

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (9/25)**

BUTTER: Grade AA closed at \$3.1350. The weekly average for Grade AA is \$2.9695 (+.3325).

CHEESE: Barrels closed at \$1.5500 and 40# blocks at \$1.5900. The weekly average for barrels is \$1.5190 (-.0340) and blocks, \$1.6015 (-.0680).

NONFAT DRY MILK: Grade A closed at \$.9400. The weekly average for Grade A is \$.9550 (+.0600).

BUTTER HIGHLIGHTS: Churning rates in the East and West regions are increasing, while the Central region is showing slight declines. The availability of cream is thwarting production as other cream-based products are also in high demand right now. Some manufacturers report selling available cream to capture returns week to week. The current climbing prices on the CME Group have many manufacturers concerned about the overall impact on future demand. Inventories are sufficient for current needs, but some processors are depleting stocks or microfixing in order to fill current orders. Friday at the CME Group, Grade AA butter closed at \$3.1350, up \$.4175 from last week's close.

CHEESE HIGHLIGHTS: Cheese production has been relatively steady across the country. Active cheese making has made a home for all available milk supplies. Some northeastern cheese manufacturers say they would make more cheese if they could get more milk. Nationwide, milk intakes are mixed and have been reduced by stretches of hot temperatures in some regions. Consumer cheese demand remains strong. In the Northeast, mozzarella plants are increasing output to keep pace with improving pizza sales. Most production is fully committed to near-term customers' needs. Industry contacts suggest inventories for commodity cheese may be longer than usual for the end of Q3. The market for semi-hard cheese is still strong, while demand for other foreign-type cheese is steady. Prices, both in the U.S. and abroad, are moving lower. In CME Group trading Friday, barrels closed at \$1.5500, up \$.0075 from last Friday and 40# blocks closed at \$1.5900, down \$.1025 from last Friday.

FLUID MILK: Milk production across the United States is mixed. Northern tier states are generally seeing a seasonal decline in milk production; however, some handlers also note farm milk pickups are higher in certain areas. In the Mid-Atlantic, milk production is declining as hot-dry conditions take a toll on cow comfort. Milk

production is lower in the Southeast. Across the southern tier of states, milk production is slightly higher. Lower temperatures in the Central Valley of California are helping reduce the heat stress of the dairy herd. Fluid milk sales are steady. Manufacturers report adequate milk supplies for processing in the West. In the Midwest and Northeast, manufacturing milk supplies are light. Cream supplies are mostly adequate for processors. There is an increased demand for cream from butter and cream cheese processors. Some cream cheese plants are initiating nonstop production schedules.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are higher in a firming market. Production is steady at most locations. Producers are comfortable with current low/medium heat NDM supplies. High heat NDM prices are steady to higher. Dry buttermilk prices are lower and higher on a mixed market in the Central and East. In the West, prices are mostly higher in a firming market. Prices for dry whole milk are lower to steady with sporadic spot market activity. Across the country dry whey prices moved lower on the top end of the range and the mostly this week. Buyers are returning to the market and putting together mid-term contracts. Whey protein concentrate 34% prices held steady. Some manufacturers note a slight increase in activity from buyers as seasonal baking is ramping up for Q4. Lactose prices held steady. The low prices have prompted some manufacturers to slow their dryers and produce only what has been sold. Rennet and casein prices are steady in a weak market.

ORGANIC DAIRY MARKET OVERVIEW (DMN): AMS reports total organic milk products sales for July 2015, 202 million pounds, were down 1.6% from July last year as well as year to date this year compared with last year. Total organic whole milk products sales for July 2015, 69 million pounds, were up 12.9% compared with July last year and up 11.0% January through July 2015 compared with the same months of 2014. The fact of not only July 2015 monthly organic milk products sales being lower than July 2014, but also 2015 year to date, is a matter of real concern to processors. The U.S. weighted average advertised price of organic half milk gallons is \$4.11, up 31 cents from last week. One year ago the price was \$3.65. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.18, down 3 cents from last week.

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CME GROUP CASH TRADING

COMMODITY	MONDAY SEP 21	TUESDAY SEP 22	WEDNESDAY SEP 23	THURSDAY SEP 24	FRIDAY SEP 25	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.5250 (-.0175)	\$1.5100 (-.0150)	\$1.4600 (-.0500)	\$1.5500 (+.0900)	\$1.5500 (N.C.)	:: (+.0075)	:: \$1.5190 (-.0340)
40# BLOCKS	\$1.6425 (-.0500)	\$1.5950 (-.0475)	\$1.5900 (-.0050)	\$1.5900 (N.C.)	\$1.5900 (N.C.)	:: (-.1025)	:: \$1.6015 (-.0680)
NONFAT DRY MILK							
GRADE A	\$.9100 (N.C.)	\$.9625 (+.0525)	\$.9825 (+.0200)	\$.9800 (-.0025)	\$.9400 (-.0400)	:: (+.0300)	:: \$.9550 (+.0600)
BUTTER							
GRADE AA	\$2.7550 (+.0375)	\$2.8325 (+.0775)	\$3.0250 (+.1925)	\$3.1000 (+.0750)	\$3.1350 (+.0350)	:: (+.4175)	:: \$2.9695 (+.3325)

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

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The U.S. weighted average price of 8 ounce cheese blocks is \$3.84, up 9 cents from last week. One year ago the price was \$3.99. The U.S. weighted average price of 8 ounce shredded is \$3.81, up 31 cents from last week. One year ago the price was \$3.99.

NATIONAL RETAIL REPORT – DAIRY (DMN): In characterizing the beginning of the fall season, ice cream 48-64 ounce retail ads saw a 31% decline. However, total conventional dairy ad volumes are fairly steady. Cheese produced the largest volume of conventional ads, followed by yogurt, ice cream, milk and butter. Aggregate milk ads are over 2.5 times greater, representing the largest change in retail survey ad numbers this week. Butter ads moved 26% higher. The price for conventional 1 pound butter was \$3.24, down 16 cents from last week and 18 cents from last year. The average price of 4-6 ounce Greek yogurt is 97 cents, up 2 cents from last week and up 2 cents from a year ago. Yogurt in 4-6 ounce packages averaged 52 cents, up 1 cent from last week and up 5 cents from a year ago. Conventional yogurt ad numbers declined 26% from the previous week. The U.S. advertised price for 8 ounce cheese blocks averaged \$2.39, up 10 cents from last week, but down 12 cents from a year ago; 8 ounce shred cheese averaged \$2.45, up 7 cents from one week ago, but down 7 cents from one year ago. Conventional cheese ads increased 31% from the previous week. Organic - conventional half gallon milk has a price spread of \$2.40. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.71, and the average for organic half gallon milk, \$4.11. Organic dairy ad volumes for all items increased 38%.

AUGUST MILK PRODUCTION (NASS): Milk production in the 23 major States during August totaled 16.3 billion pounds, up 0.8 percent from August 2014. July revised production at 16.6 billion pounds, was up 1.3 percent from July 2014. The July revision represented an increase of 5.0 million pounds or less than 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,891 pounds for August, 6 pounds above August 2014. This is the highest production per cow for the month of August since the 23 State series began in 2003. The number of milk cows on farms in the 23 major States was 8.63 million head, 43,000 head more than August 2014, but unchanged from July 2015.

AUGUST COLD STORAGE (NASS): On August 31, U.S. cold storage holdings of butter totaled 209.3 million pounds, down 18% from the previous month, but up 21% from August 2014. Natural American cheese holdings total 708.9 million pounds, 2% higher than the previous month and 9% more than August 2014. Total natural cheese stocks were 1,167.6 billion pounds, unchanged from last month but 12% more than August 2014.

OCTOBER FEDERAL MILK ORDER ADVANCE PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for October 2015 is \$15.84 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$6.57 and the advanced butterfat pricing factor of \$2.7152. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price. The base Class I price decreased \$0.50 per cwt when compared to the previous month of September 2015. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.64 per cwt, -\$0.055 per gallon; reduced fat milk (2%), -\$1.36 per cwt, -\$0.117 per gallon; fat-free (skim milk), -\$2.23 per cwt, -\$0.192 per gallon. The advanced Class IV skim milk pricing factor is \$5.76. Thus, the Class II skim milk price for October 2015 is \$6.46 per cwt, and the Class II nonfat solids price is \$0.7178. The two-week product price averages for October 2015 are: butter \$2.4136, nonfat dry milk \$0.8144, cheese \$1.7191 and dry whey \$0.2416.

CME GROUP

MONDAY, SEPTEMBER 21, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: CAR BARRELS @ \$1.5250; 1 CAR 40# BLOCKS @ \$1.6425
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9025; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 5 CARS GRADE AA: 1 @ \$2.7500, 1 @ \$2.7475, 1 @ \$2.7500, 1 @ \$2.7525, 1 @ \$2.7550; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.7550;
 LAST OFFER UNCOVERED: NONE

TUESDAY, SEPTEMBER 22, 2015

CHEESE -- SALES: 5 CARS BARRELS: 2 @ \$1.5225, 2 @ \$1.5200, 1 @ \$1.5125; 3 CARS 40# BLOCKS: 1 @ \$1.6200, 1 @ \$1.6100, 1 @ \$1.6000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.5100; 1 CAR 40# BLOCKS @ \$1.5950
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9625; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$2.8000, 1 @ \$2.8100, 1 @ \$2.8150, 1 @ \$2.8200, 1 @ \$2.8275, 1 @ \$2.8300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.8325; LAST OFFER UNCOVERED: NONE

WEDNESDAY, SEPTEMBER 23, 2015

CHEESE -- SALES: 11 CARS BARRELS: 4 @ \$1.4900, 1 @ \$1.4800, 1 @ \$1.4700, 5 @ \$1.4600; 1 CAR 40# BLOCKS @ \$1.5900; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4600; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4800
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9825; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$1.0000
 BUTTER -- SALES: 1 CAR GRADE AA @ \$3.0175; LAST BID UNFILLED: 1 CAR GRADE AA @ \$3.0250; LAST OFFER UNCOVERED: NONE

THURSDAY, SEPTEMBER 24, 2015

CHEESE -- SALES: 17 CARS BARRELS: 3 @ \$1.4525, 1 @ \$1.4600, 1 @ \$1.4700, 1 @ \$1.4800, 1 @ \$1.4900, 1 @ \$1.5000, 1 @ \$1.5100, 1 @ \$1.5200, 2 @ \$1.5300, 5 @ \$1.5500; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5900; LAST OFFER UNCOVERED: 2 CARS BARRELS @ \$1.5700
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 6 @ \$0.9825, 1 @ \$0.9800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.0000
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$3.0250, 1 @ \$3.1000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$3.1000; LAST OFFER UNCOVERED: NONE

FRIDAY, SEPTEMBER 25, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5525
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A: 1 @ \$0.9300, 1 @ \$0.9350; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9400; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9500
 BUTTER -- SALES: 4 CARS GRADE AA: 1 @ \$3.1350, 2 @ \$3.1400, 1 @ \$3.1350; LAST BID UNFILLED: 1 CAR GRADE AA @ \$3.1300; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Processors report that cream availability is not as strained, which has led to a slight uptick in churning rates. However, with increasing butter orders, surplus cream in significant volumes can be a challenge to find by manufacturers. Inventories are sufficient. The current bulk butter prices for domestic sales are reported 5-7 cents over the market of the CME Group, with various time frames and averages used. The rise in butter prices at the CME Group has surpassed the expectations of some. Manufacturers are contemplating the overall impact, as import demand and the competitive gap between domestic butter price builds. The market undertone is firm. According to the DMN *National Retail Report-Dairy*, for September 18-24, the U.S. weighted average advertised price for 1 pound butter is \$3.40, down 2 cents from a year ago but up 43 cents from the previous week. The Northeast average butter price is \$3.44, up 36 cents from last week. The Southeast price averaged \$3.02, up 2 cents from a week ago. At the CME Group, Grade AA butter closed Tuesday at \$2.8325, up \$0.2375 from a week ago. The CME weekly average butter price has steadily trended higher since mid-July.

COLD STORAGE: According to NASS, U.S. butter in storage on August 31, 2015 totaled 209.3 million pounds, 21% above a year ago but 18% less than last month.

CENTRAL

Central region churning activity is steady to lower as butterfat components in milk intakes trend lower. Spot cream load availability for butter production is tight as active aerated cream, sour cream, cream cheese, and moderate ice cream/frozen dessert manufacturing draw heavily on regional cream supplies. Manufacturers in the region are looking for bulk butter to fill needs

through the balance of the year; however, buyers report there is a scarcity of bulk butter loads available. Producers are microfixing in addition to running bulk and print butter lines to keep pace with order fulfillment. Bulk butter prices are 2 cents under to 5 cents over the market, based on CME Group prices and various indices. The DMN *National Retail Report-Dairy* for September 18-24 noted the national weighted average advertised price for a 1 pound package of butter is \$3.40, up 43 cents from a week ago, but down \$0.02 from a year ago. The weighted average advertised price in the Midwest is \$3.28. The NASS *Cold Storage* report noted U.S. butter stocks on August 31 were 209.3 million pounds, 18% lower than last month, but 21% higher than a year ago. The butter market maintained very strong pricing through midweek at the CME Group, and Grade AA butter closed at \$3.0250, up 40 cents from last Wednesday.

WEST

A strong domestic demand for butter has helped make the market more resilient. Manufacturers report a wide range of production strategies at this time. Some butter makers are running full schedules to stay ahead of Q4 demand. Others are working into their inventories and have slower production rates. Many butter makers report a drawdown of their butter inventories. Although there is more production emphasis on print than bulk butter as the Q4 holidays approach, a few manufacturers are seeing bursts of bulk butter sales activity. Cream supplies are generally adequate for butter manufacturing needs. Some contacts say they are selling occasional spot loads of cream in lieu of churning. The butter price at the CME Group has continued to climb since the beginning of August, when it was at \$1.9900.

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NATIONAL DAIRY PRODUCTS SALES REPORT
 U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
September 19, 2015	2,4713 3,537,965	1,7174 12,556,200	1,6886 9,407,352	2,351 8,109,785	.8257 21,036,435

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>

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Some industry contacts are questioning whether the current price levels accurately reflect demand. They are also speculating whether the strong prices will continue through the end of the year. The DMN *National Retail Report – Dairy* for the week of September 18 – 24, found that the U.S. weighted average advertised price of 1 pound butter is \$3.40, up \$.43 from one week ago, but down \$.02 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$4.02 with a price range of \$3.48 - \$5.49, and in the Northwest, \$3.57 with a price range of \$2.99 - \$3.99. The NASS *Cold Storage* report noted U.S. butter stocks as of August 31, 2015, were 209.3 million pounds, down 18% from last month. Butter stocks in all warehouses were 172.8 million pounds last year at this time. Bulk butter pricing in the West this week is 4 cents under market to 3 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Wednesday closed at \$3.0250, up \$.4000 from a week ago. Last year at this time, the CME butter price was at \$3.0600.

CHEESE MARKETS

NORTHEAST

Northeast cheese production is as active as milk supplies are available. Stretches of hot temperatures have reduced milk into manufacturing. Some manufacturers have voiced they would make more cheese if they could get more milk, as heavy sales orders are pulling on existing milk supplies. According to NASS, the August 2015 milk production varies compared to August 2014, percentage changes in selected Eastern states are: Florida, +1.6%; New York, +2.5%; Pennsylvania, +0.3%; Vermont, -1.8%; and Virginia, -1.4%. Mozzarella plants are increasing output to keep pace with improving pizza sales. Most production is fully committed to near-term customers' needs. Cream cheese is very active and foodservice orders have increased behind typical seasonal trends. The market undertone is mixed. According to the DMN National Retail Report-Dairy, during the week of September 18-24, the weighted average advertised price for 8 ounce cheese blocks in the Northeast was \$2.31, 2 cents more than the national average, and 8 cents more than a week ago. The Southeast 8 ounce block cheese price was \$2.50, 24 cents more than a week ago. Cheese prices for Northeast wholesale cheddar and Muenster declined \$0.0250; process 5# sliced declined \$0.0925. Grade A Swiss Cuts 10-14# prices are unchanged. Tuesday's CME Group daily cash trading saw barrels close at \$1.5100, down \$0.0400 from a week ago; blocks closed at \$1.5950, declining \$0.1000 from a week ago. Cold Storage: According to NASS, U.S. stocks of total natural cheese as of August 31, 2015 totaled 1.168 billion pounds, 12% more than a year ago, but unchanged from the previous month. Swiss cheese totaled 22.2 million pounds, 18% less than a year ago but 3% more than last month.

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

Cheddar 40# Block	:	2.0650-2.3500
Process 5# Sliced	:	1.7700-2.2500
Muenster	:	2.0850-2.4350
Grade A Swiss Cuts 10 - 14#	:	3.3125-3.6350

MIDWEST

Midwest milk intakes continue to slowly decline. Steady cheese production is making a home for all available milk. Consumer cheese demand remains strong. Some cut and wrap operations report a seasonal increase in sales, but a few contacts note the strength of the draw has not been as strong as last year. The demand pull from pizza makers for mozzarella cheese is good. Industry contacts suggest inventories for commodity cheeses may be longer than usual for the end of Q3. However, manufacturers anticipate cheese stocks can be drawn down by Q4 purchases. The DMN National Retail Report - Dairy shows that September 18 - 24 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.05, 33 cents lower than the national average. Midwest prices range from \$1.33 - \$2.50. One year ago, the national price was \$2.52. For 8 ounce blocks, the Midwest average price is \$1.83, 46 cents lower than the national average price. Midwest ads are priced from \$1.33 - \$2.00. Last year, the national price was \$2.51. Midwestern wholesale prices are unchanged for Swiss cuts, down \$.0925 for process, and down \$.0250 for all other types. According to the NASS Cold Storage report, the East North Central region (Wisconsin, Illinois, Michigan, Indiana and Ohio) American cheese stocks on August 31, 2015 were 115% of last year, and 101% of last month. East North Central region other cheese stocks were 116% of

August 31, 2014 and 101% of July 31, 2015. Total U.S. natural cheese stocks on August 31, 2015 were 112% of a year ago and 100% of a month ago. In CME Group trading Wednesday, barrels closed at \$1.4600, down \$.0800 from last Wednesday and blocks closed at \$1.5900, down \$.0150.

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

Process American 5# Loaf	:	1.6525-2.0125
Brick And/Or Muenster 5#	:	2.0450-2.4700
Cheddar 40# Block	:	1.7725-2.1675
Monterey Jack 10#	:	2.0200-2.2250
Blue 5#	:	2.3125-3.3000
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8450-2.7850
Grade A Swiss Cuts 6 - 9#	:	2.8300-2.9475

WEST

Western cheese makers report strong cheese demand, especially from consumers and retail outlets. Manufacturers say retailers are stocking up in advance of the Q4 holiday season. Cheese production has remained steady with a little more devotion to making natural varieties. Prices for blocks and barrels at the CME Group have continued to soften and the spread between blocks and barrels was \$.1300 as of Wednesday. A few industry contacts feel inventories for barrels and blocks are long. The DMN National Retail Report - Dairy for the week of September 18 - 24 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.38, up \$.11 from last week but down \$.14 from a year ago. Packs averaged \$2.49 in the Southwest and \$2.54 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.29, up \$.08 from last week but down \$.22 from a year ago. Blocks in the Southwest averaged \$2.24, and in the Northwest, \$2.48. In the West, wholesale prices are down \$.0925 for process, and down \$.0250 for cheddar block, cuts, and Monterey jack. Prices are unchanged for Swiss cuts. According to the NASS Cold Storage report, U.S. stocks of cheese (total natural) at the end of August 2015 were 1.17 billion pounds, unchanged from July 2015 but up 12% from August 2014. American stocks were 9% more, other natural stocks were 19% more, but Swiss stocks were 18% less than last year. In the Mountain Region, American cheese stocks were 10% more than one year earlier and 2% higher than one month earlier. Pacific Region American cheese stocks were 6% more than one year earlier and 5% more than a month before. Also in the Pacific Region, other natural cheese stocks were 26% above a year ago but 9% below a month ago. In CME Group trading Wednesday, barrels closed at \$1.4600, down \$.0800 from last Wednesday and blocks closed at \$1.5900, down \$.0150.

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

Process 5# Loaf	:	1.6675-1.9250
Cheddar 40# Block	:	1.7775-2.2225
Cheddar 10# Cuts	:	1.9575-2.1775
Monterey Jack 10#	:	1.9675-2.1275
Grade A Swiss Cuts 6 - 9#	:	2.8900-3.3200

CHEESE MARKETS

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FOREIGN

The market for semi-hard cheeses is still strong, while demand for other foreign-type cheese is steady. Prices, both in the U.S. and abroad, are moving lower. This has not affected demand. Current EU production is slowing as milk intakes for cheese production decrease. Manufacturers are careful not to carry high stock levels. According to ZMB, cheese production from January to July in the EU is slightly higher than year ago levels.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.2400-3.7275*
Gorgonzola	: 3.6900-5.8900	: 2.7475-3.4450*
Parmesan (Italy)	: -0-	: 3.6300-5.7200*
Provolone (Italy)	: -0-	: 2.2825-2.5350*
Romano (Cows Milk)	: -0-	: 3.4300-5.5800*
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-	: 3.3500-3.6725
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

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

	<u>BUTTER : CHEESE</u>	
09/21/15	14,698	: 99,982
09/01/15	17,216	: 101,521
CHANGE	-2,518	: -1,539
% CHANGE	-15	: -2

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	120	0	120	0	92	0
SOUTHEAST STATES	0	0	0	0	0	0

In the Northeast, manufacturing milk supplies are light, but are recovering from previous weeks' lows. Some manufacturing plants, particularly yogurt, are seeing increased seasonal demand for fluid supplies. In the Mid-Atlantic, milk production is declining, as hot-dry conditions takes a toll on cow comfort. Balancing plants continue to report drops in milk receipts but are able to cover existing contract orders. Milk production in the Southeast is lower. Manufacturing supplies are being held at minimums to ensure bottling plants' needs are met. In Florida, milk production is steady to lower in some areas. Import milk shipments are unchanged from last week. Fluid sales are steady. According to the DMN *National Retail Report-Dairy*, for September 18-24, the U.S. weighted average advertised price for a gallon of milk was \$2.69, a decrease of 24 cents from a year ago, but an increase of 24 cents from last week. **Cream multiples** range **1.32-1.39**. Supplies are more available this week, as standardization sends more cream to manufacturing. Additional volumes are being made available due to declining ice cream demand. Cream cheese is stronger this week, as some plants initiate non-stop production schedules that run into the holidays. Wednesday's CME Group cash trading saw Grade AA butter close at \$3.0250, up \$0.4000 from a week ago. CME butter prices most recently reached this level in September 2014. **Condensed skim** supplies are adequate, with limited surplus volumes after commitments are filled. There are no shortages or customer delays being reported. Demand is steady and improving with reports of buyers searching for extra loads. Manufacturers are drying condensed skim heavily in some channels.

MILK PRODUCTION: According to NASS, milk production in the 23 major states during August 2015 totaled 16.3 billion pounds, up 0.8% from one year ago. Eastern states' milk production are as follows:

August 2015 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Florida	195	+ 1.6
New York	1,207	+ 2.5
Pennsylvania	893	+ 0.3
Vermont	224	- 1.8
Virginia	145	- 1.4

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 -	3.4808-3.6654
F.O.B. producing plants: Upper Midwest -	3.3754-4.3511

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	.80 - .83
Northeast - Class III - spot prices -	.93 - .96

MIDWEST

Central milk production is mixed as handlers in the north report farm milk pickups are both lower and higher. In the south, handlers and processors note slight increases in milk intake volumes. Bottled milk demand is active into grocery outlets and education systems. Manufacturing milk demand is active, especially from cheese plant operators, but availability is limited. A few milk handlers indicate intakes are currently not sufficient to meet contracted volumes. Milk buyers/end users are reaching into the East region looking for milk, but those forays have met with limited success. On limited regional sales, prices for manufacturing milk are above Class, up to \$2.00. Cream demand is active as aerated cream, cream cheese, and sour cream production ramp up seasonally. Also, some ice cream/soft serve operations are pushing production beyond usual calendar limits. This is in response to warm weather and efforts to rebuild market share. Cream multiples are higher, ranging from 1.28-1.65, depending on timing, location, and other factors. Cream market participants anticipate lower multiples in the weeks to come, based on the current strong butter market. Crop harvesting continues, with corn for grain and soybeans nearing completion in the south and mid-Central areas. In the northern area, operators are harvesting corn for silage. Due to recent rainstorms, some harvesting and fieldwork plans have been delayed until fields dry out. The NASS *Milk Production* report noted August milk production in the 23 selected states was 16.3 billion pounds, 0.8% above a year ago. The following shows Central states included in the report and the changes compared to a year ago: Illinois, +2.0%; Indiana, +1.5%; Iowa, +3.9%; Kansas, +0.4%; Michigan, +4.1%; Minnesota, +4.7%; Ohio, +1.7%; South Dakota, +13.3%; Texas, -1.4% and Wisconsin, +4.8%. Milk cows in the 23 selected states totaled 8.628 million head in August, 43,000 head more than a year ago. According to the DMN *National Retail Report-Dairy* for the week of September 18-24, the national weighted average advertised price for one gallon of milk is \$2.69, \$2.56 in the Midwest and \$2.67 in the South Central region.

WEST

Milk output in California is slightly higher. Lower temperatures in the Central Valley are helping to reduce the heat stress of the dairy herd. However, production is below previous year levels. Manufacturing milk supplies moving into Class 4a (butter/NDM) are steady to higher. Class 1 demand is stable as school pipelines are nearly full. According to California Department of Food and Agriculture, August 2015 Class 1 sales in California totaled 54.4 million gallons, 5.5% lower compared to August last year. From January through August 2015 Class 1 sales totaled 437.4 million gallons, 4.8% lower from the comparable period in 2014. A cooler climate in Arizona is helping to raise the comfort of milking cows. Thus, milk levels are steady to higher. Class I demand is steady. Condensed skim demand from NDM processors is higher. Harvesting of fair/good quality alfalfa hay and corn is active across the state. Milk production is higher in New Mexico. The milk yield of the dairy herd is improving due to lower temperatures. Manufacturing milk volumes are higher as some processing plants are doing maintenance work. Sales of Class I and II products are higher in the retail and food service sectors. Some areas of the state are starting the sixth cutting of alfalfa hay.

CONTINUED ON PAGE 4A

FLUID MILK AND CREAM

CONTINUED FROM PAGE 4

According to the DMN *National Retail Report-Dairy* for the week of September 18-24, the national weighted average advertised price for one gallon of milk is \$2.69, \$2.41 in the Southwest and \$2.20 in the Northwest. Pacific Northwest milk production is running a little lower and is following seasonally declining milk patterns. Manufacturers report sufficient milk supplies for processing. Industry contacts say forage supplies are adequate. Recent rains have helped pastures green somewhat in parts of the region, but the extreme or severe drought conditions persist across much of the Pacific Northwest. Milk production in Utah and Idaho is steady to lower, but processors are not having much trouble getting milk for their needs. Manufacturers note slightly better cheese yields as milk components start to improve. Bottlers are indicating somewhat stronger sales. The western cream demand from cream cheese and butter makers is strong. Some churns are running at near to full capacity as Q4 holidays approach. Spot sales of cream are active across the West. Cream supplies are mostly adequate. Multiples for all classes are lower, ranging from 1.13 to 1.30. The Grade AA butter price at the CME Group on Wednesday closed at \$3.0250, up 40 cents from a week ago. According to NASS, August milk production for the 23 surveyed states totals 16.3 billion pounds, 0.8% higher than a year ago. August milk production changes from a year ago for selected Western states are as follows: Arizona +2.2%, California -3.4%, Colorado +3.9%, Idaho +0.8%, New Mexico -4.3%, Oregon -2.8%, Washington -0.4% and no changes in Utah. Monthly milk production per cow for the 23 surveyed is 6 pounds above August 2014. Milk cow numbers on farms in the 23 selected states totaled 8.63 million cows, 43,000 head more than August 2014.

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: The Central low/medium heat nonfat dry milk market is firming and prices are higher. Manufacturers report their light volume offers are garnering immediate acceptance from purchasers. Some October fixed price deals are finalized. Buyer interest is improving for both near and mid-term NDM purchasing. Buyers report there are also second tier offers for consideration. Some of those offers carry lower prices compared to f.o.b. spot offers, reflecting older dates of manufacture. Low/medium heat NDM production is steady at most locations. Balancing plant operators report that milk orders from Class II and III operations are keeping NDM dryers operating below capacity. High heat NDM prices are higher on a firm market. Production runs are reportedly occurring more frequently as manufacturers focus on filling nearby contracts as well as rebuilding an inventory cushion for Q4.

EAST: The nonfat dry milk market continues to firm as spot prices and indices move higher. Low/medium heat nonfat dry milk production is steady to lower. Class I demand and increased yogurt production are reducing milk intakes for some manufacturers, thereby limiting levels of NDM output. In addition, condensed skim contracts being fulfilled by a few producers, result in limited supplies remaining for the drying process. Buyers continue to hesitate in taking a position on NDM as they assess price and production information. A few market participants are suggesting that certain market fundamentals are not in place to support current prices. The concern seems to evolve around the existence of available supplies and mixed demand. Existing accounts are being satisfied according to termed agreements. Producers are comfortable with current supply levels. Regional inventories are moderate. Eastern high heat nonfat dry milk prices are maintaining an upward trend. There is very little high heat nonfat being made available for the spot market. Most movement occurs on a contractual basis. Demand is fair as seasonal interest continues to develop.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8500 - 1.0500 MOSTLY: .8800 - .9800
HIGH HEAT: .9800 - 1.1000

NONFAT DRY MILK - WEST

Low/medium heat nonfat prices are higher in a stronger market. The interest of buyers is increasing as the Q4 holiday season approaches. Industry participants note a higher sales activity in the f.o.b spot market throughout the West. Production is improving, as higher levels of condensed skim are available. According to some processors, low/medium heat NDM inventories are at comfortable levels. High heat nonfat dry prices are steady to higher. The current production is steady. Some buyers note limited inventories available in the spot market. Spot sales are mixed. Demand from bakers is slightly improving as the fall baking season approaches. The market tone is steady to firm.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: .8125 - 1.0000 MOSTLY: .8500 - .9500
HIGH HEAT: .8300 - 1.0450

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
September 18	\$.8475	10,854,124
September 11	\$.7888	12,707,760

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.

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices, Central, are lower and higher on a mixed market. Some near term needs have been filled, taking a few end users out of the market. Pallet-sized sales are ongoing into bakery operations. Dry buttermilk producers indicate they are competing against strong Class II and III cream demand to retain volumes to clear through the churns. This is also limiting drying of the associated buttermilk solids. Dry buttermilk production is mostly unchanged. Inventories are light.

EAST: Dry buttermilk prices are mixed this week. Multiple load purchases affected price direction at the bottom of the range, while a few single load acquisitions moved prices higher at the top of the range. Dry buttermilk production is marginally higher. A few processors reported significant runs this week. Spot market offerings are intermittent. Buyer demand is stronger, as dry buttermilk is competitive as a substitute dairy ingredient. Stocks in general, are light to fair. Market indicators suggest a firm undertone.

F.O.B. CENTRAL/EAST: .8000 - .9500

DRY BUTTERMILK - WEST

Dry buttermilk prices are mostly higher in a firming market. The higher prices of NDM are boosting the buyer interest for dry buttermilk. Some processors note good spot sales throughout the week. Production is mostly steady. Inventories are mixed.

F.O.B. WEST: .7500 - .8500 MOSTLY: .8000 - .8400

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are lower to steady. Sales in the spot market are sporadic. Some producers are expecting a demand uptick during this fall baking season. The market undertone continues unsettled. Dry whole milk output is lower as manufacturing milk volumes are being used for processing other dairy products. Inventories are mixed.

F.O.B. PRODUCING PLANT: 1.1700 - 1.3500

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 region dry whey prices are unchanged to fractionally lower on the range and mostly series as f.o.b. spot and variable index prices adjust. While prices did move lower, the market tone is mixed. Buyers are returning to the market and putting together mid-term contracts. Some are entering into discussions for 2016. A few end users indicate they've had trouble locating dry whey spot loads for near term use. While some buyers don't expect a quick market turnaround, they feel the downside risks associated with taking positions on dry whey are acceptable. Dry whey production is steady to lower as a few plant operators work on maintenance projects. This has sent some addition condensed whey into the marketplace. Animal feed dry whey prices are steady on a lightly tested spot market. Most sales are through contract agreements. Feed blenders indicate the offers of high protein dairy ingredients in the marketplace are increasing their needs for dry whey for blending purposes. However, edible dry whey is offering a reasonably priced alternative to feed whey that may impact sensory characteristics of finished feed.

F.O.B. CENTRAL: .1500 - .2950 MOSTLY: .1700 - .2250
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1700 - .2000

DRY WHEY - NORTHEAST

Dry whey prices are lower at the top of the range. Production is steady. The bulk of whey transactions are through contracts. Buying interest is light. Inventories are mixed. The market undertone is weak.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2000 - .2825

DRY WHEY - WEST

The top end of both the range and mostly for West whey prices moved lower in a weak market. Production remains active. Industry contacts suggest buyers are becoming a little more engaged as the baking industry ramps up for Q4. Inventories are above what is needed to meet market demands.

NONHYGROSCOPIC: .1850 - .2700 MOSTLY: .1900 - .2300

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices held steady. Regular customers are providing steady demand, but some manufacturers also note an increase in activity from buyers as seasonal baking is ramping up for Q4. Buyers seem comfortable with current pricing, causing some in the industry to question whether the bottom for prices has finally been reached. Contacts suggest inventories are sufficient to meet market requests and production remains steady.

F.O.B. EXTRA GRADE 34% PROTEIN: .4600 - .7150 MOSTLY: .5300 - .5900

LACTOSE - CENTRAL AND WEST

Lactose prices held steady. Product with specific characteristics desired by end users continues to move at prices on the upper end of the range. General purpose lactose is more readily available and is trading at prices at the lower end of the range. Neither has exerted its dominance over pricing or market activity. Some industry participants describe the lactose market as stagnant and feel the current conditions (low prices and weak market tone) could persist. The low prices have prompted some manufacturers to slow their dryers and produce only what has been sold. Although some manufacturers are seeing a steady demand from regular customers, spot inquiries are lighter. Processors report having some committed stocks, but generally there is ample lactose to meet all market needs.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1500 - .2700 MOSTLY: .1700 - .2100

CASEIN - NATIONAL

Rennet and acid casein prices are steady. Sellers would like to see the bottom of the market increase as Q1 contract negotiations continue. Some buyers may not enter into contracts and buy current and near future needs in the spot market as they wait to see what prices will do. The market tone is weaker as spot sales are sporadic. Most end users are committed through the end of the year. Supplies are adequate for current needs in the U.S.

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: 2.7500 - 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
09/05/2015	57.4	2,001.7	51.3	1,926.3

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

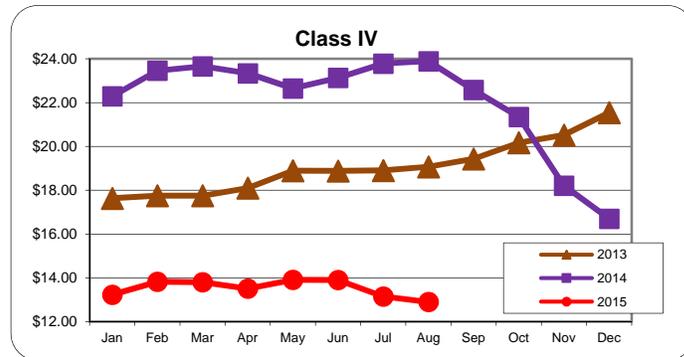
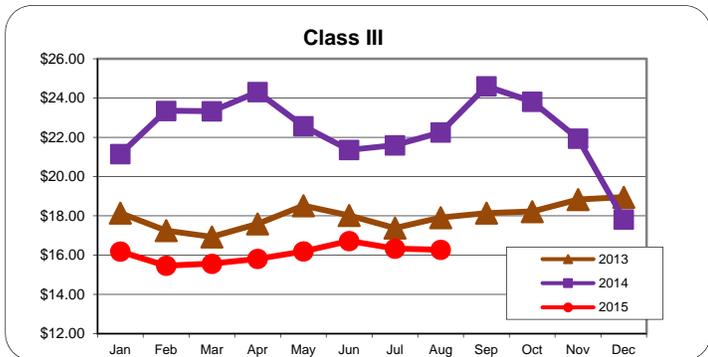
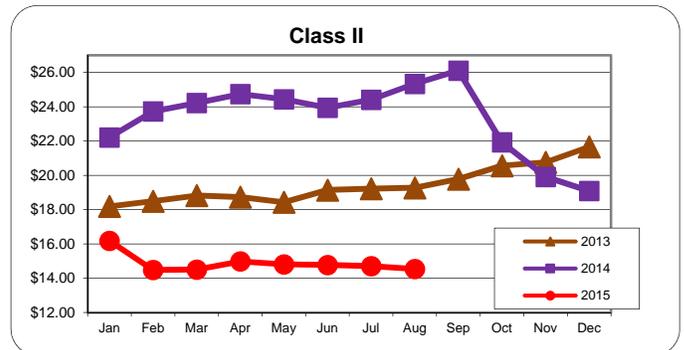
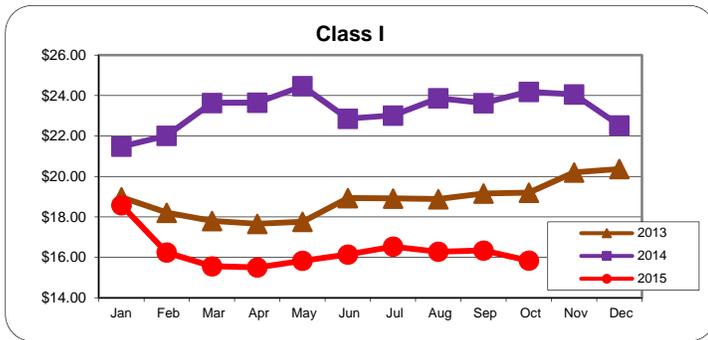
CLASS IV MILK PRICES (3.5%)

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	16.34	15.84		
II	16.18	14.48	14.50	14.98	14.81	14.77	14.70	14.54				
III	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27				
IV	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90				

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



ORGANIC DAIRY MARKET NEWS

Information gathered September 14 - 18, 2015

ORGANIC DAIRY FLUID OVERVIEW

Milk Product Sales. AMS reports total organic milk products sales for July 2015, 202 million pounds, were down 1.6% from July last year as well as year to date this year compared with last year.

Total organic whole milk products sales for July 2015, 69 million pounds, were up 12.9% compared with July last year and up 11.0% January through July 2015 compared with the same months of 2014.

The fact of not only July 2015 monthly organic milk products sales being lower than July 2014, but also 2015 year to date, is a matter of real concern to processors.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, JULY 2015, WITH COMPARISONS 1/

Product Name	Sales		Change from: 2/	
	JULY	Y-T-D	Prev Yr.	Y-T-D
	Mil. Lbs.		Percent	

ORGANIC PRODUCTION PRACTICE

Whole Milk	69	466	12.9	11.0
Reduced Fat Milk (2%)	60	417	-6.7	-3.7
Low Fat Milk (1%)	37	263	-6.1	-5.9
Fat-Free Milk (Skim)	28	208	-15.5	-13.9
Flavored Fat-Reduced Milk	8	66	10.7	-1.8
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk 3/	133	954	-7.8	-6.6
Tot. Organic Milk Products	202	1,421	-1.6	-1.6

*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of "An Overview of Calendar Composition of Fluid Milk Sales." 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Organic fat-reduced milk categories are total of reduced fat, low-fat, skim, and flavored fat reduced milk composition.

Current Organic Dairy Market Overview. Discussions and presentations at a major organic and natural foods exposition in the East last week provided information about how some organic dairy processors are dealing with tighter organic milk supplies at a time when demand is increasing while production is slightly declining. There has been speculation about whether traditional sellers of significant volumes of organic milk obtained from contracting with large numbers of organic dairy producers have had to reduce deliveries for use in manufacturing by other brands. Various organic cheesemakers, yogurt and ice cream manufacturers affirm that many steady customers with longstanding supply relationships have continued to receive organic milk deliveries in desired volumes.

However, particularly in California, there is some nervousness among organic processors as to whether an additional year of dry conditions would lead some producers to abandon organic dairying, and lead to reductions in organic milk supply deliveries even to favored customers.

The prevailing view shaping increased activities to boost the rate of conventional dairies transitioning to organic certification is that greater efforts this year and in the near future are necessary to ensure organic milk supplies will be available in the years ahead to meet increased demand. Failing to have sufficient organic milk supplies to meet increasing consumer demand could lead to a consumer backlash away from organic milk, a development that would be challenging to reverse.

Many newer, regionally focused organic dairy processors in the East have grown by initially focusing on only organic milk sales. As a number of them have grown sales by securing fluid milk cooler space in chain stores, the need to ensure having adequate supplies to meet those retail store orders has led to new milk sourcing and processing strategies. When the retailers order fluid milk, the regional processors have learned they must have it or risk losing retailers as customers. High organic feed prices everywhere and recent weather conditions in the East have served as a reality checkpoint for some processors as to how thin their organic milk volume surpluses were compared to committed retail sales.

To ensure a more comfortable margin in organic milk supplies in the event of unexpected reductions in milk production, some eastern regional processors have contracted with organic producers in other regions, particularly the Midwest, to have more regionally balanced milk supplies.

Because the added milk volumes were secured as a backup function, much of the time the Midwestern milk is not needed to maintain supplies clearing to retailers in the East. This has led to developing industry capacity to manufacture organic cheese and yogurt so there is a use for the milk volumes, but a use that can easily be slowed should the milk be needed to ship east. Thus the internal balancing is leading to developing a growingly diverse organic dairy manufacturing infrastructure.

Due to additional challenges in drying and selling organic dry whey, in some cases organic whey generated from organic cheese manufacturing is not being used or marketed. Smaller and somewhat irregular volumes present challenges to maintaining commercially viable and efficient organic whey marketing. Some processors are investigating options for the organic whey, being well aware of the potential value being lost.

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. Organic milk held the largest volume of ads, 43%. The other category percentages are yogurt 35%, cheese 15%, butter 4% and sour cream 2%.

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from September 25-October 1, 2015 identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Complete results of this weekly survey providing additional graphs, tables and regional delineation, follow at the end of Dairy Market News, or can be accessed at:

<http://www.ams.usda.gov/market-news/retail-dairy-market-news>

Organic Half Milk Gallons. The U.S. weighted average advertised price of organic half milk gallons is \$4.11, up 31 cents from last week. One year ago the price was \$3.65.

Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.18, down 3 cents from last week. There were no ads one year ago. The U.S. weighted average price of 32 ounce organic yogurt is \$3.50, up 87 cents from last week. One year ago the price was \$2.99.

ORGANIC DAIRY MARKET NEWS

Information gathered September 14 - 18, 2015

CONTINUED FROM PAGE -8-

Organic Cheese. The U.S. weighted average price of 8 ounce cheese blocks is \$3.84, up 9 cents from last week. One year ago the price was \$3.99. The U.S. weighted average price of 8 ounce shredded is \$3.81, up 31 cents from last week. One year ago the price was \$3.99.

Organic Butter 1 Pound. Organic butter has a weighted average advertised price of \$2.79, down 67 cents from last week. One year ago the price was \$3.99.

ORGANIC GRAIN AND FEEDSTUFF MARKETS

Organic Grain and Feedstuff Markets. Organic grain prices are steady with good demand. Organic feed grain imports still have a significant impact on domestic prices because U.S. organic grain growers produce only about one half of the organic feed grain consumed in the U.S. The balance is met by imported organic grain. A number of domestic organic grain traders and brokers are working to encourage new transitioning of conventional grain acreage to certified organic, by offering contracts to producers for prices higher than conventional grain prices during the transition period, based on various quality measures and whether the grain is certified non GMO. The hope is that this ability to realize higher prices during the transition period will encourage more production and reduce the current substantial reliance on imported organic grain to meet domestic demand.

Current organic feed corn demand is good. Interest in old crop inventories is increasingly sluggish as the new crop harvest progresses. Organic wheat trading is spotty and prices are trending weaker. Feed grade soybeans are trading intermittently, improving from the prior trading period.

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

Organic Spot Market Negotiated Prices

Organic Commodity	Price Range	Average***
Corn*:	Feed Yellow 9.00 - 12.30	11.88
Corn**:	Feed Yellow 9.75 - 13.44	11.94
Soybeans*:	Feed Grade 23.00 - 25.95	24.83
Oats*:	Feed Grade 4.75 - 5.75	5.47

*Prices quoted \$/bushel FOB the farm, except soybean meal (\$/ton and FOB the mill).

**Prices quoted \$/bushel delivered the elevator/warehouse, except soybean meal (\$/ton and FOB the mill).

***Weighted average price.

August Milk Production

Milk production in the 23 major States during August totaled 16.3 billion pounds, up 0.8 percent from August 2014. July revised production at 16.6 billion pounds, was up 1.3 percent from July 2014. The July revision represented an increase of 5.0 million pounds or less than 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,891 pounds for August, 6 pounds above August 2014. This is the highest production per cow for the month of August since the 23 State series began in 2003.

The number of milk cows on farms in the 23 major States was 8.63 million head, 43,000 head more than August 2014, but unchanged from July 2015.

August 2015 Milk Cows and Milk Production, by States							
State	Milk Cows ¹		Milk per Cow ²		Milk Production ²		
	2014	2015	2014	2015	2014	2015	Change from 2014
	<i>(thousands)</i>		<i>(pounds)</i>		<i>(million pounds)</i>		<i>(percent)</i>
AZ	193	195	1,915	1,940	370	378	2.2
CA	1,779	1,778	1,940	1,875	3,451	3,334	-3.4
CO	145	145	2,135	2,220	310	322	3.9
FL	123	125	1,565	1,560	192	195	1.6
ID	579	585	2,095	2,090	1,213	1,223	0.8
IL	94	94	1,565	1,600	147	150	2.0
IN	179	181	1,830	1,840	328	333	1.5
IA	208	211	1,855	1,900	386	401	3.9
KS	143	144	1,810	1,805	259	260	0.4
MI	394	409	2,115	2,120	833	867	4.1
MN	460	460	1,660	1,740	764	800	4.7
NM	323	323	2,100	2,010	678	649	-4.3
NY	615	619	1,915	1,950	1,178	1,207	2.5
OH	266	266	1,720	1,750	458	466	1.7
OR	123	121	1,725	1,700	212	206	-2.8
PA	530	530	1,680	1,685	890	893	0.3
SD	97	107	1,855	1,905	180	204	13.3
TX	470	462	1,785	1,790	839	827	-1.4
UT	96	96	1,990	1,990	191	191	---
VT	132	132	1,725	1,700	228	224	-1.8
VA	93	91	1,580	1,595	147	145	-1.4
WA	272	274	2,060	2,035	560	558	-0.4
WI	1,271	1,280	1,865	1,940	2,370	2,483	4.8
23 State Total	8,585	8,628	1,885	1,891	16,184	16,316	0.8

¹ Includes dry cows. Excludes heifers not yet fresh.

² Excludes milk sucked by calves.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Milk Production, September 2015.*

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

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

All stocks in thousand pounds except where otherwise indicated

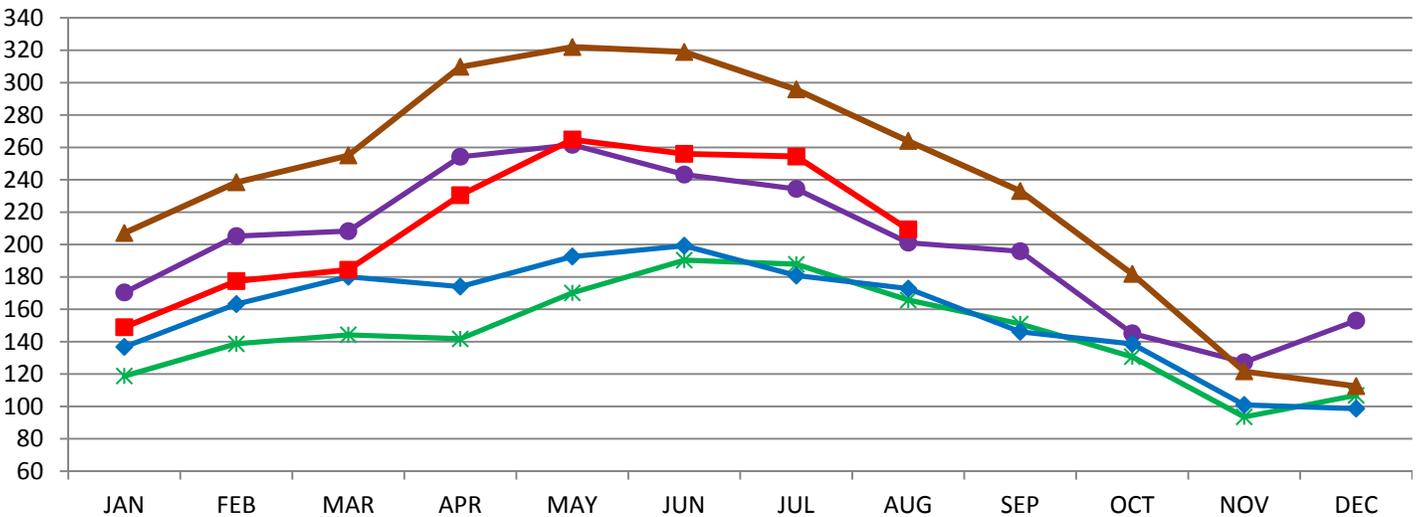
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	JULY 31, 2013	JULY 31, 2014	REVISED JULY 31, 2015	AUG 31, 2013	AUG 31, 2014	AUG 31, 2015
Butter	295,751	180,834	254,340	263,928	172,789	209,283
Cheese, Natural American	701,964	660,438	698,052	668,361	648,784	708,860
Cheese, Swiss	32,715	24,593	21,591	32,006	27,085	22,226
Cheese, Other Natural	411,452	369,861	442,461	399,984	365,539	436,532
Total Cheese	1,146,131	1,054,892	1,162,104	1,100,351	1,041,408	1,167,618

AUGUST STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
New England	47,373	62,866	63,827	---	---	---	1,051	784	912
Middle Atlantic	55,180	53,398	71,200	---	---	---	21,232	23,385	24,094
East North Central	282,442	243,599	279,299	---	---	---	278,009	246,345	285,691
West North Central	97,550	113,879	112,877	---	---	---	40,658	44,573	43,952
South Atlantic	595	605	984	---	---	---	12,295	4,741	26,726
East South Central	6,299	5,119	6,394	---	---	---	10,190	11,701	11,779
West South Central	11,886	18,485	12,090	---	---	---	387	504	1,329
Mountain	55,810	53,115	58,483	---	---	---	4,383	2,335	2,655
Pacific	111,226	97,718	103,706	---	---	---	31,779	31,171	39,394
TOTAL	668,361	648,784	708,860	263,928	172,789	209,283	399,984	365,539	436,532

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

MILLION POUNDS

BUTTER COLD STORAGE HOLDINGS



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

Legend: 2011 (green asterisk), 2012 (purple circle), 2013 (brown triangle), 2014 (blue diamond), 2015 (red square)

Federal Milk Order Advance Prices, October

Base Class I Price: Under the Federal milk order pricing system, the base Class I price for October 2015 is \$15.84 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$6.57 and the advanced butterfat pricing factor of \$2.7152. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I Price

Comparison to Previous Month: The base Class I price decreased \$0.50 per cwt when compared to the previous month of September 2015. For selected consumer products, the price changes are: whole milk (3.25% milk fat), -\$0.64 per cwt, -\$0.055 per gallon; reduced fat milk (2%), -\$1.36 per cwt, -\$0.117 per gallon; fat-free (skim milk), -\$2.23 per cwt, -\$0.192 per gallon

Class II Price Information: The advanced Class IV skim milk pricing factor is \$5.76. Thus, the Class II skim milk price for October 2015 is \$6.46 per cwt, and the Class II nonfat solids price is \$0.7178.

Product Price Averages: The two-week product price averages for October 2015 are: butter \$2.4136, nonfat dry milk \$0.8144, cheese \$1.7191 and dry whey \$0.2416.

Federal Milk Order Class I Price Information^{1, 2}

Federal Milk Order Marketing Area ³	Order Number	October 2015		
		Class I Price (3.5%) (per cwt)	Class I Skim Milk Price (per cwt)	Class I Butterfat Price (dollar per pound)
Northeast (Boston) ⁴	001	19.09	9.82	2.7477
Appalachian (Charlotte) ⁵	005	19.24	9.97	2.7492
Florida (Tampa) ⁶	006	21.24	11.97	2.7692
Southeast (Atlanta) ⁷	007	19.64	10.37	2.7532
Upper Midwest (Chicago) ⁸	030	17.64	8.37	2.7332
Central (Kansas City) ⁹	032	17.84	8.57	2.7352
Mideast (Cleveland) ¹⁰	033	17.84	8.57	2.7352
Pacific Northwest (Seattle) ¹¹	124	17.74	8.47	2.7342
Southwest (Dallas) ¹²	126	18.84	9.57	2.7452
Arizona (Phoenix)	131	18.19	8.92	2.7387
All-Market Average		18.73	9.46	2.7441

¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.

² Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

³ Names in parentheses are the major city in the principal pricing point of the markets.

⁴ Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25.

⁵ Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

⁶ Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

⁷ Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

⁸ Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

⁹ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

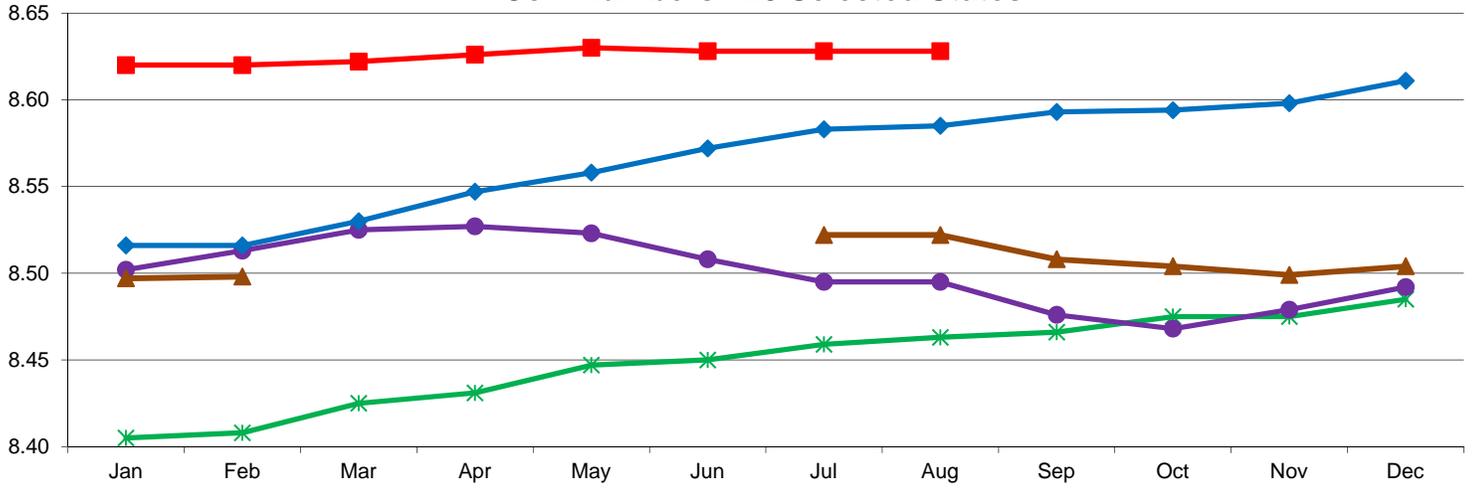
¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

¹¹ Class I prices at other cities are: Portland, same; and Spokane, same.

¹² Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

MILLION HEAD

Milk Cow Numbers - 23 Selected States

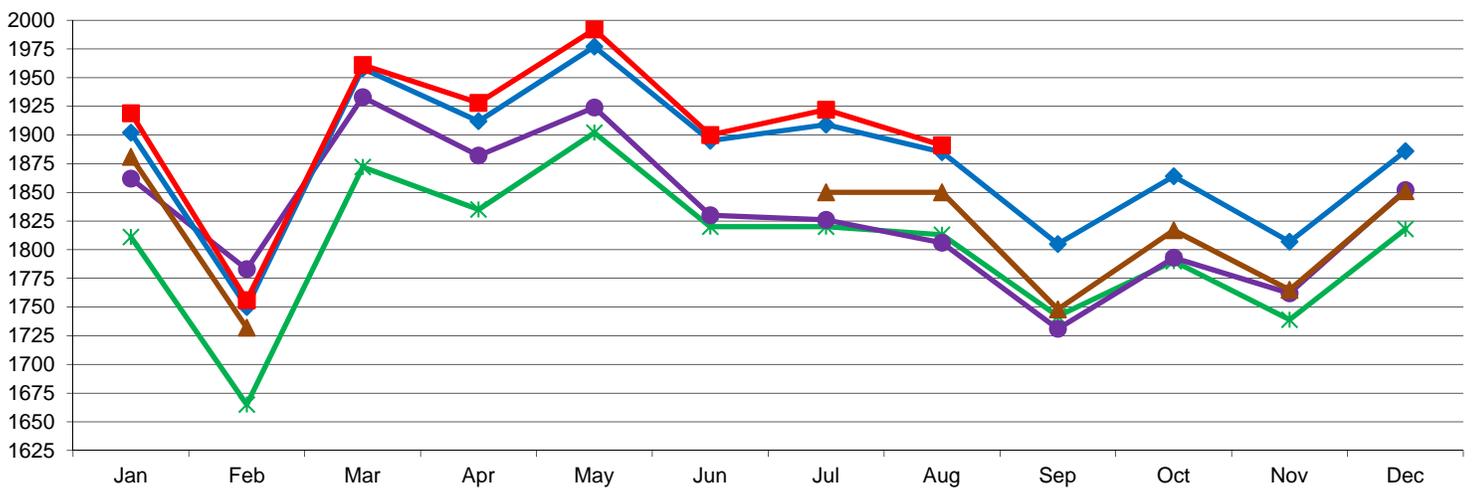


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

POUNDS

Monthly Milk Per Cow - 23 Selected States

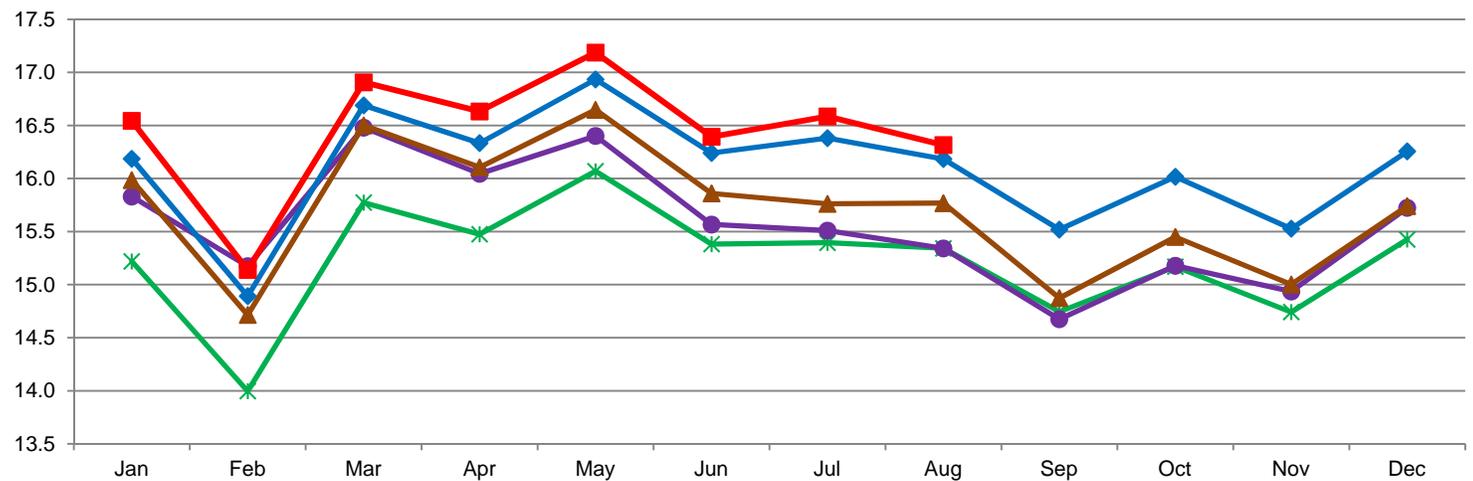


DATA SOURCE USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

BILLION POUNDS

Milk Production - 23 Selected States

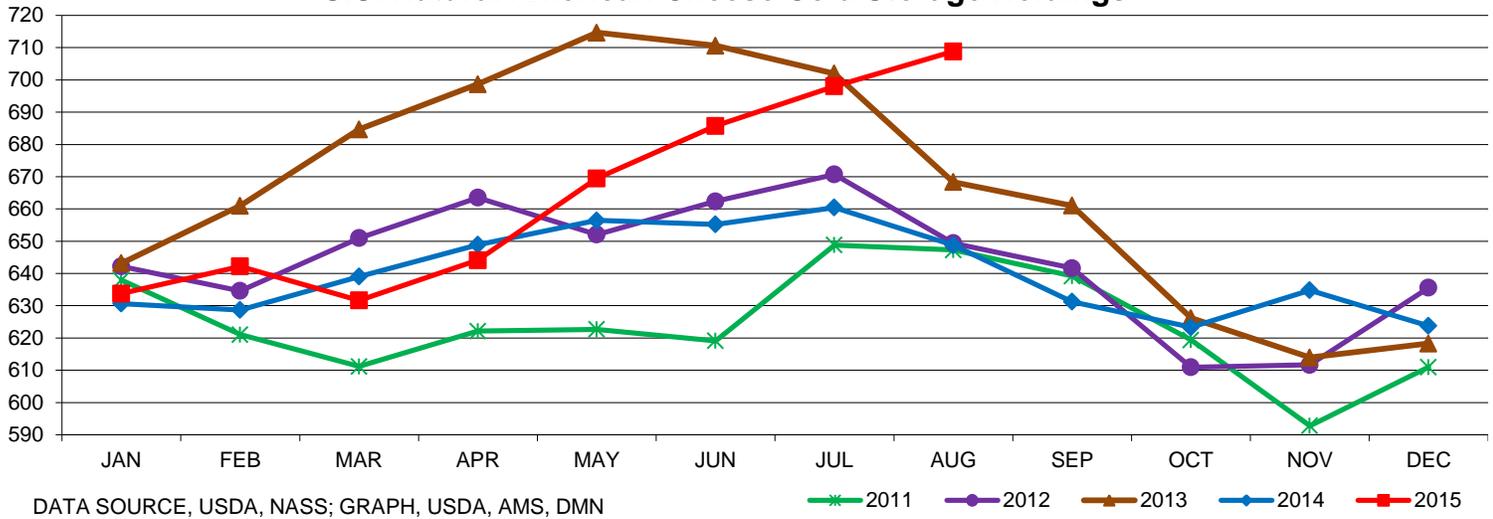


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2011 2012 2013 2014 2015

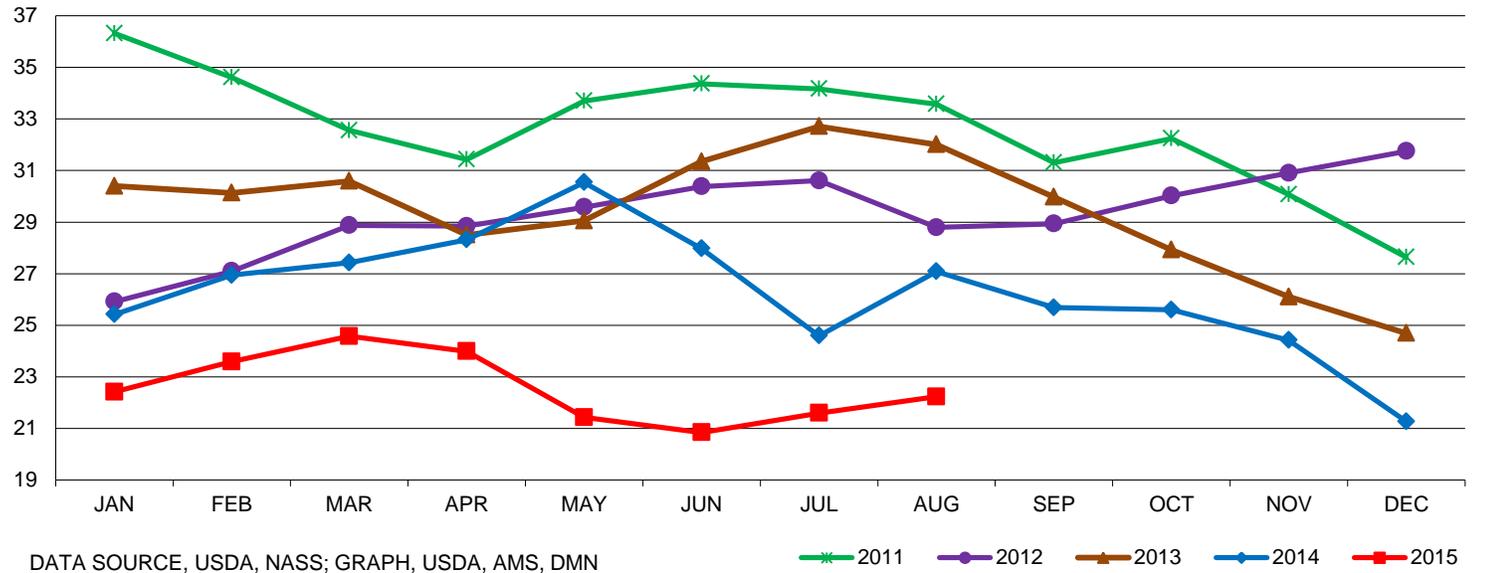
MILLION POUNDS

U.S. Natural American Cheese Cold Storage Holdings



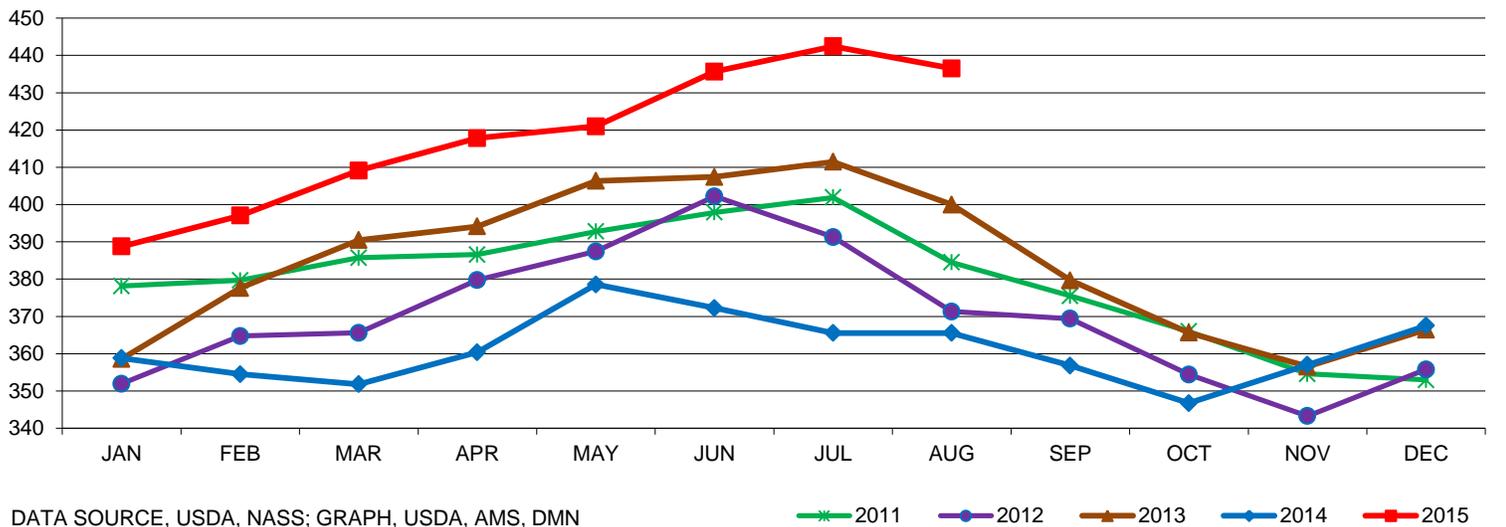
MILLION POUNDS

U.S. Swiss Cheese Storage Holdings



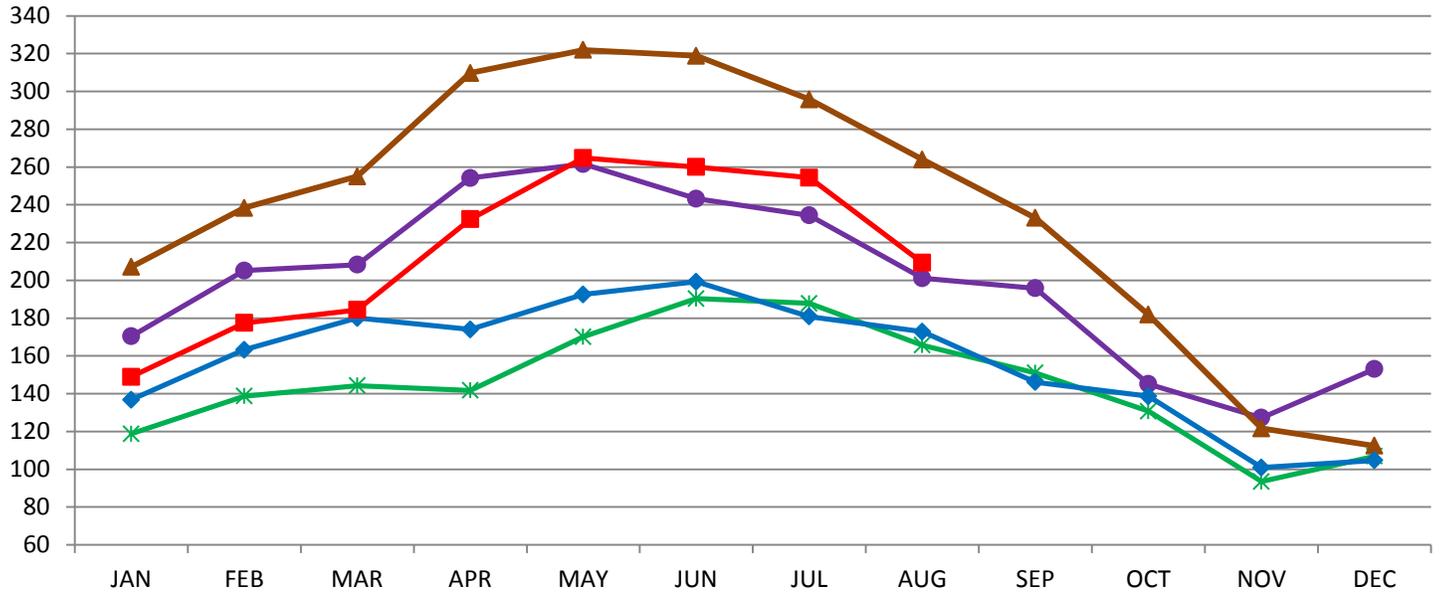
MILLION POUNDS

U.S. Other Natural Cheese Cold Storage Holdings



U.S. Butter Cold Storage Holdings

MILLION POUNDS

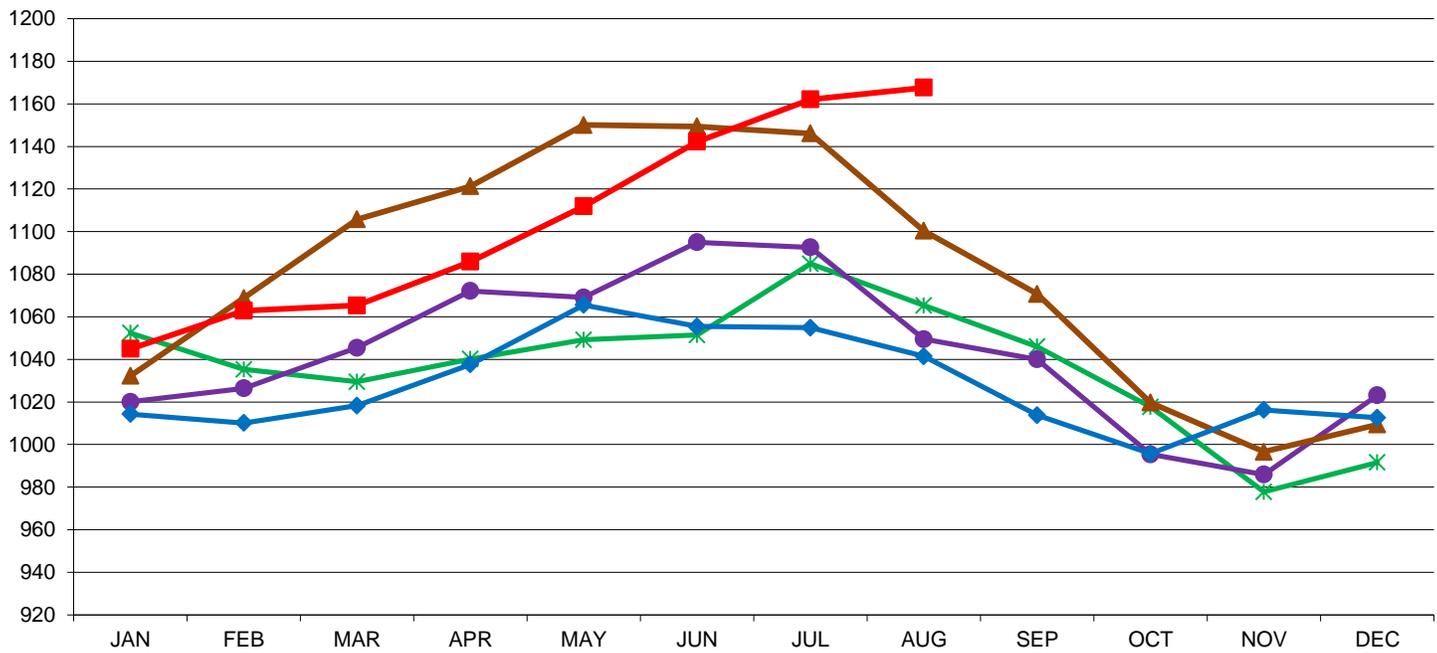


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

—*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015

U.S. Total Natural Cheese Cold Storage Holdings

MILLION POUNDS



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

—*— 2011 —●— 2012 —▲— 2013 —◆— 2014 —■— 2015



Dairy Market News Branch

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National Retail Report - Dairy

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

Friday, September 25, 2015

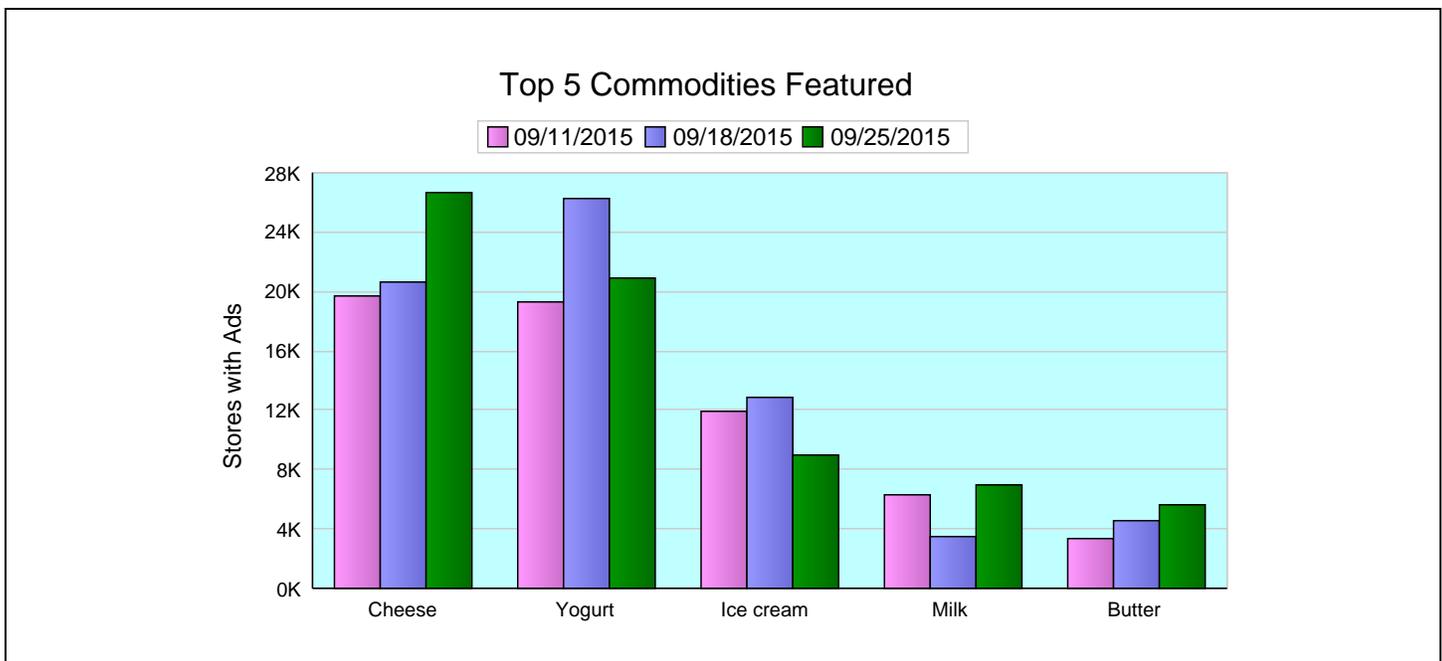
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/25/2015 to 10/01/2015

In characterizing the beginning of the fall season, ice cream 48-64 ounce retail ads saw a 31% decline. However, total conventional dairy ad volumes are fairly steady. Cheese produced the largest volume of conventional ads, followed by yogurt, ice cream, milk and butter. Aggregate milk ads are over 2.5 times greater, representing the largest change in retail survey ad numbers this week. Butter ads moved 26% higher. The price for conventional 1 pound butter was \$3.24, down 16 cents from last week and 18 cents from last year.

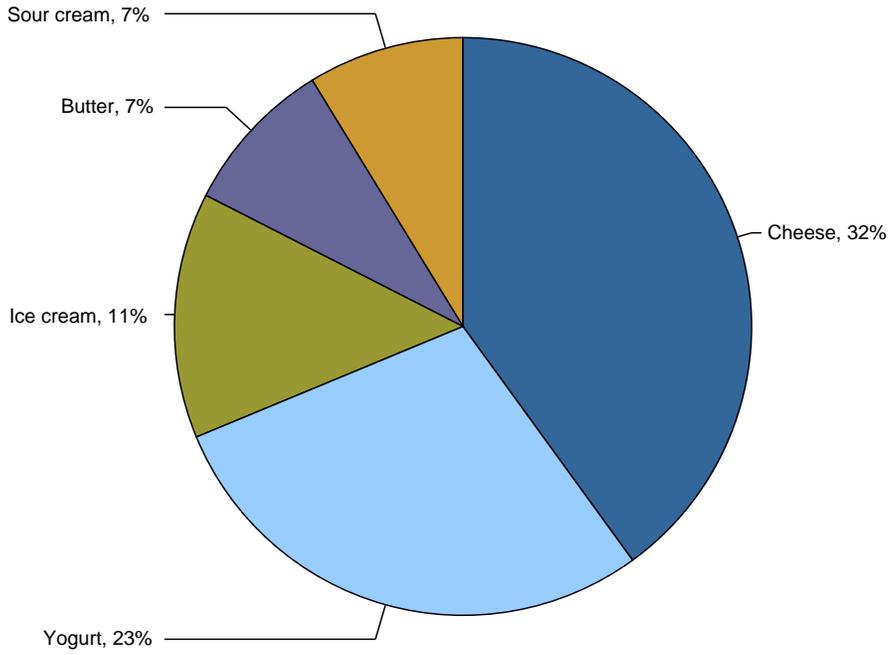
The average price of 4-6 ounce Greek yogurt is 97 cents, up 2 cents from last week and up 2 cents from a year ago. Yogurt in 4-6 ounce packages averaged 52 cents, up 1 cent from last week and up 5 cents from a year ago. Conventional yogurt ad numbers declined 26% from the previous week.

The U.S. advertised price for 8 ounce cheese blocks averaged \$2.39, up 10 cents from last week, but down 12 cents from a year ago; 8 ounce shred cheese averaged \$2.45, up 7 cents from one week ago, but down 7 cents from one year ago. Conventional cheese ads increased 31% from the previous week.

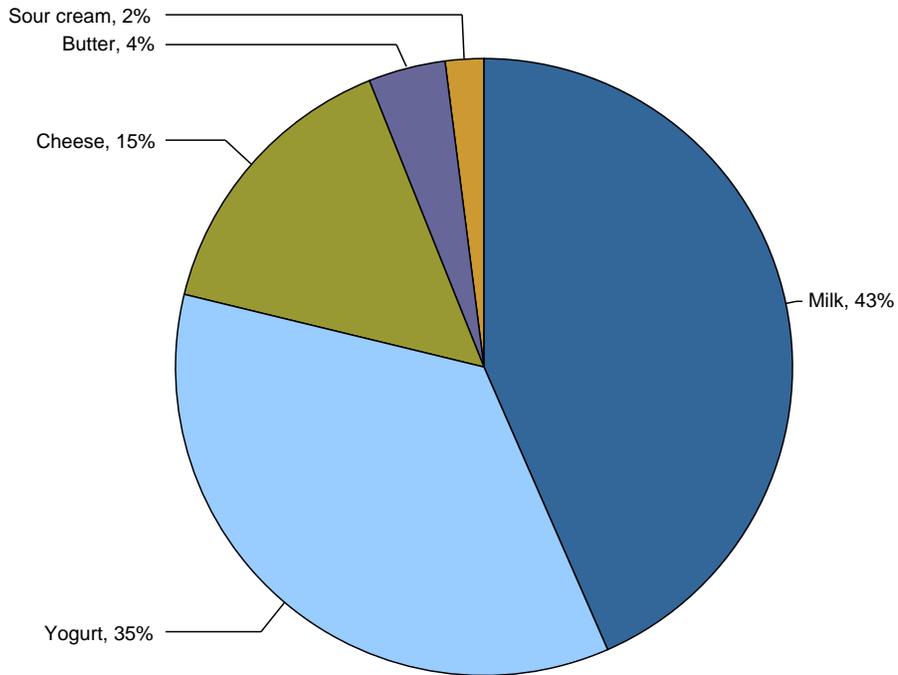
Organic - conventional half gallon milk has a price spread of \$2.40. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.71, and the average for organic half gallon milk, \$4.11. Organic dairy ad volumes for all items increased 38%.



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 #	5303	3.24	4200	3.40	5135	3.42
Cheese	Natural Varieties	8 oz block	9013	2.39	6910	2.29	4671	2.51
Cheese	Natural Varieties	1 # block	1917	3.81	2303	3.49	845	4.41
Cheese	Natural Varieties	2 # block	1072	6.58	1396	6.85	1313	7.68
Cheese	Natural Varieties	8 oz shred	10915	2.45	7326	2.38	6010	2.52
Cheese	Natural Varieties	1 # shred	2788	4.01	1707	3.45	1552	3.40
Cottage cheese		16 oz	2999	2.12	3785	1.75	3495	1.79
Cream cheese		8 oz	4511	1.79	3794	2.03	6745	2.00
Egg nog		half gallon	387	2.99				
Flavored milk	All fat tests	half gallon	236	2.66	724	2.30	1294	3.40
Flavored milk	All fat tests	gallon	393	2.34	321	2.77		
Ice cream		48-64oz	8909	2.84	12904	3.08	14303	2.97
Milk	All fat tests	half gallon	366	1.71	555	1.79	126	2.70
Milk	All fat tests	gallon	4053	2.54	1139	2.69	2078	2.93
Sour cream		16 oz	5277	1.75	5540	1.56	8509	1.79
Yogurt	Greek	4-6 oz	11399	.97	14562	.95	12647	.95
Yogurt	Greek	32 oz	1062	4.86	2684	4.81	360	4.99
Yogurt	Yogurt	4-6 oz	4572	.52	7013	.51	6505	.47
Yogurt	Yogurt	32 oz	1682	2.08	1094	2.67	341	2.79

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 #	2.50-4.29	2114	3.32	3.00-3.29	1565	3.28	2.50-3.77	469	2.99
Cheese	Natural Varieties	8 oz block	1.99-3.00	3431	2.49	1.99-2.50	2044	2.19	1.66-2.50	1179	2.31
Cheese	Natural Varieties	1 # block	3.99	272	3.99	3.50	214	3.50	2.99-4.39	790	3.55
Cheese	Natural Varieties	2 # block	6.49	258	6.49				4.99	53	4.99
Cheese	Natural Varieties	8 oz shred	1.99-3.49	2401	2.49	1.99-3.00	4053	2.46	1.98-2.50	1352	2.35
Cheese	Natural Varieties	1 # shred	3.29-3.99	513	3.64	3.29-4.99	962	4.59	2.99-4.39	646	3.28
Cottage cheese		16 oz	1.66-2.99	1693	2.40				1.25-2.98	543	1.73
Cream cheese		8 oz	1.00-2.50	1756	1.83	0.99-2.50	1951	1.87	0.99-1.50	376	1.36
Egg nog		half gallon				2.99	184	2.99	2.99	137	2.99
Flavored milk	All fat tests	half gallon							1.99	69	1.99
Ice cream		48-64oz	1.99-3.99	3053	2.89	1.88-3.00	2228	2.44	2.49-3.50	1048	3.12
Milk	All fat tests	half gallon							1.25	137	1.25
Milk	All fat tests	gallon	2.49-3.49	452	2.86	1.99-2.99	2002	2.58	1.99-2.50	266	2.09
Sour cream		16 oz	1.29-2.00	1422	1.63	2.00	1566	2.00	1.25-2.98	641	1.60
Yogurt	Greek	4-6 oz	0.79-1.00	3194	.96	1.00	1337	1.00	0.89-1.00	2662	.97

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Greek	32 oz	4.99-5.49	608	5.24						
Yogurt	Yogurt	4-6 oz	0.45-1.25	1607	.54	0.50-0.60	1258	.58	0.39-0.54	602	.46
Yogurt	Yogurt	32 oz	2.50-2.69	427	2.53				1.99	707	1.99

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.88-3.50	279	3.32	3.69	178	3.69	2.29-3.99	698	2.95
Cheese	Natural Varieties	8 oz block	1.67-3.99	1068	2.33	1.99-2.99	866	2.48	2.00-3.00	418	2.76
Cheese	Natural Varieties	1 # block	2.99-5.99	446	4.31				2.99-3.99	171	3.60
Cheese	Natural Varieties	2 # block	4.99	121	4.99	5.99-7.99	435	7.58	4.50-6.99	199	5.88
Cheese	Natural Varieties	8 oz shred	1.67-3.99	1452	2.41	1.79-2.99	1160	2.44	1.99-3.00	487	2.65
Cheese	Natural Varieties	1 # shred	2.99-5.99	427	4.39				2.99-3.99	240	3.72
Cottage cheese		16 oz	1.25-1.50	331	1.34	2.50	63	2.50	1.25-2.29	345	1.94
Cream cheese		8 oz	0.99-2.00	227	1.22				1.67-2.50	199	2.07
Egg nog		half gallon							2.99	66	2.99
Flavored milk	All fat tests	half gallon	1.99	62	1.99				3.49	105	3.49
Flavored milk	All fat tests	gallon	1.99-2.99	262	2.45	1.99	120	1.99			
Ice cream		48-64oz	1.88-3.99	1220	3.02	2.50-3.00	816	2.92	2.49-3.99	416	2.95
Milk	All fat tests	half gallon	1.00-3.49	160	2.28				1.25	66	1.25
Milk	All fat tests	gallon	1.99-3.29	450	2.50	1.99-2.69	767	2.46	2.49	105	2.49
Sour cream		16 oz	1.00-2.00	879	1.51	2.50	63	2.50	1.25-2.00	634	1.79
Yogurt	Greek	4-6 oz	0.79-1.00	1871	.96	0.77-1.00	1360	.96	0.88-1.00	873	.95
Yogurt	Greek	32 oz	4.99	162	4.99				3.99	289	3.99
Yogurt	Yogurt	4-6 oz	0.30-0.69	291	.40	0.30-0.50	513	.38	0.60	289	.60
Yogurt	Yogurt	32 oz	1.99	60	1.99				1.49-2.50	488	1.83

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
Cheese	Natural Varieties	8 oz block				2.50-2.77	7	2.62
Cheese	Natural Varieties	1 # block				5.49	24	5.49
Cheese	Natural Varieties	2 # block	6.99	6	6.99			
Cheese	Natural Varieties	8 oz shred	1.48	3	1.48	2.50-2.77	7	2.62
Cottage cheese		16 oz				2.79	24	2.79
Cream cheese		8 oz	2.00	2	2.00			
Flavored milk	All fat tests	gallon	3.59	11	3.59			
Ice cream		48-64oz	3.50-4.99	44	3.81	2.75-6.99	84	4.09
Milk	All fat tests	half gallon				2.88	3	2.88
Milk	All fat tests	gallon	3.59	11	3.59			
Sour cream		16 oz	2.19	21	2.19	1.99-2.29	51	2.13
Yogurt	Greek	4-6 oz	0.80-1.25	71	1.13	1.00-1.15	31	1.13



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
Yogurt	Greek	32 oz				3.50	3	3.50
Yogurt	Yogurt	4-6 oz	0.50	9	.50	0.69	3	.69

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 #	258	2.79	372	3.46	235	3.99
Cheese	Natural Varieties	8 oz block	718	3.84	817	3.75	1239	3.99
Cheese	Natural Varieties	8 oz shred	194	3.81	210	3.50	1351	3.99
Cottage cheese		16 oz			283	3.28		
Ice cream		48-64oz	5	3.99				
Milk	All fat tests	half gallon	1692	4.11	1366	3.80	1570	3.65
Milk	All fat tests	gallon			351	5.77	1664	5.26
Milk	All fat tests	8 oz UHT	910	.90	121	1.00	861	.90
Sour cream		16 oz	121	1.99				
Yogurt	Greek	4-6 oz	1416	1.18	400	1.21		
Yogurt	Greek	32 oz	214	3.39	114	5.99		
Yogurt	Yogurt	4-6 oz	135	1.00	63	.99		
Yogurt	Yogurt	32 oz	379	3.50	285	2.63	376	2.99

REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.79	258	2.79						
Milk	All fat tests	half gallon	4.29	253	4.29	3.99	84	3.99	3.49-4.29	556	3.98
Milk	All fat tests	8 oz UHT	0.83-1.00	627	.85						
Yogurt	Greek	4-6 oz	1.25	253	1.25						
Yogurt	Greek	32 oz				3.39	214	3.39			
Yogurt	Yogurt	4-6 oz	1.00	72	1.00						

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	32 oz	2.79-3.99	377	3.49						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz block	3.50-3.99	474	3.76	3.99	244	3.99			
Cheese	Natural Varieties	8 oz shred	3.69-3.99	194	3.81						
Milk	All fat tests	half gallon	3.49-4.29	319	4.09	3.99-4.29	288	4.17	3.79-4.29	165	3.97
Milk	All fat tests	8 oz UHT	1.00	283	1.00						
Sour cream		16 oz	1.99	121	1.99						
Yogurt	Greek	4-6 oz	0.75-1.25	435	1.02	1.25	664	1.25	1.25	60	1.25
Yogurt	Yogurt	4-6 oz	0.99	63	.99						

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
Ice cream		48-64oz	3.99	5	3.99			
Milk	All fat tests	half gallon				5.99	27	5.99
Yogurt	Greek	4-6 oz				1.25	4	1.25
Yogurt	Yogurt	32 oz	3.99	2	3.99			

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
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