

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (8/12)**

BUTTER: Grade AA closed at \$2.2500. The weekly average for Grade AA is \$2.2430 (+.0250).

CHEESE: Barrels closed at \$1.8650 and 40# blocks at \$1.7800. The weekly average for barrels is \$1.8770 (+.0550) and blocks, \$1.7960 (+.0305).

NONFAT DRY MILK: Grade A closed at \$0.8325. The weekly average for Grade A is \$0.8400 (+.0040).

BUTTER HIGHLIGHTS: National butter production is mixed. Manufacturers notice a slight decrease in the availability of cream, but are still able to meet their production needs. Cream supplies are uneven throughout the country. Thus, some processors are focusing production on filling immediate butter needs, while anticipating cream supplies will improve as standardization for bottling ramps up seasonally. A few market participants speculate there are sufficient inventories in the Central region, but are not motivated to move additional loads outside of current commitments. Inventories are looking steady as result of good demand and slower butter production. Demand from retail and food service outlets is strong. Bulk butter prices reported throughout the country range from flat to eight cents over the market, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Friday closed at \$2.2500, down \$.0200 from a week ago.

CHEESE HIGHLIGHTS: Cheese production wavers across the U.S. this week. Manufacturers in the Northeast and Central regions are maximizing production schedules the best they can as milk intakes fall. Western manufacturers are running full schedules and report less difficulty finding milk to keep their vats full than Eastern and Midwest manufacturers. Eastern processors are anticipating a need for increased production in the coming weeks as demand from educational institutions and food service outlets increases. Several manufacturers are keeping a quickly approaching football season in mind as they schedule production runs. Inventories are mostly balanced in the East and Midwest but a little heavy in the West. The market undertone is steady. In CME Group trading Friday, barrels closed at \$1.8650, down \$.0150 from last Friday and blocks closed at \$1.7800, down \$.0350.

FLUID MILK: Farm milk production is trending lower in most regions of the country as temperatures and humidity continue rising. Nationally, bottled milk sales are inching up as most schools are resuming terms. However, sales volumes to the retail and food service

sectors are seasonally steady to lower. Cream demands from ice cream and frozen desserts manufacturers are strong. Milk standardization is marginally adding to cream supplies. However, cream is still tightening in many balancing plants. Condensed skim volumes are adequate to meet current Class II production schedules. Nevertheless, some processors are opting to dry instead of selling, as prices are relatively low. This week, multiples for all classes range 1.29-1.39 in the East, 1.12-1.36 in the Central region, and 1.16-1.30 in the West.

DRY PRODUCTS: Production of low/medium heat nonfat dry milk is steady to lower as farm milk intakes continue declining. The interest is fair to good. Sales to Mexico are less active this week. The domestic market undertone is steady. High heat nonfat dry milk inventories are very tight. Consequently, sales in the f.o.b. spot market are limited. The dry buttermilk market undertones are firm in the West and Central regions, but unsettled in the East. Inventories are mostly tight. National dry whole production is irregular, based on contractual requirements. The whey market tone is mixed throughout the country. Dry whey production is ongoing, parallel with the national cheese production. Demand for WPC34% is strong and production is active. Interest for lactose is firm. Inventories are tight.

ORGANIC DAIRY MARKET NEWS (DMN): Following some months of 2015 when organic milk production seemed to have slowed, or even declined, 2016 has been a good year for growth in production. Recent efforts by some processors to increase numbers of organic dairy producers are now generating increased organic milk flows. AMS reports total organic milk products sales for June 2016, 217 million pounds, were up 6.7% from June last year and up 5.6% January through June compared with the same months of 2015. Total organic whole milk products sales for June 2016, 78 million pounds, were up 16.2% compared with June last year and up 16.3% January through June compared with the same months of 2015. This week, organic milk accounts for 57% of surveyed organic dairy ads, yogurt 17%, cheese 9%, sour cream 5%, flavored milk 4%, butter 4%, cottage cheese 2%, and ice cream 1%. Total organic ad numbers increased 16%.

NATIONAL RETAIL REPORT (DMN): This week 4-6 oz. conventional Greek yogurt is the single most advertised dairy product, with an average price of \$0.91, down from \$0.93. Conventional ice cream in 48 to 64 ounce containers has slipped to the second single most advertised item, having a U.S. weighted average advertised price of

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*****SPECIALS THIS ISSUE*****

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DAIRY GRAPHS (G1-G2)
NATIONAL RETAIL REPORT-DAIRY

CME GROUP CASH TRADING

COMMODITY	MONDAY AUG 08	TUESDAY AUG 09	WEDNESDAY AUG 10	THURSDAY AUG 11	FRIDAY AUG 12	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.8800 (N.C.)	\$1.8800 (N.C.)	\$1.8800 (N.C.)	\$1.8800 (N.C.)	\$1.8650 (-.0150)	:: (-.0150)	:: \$1.8770 (+.0550)
40# BLOCKS	\$1.8150 (N.C.)	\$1.8050 (-.0100)	\$1.7900 (-.0150)	\$1.7900 (N.C.)	\$1.7800 (-.0100)	:: (-.0350)	:: \$1.7960 (+.0305)
NONFAT DRY MILK GRADE A	\$.8325 (N.C.)	\$.8475 (+.0150)	\$.8450 (-.0025)	\$.8425 (-.0025)	\$.8325 (-.0100)	:: (N.C.)	:: \$.8400 (+.0040)
BUTTER GRADE AA	\$2.2675 (-.0025)	\$2.2575 (-.0100)	\$2.2200 (-.0375)	\$2.2200 (N.C.)	\$2.2500 (+.0300)	:: (-.0200)	:: \$2.2430 (+.0250)

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-**

\$2.94, down from \$3.01. Total conventional dairy ad numbers decreased 14%, but organic dairy ad numbers increased 16%. There are over 6 times as many conventional dairy ads as organic dairy ads. The price spread between organic and conventional half gallon milk is \$2.08. Last week the spread was \$1.17. The price spread is the difference between the national weighted average price for organic, \$4.11, and conventional, \$2.03. There are over 9 times as many organic half gallon ads as conventional half gallons. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.17, up 3 cents from last week; 8 ounce shred cheese averaged \$2.25, down 4 cents from last week. Ads for 8 ounce organic shred cheese average \$2.79, an organic premium of \$0.54. The number of conventional cheese ads decreased 16%, and organic cheese ads decreased 6% this week. The national weighted average price for conventional 1 pound butter is \$3.23, while organic 1 pound butter is \$5.09, an organic premium of \$1.86. When compared to the previous week, the volume of ad numbers for conventional butter decreased 3%, but organic butter ad numbers increased 39%. There are more than 7 times as many ads for conventional butter than organic butter.

JUNE MILK SALES (FMMO & CDFA): During June 3.8 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.4 percent lower than June 2015. Estimated sales of total conventional fluid milk products decreased 1.8 percent from June 2015 and estimated sales of total organic fluid milk products increased 6.7 percent from a year earlier.

MAY MAILBOX MILK PRICES (FMMO & CDFA): In May 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.37 per cwt, down \$0.52 per cwt from the April 2016 average and down \$2.23 per cwt from the May 2015 average. The component tests of producer milk in May 2016 were: butterfat, 3.73%; protein, 3.09%; and other solids, 5.76%. When compared to the previous month, the May Mailbox prices decreased in 18 of the 19 Federal milk order reporting areas. The May Mailbox milk prices decreased in all areas except in the Southern Missouri area which experienced an increase of \$0.01. The greatest decrease of \$0.81 per cwt occurred in Wisconsin. Averaged over all Federal milk order reporting areas, the May 2016 Mailbox price decreased an average of \$0.44 per cwt. Mailbox prices in May 2016 ranged from \$15.97 in the New England States to \$12.88 in New Mexico.

CME GROUP

MONDAY, AUGUST 8, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.7900; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8400
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.2675

TUESDAY, AUGUST 9, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.8050
 NONFAT DRY MILK -- SALES: 7 CARS GRADE A: 5 @ \$0.8400, 2 @ \$0.8475; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8450; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8500
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.2575; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

WEDNESDAY, AUGUST 10, 2016

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.7900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.8000
 NONFAT DRY MILK -- SALES: 12 CARS GRADE A: 2 @ \$0.8400, 3 @ \$0.8475, 4 @ \$0.8450, 2 @ \$0.8475, 1 @ \$0.8450; LAST BID UNFILLED: 3 CARS GRADE A @ \$0.8450; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$0.8500
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.2200; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

THURSDAY, AUGUST 11, 2016

CHEESE -- SALES: 5 CARS 40# BLOCKS @ \$1.7900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.8900; 2 CARS 40# BLOCKS @ \$1.8000
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8425
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.2200; LAST OFFER UNCOVERED: NONE

FRIDAY, AUGUST 12, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.8650; 1 CAR 40# BLOCKS @ \$1.7800
 NONFAT DRY MILK -- SALES: 4 CARS GRADE A: 1 @ \$0.8400, 1 @ \$0.8425, 1 @ \$0.8375, 1 @ \$0.8350; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8200; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8325
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.2500; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Northeastern butter production is mixed, as cream supplies are less available for some plants capable of manufacturing butter. The market anticipates cream supplies will inch higher as Class II demand slows and Class I demand increases standardized cream offerings. Existing butter inventories for manufacturers are adequate for near-term needs. The Northeast cash price for bulk butter is 4 to 8 over the market, based on the CME Group, and depending on various time frames and averages used. The DMN *National Retail Report-Dairy*, for August 5-11, reported the national weighted average advertised price for 1-pound butter at \$2.99, down \$0.22 from last week, but up \$.03 from a year ago. The Northeast regional price is \$3.32, \$0.11 below the previous week. In the Southeast, the butter price moved to \$2.50, a decrease of \$0.64 compared to a week ago. According to NASS *Dairy Products*, U.S. butter production for June 2016 totals 152.9 million pounds, up 6.4% from last year, but down 10.1% from a month ago. Butter output in the Atlantic region totals 13.8 million pounds, down 5.3% from last year and 21.1% from a month ago. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.2575, up \$0.0425 from a week ago. This week, a cooperative export assistance program accepted requests for export assistance to sell 3.417 million pounds (1550 metric tons) of butter.

CENTRAL

Central region butter production is active. Several manufacturers are running full schedules. A few industry contacts report the availability of cream is decreasing slightly, but most manufacturers feel they are able to meet their production needs. Because production is more active than most contacts had anticipated, manufacturers report being able to replace the stocks they have been selling. Demand is strong from retail and food service outlets. Some buyers report being unable to purchase the full amount of butter they

are looking for. Butter manufacturers report little spot load availability for bulk butter, especially unfrozen bulk butter. Bulk butter prices reported ranged from market to 7.5 cents over the market, with various time frames and averages used. Market participants speculate there are sufficient inventories of butter in the Central region and those with butter stocks are not motivated to move additional loads outside of commitments in the current market. International interest remains light. The market undertone is steady. The DMN *National Retail Report-Dairy* for August 5-11 noted the national weighted average advertised price for a 1 pound package of butter was \$2.99, \$0.22 below one week ago, but \$0.03 above one year ago. Prices in the Midwest region for 1 pound packages of butter range from \$2.50-\$2.99 with a weighted average price of \$2.58. The weighted average price in the South Central region was \$2.62 with a price range of \$1.00-\$3.79. This week, a cooperative export assistance program accepted requests for 3.417 million pounds of butter. So far this year, the program has accepted assistance requests for 10.366 million pounds of butter. The NASS *Dairy Products* report noted June U.S. butter production totaled 152.9 million pounds, up 6.4 percent from a year ago. The Central region accounted for 39.1 percent (59.8 million pounds) of U.S. production in June. This production is 12.9 percent higher than one year ago. January-June cumulative U.S. butter production totals 1.03 billion pounds, 5.7 percent ahead of 2015 during the same time span. Wednesday at the CME Group, Grade AA butter closed at \$2.2200, down \$.0025 from last Wednesday.

WEST

Western butter production continues to be steady. Suppliers and consumers will be closely watching the availability of cream over the next few weeks and how it will play into the butter markets. Plenty of market participants are seeing this time of year as the quiet

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NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
August 6, 2016	2,2188 2,333,579	1,6973 12,440,234	1,8119 9,706,959	2825 6,991,089	.8487 14,061,138

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

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time before baking season moves in. Cream is generally readily available for most processing needs. Domestic demands for butter remain steady from retailers. Cream multiples in the West are just shy of the mid 1.30s and as a result are sold to ice cream and cold dessert manufacturers. Inventories are checked so that stocks are not too long. Thus, it will help manufacturers gauge the rate of butter production to keep inventories leveled. The DMN *National Retail Report-Dairy* for the week of August 5-11 found that the U.S. weighted average advertised price of 1 pound butter is \$2.99, down \$.22 from last week. The U.S. weighted average price is up \$.03 from \$2.96 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.61. In the Northwest, the weighted average advertised price of 1 pound butter is \$3.42. According to the NASS *Dairy Products* report, U.S. butter production during June 2016, 152.9 million pounds, was 6.4% higher than June 2015, but 10.1% lower than May 2016. U.S. cumulative 2016 butter production through June is 1.031 billion pounds, 5.7% higher than the same period last year. In the West, total June butter production was 79.252 million pounds, 4.1% higher than last year, but 2.7% lower than last month. California June production was 46.0 million pounds, 2.5% higher than last year, but 7.1% lower than last month. This week, a cooperative export assistance program accepted seven requests for 3.417 million pounds (1550 metric tons) of butter. So far this year, the program has assisted member cooperatives with sales of 10.366 million pounds of butter (82% milkfat) in export markets. The Grade AA butter price at the CME Group on Wednesday closed at \$2.2200, down \$.0025 from a week ago.

2016 U.S. Butter and Milkfat Exports (USDA-FAS)

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	2.3	- 43
TOTAL, JAN - JUN	29.0	- 3
1 Mexico	17.5	+152
2 Canada	4.4	+ 51
3 Saudi Arabia	2.6	- 75
4 South Korea	0.6	- 72
5 Taiwan	0.5	- 16

CHEESE MARKETS

NORTHEAST

Northeast cheese production remains moderately active, as milk supply volumes inch lower with regional farm milk output. Manufacturers are expecting increases in production schedules to meet the forthcoming school year demand of food service sectors. Inventories are mostly balanced. Northeast cheese prices for cheddar and Muenster advanced \$.0450, and process cheese prices shifted upward \$.0475. The Grade A Swiss price dropped \$.1000, resulting from adjustments to the Class III component prices. The DMN *National Retail Report-Dairy*, for August 5-11, the weighted average advertised price for 8 oz. cheese blocks in the Northeast was \$2.11, 3 cents less than the national price, but 4 cents more than the previous report. The Southeast 8 oz. block cheese price was \$2.37, 23 cents more than two weeks ago. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.26, 3 cents less than the national price and 6 cents less than the previous week. The Southeast 8 oz. shredded cheese price was \$2.48, 16 cents more than the previous week. According to NASS *Dairy Products*, U.S. total cheese production in June 2016 was 987.4 million billion pounds, 1.1% higher than a year ago, but 1.5% lower than the previous month. In the Atlantic region, total cheese production was 119.6 million pounds, 1.3% higher than a year ago and 3.3% above the previous month. The total cheese production and percentage changes from one year ago for individual Eastern states are, New York 63.2 million pounds, +0.9%; Pennsylvania 34.1, +1.0%; Vermont 10.3, +0.3%, and New Jersey 5.3 million pounds, 8.3%. Tuesday, at the CME Group, cheese barrels closed at \$1.8800, up \$.0800 from last week. Cheese blocks closed at \$1.8050, up \$.0450 from last week's prices.

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

Cheddar 40# Block	:	2.1675-2.4525
Process 5# Sliced	:	2.0225-2.5025
Muenster	:	2.1900-2.5400
Grade A Swiss Cuts 10 - 14#	:	2.8650-3.1875

CENTRAL

Midwest milk production continues to fall and cheese manufacturers are adjusting production schedules based on milk intakes. Several processors report the desire to run busier production schedules but lack the milk to do so. Manufacturers bringing in spot loads of milk in recent weeks report more difficulty finding spot load availability this week. Some manufacturers continue to fortify as a means to maintain production. Demand is mixed this week. A few manufacturers report strong orders from various outlets while other producers feel buyers' interest lost a little steam this week. Orders for mozzarella and provolone varieties are strong. Industry contacts anticipate the demand for mozzarella will continue to grow as football season kicks off and pizza orders pick up. Cheese curd sales remain strong as the region is in peak fair season. Inventories for cheese curds and Italian type cheeses are light while cheddar cheese stocks are reportedly heavier. Several manufacturers report being balanced in their inventories. The market undertone is steady. The DMN *National Retail Report-Dairy* shows that August 5-11 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$1.93, 36 cents lower than the national average. Midwest prices range from \$1.49-\$3.00. One year ago, the national price was \$2.34. For 8 ounce blocks, the Midwest average price is \$1.94, 20 cents below the national average price. Midwest ads are priced from \$1.49-\$3.00. Last year, the national price was \$2.29. This week, a cooperative export assistance program accepted requests for 174,165 pounds of cheese. So far this year, the program has accepted

assistance requests for 30.091 million pounds of cheese. Midwestern wholesale prices are down \$.1000 for Swiss cuts, but up \$.0475 for process, and up \$.0450 for all other types. *Dairy Products* (NASS) reports total 2016 U.S. cheese production, year to date through June, is 5.96 billion pounds, 2.1 percent above January through June 2015. June 2016 total U.S. cheese production, 9.87 million pounds, is 1.5 percent above last month. Central total cheese production for June was 446.3 million pounds, 1.3 percent less than last month. For total cheese production and various types of cheese, June 2016 U.S. and Central cheese production compared to June 2015 were as follows:

	U.S.	Central
Total	+1.1%	+1.2%
American	-0.2%	-0.9%
Cheddar	-3.5%	-6.0%
Total Italian	+2.2%	+3.1%
Mozzarella	+1.9%	+3.1%

In CME Group trading Wednesday, barrels closed at \$1.8800, up \$.0800 from last Wednesday and blocks closed at \$1.7900 up \$.0300 from last Wednesday

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

Process American 5# Loaf	:	1.9150-2.2750
Brick And/Or Muenster 5#	:	2.1375-2.5625
Cheddar 40# Block	:	1.8650-2.2600
Monterey Jack 10#	:	2.1125-2.3175
Blue 5#	:	2.4050-3.3925
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9375-2.8775
Grade A Swiss Cuts 6 - 9#	:	2.3825-2.5000

WEST

Cows were more comfortable with the good weather condition during the week. Plenty of milk is making its way to the cheese vats for full cheese production needs. With an anticipated increased demand for cheese, producers are processing in preparation for the upcoming football season, adding support for prices right now. With so much talk about and volume of cheese, some manufacturers feel there is no shortage of any type of cheese. Thus, inventories are a little heavy. The retail and food service demand remains strong. The DMN *National Retail Report-Dairy* for the week of August 5-11 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.29, up \$.07 from last week, but down \$.05 from a year ago. Packs average \$2.06 in the Southwest and \$1.77 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.14, up \$.09 from last week, but down \$.15 from a year ago. Blocks average \$1.89 in the Southwest and \$1.60 in the Northwest this week. In the West, wholesale prices are up \$.0475 for process, and up \$.0450 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are down \$.1000. This week, a cooperative export assistance program accepted seven requests for 174,165 million pounds (79 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 30.091 million pounds of cheese in export markets. NASS *Dairy Products* reports total 2016 U.S. cheese production, year to date through June, is 5.965 billion pounds, 2.1% above 2015 during the same time span. June 2016 U.S. total cheese production, 987.4 million pounds, is 1.5% below May 2016. In the West, total cheese production for June 2016 was 421.5 million pounds, 2.8% less than last month. For total

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CHEESE MARKETS

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2016 U.S. CHEESE AND CURD EXPORTS (USDA-FAS)

cheese production and various types of cheese, June 2016 U.S. and West cheese production percent changes compared to June 2015 are as follows:

	U.S.	West
Total Cheese	+1.1%	+0.9%
American	-0.2%	+0.4%
Cheddar	-3.5%	-2.1%
Total Italian	+2.2%	+1.2%
Mozzarella	+1.9%	+1.5%
Swiss	+6.0%	...

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	50.8	- 13
TOTAL, JAN - JUN	308.5	- 20
1 Mexico	101.2	- 3
2 South Korea	42.9	- 47
3 Japan	33.2	- 26
4 Australia	16.3	- 36
5 Canada	12.9	- 2

In CME Group trading Wednesday, barrels closed at \$1.8800, up \$.0800 from a week ago and blocks closed at \$1.7900, up \$.0300.

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

Process 5# Loaf	:	1.9300-2.1875
Cheddar 40# Block	:	1.8700-2.3150
Cheddar 10# Cuts	:	2.0500-2.2700
Monterey Jack 10#	:	2.0600-2.2200
Grade A Swiss Cuts 6 - 9#	:	2.4425-2.8725

FOREIGN

EU produced cheese sold for EU consumption faces robust demand and lower supplies. This is moving prices within the EU up. Cheese manufacturers are seeking to increase production but the seasonally declining milk supply is complicating those efforts. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices increased \$0.0450 following higher weekly average CME Group block prices. Swiss cuts Switzerland decreased \$0.1000. 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	: 2.6400-5.2300	: 2.3325-3.8200*
Gorgonzola	: 3.6900-5.7400	: 2.8400-3.5575*
Parmesan (Italy)	: -0-	: 3.7225-5.8125*
Romano (Cows Milk)	: -0-	: 3.5225-5.6725*
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-	: 2.9025-3.2250*
Swiss Cuts Finnish	: 2.6700-2.9300	: -0-

* = Price change.

COLD STORAGE

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

	BUTTER	CHEESE
	:	:
08/08/16	29,887	: 92,474
08/01/16	29,546	: 92,876
CHANGE	341	: -402
% CHANGE	1	: 0

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	70	0	5	0	60	0
SOUTHEAST STATES	0	0	0	0	0	0

Milk declines at the farm level are continuing throughout the East. Production in the Northeast is declining along seasonal trends, but falloffs in the Mid-Atlantic and Southeast are more pronounced due to the extended periods of heat and humidity. The Southeast Class I demand has increased as schools resume classes with the bulk of schools starting mid-month. Milk production decreases have made it necessary to suspend deliveries to auxiliary manufacturing plants. Temperature issues are a continuing concern for long haul milk loads. Florida's milk production has also dropped significantly as some milk producers begin to dry off cows. The state imported 70 loads of f.o.b. spot milk this week. **Cream** supplies declined concurrently with heat related milk supply decreases. Demand for cream continues to be good from Class II manufacturers, with some managers having to restrict production due to the tight cream supply. Cream **multiples** for all Classes have increased and range **1.29-1.39**. Supplies of **condensed skim** are adequate to meet current Class II production schedules, with Class IV dryers operating on lighter schedules. The f.o.b. cash price for Class II and III transactions are inching higher. According to the DMN *National Retail Report-Dairy*, for August 5-11, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.54, a \$0.04 increase compared to last year, but down \$0.12 from last week. The weighted average regional price for a gallon of milk in the Northeast was \$2.99, up \$0.42 from last week.

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 -	2.8612-3.0830
F.O.B. producing plants: Upper Midwest -	2.4842-3.0165
PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS, F.O.B. PRODUCING PLANTS:	
Northeast - Class II - includes monthly formula prices -	.55-.90
Northeast - Class III - spot prices -	.53-.75

MIDWEST

Milk production in the Central region took a noticeable drop this week after several weeks of subtle decreases. Milk marketers report increased calls from processors seeking spot loads of milk. However, many suppliers report little to no spot load availability. Southern areas of the region and nation have commenced a new school year and the pull from those areas for fluid milk is strong. This, combined with hot, humid weather, has made the Central region milk supply tight. Spot loads are reported at class to \$2.00 over class. Discounted loads, even at the end of the week and into the weekend, are no longer being offered by milk marketers. Bottlers report an increase in orders from educational institutions for single serve containers. As bottlers pick up production levels, more cream is becoming available. Unlike milk, industry contacts feel spot loads of cream are still available in the Central region, especially towards the end of the week and into the weekend. Several manufacturers of ice cream and frozen desserts report sufficient cream supply and continue to run full production schedules. Butter manufacturers report pulling in large amounts of cream to maintain high production as well. Class II cream multiples are lower at the bottom end of the range, but hold steady on the top,

1.12-1.36. The DMN *National Retail Report-Dairy* for August 5-11 noted the national weighted average advertised price for one gallon of milk was \$2.54, down \$0.12 from a week ago, but \$0.04 higher than a year ago. The weighted average regional prices in the Midwest and South Central were \$2.48 and \$2.54, respectively. The NASS *Dairy Products* report noted June U.S. regular (hard) ice cream production totaled 75.6 million gallons, up 4.2 percent from last year. January-June U.S. production totals 407.4 million gallons, 3.0 percent above 2015 during the same time span. June production in the Central region totaled 40.4 million gallons, 5.3 percent above a year ago. The Southernmost areas of the region are experiencing moderate to excessively dry soil moisture conditions. Corn, soybean, and sorghum harvests are all underway in the area. In the North Central area, 34 percent of this year's corn crop has reached the dough stage and 88 percent of corn is rated as good to excellent condition, according to NASS *Crop Progress* report. Eighty-two percent of this year's soybean crop has set pods.

WEST

Milk production has plateaued in California as daytime temperatures are lower compared to the previous week. Some dairy operators are drying off cows, which is usual during this time of the year. Manufacturers report having sufficient milk supplies to process any type of dairy products. Requests from bottlers are strong as K-12 schools are reopening during next week. Class 1 sales to supermarkets and restaurants are slightly lower. Demand for Class 2 is steady at the customary level. Class 3 (ice cream) sales are seasonally up. Dairy operators continue buying premium/supreme quality alfalfa hay from nearby states. The September 2016 Class 1 prices in California are \$18.12 in the north and \$18.39 in the south. The statewide average Class 1 price based on production is \$18.13. This price is \$1.75 higher than August 2016 and \$0.04 higher than a year ago. The monsoon activity continues in Arizona. The higher temperatures, around 112 degrees, combined with high humidity are dropping farm milk intakes. Orders from bottlers are up as they are trying to fill school pipelines. Requests from the retail and food service sectors are steady this week. Demands for Class II products, especially ice cream, are strong. Wet conditions are present in New Mexico and are taking a toll on cows' comfort. Therefore, farm milk production is lower this week. However, manufacturing milk volumes are enough to keep balancing plants busy. Class I sales are up as K-12 schools are restarting terms during next week. Orders from retailers and food service are lower. Sales into Class II are slightly down. Manufacturing milk intakes moving into Class III are steady. New Mexico is into the fourth cutting of good/excellent quality alfalfa hay. According to the DMN *National Retail Report-Dairy* for the week of August 5-11, the national weighted average advertised price for one gallon of milk is \$2.54, down 12 cents from last week, but 4 cents higher from a year ago. The weighted average regional prices in the Southwest and Northwest are \$2.48 and \$2.79, respectively. Temperatures in the Pacific Northwest are rising. Therefore, milk output is slightly lower this week. Bottled milk requests are improving as school terms will start over the next few weeks. Interest for Class II is stable. In the mountain states of Colorado, Idaho and Utah, farm milk production is steady. Manufacturing milk volumes are sufficient to cover most processing needs. Milk surplus loads are finding homes in balancing plants from nearby states. Class I demand is inching up as schools are reopening soon. Interest for Class II is

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FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

active. Regional pasture and rangeland conditions are good to excellent. Western **condensed skim** processing is trending lower. Prices are relatively low according to some industry participants. Many processors are opting to dry instead of selling. Demands from NDM, SMP and MPC manufacturers are fair to good, but light from ice cream/frozen desserts processors. In the West, milk standardization, due to the reopening of many schools, is marginally adding to cream supplies. However, cream is mostly tight throughout the region. Butter churning is steady. Demands from ice cream and cream cheese makers are strong. The western cream market tone is firm. This week, **multiples** for all Classes are unchanged, ranging from **1.16 to 1.30**.

DAIRY PRODUCTS: According to NASS, hard ice cream production in the West region for June 2016 is 19.2 million gallons, up 2.4% from a year ago and 0.3% higher than the previous month.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Low medium heat nonfat dry milk prices are lower on the bottom end of the range price series but hold steady in the mostly price series. As low/medium heat NDM prices fall on the CME, several market participants report increased inquiries from buyers. Sales occurring at the lower end of the market are reportedly Q1/Q2 production. Some manufacturers are trying to move large amounts of inventory, resulting in active trading at this price point. Sales continue to be made at the top end of the market for Q3 production. Buyers seeking specific brands are willing to make purchases at the top end of the market. Production is active to marginally lower as Central region milk production declines. Inventories are generally long. Several cheese manufacturers report fortifying with low/medium NDM, aiding in some inventory relief. International interest is strong. The market undertone is steady. High heat nonfat dry milk prices hold steady on light trading. Production is steady this week and the majority of dryer runs are based on contractual needs. Inventories are tight and manufacturers report little to no spot load availability. Buyers continue to honor contracts and express light interest in additional loads. The market undertone is firm. The NASS *Dairy Products* report noted U.S. human NDM production during June 2016 in the Central region totaled 29.8 million pounds, 12.1 percent higher than one year ago. Total U.S. human NDM production during June 2016 was 143.6 million pounds, 13.2 percent lower than last year. During January–June 2016, U.S. human NDM production totaled 928.2 million pounds, 9.5 percent less than the same time span in 2015. Total U.S. NDM, human, month ending stocks for June were 237.6 million pounds, 9.4 percent below a year ago.

EAST: Low/medium heat nonfat dry milk prices are lower at the bottom of the range, but held steady at the top. The mostly price series remained unchanged. Low/medium heat nonfat dry milk production is steady to lower at several locations and below plant capacity, due to milk intakes and milk sales to Class I processors. Some producers are selling minimal low/medium NDM into the spot market, and only at offered prices near the high end of the range. Contract sales account for the majority of low/medium heat NDM transactions. Most buyers are still unwilling to expand inventories at this time. Domestic demand is about steady with last week, but there are some indications of growing buyer interest as the fall baking season approaches. Demand is fair to good in export channels. Prices for high heat nonfat dry milk remain unchanged from last week. Demand is currently quiet. Seasonal interest from baked goods and mixed accounts is expected to develop beyond current demand. Spot offerings are light. Wednesday at the CME Group, Grade A NDM closed at \$0.8450, up \$0.0050 from last Wednesday. The Foreign Agricultural Service (FAS), reports that June 2016 U.S. nonfat dry milk exports totaled 93.8 million pounds, a 9% decrease from a year ago.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8050 - .9100 MOSTLY: .8475 - .9000
 HIGH HEAT: .9350 - 1.0200

NONFAT DRY MILK—WEST

In the West, prices for low/medium heat nonfat dry milk (NDM) are slightly lower on the range, but mixed on the mostly series. At this point, the market undertone is unsettled. However, some industry participants are optimistic about future prices. Some processors anticipate that NDM prices should get close to one dollar per pound by the end of the year. Therefore, some manufacturers are holding inventories. Meanwhile, a few processors are clearing old inventories at prices close to the bottom of the range. Sales volumes in the f.o.b. spot

market have been fair to good. Demands from the bakery and dry mix sectors are good. NDM usage for cheese fortification is active. Exports to Mexico are less active this week. Low/medium heat processing is steady. Inventories are steady to slightly higher. High heat nonfat dry milk f.o.b. spot prices are unchanged on light trading. Demand from bakers is active. Production is sporadic, based on contractual needs. High heat NDM inventories are very tight. The NASS *Dairy Products* report noted U.S. human NDM production during June 2016 in the West region totaled 80.1 million pounds, 26.1 percent lower than one year ago. Total U.S. human NDM production during June 2016 was 143.6 million pounds, 13.2 percent lower than last year. During January–June 2016, U.S. human NDM production totaled 928.2 million pounds, 9.5 percent less than the same period in 2015. Total U.S. NDM, human, month ending stocks for June were 237.6 million pounds, 9.4 percent below a year ago. The Foreign Agricultural Service (FAS) reports June 2016 U.S. exports of nonfat dry milk and milkfat totaled 93.8 million pounds, a 9% decline from a year ago.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .7775 - .9200 MOSTLY: .8600 - .9000
 HIGH HEAT: .9350 - 1.0400

DRY BUTTERMILK—CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are higher on the low end of the price series but hold steady on the top end. Demand for condensed buttermilk is strong from ice cream and frozen dessert manufacturers as milk production declines in the region. Therefore, some dry buttermilk manufacturers are not filling dryers with buttermilk but moving loads as condensed instead. However, demand for dry buttermilk is also strong. Slowdowns in production and active demand has tightened dry buttermilk inventories across the Central region. Several manufacturers report having no spot load availability. The market undertone is firming. The NASS *Dairy Products* report noted U.S. dry buttermilk production during June 2016 totaled 8.1 million pounds, 22.6 percent higher than a year ago. Total U.S. dry buttermilk month-ending stocks for June were 21.4 million pounds, 1.2 percent below last year.

EAST: Dry buttermilk prices are steady to higher as regional f.o.b. spot transactions moved prices notably at the bottom of the range. Production of dry buttermilk is lighter, as some butter processors paused churning schedules, as cream supplies weakened. In addition, increased interest in condensed buttermilk hinders potential dry buttermilk output volumes. Dry buttermilk inventories are sufficient, although varying based on individual producer availability. Spot sales are somewhat light this week. The dry buttermilk market tone is unsettled, as some market indicators point to slight firming. According to NASS *Dairy Products*, U.S. production of dry buttermilk during June 2016 totaled 8.1 million pounds, 22.6% more than a year ago, but 7.6% less than the previous month. Month ending stocks were 21.4 million pounds, down 1.2% from last year and 11.2% from last month.

F.O.B. CENTRAL/EAST: .7800 - .8600

DRY BUTTERMILK—WEST

Western dry buttermilk f.o.b. prices shifted markedly higher this week. According to many industry participants, the domestic demand is inching up as the baking season is approaching. However, supply is lower compared to the current buyers' needs. The market undertone is

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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.

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firm. Dry buttermilk production is trending lower as condensed buttermilk volumes are less available for drying. Inventories are tightening throughout the western region. The NASS *Dairy Products* report noted U.S. dry buttermilk production during June 2016 totaled 8.1 million pounds, 22.6 percent higher than a year ago. Total U.S. dry buttermilk month-ending stocks for June were 21.4 million pounds, 1.2 percent below last year.

F.O.B. WEST: .8300 - .8900

MOSTLY: .8350 - .8600

DRY WHOLE MILK-NATIONAL

F.O.B. national spot prices for dry whole milk are unchanged on light trading. Demands from the bakery and confectionary sectors are fair to good. According to some industry participants, the market undertone is mixed throughout the country. Some processors are trying to compete with the lower international prices. Dry whole milk production is irregular, mostly based on contractual needs. Inventories vary from plant to plant. The NASS *Dairy Products* report noted U.S. dry whole milk production during June 2016 totaled 6.2 million pounds, 7.7 percent lower than a year ago. Total U.S. dry whole milk month-ending stocks for June were 15.6 million pounds, 37.8 percent below last year. This week, a cooperative export assistance program accepted requests for 88,185 pounds of dry whole milk. So far this year, the program has accepted assistance requests for 22.948 million pounds of dry whole milk.

F.O.B. PRODUCING PLANT:

1.2900 - 1.3900

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES
August 5	\$.7995	5,768,245
July 29	\$.7920	9,091,435

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

U.S. NDM Exports, H.S. Code 0402100000 (FAS)

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	93.8	- 9
TOTAL, JAN - JUN	569.0	- 11
1 Mexico	248.4	...
2 Philippines	89.8	+ 6
3 Indonesia	46.0	- 9
4 Pakistan	29.6	- 12
5 Malaysia	23.9	- 22

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 in the Central region are unchanged this week. Production is steady to lower. As demand for higher protein whey products climbs, some manufacturers are focusing production efforts towards those entities instead of dry whey production. Domestic demand is steady to higher. Some buyers feel that spot loads are becoming harder to find. Buyers seeking specific brands of dry whey are willing to pay prices towards the high end of the market. International interest is present on the spot market; however, exports are reportedly slowing down. Inventories are mixed. Some manufacturers have light spot load availability after weeks of active trading while other industry contacts report longer inventories. The market undertone is firming. Animal feed whey prices are unchanged this week on light trading. Feed blenders report steady to marginally higher production. Inventories are mixed. Market participants feel sales are steady and buyer demand is where they anticipated for this point in the year. The market undertone is steady. The NASS *Dairy Products* report noted U.S. total dry whey production for June 2016 was 79.2 million pounds, down 7.7 percent from a year ago. January-June U.S. total dry whey production totals 485.3 million pounds, 0.4 percent ahead of the same time span in 2015. The Central region accounted for 48.4 percent (37.6 million pounds) of U.S. human dry whey production in June. This production is 8.9 percent lower than a year ago. Total U.S. dry whey human month ending stocks for June were 73.5 million pounds, 2.3 percent below a year ago.

F.O.B. CENTRAL: .2400 - .3500 MOSTLY: .2450 - .2850
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .1300 - .2550

DRY WHEY - NORTHEAST

Prices for Eastern dry whey are steady. Output parallels drops in farm milk output, as increasing demand for fluid milk impacts milk volumes into cheese plants. Contracted volumes of dry whey are steadily moving, but buyers are in no hurry to acquire additional loads at this time. Hence, end user interest is flat with transactions, in general, occurring based on buyers' immediate needs. Stock levels are adequate among manufacturers in the region. The Foreign Agricultural Service (FAS), reports that June 2016 U.S. dry whey exports totaled 37.3 million pounds, a 2% decline from a year ago. DAIRY PRODUCTS: According to NASS, June 2016 U.S. dry whey production totaled 79.2 million pounds, 7.7% less than a year ago and 3.5% less than the previous month. The Atlantic region's production of human food dry whey in June 2016 totaled 21.5 million pounds, 6.4% less than a year ago, but 0.6% more than last month.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2650 - .3125

DRY WHEY - WEST

Western dry whey prices are mixed on the range, but slightly higher on the mostly series. The market undertone is mixed. According to some industry participants, sales in the f.o.b. market have been more active than last week. A few manufacturers are holding stocks anticipating higher prices in the near future. Meanwhile, some buyers/end users are pushing processors to get lower prices. Domestic demand is fair to good. Dry whey manufacturing is ongoing, parallel with the regional cheese production. Inventories are

readily available. However, supplies are tightening in a few processing plants. The NASS *Dairy Products* report noted U.S. human dry whey production during June 2016 in the West region totaled 18.4 million pounds, 8.7 percent below a year ago. Total U.S. human dry whey production during June 2016 was 77.5 million pounds, 8.2 percent lower than last year. During January-June 2016, U.S. dry whey production totaled 485.3 million pounds, 0.4 percent higher than the same period in 2015. Total U.S. dry whey, human, month ending stocks for June were 73.5 million pounds, 2.3 percent below a year ago. The Foreign Agricultural Service (FAS) reports June 2016 U.S. exports of dry whey totaled 37.3 million pounds, a 2% decline from a year ago.

NONHYGROSCOPIC: .2450 - .3475

MOSTLY: .2800 - .3150

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	37.3	- 2
TOTAL, JAN - JUN	184.0	- 17
1 China	50.9	- 24
2 Canada	23.2	- 2
3 Mexico	18.5	- 20
4 Philippines	13.5	- 25
5 Vietnam	13.3	+ 42

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for WPC 34% are steady to higher on the top end of the range price series this week. Buyers seeking specific brand and specification WPC 34% are willing to pay market overages for spot loads. However, spot loads meeting these buyers' needs are increasingly hard to come by. WPC 34% production is active this week. Some manufacturers are choosing to produce WPC 34% in lieu of sweet whey powder based on where current buyer interest lies. Inventories are mixed. Several manufacturers report little to no spot market availability and tight inventories. Some manufacturers with inventories are choosing not to offer any loads on the spot market due to contractual needs and anticipated growth in demand from buyers in the near future. The market undertone is firming. According to the NASS *Dairy Products* report U.S. production of WPC (25.0-49.9% protein) during June 2016 totaled 15.2 million pounds, 24.6% lower than one year ago. Year to date total WPC production through June is 225.8 million pounds, 9.7% less than a year ago. Manufacturers' end-of-month stocks for WPC (25.0-49.9% protein) totaled 20.9 million pounds, 39.8% lower than one year ago, and 1.3% less than May 2016.

F.O.B. EXTRA GRADE 34% PROTEIN: .5750 - .8200 MOSTLY: .6650 - .7575

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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.

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LACTOSE - CENTRAL AND WEST

Lactose prices hold steady this week with light spot market activity. The majority of current sales are contract basis. Manufacturers report little to no spot load availability. Inventories are mostly tight. International interest is strong. Some market participants are receiving inquires for Q4 contracts. Production is steady. The market undertone is firm. NASS's *Dairy Products* report shows U.S. lactose production during June 2016 totaled 91.8 million pounds, a 2.0% increase from one year ago. Year to date lactose production through June is 532.6 million pounds, 0.5% more than a year ago. Month ending stocks, at 120.7 million pounds, are 6.3% lower than one year ago, but 1.1% higher than May 2016.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2300 - .3775 MOSTLY: .2300 - .3300

New Zealand exports of casein and caseinates through June 2016 are 4.2% below the same period of 2015. The U.S.A. receives 33.8% of these exports; China receives 13.0%; and Netherlands receives 9.2%. However, E.U. exports of casein and caseinates through May 2016 are 53.6% above the same period of 2015. Thailand receives 30.8% of these exports; the U.S.A. receives 15.3%; and Mexico receives 14.7%.

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: 2.6425 - 2.8000
ACID: 2.8000 - 2.9200

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

	2016 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	51.9	+ 4
TOTAL, JAN - JUN	276.5	+ 5
1 China	51.0	+ 7
2 New Zealand	49.7	+ 54
3 Mexico	35.6	+ 9
4 Japan	22.8	+ 22
5 Indonesia	22.4	+ 68

CASEIN - NATIONAL

Rennet and acid casein prices declined this week, following increases last week in response to higher GDT contracts in Event 169. This week a number of casein market participants have mostly discarded the GDT prices as a guide to current pricing, due to the small GDT volumes last week, which are now believed were too small to accurately set the tone for a much larger market. Very tight supplies in New Zealand last week sent many buyers to the GDT auction for casein. That buying pressure, with limited auction offerings, moved prices sharply higher. This week there has been some reflection that the unique situation of last week with small GDT volume is not reflective of the prevailing market price situation in New Zealand or more so the EU, especially Ireland. Current New Zealand casein stocks are mostly committed, keeping availability very tight. The downturn of milk production in the EU is expected to result in less milk going into casein manufacturing there. This will continue to support prices near current levels in coming weeks. This will keep pricing generally firm with supplies tight to balanced, but more available than in New Zealand.

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
07/23/2016	53.3	1,651.2	51.4	1,676.8

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

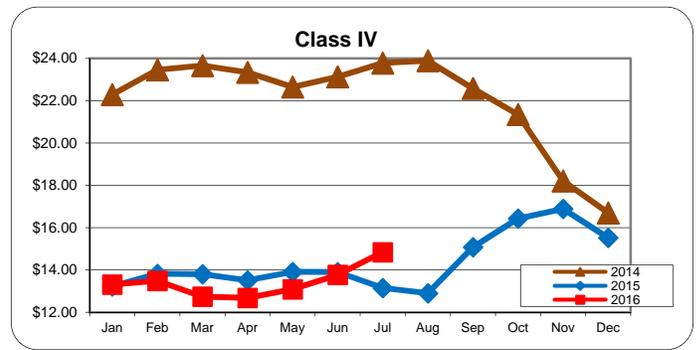
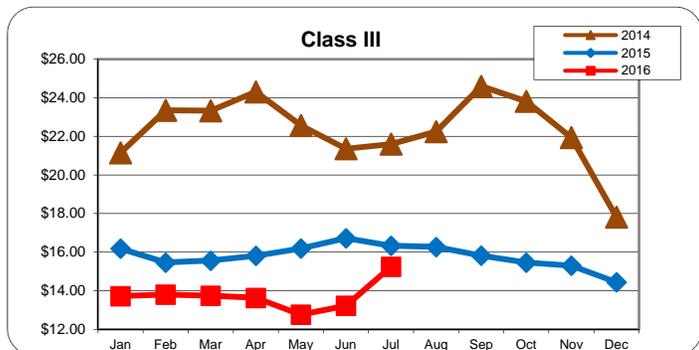
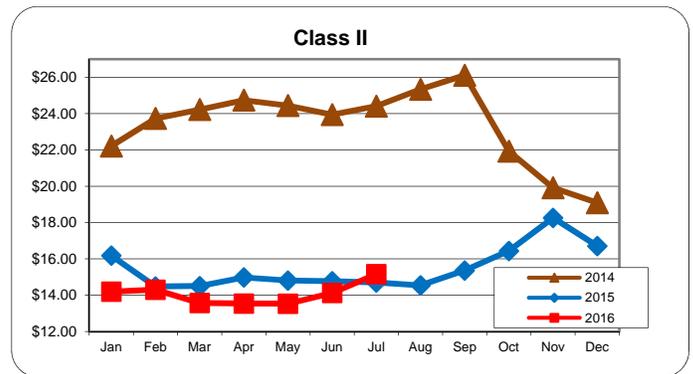
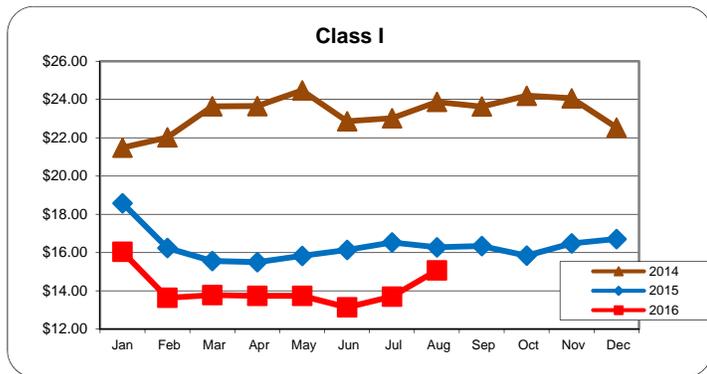
CLASS IV MILK PRICES (3.5%)

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	13.70	15.07				
II	14.19	14.30	13.57	13.54	13.53	14.12	15.16					
III	13.72	13.80	13.74	13.63	12.76	13.22	15.24					
IV	13.31	13.49	12.74	12.68	13.09	13.77	14.84					

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 August 1 - 12, 2016

ORGANIC DAIRY FLUID OVERVIEW

Milk Product Sales. Following some months of 2015 when organic milk production seemed to have slowed, or even declined, 2016 has been a good year for growth in production. Recent efforts by some processors to increase numbers of organic dairy producers are now generating increased organic milk flows.

AMS reports total organic milk products sales for June 2016, 217 million pounds, were up 6.7% from June last year and up 5.6% January through June compared with the same months of 2015.

Total organic whole milk products sales for June 2016, 78 million pounds, were up 16.2% compared with June last year and up 16.3% January through June compared with the same months of 2015.

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

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

ORGANIC PRODUCTION PRACTICE

Whole Milk	78	462	16.2	16.3
Reduced Fat Milk (2%)	64	395	6.8	10.9
Low Fat Milk (1%)	37	184	-1.4	-2.1
Fat-Free Milk (Skim)	27	137	-4.2	-8.6
Flavored Fat-Reduced Milk	7	36	1.8	-26.1
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk 3/	137	690	1.9	0.4
Tot. Organic Milk Products	217	1,075	6.7	5.6

*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/ Organic fat-reduced milk categories are total of reduced fat, low-fat, skim, and flavored fat reduced milk.

New York Organic Dairy Developments. New York is an example of a significant organic dairy state with growing numbers of organic herds. A major New York organic certifier reports that 2016 to date, dairy and transitioning dairy certification numbers are up 23%. The largest growth for dairy producer certification is in Ontario, Oswego and Wayne counties. For transitioning dairy producers the largest growth is in St. Lawrence, Hamilton, and Kings counties.

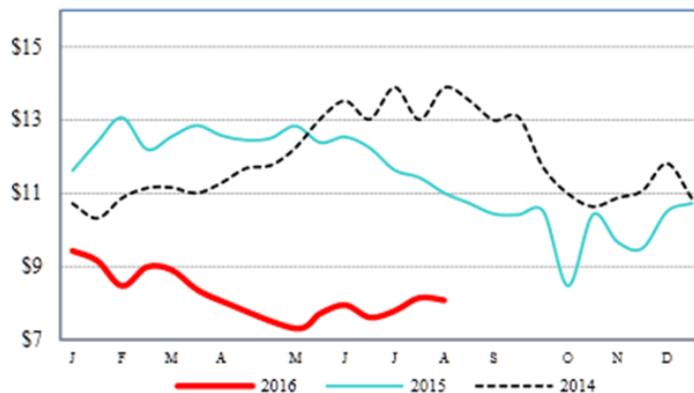
However, this has been a very dry year in Central and Western New York. In those areas, organic crops have been said to be decimated. Many organic dairy producers in those regions have been left to purchase organic hay and feed from others areas. Fortunately their parts of the Northeast have enjoyed good growing conditions, resulting in excess certified organic forage being available.

Idaho Organic Dairy Developments. While a relatively smaller organic dairy producing state than New York, Idaho has been enjoying good growth in numbers of organic dairy operations. A certifier there, which certified 16 new organic dairy producers in 2015, has already certified 20 thus far in 2016. A factor mentioned in attracting new organic producers goes beyond the price premium received for organic milk. The growing typical size of competitive conventional dairy operations in Idaho requires significant initial capital for new producers to create similarly sized operations. Organic dairy operations tend to be smaller, requiring less initial capital, and some new producers cite that as a draw into organic dairy rather than conventional, at least in Idaho.

ORGANIC GRAIN AND FEEDSTUFF MARKETS: Organic food grade grain trading activity is too limited to trend. Feed grade corn prices are steady, with moderate demand. Feed grade soybean prices are steady, with moderate demand. Steady undertones are noted in soybean oil and feed grade HRW wheat

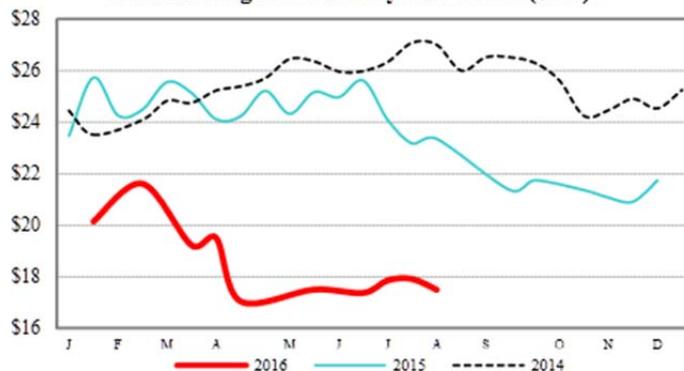
markets. There is limited forward contract activity on new crop organic grains. Growers offer feed corn at \$7.50 to \$8.00 per bushel f.o.b.; feed soybeans at \$18.50 per bushel delivered; feed grade wheat at \$8.00 per bushel delivered; feed oats at \$4.00 per bushel delivered; and feed rye at \$7.00 per bushel delivered.

National Organic Feed Corn Prices (\$/bu)



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

National Organic Feed Soybean Prices (\$/bu)



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

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

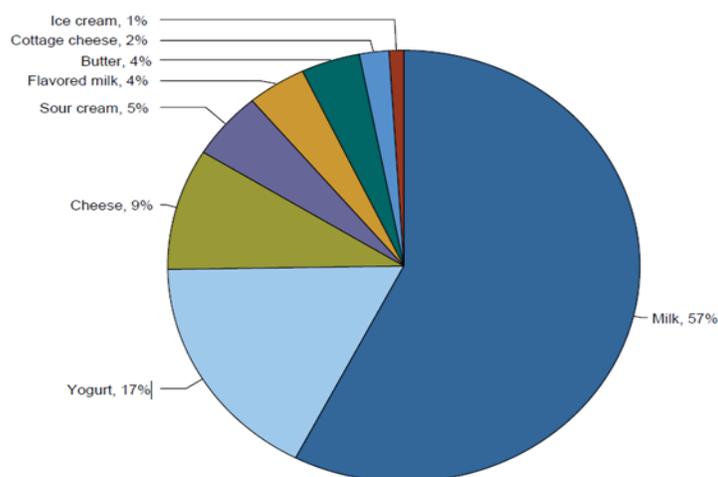
ORGANIC DAIRY RETAIL OVERVIEW

Organic Dairy Overview. This week, organic milk accounts for 57% of surveyed organic dairy ads, yogurt 17%, cheese 9%, sour cream 5%, flavored milk 4%, butter 4%, cottage cheese 2%, and ice cream 1%. Total organic ad numbers increased 16%.

CONTINUED ON PAGE -8A-

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Percentage of Total Organic Ads by Commodity



Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from August 12-18, 2016 identifying weekly “specials” and containing organic dairy content. Surveyed ads reflect advertised “specials” and not the range of non-advertised supermarket cooler prices.

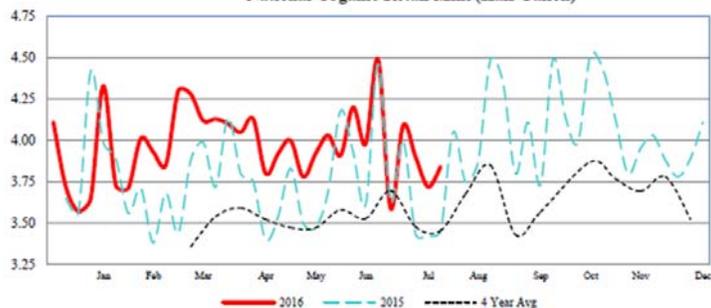
Complete results of this weekly survey providing additional graphs, tables and regional delineation, follow at the end of Dairy Market News, or can be accessed at:

<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 \$4.11, up 27 cents from last week and up 6 cents from a year ago. Ads appeared throughout every region excluding Alaska.

Organic Milk Gallons. The U.S. weighted average advertised price of organic milk gallons is \$4.55, 29 cents less than the previous week. Ads appeared throughout the Northeast, Southwest, Northwest, and Alaska.

National Organic Retail Milk (Half Gallon)



Organic Cheese Shreds. The U.S. weighted average price of 8 ounce organic cheese shreds is \$2.79, down 1 dollar from last week and down 82 cents from a year ago. Ads appeared only in the Southwest region.

Organic Cheese Blocks. The U.S. weighted average price of 8 ounce organic cheese blocks is \$4.18, down 1 cent from last week, but up 32 cents from a year ago. Ads appeared in the Northeast, South Central, Southwest, and Northwest regions.

Organic Butter. The U.S. weighted average price of 1 pound organic butter is \$5.09, down 18 cents from last week, but up 30 cents from a year ago. Ads appeared throughout the Northeast, South Central, and Northwest regions.

Organic Sour Cream. The U.S. weighted average price of 16 ounce sour cream is \$2.42, down 89 cents from last week, but up 43 cents from a year ago. Ads appeared only in the Northeast and Southwest regions.

4-6 Ounce Organic Greek Yogurt. The U.S. weighted average price of 4-6 ounce Greek yogurt is \$1.35, down 32 cents from last week, but up 17 cents from a year ago. Ads appeared only in the Northeast and Hawaii regions.

32 Ounce Organic Yogurt. The U.S. weighted average price of 32 ounce yogurt is \$2.50, down \$1.89 from a year ago. Ads appeared throughout the Southeast, Midwest, South Central and Southwest regions.

June Milk Sales

During June 3.8 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 1.4 percent lower than June 2015. Estimated sales of total conventional fluid milk products decreased 1.8 percent from June 2015 and estimated sales of total organic fluid milk products increased 6.7 percent from a year earlier.

Estimated Total U.S. Sales of Fluid Milk Products, June 2016, with Comparisons ^{1,4}				
Product Name	Sales		Change from: ²	
	June	Year to Date	Previous Year	Year to Date
	<i>(million pounds)</i>		<i>(percent)</i>	
Conventional Production Practice				
Whole Milk	1,175	7,071	4.6	5.0
Flavored Whole Milk	48	292	3.2	6.6
Reduced Fat Milk (2%)	1,250	7,724	-2.6	-2.0
Low Fat Milk (1%)	504	3,451	-6.7	-4.5
Fat-Free Milk (Skim)	364	2,407	-12.9	-10.7
Flavored Fat-Reduced Milk	177	1,948	1.5	3.5
Buttermilk	42	251	0.9	-0.9
Other Fluid Milk Products	5	26	49.3	19.4
Total Fat-Reduced Milk ³	2,295	15,529	-5.0	-3.4
Total Conventional Milk Products	3,564	23,170	-1.8	-0.8
Organic Production Practice				
Whole Milk	78	462	16.2	16.3
Reduced Fat Milk (2%)	64	395	6.8	10.9
Low Fat Milk (1%)	37	184	-1.4	-2.1
Fat-Free Milk (Skim)	27	137	-4.2	-8.6
Flavored Fat-Reduced Milk	7	36	1.8	-26.1
Other Fluid Milk Products	0	1	---	---
Total Fat-Reduced Milk ³	137	690	1.9	0.4
Total Organic Milk Products	217	1,075	6.7	5.6
Total Fluid Milk Products	3,777	20,681	-1.4	-0.5

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 The California Department of Food and Agriculture (CDFA) clarified reporting instructions starting in July 2015, for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior year comparisons less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352.

Packaged Sales of Total Fluid Milk Products in Federal Milk Orders and California, June 2016, with Comparisons ¹					
Marketing Area	Order Number	Sales		Change from: ²	
		June	Year to Date	Previous Year	Year to Date
		<i>(million pounds)</i>		<i>(percent)</i>	
Northeast	001	657	4,163	-3.2	-1.3
Appalachian	005	249	1,609	-0.5	-0.1
Florida	006	212	1,390	1.2	2.0
Southeast	007	342	2,228	-1.3	-0.2
Upper Midwest	030	286	1,886	-3.3	0.2
Central	032	317	2,061	0.6	0.2
Mideast	033	410	2,701	-1.3	-0.3
Pacific Northwest	124	156	988	-1.3	-0.4
Southwest	126	340	2,226	2.1	0.9
Arizona	131	78	531	-4.4	-0.8
California ³	---	426	2,720	-2.3	-2.9
All Orders (Total)		3,048	19,781	-1.2	-0.1
All Areas (Total)		3,475	22,501	-1.4	-0.5

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

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

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

In May 2016, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$14.37 per cwt, down \$0.52 per cwt from the April 2016 average and down \$2.23 per cwt from the May 2015 average. The component tests of producer milk in May 2016 were: butterfat, 3.73%; protein, 3.09%; and other solids, 5.76%. When compared to the previous month, the May Mailbox prices decreased in 18 of the 19 Federal milk order reporting areas. The May Mailbox milk prices decreased in all areas except in the Southern Missouri area which experienced an increase of \$0.01. The greatest decrease of \$0.81 per cwt occurred in Wisconsin. Averaged over all Federal milk order reporting areas, the May 2016 Mailbox price decreased an average of \$0.44 per cwt. Mailbox prices in May 2016 ranged from \$15.97 in the New England States to \$12.88 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	May 2015	April 2016	May 2016
	<i>(dollars per hundredweight)</i>		
New England States ³	18.07	16.30	15.97
New York	16.68	15.06	14.77
Eastern Pennsylvania ⁴	16.48	15.09	14.80
Appalachian States ⁵	16.49	15.11	15.06
Southeast States ⁶	16.69	14.68	14.48
Southern Missouri ⁷	15.99	14.18	14.19
Florida	17.77	15.69	15.30
Western Pennsylvania ⁸	16.75	15.06	14.56
Ohio	16.84	15.23	14.81
Indiana	15.81	15.12	14.68
Michigan	15.48	13.39	12.90
Wisconsin	17.65	15.52	14.71
Minnesota	17.55	15.46	14.71
Iowa	16.72	15.11	14.42
Illinois	16.84	15.35	14.62
Corn Belt States ⁹	15.76	14.21	13.62
Western Texas ¹⁰	15.71	14.16	13.63
New Mexico	14.63	13.29	12.88
Northwest States ¹¹	16.81	14.56	14.14
All Federal Order Areas ¹²	16.60	14.89	14.37
California ¹³	14.72	13.27	12.58

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.

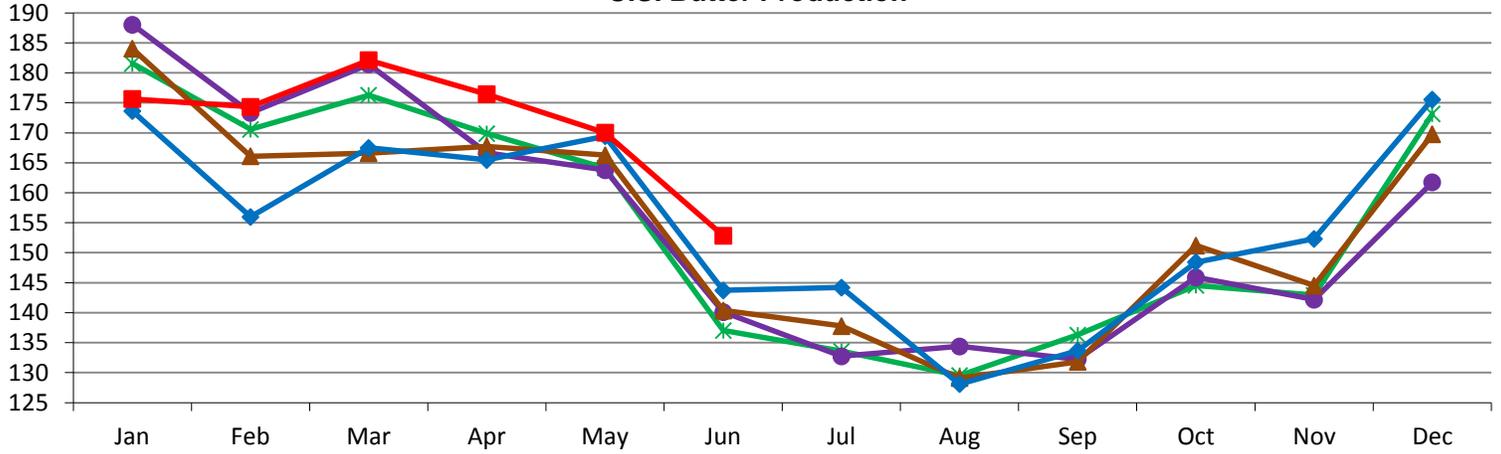
¹³ Calculated by California Department of Food and Agriculture, and published at:

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

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

MILLION POUNDS

U.S. Butter Production

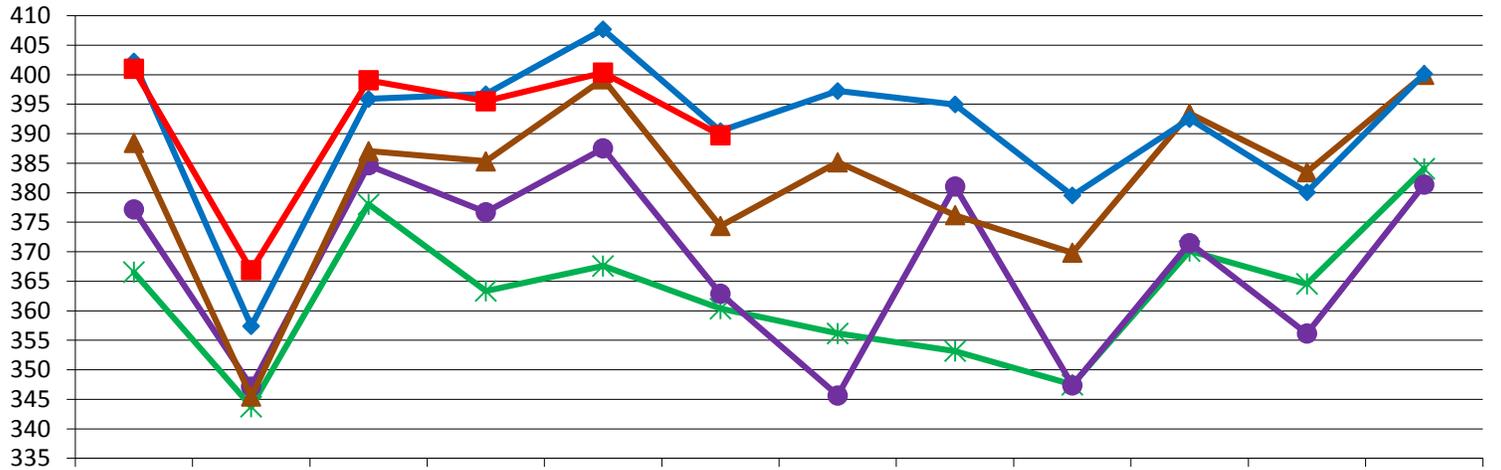


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2012 2013 2014 2015 2016

MILLION POUNDS

U.S. Total American Cheese Production

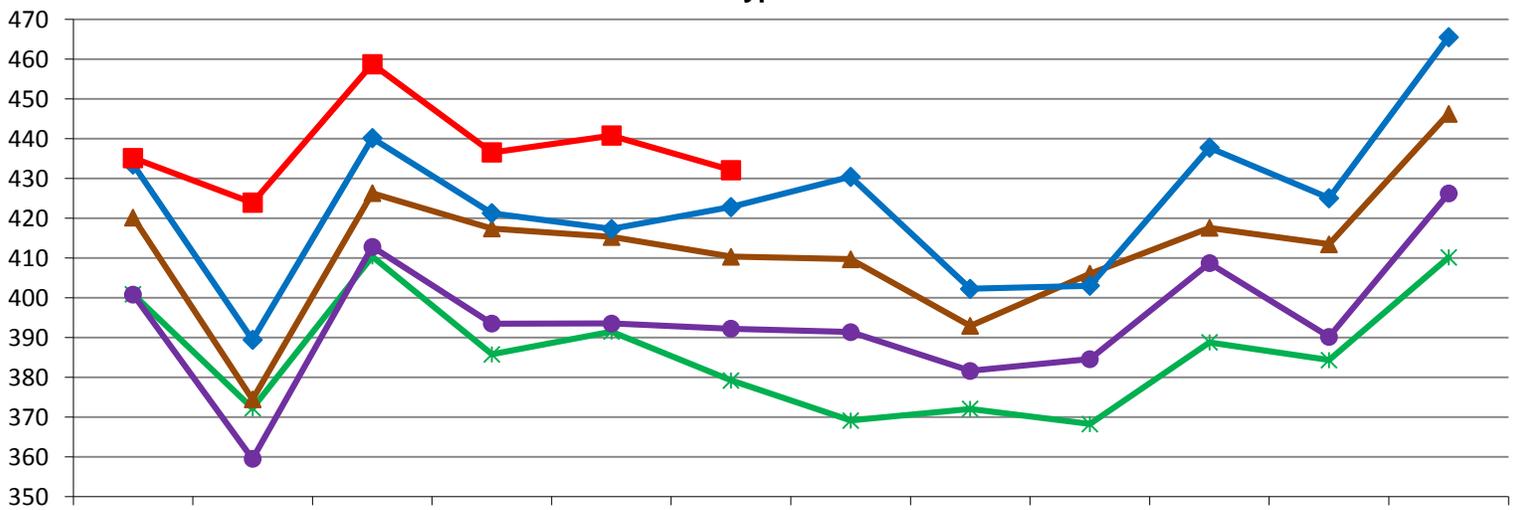


DATA SOURCE USDA, NASS; GRAPH, USDA, DMN

2012 2013 2014 2015 2016

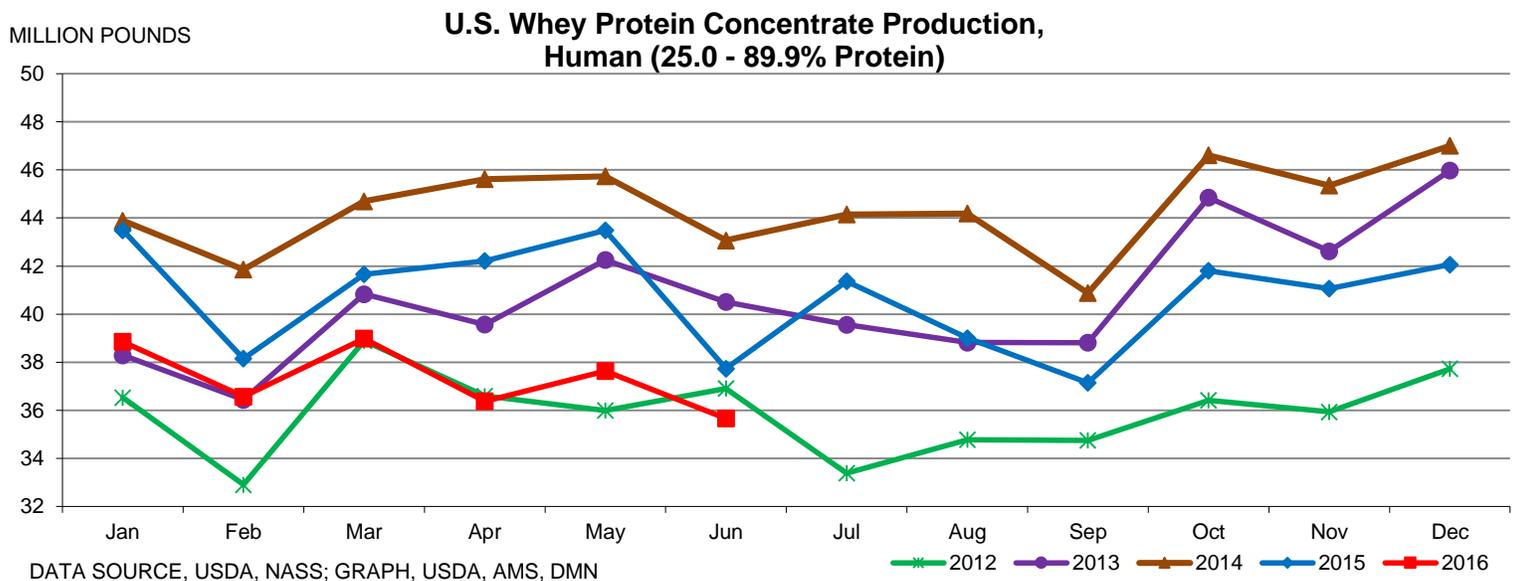
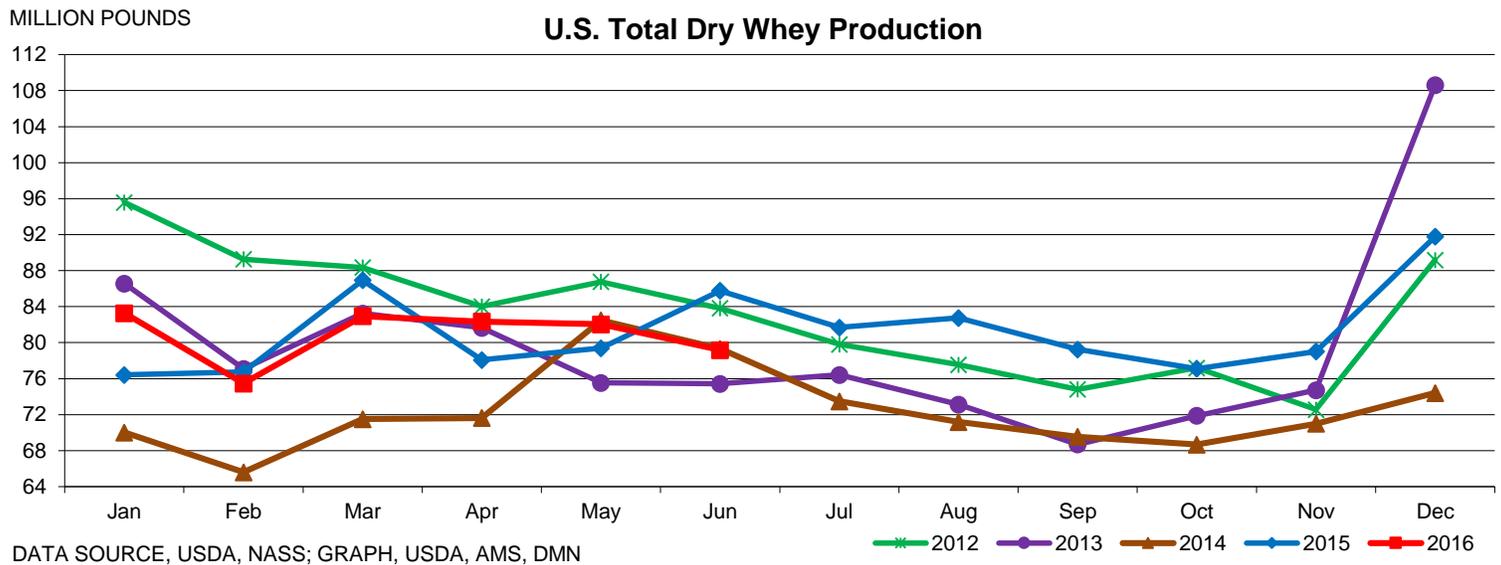
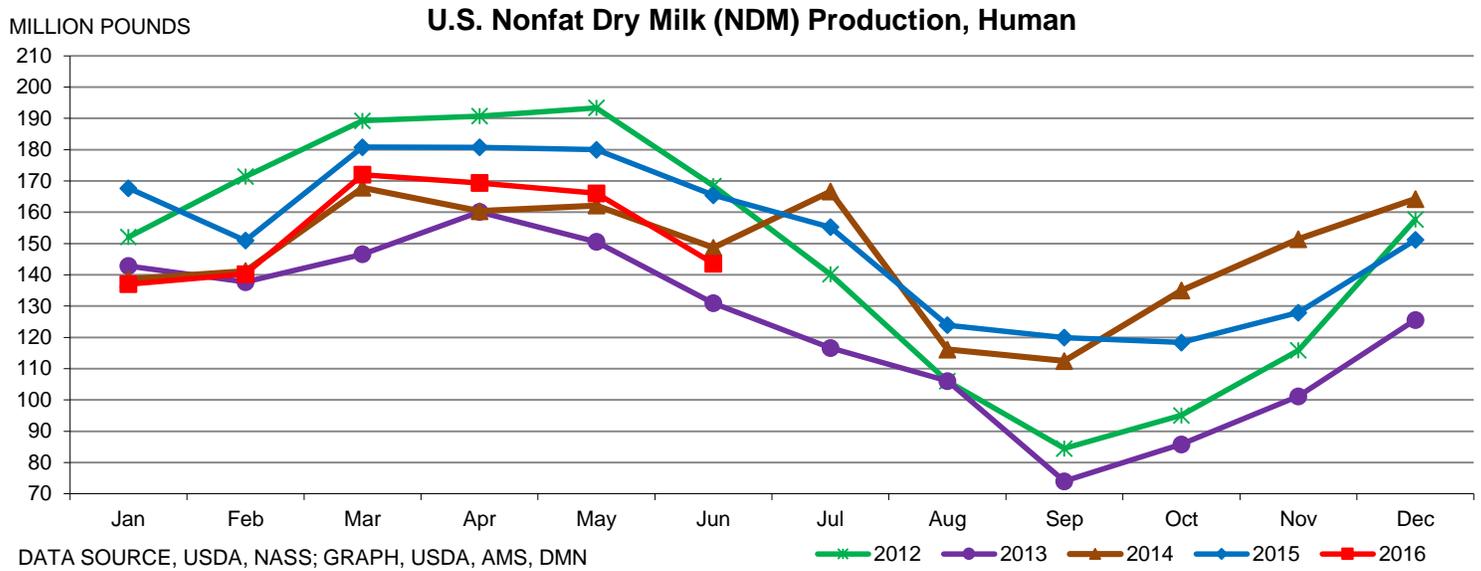
MILLION POUNDS

U.S. Total Italian-Type Cheese Production



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

2012 2013 2014 2015 2016





Dairy Market News Branch

Agricultural
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National Retail Report-Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>

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Friday, August 12, 2016

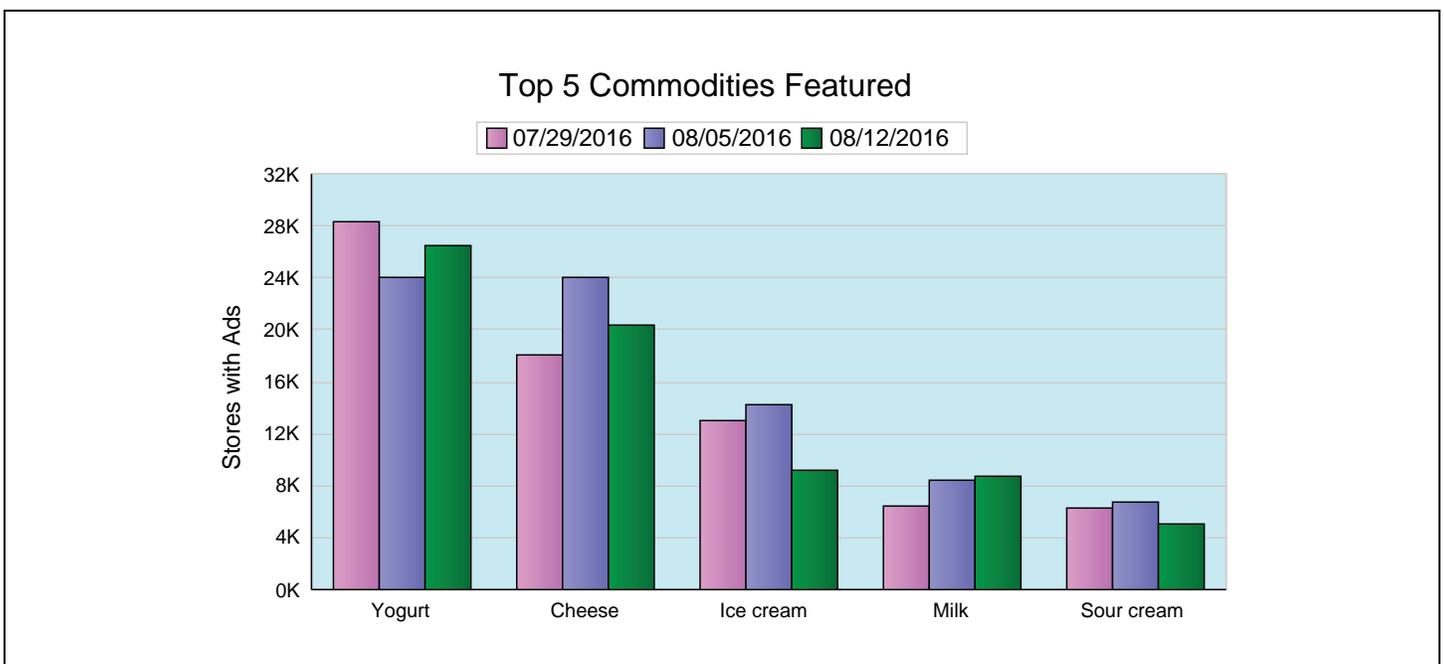
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 08/12/2016 to 08/18/2016

This week 4-6 oz. conventional Greek yogurt is the single most advertised dairy product, with an average price of \$0.91, down from \$0.93. Conventional ice cream in 48 to 64 ounce containers has slipped to the second single most advertised item, having a U.S. weighted average advertised price of \$2.94, down from \$3.01. Total conventional dairy ad numbers decreased 14%, but organic dairy ad numbers increased 16%. There are over 6 times as many conventional dairy ads as organic dairy ads.

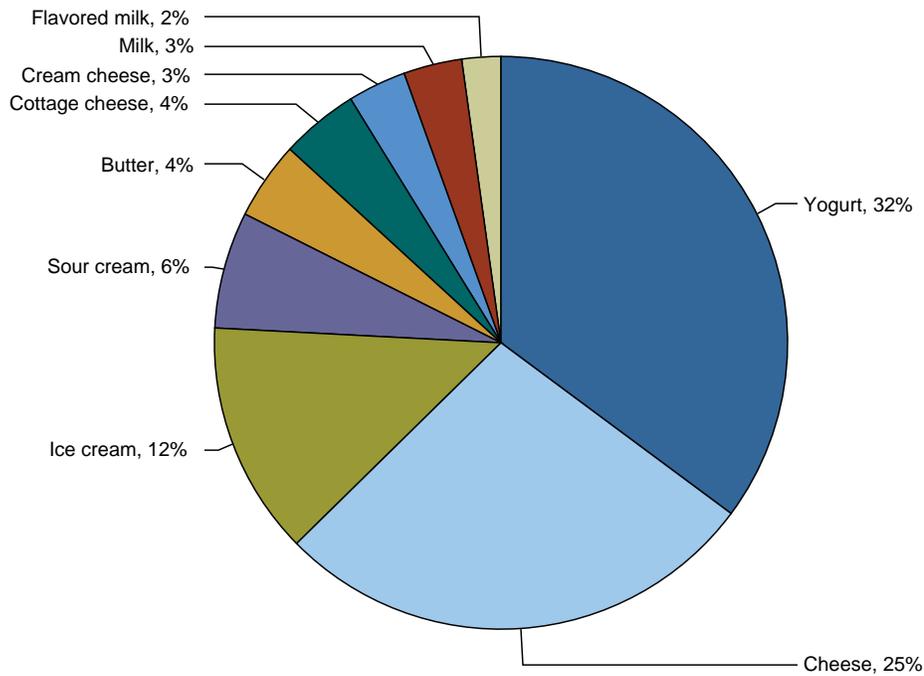
The price spread between organic and conventional half gallon milk is \$2.08. Last week the spread was \$1.17. The price spread is the difference between the national weighted average price for organic, \$4.11, and conventional, \$2.03. There are over 9 times as many organic half gallon ads as conventional half gallons.

The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.17, up 3 cents from last week; 8 ounce shred cheese averaged \$2.25, down 4 cents from last week. Ads for 8 ounce organic shred cheese average \$2.79, an organic premium of \$0.54. The number of conventional cheese ads decreased 16%, and organic cheese ads decreased 6% this week.

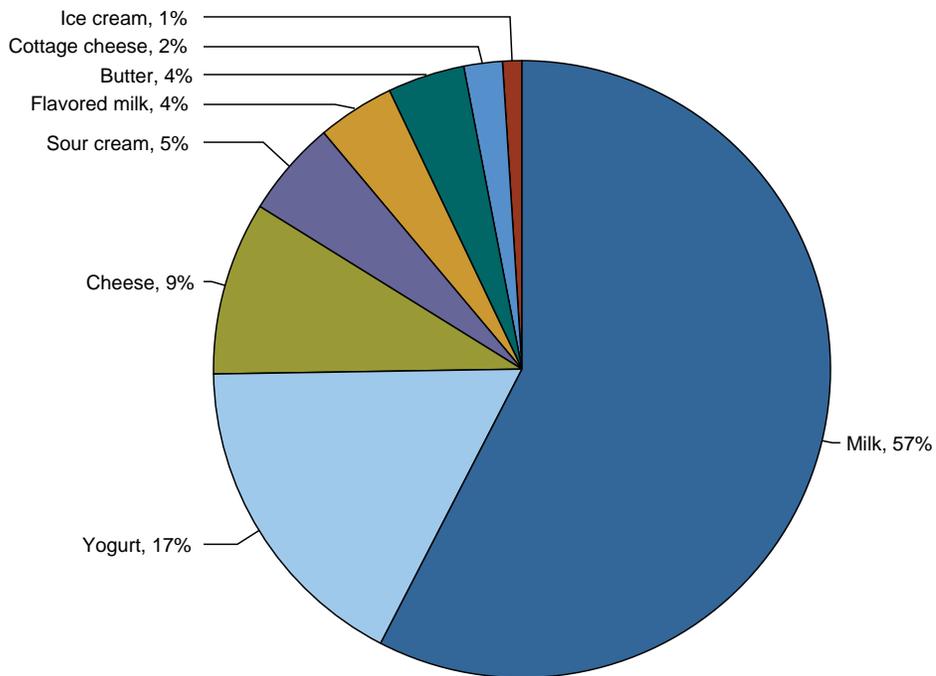
The national weighted average price for conventional 1 pound butter is \$3.23, while organic 1 pound butter is \$5.09, an organic premium of \$1.86. When compared to the previous week, the volume of ad numbers for conventional butter decreased 3%, but organic butter ad numbers increased 39%. There are more than 7 times as many ads for conventional butter than organic butter.



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 #	3265	3.23	3354	2.99	3675	3.11
Cheese	Natural Varieties	8 oz block	6929	2.17	9707	2.14	8804	2.36
Cheese	Natural Varieties	1 # block	1124	3.35	385	4.13	1016	3.11
Cheese	Natural Varieties	2 # block	1661	5.97	1018	6.67	927	6.33
Cheese	Natural Varieties	8 oz shred	8797	2.25	11295	2.29	11873	2.35
Cheese	Natural Varieties	1 # shred	860	3.48	590	3.52	1078	3.36
Cottage cheese		16 oz	3061	2.11	4549	2.08	3081	1.96
Cream cheese		8 oz	2483	2.22	3845	1.87	4156	1.75
Flavored milk	All fat tests	half gallon	900	2.13	214	3.00	579	1.73
Flavored milk	All fat tests	gallon	792	2.91	528	3.41	11	3.49
Ice cream		48-64oz	9133	2.94	14230	3.01	12159	3.11
Milk	All fat tests	half gallon	481	2.03	386	2.67	1419	2.56
Milk	All fat tests	gallon	1835	2.49	2252	2.54	1678	2.04
Sour cream		16 oz	4492	1.82	5782	1.73	6029	1.54
Yogurt	Greek	4-6 oz	12052	.91	13296	.93	13031	.92
Yogurt	Greek	32 oz	2235	3.79	2239	4.23	1557	4.64
Yogurt	Yogurt	4-6 oz	9019	.50	7231	.48	5389	.49
Yogurt	Yogurt	32 oz	1290	2.17	1152	2.10	1853	2.61

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.99-4.99	756	3.77				2.99-3.49	393	3.26
Cheese	Natural Varieties	8 oz block	1.99-3.00	2757	2.23	1.67-2.50	1311	2.32	1.49-2.50	692	1.99
Cheese	Natural Varieties	1 # block	2.99-3.50	207	3.32	2.99	120	2.99	2.99-3.49	244	3.21
Cheese	Natural Varieties	2 # block	8.98	63	8.98						
Cheese	Natural Varieties	8 oz shred	1.99-2.99	2262	2.30	1.67-3.00	2241	2.43	1.49-2.25	519	1.89
Cheese	Natural Varieties	1 # shred	3.50	135	3.50	3.49	90	3.49	2.99-3.49	244	3.21
Cottage cheese		16 oz	1.98-2.50	675	2.14	2.00	1002	2.00			
Cream cheese		8 oz	1.50-4.99	1150	2.27				1.69-2.00	451	1.92
Flavored milk	All fat tests	half gallon	2.49-2.50	245	2.50				1.00-2.00	359	1.69
Flavored milk	All fat tests	gallon				3.99	84	3.99	2.99-3.49	332	3.15
Ice cream		48-64oz	1.99-3.49	2081	2.73	1.99-3.50	2811	2.99	1.98-3.99	1254	2.92
Milk	All fat tests	half gallon	2.99	147	2.99				1.00	110	1.00
Milk	All fat tests	gallon				1.99-3.99	137	3.22	1.69-2.00	407	1.79
Sour cream		16 oz	1.48-3.00	1745	1.76	2.00	1002	2.00	1.49-1.88	295	1.74
Yogurt	Greek	4-6 oz	0.50-1.49	3308	.91	0.50-1.00	2101	.90	0.79-1.18	1497	.98
Yogurt	Greek	32 oz	1.00-4.98	865	3.66	3.00	214	3.00			
Yogurt	Yogurt	4-6 oz	0.35-1.00	1729	.60	0.30-0.60	2579	.52	0.30-0.50	852	.43

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	1.99-2.69	452	2.26				1.99-2.00	225	2.00

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-3.50	586	3.04	2.47-3.50	835	2.78	2.49-3.79	650	3.29
Cheese	Natural Varieties	8 oz block	1.00-3.33	1059	2.35	1.50-2.48	623	1.97	0.97-1.99	453	1.43
Cheese	Natural Varieties	1 # block	2.99-3.99	156	3.36	3.33-3.49	331	3.46	3.99	66	3.99
Cheese	Natural Varieties	2 # block	3.99-5.99	340	4.86	4.77-7.99	980	5.93	5.99-7.99	276	6.75
Cheese	Natural Varieties	8 oz shred	1.00-3.33	924	2.40	1.50-3.50	1967	2.18	0.97-2.99	847	1.82
Cheese	Natural Varieties	1 # shred	3.99	57	3.99	3.49	268	3.49	3.99	66	3.99
Cottage cheese		16 oz	1.69-2.99	737	2.40	1.69-2.00	470	1.88	1.99-2.00	174	2.00
Cream cheese		8 oz	1.50-1.99	176	1.82	1.99-2.78	643	2.41	2.50	61	2.50
Flavored milk	All fat tests	half gallon	2.50	118	2.50	2.29	178	2.29			
Flavored milk	All fat tests	gallon	1.99	260	1.99				3.49	105	3.49
Ice cream		48-64oz	1.99-4.88	705	3.01	1.99-4.99	1839	2.91	2.50-4.99	314	3.41
Milk	All fat tests	half gallon							0.99-1.00	187	1.00
Milk	All fat tests	gallon	1.97-3.50	306	2.50	1.89-3.99	877	2.54	3.49	69	3.49
Sour cream		16 oz	1.49-2.49	475	1.86	0.99-2.00	714	1.67	1.79-2.00	210	1.90
Yogurt	Greek	4-6 oz	0.49-1.00	1462	.83	0.79-1.00	2545	.92	0.50-1.00	1004	.92
Yogurt	Greek	32 oz	3.39-4.99	515	3.91	4.99	178	4.99	3.49-4.49	463	3.79
Yogurt	Yogurt	4-6 oz	0.29-0.50	1013	.38	0.30-0.50	1944	.43	0.33-0.88	819	.56
Yogurt	Yogurt	32 oz	3.00	121	3.00	1.49-2.00	360	1.75	2.50	121	2.50

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.49	11	3.49	3.99	34	3.99
Cheese	Natural Varieties	8 oz block	3.00-3.50	34	3.41			
Cheese	Natural Varieties	2 # block	7.99	2	7.99			
Cheese	Natural Varieties	8 oz shred	2.98-3.50	37	3.38			
Cottage cheese		16 oz				2.50	3	2.50
Cream cheese		8 oz	3.00	2	3.00			
Flavored milk	All fat tests	gallon	3.49	11	3.49			
Ice cream		48-64oz	3.29-5.49	57	4.49	3.97-6.99	72	4.35
Milk	All fat tests	half gallon				2.89-6.79	37	6.47
Milk	All fat tests	gallon	3.49	11	3.49	4.99-5.19	28	5.02
Sour cream		16 oz				1.99-2.50	51	2.23
Yogurt	Greek	4-6 oz	0.99-1.09	50	1.01	0.99-1.50	85	1.11
Yogurt	Yogurt	4-6 oz	0.44-0.60	22	.52	0.50-0.60	61	.54
Yogurt	Yogurt	32 oz	2.79	11	2.79			



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 #	428	5.09	309	5.27	69	4.79
Cheese	Natural Varieties	8 oz block	838	4.18	902	4.19	939	3.86
Cheese	Natural Varieties	8 oz shred	178	2.79	178	3.79	328	3.61
Cottage cheese		16 oz	266	3.79	1297	3.51		
Cream cheese		8 oz			72	2.50		
Flavored milk	All fat tests	half gallon	463	4.77	161	4.99		
Ice cream		48-64oz	101	6.99				
Milk	All fat tests	half gallon	4395	4.11	4965	3.84	2651	4.05
Milk	All fat tests	gallon	728	4.55	613	4.84		
Milk	All fat tests	8 oz UHT	1320	1.00	183	1.00	1727	.99
Sour cream		16 oz	585	2.42	997	3.31	183	1.99
Yogurt	Greek	4-6 oz	726	1.35	61	1.67	392	1.18
Yogurt	Greek	32 oz	137	2.50				
Yogurt	Yogurt	4-6 oz	110	.40			116	.97
Yogurt	Yogurt	32 oz	990	2.50			11	4.39

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 #	4.99-5.49	245	5.16						
Cheese	Natural Varieties	8 oz block	4.49	84	4.49						
Cottage cheese		16 oz	3.99	161	3.99						
Flavored milk	All fat tests	half gallon	4.79-4.99	322	4.89						
Ice cream		48-64oz				6.99	101	6.99			
Milk	All fat tests	half gallon	3.79-4.99	956	4.46	3.79-4.49	1317	3.88	4.49-4.79	218	4.60
Milk	All fat tests	gallon	1.79-5.99	245	3.23						
Milk	All fat tests	8 oz UHT	1.00	100	1.00	1.00	87	1.00	1.00	253	1.00
Sour cream		16 oz	2.99	161	2.99						
Yogurt	Greek	4-6 oz	1.00-1.39	723	1.35						
Yogurt	Greek	32 oz							2.50	137	2.50
Yogurt	Yogurt	4-6 oz							0.40	110	.40

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz				2.50	210	2.50	2.50	110	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	114	4.99				5.00	69	5.00
Cheese	Natural Varieties	8 oz block	3.49	114	3.49	4.99	246	4.99	3.49-4.69	394	3.81
Cheese	Natural Varieties	8 oz shred				2.79	178	2.79			
Cottage cheese		16 oz							3.49	105	3.49
Flavored milk	All fat tests	half gallon	4.49	141	4.49						
Milk	All fat tests	half gallon	3.99	448	3.99	2.99-4.50	1384	4.04	3.99	69	3.99
Milk	All fat tests	gallon				5.00	246	5.00	4.99-5.99	226	5.45
Milk	All fat tests	8 oz UHT	1.00	141	1.00	1.00	565	1.00	0.99-1.00	174	.99
Sour cream		16 oz				1.99-2.49	424	2.20			
Yogurt	Yogurt	32 oz	2.50	219	2.50	2.50	451	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
Milk	All fat tests	half gallon				5.97	3	5.97
Milk	All fat tests	gallon	5.49	11	5.49			
Yogurt	Greek	4-6 oz				1.50	3	1.50

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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