

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (6/13)**

BUTTER: Grade AA closed at \$2.1850. The weekly average for Grade AA is \$2.1950 (-.0575).

CHEESE: Barrels closed at \$1.9675 and 40# blocks at \$2.0300. The weekly average for barrels is \$1.9650 (+.0155) and blocks, \$2.0420 (+.0285).

BUTTER HIGHLIGHTS: Cream multiples firmed this week as supplies tighten from increased demand from ice cream producers. Some butter manufacturers were able to take advantage of the situation by selling cream for better returns than putting it into manufacturing. However, this, along with new churn upgrades and operators producing ice cream instead, lead to additional butter churn operations going offline, reducing production levels. A few butter manufacturers microfixed bulk supplies to meet print needs. Domestic sales are mostly steady while continuing to exceed seasonal expectations. Export orders have slowed. Inventories are light with little headway made on rebuilding stocks. Bulk butter spot load availability is light as prices ranged from 5 to 8 cents over the market in the Northeast, market to 6 cents over in the Central, and 4 cents under to 2 cents over in the West, based on the CME Group with various time frames and averages used. Friday at the CME Group, Grade AA butter closed at \$2.1850, down 3.75 cents from a week ago. The DMN National Dairy Retail Report noted the surveyed national weighted average price for a 1 lb. package of butter was \$3.24, a 10 cent increase from two weeks ago and 27 cents above a year ago. Advertised prices ranged from \$2.00 in the Midwest and Northwest regions to \$4.49 in the Northeast region. The number of ads nationally was down 13% compared to two weeks ago, totaling 3,571. This week, a cooperative export assistance program accepted requests for 0.441 million pounds of butter.

CHEESE HIGHLIGHTS: Cheese production is active in the northern tier of the U.S. as milk production levels are at peak or near maximum levels. Spot sales of milk and condensed skim loads are being offered at discounted prices. Some cheese plants are limiting intakes to better control inventories. Hot weather in the South has reduced some milk intakes, but milk for manufacturing is available to fill cheese demand. Wholesale cheese prices are mixed as process and Swiss adjusted lower. Meanwhile block prices moved higher. Advertised U.S. cheese prices as reported in the National Dairy Retail Report showed lower weighted average prices for packages of 1 lb. block (\$4.05, -.27) and 2 lb. block (\$7.10, -.45) from two weeks ago. Retail prices were higher for the 8 oz. block (\$2.62, +.18), 8 oz. shred (\$2.57, +\$.20), and 1 lb. shred (\$3.73, +.31) from two weeks ago. At the CME Group this week, barrels closed

Friday at \$1.9675, unchanged from last Friday and blocks closed at \$2.0300, down 2 cents compared to last Friday.

FLUID MILK: Milk production is trending lower along the southern tier of states across the nation as temperatures in the 90s to 100s have lowered cow comfort levels. Milk production is near peak levels along the northern tier of states across the nation with fresh cut alfalfa and supplemental feeding being utilized to maximize milk production in the Central region. Manufacturing milk supplies are pushing production facilities to capacity or near capacity levels in the Northeast, Mid-Atlantic, Pacific Northwest and northern portions of the Central region. Some spot loads of condensed skim milk in these regions are being discounted and moved within and outside of the regions to locations where processing capacities are available. Cream demand is active into butter, ice cream and frozen dessert operations. Cream supplies were tight in the East and Central regions with loads crossing state lines to balance supplies in the West.

DRY PRODUCTS: The nonfat dry milk market is mixed with prices steady to higher in the East and Central regions, but lower and higher in the West. Production levels are at near capacity in the Central and Eastern regions, while Western production is variable. Domestic demand is moderate, export interest is steady. Dry buttermilk prices are steady to lower. Production has declined following the decreases in butter production and increased sales of condensed buttermilk. Inventories are moderate with some manufacturers holdings above anticipated levels. Dry whole milk prices shifted higher on a mixed market. Production is steady in preparation for filling Q3 contracts. Prices for dry whey were unchanged to lower. Production is at mostly higher levels, following cheese production increases across most the nation. Domestic demand is moderate to good with export interest reduced as prices are above other global markets. Whey stocks are below year ago levels, but adequate to fill most demand needs. Whey protein concentrate 34% prices are unchanged to lower on a mixed market. Lactose prices are unchanged to lower on a weaker market. Finalization of Q3 contracts is at all stages, ranging from offers being sent to signed agreements received.

ORGANIC DAIRY MARKET NEWS (DMN): The U.S. weighted average advertised price of organic milk half gallons is \$3.44, down 5 cents from 2 weeks ago. One year ago the national price was \$3.59. Organic milk gallons have a national average price of \$4.99. One year ago the price was \$5.00. The national average price of 4-6 ounce organic

CONTINUED ON PAGE 1A

*****SPECIALS THIS ISSUE*****

ORGANIC DAIRY MARKET NEWS (PAGES 8-8A)
JUNE MILK SUPPLY AND DEMAND ESTIMATES (PAGES 9-10)
2013 MILK PRODUCTION, DISPOSITION, AND INCOME (PAGES 11-12)

MARCH MAILBOX MILK PRICES (PAGE 13)
DAIRY GRAPHS (G1-G2)
NATIONAL DAIRY RETAIL REPORT (ATTACHED)

CME GROUP CASH TRADING

COMMODITY	MONDAY JUN 09	TUESDAY JUN 10	WEDNESDAY JUN 11	THURSDAY JUN 12	FRIDAY JUN 13	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.9725 (+.0050)	\$1.9700 (-.0025)	\$1.9575 (-.0125)	\$1.9575 (N.C.)	\$1.9675 (+.0100)	(N.C.)	\$1.9650 (+.0155)
40# BLOCKS	\$2.0600 (+.0100)	\$2.0600 (N.C.)	\$2.0300 (-.0300)	\$2.0300 (N.C.)	\$2.0300 (N.C.)	(-.0200)	\$2.0420 (+.0285)
NONFAT DRY MILK							
GRADE A	\$1.8575 (N.C.)	\$1.8575 (N.C.)	\$1.8575 (N.C.)	\$1.8575 (N.C.)	\$1.8250 (-.0325)	(-.0325)	\$1.8510 (-.0050)
BUTTER							
GRADE AA	\$2.2100 (-.0125)	\$2.2100 (N.C.)	\$2.1850 (-.0250)	\$2.1850 (N.C.)	\$2.1850 (N.C.)	(-.0375)	\$2.1950 (-.0575)

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

yogurt is \$.57. 4-6 ounce organic Greek yogurt has a national average price of \$1.25, up from \$1.12 two weeks ago. 8 ounce block organic cheese has an average national price of \$3.63. 8 ounce shredded organic cheese has an average national price of \$3.62. Organic dairy suppliers are hard pressed to meet demand, according to a manager of a national organic brand. This is not recent and it has been coming and developing for a while, according to the manager. A result has been more efforts by organic processors to make decisions to try and balance supply availability among customers, by attempting to balance supplies against an estimation of real demand, rather than produced demand.

NATIONAL DAIRY RETAIL REPORT (DMN): June dairy month themed ads were in abundance this survey period. A number of ads offered dairy products as “2 for the price of 1” specials. Cottage cheese was the largest percentage gainer in dairy ad volume, more than tripling from two weeks ago. 16 ounce containers had a national average price of \$2.33, up 14 cents from two weeks ago and up 24 cents from a year ago. Prices ranged from \$1.50 in the Southwest to \$3.38 in the Northeast. Ad volume for gallon milk more than doubled from the last period, with a national average price of \$3.20, 27 cents above two weeks ago and 26 cents above one year ago. Prices ranged from \$1.75 in the Southwest to \$4.49 in the Northeast. The big percentage gain in yogurt ad volume is for 32 ounce Greek yogurt, with ads nearly tripling the number two weeks ago and six times greater than one year ago. The national average price, \$4.29, is up 63 cents from two weeks ago and up 66 cents from a year ago. 4-6 ounce Greek yogurt’s average price, \$0.99, is up 1 cent from two weeks ago but down 2 cents from a year ago. 4-6 ounce yogurt has an average price of \$.54, up 3 cents from two weeks ago but even with a year ago. Cheese ad volume decreased 7% nationally from two weeks ago. The national weighted average advertised price of 8 ounce shredded cheese, \$2.57, is up 20 cents from the last report and up 25 cents from last year. 8 ounce block cheese has an average price of \$2.62, 18 cents higher than two weeks ago and 31 cents above last year. The conventional-organic milk half gallon price spread is \$1.45. Last year at this time, the price spread was \$2.59. The spread is calculated from the conventional milk half gallon average advertised price of \$1.99, and the organic milk half-gallon average, \$3.44.

JUNE MILK SUPPLY AND DEMAND ESTIMATES (WAOB): Milk production forecasts for 2014 and 2015 are unchanged from last month. Export forecasts are raised on a fat basis for 2014 and 2015 with higher cheese exports. However, growth in 2014 exports is constrained by weaker butter sales as higher domestic prices have made U.S. butter less competitive on world markets. Skim-solids exports reflect strength in cheese and nonfat dry milk (NDM) exports. Imports for 2014 and 2015 are raised on higher imports of food ingredients. Cheese and butter prices for 2014 are forecast higher on strong demand for cheese and tight supplies of butter. The NDM price is lowered, but the whey price forecast is unchanged. Strength in butter prices is expected to carry into early 2015 resulting in an increase in the 2015 price, but the prices of cheese, NDM, and whey are unchanged from last month. Class III and Class IV prices for 2014 and 2015 are raised on stronger butterfat values. The all milk price is forecast at \$22.90 to \$23.30 per cwt for 2014 and \$19.75 to \$20.75 per cwt for 2015.

MILK PRODUCTION, DISPOSITION, AND INCOME, 2013 (NASS): Milk production increased 0.3% in 2013 to 201 billion pounds. The rate per cow, at 21,822 pounds, was 102 pounds above 2012. The annual average number of milk cows on farms was 9.22 million head, down 12,000 head from 2012. Cash receipts from marketings of milk during 2013 totaled \$40.3 billion, 8.7% higher than 2012. Producer returns averaged \$20.12 per hundredweight, 8.4% above 2012. Marketings totaled 200.2 billion pounds, 0.3% above 2012. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers. An estimated 980 million pounds of milk were used on farms where produced, 2.4% more than 2012. Calves were fed 90% of this milk, with the remainder consumed in producer households.

MARCH MAILBOX MILK PRICES (AMS & CDFA): In March 2014, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$25.18 per cwt., up \$0.27 from the February 2014 average, and up \$5.96 from the March 2013 average. The component tests of producer milk in March 2014 were: butterfat, 3.79%; protein, 3.16%; and other solids, 5.72%. The March Mailbox prices increased an average of \$0.30/cwt across all Federal milk order reporting areas when compared to the previous month. The Northwest States experienced the greatest increase of \$0.73/cwt, while Minnesota experienced the only decrease of \$0.05/cwt. Mailbox prices in March 2014 ranged from \$22.96 in New Mexico to \$27.27 in Florida.

CME GROUP

MONDAY, JUNE 9, 2014

CHEESE -- SALES: 1 CAR BARRELS @ \$1.9725; 1 CAR 40# BLOCKS @ \$2.0600; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 4 CARS GRADE AA @ \$2.2100; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.2100

TUESDAY, JUNE 10, 2014

CHEESE -- SALES: 2 CARS 40# BLOCKS: 1 @ \$2.0700, 1 @ \$2.0600; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$2.0500; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.9700
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.2100

WEDNESDAY, JUNE 11, 2014

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.9700, 1 @ \$1.9600, 1 @ \$1.9575; 3 CARS 40# BLOCKS: 1 @ \$2.0300, 1 @ \$2.0275, 1 @ \$2.0300; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$2.0300; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.8575
 BUTTER -- SALES: 25 CARS GRADE AA: 16 @ \$2.1800, 1 @ \$2.1925, 2 @ \$2.1900, 2 @ \$2.1800, 1 @ \$2.1850, 1 @ \$2.1875, 1 @ \$2.1825, 1 @ \$2.1850; LAST BID UNFILLED: 5 CARS GRADE AA @ \$2.1800; LAST OFFER UNCOVERED: NONE

THURSDAY, JUNE 12, 2014

CHEESE -- SALES: 3 CARS 40# BLOCKS @ \$2.0300; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.9475; 1 CAR 40# BLOCKS @ \$2.0300; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.8575
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1750; LAST OFFER UNCOVERED: NONE

FRIDAY, JUNE 13, 2014

CHEESE -- SALES: 1 CAR BARRELS @ \$1.9675; 2 CARS 40# BLOCKS @ \$2.0300; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.9475; 1 CAR 40# BLOCKS @ \$2.0250; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$1.8250; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.8475
 BUTTER -- SALES: 8 CARS GRADE AA: 1 @ \$2.1750, 2 @ \$2.1700, 2 @ \$2.1725, 1 @ \$2.1775, 1 @ \$2.1800, 1 @ \$2.1850; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1850

BUTTER MARKETS

NORTHEAST

Once again, butterfat/cream availability and manufacturing strategies are affecting Northeast butter production. Declines in butterfat led some manufacturers to supplement milk intakes with discounted spot milk purchases, as means to capturing additional volumes of butterfat. A few churning operations are idle as manufacturers clear cream supplies advantageously to other dairy product outlets. Butter inventories are diminishing in proportion to orders being filled and production volumes. Export demand is steady, with some additional forward sales receiving price assistance. This week a cooperative export assistance program accepted requests for 440,925 pounds of butter. The current bulk butter prices for domestic sales are reported 5-8 cents over the market of the CME Group, with various time frames and averages used. Tuesday's Grade AA butter price on the CME Group was unchanged from Monday and closed at \$2.2100, down \$0.0500 compared to a week ago. According to the *National Dairy Retail Report*, the U.S. advertised weighted average price for 1-pound butter is \$3.24, 10 cents higher than two weeks ago. The price in the Northeast was \$3.46, 22 cents more than the national price and 4 cents more than two weeks ago. The *Foreign Agricultural Service* (FAS) reports that April 2014 U.S. exports of butter and milkfat totaled 19.3 million pounds, a 105% increase from last year.

CENTRAL

Butter production in the Central region declined as some manufacturers elected to sell higher priced cream while a few operators went offline for seasonal and maintenance reasons. Some butter makers are using additional bulk supplies to make up for the tighter cream availability. Many export obligations are coming to a close as limited new orders come in. Domestic sales are better than seasonal as a few manufacturers noted record sales the past month. Stocks of butter are limited. Bulk supplies are reduced with limited spot load offering as prices ranged from market to 6 cents over the market, based on the CME Group with various time frames and averages used. Wednesday at the CME Group, Grade AA butter closed lower to \$2.1850, down 7.5

cents since last Wednesday. 25 carlots sold Wednesday, totaling 29 loads at midweek on the CME trading. The *DMN National Dairy Retail Report* noted the surveyed national weighted average price for a 1 lb. package of butter was \$3.24, a 10 cent increase from two weeks ago and 27 cents above a year ago. The number of ads nationally was down 13% compared to two weeks ago, totaling 3,571. The weighted average price in the Midwest region was \$3.09, 32 cents higher than two weeks ago. In the South Central region butter averaged \$3.35, 48 cents higher compared to two weeks ago. This week, a cooperative export assistance program accepted requests for 0.441 million pounds of butter. The Foreign Agricultural Service (FAS) reports exports of butter and milkfat during April totaled 19.3 million pounds, an increase of 105% from a year ago. January through April U.S. butter and milkfat exports total 89.0 million pounds, an increase of 107% from the same time span in 2013. According to FAS, U.S. quota imports of butter during April totaled 1.37 million pounds, a 112% increase from a year ago. Cumulative 2014 U.S. quota imports total 4.94 million pounds, an increase of 56% compared to the same time span last year.

WEST

Western butter production is mostly steady. Good demand from ice cream plants is allowing some butter manufacturers to sell cream rather than increase inventories. Domestic retail demand for print butter is steady. Bulk butter demand is steady to stronger as buyers look to build holdings. Export demand is slow. Butter stocks continue to be lower than is typical for this time of year. According to the *National Dairy Retail Report*, U.S. butter showed a weighted average price of \$3.24 per pound compared to \$3.14 two weeks ago and \$2.97 a year ago. Butter features decreased 13% compared to two weeks ago. Western ad prices ranged \$2.00-\$3.99. The butter price at the CME Group on Wednesday closed \$0.0250 lower at \$2.1850. Twenty five loads of butter were sold on Wednesday. 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
June 07, 2014	2.1850 3,610,772	2.0233 12,605,756	2.0207 11,091,968	0.6769 8,393,226	1.8435 22,318,229

CHEESE MARKETS

NORTHEAST

Cheese production is active. The Northeast's favorable milk supply volumes are permitting most cheese plants to operate at/near capacity levels. Declining protein levels in milk intakes are reducing cheese yields. Lowfat cheddar production is down as sales decline. Some facilities are primarily making cheddar cheese to go through a 6-12 months aging process. Inventory levels vary as orders are filled. Export demand is steady, with some additional forward sales receiving support. This week, a cooperative export assistance program accepted requests for 2.138 million pounds of cheese. The market tone is balanced, with supplies available for current demand. The weekly average cheese prices were mixed last week on the CME Group. Northeast wholesale prices for 40# block and muenster increased \$0.0275, but process 5# sliced declined \$0.0075. Swiss cheese prices declined \$0.0025. This week, Tuesday's CME Group cheese prices saw barrels close at \$1.9700, up \$0.0350 from a week ago, while blocks closed at \$2.0600, up \$0.0850 from a week ago. According to the *National Dairy Retail Report*, the weighted average price for 8 oz. cheese blocks in the Northeast was \$2.53, 9 cents lower than the national weighted average price but 4 cents more than two weeks ago. The Southeast 8 oz. block cheese price was \$2.83, 21 cents more than the national price and 38 cents more than two weeks ago. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.61, 4 cents above the national price and 7 cents more than the previous price report. The Southeast 8 oz. shredded cheese price was \$2.56, 1 cent less than the national price but 22 cents more than two weeks ago. *Foreign Agricultural Service* (FAS) reports that April 2014 U.S. cheese and curd exports totaled 74.4 million pounds, a 32% increase from last year.

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

Cheddar 40# Block	: 2.4075-2.6925
Process 5# Sliced	: 2.1725-2.6525
Muenster	: 2.4275-2.7875
Grade A Swiss Cuts 10 - 14#	: 4.0475-4.3700

MIDWEST

Regional milk production is still increasing and milk is readily available to cheesemakers. Most cheese manufacturers are operating at full schedules. Some manufacturers are also enhancing vats with condensed skim, which is attractive at current prices. Increased sales of barrels at prices above CME Group pricing are noted, as buyers work to prepare and ship finished products to be available for 4th of July holiday consumption. Block availability is also occasionally tight, in part because more buyers seek to re-build their own inventories at current price levels, perceiving prices to be moving within a trading range. Export shipments primarily fill orders placed several months ago, rather than reflect new export orders. Italian varieties are moving into aging programs for later sale, as mozzarella demand in particular, is seasonally slower. Wisconsin wholesale prices for 1,000 to 5,000 pound mixed lots of process cheese decreased \$.0075; Swiss declined \$.0025; while the remaining varieties increased \$.0275. The *National Dairy Retail Report* (DMN) found that Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.21, 36 cents lower than the national average, \$2.57. Midwest prices range from

\$1.99 to \$2.50. One year ago the national average was \$2.32. For 8 ounce blocks, the Midwest average price is \$2.12, 50 cents below the national average price, \$2.62. Midwest ad prices range from \$1.99 to \$2.50. One year ago the national average was \$2.31. Nationally, cheese ad numbers are 7% lower than two weeks ago. Wednesday closing CME Group cheese prices reflect more downward movement, than up this week, with blocks closing at \$2.0300 and barrels at \$1.9575.

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

Process American 5# Loaf	: 2.0500-2.4100
Brick And/Or Muenster 5#	: 2.3875-2.8125
Cheddar 40# Block	: 2.0925-2.5100
Monterey Jack 10#	: 2.3625-2.5675
Blue 5#	: 2.6550-3.6425
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 2.2325-3.1275
Grade A Swiss Cuts 6 - 9#	: 3.5650-3.6825

WEST

Cheese production in the West is in full swing as milk supplies near peak levels. Additional milk is also becoming available for manufacturing as schools close for summer break. Some cheese plants are trying to control production to meet orders rather than building stocks. Demand for cheese is steady with contract sales accounting for the bulk of the trade. Buyers are willing to increase their inventories on price breaks. Export demand continues to be slow as U.S. prices are above international offers. New demand into the third quarter from export buyers is often tied to price assistance from an export assistance program. Advertised U.S. cheese prices as reported in the *National Dairy Retail Report* showed lower weighted average prices for packages of 1 lb. block (\$4.05, -.27) and 2 lb. block (\$7.10, -.45) from two weeks ago. Retail prices were higher for the 8 oz. block (\$2.62, +.18), 8 oz. shred (\$2.57, +\$.20), and 1 lb. shred (\$3.73, +.31) from two weeks ago. Combined cheese advertising was down 7% from two weeks ago. Cash cheese prices at the CME Group were lower on Wednesday. Barrels closed at \$1.9575, down \$.0125 and blocks were \$2.0300, down \$.0300. Barrels recorded four sales by midweek, with blocks selling six loads.

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

Process 5# Loaf	: 2.0775-2.3350
Cheddar 40# Block	: 2.1325-2.4850
Cheddar 10# Cuts	: 2.3125-2.5325
Monterey Jack 10#	: 2.3225-2.4825
Grade A Swiss Cuts 6 - 9#	: 3.6250-4.0550

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

FOREIGN

Domestic wholesale Swiss prices moved fractionally lower following last week's Class III milk price release. Wholesale prices for all other domestic varieties moved higher. Imported cheese prices remained mostly unchanged. Prices for hard cheese in Italy have weakened and are below year ago levels. Imports of high tier and quota Italian-type cheese for January-April 2014 totaled 6.8 million pounds, down 4.4% from 2013. Imports of quota Italian-type cheese for April totaled 0.7 million pounds, 2.1% below last year. Imports of high tier and quota Swiss/Emmentaler varieties from January-April 2014 totaled 13.9 million pounds, 2.7% more than last year.

Dairy Products:: According to NASS, production during April 2014 of domestic U.S. Parmesan totaled 25.6 million pounds, 14.8% less than April 2013. Provolone production totaled 30.5 million pounds, 10.3% less than 2013. Romano production totaled 3.8 million pounds, 4.1% more than 2013. Swiss production totaled 25.4 million, 2.1% less than 2013.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.5475-4.0350*
Gorgonzola	: 3.6900-6.9700	: 3.0500-3.4625*
Parmesan (Italy)	: -0-	: 3.9375-6.0275*
Provolone (Italy)	: -0-	: 2.5900-2.7475*
Romano (Cows Milk)	: -0-	: 3.7375-5.8875*
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-	: 4.1450-4.4675*
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

	:	
06/09/14	22,015	: 89,286
06/01/14	22,365	: 87,920
CHANGE	-350	: 1,366
% CHANGE	-2	: 2

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	120	0	240	0	188
SOUTHEAST STATES	0	0	0	0	0	0

Milk production volumes in the Northeast and Mid-Atlantic are just south of peak as contacts report temperatures that encourage cow comfort. Milk supplies continue to be heavy in both regions, as milk intakes have many/most dairy manufacturers filled to capacity. With extra milk on hand, spot loads are being traded under Class in some channels. Class I demand in the Mid-Atlantic is steady to decreasing, as schools continue to close. Southeast milk production has declined, a result of heat and humidity affecting cow comfort. Bottling sales are up slightly. Milk supplies remain heavy going to manufacturers. Florida's production on the farm is on a steady decline as temperatures in the upper 90s during the day and mid-70s at night decrease cow comfort level. Rain has also factored in milk production rates with some areas suffering thunderstorms constantly over a ten-day period. Class I demand has bounced back with loads get lighter and independent farm production dropping off, as noted by one contact. Export spot loads totaled 120, down 120 from last week. Cream demand is unyielding as butterfat levels decline. Standardized cream volumes are being reduced due to the impact of school closings. Churning schedules are seeing reductions with several dairy products competing for available supplies. Ice cream manufacturing is steady to increasing and pulling heavy on cream supplies. **Cream multiples for all Classes** moved higher this week and ranges **1.29-1.38**. Last week, the CME Group Grade AA butter weekly average butter price was \$2.2525, down \$0.0325 from the previous week. **Condensed skim** supplies remain plentiful, resulting in a reduction in Class II condensed skim prices. Class III prices moved lower with the release of Announcement of Class and Component Prices. Class IV production is being maintained at high rates to clear condensed skim volumes. Discounted condensed skim loads are clearing to cheese makers in other regions. Pickup/delivery schedules are experiencing some delays as condensed skim loads moved across country limits the availability of hauling resources within the region.

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 -	2.9057-3.1085
F.O.B. producing plants: Upper Midwest -	2.8607-3.1310

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.77-1.92
Northeast - Class III - spot prices -	1.68-1.78

MIDWEST

Farmers are wrapping up first crop alfalfa and note the quality and quantity is greater than the last few years. The milk producers are eagerly pushing cows with additional feed and supplements to get the most out of them with current milk prices. Milk handlers are seeing upticks in milk intakes while a few note components trending lower with the higher temperatures. Spot loads of milk ranged from \$5.00 under to \$1.00 over Class. Milk processors are handling the heavy milk supplies in a combination of selling condensed skim, drying powders, and/or producing cheese at near capacity levels. Many ice cream makers are fully converted to using condensed skim with reduced prices available. Some cheese makers are using additional condensed skim supplies too. Demand for bottling is soft. Milk bottlers have adjusted accordingly to educational institutions closing for the school year. Class II demand is mostly steady while ice cream sales have picked considerably. Cream supplies tighten this week. **Class II cream multiples ranged from 1.27 to 1.39**. The DMN *National Dairy Retail Report* noted the surveyed national weighted average price for 1 gallon of milk was \$3.20, a 27 cent increase from two weeks ago and 26 cents above a year ago. The number of ads nationally was up 159% compared to two weeks ago, totaling 2,760. The weighted average price in the Midwest region was \$2.66, 3 cents lower than two weeks ago. The NASS *Crop Progress Report* noted soybean acres planted in the 18 selected states as of June 8 are at 87%, 9% higher than a week ago and 6% above the 5-year average. The weekly *Cow Slaughter under Federal Inspection Report* shows U.S. dairy cow slaughter for the week ending May 24, at 48,400 head, 12,400 head or 15% less than the comparable week a year ago.

WEST

Many processors in CALIFORNIA report milk intakes edged downward at the start of this week. A stretch of hot days, with limited nighttime relief, has impacted dairy cow comfort. Expectations are that milk volumes will continue to trend lower through the balance of June to mid-September. Fluid demand is steady, but at seasonally lower volumes. Sales of condensed skim into frozen dessert accounts are active. The July 2014 Class 1 prices in CALIFORNIA range from \$25.13 in the north to \$25.40 in the south. The statewide average Class 1 price based on production is \$25.14. That production average price is \$0.02 higher than June 2014, and \$5.54 higher than July 2013. Farm milk production in NEW MEXICO continues to step lower. Class I orders are taking decreasing volumes from the system, but sales into some Class II facilities notched higher. Class III use is uneven as manufacturers of fresh-type cheese note sales of some varieties are slower. Wind storms knocked out power at some processing locations for short periods early in the week, but back-up systems came online and milk processing continued within acceptable holding times. Second cuttings on alfalfa are underway, with the harvest running well behind the 44% 5-year average for this week. In ARIZONA, dairy processors report milk intakes are declining steadily. Daytime temperatures continue to surpass 100 degrees in some locations. Dairy producers report that at some point, misting and fans are losing the battle against prolonged spells of heat. Alfalfa harvest continues with 67% of the crop rated good to excellent.

CONTINUED ON PAGE 4A

FLUID MILK AND CREAM

CONTINUED FROM PAGE 4

CREAM demand is active into butter, ice cream, and frozen confection operations. Some butter manufacturers are selling cream to manage butter inventories. Cream loads are crossing state lines to balance supplies within the Western region. Contract cream sales are steady. Within the Southwest, where temperatures are regularly climbing over 100 degrees, one or two processors report they are limiting cream sales to nearby destinations to better control the temperature at delivery. Cream multiples range from 1.10 to 1.32. At the CME Group, Grade AA butter closed on Wednesday at \$2.1850, down 7.5 cents from a week ago. Milk production in the PACIFIC NORTHWEST is reaching a plateau as increases have slowed. Milk handlers reported an earlier than expected peak of production. Some of this is credited to dairies keeping cows in the herd longer to take advantage of favorable milk prices. Current milk supplies are pushing production facilities to full capacity, but excess milk is being moved to available processors. Increased manufacturing milk is available as most schools are ending their semesters. UTAH and IDAHO milk supplies are at or near peak production. Favorable weather and some early forage production are contributing to pushing milk cows to full production. Excess milk supplies from out of the region continue to be offered to processors with some discounts to complete sales. Processors are running near full production schedules.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Prices of LOW/MEDIUM HEAT nonfat dry milk are steady on the bottom and higher on the top for the range and mostly price series. The market tone is steady. Several milk processors noted running at full drying schedules as milk intakes are up and spot loads of milk are readily available at deep discounts. Domestic demand is moderate. International sales are mostly steady. Low/medium heat NDM supplies are ample for current needs. HIGH HEAT NDM prices are mixed. Manufacturers report production rates picking up. Buying interest is moderate, however, a few purchasers note some difficulty in securing spot loads of high heat NDM. Wednesday at the CME Group, Grade A NDM closed unchanged at \$1.8575, down a quarter cent from last Wednesday. No carloads traded on the CME Group at midweek's closure.

EAST: Prices for low/medium heat nonfat dry milk are steady to higher due to higher priced indices. Manufactures in the East region are drying low/medium nonfat dry milk at elevated rates in keeping pace with heavy condensed skim supplies. Inventories are adequate for fulfilling contractual commitments, with substantial volumes clearing to international customers. Buyers/sellers are concerned about future inventories levels being inadequate, and the resulting impact on price. Some traders are paying premiums for low/medium heat nonfat dry milk to cover immediate needs. Domestic interests from ice cream manufacturers are good. The market undertone is firm. High heat nonfat dry milk production is steady to slightly increasing. Demand is moderate with supplies clearing to bakeries. Inventories are light due to limited dryer accessibility. Prices for high heat nonfat dry milk are mixed.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.7500 - 1.9775 MOSTLY: 1.7700 - 1.8675
 HIGH HEAT: 1.9050 - 1.9400

NONFAT DRY MILK - WEST

Western nonfat dry milk prices are lower and higher as FOB spot and contract prices reflect changes to various indices. The market tone is mixed. Manufacturers' uncommitted inventories range from light to heavy. Interest from buyers in Mexico is steady, with orders filled from several close-to-the-border locations. Transportation costs vary and buyers can reap some savings based on shipping locations. Some brokers/traders report a steady increase in spot order interest from existing and new customers, but requests for additional NDM loads placed with various sellers were declined due to current tight supplies. Those buyers with plant-specific needs may experience short waiting periods for order fulfillment. Low/medium heat nonfat dry milk production is variable throughout the Western region. Milk intakes in the Pacific Northwest, Utah, and Idaho are steady, with milk volumes clearing readily to the dryers. In New Mexico, Arizona, and California, milk intakes are trending seasonally lower as daytime temperatures surpass one hundred degrees. High heat NDM prices moved higher as indices affected contract and FOB spot pricing. Interest is steady, and mostly contract driven. Production is intermittent, with a few manufacturers scheduling production runs as near term orders require.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.7700 - 1.9400 MOSTLY: 1.8200 - 1.8500
 HIGH HEAT: 1.9000 - 1.9900

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are lower on the top of the range on a weakening market. The combination of reduced butter churn rates and buyers preferring condensed supplies resulted in less volumes of buttermilk being dried this week. Domestic demand is reduced. Anecdotal comments noted export orders slowing. Manufacturers note stocks of dry buttermilk are at moderate levels.

EAST: Prices for dry buttermilk were steady to lower, due to lower priced indices. Dry buttermilk production volumes are decreasing because of heightened cream demand from competitive dairy products. Some ice cream manufacturers are using condensed buttermilk. Dry buttermilk inventories are mixed. Spot market activity is limited, with fewer brokers looking to secure product this week. The market undertone is weakening.

F.O.B. CENTRAL/EAST: 1.7500 - 1.8600

DRY BUTTERMILK - WEST

Dry buttermilk prices in the West are unchanged to lower. The market tone is weak. Buyers are taking contract loads as agreed and FOB spot interest is moderate. However, dry buttermilk inventories at some Western plants are above forecasted quantities and higher than projected near-term contract fulfillment needs. A few butter manufacturers are selling cream to reduce butter/dry buttermilk production. At other facilities, dry buttermilk production is ongoing.

F.O.B. WEST: 1.7300 - 1.9200 MOSTLY: 1.7800 - 1.8600

DRY WHOLE MILK - NATIONAL

Dry whole milk prices shifted higher on a mixed market. International dry whole milk offerings continue to provide price advantages to larger-scale end users, but domestic producers indicate they are finding improving interest for dry whole milk packaged with gas-flush systems. Spot market interest is steady with single load sales claiming most of the activity. Dry whole milk production is steady in preparation for filling Q3 contracts.

F.O.B. PRODUCING PLANT: 2.0200 - 2.1250

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
June 6	\$1.8454	10,162,093
May 30	\$1.9057	8,383,800

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

The prices of DRY WHEY decreased on lower F.O.B spot trades and various indexes. The undertone is softening as some end users report adequate supplies on hand and purchasing in a hand-to-mouth fashion. Manufacturers are drying at mostly higher levels with additional whey streams available as many cheese makers are running at full production rates. Domestic buyer interest is curtailed. New export orders are limited as U.S. prices are currently not competitive with the world markets. Manufacturer supplies are sufficient for contract obligations with a few offering additional loads to their buyers. ANIMAL FEED WHEY prices are steady with limited F.O.B spot sales. The market tone is steady. Production rates are trending lower. Domestic demand is fair. Supplies of feed whey are light.

F.O.B. CENTRAL: .5900 - .7250 MOSTLY: .6375 - .6850
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .5200 - .6475

DRY WHEY - NORTHEAST

Prices for dry whey are unchanged this week, due to limited spot activity and movement along indices. Northeast dry whey volumes are increasing with cheese production rates as heavy volumes of milk supplies clear to the vats. Domestic dry whey demand is moderate to good. Inventory levels are adequate for near-term contractual commitments. The market undertone is steady.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .6975 - .7575

DRY WHEY - WEST

Western dry whey prices are lower this week. The market tone is uneven as domestic and export prices are varied. Domestic whey sales tied to various price basing points are favoring the upper end of the price ranges. Domestic spot sales are uneven. Export sales are mixed, with a recently awarded tender on the lower end of range. Whey production schedules are mixed. Increased milk supplies to cheese plants are helping to add to the whey product stream. Concentrated whey protein products continue to absorb increasing percentages of the whey product mix. Demand for whey is moderate to good from domestic buyers as end users look to secure additional stocks for later in the year. Export demand is also moderate to good, but U.S. prices are restricting sales. Whey stocks are lighter than a year ago, but are adequate to fill most demand.

NONHYGROSCOPIC: .5900 - .7200 MOSTLY: .6200 - .6900

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for whey protein concentrate 34% are unchanged to lower on a mixed market. FOB spot load availability is light to unavailable from some manufacturers as they balance uneven cheese production with the need for whey stream end products during Q3. A handful of other firms continue to produce WPC 34% at above-anticipated levels, and they are offering numerous FOB spot loads to the market on a weekly basis. Some bundling of WPC 34% loads with other dairy commodities is helping clear loads to end users and broker/trader firms.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.5000 - 1.8425 MOSTLY: 1.5675-1.7425

LACTOSE - CENTRAL AND WEST

Prices for lactose are unchanged to lower on a weaker market. Manufacturers' stocks on hand vary widely, but ready availability of unground lactose in totes and bags is apparent to market participants. Pricing for some June contracts is close to complete. Finalization of Q3 contracts is at all stages, ranging from offers being sent to signed agreements received. US manufacturers note the availability of Europe-sourced lactose in Southeast Asia has taken away some bargaining leverage during current contract talks. Lactose production is steady to higher at several plants in the Central region, but a few plants in the West region are experiencing lower production rates as milk intakes decline seasonally. Also, uneven cheese ordering has a few plants on flexible production schedules that translate into variable lactose output. Lactose inventories range from tight to heavier than anticipated. FOB spot load offers are available from a limited range of lactose brands. A few international buyers are trying to move up shipment dates for June loads as concerns mount regarding the potential for a strike by dockworkers along the US west coast.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .4300-.6825 MOSTLY: .5350-.6000

CASEIN - NATIONAL

Acid and rennet casein prices are unchanged for the week. Negotiations for Q3 contracts are continuing with several customers needing to finalize contracts. There is continued hesitancy to purchase, on the part of some buyers, believing prices may move lower. Market participants are tracking current milk production trends in the EU and evaluating how those trends will impact casein production and supplies in the next few months. Declines in the Euro, against the U.S. dollar, have worked in the prospective buyers' favor.

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: 4.7500 - 5.2000
ACID: 4.9000 - 5.4000

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2013

WEEK ENDING	2014 WEEKLY DAIRY COWS	2014 CUMULATIVE DAIRY COWS	2013 WEEKLY DAIRY COWS	2013 CUMULATIVE DAIRY COWS
05/24/2014	48.4	1,172.2	56.8	1,310.2

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95

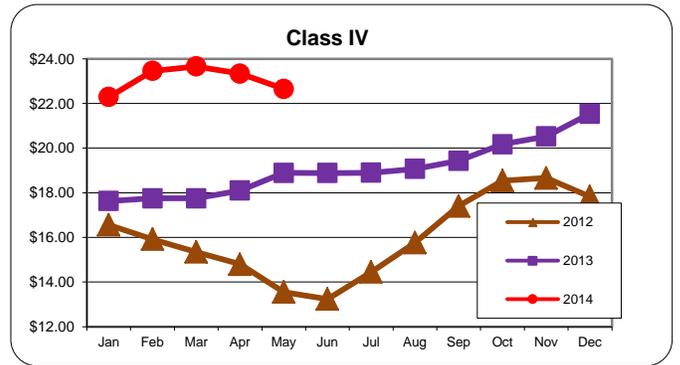
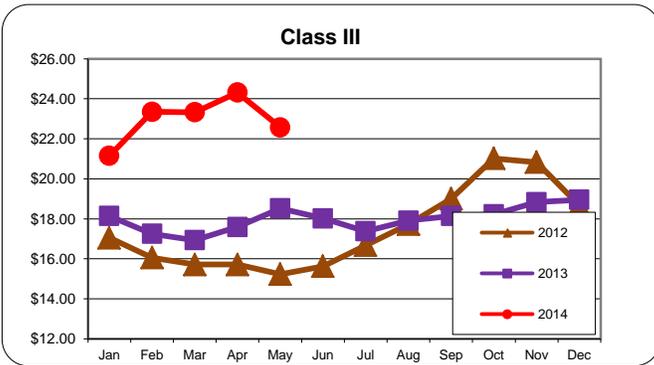
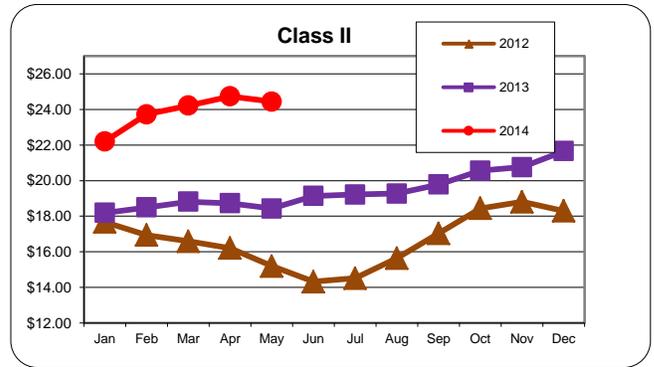
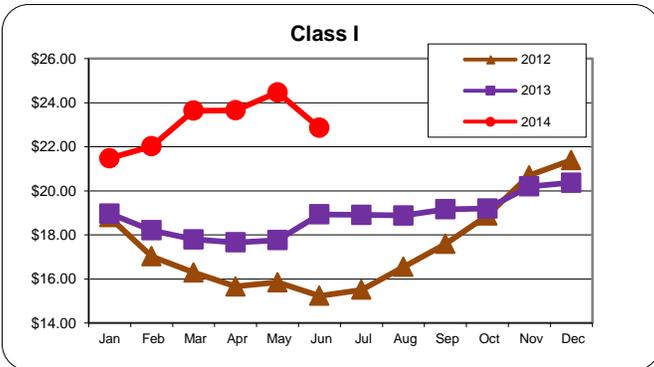
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54

FEDERAL MILK ORDER CLASS PRICES FOR 2014 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	21.48	22.02	23.64	23.65	24.47	22.86						
II	22.21	23.73	24.22	24.74	24.44							
III	21.15	23.35	23.33	24.31	22.57							
IV	22.29	23.46	23.66	23.34	22.65							

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



ORGANIC DAIRY MARKET NEWS

Information gathered June 02 - 13, 2014

ORGANIC DAIRY FLUID OVERVIEW

Organic Dairy News. Recent discussion on organic dairy online forums and in the press about organic butter tightness, has noted that a number of longstanding buyers of bulk organic butter have either been unable to continue acquiring bulk butter, or to acquire it in desired quantities. Initial explanations focused on increases in organic butter sales as being generally responsible, leading butter manufacturers to prefer selling organic butter in retail settings, rather than bulk.

A manager of national organic dairy brand says this explanation is not representative of a larger situation. "Organic butter is not isolated. Organic dairy suppliers are hard pressed to meet demand. This is not recent and it has been coming and developing for a while."

He observes that the specific market situation surrounding organic bulk butter is driven by customer apprehension, leading to "produced demand" rather than "real demand". By that, he means that as supply tightness began to develop, a number of organic bulk butter buyers responded by attempting to build stocks above normal levels, which created a produced demand exceeding real demand.

Similarly, a number of retailers increased ordering of organic butter and began to build retail inventory levels of 1 pound butter above what had been prevailing levels. This fueled apprehension about obtaining organic butter, and the impact fueled more apprehension.

This has resulted in more efforts by organic processors to make decisions to try and balance supply availability among customers, by attempting to balance supplies against an estimation of real demand, rather than produced demand.

The new reality applies not only to butter, but most organic dairy products. Butter is said to be the most evident example of organic milk supply tightness.

Organic milk is distributed into three types of channels: products with the processors' brand; private label products; and organic dairy manufacturing for a variety of products.

The organic milk supply tightness is causing more attention by processors to maintaining balance among the channels. This requires decisions to be made as to organic milk allocation.

Compounding the current supply tightness, is the fact that it takes some time for new organic dairy producers or farms to become certified as organic. This process limits how quickly new producers can come online to supply additional organic milk.

Another factor cited by a representative of a national organic processor, is recent weather going back to 2013. The grazing requirements of organic dairy make weather impacts on pastures significant. The early wet spring in 2013, followed by drought in many areas, left pastures less than ideal. This led to more demand by organic producers for organic feed.

Further compounding demand for organic feed by organic dairy processors, was the recent increased demand for non GMO food. Indeed, a national natural food store chain began to emphasize that it sold primarily GMO free food products. Because organic grains are GMO free, the growing interest in GMO free food increased demand for organic grains, competing with demand of organic producers for organic feed grains.

This leaves organic dairy producers with continuing challenges in maintaining herds, and output per cow. A result is holding back potential organic milk output, according to the manager.

ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Organic dairy ad numbers are at the third highest level of 2014 this period. This is attributable to a very large number of organic cheese ads, in tandem with a slightly above average number of organic milk ads, supplementing a below average number of organic yogurt ads. The number of organic yogurt ads is at the second lowest level of the year, about one half the average number for a survey period.

No organic dairy products other than organic milk, cheese and organic yogurt were advertised in surveyed ads this period.

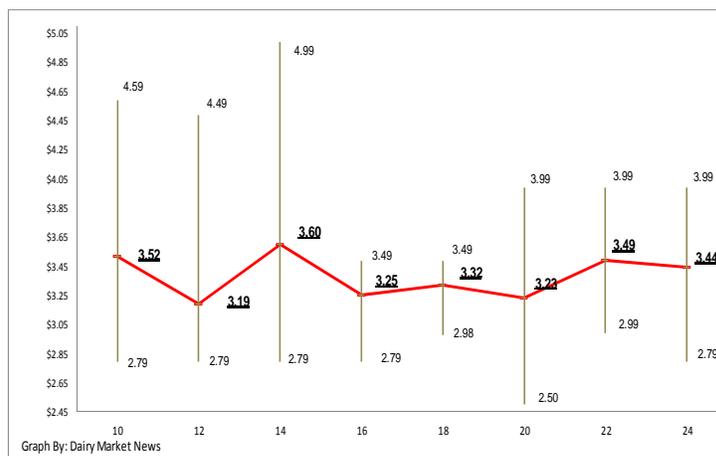
Advertising information presented is compiled from nearly 14,000 surveyed newspaper supermarket ads for the period June 2 to June 13, 2014, identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler 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. The percentage change in each region's ad numbers increased from two weeks ago in all regions except the Northeast, which declined 57%. The percentage increased in the Midwest, +72%; Southeast, +376%; South Central, +197%; Southwest, +180%; and Northwest, +372%.

Organic Milk Half Gallons. The U.S. weighted average advertised price of organic milk half gallons is \$3.44, down 5 cents from 2 weeks ago. One year ago the national price was \$3.59. The lowest price is down 20 cents to \$2.79, while the price range is unchanged at the top, \$3.99. The lowest price, \$2.79, is advertised in the South Central region. The highest advertised price, \$3.99, is found in the Midwest, South Central, and Southwest. Organic milk half gallon ads did not appear in the Northeast.

U.S. Advertised Organic Milk Half Gallon Price Range and Weighted Average Advertised Price by 2014 Week



CONTINUED ON PAGE 8-A

ORGANIC DAIRY MARKET NEWS

Information gathered June 02 - 13, 2014

CONTINUED FROM PAGE 8

ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE
2014 REPORTING WEEK 24

Organic - Conventional Milk Half Gallon Price Spread. Conventional milk half gallons have an average price of \$1.99 and organic milk half-gallons have a price of \$3.44. This results in a conventional-organic price spread of \$1.45. The price spread this year has ranged between \$0.67 and \$2.07. Last year at this time the price spread was \$2.59.

Organic Milk Gallons. Ad volume for organic milk gallons is below average for 2014, but up from each of the last three survey periods. All ads appear in the Southeast, all priced \$4.99. One year ago the price was \$5.00.

Organic Yogurt. 4-6 ounce organic yogurt ads lead the number of 4-6 ounce organic Greek yogurt ads by slightly over a 2 to 1 ratio.

The national average price of 4-6 ounce organic yogurt is \$.57, with no ads two weeks ago to price compare and 27 cents lower than one year ago. The lowest advertised price is \$.50 in the Southeast, South Central region, Southwest and Northwest. The highest advertised price is \$.75 in the Midwest.

4-6 ounce organic Greek yogurt has an average price of \$1.25, up from \$1.12 two weeks ago. The lowest advertised price is \$1.00 in the Northeast and the highest is \$1.50 in the Midwest, the only two regions with ads for this product.

Organic Cheese. Over twice as many organic cheese ads appear this survey period than during all other prior periods of 2014 combined. The current ad volume was generated primarily by a national supermarket chain. Organic cheese ads appear this period in all regions except the Midwest.

8 ounce block organic cheese has an average national price of \$3.63. No ads appeared two weeks ago or one year ago. The lowest advertised price, \$3.49, appeared in the South Central region, and Northwest. The highest advertised price, \$3.69, appeared in the Northeast, Southeast, South Central region, and Southwest.

8 ounce shredded organic cheese has an average national price of \$3.62. No ads appeared two weeks ago or one year ago. The lowest advertised price, \$3.49, appeared in the South Central region, and Northwest. The highest advertised price, \$3.69, appeared in the Northeast, Southeast, South Central region, and Southwest.

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.

MADISON, WISCONSIN
LOW HIGH RANGE
(in Dollars)

	LOW	HIGH	RANGE
FLUID MILK			
MILK - gallon			
Whole	5.99*	6.79	0.80*
Reduced fat (2%)	5.99*	6.79	0.80*
Low fat (1%)	5.99*	6.79	0.80*
Nonfat (Skim)	5.99*	6.79	0.80*
MILK - half gallon			
Whole	3.50*	4.99	1.49*
Reduced fat (2%)	3.50*	4.99	1.49*
Low fat (1%)	3.50*	4.99	1.49*
Nonfat (Skim)	3.50*	4.99	1.49*
FLAVMILK - half gallon			
All fat tests	4.09	5.69	1.60
YOGURT			
Yogurt - 4-6 oz			
Yogurt	0.49	0.79	0.30
CHEESE			
Cheese - 8 oz block			
Mozzarella	3.75	5.99	2.24
Mild Cheddar	3.69*	5.39	1.70*
Monterey Jack	3.39	5.39	2.00
Pepper Jack	3.49	5.99	2.50
Cheese - 6 oz string			
Mozzarella	3.99	5.09	1.10
Colby Jack	3.89	5.69	1.80
BUTTER			
Butter - 1 Pound	4.79*	6.59	1.80*

* = Price change from prior reporting period.

ORGANIC GRAIN AND FEEDSTUFF MARKETS:

Prices for organic corn and organic soybeans are mostly unchanged. Market activity is moderate to active for organic corn and organic soybeans, but slow for other reported grains. Winter wheat is being harvested with slightly lower yields than expected. Demand for organic corn and organic soybeans is moderate to good, while demand for most other reported grains is moderate.

Additional livestock and grain market news information is available at: www.ams.usda.gov/LSMarketNews

JUNE MILK SUPPLY AND DEMAND ESTIMATES

Milk production forecasts for 2014 and 2015 are unchanged from last month. Export forecasts are raised on a fat basis for 2014 and 2015 with higher cheese exports. However, growth in 2014 exports is constrained by weaker butter sales as higher domestic prices have made U.S. butter less competitive on world markets. Skim-solids exports reflect strength in cheese and nonfat dry milk (NDM) exports. Imports for 2014 and 2015 are raised on higher imports of food ingredients. Cheese and butter prices for 2014 are forecast higher on strong demand for cheese and tight supplies of butter. The NDM price is lowered, but the whey price forecast is unchanged. Strength in butter prices is expected to carry into early 2015 resulting in an increase in the 2015 price, but the prices of cheese, NDM, and whey are unchanged from last month. Class III and Class IV prices for 2014 and 2015 are raised on stronger butterfat values. The all milk price is forecast at \$22.90 to \$23.30 per cwt for 2014 and \$19.75 to \$20.75 per cwt for 2015.

U.S. MILK SUPPLY AND USE					
Commodity	2013	2014 Projected		2015 Projected	
		May	June	May	June
BILLION POUNDS					
MILK					
PRODUCTION	201.2	206.1	206.1	212.1	212.1
FARM USE	1.0	1.0	1.0	1.0	1.0
FAT BASIS SUPPLY					
BEGINNING COMMERCIAL STOCKS	12.2	11.2	11.2	10.9	10.8
MARKETINGS	200.2	205.2	205.1	211.1	211.1
IMPORTS	3.7	3.4	3.5	3.4	3.4
TOTAL COMMERCIAL SUPPLY	216.2	219.8	219.7	225.4	225.3
FAT BASIS USE					
COMMERCIAL EXPORTS	12.4	13.3	13.4	12.7	13.0
ENDING COMMERCIAL STOCKS	11.2	10.9	10.8	12.0	12.0
CCC NET REMOVALS ^{1/}	0.0	0.0	0.0	0.0	0.0
COMMERCIAL USE ^{2/}	192.6	195.5	195.6	200.7	200.3
SKIM-SOLIDS BASIS SUPPLY					
BEGINNING COMMERCIAL STOCKS	12.4	11.7	11.7	11.9	11.9
MARKETINGS	200.2	205.2	205.1	211.1	211.1
IMPORTS	5.3	5.4	5.6	5.1	5.2
TOTAL COMMERCIAL SUPPLY	217.9	222.2	222.3	228.1	228.2
SKIM-SOLIDS BASIS USE					
COMMERCIAL EXPORTS	38.6	38.7	39.4	38.6	38.6
ENDING COMMERCIAL STOCKS	11.7	11.9	11.9	12.2	12.2
CCC NET REMOVALS ^{1/}	0.0	0.0	0.0	0.0	0.0
COMMERCIAL USE ^{2/}	167.7	171.7	171.1	177.4	177.3

NOTE: Totals may not add due to rounding.

^{1/} Includes products exported under the Dairy Export Incentive Program.

^{2/} Domestic commercial use only.

Continued on page 10

JUNE MILK SUPPLY AND DEMAND ESTIMATES-cont'd

U.S. DAIRY PRICES					
Commodity	2013	2014 Projected		2015 Projected	
		May	June	May	June
DOLLARS PER POUND					
PRODUCT PRICES ¹					
CHEESE	1.7683	1.995-2.025	2.015-2.055	1.670-1.770	1.670-1.770
BUTTER	1.5451	1.800-1.860	1.870-1.940	1.615-1.745	1.640-1.770
NONFAT DRY MILK	1.7066	1.830-1.860	1.820-1.860	1.605-1.675	1.605-1.675
DRY WHEY	0.5902	0.630-0.650	0.630-0.650	0.550-0.580	0.550-0.580
DOLLARS PER CWT					
MILK PRICES ^{2/}					
CLASS III	17.99	20.55-20.85	20.80-21.20	16.90-17.90	16.95-17.95
CLASS IV	19.05	21.25-21.65	21.45-21.95	18.55-19.65	18.65-19.75
ALL MILK ^{3/}	20.05	22.70-23.00	22.90-23.30	19.70-20.70	19.75-20.75
QUARTERLY					
	2014 I	2014 II	2014 III ^{4/}	2014 IV ^{4/}	2015 I ^{4/}
BILLION POUNDS					
MILK PRODUCTION	51.1	52.8	50.9	51.3	52.5
DOLLARS PER CWT.					
ALL MILK PRICE ^{2/3/}	24.53	24.40-24.60	21.95-22.45	20.85-21.65	20.50-21.50
CLASS III PRICE ^{2/}	22.61	22.65-22.85	19.65-20.15	18.40-19.20	16.45-17.45
CLASS IV PRICE ^{2/}	23.14	22.95-23.25	20.80-21.40	19.05-19.95	18.05-19.15

^{1/} Simple average of monthly prices calculated from AMS weekly weighted average prices published in the National Dairy Products Sales Report located at: <http://www.ams.usda.gov/AMSV1.0/DairyProductMandatoryReporting>.”

^{2/} Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test.

^{3/} Does not reflect any deductions from producers as authorized by legislation.

^{4/} Projection.

Source: U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-530, June 11, 2014*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Uthra Raghunathan, AMS; Paul Kiendl, FAS; Roger Hoskin, ERS; and Milton Madison, FSA].

Milk Production, Disposition, and Income 2013

Milk production increased 0.3 percent in 2013 to 201 billion pounds. The rate per cow, at 21,822 pounds, was 102 pounds above 2012. The annual average number of milk cows on farms was 9.22 million head, down 12,000 head from 2012.

Cash receipts from marketings of milk during 2013 totaled \$40.3 billion, 8.7 percent higher than 2012. Producer returns averaged \$20.12 per hundredweight, 8.4 percent above 2012. Marketings totaled 200.2 billion pounds, 0.3 percent above 2012. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers.

An estimated 980 million pounds of milk were used on farms where produced, 2.4 percent more than 2012. Calves were fed 90 percent of this milk, with the remainder consumed in producer households.

Milk Cows and Production of Milk: United States, 2012-2013

Year	Number of Milk Cows ^{1/}	Production of Milk ^{2/}		
		Per Milk Cow	All milk percent of fat	Total
		Milk		Milk
	1,000 head	Pounds	Percent	Mil. Lbs.
2012	9,233	21,720	3.72	200,537
2013	9,221	21,822	3.76	201,218

^{1/} Average number during year, excluding heifers not yet fresh. ^{2/} Excludes milk sucked by calves.

Milk Marketings and Income: United States, 2012-2013

Year	Combined Marketings of Milk and Cream			
	Milk Marketed by Producers		Average Returns ^{1/}	Cash Receipts from Marketings
	Total ^{2/}	Fluid Grade ^{3/}	Per 100 Pounds of Milk	
	Mil. lbs.	Percent	Dollars	1,000 Dollars
2012	199,581	99	18.56	37,046,654
2013	200,238	99	20.12	40,276,929

^{1/} Cash receipts divided by milk marketings. ^{2/} Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. ^{3/} Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production, Disposition, and Income, 2013 Summary, April 2014.*

**ANNUAL MILK MARKETINGS BY PRODUCERS AND CASH RECEIPTS FROM MARKETINGS,
BY STATE, 2013**

State	Milk Marketed by Producers		Cash Receipts from Marketings	
	Quantity ^{1/}	Fluid Grade ^{2/}	Total	Average Return ^{3/}
	Mil. lbs.	Percent	1,000 Dollars	\$/cwt.
AL	119.0	100	28,203	23.70
AK	3.0	100	660	22.00
AZ	4,476.0	100	872,820	19.50
AR	103.0	100	21,424	20.80
CA	41,221.0	98	7,617,641	18.48
CO	3,300.0	100	666,600	20.20
CT	368.0	100	79,488	21.60
DE	92.7	100	19,004	20.50
FL	2,377.0	100	568,103	23.90
GA	1,551.0	100	335,016	21.60
HI	29.3	100	10,109	34.50
ID	13,400.0	100	2,572,800	19.20
IL	1,867.0	98	386,469	20.70
IN	3,803.0	100	791,024	20.80
IA	4,593.0	99	941,565	20.50
KS	2,921.0	100	590,042	20.20
KY	1,065.0	100	228,975	21.50
LA	202.0	100	44,238	21.90
ME	602.0	100	134,246	22.30
MD	965.0	100	201,685	20.90
MA	228.0	100	49,704	21.80
MI	9,136.0	100	1,872,880	20.50
MN	9,035.0	99	1,843,140	20.40
MS	183.0	100	40,077	21.90
MO	1,328.0	97	272,240	20.50
MT	293.0	100	54,791	18.70
NE	1,157.0	99	242,970	21.00
NV	638.0	100	129,514	20.30
NH	269.0	100	57,835	21.50
NJ	125.0	100	25,750	20.60
NM	8,011.0	100	1,506,068	18.80
NY	13,432.0	100	2,847,584	21.20
NC	929.0	100	198,806	21.40
ND	335.0	96	66,665	19.90
OH	5,424.0	97	1,149,888	21.20
OK	782.0	100	168,130	21.50
OR	2,492.0	100	528,304	21.20
PA	10,500.0	100	2,268,000	21.60
RI	16.9	100	3,684	21.80
SC	261.0	100	60,030	23.00
SD	2,016.0	99	425,376	21.10
TN	762.0	100	163,830	21.50
TX	9,586.0	100	1,955,544	20.40
UT	2,023.0	100	394,485	19.50
VT	2,591.0	100	551,883	21.30
VA	1,732.0	100	396,628	22.90
WA	6,320.0	100	1,295,600	20.50
WV	150.0	100	30,450	20.30
WI	27,298.0	98	5,541,494	20.30
WY	126.7	93	25,467	20.10
US ^{4/}	200,238.0	99	40,276,929	20.12

^{1/} Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. ^{2/} Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products. ^{3/} Cash receipts divided by milk marketings. ^{4/} May not add due to rounding.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. *Milk Production, Disposition, and Income, 2013 Summary, April 2014.*

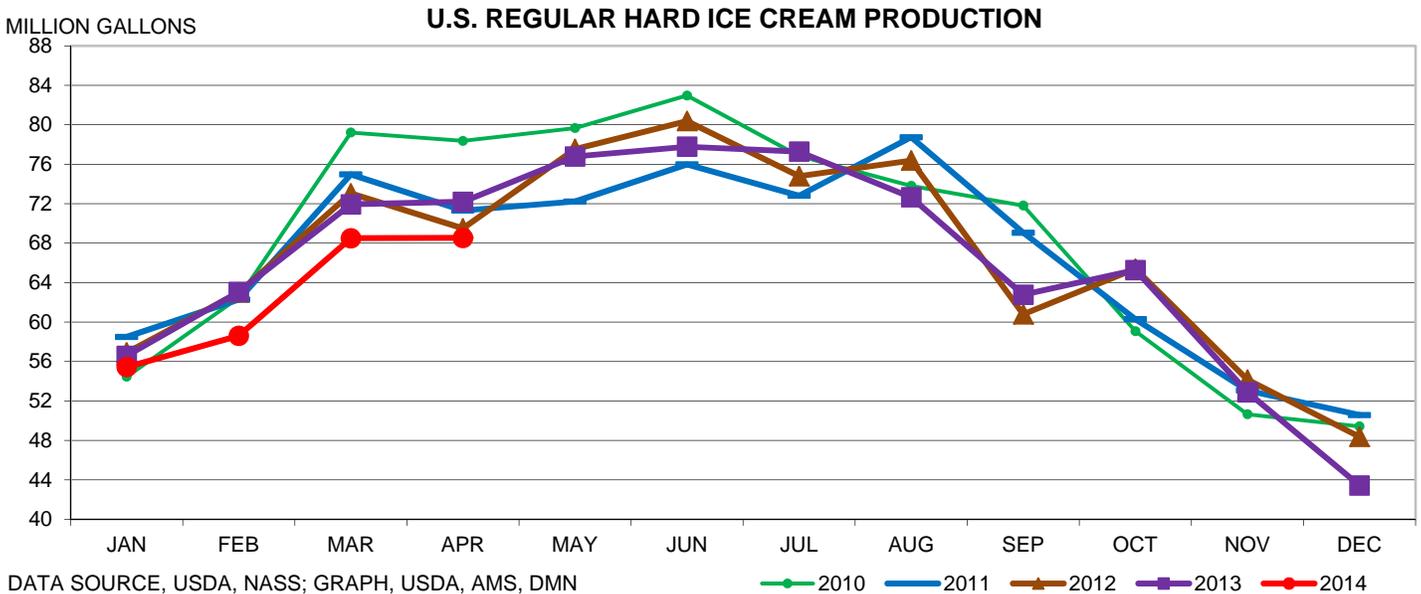
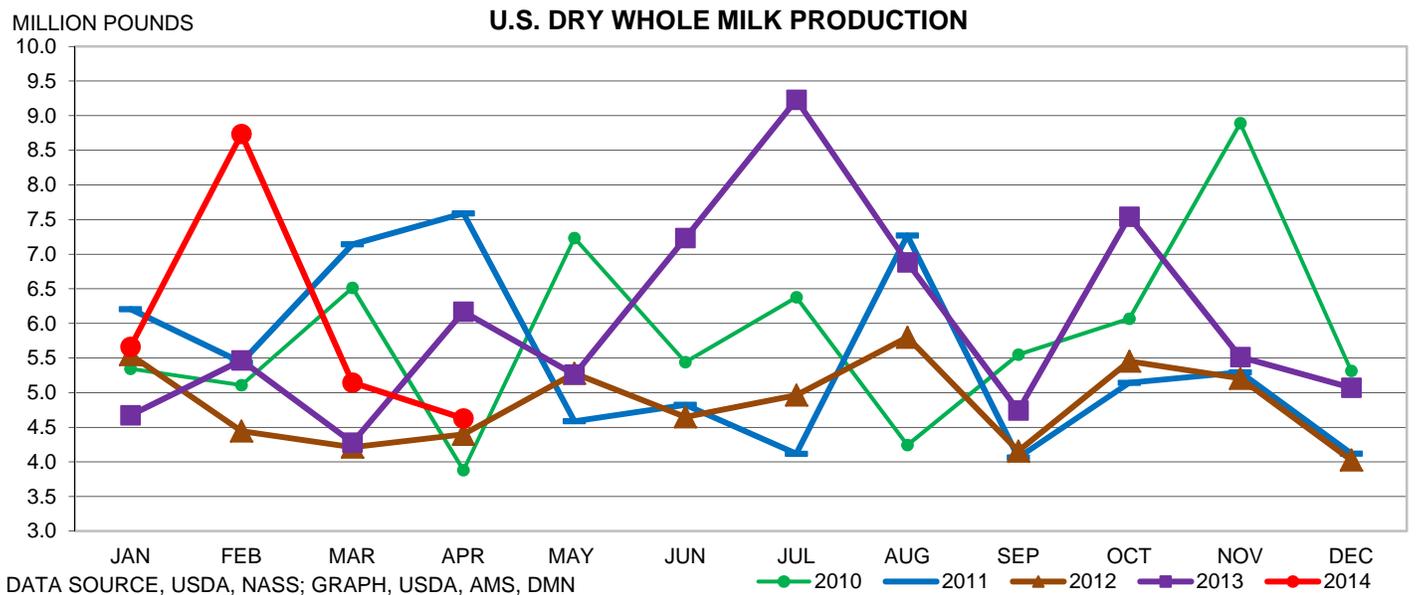
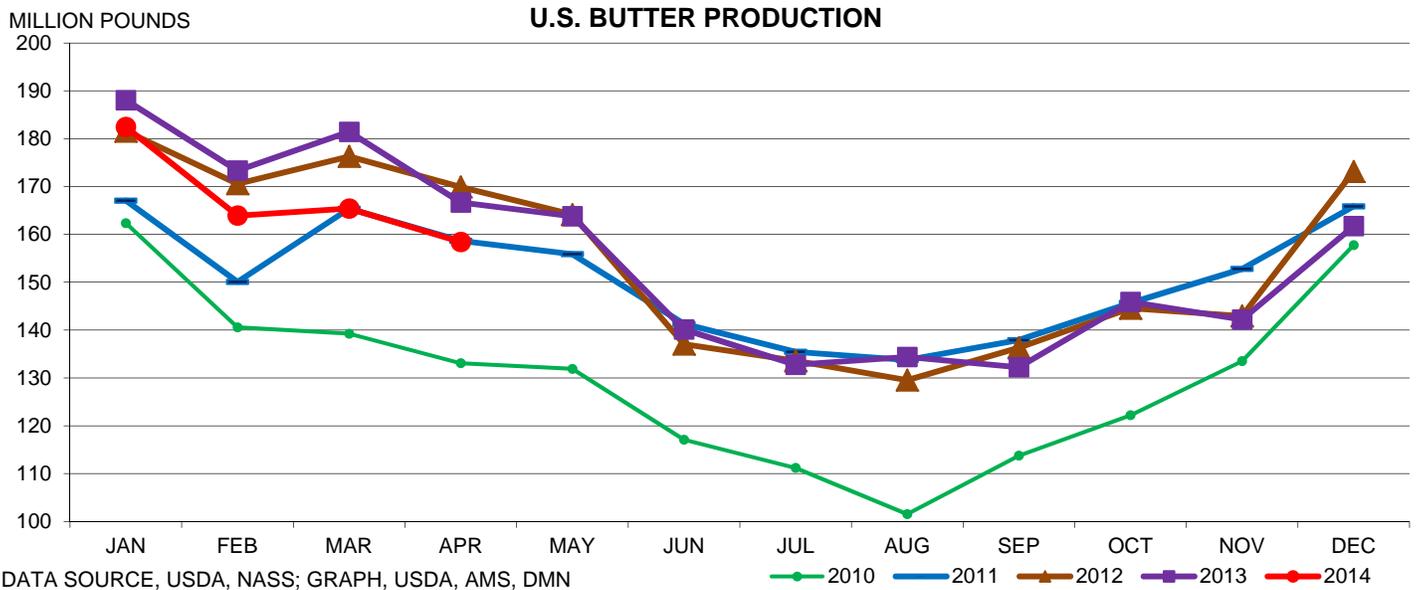
MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA, MARCH 2014, WITH COMPARISONS

In March 2014, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$25.18 per cwt., up \$0.27 from the February 2014 average, and up \$5.96 from the March 2013 average. The component tests of producer milk in March 2014 were: butterfat, 3.79%; protein, 3.16%; and other solids, 5.72%. The March Mailbox prices increased an average of \$0.30/cwt across all Federal milk order reporting areas when compared to the previous month. The Northwest States experienced the greatest increase of \$0.73/cwt, while Minnesota experienced the only decrease of \$0.05/cwt. Mailbox prices in March 2014 ranged from \$27.27 in Florida to \$22.96 in New Mexico.

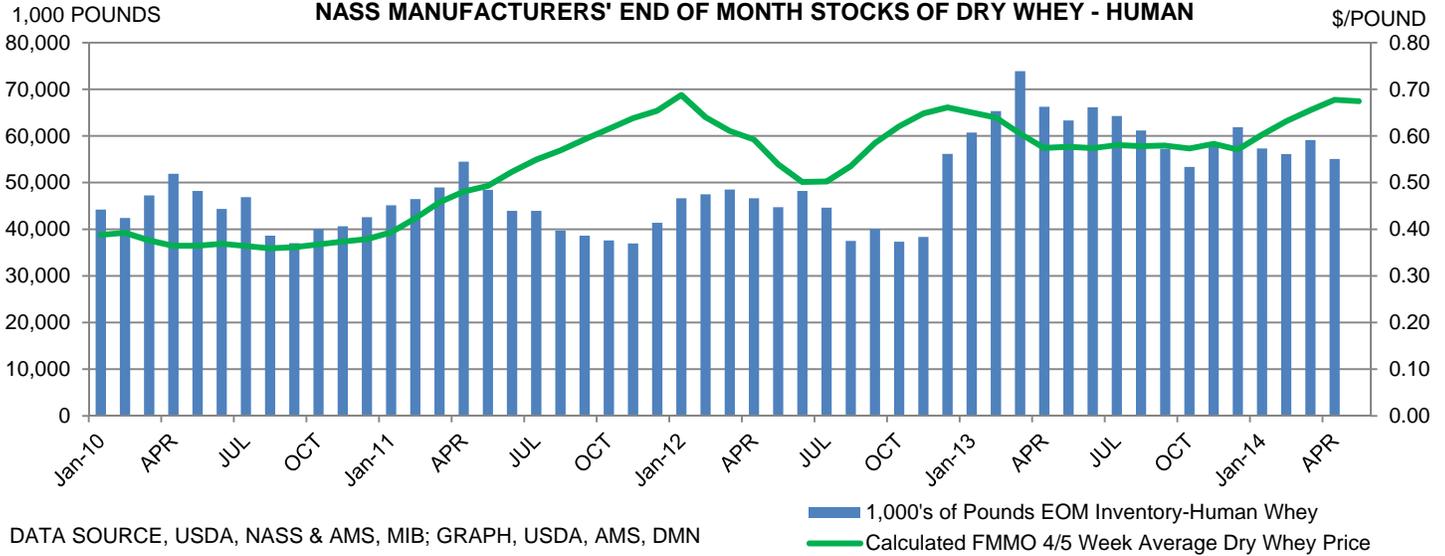
Reporting Area <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	March 2013	February 2014	March 2014
	Dollars per hundredweight		
New England States <u>3/</u>	20.65	25.94	26.30
New York	19.74	25.06	25.58
Eastern Pennsylvania <u>4/</u>	19.90	25.10	25.48
Appalachian States <u>5/</u>	20.08	25.41	25.96
Southeast States <u>6/</u>	20.43	25.69	26.10
Southern Missouri <u>7/</u>	19.00	24.57	24.92
Florida	21.96	26.77	27.27
Western Pennsylvania <u>8/</u>	19.90	25.20	25.61
Ohio	19.83	24.92	25.24
Indiana	19.32	24.22	24.46
Michigan	18.95	24.28	24.62
Wisconsin	19.22	25.31	25.34
Minnesota	19.12	25.48	25.43
Iowa	19.52	25.44	25.75
Illinois	19.61	25.50	25.61
Corn Belt States <u>9/</u>	18.51	24.24	24.39
Western Texas <u>10/</u>	18.11	24.31	24.32
New Mexico	17.01	22.90	22.96
Northwest States <u>11/</u>	18.66	24.63	25.36
All Federal Order Areas <u>12/</u>	19.22	24.91	25.18
California <u>13/</u>	17.05	22.67	23.36

1/ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. 2/ Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices do not include any Milk Income Loss Contract (MILC) payments, but do include, for the most part, the assessment under the Cooperatives Working Together (CWT) program. 3/ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. 4/ Includes all counties to the east of those listed in 8/. 5/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 6/ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. 7/ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these. 8/ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these. 9/ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in 7/. 10/ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby. 11/ Includes Oregon and Washington. 12/ Weighted average of prices for all selected reporting areas. California is simple average. 13/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin."

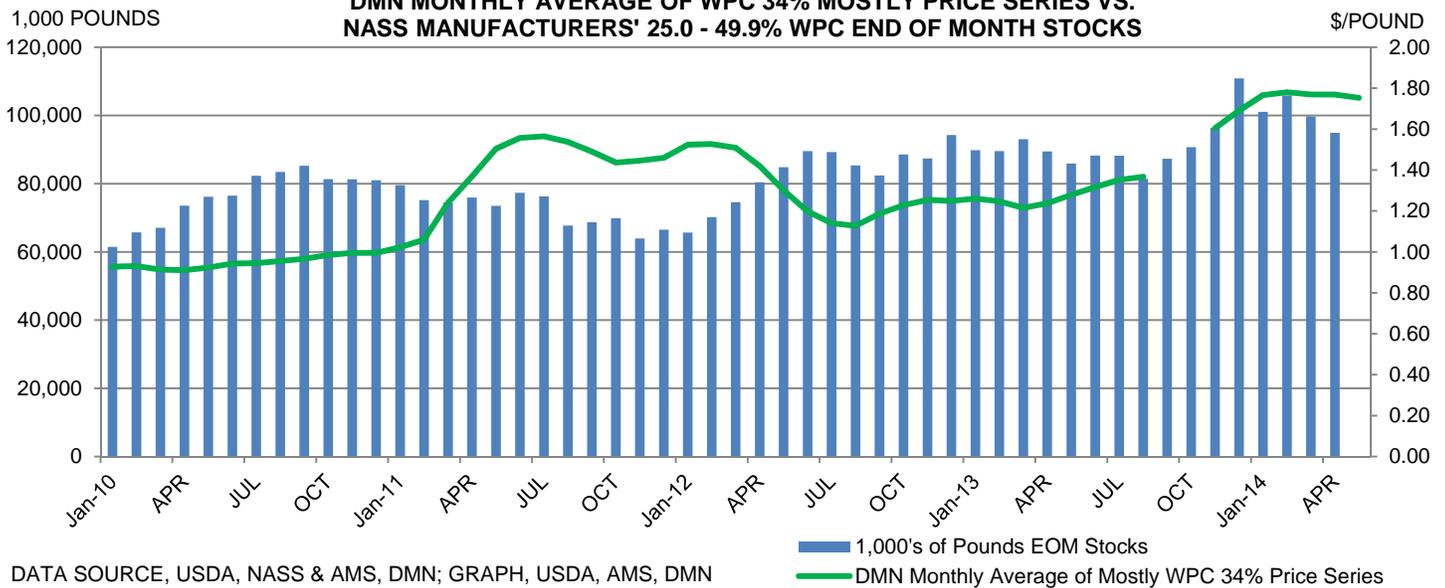
Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932



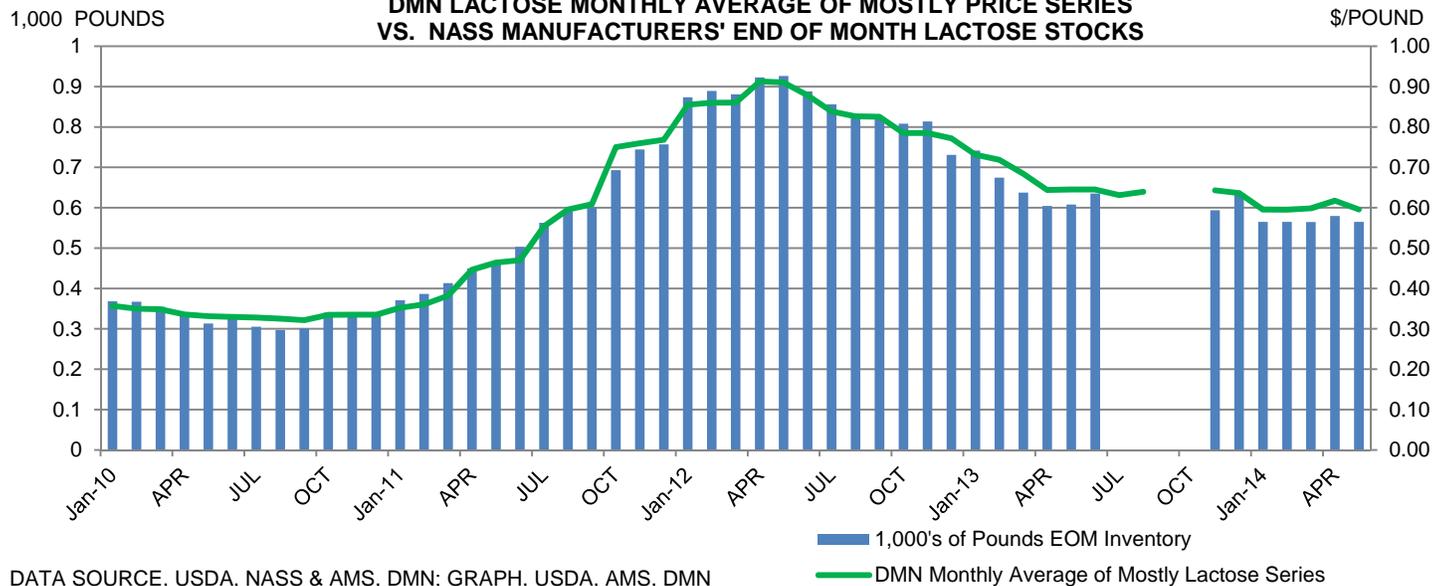
4-5 WEEK AVERAGE DRY WHEY PRICES FROM FMMO CALCULATED MILK PRICE FORMULAS VS. NASS MANUFACTURERS' END OF MONTH STOCKS OF DRY WHEY - HUMAN



DMN MONTHLY AVERAGE OF WPC 34% MOSTLY PRICE SERIES VS. NASS MANUFACTURERS' 25.0 - 49.9% WPC END OF MONTH STOCKS



DMN LACTOSE MONTHLY AVERAGE OF MOSTLY PRICE SERIES VS. NASS MANUFACTURERS' END OF MONTH LACTOSE STOCKS





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/dybretil.pdf>

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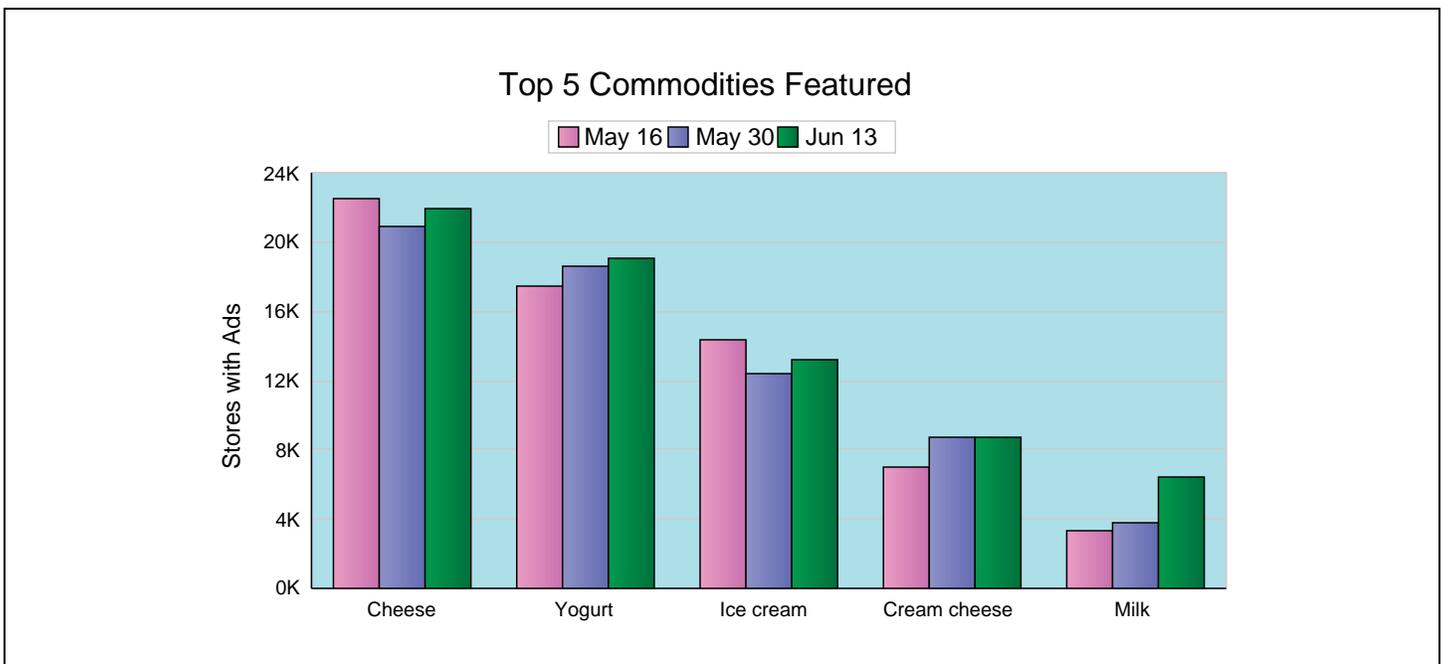
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 06/02 to 06/13

June dairy month themed ads were in abundance this survey period. A number of ads offered dairy products as “2 for the price of 1” specials. Cottage cheese was the largest percentage gainer in dairy ad volume, more than tripling from two weeks ago. 16 ounce containers had a national average price of \$2.33, up 14 cents from two weeks ago and up 24 cents from a year ago. Prices ranged from \$1.50 in the Southwest to \$3.38 in the Northeast. Ad volume for gallon milk more than doubled from the last period, with a national average price of \$3.20, 27 cents above two weeks ago and 26 cents above one year ago. Prices ranged from \$1.75 in the Southwest to \$4.49 in the Northeast.

The big percentage gain in yogurt ad volume is for 32 ounce Greek yogurt, with ads nearly tripling the number two weeks ago and six times greater than one year ago. The national average price, \$4.29, is up 63 cents from two weeks ago and up 66 cents from a year ago. 4-6 ounce Greek yogurt’s average price, \$0.99, is up 1 cent from two weeks ago but down 2 cents from a year ago. 4-6 ounce yogurt has an average price of \$.54, up 3 cents from two weeks ago but even with a year ago.

Cheese ad volume decreased 7% nationally from two weeks ago. The national weighted average advertised price of 8 ounce shredded cheese, \$2.57, is up 20 cents from the last report and up 25 cents from last year. 8 ounce block cheese has an average price of \$2.62, 18 cents higher than two weeks ago and 31 cents above last year.

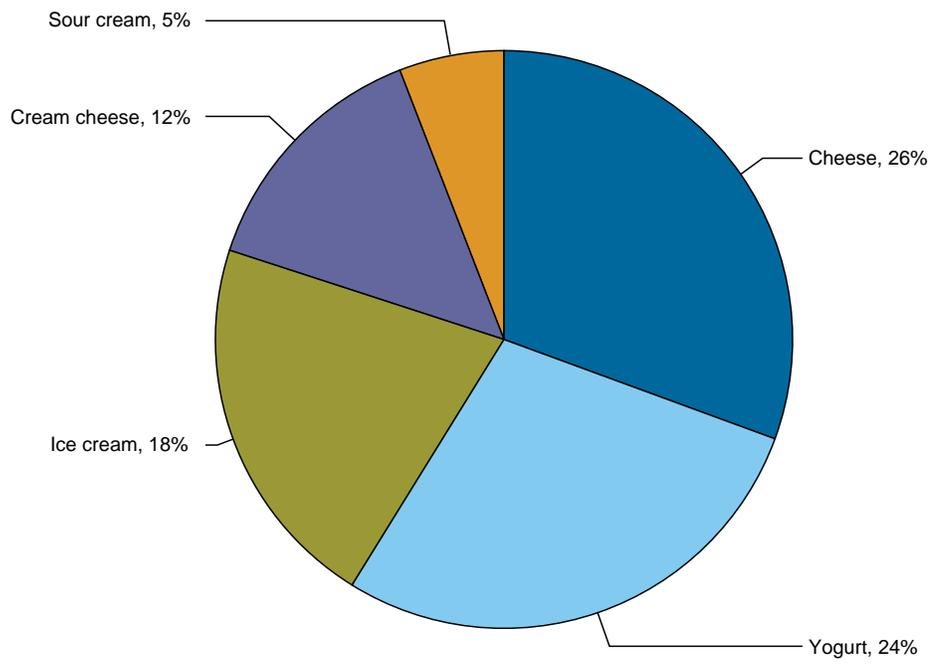
The conventional-organic milk half gallon price spread is \$1.45. Last year at this time, the price spread was \$2.59. The spread is calculated from the conventional milk half gallon average advertised price of \$1.99, and the organic milk half-gallon average, \$3.44.



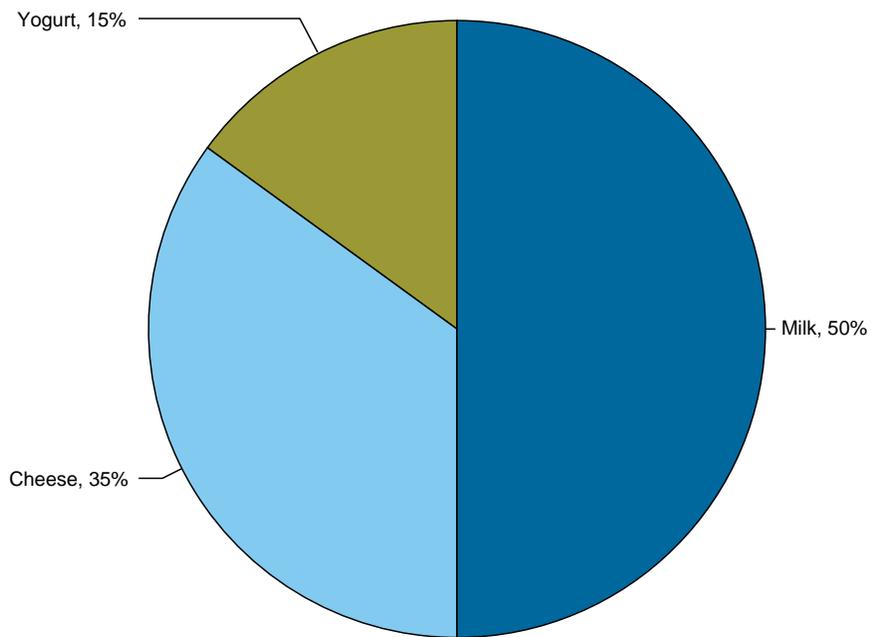
1 -- Dairy Market News surveys nearly 100 retailers, comprising over 14,000 individual stores, with online weekly advertised features.

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 #	3571	3.24	4098	3.14	3675	2.97
Cheese	Natural Varieties	8 oz block	5532	2.62	8794	2.44	7866	2.31
Cheese	Natural Varieties	1 # block	1403	4.05	878	4.32	4771	4.51
Cheese	Natural Varieties	2 # block	740	7.10	1351	7.55	1415	5.78
Cheese	Natural Varieties	8 oz shred	10063	2.57	8599	2.37	9828	2.32
Cheese	Natural Varieties	1 # shred	1688	3.73	1239	3.42	1822	4.09
Cottage cheese		16 oz	2994	2.33	869	2.19	2804	2.09
Cream cheese		8 oz	8698	1.74	8761	1.81	6011	1.65
Flavored milk	All fat tests	half gallon	50	2.99	721	2.72	271	2.50
Flavored milk	All fat tests	gallon	236	4.29	98	3.00	683	3.52
Ice cream		48-64oz	13255	2.97	12348	3.04	12852	2.98
Milk	All fat tests	half gallon	102	1.99	228	2.24	85	1.00
Milk	All fat tests	gallon	2760	3.20	1066	2.93	1592	2.94
Sour cream		16 oz	3927	1.81	7789	1.73	5131	1.85
Yogurt	Greek	4-6 oz	12185	.99	8617	.98	11874	1.01
Yogurt	Greek	32 oz	1376	4.29	511	3.66	227	3.63
Yogurt	Yogurt	4-6 oz	3712	.54	8081	.51	8097	.54
Yogurt	Yogurt	32 oz	708	2.25	680	2.35	790	2.25

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.98-4.49	1184	3.46	2.49-3.50	1090	3.18	2.00-3.69	475	3.09
Cheese	Natural Varieties	8 oz block	1.99-2.99	2347	2.53	2.50-3.00	1588	2.83	1.99-2.50	710	2.12
Cheese	Natural Varieties	1 # block	3.99	128	3.99	3.99	105	3.99	3.79-3.99	359	3.89
Cheese	Natural Varieties	2 # block				4.99	53	4.99			
Cheese	Natural Varieties	8 oz shred	2.00-3.69	2152	2.61	1.99-3.00	3843	2.56	1.99-2.50	892	2.21
Cheese	Natural Varieties	1 # shred				3.79-3.99	468	3.83	3.79-3.99	427	3.83
Cottage cheese		16 oz	1.99-3.38	1069	2.33	2.69	1212	2.69	1.69	176	1.69
Cream cheese		8 oz	1.25-2.79	1212	2.20	1.49-2.19	3670	1.65	1.50-2.00	568	1.71
Flavored milk	All fat tests	gallon	4.49	142	4.49				3.99	94	3.99
Ice cream		48-64oz	1.99-3.99	2934	2.99	2.50-3.50	2060	2.87	2.00-3.50	2025	2.73
Milk	All fat tests	half gallon				1.99	102	1.99			
Milk	All fat tests	gallon	3.49-4.49	853	3.75	1.99	58	1.99	2.29-2.79	271	2.66
Sour cream		16 oz	1.29-2.69	1809	1.93	1.50-2.00	362	1.79	1.50-1.89	639	1.72
Yogurt	Greek	4-6 oz	0.88-1.25	3114	1.00	0.80-1.00	3451	.95	0.89-1.00	1507	.99
Yogurt	Greek	32 oz				3.45-4.99	732	4.87			
Yogurt	Yogurt	4-6 oz	0.39-0.88	1496	.63	0.45-0.60	859	.50	0.30-0.50	347	.40

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	2.29-2.50	187	2.43	2.00	321	2.00	2.50	98	2.50

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.00-3.50	171	3.35	3.29-3.99	231	3.80	2.00-3.50	420	2.60
Cheese	Natural Varieties	8 oz block	2.99-3.00	175	2.99	1.99-2.99	180	2.63	2.50-3.00	532	2.88
Cheese	Natural Varieties	1 # block	3.99	118	3.99	3.79-4.49	613	4.21	3.79	80	3.79
Cheese	Natural Varieties	2 # block				6.99-7.99	485	7.79	5.99	202	5.99
Cheese	Natural Varieties	8 oz shred	1.99-3.00	1194	2.42	1.77-3.69	1602	2.82	2.49-3.00	380	2.74
Cheese	Natural Varieties	1 # shred	2.00-3.79	376	3.24	3.79-4.29	337	3.98	3.79	80	3.79
Cottage cheese		16 oz	1.99	118	1.99	1.50-1.99	419	1.67			
Cream cheese		8 oz	1.49-1.99	1039	1.62	1.49-1.99	1751	1.68	1.49-1.99	458	1.82
Flavored milk	All fat tests	half gallon							2.99	50	2.99
Ice cream		48-64oz	2.50-4.99	1854	3.20	2.49-3.99	3336	2.99	2.50-3.99	1046	3.15
Milk	All fat tests	gallon	1.99-2.50	234	2.23	1.75-4.19	996	3.23	2.89-3.99	348	3.05
Sour cream		16 oz	1.50-1.99	254	1.89	1.49-1.99	695	1.60	1.50-2.50	168	1.80
Yogurt	Greek	4-6 oz	0.88-1.19	1126	1.01	1.00-1.25	1941	1.03	0.88-1.25	1046	.99
Yogurt	Greek	32 oz	3.45-4.49	346	3.79				3.45	298	3.45
Yogurt	Yogurt	4-6 oz	0.33-0.50	327	.45	0.40-0.50	431	.48	0.48-0.50	252	.48
Yogurt	Yogurt	32 oz	2.00	52	2.00				2.99	50	2.99

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 #					1049	4.06
Cheese	Natural Varieties	8 oz block	1351	3.63				
Cheese	Natural Varieties	8 oz shred	1114	3.62				
Cottage cheese		16 oz					50	3.50
Milk	All fat tests	half gallon	3377	3.44	2247	3.49	4141	3.59
Milk	All fat tests	gallon	195	4.99	70	5.99	416	5.00
Milk	All fat tests	8 oz UHT			201	1.00		
Yogurt	Greek	4-6 oz	334	1.25	674	1.12		
Yogurt	Yogurt	4-6 oz	744	.57			652	.84
Yogurt	Yogurt	32 oz			71	3.50	1095	2.74

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
Cheese	Natural Varieties	8 oz block	3.69	112	3.69	3.69	58	3.69			
Cheese	Natural Varieties	8 oz shred	3.69	112	3.69	3.69	58	3.69			
Milk	All fat tests	half gallon				2.99-3.49	498	3.07	2.99-3.99	973	3.43
Milk	All fat tests	gallon				4.99	195	4.99			
Yogurt	Greek	4-6 oz	1.00	169	1.00				1.50	165	1.50
Yogurt	Yogurt	4-6 oz				0.50	58	.50	0.75	201	.75

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
Cheese	Natural Varieties	8 oz block	3.49-3.69	234	3.59	3.69	649	3.69	3.49	298	3.49
Cheese	Natural Varieties	8 oz shred	3.49-3.69	234	3.59	3.69	412	3.69	3.49	298	3.49
Milk	All fat tests	half gallon	2.79-3.99	716	3.29	3.79-3.99	676	3.83	2.99-3.79	514	3.53
Yogurt	Yogurt	4-6 oz	0.50	112	.50	0.50	75	.50	0.50	298	.50

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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