

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (8/9):**

BUTTER: Grade AA closed at \$1.3975. The weekly average for Grade AA is \$1.4155 (-.0165).

CHEESE: Barrels closed at \$1.7650 and 40# blocks at \$1.7975. The weekly average for barrels is \$1.7870 (+.0245) and blocks, \$1.7885 (+.0180).

BUTTER HIGHLIGHTS: Bulk butter demand has hit the summer doldrums. This is evidenced by declining pricing at auction sites and Cold Storage holdings at the end of June were 33% higher than year ago quantities. Some seasonal interest in chips and continentals is reported for shipment to educational institutions, but many market participants are content to wait. Cream volumes clearing through the churns are seasonally lower. Some plants are hesitant to build butter inventories beyond current quantities. One or two plants indicate they are meeting limited buyer interest through microfixing. Others report interest in butteroil and whole milk powder is offering other avenues for clearing some portion of incoming butterfat and butter on hand. Prices at the CME declined on limited sales activity, falling to \$1.4000 on Thursday and \$1.3975 on Friday. Last bids are coming in below the market while offers are above the market.

CHEESE HIGHLIGHTS: Trading activity at the CME Group brought price gains to both 500 pound barrels and 40 pound blocks. International interest is steady as U.S. prices are currently offering good value to off shore buyers. Cheese exports for January to June are up 6% compared to one year ago while June monthly exports are up 9% compared to June 2012. Domestic demand is currently steady, but cheese sellers expect sharp increases in demand will arrive within the next few weeks as K-12 and universities resume classes. Cheese production is steady to higher in the West and Northeast, where dairy cows maintained milk production during recent spells of hot weather. Central region production has experienced some decreases with the recent hot weather as well as the uptick in sales of milk into bottlers.

FLUID MILK: Schools have reopened in the Southern tier of states across the nation sending an increasing number of milk loads to bottlers to meet the increased Class I demand. Milk production was steady to higher in the Northeast and Mid-Atlantic regions and also in Arizona and parts of California as cooler weather moved into those regions. The Pacific Northwest, Utah and Idaho are experiencing heat into the 90's, which is stressing the milking herd. Cream markets were mixed with prices trending lower. Eastern supplies were readily available and pressured prices significantly lower. Central and Western markets are seeing less cream going to higher-class product categories.

DRY PRODUCTS: Nonfat dry milk prices are steady to firm in the Central and Eastern regions, higher in the West with a firm market tone. Demand is fair to good into export channels, light to fair for domestic usage. Nonfat dry milk production is slowing, due to reduced milk intakes caused by lower seasonal milk production and increased Class I demand where schools are starting. Dry buttermilk prices moved higher in the West, while holding steady in the Eastern and Central regions. Production has declined as churning has become less active. Demand is light to fair for the current limited supplies. Dry whey prices stepped back in the East and the West, while holding steady in the Central region. Sales took place at lower prices as manufacturers in the East and West provided discounts to consummate deals that would assist in their inventory management strategies. Some lower priced sales were also tied to the export market. Prices for whey protein concentrate 34% are unchanged on the mostly series, in a market with a mixed undertone. Lactose prices moved higher as new monthly contracts came into play.

ORGANIC DAIRY MARKET NEWS (DMN): The nationally weighted average advertised price of organic milk half gallons is \$3.64. The price range narrowed slightly this week and ranged \$2.79 to \$4.99. One year ago the weighted average advertised price was \$3.27, 37 cents lower than currently reported. The organic-conventional half gallon price spread is \$1.77, compared with \$1.36 two weeks ago. Organic yogurt ad numbers declined from last week's second highest level of the year. Ads were heavily concentrated in the Southeast and Northeast with the following percentage breakdown; Southeast, 44%; Northeast, 25%; Southwest, 19%; Midwest, 9%; and South Central, 3%. Of the categories of organic yogurt, 56% for 4-6 ounce organic yogurt, 19% of ads are for 4-6 ounce organic Greek yogurt, and 25% for 32 ounce organic yogurt. The weighted average advertised price for 32 ounce organic yogurt is \$3.12, down from \$3.35 last period. The current price range is \$2.99 to \$3.99. The weighted average advertised price for 4-6 ounce organic yogurt is \$.69, down 8 cents from two weeks ago. The weighted average advertised price for 4-6 ounce organic Greek yogurt is \$1.18, up 12 cents from 2 weeks ago. Cool weather conditions have increased cow comfort levels and bounce backs in organic milk production in the Northeast region. Organic producers are contemplating herd expansion due to the improved crop conditions over last year. Hay harvests continue to be interrupted and delayed by occasional rains. Pasture conditions are described as lush with numerous producers cutting pasture grasses to augment their forage supplies, determined not to get caught short on forage supplies going into 2014.

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

ORGANIC DAIRY MARKET NEWS (PAGES 8-8A)
WORLD DAIRY SITUATION (PAGE 9)DAIRY GRAPHS (G1-G2)
NATIONAL DAIRY RETAIL REPORT (attached)CME GROUP CASH TRADING

COMMODITY	MONDAY AUG 05	TUESDAY AUG 06	WEDNESDAY AUG 07	THURSDAY AUG 08	FRIDAY AUG 09	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.7925 (+.0200)	\$1.7925 (N.C.)	\$1.7925 (N.C.)	\$1.7925 (N.C.)	\$1.7650 (-.0275)	:: (-.0075)	:: \$1.7870 (+.0245)
40# BLOCKS	\$1.7800 (+.0050)	\$1.7800 (N.C.)	\$1.7925 (+.0125)	\$1.7925 (N.C.)	\$1.7975 (+.0050)	:: (+.0225)	:: \$1.7885 (+.0180)
NONFAT DRY MILK							
EXTRA GRADE	\$1.7300 (N.C.)	\$1.7300 (N.C.)	\$1.7300 (N.C.)	\$1.7300 (N.C.)	\$1.7500 (+.0200)	:: (+.0200)	:: \$1.7340 (+.0040)
GRADE A	\$1.7825 (N.C.)	\$1.7825 (N.C.)	\$1.7825 (N.C.)	\$1.7925 (+.0100)	\$1.7925 (N.C.)	:: (+.0100)	:: \$1.7865 (+.0040)
BUTTER							
GRADE AA	\$1.4400 (N.C.)	\$1.4200 (-.0200)	\$1.4200 (N.C.)	\$1.4000 (-.0200)	\$1.3975 (-.0025)	:: (-.0425)	:: \$1.4155 (-.0165)

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 informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE

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Organic cream demand remains very good with demand outpacing supplies. Butterfat levels in milk are at or near their seasonal low point, but remain above year ago levels. In contrast to the organic situation in the Northeast, there is little contemplation to expand dairy herds in the Pacific Northwest, due to higher organic hay and grain prices limiting margins.

NATIONAL DAIRY RETAIL REPORT (DMN): Cheese shreds in 8-ounce packs were the most featured individual item this period, appearing in 12,755 ad features. The national price averaged \$2.36, up 12 cents from two weeks ago. 8-ounce blocks, at \$2.43, moved 7 cents higher from two weeks ago. Greek yogurt in 4-6 ounce packs, featured in nearly 11,000 ads, and averaged \$1.00, up 1 cent from both two weeks ago and a year ago. Regular yogurt in 4-6 ounce packs averaged 51 cents, up 1 cent from two weeks ago. The national weighted average butter price registered \$2.91 for 1# packages, a 38 cent increase from two weeks ago and 32 cents higher than a year ago. Ice cream features are down this period, appearing in 11,387 ads, down near 11% from two weeks ago. The national average for 48-64 oz. containers was \$2.89, down 5 cents from two weeks ago and 23 cents lower than a year ago. The national weighted average conventional milk price for half gallons, \$1.87, 13 cents lower from two weeks ago. Organic half-gallon milk, at \$3.64, is 28 cents higher from two weeks ago. The organic-conventional half-gallon price spread is \$1.77, compared to \$1.36 two weeks ago.

INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN):

At the August 6th gDT session #97, prices for the major categories were mostly lower from the prior event. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,612 -4.9%; butter, \$3,499 -5.5%; buttermilk powder, \$4,641 +0.4%; cheddar cheese, \$4,335 -4.4%; lactose, not traded; milk protein concentrate, \$7,751 n.a.; rennet casein, \$9,904 +1.2%; skim milk powder, \$4,451 -3.0%; and whole milk powder, \$5,021 -1.6%.

WORLD DAIRY SITUATION (FAS): The price volatility that has come to characterize international dairy markets in recent years was very much in evidence early in 2013 as news of a late season drought in New Zealand led to a sharp rally in dairy product prices. However, it was evident that while a prolonged drought could eventually have severe consequences, the immediate market was likely being driven primarily by the lack of exportable supplies of SMP and whole milk powder (WMP) in the face of strong import demand. This shortfall was largely due to sluggish spring flush milk production in the EU-27 where cold wet weather and margins squeezed by mounting production costs early in the year led to a 3 percent decline in milk deliveries early in the year. Since this early run-up, dairy prices have moderated but are nevertheless expected to remain relatively strong for the balance of the year supported particularly by surging import demand from China for WMP. In Oceania, milk production is at a seasonal ebb but the brief drought in New Zealand has ended, overtaken by ample rains and resumption of normal weather patterns. This bodes well for the new season and total milk production for 2013 is expected to only decline slightly from the record setting level reached last year. In contrast, drier seasonal conditions in Australia have led to downward revisions in the forecast supply of milk which are expected to impact primarily the availability of exportable supplies of milk powders. In the EU-27, although financial conditions are expected to improve due to stronger milk prices, the milk production forecast has been revised down and is now expected to remain largely unchanged from 2012. In the United States, feed prices have moderated and favorable weather conditions in much of the country have led to an upward revision in the expected production of milk. In effect, the U.S. appears to be well positioned to backfill any declines in EU-27 exports of SMP and to a lesser extent cheese and butterfat.

CME GROUP

MONDAY, AUGUST 5, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.7925; 1 CAR 40# BLOCKS @ \$1.7800; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.7825; 1 CAR 40# BLOCKS @ \$1.7800; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4300; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.4500

TUESDAY, AUGUST 6, 2013

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7825
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.3900; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.4200

WEDNESDAY, AUGUST 7, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.7925; 7 CARS 40# BLOCKS: 1 @ \$1.7825, 1 @ \$1.7850, 1 @ \$1.7825, 1 @ \$1.7850, 1 @ \$1.7875, 1 @ \$1.7900, 1 @ \$1.7925; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7950
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.3900; LAST OFFER UNCOVERED: NONE

THURSDAY, AUGUST 8, 2013

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7925
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 2 @ \$1.7825, 1 @ \$1.7850; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.7925; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.4000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.3800; LAST OFFER UNCOVERED: NONE

FRIDAY, AUGUST 9, 2013

CHEESE -- SALES: 3 CARS BARRELS: 1 @ \$1.7825, 1 @ \$1.7700, 1 @ \$1.7650; 2 CARS 40# BLOCKS: 1 @ \$1.7950, 1 @ \$1.7975; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7975; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.8000
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.7500; 1 CAR GRADE A @ \$1.7925; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 4 CARS GRADE AA @ \$1.3975; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.4000

BUTTER MARKETS

NORTHEAST

The CME Group butter price decreased \$0.0200 Tuesday and closed at \$1.4200. In the last 12 sessions butter prices have traded in a range of \$1.4200-\$1.4500 in fairly light trading with only 7 loads sold. For some market analysts, this range reflects the floor in the market and prices are not expected to deviate much from the current levels prior to the Labor Day holiday. Butter production is very limited in the region with some plants in the midst of maintenance projects, while others are churning just to meet their current needs. Domestic demand is flat which is typical for this time of year. Export interest continues to be fairly strong. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 992,080 pounds (450 metric tons) of butter. The product will be delivered August through October 2013. During 2013, CWT has assisted member cooperatives in making export sales of butter totaling 62.264 million pounds. Current bulk butter prices for this week are 4-6 cents over the market on the CME Group with various time frames and averages used. According to the **National Dairy Retail Report**, retail butter ads in the Northeast totaled 674, 34% of the total national ad count of 1,821, the highest of any region. The weighted average price for a 1 lb. package of butter in the Northeast was \$3.35, 44 cents more than the national weighted average price and 83 cents higher than the previous reporting period.

DAIRY PRODUCTS: According to NASS, cumulative 2013 butter production through June was 1.5% above cumulative year production for the same period for 2012. June's monthly U.S. butter production totaled 140.8 million pounds, down 13.8% from May, but 2.7% more compared to June 2012. Atlantic region butter production in June totaled 13.4 million pounds, down 30.0% from May, but 28.9% more than June 2012.

CENTRAL

Central butter production is uneven, with one or two plants benefitting from Eastern cream loads while other churning operations decreased buttermaking due to declining butterfat components in intakes. Contract interest in individual chips and continentals is steady to higher as some educational institutions gear up for reopening in the next 7 – 10 days. Bulk butter interest is flat into domestic buyers. International interest is variable as some plants complete existing orders, but do not have new orders on the books. Bulk butter prices range from 4 cents under to 8 cents over, depending on brand and other quality/quantity factors. Various butter operators in the Central region report inventories as comfortable. Butter production during June 2013 in the Central region totaled 50.4 million pounds. This production is 13.6% lower than one month ago, but 5.7% higher than the June 2012 total. **DAIRY PRODUCTS:** NASS's *Dairy Products* report shows production of butter in June 2013 totaled 140.8 million pounds, 13.8% lower than one month ago but 2.7% higher than the June 2012 total. Year to date butter production is 1.5% higher than during the same time span in 2012.

WEST

Western contacts believe that for the time being the butter market is operating in a narrow range until the calendar moves to fall or some other factors change. Churning is backing off as less milk and cream are available for processing. Some operations are happy to sell cream at this time and not increase inventories. Ice cream production is being called seasonally normal. According to the National Dairy Retail Report, the average butter price for the U.S. this period is \$2.91 up 38 cents from last period. The Southwest average price is \$2.88 and the Northwest price is \$2.99.

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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 3, 2013	1.4419 7,868,052	1.7160 12,758,021	1.7386 8,704,543	0.5835 6,779,652	1.7595 16,255,766

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According to NASS, butter production for the U.S. in June totals 140.8 million pounds, up 2.7% from last year or up 3.7 million pounds. Output declined 13.8% from last month. Cumulative output for the first six months of the year totals 1.01 billion pounds, up 1.5% or 15.4 million pounds from the same period in 2012. June output in the Western region was 77.0 million pounds, down 2.5% from last year. CWT announced sales of 992,000 pounds of butter for a cumulative export total for the year of 62.3 million pounds. FAS indicates that butter exports in June were double one year ago and up 11% for the year so far at 72.9 million pounds. Butter closed Wednesday, August 7, 2013, at the CME Group at \$1.42, down 1 cent from last week. Prices for bulk butter range from 3-6 cents under the market, based on the CME with various time frames and averages used.

2013 U.S. Butter and Milkfat Exports, (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
June Total	16.8	+ 103
Total, Jan - June	72.9	+ 11
1 Saudi Arabia	26.4	+ 18
2 Iran	13.3	+ 58
3 Egypt	5.4	- 19
4 Morocco	4.3	- 44
5 Canada	3.3	+ 84

CHEESE MARKETS

NORTHEAST

Cheese prices on the CME Group were unchanged Tuesday with barrels closing at \$1.7925 and blocks closing at \$1.7800. Trading has been fairly light in the last 5 trading sessions as barrels and blocks have gained \$0.0325 and \$0.0100 respectively. A persistent cool weather pattern over the region has increased cow comfort levels and provided for some additional bounce backs in milk production. Some cheese makers have expanded production schedules in response to the additional milk supply. Domestic demand is about steady with last week, but numerous cheese makers are anticipating increased orders with the commencement of schools and the beginning of the NCAA and NFL football seasons. International cheese prices remain well above US prices and continue to draw good export interest. According to the **National Dairy Retail Report**, retail cheese ads for 8 oz. block cheese in the Northeast totaled 2,180, 24% of the total national ad count of 9,235 and was the second highest ad count for any region. Retail cheese ads for 8 oz. shredded cheese in the Northeast totaled 2,628, 21% of the total national ad count of 12,755, and was the second highest ad count for any region. The weighted average price for 8 oz. cheese blocks in the Northeast was \$2.37, 6 cents less than the national weighted average price, but 1 cent less than the previous reporting period. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.48, 12 cents more than the national weighted average price and 20 cents more than the previous reporting period.

DAIRY PRODUCTS: According to the latest NASS report, total U.S. cheese production in June totaled 913.8 million pounds, 3.9% less than May, but 1.4% more than June 2012. Cumulative 2013 U.S. Cheese production was 1.7% greater than 2012. The total of all cheese production for June in the Atlantic region was 115.7 million pounds, 1.7% less than May and 0.6% less compared to the same period last year. Atlantic region cheese production accounted for 12.7% of total U.S. production. Total cheese production for June in New York was 59.9 million pounds, 4.1% less than May and 3.7% less than June 2012. Pennsylvania produced 35.4 million pounds in June, 3.2% more than one month earlier and 0.4% more than one year ago. Vermont produced 11.5 million pounds, 6.0% less than last month, but 10.7% more than June 2012.

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

Cheddar 40# Block	: 2.1700-2.4550
Process 5# Sliced	: 1.9850-2.4650
Muenster	: 2.1900-2.5500
Grade A Swiss Cuts 10 - 14#	: 3.5150-3.8375

MIDWEST

Cooler weather patterns, now covering the region, are allowing for some milk production bounce backs from the recent bout of hot humid weather. The continued heavy national inventories of cheese in combination with bounce backs in milk production have numerous market analysts believing the typical August increase in the cheese market, up 10% last year, will be limited in 2013. International cheese prices remain above US prices and continue to promote good export interest. Domestic demand will receive a boost in activity as some schools in the South are commencing their fall terms. Cheese sales are expected to increase with the soon to begin NCAA and NFL football schedules. CME prices for Barrels were up \$0.0200 on Monday and then unchanged through Wednesday, closing at \$1.7925. Blocks advanced \$0.0050 Monday, unchanged Tuesday, but up \$0.0125 on Wednesday to close at \$1.7925.

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

Process American 5# Loaf	: 1.9625-2.6675
Brick And/Or Muenster 5#	: 2.1550-2.6025
Cheddar 40# Block	: 2.1550-3.0275
Monterey Jack 10#	: 2.1250-3.0325
Blue 5#	: 2.4175-3.4050
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 1.9975-3.1325
Grade A Swiss Cuts 6 - 9#	: 3.0350-3.1525

WEST

Prices increased again for Western wholesale cheese prices after last week's CME Group price increases. Sales are being called fair in the West with stocks in a reasonably comfortable position for August. Weather stress so far with this current warm spell in the region has not done too much to reduce milk supplies, but components continue to decline. According to NASS, total cheese production in June was 913.8 million pounds, up 1.4% from last year. Cumulative cheese output for the first six months of the year is 5.54 billion pounds, up 1.7% or 93.4 million pounds. That works out to an increase of 3.6 million pounds of cheese per week through June. June output in the Western region is 390.0 million pounds, up 3.0% from June 2012. The West produced 43% of the cheese in the U.S. in June. Swiss output for the U.S. in June is 23.5 million pounds, down 12.9% from last year. CWT exports for last week were announced at 1.4 million pounds bringing the total for the year to 62.3 million pounds. FAS indicates that exports for June were up 9% from a year ago. Total exports for the first six months of the year have reached 327.9 million pounds, up 6% from the same period in 2012. Barrel prices at the CME on Wednesday closed at \$1.7925, up \$.0325 from last week on July 31. Blocks also closed at \$1.7925, up \$.0225 from last week. According to the **National Dairy Retail Report**, the most heavily advertised type of cheese, 8 oz shreds, had an average price of \$2.36 this period for the U.S. The price for this type of cheese in the Southwest was \$2.48 and the price was \$2.38 in the Northwest.

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

Process 5# Loaf	: 1.8925-2.1500
Cheddar 40# Block	: 1.8900-2.2425
Cheddar 10# Cuts	: 2.0700-2.2900
Monterey Jack 10#	: 2.0800-2.2400
Grade A Swiss Cuts 6 - 9#	: 3.0925-3.5225

2013 U.S. Cheese and Curd Exports, (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
June Total	56.6	+ 9
Total Jan.-June	327.9	+ 6
1 Mexico	80.9	+ 13
2 South Korea	52.2	+ 5
3 Japan	36.6	+ 8
4 Canada	14.6	+ 6
5 Australia	13.1	- 7

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CHEESE MARKETS

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FOREIGN

The weekly average block price on the CME Group increased again this week and raised domestic wholesale foreign type cheese prices by \$0.0150. The prices for domestic Swiss cuts declined by \$0.0550, following Wednesday's, Class III milk price release. Imported cheese prices were unchanged.

DAIRY PRODUCTS: According to the latest NASS report, domestic Parmesan production during June totaled 29.8 million pounds, 6.3% more than the previous month and 30.7% more than June 2012. Provolone production during June totaled 29.1 million pounds, 6.0% less than May and 1.8% less than June 2012. Romano production during June totaled 3.0 million pounds, 18.6% less than May and 26.0% less than June 2012. Swiss production during June totaled 23.5 million pounds, 11.2% less than May and 12.9% less than June 2012.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.3100-3.7975*
Gorgonzola	: 3.4900-6.4700	: 2.8125-3.2675*
Parmesan (Italy)	: -0-	: 3.7000-5.7900*
Provolone (Italy)	: -0-	: 2.3525-2.5100*
Romano (Cows Milk)	: -0-	: 3.5000-5.6500*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.4600	: -0-
Jarlsberg-(Brand)	: 2.9500-5.2900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.6125-3.9350*
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-

* = Price change.

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	28	0	0	0	0	0
SOUTHEAST STATES	0	0	0	0	0	0

Continued cooler temperatures have increased cow comfort levels and milk production in the Northeast and Mid-Atlantic regions. Manufacturing milk supplies have marginally increased with the bounce back in milk production, but overall supplies remain limited. Crop conditions in both regions are about as good as can be expected with a majority of crops rated as good to excellent. Some hay harvest activities continue to be interrupted by the occasional shower. Frequent showers and highs in the 90's have lowered cow comfort levels in Florida and reduced milk production. A few schools began their fall terms this week, increasing Class I demand. Nearly all Florida schools will be back in session by August 19. Florida imported 28 spot loads of milk this week. These were the first imports into the state since late January. Milk supplies in the Southeast region are nearly in balance with demand with only the occasional load, above contract minimums, going to manufacturing plants. A few schools have started their fall terms this week. Class I plants are preparing for increases in demand as the bulk of schools will start over the next couple of weeks. Cream supplies became readily available this week as the persistent cool weather pattern substantially reduced ice cream sales and cream demand from ice cream manufacturers. Butterfat levels in the milk supply have declined, and are considered by many in the industry to be at the seasonal low point, but remain above year ago levels. **Cream multiples for all Classes** ranged mostly 1.35-1.55 with sale multiples dependent on day of purchase. **Condensed skim** supplies remain fairly tight, even with the bounce backs in milk production. Most supplies are moving through contracts with what remains held in firm hands as most balancing plants see price advantages in making nonfat dry milk rather than sell condensed skim.

DAIRY PRODUCTS: According to NASS, ice Cream production in the Atlantic region for June totaled 15.2 million gallons, 1.6% more than May, but 4.3% less than June 2012. U.S. Yogurt production (plain and flavored) for June totaled 394.0 million pounds, down 2.3% from May, but 7.3% more than June 2012. Cumulative 2013 production through June totaled 2,349.8 million pounds, 5.0% higher than through June 2012.

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 -	2.0048-2.2196
F.O.B. producing plants: Upper Midwest -	1.8616-2.2196

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.71 - 1.81
Northeast - Class III - spot prices -	1.52 - 1.57

MIDWEST

As schools reopen in the Central and Southeast regions, milk processors report they are sending an increasing number of milk loads to local bottlers to meet current Class I demand. This is

cutting into cheese and NDM production on a weekly basis and is expected to continue until the school pipeline is full. Availability of spot loads of milk is generally light, although weather and construction related issues closed 2 cheese plants in the upper Central region and supplied unexpected milk loads to the spot market. Those spot loads cleared to good interest with prices quoted at \$2.25 over Class. Cream demand was steady coming off the weekend, but market participants noted by midweek it was obvious more cream was being generated from Class I orders. Cream multiples held steady at the top of the range, but decreased by 2 points on the low end, **1.30 - 1.55**. Sales of cream into ice cream/frozen dessert manufacturing are active, but making the shift toward seasonally lower production. Cream demand from sour cream and dip producers is gradually moving higher. Observers in the South Central region report third cutting of sudex is underway and corn in some areas is suitable for combining. Wheat harvest advanced to the North Central during the last week. Corn/soybean crops in some areas of the North Central region are showing signs of soil moisture depletion as rains arrived sporadically during the last week, leaving some areas dry and others receiving over 1 inch of precipitation.

WEST

CALIFORNIA milk production is uneven. Recent, moderate weather conditions are providing relief and reducing stress on the milk cows in the major producing areas. Feed conditions are generally good. Some locations are seeing a positive impact from new crop feeds. There are major concerns over water and what effects the lack of water would have on later season cropping. Processing plants are running on seasonal schedules. Some plants are taking downtime for scheduled maintenance. Class I needs are mostly steady. The California Department of Agriculture is calling a public hearing on September 12 to consider amendments to a milk pricing formula. A petition from several producer organizations proposes a modification to the sliding scale used to determine a dry whey factor in Class 4b formula and to replace the temporary price adjustment. The July 4a price (butter/powder) in CALIFORNIA is \$18.61, up \$0.22 from June 2013 and \$5.11 higher than last year. This compares to the Federal Order Class IV price for July at \$18.90. The July 4b price (cheese) is \$15.65, \$0.26 lower than last month, but \$0.47 more than last year. This compares to the Federal Order Class III price for July at \$17.38. ARIZONA milk production is steady to higher. Gains are noted because of cooler nighttime temperatures and because of increased feeding levels. The milkflow is being handled well. Increased pulls from Class 1 accounts are being serviced. Many schools have started sessions. NEW MEXICO weather conditions have been seasonal. The milk flow is trending along at expected volumes. Plants are able to process local milk supplies. The hay crop is into the third and fourth cutting. Pricing for large square bales of premium to supreme alfalfa are running \$210-230/ton delivered in the south to \$265-275 delivered (from out of region) into the east. CREAM markets are mixed. Some suppliers are seeing fair to good demand from both within the region and outside. Other suppliers are moving less cream than projected into higher-class product categories. Churning is active in the region to process available cream supplies. Cream pricing is often trending lower, reflecting the declining basing points from the CME Group pricing closes and averages. At the CME Group, the

Continued on Page 4A

FLUID MILK AND CREAM

Continued from Page 4

Grade AA butter price closed at \$1.4200 on Wednesday, August 7, down 1 cent from a week earlier. Cream multiples are steady, ranging from 1.19 to 1.37, and vary depending on class usage and basing points. Conditions have warmed up again this week in the PACIFIC NORTHWEST. East of the coastal range temperatures are running into the mid-90s. The stress on the milking herd is not immediate, but it is taking output down along seasonal patterns. Pastures and alfalfa fields are showing signs of the heat. Plants in the region are running at normal seasonal levels. The heat in UTAH and IDAHO is more intense. The stress on the cows is more immediate and direct. Incoming loads of milk are lighter and tests are lower. Some areas are being given notice that their water will be shut off soon which will impact the end of the season for some crops and hay. Western Idaho is working on the third cutting of hay now. The yield has been down some this year and prices in the field are higher than last year. There is projected to be quite a bit of corn silage for feed this year.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Central nonfat dry milk prices are steady on the mostly, but higher on both ends of the range as basis contracts adjust to variable indices. Manufacturers and resellers indicate spot market interest is steady to lower for the week as end users pause to reassess market conditions. North American demand into the Central region is traditionally slower during July, but manufacturers anticipate fresh interest as summer draws to a close. Additional interest from cheese plants for NDM and/or condensed skim was noted by a few balancing plants. Farm milk intakes continue to show seasonal declines, although a part of the volume decreases in milk intakes during the recent heat wave have been recovered. Several manufacturers note orders from bottlers increased this week. Milk loads are moving within the region and to milk deficit regions to fill fluid needs. Nonfat dry milk production is slowing, based on milk intakes and those sales to Class I processors. Manufacturers' NDM inventories are termed comfortable to short of what is needed for August - December contract fulfillment. Several producers indicate they are selling minimal NDM amounts into the spot market, and only at prices matching offered prices.

The June 2013 Dairy Market News average of the range price series for Central and East nonfat dry milk, high heat, was \$1.8438 compared to \$1.7922 one month ago and \$1.3383 in July 2012.

Central Dairy Products: According to NASS, NDM production in the Central region totaled 24.6 million pounds during June 2013, 13.0% less than one month ago, and 5.1% less than the June 2012 total. Cumulative nonfat dry milk production for 2013 in the Central region totals 157.1 million pounds, 23.1% higher compared to 2012 production during the same time span. The July 2013 Dairy Market News average of the mostly price series for Central and East nonfat dry milk, low/medium heat, was \$1.7594 compared to \$1.7091 one month ago and \$1.2377 in July 2012.

EAST: Nonfat dry milk prices held steady on the low heat mostly range, while high heat prices moved marginally higher. Milk volumes going to nonfat dry milk manufacturers remain low, but there were some marginal increases as cooler weather prompted some bounce back in milk production. Some manufacturers are focusing on high heat production with the lower milk intakes. Contract sales account for a majority of product sales with most buyers unwilling to expand inventories at this time. Domestic demand is about steady with last week, but there are indications of increased buyer interest as the fall baking season approaches. Export interest remains fairly good. The limited production schedules continue to provide the market with a firm undertone.

DAIRY PRODUCTS: The latest NASS Dairy Products report indicates nonfat dry milk production during June 2013 totaled 130.5 million pounds, down 22.5% from June 2012 and 13.3% below the previous month. Month ending stocks, at 230.4 million pounds, are 59.8% above last year and 0.2% above the previous month.

Atlantic Dairy Products: The latest Dairy Products report indicates nonfat dry milk production for June in the Atlantic region totaled 24.3 million pounds, 18.6% of the nation's total. The Atlantic region production was 36.2% more than one year ago, but 10.4% less than the previous month.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.7400 - 1.8350 MOSTLY: 1.7500 - 1.8000
 HIGH HEAT: 1.8600 - 1.8900

NONFAT DRY MILK - WEST

Western nonfat dry milk pricing continues to move higher. The market tone is firm. Demand is fair to good into export channels; light to fair for domestic usage. Production runs are often lower than projected. Some areas are seeing more impacts from recent hot weather. Class 1/I needs are also higher where schools are starting. Economics also favor the production of SMP. The skim milk powder market also continues to firm with production active to service export orders. U.S. SMP sold on the August 6th gDT auction ranged from \$1.87 to 1.90 per pound for September sales. The U.S. export sales remain robust. In June, exports of NDM/SMP totaled 106.2 million pounds, up 23% from a year ago. For the first six months of 2013, U.S. exports of NDM/SMP were 585.3 million pounds, up 10% from the first half of 2012. Drying schedules are mostly steady to slightly lower, dependent on the milk flow. High heat prices are unchanged. Buying interest is light to fair. Demand is mostly to established accounts. With recent prices trending higher, additional forward buying is taking place for later in the year needs. Other buyers have been out of the market, some hoping for lower pricing points, and are in looking for coverage. Producers' stocks are mostly light.

According to the Dairy Products report, June NDM output for the US totals 130.5 million pounds, down 22.5% from last year. Cumulative output for the first six months of the year totals 872.0 million pounds, down 18.1% from 2012. In the West, June output was 81.6 million pounds, down 34.5% from last year. Stocks of NDM at the end of June total 230.1 million pounds, up 59.8% from 2012. SMP production for the US in June is 58.2 million pounds, 2.3 times more than June 2012. Cumulative SMP output through June is 291.5 million pounds, up 122.6% from the same period in 2012.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.7300 - 1.8200 MOSTLY: 1.7700 - 1.8000
 HIGH HEAT: 1.7700 - 1.8900

U.S. NDM Exports, H.S. Code 0402100000 (FAS)		
	2013 Exports (Million Lb.)	% Change From 1 Year Ago
June Total	106.2	+ 23
TOTAL, JAN - JUNE	585.3	+ 10
1 Mexico	202.1	- 8
2 Indonesia	63.0	+ 43
3 Philippines	61.7	+ 14
4 China	41.3	+ 74
5 Vietnam	39.6	+ 1

Continued on Page 5A

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.

Continued from Page 5

DRY WHOLE MILK - NATIONAL

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are unchanged on a steady to slower market. Various market participants indicate interest in dry buttermilk flattened out during the last week as sales into Class II facilities decrease seasonally. Central dry buttermilk production is unchanged to lower as butterfat components decline throughout the summer. Churning is less active, thus generating lower volumes of fluid buttermilk to move through the dryers. Central dry buttermilk inventories are described as in balance with near term contract fulfillment needs. The July 2013 Dairy Market News average of the range price series for Central and East dry buttermilk was \$1.5869 compared to \$1.5600 one month ago and \$1.1279 in July 2012.

EAST: Dry buttermilk prices held steady this week in light sales activity. Butter and dry buttermilk production continues to decline in the region as some churns are undergoing scheduled maintenance projects. Supplies of dry buttermilk remain tight with inventories being worked lower as supplies move through contracts. Demand for dry buttermilk declined this week as cool weather across the region has reduced ice cream sales and production. Spot sales activity continues to be light. The limited production and decreasing supply situations continues to support the market's firm undertone.

DAIRY PRODUCTS: NASS reports, June 2013 dry buttermilk production totaled 9.4 million pounds, up 24.0% from June 2012, but 8.6% less than May. June 30 dry buttermilk stocks, at 14.5 million pounds, are 5.5% above year ago levels, but 10.9% less than May.

F.O.B. CENTRAL/EAST: 1.5400 - 1.6800

Prices for dry whole milk are unchanged on a steady market. Dry whole milk production is notably higher for the week as some plants reduce churning and send additional butterfat into dry products. Also, one or two drying plants are adding dry whole milk production to their repertoire and running test batches as dryer schedules allow. The July 2013 Dairy Market News average of the price series for dry whole milk was \$1.8818, compared to \$1.8763 one month ago. The average price one year ago was \$1.4550.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows dry whole milk production during June 2013 decreased 3.4% compared to May 2013 to 12.0 million pounds but was 29.0% higher than the June 2012 total. Cumulative 2013 dry whole milk production totals 33.1 million pounds, 16.1% higher than production during the same time span in 2012. Month ending stocks, at 6.2 million pounds, are 27.0% higher than one month ago, and 2.9% higher than one year ago.

F.O.B. PRODUCING PLANT: 1.8500 - 1.9500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
August 2	\$1.6992	5,462,044	0
July 26	\$1.7219	6,547,295	0

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. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - WEST

Western dry buttermilk prices are trending higher. The market tone is firm, reflecting some momentum from recent price changes and the spillover effect from demand for dairy proteins. Drying schedules are at light to moderate levels. Demand for dry buttermilk is light to fair for the current limited supplies. Producers are comfortable with holding onto their inventory positions, especially with rising prices and the need to service future contracts.

According to the NASS Dairy Products report, dry buttermilk production in the U.S. for June totals 9.4 million pounds, up 24.0% from last year. Stocks at the end of June are 14.5 million pounds, 5.5% more than a year earlier.

F.O.B. WEST: 1.6400 - 1.7000 MOSTLY: 1.6500 - 1.6700

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central dry whey prices are unchanged on the mostly series. The price spread between Central dry whey and East and West coast dry whey continues to even out transportation costs for export bound dry whey loads. Various market participants note condensed whey is readily available. For some market participants, this translates into ample manufacturers' inventories. However, the latest NASS Dairy Products report shows national inventories of Dry Whey, Human, stepped lower in each month from April to July of 2013, and stocks on hand are currently below monthly production. This generally signals that manufacturers' inventories are reaching a comfortable level. Inventory variations exist among manufacturers and regions. Within the Central region, F.O.B. spot load availability is variable, buyer interest outside of contracts is active for edible dry whey going into feed blending operations. Interest in spot loads of edible whey from manufacturers is stagnant and currently facing competition from resellers on price. ANIMAL FEED DRY WHEY prices are unchanged to lower as prices adjust to various indices. Interest in animal feed dry whey is steady into feed blending accounts. Sales of finished feed into dairy replacement and dairy beef accounts are reportedly active. The July 2013 Dairy Market News average of the mostly price series for Central dry whey was \$0.5441, compared to \$0.5434 one month ago, and compared to \$0.4895 in July 2012. The June 2013 Dairy Market News average of the range price series for ANIMAL FEED Central milk replacer dry whey was \$0.4738, unchanged from one month ago. The average price in July 2012 was \$0.4208. Human food dry whey production during June 2013 in the Central region totaled 38.8 million pounds. This dry whey production is 5.8% lower than one month ago, and 3.3% lower than the June 2012 total. Cumulative 2013 human food dry whey production in the Central region totals 247.4 million pounds, 4.3% higher than 2012 production during the same time span.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of HUMAN FOOD dry whey in June 2013 totaled 75.2 million pounds, 0.4% lower than one month ago and 5.1% lower than the June 2012 total. Month ending stocks of HUMAN FOOD dry whey totaled 62.9 million pounds, 0.7% less than one month ago but 26.1% more than one year ago. Production of ANIMAL FEED dry whey during June 2013 totaled 3.9 million pounds, 1.5% more than one month ago but 7.7% less than the June 2012 total. ANIMAL FEED dry whey month ending stocks totaled 2.7 million pounds, 22.6% higher than one month ago but 26.4% lower than one year ago.

F.O.B. CENTRAL: .4700 - .6275 MOSTLY: .5200 - .5650
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4050 - .5400

DRY WHEY - NORTHEAST

Dry whey prices declined this week as both spot sales and sales based on various price indices lowered prices. Spot sales accounted for the decline on the low end of the range as some manufacturers sold multiple loads at discounts in order to better manage inventories. Most spot loads purchases were made by brokers as a way to cost average their supplies. End user demand remains flat as buyers are only purchasing for immediate needs. Export interest is about steady with the activity of recent weeks. Production of dry whey marginally increased within the region as milk production bounces back and expanded milk volumes are going to cheese plants. The supply situation is becoming more in balance with the recent spot sales activity giving the market a weak to steady undertone.

DAIRY PRODUCTS: The latest NASS Dairy Products report shows production of dry whey for human consumption for the nation in June, totaled 75.2 million pounds, 5.1% less than year ago levels and 0.4% less than May. The Atlantic region totaled 18.4 million pounds, or 24.5% of the nation's total. The Atlantic region production was 14.0% less than June 2012, but up 2.4% compared to the previous month. June 30 dry whey for human consumption stocks, at 62.9 million pounds, are 26.1% above year ago levels, but 0.7% less than May.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5350 - .6300

DRY WHEY - WEST

Western whey prices took a step backwards this week as manufacturers attempt to keep stock levels in line with the plan for this time of the season. Sales took place at lower prices to stimulate interest and to get the deal done. Some of the lower sales prices are tied to the export market. Export sales in June were up 9% versus a year earlier at 45.9 million pounds. Production levels are declining at seasonally expected levels. Domestic buyers are taking contracted volumes, but are in no hurry to pick up additional supplies at this time.

According to NASS, edible whey production in the U.S. for June totals 75.2 million pounds, down 5.1% from a year earlier. Cumulative total whey output for the first six months of the year is 491.0 million pounds, down 7.0% or 36.7 million pounds from the same period in 2012. June production of edible whey in the Western region totals 18.0 million pounds, up 1.7% from June 2012. U.S. stocks of edible whey at the end of June total 62.9 million pounds, 26.1% higher than last year.

NONHYGROSCOPIC: .5500 - .6250 MOSTLY: .5650 - .6050

U.S. Dry Whey Exports H.S. Code 0404104000(FAS)
2013 Exports % Change From
(Million Lb.) 1 Year Ago

June Total	45.9	+ 9
TOTAL, JAN - JUNE	254.8	- 1
1 China	86.6	+ 56
2 Canada	23.3	- 3
3 Indonesia	19.1	+ 11
4 Japan	17.7	- 10
5 Mexico	16.6	- 54

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for whey protein concentrate 34% are unchanged on the mostly series, while the bottom of the range decreased 3 cents on F.O.B. spot loads. The market tone is mixed. Lower priced F.O.B. spot loads are clearing into the market intermittently to steady interest. Demand into other manufacturers is reported as active. However, several manufacturers' inventories are in balance with near term contract needs and don't allow selling into the spot market to test interest through higher pricing. WPC 34% production is mostly lower as milk availability for manufacturing decreases seasonally. Various cheese plant operators explained they are sending loads of milk into regional and extraregional fluid plants to meet bottler needs for filling the school pipeline. The July 2013 Dairy Market News average of the mostly price series for whey protein concentrate 34% Central and West was \$1.3518 compared to \$1.3172 one month ago and \$1.1404 in July 2012.

DAIRY PRODUCTS: The NASS *Dairy Products* report shows production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during June 2013 totaled 19.8 million pounds, 6.1% lower than one month ago, and 1.7% lower than the June 2012 total. Cumulative WPC 34% HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) production for 2013 totals 112.2 million pounds, 8.6% lower than 2012 production during the same time span. Manufacturers' end-of-month stocks of HUMAN AND ANIMAL WPC (25.0 - 49.9% PROTEIN) totaled 23.9 million pounds, 1.0% higher than one month ago but 35.1% lower than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.2800 - 1.5025 MOSTLY: 1.3450 - 1.3800

CONTINUED ON PAGE 6A

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.

CONTINUED FROM PAGE 6

LACTOSE - CENTRAL AND WEST

Prices are higher on the lactose range and mostly price series as new monthly contracts activate and old pricing drops out of consideration. Contract interest is active into most accounts, although a few buyers arranged for delays or pushback on Q3 loads. Producers indicate requests for those pushbacks were readily allowed and provide an opportunity for the manufacturers to fill higher demand into other edible and agricultural contract accounts. Lactose production is steady to lower as manufacturing milk availability declines seasonally. Manufacturers' inventories of higher mesh size lactose are tight. Some availability of spot loads of unground lactose are on hand, but those inventories, too, are lighter than in past weeks. The July 2013 Dairy Market News average of the mostly price series for Central and West lactose was \$0.6310, compared to \$0.6450 one month ago. The average price one year ago was \$0.8383.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows HUMAN and ANIMAL lactose production during June 2013 decreased 1.7% compared to May 2013 to 90.2 million pounds, but increased 2.3% compared to the June 2012 total. Cumulative 2013 lactose production totals 531.6 million pounds, a 1.8% increase from the same time span in 2012. Month ending stocks, at 90.4 million pounds, are 0.4% lower than one month ago, and 0.9% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .5200 - .7200 MOSTLY: .5900 - .6900

CASEIN - NATIONAL

Acid and rennet casein price series are unchanged. The market tone is steady to firming off the bottom end of the range. Any new market quotes are noted in the top half of both ranges. At the August 6th gDT event, the Oceania sourced rennet casein averaged \$4.4924 across October to December contracts.

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:	4.6000 - 5.0000
ACID:	4.7000 - 5.4000

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS EFFECTIVE NOVEMBER 1, 2009

BUTTER Bulk \$1.05 per pound; CHEESE 40# Blocks \$1.13 per pound; 500# Barrels \$1.10; NONFAT DRY MILK \$.80 per pound

The CCC Purchase table will no longer be shown unless purchases occur. Last CCC purchase: October 2009

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2012

WEEK ENDING	WEEKLY DAIRY COWS	2013 CUMULATIVE DAIRY COWS	2012 WEEKLY DAIRY COWS	2012 CUMULATIVE DAIRY COWS
07/20/2013	55.6	1,735.2	60.3	1,685.5

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
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24	17.32	16.28	17.06	15.51	15.28
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
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

CLASS IV MILK PRICES (3.5% BF)

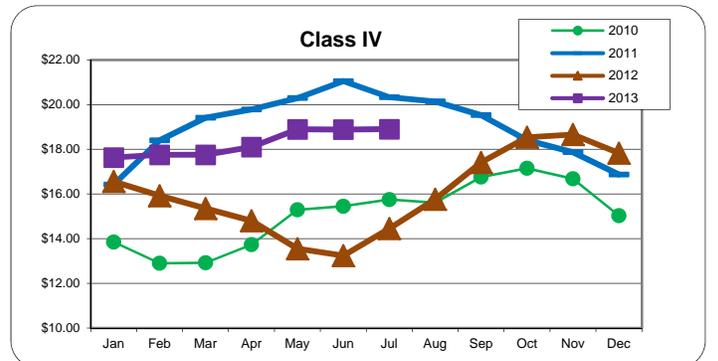
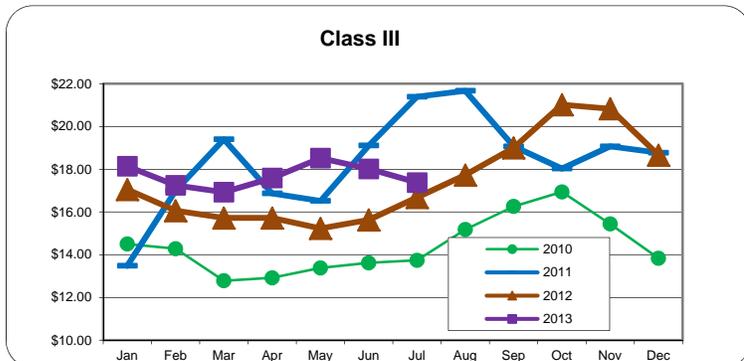
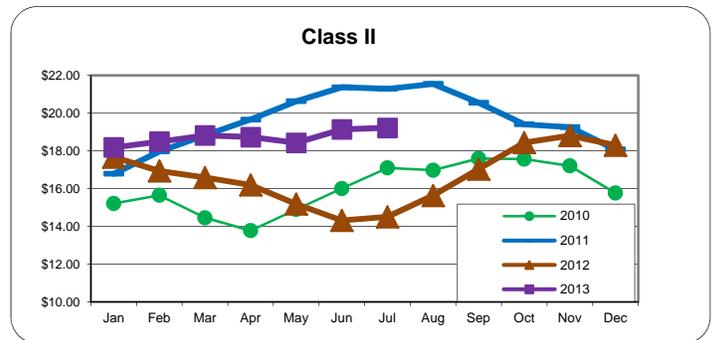
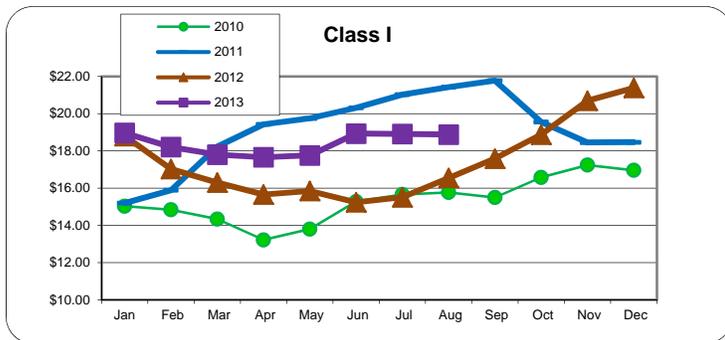
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	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

FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.97	18.21	17.80	17.66	17.76	18.93	18.91	18.88				
II	18.19	18.49	18.82	18.73	18.43	19.14	19.22					
III	18.14	17.25	16.93	17.59	18.52	18.02	17.38					
IV	17.63	17.75	17.75	18.10	18.89	18.88	18.90					

1/ Specific order differentials to be added to this base price can be found by going to:

www.ams.usda.gov/DairyMarketingStatistics; then select "Prices"; and then select "Principal Pricing Points."



ORGANIC DAIRY MARKET NEWS

Information gathered July 29 - August 9, 2013

ORGANIC DAIRY FLUID OVERVIEW

News. Cool weather conditions have increased cow comfort levels and bounce backs in organic milk production in the Northeast region. Organic producers are contemplating herd expansion due to the improved crop conditions over last year. Hay harvests continue to be interrupted and delayed by occasional rains. Pasture conditions are described as lush with numerous producers cutting pasture grasses to augment their forage supplies, determined not to get caught short on forage supplies going into 2014. Organic cream demand remains very good with demand outpacing supplies. Butterfat levels in milk are at or near their seasonal low point, but remain above year ago levels. Discussions are ongoing with various business interests in New England regarding the development of UHT organic skim milk products that could be shipped internationally. In contrast to the organic situation in the Northeast, there is little contemplation to expand dairy herds in the Pacific Northwest, due to higher organic hay and grain prices limiting margins.

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Organic dairy product ad volume declined marginally, compared to the report 2 weeks ago. The variety of organic products advertised narrowed this week with only butter, milk, yogurt and cream cheese featured. Ads for butter, 8 ounce UHT milk and yogurt in 4-6 ounce cups increased significantly, compared to the previous report.

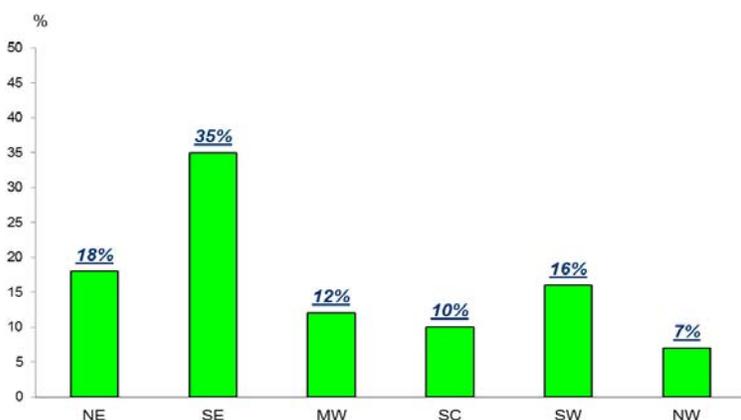
Organic milk ads total 51% of all organic dairy ads, down from 63% two weeks ago. Organic yogurt ads total 29% of all organic dairy ads, down from 30% two weeks ago.

Advertising information presented is compiled from nearly 14,000 surveyed newspaper supermarket ads for the period July 29, 2013, to August 9, 2013, identifying weekly "specials" and containing organic dairy content. Surveyed ads reflect advertised "specials" and not the range of non-advertised supermarket cooler prices.

Complete results of this bi-weekly survey providing additional graphs, tables, and regional delineation, follow at the end of Dairy Market News, or can be accessed at: <http://www.ams.usda.gov/AMSV1.0/DairyRetailReport>

Regional Organic Dairy Ad Trends. Organic dairy ads appeared in all 6 regions, led by the Southeast with 35% of ads, followed by the Northeast, 18%; Southwest, 16%; Midwest, 12%; South Central, 10%; and Northwest, 7%. The Southeast and Southwest regions have some schools commencing their fall terms and may have contributed to the frequency of organic ads.

Organic Dairy Ads Regionally As A
Percentage of Surveyed Organic Dairy Ads
Week 32, 2013



Organic Milk. Ads for organic half gallons declined for the fourth consecutive report. Half gallon ads continued to make up the majority of organic milk ads with 63%. Gallon ads plummeted from the previous report and made up only 4% of organic milk ads this period. Organic 8 ounce aseptic milk increased to comprised 34% of the ads.

Organic Milk Half Gallons. The weighted average advertised price of organic milk half gallons is \$3.64. The price range narrowed slightly this week and ranged \$2.79 to \$4.99. One year ago the weighted average advertised price was \$3.27, 37 cents lower than currently reported.

Northeast has the highest weighted average price, while the South Central Region has the lowest weighted average price this period.

Organic - Conventional Milk Half Gallon Price Spread. The weighted average advertised organic half-gallon milk price, \$3.64, is up 28 cents from two weeks ago. Conventional milk's price for half gallons, \$1.87, is down 13 cents from two weeks ago. One year ago conventional milk's average advertised price for half gallons was \$2.28 and organic was \$3.27.

The organic-conventional half gallon price spread is \$1.77, compared with \$1.36 two weeks ago.

Organic Yogurt. Organic yogurt ad numbers declined from last week's second highest level of the year. Ads were heavily concentrated in the Southeast and Northeast with the following percentage breakdown; Southeast, 44%; Northeast, 25%; Southwest, 19%; Midwest, 9%; and South Central, 3%.

Of the categories of organic yogurt, 56% for 4-6 ounce organic yogurt, 19% of ads are for 4-6 ounce organic Greek yogurt, and 25% for 32 ounce organic yogurt.

The weighted average advertised price for 32 ounce organic yogurt is \$3.12, down from \$3.35 last period. The current price range is \$2.99 to \$3.99.

The weighted average advertised price for 4-6 ounce organic yogurt is \$.69, down 8 cents from two weeks ago. The weighted average advertised price for 4-6 ounce organic Greek yogurt is \$1.18, up 12 cents from 2 weeks ago.

Organic Butter. Ads for organic butter in 1 pound packages appeared in all, but the Southeast region with total ad numbers significantly up from the previous reporting period. Prices ranged from \$3.99-\$4.48 with a weighted average price of \$4.05.

8 Oz. Cream Cheese. Ads for organic cream cheese appeared in only the Northeast region with all ads priced at \$2.50.

SUPERMARKET PRICE COMPARISON:

Madison, Wisconsin Prices. Non-advertised organic milk, yogurt, butter and cheese prices in a range of food stores in Madison, Wisconsin are compared for this two week period. Stores included a big-box sized local supermarket; 2 regional chain supermarkets; a smaller but full product line food market; and 2 natural food stores; a national discount big box chain store also selling food; and a large local cooperative grocery store. Organic milk available included 2 national brands, 4 private label store brands, and 3 small local or near-by creamery brands, one featuring non-homogenized milk. Cheese available included 2 national brands, 2 store brands, and cheese from 5 other cheese makers.

Continued on page 8A

ORGANIC DAIRY MARKET NEWS

Information gathered July 29 - August 9, 2013

Continued from page 8

ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE
2013 REPORTING WEEK 32MADISON, WISCONSIN
LOW HIGH RANGE
(in Dollars)

FLUID MILK

MILK - gallon

Whole	5.99	6.99*	1.00*
Reduced fat (2%)	5.99	6.99*	1.00*
Low fat (1%)	5.99	6.99*	1.00*
Nonfat (Skim)	5.99	6.99*	1.00*

MILK - half gallon

Whole	3.89*	4.89	1.00*
Reduced fat (2%)	3.89*	4.89	1.00*
Low fat (1%)	3.89*	4.89	1.00*
Nonfat (Skim)	3.89*	4.89	1.00*

FLAVMILK - half gallon

All fat tests	3.09	5.69	2.60
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YOGURT

Yogurt - 4-6 oz

Yogurt	0.69	1.29	0.60
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CHEESE

Cheese - 8 oz block

Mozzarella	4.10	5.75	1.65
Mild Cheddar	4.10	5.99	1.89
Monterey Jack	4.10	5.99	1.89
Pepper Jack	4.10	5.99	1.89

Cheese - 6 oz string

Mozzarella	3.99	5.09	1.10
Colby Jack	3.89	4.99	1.10

BUTTER

Butter - 1 Pound	4.89	6.09	1.20
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* = Price change from prior reporting period.

ORGANIC GRAIN AND FEEDSTUFF MARKETS: National organic grain and feedstuff prices were mostly steady. Market activity continued to be very slow as producers remained reluctant to commit until the current crop progresses further. Furthermore, feed manufacturers were only buying on an as needed basis as most of their needs have been met. Corn supplies remain moderate to heavy, while soybean inventories are light. Majority of the corn and soybean producing states received timely rains the last few weeks. A severe thunderstorm hit the Northern Plains last week and hampered the wheat harvest causing decreased yields from hail damage.

Additional livestock and grain market news information is available at:

<http://www.ams.usda.gov/mnreports/lbfnof.pdf>

WORLD DAIRY SITUATION AND OUTLOOK*Dairy: World Markets and Trade, USDA, Foreign Agricultural Service, July 2013*

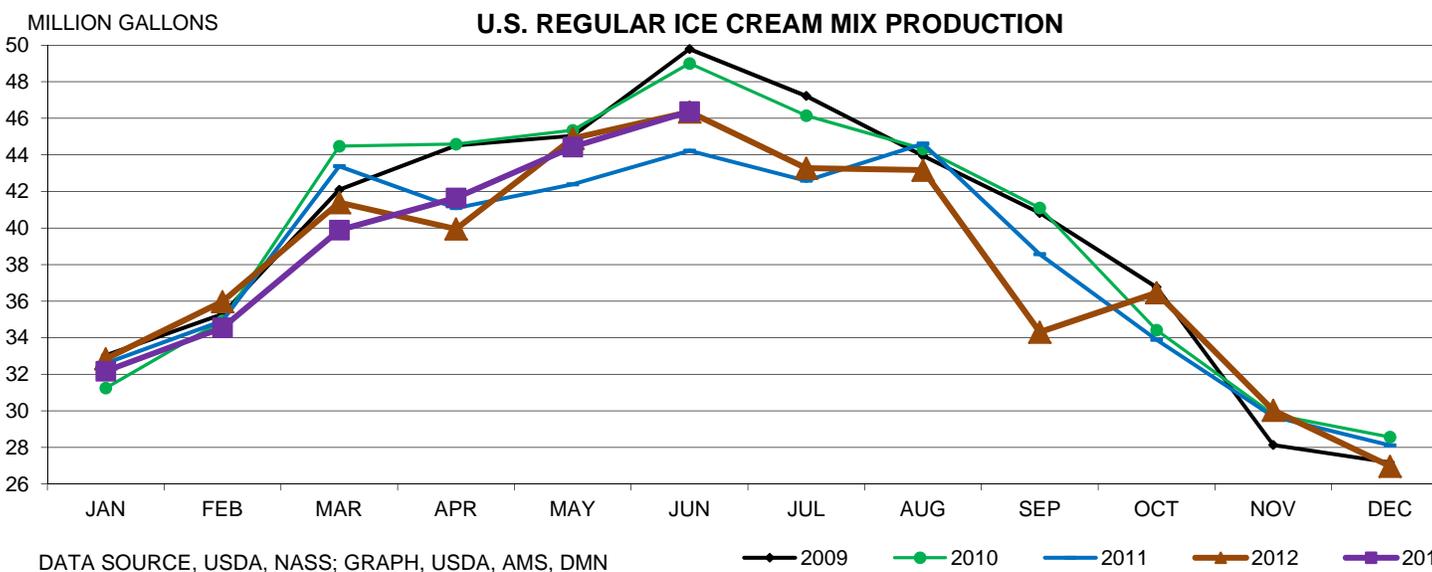
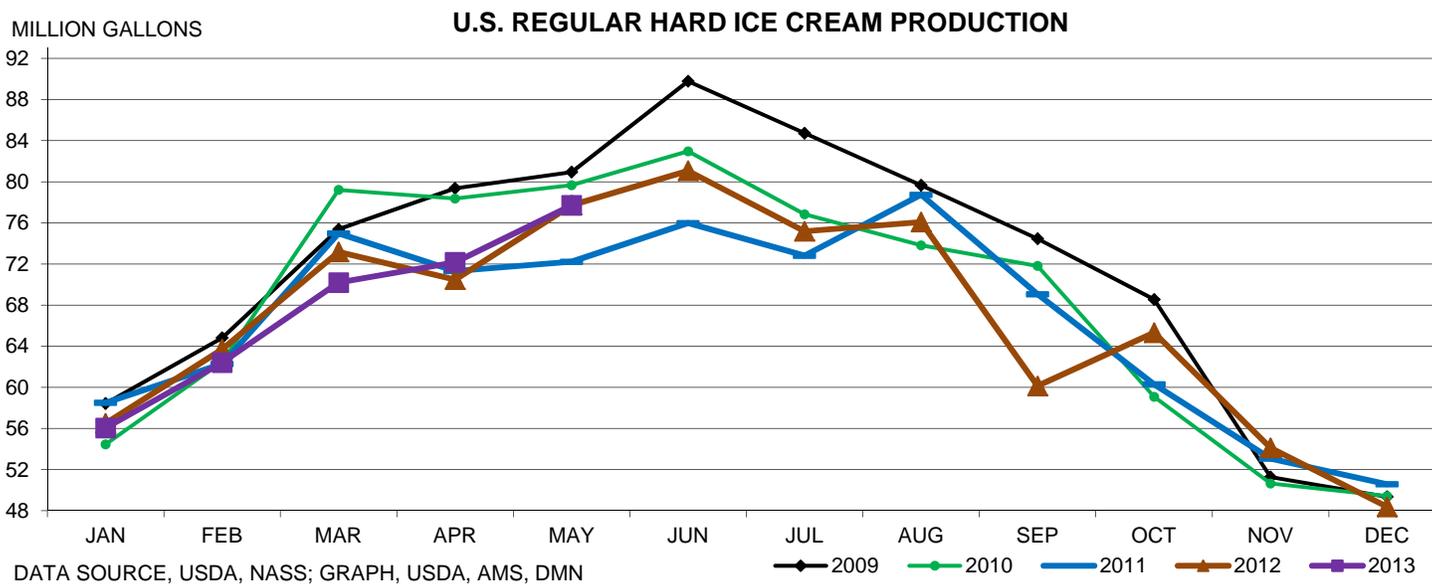
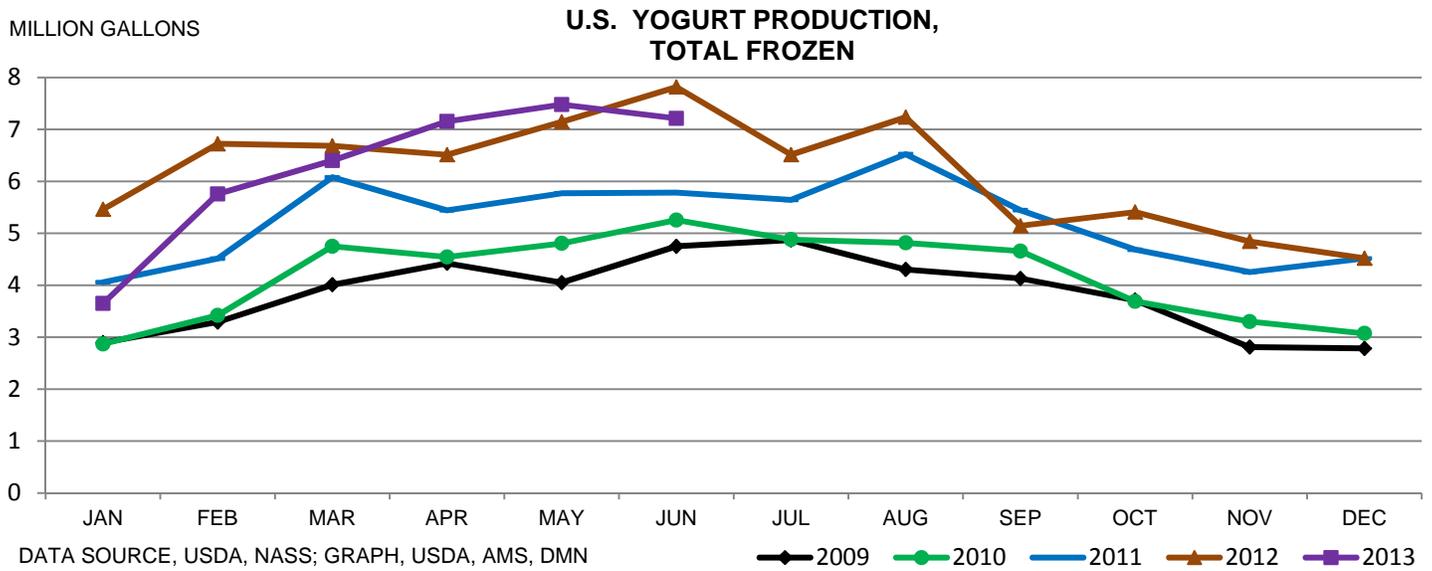
Highlights - The 2013 forecast for U.S. exports of skim milk powder (SMP) is revised up 17 percent to reach a record 515,000 tons; an increase of 16 percent over last year. This is largely due to a cut-back in expected exports of SMP from other major suppliers. This shortfall, estimated at about 90,000 tons was particularly pronounced in the EU-27 where a slowdown in EU-27 milk deliveries – down nearly 3 percent in the January-March 2013 period in comparison to last year, led to a drop in SMP production. As a result, the EU-27 2013 SMP export forecast is revised down by 80,000 tons. This coupled with an end-of-season drought in New Zealand sparked a rapid run-up in global prices of dairy products with SMP prices (mid-point FOB Oceania) jumping by 41 percent in the period of one month (mid-March to mid-April) to reach \$5,563/ton (\$2.52/lb). Since then prices have moderated and the U.S., with ample available exportable supplies, is in a competitive position to supply the key North African and Asian markets where the EU-27 has normally been a significant supplier.

Summary- The price volatility that has come to characterize international dairy markets in recent years was very much in evidence early in 2013 as news of a late season drought in New Zealand led to a sharp rally in dairy product prices. However, it was evident that while a prolonged drought could eventually have severe consequences, the immediate market was likely being driven primarily by the lack of exportable supplies of SMP and whole milk powder (WMP) in the face of strong import demand. This shortfall was largely due to sluggish spring flush milk production in the EU-27 where cold wet weather and margins squeezed by mounting production costs early in the year led to a 3 percent decline in milk deliveries early in the year.

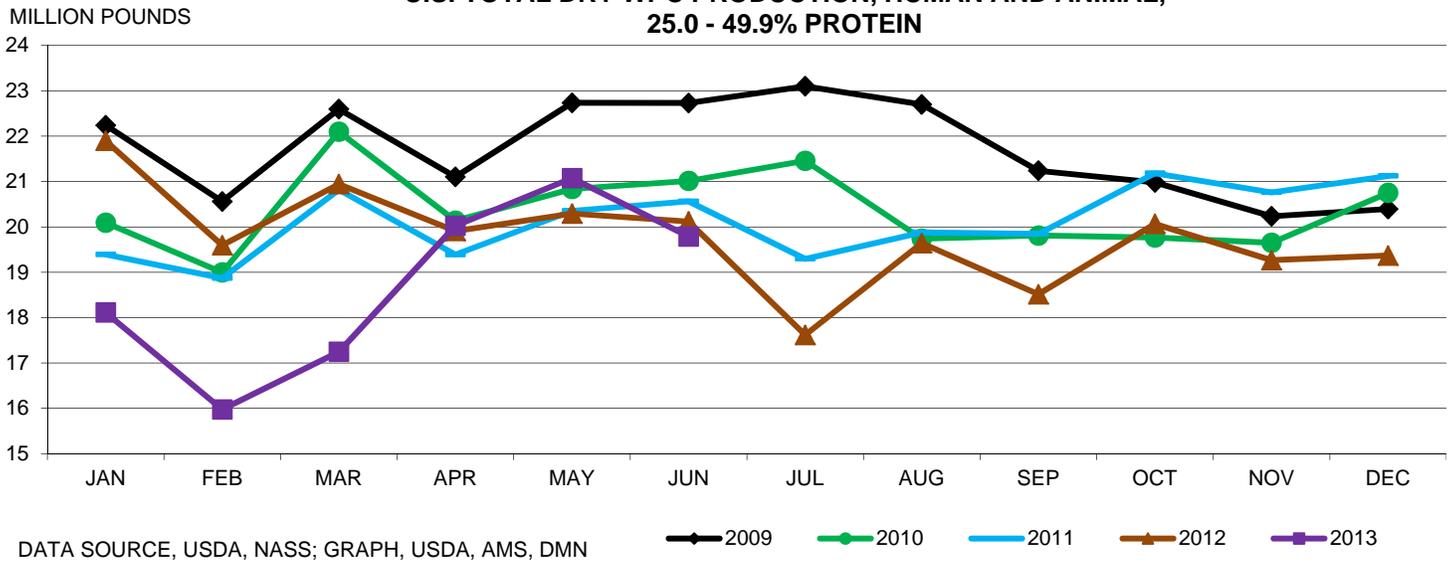
Since this early run-up, dairy prices have moderated but are nevertheless expected to remain relatively strong for the balance of the year supported particularly by surging import demand from China for WMP. In Oceania, milk production is at a seasonal ebb but the brief drought in New Zealand has ended, overtaken by ample rains and resumption of normal weather patterns. This bodes well for the new season and total milk production for 2013 is expected to only decline slightly from the record setting level reached last year. In contrast, drier seasonal conditions in Australia have led to downward revisions in the forecast supply of milk which are expected to impact primarily the availability of exportable supplies of milk powders. In the EU-27, although financial conditions are expected to improve due to stronger milk prices, the milk production forecast has been revised down and is now expected to remain largely unchanged from 2012. In the United States, feed prices have moderated and favorable weather conditions in much of the country have led to an upward revision in the expected production of milk. In effect, the U.S. appears to be well positioned to backfill any declines in EU-27 exports of SMP and to a lesser extent cheese and butterfat.

The economic outlook for the rest of the year remains modestly bright although global growth is expected to slow from 2012 largely due to the economic problems affecting the EU-27. In the critical Asian region, GDP growth is expected to decline marginally relative to last year which may negatively impact imports of milk powders. Clearly, this does not appear to be the case in China where despite a ratcheting down of its economic growth forecast for this year, its imports of milk powder, particularly WMP, have so far not been impacted. In fact, China's imports of WMP through May are up 56 percent in comparison to the same period last year. Mexico, a critical market for U.S. dairy products, is expected to also experience lower economic growth relative to 2012 and its imports of SMP have been revised down slightly.

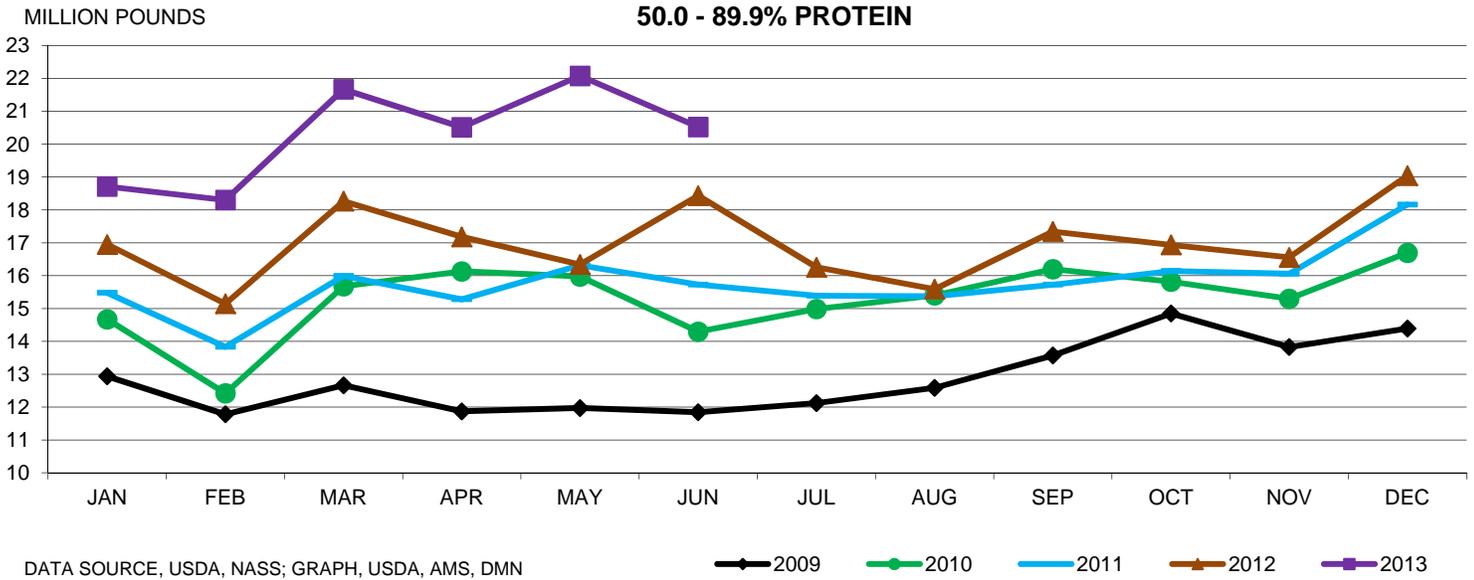
Source: U.S. Department of Agriculture. Foreign Agricultural Service. *Dairy: World Markets and Trade, July 2013.*
<http://usda01.library.cornell.edu/usda/current/dairy-market/dairy-market-07-16-2013.pdf>



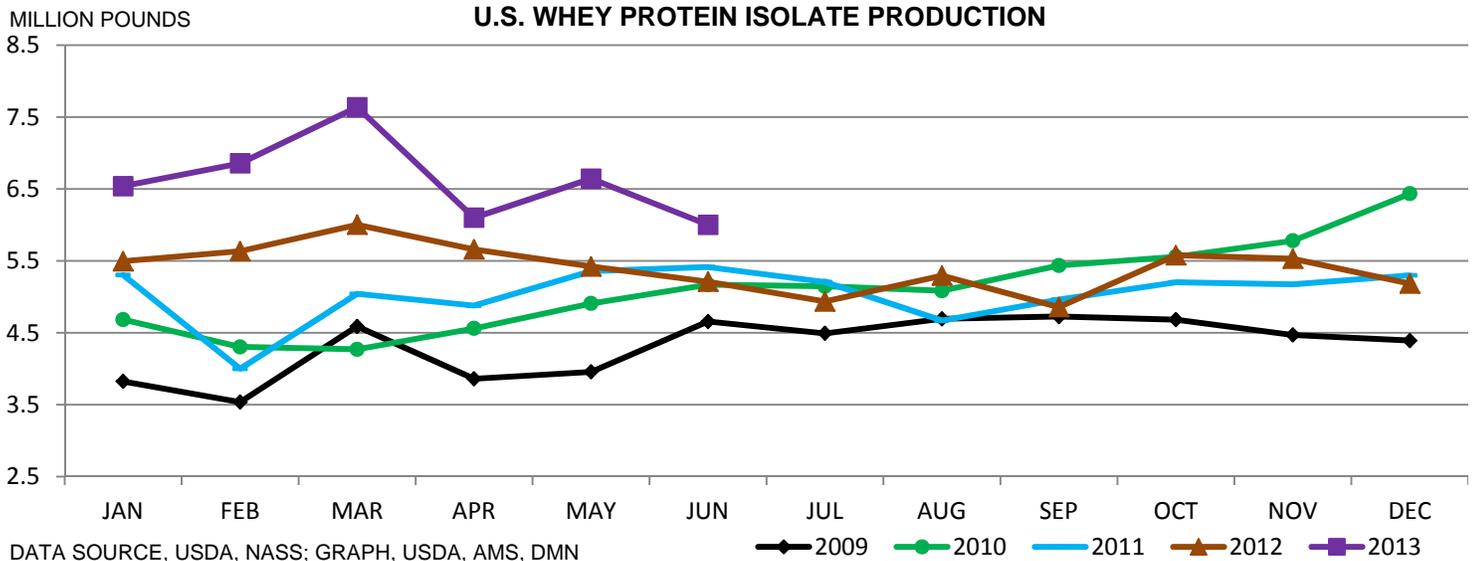
**U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,
25.0 - 49.9% PROTEIN**



**U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,
50.0 - 89.9% PROTEIN**



U.S. WHEY PROTEIN ISOLATE PRODUCTION





Dairy Market News Branch

Agricultural
Marketing
Service

National Dairy Retail Report

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

Volume 80- Number 32

Issued Biweekly

Thursday, August 8, 2013

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 07/29 to 08/09

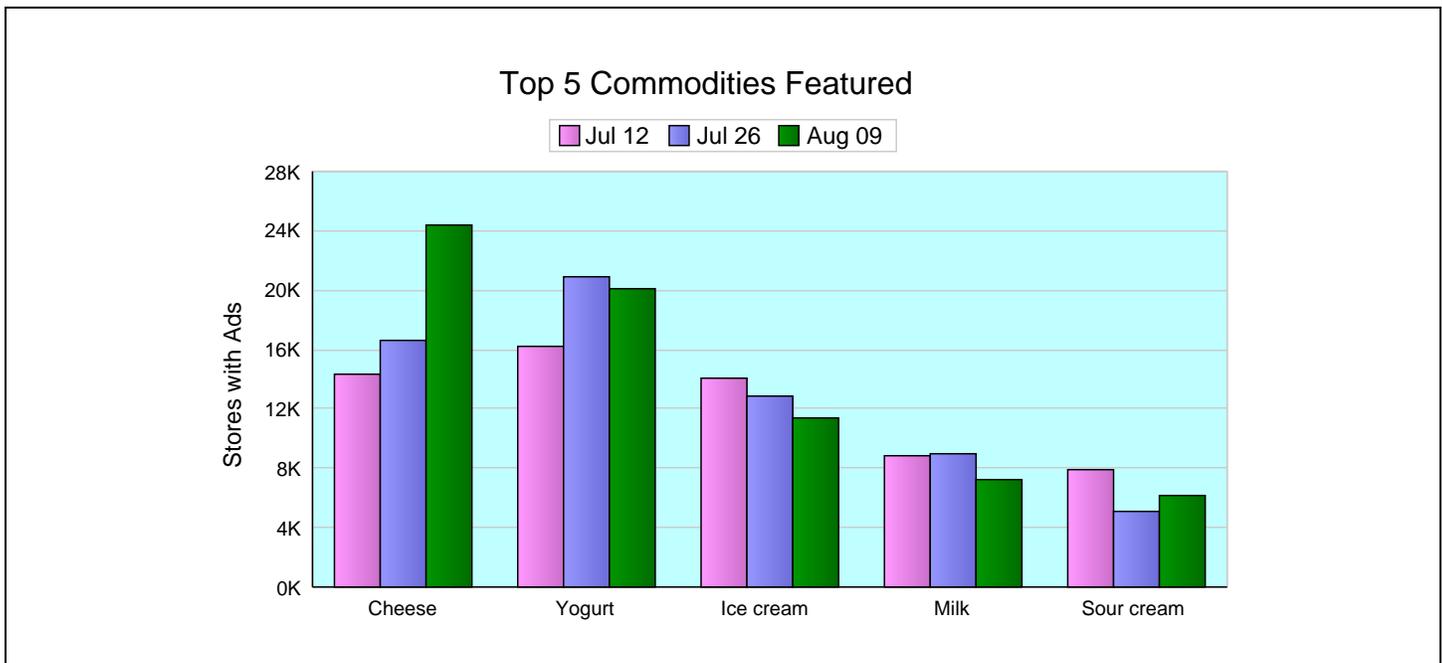
Cheese shreds in 8-ounce packs were the most featured individual item this period, appearing in 12,755 ad features. The national price averaged \$2.36, up 12 cents from two weeks ago. 8-ounce blocks, at \$2.43, moved 7 cents higher from two weeks ago.

Greek yogurt in 4-6 ounce packs, featured in nearly 11,000 ads, averaged \$1.00, up 1 cent from both two weeks ago and a year ago. Regular yogurt in 4-6 ounce packs averaged 51 cents, up 1 cent from two weeks ago.

The national weighted average butter price registered \$2.91 for 1# packages, a 38 cent increase from two weeks ago and 32 cents higher than a year ago.

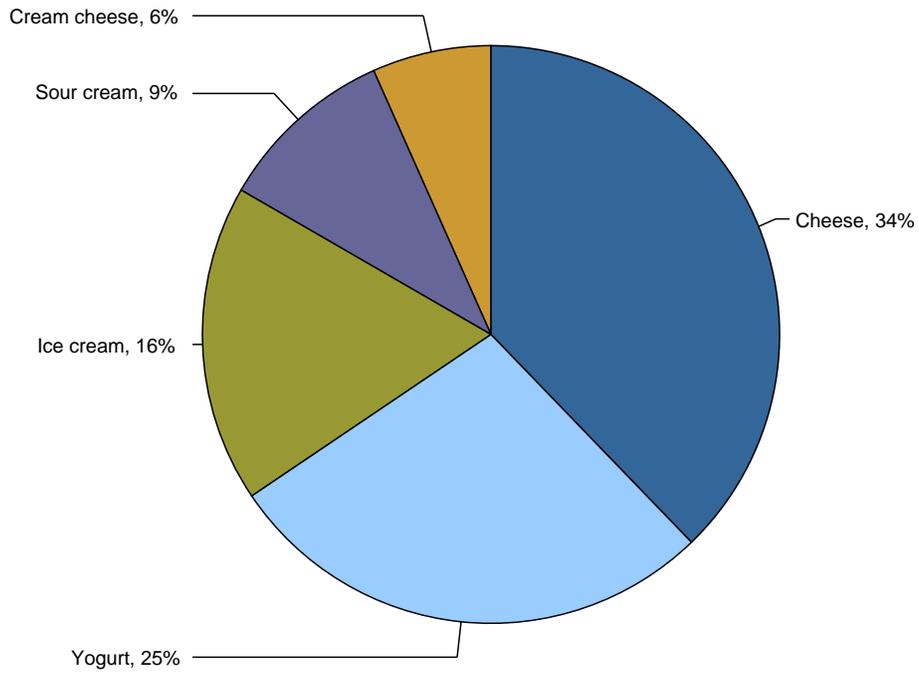
Ice cream features are down this period, appearing in 11,387 ads, down near 11% from two weeks ago. The national average for 48-64 oz. containers was \$2.89, down 5 cents from two weeks ago and 23 cents lower than a year ago.

The national weighted average conventional milk price for half gallons, \$1.87, 13 cents lower from two weeks ago. Organic half-gallon milk, at \$3.64, is 28 cents higher from two weeks ago. The organic-conventional half-gallon price spread is \$1.77, compared to \$1.36 two weeks ago.

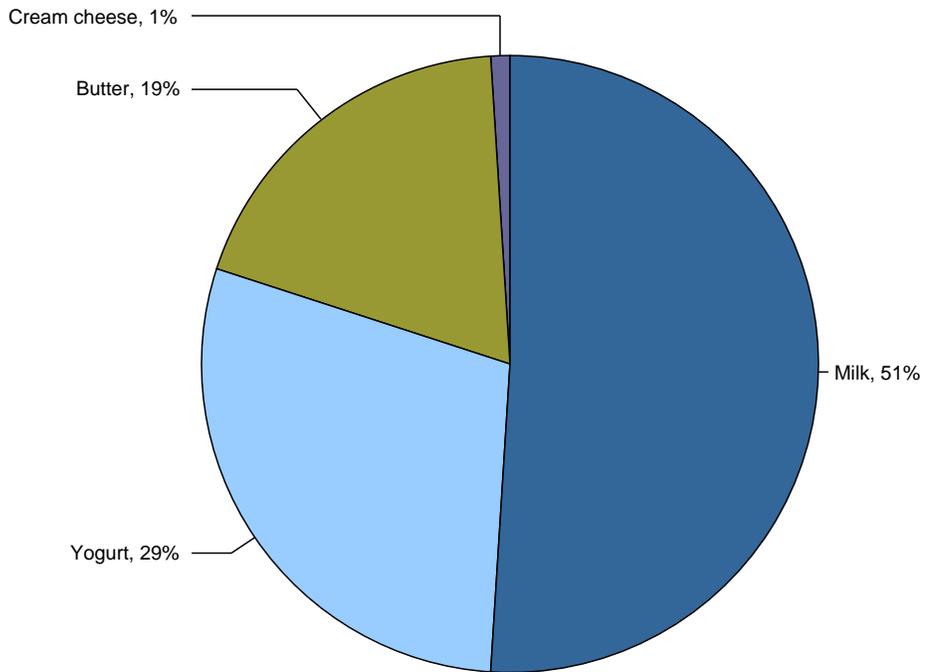


1 -- Dairy Market News surveys nearly 100 retailers, comprising over 14,000 individual stores, with online weekly advertised features.
2 -- Date range reflects two-week period, however only one data collection per retailer is made during the period.

Top 5 Percentage of Total Conventional Ads



Top 5 Percentage of Total Organic Ads





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	1821	2.91	3268	2.53	3734	2.59
Cheese	Natural Varieties	8 oz block	9235	2.43	6051	2.36	5873	2.32
Cheese	Natural Varieties	1 # block	1469	4.32	1542	4.14	6473	3.96
Cheese	Natural Varieties	2 # block	432	5.94	1242	5.42	509	5.66
Cheese	Natural Varieties	8 oz shred	12755	2.36	6168	2.24	10275	2.35
Cheese	Natural Varieties	1 # shred	472	4.18	1573	3.71	3418	3.38
Cottage cheese		16 oz	1367	2.26	4337	2.17	2817	1.83
Cream cheese		8 oz	4109	1.71	3135	1.50	2905	1.69
Flavored milk	All fat tests	half gallon	568	2.78	1107	2.74	615	1.86
Flavored milk	All fat tests	gallon	345	4.35	415	3.28	826	3.55
Ice cream		48-64oz	11387	2.89	12734	2.94	19728	3.12
Milk	All fat tests	half gallon	934	1.87	464	2.00	913	2.28
Milk	All fat tests	gallon	2878	2.68	4248	3.02	5284	2.51
Sour cream		16 oz	6195	1.67	5050	1.63	5366	1.57
Yogurt	Greek	4-6 oz	10992	1.00	9859	.99	15735	.99
Yogurt	Greek	32 oz	1903	3.20	329	3.99	130	2.99
Yogurt	Yogurt	4-6 oz	4711	.51	5051	.50	8894	.49
Yogurt	Yogurt	32 oz	565	2.07	3452	2.43	1115	2.26

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 #	2.98-3.99	674	3.35	2.97	195	2.97	1.89-2.77	414	2.15
Cheese	Natural Varieties	8 oz block	1.66-2.99	2180	2.37	1.66-3.00	1379	2.60	1.66-2.99	1777	2.15
Cheese	Natural Varieties	1 # block	3.99-4.49	666	4.14	3.50-3.99	307	3.67	3.77-4.99	274	4.55
Cheese	Natural Varieties	8 oz shred	1.66-3.00	2628	2.48	1.66-3.00	3405	2.44	1.66-2.59	1905	2.05
Cheese	Natural Varieties	1 # shred							3.77-4.99	372	4.41
Cottage cheese		16 oz	1.84-2.77	613	2.44	2.00-2.50	409	2.26			
Cream cheese		8 oz	1.39-2.50	1279	1.92	1.50-1.99	689	1.59	0.99-2.49	531	1.47
Flavored milk	All fat tests	half gallon	3.48-3.49	376	3.49				0.99-1.77	192	1.39
Flavored milk	All fat tests	gallon	4.99	123	4.99						
Ice cream		48-64oz	1.99-3.99	2417	2.72	1.99-4.49	1723	2.90	1.89-4.49	3113	2.94
Milk	All fat tests	half gallon	1.89-3.49	297	2.80				1.25	361	1.25
Milk	All fat tests	gallon	3.59	112	3.59	1.99-3.59	595	2.81	1.78-2.50	541	2.39
Sour cream		16 oz	0.99-2.00	1569	1.72	1.25-2.00	2870	1.71	1.00-1.99	370	1.44
Yogurt	Greek	4-6 oz	0.89-1.28	3517	1.03	0.88-1.25	3029	1.00	0.77-1.00	1461	.97
Yogurt	Greek	32 oz	2.99-4.49	384	3.77	2.99-3.50	253	3.38	2.99	85	2.99
Yogurt	Yogurt	4-6 oz	0.49-0.60	1584	.53	0.50-0.60	944	.52	0.40-0.50	507	.44
Yogurt	Yogurt	32 oz	1.99-2.50	363	2.17	1.88	202	1.88			

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #				2.50-2.99	286	2.88	2.99	252	2.99
Cheese	Natural Varieties	8 oz block	2.00-3.00	830	2.48	1.99-2.99	2275	2.63	1.50-2.50	794	2.33
Cheese	Natural Varieties	1 # block				5.49	222	5.49			
Cheese	Natural Varieties	2 # block				4.99-6.98	432	5.94			
Cheese	Natural Varieties	8 oz shred	1.77-3.00	1548	2.17	1.88-2.99	2345	2.48	1.50-3.99	924	2.38
Cheese	Natural Varieties	1 # shred	3.34	100	3.34						
Cottage cheese		16 oz				1.89	143	1.89	1.99	202	1.99
Cream cheese		8 oz	1.50-2.50	466	1.76	1.50-2.50	882	1.66	1.50	262	1.50
Flavored milk	All fat tests	gallon				3.99	222	3.99			
Ice cream		48-64oz	1.99-4.49	1548	3.14	1.99-3.99	1876	2.89	1.99-3.33	710	2.65
Milk	All fat tests	half gallon				1.67	276	1.67			
Milk	All fat tests	gallon	1.99-3.29	543	2.44	1.89-2.99	739	2.82	2.59-3.19	348	2.68
Sour cream		16 oz	1.00-2.00	338	1.45	1.00-1.99	666	1.77	0.99-1.99	382	1.40
Yogurt	Greek	4-6 oz	0.88-1.00	792	.97	0.69-1.00	1365	.97	1.00	828	1.00
Yogurt	Greek	32 oz	2.99	234	2.99	2.99	649	2.99	2.99	298	2.99
Yogurt	Yogurt	4-6 oz	0.50	458	.50	0.50	920	.50	0.50	298	.50

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	1256	4.05	326	3.99		
Cottage cheese		16 oz			80	3.99		
Cream cheese		8 oz	56	2.50				
Flavored milk	All fat tests	half gallon			232	4.29		
Ice cream		48-64oz			118	4.99		
Milk	All fat tests	half gallon	2172	3.64	2074	3.36	4005	3.27
Milk	All fat tests	gallon	122	5.00	1586	5.63		
Milk	All fat tests	8 oz UHT	1164	1.00	639	1.00	1086	1.01
Yogurt	Greek	4-6 oz	373	1.18	883	1.06	381	1.25
Yogurt	Greek	32 oz					130	2.50
Yogurt	Yogurt	4-6 oz	1081	.69	742	.77	1350	.63
Yogurt	Yogurt	32 oz	493	3.12	533	3.35	70	2.50

REGIONAL -- ORGANIC DAIRY PRODUCTS

Wtd Avg - Simple weighted average



Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	4.48	141	4.48				3.99	450	3.99
Cream cheese		8 oz	2.50	56	2.50						
Milk	All fat tests	half gallon	3.49-4.99	402	3.80	3.49-3.99	497	3.73	3.79-3.89	202	3.85
Milk	All fat tests	8 oz UHT	1.00	141	1.00	1.00	1023	1.00			
Yogurt	Greek	4-6 oz	1.28-1.50	197	1.34				0.99	176	.99
Yogurt	Yogurt	4-6 oz				0.50-0.60	662	.53			
Yogurt	Yogurt	32 oz	2.99-3.99	298	3.20	3.00	195	3.00			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	3.99	376	3.99	3.99	209	3.99	3.99	80	3.99
Milk	All fat tests	half gallon	2.79	122	2.79	3.49-3.99	533	3.77	2.99-3.49	416	3.35
Milk	All fat tests	gallon	5.00	122	5.00						
Yogurt	Yogurt	4-6 oz	0.50	53	.50	1.00	366	1.00			

Notice: Effective with Report 12, 2013, the tables breaking out information by national and store brands are no longer available.

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
- NATIONAL Continental United States

DAIRY MARKET NEWS

GENERAL NUMBER
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VOLUME: 80

REPORT: 32

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