

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (3/22):**

**BUTTER:** Grade AA closed at \$1.6950. The weekly average for Grade AA is \$1.6910(+.0540).

**CHEESE:** Barrels closed at \$1.6650 and 40# blocks at \$1.7000. The weekly average for barrels is \$1.6255 (+.0390) and blocks, \$1.6505 (+.0475).

**BUTTER HIGHLIGHTS:** Butter prices at the CME Group gained 4.5 cents early in the week on 2 carloads that sold at \$1.7000. Trading activity was light for the balance of the week, and retreated one-half cent during Friday's session, closing at \$1.6950. Bulk and retail sales activity is termed seasonally strong, with the current strength coming from export interest as well as domestic butter features at many grocery outlets. Cooperatives Working Together (CWT) announced requests for export assistance for 2.7 million pounds of butter were accepted for international deliveries. Current churning activity is modestly lower than last week at some plants as competition from dips, sour and aerated cream, and ice cream-type products increase. The general consensus among butter manufacturers is that building inventories for Q2 - Q3 is on the to-do list as long as cream supplies are available.

**CHEESE HIGHLIGHTS:** Cheese prices continued to push higher at the CME Group exchange this week. Higher than anticipated volumes of milk are being directed to cheese plants across the nation. Despite increased inventories of cheese, manufacturers are reporting good sales and are mostly comfortable with the added production. Increased interest from export markets is helping to clear inventories. Current U.S. prices are favorable against international prices. The CWT program is continuing to assist with export sales for eligible members. According to the Foreign Agricultural Service, imports of cheese for January-February 2013 total 22.9 million pounds, up 3.1% from a year ago. Advertised featuring of cheese was lower for most packages of cheese according to the National Dairy Retail Report. Prices at the retail level were mixed.

**FLUID MILK:** Spring snowstorms across the Central and Eastern regions of the country caused some minor interruptions in milk handling this week. Florida's milk production is beginning to level off as warmer weather is slowing production. Arizona is close to peak production. Milk production in the West is generally lower, while the Midwest and East are seeing some increased production. National production is close to year ago levels. Cream demand is increasing for

the holidays and multiples are firming in many parts of the country. Butter churns are active in the West and Midwest as cream supplies are better than anticipated. Ice cream manufacturers are slow to increase production this year. Class I demand is uneven with spring break interrupting school schedules. Class III and IV producers are active with the increased supplies.

**DRY PRODUCTS:** Some dry dairy markets regained confidence this week as news of higher international prices at the latest global Dairy Trade (gDT) auction caught the attention of buyers and sellers. Nonfat dry milk production remains heavy with producers holding inventories more confidently. High heat production is limited as plants are concentrating on low heat production. Dry buttermilk production is active with butter plants operating busy schedules. Inventories are building but held with increased confidence. Whey production is steady with spot sales into the export market helping to clear inventories. Block sales at discounted prices are being utilized to move product. Whey protein 34% prices were steady to lower this week. Lactose prices are improved for higher mesh products while unground and lower mesh products remain weak. Dry whole milk interest increased following the gDT auction. Casein prices are unchanged.

**ORGANIC DAIRY MARKET NEWS (DMN):** Organic milk's national weighted average advertised price for half gallons, \$3.65, is 25 cents higher than two weeks ago. One year ago the price was \$2.88. The price range of \$2.99 to \$4.49 narrowed, increasing by 49 cents at the bottom and decreasing by 51 cents at the top. The region with the highest average price is the Northeast, with \$4.01, while the Northwest has the lowest, \$2.99. The current national organic half gallon milk weighted average advertised price of \$3.65 compared with the weighted average advertised price for non-organic half gallons, \$1.35, yields an organic-conventional half-gallon milk advertised price spread of \$2.30, up 67 cents from two weeks ago. One year ago the price spread was 71 cents, with conventional half gallons priced \$2.17 and organic half gallons priced \$2.88. Organic yogurt in 4-6 ounce containers has a weighted average advertised price of \$1.21 and for 32 ounce organic yogurt, \$2.99. Organic butter's national weighted average advertised price is \$4.07, down from \$4.68 two weeks ago. One year ago the price was \$4.73.

CONTINUED ON PAGE 1A

## \*\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*\*

ORGANIC DAIRY MARKET NEWS (PAGES 8-8A)  
FEBRUARY MILK PRODUCTION (PAGE 9)  
APRIL FEDERAL MILK ORDER ADVANCE PRICES (PAGE 10)

FEBRUARY FEDERAL MILK ORDER MARKETING SUMMARY (PAGE 11)  
GRAPHS (PAGES G1-G2)  
RETAIL DAIRY MARKET NEWS (ATTACHED)

CME GROUP CASH TRADING

COMMODITY	MONDAY MAR 18	TUESDAY MAR 19	WEDNESDAY MAR 20	THURSDAY MAR 21	FRIDAY MAR 22	WEEKLY CHANGE*	WEEKLY AVERAGE#
<b>CHEESE</b>							
BARRELS	\$1.5875 (-.0025)	\$1.6000 (+.0125)	\$1.6200 (+.0200)	\$1.6550 (+.0350)	\$1.6650 (+.0100)	:: (+.0750)	:: \$1.6255 (+.0390)
40# BLOCKS	\$1.6125 (+.0025)	\$1.6200 (+.0075)	\$1.6400 (+.0200)	\$1.6800 (+.0400)	\$1.7000 (+.0200)	:: (+.0900)	:: \$1.6505 (+.0475)
<b>NONFAT DRY MILK</b>							
EXTRA GRADE	\$1.5600 (N.C.)	\$1.5600 (N.C.)	\$1.5600 (N.C.)	\$1.5600 (N.C.)	\$1.5600 (N.C.)	:: (N.C.)	:: \$1.5600 (N.C.)
GRADE A	\$1.5000 (N.C.)	\$1.5000 (N.C.)	\$1.5200 (+.0200)	\$1.5400 (+.0200)	\$1.5400 (N.C.)	:: (+.0400)	:: \$1.5200 (+.0220)
<b>BUTTER</b>							
GRADE AA	\$1.6600 (+.0050)	\$1.7000 (+.0400)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.6950 (-.0050)	:: (+.0400)	:: \$1.6910 (+.0540)

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

## CONTINUED FROM PAGE 1

**RETAIL DAIRY MARKET NEWS (DMN):** The most advertised cheese category, 8 ounce shredded, has an increase in the weighted average advertised price of 1 cent, to \$2.31. The price this year has been as high as \$2.51. The second most advertised cheese category, 8 ounce blocks, declined in price 8 cents, to \$2.34. The price this year has been as high as \$2.52. Butter's national weighted average advertised price for a 1 pound package decreased 29 cents to \$2.50. Butter ad volume was up by 52%. Ad volume for all yogurt types and sizes declined, but 4-6 ounce Greek yogurt remains the most advertised yogurt product, with a price unchanged from two weeks ago, \$1.00. The price of 4-6 ounce yogurt is up 1 cent to \$.49. Yogurt in 32 ounce containers increased 7 cents to \$2.43 while 32 ounce Greek yogurt declined \$.66 to \$3.95. The national weighted average advertised conventional milk price for half gallons this period, \$1.35, decreased 42 cents from two weeks ago, following a 35 cent increase two weeks before that. Organic half-gallon prices averaged \$3.65, up 25 cents from two weeks ago, following a previous 9 cent decrease. The resulting organic-conventional half-gallon price spread is \$2.30, up 67 cents from two weeks ago.

**INTERNATIONAL UPDATE (DMN):** At the March 19th g/DT session #88, average prices for all products traded and contracting periods were higher and were sharply higher for whole milk powder. Average prices for all contracting periods and individual products ranged from 3.1% to 21.2% higher. The all contracts price averages (per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,416 +16.3%; butter, \$4,550 +11.5%; buttermilk powder, \$3,904 +8.6%; cheddar cheese, \$4,315 +13.7%; lactose, not traded; milk protein concentrate, not traded; rennet casein, \$9,242 +3.1%; skim milk powder, \$4,050 +7.7%; and whole milk powder, \$5,116 +21.2%.

**FEBRUARY MILK PRODUCTION (NASS):** Milk production in the 23 major States during February totaled 14.6 billion pounds, down 3.4% from February 2012. However, production was 0.1% above last year after adjusting for the leap year. Production per cow averaged 1,722 pounds for February, 58 pounds below February 2012. However, production per cow was 3 pounds more than last February, adjusted for the leap year. The number of milk cows on farms was 8.50 million head, 13,000 head less than February 2012, but 2,000 head more than January 2013.

**APRIL FEDERAL MILK ORDER ADVANCE PRICES (FMMO):** Under the Federal milk order pricing system, the base Class I price for April 2013 is \$17.66. This price is derived from the advanced Class IV skim milk pricing factor of \$12.07 and the advanced butterfat pricing factor of \$1.7189. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. Compared to March 2013, the base Class I price decreased \$0.14. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.16 per cwt., -\$0.014 per gallon; reduced fat milk (2%), -\$0.23 per cwt., -\$0.020 per gallon; fat-free (skim milk), -\$0.34 per cwt., -\$0.029 per gallon. The advanced Class IV skim milk pricing factor is \$12.07. Thus, the Class II skim milk price for April is \$12.77, and the Class II nonfat solids price is \$1.4189. The two-week product price averages for April are: butter \$1.5909, nonfat dry milk \$1.5219, cheese \$1.6402, and dry whey 0.6094.

**FEBRUARY FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (DAIRY PROGRAMS):** During February, more than 10.5 billion pounds of milk were received from producers. This volume of milk is 0.3% lower than the February 2012 volume after factoring for the extra leap year day in 2012. In February 2012 and February 2013, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.4 billion pounds of producer milk were used in Class I products, 0.7% lower -1A-

than the previous year after factoring for the extra leap year day in 2012. The all-market average Class utilization percentages were: Class I = 32%, Class II = 11%, Class III = 45% and Class IV = 12%. The weighted average statistical uniform price was \$18.70, \$0.49 lower than last month and \$1.36 higher than last year.

**CME GROUP**

MONDAY, MARCH 18, 2013

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.5900, 1 @ \$1.5925, 1 @ \$1.5875; 3 CARS 40# BLOCKS @ \$1.6125; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5850; 2 CARS 40# BLOCKS @ \$1.6125; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6600; LAST OFFER UNCOVERED: NONE

TUESDAY, MARCH 19, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6000; 2 CARS 40# BLOCKS @ \$1.6200; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5850; 3 CARS 40# BLOCKS @ \$1.6200; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6300  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.4800; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.5800  
 BUTTER -- SALES: 2 CARS GRADE AA @ \$1.7000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6700; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.7200

WEDNESDAY, MARCH 20, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6100; 4 CARS 40# BLOCKS: 1 @ \$1.6300, 1 @ \$1.6350, 1 @ \$1.6375, 1 @ \$1.6300; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.6200; 2 CARS 40# BLOCKS @ \$1.6400; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.5200; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.5800  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.7000; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.7200

THURSDAY, MARCH 21, 2013

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.6400, 1 @ \$1.6500; 4 CARS 40# BLOCKS: 1 @ \$1.6600, 1 @ \$1.6650, 1 @ \$1.6700, 1 @ \$1.6800; LAST BID UNFILLED: 3 CARS BARRELS @ \$1.6550; 2 CARS 40# BLOCKS @ \$1.6800; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.5400; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.5800  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.7200

FRIDAY, MARCH 22, 2013

CHEESE -- SALES: 5 CARS BARRELS: 2 @ \$1.6600, 1 @ \$1.6700, 1 @ \$1.6675, 1 @ \$1.6650; 4 CARS 40# BLOCKS: 2 @ \$1.6900, 1 @ \$1.6950, 1 @ \$1.7000; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.6625; 2 CARS 40# BLOCKS @ \$1.6800; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.5800  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6700; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.6950

**BUTTER MARKETS**

**NORTHEAST**

The butter price on the CME Group jumped 4 cents higher Tuesday and closed at \$1.7000. Butter prices have increased in each of the last 4 trading sessions for a net gain of \$0.0700. Trading remains fairly light with 3 loads transacted during the same period. Domestic demand for butter is weakening as butter orders for the Easter/Passover holidays have, for the most part, been filled. Some plants are comfortable expanding inventories in order to cover orders when cream supplies typically tighten over the 2nd and 3rd quarters. Butter production to fill export orders is very active as a number of plants are involved with export assistance programs. According to the National Dairy Retail Report, retail butter ads in the Northeast totaled 2,390, 35% of the total national ad count of 6,770 and the highest number for any region. The weighted average price for a 1 lb. package of butter in the Northeast was \$2.54, 4 cents more than the national weighted average price and 54 cent less than the previous reporting period. Current bulk butter prices have declined on the upper end of the range and are 4-8 cents over the market on the CME Group with various time frames and averages used.

**CENTRAL**

Butter sales activity in the Midwest has noticeably increased this week. Sales last week were good but this week buyer interest has surprised some manufacturers by being even better. Last week bulk butter sales were mostly going at flat market, while this week some manufacturers won't even consider dealing with a buyer at less than cents over market. The factor given credit for heightened sales activity this week is export interest. Export activity is said to be "going crazy", or "going to the moon". Some butter manufacturers looking for spot cream this week say that the market has "tightened" but cream is available, even if a bit more looking is necessary. While overall, many manufacturers say there is "plenty" of butter in inventory, this week's heightened interest from export customers has caused some manufacturers to feel more motivated to keep churning activity active. Butter retail advertising volume nationally reported in the National Dairy Retail Report increased by 52% from two weeks ago. The national weighted average advertised price for a 1 pound package decreased 29 cents to \$2.50. Ad volume in the Midwest increased by 76% from two

weeks ago, with a regional weighted average advertised price of \$2.26, 24 cents lower than the national average. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 2.701 million pounds (1,225 metric tons) of butter. The product will be delivered April through September 2013. Year-to-date, CWT has assisted member cooperatives in selling 40.907 million pounds of butter.

**WEST**

Western butter prices moved higher following a second week of higher weekly averages at the CME Group. The market tone is firm as retail sales continue to move increasing volumes of butter. Print butter manufacturers are seeing some increased orders from club stores as well as supermarkets. Export sales are also showing increased interest. Cream supplies are mostly steady and much of the available cream is going directly to butter churns. Producers' report that butter is still being added to inventories, but feel comfortable with those supplies. Advertised U.S. butter prices from the National Dairy Retail Report were lower. Nationally, butter showed a weighted average price of \$2.50 per pound compared to \$2.79 two weeks ago and \$2.71 a year ago. Featuring of butter ads this week increased over 50% from the same period two weeks ago. Western advertised prices ranged from \$2.50-2.69 per pound. Butter prices at the CME Group exchange are unchanged on Wednesday at \$1.7000. Prices have rallied since last Wednesday and have advanced seven cents since then. Sales activity remains light with two loads selling so far this week. Prices for bulk butter range from 3 cents under to 4 cents under the market, based on the CME with various time frames and averages used.

2013 U.S. Butter Imports (USDA-FAS)			
(Million Lb.)	% Change From	% of	
	1 Year Ago	Yearly Quota	
Feb Quota Imports	0.74	+ 39.3	4.8
Jan. - Feb.			
High Tier	.10	+ 611.4	N.A.
Quota Imports	1.55	+ 43.4	10.1

**NATIONAL DAIRY PRODUCTS SALES REPORT**

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
March 16, 2013	1.6031 4,858,894	1.6271 9,491,141	1.6039 9,693,426	0.6109 6,992,829	1.5169 26,125,969

## CHEESE MARKETS

## NORTHEAST

Cheese prices on the CME Group moved higher Tuesday with barrels increasing \$0.0125 to close at \$1.6000, and blocks increasing \$0.0075 to close at \$1.6200. Trading activity has picked up in the last 5 trading sessions with 5 loads of barrels and 15 loads of blocks transacted. The status quo continues with very active cheese production, supported by heavy manufacturing milk volumes. Cheese inventories are increasing, but not at the pace experienced a few weeks ago. Good domestic demand and orders ahead of the Easter/Passover holidays and the upcoming NCAA basketball tournament have helped limit inventory expansion. Export demand remains good with the help of export assistance programs. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 2.740 million pounds (1,243 metric tons) of Cheddar and Monterey Jack cheese. The product will be delivered April through September 2013. According to the National Dairy Retail Report, retail cheese ads for 8 oz. block cheese in the Northeast totaled 3,047, 57% of the total national ad count of 5,379 and was the highest ad count for any region. Retail cheese ads for 8 oz. shredded cheese in the Northeast totaled 2,234, 30% of the total national ad count of 7,400 and was the highest number of ads for any region. The weighted average price for 8 oz. cheese blocks in the Northeast was \$2.43, 9 cents higher than the national weighted average price, but 5 cents lower than the previous reporting period. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.52, 21 cents more than the national weighted average price and 18 cents higher than the previous reporting period.

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

Cheddar 40# Block	:	2.0025-2.2875
Process 5# Sliced	:	1.8075-2.2875
Muenster	:	2.0225-2.3825
Grade A Swiss Cuts 10 - 14#	:	3.5300-3.8525

## MIDWEST

Milk flows into cheese plants remain strong, even resulting in some plants offering milk to other plants at discounts of \$1.00 to \$3.00 – on rare occasions in certain circumstances, even up to \$5.00. The resulting volume of cheese production is leaving Midwest plants well able to fill orders. Inventory levels have been characterized as being “in pretty good shape” in some quarters and “ample” in others. That reflects a general feeling that manufacturers and market traders don’t seem to expect that inventories are at a level where sudden sustained market turndowns are likely, although, continuing sales are always welcome. Some manufacturers with a global focus comment on the drought in New Zealand as generating more interest from foreign buyers in regional cheese availability. Midwest cheese ad volume reported in the National Dairy Retail Report increased by 23% from two weeks ago in contrast with national advertising volume which declined. Regional ads for 8 ounce shredded cheese (53% of total regional cheese ads) have a weighted average advertised price of \$1.95, 36 cents lower than the national average. For 8 ounce blocks in the Midwest (30% of regional cheese ads), the average price is \$2.04, 30 cents lower than the national average. Cheese retail advertising volume nationally decreased 16% from two weeks ago. Prices of the most popular package sizes are mixed up and down. The most advertised cheese category, 8 ounce shredded (39% of national ads), has an increase in the weighted average advertised price of 1 cent, to \$2.31, the lowest price of the year. The price this year has been as high as \$2.51. The second most advertised cheese category, 8 ounce blocks (29% of national ads), declined in price 8 cents, to \$2.34, the

second lowest price of the year. The price this year has been as high as \$2.52. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 2.740 million pounds (1,243 metric tons) of Cheddar and Monterey Jack cheese. The product will be delivered April through September 2013. Year-to-date, CWT has assisted member cooperatives in exporting 34.048 million pounds of cheese.

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

Process American 5# Loaf	:	1.7800-2.4850
Brick And/Or Muenster 5#	:	1.9900-2.5500
Cheddar 40# Block	:	1.9900-2.8625
Monterey Jack 10#	:	1.9600-2.8625
Blue 5#	:	2.2525-3.2400
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8325-2.9625
Grade A Swiss Cuts 6 - 9#	:	3.0500-3.1675

## WEST

Western wholesale cheese prices are higher this week as weekly trading averages at the CME Group were reported higher last week. The overall tone and direction of the cheese market has yet to be fully determined. Manufacturers continue to run plants on busy schedules to take advantage of available milk supplies. While production is steady to firm, sales have been sufficient to clear inventories. Export interest is increasing as world cheese prices put U.S. product in a favorable position. The CWT program continues to provide assistance to its members for export orders. This week they accepted bids for sales of 2.7 million pounds outside of the country. Advertised U.S. cheese prices as reported in the National Dairy Retail Report showed prices moved both higher and lower. Featuring of cheese for the two week period was lower for all categories except the 2 lb. block package. The weighted average price for the heavily advertised 8 oz. shred package was \$2.31 compared to two weeks ago at \$2.30 per package, and last year’s price of \$2.34. In the West, the weighted average price ranged from \$4.99-8.99 per package for the 2 pound block package. Cheese prices at the CME Group for Wednesday were both two cents higher. Barrels closed at \$1.6200. Blocks closed on Wednesday at \$1.6400. Trading activity on blocks is active with nine loads sold by Wednesday’s close. Barrels had sales of five loads for the same period. According to FAS, quota imports of cheese for January - February 2013 total 22.9 million pounds, up 3.1% from a year ago. The imports stand at 7.7% of the annual quota. Imports of High-Tier cheese (above quota and with a penalty) for the same period are estimated to total 4.1 million pounds, down 8.0% compared to imports for January - February of 2012. Imports of quota Swiss cheese for January - February 2013 total 6.1 million pounds, up 4.8% from last year. The two main countries for the imports are Norway and Switzerland, and they accounted for 3.2 million pounds or 52.9% of the year’s total import of Swiss.

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

Process 5# Loaf	:	1.7150-1.9725
Cheddar 40# Block	:	1.7225-2.0750
Cheddar 10# Cuts	:	1.9025-2.1225
Monterey Jack 10#	:	1.9125-2.0725
Grade A Swiss Cuts 6 - 9#	:	3.1075-3.5375

CONTINUED ON PAGE 3A

## CHEESE MARKETS

CONTINUED FROM PAGE 3

## FOREIGN

The weekly average CME Group block price reversed its previous 3 week downward trend and increased last week, which caused domestic wholesale foreign type cheese prices to increase \$0.0300. Swiss cuts and imported varieties were unchanged. According to FAS, imports of high tier and quota Italian-type cheese from January through February this year totaled 3.4 million pounds, down 21.5% compared to last year. Imports of quota Italian-type cheese January through February totaled 1.4 million pounds, 19.1% below last year and 4.7% of the annual quota. Imports of high tier Italian-type cheese January through February totaled 2.0 million pounds, down 23.0% from 2012. Imports of high tier and quota Swiss/Emmentaler varieties from January through February 2013 totaled 6.1 million pounds, 4.9% more than last year.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.1425-3.6300*
Gorgonzola	: 3.4900-6.1900	: 2.6450-3.1000*
Parmesan (Italy)	: -0-	: 3.5325-5.6225*
Provolone (Italy)	: 3.4400-5.4500	: 2.1850-2.3425*
Romano (Cows Milk)	: -0-	: 3.3325-5.4825*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.3900	: -0-
Jarlsberg-(Brand)	: 2.9500-5.2900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.6275-3.9500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-

\* = Price change.

## 2013 U.S. Cheese Imports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago	% of Yearly
Quota			
Feb. Quota Imports	13.0	+ 16.8	4.3
Jan. - Feb. High Tier	4.1	- 8.0	N.A.
Quota Imports	22.9	+ 3.1	7.7

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKSBUTTER : CHEESE

	:	
03/18/13	12,355	: 117,405
03/01/13	12,381	: 116,734
CHANGE	-26	: 671
% CHANGE	-0	: 1

## FLUID MILK AND CREAM

## EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	54	0	63	0	210
SOUTHEAST STATES	0	0	0	0	0	0

A spring storm in the Northeast, that dumped heavy wet snow over most of New England, caused manufacturing milk supplies to increase as school closures lowered Class I demand. Most producers' feed stocks are more than adequate to get through to spring. The Mid-Atlantic region has had a fairly mild winter, which has extended feed supplies and allowed producers to increase rations. Milk production in some areas of the region is above year ago levels. Florida's milk production has leveled off as day time temperatures have moved well into the 80's, lowering cow comfort levels. Reductions in Class I demand, due to schools on Spring Break, have been limited as tourists and seasonal residents are more plentiful and staying longer, compared to recent years. Spot milk loads exported this week totaled 54 loads. Milk production in the Southeast continues to increase along the seasonal trend. Class I demand increased this week, limiting the need to utilize auxiliary manufacturing facilities. Recent storms across the region caused minimal transportation delays. Demand for cream remains strong this week with good pulls from cream cheese, sour cream, cream based dips and some ice cream manufacturers. Numerous manufacturers have eyed this week's increase in the butter market and are trying to secure additional loads prior to the expected increase in the weekly average CME butter price. Some buyers looking for additional loads have had problems locating available supplies. The increased demand has moved multiples higher with the range for all classes ranging 1.17-1.28. Condensed skim demand remains limited to contract volumes with very light spot market activity. A majority of the condensed skim volume is going to Class IV production. According to NASS, adjusted milk production for February 2013 in the 23 reported states totaled 14.6 billion pounds, up 0.1% from February 2012. Milk production increased in 3 of the 5 listed states in the Eastern region with 2 states declining. Eastern region production increased 1.2% over the same month last year to 2,407 million pounds. The 5 states showed the following percentage changes in adjusted milk production from February 2012 to February 2013 and total milk production this February: Florida, -0.5%, 202 million pounds; New York, +1.5%, 1,034 million pounds; Pennsylvania, +1.6%, 833 million pounds; Vermont, +2.0%, 201 million pounds; and Virginia, -2.1% at 137 million pounds. Milk cow numbers for February 2013 decreased in 2 of the 5 listed states of the Eastern region with 2 states unchanged and 1 state increasing. As a region, cow numbers were 8,000 head (-0.5%) less compared to the same period last year. Individual state cow numbers compared to February 2012 and cows remaining as of this February are: Florida, unchanged, 122,000 remaining; New York, unchanged, 610,000 remaining; Pennsylvania, 7,000 decrease, 534,000 remaining; Vermont, 1,000 increase, 134,000 remaining; and Virginia, 2,000 decrease, 94,000 remaining.

## 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 -	1.9153-2.0954
F.O.B. producing plants: Upper Midwest -	1.9153-2.0299

## PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.56 - 1.61
Northeast - Class III - spot prices -	1.42 - 1.47

## MIDWEST

February 2013 milk production in the Central region is close to year ago levels, when compared to adjusted milk production values for February 2012. Monthly milk production changes, when compared to year ago volumes, range from a 1.9% decrease in Texas to a 7.2% increase in Kansas. Regional cow numbers grew by 15,000 animals compared to one year ago. The Kansas herd led the region by adding 8,000 cows. Reports from milk handlers indicate some loads came in short this week. Dairy producers indicate the recent cold snap, with overnight temperatures in the single digits and wind chill temperatures below zero, took a toll on some animals. Overall, farm milk intakes are steady to seasonally increasing. Fluid milk demand is both lower and higher this week. Some bottling plants drew upon milk supplies for increased production of consumer packaged products for grocery store promotions and for specialty packaged items. In general, though, milk marketers expect fluid demand will be irregular during the next few weeks as post K-12 institutions and district school systems cycle through spring break and then restart class schedules. The closure of a bottling plant in Louisiana is scheduled for mid-May. Spot milk load availability is steady this week. While the cheese market is experiencing renewed interest for some varieties, a few cheese plants with ample cheese inventories offered milk spot loads to beef up cash reserves. Spot milk prices are mostly steady, ranging from \$1 - \$3 under Class. Cream supplies tightened this week. Production of sour cream, cream cheese, and aerated cream products increased at some Central facilities to fill in behind upcoming holiday sales. Class II cream multiples gained some points on the bottom and one point on the top of this week's range, 1.17 - 1.24, compared to last week's Class II multiples. Interest in condensed skim is mostly contract based as some cheese/powder plants are using internal condensed skim supplies to augment cheese yields.

## WEST

CALIFORNIA milk output is trending slightly higher on a weekly basis. Total levels are trailing year ago marks for the state, yet areas are seeing milk move near or slightly higher when compared to a year ago. Processing plants are running on active schedules to handle the available milk supplies in the state. No issues are expected with the current intakes and through the seasonal peak level. The economic issues facing dairy producers remain a big concern for the industry. Class I is fair to good and pulling some additional milk for upcoming holiday orders. ARIZONA milk production is mostly steady and generally thought to be at the

CONTINUED ON PAGE 4A

## CONTINUED FROM PAGE 4

seasonal peak. Weather conditions have been favorable for milk cows. The processing plants are running well and able to handle the milk and component supplies. Class I interest is good as handlers plan for holiday needs. CREAM markets are unsettled. Trade contacts note the disconnect between the high availability and often weak cream pricing, when contrasted to the firming butter price at the CME. Grade AA butter pricing at the CME closed at \$1.7000 on Wednesday, March 20, up 7 cents from a week earlier. Cream multiples are ranging 1.00 to 1.18, down slightly on the top end. Buyer interest is uneven as the Easter/Passover holidays approach and some fill in needs are met. Ice cream interest is slow to develop. Cooler weather arrived this week in the PACIFIC NORTHWEST, but remained well within typical ranges for this time of year. The weather was a neutral factor as milk production levels are reported to be near year ago. Processors within the region report few if any difficulties handling the available supplies. Many dairies are taking time to review their financial status and weigh options for the remainder of 2013. While expansion plans are looked at, dairies are aware of tighter lending policies from their financial partners. Milk pooled on the Pacific Northwest Order 124 totaled 645.2 million pounds in February 2013; approximately 603 producers delivered milk to the market. The average daily delivery per producer was 38,211 pounds. Class I utilization was 167.5 million pounds and accounted for 26.0% of producer milk. The producer price differential (PPD) for the Pacific Northwest Order was \$0.77 per cwt., resulting in a statistical uniform price of \$18.02. The statistical uniform price for the Pacific Northwest Order was \$0.39 below last month, and \$1.38 above the same month last year, an increase of 8.3%. UTAH and IDAHO milk supplies are steady as cooler weather entered the area. Overall milk in the region is equal to or slightly below year ago levels. Processing capacity remains above current milk supplies and milk is staying close to production areas. Dairy expansion is tempered by high feed costs and uncertainty over future pricing directions. According to NASS, February *Milk Production* for the 23 surveyed states totals 14.6 billion pounds, down 0.5 billion pounds, or -3.4% from last year. However, production was 0.1% above last year after adjusting for the leap year. Adjusted February milk production changes from a year ago for selected Western states are as follows: Arizona -3.4%, California -4.7%, Colorado +5.4%; Idaho -0.8%, New Mexico -0.5%, Oregon +1.6%, Utah -3.4%, and Washington -0.2%. Monthly milk production per cow for the 23 surveyed states was 1,722 pounds, up 3 pounds from an adjusted February 2012. Compared to February 2012, the Arizona herd is -2,000, California -2,000, Colorado +2,000, Idaho -2,000, New Mexico -13,000, Oregon unchanged, Utah -2,000, and Washington +1,000. These 8 states are down 18,000 cows, and the 23 surveyed states are down 13,000. February cow numbers in these 8 states were 4,000 more than the previous month.

## NONFAT DRY MILK, BUTTERMILK &amp; 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 markets regained some confidence early this week on the heels of the latest global DairyTrade(gDT) Oceania auction results. Skim milk powder prices on that site gained 7.7% for all contracts, averaging \$1.8371. The Central nonfat dry milk ranges, low and high heat, show unchanged, lower and higher results from lower contract bases and the uplift from the gDT. Butter/powder plant operators report they are returning to building NDM inventories with confidence in NDM values for nearby months. Some market participants pointed out the effect of the gDT may be transitory since domestic nonfat dry milk production historically trends higher from March to May. Nonfat dry milk production is active at many locations in the region. Condensed skim sales are reported as negligible outside of contracts. Some multi-end product operations are choosing to send condensed skim into cheese vats rather than through the dryers because of the recent strength in cheese markets. Contractual sales of condensed skim into Class II are creeping higher. Ice cream plants in the South Central boosted production runs on some frozen dessert items, but North Central ice cream plant operators recognize single digit morning/overnight temperatures are generally not sales enhancers for ice cream-type products. Their production is steady, with upticks expected in April.

**EAST:** Nonfat dry milk prices were mixed this week as spot sales increased the low end of the range, but sales based on various price indices lowered the upper end of the range. Spot market activity significantly increased this week sparked by sharp price increases for skim milk powder on the g/DT auction. Numerous buyers, after the auction, took the position that there was limited downside risk in the market and began to expand their inventories. Domestic end user demand increased marginally as some ice cream makers began to increase production and purchases of nonfat dry milk. Nonfat dry milk production remains strong as manufacturing milk supplies are more than ample, supported by seasonal increases in milk production. The market undertone has firmed, but due to the active production schedules at numerous plants and the unknown impact of the New Zealand drought on the international supply situation, the firmness in the market may be tenuous at best.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.4200 - 1.6175 MOSTLY: 1.4500 - 1.5800  
 HIGH HEAT: 1.6100 - 1.6500

**NONFAT DRY MILK - WEST**

Western low/medium heat NDM prices are lower for this reporting week. The market tone turned firmer at midweek as the market digested the sharp increase in SMP pricing levels at the gDT auction in New Zealand. The drought in New Zealand is impacting milk production as their milk season winds down. The implications on future pricing and demand for the U.S. market are unclear at this time, however the market tone has halted being weak and spot pricing levels have stopped trending lower. Buying interest has increased as buyers assess their needs and some seek coverage. Export interest is fair to good, not necessarily translating into sales yet. The domestic U.S. market is unsettled. Demand is uneven. Cheese producers are finding ample milk and condensed skim offerings and not utilizing NDM. Production of NDM in other U.S. regions is able to fill needs locally at better pricing points than the

West can fill. The pricing points are continuing to trend lower for the national and California indices. Western NDM production is active. High heat prices are slightly lower in a light test. The market is in good balance with supplies adequate to service current needs. Production runs are sporadic as some producers work on throughput and have limited time to make high heat.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.4000 - 1.5700 MOSTLY: 1.4500 - 1.5100  
 HIGH HEAT: 1.5275 - 1.6500

**DRY BUTTERMILK - CENTRAL AND EAST**

**CENTRAL:** Central dry buttermilk prices ticked higher as factors outside the buttermilk market influenced F.O.B. spot pricing this week. The CME Group Grade AA butter price tacked on 4 cents early in the week, and the latest global DairyTrade Oceania auction reported strong increases for skim milk powder. Domestic nonfat dry milk manufacturers registered a change of opinion on the value of their NDM stocks shortly after the release of the gDT results, with F.O.B. spot offer prices moving higher. Dry buttermilk prices followed that same path. Some market participants note nonfat dry milk production is on the verge of handling the flush, and are taking a wait and see approach to determine if this latest pricing influence will last. Dry buttermilk production is active in the region, although some churn operators note the churns are not quite at full production capacity. Cream supplies tightened this week as Class II demand builds incrementally.

**EAST:** Dry buttermilk prices were steady to marginally higher. Butter and dry buttermilk production continues to be active, supported by good export demand for butter. Current production of dry buttermilk is adding to supplies. Demand has increased slightly as some ice cream makers have increased production schedules. Some manufacturers are thinking the market may be near its low point, at least for the near term, as the nonfat dry milk market saw some slight price increases on the low end of the range this week. The market undertone remains weak as demand remains tepid and cream supplies remain heavy with good volumes going to churns.

F.O.B. CENTRAL/EAST: 1.3000 - 1.4400

**DRY BUTTERMILK - WEST**

Western dry buttermilk prices are slightly lower for sales recorded this week. However, the market tone is steadier as the week progressed. The market sentiment is bolstered by higher international market pricing and sellers are now less interested in clearing holdings as they assess the market trend. Buyers are not finding the quantity of offerings and the lower pricing levels they had seen. Stocks are being held with more confidence. Production levels remain active to process buttermilk solids in the region.

F.O.B. WEST: 1.3000 - 1.4100 MOSTLY: 1.3500 - 1.4000

CONTINUED ON PAGE 5A

## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

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

**CONTINUED FROM PAGE 5****DRY WHOLE MILK - NATIONAL**

Dry whole milk prices started the week level with last week, but picked up gains in component values throughout the week. Grade AA butterfat gained 4 cents at the CME Group trading site and skim milk powder posted steady gains at the global DairyTrade auction. Dry whole milk powder prices reaped benefits from those related sales, moving the entire range higher. Interest in dry whole milk is steady to improving as some market participants anticipate Oceania dry whole milk powder may become scarce in the months to come.

F.O.B. PRODUCING PLANT: 1.6700 - 1.8000

**CALIFORNIA MANUFACTURING PLANTS - NDM**

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
March 15	\$1.5011	15,421,560	0
March 8	\$1.5159	6,966,964	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**

Prices for Central dry whey are unchanged to lower as variable contracts declined, following movement on contract basis. The market tone continues to be weak as F.O.B. spot loads are available from several Central manufacturers. Interest is price driven at this time for F.O.B. spot loads. End users indicate they are able to obtain needed volumes readily, with some competition between resellers and manufacturers to fill needs to the same buyer. Dry whey production is active in the Central region, stemming from plentiful farm milk supplies as well as increasing cheese production as that market strengthens. ANIMAL FEED DRY WHEY prices are lower on both ends of the range. Additional spot loads from one or two manufacturers pushed the supply higher this week. Manufacturers showed interest in clearing volumes quickly and backed away from the usual market plus pricing for stocks on hand.

F.O.B. CENTRAL: .5100 - .6575 MOSTLY: .5200 - .5800  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4150 - .5200

**DRY WHEY - NORTHEAST**

The dry whey price range narrowed this week as the low end of the range moved higher, supported by spot sales, and the upper end of the range moved lower as sales based on various price indices declined. Active cheese and dry whey production continues to add to most manufacturers' inventories. Demand remains lackluster and spot sales need price discounts in order to complete transactions. Potential buyers are aware of the heavy production schedules and, for the most part, are purchasing for immediate needs only, feeling the market still has the potential for some downward movement. Export demand continues to be fairly good with discounts for block sales near the low end of the range. The market undertone remains weak.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5150 - .6575

**DRY WHEY - WEST**

Western dry whey prices are steady to weak. The lower prices are evidenced on the upper end of both price series. Dry whey production continued at strong levels as cheese plants are operating full schedules in many cases. Domestic contract whey deliveries are being filled on a timely basis. Whey is available above contract needs from manufacturing plants and brokers. Export interest is good as U.S. prices are competitive to world markets. Contacts report that the market may have stabilized as more end users have been active recently in acquiring product.

NONHYGROSCOPIC: .5100 - .6275 MOSTLY: .5300 - .5900

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

In the Central and West, whey protein concentrate 34% prices on the range are unchanged to lower; the mostly price series is steady. Early in the week, spot sale prices shifted the range 1 cent lower on the bottom, but manufacturers and buyers factored in the uptick in skim milk powder values on the international market by midweek. Demand is steady on contract volumes and F.O.B. spot loads are clearing with steady to improving interest into reseller and end user accounts. WPC 34% production is reportedly stronger at some facilities in the West as milk volumes are shifted around to accommodate current cheese and butter/powder needs.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.1100 - 1.2600 MOSTLY: 1.1800 - 1.2400

**LACTOSE - CENTRAL AND WEST**

Lactose markets are split between unground – 80 mesh and higher mesh sizes as to buyer interest, inventories, and pricing. The higher mesh size lactose market is now closely tied to contract fulfillment. The availability of spot loads of this type of lactose is tight. Unground – 80 mesh lactose F.O.B. spot loads are described as readily available from multiple sources, with prices mostly unchanged for the week. Lactose production is active throughout the Central and West. In both regions, internal and supply agreement milk supplies are steady to higher. A few plants are getting additional loads of milk from neighboring plants, as those plants balance inventories and manage milk supplies through maintenance projects.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .4500 -.8400 MOSTLY: .6100 - .7500

**CASEIN - NATIONAL**

Acid and rennet casein prices are unchanged. Second quarter contract pricing is being negotiated with slightly higher prices anticipated over first quarter deals. The gDT auction results for rennet casein averaged \$4.14 - 4.18 for May and June, up slightly. Product availability for future needs remains a big concern.

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: 3.9000 - 4.6000  
ACID: 4.5000 - 4.8500

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 2012

WEEK ENDING	WEEKLY DAIRY COWS	2013 CUMULATIVE DAIRY COWS	2012 WEEKLY DAIRY COWS	2012 CUMULATIVE DAIRY COWS
03/02/2013	63.2	580.5	61.2	551.2

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](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
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66

**CLASS IV MILK PRICES (3.5% BF)**

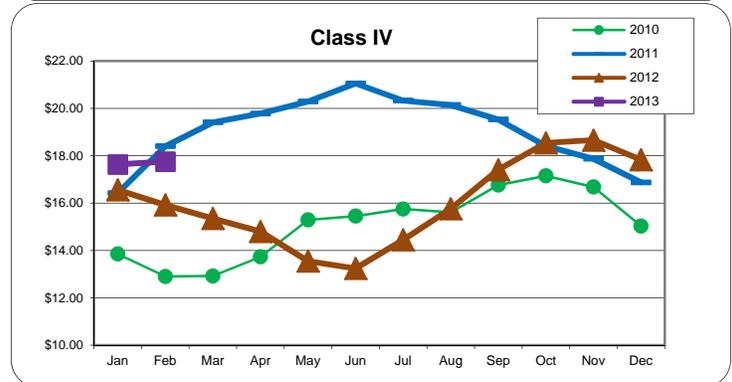
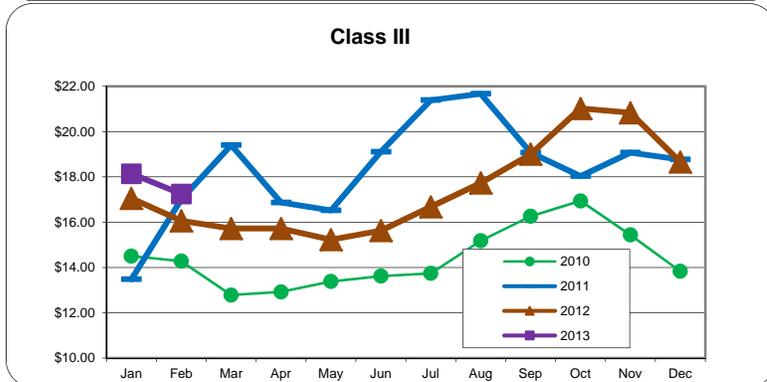
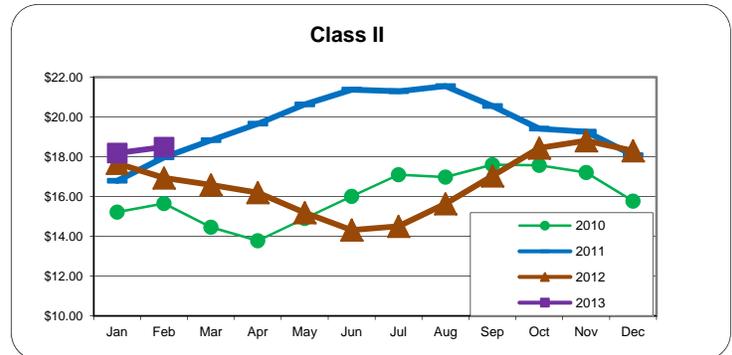
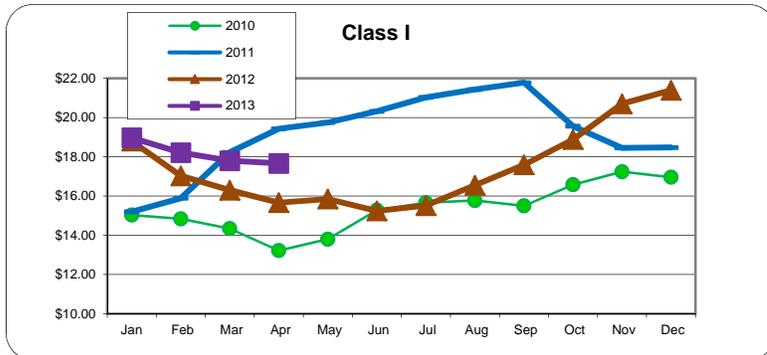
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83

**FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.97	18.21	17.80	17.66								
II	18.19	18.49										
III	18.14	17.25										
IV	17.63	17.75										

1/ Specific order differentials to be added to this base price can be found by going to:

[www.ams.usda.gov/DairyMarketingStatistics](http://www.ams.usda.gov/DairyMarketingStatistics); then select "Prices"; and then select "Principal Pricing Points."



ORGANIC DAIRY MARKET NEWS

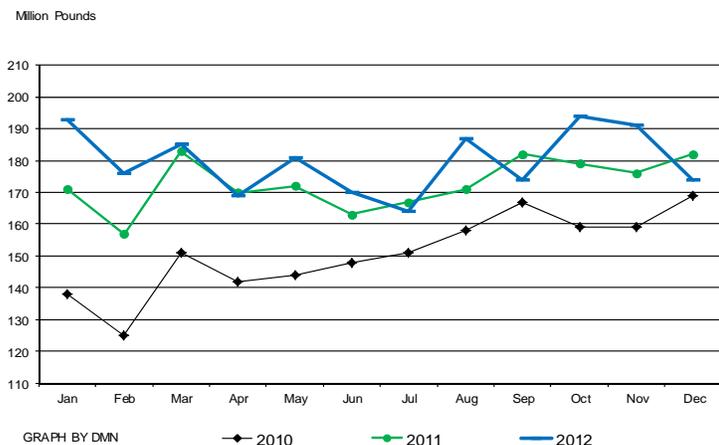
Information gathered March 11 - 22, 2013

ORGANIC DAIRY FLUID OVERVIEW

Organic cream continues to be readily available for butter churning. Manufacturers feel good about demand for organic butter. The demand is both retail sales as well as use of organic butter in other organic food. Competition among processors for organic producers to supply milk remains active. Nevertheless, there is increasing concern among organic dairy producers about the magnitude of increases in costs of production inputs balanced against available pay prices.

The following graph displays estimated U.S. sales of total organic milk products for 2010, 2011 and 2012. Data is from Estimated Total U.S. Sales of Fluid Milk Products, Agricultural Marketing Service, USDA.

Estimated U.S. Sales of Total Organic Milk Products



ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

**Organic Dairy Overview.** This period’s organic dairy ad numbers rebounded from the lowest level of 2013 two weeks ago, but only to the second lowest level.

Milk remains the largest category of organic dairy ads with 52% of total ads, up from 45%. Yogurt is narrowly second with 25% of ads, down from 37%, followed by butter with 23%, up from 10%. Organic butter achieved the largest percentage change from two weeks ago of any advertised organic dairy product, with ad numbers more than doubling. Cream cheese has well under 1% of ads.

Advertising information presented is compiled from nearly 16,000 surveyed newspaper supermarket ads for the period March 11, 2013, to March 22, 2013, identifying weekly “specials” and containing organic dairy content. Surveyed ads reflect advertised “specials” and not the range of non-advertised supermarket cooler prices.

Complete results of this bi-weekly survey providing additional graphs, tables, and regional delineation, follow at the end of Dairy Market News, or can be accessed at: <http://www.ams.usda.gov/AMSV1.0/DairyRetailReport>

**Regional Organic Dairy Ad Trends.** Regional ad volume is greatest for stores located in the Southeast, which represent 38% of total ads. Northeast stores are second with 34%, followed by 16% in the Midwest. Stores in each of the remaining regions constituted 6% or less of total ads.

**Organic Milk.** Ads for 8 ounce organic milk disappeared after four weeks ago being at the highest level since the beginning of

September last year. Total organic milk ad numbers are at the second lowest level of 2013, after four weeks ago being at the highest level since early September last year.

**Organic Milk Half Gallons.** The national weighted average advertised price of organic milk half gallons, \$3.65, is 25 cents higher than two weeks ago. One year ago the price was \$2.88.

The price range of \$2.99 to \$4.49 narrowed, increasing by 49 cents at the bottom and decreasing by 51 cents at the top.

The region with the highest average price is the Northeast, with \$4.01, while the Northwest has the lowest, \$2.99.

**Organic - Conventional Milk Half Gallon Price Spread.** The current national organic half gallon milk weighted average advertised price of \$3.65 compared with the weighted average advertised price for non-organic half gallons, \$1.35, yields an organic-conventional half-gallon milk advertised price spread of \$2.30, up 67 cents from two weeks ago. One year ago the price spread was 71 cents, with conventional half gallons priced \$2.17 and organic half gallons priced \$2.88.

**Organic Yogurt.** Organic yogurt ad numbers are led by 4-6 ounce organic Greek yogurt, closely followed by 32 ounce organic yogurt. Ads for 4-6 ounce organic yogurt number less than half of the two leaders, with a smattering of ads for 32 ounce organic Greek yogurt. The weighted average advertised price of 4-6 ounce organic Greek yogurt is \$1.21 and for 32 ounce organic yogurt, \$2.99.

**1 Pound Organic Butter.** Organic butter ads ran predominantly in the Midwest, Southeast and Northeast, with fewer than 10% of ads in the Northwest. The national weighted average advertised price is \$4.07, down from \$4.68 two weeks ago. One year ago the price was \$4.73.

**8 Ounce Organic Cream Cheese.** All ads ran in the Midwest, all priced \$2.99.

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. 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 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.

INFORMATION GATHERED 03/11/2013 - 03/22/2013

ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE 2013 REPORTING WEEK 12

MADISON, WISCONSIN			
	LOW	HIGH	RANGE
	(in Dollars)		
<b>FLUID MILK</b>			
<b>MILK - gallon</b>			
<b>Whole</b>	5.79	7.29	1.50
<b>Reduced fat (2%)</b>	5.79	7.29	1.50
<b>Low fat (1%)</b>	5.79	7.29	1.50
<b>Nonfat (Skim)</b>	5.79	7.29	1.50

CONTINUED ON PAGE 8-A

## ORGANIC DAIRY MARKET NEWS

Information gathered March 11 - 22, 2013

CONTINUED FROM PAGE 8

	LOW	HIGH	RANGE
<b>MILK - half gallon</b>			
<b>Whole</b>	3.99*	4.89	0.90*
<b>Reduced fat (2%)</b>	3.99*	4.89	0.90*
<b>Low fat (1%)</b>	3.99*	4.89	0.90*
<b>Nonfat (Skim)</b>	3.99*	4.89	0.90*
<b>FLAVMILK - half gallon</b>			
<b>All fat tests</b>	3.09	5.69	2.60
<b>YOGURT</b>			
<b>Yogurt - 4-6 oz</b>			
<b>Yogurt</b>	0.79	1.29	0.50
<b>CHEESE</b>			
<b>Cheese - 8 oz block</b>			
<b>Mozzarella</b>	3.40	5.75	2.35
<b>Mild Cheddar</b>	3.79	5.99	2.20
<b>Monterey Jack</b>	3.79	5.99	2.20
<b>Pepper Jack</b>	3.89	5.99	2.10
<b>Cheese - 6 oz string</b>			
<b>Mozzarella</b>	3.99	5.09	1.10
<b>Colby Jack</b>	3.89	4.99	1.10
<b>BUTTER</b>			
<b>Butter - 1 Pound</b>	4.79*	6.19	1.40*

\* = Price change from prior reporting period.

**ORGANIC GRAIN AND FEEDSTUFF MARKETS:**

National organic grains and feedstuffs were mostly steady on lackluster trading. Feed grade corn prices continued to be steady on very limited trading. While supplies are reportedly tight in some areas, buyers have reported that farmers with sizable grain stocks on hand are holding out for higher prices. The situation looks very similar to this time last year and in 2008. Last year we experienced price level strength due to a severe drought. In 2008 we witnessed processors and end users failing to maintain profitability because of higher input costs. Food grade wheat prices have started experiencing a two-tiered price range, depending on protein levels.

Additional livestock and grain market news information is available at: <http://www.ams.usda.gov/mnreports/lbfnof.pdf>

## FEBRUARY MILK PRODUCTION

Milk production in the 23 major States during February totaled 14.6 billion pounds, down 3.4 percent from February 2012. However, production was 0.1 percent above last year after adjusting for the leap year. January revised production at 15.9 billion pounds, was up 0.6 percent from January 2012. The January revision represented an increase of 6 million pounds or less than 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,722 pounds for February, 58 pounds below February 2012. However, production per cow was 3 pounds more than last February, adjusted for the leap year.

The number of milk cows on farms in the 23 major States was 8.50 million head, 13,000 head less than February 2012, but 2,000 head more than January 2013.

## FEBRUARY 2013 MILK COWS AND MILK PRODUCTION, BY STATES

STATE	MILK COWS <sup>1/</sup>		MILK PER COW <sup>2/</sup>		MILK PRODUCTION <sup>2/</sup>		
	2012	2013	2012	2013	2012	2013	% CHANGE FROM 2012
	THOUSANDS		POUNDS		MILLION POUNDS		PERCENT
AZ	192	190	2,060	1,940	396	369	-6.8
CA	1,784	1,782	1,965	1,810	3,506	3,225	-8.0
CO	133	135	1,865	1,865	248	252	1.6
FL	122	122	1,720	1,655	210	202	-3.8
ID	581	579	1,800	1,730	1,046	1,002	-4.2
IL	100	100	1,630	1,600	163	160	-1.8
IN	176	175	1,740	1,735	306	304	-0.7
IA	205	204	1,760	1,730	361	353	-2.2
KS	124	132	1,725	1,680	214	222	3.7
MI	374	377	1,875	1,870	701	705	0.6
MN	465	465	1,580	1,565	735	728	-1.0
MO	93	93	1,215	1,160	113	108	-4.4
NM	335	322	1,985	1,985	665	639	-3.9
NY	610	610	1,730	1,695	1,055	1,034	-2.0
OH	270	271	1,610	1,590	435	431	-0.9
OR	123	123	1,600	1,570	197	193	-2.0
PA	541	534	1,570	1,560	849	833	-1.9
TX	436	435	1,835	1,740	800	757	-5.4
UT	91	89	1,690	1,620	154	144	-6.5
VT	133	134	1,535	1,500	204	201	-1.5
VA	96	94	1,510	1,460	145	137	-5.5
WA	263	264	1,895	1,820	498	480	-3.6
WI	1,266	1,270	1,700	1,700	2,152	2,159	0.3
23 STATE TOTAL	8,513	8,500	1,780	1,722	15,153	14,638	-3.4

<sup>1/</sup> Includes dry cows. Excludes heifers not yet fresh.

<sup>2/</sup> Excludes milk sucked by calves.

**Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Milk Production, March 2013.*

## FEDERAL MILK ORDER ADVANCE PRICES, APRIL

**Base Class I Price.** Under the Federal milk order pricing system, the base Class I price for April 2013 is \$17.66 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$12.07 and the advanced butterfat pricing factor of \$1.7189. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Comparison to Previous Month.** Compared to March 2013, the base Class I price decreased \$0.14 per cwt. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.16 per cwt., -\$0.014 per gallon; reduced fat milk (2%), -\$0.23 per cwt., -\$0.020 per gallon; fat-free (skim milk), -\$0.34 per cwt., -\$0.029 per gallon. **Class II Price Information.** The advanced Class IV skim milk pricing factor is \$12.07. Thus, the Class II skim milk price for April is \$12.77 per cwt., and the Class II nonfat solids price is \$1.4189. **Product Price Averages.** The two-week product price averages for April are: butter \$1.5909, nonfat dry milk \$1.5219, cheese \$1.6402, and dry whey \$0.6094.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION <sup>1/2/</sup>				
Federal Milk Order Marketing Area <sup>3/</sup>	Order Number	April-2013		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) <sup>4/</sup>	001	20.91	15.32	1.7514
Appalachian (Charlotte) <sup>5/ 6/</sup>	005	21.06	15.47	1.7529
Southeast (Atlanta) <sup>6/ 7/</sup>	007	21.46	15.87	1.7569
Florida (Tampa) <sup>6/ 8/</sup>	006	23.06	17.47	1.7729
Mideast (Cleveland) <sup>9/</sup>	033	19.66	14.07	1.7389
Upper Midwest (Chicago) <sup>10/</sup>	030	19.46	13.87	1.7369
Central (Kansas City) <sup>11/</sup>	032	19.66	14.07	1.7389
Southwest (Dallas) <sup>12/</sup>	126	20.66	15.07	1.7489
Arizona (Phoenix)	131	20.01	14.42	1.7424
Pacific Northwest (Seattle) <sup>13/</sup>	124	19.56	13.97	1.7379
All-Market Average		20.55	14.96	1.7478

<sup>1/</sup> To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk. <sup>2/</sup> 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. <sup>3/</sup> Names in parentheses are the major city in the principal pricing point of the markets. <sup>4/</sup> 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.

<sup>5/</sup> Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10. <sup>6/</sup> Effective May 1, 2008, the Class I price surface in these orders were temporarily adjusted. <sup>7/</sup> Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90;

Nashville, minus \$0.90; and Springfield, MO, minus \$1.40. <sup>8/</sup> Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40. <sup>9/</sup> Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20. <sup>10/</sup> Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10. <sup>11/</sup> 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.

<sup>12/</sup> 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.

<sup>13/</sup> Class I prices at other cities are: Portland, same; and Spokane, same.

**FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, FEBRUARY 2013**

**HIGHLIGHTS.** Handler reports of receipts and utilization under the Federal milk order system for February have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During February, more than 10.5 billion pounds of milk were received from producers. This volume of milk is 0.3 percent lower than the February 2012 volume after factoring for the extra leap year day in 2012. In February 2012 and February 2013, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.4 billion pounds of producer milk were used in Class I products, 0.7 percent lower than the previous year after factoring for the extra leap year day in 2012. The all-market average Class utilization percentages were: Class I = 32%, Class II = 11%, Class III = 45% and Class IV = 12%. The weighted average statistical uniform price was \$18.70 per cwt., \$0.49 lower than last month and \$1.36 higher than last year.

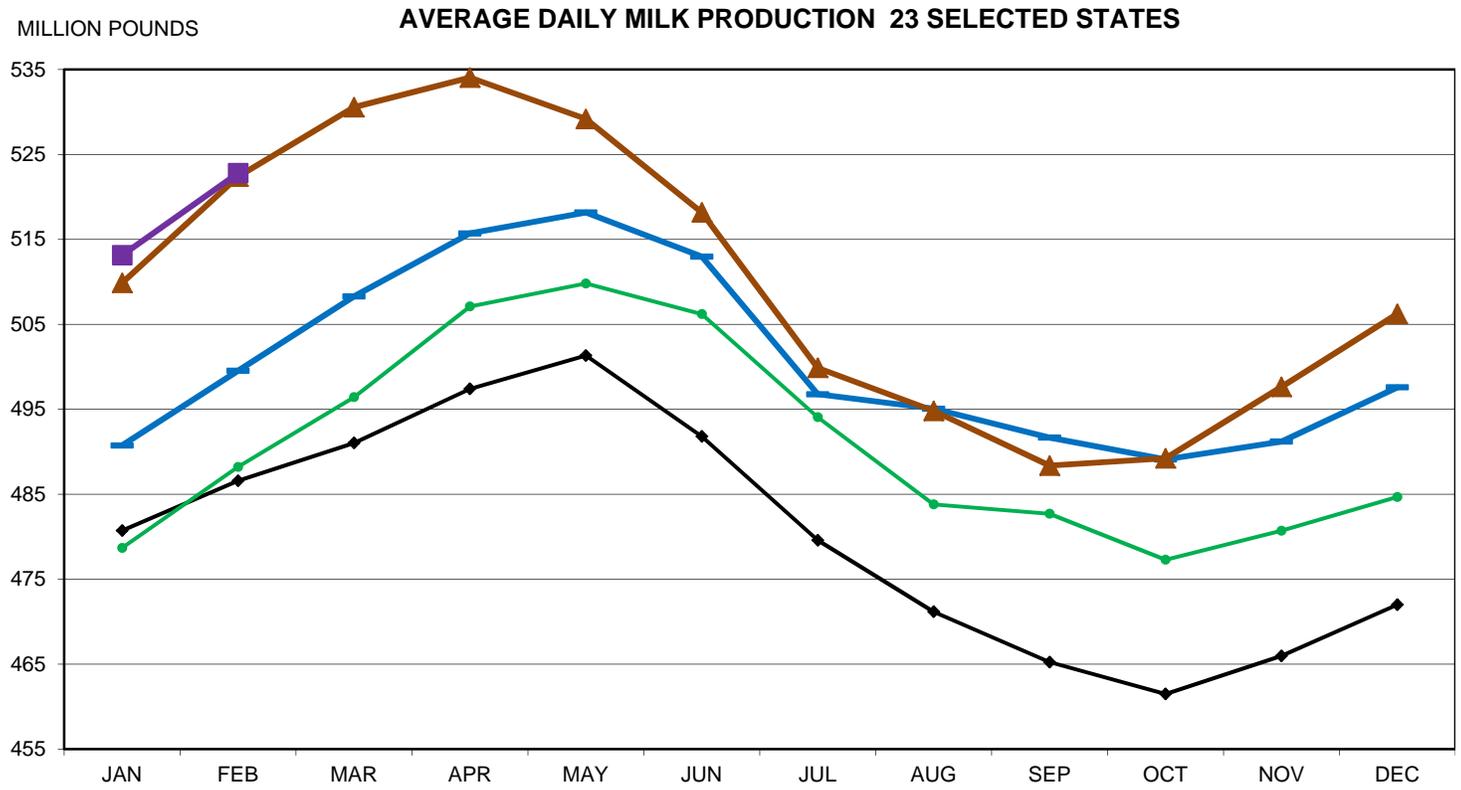
PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF FEBRUARY 2013										
FEDERAL MILK ORDER MARKETING AREA 1/	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE 2/
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV. YEAR	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			\$ PER CWT.
Northeast (Boston)	001	1,982.6	3.7	756.0	-0.9	38	25	25	12	19.43
Appalachian (Charlotte)	005	460.2	-5.1	310.8	-7.5	68	13	6	13	20.66
Florida (Tampa)	006	229.1	-1.8	197.6	0.3	86	8	3	3	22.90
Southeast (Atlanta)	007	515.9	-5.7	342.6	-2.8	66	10	16	8	21.05
Upper Midwest (Chicago)	030 3/	2,698.9	3.2	296.0	-0.6	11	2	86	1	17.57
Central (Kansas City)	032 3/	1,174.2	-11.5	391.8	3.3	33	9	40	18	18.11
Mideast (Cleveland)	033 3/	1,365.3	-3.8	508.6	3.4	37	15	31	17	18.37
Pacific Northwest (Seattle)	124	645.2	0.4	167.5	-2.6	26	6	44	24	18.02
Southwest (Dallas)	126	1,128.4	7.8	336.3	-1.2	30	9	51	10	18.86
Arizona (Phoenix)	131	378.8	-1.9	108.0	-1.1	29	8	24	39	18.51
<b>ALL MARKET AVERAGE OR TOTAL</b>	<b>3/</b>	<b>10,578.6</b>	<b>-0.3</b>	<b>3,415.1</b>	<b>-0.7</b>	<b>32</b>	<b>11</b>	<b>45</b>	<b>12</b>	<b>18.70</b>

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.

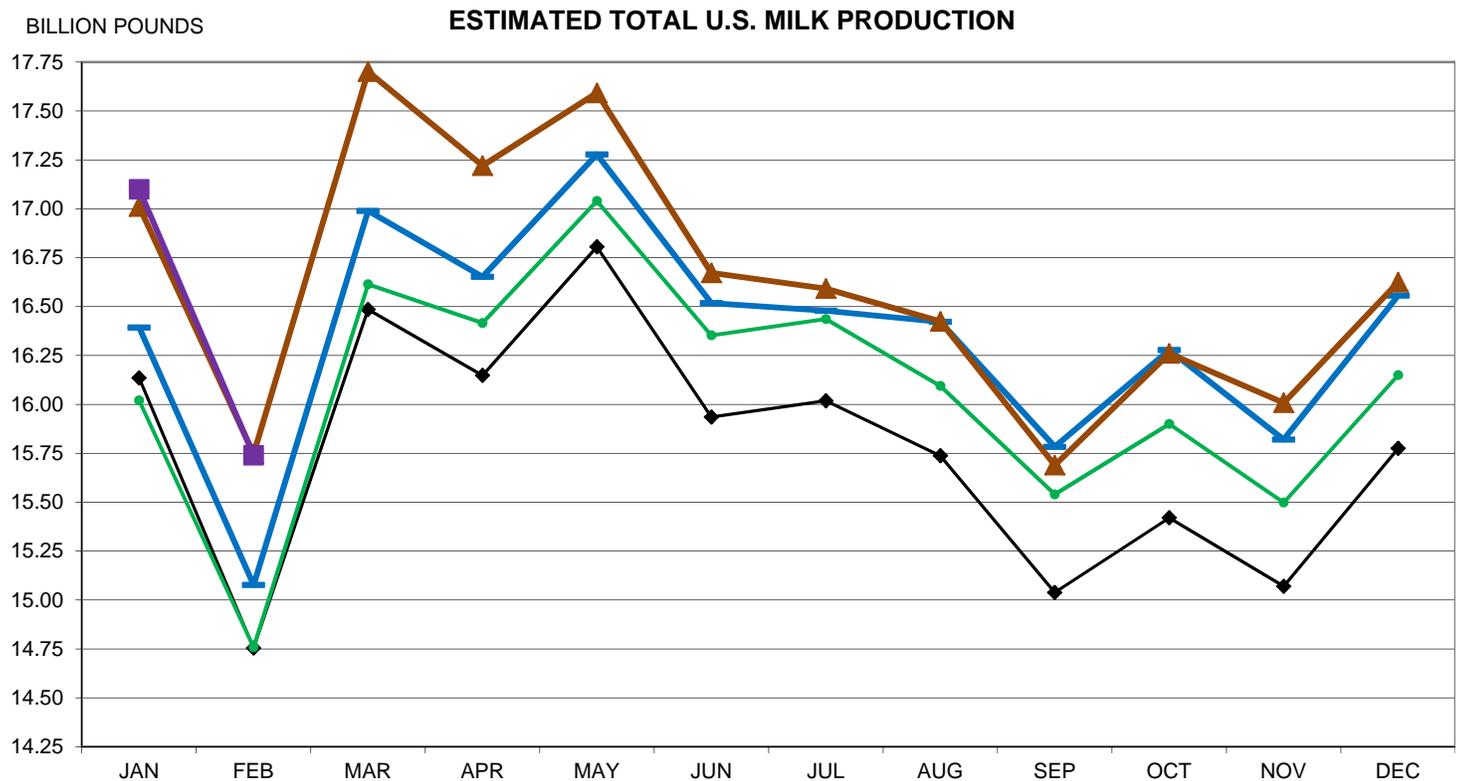
3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 269.5 million pounds of milk that normally would have been associated with these markets. In February 2012, the estimated not pooled volume of milk was 147.7 million pounds, occurring in the same order numbers 030, 032, and 033. After adjusting for non pooled milk, the year-to-year percent change after factoring the extra leap year day in 2012 is -0.8%.

Report Contact: Randal Stoker, [randal.stoker@usda.gov](mailto:randal.stoker@usda.gov) or 202-690-1932.



DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—◆— 2009    —●— 2010    —■— 2011    —▲— 2012    —■— 2013



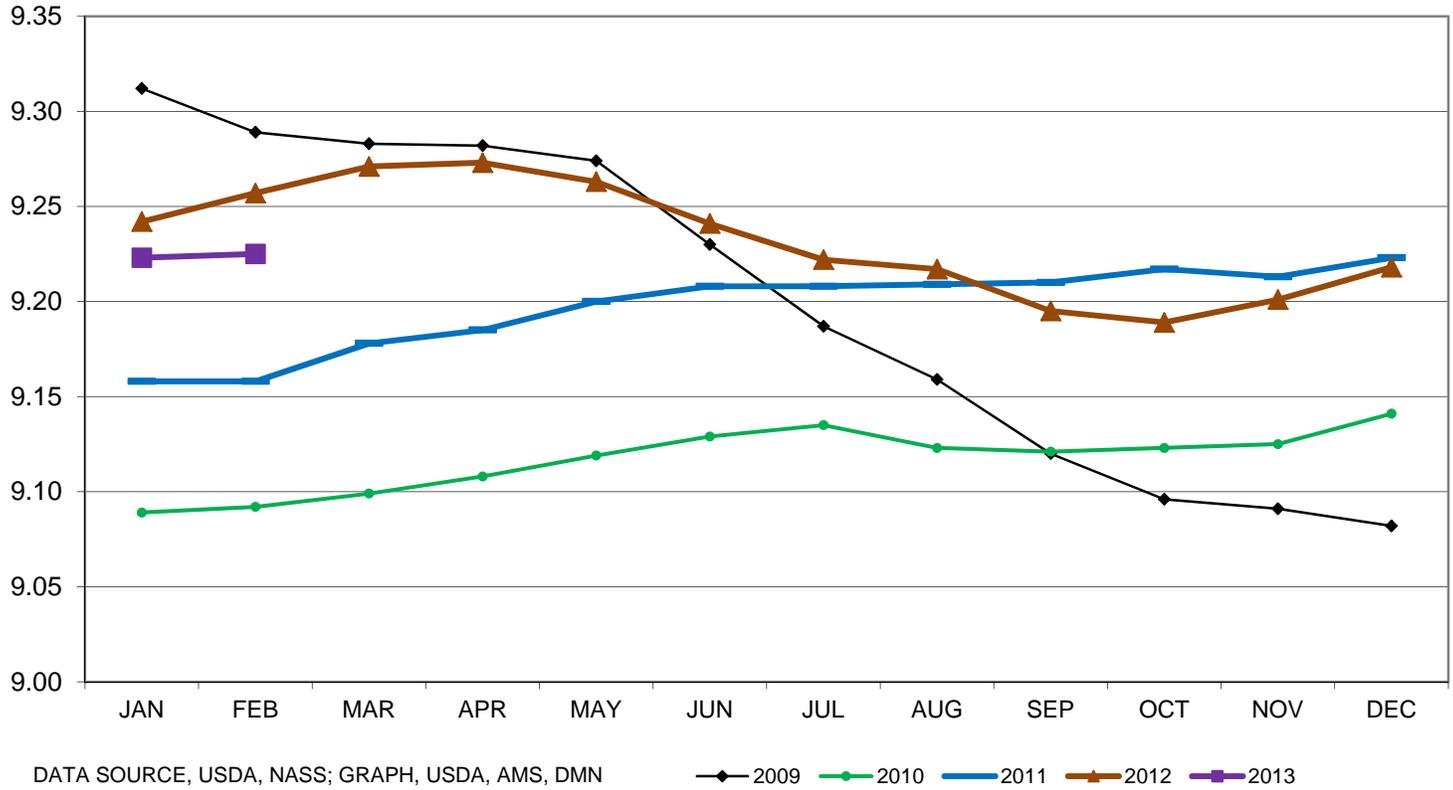
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—◆— 2009    —●— 2010    —■— 2011    —▲— 2012    —■— 2013

NOTE: FEB DATA FOR 2012 ADJUSTED TO 28 DAY EQUIVALENT

MILLION HEAD

**U.S. TOTAL DAIRY COW NUMBERS**



MILLION HEAD

**U.S. TOTAL DAIRY COW NUMBERS**





## Dairy Market News Branch

Agricultural  
Marketing  
Service

# National Dairy Retail Report

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

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Friday, March 22, 2013

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 03/11 to 03/22

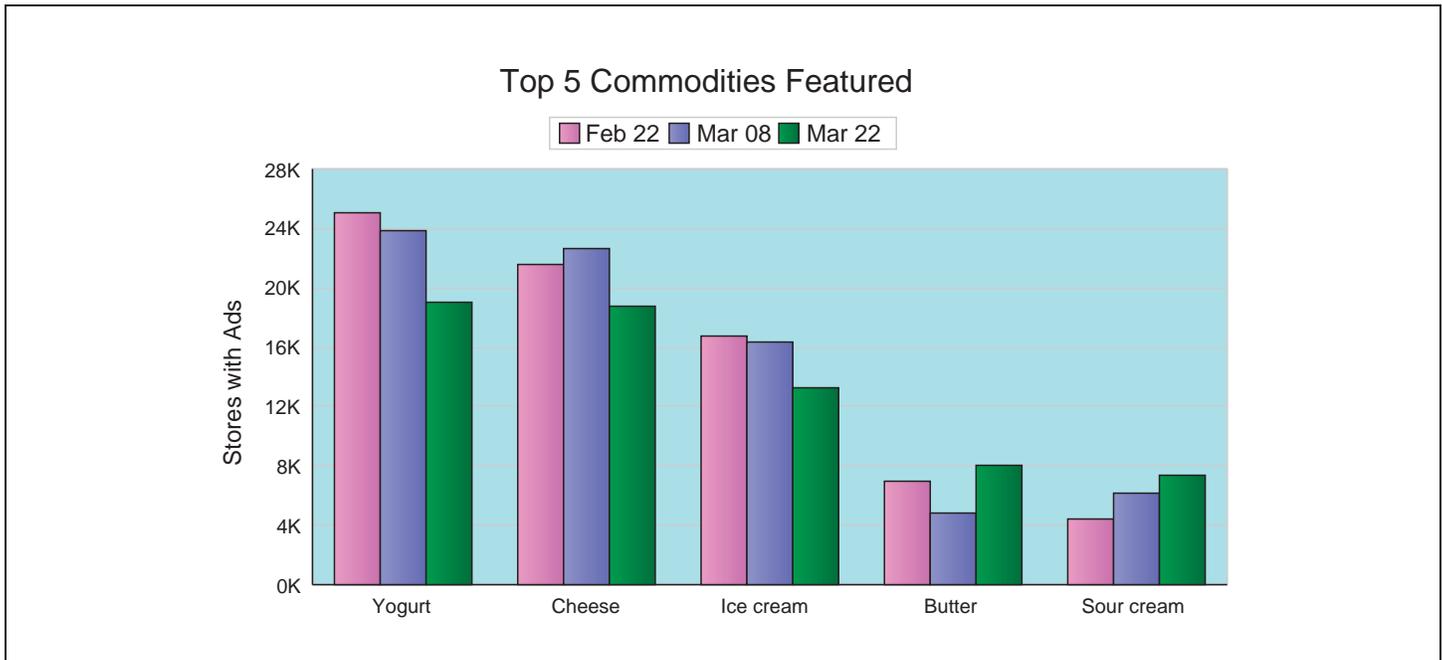
The most advertised cheese category, 8 ounce shredded, has an increase in the weighted average advertised price of 1 cent, to \$2.31. The price this year has been as high as \$2.51. The second most advertised cheese category, 8 ounce blocks, declined in price 8 cents, to \$2.34. The price this year has been as high as \$2.52

Butter's national weighted average advertised price for a 1 pound package decreased 29 cents to \$2.50. Butter ad volume was up by 52%.

Ad volume for all yogurt types and sizes declined, but 4-6 ounce Greek yogurt remains the most advertised yogurt product, with a price unchanged from two weeks ago, \$1.00. The price of 4-6 ounce yogurt is up 1 cent to \$.49. Yogurt in 32 ounce containers increased 7 cents to \$2.43 while 32 ounce Greek yogurt declined \$.66 to \$3.95.

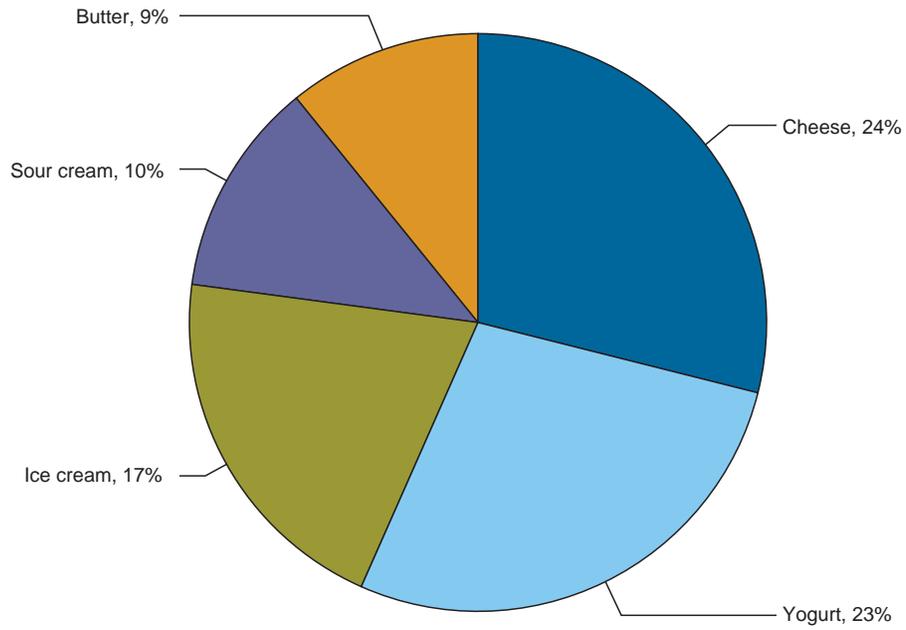
The national weighted average advertised conventional milk price for half gallons this period, \$1.35, decreased 42 cents from two weeks ago, following a 35 cent increase two weeks before that. Organic half-gallon prices averaged \$3.65, up 25 cents from two weeks ago, following a previous 9 cent decrease. The resulting organic-conventional half-gallon price spread is \$2.30, up 67 cents from two weeks ago.

This issue commences current data comparison with data one year earlier.

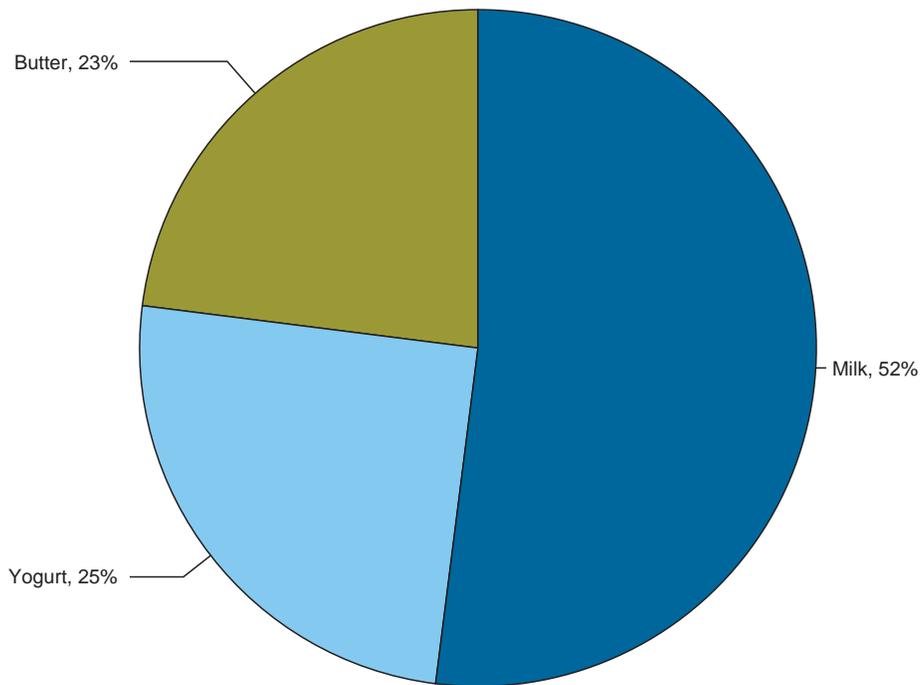


1 -- Dairy Market News surveys more than 150 retailers, comprising nearly 16,000 individual stores, with online weekly advertised features.  
2 -- Date range reflects two-week period, however only one data collection per retailer is made during the period.

### 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		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	6770	2.50	4453	2.79	3714	2.71
Cheese	Natural Varieties	8 oz block	5379	2.34	7170	2.42	5210	2.50
Cheese	Natural Varieties	1 # block	2562	4.19	3700	3.62	2370	3.28
Cheese	Natural Varieties	2 # block	1760	7.47	531	8.56	2827	6.34
Cheese	Natural Varieties	8 oz shred	7400	2.31	8338	2.30	8410	2.34
Cheese	Natural Varieties	1 # shred	1712	3.87	2351	3.33	2404	3.50
Cottage cheese		16 oz	3189	1.88	3047	1.87	2810	2.15
Cream cheese		8 oz	4104	1.51	5878	1.64	4546	1.79
Flavored milk	All fat tests	half gallon	824	2.40	379	2.32	650	2.17
Flavored milk	All fat tests	gallon	175	2.66	1193	3.28	489	2.64
Ice cream		48-64oz	13308	3.19	16340	3.10	16979	3.25
Milk	All fat tests	half gallon	636	1.35	313	1.77	935	2.10
Milk	All fat tests	gallon	3859	2.79	4649	2.79	4646	2.74
Sour cream		16 oz	7422	1.67	6112	1.55	5710	1.70
Yogurt	Greek	4-6 oz	9401	1.00	12675	1.00	7725	.99
Yogurt	Greek	32 oz	219	3.95	584	4.61	670	4.47
Yogurt	Yogurt	4-6 oz	6800	.49	7872	.48	7430	.53
Yogurt	Yogurt	32 oz	1237	2.43	1308	2.36	3558	1.86

## 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 #	1.98-3.69	2390	2.54	2.29-2.99	1652	2.52	1.49-2.69	1082	2.26
Cheese	Natural Varieties	8 oz block	1.25-3.00	3047	2.43	1.67-3.00	785	2.50	1.49-2.50	912	2.04
Cheese	Natural Varieties	1 # block	2.99-4.99	1231	4.00	3.99	30	3.99	2.99-3.99	195	3.84
Cheese	Natural Varieties	2 # block	7.49	112	7.49	7.49	116	7.49			
Cheese	Natural Varieties	8 oz shred	1.67-3.00	2234	2.52	1.67-3.00	1315	2.38	1.49-2.50	1635	1.95
Cheese	Natural Varieties	1 # shred	3.99-4.39	560	4.03				2.99-3.99	340	3.55
Cottage cheese		16 oz	1.99-2.50	1524	2.11	1.50-2.50	492	2.05	1.25-1.99	248	1.55
Cream cheese		8 oz	0.99-2.50	1333	1.55	1.00-2.00	1060	1.61	0.98-2.00	1653	1.42
Flavored milk	All fat tests	half gallon	2.50-3.29	353	3.03	2.49	53	2.49	1.49-3.00	382	1.86
Flavored milk	All fat tests	gallon							2.99-3.44	54	3.22
Ice cream		48-64oz	1.98-4.99	2653	2.95	2.49-5.99	3522	3.00	1.99-4.00	2355	3.13
Milk	All fat tests	half gallon				1.67	34	1.67	1.00-1.66	573	1.29
Milk	All fat tests	gallon	3.49-4.29	212	3.66	2.79-3.49	1242	3.00	2.50-2.88	426	2.62
Sour cream		16 oz	1.24-2.00	3197	1.66	1.25-1.99	1456	1.57	1.25-2.19	1064	1.89
Yogurt	Greek	4-6 oz	0.75-1.25	2878	1.03	0.90-1.00	3418	.99	0.89-1.00	1452	.98
Yogurt	Greek	32 oz	2.50-4.99	219	3.95						
Yogurt	Yogurt	4-6 oz	0.33-0.60	2249	.46	0.34-0.50	864	.45	0.33-0.60	1062	.50

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	2.29-2.99	359	2.64	2.00	195	2.00	2.00-3.00	614	2.47

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-3.00	624	2.70	2.50	805	2.50	2.50-2.69	217	2.53
Cheese	Natural Varieties	8 oz block	1.49-2.99	321	2.30	1.48-2.50	314	1.98			
Cheese	Natural Varieties	1 # block	3.79	32	3.79	3.99-4.99	872	4.39	4.99	202	4.99
Cheese	Natural Varieties	2 # block	6.99-7.99	468	7.51	4.99-8.99	766	8.02	5.99	298	5.99
Cheese	Natural Varieties	8 oz shred	1.49-2.99	1318	2.42	1.48-2.50	745	2.21	1.99-2.00	153	2.00
Cheese	Natural Varieties	1 # shred	3.34	135	3.34	2.99-3.99	395	3.69	2.99-4.99	282	4.42
Cottage cheese		16 oz	1.25-2.50	503	1.49	1.25-2.29	307	1.52	1.25-1.99	115	1.48
Cream cheese		8 oz	1.25	29	1.25				1.25	29	1.25
Flavored milk	All fat tests	half gallon	1.99	36	1.99						
Flavored milk	All fat tests	gallon	2.19	87	2.19	2.99	34	2.99			
Ice cream		48-64oz	1.48-4.99	1368	3.67	2.50-3.99	2502	3.39	2.50-3.99	908	3.55
Milk	All fat tests	half gallon							1.99	29	1.99
Milk	All fat tests	gallon	1.99-3.00	785	2.25	1.79-3.45	816	2.95	2.50-2.59	378	2.57
Sour cream		16 oz	1.25-2.18	859	1.63	1.25-1.99	556	1.58	1.25-1.99	290	1.60
Yogurt	Greek	4-6 oz	0.99-1.00	623	1.00	0.69-1.00	799	.95	1.00	231	1.00
Yogurt	Yogurt	4-6 oz	0.33-0.69	825	.51	0.50	1067	.50	0.50-0.89	733	.54
Yogurt	Yogurt	32 oz				1.99	34	1.99	2.50	35	2.50

### NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	1247	4.07	400	4.68	556	4.73
Cheese	Natural Varieties	8 oz block			264	3.99	62	3.99
Cottage cheese		16 oz					80	2.99
Cream cheese		8 oz	26	2.99	26	2.99		
Milk	All fat tests	half gallon	2452	3.65	1334	3.40	2531	2.88
Milk	All fat tests	gallon	306	5.99	340	5.99		
Milk	All fat tests	8 oz UHT			34	1.00	80	1.00
Sour cream		16 oz					165	2.49
Yogurt	Greek	4-6 oz	592	1.21	259	1.13	182	1.00
Yogurt	Greek	32 oz	26	3.99	26	3.99		

Wtd Avg - Simple weighted average



Yogurt	Yogurt	4-6 oz	258	.77	629	.71	1295	.69
Yogurt	Yogurt	32 oz	446	2.99	508	2.46	376	3.00

### REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.99-4.99	281	4.15	3.99	398	3.99	3.99-5.99	450	4.11
Cream cheese		8 oz							2.99	26	2.99
Milk	All fat tests	half gallon	3.50-4.49	850	4.01	3.29-4.00	1134	3.53	2.99-4.00	182	3.34
Milk	All fat tests	gallon				5.99	105	5.99	5.99	165	5.99
Yogurt	Greek	4-6 oz	0.60-1.25	247	1.01	1.25	202	1.25			
Yogurt	Greek	32 oz							3.99	26	3.99
Yogurt	Yogurt	4-6 oz	0.67	63	.67	0.80	195	.80			
Yogurt	Yogurt	32 oz	2.99	376	2.99						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #							3.99	118	3.99
Milk	All fat tests	half gallon	4.00	88	4.00				2.99	198	2.99
Milk	All fat tests	gallon	5.99	36	5.99						
Yogurt	Greek	4-6 oz				1.50	143	1.50			
Yogurt	Yogurt	32 oz				2.99	70	2.99			

Notice: Effective with Report 12, 2013, the tables breaking out information by national and store brands are no longer available.

#### 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

# DAIRY MARKET NEWS

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