

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (06/01):**

BUTTER: Grade AA closed at \$1.4000. The weekly average for Grade AA is \$1.3981 (+.0121).

CHEESE: Barrels closed at \$1.5325 and 40# blocks at \$1.6500. The weekly average for barrels is \$1.5238 (+.0578) and blocks, \$1.6100 (+.0955).

BUTTER HIGHLIGHTS: The AA cash butter price at the CME continues to firm. The current cash price of \$1.4000 is the highest since late April and compares to \$1.3875 last Friday, \$1.3550 a month ago, and \$2.1625 last year. Churning activity during the past week increased as surplus cream volumes, especially over the holiday weekend, were heavier. Many butter producers did indicate that weekend cream offerings were not as heavy as anticipated. Some ice cream manufacturers maintained steady production schedules during the holiday period, which is often not the case during a holiday weekend. Surplus cream offers further declined early in the week as Class II operations, which reduced production schedules during the holiday period, resumed production. In most instances, current churning schedules are keeping pace with demand although butter continues to clear to inventory. Butter demand is seasonally fair to good. Retail buyers continue to report features which are clearing good volumes of print butter. Nationally, advertised butter prices from the National Dairy Retail Report showed a weighted average price of \$2.49 per pound compared to \$2.57 two weeks ago. Featured prices ranged from \$1.4900 in the Midwest to \$3.49 in the Northeast. Food service orders are increasing as resort and vacation areas across the country prepare for the summer vacation season. Most recently, Cooperatives Working Together (CWT) accepted requests for export assistance to sell nearly 1.7 million pounds (755 metric tons) of butter. The product will be delivered now through November 2012.

CHEESE HIGHLIGHTS: Cheese plants were busy over the holiday weekend as surplus milk was available. Production of cheese is increased over last year and supplies are described as manageable. The CWT program continues to assist with export sales. As reported in the National Dairy Retail Report this week, retail advertising of cheese at grocery stores increased for 8 oz. shred and block cheese from two weeks ago. Cheese prices continued to rally for most of the week, although barrels declined slightly at weeks' end following nearly three weeks of strength. Another earthquake in Northern Italy this week may further affect supplies of Parmigiano-Reggiano cheese which ages for 2

years.

FLUID MILK: For the most part, milk production has peaked across the country and is holding at high levels or declining at varying rates. Temperatures across the country are starting to heat up, but are not detrimental to cow comfort and milk output at this time. Over the past holiday weekend, surplus milk volumes were basically manageable with no significant difficulties in processing the milk reported. Class I milk demand, especially for school needs, is declining. Many schools have been shuttered for the summer with the balance concluding their sessions within the next few weeks. Milk handlers and processors are indicating that with the earlier than usual uptick in milk output this spring and peak levels occurring somewhat earlier, handling Memorial Day Holiday weekend milk volumes were comfortable. Cream markets are firming up this week following the holiday weekend. Typically during the Memorial Day holiday weekend, surplus cream offering would be heavy, but this year, surplus cream volumes were available, but not to the level of previous years. Some Class II cream based product facilities did not reduce their processing schedules to the extent of previous years during the holiday period, thus absorbing more of the usual surplus volume. Also standardized cream volumes were lighter as school bottling programs decline.

DRY PRODUCTS: Dry dairy product markets are mixed with some commodities reporting firmer prices while others continue to ease. The NDM market is unsettled, although the market is starting to show firming tendencies. An increase in manufacturing milk supplies over the holiday weekend channeled increased volumes of condensed skim to dryers. A few manufacturers indicated that NDM stocks will rebuild throughout early June and spot loads will once again be available in mid to later June. The buttermilk powder market is generally holding steady in the Central and Eastern regions of the country, while weak in Western areas. Dry buttermilk powder production is steady to heavier at several locations, lower at others where sales of condensed buttermilk are increasing seasonally. The impact of heavy butter production in the West is creating heavy volumes of buttermilk solids, with some manufacturers discounting prices in an attempt to clear extra dry product. Whey powder markets are mixed as price ranges narrow. Dry whey production increased marginally as some cheese plants increased production schedules over the holiday period. Whey demand is starting to turn around and buyers are becoming more interested in securing

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CME GROUP CASH TRADING

COMMODITY	MONDAY MAY 28	TUESDAY MAY 29	WEDNESDAY MAY 30	THURSDAY MAY 31	FRIDAY JUN 01	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	CME	\$1.5000 (+.0300)	\$1.5275 (+.0275)	\$1.5350 (+.0075)	\$1.5325 (-.0025)	:: :: (+.0625)	:: :: \$1.5238 :: (+.0578)
40# BLOCKS	CLOSED	\$1.5700 (N.C.)	\$1.6000 (+.0300)	\$1.6200 (+.0200)	\$1.6500 (+.0300)	:: :: (+.0800)	:: :: \$1.6100 :: (+.0955)
NONFAT DRY MILK EXTRA GRADE		\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	:: :: (N.C.)	:: :: \$1.0900 :: (+.0030)
GRADE A	HOLIDAY	\$1.1575 (+.0025)	\$1.1575 (N.C.)	\$1.1725 (+.0150)	\$1.1850 (+.0125)	:: :: (+.0300)	:: :: \$1.1681 :: (+.0296)
BUTTER GRADE AA		\$1.3925 (+.0050)	\$1.4000 (+.0075)	\$1.4000 (N.C.)	\$1.4000 (N.C.)	:: :: (+.0125)	:: :: \$1.3981 :: (+.0121)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE

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<http://www.ams.usda.gov/mnreports/dybretail.pdf>

supplies than they may have been reluctant to take a few weeks ago. Lactose markets are weaker with prices unchanged to lower. Various manufacturers note the avid interest in lactose loads has cooled to the point of not being able to clear lactose spot loads in the high \$.80's - mid \$.90's. Lactose production is steady at most plants, slightly higher at other locations where manufacturing milk supplies rose during the extended holiday weekend.

ORGANIC DAIRY MARKET NEWS OVERVIEW (DMN): Monthly sales of organic fat reduced milk have been above the level one year earlier every month beginning January 2009. Sales for March 2012 exceeded sales one year earlier by the closest margin since January 2010, only 1 million pounds. Producers report that the increasing price of organic feed is a challenge which has resulted in some altered cow feeding programs, possibly affecting milk production. The narrowness of this most recent year-to-year increase has organic milk producers and processors awaiting the next data report with particular interest, to monitor whether the recent trend of increasing sales of organic milk, will continue. Three key points characterize this period's survey of organic dairy advertising. First, almost all ads for organic dairy products are for national brands rather than store brands. All organic milk, yogurt and cream cheese ads are for national brands, as are 82% of organic ice cream ads. Second, ad volume is relatively low for organic dairy products. Third, the recent string of periods with organic milk as the leading product in numbers has ended, with organic yogurt now in the lead. Organic milk half gallons have a weighted average advertised price of \$3.71, 33 cents higher than two weeks ago. The price range is \$3.99 to \$3.49. The weighted average advertised price between organic and non-organic half gallons is \$1.96, an organic-conventional half-gallon milk advertised price spread of \$1.75, up from \$1.02 two weeks ago but down from \$2.46 four weeks ago. The national weighted average advertised price of 4-6 ounce organic yogurt decreased 11 cents, to \$0.63. The price range spanned 10 cents, a 30 cent decrease at the top but unchanged at the bottom.

NATIONAL DAIRY RETAIL REPORT (DMN): Advertising volume for conventional dairy products is higher than the last two surveyed periods. There are about 10.4% more advertised features of conventional dairy products for the current ad cycle than the prior cycle, and just over 19.5% more than two cycles ago. Ice cream advertising volume remains strong as the third most advertised dairy product in ads surrounding the holiday weekend, behind cheese and yogurt.

Total cheese advertising numbers increased almost 10% and yogurt ads, 15%. The most advertised cheese category, 8 ounce shreds, has a weighted average advertised price of \$2.23, down 2 cents from last cycle. The average price for 8 ounce blocks, \$2.40, increased 14 cents from the last cycle. The largest yogurt category, 4-6 ounce Greek yogurt, has a weighted average advertised price of 97 cents, down 2 cents. The second largest yogurt category, 4-6 ounce yogurt, has a weighted average advertised price of 56 cents, up 1 cent from last period.

While conventional milk is not among the top five advertised conventional dairy products, conventional flavored milk ads increased from two weeks ago, while ads for conventional non-flavored milk decreased

Conventional milk's national weighted average advertised price for half gallons this period, \$1.96, is 40 cents below two weeks ago. This period, ads are almost evenly split between store brands and national brands. Two weeks ago, almost three of four ads were for a national brand.

Organic milk's national weighted average advertised price for half gallons, \$3.71, is up 33 cents from last period. This results in an organic-conventional half-gallon milk advertised price spread of \$1.75, up from \$1.02 two weeks ago. The number of stores with organic dairy ads decreased by almost 40% from two weeks ago, which in turn was nearly 60% above two weeks before that.

The complete Retail report is available at:

MAY AGRICULTURAL PRICES HIGHLIGHTS (NASS):

The All Milk price received by farmers was \$16.40 in May, down \$0.40 from April 2012 and down \$3.20 from May 2011. Alfalfa hay price was \$215.00 in May, up \$28.00 from May 2011. Corn price was \$6.22 in May, down \$0.10 from May 2011. Soybean price was \$13.70 in May, up \$0.50 from May 2011. The milk-feed price ratio was 1.38 in May, down 0.35 from May 2011. The index of prices received by farmers for dairy products during the month of May 2012 was down 3 points to 126. Compared with May 2011, the index was down 24 points (16.0%). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2012 was down 1 point to 212. Compared with May 2011, the index was up 8 points (3.9%).

MAY CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The May Class II, III, and IV prices and changes from April are: Class II \$15.19, -\$1.01; Class III \$15.23, -\$0.49; and Class IV 13.55, -\$1.25. Under the Federal milk order pricing system, the butterfat price for May 2012 is \$1.4462 per pound. Thus, the Class II butterfat price is \$1.4532. The protein and other solids prices for May are \$2.7344 and \$0.3500 per pound, respectively. These component prices set the Class III skim milk price at \$10.54 per cwt. The May Class IV skim milk price is \$8.80 which is derived from the nonfat solids price of \$0.9774 per pound. Product Price Averages: The product price averages for May are: butter \$1.3657, nonfat dry milk \$1.1551, cheese \$1.5215, and dry whey \$0.5389.

CONSUMER PRICE INDEX (BLS): The April 2012 CPI for all food is 233.2, up 3.1% from April 2011. The dairy products index is 216.9, up 3.4% from a year ago. The following are the April to April changes for selected products: fresh whole milk is +0.5%; cheese, +4.4%; and butter, -8.6%.

APRIL FMMO PRICE AND POOL STATISTICS (DAIRY PROGRAMS): During April, more than 11.5 billion pounds of milk were received from producers. This volume of milk is 5.5% higher than the April 2011 volume. In April 2011 and April 2012, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.5 billion pounds of producer milk were used in Class I products, 4.4% lower than the previous year. Calendar composition likely had a negative impact on milk used in Class I in 2012 as compared to 2011. The all-market average Class utilization percentages were: Class I = 30%, Class II = 11%, Class III = 45% and Class IV = 14%. The weighted average statistical uniform price was \$16.62 per cwt., \$0.27 lower than last month and \$2.74 lower than last year.

JUNE COOP CLASS I PRICES (FMMO): For June 2012, the all-city average announced cooperative Class I price was \$20.35 per cwt., \$2.47 higher than the Federal milk order (FMO) Class I price average for these cities. The June 2012 Cooperative Class I price was \$0.63 lower than the May 2012 price. The June 2012 Federal order Class I price was \$0.61 lower than the May 2012 price. On an individual city basis, the difference between the Federal order and announced cooperative Class I price ranged from \$.50 in Phoenix, AZ, to \$4.29 in Miami, FL. For June 2011, the all-city average announced cooperative Class I price was \$25.54, \$2.58 higher than the Federal order Class I price average for these cities. Note: For most cities, the Announced Cooperative Class I Price now includes premiums paid for milk produced without rBST.

CME GROUP

MONDAY, MAY 28, 2012 - CME CLOSED, MEMORIAL DAY HOLIDAY

TUESDAY, MAY 29, 2012

CHEESE -- SALES: 1 CAR BARRELS @ \$1.5000; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4850; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5300
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$1.1550, 1 @ \$1.1575; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.1600
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$1.4000, 1 @ \$1.3950, 1 @ \$1.3925; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.3900; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.4000

WEDNESDAY, MAY 30, 2012

CHEESE -- SALES: 1 CAR BARRELS @ \$1.5300; 2 CARS 40# BLOCKS @ \$1.5700; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5000; 1 CAR 40# BLOCKS @ \$1.6000; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.5275
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$1.1575; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.1600
 BUTTER -- SALES: 2 CARS GRADE AA @ \$1.4000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.3975; LAST OFFER UNCOVERED: NONE

THURSDAY, MAY 31, 2012

CHEESE -- SALES: 1 CAR BARRELS @ \$1.5375; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6200; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5350
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$1.1600, 1 @ \$1.1625, 1 @ \$1.1675, 1 @ \$1.1725; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.1775
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.4000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

FRIDAY, JUNE 1, 2012

CHEESE -- SALES: 1 CAR BARRELS @ \$1.5650; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.6500; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5325
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$1.1750, 1 @ \$1.1800, 1 @ \$1.1850; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.1950
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

The CME Group butter price increased \$0.0050 Tuesday and closed at \$1.3925. Butter prices have continued their move upward and have not seen a price decline since May 8. Cream supplies were readily available over the holiday weekend and extended into the early part of the week. The increase in cream supplies caused increased volumes to be channeled to churns and marginally increasing butter production. Current production is fairly evenly split between print and bulk production. Domestic demand remains fairly good from food service and retail outlets. Most butter manufacturers in the East are very comfortable with their current inventories. Export demand remains active, but may be declining as some butter makers are refraining from participating in export assistance in order to focus on the domestic market. The number of ads for butter increased in the Northeast according to the National Dairy Retail Report. The weighted average price for a 1 pound of butter was \$2.56. Current bulk butter prices range from 4-8 cents over the market based on the CME Group with various time frames and averages used.

CENTRAL

The CME cash butter price continues to firm. At midweek, the cash price is \$1.4000 which is the highest price since April 24 of this year. This cash price compares to \$1.3850 a week ago, \$1.3550 a month ago, and \$2.1800 a year ago. Butter producers and handlers are indicating that the expected heavier volumes of surplus cream during the past Memorial Day holiday weekend did not develop as heavily as projected. It appears that some Class II ice cream manufacturers continued to absorb regular cream volumes for ice cream needs through the weekend. Some ice cream producers are indicating that the ice cream season got off to a faster and earlier pace than is typical. Although cream volumes to the churn were not as plentiful as projected, sufficient volumes did remain available to maintain active churning during the holiday weekend. In many

instances, current churning is outpacing demand thus clearances to inventory continue. It is still too soon after the holiday to get a good feeling on butter buying interest, but some retail features are being reported for the week following the holiday. Food service orders are picking up, especially in resort and vacation areas of the Midwest. The Memorial Day holiday weekend is the unofficial opening of the summer vacation season and food service and restaurants in vacation spots are preparing for the summer. Bulk butter prices range from flat to 3 cents over various pricing bases and averages per pound.

WEST

Western butter prices are steady to firm. The long holiday weekend was responsible for some extra cream finding a home in butter/powder plants. There were some lower cream multiples reported over the weekend, but prices have returned as more manufacturing demand reentered the market. Butter production levels are remaining at a high level with some excess production ending up as inventory. Print sales are reported good as retail and club sales are moving increased amounts of butter. Prices for bulk butter range from 2 cents under to 4 1/2 cents under the market, based on the CME with various time frames and averages used. Wednesday's close on the CME Group exchange for butter is up \$.0075 to \$1.4000. Trading activity has increased with higher prices for both sessions in this holiday shortened week. Sales for the first two days of this week totaled five loads. Nationally, advertised butter prices from the National Dairy Retail Report showed a weighted average price of \$2.49 per pound compared to \$2.57 two weeks ago. The number of butter features was reduced from two weeks ago. Western advertised prices ranged from \$1.67-2.99 per pound. The weighted average for butter in the Northwest was \$1.99, while the average in the Southwest was \$2.29.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

<u>WEEK ENDING</u>	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
May 26, 2012	1.3450 5,219,019	1.5210 10,220,592	1.4932 8,893,111	0.5240 8,848,064	1.1317 34,457,764

CHEESE MARKETS

NORTHEAST

Cheese prices were mixed on the CME Group Tuesday with barrels advancing 3 cents to close at \$1.5000, while blocks held steady at \$1.5700. Milk supplies were readily available over the holiday period and some cheese plants marginally increased production to take care of their milk supply. Eastern inventories are not considered to be burdensome by most cheese makers. Concern remains regarding fluid milk availability in the fall and decisions will need to be made soon whether to increase inventories or rely on fall milk supplies. The number of ads for 8 ounce block and shredded cheese increased in the Northeast according to the National Dairy Retail Report. The weighted average price for 8 ounce blocks was \$2.33, while the weighted average price for 8 ounce shredded cheese was \$2.38.

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

Cheddar 40# Block	:	1.9150-2.2000
Process 5# Sliced	:	1.6850-1.8050
Muenster	:	1.9350-2.2950
Grade A Swiss Cuts 10 - 14#	:	3.2550-3.5775

MIDWEST

Milk remains readily available to cheesemakers for at least two reasons. First, some milk is being pushed back from bottlers, with fewer "class plus" milk sales being made. Secondly, milk volume being diverted from nonfat dry milk, into cheese manufacturing, is increasing in the region. This has resulted in a reconsideration of some expectations last week, of cheese manufacturing slightly scaling back this week after the holiday weekend. Discussion is continuing within the industry about the potential for milk supply tightness later in the summer, to a point where cheese manufacturing could be challenged to obtain the desired volume of milk. No consensus has been reached but some manufacturing plants have finalized recent and near future sales to speculators who expect supply tightness, which will help those plants handle current and near term expected milk volumes. Slow sales of mozzarella have caused some multiple plant manufacturers to shift milk into cheddar plants away from mozzarella plants. While this helps prevent mozzarella inventory accumulation the lower plant volume hurts manufacturing efficiency. Sales of natural and process cheese are higher for certain manufacturers. Cheese retail advertising volume reported in the National Dairy Retail Report has increased in ad numbers by 9.7% above volume two weeks ago. This continues a trend of three consecutive two week survey periods with cheese advertising volume increasing. However, current volume remains 36.7% below the high volume reached since this survey series began earlier this year, in the report released April 4. The largest number of cheese category ads run during the current survey period are for 8 ounce shredded cheese, up 22.9% from the last period. Next highest is 8 ounce block, up 36.9%. The remaining cheese category ads in descending volume are 2 pound block, down 27.6%; 1 pound block, down 48.4%; and 1 pound shredded, down 70.8%. The weighted average advertised price of four of the five cheese package varieties reported decreased from two weeks ago. Only the weighted average advertised price of 8 ounce blocks, \$2.40, was up from two weeks ago, up 6.2%. The weighted average advertised price and

percent decline from two weeks ago for other package sized includes 1 pound block, \$3.76, down 4.8%; 2 pound block, \$6.20, down 4.8%; 8 ounce shredded, \$2.23, down 0.9%; and 1 pound shredded, \$3.55, down 10.6%. "Up" seems to be the direction for cheese on CME trading recently. Cheese trading last closed down on May 10th. Two trading days this holiday week have barrels up for the week 5 3/4 cents to \$1.5275, and blocks up 3 cents to \$1.6000. The five year average of cheese weekly averages the week before Memorial Day is higher than last week's average. The weekly average for blocks last week was \$.1085 below the five year \$1.6230 average and barrels were \$.1203 below the \$1.5863 five year average.

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

Process American 5# Loaf	:	1.6575-2.3625
Brick And/Or Muenster 5#	:	1.9025-2.4625
Cheddar 40# Block	:	1.9025-2.8875
Monterey Jack 10#	:	1.8725-2.8875
Blue 5#	:	2.1675-3.1525
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7475-2.9875
Grade A Swiss Cuts 6 - 9#	:	2.6650-2.9825

WEST

Western cheese manufacturers were busy over the Memorial Day weekend with some additional milk supplies. As production schedules returned to more normal patterns, plants are finding some additional time for maintenance. Cheese inventories are heavy, but not burdensome. Demand is good into retail outlets, especially where featured. CWT assistance is being used to move some cheese into international markets. Trading at the CME Group on Wednesday was hectic as barrels increased \$0.0275 to close at \$1.5275. Blocks were up \$.0300 to close at \$1.6000. Sales activity has been light with two loads of blocks and two loads of barrels trading so far this week. Advertised cheese prices as reported in the National Dairy Retail Report showed prices for 8 oz. shred cheese at \$2.23 compared to \$2.25 two weeks ago. The 8 oz. package category was the only cheese product that increased feature activity. Both shreds and block packages saw increased activity in the half pound size. Prices for 2 lb. block cheese in the West ranged from \$4.99-8.99 per package with the weighted average in the Southwest at \$6.30 and Northwest at \$6.09.

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

Process 5# Loaf	:	1.5900-1.8475
Cheddar 40# Block	:	1.6400-1.9925
Cheddar 10# Cuts	:	1.8200-2.0400
Monterey Jack 10#	:	1.8300-1.9900
Grade A Swiss Cuts 6 - 9#	:	2.8325-3.2625

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CHEESE MARKETS

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FOREIGN

The weekly average block price on the CME Group increased, raising domestic wholesale cheese prices \$0.0150. Domestic Swiss cheese cuts and imported cheese varieties were unchanged. The loss and damage to, primarily parmigiano-reggiano, cheese inventories from last week's earthquake in Northern Italy has yet to be fully determined. Parmigiano-reggiano cheeses are aged 2 years, so the impact of the losses, could be far reaching. The decline in the Euro, compared to the US dollar, is prompting some importers to increase purchase volumes once their current contracts expire.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.0550-3.5425*
Gorgonzola	: 3.6900-6.3900	: 2.5575-2.8175*
Parmesan (Italy)	: -0-	: 3.1775-3.7325*
Provolone (Italy)	: 3.4400-6.1800	: 2.0975-2.2550*
Romano (Cows Milk)	: -0-	: 3.2450-5.3950*
Sardo Romano (Argentine)	: 2.8500-3.9800	: -0-
Reggianito (Argentine)	: 3.2900-4.1900	: -0-
Jarlsberg-(Brand)	: 2.9500-5.2900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.3475-3.6700
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-

* = Price change.

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

	BUTTER	CHEESE
	:	:
05/28/12	11,522	130,277
05/01/12	9,902	130,931
CHANGE	1,620	-654
% CHANGE	16	-0

FLUID MILK AND CREAM

EAST

SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	180	0	180	0	320
SOUTHEAST STATES	0	0	0	0	0	0

Manufacturing milk supplies increased over the holiday period in the Northeast and Mid-Atlantic regions. Class I demand is declining as numerous schools in both regions are ending their spring terms. Milk production has leveled off in the Northeast and is declining in the Mid-Atlantic region. Dairy manufacturers are concerned about their future milk supplies as they look to the fall. Hay harvest activities are ongoing in both regions. Tropical storm Beryl brought 4-10 inches of rain to most of Florida's drought stricken areas. More rain is needed to bring aquifers and lakes back to normal levels, but Beryl brought much needed relief and pasture conditions are rapidly improving. Milk production is declining at a faster rate as temperatures and humidity levels are increasing across the state. Class I demand held steady. Spot loads of milk exported out of state this week totaled 180. The Southeast manufacturing milk supply increased over the holiday weekend and necessitated the utilization of some auxiliary manufacturing plants. Class I demand is declining as numerous schools have completed their academic year. The July like heat over the Memorial Day holiday has increased the frequency of load rejections due to unacceptable temperatures. Cream was readily available over the holiday period with increased volumes going to churns. Demand for cream is at increased levels as ice cream and ice cream mix production have increased significantly. Some cream cheese manufacturers are also contributing to the increase in cream demand by purchasing an extra load here and there. Cream multiples were fairly wide this week and ranged from 123-136. Demand for condensed skim milk has increased with the increase in ice cream production, but condensed skim milk supplies quickly exceed demand with excess volumes being channeled to dryers. Spot sales activity has slightly increased.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast -	1.7048-1.8850
F.O.B. producing plants: Upper Midwest -	1.6632-1.8018

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.19 - 1.22
Northeast - Class III - spot prices -	1.27 - 1.35

MIDWEST

Farm milk intakes at many locations in the Central region are steady to modestly lower for the week. Despite daytime temperatures above 90 degrees in many areas of the Central region, cow comfort reportedly suffered very little and farm milk pickups were just slightly lower due to seasonality rather than cow distress. The decreases in farm milk intakes have not lessened Class II/III/IV manufacturing, though, according to many milk processors. Manufacturing milk was readily available throughout the extended weekend because some end user plants closed for 1 - 3 days, freeing up many loads of milk. Also, because of bottled milk demand trending lower due to school closures, manufacturers benefited from the push back from those facilities. Various Class II and III manufacturers anticipate milk availability for their products will

hold steady during the next few weeks. With slowing fluid milk demand, the availability of spot loads of milk is growing compared to the previous week. The push toward Class plus pricing on spot loads lost momentum this week as bottled milk demand slowed. Spot milk load prices were mostly reported at flat Class. A few loads cleared below Class due to plant problems that led to milk load diversions. Cream availability tightened somewhat this week as the lower demand for Class I milk resulted in less cream being generated through the milk standardizing process. Cream sales into Class II plants increased from the previous week. Production of dips, hard ice cream and soft serve ice cream increased strongly this week as the true summer consumption season is close at hand. Cream multiples rose on spot cream loads, ranging from 1.20 - 1.30.

WEST

CALIFORNIA milk production is trending lower. Total volumes remain at seasonal high levels. Processing plants were working at capacity levels to handle the milk supplies. There were no major issues reported handling milk over the holiday weekend. Early this week, plants that were down over the weekend were back online and taking more milk and components. This was helping to alleviate stress on the balancing plants. Temperatures are increasing and expected to begin to affect milk output. April 2012 POOL RECEIPTS of milk in CALIFORNIA total 3.53 billion pounds, 4.7% higher than last year, according to CDFA. The April blend price, at a fat test of 3.68%, is \$14.87, \$0.57 lower than March and \$3.01 less than April 2011. The percentage of receipts used in Class 1 products is 13.1%. The April quota price is \$15.80 and the over quota price is \$14.10. These prices are \$0.48 lower than March and \$2.90 lower than a year ago. (NOTE: Decisions whether to/not to pool milk affect receipts and comparisons reported.) ARIZONA milk output is trending lower on a weekly basis. Milk handling went as planned for processing plants in the state. Weather conditions had cooled and the cow stress levels were lower. Processing plants were running on extended schedules to handle local and other milk and components. Class I sales are trending lower and adjusting to schools and colleges being out for the summer. Western CREAM markets are steady to firming. Multiples and overages are mostly steady, but the butter pricing and basing points are moving higher with continuing firmer trend for prices at the CME. Cream demand was uneven around the holiday weekend. Demand has improved from ice cream producers, but backed off from other higher-class items. Butter churning was active over the holiday weekend. The CME Group, Grade AA butter price closed at \$1.4000 on Wednesday, up 1.5 cents from a week ago. Western cream multiples were steady in the range 110-124, and vary based on class usage and basing points. There were some discounted and distress sales over the holiday weekend, but the total volumes were lower than in recent years. Moderate spring weather in the PACIFIC NORTHWEST was welcomed as dairy farmers look at greener pastures and preparations for early forage harvesting. Milk production in the region has leveled out with some handlers feeling the spring flush of milk has already happened. A combination of coops trying to limit production with quotas and farmers wanting to reduce feed costs have slowed milk production. Milk supplies are said to be currently manageable with some milk still moving out of the region. UTAH and IDAHO milk supplies are at expected levels. Milk processors are able to handle current supplies. Some plants are reporting reduced milk solid yields. First cutting of forages and grain planting are ongoing projects in dairy farming areas.

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: Central nonfat dry milk prices moved higher as price bases and adjusters changed and some manufacturers' inventories came into balance. A few manufacturers indicate stocks will rebuild throughout early June, and spot loads of NDM will once again be available in mid to late June. Market participants indicate the nonfat dry milk offers from manufacturers and resellers carry firmer pricing than in recent weeks. Condensed skim sales lagged to some end users over the weekend, but are expected to climb rapidly within the current week as various plants refill silos. Equipment problems at one or two plants that order condensed skim also sent some additional condensed skim into the dryer this week. A few Central region Class II plants plan to switch condensed skim orders for farm milk orders in the near future. This will have an impact on condensed skim load out schedules at supplying plants. Drying equipment problems also cropped up this week, causing some reshuffling of milk, but processing room was available within the region for all milk.

EAST: Nonfat dry milk prices moved significantly higher on the low end of the range as inventories are becoming more balanced. An increase in manufacturing milk supplies over the holiday weekend channeled increased volumes of condensed skim to dryers. The increase in nonfat dry milk production is adding to supplies. Most manufacturers are very comfortable with their current inventories and are not inclined to offer price discounts, which accounted for the price increases on the low end of the range. Production of high heat nonfat dry milk is marginally increasing as milk volumes allow, relieving some of the stress on the tight supplies. Demand has weakened as a number of major buyers have recently taken a position, made significant purchases and have adequate inventories. The market undertone is firming.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.1600 - 1.2150 MOSTLY: 1.1600 - 1.2000
 HIGH HEAT: 1.2000 - 1.2650

NONFAT DRY MILK - WEST

Western low/medium nonfat dry milk price ranges are increasing. The market tone is showing firming tendencies. Recent trades have cleared up product. Sellers are both increasing pricing levels and returning to index based trades. Prices are increasing at the bottom end of the range and mostly series as sellers adjust spot prices higher. Index based prices are still trending lower because these reflect prior sales that are now being shipped. Some manufacturers have sales on the books to clear NDM for several weeks. Drying schedules were heavy over the holiday weekend and processors were still running full into midweek this week. Current holdings have moderated with improved sales. Western high heat NDM prices continue to move lower. Pricing levels are following trends of pricing indices, which are still moving lower. Buying interest is light this week. Production slowed as processors ran low heat to maximize throughput over the holiday weekend and into this week. Stocks are light to moderate and available to service current and future contract and spot sales.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.0500 - 1.1800 MOSTLY: 1.0700 - 1.1250
 HIGH HEAT: 1.1150 - 1.2600

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Central dry buttermilk prices are steady. Spot sales increased from some manufacturers as end users found current prices palatable for near term needs. Dry buttermilk production is steady at some locations, but with spot cream price multiples on the rise, some generators of cream sold more heavily into the spot market this week as Class II demands increased. Dry buttermilk production is steady at several locations, lower at others where sales of condensed buttermilk are increasing seasonally. Dry buttermilk inventories are adequate for near term contract fulfillment needs.

EAST: Dry buttermilk production increased as expanded cream volumes were channeled to churns over the holiday weekend. Demand and spot sales activity have increased as ice cream production has expanded and as dry buttermilk is viewed as a lower priced option by some end users. There is the feeling that dry buttermilk inventories will be worked lower in the near future as cream supplies tighten with less cream going to churns. The market undertone is mixed with some support coming from the higher nonfat dry milk market.

F.O.B. CENTRAL/EAST: .9500 - 1.1000

DRY BUTTERMILK - WEST

Western dry buttermilk prices moved lower and the market tone remains weak. Sellers continue to discount prices in attempts to clear extra holdings. The impact of heavy butter production is creating heavy volumes of buttermilk solids. Some sales of condensed buttermilk are moving towards ice cream production. Finding extra dryer times over the holiday weekend was difficult as processors struggled with throughput and the first priority was making low heat nonfat dry milk. Producers' holdings of dry buttermilk are moderate to heavy.

F.O.B. WEST: .9500 - 1.0700 MOSTLY: .9700 - 1.0400

DRY WHOLE MILK - NATIONAL

Dry whole milk prices are unchanged on the top of the range, but 2 cents higher on the bottom of the range as this market gains some strength from increasing market values for butterfat and nonfat solids components. Some manufacturers indicate they are out of this market for the near term as they have no inventories and the next run of dry whole milk production is slated for later in the year. Other manufacturers continue to dry whole milk intermittently, keeping sufficient quantities on hand to satisfy near term contracts.

F.O.B. PRODUCING PLANT: 1.3900 - 1.4400

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
May 25	\$1.1302	21,155,940	0
May 18	\$1.1440	20,970,560	0

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

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 region dry whey prices are higher and lower on a mixed market. Many market participants indicate interest in dry whey is resurfacing. Some end users who pushed back F.O.B. dry whey loads or worked with their suppliers to stem the arrival of contract shipments are once again accepting dry whey loads on schedule because their inventories have dwindled. Resellers indicate their sales to customers now incorporate market plus premium pricing, although the premiums are generally less than premiums of early second quarter. Dry whey production is active throughout the Central region, with some additional manufacturing milk clearing to Class III plants over the extended weekend as bottled milk demand declined. Dry whey inventories are steady to building incrementally. ANIMAL FEED DRY WHEY prices are lower as various basing points trended lower. A few animal feed blenders indicated they are shopping for dry whey intermittently after being on hiatus from the animal feed dry whey market for several weeks.

F.O.B. CENTRAL: .4000 - .5700 MOSTLY: .4450 - .5225
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3650 - .4600

DRY WHEY - NORTHEAST

Dry whey prices in the Northeast narrowed this week as the low end of the range increased and the upper end of the range decreased. Dry whey production increased marginally as some cheese plants increased production over the holiday period. Demand for dry whey has improved as ice cream production has increased. Some manufacturers are becoming more comfortable with their current inventory levels after recent multiple load sales. The improved supply situation has prompted some manufacturers to lessen their discounts on spot sales. There is the feeling by some in the industry that excess supplies are declining fairly fast. The current market undertone is mixed.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4900 - .5875

DRY WHEY - WEST

Western dry whey prices are mixed. Prices on the range series have narrowed as manufacturers are shifting product mix schedules. The mostly series is slightly lower following some contract price indices. The overall tone appears to be more of a steady market. Whey production levels are steady as contract fulfillment is the driving force. Production of higher concentrated whey protein products continues to limit increases in whey manufacturing. Supplies of whey are adequate for current needs with additional product available in the resale market. Export sales are reported to be good. European Union competition is forcing U.S. manufacturers to match prices that are typically below domestic prices. As the Euro loses value to the dollar, this is aggravating the problem.

NONHYGROSCOPIC: .4300 - .5625 MOSTLY: .4500 - .5175

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The top of the range and mostly price series moved lower for Central and West whey protein concentrate 34%. Spot load availability continues to exceed contract fulfillment needs on a national basis, especially for those manufacturers who regularly supply edible WPC 34% to the animal feed industry. Some changes have surfaced, though, in WPC 34% market conditions, including the decrease in availability of off specification nonfat dry milk as well as firmer pricing emerging for the NDM market in general. Some animal feed blenders reportedly are returning to the use of WPC 34% in their formulations as WPC 34% prices decline and the availability of cost effective substitutes decreases. WPC 34% production is steady to slightly higher as manufacturing milk availability increased this week due to lower fluid milk demand over the long weekend.

F.O.B. EXTRA GRADE 34% PROTEIN: .9000 - 1.4200 MOSTLY: 1.2000 - 1.2925

LACTOSE - CENTRAL AND WEST

The bottoms of the range and mostly price series shifted lower as a weakening market tone develops. Various manufacturers note the avid interest in lactose loads has cooled to the point of not being able to clear lactose spot loads priced in the high \$.80's - mid \$.90's. Some manufacturers indicate they are delaying taking the next step to clear inventory, which is asking for bids on their spot loads. Various manufacturers indicate competition for customers in Asia is sparking some bouts of price sparing with lactose producers in Europe for Q3. Strong farm milk and cheese production in Europe has reportedly spurred strong lactose production. Building lactose inventories encouraged some European lactose manufacturers to make early Q3 lactose offers to Asian buyers at prices below the current U.S. market. While many Asian lactose buyers would like to remain loyal to their current U.S. supplier(s), the price disparity at this time is reportedly quite difficult to pass up. Lactose buyers/end users indicate their 2012 lactose budgets are in need of price relief. Lactose production is steady at most plants, slightly higher at other locations where manufacturing milk supplies rose during the extended holiday weekend. Manufacturers' inventories are steady to building, with some spot load availability cropping up as some contract buyers modify delivery schedules.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .7600 -1.0450 MOSTLY: .8500 - .9400

CASEIN - NATIONAL

Casein markets and prices are generally holding steady, although the market undertone is weak. The impact of the recently announced resumption of casein exports from a major casein producing country is still unknown. Domestic buyers are speculating that additional offerings within the marketplace will at least hold prices at current levels with many anticipating that prices will ease. Outside of these potential offerings, casein volumes are reported to be in balance with needs. Oceania sourced commitments are being filled from inventoried stock, while European suppliers are filling orders from current production. The European milk production season is at or slightly past peak levels, thus the milk flow through casein operations is also seasonally strong.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 3.9500 - 4.7000
ACID: 4.3000 - 4.9000

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS EFFECTIVE NOVEMBER 1, 2009

BUTTER Bulk \$1.05 per pound; **CHEESE** 40# Blocks \$1.13 per pound; 500# Barrels \$1.10; **NONFAT DRY MILK** \$.80 per pound

The CCC Purchase table will no longer be shown unless purchases occur. Last CCC purchase: October 2009.

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2010

WEEK ENDING	WEEKLY DAIRY COWS	2012 CUMULATIVE DAIRY COWS	2011 WEEKLY DAIRY COWS	2011 CUMULATIVE DAIRY COWS
05/12/2012	57.3	1,147.9	52.1	1,124

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.

CLASS III MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24	17.32	16.28	17.06	15.51	15.28
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77

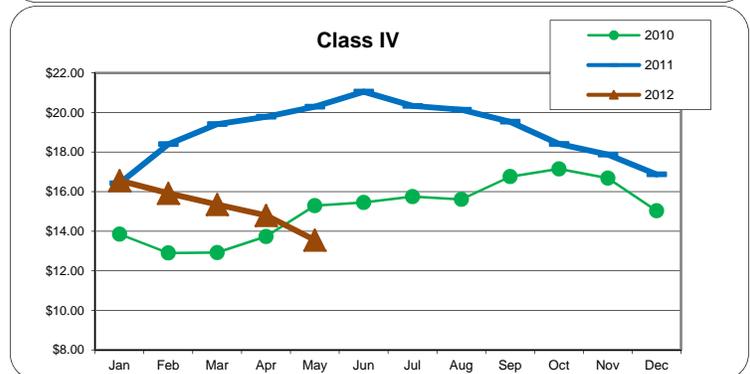
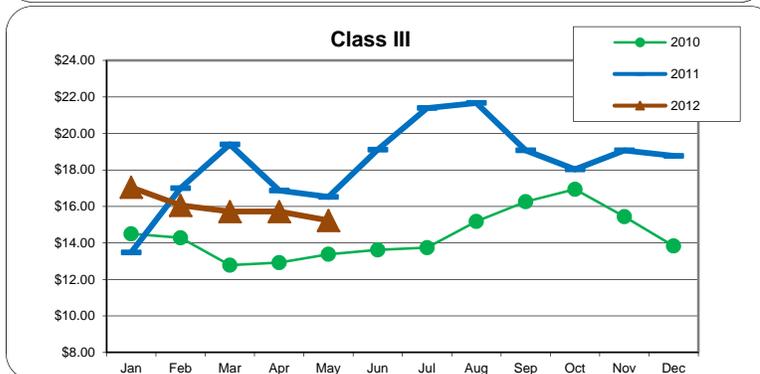
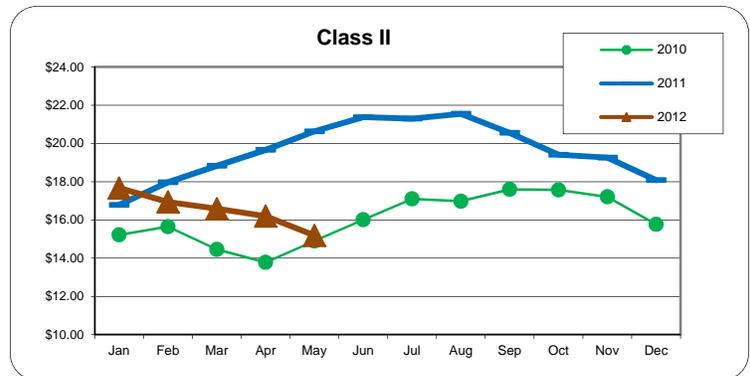
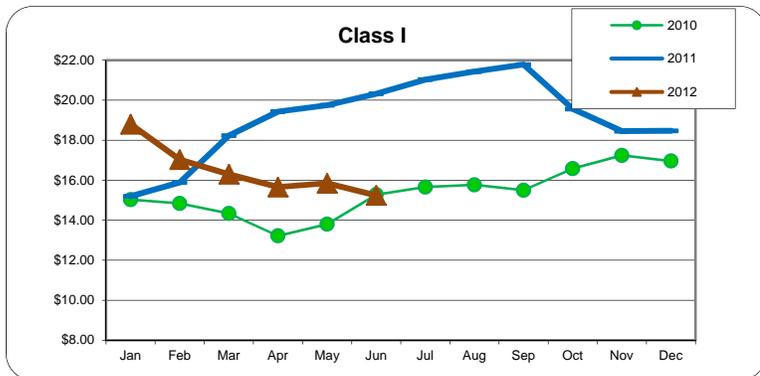
CLASS IV MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87

FEDERAL MILK ORDER CLASS PRICES FOR 2012 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.80	17.03	16.30	15.66	15.85	15.24						
II	17.67	16.94	16.59	16.20	15.19							
III	17.05	16.06	15.72	15.72	15.23							
IV	16.56	15.92	15.35	14.80	13.55							

1/ Specific order differentials to be added to this base price can be found by going to: www.ams.usda.gov/DairyMarketingStatistics; then select "Prices"; and then select "Principal Pricing Points."



ORGANIC DAIRY MARKET NEWS

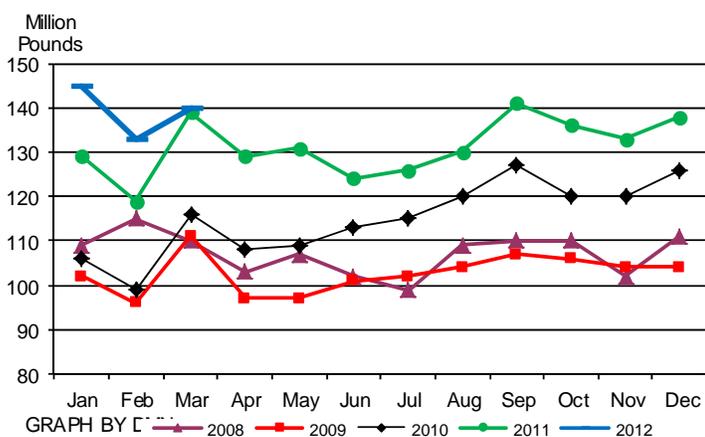
Information gathered May 21 - June 1, 2012

ORGANIC DAIRY FLUID OVERVIEW

The Northeast. Northeast organic milk producers and smaller cooperatives continue to strategize about options for improving sales returns even though overall, the region does not produce enough milk to meet demand. Recent efforts have generally begun with the retail consumer as a focus but increasing attention is now being paid to focusing on potential manufacturing customers. Organic nonfat dry milk is regularly moving into the Northeast from the Western United States and New Zealand. Recent efforts by some cooperatives are more seriously examining opportunities to begin to supply organic nonfat dry milk within the region, particularly competing with New Zealand product currently supplying regional specialty manufacturing plants which have specific quality and price requirements.

Milk Product Sales: Monthly sales of organic fat reduced milk have been above the level one year earlier every month beginning January 2009. As the graph below shows, sales for March 2012 exceeded sales one year earlier by the closest margin since January 2010, only 1 million pounds. Producers report that the increasing price of organic feed is a challenge which has resulted in some altered cow feeding programs, possibly affecting milk production. The narrowness of this most recent data has organic milk producers and processors awaiting the next data report with particular interest, to monitor whether the recent trend of increasing sales of organic milk, will continue.

Estimated Total U.S. Sales Of Organic Fat-Reduced Milk



ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Three key points characterize this period's survey of organic dairy advertising. First, almost all ads for organic dairy products are for national brands rather than store brands. All organic milk, yogurt and cream cheese ads are for national brands, as are 82% of organic ice cream ads. Second, ad volume is relatively low for organic dairy products. Third, the recent string of periods with organic milk as the leading product in numbers has ended, with organic yogurt now in the lead.

Organic dairy advertising volume is down 43.3% from two weeks ago, to the third lowest level of 2012. Only three periods of 2011 had lower organic dairy advertising volume.

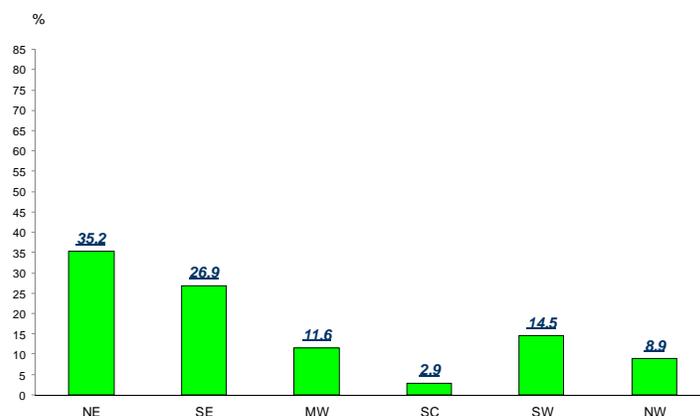
Organic yogurt ads comprise 51% of all organic dairy ads, up from 19.5% two weeks ago, 15% four weeks ago and 25% six weeks ago. Organic milk ads comprise 40% of total ads, down from 78% two weeks ago, 72% four weeks ago and 71% six weeks ago.

Remaining ad categories are organic ice cream, 8% and organic cream cheese, 1%.

Advertising information presented is compiled from nearly 16,000 surveyed newspaper supermarket ads for the period May 19, 2012, to June 1, 2012, identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Regional Organic Dairy Ad Trends – Current Period. Organic dairy ads continue to be led by the Northeast with 35.2% of ads. The remaining regional percentages include the Southeast, 26.9%, Southwest, 14.5%, Midwest, 11.6%, Northwest, 8.9%, and South Central, 2.9%.

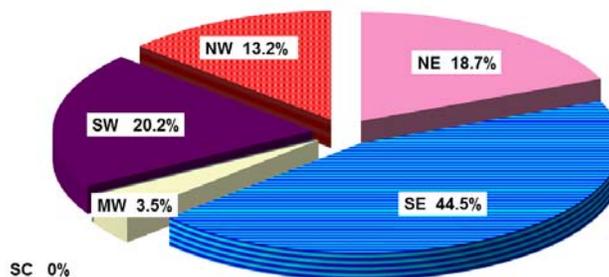
Organic Dairy Ads Regionally As A Percentage of Surveyed Organic Dairy Ads 2012 - Week 22, 2012



Organic Milk. Organic milk ads have slipped from the recent pattern of being the leading category of organic dairy advertising. Ads for half gallons constitute just over 42% of all organic milk ads. Ads for 8 ounce containers of organic milk comprise the balance. Organic milk ads are at the third lowest level of 2012.

The highest percentage of organic milk ads appeared in the Southeast, 44.5%. Other regions include the Southwest, 20.2%; Northeast, 18.7%; Northwest, 13.2%; and Midwest, 3.5%.

ORGANIC MILK FEATURES
Regional % of Nationally Surveyed Supermarket Ads Report - Week 22, 2012



CONTINUED ON PAGE 8-A

ORGANIC DAIRY MARKET NEWS

Information gathered May 21 - June 1, 2012

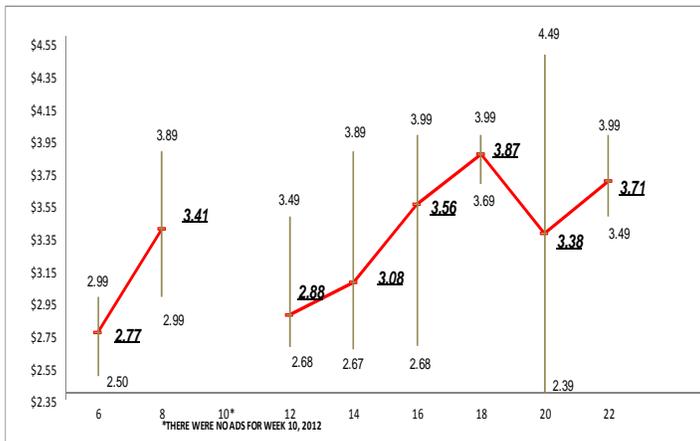
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17.7%, Northwest, 7.1% and South Central, 5.7%.

Organic Milk Half Gallons. Advertising volume for organic half gallons is the third lowest level of 2012. All organic half gallon ads are for a national brand and none for store brands.

The national weighted average advertised price of organic milk half gallons, \$3.71, is 33 cents higher than two weeks ago. The price range is \$3.99 to \$3.49.

Advertised Organic Milk Half Gallon Price Range and Weighted Average Advertised Price by 2012 Week



The AMS Dairy Market News Survey which generated the current national organic half gallon milk weighted average advertised price of \$3.71, also determined the weighted average advertised price for non-organic half gallons as \$1.96, an organic-conventional half-gallon milk advertised price spread of \$1.75, up from \$1.02 two weeks ago but down from \$2.46 four weeks ago.

ORGANIC MILK HALF GALLON ADS REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

REGION	%	WTD. AV. ADV. PRICE \$
NE	41.1	3.99
SE	00.0	----
MW	08.2	3.50
SC	00.0	----
SW	47.8	3.49
NW	00.0	----
US		3.71

Organic Milk 8 Ounce. Ads for 8 ounce containers of organic milk ran in the Southeast and Northwest. The Southeast has just over 71% of ads and the Northwest almost 23%. Every ad listed a price of \$1.00, which has become typical.

Organic Yogurt. Organic yogurt ads upended a number of weeks of being second to organic milk by assuming the top position this cycle. The leading organic yogurt category is 4-6 ounce organic Greek yogurt, with 67.2% of organic yogurt ads, up from 30.2% two weeks ago. Second is 4-6 ounce organic yogurt, with 25.8%, compared with 66.0% two weeks ago. Finally, 7.1% of the category is ads for 32 ounce organic yogurt, compared with 3.8% two weeks ago.

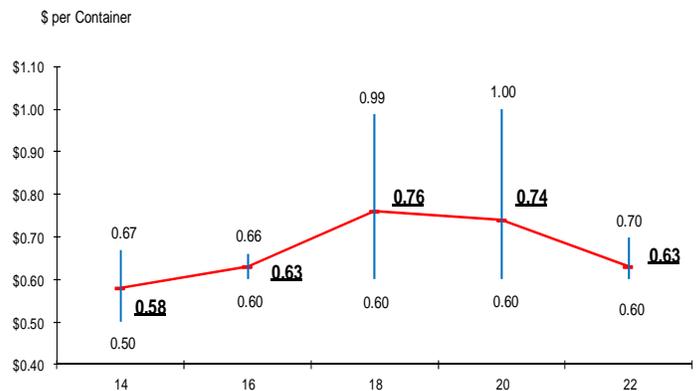
The Northeast led the regions in advertising, with 51.6% of all organic yogurt ads this period, down from 96.2% two weeks ago. The remaining regions include the Southeast, 17.8%, Midwest,

ORGANIC YOGURT FEATURES Regional % of Surveyed Newspaper Ads Report Week 22, 2012



4-6 Ounce Organic Yogurt. The national weighted average advertised price decreased 11 cents, to \$0.63. The price range spanned 10 cents, a 30 cent decrease at the top but unchanged at the bottom. The Northeast contains 77.7% of ads with a regional weighted average advertised price of 64 cents, and the South Central contains the balance of the category ads with a regional weighted average advertised price of 60 cents.

Advertised 4-6 Oz. Organic Yogurt Price Range and Weighted Average Advertised Price by 2012 Week



4-6 Ounce Organic Greek Yogurt. Ads for 4-6 ounce organic Greek yogurt are spread through the Northeast, 47%, Southeast, 26.5% and Midwest, 26.4%. The national price range is 90 cents to \$1.25, with a national weighted average advertised price of \$1.18.

CONTINUED ON PAGE 8-B

ORGANIC DAIRY MARKET NEWS

Information gathered May 21 - June 1, 2012

CONTINUED FROM PAGE 8-B

**4-6 OUNCE ORGANIC GREEK YOGURT ADS
REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE**

REGION	%	WTD. AV. ADV. PRICE \$
NE	47.0	1.25
SE	26.5	0.99
MW	26.4	1.25
SC	00.0	----
SW	00.0	----
NW	00.0	----
US		1.18

CHEESE

	LOW	HIGH	RANGE
Cheese - 8 oz block			
Mozzarella	3.40	5.75	2.35
Mild Cheddar	3.79	5.99	2.20
Monterey Jack	3.79	5.99	2.20
Pepper Jack	3.89	5.99	2.10

Cheese - 6 oz string

Mozzarella	3.99	5.09	1.10
Colby Jack	3.89	4.99	1.10

BUTTER

Butter - 1 Pound	3.79	6.19	2.40
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* = Price change from prior reporting period.

32 Ounce Organic Yogurt. All ads for 32 ounce organic yogurt appear in the Northwest. The uniform price for all ads is \$2.00.

Organic Ice Cream. Almost 85% of ads for organic ice cream appear in the Southwest, with the balance in the Midwest. All ads have a price of \$5.99 for 48-64 ounce containers.

Organic Cream Cheese. All ads for organic cream cheese appeared the Northeast, for 8 ounce containers, all priced \$3.00.

No price range changed this period although prices for various stores shifted within ranges.

SUPERMARKET PRICE COMPARISON:

Madison, Wisconsin Prices. Non-advertised organic milk, yogurt, butter and cheese prices in a range of food stores in Madison, Wisconsin are compared for this two week period.

Madison stores included a big-box sized local supermarket; 2 regional chain supermarkets; a smaller but full product line food market; and 2 natural food stores; a national discount big box chain store also selling food; and a large local cooperative grocery store.

Organic milk available in Madison stores included 2 national brands, 4 private label store brands, and 3 small local or near-by creamery brands, one featuring non-homogenized milk. Cheese available included 2 national brands, 2 store brands, and cheese from 5 other cheese makers.

A table summarizing the survey results follows:

**ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE
2012 REPORTING WEEK 22**

**MADISON, WISCONSIN
LOW HIGH RANGE
(in Dollars)**

FLUID MILK

MILK - gallon

Whole	5.49	6.99	1.50
Nonfat (Skim)	5.49	6.99	1.50
Low fat (1%)	5.49	6.99	1.50
Reduced fat (2%)	5.49	6.99	1.50

MILK - half gallon

Whole	3.27	4.49	1.22
Nonfat (Skim)	3.27	4.49	1.22
Reduced fat (2%)	3.27	4.49	1.22
Low fat (1%)	3.27	4.49	1.22

FLAVMILK - half gallon

All fat tests	3.09	5.69	2.60
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YOGURT

Yogurt - 4-6 oz

Yogurt	0.79	1.29	0.50
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ORGANIC GRAIN AND FEEDSTUFFS MARKETS:

National organic grain and feedstuffs were slightly higher with a firm undertone noted on corn and soybeans. Offerings of grain this period were light, with good demand reported. Very good demand was reported two weeks ago, however, with the onset of fresh grass and many farmers busy planting, more focus is currently on planting progression and simply maintaining milk and egg production until harvest rather than increasing production. Feed grade HRW was sharply higher this period with the price increase seen on grain originating mostly in the Northern Plains. Supplies of corn and beans continues to dwindle, and interest in alternative feed grains remains very high. Supplies of domestic barley and peas are reportedly minimal at best, leaving only Canadian product to be utilized, which is also said to be minimal. Fair/good alfalfa hay in the North Inter-Mountain area of California is currently 200.00/ton, while good quality alfalfa hay in the Sacramento Valley is reportedly 237.00/ton this period. Additional livestock and grain market news information is available at: <http://www.ams.usda.gov/mnreports/lbfnof.pdf>

MONTHLY SUMMARY AND AVERAGES FOR **MAY 2012** 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 18	REPORT NUMBER 19	REPORT NUMBER 20	REPORT NUMBER 21	REPORT NUMBER 22	2012	2011
	Average					Average	Average
	MAY 01 - 04	MAY 07 - 11	MAY 14 - 18	MAY 21 - 25	MAY 28 - 31	or Total	or Total
CHEESE							
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.6375 - 2.3425	:: 1.6575 - 2.3625	:: 1.6450 - 2.3500	:: 1.6475 - 2.3525	:: 1.6575 - 2.3625	:: 2.0013	: 2.1240
-- Brick And/Or Muenster 5#	:: 1.9150 - 2.4750	:: 1.9225 - 2.4825	:: 1.8900 - 2.4500	:: 1.8875 - 2.4475	:: 1.9025 - 2.4625	:: 2.1831	: 2.2415
-- Cheddar 40# Block	:: 1.9150 - 2.9000	:: 1.9225 - 2.9075	:: 1.8900 - 2.8750	:: 1.8875 - 2.8725	:: 1.9025 - 2.8875	:: 2.3956	: 2.5053
-- Monterey Jack 10#	:: 1.8850 - 2.9000	:: 1.8925 - 2.9075	:: 1.8600 - 2.8750	:: 1.8575 - 2.8725	:: 1.8725 - 2.8875	:: 2.3806	: 2.4902
-- Blue 5#	:: 2.1800 - 3.1650	:: 2.1875 - 3.1725	:: 2.1550 - 3.1400	:: 2.1525 - 3.1375	:: 2.1675 - 3.1525	:: 2.6606	: 2.7602
-- Mozzarella 5 - 6#	:: 1.7600 - 3.0000	:: 1.7675 - 3.0075	:: 1.7350 - 2.9750	:: 1.7325 - 2.9725	:: 1.7475 - 2.9875	:: 2.3681	: 2.4752
-- Grade A Swiss Cuts 6 - 9#	:: 2.7050 - 3.0225	:: 2.6650 - 2.9825	:: 2.6650 - 2.9825	:: 2.6650 - 2.9825	:: 2.6650 - 2.9825	:: 2.8310	: 3.1525
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 40# Block	:: 1.9275 - 2.2125	:: 1.9350 - 2.2200	:: 1.9025 - 2.1875	:: 1.9000 - 2.1850	:: 1.9150 - 2.2000	:: 2.0581	: 2.0980
-- Process 5# Sliced	:: 1.6650 - 1.7850	:: 1.6850 - 1.8050	:: 1.6725 - 1.7925	:: 1.6750 - 1.7950	:: 1.6850 - 1.8050	:: 1.7363	: 1.9071
-- Muenster	:: 1.9475 - 2.3075	:: 1.9550 - 2.3150	:: 1.9225 - 2.2825	:: 1.9200 - 2.2800	:: 1.9350 - 2.2950	:: 2.1156	: 2.0830
-- Grade A Swiss Cuts 10 - 14#	:: 3.2950 - 3.6175	:: 3.2550 - 3.5775	:: 3.2550 - 3.5775	:: 3.2550 - 3.5775	:: 3.2550 - 3.5775	:: 3.4235	: 3.8288
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.5700 - 1.8275	:: 1.5900 - 1.8475	:: 1.5775 - 1.8350	:: 1.5800 - 1.8375	:: 1.5900 - 1.8475	:: 1.7100	: 1.8984
-- Cheddar 40# Block	:: 1.6500 - 2.0025	:: 1.6600 - 2.0125	:: 1.6275 - 1.9800	:: 1.6250 - 1.9775	:: 1.6400 - 1.9925	:: 1.8164	: 1.9468
-- Cheddar 10# Cuts	:: 1.8300 - 2.0500	:: 1.8400 - 2.0600	:: 1.8075 - 2.0275	:: 1.8050 - 2.0250	:: 1.8200 - 2.0400	:: 1.9301	: 2.0606
-- Monterey Jack 10#	:: 1.8400 - 2.0000	:: 1.8500 - 2.0100	:: 1.8175 - 1.9775	:: 1.8150 - 1.9750	:: 1.8300 - 1.9900	:: 1.9101	: 2.0406
-- Grade A Swiss Cuts 6 - 9#	:: 2.8725 - 3.3025	:: 2.8325 - 3.2625	:: 2.8325 - 3.2625	:: 2.8325 - 3.2625	:: 2.8325 - 3.2625	:: 3.0548	: 3.4600
FLUID PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	:: 1.5922 - 1.7306	:: 1.5433 - 1.6775	:: 1.4110 - 1.7246	:: 1.4596 - 1.8515	:: 1.7048 - 1.8850	:: 1.6454	: 2.6235
-- Upper Midwest - f.o.b	:: 1.5922 - 1.7306	:: 1.5433 - 1.6372	:: 1.5025 - 1.6462	:: 1.5813 - 1.7029	:: 1.6632 - 1.8018	:: 1.6308	: 2.5491
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	:: 1.10 - 1.30	:: 1.10 - 1.30	:: 1.15 - 1.33	:: 1.15 - 1.33	:: 1.19 - 1.22	:: 1.2189	: 1.6564
-- Class III	:: 0.90 - 1.20	:: 0.90 - 1.28	:: 1.17 - 1.28	:: 1.17 - 1.28	:: 1.27 - 1.35	:: 1.1741	: 1.2333

MONTHLY SUMMARY AND AVERAGES FOR **MAY 2012** 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:REPORT NUMBER 18		:REPORT NUMBER 19		:REPORT NUMBER 20		:REPORT NUMBER 21		:REPORT NUMBER 22		2012	2011
	:-----		:-----		:-----		:-----		:-----		Average	Average
	MAY 01 - 04		MAY 07 - 11		MAY 14 - 18		MAY 21 - 25		MAY 28 - 31		or Total	or Total
DRY PRODUCTS												
NONFAT DRY MILK												
-- Central And East (f.o.b.)												
-- Low/Medium Heat	:: 1.1000	- 1.3100	:: 1.0700	- 1.2900	:: 1.0700	- 1.2875	:: 1.0500	- 1.2175	:: 1.1600	- 1.2150	:: 1.1748	: 1.6562
-- Mostly	:: 1.1200	- 1.2700	:: 1.0900	- 1.2700	:: 1.0900	- 1.2500	:: 1.0900	- 1.1800	:: 1.1600	- 1.2000	:: 1.1702	: 1.6464
-- High Heat	:: 1.2800	- 1.3600	:: 1.2500	- 1.3400	:: 1.1750	- 1.3375	:: 1.1750	- 1.2675	:: 1.2000	- 1.2650	:: 1.2655	: 1.7352
-- West (f.o.b.)												
-- Low/Medium Heat	:: 1.0500	- 1.2800	:: 1.0000	- 1.2500	:: 1.0000	- 1.2400	:: 1.0200	- 1.1700	:: 1.0500	- 1.1800	:: 1.1230	: 1.6056
-- Mostly	:: 1.1000	- 1.2100	:: 1.0500	- 1.1900	:: 1.0300	- 1.1600	:: 1.0500	- 1.1000	:: 1.0700	- 1.1250	:: 1.1074	: 1.6095
-- High Heat	:: 1.2200	- 1.3550	:: 1.1950	- 1.3375	:: 1.1600	- 1.3125	:: 1.1350	- 1.2850	:: 1.1150	- 1.2600	:: 1.2398	: 1.7195
WHEY POWDER (Nonhygroscopic)												
-- Central (f.o.b.)	:: 0.3000	- 0.6100	:: 0.3000	- 0.6000	:: 0.3000	- 0.5900	:: 0.3800	- 0.5700	:: 0.4000	- 0.5700	:: 0.4602	: 0.4905
-- Mostly	:: 0.4750	- 0.5350	:: 0.4750	- 0.5350	:: 0.4500	- 0.5350	:: 0.4450	- 0.5325	:: 0.4450	- 0.5225	:: 0.4956	: 0.4898
-- West (f.o.b.)	:: 0.3000	- 0.6125	:: 0.3000	- 0.5925	:: 0.3000	- 0.5900	:: 0.3000	- 0.5500	:: 0.4300	- 0.5625	:: 0.4498	: 0.5180
-- Mostly	:: 0.4600	- 0.5325	:: 0.4600	- 0.5325	:: 0.4600	- 0.5350	:: 0.4500	- 0.5275	:: 0.4500	- 0.5175	:: 0.4931	: 0.5129
-- Northeast (f.o.b.)	:: 0.5400	- 0.6350	:: 0.5450	- 0.6200	:: 0.5450	- 0.6150	:: 0.4600	- 0.5950	:: 0.4900	- 0.5875	:: 0.5644	: 0.5238
WHEY PROTEIN CONCENTRATE												
-- Central And West (f.o.b.)												
-- Extra Grade 34% Protein	:: 1.0000	- 1.5450	:: 1.0000	- 1.4800	:: 0.9500	- 1.4800	:: 0.9000	- 1.4425	:: 0.9000	- 1.4200	:: 1.2137	: 1.5558
-- Mostly	:: 1.2500	- 1.4325	:: 1.2500	- 1.4325	:: 1.2000	- 1.3825	:: 1.2000	- 1.3425	:: 1.2000	- 1.2925	:: 1.3010	: 1.5043
ANIMAL FEED - WHEY												
-- Central (f.o.b.)												
-- Milk Replacer	:: 0.4000	- 0.4800	:: 0.3775	- 0.4800	:: 0.3775	- 0.4800	:: 0.3700	- 0.4725	:: 0.3650	- 0.4600	:: 0.4269	: 0.4288
BUTTERMILK (Min. 30% protein)												
-- Central And East (f.o.b.)	:: 0.9500	- 1.1800	:: 0.9500	- 1.1050	:: 0.9500	- 1.1000	:: 0.9500	- 1.1000	:: 0.9500	- 1.1000	:: 1.0328	: 1.5367
-- West (f.o.b.)	:: 1.0500	- 1.1500	:: 1.0500	- 1.1300	:: 1.0200	- 1.1250	:: 0.9600	- 1.1000	:: 0.9500	- 1.0700	:: 1.0633	: 1.5114
-- Mostly	:: 1.0800	- 1.1300	:: 1.0800	- 1.1050	:: 1.0500	- 1.0900	:: 0.9800	- 1.0700	:: 0.9700	- 1.0400	:: 1.0624	: 1.5006
WHOLE MILK POWDER												
-- National (f.o.b.)	:: 1.5300	- 1.5600	:: 1.4700	- 1.5600	:: 1.3700	- 1.4700	:: 1.3700	- 1.4400	:: 1.3900	- 1.4400	:: 1.4602	: 1.9440
LACTOSE												
-- Central And West (f.o.b.)	:: 0.8500	- 1.0050	:: 0.8500	- 1.0050	:: 0.8500	- 1.0050	:: 0.8300	- 1.0450	:: 0.7600	- 1.0450	:: 0.9264	: 0.4602
-- Mostly	:: 0.8900	- 0.9400	:: 0.8900	- 0.9400	:: 0.8800	- 0.9400	:: 0.8800	- 0.9400	:: 0.8500	- 0.9400	:: 0.9100	: 0.4640
CASEIN - Edible - National (f.o.b.)												
-- Nonrestricted - Rennet	:: 3.9500	- 4.7000	:: 3.9500	- 4.7000	:: 3.9500	- 4.7000	:: 3.9500	- 4.7000	:: 3.9500	- 4.7000	:: 4.3250	: 4.9500
-- Nonrestricted - Acid	:: 4.3000	- 4.9000	:: 4.3000	- 4.9000	:: 4.3000	- 4.9000	:: 4.3000	- 4.9000	:: 4.3000	- 4.9000	:: 4.6000	: 4.9100

1/ Prices for all products are issued once a week and represent a value for the entire week. 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. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR MAY 2012

COMMODITY	REPORT NUMBER 18 MAY 1 - 4	REPORT NUMBER 19 MAY 7 - 11	REPORT NUMBER 20 MAY 14 - 18	REPORT NUMBER 21 MAY 21 - 25	REPORT NUMBER 22 MAY 29 - 31	2012 * Average	2011 * Average
BUTTER*							
-- GRADE AA							
--Monday		1.3100	1.3400	1.3850	1/		
--Tuesday	1.3550	1.3000	1.3525	1.3850	1.3925		
--Wednesday	1.3450	1.3000	1.3550	1.3850	1.4000		
--Thursday	1.3450	1.3025	1.3550	1.3875	1.4000		
--Friday	1.3100	1.3200	1.3550	1.3875		1.3531	2.0724
--Weekly Average**	1.3420	1.3065	1.3515	1.3860			
CHEESE*							
-- BARRELS							
--Monday		1.4675	1.4500	1.4600	1/		
--Tuesday	1.4650	1.4525	1.4500	1.4600	1.5000		
--Wednesday	1.4950	1.4525	1.4600	1.4700	1.5275		
--Thursday	1.4700	1.4475	1.4600	1.4700	1.5350		
--Friday	1.4700	1.4500	1.4600	1.4700		1.4701	1.6902
--Weekly Average**	1.4655	1.4540	1.4560	1.4660			
-- 40# BLOCKS							
--Monday		1.5350	1.5000	1.5000	1/		
--Tuesday	1.5350	1.4925	1.5000	1.5000	1.5700		
--Wednesday	1.5350	1.4925	1.5000	1.5000	1.6000		
--Thursday	1.5350	1.4925	1.5000	1.5025	1.6200		
--Friday	1.5350	1.5000	1.5000	1.5700		1.5234	1.6858
--Weekly Average**	1.5350	1.5025	1.5000	1.5145			
NONFAT DRY MILK*							
-- EXTRA GRADE							
--Monday		1.0975	1.0825	1.0825	1/		
--Tuesday	1.1075	1.0875	1.0825	1.0825	1.0900		
--Wednesday	1.1075	1.0825	1.0825	1.0900	1.0900		
--Thursday	1.1075	1.0825	1.0825	1.0900	1.0900		
--Friday	1.1075	1.0825	1.0825	1.0900		1.0900	1.6488
--Weekly Average**	1.1075	1.0865	1.0825	1.0870			
-- GRADE A							
--Monday		1.1375	1.1225	1.1250	1/		
--Tuesday	1.1475	1.1275	1.1225	1.1300	1.1575		
--Wednesday	1.1475	1.1225	1.1225	1.1400	1.1575		
--Thursday	1.1475	1.1225	1.1250	1.1425	1.1725		
--Friday	1.1475	1.1225	1.1250	1.1550		1.1373	1.6338
--Weekly Average**	1.1475	1.1265	1.1235	1.1385			

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

1/ CME closed for Memorial Day Holiday

MAY AGRICULTURAL PRICES HIGHLIGHTS

The All Milk price received by farmers was \$16.40 in May, down \$0.40 from April 2012 and down \$3.20 from May 2011. Alfalfa hay price was \$215.00 in May, up \$28.00 from May 2011. Corn price was \$6.22 in May, down \$0.10 from May 2011. Soybean price was \$13.70 in May, up \$0.50 from May 2011. The milk-feed price ratio was 1.38 in May, down 0.35 from May 2011.

The index of prices received by farmers for dairy products during the month of May 2012 was down 3 points to 126. Compared with May 2011, the index was down 24 points (16.0 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2012 was down 1 point to 212. Compared with May 2011, the index was up 8 points (3.9 percent).

SELECTED MILK PRICES, MILK COWS, AND FEED PRICES, SELECTED STATES AND U.S., MAY 2012 WITH COMPARISONS

State	All-Milk price ^{1/} ^{2/}				Alfalfa hay, baled		Corn		Soybeans	
	Dollars per cwt.				Dollars per ton		Dollars per bushel		Dollars per bushel	
	April		May		May		May		May	
	2011	2012	2011	2012 ^{3/}	2011	2012 ^{3/}	2011	2012 ^{3/}	2011	2012 ^{3/}
AZ	19.60	16.00	19.80	15.50	215.00	255.00	---	---	---	---
CA	17.87	15.00	18.08	14.60	239.00	227.00	---	---	---	---
CO	19.70	17.10	19.60	16.70	150.00	255.00	6.55	6.10	---	---
ID	17.70	16.40	17.70	16.30	192.00	180.00	---	---	---	---
IN	20.60	16.90	20.50	16.50	---	---	6.62	6.50	13.70	13.90
IA	19.90	17.40	19.70	16.90	118.00	142.00	6.25	6.10	13.20	13.60
MI	20.60	17.30	20.60	16.90	110.00	120.00	6.44	6.05	12.60	13.50
MN	19.10	17.70	19.40	17.60	115.00	150.00	5.41	6.00	12.70	13.70
NM	19.20	15.40	19.20	15.20	220.00	286.00	---	---	---	---
NY	21.20	17.90	21.30	17.30	150.00	175.00	---	---	---	---
OH	21.60	18.00	21.50	17.80	162.00	209.00	6.93	6.40	13.50	13.50
PA	21.50	18.40	22.10	17.80	155.00	200.00	7.08	6.63	---	---
TX	20.40	16.80	20.60	16.60	200.00	220.00	6.57	6.89	---	---
WA	20.30	17.10	20.10	16.40	155.00	240.00	---	---	---	---
WI	19.20	17.60	18.90	17.30	100.00	135.00	6.47	6.00	12.60	13.40
U.S.	19.60	16.80	19.60	16.40	187.00	215.00	6.32	6.22	13.20	13.70

^{1/} Prices are shown at reported butterfat test. ^{2/} Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

^{3/} Preliminary.

MILK-FEED PRICE RATIO, SELECTED STATES AND U.S., MAY 2012 WITH COMPARISONS

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ^{1/}			
State ^{2/}	May 2011	April 2012	May 2012 ^{3/}
IA	2.00	1.67	1.64
MI	2.10	1.75	1.73
MN	2.16	1.70	1.70
OH	1.88	1.50	1.50
WI	1.96	1.73	1.73
U.S.	1.73	1.42	1.38

^{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.

^{3/} Preliminary.

GENERAL PRICE MEASURES, U.S., MAY 2012 WITH COMPARISONS

Item	May 2011	April 2012	May 2012 ^{1/}
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for dairy products	150	129	126
Prices paid by farmers for commodities and services, interest taxes, and wage rates	204	213	212

^{1/} Preliminary.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, May 2012.*

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, MAY

Component Price Information: Under the Federal milk order pricing system, the butterfat price for May 2012 is \$1.4462 per pound. Thus, the Class II butterfat price is \$1.4532. The protein and other solids prices for May are \$2.7344 and \$0.3500 per pound, respectively. These component prices set the Class III skim milk price at \$10.54 per cwt. The May Class IV skim milk price is \$8.80 which is derived from the nonfat solids price of \$0.9774 per pound. **Product Price Averages:** The product price averages for May are: butter \$1.3657, nonfat dry milk \$1.1551, cheese \$1.5215, and dry whey \$0.5389.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/} _{2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	MAY 2012				JUNE 2012
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	19.10	15.19	15.23	13.55	18.49
Appalachian (Charlotte) ^{5/} _{6/}	005	19.25	15.19	15.23	13.55	18.64
Southeast (Atlanta) ^{6/} _{7/}	007	19.65	15.19	15.23	13.55	19.04
Florida (Tampa) ^{6/} _{8/}	006	21.25	15.19	15.23	13.55	20.64
Midwest (Cleveland) ^{9/}	033	17.85	15.19	15.23	13.55	17.24
Upper Midwest (Chicago) ^{10/}	030	17.65	15.19	15.23	13.55	17.04
Central (Kansas City) ^{11/}	032	17.85	15.19	15.23	13.55	17.24
Southwest (Dallas) ^{12/}	126	18.85	15.19	15.23	13.55	18.24
Arizona (Phoenix)	131	18.20	15.19	15.23	13.55	17.59
Pacific Northwest (Seattle) ^{13/}	124	17.75	15.19	15.23	13.55	17.14
All-Market Average	---	18.74	15.19	15.23	13.55	18.13

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.

^{2/} Note: 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 market.

^{4/} Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25.

^{5/} Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

^{6/} Effective May 1, 2008, the Class I price surface in these orders were temporarily adjusted.

^{7/} Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

^{8/} Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

^{9/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

^{10/} Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

^{11/} Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

^{12/} Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

^{13/} Class I prices at other cities are: Portland, same; and Spokane, same.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE ^{1/}

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
FEB 2012	232.5	3.9	219.4	7.8	210.9	7.1	226.3	10.0	202.3	-3.6	228.6	5.8
MAR 2012	232.8	3.3	219.1	6.3	210.5	3.7	225.8	8.7	195.2	-8.5	230.5	5.3
APR 2012	233.2	3.1	216.9	3.4	209.4	0.5	221.6	4.4	191.0	-8.6	231.0	4.6
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Butter ^{5/}		Process Cheese ^{6/}		Natural Cheese ^{7/}		Ice Cream ^{8/}			
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011		
	Dollars											
FEB	3.520	3.357	3.467	3.670	4.262	3.734	5.598	5.023	5.030	4.990		
MAR	3.499	3.503	3.359	3.690	4.316	3.828	5.659	5.065	5.090	4.923		
APR	3.474	3.597	3.180	3.720	4.252	3.891	5.628	5.204	5.206	4.877		

^{1/} "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ^{2/} The standard reference base period for these indexes is 1982-1984 = 100. ^{3/} Percent change over previous year. ^{4/} Per gallon. ^{5/} Per pound. Grade AA, salted, stick butter. ^{6/} Per pound, any size and type of package. ^{7/} Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). ^{8/} Per 1/2 gallon prepackaged regular.

FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, APRIL 2012

HIGHLIGHTS. Handler reports of receipts and utilization under the Federal milk order system for April have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During April, more than 11.5 billion pounds of milk were received from producers. This volume of milk is 5.5 percent higher than the April 2011 volume. In April 2011 and April 2012, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.5 billion pounds of producer milk were used in Class I products, 4.4 percent lower than the previous year. Calendar composition likely had a negative impact on milk used in Class I in 2012 as compared to 2011. The all-market average Class utilization percentages were: Class I = 30%, Class II = 11%, Class III = 45% and Class IV = 14%. The weighted average statistical uniform price was \$16.62 per cwt., \$0.27 lower than last month and \$2.74 lower than last year.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF APRIL 2012										
FEDERAL MILK ORDER MARKETING AREA 1/	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE 2/
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV. YEAR	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			
Northeast (Boston)	001	2,102.6	-2.2	777.0	-6.1	37	24	23	16	17.20
Appalachian (Charlotte)	005	501.4	4.2	314.0	-3.9	63	15	10	12	18.10
Florida (Tampa)	006	244.4	-3.6	203.8	-3.5	84	8	2	6	20.31
Southeast (Atlanta)	007	644.2	-1.0	365.0	-2.0	57	10	22	11	18.24
Upper Midwest (Chicago)	030 3/	2,890.3	4.6	307.7	-16.5	11	2	84	3	15.92
Central (Kansas City)	032 3/	1,382.3	18.3	398.2	5.0	29	10	45	16	16.03
Mideast (Cleveland)	033 3/	1,543.0	18.9	501.0	-4.9	32	17	37	14	16.23
Pacific Northwest (Seattle)	124	637.3	-6.8	175.4	-4.7	28	7	35	30	15.87
Southwest (Dallas)	126	1,141.4	8.2	349.0	-4.8	31	9	44	16	16.90
Arizona (Phoenix)	131	425.7	4.3	118.2	1.6	28	7	22	43	16.02
ALL MARKET AVERAGE OR TOTAL	3/	11,512.6	5.5	3,509.2	-4.4	30	11	45	14	16.62

1/ Names in parentheses are the major city in the principal pricing point of the market.

2/ Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 245.1 million pounds of milk that normally would have been associated with these markets. In April 2011, the estimated not pooled volume of milk was 378.8 million pounds, occurring in order numbers 030, 032, 033, and 126. After adjusting for non pooled milk, the year-to-year percent change is -4.0%.

Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932.

ANNOUNCED COOPERATIVE CLASS I PRICES FOR SELECTED CITIES IN FEDERAL MILK ORDERS, JUNE 2012, WITH COMPARISONS ^{1/}

For June 2012, the all-city average announced cooperative Class I price was \$20.35 per cwt., \$2.47 higher than the Federal milk order (FMO) Class I price average for these cities. The June 2012 Cooperative Class I price was \$0.63 lower than the May 2012 price. The June 2012 Federal order Class I price was \$0.61 lower than the May 2012 price. On an individual city basis, the difference between the Federal order and announced cooperative Class I price ranged from \$.50 in Phoenix, AZ, to \$4.29 in Miami, FL. For June 2011, the all-city average announced cooperative Class I price was \$25.54, \$2.58 higher than the Federal order Class I price average for these cities. Note: For most cities, the Announced Cooperative Class I Price now includes premiums paid for milk produced without rBST.

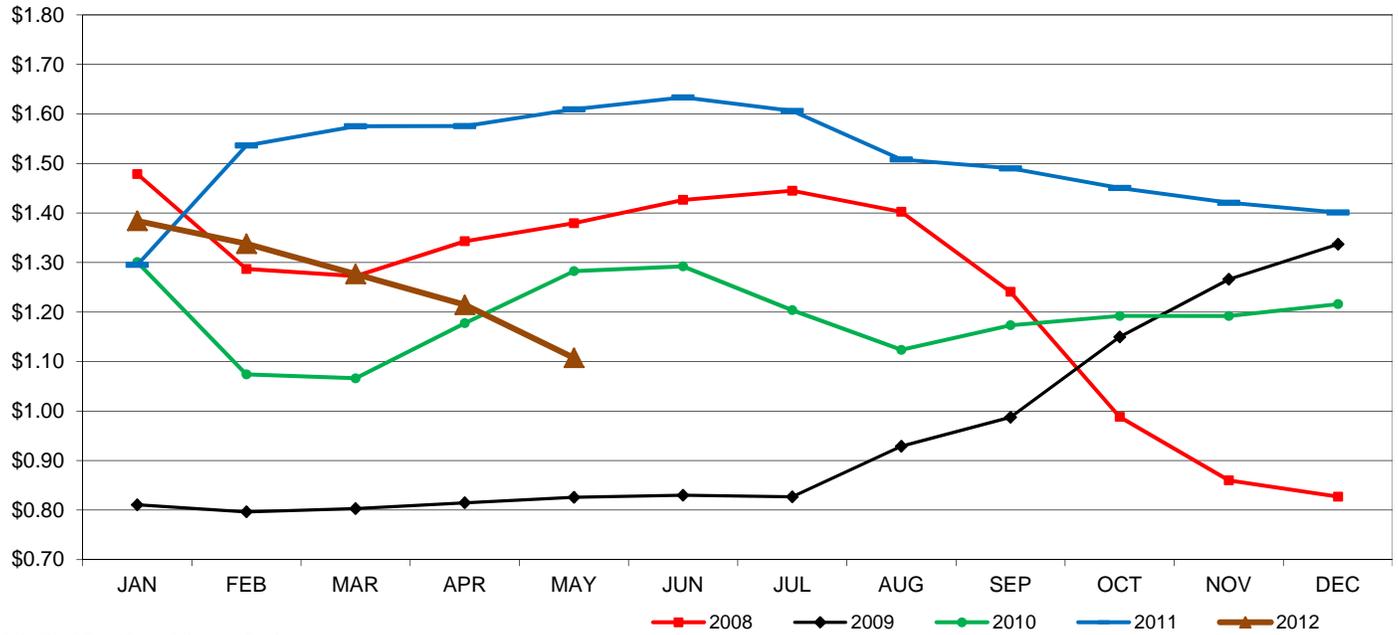
City	JUNE 2012		
	Announced Cooperative Class I Price	Federal Milk Order Class I Price	Difference
Dollars per hundredweight, 3.5% butterfat			
Atlanta, GA	22.41	19.04	3.37
Baltimore, MD	19.91	18.24	1.67
Boston, MA	20.29	18.49	1.80
Charlotte, NC	22.09	18.64	3.45
Chicago, IL	20.54	17.04	3.50
Cincinnati, OH	20.34	17.44	2.90
Cleveland, OH	20.14	17.24	2.90
Dallas, TX	18.99	18.24	0.75
Denver, CO	19.22	17.79	1.43
Des Moines, IA	19.79	17.04	2.75
Detroit, MI	19.91	17.04	2.87
Hartford, CT	20.19	18.39	1.80
Houston, TX	20.24	18.84	1.40
Indianapolis, IN	20.14	17.24	2.90
Kansas City, MO	19.48	17.24	2.24
Louisville, KY	20.79	17.54	3.25
Memphis, TN	21.39	18.14	3.25
Miami, FL	25.53	21.24	4.29
Milwaukee, WI	20.49	16.99	3.50
Minneapolis, MN	19.40	16.94	2.46
New Orleans, LA	21.29	19.04	2.25
Oklahoma City, OK	19.98	17.84	2.14
Omaha, NE	19.54	17.09	2.45
Philadelphia, PA	21.50	18.29	3.21
Phoenix, AZ	18.09	17.59	0.50
Pittsburgh, PA	21.15	17.34	3.81
St. Louis, MO	19.63	17.24	2.39
Seattle, WA	17.95	17.14	0.81
Springfield, MO	20.28	17.64	2.64
Washington, DC	19.91	18.24	1.67
Wichita, KS	19.38	17.44	1.94
Simple Average	20.35	17.88	2.47

1/ This table contains information from the Class I price announcements sent by the major cooperatives in each city market to all handlers who buy milk from them. These over-order prices include charges for various services performed by the cooperative. In some instances, these over-order prices may not include all credits that may be allowed. These prices have not been verified as having been actually paid by handlers.

Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932.

**WESTERN LOW/MEDIUM HEAT
NONFAT DRY MILK MONTHLY AVERAGE MOSTLY PRICES**

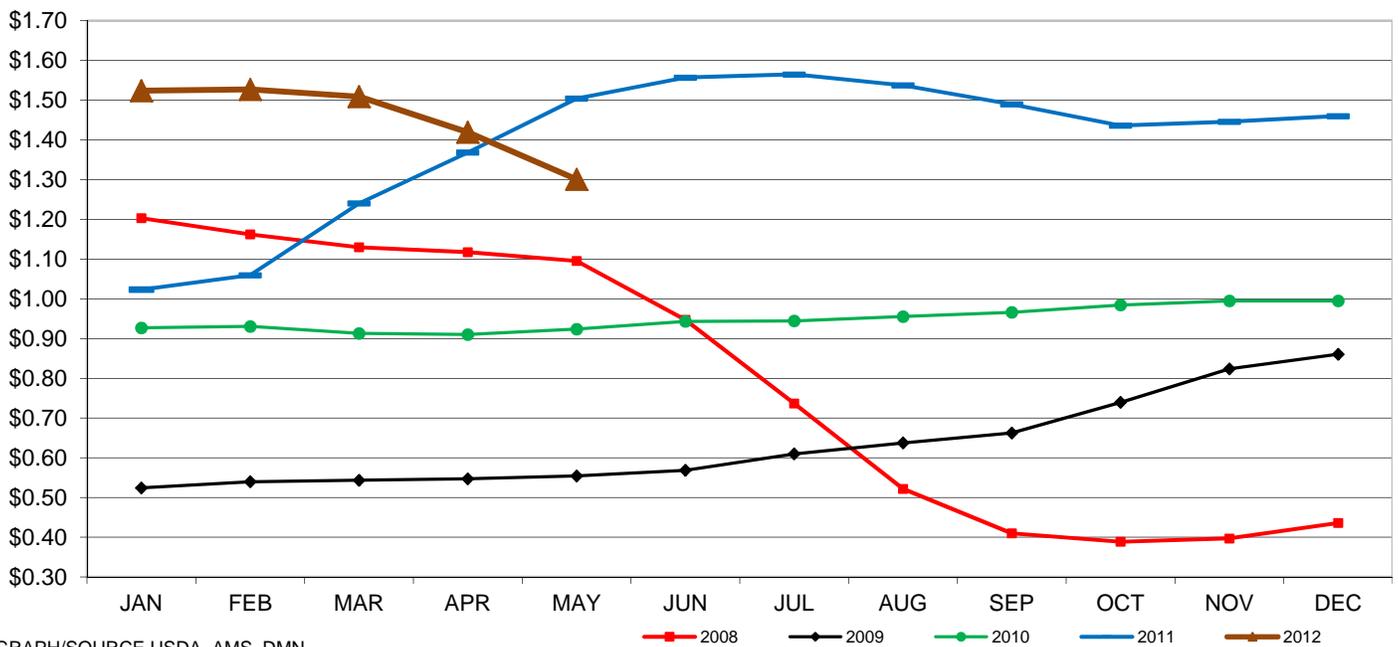
PER POUND



GRAPH/SOURCE USDA, AMS, DMN

CENTRAL & WEST DRY WPC 34% MONTHLY AVERAGE MOSTLY PRICES

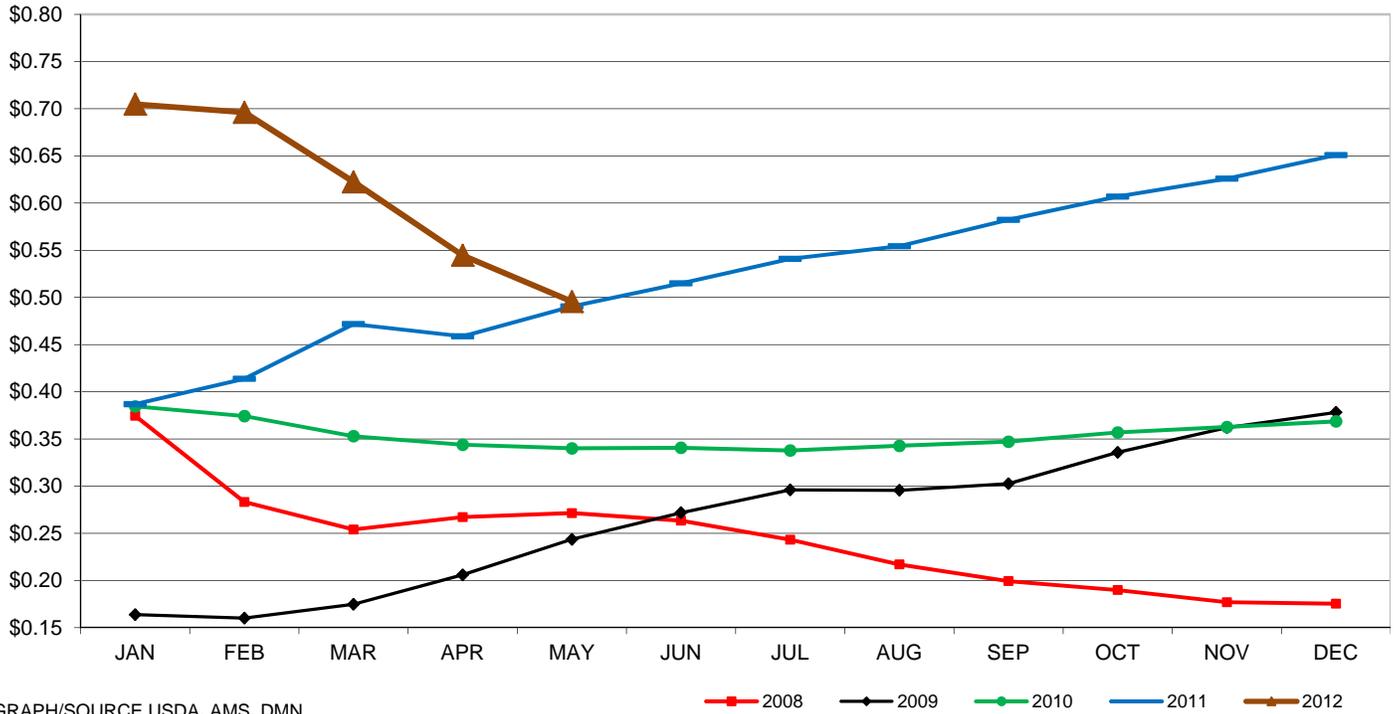
PER POUND



GRAPH/SOURCE USDA, AMS, DMN

PER POUND

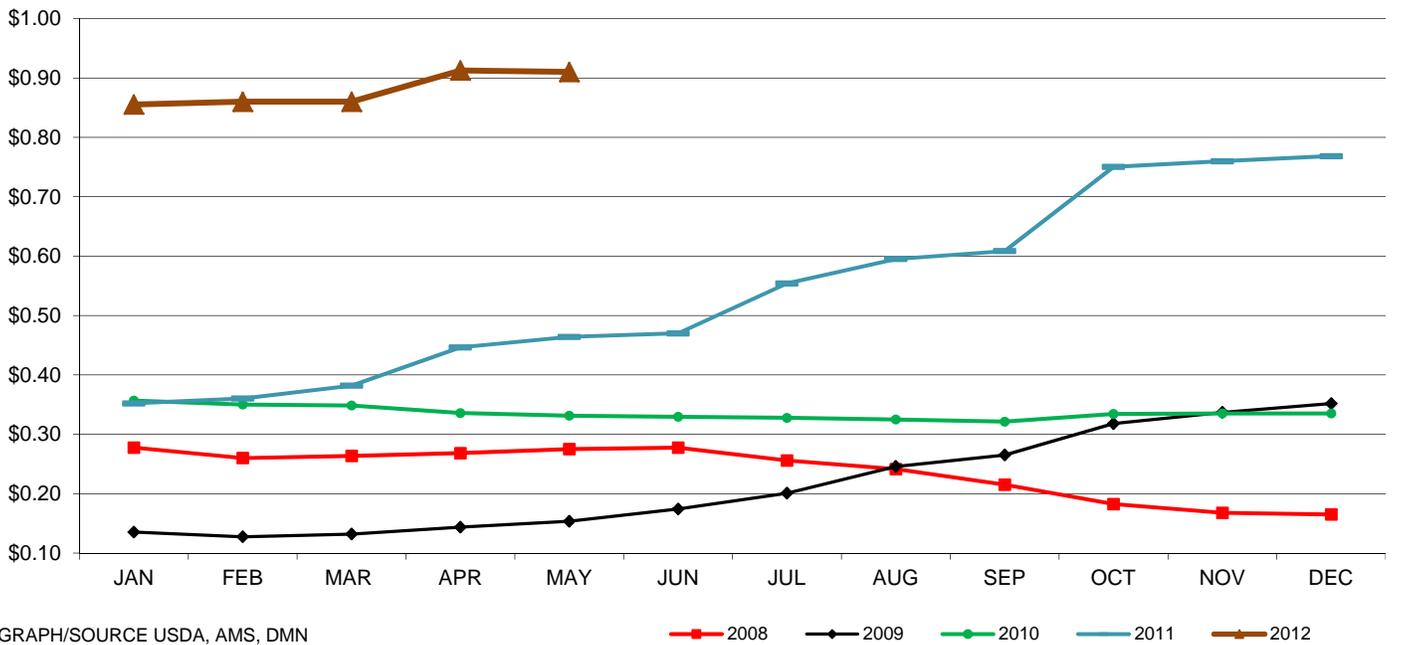
CENTRAL DRY WHEY MONTHLY AVERAGE MOSTLY PRICES



GRAPH/SOURCE USDA, AMS, DMN

CENTRAL & WEST DRY LACTOSE MONTHLY AVERAGE MOSTLY PRICES

PER POUND



GRAPH/SOURCE USDA, AMS, DMN

DAIRY MARKET NEWS

GENERAL NUMBER
(608) 278-4200

VOLUME: 79

REPORT: 22

Elizabeth Frederick
(608) 278-4150
Elizabeth.Frederick@AMS.USDA.GOV

DATE: 06/01/2012

EAST

Rick Whipp
(608) 278-4151
Rick.Whipp@AMS.USDA.GOV

INTERNATIONAL

Steven Schneeberger
(608) 278-4154
Steven.Schneeberger@AMS.USDA.GOV

CENTRAL/WEST

Janet Linder
(608) 278-4157
Janet.Linder@AMS.USDA.GOV

ORGANIC

Eric Graf
(608) 278-4153
Eric.Graf@AMS.USDA.GOV

SOUTHWEST

Butch Speth
(608) 278-4152
Butch.Speth@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/DairyMarketNews

NORTHWEST/MOUNTAIN

Bob Hunter
(608) 278-4158
Robert.Hunter@AMS.USDA.GOV

MARKET NEWS PORTAL

www.marketnews.usda.gov

NATIONAL SUPERVISOR

Donald Nelson
(608) 278-4156
DonaldO.Nelson@AMS.USDA.GOV

RECORDED INFORMATION SYSTEM

(608) 278-4142

FAX

(608) 278-4141

USDA, Dairy Market News
2920 Marketplace Drive, STE 202
Fitchburg, WI 53719-5337



Dairy Market News Branch

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Service

National Dairy Retail Report

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

Volume 79- Number 22

Issued Biweekly

Thursday, May 31, 2012

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 05/21 to 06/01

Advertising volume for conventional dairy products is higher than the last two surveyed periods. There are about 10.4% more advertised features of conventional dairy products for the current ad cycle than the prior cycle, and just over 19.5% more than two cycles ago.

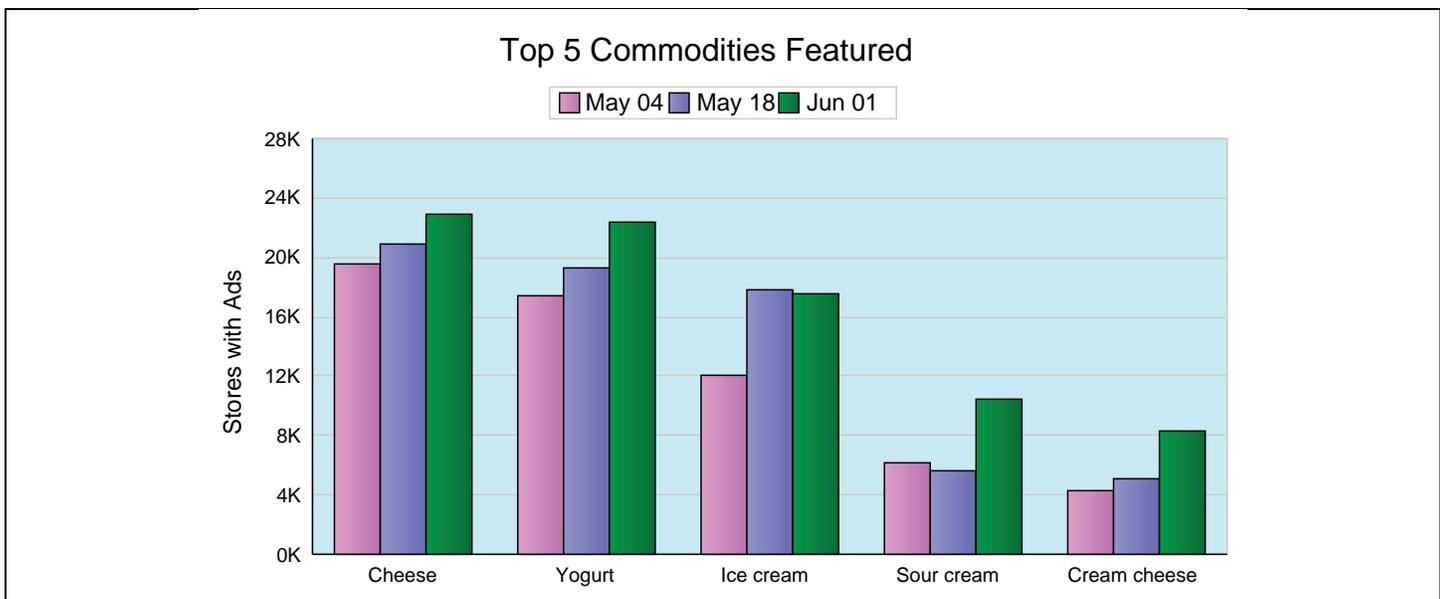
Ice cream advertising volume remains strong as the third most advertised dairy product in ads surrounding the holiday weekend, behind cheese and yogurt.

Total cheese advertising numbers increased almost 10% and yogurt ads, 15%. The most advertised cheese category, 8 ounce shreds, has a weighted average advertised price of \$2.23, down 2 cents from last cycle. The average price for 8 ounce blocks, \$2.40, increased 14 cents from the last cycle. The largest yogurt category, 4-6 ounce Greek yogurt, has a weighted average advertised price of 97 cents, down 2 cents. The second largest yogurt category, 4-6 ounce yogurt, has a weighted average advertised price of 56 cents, up 1 cent from last period.

While conventional milk is not among the top five advertised conventional dairy products, conventional flavored milk ads increased from two weeks ago, while ads for conventional non-flavored milk decreased

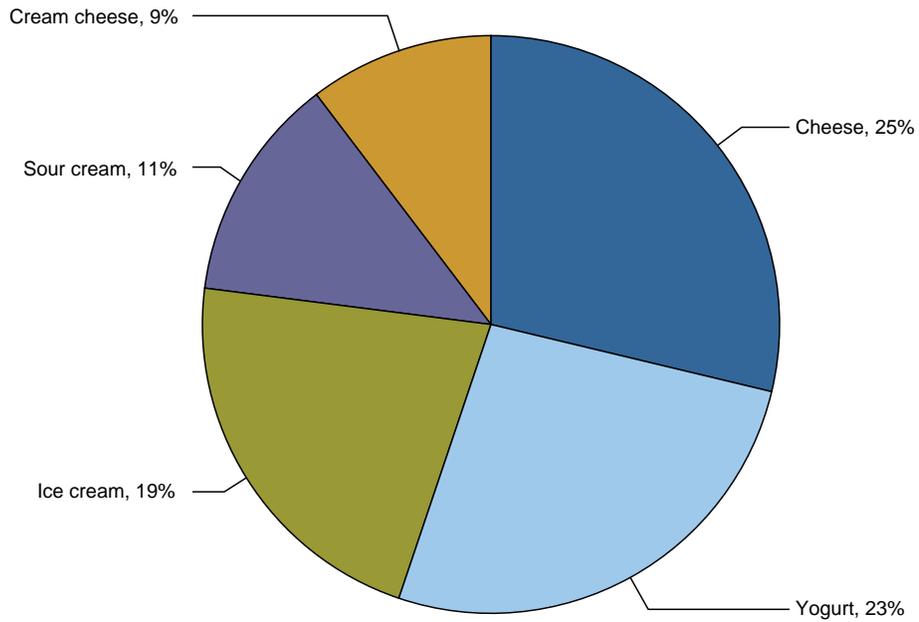
Conventional milk's national weighted average advertised price for half gallons this period, \$1.96, is 40 cents below two weeks ago. This period, ads are almost evenly split between store brands and national brands. Two weeks ago, almost three of four ads were for a national brand.

Organic milk's national weighted average advertised price for half gallons, \$3.71, is up 33 cents from last period. This results in an organic-conventional half-gallon milk advertised price spread of \$1.75, up from \$1.02 two weeks ago. The number of stores with organic dairy ads decreased by almost 40% from two weeks ago, which in turn was nearly 60% above two weeks before that.

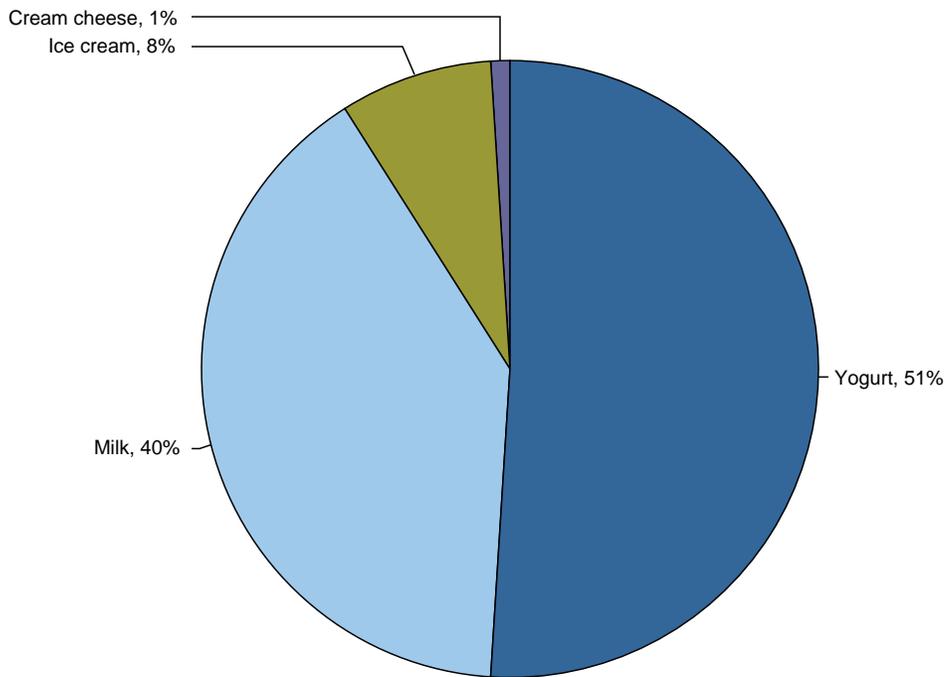


1 -- Dairy Market News surveys more than 150 retailers, comprising nearly 16,000 individual stores, with online weekly advertised features.
2 -- Date range reflects two-week period, however only one data collection per retailer is made during the period.

Top 5 Percentage of Total Conventional Ads



Top 5 Percentage of Total Organic Ads





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	4606	2.49	5887	2.57
Cheese	Natural Varieties	8 oz block	8770	2.40	6404	2.26
Cheese	Natural Varieties	1 # block	853	3.76	1653	3.95
Cheese	Natural Varieties	2 # block	2389	6.20	3299	6.51
Cheese	Natural Varieties	8 oz shred	10651	2.23	8668	2.25
Cheese	Natural Varieties	1 # shred	252	3.55	863	3.97
Cottage cheese		16 oz	1953	1.71	1482	2.03
Cream cheese		8 oz	8287	1.62	5003	1.55
Flavored milk	All fat tests	half gallon	1303	2.15	498	1.62
Flavored milk	All fat tests	gallon	368	3.39	207	3.12
Ice cream		48-64oz	17324	2.85	17784	3.22
Milk	All fat tests	half gallon	415	1.96	1964	2.36
Milk	All fat tests	gallon	1235	3.00	3680	2.88
Sour cream		16 oz	10383	1.64	5680	1.59
Yogurt	Greek	4-6 oz	10085	.97	9965	.99
Yogurt	Greek	32 oz	724	3.97	1331	4.61
Yogurt	Yogurt	4-6 oz	8448	.56	6426	.55
Yogurt	Yogurt	32 oz	2000	2.06	764	2.30

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 #	1.88-3.49	2697	2.56	1.99-3.00	855	2.83	1.49-2.00	279	1.71
Cheese	Natural Varieties	8 oz block	1.50-2.99	4096	2.33	1.99-4.99	1444	2.48	1.33-3.99	1329	2.21
Cheese	Natural Varieties	1 # block	3.49-3.99	242	3.78				2.88-3.77	261	3.32
Cheese	Natural Varieties	2 # block				5.98-5.99	305	5.98			
Cheese	Natural Varieties	8 oz shred	1.50-3.00	3255	2.38	1.67-2.50	2546	2.27	1.33-2.50	1947	1.93
Cheese	Natural Varieties	1 # shred	3.00-3.99	169	3.83				2.98	31	2.98
Cottage cheese		16 oz	1.88-2.99	381	2.42	1.25	398	1.25	1.25-1.99	515	1.35
Cream cheese		8 oz	1.25-2.50	2571	1.75	1.25-2.50	2873	1.72	0.99-2.50	1277	1.47
Flavored milk	All fat tests	half gallon	1.99-3.00	892	2.15						
Flavored milk	All fat tests	gallon	4.00	128	4.00				2.99-3.59	240	3.07
Ice cream		48-64oz	1.88-3.99	4590	2.76	1.99-4.50	1655	3.08	1.98-3.99	2324	2.78
Milk	All fat tests	half gallon	3.00	142	3.00	1.49	126	1.49	1.77	29	1.77
Milk	All fat tests	gallon	2.50-3.79	208	3.14	2.79-4.59	377	3.42	1.99-3.00	428	2.63
Sour cream		16 oz	1.29-2.00	2386	1.65	1.00-2.00	1268	1.50	1.00-2.00	1391	1.64
Yogurt	Greek	4-6 oz	0.80-1.25	2097	.97	0.80-1.00	2932	.98	0.60-1.00	1097	.89
Yogurt	Greek	32 oz	3.49-4.59	523	3.57				5.00	201	5.00
Yogurt	Yogurt	4-6 oz	0.39-0.88	3558	.58	0.50-0.60	2322	.51	0.40-0.66	856	.57

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	1.50-2.49	827	1.99	2.00-2.50	325	2.08	2.00-2.89	577	2.09

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.79-3.00	298	2.03	1.67-2.99	411	2.29	1.99-2.00	66	1.99
Cheese	Natural Varieties	8 oz block	1.67-4.99	1130	2.91	1.67-3.00	454	2.35	1.67-1.99	317	1.90
Cheese	Natural Varieties	1 # block				2.97-3.59	119	3.11	4.49-4.99	231	4.55
Cheese	Natural Varieties	2 # block				4.99-8.99	1394	6.30	5.98-6.99	690	6.09
Cheese	Natural Varieties	8 oz shred	1.50-3.00	1265	2.35	1.49-3.00	1216	2.11	1.99-3.00	422	2.15
Cheese	Natural Varieties	1 # shred	2.99	52	2.99						
Cottage cheese		16 oz	1.49-2.50	347	1.75	1.79-2.49	194	2.39	1.25	118	1.25
Cream cheese		8 oz	1.25-1.50	422	1.40	1.25-1.49	917	1.29	1.25-2.00	227	1.48
Flavored milk	All fat tests	half gallon	2.50-2.59	150	2.57	2.49	143	2.49	1.25	118	1.25
Ice cream		48-64oz	1.50-4.50	2325	3.10	1.99-4.49	4724	2.78	2.50-3.50	1706	2.79
Milk	All fat tests	half gallon							1.25	118	1.25
Milk	All fat tests	gallon				2.89	222	2.89			
Sour cream		16 oz	0.99-2.00	1221	1.41	0.99-2.00	3034	1.75	1.00-1.99	1083	1.71
Yogurt	Greek	4-6 oz	1.00	776	1.00	0.79-1.00	2448	.99	0.80-1.09	735	.97
Yogurt	Yogurt	4-6 oz	0.45-0.67	551	.56	0.50-0.75	963	.60	0.60	198	.60
Yogurt	Yogurt	32 oz				2.00-2.50	124	2.14	2.00-2.99	147	2.20

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Cottage cheese		16 oz			29	3.99
Cream cheese		8 oz	32	3.00	56	2.49
Ice cream		48-64oz	169	5.99		
Milk	All fat tests	half gallon	379	3.71	3037	3.38
Milk	All fat tests	8 oz UHT	516	1.00	43	1.00
Yogurt	Greek	4-6 oz	761	1.18	232	1.00
Yogurt	Yogurt	4-6 oz	292	.63	507	.74
Yogurt	Yogurt	32 oz	80	2.00	29	2.79

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
Cream cheese		8 oz	3.00	32	3.00						
Ice cream		48-64oz							5.99	26	5.99
Milk	All fat tests	half gallon	3.99	167	3.99				3.50	31	3.50
Milk	All fat tests	8 oz UHT				1.00	398	1.00			
Yogurt	Greek	4-6 oz	1.25	358	1.25	0.99	202	.99	1.25	201	1.25
Yogurt	Yogurt	4-6 oz	0.60-0.70	227	.64						

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
Ice cream		48-64oz				5.99	143	5.99			
Milk	All fat tests	half gallon				3.49	181	3.49			
Milk	All fat tests	8 oz UHT							1.00	118	1.00
Yogurt	Yogurt	4-6 oz	0.60	65	.60						
Yogurt	Yogurt	32 oz							2.00	80	2.00

NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

NATIONAL BRANDS vs STORE BRANDS

Commodity	Type	Pack Size	NATIONAL BRANDS				STORE BRANDS			
			Low Price	High Price	Stores with Ads	Wtd Avg Price	Low Price	High Price	Stores with Ads	Wtd Avg Price
Butter		1 #	1.67	3.33	2196	2.76	1.49	3.49	2410	2.25
Cheese	Natural Varieties	8 oz block	1.33	4.99	6887	2.48	1.66	2.50	1883	2.11
Cheese	Natural Varieties	1 # block	2.98	4.99	224	3.51	2.88	4.49	629	3.84
Cheese	Natural Varieties	2 # block	5.98	8.99	857	6.65	4.99	5.99	1532	5.94
Cheese	Natural Varieties	8 oz shred	1.33	3.00	7696	2.24	1.49	2.99	2955	2.19
Cheese	Natural Varieties	1 # shred	2.98	2.98	31	2.98	2.99	3.99	221	3.63
Cottage cheese		16 oz	1.25	2.99	568	2.02	1.25	2.49	1385	1.58
Cream cheese		8 oz	1.00	2.50	4460	1.83	.99	1.79	3827	1.38
Flavored milk	All fat tests	half gallon	2.50	3.00	174	2.91	1.25	2.59	1129	2.04
Flavored milk	All fat tests	gallon	2.99	3.00	152	3.00	3.00	4.00	216	3.67
Ice cream		48-64oz	1.88	4.50	11002	3.01	1.50	3.50	6322	2.57
Milk	All fat tests	half gallon	3.00	3.00	142	3.00	1.25	1.77	273	1.42
Milk	All fat tests	gallon	3.00	4.59	229	3.73	1.99	3.79	1006	2.84
Sour cream		16 oz	1.33	2.00	5148	1.88	.99	2.00	5235	1.40
Yogurt	Greek	4-6 oz	.60	1.09	7866	1.00	.79	1.25	2219	.88
Yogurt	Greek	32 oz	3.49	5.00	724	3.97				
Yogurt	Yogurt	4-6 oz	.50	.67	5273	.55	.39	.88	3175	.58
Yogurt	Yogurt	32 oz	1.50	2.99	1292	2.04	1.99	2.89	708	2.09

Wtd Avg - Simple weighted average

NATIONAL -- ORGANIC DAIRY PRODUCTS
NATIONAL BRANDS vs STORE BRANDS

			NATIONAL BRANDS				STORE BRANDS			
Commodity	Type	Pack Size	Low Price	High Price	Stores with Ads	Wtd Avg Price	Low Price	High Price	Stores with Ads	Wtd Avg Price
Cream cheese		8 oz	3.00	3.00	32	3.00				
Ice cream		48-64oz	5.99	5.99	143	5.99	5.99	5.99	26	5.99
Milk	All fat tests	half gallon	3.49	3.99	379	3.71				
Milk	All fat tests	8 oz UHT	1.00	1.00	516	1.00				
Yogurt	Greek	4-6 oz	.99	1.25	761	1.18				
Yogurt	Yogurt	4-6 oz	.60	.70	292	.63				
Yogurt	Yogurt	32 oz	2.00	2.00	80	2.00				

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
NATIONAL	Continental United States