

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (2/28):**

**BUTTER:** Grade AA closed at \$1.8800. The weekly average for Grade AA is \$1.8070 (+.0307).

**CHEESE:** Barrels closed at \$2.2000 and 40# blocks at \$2.2225. The weekly average for barrels is \$2.1905 (+.0899) and blocks, \$2.2060 (+.0791).

**BUTTER HIGHLIGHTS:** The current high prices have market participants unsure about the price direction with some buyers showing resistance. Butter makers are busy producing at steady to higher rates with extra cream supplies available and active export contracts being fulfilled. Retail orders are picking up, improving domestic demand. Inventories are growing. Bulk butter prices were unchanged in the Northeast ranging from 5 to 8 cents over the market, down in the Central ranging flat market to 6 cents over, and constant in the West ranging from 4 under to 2 cents over, based on the CME Group. The Grade AA butter price at the CME Group moved 10 cents higher Friday as 19 loads were sold, closing at \$1.8800, 9.5 cents higher than last Friday's close. The NASS Cold Storage noted U.S. butter stocks as of January 31, 2014 were 138.1 million pounds, up 23% or 25.7 million pounds from a month ago, but down 33% or 68.9 million pounds compared to a year ago. This week, Cooperatives Working Together (CWT) accepted export assistance requests for 1.032 million pounds of 82% butter.

**CHEESE HIGHLIGHTS:** Cheese prices continued to show a firm undertone this week. After reaching record high spot prices the first week of February, the market moved sharply lower. Those lower prices cleared inventories and the market has returned to a firming undertone. Demand remains good with buyers looking to purchase on signs of price weakness. Buyers who have held off on purchases and are now looking to increase inventories, are having a harder time sourcing spot cheese. Export demand is good with the Cooperatives Working Together program assisting with sales of 4.8 million pounds of cheese for February to June delivery.

In 2014, the program has assisted with 25.3 million pounds of sales. Cheese production is increasing as milk supplies offered to cheese plants increased across much of the country. January stocks of cheese (total natural) in cold storage increased from December 2013 by 1%, but are 2% less than year ago levels. Block and barrel prices at the CME Group this week firmed on bids with no sales reported. Blocks closed on Friday at \$2.2225, up 6 cents from last Friday. Barrels finished the week at \$2.2000, up 4.25 cents from last week's close.

**FLUID MILK:** Milk production throughout the U.S. is steady to higher with overall favorable weather conditions outside of the cold temperatures in the Upper Midwest. This week it rained in California. The prior run of dry weather in California improved somatic cell counts in the state. Milk supplies are becoming more available in several regions, with the exception of Utah and Idaho, where demand is outpacing current supplies. Bottling sales are sluggish as interest is moderate to light. Balancing plants are running heavy in many regions. Processing plant operators are producing additional amounts of condensed skim with most offers at discounted prices. Class II demand is mostly moderate. Ice cream makers are slowly ramping up production rates.

**DRY PRODUCTS:** Prices for low/medium heat nonfat dry milk moved higher. Production rates are steady to slightly higher with active demand domestically and internationally. High heat prices increased as spot loads are generally being made to order, which is common at this time in the year, while other production is for contract needs. Prices for dry buttermilk are mixed, as well as the market tone. Production levels were variable as some milk processors focused on condensed skim and improved end user interest in condensed buttermilk took away potential inventories. Dry whole milk prices were unchanged as the majority of sales are contractual.

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CME GROUP CASH TRADING

COMMODITY	MONDAY FEB 24	TUESDAY FEB 25	WEDNESDAY FEB 26	THURSDAY FEB 27	FRIDAY FEB 28	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
<b>CHEESE</b>							
BARRELS	\$2.1750 (+.0175)	\$2.1775 (+.0025)	\$2.2000 (+.0225)	\$2.2000 (N.C.)	\$2.2000 (N.C.)	:: (+.0425)	:: \$2.1905 (+.0899)
40# BLOCKS	\$2.1825 (+.0200)	\$2.1900 (+.0075)	\$2.2150 (+.0250)	\$2.2200 (+.0050)	\$2.2225 (+.0025)	:: (+.0600)	:: \$2.2060 (+.0791)
<b>NONFAT DRY MILK</b>							
GRADE A	\$2.0475 (+.0025)	\$2.0700 (+.0225)	\$2.0300 (-.0400)	\$2.0400 (+.0100)	\$2.0400 (N.C.)	:: (-.0050)	:: \$2.0455 (+.0049)
<b>BUTTER</b>							
GRADE AA	\$1.8000 (+.0150)	\$1.7950 (-.0050)	\$1.7800 (-.0150)	\$1.7800 (N.C.)	\$1.8800 (+.1000)	:: (+.0950)	:: \$1.8070 (+.0307)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. \*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.  
Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CONTINUED FROM PAGE 1**

Prices for dry whey are higher in the Central and Western regions, but mixed in the Northeast. F.O.B spot sales were limited with additional demand filled by brokers and resellers. Production rates are steady with manufacturers mainly focusing current inventories on covering commitments. Animal feed whey prices moved higher. Prices for whey protein concentrate 34% were mixed as is the market with some price adjustments going on. Lactose prices are unchanged, but demand is picking up along with production rates. Prices for casein are unchanged.

**INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW:** Western Europe milk production continues to increase. Weather conditions are phenomenal in the region with some areas reporting conditions 4-6 weeks ahead of the typical spring trend. Heavy milk production and good prices for milk powders have dryers operating at capacity levels. Export demand for milk powders is very active as EU prices are internationally competitive and gaining more interest. Near term available supplies are very limited. Bulk butter prices, after declining for a number of weeks, are now drawing increased export interest. Whey trading activity remains quiet. According to Eucolait, 2013 EU-28 exports showed the following year over year percentage changes for the following products; SMP, -21.2%; WMP, -3.4%; cheese, +2.6%; dry whey, +5.3%; butter -0.5%; AMF, +7.2%; lactose, -2.4%; casein, -22.3%; caseinate, -4.5% and WPC80, -9.1%.

**EASTERN OVERVIEW:** Milk production in Eastern Europe is behind the Western European pace, but increasing along the seasonal trend. Winter weather patterns are fairly normal. Milk powders are more readily available for the near term in the region. Butter and cheese exports to Russia remain active.

**OCEANIA OVERVIEW: AUSTRALIAN** milk production has suffered from recent heat waves and limited bounces back in production. Dairy Australia is forecasting milk production for the 2013/14 season to be flat to 2% lower, compared to last season. Recent rains and cooler temperatures have improved cow comfort levels in some areas. Prompted by adequate water supplies, lower feed costs, higher milk prices, and having most of the hot weather behind them, many dairy producers are looking to prolong milk production this season. Victoria's milk production continues to hang on, benefitting from irrigated pastures and supplemental feeding. A majority of dairy product supplies are committed for Q1 and Q2 and global demand remains active with most markets seen as stable. **NEW ZEALAND** milk production in December was reported by DCANZ at 2.72 million tons, up 4.7% from December 2012 and 11.8% higher than two years ago. Some production areas on both the North and South Islands are currently dry and needing rain to promote pasture growth. Strong global demand and good margins are continuing to prompt producers to provide supplemental forage feeding to extend the milk production season. Manufacturers are building supplies to fill future commitments during the carry-over period. Butteroil demand has improved following recent price declines.

**JANUARY COLD STORAGE (NASS):** On January 31, U.S. cold storage holdings of butter totaled 138.1 million pounds, up 23% from December, but down 33% from a year ago. Natural American cheese holdings totaled 630.7 million pounds, a 2% increase from last month, but 2% decrease from January 2013. Total cheese stocks were 1.016 billion pounds, 1% higher than December 2013, but 2% lower than a year ago.

**ANNUAL PRICE AND POOL HIGHLIGHTS (DY PROGRAMS):** During 2013, more than 132.1 billion pounds of milk were received from producers. This total annual volume of milk is 7.9% higher than the 2012 total annual volume. There were volumes of milk not pooled due to intraorder disadvantageous price relationships in both years. More than 42.7 billion pounds of producer milk were used in Class I products, 1.7% lower than the previous year. The all-market average Class utilization percentages were: Class I = 32%, Class II = 12%, Class III = 47% and Class IV = 9%. The 2013 weighted average statistical uniform price was \$19.44, \$1.39 higher than the 2012 weighted average statistical uniform price.

**JANUARY PRICE AND POOL HIGHLIGHTS (DY PROGRAMS):** During January 2014, more than 11.1 billion pounds of milk were received from producers. This volume of milk is 4.1% lower than the January 2013 volume. In January 2013 and January 2014, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.7 billion pounds of producer milk were used in Class I products, 1.9% lower than the previous year. The all-market average Class utilization percentages were: Class I = 34%, Class II = 10%, Class III = 48% and Class IV = 8%. The weighted average statistical uniform price was \$22.30, \$2.19 higher than last month and \$3.11 higher than last year.

**DECEMBER MILK SALES (FMMO & CDFA):** During December, 4.4 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 0.8% lower than December 2012. Estimated sales of total conventional fluid milk products decreased 1.5% from December 2012 and estimated sales of total organic fluid milk products increased 14.4% from a year earlier.

## CME GROUP

## MONDAY, FEBRUARY 24, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.1750; 1 CAR 40# BLOCKS @ \$2.1825; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0475; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 4 CARS GRADE AA @ \$1.8000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.8100

## TUESDAY, FEBRUARY 25, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.1775; 1 CAR 40# BLOCKS @ \$2.1900; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$2.0625, 1 @ \$2.0700; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0700; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$1.8100, 1 @ \$1.8000, 1 @ \$1.7975; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.7950

## WEDNESDAY, FEBRUARY 26, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.2000; 1 CAR 40# BLOCKS @ \$2.2150; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$2.0550, 1 @ \$2.0500, 1 @ \$2.0400, 1 @ \$2.0300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$2.0300  
 BUTTER -- SALES: 10 CARS GRADE AA: 5 @ \$1.7700, 3 @ \$1.7850, 1 @ \$1.7700, 1 @ \$1.7800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

## THURSDAY, FEBRUARY 27, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$2.2200; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 5 CARS GRADE A: 4 @ \$2.0400, 1 @ \$2.0375; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0400; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.7800; LAST OFFER UNCOVERED: NONE

## FRIDAY, FEBRUARY 28, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$2.2225; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$2.0400; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0250; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 19 CARS GRADE AA: 2 @ \$1.7800, 2 @ \$1.8000, 2 @ \$1.8100, 2 @ \$1.8200, 1 @ \$1.8250, 3 @ \$1.8300, 2 @ \$1.8400, 1 @ \$1.8500, 1 @ \$1.8600, 3 @ \$1.8800; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.8800; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9000

## BUTTER MARKETS

## NORTHEAST

Butter production in the region is steady. Cream supplies are more than adequate, with surplus volumes being cleared by some manufacturers through butter makers in other regions. The domestic demand for butter is seeing slight increases as Easter season approaches. With moderate increases in sales returns of 82% unsalted butter, a few manufacturers are focused on churning significant volumes that primarily address export demand. The market tone is steady. The CME Group butter prices on Tuesday decreased by \$0.0050, to close at \$1.7950. Current bulk butter prices for domestic sales are reported 5-8 cents over the market on the CME Group, with various time frames and averages used. This week, Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 1.032 million pounds of 82% butter. The product will be delivered February through June 2014.

**COLD STORAGE:** According to NASS, U.S. butter in storage on January 31, totaled 138.1 million pounds, 23% more than December 2013, but 33% below last year's total.

## CENTRAL

Butter makers' production rates are mostly steady with cream supplies readily available. The market tone is mixed as a few buyers are showing price resistance, while some retail orders increased. Several butter manufacturers are focused on fulfilling very good export orders. Domestic demand is slow with hand to mouth purchasing, but sales are better than seasonal trends. Inventories are steady to improving. Bulk butter prices moved lower, ranging market to 6 cents over the

market, based on the CME Group. The Grade AA butter price at the CME Group moved 1.5 cents lower Wednesday to \$1.7800 with 10 loads being sold, a penny higher than last Wednesday's close. The NASS *Cold Storage* noted U.S. butter stocks as of January 31, 2014 were 138.1 million pounds, up 23% or 25.7 million pounds from a month ago, but down 33% or 68.9 million pounds compared to a year ago. This week, Cooperatives Working Together (CWT) accepted additional export assistance requests for a total of 1.032 million pounds of 82% unsalted butter.

## WEST

Butter prices in the West are mixed. Market participants are uncertain as to price direction and opinions are varied for future purchases. Retail demand for print butter is moderate to good. Bulk sales are also moving in an orderly fashion with few spot sales. Export sales continue to move product into international markets. Butter production is increasing, but stocks are still considered to be tight. According to the NASS Cold Storage report, U.S. stocks of butter as of January 31, 2014, total 138.1 million pounds, down 33% or 68.9 million pounds less than a year ago. Butter stocks are 23% higher (+25.7 million pounds) than the end of December 2013. Butter prices at the CME Group are mixed this week. On Wednesday, the market was \$.0150 lower at \$1.7800. While trading remained in a relatively narrow range, price fluctuations brought activity from both buyers and sellers. At midweek, 17 loads have been sold. Prices for bulk butter range from 2 cents over the market to 4 cents under, based on the CME with various time frames and averages used.

## 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 22, 2014	1.8369 2,676,556	2.2552 10,736,698	2.2506 9,712,372	0.6345 5,948,559	2.0825 17,084,214

## CHEESE MARKETS

## NORTHEAST

Production is active, with increased volumes of milk supplies being reported by cheese makers. Some manufacturers are considering the likelihood and significance of farm milk prices relaxing. Stocks are improving, as a few cheese makers build their inventories around a 7 day production schedule. Demand for domestic cheese is mixed. Exports are strong. The market is steady. The weekly average cheese prices varied last week on the CME Group. Wholesale prices for 40# block and muenster increased by \$0.0175, but declined \$0.0025 for process 5# sliced. Tuesday's CME Group cheese prices increased with barrels up \$0.0025 to close at \$2.1775, while blocks rose \$0.0075 to close at \$2.1900. This week, Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 4.791 million pounds of cheese. The product will be delivered February through June 2014. **COLD STORAGE:** According to NASS, U.S. stocks of total natural cheese as of January 31, 2014 totaled 1.02 billion pounds, 1% higher compared to December 2013, but 2% lower compared to last year. American cheese stocks totaled 630.7 million pounds, up 2% from December 2013, but 2% lower compared to last year. Other natural cheese totaled 359.9 million pounds, 2% lower than December 2013, and unchanged compared to last year. Swiss cheese totaled 25.3 million pounds, up 3% from December 2013 but down 17.0% from last year.

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

Cheddar 40# Block	: 2.5200-2.8050
Process 5# Sliced	: 2.3225-2.8025
Muenster	: 2.5400-2.9000
Grade A Swiss Cuts 10 - 14#	: 3.5375-3.8600

## MIDWEST

Cheese manufacturers report that retail and food service cheese orders are strong, even with CME cheese prices having increased over the last week and a half or so. Reports are that orders began increasing late the week before last into early last week. When prices began increasing more aggressively mid to late last week, there was little reduction in ordering, unlike patterns earlier this year. An observation is that buyers were gun shy for so long as prices increased, they had no choice but to pull the trigger when prices declined. The need to build store and food service inventories now generally overrides the influence on buying patterns as prices increase. By Wednesday, CME cheese prices had increased each day this week, with barrels closing at \$2.20 and blocks at \$2.2150. Food service cheese orders picked up quicker than retail, but both are now up. Bulk cheese orders are also increasing with some buyers reported to be replenishing stocks. The increasingly widespread perception that order strength is real and will be sustained, is leading to cheese manufacturers becoming more comfortable with increasing production. Icy, snowy conditions causing transportation delays resulted in some milk delays to cheese plants last week, reducing vat numbers. That loss is scheduled to be made up this week. NASS reports that total U.S. January 2014 natural cheese stocks were 1.02 billion pounds, 98% of January 2013, but 101% of December 2013. January East North Central region other

cheese stocks were 249.9 million pounds, 97% of January last year, and 98% of December. American cheese stocks were 214.3 million pounds, 81% of January 2013 and 96% of December.

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

Process American 5# Loaf	: 2.2000-2.5600
Brick And/Or Muenster 5#	: 2.5000-2.9250
Cheddar 40# Block	: 2.2050-2.6225
Monterey Jack 10#	: 2.4750-2.6800
Blue 5#	: 2.7675-3.7550
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 2.3450-3.2400
Grade A Swiss Cuts 6 - 9#	: 3.0550-3.1725

## WEST

Western cheese prices are mixed with a firm undertone. After re-treating from record highs, the market is moving upwards again. Some buyers are reluctant to purchase ahead of immediate needs at current price levels. Cheese production is slowly increasing as farm milk supplies are building. Some plants are restricting production so as not to build inventories, while others are looking to increase production to fill future orders. Export demand is good and is absorbing much of the production increases. According to the NASS Cold Storage report, U.S. stocks of cheese (total natural) at the end of January 2014 are 1.016 billion pounds, 2% less or 16.3 million pounds less than January 31, 2013. American stocks were 2% less, other natural stocks were near equal, and Swiss stocks at the end of January were down 17% compared to a year ago. Prices for cheese at the CME Group on Wednesday closed higher. Barrels closed up \$.0225 at \$2.2000 and blocks closed up \$.0250 at \$2.2150. The market has moved higher the first three trading days this week. No sales have occurred for barrels or blocks at the exchange by midweek.

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

Process 5# Loaf	: 2.2300-2.4875
Cheddar 40# Block	: 2.2425-2.5950
Cheddar 10# Cuts	: 2.4225-2.6425
Monterey Jack 10#	: 2.4325-2.5925
Grade A Swiss Cuts 6 - 9#	: 3.1150-3.5450

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## CHEESE MARKETS

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## FOREIGN

European cheese stocks continue to rebuild. Demand for European commodity cheeses is good. The prospects for increased cheese production and expanding inventories, due to EU milk production increases, are prompting some price concessions to conclude export sales. According to Eucolait, 2013 EU-28 cheese exports increased 2.6%, modest growth when compared to the 2012 14.1% increase in year over year sales. Most exports to the US from the EU are specialty cheeses and these exports are typically slow this time of year. The FDA has heightened its sampling program, which has slowed the movement of imported cheeses. Persistent winter storms in the Northeast have also slowed transportation networks and backlogged shipments to as much as 7 days. Domestic foreign type cheese prices marginally rebounded, (up \$0.0175) following the upward trend on the CME Group weekly average block price. Imported and Swiss cheese prices were unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.6600-4.1475*
Gorgonzola	: 3.6900-6.9700	: 3.1625-3.5750*
Parmesan (Italy)	: -0-	: 4.0500-6.1400*
Provolone (Italy)	: -0-	: 2.7025-2.8600*
Romano (Cows Milk)	: -0-	: 3.8500-6.0000*
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-	: 3.6350-3.9575
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

\* = Price change.

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

**BUTTER : CHEESE**

	:	
02/24/14	12,898	: 92,265
02/01/14	9,614	: 94,026
CHANGE	3,284	: -1,761
% CHANGE	34	: -2

**BUTTER : CHEESE**

	:	
02/17/14	**11,221	: 95,260
02/01/14	9,614	: 94,026
CHANGE	1,607	: 1,234
% CHANGE	17	: 1

\*\*NOTICE: Revisions were made to Report 8 holdings for butter.  
Trade sources made corrections to reported holding levels.

## 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	70	0	39	0	78
SOUTHEAST STATES	0	0	0	0	0	0

Milk production is reported higher in the Mid-Atlantic and Northeast regions. Manufacturers are seeing an uptick in milk supplies. Some manufacturers report heavier volumes coming into their plants. The improved weather conditions, have led to sluggish Class I demand. Florida's farm milk production is higher but not at the expected rate. Class I demand fell off as extended consumer dairy purchases from last week, a result of weather expectations, flattened dairy retail purchases this week. Weather conditions are good for production, as Florida is experiencing record setting rain levels during typically dry periods. The decrease in Class I demand saw 70 loads exported. Class I demand has eased in the Southeast, as bottling plants limit their orders. Manufacturing milk supplies are strong. Cream supplies are heavy with expanded volumes going into butter production. Cream demand is steady, as manufacturers fulfill Class II and Class III customer contract sales. Some balancing plants are unloading excess cream supplies through transactions with buyers from other regions. **Cream multiples for all classes ranged 1.15-1.25. Condensed skim** supplies are increasing with milder weather conditions into the region. Manufacturers are filling contracts and sending volumes to Class IV production. *According to NASS*, milk production for January 2014 in the 23 reported states totaled 16.1 billion pounds, up 1.0% from January 2013. Milk production increased in all 5 listed states in the Eastern region. Eastern region production increased 0.5% compared to the same month last year. The 5 states showed the following percentage changes in milk production from January 2013 to January 2014, and total milk production this January: Florida, +0.5%, 212 million pounds; New York, +0.3%, 1.1 billion pounds; Pennsylvania, +0.4%, 908 million pounds; Vermont, 0.9%, 223 million pounds; and Virginia, +2.0% at 153 million pounds. Milk cow numbers for January 2014 increased in 2 states and decreased in 3 of the 5 listed states. As a region, cow numbers were 1,000 head less compared to the same period last year. Individual state cow numbers compared to January 2013 and cows on farms are: Florida, 1,000 increase, 123,000 head; New York, 5000 increase, 615,000 head; Pennsylvania, 4,000 decrease, 531,000 head; Vermont, 2,000 decrease, 132,000 head; and Virginia, 1,000 decrease, 93,000 head.

## 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 - 2.0427-2.2203

F.O.B. producing plants: Upper Midwest - 2.1493-2.2737

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - 2.12-2.15

Northeast - Class III - spot prices - 1.86-1.89

## MIDWEST

The weather continues to take a toll on producers in the Upper Midwest as a few barn collapses were reported and higher propane prices are increasing input costs. Milk production rates were marginally higher this week while components are running steady. A snow storm over the past weekend caused some trucking issues in the northern part of the region. Milk spot loads are becoming available and some buyers found discounts on supplies. Several balancing plants were running heavy this week. Class I demand is light to moderate as sales are slow. Some processing plants are offering out additional loads of condensed skim to the spot market, while a few are using supplies in house. Class II interest is light to moderate with indications of ice cream production picking up. **The Class II cream multiples were unchanged, ranging from 1.21 to 1.28.** Despite cream sellers having good sales, supplies are outpacing demand. Some cheese makers are bumping up production levels with increased sales over the past week. The weekly *Cow Slaughter under Federal Inspection Report* shows U.S. dairy cow slaughter for the week ending on February 8<sup>th</sup>, 2014 at 59,900 head, 7,100 head or 10.6% lower than the comparable week a year ago.

## WEST

CALIFORNIA milk production is steady to higher. Anecdotal reports indicate somatic cell counts are running well below year ago values. Commenters relate this to the extended period of dry weather experienced in the state. Sales to bottlers recorded only minor changes, with overall ordering largely unchanged. Processors continue to send loads of raw milk and/or condensed skim to buyers beyond state borders to assure timely milk manufacturing. Rain arrived in parts of Southern California this week, with forecast totals for the 3 – 4 day event ranging up to 8 inches. January 2014 POOL RECEIPTS of milk in CALIFORNIA total 3.54 billion pounds, 6.4% higher compared to January last year, according to California Department of Food and Agriculture. The January Value at Test price is \$22.15, \$1.43 higher than December 2013 and \$4.30 higher than January 2013. The percentage of receipts used in Class 1 products is 13.4%. The January quota price is \$22.53 and the over quota price is \$20.83. These prices are \$1.55 higher than December, and \$4.23 higher than a year ago. NEW MEXICO weather is optimal for milk production, and milk processors report plants are working at full capacity. Bottlers' in-state demand decreased from the previous week, following seasonal ordering patterns. Fluid orders from Southeastern bottlers also shifted lower. In addition, some milk loads from outside the state cleared into New Mexico to find processing room. Upticks in Class II orders are occurring intermittently. On farm milk production in ARIZONA is steady to higher. Fluid milk orders are steady to lower; Class II orders are steady. Processors are taking in some over-capacity milk loads from neighboring states on an occasional basis, as day to day processing room allows. The Western CREAM multiple full range adjusted higher across the range, with the full range being 1.17 – 1.28, depending on Class usage and basing points. Cream sales into ice cream/frozen dessert accounts are increasing slowly. Butter churn operators are interested in cream loads as long as multiples are near the low end of the range. At the CME Group, Grade AA butter closed on Wednesday at \$1.78, one cent higher than one week ago.

CONTINUED ON PAGE 4A

## FLUID MILK AND CREAM

## CONTINUED FROM PAGE 4

Milk production in the PACIFIC NORTHWEST is continuing its upward trend. Typical seasonal increases are being aided by favorable weather across much of the Northwest. Rains have been scattered across the region with snowfall accumulating in the higher elevations. This snowpack will help to alleviate concerns about water supplies for the upcoming growing season. Temperatures have been average to above average in both Washington and Oregon. Favorable prices for farm milk have contributed to some increases in cow numbers, especially in Washington. UTAH and IDAHO milk production is increasing. Seasonal to above average temperatures are adding to milk supplies as dairy cows use less feed for body maintenance. Rains are being welcomed across the region and adding to snowpack in the higher elevations. Milk supplies are still short of manufacturing demand in the region. Some condensed solids are being imported into Idaho plants. Recent increases in milk prices to dairies are hoped to help with herd expansion plans and grow the milk supply in the region. According to NASS, January *Milk Production* for the 23 surveyed states totals 16.1 billion pounds, 1.0% higher than a year ago. January milk production changes from a year ago for selected Western states are as follows: Arizona +0.8%, California +4.7%, Colorado +5.8%; Idaho +0.4%, New Mexico -0.9%, Oregon +4.4%, Utah +3.0%, and Washington +1.7%. Monthly milk production per cow for the 23 surveyed states was 1,891 pounds, up 17 pounds from January 2013. Milk cow numbers on farms in the 23 major states was 8.505 million head for January 2014, 7,000 head more than last year, and 5,000 head more than December 2013. Compared to January 2013, the Arizona herd is +2,000, California +1,000, Colorado +5,000, Idaho -14,000, New Mexico +3,000, Oregon +1,000, Utah +5,000, and Washington +3,000. These 8 Western states are up 6,000 cows compared to last year.

## 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:** Prices of LOW/MEDIUM HEAT nonfat dry milk increased on various indices basing points. The market tone is mixed with buyers reluctant to be long on inventories and many manufacturers fulfilling contract obligations. Production rates of low/medium NDM are steady. Export interest is good and the focal point of many orders, while domestic demand is moderate. Inventories are steady to improving. The Grade A NDM price at the CME Group lowered 4 cents Wednesday to \$2.0300, 1.25 cents less than last Wednesday. HIGH HEAT NDM prices moved higher. Some prices above the top of the range were seen on partial load sales into bakeries. Most of high heat production is going towards contract commitments. Some manufacturers backed off production rates this week. High heat inventories are balanced.

**EAST:** East low/medium nonfat dry milk prices strengthened and the range widened, as prices increased \$0.0075 on top of the range. Manufacturers are producing steady to higher volumes of low heat nonfat dry milk, as increased loads of milk supplies were delivered to balancing plants this week. Tight inventories are reported in the region. Some manufacturers' drying schedules are geared to cover contracted volumes, with limited spot drying. There are concerns that unloading extra available inventory could potentially drive prices down. Buyers are making purchases based on near term needs, with hopes prices will trend lower. Domestic demand is good. Export demand is active. The market tone remains steady. High heat nonfat dry milk sales are primarily specialty orders to regular customers. Prices are unchanged to higher.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 2.0500 - 2.1650 MOSTLY: 2.0500 - 2.1450  
 HIGH HEAT: 2.1000 - 2.2150

**NONFAT DRY MILK - WEST**

Low/medium heat nonfat dry milk prices are steady on the range, but one-half cent higher on the top of the mostly. The market tone is firm. Manufacturers in the Western region are dividing production time among several products, including low heat nonfat dry milk, skim milk powder, and concentrated milk products. Because of the diverse ways producers are handling intakes, nonfat dry milk inventories are steady to building slowly. Several manufacturers report their low heat NDM stocks on hand are comfortable and not a cause for sending NDM loads to the F.O.B. spot market. Contract fulfillment is described as timely. Resellers note they continue to receive and clear back-to-back contract loads at prearranged prices. However, new buyers trying to obtain resale spot loads are reluctant to agree to established price overages. Because of this, a few resellers are occasionally chipping away at normal overages as an inventory management strategy. High heat NDM prices are unchanged to higher as index based prices adjust. Demand for high heat NDM is intermittent, as is production. Market participants indicate Q1 is typically a light demand season for high heat NDM.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.9800 - 2.1325 MOSTLY: 2.0500 - 2.1000  
 HIGH HEAT: 2.1000 - 2.1900

**DRY BUTTERMILK - CENTRAL AND EAST**

**CENTRAL:** Dry buttermilk prices decreased this week as majority of the F.O.B spot sales trended lower. The market tone is weakening as buyers are showing price resistance and supplies are improving. Some manufacturers dried additional loads this week, while others are moving condensed form supplies. Demand is slowing with moderate sales activity.

**EAST:** Dry buttermilk prices moved lower this week in limited trading. Production is steady. Butter is being churned heavily and this continues to generate buttermilk volumes going into inventories. Some buyers are having difficulty finding buttermilk, with very little product being sold in the spot market. Demand is expected to improve with Class II utilization. The market tone is moderate.

F.O.B. CENTRAL/EAST: 1.8400 - 2.0100

**DRY BUTTERMILK - WEST**

Dry buttermilk prices in the Western region are unchanged to higher on the range and mostly price series. The market tone is firm. With farm milk intakes outstripping processing capacity at a number of locations, several manufacturers are focusing dryer times on clearing condensed skim into various dry products. Processors indicate much of the fluid and/or condensed buttermilk volumes are returning to dairy producers as a feed additive. Dry buttermilk inventories are light and transactions are mostly contract related.

F.O.B. WEST: 1.9000 - 1.9725 MOSTLY: 1.9300 - 1.9600

**DRY WHOLE MILK - NATIONAL**

Dry whole milk prices are steady. Manufacturers report contract sales continue to make up the majority of transactions. Production is sporadic and being sandwiched between low heat NDM production runs at a few facilities.

F.O.B. PRODUCING PLANT: 2.1300 - 2.2000

**CALIFORNIA MANUFACTURING PLANTS - NDM**

WEEK ENDING	PRICE	TOTAL SALES
February 21	\$2.0429	6,505,028
February 14	\$2.0360	8,121,113

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

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

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

**DRY WHEY - CENTRAL**

Prices for DRY WHEY increased on the range due to various price indices, but are unchanged on the mostly due to limited F.O.B spot load activity. The market tone is firm on a quiet week with many dry whey manufacturers focusing solely on contract commitments. Resellers were able to move product readily with increased buyer interest. Production rates were steady this week. Domestic demand is good and international interest is active. Dry whey supplies are limited. ANIMAL FEED WHEY prices moved higher on F.O.B spot load activity. The market tone is firm with good demand and limited supplies available. Some end users resorted to purchasing supplemental edible whey because they are unable to secure animal feed whey.

F.O.B. CENTRAL: .5975 - .6675 MOSTLY: .6000 - .6225  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4500 - .5925

**DRY WHEY - NORTHEAST**

Eastern dry whey prices were mixed. Dry whey production is improving in the region, with upticks in milk supplies going to cheese manufacturers. Inventories are tight, with supplies primarily moving through contracts. Demand is good. The market tone is uneven.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .6200 - .6800

**DRY WHEY - WEST**

Dry whey prices in the West are higher across both the range and mostly price series. Both buyers and sellers are expressing concern about prices moving above current levels. Nevertheless, contract sales are ongoing with some spot sales being reported. The bulk of the spot sales reported are coming from brokers and resellers. Whey prices are competitive with other whey stream products when comparing protein price levels. Strong export prices with good demand from both domestic and export markets are helping to bolster prices. Dry whey production is mostly steady with production often tied to various cheese variety sales. Whey stocks are adequate for contracted needs.

NONHYGROSCOPIC: .6100 - .6550 MOSTLY: .6100 - .6475

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices are mixed, with a 5 cent gain on the bottom of the range and a 3 cent drop on the bottom of the mostly price series. The market is mixed. WPC 34% F.O.B. spot offers are clearing steadily, but some price adjustments are being factored in dependent on certain finished product label descriptors, such as, being unbleached, kosher, halal, or having a low plate count. Buyers in the feed sector are generally working off inventories and waiting for a downturn in prices before restocking. Whey protein concentrate 34% production is edging higher, following increasing manufacturing milk clearing into cheese. Producers' WPC 34% inventories are variable.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.6000-1.9600 MOSTLY: 1.6900-1.8450

**LACTOSE - CENTRAL AND WEST**

Lactose prices are unchanged for the week on a steady market. Demand for unground to 100 mesh lactose is notably improving from a few weeks ago. Noncontract loads of unground lactose are still available from a few manufacturers and resellers, but the variety of brands available without a contract is decreasing. A few producers report the new interest is putting a squeeze on current inventories and they are unable to respond to requests for F.O.B. spot loads. Anecdotal reports indicate this demand is building price support ahead of Q2 contracting. Lactose production is climbing steadily as farm milk production increases seasonally. Some operations in milk deficit areas are increasing cheese/lactose production by obtaining raw milk/condensed skim/cream from areas with over-capacity. Container shortages at manufacturers' inland facilities continue to delay shipments to overseas customers.

Including spot sales and up to 3 month contracts.

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

**CASEIN - NATIONAL**

Prices for both acid and rennet casein are unchanged. The market tone is steady to slightly firm. Buyer interest is generally light outside of commitments. Offerings are available to fill contracted needs, but limited for spot interest. Trade needs are being assessed for the 2nd quarter and beyond. Higher and sustained milk production levels in Europe are getting more attention as conditions are generally favorable with adequate margins on milk. The impact on the supplies of casein and caseinates is being watched.

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



## INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered February 17 – 28, 2014

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

**WESTERN OVERVIEW:** Western Europe milk production continues to increase. Weather conditions are phenomenal in the region with some areas reporting conditions 4-6 weeks ahead of the typical spring trend. Heavy milk production and good prices for milk powders have dryers operating at capacity levels. Export demand for milk powders is very active as EU prices are internationally competitive and gaining more interest. Near term available supplies are very limited. Bulk butter prices, after declining for a number of weeks, are now drawing increased export interest. Whey trading activity remains quiet. According to Eucolait, 2013 EU-28 exports showed the following year over year percentage changes for the following products; SMP, -21.2%; WMP, -3.4%; cheese, +2.6%; dry whey, +5.3%; butter -0.5%; AMF, +7.2%; lactose, -2.4%; casein, -22.3%; caseinate, -4.5% and WPC80, -9.1%.

**BUTTER/BUTTEROIL:** Bulk butter prices for the reporting period continue to reflect the downward trend that has existed for a number of weeks. There is some evidence that declines may have bottomed out as the low end of the range marginally increased. EU prices have become more competitively priced and have sparked both domestic and export buyer interest. Production is active as milk production is increasing. Export interest from Russia and the Middle East continues to be active. Volumes available for sale are described as normal by various contacts. Some end users are building supplies of winter butter, referred to in the EU as technical storage, for future needs. Manufacturers are less inclined to store butter as prices are relatively high. Butter in PSA storage must be taken by the end of February. Butteroil prices remain well above international pricing and are receiving only limited export interest.

82% BUTTERFAT: 4,675 - 5,175  
99% BUTTERFAT: 6,250 - 6,675

**SKIM MILK POWDER (SMP):** Prices for SMP marginally declined this reporting period. Export demand for skim milk powder continues to be robust. Domestic demand is active. Current production levels are at, or near, maximum capacities. A fire at a German plant shut down drying operations, further limiting available supplies. Manufacturers are enjoying good margins as condensed skim milk can be purchased at discounts. Additional dryers are scheduled to come online prior to the seasonal milk production peak in April-May. Available supplies are very limited for the remainder of Q1, but more available in Q2. Completed Q2 negotiations have resulted in large quantities being contracted at price levels above Q1 pricing.

1.25% BUTTERFAT: 4,450 - 4,725

**WHOLE MILK POWDER (WMP):** European whole milk powder prices held steady this period and remain competitive in the international marketplace. Global demand for EU product is good as evidenced by the lack of any price decline, despite lower butter prices. Production is very active with nearly all dryers operating at capacity. Market trends are viewed as very stable.

26% BUTTERFAT: 4,950 - 5,300

**SWEET WHEY POWDER:** Whey prices decreased slightly on the upper end of the range. Trading activity for sweet dry whey has been relatively steady with some increase in export interest. Production is steady with dryers operating at near capacity. Additional supplies of condensed whey have resulted in only marginal increases in dry whey production, with a majority of the excesses supplies going to the production of whey protein concentrates. Feed whey prices have also weakened over the past fortnight.

NONHYGROSCOPIC: 1,325 - 1,500

**EASTERN OVERVIEW:** Milk production in Eastern Europe is behind the Western European pace, but increasing along the seasonal trend. Winter weather patterns are fairly normal. Milk powders are more readily available for the near term in the region. Butter and cheese exports to Russia remain active.

**Exchange rates for selected foreign currencies:  
February 24, 2014**

.1273 Argentina Peso	.0098 Japan Yen
.9035 Australian Dollar	.0754 Mexican Peso
.9040 Canadian Dollar	.8329 New Zealand Dollar
1.3735 Euro	.3301 Polish Zloty
.0162 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0754) = 13.2626 Mexican Pesos. Source: "Wall Street Journal"

Information gathered February 17 - 28, 2014

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

**AUSTRALIAN** milk production has suffered from recent heat waves and limited bounce backs in production. Dairy Australia is forecasting milk production for the 2013/14 season to be flat to 2% lower, compared to last season. Recent rains and cooler temperatures have improved cow comfort levels in some areas. Prompted by adequate water supplies, lower feed costs, higher milk prices, and having most of the hot weather behind them, many dairy producers are looking to prolong milk production this season. Victoria's milk production continues to hang on, benefitting from irrigated pastures and supplemental feeding. A majority of dairy product supplies are committed for Q1 and Q2 and global demand remains active with most markets seen as stable. **NEW ZEALAND** milk production in December was reported by DCANZ at 2.72 million tons, up 4.7% from December 2012 and 11.8% higher than two years ago. Some production areas on both the North and South Islands are currently dry and needing rain to promote pasture growth. Strong global demand and good margins are continuing to prompt producers to provide supplemental forage feeding to extend the milk production season. Manufacturers are building supplies to fill future commitments over the carry over period. Butteroil demand has improved following recent price declines.

**BUTTER:** Oceania butter pricing was steady to firm this fortnight period. The supply situation is tight with some manufacturers having no allotments available, while others have only limited uncommitted volumes. Demand remains fairly good, even though numerous international buyers are shifting their focus to supplies in the northern hemisphere. Russian purchases have slowed compared to previous weeks, but are continuing to record sales at the upper end of the price range. A majority of current production is filling domestic demand needs and adding to supplies to cover long term contracts. Recent declines in the AMF market have sparked export interest from the Middle East and Southeast Asia. At the February 18 GDT event 110, NZ unsalted butter averaged \$4,695/MT for the April contracts, and all regions \$4,586/MT for all contract periods, -3.8%. AMF prices averaged \$5,293/MT for the April contracts, -3.7% from the prior event. For all contract periods, the AMF price average was \$5,314/MT, -4.5%.

82% BUTTERFAT: 4,400 - 5,050

**SKIM MILK POWDER (SMP):** Skim milk powder prices are stable with only a marginal decline on the upper end of the range. Product availability is very limited with most supplies committed for Q1 and Q2. Production is filling current orders and building supplies for future commitments. Global demand remains strong with many buyers looking to the more available supplies in the EU and the US at competitive price levels. At the February 18th GDT event 110, SMP for all regions and contracting periods averaged \$4,780 per MT, -0.1%. For trading in contract period 2, April 2014, prices averaged \$5,120 for NZ sourced medium heat product, up \$65 from the prior event. For April sales, the price gap between NZ and U.S. sourced MH SMP, at \$4,480, was \$640/MT.

1.25% BUTTERFAT: 4,700 - 5,250

**CHEDDAR CHEESE:** Cheese prices remained mostly stable with some weakness on the low end of the range. The firm SMP and WMP markets are supporting the cheese market, as cheese makers need a good return on cheese in order to make it. Without good returns for cheese, manufacturers are inclined to make milk powders. Cheese production is covering domestic demand needs and building supplies to cover long term commitments.

39% MAXIMUM MOISTURE: 4,900 - 5,500

**WHOLE MILK POWDER (WMP):** Whole milk powder prices remain stable with only a marginal decline on the low end of the range. Supplies continue to be very tight with nearly all supplies committed in Q1 and limited availability in Q2. Prices paid by China are easing somewhat. Demand needs have yet to be fully realized following the heavy volume purchases prior to the Chinese New year. Demand from the Mid-East and Southeast Asia remains active. Manufacturers are building supplies to cover long term commitments. At the February 18th GDT event, the WMP pricing index, across all contracting periods, averaged \$4,999 per MT, down 0.3% compared to the prior event. For contract periods 2 and 3, April and May 2014, NZ regular WMP averaged \$4,950 and \$4,980 per MT, respectively.

26% BUTTERFAT: 4,900 - 5,300

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

US\$/MT	Global/Dairy Trading (g/DT) Event 110 Recap - February 18, 2014													
	Contract 1 Mar-14		Contract 2 Apr-14		Contract 3 May-14		Contract 4 Jun-14		Contract 5 Jul-14		Contract 6 Aug-14		All Contracts	
Anhydrous Milk Fat	n.a.	\$5,293	-3.7%	\$5,343	-5.2%	\$5,385	-4.2%	\$5,225	-8.1%	\$5,550	-6.7%	\$5,314	-4.5%	
Butter	\$4,175	-4.1%	\$4,654	-4.1%	\$4,677	-4.6%	\$5,045	0.4%	n.a.	n.a.	\$4,586	-3.8%		
Buttermilk Powder	n.a.	\$5,315	3.0%	\$5,455	3.2%	n.a.	n.a.	n.a.	n.a.	\$5,355	3.1%			
Cheddar	n.a.	\$4,804	-2.6%	\$4,814	-1.7%	\$4,967	0.0%	n.a.	n.a.	\$4,845	-1.7%			
Lactose	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			
Milk Protein Concentrate	n.a.	\$8,700	-7.3%	\$8,940	-3.7%	n.a.	n.a.	n.a.	n.a.	\$8,824	-5.4%			
Rennet Casein	n.a.	\$11,461	-3.5%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$11,461	-3.5%			
Skim Milk Powder	\$4,408	-1.3%	\$4,901	1.1%	\$4,874	1.6%	\$4,699	-1.2%	\$4,826	-3.8%	\$4,675	-4.1%	\$4,780	-0.1%
Whole Milk Powder	n.a.	\$4,972	-0.2%	\$5,008	-1.1%	\$5,023	0.0%	\$5,132	1.5%	n.a.	\$4,999	-0.3%		

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (g/DT) Event 110 Recap - February 18, 2014													
	Contract 1 Mar-14		Contract 2 Apr-14		Contract 3 May-14		Contract 4 Jun-14		Contract 5 Jul-14		Contract 6 Aug-14		All Contracts	
Anhydrous Milk Fat	n.a.	\$2.4009	-3.7%	\$2.4236	-5.2%	\$2.4426	-4.2%	\$2.3700	-8.1%	\$2.5175	-6.7%	\$2.4104	-4.5%	
Butter	\$1.8938	-4.1%	\$2.1110	-4.1%	\$2.1215	-4.6%	\$2.2884	0.4%	n.a.	n.a.	\$2.0802	-3.8%		
Buttermilk Powder	n.a.	\$2.4109	3.0%	\$2.4744	3.2%	n.a.	n.a.	n.a.	n.a.	\$2.4290	3.1%			
Cheddar	n.a.	\$2.1791	-2.6%	\$2.1836	-1.7%	\$2.2530	0.0%	n.a.	n.a.	\$2.1977	-1.7%			
Lactose	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.			
Milk Protein Concentrate	n.a.	\$3.9463	-7.3%	\$4.0552	-3.7%	n.a.	n.a.	n.a.	n.a.	\$4.0025	-5.4%			
Rennet Casein	n.a.	\$5.1987	-3.5%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$5.1987	-3.5%			
Skim Milk Powder	\$1.9995	-1.3%	\$2.2231	1.1%	\$2.2108	1.6%	\$2.1315	-1.2%	\$2.1891	-3.8%	\$2.1206	-4.1%	\$2.1682	-0.1%
Whole Milk Powder	n.a.	\$2.2553	-0.2%	\$2.2716	-1.1%	\$2.2784	0.0%	\$2.3279	1.5%	n.a.	\$2.2675	-0.3%		

Average price US\$/pound and % change from previous event.

## CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume <sup>1/</sup>

Month	02/13	02/14	02/17	02/18	02/19	02/20	02/21	02/24	02/25	02/26
<b>CME - CLASS III MILK FUTURES (Pit-Traded)</b>										
FEB 14	23.12 (5263) 0	23.14 (5211) 0	NO TRADING	23.14 (5130) 0	23.14 (5134) 0	23.15 (5215) 80	23.19 (5161) 1	23.20 (4957) 0	23.20 (4949) 0	23.20 (4964) 0
MAR 14	21.04 (4645) 5	21.04 (4644) 0		21.26 (4753) 2	21.33 (4830) 5	21.49 (4834) 10	21.79 (4828) 7	22.18 (4834) 0	21.90 (4792) 1	21.92 (4757) 8
APR 14	19.66 (3295) 3	19.87 (3309) 0		20.33 (3496) 9	20.53 (3512) 5	20.65 (3518) 16	20.90 (3595) 8	21.29 (3655) 7	20.78 (3751) 5	20.48 (3827) 8
MAY 14	19.10 (2887) 3	19.23 (2900) 0		19.49 (2955) 2	19.69 (2979) 5	19.79 (3018) 10	20.01 (3099) 8	20.34 (3163) 5	20.06 (3237) 2	19.90 (3397) 12
JUN 14	18.94 (2682) 3	18.98 (2702) 0		19.15 (2755) 2	19.35 (2810) 5	19.46 (2819) 10	19.72 (2871) 8	20.05 (2930) 0	19.87 (2970) 2	19.76 (2994) 12
JUL 14	18.77 (1832) 3	18.81 (1846) 0		18.91 (1900) 2	19.03 (1908) 15	19.14 (1955) 11	19.38 (1973) 8	19.66 (1976) 0	19.53 (1986) 2	19.47 (2022) 12
AUG 14	18.66 (1668) 3	18.70 (1672) 0		18.74 (1732) 2	18.87 (1742) 5	18.99 (1781) 10	19.12 (1812) 7	19.38 (1833) 0	19.28 (1842) 2	19.23 (1863) 32
SEP 14	18.51 (1562) 3	18.54 (1574) 0		18.56 (1602) 1	18.70 (1633) 3	18.74 (1665) 10	18.86 (1679) 7	19.05 (1728) 0	18.99 (1779) 2	19.02 (1790) 12
OCT 14	18.32 (1284) 3	18.35 (1287) 0		18.36 (1303) 1	18.43 (1321) 3	18.48 (1367) 10	18.60 (1390) 7	18.79 (1417) 0	18.72 (1451) 2	18.77 (1468) 8
NOV 14	18.07 (1192) 3	18.02 (1195) 0		18.05 (1222) 1	18.13 (1242) 3	18.15 (1285) 10	18.34 (1299) 7	18.48 (1322) 0	18.40 (1338) 2	18.50 (1368) 8
<b>CME - CLASS IV MILK FUTURES (Pit-Traded)</b>										
FEB 14	23.28 (1585) 0	23.35 (1580) 0	NO TRADING	23.35 (1580) 0	23.35 (1580) 0	23.36 (1599) 0	23.50 (1590) 0	23.44 (1581) 0	23.44 (1581) 0	23.44 (1581) 0
MAR 14	22.97 (1729) 1	23.00 (1739) 14		23.05 (1754) 6	23.14 (1742) 0	23.14 (1747) 9	23.20 (1749) 1	23.25 (1731) 0	23.20 (1737) 0	23.10 (1718) 0
APR 14	22.10 (1486) 12	22.13 (1508) 14		22.27 (1528) 13	22.70 (1560) 47	22.70 (1568) 9	22.80 (1572) 1	22.93 (1578) 0	22.94 (1608) 0	22.71 (1656) 0
<b>CME - CASH SETTLED BUTTER FUTURES (Electronic-Traded)</b>										
FEB 14	182.80 (835) 7	183.00 (839) 15	NO TRADING	184.00 (840) 1	184.00 (840) 0	184.00 (840) 0	184.48 (839) 4	183.50 (840) 20	183.48 (840) 0	183.23 (839) 14
MAR 14	175.98 (1111) 23	179.00 (1128) 33		179.00 (1135) 19	179.50 (1128) 51	178.25 (1115) 46	178.25 (1114) 1	178.00 (1162) 79	178.00 (1197) 70	178.50 (1227) 148
APR 14	173.50 (903) 19	176.50 (912) 17		176.50 (917) 9	176.40 (914) 31	176.50 (922) 15	176.50 (922) 2	177.33 (929) 10	177.25 (982) 126	178.75 (1019) 83
<b>CME - NONFAT DRY MILK FUTURES (Pit-Traded)</b>										
FEB 14	205.75 (589) 0	206.00 (589) 0	NO TRADING	206.50 (587) 0	206.50 (582) 0	206.75 (585) 0	207.15 (582) 0	207.48 (577) 0	207.85 (578) 0	207.85 (578) 0
MAR 14	205.00 (724) 0	204.50 (725) 0		205.50 (714) 0	206.50 (703) 0	206.80 (697) 0	207.28 (697) 0	207.75 (688) 0	207.75 (680) 0	206.48 (682) 0
APR 14	197.00 (754) 0	196.20 (759) 0		198.10 (782) 0	202.10 (769) 0	202.20 (758) 0	203.75 (741) 0	203.75 (741) 0	205.00 (743) 0	202.90 (757) 0
<b>CME - WHEY (Electronic-Traded)</b>										
FEB 14	62.95 (280) 0	62.95 (280) 0	NO TRADING	62.93 (279) 2	62.93 (279) 0	62.88 (279) 0	62.88 (279) 0	62.88 (279) 0	62.88 (279) 0	62.88 (279) 0
MAR 14	64.05 (341) 1	63.95 (341) 0		63.95 (342) 4	63.95 (342) 0	63.50 (342) 4	63.50 (342) 0	63.50 (342) 0	63.25 (339) 8	63.25 (349) 29
APR 14	62.50 (267) 6	63.00 (268) 3		63.00 (268) 0	63.00 (268) 0	63.00 (268) 0	63.08 (268) 0	63.08 (268) 1	62.93 (276) 28	62.88 (287) 37
<b>CME - CHEESE CSC (Electronic-Traded)</b>										
FEB 14	2.27 (1069) 0	2.27 (1069) 0	NO TRADING	2.27 (1065) 0	2.27 (1065) 0	2.27 (1065) 3	2.27 (1065) 0	2.27 (1065) 0	2.27 (1065) 0	2.27 (1063) 2
MAR 14	2.05 (1260) 9	2.05 (1274) 20		2.07 (1276) 3	2.07 (1278) 4	2.09 (1247) 68	2.12 (1247) 0	2.16 (1247) 0	2.14 (1257) 30	2.15 (1253) 4
APR 14	1.92 (1042) 8	1.93 (1044) 5		1.97 (1047) 12	2.00 (1050) 14	2.01 (1055) 23	2.04 (1074) 23	2.09 (1099) 29	2.03 (1163) 81	2.00 (1178) 23
MAY 14	1.86 (926) 4	1.87 (922) 4		1.90 (932) 53	1.91 (931) 3	1.92 (938) 21	1.95 (939) 16	1.98 (1004) 68	1.96 (1052) 73	1.94 (1075) 47
JUN 14	1.85 (840) 4	1.86 (835) 6		1.87 (834) 18	1.89 (842) 18	1.90 (852) 21	1.93 (862) 14	1.95 (876) 27	1.95 (909) 41	1.93 (909) 16
JUL 14	1.86 (633) 19	1.86 (639) 14		1.86 (646) 17	1.87 (646) 3	1.88 (662) 20	1.91 (682) 24	1.93 (681) 4	1.92 (682) 8	1.92 (689) 11

<sup>1/</sup> At the CME open interest for milk -- 200,000 pounds per contract.)

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

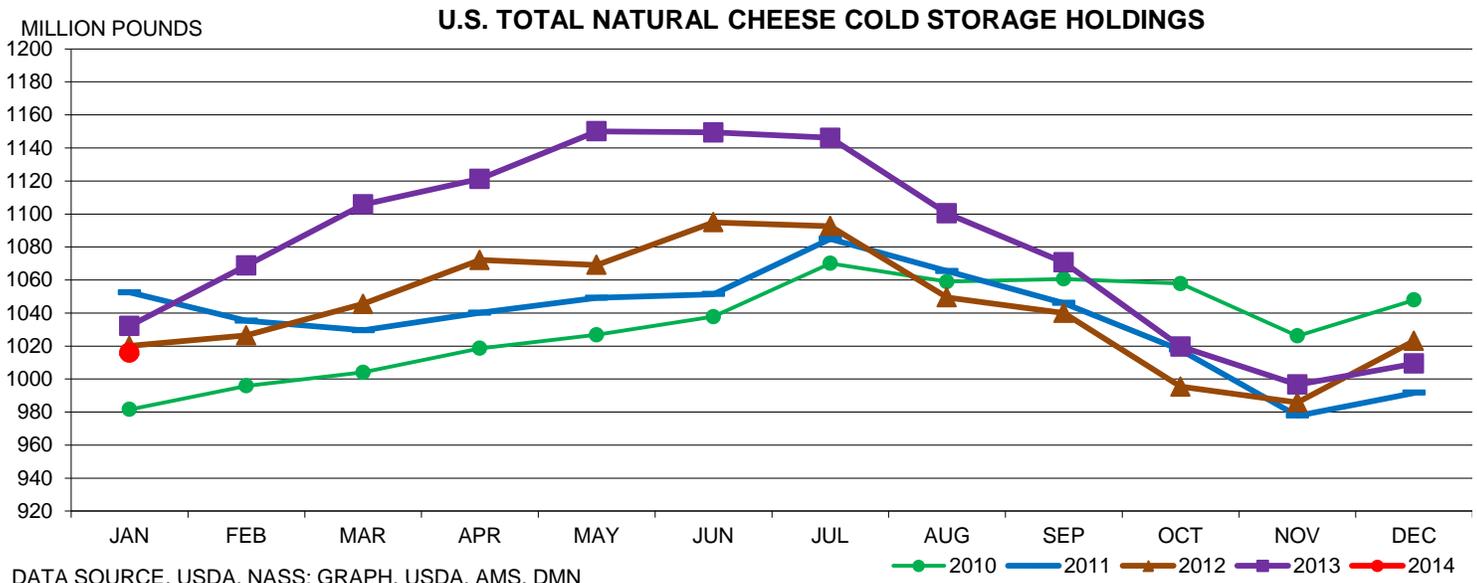
NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	DEC 31, 2011	DEC 31, 2012	REVISED DEC 31, 2013	JAN 31, 2012	JAN 31, 2013	JAN 31, 2014
Butter	106,856	153,027	112,467	170,348	207,075	138,129
Cheese, Natural American	610,998	635,590	618,265	642,204	643,184	630,671
Cheese, Swiss	27,637	31,747	24,688	25,909	30,401	25,346
Cheese, Other Natural	352,981	355,765	366,428	351,944	358,611	359,890
Total Cheese	991,616	1,023,102	1,009,381	1,020,057	1,032,196	1,015,907

JANUARY STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
New England	41,434	40,125	53,156	---	---	---	916	1,025	1,056
Middle Atlantic	48,939	42,935	66,099	---	---	---	16,465	17,526	15,108
East North Central	265,445	264,091	214,267	---	---	---	260,652	257,630	249,875
West North Central	110,760	112,800	111,203	---	---	---	31,047	31,145	40,732
South Atlantic	57	476	664	---	---	---	5,348	5,356	5,500
East South Central	2,748	3,991	3,174	---	---	---	11,400	13,950	9,341
West South Central	10,718	10,914	8,974	---	---	---	944	1,730	489
Mountain	49,034	59,750	54,837	---	---	---	4,489	5,389	2,787
Pacific	113,069	108,102	118,297	---	---	---	20,683	24,860	35,002
TOTAL	642,204	643,184	630,671	170,348	112,467	138,129	351,944	358,611	359,890

\*Regional breakdowns are not reported to avoid possible disclosure of individual operations.



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

COMMERCIAL STORAGE HOLDINGS, JANUARY 2013 TO DATE

Month	Butter		Natural American Cheese		Nonfat Dry Milk <sup>1/</sup>	
	2014	2013	2014	2013	2014	2013
	<i>million pounds</i>		<i>million pounds</i>		<i>million pounds</i>	
January	138	207	631	643	(NA)	198
February		238		661		226
March		255		685		232
April		310		699		208
May		322		715		230
June		319		711		230
July		296		702		206
August		264		668		195
September		233		661		147
October		182		626		111
November		122		614		114
December		112		618		133

(NA) = Not available.

<sup>1/</sup> Includes instant nonfat dry milk.

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

FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, ANNUAL 2013

**HIGHLIGHTS.** Handler reports of receipts and utilization under the Federal milk order system for 2013 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During 2013, more than 132.1 billion pounds of milk were received from producers. This total annual volume of milk is 7.9 percent higher than the 2012 total annual volume. There were volumes of milk not pooled due to intraorder disadvantageous price relationships in both years. More than 42.7 billion pounds of producer milk were used in Class I products, 1.7 percent lower than the previous year. The all-market average Class utilization percentages were: Class I = 32%, Class II = 12%, Class III = 47% and Class IV = 9%. The 2013 weighted average statistical uniform price was \$19.44 per cwt., \$1.39 per cwt. higher than the 2012 weighted average statistical uniform price.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE YEAR 2013										
FEDERAL MILK ORDER MARKETING AREA 1/	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN			UNIFORM PRICE 2/ \$ PER CWT.
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV.	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			
Northeast (Boston)	001	25,419.9	2.9	9,507.9	-3.0	37	26	25	12	20.23
Appalachian (Charlotte)	005	5,728.6	-2.3	3,844.8	-3.5	67	15	8	10	21.34
Florida (Tampa)	006	2,833.3	-2.0	2,423.6	-0.6	86	8	3	3	23.53
Southeast (Atlanta)	007	6,129.3	-9.8	4,163.0	-7.1	68	12	13	7	21.74
Upper Midwest (Chicago)	030 3/	34,315.1	11.8	3,685.9	-3.5	11	2	86	1	18.29
Central (Kansas City)	032 3/	15,199.1	13.5	4,867.0	-0.2	32	10	46	12	18.82
Mideast (Cleveland)	033 3/	16,719.1	-0.5	6,448.4	3.7	39	14	34	13	19.17
Pacific Northwest (Seattle)	124 3/	8,239.3	22.6	2,120.4	-3.1	26	6	45	23	18.83
Southwest (Dallas)	126 3/	12,901.0	29.1	4,323.7	1.0	33	8	54	5	19.59
Arizona (Phoenix)	131 3/	4,615.4	1.3	1,357.1	-3.1	29	9	27	35	19.41
<b>ALL MARKET AVERAGE OR TOTAL</b>	<b>3/</b>	<b>132,100.2</b>	<b>7.9</b>	<b>42,741.8</b>	<b>-1.7</b>	<b>32</b>	<b>12</b>	<b>47</b>	<b>9</b>	<b>19.44</b>

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

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

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 5.516 billion pounds of milk that normally would have been associated with these markets. In 2012, the estimated not pooled volume of milk was 13.333 billion pounds, occurring in order numbers 030, 032, 033, 124, 126, and 131. After adjusting for non pooled milk, the year-to-year percent change is -1.4%.

FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, JANUARY 2014

**HIGHLIGHTS.** Handler reports of receipts and utilization under the Federal milk order system for January have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During January 2014, more than 11.1 billion pounds of milk were received from producers. This volume of milk is 4.1 percent lower than the January 2013 volume. In January 2013 and January 2014, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. More than 3.7 billion pounds of producer milk were used in Class I products, 1.9 percent lower than the previous year. The all-market average Class utilization percentages were: Class I = 34%, Class II =10%, Class III = 48% and Class IV = 8%. The weighted average statistical uniform price was \$22.30 per cwt., \$2.19 higher than last month and \$3.11 higher than last year.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF JANUARY 2014										
FEDERAL MILK ORDER MARKETING AREA 1/	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE 2/
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV. YEAR	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			\$ PER CWT.
Northeast (Boston)	001	2,179.8	1.4	814.1	-2.5	37	24	27	12	22.93
Appalachian (Charlotte)	005	476.3	-7.0	347.1	-2.8	73	14	6	7	24.28
Florida (Tampa)	006	259.3	1.6	220.4	0.5	85	8	4	3	26.18
Southeast (Atlanta)	007	467.2	-19.4	365.0	-8.5	78	11	7	4	24.77
Upper Midwest (Chicago)	030 3/	2,871.0	-5.2	325.6	-2.6	11	2	86	1	21.35
Central (Kansas City)	032 3/	1,332.4	11.7	437.0	0.6	33	8	53	6	21.55
Mideast (Cleveland)	033 3/	1,322.1	-13.7	566.3	0.4	43	12	35	10	21.90
Pacific Northwest (Seattle)	124	727.1	4.1	182.6	-4.0	25	6	39	30	21.73
Southwest (Dallas)	126 3/	1,078.7	-14.3	390.2	-0.4	36	8	55	1	22.40
Arizona (Phoenix)	131	415.9	4.5	120.4	1.7	29	9	26	36	22.46
<b>ALL MARKET AVERAGE OR TOTAL</b>	3/	11,129.8	-4.1	3,768.8	-1.9	34	10	48	8	22.30

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

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

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 664.3 million pounds of milk that normally would have been associated with these markets. In January 2013, the estimated not pooled volume of milk was 221.3 million pounds, occurring in order numbers 030 and 032. After adjusting for non pooled milk, the year-to-year percent change is +0.3%.

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

## DECEMBER MILK SALES

During December, 4.4 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 0.8 percent lower than December 2012. Estimated sales of total conventional fluid milk products decreased 1.5 percent from December 2012 and estimated sales of total organic fluid milk products increased 14.4 percent from a year earlier.

**Editor's Note:** Additional data can be found at <http://www.ams.usda.gov/AMSv1.0/FluidMilkSalesDataMonthlyandYeartoDate>.

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

Product Name	Sales		Change from: 2/	
	December	Year to Date	Previous Year	Year to Date
	Million Pounds		Percent	
Whole Milk	1,169	13,299	-1.8	-1.0
Flavored Whole Milk	50	571	5.5	8.9
Reduced Fat Milk (2%)	1,369	17,453	-10.4	-2.6
Low Fat Milk (1%)	680	7,039	17.7	-1.7
Fat-Free Milk (Skim)	537	6,630	-8.3	-8.7
Flavored Fat-Reduced Milk	280	3,723	-2.2	-1.0
Buttermilk	70	525	-63.2	9.7
Total Conventional Milk Products 5/	4,155	49,240	-1.5	-2.6
Organic Whole Milk	54	616	13.4	11.9
Organic Reduced Fat Milk	64	661	33.0	15.0
Organic Low Fat Milk	39	452	9.1	-1.4
Organic Fat-Free Milk (Skim)	35	423	3.6	-3.2
Organic Flavored Milk	6	106	-21.9	-14.1
Organic Fat-Reduced Milk 3/	145	1,649	14.7	2.8
Total Organic Milk Products	199	2,265	14.4	5.1
Total Fluid Milk Products 4/	4,354	51,505	-0.8	-2.3
Total Fluid Milk Products Adjusted 4/ 5/	*	*	*	*

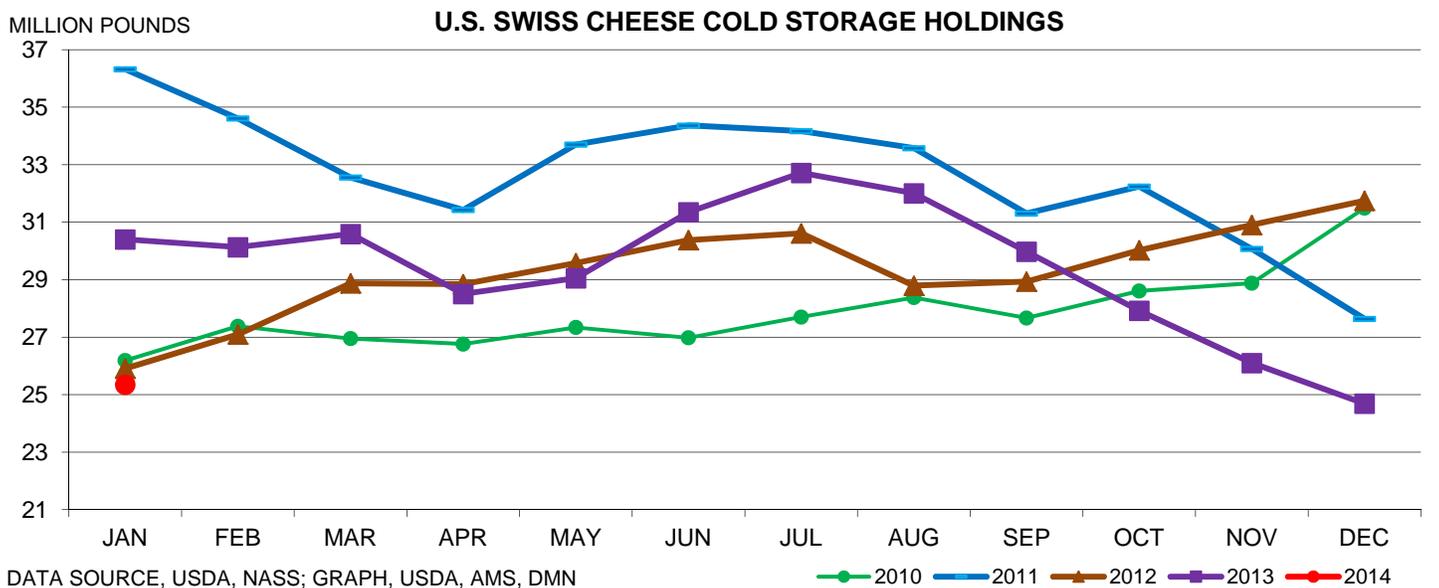
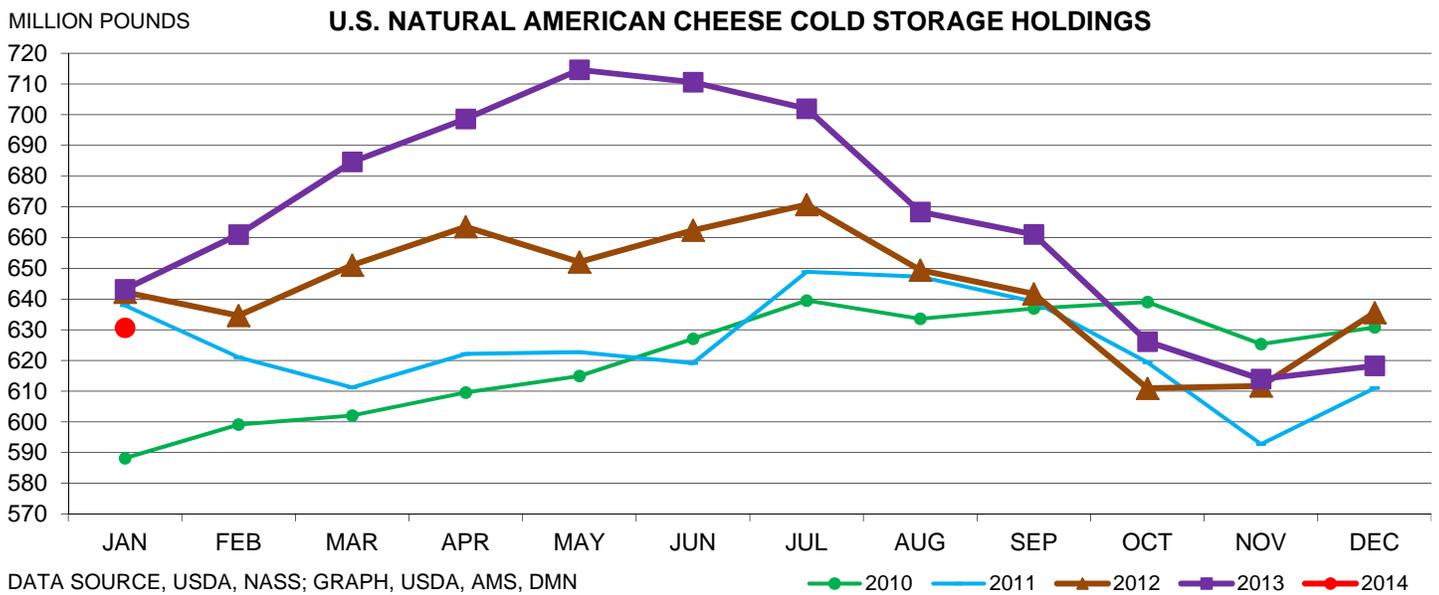
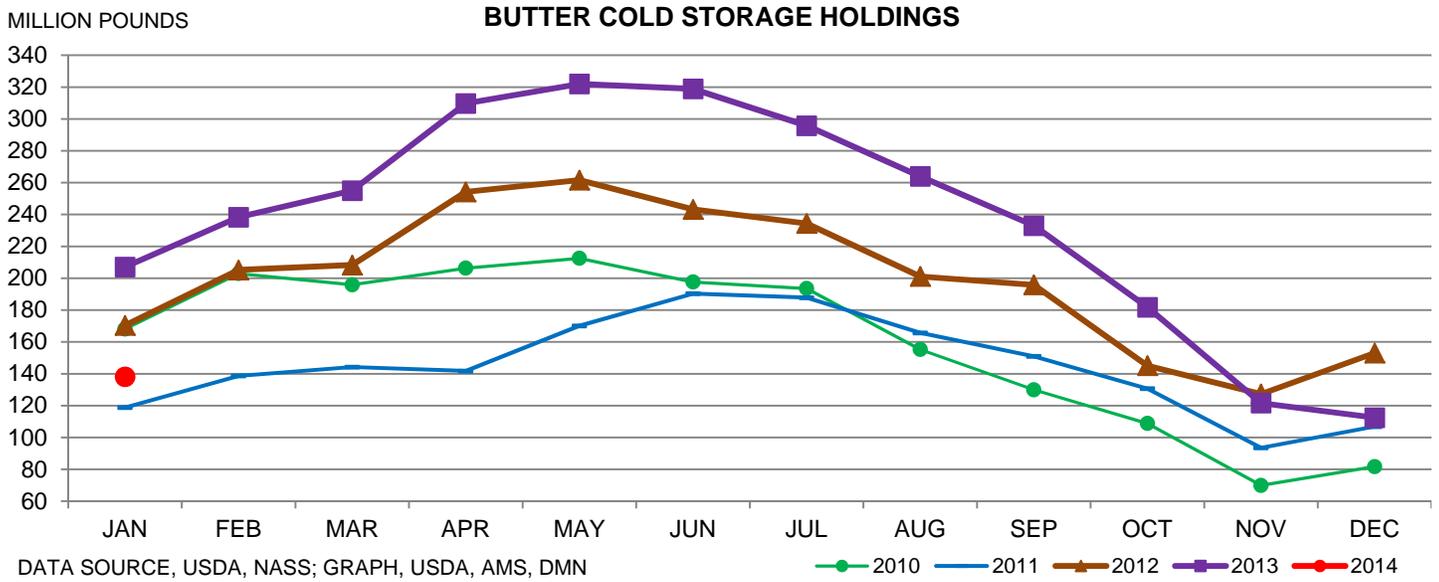
\* Total Fluid Milk Products Adjusted for Calendar Composition will not be published until the release of "An Overview of Calendar Composition of Fluid Milk Sales." 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order 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 organic milk products combined. 4/ Total fluid milk products include the products listed plus miscellaneous products and eggnog. 5/ Sales volumes and percent changes have been adjusted for calendar composition. Report contact: Daniel Manzoni, [Daniel.manzoni@ams.usda.gov](mailto:Daniel.manzoni@ams.usda.gov) or 202-720-2352

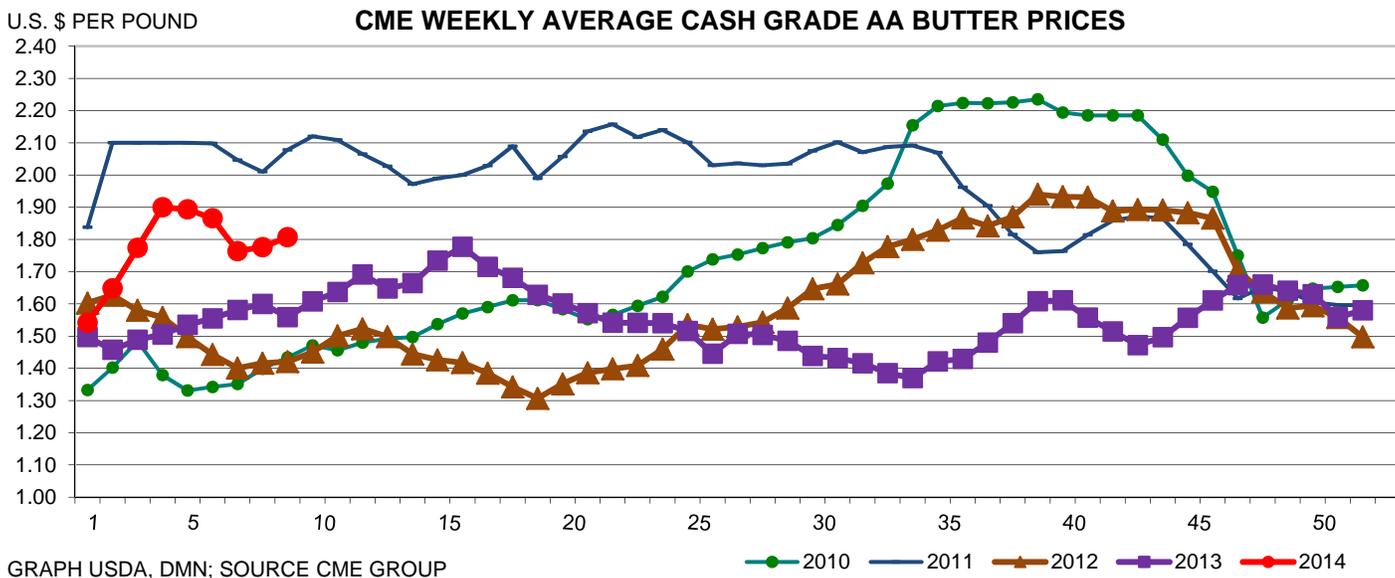
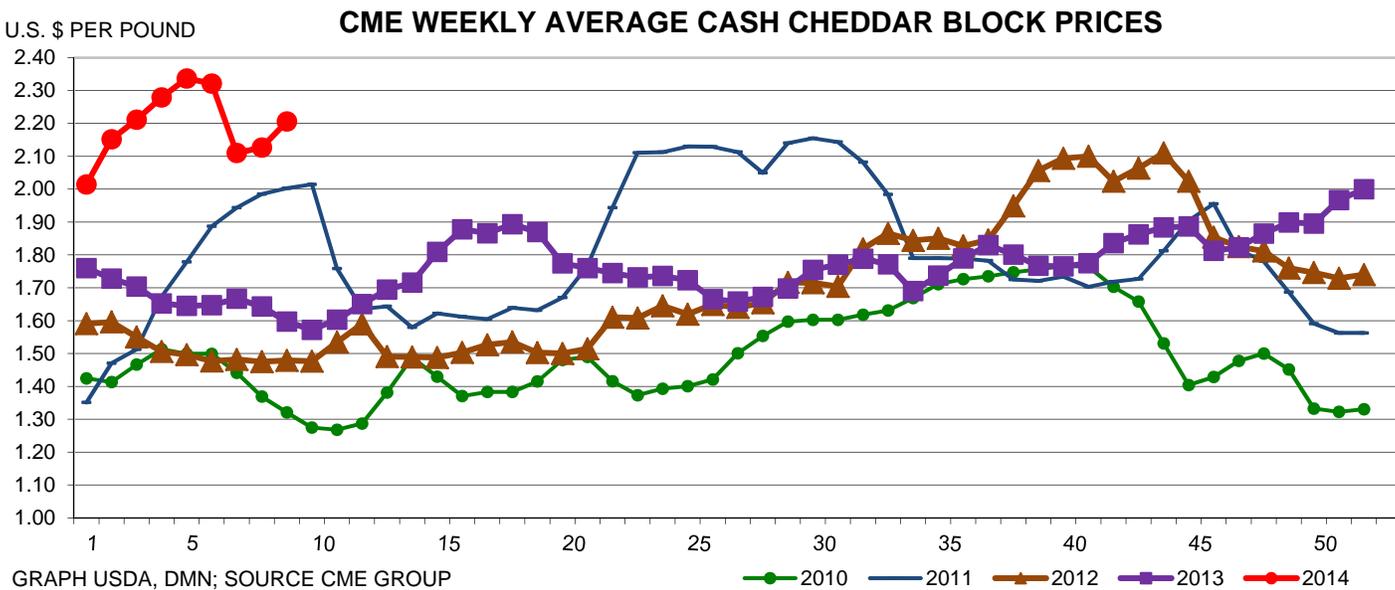
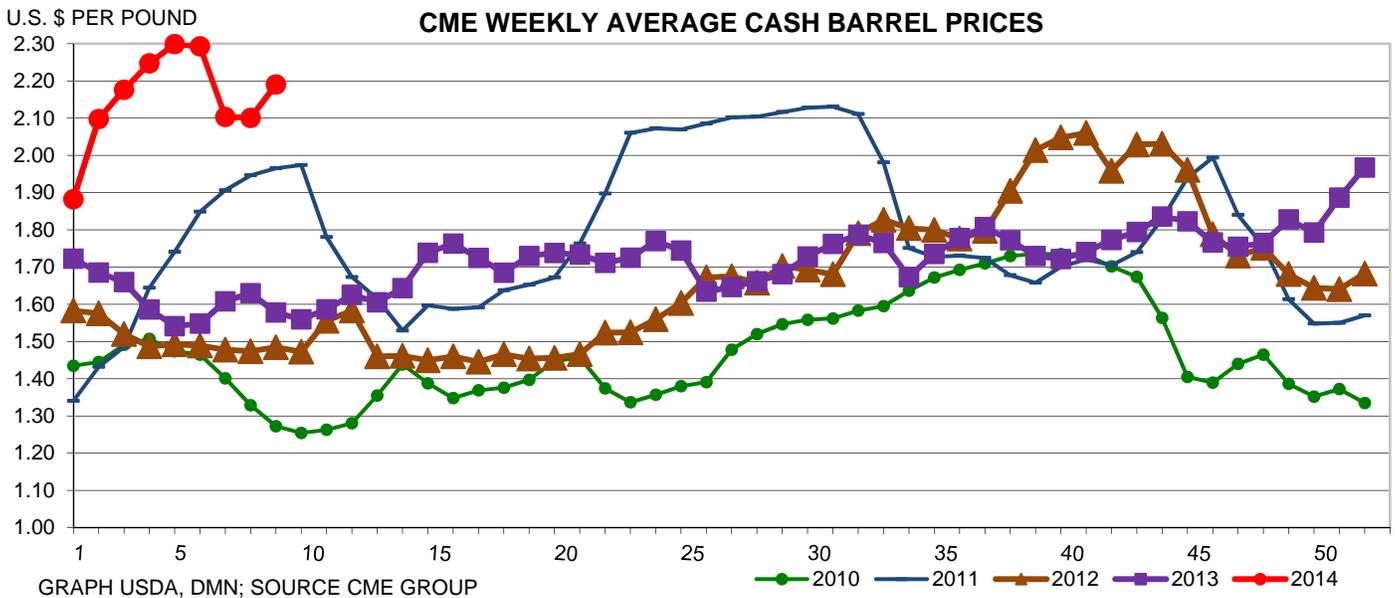
PACKAGED SALES OF TOTAL FLUID MILK PRODUCTS IN FEDERAL MILK ORDERS  
AND CALIFORNIA, DECEMBER 2013, WITH COMPARISONS 1/

Marketing Area	Order Number	Sales		Change from: 2/	
		December	Year to Date	Previous Year	Year to Date
		Million Pounds		Percent	
Northeast	001	772	8,871	-0.3	-1.8
Appalachian	005	281	3,376	-1.9	-3.5
Florida	006	238	2,797	-0.6	-2.0
Southeast	007	391	4,646	-1.0	-2.6
Upper Midwest	030	342	3,988	-2.3	-3.2
Central	032	379	4,417	0.7	-2.4
Midwest	033	488	5,658	-3.3	-3.7
Pacific Northwest	124	180	2,089	4.8	-3.7
Southwest	126	382	4,477	4.3	0.8
Arizona	131	100	1,128	2.8	-2.3
California	---	509	6,082	-3.1	-1.6

1/ These figures are representative of the consumption of total fluid milk products in the respective area; see 4/ above for the products included. 2/ Percent changes, as well as sales volumes, are shown on an unadjusted basis.

**Source:** U.S. Department of Agriculture. California Department of Food and Agriculture. Milk Stabilization Branch. *California Dairy Information Bulletin*, December 2013.





# DAIRY MARKET NEWS

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