

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (10/16)**

BUTTER: Grade AA closed at \$2.4500. The weekly average for Grade AA is \$2.3895 (+.0160).

CHEESE: Barrels closed at \$1.6400 and 40# blocks at \$1.6650. The weekly average for barrels is \$1.6480 (+.0060) and blocks, \$1.6870 (-.0405).

NONFAT DRY MILK: Grade A closed at \$.8900. The weekly average for Grade A is \$.9580 (-.0830).

BUTTER HIGHLIGHTS: Churn rates are steady to higher as demand for retail butter is strong. An increase in weekly advertisements is aiding in the increase in demand. There are little spot sales of cream as most butter makers are using contracted or in house supplies. Butter producers want to keep inventories in check as holiday orders near. According to the USDA FAS Administrator, import trigger levels have been reached and additional duties will now be applied. Friday at the CME Group, Grade AA butter closed at \$2.4500 up \$.0325 from last week's close.

CHEESE HIGHLIGHTS: Milk volumes flowing to cheese vats are expectedly lower as fall advances, but cheesemakers are satisfied with regular volumes and few seek or find surplus spot milk. Some plants are fortifying vats. Milk components are higher in the West according to cheesemakers there. In all regions, much of the cheese production is moving into sales with little manufacturer inventory building occurring. Retail orders in preparation for late year holidays are keeping cutters and wrappers busy. Cheddar and mozzarella are noted as having strong buying interest. In CME Group trading Friday, barrels closed at \$1.6400, up \$.0200 from last Friday and 40# blocks closed at \$1.6650, down \$.0350 from last Friday.

FLUID MILK: Milk production in the Pacific Northwest, Utah and Idaho is slightly lower and is following seasonal trends. In the Southwest, milk output is varied depending on heat and humidity. Areas with lower temperatures and humidity are seeing slightly higher milk yields. Bottling demand across the West is generally steady, but is higher in Arizona where some educational institutions have reopened following a fall break. Milk intakes in the Midwest are mixed with favorable fall weather allowing some areas to see increases. Some Central milk loads continue to move toward the Southeast region to help fill Class I demand. Milk sales have increased in Florida and most Southeastern milk volumes are flowing into

bottling. Intake volumes are seasonally lower in the Northeast and steady in the Southeast. Demand for cream is active across the country. There is generally less interest from ice cream manufacturers, but strong demand for cream used in butter, cream cheese and sour cream manufacturing.

DRY PRODUCTS: Prices for low/medium heat nonfat dry milk are steady to higher in the Central and East regions, but mixed in the West. Prices in the West stepped back a little for upper end product sales. Industry contacts report spot activity slowed somewhat across the country as buyers hold off on purchases, expecting a dip in prices. Prices for high heat nonfat dry milk were steady to higher nationwide. Dry buttermilk prices are unchanged to higher from coast to coast and inventories range from comfortable to tight. Dry whole milk prices are stable to higher with steady production. Dry whey prices are mostly higher. Industry contacts suggest inventories are substantial within second-tier markets. However a number of manufacturers report whey is becoming more committed and not as available for spot sales. Whey protein concentrate 34% prices were mostly stable, but lower-priced sales moved slightly higher. Prices for lactose held mostly steady this week. Market participants say low-priced lactose is not as readily available. Prices for rennet and acid casein are unchanged.

INTERNATIONAL DAIRY MARKET NEWS (DMN):
WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: Milk production is nearing the low point of the production year. Sources report slightly higher volumes than a year ago levels for September. Forecasts are predicted to go below year ago levels. Dairy product prices are steady to increasing. Manufacturers are wanting to procure tenders from Algeria. In order to make sure they have the supplies if the contract is awarded, some have slowed sales and increased production. **EASTERN OVERVIEW:** Milk output for Eastern Europe is steady to slightly higher, but yearly milk production is expected to decrease from year ago levels. Dairy commodity price firming is helping farmgate prices. Stocks for dairy products are in line with year ago levels. **OCEANIA OVERVIEW:** The latest milk production numbers in Australia show some steady growth overall, varying regionally. Sources suggest September will be similar.

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CME GROUP CASH TRADING

COMMODITY	MONDAY OCT 12	TUESDAY OCT 13	WEDNESDAY OCT 14	THURSDAY OCT 15	FRIDAY OCT 16	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.6675 (+.0475)	\$1.6525 (-.0150)	\$1.6400 (-.0125)	\$1.6400 (N.C.)	\$1.6400 (N.C.)	:: :: (+.0200)	:: :: \$1.6480 :: (+.0060)
40# BLOCKS	\$1.7075 (+.0075)	\$1.6925 (-.0150)	\$1.6900 (-.0025)	\$1.6800 (-.0100)	\$1.6650 (-.0150)	:: :: (-.0350)	:: :: \$1.6870 :: (-.0405)
NONFAT DRY MILK GRADE A	\$.9950 (N.C.)	\$.9950 (N.C.)	\$.9800 (-.0150)	\$.9300 (-.0500)	\$.8900 (-.0400)	:: :: (-.1050)	:: :: \$.9580 :: (-.0830)
BUTTER GRADE AA	\$2.4175 (N.C.)	\$2.3500 (-.0675)	\$2.3500 (N.C.)	\$2.3800 (+.0300)	\$2.4500 (+.0700)	:: :: (+.0325)	:: :: \$2.3895 :: (+.0160)

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**

The dry conditions are across most states, so the next few months are likely to see milk production decrease year to date. Farmers are hopeful that crops will still do really well if they receive rain soon. If not, moisture will become severely limiting for pasture production. Quite a few acres of cereal crops are already being mown for hay in grain growing areas, as croppers have assessed that there is insufficient moisture to take them through to the grain stage. This will likely push grain prices up later in the year, but may have some small offsetting benefits in making extra hay available. Global dairy commodity prices have increased from the recent lows. According to Dairy Australia, August 2015 milk production was 798.1 million litres, up 3.7% from August 2014. The changes from one year earlier are: New South Wales, +6.1%, Victoria, +3.6%, Queensland, -0.6%, South Australia, +3.2%, Western Australia, +5.5%, Tasmania, +1.6%. Australia's milk production season to date is up 4.5% compared to last season. Current New Zealand milk production is near the seasonal peak with forecasts that milk production will be down over last year. The lower milk production that is forecasted is aiding in the rise of commodity pricing. The cold, wet weather is affecting forage growth, which has contributed to the decrease in milk production. The decrease in feed efficiency along with the low farm levels prices have led farmers to cull more cattle. Weather has not only affected pasture growth, but also cow comfort.

NATIONAL RETAIL REPORT – DAIRY (DMN): There is ad strength for some typically popular late year dairy products. Conventional 16 ounce sour cream ad numbers are up 33% from last week, with an average national price of \$1.71, 9 cents above last week but 1 cent below a year ago. Conventional cottage cheese ads increased 28% with a weekly average of \$1.73, down 22 cents from last week and down 16 cents from last year. Ads for conventional dairy products overall increased 8%, in contrast to a nearly two and one half times increase in total organic dairy ad numbers. Conventional yogurt ad numbers decreased 2% from last week, but organic yogurt ads nearly tripled. The average price of 4-6 ounce conventional Greek yogurt is 94 cents, up 1 cent from last week but down 3 cents from a year ago. Conventional yogurt in 4-6 ounce packages averaged 50 cents, up 3 cents from last week but down 1 cent from a year ago. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.30, down 7 cents from last week and down 33 cents from a year ago; 8 ounce shred cheese averaged \$2.25, down 22 cents from one week ago, and down 44 cents from one year ago. Ads for conventional cheese increased 13% from last week, while organic cheese ads increased over five times the number last week. The price spread between organic and conventional half gallon milk is \$1.55, less than one half the price spread last week. The price spread is the difference between national weighted average prices for organic, \$4.14, and conventional, \$2.59.

OCTOBER MILK SUPPLY AND DEMAND ESTIMATES (FMMO): Milk production forecasts for 2015 and 2016 are unchanged from last month. Fat-basis imports are increased as domestic demand continues to support higher imports of cheese and butter. Exports are reduced for 2015 on weaker cheese sales, but are unchanged for 2016. Skim-solids imports are reduced for 2015 and 2016, while exports are reduced for 2015 and unchanged for 2016. Large world supplies of dairy products, a strong dollar, and generally weak global demand are expected to continue to pressure exports during 2015 and 2016. Although butter prices have declined sharply from recent high levels, domestic demand for butter is expected to support relatively high butter prices during 2016. The butter price for 2015 is unchanged at the midpoint, and is raised for 2016. Cheese prices are raised for 2015 and

2016 on support from domestic demand. Nonfat dry milk (NDM) prices are forecast higher in 2015 and 2016 reflecting a rebound in both domestic and international prices. Whey prices are lowered for both 2015 and 2016 as supplies are large. Class III prices are raised for 2015, but lowered for 2016 as the decline in whey prices more than offsets higher cheese prices. Class IV prices are raised for both 2015 and 2016 due to higher butter and NDM prices. The all milk price is raised to \$16.90 to \$17.00 per cwt for 2015, but lowered to \$16.05 to \$16.95 per cwt for 2016.

JULY MAILBOX MILK PRICES (FMO & CDFA): In July 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.43 per cwt, down \$0.19 per cwt from the June 2015 average, and down \$6.93 per cwt from the July 2014 average. The component tests of producer milk in July 2015 were: butterfat, 3.61%; protein, 2.99%; and other solids, 5.75%. When compared to the previous month, the July Mailbox prices decreased in 14 Federal milk order reporting areas and increased in 5 Federal milk order reporting areas. Southern Missouri experienced the greatest increase of \$1.29 per cwt while Minnesota experienced the greatest decrease of \$0.55 per cwt. Mailbox prices in July 2015 ranged from \$18.96 in Florida to \$14.90 in New Mexico.

CME GROUP

MONDAY, OCTOBER 12, 2015

CHEESE -- SALES: 10 CARS BARRELS: 1 @ \$1.6600, 6 @ \$1.6700, 1 @ \$1.6675, 1 @ \$1.6700, 1 @ \$1.6675; 1 CAR 40# BLOCKS @ \$1.7100; LAST BID UNFILLED: NONE;
 LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6800; 1 CAR 40# BLOCKS @ \$1.7075
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.9900; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

TUESDAY, OCTOBER 13, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6525; 1 CAR 40# BLOCKS @ \$1.6925
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9950; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9950
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.4075, 1 @ \$2.3600; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3000; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3500

WEDNESDAY, OCTOBER 14, 2015

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6400; 2 CARS 40# BLOCKS @ \$1.6900
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.9800
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3100; LAST OFFER UNCOVERED: NONE

THURSDAY, OCTOBER 15, 2015

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.6900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS 40# BLOCKS @ \$1.6800
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.9700; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8800; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.9300
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.4200, 1 @ \$2.3800; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3600; LAST OFFER UNCOVERED: NONE

FRIDAY, OCTOBER 16, 2015

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.6700; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6650
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.8900
 BUTTER -- SALES: 4 CARS GRADE AA: 3 @ \$2.4300, 1 @ \$2.4500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Cream in the region is in decent balance. Cream cheese manufacturers are the primary buyers of spot loads of cream and demand for ice cream has declined. This leaves butter churning steady, using primarily contracted cream volumes. Print butter orders from retail are strong but inventories and production are keeping pace. Manufacturers expect retail orders to soon peak for the year, then demand and price pressure will lessen. This leaves many butter manufacturers content to churn with contracted cream with no real motivation to seek out spot cream in the Northeast. According to the DMN National Retail Report-Dairy, for October 9-15, the U.S. weighted average advertised price for 1 pound butter is \$3.09, down 59 cents from a year ago, and down 23 cents from the previous week. The Northeast average butter price is \$3.76, up 25 cents from last week. The Southeast price averaged \$2.71 up 38 cents from a week ago. Current bulk butter prices for domestic sales are reported 4-6 cents over the market of the CME Group, with various time frames and averages used. The market undertone is unsettled. Tuesday's CME Group close for AA butter price was \$2.3500, identical with a week ago after moving up \$.0675 then declining.

CENTRAL

Interest in bulk and print butter is rebounding, according to producers, as prices have retreated from the \$3.00 mark. With the arrival of the baking season, end users are drawing upon existing contracts as well as negotiating additional purchases to cover usage through the end of the year. Retailers are boosting their orders into manufacturers as weekly ads feature single package and bundled butter offerings. Butter production is mixed. Some producers are actively using in-house cream volumes and also purchasing spot cream loads as they become available. Projections at those

operations indicate they will need to continue purchasing cream through the near term. Other producers are carefully balancing weekly bulk butter production to keep inventories in balance with near term contract fulfillment. Bulk butter prices range from 2 cents under to 7 cents over the market, based on CME Group prices and various indices. The DMN *National Retail Report-Dairy* for October 9-15, noted the national weighted average advertised price for a 1 pound package of butter is \$3.09, down \$0.23 from a week ago, and down \$0.59 from a year ago. The weighted average advertised price in the Midwest is \$3.14. The CME Group Grade AA butter market closed at \$2.3500. This is down 2 cents from last Wednesday.

WEST

West butter production is steady. Cream supplies are adequate for most processing needs. A few manufacturers report increasing print butter production slightly to stay ahead of the strong domestic retail demand for butter. Industry contacts note some tightness of bulk butter as processors focus on meeting their retail print butter needs. Bulk butter sales activity is generally quiet. Some bulk butter end users are holding off on their purchases until retail demand eases and prices come down. In the October 5 Federal Register, the USDA FAS Administrator determined the amount of butter and fresh or sour cream imported exceeded the trigger level. As a result, an additional duty will now be applied to imports of milk and cream; buttermilk and sour cream; and butter, dairy spreads, fats and oils. The DMN National Retail Report - Dairy for the week of October 9 - 15, found that the U.S. weighted average advertised price of 1 pound butter is \$3.09, down \$.23 from one week ago and down \$.59 from one year ago. In the Southwest, the weighted

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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
October 10, 2015	2,6612 3,869,081	1,6752 9,280,493	1,6019 10,131,989	2,244 8,175,689	.8917 21,472,345

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

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average advertised price for 1 pound butter was \$4.01, and in the Northwest, \$2.61. 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 \$2.3500, down \$.0200 from a week ago.

CHEESE MARKETS

NORTHEAST

Fall is in the air in the Northeast, with embracing cooler temperatures. This leaves milk moving to cheese vats in seasonally lower volumes similar to last week, with cheese utilizing primarily regular milk. The result is cheese production steady at expected volumes for this time of year. Current production is moving mostly toward sales rather than manufacturer inventories. Cheddar interest is good, with mozzarella production also moving well. According to the DMN National Retail Report-Dairy, during the week of October 9-15, the weighted average advertised price for 8 ounce cheese blocks in the Northeast was \$2.25, 29 cents less than a week ago and 12 cents less than the national average. The Southeast 8 ounce block cheese price was \$2.49, 10 cents less than a week ago. This week, cheese prices for both Northeast wholesale cheddar and Muenster rose \$0.0575, and processed increased \$0.0750. The Grade A Swiss price is unchanged. Tuesday's CME Group daily cash trading saw barrels close at \$1.6525, up \$0.0325 from a week ago; blocks closed at \$1.6925, down \$0.0475 from a week ago.

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

Cheddar 40# Block	:	2.1225-2.4075
Process 5# Sliced	:	1.8575-2.3375
Muenster	:	2.1425-2.4925
Grade A Swiss Cuts 10 - 14#	:	3.2675-3.5900

MIDWEST

Little spot milk is flowing to Midwest cheese plants this week, leaving production tied to regular milk at seasonally lower volumes, but still more milk than a year ago. While some cheesemakers are fortifying vats, that may have more to do with contracted supplies available to the manufacturers than the overall milk supply situation. Most cheesemakers are content with available milk volumes. Orders from retail, food service and institutional buyers are being readily filled, with little current production backing into manufacturers' inventories. The DMN National Retail Report - Dairy shows that October 9 - October 15 Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.33, 14 cents lower than the national average. Midwest prices range from \$1.79 - \$2.50. One year ago the national price was \$2.29. For 8 ounce blocks, the Midwest average price is \$2.26, 11 cents lower than the national average price. Midwest ads are priced from \$1.79 to \$2.50. Last year, the national price was \$2.39. Midwestern wholesale prices are unchanged for Swiss cuts, up \$0.0750 for process, and up \$0.0575 for all other types. In CME Group trading Wednesday, barrels closed at \$1.6400, up \$0.0200 from last Wednesday and blocks closed at \$1.6900, down \$0.0375.

*Week 40 WI Wholesale Selling Price Changed:

Cheddar 40# Block	:	1.7725-2.1675*
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WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.7400-2.1000
Brick And/Or Muenster 5#	:	2.1025-2.5275
Cheddar 40# Block	:	1.8300-2.2250
Monterey Jack 10#	:	2.0775-2.2825
Blue 5#	:	2.3700-3.3575
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9025-2.8425
Grade A Swiss Cuts 6 - 9#	:	2.7850-2.9025

WEST

The seasonal decline of milk intakes has slowed cheese production slightly. However, cheese makers report sufficient supplies of milk for processing needs. Higher milk components have given a boost to cheese yields. Consumer demand for natural cheese varieties has remained strong. Mozzarella sales are good as pizza manufacturers continue to meet the increases in seasonal demand. Market participants suggest cheese buyers are comfortable with current market prices. The DMN National Retail Report - Dairy for the week of October 9 - 15 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.47, up \$0.07 from last week and up \$0.18 from a year ago. Packs averaged \$2.81 in the Southwest and \$2.65 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.37, down \$0.07 from last week and down \$0.02 from a year ago. Blocks in the Southwest averaged \$2.88, and in the Northwest, \$2.50. In the West, wholesale prices are up \$0.0750 for process, and up \$0.0575 for cheddar block, cuts, and Monterey jack. Prices for Swiss cuts are unchanged. In CME Group trading Wednesday, barrels closed at \$1.6400, up \$0.0200 from last Wednesday and blocks closed at \$1.6900, down \$0.0375.

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

Process 5# Loaf	:	1.7550-2.0125
Cheddar 40# Block	:	1.8350-2.2800
Cheddar 10# Cuts	:	2.0150-2.2350
Monterey Jack 10#	:	2.0250-2.1850
Grade A Swiss Cuts 6 - 9#	:	2.8450-3.2750

FOREIGN

Prices for domestically produced foreign-type cheese are up, while Swiss and imported cheese prices are steady. Demand is steady to increasing as the holidays near. Demand for semi-hard cheese is still high. U.S. production is slightly lower as milk volumes are being used for other dairy products. Stocks are slightly lower.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.2975-3.7850*
Gorgonzola	: 3.6900-5.8900	: 2.8050-3.5025*
Parmesan (Italy)	: -0-	: 3.6875-5.7775*
Provolone (Italy)	: -0-	: 2.3400-2.5925*
Romano (Cows Milk)	: -0-	: 3.4875-5.6375*
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-	: 3.3050-3.6275
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

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CHEESE MARKETS

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

	<u>BUTTER</u>	:	<u>CHEESE</u>
10/12/15	13,596	:	101,275
10/01/15	14,301	:	100,326
CHANGE	-705	:	949
% CHANGE	-5	:	1

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	230	0	220	0	130	0
SOUTHEAST STATES	0	0	0	0	0	0

Milk flowing to Northeast balancing plants is seasonally lower, but in some cases, not by much. Intake volumes slightly lower than June are being reported in some plants. This is keeping those plants operating near ideal capacity. Milk sales have been good but dryers are still handling heavy schedules to accommodate milk volumes. Southeast milk receipts are primarily flowing into bottling. Milk production has been steady with last week. There is minimal manufacturing activity needed to handle the milk supplies this week. Florida milk production is even with last week and expected to be stable for a few more weeks, before starting to increase in November. Milk sales this week have increased which resulted in more milk flowing into the state than last week. According to the DMN National Retail Report-Dairy, for October 9-15, the U.S. weighted average advertised price for a gallon of milk was \$2.56, a decrease of \$1.45 cents from a year ago, and a decrease of 18 cents from last week. In the East, condensed skim supplies are tighter, with few extra loads moving. Cream multiples range 1.28 to 1.38 and cream supplies are in balance. Cream cheese is taking much of the spot cream with less interest from ice cream manufacturers.

 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 - 3.0381 - 3.2754

F.O.B. producing plants: Upper Midwest - 2.9669 - 3.2042

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices - .87-.90

Northeast - Class III - spot prices - .86-.89

 MIDWEST

Farm milk intakes within the Central region are mixed. Some areas are seeing increases from week to week; in other areas, processors indicate milk intakes are steady. Demand for milk from Class I and III is active. Class II demand is lower compared to the last few weeks, but a few ice cream manufacturers are stilling running ice cream/frozen dessert plants near capacity. Central milk loads continue to stair step toward the Southeast region to help fill Class I demand. Fluid milk processors are looking forward to November and scheduling production slots for holiday-related fluid products, such as eggnog. Prices on milk spot loads range from flat Class to \$2.00 over. Spot load availability is limited, with some interested Class III buyers indicating their usual sources currently don't have any loads available. Cream demand is active as processors ramp up production of holiday related items. Cream multiples for Class II are steady, with a range of 1.25-1.35. Cream sales into butter production are also active. According to the DMN National Retail Report-Dairy for the week of October 9-16, the national weighted average advertised price for one gallon of milk is \$2.56 and \$2.01 in the Midwest.

WEST

California milk production is marginally higher. Temperatures and humidity are lower in the San Joaquin Valley. These weather conditions are helping with the milking cows' yield. Class 1 demand from the retail and food service sectors is mostly steady. Demand for milk from Class 2 is slightly higher. The November 2015 Class 1 prices in California are \$17.68 in the north and \$17.95 in the south. The statewide average Class 1 price based on production is \$17.69. That production average price is \$0.31 higher than October 2015 but \$6.65 lower than November 2014. Milk output is steady to lower in Arizona, as temperatures and humidity increased throughout the week. However, some producers note improvements in the butterfat component level of the milk. Orders from bottlers are higher since some educational institutions reopened after fall break. Demand for condensed skim from yogurt and NDM processors is active. Favorable weather conditions are helping to increase milk output in New Mexico. Some balancing plants are curtailing milk processing due to maintenance projects. Thus, manufacturing milk volumes (surplus) are a little higher. Bottled milk sales to groceries stores are steady. Class II sales are higher. Recent rains delayed harvesting of alfalfa hay in areas of the state. According to the DMN National Retail Report-Dairy for the week of October 9 - 15, the national weighted average advertised price for one gallon of milk is \$2.56, \$2.95 in the Southwest and \$2.23 in the Northwest. Cow comfort is good across much of the Pacific Northwest. Milk production has dropped slightly in some areas and is following seasonal trends. Milk intakes are generally a little above last year. Bottling demand remains steady. Utah and Idaho milk production is in a typical fall decline. Industry contacts say milk tapered earlier than usual this year. Manufacturers are mostly content with the available milk supplies. Farm contacts suggest the growing season was exceptional this year, with the tonnages of corn silage and hay surpassing expectations. Some farmers are making a fifth cutting of hay. Although much of the region experienced ideal weather late in the growing season, hay quality is a conundrum. Relative feed values for hay have been averaging about 20 points lower than typical hay crops. Western cream demand from butter makers remains strong. In addition, the cream interest from cream cheese and sour cream manufacturers is improving. Cream availability in the spot market is increasing. Some processors are selling the cream instead churning as prices and multiples continue relatively higher. Western cream multiples range is wider, ranging from 1.12 to 1.32.

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: Central low/medium heat nonfat dry milk prices are steady to higher following adjustments in various indices. Demand is reported as light outside of contracts. Producers indicate the rate of sales slowed during the week. They are still fulfilling contracts, but requests for spot loads are limited. Brokers/traders also report their second tier offers are garnering few responses from end users. Sellers theorize buyers are waiting out the recent uptick in prices while hoping for some lower prices in the next few weeks. Industry participants also report, though, that many of the larger end users have already finalized contracts for 2015 and early 2016. These contracts are being filled on a weekly basis and keeping NDM inventories in the Central region at comfortable levels. In addition, manufacturing milk supplies are still filling active Class III interest ahead of butter/powder. Low/medium heat NDM production is steady at most Central facilities. Conversely, a few plant managers indicated they shifted a portion of weekly milk volumes originally destined for Class III use toward butter/powder this week. The shift added a needed boost to butter production, and also aided low/medium NDM output. High heat NDM prices in the Central region moved higher on the bottom of the range. Manufacturers are scheduling high heat NDM production intermittently to stay ahead of contract fulfillment needs. Inventories are light.

EAST: Low/medium nonfat dry milk prices are higher to steady. Milk volumes for NDM processing are seasonally increasing. Thus, production is higher. Inventories are steady to higher. Sales in the spot market are slightly lower as buyers take a wait and see attitude. The market undertone is mostly steady. High heat nonfat dry milk spot prices are higher to steady. Demand from bakers is improving as the Q4 holiday season approaches. Some processors indicate higher spot sales throughout the week. The market tone is firmer. Production is steady. Inventories are unchanged.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .9650 - 1.1200 MOSTLY: .9700 - 1.0300
 HIGH HEAT: 1.0850 - 1.1800

NONFAT DRY MILK - WEST

Spot prices for low/medium heat nonfat dry milk are mixed. Manufacturing milk volumes into NDM are higher throughout the region. Drying schedules are very active. At this point, inventories are steady to building. The f.o.b. spot market activity is a little lower. Some buyers are holding off their purchases, expecting a fall in prices. On the other hand, some industry participants anticipate that prices will be steady to higher during Q4. The market tone is mostly steady. Spot prices for high heat nonfat dry milk are higher. Some processors note an increase in spot sales. However, most of the sales are based on contracts. The market tone is firmer. Production is slightly higher. Inventories are mixed.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8850 - 1.1000 MOSTLY: .9250 - .9950
 HIGH HEAT: .9350 - 1.1800

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
October 9	\$.8708	16,224,081
October 2	\$.8945	12,165,033

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: Central dry buttermilk prices are unchanged to higher on a firm market. Availability of dry buttermilk within the region is limited. Manufacturers indicate their inventories are comfortable to tight. Also, first dibs on spot loads are generally given to existing customers. Thus, those buyers trying to find dry buttermilk in the Central region outside of usual sources report the searches are not always successful. Dry buttermilk production is steady.

EAST: Dry buttermilk prices are higher to steady. Drying schedules are even as butter churning is steady in the East. Inventories are slightly tight. Demand from the baking sector is improving. Some brokers note more active spot sales throughout the week. The market undertone is firmer.

F.O.B. CENTRAL/EAST: .9200 - 1.0000

DRY BUTTERMILK - WEST

Prices for dry buttermilk are higher to steady on the range and steady to higher on the mostly series. Production is flat as butter churning is steady in the region. Inventories are slightly lower. Demand from prepared dry mixes manufacturers is improving. In addition, dry buttermilk interest from the baking sector is active. The market undertone is stronger.

F.O.B. WEST: .8500 - .9000 MOSTLY: .8500 - .8900

DRY WHOLE MILK - NATIONAL

Dry whole milk spot prices are higher to steady. The market undertone is mixed. Demand is slightly improving as the Q4 holiday season approach. However, sales are mostly based on contracts. Production is steady. Inventories vary from plant to plant.

F.O.B. PRODUCING PLANT: 1.2500 - 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 dry whey prices are unchanged to higher in the range and higher on both ends of the mostly price series. Buyers continue to fill needs for the remainder of 2015 via contract and spot acquisitions, and they are also showing more willingness to commit to 2016 volumes. At this time, though, some manufacturers are slow to offer contracts for next year, especially as the dry whey market tone strengthens. Dry whey production is steady to lower as manufacturing milk supplies in the region decline seasonally. Cheese manufacturers indicate that while they have slots available in their schedules to run additional cheese vats, light availability of spot milk loads is curtailing additional cheese/dry whey production in the near term. Looking ahead, several manufacturers are making arrangements for delivery of additional milk loads during the November holiday week. Animal feed dry whey prices are unchanged. Interest is light and a few producers indicate their usual buyers have found good deals on edible dry whey to take the place of animal feed whey. Blended animal feed production is active, and some producers are boosting their monthly purchases of edible/animal feed dry whey to fill upcoming requests for all-dairy feed blends.

F.O.B. CENTRAL: .1700 - .2850 MOSTLY: .2000 - .2400
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1000 - .1900

DRY WHEY - NORTHEAST

Prices for dry whey are higher as the Eastern whey market firms. Whey processing is lower as cheese manufacturing is seasonally decreasing. Inventories are slightly tight. Demand for whey remains strong.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2200 - .2750

DRY WHEY - WEST

Western whey prices were steady to higher. The top end of both the range and mostly price series moved up this week. Inquiries are increasing from end users and some additional sales are moving into export markets. Some buyers are finding that low-priced whey is not as readily available. Industry contacts suggest inventories are substantial within second-tier markets. However a number of manufacturers report their whey is becoming more committed and not as available for spot sales. Dry whey production is active.

NONHYGROSCOPIC: .1850 - .3000 MOSTLY: .1900 - .2300

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices moved higher on the bottom of the price range. Although industry contacts generally suggest heavy inventories, some manufacturers report comfortable or committed inventories. Market tone is still generally weak, however some market participants note an increase in buyer interest and attribute this to the firming of prices for a few other dry products. Production is steady for WPC 34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .4750 - .6900 MOSTLY: .4900 - .5700

LACTOSE - CENTRAL AND WEST

Lactose prices held mostly steady this week, but edged up slightly on the bottom of the range. Market participants say low priced lactose is not as readily available. Some manufacturers report they are reluctant to accept any low bids. Production remains steady, but some processors are continuing to only produce lactose needed for existing sales. Demand is increasing somewhat.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .1450 - .2600 MOSTLY: .1600 - .2100

CASEIN - NATIONAL

Prices for rennet and acid casein are unchanged this week. Contacts note little spot sales. Discussions for Q1 contracts are underway with sellers looking for higher prices and buyers wanting lower prices. Some contacts suggest upward ticks in pricing, following the nonfat dry milk market. The milk declines abroad are slowing casein production.

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: 2.6500 - 3.3500
ACID: 2.7000 - 3.5000

2015 U.S. Casein Imports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
August	16.1	+ 8
Total Jan. - August	110.9	- 11
1 New Zealand	57.5	+ 26
2 Ireland	14.8	+ 58
3 Netherlands	12.5	- 60
4 Argentina	5.8	+ 43
5 Poland	3.7	- 28

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
09/26/2015	58.8	2,171.8	55.4	2,093.0

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

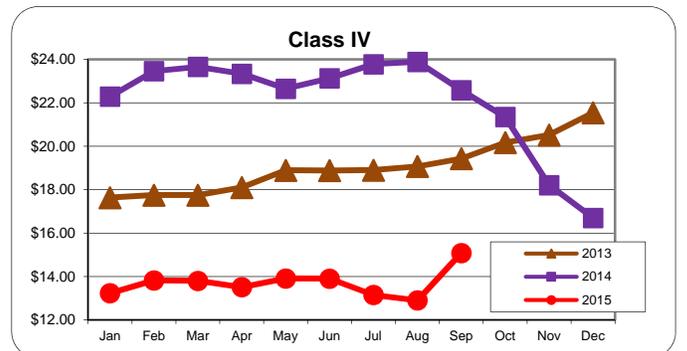
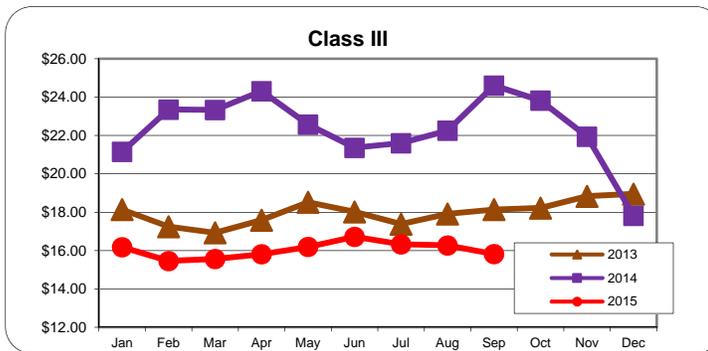
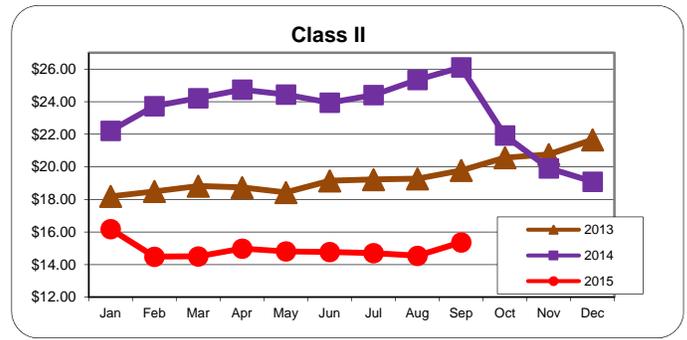
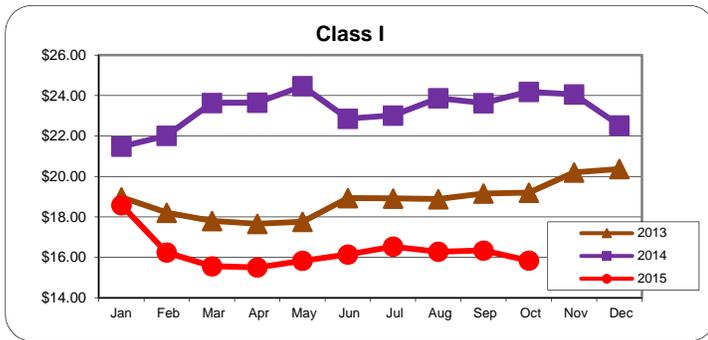
CLASS IV MILK PRICES (3.5%)

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	15.36			
III	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82			
IV	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08			

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 October 5 - 16, 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: Milk production is nearing the low point of the production year. Sources report slightly higher volumes than a year ago levels for September. Forecasts are predicted to go below year ago levels. Dairy product prices are steady to increasing. Manufacturers are wanting to procure tenders from Algeria. In order to make sure they have the supplies if the contract is awarded, some have slowed sales and increased production.

BUTTER/BUTTEROIL: Prices for butter/butteroil are up. Cream supplies are low and are at higher pricing levels. Butter production is decreasing. Some sources report available milk is going into SMP and butter manufacturing, rather than other dairy commodities. Export and domestic demand are strong. Manufacturers report being comfortable with stock levels. Contracts for Q1 2016 are being negotiated. PSA butter stock levels on October 4 were 93,363 MT. The top three countries, the Netherlands, Ireland and Germany, accounted for almost 72% of the holdings.

82% BUTTERFAT: 2,800 - 3,400

99% BUTTERFAT: 3,375 - 4,100

SKIM MILK POWDER (SMP): There are slight upticks in pricing for SMP. Demand is increasing. Some buyers want to secure supplies. Others are taking a wait-and-see approach and are only buying for current needs. There are also some end users that would like to start securing prices for the Q1 and beyond. Some manufacturers are making SMP and butter with available milk supplies. With the firming prices, SMP now going into intervention is showing signs of slowing. Buying interest is steady. Manufacturers believe that stock levels are in check with the season. As of October 4, there are 22,003 MT of SMP offered into public intervention. Belgium has the highest amount of stocks in intervention with 7,889 MT. Private Storage Arrangements (PSA) skim milk powder stock levels on October 4 amounted to 31,041 MT. Manufacturers in Germany have the largest volumes with 8,678 MT in holding.

1.25% BUTTERFAT: 1,800 - 2,100

WHOLE MILK POWDER (WMP): Whole milk powder prices are up following upward trends from other dairy products. Most WMP is made to order, but some processors are reporting slight upticks in demand, especially in the food industry. Export demand is quiet. Production is steady to increasing. Some manufacturers note not wanting to maintain high stock levels.

26% BUTTERFAT: 2,200 - 2,600

SWEET WHEY POWDER: Prices are up slightly in a sluggish market. The bearish prices in the U.S. have had a ripple effect on prices in Europe and globally, but are starting to bounce back. Manufacturers note that the price gap between food grade and feed grade whey is decreasing. Demand is steady for dry whey, but processors note a sharp decrease in demand for condensed whey.

NONHYGROSCOPIC: 600 - 825

EASTERN OVERVIEW: Milk output for Eastern Europe is steady to slightly higher, but yearly milk production is expected to decrease from year ago levels. Dairy commodity price firming is helping farmgate prices. Stocks for dairy products are in line with year ago levels.

**Exchange rates for selected foreign currencies:
October 12, 2015**

.1064 Argentina Peso	.0083 Japan Yen
.7362 Australian Dollar	.0607 Mexican Peso
.7694 Canadian Dollar	.6717 New Zealand Dollar
1.1360 Euro	.2688 Poland Zloty
.0154 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0607) = 16.4745 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered October 5 - 16, 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: The latest milk production numbers in Australia show some steady growth overall, varying regionally. Sources suggest September will be similar. The dry conditions are across most states, so the next few months are likely to see milk production decrease year to date. Farmers are hopeful that crops will still do really well if they receive rain soon. If not, moisture will become severely limiting for pasture production. Quite a few acres of cereal crops are already being mown for hay in grain growing areas, as croppers have assessed that there is insufficient moisture to take them through to the grain stage. This will likely push grain prices up later in the year, but may have some small offsetting benefits in making extra hay available. Global dairy commodity prices have increased from the recent lows. According to Dairy Australia, August 2015 milk production was 798.1 million litres, up 3.7% from August 2014. The changes from one year earlier are: New South Wales, +6.1%, Victoria, +3.6%, Queensland, -0.6%, South Australia, +3.2%, Western Australia, +5.5%, Tasmania, +1.6%. Australia's milk production season to date is up 4.5% compared to last season. Current New Zealand milk production is near the seasonal peak with forecasts that milk production will be down over last year. The lower milk production that is forecasted is aiding in the rise of commodity pricing. The cold, wet weather is affecting forage growth, which has contributed to the decrease in milk production. The decrease in feed efficiency along with the low farm levels prices have led farmers to cull more cattle. Weather has not only affected pasture growth, but also cow comfort. At the October 6 GDT event #149, average prices ranged from 2.3% lower to 13.8% 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, \$3,763, +9.9%; butter, \$3,037, -2.3%; buttermilk powder, \$1,945, +13.8%; cheddar cheese, \$3,234, +0.5%; lactose, \$524, +5.9%; rennet casein, \$6,048, +4.0%; skim milk powder, \$2,267, +13.4%; and whole milk powder, \$2,824, +12.9%. According to Dairy Australia, production of various dairy commodities for June 2015 showed the following percentage changes compared to 2014: butter, +20.7%; butteroil, +26.7%; skim milk powder, +21.4%; whole milk powder, -49.1%; buttermilk powder, +14.5%; cheese, +13.5%; and whey powder, -1.7%.

BUTTER: Butter prices are up due to limited Australian supply and higher U.S. prices. Demand is strong domestically in Australia. Export demand in Oceania has slowed. According to GTIS, New Zealand exports have dropped by 8.9% YTD. Through August, YTD China imported 19% less and Iran imported 65% less than year ago levels. AMF prices have strengthened due to similar pressures. At the October 6 GDT event #149, unsalted butter prices averaged \$3,066/MT for December contracts, +1.5% from the prior event. Butter prices averaged \$3,037/MT for all contracting periods, -2.3% from the prior event. AMF prices averaged \$3,679/MT for Decem-

ber contracts, +8.0% from the prior event. For all contracting periods, the AMF price average was \$3,763/MT, +9.9%.

82% BUTTERFAT: 2,950 - 3,400

SKIM MILK POWDER (SMP): Prices for SMP are up following upticks in global pricing. Some sellers are hesitant to contract too heavily in a rising market. Production is mixed as milk production increases. Some manufacturers are finding it more profitable to make butter and SMP than other dairy commodities. Demand is fairly steady worldwide. Manufacturers are comfortable with current high inventory levels. According to GTIS, New Zealand exports dropped in August, but are YTD 11% above year ago levels. China remains New Zealand's number one destination, accounting for 45% of New Zealand's exports, which are up by 2.2%. At the October 6 GDT event 149, SMP for all regions and contracting periods averaged \$2,267 per MT, +13.4%. For trading in contract period 2, December, prices averaged \$2,239, +13.6%.

1.25% BUTTERFAT: 1,975 - 2,350

CHEDDAR CHEESE: A modest uplift in cheddar pricing has eased the financial losses in August, though supplies remain strong from most major exporters. Cheese production is steady to lower as milk volumes are being cleared into milk powders. Supplies are comfortable.

39% MAXIMUM MOISTURE: 3,000 - 3,400

WHOLE MILK POWDER (WMP): Following a drop in current global offerings, WMP prices moved up. Demand for WMP is steady domestically. According to GTIS, exports YTD are decreasing as China imports are 54% down from year ago levels. New Zealand supplies 95% of the WMP imported into China. Available milk is finding its way to other dairy product production. Some manufacturers are making and storing WMP for future needs as the milk production forecast drops. At the October 6 GDT event 149, the WMP pricing index, across all contracting periods, averaged \$2,824 per MT, up 12.9% compared to the prior event. For November, regular New Zealand WMP averaged \$2,905 per MT. According to GTIS, New Zealand WMP exports dropped in August, mainly due to lower demand from China and Algeria.

26% BUTTERFAT: 2,600 - 2,925

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 149 Recap - October 6, 2015													
	Contract 1 Nov-15		Contract 2 Dec-15		Contract 3 Jan-16		Contract 4 Feb-16		Contract 5 Mar-16		Contract 6 Apr-16		All Contracts	
Anhydrous Milk Fat	n.a.	\$3,679	8.0%	\$3,796	11.1%	\$3,795	10.0%	\$3,901	12.8%	\$3,941	14.1%	\$3,763	9.9%	
Butter	n.a.	\$3,066	1.5%	\$3,002	-4.2%	\$3,000	-5.4%	\$3,057	-4.5%	\$3,205	-7.4%	\$3,037	-2.3%	
Buttermilk Powder	n.a.	\$1,873	10.4%	\$2,095	21.8%	\$2,100	16.7%	n.a.	n.a.	n.a.	n.a.	\$1,945	13.8%	
Cheddar	n.a.	\$3,249	4.4%	\$3,183	-3.2%	\$3,268	0.5%	n.a.	n.a.	n.a.	n.a.	\$3,234	0.5%	
Lactose	n.a.	\$524	5.9%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$524	5.9%	
Rennet Casein	n.a.	\$6,062	5.1%	\$6,032	0.9%	\$6,042	5.4%	n.a.	n.a.	n.a.	n.a.	\$6,048	4.0%	
Skim Milk Powder	\$2,195	14.0%	\$2,239	13.6%	\$2,288	14.2%	\$2,333	16.1%	\$2,261	7.7%	\$2,409	12.4%	\$2,267	13.4%
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Whole Milk Powder	\$2,925	36.9%	\$2,799	13.3%	\$2,813	11.7%	\$2,826	14.4%	\$2,853	13.3%	\$2,880	7.0%	\$2,824	12.9%

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

US\$/Pound	Global/Dairy Trading (gDT) Event 149 Recap - October 6, 2015													
	Contract 1 Nov-15		Contract 2 Dec-15		Contract 3 Jan-16		Contract 4 Feb-16		Contract 5 Mar-16		Contract 6 Apr-16		All Contracts	
Anhydrous Milk Fat	n.a.	\$1.6688	8.0%	\$1.7219	11.1%	\$1.7214	10.0%	\$1.7695	12.8%	\$1.7876	14.1%	\$1.7069	9.9%	
Butter	n.a.	\$1.3907	1.5%	\$1.3617	-4.2%	\$1.3608	-5.4%	\$1.3866	-4.5%	\$1.4538	-7.4%	\$1.3776	-2.3%	
Buttermilk Powder	n.a.	\$0.8496	10.4%	\$0.9503	21.8%	\$0.9526	16.7%	n.a.	n.a.	n.a.	n.a.	\$0.8822	13.8%	
Cheddar	n.a.	\$1.4737	4.4%	\$1.4438	-3.2%	\$1.4824	0.5%	n.a.	n.a.	n.a.	n.a.	\$1.4669	0.5%	
Lactose	n.a.	\$0.2377	5.9%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$0.2377	5.9%	
Rennet Casein	n.a.	\$2.7497	5.1%	\$2.7361	0.9%	\$2.7406	5.4%	n.a.	n.a.	n.a.	n.a.	\$2.7434	4.0%	
Skim Milk Powder	\$0.9956	14.0%	\$1.0156	13.6%	\$1.0378	14.2%	\$1.0582	16.1%	\$1.0256	7.7%	\$1.0927	12.4%	\$1.0283	13.4%
Sweet Whey Powder	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Whole Milk Powder	\$1.3268	36.9%	\$1.2696	13.3%	\$1.2760	11.7%	\$1.2819	14.4%	\$1.2941	13.3%	\$1.3064	7.0%	\$1.2810	12.9%

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

CME GROUP, INC FUTURES
Selected settling prices

Month	10/02	10/05	10/06	10/07	10/08	10/09	10/12	10/13	10/14	10/15
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
OCT 15	15.69	15.90	15.71	15.61	15.69	15.79	15.80	15.72	15.65	15.68
NOV 15	15.63	15.85	15.76	15.55	15.75	15.83	15.89	15.77	15.73	15.65
DEC 15	15.69	15.90	15.86	15.69	15.89	15.93	15.99	15.84	15.77	15.69
JAN 16	15.72	15.87	15.80	15.72	15.94	15.98	15.94	15.89	15.74	15.64
FEB 16	15.77	15.89	15.88	15.79	16.00	16.07	16.00	16.01	15.80	15.73
MAR 16	15.88	15.99	16.01	15.91	16.10	16.19	16.15	16.11	15.90	15.85
APR 16	16.01	16.07	16.07	15.98	16.15	16.19	16.19	16.16	16.00	15.95
MAY 16	16.15	16.17	16.20	16.12	16.29	16.29	16.26	16.25	16.15	16.08
JUN 16	16.35	16.37	16.39	16.35	16.49	16.49	16.47	16.47	16.40	16.32
JUL 16	16.50	16.53	16.55	16.58	16.69	16.75	16.79	16.75	16.76	16.69
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
OCT 15	16.90	16.90	16.71	16.71	16.85	16.84	16.84	16.72	16.50	16.42
NOV 15	16.21	16.21	16.09	16.00	16.00	16.01	16.08	15.96	15.61	15.54
DEC 15	15.50	15.50	15.27	15.04	15.28	15.28	15.23	15.06	14.87	14.58
JAN 16	15.50	15.73	15.49	15.32	15.42	15.42	15.42	15.42	14.96	14.96
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
OCT 15	253.03	253.03	251.00	251.00	255.13	255.13	255.60	251.98	252.45	253.85
NOV 15	221.48	216.00	213.00	215.00	218.00	217.00	218.73	215.00	215.00	217.50
DEC 15	192.48	189.70	188.98	188.33	188.90	187.00	187.95	186.98	187.55	189.00
JAN 16	184.00	183.00	181.00	181.00	182.00	180.00	180.00	179.53	181.00	182.00
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
OCT 15	96.25	96.68	95.23	95.08	95.08	94.75	94.75	95.03	93.08	92.48
NOV 15	105.00	109.00	105.63	104.50	106.23	106.00	105.50	104.20	101.10	99.00
DEC 15	108.78	112.78	108.78	107.73	109.70	109.50	110.23	107.58	104.98	102.43
JAN 16	114.00	117.50	114.00	113.28	116.00	116.00	116.00	113.70	110.50	107.50
WHEY (Electronic-Traded) (¢/lb)										
OCT 15	24.60	25.00	25.20	25.00	25.40	26.13	25.33	25.48	25.08	25.65
NOV 15	26.70	27.23	27.75	27.75	27.93	28.03	28.03	27.63	26.53	26.40
DEC 15	29.85	30.38	30.38	30.38	31.18	31.70	31.70	31.13	29.58	28.60
JAN 16	32.00	32.43	32.58	32.95	33.30	34.00	34.15	33.03	31.90	30.75
CHEESE CSC (Electronic-Traded) (\$/lb)										
OCT 15	1.69	1.71	1.69	1.68	1.69	1.69	1.69	1.69	1.69	1.69
NOV 15	1.70	1.71	1.70	1.68	1.70	1.71	1.71	1.70	1.70	1.70
DEC 15	1.70	1.71	1.70	1.69	1.70	1.71	1.71	1.70	1.70	1.70
JAN 16	1.68	1.70	1.69	1.68	1.70	1.70	1.70	1.69	1.69	1.69
FEB 16	1.68	1.69	1.69	1.68	1.70	1.70	1.69	1.70	1.70	1.69
MAR 16	1.70	1.70	1.70	1.70	1.71	1.71	1.71	1.71	1.70	1.70

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

Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, Revised May 2015, With Comparisons

In May 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.60 per cwt, up \$0.16 per cwt from the revised April 2015 average, and down \$7.77 per cwt from the May 2014 average. The component tests of producer milk in May 2015 were: butterfat, 3.66%; protein, 3.05%; and other solids, 5.76%. When compared to the previous month, the revised May Mailbox prices increased in 15 Federal milk order reporting areas, decreased in 3 Federal milk order reporting areas, and remained unchanged in the Florida Federal milk order reporting area with a simple average increase of \$0.12 per cwt. The Northwest States experienced the greatest increase of \$1.12 per cwt while Indiana experienced the greatest decrease of \$0.23 per cwt. Mailbox prices in May 2015 ranged from \$18.07 in the New England States to \$14.63 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	May 2014	April 2015	Revised May 2015
	<i>(dollars per hundredweight)</i>		
New England States ³	25.91	17.97	18.07
New York	25.16	16.55	16.68
Eastern Pennsylvania ⁴	25.12	16.41	16.48
Appalachian States ⁵	25.77	16.54 *	16.49
Southeast States ⁶	26.12	16.61 *	16.69
Southern Missouri ⁷	24.63	15.95 *	15.99
Florida	27.41	17.77 *	17.77
Western Pennsylvania ⁸	24.87	16.72	16.75
Ohio	24.45	16.79	16.84
Indiana	23.87	16.04 *	15.81
Michigan	23.90	15.58	15.48
Wisconsin	24.38	17.51	17.65 *
Minnesota	24.47	17.36	17.55 *
Iowa	24.83	16.65	16.72 *
Illinois	24.80	16.79 *	16.84 *
Corn Belt States ⁹	23.32	15.56 *	15.76 *
Western Texas ¹⁰	22.96	15.49	15.71
New Mexico	21.77	14.39	14.63
Northwest States ¹¹	23.85	15.69	16.81
All Federal Order Areas ¹²	24.37	16.44 *	16.60
California ¹³	21.72	14.43	14.72

* Revised from previously published reports. Revised May 2015 data resulted in a decrease of \$0.01/cwt in Wisconsin and Minnesota, an increase of \$0.07/cwt in Iowa, an increase of \$0.02 in Illinois, and an increase of \$0.04/cwt in the Corn Belt States when compared to the previously reported original May 2015 data.

¹ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders.

² Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

³ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

⁴ Includes all counties to the east of those listed in ⁸.

⁵ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

⁶ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

⁷ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

⁸ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

⁹ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in ⁷.

¹⁰ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

¹¹ Includes Oregon and Washington.

¹² Weighted average of prices for all selected reporting areas.

¹³ Calculated by California Department of Food and Agriculture, and published at <http://cdfa.ca.gov/dairy/uploader/docs/MailBox%20Data%202014.pdf>

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

Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, July 2015, With Comparisons

In July 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.43 per cwt, down \$0.19 per cwt from the June 2015 average, and down \$6.93 per cwt from the July 2014 average. The component tests of producer milk in July 2015 were: butterfat, 3.61%; protein, 2.99%; and other solids, 5.75%. When compared to the previous month, the July Mailbox prices decreased in 14 Federal milk order reporting areas and increased in 5 Federal milk order reporting areas. Southern Missouri experienced the greatest increase of \$1.29 per cwt while Minnesota experienced the greatest decrease of \$0.55 per cwt. Mailbox prices in July 2015 ranged from \$18.96 in Florida to \$14.90 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	July 2014	June 2015	July 2015
	<i>(dollars per hundredweight)</i>		
New England States ³	25.06	18.18	17.74
New York	24.27	16.74	16.44
Eastern Pennsylvania ⁴	24.20	16.49	16.28
Appalachian States ⁵	25.27	17.02	17.53
Southeast States ⁶	25.83	17.28	18.05
Southern Missouri ⁷	24.44	16.59	17.88
Florida	27.40	18.21	18.96
Western Pennsylvania ⁸	23.83	16.67	16.54
Ohio	23.61	16.78	16.66
Indiana	22.96	15.87	15.75
Michigan	23.08	15.47	15.33
Wisconsin	23.16	17.82	17.49
Minnesota	23.11	17.61	17.06
Iowa	23.76	16.97	16.68
Illinois	23.61	16.90	16.75
Corn Belt States ⁹	21.84	15.86	15.68
Western Texas ¹⁰	21.56	15.70	15.55
New Mexico	20.25	14.62	14.90
Northwest States ¹¹	23.47	15.83	15.33
All Federal Order Areas ¹²	23.36	16.62	16.43
California ¹³	21.32	15.05	14.62

* Revised from previously published report

¹ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders.

² Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

³ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

⁴ Includes all counties to the east of those listed in ⁸.

⁵ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

⁶ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

⁷ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

⁸ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

⁹ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in ⁷.

¹⁰ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

¹¹ Includes Oregon and Washington.

¹² Weighted average of prices for all selected reporting areas.

¹³ Calculated by California Department of Food and Agriculture, and published at

<http://cdfa.ca.gov/dairy/uploader/docs/MailBox%20Data%202014.pdf>

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

October Milk Supply and Demand Estimates

Milk production forecasts for 2015 and 2016 are unchanged from last month. Fat-basis imports are increased as domestic demand continues to support higher imports of cheese and butter. Exports are reduced for 2015 on weaker cheese sales, but are unchanged for 2016. Skim-solids imports are reduced for 2015 and 2016, while exports are reduced for 2015 and unchanged for 2016. Large world supplies of dairy products, a strong dollar, and generally weak global demand are expected to continue to pressure exports during 2015 and 2016. Although butter prices have declined sharply from recent high levels, domestic demand for butter is expected to support relatively high butter prices during 2016. The butter price for 2015 is unchanged at the midpoint, and is raised for 2016. Cheese prices are raised for 2015 and 2016 on support from domestic demand. Nonfat dry milk (NDM) prices are forecast higher in 2015 and 2016 reflecting a rebound in both domestic and international prices. Whey prices are lowered for both 2015 and 2016 as supplies are large. Class III prices are raised for 2015, but lowered for 2016 as the decline in whey prices more than offsets higher cheese prices. Class IV prices are raised for both 2015 and 2016 due to higher butter and NDM prices. The all milk price is raised to \$16.90 to \$17.00 per cwt for 2015, but lowered to \$16.05 to \$16.95 per cwt for 2016.

U.S. Milk Supply and Use

Commodity	2014	2015 Projected		2016 Projected	
		Sep	Oct	Sep	Oct
<i>(billion pounds)</i>					
Milk					
Production	206.0	208.9	208.9	213.0	213.0
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	11.2	11.2	12.1	12.2
Marketings	205.1	207.9	207.9	212.1	212.1
Imports	4.3	5.9	6.0	5.7	5.9
Total Commercial Supply	220.6	225.0	225.1	229.9	230.1
Fat Basis Use					
Commercial Exports	12.4	9.1	9.0	10.0	10.0
Ending Commercial Stocks	11.2	12.1	12.2	12.1	12.1
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	196.9	203.8	204.0	207.8	208.0
Skim-Solid Basis Supply					
Beginning Commercial Stocks	11.7	13.1	13.1	13.2	13.4
Marketings	205.1	207.9	207.9	212.1	212.1
Imports	5.6	6.6	6.4	6.4	6.3
Total Commercial Supply	222.4	227.7	227.4	231.6	231.8
Skim-Solids Basis Use					
Commercial Exports	39.1	38.6	38.3	39.5	39.5
Ending Commercial Stocks	13.1	13.2	13.4	13.5	13.5
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	170.2	175.9	175.7	178.6	178.8

NOTE: Totals may not add due to rounding.

Continued on page 13

October Milk Supply and Demand Estimates-cont'd

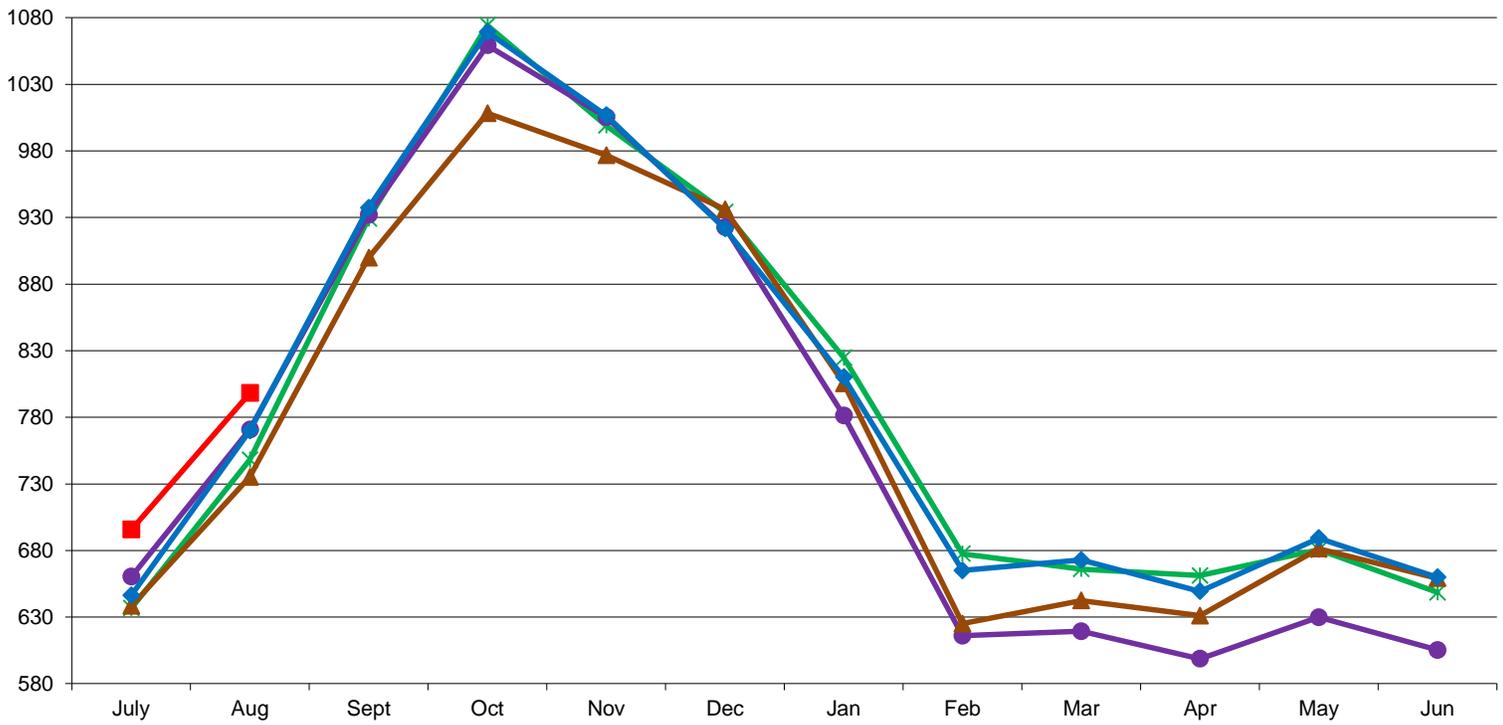
U.S. Dairy Prices					
Commodity	2014	2015 Projected		2016 Projected	
		Sep	Oct	Sep	Oct
<i>(dollars per pound)</i>					
Product Prices ¹					
Cheese	2.1551	1.645-1.665	1.665-1.675	1.590-1.690	1.600-1.690
Butter	2.1361	1.915-1.955	1.920-1.950	1.785-1.915	1.840-1.960
Nonfat Dry Milk	1.7682	0.880-0.900	0.910-0.930	0.950-1.020	0.960-1.030
Dry Whey	0.6538	0.380-0.400	0.375-0.385	0.345-0.375	0.280-0.310
<i>(dollars per cwt)</i>					
Milk Prices ²					
Class III	22.34	15.80-16.00	15.90-16.00	15.00-16.00	14.75-15.65
Class IV	22.09	13.55-13.85	13.85-14.05	13.60-14.70	13.95-14.95
All Milk ³	23.97	16.80-17.00	16.90-17.00	16.10-17.10	16.05-16.95
Quarterly					
	2015 III	2015 IV ⁴	2016 I ⁴	2016 II ⁴	2016 III ⁴
<i>(billion pounds)</i>					
Milk Production	51.7	51.6	53.3	54.4	52.7
<i>(dollars per cwt)</i>					
All Milk Price ^{2,3}	16.75-16.85	17.00-17.40	16.00-16.70	15.45-16.45	16.05-17.05
Class III Price ²	16.05-16.15	15.45-15.85	14.35-15.05	14.40-15.40	15.15-16.15
Class IV Price ²	13.60-13.80	14.45-14.95	13.50-14.30	13.60-14.70	14.05-15.15

¹ Simple average of monthly prices calculated from AMS weekly average dairy product prices for class price computations. Details may be found by going to <http://www.ams.usda.gov/rules-regulations/mmr/dmr>; then select "Prices;" then select "Description." ² Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test. ³ Does not reflect any deductions from producers as authorized by legislation. ⁴ Projection.

Source: U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-546, October 9, 2015*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Uthra Raghunathan, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].

Monthly Australian Milk Production

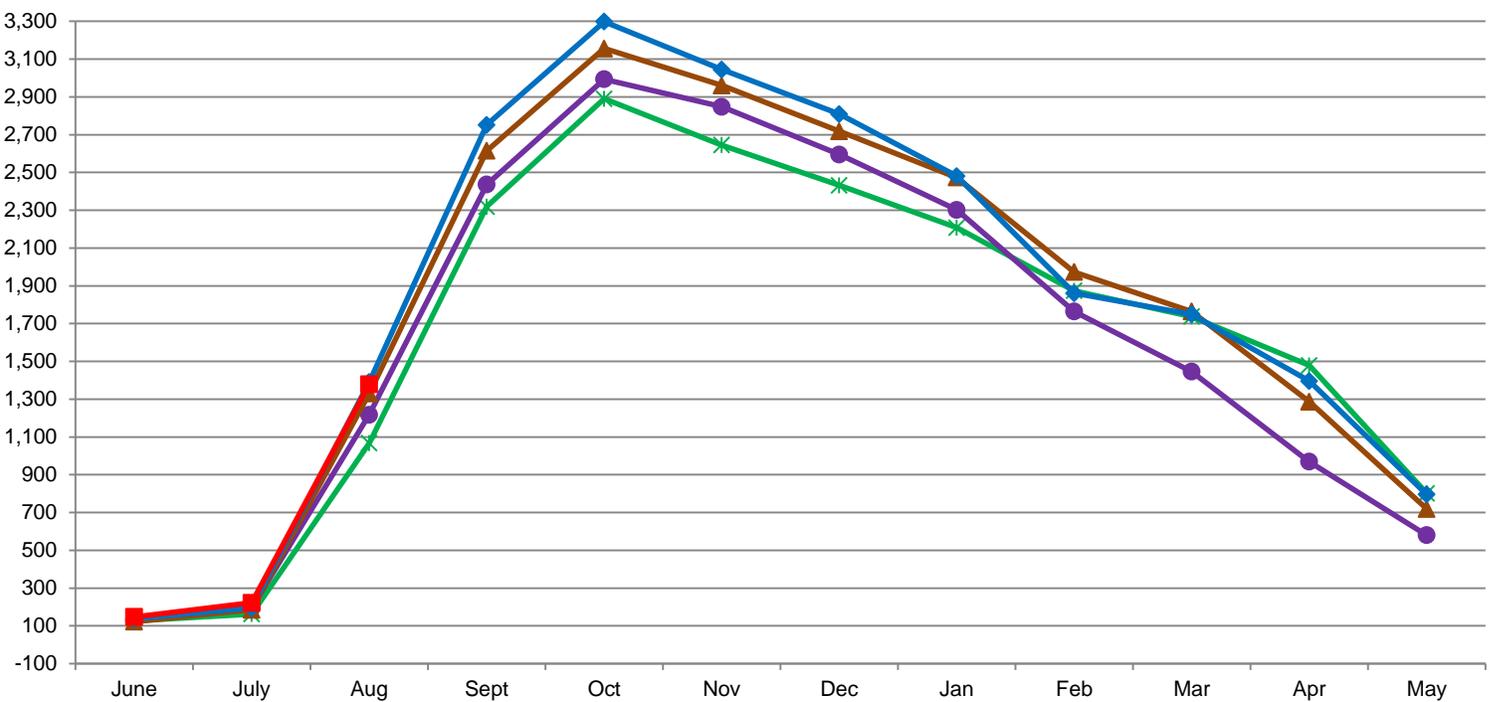
MILLION LITRES



DATA SOURCE, DAIRY AUSTRALIA LTD.; GRAPH, USDA, AMS, DMN 2011-12 2012-13 2013-14 2014-15 2015-16

Monthly New Zealand Milk Production

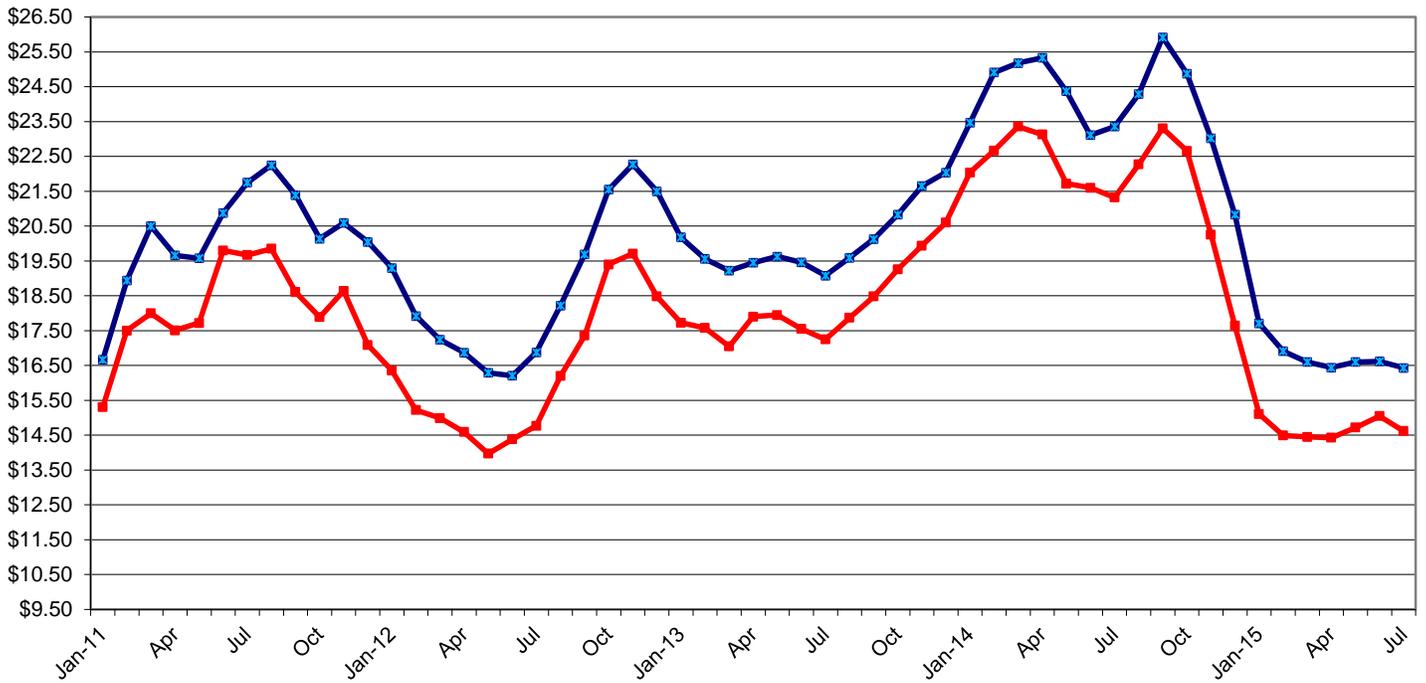
1,000 MT



DATA SOURCE, DCANZ; GRAPH, USDA, AMS, DMN 2011-12 2012-13 2013-14 2014-15 2015-16

Monthly Mailbox Price Average for Federal Orders and California

PER CWT.



DATA SOURCE: USDA, DAIRY PROGRAMS, CDFA; GRAPH: USDA, DMN

FO CA



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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

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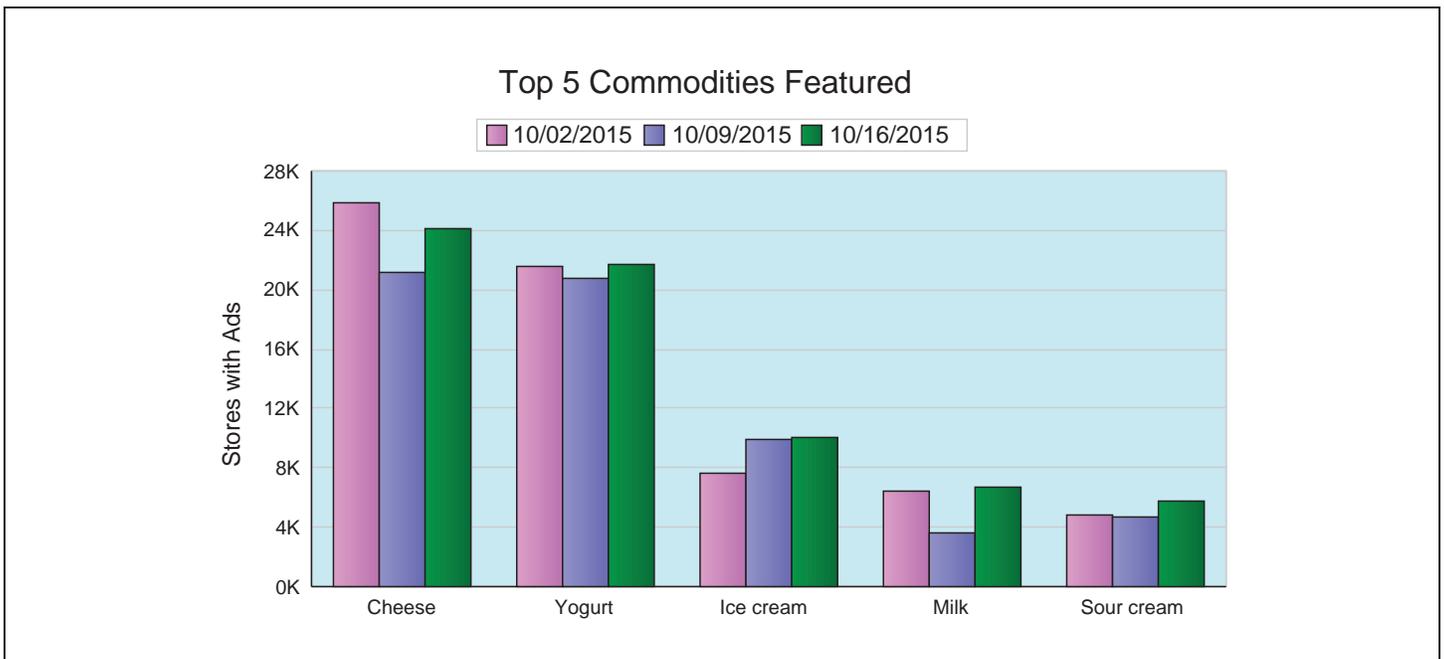
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 10/16/2015 to 10/22/2015

There is ad strength for some typically popular late year dairy products. Conventional 16 ounce sour cream ad numbers are up 33% from last week, with an average national price of \$1.71, 9 cents above last week but 1 cent below a year ago. Conventional cottage cheese ads increased 28% with a weekly average of \$1.73, down 22 cents from last week and down 16 cents from last year. Ads for conventional dairy products overall increased 8%, in contrast to a nearly two and one half times increase in total organic dairy ad numbers.

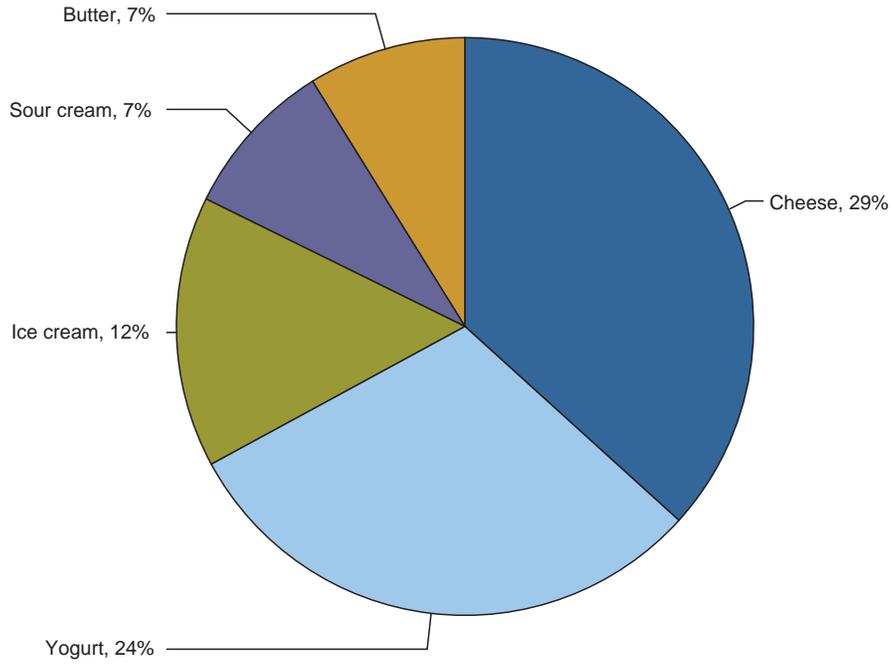
Conventional yogurt ad numbers decreased 2% from last week, but organic yogurt ads nearly tripled. The average price of 4-6 ounce conventional Greek yogurt is 94 cents, up 1 cent from last week but down 3 cents from a year ago. Conventional yogurt in 4-6 ounce packages averaged 50 cents, up 3 cents from last week but down 1 cent from a year ago.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.30, down 7 cents from last week and down 33 cents from a year ago; 8 ounce shred cheese averaged \$2.25, down 22 cents from one week ago, and down 44 cents from one year ago. Ads for conventional cheese increased 13% from last week, while organic cheese ads increased over five times the number last week.

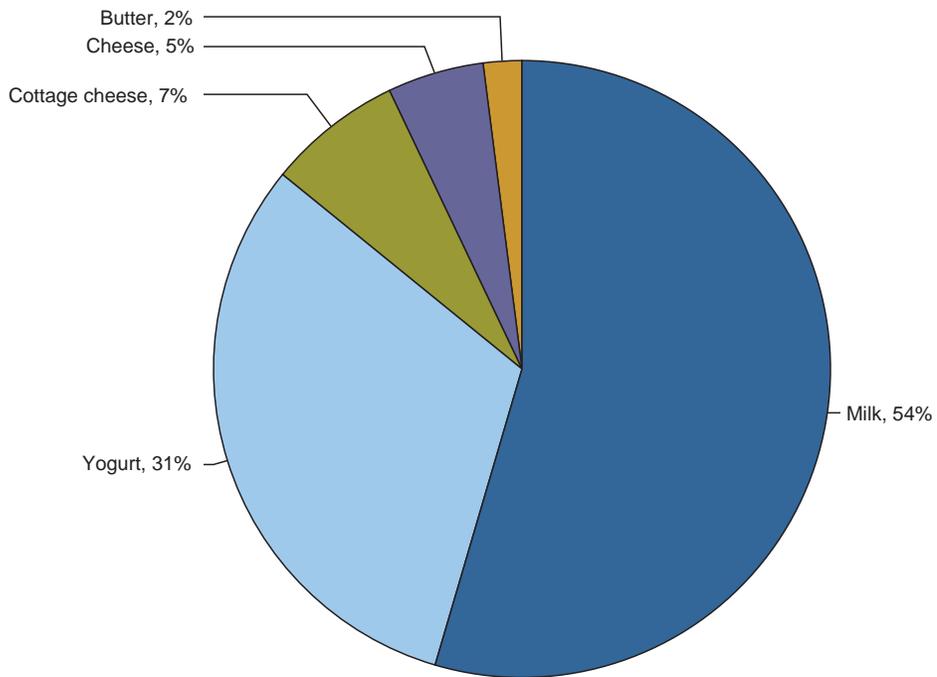
The price spread between organic and conventional half gallon milk is \$1.55, less than one half the price spread last week. The price spread is the difference between national weighted average prices for organic, \$4.14, and conventional, \$2.59.



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 #	5560	3.25	6770	3.09	3729	4.20
Cheese	Natural Varieties	8 oz block	9940	2.30	7391	2.37	5610	2.63
Cheese	Natural Varieties	1 # block	1228	4.27	2353	4.13	2208	4.34
Cheese	Natural Varieties	2 # block	614	7.36	802	5.72	2005	7.83
Cheese	Natural Varieties	8 oz shred	9941	2.25	8052	2.47	10864	2.69
Cheese	Natural Varieties	1 # shred	2036	3.75	2444	4.04	2626	4.35
Cottage cheese		16 oz	4629	1.73	3609	1.95	3883	1.89
Cream cheese		8 oz	5230	1.96	3811	1.96	6104	1.78
Flavored milk	All fat tests	half gallon	519	2.86	549	2.09	271	2.28
Flavored milk	All fat tests	gallon	323	3.06	585	3.17	259	3.28
Ice cream		48-64oz	9991	2.91	9807	2.95	12227	2.94
Milk	All fat tests	half gallon	1317	2.59	294	1.16	296	1.84
Milk	All fat tests	gallon	1949	2.45	1960	2.56	1600	3.70
Sour cream		16 oz	5768	1.71	4336	1.62	6025	1.72
Yogurt	Greek	4-6 oz	12447	.94	11086	.93	13928	.97
Yogurt	Greek	32 oz	1193	3.57	1934	4.11	488	5.71
Yogurt	Yogurt	4-6 oz	5446	.50	6958	.47	6999	.51
Yogurt	Yogurt	32 oz	664	2.00	127	2.75	593	3.06

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 #	2.99-3.99	2108	3.16	3.00-3.49	1150	3.28	2.79-3.00	279	2.92
Cheese	Natural Varieties	8 oz block	1.79-3.50	2825	2.53	1.67-3.00	2908	2.27	1.38-2.50	1509	1.90
Cheese	Natural Varieties	1 # block	3.50-3.99	207	3.82				3.79	348	3.79
Cheese	Natural Varieties	8 oz shred	1.79-3.00	2539	2.42	1.79-2.50	2614	2.31	1.38-2.50	1645	1.93
Cheese	Natural Varieties	1 # shred	3.50-3.99	353	3.84	3.50	1002	3.50	3.79	348	3.79
Cottage cheese		16 oz	1.69-2.50	846	2.08	1.25-2.00	1396	1.79	1.25-1.99	541	1.52
Cream cheese		8 oz	1.29-2.49	2315	1.91	2.00-2.39	1565	2.26	1.49	588	1.49
Flavored milk	All fat tests	half gallon	2.49-2.99	146	2.78				2.79-3.00	299	2.92
Flavored milk	All fat tests	gallon							2.50-2.79	138	2.65
Ice cream		48-64oz	1.99-3.99	2486	2.77	2.50-3.50	2449	2.87	2.50-3.50	1456	2.77
Milk	All fat tests	half gallon	1.89-2.68	364	2.08				1.00-1.70	274	1.14
Milk	All fat tests	gallon	1.99-3.99	406	3.03				1.99-2.99	548	2.35
Sour cream		16 oz	1.49-2.00	2009	1.68	1.25-2.00	1186	1.88	1.50-2.29	612	1.72
Yogurt	Greek	4-6 oz	0.75-1.00	3085	.96	0.75-1.00	2129	.88	0.79-1.00	1461	.91
Yogurt	Greek	32 oz	3.99-5.00	431	4.38				2.99	588	2.99
Yogurt	Yogurt	4-6 oz	0.40-1.00	1968	.53	0.50	545	.50	0.38-0.50	753	.47

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	2.50	147	2.50				1.88	213	1.88

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 #	2.49-3.00	499	2.67	2.88-5.49	854	3.92	2.99-3.99	593	3.11
Cheese	Natural Varieties	8 oz block	1.67-2.50	944	2.02	1.49-3.49	941	2.39	1.67-2.99	695	2.53
Cheese	Natural Varieties	1 # block				3.49-4.99	294	4.40	3.99-4.99	358	4.80
Cheese	Natural Varieties	2 # block	5.99	121	5.99	5.99-9.99	422	7.68	7.99	61	7.99
Cheese	Natural Varieties	8 oz shred	1.50-2.99	1306	2.12	1.49-2.50	1049	2.13	1.67-3.00	695	2.49
Cheese	Natural Varieties	1 # shred				3.49-5.18	253	4.41	3.99	69	3.99
Cottage cheese		16 oz	1.25-1.50	550	1.31	1.25-2.00	864	1.63	1.25-2.39	397	1.83
Cream cheese		8 oz	1.00-2.00	254	1.69	1.50-2.00	306	1.90	1.50-2.50	138	2.00
Flavored milk	All fat tests	half gallon	2.79	74	2.79						
Flavored milk	All fat tests	gallon				2.99	116	2.99	3.99	69	3.99
Ice cream		48-64oz	2.50-3.50	1237	2.96	1.75-3.99	1692	3.03	2.50-4.49	470	3.14
Milk	All fat tests	half gallon				2.50-5.59	621	3.47			
Milk	All fat tests	gallon	1.99-3.29	254	2.67	1.99-2.78	741	2.14			
Sour cream		16 oz	1.25-2.29	545	1.47	1.50-2.00	773	1.82	1.25-1.79	581	1.47
Yogurt	Greek	4-6 oz	0.69-1.00	1896	.94	0.87-1.25	2322	1.01	0.75-1.00	1467	.86
Yogurt	Greek	32 oz							3.50	174	3.50
Yogurt	Yogurt	4-6 oz	0.38-0.50	794	.47	0.50	1055	.50	0.39-0.50	301	.47
Yogurt	Yogurt	32 oz	2.00	54	2.00	1.49	178	1.49	2.50	61	2.50

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
Butter		1 #	3.49-3.99	40	3.83	3.77-4.29	37	4.25
Cheese	Natural Varieties	8 oz block				1.69-3.49	118	2.80
Cheese	Natural Varieties	1 # block	5.99	21	5.99			
Cheese	Natural Varieties	2 # block	4.99-7.99	10	6.48			
Cheese	Natural Varieties	8 oz shred	3.00	2	3.00	1.69-3.25	91	2.60
Cheese	Natural Varieties	1 # shred	5.99	11	5.99			
Cottage cheese		16 oz	1.50	11	1.50	2.79	24	2.79
Cream cheese		8 oz	1.89-2.00	30	1.99	2.50	34	2.50
Ice cream		48-64oz	3.99-4.99	34	4.34	3.49-4.99	167	4.04
Milk	All fat tests	half gallon				2.99-3.69	58	3.28
Sour cream		16 oz	1.50	11	1.50	1.99-2.50	51	2.23
Yogurt	Greek	4-6 oz	0.99	6	.99	0.99-1.50	81	1.25
Yogurt	Yogurt	4-6 oz	0.60	6	.60	0.70	24	.70
Yogurt	Yogurt	32 oz	2.99	11	2.99			



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 #	114	3.99				
Cheese	Natural Varieties	8 oz block	63	4.75	63	4.75	58	4.39
Cheese	Natural Varieties	8 oz shred	267	3.99				
Cottage cheese		16 oz	438	3.27			58	5.19
Ice cream		48-64oz			121	4.49		
Milk	All fat tests	half gallon	2421	4.14	206	4.49	2973	3.47
Milk	All fat tests	gallon	221	7.36	236	6.56	58	6.59
Milk	All fat tests	8 oz UHT	774	1.06	903	1.00	1242	.92
Sour cream		16 oz			360	3.99	56	2.99
Yogurt	Greek	4-6 oz	558	1.32	623	1.24	112	1.50
Yogurt	Greek	32 oz	153	4.59				
Yogurt	Yogurt	4-6 oz	69	1.01	63	.99		
Yogurt	Yogurt	32 oz	1191	2.88	2	3.50		

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	3.69-5.49	549	4.44	4.47	1083	4.47			
Milk	All fat tests	gallon	7.99	84	7.99						
Milk	All fat tests	8 oz UHT	1.00	167	1.00						
Yogurt	Greek	4-6 oz	1.25	388	1.25						
Yogurt	Greek	32 oz	5.49	84	5.49						
Yogurt	Yogurt	32 oz				2.50-2.79	394	2.65	2.50	137	2.50

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.99	114	3.99						
Cheese	Natural Varieties	8 oz block	4.75	63	4.75						

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
Cheese	Natural Varieties	8 oz shred	3.99	162	3.99				3.99	105	3.99
Cottage cheese		16 oz	2.99-3.49	438	3.27						
Milk	All fat tests	half gallon	2.99-4.99	471	3.30	3.99	241	3.99	2.99	66	2.99
Milk	All fat tests	gallon				6.98	137	6.98			
Milk	All fat tests	8 oz UHT				1.00-1.25	538	1.08	1.00	69	1.00
Yogurt	Greek	4-6 oz				1.50	167	1.50			
Yogurt	Greek	32 oz							3.50	69	3.50
Yogurt	Yogurt	4-6 oz	0.99	63	.99						
Yogurt	Yogurt	32 oz	2.50	210	2.50	2.79-3.50	450	3.36			

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			
Yogurt	Greek	4-6 oz				1.25	3	1.25
Yogurt	Yogurt	4-6 oz				1.25	6	1.25

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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