

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (6/17)**

BUTTER: Grade AA closed at \$2.3675. The weekly average for Grade AA is \$2.3105(+.1360).

CHEESE: Barrels closed at \$1.5450 and 40# blocks at \$1.5150. The weekly average for barrels is \$1.5450(+.0480) and blocks, \$1.5260(+.0605).

NONFAT DRY MILK: Grade A closed at \$.8425. The weekly average for Grade A is \$.8420(+.0420).

BUTTER HIGHLIGHTS: Butter churning is generally below plant capacity in much of the country. Spot cream availability is tighter. Some manufacturers are also reluctant to purchase cream at current premiums and are content to calibrate churning to contracted cream supplies. The Northeast price for bulk butter is reported 6 to 8 over the market, the Midwest is market to 8 cents over, and in the West, 1 cent under to 3 cents above. International interest is quiet, as U.S. butter prices are currently not competitive in the world market. The Grade AA butter price at the CME Group on Friday closed at \$2.3675, up \$.1675 cents from a week ago.

CHEESE HIGHLIGHTS: Cheese production is active throughout the country. Some manufacturers are cutting back slightly as a way to manage large inventories. Recent strength in the cheese prices has aided cheese producers. However, Western manufacturers do get the sense that buyers are shopping around, and don't have a sense of urgency to make a purchase. Sales in the Northeast are reportedly lagging behind production rates, causing stocks to accumulate. Inventories are mixed. Some market participants believe the price difference in cheese between U.S. and world competitors is too large for domestic cheese to compete in the international markets. Therefore, exports are light. The market undertone is steady. In CME Group trading Friday, barrels closed at \$1.5450, up \$.0350 from last Friday and blocks closed at \$1.5150, up \$.0400.

FLUID MILK: Hot humid temperatures across the U.S. are affecting cow comfort and in some cases, causing noticeable decreases in milk production. Northeast and upper Midwest contacts, however, indicate that milk production outputs remain strong. Several areas in the West are running summer meal programs and, in turn, are lessening the typical seasonal decrease in bottling orders. Southwest area milk processors are taking in loads from out of state, filling in any openings in their processing schedules. Some Southeast milk marketers are shuffling around deliveries to meet fluid milk needs.

Butterfat levels are trending seasonally lower. Ice cream production is seasonally strong, causing cream to tighten. Cream spot loads are increasingly difficult to come by. Cream multiples are 1.20- 1.42 in the East; 1.18-1.28 in the Midwest; and 1.03-1.24 in the West.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are mixed this week. Some market participants anticipate prices to continue to climb and are making forward purchases. Other industry contacts believe firming prices to be short lived, and are taking the wait and see approach. International interest is reportedly stronger than domestic in a steady to firm market. High heat NDM prices are steady to higher in a firming market. Inventories are tight, limiting the number of spot transactions. Dry buttermilk prices are higher in the Central and East regions but unchanged in the West. Production slowed for many manufacturers as cream cleared into alternative dairy processing use. Light trading pulled the top up end of the range higher for dry whole milk. Production is intermittent in a mixed market. Dry whey prices are steady to higher. Inventories are growing in the East, but active trading in the Central and Western regions have allowed for inventory relief. WPC 34% prices are steady to higher. Strong sales to both domestic and international outlets have tightened inventories and firmed up the market. Lactose prices are unchanged in a firm market. Supply is limited outside of contracts. International interest is strong. Seasonal changes are limiting casein supply and driving prices for both rennet and acid casein higher.

ORGANIC DAIRY MARKET NEWS (DMN): AMS reports April 2016 total organic milk products sales at 213 million pounds, up 3.3% from the previous year. Sales are up 4.0%, January through April 2016, compared with the same months of 2015. April organic whole milk sales are 77 million pounds, up 15.6% from April last year. Year to date organic whole milk sales are up 14.2% compared to sales within the same period last year. This week, organic milk accounts for 43% of organic dairy ads, cheese 17%, yogurt 13%, sour cream 11%, butter 10%, and cottage cheese 7%. Organic ad numbers show an increase, as ad numbers rose 19%. Sour cream 16 ounce reported a significant increase in ad volume, as ads grew 120% over the previous survey period. Organic yogurt 4-6 ounce packages saw the biggest drop in ads, 88% compared to the previous survey period. Combined yogurt ads dipped 54%, but combined cheese ads rose 56%.

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NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY JUN 13	TUESDAY JUN 14	WEDNESDAY JUN 15	THURSDAY JUN 16	FRIDAY JUN 17	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$1.5375 (+.0275)	\$1.5375 (N.C.)	\$1.5550 (+.0175)	\$1.5500 (-.0050)	\$1.5450 (-.0050)	:: (+.0350)	:: \$1.5450 (+.0480)
40# BLOCKS	\$1.5200 (+.0450)	\$1.5200 (N.C.)	\$1.5400 (+.0200)	\$1.5350 (-.0050)	\$1.5150 (-.0200)	:: (+.0400)	:: \$1.5260 (+.0605)
NONFAT DRY MILK GRADE A	\$.8500 (+.0200)	\$.8500 (N.C.)	\$.8300 (-.0200)	\$.8375 (+.0075)	\$.8425 (+.0050)	:: (+.0125)	:: \$.8420 (+.0420)
BUTTER GRADE AA	\$2.2175 (+.0175)	\$2.2725 (+.0550)	\$2.3550 (+.0825)	\$2.3400 (-.0150)	\$2.3675 (+.0275)	:: (+.1675)	:: \$2.3105 (+.1360)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for international purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY

NATIONAL DAIRY MARKET NEWS AT A GLANCE

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NATIONAL RETAIL REPORT-DAIRY (DMN): Total U.S. butter ad numbers nearly doubled this week. The weighted average advertised price, \$3.16, is down \$.17 from last week. Ad numbers for 48-64 oz. ice cream decreased 15% this week, while the average price, \$3.19, is up \$.12. Overall conventional ad numbers decreased 12% from last week. The average price for conventional yogurt in 4-6 ounce packages is \$.47, down \$.06 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.98, up \$.02 from a week ago. Conventional yogurt ad numbers are down 11% from last week, while organic yogurt ads are down 54%. The average price for organic Greek yogurt in 4-6 ounce packages is \$1.19, up \$.04 from last week. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.16, down \$.07 from last week; 8 ounce shred cheese averaged \$2.31, down \$.08 from last week. For 8 ounce organic cheese blocks, the U.S. advertised price averaged \$4.65, down \$.01 from last week. Conventional cheese ad numbers are down 26% from last week, while organic cheese ads are up 56%. Organic and conventional half gallon milk have a price spread of \$2.38. The price spread is the difference between national weighted average prices for organic, \$4.20, and conventional, \$1.82. Conventional milk ad numbers decreased 32% from last week while organic milk ad numbers decreased 14%. Nevertheless, total conventional milk ad numbers are slightly over one half of total organic milk ad numbers.

INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN): At the June 15 GDT event #166, average prices ranged from 6.6% lower to 6.9% 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, \$3,619 +4.4%; butter, \$2,910 +5.3%; buttermilk powder, \$1,695 -6.6%; cheddar cheese, \$2,882 +6.9%; lactose, \$754 +0.6%; rennet casein, \$5,116 -0.4%; skim milk powder, \$1,901 +1.5%; and whole milk powder, \$2,118 -4.5%.

JUNE SUPPLY AND DEMAND ESTIMATES (FMMO): Milk production forecasts for 2016 and 2017 are raised from last month as recently reported cow numbers indicate the herd continues to expand. No change is made to output per cow. Fat and skim -solids basis export forecasts for 2016 and 2017 are lowered as international supplies of dairy products remain abundant and U.S. prices remain high relative to those of competitors. Fat and skim-solids basis stocks are forecast higher as stocks of butter and cheese are expected to remain relatively high. Fat basis imports are reduced for both 2016 and 2017 on expectations of slower imports of butterfat products, and to a lesser extent, cheese. Cheese and butter prices for 2016 are forecast higher based on recent price data and lower forecast imports, despite relatively large stocks. The nonfat dry milk (NDM) price is raised based on recent price strength. The whey price forecast is unchanged at the midpoint. Cheese prices are forecast lower for 2017 as relatively high stocks pressure the market, but the prices of butter, NDM, and whey are unchanged from last month. Class III and Class IV price forecasts are raised for 2016 on component product prices. For 2017, the Class III price is lowered on lower cheese prices, but the Class IV price is unchanged. The all milk price is forecast higher at \$14.95 to \$15.35 per cwt for 2016, but is unchanged at \$15.25 to \$16.25 per cwt for 2017.

MARCH MAILBOX MILK PRICES (FMMO & CDFA): In March 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.96 per cwt, down \$0.52 per cwt from the February 2016 average and down \$1.64 per cwt from the March 2015 average. The component tests of producer milk in March 2016 were: butterfat, 3.80%; protein, 3.13%; and other solids, 5.75%. When compared to the previous month, the March Mailbox prices decreased in all 19 Federal milk order reporting areas. The Southern Missouri area experienced the greatest decrease of \$1.22 per cwt and the Minnesota area experienced the smallest decrease of \$0.22 per cwt. Averaged over all Federal milk order reporting areas, the March 2016 Mailbox price decreased an average of \$0.59 per cwt. Mailbox prices in March 2016 ranged from \$16.36 in the New England States to \$13.48 in New Mexico.

CME GROUP

MONDAY, JUNE 13, 2016

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.5125, 1 @ \$1.5225, 1 @ \$1.5375; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5200; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$0.8500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 4 CARS GRADE A @ \$0.8800
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2175; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.2500

TUESDAY, JUNE 14, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$0.8500; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8300; LAST OFFER UNCOVERED: 10 CARS GRADE A @ \$0.8700
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2725; LAST OFFER UNCOVERED: NONE

WEDNESDAY, JUNE 15, 2016

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.5575, 1 @ \$1.5550; 4 CARS 40# BLOCKS: 1 @ \$1.5250, 1 @ \$1.5300, 1 @ \$1.5350, 1 @ \$1.5400; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5400; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5600
 NONFAT DRY MILK -- SALES: 9 CARS GRADE A: 2 @ \$0.8400, 1 @ \$0.8300, 2 @ \$0.8150, 1 @ \$0.8125, 1 @ \$0.8200, 1 @ \$0.8225, 1 @ \$0.8300; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8225; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8400
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.3000, 1 @ \$2.3550; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

THURSDAY, JUNE 16, 2016

CHEESE -- SALES: 1 CAR BARRELS @ \$1.5500; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.5350; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 4 @ \$0.8300, 1 @ \$0.8350, 2 @ \$0.8400, 1 @ \$0.8375; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8325; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$0.8400
 BUTTER -- SALES: 6 CARS GRADE AA: 2 @ \$2.3575, 1 @ \$2.3300, 2 @ \$2.3375, 1 @ \$2.3400; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.3300; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3800

FRIDAY, JUNE 17, 2016

CHEESE -- SALES: 7 CARS BARRELS: 3 @ \$1.5525, 1 @ \$1.5550, 2 @ \$1.5525, 1 @ \$1.5500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.5450; 1 CAR 40# BLOCKS @ \$1.5150
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 5 CARS GRADE A @ \$0.8425; LAST OFFER UNCOVERED: 5 CARS GRADE A @ \$0.8700
 BUTTER -- SALES: 17 CARS GRADE AA: 1 @ \$2.3425, 10 @ \$2.3450, 1 @ \$2.3500, 1 @ \$2.3650, 1 @ \$2.3750, 2 @ \$2.3800, 1 @ \$2.3600; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.3675; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.3750

BUTTER MARKETS

NORTHEAST

Output rates at most butter production facilities in the region point to modest declines, as cream supplies tighten. Manufacturers, in most instances, are circumventing churning beyond their contractual butter requirements as cream sales to ice cream increase. Simultaneously, stronger liquid cream prices are developing. Market participants in the region report current multiples from the low to mid 1.30s, up from last week. Domestic butter demand varies. Promotional advertisements, as a stimulus for regional retail butter interest, noted a significant decline this week. Meanwhile, bulk suppliers observed active inquiries from the spot market. The Northeast price for bulk butter is reported 6 to 8 over the market, based on the CME Group with various time frames and averages used. The market has a steady to firm undertone. According to the DMN *National Retail Report-Dairy*, for June 10-16 2016, the national weighted average advertised price for 1-pound butter was \$3.33, up 2 cents from a year ago and up 5 cents from last week. The Northeast butter price was \$3.38, a 26 cents increase from the previous week. The Southeast butter price was \$3.00, a decrease of 72 cents from last week. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.2725, up \$0.1325 from a week ago.

CENTRAL

Butter production in the Central region is mixed this week. Cream is tightening and cannot be found at discounts like in recent weeks. Some manufacturers are not willing to purchase spot cream loads at current premiums and therefore are slowing their production to match cream supply. Other butter makers are running at or near full schedules. End users report actively searching for bulk butter, but are not finding sellers with ease. Industry contacts speculate that a few large market participants are not currently producing bulk

butter. This may be contributing to the feeling some market participants share of an immediate shortness of butter in the Central region. However, a few industry contacts venture to suggest that manufacturers may be sitting on butter stocks but are not willing to sell due to the time of year or because they have an inkling that butter prices are going to rise. Overall, demand is strong but supply is mixed. Bulk butter prices reported ranged from market to 8 cents over the market, with various time frames and averages used. International interest is quiet, as U.S. butter prices are currently not competitive in the world market. The market undertone is firm. The DMN *National Retail Report-Dairy* for June 10-16 noted the national weighted average advertised price for a 1 pound package of butter was \$3.33, \$0.05 above one week ago, and \$0.02 above one year ago. Prices in the Midwest region for 1 pound packages of butter have a weighted average price of \$2.50. The weighted average price in the South Central region is \$3.08 with a price range of \$2.49-\$3.99. Wednesday at the CME Group, Grade AA butter closed at \$2.3550, up \$.1825 from last Wednesday.

WEST

Western butter production is at seasonal levels with most churn operators indicating butter making schedules are running below plant capacity. Spot cream loads are less available as butterfat components trend lower. Current cream multiples offered by buyers for any spot cream loads are often less attractive to churn operators than keeping in-house cream for churning. Ice cream/frozen dessert and aerated cream manufacturers are using cream volumes at higher rates to satisfy seasonally active orders, which is taking some cream out of the market. Churn operators are producing a mix of print and bulk butter varieties. Having sufficient stocks on hand to fill late

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

<u>WEEK ENDING</u>	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
June 11, 2016	2,0920 3,855,859	1,3738 14,666,657	1,4552 10,204,458	.2521 9,001,473	.7892 16,185,225

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

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summer needs remains a top priority. Print demand from retailers and food service is steady. Bulk butter orders are level. Inventories are steady to somewhat higher at a few facilities. The DMN *National Retail Report-Dairy* for the week of June 10-16 found that the U.S. weighted average advertised price of 1 pound butter is \$3.33, up \$.05 from last week. The U.S. weighted average price was \$3.31 one year ago. Bulk butter pricing in the West this week is 1 cent under market to 3 cents above, based on the CME Group with various time frames and averages used. In the Southwest, the weighted average advertised price of 1 pound butter is \$3.48, with a range of \$2.99-\$3.99. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.49, with a range of \$2.99-\$3.99. The Grade AA butter price at the CME Group on Wednesday closed at \$2.3550, up \$.1825 from a week ago.

2016 U.S. Butter Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
May Quota	0.9	- 32.5	6.1
TOTAL, JAN - MAY			
High Tier	12.9	252.1	...
Quota	5.9	- 39.4	38.6

CHEESE MARKETS

NORTHEAST

The CME Group weekly average prices for cheese barrels and blocks firmed last week, prompting a \$0.0725 increase in both the Northeast wholesale prices for 40# cheddar and Muenster this week. The Grade A Swiss price is steady. Tuesday's CME Group daily cash prices saw barrels close at \$1.5375, up \$0.0625 from last week. Blocks closed at \$1.5200, \$0.0775 above a week ago prices. Cheese production remains active as milk volumes into cheese plants continue to be heavy. However, the protein levels in farm milk are gradually declining. Supply/demand is uneven, as orders linger behind current production volumes. Most cheese plants are running 6-7 day production schedules. The market undertone is steady to firm in an unsettled market. According to the DMN *National Retail Report-Dairy*, for June 10-16, 2016, the Northeast region weighted average advertised price for 8 oz. cheese blocks was \$2.14, 9 cents less than the national average and 4 cents less than the previous week Northeast price. The Southeast 8 oz. block cheese price was \$2.29, 27 cents less than the previous week.

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

Cheddar 40# Block	:	1.8700-2.1550
Process 5# Sliced	:	1.6975-2.1775
Muenster	:	1.8900-2.2400
Grade A Swiss Cuts 10 - 14#	:	2.9775-3.3000

MIDWEST

Cheese vats are full throughout the Central region. Several manufacturers report running near or at full schedules while spot loads of milk are still readily available at discounts. A few cheese makers are slightly slowing down production in an effort to avoid rebuilding stocks. They mention as the warm weather continues and farm level milk production decreases, their interest in spot loads may decrease as well. A plentiful supply of cheese in the Central region prevails. A small number of cheese makers report having a balanced inventory. Strong sales have prompted partial stock relief. Sales of specialty varieties going into food service are reportedly steady. Retail demand is strong, aided by June dairy month promotions. Several buyers continue to request additional loads outside of contracts. International interest is weak. Some market participants speculate the price difference in U.S. cheese versus world competitors is too great for international buyers to justify purchasing U.S. cheese. The market undertone is steady. The DMN *National Retail Report-Dairy* shows that June 10-16 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.11, 28 cents lower than the national average. Midwest prices range from \$1.79-\$2.99. One year ago, the national price was \$2.58. For 8 ounce blocks, the Midwest average price is \$2.11, 12 cents below the national average price. Midwest ads are priced from \$1.79-\$2.99. Last year, the national price was \$2.25. Midwestern wholesale prices are unchanged for Swiss cuts, but up \$.0725 for all other types. In CME Group trading Wednesday, barrels closed at \$1.5550, up \$.0500 from last Wednesday and blocks closed at \$1.5400, up \$.0600.

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

Process American 5# Loaf	:	1.5900-1.9500
Brick And/Or Muenster 5#	:	1.8400-2.2650
Cheddar 40# Block	:	1.5675-1.9625
Monterey Jack 10#	:	1.8150-2.0200
Blue 5#	:	2.1075-3.0950
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6400-2.5800
Grade A Swiss Cuts 6 - 9#	:	2.4950-2.6125

WEST

In the West, interest from some cheese buyers is increasing, following signs of recent price strengthening. The motivator is believed to be that buyers expect pricing in the coming months to continue increasing, so buyers are interested in adding to stocks at current pricing. This is not without limits. There are manufacturers who indicate that while they received some inquiries from buyers this week, many of the buyers are not strongly motivated to act quickly because there is little sense of any shortages of cheese. This underlying factor can stall sales when manufacturers are firm in expecting stronger pricing than buyers currently wish to pay for cheese needed in the future, especially newer production. As a result, this is leading to some shopping around, testing various manufacturers to determine which one is more price flexible. A concern with some manufacturers is holding cheese that is getting a bit older and that cheese is often offered on a more price flexible basis. The DMN *National Retail Report-Dairy* for the week of June 10-16 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.39, up \$.16 from last week, but down \$.19 from a year ago. Packs average \$2.19 in the Southwest and \$1.85 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.23, down \$.03 from last week, and down \$.02 from a year ago. Blocks average \$2.21 in the Southwest and \$2.57 in the Northwest this week. In the West, wholesale prices are up \$.0725 for process, cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. In CME Group trading Wednesday, barrels closed at \$1.5550, up \$.0500 from a week ago and blocks closed at \$1.5400, up \$.0600.

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

Process 5# Loaf	:	1.6050-1.8625
Cheddar 40# Block	:	1.5725-2.0175
Cheddar 10# Cuts	:	1.7525-1.9725
Monterey Jack 10#	:	1.7625-1.9225
Grade A Swiss Cuts 6 - 9#	:	2.5550-2.9850

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

	BUTTER	: CHEESE
06/13/16	31,173	: 93,348
06/01/16	29,810	: 97,584
CHANGE	1,363	: -4,236
% CHANGE	5	: -4

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CHEESE MARKETS

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FOREIGN

In the EU, demand for sliced cheese is strong in the face of supply limitations. This is leading to price strength, and manufacturer reluctance to accommodate new customers so as to give priority to existing accounts. Milk supplies available to cheesemakers are tightening, which limits the ability to increase production. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices increased \$0.0725 following higher weekly average CME Group block prices. The remaining prices are unchanged. GTA reports that January-March 2016 compared with one year earlier, cheese export percentage changes in the top exporting areas were: New Zealand, +14%; EU-28, +14%; and United States, -18%.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2300	: 2.0350-3.5225*
Gorgonzola	: 3.6900-5.7400	: 2.5425-3.2600*
Parmesan (Italy)	: -0-	: 3.4250-5.5150*
Romano (Cows Milk)	: -0-	: 3.2250-5.3750*
Sardo Romano (Argentine)	: 2.8500-4.7800	: -0-
Reggianito (Argentine)	: 3.2900-4.7800	: -0-
Jarlsberg-(Brand)	: 2.9500-6.4500	: -0-
Swiss Cuts Switzerland	: -0-	: 3.0150-3.3375
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

2016 U.S. Cheese Imports (USDA-FAS)

	2016 Imports (Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
May Quota	16.2	- 11.3	5.4
TOTAL, Jan - MAY			
High Tier	18.2	+ 27.1	...
Quota	91.7	+ 17.5	30.7

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	125	0	160	0	70
SOUTHEAST STATES	0	0	0	0	0	0

Milk handlers report little change in Northeast milk production as output remains strong. Class I sales dipped with closings of most schools. Processing operations continue to operate full production schedules. Milk intakes are steady to higher. Mid-Atlantic area milk production is steady through mid-week. The market expects declines in milk output and butterfat levels with impending warmer temperatures. Milk production is steadily declining in the Southeast area of the region. Handlers note declines in load sizes, due to increasing cow stress caused by hot/humid conditions. With the declines, deliveries are being pulled from a few manufacturing facilities to provide for fluid milk needs. Florida's heat index currently looms above 100. The impact on cow comfort lends to the steady decline in the state's milk production. Class I orders are down. Market sources expect sales to level. Most schools have closed for the summer. Export f.o.b. milk shipments totaled 125 this week. According to the *DMN National Retail Report-Dairy*, for June 10-16, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.32, down 8 cents from last week and down 31 cents from a year ago. Southeast half gallons of milk are priced at \$2.56, down 44 cents from the last week. **Condensed skim** is plentiful. Contracted condensed sales are active, but few transactions occur in the spot market. Class III utilization is improving. Traders tend to discount loads and agonize over freight costs when moving shipments long distances. Producers' condensed skim volumes are actively moving to dryer processing. This week, East region **cream multiples** for all Classes ranged **1.20-1.42**. However, most cream sales occurred between 1.30-1.40 multiples. With seasonal cream interest building from ice cream and overall butterfat demand, the market expects multiples to move even higher. Wednesday's CME Group cash trading saw Grade AA butter close at \$2.3550, up significantly \$0.1825, 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 - 2.6094-3.0878
 F.O.B. producing plants: upper Midwest - 2.5659-2.7834
 PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B. PRODUCING PLANTS:
 Northeast - Class II - includes monthly formula prices - .15-.80
 Northeast - Class III - spot prices - .10-.55

MIDWEST

Many market participants believe farm level milk production has leveled off in the North Central area. Warming temperatures and rising humidity have put a cap on the increasing milk supply in the Central region. Although farm level milk production appears to no longer be climbing, outputs remain high. Orders for bottled milk from educational institutions have seasonally declined. Bottling plants are sending unneeded loads back to milk marketers and balancing plant operators. A few market participants speculate readily available spot loads of milk can be more heavily attributed to

schools closing for the summer than to spring flush levels of milk production at this point. They speculate as warmer weather prevails, spot loads of milk will be offered at smaller or no discount. Spot loads range from \$1.00 to \$3.50 under class this week. Cream is tightening in the Central region. The pull for cream into ice cream is strong. Ice cream and frozen dessert manufacturers are dominating the spot cream market. Cream multiples are reported from 1.18-1.28 this week. Market participants share that cream is more readily available toward the end of the week at lower multiples. The cream market undertone is firming. The *DMN National Retail Report-Dairy* for June 10-16 noted the national weighted average advertised price for one gallon of milk was \$2.32, down \$0.12 from a week ago, and \$0.31 lower than a year ago. The weighted average regional prices in the Midwest and South Central were \$1.96 and \$2.28, respectively. Abnormally dry weather is scattered throughout the Central region. However, topsoil moisture is at adequate levels for the majority of the region. Farmers in the North Central area are making great progress on the first cutting of alfalfa hay. Winter wheat and oat harvest is in full swing in the South Central area.

WEST

The overall milk production trend is declining in California as the season advances and daytime temperatures increase. Bottler demand for milk is steady, as many school districts have begun summer meal programs for school-aged children. Retail demand is generally steady. Processors note sales of milk into ice cream/frozen dessert manufacturing facilities are higher for the week. In-store features focus on ice cream and yogurt. Forage sellers indicate demand for supreme quality alfalfa hay is improving and prices have moved higher. Good quality alfalfa hay shows light demand and supplies are ample. Alfalfa irrigation, cutting and baling continues. Increasing temperatures are impacting dairy herd comfort in Arizona and milk production is trending downward. Milk processors are taking in loads from out of state as various Class III/IV manufacturers modify weekly orders to accommodate maintenance projects. Fluid orders are unchanged. Cream sales are steady. Alfalfa harvest continues throughout the state, with conditions rating as mostly good to excellent. In New Mexico, producers are noting a steady downturn in milk production as daytime temperatures increase. Nighttime temperatures are offering some relief to dairy herds, but not sufficiently to maintain milk production. Handlers are shipping some milk loads out of state to find processing room. Class I weekly sales stepped lower, but Class II sales took up some of that milk to increase ice cream/frozen dessert manufacturing. First and second cutting alfalfa harvest is ongoing with the majority of the crop rated as fair to good. According to the *DMN National Retail Report-Dairy* for the week of June 10-16, the national weighted average advertised price for one gallon of milk is \$2.32, down 12 cents from last week, and 31 cents lower than a year ago. The weighted average regional price in the Southwest is \$3.99. Spot cream availability is steady to tighter, depending on the characteristics buyers want. In addition, butterfat components in farm milk intakes are trending seasonally lower. Ice cream/aerated cream production is trending higher and taking more cream, on a contract basis, out of the market. Multiples for all classes are steady, ranging from 1.03 to 1.24. Buyers rejected some cream loads upon

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

arrival due to delivery temperatures being too high. Farm milk production trends in the Pacific Northwest are steady to slightly lower as recent higher daytime temperatures continue to affect milk output. Processors indicate that spot milk loads are less available, with few offers circulating within the area. However, most processors indicate they are content with the intake volumes currently coming into their plants and they are not seeking additional loads. Sales into fluid are steady, however, with some additional summer meal programs scheduled to begin in late June, bottlers anticipate an uptick on orders in the near term. Idaho and Utah milk production is unchanged from the previous week. With many processors receiving milk via contracted volumes, area milk is readily finding processing room. Bottlers report they are receiving some orders that support summer meals being offered through the area. First crop hay cutting has begun in both states, with progress surpassing year ago and 5 year averages in Utah.

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: Low/medium nonfat dry milk prices in the Central region are mixed. Some manufacturers are taking advantage of what they see as firming prices and are moving loads at premiums. Sales are mixed. A few manufacturers report a rise in demand. Other market participants feel there is little interest in spot loads. Production is active this week as the Central region milk supply continues to be plentiful. Inventories are mostly long. Off specification low/medium heat NDM is available in the marketplace. A few market participants note sizeable amounts of low/medium heat NDM moving to international outlets. Overall, industry contacts report more interest from international markets than domestic for low/medium heat NDM. The market undertone is mixed. High heat NDM prices are unchanged. Production is steady. Manufacturers report interest from buyers outside of contracts. However, there is little high heat NDM available that is not already spoken for. The market undertone is steady.

EAST: Prices for low/medium nonfat dry milk are mixed in the range, but higher in the mostly series, resulting from active trading in the f.o.b. spot market. While expecting prices to move higher, a few buyers made forward purchases. Other buyers capitalized on lower pricing through large single sale transactions. Seasonally heavy condensed skim supplies drive heavy low/medium heat NDM production at regional drying facilities. Plant inventories are building. As it stands, current market prices seem to ignore a strong supply side. For the week, the demand side seems to have taken off with increasing loads exchanging hands. Typically, interest grows with rises in ice cream and ice cream mix production. Loads are actively trading in the export market as well. The low/medium NDM market undertone remains firm. Wednesday at the CME Group, Grade A NDM closed at \$0.8300, up \$0.0450 cents since last Wednesday. High heat nonfat dry milk prices advanced on f.o.b. spot sales. Sources indicate high heat nonfat dry milk availability in the East is somewhat tight. In some cases, producers find it challenging to schedule high heat NDM production runs. Customers' near-term needs are satisfied on time. The market undertone is firming.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7475 - .9000 MOSTLY: .8000 - .8500
 HIGH HEAT: .8800 - .9800

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk (NDM) prices are steady to higher in the mostly prices series. Market participants are closely watching the CME Group daily prices as some stress existing NDM prices are unsupported. Consequently, this firming market is viewed as short term. Manufacturers are primarily moving supplies through contracts. Spot sales are slow as buyers wait to see if markets will soften, based on increasing NDM supplies. Low/medium NDM production output exceeds near term demand. A few manufacturers' inventories hold committed loads. Most buyers/brokers are maintaining minimal inventory levels. High heat nonfat dry milk prices shifted upward as stocks diminish. Producers are typically able to meet regular customer commitments, but supplies are limited for spot transactions. In general, the NDM market undertone is steady to firm.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7300 - .8900 MOSTLY: .7800 - .8500
 HIGH HEAT: .9100 - 1.0000

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
June 10	\$.7721	8,284,927
June 3	\$.7468	18,918,883

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

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Central dry buttermilk prices are higher this week. Dry buttermilk stocks have come down to comfortable levels for many manufacturers. Several market participants report having little to no stocks on hand. There is spot load availability, but loads are moving at market overages. Dry buttermilk production is ongoing. A few manufacturers have slightly slowed production to match recent slowdowns in butter churning. Demand is steady. Buyers continue to honor contracts and have sporadic interest in additional spot loads. Ice cream and frozen dessert manufacturers have picked up production to seasonal highs and are turning to dry buttermilk manufacturers for supplies. The market undertone is firming.

EAST: Dry buttermilk prices moved higher on f.o.b. spot transactions. Production is slowing. Available cream for butter making is limited. With increasing ice cream production, less condensed buttermilk finds its way to drying. Producers' inventories are adequate for meeting most customers' near-term needs. The spot market remains rather quiet, with few trades occurring. Otherwise, the purchasing practice of buyers in the market is typically on as-needed bases. Market participants tracking the NDM price anticipate the dry buttermilk price to move in a similar direction. The market undertone is steady to firm.

F.O.B. CENTRAL/EAST: .7100 - .8000

DRY BUTTERMILK - WEST

Western dry buttermilk prices are unchanged in the range and mostly series. Limited spot transactions occurred over the course of the week. Production has slowed as greater volumes of regional cream supplies clear to alternate dairy processing use. Market demand is somewhat sluggish, with buyers making purchases according to immediate buying needs. The undertone is steady.

F.O.B. WEST: .6200 - .7500 MOSTLY: .6700 - .7300

DRY WHOLE MILK - NATIONAL

Prices for national dry whole milk trended higher on the upper end of the price series this week with light trading. Production is intermittent and mostly on an as needed basis. A few producers report having spot load availability. Demand outside of contracts is limited. Inventories are steady. The market undertone is mixed.

F.O.B. PRODUCING PLANT: 1.1800 - 1.3700

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

Dry whey prices are mostly higher this week. Industry contacts feel the market continues to firm. Dry whey production is ongoing. Market participants report sales have slowed down this week, after several weeks of heavy trading. Manufacturers report getting fewer inquiries from buyers for extra loads outside of contracts. A few manufacturers have taken advantage of the recent rise in interest for dry whey and have secured contracts through the end of the year. Some market participants report short inventories after several weeks of strong sales. However, other industry contacts speculate that despite active trading there is still a readily available supply of whey in the Central region. International interest is present, although inquiries from world markets reportedly decreased this week. The market undertone is firm. Animal feed whey prices are unchanged. A few feed blenders report a recent lull in spot sales as calf prices reportedly climb. However, contracts continue to be filled. Production is steady. Manufacturers are working through whey inventories and blending with high protein dairy powders. Several industry contacts report offers for a variety of off specification dried dairy powders. The market undertone is mixed.

F.O.B. CENTRAL: .2200 - .2900 MOSTLY: .2250 - .2700
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1300 - .2125

DRY WHEY - NORTHEAST

Dry whey prices moved slightly higher on f.o.b. spot sales and movement along indices. Cheese production remains steady, creating whey streams that add to existing dry whey inventories. While few loads exchanged hands in a fairly quiet spot market, contract sales are active. The Northeast dry whey market has a firm undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2500 - .2875

DRY WHEY - WEST

Western whey prices increased at the top of the price range, but remained steady elsewhere. Contracted transactions account for significant volumes of whey moving in the West, with spots being lower volumes. However, spot transactions are the factor nudging the price range up. Domestic price strength is consistent with recent whey price increases in the EU markets. Some early indications of relatively tighter dry whey supplies in the West are mentioned. Sellers and buyers are comfortable with inventory volumes, and this has mostly been viewed as bringing more balance to inventories.

NONHYGROSCOPIC: .2100 - .3000 MOSTLY: .2175 - .2600

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for WPC 34% are steady to slightly higher on the upper end of the mostly price series. Production is active this week. Many manufacturers mention being able to easily move additional loads if they have uncommitted WPC 34% on hand. However, very few producers note having any WPC 34% that isn't already spoken for. A few manufacturers report push back from buyers when they increased their prices. Large amounts of WPC 34% are being exported to the world markets. Some international buyers are willing to pay premiums for WPC 34% that meets their standards. Several domestic end users are seeking dairy protein alternatives for WPC 34% both for price and availability reasons. Because of this, some manufacturers are choosing to produce WPC 80% in lieu of 34%. The market under tone is firm.

F.O.B. EXTRA GRADE 34% PROTEIN: .5500 - .7700 MOSTLY: .6100 - .7000

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged this week. Production is active. Manufacturers are running full schedules in efforts to match strong demand. Industry participants have been working to secure Q3 contracts. Tight inventories and high demand have some buyers prepared to pay market premiums for lactose. Contracts continue to be filled, but sales outside of commitments are scattered, mostly due to tight supplies. Several manufacturers report being sold out in the short term. International interest is strong. A few industry contacts report Europe having little involvement in the lactose market, boosting interest in U.S. lactose. High mesh lactose is increasingly difficult to find and inventories are very short. The market undertone is firm.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2000 - .3775 MOSTLY: .2200 - .2950

CASEIN - NATIONAL

Casein production in some regions is slowing, which contributed to prices for both rennet and acid casein increasing at the bottom of the price range. Some buyers seeking casein in parts of the EU are told that production will not be scheduled once July begins. The cycle of EU milk production beginning to decline, plus a sense of more profitability in other dairy products is contributing to less manufacturer interest in making casein. In New Zealand, the milk producing season is nearly over and milk volumes are cyclically low. A number of sellers have low inventories. Seasoned buyers have already arranged to be supplied, but buyers seeking spot loads will be increasingly challenged in coming weeks to find a seller. At GDT Event 166 on June 15, rennet casein July contract prices increased 2.0%.

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: 2.3500 - 2.7000
ACID: 2.4375 - 2.8000

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
05/28/2016	51.1	1,254.4	46.6	1,268.2

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

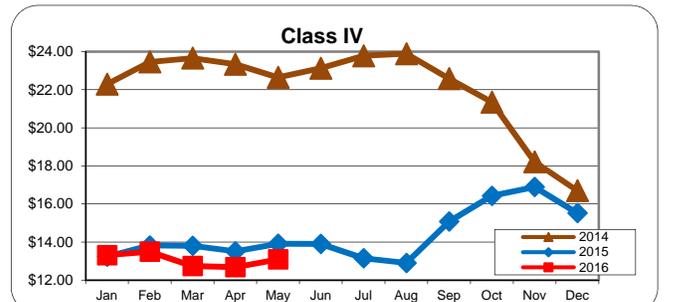
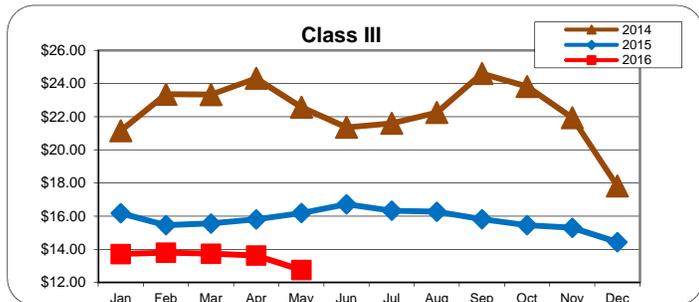
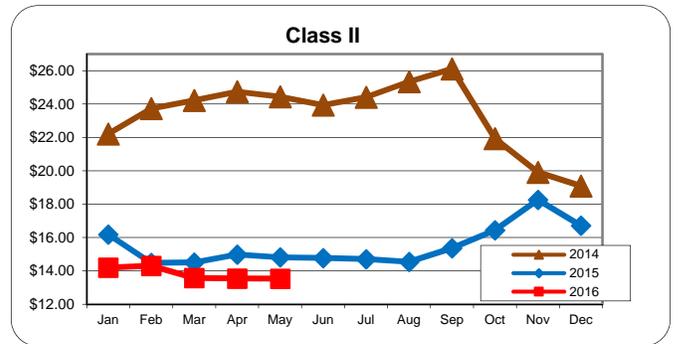
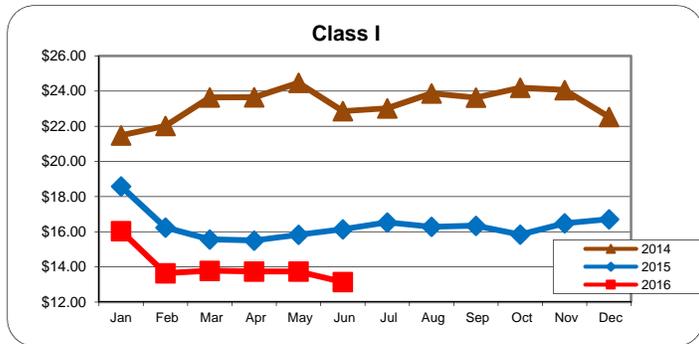
CLASS IV MILK PRICES (3.5%)

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	13.74	13.70	13.14						
II	14.19	14.30	13.57	13.54	13.53							
III	13.72	13.80	13.74	13.63	12.76							
IV	13.31	13.49	12.74	12.68	13.09							

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



ORGANIC DAIRY MARKET NEWS

Information gathered June 6 - 17, 2016

ORGANIC DAIRY FLUID OVERVIEW

AMS reports April 2016 total organic milk products sales at 213 million pounds, up 3.3% from the previous year. Sales are up 4.0%, January through April 2016, compared with the same months of 2015.

April organic whole milk sales are 77 million pounds, up 15.6% from April last year. Year to date organic whole milk sales are up 14.2% compared to sales within the same period last year.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, April 2016, WITH COMPARISONS 1/

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

ORGANIC PRODUCTION PRACTICE

Whole Milk	77	304	15.6	14.2
Reduced Fat Milk (2%)	64	266	6.6	11.3
Low Fat Milk (1%)	38	147	-1.7	-3.1
Fat-Free Milk (Skim)	27	110	-11.3	-10.5
Flavored Fat-Reduced Milk	7	30	-33.1	-32.0
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk 3/	136	553	-2.5	-0.8
Tot. Organic Milk Products	213	858	3.3	4.0

*Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of "An Overview of Calendar Composition of Fluid Milk Sales." 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim, and flavored fat reduced milk. 4/ Sales volumes and percent changes have been adjusted for calendar composition.

Organic Milk Pay Price Strife. The gains in organic milk volumes compared with April last year and January-April a year ago, in isolation, seem positive. During the previous year, monthly reports for certain months showed organic milk volumes below year earlier levels, causing concern. The currently reported gains have now become interwoven with a developing contentiousness between some organic dairy producers and their representative organizations, and organic dairy processors. A member organization representing many organic dairy producers in the West is publicizing and opposing recent efforts by some processors to cut organic dairy pay prices in the region. The reason given by processors for the cut is oversupply of organic milk. A number of organic producers with contracts have been asked by processors to renegotiate pay price provisions. Producers note that the processors citing oversupply as a basis to cut pay prices continue to add new producers, which seems contradictory.

Loyalty is questioned. Affected producers point out that they remained loyal to the processors in recent years when low pay prices and high feed costs made it difficult for many producers to continue in operation. Many who continued in business producing organic milk did so by deferring maintenance, taking on debt, or slightly reducing herd sizes. Now the recent rebound in pay prices above reduced feed costs has begun to allow catching up with needed maintenance or debt repayment. Thus, the pending reduction in pay prices is jarring. A related point of contention is the belief by producers that processors have come to rely on lower cost imported organic milk powder, butter, and cheese, in preference to offering pricing to help further develop domestic organic milk production.

The producer organization expresses some willingness to work to reduce producer volumes if needed to balance milk supplies, but opposes reducing pay prices as a unilateral technique.

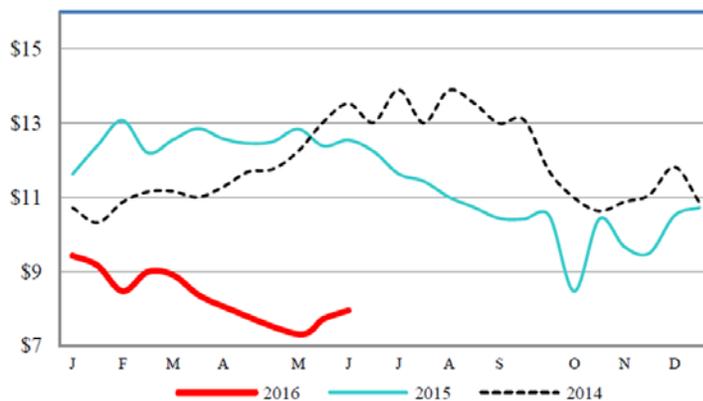
This week an organic dairy cooperative in the Northwest filed suit in Federal court against a cheese manufacturer who was alleged to have refused to honor a commitment to purchase a certain volume of organic milk at a specified price. The cooperative subsequently sold the milk elsewhere at a lower price, but alleges that the price difference is a measure of damages. The cheese manufacturer in response said no writing that would constitute an enforceable contract was ever signed, asking the court to dismiss the lawsuit. The court has taken no action at this point.

Organic Grain. Organic grain movement was mostly on old crop contracts.

Trade was inactive on food grade corn and soybeans, roasted soybeans, barley, soft red winter, hard red winter, and hard red spring wheat. Feed grade corn prices were 23 cents higher FOB than the prior trading period. Feed grade soybeans traded light. Soybean meal trade activity demand was light. Soybean oil traded steady with limited trades. Forward contract activity on new crop organic grains slowed, with steady prices.

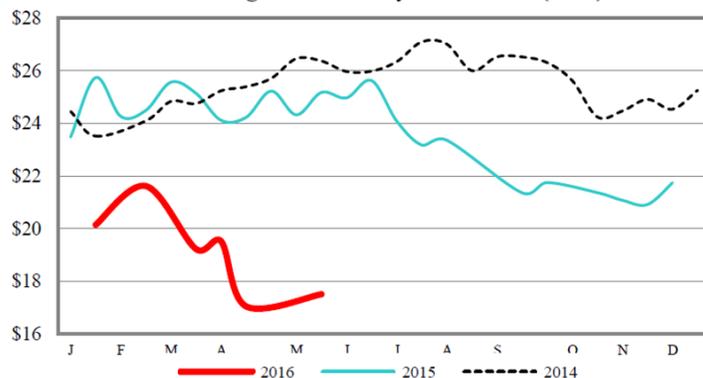
Data source/graph USDA Livestock, Poultry & Grain Market News

National Organic Feed Corn Prices (\$/bu)



Data source/graph USDA Livestock, Poultry & Grain Market News

National Organic Feed Soybean Prices (\$/bu)



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

ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk accounts for 43% of organic dairy ads, cheese 17%, yogurt 13%, sour cream 11%, butter 10%, and cottage cheese 7%. Organic ad numbers show an increase, as ad numbers rose 19%. Sour cream 16 ounce reported a significant increase in ad volume, as ads grew 120% over the previous survey period. Organic yogurt 4-6 ounce packages saw the biggest drop in ads, 88% compared to the previous survey period. Combined yogurt ads dipped 54%, but combined cheese ads rose 56%.

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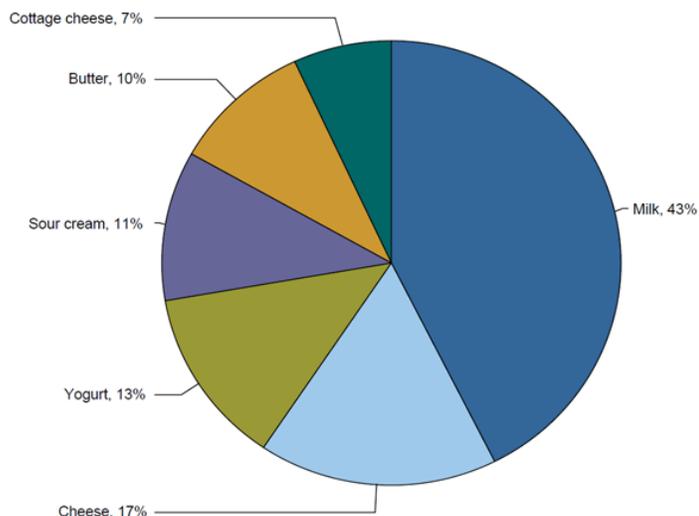
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ORGANIC DAIRY MARKET NEWS

Information gathered June 6 - 17, 2016

Midwest, South Central, Southwest, and Northwest regions.

Percentage of Total Organic Ads by Commodity



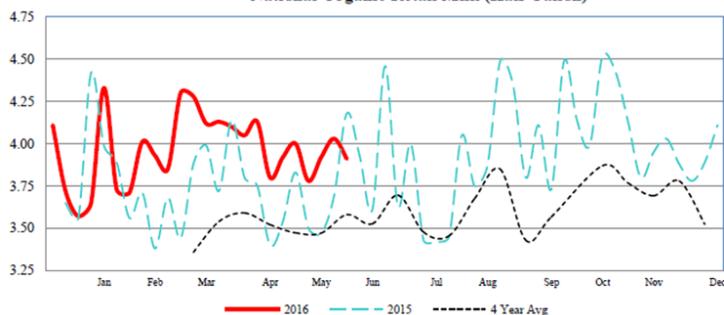
Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from June 10-16, 2016 identifying weekly “specials” and containing organic dairy content. Surveyed ads reflect advertised “specials” and not the range of non-advertised supermarket cooler prices.

Complete results of this weekly survey providing additional graphs, tables and regional delineation, follow at the end of Dairy Market News, or can be accessed at: <http://www.ams.usda.gov/market-news/retail-dairy-market-news>

Organic Milk Half Gallons. The U.S. weighted average advertised price of organic milk half gallons is \$4.20, up 29 cents from last week and up 27 cents from a year ago. Ads appeared in all regions

Data source/graph USDA/AMS/Dairy Market News

National Organic Retail Milk (Half Gallon)



Organic Milk Gallons. The U.S. weighted average advertised price of organic milk gallons is \$6.47, 82 cents more than the previous week and 56 cent more than last year. Ads appeared in the Northeast, Southwest and Northwest regions.

8 Ounce Block Organic Cheese. The U.S. weighted average price of 8 ounce organic cheese blocks is \$4.65, down 1 cent from last week. Ads appeared in the Northeast and Southwest regions.

8 Ounce Shred Organic Cheese. The U.S. weighted average price of 8 ounce organic cheese shreds is \$3.89, down 14 cents from last week. Ads appeared in the Southeast, South Central, Southwest and Northwest regions.

4-6 Ounce Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce organic Greek yogurt is \$1.19, up 4 cents from last week and up 9 cents from a year ago. This week ads appeared in all but Hawaii and the Southeast region.

1 Pound Organic Butter. The U.S. weighted average price of 1 pound organic butter is \$5.50, down 25 cents from last week and down 2.49 from the previous year. Retail ads appeared in the Northeast, South Central, Southwest and Northwest regions.

Organic Sour Cream. The U.S. weighted average price of 16 ounce sour cream is \$3.37, up 47 cents from last week. Ads appeared in the Southeast,

June Supply and Demand Estimates

Milk production forecasts for 2016 and 2017 are raised from last month as recently reported cow numbers indicate the herd continues to expand. No change is made to output per cow. Fat and skim -solids basis export forecasts for 2016 and 2017 are lowered as international supplies of dairy products remain abundant and U.S. prices remain high relative to those of competitors. Fat and skim-solids basis stocks are forecast higher as stocks of butter and cheese are expected to remain relatively high. Fat basis imports are reduced for both 2016 and 2017 on expectations of slower imports of butterfat products, and to a lesser extent, cheese. Cheese and butter prices for 2016 are forecast higher based on recent price data and lower forecast imports, despite relatively large stocks. The nonfat dry milk (NDM) price is raised based on recent price strength. The whey price forecast is unchanged at the midpoint. Cheese prices are forecast lower for 2017 as relatively high stocks pressure the market, but the prices of butter, NDM, and whey are unchanged from last month. Class III and Class IV price forecasts are raised for 2016 on component product prices. For 2017, the Class III price is lowered on lower cheese prices, but the Class IV price is unchanged. The all milk price is forecast higher at \$14.95 to \$15.35 per cwt for 2016, but is unchanged at \$15.25 to \$16.25 per cwt for 2017.

U.S. Milk Supply and Use					
Commodity	2015	2016 Projected		2017 Projected	
		May	Jun	May	Jun
<i>(billion pounds)</i>					
Milk					
Production	208.6	212.4	212.6	215.2	215.3
Farm Use	1.0	1.0	1.0	1.0	1.0
Fat Basis Supply					
Beginning Commercial Stocks	11.2	13.3	13.3	12.9	13.1
Marketings	207.7	211.4	211.6	214.2	214.3
Imports	5.7	7.7	6.8	7.0	6.7
Total Commercial Supply	224.6	232.4	231.7	234.1	234.1
Fat Basis Use					
Commercial Exports	8.8	8.9	8.5	9.1	8.7
Ending Commercial Stocks	13.3	12.9	13.1	12.0	12.2
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	202.5	210.7	210.2	213.0	213.2
Skim-Solid Basis Supply					
Beginning Commercial Stocks	13.1	13.9	13.9	14.1	14.3
Marketings	207.7	211.4	211.6	214.2	214.3
Imports	5.9	6.4	6.4	6.2	6.2
Total Commercial Supply	226.7	231.7	231.8	234.5	234.8
Skim-Solids Basis Use					
Commercial Exports	37.3	36.2	36.0	37.6	37.1
Ending Commercial Stocks	13.9	14.1	14.3	13.7	14.0
CCC Donations	0.0	0.0	0.0	0.0	0.0
Domestic Commercial Use	175.5	181.3	181.5	183.2	183.7

NOTE: Totals may not add due to rounding.

Continued on page 10

June Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices					
Commodity	2015	2016 Projected		2017 Projected	
		May	Jun	May	Jun
<i>(dollars per pound)</i>					
Product Prices ¹					
Cheese	1.6454	1.455-1.505	1.475-1.515	1.540-1.640	1.535-1.635
Butter	2.0670	1.985-2.065	2.050-2.120	1.880-2.010	1.880-2.010
Nonfat Dry Milk	0.9016	0.740-0.780	0.760-0.800	0.855-0.925	0.855-0.925
Dry Whey	0.3804	0.235-0.265	0.240-0.260	0.255-0.285	0.255-0.285
<i>(dollars per cwt)</i>					
Milk Prices ²					
Class III	15.80	13.15-13.65	13.40-13.80	14.05-15.05	14.00-15.00
Class IV	14.35	12.65-13.25	13.15-13.65	13.15-14.25	13.15-14.25
All Milk ³	17.12	14.60-15.10	14.95-15.35	15.25-16.25	15.25-16.25
Quarterly					
	2016 I	2016 II ⁴	2016 III ⁴	2016 IV ⁴	2017 I ⁴
<i>(billion pounds)</i>					
Milk Production	53.0	54.5	52.6	52.5	53.3
<i>(dollars per cwt)</i>					
All Milk Price ^{2,3}	15.70	14.50-14.70	14.60-15.10	15.05-15.85	14.90-15.90
Class III Price ²	13.75	13.00-13.20	13.45-13.95	13.35-14.15	13.40-14.40
Class IV Price ²	13.18	12.95-13.25	13.40-14.00	13.05-13.95	12.55-13.65

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

Source: U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-554, June 10, 2016*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, Chairperson, WAOB; Roger Cryan, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Milton Madison, FSA].

Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, March 2016, With Comparisons

In March 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.96 per cwt, down \$0.52 per cwt from the February 2016 average and down \$1.64 per cwt from the March 2015 average. The component tests of producer milk in March 2016 were: butterfat, 3.80%; protein, 3.13%; and other solids, 5.75%. When compared to the previous month, the March Mailbox prices decreased in all 19 Federal milk order reporting areas. The Southern Missouri area experienced the greatest decrease of \$1.22 per cwt and the Minnesota area experienced the smallest decrease of \$0.22 per cwt. Averaged over all Federal milk order reporting areas, the March 2016 Mailbox price decreased an average of \$0.59 per cwt. Mailbox prices in March 2016 ranged from \$16.36 in the New England States to \$13.48 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	March 2015	February 2016	March 2016
	<i>(dollars per hundredweight)</i>		
New England States ³	18.08	17.06	16.36
New York	16.67	15.72	15.08
Eastern Pennsylvania ⁴	16.56	15.87	15.10
Appalachian States ⁵	16.91	16.08	15.17
Southeast States ⁶	17.06	15.75	14.72
Southern Missouri ⁷	16.79	15.68	14.46
Florida	17.98	16.49	15.68
Western Pennsylvania ⁸	16.73	15.82	15.21
Ohio	16.85	15.56	15.18
Indiana	15.89	15.13	14.61
Michigan	15.56	14.17	13.51
Wisconsin	17.46	16.03	15.68
Minnesota	17.32	15.92	15.70
Iowa	16.74	15.59	15.31
Illinois	17.01	15.88	15.31
Corn Belt States ⁹	15.63	14.66	14.25
Western Texas ¹⁰	15.47	14.72	14.27
New Mexico	14.51	13.96	13.48
Northwest States ¹¹	16.65	14.81	14.56
All Federal Order Areas ¹²	16.60	15.48	14.96
California ¹³	14.45	13.99	13.61

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

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

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

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

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

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

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

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

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

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

¹¹ Includes Oregon and Washington.

¹² Weighted average of prices for all selected reporting areas.

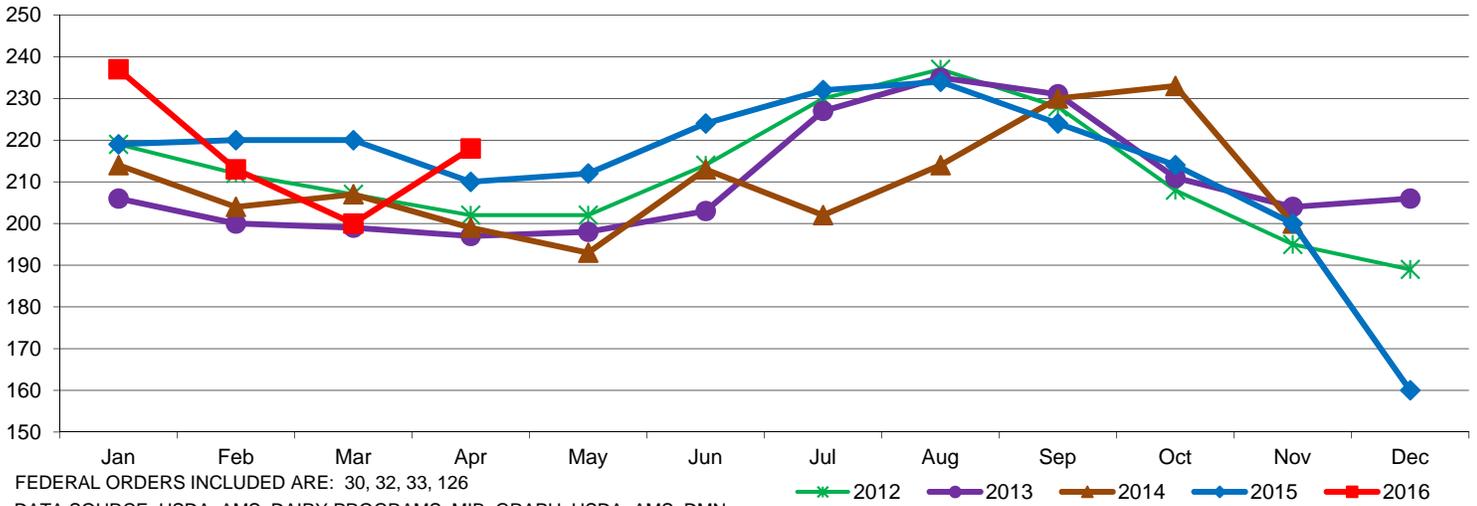
¹³ Calculated by California Department of Food and Agriculture, and published at:

<https://www.cdffa.ca.gov/dairy/uploader/postings/mailboxmap/Default.aspx>

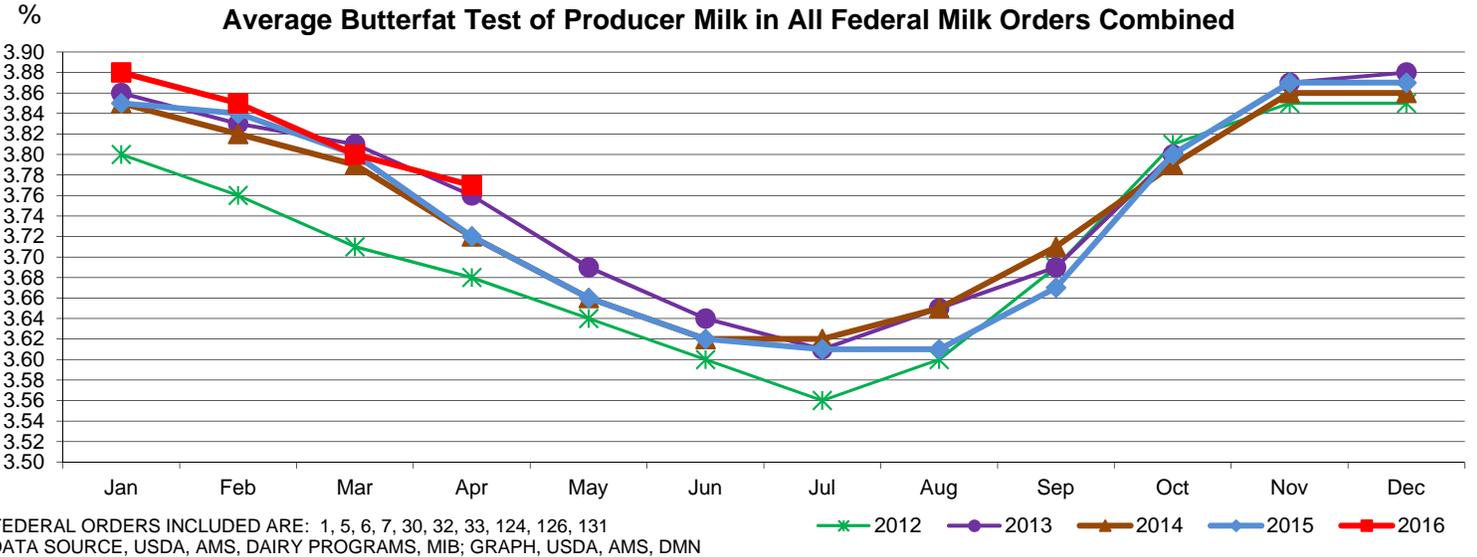
Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932

Average Somatic Cell Count of Producer Milk in Four Federal Milk Orders Combined

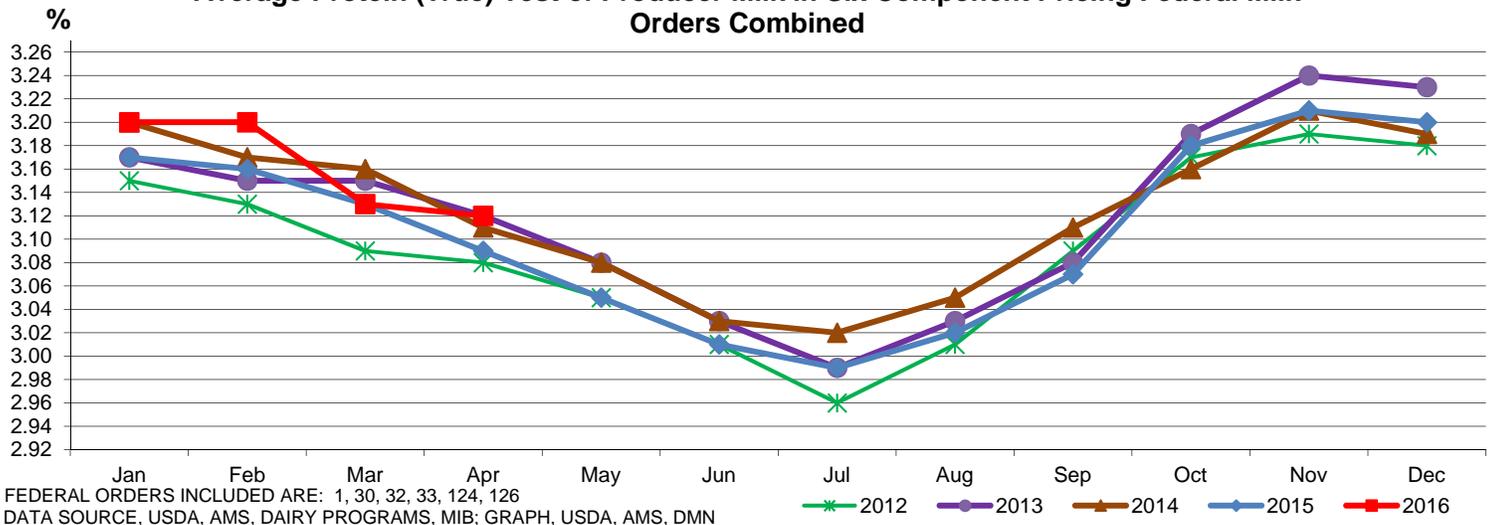
THOUSANDS



Average Butterfat Test of Producer Milk in All Federal Milk Orders Combined

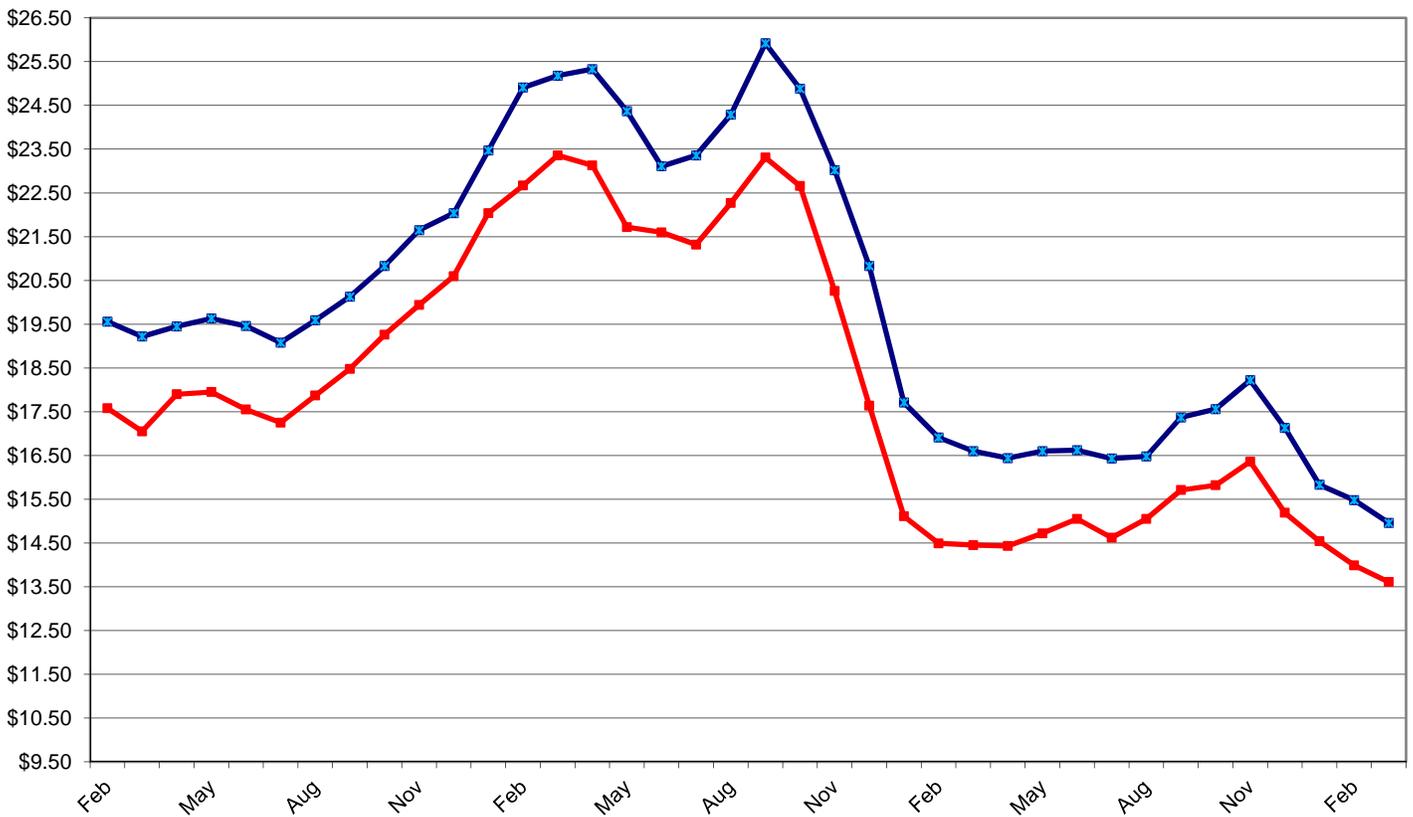


Average Protein (True) Test of Producer Milk in Six Component Pricing Federal Milk Orders Combined



Monthly Mailbox Price Average for Federal Orders And California

PER CWT.



DATA SOURCE: USDA, DAIRY PROGRAMS & STATE OF CALIFORNIA, CDFA; GRAPH: USDA, DMN

FO CA



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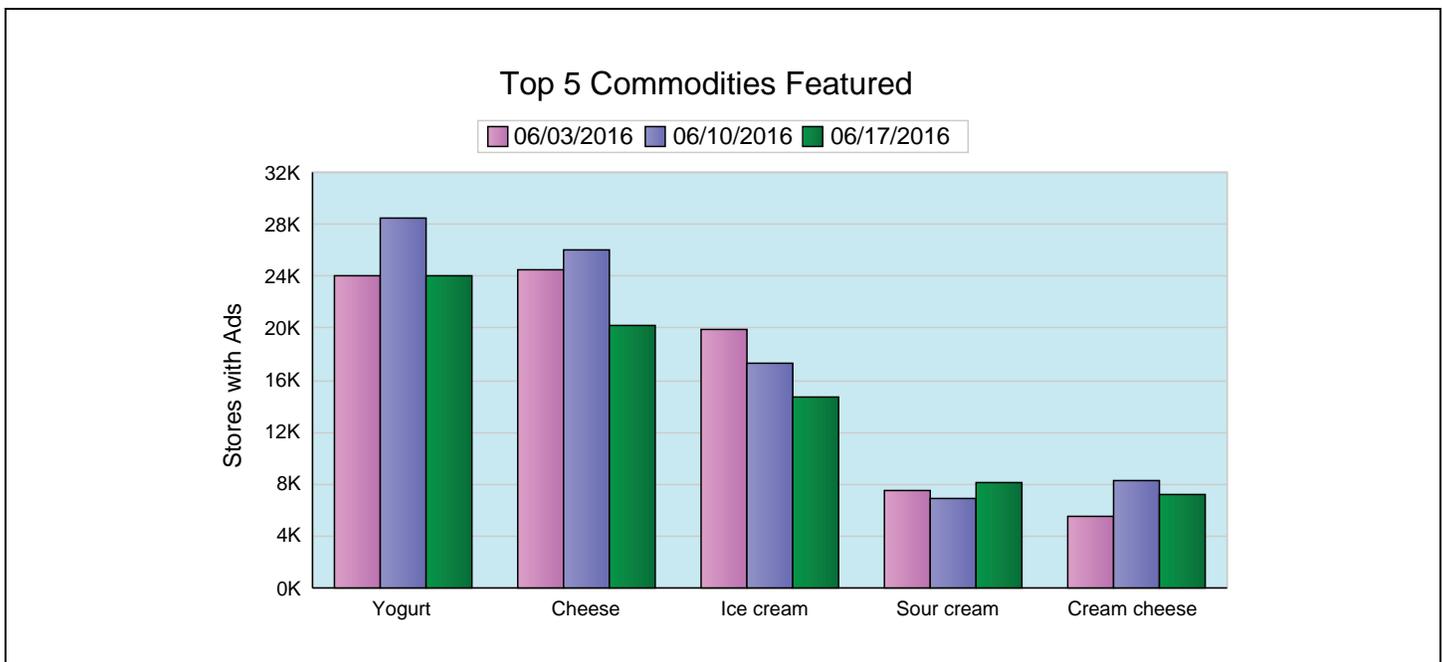
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 06/17/2016 to 06/23/2016

Total U.S. butter ad numbers nearly doubled this week. The weighted average advertised price, \$3.16, is down \$.17 from last week. Ad numbers for 48-64 oz. ice cream decreased 15% this week, while the average price, \$3.19, is up \$.12. Overall conventional ad numbers decreased 12% from last week.

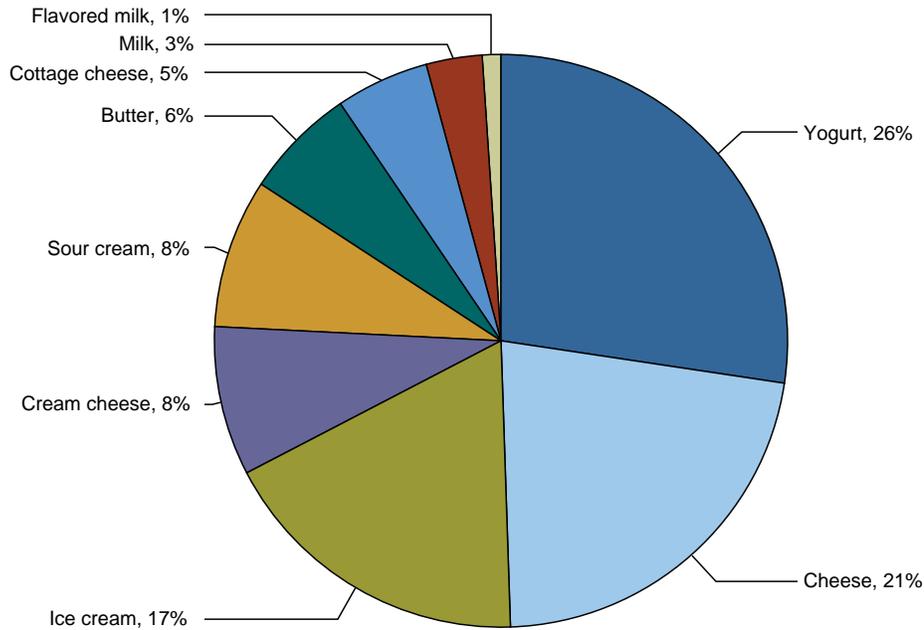
The average price for conventional yogurt in 4-6 ounce packages is \$.47, down \$.06 from last week. The average price of 4-6 ounce conventional Greek yogurt is \$.98, up \$.02 from a week ago. Conventional yogurt ad numbers are down 11% from last week, while organic yogurt ads are down 54%. The average price for organic Greek yogurt in 4-6 ounce packages is \$1.19, up \$.04 from last week.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.16, down \$.07 from last week; 8 ounce shred cheese averaged \$2.31, down \$.08 from last week. For 8 ounce organic cheese blocks, the U.S. advertised price averaged \$4.65, down \$.01 from last week. Conventional cheese ad numbers are down 26% from last week, while organic cheese ads are up 56%.

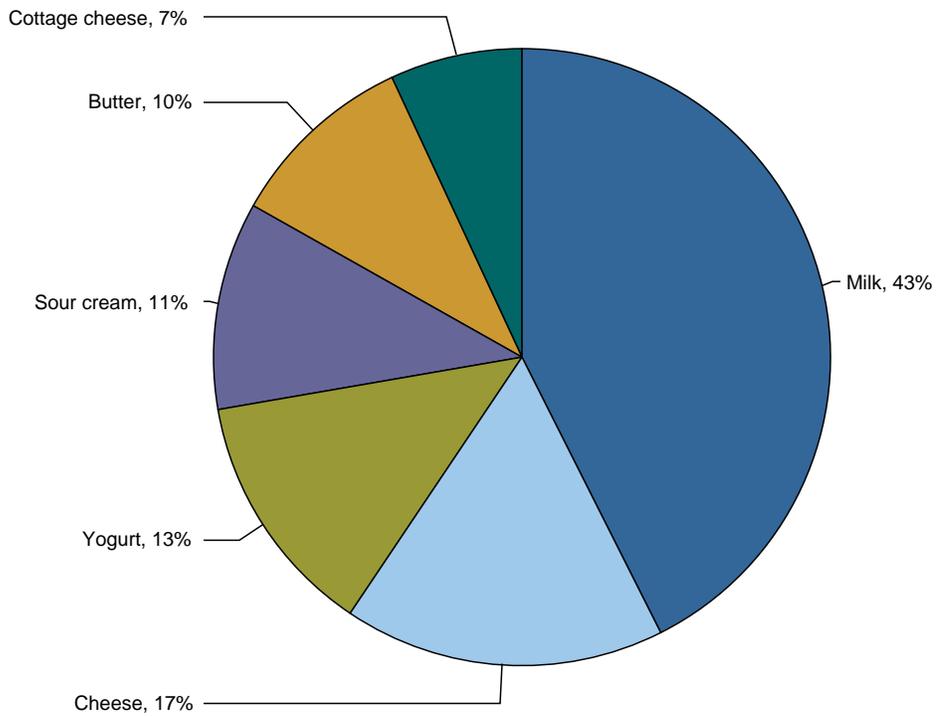
Organic and conventional half gallon milk have a price spread of \$2.38. The price spread is the difference between national weighted average prices for organic, \$4.20, and conventional, \$1.82. Conventional milk ad numbers decreased 32% from last week while organic milk ad numbers decreased 14%. Nevertheless, total conventional milk ad numbers are slightly over one half of total organic milk ad numbers.



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 #	5602	3.16	2824	3.33	4811	3.11
Cheese	Natural Varieties	8 oz block	4922	2.16	8605	2.23	8423	2.23
Cheese	Natural Varieties	1 # block	1828	4.74	1845	3.36	2292	5.17
Cheese	Natural Varieties	2 # block	690	6.99	682	5.90	446	5.48
Cheese	Natural Varieties	8 oz shred	10451	2.31	11555	2.39	9573	2.37
Cheese	Natural Varieties	1 # shred	570	3.40	2201	3.17	3468	4.31
Cottage cheese		16 oz	4750	2.04	5054	2.11	3186	1.94
Cream cheese		8 oz	7133	2.01	8187	1.93	5710	1.84
Flavored milk	All fat tests	half gallon	211	1.84	796	2.29	688	1.94
Flavored milk	All fat tests	gallon	892	3.64	996	3.20	202	4.59
Ice cream		48-64oz	14714	3.19	17240	3.07	16222	2.77
Milk	All fat tests	half gallon	275	1.82	963	1.97	1039	2.12
Milk	All fat tests	gallon	2042	2.51	2451	2.32	3272	2.52
Sour cream		16 oz	6991	1.69	6456	1.80	5546	1.69
Yogurt	Greek	4-6 oz	13786	.98	13237	.96	11796	.99
Yogurt	Greek	32 oz	2271	4.33	2439	4.43	3350	4.29
Yogurt	Yogurt	4-6 oz	5244	.47	8679	.53	7684	.52
Yogurt	Yogurt	32 oz	1475	2.24	1180	2.38	1458	2.77

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 #	2.47-3.99	1672	3.24	2.50-3.00	490	2.76	1.88-2.99	849	2.68
Cheese	Natural Varieties	8 oz block	1.49-2.50	1520	2.13	1.67-3.00	631	2.54	1.66-2.75	741	2.30
Cheese	Natural Varieties	1 # block	3.99	108	3.99	3.48-5.49	1278	5.18	3.33	127	3.33
Cheese	Natural Varieties	8 oz shred	1.49-2.99	2746	2.33	1.67-3.00	3313	2.44	1.88-2.75	804	2.37
Cheese	Natural Varieties	1 # shred	2.99-3.99	302	3.54						
Cottage cheese		16 oz	1.49-2.99	1313	2.25	1.00-2.00	1122	1.89	1.00-1.69	328	1.17
Cream cheese		8 oz	1.49-2.69	1586	2.11	1.00-2.50	2519	2.09	1.25-2.35	1277	1.94
Flavored milk	All fat tests	half gallon							1.69	106	1.69
Flavored milk	All fat tests	gallon	3.79	167	3.79				2.00-3.88	279	2.87
Ice cream		48-64oz	1.99-4.00	4265	2.79	1.99-5.00	5262	3.49	1.88-4.50	1187	3.00
Milk	All fat tests	half gallon	1.49-2.99	198	1.97						
Milk	All fat tests	gallon	2.50-3.99	192	3.34				1.49-2.49	599	1.90
Sour cream		16 oz	1.19-2.00	1614	1.59	1.00-2.00	1983	1.64	0.99-1.69	503	1.20
Yogurt	Greek	4-6 oz	0.75-1.25	3356	1.00	0.75-1.00	3293	.98	0.88-1.25	2127	1.05
Yogurt	Greek	32 oz	2.49-5.99	177	3.66	4.99	214	4.99	3.00-5.49	393	4.14
Yogurt	Yogurt	4-6 oz	0.40-0.60	1804	.47	0.44-0.50	1036	.49	0.39-0.59	875	.46
Yogurt	Yogurt	32 oz	1.99-2.99	285	2.40	1.99-2.49	274	2.11	1.99-2.00	176	2.00

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 #	1.99-2.77	287	2.41	2.49-4.29	1942	3.48	2.50-3.99	348	3.34
Cheese	Natural Varieties	8 oz block	1.49-2.00	814	1.94	1.77-2.50	986	1.97	1.99-2.50	135	2.25
Cheese	Natural Varieties	1 # block	4.49	114	4.49				2.99-3.99	190	3.35
Cheese	Natural Varieties	2 # block	6.99	162	6.99	6.99-7.98	307	7.34	5.99-6.99	210	6.49
Cheese	Natural Varieties	8 oz shred	1.88-2.99	1535	2.30	1.77-2.50	1524	2.06	1.99-2.49	463	2.11
Cheese	Natural Varieties	1 # shred	2.99	78	2.99				2.99-3.99	190	3.35
Cottage cheese		16 oz	1.50-2.49	342	1.78	1.00-3.19	1070	2.32	1.50-2.00	514	1.90
Cream cheese		8 oz	1.29-1.67	423	1.48	1.25-2.99	1049	2.06	1.00-2.50	256	1.53
Flavored milk	All fat tests	half gallon							2.00	105	2.00
Flavored milk	All fat tests	gallon				3.99	422	3.99			
Ice cream		48-64oz	2.49-5.99	1002	3.49	2.48-4.99	2404	3.12	2.88-3.50	416	3.04
Milk	All fat tests	half gallon	1.38	74	1.38						
Milk	All fat tests	gallon	1.99-4.69	515	3.21	1.89-2.49	228	2.19	1.79-2.79	463	2.14
Sour cream		16 oz	1.00-1.89	721	1.47	1.00-3.19	1626	2.00	1.50-2.00	478	1.82
Yogurt	Greek	4-6 oz	0.77-1.00	927	.93	0.69-1.00	2983	.93	0.88-1.00	980	.96
Yogurt	Greek	32 oz				2.99-5.29	1277	4.50	3.00-3.99	210	3.50
Yogurt	Yogurt	4-6 oz	0.39-0.50	540	.46	0.44-0.50	885	.46	0.30	69	.30
Yogurt	Yogurt	32 oz	1.99	141	1.99	1.77-3.50	461	2.38	2.00-2.50	138	2.25

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.50-4.99	8	4.62	4.59	6	4.59
Cheese	Natural Varieties	8 oz block	2.50-4.50	34	4.15	1.69-3.00	61	2.21
Cheese	Natural Varieties	1 # block	3.49	11	3.49			
Cheese	Natural Varieties	2 # block	4.88-7.99	11	6.87			
Cheese	Natural Varieties	8 oz shred	2.00-2.50	8	2.38	1.69-2.50	58	2.16
Cottage cheese		16 oz	1.98	3	1.98	2.50-2.79	58	2.62
Cream cheese		8 oz	2.69-2.99	23	2.96			
Flavored milk	All fat tests	gallon				5.49	24	5.49
Ice cream		48-64oz	2.98-4.50	32	3.61	2.75-7.99	146	4.72
Milk	All fat tests	half gallon				2.89	3	2.89
Milk	All fat tests	gallon	3.49	11	3.49	4.99	34	4.99
Sour cream		16 oz	2.00-3.98	39	3.49	1.99	27	1.99
Yogurt	Greek	4-6 oz	1.00-1.28	32	1.24	0.99-1.50	88	1.27
Yogurt	Yogurt	4-6 oz	0.60	29	.60	0.50-0.60	6	.55

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 #	1016	5.50	869	5.75	27	7.99
Cheese	Natural Varieties	8 oz block	551	4.65	612	4.66		
Cheese	Natural Varieties	8 oz shred	1144	3.89	524	4.03		
Cheese	Natural Varieties	1 # shred	80	3.99				
Cottage cheese		16 oz	667	3.49	593	3.55		
Cream cheese		8 oz			72	2.50		
Milk	All fat tests	half gallon	3445	4.20	2696	3.91	1062	3.93
Milk	All fat tests	gallon	795	6.47	1461	5.65	547	5.91
Milk	All fat tests	8 oz UHT	147	.85	918	.98	158	1.00
Sour cream		16 oz	1080	3.37	490	2.90		
Yogurt	Greek	4-6 oz	667	1.19	2037	1.15	579	1.10
Yogurt	Greek	32 oz			161	5.99	90	5.79
Yogurt	Yogurt	4-6 oz	59	.99	493	1.25	237	1.55
Yogurt	Yogurt	32 oz	294	3.60	133	4.13	213	3.00

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 #	4.49-5.00	143	4.79						
Cheese	Natural Varieties	8 oz block	5.99	59	5.99						
Cheese	Natural Varieties	8 oz shred				3.98	195	3.98			
Cottage cheese		16 oz				3.49	90	3.49			
Milk	All fat tests	half gallon	3.49-4.99	1314	4.31	3.50-4.49	275	3.72	2.99-4.79	551	4.19
Milk	All fat tests	gallon	5.99	84	5.99						
Sour cream		16 oz				3.49	90	3.49	3.49	137	3.49
Yogurt	Greek	4-6 oz	1.00	84	1.00				1.00	127	1.00
Yogurt	Yogurt	4-6 oz	0.99	59	.99						
Yogurt	Yogurt	32 oz	3.99	59	3.99						

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.99	276	3.99	5.99-6.99	492	6.49	5.79	105	5.79
Cheese	Natural Varieties	8 oz block				3.99-4.99	492	4.49			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz shred	2.99-4.99	634	3.81	3.99	246	3.99	3.99	69	3.99
Cheese	Natural Varieties	1 # shred	3.99	80	3.99						
Cottage cheese		16 oz				3.49	577	3.49			
Milk	All fat tests	half gallon	2.99-4.99	312	4.03	2.99-4.69	653	4.26	3.49-4.29	295	3.87
Milk	All fat tests	gallon				5.00-6.99	606	6.62	5.99	105	5.99
Milk	All fat tests	8 oz UHT	1.00	78	1.00				0.68	69	.68
Sour cream		16 oz	3.49	141	3.49	3.49	577	3.49	1.67-3.49	135	2.56
Yogurt	Greek	4-6 oz	1.00	78	1.00	1.50	246	1.50	1.00	121	1.00
Yogurt	Yogurt	32 oz	3.50	121	3.50	3.50	114	3.50			

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
Milk	All fat tests	half gallon	3.79	11	3.79	6.99	34	6.99
Yogurt	Greek	4-6 oz	1.25	11	1.25			

REGIONAL DEFINITIONS

As used in this report, regions include the following states:

- NORTHEAST U.S. Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont
- SOUTHEAST U.S. Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia
- MIDWEST U.S. Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin
- SOUTH CENTRAL U.S. Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas
- SOUTHWEST U.S. Arizona, California, Nevada and Utah
- NORTHWEST U.S. Idaho, Montana, Oregon, Washington, and Wyoming
- ALASKA Alaska
- HAWAII Hawaii
- NATIONAL Continental United States



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