

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (2/07):**

**BUTTER:** Grade AA closed at \$1.8200. The weekly average for Grade AA is \$1.8660 (-.0275).

**CHEESE:** Barrels closed at \$2.2050 and 40# blocks at \$2.2325. The weekly average for barrels is \$2.2930 (-.0060) and blocks, \$2.3215 (-.0155).

**BUTTER HIGHLIGHTS:** Butter production is mostly steady as cream supplies are mixed. Some butter churn operators in the Northeast and Central regions were able to secure extra cream supplies, while supplies were tighter for others, especially in the West. Domestic demand is steady with some sales to retail slowing due to current high prices. U.S. butter makers maintain a price advantage over Oceania and European prices resulting in continued active export sales. Butter stocks are adequate to light. Bulk butter prices decreased slightly in the Northeast ranging 5 to 8 over the market, increased in the Central to 3 to 10 cents over, and remained market to 4 under in the West, based on the CME. The DMN National Dairy Retail Report noted the national weighted average advertised price for a 1 lb. package of butter in the U.S. was \$2.97, a 12 cent increase from two weeks ago and 17 cents higher than a year ago. This most expensive advertised retail butter was found in the Northeast region at \$3.50 for a 1 lb. package, while the cheapest was also in the Northeast at \$1.99. The NASS Dairy Products noted U.S. butter production totaled 161.1 million pounds during December 2013, down 6.9% from a year ago. Cumulative 2013 U.S. butter production totaled 1.867 billion pounds, 0.4% higher than in 2012. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 0.21 million pounds of butter this week. Grade AA butter pricing movement at the CME Group was similar to last week, starting off higher before going lower later in the week, closing at \$1.8200 Friday, down 6 cents from last Friday. The CME Group monthly average price for January 2014 for Grade AA butter is \$1.7756, compared to \$1.4933 a year ago.

**CHEESE HIGHLIGHTS:** Recent record high cheese prices are beginning to meet more price resistance. This week saw the first price declines in daily trading at the CME Group for the new year. With the Super Bowl over, there are fewer big cheese demand events ahead and buyers are reluctant to increase inventories at current price levels. International demand, while good, is slowing as U.S. prices are more in line with world prices. Cheese plants are beginning to see increased milk volumes across much of the country, but are also wary of

building high value stocks. Plants hoping to reduce production are finding willing milk buyers at butter/powder plants. The higher prices of 2014 are reflected in sharply higher year over year monthly averages. The January 2014 CME Group monthly average price for blocks at \$2.2227 compared to last January's price of \$1.6965. Barrels for January 2014 averaged \$2.1727 compared to a year ago price of \$1.6388. At the CME Group, blocks closed Friday down 9.75 cents at \$2.2325. Barrels closed down 9.5 cents to \$2.2050. Compared to last Friday's close, blocks are 12.75 cents lower, and barrels are 11.5 cents lower.

**FLUID MILK:** Milk production in the U.S. is mostly increasing with some areas, which were hit by severe cold weather, seeing growth not quite up to forecasted expectations. Weather conditions caused transportation issues for many Eastern locations and in the Central region as storms passed through. Bottlers took on extra loads in parts of the country with a mostly steady overall demand. Class II interest has recently been a little sluggish, otherwise steady for the most part. Class IV demand for milk supplies is increasing as various areas took on extra volumes this week as ice cream production season is starting to kickoff. Drought concerns in California are on the forefront of dairy producers' minds.

**DRY PRODUCTS:** Prices for low/medium heat nonfat dry milk are mixed amongst the regions, but for the most part slightly lower. The market tone is mixed with steady demand and adequate inventories. High heat NDM prices were steady in West, but slightly higher in the Central and East regions. Prices for dry buttermilk are higher. Dry whole milk prices were unchanged to lower with moderate inventories. Prices for dry whey increased in all the regions on a steady to firm market. Whey protein concentrate 34% prices increased as buyers are finding it difficult to secure specific product. Prices for lactose moved up slightly. Several lactose producers are having problems with getting specific shipping containers for export use. Casein prices are steady with tight supplies present.

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CME GROUP CASH TRADING

COMMODITY	MONDAY FEB 03	TUESDAY FEB 04	WEDNESDAY FEB 05	THURSDAY FEB 06	FRIDAY FEB 07	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	\$2.3200 (N.C.)	\$2.3200 (N.C.)	\$2.3200 (N.C.)	\$2.3000 (-.0200)	\$2.2050 (-.0950)	:: (-.1150)	:: \$2.2930 (-.0060)
40# BLOCKS	\$2.3600 (N.C.)	\$2.3600 (N.C.)	\$2.3250 (-.0350)	\$2.3300 (+.0050)	\$2.2325 (-.0975)	:: (-.1275)	:: \$2.3215 (-.0155)
NONFAT DRY MILK							
GRADE A	\$2.0400 (N.C.)	\$2.0000 (-.0400)	\$2.0000 (N.C.)	\$2.0175 (+.0175)	\$2.0175 (N.C.)	:: (-.0225)	:: \$2.0150 (-.0395)
BUTTER							
GRADE AA	\$1.8900 (+.0100)	\$1.8900 (N.C.)	\$1.8800 (-.0100)	\$1.8500 (-.0300)	\$1.8200 (-.0300)	:: (-.0600)	:: \$1.8660 (-.0275)

NATIONAL DAIRY MARKET NEWS AT A GLANCE

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**ORGANIC DAIRY MARKET NEWS (DMN):** AMS reports total organic milk products sales for November 2013, 193 million pounds, were up 0.7% compared with November 2012 and up 4.3% January through November 2013 compared with the same period of 2012. The national weighted average organic milk price for half gallons is \$3.59 and for conventional half-gallon milk, \$1.69. The organic-conventional half-gallon price spread is \$1.90, up 46 cents from the last period. One year ago the price spread was \$1.58. The national weighted average advertised price for organic gallons is \$5.09, down 71 cents from the last reported period. The national weighted average advertised price of 4-6 ounce Greek yogurt is \$1.03, down 11 cents from two weeks ago. 4-6 ounce organic yogurt has an average price of \$.61, down 6 cents from two weeks ago. Some organic dairy farmers in parts of the West continue selling cows and reducing herd size, citing pay prices “too low to keep them.” Factors behind many sales are costs of the continuing drought in parts of the West, as well as the costs of organic feed. These cow sales are believed to be tempering seasonal increases in western organic milk production.

**NATIONAL DAIRY RETAIL REPORT (DMN):** Of the three most advertised dairy categories, national cheese ads are up by 40% from 2 weeks ago, the first time this year that cheese ad numbers lead yogurt as the most advertised dairy product. Yogurt ads declined slightly and ice cream numbers are virtually unchanged. Dairy ad numbers overall are up. Ad numbers for 8 ounce shredded cheese, the most advertised cheese category, increased by nearly 40%. The average price, \$2.18, is down by 13 cents from two weeks ago and down by 28 cents from last year. The second largest cheese category, 8 ounce block, is up over 60% in ad numbers. The average price is \$2.30, up 10 cents from the last report and up 2 cents from last year. 4-6 ounce Greek yogurt ads lead the yogurt category. The weighted average advertised price, \$.99, is up 2 cents from 2 weeks ago and even with a year ago. The bulk of remaining yogurt ads are for 4-6 ounce yogurt, with an average price of \$.52, unchanged from two weeks ago and up 1 cent from last year. 48-64 ounce ice cream ad numbers remain almost unchanged. The average price, \$3.09, declined 18 cents from two weeks ago and is 2 cents below a year ago. Prices range from \$1.99 in the Southwest to \$5.99 in the Southeast, Midwest and South Central regions. The national weighted average conventional milk price for half gallons is \$1.69 and for organic half-gallon milk, \$3.59. The organic-conventional half-gallon price spread is \$1.90, up 46 cents from the last period. One year ago the price spread was \$1.58.

**INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN):** At the February 4 GDT event #109, average prices ranged from 4.3% lower to 2.6% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$5,569 -1.2%; butter, \$4,745 +2.6%; buttermilk powder, \$4,775 -1.2%; cheddar cheese, \$4,935 -4.3%; lactose, \$1,780 -2.7%; milk protein concentrate, \$9,334 -3.3%; rennet casein, \$11,876 -3.7%; skim milk powder, \$4,746 N.C.; and whole milk powder, \$5,005 +1.4%.

**JANUARY AGRICULTURAL PRICE HIGHLIGHTS (NASS):** The All Milk price received by farmers was \$23.20 in January, up \$1.20 from December 2013 and up \$3.30 from January 2013. Milk Cows price was \$1,440 in January, up \$70 from January 2013. Alfalfa hay price was \$185.00 in January, down \$32.00 from January 2013. Corn price was \$4.37 in October, down \$2.59 from January 2013. Soybean price was \$13.00 in January, down \$1.30 from January 2013. The milk-feed price ratio was 2.44 in January, up 0.87 from January 2013. The index of prices received by farmers for dairy -1A-

products during the month of January 2014 was up 6 points to 115. Compared to January 2013, the index was up 16 points (16.2%). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2014 was up 1 point to 106. Compared with January 2013, the index was unchanged.

**DECEMBER DAIRY PRODUCTS (NASS): BUTTER** production was 161.1 million pounds, 6.9% below December 2012 but 12.9% above November 2013. **AMERICAN TYPE CHEESE** production totaled 375.9 million pounds, 2.2% below December 2012 but 6.6% above November 2013. **TOTAL CHEESE** output (excluding cottage cheese) was 972.7 million pounds, 2.3% above December 2012 and 4.9% above November 2013. **NONFAT DRY MILK** production, for human food, totaled 124.9 million pounds, 20.8% below December 2012 but 24.2% above November 2013. **DRY WHEY** production, for human food, was 81.3 million pounds, 4.1% below December 2012 but 10.2% above November 2013. **ICE CREAM (hard)** production totaled 43.1 million gallons, 11.0% below December 2012 and 17.1% below November 2013.

**JANUARY CLASS AND COMPONENT PRICES (DAIRY PROGRAMS):** The following are the January 2014 prices under the Federal milk order pricing system and changes from the previous month: Class II \$22.21 (+\$0.55), Class III \$21.15 (+\$2.20), and Class IV \$22.29 (+\$0.75). Product price averages used in computing Class prices are: butter \$1.6475, nonfat dry milk \$2.0335, cheese \$2.0838, and dry whey \$0.6025. The Class II butterfat price is \$1.7944, and the Class III/IV butterfat price is \$1.7874. Further information may be found at: [www.ams.usda.gov/AMSV1.0/PriceFormulas2014](http://www.ams.usda.gov/AMSV1.0/PriceFormulas2014)

## CME GROUP

MONDAY, FEBRUARY 3, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$2.3600  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0400; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$2.0600  
 BUTTER -- SALES: 11 CARS GRADE AA: 1 @ \$1.8900, 7 @ \$1.8800, 1 @ \$1.8825, 1 @ \$1.8850, 1 @ \$1.8900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.8900

TUESDAY, FEBRUARY 4, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 5 CARS GRADE A: 1 @ \$2.0400, 1 @ \$2.0350, 1 @ \$2.0300, 1 @ \$2.0200, 1 @ \$2.0000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$2.0100  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.9000

WEDNESDAY, FEBRUARY 5, 2014

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$2.3400; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$2.3000; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$2.3250  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0000; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 11 CARS GRADE AA: 6 @ \$1.8500, 1 @ \$1.8600, 1 @ \$1.8700, 1 @ \$1.8800, 1 @ \$1.8700, 1 @ \$1.8800; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.8500; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.8900

THURSDAY, FEBRUARY 6, 2014

CHEESE -- SALES: 2 CARS GRADE AA @ \$2.3300; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$2.3000; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$2.3000  
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$2.0000, 1 @ \$2.0150, 1 @ \$2.0175; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0150; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 4 CARS GRADE AA: 2 @ \$1.8400, 2 @ \$1.8500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.8500

FRIDAY, FEBRUARY 7, 2014

CHEESE -- SALES: 2 CARS BARRELS @ \$2.2050; 6 CARS 40# BLOCKS: 1 @ \$2.3100, 2 @ \$2.3000, 1 @ \$2.2900, 1 @ \$2.2700, 1 @ \$2.2600; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.2050; LAST OFFER UNCOVERED: 3 CARS 40# BLOCKS @ \$2.2325  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0100; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$1.8300, 1 @ \$1.8200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.8200

## BUTTER MARKETS

## NORTHEAST

Butter production is steady in the region. Supplies are adequate, with some butter makers acquiring extra cream volumes, prompted by increased Class I demand, as weather conditions continue to influence consumer dairy purchases in the region. Most export interests are fairly active. The market tone is steady. The CME Group butter price on Tuesday was unchanged, and closed at \$1.8900. The domestic bulk butter price, based on the CME Group price, ranges 5-8 cents over the market, using various time frame and averages. This week, the Cooperatives Working Together (CWT) has accepted requests for export assistance for 209,439 pounds of butter. The product will be delivered January through June 2014. According to the NASS Dairy Products report, December butter production for the U.S. totals 161.1 million pounds, down 6.9% from December 2012 but 12.9% above November 2013. Cumulative 2013 output for the U.S. is 1.867 billion pounds, up 0.4% from 2012. December production in the Atlantic region totals 16.5 million pounds, down 5.9% from December of 2012.

## CENTRAL

The U.S price advantage compared to Oceania and European prices continues to facilitate good export sales as butter manufacturers are busy fulfilling 82% contracts. Butter churn operators are taking any extra cream supplies available, making cream tight in some areas. Some butter makers are faced with the decision of how much production is split between 80% and 82% as Easter demand begins to be filled. The market tone is firm with not much bulk butter available in the spot market. Domestic demand is steady to moderate. Butter inventories are low for some manufacturers while being adequate for others. Current bulk butter prices moved higher,

ranging from 3 to 10 cents over the market, based on the CME, with various time frames and basing points used. The NATIONAL DAIRY RETAIL REPORT noted the weighted average advertised price for a 1 lb. package of butter in the Midwest was \$2.91, a 43 cent increase from two weeks ago, but 6 cents lower than the national price. Retail butter in the South Central was \$2.99, a penny lower than two weeks ago, but 2 cents higher than the national price. The national weighted average price was \$2.97, a 12 cent increase from two weeks ago and 17 cents higher than a year ago. The number of retail butter ads combined between the Midwest and South Central regions totaled 726 ads, an increase from two weeks ago. The number of ads nationally increased 116% this period. Grade AA butter price at the CME Group closed lower Wednesday on 11 sales to \$1.8800, down 1.5 cents since last Wednesday. The CME Group monthly average price for January 2014 for Grade AA butter is \$1.7756 compared to \$1.4933 a year ago. NASS DAIRY PRODUCTS reports butter production in the Central region totaled 60.1 million pounds during December 2013, a 13.5% decrease from a year ago. Cumulative 2013 Central butter production totaled 726.0 million pounds, 1.4% higher than production during the same time span in 2012. Butter production in the U.S. totaled 161.1 million pounds during December 2013, down 6.9% from a year ago. Cumulative 2013 U.S. butter production totaled 1.87 billion pounds, 0.4% higher than production during the same time span in 2012. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 0.21 million pounds of butter this week.

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## NATIONAL DAIRY PRODUCTS SALES REPORT

## U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
February 1, 2014	1.7916 3,273,890	2.2271 9,594,604	2.2348 9,157,247	0.6136 7,190,857	2.0638 16,707,594

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## WEST

Western butter prices are steady to weak with a weak undertone being noted. Cream remains tighter than hoped for as orders continue to move print butter into retail channels. Manufacturers report stocks as adequate to tight. Forward sales of butter to retail accounts have slowed some with buyers looking to purchase at lower prices. Export sales continue to be good and some sales are being assisted by the Cooperatives Working Together program. According to the National Dairy Retail Report, U.S. butter showed a weighted average price of \$2.97 per pound compared to \$2.85 two weeks ago and \$2.80 a year ago. The number of butter ads more than doubled from two weeks ago. The weighted average price for butter in the Northwest was \$3.06 and \$2.94 in the Southwest. According to the NASS Dairy Products report, December butter production for the U.S. totals 161.1 million pounds, down 6.9% from December 2012. Cumulative 2013 output for the U.S. is 1.867 billion pounds, up 0.4% or 7.5 million pounds from 2012. December output in the Western region totals 84.5 million pounds, down 1.9% or 1.6 million pounds less than December 2012. The West produced 52% of the butter in the U.S. in December. Butter prices at the CME Group at midweek are lower. Monday's market was 1 cent higher to close at \$1.8900. On Wednesday, the market was \$0.0100 lower at \$1.8800. Trading was active on the price changes. Both Monday and Wednesday saw sales of 11 loads each day. Prices for bulk butter range from market to 4 cents under, based on the CME with various time frames and averages used. CME Group average price for January 2014 for butter was \$1.7756 compared to \$1.4933 for January 2013.

## CHEESE MARKETS

## NORTHEAST

Cheese production is down, with some cheese makers in the region reducing volumes significantly, at selected plants. Some inventories are reported as fairly adequate, as manufacturers look to rebuild stocks and fulfill contractual commitments. The week following Super Bowl weekend is witnessing a decline in domestic demand, with retail sales responding accordingly. Cheese export interest remains active. The market tone is steady to firm. According to the *National Dairy Retail Report*, the weighted average price for 8 oz. cheese blocks in the Northeast was \$2.42, 12 cents higher than the national weighted average price and 12 cents more than the regional price reported two weeks ago. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.47, 29 cents above the national weighted average price and 1 cent more than regional price reported two weeks ago. The CME Group, weekly average cheese prices saw increases for both blocks and barrels last week. Northeast wholesale prices for 40# block and muenster increased by \$0.0575, while price for process 5# sliced increased by \$0.0525. Swiss cheese remained consistent with last week's prices. According to NASS, U.S. total cheese production in December totaled 972.7 million pounds, 2.3% more than December 2012. Cumulative 2013 U.S. total cheese production totaled 11.1 billion pounds, 2.3% greater than 2012. In December total cheese production in the Atlantic region was 137.6 million pounds, 11.3% more than the same month last year. Total cheese production for December in New York was 80.6 million pounds, 19.8% more than one year ago. Pennsylvania produced 37.8 million pounds in December, 5.5% more than one year ago. Vermont produced 10.4 million pounds in December, 6.3% less than one year ago. This week, Cooperatives Working Together (CWT) has accepted requests for export assistance for 3.889 million pounds of cheese. The product will be delivered January through June 2014.

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

Cheddar 40# Block	: 2.7300-3.0150
Process 5# Sliced	: 2.5200-3.0000
Muenster	: 2.7500-3.1100
Grade A Swiss Cuts 10 - 14#	: 3.4675-3.7900

## MIDWEST

Record cheese prices declined for the first time in 2013 Wednesday, when blocks declined \$.0350 to \$2.3250. Barrels have remained unchanged at \$2.3200 over five trading days. Manufacturers have voiced mixed reports about cheese orders. Even reports of increased orders are generally very marginal increases. The consensus has been that orders mostly remain hand to mouth as buyers continue to wait out high cheese prices, expecting them to decline. While the reality is that retail Super Bowl related cheese orders peaked some weeks ago considering transit time to stores, talk of orders lingered into last week but can now be left behind. As one manufacturer commented, "with the Super Bowl over and Valentine's Day next, there are no big demand cheese events ahead for some time." Cheese production in some plants receiving patronage or contracted milk increased slightly due to increases in milk production. Other plants with manufacturing options diverted some

milk resulting from seasonal increases, into dairy uses other than cheese. Milk supplies are increasing so when cheese makers decide the time is right to increase production, the milk will be available. That decision remains pending in most plants until further certainty in market signals evolves. The National Dairy Retail Report (DMN) found that Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$1.93, 25 cents lower than the national average. The Midwest average is 9 cents below two weeks ago. For 8 ounce blocks in the Midwest, the average price is \$2.17, 13 cents lower than the national average. The Midwest average has increased 4 cents from two weeks ago. National ad numbers for all cheese categories this period increased by 40% from two weeks ago. Dairy Products (NASS) reports that total 2013 U.S. cheese production through December, 11.14 billion pounds, is 2.3% above 2012. Each reported sub-category is also up in 2013 compared with 2012: American, +1.4%; cheddar, +1.6%; Italian, +3.5%; mozzarella, +3.0%; and other Italian types, +4.2%. December 2013 total U.S. cheese production, 972.68 million pounds, is up 4.9% from November 2013. Increases in various categories from November 2013 to December include: American, +6.6%; cheddar, +7.9%; Italian, +8.1%; mozzarella, +9.0%; and other Italian types, +6.7%.

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

Process American 5# Loaf	: 2.3975-2.7575
Brick And/Or Muenster 5#	: 2.7100-3.1350
Cheddar 40# Block	: 2.4150-2.8325
Monterey Jack 10#	: 2.6850-2.8900
Blue 5#	: 2.9775-3.9650
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 2.5550-3.4500
Grade A Swiss Cuts 6 - 9#	: 2.9850-3.1025

## WEST

Western cheese prices are at record levels. Participants on both sides of the aisle are becoming increasingly cautious about maintaining current price levels. U.S. prices are now close to international price ranges and demand is showing some resistance. Domestic demand is becoming tentative with buyers looking to avoid large inventories. Cheese production is steady to increasing slightly along expected seasonal norms. Advertised U.S. cheese prices as reported in the National Dairy Retail Report showed prices for packages of 1 lb. shred (\$4.60 +.78), 8 oz. blocks (\$2.30 +.10), and 2 lb. blocks (\$6.30 +.01) were higher, while 1 lb. blocks (\$3.64 -.24) and 8 oz. shreds (\$2.18 -.13) were lower from two weeks ago. Combined cheese advertising was up 40% from two weeks ago. The price for the 2 pound block in the West ranged from \$4.99-8.99 per package. The price for the 8 oz. shred package in the West ranged from \$1.49-3.99. According to the NASS Dairy Products report, total cheese production in the U.S. in December reached 972.7 million pounds, up 2.3% or 21.4 million pounds from December 2012. Cumulative 2013 total cheese output for the U.S. is 11.144 billion pounds, up 2.3% or 253.3 million pounds from 2012. December total cheese production in the Western region was 413.2 million pounds, up 4.0% or 15.7 million pounds from December 2012. The West produced 42% of all the cheese in the U.S. in December. Swiss output for the U.S. in December is 25.4 million

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**CHEESE MARKETS**

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pounds, down 2.3% or 0.6 million pounds from a year ago. Prices for barrel cheese at the CME Group closed unchanged at \$2.3200 on Wednesday. Block prices were \$.0350 lower at \$2.3250. This is the first time this year that the market has moved lower. Sales at the exchange are light with only one load of blocks and no barrels sold by midweek. The CME Group monthly average price for January 2014 for barrels is \$2.1727 compared to January 2013 at \$1.6388. Blocks averaged \$2.2227 for January 2014 compared to \$1.6965 for the previous year.

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

	<u>BUTTER</u> : <u>CHEESE</u>	
	:	:
02/03/14	9,767	93,956
02/01/14	9,614	94,026
CHANGE	153	-70
% CHANGE	2	-0

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

Process 5# Loaf	: 2.4275-2.6850
Cheddar 40# Block	: 2.4525-2.8050
Cheddar 10# Cuts	: 2.6325-2.8525
Monterey Jack 10#	: 2.6425-2.8025
Grade A Swiss Cuts 6 - 9#	: 3.0450-3.4750

**FOREIGN**

The strong global demand for dairy powders is causing increased milk volumes to be diverted from cheese production to dairy powder manufacturing in Europe. The reduced milk volumes going to cheese plants are causing reductions in cheese production and an increase in cheese prices. These price increases will impact the prices paid by U.S. cheese importers. Wholesale prices increased for the 7th consecutive week for domestic foreign type cheeses and are reflective of the increases on the CME Group cheese block market. This week's increase was \$0.0575; while imported cheeses and Swiss cut wholesale prices were unchanged.

DAIRY PRODUCTS: According to NASS, domestic Parmesan production during December totaled 24.7 million pounds, 7.4% more than December 2012. Provolone production during December totaled 29.9 million pounds, 4.8% more than December 2012. Romano production during December totaled 3.1 million pounds, 23.4% less than December 2012. Swiss production during December totaled 25.4 million pounds, 2.3% less than December 2012.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.8700-4.3575*
Gorgonzola	: 3.6900-6.9700	: 3.3725-3.7850*
Parmesan (Italy)	: -0-	: 4.2600-6.3500*
Provolone (Italy)	: -0-	: 2.9125-3.0700*
Romano (Cows Milk)	: -0-	: 4.0600-6.2100*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.5600	: -0-
Jarlsberg-(Brand)	: 2.9500-5.6300	: -0-
Swiss Cuts Switzerland	: -0-	: 3.5650-3.8875
Swiss Cuts Finnish	: 2.6000-2.8600	: -0-

\* = Price change.

## 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	80	0	53	0	20
SOUTHEAST STATES	0	0	0	0	0	0

The Southeast region is experiencing yet another severe winter storm. Milk transports are experiencing delays and logistic problems with bottling plants being shorted loads. This situation is occurring, as many bottlers and manufacturers were playing catch-up after last week's storm. Portions of the Mid-Atlantic and Northeast regions are also experiencing numerous weather related problems, causing interruptions in manufacturing schedules. Class I demand is strong as retailers are experiencing runs on dairy products. Class I demand in Florida is good, but not strong enough to clear all the carryover supplies following last week's storm. There were 80 spot loads exported this week. Milk production is increasing as weather conditions have improved. Cream supplies are increasing as standardized cream volumes have expanded, giving cream based dairy product manufacturers the opportunity to purchase additional loads. Extra cream supplies are being utilized within the region. **Cream multiples for all classes** ranged from 1.12-1.26. **Condensed skim** supplies are uneven, due to the winter storms. Manufacturers are filling contracts and channeling a majority of the excess volumes to Class IV production.

**DAIRY PRODUCTS:** According to NASS, hard ice cream production in the Atlantic region for December totaled 8.3 million gallons, 22.0% less than last year. U.S. yogurt production (plain and flavored) for December totaled 378.7 million pounds, up 4.9% from last year. Cumulative production for 2013 totaled 4.6 billion pounds, 5.3% higher than 2012.

## 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 -	2.1207-2.3858
F.O.B. producing plants: Upper Midwest -	2.2154-2.4047

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

## F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	2.07-2.10
Northeast - Class III - spot prices -	1.62-1.65

## MIDWEST

Cold weather continues to take a toll on the cows in the Central region as milk production is flat to marginally higher. Milk spot trades have mixed demand as cheese makers are sticking to contract loads while some bottlers and ice cream manufacturers took on additional loads. Spot milk loads prices ranged a little more than Class to \$2.25 over Class. Bottling demand was higher earlier in the week as processors prepared for weather forecasts of snow and icy conditions Tuesday into Wednesday. Class II demand is sluggish. Class II cream multiples widened this week, ranging 1.17 to 1.27. Cream demand is steady and supplies are mixed, as some butter churn operators are finding product easier than others. Demand for yogurt has picked up. Some ice cream manufacturers' sales are suffering as a result of the cold weather, while others are seeing good sales.

## WEST

CALIFORNIA milk handlers report farm milk production is showing continuing strength as on-farm pick-up volumes increase week over week. Sales into bottling facilities are ongoing, with steady demand from those end users. Ice cream/frozen dessert/novelty producers are nearing the new production season, but sales are steady for maintaining current production volumes. For the present, other Class 2 demand is steady to lower into sour cream, dips, and aerated cream. Cheese and butter/powder operations are handling intakes on a timely basis, with some milk loads changing processing locations to accommodate maintenance projects. The January 2014 4a price (butter/powder) in California is \$22.13, up \$0.97 from December 2013 and \$5.05 higher than last year. This compares to the Federal Order Class IV price for January at \$22.29. The January 4b price (cheese) is \$20.31, \$2.28 higher than last month, and \$4.47 more than last year. This compares to the Federal Order Class III price for January at \$21.15. The Department of Water Resources recently announced that, except for a small amount of 2013 carryover water, customers of the State Water Project may not get water deliveries if the current water shortage persists. Deliveries to agricultural districts that hold water rights in the Sacramento Valley, may be cut by up to 50%. Agricultural producers in the Sacramento Valley may have other options for obtaining water, including local reservoirs and groundwater. Anecdotal reports indicate some dairy producers in the state are concerned about overall feed availability for the upcoming year. This concern centers on alfalfa/mixed hay, but extends to other feedstuffs, such as pomace, hulls, and rinds that are often used in California dairy rations. Some of these byproduct feedstuffs may be in reduced supply due to the current water shortage. Farm milk production continues to climb in NEW MEXICO. Bottling plants are taking additional loads in some areas as milk demands vary throughout the region. Some bottled milk is clearing into neighboring states to ease heavy demand in areas hit by winter storms. Class II demand is steady and balancing plant operators indicate they expect only minor increases from ice cream producers as it is a little ahead of those plants switching into high gear. Movement of milk loads into Class III/IV is active, with some loads finding processing room in neighboring states. The western CREAM multiple range moved lower and higher, 1.17 – 1.30, depending on Class usage and basing points. At the CME Group, Grade AA butter closed on Wednesday at \$1.8800, 1.5 cents lower than one week ago. Butter production is active in many locations as international demand is steady and some plants are trying to rebuild inventories for Q2 commitments. A few balancing plant managers report the cream demand into sour cream, ice cream, and aerated cream is steady, and their current cream only covers contract needs. Milk production in the PACIFIC NORTHWEST is building slowly. Class I usage is mostly steady. The increased volumes are being utilized for various manufactured products within the region. Colder weather moved into the area this week, but no serious problems were reported in moving milk. Snow and some precipitation at the end of the week were welcomed as the region has seen lower than average moisture levels.

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## FLUID MILK AND CREAM

## CONTINUED FROM PAGE 4

UTAH and IDAHO milk production is increasing slowly. Manufacturing capacity is still well above current milk supplies. Cold weather and weekend snow storms will move into much of the dairy producing areas to end the week. According to the NASS Agricultural Prices report for January, mid-month U.S. prices for baled alfalfa hay were \$185/ton, \$32/ton less than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$200, unchanged; California \$207, -\$5; Colorado \$225, -\$20; Idaho \$190, -\$10; Nevada \$204, +\$8; New Mexico \$245, -\$19; Oregon \$200, -\$25; Utah \$175, -\$8 and Washington \$190, -\$35.

## 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:** LOW/MEDIUM HEAT nonfat dry milk prices moved slightly higher on the range based on various indices used. The mostly price series retreated some due to spot load activity. According to Dairy Market News January 2014 average of the range price series for Central and East low/medium heat NDM was \$2.0867, compared to \$1.5723 last year. The average of the mostly price series for January 2014 was \$2.0795, compared to \$1.5679 last January. The market tone is weakening as many offers are showing up at lower prices as more manufacturers are able to offer loads in the spot market. Low/medium heat manufacturers are producing at good levels of production, but a few have lost some milk supplies to condensed skim and milk protein concentrate production. Demand for domestic and export is moderate, but the export market is being closely monitored as it is expected to pick up once some countries reemerge after their holidays. Inventories are adequate. Some transportation issues are present due to the recent snow and icy road conditions. Prices for HIGH HEAT NDM are slightly higher on a thinly traded market. The Dairy Market News average of the range price series for Central and East heat heat for January 2014 was \$2.1492, compared to \$1.6592 a year ago. The market is steady with moderate to good demand coming from mostly domestic buyers. Heat heat manufacturers continue at steady rates fulfilling contract needs with little excess available for spot market trade. Stocks of high heat are light. The NASS DAIRY PRODUCTS reported NDM production in the Central region totaled 19.1 million pounds during December 2013, 30.1% less than a year ago. Cumulative production in the region totaled 255.8 million pounds, 3.2% higher than 2012 production. U.S. production of human food NDM during December 2013 totaled 124.9 million pounds, 20.8% lower than a year ago. Cumulative nonfat dry milk production for 2013 totals 1.48 billion pounds, 16.1% lower than 2012 production. Month ending stocks, at 133.1 million pounds, are 16.3% higher than a month ago, but 27.2% lower than one year ago. December 2013 production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 58.1 million pounds, 3.1% higher than one month ago and 52.4% higher than production of one year ago. Cumulative 2013 skim milk powder production totals 630.8 million pounds, a 65.7% increase compared to 2012. The CME Group monthly average price for January 2014 for Grade A NDM was \$2.0705, compared to \$1.5383 a year ago.

**EAST:** Nonfat dry milk prices for low/medium heat were mixed. The mostly price series saw a marginal decrease on the upper end. Nonfat dry milk volumes are mixed with some manufacturers unable to capitalize on drying capacity due to the cold weather's effect on plant production schedules. Inventories are adequate, as some manufacturers are comfortable running dryers to meet their low heat nonfat contractual needs. Domestic demand is steady with very little low/medium heat spot activity. Export sales remain active. The market tone is steady to firm. Prices for high heat nonfat saw an increase of \$0.0150 on the low end of the range. Some plant dryers are primarily clearing volumes of high heat nonfat dry milk. Inventories are tight. The CME Group price for Grade A nonfat dry milk remained unchanged on Wednesday, closing at \$2.0000.

**DAIRY PRODUCTS:** According to NASS, production of human food nonfat dry milk for December 2013, in the Atlantic region, totaled 18.8 million pounds, 8.8% less than one year ago.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 2.0500 - 2.1400 MOSTLY: 2.0500 - 2.1150  
 HIGH HEAT: 2.1350 - 2.2050

## NONFAT DRY MILK - WEST

Low/medium nonfat dry milk prices in the Western region are lower on the bottom of the range and across the mostly price series. The market tone is mixed. A few manufacturers made price adjustments to maintain long-term relationships. Some resellers indicate their customers are pushing back on resale load pricing, but price adjustments helped finalize sales. At the CME Group, the Grade A nonfat dry milk market declined 4 cents on Tuesday to close at \$2.00, then held steady for the Wednesday trading session. Market participants indicate there is still only light to moderate forward coverage through the first half of the year for many NDM end users. End users will need to find coverage through various sources, but current indications are that pricing methods will shape discussions. High heat NDM prices are steady on light F.O.B. spot trading. Manufacturers report scheduling high heat NDM production runs on an as-needed basis to cover near term contracts.

According to NASS, NDM production in the West region totaled 87.1 million pounds during December 2013, 26.1% more than one month ago, but 20.6% less than the one year ago. This production is 70% of total December production in the U.S. California produced 47.4 million pounds of NDM during December, 38% of the national monthly NDM production.

**DAIRY PRODUCTS:** NASS's *Dairy Products* report shows U.S. production of human food NONFAT DRY MILK during December 2013 totaled 124.9 million pounds, up 24.3% from one month ago, but 20.8% lower than one year ago. Cumulative nonfat dry milk production for 2013 totals 1.48 billion pounds, 16.1% lower than 2012 production. Month ending stocks, at 133.1 million pounds, are 16.3% higher than a month ago, but 27.2% lower than one year ago. December 2013 production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 58.1 million pounds, 3.1% higher than one month ago and 52.4% higher than production of one year ago. Cumulative 2013 skim milk powder production totals 630.8 million pounds, a 65.7% increase compared to 2012.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.9500 - 2.1250 MOSTLY: 2.0450 - 2.0950  
 HIGH HEAT: 2.0300 - 2.1500

## DRY BUTTERMILK - CENTRAL AND EAST

**CENTRAL:** Prices for dry buttermilk are higher. The market tone remains steady with many buyers making hand to mouth purchases. Butter churn operators have been churning at higher than typical seasonal levels, resulting in increased buttermilk being dried. Many dry buttermilk manufacturers are in sold-out positions, but a few buyers were offered a few more loads in the spot market. Domestic demand is good as manufacturers are not able to fulfill all the customer needs. International interest is active. Supplies are limited. The January 2014 Dairy Market News average of the range price series for Central and East dry buttermilk was \$1.9113 compared to \$1.5174 a year ago. The NASS DAIRY PRODUCTS reported dry buttermilk production in the U.S. for December 2013 totals 10.8 million pounds, up 32.8% from one month ago, but down 7.4% from last year.

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## 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

Cumulative 2013 dry buttermilk production totals 118.7 million pounds, an 8.8% increase compared to 2012 production. Stocks at the end of December stand at 11.7 million pounds, a 23.4% increase from one month ago, but a decrease of 36.1% from one year ago.

**EAST:** Dry buttermilk prices are up. Production of dry buttermilk is growing with the increase in manufacturers' cream volumes and butter production. As extra supplies become available, inventories are expanding for some manufacturers. The domestic demand for dry buttermilk is slowing with the decline in spot sales as some buyers are becoming price resistant, feeling the market has reached its peak. Export demand remains steady. The undertone of the market is mixed.

F.O.B. CENTRAL/EAST: 1.8800 - 2.0025

## DRY BUTTERMILK - WEST

Prices for Western dry buttermilk moved higher across both the range and mostly price series. Demand is steady to higher into domestic and North American accounts. Market participants report current interest is based on dry buttermilk providing a source of dairy protein at pricing below nonfat dry milk. Dry buttermilk production is steady as cream supplies clear readily into churns.

**DAIRY PRODUCTS:** NASS's Dairy Products report shows dry buttermilk production in the U.S. for December 2013 totals 10.8 million pounds, up 32.8% from one month ago, but down 7.4% from last year. Cumulative 2013 dry buttermilk production totals 118.7 million pounds, an 8.8% increase compared to 2012 production. Stocks at the end of December stand at 11.7 million pounds, a 23.4% increase from one month ago, but a decrease of 36.1% from one year ago.

F.O.B. WEST: 1.9000 - 1.9700 MOSTLY: 1.9250 - 1.9400

## DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are unchanged to lower on light F.O.B. spot sale activity. Inventories are moderate, with quantities on hand assuring timely near term contract fulfillment. Production is intermittent from plant to plant.

**DAIRY PRODUCTS:** NASS's *Dairy Products* report shows U.S. dry whole milk production during December 2013 totaled 5.0 million pounds, 6.9% lower than one month ago, but 23.5% higher than one year ago. Cumulative 2013 production totals 71.9 million pounds, a 23.7% increase compared to 2012. Month ending stocks, at 7.3 million pounds, are 13.6% lower than one month ago, but 8.4% higher than one year ago.

F.O.B. PRODUCING PLANT: 2.0750 - 2.1500

## CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
January 31	\$2.0243	10,967,750	0
January 24	\$2.0085	7,686,998	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**

DRY WHEY prices in the Central region moved higher based on various indices and light F.O.B. spot sale activity. The combination of higher cheese prices resulting in lower cheese/dry whey production and dry whey manufacturers contracting out higher amounts leaves the market firm with limited product available in the spot market. Domestic interest is increasing and export demand is moderate. Inventories are steady. The January 2014 Dairy Market News average of the range price series for Central dry whey was \$0.5889, compared to \$0.6302 a year ago. The average mostly price series for January 2014 was \$0.5760, compared to \$0.6298 a year ago. Prices for ANIMAL FEED WHEY increased this week on various indices. The market is firm behind good demand and limited supplies readily available. The January 2014 Dairy Market News average of the range price series for animal feed Central milk replacer whey was \$0.4905 compared to \$0.5448 a year ago. The NASS Dairy Products noted production of human food dry whey for December 2013 totaled 35.6 million pounds in the Central region, 10.4% lower than a year ago. Cumulative 2013 production in the Central region totaled 450.1 million pounds, 1.8% less than in 2012. U.S. production for human food dry whey totaled 81.3 million pounds for December 2013, 4.1% less than a year ago. December month ending stocks of human food dry whey totaled 63.1 million pounds, 12.4% more than a year ago. U.S. production for animal feed dry whey totaled 0.81 million pounds for December 2013, 81.8% lower than a year ago. December month ending stocks of animal feed whey were 0.39 million pounds, 88.6% less than a year ago. Cumulative 2013 dry whey production totaled 934.2 million pounds, 6.5% less than in 2012.

F.O.B. CENTRAL: .5550 - .6500 MOSTLY: .5675 - .6075  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4375 - .5650

**DRY WHEY - NORTHEAST**

Prices for dry whey moved marginally higher on both ends of the range with the lower range moving up \$0.0075 and the upper range \$0.0050, due to price indexed sales. Dry whey production has declined marginally as some cheese manufacturers have pulled back volumes. Inventories are expanding with the lessening of spot sales. Export demand has declined as some international purchases are being impacted by the Chinese New Year. The market tone is steady. The NASS Dairy Products shows production of human food dry whey during December 2013 in the Atlantic region totaled 19.9 million pounds, 8.1% more than November 2013 but 6.4% lower than last year.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .6100 - .6600

**DRY WHEY - WEST**

Western dry whey prices are marginally higher on both the full range and mostly series. The market tone is mostly firm with some indications of resistance building on the high end of the market. Whey production is mostly steady. Domestic demand is good as buyers are looking to secure supplies for the first and second quarter. High prices for alternative whey proteins and good export demand for whey are pushing prices upward. Export sales continue to be good despite slower sales to China over their New Year

period. Whey stocks from both manufacturers and brokers are adequate for current demand. According to the NASS Dairy Products report, edible U.S. whey production in December totals 81.3 million pounds, down 4.1% or 3.5 million pounds from December 2012. The Western region produced 25.9 million pounds of human food dry whey in December, up 8.4% (2.0 million pounds) from last year. The West produced 32% of the human food dry whey in the U.S. in December. Cumulative U.S. total dry whey production for 2013 is 934.2 million pounds, down 6.5% or 64.6 million pounds from 2012. Manufacturers' stocks at the end of December for total dry whey are 63.5 million pounds, up 6.6% (3.9 million pounds) from last year.

NONHYGROSCOPIC: .5950 - .6400

MOSTLY: .5950 - .6300

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices for whey protein concentrate 34% are higher on the bottom of the range and mostly series. The market is firm, with continued demand from end users and resellers. A few resellers indicate they have been unable to locate WPC 34% loads from any sources, but interest is apparent in the marketplace. Several manufacturers are focusing on near term contract fulfillment and no pushback by customers on contract loads has been mentioned. A few producers have intermittent F.O.B. spot load availability, and are attracting active interest as those loads clear testing. WPC 34% production is trending higher as manufacturing milk supplies increase seasonally. DAIRY PRODUCTS: The NASS Dairy Products report shows U.S. production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during December 2013 totaled 25.4 million pounds, 1.7% higher than one month ago, and 31.4% higher than one year ago. Cumulative production for 2013 totals 254.0 million pounds, 7.2% higher than 2012 production. Manufacturers' end-of-month stocks totaled 21.5 million pounds, 11.2% higher than one month ago, but 15.8% lower than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.6200-1.9725 MOSTLY: 1.7250 - 1.8450

**LACTOSE - CENTRAL AND WEST**

Lactose prices are unchanged on the mostly, while the bottom of the range gained 1 cent as February contract pricing activates. F.O.B. spot sale prices on various mesh size lactose loads fell within the mostly price series. The market tone is steady. Quarterly contract sales are ongoing with no price adjustments, but a few producers report both contract volume reductions and increases from some multinational buyers basically cancelling out any change in overall demand. Demand reductions and increases seem to be region and end product specific. Several producers report obtaining suitable 20 foot shipping containers remains a problem, particularly for shipping points located away from ports. This container shortage has delayed some international delivery dates. Lactose production is steady to higher at many locations as the supply of manufacturing milk increases seasonally. DAIRY PRODUCTS: NASS's Dairy Products report shows U.S. HUMAN and ANIMAL lactose production during December 2013 totaled 92.3 million pounds, an 11.5% increase from one month ago, and 5.0% higher than one year

**-CONTINUED ON PAGE 6A-**

**WHEY, WPC 34%, LACTOSE & CASEIN**

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

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ago. Cumulative 2013 lactose production totals 1.05 billion pounds, a 2.6% increase from 2012. Month ending stocks, at 108.3 million pounds, are 9.5% higher than one month ago, and 14.9% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .4100-.7200 MOSTLY: .5400-.6500

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**CASEIN - NATIONAL**

Casein market prices are steady to firm within the ranges. Supplies remain tight and quoted pricing levels are trending higher. Buyers who were out of the market waiting for more favorable pricing levels are still finding that is not the case. Many are now in the market searching for coverage. Other pent up demand is emerging from buyers. Indications are unclear as to when supply and demand will meet. At the February 4th GDT auction, NZ traded rennet casein traded down 3.7%, averaging \$5.39.

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:	4.9000 - 5.2000
ACID:	5.0000 - 5.4000



## ORGANIC DAIRY MARKET NEWS

Information gathered January 27 - February 7, 2014

## ORGANIC DAIRY FLUID OVERVIEW

**Organic News:** Some organic dairy farmers in parts of the West continue selling cows and reducing herd size, citing pay prices “too low to keep them.” Factors behind many sales are costs of the continuing drought in parts of the West, as well as the costs of organic feed. These cow sales are believed to be tempering seasonal increases in western organic milk production.

A number of the organic dairy producers selling parts of their herds are described as struggling to survive economically.

Reports from producers indicate that as a general matter, the contracted organic milk pay price in the West is about \$4.00 lower than in the Northeast, \$26.00 versus \$30.00 for each base price. Various producer representatives report anecdotally that organic milk from the West regularly moves into the East because the East does not produce enough to meet demand in the region. Producers are interested in more precise information about the volume of organic milk movements between regions becoming available.

Some producers perceive more effort by some national processors in contracting for added organic capacity in the East, with little interest in expanded contracting in the West.

A national organic dairy brand just reported that during 2013 it added 10 organic farms to the existing 1,800 plus farms already contracted.

**Milk Product Sales:** AMS reports total organic milk products sales for November 2013, 193 million pounds, were up 0.7% compared with November 2012 and up 4.3% January through November 2013 compared with the same period of 2012.

Organic whole milk sales for November 2013, 55 million pounds, were up 11.2% compared with November 2012 and up 11.8% January through November 2013 compared with the same period of 2012.

Organic reduced fat milk sales for November, 59 million pounds, were up 15.8% compared with November 2012 and up 13.4% January through November 2013 compared with the same period of 2012.

In contrast and comparison, total conventional milk products sales for November 2013 were down 2.2% compared with November 2012 and down 2.7% January through November 2013 compared with the same period of 2012.

## ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, NOVEMBER 2013, WITH COMPARISONS 1/

Product Name	Sales		Change from: 2/	
	Nov. Mil. Lbs.	Y-T-D	Prev Yr. Percent	Y-T-D
Whole Milk	1,130	12,130	-0.8	-1.3
Flavored Whole Milk	55	521	10.8	9.3
Reduced Fat Milk (2%)	1,495	16,084	-1.2	-1.9
Low Fat Milk (1%)	586	6,360	-3.1	-3.4
Fat-Free Milk (Skim)	544	6,093	-8.4	-8.7
Flavored Fat-Reduced Milk	334	3,443	-3.2	-0.9
Buttermilk	53	455	14.1	4.4
Tot. Conv. Milk Products 5/	4,197	45,086	-2.2	-2.7
Organic Whole Milk	55	562	11.2	11.8
Organic Reduced Fat Milk	59	597	15.8	13.4
Organic Low Fat Milk	38	413	-7.1	-2.3
Organic Fat-Free Milk (Skim)	35	388	-5.3	-3.8
Organic Flavored Milk	5	99	-47.1	13.5
Organic Fat-Reduced Milk 3/	138	1,504	-2.9	1.8
Tot. Organic Milk Products.	193	2,066	0.7	4.3
Tot. Fluid Milk Prod. 4/	4,390	47,152	-2.1	2.4

Tot Fluid Milk Prod Adj 4/5/

\* \* \* \*

\*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of “An Overview of Calendar Composition of Fluid Milk Sales.” 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which accounts for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Total of organic reduced fat, lowfat, skim, flavored, and miscellaneous milk products combined. 4/ Total fluid milk products include the products listed price plus miscellaneous products and eggnog. 5/ Sales volumes and percent changes have been adjusted for calendar composition.

## ORGANIC DAIRY RETAIL OVERVIEW

## NATIONALLY ADVERTISED PRICE COMPARISON

**Organic Dairy Overview.** Organic dairy ad numbers declined from the last period, which for several years has been the pattern for the third reporting period of the year. Ad numbers also declined for each of the organic dairy products which tend to be advertised most ad cycles: organic milk as a category as well as half gallons, gallons and 8 ounce; organic yogurt; and organic butter. Ads for organic sour cream appeared for the first time this year.

Organic milk accounts for 60% of organic dairy ads, with organic yogurt 25%. Organic sour cream comprised 12% of ads and organic butter 3%.

Advertising information presented is compiled from nearly 14,000 surveyed newspaper supermarket ads for the period January 27 to February 7, 2014, 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.** Organic dairy ads appeared in all 6 regions. Regional ad numbers as a percentage of all organic dairy ads declined in the Midwest, Northeast, Southeast and South Central regions but increased in the Southwest and Northwest.

**Organic Milk Half Gallons.** Organic milk half gallon ad volume is down 28% from two weeks ago. The U.S. weighted average advertised price of organic milk half gallons is \$3.59, up 18 cents from the last reported period. One year ago the national average price was \$3.75.

The price range increased 80 cents at the top to \$4.99, but remained unchanged at the bottom \$2.59. The highest advertised price, \$4.99, is in the Northeast and the lowest, \$2.59, is in the South Central Region.

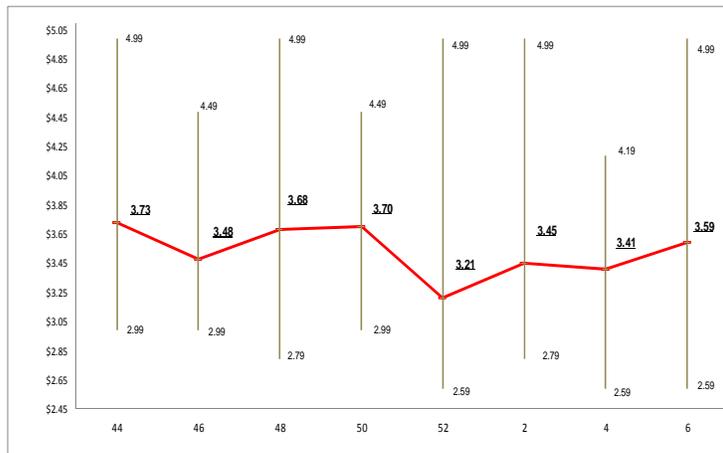
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ORGANIC DAIRY MARKET NEWS

Information gathered January 27 - February 7, 2014

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Advertised Organic Milk Half Gallon Price Range and Weighted Average Advertised Price by 2013 - 2014 Week



**Organic - Conventional Milk Half Gallon Price Spread.** The national weighted average organic milk price for half gallons is \$3.59 and for conventional half-gallon milk, \$1.69. The organic-conventional half-gallon price spread is \$1.90, up 46 cents from the last period. One year ago the price spread was \$1.58.

**Organic Milk Gallons.** The national weighted average advertised price for organic gallons is \$5.09, down 71 cents from the last reported period. One year ago the average price was \$6.51. Average prices range from \$5.00 in the Northeast and Northwest, to \$5.49 in the Midwest.

**Organic Milk 8 Ounce.** 8 ounce organic milk has a national weighted average advertised price of 97 cents, up 6 cents from two weeks ago. One year ago the average price was \$1.00. Average prices range from 83 cents in the Southeast to \$1.00 in the Southwest.

**Organic Yogurt.** Nearly twice as many ads appear for organic Greek 4-6 ounce yogurt as for 4-6 ounce organic yogurt. Ad numbers for the Greek variety are up from two weeks ago while the standard organic yogurt ad numbers are down.

The national weighted average advertised price of 4-6 ounce Greek yogurt is \$1.03, down 11 cents from two weeks ago. One year ago the weighted average advertised price was \$1.10. Prices range from \$.98 to \$1.50, with the highest and lowest prices in the Northeast.

4-6 ounce organic yogurt has an average price of \$.61, down 6 cents from two weeks ago but up 3 cents from one year ago. Prices ranged from \$.50 to \$.89, with the lowest price in the Southeast and the highest in the Southwest.

**1# Organic Butter.** All organic butter ads appeared in the Northeast, priced \$4.49. This is \$.50 below the price two weeks ago but \$.20 above the price one year ago.

**Organic Sour Cream.** Ads for 16 ounce organic sour cream appeared in the Southeast, Southwest and South Central regions, all priced \$1.99. No organic sour cream ads appeared two weeks or one year ago.

**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.

**ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE 2014 REPORTING WEEK 6**

	MADISON, WISCONSIN LOW HIGH RANGE (in Dollars)		
<b>FLUID MILK</b>			
<b>MILK - gallon</b>			
Whole	5.09*	7.09	2.00*
Reduced fat (2%)	5.09*	7.09	2.00*
Low fat (1%)	5.09*	7.09	2.00*
Nonfat (Skim)	5.09*	7.09	2.00*
<b>MILK - half gallon</b>			
Whole	3.99*	4.99	1.00*
Reduced fat (2%)	3.99*	4.99	1.00*
Low fat (1%)	3.99*	4.99	1.00*
Nonfat (Skim)	3.99*	4.99	1.00*
<b>FLAVMILK - half gallon</b>			
All fat tests	3.99	5.69	1.70
<b>YOGURT</b>			
<b>Yogurt - 4-6 oz</b>			
Yogurt	0.59*	1.29	0.70*
<b>CHEESE</b>			
<b>Cheese - 8 oz block</b>			
Mozzarella	4.10	5.99	1.89
Mild Cheddar	4.10	5.39	1.29
Monterey Jack	3.29	5.39	2.10
Pepper Jack	3.49	5.99	2.50
<b>Cheese - 6 oz string</b>			
Mozzarella	3.99	5.09	1.10
Colby Jack	3.89	5.69	1.80
<b>BUTTER</b>			
<b>Butter - 1 Pound</b>	4.99	6.39	1.40

\* Price change from prior reporting period.

**ORGANIC GRAIN AND FEEDSTUFF MARKETS:**

Prices for reported commodities are steady to slightly lower than previous weeks. Market activity is moderate for all reported commodities. Demand for feed grade organic corn and soybeans is moderate to good. The supply of organic hay remains light. Trucking issues have continued to be a problem across all commodity industries due to repeated extreme winter storms over the last few weeks.

Additional livestock and grain market news information is available at: [www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews)

**JANUARY AGRICULTURAL PRICES HIGHLIGHTS**

The All Milk price received by farmers was \$23.20 in January, up \$1.20 from December 2013 and up \$3.30 from January 2013. Milk Cows price was \$1,440 in January, up \$70 from January 2013. Alfalfa hay price was \$185.00 in January, down \$32.00 from January 2013. Corn price was \$4.37 in October, down \$2.59 from January 2013. Soybean price was \$13.00 in January, down \$1.30 from January 2013. The milk-feed price ratio was 2.44 in January, up 0.87 from January 2013.

The index of prices received by farmers for dairy products during the month of January 2014 was up 6 points to 115. Compared to January 2013, the index was up 16 points (16.2 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2014 was up 1 point to 106. Compared with January 2013, the index was unchanged.

**SELECTED MILK PRICES, MILK COWS, AND FEED PRICES, SELECTED STATES AND U.S., JANUARY 2014 WITH COMPARISONS**

State	All-Milk price <sup>1/2/</sup>				Milk cows <sup>3/</sup>		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Dollars per cwt.				Dollars per head		Dollars per ton		Dollars per bushel		Dollars per bushel	
	December		January		January		January		January		January	
	2012	2013	2013	2014 <sup>4/</sup>	2013	2014 <sup>4/</sup>	2013	2014 <sup>4/</sup>	2013	2014 <sup>4/</sup>	2013	2014 <sup>4/</sup>
AZ	20.10	21.50	19.20	22.20	1,500	1,500	200.00	200.00	---	---	---	---
CA	18.91	20.81	17.90	22.30	1,200	1,300	212.00	207.00	---	---	---	---
CO	21.40	21.90	20.30	22.90	1,500	1,540	245.00	225.00	6.86	4.34	---	---
ID	19.70	21.00	19.20	22.20	1,300	1,400	200.00	190.00	---	---	---	---
IN	21.50	22.60	20.50	23.30	1,440	1,500	---	---	7.26	4.40	---	---
IA	21.70	22.30	20.80	23.80	1,400	1,450	232.00	195.00	7.06	4.30	14.10	12.90
MI	21.50	22.10	20.40	22.90	1,600	1,650	230.00	175.00	6.81	4.10	13.50	12.80
MN	21.40	22.10	20.70	24.00	1,400	1,410	240.00	200.00	6.77	4.40	14.20	12.50
NM	20.00	20.90	19.00	21.60	1,380	1,450	264.00	245.00	---	---	---	---
NY	22.10	23.20	21.00	23.80	1,400	1,430	203.00	205.00	---	---	---	---
OH	22.40	22.70	21.20	23.50	1,400	1,450	232.00	190.00	7.15	4.30	---	---
PA	22.70	23.40	21.40	24.00	1,430	1,500	199.00	198.00	7.39	4.14	---	---
TX	21.30	22.80	20.30	23.30	1,350	1,450	247.00	234.00	7.23	4.93	---	---
WA	21.40	22.90	20.50	24.00	1,300	1,350	225.00	190.00	---	---	---	---
WI	21.30	22.00	20.50	23.90	1,480	1,570	240.00	200.00	6.93	4.10	13.90	12.70
U.S.	20.90	22.00	19.90	23.20	1,370	1,440	217.00	185.00	6.96	4.37	14.30	13.00

<sup>1/</sup> Prices are shown at reported butterfat test. <sup>2/</sup> Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. <sup>3/</sup> Animals sold for dairy herd replacement only. Prices estimated in January, April, July, and October. <sup>4/</sup> Preliminary.

**MILK-FEED PRICE RATIO, SELECTED STATES AND U.S., JANUARY 2014 WITH COMPARISONS**

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk <sup>1/</sup>			
State <sup>2/</sup>	January 2013	December 2013	January 2014 <sup>3/</sup>
IA	1.59	2.30	2.47
MI	1.60	2.44	2.54
MN	1.59	2.22	2.46
OH	1.60	2.38	2.47
WI	1.57	2.27	2.51
U.S.	1.57	2.30	2.44

<sup>1/</sup> 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. <sup>2/</sup> Available states that provided all necessary data to compute milk feed price ratios. <sup>3/</sup> Preliminary.

**GENERAL PRICE MEASURES, U.S., JANUARY 2014 WITH COMPARISONS**

Item	January 2013	December 2013	January 2014 <sup>1/</sup>
<b>INDEX NUMBERS (1990-92=100):</b>			
Prices received by farmers for dairy products	99	109	115
Prices paid by farmers for commodities and services, interest taxes, and wage rates	106	105	106

<sup>1/</sup> Preliminary.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, January 2014.*

MONTHLY SUMMARY AND AVERAGES FOR JANUARY 2014 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 1	:::REPORT NUMBER 2	:::REPORT NUMBER 3	:::REPORT NUMBER 4	:::REPORT NUMBER 5	::: 2014	: 2013
	:::-----	:::-----	:::-----	:::-----	:::-----	::: Average	: Average
	::: JAN 01 - 03	::: JAN 06 - 10	::: JAN 13 - 17	::: JAN 20 - 24	::: JAN 27 - 31	::: or Total	: or Total

CHEESE

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	::: 2.0675 - 2.4275	::: 1.9825 - 2.3425	::: 2.1975 - 2.5575	::: 2.2750 - 2.6350	::: 2.3450 - 2.7050	::: 2.3638	: 2.2127
-- Brick And/Or Muenster 5#	::: 2.3725 - 2.7975	::: 2.3875 - 2.8125	::: 2.5250 - 2.9500	::: 2.5850 - 3.0100	::: 2.6525 - 3.0775	::: 2.7320	: 2.3855
-- Cheddar 40# Block	::: 2.0775 - 2.4950	::: 2.0925 - 2.5100	::: 2.2300 - 2.6475	::: 2.2900 - 2.7075	::: 2.3575 - 2.7750	::: 2.4333	: 2.5417
-- Monterey Jack 10#	::: 2.3475 - 2.5525	::: 2.3625 - 2.5675	::: 2.5000 - 2.7050	::: 2.5600 - 2.7650	::: 2.6275 - 2.8325	::: 2.5970	: 2.5267
-- Blue 5#	::: 2.6400 - 3.6275	::: 2.6550 - 3.6425	::: 2.7925 - 3.7800	::: 2.8525 - 3.8400	::: 2.9200 - 3.9075	::: 3.2808	: 2.8630
-- Mozzarella 5 - 6#	::: 2.2175 - 3.1125	::: 2.2325 - 3.1275	::: 2.3700 - 3.2650	::: 2.4300 - 3.3250	::: 2.4975 - 3.3925	::: 2.8120	: 2.5142
-- Grade A Swiss Cuts 6 - 9#	::: 2.9750 - 3.0925	::: 2.9850 - 3.1025	::: 2.9850 - 3.1025	::: 2.9850 - 3.1025	::: 2.9850 - 3.1025	::: 3.0428	: 3.4195

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 40# Block	::: 2.3925 - 2.6775	::: 2.4075 - 2.6925	::: 2.5450 - 2.8300	::: 2.6050 - 2.8900	::: 2.6725 - 2.9575	::: 2.6820	: 2.2605
-- Process 5# Sliced	::: 2.1900 - 2.6700	::: 2.1050 - 2.5850	::: 2.3200 - 2.8000	::: 2.3975 - 2.8775	::: 2.4675 - 2.9475	::: 2.5463	: 2.1020
-- Muenster	::: 2.4125 - 2.7725	::: 2.4275 - 2.7875	::: 2.5650 - 2.9250	::: 2.6250 - 2.9850	::: 2.6925 - 3.0525	::: 2.7395	: 2.3180
-- Grade A Swiss Cuts 10 - 14#	::: 3.4575 - 3.7800	::: 3.4675 - 3.7900	::: 3.4675 - 3.7900	::: 3.4675 - 3.7900	::: 3.4675 - 3.7900	::: 3.6278	: 4.0020

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	::: 2.0975 - 2.3550	::: 2.0125 - 2.2700	::: 2.2275 - 2.4850	::: 2.3050 - 2.5625	::: 2.3750 - 2.6325	::: 2.3426	: 1.9240
-- Cheddar 40# Block	::: 2.1150 - 2.4675	::: 2.1300 - 2.4825	::: 2.2675 - 2.6200	::: 2.3275 - 2.6800	::: 2.3950 - 2.7475	::: 2.4383	: 2.0142
-- Cheddar 10# Cuts	::: 2.2950 - 2.5150	::: 2.3100 - 2.5300	::: 2.4475 - 2.6675	::: 2.5075 - 2.7275	::: 2.5750 - 2.7950	::: 2.5520	: 2.1280
-- Monterey Jack 10#	::: 2.3050 - 2.4650	::: 2.3200 - 2.4800	::: 2.4575 - 2.6175	::: 2.5175 - 2.6775	::: 2.5850 - 2.7450	::: 2.5320	: 2.1080
-- Grade A Swiss Cuts 6 - 9#	::: 3.0350 - 3.4650	::: 3.0450 - 3.4750	::: 3.0450 - 3.4750	::: 3.0450 - 3.4750	::: 3.0450 - 3.4750	::: 3.2590	: 3.6332

FLUID PRODUCTS

SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)

-- Northeast - f.o.b	::: 1.6590 - 1.9750	::: 1.6954 - 1.8496	::: 1.8952 - 2.0600	::: 2.0401 - 2.2707	::: 2.2800 - 2.5270	::: 2.0487	: 1.6182
-- Upper Midwest - f.o.b	::: 1.5800 - 1.9750	::: 1.6954 - 1.9729	::: 1.9446 - 2.1424	::: 2.0401 - 2.2530	::: 2.2800 - 2.3940	::: 2.0578	: 1.7192

PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.

-- Class II	::: 1.83 - 1.93	::: 1.93 - 2.01	::: 1.88 - 1.98	::: 1.98 - 2.01	::: 2.07 - 2.10	::: 1.9840	: 1.5826
-- Class III	::: 1.51 - 1.61	::: 1.62 - 1.65	::: 1.52 - 1.62	::: 1.62 - 1.65	::: 1.62 - 1.65	::: 1.6124	: 1.6079

MONTHLY SUMMARY AND AVERAGES FOR JANUARY 2014 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 1	:::REPORT NUMBER 2	:::REPORT NUMBER 3	:::REPORT NUMBER 4	:::REPORT NUMBER 5	::: 2014	::: 2013
	:-----:-----:-----:-----:-----:					Average	Average
	::: JAN 01 - 03	::: JAN 06 - 10	::: JAN 13 - 17	::: JAN 20 - 24	::: JAN 27 - 31	::: or Total	::: or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central And East (f.o.b.)							
-- Low/Medium Heat	::: 2.0275 - 2.1400	::: 2.0275 - 2.1400	::: 2.0200 - 2.1600	::: 2.0300 - 2.1500	::: 2.0300 - 2.1400	::: 2.0867	::: 1.5723
-- Mostly	::: 2.0300 - 2.1000	::: 2.0400 - 2.1000	::: 2.0500 - 2.1200	::: 2.0500 - 2.1200	::: 2.0500 - 2.1200	::: 2.0795	::: 1.5679
-- High Heat	::: 2.0825 - 2.1650	::: 2.0825 - 2.1650	::: 2.1200 - 2.1900	::: 2.1350 - 2.2050	::: 2.1200 - 2.2050	::: 2.1492	::: 1.6592
-- West (f.o.b.)							
-- Low/Medium Heat	::: 1.9825 - 2.1000	::: 2.0175 - 2.1200	::: 2.0225 - 2.1200	::: 2.0300 - 2.1200	::: 2.0000 - 2.1250	::: 2.0664	::: 1.5513
-- Mostly	::: 2.0200 - 2.0600	::: 2.0500 - 2.0800	::: 2.0500 - 2.1000	::: 2.0500 - 2.1000	::: 2.0500 - 2.1000	::: 2.0693	::: 1.5402
-- High Heat	::: 2.0225 - 2.1300	::: 2.0375 - 2.1300	::: 2.0500 - 2.1400	::: 2.0300 - 2.1400	::: 2.0300 - 2.1500	::: 2.0874	::: 1.6213
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	::: 0.5300 - 0.6350	::: 0.5325 - 0.6350	::: 0.5375 - 0.6375	::: 0.5475 - 0.6375	::: 0.5500 - 0.6400	::: 0.5889	::: 0.6302
-- Mostly	::: 0.5450 - 0.5800	::: 0.5450 - 0.5900	::: 0.5550 - 0.6000	::: 0.5600 - 0.6000	::: 0.5650 - 0.6050	::: 0.5760	::: 0.6298
-- West (f.o.b.)	::: 0.5600 - 0.6175	::: 0.5800 - 0.6200	::: 0.5900 - 0.6300	::: 0.5900 - 0.6300	::: 0.5900 - 0.6375	::: 0.6065	::: 0.5993
-- Mostly	::: 0.5700 - 0.6075	::: 0.5900 - 0.6175	::: 0.5900 - 0.6225	::: 0.5900 - 0.6250	::: 0.5900 - 0.6300	::: 0.6051	::: 0.6063
-- Northeast (f.o.b.)	::: 0.5725 - 0.6300	::: 0.5725 - 0.6325	::: 0.5800 - 0.6425	::: 0.6025 - 0.6425	::: 0.6025 - 0.6550	::: 0.6145	::: 0.6420
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	::: 1.4250 - 1.9200	::: 1.6000 - 1.9200	::: 1.6000 - 1.9200	::: 1.6000 - 1.9650	::: 1.6000 - 1.9725	::: 1.7622	::: 1.2638
-- Mostly	::: 1.6700 - 1.7700	::: 1.7200 - 1.8100	::: 1.7200 - 1.8100	::: 1.7450 - 1.8250	::: 1.7000 - 1.8450	::: 1.7663	::: 1.2606
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	::: 0.4200 - 0.5500	::: 0.4225 - 0.5500	::: 0.4250 - 0.5500	::: 0.4325 - 0.5550	::: 0.4350 - 0.5600	::: 0.4905	::: 0.5448
BUTTERMILK (Min. 30% protein)							
-- Central And East (f.o.b.)	::: 1.8200 - 1.9300	::: 1.8750 - 1.9300	::: 1.8800 - 1.9425	::: 1.9000 - 1.9525	::: 1.8800 - 1.9650	::: 1.9113	::: 1.5174
-- West (f.o.b.)	::: 1.8500 - 1.9300	::: 1.8600 - 1.9300	::: 1.8800 - 1.9300	::: 1.8800 - 1.9300	::: 1.8800 - 1.9350	::: 1.9018	::: 1.4579
-- Mostly	::: 1.8500 - 1.8700	::: 1.8600 - 1.9000	::: 1.8800 - 1.9100	::: 1.8900 - 1.9150	::: 1.8900 - 1.9200	::: 1.8919	::: 1.4671
WHOLE MILK POWDER							
-- National (f.o.b.)	::: 2.0000 - 2.1500	::: 2.0750 - 2.1500	::: 2.0750 - 2.1500	::: 2.0750 - 2.1700	::: 2.0750 - 2.1700	::: 2.1132	::: 1.7714
LACTOSE							
-- Central And West (f.o.b.)	::: 0.4100 - 0.8400	::: 0.4000 - 0.7100	::: 0.4000 - 0.7200	::: 0.4000 - 0.7200	::: 0.4000 - 0.7200	::: 0.5650	::: 0.7414
-- Mostly	::: 0.5500 - 0.7200	::: 0.5300 - 0.6300	::: 0.5400 - 0.6500	::: 0.5400 - 0.6500	::: 0.5400 - 0.6500	::: 0.5952	::: 0.7314
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	::: 4.8000 - 5.0000	::: 4.9000 - 5.2000	::: 4.9000 - 5.2000	::: 4.9000 - 5.2000	::: 4.9000 - 5.2000	::: 5.0357	::: 4.1619
-- Nonrestricted - Acid	::: 4.9000 - 5.4000	::: 5.0000 - 5.4000	::: 5.0000 - 5.4000	::: 5.0000 - 5.4000	::: 5.0000 - 5.4000	::: 5.1952	::: 4.6250

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 JANUARY 2014

COMMODITY	:REPORT NUMBER 1		:REPORT NUMBER 2		:REPORT NUMBER 3		:REPORT NUMBER 4		:REPORT NUMBER 5		2014 *	2013 *
	:-----:		:-----:		:-----:		:-----:		:-----:		Monthly	Monthly
	JAN 1 - 3		JAN 6 - 10		JAN 13 - 17		JAN 20 - 24		JAN 27 - 31		Average	Average
BUTTER*												
-- GRADE AA												
--Monday			1.6200		1.7000		1/		1.9000			
--Tuesday			1.6200		1.7400		1.8700		1.9000			
--Wednesday		1/	1.6500		1.7700		1.9400		1.8950			
--Thursday		1.5400	1.6750		1.8075		1.9000		1.8925			
--Friday		1.5700	1.6750		1.8525		1.8900		1.8800		1.7756	1.4933
--Weekly Average**		1.5413	1.6480		1.7740		1.9000		1.8935			
CHEESE*												
-- BARRELS												
--Monday			1.9500		2.1600		1/		2.2750			
--Tuesday			2.0600		2.1625		2.2150		2.2800			
--Wednesday		1/	2.1600		2.1625		2.2425		2.3000			
--Thursday		1.8500	2.1600		2.1950		2.2575		2.3200			
--Friday		1.9200	2.1600		2.2025		2.2750		2.3200		2.1727	1.6388
--Weekly Average**		1.8825	2.0980		2.1765		2.2475		2.2990			
-- 40# BLOCKS												
--Monday			2.0500		2.2000		1/		2.3100			
--Tuesday			2.1100		2.2000		2.2425		2.3200			
--Wednesday		1/	2.2000		2.2000		2.2700		2.3400			
--Thursday		2.0150	2.2000		2.2275		2.2950		2.3550			
--Friday		2.0425	2.2000		2.2300		2.3100		2.3600		2.2227	1.6965
--Weekly Average**		2.0144	2.1520		2.2115		2.2794		2.3370			
NONFAT DRY MILK*												
-- EXTRA GRADE												
--Monday			2.0900		2.0800		1/		2/			
--Tuesday			2.0900		2.0800		2.0900		2/			
--Wednesday		1/	2.0900		2.0675		2.0900		2/			
--Thursday		2.0900	2.0900		2.0675		2.0900		2/			
--Friday		2.0900	2.0800		2.0800		2.0900		2/		3/	1.5600
--Weekly Average**		2.0900	2.0880		2.0750		2.0900		2/			
-- GRADE A												
--Monday			2.0800		2.0700		1/		2.0500			
--Tuesday			2.0800		2.0700		2.1025		2.0750			
--Wednesday		1/	2.0825		2.0650		2.0850		2.0525			
--Thursday		2.0600	2.0825		2.0750		2.0700		2.0550			
--Friday		2.0675	2.0700		2.0975		2.0500		2.0400		2.0705	1.5383
--Weekly Average**		2.0694	2.0790		2.0755		2.0769		2.0545			

1/ Holiday/CME Group Closed - no cash dairy trading at CME Group

2/ Effective January 26, 2014, the Extra Grade NDM no longer trades.

3/ No monthly average is computed if one or more daily prices are missing.

\* 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.

## DECEMBER 2013 DAIRY PRODUCTS HIGHLIGHTS

**Butter** production was 161.1 million pounds, 6.9 percent below December 2012 but 12.9 percent above November 2013. **American type cheese** production totaled 375.9 million pounds, 2.2 percent below December 2012 but 6.6 percent above November 2013. **Total cheese** output (excluding cottage cheese) was 972.7 million pounds, 2.3 percent above December 2012 and 4.9 percent above November 2013. **NONFAT DRY MILK** production, for human food, totaled 124.9 million pounds, 20.8 percent below December 2012 but 24.2 percent above November 2013. **DRY WHEY** production, for human food, was 81.3 million pounds, 4.1 percent below December 2012 but 10.2 percent above November 2013. **ICE CREAM** (hard) production totaled 43.1 million gallons, 11.0 percent below December 2012 and 17.1 percent below November 2013.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	DEC 2013	PERCENT CHANGE FROM:			PRODUCT	DEC 2013	PERCENT CHANGE FROM:		
	1,000 LBS.	DEC 2012	NOV 2013	YEAR TO DATE 1/		1,000 LBS.	DEC 2012	NOV 2013	YEAR TO DATE 1/
BUTTER	161,114	-6.9	12.9	0.4	YOGURT (PLAIN AND FLAVORED)	378,706	4.9	15.9	5.3
CHEESE					DRY WHEY, HUMAN FOOD	81,299	-4.1	10.2	---
AMERICAN TYPES <sup>2/</sup>	375,856	-2.2	6.6	1.4	DRY WHEY, ANIMAL FEED	812	-81.8	-11.3	---
CHEDDAR	270,944	-2.8	7.9	1.6	DRY WHEY, TOTAL <sup>8/</sup>	82,111	-8.0	9.9	-6.5
OTHER AMERICAN	104,912	-0.4	3.2	---	REDUCED LACTOSE AND MINERALS				
BRICK & MÜNSTER	15,621	-4.1	1.3	---	HUMAN FOOD	2,516	11.3	-10.8	---
CREAM & NEUFCHÂTEL	70,593	13.7	-11.1	---	ANIMAL FEED	5,592	7.1	14.4	---
HISPANIC	19,313	8.1	-4.1	---	LACTOSE, HUMAN FOOD & ANIMAL FEED	92,292	5.0	11.5	2.6
TOTAL ITALIAN TYPES	433,268	5.6	8.1	3.5	WHEY PROTEIN CONCENTRATE				
MOZZARELLA	335,147	3.3	9.0	3.0	HUMAN FOOD <sup>9/</sup>	42,619	19.5	0.9	---
OTHER ITALIAN	98,121	14.7	5.1	---	ANIMAL FEED <sup>9/</sup>	564	-79.4	-1.9	---
SWISS	25,447	-2.3	8.7	---	TOTAL <sup>9/</sup>	43,183	12.4	0.9	10.4
ALL OTHER TYPES	32,584	-6.0	-6.4	---	25.0-49.9 PERCENT <sup>10/</sup>	25,447	31.4	1.7	---
TOTAL	972,682	2.3	4.9	2.3	50.0-89.9 PERCENT <sup>10/</sup>	17,736	-6.9	-0.2	---
COTTAGE CHEESE, CURD <sup>3/</sup>	29,610	-13.4	-4.2	---	WHEY PROTEIN ISOLATES <sup>11/</sup>	7,455	43.8	-0.5	---
COTTAGE CHEESE, CREAM <sup>4/</sup>	23,931	0.7	-0.3	-3.9					
COTTAGE CHEESE, LOWFAT <sup>5/</sup>	27,696	0.4	0.1	-3.0	FROZEN PRODUCTS	1,000 GALLONS			
DRY BUTTERMILK	10,795	-7.4	32.8	---	ICE CREAM (HARD)	43,074	-11.0	-17.1	-1.4
DRY WHOLE MILK	4,974	23.5	-6.9	---	ICE CREAM, LOWFAT (HARD)	10,589	7.4	-20.1	---
MILK PROTEIN CONC. (MPC), TOTAL <sup>6/</sup>	10,788	10.6	95.3	---	ICE CREAM, LOWFAT (SOFT)	11,150	-28.0	-3.3	---
NONFAT DRY MILK (NDM), HUMAN	124,944	-20.8	24.2	-16.1	ICE CREAM, LOWFAT (TOTAL)	21,739	-14.3	-12.3	-12.2
SKIM MILK POWDERS (SMP) <sup>7/</sup>	58,136	52.4	3.1	65.7	SHERBET, HARD	2,186	-23.8	-13.2	3.1
SOUR CREAM	116,211	5.8	-4.2	0.4	FROZEN YOGURT (TOTAL)	4,397	-2.7	-1.3	-5.9

MANUFACTURERS' STOCKS, END OF MONTH 12/							
PRODUCT	DEC 2013	PERCENT OF:		PRODUCT	DEC 2013	PERCENT OF:	
	1,000 LBS.	DEC 2012	NOV 2013		1,000 LBS.	DEC 2012	NOV 2013
DRY WHEY, HUMAN FOOD	63,130	12.4	7.8	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	393	-88.6	-26.3	HUMAN FOOD <sup>9/</sup>	48,433	-0.9	1.0
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL <sup>13/</sup>	7,601	46.2	8.1	ANIMAL FEED <sup>9/</sup>	994	-57.5	-20.3
LACTOSE, HUMAN FOOD & ANIMAL FEED	108,305	14.9	9.5	TOTAL <sup>9/</sup>	49,427	-3.5	0.4
DRY BUTTERMILK	11,733	-36.1	23.4	25.0-49.9 PERCENT <sup>10/</sup>	21,540	-15.8	11.2
NONFAT DRY MILK (NDM), HUMAN FOOD	133,091	-27.2	16.3	50.0-89.9 PERCENT <sup>10/</sup>	27,887	8.8	-6.6
				WHEY PROTEIN ISOLATES <sup>11/</sup>	10,434	9.5	-3.7

<sup>1/</sup> 2013 cumulative as percent change of 2012 cumulative. <sup>2/</sup> Includes Cheddar, Colby, Monterey and Jack. <sup>3/</sup> Mostly used for processing into cream or lowfat cottage cheese. <sup>4/</sup> Fat content 4 percent or more. <sup>5/</sup> Fat content less than 4 percent. <sup>6/</sup> Dry milk protein concentrate, 40-89.9 percent. <sup>7/</sup> Includes protein standardized and blends. <sup>8/</sup> Excludes all modified dry whey products. <sup>9/</sup> Whey protein concentrate, 25.0 to 89.9 percent. <sup>10/</sup> Whey protein concentrate, human and animal. <sup>11/</sup> Whey protein isolates, 90.0 percent or greater. <sup>12/</sup> Stocks held by manufacturers at all points and in transit. <sup>13/</sup> Reduced lactose and minerals stocks combined to avoid disclosure of individual operations.

**Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, February 2014.*

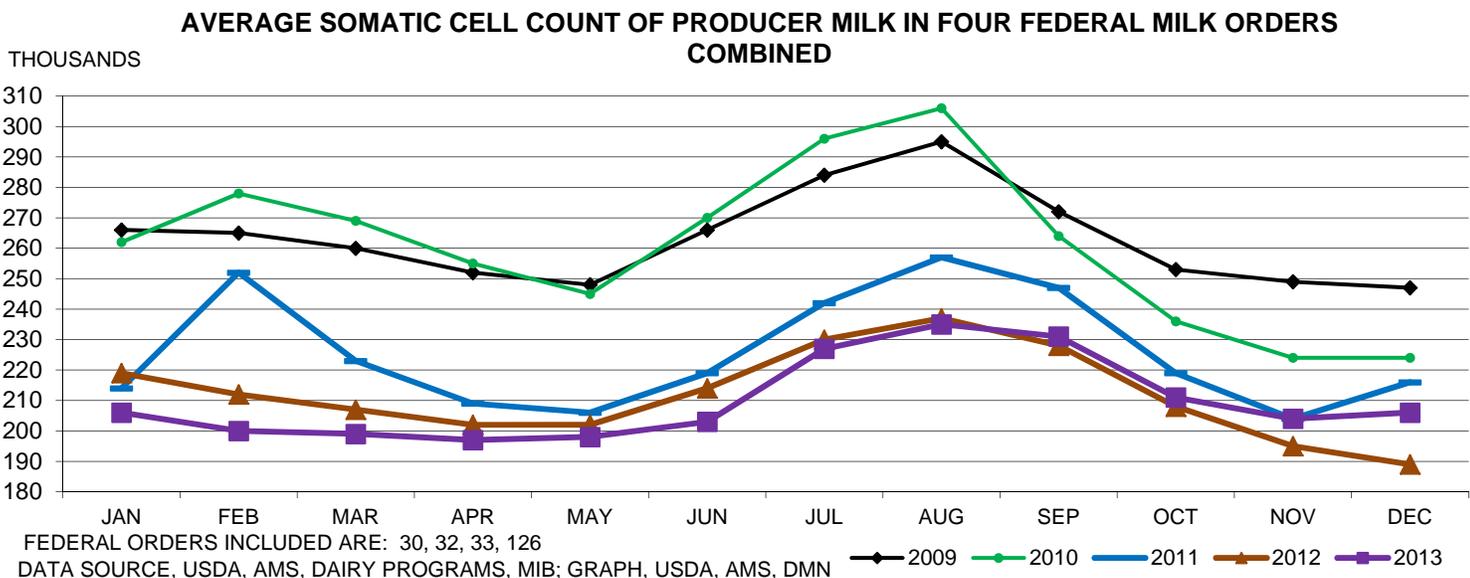
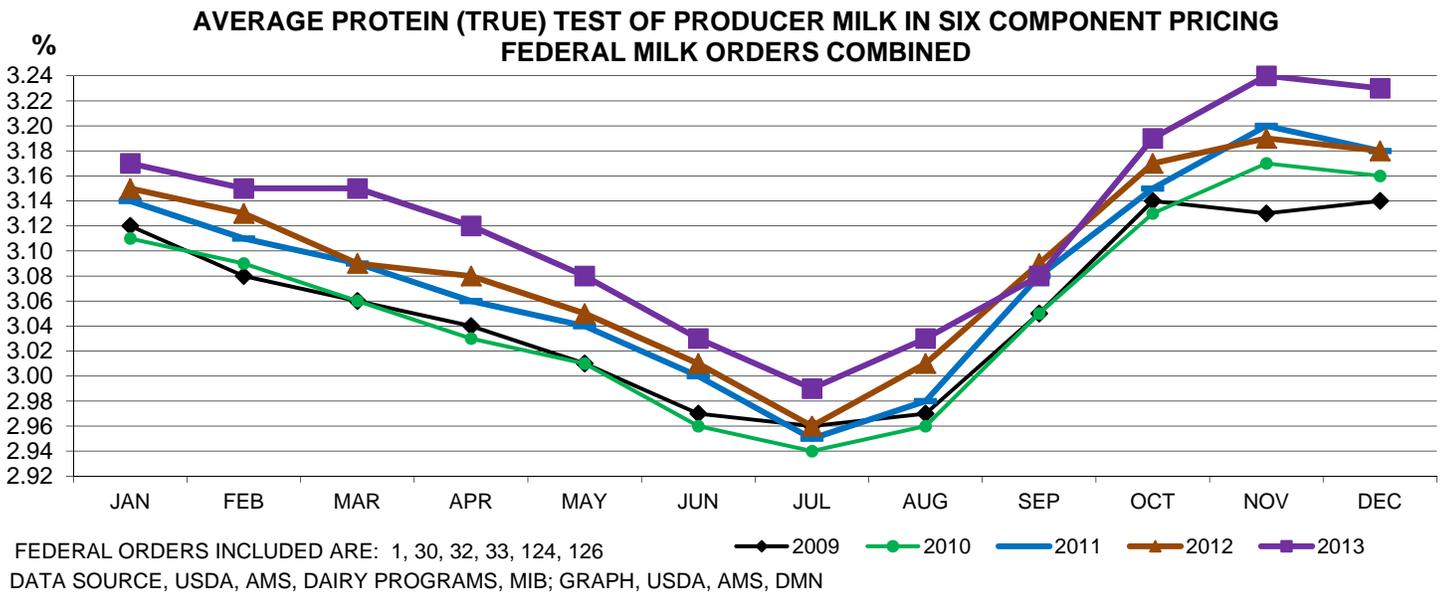
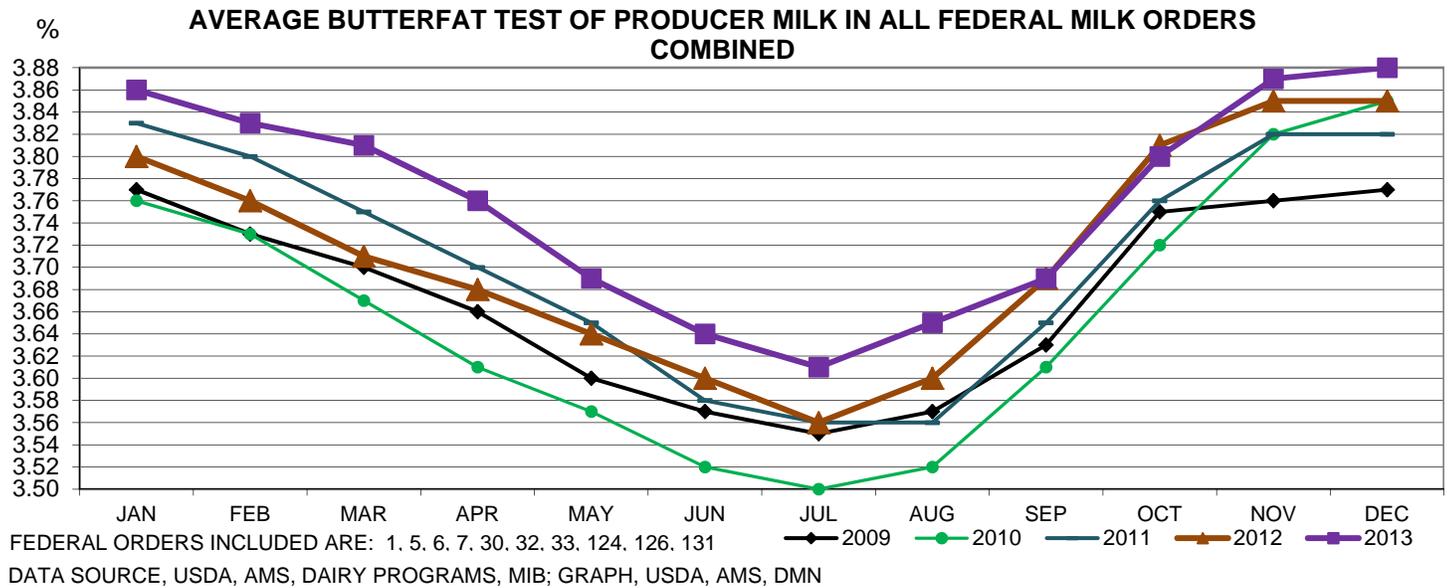
FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, JANUARY

**Component Price Information:** Under the Federal milk order pricing system, the butterfat price for January 2014 is \$1.7874 per pound. Thus, the Class II butterfat price is \$1.7944. The protein and other solids prices for January are \$4.1870 and \$0.4155 per pound, respectively. These component prices set the Class III skim milk price at \$15.43 per cwt. The January Class IV skim milk price is \$16.62, which is derived from the nonfat solids price of \$1.8470 per pound.

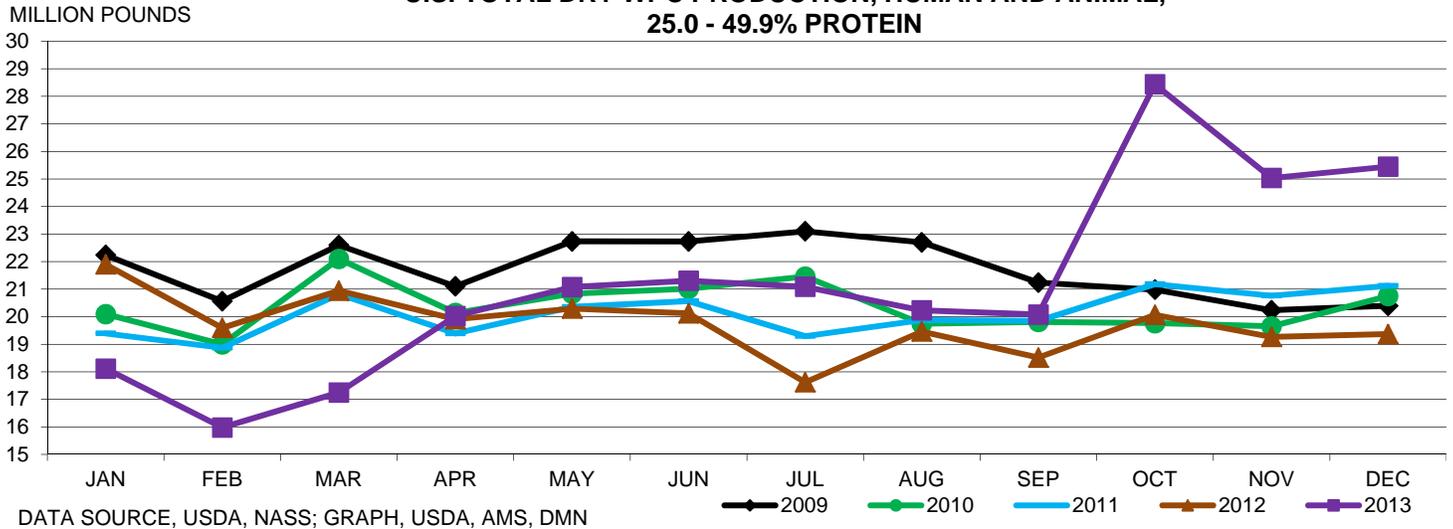
**Product Price Averages:** The product price averages for January are: butter \$1.6475, nonfat dry milk \$2.0335, cheese \$2.0838, and dry whey \$0.6025.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT <sup>1/2/</sup>						
FEDERAL MILK ORDER MARKETING AREAS <sup>3/</sup>	ORDER NUMBER	JANUARY 2014				FEBRUARY 2014
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) <sup>4/</sup>	001	24.73	22.21	21.15	22.29	25.27
Appalachian (Charlotte) <sup>5/ 6/</sup>	005	24.88	22.21	21.15	22.29	25.42
Florida (Tampa) <sup>6/ 7/</sup>	006	26.88	22.21	21.15	22.29	27.42
Southeast (Atlanta) <sup>6/ 8/</sup>	007	25.28	22.21	21.15	22.29	25.82
Upper Midwest (Chicago) <sup>9/</sup>	030	23.28	22.21	21.15	22.29	23.82
Central (Kansas City) <sup>10/</sup>	032	23.48	22.21	21.15	22.29	24.02
Mideast (Cleveland) <sup>11/</sup>	033	23.48	22.21	21.15	22.29	24.02
Pacific Northwest (Seattle) <sup>12/</sup>	124	23.38	22.21	21.15	22.29	23.92
Southwest (Dallas) <sup>13/</sup>	126	24.48	22.21	21.15	22.29	25.02
Arizona (Phoenix)	131	23.83	22.21	21.15	22.29	24.37
All-Market Average	---	24.37	22.21	21.15	22.29	24.91

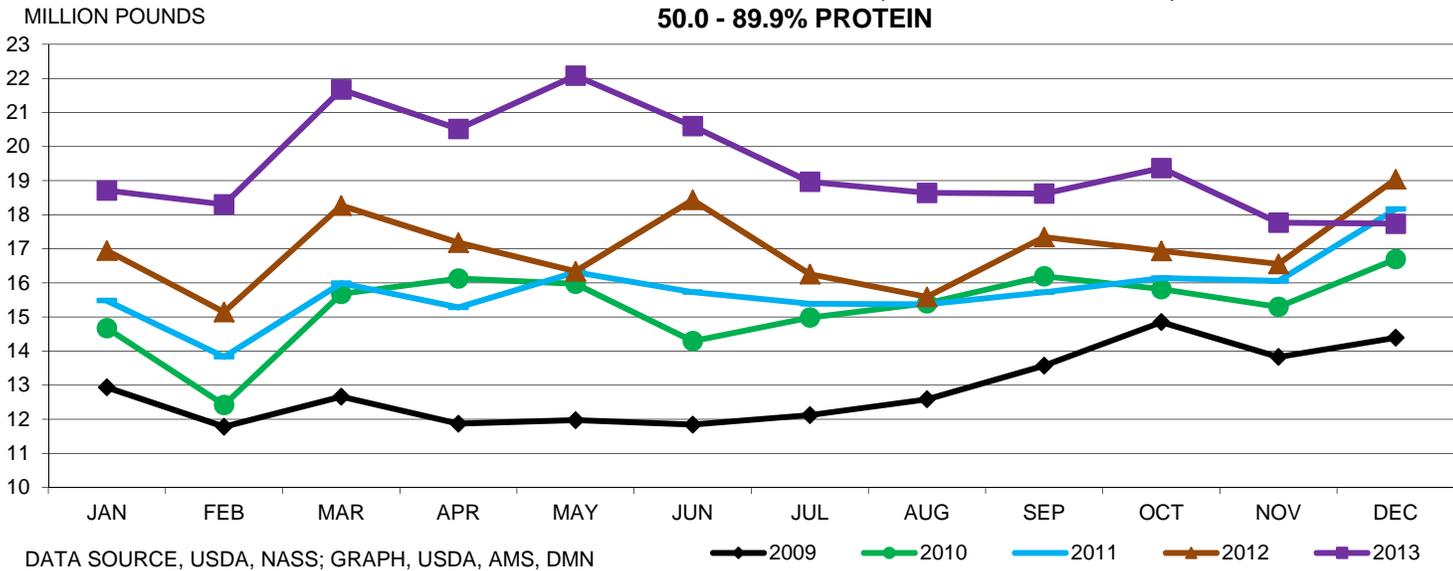
<sup>1/</sup> To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.  
<sup>2/</sup> Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class 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: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.  
<sup>8/</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>9/</sup> Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.  
<sup>10/</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>11/</sup> Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.  
<sup>12/</sup> Class I prices at other cities are: Portland, same; and Spokane, same.  
<sup>13/</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.



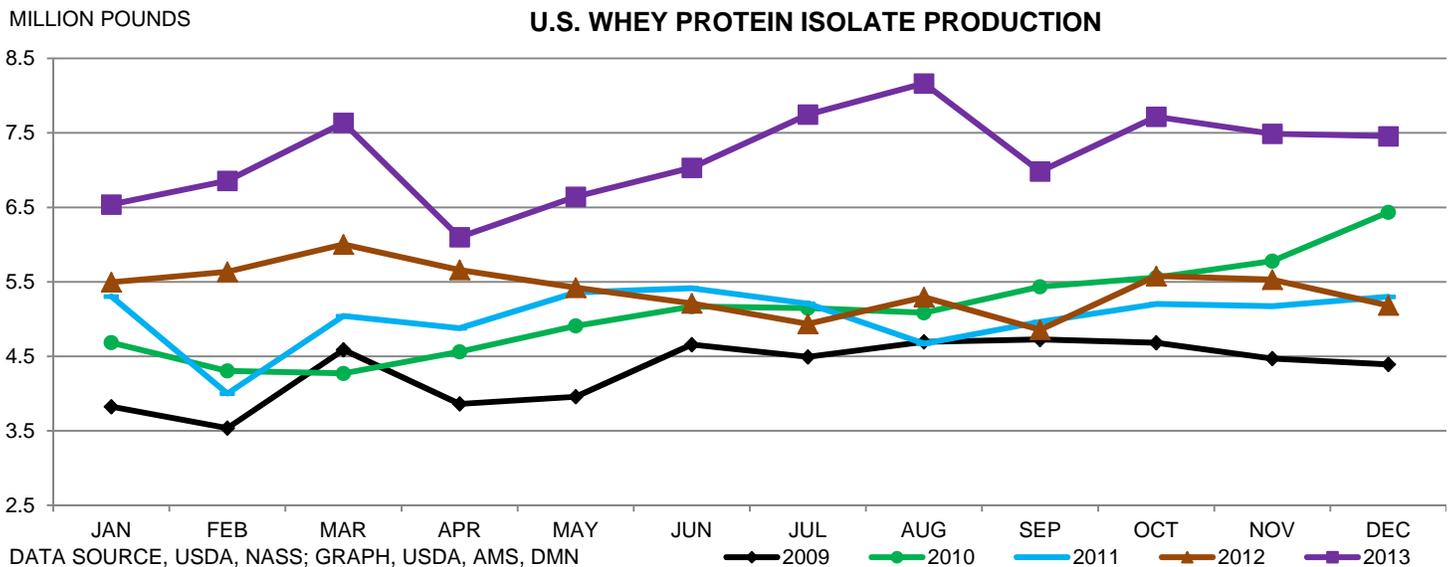
**U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,  
25.0 - 49.9% PROTEIN**



**U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,  
50.0 - 89.9% PROTEIN**



**U.S. WHEY PROTEIN ISOLATE PRODUCTION**





## 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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Thursday, February 6, 2014

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 01/27 to 02/07

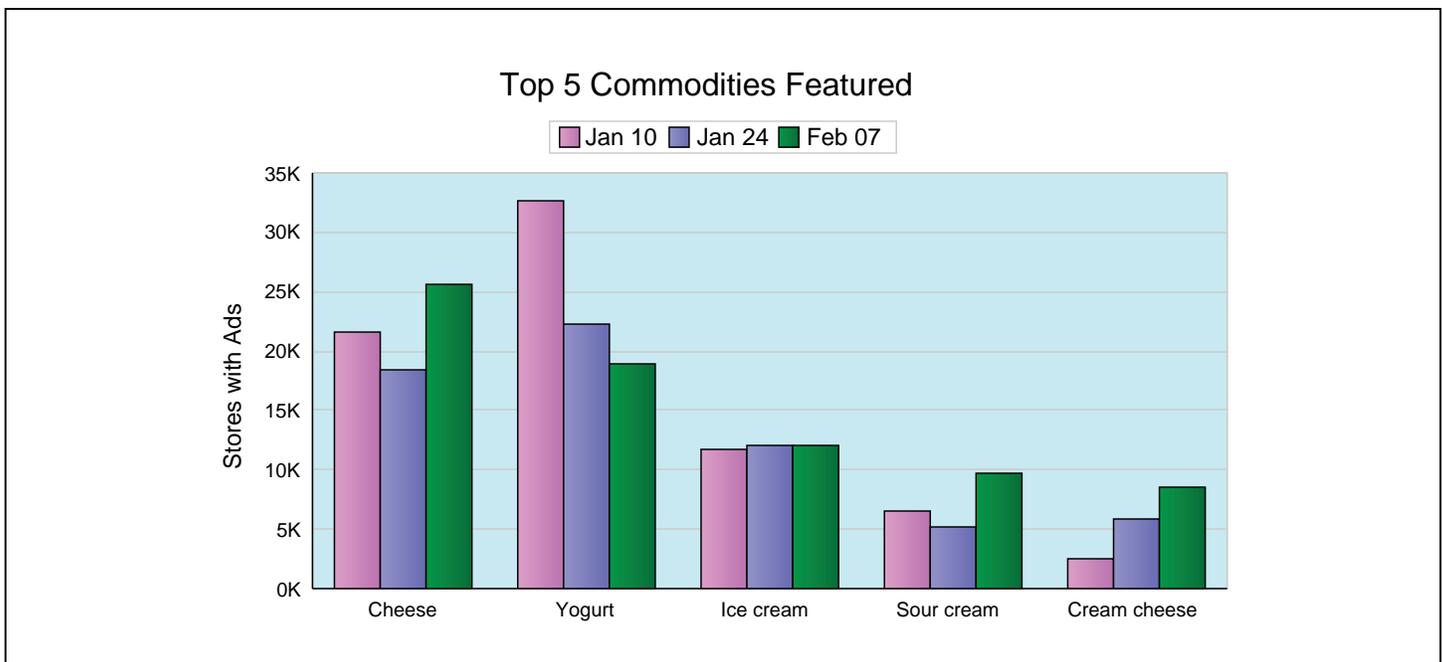
Of the three most advertised dairy categories, national cheese ads are up by 40% from 2 weeks ago, the first time this year that cheese ad numbers lead yogurt as the most advertised dairy product. Yogurt ads declined slightly and ice cream numbers are virtually unchanged. Dairy ad numbers overall are up.

Ad numbers for 8 ounce shredded cheese, the most advertised cheese category, increased by nearly 40%. The average price, \$2.18, is down by 13 cents from two weeks ago and down by 28 cents from last year. The second largest cheese category, 8 ounce block, is up over 60% in ad numbers. The average price is \$2.30, up 10 cents from the last report and up 2 cents from last year.

4-6 ounce Greek yogurt ads lead the yogurt category. The weighted average advertised price, \$.99, is up 2 cents from 2 weeks ago and even with a year ago. The bulk of remaining yogurt ads are for 4-6 ounce yogurt, with an average price of \$.52, unchanged from two weeks ago and up 1 cent from last year.

48-64 ounce ice cream ad numbers remain almost unchanged. The average price, \$3.09, declined 18 cents from two weeks ago and is 2 cents below a year ago. Prices range from \$1.99 in the Southwest to \$5.99 in the Southeast, Midwest and South Central regions.

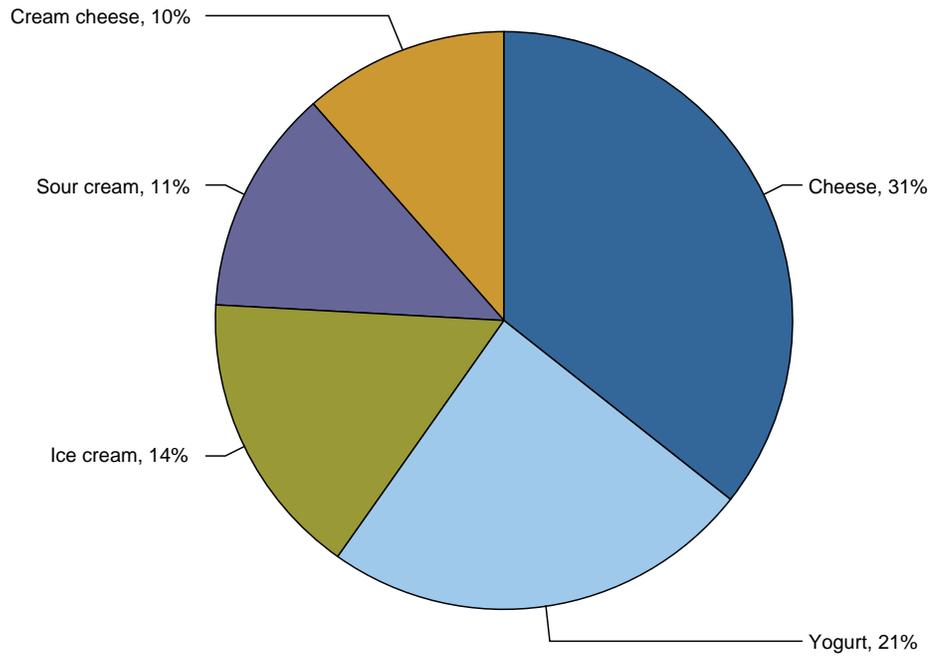
The national weighted average conventional milk price for half gallons is \$1.69 and for organic half-gallon milk, \$3.59. The organic-conventional half-gallon price spread is \$1.90, up 46 cents from the last period. One year ago the price spread was \$1.58.



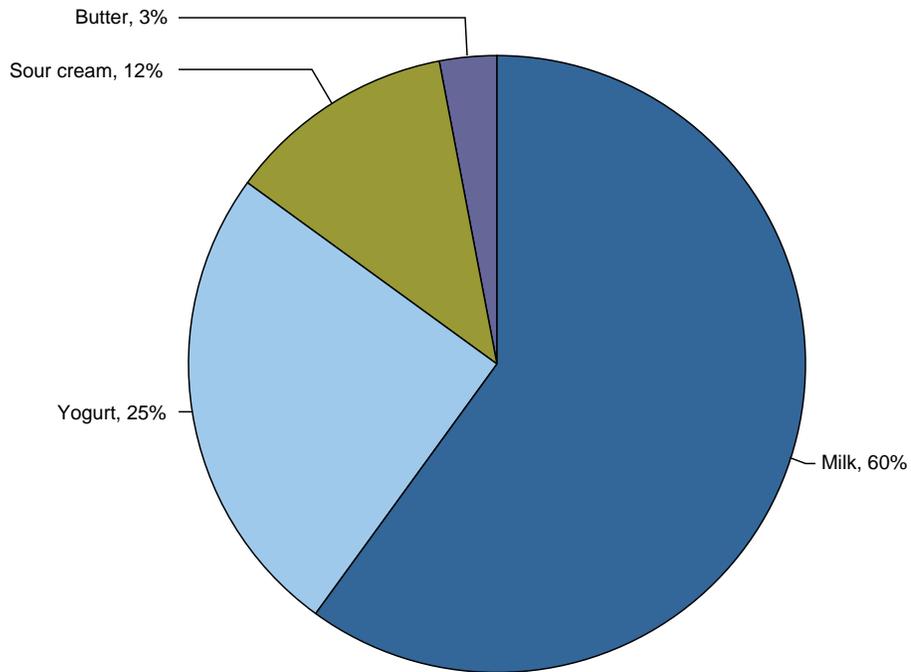
1 -- Dairy Market News surveys nearly 100 retailers, comprising over 14,000 individual stores, with online weekly advertised features.

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 #	5330	2.97	2467	2.85	3275	2.80
Cheese	Natural Varieties	8 oz block	9782	2.30	6029	2.20	7339	2.28
Cheese	Natural Varieties	1 # block	1044	3.64	1415	3.88	3432	4.31
Cheese	Natural Varieties	2 # block	2302	6.30	592	6.29	2212	5.93
Cheese	Natural Varieties	8 oz shred	11153	2.18	8132	2.31	12426	2.46
Cheese	Natural Varieties	1 # shred	1296	4.60	2110	3.82	2402	4.19
Cottage cheese		16 oz	2599	1.98	2987	2.24	2413	1.66
Cream cheese		8 oz	8584	1.44	5799	1.56	13636	1.60
Egg nog		quart			71	2.99		
Egg nog		half gallon			71	4.79		
Flavored milk	All fat tests	half gallon	123	2.99	343	2.55	234	2.23
Flavored milk	All fat tests	gallon	548	3.90	559	3.85	226	3.56
Ice cream		48-64oz	12009	3.09	11983	3.27	13160	3.11
Milk	All fat tests	half gallon	579	1.69	581	1.97	210	2.17
Milk	All fat tests	gallon	793	2.87	3665	3.01	4666	2.95
Sour cream		16 oz	9065	1.59	5143	1.70	12941	1.64
Yogurt	Greek	4-6 oz	10003	.99	11838	.97	7759	.99
Yogurt	Greek	32 oz	112	4.99	329	4.49	31	4.99
Yogurt	Yogurt	4-6 oz	6021	.52	6870	.52	6050	.51
Yogurt	Yogurt	32 oz	1221	2.32	1561	2.37	3905	2.08

## 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 #	1.99-3.50	1524	2.99	2.79-3.00	993	2.95	2.50-3.49	492	2.91
Cheese	Natural Varieties	8 oz block	1.88-3.50	2875	2.42	1.98-3.49	2382	2.14	1.49-3.50	1245	2.17
Cheese	Natural Varieties	1 # block	2.98-4.99	842	3.67	3.50	202	3.50			
Cheese	Natural Varieties	2 # block				5.00	116	5.00			
Cheese	Natural Varieties	8 oz shred	1.88-3.00	2519	2.47	1.99-3.49	3020	2.09	1.00-2.50	1813	1.93
Cheese	Natural Varieties	1 # shred	3.99-4.99	569	4.29	4.49-4.99	674	4.83			
Cottage cheese		16 oz	1.99-2.79	941	2.28	1.25-2.49	752	1.78	1.25-1.98	423	1.36
Cream cheese		8 oz	1.25-2.50	1691	1.69	1.25-1.67	2193	1.50	0.99-1.66	754	1.37
Flavored milk	All fat tests	half gallon	2.99	123	2.99						
Flavored milk	All fat tests	gallon	3.99	400	3.99				3.50	98	3.50
Ice cream		48-64oz	2.48-3.77	3002	2.79	2.50-5.99	3148	3.06	2.00-5.99	1176	3.37
Milk	All fat tests	half gallon							1.33-3.00	579	1.69
Milk	All fat tests	gallon	3.46	141	3.46	2.99	237	2.99	2.69-2.79	246	2.76
Sour cream		16 oz	0.99-2.29	2296	1.63	0.99-2.00	2245	1.52	0.99-2.49	821	1.58
Yogurt	Greek	4-6 oz	0.98-1.25	2478	1.01	0.90-1.00	3553	.99	0.88-1.00	1075	.95

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Greek	32 oz	4.99	112	4.99						
Yogurt	Yogurt	4-6 oz	0.40-0.78	2843	.54	0.50-0.60	1171	.51	0.50	176	.50
Yogurt	Yogurt	32 oz	1.99-2.99	671	2.49	1.98-2.49	255	2.09	1.99-2.19	295	2.13

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 #	2.99	234	2.99	2.49-2.99	1469	2.94	2.50-3.49	618	3.06
Cheese	Natural Varieties	8 oz block	1.49-2.50	1054	2.12	1.49-3.49	2108	2.53	1.50	118	1.50
Cheese	Natural Varieties	2 # block	5.00-6.99	356	5.68	5.00-8.99	1154	7.12	4.99-5.99	676	5.44
Cheese	Natural Varieties	8 oz shred	1.49-2.50	1486	2.10	1.49-2.50	1951	2.21	1.50-3.99	364	2.38
Cheese	Natural Varieties	1 # shred	4.99	53	4.99						
Cottage cheese		16 oz	2.49	202	2.49	1.99-2.49	231	2.13	1.99	50	1.99
Cream cheese		8 oz	0.99-1.50	1061	1.24	0.99-2.50	2305	1.32	1.25-2.00	580	1.52
Flavored milk	All fat tests	gallon							3.99	50	3.99
Ice cream		48-64oz	2.50-5.99	1670	3.70	1.99-3.49	2253	2.90	2.50-3.99	760	3.21
Milk	All fat tests	gallon				1.87	119	1.87	3.49	50	3.49
Sour cream		16 oz	1.00-2.00	941	1.46	0.99-2.49	1952	1.60	1.49-1.99	810	1.83
Yogurt	Greek	4-6 oz	1.00	829	1.00	1.00	1572	1.00	0.90-1.00	496	.98
Yogurt	Yogurt	4-6 oz	0.50	489	.50	0.44-0.50	792	.49	0.50-0.60	550	.51

### 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 #	165	4.49	169	4.99	235	4.29
Cheese	Natural Varieties	8 oz block					235	3.99
Cheese	Natural Varieties	8 oz shred			63	3.99		
Milk	All fat tests	half gallon	2681	3.59	3734	3.41	4601	3.75
Milk	All fat tests	gallon	508	5.09	1697	5.80	461	6.51
Milk	All fat tests	8 oz UHT	342	.97	671	.91	34	1.00
Sour cream		16 oz	703	1.99				
Yogurt	Greek	4-6 oz	990	1.03	707	1.14	206	1.10
Yogurt	Yogurt	4-6 oz	506	.61	801	.67	1335	.58
Yogurt	Yogurt	32 oz			235	3.79	235	2.99

Wtd Avg - Simple weighted average

## 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 #	4.49	165	4.49						
Milk	All fat tests	half gallon	3.99-4.99	174	4.35	3.99	124	3.99	2.99	89	2.99
Milk	All fat tests	gallon	5.00	112	5.00				5.49	98	5.49
Milk	All fat tests	8 oz UHT				0.83	66	.83			
Sour cream		16 oz				1.99	58	1.99			
Yogurt	Greek	4-6 oz	0.98-1.50	735	1.04	1.00	54	1.00	0.99	201	.99
Yogurt	Yogurt	4-6 oz				0.50	363	.50			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	2.59-4.19	812	3.36	2.79-4.29	1018	3.71	2.99-3.69	464	3.48
Milk	All fat tests	gallon							5.00	298	5.00
Milk	All fat tests	8 oz UHT				1.00	276	1.00			
Sour cream		16 oz	1.99	112	1.99	1.99	533	1.99			
Yogurt	Yogurt	4-6 oz				0.89	143	.89			

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

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