

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (3/18)**

BUTTER: Grade AA closed at \$1.9500. The weekly average for Grade AA is \$1.9390 (-.0420).

CHEESE: Barrels closed at \$1.5000 and 40# blocks at \$1.4900. The weekly average for barrels is \$1.4445 (-.0215) and blocks, \$1.4880 (-.0240).

NONFAT DRY MILK: Grade A closed at \$0.7300. The weekly average for Grade A is \$0.7355 (-.0140).

BUTTER HIGHLIGHTS: Butter churns remain active across the country. Some regional butter makers are considering alternative production programs that will help control cream supplies and manage butter inventory levels. Retail butter interest varies. Holiday butter orders are filled in some channels, as others move toward completion over the next few weeks. Consumer feature fulfillment is anticipated to play heavily in loads shipped now through the middle of next week. Based on the CME Group, with various time frames and averages used, bulk butter prices in the East region range 6 to 8 cents over market; Mid-west, market to 6 cents over; and West, 5 under to 2 cents over the market. At the CME Group, Grade AA butter on Friday closed at \$1.9500, down \$0.0375 from a week ago.

CHEESE HIGHLIGHTS: Spring is bringing more milk to cheese plants. Midwest plants are purchasing spot loads at \$1.50 to \$3.00 under Class. This has brought some regional manufacturers near to full capacity. Northeast cheese plants are operating at heavy seasonal schedules and production in the West is steady to higher. Food service demand is good. However, some other buyers are holding back from placing large orders, preferring to monitor cheese pricing before making larger purchases. Another inhibitor of purchasing is that some buyers are already well stocked. Inventories of barrels are long, but lighter for blocks. In CME Group trading Friday, barrels closed at \$1.5000, up \$0.0300 from last Friday and blocks closed at \$1.4900, down \$0.0100 from last Friday.

FLUID MILK: Fluid milk production is increasing in much of the country, which is normal at this time of year. Specific observations for regions include: Northeast production is active; Mid-Atlantic production is up; production is climbing in the Southeast; Florida production is surging; Central region milk intakes are steadily increasing; California production continues rising; Arizona milk intakes are higher; Pacific Northwest production is seasonally increasing; and production trends in Idaho and Utah are steady to

higher. Surplus milk is moving at substantial discounts in the Northeast. Surplus Central milk spot sales registered at \$3.50 under to flat Class, with bids of \$5-\$8 under Class. Milk discards were reported in the Central region with the industry working to keep those instances at a minimum. Increasing production is further interspersed with school spring breaks and resulting disruptions of normal bottled milk flows. Cream multiples are 1.18 to 1.25 in the East, 1.15 to 1.24 in the Central, and 1.02 to 1.22 in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are unchanged to lower on a weak market in all regions. Stocks in the East and Central regions are high enough that buyers are firmly in control of pricing. That is less the case in the West, where some NDM inventories are tighter after significant weekly sales. High heat NDM prices are unchanged. Dry buttermilk prices are unchanged in the East and Central regions with a weak market tone. Inventories are steady to building in those regions. Prices in the West are unchanged to lower and inventories are steady. Dry whole milk prices are steady to lower on light trading and light production. Dry whey prices in the Northeast and West are lower at the top of the price range. Central whey prices are unchanged to fractionally lower on the range and mostly series. Inventories vary from heavy in the Northeast, to more comfortable in the Central region following recent sales, to mixed in the West. Whey protein concentrate 34% prices held mostly steady. Inventories are tight and production is relatively steady. Lactose markets are firm, with unchanged pricing in the range series, but lower prices in the mostly series. Demand and production are steady. Casein prices are weaker with limited buyer interest.

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: During 2015 dairy quotas were abolished, after 30 years of a quota system being in effect to control production. Strong increases in milk production during 2015 following the end of quotas has left the EU with significant volumes of milk to process and sell. This has now led to new proposals within the European Commission, announced this week, to address the increasing milk volumes and profitability squeeze for producers. One proposal is to double the current allowable volume of SMP and skim milk powder that can be

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DAIRY GRAPHS (G1)
NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY MAR 14	TUESDAY MAR 15	WEDNESDAY MAR 16	THURSDAY MAR 17	FRIDAY MAR 18	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4425 (-.0275)	\$1.4300 (-.0125)	\$1.4300 (N.C.)	\$1.4200 (-.0100)	\$1.5000 (+.0800)	:: :: (+.0300)	:: :: \$1.4445 :: (-.0215)
40# BLOCKS	\$1.4875 (-.0125)	\$1.4875 (N.C.)	\$1.4875 (N.C.)	\$1.4875 (N.C.)	\$1.4900 (+.0025)	:: :: (-.0100)	:: :: \$1.4880 :: (-.0240)
NONFAT DRY MILK							
GRADE A	\$.7450 (-.0250)	\$.7375 (-.0075)	\$.7375 (N.C.)	\$.7275 (-.0100)	\$.7300 (+.0025)	:: :: (-.0400)	:: :: \$.7355 :: (-.0140)
BUTTER							
GRADE AA	\$1.9400 (-.0475)	\$1.9250 (-.0150)	\$1.9400 (+.0150)	\$1.9400 (N.C.)	\$1.9500 (+.0100)	:: :: (-.0375)	:: :: \$1.9390 :: (-.0420)

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-**

sold into the intervention program. New volumes would be 100,000 MT for butter and 218,000 MT for SMP. Voluntary supply management on a temporary basis by producer organizations is also recommended. Another proposal is termed de minimus state aid. This would allow individual nation members to initiate programs providing up to Euro \$15,000 to individual dairy producers. There is a task force currently meeting which is expected to issue recommendations concerning structural adjustments in the dairy industry to address oversupply and producer income stress. The recommendations are due by fall 2016. **EASTERN OVERVIEW:** Dairy herd expansions in the Czech Republic and Poland are viewed as having been particularly vigorous, leading to increased milk volumes. Eurostat reports that production for 2015 over 2014 was up 2.7% in Poland, and up 3.6% in the Czech Republic. In contrast, efforts in Bulgaria to dissuade expansion have kept production more restrained. Production there for 2015 over 2014 was down 0.8%. **OCEANIA OVERVIEW:** According to Dairy Australia, January 2015 milk production in Australia was

-0.6% below January 2014. The state changes from a year earlier are: New South Wales, +2.3; Victoria, -1.7%; Queensland, -1.5%; South Australia, +1.4%; Western Australia, +5.7% and Tasmania +0.8%. Milk production growth early in the growing season slowed in December when hot and dry conditions prevailed. Most of January continued the weather of December, but late month rains helped change the situation. However, higher grain and hay expenses curtailed producer interest in supplementing pasture grazing to maintain production. It is considered too late to recover lost milk volumes, even if end of season weather improves. Many processors expect season volumes to be lower than last season, by perhaps 1%-2%. Producers are further squeezed by grain prices. With the Australian dollar weakening, grain export sales are increasing as pricing is more competitive globally. However, this has increased domestic price pressure, squeezing producer margins in Australia. The value of Australian dairy exports July 2015-January 2015 was 5.5% greater than the previous similar period. Among the greatest increases in value, WMP exports were up 59.8%, butter oil was up 18.3%, and other cheese was up 13.3%. The greatest declines were butter down 36.3%, whey products down 36.1%, and SMP down 14.8%. New Zealand milk production in January, 208.04 million kg, was slightly below January 2015. A major dairy processor in New Zealand announced a pay price reduction. The pay price reduction will be from New Zealand \$4.15/kg of milk solids to \$3.90. As justification for the decreased pay price, processor management forecasts New Zealand milk production for the current season to be 4% lower than the last season. Less supplemental feeding due to higher feed prices, and lower herd sizes, are attributed as leading to reduced milk production. At the March 15 GDT event #160, all contracts average prices ranged from 7.0% lower to 6.4% 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, \$3,014 -6.5%; butter, \$2,733 -2.8%; buttermilk powder, \$1,545 +6.4%; cheddar cheese, \$2,441 -5.6%; lactose, \$624 +0.8%; rennet casein, \$4,083 -7.0%; skim milk powder, \$1,731 -2.5%; sweet whey powder, n.a.; and whole milk powder, \$1,971 -0.8%.

NATIONAL RETAIL REPORT-DAIRY (DMN): This week, dairy advertisements by volume primarily concentrated on conventional yogurt, ice cream, and sour cream. The total volume of conventional dairy ads increased 12%, but organic dairy ads decreased 35%. Ads for 1# packages of conventional butter increased 382%, with

an average weighted price of \$3.07. Ads for 8 ounce conventional cream cheese increased 23%, with an average weighted price of \$1.36. Ads for 1# organic butter decreased 49%, with an average price of \$5.11. Ads for 8 ounce UHT milk increased 470%, with an average price of \$0.97. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.20, down 23 cents from last week; 8 ounce shred cheese averaged \$2.07, down 22 cent from last week. Organic 8 ounce blocks averaged \$4.99, up 53 cents from last week. Advertisements for conventional cheese are down 5%, and organic cheese ads are down 83% from last week. The average price for conventional yogurt in 4-6 ounce packages is \$.58, up 10 cents from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.97, up 6 cents from last week. Ads for 32 ounce Greek yogurt posted the largest increase in the yogurt category, 164% above the previous week. Conversely, organic 32 ounce Greek yogurt posted the largest yogurt decline, 77%, compared to the previous week. Conventional yogurt ad numbers are down 22% from the previous week. Organic yogurt ads are down 26% from the previous week. The price spread between organic and conventional half gallon milk is \$2.30. The price spread is the difference between national weighted average prices for organic, \$4.28, and conventional, \$1.98. Conventional milk ads increased 24% from last week, while organic ads decreased 16%.

FEBRUARY FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY (FMMO): Handler reports of receipts and utilization under the federal milk order system for February 2016 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During February, 11.616 billion pounds of milk were received from federally pooled producers. This volume of milk is 3.1 percent higher than the February 2015 volume, factored for leap year. Regulated handlers pooled 3.364 billion pounds of producer milk as Class I products, down 1.0 percent when compared to the previous year, factored for leap year. Class I utilization decreased from last year in 6 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 29 percent, Class II = 12 percent, Class III = 46 percent, and Class IV = 13 percent. The weighted average statistical uniform price was \$14.72 per cwt, down \$0.20 from last month and down \$1.60 from last year.

CME GROUP

MONDAY, MARCH 14, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4425; 1 CAR 40# BLOCKS @ \$1.4875
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$0.7700, 1 @ \$0.7525; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7400; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7450
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$1.9550, 1 @ \$1.9500, 1 @ \$1.9300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9400; LAST OFFER UNCOVERED: NONE

TUESDAY, MARCH 15, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4300
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.7375; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7325; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.7400
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.9250; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9250; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MARCH 16, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.4975
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.7375; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7350; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.7475
 BUTTER -- SALES: 3 CARS GRADE AA @ \$1.9400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9300; LAST OFFER UNCOVERED: 5 CARS GRADE AA @ \$1.9500

THURSDAY, MARCH 17, 2016

CHEESE -- SALES: 1 CAR BARRELS @ \$1.4200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 1 @ \$0.7375, 1 @ \$0.7350, 1 @ 0.7325, 1 @ \$0.7200, 1 @ \$0.7400, 1 @ \$0.7325, 1 @ \$0.7300, 1 @ \$0.7275;
 LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE A @ \$0.7375
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.9400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9400; LAST OFFER UNCOVERED: NONE

FRIDAY, MARCH 18, 2016

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.4325, 1 @ \$1.4575, 1 @ \$1.4900; 1 CAR 40# BLOCKS @ \$1.4900; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5000; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5100; 1 CAR 40# BLOCKS @ \$1.5000
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7300; LAST OFFER UNCOVERED: 7 CARS GRADE A @ \$0.7500
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.9500; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9800

BUTTER MARKETS

NORTHEAST

Cream volumes remain more than ample for churning. The market can reasonably expect regional churning to maintain a high rate, since most butter makers will likely churn rather than sell cream at the current multiples. As the holidays fast approach, some are storing substantial supplies of bulk butter. Demand varies, but retailers in general are placing orders in anticipation of holiday needs. This week, Northeast retail stores posted a noteworthy decline in butter ads compared to last week. The butter market undertone remains weak, recording declines over the past 6 weeks, leading into this week. Bulk butter prices are reported 6 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 March 11-17, 2016, the U.S. weighted average advertised price for 1-pound butter was \$3.43, up 17 cents from a year ago and up 53 cents from the previous week. The weighted average butter price in the Northeast was \$4.09, up 72 cents from a week ago. The Grade AA butter price, at the CME Group, closed Tuesday \$1.9250, down \$0.0450 from a week ago.

CENTRAL

Bulk and print butter production channels are active throughout the Central region this week. Spot cream offers are readily available, and interest is steady to light. Manufacturers indicate sales into print are ongoing, but represent previously arranged sales, for the most part, versus new sales. Consumer feature fulfillment plays heavily into the loads shipping now through the middle of next week. Butter inventories are steady to building. Bulk butter prices reported ranged from market to 6 cents over the market, with various time frames and averages used. Wednesday at the CME Group, Grade AA butter closed at \$1.9400, down \$0.0200 from last Wednesday. The DMN

National Retail Report-Dairy for March 11-17 noted the national weighted average advertised price for a 1 pound package of butter was \$3.43, \$0.53 higher than one week ago and \$0.17 higher than one year ago. The weighted average prices in the Midwest and South Central regions are \$3.00 and \$2.77, respectively.

WEST

As the spring holidays draw near, butter makers are seeing some of the seasonal demand ebb away. Most of the orders are now filled for the early spring holidays and inventories are building. In addition, a few industry contacts say some end users and secondary marketers have filled their warehouses to assure coverage of butter needs for later in the year. Cream supplies are readily available and butter production is still active. But a number of processors are considering what the most economical use of the cream may be. A few butter makers are slowing the churns in favor of producing some other cream products or selling cream where they can. The DMN *National Retail Report-Dairy* for the week of March 11-17 found that the U.S. weighted average advertised price of 1 pound butter is \$3.43, up \$.53 from last week. The U.S. weighted average price was \$3.26 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.99. In the Northwest the weighted average advertised price of 1 pound butter is \$3.80. Bulk butter pricing in the West this week is 5 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 \$1.9400, down \$.0200 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
March 12, 2016	2,0004 3,819,313	1,5025 12,150,449	1,4975 9,624,946	2,563 6,812,009	.7623 16,867,368

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

CHEESE MARKETS

NORTHEAST

Milk volumes are keeping most, if not all, cheese plants operating on heavy seasonal schedules. Overall, cheese sales are fair to good and improving, as holiday needs help boost transactions. Orders from the food service industry are steady. Manufacturers note that higher than expected milk protein levels are increasing cheese yields. Wholesale cheddar and Muenster prices continued higher, \$0.0350 this week, based on the previous week's average block price. In addition, the wholesale selling price for process 5# cheese saw a \$0.0225 increase, based on last week's average price for barrels. According to the *DMN National Retail Report-Dairy*, for, March 11-17, 2016, the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.27, 16 cents below the national average, but 9 cents higher than the previous week. The Southeast 8 oz. block cheese price was \$3.15, up 61 cents from the previous week. Tuesday's CME Group daily cash prices saw barrels close at \$1.4300, down \$0.0350 from a week ago; blocks closed at \$1.4875, down \$0.0325 from a week ago.

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

Cheddar 40# Block	:	1.9175-2.2025
Process 5# Sliced	:	1.6700-2.1500
Muenster	:	1.9375-2.2875
Grade A Swiss Cuts 10 - 14#	:	3.0550-3.3775

MIDWEST

Although still a little early for spring flush, Midwest cheese makers are seeing plenty of milk available for their processing needs. Many manufacturers say they are near full capacity. However, they will still buy a few extra loads of milk to complete production schedules, if the milk is priced right. Some spot loads of milk are available at \$1.50 to \$3.00 under Class. Domestic retail cheese demand continues to be a good draw. Sales into food service and mozzarella for pizza have also been respectable. Barrel cheese and cheese for manufacturing lines are moving slowly with most transactions completed only on standing contracts. Manufacturers feel end users are holding off on purchases and trying to burn through their inventories, before reentering the market. Inventories continue to be long for cheese barrels, but a little lighter for blocks. The *DMN National Retail Report-Dairy* shows that March 11-17 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.04, 25 cents lower than the national average. Midwest prices range from \$1.50-\$2.50. One year ago, the national price was \$2.35. For 8 ounce blocks, the Midwest average price is \$2.06, 37 cents below the national average price. Midwest ads are priced from \$1.50-\$2.50. Last year, the national price was \$2.30. Midwestern wholesale prices are unchanged for Swiss cuts, but up \$0.0225 for process, and up \$0.0350 for all other types. In CME Group trading Wednesday, barrels closed at \$1.4300, down \$0.0350 from last Wednesday and blocks closed at \$1.4875, down \$0.0225 from last Wednesday.

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

Process American 5# Loaf	:	1.5625-1.9225
Brick And/Or Muenster 5#	:	1.8875-2.3125
Cheddar 40# Block	:	1.6150-2.0100
Monterey Jack 10#	:	1.8625-2.0675
Blue 5#	:	2.1550-3.1425
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6875-2.6275
Grade A Swiss Cuts 6 - 9#	:	2.5725-2.6900

WEST

West cheese production remains steady to higher as milk intakes increase seasonally. Manufacturers say demand is still good from food service and retail accounts. However, club stores and other large retailers have slowed their cheese orders somewhat and are taking a wait and see approach to the market. Many want to see what direction the cheese price trend will take before making any large-scale purchase decisions. In addition, end users are facing a lot of offers from cheese makers, especially for cheese barrels, but are hesitant to make buys until they can work through their own inventories. Cheese stocks remain long for barrels. Some end users note a little more tightness with cheese blocks, especially fresh blocks. The *DMN National Retail Report-Dairy* for the week of March 11-17 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.29, up \$0.01 from last week, but down \$0.06 from a year ago. Packs average \$2.47 in the Southwest and \$1.94 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.43, up \$0.14 from last week, and up \$0.13 from a year ago. Blocks average \$2.45 in the Southwest and \$1.81 in the Northwest this week. In the West, wholesale prices are up \$0.0225 for process, and up \$0.0350 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. In CME Group trading Wednesday, barrels closed at \$1.4300, down \$0.0350 from last Wednesday and blocks closed at \$1.4875, down \$0.0225 from a week ago.

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

Process 5# Loaf	:	1.5775-1.8350
Cheddar 40# Block	:	1.6200-2.0650
Cheddar 10# Cuts	:	1.8000-2.0200
Monterey Jack 10#	:	1.8100-1.9700
Grade A Swiss Cuts 6 - 9#	:	2.6325-3.0625

FOREIGN

Cheese demand has strengthened in the EU following recent weaker prices. Markets are now stable, with production meeting demand and inventories at comfortable levels. Export shipments have increased and stocks in aging programs are deemed to be sufficient. In New Zealand, the GDT event 160 results on Tuesday did not generate any bids for Cheddar for the next 3 contract periods. Industry observers believe this reflects heavy inventories and thus, little interest in further acquisitions. As for pricing of foreign type cheese in the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices increased \$0.0350 following the higher weekly average CME Group block price, and the remaining prices are unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3800	: 2.0825-3.5700*
Gorgonzola	: 3.6900-5.8900	: 2.5900-3.2875*
Parmesan (Italy)	: -0-	: 3.4725-5.5625*
Romano (Cows Milk)	: -0-	: 3.2725-5.4225*
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-	: 3.0925-3.4150
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

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CHEESE MARKETS

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WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKSBUTTER : CHEESE

	:	
03/14/16	22,007	: 95,869
03/01/16	21,185	: 93,830
CHANGE	822	: 2,039
% CHANGE	4	: 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	120	0	90	0	80
SOUTHEAST STATES	0	0	0	0	0	0

Northeast milk production is active throughout the region as increases occur along the seasonal pattern. Some milk handlers indicated milk sales across classes are steady. Manufacturing milk supplies are heavier but manageable. March milk production levels are up in the Mid-Atlantic. Balancing plant managers are comfortable with current milk intakes, while looking ahead to imminent upsurges in milk supplies. Class I milk sales are stable. Surplus milk is moving at substantial discounts in some market channels. Milk production is climbing in the Southeast. March is typically the month milk output in area states gains momentum toward the peak. Participants in the market indicate Southeastern manufacturing plants are operating at capacity levels. Sales to bottling are unchanged. Florida milk production is surging. Sources expect peak levels within the next 2 to 3 weeks. Fluid sales are sluggish, as spring break has started. With one holiday coinciding with spring break this year, surplus milk loads will likely increase during that period. This week, export milk shipments totaled 120 f.o.b. spot loads. Temperatures in the state are warming with highs around 89 and lows in the 70s. Weekend projections have temperatures in the 70s, with rain. According to the *DMN National Retail Report-Dairy*, for March 11-17, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.54, down 70 cents compared to a year ago, but up 16 cents from last week. The **condensed skim** market is heavy with supplies. Contract sales are clearing, but spot transactions are slow, with lower priced spot offerings capturing some interest. Heavy loads are moving to dryer operations. The fluid **cream** market is still weak. Sources hinted that prices are usually higher at this point in the season. Nonetheless, based on market feedback, **multiples** advanced at the bottom, ranging **1.18-1.25**, this week. Spot transactions are intermittent, as cream loads mainly move through contracts. Class II and III usage is rising. Churning is strong. At the CME Group, Grade AA butter closed Wednesday at \$1.9400, 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 - 2.3376-2.4763

F.O.B. producing plants: Upper Midwest - 2.2782-2.4564

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

Northeast - Class II - includes monthly formula prices - .60-.85

Northeast - Class III - spot prices - .63-.78

MIDWEST

Throughout the Central region, milk intakes are steadily increasing from week to week. Southern area milk handlers note bigger steps up in production compared to Northern milk handlers. As the flush approaches, though, there is growing concern among marketers and cooperatives regarding maintaining markets for potentially larger volumes of finished products. There has been some discussion about notifications to producers regarding changes in how milk payments will be handled for volumes above year ago marketing. Bottled milk demand is uneven from location to location as school districts cycle through week long shutdown periods. However, the overall demand

for bottled milk light to moderate. Most bottlers indicate the overall sales trend is downward. Milk spot loads and condensed skim volumes are readily available throughout the region. Confirmed spot milk sale prices range from \$3.50 under to flat Class. However a few milk marketers indicate they received bids of \$5-\$8 under Class. Milk marketers indicate cheese manufacturers have interest in spot milk loads, as long as prices are at a discount to class. Handlers in the North Central area indicate manufacturing space and time are a premium. Wait times for unloading are growing at some plants as intake volumes increase seasonally. Recent reports indicate that milk discards are happening, but the industry is trying to keep those instances to a minimum. The *DMN National Retail Report-Dairy* for March 11-17 noted the national weighted average advertised price for one gallon of milk was \$2.54, up \$0.16 from a week ago. The weighted average regional prices in the Midwest and South Central regions were \$1.90 and \$3.28, respectively. Cream multiples for Class II end uses shifted lower, ranging from 1.15 to 1.24. Turbulent weather moved through the Central region during the last week. Some areas of Texas received over 4 inches of rain. Northern rain totals were lower, generally below 2 inches in total. The net effect is fields are wet and field work is delayed. Winter wheat and established alfalfa fields, though, are benefiting from the early season moisture.

WEST

Farm milk production continues rising in California. Milk components are stepping lower due to an increase in temperatures. Bottled milk sales are steady this week. Sales into ice cream and frozen dessert manufacturing are steady to higher as processors are ramping up production for the upcoming spring holidays and summer season. The April 2016 Class 1 prices in California are \$15.26 in the north and \$15.53 in the south. The statewide average Class 1 price based on production is \$15.27. This price is 13 cents lower than March 2016 and \$1.68 lower than April 2015. In Arizona, farm level milk intakes are higher. Most educational institutions are closed this week due to the spring break. As a result, orders from bottlers are lower this week. Some ice cream manufacturers have been pulling moderate condensed skim volumes throughout the week. Harvesting of good/excellent quality alfalfa hay continues around the state. Milk pooled on the Arizona Order 131 totaled 433.1 million pounds in February 2016. Class I utilization accounted for about 24.0% of producer milk. The uniform price was \$14.30, \$0.20 below last month and \$1.26 below one year ago. A comfortable climate to dairy cows is aiding milk yields in New Mexico. Sales into Class I are lower as the spring break for most K-12 school calendars will start in the next two weeks. Sales into Class II are higher as the interest for ice cream is growing. Dry product processing is more active this week as some dryers completed repair/maintenance work. Manufacturing milk volumes moving into Class III are steady to lower. According to the *DMN National Retail Report-Dairy* for the week of March 11 to 17, the national weighted average advertised price for one gallon of milk is \$2.54 and \$2.10 in the Southwest. Pacific Northwest milk production is seasonally increasing. Some processors report the region is heading into spring flush and the processors are working hard to find homes for loads of additional milk. Regional bottling plants are pulling good volumes of milk, but demand fluctuates somewhat depending on spring break schedules of area educational institutions. Milk pooled on Pacific Northwest Order 124 totaled 716.5 million pounds in February 2016. Class I utilization accounted for about 22.3% of producer milk. The uniform price was \$14.08,

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

\$0.07 below last month and \$1.34 below one year ago. Milk production trends in Utah and Idaho are steady to higher. Manufacturers say milk is adequate for almost all processing needs. Industry contacts report forages are still ample and there will be a good carryover of feedstocks into the next few months. Competition for cream supplies is starting to increase in the West. Most cream volumes are clearing into butter churning. In addition, ice cream/frozen dessert makers are pulling heavy cream volumes. Sales in the spot market are active. This week, multiples for all classes are slightly higher, ranging from 1.02 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: Prices for Central low/medium heat nonfat dry milk are unchanged to lower on a weak market. With recent declining price trends in international markets, buyers are shopping cautiously in the domestic market. With availability of low/medium heat f.o.b. spot loads from numerous producers, as well as offers from resellers, buyers are firmly in control of pricing. Low/medium heat NDM production is steady to higher. Some manufacturers are trying to staunch the flow of condensed skim through the dryers by actively offering spot condensed skim loads. There, too, buyers are interested, if the price is right. Longstanding cooperative efforts between milk purchasers and milk marketers are helping even out the over/under supply situations in various milksheds. Within those arrangements, additional milk volumes are clearing into Class III production to support steady cheese sales. Inventories are building as on-farm milk production ramps up toward the flush. High heat NDM prices are unchanged. Some interest into specialty end user accounts is picking up seasonally. Stocks on hand are generally sufficient for near term interest. Production is generally limited to end of run time slots so that nothing slows the clearing of condensed skim volumes.

EAST: Low/medium nonfat dry milk prices are unchanged in the range, but steady to lower in the mostly series. Plants continue to report active drying in order to clear increasing condensed skim supplies. Stocks of low/medium heat NDM, at the producer level, are building as uneven demand builds up total regional supplies. To balance growth, multi-load offerings at lower prices exist from those manufacturers hoping to reduce supply levels. Demand is weak in the spot market as buyers/users postpone purchases for better prices. In some instances, low/medium NDM interests from export markets are developing around competitive pricing. The domestic market tone is steady to weak. High heat nonfat dry milk prices are steady. Some larger operations are producing high heat NDM weekly, but on limited bases. Inventories are light to moderate. Demand is at seasonal levels. Wednesday at the CME Group, Grade A NDM closed \$0.7375, down \$0.0075 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7100 - .8400 MOSTLY: .7400 - .8100
 HIGH HEAT: .8500 - 1.1000

NONFAT DRY MILK - WEST

The low/medium heat NDM market is weak, with recent offshore auction results underscoring this year's situation of global chronic oversupply. However, within some Western states, NDM inventories are tighter after significant weekly sales. Domestic prices are unchanged to lower. In conjunction with some higher use of NDM/condensed skim into cheese manufacturing, regional NDM inventories are mixed. A few manufacturers indicate they have limited quantities available to fulfill block needs. Other producers report that as milk production trends higher seasonally, their NDM output is growing alongside stocks on hand. A few plants completed maintenance projects and are once again receiving milk intakes and channeling those volumes through the dryer. Within various Western milksheds, milk marketers are coordinating use of milk among cheese and dryer plants to best handle weekly milk supplies. Western NDM high heat prices are unchanged. Demand is increasing on the f.o.b. spot market as some end users chose to not contract ahead of time for all needs. Current f.o.b. holdings are adequate for contract needs, but there are occasional delays in finding spot offerings.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .6850 - .8100 MOSTLY: .7200 - .7650
 HIGH HEAT: .8400 - 1.1025

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
March 11	\$.7885	7,521,889
March 4	\$.7590	12,313,745

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 unchanged. The market tone is generally weak as prices for both butterfat and nonfat solids trend lower. Market participants view current low/medium heat NDM prices as a natural barrier to any increases in dry buttermilk prices. Dry buttermilk production is ongoing as various butter/powder plants focus on clearing intakes. However, there is ready availability of f.o.b. spot condensed buttermilk loads as manufacturers focus on throughput. Interest in condensed buttermilk is improving into Class II end uses, although ice cream/frozen dessert production trends lag expectations at some locations. Dry buttermilk inventories are steady to building.

EAST: Limited activity in the spot market caused dry buttermilk prices to remain unchanged this week. Manufacturers continue to run heavy churning schedules, which add to dry buttermilk volumes. Production is outpacing sales, with end-user interest at seasonal levels. Movement is consistent on a contractual basis. The dry buttermilk market undertone is steady.

F.O.B. CENTRAL/EAST: .7200 - .8250

DRY BUTTERMILK - WEST

Dry buttermilk prices in the West are unchanged to lower on the range and mostly series on light demand. Sellers indicate some occasional interest from end users for dry buttermilk with specific characteristics has appeared for limited quantities. Market participants also note that as additional milk and/or condensed skim volumes clear into ice cream/frozen dessert production, lower cream volumes are clearing into butter/dry buttermilk production. Sales of condensed buttermilk are steady to higher as some end users are finding better values via that market. Western inventories are steady. Several producers indicate their holdings are higher than desired, but not really burdensome.

F.O.B. WEST: .6800 - .8100 MOSTLY: .7200 - .8000

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are steady to lower on light trading. Some additional f.o.b. spot loads were offered to various buyers, but interest is modest. With the recent decline in international prices, buyers continue to find purchasing opportunities in the global marketplace. Production is generally light as producers divert milk intakes to other dry product manufacturing.

F.O.B. PRODUCING PLANT: 1.1500 - 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 unchanged to fractionally lower on the range and mostly series. Variable contract prices showed some downward movement due to changes in indices. Buyers remain in the driver's seat on pricing as they are ready to reject offers carrying prices deemed too high for this type of market. With seasonal milk production edging higher in the North Central area, cheese plants continue to receive ample intake volumes, thus fostering steady to higher cheese/dry whey production. Also, dry whey spot loads are available via marketing agents and resellers. A handful of manufacturers report interest from buyers in the Far East is improving. Recent sales are alleviating some of the recent inventory buildup. Animal feed dry whey prices are unchanged. Interest is intermittent. Here, too, end users are finding available supplies as well as some more economically priced alternatives.

F.O.B. CENTRAL: .1800 - .2850 MOSTLY: .2200 - .2650
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1250 - .2150

DRY WHEY - NORTHEAST

Prices for Northeast dry whey adjusted fractionally lower at the top of the range with pricing indices. Active cheese production is adding to dry whey output. Manufacturers are watching stock levels, lest prices fall with heavy inventories on hand. The market reports some switching from whey powder to a higher protein WPC. Spot demand is deliberate as buyers delay for better prices. The market tone is steady to lower.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2200 - .2875

DRY WHEY - WEST

Western whey prices eased back slightly on the top of the price range. Demand for western whey is currently a little light. However, there was good industry-wide participation in a recent tender from Japan. The tender allowed some participants the opportunity to reduce the dry whey they were carrying on the books. Overall, inventories remain mixed. Some processors report committed inventories, while others say their stocks have built back a little. Dry whey production is steady.

NONHYGROSCOPIC: .2300 - .3000 MOSTLY: .2300 - .2700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices held mostly steady this week. Several spot sales drove the bottom of the price range lower. Manufacturers report their regular customers are providing a consistent pull on WPC34% inventories. Processors are developing contracts for Q2 and say many buyers are asking for increased volumes. Because inventories are already tight, it is difficult for the manufacturers to honor the requests in all cases. Production remains relatively steady.

F.O.B. EXTRA GRADE 34% PROTEIN: .5100 - .7300 MOSTLY: .5400 - .6200

LACTOSE - CENTRAL AND WEST

Many industry participants describe the lactose market as somewhat firm. While the lactose price range is unchanged, the bottom of the mostly price series stepped up. Demand is steady and a number of spot sales were completed this week. Processors are also active in developing Q2 contracts. Buyers seem eager to get settlements in place and are seeking additional volumes of lactose. Manufacturers are seeing some premiums reflected in those contracts for higher mesh size and other desired specifications. Inventories remain tight and production is steady. A few manufacturers say they would like to build a little more inventory as a cushion, but between steady demand and production it is proving difficult to do so.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .1800 - .3200 MOSTLY: .2050 - .2550

CASEIN - NATIONAL

Rennet and acid casein prices are weaker at the upper end of the price range. This continuation of weakening prices is indicative of inventories being very adequate for current demand. Many buyers either have contracted for needs, or feel confident that product is readily available on spot markets when needed. In GDT event 160 this week, no transactions occurred for contract period 1. This is viewed by a number of manufacturers as indicating buyer disinclination to enter markets for near future needs. Early spring milk production increases in Ireland, which has significant casein producing capacity, has some buyers expecting renewed casein output soon being available, further weighing on prices.

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 - 2.9000
ACID: 2.3600 - 3.0500

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

WEEK ENDING	2016 WEEKLY DAIRY COWS	2016 CUMULATIVE DAIRY COWS	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS
02/27/2016	62.5	3,460.0	58.4	3,356.9

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
2013	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82
2015	16.18	15.46	15.56	15.81	16.19	16.72	16.33	16.27	15.82	15.46	15.30	14.44

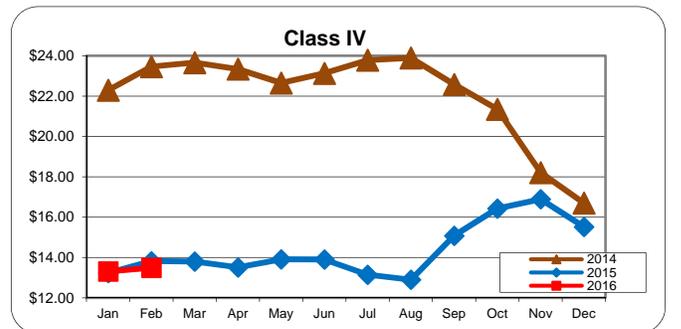
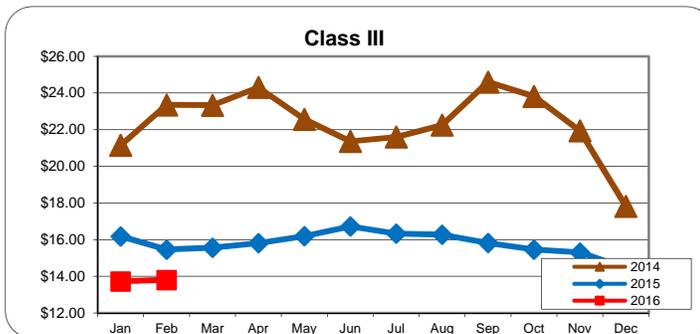
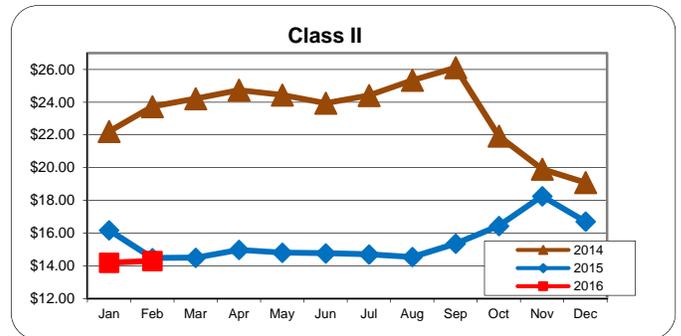
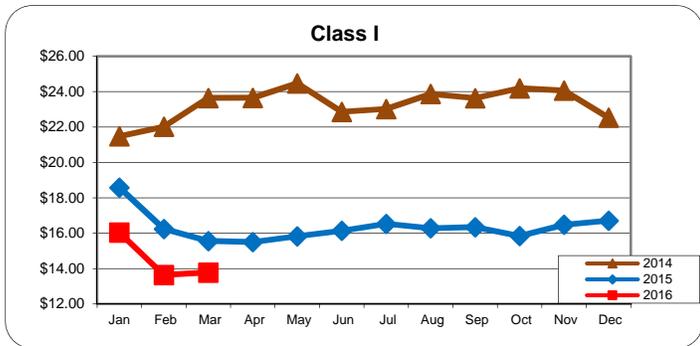
CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70
2015	13.23	13.82	13.80	13.51	13.91	13.90	13.15	12.90	15.08	16.43	16.89	15.52

FEDERAL MILK ORDER CLASS PRICES FOR 2016 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.04	13.64	13.78									
II	14.19	14.30										
III	13.72	13.80										
IV	13.31	13.49										

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



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered March 7 - 18, 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: During 2015 dairy quotas were abolished, after 30 years of a quota system being in effect to control production. Strong increases in milk production during 2015 following the end of quotas has left the EU with significant volumes of milk to process and sell. This has now led to new proposals within the European Commission, announced this week, to address the increasing milk volumes and profitability squeeze for producers. One proposal is to double the current allowable volume of SMP and skim milk powder that can be sold into the intervention program. New volumes would be 100,000 MT for butter and 218,000 MT for SMP. Voluntary supply management on a temporary basis by producer organizations is also recommended. Another proposal is termed *de minimis* state aid. This would allow individual nation members to initiate programs providing up to Euro \$15,000 to individual dairy producers. There is a task force currently meeting which is expected to issue recommendations concerning structural adjustments in the dairy industry to address oversupply and producer income stress. The recommendations are due by fall 2016.

BUTTER/BUTTEROIL: Butter pricing in Western Europe weakened slightly at the top of the price range. Packaged butter sales are strong and this is expected to continue through spring religious holidays. Large quantities of packaged butter were ordered in recent weeks. Bulk butter demand is softer because most customers have already covered their needs. Butter inventories available to buyers, both packaged and bulk, are comfortable. Eurostat reports that 2015 butter production in the EU-28 was 4.7% higher than during 2014 and exports were 13% higher. The top two destinations for EU manufactured butter during 2015, and the percentage change in volumes exported, were: United States, 100%; and Saudi Arabia, 56%.

82% BUTTERFAT: 2,550 - 2,700
99% BUTTERFAT: 3,475 - 3,950

SKIM MILK POWDER (SMP): SMP markets are quiet and prices, already sustained by intervention, are unchanged. Production not destined to fill contracts is increasingly produced to specifications qualifying for sales into intervention. Existing dynamics are not expected to change in the near term. Eurostat reports that 2015 SMP production in the EU-28 was 8.1% higher than during 2014. Exports were 6.0% higher. The top three destinations for EU manufactured SMP during 2015, and the percentage change in volumes exported, were: Algeria, -26%; Egypt, +22%; and China, -15%.

1.25% BUTTERFAT: 1,650 - 1,800

SWEET WHEY POWDER: Whey powder pricing is steady. With some milk being diverted from cheese to other products considered more profitable, whey production is lower. Domestic demand is easily supplied with current inventories. Current exports are steady at recent levels. Eurolait reports that 2015 EU 28 whey exports were 15% higher than 2014. December 2015 exports were 7.1% above December 2014.

NONHYGROSCOPIC: 500 - 700

WHOLE MILK POWDER (WMP): Whole milk powder prices in Western Europe weakened slightly at the top and bottom of the price range. Global competition weighs on markets in the EU. Customers have multiple sources available with comfortable inventories. This often leaves price negotiations leaning toward the customer side. Export sales have slowed. Eurostat reports that 2015 WMP production in the EU-28 was 3.5% lower than during 2014 but exports were 0.1% higher. The top three destinations for EU manufactured WMP during 2015, and the percentage change in volumes exported, were: Oman, +19%; Algeria, -48%; and Nigeria, -23%.

26% BUTTERFAT: 1,975 - 2,200

EASTERN OVERVIEW: Dairy herd expansions in the Czech Republic and Poland are viewed as having been particularly vigorous, leading to increased milk volumes. Eurostat reports that production for 2015 over 2014 was up 2.7% in Poland, and up 3.6% in the Czech Republic. In contrast, efforts in Bulgaria to dissuade expansion have kept production more restrained. Production there for 2015 over 2014 was down 0.8%.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered March 7 - 18, 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: According to Dairy Australia, January 2015 milk production in **Australia** was -0.6% below January 2014. The state changes from a year earlier are: New South Wales, +2.3; Victoria, -1.7%; Queensland, -1.5%; South Australia, +1.4%; Western Australia, +5.7% and Tasmania +0.8%. Milk production growth early in the growing season slowed in December when hot and dry conditions prevailed. Most of January continued the weather of December, but late month rains helped change the situation. However, higher grain and hay expenses curtailed producer interest in supplementing pasture grazing to maintain production. It is considered too late to recover lost milk volumes, even if end of season weather improves. Many processors expect season volumes to be lower than last season, by perhaps 1%-2%. Producers are further squeezed by grain prices. With the Australian dollar weakening, grain export sales are increasing as pricing is more competitive globally. However, this has increased domestic price pressure, squeezing producer margins in Australia. The value of Australian dairy exports July 2015-January 2015 was 5.5% greater than the previous similar period. Among the greatest increases in value, WMP exports were up 59.8%, butter oil was up 18.3%, and other cheese was up 13.3%. The greatest declines were butter down 36.3%, whey products down 36.1%, and SMP down 14.8%. **New Zealand** milk production in January, 208.04 million kg, was slightly below January 2015. A major dairy processor in New Zealand announced a pay price reduction. The pay price reduction will be from New Zealand \$4.15/kg of milk solids to \$3.90. As justification for the decreased pay price, processor management forecasts New Zealand milk production for the current season to be 4% lower than the last season. Less supplemental feeding due to higher feed prices, and lower herd sizes, are attributed as leading to reduced milk production. At the March 15 GDT event #160, all contracts average prices ranged from 7.0% lower to 6.4% 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, \$3,014 -6.5%; butter, \$2,733 -2.8%; buttermilk powder, \$1,545 +6.4%; cheddar cheese, \$2,441 -5.6%; lactose, \$624 +0.8%; rennet casein, \$4,083 -7.0%; skim milk powder, \$1,731 -2.5%; sweet whey powder, n.a.; and whole milk powder, \$1,971 -0.8%.

BUTTER: Butter pricing in Oceania weakened at both ends of the price range, moving closer to pricing levels in the EU. At the March 15 GDT event #160, NZ butter averaged \$2,660/MT for May contracts, -5.8% from the prior event. There was no trading for the April 16 contract, considered to be an indicator of buyers not feeling the need to add to holdings. Butter for all regions and contracting periods averaged \$2,733/MT, -2.8%. New Zealand AMF prices averaged \$2,920/MT for May contracts, -9.7% from the prior event. For all contracting periods, the AMF price average was \$3,014/MT, -6.5%. Dairy Australia reports that January 2016 butter exports were 42.5% below the volume of exports during January 2015. The January 2015 value of butter exports was 36.3% below 2015. Butter in the region is in heavy supply, with manufacturers preferring to limit production to filling orders.

82% BUTTERFAT: 2,650 - 2,850

SKIM MILK POWDER (SMP): Current skim milk powder prices declined slightly at both ends of the price range. At the March 15 GDT event #160, SMP for all regions and contracting periods averaged \$1,731 per MT, -2.5%. For the April 16 contract period, prices averaged \$1,690, up slightly at +1.2% from the prior event. However, all contract periods following contract 1 resulted in price declines. Dairy Australia reports that January 2016 SMP exports were 16.5% above the volume of exports during January 2015. However, the January 2016 value of butter exports was 14.8% below 2015, reflecting weak prices in recent months. The SMP markets continue to struggle with heavy volumes of product seeking buyers. EU intervention continues to tether prices toward intervention levels. There is little expectation of stronger pricing in the near future, especially with proposals to expand allowable volumes of product to enter the EU intervention program.

1.25% BUTTERFAT: 1,675 - 1,800

CHEDDAR CHEESE: Cheddar pricing weakened at both ends of the price range. The increasing volumes of cheese awaiting sale are hanging over markets. At the March 15 GDT event 160, NZ cheddar for all regions and contracting periods averaged \$2,441 per MT, -5.6%. No transactions were completed for contract periods 1-3, reflecting low buyer motivation to add to stocks in the near term. Dairy Australia reports that January 2016 Cheddar exports were 8.8% above the volume of exports during January 2015 and other cheese exports were 18.4% above year earlier. Also, the January 2016 value of Cheddar exports was 1.6% above 2015 and the value of other cheese exports was 16.2% above year earlier. Cheese stocks in the region are considered heavy.

39% MAXIMUM MOISTURE: 2,400 - 2,700

WHOLE MILK POWDER (WMP): Current pricing of whole milk powder increased slightly at each end of the price range, moving closer to prices in Western Europe. The upper end price strength also reflects buyer preferences for WMP from certain manufacturers meeting quality parameters important to certain buyers. At the March 15 GDT event 160, whole milk powder for all regions and contracting periods averaged \$1,971 per MT, -0.8%. For the May 16 contract period, prices averaged \$1,944, -1.0% from the prior event. Dairy Australia reports that the volume of January 2016 whole milk powder exports was 0.9% higher than the same period of 2015. Also, the value of January 2016 WMP exports was 59.8% higher than the prior year. Current production is steady.

26% BUTTERFAT: 1,925 - 2,200

**Exchange rates for selected foreign currencies:
March 14, 2016**

.0676 Argentina Peso	.0088 Japan Yen
.7515 Australian Dollar	.0564 Mexican Peso
.7541 Canadian Dollar	.6677 New Zealand Dollar
1.1105 Euro	.2595 Poland Zloty
.0149 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0564) = 17.7305 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS

US\$/MT	Global/Dairy Trading (gDT) Event 160 Recap - March 15, 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	n.a.	\$2,920	-9.7%	\$2,991	-6.1%	\$3,154	-3.1%	\$3,256	0.2%	\$3,142	-6.0%	\$3,014	-6.5%	
Butter	n.a.	\$2,660	-5.8%	\$2,785	-1.2%	\$2,765	-1.4%	\$2,925	3.9%	\$2,965	3.5%	\$2,733	-2.8%	
Buttermilk Powder	n.a.	\$1,540	5.8%	\$1,555	7.6%	n.a.		n.a.		n.a.		\$1,545	6.4%	
Cheddar	n.a.	n.a.		n.a.		\$2,441	-5.6%	n.a.		n.a.		\$2,441	-5.6%	
Lactose	n.a.	\$624	0.8%	n.a.		n.a.		n.a.		n.a.		\$624	0.8%	
Rennet Casein	n.a.	\$4,042	-8.3%	\$4,221	-2.9%	n.a.		n.a.		n.a.		\$4,083	-7.0%	
Skim Milk Powder	\$1,690	1.2%	\$1,732	-2.0%	\$1,726	-3.7%	\$1,715	-2.7%	\$1,745	-2.0%	\$1,765	-2.6%	\$1,731	-2.5%
Sweet Whey Powder	n.a.	n.a.		n.a.										
Whole Milk Powder	n.a.	\$1,944	-1.0%	\$1,940	-1.7%	\$2,024	0.5%	\$2,116	0.9%	\$2,135	3.5%	\$1,971	-0.8%	

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

US\$/Pound	Global/Dairy Trading (gDT) Event 160 Recap - March 15, 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	n.a.	\$1.3245	-9.7%	\$1.3567	-6.1%	\$1.4306	-3.1%	\$1.4769	0.2%	\$1.4252	-6.0%	\$1.3671	-6.5%	
Butter	n.a.	\$1.2066	-5.8%	\$1.2633	-1.2%	\$1.2542	-1.4%	\$1.3268	3.9%	\$1.3449	3.5%	\$1.2397	-2.8%	
Buttermilk Powder	n.a.	\$0.6985	5.8%	\$0.7053	7.6%	n.a.		n.a.		n.a.		\$0.7008	6.4%	
Cheddar	n.a.	n.a.		n.a.		\$1.1072	-5.6%	n.a.		n.a.		\$1.1072	-5.6%	
Lactose	n.a.	\$0.2830	0.8%	n.a.		n.a.		n.a.		n.a.		\$0.2830	0.8%	
Rennet Casein	n.a.	\$1.8334	-8.3%	\$1.9146	-2.9%	n.a.		n.a.		n.a.		\$1.8520	-7.0%	
Skim Milk Powder	\$0.7666	1.2%	\$0.7856	-2.0%	\$0.7829	-3.7%	\$0.7779	-2.7%	\$0.7915	-2.0%	\$0.8006	-2.6%	\$0.7852	-2.5%
Sweet Whey Powder	n.a.	n.a.		n.a.										
Whole Milk Powder	n.a.	\$0.8818	-1.0%	\$0.8800	-1.7%	\$0.9181	0.5%	\$0.9598	0.9%	\$0.9684	3.5%	\$0.8940	-0.8%	

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

CME GROUP, INC FUTURES
Selected settling prices

Month	03/04	03/07	03/08	03/09	03/10	03/11	03/14	03/15	03/16	03/17
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
MAR 16	13.78	13.87	13.87	13.82	13.80	13.79	13.79	13.79	13.80	13.83
APR 16	13.53	13.63	13.64	13.48	13.56	13.66	13.48	13.40	13.53	13.63
MAY 16	13.53	13.54	13.57	13.43	13.41	13.50	13.36	13.29	13.31	13.40
JUN 16	13.63	13.63	13.62	13.48	13.46	13.63	13.41	13.29	13.34	13.41
JUL 16	14.04	14.00	14.00	13.92	13.86	14.03	13.80	13.69	13.68	13.73
AUG 16	14.50	14.44	14.43	14.37	14.31	14.45	14.24	14.11	14.13	14.13
SEP 16	14.77	14.74	14.72	14.69	14.58	14.74	14.55	14.43	14.42	14.41
OCT 16	15.00	15.00	15.00	14.84	14.71	14.79	14.70	14.56	14.57	14.57
NOV 16	15.00	15.00	15.00	14.85	14.75	14.79	14.70	14.54	14.53	14.65
DEC 16	15.00	15.00	15.00	14.83	14.77	14.80	14.65	14.56	14.63	14.65
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
MAR 16	13.18	13.18	13.18	13.13	13.00	13.00	13.00	12.99	12.99	12.99
APR 16	13.38	13.38	13.38	13.38	13.38	13.38	13.38	13.38	13.38	13.38
MAY 16	13.52	13.52	13.40	13.40	13.40	13.56	13.56	13.56	13.56	13.56
JUN 16	13.82	13.65	13.65	13.65	13.65	13.77	13.77	13.77	13.76	13.76
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
MAR 16	204.00	200.63	199.03	199.08	201.00	201.00	200.53	199.05	199.05	199.08
APR 16	206.03	205.03	200.03	199.03	203.53	204.25	199.25	196.45	195.25	196.80
MAY 16	208.48	206.50	201.50	201.03	205.53	206.00	201.23	198.98	196.48	198.70
JUN 16	209.35	207.40	204.03	202.40	206.65	206.73	202.75	201.00	199.53	201.75
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
MAR 16	78.43	78.73	78.60	77.55	77.25	77.40	76.88	76.88	77.25	76.60
APR 16	79.63	79.78	79.80	78.98	80.00	80.60	79.15	78.00	78.20	77.73
MAY 16	80.88	80.90	80.90	79.75	81.00	82.30	81.35	79.68	79.70	78.90
JUN 16	82.20	82.25	82.35	81.25	82.53	84.00	82.75	81.25	81.30	80.50
WHEY (Electronic-Traded) (¢/lb)										
MAR 16	25.50	25.50	25.40	25.20	25.20	25.20	25.23	25.50	25.50	25.50
APR 16	25.58	25.60	25.20	25.25	24.88	24.88	24.88	25.28	25.28	25.63
MAY 16	25.70	25.85	25.35	25.25	25.25	25.25	25.25	25.25	25.45	25.45
JUN 16	25.63	26.00	25.38	25.13	25.48	25.13	25.03	25.03	25.00	25.03
CHEESE CSC (Electronic-Traded) (\$/lb)										
MAR 16	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52	1.52
APR 16	1.49	1.50	1.50	1.49	1.50	1.50	1.49	1.48	1.49	1.50
MAY 16	1.49	1.49	1.49	1.48	1.48	1.49	1.48	1.47	1.47	1.47
JUN 16	1.50	1.49	1.50	1.49	1.48	1.50	1.48	1.47	1.48	1.48
JULY 16	1.53	1.53	1.54	1.53	1.52	1.54	1.52	1.51	1.51	1.51
AUG 16	1.58	1.58	1.58	1.57	1.57	1.58	1.56	1.55	1.55	1.55

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

FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, FEBRUARY 2016

Highlights. Handler reports of receipts and utilization under the federal milk order system for February 2016 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During February, 11.616 billion pounds of milk were received from federally pooled producers. This volume of milk is 3.1 percent higher than the February 2015 volume, factored for leap year. Regulated handlers pooled 3.364 billion pounds of producer milk as Class I products, down 1.0 percent when compared to the previous year, factored for leap year. Class I utilization decreased from last year in 6 of the 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 29 percent, Class II = 12 percent, Class III = 46 percent, and Class IV = 13 percent. The weighted average statistical uniform price was \$14.72 per cwt, down \$0.20 from last month and down \$1.60 from last year.

Price and Pool Statistics for Federal Milk Order Marketing Areas for the Month of February 2016

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I		Utilization of Producer Milk in All Classes ³				Uniform Price ²
		Total	Change from Prev. Year	Total	Change from Prev. Year	Class I	Class II	Class III	Class IV	
		(million lbs)	(percent)	(million lbs)	(percent)	(percent) ³				(\$ per cwt)
Northeast (Boston)	001	2,137.8	2.4	725.9	0.0	34	25	24	17	15.29
Appalachian (Charlotte)	005	454.1	-0.4	316.9	-2.6	70	15	5	10	16.41
Florida (Tampa)	006	235.5	0.9	196.4	-0.8	83	10	4	2	18.43
Southeast (Atlanta)	007	426.7	-0.5	312.5	-5.3	73	12	8	6	16.88
Upper Midwest (Chicago)	030	3,101.0	2.9	284.1	-2.4	9	2	85	4	13.99
Central (Kansas City)	032	1,312.6	-1.9	394.2	-2.0	30	9	49	12	14.21
Mideast (Cleveland)	033	1,601.6	-1.6	518.0	1.3	32	19	31	18	14.37
Pacific Northwest (Seattle)	124	716.5	51.8	159.5	1.1	22	6	41	30	14.08
Southwest (Dallas)	126	1,197.4	-1.6	352.7	0.1	29	9	51	10	15.02
Arizona (Phoenix)	131	433.1	9.2	104.1	-0.8	24	10	23	43	14.30
ALL MARKET AVERAGE OR TOTAL³		11,616.1	3.1	3,364.4	-1.0	29	12	46	13	14.72

¹ Names in parentheses are the major city in the principal pricing point of the market.

² Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

³ Totals may not add to 100 percent due to rounding.

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Dairy Market News Branch

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Friday, March 18, 2016

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 03/18/2016 to 03/24/2016

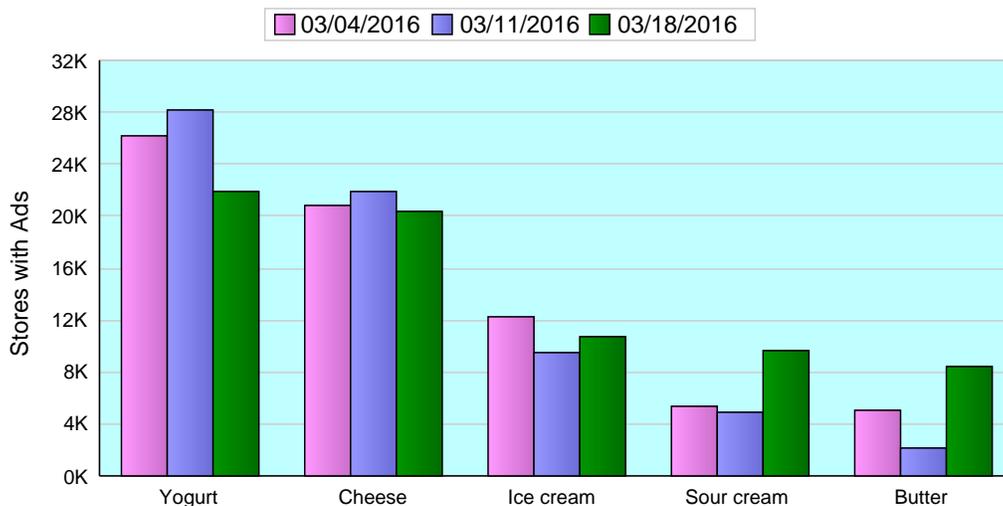
This week, dairy advertisements by volume primarily concentrated on conventional yogurt, ice cream, and sour cream. The total volume of conventional dairy ads increased 12%, but organic dairy ads decreased 35%. Ads for 1# packages of conventional butter increased 382%, with an average weighted price of \$3.07. Ads for 8 ounce conventional cream cheese increased 23%, with an average weighted price of \$1.36. Ads for 1# organic butter decreased 49%, with an average price of \$5.11. Ads for 8 ounce UHT milk increased 470%, with an average price of \$0.97.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.20, down 23 cents from last week; 8 ounce shred cheese averaged \$2.07, down 22 cent from last week. Organic 8 ounce blocks averaged \$4.99, up 53 cents from last week. Ads for conventional cheese are down 5%, and organic cheese ads are down 83% from last week.

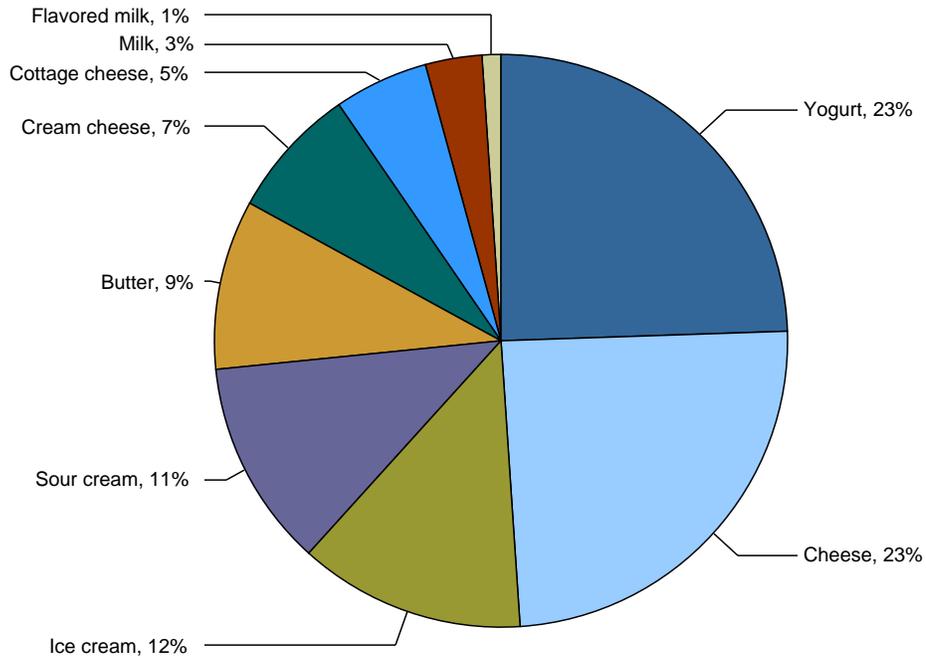
The average price for conventional yogurt in 4-6 ounce packages is \$.58, up 10 cents from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.97, up 6 cents from last week. Ads for 2 ounce Greek yogurt posted the largest increase in the yogurt category, 164% above the previous week. Conversely, organic 32 ounce Greek yogurt posted the largest yogurt decline, 77%, compared to the previous week. Conventional yogurt ad numbers are down 22% from the previous week. Organic yogurt ads are down 26% from the previous week.

The price spread between organic and conventional half gallon milk is \$2.30. The price spread is the difference between national weighted average prices for organic, \$4.28, and conventional, \$1.98. Conventional milk ads increased 24% from last week, while organic ads decreased 16%.

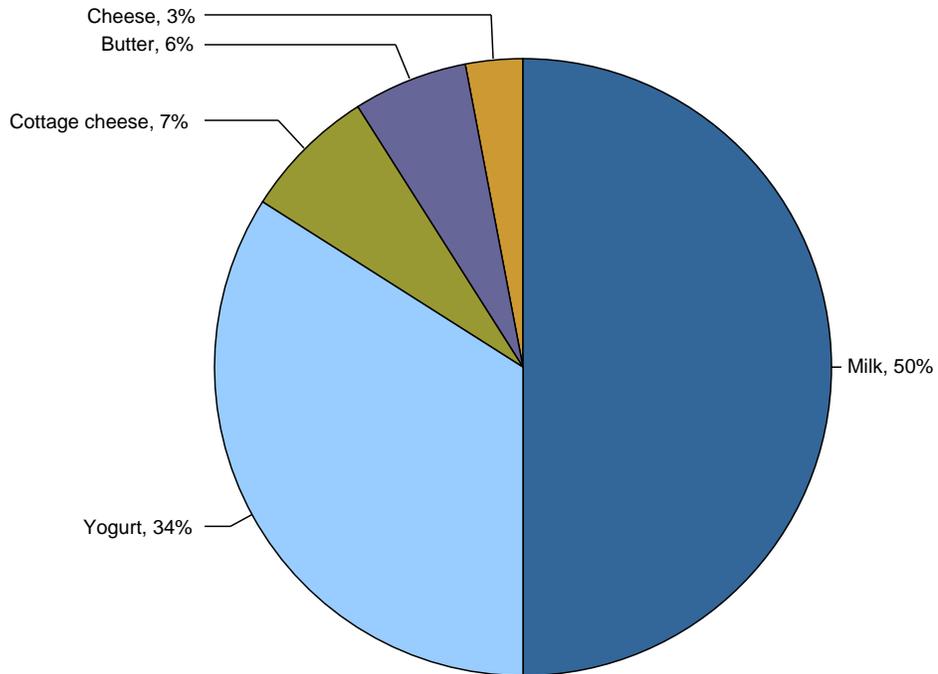
Top 5 Commodities Featured



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 #	8212	3.07	1703	3.43	Data currently Not available	Data currently Not available
Cheese	Natural Varieties	8 oz block	7615	2.20	7351	2.43	Data currently Not available	Data currently Not available
Cheese	Natural Varieties	1 # block	1767	4.07	3604	3.46	Data currently Not available	Data currently Not available
Cheese	Natural Varieties	2 # block	843	5.69	1217	5.84	Data currently Not available	Data currently Not available
Cheese	Natural Varieties	8 oz shred	8713	2.07	5999	2.29	Data currently Not available	Data currently Not available
Cheese	Natural Varieties	1 # shred	1384	4.22	3163	3.48	Data currently Not available	Data currently Not available
Cottage cheese		16 oz	4226	1.73	3155	2.07	Data currently Not available	Data currently Not available
Cream cheese		8 oz	6368	1.36	5191	1.70	Data currently Not available	Data currently Not available
Flavored milk	All fat tests	half gallon	495	2.98	308	2.76	Data currently Not available	Data currently Not available
Flavored milk	All fat tests	gallon	709	3.07	977	3.01	Data currently Not available	Data currently Not available
Ice cream		48-64oz	10770	3.04	9418	3.11	Data currently Not available	Data currently Not available
Milk	All fat tests	half gallon	325	1.98	536	2.54	Data currently Not available	Data currently Not available
Milk	All fat tests	gallon	2449	2.18	1797	2.54	Data currently Not available	Data currently Not available
Sour cream		16 oz	9701	1.57	4618	1.75	Data currently Not available	Data currently Not available
Yogurt	Greek	4-6 oz	10030	.97	16561	.91	Data currently Not available	Data currently Not available
Yogurt	Greek	32 oz	1492	3.66	565	4.58	Data currently Not available	Data currently Not available



Yogurt	Yogurt	4-6 oz	8417	.58	6799	.48	available Data currently Not available	available Data currently Not available
Yogurt	Yogurt	32 oz	619	2.51	2342	2.14	available Data currently Not available	available Data currently Not available

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.49-4.99	2348	3.23	2.99-3.49	2862	3.01	2.00-3.00	1093	2.93
Cheese	Natural Varieties	8 oz block	1.50-3.99	1573	2.39	1.99-2.50	2541	2.23	1.33-3.50	1587	1.97
Cheese	Natural Varieties	1 # block	2.49-3.99	260	3.55	4.50	1083	4.50	2.99-3.50	250	3.24
Cheese	Natural Varieties	8 oz shred	1.50-2.99	1804	2.10	1.95-2.25	1834	2.00	1.33-3.50	1206	1.99
Cheese	Natural Varieties	1 # shred				4.50	1083	4.50	2.99	127	2.99
Cottage cheese		16 oz	1.50-2.50	1524	2.04	1.00-2.00	1247	1.45	1.25-2.00	493	1.79
Cream cheese		8 oz	0.99-2.00	1477	1.45	0.99-1.50	1756	1.30	0.89-1.99	1714	1.11
Flavored milk	All fat tests	half gallon	2.99	84	2.99						
Flavored milk	All fat tests	gallon	4.99	137	4.99	1.99	184	1.99	1.99	69	1.99
Ice cream		48-64oz	1.99-3.79	2368	2.71	2.50-5.50	3067	3.39	1.99-3.99	2347	3.02
Milk	All fat tests	half gallon							0.99	69	.99
Milk	All fat tests	gallon	2.99	62	2.99	1.99	184	1.99	1.69-2.79	467	1.99
Sour cream		16 oz	1.29-2.00	2603	1.68	1.00-2.00	2766	1.51	1.00-2.00	1815	1.49
Yogurt	Greek	4-6 oz	0.79-1.25	2461	1.02	0.88-1.00	2397	.99	0.70-1.00	933	.94
Yogurt	Greek	32 oz	2.69-5.99	971	3.40	2.79	61	2.79	3.99	213	3.99
Yogurt	Yogurt	4-6 oz	0.40-0.60	1816	.49	0.50-1.00	2619	.64	0.50-0.88	1442	.53
Yogurt	Yogurt	32 oz	2.50	147	2.50				2.00-3.49	225	2.70

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.99-3.50	1142	2.83	2.99	178	2.99	2.50-3.99	584	3.50
Cheese	Natural Varieties	8 oz block	1.50-2.50	963	2.02	1.99-2.99	625	2.38	1.79-2.00	264	1.94
Cheese	Natural Varieties	1 # block							2.99-3.99	174	3.39
Cheese	Natural Varieties	2 # block				4.99-7.98	485	6.20	4.99	358	4.99
Cheese	Natural Varieties	8 oz shred	1.50-2.49	1739	1.94	1.89-2.99	1633	2.32	1.67-2.50	466	1.99
Cheese	Natural Varieties	1 # shred							2.99-3.99	174	3.39
Cottage cheese		16 oz	1.00-2.99	531	1.41	1.00-1.99	257	1.64	1.99-2.00	174	2.00
Cream cheese		8 oz	0.89-1.68	403	1.30	1.00-1.99	690	1.73	1.49-2.50	304	1.81
Flavored milk	All fat tests	half gallon	1.99	62	1.99	2.79	244	2.79	3.99	105	3.99
Flavored milk	All fat tests	gallon	1.99	141	1.99	3.99	178	3.99			
Ice cream		48-64oz	1.99-5.50	1441	2.84	1.88-3.98	864	2.74	3.50	644	3.50

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	1.00	78	1.00	2.79	178	2.79			
Milk	All fat tests	gallon	1.59-3.99	781	2.16	1.85-2.65	904	2.21			
Sour cream		16 oz	1.00-1.99	1634	1.46	1.00-1.99	335	1.35	1.99-2.50	524	2.05
Yogurt	Greek	4-6 oz	0.50-1.00	1594	.90	0.69-1.25	1277	.94	0.70-1.00	1312	.93
Yogurt	Greek	32 oz				4.99	178	4.99	3.69	69	3.69
Yogurt	Yogurt	4-6 oz	0.40-1.66	900	.64	0.50-1.00	825	.61	0.50-0.70	815	.56
Yogurt	Yogurt	32 oz	1.88	60	1.88				2.50	187	2.50

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.69	5	4.69			
Cheese	Natural Varieties	8 oz block	3.00	28	3.00	3.29	34	3.29
Cheese	Natural Varieties	8 oz shred	3.00	28	3.00	2.99	3	2.99
Cream cheese		8 oz	1.69-2.69	24	2.63			
Ice cream		48-64oz	4.99	9	4.99	3.99-5.99	30	4.19
Milk	All fat tests	gallon	3.49	17	3.49	3.49	34	3.49
Sour cream		16 oz				2.00	24	2.00
Yogurt	Greek	4-6 oz	1.00-1.50	52	1.37	1.00	4	1.00

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	250	5.11	486	5.10	137	6.99
Cheese	Natural Varieties	8 oz block	105	4.99	225	4.46		
Cheese	Natural Varieties	8 oz shred			393	3.09		
Cottage cheese		16 oz	276	2.99	550	3.00	137	5.79
Milk	All fat tests	half gallon	828	4.28	1757	4.30	1372	3.88
Milk	All fat tests	gallon	189	6.43	474	5.81	1536	5.40
Milk	All fat tests	8 oz UHT	992	.97	174	1.00		
Sour cream		16 oz			210	2.99		
Yogurt	Greek	4-6 oz	688	1.13	535	1.28	137	1.25
Yogurt	Greek	32 oz	121	3.50	518	3.03	2257	3.68
Yogurt	Yogurt	4-6 oz	351	1.25	462	.97		
Yogurt	Yogurt	32 oz	194	2.50	322	2.88		

Wtd Avg - Simple weighted average



REGIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Milk	All fat tests	half gallon	3.99-4.99	363	4.55						
Milk	All fat tests	gallon	6.99	84	6.99						
Milk	All fat tests	8 oz UHT	0.92	396	.92						
Yogurt	Greek	4-6 oz				1.25	214	1.25			
Yogurt	Yogurt	4-6 oz				1.25	214	1.25			
Yogurt	Yogurt	32 oz				2.50	53	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 #	4.99	72	4.99	4.99	117	4.99	5.49	61	5.49
Cheese	Natural Varieties	8 oz block							4.99	105	4.99
Cottage cheese		16 oz	2.99-3.00	276	2.99						
Milk	All fat tests	half gallon				3.99	360	3.99	4.39	105	4.39
Milk	All fat tests	gallon							5.99	105	5.99
Milk	All fat tests	8 oz UHT				1.00	422	1.00	1.00	174	1.00
Yogurt	Greek	4-6 oz	1.49	63	1.49	0.69-1.50	411	1.02			
Yogurt	Greek	32 oz	3.50	121	3.50						
Yogurt	Yogurt	4-6 oz				1.25	137	1.25			
Yogurt	Yogurt	32 oz	2.50	141	2.50						

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price

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

Wtd Avg - Simple weighted average



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