

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (9/2)**

BUTTER: Grade AA closed at \$2.0500. The weekly average for Grade AA is \$2.0725 (-.0175).

CHEESE: Barrels closed at \$1.6400 and 40# blocks at \$1.6800. The weekly average for barrels is \$1.6325 (-.1555) and blocks, \$1.6960 (-.0965).

NONFAT DRY MILK: Grade A closed at \$0.8700. The weekly average for Grade A is \$0.8590 (+.0100).

BUTTER HIGHLIGHTS: Butter production is ongoing in the Central and West regions, but has slowed significantly for some processors in the East. Nationwide, some churn operators are running production schedules at full capacity to meet the upcoming Q4 needs. However, butter production is intermittent in a few processing plants as cream continues tight in those facilities. Bulk butter microfixing is active in the Central region. Domestic print butter demands from restaurants and many retail outlets are strong. The butter market undertone is mixed throughout the country. Inventories vary from plant to plant. Bulk butter prices reported throughout the country are ranging from one cent under to 6 cents over the market, based on the CME Group with various periods and averages used. The NASS *Dairy Products* report noted July U.S. butter production totaled 143.6 million pounds, up 6.0 percent from a year ago, but 5.1 percent lower from last month. January-July cumulative U.S. butter production totals 1,173.4 million pounds, 5.6 percent ahead of 2015 during the same time span. The Grade AA butter price at the CME Group on Friday closed at \$2.0500, down \$.0075 from a week ago.

CHEESE HIGHLIGHTS: Cheese manufacturers in the Northeast and Midwest are dealing with lower milk supplies and more elusive spot milk supplies. This is reducing cheese production in those regions. In the West, cheese production remains active as there are very few obstacles in getting enough milk for most processing needs. A few manufacturers in the West report that they have been able to draw down their cheese stocks and are regularly turning over their inventories. Northeast cheese inventories, in general, are adequate, with weak market undertones. Midwest manufacturers are managing their inventories closely and, in some cases, have been able to lower their cheese holdings. Cheese in the EU remains in shorter supply than desired. In CME Group trading Friday, barrels closed at \$1.6400, down \$.0400 from last Friday and blocks closed at \$1.6800, down \$.0600.

FLUID MILK: Milk outputs are trending upward as temperatures retreat a little in the southern areas of the Central region, and west through New Mexico, Arizona and California. In the mountain states of Colorado, Utah and Idaho, milk production is relatively steady. After reaching the peak, milk output has not trailed off much. Along the eastern seaboard, the Pacific Northwest and northern areas of the Central region, milk production is steady to trending downward. Across most of the nation, bottling demand is active with heavy milk volumes clearing through school meal programs. However, many processors anticipate a drop in sales during the extended Labor Day holiday weekend. In addition, New Mexico bottling sales are steady to lower with most school pipelines full. With school bottling taking more milk and Class I demand trending upward seasonally, sales into manufacturing facilities are declining and limited, especially in the Midwest. The limited spot sales are clearing within a price range of \$.50-\$3.00 over Class. In the East and West, condensed skim is available for most contractual needs, but supplies are lower. Higher milk volumes into bottling are increasing the availability of cream for processing. Cream multiples for the week are 1.30-1.40 in the East, 1.22-1.33 in the Midwest, and 1.18-1.32 in the West.

DRY PRODUCTS: Across the nation, prices for low/medium heat nonfat dry milk are mixed in an unsettled market. Production is steady to lower as bottled milk demand continues to limit volumes of condensed skim clearing to drying and a few NDM plants increased dryer time for high heat nonfat milk production. High heat nonfat dry milk prices are slightly higher. Inventories vary from tight to adequate for near-term customer needs. Dry buttermilk prices are steady in the West, but steady to higher in the Central and East. Inventories are adequate for contractual needs, but tight for additional supplies. Stocks are steady to slightly higher in the West. Dry whole milk prices are unchanged on light trading. Dry whey prices are steady to lower in the Central region, but steady to higher in the West and Northeast. Industry contacts describe mixed inventories. Stocks of a few brands are tight and command higher prices. A few other industry contacts report dry whey is readily available from both manufacturers and the secondary market. Animal feed whey prices are unchanged in a relatively quiet market. The price range for whey protein concentrate 34% expanded this week. Industry contacts note tight inventories and prices at the top

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CME GROUP CASH TRADING

COMMODITY	MONDAY AUG 29	TUESDAY AUG 30	WEDNESDAY AUG 31	THURSDAY SEP 01	FRIDAY SEP 02	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.6425 (-.0375)	\$1.6250 (-.0175)	\$1.6250 (N.C.)	\$1.6300 (+.0050)	\$1.6400 (+.0100)	:: (-.0400)	:: \$1.6325 (-.1555)
40# BLOCKS	\$1.7300 (-.0100)	\$1.7100 (-.0200)	\$1.6800 (-.0300)	\$1.6800 (N.C.)	\$1.6800 (N.C.)	:: (-.0600)	:: \$1.6960 (-.0965)
NONFAT DRY MILK GRADE A	\$.8550 (+.0050)	\$.8550 (N.C.)	\$.8550 (N.C.)	\$.8600 (+.0050)	\$.8700 (+.0100)	:: (+.0200)	:: \$.8590 (+.0100)
BUTTER GRADE AA	\$2.0575 (N.C.)	\$2.1100 (+.0525)	\$2.0800 (-.0300)	\$2.0650 (-.0150)	\$2.0500 (-.0150)	:: (-.0075)	:: \$2.0725 (-.0175)

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-**

of the range for WPC 34% that meets infant formula requirements. For WPC 34% that does not meet infant formula requirements, stocks are more readily available and the market is a little flat. Lactose prices held steady on light spot trading. A number of manufacturers report being sold out or having committed inventories this week. Rennet and acid casein prices slightly firmed at the lower end of the price range.

NATIONAL RETAIL REPORT (DMN): Advertisements for conventional ice cream in 48-64 ounce containers declined by 10%, but remained the top advertised dairy item. Conventional Greek yogurt in 4-6 ounce containers and 8 ounce packages of shredded cheese followed, while ad numbers were -22% and +3% respectively. The national weighted average price for conventional 1 pound butter is \$3.84, while organic 1 pound butter is \$5.67. Total conventional ads increased by 12%, but total organic ads declined by 10%. Conventional 1# cheese shreds posted the largest percentage increase, 823%, of all dairy items. Conventional Greek yogurt in 4-6 ounce containers held an average price of \$0.97, up 1 cent from last week's price. Organic Greek yogurt in the same size packages averaged \$1.11, down 6 cents from last week. Conventional non-Greek yogurt in 4-6 ounce containers averaged \$0.51, while its organic counterpart averaged \$0.60. Conventional yogurt ads decreased by 9% this week and organic yogurt ads decreased by 15%. The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.17, unchanged from last week; 8 ounce shred cheese averaged \$2.19, down 11 cents from last week. Ads for 8 ounce organic block cheese average \$4.69, up 84 cents from a year ago. The number of conventional cheese ads increased 29%, but organic cheese ads decreased 82% this week. This week, conventional half gallon ads were vastly limited compared to organic ad volumes and prices. Hence, the price spread for half gallon milk is \$0.11, the lowest ever posted. Last week the spread was \$2.66. The price spread is the difference between the national weighted average price for organic, \$3.80, and conventional \$3.69, as the bulk of retails ads represented Hawaii's market. Organic milk ads increased by 79%, while ads for conventional milk decreased by 59%.

INTERNATIONAL DAIRY MARKET NEWS (DMN): WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: Continuing firmer prices in Western Europe for most dairy commodities is encouraging dairy manufacturers. Following the end of quotas last year, concerns arose over weaker pricing following from higher milk production volumes. Now that markets seem to have adjusted, resulting in strengthening prices, there is greater confidence in the immediate future. People involved in dairy manufacturing are feeling more hopeful. For example, the trend of skim milk powder market demand increasing, coupled with milk drawing away from SMP production, results in need to sell less into intervention. Tighter current cheese inventories reflecting production not able to keep up with demand, was not expected earlier this year, but is now a factor in drawing milk away from SMP production and tightening that market. Overall there is increasing confidence that the EU is moving into a period where higher prices will be sustainable into 2017 and hence, expectations of greater profitability. **EASTERN OVERVIEW:** Farm gate milk prices have weakened in a number of Eastern European countries according to CLAL. June prices are lower than May in the Slovak Republic, Bulgaria, Poland, and Czech Republic. The most current prices available for Romania and Hungary, May prices, are below April prices. **OCEANIA OVERVIEW:** The new milk production season in **Australia** opened weaker than last year. According to Dairy Australia, July 2016 milk production in Australia was 10.3% below July 2015. The state changes from July a year earlier are: New South Wales, -7.2%; Victoria, -11.2%; Queensland, -0.4%; South Australia, -18.8%; Western Australia, +1.4% and Tasmania,

-19.6%. Each state's percentage of total Australian production is: New South Wales, 14.4%; Victoria, 65.3%; Queensland, 5.6%; South Australia, 5.2%; Western Australia, 5.1%; and Tasmania, 4.3%. Lower July milk production was of little surprise to people involved in dairying in Australia. Some areas have been very wet. The rainfall is welcome news for future pasture growth if rain moderates to prevent pasture damage. Continuing to drag milk production is producers reducing cow numbers. Another factor is that a number of dairy producers responded to recently lowered milk pay prices by "retiring." The impact remains uncertain until it is better understood what happened to the cows of these producers. There is heightened interest among producers to change who they sell milk to, seeking higher prices. Processing capacity is limiting that option. Looking ahead for the season, general expectations are for the season to yield less milk than last season, but at a lesser decline than July reported. This view is a bit more optimistic than what prevailed in recent months. **New Zealand** milk production during July, as reported by DCANZ, was 231,000 MT, up from 147,000 MT in May. During July 2015, milk production was 229,000 MT. July milk solids, 19.92 million kg, are up from 13.01 million kg in June, compared with 19.89 million kg during July last year. The next GDT event is September 6.

JULY AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$16.10 in July, down \$0.60 from July 2015. Milk Cows price was \$1,730 in July, down \$300 from July 2015. Alfalfa hay price was \$140.00 in July, down \$32.00 from July 2015. Corn price was \$3.60 in July, down \$0.20 from July 2015. Soybean price was \$10.20 in July, up \$0.25 from July 2015. The milk-feed price ratio was 2.14 in July, up 0.13 from July 2015. The index of prices received by farmers for dairy products during the month of July 2016 was up 6.5 points to 80.1. Compared to July 2015, the index was down 3 points (-3.6 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2016 was down 0.9 to 106.6. Compared with July 2015, the index was down 4.1 points (-3.7 percent).

JULY DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 144 million pounds, 6.0 percent above July 2015, but 5.1 percent below June 2016. American type cheese production totaled 398 million pounds, 0.2 percent above July 2015, and 2.2 percent above June 2016. Total cheese output (excluding cottage cheese) was 1.02 billion pounds, 1.4 percent above July 2015, and 2.6 percent above June 2016. Nonfat dry milk production, for human food, totaled 153 million pounds, 1.5 percent below July 2015, but 4.7 percent above June 2016. Dry whey production, for human food, was 81.7 million pounds, 1.2 percent above July 2015, and 4.1 percent above June 2016. Ice cream, regular hard production totaled 69.7 million gallons, 3.7 percent below July 2015, and 8.4 percent below June 2016.

AUGUST FEDERAL MILK ORDER FINAL CLASS AND COMPONENT PRICES (FMMO): Class Prices: The following are the August 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$15.21 (+\$0.05), Class III: \$16.91 (+\$1.67), and Class IV: \$14.65 (-\$0.19). **Component Price Information:** Under the Federal milk order pricing system, the butterfat price for August 2016 is \$2.4873 per pound. Thus, the Class II butterfat price is \$2.4943 per pound. The protein and other solids prices for August 2016 are \$2.5738 and \$0.0881 per pound, respectively. These component prices set the Class III skim milk price at \$8.50 per cwt. The August 2016 Class IV skim milk price is \$6.16, which is derived from the nonfat solids price of \$0.6841 per pound. Product Price Averages: The product price averages for August 2016 are: butter: \$2.2254, nonfat dry milk: \$0.8588, cheese: \$1.8119, and dry whey: \$0.2846.

CME GROUP

MONDAY, AUGUST 29, 2016

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.6775, 1 @ \$1.6700, 1 @ \$1.6600, 2 @ \$1.6500, 1 @ \$1.6425; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6325; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6500; 1 CAR 40# BLOCKS @ \$1.7300
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A: 1 @ \$0.8525, 1 @ \$0.8550, 2 @ \$0.8575, 2 @ \$0.8600; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8550
 BUTTER -- SALES: 5 CARS GRADE AA @ \$2.0575; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0575; LAST OFFER UNCOVERED: 3 CARS GRADE AA @ \$2.0800

TUESDAY, AUGUST 30, 2016

CHEESE -- SALES: 5 CARS BARRELS: 1 @ \$1.6350, 1 @ \$1.6325, 1 @ \$1.6300, 1 @ \$1.6275, 1 @ \$1.6250; 1 CAR 40# BLOCKS @ \$1.7100; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6250; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6400; 1 CAR 40# BLOCKS @ \$1.7100
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A @ \$0.8550; LAST BID UNFILLED: 2 CARS GRADE A @ \$0.8500; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8600
 BUTTER -- SALES: 4 CARS GRADE AA: 3 @ \$2.1000, 1 @ \$2.1100; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0800; LAST OFFER UNCOVERED: NONE

WEDNESDAY, AUGUST 31, 2016

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6250; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.6800
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8500; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8650
 BUTTER -- SALES: 2 CARS GRADE AA: 1 @ \$2.0600, 1 @ \$2.0800; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0700; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.1000

THURSDAY, SEPTEMBER 1, 2016

CHEESE -- SALES: 6 CARS BARRELS: 1 @ \$1.6225, 1 @ \$1.6200, 1 @ \$1.6175, 1 @ \$1.6200, 2 @ \$1.6300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6400
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8600; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0600; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0650

FRIDAY, SEPTEMBER 2, 2016

CHEESE -- SALES: 15 CARS BARRELS: 1 @ \$1.6400, 1 @ \$1.6375, 1 @ \$1.6350, 1 @ \$1.6400, 3 @ \$1.6375, 1 @ \$1.6400, 1 @ \$1.6375, 6 @ \$1.6400; LAST BID UNFILLED: 4 CARS BARRELS @ \$1.6400; 1 CAR 40# BLOCKS @ \$1.6800; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.6500
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$0.8750, 1 @ \$0.8700; LAST BID UNFILLED: 1 CAR GRADE A @ \$0.8650; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$0.8850
 BUTTER -- SALES: 1 CAR GRADE AA @ \$2.0400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$2.0500; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$2.0700

BUTTER MARKETS

NORTHEAST

Butter churns have slowed significantly for some processors in the East. Some of the available cream is clearing to meet dairy needs other than butter in some channels. The demand for butter is good, as butter manufacturers' note brisk to heavy inquiries. Stocks are adequate in some cases, but there are accounts of suppliers holding limited to no available inventory for spot market needs. Product is moving into international markets. The market undertone is mostly steady as the Labor Day holiday weekend approaches. The current bulk butter prices for domestic sales are reported 3-5 cents over the market of the CME Group, with various time frames and averages used. According to the *DMN National Retail Report-Dairy*, for August 26-September 1, 2016 the national weighted average advertised price for 1-pound butter is \$3.00, declining \$0.41 from last week and down \$0.16 from a year ago. The Northeast regional price is \$3.18, \$0.18 higher than the advertised national average. In the Southeast, butter prices average \$3.30, up \$0.30 over last week's average. Tuesday's CME Group cash trading saw Grade AA butter close at \$2.1100 up \$0.0025 from a week ago.

CENTRAL

With the reopening of schools, milk standardization is adding to regional cream supplies. In addition, Class II processors, especially ice cream makers, are pulling less cream intakes. As a result, butter churning is ongoing in the Central region. However, butter production is intermittent in a few processing plants as cream continues tight in those facilities. Meanwhile, some regional churn operators are running production schedules at full capacity to meet the upcoming Q4 needs. Bulk butter microfixing is active. Print butter demands from restaurants and many retail outlets are strong. The butter market undertone is firm. Inventories are mixed

throughout the region. Bulk butter prices reported ranged from market to 6 cents over the market, with various time frames and averages used. The *DMN National Retail Report-Dairy* for August 26-September 1 noted the national weighted average advertised price for a 1 pound package of butter is \$3.00, \$0.41 below one week ago and \$0.16 lower than one year ago. The regional weighted average prices in the Midwest and South Central are \$3.08 and \$3.48 respectively. Wednesday at the CME Group, Grade AA butter closed at \$2.0800, up \$0.0025 from last Wednesday.

WEST

Western butter production continues to march toward the fall baking season. Domestic demand is firm and manufacturers report a consistent draw from contracted buyers. Manufacturers continue to place a little more emphasis on print rather than bulk production. Inventories and production activities are mixed between processors. Some butter makers have committed inventories and are actively processing to stay ahead of demand. And a few butter makers have slowed the churns and continue to sell cream or milk fats off to other manufactured dairy processors. The *DMN National Retail Report-Dairy* for the week of August 26-September 1 found that the U.S. weighted average advertised price of 1 pound butter is \$3.00, down \$0.41 from last week. The U.S. weighted average price was \$3.16 one year ago. In the Southwest, the weighted average advertised price of 1 pound butter is \$2.01, with a price range of \$1.79-\$2.49. In the Northwest, the weighted average advertised price of 1 pound butter is \$2.73, with a price range of \$2.49-\$2.99. This week, a cooperative export assistance program accepted requests for 110,231 pounds (50 metric tons) of

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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 27, 2016	2,2210 2,470,033	1,8080 14,491,898	1,9062 8,831,819	.2926 7,001,043	.8658 15,859,128

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

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butter. So far this year, the program has assisted member cooperatives who have contracts to sell 8.5 million pounds of butter (82% milkfat) in export markets. According to the California Department of Food and Agriculture, July 2016 butter production was 43.4 million pounds, up 6.7% from a year ago. California year-to-date butter production through July is 349.8 million pounds, down 3.5% from 2015 butter production through July. 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. The Grade AA butter price at the CME Group on Wednesday closed at \$2.0800, up \$.0025 from a week ago.

CHEESE MARKETS

NORTHEAST

Cheese manufacturers in the Northeast report that steady drops in milk supplies are lowering production levels. Domestic cheese sales are good in both wholesale and retail sectors. Processors are set on building cut cheese stocks, for strong fall seasonal contract needs. Inventories, in general, are adequate. Market undertone is weak, with a significant drop in prices noted over the past week. The Northeast wholesale cheese prices for cheddar blocks and Muenster continue to decline, as prices moved lower \$0.0300. Processed 5# sliced prices dropped significantly, \$0.0775. The Grade A Swiss price is steady, but the market anticipates changes with release of August Class prices later this week. According to the *DMN National Retail Report-Dairy*, for August 26-September 1, 2016 the Northeast weighted average advertised price for 8 oz. cheese blocks was \$2.23, \$0.06 more than the national average and \$0.09 cents higher than a week ago. The Southeast 8 oz. block cheese price was \$2.21, down \$0.11 from the previous week. The advertised price for 8 oz. shredded cheese in the Northeast is \$2.39, \$0.09 cents more than the national average price. In the Southeast, the average price for 8 oz. shredded cheese is \$2.29, up \$0.05 cents from last week. Tuesday's CME Group daily cash prices saw barrels close at \$1.6250, down \$0.2400 from a week ago; blocks closed at \$1.7100, down \$0.1350 from a week ago.

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

Cheddar 40# Block	:	2.1925-2.4775
Process 5# Sliced	:	1.9875-2.4675
Muenster	:	2.1775-2.5275
Grade A Swiss Cuts 10 - 14#	:	2.8650-3.1875

MIDWEST

Midwest cheese manufacturers report milk has gotten a little tighter and spot loads of milk are harder to find. Although a few processors are occasionally buying an extra load of milk, others are more cautious. There is some concern about what the cheese price will do. A few cheese makers have backed off on their production runs and are opting to fortify the cheese make process when possible. Inventories are long industry-wide for American and Italian cheese, but manufacturers say they are managing their inventories closely and, in some cases, have been able to lower their cheese holdings. Customers are taking regular cheese orders, but are not asking for extra. Food service and retail demand are steady. The *DMN National Retail Report-Dairy* shows that August 26-September 1 Midwest ads for 8 ounce shred cheese have a weighted average advertised price of \$2.04, 26 cents lower than the national average. Midwest prices range from \$1.66-\$3.00. One year ago, the national price was \$2.46. For 8 ounce blocks, the Midwest average price is \$2.07, 10 cents below the national average price. Midwest ads are priced from \$1.66-\$3.00. Last year, the national price was \$2.34. Midwestern wholesale prices are unchanged for Swiss cuts, down \$0.0775 for process, and down \$0.0300 for all other types. This week, a cooperative export assistance program accepted 10 requests for 1.98 million pounds (899 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 33.5 million pounds of cheese in export markets. In CME Group trading Wednesday, barrels closed at \$1.6250, down \$0.1550 from last Wednesday and blocks closed at \$1.6800, down \$0.1000.

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

Process American 5# Loaf	:	1.8800-2.2400
Brick And/Or Muenster 5#	:	2.1625-2.5875
Cheddar 40# Block	:	1.8900-2.2850
Monterey Jack 10#	:	2.1375-2.3425
Blue 5#	:	2.4300-3.4175
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9625-2.9025
Grade A Swiss Cuts 6 - 9#	:	2.3825-2.5000

WEST

Western cheese production remains active as there are very few obstacles in getting enough milk for most processing needs. Some cheese makers are running full production schedules. Although exports have been sluggish, domestic demand for natural cheese has been good. Retail accounts are pulling good volumes and cheese is moving well through existing contracts. A few manufacturers report that although cheese supplies are long across the industry, they have been able to draw down their cheese stocks and are regularly turning over their inventories. The *DMN National Retail Report-Dairy* for the week of August 26-September 1 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is \$2.30, up \$0.01 from last week, but down \$0.16 from a year ago. Packs average \$2.32 in the Southwest and 2.11 in the Northwest. For 8 ounce blocks, the U.S. price is \$2.17, up \$0.05 from last week, but down \$0.17 from a year ago. Blocks average \$1.88 in the Southwest. There were no reported 8 ounce block prices in the Northwest this week. In the West, wholesale prices are down \$0.0775 for process, and down \$0.0300 for cheddar block, cuts, and Monterey Jack. Swiss cut wholesale prices are unchanged. This week, a cooperative export assistance program accepted 10 requests for 1.98 million pounds (899 metric tons) of cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 33.5 million pounds of cheese in export markets. According to the California Department of Food and Agriculture, July 2016 cheese production was 213.6 million pounds, up 4.2% from a year ago. California year-to-date cheese production through July is 1.466 billion pounds, up 2.0% from 2015 cheese production through July. In CME Group trading Wednesday, barrels closed at \$1.6250, down \$0.1550 from a week ago and blocks closed at \$1.6800, down \$0.1000.

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

Process 5# Loaf	:	1.8950-2.1525
Cheddar 40# Block	:	1.8950-2.3400
Cheddar 10# Cuts	:	2.0750-2.2950
Monterey Jack 10#	:	2.0850-2.2450
Grade A Swiss Cuts 6 - 9#	:	2.4425-2.8725

CHEESE MARKETS

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FOREIGN

Cheese in the EU remains in shorter supply than desired. June was the first 2016 month where EU cheese production fell below the corresponding month's level for the previous year, according to Eucolait. Manufacturers say that limitations on milk availability for cheese making is what limits cheese production. In the U.S., wholesale domestic blue, gorgonzola, parmesan and Romano cheese prices decreased \$0.0300 following lower weekly average CME Group block prices. 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	: 2.3575-3.8450*
Gorgonzola	: 3.6900-5.7400	: 2.8650-3.5825*
Parmesan (Italy)	: -0-	: 3.7475-5.8375*
Romano (Cows Milk)	: -0-	: 3.5475-5.6975*
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.

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

	BUTTER	CHEESE
	:	:
08/29/16	27,672	: 89,026
08/01/16	29,546	: 92,876
CHANGE	-1,874	: -3,850
% CHANGE	-6	: -4

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	95	0	40	0	180	0
SOUTHEAST STATES	0	0	0	0	50	0

The USDA announced it would provide low interest emergency loan relief for Eastern region farmers stricken by this summer's drought, which includes 28 New York and Pennsylvania counties. Milk production in the Northeast moved slightly lower. Class I demand continues to fill pipelines as remaining schools are set to begin following the upcoming Labor Day period. Milk production in the Mid-Atlantic is steady to lower. Manufacturing is operating at levels 50% below capacity in some instances, as milk receipts continue to decline. Bottling orders are active, prompted by increased customer demand. Farm milk declines in the Southeast continue to require incoming milk shipments to support active fluid sales. Sales in the area are steady with add-on orders, as heavy milk volumes clear to a number of school networks. Weather conditions remain hot in Florida, but with the tropical storm approaching the area is expecting a bit of rain over the next couple of days. Milk production continues to fall off but should level soon. Bottling plant sales are flat. Imported milk shipments number 95 spot loads this week. As school milk generates extra cream, some suppliers note the gradual increase in available cream volumes, thus, a decline in multiples. There is a strong likelihood declining multiples will continue through the holiday weekend, as some cream based plants close for the holiday. Some brokers/suppliers are concerned as to where the numbers will land. Currently, **cream multiples** for all Classes in the East ranges **1.30-1.40**. **Condensed skim** is available mostly for contractual fulfillment, as suppliers report diminishing volumes for spot use. Plants are seeing fewer condensed skim loads clear to drying. Volumes are exchanging hands at flat class and up in spot markets. According to the *DMN National Retail Report-Dairy*, for August 26-September 1, 2016, the U.S. weighted average advertised price for a gallon of milk was \$2.37, a 14 cents decline compared to last year, and 21 cents decline from last week. The weighted average regional price for a gallon of milk in the Northeast was \$2.34, down \$1.40 from last week, with a price range of \$1.89-\$2.99.

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 - 2.7170-2.9260

F.O.B. producing plants: Upper Midwest - 2.5498-2.7797

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

Northeast - Class II - includes monthly formula prices - .75-.93

Northeast - Class III - spot prices - .70-.80

MIDWEST

From north to south, milk production in the Central region is uneven. With a relatively mild summer in southern areas of the region, farm level milk production is heading incrementally higher. However, in the northern areas of the region, farm level milk production is still trending downward. As Class I demand trends upward seasonally, sales into manufacturing facilities are declining and limited, in many cases, to contractual volumes. Milk marketers and manufacturers note

the lack of availability of spot milk loads for Class II and III production and a decrease in toll manufacturing requests to handle above capacity intakes during the week. However, with the holiday weekend approaching, buyers are finding improved availability of spot loads. The limited spot sales are clearing within a narrow price range, \$.50 - \$3.00 over Class. Milk processors indicate dairy operators throughout the region continue to plan for herd expansions within the upcoming quarter and into next year. With feed commodities being at relatively low prices, dairy operators indicate this time is favorable to them for adding cows. Also, milk processors report they are fielding requests from dairy producers for changing milk receiving locations. For processors, it is a little early in the year to take on new dairy producers, but requests are being collected for consideration ahead of calendar year 2017 planning. Cream availability is steady with continued demand from Classes II and III producers. Class II manufacturers are running steadily for this week but anticipate throttling back on production in the weeks to come. Some cream-based products will see less production time on the lines, especially for individual serving items that are often carried at sports venues, amusement parks, and fairs. The Class II cream multiple range tightened, ranging from 1.22-1.33, with higher multiples more prevalent at the beginning of the week. The *DMN National Retail Report-Dairy* for August 26-September 1 noted the national weighted average advertised price for one gallon of milk was \$2.37, down \$0.21 from a week ago, and \$0.14 lower than a year ago. The weighted average regional prices in the Midwest and South Central were \$1.96 and \$3.22, respectively.

WEST

Farm milk production in California is steady to slightly higher. The cooler temperatures are relieving heat stress on cows. Milk volumes into manufacturing are sufficient to meet processing needs. Orders from bottlers to serve schools are higher. Requests from grocery outlets and restaurants are even this week. Many processors anticipate lower Class 1 sales during the next holiday weekend. Class 2 sales are steady. Demand for Class 3 (ice cream) is waning. Dairy operators' demand for high quality alfalfa is moderate, while supplies continue to be tight within the state. According to California Department of Food and Agriculture, July 2016 Class 1 sales in California totaled 49.7 million gallons, 5.5% below July 2015. From January through July 2016, Class 1 sales totaled 370.8 million gallons, down 3.2% from the comparable period in 2015. In Arizona, milk output is heading up as temperatures are dropping slowly. With the reopening of schools, manufacturing milk volumes are lower, but sufficient to keep local balancing plants busy. Class I sales are steady to higher in some retail channels. Many processors anticipate a drop in sales during the Labor Day holiday weekend as schools will be closed. Class II sales are steady to lower. Harvesting of good/excellent quality alfalfa hay is active around the state. Lower temperatures in New Mexico are supporting comfort of dairy cows. Therefore, the farm milk output is higher. Wet conditions are present, but only minor hauling issues are reported. Bottling sales are steady to lower, as most of the school pipelines are full. Class II sales are lower as demand for ice cream is weakening. Manufacturing milk volumes moving into Class III manufacturing plants are higher this week. Dairy operators' interest for high quality alfalfa is light as supplies are readily available. Harvesting has been delayed in some areas due to the rainy conditions. New Mexico is between the fourth and fifth

-CONTINUED ON PAGE 4A-

FLUID MILK AND CREAM

-CONTINUED FROM PAGE 4-

cutting of alfalfa hay. According to the DMN *National Retail Report -Dairy* for the week of August 26–September 1, the national weighted average advertised price for one gallon of milk is \$2.37, down 21 cents from last week and 14 cents lower from a year ago. The weighted average regional prices in the Southwest and Northwest are \$2.17 and \$2.50, respectively. Pacific Northwest milk production is steady to slightly lower but adequate for most processing needs. Manufacturers say milk intakes are following typical seasonal trends. Bottling demands from school milk programs continue to take good volumes of milk. Pasture and rangeland conditions are good or excellent in 20% of Oregon and 47% of Washington. Milk production is steady in the mountain states of Colorado, Idaho and Utah. After reaching the peak, milk output hasn't trailed off very much. Intakes are in fairly good balance with processing needs. Manufacturers report no problems getting milk, although a few contacts indicate processors are looking for a few extra spot loads of milk. Pasture and rangeland conditions are good or excellent in 66% of Colorado, 47% of Utah, and 34% of Idaho. Western **condensed skim** processing is steady. Supplies are slightly lower. Demands from NDM and SMP manufacturers are strong. Less condensed skim volumes are moving into ice cream processing plants. Western cream supplies are mixed throughout the region. Higher milk volumes into bottling are increasing the availability of cream for processing. Demands from butter and cream cheese makers are strong. Meanwhile, interest from ice cream manufacturers is waning. Some western cream volumes are moving to Mexico. **Multiples** for all classes are slightly lower, ranging from **1.18 to 1.32**.

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: F.O.B spot prices for Central low/medium nonfat dry milk (NDM) vary. Production levels are steady to lower as milk moves to bottled milk needs. Contacts note loads of condensed skim are clearing to cheese plants for fortifying in some instances. The market reports limited to no spot offerings from some suppliers, as the market in general observes more activity from market participants looking to fill large volumes over multiple months. For the most part, purchases are made on as needed bases as the market remains unsettled. Stocks are sufficient. Central high heat NDM prices and the market undertone seem to indicate some strengthening, while following the direction and pace of the low heat NDM market. Buyer interest is steady and capturing decent seasonal movement. Offerings are light for limited spot needs. Stocks are limited.

EAST: Eastern low/medium heat nonfat dry milk prices are mixed. Class I demand continues to impact low/medium heat nonfat dry milk by limiting volumes of condensed skim clearing to drying. The rate of production dipped even more this week as a few NDM plants in the region increased their dryer time for high heat nonfat dry milk production. Open sales orders have strengthened since last week for some manufacturers. Inventories are adequate for near-term needs. The market undertone is unsettled. Prices for high heat nonfat dry milk move higher at the bottom of the range, but held steady at the top. Some manufacturers note they are in a better position to produce high heat NDM, as they prepare for seasonal baking demand. In general, interest is currently fair. Inventories vary, as most are light to adequate for supplying near-term customer needs. Wednesday at the CME Group, Grade A NDM closed at \$.8550, up \$.0075 from last Wednesday.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8300 - .9500 MOSTLY: .8500 - .9200
 HIGH HEAT: .9300 - 1.0500

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk prices are mixed on the range, but steady on the mostly series. Opinions from industry participants about the market undertone are mixed. Processors say the market is firming as the baking season is near. On the other hand, buyers/end users are puzzled with the current prices, as inventories are readily available. Some manufacturers are not hesitant to hold stocks, anticipating higher prices in the near future. Meanwhile, some buyers/end users are taking a wait and see attitude, trying to push down prices. At this point, the market undertone is unsettled. NDM sales volumes to cheese makers and the bakery sector are steady to higher this week. Trades to Mexico are active. Demand for condensed skim from NDM processors is strong, but supplies are less available for drying. Consequently, NDM production is slightly lower. However, a few processors are expecting to increase production during the holiday weekend. Inventories are readily available in most plants. High heat nonfat dry milk prices are slightly higher. Production is irregular, based on contractual needs. Inventories are tight. Some processors are expecting to increase production as the baking season is approaching. Demand from bakers is active. According to California Department of Food and Agriculture, July 2016 nonfat dried milk (NDM) production in California totaled 44.7 million pounds, 21.7% lower than July 2015. From January through July 2016, NDM production totaled 358.9 million pounds, down 22.3% from the same period in 2015.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8000 - .9500 MOSTLY: .8800 - .9200
 HIGH HEAT: .9300 - 1.0475

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
August 26	\$.8518	6,397,210
August 19	\$.8440	3,380,618

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

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Prices for dry buttermilk in the Central region are steady to higher. The re-opening of schools continue to weigh on the dry buttermilk market as milk supply volumes sidestep regional balancing plants capable of processing butter. In addition, some manufacturing plants are clearing the majority of their condensed buttermilk supplies through customer pipelines, limiting the dry buttermilk available to the market. Inventories are adequate for contractual customer needs, but buyers looking for additional supplies are finding a somewhat tighter market, with multiple suppliers notably low on product. The Central dry buttermilk market has a firm undertone.

EAST: F.O.B. prices for East dry buttermilk moved higher at the top of the range. Churning is steady to lower in the region, which has led to declining dry buttermilk output. Tracking down surplus dry buttermilk loads appears challenging, as some major suppliers report inventories as tight to sold-out. Contacts noted light end user demand going into the Labor Day holiday period. However, suppliers anticipate a swell in inquiries following the holiday, as the baking season pushes closer. The undertone exemplifies a strengthening market.

F.O.B. CENTRAL/EAST: .7800 - .8900

DRY BUTTERMILK - WEST

Western dry buttermilk prices are steady on the range, but lower on the mostly series. Trades in the f.o.b. spot market have been light to moderate throughout the week. At this point, the market undertone is somewhat unsettled. Condensed buttermilk supplies are more available to dry as ice cream makers are pulling less. In addition, butter churning is very active in the region. Consequently, dry buttermilk manufacturing is higher this week. Inventories are steady to slightly higher.

F.O.B. WEST: .7800 - .8800 MOSTLY: .8200 - .8500

DRY WHOLE MILK - NATIONAL

National dry whole milk prices are unchanged on light trading. Production is sporadic, based on contractual requirements. However, some processors are expecting to increase production as the baking season is near. Meanwhile, a few manufacturers are shifting from whole milk processing to SMP and NDM production. Inventories vary from plant to plant. The market undertone is mixed throughout the country. Demands from the bakery and confectionery sectors are active.

F.O.B. PRODUCING PLANT: 1.2900 - 1.3500

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

The central whey price range moved lower, while the mostly price series held steady. A few processors note a little hesitancy from buyers on prices above the average of the mostly. Inventories are mixed. Stocks of a few specific brands are tight and command stronger prices. Other industry contacts report dry whey is readily available from both manufacturers and the secondary market. Overall, inquiries are steady and dry whey is moving well through regular contracts. Dry whey production is stable. Animal feed whey prices are unchanged. Some industry contacts note the feed whey market is quiet right now. End users are content to work through existing stocks or pick up an occasional load of feed whey if they find one at a discounted price.

F.O.B. CENTRAL: .2400 - .3800 MOSTLY: .2650 - .3250
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2000 - .2550

DRY WHEY - NORTHEAST

Eastern dry whey prices moved higher as purchases based on indices adjusted upwards at the top of the range this week. Output remains steady into the Labor Day holiday. Current production is moving through contracts with little available for spot market activity, as milk receipts decline seasonally. As the baking sector expands fall production schedules, the dry whey market is seeing fair to good demand. Inventories are light. The market undertone is firm.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2650 - .3350

DRY WHEY - WEST

Western whey prices moved higher. Manufacturers report good demand and the proximity to export markets is providing some strength in the western whey market. Inventories are mixed. A few processors indicate their stocks are committed through the end of the year, while others have greater availability. Dry whey production is generally steady. A few processors say their commitments for higher whey protein concentrations have reduced the amount of whey powder they have been able to make.

NONHYGROSCOPIC: .2800 - .3800 MOSTLY: .3000 - .3425

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The price range expanded for whey protein concentrate 34%, while the top end of the mostly price series moved higher. Industry contacts clearly define a two tier market in place. The market for WPC34% that does not meet the infant formula requirements is flat. In many cases, this type of WPC34% is facing stiff competition from nonfat dry milk based on price and buyer preferences. Meanwhile, WPC 34% that meets infant formula or other high end application

requirements is commanding stronger prices. Some resellers note resale prices above the current price range. This type of WPC 34% has tight inventories and sellers are not having a problem moving any available load. Some buyers report that it has become more difficult to get offers from manufacturers. Production is stable, but down from previous year's production as some processors produce higher whey protein concentrations in lieu of WPC 34%.

F.O.B. EXTRA GRADE 34% PROTEIN: .5900 - .8700 MOSTLY: .6700 - .7775

LACTOSE - CENTRAL AND WEST

Lactose prices held steady on light spot trading. A number of manufacturers report being sold out or having committed inventories. Although lactose is moving well through regular contracts, the tight stocks are making it more difficult for buyers to source additional lactose. There is steady interest from shoppers. A few processors report getting requests from European Union buyers who say lactose supplies are short in Europe. Both buyers and sellers are already thinking about Q4 contracts. A few offers are being circulated above the current price range. Lactose production remains active.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .2300 - .3800 MOSTLY: .2700 - .3500

CASEIN - NATIONAL

Rennet and acid casein prices slightly firmed at the lower end of the price range. Virtually all current production is already committed, leaving little spot market activity this week and no GDT event to influence markets. However, active discussions are occurring concerning contracts for quarters 1, 2 and occasionally 3 of 2017. Some sellers are not willing to commit to prices now because they expect price firming and are wary of committing to prices lower than what may become established. To the extent that quarter 1 prices are discussed, they are higher than current pricing. European manufacturers are also wary as to volumes of milk that will be available to manufacture casein in 2017, also contributing to caution in setting prices now for significant percentages of manufacturing capabilities. Buyers without continuing relationships with casein manufacturers are less able to secure 2017 commitments as of now.

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: 2.8950 - 2.9200
ACID: 2.9150 - 2.9800

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
08/13/2016	53.3	1,806.7	53.4	1,835.4

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

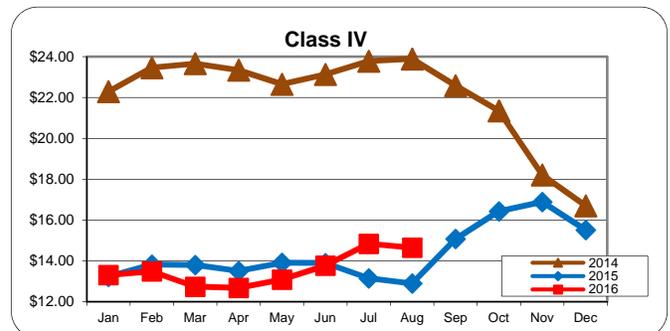
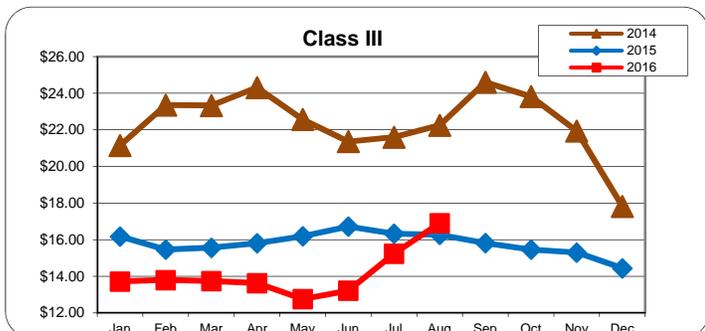
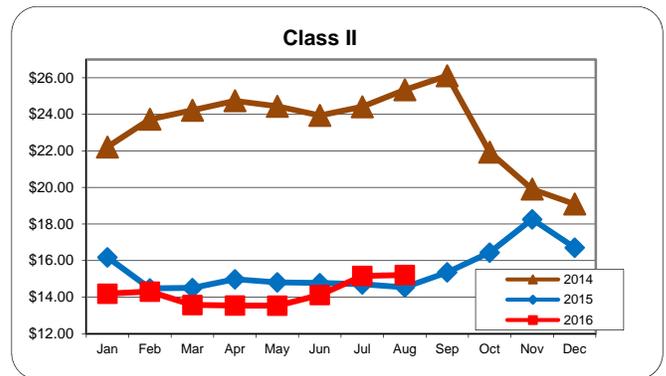
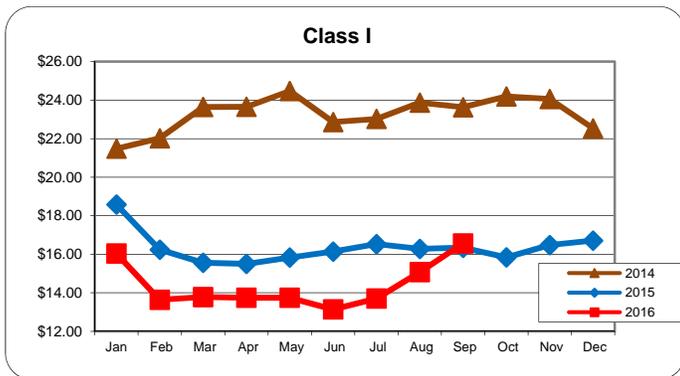
CLASS IV MILK PRICES (3.5%)

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	16.56			
II	14.19	14.30	13.57	13.54	13.53	14.12	15.16	15.21				
III	13.72	13.80	13.74	13.63	12.76	13.22	15.24	16.91				
IV	13.31	13.49	12.74	12.68	13.09	13.77	14.84	14.65				

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



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered August 22 - September 2, 2016

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW: Continuing firmer prices in Western Europe for most dairy commodities is encouraging dairy manufacturers. Following the end of quotas last year, concerns arose over weaker pricing following from higher milk production volumes. Now that markets seem to have adjusted, resulting in strengthening prices, there is greater confidence in the immediate future. People involved in dairy manufacturing are feeling more hopeful. For example, the trend of skim milk powder market demand increasing, coupled with milk drawing away from SMP production, results in need to sell less into intervention. Tighter current cheese inventories reflecting production not able to keep up with demand, was not expected earlier this year, but is now a factor in drawing milk away from SMP production and tightening that market. Overall there is increasing confidence that the EU is moving into a period where higher prices will be sustainable into 2017 and hence, expectations of greater profitability.

BUTTER/BUTTEROIL: EU butter prices increased at each end of the price range. Butteroil followed the same pattern. Demand for packaged butter has firmed and is challenging the ability of manufacturers to keep up. Bulk butter demand has also strengthened, which has been satisfied in part by taking bulk butter out of private storage. Delivery delays are also a factor strengthening prices as demand pressures build. Supplies remain tight nevertheless. Industrial cream prices are higher. Export interest has slowed. Butter production in the EU January-June 2016 is 10.4% ahead of the same period of 2015, according to Eurostat.

82% BUTTERFAT: 3,900 - 4,100
99% BUTTERFAT: 4,050 - 4,500

SKIM MILK POWDER (SMP): Skim milk powder prices in the EU increased slightly at each end of the price range. Internal EU demand is firming, as is export demand. This is resulting in less motivation to sell SMP into intervention. Also weighing on SMP manufacturing volumes are lower milk supplies overall, renewed interest by cheesemakers in securing milk to make by cheese, and improved profitability of skim milk concentrate sales. SMP production in the EU January-June 2016 is 13.3% ahead of the same period of 2015, according to Eurostat.

1.25% BUTTERFAT: 2,050 - 2,150

SWEET WHEY POWDER: European whey pricing strengthened at each end of the price range. Whey production has been lower, following the trend of reduced cheese production in Western Europe. Demand for feed grade whey is stronger than food grade, but manufacturers of food grade are seeing distinctly higher demand as well.

NONHYGROSCOPIC: 800 - 900

WHOLE MILK POWDER (WMP): Whole milk powder prices in the EU firmed at each end of the price range. Buying interest is up, especially for the European food industry. A slight increase in export activity is believed to be occurring. Manufacturers are generally able to hold firm on pricing. WMP production in the EU January-June 2016 is 7.8% ahead of the same period of 2015, according to Eurostat.

26% BUTTERFAT: 2,650 - 2,800

EASTERN OVERVIEW: Farm gate milk prices have weakened in a number of Eastern European countries according to CLAL. June prices are lower than May in the Slovak Republic, Bulgaria, Poland, and Czech Republic. The most current prices available for Romania and Hungary, May prices, are below April prices.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered August 22 - September 2, 2016

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

The new milk production season in **Australia** opened weaker than last year. According to Dairy Australia, July 2016 milk production in Australia was 10.3% below July 2015. The state changes from July a year earlier are: New South Wales, -7.2%; Victoria, -11.2%; Queensland, -0.4%; South Australia, -18.8%; Western Australia, +1.4% and Tasmania, -19.6%. Each state's percentage of total Australian production, is: New South Wales, 14.4%; Victoria, 65.3%; Queensland, 5.6%; South Australia, 5.2%; Western Australia, 5.1%; and Tasmania, 4.3%. Lower July milk production was of little surprise to people involved in dairying in Australia. Some areas have been very wet. The rainfall is welcome news for future pasture growth if rain moderates to prevent pasture damage. Continuing to drag milk production is producers reducing cow numbers. Another factor is that a number of dairy producers responded to recently lowered milk pay prices by "retiring." The impact remains uncertain until it is better understood what happened to the cows of these producers. There is heightened interest among producers to change who they sell milk to, seeking higher prices. Processing capacity is limiting that option. Looking ahead for the season, general expectations are for the season to yield less milk than last season, but at a lesser decline than July reported. This view is a bit more optimistic than what prevailed in recent months. **New Zealand** milk production during July, as reported by DCANZ, was 231,000 MT, up from 147,000 MT in May. During July 2015, milk production was 229,000 MT. July milk solids, 19.92 million kg, are up from 13.01 million kg in June, compared with 19.89 million kg during July last year. The next GDT event is September 6.

BUTTER: Butter prices firmed at each end of the price range. Butter supplies are extremely tight in Australia, leading to some additional opportunities for New Zealand butter producers. Some Australian butter manufacturers are dealing with tight cream supplies, leading to paying higher prices to assure supplies. New Zealand butter exports January-July 2016 increased 5.5% from the same period of 2015 according to Eucolait. This reversed March-June when 2016 exports lagged 2015 exports. The top three export destinations and percentage of total exports are: China, 16.5%; Iran, 14.0%; and Egypt, 10.0%.

82% BUTTERFAT: 3,200 - 3,600

WHOLE MILK POWDER (WMP): Whole milk powder prices firmed at the top of the price range. Firming is seen in coming weeks. With milk production at a low point in the annual cycle, production of WMP is lower and most current production is already committed. Following the significant price uptick during the last GDT session, some buyers were hopeful that prices would not sustain the higher equilibrium. Manufacturers are pleased that the higher prices have been sustained over the last two weeks, especially with the next GDT session not scheduled until next week. As of now, futures markets are viewed as showing continuing price strength. New Zealand WMP exports January-July 2016 decreased 3.6% from the same period of 2015 according to Eucolait. The top three export destinations and percentage of total exports are: China, 25.2%; Algeria, 9.5%; and UAE, 8.0%.

26% BUTTERFAT: 2,600 - 2,900

SKIM MILK POWDER (SMP): Skim milk powder prices are up slightly. Available inventories at some manufacturers are tighter, but not all. With milk production at a low point in the annual cycle, production of SMP is also lower and most current production is already committed. Manufacturers expect some gentle price firming in coming weeks. New Zealand SMP exports January-July 2016 increased 12.6% from the same period of 2015 according to Eucolait. The top three export destinations and percentage of total exports are: China, 23.3%; Malaysia, 9.5%; and the Philippines, 9.2%.

1.25% BUTTERFAT: 2,000 - 2,200

CHEDDAR CHEESE: Cheddar prices increased slightly at the top of the price range. Supplies are tightening for some manufacturers. The tighter cheddar supplies are related to higher prices and returns currently available for Mozzarella manufactured in Oceania, with some sales near \$4,000 per metric ton. This has led to a shift in manufacturing preference toward Mozzarella from cheddar. New Zealand cheese exports January-July 2016 increased 10.7% from the same period of 2015 according to Eucolait. The top three export destinations and percentage of total exports are: Japan, 18.0%; Australia, 17.3%; and China, 12.7%.

39% MAXIMUM MOISTURE: 3,200 - 3,500

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

.0662 Argentina Peso	.0098 Japan Yen
.7569 Australian Dollar	.0537 Mexican Peso
.7685 Canadian Dollar	.7252 New Zealand Dollar
1.1191 Euro	.2576 Poland Zloty
.0149 India Rupee	

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0537) = 18.6220 Mexican Pesos. Source: "Wall Street Journal"

CME GROUP, INC FUTURES
Selected settling prices

Month	08/19	08/22	08/23	08/24	08/25	08/26	08/29	08/30	08/31	09/01
CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)										
AUG 16	16.95	16.96	16.96	16.94	16.91	16.91	16.92	16.91	16.91	
SEP 16	17.88	17.82	17.75	17.45	17.10	16.60	16.55	16.60	16.46	16.77
OCT 16	17.58	17.55	17.43	17.28	17.01	16.57	16.52	16.62	16.58	16.84
NOV 16	17.07	17.10	17.04	16.84	16.65	16.24	16.28	16.39	16.31	16.56
DEC 16	16.60	16.63	16.59	16.41	16.30	15.94	15.97	16.07	16.00	16.15
JAN 17	16.35	16.35	16.27	16.14	16.07	15.78	15.77	15.84	15.79	15.86
FEB 17	16.20	16.24	16.21	16.12	16.05	15.90	15.90	15.93	15.85	15.90
MAR 17	16.23	16.23	16.21	16.17	16.10	16.02	16.01	16.03	15.98	16.00
APR 17	16.27	16.27	16.27	16.25	16.24	16.20	16.14	16.15	16.10	16.12
MAY 17	16.43	16.41	16.41	16.40	16.39	16.36	16.33	16.33	16.30	16.30
CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)										
AUG 16	14.66	14.66	14.66	14.64	14.70	14.70	14.70	14.70	14.65	
SEP 16	15.04	14.73	14.69	14.64	14.60	14.60	14.60	14.60	14.60	14.54
OCT 16	15.58	15.39	15.09	15.09	15.10	15.16	15.20	15.25	15.25	15.25
NOV 16	15.80	15.80	15.37	15.27	15.34	15.50	15.56	15.56	15.56	15.64
CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)										
AUG 16	222.90	222.28	222.00	222.00	222.00	222.03	222.03	222.03	222.54	
SEP 16	224.25	219.65	216.65	215.03	215.28	214.13	213.60	215.50	213.40	211.50
OCT 16	224.00	220.00	217.65	217.00	218.50	217.25	216.80	218.00	216.95	215.55
NOV 16	222.75	219.25	217.30	217.03	218.00	217.50	216.60	217.78	216.25	215.50
NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)										
AUG 16	85.28	85.28	85.30	85.30	85.83	86.10	86.10	86.10	85.88	
SEP 16	88.90	88.18	88.25	88.03	89.25	89.70	89.48	89.15	89.08	89.50
OCT 16	96.00	94.55	93.00	93.50	93.50	95.00	96.00	95.40	95.38	95.55
NOV 16	98.80	97.75	97.00	96.75	96.78	97.98	99.50	99.40	100.00	101.25
WHEY (Electronic-Traded) (¢/lb)										
AUG 16	28.45	28.45	28.45	28.45	28.45	28.40	28.40	28.40	28.46	
SEP 16	31.80	31.55	31.15	31.15	31.25	30.63	30.88	30.88	30.00	30.40
OCT 16	35.25	35.05	35.13	35.35	35.00	34.98	34.73	34.75	33.43	35.00
NOV 16	37.00	37.00	37.00	37.00	37.00	36.35	36.35	36.08	35.03	36.00
CHEESE CSC (Electronic-Traded) (\$/lb)										
AUG 16	1.82	1.81	1.82	1.81	1.81	1.81	1.81	1.81	1.81	
SEP 16	1.90	1.89	1.89	1.85	1.82	1.77	1.77	1.77	1.76	1.79
OCT 16	1.84	1.84	1.83	1.81	1.78	1.74	1.73	1.75	1.75	1.76
NOV 16	1.78	1.79	1.78	1.76	1.74	1.70	1.71	1.72	1.71	1.73
DEC 16	1.73	1.73	1.73	1.70	1.70	1.66	1.68	1.68	1.68	1.69

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

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

COMMODITY	:::REPORT NUMBER 31	:::REPORT NUMBER 32	:::REPORT NUMBER 33	:::REPORT NUMBER 34	:::REPORT NUMBER 35	::: 2016	:	2015
	:-----:-----:-----:-----:-----:					Monthly	:	Monthly
	::: AUG 01 - 05	::: AUG 08 - 12	::: AUG 15 - 19	::: AUG 22 - 26	::: AUG 29 - 31	::: Average	:	Average

CHEESE

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	::: 1.8675 - 2.2275	::: 1.9150 - 2.2750	::: 1.9700 - 2.3300	::: 1.9575 - 2.3175	::: 1.8800 - 2.2400	::: 2.1013	:	1.9650
-- Brick And/Or Muenster 5#	::: 2.0925 - 2.5175	::: 2.1375 - 2.5625	::: 2.1675 - 2.5925	::: 2.1925 - 2.6175	::: 2.1625 - 2.5875	::: 2.3620	:	2.3004
-- Cheddar 40# Block	::: 1.8200 - 2.2150	::: 1.8650 - 2.2600	::: 1.8950 - 2.2900	::: 1.9200 - 2.3150	::: 1.8900 - 2.2850	::: 2.0745	:	2.0129
-- Monterey Jack 10#	::: 2.0675 - 2.2725	::: 2.1125 - 2.3175	::: 2.1425 - 2.3475	::: 2.1675 - 2.3725	::: 2.1375 - 2.3425	::: 2.2270	:	2.1654
-- Blue 5#	::: 2.3600 - 3.3475	::: 2.4050 - 3.3925	::: 2.4350 - 3.4225	::: 2.4600 - 3.4475	::: 2.4300 - 3.4175	::: 2.9107	:	2.8491
-- Mozzarella 5 - 6#	::: 1.8925 - 2.8325	::: 1.9375 - 2.8775	::: 1.9675 - 2.9075	::: 1.9925 - 2.9325	::: 1.9625 - 2.9025	::: 2.4195	:	2.3579
-- Grade A Swiss Cuts 6 - 9#	::: 2.4825 - 2.6000	::: 2.3825 - 2.5000	::: 2.3825 - 2.5000	::: 2.3825 - 2.5000	::: 2.3825 - 2.5000	::: 2.4630	:	2.8186

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 40# Block	::: 2.1225 - 2.4075	::: 2.1675 - 2.4525	::: 2.1975 - 2.4825	::: 2.2225 - 2.5075	::: 2.1925 - 2.4775	::: 2.3220	:	2.2504
-- Process 5# Sliced	::: 1.9750 - 2.4550	::: 2.0225 - 2.5025	::: 2.0775 - 2.5575	::: 2.0650 - 2.5450	::: 1.9875 - 2.4675	::: 2.2688	:	2.1425
-- Muenster	::: 2.1425 - 2.4925	::: 2.1900 - 2.5400	::: 2.2200 - 2.5700	::: 2.2075 - 2.5575	::: 2.1775 - 2.5275	::: 2.3634	:	2.3029
-- Grade A Swiss Cuts 10 - 14#	::: 2.9650 - 3.2875	::: 2.8650 - 3.1875	::: 2.8650 - 3.1875	::: 2.8650 - 3.1875	::: 2.8650 - 3.1875	::: 3.0480	:	3.4036

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	::: 1.8825 - 2.1400	::: 1.9300 - 2.1875	::: 1.9850 - 2.2425	::: 1.9725 - 2.2300	::: 1.8950 - 2.1525	::: 2.0651	:	1.9288
-- Cheddar 40# Block	::: 1.8250 - 2.2700	::: 1.8700 - 2.3150	::: 1.9000 - 2.3450	::: 1.9250 - 2.3700	::: 1.8950 - 2.3400	::: 2.1045	:	2.0429
-- Cheddar 10# Cuts	::: 2.0050 - 2.2250	::: 2.0500 - 2.2700	::: 2.0800 - 2.3000	::: 2.1050 - 2.3250	::: 2.0750 - 2.2950	::: 2.1720	:	2.1104
-- Monterey Jack 10#	::: 2.0150 - 2.1750	::: 2.0600 - 2.2200	::: 2.0900 - 2.2500	::: 2.1150 - 2.2750	::: 2.0850 - 2.2450	::: 2.1520	:	2.0904
-- Grade A Swiss Cuts 6 - 9#	::: 2.5425 - 2.9725	::: 2.4425 - 2.8725	::: 2.4425 - 2.8725	::: 2.4425 - 2.8725	::: 2.4425 - 2.8725	::: 2.6792	:	3.0349

FLUID PRODUCTS

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

-- Northeast - f.o.b	::: 2.8250 - 2.9795	::: 2.8612 - 3.0830	::: 3.0281 - 3.1851	::: 2.8815 - 3.1474	::: 2.7170 - 2.9260	::: 2.9757	:	3.0588
-- Upper Midwest - f.o.b	::: 2.6484 - 3.0015	::: 2.4842 - 3.0165	::: 2.7140 - 3.0281	::: 2.6820 - 2.9923	::: 2.5498 - 2.7797	::: 2.8005	:	3.0569

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

-- Class II	::: 0.45 - 0.90	::: 0.55 - 0.90	::: 0.70 - 0.93	::: 0.70 - 0.93	::: 0.75 - 0.93	::: 0.7683	:	0.7817
-- Class III	::: 0.43 - 0.65	::: 0.53 - 0.75	::: 0.70 - 0.75	::: 0.70 - 0.75	::: 0.70 - 0.80	::: 0.6696	:	0.8793

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

COMMODITY	:::REPORT NUMBER 31	:::REPORT NUMBER 32	:::REPORT NUMBER 33	:::REPORT NUMBER 34	:::REPORT NUMBER 35	::: 2016	:	2015
	:::-----	:::-----	:::-----	:::-----	:::-----	::: Monthly	:	Monthly
	::: AUG 01 - 05	::: AUG 08 - 12	::: AUG 15 - 19	::: AUG 22 - 26	::: AUG 29 - 31	::: Average	:	Average
DRY PRODUCTS								
NONFAT DRY MILK								
-- Central And East (f.o.b.)								
-- Low/Medium Heat	::: 0.8125 - 0.9100	::: 0.8050 - 0.9100	::: 0.8000 - 0.9500	::: 0.8475 - 0.9300	::: 0.8300 - 0.9500	::: 0.8732	:	0.7817
-- Mostly	::: 0.8475 - 0.9000	::: 0.8475 - 0.9000	::: 0.8500 - 0.9000	::: 0.8700 - 0.9200	::: 0.8500 - 0.9200	::: 0.8801	:	0.7643
-- High Heat	::: 0.9350 - 1.0200	::: 0.9350 - 1.0200	::: 0.8800 - 1.0200	::: 0.8800 - 1.0500	::: 0.9300 - 1.0500	::: 0.9704	:	0.9643
-- West (f.o.b.)								
-- Low/Medium Heat	::: 0.7800 - 0.9300	::: 0.7775 - 0.9200	::: 0.8000 - 0.9200	::: 0.7925 - 0.9500	::: 0.8000 - 0.9500	::: 0.8609	:	0.7288
-- Mostly	::: 0.8500 - 0.9100	::: 0.8600 - 0.9000	::: 0.8650 - 0.9000	::: 0.8800 - 0.9200	::: 0.8800 - 0.9200	::: 0.8875	:	0.7121
-- High Heat	::: 0.9350 - 1.0400	::: 0.9350 - 1.0400	::: 0.9000 - 1.0500	::: 0.9100 - 1.0425	::: 0.9300 - 1.0475	::: 0.9825	:	0.8741
WHEY POWDER (Nonhygroscopic)								
-- Central (f.o.b.)	::: 0.2400 - 0.3500	::: 0.2400 - 0.3500	::: 0.2500 - 0.3500	::: 0.2500 - 0.4000	::: 0.2400 - 0.3800	::: 0.3046	:	0.2576
-- Mostly	::: 0.2450 - 0.2850	::: 0.2450 - 0.2850	::: 0.2600 - 0.3100	::: 0.2650 - 0.3250	::: 0.2650 - 0.3250	::: 0.2798	:	0.2462
-- West (f.o.b.)	::: 0.2450 - 0.3550	::: 0.2450 - 0.3475	::: 0.2550 - 0.3575	::: 0.2800 - 0.3800	::: 0.2800 - 0.3800	::: 0.3110	:	0.2848
-- Mostly	::: 0.2700 - 0.3025	::: 0.2800 - 0.3150	::: 0.2800 - 0.3200	::: 0.2850 - 0.3400	::: 0.3000 - 0.3425	::: 0.3020	:	0.2864
-- Northeast (f.o.b.)	::: 0.2650 - 0.3125	::: 0.2650 - 0.3125	::: 0.2650 - 0.3125	::: 0.2650 - 0.3300	::: 0.2650 - 0.3350	::: 0.2921	:	0.3123
WHEY PROTEIN CONCENTRATE								
-- Central And West (f.o.b.)								
-- Extra Grade 34% Protein	::: 0.5750 - 0.8100	::: 0.5750 - 0.8200	::: 0.5950 - 0.8600	::: 0.5950 - 0.8600	::: 0.5900 - 0.8700	::: 0.7137	:	0.6465
-- Mostly	::: 0.6650 - 0.7575	::: 0.6650 - 0.7575	::: 0.6700 - 0.7600	::: 0.6700 - 0.7650	::: 0.6700 - 0.7775	::: 0.7151	:	0.6473
ANIMAL FEED - WHEY								
-- Central (f.o.b.)								
-- Milk Replacer	::: 0.1300 - 0.2550	::: 0.1300 - 0.2550	::: 0.2000 - 0.2550	::: 0.2000 - 0.2550	::: 0.2000 - 0.2550	::: 0.2123	:	0.2064
BUTTERMILK (Min. 30% protein)								
-- Central And East (f.o.b.)	::: 0.7400 - 0.8600	::: 0.7800 - 0.8600	::: 0.7800 - 0.8600	::: 0.7800 - 0.8600	::: 0.7800 - 0.8900	::: 0.8176	:	0.7846
-- West (f.o.b.)	::: 0.7600 - 0.8600	::: 0.8300 - 0.8900	::: 0.8200 - 0.8900	::: 0.7800 - 0.8800	::: 0.7800 - 0.8800	::: 0.8376	:	0.7577
-- Mostly	::: 0.7800 - 0.8500	::: 0.8350 - 0.8600	::: 0.8350 - 0.8675	::: 0.8350 - 0.8675	::: 0.8200 - 0.8500	::: 0.8404	:	0.7561
DRY WHOLE MILK								
-- National (f.o.b.)	::: 1.2900 - 1.3900	::: 1.2900 - 1.3900	::: 1.2900 - 1.3900	::: 1.2900 - 1.3500	::: 1.2900 - 1.3500	::: 1.3330	:	1.1381
LACTOSE								
-- Central And West (f.o.b.)	::: 0.2300 - 0.3775	::: 0.2300 - 0.3775	::: 0.2300 - 0.3800	::: 0.2300 - 0.3800	::: 0.2300 - 0.3800	::: 0.3045	:	0.2024
-- Mostly	::: 0.2300 - 0.3300	::: 0.2300 - 0.3300	::: 0.2700 - 0.3300	::: 0.2700 - 0.3500	::: 0.2700 - 0.3500	::: 0.2948	:	0.1912
CASEIN - Edible - National (f.o.b.)								
-- Nonrestricted - Rennet	::: 2.8000 - 2.9500	::: 2.6425 - 2.8000	::: 2.8850 - 2.9200	::: 2.8900 - 2.9200	::: 2.8950 - 2.9200	::: 2.8583	:	3.1429
-- Nonrestricted - Acid	::: 2.8500 - 2.9500	::: 2.8000 - 2.9200	::: 2.9000 - 2.9800	::: 2.9100 - 2.9800	::: 2.9150 - 2.9800	::: 2.9160	:	3.2500

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

CME GROUP AVERAGES FOR AUGUST 2016

COMMODITY	::REPORT NUMBER 31::		::REPORT NUMBER 32::		::REPORT NUMBER 33::		::REPORT NUMBER 34::		::REPORT NUMBER 35::		2016 *	2015 *
	::		::		::		::		::		Monthly	Monthly
	:: AUG 1 - 5		:: AUG 8 - 12		:: AUG 15 - 19		:: AUG 22 - 26		:: AUG 29 - 31		Average	Average
BUTTER*												
-- GRADE AA												
--Monday	::	2.1500	::	2.2675	::	2.2500	::	2.1300	::	2.0575	::	:
--Tuesday	::	2.2150	::	2.2575	::	2.2400	::	2.1075	::	2.1100	::	:
--Wednesday	::	2.2225	::	2.2200	::	2.2025	::	2.0775	::	2.0800	::	:
--Thursday	::	2.2325	::	2.2200	::	2.2000	::	2.0775	::		::	:
--Friday	::	2.2700	::	2.2500	::	2.1900	::	2.0575	::		::	2.1776 : 2.1542
--Weekly Average**	::	2.2180	::	2.2430	::	2.2165	::	2.0900	::		::	:
CHEESE*												
-- BARRELS												
--Monday	::	1.7750	::	1.8800	::	1.8650	::	1.8650	::	1.6425	::	:
--Tuesday	::	1.8000	::	1.8800	::	1.8650	::	1.8650	::	1.6250	::	:
--Wednesday	::	1.8000	::	1.8800	::	1.8650	::	1.7800	::	1.6250	::	:
--Thursday	::	1.8550	::	1.8800	::	1.8650	::	1.7500	::		::	:
--Friday	::	1.8800	::	1.8650	::	1.8650	::	1.6800	::		::	1.8110 : 1.6689
--Weekly Average**	::	1.8220	::	1.8770	::	1.8650	::	1.7880	::		::	:
-- 40# BLOCKS												
--Monday	::	1.7325	::	1.8150	::	1.7800	::	1.8600	::	1.7300	::	:
--Tuesday	::	1.7600	::	1.8050	::	1.7800	::	1.8450	::	1.7100	::	:
--Wednesday	::	1.7600	::	1.7900	::	1.8200	::	1.7800	::	1.6800	::	:
--Thursday	::	1.7600	::	1.7900	::	1.8650	::	1.7375	::		::	:
--Friday	::	1.8150	::	1.7800	::	1.8650	::	1.7400	::		::	1.7826 : 1.7111
--Weekly Average**	::	1.7655	::	1.7960	::	1.8220	::	1.7925	::		::	:
NONFAT DRY MILK*												
-- GRADE A												
--Monday	::	0.8425	::	0.8325	::	0.8250	::	0.8525	::	0.8550	::	:
--Tuesday	::	0.8350	::	0.8475	::	0.8425	::	0.8475	::	0.8550	::	:
--Wednesday	::	0.8400	::	0.8450	::	0.8650	::	0.8475	::	0.8550	::	:
--Thursday	::	0.8300	::	0.8425	::	0.8650	::	0.8475	::		::	:
--Friday	::	0.8325	::	0.8325	::	0.8575	::	0.8500	::		::	0.8454 : 0.7329
--Weekly Average**	::	0.8360	::	0.8400	::	0.8510	::	0.8490	::		::	:

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

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

July Agricultural Prices Highlights

The All Milk price received by farmers was \$16.10 in July, down \$.60 from July 2015. Milk Cows price was \$1,730 in July, down \$300 from July 2015. Alfalfa hay price was \$140.00 in July, down \$32.00 from July 2015. Corn price was \$3.60 in July, down \$.20 from July 2015. Soybean price was \$10.20 in July, up \$.25 from July 2015. The milk-feed price ratio was 2.14 in July, up 0.13 from July 2015.

The index of prices received by farmers for dairy products during the month of July 2016 was up 6.5 points to 80.1. Compared to July 2015, the index was down 3 points (-3.6 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2016 was down 0.9 to 106.6. Compared with July 2015, the index was down 4.1 points (-3.7 percent).

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

State	All-Milk price ^{1,2}		Milk cows ³		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Jul		Jul		Jul		Jul		Jul	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
	<i>(dollars per cwt)</i>		<i>(dollars per head)</i>		<i>(dollars per ton)</i>		<i>(dollars per bushel)</i>		<i>(dollars per bushel)</i>	
AZ	15.60	15.30	2,100	1,850	150.00	140.00	---	---	---	---
CA	15.12	14.94	2,200	1,700	185.00	145.00	---	---	---	---
CO	17.20	16.20	2,100	1,900	190.00	150.00	4.07	3.64	---	---
ID	16.30	16.20	2,000	1,800	185.00	140.00	---	---	---	---
IN	16.40	15.90	1,950	1,650	---	---	4.03	3.89	10.30	10.70
IA	17.10	16.60	2,050	1,740	115.00	96.00	3.78	3.55	10.00	10.10
MI	15.90	14.80	2,100	1,750	150.00	140.00	3.88	3.77	10.20	10.30
MN	17.40	16.80	1,880	1,650	96.00	73.00	3.65	3.47	9.74	10.00
NM	15.90	15.20	2,000	1,800	215.00	165.00	---	---	---	---
NY	17.40	16.80	1,890	1,590	190.00	195.00	---	---	---	---
OH	17.10	16.50	1,850	1,550	150.00	200.00	4.02	3.81	10.30	10.60
PA	17.50	16.90	1,890	1,550	240.00	163.00	4.01	4.21	---	---
TX	17.20	16.70	2,000	1,850	210.00	176.00	4.48	3.84	---	---
WA	16.10	16.80	1,950	1,800	185.00	140.00	---	---	---	---
WI	17.60	16.60	2,090	1,820	88.00	80.00	3.78	3.52	9.79	10.30
U.S.	16.70	16.10	2,030	1,730	172.00	140.00	3.80	3.60	9.95	10.20

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

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

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

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk¹

State ²	Jul 2015	Jun 2015	Jul 2016
IA	2.40	2.22	2.54
MI	2.00	1.86	1.93
MN	2.64	2.36	2.80
OH	2.22	1.87	1.98
WI	2.69	2.20	2.67
U.S.	2.01	1.91	2.14

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

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

Item	Jul 2015	Jun 2016	Jul 2016
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	83.1	73.6	80.1
Prices paid by farmers for commodities and services, interest taxes, and wage rates	110.7	107.5	106.6

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

July 2016 Dairy Products Highlights

Butter production was 144 million pounds, 6.0 percent above July 2015, but 5.1 percent below June 2016. **American type cheese** production totaled 398 million pounds, 0.2 percent above July 2015, and 2.2 percent above June 2016. **Total cheese** output (excluding cottage cheese) was 1.02 billion pounds, 1.4 percent above July 2015, and 2.6 percent above June 2016. **Nonfat dry milk** production, for human food, totaled 153 million pounds, 1.5 percent below July 2015, but 4.7 percent above June 2016. **Dry whey** production, for human food, was 81.7 million pounds, 1.2 percent above July 2015, and 4.1 percent above June 2016. **Ice cream, regular hard** production totaled 69.7 million gallons, 3.7 percent below July 2015, and 8.4 percent below June 2016.

Production of Dairy Products

Product	July 2016	Change from			Product	July 2016	Change from		
		July 2015	June 2016	Year to Date ¹			July 2015	June 2016	Year to Date ¹
	<i>(1,000 lbs)</i>	<i>(percent)</i>				<i>(1,000 lbs)</i>	<i>(percent)</i>		
Butter	143,595	6.0	-5.1	5.6	Yogurt (plain and flavored)	361,822	-6.9	-8.9	-1.7
Cheese					Dry whey, human food	81,729	1.2	4.1	---
American types ²	398,043	0.2	2.2	0.1	Dry whey, animal feed	2,196	127.3	35.6	---
Cheddar	281,542	-1.7	1.4	-1.0	Dry whey, total ⁸	83,925	2.7	4.7	0.9
Other American	116,501	5.1	4.3	---	Reduced lactose & minerals				
Brick & Muenster	16,732	-3.0	11.5	---	Human food	2,318	-19.7	-6.0	---
Cream & Neufchatel	73,486	-1.9	7.7	---	Animal feed	2,698	-12.9	13.2	---
Hispanic	21,576	4.8	-4.4	---	Lactose, human food & animal feed	97,720	8.2	4.2	1.9
Total Italian types	444,245	3.2	2.3	4.0	Whey protein concentrate				
Mozzarella	348,135	2.5	2.5	3.4	Human food ⁹	37,537	-9.3	2.2	---
Other Italian	96,110	5.8	1.4	---	Animal feed ⁹	284	-19.3	11.8	---
Swiss	26,905	0.3	-0.8	---	Total ⁹	37,821	-9.4	2.3	-9.3
All other types	35,724	-0.4	4.9	---	25.0-49.9 percent ¹⁰	14,999	-20.5	-1.1	---
Total	1,016,711	1.4	2.6	2.0	50.0-89.9 percent ¹⁰	22,822	-0.1	4.6	---
Cottage cheese, curd ³	34,076	-4.7	-0.8	---	Whey protein isolates ¹¹	8,686	10.2	2.4	---
Cottage cheese, cream ⁴	27,699	-3.8	-0.5	1.9					
Cottage cheese, lowfat ⁵	30,411	-3.4	-0.2	0.7					
Dry buttermilk	7,285	21.7	-10.2	---	Frozen products				
Dry whole milk	8,797	-11.3	41.8	---	Ice cream, regular hard	69,713	-3.7	-8.4	2.1
Milk protein conc. (MPC), total ⁶	11,939	29.0	-34.2	---	Ice cream, lowfat, hard	17,518	-18.2	-2.8	---
Nonfat dry milk (NDM), human	152,948	-1.5	4.7	-8.2	Ice cream, lowfat, soft	24,230	11.6	-0.1	---
Skim milk powders (SMP) ⁷	46,343	32.9	-16.2	30.0	Ice cream, lowfat, total	41,748	-3.2	-1.2	-2.9
Sour cream	105,678	0.4	-11.7	3.1	Sherbet, hard	3,282	-12.9	-8.8	-7.1
					Frozen yogurt, total	5,925	-10.4	-6.3	-7.5

Manufacturers' Stocks, End of Month ¹²

Product	July 2016	July 2015	June 2016	Product	July 2016	July 2015	June 2016
	<i>(1,000 lbs)</i>	<i>(percent)</i>			<i>(1,000 lbs)</i>	<i>(percent)</i>	
Dry whey, human food	68,720	-10.1	-5.6	Whey protein concentrate			
Dry whey, animal feed	1,599	-35.2	10.0	Human food ⁹	54,146	-30.7	-4.6
Reduced lactose & minerals—human & animal ¹³	7,379	-23.7	-3.8	Animal feed ⁹	545	-49.1	21.9
Lactose, human food & animal feed	115,136	-9.8	-4.6	Total ⁹	54,691	-31.0	-4.4
Dry buttermilk	18,568	29.0	-13.2	25.0-49.9 percent ¹⁰	20,455	-43.9	-2.2
Nonfat dry milk, human food	250,570	-7.2	8.5	50.0-89.9 percent ¹⁰	34,236	-19.9	-5.7
				Whey protein isolates ¹¹	18,279	47.4	2.4

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

Federal Milk Order Final Class and Component Prices, August

Class Prices: The following are the August 2016 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$15.21 (+\$0.05), Class III: \$16.91 (+\$1.67), and Class IV: \$14.65 (-\$0.19).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for August 2016 is \$2.4873 per pound. Thus, the Class II butterfat price is \$2.4943 per pound. The protein and other solids prices for August 2016 are \$2.5738 and \$0.0881 per pound, respectively. These component prices set the Class III skim milk price at \$8.50 per cwt. The August 2016 Class IV skim milk price is \$6.16, which is derived from the nonfat solids price of \$0.6841 per pound.

Product Price Averages: The product price averages for August 2016 are: butter: \$2.2254, nonfat dry milk: \$0.8588, cheese: \$1.8119, and dry whey: \$0.2846.

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1,2}						
Federal Milk Order Marketing Areas ³	Order Number	August 2016				September 2016
		Class I	Class II	Class III	Class IV	Class I
<i>(dollars per 100 pounds)</i>						
Northeast (Boston) ⁴	001	18.32	15.21	16.91	14.65	19.81
Appalachian (Charlotte) ⁵	005	18.47	15.21	16.91	14.65	19.96
Florida (Tampa) ⁶	006	20.47	15.21	16.91	14.65	21.96
Southeast (Atlanta) ⁷	007	18.87	15.21	16.91	14.65	20.36
Upper Midwest (Chicago) ⁸	030	16.87	15.21	16.91	14.65	18.36
Central (Kansas City) ⁹	032	17.07	15.21	16.91	14.65	18.56
Mideast (Cleveland) ¹⁰	033	17.07	15.21	16.91	14.65	18.56
Pacific Northwest (Seattle) ¹¹	124	16.97	15.21	16.91	14.65	18.46
Southwest (Dallas) ¹²	126	18.07	15.21	16.91	14.65	19.56
Arizona (Phoenix)	131	17.42	15.21	16.91	14.65	18.91
All-Market Average	---	17.96	15.21	16.91	14.65	19.45

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

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

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

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

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

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

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

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

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

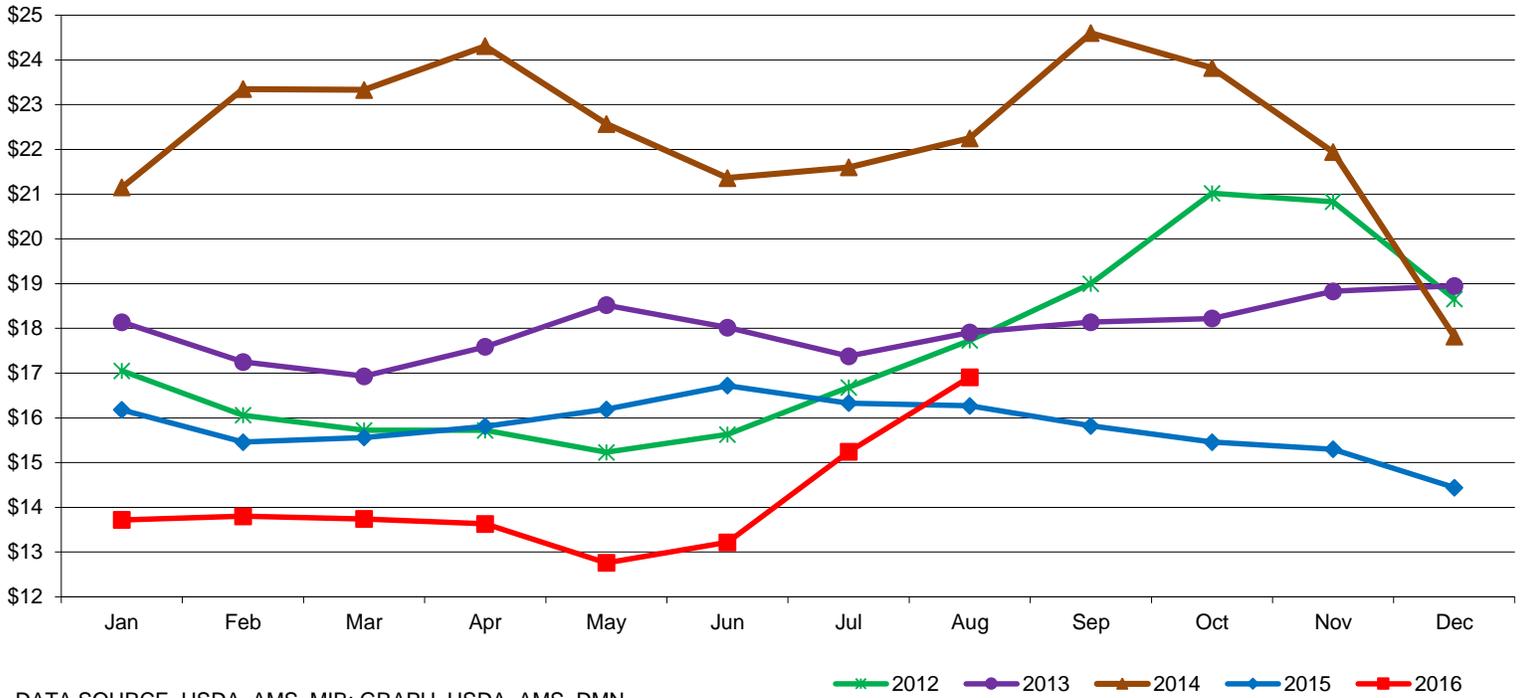
¹⁰ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

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

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

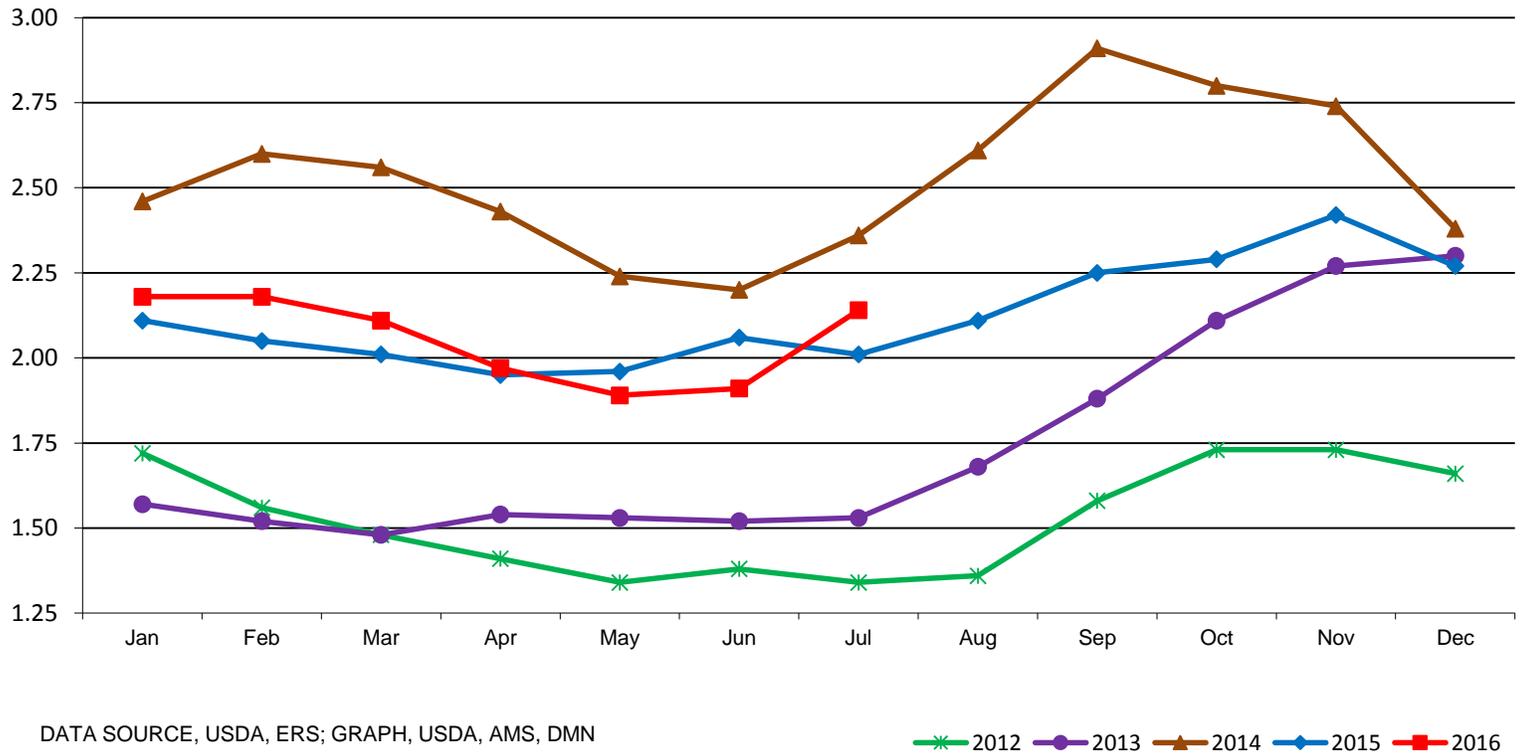
PER CWT

Class III Milk Price at 3.5% Test



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

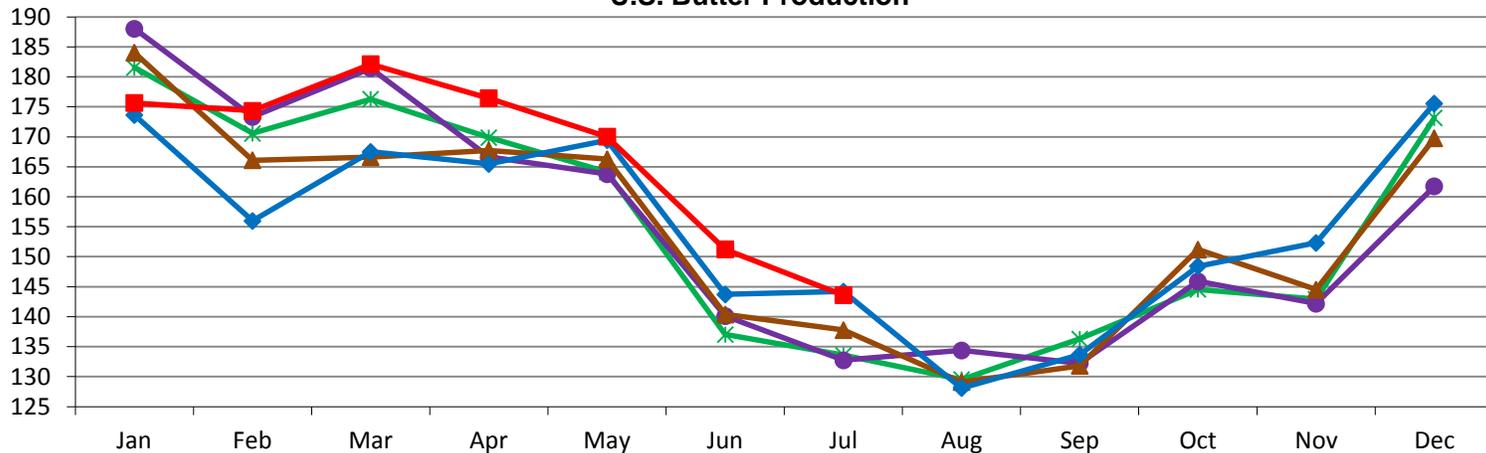
Milk-Feed Price Ratio Based on the Pounds of 16% Mixed Dairy Feed Equal in Value to 1 Pound of Whole Milk



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

MILLION POUNDS

U.S. Butter Production

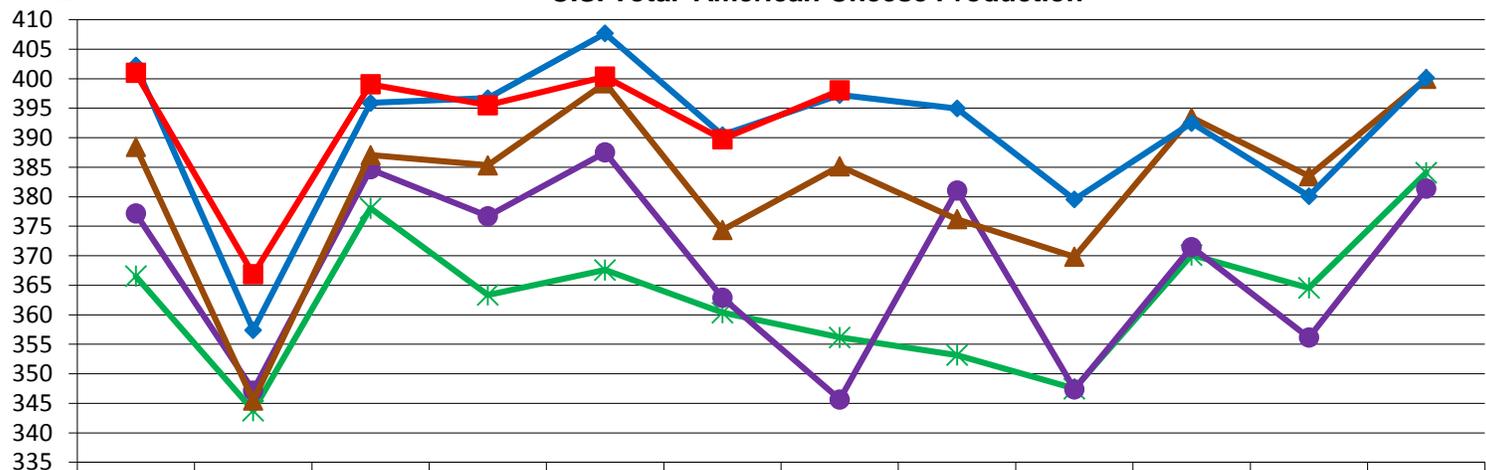


DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2012 2013 2014 2015 2016

MILLION POUNDS

U.S. Total American Cheese Production

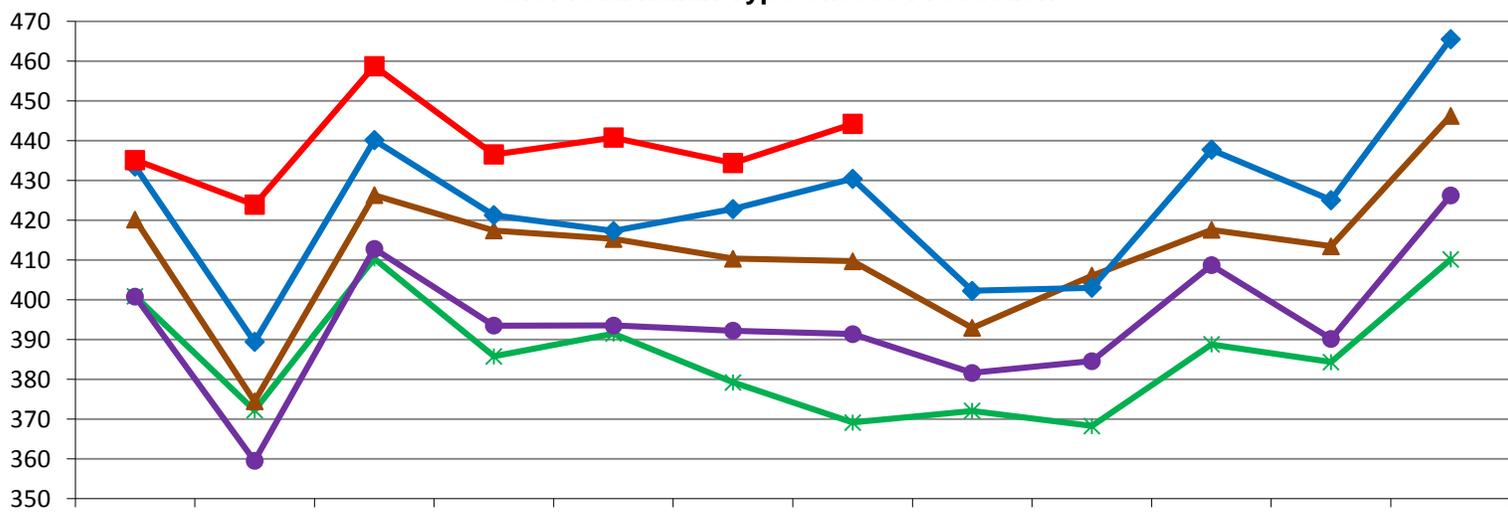


DATA SOURCE USDA, NASS; GRAPH, USDA, DMN

2012 2013 2014 2015 2016

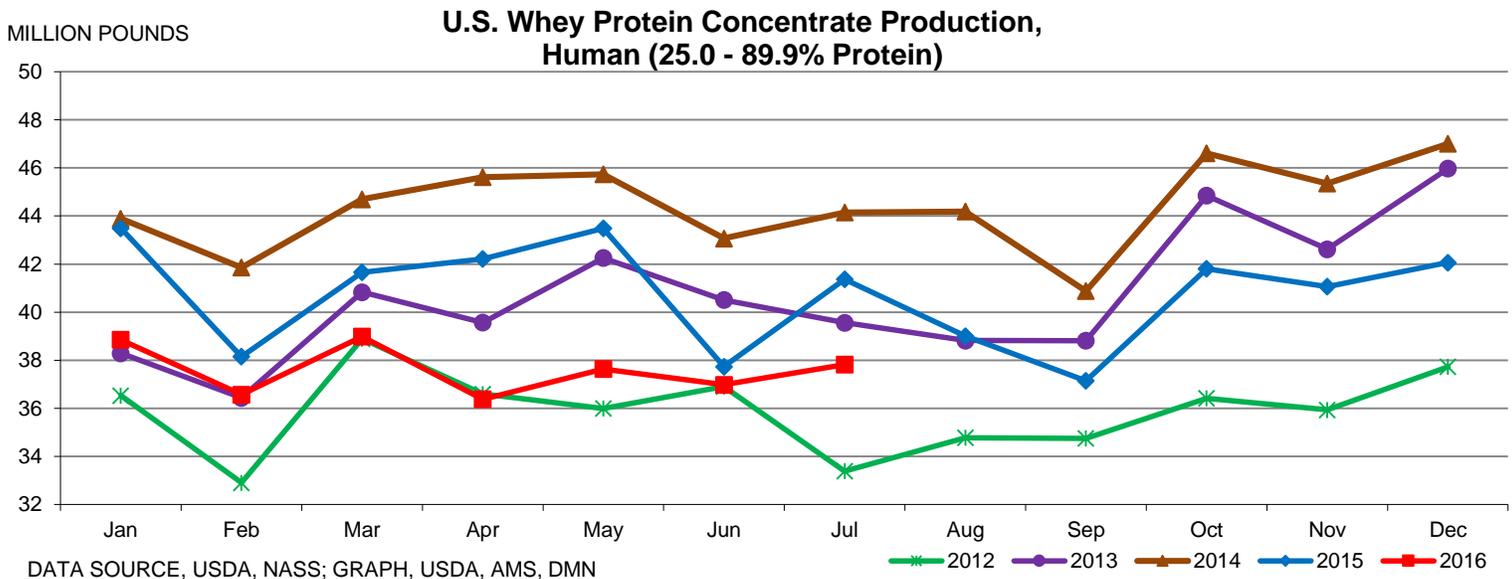
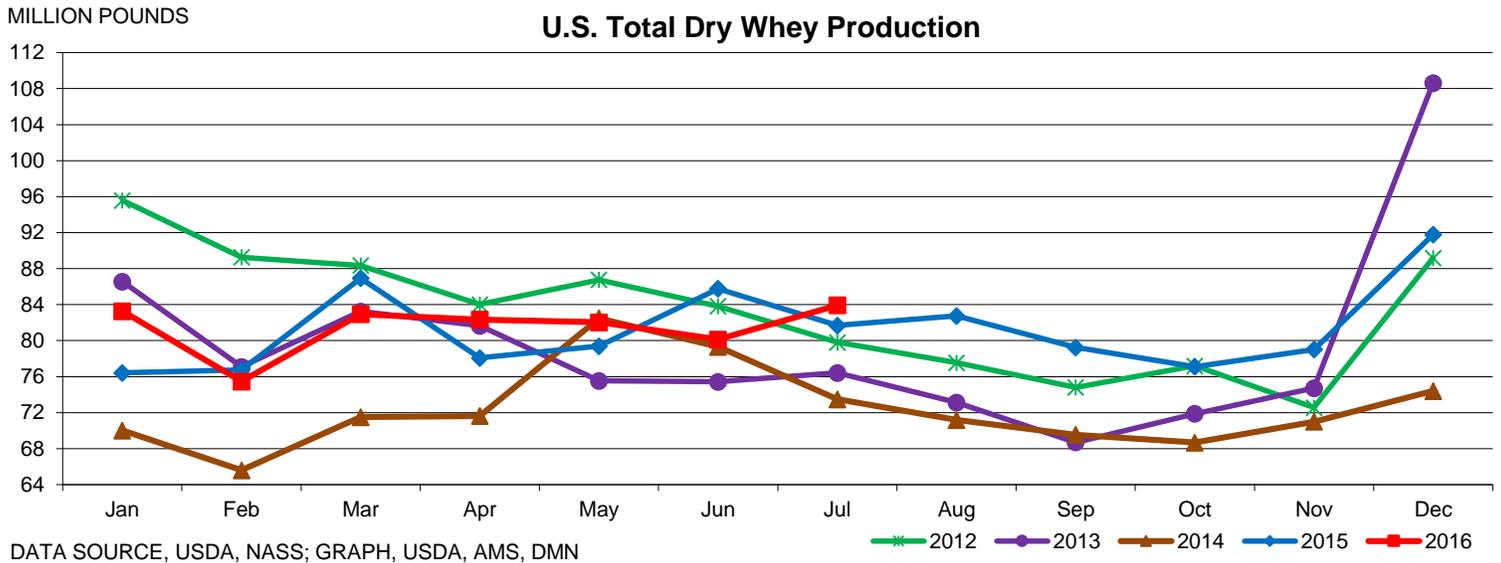
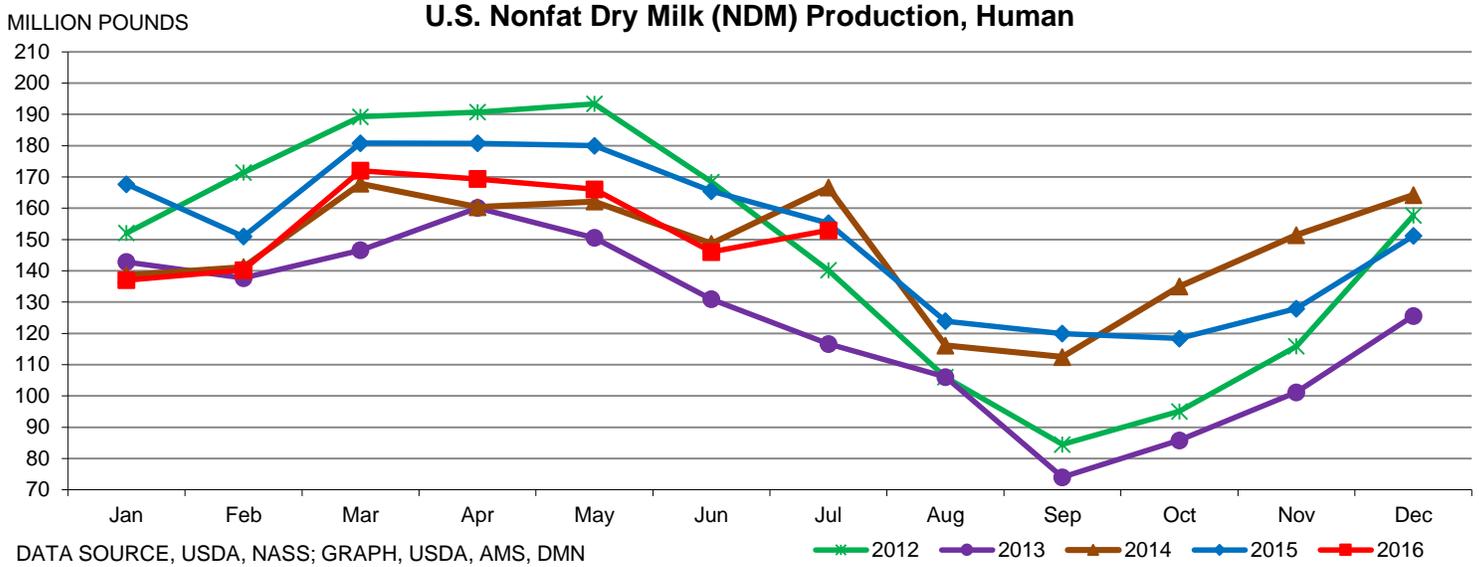
MILLION POUNDS

U.S. Total Italian-Type Cheese Production



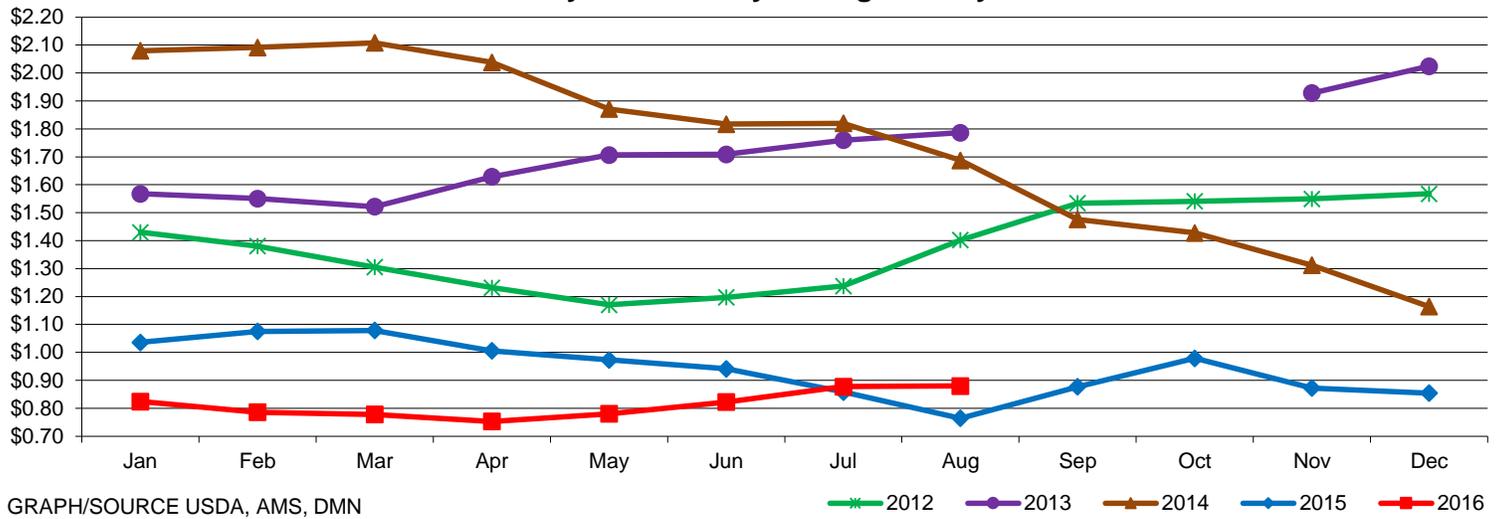
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2012 2013 2014 2015 2016



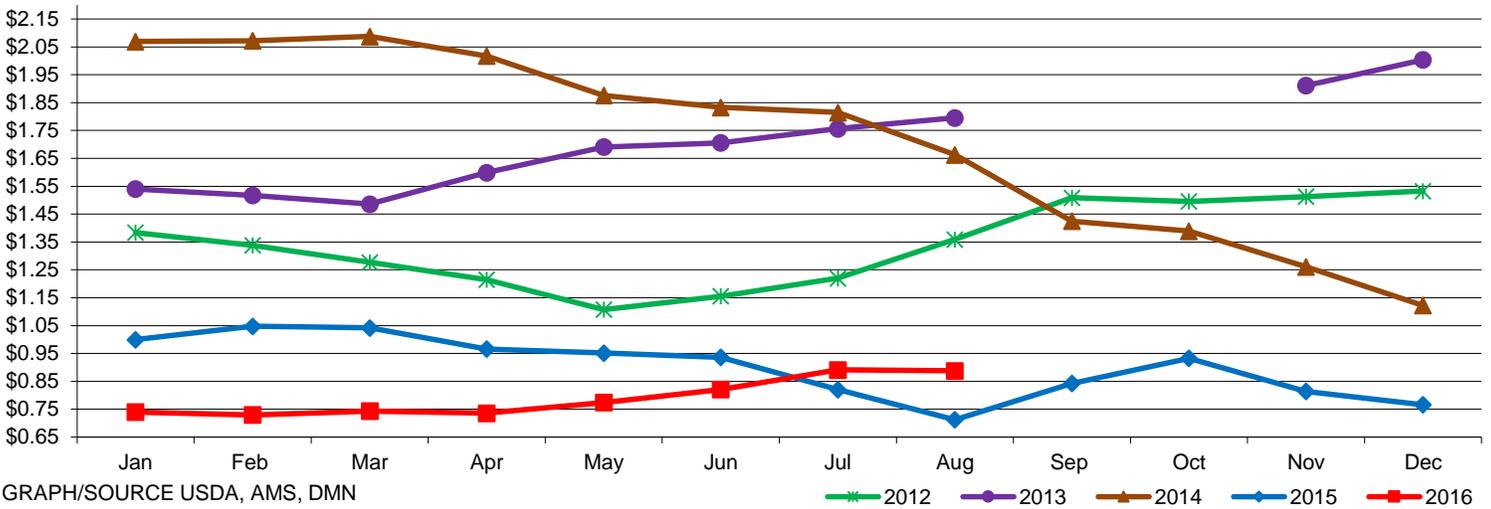
PER POUND

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



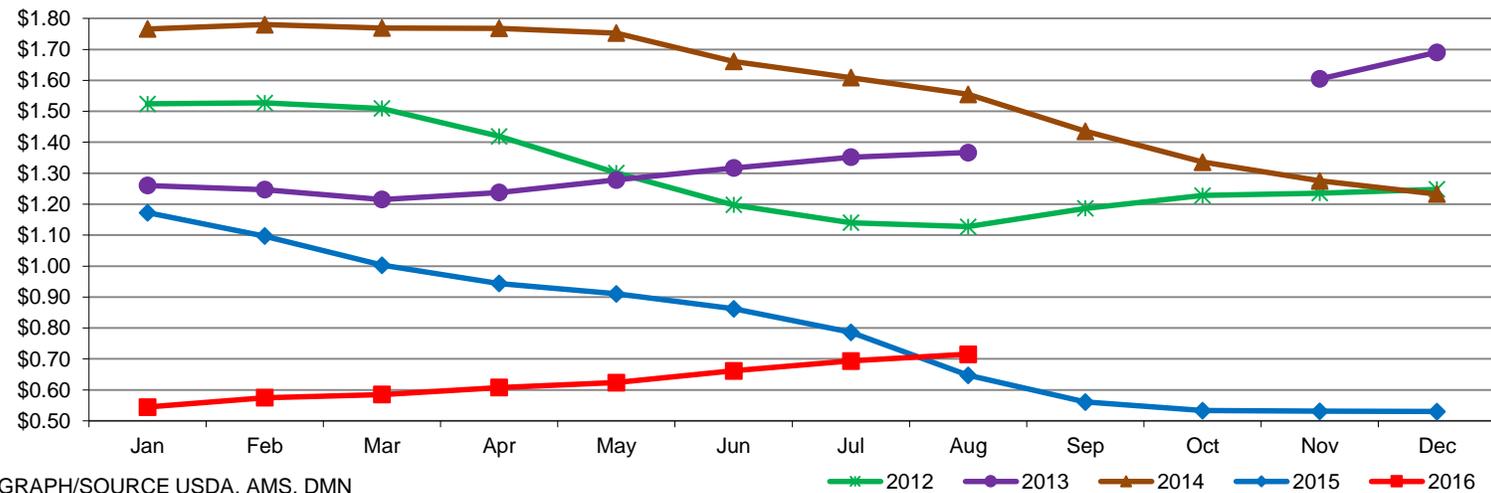
PER POUND

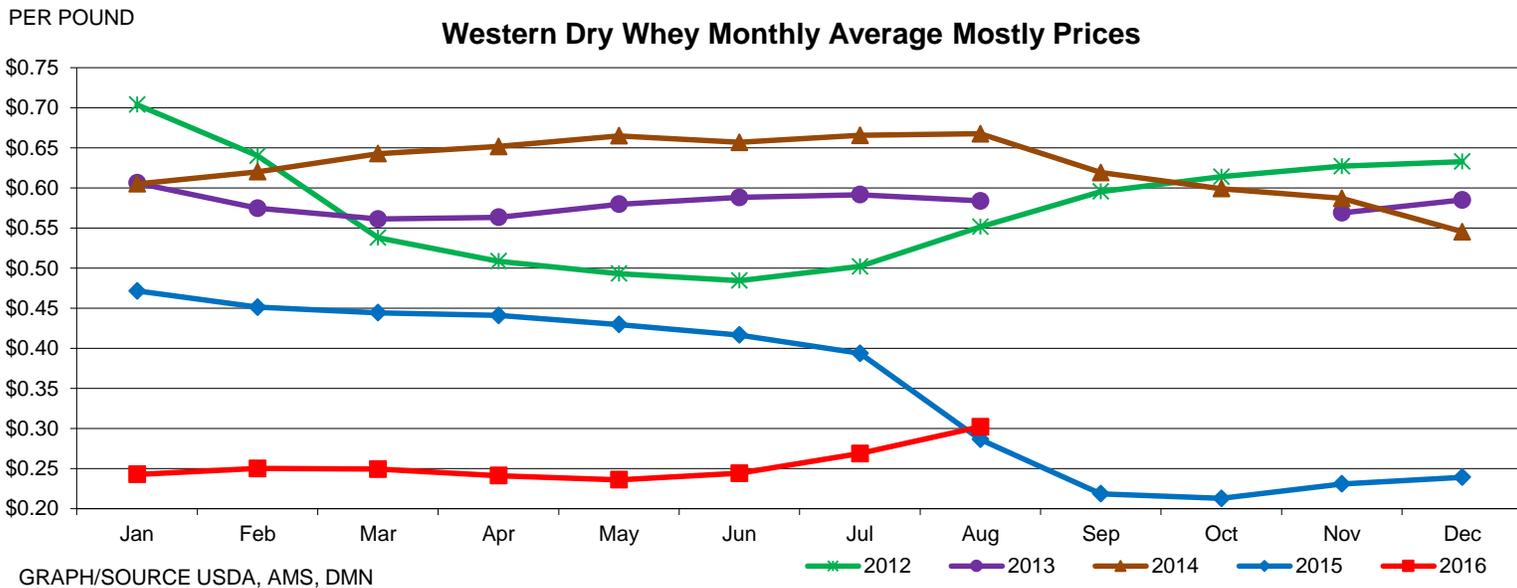
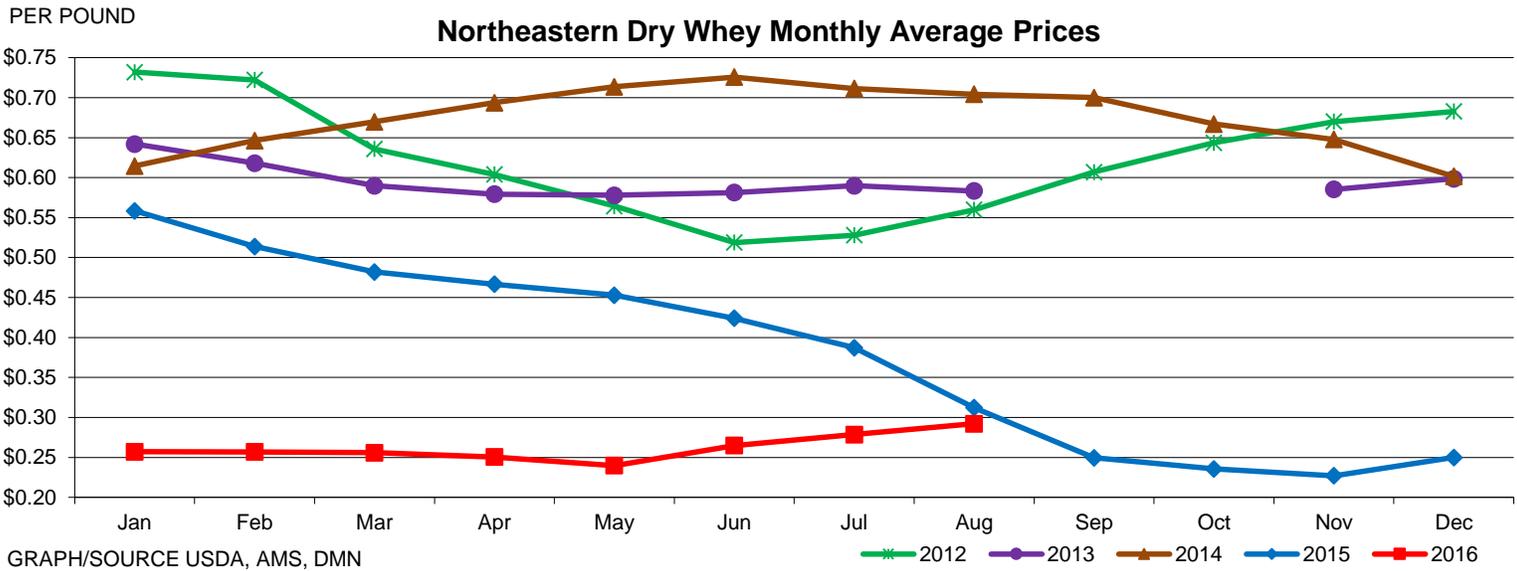
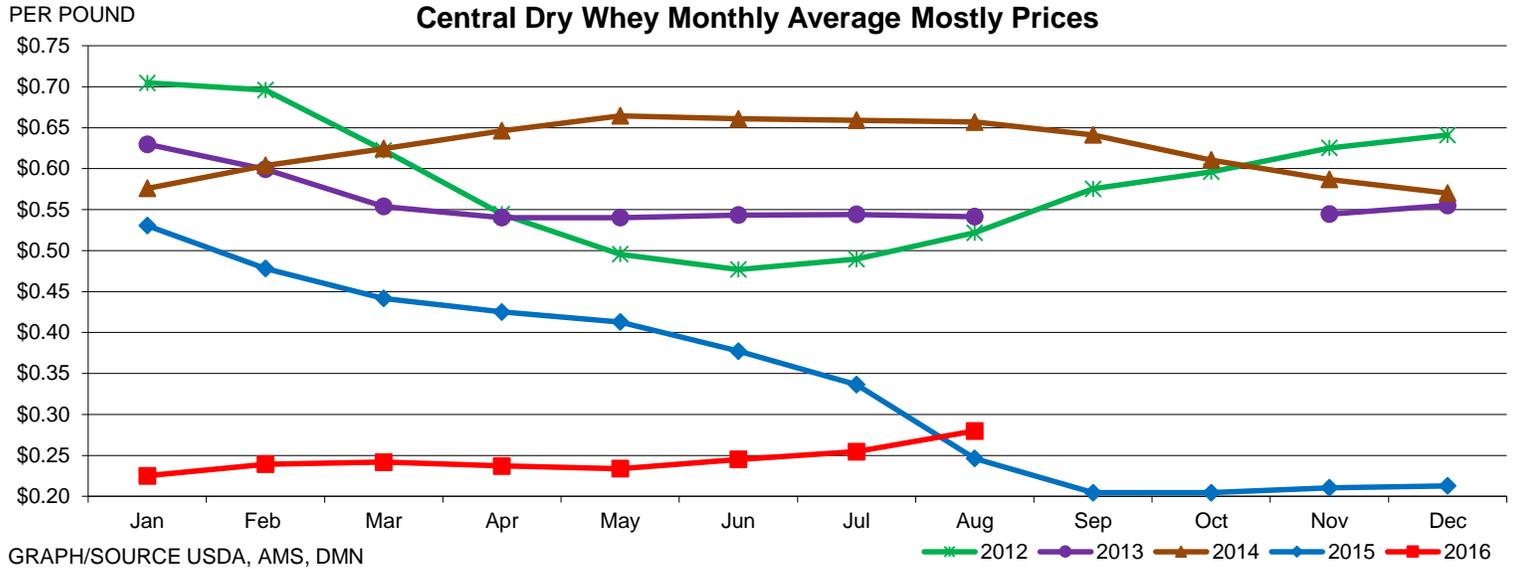
Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices



PER POUND

Central & West Dry WPC 34% Monthly Average Mostly Prices







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, September 2, 2016

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 09/02/2016 to 09/08/2016

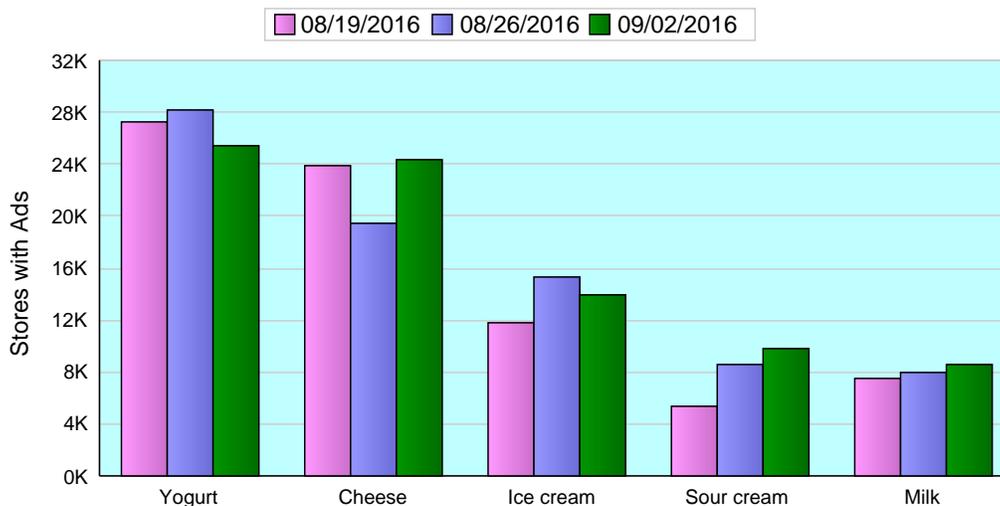
Advertisements for conventional ice cream in 48-64 ounce containers declined by 10%, but remained the top advertised dairy item. Conventional Greek yogurt in 4-6 ounce containers and 8 ounce packages of shredded cheese followed, while ad numbers were -22% and +3% respectively. The national weighted average price for conventional 1 pound butter is \$3.84, while organic 1 pound butter is \$5.67. Total conventional ads increased by 12%, but total organic ads declined by 10%. Conventional 1# cheese shreds posted the largest percentage increase, 823%, of all dairy items.

Conventional Greek yogurt in 4-6 ounce containers held an average price of \$0.97, up 1 cent from last week's price. Organic Greek yogurt in the same size packages averaged \$1.11, down 6 cents from last week. Conventional non-Greek yogurt in 4-6 ounce containers averaged \$0.51, its organic counterpart averaged \$.60. Conventional yogurt ads decreased by 9% this week and organic yogurt ads decreased by 15%.

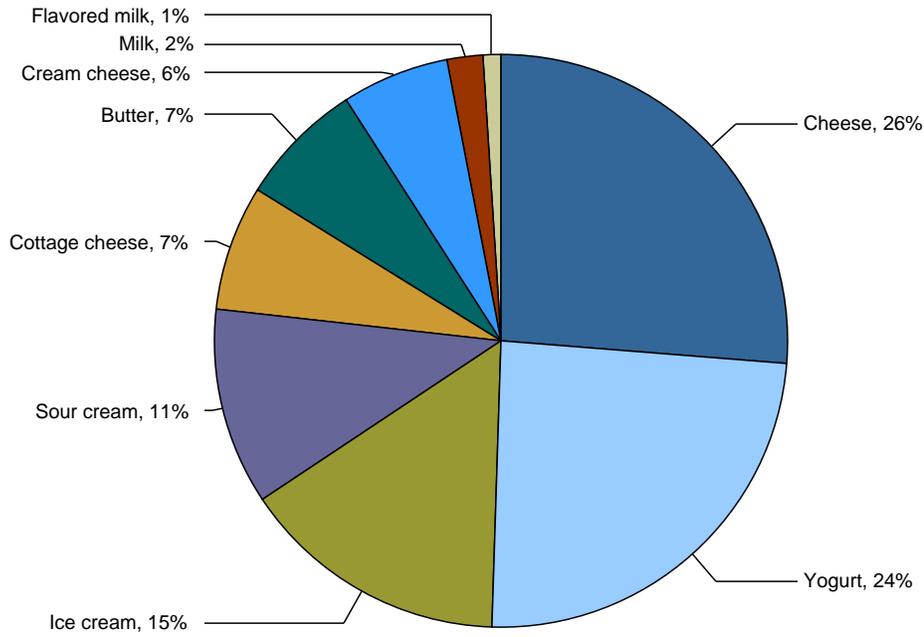
The U.S. advertised price for 8 ounce conventional cheese blocks averaged \$2.17, unchanged from last week; 8 ounce shred cheese averaged \$2.19, down 11 cents from last week. Ads for 8 ounce organic block cheese average \$4.69, up 84 cents from a year ago. The number of conventional cheese ads increased 29%, but organic cheese ads decreased 82% this week.

This week, conventional half gallon ads were vastly limited compared to organic ad volumes and prices. Hence, the price spread for half gallon milk is \$0.11, the lowest ever posted. Last week the spread was \$2.66. The price spread is the difference between the national weighted average price for organic, \$3.80, and conventional \$3.69, as the bulk of retail ads represented Hawaii's market. Organic milk ads increased by 79%, while ads for conventional milk decreased by 59%.

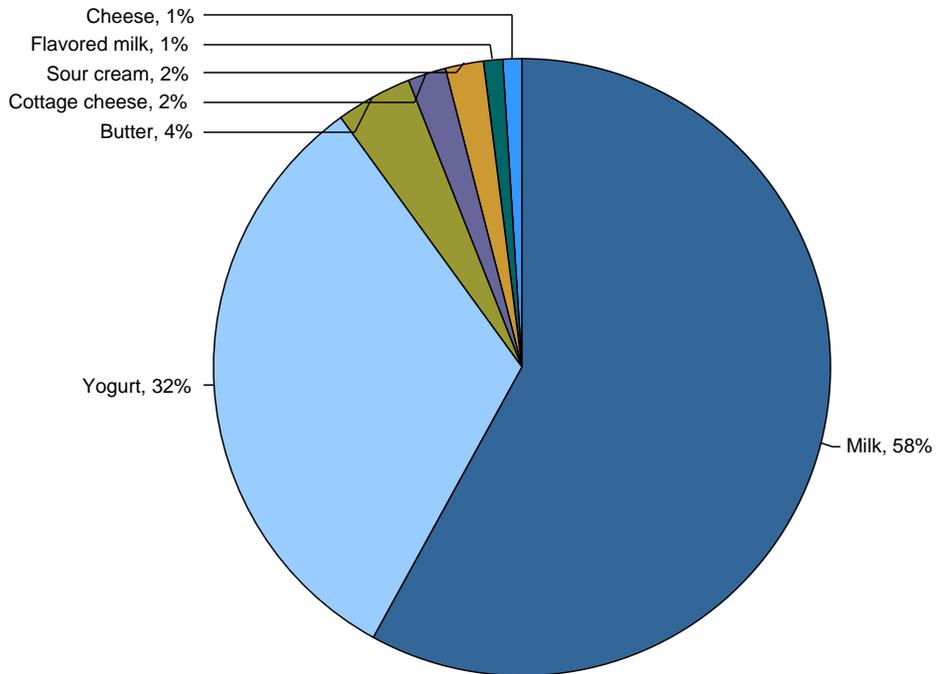
Top 5 Commodities Featured



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	6045	3.84	2712	3.00	5665	2.95
Cheese	Natural Varieties	8 oz block	9923	2.17	5730	2.17	9502	2.14
Cheese	Natural Varieties	1 # block	1177	3.37	933	4.07	946	2.80
Cheese	Natural Varieties	2 # block	1083	6.22	1872	6.29	478	6.00
Cheese	Natural Varieties	8 oz shred	10432	2.19	10103	2.30	9465	2.26
Cheese	Natural Varieties	1 # shred	1579	3.09	171	4.39	815	2.77
Cottage cheese		16 oz	6064	1.92	3600	1.95	4099	1.82
Cream cheese		8 oz	5392	1.91	2950	1.79	6330	1.82
Flavored milk	All fat tests	half gallon	231	2.51	1263	2.25	119	1.75
Flavored milk	All fat tests	gallon	461	3.37	397	3.44		
Ice cream		48-64oz	13879	2.90	15349	3.06	13993	2.99
Milk	All fat tests	half gallon	27	3.69	1369	1.71	564	1.58
Milk	All fat tests	gallon	1676	2.80	2737	2.37	876	2.46
Sour cream		16 oz	9631	3.86	6677	1.79	8382	1.62
Yogurt	Greek	4-6 oz	10912	.97	14067	.96	10818	.96
Yogurt	Greek	32 oz	1744	4.44	1982	3.96	3462	4.61
Yogurt	Yogurt	4-6 oz	8244	.51	7131	.48	4305	.52
Yogurt	Yogurt	32 oz	768	2.20	630	2.19	1465	2.01

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.49-4.99	1473	3.86	3.48-4.00	2280	3.95	2.79-3.00	600	2.92
Cheese	Natural Varieties	8 oz block	1.66-3.00	2908	2.26	1.99-2.79	2288	2.28	1.28-2.50	739	1.86
Cheese	Natural Varieties	1 # block	3.99	119	3.99	3.00	61	3.00	2.99	370	2.99
Cheese	Natural Varieties	8 oz shred	1.50-3.00	2587	2.21	1.99-2.50	2169	2.24	1.28-2.50	829	1.85
Cheese	Natural Varieties	1 # shred	3.99	135	3.99	2.99-3.00	271	2.99	2.99	468	2.99
Cottage cheese		16 oz	1.50-2.99	1284	1.94	1.00-2.50	2060	1.95	1.00-1.99	744	1.45
Cream cheese		8 oz	1.49-2.50	1479	1.75	1.38-2.00	1573	1.87	1.49-1.99	589	1.69
Flavored milk	All fat tests	half gallon	2.00-3.00	143	2.59						
Ice cream		48-64oz	1.88-3.99	4214	2.67	2.29-5.48	4098	2.96	1.99-4.50	1124	3.03
Milk	All fat tests	gallon	1.79-2.50	328	2.15				1.99	119	1.99
Sour cream		16 oz	1.29-2.00	2632	1.67	1.00-23.00	2267	11.13	0.99-2.00	1186	1.31
Yogurt	Greek	4-6 oz	0.69-1.25	3839	.96	1.00	1934	1.00	0.77-1.00	1446	.96
Yogurt	Greek	32 oz	3.99-4.99	451	4.55				3.99	180	3.99
Yogurt	Yogurt	4-6 oz	0.33-1.00	1746	.56	0.40-0.50	3186	.49	0.50-0.88	532	.63
Yogurt	Yogurt	32 oz	2.49-2.88	328	2.57				1.88	69	1.88



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 #	2.90-2.99	162	2.94	3.49-5.49	777	4.35	2.88-4.29	637	3.70
Cheese	Natural Varieties	8 oz block	1.50-2.50	1280	1.94	1.67-3.00	2319	2.24	0.79-3.00	304	1.35
Cheese	Natural Varieties	1 # block	2.88-3.99	381	3.37	3.99-4.99	125	4.49	2.99	121	2.99
Cheese	Natural Varieties	2 # block	8.99	121	8.99	4.77-5.99	326	5.54	4.99-7.99	626	6.00
Cheese	Natural Varieties	8 oz shred	1.36-3.33	2120	2.26	1.49-3.00	2218	2.18	0.99-1.99	394	1.72
Cheese	Natural Varieties	1 # shred	2.88-2.99	219	2.92	2.50-3.99	365	3.08	2.99	121	2.99
Cottage cheese		16 oz	1.66-2.99	710	2.22	1.00-2.49	1089	1.88	2.00	105	2.00
Cream cheese		8 oz	1.50-2.00	221	1.86	1.50-2.50	885	2.16	1.99-2.50	524	2.05
Flavored milk	All fat tests	half gallon	1.99	54	1.99						
Flavored milk	All fat tests	gallon				2.99-3.69	356	3.34	3.49	105	3.49
Ice cream		48-64oz	1.99-4.99	1253	3.14	1.88-5.00	2365	2.94	2.50-3.99	603	2.71
Milk	All fat tests	gallon	2.00-3.99	601	2.82	2.39-3.99	523	3.45	2.50	105	2.50
Sour cream		16 oz	1.00-2.00	1359	1.72	0.99-1.99	1517	1.67	1.25-2.00	629	1.58
Yogurt	Greek	4-6 oz	0.79-1.00	850	.90	0.78-1.50	1729	1.00	0.88-1.00	1031	.93
Yogurt	Greek	32 oz	3.39-4.99	552	4.31	4.49-4.99	360	4.65	3.99-4.49	174	4.29
Yogurt	Yogurt	4-6 oz	0.39-0.50	493	.44	0.39-1.00	1356	.53	0.25-0.50	819	.39
Yogurt	Yogurt	32 oz				1.49	178	1.49	2.00-2.50	166	2.18

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.99-4.98	55	4.80	4.29-4.99	61	4.60
Cheese	Natural Varieties	8 oz block				2.00-3.25	85	2.66
Cheese	Natural Varieties	2 # block	5.49-9.49	10	8.39			
Cheese	Natural Varieties	8 oz shred	2.49-5.00	54	3.83	2.49-3.25	61	2.91
Cottage cheese		16 oz	2.48-4.48	48	3.69	2.50	24	2.50
Cream cheese		8 oz	2.39-4.00	60	3.19	3.00	61	3.00
Flavored milk	All fat tests	half gallon				3.00	34	3.00
Ice cream		48-64oz	2.98-7.99	80	4.88	3.50-5.49	142	4.19
Milk	All fat tests	half gallon				2.89-3.79	27	3.69
Sour cream		16 oz	1.66-2.49	41	2.02			
Yogurt	Greek	4-6 oz	0.99-1.33	76	1.19	1.00-1.66	7	1.38
Yogurt	Greek	32 oz				6.49	27	6.49
Yogurt	Yogurt	4-6 oz	0.40-0.60	24	.43	0.50-0.79	88	.62
Yogurt	Yogurt	32 oz				2.50-3.49	27	3.38

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD	LAST WEEK	LAST YEAR
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Wtd Avg - Simple weighted average



			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	423	5.67	154	5.71	114	4.99
Cheese	Natural Varieties	8 oz block	105	4.69	351	4.90	1077	3.85
Cheese	Natural Varieties	8 oz shred			229	3.83		
Cottage cheese		16 oz	219	3.39	1975	3.34		
Flavored milk	All fat tests	half gallon	161	4.99	161	4.99		
Milk	All fat tests	half gallon	5255	3.80	1965	4.37	2516	4.49
Milk	All fat tests	gallon	472	5.47	189	5.10	363	6.16
Milk	All fat tests	8 oz UHT	1068	1.01	1637	1.03	267	1.00
Sour cream		16 oz	219	2.49	1913	3.27	121	2.19
Yogurt	Greek	4-6 oz	1207	1.11	3044	1.17	114	.75
Yogurt	Greek	32 oz	245	5.65	301	3.90		
Yogurt	Yogurt	4-6 oz	161	.60	311	1.12	63	3.89
Yogurt	Yogurt	32 oz	2107	3.97	723	3.48	137	3.49

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	192	5.21						
Flavored milk	All fat tests	half gallon	4.99	161	4.99						
Milk	All fat tests	half gallon	3.76-4.99	1451	4.24	2.99	210	2.99	2.99-4.79	1249	3.61
Milk	All fat tests	8 oz UHT	0.92-1.29	543	1.02				1.00	137	1.00
Yogurt	Greek	4-6 oz	1.00-1.25	388	1.20	1.00	210	1.00	1.00	137	1.00
Yogurt	Greek	32 oz	5.00-5.99	245	5.65						
Yogurt	Yogurt	4-6 oz	0.60	161	.60						
Yogurt	Yogurt	32 oz	3.97	316	3.97				3.97	810	3.97

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 #	6.49	162	6.49				5.00	69	5.00
Cheese	Natural Varieties	8 oz block							4.69	105	4.69
Cottage cheese		16 oz	3.29	114	3.29				3.49	105	3.49
Milk	All fat tests	half gallon	2.99-3.76	1192	3.65	2.99-4.29	980	3.74	2.99	135	2.99
Milk	All fat tests	gallon	5.99	121	5.99	5.00	246	5.00	5.99	105	5.99
Milk	All fat tests	8 oz UHT	1.00	78	1.00	1.00	241	1.00	1.00	69	1.00
Sour cream		16 oz	2.49	114	2.49				2.50	105	2.50

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Greek	4-6 oz	1.00	141	1.00	1.00-1.25	331	1.18			
Yogurt	Yogurt	32 oz	3.97	973	3.97						

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				4.29-7.99	38	7.60
Yogurt	Yogurt	32 oz	5.14	8	5.14			

REGIONAL DEFINITIONS

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

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



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GENERAL NUMBER

(608)557-7000

Elizabeth Frederick

(608) 557-7002

Elizabeth.Frederick@AMS.USDA.GOV

EAST

Daniel Johnson

(608) 557-7006

Daniel.Johnson@AMS.USDA.GOV

CENTRAL

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

SOUTHWEST

Angel Teñan

(608) 557-7011

Angel.Teran@AMS.USDA.GOV

NORTHWEST/MOUNTAIN

Mike Bandli

(608) 557-7010

Mike.Bandli@AMS.USDA.GOV

ORGANIC/INTERNATIONAL

Eric Graf

(608) 557-7005

Eric.Graf@AMS.USDA.GOV

ACTING NATIONAL SUPERVISOR

Janet Linder

(608) 557-7003

Janet.Linder@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/market-news/dairy

MARKET NEWS PORTAL

www.marketnews.usda.gov/mnp/da-home

RECORDED INFORMATION SYSTEM

(608) 557-7000

FAX

(608) 819-0629

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