	149.5
Total Fat-Reduced Milk ³	2,263	21,419	-4.2	-4.4
Total Conventional Milk Products	3,733	35,983	-2.1	-0.5
Organic Production Practice				
Whole Milk	104	1,052	---	12.5
Reduced Fat Milk (2%)	83	817	11.5	15.5
Low Fat Milk (1%)	24	279	-12.7	1.9
Fat-Free Milk (Skim)	17	165	9.0	3.8
Flavored Fat-Reduced Milk	8	75	-0.6	-0.8
Other Fluid Milk Products	0	1	98.1	57.3
Total Fat-Reduced Milk ³	133	1,336	5.2	9.9
Total Organic Milk Products	237	2,388	2.8	11.1
Total Fluid Milk Products ²	3,969	38,371	-1.8	0.2

¹These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order data. Reported volumes do not include added non-dairy ingredients such as sweeteners or flavorings. ²Data may not add due to rounding. ³Both conventional and organic fat-reduced milk categories are the total of reduced fat, lowfat, skim and flavored fat-reduced milk.

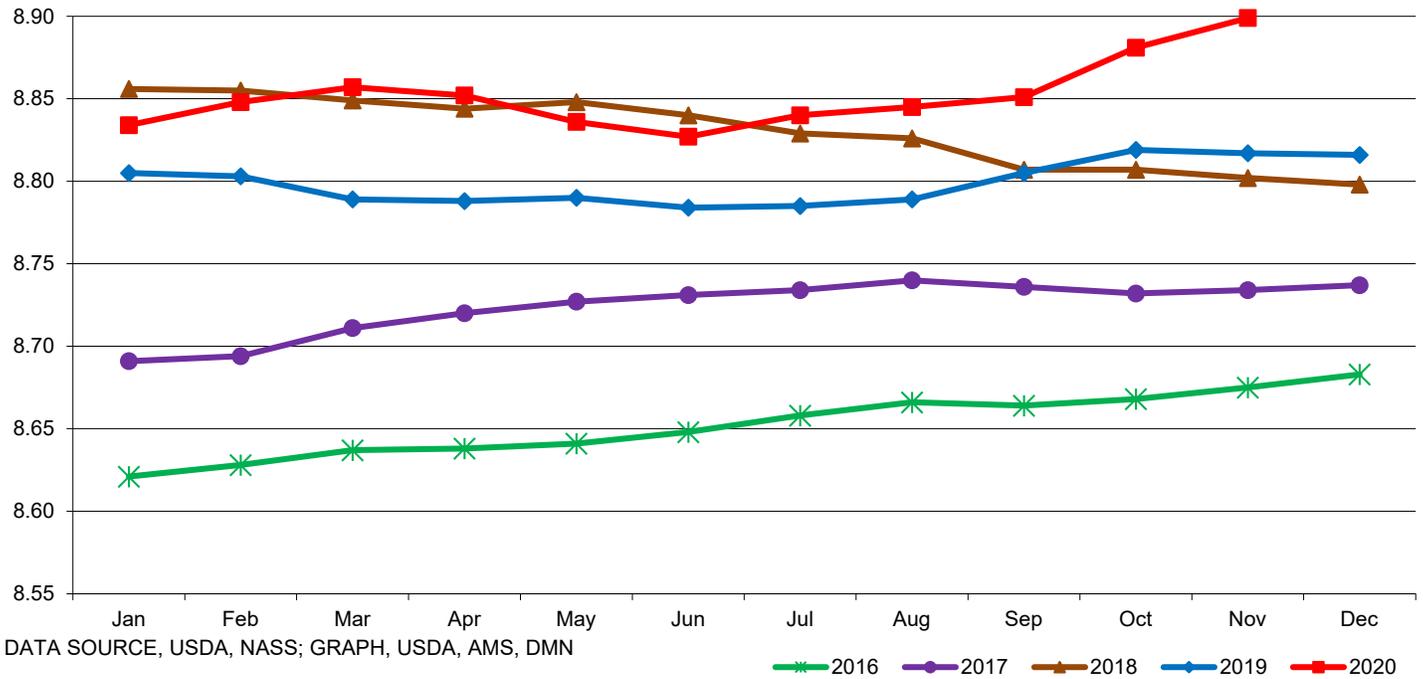
Package Sales of Total Fluid Milk Products in Federal Milk Orders, October 2020, with Comparisons ¹

Marketing Area	Order Number	Sales ²		Change from:	
		Oct	Year to Date	Previous Year	Year to Date
		<i>(million pounds)</i>		<i>(percent)</i>	
Northeast	001	653	6,257	-2.5	-1.3
Appalachian	005	286	2,770	4.7	6.6
Florida	006	223	2,238	-2.4	0.6
Southeast	007	339	3,367	-6.6	-2.0
Upper Midwest	030	274	2,708	-4.9	-1.3
Central	032	351	3,292	1.7	1.9
Mideast	033	474	4,440	3.7	2.0
California ³	051	440	4,290	-6.1	-2.9
Pacific Northwest	124	153	1,495	-4.1	-0.7
Southwest	126	372	3,611	-2.8	1.1
Arizona	131	87	834	3.6	1.7
All Areas (Totals) ¹		3,652	35,302	-1.8	0.2

¹These figures are representative of the consumption of total fluid milk products in the respective area. Reported volumes do not include added non-dairy ingredients such as sweeteners or flavorings. ²Data may not add due to rounding.

MILLION HEAD

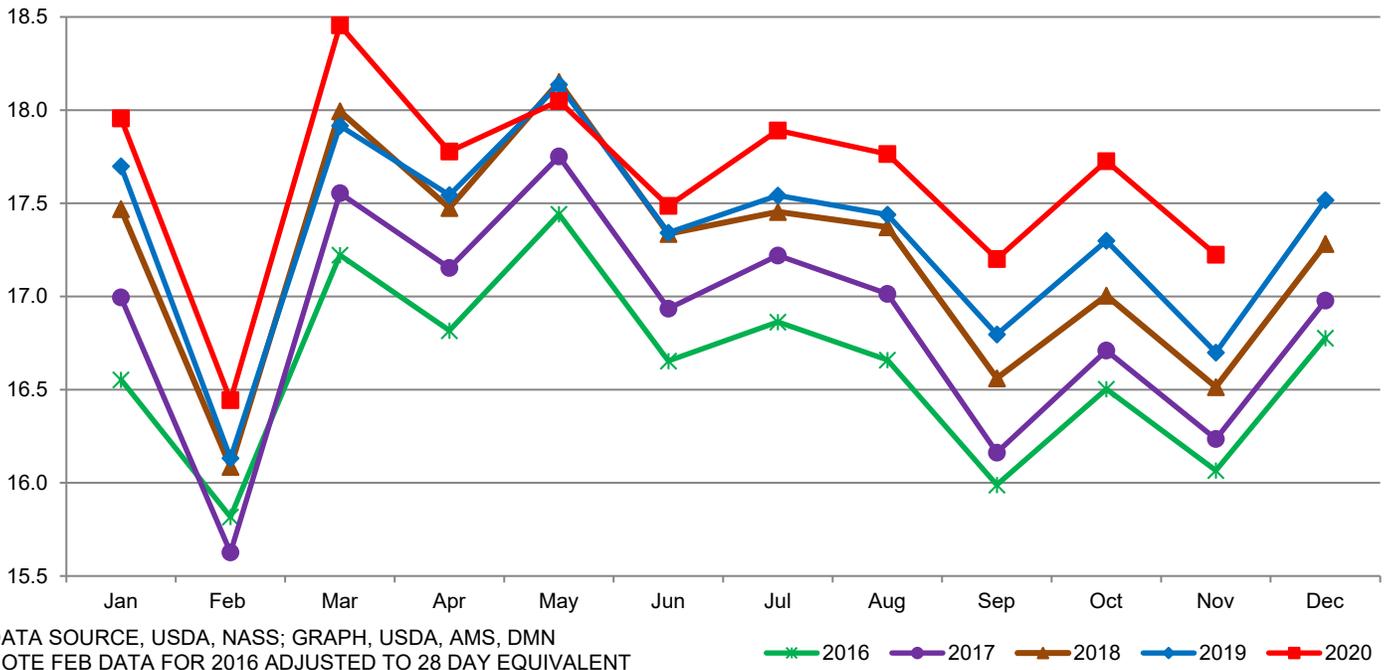
Milk Cow Numbers - 24 Selected States



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

BILLION POUNDS

Milk Production - 24 Selected States





Dairy Market News Branch

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National Retail Report-Dairy

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

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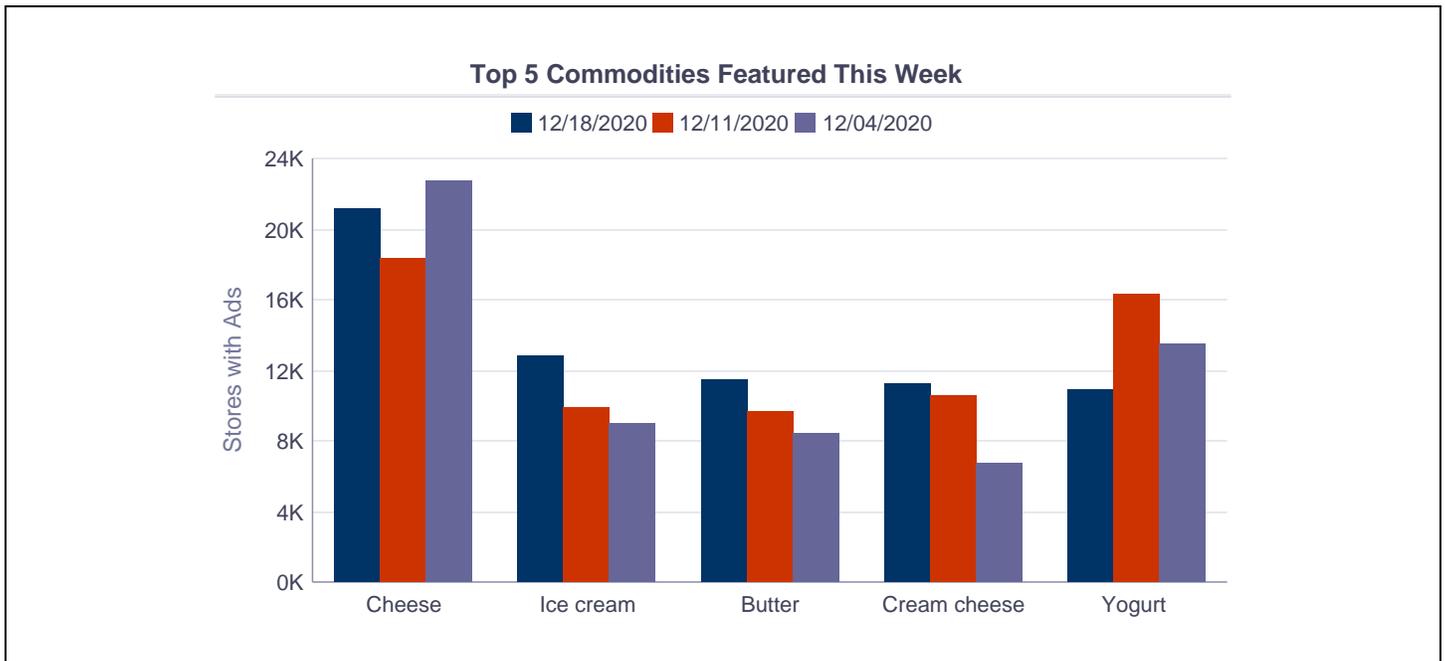
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 12/18/2020 to 12/24/2020

This week, conventional retail ad numbers increased 3 percent, while organic retail ad numbers decreased 36 percent. The most advertised dairy item is conventional ice cream in 48-64 ounces containers with a weighted average advertised price of \$2.93.

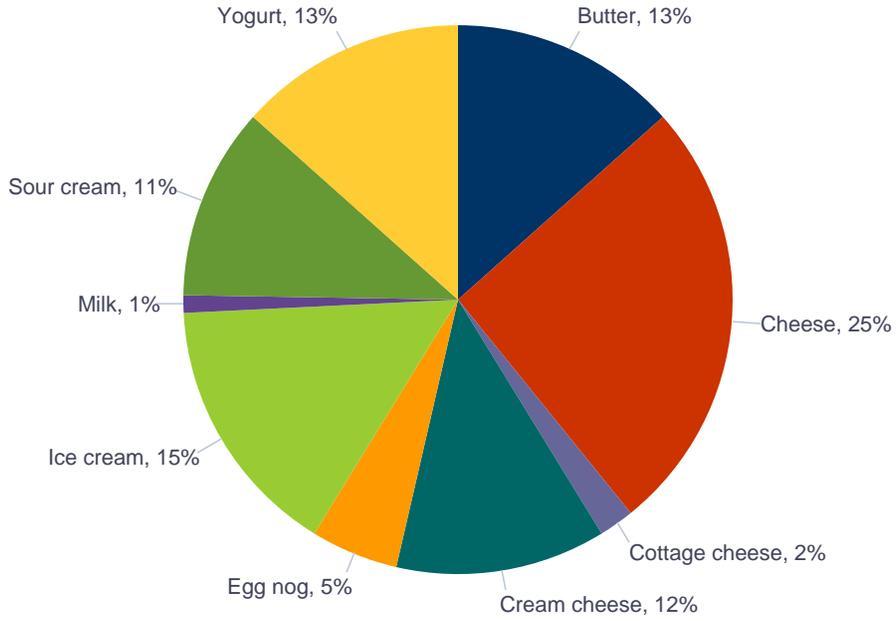
Total conventional cheese ads increased 16 percent. No ads for organic cheese were reported this week. Ads for conventional 8-ounce block cheese increased 35 percent, with a weighted average advertised price of \$2.34. Ads for 8-ounce conventional shred cheese decreased 1 percent, with an average price of \$2.24.

Total conventional yogurt ads decreased 27 percent, and organic ads decreased 90 percent. The national weighted average price for organic Greek yogurt in 4 to 6 ounce containers is \$1.25. The weighted average price for conventional 4 to 6 ounce yogurt is \$0.46.

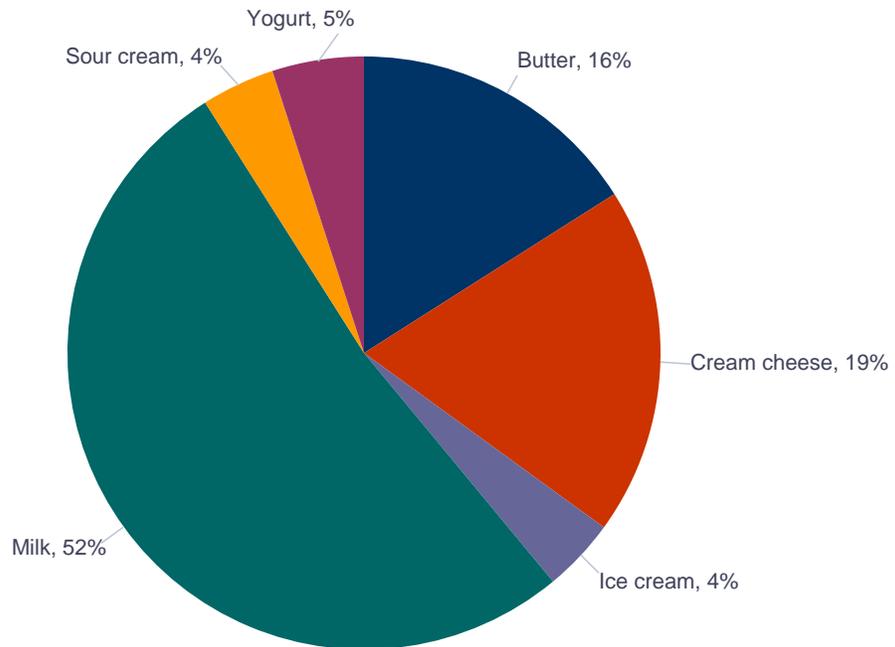
Total conventional milk ads decreased 49 percent, while organic milk ads decreased 19 percent. The national weighted average price for conventional half gallon milk is \$2.24. The national weighted average advertised price for organic half gallons is \$3.24, resulting in an organic premium of \$1.00.



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 #	10938	2.84	9054	2.89	10864	3.16
Cheese	Natural Varieties	8 oz block	8763	2.34	6499	2.49	9080	2.46
Cheese	Natural Varieties	1 # block	847	3.91	556	3.80	1686	3.68
Cheese	Natural Varieties	2 # block	1123	6.58	1597	6.46	1191	6.40
Cheese	Natural Varieties	8 oz shred	8757	2.24	8879	2.54	10167	2.42
Cheese	Natural Varieties	1 # shred	1614	3.98	700	3.94	270	4.14
Cottage cheese		16 oz	1413	2.05	3289	1.82	3624	1.96
Cream cheese		8 oz	10689	1.72	10426	2.00	10794	1.70
Egg nog		quart	1059	2.90	1794	3.00	830	3.06
Egg nog		half gallon	3342	3.92	1701	4.28	900	4.26
Flavored milk	All fat tests	half gallon	121	2.50	205	2.70	287	2.17
Flavored milk	All fat tests	gallon			214	3.50	1020	4.68
Ice cream		48-64oz	12673	2.93	9957	3.00	10717	3.03
Milk	All fat tests	half gallon	482	2.24	229	2.70	133	1.89
Milk	All fat tests	gallon	477	2.21	1637	3.21	522	2.98
Sour cream		16 oz	9746	1.90	8750	1.59	9193	1.86
Yogurt	Greek	4-6 oz	4984	.98	7251	.99	5133	1.01
Yogurt	Greek	32 oz	2680	4.56	1002	4.13	1037	4.25
Yogurt	Yogurt	4-6 oz	2136	.46	5932	.58	1875	.53
Yogurt	Yogurt	32 oz	991	2.23	510	2.25	250	1.97

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 #	2.24-4.99	2786	2.91	1.99-3.50	3187	2.87	1.99-3.00	976	2.23
Cheese	Natural Varieties	8 oz block	1.66-2.99	2443	2.27	1.50-3.00	3797	2.57	1.50-2.99	1333	1.89
Cheese	Natural Varieties	1 # block	3.99	341	3.99						
Cheese	Natural Varieties	2 # block				7.99	64	7.99			
Cheese	Natural Varieties	8 oz shred	1.66-3.00	3009	2.46	1.50-3.00	2339	1.97	1.50-3.00	1170	1.80
Cheese	Natural Varieties	1 # shred	3.99	110	3.99	3.99	1002	3.99	3.89	213	3.89
Cottage cheese		16 oz	1.49-2.98	1002	1.99	2.00-2.50	267	2.40			
Cream cheese		8 oz	1.19-3.00	2118	2.07	0.82-3.00	3863	1.52	1.66-1.67	714	1.67
Egg nog		quart	1.99-4.99	500	3.48						
Egg nog		half gallon	3.59-5.99	1537	4.46	2.49-2.99	248	2.62	2.99-4.00	480	3.21
Ice cream		48-64oz	1.00-4.59	3468	2.95	1.99-4.00	3176	2.78	2.49-3.50	1875	2.77
Milk	All fat tests	gallon	1.39-2.99	239	1.87						
Sour cream		16 oz	1.49-2.50	3493	1.95	1.66-2.00	3206	1.92	0.99-1.97	722	1.78
Yogurt	Greek	4-6 oz	0.83-1.00	1877	.99	0.99-1.00	522	1.00	0.99-1.00	1058	1.00
Yogurt	Greek	32 oz	3.49-4.99	694	3.97	4.99	919	4.99	3.89-4.99	650	4.47

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	4-6 oz	0.39-0.60	598	.48	0.49	90	.49	0.40-0.58	819	.45
Yogurt	Yogurt	32 oz	1.97-2.99	638	2.40	2.49	64	2.49			

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 #	1.69-3.69	2158	2.82	2.49-3.99	1594	3.04	1.99-2.49	174	2.29
Cheese	Natural Varieties	8 oz block	1.69-2.50	482	2.09	1.99-3.00	587	2.38	2.49	121	2.49
Cheese	Natural Varieties	1 # block	3.99	80	3.99	3.50	137	3.50	3.99	289	3.99
Cheese	Natural Varieties	2 # block	5.99-6.99	201	6.39	6.79-6.99	684	6.93	4.87-4.99	174	4.92
Cheese	Natural Varieties	8 oz shred	0.97-2.99	1064	2.11	1.99-3.50	875	2.66	3.29	289	3.29
Cheese	Natural Varieties	1 # shred							3.99	289	3.99
Cottage cheese		16 oz	1.79	133	1.79						
Cream cheese		8 oz	0.88-3.00	2005	1.59	1.25-2.50	1413	1.90	1.49-2.00	524	1.68
Egg nog		quart	2.99	175	2.99	1.99	360	1.99			
Egg nog		half gallon	1.99-4.79	370	3.60	3.49-3.99	407	3.76	3.99	289	3.99
Flavored milk	All fat tests	half gallon	2.50	121	2.50						
Ice cream		48-64oz	2.49-5.50	947	3.16	2.50-3.99	2324	3.04	2.88-3.49	813	3.15
Milk	All fat tests	half gallon	2.00-2.50	361	2.33				1.99	121	1.99
Milk	All fat tests	gallon	2.99	133	2.99				1.99	105	1.99
Sour cream		16 oz	1.79-2.18	512	1.96	1.79-2.00	1187	1.92	0.99-1.99	576	1.60
Yogurt	Greek	4-6 oz	0.88-1.00	746	.96	1.00	137	1.00	0.88-1.00	644	.95
Yogurt	Greek	32 oz	4.49-4.99	132	4.79	4.49-4.99	274	4.74			
Yogurt	Yogurt	4-6 oz	0.50	57	.50	0.50	178	.50	0.40-0.50	394	.43
Yogurt	Yogurt	32 oz							1.79	289	1.79

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 #	2.50-4.99	39	4.29	3.00	24	3.00
Cheese	Natural Varieties	8 oz shred	2.99	11	2.99			
Cottage cheese		16 oz	1.67	11	1.67			
Cream cheese		8 oz	3.99	28	3.99	1.25	24	1.25
Egg nog		quart				3.99	24	3.99
Egg nog		half gallon	3.49	11	3.49			
Ice cream		48-64oz	2.75-3.49	22	3.12	3.50-4.99	48	4.25
Sour cream		16 oz	1.67-2.29	50	2.09			
Yogurt	Greek	32 oz	4.99	11	4.99			

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 #	503	5.78	613	5.64	503	5.95
Cheese	Natural Varieties	8 oz shred			117	3.99		
Cottage cheese		16 oz			214	4.29		
Cream cheese		8 oz	601	2.66	121	2.69	645	2.68
Ice cream		48-64oz	117	5.99				
Milk	All fat tests	half gallon	697	3.24	2017	3.52	781	3.99
Milk	All fat tests	gallon	938	5.46			695	5.69
Sour cream		16 oz	121	2.49	214	2.50	178	1.99
Yogurt	Greek	4-6 oz	156	1.25				
Yogurt	Greek	32 oz			395	4.42	87	3.99
Yogurt	Yogurt	4-6 oz					255	1.25
Yogurt	Yogurt	32 oz			1173	3.02	289	3.29

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				5.49	214	5.49			
Cream cheese		8 oz				2.50	214	2.50			
Milk	All fat tests	half gallon				3.50	214	3.50	3.00	370	3.00
Milk	All fat tests	gallon				4.99	214	4.99	5.49	468	5.49
Yogurt	Greek	4-6 oz	1.25	156	1.25						

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 #							5.99	289	5.99
Cream cheese		8 oz	2.69-2.99	201	2.81	2.50	117	2.50	2.99	69	2.99
Ice cream		48-64oz				5.99	117	5.99			
Milk	All fat tests	half gallon	3.00	78	3.00						
Milk	All fat tests	gallon	5.49	78	5.49	5.99	167	5.99			
Sour cream		16 oz	2.49	121	2.49						



Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.29	11	3.29	5.29	24	5.29
Milk	All fat tests	gallon	5.49	11	5.49			

REGIONAL DEFINITIONS

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

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



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Market Information Branch

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