

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (4/17) (No trading on 4/18):**

BUTTER: Grade AA closed at \$1.8900. The weekly average for Grade AA is \$1.9025 (-.0675).

CHEESE: Barrels closed at \$2.2575 and 40# blocks at \$2.2800. The weekly average for barrels is \$2.1950 (+.0740) and blocks, \$2.2213 (+.0038).

BUTTER HIGHLIGHTS: Butter prices moved lower as domestic sales slowed and international price competition increased for U.S. exports as the GDT market declined. The market tone is weakening following Easter/Passover order completion. Production rates are mostly steady to lower, depending on regional cream supplies and pricing. Domestic buyer interest is weaker. International demand is mixed. The falling prices have butter manufacturers managing inventories closely. Bulk butter ranged 5 to 8 cents over the market in the Northeast, from 3 cents under to 6 cents over the market in the Central, and from 4 cents under to 2 cents over in the West, based on the CME Group and various indexes. Thursday at the CME Group, Grade AA butter closed unchanged at \$1.8900, 8 cents lower than last Friday's close. The DMN *National Dairy Retail Report* noted the national advertised weighted average price was \$2.85 per pound, a 6 cent increase from two weeks ago and 10 cents higher than a year ago. Regional weighted average prices for 1 pound packages of butter ranged from \$2.56 in the Midwest to \$3.02 in the Southwest. Butter promotions increased nationally by nearly 4 times this period compared to two weeks ago, to 11,364 ads. According to the Foreign Agricultural Service, imports of butter during February 2014 totaled 1.18 million pounds, a 60.7% increase from a year ago. This week, a cooperative export assistance program accepted requests for 2.260 million pounds of butter.

CHEESE HIGHLIGHTS: Cheese production is steady to building slowly in many parts of the country. Cheese stocks are adequate to fill current orders with some plants looking to build inventories as more milk becomes available. Domestic demand is described as good. Retail prices reported in the *National Dairy Retail Report* were mixed this week. The weighted average price for the 8 oz. shred package (\$2.44) was unchanged from two weeks ago, while higher average prices were reported for packages of 1 lb. shred (\$4.62) and 2 lb. blocks (\$7.96). Lower prices compared to the last reporting period were reported for 8 oz. block (\$2.21) and the 1 lb. block (\$4.31) packages. The Foreign Agriculture Service (FAS) reported quota

imports of cheese for Jan.-Feb. 2014 totaled 22.3 million pounds, 2.3% less than a year ago. Cheese prices are continuing their up and down pattern for the month of April. After reaching record high levels at the CME Group at the end of March, wholesale prices based on weekly averages have seen dramatic price swings. Sales have been erratic, with some buyers increasing orders and others holding off additional purchases to see where the market will go. Spot cheese prices from the CME Group moved higher this week. Barrels closed the week at \$2.2575, up 17.75 cents from the previous Friday. Blocks closed at \$2.2800, up 11 cents from last week.

FLUID MILK: Farm milk production is trending upward in some areas and downward in other areas. Milk production in California and Arizona is steady to decreasing as the seasonal peak is past. Dairy operations in the rest of the country are approaching the high point for this production year. Strong demand was noted from bottling plants serving large population centers early in the week as those operations stocked consumer outlets ahead of the holidays. Contacts in other areas report steady to lower bottling interest. Cream sales into ice cream facilities are active.

DRY PRODUCTS: Dry dairy product prices are mixed. Low/medium nonfat dry milk prices weakened as supplies build seasonally. Buyers are loath to strike mid to long-term contracts on a downward trending market, and continue to buy on a just-in-time basis. Low/medium heat NDM inventories are building. High heat NDM prices shifted lower. Dry buttermilk prices retreated as market values of dairy nonfat solids and butterfat stepped lower. Production is steady, with some draw on condensed buttermilk volumes by the ice cream industry. Dry whole milk powder prices are also lower due to component values. Dry whey prices are higher, with tight supplies limiting sales activity. Cheese manufacturers are carefully managing cheese production as that market fluctuates, thereby keeping dry whey inventories close to near-term needs. The whey protein concentrate 34% market is mixed, with prices steady to lower. Buyer interest runs the gamut from "any brand will do" to only one brand is acceptable. Color, fat content, and other characteristics influence pricing. The lactose market is steady. Availability of unground lactose is moderate while higher mesh lactose loads are generally clearing into contracts.

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CME GROUP CASH TRADING

COMMODITY	MONDAY APR 14	TUESDAY APR 15	WEDNESDAY APR 16	THURSDAY APR 17	FRIDAY APR 18	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE BARRELS	\$2.1675 (+.0875)	\$2.1675 (N.C.)	\$2.1875 (+.0200)	\$2.2575 (+.0700)	CME	:: :: (+.1775)	:: :: \$2.1950 :: (+.0740)
40# BLOCKS	\$2.1850 (+.0150)	\$2.1975 (+.0125)	\$2.2225 (+.0250)	\$2.2800 (+.0575)	CLOSED	:: :: (+.1100)	:: :: \$2.2213 :: (+.0038)
NONFAT DRY MILK GRADE A	\$1.9100 (+.0025)	\$1.9100 (N.C.)	\$1.8900 (-.0200)	\$1.8650 (-.0250)	NO	:: :: (-.0425)	:: :: \$1.8938 :: (-.0442)
BUTTER GRADE AA	\$1.9300 (-.0400)	\$1.9000 (-.0300)	\$1.8900 (-.0100)	\$1.8900 (N.C.)	TRADING	:: :: (-.0800)	:: :: \$1.9025 :: (-.0675)

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

CONTINUED FROM PAGE 1

ORGANIC DAIRY MARKET OVERVIEW (DMN): Organic producers in Northern New England, Maine, and much of Wisconsin are not able to graze cows for pasture feeding yet, due to weather not warming nor pastures drying as fast as is desirable. Fields in Maine are still mostly white (snow), with patches of brown, some yellow, and little green. Snow has lingered in other parts of New England and central to northern Wisconsin. Signs have appeared on dairy coolers of some outlets of a regional supermarket chain in the East, advising consumers of possible shortages of organic milk. A store branch has recently been shorted orders for organic milk by suppliers. Store personnel are unaware of what is causing the short deliveries. This reporting period the store advertised organic Greek yogurt, but not organic milk. The U.S. weighted average advertised price of organic milk half gallons is \$3.25, down 35 cents from the last reported period. One year ago the national price was \$3.54. The price range decreased by \$1.50 at the top to \$3.49, the lowest high end range price of this year or last. Ad volume for organic milk gallons is the second highest of the year. The national price for organic gallons is \$5.91, down 4 cents from the last reporting period. One year ago the price was also \$5.91. The average price of 8 ounce organic milk is \$1.00, 1 cent lower than a year ago. All prices are \$1.00. The national price of 4-6 ounce organic Greek yogurt is \$1.05, only 6 cents higher than conventional Greek yogurt. Two weeks ago the price was \$1.00 and one year ago, \$.91. 4-6 ounce organic yogurt has a price of \$.65, up 15 cents from two weeks ago but down 11 cents from one year ago. AMS reports total organic milk products sales for February 2014, 195 million pounds, were up 18.5% from February last year and up 16.3% year to date compared with last year. Organic whole milk sales for February 2014, 56 million pounds, were up 27.2% compared with February last year. Organic reduced fat milk sales for February, 58 million pounds, were 26.9% above sales one year earlier.

NATIONAL DAIRY RETAIL REPORT: Leading into Easter and Passover, butter ad volume increased almost four times from two weeks ago, tying butter with ice cream as the third most advertised dairy product. The national weighted average advertised price for a 1 pound package is \$2.85, 6 cents higher than two weeks ago and 10 cents above last year. 48-64 ounce ice cream has an average price of \$3.02, down 20 cents from two weeks ago and down 2 cents from last year. Cheese remains the largest advertised category by ad volume. Ads for 8 ounce shredded cheese increased 14% from two weeks ago, following an 8% increase the previous survey cycle. The average price, \$2.44, is unchanged from the last report but up by 17 cents from last year. 8 ounce block cheese ad numbers are down 23% following an 11% decline during the previous survey period. The average price is \$2.21, 1 cent lower than two weeks ago and the same as last year. Yogurt comprises the category with the second greatest number of ads. 4-6 ounce Greek yogurt ad volume leads all other yogurt ads combined. The average advertised price of \$.99 is unchanged from two weeks ago but down 1 cent from this period last year. Most of the remaining yogurt ads are for 4-6 ounce yogurt, with an average price of \$.51, up 1 cent from two weeks ago and equal to last year. Conventional milk half gallons have an average advertised price of \$1.82 and organic milk half-gallons have a weighted average advertised price of \$3.25. That results in a conventional-organic price spread of \$1.43, second lowest of the year. Last year at this time the price spread was \$1.24.

INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN): At the April 15 GDT event #114, average prices ranged from 8.6% lower to 0.6% higher from the prior event across categories. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,086 +0.6%; butter, \$3,832 -4.9%; buttermilk powder, \$4,075 -8.6%; cheddar cheese, \$4,273 -3.3%; lactose, n.a.; milk protein concentrate, \$7,824 -7.0%; rennet casein, \$10,630 -4.3%; skim milk powder, \$3,969 -4.4%; and whole milk powder, \$3,990 -1.6%.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during 2013 totals 192.7 billion pounds, 0.2% below the same period in 2012. Comparing disappearance levels with year earlier levels: butter is N.C.; American cheese, +1.6 %; other cheese, +1.8%; NDM, -59.6%; and fluid milk products, -2.3%.

JANUARY MAILBOX MILK PRICES (AMS & CDFA): In January 2014, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$23.47, up \$1.43 from the December 2013 average, and up \$3.29 from the January 2013 average. The component tests of producer milk in January 2014 were: butterfat, 3.85%; protein, 3.20%; and other solids, 5.72%. On an individual reporting area basis, mailbox prices increased in all Federal milk order reporting areas when compared to the previous month. Mailbox prices in January 2014 ranged from \$25.33 in Florida to \$21.53 in New Mexico.

2013 ANNUAL MAILBOX MILK PRICES (AMS & CDFA): For 2013, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$20.06, \$1.47 higher than the all-area average reported for 2012. The component tests of producer milk in 2013 averaged: butterfat, 3.76%; protein, 3.12%; and other solids, 5.74%. On an individual reporting area basis, mailbox prices increased for all Federal order milk reporting areas, and ranged from \$22.95 in Florida to \$17.93 in New Mexico.

CME GROUP

MONDAY, APRIL 14, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.1675; 1 CAR 40# BLOCKS @ \$2.1850; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.9100; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.9300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE

TUESDAY, APRIL 15, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.1675; 1 CAR 40# BLOCKS @ \$2.1975; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 11 CARS GRADE A @ \$1.9100; LAST BID UNFILLED: 10 CARS GRADE A @ \$1.8900; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.9100
 BUTTER -- SALES: 4 CARS GRADE AA: 3 @ \$1.9050, 1 @ \$1.9000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.8950; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9000

WEDNESDAY, APRIL 16, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.1875; 1 CAR 40# BLOCKS @ \$2.2225; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$1.8900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 3 CARS GRADE A @ \$1.8900
 BUTTER -- SALES: 2 CARS GRADE AA @ \$1.8900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9000

THURSDAY, APRIL 17, 2014

CHEESE -- SALES: 4 CARS 40# BLOCKS: 3 @ \$2.2325, 1 @ \$2.2800; LAST BID UNFILLED: 1 CAR BARRELS @ \$2.2575; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.8650
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.9000

FRIDAY, APRIL 18, 2014

CME GROUP CLOSED

BUTTER MARKETS

NORTHEAST

Butter production is steady. Domestic sales have slowed with the settling of buyer interest, which was spawned by butter demand for the Easter/Passover holidays. Inventories are sufficient for contractual commitments. Export interest is active, with some additional forward sales. This week, a cooperative export assistance program accepted requests for 2.260 million pounds of butter. The market tone is weakening. Current bulk butter prices for domestic sales range 5-8 cents over the market, based on the CME Group and various timeframes and averages. The butter price on the CME Group daily cash trading moved lower on Tuesday and closed at \$1.90, 7 cents lower than a week ago. According to the *National Dairy Retail Report*, the advertised weighted average price for U.S. butter is \$2.85, 6 cents higher than two weeks ago, and 10 cents higher than a year ago. The weighted average price for a 1-pound package of butter in the Northeast was \$2.80, 5 cents less than the national price, and 26 cents less than the previous reporting period.

CENTRAL

Central butter prices are trending lower as post-holiday domestic sales slow and Oceania prices decline. The market tone is weakening as buyers are in a "wait and see" purchase approach. Higher cream prices reduced churn rates for some butter operators late last week and into the early part of this week as manufacturers either sold some cream supplies or bought less cream. However, a few butter makers noted cheaper cream prices beginning to show at midweek and expect the trend to continue as the week goes on. Some butter manufacturers are fulfilling prior export orders of 82%. International demand is good, but is slowing. Domestic demand is moderate. Stocks of butter are light to moderate. A few butter makers are reluctant to build inventories while the prices are falling, thus electing to reduce production levels. Current bulk butter prices are unchanged, ranging from 3 cents under the market to 6 cents over the market, based on the CME Group and various indexes. At the CME Group, Grade AA butter closed lower to \$1.8900 at midweek, a 8 cent decrease from last Wednesday's close. The DMN *National Dairy Retail Report* noted the national weighted average price for a 1 lb. package of butter was \$2.85, a 6 cent increase from two weeks ago and 10 cents higher than a year ago. The weighted average price in the Midwest region was \$2.56, 6 cents higher than two weeks ago.

The average price in the South Central region was \$2.76. The prices found in the survey ranged \$2.25 to \$3.49 in the Central region. The number of ads nationally, 11,364, increased by nearly 4 times this period compared to two weeks ago. This week, a cooperative export assistance program accepted requests for 2.260 million pounds of butter. According to the Foreign Agricultural Service, imports of butter during February 2014 totaled 1.18 million pounds, a 60.7% increase from a year ago.

WEST

Western butter prices are lower this week. The market is exhibiting a weak undertone. Butter production is mixed with some plants receiving additional cream, while others are at steady to lower volumes. Retail demand has slowed slightly after holiday orders shipped. Export demand is mixed. Some manufacturers are increasing bulk butter production for domestic use as those orders are building. Butter stocks remain lower than is typical for this time of year. According to the *National Dairy Retail Report*, U.S. butter showed a weighted average price of \$2.85 per pound compared to \$2.79 two weeks ago and \$2.75 a year ago. Butter ads were up nearly triple compared to two weeks ago due to Easter/Passover features. According to FAS, quota imports of butter for Jan.-Feb. 2014 total 1.98 million pounds, up 27.4% from the same period in 2013. The butter price at the CME Group on Wednesday closed \$0.0100 lower at \$1.8900. Butter prices are a total of \$.0800 lower at midweek. Seven loads have been sold by midweek. Prices for bulk butter range from 2 cents over the market to 4 cents under, based on the CME with various time frames and averages used.

2014 U.S. Butter Imports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
Feb Quota Imports	1.18	+ 60.7	7.7
Jan. - Feb High Tier	.05	+ 52.1	N.A.
Quota Imports	1.98	+ 27.4	12.9

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
April 12, 2014					
	1.9839	2.4149	2.3440	0.6718	1.9989
	2,467,994	12,395,453	9,469,157	6,081,479	27,682,766

CHEESE MARKETS

NORTHEAST

Cheese production is steady. Supplies are adequate for fulfilling short-term commitments, as manufacturers deliberately manage cheese inventory levels, during market uncertainty. Tight inventories are limiting the number of spot market transactions. Domestic demand is good, while export interest remains solid with some additional forward sales. This week, a cooperative export assistance program accepted requests for 5.340 million pounds of cheese. The market tone is mixed. Wholesale cheese prices saw noteworthy drops as 40# block and Muenster declined \$0.1675, while process 5# sliced moved \$0.1200 lower. Swiss cuts prices were unchanged. Tuesday's CME Group daily cash closing saw barrels close at \$2.1675, gaining \$0.0175 from a week ago, while blocks closed at \$2.1975, declining \$0.0675 from a week ago. According to the *National Dairy Retail Report*, the weighted average price for 8 oz. cheese blocks in the Northeast was \$2.26, 5 cents higher than the national weighted average price and 7 cents less than the previous price report. Retail ads for 8 oz. block cheese totaled 2,313 in the Northeast, 56% of the national ad count, highest among the regions. The weighted average price for 8 oz. shredded cheese in the Northeast was \$2.50, 6 cents above the national price but 2 cents less than the previous price report for the region.

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

Cheddar 40# Block	: 2.6100-2.8950
Process 5# Sliced	: 2.3425-2.8225
Muenster	: 2.6300-2.9900
Grade A Swiss Cuts 10 - 14#	: 3.8000-4.1225

MIDWEST

Cheese production is steady to higher in many areas of the Midwest, with some variations depending on location. Throughout much of the lower reaches of the Midwest, milk production is coming up. Cheese plants having access to those increasing milk volumes are increasing cheese output. In the upper parts of Wisconsin and Michigan, winter lingers and stored hay and feed quality is poor. In central to northern Wisconsin, snow fell last weekend and more may fall soon. These factors are believed to be holding back milk production increases and thus, cheese production. This may not change until the first hay is cut, in the estimation of some cheese manufacturers and traders. "Compared to what?" is the price trigger concept that has led to good overall cheese sales in recent weeks for many Midwest manufacturers. Although cheese prices this year have been higher than the same date in recent years, which slowed early year cheese sales, the need to keep retail coolers stocked has largely supplanted previous retail store buyer tentativeness. Order patterns and order volume received by many cheese manufacturers now leads them to believe that higher prices have been accepted as reality for the time being, leaving buyers to respond to relative changes within the new higher level of prices rather than expect any significant price decline in the near term. Manufacturers report that declining weekly averages for the last two weeks have helped cheese sales. This week is still a work in progress. Through Wednesday, blocks have trended up to \$2.2225. Barrels are up to \$2.1875. There has not been a noticeable impact on ordering as of Wednesday and it is too soon to know whether the weekly average of blocks, in particular, will be up or down.

Thus, cheese manufacturers continue to manufacture cheese at levels possible with milk supplies available to them. The *National Dairy Retail Report* (DMN) found that Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of \$2.10, 34 cents lower than the national average, \$2.44. One year ago the national average was \$2.27. For 8 ounce blocks in the Midwest, the average price is \$2.27, 6 cents higher than the national average, \$2.21. One year ago the national average was also \$2.21. National ad numbers for all cheese categories this period decreased by 2% from two weeks ago. Wisconsin wholesale prices for 1,000 to 5,000 pound mixed lots of process cheese decreased by \$.1200, Swiss was unchanged, while the remaining varieties decreased by \$.1675.

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

Process American 5# Loaf	: 2.2200-2.5800
Brick And/Or Muenster 5#	: 2.5900-3.0150
Cheddar 40# Block	: 2.2950-2.7125
Monterey Jack 10#	: 2.5650-2.7700
Blue 5#	: 2.8575-3.8450
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 2.4350-3.3300
Grade A Swiss Cuts 6 - 9#	: 3.3175-3.4350

WEST

Cheese prices are rebounding higher this week. The overall market tone is unsettled as uncertainty over prices continues. While some buyers took advantage of recent lower prices, others are still looking to make purchases. Barrel and block supplies are in balance with current needs. Cheese production is increasing slowly as milk volumes increase in the West. Advertised U.S. cheese prices as reported in the *National Dairy Retail Report* showed the weighted average price for packages of 8 oz. shred (\$2.44) unchanged from two weeks ago. Higher prices were reported for packages of 1 lb. shred (\$4.62, +1.23) and the 2 lb. block (\$7.96, +\$.82). Lower retail prices for 8 oz. block (\$2.21, -\$.01) and 1 lb. block (\$4.31, -\$.47) were reported. Combined cheese advertising was down 2% from two weeks ago. According to FAS, quota imports of cheese for Jan.-Feb. 2014 total 22.3 million pounds, 2.3% less than a year ago. The imports stand at 7.5% of the annual quota. Wednesday's price at the CME Group for barrels closed \$.0200 higher at \$2.1875. Blocks were \$.0250 higher at \$2.2225. Higher prices at the CME this week reversed the trend of the past couple of weeks. Prices have been bid higher with no sales being reported as of mid-week. Block and barrel prices have resumed a more typical price spread.

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

Process 5# Loaf	: 2.2500-2.5075
Cheddar 40# Block	: 2.3350-2.6875
Cheddar 10# Cuts	: 2.5150-2.7350
Monterey Jack 10#	: 2.5250-2.6850
Grade A Swiss Cuts 6 - 9#	: 3.3775-3.8075

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CHEESE MARKETS

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FOREIGN

Strong retail sales of imported and foreign type cheeses have increased wholesale orders ahead of the Easter/Passover holidays. Cheese production in Europe remains active and expanding volumes are going into aging programs. The euro's strength, in comparison to the U.S. dollar, continues to elevate prices for most imported cheeses. Wholesale prices for domestic foreign type cheeses declined, reflecting the substantial decline last week in the weekly average block price on the CME Group. Swiss cuts and imported cheese prices were unchanged. According to FAS, imports of high tier and quota Italian-type cheese from January through February 2014 totaled 2.9 million pounds, down 16.1% compared to last year. Imports of high tier and quota Swiss/Emmentaler varieties from January through February 2014 totaled 6.8 million pounds, 12.6% more than last year.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2200	2.7500-4.2375*
Gorgonzola	3.6900-6.9700	3.2525-3.6650*
Parmesan (Italy)	-0-	4.1400-6.2300*
Provolone (Italy)	-0-	2.7925-2.9500*
Romano (Cows Milk)	-0-	3.9400-6.0900*
Sardo Romano (Argentine)	2.8500-3.6900	-0-
Reggianito (Argentine)	3.2900-4.5600	-0-
Jarlsberg-(Brand)	2.9500-5.6300	-0-
Swiss Cuts Switzerland	-0-	3.8975-4.2200
Swiss Cuts Finnish	2.6700-2.9300	-0-

* = Price change.

2014 U.S. Cheese Imports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago	% of Yearly Quota
Feb Quota Imports	12.2	- 6.1	4.1
Jan - Feb			
High Tier	4.2	+ 1.7	N.A.
Quota Imports	22.3	- 2.3	7.5

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

BUTTER		CHEESE	
04/14/14	19,053	:	82,339
04/01/14	18,626	:	83,103
CHANGE	427	:	-764
% CHANGE	2	:	-1

FLUID MILK AND CREAM

EAST

SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	100	0	140	0	89
SOUTHEAST STATES	0	0	0	0	0	0

Milk production at the farm level is up in the Northeast and Mid-Atlantic regions. Milk supplies are plentiful, with steady Class I demand. The Northeast region is still experiencing winter weather conditions after getting a modest accumulation of snowfall this week. The Southeast region's warm temperatures are facilitating increases in milk production. Shipments of milk supplies are being transferred from bottlers to various manufacturers, due to a decline in Class I demand. Production in Florida is flat to strong this week. Weather conditions are conducive to cow comfort levels. Dairy cows are being moved from field grass over to feed as contacts note that an early flush is possible, due to early lactation. Class I demand is strong this Easter/Passover week, although tourists are returning to the North as warmer temperatures prevail. Export spot loads totaled 100 this week. **Cream multiples for all Classes range 1.28-1.33.** The CME Group, Grade AA butter price closed at \$1.89 on Wednesday, down 8 cents from a week ago. Cream supplies are strong with increasing milk production. The Eastern region's cream demand is mixed. Ice cream manufacturers in the Southeast and Mid-Atlantic region are expecting warmer temperatures to improve Class II ice cream/frozen dessert sales. Some ice cream plants are looking to add seasonal employees in the next 2 weeks, as they look to boost production volumes. Supplies of **condensed skim** are heavy. Condensed skim demand is sluggish going to Class III and Class II manufacturing. With increases in condensed skim supplies, significant volumes are being cleared to Class IV production at discounts.

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 -	2.5216-2.6201
F.O.B. producing plants: Upper Midwest -	2.4231-2.7580

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	2.15-2.18
Northeast - Class III - spot prices -	2.01-2.04

MIDWEST

Many producers in the Central region continue to add cows to their herds as milk processing facilities note milk supplies are slowly climbing higher. Cropping is progressing nicely in the southern part of the region, while planting in the Upper Midwest is being delayed due to some flooding and lower temperatures. Milk spot load availability is mixed with reports of milk balancing northward. Spot loads of milk ranged from \$3.00 under to \$2.25 over Class. Bottling demand is flat with orders sluggish within the region. Contacts noted greater volumes of condensed skim available at reduced prices. Class II demand is reduced as orders are backing off from

the past weeks' holiday-driven sales. **Class II cream multiples widened, ranging from 1.23 to 1.40.** Butter churn operators secured cream supplies at lower multiples while Class II buyers paid higher multiples. At the CME Group, Grade AA butter closed lower to \$1.8900 at midweek, an 8 cent decrease from last Wednesday's close. A few cheese makers elected to sell additional milk supplies. Milk processors are noting even with the high milk prices they are seeing an increase in the number of retirements in small to medium-sized producers. The dairy farmers feel it is a great time to sellout given high replacement heifer and slaughter cow prices. The weekly *Cow Slaughter under Federal Inspection Report* shows U.S. dairy cow slaughter for the week ending on March 29, 2014 at 57,700 head, 5,300 head or 8.4% less than the comparable week a year ago.

WEST

Farm milk intakes are stepping lower throughout CALIFORNIA. The modest upticks registered last week at some locations flattened out this week. Dairy producers point to higher than historical, average daytime temperatures as one probable cause of the decrease in milk production. Processors note the flush arrived early in many areas of the state, and has surpassed the peak. Sales into Class 1 are at steady to lower volumes as many consumers opt for beverages outside the dairy case. Demand from Class 3 (ice cream) processors is increasing weekly. The May 2014 Class 1 prices in CALIFORNIA range from \$25.88 in the north to \$26.15 in the south. The statewide average Class 1 price based on production is \$25.89. That production average price is \$1.00 higher than April 2014, and \$6.48 higher than May 2013. Bottler orders in NEW MEXICO shifted sharply lower this week. Sales into Class II are strengthening, but fall short of easing the burden on drying plants for handling the pushback from fluid accounts. Balancing plant operators are monitoring the loads carrying over from one day to the next to make sure all milk is processed within allowed time limits. Orders for manufacturing milk from cheese plants are variable. A few buyers are ordering milk more actively, but others are decreasing milk orders to coincide with maintenance projects. ARIZONA milk production is mostly steady. Processors report they are busy handling in-state volumes, and have turned back some offered loads from out-of-state balancing plants. Fluid demand is unchanged. Cream demand is steady to higher into ice cream/frozen dessert facilities. With alfalfa harvesting continuing, producers report rainfall is needed to promote new growth. Currently, all weather stations in Arizona show year-to-date precipitation deficits compared to calculated normal averages. Milk pooled on the Arizona Order 131 totaled 452.0 million pounds in March 2014. Class I utilization accounted for 24% of producer milk. The uniform price was \$24.22 at 3.5% butterfat, \$0.38 above last month, and \$5.92 above one year ago. Ice cream manufacturers are actively purchasing CREAM loads through prearranged contracts as well as on the spot market. With recent decreases in manufacturing milk availability, a few churn operators are also purchasing cream loads to help run butter operations at full capacity. The cream multiples range narrowed compared to last week, now ranging from 1.23 – 1.30. At the CME Group, Grade AA butter closed on Wednesday at \$1.8900, eight cents lower than one week ago.

CONTINUED ON PAGE 4A

FLUID MILK AND CREAM

CONTINUED FROM PAGE 4

Milk intakes in the PACIFIC NORTHWEST are variable this week. While milk production is building slowly in most of the region, some manufacturers are reporting tighter volumes this week. Milk pooled on the Pacific Northwest Order 124 totaled 753.7 million pounds in March 2014. Class I utilization accounted for 23% of producer milk. Early progress reports are favorable for first crop alfalfa growth. Irrigation will begin soon in many parts of Washington. UTAH and IDAHO milk production is building seasonally. Milk continues to be moved into the region to fill manufacturing demand. Excess loads of local milk are having no problems finding buyers. Warm temperatures have spring tillage and planting operations beginning.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: LOW/MEDIUM HEAT nonfat dry milk prices moved lower on active F.O.B. spot trading and decreased pricing indexes. Many buyers are taking advantage of discounts currently available, but are purchasing in a hand-to-mouth fashion with anticipations of deeper declines forthcoming. The market tone is weak. Some milk processors look to dry additional low/medium heat NDM heading into the holiday weekend, while a few others are sourcing the product at low prices and drying other dairy products instead. International interest is moderate. Stocks of low/medium heat NDM are steady to higher. Prices for HIGH HEAT NDM decreased on various indices. The market tone is steady as many high heat NDM manufacturers are working inventories lower by fulfilling prior order commitments. Production rates are steady to lower. Domestic demand is steady. At the CME Group, Grade A NDM closed lower Wednesday to \$1.8900, 0.25 cent increase from last Wednesday's close.

EAST: Prices are trending lower for low/medium heat nonfat dry milk. Heavy milk supplies are boosting low/medium nonfat dry milk production in a weak market. Sluggish condensed skim sales to Class III and Class II operations are adding to increases in dryer volumes. Spot transactions are limited as buyers are content with minimizing purchases, while waiting for possible lower nonfat dry milk prices, as inventory volumes increase. Some buyers are making NDM spot purchases in other regions at competitive prices. High heat nonfat dry milk prices moved lower. Production is sufficient for fulfilling contractual commitments as manufacturers expand dryer schedules for low heat nonfat dry milk. Demand is steady for high heat. Inventories are adequate for near term orders.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.9500 - 2.1400 MOSTLY: 1.9800 - 2.1400
HIGH HEAT: 2.0500 - 2.1950

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk prices are unchanged to lower in the range and mostly series. Price changes represent F.O.B. spot sales and contract sales priced on variable indices. The market tone is weak. Prices are moving in the right direction, according to buyers, but there is no rush to contract for mid to long-term needs prior to the market discovering a new level of support. NDM manufacturers in the Western region report they continue to split production time between products for the domestic and international markets. Low/medium heat NDM production is active at several locations and inventories are building steadily. Western high heat nonfat dry milk prices moved lower on both ends of the range. Demand is steady into contract fulfillment and inventories are light to moderate. NDM high heat production runs are intermittently getting onto dryer schedules.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.8500 - 2.1200 MOSTLY: 1.9800 - 2.0825
HIGH HEAT: 2.1225 - 2.2225

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: The price range of dry buttermilk narrowed as ice cream makers had mixed buying behavior. The market tone is uneven. Many butter churn operators backed off churn rates, reducing the amount of buttermilk dried. However, a few buttermilk manufacturers dried additional volumes. Domestic demand is steady with some buyers noting more spot sale offers available compared to past weeks. Dry buttermilk supplies are mixed.

EAST: East dry buttermilk prices are mixed due to F.O.B. spot sales and various contract sales tied to pricing indices. Dry buttermilk production varies in the region. Heavy cream supplies increased churning rates and supplemented dry buttermilk production, as condensed buttermilk volumes cleared to drying operations. Demand from ice cream manufacturers is improving as spring temperatures settle into the region. Inventories are modest. The market undertone remains weak.

F.O.B. CENTRAL/EAST: 1.8500 - 1.9600

DRY BUTTERMILK - WEST

Western dry buttermilk prices are lower. The market tone is weakening as market values of dairy nonfat solids and butterfat decline. Producers report contract buyers are taking dry buttermilk loads as agreed, but F.O.B. spot market interest is variable and contingent on brand availability and price. Dry buttermilk inventories are termed manageable by manufacturers. Production is seasonally active, with some producers seeking out additional cream loads to compensate for lower manufacturing milk intakes.

F.O.B. WEST: 1.8600 - 2.0200 MOSTLY: 1.9200 - 1.9400

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are unchanged to lower on a mixed market. Weaker market values for dairy nonfat solids and dairy butterfat are limiting upside movement for dry whole milk prices. On the plus side, domestic manufacturers with nitrogen-flush packaging systems indicate international demand for their dry whole milk is steady. Dry whole milk production is unchanged to lower as rising manufacturing milk intake volumes in several locations are claiming additional dryer times for NDM/SMP production. Dry whole milk inventories are described as comfortable.

F.O.B. PRODUCING PLANT: 2.0500 - 2.2500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
April 11	\$1.9798	16,644,692
April 4	\$2.0007	16,243,376

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.

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

DRY WHEY prices moved higher on stronger F.O.B spot sales and index pricing. The market tone is firm with tight supplies. Contacts indicated buyers are looking at protein alternatives given the market firmness and prices of dry whey. Manufacturers dried steady to marginally higher volumes of whey following generally greater cheese production levels. However, cheese prices increased as the week went on, and a few manufacturers mentioned potentially scaling back production rates next week. Domestic buyers are making purchases just in time for their needs. Export orders are slowing as global price competition increases. Prices for ANIMAL FEED WHEY increased on moderate F.O.B spot trade activity. The market tone is firm as buyers are having troubles securing supplies. Feed whey production levels are reduced compared to years past. Demand is steady. Stocks of animal feed whey are limited.

F.O.B. CENTRAL: .6350 - .7100 MOSTLY: .6400 - .6600
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4775 - .6150

DRY WHEY - NORTHEAST

Dry whey prices continued to firm this week following movements on various pricing indices. Manufactures are focused on fulfilling customers' near term orders, while some buyers are purchasing product through the resale market. Demand for dry whey is steady. Inventories are modest. The market tone is firm.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .6700 - .7225

DRY WHEY - WEST

Western dry whey prices are higher this week. Domestic prices are mostly responsible. Various pricing indices continue to firm and are moving contract prices upward. Spot activity is coming from resellers, with manufacturers' offerings being mostly committed. Sweet dry whey production is down as more of the whey stream moves into concentrated whey protein products. Demand for whey is good. Stocks are adequate to fill most of the current demand, but buyers are hoping for relief from the high prices. The domestic price is causing some concern about end users switching to alternative ingredients. International prices for whey are very competitive with U.S. prices.

NONHYGROSCOPIC: .6300 - .6900 MOSTLY: .6300 - .6775

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are steady to lower on the range, and unchanged on the mostly price series. The market tone is steady, with a mixed undertone as some additional F.O.B. WPC 34% spot loads cleared into the marketplace. Interest is active, depending on product brand, attributes and location. Whey protein concentrate inventories are light to improving. Production is variable, with some plants adjusting schedules to accommodate maintenance projects. A few producers are switching whey solids out of WPC 34% and into other end products.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.5500-1.9700 MOSTLY: 1.6700-1.8700

LACTOSE - CENTRAL AND WEST

Prices for lactose are unchanged on a mostly steady market. Some market participants report they continue to see lactose loads offered in the F.O.B. spot and resale markets, which could indicate an inventory increase at some facilities. While some lactose spot loads are available, especially as unground lactose packaged in totes, those loads are representative of only a portion of the market activity. Loads of lactose clearing into domestic and international markets via monthly and quarterly contracts claim the bulk of current production. Some producers report interest from Oceania end users is shifting from a quarterly focus to an annual focus, with discussions now relating to the upcoming 2014/2015 production year. Lactose production is steady to higher, with some manufacturers in the northern tier of states indicating manufacturing milk intakes are increasing after a long plateau. Lactose inventories are variable from facility to facility.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .4500-.7200 MOSTLY: .5900-.6550

CASEIN - NATIONAL

Rennet casein prices declined on the low end of the range, while acid casein prices held steady. The market undertone is decidedly weak. The early spring flush in Europe has increased casein production schedules and added to inventories. Demand has declined as prospective Q3 buyers are in no hurry to negotiate prices, anticipating the increased production will move prices lower.

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: 4.6500 - 5.2000
ACID: 5.0000 - 5.4000

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2013

WEEK ENDING	WEEKLY DAIRY COWS	2014 CUMULATIVE DAIRY COWS	2013 WEEKLY DAIRY COWS	2013 CUMULATIVE DAIRY COWS
03/29/2014	57.7	767.6	63.0	839.5

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)

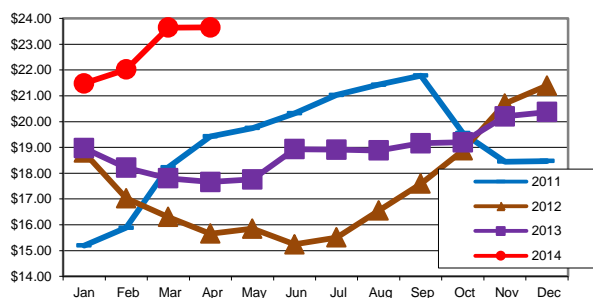
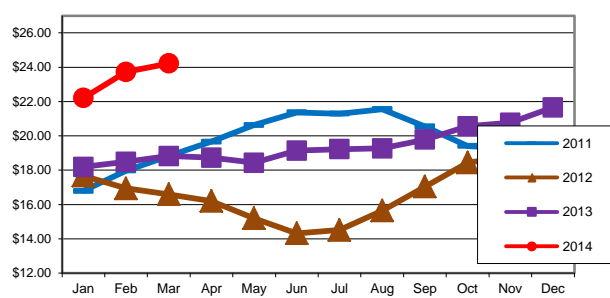
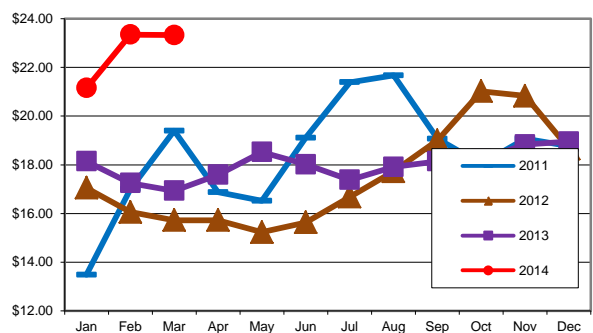
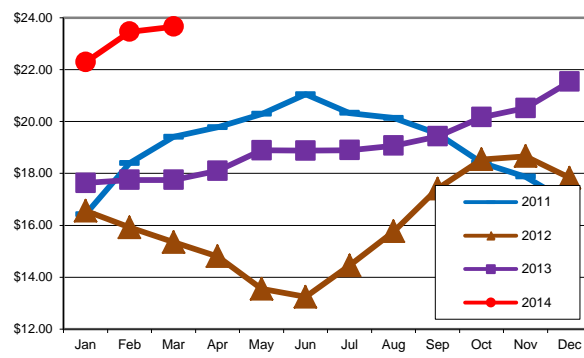
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66
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

CLASS IV MILK PRICES (3.5%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
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

FEDERAL MILK ORDER CLASS PRICES FOR 2014 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	21.48	22.02	23.64	23.65								
II	22.21	23.73	24.22									
III	21.15	23.35	23.33									
IV	22.29	23.46	23.66									

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."**Class I****Class II****Class III****Class IV**

ORGANIC DAIRY MARKET NEWS

Information gathered April 07 - 18, 2014

ORGANIC DAIRY FLUID OVERVIEW

Organic Dairy News. Organic producers in Northern New England, Maine, and much of Wisconsin are not able to graze cows for pasture feeding yet, due to weather not warming nor pastures drying as fast as is desirable. Fields in Maine are still mostly white (snow), with patches of brown, some yellow, and little green. Snow has lingered in other parts of New England and central to northern Wisconsin.

There has been some interest in news this week about an arrangement whereby a new organic dairy farm in Maine has now contracted directly with an organic yogurt manufacturer to supply organic milk, supplementing longstanding sourcing of milk through a cooperative. The farm location is newly established as a dairy but the cows were purchased from an existing Maine organic producer who had been mostly selling the milk raw, according to a knowledgeable source. This does not result in an increased overall organic cow numbers in the state.

The USDA conducted an Organic Listening Session in Washington Monday, April 14, seeking views of the organic community about future USDA initiatives. Representatives of two organizations representing organic dairy producers offered views on behalf of members, seeking expansion of data availability concerning the location of organic milk production and movement from the farm to processors. This information is said to be sought to help producers more knowledgeably negotiate pay prices with organic processors.

Signs have appeared on dairy coolers of some outlets of a regional supermarket chain in the East, advising consumers of possible shortages of organic milk. A store branch has recently been shorted orders for organic milk by suppliers. Store personnel are unaware of what is causing the short deliveries. This reporting period the store advertised organic Greek yogurt, but not organic milk.

Milk Product Sales. AMS reports total organic milk products sales for February 2014, 195 million pounds, were up 18.5% from February last year and up 16.3% year to date compared with last year.

Organic whole milk sales for February 2014, 56 million pounds, were up 27.2% compared with February last year.

Organic reduced fat milk sales for February, 58 million pounds, were 26.9% above sales one year earlier.

In contrast total conventional milk products sales for February this year were 3.0% below last year.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, FEBRUARY 2014, WITH COMPARISONS 1/

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

CONVENTIONAL PRODUCTION PRACTICE

Whole Milk	1,038	2,221	0.7	1.7
Flavored Whole Milk	40	87	-8.7	-1.8
Reduced Fat Milk (2%)	1,361	2,926	-1.6	-0.3
Low Fat Milk (1%)	539	1,147	-5.0	-3.9
Fat-Free Milk (Skim)	490	1,046	-10.2	-9.0
Flavored Fat-Reduced Milk	329	665	-4.8	-6.6
Buttermilk	38	79	2.5	1.3
Other Fluid Milk Products	4	9	--	--
Total Fat-Reduced Milk 3/	2,720	5,784	-4.3	-3.4
Tot. Conv. Milk Products 4/	3,841	8,180	-3.0	-2.0

February Y-T-D
Mil. Lbs.

Prev Yr. Y-T-D
Percent

ORGANIC PRODUCTION PRACTICE

Whole Milk	56	115	27.7	21.6
Reduced Fat Milk (2%)	58	127	26.9	30.5
Low Fat Milk (1%)	38	79	17.1	12.6
Fat-Free Milk (Skim)	33	70	0.9	-0.9
Flavored Fat-Reduced Milk	9	15	0.7	23.4
Other Fluid Milk Products	0	5	--	--
Total Fat-Reduced Milk 3/	129	276	16.4	15.9
Tot. Organic Milk Products	195	411	18.5	16.3

Tot. Fluid Milk Products	4,036	8,591	-2.1	-1.2
Tot Fluid Milk Prod. Adj. 4/	*	*	*	*

***Total Fluid Milk Products Adjusted for Calendar Composition will not be published until release of "An Overview of Calendar Composition of Fluid Milk Sales."** 1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim, and flavored fat reduced milk. 4/ Sales volumes and percent changes have been adjusted for calendar composition. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352.

ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Organic ice cream joined the normal roster of organic milk and yogurt appearing in surveyed retail ads this reporting period, rounded out with organic butter. Total organic ad numbers are slightly lower than the 2014 average, but are up from last period and last year.

Organic milk ad volume is the second lowest of the year, but above last year. Ads for organic milk gallons and 8 ounce containers are each the second highest level of the year but combined, those ads are the highest combined total of any period this year.

Advertising information presented is compiled from nearly 14,000 surveyed newspaper supermarket ads for the period April 7 to April 18, 2014, 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. Regional ad numbers as a percentage of all organic dairy ads declined in the Midwest (-59%), Southeast (-21%), and South Central region (-19%). Ad numbers are up in the Northeast (+46%) and Southwest (+75%), but unchanged in the Northwest.

Organic Milk Half Gallons. Organic milk half gallon ad volume is the lowest level of 2014 and below this period of each year going back to 2011 when this data series began. No ads appeared in the Northeast, Southeast or Midwest, an unusual situation.

CONTINUED ON PAGE 8-A

ORGANIC DAIRY MARKET NEWS

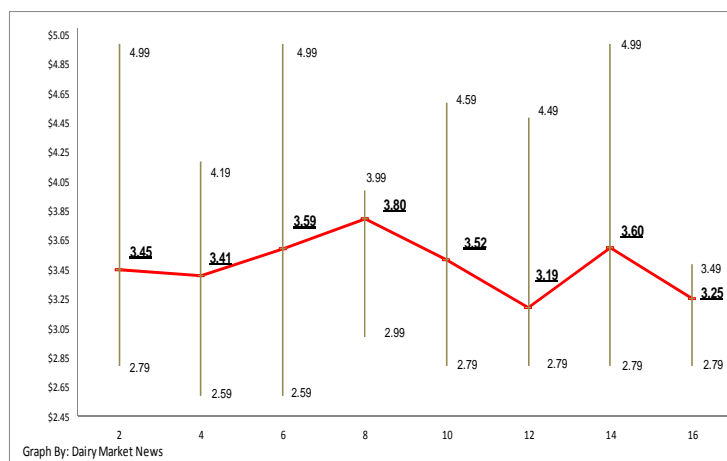
Information gathered April 07 - 18, 2014

CONTINUED FROM PAGE 8

The U.S. weighted average advertised price of organic milk half gallons is \$3.25, down 35 cents from the last reported period. One year ago the national average price was \$3.54.

The price range decreased by \$1.50 at the top to \$3.49, the lowest high end range price of this year or last. The lowest price remains unchanged at the bottom, \$2.79, for the fourth consecutive survey period. The highest advertised price, \$3.49, is in the Southwest, while the lowest advertised price, \$2.79, is in the South Central region. Often the highest price is in the Northeast when ads run there.

U.S. Advertised Organic Milk Half Gallon Price Range and Weighted Average Advertised Price by 2014 Week



Organic - Conventional Milk Half Gallon Price Spread.

Conventional milk half gallons have an average advertised price of \$1.82 and organic milk half-gallons have a weighted average advertised price of \$3.25. That results in a conventional-organic price spread of \$1.43, the second lowest of the year. Last year at this time the price spread was \$1.24.

Organic Milk Gallons. Ad volume for organic milk gallons is the second highest of the year. The national weighted average advertised price for organic gallons is \$5.91, down 4 cents from the last reporting period. One year ago the price was also \$5.91. The highest advertised price is \$6.69, appearing in ads for stores in the Northeast and Southeast. The lowest price, \$5.29, appeared in the Northwest.

8 Oz. Organic Milk. Ad numbers for 8 ounce organic milk are the second highest level of the year. The average price is \$1.00, 1 cent lower than a year ago. All prices are \$1.00.

Organic Yogurt. Organic yogurt ad numbers are on average for the year. Organic Greek yogurt accounts for nearly all organic yogurt ads.

The national weighted average advertised price of 4-6 ounce organic Greek yogurt is \$1.05, only 6 cents higher than conventional Greek yogurt. Two weeks ago the price was \$1.00 and one year ago, \$.91.

4-6 ounce organic yogurt is the other advertised organic yogurt, having an average price of \$.65, up 15 cents from two weeks ago but down 11 cents from one year ago.

1# Organic Butter. All ads for 1 pound organic butter appeared in the Northeast and Midwest, all priced \$3.99. Last year the price was also \$3.99. No ads appeared two weeks ago.

48-64 oz. Organic Ice Cream. All ads for 48-64 ounce organic ice cream appeared in the Southwest, all priced \$5.99. No organic ice

cream ads appeared two weeks ago or one year ago.

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.

ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE

MADISON, WISCONSIN			
	LOW	HIGH	RANGE
(in Dollars)			
FLUID MILK			
MILK - gallon			
Whole	5.19*	6.79	1.60*
Reduced fat (2%)	5.19*	6.79	1.60*
Low fat (1%)	5.19*	6.79	1.60*
Nonfat (Skim)	5.19*	6.79	1.60*
MILK - half gallon			
Whole	3.99*	4.99	1.00*
Reduced fat (2%)	3.99*	4.99	1.00*
Low fat (1%)	3.99*	4.99	1.00*
Nonfat (Skim)	3.99*	4.99	1.00*
FLAVMILK - half gallon			
All fat tests	4.09*	5.69	1.60*
YOGURT			
Yogurt - 4-6 oz			
Yogurt	0.49	0.79	0.30
CHEESE			
Cheese - 8 oz block			
Mozzarella	4.10	5.99	1.89
Mild Cheddar	4.10	5.39	1.29
Monterey Jack	3.29	5.39	2.10
Pepper Jack	3.49	5.99	2.50
Cheese - 6 oz string			
Mozzarella	3.99	5.09	1.10
Colby Jack	3.89	5.69	1.80
BUTTER			
Butter - 1 Pound	5.29*	6.59	1.30*

* = Price change from prior reporting period.

ORGANIC GRAIN AND FEEDSTUFF MARKETS:

Prices for reported commodities are mostly steady to slightly higher. Lingering cold weather throughout the Midwest has impacted organic oat and organic wheat prices and pushed them a bit higher. Organic soybean meal prices have also been firm in the past few weeks. Organic corn and organic soybean prices are steady. Market activity is usually slow, with signs of improvement noted. Demand for feed grade organic corn and soybeans is moderate to good while food grade demand for both organic corn and soybeans remains mostly good.

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

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS: OCTOBER 2013 AND YEAR-TO-DATE 2012 - 2013 ^{1/}

Item	Oct. 2012	Percent Change ^{2/}	Oct. 2013	Percent Change ^{2/}	Jan. - Oct. 2012	Percent Change ^{2/}	Jan. - Oct. 2013	Percent Change ^{2/}
	Million Pounds							
<u>MILK</u>								
Production	16,273	0.0	16,475	1.2	167,501	2.2	168,425	0.6
Farm Use	81	-1.2	82	1.2	796	-1.2	803	0.9
Marketings	16,192	0.0	16,393	1.2	166,705	2.2	167,622	0.6
Beginning Commercial Stocks ^{3/}	13,236	6.0	14,333	8.3	10,983	0.5	12,275	11.8
Imports ^{3/}	324	-1.8	323	-0.5	2,715	14.2	3,162	16.5
Total Supply ^{4/}	29,752	2.6	31,049	4.4	180,403	1.0	183,059	1.5
Ending Commercial Stocks ^{3/}	11,746	0.0	12,778	8.8	11,746	0.0	12,778	8.8
Net Removals ^{3/}	0	0.0	0	0.0	0	0.0	0	0.0
Exports ^{3/}	672	4.3	1,167	73.7	8,806	10.6	10,148	15.2
Commercial Disappearance ^{4/}	17,334	4.3	17,104	-1.3	159,852	2.1	160,133	0.2
<u>SELECTED PRODUCTS</u> ^{5/}								
Butter	191.0	16.2	179.6	-5.9	1,445.5	6.9	1,412.0	-2.3
American Cheese	391.6	8.0	389.4	-0.6	3,486.7	2.3	3,563.3	2.2
Other Cheese	566.5	2.0	604.4	6.7	5,277.8	1.2	5,379.8	1.9
Nonfat Dry Milk	36.4	18.0	6.4	-82.4	709.1	64.9	304.3	-57.1
Fluid Milk Products ^{6/}	4,654.4	10.2	4,493.1	-3.5	43,819.6	7.0	42,763.2	-2.4

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and, therefore, can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} From year earlier on a daily average basis. ^{3/} Milk-equivalent, milkfat basis. ^{4/} Totals may not add because of rounding. ^{5/} Commercial disappearance in product pounds. ^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition.

Source: U.S. Department of Agriculture. Economic Research Service. Agricultural Marketing Service. *Fluid Milk Products*.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS: NOVEMBER 2013 AND YEAR-TO-DATE 2012 - 2013 ^{1/}

Item	Nov. 2012	Percent Change ^{2/}	Nov. 2013	Percent Change ^{2/}	Jan. - Nov. 2012	Percent Change ^{2/}	Jan. - Nov. 2013	Percent Change ^{2/}
	Million Pounds							
<u>MILK</u>								
Production	16,007	1.2	16,003	0.0	183,508	2.1	184,428	0.5
Farm Use	78	-2.5	79	1.3	874	-1.4	882	0.9
Marketings	15,929	1.2	15,924	0.0	182,634	2.2	183,546	0.5
Beginning Commercial Stocks ^{3/}	11,746	0.0	12,778	8.8	10,983	0.5	12,275	11.8
Imports ^{3/}	447	8.4	295	-33.9	3,162	13.4	3,457	9.3
Total Supply ^{4/}	28,121	0.8	28,997	3.1	196,779	1.0	199,278	1.3
Ending Commercial Stocks ^{3/}	11,296	6.9	11,266	-0.3	11,296	6.9	11,266	-0.3
Net Removals ^{3/}	0	0.0	0	0.0	0	0.0	0	0.0
Exports ^{3/}	563	-23.3	1,092	93.8	8,160	-6.2	11,240	37.7
Commercial Disappearance ^{4/}	16,262	-2.0	16,639	2.3	177,322	2.4	176,772	-0.3
<u>SELECTED PRODUCTS</u> ^{5/}								
Butter	159.6	-15.6	187.3	17.4	1,605.0	4.2	1,599.3	-0.4
American Cheese	358.7	-1.6	351.5	-2.0	3,845.5	1.9	3,914.9	1.8
Other Cheese	562.8	1.0	567.4	0.8	5,840.6	1.2	5,947.2	1.8
Nonfat Dry Milk	28.2	-21.0	-3.2	-111.3	737.3	58.3	301.1	-59.2
Fluid Milk Products ^{6/}	4,484.2	7.0	4,389.1	-2.1	48,303.7	7.0	47,152.2	-2.4

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and, therefore, can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} From year earlier on a daily average basis. ^{3/} Milk-equivalent, milkfat basis. ^{4/} Totals may not add because of rounding. ^{5/} Commercial disappearance in product pounds. ^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition.

Source: U.S. Department of Agriculture. Economic Research Service. Agricultural Marketing Service. *Fluid Milk Products*.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS: DECEMBER 2013 AND YEAR-TO-DATE 2012 - 2013 ^{1/}

Item	Dec. 2012	Percent Change ^{2/}	Dec. 2013	Percent Change ^{2/}	Jan. - Dec. 2012	Percent Change ^{2/}	Jan. - Dec. 2013	Percent Change ^{2/}
	Million Pounds							
<u>MILK</u>								
Production	16,816	1.6	16,790	-0.2	200,324	2.1	201,218	0.4
Farm Use	81	-1.2	82	1.2	955	-1.3	964	0.9
Marketings	16,735	1.6	16,708	-0.2	199,369	2.1	200,254	0.4
Beginning Commercial Stocks ^{3/}	11,296	6.9	11,266	-0.3	10,983	0.5	12,275	11.8
Imports ^{3/}	512	18.3	279	-45.5	3,673	14.0	3,736	1.7
Total Supply ^{4/}	28,543	3.9	28,253	-1.0	214,025	1.0	216,265	1.0
Ending Commercial Stocks ^{3/}	12,194	11.0	11,170	-8.4	12,194	11.0	11,170	-8.4
Net Removals ^{3/}	0	0.0	0	0.0	0	0.0	0	0.0
Exports ^{3/}	645	-5.6	1,187	84.0	8,806	-6.1	12,427	41.1
Commercial Disappearance ^{4/}	15,704	-0.6	15,896	1.2	193,026	2.1	192,668	-0.2
<u>SELECTED PRODUCTS</u> ^{5/}								
Butter	146.1	-5.9	151.7	3.8	1,751.1	3.2	1,751.0	0.0
American Cheese	359.0	7.3	358.9	0.0	4,204.4	2.4	4,273.7	1.6
Other Cheese	553.0	-1.9	563.9	2.0	6,393.6	0.9	6,511.1	1.8
Nonfat Dry Milk	32.0	-42.2	9.3	-71.0	769.3	47.6	310.4	-59.6
Fluid Milk Products ^{6/}	4,389.6	-3.2	4,353.4	-0.8	52,693.3	7.4	51,505.8	-2.3

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and, therefore, can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} From year earlier on a daily average basis. ^{3/} Milk-equivalent, milkfat basis. ^{4/} Totals may not add because of rounding. ^{5/} Commercial disappearance in product pounds. ^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition.

Source: U.S. Department of Agriculture. Economic Research Service. Agricultural Marketing Service. *Fluid Milk Products*.

MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA, JANUARY 2014, WITH COMPARISONS

In January 2014, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$23.47 per cwt., up \$1.43 from the December 2013 average, and up \$3.29 from the January 2013 average. The component tests of producer milk in January 2014 were: butterfat, 3.85%; protein, 3.20%; and other solids, 5.72%. On an individual reporting area basis, mailbox prices increased in all Federal milk order reporting areas when compared to the previous month with Minnesota experiencing the greatest increase of \$1.87/cwt, and Florida experiencing the lowest increase of \$0.65/cwt. Mailbox prices in January 2014 ranged from \$25.33 in Florida to \$21.53 in New Mexico.

Reporting Area <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	January 2013	December 2013	January 2014
	Dollars per hundredweight		
New England States <u>3/</u>	21.45	23.72	24.68
New York	20.29	22.58	23.64
Eastern Pennsylvania <u>4/</u>	20.39	22.73	23.75
Appalachian States <u>5/</u>	21.31	23.52	24.59
Southeast States <u>6/</u>	21.71	23.69	24.62
Southern Missouri <u>7/</u>	19.98	22.80	23.69
Florida	23.22	24.68	25.33
Western Pennsylvania <u>8/</u>	20.39	22.37	23.69
Ohio	20.71	22.53	23.68
Indiana	19.95	21.91	23.03
Michigan	19.81	21.72	22.94
Wisconsin	20.33	21.76	23.51
Minnesota	20.24	21.61	23.48
Iowa	20.60	22.25	23.84
Illinois	20.50	22.27	23.75
Corn Belt States <u>9/</u>	19.50	21.13	22.77
Western Texas <u>10/</u>	19.08	21.12	22.73
New Mexico	18.16	19.99	21.53
Northwest States <u>11/</u>	19.70	22.09	23.73
All Federal Order Areas <u>12/</u>	20.18	22.04	23.47
California <u>13/</u>	17.73	20.60	22.04

1/ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. 2/ Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices do not include any Milk Income Loss Contract (MILC) payments, but do include, for the most part, the assessment under the Cooperatives Working Together (CWT) program. 3/ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. 4/ Includes all counties to the east of those listed in 8/. 5/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 6/ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. 7/ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these. 8/ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these. 9/ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in 7/. 10/ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby. 11/ Includes Oregon and Washington. 12/ Weighted average of prices for all selected reporting areas. California is simple average. 13/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin."

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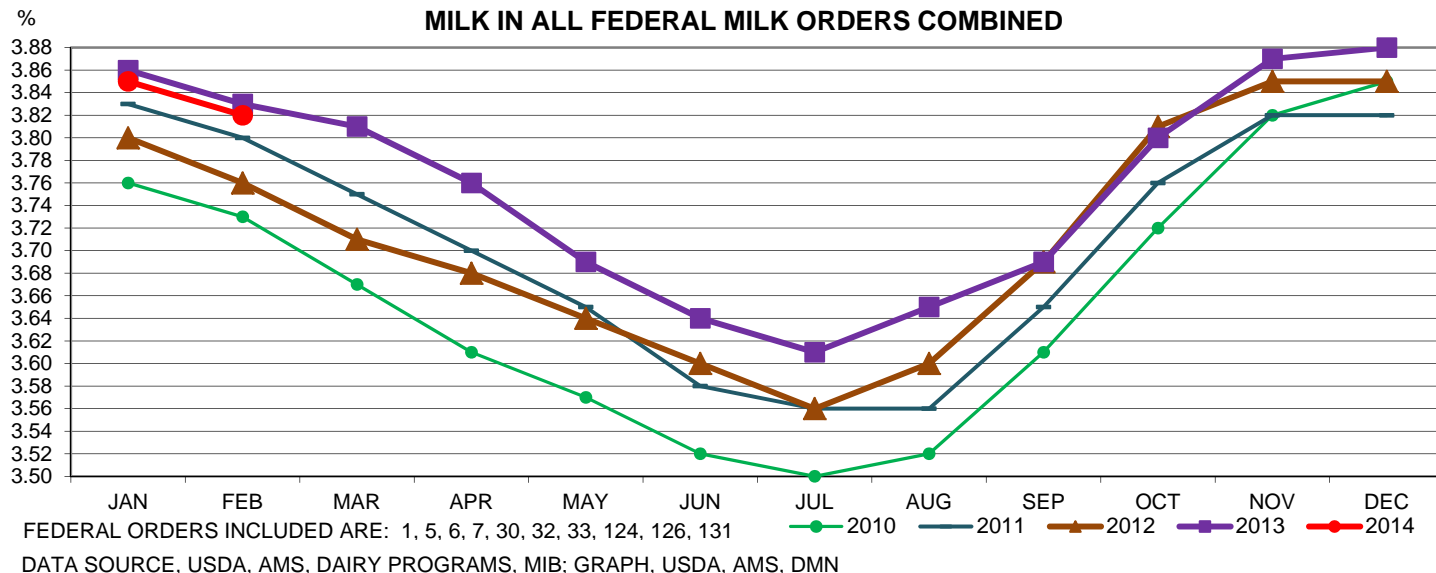
MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA, 2013 ANNUAL AVERAGES, WITH COMPARISONS 1/

For 2013, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$20.06 per cwt., \$1.47 higher than the all-area average reported for 2012. The component tests of producer milk in 2013 averaged: butterfat, 3.76%; protein, 3.12%; and other solids, 5.74%. On an individual reporting area basis, mailbox prices increased for all Federal order milk reporting areas, and ranged from \$22.95 in Florida to \$17.93 in New Mexico. The Southern Missouri reporting area experienced the largest annual increase of \$2.38/cwt, while the Minnesota reporting area experienced the lowest annual increase of \$0.84/cwt.

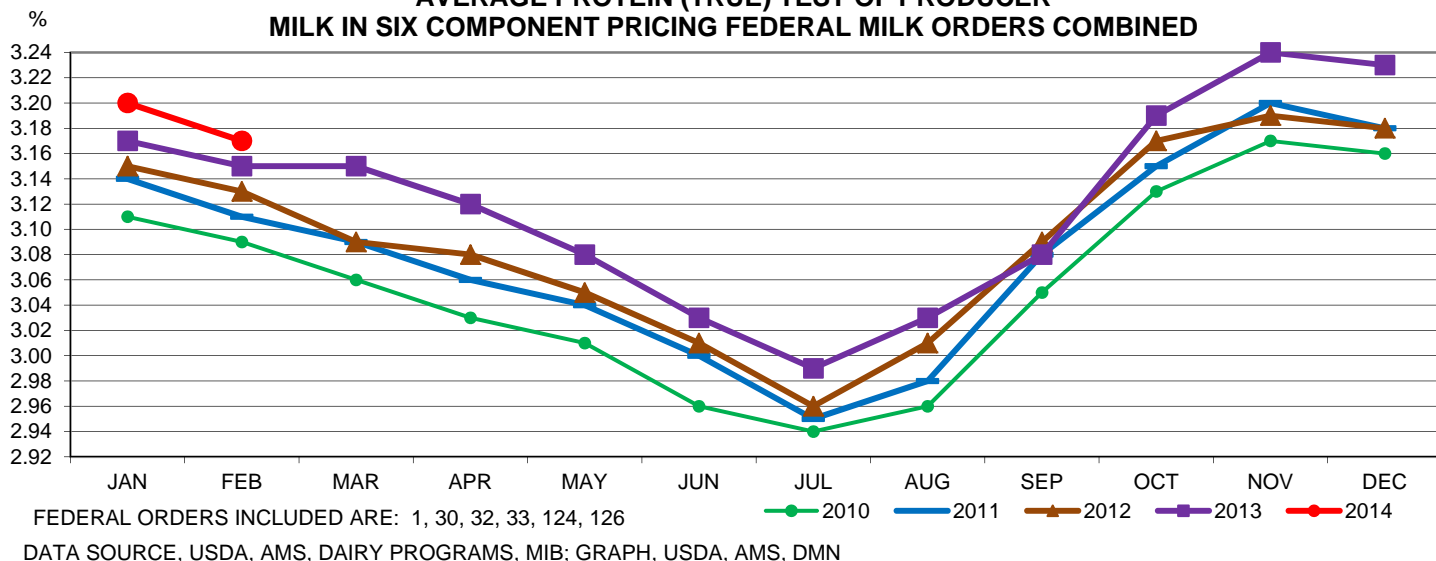
Reporting Area 2/	Mailbox Milk Price 3/		
	2012	2013	Difference
	Dollars per hundredweight		
New England States 4/	19.59	21.50	1.91
New York	18.59	20.48	1.89
Eastern Pennsylvania 5/	18.91	20.57	1.66
Appalachian States 6/	19.39	21.19	1.80
Southeast States 7/	19.94	21.58	1.64
Southern Missouri 8/	17.79	20.17	2.38
Florida	21.09	22.95	1.86
Western Pennsylvania 9/	18.83	20.44	1.61
Ohio	18.67	20.55	1.88
Indiana	18.14	19.96	1.82
Michigan	17.94	19.74	1.80
Wisconsin	19.08	20.07	0.99
Minnesota	19.08	19.92	0.84
Iowa	18.99	20.33	1.34
Illinois	18.99	20.34	1.35
Corn Belt States 10/	18.02	19.26	1.24
Western Texas 11/	17.46	18.96	1.50
New Mexico	16.61	17.93	1.32
Northwest States 12/	18.02	19.73	1.71
All Reported Areas 13/	18.59	20.06	1.47
California 14/	16.29	18.26	1.97

1/ Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the reporting area and is reported at the average butterfat test. Mailbox price does not include any Milk Income Loss Contract (MILC) payments. Mailbox price does include, for the most part, the assessment under the Cooperatives Working Together (CWT) program. 2/ Information is shown for those area for which prices are reported for at least 75% of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from that area. 3/ Figures are annual averages -- the weighted average of the monthly figures; except California, which is the simple average. 4/ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. 5/ All counties to the east of those listed in 9/. 6/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 7/ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. 8/ The counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these. 9/ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these. 10/ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in 8/. 11/ All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby. 12/ Includes Oregon and Washington. 13/ Weighted average of the information for all selected reporting areas in Federal milk orders. 14/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin."

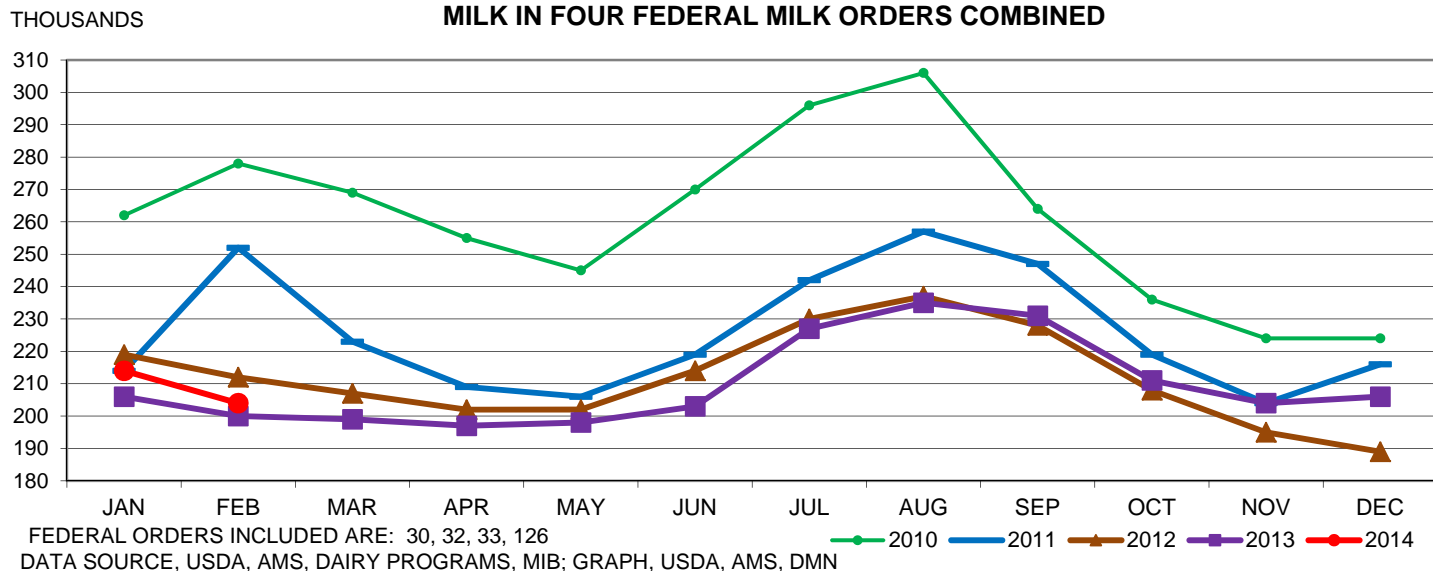
AVERAGE BUTTERFAT TEST OF PRODUCER MILK IN ALL FEDERAL MILK ORDERS COMBINED



AVERAGE PROTEIN (TRUE) TEST OF PRODUCER MILK IN SIX COMPONENT PRICING FEDERAL MILK ORDERS COMBINED



AVERAGE SOMATIC CELL COUNT OF PRODUCER MILK IN FOUR FEDERAL MILK ORDERS COMBINED





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>

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Thursday, April 17, 2014

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 04/07 to 04/18

Leading into Easter and Passover, butter ad volume increased almost four times from two weeks ago, tying butter with ice cream as the third most advertised dairy product. The national weighted average advertised price for a 1 pound package is \$2.85, 6 cents higher than two weeks ago and 10 cents above last year.

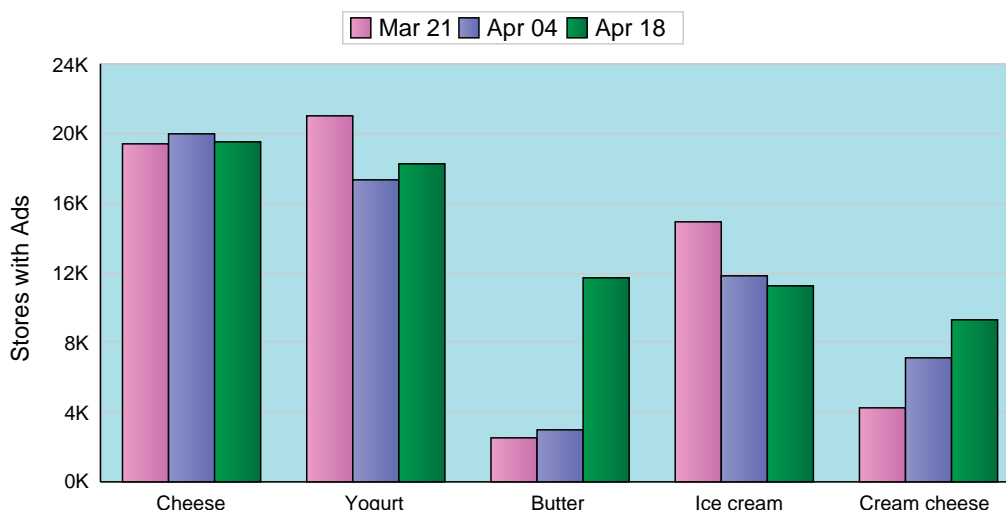
48-64 ounce ice cream has an average price of \$3.02, down 20 cents from two weeks ago and down 2 cents from last year.

Cheese remains the largest advertised category by ad volume. Ads for 8 ounce shredded cheese increased 14% from two weeks ago, following an 8% increase the previous survey cycle. The average price, \$2.44, is unchanged from the last report but up by 17 cents from last year. 8 ounce block cheese ad numbers are down 23% following an 11% decline during the previous survey period. The average price is \$2.21, 1 cent lower than two weeks ago and the same as last year.

Yogurt comprises the category with the second greatest number of ads. 4-6 ounce Greek yogurt ad volume leads all other yogurt ads combined. The average advertised price of \$.99 is unchanged from two weeks ago but down 1 cent from this period last year. Most of the remaining yogurt ads are for 4-6 ounce yogurt, with an average price of \$.51, up 1 cent from two weeks ago and equal to last year.

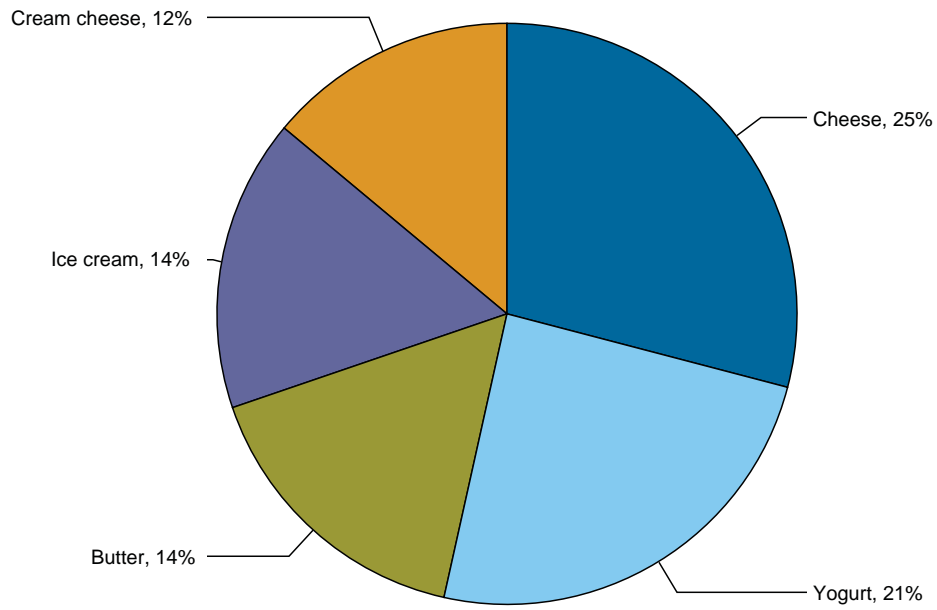
Conventional milk half gallons have an average advertised price of \$1.82 and organic milk half-gallons have a weighted average advertised price of \$3.25. That results in a conventional-organic price spread of \$1.43, second lowest of the year. Last year at this time the price spread was \$1.24.

Top 5 Commodities Featured

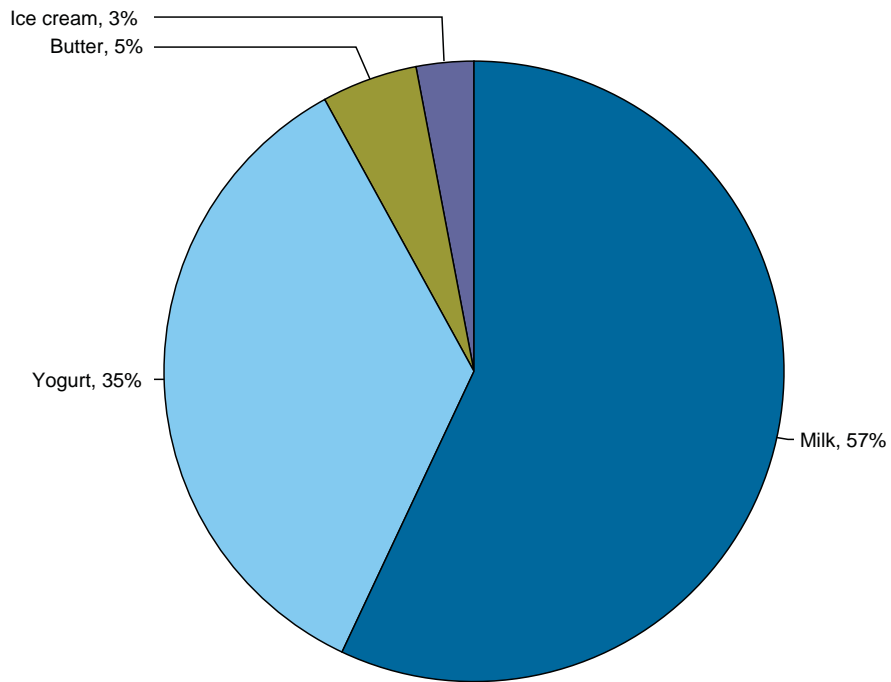


1 -- Dairy Market News surveys nearly 100 retailers, comprising over 14,000 individual stores, with online weekly advertised features.
2 -- Date range reflects two-week period, however only one data collection per retailer is made during the period.

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 #	11364	2.85	3010	2.79	3445	2.75
Cheese	Natural Varieties	8 oz block	4153	2.21	5422	2.22	5392	2.21
Cheese	Natural Varieties	1 # block	2045	4.31	2249	4.78	3663	4.20
Cheese	Natural Varieties	2 # block	1435	7.96	1642	7.14	647	7.41
Cheese	Natural Varieties	8 oz shred	10732	2.44	9413	2.44	10493	2.27
Cheese	Natural Varieties	1 # shred	1153	4.62	1276	3.39	2512	4.16
Cottage cheese		16 oz	2629	2.44	1949	2.12	1731	2.14
Cream cheese		8 oz	9353	1.52	7105	1.68	2725	1.68
Flavored milk	All fat tests	half gallon	278	1.46	165	2.48	652	2.35
Flavored milk	All fat tests	gallon	120	3.29	403	3.95	343	3.10
Ice cream		48-64oz	11103	3.02	11844	3.22	13646	3.04
Milk	All fat tests	half gallon	300	1.82	628	1.53	320	2.30
Milk	All fat tests	gallon	1537	3.15	1346	3.00	3365	3.05
Sour cream		16 oz	5797	1.66	4984	1.66	5468	1.56
Yogurt	Greek	4-6 oz	9470	.99	10380	.99	11556	1.00
Yogurt	Greek	32 oz	235	2.99	706	3.64	338	4.63
Yogurt	Yogurt	4-6 oz	5772	.51	4042	.50	5762	.51
Yogurt	Yogurt	32 oz	829	1.99	553	2.29	1561	2.33

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 #	1.99-3.99	2486	2.80	1.99-3.99	3552	2.89	2.25-2.99	1436	2.56
Cheese	Natural Varieties	8 oz block	1.77-3.00	2313	2.26	1.99-2.50	522	2.10	1.99-2.69	755	2.27
Cheese	Natural Varieties	1 # block	2.99-4.99	671	3.79	4.99	783	4.99	3.88	176	3.88
Cheese	Natural Varieties	2 # block	7.49-8.99	488	8.64						
Cheese	Natural Varieties	8 oz shred	1.99-2.99	2150	2.50	1.89-2.50	3170	2.30	1.99-2.50	1221	2.10
Cheese	Natural Varieties	1 # shred	2.99-3.98	253	3.54	4.99	783	4.99			
Cottage cheese		16 oz	1.99-2.79	829	2.36	1.99-2.69	1460	2.57			
Cream cheese		8 oz	1.25-2.50	3029	1.62	1.00-1.50	1707	1.46	1.00-2.00	973	1.47
Flavored milk	All fat tests	gallon							2.79	70	2.79
Ice cream		48-64oz	1.99-3.50	2562	2.64	2.49-4.88	2003	3.46	2.50-3.99	1868	3.07
Milk	All fat tests	half gallon							1.48	98	1.48
Milk	All fat tests	gallon	2.99	54	2.99	3.19	1023	3.19	2.79	70	2.79
Sour cream		16 oz	1.29-2.00	2214	1.55	1.48-2.00	621	1.65	1.50-1.99	829	1.68
Yogurt	Greek	4-6 oz	0.89-1.11	2613	1.00	0.88-1.00	1808	.99	0.89-1.25	1426	.99
Yogurt	Greek	32 oz	2.99	235	2.99						
Yogurt	Yogurt	4-6 oz	0.45-0.75	2354	.55	0.40-0.50	1509	.49	0.40-0.50	348	.44
Yogurt	Yogurt	32 oz	1.98-2.00	337	1.99	1.88-1.98	439	1.93			

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 #	2.29-3.49	752	2.76	2.50-3.49	1974	3.02	2.00-3.69	1164	2.92
Cheese	Natural Varieties	8 oz block	1.39-2.50	246	2.05	1.99	119	1.99	1.99	198	1.99
Cheese	Natural Varieties	1 # block	4.99	53	4.99	3.99	64	3.99	3.79-3.99	298	3.91
Cheese	Natural Varieties	2 # block				7.49-7.99	649	7.90	6.99	298	6.99
Cheese	Natural Varieties	8 oz shred	1.39-2.99	1149	2.39	1.99-3.00	2046	2.70	1.99-3.00	996	2.69
Cheese	Natural Varieties	1 # shred	4.99	53	4.99	3.99	64	3.99			
Cottage cheese		16 oz				1.99-2.50	340	2.09			
Cream cheese		8 oz	1.00-1.50	446	1.08	1.00-1.99	1950	1.49	0.98-2.50	1248	1.63
Flavored milk	All fat tests	half gallon	0.99-2.50	278	1.46						
Flavored milk	All fat tests	gallon							3.99	50	3.99
Ice cream		48-64oz	2.50-4.88	1301	3.43	2.49-3.50	2243	2.80	2.49-3.99	1126	3.00
Milk	All fat tests	half gallon							1.99	202	1.99
Milk	All fat tests	gallon				1.99-3.29	340	3.05	3.79	50	3.79
Sour cream		16 oz	1.50-2.00	407	1.89	1.49-2.50	1378	1.76	1.50-2.50	348	1.64
Yogurt	Greek	4-6 oz	1.00-1.25	558	1.03	0.95-1.00	1855	.98	0.95-1.25	1210	.99
Yogurt	Yogurt	4-6 oz	0.50	499	.50	0.40-0.50	742	.49	0.40-0.48	320	.45
Yogurt	Yogurt	32 oz				2.50	53	2.50			

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 #	305	3.99			119	3.99
Cheese	Natural Varieties	8 oz shred					195	2.50
Ice cream		48-64oz	143	5.99				
Milk	All fat tests	half gallon	456	3.25	1741	3.60	960	3.54
Milk	All fat tests	gallon	1492	5.91	213	5.95	407	5.91
Milk	All fat tests	8 oz UHT	1213	1.00	1761	1.00	308	1.01
Yogurt	Greek	4-6 oz	1815	1.05	1082	1.00	209	.91
Yogurt	Greek	32 oz			167	3.99		
Yogurt	Yogurt	4-6 oz	133	.65	237	.50	379	.76
Yogurt	Yogurt	32 oz			228	3.24	1451	3.04

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 #	3.99	235	3.99				3.99	70	3.99
Milk	All fat tests	gallon	5.98-6.69	253	6.29	6.69	58	6.69			
Milk	All fat tests	8 oz UHT				1.00	363	1.00	1.00	89	1.00
Yogurt	Greek	4-6 oz	1.00-1.59	821	1.12	1.00	740	1.00	1.00	201	1.00
Yogurt	Yogurt	4-6 oz	0.50-0.79	133	.65						

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
Ice cream		48-64oz				5.99	143	5.99			
Milk	All fat tests	half gallon	2.79	100	2.79	3.49	276	3.49	2.99	80	2.99
Milk	All fat tests	gallon	5.69-5.99	234	5.85	5.99	649	5.99	5.29	298	5.29
Milk	All fat tests	8 oz UHT	1.00	276	1.00	1.00	485	1.00			
Yogurt	Greek	4-6 oz	1.00	53	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

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