

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (3/4)**

BUTTER: Grade AA closed at \$2.0400. The weekly average for Grade AA is \$1.9925 (-.0335).

CHEESE: Barrels closed at \$1.4600 and 40# blocks at \$1.5200. The weekly average for barrels is \$1.4430 (+.0085) and blocks, \$1.4760 (+.0140).

NONFAT DRY MILK: Grade A closed at \$0.7400. The weekly average for Grade A is \$0.7670 (+.0170).

BUTTER HIGHLIGHTS: Butter manufacturing is strong in the East and West coasts as heavy cream volumes continue to clear into churns. In the Central region, butter churning is steady to lower as some processors are not buying cream volumes outside of contracts. In the East, print demand is fairly lackluster, but processors are anticipating a holiday spurt. In the Central region, butter sales related to the upcoming spring holidays are picking up. In the West, the domestic demand for print butter has waned as the spring holiday orders get filled. Butter inventories are seasonally building in all regions. Dairy Products (NASS) reports U.S. butter production during January 2016, 175.7 million pounds, was 2.1% lower than January 2015, and 1.6% higher than December 2015. At the CME Group, Grade AA butter price on Friday closed at \$2.0400, up \$0.0625 from a week ago.

CHEESE HIGHLIGHTS: Cheese production is beginning to reflect regional differences related to milk volumes and demand. Production is steady in the Northeast and Northwest, but slowing in the Midwest. For months, Midwest cheese plants have actively sought loads of extra milk. Now a number of plants, concerned with further growth of long inventories of blocks and barrels, have begun to turn away loads of milk as supply agreements end. In the rest of the country, cheese production remains steady. While some manufacturers in the West report continued solid domestic demand, offers are being made to end users by some manufacturers to attempt to clear inventories. In CME Group trading Friday, barrels closed at \$1.4600, up \$0.0300 with last Friday and blocks closed at \$1.5200, up \$0.0400.

FLUID MILK: Milk production is increasing during this first week of March. Seasonal increases are noted in the Northeast, Mid-Atlantic, and the Central states. California milk production has been stimulated by a warm climate pattern. Advantageous weather in Arizona is contributing to increases in milk output, as is favorable weather in the Pacific Northwest. All regions are, or have been, dealing with the expected variations in fluid milk demand when schools begin spring

break and then when classes resume. In the Midwest, there has been greater interest in acquiring milk for yogurt/dip/ice cream/ frozen dessert facilities. However, some ice cream/frozen dessert manufacturers are in no hurry to accumulate inventory because they expect butterfat prices to trend lower.

DRY PRODUCTS: Low/medium nonfat dry milk prices are steady to higher in the Central and Eastern states, but slightly higher in the West. Western and Eastern markets are unsettled, while mixed in the Central states. Production is active except the West, where production is less active. High heat interest is limited. Dry buttermilk prices are mixed in the West, with active production, but steady to higher elsewhere. The Central and Eastern market tone is mixed. Western inventories are steady to higher, Central inventories are growing, while they are sold out in the East. Dry whole milk prices are mixed on a weak market with light demand. Dry whey pricing is lower and higher in the Central, steady in the Northeast and mostly steady in the West. All regions evidence mixed/unsettled undertones and mixed inventories. Whey protein concentrate 34% pricing is steady, with stable production, committed inventories and steady demand. Lactose has a firm market tone and steady prices. Inventories are tight and production is steady. Casein pricing weakened, reflecting a global trend. Uncommitted inventories hang over the market.

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW:

With seasonal milk production in the EU moving toward the flush, dealing with milk volumes will become even more challenging. For example, observers in Germany believe milk production for the first two weeks of February 2016 were 5% higher than the same weeks of 2015. Some dairy manufacturers are concerned that continuing year over year increases could tax the capacity of existing processing/manufacturing plants. Milk production in Germany has shown regional differences. The strongest increases have been in Lower Saxony, with Schleswig-Holstein yielding above average increases. More average increases have occurred in North Rhine-Westphalia. Production has slightly declined in Bavaria and Baden-Wuerttemberg. In Germany, where lower retail pricing has also resulted, dairy supermarket sales to consumers are increasing. This has reversed a general decline in early 2015. Retail sales of fluid milk, butter, cheese and yogurt strengthened in the second

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CME GROUP CASH TRADING

| COMMODITY | MONDAY FEB 29 | TUESDAY MAR 01 | WEDNESDAY MAR 02 | THURSDAY MAR 03 | FRIDAY MAR 04 | WEEKLY CHANGE* | WEEKLY AVERAGE# |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------|----------------------------------|
| CHEESE | | | | | | | |
| BARRELS | \$1.4550 (+.0250) | \$1.4325 (-.0225) | \$1.4275 (-.0050) | \$1.4400 (+.0125) | \$1.4600 (+.0200) | :: :: (+.0300) | :: :: \$1.4430 :: (+.0085) |
| 40# BLOCKS | \$1.4800 (N.C.) | \$1.4600 (-.0200) | \$1.4500 (-.0100) | \$1.4700 (+.0200) | \$1.5200 (+.0500) | :: :: (+.0400) | :: :: \$1.4760 :: (+.0140) |
| NONFAT DRY MILK | | | | | | | |
| GRADE A | \$.7650 (+.0050) | \$.7700 (+.0050) | \$.7800 (+.0100) | \$.7800 (N.C.) | \$.7400 (-.0400) | :: :: (-.0200) | :: :: \$.7670 :: (+.0170) |
| BUTTER | | | | | | | |
| GRADE AA | \$1.9650 (-.0125) | \$1.9575 (-.0075) | \$1.9800 (+.0225) | \$2.0200 (+.0400) | \$2.0400 (+.0200) | :: :: (+.0625) | :: :: \$1.9925 :: (-.0335) |

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-**

half of 2015, and continue in 2016. Milk production in the UK so far during 2016 is believed to have slowed, compared with the same period of 2015. During January 2016 Irish dairy producers are believed to have produced over 10% more milk than during December. **EASTERN OVERVIEW:** Milk production in Eastern Europe remains strong overall. Eurolait reports milk production changes for the year 2015 compared with 2014, as well as for December 2015 compared with December 2014 for the following Eastern EU nations, as: Czech Republic, +3.6%, +3.7%; Hungary, +3.6%, -4.0%; Lithuania, +0.2, +1.9%; Romania, -8.0%, -1.8%; Slovakia, +2.5%, +0.8%; Latvia, +0.4%, +4.4%; Estonia, -1.4%, +3.4%; Slovenia, +4.7%, +9.2%; Croatia, -1.9%, -3.8%; and Bulgaria, -0.8%, -2.0%. **OCEANIA OVERVIEW:** Australian milk production during the 2015-16 production season is now estimated by Dairy Australia to be lower than the previous season. A decrease of 1.4% is now forecast. The state change milk production forecast as of February for the current season compared with a year earlier includes: New South Wales, -0.5%; Victoria, -2.0%; Queensland, -3.1%; South Australia, -0.1%; Western Australia, +5.5% and Tasmania -0.4%. In Australia the good start to the milk season did not hold. Growth slowed beginning in October as rains declined and margins increased, partly due to the need to supplement grazing with feed. Those factors were also coincident with higher water prices for irrigation. All of these factors led many Australian dairy producers to cut back on feeding to maintain herd size, leading to the current lower milk output. Dairy officials in Australia are not confident that in the remaining months of the season, through June, lost production can be recovered for the seasonal totals. New Zealand milk production in January was nearly flat with December. For the milk production season to date, which is about 2/3 completed, production is down from the previous season. Estimates at this point are down a couple of percent, or so. During February weather conditions were extremely and unusually dry in much of New Zealand, which adversely affected pasture growth. With the New Zealand dairy industry very pasture grazing focused, this has caused producers to struggle to maintain milk output volumes. In this final stage of the milk season, it is uncertain whether weather and rain will or can lead to pasture improvements sufficient to pull even, or ahead of last year milk volumes. At the March 1 GDT event #159, all contracts average prices ranged from 8.3% lower to 14.9% 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, \$3,254 -8.3%; butter, \$2,811 -0.5%; buttermilk powder, \$1,452 -2.9%; cheddar cheese, \$2,528 -0.7%; lactose, \$613 +7.9%; rennet casein, \$4,569 +14.9%; skim milk powder, \$1,802 +1.3%; sweet whey powder, n.a.; and whole milk powder, \$1,974 +5.5%.

NATIONAL RETAIL REPORT-DAIRY (DMN): The total volume of conventional dairy ads increased 3%, but organic dairy ads decreased 8% this week. For conventional dairy advertisements, Greek yogurt in 4-6 ounce containers had the largest volume of ads, followed by 48-64 ounce ice cream and 8 ounce packages of cream cheese. For conventional items, larger sized items had the largest percentage increase in the number of ads. Leading the way was gallons of flavored milk, 481%; 1 pound blocks of cheese, 196%; and 32 ounce containers of yogurt, 130%. Eight ounce cheese blocks had the largest percentage increase for organic ads, up 238%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 4 cents from last week, but down 4 cents from a year ago; 8 ounce shred cheese averaged \$2.28, up 2 cents from last week, but 39 cents below one year ago. Organic 8 ounce blocks averaged \$4.49, while 8 ounce shred cheese averaged \$3.73. Advertisements for conventional cheese are down 15%,

but organic cheese ads increased 124% from last week. The average price for conventional yogurt in 4-6 ounce packages is \$.48, down 1 cent from last week, but up 1 cent from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.95, down 1 cent from last week, and down 3 cents from a year ago. Conventional yogurt ad numbers are up 8% from last week. Organic yogurt ads are up 61% from the previous week. The price spread between organic and conventional half gallon milk is \$2.44. The price spread is the difference between national weighted average prices for organic, \$3.85, and conventional, \$1.41. Conventional milk ads increased by 19% from last week, while organic ads decreased by 46%.

JANUARY AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$16.10 in January, down \$1.50 from January 2015. Milk Cows price was \$1,830 in January, down \$160 from January 2015. Alfalfa hay price was \$147.00 in January, down \$23.00 from January 2015. Corn price was \$3.66 in January, down \$0.16 from January 2015. Soybean price was \$8.71 in January, down \$1.59 from January 2015. The milk-feed price ratio was 2.14 in January, up 0.03 from January 2015. The index of prices received by farmers for dairy products during the month of January 2016 was down 5.5 points to 80.1. Compared to January 2015, the index was down 7.5 points (-8.6 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2016 was up 1.1 to 107.0. Compared with January 2015, the index was down 4.5 points (-4.0 percent).

FEBRUARY FMMO CLASS AND COMPONENT PRICES (FMMO): The following are the February 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$14.30 (+\$0.11), Class III: \$13.80 (+\$0.08), and Class IV: \$13.49 (+\$0.18). Under the Federal milk order pricing system, the butterfat price for February 2016 is \$2.3778 per pound. Thus, the Class II butterfat price is \$2.3848 per pound. The protein and other solids prices for February 2016 are \$1.7389 and \$0.0492 per pound, respectively. These component prices set the Class III skim milk price at \$5.68 per cwt. The February 2016 Class IV skim milk price is \$5.36, which is derived from the nonfat solids price of \$0.5951 per pound. The product price averages for February 2016 are: butter: \$2.1350, nonfat dry milk: \$0.7689, cheese: \$1.5170, and dry whey: \$0.2469.

JANUARY DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 175.7 million pounds, 2.1 percent below January 2015, but 1.6 percent above December 2015. American type cheese production totaled 400.4 million pounds, 0.9 percent above January 2015, and 0.3 percent above December 2015. Total cheese output (excluding cottage cheese) was 1.0 billion pounds, 2.6 percent above January 2015, but 2.6 percent below December 2015. Nonfat dry milk production, for human food, totaled 136.2 million pounds, 17.4 percent below January 2015, and 9.7 percent below December 2015. Dry whey production, for human food, was 80.1 million pounds, 7.3 percent above January 2015, but 13.5 percent below December 2015. Ice cream, regular hard production totaled 57.0 million gallons, 2.7 percent above January 2015, and 2.0 percent above December 2015.

CME GROUP

MONDAY, FEBRUARY 29, 2016

CHEESE -- SALES: 6 CARS 40# BLOCKS: 3 @ \$1.4900, 1 @ \$1.4875, 2 @ \$1.4800; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4550; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.4900
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 1 @ \$0.7625, 6 @ \$0.7600; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7650; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7700
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$1.9625, 1 @ \$1.9700; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9275; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9650

TUESDAY, MARCH 1, 2016

CHEESE -- SALES: 4 CARS 40# BLOCKS: 3 @ \$1.4650, 1 @ \$1.4600; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4300; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4325; 1 CAR 40# BLOCKS @ \$1.4625
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$0.7750, 2 @ \$0.7700; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.7650; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$1.9500, 1 @ \$1.9575, 1 @ \$1.9600, 1 @ \$1.9575, 1 @ \$1.9550, 1 @ \$1.9575; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9575; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MARCH 2, 2016

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.4500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4275; 1 CAR 40# BLOCKS @ \$1.4500
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7800; LAST OFFER UNCOVERED: 4 CARS GRADE A @ \$0.8000
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9800; LAST OFFER UNCOVERED: 3 CARS GRADE AA @ \$2.0100

THURSDAY, MARCH 3, 2016

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4400; 5 CARS 40# BLOCKS: 1 @ \$1.4550, 1 @ \$1.4600, 3 @ \$1.4700; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4325; 1 CAR 40# BLOCKS @ \$1.4700; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7500; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7900
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0200; LAST BID UNFILLED: 3 CARS GRADE AA @ \$2.0200; LAST OFFER UNCOVERED: NONE

FRIDAY, MARCH 4, 2016

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.4500, 1 @ \$1.4575, 1 @ \$1.4650; 15 CARS 40# BLOCKS: 1 @ \$1.4800, 3 @ \$1.4900, 1 @ \$1.4950, 2 @ \$1.5000, 1 @ \$1.5100, 5 @ \$1.5150, 1 @ \$1.5175, 1 @ \$1.5200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4600
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$0.7500, 2 @ \$0.7400; LAST BID UNFILLED: 5 CARS GRADE A @ \$0.7300; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 8 CARS GRADE AA: 1 @ \$2.0400, 2 @ \$2.0500, 1 @ \$2.0300, 1 @ \$2.0450, 2 @ \$2.0500, 1 @ \$2.0400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0400; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Cream volumes are more than generous to cover Class II and Class III needs. Consequently, Northeast butter production remains quite strong in most areas of the region. With output surpassing demand, supplies are slightly heavier than desired for some manufacturers. Some buyers are comfortable with delaying ongoing negotiations, due to the level of unanticipated butterfat that's been made available. Although print demand is fairly lackluster, processors are anticipating a holiday spurt. Retail feature activity during the holiday buying period will likely help clear significant print volumes. The bulk butter market is steady to lower. Prices are reported 5 to 8 cents over the CME Group price, with various time frames and averages used. According to the *DMN National Retail Report-Dairy*, during the week of February 26 to March 3, 2016, the U.S. weighted average advertised price for 1 pound butter was \$2.96, up 19 cents from a year ago, but down 48 cents from the previous week. The weighted average butter price in the Northeast was \$3.45, down 9 cents from a week ago. The Grade AA butter price, at the CME Group, closed Tuesday \$1.9575, down \$0.1275 from a week ago.

CENTRAL

Central region churning is steady to slower. Some manufacturers indicate they are not buying cream volumes outside of contracts. As the market shows weaker prices, manufacturers are focusing on balancing current production and upcoming sales commitments. Sales related to the upcoming spring holidays are picking up. Retailers planning advertising features ahead of the holidays want to make sure packaged butter will be on hand as the features activate. Butter inventories are steady to building, but, as churn operators throttle back on spot cream purchases, the week to week gains in inventories are less pronounced. The *DMN National Retail Report-*

Dairy for February 26-March 3 noted the national weighted average advertised price for a 1 pound package of butter was \$2.96, \$0.48 below one week ago, but \$0.19 above one year ago. The weighted average prices in the Midwest and South Central regions are \$2.59 and \$2.69, respectively. The CME Group Grade AA butter market closed Wednesday at \$1.9800, down \$0.2000 from last Wednesday.

WEST

Industry contacts note the butter market may be softening somewhat. Although cream is readily available, there may be less demand for cream to enter the churn. Western manufacturers are still actively producing butter and are committed on current agreements. However, some say the domestic demand for butter has subsided a little as the spring holiday orders get filled. Much of the seasonal holiday buying is done or nearing completion. Some butter makers are shifting more of their production toward bulk butter than retail. As a result, butter inventories are seasonally building. The *DMN National Retail Report-Dairy* for the week of February 26-March 3 found that the U.S. weighted average advertised price of 1 pound butter is \$2.96, down \$.48 from last week. The U.S. weighted average price was \$2.77 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.79. In the Northwest the weighted average advertised price of 1 pound butter is \$2.50. Bulk butter pricing in the West this week is 3 cents under market to 2 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Wednesday closed at \$1.9800, down \$.0200 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

| <u>WEEK ENDING</u> | <u>BUTTER</u> | <u>CHEESE 40# BLOCKS</u> | <u>CHEESE BARRELS 38% MOISTURE</u> | <u>DRY WHEY</u> | <u>NDM</u> |
|--------------------|---------------------|--------------------------|--|--------------------|---------------------|
| February 27, 2016 | 2,0737 4,146,845 | 1,5040 13,019,445 | 1,5207 8,695,026 | .2589 6,607,968 | .7677 14,117,808 |

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

CHEESE MARKETS

NORTHEAST

Cheese prices are showing a little weakness, in an unsettled market. Last week, the CME Group weekly average cheese price for blocks and barrels retreated from the previous week. Accordingly, the wholesale prices for cheddar and Muenster this week fell \$0.0275, while process 5# cheese moved lower \$0.0350. Swiss cuts are unchanged. Tuesday's CME Group daily cash prices saw barrels close at \$1.4325, down \$0.0050 from a week ago; blocks closed at \$1.4600, up \$0.0050 from a week ago. Cheese production remains steady with milk output above a year ago levels. Packagers and processors are operating seasonally heavy schedules. Mozzarella manufacturers are seeing adequate customer interest from retail and foodservice accounts. Buyers are inclined to show some hesitancy, while timing purchases, as market prices fall. According to the *DMN National Retail Report-Dairy*, for, February 26 to March 3, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.30, 5 cents higher than the national average, but unchanged from the previous week. The Southeast 8 oz. block cheese price was \$2.48, up 5 cents from the previous week.

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

| | | |
|-----------------------------|---|---------------|
| Cheddar 40# Block | : | 1.8750-2.1600 |
| Process 5# Sliced | : | 1.6325-2.1125 |
| Muenster | : | 1.8950-2.2450 |
| Grade A Swiss Cuts 10 - 14# | : | 3.1525-3.4750 |

MIDWEST

With milk readily available, many cheese manufacturers report milk supplies for processing to be well balanced. But as on-farm milk production increases through the spring, manufacturers are starting to face an oversupply. Some processors report slowing cheese production and turning away loads of milk as monthly supply agreements end. At the same time, a few other plant managers are encouraged to keep the vats full in order to meet the solid retail demand. Processors say domestic consumer demand has not subsided much after the winter holidays and Super Bowl. Although cheese sold through cut and wrap and food service markets is moving, there is still some concern about the long inventories of cheddar blocks and barrels growing further. The *DMN National Retail Report-Dairy* shows that February 26-March 3 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.16, 10 cents lower than the national average. Midwest prices range from \$1.50-\$2.50. One year ago, the national price was \$2.41. For 8 ounce blocks, the Midwest average price is \$2.01, 24 cents below the national average price. Midwest ads are priced from \$1.50-\$2.49. Last year, the national price was \$2.21. Midwestern wholesale prices are unchanged for Swiss cuts, but down \$.0350 for process, and down \$.0275 for all other types. This week, a cooperative export assistance program accepted requests for 747,367 pounds of cheese. In CME Group trading Wednesday, barrels closed at \$1.4275, up \$.0225 from last Wednesday and blocks closed at \$1.4500, unchanged.

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

| | | |
|---|---|---------------|
| Process American 5# Loaf | : | 1.5325-1.8925 |
| Brick And/Or Muenster 5# | : | 1.8375-2.2625 |
| Cheddar 40# Block | : | 1.5650-1.9600 |
| Monterey Jack 10# | : | 1.8125-2.0175 |
| Blue 5# | : | 2.1050-3.0925 |
| Mozzarella 5 - 6# (Low Moisture, Part Skim) | : | 1.6375-2.5775 |
| Grade A Swiss Cuts 6 - 9# | : | 2.6700-2.7875 |

WEST

Although inventories, especially for cheese barrels and blocks, are heavy and trending longer, western cheese production remains steady and active. Milk is in relatively good balance and adequate for most processing needs. Most cheese makers have not been compelled to alter their annual cheese production plans for their facilities. The processors are producing cheese in accordance to those plans. Like a broken record, domestic cheese demand continues to be solid, while export opportunities are limited. Retail and food service leads the way for cheese sales activity. Manufacturers are making a lot of offers to end users to try to clear inventories. The *DMN National Retail Report-Dairy* for the week of February 26-March 3 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.26, down \$.10 from last week, and down \$.15 from a year ago. Packs average \$1.86 in the Southwest and \$2.24 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.25, down \$.07 from last week, but up \$.04 from a year ago. Blocks average \$1.80 in the Southwest and \$2.01 in the Northwest this week. In the West, wholesale prices are down \$.0350 for process. Cheddar block, cuts, and Monterey Jack prices are down \$.0275. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted requests for 747,367 pounds of cheese. In CME Group trading Wednesday, barrels closed at \$1.4275, up \$.0225 from a week ago and blocks closed at \$1.4500, unchanged.

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

| | | |
|---------------------------|---|---------------|
| Process 5# Loaf | : | 1.5475-1.8050 |
| Cheddar 40# Block | : | 1.5700-2.0150 |
| Cheddar 10# Cuts | : | 1.7500-1.9700 |
| Monterey Jack 10# | : | 1.7600-1.9200 |
| Grade A Swiss Cuts 6 - 9# | : | 2.7300-3.1600 |

FOREIGN

In the top EU cheese producing country, Germany, the market for semi-hard cheese produced there is weaker. Continuing strong supplies of milk in the EU are leading to some price competition among milk processors to move milk to cheese factories. This is contributing to strong production volumes. Cheese price quotes are trending toward the low price levels of 2009. EU sliced cheese production has been cut back due to weaker and uneven demand. Orders for EU specialty cheese to fill spring religious holiday demand have been good. As for pricing of foreign type cheese in the U.S., wholesale domestic Swiss prices and imported cheese prices are unchanged. The remaining domestic foreign type cheese prices adjusted down \$0.0275 following the lower weekly average CME Group block price.

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

| VARIETY | NEW YORK | |
|--------------------------|-----------------|------------------|
| | IMPORTED | DOMESTIC |
| Blue | : 2.6400-5.3800 | : 2.0325-3.5200* |
| Gorgonzola | : 3.6900-5.8900 | : 2.5400-3.2375* |
| Parmesan (Italy) | : -0- | : 3.4225-5.5125* |
| Romano (Cows Milk) | : -0- | : 3.2225-5.3725* |
| 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- | : 3.1900-3.5125 |
| Swiss Cuts Finnish | : 2.6700-2.9300 | : -0- |

* = Price change.

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CHEESE MARKETS

CONTINUED FROM PAGE 3

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

| | <u>BUTTER</u> | : | <u>CHEESE</u> |
|----------|---------------|---|---------------|
| | | : | |
| 02/29/16 | 20,937 | : | 93,454 |
| 02/01/16 | 14,496 | : | 91,963 |
| CHANGE | 6,441 | : | 1,491 |
| % CHANGE | 44 | : | 2 |

FLUID MILK AND CREAM

EAST

| SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES | | | | | | |
|---|-----------|-----|-----------|-----|-----------|-----|
| | THIS WEEK | | LAST WEEK | | LAST YEAR | |
| | IN | OUT | IN | OUT | IN | OUT |
| FLORIDA | 0 | 75 | 0 | 100 | 0 | 43 |
| SOUTHEAST STATES | 0 | 0 | 0 | 0 | 0 | 0 |

Milk production in the Northeast and Mid-Atlantic is increasing at seasonal levels. Fluid milk into balancing is heavy. A few plants are conducting seasonal maintenance projects. Class I demand has picked up with students returning to class in the Northeast. Milk output in the Southeast is steady to higher. Redirection of milk shipments by handlers is continuing, as orders from bottling exhibit notable declines. In addition, some backup processing plants are offline, thereby producing burdensome milk receipts for other supporting plants. Milk production in Florida is still on the rise and expected to sustain moderate increases through March. Fluid sales are on an upswing this week. With increases in bottling orders, milk shipments moved lower compared to last week. Export shipments are 75 f.o.b. spot loads this week. According to the DMN *National Retail Report-Dairy*, for February 26 to March 3, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.52, down 75 cents compared to a year ago, but up 15 cents from last week. The East **condensed skim** market is weak to steady. Some brokers noted a marginal reduction in volumes available for offering, when compared to last week. Condensed skim spot sales are increasing. Additionally, contracts are moving well. Although the **cream** supply exceeds demand, interest has improved for kosher cream cheese production. Similar to last week, cream was turned away in some instances, while spot market activity is light to sluggish in a buyers' market. As a result, the market upheld last week's fairly wide limits, with **multiples** ranging **1.10-1.25** over the weekend into mid-week. At the CME Group, Grade AA butter closed Wednesday at \$1.9800, down \$0.0200 from a week ago.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES:

SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast - 2.2286-2.5325

F.O.B. producing plants: Upper Midwest - 2.4312-2.5528

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

Northeast - Class II - includes monthly formula prices - .67-.85

Northeast - Class III - spot prices - .65-.75

MIDWEST

Farm milk production is following seasonal trends throughout the Central region. Steady upticks in on-farm pickup volumes are occurring, especially in the South Central area. North Central haulers report regular pickups are also inching higher. Bottler interest is steady to lower throughout the region as school districts enter/exit spring break status. Also, ACT testing for 9-12 grades is curtailing school lunch program attendance and the need for individual serving milk packages. The DMN *National Retail Report-Dairy* for February 26-March 3 noted the national weighted average advertised price for one gallon of milk was \$2.52, up \$0.15 from a week ago. The weighted average regional prices in the Midwest and South Central regions were \$2.84 and \$2.22, respectively. Sales into yogurt/dip/ice cream/frozen dessert facilities are steady to slightly higher. Dip and sauce/dressing mix production rates are seasonally

higher to meet holiday shopping needs at the end of the month. However, some ice cream/frozen dessert manufacturers indicate they are in no hurry to build up inventory as butterfat prices trend lower. Also, there is little concern about a shortage of butterfat in the near term. Thus, outside of contracts, Class II cream buying is moderate. Class III cream interest is steady to higher as the holidays approach and manufacturers work toward fulfilling orders for the end of the month. Cream multiples for Class II end uses firmed, ranging from 1.20 to 1.26. Spot milk prices are \$2.50 under to flat Class. In Texas and Oklahoma, winter wheat fields are greening up. However, recent rain in some areas has kept fieldwork opportunities to a minimum.

WEST

This week, a warm climate pattern is stimulating the milk yields in California. Bottled milk orders from educational institutions and food service are steady at seasonal levels. Some plants are ramping up production of holiday related milk based drinks. Condensed skim demand from ice cream manufacturers is inching up. The February 4a price (butter/powder) in California is \$13.28, up 2 cents from the previous month, but down 18 cents from a year ago. This compares to the Federal Order Class IV price of \$13.49 for February. The February 4b price (cheese) is \$13.05, 3 cents below the previous month and 73 cents lower from a year ago. This compares to the Federal Order Class III price for February at \$13.80. In Arizona, milk production continues to increase from week to week as the weather remains advantageous for the milking cows. Many processing plants in the state are busy trying to clear regular intakes. Fluid demand is steady at seasonal levels. Bottlers are already preparing for changes to orders related to the upcoming spring break in most educational institutions. Sales into Class II are unchanged this week. Condensed skim volumes moving into Class IV (butter/powder) are increasing. Farm level milk output is increasing in New Mexico. Bottled milk sales to retailers and food service are up this week. Class II sales are slightly down. Manufacturing volumes moving into Class III are steady to higher. Alfalfa fields are starting to green in most parts of New Mexico. According to the DMN *National Retail Report-Dairy* for the week of February 26 to March 3, the national weighted average advertised price for one gallon of milk is \$2.52, \$2.69 in the Southwest and \$2.49 in the Northwest. Favorable weather in the Pacific Northwest is inching on-farm milk production upward. The warming temperatures are promoting pasture grasses to grow earlier than normal. In many areas of the region, ample precipitation and a good snow pack have filled water reservoirs and given farmers confidence of good water availability to start the growing season. Milk bottling demand is steady and consistent with normal activity. Utah and Idaho milk production trends are steady and generally adequate for most processing needs. Although the region has received good precipitation amounts, easing some of the drought concern, warmer temperatures are melting the region's snowpack a little sooner than expected. At this point farmers anticipate enough water for irrigation. Dairy farmers have good carryover of hay and other feedstocks as they enter the growing season. Cream supplies are higher throughout the West. Most of the cream volumes continue to move into butter manufacturing. According to some butter processors, demand for cream is slightly lower as the spring holiday orders have been filled. Western manufacturers are still actively processing butter. Demand from ice cream/frozen dessert makers is gradually inching up. This week, multiples for all classes are steady, ranging from 1.00 to 1.22.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Central low/medium heat nonfat dry milk prices are steady to higher on a mixed market. Industry participants noted some price creep on various trading platforms in the last few days. However, interest at higher prices from buyers purchasing outside the trading platforms has been more difficult to find. Brokers/traders report end users were loath to finalize purchases before the upward price movement. With the advent of spring flush and upcoming active NDM production season, buyers are not rushing to purchase NDM at higher prices. Low/medium heat NDM production is active in the Central region. Demand from Class II has yet to fully emerge, so balancing plants are running hard to keep up with intakes. A few plants are finding opportunities to build NDM inventories through the purchase of spot condensed skim loads. Low/medium heat NDM inventories are building. High heat NDM prices in the Central region are unchanged to lower on limited interest outside of contracts. However, there may be some building interest from Eastern buyers unable to obtain loads from manufacturers in that region. This is a result of heavy intakes at various Eastern plants, and plant managers there opting to clear condensed skim volumes by running low/medium heat NDM. Central region production is intermittent. Central high heat NDM holdings are generally light to moderate.

EAST: Prices for low/medium heat nonfat dry milk rose slightly on weekly f.o.b. spot trading. The region continues to see active production of low/medium nonfat dry milk. However, some balancing operations note slight reductions in nonfat dry milk dryer usage, as seasonal yogurt production develops and pulls on condensed skim supplies. Low/medium NDM holdings extend beyond contracted volumes, as those inventories continue to build. Some East producers are displaying uneasiness with current inventory levels. As a result, one option is to use totes when packaging NDM, an approach expected to encourage added NDM sales, while lessening inventory. In general, NDM movement is slow but improving. The market is unsettled. High heat nonfat dry milk prices are steady to lower. Some manufacturers are on steady production schedules in preparation for holiday baking demand. Inventories, in general, are light. The bulk of high heat production is committed to near term customer needs. Wednesday at the CME Group, Grade A NDM closed \$0.7800, up \$0.0325 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7500 - .8400 MOSTLY: .7600 - .8100
 HIGH HEAT: .8800 - 1.1000

NONFAT DRY MILK - WEST

Prices for low/medium heat nonfat dry milk (NDM) are slightly higher on an unsettled market. According to some industry participants, NDM supplies are committed to contracts. As a result, there is some tightness in the f.o.b. spot market. On the other hand, some processors report enough supplies to offer to the spot market. Low/medium heat NDM production is less active as moderate volumes of condensed skim are moving into ice cream manufacturing plants. At this point, inventories are mixed throughout the West. Prices for high heat nonfat dry milk are unchanged. Some processors anticipate an increase in demand as the holiday baking season approaches. Production is irregular, based on contractual needs. Inventories are unchanged.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7100 - .8200 MOSTLY: .7200 - .7800
 HIGH HEAT: .8400 - 1.0975

CALIFORNIA MANUFACTURING PLANTS - NDM

| WEEK ENDING | PRICE | TOTAL SALES |
|-------------|---------|-------------|
| February 26 | \$.7762 | 6,337,795 |
| February 19 | \$.7789 | 6,490,672 |

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Prices for Central dry buttermilk are steady to higher. The market tone is mixed as prices for butterfat and nonfat solids fluctuate. Production is ongoing, but below plant capacities at many locations as processors sell condensed buttermilk volumes into Class II to alleviate drying schedules. A few plant operators are toll drying condensed buttermilk to maximize dryer schedules. Overall dry buttermilk inventories are growing, but most manufacturers are content with the rate of growth.

EAST: Dry buttermilk prices in the East moved higher at the top of the range. Cream supplies are prompting active butter production. Output is mixed at regional plants as available dryer time varies. Stocks are adequate, however, some producers' inventories are reportedly sold out, limiting spot availability. Buyers appear content with purchasing to cover current and near term needs. Domestic demand is steady to slow. Export demand is active. The market undertone is mixed.

F.O.B. CENTRAL/EAST: .7200 - .8500

DRY BUTTERMILK - WEST

Dry buttermilk prices are mixed on the range and mostly series. Sales in the f.o.b. spot market are less active compared to the previous week. The interest from the bakery sector is waning. However some processors anticipate a better demand during the holiday baking season. Production is active, parallel with the regional butter churning. Inventories are steady to higher.

F.O.B. WEST: .6600 - .8250 MOSTLY: .7400 - .8000

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are mixed on a weak market. Spot sales have been slow throughout the week. Demand is light. There are sufficient volumes of condensed milk for manufacturing. However, dry whole milk processing has been sporadic as plants concentrate on clearing intakes into NDM. Inventories vary from plant to plant. This week, a cooperative export assistance program accepted requests for 1.102 million pounds of dry whole milk.

F.O.B. PRODUCING PLANT: 1.1700 - 1.4475

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central dry whey prices are lower and higher on the range and mostly price series. The market tone is mixed. Contract prices related to various indices shifted higher, while other f.o.b. prices moved lower to gain interest. Market participants indicate offers from some manufacturers and many brokers/traders emerged this week. Offers include some dry whey loads from 2015 that are still within the one year storage life. Buyers are finding good value in those loads, as long as their plans are to use the loads in the near term. However, sellers indicate buyers are price conscious and ready to pass on offers that seem too costly compared to other offers. Dry whey production is active, although some cheese plant operators noted they reduced production by one day a week as a result of milk supply contracts ending at the close of February. Dry whey inventories are mixed. Some manufacturers indicate stocks on hand are closely matched to contract fulfillment needs. One or two producers asked end users to release dry whey loads under contract to give them some breathing room. Conversely, other manufacturers have inventories above what is needed for completing contract shipments. Central animal feed dry whey prices are lower on the bottom of the range. Availability is occasional from a few manufacturers. With varying characteristics from load to load, some buyers are able to successfully offer lower prices. Production is light.

F.O.B. CENTRAL: .1800 - .2800 MOSTLY: .2200 - .2600
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1300 - .2150

DRY WHEY - NORTHEAST

Prices for dry whey are steady. As strong cheese production promotes dry whey output, processors are easily meeting committed orders. However, uncertainty prevails amongst market participants as to the actual level of dry whey holdings in the region, aside from contracted volumes. Stocks are mixed. Dry whey use is improving, as cyclical ice cream interest progresses. Eastern dry whey exhibits a mixed undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2475 - .2825

DRY WHEY - WEST

Western whey prices are mostly steady, but stepped back a little on the top end of the range price series. The overall market tone is somewhat unsettled. Manufacturers report a good amount of inquiries, but also some push back on prices at the high end of the range. Inventories are mixed. A few manufacturers report stocks are committed to tight, while others suggest their inventories are a little long. Some industry contacts say supplies are building, but not to the point of being problematic. A handful of processors are working to clear out any whey that may have some age in order to make room for new production. Although production is generally steady and active, a few manufacturers are opting to sell condensed whey into feed markets rather than dry at this time.

NONHYGROSCOPIC: .2300 - .3100 MOSTLY: .2300 - .2700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are steady this week. Production is at a stable rate, but some processors are making higher protein concentrations or drying whey in lieu of producing WPC34%. Manufacturers say their inventories are committed and in some cases oversold. Demand is generally steady. Although some manufacturers see some strengthening in the WPC34% market, others are seeing a sloppy market that is having difficulty gaining traction.

F.O.B. EXTRA GRADE 34% PROTEIN: .5400 - .7300 MOSTLY: .5400 - .6200

LACTOSE - CENTRAL AND WEST

Lactose prices are steady. Manufacturers report they are getting a lot of inquiries. The market tone is generally firm, but processors note some push back at prices above the current mostly price series, especially from foreign buyers. Industry contacts say lactose production in the European Union is placing pressure on prices in international markets. U.S. lactose inventories are tight or committed. Production is steady.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .1800 - .3200 MOSTLY: .1950 - .2500

CASEIN - NATIONAL

Casein pricing weakened at the bottom of the price ranges. This reflects a global trend that has been developing for several weeks, especially in EU markets. Although GDT contracts showed increases for event 159 on March 1, EU lower range pricing is already below GDT levels. Manufacturers of rennet casein in the EU are not believed to be sold out, even factoring in contract commitments. There is limited spot market demand for the inventories not needed for contracts. Acid casein is similar. Some EU manufacturers with flexible production are reducing casein production in preference for other products. Increasing commentary is heard that Ireland milk production is expected to move higher than year ago levels as the flush develops. Ireland has significant casein producing capacity as one way to handle milk intakes, so this unknown also weighs over markets.

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: 2.2200 - 3.3500
ACID: 2.3600 - 3.5000

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered February 22 - March 4, 2016

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: With seasonal milk production in the EU moving toward the flush, dealing with milk volumes will become even more challenging. For example, observers in Germany believe milk production for the first two weeks of February 2016 were 5% higher than the same weeks of 2015. Some dairy manufacturers are concerned that continuing year over year increases could tax the capacity of existing processing/manufacturing plants. Milk production in Germany has shown regional differences. The strongest increases have been in Lower Saxony, with Schleswig-Holstein yielding above average increases. More average increases have occurred in North Rhine-Westphalia. Production has slightly declined in Bavaria and Baden-Wuerttemberg. In Germany, where lower retail pricing has also resulted, dairy supermarket sales to consumers are increasing. This has reversed a general decline in early 2015. Retail sales of fluid milk, butter, cheese and yogurt strengthened in the second half of 2015, and continue in 2016. Milk production in the UK so far during 2016 is believed to have slowed, compared with the same period of 2015. During January 2016 Irish dairy producers are believed to have produced over 10% more milk than during December.

BUTTER/BUTTEROIL: Butter pricing in the EU weakened significantly. The view of some EU butter manufacturers is that this represents a trend of weaker butter markets which has been developing for weeks. Butter is believed by some in the industry to be heading toward pricing that would initiate a butter intervention program. The EU butter intervention price is 2,217 Euros/MT, which at the current exchange rate is \$2,406 US. The lower pricing is helping export efforts, in terms of being able to compete on price with Oceania and the U.S. However, current sales potential, domestic and export, is tempered as buyers with timing flexibility step back in anticipation of weakening prices in the near term. In the EU, interest is stronger in packaged butter than bulk butter. Overall butter sales, domestic and export, are not enough to keep private storage inventories from rising.

82% BUTTERFAT: 2,550 - 2,725
99% BUTTERFAT: 3,500 - 3,925

SKIM MILK POWDER (SMP): Skim milk powder pricing is slightly lower, with intervention sales continuing. When asked to describe conditions in a word, the word "volume" was offered by some manufacturers. Significant volumes are being manufactured and sold into intervention as a way of clearing milk volumes. Most current production is either to fill existing contracts, or for sales into intervention. Non-intervention buyers have been slow to step forward and complete purchases because intervention results in a stable pricing floor, which reduces a sense of urgency. Of course, intervention sales are only available to new production meeting certain specifications and packaging requirements. There are still lots of older SMP being held by some sellers, not eligible for intervention, which in some cases are being sold in spot transactions for as low as \$1,400/MT. Total intervention purchases

February 22-28, 2016 were the highest level of any week of 2016 so far: 9,881 MT. That brought 2016 intervention purchases for 2016 to 54,524 MT compared to 40,281 MT for all of 2015.

1.25% BUTTERFAT: 1,650 - 1,800

SWEET WHEY POWDER: Whey powder pricing is steady. Buying interest is subdued. Production is focused on filling contracts, especially food grade production. Inventories are ample to alleviate buyer anxiety to complete purchases.

NONHYGROSCOPIC: 500 - 700

WHOLE MILK POWDER (WMP): Whole milk powder markets have lower pricing. The market in the EU is weak. Strong competition from New Zealand in particular, which many people in the EU believe dominates global pricing, has a strong influence over the EU market. Some manufacturers in the EU with capacity to make WMP are opting to make other dairy products at this time.

26% BUTTERFAT: 2,000 - 2,225

EASTERN OVERVIEW: Milk production in Eastern Europe remains strong overall. Eucolait reports milk production changes for the year 2015 compared with 2014, as well as for December 2015 compared with December 2014 for the following Eastern EU nations, as: Czech Republic, +3.6%, +3.7%; Hungary, +3.6%, -4.0%; Lithuania, +0.2, +1.9%; Romania, -8.0%, -1.8%; Slovakia, +2.5%, +0.8%; Latvia, +0.4%, +4.4%; Estonia, -1.4%, +3.4%; Slovenia, +4.7%, +9.2%; Croatia, -1.9%, -3.8%; and Bulgaria, -0.8%, -2.0%.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered February 29 - March 4, 2016

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 during the 2015-16 production season is now estimated by Dairy Australia to be lower than the previous season. A decrease of 1.4% is now forecast. The state change milk production forecast as of February for the current season compared with a year earlier includes: New South Wales, -0.5%; Victoria, -2.0%; Queensland, -3.1%; South Australia, -0.1%; Western Australia, +5.5% and Tasmania -0.4%. In Australia the good start to the milk season did not hold. Growth slowed beginning in October as rains declined and margins increased, partly due to the need to supplement grazing with feed. Those factors were also coincident with higher water prices for irrigation. All of these factors led many Australian dairy producers to cut back on feeding to maintain herd size, leading to the current lower milk output. Dairy officials in Australia are not confident that in the remaining months of the season, through June, lost production can be recovered for the seasonal totals. **New Zealand** milk production in January was nearly flat with December. For the milk production season to date, which is about 2/3 completed, production is down from the previous season. Estimates at this point are down a couple of percent, or so. During February weather conditions were extremely and unusually dry in much of New Zealand, which adversely affected pasture growth. With the New Zealand dairy industry very pasture grazing focused, this has caused producers to struggle to maintain milk output volumes. In this final stage of the milk season, it is uncertain whether weather and rain will or can lead to pasture improvements sufficient to pull even, or ahead of last year milk volumes. At the March 1 GDT event #159, all contracts average prices ranged from 8.3% lower to 14.9% 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, \$3,254 -8.3%; butter, \$2,811 -0.5%; buttermilk powder, \$1,452 -2.9%; cheddar cheese, \$2,528 -0.7%; lactose, \$613 +7.9%; rennet casein, \$4,569 +14.9%; skim milk powder, \$1,802 +1.3%; sweet whey powder, n.a.; and whole milk powder, \$1,974 +5.5%.

BUTTER: Butter pricing in Oceania weakened. Factors influencing pricing are lower regional demand, as well as weaker pricing in the EU. Cream is readily moving into other products as churning schedules are reduced. Dairy Australia reports that the volume of July-December 2015 butter exports was 47.4% lower than the same period of 2014. The value of July-December 2015 butter exports was 41.8% below the prior year. At the March 1 GDT event #159, NZ butter averaged averaged \$2,757/MT for April contracts, -5.7% from the prior event. Butter for all regions and contracting periods averaged \$2,811/MT, -0.5%. New Zealand AMF prices averaged \$3,386/MT for April contracts, -4.9% from the prior event. For all contracting periods, the AMF price average was \$3,254/MT, -8.3%.

82% BUTTERFAT: 2,750 - 3,000

SKIM MILK POWDER (SMP): Skim milk powder prices moved lower, reflecting a weak market with substantial milk to handle. The near term GDT contract for April is lower although the all contracts average is higher. The continuing fact of intervention SMP purchases in the EU is a significant factor holding prices down. Change in this

situation is not expected in the near term. Dairy Australia reports that the volume of July-December 2015 skim milk powder exports was 15.3% higher than the same period of 2014. However, the value of July-December 2015 SMP exports was 16.7% below the prior year. At the March 1 GDT event 159, SMP for all regions and contracting periods averaged \$1,802 per MT, +1.3%. For the April 16 contract period, prices averaged \$1,782, -3.9% from the prior event.

1.25% BUTTERFAT: 1,700 - 1,825

CHEDDAR CHEESE: Cheddar pricing weakened at the top of the price range but held steady at the bottom. Cheese manufacturing remains steady, especially to fill orders in the region where there is an advantage in transportation costs compared with cheese from other regions. Dairy Australia reports that the volume of July-December 2015 Cheddar exports was 4.4% higher than the same period of 2014. However, the value of July-December 2015 exports was 2.6% lower than the prior year. At the March 1 GDT event 159, NZ cheddar for all regions and contracting periods averaged \$2,528 per MT, -0.7%. For the April 16 contract period, prices averaged \$2,514, -28.9%.

39% MAXIMUM MOISTURE: 2,500 - 3,000

WHOLE MILK POWDER (WMP): Pricing of whole milk powder increased slightly at the bottom of the price range, but held steady at the top. A number of customers globally have a preference for New Zealand WMP, which helps support the price parameters in a globally competitive market. Production continues to be steady at volumes sufficient to meet customer interest. Dairy Australia reports that the volume of July-December 2015 whole milk powder exports was 4.9% lower than the same period of 2014. However, the value of July-December 2015 WMP exports was 46.1% higher than the prior year. At the March 1 GDT event 159, whole milk powder for all regions and contracting periods averaged \$1,974 per MT, +5.5%. For the April 16 contract period, prices averaged \$1,919, -4.7% from the prior event.

26% BUTTERFAT: 1,900 - 2,100

**Exchange rates for selected foreign currencies:
February 29, 2016**

| | |
|-------------------------|--------------------------|
| .0632 Argentina Peso | .0089 Japan Yen |
| .7142 Australian Dollar | .0551 Mexican Peso |
| .7384 Canadian Dollar | .6590 New Zealand Dollar |
| 1.0874 Euro | .2500 Poland Zloty |
| .0147 India Rupee | |

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0551) = 18.1488 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS

| US\$/MT | Global/Dairy Trading (gDT) Event 159 Recap - March 1, 2016 | | | | | | | | | | | | | |
|--------------------|--|--------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|---------------|-------|
| | Contract 1 Apr-16 | | Contract 2 May-16 | | Contract 3 Jun-16 | | Contract 4 Jul-16 | | Contract 5 Aug-16 | | Contract 6 Sep-16 | | All Contracts | |
| Anhydrous Milk Fat | \$3,386 | -4.9% | \$3,238 | -8.3% | \$3,180 | -9.3% | \$3,253 | -7.6% | \$3,261 | -7.9% | \$3,390 | -4.3% | \$3,254 | -8.3% |
| Butter | \$2,757 | -5.7% | \$2,825 | -0.5% | \$2,820 | 0.5% | \$2,805 | -0.6% | \$2,815 | -3.8% | \$2,865 | -3.0% | \$2,811 | -0.5% |
| Buttermilk Powder | n.a. | | \$1,455 | -3.0% | \$1,445 | -2.7% | n.a. | | n.a. | | n.a. | | \$1,452 | -2.9% |
| Cheddar | \$2,514 | -28.9% | \$2,514 | -2.0% | \$2,480 | -2.7% | \$2,598 | 2.6% | n.a. | | n.a. | | \$2,528 | -0.7% |
| Lactose | n.a. | | \$613 | 7.9% | n.a. | | n.a. | | n.a. | | n.a. | | \$613 | 7.9% |
| Rennet Casein | \$5,075 | 7.4% | \$4,520 | 16.9% | \$4,539 | 10.4% | n.a. | | n.a. | | n.a. | | \$4,569 | 14.9% |
| Skim Milk Powder | \$1,782 | -3.9% | \$1,827 | 3.1% | \$1,799 | 2.3% | \$1,758 | -0.9% | \$1,773 | 0.5% | \$1,806 | 0.7% | \$1,802 | 1.3% |
| Sweet Whey Powder | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | |
| Whole Milk Powder | \$1,919 | -4.7% | \$1,968 | 5.8% | \$1,977 | 4.5% | \$2,005 | 4.4% | \$2,121 | 10.0% | \$2,081 | 1.1% | \$1,974 | 5.5% |

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

| US\$/Pound | Global/Dairy Trading (gDT) Event 159 Recap - March 1, 2016 | | | | | | | | | | | | | |
|--------------------|--|--------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|---------------|-------|
| | Contract 1 Apr-16 | | Contract 2 May-16 | | Contract 3 Jun-16 | | Contract 4 Jul-16 | | Contract 5 Aug-16 | | Contract 6 Sep-16 | | All Contracts | |
| Anhydrous Milk Fat | \$1.5359 | -4.9% | \$1.4687 | -8.3% | \$1.4424 | -9.3% | \$1.4756 | -7.6% | \$1.4792 | -7.9% | \$1.5377 | -4.3% | \$1.4760 | -8.3% |
| Butter | \$1.2506 | -5.7% | \$1.2814 | -0.5% | \$1.2791 | 0.5% | \$1.2723 | -0.6% | \$1.2769 | -3.8% | \$1.2996 | -3.0% | \$1.2751 | -0.5% |
| Buttermilk Powder | n.a. | | \$0.6600 | -3.0% | \$0.6554 | -2.7% | n.a. | | n.a. | | n.a. | | \$0.6586 | -2.9% |
| Cheddar | \$1.1403 | -28.9% | \$1.1403 | -2.0% | \$1.1249 | -2.7% | \$1.1784 | 2.6% | n.a. | | n.a. | | \$1.1467 | -0.7% |
| Lactose | n.a. | | \$0.2781 | 7.9% | n.a. | | n.a. | | n.a. | | n.a. | | \$0.2781 | 7.9% |
| Rennet Casein | \$2.3020 | 7.4% | \$2.0503 | 16.9% | \$2.0589 | 10.4% | n.a. | | n.a. | | n.a. | | \$2.0725 | 14.9% |
| Skim Milk Powder | \$0.8083 | -3.9% | \$0.8287 | 3.1% | \$0.8160 | 2.3% | \$0.7974 | -0.9% | \$0.8042 | 0.5% | \$0.8192 | 0.7% | \$0.8174 | 1.3% |
| Sweet Whey Powder | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | | n.a. | |
| Whole Milk Powder | \$0.8705 | -4.7% | \$0.8927 | 5.8% | \$0.8968 | 4.5% | \$0.9095 | 4.4% | \$0.9621 | 10.0% | \$0.9439 | 1.1% | \$0.8954 | 5.5% |

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

CME GROUP, INC FUTURES

Selected settling prices

| Month | 02/19 | 02/22 | 02/23 | 02/24 | 02/25 | 02/26 | 02/29 | 03/01 | 03/02 | 03/03 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CLASS III MILK FUTURES (Pit-Traded) (\$/cwt) | | | | | | | | | | |
| FEB 16 | 13.82 | 13.81 | 13.81 | 13.81 | 13.80 | 13.80 | 13.80 | 13.80 | 13.80 | |
| MAR 16 | 13.85 | 13.67 | 13.53 | 13.39 | 13.55 | 13.66 | 13.74 | 13.56 | 13.63 | 13.77 |
| APR 16 | 13.81 | 13.61 | 13.43 | 13.22 | 13.40 | 13.50 | 13.57 | 13.31 | 13.33 | 13.52 |
| MAY 16 | 13.93 | 13.72 | 13.49 | 13.30 | 13.46 | 13.53 | 13.66 | 13.28 | 13.31 | 13.53 |
| JUN 16 | 14.34 | 14.13 | 13.86 | 13.67 | 13.75 | 13.84 | 13.87 | 13.55 | 13.58 | 13.70 |
| JUL 16 | 14.75 | 14.55 | 14.32 | 14.10 | 14.17 | 14.21 | 14.25 | 14.01 | 14.03 | 14.05 |
| AUG 16 | 15.12 | 14.95 | 14.75 | 14.58 | 14.60 | 14.60 | 14.63 | 14.47 | 14.50 | 14.58 |
| SEP 16 | 15.50 | 15.35 | 15.12 | 14.93 | 14.90 | 14.94 | 15.00 | 14.84 | 14.81 | 14.81 |
| OCT 16 | 15.79 | 15.67 | 15.37 | 15.17 | 15.12 | 15.20 | 15.21 | 15.03 | 15.00 | 15.05 |
| NOV 16 | 15.84 | 15.69 | 15.44 | 15.24 | 15.21 | 15.20 | 15.26 | 15.07 | 15.07 | 15.05 |
| CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt) | | | | | | | | | | |
| FEB 16 | 13.40 | 13.40 | 13.40 | 13.40 | 13.44 | 13.44 | 13.45 | 13.45 | 13.49 | |
| MAR 16 | 13.55 | 13.59 | 13.61 | 13.25 | 13.25 | 13.25 | 13.25 | 13.25 | 13.16 | 13.18 |
| APR 16 | 13.57 | 13.75 | 13.75 | 13.47 | 13.47 | 13.28 | 13.30 | 13.32 | 13.32 | 13.34 |
| MAY 16 | 13.75 | 13.90 | 13.90 | 13.70 | 13.63 | 13.46 | 13.49 | 13.52 | 13.52 | 13.52 |
| CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb) | | | | | | | | | | |
| FEB 16 | 213.50 | 213.50 | 213.53 | 213.25 | 213.25 | 213.50 | 213.50 | 213.50 | 213.50 | |
| MAR 16 | 209.00 | 211.25 | 209.83 | 204.83 | 202.50 | 200.50 | 200.13 | 199.78 | 200.33 | 204.50 |
| APR 16 | 210.00 | 212.78 | 211.50 | 206.50 | 203.50 | 203.00 | 202.03 | 201.00 | 203.50 | 206.00 |
| MAY 16 | 210.00 | 213.50 | 212.50 | 207.50 | 203.80 | 203.03 | 203.00 | 200.50 | 203.50 | 208.48 |
| NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb) | | | | | | | | | | |
| FEB 16 | 76.83 | 76.85 | 77.00 | 77.00 | 77.15 | 77.13 | 77.13 | 76.98 | 76.89 | |
| MAR 16 | 79.25 | 79.23 | 79.40 | 78.80 | 79.50 | 80.48 | 80.10 | 79.65 | 79.75 | 79.00 |
| APR 16 | 80.90 | 81.00 | 80.98 | 79.05 | 80.85 | 82.23 | 82.83 | 81.93 | 82.00 | 79.95 |
| MAY 16 | 82.78 | 82.90 | 82.78 | 81.50 | 82.18 | 83.53 | 84.25 | 83.73 | 83.75 | 81.03 |
| WHEY (Electronic-Traded) (¢/lb) | | | | | | | | | | |
| FEB 16 | 24.50 | 24.50 | 24.50 | 24.40 | 24.50 | 24.50 | 24.35 | 24.38 | 24.69 | |
| MAR 16 | 24.75 | 24.03 | 23.60 | 23.53 | 23.98 | 24.25 | 24.25 | 24.00 | 24.18 | 25.53 |
| APR 16 | 25.00 | 24.35 | 23.80 | 23.28 | 23.78 | 24.00 | 24.00 | 24.00 | 24.25 | 25.73 |
| MAY 16 | 25.00 | 25.00 | 24.50 | 23.73 | 24.00 | 24.00 | 24.25 | 24.50 | 24.50 | 25.83 |
| CHEESE CSC (Electronic-Traded) (\$/lb) | | | | | | | | | | |
| FEB 16 | 1.52 | 1.52 | 1.52 | 1.52 | 1.52 | 1.52 | 1.52 | 1.52 | 1.52 | |
| MAR 16 | 1.53 | 1.51 | 1.50 | 1.49 | 1.50 | 1.51 | 1.52 | 1.50 | 1.51 | 1.52 |
| APR 16 | 1.52 | 1.50 | 1.49 | 1.46 | 1.48 | 1.49 | 1.50 | 1.48 | 1.48 | 1.48 |
| MAY 16 | 1.53 | 1.51 | 1.49 | 1.47 | 1.49 | 1.50 | 1.50 | 1.47 | 1.47 | 1.49 |
| JUN 16 | 1.57 | 1.55 | 1.53 | 1.51 | 1.52 | 1.53 | 1.53 | 1.49 | 1.49 | 1.51 |
| JULY 16 | 1.61 | 1.59 | 1.57 | 1.55 | 1.55 | 1.55 | 1.56 | 1.54 | 1.54 | 1.54 |

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

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2016¹ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

| COMMODITY | :::REPORT NUMBER 5 | :::REPORT NUMBER 6 | :::REPORT NUMBER 7 | :::REPORT NUMBER 8 | :::REPORT NUMBER 9 | ::: 2016 | ::: 2015 |
|-----------|---------------------------------|--------------------|--------------------|--------------------|--------------------|-------------|-------------|
| | :-----:-----:-----:-----:-----: | | | | | Monthly | Monthly |
| | ::: FEB 01 - 05 | ::: FEB 08 - 12 | ::: FEB 15 - 19 | ::: FEB 22 - 26 | ::: FEB 29 | ::: Average | ::: Average |

CHEESE

WISCONSIN (WSP, Delivered, LTL)

| | | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|------------|
| -- Process American 5# Loaf | ::: 1.5275 - 1.8875 | ::: 1.5525 - 1.9125 | ::: 1.5675 - 1.9275 | ::: 1.5675 - 1.9275 | ::: 1.5325 - 1.8925 | ::: 1.7320 | ::: 1.7713 |
| -- Brick And/Or Muenster 5# | ::: 1.8375 - 2.2625 | ::: 1.8425 - 2.2675 | ::: 1.8575 - 2.2825 | ::: 1.8650 - 2.2900 | ::: 1.8375 - 2.2625 | ::: 2.0621 | ::: 2.1172 |
| -- Cheddar 40# Block | ::: 1.5650 - 1.9600 | ::: 1.5700 - 1.9650 | ::: 1.5850 - 1.9800 | ::: 1.5925 - 1.9875 | ::: 1.5650 - 1.9600 | ::: 1.7746 | ::: 1.8185 |
| -- Monterey Jack 10# | ::: 1.8125 - 2.0175 | ::: 1.8175 - 2.0225 | ::: 1.8325 - 2.0375 | ::: 1.8400 - 2.0450 | ::: 1.8125 - 2.0175 | ::: 1.9271 | ::: 1.9822 |
| -- Blue 5# | ::: 2.1050 - 3.0925 | ::: 2.1100 - 3.0975 | ::: 2.1250 - 3.1125 | ::: 2.1325 - 3.1200 | ::: 2.1050 - 3.0925 | ::: 2.6109 | ::: 2.6660 |
| -- Mozzarella 5 - 6# | ::: 1.6375 - 2.5775 | ::: 1.6425 - 2.5825 | ::: 1.6575 - 2.5975 | ::: 1.6650 - 2.6050 | ::: 1.6375 - 2.5775 | ::: 2.1196 | ::: 2.1972 |
| -- Grade A Swiss Cuts 6 - 9# | ::: 2.6875 - 2.8050 | ::: 2.6700 - 2.7875 | ::: 2.6700 - 2.7875 | ::: 2.6700 - 2.7875 | ::: 2.6700 - 2.7875 | ::: 2.7331 | ::: 3.5247 |

NORTHEAST (WSP, Delivered, LTL)

| | | | | | | | |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|------------|
| -- Cheddar 40# Block | ::: 1.8750 - 2.1600 | ::: 1.8800 - 2.1650 | ::: 1.8950 - 2.1800 | ::: 1.9025 - 2.1875 | ::: 1.8750 - 2.1600 | ::: 2.0296 | ::: 2.0672 |
| -- Process 5# Sliced | ::: 1.6275 - 2.1075 | ::: 1.6525 - 2.1325 | ::: 1.6675 - 2.1475 | ::: 1.6675 - 2.1475 | ::: 1.6325 - 2.1125 | ::: 1.8920 | ::: 1.9488 |
| -- Muenster | ::: 1.8950 - 2.2450 | ::: 1.9000 - 2.2500 | ::: 1.9150 - 2.2650 | ::: 1.9225 - 2.2725 | ::: 1.8950 - 2.2450 | ::: 2.0821 | ::: 2.1234 |
| -- Grade A Swiss Cuts 10 - 14# | ::: 3.1700 - 3.4925 | ::: 3.1525 - 3.4750 | ::: 3.1525 - 3.4750 | ::: 3.1525 - 3.4750 | ::: 3.1525 - 3.4750 | ::: 3.3181 | ::: 4.1097 |

WEST COAST (WSP, Delivered, LTL)

| | | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|------------|
| -- Process 5# Loaf | ::: 1.5425 - 1.8000 | ::: 1.5675 - 1.8250 | ::: 1.5825 - 1.8400 | ::: 1.5825 - 1.8400 | ::: 1.5475 - 1.8050 | ::: 1.6958 | ::: 1.7388 |
| -- Cheddar 40# Block | ::: 1.5700 - 2.0150 | ::: 1.5750 - 2.0200 | ::: 1.5900 - 2.0350 | ::: 1.5975 - 2.0425 | ::: 1.5700 - 2.0150 | ::: 1.8046 | ::: 1.8745 |
| -- Cheddar 10# Cuts | ::: 1.7500 - 1.9700 | ::: 1.7550 - 1.9750 | ::: 1.7700 - 1.9900 | ::: 1.7775 - 1.9975 | ::: 1.7500 - 1.9700 | ::: 1.8721 | ::: 1.9420 |
| -- Monterey Jack 10# | ::: 1.7600 - 1.9200 | ::: 1.7650 - 1.9250 | ::: 1.7800 - 1.9400 | ::: 1.7875 - 1.9475 | ::: 1.7600 - 1.9200 | ::: 1.8521 | ::: 1.9220 |
| -- Grade A Swiss Cuts 6 - 9# | ::: 2.7475 - 3.1775 | ::: 2.7300 - 3.1600 | ::: 2.7300 - 3.1600 | ::: 2.7300 - 3.1600 | ::: 2.7300 - 3.1600 | ::: 2.9494 | ::: 3.7409 |

FLUID PRODUCTS

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

| | | | | | | | |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|------------|------------|
| -- Northeast - f.o.b | ::: 2.4145 - 2.7438 | ::: 2.4673 - 2.6819 | ::: 2.4507 - 2.6638 | ::: 2.2557 - 2.5838 | ::: 2.2286 - 2.5325 | ::: 2.5239 | ::: 2.0242 |
| -- Upper Midwest - f.o.b | ::: 2.5901 - 2.7218 | ::: 2.5317 - 2.6390 | ::: 2.5146 - 2.5998 | ::: 2.4197 - 2.4812 | ::: 2.4312 - 2.5528 | ::: 2.5590 | ::: 2.0689 |

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

| | | | | | | | |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------|------------|
| -- Class II | ::: 0.68 - 0.83 | ::: 0.55 - 0.86 | ::: 0.65 - 0.86 | ::: 0.67 - 0.85 | ::: 0.67 - 0.85 | ::: 0.7440 | ::: 1.0295 |
| -- Class III | ::: 0.49 - 0.67 | ::: 0.55 - 0.75 | ::: 0.65 - 0.75 | ::: 0.65 - 0.75 | ::: 0.65 - 0.75 | ::: 0.6575 | ::: 1.1579 |

DAIRY MARKET NEWS MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2016¹ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

| COMMODITY | :REPORT NUMBER 5 | | :REPORT NUMBER 6 | | :REPORT NUMBER 7 | | :REPORT NUMBER 8 | | :REPORT NUMBER 9 | | 2016 | 2015 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------|------------------|--------|------------------|--|---------|---------|
| | :----- | | :----- | | :----- | | :----- | | :----- | | Monthly | Monthly |
| | FEB 01 - 05 | FEB 08 - 12 | FEB 15 - 19 | FEB 22 - 26 | FEB 29 - 29 | Average | Average | | | | | |
| DRY PRODUCTS | | | | | | | | | | | | |
| NONFAT DRY MILK | | | | | | | | | | | | |
| -- Central And East (f.o.b.) | | | | | | | | | | | | |
| -- Low/Medium Heat | :: 0.7350 - 0.8500 | :: 0.7100 - 0.8500 | :: 0.7400 - 0.8500 | :: 0.7400 - 0.8400 | :: 0.7500 - 0.8400 | :: 0.7894 | : | 1.0707 | | | | |
| -- Mostly | :: 0.7800 - 0.8200 | :: 0.7500 - 0.8200 | :: 0.7600 - 0.8200 | :: 0.7500 - 0.7900 | :: 0.7600 - 0.8100 | :: 0.7860 | : | 1.0750 | | | | |
| -- High Heat | :: 0.9000 - 1.1500 | :: 0.9000 - 1.1500 | :: 0.9500 - 1.1500 | :: 0.9000 - 1.1000 | :: 0.8800 - 1.1000 | :: 1.0220 | : | 1.1745 | | | | |
| -- West (f.o.b.) | | | | | | | | | | | | |
| -- Low/Medium Heat | :: 0.6400 - 0.8200 | :: 0.6750 - 0.8200 | :: 0.6825 - 0.8100 | :: 0.6900 - 0.8100 | :: 0.7100 - 0.8200 | :: 0.7444 | : | 1.0600 | | | | |
| -- Mostly | :: 0.6950 - 0.7600 | :: 0.6950 - 0.7600 | :: 0.6950 - 0.7600 | :: 0.7025 - 0.7600 | :: 0.7200 - 0.7800 | :: 0.7296 | : | 1.0475 | | | | |
| -- High Heat | :: 0.8250 - 1.1000 | :: 0.8250 - 1.0950 | :: 0.8400 - 1.0950 | :: 0.8400 - 1.0975 | :: 0.8400 - 1.0975 | :: 0.9648 | : | 1.1355 | | | | |
| WHEY POWDER (Nonhygroscopic) | | | | | | | | | | | | |
| -- Central (f.o.b.) | :: 0.1800 - 0.2750 | :: 0.1800 - 0.2750 | :: 0.2000 - 0.2750 | :: 0.2000 - 0.2750 | :: 0.1800 - 0.2800 | :: 0.2321 | : | 0.5061 | | | | |
| -- Mostly | :: 0.2200 - 0.2500 | :: 0.2250 - 0.2550 | :: 0.2250 - 0.2600 | :: 0.2225 - 0.2575 | :: 0.2200 - 0.2600 | :: 0.2393 | : | 0.4782 | | | | |
| -- West (f.o.b.) | :: 0.2200 - 0.3350 | :: 0.2200 - 0.3350 | :: 0.2300 - 0.3350 | :: 0.2300 - 0.3350 | :: 0.2300 - 0.3100 | :: 0.2794 | : | 0.4838 | | | | |
| -- Mostly | :: 0.2300 - 0.2700 | :: 0.2300 - 0.2700 | :: 0.2300 - 0.2700 | :: 0.2300 - 0.2700 | :: 0.2300 - 0.2700 | :: 0.2500 | : | 0.4513 | | | | |
| -- Northeast (f.o.b.) | :: 0.2250 - 0.2725 | :: 0.2250 - 0.2750 | :: 0.2475 - 0.2800 | :: 0.2475 - 0.2825 | :: 0.2475 - 0.2825 | :: 0.2569 | : | 0.5139 | | | | |
| WHEY PROTEIN CONCENTRATE | | | | | | | | | | | | |
| -- Central And West (f.o.b.) | | | | | | | | | | | | |
| -- Extra Grade 34% Protein | :: 0.4700 - 0.6800 | :: 0.4700 - 0.6900 | :: 0.5500 - 0.6900 | :: 0.5400 - 0.7300 | :: 0.5400 - 0.7300 | :: 0.6033 | : | 1.0807 | | | | |
| -- Mostly | :: 0.5300 - 0.6100 | :: 0.5300 - 0.6100 | :: 0.5500 - 0.6100 | :: 0.5400 - 0.6200 | :: 0.5400 - 0.6200 | :: 0.5750 | : | 1.0970 | | | | |
| ANIMAL FEED - WHEY | | | | | | | | | | | | |
| -- Central (f.o.b.) | | | | | | | | | | | | |
| -- Milk Replacer | :: 0.1200 - 0.2050 | :: 0.1400 - 0.2150 | :: 0.1400 - 0.2150 | :: 0.1400 - 0.2150 | :: 0.1300 - 0.2150 | :: 0.1735 | : | 0.4013 | | | | |
| BUTTERMILK (Min. 30% protein) | | | | | | | | | | | | |
| -- Central And East (f.o.b.) | :: 0.7500 - 0.8800 | :: 0.7400 - 0.8550 | :: 0.7400 - 0.8600 | :: 0.7200 - 0.8400 | :: 0.7200 - 0.8500 | :: 0.7974 | : | 0.8871 | | | | |
| -- West (f.o.b.) | :: 0.7600 - 0.8300 | :: 0.7800 - 0.8500 | :: 0.7600 - 0.8500 | :: 0.6600 - 0.8500 | :: 0.6600 - 0.8250 | :: 0.7894 | : | 0.9027 | | | | |
| -- Mostly | :: 0.8000 - 0.8200 | :: 0.8000 - 0.8200 | :: 0.8000 - 0.8200 | :: 0.7700 - 0.8000 | :: 0.7400 - 0.8000 | :: 0.8018 | : | 0.8993 | | | | |
| DRY WHOLE MILK | | | | | | | | | | | | |
| -- National (f.o.b.) | :: 1.1400 - 1.5500 | :: 1.0000 - 1.5200 | :: 1.0000 - 1.5200 | :: 1.0000 - 1.5000 | :: 1.1700 - 1.4475 | :: 1.2812 | : | 1.3995 | | | | |
| LACTOSE | | | | | | | | | | | | |
| -- Central And West (f.o.b.) | :: 0.1800 - 0.3100 | :: 0.1800 - 0.3100 | :: 0.1800 - 0.3100 | :: 0.1800 - 0.3200 | :: 0.1800 - 0.3200 | :: 0.2465 | : | 0.3087 | | | | |
| -- Mostly | :: 0.1800 - 0.2450 | :: 0.1800 - 0.2500 | :: 0.1800 - 0.2500 | :: 0.1950 - 0.2500 | :: 0.1950 - 0.2500 | :: 0.2166 | : | 0.2870 | | | | |
| CASEIN - Edible - National (f.o.b.) | | | | | | | | | | | | |
| -- Nonrestricted - Rennet | :: 2.5000 - 3.3500 | :: 2.5000 - 3.3500 | :: 2.5000 - 3.3500 | :: 2.5000 - 3.3500 | :: 2.2200 - 3.3500 | :: 2.9180 | : | 3.8250 | | | | |
| -- Nonrestricted - Acid | :: 2.7300 - 3.5000 | :: 2.7300 - 3.5000 | :: 2.7300 - 3.5000 | :: 2.7300 - 3.5000 | :: 2.3600 - 3.5000 | :: 3.1058 | : | 4.0500 | | | | |

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

CME GROUP AVERAGES FOR FEBRUARY 2016

| COMMODITY | :REPORT NUMBER 5 | | :REPORT NUMBER 6 | | :REPORT NUMBER 7 | | :REPORT NUMBER 8 | | :REPORT NUMBER 9 | | 2016 * | 2015 * |
|--------------------|------------------|------------|------------------|-------------|------------------|---------|------------------|---------|------------------|--------|---------|---------|
| | :-----: | | :-----: | | :-----: | | :-----: | | :-----: | | Monthly | Monthly |
| | FEB 1 - 5 | FEB 8 - 12 | FEB 15 - 19 | FEB 22 - 26 | FEB 29 | Average | | Average | | | | |
| BUTTER* | | | | | | | | | | | | |
| -- GRADE AA | | | | | | | | | | | | |
| --Monday | 2.0975 | 2.1550 | 1 | 2.0800 | 1.9650 | | | | | | | |
| --Tuesday | 2.1000 | 2.1350 | 2.0500 | 2.0850 | | | | | | | | |
| --Wednesday | 2.1600 | 2.1250 | 2.0425 | 2.0000 | | | | | | | | |
| --Thursday | 2.2000 | 2.1300 | 2.0550 | 1.9875 | | | | | | | | |
| --Friday | 2.1700 | 2.1100 | 2.0550 | 1.9775 | | | | | 2.0840 | 1.7293 | | |
| --Weekly Average** | 2.1455 | 2.1310 | 2.0506 | 2.0260 | | | | | | | | |
| CHEESE* | | | | | | | | | | | | |
| -- BARRELS | | | | | | | | | | | | |
| --Monday | 1.4500 | 1.4650 | 1 | 1.4800 | 1.4550 | | | | | | | |
| --Tuesday | 1.4500 | 1.4650 | 1.4600 | 1.4375 | | | | | | | | |
| --Wednesday | 1.4500 | 1.4650 | 1.4700 | 1.4050 | | | | | | | | |
| --Thursday | 1.4650 | 1.4800 | 1.4725 | 1.4200 | | | | | | | | |
| --Friday | 1.4650 | 1.4800 | 1.4800 | 1.4300 | | | | | 1.4573 | 1.4849 | | |
| --Weekly Average** | 1.4560 | 1.4710 | 1.4706 | 1.4345 | | | | | | | | |
| -- 40# BLOCKS | | | | | | | | | | | | |
| --Monday | 1.4600 | 1.4700 | 1 | 1.4750 | 1.4800 | | | | | | | |
| --Tuesday | 1.4600 | 1.4700 | 1.4900 | 1.4550 | | | | | | | | |
| --Wednesday | 1.4700 | 1.4900 | 1.4900 | 1.4500 | | | | | | | | |
| --Thursday | 1.4700 | 1.4900 | 1.4900 | 1.4500 | | | | | | | | |
| --Friday | 1.4700 | 1.4900 | 1.4875 | 1.4800 | | | | | 1.4744 | 1.5382 | | |
| --Weekly Average** | 1.4660 | 1.4820 | 1.4894 | 1.4620 | | | | | | | | |
| NONFAT DRY MILK* | | | | | | | | | | | | |
| -- GRADE A | | | | | | | | | | | | |
| --Monday | 0.7100 | 0.7500 | 1 | 0.7500 | 0.7650 | | | | | | | |
| --Tuesday | 0.6950 | 0.7300 | 0.7575 | 0.7450 | | | | | | | | |
| --Wednesday | 0.7100 | 0.7500 | 0.7450 | 0.7475 | | | | | | | | |
| --Thursday | 0.7350 | 0.7600 | 0.7350 | 0.7475 | | | | | | | | |
| --Friday | 0.7500 | 0.7375 | 0.7400 | 0.7600 | | | | | 0.7410 | 1.1067 | | |
| --Weekly Average** | 0.7200 | 0.7455 | 0.7444 | 0.7500 | | | | | | | | |

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

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

1/CME Closed on February 15

January Agricultural Prices Highlights

The All Milk price received by farmers was \$16.10 in January, down \$1.50 from January 2015. Milk Cows price was \$1,830 in January, down \$160 from January 2015. Alfalfa hay price was \$147.00 in January, down \$23.00 from January 2015. Corn price was \$3.66 in January, down \$0.16 from January 2015. Soybean price was \$8.71 in January, down \$1.59 from January 2015. The milk-feed price ratio was 2.14 in January, up 0.03 from January 2015.

The index of prices received by farmers for dairy products during the month of January 2016 was down 5.5 points to 80.1. Compared to January 2015, the index was down 7.5 points (-8.6 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in January 2016 was up 1.1 to 107.0. Compared with January 2015, the index was down 4.5 points (-4.0 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., January 2016 with Comparisons

| State | All-Milk price ^{1,2} | | Milk cows ³ | | Alfalfa hay, baled | | Corn for Grain | | Soybeans | |
|-------|-------------------------------|-------|---------------------------|-------|--------------------------|--------|-----------------------------|------|-----------------------------|------|
| | Jan | | Jan | | Jan | | Jan | | Jan | |
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| | <i>(dollars per cwt)</i> | | <i>(dollars per head)</i> | | <i>(dollars per ton)</i> | | <i>(dollars per bushel)</i> | | <i>(dollars per bushel)</i> | |
| AZ | 16.40 | 15.20 | 2,000 | 1,900 | 215.00 | 160.00 | --- | --- | --- | --- |
| CA | 15.81 | 15.12 | 1,800 | 1,800 | 200.00 | 165.00 | --- | --- | --- | --- |
| CO | 18.70 | 16.60 | 2,100 | 1,900 | 195.00 | 160.00 | 4.10 | 3.78 | --- | --- |
| ID | 16.80 | 15.60 | 2,000 | 1,850 | 190.00 | 170.00 | --- | --- | --- | --- |
| IN | 18.10 | 16.30 | 2,100 | 1,800 | --- | --- | 3.86 | 3.97 | 10.50 | 8.93 |
| IA | 17.40 | 15.90 | 2,030 | 1,860 | 142.00 | 122.00 | 3.86 | 3.55 | 10.20 | 8.46 |
| MI | 17.60 | 15.30 | 2,200 | 2,000 | 185.00 | 150.00 | 3.75 | 3.65 | 10.40 | 8.58 |
| MN | 18.30 | 16.50 | 1,870 | 1,730 | 122.00 | 100.00 | 3.71 | 3.47 | 10.20 | 8.33 |
| NM | 16.40 | 15.00 | 2,000 | 1,900 | 230.00 | 185.00 | --- | --- | --- | --- |
| NY | 18.70 | 17.00 | 1,910 | 1,700 | 220.00 | 225.00 | --- | --- | --- | --- |
| OH | 18.70 | 16.90 | 2,000 | 1,750 | 180.00 | 210.00 | 3.87 | 3.90 | 10.70 | 9.15 |
| PA | 19.20 | 17.40 | 2,000 | 1,780 | 242.00 | 215.00 | 4.11 | 3.87 | --- | --- |
| TX | 18.20 | 16.50 | 2,100 | 1,850 | 233.00 | 212.00 | 4.51 | 4.43 | --- | --- |
| WA | 17.50 | 16.40 | 1,950 | 1,800 | 210.00 | 155.00 | --- | --- | --- | --- |
| WI | 18.40 | 16.00 | 2,160 | 1,910 | 133.00 | 110.00 | 3.74 | 3.51 | 10.20 | 8.68 |
| U.S. | 17.60 | 16.10 | 1,990 | 1,830 | 170.00 | 147.00 | 3.82 | 3.66 | 10.30 | 8.71 |

¹ Prices are shown at reported butterfat test. ² Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

³ Animals sold for dairy herd replacement only. Quarterly United States milk cow prices are based on revised milk cow inventory.

Milk-Feed Price Ratio, Selected States and U.S., January 2016 with Comparisons

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹

| State ² | Jan 2015 | Dec 2015 | Jan 2016 |
|--------------------|----------|----------|----------|
| IA | 2.23 | 2.53 | 2.32 |
| MI | 2.05 | 2.16 | 2.03 |
| MN | 2.53 | 2.65 | 2.61 |
| OH | 2.19 | 2.10 | 1.83 |
| WI | 2.46 | 2.77 | 2.42 |
| U.S. | 2.11 | 2.27 | 2.14 |

¹ The price of commercial prepared dairy feed is based on current United States prices received for corn, soybeans, and alfalfa. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. ² Available states that provided all necessary data to compute milk feed price ratios.

General Price Measures, U.S., January 2016 with Comparisons

| Item | Jan 2015 | Dec 2015 | Jan 2016 |
|---|----------|----------|----------|
| Index Numbers (1990-92=100): | | | |
| Prices received by farmers for dairy production | 87.6 | 85.6 | 80.1 |
| Prices paid by farmers for commodities and services, interest taxes, and wage rates | 111.5 | 105.9 | 107.0 |

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, February 2016*.

Federal Milk Order Final Class and Component Prices, February

Class Prices: The following are the February 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$14.30 (+\$0.11), Class III: \$13.80 (+\$0.08), and Class IV: \$13.49 (+\$0.18).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for February 2016 is \$2.3778 per pound. Thus, the Class II butterfat price is \$2.3848 per pound. The protein and other solids prices for February 2016 are \$1.7389 and \$0.0492 per pound, respectively. These component prices set the Class III skim milk price at \$5.68 per cwt. The February 2016 Class IV skim milk price is \$5.36, which is derived from the nonfat solids price of \$0.5951 per pound.

Product Price Averages: The product price averages for February 2016 are: butter: \$2.1350, nonfat dry milk: \$0.7689, cheese: \$1.5170, and dry whey: \$0.2469.

| Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1,2} | | | | | | |
|--|--------------|---------------|----------|-----------|----------|------------|
| Federal Milk Order Marketing Areas ³ | Order Number | February 2016 | | | | March 2016 |
| | | Class I | Class II | Class III | Class IV | Class I |
| <i>(dollars per 100 pounds)</i> | | | | | | |
| Northeast (Boston) ⁴ | 001 | 16.89 | 14.30 | 13.80 | 13.49 | 17.03 |
| Appalachian (Charlotte) ⁵ | 005 | 17.04 | 14.30 | 13.80 | 13.49 | 17.18 |
| Florida (Tampa) ⁶ | 006 | 19.04 | 14.30 | 13.80 | 13.49 | 19.18 |
| Southeast (Atlanta) ⁷ | 007 | 17.44 | 14.30 | 13.80 | 13.49 | 17.58 |
| Upper Midwest (Chicago) ⁸ | 030 | 15.44 | 14.30 | 13.80 | 13.49 | 15.58 |
| Central (Kansas City) ⁹ | 032 | 15.64 | 14.30 | 13.80 | 13.49 | 15.78 |
| Mideast (Cleveland) ¹⁰ | 033 | 15.64 | 14.30 | 13.80 | 13.49 | 15.78 |
| Pacific Northwest (Seattle) ¹¹ | 124 | 15.54 | 14.30 | 13.80 | 13.49 | 15.68 |
| Southwest (Dallas) ¹² | 126 | 16.64 | 14.30 | 13.80 | 13.49 | 16.78 |
| Arizona (Phoenix) | 131 | 15.99 | 14.30 | 13.80 | 13.49 | 16.13 |
| All-Market Average | --- | 16.53 | 14.30 | 13.80 | 13.49 | 16.67 |

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

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

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

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

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

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

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

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

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

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

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

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

January 2016 Dairy Products Highlights

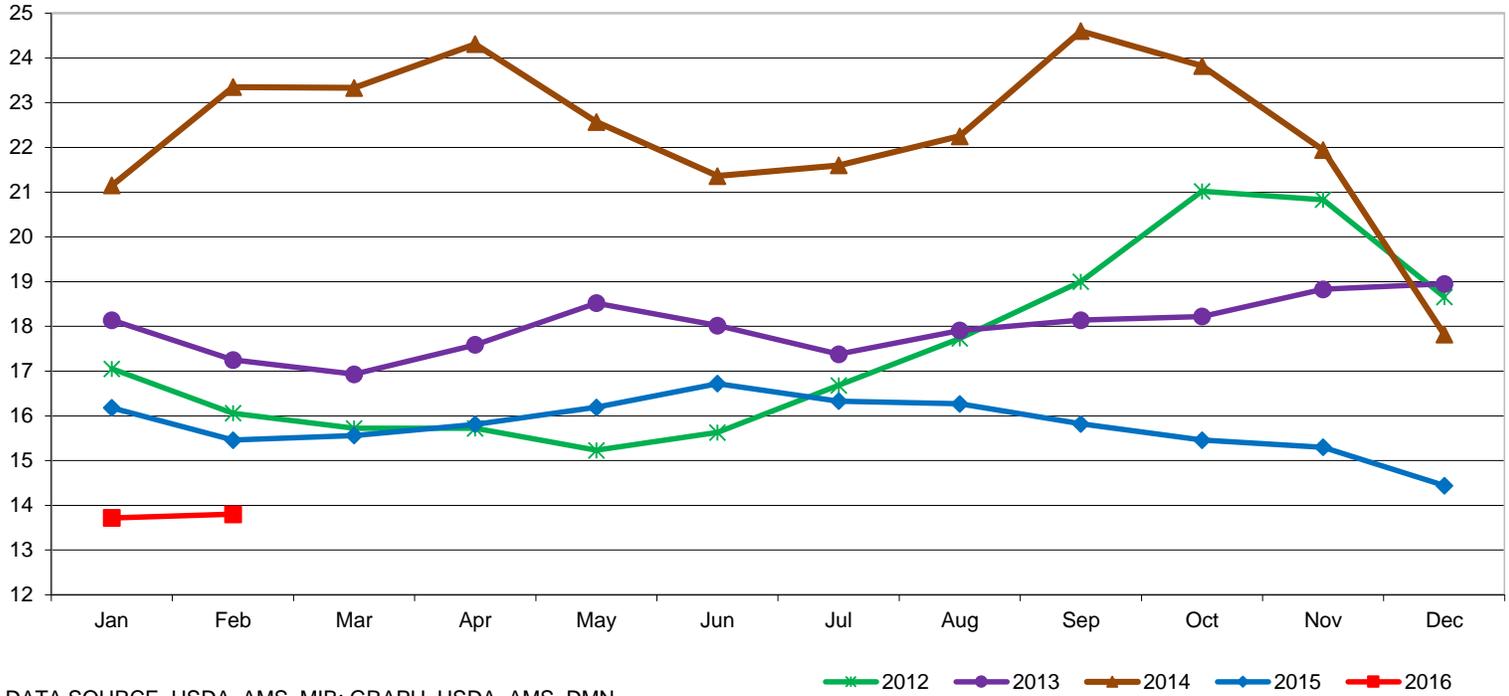
Butter production was 175.7 million pounds, 2.1 percent below January 2015, but 1.6 percent above December 2015. **American type cheese** production totaled 400.4 million pounds, 0.9 percent above January 2015, and 0.3 percent above December 2015. **Total cheese** output (excluding cottage cheese) was 1.0 billion pounds, 2.6 percent above January 2015, but 2.6 percent below December 2015. **Nonfat dry milk** production, for human food, totaled 136.2 million pounds, 17.4 percent below January 2015, and 9.7 percent below December 2015. **Dry whey** production, for human food, was 80.1 million pounds, 7.3 percent above January 2015, but 13.5 percent below December 2015. **Ice cream, regular hard** production totaled 57.0 million gallons, 2.7 percent above January 2015, and 2.0 percent above December 2015.

| Production of Dairy Products | | | | | | | | | |
|---|-------------|-------------|----------|-------------------------------------|-------------------------------------|-------------|-------------|-------------|---------------------------|
| Product | Jan 2016 | Change from | | | Product | Jan 2016 | Change from | | |
| | | Jan 2015 | Dec 2015 | Year to Date ¹ | | | Jan 2015 | Dec 2015 | Year to Date ¹ |
| | (1,000 lbs) | (percent) | | | | (1,000 lbs) | (percent) | | |
| Butter | 175,740 | -2.1 | 1.6 | -2.1 | Yogurt (plain and flavored) | 390,385 | 3.6 | 6.2 | 3.6 |
| Cheese | | | | | Dry whey, human food | 80,122 | 7.3 | -13.5 | --- |
| American types ² | 400,378 | 0.9 | 0.3 | 0.9 | Dry whey, animal feed | 2,847 | 216.3 | 59.1 | --- |
| Cheddar | 295,902 | 1.4 | 1.4 | 1.4 | Dry whey, total ⁸ | 82,969 | 9.8 | -12.1 | 9.8 |
| Other American | 104,476 | -0.4 | -2.7 | --- | Reduced lactose & minerals | | | | |
| Brick & Muenster | 15,065 | -2.8 | 8.6 | --- | Human food | 3,000 | -4.3 | 6.2 | --- |
| Cream & Neufchatel | 70,257 | 13.8 | -5.3 | --- | Animal feed | 2,976 | -36.6 | 12.5 | --- |
| Hispanic | 19,516 | -2.2 | -7.8 | --- | Lactose, human food & animal feed | 85,128 | -5.5 | -3.1 | -5.5 |
| Total Italian types | 434,779 | 2.2 | -5.4 | 2.2 | Whey protein concentrate | | | | |
| Mozzarella | 336,570 | 0.3 | -6.2 | 0.3 | Human food ⁹ | 38,604 | -17.5 | -5.1 | --- |
| Other Italian | 98,209 | 9.4 | -2.5 | --- | Animal feed ⁹ | 193 | -41.2 | -18.2 | --- |
| Swiss | 27,514 | 12.8 | -1.1 | --- | Total ⁹ | 38,797 | -17.7 | -5.2 | -17.7 |
| All other types | 35,644 | 5.8 | 4.0 | --- | 25.0-49.9 percent ¹⁰ | 15,045 | -37.1 | -8.7 | --- |
| Total | 1,003,153 | 2.6 | -2.6 | 2.6 | 50.0-89.9 percent ¹⁰ | 23,752 | 2.3 | -2.8 | --- |
| Cottage cheese, curd ³ | 31,623 | 19.2 | -4.0 | --- | Whey protein isolates ¹¹ | 8,909 | 38.5 | 2.0 | --- |
| Cottage cheese, cream ⁴ | 24,235 | 13.9 | -7.3 | 13.9 | | | | | |
| Cottage cheese, lowfat ⁵ | 28,806 | -0.5 | -2.8 | -0.5 | | | | | |
| Dry buttermilk | 11,412 | 10.8 | -0.8 | --- | Frozen products | | | | |
| Dry whole milk | 9,947 | 60.3 | 2.9 | --- | Ice cream, regular hard | 57,032 | 2.7 | 2.0 | 2.7 |
| Milk protein conc. (MPC), total ⁶ | 14,879 | 6.8 | 25.4 | --- | Ice cream, lowfat, hard | 14,441 | -9.7 | 13.4 | --- |
| Nonfat dry milk (NDM), human | 136,150 | -17.4 | -9.7 | -17.4 | Ice cream, lowfat, soft | 11,327 | -11.3 | -6.0 | --- |
| Skim milk powders (SMP) ⁷ | 51,243 | 17.3 | 17.9 | 17.3 | Ice cream, lowfat, total | 25,768 | -10.4 | 4.0 | -10.4 |
| Sour cream | 103,308 | -2.6 | -13.6 | -2.6 | Sherbet, hard | 2,431 | -19.0 | 12.9 | -19.0 |
| | | | | | Frozen yogurt, total | 4,125 | -5.0 | 12.2 | -5.0 |
| Manufacturers' Stocks, End of Month ¹² | | | | | | | | | |
| Product | Jan 2016 | Jan 2015 | Dec 2015 | Product | Jan 2016 | Jan 2015 | Dec 2015 | | |
| | | | | | | | | (1,000 lbs) | (percent) |
| | | | | Whey protein concentrate | | | | | |
| Dry whey, human food | 81,537 | 31.3 | 15.6 | Human food ⁹ | 63,865 | -2.5 | -6.0 | | |
| Dry whey, animal feed | 1,902 | 128.1 | -11.6 | Animal feed ⁹ | 1,290 | 24.6 | 57.1 | | |
| Reduced lactose & minerals—human & animal ¹³ | 7,351 | -28.6 | 8.3 | Total ⁹ | 65,155 | -2.1 | -5.3 | | |
| Lactose, human food & animal feed | 117,279 | -10.5 | 11.9 | 25.0-49.9 percent ¹⁰ | 28,128 | -12.0 | 5.4 | | |
| Dry buttermilk | 21,304 | -14.1 | 24.9 | 50.0-89.9 percent ¹⁰ | 37,027 | 7.1 | -12.0 | | |
| Nonfat dry milk, human food | 226,642 | -5.7 | 10.9 | Whey protein isolates ¹¹ | 16,693 | 40.9 | 1.3 | | |

¹ 2016 cumulative as percent change of 2015 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture, National Agricultural Statistics Service, Agricultural Statistics Board, *Dairy Products*, (February 2016).

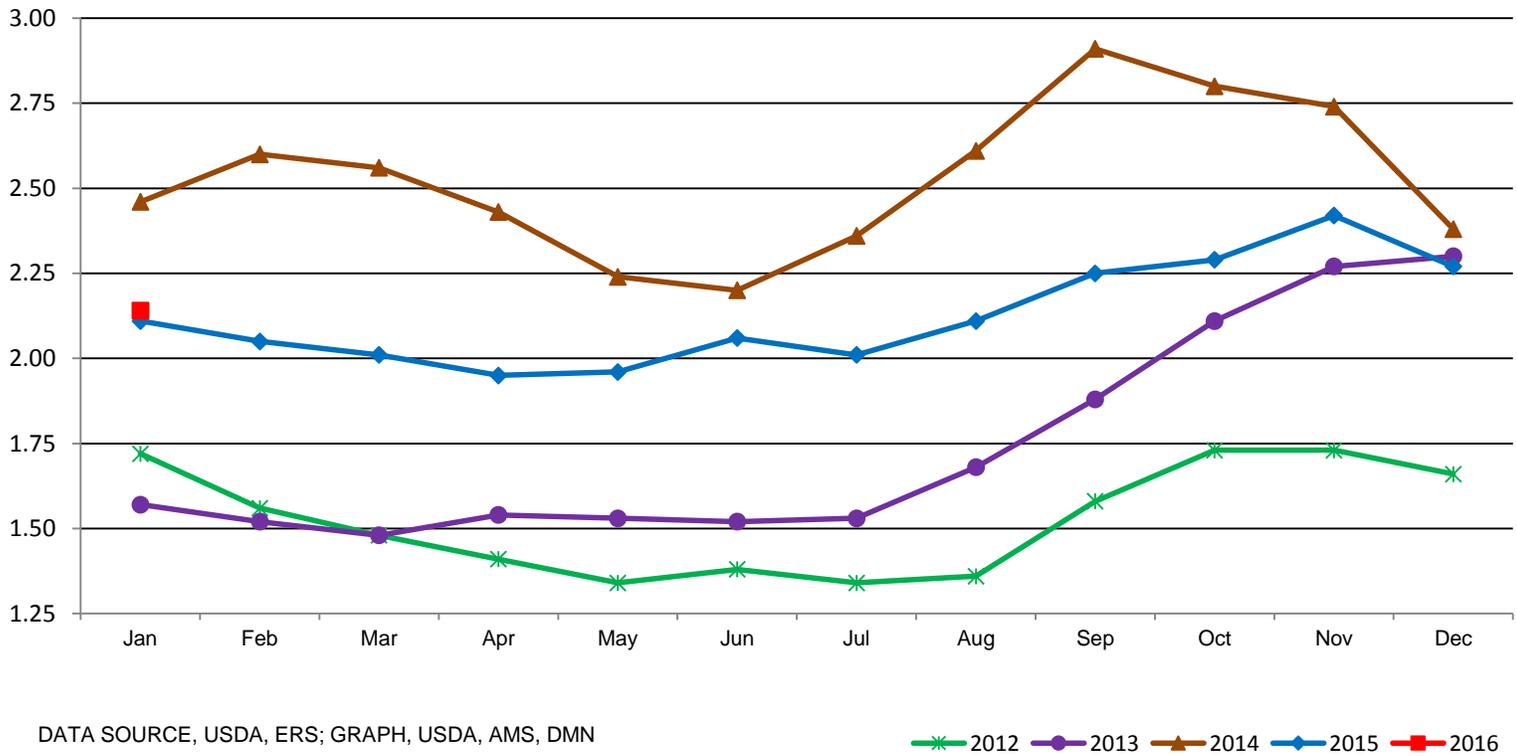
PER CWT

Class III Milk Price at 3.5%Test

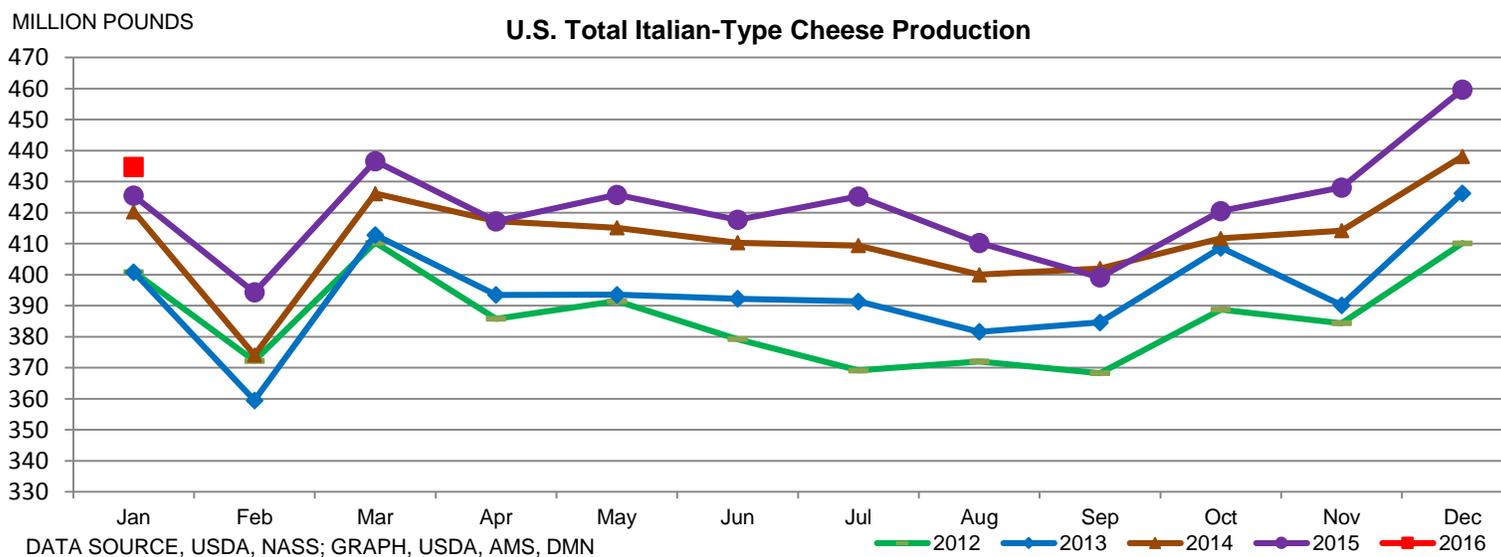
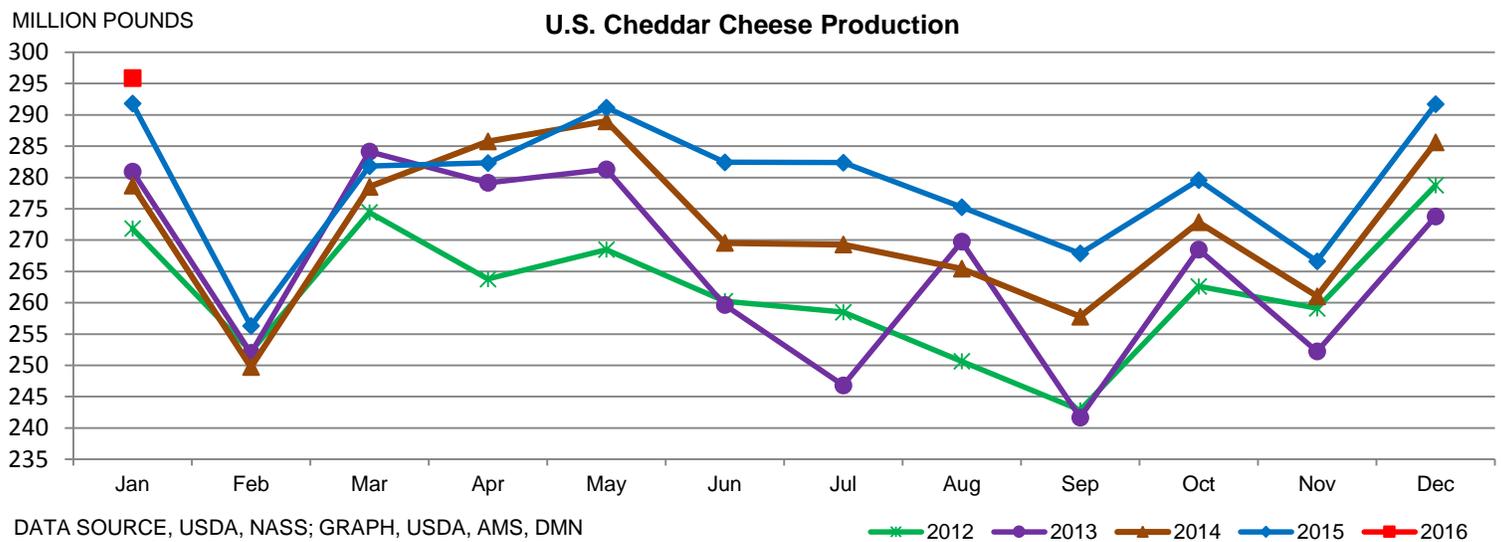
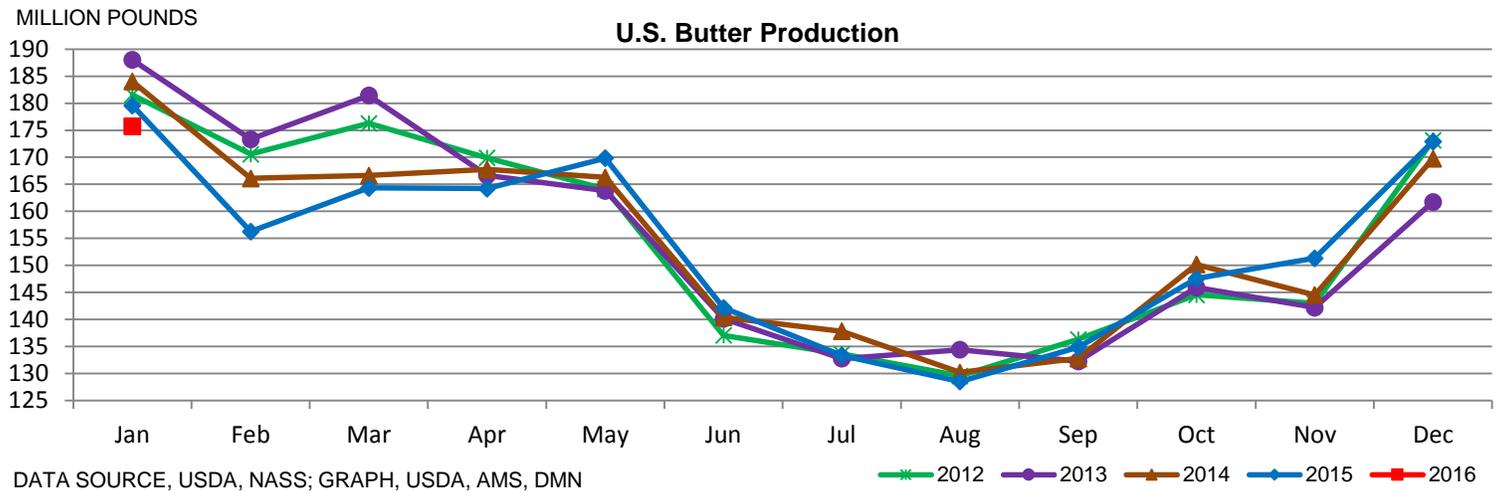


DATA SOURCE, USDA, AMS, MIB; GRAPH, USDA, AMS, DMN

Milk-Feed Price Ratio Based on the Pounds of 16% Mixed Dairy Feed Equal in Value to 1 Pound of Whole Milk

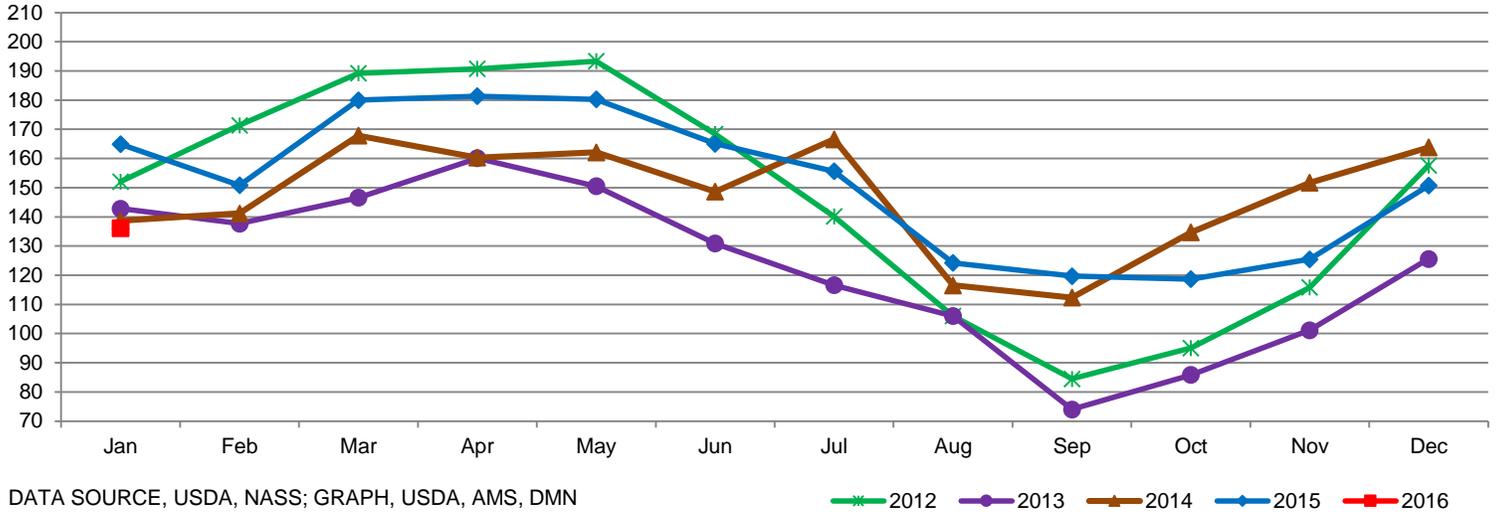


DATA SOURCE, USDA, ERS; GRAPH, USDA, AMS, DMN



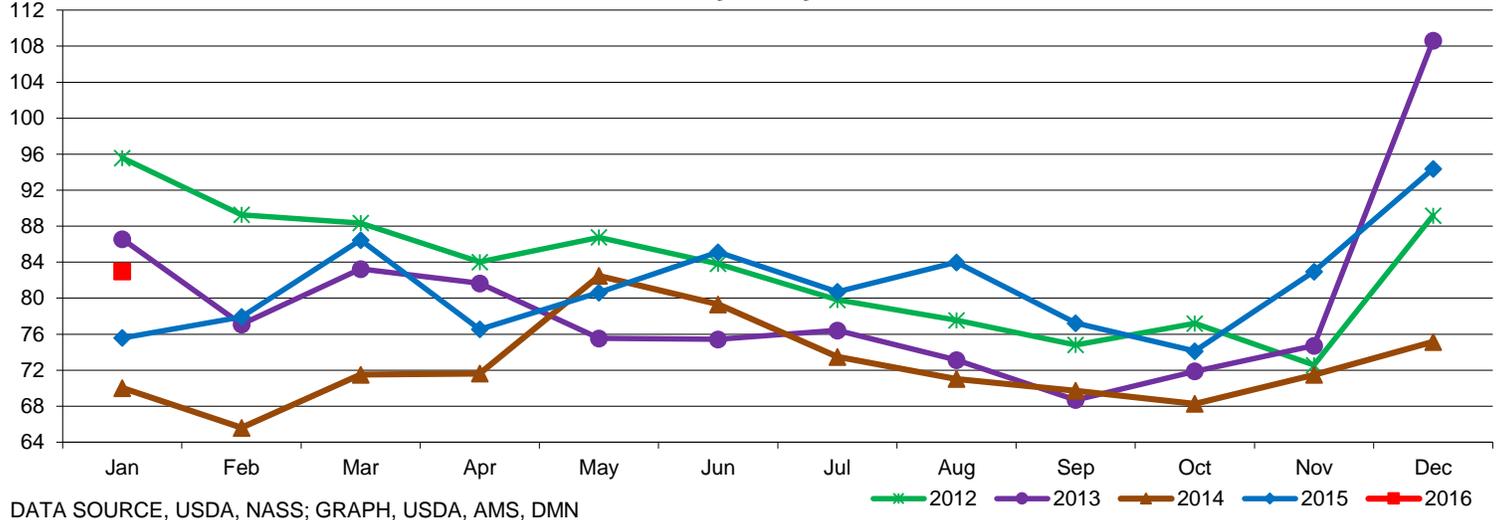
MILLION POUNDS

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



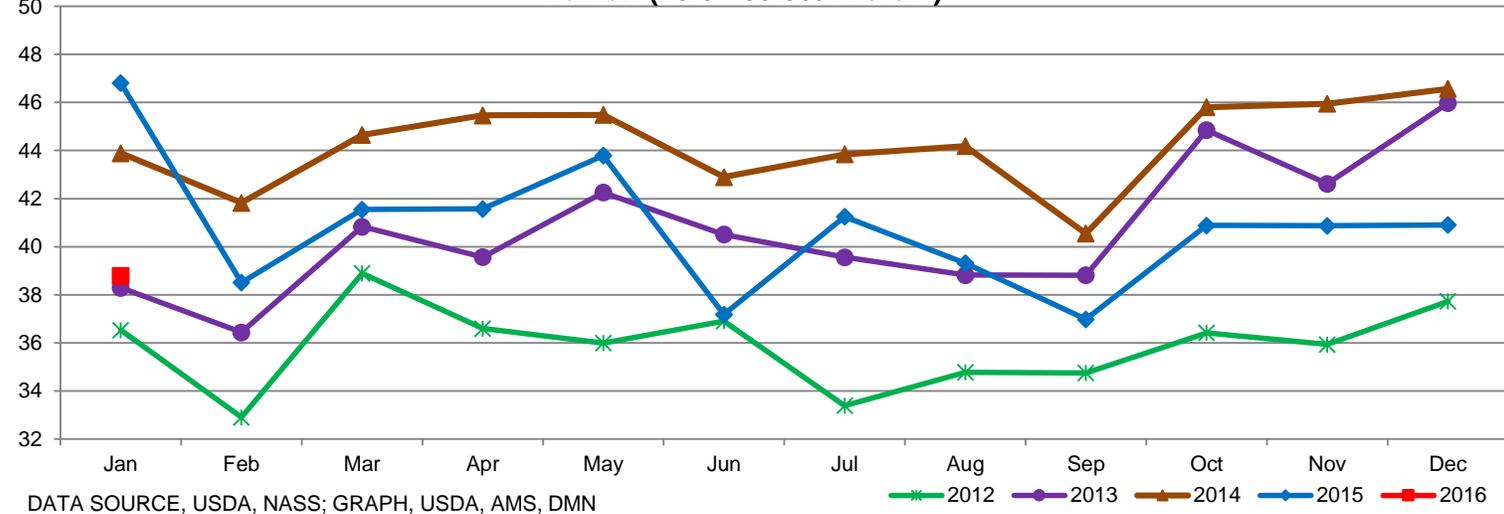
MILLION POUNDS

U.S. Total Dry Whey Production



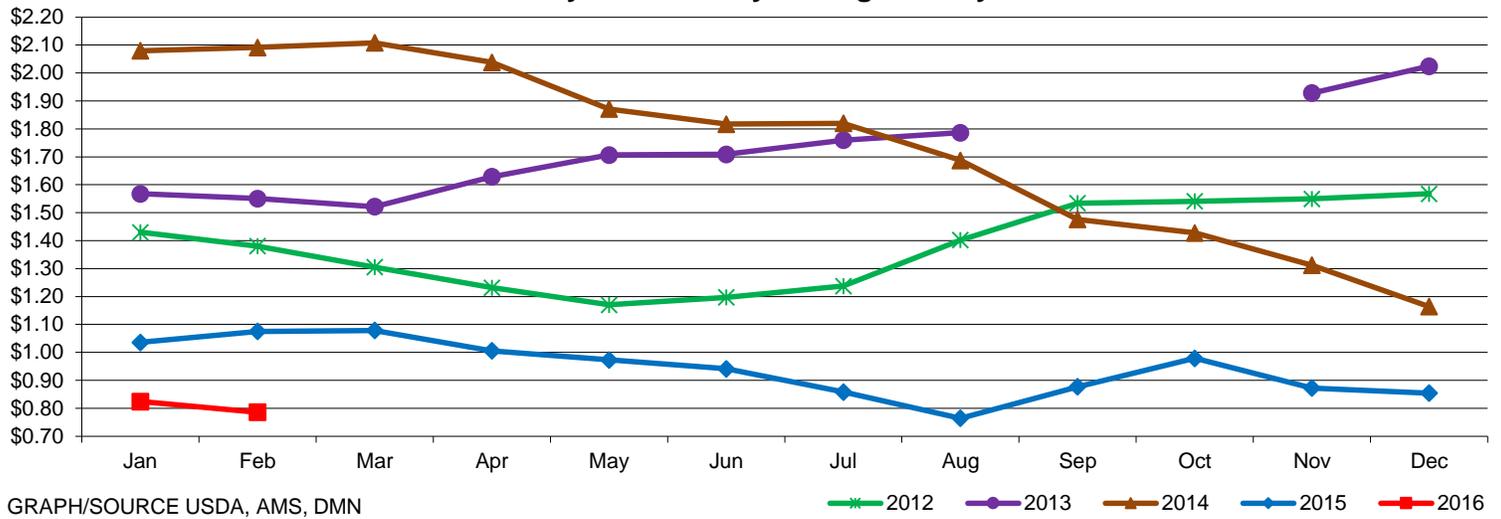
MILLION POUNDS

U.S. Whey Protein Concentrate Production, Human (25.0 - 89.9% Protein)



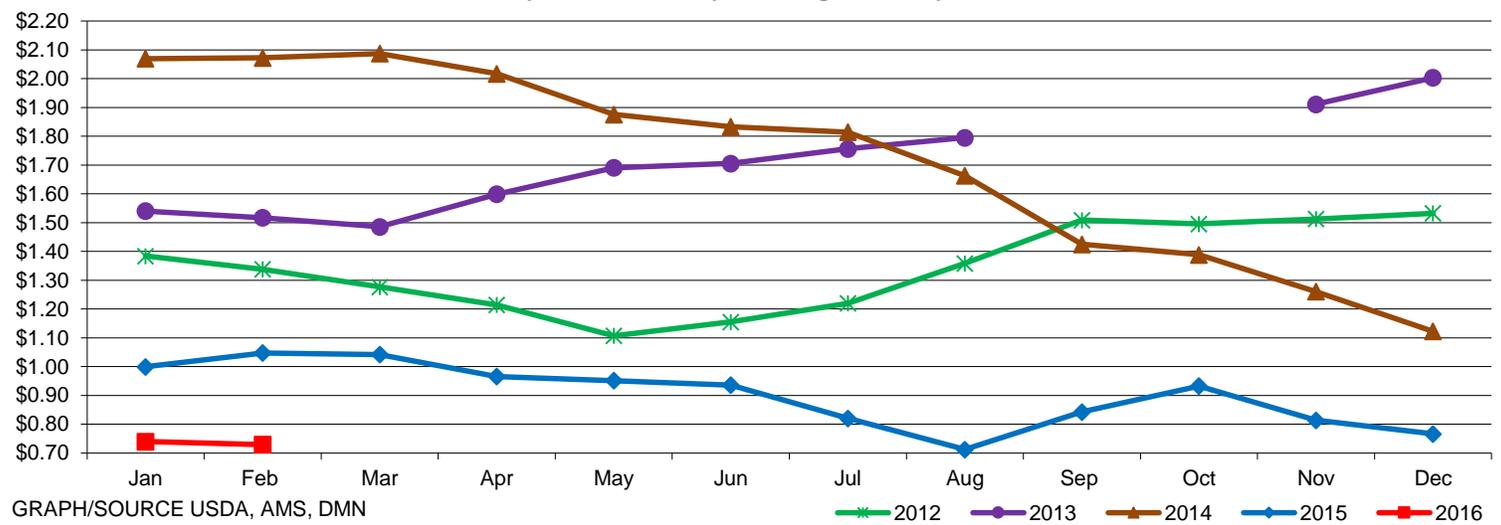
PER POUND

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



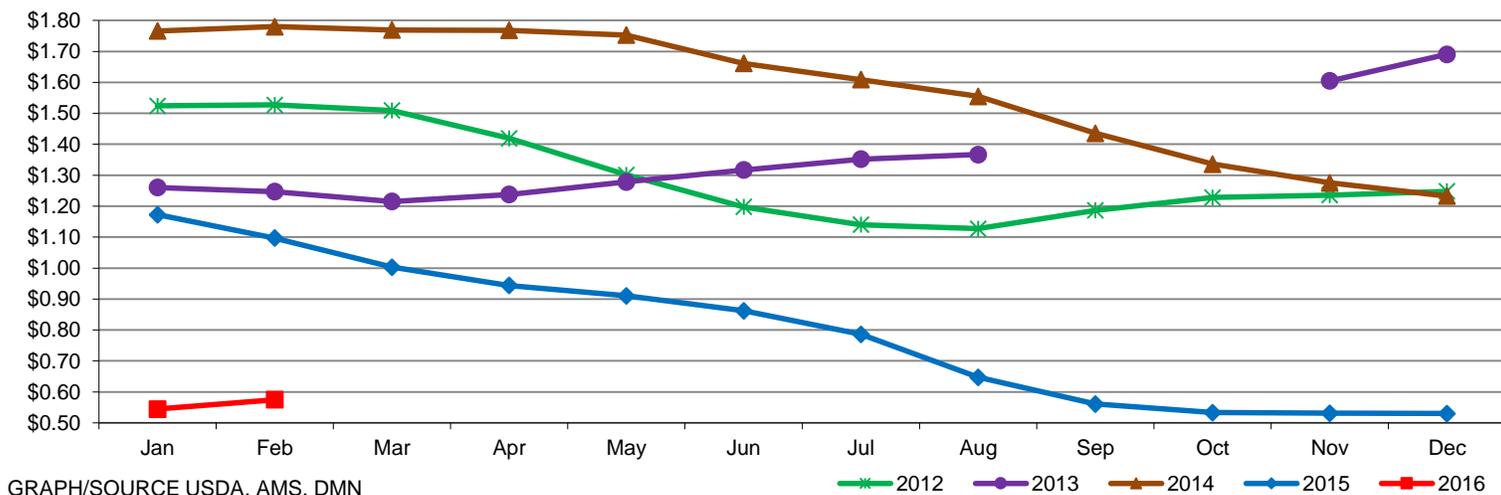
PER POUND

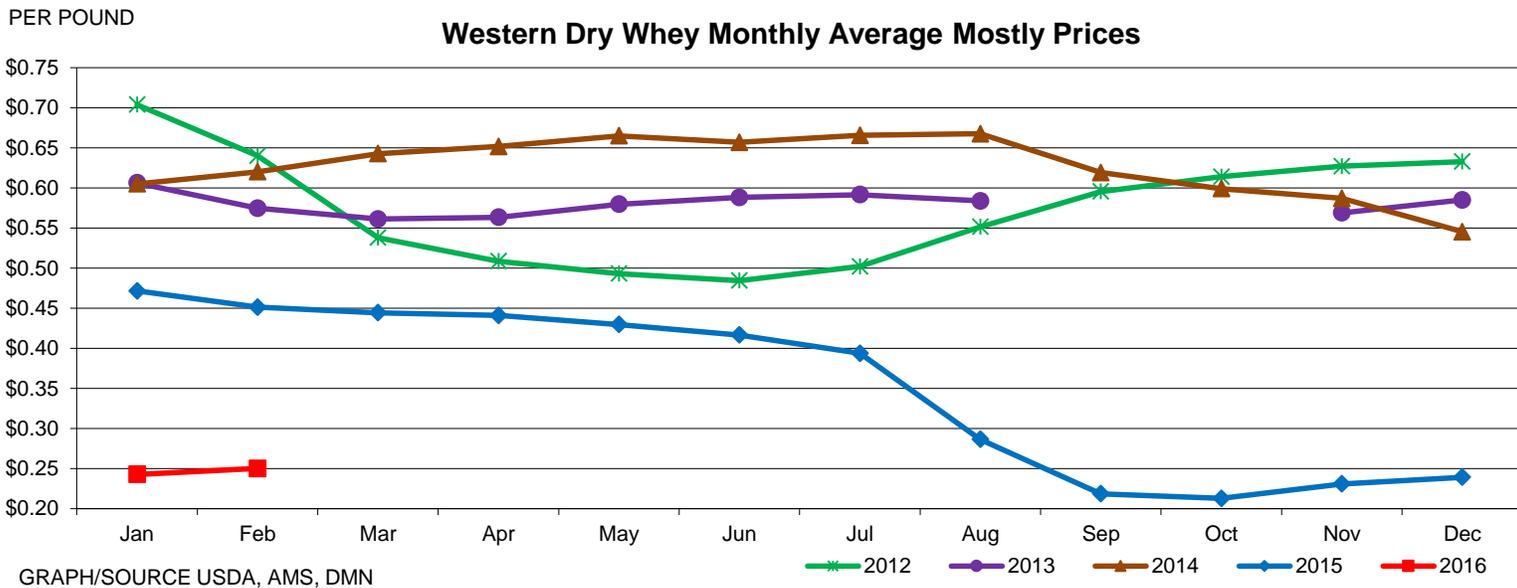
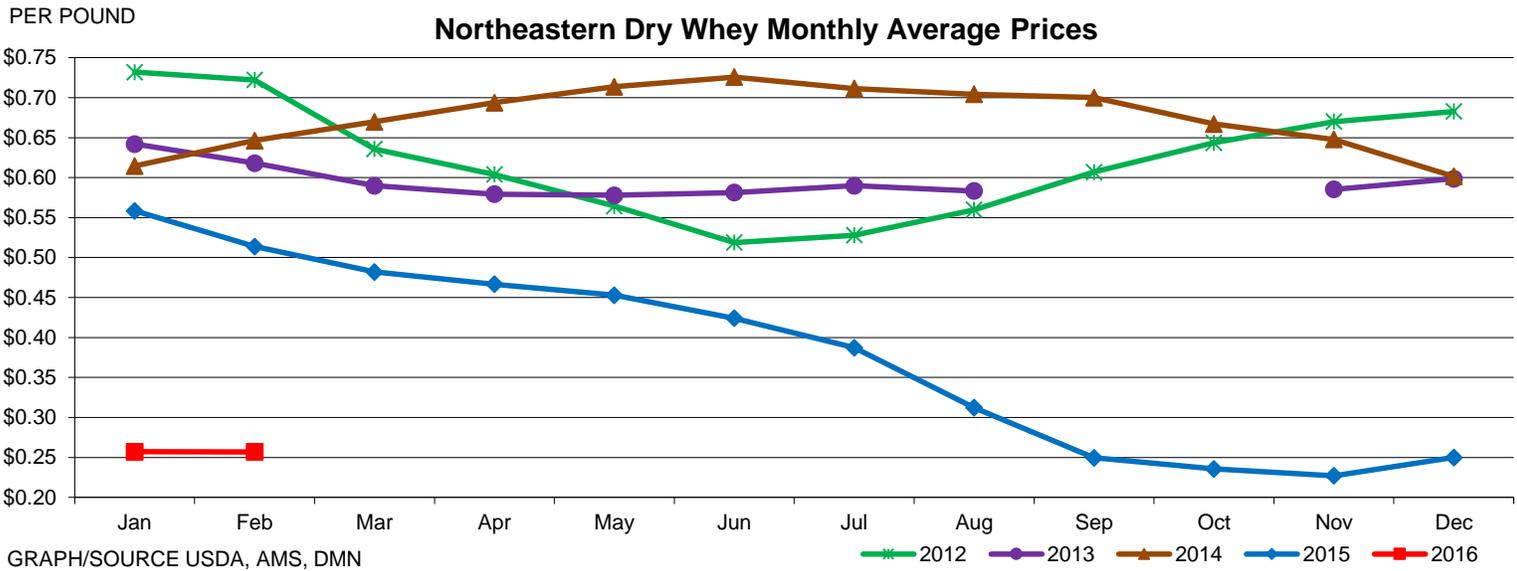
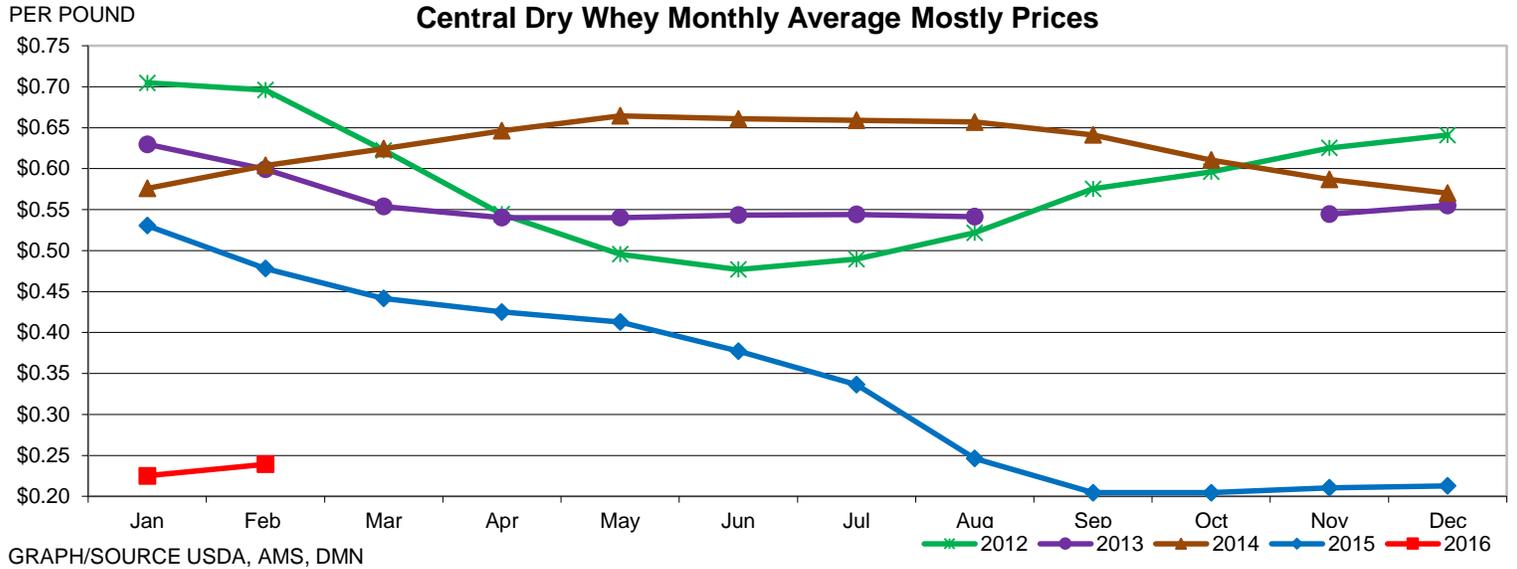
Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices



PER POUND

Central & West Dry WPC 34% Monthly Average Mostly Prices







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Volume 83- Number 9

Issued Weekly

Friday, March 4, 2016

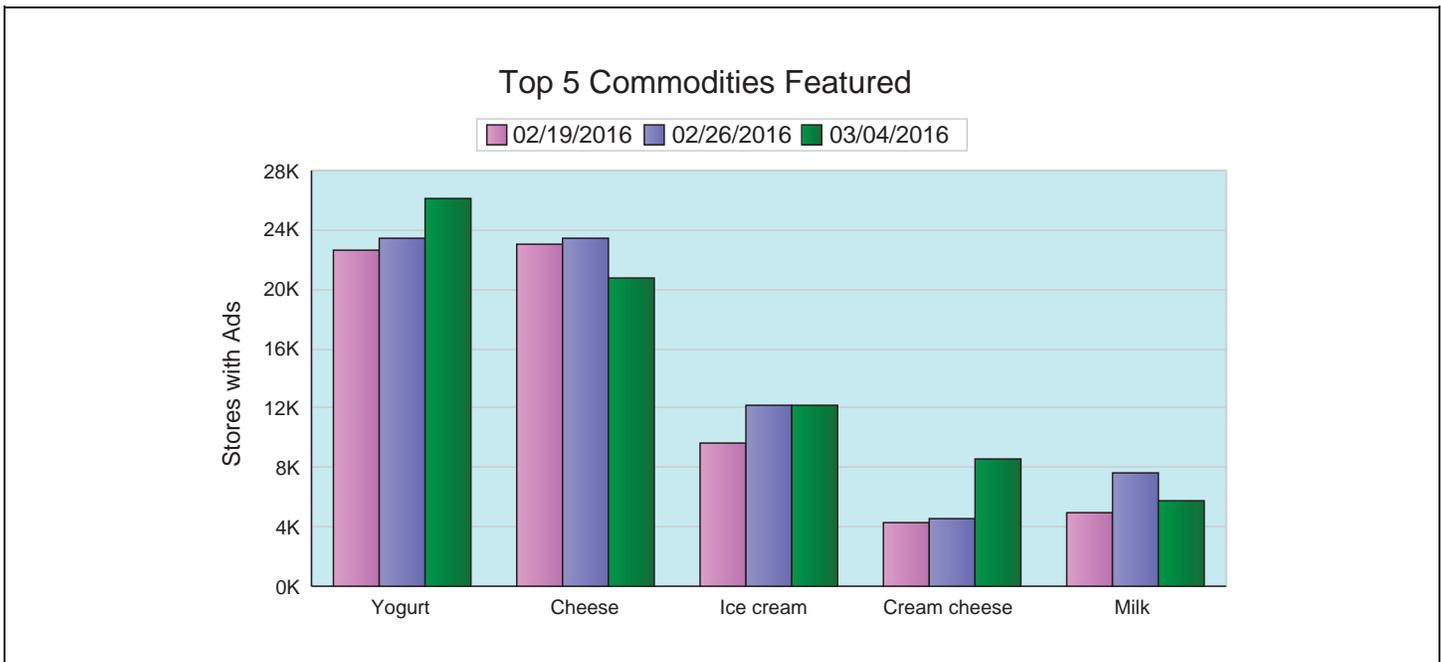
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 03/04/2016 to 03/10/2016

The total volume of conventional dairy ads increased 3%, but organic dairy ads decreased 8% this week. For conventional dairy advertisements, Greek yogurt in 4-6 ounce containers had the largest volume of ads, followed by 48-64 ounce ice cream and 8 ounce packages of cream cheese. For conventional items, larger sized items had the largest percentage increase in the number of ads. Leading the way was gallons of flavored milk, 481%; 1 pound blocks of cheese, 196%; and 32 ounce containers of yogurt, 130%. Eight ounce cheese blocks had the largest percentage increase for organic ads, up 238%,

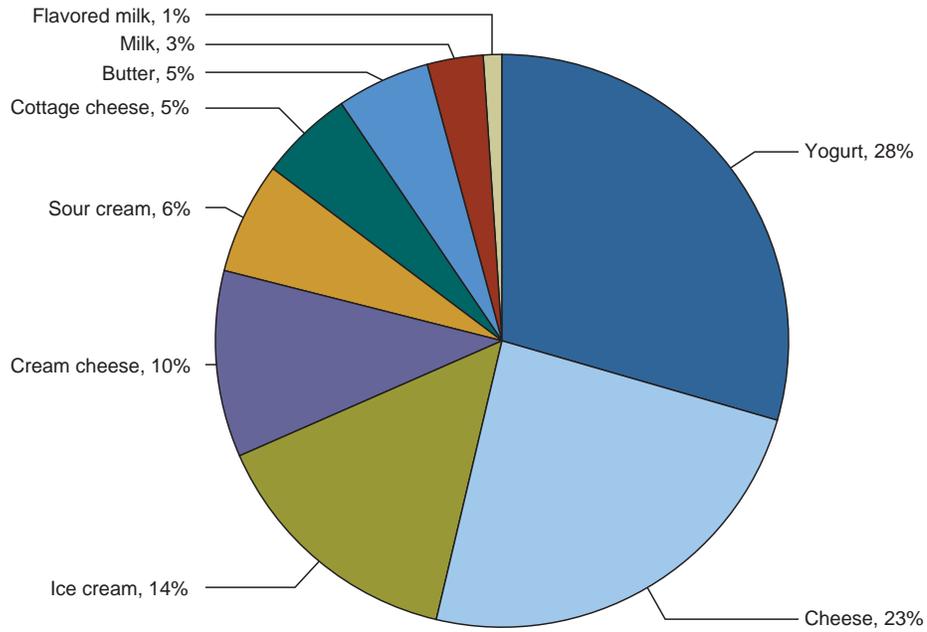
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.29, up 4 cents from last week, but down 4 cents from a year ago; 8 ounce shred cheese averaged \$2.28, up 2 cents from last week, but 39 cents below one year ago. Organic 8 ounce blocks averaged \$4.49, while 8 ounce shred cheese averaged \$3.73. Advertisements for conventional cheese are down 15%, but organic cheese ads increased 124% from last week.

The average price for conventional yogurt in 4-6 ounce packages is \$.48, down 1 cent from last week, but up 1 cent from a year ago. The average price of 4-6 ounce conventional Greek yogurt is \$.95, down 1 cent from last week, and down 3 cents from a year ago. Conventional yogurt ad numbers are up 8% from last week. Organic yogurt ads are up 61% from the previous week.

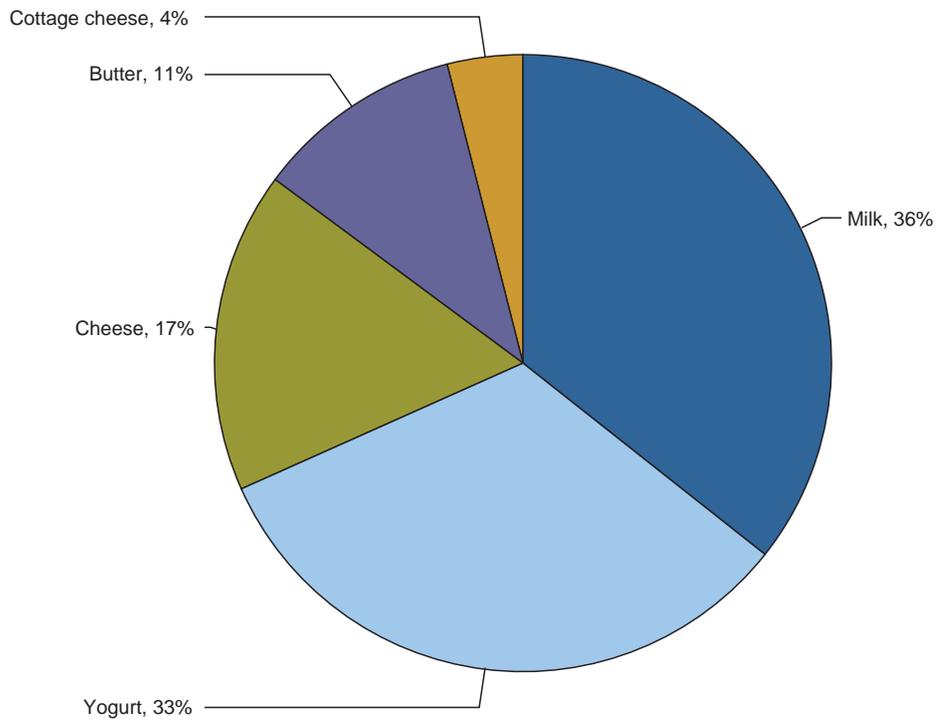
The price spread between organic and conventional half gallon milk is \$2.44. The price spread is the difference between national weighted average prices for organic, \$3.85, and conventional, \$1.41. Conventional milk ads increased by 19% from last week, while organic ads decreased by 46%.



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





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 # | 4237 | 2.90 | 4894 | 2.96 | 4249 | 3.02 |
| Cheese | Natural Varieties | 8 oz block | 4934 | 2.29 | 9047 | 2.25 | 6285 | 2.33 |
| Cheese | Natural Varieties | 1 # block | 3154 | 3.63 | 1066 | 3.61 | 2060 | 4.99 |
| Cheese | Natural Varieties | 2 # block | 799 | 6.20 | 757 | 5.65 | 1496 | 7.32 |
| Cheese | Natural Varieties | 8 oz shred | 7788 | 2.28 | 10290 | 2.26 | 9615 | 2.67 |
| Cheese | Natural Varieties | 1 # shred | 2800 | 3.72 | 1729 | 3.49 | 1724 | 4.33 |
| Cottage cheese | | 16 oz | 4333 | 1.99 | 3825 | 1.66 | 2121 | 2.26 |
| Cream cheese | | 8 oz | 8566 | 1.88 | 4500 | 1.84 | 4543 | 1.83 |
| Flavored milk | All fat tests | half gallon | 427 | 1.98 | 1113 | 1.94 | 310 | 3.21 |
| Flavored milk | All fat tests | gallon | 819 | 2.99 | 141 | 1.89 | 344 | 3.54 |
| Ice cream | | 48-64oz | 12210 | 3.02 | 12168 | 2.95 | 14623 | 3.06 |
| Milk | All fat tests | half gallon | 499 | 1.41 | 694 | 1.35 | 1300 | 1.99 |
| Milk | All fat tests | gallon | 2487 | 2.38 | 1810 | 2.52 | 3369 | 2.76 |
| Sour cream | | 16 oz | 5369 | 1.71 | 6143 | 1.50 | 6819 | 1.85 |
| Yogurt | Greek | 4-6 oz | 13141 | .95 | 13318 | .96 | 14042 | .98 |
| Yogurt | Greek | 32 oz | 1555 | 4.93 | 1128 | 4.18 | 1047 | 4.04 |
| Yogurt | Yogurt | 4-6 oz | 7983 | .48 | 6946 | .49 | 5739 | .47 |
| Yogurt | Yogurt | 32 oz | 912 | 2.18 | 397 | 2.20 | 622 | 2.46 |

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 | 1717 | 3.37 | 2.50 | 502 | 2.50 | 2.50-3.00 | 561 | 2.69 |
| Cheese | Natural Varieties | 8 oz block | 1.66-2.99 | 1178 | 2.18 | 2.50-2.77 | 1331 | 2.54 | 1.99-2.00 | 545 | 1.99 |
| Cheese | Natural Varieties | 1 # block | 2.49-3.99 | 370 | 3.34 | 3.50 | 1186 | 3.50 | 2.99-3.50 | 353 | 3.35 |
| Cheese | Natural Varieties | 8 oz shred | 1.66-2.99 | 2078 | 2.10 | 2.77-3.00 | 1267 | 2.97 | 1.67-2.50 | 1176 | 2.03 |
| Cheese | Natural Varieties | 1 # shred | 3.50-5.99 | 247 | 4.88 | 3.50 | 1186 | 3.50 | 3.33-3.50 | 300 | 3.47 |
| Cottage cheese | | 16 oz | 1.99-2.99 | 1340 | 2.35 | 2.00 | 1002 | 2.00 | 1.00-2.00 | 683 | 1.31 |
| Cream cheese | | 8 oz | 0.99-2.50 | 2475 | 1.88 | 1.49-2.00 | 3390 | 1.92 | 1.49-2.29 | 1000 | 1.71 |
| Flavored milk | All fat tests | half gallon | | | | 1.97 | 214 | 1.97 | 1.99 | 213 | 1.99 |
| Flavored milk | All fat tests | gallon | 3.79 | 62 | 3.79 | | | | 1.79-2.99 | 512 | 2.73 |
| Ice cream | | 48-64oz | 1.99-3.99 | 2491 | 2.89 | 2.50-3.99 | 2785 | 2.93 | 2.49-4.00 | 2048 | 2.97 |
| Milk | All fat tests | half gallon | 1.69-2.28 | 223 | 1.85 | | | | | | |
| Milk | All fat tests | gallon | 3.49 | 137 | 3.49 | 2.50 | 62 | 2.50 | 1.49-2.50 | 821 | 1.92 |
| Sour cream | | 16 oz | 0.99-2.00 | 1704 | 1.70 | 1.66-2.00 | 1799 | 1.87 | 1.25 | 225 | 1.25 |
| Yogurt | Greek | 4-6 oz | 0.83-1.25 | 3085 | 1.04 | 0.70-1.25 | 2311 | .94 | 0.69-1.00 | 1989 | .86 |
| Yogurt | Greek | 32 oz | 4.59-5.49 | 947 | 5.22 | 5.49 | 61 | 5.49 | 3.00-4.99 | 299 | 4.20 |
| Yogurt | Yogurt | 4-6 oz | 0.39-0.60 | 2520 | .51 | 0.33-0.60 | 1808 | .51 | 0.33-0.50 | 1361 | .42 |
| Yogurt | Yogurt | 32 oz | 1.89-2.69 | 377 | 2.12 | 1.89 | 227 | 1.89 | | | |

Wtd Avg - Simple weighted average



| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|----------------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 1.99-3.49 | 718 | 2.64 | 1.99 | 451 | 1.99 | 2.50-3.00 | 232 | 2.87 |
| Cheese | Natural Varieties | 8 oz block | 1.50-2.77 | 1253 | 2.24 | 1.99-2.50 | 447 | 2.26 | 1.99-2.49 | 138 | 2.24 |
| Cheese | Natural Varieties | 1 # block | 3.50-3.79 | 429 | 3.74 | 3.50-4.99 | 618 | 4.15 | 3.50-3.79 | 187 | 3.60 |
| Cheese | Natural Varieties | 2 # block | 6.99 | 162 | 6.99 | 4.99-7.99 | 373 | 6.33 | 4.99-5.99 | 235 | 5.25 |
| Cheese | Natural Varieties | 8 oz shred | 1.67-2.77 | 1789 | 2.22 | 1.99-3.00 | 810 | 2.21 | 1.99-2.99 | 598 | 2.16 |
| Cheese | Natural Varieties | 1 # shred | 3.50-3.79 | 429 | 3.74 | 3.50-3.99 | 451 | 3.84 | 3.50-3.79 | 187 | 3.60 |
| Cottage cheese | | 16 oz | | | | 1.00-2.49 | 1113 | 1.94 | 2.00 | 166 | 2.00 |
| Cream cheese | | 8 oz | 1.39-2.29 | 497 | 1.70 | 1.50-2.00 | 960 | 1.90 | 1.99-2.00 | 174 | 1.99 |
| Flavored milk | All fat tests | gallon | 1.89 | 78 | 1.89 | 3.99 | 167 | 3.99 | | | |
| Ice cream | | 48-64oz | 2.39-5.50 | 2175 | 3.37 | 2.49-3.00 | 2022 | 2.82 | 2.99-3.99 | 536 | 3.11 |
| Milk | All fat tests | half gallon | 1.00 | 210 | 1.00 | | | | 1.25 | 66 | 1.25 |
| Milk | All fat tests | gallon | 1.88-3.99 | 665 | 2.59 | 1.99-2.29 | 350 | 2.13 | 2.49-2.50 | 394 | 2.50 |
| Sour cream | | 16 oz | 1.39-1.75 | 115 | 1.56 | 0.99-1.99 | 1220 | 1.55 | 1.50-1.79 | 279 | 1.65 |
| Yogurt | Greek | 4-6 oz | 0.69-1.50 | 1811 | .93 | 0.69-1.00 | 2535 | .92 | 0.75-1.50 | 1336 | .93 |
| Yogurt | Greek | 32 oz | 4.99 | 74 | 4.99 | | | | 3.99-5.00 | 174 | 4.39 |
| Yogurt | Yogurt | 4-6 oz | 0.33-0.50 | 881 | .38 | 0.50 | 851 | .50 | 0.40-0.50 | 514 | .48 |
| Yogurt | Yogurt | 32 oz | 1.89 | 151 | 1.89 | | | | 2.00-3.69 | 130 | 2.90 |

| 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 # | 3.99-4.79 | 16 | 4.24 | 4.99-5.29 | 40 | 5.25 |
| Cheese | Natural Varieties | 8 oz block | 3.49 | 5 | 3.49 | 3.00-3.25 | 37 | 3.23 |
| Cheese | Natural Varieties | 1 # block | 4.00 | 11 | 4.00 | | | |
| Cheese | Natural Varieties | 2 # block | 5.49 | 2 | 5.49 | 7.99 | 27 | 7.99 |
| Cheese | Natural Varieties | 8 oz shred | 3.49-3.50 | 33 | 3.50 | 3.00-3.25 | 37 | 3.23 |
| Cottage cheese | | 16 oz | 2.50 | 2 | 2.50 | 2.50 | 27 | 2.50 |
| Cream cheese | | 8 oz | 2.29-3.98 | 33 | 3.72 | 2.25-2.50 | 37 | 2.27 |
| Ice cream | | 48-64oz | 3.49-6.99 | 65 | 5.27 | 3.97-4.29 | 88 | 4.11 |
| Milk | All fat tests | gallon | 2.99 | 21 | 2.99 | 4.99 | 37 | 4.99 |
| Sour cream | | 16 oz | | | | 2.99 | 27 | 2.99 |
| Yogurt | Greek | 4-6 oz | 1.00-1.25 | 47 | 1.13 | 1.25 | 27 | 1.25 |
| Yogurt | Yogurt | 4-6 oz | 0.60 | 5 | .60 | 0.50-0.99 | 43 | .81 |
| Yogurt | Yogurt | 32 oz | | | | 3.50-3.79 | 27 | 3.76 |

NATIONAL -- ORGANIC DAIRY PRODUCTS

| Commodity | Type | Pack Size | THIS PERIOD | LAST WEEK | LAST YEAR |
|-----------|------|-----------|-------------|-----------|-----------|
|-----------|------|-----------|-------------|-----------|-----------|

Wtd Avg - Simple weighted average



| | | | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price |
|----------------|-------------------|-------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| Butter | | 1 # | 840 | 5.47 | 757 | 5.39 | 1128 | 6.10 |
| Cheese | Natural Varieties | 8 oz block | 717 | 4.49 | 212 | 4.33 | 1212 | 3.99 |
| Cheese | Natural Varieties | 8 oz shred | 627 | 3.73 | 388 | 3.42 | 966 | 3.99 |
| Cottage cheese | | 16 oz | 276 | 3.00 | 394 | 3.27 | | |
| Milk | All fat tests | half gallon | 1652 | 3.85 | 3480 | 3.93 | 2165 | 3.68 |
| Milk | All fat tests | gallon | 891 | 5.20 | 1625 | 5.95 | 1304 | 5.75 |
| Milk | All fat tests | 8 oz UHT | 271 | 1.11 | 84 | 1.00 | 147 | 1.67 |
| Yogurt | Greek | 4-6 oz | 1400 | 1.29 | 673 | 1.36 | 1438 | 1.25 |
| Yogurt | Greek | 32 oz | 626 | 5.87 | 227 | 5.99 | | |
| Yogurt | Yogurt | 4-6 oz | 238 | 1.20 | 294 | 1.26 | | |
| Yogurt | Yogurt | 32 oz | 322 | 3.13 | 408 | 2.61 | 355 | 2.38 |

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 # | 3.99 | 108 | 3.99 | 5.99 | 87 | 5.99 | 4.99 | 180 | 4.99 |
| Cheese | Natural Varieties | 8 oz block | 3.50-5.99 | 231 | 5.08 | | | | | | |
| Milk | All fat tests | half gallon | 3.99-4.19 | 331 | 4.07 | 3.99 | 84 | 3.99 | 3.00-3.79 | 249 | 3.57 |
| Milk | All fat tests | gallon | | | | | | | 5.99 | 180 | 5.99 |
| Milk | All fat tests | 8 oz UHT | 1.00-1.25 | 202 | 1.15 | | | | | | |
| Yogurt | Greek | 4-6 oz | 1.00-1.25 | 233 | 1.17 | 1.25 | 245 | 1.25 | 1.25 | 247 | 1.25 |
| Yogurt | Greek | 32 oz | 3.99-5.99 | 382 | 4.83 | | | | | | |
| Yogurt | Yogurt | 4-6 oz | | | | | | | 0.99 | 106 | .99 |
| Yogurt | Yogurt | 32 oz | 3.49 | 161 | 3.49 | | | | 2.50 | 98 | 2.50 |

| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|----------------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | | | | 5.99 | 360 | 5.99 | 5.59 | 105 | 5.59 |
| Cheese | Natural Varieties | 8 oz block | 4.69-4.99 | 126 | 4.84 | 3.99 | 360 | 3.99 | | | |
| Cheese | Natural Varieties | 8 oz shred | 2.99 | 162 | 2.99 | 3.99 | 360 | 3.99 | 3.99 | 105 | 3.99 |
| Cottage cheese | | 16 oz | 2.99-3.00 | 276 | 3.00 | | | | | | |
| Milk | All fat tests | half gallon | 2.99-3.49 | 280 | 3.28 | 3.99-4.39 | 441 | 4.21 | 2.99-4.49 | 226 | 3.69 |
| Milk | All fat tests | gallon | 4.99 | 141 | 4.99 | 3.99 | 360 | 3.99 | 6.49-6.99 | 210 | 6.74 |
| Milk | All fat tests | 8 oz UHT | | | | | | | 1.00 | 69 | 1.00 |
| Yogurt | Greek | 4-6 oz | 1.25 | 429 | 1.25 | 1.50 | 174 | 1.50 | 1.79 | 61 | 1.79 |

Wtd Avg - Simple weighted average



| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|-----------|--------|-----------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Yogurt | Greek | 32 oz | | | | 7.49 | 244 | 7.49 | | | |
| Yogurt | Yogurt | 4-6 oz | 1.19 | 63 | 1.19 | | | | 1.50 | 66 | 1.50 |
| Yogurt | Yogurt | 32 oz | 3.19 | 63 | 3.19 | | | | | | |

| 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 | 4.99-5.97 | 30 | 5.09 |
| Yogurt | Greek | 4-6 oz | 1.50 | 11 | 1.50 | | | |
| Yogurt | Yogurt | 4-6 oz | | | | 2.00 | 3 | 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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