

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (8/7)**

BUTTER: Grade AA closed at \$1.9900. The weekly average for Grade AA is \$1.9900 (+.0555).

CHEESE: Barrels closed at \$1.7175 and 40# blocks at \$1.7500. The weekly average for barrels is \$1.7015 (+.0260) and blocks, \$1.7365 (+.0390).

NONFAT DRY MILK: Grade A closed at \$.6900. The weekly average for Grade A is \$.7020 (-.0060).

BUTTER HIGHLIGHTS: Churning is mixed, as most manufacturers are faced with the decision of either producing butter or selling cream for higher profits. Cream continues to be tight, but processors do not expect that to last too much longer. Some manufacturers are buying bulk butter for upcoming holiday demand. Domestic demand continues to be strong. Inventory levels are mixed. The NASS Dairy Products report noted June U.S. butter production totaled 142.8 million pounds, up 1.7% from a year ago. January-June cumulative U.S. production totals 977.0 million pounds, 1.4% behind 2014. Friday at the CME Group, Grade AA butter closed at \$1.9900, unchanged from last week's close.

CHEESE HIGHLIGHTS: Cheese production remains active across the nation. Through much of the country, the abundance of milk continues to push manufacturing. In the Northeast, cheese makers are operating at heavy production schedules in advance of the fall school-terms and the anticipated food service and pizza demand. In both the Midwest and West, strong domestic consumer demand is helping manufacturers keep their inventories at comfortable levels. Milk components are declining at seasonal rates. Processors report improving yields through fortification. Prices for domestically produced foreign type cheeses are up and demand is increasing. Dairy Products (NASS) reports total cheese production for June 2015 is 959.0 million pounds, up 1.5% from last year. Cumulative total cheese production through June 2015 is 5.779 billion pounds, up 2.1% from 2014. The July 2015 CME Group monthly average for blocks is \$1.6659, down from July 2014, \$1.9870. The July monthly average for barrels is \$1.6313, compared to a year ago, \$1.9970. Barrels at the CME Group closed Friday at \$1.7175, up \$.0200 from last week's close, and 40# blocks closed at \$1.7500, up \$.0025.

FLUID MILK: Farm level milk production is trending lower across the nation as the summer advances. Milk haulers report higher volumes of milk are crisscrossing state borders to reach bottling plants

servicing various school pipelines. Many K-12 school districts have in-service days and/or the beginning of the class calendar scheduled for in the coming weeks. Class II demand for condensed skim and cream is unchanged to lower. Ice cream producers are awaiting an increase in cream supplies in the near-term as fluid milk demand and standardizing activities increase.

DRY PRODUCTS: Overall, the dairy dry commodities markets are weak. Central/East and West low/medium heat nonfat dry milk prices reflected a decline in various bases and hesitancy on the part of buyers to go long on NDM. Building stocks, as a result of ongoing active NDM production, continue to weigh on the market. The markets for dry buttermilk are unsettled, with limited supplies in some areas, but continuing pressure from the NDM market. Dry whey markets are weak. Active whey production on the heels of a strong cheese production cycle continues to dog these regional markets. Some manufacturers are clearing inventories ahead of the last quarter of the calendar year. The whey protein concentrate 34% market is soft, with generally ample supplies available from manufacturers. The lactose market is steady. A few producers are curtailing production by switching to other end products as a way of managing both WPC and lactose inventories.

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW The heat that was a factor for the dairy regions in the center of Europe has declined. In other parts of Western Europe, droughts are affecting dairy and crop production. Even with the lack of favorable weather and milk production declining monthly, outputs continue to be above year ago levels. According to Eurostat, EU28 milk collections for January-May were 0.7% higher from year ago levels. Selected member states showed the following January-May percentage changes compared to the same period last year: Germany, -0.1%; France, -1.5%; UK, +0.8%; Belgium, -1.3%; Italy, -0.7%; and Ireland, +5.6%. **EASTERN OVERVIEW:** The heat wave that hit most of Europe has given way and milk production is starting to go back to seasonally normal levels.

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CME GROUP CASH TRADING

COMMODITY	MONDAY AUG 03	TUESDAY AUG 04	WEDNESDAY AUG 05	THURSDAY AUG 06	FRIDAY AUG 07	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.6900 (-.0075)	\$1.6925 (+.0025)	\$1.6750 (-.0175)	\$1.7325 (+.0575)	\$1.7175 (-.0150)	:: :: (+.0200)	:: :: \$1.7015 :: (+.0260)
40# BLOCKS	\$1.7375 (-.0100)	\$1.7200 (-.0175)	\$1.7125 (-.0075)	\$1.7625 (+.0500)	\$1.7500 (-.0125)	:: :: (+.0025)	:: :: \$1.7365 :: (+.0390)
NONFAT DRY MILK							
GRADE A	\$.7000 (N.C.)	\$.7100 (+.0100)	\$.7200 (+.0100)	\$.6900 (-.0300)	\$.6900 (N.C.)	:: :: (-.0100)	:: :: \$.7020 :: (-.0060)
BUTTER							
GRADE AA	\$1.9900 (N.C.)	\$1.9900 (N.C.)	\$1.9900 (N.C.)	\$1.9900 (N.C.)	\$1.9900 (N.C.)	:: :: (N.C.)	:: :: \$1.9900 :: (+.0555)

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 international purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY

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

According to Eurostat, EU28 milk collections for the January to May period in Poland show a 1.4% increase compared to a year ago. According to Eurostat, Poland's May 2015 production of various dairy commodities showed the following percentage changes compared to May 2014: butter, +2.7%; SMP, -9.3%; and WMP, -9.6%. **OCEANIA OVERVIEW:** Heavy milk volumes have lowered milk prices. Farmers in Australia are looking to decrease input costs as milk prices are projected to remain low through Q2 2016. Production is up slightly from last year. The colder weather in New Zealand has slowed production, but production has started to rise slightly. Some dairy products processors are looking to increase exports as there are some buyers refilling pipelines. Crop production yields in Australia are expected to be stable to increasing. Dairy Australia reports that Australia's milk production season (July-June) is +2.6% compared to last season. The season changes from one year earlier are: New South Wales, +4.3%; Victoria, +1.9%; Queensland, -6.4%; South Australia, +0.1%; Western Australia, +6.5%; and Tasmania, 10.1%. Victoria and Tasmania are the primary export producing dairy states and accounted for 75% of Australia's total milk production in the 2014-15 season. June 2015 milk production in Australia was 0.1% above June 2014. The state changes from a year earlier are: New South Wales, +0.3%; Victoria, -0.4%; Queensland, -7.1%; South Australia, +1.5%; Western Australia, +14.3% and Tasmania, unchanged. At the August 4 GDT event #145, average prices ranged from 14.4% lower to 0.2% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$2,253 -11.7%; butter, \$2,293 -6.1%; buttermilk powder, \$1,700 -5.1%; cheddar cheese, \$2,663 +0.2%; lactose, \$535, no change; rennet casein, \$5,289 -2.7%; skim milk powder, \$1,419 -14.4%; and whole milk powder, \$1,590 -10.3%. Dairy Australia reports total exports for the season (July-June) are up 3.2% over a year ago, with SMP seeing the largest increase at 30.4%.

NATIONAL RETAIL REPORT – DAIRY (DMN): As late summer begins, 48-64 ounce ice cream ad volume is up 17% and the national weighted average advertised price is up 11 cents from a week ago to \$2.94. One year ago the average price was \$3.00. For other summer favorites, the change in ad volume, national weighted average advertised price, and price change from last week are: 16 ounce cottage cheese, -9%, \$2.22, down 16 cents; 8 ounce cream cheese, +6%, \$1.75, down 23 cents; and 16 ounce sour cream, +4%, \$1.77, up 18 cents. Overall ad volume for all conventional dairy products is up slightly from last week and last year. The U.S. advertised prices for 8 ounce cheese blocks average \$2.29, compared with \$2.56 a year ago, and are up 7 cents from one week ago; 8 ounce shred cheese averaged \$2.34, compared with \$2.61 one year ago, and are 13 cents above a week ago. Conventional cheese ads increased 15% from the previous week. The average price of 4-6 ounce Greek yogurt is 96 cents, down 4 cents from last week, and down 5 cents from a year ago. This week, yogurt in 4-6 ounce packages average 48 cents compared with 51 cents last week and 49 cents a year ago. Conventional yogurt ad numbers decreased 10% from the previous week. Organic - conventional half gallon milk has a price spread of \$1.03. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$2.42 and the average for organic half gallon milk, \$3.45.

JUNE DAIRY PRODUCTS (NASS): Butter production was 142.8 million pounds, 1.7 percent above June 2014 but 15.9 percent below May 2015. American type cheese production totaled 383.1 million pounds, 3.6 percent above June 2014 but 4.5 percent below

May 2015. Total cheese output (excluding cottage cheese) was 959.0 million pounds, 1.5 percent above June 2014 but 3.1 percent below May 2015. Nonfat dry milk production, for human food, totaled 164.4 million pounds, 10.6 percent above June 2014 but 8.8 percent below May 2015. Dry whey production, for human food, was 79.4 million pounds, 1.4 percent above June 2014 and 0.3 percent above May 2015. Ice cream, regular hard production totaled 70.5 million gallons, 4.6 percent below June 2014 but 10.1 percent above May 2015.

USDA Announces Hearing on Proposed California Federal Milk Marketing Order (Dairy Programs): The U.S. Department of Agriculture will hold a public hearing starting on Sept. 22, 2015, in Clovis, Calif., to consider the establishment of a Federal Milk Marketing Order (FMMO) for California. The hearing, which USDA expects to last several weeks, will begin at 9 a.m. Pacific Daylight Time on Sept. 22, 2015, at the Clovis Veterans Memorial District Building, 808 Fourth Street, Clovis, Calif. 93612. The hearing is open to the public. USDA will hear testimony and receive evidence regarding four proposals for a FMMO in California. The California dairy industry represents 20 percent of all U.S. milk production and is currently regulated under a state marketing order. The 2014 Farm Bill allows for a California FMMO that recognizes certain state-specific aspects of the current order, if recommended by USDA and approved by California dairy producers. In February, AMS received a formal hearing request from California Dairies, Inc.; Land O Lakes, Inc.; and Dairy Farmers of America, Inc. to establish a FMMO in California. AMS received additional proposals from the Dairy Institute of California, the California Producer Handlers Association, and Ponderosa Dairy. All of the proposals can be viewed at www.ams.usda.gov/CAOrder. USDA has not taken a position on any of the proposals included in the Notice of Hearing, which has been transmitted to the Federal Register and is expected to publish soon. Those interested in testifying should notify USDA upon arrival at the hearing. For a copy of the hearing notice and additional information, visit www.ams.usda.gov/CAOrder or contact William Francis, Director, Order Formulation and Enforcement Division by mail at USDA/AMS/Dairy Program, Stop 0231-Room 2969-S, 1400 Independence Avenue, SW., Washington, DC 20250-0231; by phone at (202) 720-6274; or by e-mail at william.francis@ams.usda.gov. The hearing will be overseen by an impartial Administrative Law Judge who will ensure testimony and evidence presented fall within the scope of what is contained in the Notice of Hearing. Anyone may testify. Individuals requiring a sign language interpreter or other reasonable accommodations should contact Diane Hirsch, AMS Dairy Program, by phone at (425) 487-5601 or by e-mail at dhirsch@fmmaseattle.com before the hearing begins.

CME GROUP

MONDAY, AUGUST 3, 2015

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.7000, 1 @ \$1.6975, 1 @ \$1.6950, 1 @ \$1.6925, 1 @ \$1.6900; 1 CAR 40# BLOCKS @ \$1.7375; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7375; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7000
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7000; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.9700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9900; LAST OFFER UNCOVERED: NONE

TUESDAY, AUGUST 4, 2015

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.6875, 1 @ \$1.6850, 1 @ \$1.6950, 1 @ \$1.6975, 1 @ \$1.6950, 1 @ \$1.6925; 2 CARS 40# BLOCKS: 1 @ \$1.7275, 1 @ \$1.7200; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7200; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7000; 1 CAR 40# BLOCKS @ \$1.7475
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7100; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

WEDNESDAY, AUGUST 5, 2015

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.6900, 1 @ \$1.6875, 2 @ \$1.6850, 1 @ \$1.6750; 1 CAR 40# BLOCKS @ \$1.7100; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7125; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6825
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7200; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

THURSDAY, AUGUST 6, 2015

CHEESE -- SALES: 3 CARS 40# BLOCKS: 1 @ \$1.7225, 1 @ \$1.7400, 1 @ \$1.7600; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.7325; 1 CAR 40# BLOCKS @ \$1.7625; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 9 CARS GRADE A: 2 @ \$0.7200, 1 @ \$0.7150, 1 @ \$0.7100, 1 @ \$0.7000, 4 @ \$0.6900; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.6900; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

FRIDAY, AUGUST 7, 2015

CHEESE -- SALES: 4 CARS BARRELS: 1 @ \$1.7325, 1 @ \$1.7300, 1 @ \$1.7200, 1 @ \$1.7175; 1 CAR 40# BLOCKS @ \$1.7500; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ \$1.7200; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7200
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.6900; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.6900; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9800; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Northeast butter production is mixed. Butter manufacturers anticipate moderate growth in cream supplies as Class II demand slows and Class I demand generates standardized cream offerings. Butter stocks are mostly adequate. Seasonal orders are showing signs of increasing as buyers' inquiries grow. Current bulk butter prices are 5 to 7 cents over the CME Group market, with various time frames and averages used. According to the *DMN National Retail Report - Dairy*, for July 31-August 6, the U.S. weighted average advertised price for 1 pound butter is \$3.36, down 13 cents from a year ago, but up 7 cents from the previous week. The Northeast average price is \$3.72, up 76 cents from last week. In the Southeast, the butter price averaged \$2.97, down 3 cents from a week ago. The CME Group monthly average price for Grade AA butter during July was \$1.9056, compared to \$2.4624 a year ago. Tuesday's CME Group cash trading saw Grade AA butter close at \$1.9900, up \$0.0875 from a week ago.

DAIRY PRODUCTS: According to NASS, U.S. butter production for June 2015 totals 142.8 million pounds, up 1.7% from a year ago, but down 15.9% from a month ago. Butter output in the Atlantic region totals 14.6 million pounds, up 11.6% from a year ago but down 9.8% from a month ago.

CENTRAL

Manufacturers report week to week demand for butter is active into retail, food service, and grocery accounts. Also, producers indicate they are looking forward to filling demand for the November/December holidays. For that reason, some producers are purchasing bulk butter steadily to augment current churning output. Churning is active, with some plants adding production hours to weekly schedules to manage both fresh production and bulk butter reworking and repackaging. Cream availability is tight, with Class II still taking cream volumes away from the churns. According to the *DMN National Retail Report-Dairy*, for July 31 to August 6, the national weighted average advertised price for a 1 pound package of butter price is \$3.36, a 7 cent increase from last week but a 13 cent decrease from a year ago. The weighted

average price in the Midwest was \$2.79. The *NASS Dairy Products* report noted June U.S. butter production totaled 142.8 million pounds, up 1.7% from a year ago. January-June cumulative U.S. production totals 977.0 million pounds, 1.4% behind 2014 during the same time span. June production in the Central region totaled 52.1 million pounds, 1.9% lower than last year. The region accounted for 36% of U.S. production in June. Bulk butter prices are at 6 cents under market to 2 cents over market, based on the CME Group and various indices. The Grade AA butter price at the CME Group closed Wednesday at \$1.9900, increasing 8.25 cents from last Wednesday.

WEST

Western butter manufacturers continue to weigh the decision between churning and selling spot loads of cream. Demand for cream has been strong for a number of months and some market participants are wondering when it may decrease. Domestic consumer demand for butter has been strong. Cumulative butter production is down. Some industry contacts suggest the combination of strong demand and lower production has helped keep prices up at the CME Group. The *DMN National Retail Report - Dairy* for the week July 31- August 6, found that the U.S. weighted average advertised price of 1 pound butter is \$3.36, up \$.07 from one week ago but down \$.13 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$3.50 with a price range of \$1.99 - \$5.49, and in the Northwest, \$3.25 with a price range of \$2.49 - \$3.99. Dairy Products (NASS) reports U.S. butter production during June 2015, 142.8 million pounds, was 1.7% higher than June last year but 15.9% lower than May 2015. U.S. cumulative 2015 butter production through June was 1.4% lower than the same period last year. In the West, total June butter production was 2.5% higher than June last year. Bulk butter pricing in the West this week is 4 cents under market to 5 cents above, based on the CME Group with various time frames and averages used. The CME Group July 2015 monthly average price for AA butter, \$1.9056, is down \$.0009 from June and down \$.5568 from July one year ago. The Grade AA butter price at the CME Group on Wednesday closed at \$1.9900, up \$.0825 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
August 1, 2015	1.9062 3,641,583	1.6792 12,636,351	1.6865 10,472,993	.3805 5,779,857	.7998 11,828,748

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/AMSV1.0/DairyProductMandatoryReporting>

CHEESE MARKETS

NORTHEAST

Most cheese manufacturers are operating heavy production schedules in preparation of the expected demand from food service and pizza makers, ahead of the fall school-term. Cheese makers are improving yields through fortification processes, as solids contents decline at seasonal rates. Manufacturing supplies are sufficient for fulfilling existing orders, as inventories levels steadily increase. According to the *DMN National Retail Report - Dairy*, during the week of July 31-August 6, the weighted average advertised price for 8 oz. cheese blocks in the Northeast was \$2.27, 5 cents more than the national average, but 15 cents less than a week ago. The Southeast 8 oz. block cheese price was \$1.79, 40 cents less than a week ago. Northeast wholesale cheese prices for cheddar and Muenster climbed \$0.0300; process 5# sliced moved higher \$0.0350. Grade A Swiss prices are steady. The CME Group monthly average price for cheese blocks during July 2015 was \$1.6659, compared to \$1.9870 a year ago; barrels averaged \$1.6313, compared to \$1.9970 a year ago. Tuesday's CME Group daily cash trading saw barrels close at \$1.6925, up \$0.0525 from a week ago; blocks closed at \$1.7200, up \$0.0800 from a week ago.

DAIRY PRODUCTS: According to NASS, U.S. total cheese production in June 2015 was 959.0 million pounds, 1.5% more than a year ago but 3.1% less than the a month ago. In the Atlantic region, total cheese production was 112.7 million pounds, 5.0% less than a year ago but 0.7% more than a month ago. The total cheese production and percentage change from one year ago for individual Eastern states are: New York 63.1 million pounds, -3.6%; Pennsylvania 32.8 million pounds, -5.7%; and Vermont 10.2 million pounds, +4.3%.

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

Cheddar 40# Block	:	2.0925-2.3775
Process 5# Sliced	:	1.8950-2.3750
Muenster	:	2.1125-2.4625
Grade A Swiss Cuts 10 - 14#	:	3.2100-3.5325

MIDWEST

Many industry contacts suggest the prices are defying the odds by holding at current levels. Trading is holding within a range and is bouncing back and forth. Milk production in the Midwest is declining somewhat, but without hot days and nights, manufacturers report the decline has been slow and steady. There is plenty of milk for manufacturing and spot loads of milk can be found at or slightly above Class prices. Production remains steady. Strong domestic consumer demand continues to provide a lift for cheese prices and is helping keep inventories at comfortable levels. Midwestern wholesale prices are unchanged for Swiss cuts, up \$.0350 for process, and up \$.0300 for all other types. The *DMN National Retail Report - Dairy* shows that July 31 - August 6 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.91, 30 cents lower than the national average. Midwest prices range from \$1.49 - \$2.50. One year ago the national price was \$2.33. For 8 ounce blocks, the Midwest average price is \$1.94, 28 cents lower than the national average price. Midwest ads are priced from \$1.49 to \$2.50. Last year, the national price was \$2.57. *Dairy Products (NASS)* reports June 2015 U.S. total cheese production, 959.0 million pounds, is 1.5% more than a year ago but is 3.1% below May this year. In the Central region, cheese production for June 2015 compared with June 2014 was: total cheese, +4.5%; American, +3.2%; cheddar, +1.8%; total Italian, +6.2%; and mozzarella, +4.7%. The CME Group July 2015 monthly average price for barrels, \$1.6313, is below \$1.6690 in June, and below \$1.9970 in July one year

ago. Blocks' July average price, \$1.6659, is down from \$1.7052 in June, and down from \$1.9870 one year ago. In CME Group trading Wednesday, Barrels closed at \$1.6750, down \$.0150 from last Wednesday but Blocks closed at \$1.7125, up \$.0125.

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

Process American 5# Loaf	:	1.7775-2.1375
Brick And/Or Muenster 5#	:	2.0725-2.4975
Cheddar 40# Block	:	1.8000-2.1950
Monterey Jack 10#	:	2.0475-2.2525
Blue 5#	:	2.3400-3.3275
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8725-2.8125
Grade A Swiss Cuts 6 - 9#	:	2.7275-2.8450

WEST

Western cheese producers report domestic consumer demand is strong. Cheese making has remained active as manufacturers continue to try to absorb the available milk. Milk intakes have decreased somewhat, following typical summer patterns. The daily fluctuations in temperatures have not seemed to significantly impact milk production. Trading at the CME has bounced within a range, but above prices that were anticipated for the market earlier this summer. Industry contacts are considering whether these prices can hold through the end of summer. Inventories remain at comfortable levels. Western wholesale prices are unchanged for Swiss cuts, up \$.0350 for process, and up \$.0300 for all other types. The *DMN National Retail Report - Dairy* for the week of July 31 - August 6 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shred cheese is \$2.21, down \$.22 from last week and down \$.12 from a year ago. Packs averaged \$1.94 in the Southwest and \$2.69 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.22, down \$.05 from last week and down \$.35 from a year ago. Blocks in the Southwest averaged \$1.93, and in the Northwest, \$3.06. *Dairy Products (NASS)* reports June 2015 U.S. total cheese production, 959.0 million pounds, leads June last year by 1.5% but is 3.1% below May this year. For various types of cheese, June 2015 U.S. production compared with June 2014 includes: American, +3.6%; cheddar, +4.3%; total Italian, +1.0%; mozzarella, -1.0; and Swiss, +2.6%. In the West, cheese production for June 2015 compared with June 2014 was: total cheese, +0.3%; American, +4.1%; cheddar, +7.2%; total Italian, +0.6%; and mozzarella, -0.9%. The CME Group July 2015 monthly average price for barrels, \$1.6313, is down \$.0377 from June and down \$.3657 from July one year ago. Blocks' July average price, \$1.6659, is down \$.0393 from June and down \$.3211 from one year ago. In CME Group trading Wednesday, Barrels closed at \$1.6750, down \$.0150 from last Wednesday but Blocks closed at \$1.7125, up \$.0125.

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

Process 5# Loaf	:	1.7925-2.0500
Cheddar 40# Block	:	1.8050-2.2500
Cheddar 10# Cuts	:	1.9850-2.2050
Monterey Jack 10#	:	1.9950-2.1550
Grade A Swiss Cuts 6 - 9#	:	2.7875-3.2175

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CHEESE MARKETS

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FOREIGN

Available fluid milk is funneling into cheese production in order to maximize profits. Prices for domestically produced foreign type cheeses are up, with Swiss staying steady. Demand is increasing. Manufacturers are reporting comfortable inventory levels. Imports are increasing seasonally. According to NASS, US Parmesan production during June totaled 29.0 million pounds, 12.5% more than June 2014. Provolone production during June totaled 31.0 million pounds, 4.9% more than a year ago. Romano production during June totaled 5.1 million pounds, 30.4% more than a year ago. Swiss production during June totaled 25.7 million pounds, 2.6% more than a year ago.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.3800	2.2325-3.7200*
Gorgonzola	3.6900-5.8900	2.7400-3.4375*
Parmesan (Italy)	-0-	3.6225-5.7125*
Provolone (Italy)	-0-	2.2750-2.5275*
Romano (Cows Milk)	-0-	3.4225-5.5725*
Sardo Romano (Argentine)	2.8500-4.9300	-0-
Reggianito (Argentine)	3.2900-4.9300	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.3075-3.6300
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
08/03/15	19,328	102,596
08/01/15	19,342	102,562
CHANGE	-14	34
% CHANGE	-0	0

2015 U.S. Cheese and Curd Exports (USDA-FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	58.1	- 22
TOTAL, JAN - JUNE	385.9	- 12
1 Mexico	103.7	+ 20
2 South Korea	80.6	+ 1
3 Japan	44.2	- 37
4 Australia	25.3	+ 16
5 China	15.0	- 4

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	50	0	20	0	0	0
SOUTHEAST STATES	0	0	6	0	0	0

Milk production in the Northeast and Mid-Atlantic is mostly steady. Weather conditions encourage farm-level milk output. Bottling orders are expected to increase, as some schools start to reopen. Milk into manufacturing is ample. Southeast milk production rates are inching lower. Bottling is consuming the majority of available milk supplies as orders grow ahead of school openings. Manufacturing milk intakes have declined compared to a week ago. Florida's milk output is continuing the downward trend. Production received some support as rainfall suppressed hotter temperatures. However, the steady precipitation is creating wet, soggy field conditions that hamper cow comfort. Milk sales are likely to trend upward, with schools back in session in the next few weeks. Milk imports grew by 30 spot loads over last week's shipments. According to the DMN *National Retail Report-Dairy*, for July 31-August 6, the U.S. weighted average advertised price for a gallon of milk was \$2.36, down 68 cents from last year, and 13 cents lower compared to last week. **Cream multiples** ranged **1.36-1.53**. Demand from ice cream manufacturers is maintaining the pull on cream supplies; however, contacts noted some pushing back against high multiples. Cream cheese sales are active, and expected to increase throughout August. The July 2015 DMN monthly average range price series, for Northeast Class II f.o.b spot cream was \$2.8390, compared to \$3.4102 a year ago. **Condensed skim** supplies are reported as plentiful at most balancing plants. Volumes in the south are falling off due to declines in milk production and distribution priorities as schools set to reopen. Existing condensed skim supplies continue to prompt moderate to heavy Class IV production. The DMN July 2015 monthly average for the Northeast Class II f.o.b condensed skim price is \$0.7370, compared to \$1.8839 a year ago.

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 - 2.6309-2.9597

F.O.B. producing plants: Upper Midwest - 2.8437-2.9985

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B.

PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .75-.91

Northeast - Class III - spot prices - .75-.90

MIDWEST

Milk production in the North Central area is trending lower in response to recent, short-term heat and humidity. However, handlers anticipate milk volumes may recover late in the week as daytime highs moderate alongside lower humidity readings. Handlers are shifting milk loads around the region to accommodate some maintenance projects. In the South Central area, milk production continues to trail off. Bottler demand is higher, with some milk imports from the Southwest to meet current demand. Several public K-12 school districts begin classes next week, and milk orders for meal programs are being filled now. Dairy operators report feed availability is adequate, with good quality hay continuing to be harvested in the North Central area. Third and fourth cutting alfalfa harvests are being completed throughout the region. Cream supplies improved as loads from the West cleared into the Central region. Also, higher milk volumes clearing into bottling have

generated additional cream from standardizing. **Cream multiples are unchanged to lower, ranging from 1.47 to 1.55**. The DMN *National Retail Report-Dairy* for the week of July 31-August 6, noted the national weighted average advertised price for one gallon of milk was \$2.36, down \$0.13 from a week ago and \$0.68 from a year ago. The weighted average price in the Midwest region was \$2.32.

WEST

California milk output is waning week after week. Moreover, production is below the previous year levels. Cows' stress is still increasing as temperatures remains high during current seasonal long days. In addition, some dairy operations are drying off cows with low yield. Milk volumes for processing are adequate in California. Spot milk shipments are quiet with few loads moving outside the state. Class 1 and 2 sales are steady at customary levels. Hay harvesting is ongoing in a few areas. However, some dairy operators are importing alfalfa hay from nearby states. Others have left their hay fields in an unproductive state to conserve water for other operational purposes. Arizona milk volumes are decreasing as the season advances. The current excessive heat with temperatures ranging from 110 to 115 degrees is taking a toll on cows' comfort. Milk volumes for manufacturing are lower. Sales for bottled milk are higher as most of the schools reopen this week. Some manufacturers are reducing production of condensed skim, as spot prices remain low. Therefore, sales are lower. Milk production in New Mexico is lower. Some processors report a little decline in the butterfat component of the milk. Levels of milk into processing facilities are slightly lower. However, milk levels into nonfat dry milk are noticeably lower. Producers continue shipping adequate milk volumes to neighboring state manufacturers. Sales for Class I are steady but lower for Class II. Most of the corn and hay to feed the dairy herd is of good quality. In addition, New Mexico is into the fourth cutting of alfalfa hay. According to DMN *National Retail Report-Dairy* for week of July 31 - August 6, the weighted average advertised price for one gallon of milk is \$2.29 in the Southwest, \$1.69 in the Northwest, and \$2.36 for the U.S. In the Pacific Northwest, the daily fluctuations in temperature have not seemed to significantly impact milk production. Dairy observers note a little more tightness of milk due to the typical summer milk production declines, but there is still plenty of milk for processing needs. Bottling demand is beginning to increase with the start of school terms in the next few weeks. Some seasonal decline has been noted for Utah/Idaho milk production. Milk production often peaks for Idaho during the month of July. This year, the peak seemed to come a little earlier, but held steady through the month. Components have dropped off with summer heat. Manufacturers report milk is readily available for processing needs. Grain harvesting is ahead of schedule and industry contacts note crops look good. Pastures and rangeland are mostly in fair to good condition. Western cream demand from butter churns and cream cheese makers is strong, but is slightly lower from ice cream manufacturers. Inventories of cream are mostly tight in the region. West cream multiples are higher to steady, ranging from 1.25 to 1.60. At the CME Group, Grade AA butter closed Wednesday at \$1.9900, up \$0.0825 compared to a week ago.

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 for Central low/medium heat nonfat dry milk are unchanged to lower as the market seeks support. Sellers report interest is steady for contract loads, which are shipping on schedule. However, interest in f.o.b. spot offers is light. Buyers indicate they have offers from manufacturers, brokers, and resellers to choose among, and the offers appear consistently from week to week. At this time, few buyers are ready to take positions for balance for the year low/medium heat NDM needs. Despite the lackluster current interest, a few end users and manufacturers are discussing contracting. Interest from end users for multi-year agreements is emerging. Low/medium heat nonfat dry milk production is active, but a few producers are looking for ways to bypass the dryers with some intake volumes. Interest in condensed skim is steady to lower from Class II end users, but higher from Class III buyers. With fewer loads of milk available at under Class prices, some cheese manufacturers are bringing in condensed skim to maintain cheese production schedules. Inventories of low/medium heat NDM are mixed, ranging from comfortable to above that needed for near-term contract fulfillment. High heat NDM prices are unchanged to lower. Interest is light to moderate, with buyers shopping price. Manufacturers report inventories are limited, and recent milk intakes have hampered scheduling high NDM production. The CME Group monthly average price for Grade A NDM during July was \$0.7622, compared to \$1.7166 a year ago. The July monthly average of the range price series for Central and East high heat was \$1.0375 compared to \$1.9495 a year ago. The NASS Dairy Products report noted U.S. human NDM production during June in the Central region totaled 25.8 million pounds, 3.3% higher than one year ago. The Central region accounted for 16% of the total U.S. production. Total U.S. human NDM production during June was 164.4 million pounds, 10.6% higher than last year. Total U.S. human NDM month ending stocks for June was 262.3 million pounds, 15.2% above a year ago. During January – June 2015, U.S. human NDM production totals 1.02 billion pounds, 11.3% more than the same time span in 2014.

EAST: Low/medium heat nonfat dry milk prices shifted lower at the top of the range on weak F.O.B spot trading. Production is mostly steady in the region. Producers are adding to inventories at most balancing plants as condensed skim milk supplies still necessitate heavy drying. Domestic demand is weak. Many buyers are procuring small quantities around their immediate needs and using caution by not taking a decisive position in a falling market. Spot sales are light. Resale market exchanges are occurring, although limited. High heat NDM prices are steady to lower. Some manufacturers are drying additional volumes, otherwise, production is limited due to dryer priorities. Buyer interest is mixed. The July 2015 Dairy Market News monthly average for the Central/East low/medium heat nonfat dry milk range series is \$0.8539 compared to \$1.8326 a year ago. The Foreign Agricultural Service (FAS), reports that Jan.-June 2015 U.S. nonfat dry milk exports totaled 639.8 million pounds, a 4% decline from a year ago.

DAIRY PRODUCTS: According to NASS, the Atlantic region's production of human nonfat dry milk in June 2015 totaled 30.3 million pounds, 9.7% more than a year ago but 15.4% less than the previous month. The June 2015 U.S. production of skim milk powder, totaled 34.7 million pounds, 34.6% less than a year ago and 2.4% less than the previous month.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7000 - .8800 MOSTLY: .7500 - .8000
 HIGH HEAT: .9200 - 1.0000

NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk prices are mixed on the range but steady to lower on the mostly price series. Spot market undertone for low/medium heat NDM is weak. Some brokers are reporting a very quiet market activity. Other resellers are waiting and studying the market before make any purchases. Some manufacturers note a considerable decrease in production. Others producers report adequate domestic sales but a decrease in exports. Low/medium NDM inventories are steady to higher. At the CME Group, Grade A nonfat dry milk closed Wednesday at \$.7200, down \$0.0025 compared to a week ago. High heat nonfat dry milk prices are steady to lower. The market tone is weak and mostly based on contracts. The activity in the spot market is slow. Some producers are not processing at this moment. The demand is irregular. Inventories levels are mixed. The July 2015 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.8203 compared to \$1.8145 a year ago. The average for Western high heat nonfat dry milk is \$1.0048 compared to \$1.9074 a year ago.

DAIRY PRODUCTS: According to NASS, U.S. production of human food nonfat dry milk during June 2015 totaled 164.4 million pounds, 10.6% higher than a year ago but 8.8% less than the previous month. The West region's production totaled 108.3 million pounds, 12.7% more than a year ago, but 6.8% less than the previous month.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .6450 - .8500 MOSTLY: .6800 - .7500
 HIGH HEAT: .8825 - .9700

U.S. NDM Exports, H.S. Code 0402100000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	102.8	- 23
TOTAL, JAN - JUN	639.8	- 4
1 Mexico	249.1	+ 8
2 Philippines	85.8	+ 1
3 Indonesia	50.2	+ 2
4 Vietnam	43.3	- 20
5 China	42.0	- 33

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
July 31	\$.8846	6,015,355
July 24	\$.8036	11,734,576

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. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

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.

-CONTINUED FROM PAGE 5-

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Central dry buttermilk prices are lower on an unsettled market. On the supply side, producers indicate production is limited as cream continues to clear to Class II and III manufacturers. Dry buttermilk manufacturers also report sales of condensed buttermilk are removing buttermilk solids from drying schedules. Inventories are light to moderate, and some producers are actively scouting for dry buttermilk loads to fulfill near term contracts. However, according to end users and brokers, dry buttermilk prices need to be more in line with nonfat dry milk pricing to cement deals. The DMN monthly average of the range price series for Central and East dry buttermilk during July was \$.8430, compared to \$1.7463 a year ago. The NASS *Dairy Products* report noted U.S. dry buttermilk production during June totaled 7.0 million pounds, 15.9% lower than a year ago. Total U.S. dry buttermilk month ending stocks for June were 23.1 million pounds, 24.6% above last year.

EAST: Dry buttermilk prices are lower due to F.O.B spot sales adjustments. Production rates are steady to slightly lower as some butter churn operators continue to sell additional volumes of cream. Some brokers anticipate dry buttermilk prices will continue to weaken. Purchase transactions occur on an as-needed basis, centered on bargaining shopping. Inventories are adequate for contractual obligations. The market undertone is mixed.

F.O.B. CENTRAL/EAST: .7000 - .8900

DRY BUTTERMILK - WEST

Dry buttermilk prices are lower to steady on the range, as well on the mostly price series. The market tone is weak. Currently, dry buttermilk sales are lower in the f.o.b. spot market. Production is limited by the strong demand for cream from butter churns and cream cheese makers. Inventories vary in the region, but are mostly steady to building. The July 2015 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.7914 compared to \$1.7687 a year ago.

DAIRY PRODUCTS: According to NASS, U.S. production of dry buttermilk during June 2015 totaled 7.0 million pounds, 15.9% lower than a year and 20.0% lower than the previous month.

F.O.B. WEST: .7000 - .8200 MOSTLY: .7500 - .7850

DRY WHOLE MILK - NATIONAL

Spot prices for dry whole milk are steady. Some brokers are reporting very low activity in the spot market. Others resellers are buying dry whole milk outside the country due to competitive prices. Inventories levels are mixed. The July 2015 Dairy Market News monthly average for the National price series for dry whole milk is \$1.1928 compared to \$2.0538 a year ago.

DAIRY PRODUCTS: According to NASS, U.S. production of dry whole milk during June 2015 totaled 6.7 million pounds, 42.8% lower than a year ago and 47.3% lower than the previous month.

F.O.B. PRODUCING PLANT: .9500 - 1.3000

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central dry whey prices are lower on the range and unchanged to lower on the mostly price series. Producers report the steady cheese market is keeping usual milk volumes, milk spot loads, and condensed skim clearing through cheese vats. That is keeping dry whey production active. Cheese and dry whey manufacturers are caught between wanting to capitalize on the current active cheese demand, while knowing the attendant dry whey production is undercutting the whey market. Dry whey interest is light as many end users have made incremental purchases through the last few months and are now looking at emptying warehouses before the beginning of Q4. A few manufacturers are doing the same, clearing inventories at lower than usual prices before the advent of their new fiscal years. Dry whey inventories are generally higher than projected for this time of year. The DMN monthly average of the mostly price series for Central dry whey during July was \$0.3364, compared to \$0.6591 a year ago. The monthly average of the range price series for Central animal feed whey during July was \$0.2330, compared to \$0.5673 a year ago. June dry whey (human) production in the Central region totaled 39.2 million pounds, 12.1% above a year ago. The Central region accounted for 49% of the U.S. production in June. Animal feed dry whey prices are steady. End users report limited interest because their holdings are adequate for current needs, and offers for animal feed or edible dry whey are obtainable within a few phone calls. Some dry whey manufacturers report inventories of animal feed whey are building as the recent hot and humid weather affects the efficiency of whey dryers. Dairy Products: The NASS *Dairy Products* report noted U.S. total dry whey production for June was 80.7 million pounds, up 1.7% from a year ago. January-June U.S. total dry whey production totals 477.8 million pounds, 8.5% ahead of production during the same time span in 2014. U.S. total dry whey month ending stocks for June were 73.0 million pounds, 17.5% higher than one year ago.

F.O.B. CENTRAL: .1525 - .3900 MOSTLY: .2600 - .3300
 F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2000 - .2500

U.S. Dry Whey Exports, H.S. Code 0404104000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	38.6	- 10
TOTAL, JAN - JUNE	222.0	- 20
1 China	67.3	- 23
2 Canada	23.6	+ 6
3 Mexico	23.2	- 32
4 Philippines	18.1	+ 34
5 Indonesia	13.0	+ 40

DRY WHEY - NORTHEAST

Dry whey prices are lower at the top of the range due to declines in regional spot pricing. Dry whey production is steady and consistent with cheese manufacturing output. Inventories are increasing marginally. Light spot activity is noted, as transactions occur mainly through contracts. The market tone remains weak. The July 2015 Dairy Market News monthly average for the Northeast dry whey was \$0.3873 compared to \$0.7113 one year ago. The Foreign Agricultural Service (FAS), reports that Jan.-June 2015 U.S. dry whey exports totaled 222.0 million pounds, a 20% drop from a year ago.

DAIRY PRODUCTS: According to NASS, U.S. production of human food dry whey in June 2015 totaled 79.4 million pounds, 1.4% more than a year ago and 0.3% more than last month. Month ending stocks of human food dry whey totaled 70.8 million pounds, 15.2% more than a year ago. In the Atlantic region, production of human food dry whey totaled 22.7 million pounds, 1.0% more than a year ago but unchanged from the previous month.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2800 - .3900

U.S. Dry Whey Exports, H.S. Code 0404104000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	38.6	- 10
TOTAL, JAN - JUNE	222.0	- 20
1 China	67.3	- 23
2 Canada	23.6	+ 6
3 Mexico	23.2	- 32
4 Philippines	18.1	+ 34
5 Indonesia	13.0	+ 40

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The market for whey protein concentrate 34% is weak. Prices for WPC34% moved lower as some manufacturers took the opportunity to clear inventories prior to the end of the fiscal year. Generally ample supplies exist. Buyers recognize this and are willing to wait on lower prices. In some cases, however, products with characteristics desirable to specific end users are in tighter supply. Production is mixed with some manufacturers shifting production to WPC34% from higher levels. The July 2015 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.7863 compared to \$0.8620 one month ago and \$1.6089 one year ago. NASS reports U.S. production of human and animal WPC (25.0-49.9% Protein) during June 2015 totaled 19.2 million pounds, 19.5% lower than one year ago. Cumulative production for 2015 totals 118.4 million pounds, 16.3% lower than 2014. Manufacturers' end-of-month stocks totaled 34.8 million pounds, 25.9% higher than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: .4375 - .8000 MOSTLY: .6500 - .7600

U.S. WPC ≤ 80% Exports, H.S. Code 0404100500(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	17.3	+ 8
TOTAL, JAN - JUNE	104.2	- 12
1 China	33.2	- 27
2 Canada	19.9	+ 13
3 Mexico	14.2	- 30
4 Indonesia	5.9	+ 64
5 Philippines	5.1	+ 84

CONTINUED ON PAGE 6A

WHEY, WPC 34%, LACTOSE & CASEIN

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

CONTINUED FROM PAGE 6**LACTOSE - CENTRAL AND WEST**

Prices for lactose held steady this week. Inventories continue to be mixed. Some manufacturers are reporting a little more tightness of stocks, but lactose is readily available across the industry. Product with specific characteristics may be less plentiful. Some manufacturers are reporting higher mesh or specific quality product is steadily being sought out by purchasers, and sometimes being purchased with a premium. Demand for standard product has been more subdued. The July 2015 Dairy Market News average of the mostly price series for Central and West lactose was \$0.1995, compared to \$0.2170 one month ago and \$0.5473 one year ago. NASS's *Dairy Products* report shows U.S. HUMAN and ANIMAL LACTOSE production during June 2015 totaled 90.7 million pounds, an 11.8% decrease from one year ago. Cumulative 2015 lactose production totals 533.0 million pounds, an 8.0% decrease from 2014. Month ending stocks, at 126.1 million pounds, are 9.7% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1600 - .2600 MOSTLY: .1700 - .2200

U.S. Lactose Exports, H.S. Code 1702110000(FAS)

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	49.5	+ 26
TOTAL, JAN - JUNE	264.6	+ 11
1 China	47.7	+ 46
2 Mexico	32.7	+ 12
3 New Zealand	32.1	- 18
4 Singapore	23.1	+ 105
5 Australia	21.2	+ 145

CASEIN - NATIONAL

Casein prices were unchanged in a soft market. The market tone is weak. Production has declined as most manufacturers are committed through Q4. Negotiations are still underway for 2016. Producers want to contract as much as possible as prices are competitive. At the August 4 GDT event 145, the average winning price for rennet casein for all contract periods decreased 2.7% to \$5,289/MT.

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: 2.9000 - 3.5000
ACID: 2.8000 - 3.7000

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

WEEK ENDING	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS	2014 WEEKLY DAIRY COWS	2014 CUMULATIVE DAIRY COWS
07/18/2015	52.9	1,625.4	53.4	1,555.6

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
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
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82

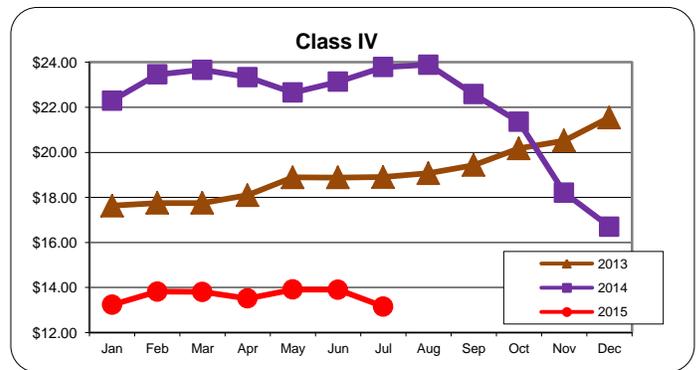
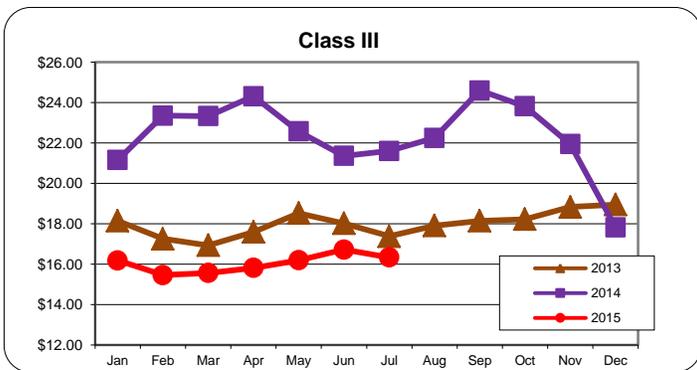
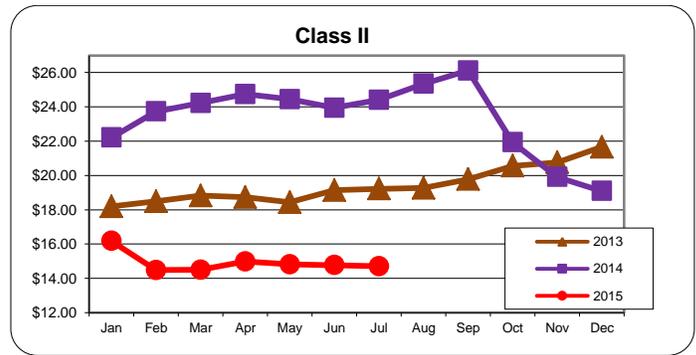
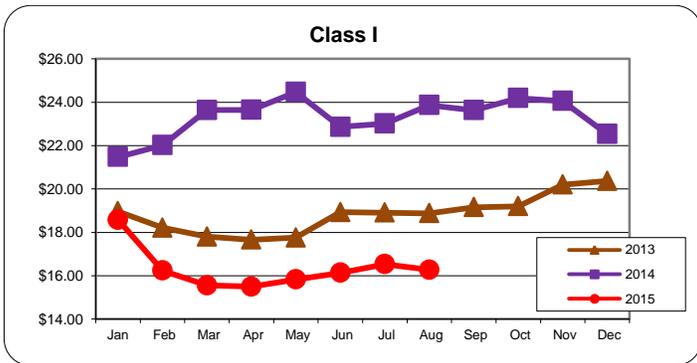
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70

FEDERAL MILK ORDER CLASS PRICES FOR 2015 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.58	16.24	15.56	15.50	15.83	16.14	16.53	16.28				
II	16.18	14.48	14.50	14.98	14.81	14.77	14.70					
III	16.18	15.46	15.56	15.81	16.19	16.72	16.33					
IV	13.23	13.82	13.80	13.51	13.91	13.90	13.15					

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."



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered July 27 - August 7, 2015

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: The heat that was a factor for the dairy regions in the center of Europe has declined. In other parts of Western Europe, droughts are affecting dairy and crop production. Even with the lack of favorable weather and milk production declining monthly, outputs continue to be above year ago levels. According to Eurostat, EU28 milk collections for January-May were 0.7% higher from year ago levels. Selected member states showed the following January-May percentage changes compared to the same period last year: Germany, -0.1%; France, -1.5%; UK, +0.8%; Belgium, -1.3%; Italy, -0.7%; and Ireland, +5.6%.

BUTTER/BUTTEROIL: Butter prices are weakening. Producers are reporting strong production with a healthy demand. Inventory levels are building. Attractive prices have buyers wanting long term contracts, but they are having trouble agreeing on prices with sellers. Export demand is quiet, but starting to increase. According to Eurostat, EU butter production for May 2015 showed the following percentage changes for selected countries compared to May last year: France, -8.8%; Germany, +6.7%; Belgium, +7.2%; Ireland, +4.4% and the Netherlands, +9.7%. PSA butter stock levels on July 26 were 86,947 MT. The top three countries, Germany, France and the Netherlands, accounted for 74% of the holdings.

82% BUTTERFAT: 2,700 - 3,200
99% BUTTERFAT: 3,475 - 4,000

SKIM MILK POWDER (SMP): Skim milk powder prices are lower on the bottom of the range. As prices move lower, it is believed that more SMP will go into intervention. Demand is light due to the summer season. Exports are light as there are many sellers in the world market. Contracts for 2015 are settled and negotiations for Q1 and Q2 2016 have begun. According to Eurostat, EU skim milk powder production for May 2015 showed the following percentage changes for selected countries compared to May last year: France, -3.3%; Germany, -5.3%; Belgium, +0.3%; Denmark, +26.9% and the Netherlands, unchanged. PSA skim milk powder stock levels on July 26 amounted to 25,658 MT. Germany, Spain, and Ireland have the top three volumes in PSA stocks.

1.25% BUTTERFAT: 1,650 - 1,925

WHOLE MILK POWDER (WMP): Whole milk powder prices are moving lower in a weak market. Production is limited as some producers are only making WMP for current orders. Demand is seasonally limited. Some buyers are interested in negotiating long term contracts while prices remain low. According to Eurostat, EU whole milk powder production for May 2015 showed the following percentage changes for selected countries compared to May last year: France, -8.5%; Germany, +2.5%; Belgium, -16.3%; Denmark, -5.7%; and the Netherlands, -15.1%.

26% BUTTERFAT: 1900 - 2,475

SWEET WHEY POWDER: Whey prices are moving lower. The gap between the top and bottom of the range is growing due to the variance in quality of product. There is pressure for the prices to go lower as volumes rise. The market tone remains weak. Production is active and stocks are growing. According to GTIS, Chinese import data showed that France and Poland were the second and third largest exporters of whey into China for May 2015.

NONHYGROSCOPIC: 650 - 850

EASTERN OVERVIEW: The heat wave that hit most of Europe has given way and milk production is starting to go back to seasonally normal levels. According to Eurostat EU28 milk collections for the January to May period in Poland show a 1.4% increase compared to a year ago. According to Eurostat, Poland's May 2015 production of various dairy commodities showed the following percentage changes compared to May 2014: butter, +2.7%; SMP, -9.3%; and WMP, -9.6%.

**Exchange rates for selected foreign currencies:
August 3, 2015**

.1086 Argentina Peso	.0081 Japan Yen
.7286 Australian Dollar	.0618 Mexican Peso
.7601 Canadian Dollar	.6565 New Zealand Dollar
1.0951 Euro	.2642 Poland Zloty
.0156 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0618) = 16.1812 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered July 27 - August 7, 2015

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.

OCEANIA OVERVIEW: Heavy milk volumes have lowered milk prices. Farmers in Australia are looking to decrease input costs as milk prices are projected to remain low through Q2 2016. Production is up slightly from last year. The colder weather in New Zealand has slowed production, but production has started to rise slightly. Some dairy products processors are looking to increase exports as there are some buyers refilling pipelines. Crop production yields in Australia are expected to be stable to increasing. Dairy Australia reports that Australia's milk production season (July-June) is +2.6% compared to last season. The season changes from one year earlier are: New South Wales, +4.3%; Victoria, +1.9%; Queensland, -6.4%; South Australia, +0.1%; Western Australia, +6.5%; and Tasmania, 10.1%. Victoria and Tasmania are the primary export producing dairy states and accounted for 75% of Australia's total milk production in the 2014-15 season. June 2015 milk production in Australia was 0.1% above June 2014. The state changes from a year earlier are: New South Wales, +0.3%; Victoria, -0.4%; Queensland, -7.1%; South Australia, +1.5%; Western Australia, +14.3% and Tasmania, unchanged. At the August 4 GDT event #145, average prices ranged from 14.4% lower to 0.2% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$2,253 -11.7%; butter, \$2,293 -6.1%; buttermilk powder, \$1,700 -5.1%; cheddar cheese, \$2,663 +0.2%; lactose, \$535, no change; rennet casein, \$5,289 -2.7%; skim milk powder, \$1,419 -14.4%; and whole milk powder, \$1,590 -10.3%.

BUTTER: Oceania butter prices are lower. Due to higher U.S. prices, butter exports have increased. Some butter importers are reaching their import caps. Some butter manufacturers are looking to find better pricing levels as the GDT continues to decline. Demand is uneven. According to GTIS, China's January-June 2015 butter imports reflected a 26% decline compared to last year. AMF imports were down 60% for the same period last year. New Zealand still supplies the vast majority of butter and AMF going into China. At the August 4 GDT event #145, unsalted butter prices averaged \$2,300/MT for October contracts, -6.3% from the prior event. Butter prices averaged \$2,293/MT for all contracting periods, -6.1% from the prior event. AMF prices averaged \$2,105/MT for October contracts, -27.2% from the prior event. For all contracting periods, the AMF price average was \$2,253/MT, -11.7%.

82% BUTTERFAT: 2,250 - 3,000

SKIM MILK POWDER (SMP): Skim milk powder prices are lower. Demand is starting to increase as some buyers are lacking in volumes and trying to fill for current needs, while others are contracting for future needs. Some manufacturers report current pricing levels are not sustainable. Processors are looking to sell product as they do not want to have high levels of stocks. At the August 4 GDT event 145, SMP for all regions and contracting periods averaged \$1,419 per MT, -14.4%. For trading in contract period 3, November, prices averaged \$1,365 for NZ sourced medium heat product. According to GTIS, China's January-June imports of SMP were 28% below year ago levels. New Zealand is the leading exporter of SMP to China.

1.25% BUTTERFAT: 1,325 - 1,700

CHEDDAR CHEESE: Cheese prices are lower. Producers are diverting milk into cheese production and still shying away from WMP in order to obtain the best returns. Processors are reporting steady export demand. According to GTIS, January-June cheese imports into China were 1.7% higher, compared to last year. New Zealand remains the lead exporter into China.

39% MAXIMUM MOISTURE: 2,600 - 3,200

WHOLE MILK POWDER (WMP): Whole milk powder prices are lower. There is pressure for the WMP sellers to go lower as the supply chain is full. Some dairy processors report wanting to store product at current pricing levels. There has been a small decline in production. According to GTIS, China's whole milk powder imports for June continued to decline for the fifth consecutive month. New Zealand accounted for 94% of the supply imported into China through June. January through June 2015 whole milk powder imports into China were 56% below year ago levels. At the August 4 GDT event 145, the WMP pricing index, across all contracting periods, averaged \$1,590 per MT, down 10.3% compared to the prior event. For September, regular WMP averaged \$1,470 per MT.

26% BUTTERFAT: 1,450 - 2,000

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 145 Recap - August 4, 2015							
	Contract 1 Sep-15	Contract 2 Oct-15	Contract 3 Nov-15	Contract 4 Dec-15	Contract 5 Jan-16	Contract 6 Feb-16	All Contracts	
Anhydrous Milk Fat	n.a.	\$2,105 -27.2%	\$2,150 -27.0%	\$2,171 -11.9%	\$2,385 -15.3%	\$2,575 -10.5%	\$2,253	-11.7%
Butter	n.a.	\$2,300 -6.3%	\$2,265 -16.0%	\$2,295 -12.9%	\$2,280 -6.9%	\$2,510 -2.0%	\$2,293	-6.1%
Buttermilk Powder	n.a.	\$1,625 -9.7%	\$1,760 -0.6%	\$1,825 -1.6%	n.a.	n.a.	\$1,700	-5.1%
Cheddar	n.a.	\$2,682 -9.2%	\$2,599 -15.5%	\$2,714 6.6%	n.a.	n.a.	\$2,663	0.2%
Lactose	n.a.	\$535 0.0%	n.a.	n.a.	n.a.	n.a.	\$535	0.0%
Rennet Casein	n.a.	\$5,267 -2.6%	\$5,308 -1.6%	\$5,326 -6.7%	n.a.	n.a.	\$5,289	-2.7%
Skim Milk Powder	n.a.	\$1,350 -16.2%	\$1,375 -14.3%	\$1,450 -14.8%	\$1,570 -14.4%	\$1,585 -13.7%	\$1,419	-14.4%
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Whole Milk Powder	\$1,517	n.a.	\$1,520 -14.6%	\$1,589 -10.0%	\$1,636 -10.6%	\$1,707 -23.4%	\$1,590	-10.3%

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

US\$/Pound	Global/Dairy Trading (gDT) Event 145 Recap - August 4, 2015							
	Contract 1 Sep-15	Contract 2 Oct-15	Contract 3 Nov-15	Contract 4 Dec-15	Contract 5 Jan-16	Contract 6 Feb-16	All Contracts	
Anhydrous Milk Fat	n.a.	\$0.9548 -27.2%	\$0.9752 -27.0%	\$0.9848 -11.9%	\$1.0818 -15.3%	\$1.1680 -10.5%	\$1.0220	-11.7%
Butter	n.a.	\$1.0433 -6.3%	\$1.0274 -16.0%	\$1.0410 -12.9%	\$1.0342 -6.9%	\$1.1385 -2.0%	\$1.0401	-6.1%
Buttermilk Powder	n.a.	\$0.7371 -9.7%	\$0.7983 -0.6%	\$0.8278 -1.6%	n.a.	n.a.	\$0.7711	-5.1%
Cheddar	n.a.	\$1.2165 -9.2%	\$1.1789 -15.5%	\$1.2311 6.6%	n.a.	n.a.	\$1.2079	0.2%
Lactose	n.a.	\$0.2427 0.0%	n.a.	n.a.	n.a.	n.a.	n.a.	0.0%
Rennet Casein	n.a.	\$2.3891 -2.6%	\$2.4077 -1.6%	\$2.4159 -6.7%	n.a.	n.a.	\$2.3991	-2.7%
Skim Milk Powder	n.a.	\$0.6124 -16.2%	\$0.6237 -14.3%	\$0.6577 -14.8%	\$0.7121 -14.4%	\$0.7190 -13.7%	\$0.6437	-14.4%
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Whole Milk Powder	\$0.6881	n.a.	\$0.6895 -14.6%	\$0.7208 -10.0%	\$0.7421 -10.6%	\$0.7743 -23.4%	\$0.7212	-10.3%

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

CME GROUP, INC FUTURES
Selected settling prices, (open interest)

Month	07/23	07/24	07/27	07/28	07/29	07/30	07/31	08/03	08/04	08/05
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 15	16.33 (4597)	16.31 (4597)	16.33 (4617)	16.31 (4616)	16.32 (4581)	16.29 (4552)	16.28 (4477)	16.28 (4481)	16.28 (4480)	16.33 (4809)
AUG 15	16.68 (4408)	16.28 (4405)	15.99 (4324)	16.04 (4308)	16.30 (4345)	16.38 (4433)	16.41 (4418)	16.42 (4450)	16.42 (4468)	16.34 (4499)
SEP 15	16.54 (4409)	16.32 (4410)	16.14 (4472)	16.13 (4450)	16.37 (4485)	16.61 (4605)	16.56 (4623)	16.73 (4655)	16.78 (4664)	16.72 (4674)
OCT 15	16.42 (3930)	16.24 (3942)	16.15 (4000)	16.11 (3994)	16.17 (3976)	16.35 (4009)	16.36 (4022)	16.54 (4070)	16.69 (4106)	16.72 (4114)
NOV 15	16.35 (3526)	16.17 (3577)	16.10 (3639)	16.05 (3655)	16.10 (3654)	16.14 (3650)	16.07 (3703)	16.24 (3703)	16.30 (3714)	16.35 (3717)
DEC 15	16.11 (3332)	16.00 (3344)	15.95 (3381)	15.90 (3394)	15.96 (3396)	15.96 (3395)	15.90 (3416)	16.00 (3425)	16.02 (3429)	16.04 (3428)
JAN 16	15.69 (1095)	15.61 (1131)	15.55 (1141)	15.57 (1137)	15.66 (1137)	15.60 (1145)	15.58 (1168)	15.65 (1172)	15.65 (1178)	15.65 (1178)
FEB 16	15.46 (1001)	15.43 (1035)	15.45 (1046)	15.48 (1053)	15.52 (1069)	15.53 (1079)	15.46 (1119)	15.50 (1119)	15.50 (1131)	15.50 (1131)
MAR 16	15.45 (882)	15.40 (931)	15.45 (949)	15.45 (959)	15.50 (985)	15.50 (993)	15.39 (1024)	15.45 (1025)	15.45 (1047)	15.47 (1048)
APR 16	15.49 (631)	15.47 (667)	15.49 (677)	15.52 (680)	15.60 (703)	15.64 (707)	15.50 (742)	15.52 (743)	15.52 (764)	15.52 (784)
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
JUL 15	13.34 (246)	13.34 (246)	13.34 (245)	13.32 (248)	13.22 (248)	13.17 (248)	13.15 (248)	13.15 (248)	13.15 (248)	13.15 (406)
AUG 15	13.14 (286)	13.14 (286)	12.98 (285)	12.81 (285)	12.74 (285)	12.72 (285)	12.72 (285)	13.72 (285)	12.72 (285)	12.72 (285)
SEP 15	13.33 (198)	13.33 (198)	13.12 (197)	12.85 (198)	12.71 (201)	12.81 (201)	12.85 (201)	12.95 (199)	12.95 (199)	12.97 (203)
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
JUL 15	191.50 (802)	191.50 (802)	191.50 (809)	191.50 (809)	191.50 (809)	191.50 (809)	191.50 (808)	191.50 (808)	191.50 (808)	191.59 (994)
AUG 15	194.03 (924)	195.50 (922)	191.00 (922)	189.50 (924)	190.50 (926)	192.30 (926)	195.53 (926)	199.00 (922)	196.00 (929)	196.50 (931)
SEP 15	198.05 (1009)	196.48 (1028)	192.25 (1047)	191.00 (1052)	191.65 (1059)	196.00 (1072)	198.58 (1096)	199.05 (1070)	196.03 (1074)	196.50 (1084)
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
JUL 15	85.08 (795)	85.08 (795)	85.08 (795)	85.00 (794)	83.48 (798)	83.25 (798)	83.28 (799)	83.28 (799)	83.20 (801)	83.66 (866)
AUG 15	81.60 (835)	80.73 (826)	80.15 (826)	80.00 (832)	77.55 (832)	75.50 (837)	75.13 (845)	75.00 (850)	75.10 (856)	78.83 (856)
SEP 15	83.00 (751)	81.80 (743)	81.00 (745)	80.50 (747)	79.25 (750)	78.00 (749)	78.30 (749)	78.50 (752)	77.50 (737)	79.50 (753)
WHEY (Electronic-Traded) (¢/lb)										
JUL 15	39.48 (653)	39.48 (653)	39.30 (653)	39.30 (653)	39.30 (653)	39.10 (647)	38.98 (647)	38.98 (647)	38.98 (647)	39.37 (633)
AUG 15	37.75 (510)	37.18 (511)	36.35 (511)	36.35 (511)	36.35 (512)	35.53 (516)	35.68 (517)	34.48 (506)	33.90 (504)	33.98 (504)
SEP 15	35.53 (630)	35.00 (622)	35.10 (623)	35.30 (622)	35.85 (618)	34.73 (606)	34.50 (606)	34.00 (608)	33.15 (630)	33.15 (630)
CHEESE CSC (Electronic-Traded) (\$/lb)										
JUL 15	1.70 (3522)	1.70 (3522)	1.70 (3529)	1.70 (3530)	1.70 (3531)	1.70 (3531)	1.70 (3531)	1.70 (3531)	1.70 (3531)	1.70 (3963)
AUG 15	1.74 (3768)	1.71 (3760)	1.68 (3784)	1.69 (3808)	1.71 (3804)	1.72 (3803)	1.73 (3803)	1.74 (3797)	1.74 (3810)	1.73 (3810)
SEP 15	1.74 (3738)	1.72 (3729)	1.71 (3796)	1.70 (3806)	1.72 (3810)	1.75 (3803)	1.75 (3798)	1.77 (3792)	1.77 (3778)	1.77 (3782)
OCT 15	1.74 (3319)	1.73 (3340)	1.72 (3388)	1.71 (3395)	1.72 (3708)	1.74 (3402)	1.74 (3401)	1.75 (3400)	1.77 (3396)	1.77 (3397)
NOV 15	1.74 (3235)	1.72 (3233)	1.71 (3268)	1.71 (3288)	1.72 (3297)	1.72 (3301)	1.71 (3306)	1.73 (3317)	1.74 (3319)	1.74 (3319)
DEC 15	1.73 (3180)	1.72 (3181)	1.71 (3207)	1.71 (3214)	1.72 (3223)	1.72 (3226)	1.70 (3233)	1.71 (3236)	1.72 (3232)	1.72 (3222)

Source: <http://www.cmegroup.com/market-data/daily-bulletin.html>

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR JULY 2015 - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 26	:::REPORT NUMBER 27	:::REPORT NUMBER 28	:::REPORT NUMBER 29	:::REPORT NUMBER 30	::: 2015	: 2014
	:::-----	:::-----	:::-----	:::-----	:::-----	::: Monthly	: Monthly
	::: JUL 01 - 03	::: JUL 06 - 10	::: JUL 13 - 17	::: JUL 20 - 24	::: JUL 27 - 31	::: Average	: Average

CHEESE

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	:: 1.7525 - 2.1125	:: 1.6950 - 2.0550	:: 1.7175 - 2.0775	:: 1.7150 - 2.0750	:: 1.7425 - 2.1025	:: 1.9021	: 2.2881
-- Brick And/Or Muenster 5#	:: 2.0400 - 2.4650	:: 2.0000 - 2.4250	:: 2.0400 - 2.4650	:: 2.0225 - 2.4475	:: 2.0425 - 2.4675	:: 2.2405	: 2.5783
-- Cheddar 40# Block	:: 1.7675 - 2.1625	:: 1.7275 - 2.1225	:: 1.7675 - 2.1625	:: 1.7500 - 2.1450	:: 1.7700 - 2.1650	:: 1.9530	: 2.2795
-- Monterey Jack 10#	:: 2.0150 - 2.2200	:: 1.9750 - 2.1800	:: 2.0150 - 2.2200	:: 1.9975 - 2.2025	:: 2.0175 - 2.2225	:: 2.1055	: 2.4433
-- Blue 5#	:: 2.3075 - 3.2950	:: 2.2675 - 3.2550	:: 2.3075 - 3.2950	:: 2.2900 - 3.2775	:: 2.3100 - 3.2975	:: 2.7893	: 3.1270
-- Mozzarella 5 - 6#	:: 1.8400 - 2.7800	:: 1.8000 - 2.7400	:: 1.8400 - 2.7800	:: 1.8225 - 2.7625	:: 1.8425 - 2.7825	:: 2.2980	: 2.6583
-- Grade A Swiss Cuts 6 - 9#	:: 2.7000 - 2.8175	:: 2.7275 - 2.8450	:: 2.7275 - 2.8450	:: 2.7275 - 2.8450	:: 2.7275 - 2.8450	:: 2.7827	: 3.7188

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 40# Block	:: 2.0600 - 2.3450	:: 2.0200 - 2.3050	:: 2.0600 - 2.3450	:: 2.0425 - 2.3275	:: 2.0625 - 2.3475	:: 2.1905	: 2.5283
-- Process 5# Sliced	:: 1.8700 - 2.3500	:: 1.8125 - 2.2925	:: 1.8350 - 2.3150	:: 1.8325 - 2.3125	:: 1.8600 - 2.3400	:: 2.0796	: 2.4706
-- Muenster	:: 2.0800 - 2.4300	:: 2.0400 - 2.3900	:: 2.0800 - 2.4300	:: 2.0625 - 2.4125	:: 2.0825 - 2.4325	:: 2.2430	: 2.5858
-- Grade A Swiss Cuts 10 - 14#	:: 3.1825 - 3.5050	:: 3.2100 - 3.5325	:: 3.2100 - 3.5325	:: 3.2100 - 3.5325	:: 3.2100 - 3.5325	:: 3.3677	: 4.3038

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	:: 1.7675 - 2.0250	:: 1.7100 - 1.9675	:: 1.7325 - 1.9900	:: 1.7300 - 1.9875	:: 1.7575 - 2.0150	:: 1.8658	: 2.2638
-- Cheddar 40# Block	:: 1.7725 - 2.2175	:: 1.7325 - 2.1775	:: 1.7725 - 2.2175	:: 1.7550 - 2.2000	:: 1.7750 - 2.2200	:: 1.9830	: 2.2901
-- Cheddar 10# Cuts	:: 1.9525 - 2.1725	:: 1.9125 - 2.1325	:: 1.9525 - 2.1725	:: 1.9350 - 2.1550	:: 1.9550 - 2.1750	:: 2.0505	: 2.4039
-- Monterey Jack 10#	:: 1.9625 - 2.1225	:: 1.9225 - 2.0825	:: 1.9625 - 2.1225	:: 1.9450 - 2.1050	:: 1.9650 - 2.1250	:: 2.0305	: 2.3839
-- Grade A Swiss Cuts 6 - 9#	:: 2.7600 - 3.1900	:: 2.7875 - 3.2175	:: 2.7875 - 3.2175	:: 2.7875 - 3.2175	:: 2.7875 - 3.2175	:: 2.9989	: 3.9350

FLUID PRODUCTS

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

-- Northeast - f.o.b	:: 2.6330 - 2.8620	:: 2.5450 - 3.0271	:: 2.5974 - 3.0784	:: 2.7093 - 3.1203	:: 2.7310 - 3.0136	:: 2.8390	: 3.4102
-- Upper Midwest - f.o.b	:: 2.5186 - 3.0528	:: 2.5451 - 2.8922	:: 2.5012 - 2.8860	:: 2.6159 - 2.9896	:: 2.7687 - 3.0136	:: 2.7777	: 3.3099

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

-- Class II	:: 0.40 - 0.85	:: 0.40 - 0.84	:: 0.70 - 0.84	:: 0.75 - 0.84	:: 0.75 - 0.91	:: 0.7370	: 1.8839
-- Class III	:: 0.70 - 0.95	:: 0.75 - 0.99	:: 0.75 - 0.90	:: 0.85 - 1.00	:: 0.75 - 0.90	:: 0.8565	: 1.6566

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR JULY 2015 - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 26	:::REPORT NUMBER 27	:::REPORT NUMBER 28	:::REPORT NUMBER 29	:::REPORT NUMBER 30	::: 2015	: 2014
	:-----:-----:-----:-----:-----:-----					Monthly	Monthly
	:: JUL 01 - 03	:: JUL 06 - 10	:: JUL 13 - 17	:: JUL 20 - 24	:: JUL 27 - 31	:: Average	:: Average

DRY PRODUCTS

NONFAT DRY MILK

-- Central And East (f.o.b.)							
-- Low/Medium Heat	:: 0.8300 - 0.9800	:: 0.8200 - 0.9650	:: 0.7500 - 0.9550	:: 0.7500 - 0.9300	:: 0.7000 - 0.9000	:: 0.8539	: 1.8326
-- Mostly	:: 0.9000 - 0.9600	:: 0.9000 - 0.9500	:: 0.8500 - 0.8900	:: 0.7900 - 0.8500	:: 0.7500 - 0.8000	:: 0.8583	: 1.8201
-- High Heat	:: 0.9950 - 1.1800	:: 0.9950 - 1.1800	:: 0.9950 - 1.0800	:: 0.9700 - 1.0500	:: 0.9200 - 1.0500	:: 1.0375	: 1.9495
-- West (f.o.b.)							
-- Low/Medium Heat	:: 0.8000 - 0.9600	:: 0.7700 - 0.9500	:: 0.6900 - 0.9350	:: 0.6850 - 0.8900	:: 0.6200 - 0.8700	:: 0.8115	: 1.7960
-- Mostly	:: 0.9000 - 0.9450	:: 0.8800 - 0.9350	:: 0.8000 - 0.8800	:: 0.7000 - 0.7900	:: 0.6800 - 0.7750	:: 0.8203	: 1.8145
-- High Heat	:: 1.0000 - 1.0950	:: 1.0000 - 1.0950	:: 1.0000 - 1.0300	:: 0.9700 - 1.0300	:: 0.8825 - 0.9800	:: 1.0048	: 1.9074

WHEY POWDER (Nonhygroscopic)

-- Central (f.o.b.)	:: 0.3100 - 0.4750	:: 0.3000 - 0.4650	:: 0.2500 - 0.4600	:: 0.2500 - 0.4550	:: 0.2500 - 0.4400	:: 0.3632	: 0.6520
-- Mostly	:: 0.3450 - 0.3800	:: 0.3300 - 0.3800	:: 0.3150 - 0.3700	:: 0.3000 - 0.3600	:: 0.2600 - 0.3450	:: 0.3364	: 0.6591
-- West (f.o.b.)	:: 0.3800 - 0.4500	:: 0.3800 - 0.4300	:: 0.3800 - 0.4300	:: 0.3750 - 0.4100	:: 0.3500 - 0.4100	:: 0.3982	: 0.6600
-- Mostly	:: 0.3900 - 0.4200	:: 0.3900 - 0.4200	:: 0.3800 - 0.4000	:: 0.3800 - 0.4000	:: 0.3750 - 0.3900	:: 0.3936	: 0.6655
-- Northeast (f.o.b.)	:: 0.3500 - 0.4600	:: 0.3500 - 0.4450	:: 0.3500 - 0.4400	:: 0.3550 - 0.4350	:: 0.2800 - 0.4225	:: 0.3873	: 0.7113

WHEY PROTEIN CONCENTRATE

-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 0.7550 - 0.9550	:: 0.7100 - 0.9450	:: 0.7000 - 0.9000	:: 0.7000 - 0.8925	:: 0.7000 - 0.8650	:: 0.8085	: 1.6279
-- Mostly	:: 0.7600 - 0.9300	:: 0.7500 - 0.9000	:: 0.7100 - 0.8250	:: 0.7100 - 0.8250	:: 0.7100 - 0.7900	:: 0.7863	: 1.6089

ANIMAL FEED - WHEY

-- Central (f.o.b.)							
-- Milk Replacer	:: 0.2200 - 0.2700	:: 0.2100 - 0.2900	:: 0.2000 - 0.2500	:: 0.2000 - 0.2500	:: 0.2000 - 0.2500	:: 0.2330	: 0.5673

BUTTERMILK (Min. 30% protein)

-- Central And East (f.o.b.)	:: 0.8000 - 0.9100	:: 0.8000 - 0.8900	:: 0.7900 - 0.8900	:: 0.7900 - 0.8950	:: 0.7800 - 0.8950	:: 0.8430	: 1.7463
-- West (f.o.b.)	:: 0.7700 - 0.8800	:: 0.7700 - 0.8800	:: 0.7700 - 0.8500	:: 0.7500 - 0.8200	:: 0.7500 - 0.8200	:: 0.8043	: 1.7602
-- Mostly	:: 0.7800 - 0.8300	:: 0.7800 - 0.8300	:: 0.7800 - 0.8000	:: 0.7700 - 0.8000	:: 0.7700 - 0.7850	:: 0.7914	: 1.7687

DRY WHOLE MILK

-- National (f.o.b.)	:: 1.0100 - 1.4800	:: 1.0100 - 1.4800	:: 1.0100 - 1.4800	:: 0.9500 - 1.3000	:: 0.9500 - 1.3000	:: 1.1928	: 2.0538
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LACTOSE

-- Central And West (f.o.b.)	:: 0.1700 - 0.3000	:: 0.1650 - 0.2725	:: 0.1650 - 0.2725	:: 0.1650 - 0.2600	:: 0.1600 - 0.2600	:: 0.2176	: 0.5224
-- Mostly	:: 0.1800 - 0.2450	:: 0.1800 - 0.2200	:: 0.1800 - 0.2200	:: 0.1700 - 0.2200	:: 0.1700 - 0.2200	:: 0.1995	: 0.5473

CASEIN - Edible - National (f.o.b.)

-- Nonrestricted - Rennet	:: 2.9000 - 3.5000	:: 2.9000 - 3.5000	:: 2.9000 - 3.5000	:: 2.9000 - 3.5000	:: 2.9000 - 3.5000	:: 3.2000	: 4.8386
-- Nonrestricted - Acid	:: 2.8000 - 3.7000	:: 2.8000 - 3.7000	:: 2.8000 - 3.7000	:: 2.8000 - 3.7000	:: 2.8000 - 3.7000	:: 3.2500	: 5.1000

1 Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR JULY 2015

COMMODITY	REPORT NUMBER 26	REPORT NUMBER 27	REPORT NUMBER 28	REPORT NUMBER 29	REPORT NUMBER 30	2015 *	2014 *
	JUL 1 - 2	JUL 6 - 10	JUL 13 - 17	JUL 20 - 24	JUL 27 - 31	Monthly Average	Monthly Average
BUTTER*							
-- GRADE AA							
--Monday	::	:: 1.9350	:: 1.9100	:: 1.8325	:: 1.9225	::	:
--Tuesday	::	:: 1.9250	:: 1.9000	:: 1.8325	:: 1.9025	::	:
--Wednesday	:: 1.9300	:: 1.9200	:: 1.8525	:: 1.8750	:: 1.9075	::	:
--Thursday	:: 1.9400	:: 1.9200	:: 1.8400	:: 1.9225	:: 1.9500	::	:
--Friday	:: 1	:: 1.9200	:: 1.8400	:: 1.9550	:: 1.9900	:: 1.9056	: 2.4624
--Weekly Average**	:: 1.9281	:: 1.9240	:: 1.8685	:: 1.8835	:: 1.9345	::	:
CHEESE*							
-- BARRELS							
--Monday	::	:: 1.5750	:: 1.6300	:: 1.5800	:: 1.6400	::	:
--Tuesday	::	:: 1.5750	:: 1.6300	:: 1.6375	:: 1.6400	::	:
--Wednesday	:: 1.6000	:: 1.5900	:: 1.6100	:: 1.6450	:: 1.6900	::	:
--Thursday	:: 1.5825	:: 1.6700	:: 1.5950	:: 1.6750	:: 1.7100	::	:
--Friday	:: 1	:: 1.6600	:: 1.5950	:: 1.6600	:: 1.6975	:: 1.6313	: 1.9970
--Weekly Average**	:: 1.5913	:: 1.6140	:: 1.6120	:: 1.6395	:: 1.6755	::	:
-- 40# BLOCKS							
--Monday	::	:: 1.6200	:: 1.6950	:: 1.5950	:: 1.6550	::	:
--Tuesday	::	:: 1.6425	:: 1.6775	:: 1.6700	:: 1.6400	::	:
--Wednesday	:: 1.6325	:: 1.6525	:: 1.6400	:: 1.6650	:: 1.7000	::	:
--Thursday	:: 1.6200	:: 1.6900	:: 1.6150	:: 1.7125	:: 1.7450	::	:
--Friday	:: 1	:: 1.7250	:: 1.6125	:: 1.6975	:: 1.7475	:: 1.6659	: 1.9870
--Weekly Average**	:: 1.6250	:: 1.6660	:: 1.6480	:: 1.6680	:: 1.6975	::	:
NONFAT DRY MILK*							
-- GRADE A							
--Monday	::	:: 0.8200	:: 0.7950	:: 0.7550	:: 0.7100	::	:
--Tuesday	::	:: 0.8200	:: 0.7950	:: 0.7450	:: 0.7100	::	:
--Wednesday	:: 0.8325	:: 0.8200	:: 0.7450	:: 0.7400	:: 0.7225	::	:
--Thursday	:: 0.8325	:: 0.8050	:: 0.7550	:: 0.7050	:: 0.6975	::	:
--Friday	:: 1	:: 0.7950	:: 0.7550	:: 0.7125	:: 0.7000	:: 0.7622	: 1.7166
--Weekly Average**	:: 0.8319	:: 0.8120	:: 0.7690	:: 0.7315	:: 0.7080	::	:

1 CME Group closed

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

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

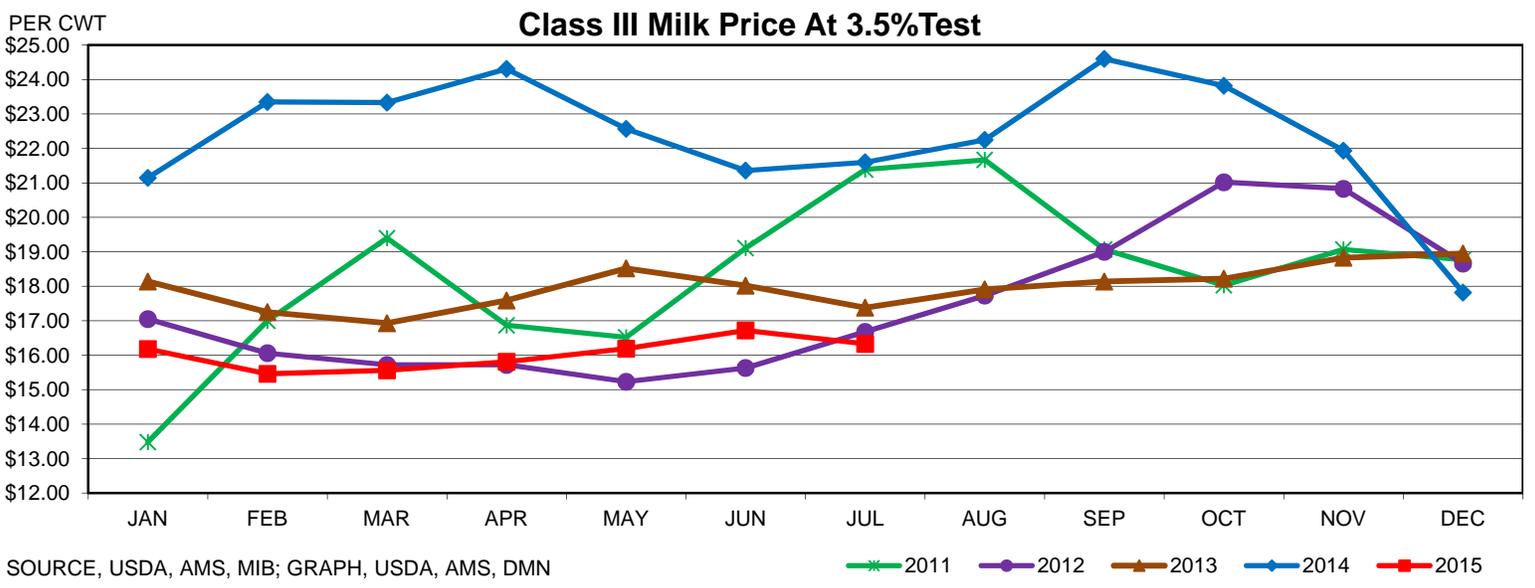
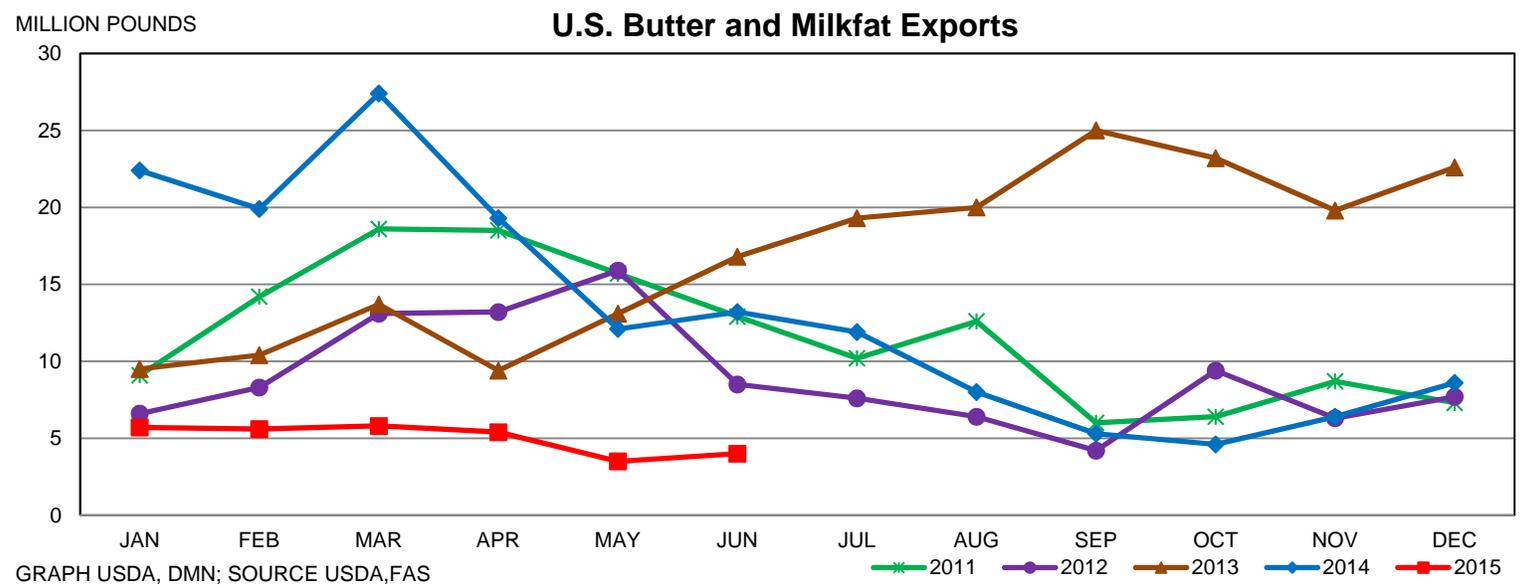
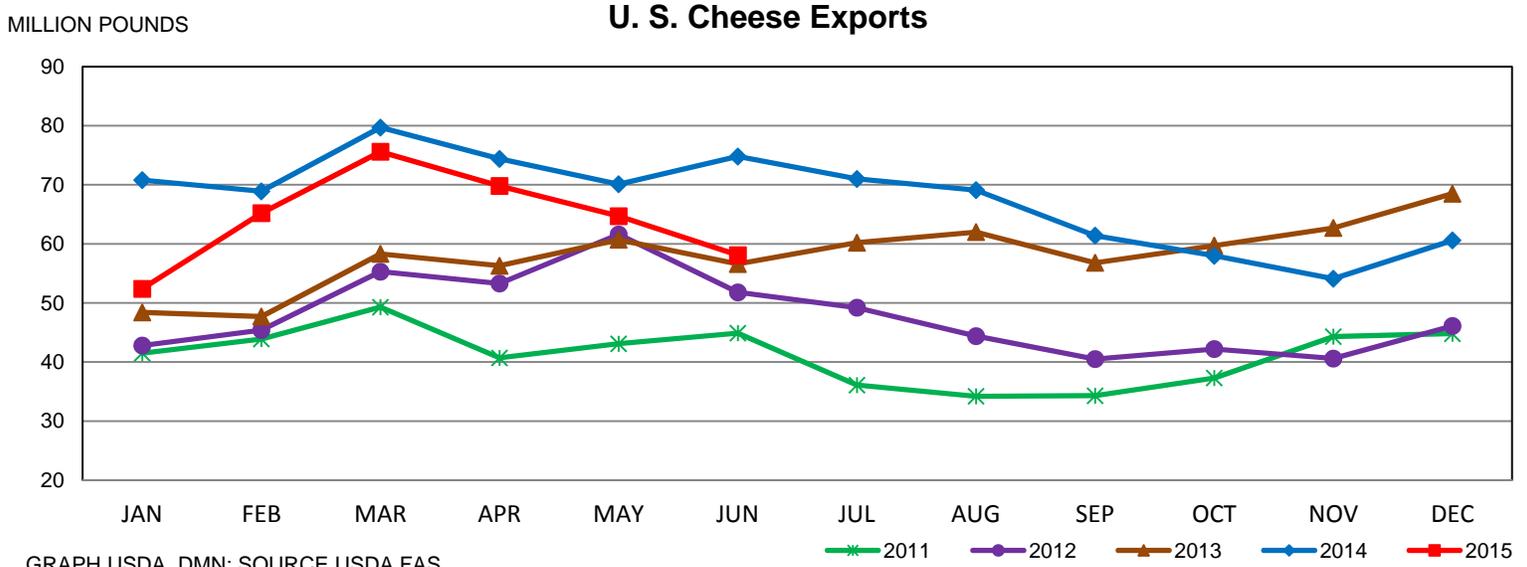
June 2015 Dairy Products Highlights

Butter production was 142.8 million pounds, 1.7 percent above June 2014 but 15.9 percent below May 2015. **American type cheese** production totaled 383.1 million pounds, 3.6 percent above June 2014 but 4.5 percent below May 2015. **Total cheese** output (excluding cottage cheese) was 959.0 million pounds, 1.5 percent above June 2014 but 3.1 percent below May 2015. **Nonfat dry milk** production, for human food, totaled 164.4 million pounds, 10.6 percent above June 2014 but 8.8 percent below May 2015. **Dry whey** production, for human food, was 79.4 million pounds, 1.4 percent above June 2014 and 0.3 percent above May 2015. **Ice cream, regular hard** production totaled 70.5 million gallons, 4.6 percent below June 2014 but 10.1 percent above May 2015.

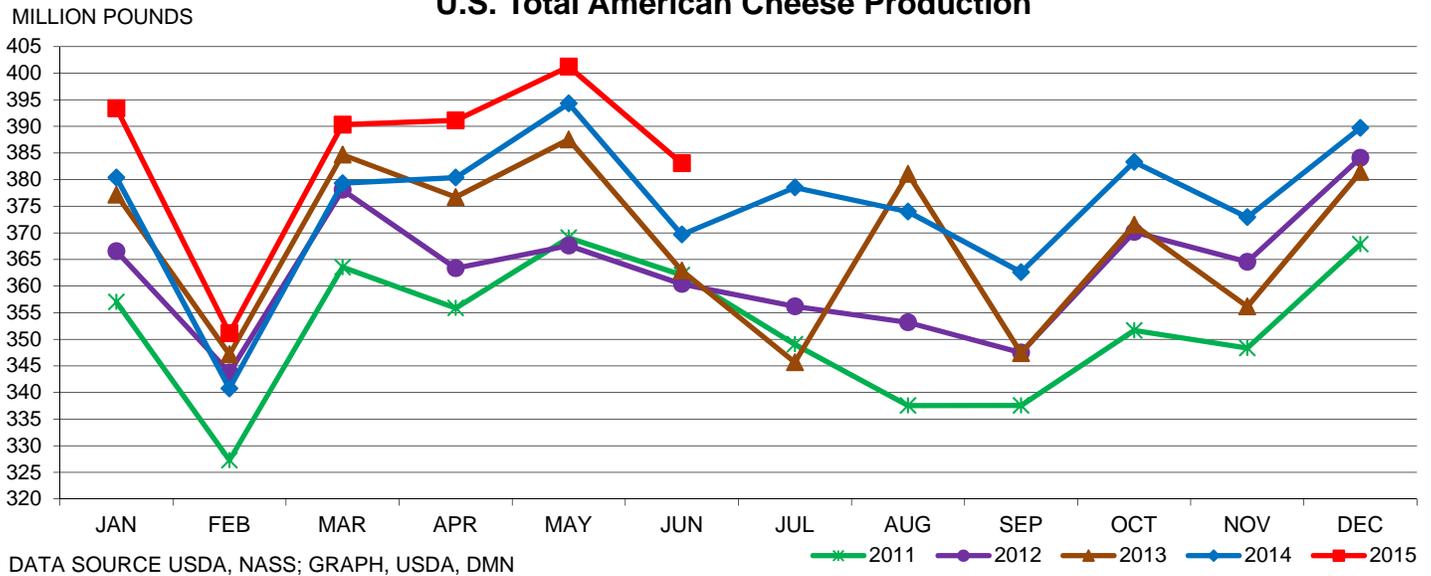
Production of Dairy Products									
Product	Jun 2015	Change from			Product	Jun 2015	Change from		
		Jun 2014	May 2015	Year to Date ¹			Jun 2014	May 2015	Year to Date ¹
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	142,819	1.7	-15.9	-1.4	Yogurt (plain and flavored)	392,441	-2.0	-1.5	-0.2
Cheese					Dry whey, human food	79,357	1.4	0.3	---
American types ²	383,050	3.6	-4.5	2.8	Dry whey, animal feed	1,313	27.6	-11.9	---
Cheddar	281,031	4.3	-3.5	2.0	Dry whey, total ⁸	80,670	1.7	0.1	8.5
Other American	102,019	1.9	-7.3	---	Reduced lactose & minerals				
Brick & Muenster	13,526	-3.0	-17.5	---	Human food	2,656	-6.3	-25.9	---
Cream & Neufchatel	67,713	-2.6	10.0	---	Animal feed	2,452	-48.7	-0.9	---
Hispanic	20,487	-1.2	-3.2	---	Lactose, human food & animal feed	90,675	-11.8	1.3	-8.0
Total Italian types	414,549	1.0	-2.6	2.0	Whey protein concentrate				
Mozzarella	325,474	-1.0	-4.3	0.9	Human food ⁹	38,103	-11.2	-13.0	---
Other Italian	89,075	9.1	3.9	---	Animal feed ⁹	522	-34.9	26.7	---
Swiss	25,741	2.6	-6.3	---	Total ⁹	38,625	-11.6	-12.6	-5.5
All other types	33,948	-5.0	-4.9	---	25.0-49.9 percent ¹⁰	19,210	-19.5	-6.1	---
Total	959,014	1.5	-3.1	2.1	50.0-89.9 percent ¹⁰	19,415	-2.1	-18.2	---
Cottage cheese, curd ³	33,684	3.1	1.9	---	Whey protein isolates ¹¹	7,426	35.3	-14.0	---
Cottage cheese, cream ⁴	27,014	3.3	2.8	-1.1					
Cottage cheese, lowfat ⁵	32,147	-1.7	7.0	-2.6					
Dry buttermilk	6,990	-15.9	-20.0	---	Frozen products				
Dry whole milk	6,721	-42.8	-47.3	---	Ice cream, regular hard	70,521	-4.6	10.1	-2.4
Milk protein conc. (MPC), total ⁶	13,934	-6.7	-33.0	---	Ice cream, lowfat, hard	23,651	13.1	17.5	---
Nonfat dry milk (NDM), human	164,358	10.6	-8.8	11.3	Ice cream, lowfat, soft	23,689	8.7	5.3	---
Skim milk powders (SMP) ⁷	34,676	-34.6	-2.4	-27.2	Ice cream, lowfat, total	47,340	10.9	11.1	6.3
Sour cream	111,687	4.9	6.4	0.5	Sherbet, hard	3,790	-9.4	1.2	-6.5
					Frozen yogurt, total	6,816	9.0	17.4	---

Manufacturers' Stocks, End of Month ¹²							
Product	Jun 2015	Jun 2014	May 2015	Product	Jun 2015	Jun 2014	May 2015
	(1,000 lbs)	(percent)			(1,000 lbs)	(percent)	
Dry whey, human food	70,846	15.2	1.1	Whey protein concentrate			
Dry whey, animal feed	2,129	240.1	0.2	Human food ⁹	76,055	40.2	4.1
Reduced lactose & minerals—human & animal ¹³	9,385	-5.3	-9.0	Animal feed ⁹	1,611	6.6	0.7
Lactose, human food & animal feed	126,113	9.7	-2.3	Total ⁹	77,666	39.3	4.1
Dry buttermilk	23,146	24.6	-2.3	25.0-49.9 percent ¹⁰	34,834	25.9	6.3
Nonfat dry milk, human food	262,343	15.2	0.4	50.0-89.9 percent ¹⁰	42,832	52.4	2.3
				Whey protein isolates ¹¹	14,022	44.1	7.1

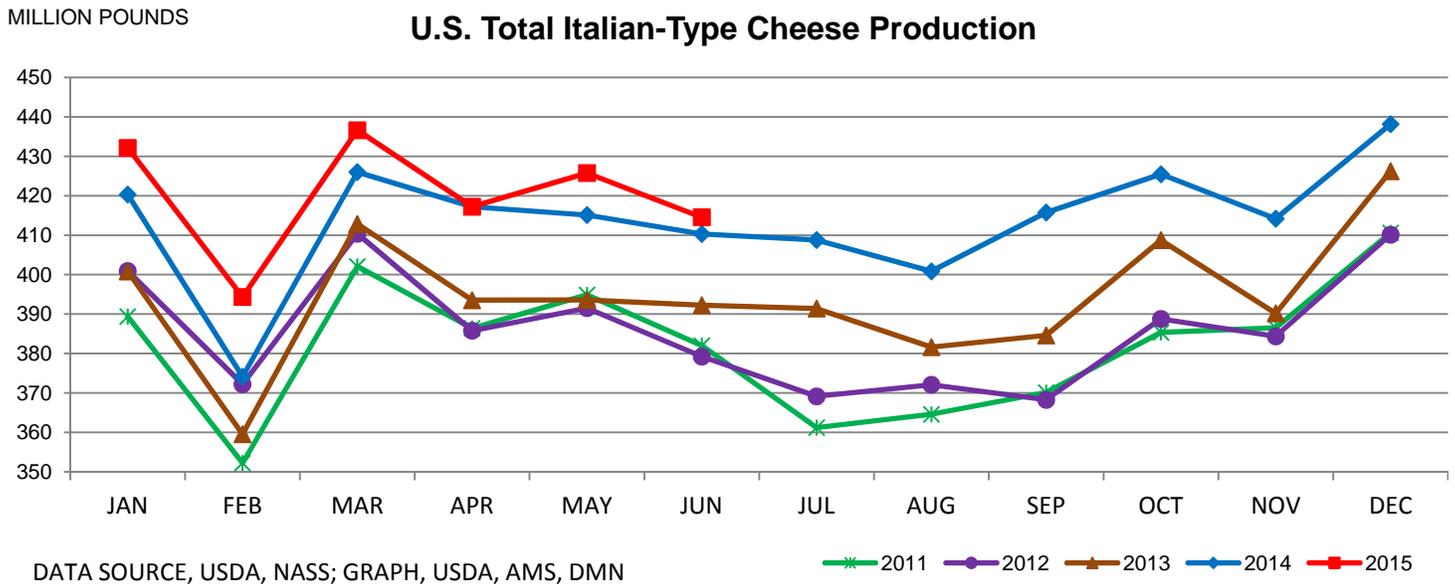
¹ 2015 cumulative as percent change of 2014 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture, National Agricultural Statistics Service, Agricultural Statistics Board, *Dairy Products, August 2015*.



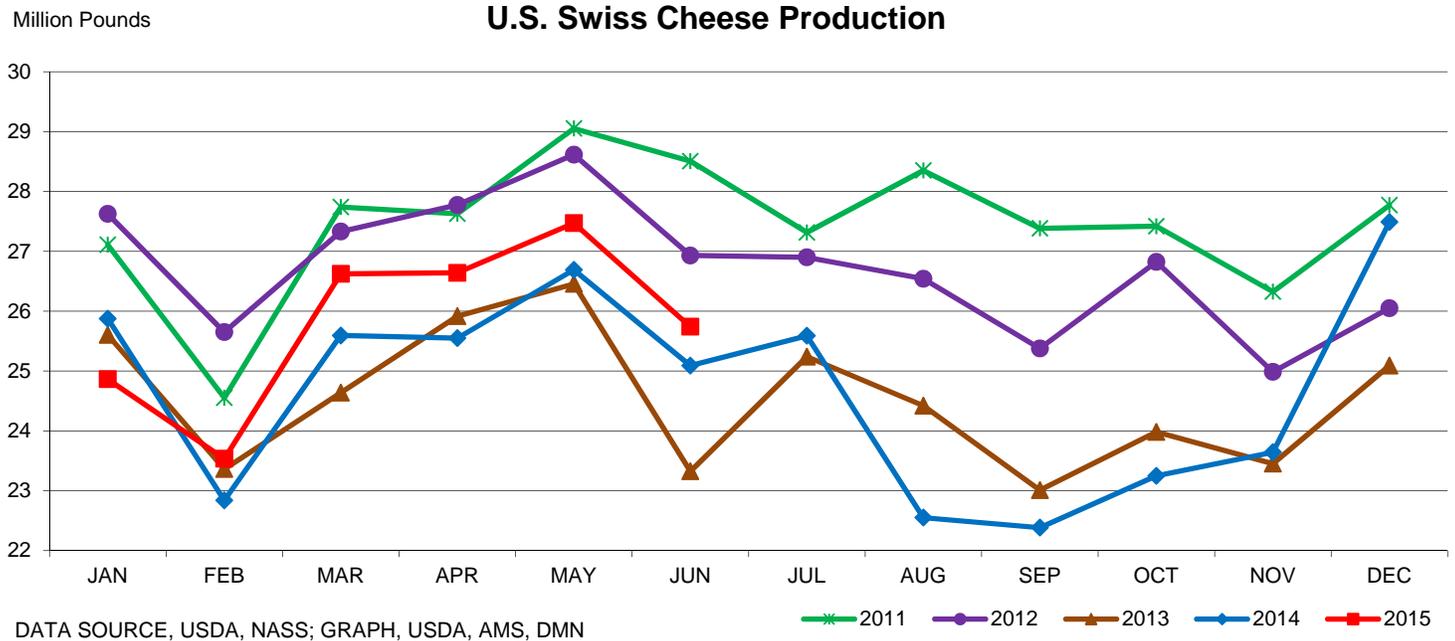
U.S. Total American Cheese Production



U.S. Total Italian-Type Cheese Production

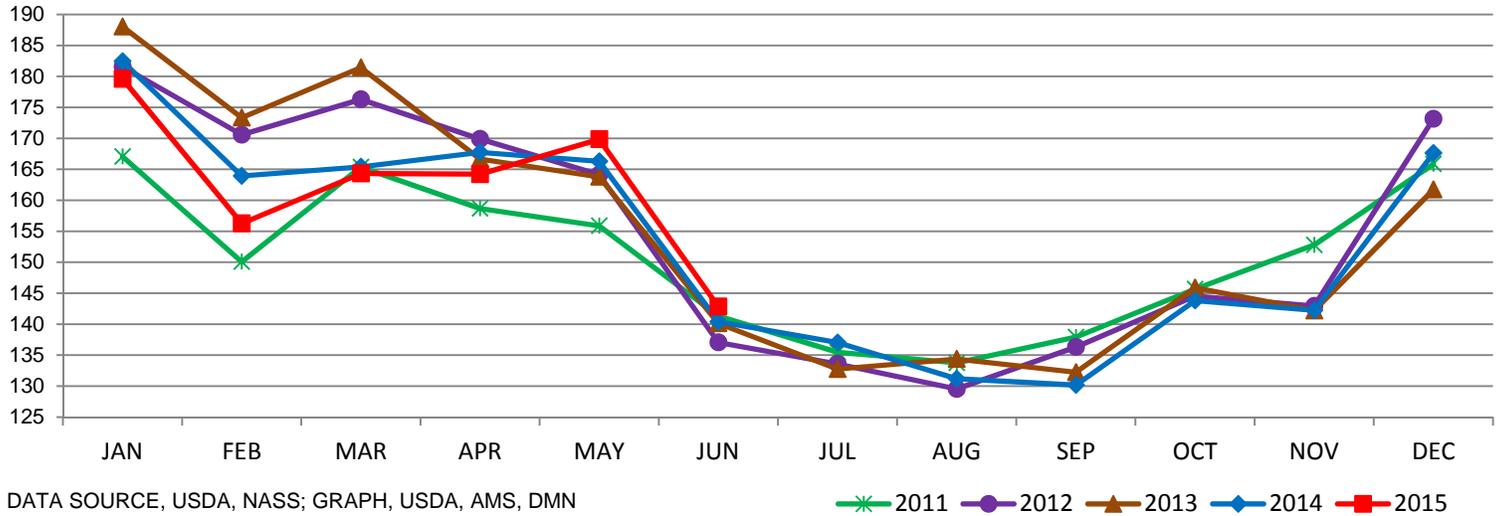


U.S. Swiss Cheese Production



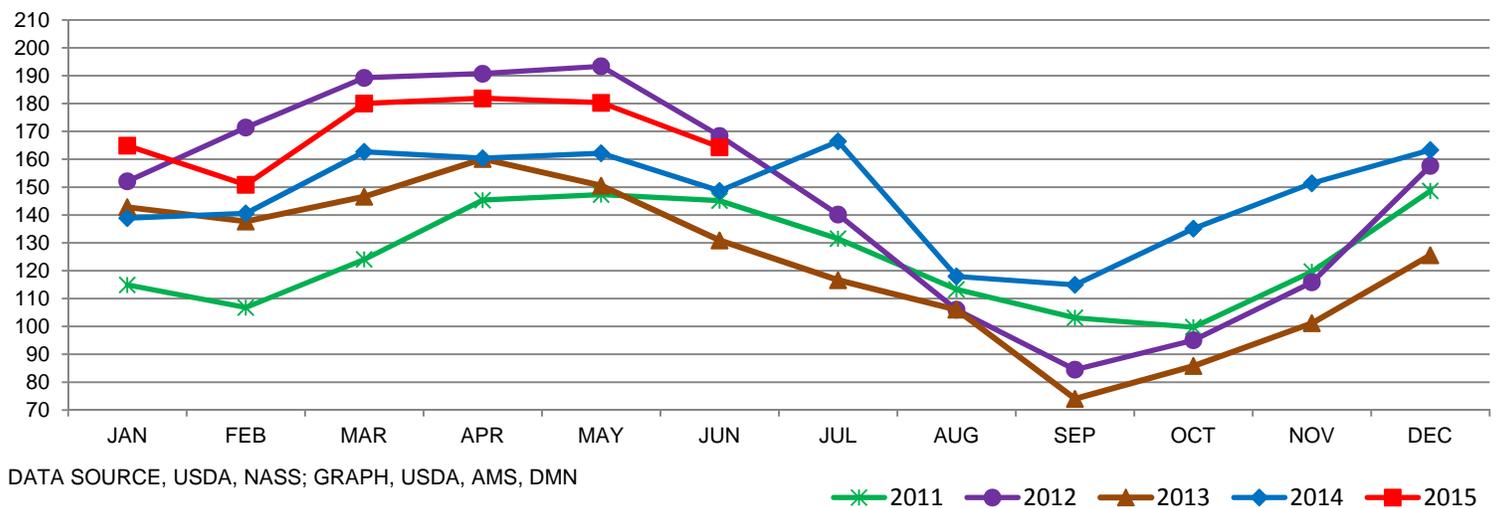
MILLION POUNDS

U.S. Butter Production



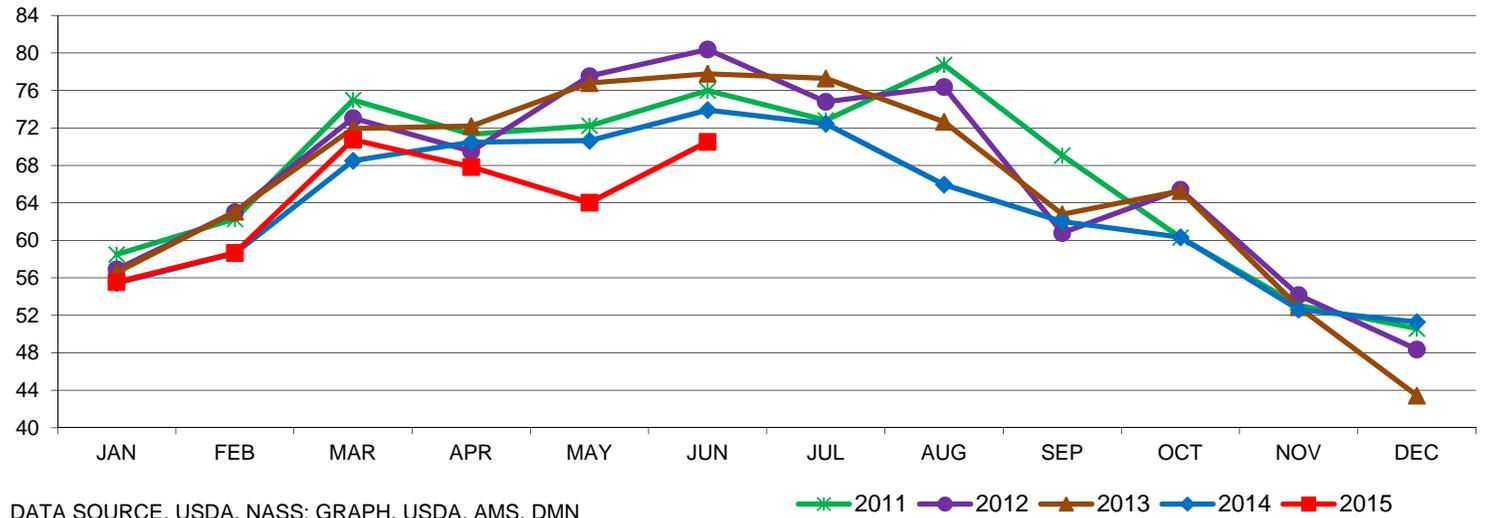
MILLION POUNDS

U.S. Nonfat Dry Milk (NDM) Production, Human

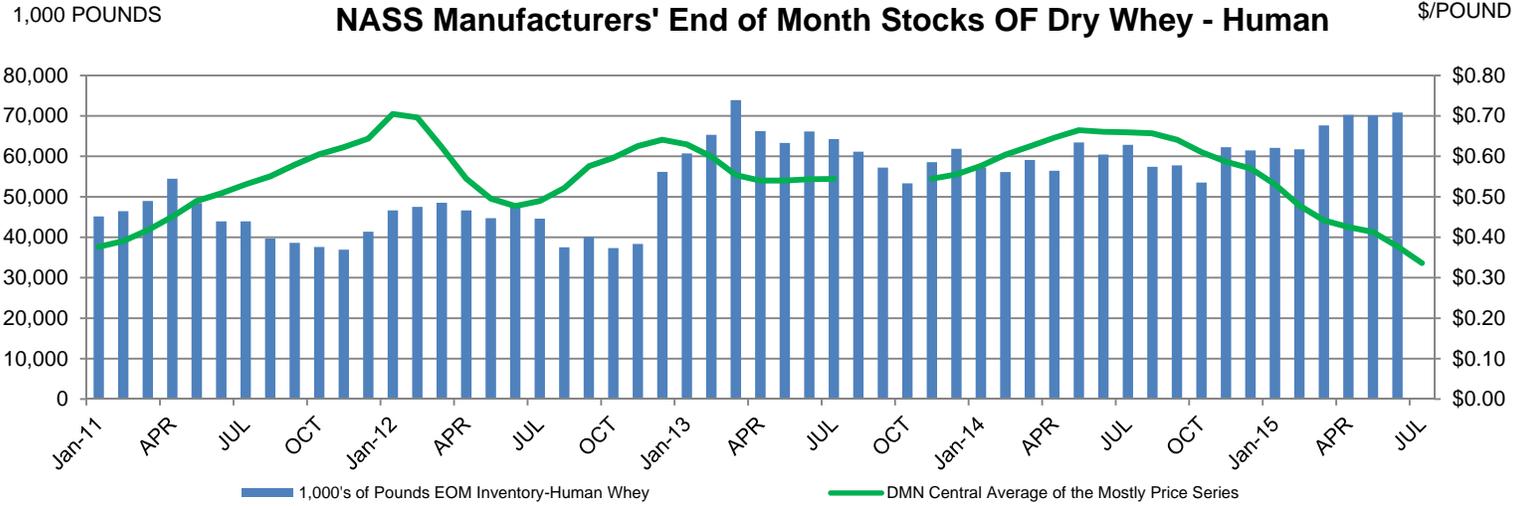


MILLION GALLONS

U.S. Regular Hard Ice Cream Production

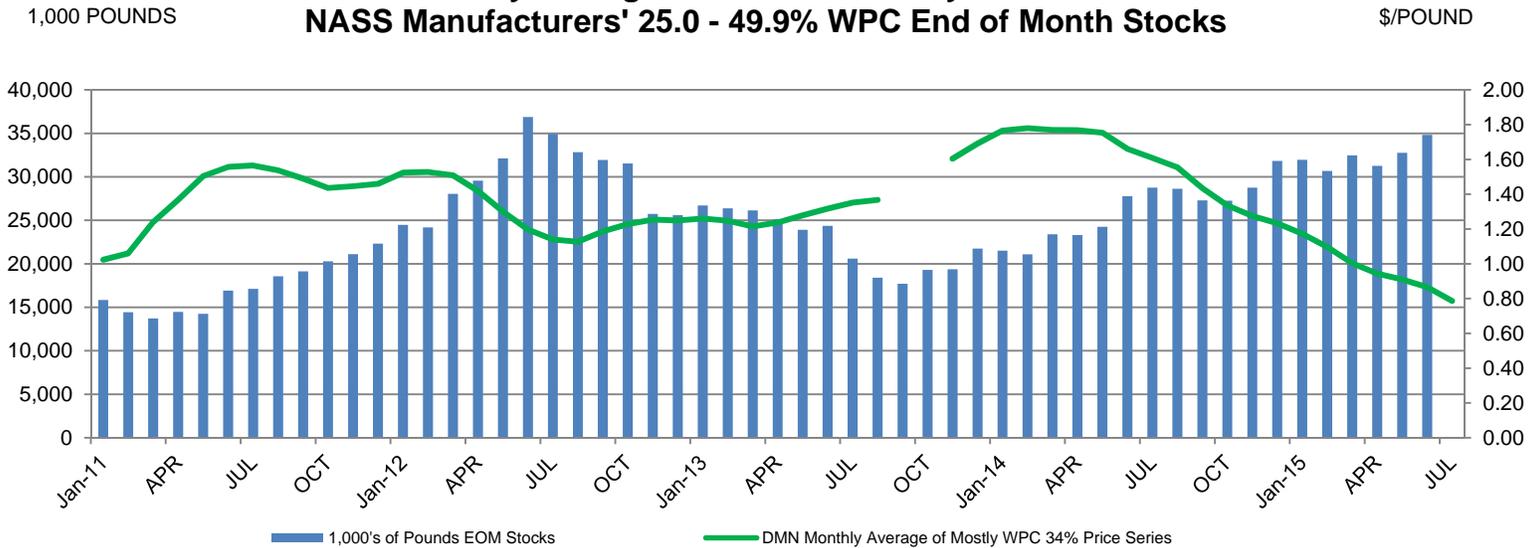


DMN Central AOM Price Series vs. NASS Manufacturers' End of Month Stocks OF Dry Whey - Human



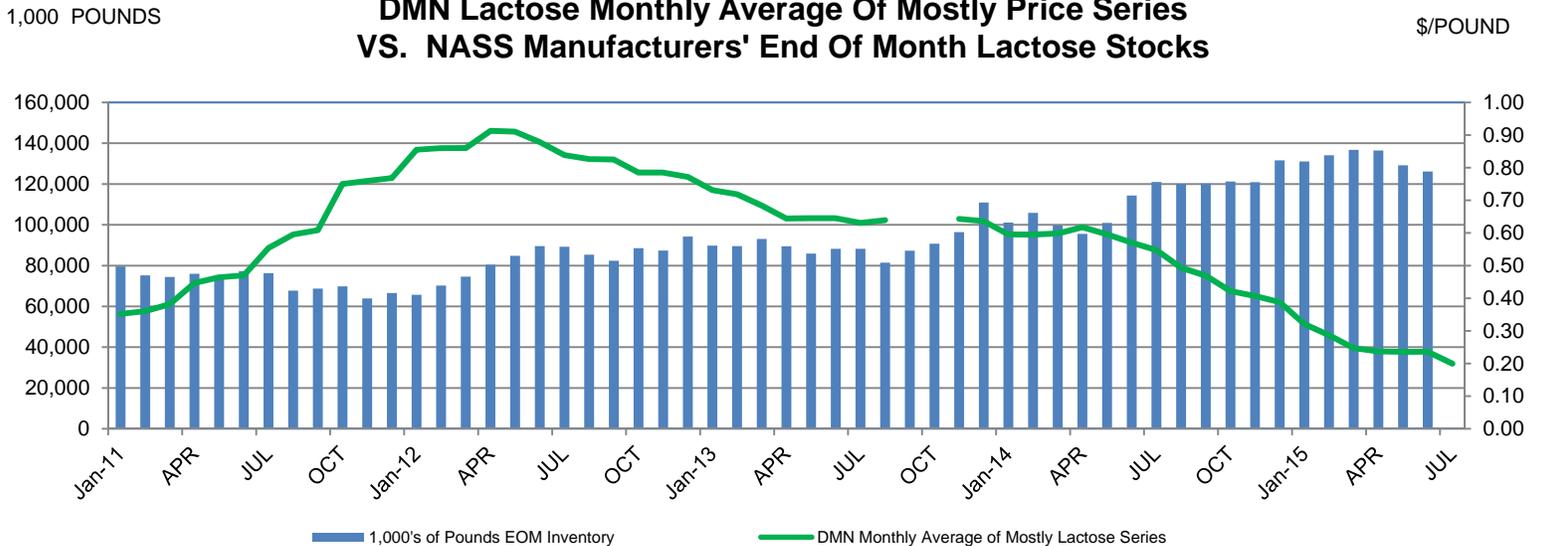
DATA SOURCE, USDA, NASS & AMS, MIB; GRAPH, USDA, AMS, DMN

DMN Monthly Average of WPC 34% Mostly Price Series vs. NASS Manufacturers' 25.0 - 49.9% WPC End of Month Stocks



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

DMN Lactose Monthly Average Of Mostly Price Series VS. NASS Manufacturers' End Of Month Lactose Stocks



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



Dairy Market News Branch

**Agricultural
Marketing
Service**

National Retail Report - Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>
and http://www.ams.usda.gov/mnreports/wa_lo100.txt

Volume 82- Number 31

Issued Weekly

Friday, August 7, 2015

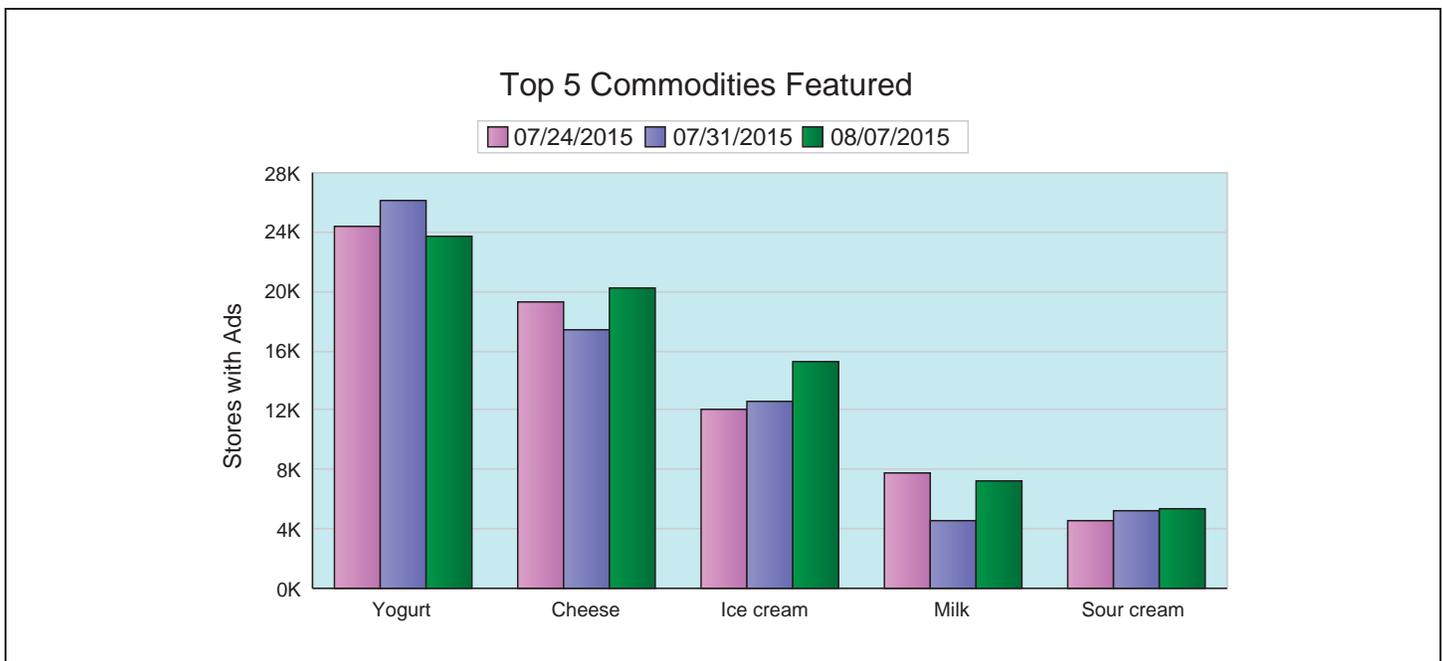
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 08/07/2015 to 08/13/2015

As late summer begins, 48-64 ounce ice cream ad volume is up 17% and the national weighted average advertised price is up 11 cents from a week ago to \$2.94. One year ago the average price was \$3.00. For other summer favorites, the change in ad volume, national weighted average advertised price, and price change from last week are: 16 ounce cottage cheese, -9%, \$2.22, down 16 cents; 8 ounce cream cheese, +6%, \$1.75, down 23 cents; and 16 ounce sour cream, +4%, \$1.77, up 18 cents. Overall ad volume for all conventional dairy products is up slightly from last week and last year.

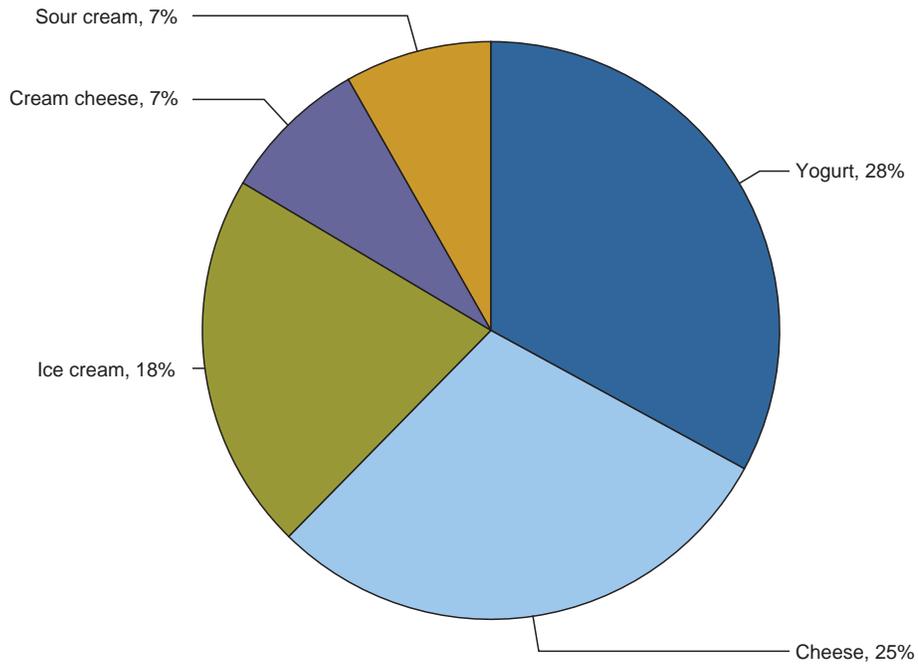
The U.S. advertised prices for 8 ounce cheese blocks average \$2.29, compared with \$2.56 a year ago, and are up 7 cents from one week ago; 8 ounce shred cheese averaged \$2.34, compared with \$2.61 one year ago, and are 13 cents above a week ago. Conventional cheese ads increased 15% from the previous week.

The average price of 4-6 ounce Greek yogurt is 96 cents, down 4 cents from last week, and down 5 cents from a year ago. This week, yogurt in 4-6 ounce packages average 48 cents compared with 51 cents last week and 49 cents a year ago. Conventional yogurt ad numbers decreased 10% from the previous week.

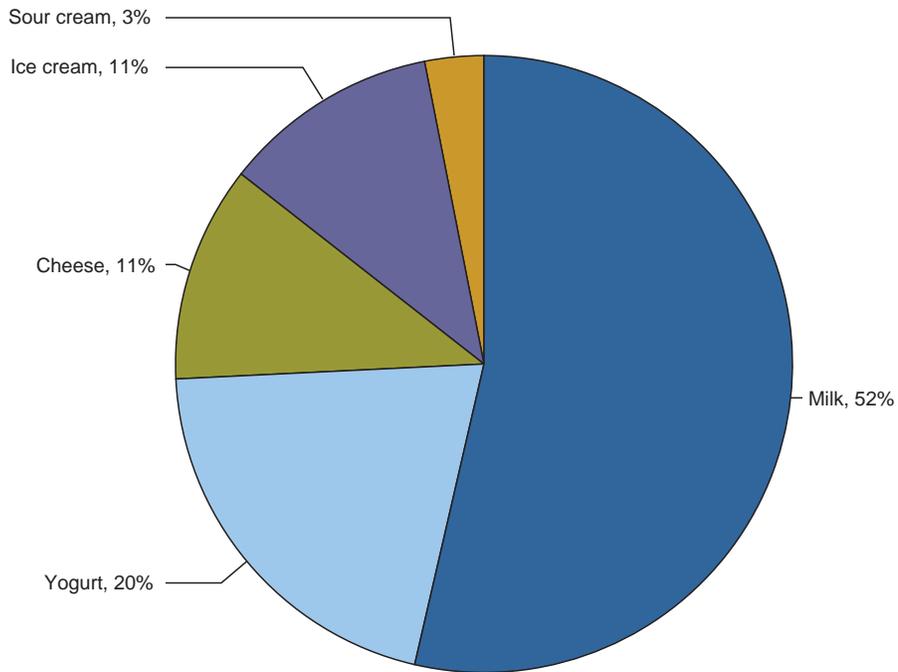
Organic - conventional half gallon milk has a price spread of \$1.03. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$2.42 and the average for organic half gallon milk, \$3.45.



Top 5 Percentage of Total Conventional Ads



Top 5 Percentage of Total Organic Ads





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	4267	2.96	4473	3.36	2604	3.36
Cheese	Natural Varieties	8 oz block	7488	2.29	5744	2.22	8609	2.56
Cheese	Natural Varieties	1 # block	798	4.12	2114	3.39	858	4.30
Cheese	Natural Varieties	2 # block	804	6.21	263	7.46	370	6.79
Cheese	Natural Varieties	8 oz shred	9910	2.34	7444	2.21	9591	2.61
Cheese	Natural Varieties	1 # shred	485	4.85	1352	3.27	1442	3.90
Cottage cheese		16 oz	2413	2.22	2660	2.38	1810	2.05
Cream cheese		8 oz	5334	1.75	5038	1.98	5191	1.79
Flavored milk	All fat tests	half gallon	321	2.00	456	1.91	323	1.79
Flavored milk	All fat tests	gallon	194	2.20	826	2.74	321	4.74
Ice cream		48-64oz	14685	2.94	12595	2.83	12258	3.00
Milk	All fat tests	half gallon	1066	2.42	678	2.18	128	1.99
Milk	All fat tests	gallon	2995	2.50	1920	2.36	2712	3.06
Sour cream		16 oz	5225	1.77	5038	1.59	5489	1.86
Yogurt	Greek	4-6 oz	13104	.96	11334	1.00	11714	1.01
Yogurt	Greek	32 oz	1807	4.15	1277	4.62	1279	4.70
Yogurt	Yogurt	4-6 oz	6473	.48	8705	.51	5260	.49
Yogurt	Yogurt	32 oz	1129	2.39	3775	2.09	976	2.18

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 #	2.99-3.49	677	3.19	2.50-3.00	1799	2.94	2.50-2.69	270	2.65
Cheese	Natural Varieties	8 oz block	1.49-3.49	1909	2.35	2.00-3.00	2291	2.60	1.49-2.50	579	1.77
Cheese	Natural Varieties	1 # block	2.50-3.99	291	3.62	3.99	101	3.99	3.99-4.99	332	4.63
Cheese	Natural Varieties	2 # block	2.00	72	2.00						
Cheese	Natural Varieties	8 oz shred	1.66-3.29	2499	2.33	2.00-3.00	2076	2.65	1.49-2.50	1191	2.06
Cheese	Natural Varieties	1 # shred	3.99	135	3.99				4.99	213	4.99
Cottage cheese		16 oz	1.88-2.99	1396	2.27	2.00	214	2.00	1.99	81	1.99
Cream cheese		8 oz	1.49-2.50	1150	1.72	1.50-2.39	2649	1.94	1.00-1.98	1034	1.38
Flavored milk	All fat tests	half gallon	2.00	108	2.00				2.00	213	2.00
Flavored milk	All fat tests	gallon							2.77	53	2.77
Ice cream		48-64oz	1.78-3.99	3420	2.86	1.99-3.99	2772	3.07	1.99-3.50	4545	2.55
Milk	All fat tests	half gallon	2.49-2.99	761	2.60	2.50	61	2.50	0.99	107	.99
Milk	All fat tests	gallon	2.99	62	2.99	3.50	214	3.50	1.99-3.00	565	2.55
Sour cream		16 oz	1.49-2.99	1946	1.79	1.99	1083	1.99	1.69-2.98	425	2.05
Yogurt	Greek	4-6 oz	0.75-1.25	4285	.96	0.75-1.00	2621	.93	0.80-1.25	1692	.97
Yogurt	Greek	32 oz	3.99-5.99	982	4.99	3.50	214	3.50	1.00-3.00	238	2.00

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	4-6 oz	0.33-0.60	1898	.50	0.45-0.50	1127	.50	0.39-0.60	1792	.46
Yogurt	Yogurt	32 oz	2.00-2.50	566	2.35				2.00-2.69	246	2.36

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.99-3.00	644	2.69	2.49-3.48	381	2.85	2.49-3.99	453	3.23
Cheese	Natural Varieties	8 oz block	1.49-3.00	1578	2.17	1.49-2.25	898	1.89	2.00-2.50	192	2.34
Cheese	Natural Varieties	1 # block	3.99	74	3.99						
Cheese	Natural Varieties	2 # block				5.99-7.99	373	6.89	5.99-7.99	350	6.34
Cheese	Natural Varieties	8 oz shred	1.48-3.00	2089	2.22	1.49-2.67	1533	2.17	2.00-2.67	427	2.48
Cheese	Natural Varieties	1 # shred				5.49	137	5.49			
Cottage cheese		16 oz	2.00-2.99	171	2.66	1.49-2.49	422	2.07	1.49	69	1.49
Cream cheese		8 oz	2.00	55	2.00	1.50	62	1.50	1.39-1.50	358	1.48
Flavored milk	All fat tests	gallon	1.99	141	1.99						
Ice cream		48-64oz	2.49-3.99	1392	3.33	2.49-3.99	1549	2.92	2.50-5.00	795	3.98
Milk	All fat tests	half gallon				2.49	137	2.49			
Milk	All fat tests	gallon	1.79-3.19	800	2.15	1.99-3.49	1062	2.51	2.50	289	2.50
Sour cream		16 oz	1.39-2.00	579	1.53	1.49-1.50	531	1.50	1.49-1.79	598	1.52
Yogurt	Greek	4-6 oz	0.69-1.29	1762	.93	0.88-1.00	1727	.99	0.88-1.25	953	.97
Yogurt	Greek	32 oz				2.50-4.48	199	3.86	3.50	174	3.50
Yogurt	Yogurt	4-6 oz	0.33-0.69	499	.50	0.45-0.50	474	.49	0.33-0.50	620	.43
Yogurt	Yogurt	32 oz				2.50	178	2.50	2.49	105	2.49

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				3.50-4.25	43	4.11
Cheese	Natural Varieties	8 oz block	3.49-3.50	34	3.50	2.50-3.50	7	2.93
Cheese	Natural Varieties	2 # block	5.49-8.99	9	7.32			
Cheese	Natural Varieties	8 oz shred	3.48-3.50	42	3.49	2.50-3.75	53	3.58
Cottage cheese		16 oz	2.69	6	2.69	2.79-2.99	54	2.89
Cream cheese		8 oz	1.79-2.00	23	1.81	2.50	3	2.50
Ice cream		48-64oz	4.49	11	4.49	3.25-7.99	201	4.38
Milk	All fat tests	gallon				4.88	3	4.88
Sour cream		16 oz	2.29	6	2.29	2.29-2.99	57	2.71
Yogurt	Greek	4-6 oz	0.80-1.25	6	.88	1.25-1.30	58	1.25
Yogurt	Yogurt	4-6 oz	0.60	2	.60	0.50-0.75	61	.72
Yogurt	Yogurt	32 oz				2.25	34	2.25



NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	183	4.91	187	4.92	54	4.28
Cheese	Natural Varieties	8 oz block	522	3.68	365	3.99	395	3.82
Cheese	Natural Varieties	8 oz shred	162	2.99	84	3.99	395	3.17
Ice cream		48-64oz	639	5.53				
Milk	All fat tests	half gallon	2371	3.45	1502	3.42	4038	3.54
Milk	All fat tests	gallon	425	5.78	332	5.39		
Milk	All fat tests	8 oz UHT	342	1.00	105	1.00	1914	.85
Sour cream		16 oz	190	1.99	206	2.33		
Yogurt	Greek	4-6 oz	595	1.25	313	1.05	119	1.25
Yogurt	Greek	32 oz	118	3.00				
Yogurt	Yogurt	4-6 oz	147	1.00	315	1.12	71	.89
Yogurt	Yogurt	32 oz	69	3.50	353	3.51		

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
Milk	All fat tests	half gallon	3.69-4.79	366	3.97	2.99-3.49	394	3.26	2.99-3.49	235	3.20
Milk	All fat tests	gallon	5.69	304	5.69						
Milk	All fat tests	8 oz UHT	0.99	156	.99				1.00	81	1.00
Yogurt	Yogurt	4-6 oz				1.00	84	1.00			

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 #	4.99	114	4.99				4.79	69	4.79
Cheese	Natural Varieties	8 oz block	2.99	162	2.99	3.99	360	3.99			
Cheese	Natural Varieties	8 oz shred	2.99	162	2.99						
Ice cream		48-64oz	5.49	429	5.49	5.49-5.79	210	5.62			
Milk	All fat tests	half gallon	2.99	627	2.99	2.79-5.49	347	4.04	2.99-3.79	361	3.32
Milk	All fat tests	gallon	5.99	121	5.99						

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	8 oz UHT							1.00	105	1.00
Sour cream		16 oz	1.99	121	1.99				1.99	69	1.99
Yogurt	Greek	4-6 oz	1.25	117	1.25	1.25	189	1.25	1.25	289	1.25
Yogurt	Greek	32 oz	3.00	118	3.00						
Yogurt	Yogurt	4-6 oz	0.99	63	.99						
Yogurt	Yogurt	32 oz							3.50	69	3.50

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.29	11	3.29	5.77-5.99	30	5.97

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
- ALASKA Alaska
- HAWAII Hawaii
- NATIONAL Continental United States

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