

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (2/5)

BUTTER: Grade AA closed at \$1.2675. The weekly average for Grade AA is \$1.2680 (-0.0185).

CHEESE: Barrels closed at \$1.5000 and 40# blocks at \$1.6400. The weekly average for barrels is \$1.4275 (+0.0330) and blocks, \$1.5810 (-0.0080).

NONFAT DRY MILK: Grade A closed at \$1.1200. The weekly average for Grade A is \$1.1220 (-0.0400).

DRY WHEY: Extra grade dry whey closed at \$0.5350. The weekly average for dry whey is \$0.5350 (+0.0125).

CHEESE HIGHLIGHTS: Throughout the country, milk availability is high. Spot milk prices in the Midwest ranged from \$8.50 under to \$5 under Class. Production is busy nationwide, as cheesemakers work through plentiful milk supplies. Cheese demand varies from one region to the next. Curd producers in the Midwest have given some positive notes in recent weeks regarding demand, as some restrictions have eased. However, food service demand across the country remains soft, particularly when compared with pre-COVID-19 figures. Cheese inventories range from widely available to balanced, depending on variety and/or location. Cheese market tones vary from blocks to barrels. Blocks have slid most of this week, while barrels have been steady to slowly increasing on the CME.

BUTTER HIGHLIGHTS: There were some positive notes this week regarding butter export interests. Butter producers remain actively running churns, as cream remains plentiful throughout the regions. That said, multiples have begun to shift higher in the Midwestern and Eastern regions. Food service interests remain under a COVID-19 raincloud, although Eastern contacts pointed out some improving sales figures this week. Print butter is moving well into retail channels, throughout the country. Butter inventories are available. Market tones are showing some signs of life after the GDT event early in the week, and some butter sellers are hopeful the "new crop" butter rule will help stymie the recently persistent market bears.

FLUID MILK: Milk production has been in a pattern of growth for most weeks in the early part of 2021. That said, with frigid temperatures and winter precipitation in regions throughout the nation, cow comfort and health are expected to be tested in the upcoming weeks. California winter storms disrupted transportation last week, and some farms were forced to dump milk. Still, milk is readily available for all uses currently. With lighter overall Class I demand, cheese producers are still reporting discounts as low as \$8.50 under, while \$5 under Class was the high price. As ice cream production steadily climbs, cream availability is slowly beginning to cinch up in the Midwestern and Eastern regions. F.O.B. cream multiples are **1.13-1.30** in the East, **1.17-1.24** in the Midwest, and **1.00-1.18** in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk (NDM) prices were mixed in the Central/East regions, while the top of the price range in the West shifted lower. NDM production is active, while market tones attempt to find footing. Buttermilk powder prices were steady in the Central and East, while remaining steady in the West. Loads of condensed buttermilk are clearing into ice cream production and drying has been sporadic. Dry whole milk prices shifted up two cents on the bottom of the range, as contacts maintain production is contract driven. Dry whey prices are steady to higher nationwide. Western dry whey processors noted logistical issues, most notably container shortages, have affected shipments. Whey protein concentrate 34% prices were steady to higher, as well. Lactose prices shifted slightly lower, as market tones are uncertain. Rennet casein prices shifted higher, while acid casein prices held steady.

CONTINUED ON PAGE 1A

TABLE OF CONTENTS

| | | | | | |
|---|----------|--|-----------|---|-----------|
| Product Highlights/CME/DMN at a Glance | 1 | U.S. Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures | 7 | DMN Monthly Average Release Times (Updated) | 15 |
| Weekly CME Cash Trading/Butter Markets | 2 | International Dairy Market News | 8 | Dairy Graphs | G1 |
| Cheese Markets | 3 | January Monthly Averages | 9 | National Retail Report – Dairy | |
| Fluid Milk and Cream | 4 | December Agricultural Price Highlights | 12 | Dairy Market News Contacts | |
| Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk | 5 | December Dairy Products | 13 | | |
| Dry Whey/WPC 34%/Lactose/Casein | 6 | January Class Prices | 14 | | |

**DAIRY MARKET NEWS PRICE SUMMARY FOR FEBRUARY 1 - 5, 2021
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

| Commodity | Range | Mostly | Commodity | Range | Mostly | Commodity | Range | Mostly |
|-----------------------|---------------|-----------------|-------------------|-----------------------------|--------|-------------------------|-----------------------------|--------|
| NDM | | | BUTTERMILK | | | LACTOSE | | |
| Central Low/Med. Heat | 1.1000 1.2200 | 1.1450 1.1700 | Central/East | 1.0300 1.1250 | | Central/West | 0.3000 0.5500 0.3650 0.4600 | |
| Change | N.C. 0.0200 | -0.0050 -0.0100 | Change | -0.0200 0.0050 | | Change | -0.0100 N.C. -0.0150 N.C. | |
| Central High Heat | 1.1950 1.3000 | | West | 1.0500 1.1100 1.0600 1.0900 | | WPC 34% | | |
| Change | -0.0550 N.C. | | Change | N.C. N.C. N.C. N.C. | | Central/West | 0.9500 1.1575 0.9850 1.0150 | |
| West Low/Med. Heat | 1.1000 1.1925 | 1.1500 1.1800 | WHEY | | | CASEIN | | |
| Change | N.C. -0.0150 | N.C. N.C. | Central | 0.4800 0.5400 0.4950 0.5100 | | Rennet | 3.6050 3.6875 | |
| West High Heat | 1.2600 1.3050 | | Change | 0.0100 N.C. 0.0150 N.C. | | Change | 0.0175 0.0350 | |
| Change | N.C. -0.0200 | | West | 0.4725 0.5500 0.4900 0.5250 | | Acid | 3.6425 3.9500 | |
| DRY WHOLE MILK | | | Change | 0.0175 N.C. N.C. 0.0150 | | Change | N.C. N.C. | |
| National | 1.5700 1.7000 | | Northeast | 0.4700 0.5350 | | ANIMAL FEED WHEY | | |
| Change | 0.0200 N.C. | | Change | N.C. 0.0050 | | Central | 0.3600 0.4100 | |
| | | | | | | Change | N.C. N.C. | |

**DAIRY MARKET NEWS PRICE SUMMARY FOR JANUARY 25 - FEBRUARY 5, 2021
PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

| Commodity | Range | Commodity | Range | Commodity | Range |
|-------------|-----------|--------------------------|-----------|-----------------------|-----------|
| SMP | | WHOLE MILK POWDER | | BUTTER | |
| W. Europe | 2750 2900 | W. Europe | 3400 3575 | W. Europe | 4025 4300 |
| Change | 50 25 | Change | 75 100 | Change | 25 50 |
| Oceania | 3100 3250 | Oceania | 3300 3475 | Oceania | 4775 5050 |
| Change | -150 -125 | Change | -50 75 | Change | 75 225 |
| S. America | 3200 3475 | S. America | 3450 3650 | BUTTEROIL | |
| Change | 50 125 | Change | 100 200 | W. Europe | 4725 4900 |
| WHEY | | | | Change | 25 -50 |
| W. Europe | 1075 1150 | | | CHEDDAR CHEESE | |
| Change | 75 75 | | | Oceania | 4125 4250 |
| | | | | Change | 125 150 |

CONTINUED FROM PAGE 1

INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPE OVERVIEW: While awaiting official 2020 milk production data, Western European sources report that early 2021 seasonal increases are believed to be slower than in early 2020. German sources say current production has stagnated, using that term to reflect lower YOY milk production. French sources say YOY milk production there is a lower percentage than in Germany. Fewer cows is a factor. Lower quality available feed is another factor. In both of these top milk producing countries though, it is emphasized that because it is so early in the year they fully expect to pull ahead and end with another year of increased milk production with nearly eleven months to go. **EASTERN EUROPE:** Milk production in Poland during 2020 increased 2.3 percent from 2019 according to CLAL data made available to USDA. Other manufactured dairy product results include butter, +8.3 percent; SMP, +5.3 percent; and WMP, -10.7 percent.

OCEANIA OVERVIEW: AUSTRALIA: Milk production keeps moving lower seasonally. Concerns with hot and dry conditions persists. Worrisome weather extremes forecast for next week have many dairy producers on alert. Recent fires caused by extreme heat and dryness have been concerns. But expected extremely heavy rain and possible cyclones in some areas will pose other concerns. This may reduce fire danger. Yet extremely heavy and prolonged rain interspersed with gale force winds pose other problems. The next week is apprehensively awaited. **NEW ZEALAND:** December 2020 New Zealand milksolids reported by DCANZ and CLAL, 231.027 million kg, are up 1.02 percent from December 2019 milksolids, 228.700 million kg., according to Deanz and CLAL data made available to USDA. December 2020 milk production, 2.741 million MT, is up 0.70 percent from December 2019, 2.722 million MT. Seasonal milksolids (June – December 2020) are up 1.02 percent. Total seasonal milk production through December leads last season by 0.7 percent. Annual 2020 milk production, 21.871 million MT increased 0.4 percent from annual 2019 milk production.

SOUTH AMERICA OVERVIEW: In the main dairy basins and agricultural zones of Brazil, Argentina, Paraguay, and Uruguay, weather conditions have been around the 70s to 80s. Higher summer temps and humidity have been uncomfortable for dairy herds currently. Moderate rainfalls continue to aid soil moisture for corn and soybean growth. Milk production is down. Operations are receiving lower milk volumes. There are reports raw milk has been traveling to all immediate locations on time. Some dairy farm operators are decreasing the number of cattle moving into slaughter. Butterfat interests are firm in the cream-based dairy markets, especially from ice cream/frozen dessert manufacturers. Educational institutions continue to be closed. Demands for milk and dairy products are healthy.

NATIONAL RETAIL REPORT (DMN): The most advertised dairy item this week is conventional 48 to 64-ounce containers of ice cream. The national weighted average price is \$2.99, even with last week. Organic 48 to 64-ounce ice cream has a national weighted average advertised price of \$7.49, resulting in a \$4.50 organic price premium. The second most advertised dairy item, conventional 8 oz. cream cheese, has an average price of \$1.87. Organic 8 oz. cream cheese, has an average price of \$3.00, resulting in a \$1.13 organic price premium.

DECEMBER AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$18.50 in December, down \$2.20 from December 2019. The alfalfa hay price was \$169.00 in December, down \$3.00 from December 2019. The corn price was \$3.97 in December, up \$0.26 from December 2019. The soybean price was \$10.50 in December, up \$1.80 from December 2019. The milk-feed price ratio was 2.18 in December, down 0.39 from December 2019. The index of prices received by farmers for dairy products during the month of December 2020 was down 14 to 92.0. Compared to December 2019, the index was down 11 (10.7 percent).

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in December 2020 was up 0.8 point to 112.7. Compared with December 2019, the index was up 1.8 points (1.6 percent).

DECEMBER DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 206 million pounds, 11.8 percent above December 2019, and 18.7 percent above November 2020. American type cheese production totaled 461 million pounds, 1.0 percent above December 2019, and 2.9 percent above November 2020. Total cheese output (excluding cottage cheese) was 1.13 billion pounds, 0.5 percent above December 2019, and 2.6 percent above November 2020. Nonfat dry milk production, for human food, totaled 205 million pounds, 24.1 percent above December 2019, and 28.5 percent above November 2020. Dry whey production, for human food, was 80.4 million pounds, 2.2 percent above December 2019, and 18.0 percent above November 2020. Ice cream, regular hard production, totaled 52.4 million gallons, 11.4 percent above December 2019, but 2.0 percent below November 2020.

JANUARY FINAL CLASS PRICES HIGHLIGHTS (FMMO): The following are the January 2021 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$14.18 (\$+0.17), Class III: \$16.04 (\$+0.32), and Class IV: \$13.75 (\$+0.39). Under the Federal milk order pricing system, the butterfat price for January 2021 is \$1.5541 per pound. Thus, the Class II butterfat price is \$1.5611 per pound. The protein and other solids prices for January 2021 are \$3.0355 and \$0.2682 per pound, respectively. These component prices set the Class III skim milk price at \$10.99 per cwt. The January 2021 Class IV skim milk price is \$8.61, which is derived from the nonfat solids price of \$0.9570 per pound. The product price averages for January 2021 are: butter \$1.4548, nonfat dry milk \$1.1345, cheese \$1.6502, and dry whey \$0.4595.

| COMMODITY | MONDAY FEB 1 | TUESDAY FEB 2 | WEDNESDAY FEB 3 | THURSDAY FEB 4 | FRIDAY FEB 5 | :: WEEKLY CHANGE | :: WEEKLY AVERAGE |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------------|
| CHEESE | | | | | | | |
| BARRELS | \$1.3900 (N.C.) | \$1.3900 (N.C.) | \$1.4125 (+0.0225) | \$1.4450 (+0.0325) | \$1.5000 (+0.0550) | :: (+0.1100) | :: \$1.4275 (+0.0330) |
| 40 POUND BLOCKS | \$1.5825 (+0.0075) | \$1.5900 (+0.0075) | \$1.5575 (-0.0325) | \$1.5350 (-0.0225) | \$1.6400 (+0.1050) | :: (+0.0650) | :: \$1.5810 (-0.0080) |
| NONFAT DRY MILK | | | | | | | |
| GRADE A | \$1.1525 (-0.0200) | \$1.1375 (-0.0150) | \$1.1100 (-0.0275) | \$1.0900 (-0.0200) | \$1.1200 (+0.0300) | :: (-0.0525) | :: \$1.1220 (-0.0400) |
| BUTTER | | | | | | | |
| GRADE AA | \$1.2100 (-0.0350) | \$1.2925 (+0.0825) | \$1.2925 (N.C.) | \$1.2775 (-0.0150) | \$1.2675 (-0.0100) | :: (+0.0225) | :: \$1.2680 (-0.0185) |
| DRY WHEY | | | | | | | |
| EXTRA GRADE | \$0.5350 (N.C.) | \$0.5350 (N.C.) | \$0.5350 (N.C.) | \$0.5350 (N.C.) | \$0.5350 (N.C.) | :: (N.C.) | :: \$0.5350 (+0.0125) |

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

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

BUTTER MARKETS

NORTHEAST

In general, butter makers are seasonally active. Some manufacturers limit their cream purchases and production to in-house cream supplies. Butter producers are making both salted and unsalted varieties to fill domestic demand and increased interest from export markets. Current production levels add to inventory volumes. Bulk butter prices range 3- 8 cents over the CME, with various time frames and averages used. Food service sales are better than expected, according to sources. The AMS Dairy Market News retail report shows that retailers have, on average, increased their shelf prices, but sources suggest that consumers continue to buy steadily.

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:

This week, a cooperative export assistance program accepted requests for export assistance to sell 216,053 pounds (98 metric tons) of butter.

CENTRAL

Cream prices remain within reach for butter makers in the region, but steadily growing ice cream production has some butter contacts reporting slight upticks on the multiples. Some plant managers have said they are using primarily internally sourced cream, which is abundant. Butter production, as has been the case, is busy. Food service demand remains a shell of its pre-COVID-19 self. Notably busier retail demand has covered some of the lost ground, though. A few producers report that February has picked up some steam regarding bulk butter sales. Butter market tones got a shot in the arm on Tuesday. Contacts suggest somewhat bullish global milkfat reports could have aided the \$.08+ jump on the CME. Also, there are only a few weeks of "old crop" butter trading left on the CME, which typically offers at least a short term bullish shift.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0200 - +0.0500

Secondary Sourced Information:

The CME Group January monthly average price for Grade AA butter was \$1.3496, compared to \$1.4806 in December.

WEST

In the West, the bulk butter overages are steady, \$0.0200 to \$0.0800 over the CME, with various time frames and averages used. The CME Group butter price at midweek is higher compared to the previous \$1.2865 weekly average price. Cream supplies are reportedly increasing seasonally and butter churns are operating on full schedules in many cases. Butter inventories are adequate for some, but heavier than anticipated for others. Domestic butter demand is described as good. Orders continue to move print butter into retail channels. Forward sales are slowing as buyers look to purchase at lower prices, with the hope of an advantageous market adjustment.

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 - +0.0800

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for export assistance to sell 216,053 pounds (98 metric tons) of butter.

CHEESE MARKETS

NORTHEAST

In the Northeast, milk is aplenty and flowing into cheese operations' intakes. Cheese makers are working through strong cheddar, mozzarella and provolone production schedules. Manufacturers' inventory levels are steady for the near term. Retail sales are fairly stable, with some grocers ordering additional supplies. Foodservice cheese sales are steadily soft. Restaurants' mozzarella and provolone orders are fairly steady. Cheddar cheese spot market activities remain light. There are several buyers not purchasing on the spot market. Cheese markets are bearing a weaker tone, although prices are somewhat settling on various market exchanges.

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

| | |
|---------------------------------|---------------|
| Cheddar 40 pound Block | 2.0400-2.3275 |
| Muenster | 2.0275-2.3775 |
| Process American 5 pound Sliced | 1.4950-1.9750 |
| Swiss 10-14 pound Cuts | 3.8725-4.1950 |

MIDWEST

Cheese contacts continue to relay spot milk offers were quieter than in recent weeks. However, milk is far from tight or even tightening. Prices for spot milk remain at strong discounts in a similar range to last week's at this point. Cheese production is busy. Managers say they are keeping ahead of the spot milk by producing cheeses that require some aging time. Hence, 40 pound cheddar blocks are reportedly being produced more actively. Some barrel cheesemakers relayed inventories remain balanced. Curd producers reported demands remained fairly steady, as bar and dining restrictions have let up in some customer areas. That said, winter weather in the Northeast has added stressors for Midwestern cheese producers who provide cheese to restaurants that will not be able to offer outdoor dining options for the near term. Cheese market prices are holding somewhat steady for blocks and barrels, at around \$1.60 and \$1.40, respectively. There are myriad questions regarding near and long term market conditions, as contacts' outlooks are foggy.

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

| | |
|-------------------------------|---------------|
| Blue 5 pounds | 2.2225-3.2925 |
| Brick 5 pounds | 1.9550-2.3800 |
| Cheddar 40 pound Block | 1.6775-2.0775 |
| Monterey Jack 10 pounds | 1.9300-2.1350 |
| Mozzarella 5-6 pounds | 1.7550-2.7000 |
| Muenster 5 pounds | 1.9550-2.3800 |
| Process American 5 pound Loaf | 1.4800-1.8400 |
| Swiss 6-9 pound Cuts | 3.3875-3.5050 |

WEST

Western industry contacts say cheese is widely available. Inventories are growing for most varieties as cheese production tries to keep pace with available milk. Total cheese supplies are outpacing total cheese demand. Industry contacts say retail demand has decreased following the winter holidays. As the football season draws to a close, pizza cheese demand has eased back slightly as well. In addition, food service demand has yet to see much improvement, even as some areas of the region relax restrictions on restaurant capacity or COVID-19 restrictions. Government purchases can help clean up some of the cheese stocks. But market observers are also wary of the impact that additional purchases can have on price volatility.

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

| | |
|-------------------------------|---------------|
| Cheddar 10 pound Cuts | 1.9150-2.1150 |
| Cheddar 40 pound Block | 1.6675-2.1575 |
| Monterey Jack 10 pounds | 1.9025-2.1775 |
| Process American 5 pound Loaf | 1.4975-1.7525 |
| Swiss 6-9 pound Cuts | 3.6800-4.1100 |

FOREIGN TYPE

Sources in Western Europe describe current cheese production as being throttled by less milk inputs than plant capacity can accommodate. An anticipated late 2020 increase in aging stocks did not materialize, leaving aging stocks lower than desirable. The resulting tightness in cheese stocks has led to some price firming of sliced cheese and mozzarella. Milk production in Western Europe is expected to trend higher into May, so cheesemakers are hopeful to be able to increase milk intakes to increase cheese production.

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

| | | | | |
|--------------------------|---|---------------|---|----------------|
| VARIETY | : | NEW YORK | : | DOMESTIC |
| | : | IMPORTED | : | |
| Blue | : | 2.6400-5.2300 | : | 2.0475-3.5350* |
| Gorgonzola | : | 3.6900-5.7400 | : | 2.5550-3.2725* |
| Parmesan | : | -0- | : | 3.4350-5.5250* |
| Romano | : | -0- | : | 3.2375-5.3925* |
| Sardo Romano (Argentina) | : | 2.8500-4.7800 | : | -0- |
| Reggianito (Argentina) | : | 3.2900-4.7800 | : | -0- |
| Jarlsberg | : | 2.9500-6.4500 | : | -0- |
| Swiss | : | -0- | : | 3.9075-4.2325 |
| 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> |
| 02/01/2021 | : | 56492 | : | 84787 |
| 02/01/2021 | : | 56492 | : | 84788 |
| CHANGE | : | 0 | : | -1 |
| % CHANGE | : | 0 | : | 0 |

Secondary Sourced Information:

The CME Group January 2021 monthly average price for barrels was \$1.5141, compared to \$1.4609 in December; blocks' average price was \$1.7470, compared to \$1.6249 in December.

FLUID MILK AND CREAM

EAST

Northeast milk volumes are readily available in the region for manufacturing needs. Bottling demands are stable. Class I sales are steady for the near term. Class II and III processing plants are running on full production schedules. Milk orders are steady from educational institutions. Foodservice sales are down. Many operations are awaiting orders from the restaurant business, hoping for improving demand from that channel. In the Mid-Atlantic, milk output is somewhat flat. Class I sales are steady. Milk is fairly balanced with Class II and III operations' immediate milk needs. Milk production in the Southeast is slightly increased. Market participants report there is plenty of milk for bottling needs. Class I sales are stable. Some milk loads are clearing to manufacturing. Milk supply/processing continues to be in balance. Following seasonal patterns in Florida, milk production is up, although milk output is close to reaching its peak. Class I sales are stable. A few bottlers are receiving milk from other regions for their immediate needs. Cream markets are holding somewhat of a steady tone. Cream spot market activities are steady to light. A few buyers are purchasing spots at higher prices this week. Ice cream operations are slightly picking up production schedules. Butter plants are running strong churning. Condensed skim volumes continue to be heavy in the East. Loads are traveling to other regions to locate manufacturing demand/capacity.

The DMN January average for Northeast Class II cream was \$1.5974, compared to \$1.6707 a month ago.

The DMN January monthly average for Northeast Class II condensed skim was \$0.5263, compared to \$0.7091 a month ago.

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

Price Range - Class II; \$/LB Solids: 0.40 - 0.60

Price Range - Class III; \$/LB Solids: 0.55 - 0.70

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

Multiples Range - All Classes: 1.1300 - 1.3000

Price Range - Class II; \$/LB Butterfat: 1.4537 - 1.6725

MIDWEST

With the exception of some farmer contacts in the eastern portion of the Central region reporting flatter milk output, the rest, and most, of the region is reporting increasing yields. Some contacts have said spring flush has begun mid-winter. That being said, frigid temperatures are coming, along with winter precipitation. Highs in the single digits and lows below zero are conditions that dairy farmers have not had much experience with up to this point in 2021. Contacts are resolutely concerned about cow health/milk output in the weeks upcoming. Now, though, there is more than enough milk for bottling and all processing throughout the Midwest and South Central areas. Bottling demand continues to underwhelm milk suppliers. Cheese producers reported \$8.50 discounts on Class III spot milk again this week, even though offers were less frequent than a few weeks ago. Spot milk in week 5 of 2020 were at Class to \$1.50 under for a comparison of the widely available milk currently. Cream is beginning to show slight indications of firming. Multiples edged up, as ice cream production has steadily and slowly increased in the past few weeks. As with dairy farmers, winter wheat farmers in the southern portion of the region are concerned about freezing temperatures ahead. Some farmer contacts reported dealing with COVID-19 among hands and peers, as well.

The DMN monthly average of the range price series for Upper Midwest Class II cream during January was \$1.6620, compared to \$1.7103 in December.

Price Range - Class III Milk; \$/CWT; Spot Basis: -8.50 - -5.00
Trade Activity: Moderate

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

Multiples Range - All Classes: 1.1700 - 1.2400

Price Range - Class II; \$/LB Butterfat: 1.5438 - 1.5953

Multiples Range - Class II: 1.2000 - 1.2400

WEST

California milk production is following seasonal patterns. Milk output is strong and flowing ahead of the production levels from last year. Dairy processors are at capacity and unable to take on much more available milk. Disruptions to the milkshed create a wave of distressed milk that milk handlers often need to push to calf ranches. The winter storm from last week clogged transportation and caused milk to back up in the Central Valley. Industry contacts say heavy rain, mud slides and snow delayed milk haulers. Some farms had to dump milk while they waited for trucks to come and make the pickup. Class I and Class II sales are steady.

Milk production in Arizona is steady to higher. Warm days and cool nights are almost ideal for cow comfort. Manufacturers say milk intakes are well-balanced within the region and they are not taking in much milk from the surrounding regions. Class I and Class II demand is stable.

In New Mexico, milk production is following seasonal patterns, moving up slightly as the temperatures warm. Milk handlers expect holdovers and balancing needs to rise over the next few weeks.

Pacific Northwest milk production is steady to growing, however production over base programs are keeping supplies in check. Milk intakes are well-balanced with processing needs. Class I sales are solid. Retail demand for fluid milk has remained strong and the government food box program has been supportive of dairy markets. Contacts suggest Class II sales have eased back over the last few weeks.

In the mountain states of Idaho, Utah and Colorado, milk production remains strong. Manufacturers are not having any trouble getting the milk needed for processing. Available spot loads of milk are consistently available at \$4 to \$5 under Class IV. However, industry contacts do not think much, if any, milk has had to be diverted to calf ranches the last few weeks.

There is plenty of condensed skim milk available for drying. Demand from processors is flat.

Western cream sales are a bit flat. Butter makers are taking healthy volumes of cream and ice cream manufacturers are starting to increase their activities. Inexpensive cream is still available at low multiples. A few cream purveyors are pushing for higher multiples. But so far, Class II processors have not needed to jump on board and those with the cream are choosing to use the cream themselves.

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

Multiples Range - All Classes: 1.0000 - 1.1800

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 were steady to higher on the price range, while slipping on both ends of the mostly. Higher prices on the price range can be attributed to brand preference. Generally, though, contacts suggest prices/market tones are steady to weaker. There is a lot of nonfat drying, as condensed skim remains very available. Trading activity was moderately busy, similar to last week. High heat NDM prices shifted lower on the bottom of the range, as some brokers bought high heat NDM at a deal. Generally, high heat NDM trading was somewhat quiet on the spot market. NDM market tones continue to miss the stability mark, as prices continue slipping day to day on the CME Group.

EAST: Although prices slipped on the mostly series, price points of low/medium heat nonfat dry milk (NDM) are holding more steady in the mid-\$1.10s. Domestic demand slightly picked up from a very slow week 4, and although inventories have grown, there is still a little more stability in the East than in the West/Midwest, at least for now. Generally, though, market tones are sluggish and slipping. High heat NDM prices slipped to \$1.1950 on the bottom of the range, although prices held steady on the top. Market tones for NDM are on slippery turf. Some contacts expect some steadiness after the correction, but this week has provided few bulls. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during January was \$1.1674, compared to \$1.1149 in December.

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: 1.1000 - 1.2200
Mostly Range - Low & Medium Heat; \$/LB: 1.1450 - 1.1700

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: 1.1950 - 1.3000

NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk (NDM) prices shifted lower on the top of the price range. The mostly series and the bottom of the price range remained unchanged this week. Buyers continue to purchase spot loads around the mid to high \$1.10s. Spot prices are somewhat mixed on various market exchanges. Low/medium heat NDM production is fairly active. Some manufacturers' inventory levels are on the tight side. International demands are fairly stable. Market conditions are mostly steady for the near term. High heat NDM prices are steady to a bit lower this week. Offers on the spot market are limited. Scheduled high heat NDM production is lower at this time. Trading activities are mostly steady. The January 2021 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$1.1632 compared to \$1.1182 a month 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: 1.1000 - 1.1925
Mostly Range - Low & Medium Heat; \$/LB: 1.1500 - 1.1800

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: 1.2600 - 1.3050

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: The Central dry buttermilk price series saw some upward movement in the range on limited buyer/seller exchanges. Light inventories are suitable for committed needs, but few manufacturers can ensure spot offerings on a regular basis. Loads of condensed buttermilk are regularly clearing to Class II processors. Dryer time is highly allocated to NDM production. Manufacturers of dry buttermilk anticipate stocks will remain light in the near term.

EAST: Dry buttermilk prices in the East are higher. Production is up a tick at a few manufacturing plants as managers plan to meet near term customer commitments. Dry buttermilk stocks are mostly light in the region. Spot demand is limited, with most exchanges occurring irregularly as sources make purchases to meet immediate needs. LTL trading is helping meet those just-in-time needs. The market undertone is unsettled as prices adjust higher.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk
Price Range ; \$/LB: 1.0300 - 1.1250

DRY BUTTERMILK - WEST

Dry buttermilk prices were unchanged on a slow trading week in the Western region. The narrative remains somewhat similar. Although there is condensed buttermilk available, drying time has been limited. Additionally, contacts report steadily increasing ice cream production which may be spreading the condensed buttermilk around a little more now. After last week's slight drop, current dry buttermilk market tones are steady, particularly when compared to their commodity big brother, nonfat dry milk (NDM). That said, as NDM markets continue to slip, processing shifts are expected to occur. The DMN monthly average of the mostly price series for West dry buttermilk during January was \$1.0589, compared to \$1.0124 in December.

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

Price Range ; \$/LB: 1.0500 - 1.1100
Mostly Range - ; \$/LB: 1.0600 - 1.0900

DRY WHOLE MILK - U.S.

Dry whole milk prices shifted up slightly on the bottom of the range, as the top of the range remained sturdy. Trading activity was quiet for the second consecutive week, as a majority of dry whole milk is moving via quarterly contracts. Drying time right now is notably limited. The market tone remains steady if not firm, following beneficial results on the GDT results from earlier this week. The DMN average monthly price for dry whole milk in January was \$1.5724, compared to \$1.5741 in December.

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

Price Range - 26% Butterfat; \$/LB: 1.5700 - 1.7000

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

Central dry whey prices shifted higher on the bottoms of the range and the mostly series, while holding steady on the tops of both series. Generally, whey markets have strengthened from sweet whey to high protein markets in recent weeks. Contacts suggest less food service cheese consumption has rippled into the whey stream, as cheese plant managers are managing output as best they can in the face of very available milk. Spot milk prices again reached \$8.50 discounts in the Midwest this week, and milk is notably long throughout the country. That said, as production varies from drying whey powder to the processing of whey protein concentrates and isolates, dry whey availability limitations are being noted in the region. Animal feed whey prices were unchanged on another slow trading week.

The DMN monthly average of the mostly price series for Central dry whey during January was \$.4798, compared to \$.4284 in December. The monthly average of the range price series for Central animal feed whey during January was \$.3784, compared to \$.3416 in December.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey
Price Range - Animal Feed; \$/LB: .3600 - .4100

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: .4800 - .5400
Mostly Range - Non-Hygroscopic; \$/LB: .4950 - .5100

Secondary Sourced Information:

The CME Group monthly average price for Extra Grade Whey during January was \$.5128, compared to \$.4623 in December.

DRY WHEY- NORTHEAST

Northeast dry whey prices are steady to slightly higher. Dry whey markets continue hold a bullish tone. Several buyers are purchasing spot loads around the low \$0.50s. Some market participants are purchasing additional loads from resellers this week. Buyers' demands are solid. Market participants relay ice cream customers are acquiring additional dry whey loads for increased ice cream production. Dry whey production is fairly active in the region. Manufacturers' inventory levels are balanced. Some manufacturers are not offering additional loads at this time.

The January 2021 Dairy Market News monthly average for Northeast dry whey was \$0.4680 compared to \$0.4268 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: .4700 - .5350

Secondary Sourced Information:

The January 2021 extra grade dry whey monthly average price, at the CME Group, is \$0.5128 compared to \$0.4623 the previous month.

DRY WHEY- WEST

Western whey prices moved higher at the bottom of the price range and top of the mostly price series. Industry contacts report inventories are still tight, or at the very least, heavily committed. The shortage of shipping containers has caused stockpiles of whey to grow in some manufacturers' warehouses. Whey producers have sales secured but are having challenges in getting the containers and logistics in place to ship out the whey overseas. Both domestic and international demand is outpacing production. Some processors are opting to meet commitments for higher whey protein products instead of making sweet whey powder. Some sellers say they have enough whey to fill regular contract shipments but not much else for other shoppers.

DAIRY MARKET NEWS MONTHLY AVERAGES

The DMN monthly average of the mostly price series for West dry whey during January was \$.4816 compared to \$.4452 one month ago and \$.3526 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: .4725 - .5500
Mostly Range - Non-Hygroscopic; \$/LB: .4900 - .5250

Secondary Sourced Information:

CME CLOSE

The Extra Grade Dry Whey price at the CME Group on Wednesday closed at \$.5350, compared to the weekly average price of \$.5225 from last week.

CME GROUP MONTHLY AVERAGES

The CME Group monthly average price for dry whey during January was \$.5128, compared to \$.4623 a month ago and \$.3520 a year ago.

WHEY PROTEIN CONCENTRATE

Prices for whey protein concentrate 34% moved higher at both ends of the price range and bottom of the mostly price series. Industry contacts note supplies for WPC 34% are balanced to tight. Manufacturers say customers seeking WPC 34% that meets infant formula requirements are requesting more product. Even WPC 34% that is interchangeable with other dairy proteins has gotten more interest. As prices for higher whey protein concentrations move upwards, the price per unit protein for WPC 34% has become more attractive to shoppers. WPC 34% production is steady.

DAIRY MARKET NEWS MONTHLY AVERAGES

The January 2021 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% is \$1.0017, compared to \$.9255 in December and \$.9854 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: .9500 - 1.1575
Mostly Range - 34% Protein; \$/LB: .9850 - 1.0150

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.

CONTINUED FROM PAGE 6**LACTOSE**

There is a dose of uncertainty in the lactose market this week. Lactose prices moved slightly lower at the bottom of the price range and mostly price series. Demand varies between brands and manufacturers. Some industry contacts say they have seen an uptick in sales, while others suggest buying has cooled once again. At a week before the Lunar New Year, Chinese markets are more subdued going into the holiday. That said, some contacts say Chinese buyers are still present and making inquiries for more lactose. And yet, other contacts suggest buyers have bought ahead and may have their lactose needs covered well into Q2. A few manufacturers are expressing the thought that the increase in international inquiries may be a result of the delays seen in shipping channels. Container shortages, increased cargo volumes, increased cargo testing, and labor illnesses and quarantine may all be contributing to a glut within shipping channels. Some buyers are trying to work around the congestion by adding orders. If the new order goes through, their lactose coverage is assured. If the new order is delayed, they have coverage set for Q2. U.S. lactose production is steady, and inventories are rising. Industry contacts report EU lactose inventories are tight.

DAIRY MARKET NEWS MONTHLY AVERAGES

The January 2021 Dairy Market News average of the mostly price series for Central and West lactose was \$0.4089, compared to \$0.4333 in December, and \$.2979 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: .3000 - .5500

Mostly Range - Non Pharmaceutical; \$/LB: .3650 - .4600

Secondary Sourced Information:

GLOBAL DAIRY TRADE (GDT) EVENT

At the GDT Event 277 on February 2, the lactose price for the March contract period was \$0.5520 per pound, up 3.8 percent from the last GDT event.

CASEIN

Rennet casein pricing firmed. Acid casein is steady. Rennet casein manufacturing schedules are less active than some manufacturers would like. Milk sourcing is not as responsive in some plants. This has buyers more focused on closing deals. Most sales are for contracts. Spot markets are not very active. Acid casein markets in New Zealand are steady. Current needs have been contracted. Future needs are being contracted into mid-year.

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: 3.6425-3.9500

Rennet; Price Range - \$/LB: 3.6050-3.6875

Secondary Sourced Information:

Calendar year 2020 casein exports from New Zealand, 50,000 MT, decreased 12.6 percent from calendar year 2019 according to CLAL data made available to USDA.

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

| WEEK ENDING | 2021 WEEKLY DAIRY COWS | 2021 CUMULATIVE DAIRY COWS | 2020 WEEKLY DAIRY COWS | 2020 CUMULATIVE DAIRY COWS |
|-------------|------------------------|----------------------------|------------------------|----------------------------|
| 01/23/2021 | 67.9 | 254.9 | 67.8 | 259.8 |

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 |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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 |
| 2020 | 17.05 | 17.00 | 16.25 | 13.07 | 12.14 | 21.04 | 24.54 | 19.77 | 16.43 | 21.61 | 23.34 | 15.72 |

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

| YEAR | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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 |
| 2020 | 16.65 | 16.20 | 14.87 | 11.40 | 10.67 | 12.90 | 13.76 | 12.53 | 12.75 | 13.47 | 13.30 | 13.36 |

FEDERAL MILK ORDER CLASS PRICES FOR 2021 (3.5% Butterfat)

| CLASS | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|----------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| I (BASE) | 15.14 | 15.54 | | | | | | | | | | |
| II | 14.18 | | | | | | | | | | | |
| III | 16.04 | | | | | | | | | | | |
| IV | 13.75 | | | | | | | | | | | |

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 |
|-------------|---------------------|----------------------|--------------------------------|-------------------|----------------------|
| 01/30/2021 | 1,4279 5,553,672 | 1,7845 10,966,483 | 1,5533 13,688,887 | 4818 4,813,763 | 1,1424 22,520,804 |

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) | | | | | | NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb) | | | | | |
|--|-------|-------|-------|-------|-------|---|--------|--------|--------|--------|--------|
| DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 | DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 |
| JAN 21 | 16.12 | 16.12 | 16.12 | 16.04 | 15.54 | JAN 21 | 113.80 | 113.80 | 113.80 | 113.45 | 112.00 |
| FEB 21 | 15.36 | 15.50 | 15.72 | 15.58 | 16.01 | FEB 21 | 116.55 | 115.35 | 114.75 | 114.30 | 110.68 |
| MAR 21 | 16.64 | 16.17 | 16.25 | 16.03 | 16.37 | MAR 21 | 116.05 | 114.43 | 113.73 | 112.75 | 111.93 |

| CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt) | | | | | | WHEY (Electronic-Traded) (¢/lb) | | | | | |
|---|-------|-------|-------|-------|-------|---------------------------------|-------|-------|-------|-------|-------|
| DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 | DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 |
| JAN 21 | 13.80 | 13.80 | 13.80 | 13.75 | 13.23 | JAN 21 | 45.63 | 45.63 | 45.68 | 45.95 | 49.10 |
| FEB 21 | 13.57 | 13.54 | 13.54 | 13.50 | 13.77 | FEB 21 | 48.98 | 48.45 | 48.53 | 48.40 | 48.88 |
| MAR 21 | 14.18 | 13.99 | 13.99 | 13.94 | 14.45 | MAR 21 | 49.00 | 48.35 | 48.05 | 48.00 | 47.00 |

| CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb) | | | | | | BLOCK CHEESE CSC (Electronic-Traded) (\$/lb) | | | | | |
|--|--------|--------|--------|--------|--------|--|-------|-------|-------|-------|-------|
| DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 | DATE | 01/29 | 02/01 | 02/02 | 02/03 | 02/04 |
| JAN 21 | 146.20 | 146.20 | 146.20 | 145.48 | 136.75 | JAN 21 | 1.74 | 1.73 | 1.73 | 1.68 | 1.66 |
| FEB 21 | 134.98 | 133.50 | 136.00 | 136.00 | 151.00 | FEB 21 | 1.67 | 1.67 | 1.69 | 1.73 | 1.72 |
| MAR 21 | 148.03 | 147.50 | 150.58 | 150.00 | 163.53 | MAR 21 | 1.76 | 1.74 | 1.74 | 1.72 | 1.72 |

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

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered January 25 - February 5, 2021

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

While awaiting official 2020 milk production data, Western European sources report that early 2021 seasonal increases are believed to be slower than in early 2020. German sources say current production has stagnated, using that term to reflect lower YOY milk production. French sources say YOY milk production there is a lower percentage than in Germany. Fewer cows is a factor. Lower quality available feed is another factor. In both of these top milk producing countries though, it is emphasized that because it is so early in the year they fully expect to pull ahead and end with another year of increased milk production with nearly eleven months to go.

The slow start to 2021 in terms of milk production has slowed cheese production. Most plants in Germany, for example, have unused capacity. Plant managers would increase production schedules if they could get more milk. Most extra milk is now going into butter and SMP. This is leading to firmer cheese prices for customers seeking near term delivery.

EASTERN EUROPE

Milk production in Poland during 2020 increased 2.3 percent from 2019 according to CLAL data made available to USDA. Other manufactured dairy product results include butter, +8.3 percent; SMP, +5.3 percent; and WMP, -10.7 percent.

BUTTER/BUTTEROIL

The price range for Western European butter firmed. Butteroil's price range contracted with mixed price movement. Contracting has been described as brisk. Many market buyers and sellers expect pricing to continue an upward trend for some months. This is leading to more interest in closing deals. Fewer numbers of buyers see any good price outcome to waiting. The stronger buying pace comes from export customers as well as within the EU. Significantly higher butter prices in Oceania are leading to some buyers who usually source from Oceania looking toward Western Europe. The potential increased buying demand is among the factors that many market participants expect will push Western European butter prices higher.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,025 - 4,300

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 4,725 - 4,900

SKIM MILK POWDER

In Western Europe the skim milk powder price range moved higher. A vortex of events is contributing to firming prices. Demand is stronger. Some manufacturers believe COVID-19 driven uncertainty had restrained some buyers from purchasing as far ahead as they historically have done. Now those buyers are closing deals to get

SMP they need. Milk intakes to dryers are lower than expected. This has limited the supply of SMP. With increased buying interest and crimped output volumes, even contracted loads are slower to be delivered. Another whammy to SMP markets in Western Europe is a tight availability of shipping containers for exports to Asia. That all gives sellers a firm position for dealing with buying inquiries.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,750 - 2,900

WHEY

Whey prices are firming. Just as with cheese, manufacturers are not able to make as much as customers would like. This supply limitation leads to price strength. Food manufacturers using whey are eager to secure supplies. Whey concentrate supplies are also tight, so sellers are in a good position to hold out for the pricing they want. However, a wild card is that seasonal milk production is increasing in Western Europe. If cheese makers are able to get more milk and increase production, this could lead to more dry whey and become reflected in pricing in the spring. Few buyers seeking whey now are adequately confident in that possibility to hold back, so they tend to sign deals now at current pricing.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 1,075 - 1,150

WHOLE MILK POWDER

The Western European whole milk powder price range is higher. Sources believe that current price strength in SMP and butter markets has benefitted WMP pricing. Certainly, the underlying factor of lower than desired milk intakes to dryers making WMP is a factor. The small price differential between Europe and New Zealand has led some importers close to Europe to view slightly higher European prices as a de minimis factor weighed against obtaining quicker delivery. More inquiries are coming from such buyers. That, too, is adding to demand and helping sustain pricing.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,400 - 3,575

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered January 25 - February 5, 2021

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: Milk production keeps moving lower seasonally. Concerns with hot and dry conditions persists. Worrisome weather extremes forecast for next week have many dairy producers on alert. Recent fires caused by extreme heat and dryness have been concerns. But expected extremely heavy rain and possible cyclones in some areas will pose other concerns. This may reduce fire danger. Yet extremely heavy and prolonged rain interspersed with gale force winds pose other problems. The next week is apprehensively awaited.

NEW ZEALAND: December 2020 New Zealand milksolids reported by DCANZ and CLAL, 231.027 million kg, are up 1.02 percent from December 2019 milksolids, 228.700 million kg., according to Dcanz and CLAL data made available to USDA. December 2020 milk production, 2.741 million MT, is up 0.70 percent from December 2019, 2.722 million MT. Seasonal milksolids (June - December 2020) are up 1.02 percent. Total seasonal milk production through December leads last season by 0.7 percent. Annual 2020 milk production, 21.871 million MT increased 0.4 percent from annual 2019 milk production.

Increasingly dry conditions are impacting dairy pastures on the North Island. However, dry conditions last year led to many dairy producers having accumulated added feed stocks as a buffer. That will help mitigate impacts for awhile. But water supplies are tighter and more fire warnings have been issued. Rain would be very welcome.

BUTTER/BUTTEROIL

The Oceania butter price range moved up. Regional butter price increases, even with a price range well higher than for Western European butter, speaks to the challenge in producing enough butter to satisfy customers. Most dairy sources in New Zealand attribute strong butter buying to China. Australian exports have slowed, in substantial part due to the exigencies of domestic demand. Some export deals are made with a premium to induce exporters to commit. Seasonally declining regional milk intakes leave buyers disinclined to adopt a wait and see approach to butter buying. Buyers are closing deals to lock in supplies. Contracted volumes are being readily taken.

Oceania, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,775 - 5,050

Secondary Sourced Information:

At GDT event 276 on January 19, 2021, the butter all contracts price, \$4,735, increased 4.6 percent. The February contract, \$4,821, increased 6.7 percent.

Butter exports from Australia January - November 2020, 14,000 MT, decreased 12.2 percent from January - November 2019, according to CLAL data made available to USDA. The main export destinations January - November 2020, quantities, and percent change YTD, were China, 3,044 MT, +90.25 percent; Thailand, 2,069 MT, -39.22 percent; and United States, 1,237 MT, -42.69 percent.

SKIM MILK POWDER

The Oceania skim milk powder price range sagged this reporting period. New Zealand sources cite a trifecta of factors which many buyers have focused on. First, production has increased. Second, export interest is weaker. The result is increasing inventories. Third, the price premium of Oceania pricing over Western European pricing has led to some buyers to shift their focus to Western Europe. This further pads inventories. Nevertheless, some manufacturers hope the price dip might be viewed as a buying opportunity by some export customers capable of placing large orders, which could change the SMP dynamics quickly. For now, buyers have the upper hand.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 3,100 - 3,250

Secondary Sourced Information:

At GDT event 277 on February 2, 2021, the SMP all contracts price, \$3,198, decreased 1.5 percent. The March contract, \$3,249, decreased 3.8 percent.

New Zealand calendar year 2020 SMP production, 400,000 MT, increased 6.7 percent from calendar year 2019, according to CLAL data made available to USDA.

New Zealand calendar year 2020 SMP exports, 356,330 MT, decreased 4.4 percent from calendar year 2019, according to Eucolait. The main export destinations January - November 2020, (the most recent Eucolait data), quantities, and percent of the total, were China, 102,833 MT, 32.5 percent; Indonesia, 31,538 MT, 10.0 percent; and Thailand, 22,675 MT, 7.2 percent.

CHEESE

Oceania cheese notched increases at each end of the price range. Some observers were surprised by the degree of upward spring in prices. Last week there was a feeling that cheese was a bit sleepy and stable. Manufacturers had slowed production schedules. This week renewed export buying interest developed and moved pricing higher. Stocks are in generally good shape but the jolt of interest helped sellers notch higher pricing to close deals.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,
Price Range - \$/MT: 4,125 - 4,250

Secondary Sourced Information:

At GDT event 277 on February 2, 2021, the cheddar all contracts price, \$4,178, increased 2.3 percent. The March contract, \$4,239, increased 4.2 percent.

New Zealand calendar year 2020 cheese production, 350,000 MT, decreased 4.1 percent from calendar year 2019, according to CLAL data made available to USDA.

CONTINUED ON PAGE 8B

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered January 25 - February 5, 2021

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

New Zealand calendar year 2020 cheese exports, 326,903 MT, decreased 2.4 percent from calendar year 2019, according to Eucolait. The main export destinations January - November 2020, (the most recent Eucolait data), quantities, and percent of the total, were China, 63,046 MT, 21.8 percent; Japan, 56,483 MT, 19.6 percent; and Australia, 38,098 MT, 13.2 percent.

WHOLE MILK POWDER

The Oceania whole milk powder price range is mixed, with higher top end prices. Price strength during this week moved the range higher. Pricing early last week weighed on the lower end of the bi-weekly price range.

Export volumes during 2020 were nearly steady. China was the primary export destination. This year begins with very good export contracting with China, as well as elsewhere. Current price strength is partly ascribed to strong current demand. A developing influence is concern with dry conditions, especially on the North Island in dairy areas, which has increased focus on whether this will push back on milk production and ultimately, WMP production.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,300 - 3,475

Secondary Sourced Information:

At GDT event 277 on February 2, 2021, the WMP all contracts price, \$3,458, increased 2.3 percent. The March contract, \$3,449, increased 2.3 percent.

New Zealand calendar year 2020 WMP production, 1,500,000 MT, increased 0.7 percent from calendar year 2019, according to CLAL data made available to USDA.

New Zealand calendar year 2020 WMP exports, 1,532,756 MT, decreased 0.2 percent from calendar year 2019, according to Eucolait. The main export destinations January - November 2020, (the most recent Eucolait data), quantities, and percent of the total, were China, 551,416 MT, 41 percent; United Arab Emirates, 79,517 MT, 5.9 percent; and Sri Lanka, 76,516 MT, 5.7 percent.

**Exchange rates for selected foreign currencies:
February 1, 2021**

| | |
|-------------------------|--------------------------|
| .0114 Argentina Peso | .0137 India Rupee |
| .7622 Australian Dollar | .0095 Japan yen |
| .1841 Brazil Real | .0491 Mexican Peso |
| .7779 Canadian Dollar | .7158 New Zealand Dollar |
| .0014 Chile Peso | .2674 Poland Zloty |
| 1.2061 Euro | .0236 Uruguay Peso |

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0491) = 20.3666$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered January 25 - February 5, 2021

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 main dairy basins and agricultural zones of Brazil, Argentina, Paraguay, and Uruguay, weather conditions have been around the 70s to 80s. Higher summer temps and humidity have been uncomfortable for dairy herds currently. Moderate rainfalls continue to aid soil moisture for corn and soybean growth. Milk production is down. Operations are receiving lower milk volumes. There are reports raw milk has been traveling to all immediate locations on time. Some dairy farm operators are decreasing the number of cattle moving into slaughter. Butterfat interests are firm in the cream-based dairy markets, especially from ice cream/frozen dessert manufacturers. Educational institutions continue to be closed. Demands for milk and dairy products are healthy.

SKIM MILK POWDER

Skim milk powder (SMP) F.O.B. spot prices are higher in the Southern Cone of South America. Trading activities within and outside the Mercosur bloc are mixed. There are buyers purchasing loads for their immediate needs. However, some buyers are not purchasing on various spot markets due to the current price increases. Although on other market exchanges, prices are currently lower. Market participants relay buyers' demands are slightly outweighing manufacturers' available supplies. SMP production schedules are decreased, as balancing operations are scheduling the majority of drying time to whole milk powder production. The SMP market holds a stable tone at this time.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 3,200 - 3,475

Secondary Sourced Information:

At the GDT Event 277 on February 2, skim milk powder (SMP) prices across all contract periods averaged \$3,198 per metric ton, down 1.5 percent from the last event.

WHOLE MILK POWDER

In the Southern Cone of South America, free on board export prices for whole milk powder (WMP) shifted higher on moderate to light trading. On various market exchanges, a few buyers are purchasing loads at higher prices. However, trading activities are seasonally slower for several buyers. In general, current price points are mirroring bullish price trends of the regional butterfat market and the global protein markets. WMP production is decreased at this time in the year. On the farms, milk output is lower. WMP requests within and outside the Mercosur bloc are reportedly lighter.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,450 - 3,650

Secondary Sourced Information:

At the GDT Event 277 on February 2, whole milk powder (WMP) prices across all contract periods averaged \$3,458 per metric ton, up 2.3 percent from the last event.

2021 U.S. MONTHLY PRICE AVERAGES (US \$/LB)

| AREA and PRODUCT | : JAN |
|--|--------|
| CME GROUP ¹ | |
| BUTTER - DAILY TRADING | |
| GRADE AA | 1.3496 |
| CHEESE - DAILY TRADING | |
| BARRELS | 1.5141 |
| 40 POUND BLOCKS | 1.7470 |
| NONFAT DRY MILK - DAILY TRADING | |
| GRADE A | 1.1808 |
| DRY WHEY - DAILY TRADING | |
| EXTRA GRADE | 0.5128 |
| DAIRY MARKET NEWS ² | |
| CHEESE | |
| WISCONSIN | |
| PROCESS AMERICAN 5 POUND LOAF | 1.7983 |
| BRICK AND/OR MUENSTER 5 POUNDS | 2.3280 |
| CHEDDAR 40 POUND BLOCK | 2.0380 |
| MONTEREY JACK 10 POUNDS | 2.1930 |
| BLUE 5 POUNDS | 2.9180 |
| MOZZARELLA 5-6 POUNDS | 2.3880 |
| SWISS 6-9 POUND CUTS | 3.4463 |
| NORTHEAST | |
| CHEDDAR 40 POUND BLOCK | 2.3443 |
| PROCESS AMERICAN 5 POUND SLICED | 1.8733 |
| MUENSTER | 2.3630 |
| SWISS 10-14 POUND CUTS | 4.0338 |
| WEST | |
| PROCESS AMERICAN 5 POUND LOAF | 1.7633 |
| CHEDDAR 40 POUND BLOCK | 2.0730 |
| CHEDDAR 10 POUND CUTS | 2.1755 |
| MONTEREY JACK 10 POUNDS | 2.2005 |
| SWISS 6-9 POUND CUTS | 3.8950 |
| FLUID PRODUCTS | |
| CLASS II CREAM | |
| NORTHEASTERN - F.O.B. | 1.5974 |
| MIDWESTERN - F.O.B. | 1.6620 |
| CONDENSED SKIM - NORTHEASTERN - F.O.B. | |
| CLASS II | 0.5263 |
| CLASS III | 0.6447 |

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

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

2021 U.S. MONTHLY PRICE AVERAGES (US \$/LB)

AREA and PRODUCT : JAN

DAIRY MARKET NEWS, CONTINUED ²

DRY PRODUCTS

NONFAT DRY MILK

| | |
|---------------------------------------|--------|
| EASTERN AND CENTRAL - LOW/MEDIUM HEAT | 1.1674 |
| --MOSTLY | 1.1674 |
| EASTERN AND CENTRAL - HIGH HEAT | 1.2650 |
| WESTERN - LOW/MEDIUM HEAT | 1.1701 |
| --MOSTLY | 1.1632 |
| WESTERN - HIGH HEAT | 1.2891 |

DRY WHEY

| | |
|----------------------------------|--------|
| CENTRAL | 0.4788 |
| --MOSTLY | 0.4798 |
| WESTERN | 0.4871 |
| --MOSTLY | 0.4816 |
| NORTHEASTERN - EXTRA AND GRADE A | 0.4680 |

WHEY PROTEIN CONCENTRATE 34%

| | |
|---------------------|--------|
| CENTRAL AND WESTERN | 1.0046 |
| --MOSTLY | 0.9693 |

ANIMAL FEED

| | |
|-------------------------|--------|
| CENTRAL - MILK REPLACER | 0.3784 |
|-------------------------|--------|

DRY BUTTERMILK

| | |
|---------------------|--------|
| EASTERN AND CENTRAL | 1.0697 |
| WESTERN | 1.0600 |
| --MOSTLY | 1.0589 |

DRY WHOLE MILK

| | |
|----------|--------|
| NATIONAL | 1.5724 |
|----------|--------|

LACTOSE

| | |
|---------------------|--------|
| CENTRAL AND WESTERN | 0.4300 |
| --MOSTLY | 0.4089 |

CASEIN

| | |
|--------|--------|
| RENNET | 3.5163 |
| ACID | 3.6449 |

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

2021 INTERNATIONAL MONTHLY PRICE AVERAGES (US \$/MT)

| AREA and PRODUCT | : JAN |
|---------------------------------------|-------|
| DAIRY MARKET NEWS ³ | |
| BUTTER (82% BUTTERFAT) | |
| -- OCEANIA | 4720 |
| -- WESTERN EUROPE | 4130 |
| BUTTEROIL (99% BUTTERFAT) | |
| -- WESTERN EUROPE | 4861 |
| CHEDDAR CHEESE (39% MAXIMUM MOISTURE) | |
| -- OCEANIA | 4090 |
| SKIM MILK POWDER (1.25% BUTTERFAT) | |
| -- OCEANIA | 3215 |
| -- SOUTH AMERICA | 3217 |
| -- WESTERN EUROPE | 2786 |
| WHEY POWDER (NONHYGROSCOPIC) | |
| -- WESTERN EUROPE | 1052 |
| WHOLE MILK POWDER (26% BUTTERFAT) | |
| -- OCEANIA | 3357 |
| -- SOUTH AMERICA | 3414 |
| -- WESTERN EUROPE | 3432 |

³ Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays excluded.

December Agricultural Prices Highlights

The All Milk price received by farmers was \$18.50 in December, down \$2.20 from December 2019. The alfalfa hay price was \$169.00 in December, down \$3.00 from December 2019. The corn price was \$3.97 in December, up \$0.26 from December 2019. The soybean price was \$10.50 in December, up \$1.80 from December 2019. The milk-feed price ratio was 2.18 in December, down 0.39 from December 2019.

The index of prices received by farmers for dairy products during the month of December 2020 was down 14 to 92.0. Compared to December 2019, the index was down 11 (10.7 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in December 2020 was up 0.8 point to 112.7. Compared with December 2019, the index was up 1.8 points (1.6 percent).

| Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., December 2020 with Comparisons | | | | | | | | |
|--|-------------------------------|-------|--------------------------|--------|-----------------------------|------|-----------------------------|-------|
| State | All-Milk price ^{1,2} | | Alfalfa hay, baled | | Corn for Grain | | Soybeans | |
| | December | | December | | December | | December | |
| | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 |
| | <i>(dollars per cwt)</i> | | <i>(dollars per ton)</i> | | <i>(dollars per bushel)</i> | | <i>(dollars per bushel)</i> | |
| AZ | 19.70 | 16.90 | 190.00 | 180.00 | --- | --- | --- | --- |
| CA | 19.80 | 19.20 | 200.00 | 185.00 | --- | --- | --- | --- |
| CO | 20.60 | 19.00 | 230.00 | 205.00 | 3.79 | 4.16 | --- | --- |
| GA | 21.90 | 22.50 | --- | --- | --- | --- | --- | --- |
| ID | 20.30 | 17.70 | 155.00 | 165.00 | --- | --- | --- | --- |
| IN | 20.40 | 19.20 | --- | --- | 4.00 | 4.06 | 9.17 | 10.80 |
| IA | 22.40 | 18.40 | 149.00 | 122.00 | 3.70 | 4.05 | 8.69 | 10.90 |
| MI | 19.40 | 17.80 | 190.00 | 190.00 | 3.85 | 4.08 | 8.95 | 11.30 |
| MN | 22.10 | 18.70 | 170.00 | 134.00 | 3.51 | 3.73 | 8.40 | 10.40 |
| NM | 19.30 | 16.30 | 220.00 | 225.00 | --- | --- | --- | --- |
| NY | 20.50 | 18.30 | 200.00 | 200.00 | --- | --- | --- | --- |
| OH | 21.00 | 19.90 | 220.00 | 200.00 | 4.13 | 4.11 | 9.35 | 11.30 |
| PA | 21.10 | 18.80 | 228.00 | 265.00 | 4.31 | 4.88 | --- | --- |
| TX | 21.30 | 18.00 | 202.00 | 214.00 | 4.26 | 4.58 | --- | --- |
| WA | 20.50 | 17.80 | 195.00 | 180.00 | --- | --- | --- | --- |
| WI | 21.40 | 18.10 | 242.00 | 178.00 | 3.56 | 3.80 | 8.48 | 11.10 |
| U.S. | 20.70 | 18.50 | 172.00 | 169.00 | 3.71 | 3.97 | 8.70 | 10.50 |

¹ Prices are shown at reported butterfat test. ² Before deduction for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

| Milk-Feed Price Ratio, Selected States and U.S., December 2020 with Comparisons | | | |
|--|---------------|---------------|---------------|
| Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹ | | | |
| State ² | December 2019 | November 2020 | December 2020 |
| IA | 2.69 | 2.64 | 2.51 |
| MI | 2.35 | 2.26 | 1.83 |
| MN | 2.49 | 2.55 | 2.05 |
| OH | 2.21 | 2.20 | 2.08 |
| WI | 2.20 | 2.29 | 2.07 |
| U.S. | 2.57 | 2.58 | 2.18 |

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

| General Price Measures, U.S., December 2020 with Comparisons | | | |
|---|---------------|---------------|---------------|
| Item | December 2019 | November 2020 | December 2020 |
| Index Numbers (1990-92=100): | | | |
| Prices received by farmers for dairy production | 103.0 | 106.0 | 92.0 |
| Prices paid by farmers for commodities and services, interest taxes, and wage rates | 110.9 | 111.9 | 112.7 |

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, January 2021.*

December 2020 Dairy Products Highlights

Butter production was 206 million pounds, 11.8 percent above December 2019, and 18.7 percent above November 2020. **American type cheese** production totaled 461 million pounds, 1.0 percent above December 2019, and 2.9 percent above November 2020. **Total cheese** output (excluding cottage cheese) was 1.13 billion pounds, 0.5 percent above December 2019, and 2.6 percent above November 2020. **Nonfat dry milk** production, for human food, totaled 205 million pounds, 24.1 percent above December 2019, and 28.5 percent above November 2020. **Dry whey** production, for human food, was 80.4 million pounds, 2.2 percent above December 2019, and 18.0 percent above November 2020. **Ice cream, regular hard** production, totaled 52.4 million gallons, 11.4 percent above December 2019, but 2.0 percent below November 2020.

Production of Dairy Products

| Product | December 2020 | Change from | | | Product | December 2020 | Change from | | |
|--|--------------------|------------------|---------------|---------------------------|-------------------------------------|--------------------|------------------|---------------|---------------------------|
| | | December 2019 | November 2020 | Year to Date ¹ | | | December 2019 | November 2020 | Year to Date ¹ |
| | <i>(1,000 lbs)</i> | <i>(percent)</i> | | | | <i>(1,000 lbs)</i> | <i>(percent)</i> | | |
| Butter | 205,533 | 11.8 | 18.7 | 6.6 | Yogurt (plain and flavored) | 355,536 | 1.9 | 9.0 | 2.4 |
| Cheese | | | | | Dry whey, human food | 80,439 | 2.2 | 18.0 | --- |
| American types ² | 461,073 | 1.0 | 2.9 | 2.1 | Dry whey, animal feed | 1,212 | 7.6 | 0.2 | --- |
| Cheddar | 334,193 | 1.2 | 4.4 | 2.7 | Dry whey, total ⁸ | 81,651 | 2.3 | 17.7 | -2.2 |
| Other American | 126,880 | 0.7 | -0.9 | --- | Reduced lactose & minerals | | | | |
| Brick & Muenster | 13,096 | -13.4 | -19.5 | --- | Human food | 1,647 | 0.4 | 72.6 | --- |
| Cream & Neufchatel | 82,618 | 4.3 | -8.0 | --- | Animal feed | 3,054 | 7.2 | 4.3 | --- |
| Hispanic | 28,620 | 8.2 | 3.5 | --- | Lactose, human food & animal feed | 96,620 | 3.2 | 7.3 | -7.7 |
| Total Italian types | 484,736 | 0.3 | 5.9 | -1.2 | Whey protein concentrate | | | | |
| Mozzarella | 373,101 | -2.8 | 3.2 | -1.7 | Human food ⁹ | 42,424 | -0.4 | 9.1 | --- |
| Other Italian | 111,635 | 12.4 | 16.2 | --- | Animal feed ⁹ | 781 | 49.9 | -32.1 | --- |
| Swiss | 27,583 | 0.2 | -2.1 | --- | Total ⁹ | 43,205 | 0.2 | 7.9 | -3.0 |
| All other types | 29,953 | -13.3 | -6.1 | --- | 25.0-49.9 percent ¹⁰ | 17,533 | 9.4 | 17.1 | --- |
| Total | 1,127,679 | 0.5 | 2.6 | 0.4 | 50.0-89.9 percent ¹⁰ | 25,672 | -5.2 | 2.4 | --- |
| Cottage cheese, curd ³ | 30,983 | 7.4 | 4.8 | --- | Whey protein isolates ¹¹ | 10,905 | 15.7 | 27.8 | --- |
| Cottage cheese, cream ⁴ | 30,262 | 6.5 | 2.8 | 5.2 | | | | | |
| Cottage cheese, lowfat ⁵ | 24,594 | 3.0 | 4.2 | -2.5 | | <i>(1,000 gal)</i> | <i>(percent)</i> | | |
| Dry buttermilk | 11,931 | 0.7 | 17.0 | --- | Frozen products | | | | |
| Dry whole milk | 12,192 | 36.7 | -4.9 | --- | Ice cream, regular hard | 52,406 | 11.4 | -2.0 | 4.4 |
| Milk protein conc. (MPC), total ⁶ | 18,710 | 27.3 | 4.9 | --- | Ice cream, lowfat, hard | 16,753 | 19.1 | -5.3 | --- |
| Nonfat dry milk (NDM), human | 204,534 | 24.1 | 28.5 | 5.0 | Ice cream, lowfat, soft | 12,386 | -11.8 | 4.4 | --- |
| Skim milk powders (SMP) ⁷ | 40,945 | -36.9 | -21.8 | 5.4 | Ice cream, lowfat, total | 29,139 | 3.7 | -1.4 | -2.1 |
| Sour cream | 130,527 | 0.3 | 0.4 | 2.8 | Sherbet, hard | 2,763 | 34.4 | 19.6 | 8.1 |
| | | | | | Frozen yogurt, total | 2,826 | -3.1 | -26.1 | -4.7 |

Manufacturers' Stocks, End of Month ¹²

| Product | December 2020 | December 2019 | November 2020 | Product | December 2020 | December 2019 | November 2020 |
|---|--------------------|------------------|---------------|-------------------------------------|--------------------|------------------|---------------|
| | <i>(1,000 lbs)</i> | <i>(percent)</i> | | | <i>(1,000 lbs)</i> | <i>(percent)</i> | |
| Dry whey, human food | 65,040 | -7.8 | -1.8 | Whey protein concentrate | | | |
| Dry whey, animal feed | 620 | -27.7 | -29.9 | Human food ⁹ | 61,916 | -6.0 | -4.7 |
| Reduced lactose & minerals—human & animal ¹³ | 5,260 | 29.2 | 4.5 | Animal feed ⁹ | 865 | 39.3 | -20.1 |
| Lactose, human food & animal feed | 122,341 | 10.6 | 9.9 | Total ⁹ | 62,781 | -5.6 | -5.0 |
| Dry buttermilk | 18,317 | 5.1 | 3.9 | 25.0-49.9 percent ¹⁰ | 28,375 | 6.8 | -2.0 |
| Nonfat dry milk, human food | 283,347 | 14.5 | 13.8 | 50.0-89.9 percent ¹⁰ | 34,406 | -13.8 | -7.3 |
| | | | | Whey protein isolates ¹¹ | 15,623 | -4.6 | 9.3 |

¹ 2019 cumulative as percent change of 2018 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, February 2021.*

Final Class Prices by Order, January 2021

January 2021 Highlights

Class Prices: The following are the January 2021 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$14.18 (\$+0.17), Class III: \$16.04 (\$+0.32), and Class IV: \$13.75 (\$+0.39).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for January 2021 is \$1.5541 per pound. Thus, the Class II butterfat price is \$1.5611 per pound. The protein and other solids prices for January 2021 are \$3.0355 and \$0.2682 per pound, respectively. These component prices set the Class III skim milk price at \$10.99 per cwt. The January 2021 Class IV skim milk price is \$8.61, which is derived from the nonfat solids price of \$0.9570 per pound.

Product Price Averages: The product price averages for January 2021 are: butter \$1.4548, nonfat dry milk \$1.1345, cheese \$1.6502, and dry whey \$0.4595.

Final Class Prices by Order for January 2021

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

| Federal Milk Order Marketing Area ³ | Order Number | Jan 2021 | | | | Feb 2021 |
|--|--------------|--------------------------|----------|-----------|----------|----------|
| | | Class I | Class II | Class III | Class IV | Class I |
| | | <i>(dollars per cwt)</i> | | | | |
| Northeast (Boston) | 001 | 18.39 | 14.18 | 16.04 | 13.75 | 18.79 |
| Appalachian (Charlotte) | 005 | 18.54 | 14.18 | 16.04 | 13.75 | 18.94 |
| Florida (Tampa) | 006 | 20.54 | 14.18 | 16.04 | 13.75 | 20.94 |
| Southeast (Atlanta) | 007 | 18.94 | 14.18 | 16.04 | 13.75 | 19.34 |
| Upper Midwest (Chicago) | 030 | 16.94 | 14.18 | 16.04 | 13.75 | 17.34 |
| Central (Kansas City) | 032 | 17.14 | 14.18 | 16.04 | 13.75 | 17.54 |
| Mideast (Cleveland) | 033 | 17.14 | 14.18 | 16.04 | 13.75 | 17.54 |
| California (Los Angeles) | 051 | 17.24 | 14.18 | 16.04 | 13.75 | 17.64 |
| Pacific Northwest (Seattle) | 124 | 17.04 | 14.18 | 16.04 | 13.75 | 17.44 |
| Southwest (Dallas) | 126 | 18.14 | 14.18 | 16.04 | 13.75 | 18.54 |
| Arizona (Phoenix) | 131 | 17.49 | 14.18 | 16.04 | 13.75 | 17.89 |
| All-Market Average | | 17.96 | 14.18 | 16.04 | 13.75 | 18.36 |

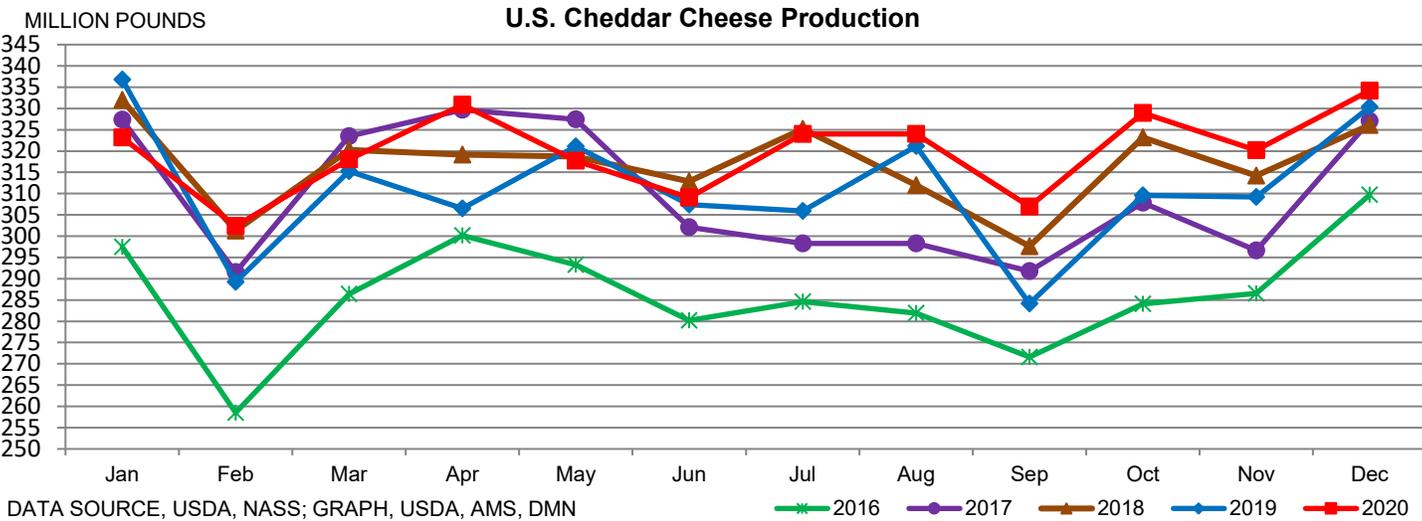
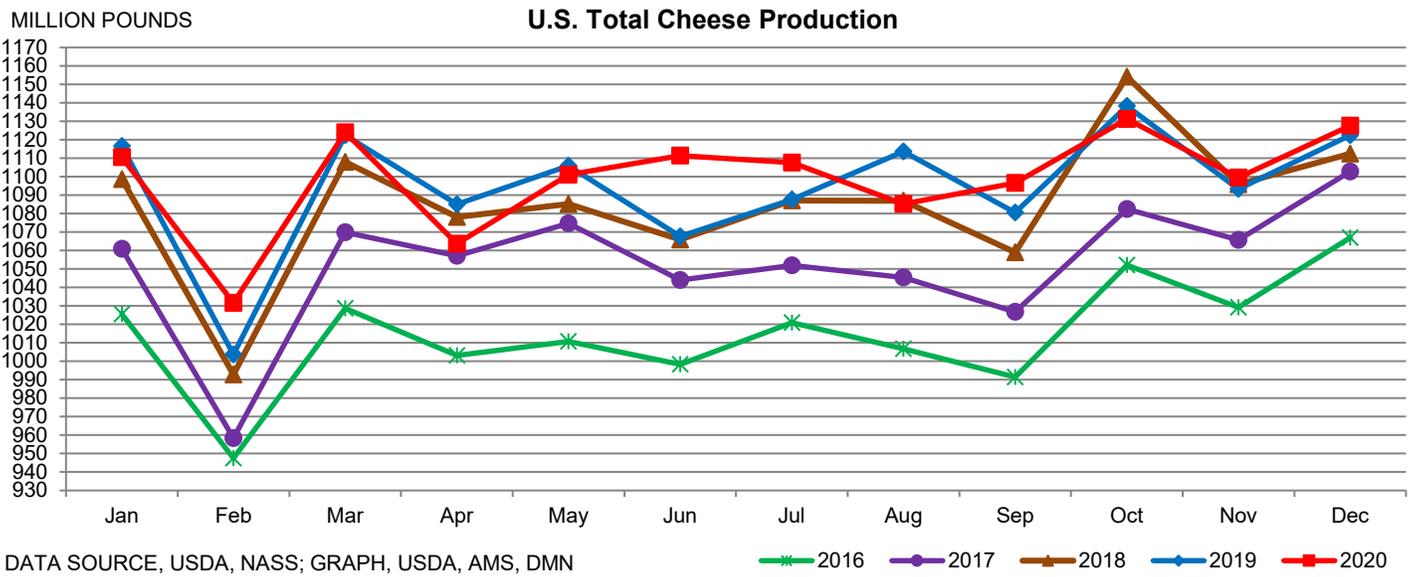
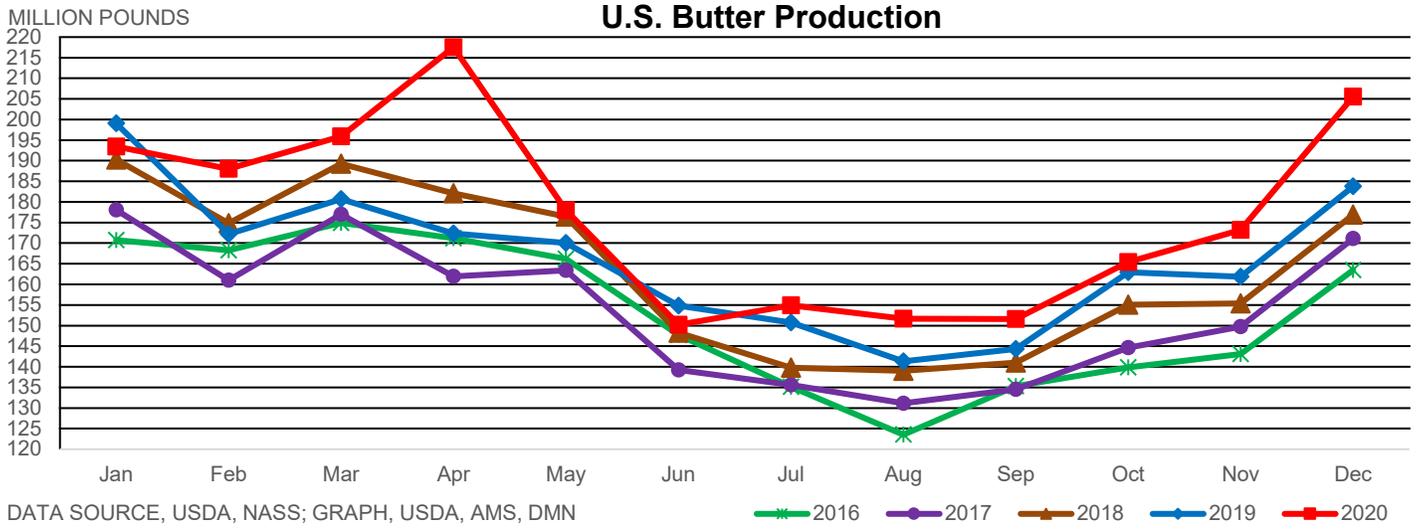
¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk. ² The mandatory \$0.20 per cwt processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.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

2021 Official Monthly Average Release Times (UPDATED)

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

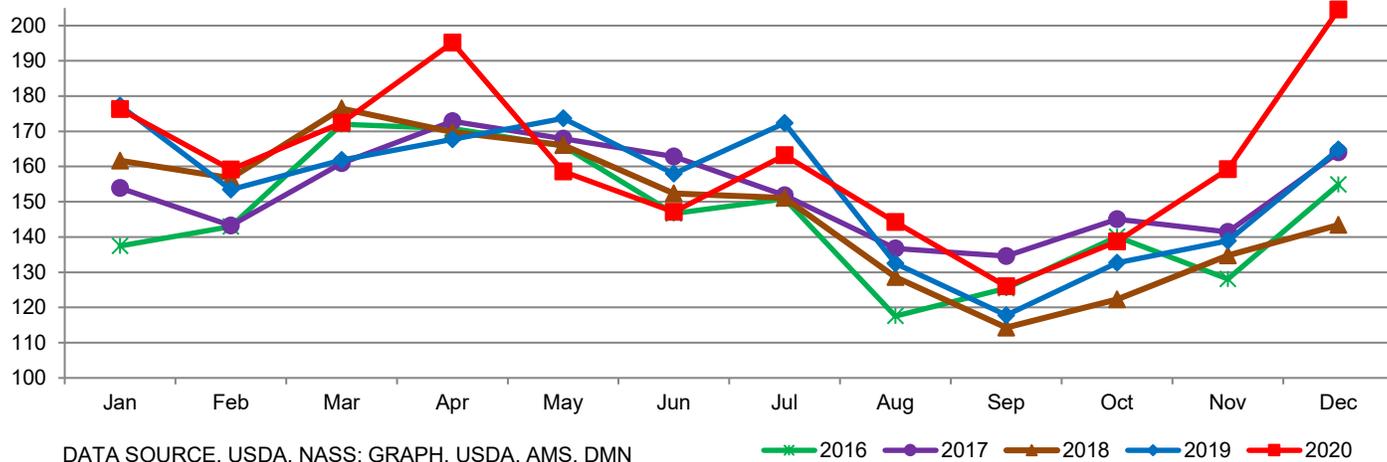
*Release time: 9:00 am Central time

** Release time: 12:00 pm Central time

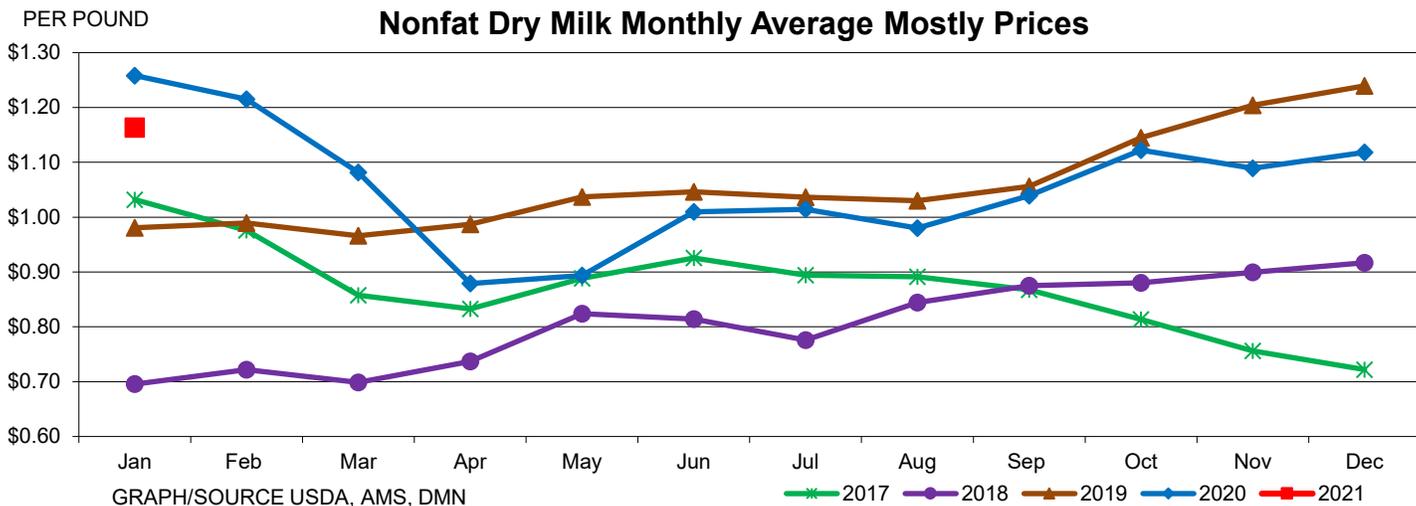


MILLION POUNDS

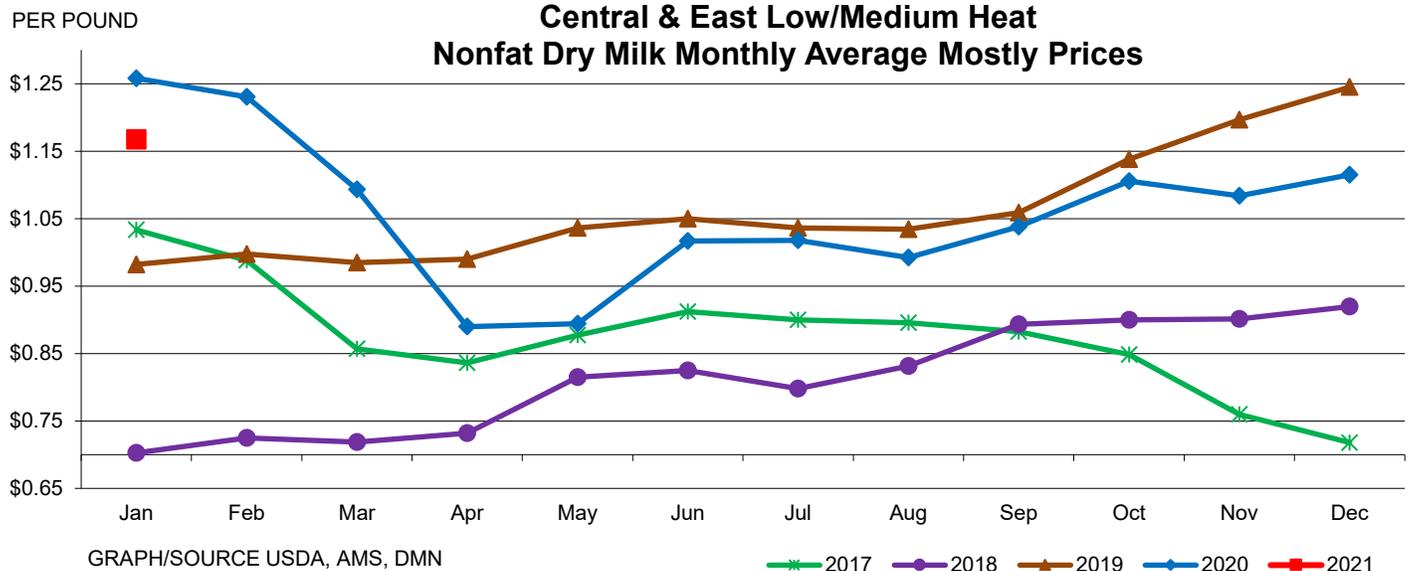
U.S. Nonfat Dry Milk (NDM) Production, Human

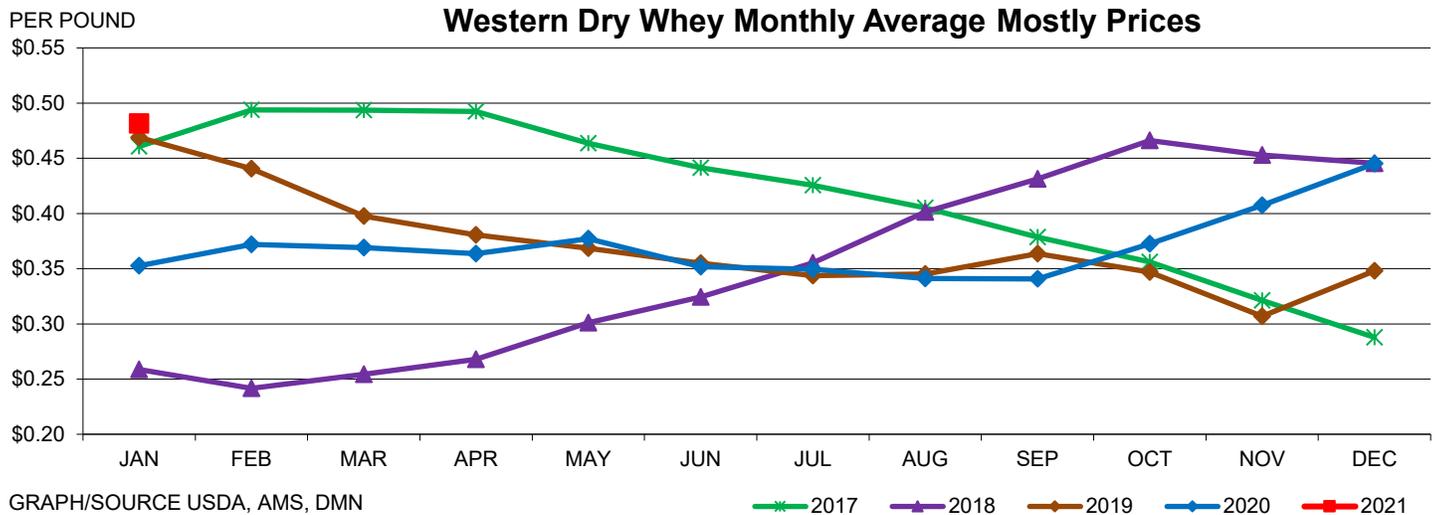
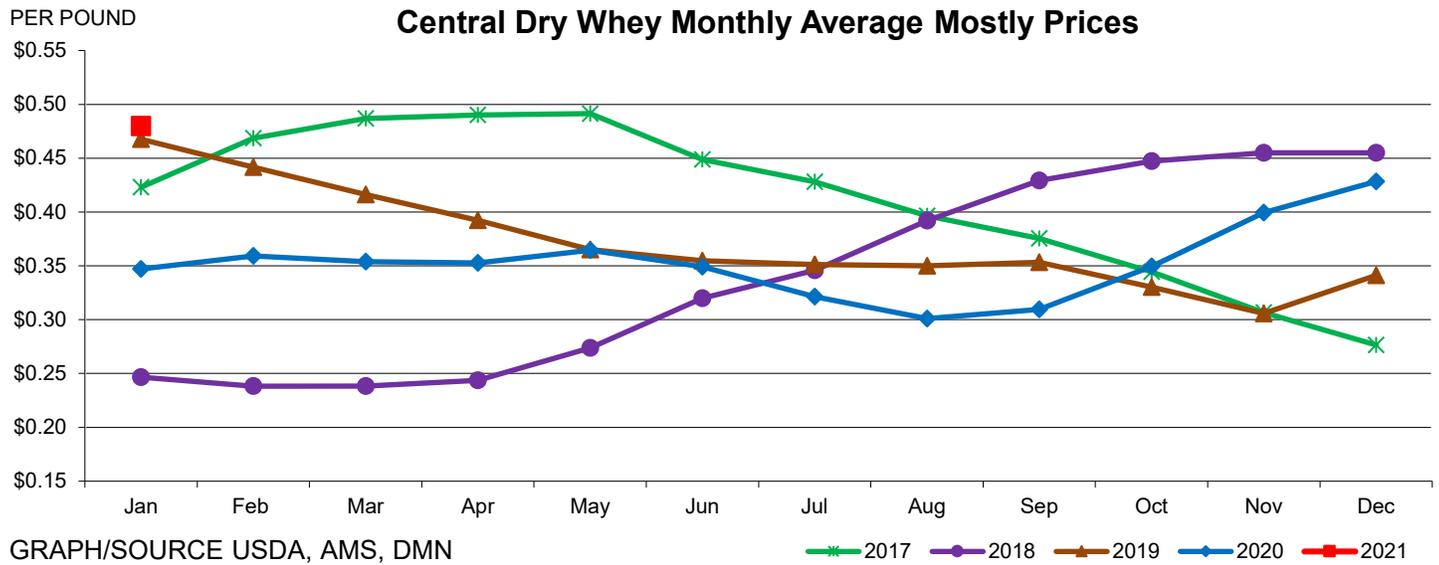
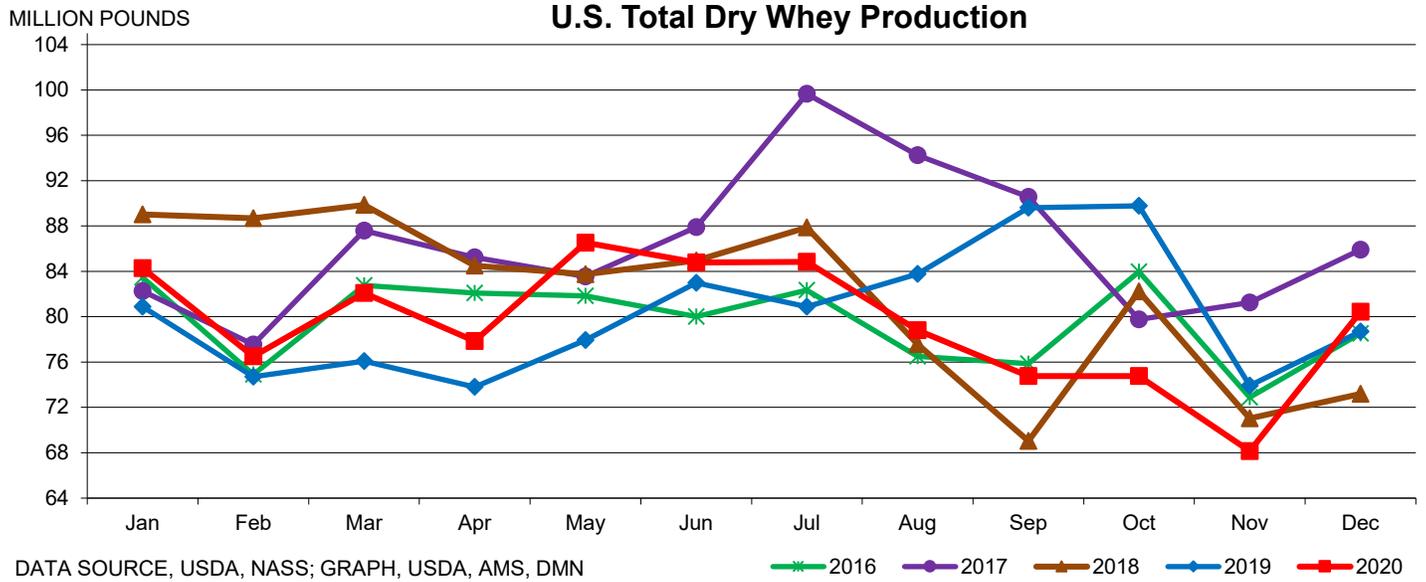


Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices



Central & East Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices







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>

Volume 88- Number 5

Issued Weekly

Friday, February 5, 2021

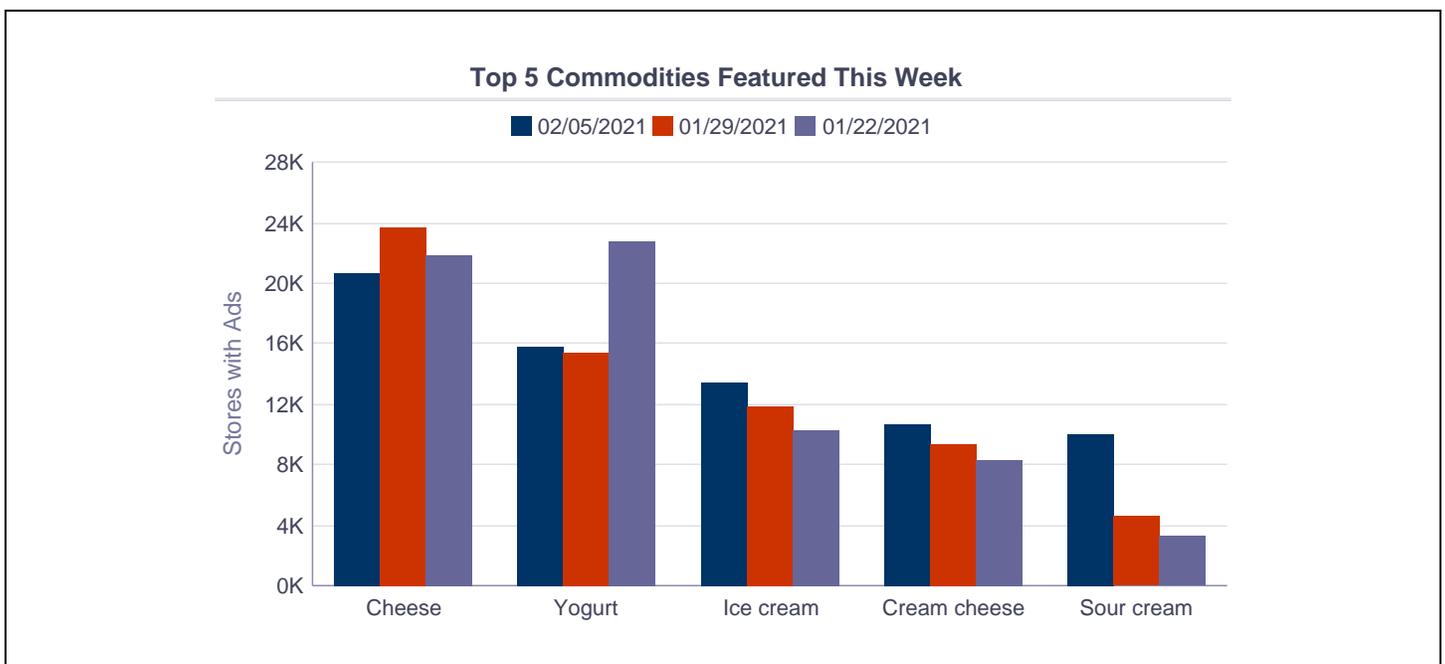
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 02/05/2021 to 02/11/2021

The most advertised dairy item this week is conventional 48 to 64-ounce containers of ice cream. The national weighted average price is \$2.99, even with last week. Organic 48 to 64-ounce ice cream has a national weighted average advertised price of \$7.49, resulting in a \$4.50 organic price premium. The second most advertised dairy item, conventional 8 oz. cream cheese, has an average price of \$1.87. Organic 8 oz. cream cheese, has an average price of \$3.00, resulting in a \$1.13 organic price premium.

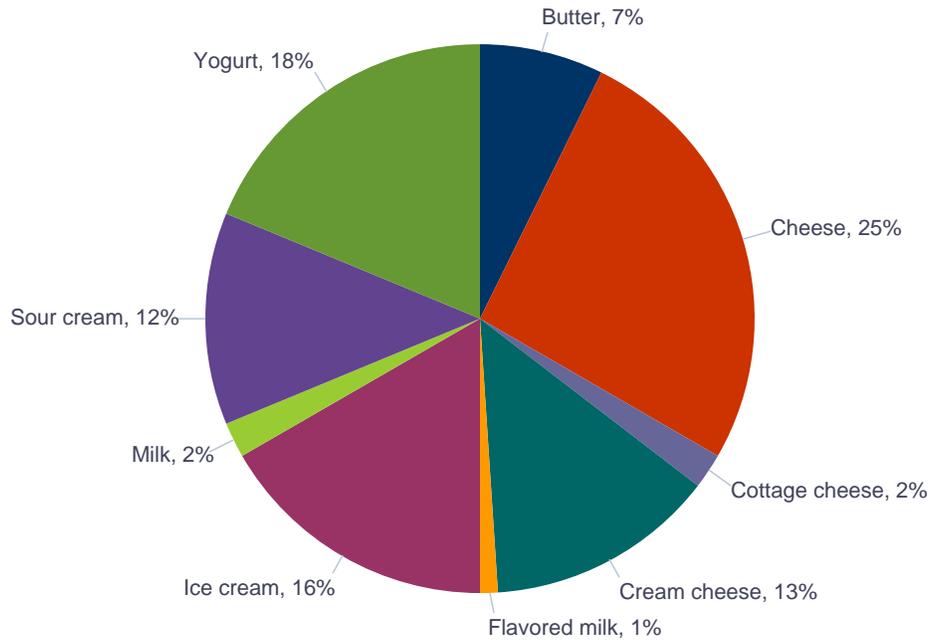
The weighted average advertised price for conventional 8-ounce block cheese is \$2.43. Organic 8-ounce block cheese has an average price of \$3.69, resulting in a \$1.26 organic price premium. Conventional cheese ads decreased 13 percent. Organic cheese ads increased 169 percent.

The national weighted average price for conventional Greek yogurt in 4 to 6-ounce containers, the most advertised conventional yogurt container size, is \$0.99. There are no ads for organic 4 to 6-ounce Greek yogurt. Conventional yogurt ads increased 5 percent. Organic yogurt ads decreased 33 percent.

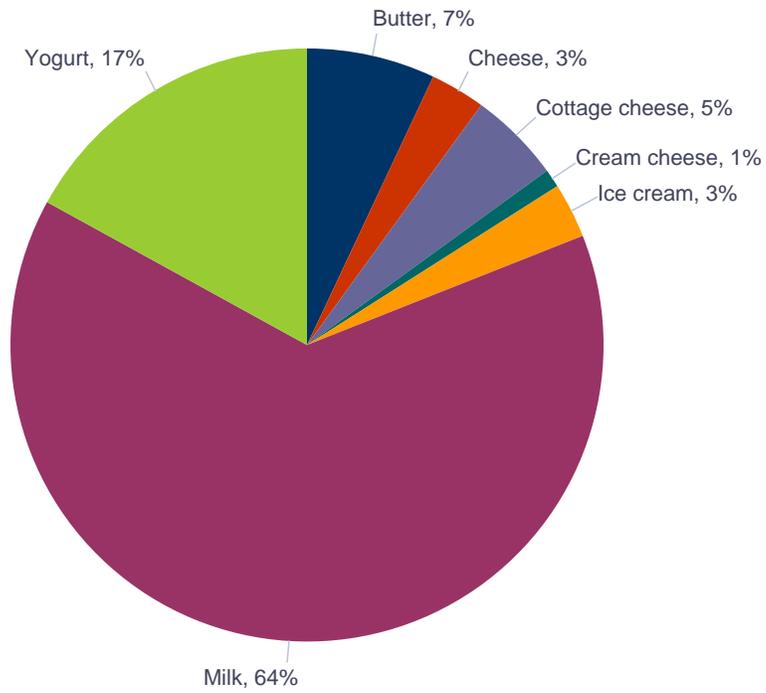
The national weighted average price for conventional half gallon milk is \$2.08. The national weighted average advertised price for organic half gallons is \$3.94, resulting in an organic price premium of \$1.86. Organic half gallon milk was the most advertised organic dairy item.



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 # | 5672 | 3.04 | 4421 | 3.15 | 3875 | 3.69 |
| Cheese | Natural Varieties | 8 oz block | 7163 | 2.43 | 8545 | 2.45 | 7995 | 2.35 |
| Cheese | Natural Varieties | 1 # block | 1352 | 3.49 | 1224 | 4.06 | 679 | 3.66 |
| Cheese | Natural Varieties | 2 # block | 2318 | 6.22 | 1507 | 7.08 | 1015 | 6.13 |
| Cheese | Natural Varieties | 8 oz shred | 9421 | 2.42 | 11930 | 2.50 | 8258 | 2.24 |
| Cheese | Natural Varieties | 1 # shred | 240 | 2.93 | 390 | 3.79 | 1736 | 4.46 |
| Cheese | | 8 oz shred | | | | | 84 | 1.99 |
| Cottage cheese | | 16 oz | 2022 | 1.77 | 2708 | 2.37 | 2389 | 2.19 |
| Cream cheese | | 8 oz | 10500 | 1.87 | 9286 | 1.77 | 11282 | 1.93 |
| Egg nog | | quart | | | 147 | 3.00 | | |
| Flavored milk | All fat tests | half gallon | 527 | 2.18 | 534 | 2.34 | 424 | 2.21 |
| Flavored milk | All fat tests | gallon | 180 | 2.99 | | | 402 | 3.89 |
| Ice cream | | 48-64oz | 13345 | 2.99 | 11795 | 2.99 | 10274 | 3.12 |
| Milk | All fat tests | half gallon | 695 | 2.08 | 258 | 2.71 | 1010 | 1.45 |
| Milk | All fat tests | gallon | 712 | 3.30 | 787 | 3.15 | 249 | 2.84 |
| Sour cream | | 16 oz | 9926 | 1.84 | 4459 | 1.90 | 6776 | 1.95 |
| Yogurt | Greek | 4-6 oz | 7678 | .99 | 7736 | .97 | 8357 | .98 |
| Yogurt | Greek | 32 oz | 1857 | 4.58 | 3463 | 4.65 | 2341 | 4.16 |
| Yogurt | Yogurt | 4-6 oz | 4909 | .51 | 2002 | .47 | 2202 | .49 |
| Yogurt | Yogurt | 32 oz | 540 | 3.95 | 1092 | 2.74 | 546 | 3.02 |

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

| Commodity | Type | Pack Size | NORTHEAST U.S. | | | SOUTHEAST U.S. | | | MIDWEST U.S. | | |
|----------------|-------------------|-------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 2.00-4.00 | 2080 | 3.09 | 1.99-3.50 | 821 | 2.89 | 1.50-3.29 | 1168 | 2.69 |
| Cheese | Natural Varieties | 8 oz block | 1.67-3.50 | 3313 | 2.37 | 1.66-3.00 | 2127 | 2.29 | 2.49-3.79 | 970 | 3.05 |
| Cheese | Natural Varieties | 1 # block | 2.99-3.99 | 878 | 3.55 | | | | | | |
| Cheese | Natural Varieties | 2 # block | 5.99 | 84 | 5.99 | | | | 4.99-6.99 | 630 | 5.55 |
| Cheese | Natural Varieties | 8 oz shred | 1.66-3.69 | 3954 | 2.48 | 1.66-3.00 | 1386 | 1.89 | 1.88-3.69 | 1505 | 2.73 |
| Cheese | Natural Varieties | 1 # shred | 2.49 | 135 | 2.49 | | | | | | |
| Cottage cheese | | 16 oz | 1.50-3.49 | 406 | 2.48 | 1.25-2.00 | 328 | 1.74 | 1.25 | 489 | 1.25 |
| Cream cheese | | 8 oz | 0.99-3.00 | 2120 | 1.86 | 1.50-2.49 | 3970 | 1.97 | 1.00-2.49 | 1624 | 1.73 |
| Flavored milk | All fat tests | half gallon | | | | 2.50 | 214 | 2.50 | 2.00 | 180 | 2.00 |
| Flavored milk | All fat tests | gallon | | | | | | | 2.99 | 180 | 2.99 |
| Ice cream | | 48-64oz | 1.77-3.50 | 2734 | 2.69 | 1.79-5.99 | 2734 | 3.12 | 1.79-3.99 | 3418 | 2.82 |
| Milk | All fat tests | half gallon | 3.49 | 72 | 3.49 | | | | 1.59 | 123 | 1.59 |
| Milk | All fat tests | gallon | | | | 3.29 | 64 | 3.29 | 2.19-5.49 | 250 | 3.87 |
| Sour cream | | 16 oz | 0.99-2.00 | 2954 | 1.83 | 1.25-2.00 | 2473 | 1.96 | 1.25-2.49 | 1641 | 1.77 |
| Yogurt | Greek | 4-6 oz | 0.80-1.33 | 2267 | 1.00 | 0.80-1.00 | 1965 | .98 | 0.90-1.25 | 1147 | 1.01 |

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 | Greek | 32 oz | 3.99-5.00 | 686 | 4.69 | 4.50-4.99 | 796 | 4.95 | 2.49-4.99 | 254 | 3.74 |
| Yogurt | Yogurt | 4-6 oz | 0.40-0.60 | 2087 | .51 | 0.49-0.50 | 1380 | .50 | 0.40-0.69 | 852 | .56 |
| Yogurt | Yogurt | 32 oz | 2.99 | 240 | 2.99 | 5.50 | 214 | 5.50 | | | |

| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|----------------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 2.49-4.99 | 625 | 3.18 | 2.99-3.99 | 304 | 3.44 | 2.99-3.49 | 636 | 3.28 |
| Cheese | Natural Varieties | 8 oz block | 1.50-2.99 | 544 | 1.99 | 2.99-3.00 | 182 | 2.99 | | | |
| Cheese | Natural Varieties | 1 # block | | | | 3.38 | 344 | 3.38 | 3.38 | 130 | 3.38 |
| Cheese | Natural Varieties | 2 # block | 4.68-5.99 | 338 | 5.22 | 5.99 | 360 | 5.99 | 4.99-10.98 | 874 | 7.21 |
| Cheese | Natural Varieties | 8 oz shred | 1.50-2.99 | 1136 | 2.40 | 1.99-3.00 | 1127 | 2.48 | 1.99-2.69 | 226 | 2.36 |
| Cheese | Natural Varieties | 1 # shred | | | | | | | 3.49 | 105 | 3.49 |
| Cottage cheese | | 16 oz | 1.50-2.50 | 361 | 1.88 | | | | 1.25-1.67 | 410 | 1.55 |
| Cream cheese | | 8 oz | 0.88-2.49 | 1301 | 1.72 | 1.50-2.00 | 821 | 1.95 | 1.49-2.49 | 653 | 1.81 |
| Flavored milk | All fat tests | half gallon | 1.89 | 133 | 1.89 | | | | | | |
| Ice cream | | 48-64oz | 1.79-5.98 | 1779 | 3.11 | 1.99-3.99 | 1485 | 2.97 | 1.99-5.49 | 1038 | 3.55 |
| Milk | All fat tests | half gallon | 1.89-2.39 | 379 | 2.10 | | | | 1.69 | 121 | 1.69 |
| Milk | All fat tests | gallon | 3.19-4.24 | 172 | 3.91 | | | | 1.99-2.39 | 226 | 2.20 |
| Sour cream | | 16 oz | 0.89-2.69 | 1638 | 1.75 | 1.49-2.00 | 917 | 1.86 | 1.25-2.00 | 251 | 1.50 |
| Yogurt | Greek | 4-6 oz | 0.90-1.25 | 897 | 1.01 | 0.89-1.00 | 862 | .98 | 0.69-1.00 | 529 | .89 |
| Yogurt | Greek | 32 oz | 3.29 | 121 | 3.29 | | | | | | |
| Yogurt | Yogurt | 4-6 oz | 0.50 | 301 | .50 | | | | 0.40 | 289 | .40 |
| Yogurt | Yogurt | 32 oz | | | | 2.49 | 62 | 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 |
| Butter | | 1 # | 2.99 | 11 | 2.99 | 4.50 | 27 | 4.50 |
| Cheese | Natural Varieties | 8 oz block | | | | 3.00 | 27 | 3.00 |
| Cheese | Natural Varieties | 2 # block | 5.99 | 32 | 5.99 | | | |
| Cheese | Natural Varieties | 8 oz shred | 2.49-3.29 | 60 | 2.87 | 3.00 | 27 | 3.00 |
| Cottage cheese | | 16 oz | 2.69 | 28 | 2.69 | | | |
| Cream cheese | | 8 oz | 1.79 | 11 | 1.79 | | | |
| Ice cream | | 48-64oz | 2.49-6.79 | 82 | 4.56 | 3.79-6.99 | 75 | 5.52 |
| Sour cream | | 16 oz | 2.29 | 28 | 2.29 | 2.50 | 24 | 2.50 |
| Yogurt | Greek | 4-6 oz | 1.25 | 11 | 1.25 | | | |
| Yogurt | Yogurt | 32 oz | | | | 3.50 | 24 | 3.50 |

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 # | 289 | 5.99 | 147 | 5.79 | 222 | 5.49 |
| Cheese | Natural Varieties | 8 oz block | 121 | 3.69 | 34 | 7.69 | | |
| Cheese | Natural Varieties | 8 oz shred | | | 11 | 3.79 | | |
| Cottage cheese | | 16 oz | 214 | 4.29 | 624 | 3.86 | | |
| Cream cheese | | 8 oz | 61 | 3.00 | | | 161 | 2.50 |
| Ice cream | | 48-64oz | 108 | 7.49 | | | | |
| Milk | All fat tests | half gallon | 2555 | 3.94 | 2688 | 4.37 | 4060 | 3.86 |
| Milk | All fat tests | gallon | 141 | 5.49 | 734 | 5.53 | 105 | 5.00 |
| Milk | All fat tests | 8 oz UHT | | | | | 497 | .80 |
| Sour cream | | 16 oz | | | 183 | 2.29 | | |
| Yogurt | Greek | 4-6 oz | | | | | 118 | 1.25 |
| Yogurt | Greek | 32 oz | 289 | 5.99 | 304 | 3.50 | | |
| Yogurt | Yogurt | 4-6 oz | | | 147 | 1.25 | 54 | .90 |
| Yogurt | Yogurt | 32 oz | 416 | 3.50 | 594 | 3.59 | 1961 | 3.87 |

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 |
| Cottage cheese | | 16 oz | | | | 4.29 | 214 | 4.29 | | | |
| Cream cheese | | 8 oz | | | | 3.00 | 61 | 3.00 | | | |
| Ice cream | | 48-64oz | 7.49 | 108 | 7.49 | | | | | | |
| Milk | All fat tests | half gallon | 3.50-6.99 | 549 | 5.18 | 2.49-4.50 | 1430 | 3.50 | 4.49 | 233 | 4.49 |
| Yogurt | Yogurt | 32 oz | 3.49-3.50 | 416 | 3.50 | | | | | | |

| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|-----------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | | | | | | | 5.99 | 289 | 5.99 |
| Cheese | Natural Varieties | 8 oz block | 3.69 | 121 | 3.69 | | | | | | |
| Milk | All fat tests | half gallon | 3.99 | 54 | 3.99 | | | | 3.29 | 289 | 3.29 |
| Milk | All fat tests | gallon | 5.49 | 141 | 5.49 | | | | | | |
| Yogurt | Greek | 32 oz | | | | | | | 5.99 | 289 | 5.99 |

Wtd Avg - Simple weighted average

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

REGIONAL DEFINITIONS

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

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



Dairy Market News

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

Volume 88, Report 5

February 1 - 5, 2021

GENERAL NUMBER

(608) 422-8587

Elizabeth Frederick

(608) 422-8587

Elizabeth.Frederick@USDA.GOV

ORGANIC/ EAST

Daniel Johnson

(608) 422-8605

Daniel.Johnson4@USDA.GOV

EAST/SOUTH AMERICA

Jessica Mueller

(608) 422-8589

Jessica.Mueller@USDA.GOV

CENTRAL

Israel Weber

(608) 422-8601

Israel.Weber@USDA.GOV

WEST

Mike Bandli

(608) 422-8592

Mike.Bandli@USDA.GOV

EUROPE/OCEANIA

Eric Graf

(608) 422-8590

Eric.Graf@USDA.GOV

DEPUTY DIRECTOR, DAIRY MARKET NEWS

Janet Linder

(608) 422-8588

Janet.Linder@USDA.GOV

DIRECTOR, DAIRY MARKET NEWS

Butch Speth

(608) 422-8586

Butch.Speth@USDA.GOV

RECORDED INFORMATION SYSTEM

(608) 422-8602

FAX

(608) 240-6689

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

Additional Dairy Market News Information:

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

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