

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (12/11)**

**BUTTER:** Grade AA closed at \$2.2000. The weekly average for Grade AA is \$2.6060 (-.2965).

**CHEESE:** Barrels closed at \$1.4225 and 40# blocks at \$1.4450. The weekly average for barrels is \$1.4760 (-.0335) and blocks, \$1.4765 (-.0680).

**NONFAT DRY MILK:** Grade A closed at \$.7725. The weekly average for Grade A is \$.7625 (-.0195).

**BUTTER HIGHLIGHTS:** After weeks of expecting a correction on the butter price, a series of offers dropped the CME Group butter price this week by \$0.7025, to close at \$2.2000, the lowest level since mid-August. The drop in price may signal the end of peak holiday butter purchases. It is now a matter of cleaning up remaining business. Even though the demand for butterfat remains strong across a variety of products, cream is now more available. Butter makers are hesitant to buy spot loads of cream unless needed for specific end of year butter orders. Much of the production for Q4 butter sales is finished. Many processors say their butter stocks are committed and spot butter loads are not readily available, but demand is generally limited beyond existing contract and current needs. Manufacturers have been balancing orders and existing inventories under the anticipation of falling market prices. NASS Dairy Products reported U.S. cumulative butter production through October was 1.4% lower than the same period last year. According to the Foreign Agricultural Service, year to date U.S. butter and milkfat exports through October are down 69% from last year.

**CHEESE HIGHLIGHTS:** Cheese production is steady to active. Milk supplies available for cheese manufacturing are higher in the Northeast and Midwest, steady in the West. Spot loads of milk at Class to \$1.00 over are available in the Midwest. Deli, retail and food service cheese sales are solid, helped by holiday specialty cheese promotions and features. Even national and local general interest television talk shows have recently featured holiday cheese segments. Cheese storage is getting tight in the West, both for blocks and barrels. Midwest barrels are in long supply with softened demand. Cheese manufacturers are helping bottom lines by skimming and selling cream from milk. Barrels closed the week at \$1.4225, down \$0.0625 and blocks closed at \$1.4450, down \$0.0725 from last week's close.

**FLUID MILK:** Farm milk production varies across the nation. Increases are appearing across the southern tier of the U.S., although some localized weather conditions have challenged milk production trends. Across the northern tier, milk is generally steady. Demand from bottlers is active, with some milk suppliers indicating interest exceeded expectations for the week. Many grocery outlets are bundling minimum dollar amount purchases with discounted gallons of milk. However, suppliers are already reporting lower sales for next week based on orders from school districts.

**DRY PRODUCTS:** The low/medium heat nonfat dry milk market is mixed as prices on various indices moved lower and higher. Buyers are disengaged from the purchasing process right now as the market lacks clear direction. The dry buttermilk market is steady. Much of the holiday baking season needs are fulfilled and sales into ice cream are lower. This is balanced by lower production as butter makers shy away from churning. The dry whey markets showed light f.o.b. trading as manufacturers focus on Q1 contracting. Resellers are offering competitively priced loads for immediate needs. The whey protein concentrate 34% market is mostly steady. Offerings range from light to moderate from various manufacturers. Nationally, WPC34% stocks are lower. The lactose market firmed slightly as export demand increased. Producers report supplies, especially from Western manufacturers, are tightening.

**INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: WESTERN OVERVIEW:** Western Europe continues to have plenty of milk in most countries with declines in a few. Preliminary reports from Eurostat showed EU28 milk production for January-September +1.4% above year ago levels. Selected member states showed the following January-September percentage changes compared to the same period last year: Germany, +1.1%; France, -0.4%; UK, +1.5%; Belgium, +5.4%; Italy, +0.4%; and Ireland, +9.9%. The volumes being produced have put pressure on dairy powder pricing, where skim milk powder and whole milk powder prices weakened. Skim milk powder is near intervention levels. Butter is in good balance, with prices unchanged.

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CME GROUP CASH TRADING

COMMODITY	MONDAY DEC 07	TUESDAY DEC 08	WEDNESDAY DEC 09	THURSDAY DEC 10	FRIDAY DEC 11	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4700 (-.0150)	\$1.5000 (+.0300)	\$1.5000 (N.C.)	\$1.4875 (-.0125)	\$1.4225 (-.0650)	:: (-.0625)	:: \$1.4760 (-.0335)
40# BLOCKS	\$1.4950 (-.0225)	\$1.5000 (+.0050)	\$1.4750 (-.0250)	\$1.4675 (-.0075)	\$1.4450 (-.0225)	:: (-.0725)	:: \$1.4765 (-.0680)
NONFAT DRY MILK							
GRADE A	\$.7800 (-.0075)	\$.7500 (-.0300)	\$.7525 (+.0025)	\$.7575 (+.0050)	\$.7725 (+.0150)	:: (-.0150)	:: \$.7625 (-.0195)
BUTTER							
GRADE AA	\$2.9000 (-.0025)	\$2.8400 (-.0600)	\$2.7900 (-.0500)	\$2.3000 (-.4900)	\$2.2000 (-.1000)	:: (-.7025)	:: \$2.6060 (-.2965)

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**

Little disruption of milk flows into processing is expected over holiday weeks because most manufacturing plants will continue production except for some specialty cheese plants. **EASTERN OVERVIEW:** Eastern European countries have mixed January through September production levels compared with year ago. Whole milk powder production for the first nine months generally lags year ago levels, as well as skim milk powder especially in Poland, the Czech Republic and Slovakia. **OCEANIA OVERVIEW:** Australian milk production is being affected adversely by slowly spreading dry conditions in the most significant dairy regions. Milk production is seasonally declining, production volumes are below year ago levels. According to Dairy Australia, October 2015 milk production was 1.093 billion liters, down -0.4% from October 2014. The changes from one year earlier are: New South Wales, +1.9%, Victoria, -1.8%, Queensland, -1.9%, South Australia, +0.3%, Western Australia, +6.2%, Tasmania, +4.8%. Australia's milk production season to date is up 2.0% compared to last season. According to Dairy Australia, production of various dairy commodities for September 2015 showed the following percentage changes compared to 2014: butter, -7.5%; butteroil, +23.8%; skim milk powder, +10.6%; whole milk powder, -5.9%; buttermilk powder, -17.1%; cheese, +2.0; and whey powder, -17.2%. New Zealand milk production is behind expected levels but still at a high level. Cows are being dried off at higher than normal rates partly reflecting pressure from lower milk prices. Export potential for powders is more challenging and thus, a matter of concern.

**NATIONAL RETAIL REPORT-DAIRY:** The volume of conventional dairy ads decreased by 15% compared to the previous week. Ads volume for sour cream, 16 ounce, increased by 35%, the average price is \$1.52, 29 cents lower from last week. Sour cream, 16 ounce, is the second most advertised item this period. Ads volume for ice cream, 48-64 oz., decreased by 42%, the average price is \$2.82, 16 cents lower than the previous week. For other popular holidays dairy products, the change in ad volumes, average prices, and price changes from last week are as follows: 1 pound butter, +18%, \$3.19, down 10 cents; 16 ounce cottage cheese, +123%, \$1.73, down 34 cents; and half gallon eggnog, +58%, \$4.10, down 25 cents. Conventional yogurt in 4-6 ounce packages averaged 48 cents, down 4 cents from last week and 3 cents below a year ago. This item continues to be the most advertised item compared to last week. The average price of 4-6 ounce conventional Greek yogurt is \$.94, 4 cents below last week and a year ago. Conventional yogurt ad numbers decreased 33% from last week. Organic yogurt ads decreased 44%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 5 cents from last week and 33 cents below a year ago; 8 ounce shred cheese averaged \$2.20, down 12 cents from last week, and 25 cents below one year ago. Ads for conventional cheese decreased 18% from last week, but organic cheese ads increased 52%. The price spread between organic and conventional half gallon milk is \$2.68. Last week, the spread was \$2.77. The price spread is the difference between national weighted average prices for organic, \$3.88, and conventional, \$1.20. The volume of conventional milk ads increased by 2%, but organic milk ads decreased by 75% compared to the previous week.

**DECEMBER SUPPLY AND DEMAND ESTIMATES (FMMO):** The milk production forecasts for 2015 and 2016 are reduced from last month as growth in milk per cow in 2015 and 2016 is slowed. Fat basis imports are reduced for 2015 on slower butter imports; on a skim-solids basis, imports are unchanged. No change is made to 2016 imports. Fat basis exports are unchanged for 2015 but are lowered for 2016 as global supplies of dairy products are expected to remain large and sales of cheese are expected to be pressured. On a

skim-solids basis, exports are lowered for 2015 as lactose and whey protein concentrates sales to date are limiting exports, and weaker expected sales of cheese and lactose in 2016 will dampen skim-solids export growth in 2016. Butter prices for remainder of 2015 and early 2016 are raised as prices have remained stronger than expected into early December. Cheese prices are lowered slightly for 2015 and 2016 based on current price movements and expected larger domestic supplies. The nonfat dry milk (NDM) prices are reduced for 2015 and 2016 as domestic and international supplies are expected to pressure prices. Whey prices are unchanged from last month. Class III prices are unchanged for 2015 and 2016 as the cheese price change was small. Class IV prices are raised for 2015 due to the stronger forecast butter price which more than offsets the lower NDM price. The 2016 Class IV price is lowered as the NDM price forecast is reduced. The all milk price is raised to \$17.05 to \$17.15 per cwt for 2015 and lowered to \$15.95 to \$16.75 per cwt for 2016.

**SEPTEMBER MAILBOX PRICES (FMO & CDF):** In September 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.37 per cwt, up \$0.89 per cwt from the August 2015 average, but down \$8.55 per cwt from the September 2014 average. The component tests of producer milk in September 2015 were: butterfat, 3.67%; protein, 3.07%; and other solids, 5.74%. When compared to the previous month, the September Mailbox prices increased in all Federal milk order reporting areas. The Northwest States experienced the greatest increase of \$1.82 per cwt while Minnesota experienced the smallest increase of \$0.21 per cwt. Mailbox prices in September 2015 ranged from \$20.19 in Florida to \$15.52 in New Mexico.

**OCTOBER ESTIMATED MILK SALES (FMO & CDF):** During October, 4.3 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.6 percent lower than October 2014. Estimated sales of total conventional fluid milk products decreased 1.2 percent from October 2014 and estimated sales of total organic fluid milk products decreased 8.5 percent from a year earlier.

**CME GROUP**

MONDAY, DECEMBER 7, 2015

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.4525, 2 @ \$1.4700; 3 CARS 40# BLOCKS: 1 @ \$1.5000, 1 @ \$1.4975, 1 @ \$1.4950; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4650; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.7800; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7700; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.9000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.9000

TUESDAY, DECEMBER 8, 2015

CHEESE -- SALES: 7 CARS BARRELS: 2 @ \$1.4900, 1 @ \$1.5000, 1 @ \$1.5050, 2 @ \$1.5075, 1 @ \$1.5000; 2 CARS 40# BLOCKS: 1 @ \$1.5100, 1 @ \$1.5000; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.5100  
 NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 1 @ \$0.7725, 3 @ \$0.7600, 1 @ \$0.7550, 1 @ \$0.7500, 1 @ \$0.7475, 1 @ \$0.7500; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7450; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7500  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.7500; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.8400

WEDNESDAY, DECEMBER 9, 2015

CHEESE -- SALES: 3 CARS 40# BLOCKS: 1 @ \$1.4800, 2 @ \$1.4750; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7525; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8000  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.5500; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$2.7900

THURSDAY, DECEMBER 10, 2015

CHEESE -- SALES: 5 CARS BARRELS: 2 @ \$1.4950, 1 @ \$1.5025, 1 @ \$1.4950, 1 @ \$1.4875; 7 CARS 40# BLOCKS: 2 @ \$1.4725, 1 @ \$1.4700, 2 @ \$1.4725, 1 @ \$1.4700, 1 @ \$1.4675; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.4800  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7575; LAST OFFER UNCOVERED: NONE  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3000

FRIDAY, DECEMBER 11, 2015

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4225; 1 CAR 40# BLOCKS @ \$1.4450; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4350; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4325  
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7725; LAST OFFER UNCOVERED: 4 CARS GRADE A @ \$0.7800  
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.1000; LAST OFFER UNCOVERED: 3 CARS GRADE AA @ \$2.2000

**BUTTER MARKETS**

**NORTHEAST**

Northeast cream supplies shifted from steady to increased levels for some butter makers, prompting a slightly higher churning rate for the region. A few butter makers noted an increase in cream offerings this week. However, sources indicated they are comfortable with the levels of internal cream supplies, while careful to moderate stock buildup at current butter prices. In general, production schedules favor salted butter, as higher domestic butter prices limit unsalted trading into exports markets. Driven by year-end holiday butter needs, the domestic market currently points to strong retail interest, and active food service orders. This week, bulk butter prices for domestic sales are reported 5 to 13 over the market of the CME Group, with various time frames and averages used. This week, a cooperative export assistance program accepted requests for 176,370 pounds of butter. The CME Group monthly average price for Grade AA butter during November 2015 was \$2.8779, compared to \$1.9968 a year ago. According to the DMN *National Retail Report-Dairy*, during the week of December 4-10, 2015, the U.S. weighted average advertised price for 1 pound butter was \$3.34, up 6 cents from a year ago, and up 50 cents from the previous week. The Northeast average butter price was \$3.53, up 31 cents from last week. At the CME Group Grade AA butter closed Tuesday at \$2.8400, down 6 cents from last Tuesday. The Foreign Agricultural Service (FAS) reports October 2015 U.S. exports of butter and milkfat totaled 2.0 million pounds, a 57% decrease from a year ago.

**CENTRAL**

Churn operators indicated they are hesitant to take in any spot cream loads that don't have butter orders attached to them. Butter makers are continually balancing orders and existing inventories as the market cliffhanger continues. Market participants saw an 11.25 cents decline on CME Group trading through midweek compared to

last Friday's close. This is viewed as a good start to market correction, but most indicate they expect further declines in the near term. Sellers report demand for butter is weak as holiday related orders are already on the books. Buyers are not interested in going long on orders due to the expectation that prices will follow historical trends at some point and decline sharply ahead of the holidays. Butter production is mostly lower as butter makers set limits on the number of spot cream loads they are willing to take this week. Cream loads from the East and West regions are clearing into the Central region to find processing room. The CME Group monthly average price for Grade AA butter during November was \$2.8779, compared to \$1.9968 a year ago. The NASS *Dairy Products* report noted October U.S. butter production totaled 147.5 million pounds, down 1.7 percent from a year ago. January-October cumulative U.S. production totals 1.521 billion pounds, 1.4 percent behind 2014 during the same time span. October production in the Central region totaled 59.6 million pounds, 5.1 percent lower than last year. The DMN *National Retail Report-Dairy* for December 4-10 noted the national weighted average advertised price for a 1 pound package of butter was \$3.29, up \$0.45 from a week ago, and \$0.01 higher than a year ago. The weighted average price in the Midwest region was \$2.68, and in the South Central region, \$3.15. The CME Group Grade AA butter market closed Wednesday at \$2.7900. This is down 16.5 cents from last Wednesday. Bulk butter prices range from 4 cents under to 7 cents over the market, based on CME Group prices and various indices.

**WEST**

Western butter makers are still buying a few spot loads of cream to keep production runs full. Cream is now more available, even though consumer demand for butterfat remains strong across a variety of dairy products. Production for Q4 butter sales is wrapping up.

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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
December 5, 2015	2,8813 3,352,510	1,6258 13,262,575	1,5585 9,709,622	.2354 7,289,093	.7785 14,813,837

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

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Manufacturers note domestic retail demand and market pricing for butter have extended late into the season. Many processors say their butter stocks are committed and spot butter loads are not readily available. The DMN *National Retail Report–Dairy* for the week of December 4–10 found that the U.S. weighted average advertised price of 1 pound butter is \$3.29, up \$.45 from one week ago and up \$.01 from one year ago. In the Southwest, the weighted average advertised price for 1 pound butter was \$3.62 with a price range of \$3.29-\$3.99, and in the Northwest, \$3.88 with a price range of \$3.50-\$4.49. This week, a cooperative export assistance program accepted requests for 176 thousand pounds of butter. *Dairy Products* (NASS) reports U.S. butter production during October 2015, 147.5 million pounds, was 1.7% lower than October last year, but 9.4% higher than September 2015. U.S. cumulative 2015 butter production through October was 1.4% lower than the same period last year. In the West, total October butter production was 1.5% higher than last year. California October production was 9.0% lower than last year. According to the California Department of Food and Agriculture, year to date California butter production through October is down 5.9% from a year ago. Bulk butter pricing in the West this week is 4 cents under market to 4 cents above, based on the CME Group with various time frames and averages used. The CME Group November 2015 monthly average price for AA butter, \$2.8779, is up from the October monthly average of \$2.4757, and up from the November 2014 monthly average of \$1.9968. The Grade AA butter price at the CME Group on Wednesday closed at \$2.7900, down \$.1150 from a week ago.

**2015 U.S. Butter and Milkfat Exports (USDA-FAS)**

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	2.0	- 57
TOTAL, JAN - OCT	44.0	- 69
1 Saudi Arabia	16.6	- 48
2 Mexico	8.5	+ 5
3 Canada	5.5	+ 2
4 South Korea	2.9	- 13
5 Iran	1.2	- 92

## CHEESE MARKETS

## NORTHEAST

Cheese production is steady at expected seasonal levels as milk supply volumes inch higher. Promotions and features for the upcoming holiday period continue to prompt good sales activity. Contract sales are at the forefront of most transactions. Demand for mozzarella is strengthening. Some buyers are gingerly adding to cheese supplies, prior to the yearend holidays. The market undertone is unsettled to weak. This week, the Northeast wholesale cheese prices for cheddar and Muenster declined \$0.0300, and process prices dropped \$0.0075. The Grade A Swiss prices moved lower \$0.0500, a result of lagging adjustments based on Class III component prices. The Northeast November 2015 monthly average prices for cheddar blocks was \$2.1620, compared to \$2.5711 one year ago. Processed 5# sliced average price was \$1.9936, compared to \$2.4582 one year ago. According to the DMN National Retail Report-Dairy, during the week of December 4-10, 2015 the weighted average advertised price for 8 ounce cheese blocks in the Northeast was \$2.60, 22 cents more than the national average, and 40 cents more than a week ago. The Southeast 8 ounce block cheese price was \$2.32, 46 cents less than a week ago. The CME Group November 2015 monthly average price for barrels was \$1.5305, compared to \$1.9326 a year ago; blocks' average price was \$1.6176, down from \$1.9513 a year ago. Tuesday's CME Group daily cash trading saw barrels close at \$1.5000, down \$0.0150 from a week ago; blocks closed at \$1.5000, down \$0.0600 from a week ago.

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

Cheddar 40# Block	:	1.9425-2.2275
Process 5# Sliced	:	1.7250-2.2050
Muenster	:	1.9625-2.3125
Grade A Swiss Cuts 10 - 14#	:	3.2100-3.5325

## MIDWEST

Cheese production remains active across most of the Midwest. A few manufacturers are seeing slight increases in milk intakes. Plenty of milk is available for processing and, when needed, cheese makers can buy spot loads of milk at Class to \$1 over. In some cases, the processors are skimming and selling the cream to increase returns. Specialty cheese sales are strong with many cheese makers selling gift items for the upcoming holidays. Deli, retail and food service cheese sales have also remained solid. Barrel cheese demand has softened somewhat and inventories are long. A few industry contacts say there has also been a slowdown in mozzarella sales. However, it is unclear if the actual demand is less or if cheese coming out of second tier markets is now meeting the needs for pizza cheese. The DMN National Retail Report-Dairy shows that December 4-10 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.99, 33 cents lower than the national average. Midwest prices range from \$1.59-\$2.79. One year ago, the national price was \$2.50. For 8 ounce blocks, the Midwest average price is \$1.92, 32 cents lower than the national average price. Midwest ads are priced from \$1.59-\$2.50. Last year, the national price was \$2.55. Midwestern wholesale prices down \$.0500 for Swiss cuts, down \$.0075 for process, and down \$.0300 for all other types. Dairy Products (NASS) reports total 2015 U.S. cheese production, year to date through October, is 9.699 billion pounds, 2.4% above 2014. October 2015 U.S. total cheese production, 990.9 million pounds, is 3.8% above last month. Central total cheese production for October was 452.4 million pounds, 5.9% more than last month.

U.S. and Central Cheese Production: Percent Change  
October 2015 compared to October 2014

	U.S.	Central
Total Cheese	+ 1.5%	+ 3.4%
American	- 0.7%	+ 0.4%
Cheddar	+ 0.6%	+ 1.7%
Total Italian	+ 2.2%	+ 6.3%
Mozzarella	+ 1.1%	+ 7.8%
Swiss	+ 9.6%	...

The CME Group November 2015 monthly average price for barrels, \$1.5305, is below both \$1.6072 in October, and \$1.9326 in November one year ago. Blocks' November average price, \$1.6176, is down from \$1.6674 in October and down from \$1.9513 one year ago. In CME Group trading Wednesday, barrels closed at \$1.5000, up \$.0050 from last Wednesday and blocks closed at \$1.4750, down \$.0500.

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

Process American 5# Loaf	:	1.6075-1.9675
Brick And/Or Muenster 5#	:	1.9225-2.3475
Cheddar 40# Block	:	1.6500-2.0450
Monterey Jack 10#	:	1.8975-2.1025
Blue 5#	:	2.1900-3.1775
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7225-2.6625
Grade A Swiss Cuts 6 - 9#	:	2.7275-2.8450

## WEST

A steady milk supply has helped Western manufacturers maintain active cheese production. Strong holiday gift sales are complementing good domestic demand for cheese in the retail and food service sectors. Production of cheese used in processing however, is outstripping demand. A few industry contacts report challenges exist in finding available storage space for some of the cheese barrels and blocks. In addition, the large proportion of value within Class III milk prices attributed to butterfat has placed pressures on cheese manufacturers. To help improve bottom lines, some cheese makers are skimming and selling the cream from milk loads to improve revenues. The DMN National Retail Report-Dairy for the week of December 4-10 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.32, up \$.02 from last week, but down \$.18 from a year ago. Packs averaged \$2.50 in the Southwest and \$2.26 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.24, down \$.09 from last week and down \$.31 from a year ago. Blocks averaged \$2.90 in the Southwest and \$2.66 in the Northwest this week. In the West, wholesale prices are down \$.0075 for process, and down \$.0300 for cheddar block, cuts, and Monterey jack. Prices are down \$.0500 for Swiss cuts. This week, a cooperative export assistance program accepted requests for 2.155 million pounds of cheese. Dairy Products (NASS) reports total 2015 U.S. cheese production, year to date through October, is 9.699 billion pounds, 2.4% above 2014. October 2015 U.S. total cheese production, 990.9 million pounds, is 3.8% above September this year. In the West, total cheese production for October 2015 was 412.9 million pounds, 1.4% more than last month.

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## CHEESE MARKETS

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U.S. and West Cheese Production: Percent Change  
October 2015 compared to October 2014

	U.S.	West
Total Cheese	+ 1.5%	- 1.1%
American	- 0.7%	- 1.9%
Cheddar	+ 0.6%	- 0.4%
Total Italian	+ 2.2%	- 1.5%
Mozzarella	+ 1.1%	- 3.0%
Swiss	+ 9.6%	na

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

	BUTTER	: CHEESE
12/07/15	6,783	: 93,830
12/01/15	7,684	: 94,943
CHANGE	-901	: -1,113
% CHANGE	-12	: -1

The CME Group November 2015 monthly average price for barrels, \$1.5305, is down from the October monthly average of 1.6072, and down from the monthly average of a year ago, \$1.9326. Blocks' November average price, \$1.6176, is down from the \$1.6674 October monthly average and down from \$1.9513 one year ago. In CME Group trading Wednesday, barrels closed at \$1.5000, up \$.0050 from a week ago and blocks closed at \$1.4750, down \$.0500.

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	52.1	- 10
TOTAL, JAN - OCT	593.1	- 15
1 Mexico	167.9	+ 13
2 South Korea	110.5	- 18
3 Japan	64.6	- 40
4 Australia	34.0	- 3
5 China	3.9	- 7

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

Process 5# Loaf	:	1.6225-1.8800
Cheddar 40# Block	:	1.6550-2.1000
Cheddar 10# Cuts	:	1.8350-2.0550
Monterey Jack 10#	:	1.8450-2.0050
Grade A Swiss Cuts 6 - 9#	:	2.7875-3.2175

## FOREIGN

Cheese production in Europe is heavy and manufacturers are searching for good outlets. Exports are up for the year ending September, with much of the increased exports going to Mexico, South Korea, Japan, the Middle East and North Africa. That heightens competition for U.S. exports to those nations and regions. Index driven cheese pricing for domestically produced Swiss Cuts Switzerland declined \$.05 and the remaining varieties declines \$.03. Imported cheese prices are unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.1175-3.6050*
Gorgonzola	: 3.6900-5.8900	: 2.6250-3.3225*
Parmesan (Italy)	: -0-	: 3.5075-5.5975*
Provolone (Italy)	: -0-	: 2.1600-2.4125*
Romano (Cows Milk)	: -0-	: 3.3075-5.4575*
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-	: 3.2475-3.5700*
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

\* = Price change.

## FLUID MILK AND CREAM

## EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	10	20	0	76	0
SOUTHEAST STATES	0	0	0	0	0	0

Milk production in the Northeast and Mid-Atlantic is flat. Sales to Class I have resumed at pre-Thanksgiving holiday levels. Milk production in the Southeast is steady. Fewer milk loads cleared to auxiliary plants as Class I sales strengthened ahead of the upcoming holidays. With the spurt in sales, milk is short as handlers look for surplus loads. Florida's milk production is trending higher. This week, increases in output prompted export spot shipments totaling 10 loads. Bottling sales are good and expected to continue until after the holiday period. According to the DMN *National Retail Report-Dairy*, from December 4-10, 2015, the U.S. weighted average advertised price for a gallon of milk was \$2.43, down \$1.15 from a year ago, and down 26 cents from last week. Demand for **condensed skim** improved with increased Class II production. Supplies are adequate to cover contracts. Spot market activity is limited. The DMN November 2015 monthly average for Northeast Class II condensed skim was \$.9492, compared to \$1.5539 a year ago. **Cream multiples** ranged **1.18-1.30** and are dependent on the day of week and location. Cream is readily available on the spot market, as supply levels exceed contracted needs. Some manufacturers are finalizing contracted loads of cream for the coming year. The DMN November 2015 monthly average for Northeast Class II cream was \$3.7246, compared to \$2.6001 a year ago. At the CME Group, Grade AA butter closed Wednesday at \$2.7900, down \$0.1150 from last Wednesday.

## 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 -	3.4250-3.7733
F.O.B. producing plants: Upper Midwest -	3.4538-3.7442
PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,	
F.O.B. PRODUCING PLANTS:	
Northeast - Class II - includes monthly formula prices -	.87-.93
Northeast - Class III - spot prices -	.63-.66

## MIDWEST

Farm milk production trends vary from north to south in the Central region, with northern production holding steady with the help of mild December weather. South Central production is uneven as recent rain storms muddied some cow holding areas last week, but conditions are improving and milk intakes are increasing slightly. Fluid milk demand is steady to higher for the week. Bottlers indicate several grocery outlets are running specials coupling minimum purchase amounts with gallons of milk at reduced prices. Spot milk loads are available, but interest is limited. Milk marketers report Class II and III plant operators are unwilling to commit to taking loads through the end of the month. Instead, they prefer weekly or daily adjustments to their milk volume needs. Cheddar/colby cheese plant managers with active sales through the end of the month are generally interested in spot milk loads. However, some mozzarella plant operators indicate cheese orders are trending lower through the end of the month and they are shying away from processing higher volumes of milk. Spot milk prices range from flat Class to \$1 under.

Interest in placing milk volumes ahead of the upcoming holiday weekends is increasing. Buyers are concerned about paying too much for both the nonfat solids and the butterfat, especially as the butter market has started the long awaited preholiday decline. With that in mind, buyers are offering prices at a discount to Class. Spot cream availability is steady to higher both within the Central region and from West and East region sellers offering to Central buyers/end users. Interest is steady to lower as butter and ice cream operators are less interested in rebuilding inventories. Some Class II holiday related production, such as heavy cream and aerated cream, is ongoing for deliveries scheduled just ahead of the holidays. Central cream multiples range from 1.19 to 1.29. According to the DMN *National Retail Report-Dairy* for the week of December 4-10, the national and Midwest weighted average advertised prices for one gallon of milk are, respectively, \$2.43 and \$2.07.

## WEST

Weather conditions have been favorable to the dairy cows in the Central Valley. As a result, farm level milk production is seasonally steady to higher in California. In addition, the butterfat component level of milk is improving. Bottled milk demand from groceries stores and food service is inching up throughout the week. Interest for condensed skim is going up as year-end holidays approach. In Arizona, lower temperatures and humidity are helping to boost the milk yield. Thus, milk production is on the rise, very close to the seasonal flush. Fluid milk sales into Class I are steady. Sales into Class II are higher. Condensed skim sales in the spot market are active. Current climate in New Mexico is suitable to the dairy herd. Some producers notice a slight dip in milk production. Bottled milk sales to retailers are slightly higher. Milk sales into Class II are steady. Condensed skim processing is active, focused on filling year-end holidays orders. Manufacturing milk volumes moving into Class III are slightly lower. According to the DMN *National Retail Report-Dairy* for the week of December 4-10, the national weighted average advertised price for one gallon of milk is \$2.43, \$2.58 in the Southwest and \$2.50 in the Northwest. Heavy rains and winds pounded the Pacific Northwest coast this week. Snow fell at higher elevations. Although the precipitation created some localized flooding, it's expected to improve the soil moisture for a portion of the region. Aside from a few milk loads being diverted due to closed roads and long days for milk truck drivers, most milk found its way to the processors without issues. Milk production is steady. Utah and Idaho manufacturers report no problems getting milk for processing. Milk intakes are steady. Much of the region had rain and some snow. At lower elevations, a few days of warmer temperatures have improved cow comfort. At this point, some manufacturers are pulling less cream volumes in the West. However, demand from butter and cream cheese makers remains strong as year-end holidays approach. Cream supplies are more available in the region. Consequently, multiples are lower, ranging from 1.06 to 1.24. At the CME Group, Grade AA butter price on Wednesday closed at \$2.7900, 11.5 cents lower from a week ago.

DAIRY PRODUCTS: According to NASS, hard ice cream production in the West region for October 2015 is 16.67 million gallons, 0.8% more than a year ago, but 6.5% less than the previous month.

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 range price series shifted lower on each end, as did the bottom of the mostly series. Manufacturers are reluctant to clear product at lower prices, but the market has yet to establish a solid basis for price growth. Many transactions are limited to just in time purchasing, as buyers and sellers disagree on market fundamentals beyond that time frame. Negotiations for 2016 contracts are ongoing, with moderate progress. Sellers note buyers are trying to match current CME Group trading prices while discussing 2016 contracts, while also shopping for specific brands and other characteristics. This has stalled some talks as the two purchasing structures, CME Group spot versus f.o.b. contract, are not equivalent in the options offered. Low/medium heat NDM production is steady to somewhat higher as interest from a few Class III plants has subsided. Inventories are mixed, ranging from tight to having spot loads available. High heat prices are unchanged to lower on a weaker market. With much of the holiday baking season in the past, high heat NDM demand is lighter. Inventories vary, with most plant operators stating holdings are steady. Production is light. The CME Group monthly average price for Grade A NDM during November was \$0.7822, compared to \$1.1724 a year ago. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during November was \$0.8724, compared to \$1.3119 a year ago. The November monthly average of the range price series for Central and East high heat was \$1.0925 compared to \$1.5425 a year ago. The NASS Dairy Products report noted U.S. human NDM production during October in the Central region totaled 24.0 million pounds, 1.9 percent higher than one year ago.

**DAIRY PRODUCTS:** Total U.S. human NDM production during October was 118.7 million pounds, 11.9 percent lower than last year. During January–October 2015, U.S. human NDM production totaled 1.541 billion pounds, 6.4 percent more than the same time span in 2014. Total U.S. NDM human month ending stocks for October was 183.6 million pounds, 1.5 percent below a year ago.

**EAST:** Eastern low/medium nonfat dry milk prices in the mostly series are steady to lower. Production rates dipped somewhat this week as Class I and II resumed pre-holiday pulls on milk supplies toward yearend holiday needs. Also, sources report maintenance projects are being carried out, reducing dryer schedules at some plants. Market interest is mixed and relaxed, as buyers postpone NDM purchases in anticipation of improved offers and lower prices. However, a few processors in the region are maintaining higher price points that represent the upper end of the NDM pricing range, as the market gradually weakens. Demand for condensed skim to cheese producers is steady to fair. A weakening cheese market could bring lower demand for condensed skim and NDM. Contract negotiations for 2016 are continuing with some uncertainty of supply and prices. The market undertone remains weak. High heat nonfat dry milk prices are steady to lower. Sales activity is light. Current production levels are adequate for immediate needs. At the CME Group, Grade A NDM closed Wednesday at \$0.7525, down \$0.0475 from last Wednesday. The Foreign Agricultural Service (FAS), reports that October 2015 U.S. nonfat dry milk exports totaled 109.8 million pounds, a 29% increase from a year ago.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: .8000 - .9200 MOSTLY: .8400 - .8800  
 HIGH HEAT: .9000 - 1.1800

**NONFAT DRY MILK - WEST**

Prices for low/medium heat nonfat dry milk (NDM) are mixed. Some industry participants note a slight increase in spot sales during this week. However, some buyers/end users are willing to wait for a decrease in the prices offered. The market undertone is steady to weaker. Production of low/medium heat NDM is lower this week. Inventories are building. Prices for high heat nonfat dry milk are lower to steady. Sales in the spot market are irregular. The market undertone is steady to weaker. Production is slightly lower, depending on contractual needs. Inventories are unchanged to building. The November 2015 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$0.8138 compared to \$1.2611 a year ago. The average for Western high heat nonfat dry milk is \$1.0280 compared to \$1.5081 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of human food nonfat dry milk during October 2015 totaled 118.7 million pounds, 11.9% lower than a year ago and 0.9% less than the previous month. The West region’s production totaled 72.5 million pounds, 17.1% lower than a year ago, and 10.9% less than the previous month.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: .6950 - .8500 MOSTLY: .7425 - .7900  
 HIGH HEAT: .8600 - 1.1300

**CALIFORNIA MANUFACTURING PLANTS - NDM**

WEEK ENDING	PRICE	TOTAL SALES
December 4	\$.7488	6,446,214
November 27	\$.7703	4,870,536

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.

	U.S. NDM Exports, H.S. Code 0402100000 (FAS)	
	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	109.8	+ 29
TOTAL, JAN - OCT	1,038.2	N.C.
1 Mexico	456.7	+ 26
2 Philippines	123.8	- 13
3 Indonesia	75.7	- 12
4 Vietnam	61.3	- 17
5 China	57.2	- 41

**DRY BUTTERMILK - CENTRAL AND EAST**

**CENTRAL:** Central dry buttermilk prices are steady on light trading. Supplies are steady to tight within the region. Some manufacturers are offering spot loads on an intermittent basis, to maintain inventories for contract fulfillment. Production is lower compared to last week as some butter/powder plants are limiting receipt of cream spot loads due to instability in the butter market. The DMN monthly average of the range price series for Central and East dry buttermilk during November was \$.9072, compared to \$1.0982 a year ago.

## NONFAT DRY MILK, BUTTERMILK &amp; WHOLE MILK

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

**-CONTINUED FROM PAGE 5-**

**DAIRY PRODUCTS:** The NASS *Dairy Products* report noted U.S. dry buttermilk production during October totaled 7.4 million pounds, 19.1 percent lower than a year ago. Total U.S. dry buttermilk month ending stocks for October were 11.1 million pounds, 43.1 percent below last year.

**EAST:** East region dry buttermilk prices are unchanged. The market tone is mostly steady. Production of dry buttermilk is steady to lower with a number of butter makers near completion of yearend holiday orders. Inventories are moderate to light. Manufacturers are content with current stock levels and able to fill near term contractual obligations. Interest from ice cream has declined, with supplies in place to finish out the year. Buyers, in general, are making dry buttermilk purchases for immediate needs only.

F.O.B. CENTRAL/EAST: .8500 - .9500

**DRY BUTTERMILK - WEST**

F.O.B. spot prices for dry buttermilk are unchanged on a lightly tested market. Outside contracts, sales are slightly lower. Production is steady, alongside western butter churning. Inventories are steady to slightly higher. However, supplies from some manufacturers are committed throughout the end of the year. The November 2015 Dairy Market News monthly average for the West dry buttermilk mostly series is \$0.9071 compared to \$1.2708 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of dry buttermilk during October 2015 totaled 7.4 million pounds, 19.1% lower than a year but 8.1% higher than the previous month.

F.O.B. WEST: .8500 - .9500 MOSTLY: .8700 - .9300

**DRY WHOLE MILK - NATIONAL**

Dry whole milk prices are higher. Most sales are based on contractual needs and exports. The spot market activity is light and sporadic. Dry whole milk processing remains irregular. Inventories are unchanged. Exports to South America and Asia are active. The November 2015 Dairy Market News monthly average for the National price series for dry whole milk is \$1.3008 compared to \$1.7050 a year ago.

**DAIRY PRODUCTS:** According to NASS, U.S. production of dry whole milk during October 2015 totaled 3.6 million pounds, 38.3% lower than a year ago and 14.5% less than the previous month.

F.O.B. PRODUCING PLANT: 1.3000 - 1.5000

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

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

**DRY WHEY - CENTRAL**

Prices for dry whey in the Central region are unchanged on a weak to steady market. Resellers are clearing some holdings into the marketplace, with the help of price incentives to current f.o.b. offers. Manufacturers are reportedly holding comfortable inventories. Negotiations for 2016 contracts continue. With recent Central dry whey prices hovering in the low to mid \$.20s, buyers are reluctant to accept initial offers that place prices closer to \$.30. Manufacturers are also seeking premiums to various indices. Discussions also touch on which index is acceptable for use as a contract price basis. Some cheese manufacturers indicate cheese orders, especially for Italian type cheeses, are lower, and they are sending less milk into vats for that type of production. Cheddar/Colby producers report cheese orders are still active for holiday and post-holiday demand, especially as the block/barrel price spread diminished over the last week. Dry whey production varies accordingly. Animal feed dry whey prices are unchanged. Availability has improved from several sources as manufacturers/resellers/end users revisit inventories and attempt to clear out loads that will not be used by the year's end. Feed blenders report they, too, are comparing input inventories with 2015 production needs. They are gearing purchases toward meeting just those needs. The DMN monthly average of the mostly price series for Central dry whey during November was \$0.2105, compared to \$0.5869 a year ago. The monthly average of the range price series for Central animal feed whey during November was \$0.1651, compared to \$0.4619 a year ago. October dry whey (human) production in the Central region totaled 37.5 million pounds, 17.3 percent above a year ago.

DAIRY PRODUCTS: The NASS Dairy Products Report noted U.S. total dry whey production for October was 75.8 million pounds, up 11.0 percent from a year ago. January-October U.S. total dry whey production totals 801.4 million pounds, 10.8 percent ahead of the same time span in 2014. U.S. total dry whey month ending stocks for October were 60.9 million pounds, 6.7 percent higher than one year ago.

F.O.B. CENTRAL: .1800 - .2800 MOSTLY: .1800 - .2425  
 F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1500 - .1850

**DRY WHEY - WEST**

Western dry whey prices held steady this week on limited spot market activity. Manufacturers report they are focusing their activities on Q1 contracting. Whey production is steady. A number of industry contacts say their whey inventories are more comfortable than earlier in the year. The DMN monthly average of the mostly price series for West dry whey during November was \$0.2308 compared to \$0.2127 one month ago and \$0.5869 a year ago. NASS reports that October 2015 U.S. human whey production, 74.1 million pounds, is up 10.2% from a year ago, but down 4.0% from September. The Western region produced 17.5 million pounds of edible dry whey during October, up 9.5% from last year, but down 16.3% from September this year. Month ending stocks for U.S. human whey, at 58.4 million pounds are 4.2% higher than one year ago.

NONHYGROSCOPIC: .2100 - .3100 MOSTLY: .2200 - .2550

**DRY WHEY - NORTHEAST**

Eastern dry whey prices are unchanged, resulting from limited f.o.b spot market transactions. Most movement is occurring on a contractual basis. Sources indicate some producers' stocks increased marginally from the pre-Thanksgiving holiday tightness. Limited supplies on hand for exchange in the spot market could potentially hold prices steady during the holiday period. The Foreign Agricultural Service (FAS), reports that January-October 2015 U.S. dry whey exports totaled 26.7 million pounds, a 34% decline from a year ago.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2200 - .2800

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	26.7	- 34
TOTAL, JAN - OCT	340.6	- 21
1 China	90.6	- 36
2 Mexico	40.7	- 27
3 Canada	36.6	+ 1
4 Philippines	28.3	+ 37
5 Japan	22.6	- 22

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices for whey protein concentrate 34% were mostly steady this week, but a few spot sales nudged the bottom of the range price series lower. Manufacturers report they have been able to clear some WPC34% stocks. A few processors say their inventories of WPC34% have tightened to the point of not having any product available for spot sales. Buyer inquiries have picked up. Buyers seem interested in getting a few Q1 orders in place prior to the holidays. Production is steady to lower. The November 2015 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.5313 compared to \$0.5333 one month ago and \$1.2751 one year ago. NASS reports U.S. production of WPC (25.0-49.9% protein) during October 2015 totaled 16.5 million pounds, 33.6% lower than one year ago. Cumulative year to date production for 2015 totals 188.5 million pounds, 18.9% lower than 2014. Manufacturers' end-of-month stocks totaled 31.5 million pounds, 9.0% higher than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: .4500 - .6500 MOSTLY: .4900 - .5700

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	22.1	+ 33
TOTAL, JAN - OCT	190.7	+ 1
1 China	71.6	+ 3
2 Canada	32.9	+ 4
3 Mexico	25.4	- 15
4 Indonesia	10.1	+ 36
5 Philippines	7.6	+ 50

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

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

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

Lactose prices are steady to higher for the week. A few manufacturers have been pushing the price very slightly upward on spot sales into export markets. However, pressures from inexpensive permeate have anchored the bottom of the price range. Processors report steady production and committed inventories. A few manufacturers say they are oversold through the first few months of 2016. Industry contacts report Q1 contracting is ongoing with prices at or a little above current levels. The November 2015 Dairy Market News average of the mostly price series for Central and West lactose was \$0.1851, compared to \$0.1850 one month ago and \$0.4050 one year ago. NASS's Dairy Products report shows U.S. lactose production during October 2015 totaled 84.1 million pounds, a 6.2% decrease from one year ago. Cumulative year to date 2015 lactose production totals 882.4 million pounds, a 7.4% decrease from 2014. Month ending stocks, at 123.9 million pounds, are 3.2% lower than one year ago, but 6.0% higher than one month ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .1400 - .2650 MOSTLY: .1600 - .2200

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

	2015 Exports (Million Lb.)	% Change From 1 Year Ago
October Total	40.3	- 8
TOTAL, JAN - OCT	435.9	+ 11
1 China	68.3	+ 22
2 New Zealand	59.2	- 10
3 Mexico	53.5	+ 21
4 Australia	38.5	+ 81
5 Singapore	35.6	+ 76

**CASEIN - NATIONAL**

Casein prices are unchanged. Buyer interest is light, which is a factor in maintaining current pricing. Domestic pricing is also reflective of international pricing factors.

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

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
11/21/2015	59.5	2,641.2	55.3	2,536.5

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](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

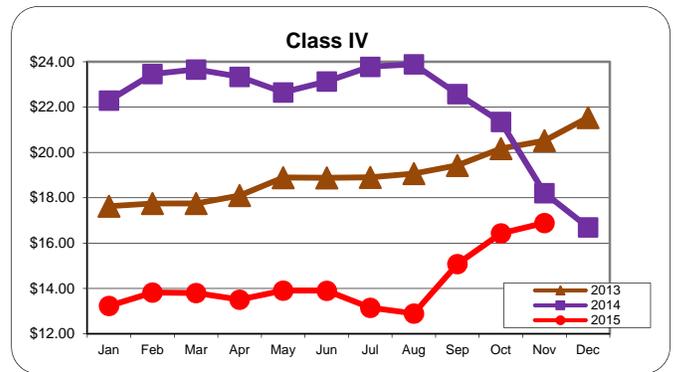
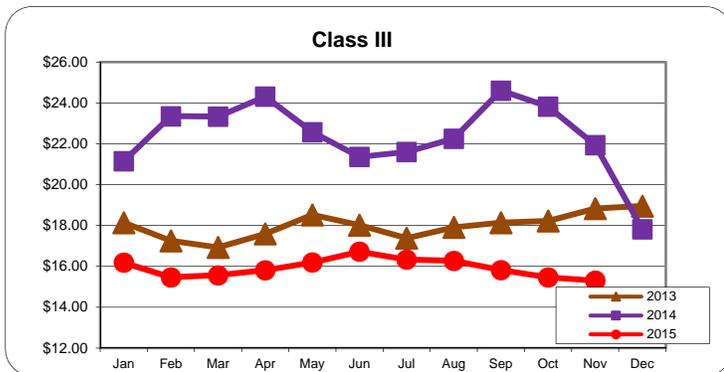
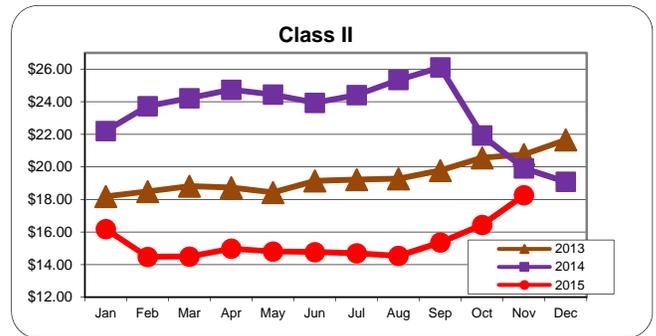
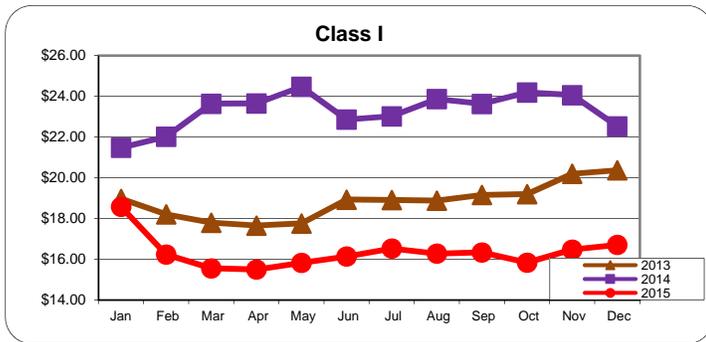
CLASS IV MILK PRICES (3.5%)

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	16.48	16.71
II	16.18	14.48	14.50	14.98	14.81	14.77	14.70	14.54	15.36	16.44	18.26	
III	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	
IV	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	

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



## INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered November 30 - December 11, 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:** Western Europe continues to have plenty of milk in most countries with declines in a few. Preliminary reports from Eurostat showed EU28 milk production for January-September +1.4% above year ago levels. Selected member states showed the following January-September percentage changes compared to the same period last year: Germany, +1.1%; France, -0.4%; UK, +1.5%; Belgium, +5.4%; Italy, +0.4%; and Ireland, +9.9%. The volumes being produced have put pressure on dairy powder pricing, where skim milk powder and whole milk powder prices weakened. Skim milk powder is near intervention levels. Butter is in good balance, with prices unchanged. Little disruption of milk flows into processing is expected over holiday weeks because most manufacturing plants will continue production except for some specialty cheese plants.

**WHOLE MILK POWDER (WMP):** Whole milk powder prices declined. Most manufacturing is to fill orders because they seek to keep supplies from aging too much, so as to maintain flexibility in sales options. Buyers still find supplies readily available. January - September 2015 whole milk powder exports for the EU-28, as reported by GTIS, decreased 3.2% compared to the same period last year. Significant exports of EU whole milk powder go to Oman, Algeria and Nigeria. According to Eurostat, EU WMP production from reporting countries for January-September is 6.2% below year ago levels. Selected member states showed the following January-September percentage changes compared to the same period last year: Netherlands, -4.1%; France, -8.7%; Germany, +0.1%; and Denmark, +5.6%.

26% BUTTERFAT:

2,150 - 2,500

**BUTTER/BUTTEROIL:** Butter and Butteroil prices are unchanged in Europe. Markets are viewed as being in balance and production is steady. Cream sales are surprisingly strong but that has not affected butter pricing. January-September 2015 butter exports for the EU-28, as reported by GTIS, increased +15.2% compared to the same period last year. The top three destinations were the United States, Saudi Arabia and Egypt. EU Butter production from reporting countries for January-September is 2.8% above year ago levels. Selected member states showed the following January-September percentage changes compared to the same period last year: Germany, +3.1%; France, +0.1%; Ireland, +17.8%; Poland, +8.7%; and Netherlands, +1.0%.

**SWEET WHEY POWDER:** European whey prices weakened at the bottom of the price range. There is little activity due to many customers being adequately supplied and sellers not feeling pressured to reduce holdings. This stall in significant transactions awaits a change in buyers or sellers motivation to complete transactions. Exports of sweet dry whey for January-September 2015, as reported by GTIS, showed a decrease of 5.0%, compared to the same period last year. EU whey exports to China increased this year, as well as to Indonesia and Malaysia.

NONHYGROSCOPIC:

525 - 750

82% BUTTERFAT: 3,000 - 3,325  
99% BUTTERFAT: 3,500 - 4,000

**SKIM MILK POWDER (SMP):** Skim milk powder prices weakened in Europe. Prices are near the intervention level and heavy European milk supplies are moving into SMP now and are expected to continue to do so after Christmas. Some manufacturers are not rushing to sell inventories at current prices, holding back and hoping for price increases in future months, comforted by knowing that intervention will serve as a floor under much further price weakening. January-September 2015 skim milk powder exports for the EU-28, as reported by GTIS, decreased 10.2% compared to the same period last year. Imports year to date are down from some customers such as Algeria and China. According to Eurostat, EU SMP production from reporting countries for January-September is 6.6% above year ago levels. Selected member states showed the following January-September percentage changes compared to the same period last year: Germany, +8.6%; France, -1.4%; Belgium, +6.7%; Poland, -4.0%; and Ireland, +80.4%.

1.25% BUTTERFAT: 1,725 - 1,900

**EASTERN OVERVIEW:** Eastern European countries have mixed January through September production levels compared with year ago. Whole milk powder production for the first nine months generally lags year ago levels, as well as skim milk powder especially in Poland, the Czech Republic and Slovakia.

**Exchange rates for selected foreign currencies:  
December 7, 2015**

.1028 Argentina Peso	.0081 Japan Yen
.7268 Australian Dollar	.0592 Mexican Peso
.7408 Canadian Dollar	.6645 New Zealand Dollar
1.0838 Euro	.2507 Poland Zloty
.0150 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0592) = 16.8919 Mexican Pesos. Source: "Wall Street Journal"

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered November 30 - December 11, 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:** Australian milk production is being affected adversely by slowly spreading dry conditions in the most significant dairy regions. Milk production is seasonally declining, production volumes are below year ago levels. According to Dairy Australia, October 2015 milk production was 1.093 billion liters, down -0.4% from October 2014. The changes from one year earlier are: New South Wales, +1.9%, Victoria, -1.8%, Queensland, -1.9%, South Australia, +0.3%, Western Australia, +6.2%, Tasmania, +4.8%. Australia's milk production season to date is up 2.0% compared to last season. According to Dairy Australia, production of various dairy commodities for September 2015 showed the following percentage changes compared to 2014: butter, -7.5%; butteroil, +23.8%; skim milk powder, +10.6%; whole milk powder, -5.9%; buttermilk powder, -17.1%; cheese, +2.0; and whey powder, -17.2%. New Zealand milk production is behind expected levels but still at a high level. Cows are being dried off at higher than normal rates partly reflecting pressure from lower milk prices. Export potential for powders is more challenging and thus, a matter of concern. **GDT SUMMARY:** At the December 1 GDT event #152, average prices ranged from -11.0% lower to 5.6% 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, \$3,430 -5.9%; butter, \$2,709 +5.6%; buttermilk powder, \$1,825 -1.0%; cheddar cheese, \$2,874 -5.0%; lactose, \$503 -2.0%; rennet casein, \$5,250 -4.4%; skim milk powder, \$1,851 -8.1%; and whole milk powder, \$2,148 -11.0%.

**BUTTER:** Butter prices in Oceania firmed at the bottom of the price range. Prices seem well supported by market conditions. Sales are strong into retail channels but weaker for bulk butter. There is some pull on cream to cream cheese and ice cream manufacturing. Price movement up and down is expected in the near future as markets test demand and supply. At the December 1 GDT event #153, unsalted butter prices averaged \$2,845/MT for February contracts, +8.0% from the prior event. Butter prices averaged \$3,009/MT for all contracting periods, +5.7% from the prior event. AMF prices averaged \$3,505/MT for February contracts, +2.5% from the prior event. For all contracting periods, the AMF price average was \$3,519/MT, +2.3%.

82% BUTTERFAT: 2,700 - 3,200

**SKIM MILK POWDER (SMP):** Skim milk powder prices in Oceania are slightly weaker, reflecting market conditions. Some buyers still demand SMP from the region which helps maintain pricing even as competition from the U.S. and Europe plays out in markets. This keeps many sellers feeling comfortable in holding out when presented price bids deemed too low. At the December 1 GDT event 153, SMP for all regions and contracting periods aver-

aged \$1,918 per MT, +3.2%. For trading in contract period 2, February, prices averaged \$1,886 for NZ sourced medium heat product, up \$47 from the prior event.

1.25% BUTTERFAT: 1,725 - 2,050

**CHEDDAR CHEESE:** Prices are unchanged for cheddar cheese in Oceania. Pricing is deemed competitive and thus, markets have not changed. Lower milk supplies as dry conditions develop in Oceania have tempered the need to find outlets for milk supplies.

39% MAXIMUM MOISTURE: 3,000 - 3,300

**WHOLE MILK POWDER (WMP):** Oceania whole milk powder prices weakened at the top of the price range but firmed at the bottom. No driving demand is evident now, with China buyers quiet and Middle East and Africa buyers mostly supplied. A smaller specialty market has developed, selling small volumes of WMP at premium prices in sizes that can be carried onto flights. At the December 1 GDT event 153, the WMP pricing index, across all contracting periods, averaged \$2,260 per MT, up 5.3% compared to the prior event. For contract periods 2 and 3, February and March, NZ regular WMP averaged \$2,160 and \$2,250 per MT.

26% BUTTERFAT: 2,100 - 2,400

## INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 153 Recap - December 1, 2015													
	Contract 1 Jan-16		Contract 2 Feb-16		Contract 3 Mar-16		Contract 4 Apr-16		Contract 5 May-16		Contract 6 Jun-16		All Contracts	
Anhydrous Milk Fat	\$3,483	-3.1%	\$3,505	2.5%	\$3,563	3.2%	\$3,512	1.6%	\$3,492	-0.5%	\$3,629	3.3%	\$3,519	2.3%
Butter	\$3,915	55.4%	\$2,845	8.0%	\$2,870	6.5%	\$2,920	2.5%	\$2,895	-0.5%	\$3,065	7.4%	\$3,009	5.7%
Buttermilk Powder		n.a.	\$1,680	-6.7%	\$1,885	-2.1%		n.a.		n.a.		n.a.	\$1,729	-5.6%
Cheddar	\$2,950	9.9%	\$2,809	-2.5%	\$2,815	-1.5%	\$2,838	-0.7%		n.a.		n.a.	\$2,829	-1.5%
Lactose		n.a.	\$507	1.7%		n.a.		n.a.		n.a.		n.a.	\$507	1.7%
Rennet Casein	\$5,285	0.7%	\$4,977	-5.0%	\$5,129	-3.1%		n.a.		n.a.		n.a.	\$5,046	-4.3%
Skim Milk Powder	\$1,872	-1.1%	\$1,886	2.1%	\$1,966	5.2%	\$2,002	8.4%	\$1,969	2.7%	\$2,042	0.5%	\$1,918	3.2%
Sweet Whey Powder		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.
Whole Milk Powder	\$2,206	n.a.	\$2,175	5.2%	\$2,287	3.9%	\$2,385	7.7%	\$2,423	5.7%	\$2,454	5.6%	\$2,260	5.3%

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

US\$/Pound	Global/Dairy Trading (gDT) Event 153 Recap - December 1, 2015													
	Contract 1 Jan-16		Contract 2 Feb-16		Contract 3 Mar-16		Contract 4 Apr-16		Contract 5 May-16		Contract 6 Jun-16		All Contracts	
Anhydrous Milk Fat	\$1.5799	-3.1%	\$1.5899	2.5%	\$1.6162	3.2%	\$1.5930	1.6%	\$1.5840	-0.5%	\$1.6461	3.3%	\$1.5962	2.3%
Butter	\$1.7758	55.4%	\$1.2905	8.0%	\$1.3018	6.5%	\$1.3245	2.5%	\$1.3132	-0.5%	\$1.3903	7.4%	\$1.3649	5.7%
Buttermilk Powder		n.a.	\$0.7620	-6.7%	\$0.8550	-2.1%		n.a.		n.a.		n.a.	\$0.7843	-5.6%
Cheddar	\$1.3381	9.9%	\$1.2742	-2.5%	\$1.2769	-1.5%	\$1.2873	-0.7%		n.a.		n.a.	\$1.2832	-1.5%
Lactose		n.a.	\$0.2300	1.7%		n.a.		n.a.		n.a.		n.a.	\$0.2300	1.7%
Rennet Casein	\$2.3973	0.7%	\$2.2576	-5.0%	\$2.3265	-3.1%		n.a.		n.a.		n.a.	\$2.2889	-4.3%
Skim Milk Powder	\$0.8491	-1.1%	\$0.8555	2.1%	\$0.8918	5.2%	\$0.9081	8.4%	\$0.8931	2.7%	\$0.9262	0.5%	\$0.8700	3.2%
Sweet Whey Powder		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.		n.a.
Whole Milk Powder	\$1.0006	n.a.	\$0.9866	5.2%	\$1.0374	3.9%	\$1.0818	7.7%	\$1.0991	5.7%	\$1.1131	5.6%	\$1.0251	5.3%

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

**CME GROUP, INC FUTURES**  
Selected settling prices

Month	11/25	11/26	11/27	11/30	12/01	12/02	12/03	12/04	12/07	12/08	12/09
<b>CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)</b>											
NOV 15	15.33	NO TRADING	15.33	15.29	15.29	15.30					
DEC 15	14.58		14.58	14.62	14.63	14.64	14.67	14.61	14.62	14.58	14.60
JAN 16	14.35		14.35	14.40	14.38	14.36	14.37	14.28	14.35	14.15	14.02
FEB 16	14.69		14.69	14.69	14.69	14.60	14.60	14.50	14.51	14.38	14.28
MAR 16	15.06		15.06	15.06	15.04	14.99	14.98	14.92	14.93	14.85	14.75
APR 16	15.22		15.22	15.28	15.30	15.29	15.33	15.26	15.32	15.23	15.16
MAY 16	15.47		15.47	15.55	15.61	15.59	15.64	15.60	15.65	15.50	15.49
JUN 16	15.80		15.80	15.85	15.87	15.90	15.97	15.96	15.95	15.85	15.84
JUL 16	16.07		16.07	16.17	16.17	16.16	16.23	16.28	16.28	16.22	16.20
AUG 16	16.27		16.27	16.40	16.42	16.42	16.48	16.46	16.46	16.44	16.43
<b>CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)</b>											
NOV 15	16.8	NO TRADING	16.80	16.90	16.90	16.89					
DEC 15	15.38		15.38	15.65	15.84	16.25	16.24	16.24	16.34	16.20	15.99
JAN 16	13.92		13.92	14.10	14.32	14.32	14.33	14.33	14.44	14.33	14.00
FEB 16	14.01		14.01	14.15	14.50	14.42	14.33	14.39	14.42	14.20	14.06
<b>CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)</b>											
NOV 15	280.50	NO TRADING	280.50	280.50	280.50	279.99					
DEC 15	253.00		253.00	257.50	260.08	270.98	270.25	273.75	276.50	273.93	270.00
JAN 16	202.03		202.03	205.00	210.00	212.00	210.00	215.00	219.20	214.50	209.50
FEB 16	192.05		192.05	196.48	199.00	199.25	197.33	202.00	204.85	200.00	195.00
<b>NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)</b>											
NOV 15	82.75	NO TRADING	82.75	84.05	84.00	83.72					
DEC 15	79.50		79.50	80.28	81.58	81.25	79.65	79.80	79.25	78.28	77.75
JAN 16	86.00		86.00	87.53	90.53	88.50	88.10	86.25	85.50	83.68	83.03
FEB 16	91.70		91.70	93.20	97.00	94.95	94.75	92.83	92.60	91.25	91.30
<b>WHEY (Electronic-Traded) (¢/lb)</b>											
NOV 15	22.90	NO TRADING	22.90	23.00	23.00	23.41					
DEC 15	22.78		22.78	23.48	23.48	23.48	24.60	23.70	23.70	23.70	23.50
JAN 16	24.50		24.50	24.00	24.80	25.95	26.20	25.35	25.65	25.20	24.10
FEB 16	25.25		25.25	24.68	25.75	26.33	26.35	26.25	26.50	26.50	25.45
<b>CHEESE CSC (Electronic-Traded) (\$/lb)</b>											
NOV 15	1.66	NO TRADING	1.66	1.65	1.65	1.65					
DEC 15	1.59		1.59	1.59	1.59	1.59	1.58	1.58	1.58	1.58	1.58
JAN 16	1.58		1.58	1.59	1.58	1.58	1.57	1.56	1.56	1.55	1.54
FEB 16	1.62		1.62	1.62	1.61	1.60	1.60	1.59	1.58	1.58	1.57
MAR 16	1.65		1.65	1.65	1.64	1.64	1.63	1.63	1.62	1.62	1.61
APR 16	1.66		1.66	1.67	1.67	1.66	1.66	1.66	1.66	1.65	1.64

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

## December Supply and Demand Estimates

The milk production forecasts for 2015 and 2016 are reduced from last month as growth in milk per cow in 2015 and 2016 is slowed. Fat basis imports are reduced for 2015 on slower butter imports; on a skim-solids basis, imports are unchanged. No change is made to 2016 imports. Fat basis exports are unchanged for 2015 but are lowered for 2016 as global supplies of dairy products are expected to remain large and sales of cheese are expected to be pressured. On a skim-solids basis, exports are lowered for 2015 as lactose and whey protein concentrates sales to date are limiting exports, and weaker expected sales of cheese and lactose in 2016 will dampen skim-solids export growth in 2016. Butter prices for remainder of 2015 and early 2016 are raised as prices have remained stronger than expected into early December. Cheese prices are lowered slightly for 2015 and 2016 based on current price movements and expected larger domestic supplies. The nonfat dry milk (NDM) prices are reduced for 2015 and 2016 as domestic and international supplies are expected to pressure prices. Whey prices are unchanged from last month. Class III prices are unchanged for 2015 and 2016 as the cheese price change was small. Class IV prices are raised for 2015 due to the stronger forecast butter price which more than offsets the lower NDM price. The 2016 Class IV price is lowered as the NDM price forecast is reduced. The all milk price is raised to \$17.05 to \$17.15 per cwt for 2015 and lowered to \$15.95 to \$16.75 per cwt for 2016.

U.S. Milk Supply and Use					
Commodity	2014	2015 Projected		2016 Projected	
		Nov	Dec	Nov	Dec
		<i>(billion pounds)</i>			
Milk					
Production	206.0	208.7	208.3	212.9	212.4
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	11.2	11.2	12.4	12.9
Marketings	205.1	207.7	207.3	212.0	211.5
Imports	4.3	5.9	5.8	5.8	5.8
Total Commercial Supply	220.6	224.8	224.4	230.2	230.2
Fat Basis Use					
Commercial Exports	12.4	8.8	8.8	9.4	9.0
Ending Commercial Stocks	11.2	12.4	12.9	12.2	12.2
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	196.9	203.6	202.7	208.6	208.9
Skim-Solid Basis Supply					
Beginning Commercial Stocks	11.7	13.1	13.1	13.4	13.8
Marketings	205.1	207.7	207.3	212.0	211.5
Imports	5.6	6.0	6.0	6.1	6.1
Total Commercial Supply	222.4	226.8	226.4	231.5	231.4
Skim-Solids Basis Use					
Commercial Exports	39.1	37.8	37.7	39.5	38.7
Ending Commercial Stocks	13.1	13.4	13.8	13.6	13.7
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	170.2	175.6	174.9	178.4	178.9

NOTE: Totals may not add due to rounding.

Continued on page 11

## December Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices					
Commodity	2014	2015 Projected		2016 Projected	
		Nov	Dec	Nov	Dec
<i>(dollars per pound)</i>					
Product Prices <sup>1</sup>					
Cheese	2.1551	1.645-1.655	1.640-1.650	1.595-1.685	1.595-1.675
Butter	2.1361	2.005-2.035	2.065-2.095	1.835-1.955	1.880-1.990
Nonfat Dry Milk	1.7682	0.900-0.920	0.890-0.910	0.955-1.025	0.915-0.975
Dry Whey	0.6538	0.375-0.385	0.375-0.385	0.280-0.310	0.280-0.310
<i>(dollars per cwt)</i>					
Milk Prices <sup>2</sup>					
Class III	22.34	15.75-15.85	15.75-15.85	14.70-15.60	14.75-15.55
Class IV	22.09	14.10-14.30	14.30-14.50	13.85-14.85	13.70-14.60
All Milk <sup>3</sup>	23.97	17.00-17.10	17.05-17.15	15.95-16.85	15.95-16.75
<b>Quarterly</b>					
	2015 III	2015 IV <sup>4</sup>	2016 I <sup>4</sup>	2016 II <sup>4</sup>	2016 III <sup>4</sup>
<i>(billion pounds)</i>					
Milk Production	51.7	51.0	53.0	54.1	52.7
<i>(dollars per cwt)</i>					
All Milk Price <sup>2,3</sup>	16.93	17.70-17.90	16.05-16.55	15.25-16.05	16.00-17.00
Class III Price <sup>2</sup>	16.14	15.00-15.20	14.25-14.75	14.40-15.20	15.15-16.15
Class IV Price <sup>2</sup>	13.71	16.35-16.65	13.55-14.15	13.20-14.10	13.80-14.90

<sup>1</sup> 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>; scroll down to Publications, National Dairy Products Sales Reports, and select Current Release & Archives.” <sup>2</sup> 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. <sup>3</sup> Does not reflect any deductions from producers as authorized by legislation. <sup>4</sup> Projection.

**Source:** U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-548, December 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].

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

In September 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$17.37 per cwt, up \$0.89 per cwt from the August 2015 average, but down \$8.55 per cwt from the September 2014 average. The component tests of producer milk in September 2015 were: butterfat, 3.67%; protein, 3.07%; and other solids, 5.74%. When compared to the previous month, the September Mailbox prices increased in all Federal milk order reporting areas. The Northwest States experienced the greatest increase of \$1.82 per cwt while Minnesota experienced the smallest increase of \$0.21 per cwt. Mailbox prices in September 2015 ranged from \$20.19 in Florida to \$15.52 in New Mexico.

Reporting Area <sup>1</sup>	Mailbox Milk Price <sup>2</sup>		
	September 2014	August 2015	September 2015
	<i>(dollars per hundredweight)</i>		
New England States <sup>3</sup>	27.18	17.72	18.66
New York	26.39	16.44	17.32
Eastern Pennsylvania <sup>4</sup>	26.25	16.37	17.45
Appalachian States <sup>5</sup>	27.14	17.62	19.01
Southeast States <sup>6</sup>	27.98	18.20	19.36
Southern Missouri <sup>7</sup>	27.34	17.80	19.36
Florida	29.25	19.11	20.19
Western Pennsylvania <sup>8</sup>	26.27	16.42	17.66
Ohio	25.83	16.36	17.61
Indiana	25.35	15.70	16.83
Michigan	25.50	15.48	16.61
Wisconsin	26.27	17.50	17.76
Minnesota	26.52	17.23	17.44
Iowa	26.22	16.84	17.59
Illinois	26.40	17.07	17.72
Corn Belt States <sup>9</sup>	24.55	15.44	15.83
Western Texas <sup>10</sup>	24.10	15.88	16.62
New Mexico	22.88	14.73	15.52
Northwest States <sup>11</sup>	25.86	15.42	17.24
All Federal Order Areas <sup>12</sup>	25.92	16.48	17.37
California <sup>13</sup>	23.31	15.05	15.71

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

<sup>2</sup> 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.

<sup>3</sup> Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

<sup>4</sup> Includes all counties to the east of those listed in <sup>8</sup>.

<sup>5</sup> Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

<sup>6</sup> Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

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

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

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

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

<sup>11</sup> Includes Oregon and Washington.

<sup>12</sup> Weighted average of prices for all selected reporting areas.

<sup>13</sup> 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](mailto:randal.stoker@usda.gov) or 202-690-1932

## October Milk Sales

During October 4.3 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.6 percent lower than October 2014. Estimated sales of total conventional fluid milk products decreased 1.2 percent from October 2014 and estimated sales of total organic fluid milk products decreased 8.5 percent from a year earlier.

Estimated Total U.S. Sales of Fluid Milk Products, October 2015, with Comparisons <sup>1,4</sup>				
Product Name	Sales		Change from: <sup>2</sup>	
	Sep	Year to Date	Previous Year	Year to Date
	<i>(million pounds)</i>		<i>(percent)</i>	
<b>Conventional Production Practice</b>				
Whole Milk	1,191	11,373	5.3	4.0
Flavored Whole Milk	53	471	10.8	6.6
Reduced Fat Milk (2%)	1,357	13,192	-4.3	-7.0
Low Fat Milk (1%)	630	5,966	0.2	7.2
Fat-Free Milk (Skim)	445	4,417	-10.5	-10.3
Flavored Fat-Reduced Milk	388	3,067	-1.0	1.2
Buttermilk	43	421	1.7	6.2
Other Fluid Milk Products	19	54	-2.9	-6.0
Total Fat-Reduced Milk <sup>3</sup>	2,821	26,642	-3.9	-3.8
Total Conventional Milk Products	4,126	38,960	-1.2	-1.5
<b>Organic Production Practice</b>				
Whole Milk	70	671	0.9	9.1
Reduced Fat Milk (2%)	64	604	1.4	-2.2
Low Fat Milk (1%)	36	370	-11.8	-6.2
Fat-Free Milk (Skim)	27	291	-21.9	-14.5
Flavored Fat-Reduced Milk	7	86	-53.4	-16.4
Other Fluid Milk Products	0	2	----	----
Total Fat-Reduced Milk <sup>3</sup>	133	1,351	-12.7	-7.2
Total Organic Milk Products	204	2,024	-8.5	-2.4
Total Fluid Milk Products	4,330	40,084	-1.6	-1.5

<sup>1</sup> 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. <sup>2</sup> Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis. <sup>3</sup> Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim and flavored fat-reduced milk. <sup>4</sup> The California Department of Food and Agriculture (CDFA) clarified reporting instructions starting in July 2015, for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior years less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352

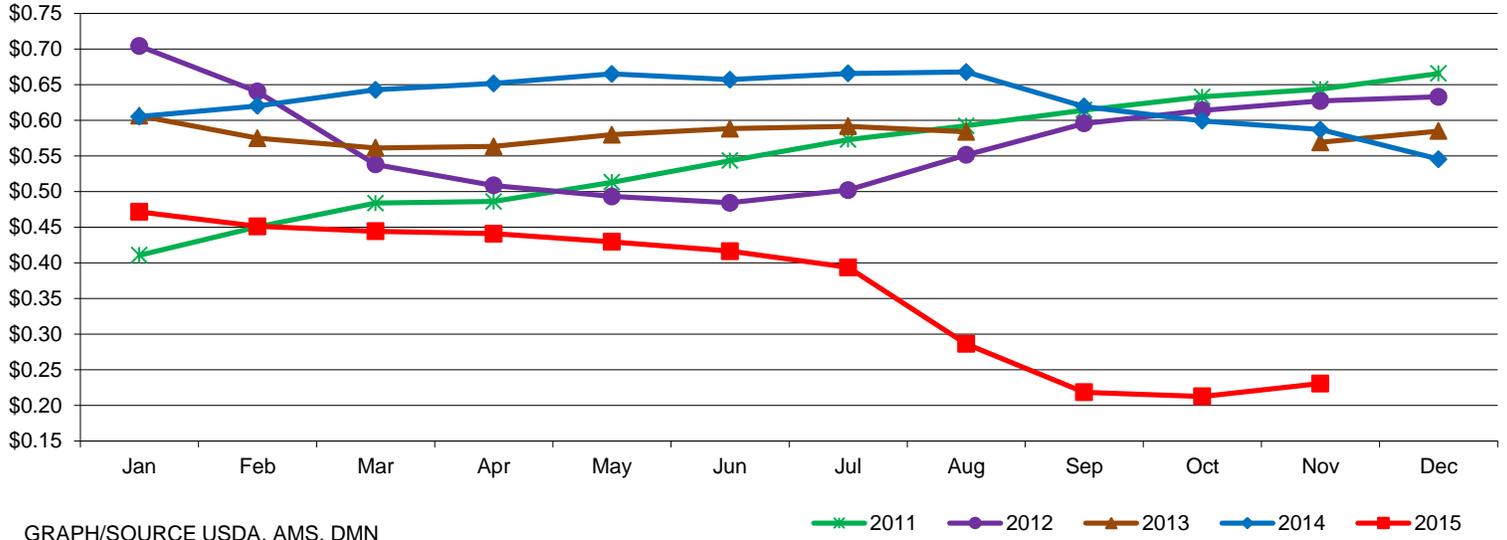
Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, October 2015, with Comparisons <sup>1</sup>					
Marketing Area	Order Number	Sales		Change from: <sup>2</sup>	
		Oct	Year to Date	Previous Year	Year to Date
		<i>(million pounds)</i>		<i>(percent)</i>	
Northeast	001	744	7,006	-0.1	-0.4
Appalachian	005	281	2,694	-1.6	-0.5
Florida	006	236	2,261	1.3	0.0
Southeast	007	398	3,765	-0.6	-1.2
Upper Midwest	030	329	3,119	-4.0	-3.2
Central	032	365	3,436	-2.8	-2.6
Mideast	033	475	4,517	-0.6	-1.1
Pacific Northwest	124	173	1,657	-2.7	-1.5
Southwest	126	395	3,682	0.1	0.6
Arizona	131	94	897	-1.2	-2.2
California <sup>3</sup>	---	489	4,666	-5.2	-4.5
All Orders (Total)		3,494	33,039	-1.0	-1.1
All Areas (Total)		3,983	37,705	-1.6	-1.5

<sup>1</sup> These figures are representative of the consumption of total fluid milk products in the respective area; see footnote <sup>3</sup> above for the products included. <sup>2</sup> Percent changes, as well as sales volumes, are shown on an unadjusted basis. <sup>3</sup> See footnote <sup>4</sup> in the above table regarding California sales.

**Source:** U.S. Department of Agriculture. California Department of Food and Agriculture.

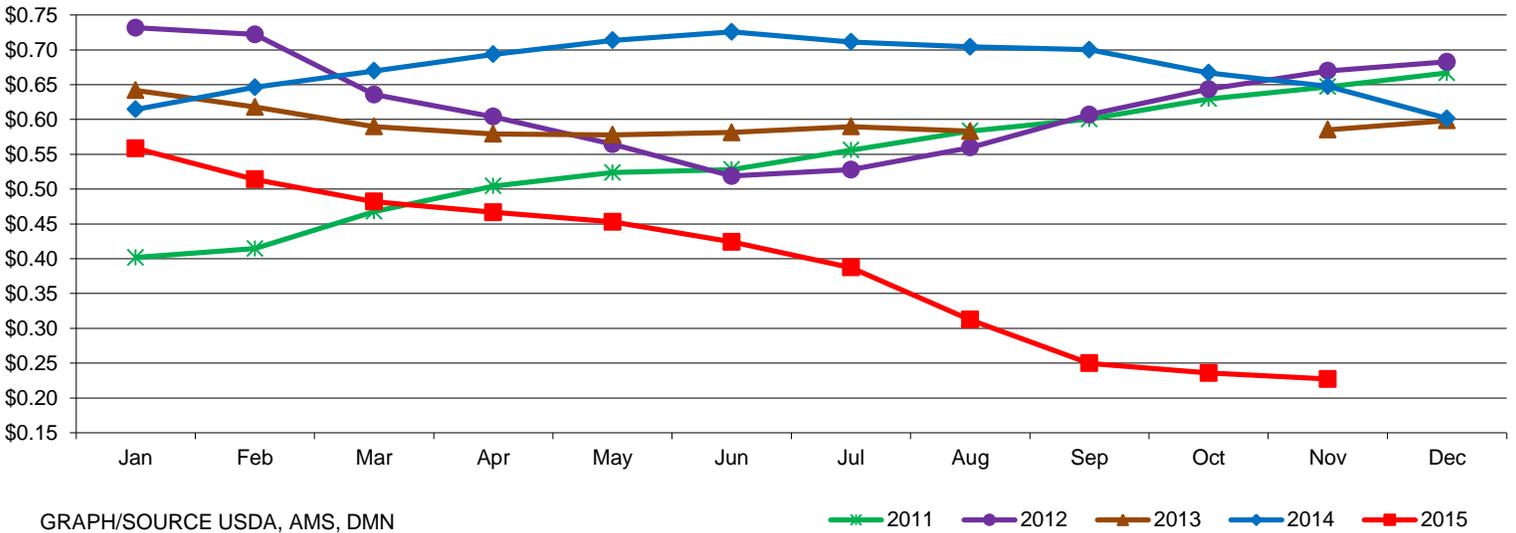
PER POUND

### Western Dry Whey Monthly Average Mostly Prices



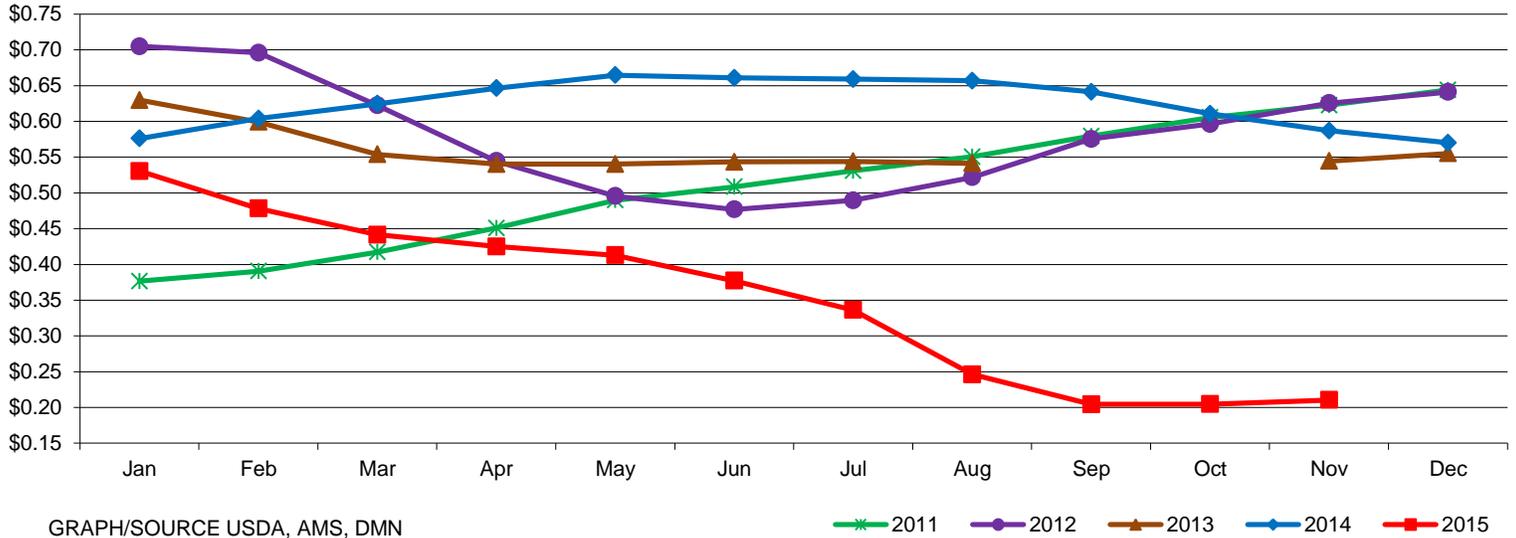
PER POUND

### Northeastern Dry Whey Monthly Average Prices



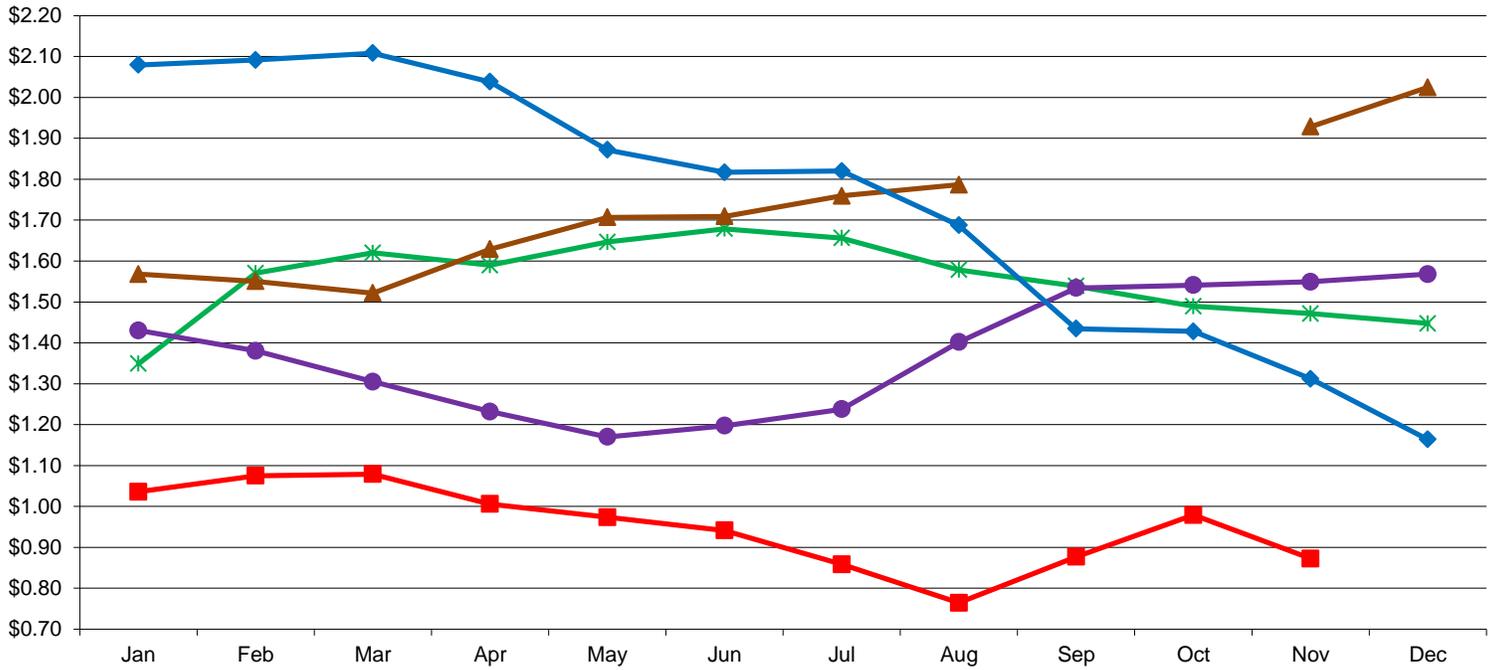
PER POUND

### Central Dry Whey Monthly Average Mostly Prices



### Central & East Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

PER POUND

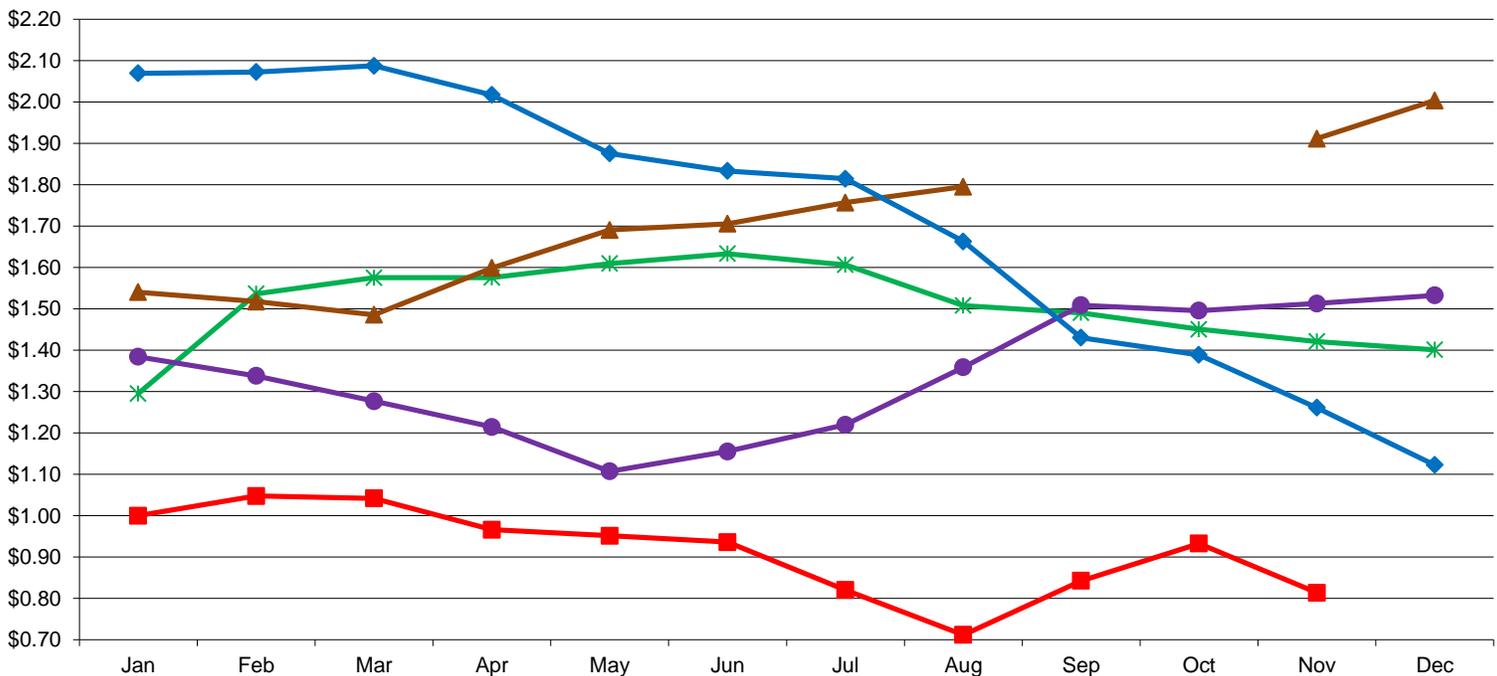


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

### Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

PER POUND

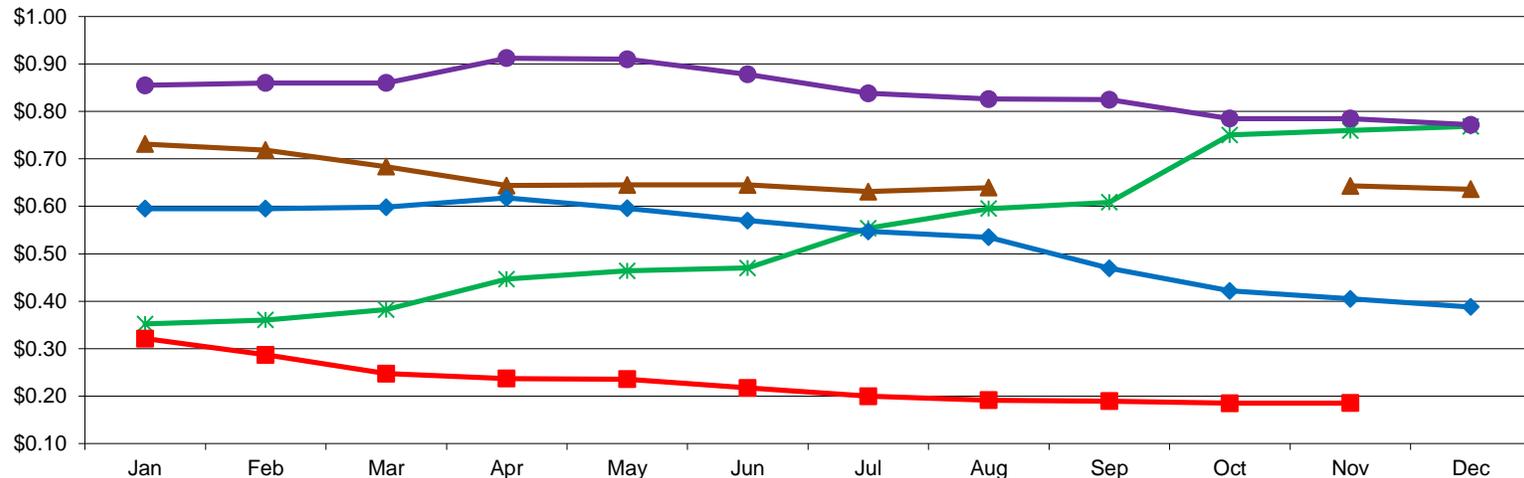


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

### Central & West Dry Lactose Monthly Average Mostly Prices

PER POUND

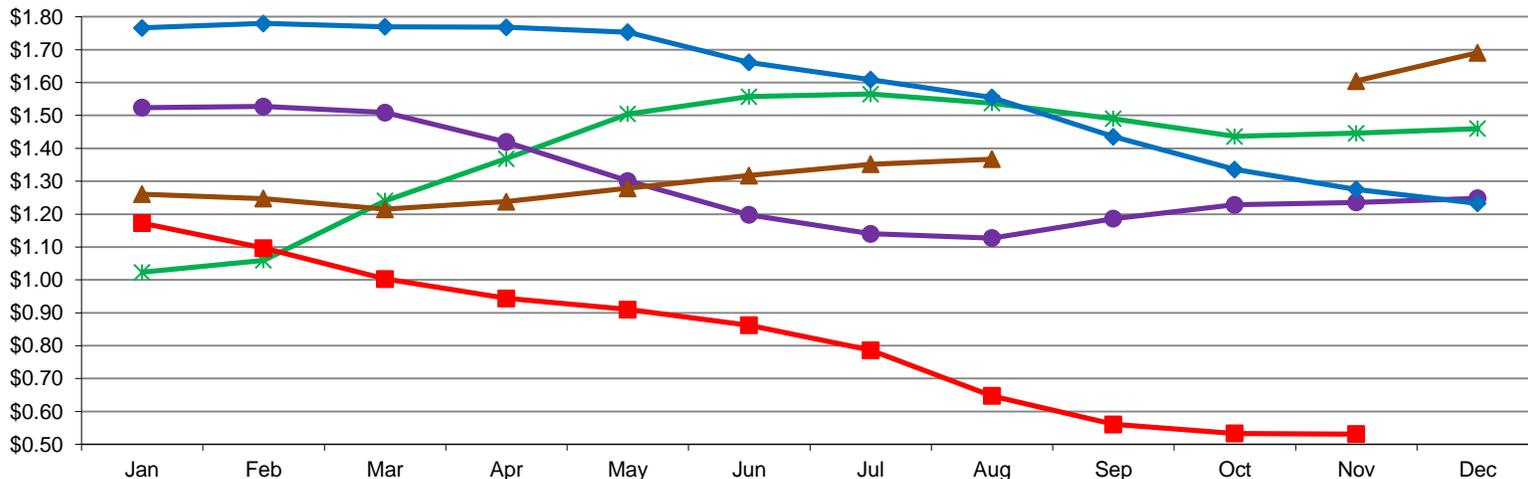


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

### Central & West Dry WPC 34% Monthly Average Mostly Prices

PER POUND

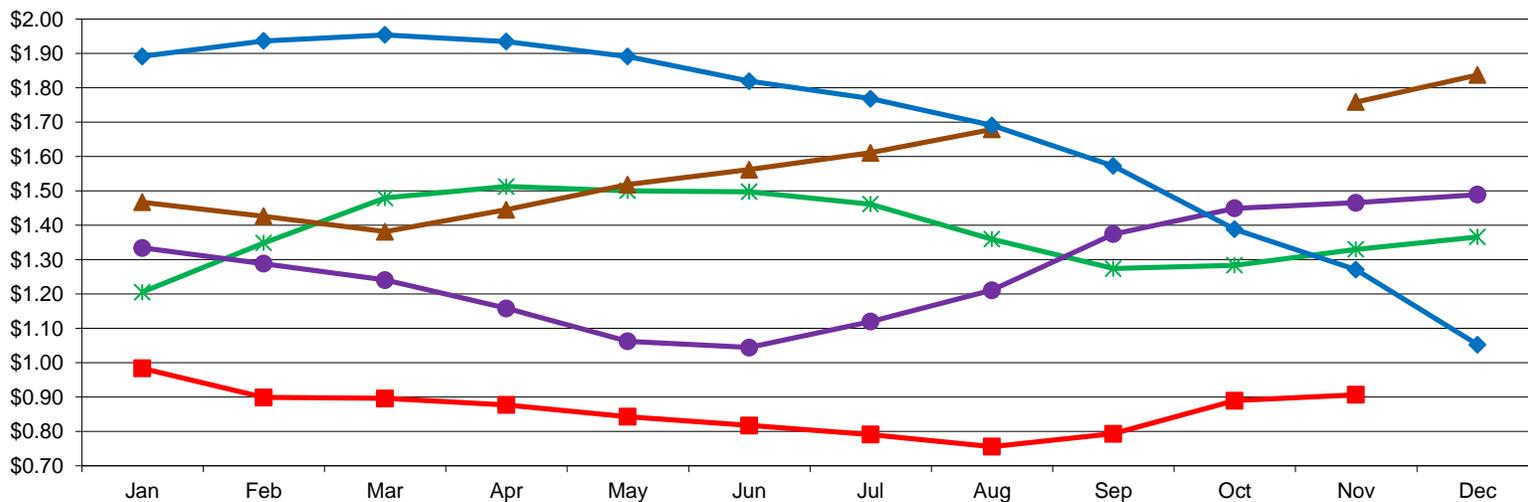


GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015

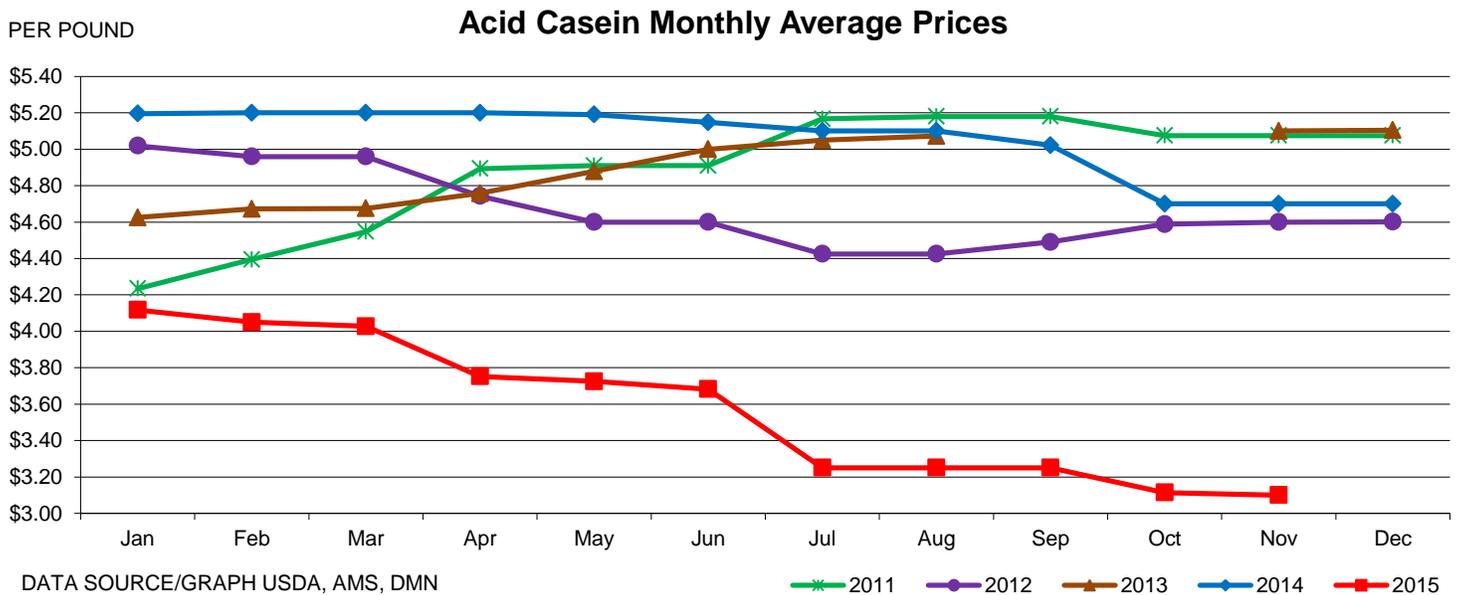
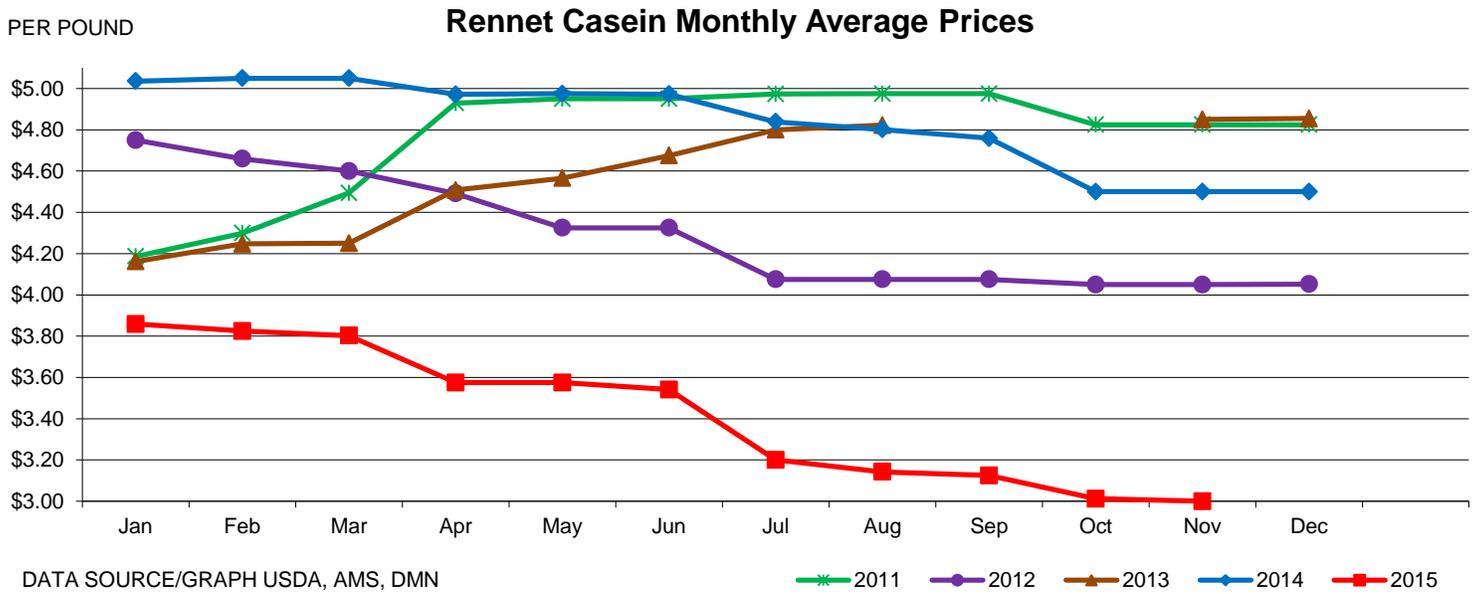
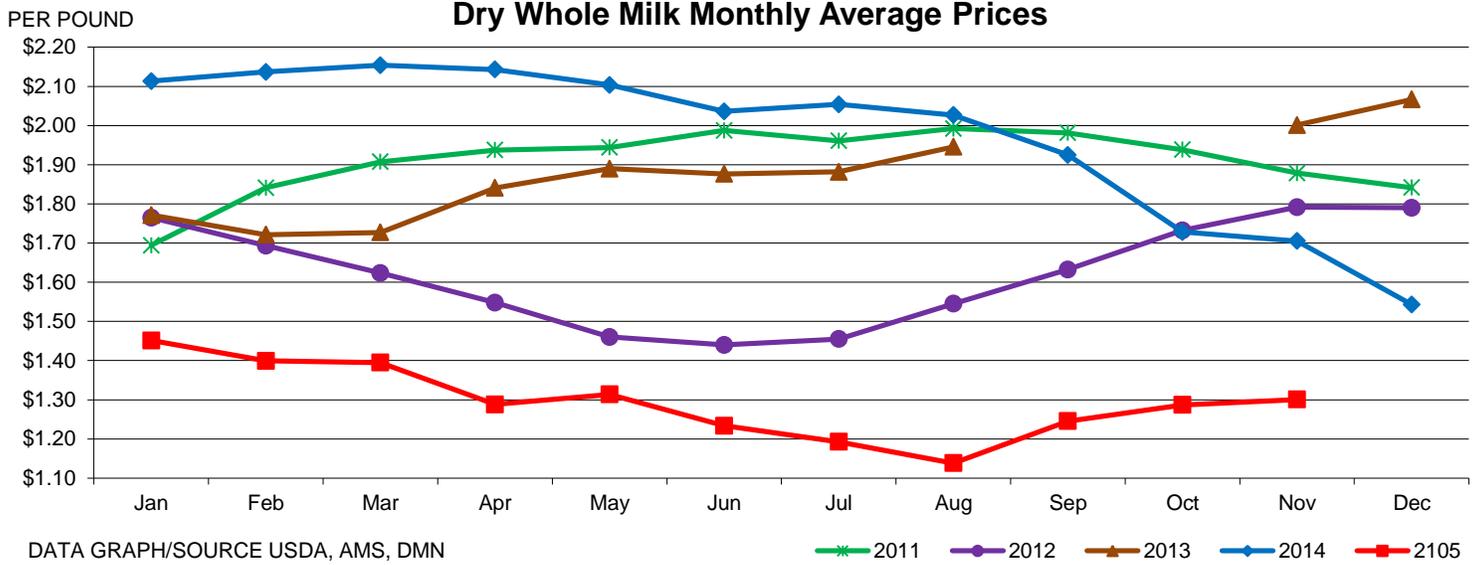
### Western Dry Buttermilk Monthly Average Mostly Prices

PER POUND



GRAPH/SOURCE USDA, AMS, DMN

2011 2012 2013 2014 2015





## Dairy Market News Branch

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# National Retail Report - Dairy

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Friday, December 11, 2015

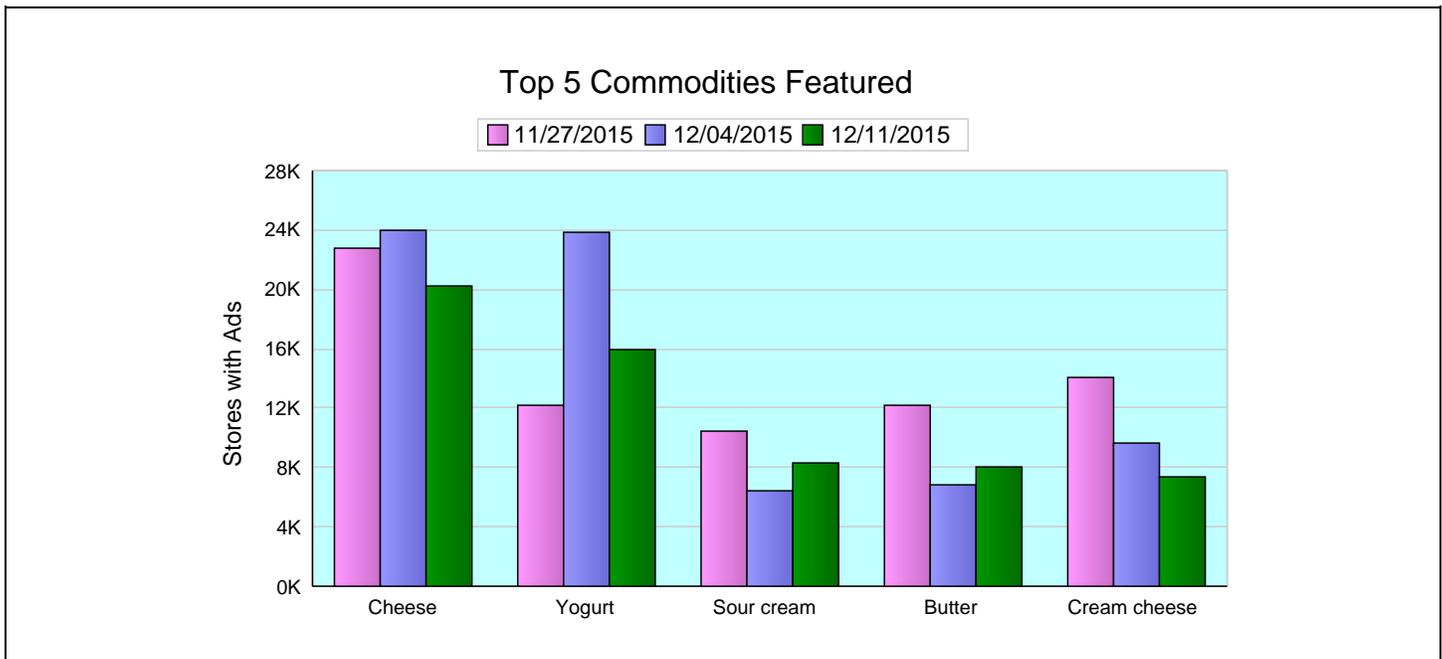
### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 12/11/2015 to 12/17/2015

The volume of conventional dairy ads decreased by 15% compared to the previous week. Ads volume for sour cream, 16 ounce, increased by 35%, the average price is \$1.52, 29 cents lower from last week. Sour cream, 16 ounce, is the second most advertised item this period. Ads volume for ice cream, 48-64 oz, decreased by 42%, the average price is \$2.82, 16 cents lower than the previous week. For other popular holidays dairy products, the change in ad volumes, average prices, and price changes from last week are as follows: 1 pound butter, +18%, \$3.19, down 10 cents; 16 ounce cottage cheese, +123%, \$1.73, down 34; cents and half gallon eggnog , +58%, \$4.10, down 25 cents.

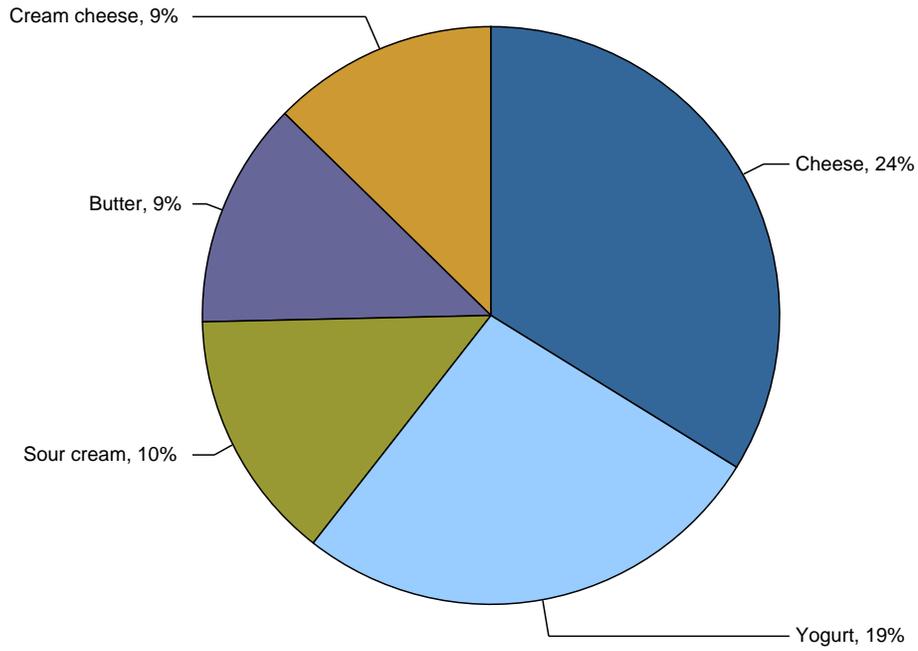
Conventional yogurt in 4-6 ounce packages averaged 48 cents, down 4 cents from last week and 3 cents below a year ago. This item continues to be the most advertised item compared to last week. The average price of 4-6 ounce conventional Greek yogurt is \$.94, 4 cents below last week and a year ago. Conventional yogurt ad numbers decreased 33% from last week. Organic yogurt ads decreased 44%.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 5 cents from last week and 33 cents below a year ago; 8 ounce shred cheese averaged \$2.20, down 12 cents from last week, and 25 cents below one year ago. Ads for conventional cheese decreased 18% from last week, but organic cheese ads increased 52%.

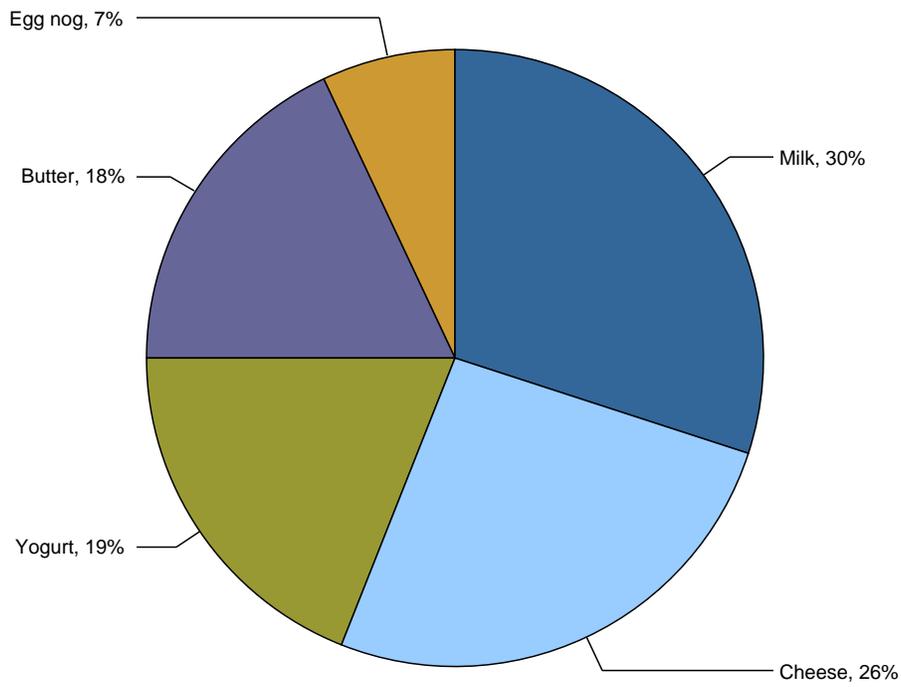
The price spread between organic and conventional half gallon milk is \$2.68. Last week, the spread was \$2.77. The price spread is the difference between national weighted average prices for organic, \$3.88, and conventional, \$1.20. The volume of conventional milk ads increased by 2%, but organic milk ads decreased by 75% compared to the previous week.



### 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 #	7411	3.19	6281	3.29	5489	3.32
Cheese	Natural Varieties	8 oz block	6858	2.29	10058	2.24	7724	2.62
Cheese	Natural Varieties	1 # block	2733	3.59	1716	3.47	1617	4.24
Cheese	Natural Varieties	2 # block	943	5.57	270	5.66	2820	7.93
Cheese	Natural Varieties	8 oz shred	6719	2.20	9849	2.32	7825	2.45
Cheese	Natural Varieties	1 # shred	2066	3.39	1559	3.35	2126	3.99
Cottage cheese		16 oz	3372	1.73	1512	2.07	2659	2.35
Cream cheese		8 oz	7371	1.56	9621	1.42	9770	1.68
Egg nog		quart	706	3.00	541	2.39	1646	2.48
Egg nog		half gallon	1028	4.10	650	4.35	1084	4.40
Flavored milk	All fat tests	half gallon	425	2.37	763	1.95	1202	2.46
Flavored milk	All fat tests	gallon	945	2.96	716	2.46	142	4.49
Ice cream		48-64oz	6726	2.82	11654	2.98	10624	3.34
Milk	All fat tests	half gallon	522	1.20	667	1.26	542	2.40
Milk	All fat tests	gallon	2884	2.64	2664	2.43	2996	3.40
Sour cream		16 oz	8262	1.52	6128	1.81	6764	1.91
Yogurt	Greek	4-6 oz	9133	.94	14903	.98	14258	.98
Yogurt	Greek	32 oz	1043	5.04	1201	4.42	839	5.68
Yogurt	Yogurt	4-6 oz	4546	.48	5370	.52	6445	.51
Yogurt	Yogurt	32 oz	606	2.04	1257	2.44	53	2.49

### 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 #	1.99-4.49	1199	3.53	2.49-3.50	1505	2.94	1.99-3.50	1458	2.99
Cheese	Natural Varieties	8 oz block	1.49-3.29	2719	2.47	1.79-3.00	1757	2.54	0.99-1.99	918	1.31
Cheese	Natural Varieties	1 # block	3.99	282	3.99	3.49-3.50	398	3.50	1.99-2.69	458	2.45
Cheese	Natural Varieties	8 oz shred	1.99-3.49	1188	2.70	1.66-2.50	711	2.40	0.99-1.99	1742	1.59
Cheese	Natural Varieties	1 # shred	3.99	135	3.99	3.49	184	3.49	2.49-3.00	457	2.72
Cottage cheese		16 oz	1.99-2.69	1142	2.20	1.00-1.50	1267	1.43	1.99	57	1.99
Cream cheese		8 oz	0.87-2.50	1411	1.62	1.50-2.50	1462	2.21	0.88-1.50	1800	1.09
Egg nog		quart	2.50-3.49	368	3.04				2.29	119	2.29
Egg nog		half gallon	3.99-4.99	661	4.49						
Flavored milk	All fat tests	half gallon							1.99-2.00	320	2.00
Flavored milk	All fat tests	gallon	3.99	167	3.99				3.99	119	3.99
Ice cream		48-64oz	1.99-4.99	2066	2.89	2.50-3.33	1248	2.58	1.77-4.88	719	3.26
Milk	All fat tests	half gallon	2.00	84	2.00	1.00	184	1.00	1.00	110	1.00
Milk	All fat tests	gallon	3.50-3.69	533	3.55	2.99	227	2.99	1.99-2.99	729	2.36

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
Sour cream		16 oz	1.19-2.00	2118	1.53	0.99-1.75	2148	1.48	0.99-1.99	1632	1.56
Yogurt	Greek	4-6 oz	0.69-1.25	3140	.98	0.69-1.00	1673	.83	0.80-1.25	1296	.99
Yogurt	Greek	32 oz	3.99-5.99	511	5.47				5.49	180	5.49
Yogurt	Yogurt	4-6 oz	0.33-0.50	474	.48	0.33-0.50	1400	.48	0.50-1.25	649	.71
Yogurt	Yogurt	32 oz	1.99	167	1.99				1.88-1.99	332	1.92

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.99-3.50	759	3.05	1.69-4.99	1442	3.38	2.50-3.99	897	3.15
Cheese	Natural Varieties	8 oz block	1.49-2.50	754	2.03	1.99	178	1.99	1.88-3.00	460	2.73
Cheese	Natural Varieties	1 # block	2.49-3.99	690	3.36	2.49-6.99	635	4.79	1.99-3.99	259	2.99
Cheese	Natural Varieties	2 # block	5.00	114	5.00	4.99-5.99	584	5.49	4.99-6.99	235	5.96
Cheese	Natural Varieties	8 oz shred	1.69-2.50	1592	2.16	1.99-2.50	629	2.35	1.88-3.00	764	2.48
Cheese	Natural Varieties	1 # shred	2.49-3.99	591	3.26	2.49-5.18	498	3.96	2.99-3.99	190	3.35
Cottage cheese		16 oz	1.00	288	1.00	1.00	210	1.00	1.89-2.50	384	2.20
Cream cheese		8 oz	0.89-1.67	1124	1.15	1.00-2.49	807	1.55	1.50-2.50	614	1.82
Egg nog		quart	2.50	121	2.50						
Egg nog		half gallon	2.99	78	2.99				3.49	289	3.49
Flavored milk	All fat tests	half gallon							3.49	105	3.49
Flavored milk	All fat tests	gallon	1.99-3.99	539	2.62	1.99	120	1.99			
Ice cream		48-64oz	1.77-4.49	1009	2.70	1.77-3.99	1034	2.37	2.88-3.50	416	3.40
Milk	All fat tests	half gallon	1.25	78	1.25				0.99	66	.99
Milk	All fat tests	gallon	1.99-3.69	586	2.32	1.99-2.88	704	2.43	2.50	105	2.50
Sour cream		16 oz	0.99-2.00	1293	1.41	1.00-2.00	505	1.40	1.50-2.50	524	1.79
Yogurt	Greek	4-6 oz	0.69-1.25	1438	.92	0.88-1.00	1137	.99	0.69-1.00	416	.95
Yogurt	Greek	32 oz				3.99	178	3.99	3.99-5.00	174	4.39
Yogurt	Yogurt	4-6 oz	0.30-0.50	1056	.40	0.30-0.50	546	.39	0.33-0.50	319	.41
Yogurt	Yogurt	32 oz							2.50	105	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 #	3.50-5.98	62	4.94	2.99-4.99	89	3.62
Cheese	Natural Varieties	8 oz block	1.99-2.00	8	1.99	2.77-3.00	64	2.99
Cheese	Natural Varieties	1 # block	3.99	11	3.99			
Cheese	Natural Varieties	2 # block	6.99-8.99	10	7.59			
Cheese	Natural Varieties	8 oz shred	1.99-3.50	29	3.08	2.77-3.00	64	2.99
Cheese	Natural Varieties	1 # shred	3.99	11	3.99			
Cottage cheese		16 oz				2.50	24	2.50
Cream cheese		8 oz	2.50-3.00	30	2.53	1.50-2.50	123	2.21
Egg nog		quart				1.99-5.99	98	4.34



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	3.98-4.00	30	4.00	2.25-4.50	204	3.62
Sour cream		16 oz	1.99-2.00	8	1.99	2.69	34	2.69
Yogurt	Greek	4-6 oz	1.00	2	1.00	0.99-1.00	31	.99
Yogurt	Yogurt	4-6 oz	0.60-0.80	34	.76	0.50-0.99	68	.70
Yogurt	Yogurt	32 oz	3.00	2	3.00			

### 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 #	580	5.51	555	5.23		
Cheese	Natural Varieties	8 oz block	339	3.72	330	4.20	235	3.49
Cheese	Natural Varieties	2 # block			69	4.99		
Cheese	Natural Varieties	8 oz shred	511	3.60	162	3.50		
Egg nog		quart	230	4.22	351	4.14	1844	3.95
Milk	All fat tests	half gallon	755	3.88	2126	4.03	58	3.49
Milk	All fat tests	gallon	215	6.51	435	6.24	1127	6.15
Milk	All fat tests	8 oz UHT			1304	.95		
Sour cream		16 oz	2	2.00	360	2.49		
Yogurt	Greek	4-6 oz	147	1.25	515	1.33	152	1.18
Yogurt	Greek	32 oz	483	5.40			71	6.49
Yogurt	Yogurt	4-6 oz			615	1.25	58	.69

### 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 #				5.49	214	5.49			
Milk	All fat tests	half gallon	4.99	60	4.99	3.99	214	3.99	2.99	98	2.99
Milk	All fat tests	gallon	5.69	78	5.69						
Yogurt	Greek	4-6 oz	1.25	147	1.25						

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	3.99-6.49	239	4.81						

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 #	5.39	63	5.39	5.99	137	5.99	5.00-5.49	166	5.18
Cheese	Natural Varieties	8 oz block	3.49-4.69	339	3.72						
Cheese	Natural Varieties	8 oz shred	3.50	162	3.50	3.50	244	3.50	3.99	105	3.99
Egg nog		quart	3.49	63	3.49	4.49	167	4.49			
Milk	All fat tests	half gallon	3.49	114	3.49	4.99	137	4.99	2.99	121	2.99
Milk	All fat tests	gallon				6.98	137	6.98			
Yogurt	Greek	32 oz				5.99	244	5.99			

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
Milk	All fat tests	half gallon	3.29	11	3.29			
Sour cream		16 oz	2.00	2	2.00			

**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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## GENERAL NUMBER

(608)557-7000

Elizabeth Frederick

(608) 557-7002

Elizabeth.Frederick@AMS.USDA.GOV

## EAST

Daniel Johnson

(608) 557-7006

Daniel.Johnson@AMS.USDA.GOV

## CENTRAL

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

## SOUTHWEST

Angel Teran

(608) 557-7011

Angel.Teran@AMS.USDA.GOV

## NORTHWEST/MOUNTAIN

Mike Bandli

(608) 557-7010

Mike.Bandli@AMS.USDA.GOV

## NATIONAL SUPERVISOR

Butch Speth

(608) 557-7001

Butch.Speth@AMS.USDA.GOV

## ORGANIC/INTERNATIONAL

Eric Graf

(608) 557-7005

Eric.Graf@AMS.USDA.GOV

## INTERNET ADDRESS

[www.ams.usda.gov/market-news/dairy](http://www.ams.usda.gov/market-news/dairy)

## MARKET NEWS PORTAL

[www.marketnews.usda.gov/mnp/da-home](http://www.marketnews.usda.gov/mnp/da-home)

## RECORDED INFORMATION SYSTEM

(608) 557-7000

## FAX

(608) 819-0629

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USDA, Dairy Market News  
4600 American Parkway, STE 106  
Madison, WI 53718-8334