NATIONAL DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (3/08):
BUTTER: Grade AA closed at $1.6300. The weekly average for Grade AA is $1.6075(+.0485).
CHEESE: Barrels closed at $1.5800 and 40# blocks at $1.6000. The weekly average for barrels is $1.5595 (-.0185) and blocks, $1.5720 (-.0250).

BUTTER HIGHLIGHTS: Butter prices at the CME Group exchange notched steady gains during the week on active bidding interest. Butter production continues to be strong throughout the country as cream supplies are ample to fill both awakening interest from dips, aerated cream, and ice cream producers and still leave volumes for churning. NASS's Dairy Products report indicates national January 2013 butter production was 185.2 million pounds, a 7% increase from one month ago and 2.6% higher than one year ago. This production is also the largest January volume of butter production on record within NASS's database. Cooperatives Working Together (CWT) announced the acceptance of export assistance bids for 8.8 million pounds of butter slated for international delivery. This brings CWT's total 2013 butter export obligations to 21.6 million pounds.

CHEESE HIGHLIGHTS: Cheese manufacturers continue to push production levels as milk for processing is available in the East and Central regions. Western cheese production is mostly steady. Cheese prices are unsettled as producers and buyers are uncertain as to the market direction. Cash trading at the CME Group this week was active as the market moved higher midweek. Retail demand is described as modest. Food service accounts report increased demand for mozzarella for pizza promotions. Export demand is showing increased interest as U.S. prices become more competitive internationally. The CWT program is active in assisting with export sales. Export sales are helping to clear increased inventories.

FLUID MILK: Across the country, farm milk production is in varying stages of experiencing the spring flush. Milk processors indicate regional manufacturing capacities are still able to clear farm milk supplies on a timely basis. Fluid demand is steady in most areas, with some short term customer buying spikes arising from approaching snow storms. Cream markets are generally weak due to ample availability within all regions. Cream demand for dips, sour cream, whipped cream and other higher priced consumer products is slightly elevated ahead of the upcoming holidays, but that demand is short-lived and expected to be filled within the next 7 - 10 days at the latest. Ice cream and frozen novelty production is delineated along by freezing temperatures. Manufacturers in areas where Spring-like weather is making an appearance report ice cream production is ramping up. In northern areas, ice cream manufacturers feel they can hold off for a week or two before switching those production lines to high gear.

DRY PRODUCTS: Dairy dry product prices are under pressure as processors' inventories build because of continuing strong supplies of manufacturing milk and the extended period of just-in-time purchasing habits from buyers. Nonfat dry milk in the Central/East and West registered decreases on the bottom of their range and mostly series. Western dry buttermilk stepped lower across both the range and mostly series. Central and East dry buttermilk prices are unchanged, but the market tone is weak. Dry whey in the Central region gave back two cents on the bottom of the mostly; West dry whey gave back one-half cent on the top of the mostly. Dry whey, Northeast, dropped 2 cents on the bottom of the range. Whey protein concentrate is looking for pricing to clear F.O.B. spot loads, shaving 5 cents off the bottom of the mostly series this week. Lactose prices lost 4 cents and 3 cents, respectively, on the bottom and top of the range due to heavy availability of unground – 100 mesh manufacturers' spot loads.

ORGANIC DAIRY MARKET NEWS (DMN): AMS reports Total Organic Milk Products sales for December 2012, 174 million pounds, were down 4.3% from December 2011, but up 2.9% January through December 2012 compared with 2011. Organic Whole Milk sales for December 2012, 48 million pounds, were up 8.2% compared with December 2011, and up 10.4% January through December 2012 compared with 2011. Organic Fat-Reduced Milk sales for December 2012, 126 million pounds, were down 8.4% compared with December 2011, but up 0.6% January through December 2012 compared with 2011. The national weighted average advertised price of organic milk half gallons, $3.40, is 9 cents lower than two weeks ago, which was 26 cents lower than four weeks ago. The price range, $2.50 to $5.00 decreased 49 cents at the bottom and increased $1.01 at the top. This period, the ad number emphasis leans more toward store brands than national brands by a factor nearly three to one. Store brands offer the

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

CME GROUP CASH TRADING

COMMODITY	MONDAY MAR 04	TUESDAY MAR 05	WEDNESDAY MAR 06	THURSDAY MAR 07	FRIDAY MAR 08	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	$1.5350 (-.0250)	$1.5400 (+.0050)	$1.5625 (+.0225)	$1.5800 (+.0175)	$1.5800 (N.C.)	(+.0200)	$1.5595 (-.0185)
40# BLOCKS	$1.5500 (-.0250)	$1.5500 (N.C.)	$1.5700 (+.0200)	$1.5900 (+.0200)	$1.6000 (+.0100)	(+.0250)	$1.5720 (-.0250)
NONFAT DRY MILK EXTRA GRADE	$1.5600 (N.C.)	$1.5600 (N.C.)	$1.5600 (N.C.)	$1.5600 (N.C.)	$1.5600 (N.C.)	(N.C.)	$1.5600 (N.C.)
GRADE A	$1.4975 (N.C.)	$1.4975 (N.C.)	$1.4975 (N.C.)	$1.4975 (N.C.)	$1.4975 (N.C.)	(N.C.)	$1.4975 (-.0015)
BUTTER GRADE AA	$1.5900 (+.0150)	$1.6000 (+.0100)	$1.6025 (+.0025)	$1.6150 (+.0125)	$1.6300 (+.0150)	(+.0550)	$1.6075 (+.0485)

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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lowest advertised price, $2.50, compared with $3.99 for national brands. The highest store brand price is $3.49 and the highest national brand price is $5.00. The weighted average advertised price for national brands is $4.09 and for store brands, $2.50. The region with the highest average price is the Northeast with $3.69 and the Midwest has the lowest, $2.50. The current national organic half gallon milk weighted average advertised price of $3.40 compared with the weighted average advertised price for non-organic half gallons, $1.77, yields an organic-conventional half-gallon milk advertised price spread of $1.63, compared with $2.07 two weeks ago.

RETAIL DAIRY MARKET NEWS (DMN): Butter prices decreased 9 cents from two weeks ago with the U.S. weighted average advertised price for a 1-pound package at $2.79. Cheese pricing was mixed from two weeks ago. The most featured cheese item, 8 ounce shredded, declined 8 cents from two weeks ago to $2.30. The second most advertised cheese category, 8 ounce blocks, increased by 12 cents to $2.42. The one-pound block feature decreased 33 cents to $3.62. Greek yogurt was the most featured in the yogurt category. In 4-6 ounce cups, the price averaged $1.00, down 3 cents from two weeks ago. The 32-ounce containers averaged $4.61, up 13 cents. Regular yogurt in 4-6 ounce cups averaged 48 cents, down 3 cents. For 32-ounce containers, the price averaged $2.36, up 26 cents. Ice cream in 48-64 ounce containers was on ad in 16,340 stores, the most featured single commodity. The price averaged $3.10, down 4 cents from two weeks ago. the national weighted average advertised conventional milk price for half gallons this period, $1.77, increased 35 cents from two weeks ago, following a 75 cent decrease two weeks before that. Organic half-gallon prices averaged $3.40, down 9 cents from two weeks ago, following a previous 26 cents decrease. The resulting organic-conventional half-gallon price spread is $1.63, down 44 cents from two weeks ago.

INTERNATIONAL UPDATE (DMN): At the March 5th g/DT session #87, average prices for all products traded and contracting periods were higher to sharply higher. Average prices for all contracting periods and individual products ranged from 1.2% to 18.0% higher. The all contracts price averages (per MT) and percent changes from the previous average are: anhydrous milk fat, $3,820, +4.9%; butter, $4,081, +9.6%; buttermilk powder, $4,200, +14.3%; cheddar cheese, $3,827, +8.3%; lactose, not traded; milk protein concentrate, $6,749, +11.0%; rennet casein, $8,930, +1.2%; skim milk powder, $3,759, +4.6%; and whole milk powder, $4,298, +18.0%.

JANUARY 2013 DAIRY PRODUCTS HIGHLIGHTS (NASS): BUTTER production was 185.2 million pounds, 2.6% above January 2012 and 7.0% above December 2012. AMERICAN TYPE CHEESE production totaled 374.9 million pounds, 2.4% above January 2012 but 2.4% below December 2012. TOTAL CHEESE output (excluding cottage cheese) was 932.7 million pounds, 2.4% above January 2012 but 2.0% below December 2012. NONFAT DRY MILK production, for human food, totaled 143.4 million pounds, 6.9% below January 2012 and 9.0% below December 2012. DRY WHEY production, for human food, was 82.8 million pounds, 8.1% below January 2012 and 2.3% below December 2012. ICE CREAM (hard) production totaled 58.4 million gallons, 5.9% above January 2012 and 19.6% above December 2012.

DECEMBER OVER-ORDER CHAGRES ON PRODUCER MILK (FMMO): For December 2012, the all reporting areas combined average over-order charge on producer milk used in Class I was $2.04 per cwt., down $0.08 from the November 2012. Ninety percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from $0.79 in the Pacific Northwest to $2.96 in the Florida Order. For producer milk used in Class II, the all reporting areas combined average over-order charge was $1.16, down $0.04 from the November 2012 average. Eighty-two percent of the producer milk used in Class II carried an over-order charge.

CME GROUP

MONDAY, MARCH 4, 2013

CHEESE -- SALES: 4 CARS BARRELS: 2 @ $1.5500, 2 @ $1.5350; 5 CARS 40#BLOCKS: 1 @ $1.5550, 4 @ $1.5500; LAST BID UNFILLED: 3 CARS BARRELS @ $1.5300; LAST OFFER UNCOVERED: 1 CAR BARRELS @ $1.5500; 2 CARS 40# BLOCKS @ $1.5600
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.5900; LAST OFFER UNCOVERED: NONE

TUESDAY, MARCH 5, 2013

CHEESE -- SALES: 1 CAR BARRELS @ $1.5400; LAST BID UNFILLED: 1 CAR BARRELS @ $1.5400; 4 CARS 40# BLOCKS @ $1.5500; LAST OFFER UNCOVERED: NONE
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ $1.4500; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.6000; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MARCH 6, 2013

CHEESE -- SALES: 1 CAR BARRELS @ $1.5500; 5 CARS 40# BLOCKS: 4 @ $1.5550, 1 @ $1.5700; LAST BID UNFILLED: 2 CARS BARRELS @ $1.5625; 7 CARS 40# BLOCKS @ $1.5700; 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 @ $1.6025; LAST OFFER UNCOVERED: NONE

THURSDAY, MARCH 7, 2013

CHEESE -- SALES: NONE; LAST BID UNFILLED: 2 CARS BARRELS @ $1.5800; 2 CARS 40# BLOCKS @ $1.5900; 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 @ $1.6150; LAST OFFER UNCOVERED: NONE

FRIDAY, MARCH 8, 2013

CHEESE -- SALES: 2 CARS 40# BLOCKS @ $1.6000; LAST BID UNFILLED: 2 CARS BARRELS @ $1.5800; 3 CARS 40# BLOCKS @ $1.6000; LAST OFFER UNCOVERED: 2 CARS 40# BLOCKS @ $1.6100
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ $1.4975; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: 1 CAR GRADE AA @ $1.6300; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.6200; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ $1.6400

BUTTER MARKETS

NORTHEAST

Butter churns are generally running strong schedules this week. Cream supplies remain heavy in the region, with occasional loads moving to the Midwest in certain circumstances. However, as a rule, most manufacturers are not selling cream in any significant amounts, if at all, preferring to make butter. CME cash trading early this week moved up each day, to $1.6000 by Tuesday's close. The National Dairy Retail Report found that butter retail advertising volume declined 35% from two weeks ago. The national weighted average advertised price for a 1 pound package decreased 9 cents to $2.79. Ads in the Northeast have a weighted average advertised price of $3.08, 29 cents higher than the national average. According to NASS, January's monthly U.S. butter production totaled 185 million pounds, up 2.6% from January last year and 7% above December 2012. Atlantic region butter production in January totaled 20.8 million pounds, up 18.2% from December and 1.9% more than January 2012. During January 11.2% of the nation's butter was churned in the Atlantic region.

CENTRAL

Plentiful cream supplies in the Central region are contributing to churns remaining active. Eastern cream spot sale shipments are flowing into Central churns, supplementing regionally produced cream. A butter manufacturer commenting about inventory levels, noted "there's a lot of it in inventories around the country". That did not stop the CME from closing up over four trading days through Wednesday, up a combined $.0525 to $1.6025. There continues to be confidence in the merits of holding butter inventory, based on expectations about supplies and prices later during the year. Bulk butter is selling at flat prices to +1 ½ cents. Export interest is active and some butter is being churned specifically for export with CWT assistance. Butter retail advertising volume declined 35% from two weeks ago. The national weighted average advertised price for a 1 pound package decreased 9 cents to $2.79. Butter ads in the Midwest have a weighted average advertised price of $2.46, 33 cents lower than the national average. According to NASS, January's monthly U.S. butter production totaled 185 million pounds, up 2.6% from January last year and 7% above December 2012. Central region butter production in January totaled 75.1 million pounds, up 8.1% from December and 11.4% more than January 2012. During January 40.6% of the nation's butter was churned in the Central region.

WEST

Western butter prices were lower this week as the CME Group weekly average moved lower last week. The trend may be short lived as prices firmed on light spot trading at the CME Group this week. Butter production remains heavy as cream supplies move to butter churns. Ice cream manufacturers are slow to increase production this year and surplus supplies are being made into butter. Retail sales continue to be reported as good, with club store sales very good. International demand is improving and is also being assisted through the CWT program. They accepted bids for assistance with 8.8 million pounds of butter this week. Butter prices at the CME Group exchange are up $.0025 on Wednesday to close at $1.6025. Prices moved higher each day this week. The strength came on higher bids with no sales reported as of Wednesday. Prices for bulk butter range from 3 cents under to 4 cents under the market, based on the CME with various time frames and averages used. Advertised U.S. butter prices from the National Dairy Retail Report showed a weighted average price of $2.79 per pound compared to $2.88 two weeks ago. Nationally, featuring of butter ads was reduced 35% from the same period two weeks ago. Western advertised prices ranged from $2.00-2.99 per pound. The weighted average for butter in the Northwest was $2.32 and the Southwest was $2.60. According to the NASS *Dairy Products* report, January butter production for the U.S. totals 185.2 million pounds, up 2.6% or 4.7 million pounds from January of 2012. January output in the Western region totals 89.4 million pounds, down 3.7% or 3.4 million pounds less than January of 2012. The West produced 48.2% of the butter in the U.S. in January.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
March 2, 2013	1.5935	1.6608	1.6503	0.6351	1.5510
	4,144,723	10,796,489	9,920,621	7,135,074	24,095,399

Further data and revisions may be found on the internet at: http://www.ams.usda.gov/AMSv1.0/DairyProductMandatoryReporting

CHEESE MARKETS

NORTHEAST

Regional cheese manufacturers are still working through variables that will affect production decisions and profitability in coming months. These include what the magnitude of seasonal milk supply increases will be, factored against reports of milking herd expansion, factored against sluggish retail demand and an export market characterized as "modestly stirring". All of this occurred last week against a declining CME price average for blocks and barrels, with this week also down through Tuesday. Northeast cheese production over the last few weeks has been strong, and continues strong, driven by available milk supplies. Mozzarella demand seems stronger than other varieties. Cheese retail advertising volume reported in the National Dairy Retail Report increased 4% from two weeks ago, which was the lowest level since the end of November last year. The most advertised cheese category, 8 ounce shredded, had a decline in the weighted average advertised price of 6 cents to $2.30, the lowest level of 2013. This is the second consecutive period of a new low price for the year being set. The second most advertised cheese category, 8 ounce blocks, increased in price 12 cents to $2.42. Northeast cheese ad numbers reverse the ranking of national cheese ads, with the most ads in the Northeast being for 8 ounce blocks, followed by 8 ounce shredded. Northeast 8 ounce blocks have an average price of $2.48, 8 cents higher than the national average. Regionally, 8 ounce shredded has an average price of $2.34, 4 cents higher than the national average. According to the latest NASS report, total cheese production for January in New York was 60.8 million pounds, 9.3% less than December and 2.8% less than January, 2012. Pennsylvania produced 36.7 million pounds in January, 2.6% more than one month earlier and 4.2% more than one year ago. Vermont produced 10.4 million pounds, 6.4% less than last month and 3.7% less than January 2012. The total of all cheese production for January in the Atlantic region was 116.6 million pounds, down 5.5% from December but 0.1% more compared to the same period last year. Atlantic region cheese production accounted for 12.5% of total U.S. production. Total U.S. cheese production in January totaled 933 million pounds, 2.0% less than December but 2.4% more than January 2012.

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

Cheddar 40# Block	:	1.9975-2.2825
Process 5# Sliced	:	1.7975-2.2775
Muenster	:	2.0175-2.3775
Grade A Swiss Cuts 10 - 14#	:	3.5300-3.8525

MIDWEST

Continuing abundant milk supplies are keeping cheese manufacturers busy – even if enthusiasm for prevailing production levels varies. Some manufacturers refer to retail demand as "dismal", with sales described as "underwhelming". Looking forward toward spring, higher milk supplies are what many manufacturers expect. Cheese export shipments are not at volumes that manufacturers would like. These factors have been referenced in explanation for last week's decline in the weekly average for barrels, -$.0520, and for blocks, -$.0461, which continued through Monday this week. Yet Wednesday markets for both blocks and barrels moved up, barrels up $.0225 to $1.5625 and blocks up $.0200 to $1.57. While this seems to belie cheese market supply and retail demand factors, the CME trades in cheese up to 30 days old. Thus, Wednesday's price movement reflects the market for cheese up to 30 days old. As one manufacturer observed, "spot cheese market supply perceptions can change quickly". Cheese retail advertising volume reported in the National Dairy Retail Report increased 4% from two weeks ago, which was the lowest level since the end of November last year. The most advertised cheese category, 8 ounce shredded, had a decline in the weighted average advertised price of 8 cents to $2.30, the lowest level of 2013. This is the second consecutive period of a new low price for the year being set. The second most advertised cheese category, 8 ounce blocks, increased in price 12 cents to $2.42. Ads for 8 ounce shredded cheese in the Midwest had a weighted average advertised price 24 cents lower than the national average. For 8 ounce blocks in the Midwest, the average price is 51 cents lower than the national average. According to the latest NASS report, Total U.S. cheese production in January totaled 933 million pounds, 2.0% less than December but 2.4% more than January 2012.

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

Process American 5# Loaf	:	1.7700-2.4750
Brick And/Or Muenster 5#	:	1.9850-2.5450
Cheddar 40# Block	:	1.9850-2.8575
Monterey Jack 10#	:	1.9550-2.8575
Blue 5#	:	2.2475-3.2350
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8275-2.9575
Grade A Swiss Cuts 6 - 9#	:	3.0500-3.1675

WEST

Wholesale cheese prices in the West are lower as CME Group weekly averages softened last week. The market continues to be unsettled with no clear indication of direction for the near future. Cheese production remains mostly steady as milk volumes are within expected ranges. Retail demand continued mostly steady with light featuring for the Easter/Passover periods. Mozzarella sales are improved with increased domestic pizza promotions. Export demand is improving as U.S. prices are more competitive with World prices. The CWT program assisted with sales of 6.4 million pounds of cheese this week. Cheese stocks are reported to be in balance with most needs. Advertised U.S. cheese prices as reported in the National Dairy Retail Report showed prices unevenly mixed. Price changes from the previous two weeks were both higher and lower. Featuring of cheese for the two week period increased for all categories except the most popular 8 oz. shred package which saw a 22% reduction in advertising. The weighted average price for the 8 oz. package was 8 cents lower from two weeks ago at $2.30 per package. Cheese prices at the CME Group for Wednesday settled higher. Barrels closed up $.0225 to close at $1.5625. Blocks closed up $.0200 on Wednesday at $1.5700. The market continues to try and find a definite trading direction. Trading activity this week was moderate to good with six loads of barrels trading and ten loads of blocks by midweek. According to the NASS *Dairy Products* report, total cheese production in the U.S. in January reached 932.7 million pounds, up 2.4% or 22.2 million pounds from a year ago. January total cheese production in the Western region was 394.8 million pounds, up 1.1% or 4.4 million pounds

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CHEESE MARKETS

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from January 2012. The West produced 42.3% of all the cheese in the U.S. in January. Swiss output for the U.S. in January is 25.6 million pounds, down 7.9% or 2.2 million pounds from a year ago.

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

Process 5# Loaf	1.7050-1.9625
Cheddar 40# Block	1.7175-2.0700
Cheddar 10# Cuts	1.8975-2.1175
Monterey Jack 10#	1.9075-2.0675
Grade A Swiss Cuts 6 - 9#	3.1075-3.5375

FOREIGN

The weekly average CME Group block price decline last week lowered domestic wholesale foreign type cheese prices by $0.0450. Swiss cut varieties moved $.0060 lower. According to the latest NASS report, Swiss production during January totaled 25.6 million pounds, 1.6% less than December, and 7.9% less than January 2012. Domestic Parmesan production during January totaled 30.1 million pounds, 32.1% more than December, and 1.6% more than January 2012. Provolone production during January totaled 27.6 million pounds, 2.4% less than December and 3.7% less than January 2012. Romano production during December totaled 3.6 million pounds, 7.0% less than December but 9.8% more than January 2012.

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

	NEW YORK	
VARIETY	IMPORTED	DOMESTIC
Blue	2.6400-5.2200	2.1375-3.6250*
Gorgonzola	3.4900-6.1900	2.6400-3.0950*
Parmesan (Italy)	-0-	3.5275-5.6175*
Provolone (Italy)	3.4400-5.4500	2.1800-2.3375*
Romano (Cows Milk)	-0-	3.3275-5.4775*
Sardo Romano (Argentine)	2.8500-3.6900	-0-
Reggianito (Argentine)	3.2900-4.3900	-0-
Jarlsberg-(Brand)	2.9500-5.2900	-0-
Swiss Cuts Switzerland	-0-	3.6275-3.9500*
Swiss Cuts Finnish	2.5900-2.8500	-0-

* = Price change.

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

	BUTTER	CHEESE
03/04/13	12,418	116,550
03/01/13	12,381	116,734
CHANGE	37	-184
% CHANGE	0	-0

FLUID MILK AND CREAM

EAST

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

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	70	0	78	0	110
SOUTHEAST STATES	0	0	0	0	0	0

Winter is ending unevenly in the Northeast. Snow covers the ground in some areas, with increasing pockets of land where snow and ice are gone. Milk production is increasing seasonally. Snow still falls though, and has an impact. In what has almost become routine, some Mid-Atlantic and Northeast region fluid milk bottling plants this week used somewhat more fluid milk for bottling in advance of the latest winter snow storm, due to expected strong retail purchasing. In other parts of the Northeast, some bottling plant mechanical problems sent milk that would have gone to those plants had they been operating, elsewhere, resulting in increasing drying to accommodate the higher milk intakes at receiving plants. Some existing milk marketing arrangements and alliances abruptly shifted late last week, leaving various producer cooperatives, balancing plants, and milk bottlers seeking new patterns for movement of milk through the processing system. Weather in the Southeast is flirting with Spring, some days reaching the 60's, but then freezing at night and returning to a cooler day or so before warming again. Milk production is up enough to cause some seasonal manufacturing plants to be in operation. Florida also has varied weather, alternating between cool days and nights, then high 80's by day and 60's by night. This "really has the cows confused" and resulted in the flush leveling off during the last two weeks. Export spot loads moving out of state this week totaled 70 loads, down from 78 loads last week. Cream multiples continue to be generally steady, up slightly at the top, .98-1.15. The lower end of the range represents cream leaving the region for Midwest class IV production. Demand for condensed skim remains flat with most dairy product manufacturers covering their needs with contracted supplies. Spot sales are light with a majority of the condensed skim volume going to Class IV production. According to NASS, ice cream production in the Atlantic region for January 2013 totaled 12.3 million gallons, up 16.1% from December but 9.0% less than January 2012. The Atlantic Region manufactures 21% of the nation's ice cream. U.S. yogurt production (plain and flavored) for January 2012 totaled 395.9 million pounds, up 11.2% from December and 1.1% more than for the same period last year. Regional break-outs are not available.

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 -	1.6837-1.8084
F.O.B. producing plants: Upper Midwest -	1.7149-1.8864

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

Northeast - Class II - includes monthly formula prices -	1.39 - 1.47
Northeast - Class III - spot prices -	1.54 - 1.59

MIDWEST

Farm milk production is inching higher in some Central areas as the early stages of the flush emerge. Manufacturing milk remains plentiful in the region because of strong farm milk production as well as flat fluid demand. Snow storms slowed the transfer of milk loads from farm to plant and also between plants on Wednesday as snow accumulations mounted in the North Central area. South Central areas enjoyed daytime temperatures in the low 80's during part of the week. Spot milk load prices are generally struggling to reach flat Class; prices reportedly range from $0.50 to $3 under Class. Cream multiples retreated from some gains on the low side of the range. Central Class II cream multiples range from 1.10 to 1.21. Cream market participants indicate ice cream and mix plants are producing at seasonal rates but those rates diverge from North to South. South Central ice cream manufacturers stepped up production of novelties, soft serve mix, and hard ice cream manufacturing in recent weeks. North Central producers expect their next push in production will start in a few weeks, as temperatures warm.

WEST

CALIFORNIA milk production levels are mostly steady with recent weeks. Temperatures and weather have been mostly neutral to milking conditions. Rains and wet conditions have not impacted the flow. Processing plants are receiving steady milk volumes and are able to handle the volumes in an orderly fashion. Class 1 demand is holding steady. The February 4a price (butter/powder) in CALIFORNIA is $18.01, up $0.93 from January and $2.50 higher than last year. This compares to the Federal Order Class IV price for February at $17.75. The February 4b price (cheese) is $15.41, $0.43 lower than January but $1.99 more than last year. This compares to the Federal Order Class III price for February at $17.25. ARIZONA milk production is steady to slightly higher. Gains were modest. Weather conditions have been warming seasonally, but variable with rains forecast this week. The overall impact on the milking herd has been minimal. The peak of the milk season is expected to be forthcoming in the next month. Processing plants are running on active schedules to handle the available milk supplies. There are some equipment issues at plants that are affecting throughput, but milk and components are being processed or moved. Class I accounts are pulling steady to higher volumes. NEW MEXICO milk output is indicated to be flat. Weather conditions are seasonal and not a factor for milk cows. Milk volumes and offerings are adequate for buyers' needs. Class I interest is steady. Surplus milk is moving to balancing plants. CREAM markets continue to trend weak. Supplies remain heavy and are being offered within the region and to outside buyers. There has been a slight uptick in the higher-class items ahead of Easter/Passover orders. Those are expected to ease as orders slow. Ice cream demand for cream remains light and unaggressive. Butter churning is active to process the cream supplies. The Grade AA butter price at the CME Group closed at $1.6025 on Wednesday, March 6, up 5.25 cents from a week earlier. Multiples range from 1.00 to 1.20, and vary depending on basing points and averages. The range is slightly lower on the top end. Milk production in the PACIFIC NORTHWEST is following expected volumes. Intakes are reported to be near year ago levels. The weather has been a nonfactor in milk handling in the region as intermittent rain along the coast and inland have not caused any problems. Processors are able to easily handle available milk supplies within the region. UTAH and IDAHO milk production levels remain steady. Spring weather conditions remain mostly neutral to milk production in the region. Processing capacity for milk supplies remains above current offered volumes. Dairies are reluctant to build their herds with high feed prices and uncertain milk prices.

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 both lower and higher as spot market prices react to buyer interest and contract prices mimic indices' movements. Market participants indicate buyers are taking single and multiple F.O.B. spot loads as long as prices carry incentives. In contrast, recent skim milk powder prices on the Global Dairy Trade auction moved higher, sending a message of possible price firmness in the next few months. Nonfat dry milk production is steady to higher at several Central facilities as farm milk production holds firm and interest in spot loads of condensed skim decreases. Some plant operators indicate offers of condensed skim spot loads at flat market did not garner any buyer's attention this week. Manufacturers are scheduling intermittent runs of high heat NDM for contract fulfillment. According to NASS, NDM production in the Central region totaled 26.6 million pounds during January 2013, 2.8% less than one month ago, but 65.8% more than one year ago. The February 2013 Dairy Market News average of the mostly price series for Central and East nonfat dry milk, low/ medium heat, was $1.5505 compared to $1.5679 one month ago and $1.3805 in February 2012. The February 2013 Dairy Market News average of the range price series for Central and East nonfat dry milk, high heat, was $1.6488 compared to $1.6592 one month ago and $1.4869 in February 2012.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of human food NONFAT DRY MILK during January 2013 totaled 143.4 million pounds, down 9.0% from December 2012 production and 6.9% lower than January 2012. Month ending stocks, at 249.4 million pounds, are 37.8% higher than a month ago, and 57.2% higher than one year ago. January 2013 production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 48.0 million pounds, 25.8% more than one month ago and 20.8% more than one year ago.

EAST: Northeast nonfat dry milk was described by various participants this week as "plentiful" and "discounted". The low/ medium heat mostly price moved lower. A number of plants with drying capability are "running full". Equipment malfunctions sent some milk that would have gone into bottling, into another plant to be dried, further increasing regional NDM production for the week. Heavy milk supplies are expected to continue into the immediate future, maintaining the impetus for drying. Many buyers expect prices to move lower and are buying sparingly for now, if at all. Some manufacturers are motivated to offer discounted spot sales to reduce inventory. Paradoxically, some prospective buyers, aware of other manufacturers with heavy inventory, in some situations continue to be told that supplies are tight, when all indicators are otherwise. The lesson here is that discounts are available in some situations, but not all sellers are equally motivated to offer discounts.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.4300 - 1.6525 MOSTLY: 1.4700 - 1.5800
HIGH HEAT: 1.6300 - 1.6950

NONFAT DRY MILK - WEST

The Western low/medium heat price range diverged this week, widening to reflect lower spot trades on the bottom end and gaining a slight bit to reflect index based trading. The overall trend is being pressured lower. Production is active and heavy. Stocks are available from producers and resellers alike. Western NDM is finding competitive pricing when compared with other regions. Export interest is light to fair for U.S. powders. The trade is noting a forthcoming tender. Other international news is being monitored to see if the U.S. may have some additional export opportunities. Drought conditions are forcing end of season, milk production lower in the North Island of New Zealand. The overall impact on NZ milk and product output is unclear at this time. Higher prices were noted at the March 5th gDT auction for NZ SMP, and at a premium to U.S. product. U.S. SMP on the same auction was slightly higher also. High heat prices are slightly lower. The general tone is weaker, reflecting limited interest beyond contracted volumes and declining low heat NDM pricing points. Production schedules are tending to be limited with dryer times needed to process available milk and condensed skim in the region. There are adequate holdings to service high heat accounts. U.S. NDM production in January 2013 totaled 143.4 million pounds, 6.9% less than last year. NDM production in the West region in January totaled 98.0 million pounds, down 18.0% from last year. The West produced 68% of the U.S. total in January. U.S. manufacturers' stocks of NDM at the end of January were 249.4 million pounds, 57.2% higher than a year earlier and 37.8% more than December 2012. U.S. skim milk powder (SMP) production in January totaled 48.0 million pounds, 20.8% more than last year and 25.8% more than December.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.4200 - 1.6125 MOSTLY: 1.4500 - 1.5350
HIGH HEAT: 1.5450 - 1.6750

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices in the Central region are steady for the week and the market tone is somewhat mixed because of differing trends on butterfat and nonfat dairy solid pricing. Dry buttermilk production continues to be active throughout the region as cream supplies have not abated. Some manufacturers of dry buttermilk are bundling dry buttermilk and nonfat dry milk to pique buyers' interests. Dry buttermilk inventories are steady to building. The February 2013 Dairy Market News average of the range price series for Central and East dry buttermilk was $1.4237 compared to $1.5174 one month ago and $1.3071 in February 2012.

DAIRY PRODUCTS: NASS *Dairy Products* reports production of dry buttermilk during January 2013 totaled 13.1 million pounds, 12.8% more than one month ago and 3.7% more than production one year ago. Month ending stocks of dry buttermilk, at 20.0 million pounds, are 10.5% higher than one month ago and 8.5% higher than one year ago.

EAST: Although Eastern dry buttermilk prices are unchanged this week, the tone of the market is described as "depressed". Butter is being churned heavily and this continues to generate high volumes of dry buttermilk which continues building inventory. Most sales are contract transactions, with many buyers holding back from committing to what is still perceived as a downward trending market.

F.O.B. CENTRAL/EAST: 1.3500 - 1.4500

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NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

CONTINUED FROM PAGE 5

DRY BUTTERMILK - WEST

Western dry buttermilk prices are lower for both the range and mostly price series. The market tone remains on the weak side. Buying interest is subdued and discounting is needed to stimulate buying interest beyond contracted levels. Buyers remain cautious, sensing the heavy offerings in the marketplace with active churning schedules pushing through more buttermilk solids. Stocks of dry buttermilk are heavy. Buttermilk powder production in January 2013 for the U.S. totals 13.1 million pounds, up 3.7% from last year. Buttermilk stocks at the end of January were 20.0 million pounds, 8.5% higher than a year ago and 10.5% more than a month earlier.

F.O.B. WEST: 1.3000 - 1.4375 MOSTLY: 1.3500 - 1.4300

DRY WHOLE MILK - NATIONAL

Dry whole milk prices are lower as various formula-related values changed at the beginning of the month. End users indicate contract loads are shipping on time. Manufacturers are scheduling runs of dry whole milk on a staggered basis to keep inventories sufficient for near term contract fulfillment. Cooperatives Working Together announced acceptance of one export assistance bid for whole milk powder totaling 85,950 pounds, slated for international delivery. This brings CWT's total 2013 whole milk powder export obligations to 218,258 pounds. An export bonus will be paid to the bidders upon verification of delivery. The February 2013 Dairy Market News average of the range price series for dry whole milk was $1.7215 compared to $1.7714 one month ago and $1.6933 in February 2012.

DAIRY PRODUCTS: NASS's Dairy Products report shows dry whole milk production during January 2013 totaled 4.8 million pounds, up 19.7% from December 2012 but 13.1% lower than January 2012. Month ending stocks, at 6.7 million pounds, are 1.4% lower than one month ago and 10.0% lower than one year ago.

F.O.B. PRODUCING PLANT: 1.6400 - 1.7800

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
March 1	$1.5288	18,841,328	0
February 22	$1.5660	8,078,002	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.

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

Prices for Central dry whey are unchanged to lower as this market seeks a price floor. A few resellers report telephone queries on dry whey loads started coming in again this week. Some manufacturers report they are not offering out spot loads at this time, but, conversely, one or two manufacturers reduced sale prices within reseller/distributor-type relationships to encourage sales into international markets. Dry whey production continues to be active as farm milk intakes into Class III plants are steady. HUMAN FOOD dry whey production during January 2013 in the Central region totaled 38.6 million pounds. This dry whey production is 2.7% lower than one month ago, and 4.3% lower than one year ago. The February 2013 Dairy Market News average of the mostly price series for Central dry whey was $0.5993 compared to $0.6298 one month ago and $0.6961 in February 2012. The February 2013 Dairy Market News average of the range price series for ANIMAL FEED Central milk replacer dry whey was $0.5280 compared to $0.5448 one month ago and $0.5971 in February 2012. DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of HUMAN FOOD dry whey in January 2013 totaled 82.8 million pounds, 2.3% lower than one month ago and 8.1% lower than one year ago. Month ending stocks of HUMAN FOOD dry whey totaled 56.7 million pounds, 6.1% more than one month ago and 19.9% more than one year ago. Production of ANIMAL FEED dry whey during January 2013 totaled 4.4 million pounds, 1.2% less than one month ago and 26.4% less than one year ago. ANIMAL FEED dry whey month ending stocks totaled 4.5 million pounds, 31.3% higher than one month ago but 6.6% lower than one year ago.

F.O.B. CENTRAL: .5100 - .6700 MOSTLY: .5300 - .6100
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4400 - .5800

DRY WHEY - NORTHEAST

Varied participants in Northeast dry whey markets independently used the same word to characterize markets: "weak". Factors leading to this include heavy cheese production, with many regional plants operating 6 or 7 days a week. This in turn increased whey production, resulting in higher inventory levels. A number of parties holding the increasing inventories have been motivated to offer spot sale discounts to move some inventory out. Improving export demand has not been able to compensate for recently "lackluster" domestic demand, even though there are some signs of improving domestic demand. The latest NASS Dairy Products report shows production of dry whey for human consumption for the nation in January, totaled 82.8 million lbs. The Atlantic region totaled 21.3 million pounds, or 25.7% of the nation's total. The Atlantic region production was 1.9% less than one year ago, but 0.2% more than the previous month.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5200 - .6750

DRY WHEY - WEST

Western dry whey prices continue in a steady to weak direction. Prices this week are steady to fractionally lower. Dry whey production continued at mostly steady levels. Cheese plants are operating mostly full production schedules and whey stream products are available. Inventories are said to be building. The increased availability of whey has dampened demand at the higher end of the price range. Export prices are at the low end of current prices. According to the NASS Dairy Products report, edible U.S. whey production in January totals 82.8 million pounds, down 8.1% (-7.3 million pounds) from last year. The Western region produced 22.9 million pounds of whey in January, down 18.5% (-5.2 million pounds) from a year ago. The West produced 27.6% of the whey in the U.S. in January. Manufacturers' stocks at the end of January for edible whey are 56.7 million pounds, up 19.9% from last year.

NONHYGROSCOPIC: .5100 - .6500 MOSTLY: .5300 - .5950

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices for whey protein concentrate 34% are unchanged to lower on a mixed market. Various manufacturers indicate WPC 34% volumes above contract needs lingered in inventories earlier this year, but sales persistence is now placing multiple loads into other edible end product outlets. Animal feed blenders indicate the availability of off specification WPC 34%, high-pro, and nonfat dry milk is currently ample and steering much of their purchasing away from the edible WPC 34% market unless prices are too good to pass up. WPC 34% production is mostly steady as cheese production continues at seasonal volumes throughout the country. The February 2013 Dairy Market News average of the mostly price series for whey protein concentrate 34% Central and West was $1.2472 compared to $1.2606 one month ago and $1.5271 in February 2012. DAIRY PRODUCTS: The NASS *Dairy Products* report shows production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during January 2013 totaled 20.3 million pounds, 5.0% higher than one month ago, but 6.6% lower than production of one year ago. Manufacturers' end-of-month stocks of HUMAN AND ANIMAL WPC (25.0 – 49.9% PROTEIN) totaled 27.4 million pounds, 7.2% more than one month ago and 16.3% more than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN:1.1500 - 1.2800 MOSTLY: 1.1800 - 1.2500

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged to lower on a weak market. Availability of spot loads from manufacturers is uneven, but also availability of various mesh sizes of lactose is variable. Buyers and manufacturers indicate 200 mesh lactose availability outside of contracts is tight. A few lactose producers are shopping the inventories of other lactose makers to shore up inventories for contract fulfillment of 200 mesh lactose. Unground to 100 mesh lactose spot loads are readily available from some manufacturers. Some producers indicate interest from China is currently lower than earlier in the year. Also, sales into Oceania for standardizing purposes have decreased sharply in 2013 at the same time that U.S. manufacturing milk supplies are ample and edible lactose production is on the rise. The February 2013 Dairy Market News average of the mostly price series for Central and West lactose was $0.7187, compared to $0.7314 one month ago. The average price one year ago was $0.8600. DAIRY PRODUCTS: NASS's *Dairy Products* report shows HUMAN and ANIMAL lactose production during January 2013 decreased 0.1% compared to December 2012 to 88.1 million pounds, but increased 1.6% compared to January 2012. Month ending stocks, at 86.9 million pounds, are 7.9% lower than one month ago, but 35.0% higher than one year ago.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL.4000 - .8600 MOSTLY: .6300 - .7600

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

CASEIN - NATIONAL

Prices are unchanged for both acid and rennet casein. Current supplies are adequate to service accounts. Second quarter contract pricing is tending to be higher than the first quarter. The impacts of drought conditions, casein production and product availability in New Zealand are being assessed. At the March 5th gDT auction, rennet casein traded at $4.0506, up 1.2% from the prior event.

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:	3.9000 - 4.6000
ACID:	4.5000 - 4.8500

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
02/16/2013	65.6	452.9	60.5	428.9

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

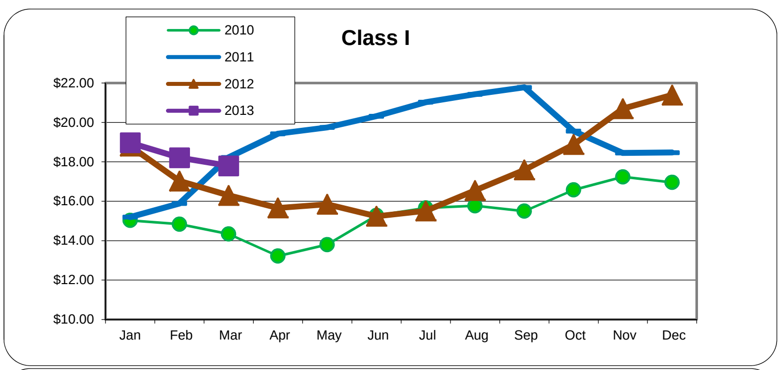
CLASS IV MILK PRICES (3.5% BF)

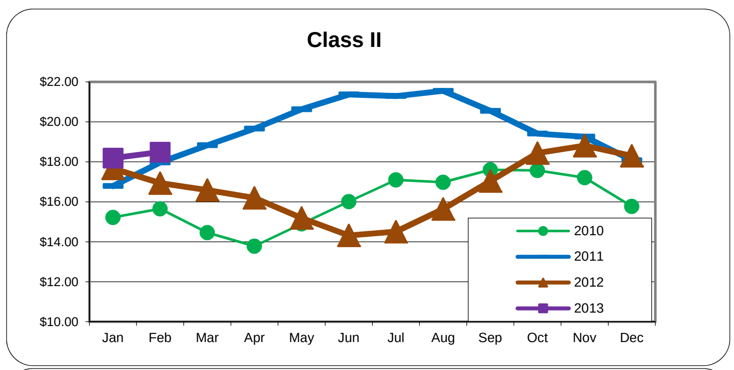
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41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

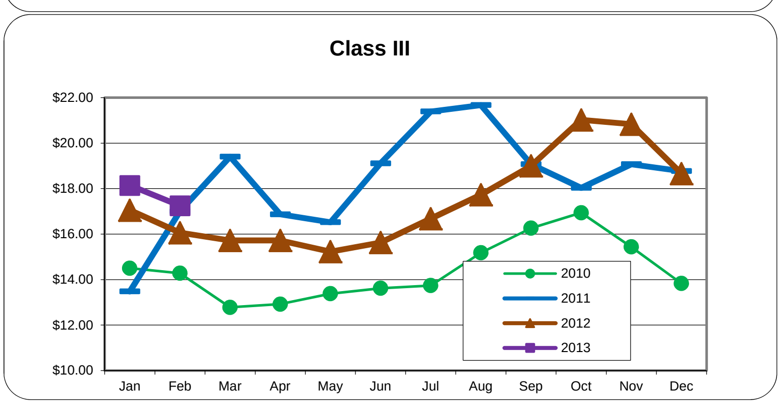
FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)

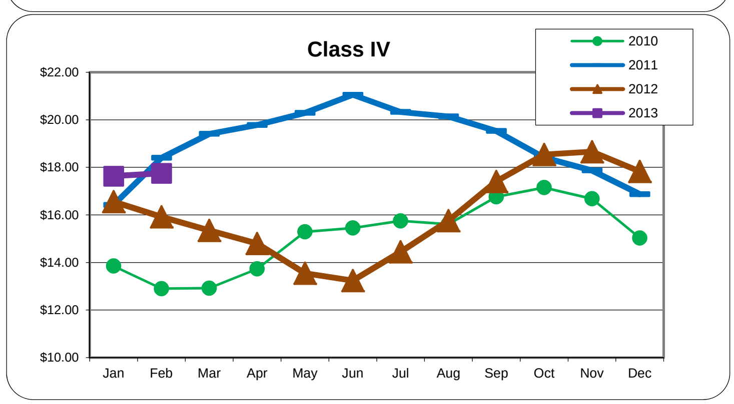
CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.97	18.21	17.80									
II	18.19	18.49										
III	18.14	17.25										
IV	17.63	17.75										

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 February 25 - March 8, 2013

ORGANIC DAIRY FLUID OVERVIEW

Milk Product Sales: AMS reports Total Organic Milk Products sales for December 2012, 174 million pounds, were down 4.3% from December 2011, but up 2.9% January through December 2012 compared with 2011.

Organic Whole Milk sales for December 2012, 48 million pounds, were up 8.2% compared with December 2011, and up 10.4% January through December 2012 compared with 2011.

Organic Fat-Reduced Milk sales for December 2012, 126 million pounds, were down 8.4% compared with December 2011, but up 0.6% January through December 2012 compared with 2011.

This contrasts with a 2.2% December 2012 decline for Total Fluid Milk Products Adjusted (which includes organic and non-organic) compared with one year ago. This total Fluid Milk products data is adjusted for calendar year composition.

Total Conventional Milk Products, which does not include organic milk, has a 4.3% decrease in sales comparing December 2012 with December, 2011, and a -1.8% decline comparing January through December 2012 with January through December 2011.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, DECEMBER 2012, WITH COMPARISONS 1/

Product Name	Sales		Change from: 2/	
	December	Y-T-D	Prev Yr.	Y-T-D
	Mil. Lbs.		Percent	
Whole Milk	1,149	13,438	-4.0*	-1.9
Flavored Whole Milk	47	524	2.8	0.1
Reduced Fat Milk (2%)	1,527	17,915	-3.3	-1.6
Low Fat Milk (1%)	577	7,163	-4.2	1.0
Fat-Free Milk (Skim)	585	7,257	-8.7	-6.0
Flavored Fat-Reduced Milk	286	3,761	-2.1	-0.6
Buttermilk	43	481	-0.4	0.8
Tot. Conv. Milk Products 5/	4,267	50,693	-4.3	-1.8
Organic Whole Milk	48	550	8.2	10.4
Organic Reduced Fat Milk	52	631	-6.6	5.8
Organic Low Fat Milk	36	459	-5.9	7.9
Organic Fat-Free Milk (Skim)	34	437	-11.2	-4.5
Organic Flavored Milk	5	70	-21.3	-22.0
Organic Fat-Reduced Milk 3/	126	1,608	-8.4	0.6
Tot. Organic Milk Products.	174	2,157	-4.3	2.9
Tot. Fluid Milk Prod. 4/	4,441	52,851	-4.3	-1.6
Tot Fluid Milk Prod Adj 4/5/	4,496	52,897	-2.2	-1.5

***Revision**

1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which accounts 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/ Total of organic reduced fat, lowfat, skim, flavored, and miscellaneous milk products combined. 4/ Total fluid milk products include the products listed price plus miscellaneous products and eggnog. 5/ Sales volumes and percent changes have been adjusted for calendar composition; see http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3023272

ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. The lowest number of organic dairy ads for 2013 appeared this reporting period. This period's ads numbered less than half the ads two weeks ago, which set a 2013 record for the highest number of ads.

Milk remains the largest category of organic dairy ads with 45% of total ads, down from 69%. Yogurt is second with 37% of ads, up from 30%, followed by butter with 10%, up from 1%. Cheese follows with 7% trailed by cream cheese with 1%.

Advertising information presented is compiled from nearly 16,000 surveyed newspaper supermarket ads for the period February 23, 2013, to March 8, 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. Regional ad volume is greatest for stores located in the Northeast, which represent 56.1% of total ads. Midwest stores are second with 16.4%, followed by 13.3% in the Southeast. Stores in each of the remaining regions constituted less than 10% of ads.

Organic Milk. Ads for 8 ounce organic milk almost disappeared after last period being at the highest level since the beginning of September last year. Total organic milk ad numbers are at the lowest level of 2013, after two weeks ago being at the highest level since early September last year.

Organic Milk Half Gallons. The national weighted average advertised price of organic milk half gallons, $3.40, is 9 cents lower than two weeks ago, which was 26 cents lower than four weeks ago.

The price range, $2.50 to $5.00 decreased 49 cents at the bottom and increased $1.01 at the top.

This period, the ad number emphasis leans more toward store brands than national brands by a factor nearly three to one. Store brands offer the lowest advertised price, $2.50, compared with $3.99 for national brands. The highest store brand price is $3.49 and the highest national brand price is $5.00.

The weighted average advertised price for national brands is $4.09 and for store brands, $2.50. The region with the highest average price is the Northeast with $3.69 and the Midwest has the lowest, $2.50.

Organic - Conventional Milk Half Gallon Price Spread. The current national organic half gallon milk weighted average advertised price of $3.40 compared with the weighted average advertised price for non-organic half gallons, $1.77, yields an organic-conventional half-gallon milk advertised price spread of $1.63, compared with $2.07 two weeks ago.

Organic Yogurt. Organic yogurt ad numbers are led by 4-6 ounce organic yogurt, closely followed by 32 ounce organic yogurt. Trailing in numbers are ads for 4-6 ounce organic Greek yogurt, with a smattering of ads for 32 ounce organic Greek yogurt. The weighted average advertised price of organic 4-6 ounce yogurt is 71 cents and for 32 ounce organic yogurt, $2.46.

1 Pound Organic Butter. Almost all ads are for store brands and organic butter ads ran only on the Northeast, Southeast and Midwest. The national weighted average advertised price is $4.68, up from $3.99 two weeks ago.

8 Ounce Organic Block Cheese. All ads ran in the Northeast for store brands, all priced $3.99.

8 Ounce Organic Cream Cheese. All ads ran in the Midwest for store brands, all priced $2.99.

CONTINUED ON PAGE 8-A

ORGANIC DAIRY MARKET NEWS

Information gathered February 25 - March 8, 2013

CONTINUED FROM PAGE 8

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.

INFORMATION GATHERED 02/25/2013 - 03/08/2013

ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE
2013 REPORTING WEEK 10

MADISON, WISCONSIN

	LOW (in Dollars)	HIGH	RANGE
FLUID MILK			
MILK - gallon			
Whole	5.79*	7.29	1.50*
Reduced fat (2%)	5.79*	7.29	1.50*
Low fat (1%)	5.79*	7.29	1.50*
Nonfat (Skim)	5.79*	7.29	1.50*
MILK - half gallon			
Whole	3.79*	4.89	1.10*
Reduced fat (2%)	3.79*	4.89	1.10*
Low fat (1%)	3.79*	4.89	1.10*
Nonfat (Skim)	3.79*	4.89	1.10*
FLAVMILK - half gallon			
All fat tests	3.09	5.69	2.60
YOGURT			
Yogurt - 4-6 oz			
Yogurt	0.79	1.29	0.50
CHEESE			
Cheese - 8 oz block			
Mozzarella	3.40	5.75	2.35
Mild Cheddar	3.79	5.99	2.20
Monterey Jack	3.79	5.99	2.20
Pepper Jack	3.89	5.99	2.10
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*	6.19	1.30*

- **= Price change from prior reporting period.**

ORGANIC GRAIN AND FEEDSTUFF MARKETS:

National organic grains and feedstuffs were mostly steady to weak on limited trading, with light demand. Feed manufacturing demand continues to be light because most needs have been contracted or filled with imports. Corn prices were weak this trading period on increased offerings. Producers were looking to move old crop inventories as new crop contracts were being offered at lower prices. This was fueled by the out-front months on the CME trading at a discount to current levels. Soybean prices were steady to weak on very limited trading. Offerings were light as inventories appear to be in good shape going in to planting. Organic wheat prices traded at higher prices this trading session on very light offerings and moderate demand.

Additional livestock and grain market news information is available at: http://www.ams.usda.gov/mnreports/lsbnof.pdf

JANUARY 2013 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 185.2 million pounds, 2.6 percent above January 2012 and 7.0 percent above December 2012. **AMERICAN TYPE CHEESE** production totaled 374.9 million pounds, 2.4 percent above January 2012 but 2.4 percent below December 2012. **TOTAL CHEESE** output (excluding cottage cheese) was 932.7 million pounds, 2.4 percent above January 2012 but 2.0 percent below December 2012. **NONFAT DRY MILK** production, for human food, totaled 143.4 million pounds, 6.9 percent below January 2012 and 9.0 percent below December 2012. **DRY WHEY** production, for human food, was 82.8 million pounds, 8.1 percent below January 2012 and 2.3 percent below December 2012. **ICE CREAM** (hard) production totaled 58.4 million gallons, 5.9 percent above January 2012 and 19.6 percent above December 2012.

PRODUCTION OF DAIRY PRODUCTS

PRODUCT	JAN 2013 1,000 LBS.	PERCENT CHANGE FROM: JAN 2012	DEC 2012	YEAR TO DATE 1/	PRODUCT	JAN 2013 1,000 LBS.	PERCENT CHANGE FROM: JAN 2012	DEC 2012	YEAR TO DATE 1/
BUTTER	185,241	2.6	7.0	2.6	SOUR CREAM	106,357	3.4	-3.0	3.4
CHEESE					YOGURT (PLAIN AND FLAVORED)	395,927	1.1	11.2	1.1
AMERICAN TYPES 2/	374,935	2.4	-2.4	2.4	DRY WHEY, HUMAN FOOD	82,780	-8.1	-2.3	---
CHEDDAR	279,676	2.9	0.3	2.9	DRY WHEY, ANIMAL FEED	4,392	-26.4	-1.2	---
OTHER AMERICAN	95,259	0.7	-9.5	---	DRY WHEY, TOTAL 8/	87,172	-9.3	-2.3	-9.3
BRICK & MUENSTER	13,432	3.3	-17.3	---	REDUCED LACTOSE AND MINERALS				
CREAM & NEUFCHATEL	68,501	21.5	7.6	---	HUMAN FOOD	2,349	-13.0	3.9	---
HISPANIC	19,584	13.0	12.2	---	ANIMAL FEED	5,434	2.9	4.1	---
TOTAL ITALIAN TYPES	399,986	-0.2	-2.3	-0.2	LACTOSE, HUMAN FOOD & ANIMAL FEED	88,105	1.6	-0.1	1.6
MOZZARELLA	311,385	-0.3	-4.0	-0.3	WHEY PROTEIN CONCENTRATE				
OTHER ITALIAN	88,601	0.0	4.4	---	HUMAN FOOD 9/	36,268	-0.2	1.7	---
SWISS	25,645	-7.9	-1.6	---	ANIMAL FEED 9/	2,563	17.9	-6.5	---
ALL OTHER TYPES	15,354	12.3	-15.6	---	TOTAL 9/	38,831	0.8	1.1	0.8
TOTAL	932,696	2.4	-2.0	2.4	25.0-49.9 PERCENT 10/	20,329	-6.6	5.0	---
COTTAGE CHEESE, CURD 3/	35,542	0.8	4.0	---	50.0-89.9 PERCENT 10/	18,502	10.4	-2.8	---
COTTAGE CHEESE, CREAM 4/	26,765	2.8	14.0	2.8	WHEY PROTEIN ISOLATES 11/	5,243	-4.6	1.1	---
COTTAGE CHEESE, LOWFAT 5/	33,586	0.4	21.6	0.4	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
CANNED EVAP & CONDSD WHOLE MILK	(D)	(X)	(X)	---	ICE CREAM (HARD)	58,422	5.9	19.6	5.9
DRY BUTTERMILK	13,149	3.7	12.8	---	ICE CREAM, LOWFAT (HARD)	14,255	5.6	37.8	---
DRY WHOLE MILK	4,820	-13.1	19.7	---	ICE CREAM, LOWFAT (SOFT)	13,152	-12.5	0.6	---
MILK PROTEIN CONC. (MPC), TOTAL 6/	10,096	5.1	4.1	---	ICE CREAM, LOWFAT (TOTAL)	27,407	-3.9	17.1	-3.9
NONFAT DRY MILK (NDM), HUMAN	143,401	-6.9	-9.0	-6.9	SHERBET, HARD	2,939	-3.9	6.6	-3.9
SKIM MILK POWDERS (SMP) 7/	47,980	20.8	25.8	20.8	FROZEN YOGURT (TOTAL)	3,602	3.4	10.7	3.4

MANUFACTURERS' STOCKS, END OF MONTH 12/

PRODUCT	JAN 2013 1,000 LBS.	PERCENT OF: JAN 2012	DEC 2012	PRODUCT	JAN 2013 1,000 LBS.	PERCENT OF: JAN 2012	DEC 2012
DRY WHEY, HUMAN FOOD	56,693	19.9	6.1	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	4,508	-6.6	31.3	HUMAN FOOD 9/	53,622	32.3	9.7
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 13/	5,339	-5.1	2.7	ANIMAL FEED 9/	2,264	44.2	-3.4
LACTOSE, HUMAN FOOD & ANIMAL FEED	86,867	35.0	-7.9	TOTAL 9/	55,886	32.7	9.1
CANNED EVAP & CONDSD WHOLE MILK	(D)	(X)	(X)	25.0-49.9 PERCENT 10/	27,423	16.3	7.2
DRY BUTTERMILK	19,952	8.5	10.5	50.0-89.9 PERCENT 10/	28,463	53.6	11.1
NONFAT DRY MILK (NDM), HUMAN FOOD	249,444	57.2	37.8	WHEY PROTEIN ISOLATES 11/	9,218	38.6	-3.2

(D) = Withheld to avoid disclosing data for individual operations.
(X) = Not applicable.
1/ 2013 cumulative as percent change of 2012 cumulative. 2/ Includes Cheddar, Colby, Monterey and Jack. 3/ Mostly used for processing into cream or lowfat cottage cheese. 4/ Fat content 4 percent or more. 5/ Fat content less than 4 percent. 6/ Dry milk protein concentrate, 40-89.9 percent. 7/ Includes protein standardized and blends. 8/ Excludes all modified dry whey products. 9/ Whey protein concentrate, 25.0 to 89.9 percent. 10/ Whey protein concentrate, human and animal. 11/ Whey protein isolates, 90.0 percent or greater. 12/ Stocks held by manufacturers at all points and in transit. 13/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations.
Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, March 2013.*

OVER-ORDER CHARGES ON PRODUCER MILK, BY CLASS OF UTILIZATION, BY FEDERAL MILK ORDER MARKETING AREA, DECEMBER 2012 1/

For December 2012, the all reporting areas combined average over-order charge on producer milk used in Class I was $2.04 per cwt., down $0.08 from the November 2012. Ninety percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from $0.79 in the Pacific Northwest to $2.96 in the Florida Order. For producer milk used in Class II, the all reporting areas combined average over-order charge was $1.16 per cwt., down $0.04 per cwt. from the November 2012 average. Eighty-two percent of the producer milk used in Class II carried an over-order charge.

Federal Milk Order Marketing Area 2/	Order Number	Weighted Average of Over-Order Charges Spread Over Total Class I Milk 1/	Weighted Average of Over-Order Charges Spread Over Total Class II Milk 1/
		$/cwt	
Appalachian	5	2.63	1.41
Florida	6	2.96	0.40
Southeast	7	2.66	2.27
Upper Midwest	30	1.99	0.66
Central	32	1.96	1.02
Mideast	33	1.80	1.49
Pacific Northwest	124	0.79	0.66
All Reporting Areas Combined 3/		2.04	1.16

1/ Figures are weighted averages of all the over-order charges applicable to any volume of milk used in the respective class spread over 100 percent of the producer milk used in that class. Includes some producer milk for which there was no over-order charge.
2/ Information is available for all Federal milk marketing areas except the Northeast and Southwest. See 3/.
3/ Figures are weighted averages of the available individual marketing area data; includes information for the Arizona order which is administratively confidential.

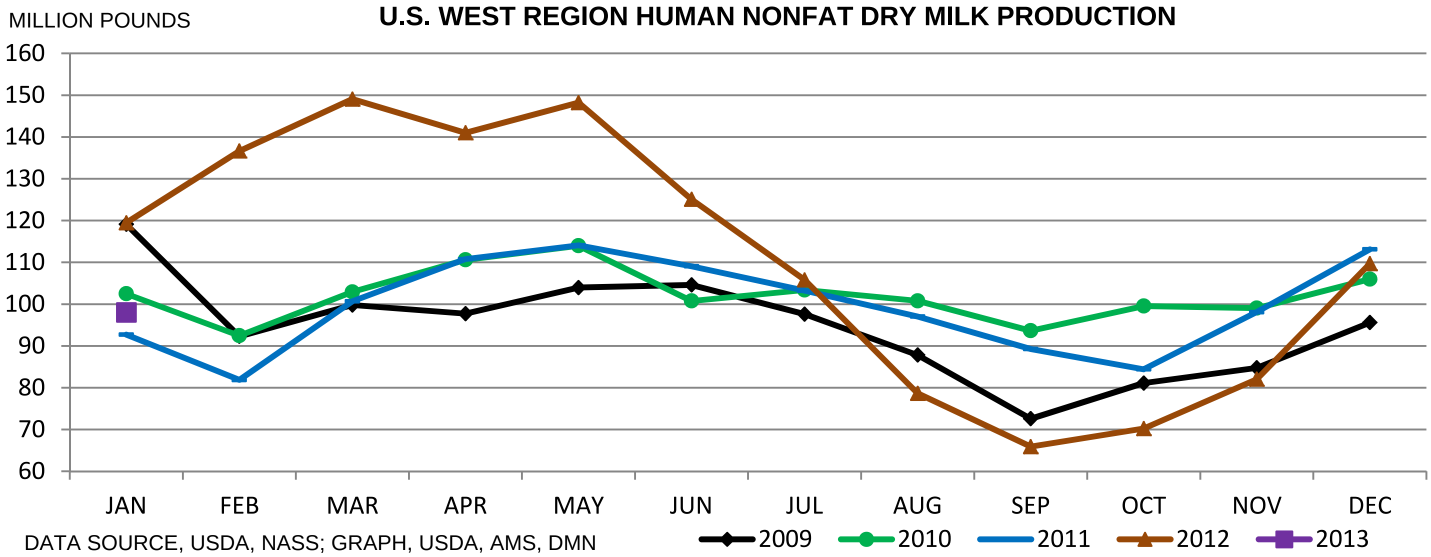
Report Contact: Randal Stoker, Dairy Marketing Specialist at: randal.stoker@usda.gov or 202-690-1932

Summary of Packaged Sales of Total Fluid Milk Products in Federal Milk Order Marketing Areas, California, and Total U.S., by Month, 2012 [1/]

Month	Fluid milk sales by marketing area											
	Northeast	Appa-lachian	Southeast	Florida	Mideast	Upper Midwest	Central	Southwest	Arizona	Pacific Northwest	California	Estimated Total U.S. [2/]
	Million pounds											
Jan	779	306	423	255	519	366	399	394	105	190	535	4,642
Feb	730	286	394	241	481	339	371	365	93	176	495	4,315
Mar	784	304	411	257	506	353	389	380	102	190	541	4,583
Apr	720	284	386	240	476	336	367	363	97	178	504	4,293
May	762	291	390	233	484	345	369	377	94	187	516	4,401
Jun	724	273	366	220	447	319	345	335	88	177	484	4,106
Jul	704	278	369	220	454	316	346	336	89	165	488	4,091
Aug	741	303	418	240	495	350	394	376	98	180	522	4,477
Sep	730	284	391	223	480	330	370	366	94	177	505	4,291
Oct	798	305	421	244	523	362	407	398	100	193	551	4,677
Nov	785	300	406	243	504	353	393	384	98	186	518	4,533
Dec	775	286	395	239	504	350	376	366	97	172	525	4,441
Total [3/]	9,032	3,500	4,770	2,855	5,873	4,119	4,526	4,440	1,155	2,171	6,184	52,850

[1/] These figures are based on the consumption of fluid milk products in Federal milk order marketing areas and California, which represents approximately 92% 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% of sales from the Federal milk order and California data. The procedure used for estimating U.S. fluid milk sales by the Agricultural Marketing Service is different from that used by the Economic Research Service (ERS) of USDA. Consequently, the annual figures here may differ from the annual figures published by ERS. Fluid milk products include: plain, flavored, and organic whole milk, plain, flavored, and organic fat-reduced milk, buttermilk, eggnog, and miscellaneous fluid milk products. [2/] Estimated total includes the remaining 8% outside of Federal milk orders and California. 3/ May not add due to rounding.

Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352.


MILLION POUNDS
U.S. WEST REGION HUMAN NONFAT DRY MILK PRODUCTION
160
150
140
130
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110
100
90
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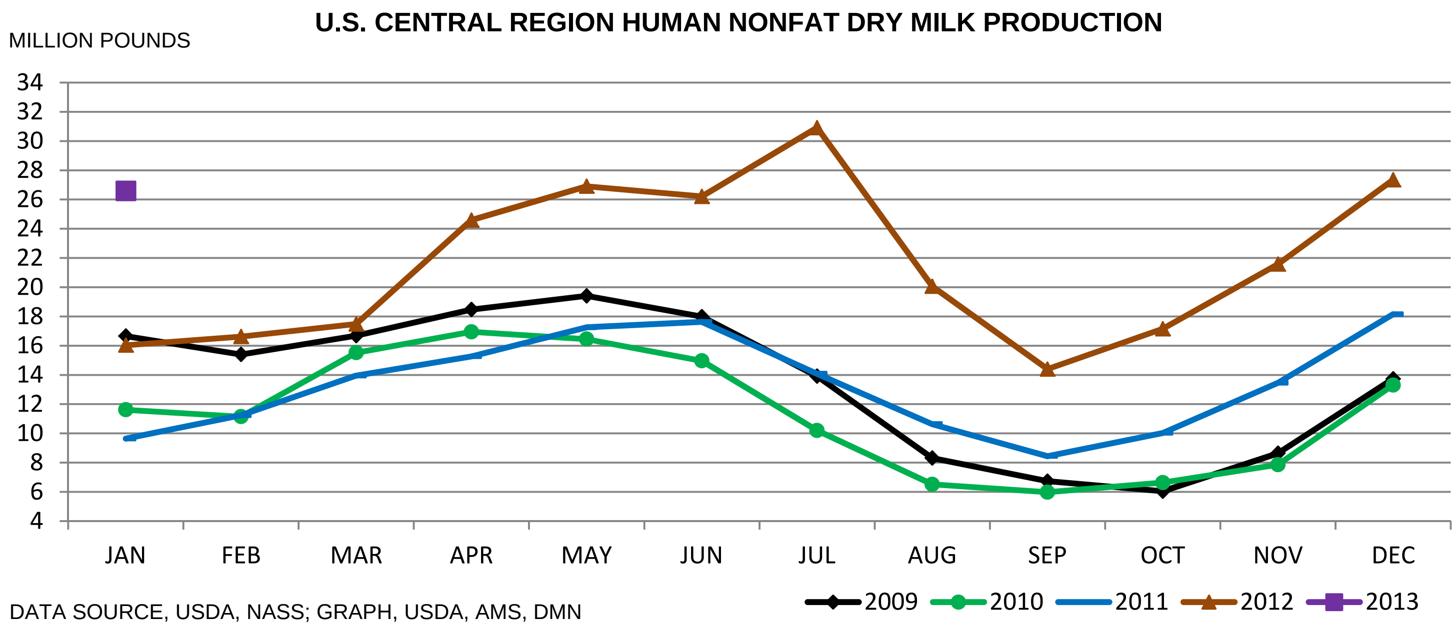
70
60
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
2009 2010 2011 2012 2013


U.S. CENTRAL REGION HUMAN NONFAT DRY MILK PRODUCTION
MILLION POUNDS
34
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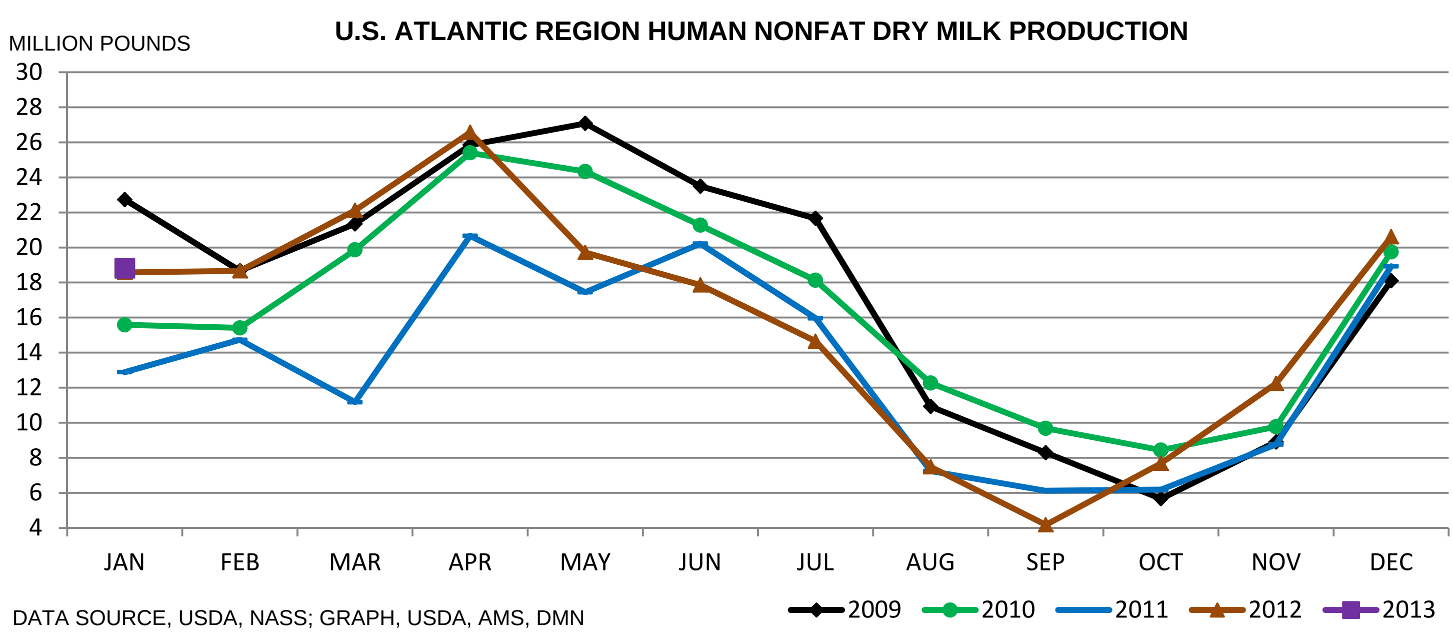
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
2009 2010 2011 2012 2013


MILLION POUNDS
U.S. ATLANTIC REGION HUMAN NONFAT DRY MILK PRODUCTION
30
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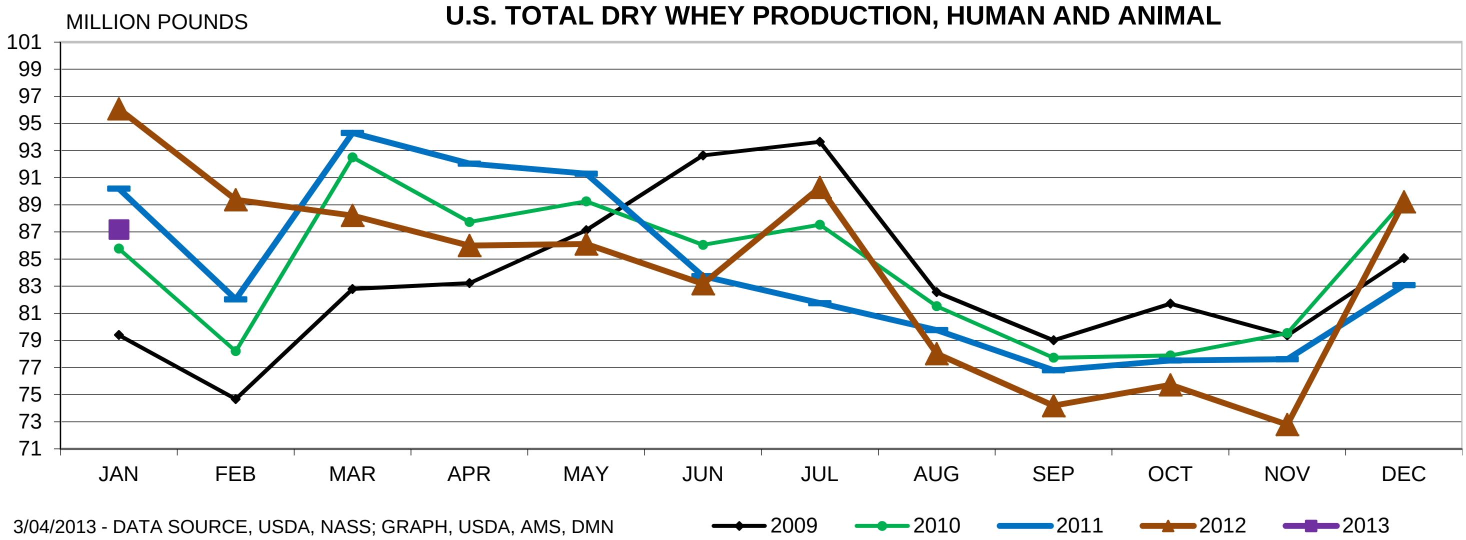
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
2009 2010 2011 2012 2013


MILLION POUNDS
U.S. TOTAL DRY WHEY PRODUCTION, HUMAN AND ANIMAL
101
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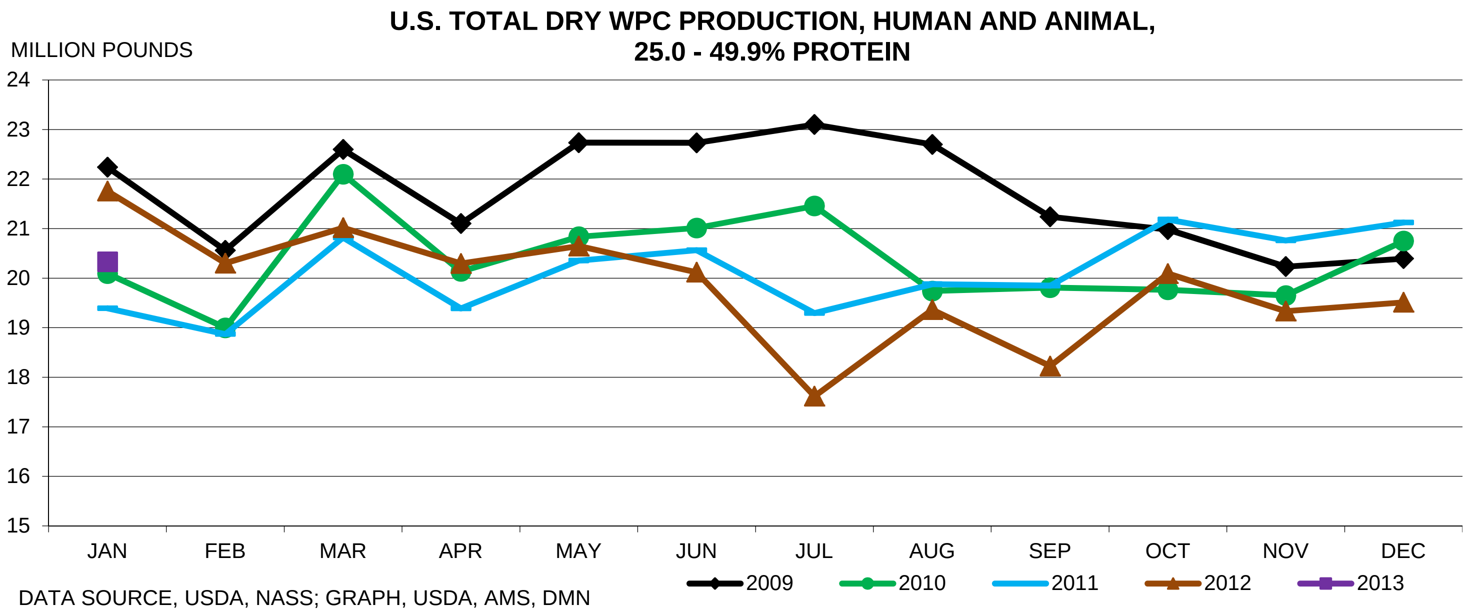
3/04/2013 - DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
2009 2010 2011 2012 2013


U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,
25.0 - 49.9% PROTEIN
MILLION POUNDS
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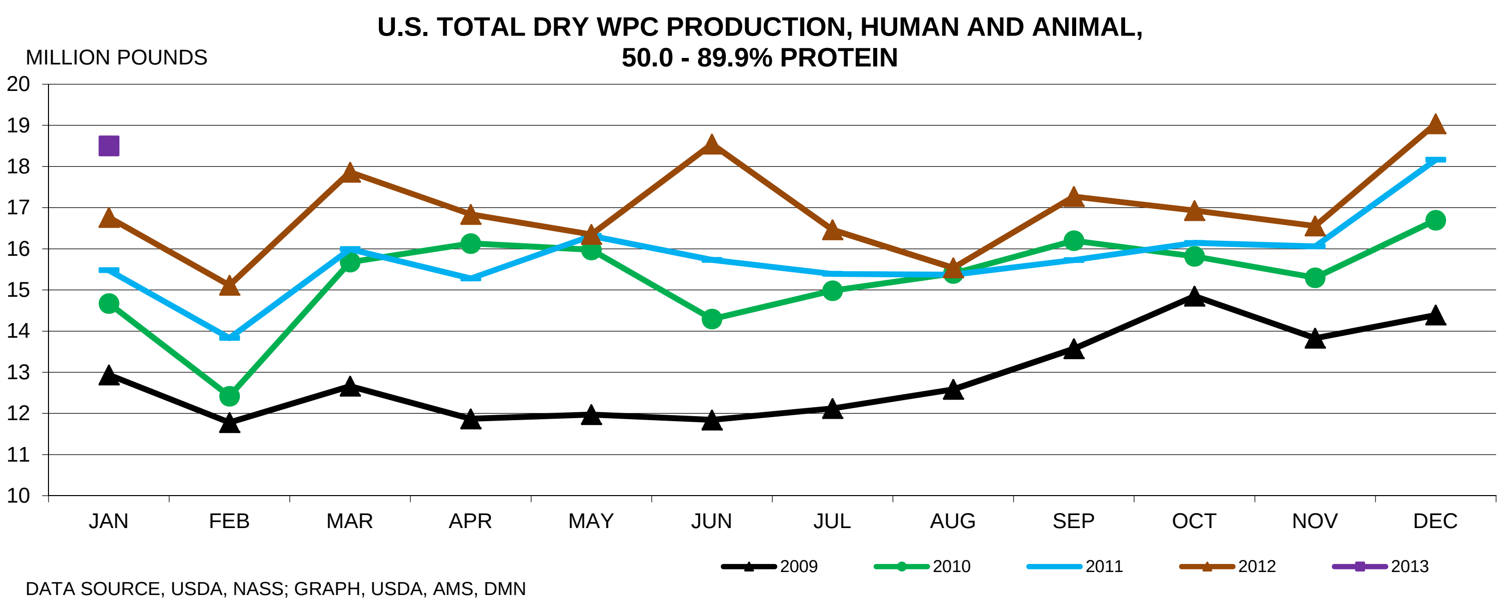
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
2009 2010 2011 2012 2013
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN


U.S. TOTAL DRY WPC PRODUCTION, HUMAN AND ANIMAL,
50.0 - 89.9% PROTEIN
MILLION POUNDS
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JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
2009 2010 2011 2012 2013
DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

DAIRY MARKET NEWS

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National Dairy Retail Report

Agricultural Marketing Service

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Volume 80- Number 10 | Issued Biweekly | Thursday, March 7, 2013

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets 02/25 to 03/08

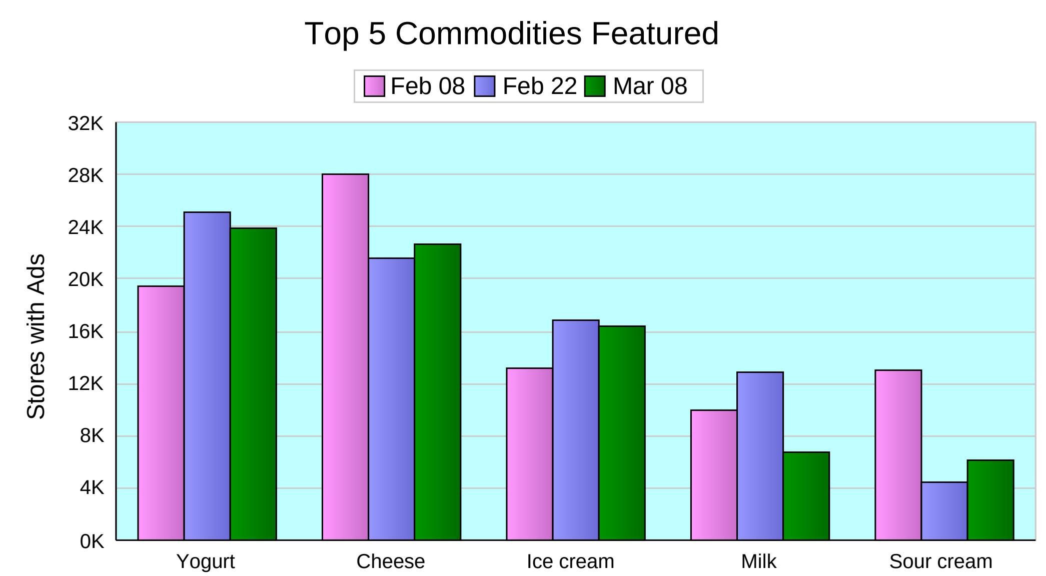
Butter prices decreased 9 cents from two weeks ago with the U.S. weighted average advertised price for a 1-pound package at $2.79.

Cheese pricing was mixed from two weeks ago. The most featured cheese item, 8 ounce shredded, declined 8 cents from two weeks ago to $2.30. The second most advertised cheese category, 8 ounce blocks, increased by 12 cents to $2.42. The one-pound block feature decreased 33 cents to $3.62.

Greek yogurt was the most featured in the yogurt category. In 4-6 ounce cups, the price averaged $1.00, down 3 cents from two weeks ago. The 32-ounce containers averaged $4.61, up 13 cents. Regular yogurt in 4-6 ounce cups averaged 48 cents, down 3 cents. For 32-ounce containers, the price averaged $2.36, up 26 cents.

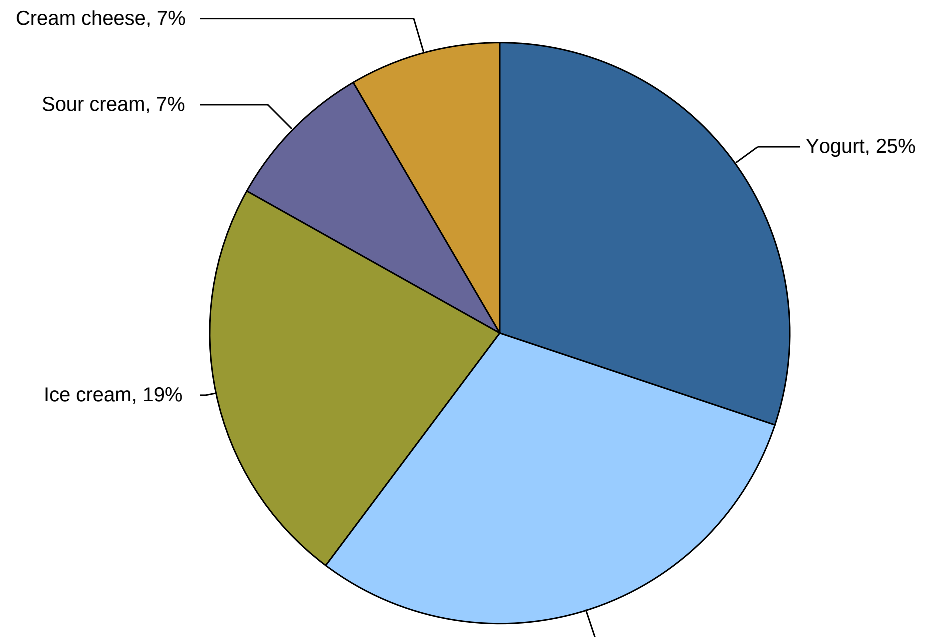
Ice cream in 48-64 ounce containers was on ad in 16,340 stores, the most featured single commodity. The price averaged $3.10, down 4 cents from two weeks ago.

The national weighted average advertised conventional milk price for half gallons this period, $1.77, increased 35 cents from two weeks ago, following a 75 cent decrease two weeks before that. Organic half-gallon prices averaged $3.40, down 9 cents from two weeks ago, following a previous 26 cents decrease. The resulting organic-conventional half-gallon price spread is $1.63, down 44 cents from two weeks ago.

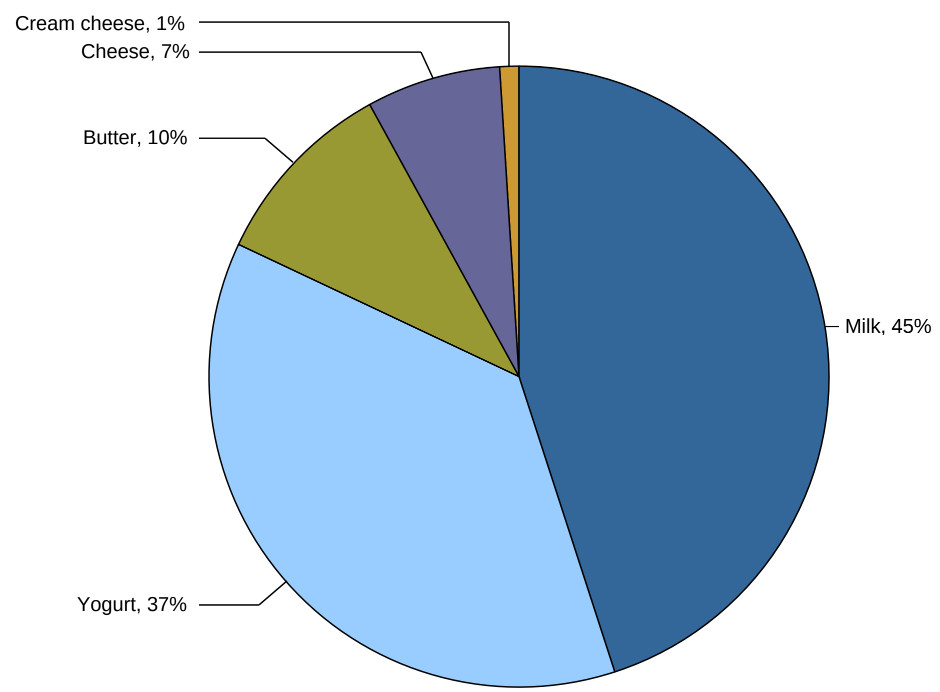


1 -- Dairy Market News surveys more than 150 retailers, comprising nearly 16,000 individual stores, with online weekly advertised features.
2 -- Date range reflects two-week period, however only one data collection per retailer is made during the period.

Top 5 Percentage of Total Conventional Ads



Top 5 Percentage of Total Organic Ads



Wtd Avg - Simple weighted average

NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	4453	2.79	6806	2.88
Cheese	Natural Varieties	8 oz block	7170	2.42	6143	2.30
Cheese	Natural Varieties	1 # block	3700	3.62	3232	3.95
Cheese	Natural Varieties	2 # block	531	8.56	62	6.77
Cheese	Natural Varieties	8 oz shred	8338	2.30	10700	2.38
Cheese	Natural Varieties	1 # shred	2351	3.33	1387	4.25
Cottage cheese		16 oz	3047	1.87	3978	1.85
Cream cheese		8 oz	5878	1.64	4312	1.71
Flavored milk	All fat tests	half gallon	379	2.32	276	2.17
Flavored milk	All fat tests	gallon	1193	3.28	439	3.60
Ice cream		48-64oz	16340	3.10	16767	3.14
Milk	All fat tests	half gallon	313	1.77	211	1.42
Milk	All fat tests	gallon	4649	2.79	7014	3.00
Sour cream		16 oz	6112	1.55	4434	1.43
Yogurt	Greek	4-6 oz	12675	1.00	11223	1.03
Yogurt	Greek	32 oz	584	4.61	1043	4.48
Yogurt	Yogurt	4-6 oz	7872	.48	7215	.51
Yogurt	Yogurt	32 oz	1308	2.36	3152	2.10

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	2108	3.08	2.48-3.99	966	2.73	1.66-2.50	614	2.46
Cheese	Natural Varieties	8 oz block	1.99-4.99	3729	2.48	2.00-2.99	1048	2.60	1.48-3.00	704	1.91
Cheese	Natural Varieties	1 # block	2.99-4.99	1386	3.55	3.34-3.99	1499	3.35	4.49-4.99	205	4.92
Cheese	Natural Varieties	2 # block	8.99	345	8.99						
Cheese	Natural Varieties	8 oz shred	1.24-3.50	2675	2.34	1.88-2.99	1936	2.48	1.48-2.50	1143	2.06
Cheese	Natural Varieties	1 # shred	3.33-3.99	226	3.70	2.99-3.34	1615	3.28	2.99-4.49	453	3.09
Cottage cheese		16 oz	1.49-2.99	1594	2.09	1.50	35	1.50	1.25-2.00	618	1.51
Cream cheese		8 oz	1.19-2.50	2585	1.70	0.91-1.87	903	1.43	0.99-1.88	504	1.36
Flavored milk	All fat tests	half gallon				1.89	34	1.89	1.99-2.28	222	2.21
Flavored milk	All fat tests	gallon	3.99	530	3.99	2.99-3.99	232	3.83	1.99-2.69	431	2.10
Ice cream		48-64oz	1.98-3.99	3876	2.95	2.49-4.99	4275	3.30	1.68-3.99	1790	3.00
Milk	All fat tests	half gallon	1.79	128	1.79	1.77	126	1.77	1.49-1.99	59	1.73
Milk	All fat tests	gallon	3.49	149	3.49	1.98-3.49	447	2.95	1.98-3.19	704	2.59
Sour cream		16 oz	0.99-2.00	2930	1.61	1.25-2.00	867	1.60	1.25-1.99	634	1.38
Yogurt	Greek	4-6 oz	0.80-1.25	3094	1.03	0.80-1.00	2891	.97	0.99-1.25	1558	1.01
Yogurt	Greek	32 oz	3.99-5.00	541	4.66						
Yogurt	Yogurt	4-6 oz	0.44-0.60	2625	.52	0.40-0.60	2068	.48	0.29-0.79	1187	.44

Wtd Avg - Simple weighted average

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	1.99-2.99	506	2.18				2.48	32	2.48

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	1.89-3.00	341	2.21	2.00-2.89	211	2.60	2.00-2.99	213	2.32
Cheese	Natural Varieties	8 oz block	2.00-3.00	403	2.46	1.88-2.50	1049	2.33	1.99-2.50	237	2.42
Cheese	Natural Varieties	1 # block	2.49-3.99	79	3.06	3.27-4.99	356	4.34	2.99-4.99	175	3.64
Cheese	Natural Varieties	2 # block	6.99	43	6.99	7.98	143	7.98			
Cheese	Natural Varieties	8 oz shred	0.99-2.50	1124	2.15	1.88-2.50	1108	2.33	1.67-2.50	352	2.26
Cheese	Natural Varieties	1 # shred							4.99	57	4.99
Cottage cheese		16 oz				1.50	541	1.50	1.50-2.39	259	2.23
Cream cheese		8 oz	0.88-1.00	322	.97	0.88-2.00	1529	1.85	2.50	35	2.50
Flavored milk	All fat tests	half gallon	2.28-2.79	123	2.64						
Ice cream		48-64oz	1.68-5.49	2290	3.26	2.50-3.50	2802	2.90	2.50-3.99	1307	3.19
Milk	All fat tests	gallon	1.99-2.98	574	2.37	1.79-3.45	2158	2.93	2.59-2.99	617	2.61
Sour cream		16 oz	1.25-1.50	407	1.43	1.25-1.89	925	1.50	1.25-1.99	349	1.51
Yogurt	Greek	4-6 oz	0.77-1.00	1333	.96	0.50-1.50	2933	1.01	1.00	866	1.00
Yogurt	Greek	32 oz	3.99	43	3.99						
Yogurt	Yogurt	4-6 oz	0.29-0.50	935	.44	0.40-0.50	818	.42	0.40-0.50	239	.47
Yogurt	Yogurt	32 oz	2.29-2.50	272	2.43	2.00-2.49	187	2.15	2.00-3.00	311	2.70

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		TWO WEEKS AGO	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	400	4.68	96	3.99
Cheese	Natural Varieties	8 oz block	264	3.99		
Cream cheese		8 oz	26	2.99		
Milk	All fat tests	half gallon	1334	3.40	1963	3.49
Milk	All fat tests	gallon	340	5.99		
Milk	All fat tests	8 oz UHT	34	1.00	3628	.93
Sour cream		16 oz				
Yogurt	Greek	4-6 oz	259	1.13	377	.93
Yogurt	Greek	32 oz	26	3.99		
Yogurt	Yogurt	4-6 oz	629	.71	1483	.95
Yogurt	Yogurt	32 oz	508	2.46	607	3.41

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 #	4.59	374	4.59				5.99	26	5.99
Cheese	Natural Varieties	8 oz block	3.99	264	3.99						
Cream cheese		8 oz							2.99	26	2.99
Milk	All fat tests	half gallon	3.29-5.00	792	3.69	3.29-3.99	93	3.49	2.50	119	2.50
Milk	All fat tests	gallon	5.99	235	5.99	5.99	105	5.99			
Milk	All fat tests	8 oz UHT							1.00	34	1.00
Yogurt	Greek	4-6 oz	1.00	128	1.00	1.25	66	1.25			
Yogurt	Greek	32 oz							3.99	26	3.99
Yogurt	Yogurt	4-6 oz	0.59-0.60	351	.60	0.80-1.25	244	.89	0.60	34	.60
Yogurt	Yogurt	32 oz							2.19	361	2.19

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
Milk	All fat tests	half gallon	2.99	202	2.99	2.99	128	2.99			
Yogurt	Greek	4-6 oz	1.25	65	1.25						
Yogurt	Yogurt	32 oz				2.89	90	2.89	3.49	57	3.49

NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

NATIONAL BRANDS vs STORE BRANDS

			NATIONAL BRANDS				STORE BRANDS			
Commodity	Type	Pack Size	Low Price	High Price	Stores with Ads	Wtd Avg Price	Low Price	High Price	Stores with Ads	Wtd Avg Price
Butter		1 #	2.00	3.99	2594	2.91	1.66	3.99	1859	2.63
Cheese	Natural Varieties	8 oz block	1.50	4.99	4056	2.46	1.48	3.99	3114	2.36
Cheese	Natural Varieties	1 # block	2.99	4.99	661	4.27	2.49	4.99	3039	3.48
Cheese	Natural Varieties	8 oz shred	1.50	3.50	4668	2.45	.99	2.99	3670	2.11
Cheese	Natural Varieties	1 # shred	4.49	4.99	86	4.82	2.99	3.99	2265	3.27
Cheese	Natural Varieties	2 # block					6.99	8.99	531	8.56
Cottage cheese		16 oz	1.99	2.59	362	2.24	1.25	2.99	2685	1.82
Cream cheese		8 oz	1.49	2.50	2861	1.91	.88	2.00	3017	1.38
Flavored milk	All fat tests	half gallon	1.99	2.00	57	2.00	1.89	2.79	322	2.38
Flavored milk	All fat tests	gallon	3.99	3.99	46	3.99	1.99	3.99	1147	3.25
Ice cream		48-64oz	1.98	5.49	9326	3.26	1.68	4.00	7014	2.90
Milk	All fat tests	half gallon	1.49	1.99	59	1.73	1.77	1.79	254	1.78
Milk	All fat tests	gallon	2.50	2.59	238	2.57	1.79	3.49	4411	2.80
Sour cream		16 oz	1.25	2.00	1516	1.79	.99	1.89	4596	1.47
Yogurt	Greek	4-6 oz	.50	1.50	11340	1.01	.80	1.00	1335	.95
Yogurt	Greek	32 oz	3.99	5.00	239	4.36	4.79	4.79	345	4.79

Wtd Avg - Simple weighted average

			NATIONAL BRANDS				STORE BRANDS			
Commodity	Type	Pack Size	Low Price	High Price	Stores with Ads	Wtd Avg Price	Low Price	High Price	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	4-6 oz	.38	.79	3830	.50	.29	.60	4042	.45
Yogurt	Yogurt	32 oz	2.00	3.00	535	2.67	1.99	2.50	773	2.15

NATIONAL -- ORGANIC DAIRY PRODUCTS

NATIONAL BRANDS vs STORE BRANDS

			NATIONAL BRANDS				STORE BRANDS			
Commodity	Type	Pack Size	Low Price	High Price	Stores with Ads	Wtd Avg Price	Low Price	High Price	Stores with Ads	Wtd Avg Price
Butter		1 #	5.99	5.99	26	5.99	4.59	4.59	374	4.59
Cheese	Natural Varieties	8 oz block					3.99	3.99	264	3.99
Cream cheese		8 oz	2.99	2.99	26	2.99				
Milk	All fat tests	half gallon	3.99	5.00	330	4.09	2.50	3.49	1004	3.17
Milk	All fat tests	8 oz UHT	1.00	1.00	34	1.00				
Milk	All fat tests	gallon					5.99	5.99	340	5.99
Yogurt	Greek	4-6 oz	1.00	1.25	259	1.13				
Yogurt	Greek	32 oz	3.99	3.99	26	3.99				
Yogurt	Yogurt	4-6 oz	.59	1.25	434	.67	.80	.80	195	.80
Yogurt	Yogurt	32 oz	3.49	3.49	57	3.49	2.19	2.89	451	2.33

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

Wtd Avg - Simple weighted average