NATIONAL DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (7/2)
BUTTER: Grade AA closed at $1.9400. The weekly average for Grade AA is $1.9281 (+.0201)
CHEESE: Barrels closed at $1.5825 and 40# blocks at $1.6200. The weekly average for barrels is $1.5913 (-.0567) and blocks, $1.6250 (-.0410).

BUTTER HIGHLIGHTS: Butter production slowed this week as cream supplies tightened. Ice cream and other cream based manufacturers are pulling heavily on cream as the holiday nears. Some butter processors are selling excess cream due to current pricing levels. Retail butter demand is up in the East and West, but slowed in the Central region as holiday orders have shipped. Manufacturers are reporting comfortable inventory levels. Bulk butter demand was down but inventory levels are comfortable. Thursday at the CME Group, Grade AA butter closed at $1.9400, up $.0250 from last week's close.

CHEESE HIGHLIGHTS: With the first half of the year ending just before the holiday weekend, heavy milk supplies are still credited with supporting strong cheese production in all regions. Manufacturers report that demand for cheese remains strong in the Midwest and West, but is fair to good seasonally in the Northeast. Many Midwestern plants will be operating through the 4th holiday weekend, with plenty of surplus milk selling as low as $6.00 below Class to plants not already saturated with regular milk. While milk volumes available to cheesemakers remain strong in all regions, components are showing signs of expected seasonal declines. Cheese going into aging programs has slowed or stopped, with more milk flowing into American cheese varieties. At the CME Group, Barrels closed Thursday at $1.5825, down $.0425 from last week's close, and 40# blocks closed at $1.6200, down $.0200.

FLUID MILK: Milk production is declining in most of the country. Parts of the Upper Midwest are still showing signs of gains. Processors have plentiful supplies and some are reporting an increase as shut downs for the holiday are occurring. Bottling demand is down. Ice cream manufacturing is in full swing and demand is up for cream based products. Cream supplies have been tighter and multiples have increased.

DRY PRODUCTS: Prices for low/medium heat nonfat dry milk are steady to lower. Production is steady as milk intakes are seasonally high. Sales have slowed and inventory levels are building. High heat NDM production is periodic as most manufacturers use available drying time for other products. Prices are steady to lower. Dry buttermilk production is limited as demand is light. Prices are steady to lower. The dry whey market is weak. Production continues to increase as cheese manufacturing continues to be strong. Prices were steady to lower this week. Whey protein concentrate 34% prices moved lower in a weak market. There were few spot sales. Production remains active. Lactose manufacturing is active this week with prices moving lower. Casein is readily available as prices are sharply lower with new contract negotiations.

ORGANIC DAIRY MARKET OVERVIEW (DMN): AMS reports total organic milk products sales for April 2015, 206 million pounds, were up 0.2% from April last year. However, 2015 year to date sales are down 0.5% compared with year to date sales last year. Organic whole milk sales for April 2015, 66 million pounds, were up 10.2% compared with April last year. Organic reduced fat milk sales for April, 60 million pounds, were down 1.4% from sales one year earlier. The U.S. weighted average advertised price of organic milk half gallons is $4.46, up 85 cents from last week. One year ago the price was $3.80. The U.S. weighted average advertised price of organic milk gallons is $6.98, up $1.42 from last week. The U.S. weighted average price of 32 ounce organic Greek yogurt is $5.49, unchanged from last week but down $2.50 cents from one year ago.

INTERNATIONAL DAIRY MARKET NEWS UPDATE (DMN): At the July 1 GDT event #143, average prices ranged from 10.8% lower to 1.6% 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, $2,855 +1.6%; butter, $2,694 -0.3%; buttermilk powder, $1,878 -8.1%; cheddar cheese, $3,060 -4.9%; lactose, n.a; rennet casein, $5,901 -4.1%; skim milk powder, $1,875 -5.8%; sweet whey powder, n.a.; and whole milk powder, $2,054 -10.8%. Correction to last week's Glance: EU28 milk production figures were for the timeframe of January-April.

CONTINUED ON PAGE 1A

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

CME GROUP CASH TRADING

COMMODITY	MONDAY JUN 29	TUESDAY JUN 30	WEDNESDAY JUL 01	THURSDAY JUL 02	FRIDAY JUL 03	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	$1.6000 (-.0250)	$1.5825 (-.0175)	$1.6000 (+.0175)	$1.5825 (-.0175)	CME CLOSED	(-.0425)	$1.5913 (-.0567)
40# BLOCKS	$1.6275 (-.0125)	$1.6200 (-.0075)	$1.6325 (+.0125)	$1.6200 (-.0125)		(-.0200)	$1.6250 (-.0410)
NONFAT DRY MILK							
GRADE A	$.8325 (+.0025)	$.8300 (-.0025)	$.8325 (+.0025)	$.8325 (N.C.)	NO	(+.0025)	$.8319 (-.0051)
BUTTER							
GRADE AA	$1.9250 (+.0100)	$1.9175 (-.0075)	$1.9300 (+.0125)	$1.9400 (+.0100)	TRADING	(+.0250)	$1.9281 (+.0201)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.
Computed by Dairy Market News for international purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE

CONTINUED FROM PAGE 1

NATIONAL RETAIL REPORT – DAIRY (DMN): Ice cream in 48-64 oz. containers saw ad volume increase 41% leading into the 4th of July Holiday. This is the largest ad volume increase of any surveyed dairy product. The U.S. weighted average advertised price, $3.03, is up 16 cents from last week. One year ago the price was also $3.03. The average price of 4-6 ounce Greek yogurt, $.96, is down 1 cent from last year and last week. Yogurt in 4-6 ounce packages averages 49 cents, one year ago the average price was $.56, and last week the price was 49 cents. Total yogurt ad numbers decreased 28% from last week. U.S. advertised prices for 8 ounce cheese blocks average $2.45, compares with $2.44 a year ago, and is up 28 cents from one week ago; while 8 ounce shredded cheese at $2.45, compares with $2.30 one year ago, and is 17 cents above a week ago. Total cheese ad numbers are up 13% from last week. Organic - conventional half gallon milk has a price spread of $2.63. The price spread is the difference between the national weighted average conventional milk price for half gallons, $1.83, and the average for organic half gallon milk, $4.46.

MAY AGRICULTURAL PRICES (NASS): The All Milk price received by farmers was $16.70 in May, down $7.50 from May 2014. The alfalfa hay price was $192.00 in May, down $33.00 from May 2014. The corn price was $3.62 in May, down $1.09 from May 2014. The soybean price was $9.60 in May, down $4.80 from May 2014. The milk-feed price ratio was 1.96 in May, down 0.28 from May 2014. The index of prices received by farmers for dairy products during the month of May 2015 was up 1 point to 83. Compared to May 2014, the index was down 37 points (-30.8 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2015 was down 1 point to 109. Compared with May 2014, the index was down 4 points (-3.5 percent).

JUNE FEDERAL MILK ORDER CLASS AND COMPONENT PRICES (FMO): The following are the June 2015 class prices under the Federal milk order pricing system and changes from the previous month: Class II: $14.77 (-$0.04), Class III: $16.72 (+$0.53), and Class IV: $13.90 (-$0.01). Under the Federal milk order pricing system, the butterfat price for June 2015 is $2.1011 per pound. Thus, the Class II butterfat price is $2.1081 per pound. The protein and other solids prices for June 2015 are $2.6915 and $0.2322 per pound, respectively. These component prices set the Class III skim milk price at $9.71 per cwt. The June 2015 Class IV skim milk price is $6.78, which is derived from the nonfat solids price of $0.7529 per pound. The product price averages for June 2015 are: butter: $1.9065, nonfat dry milk: $0.9283, cheese: $1.7222, and dry whey: $0.4245.

CME GROUP

MONDAY, JUNE 29, 2015
CHEESE -- SALES: 1 CAR BARRELS @ $1.6000; 1 CAR 40# BLOCKS @ $1.6300; LAST BID UNFILLED: 2 CARS 40# BLOCKS @ $1.5900; LAST OFFER UNCOVERED: 1 CAR BARRELS @ $1.6000; 1 CAR 40# BLOCKS @ $1.6275
NONFAT DRY MILK -- SALES: 8 CARS GRADE A: 1 @ $0.8400, 5 @ $0.8450, 1 @ $0.8300, 1 @ $0.8325; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: 1 CAR GRADE AA @ $1.9250; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.9200; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ $1.9350

TUESDAY, JUNE 30, 2015
CHEESE -- SALES: 5 CARS BARRELS: 1 @ $1.6000, 1 @ $1.5900, 2 @ $1.5850, 1 @ $1.5825; 4 CARS 40# BLOCKS: 3 @ $1.6275, 1 @ $1.6200; LAST BID UNFILLED: 1 CAR BARRELS @ $1.5800; 1 CAR 40# BLOCKS @ $1.6200; LAST OFFER UNCOVERED: 1 CAR BARRELS @ $1.5900
NONFAT DRY MILK -- SALES: 4 CARS GRADE A @ $0.8300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ $0.8500
BUTTER -- SALES: 4 CARS GRADE AA: 2 @ $1.9275, 1 @ $1.9250, 1 @ $1.9200; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.9100; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ $1.9175

WEDNESDAY, JULY 1, 2015
CHEESE -- SALES: 14 CARS BARRELS: 1 @ $1.5825, 2 @ $1.5925, 1 @ $1.5900, 1 @ $1.5875, 3 @ $1.5850, 4 @ $1.5875, 1 @ $1.5900, 1 @ $1.6000; 2 CARS 40# BLOCKS: 1 @ $1.6225, 1 @ $1.6300; LAST BID UNFILLED: 1 CAR BARRELS @ $1.5925; 1 CAR 40# BLOCKS @ $1.6325; LAST OFFER UNCOVERED: NONE
NONFAT DRY MILK -- SALES: 13 CARS GRADE A @ $0.8300; LAST BID UNFILLED: 1 CAR GRADE A @ $0.8325; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: 3 CARS GRADE AA: 1 @ $1.9350, 1 @ $1.9275, 1 @ $1.9300; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.9200; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ $1.9450

THURSDAY, JULY 2, 2015
CHEESE -- SALES: 9 CARS BARRELS: 1 @ $1.6000, 1 @ $1.5950, 1 @ $1.5900, 3 @ $1.5950, 1 @ $1.5925, 2 @ $1.5850; 4 CARS 40# BLOCKS: 2 @ $1.6325, 2 @ $1.6300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ $1.5825; 1 CAR 40# BLOCKS @ $1.6200
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ $0.8300; LAST OFFER UNCOVERED: NONE
BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ $1.9400; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ $1.9550

FRIDAY, JULY 3, 2015
HOLIDAY CME CLOSED

BUTTER MARKETS

NORTHEAST

Butter production has been lighter in recent weeks and remains that way as Class II demand consumes pre-holiday cream supplies at an increased rate. Contacts note that overall butter demand is seasonally good. Retail feature activity is up over the last two weeks, and encouraging consumer buying interest. The market undertone is unsettled. Current bulk butter prices for domestic sales are reported 5-7 cents over the market of the CME Group, with various time frames and averages used. According to the DMN *National Retail Report-Dairy*, for June 26-July 02, the U.S. weighted average advertised price for 1-pound butter is $3.42, down 9 cents from a year ago, but up 31 cents from the previous week. The Northeast regional price is $3.56, a 43 cent increase from last week. In the Southeast, the butter price averaged $3.62, up 62 cents from a week ago. Butter trading at the CME Group saw the closing price advance on Monday but retreat on Tuesday, $1.9250 and $1.9175 respectively. Tuesday's closing price is up $0.0200 from a week ago.

CENTRAL

Churn rates are declining as cream levels tighten. Some butter manufacturers are selling excess cream instead of churning due to current pricing levels. Cream was tighter at the end of last week and the beginning of this week, but sources indicated that it will loosen as the end of the week nears, when some processors shut down for the holiday. Demand for retail butter is steady to lower as holiday orders are filled. Export interest remains weak. According to the DMN *National Retail Report- Dairy,* for June 26 – July 2, the national weighted average advertised price for a 1 pound package of butter price is $3.42, a 31 cent increase from last week but 9 cents lower than a year ago. The weighted average price in the Midwest was $3.07, with a range of $2.99-3.49. Bulk butter prices are at market to 5 cents over the market, based on the CME Group and various indices.

WEST

Butter production in the West has slowed somewhat as some manufacturers are willing to sell cream and milk. The seasonal increase of ice cream production has pulled cream away from butter making, while milk is being diverted to keep cheese production full. Consumer demand for butter remains steady. Industry contacts report comfortable inventories for the summer. The DMN *National Retail Report – Dairy* for the week June 26 – July 2, found that the U.S. weighted average advertised price of 1# butter is $3.42, up $.31 from one week ago but down $.09 from one year ago. In the Southwest, the weighted average advertised price for 1# butter was $3.37 with a price range of $2.99 - $3.50, and in the Northwest, $3.18 with a price range of $2.00 - $3.50. Bulk butter pricing in the West this week is 4 cents under market to 5 cents above, based on the CME Group with various time frames and averages used. The Grade AA butter price at the CME Group on Tuesday closed at $1.9175, up $.0200 from a week ago.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
June 27, 2015					
	1.9037	1.7531	1.7285	.4140	.9140
	2,833,492	13,022,954	10,382,580	8,395,977	24,510,368

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

CHEESE MARKETS

NORTHEAST

Heavy milk supplies continue to boost production as cheese plants in the Northeast maintain extended work schedules. Inventory levels are fully adequate for the fair to good seasonal demand as stocks build. A few packagers and processors will be down an extra day around the July 4 holiday weekend. Mozzarella is drawing interest in the foreign market. Northeast wholesale cheese prices for cheddar and muenster fell $0.0400 and process 5# dropped $0.0250. The Grade A Swiss price is unchanged. According to the DMN *National Retail Report-Dairy*, for the week of June 26- July 2, the weighted average advertised price for 8 oz. cheese blocks in the Northeast is $2.37, 20 cents more than the national average and 14 cents more than a week ago. The Southeast 8 oz. block cheese price is $2.15, 46 cents less than a week ago. At the CME Group, Tuesday's daily cash trading saw barrels close at $1.5825, down $0.0725 from a week ago; blocks closed at $1.6200, down $0.0600 from a week ago.

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

Cheddar 40# Block	:	2.0600-2.3450
Process 5# Sliced	:	1.8700-2.3500
Muenster	:	2.0800-2.4300
Grade A Swiss Cuts 10 - 14#	:	3.1825-3.5050

MIDWEST

Strong cheese sales have been normal in the Midwest for some time and that is contributing to some manufacturers playing more hardball in price negotiations. There were early week calls to some manufacturers seeking spot loads of cheese which manufacturers had available, but opted to hold for later sale when buyers would not meet seller's current price expectations. Profitability is looking good this year for Midwest cheese manufacturers as the half way point of the year is reached. The overwhelming majority of comments looking forward a few months are confident about selling however much cheese a plant can make. Running a plant full out or nearly so maximizes efficiencies of production, so aside from concerns with finding times to do maintenance, full production schedules contribute to efficiency of production in addition to sales volumes. While it sounds like a broken record, there is still lots of milk, especially now through the end of the holiday weekend. Many cheese plants are already running full schedules and may not be able to take much advantage of holiday surplus milk priced below Class. Those that can absorb surplus milk are finding tentative offers occasionally as low as $5.00 below Class depending on timing and location. Most cheese plants in the region will have full schedules over the 4th of July holiday weekend. At some plants managers are planning to be at work during parts of Friday, Saturday, and Sunday to help ensure that production continues flowing on schedule, as well as to keep motivating workers who have sacrificed family time to work overtime for weeks to cope with high milk volumes. Some plants are reporting that components are beginning to decline slightly – not in any alarming way – from recent weeks, as is seasonally normal. In much of the region the weather has been excellent for cows, high 70's many days and frequent light rains. This has also led to a good crop year, with second cutting of hay alfalfa completed in much of Wisconsin. Corn in some areas will be nearly shoulder high by the 4th of July. These factors are working together, in the opinion of cheesemakers, to contribute to expected good milk production over the next few months. In much of the region, the end or near end of building aging cheese stocks has been reached. That leaves more milk flowing into American type cheeses. The *National Retail Report - Dairy* (DMN) found that June 26 to July 2, Midwest ads for 8 ounce shredded cheese have a weighted average advertised price of $2.04, 24 cents lower than the national average, $2.28. Midwest prices range from $1.66 - $2.99. One year ago the national average price was $2.30. For 8 ounce blocks, the Midwest average price is $1.93, 24 cents lower than the national average price, $2.17. Midwest ads are priced from $1.59 to $2.99. One year ago the national average price was $2.44. Wisconsin wholesale prices for 1,000 to 5,000 pound mixed lots of process cheese declined $.0250, Swiss is unchanged and the remaining varieties declined $.0400. Cheese markets have shown some weaker prices last week into early this week, as relatively large numbers of loads of blocks and barrels changed hands at the CME Group. In CME Group trading Tuesday, Barrels closed at $1.5825, down $.0725 from last Tuesday and Blocks closed at $1.6200, down $.0600 from last Tuesday.

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

Process American 5# Loaf	:	1.7525-2.1125
Brick And/Or Muenster 5#	:	2.0400-2.4650
Cheddar 40# Block	:	1.7675-2.1625
Monterey Jack 10#	:	2.0150-2.2200
Blue 5#	:	2.3075-3.2950
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8400-2.7800
Grade A Swiss Cuts 6 - 9#	:	2.7000-2.8175

WEST

Western cheese manufacturers suggest that although export cheese sales have dropped a little this year, strong domestic demand has helped make up the difference. Cheese production has remained strong in the region, with milk readily available for cheese processing. Some manufacturers are experiencing decrease in milk intakes and milk components. This will impact cheese yields into the summer months. Some shifts in production from hard Italian to cheddar varieties are occurring as manufacturers work to balance inventories and cheese in their aging programs. The DMN *National Retail Report - Dairy* for the week of June 26 – July 2 shows the U.S. weighted average advertised retail price for an 8 ounce pack of natural shredded cheese is $2.28, down $.09 from last week and down $.02 from a year ago. Packs averaged $2.44 in the Southwest and $2.40 in the Northwest. For 8 ounce blocks, the U.S. price is $2.17, down $.06 from last week and down $.27 from a year ago. Blocks in the Southwest averaged $2.35, and in the Northwest, $2.49. Western wholesale prices are down $.0250 for process, unchanged for Swiss cuts, and down $.0400 for all other types. In CME Group trading Tuesday, Barrels closed at $1.5825, down $.0725 from last Tuesday and Blocks closed at $1.6200, down $.0600.

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

Process 5# Loaf	:	1.7675-2.0250
Cheddar 40# Block	:	1.7725-2.2175
Cheddar 10# Cuts	:	1.9525-2.1725
Monterey Jack 10#	:	1.9625-2.1225
Grade A Swiss Cuts 6 - 9#	:	2.7600-3.1900

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

FOREIGN

Domestic foreign type cheese prices substantially declined again this week. Imported and Swiss cheese prices were unchanged. Increasing inventories and a slowdown in demand as the holiday approaches contributed to the market's weak tone. Global demand for Italian cheese has been good and inventory levels have declined. European stocks of aged cheeses have also seen good sales and have tightened available supplies. Favorable currency exchange rates continue to keep US imported cheese markets active.

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

VARIETY	NEW YORK IMPORTED	NEW YORK DOMESTIC
Blue	2.6400-5.3800	2.2000-3.6875*
Gorgonzola	3.6900-5.8900	2.7075-3.4050*
Parmesan (Italy)	-0-	3.5900-5.6800*
Provolone (Italy)	-0-	2.2425-2.4950*
Romano (Cows Milk)	-0-	3.3900-5.5400*
Sardo Romano (Argentine)	2.8500-4.9300	-0-
Reggianito (Argentine)	3.2900-4.9300	-0-
Jarlsberg-(Brand)	2.9500-6.4500	-0-
Swiss Cuts Switzerland	-0-	3.2800-3.6025
Swiss Cuts Finnish	2.6700-2.9300	-0-

* = Price change.

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

	BUTTER	CHEESE
06/29/15	20,148	101,254
06/01/15	20,463	102,134
CHANGE	-315	-880
% 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	0	0	40	0	105
SOUTHEAST STATES	0	0	0	0	0	0

“Too much milk” continues to chime around balancing plants in the Northeast and Mid-Atlantic regions. Plants are anticipating being slammed with added milk surpluses as production schedules ease for some manufacturers over the July 4th holiday. Sales to Class I began the week steady to strong, but orders are expected to decline leading into the holiday weekend. In the Southeast, the impact of warmer temperatures on cow comfort continues to weaken farm-level milk output. Bottling orders are stronger this week, as some operations look to meet production needs prior to a July 4th holiday break. Manufacturing milk supplies remain adequate for production needs. F.O.B milk export shipments are balanced this week. Temperatures in Florida remain hot, although not at the heat index levels seen in past weeks. Milk production continues to drop. Supplies are adequate however, as reductions in fluid demand balances milk supplies. Milk export shipments declined again, with no reported distributions outside the state. The trend is likely to continue through July. According to the DMN *National Retail Report-Dairy*, for June 26-July 02, the U.S. weighted average advertised price for a gallon of milk was $2.38, down 73 cents from last year and down 14 cents compared to last week. Cream demand increased this week, prompting multiples above previous weeks. **Multiples** for all Classes range **1.38-1.50**. The push for cream, and tightening of supplies, resulted from strong Class II demand as part of a pre-July 4th processing effort. A number of cream based plants targeted completing a week of output in the holiday shortened week. Processors are clearing readily available condensed skim supplies to existing contracts. Spot market activity is minimal. Most plants are content with channeling **condensed skim** to dryers in lieu of discounting, yet there are a few cases of condensed skim being severely discounted to Class II production.

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 -	2.6330-2.8620
F.O.B. producing plants: Upper Midwest -	2.5186-3.0528

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

Northeast - Class II - includes monthly formula prices -	.40-.85
Northeast - Class III - spot prices -	.70-.95

MIDWEST

Milk production rates are mixed. Most manufacturers report steady production, with some saying farm intakes are still climbing. Supplies remain plentiful. Some sources indicate processors are discarding skim milk. Spot loads of milk are down this week, but are still available with most selling at $1-2 under Class, with some reports showing $3-6 under. Bottling demand is lifeless. The warmer weather has consumers looking for other beverage options. Class II demand is up as ice cream is in full production and other cream-based products have increased demand. **Multiples are higher, ranging from 1.32 to 1.60.** Cream was tighter at the end of last week and the beginning of this week. Sources expect that multiples will decrease as the end of the week nears. Ice cream manufacturers are pulling heavier than normal due to inventory levels being lower than desired because of high butter prices last fall and more shelf space available in retail establishments. Manufacturers have also had heat related problems and have had to divert some shipments of cream. Finding available trucking continues to be an issue. The DMN *National Retail Report-Dairy* for the week of June 26 – July 2, noted the national weighted average advertised price for one gallon of milk was $2.38, down $0.14 from a week ago and $0.73 from a year ago. The weighted average price in the Midwest region was $1.92, with a range of $1.69-2.98. The weekly Cow Slaughter under Federal Inspection report shows U.S. dairy cow slaughter for the week ending June 13, at 49,000 head, 1,900 head more than the comparable week a year ago.

WEST

Milk production in California is trending down. The severe lack of water and the hottest temperatures are negatively affecting the milk yield of cows. The National Weather Service issued an excessive heat warning for the Sacramento Valley, with temperatures ranging from 110 to 115 degrees. In addition, the precipitation probability remains at 0% for the Central Valley, continuing shorting soil moisture levels. This issue is reducing the local alfalfa hay availability for feeding. Some dairies are importing hay from neighboring states. Class 1 demand is mixed and steady for Class 2. Milk output in Arizona continues seasonally decreasing. The high temperatures, above 105 degrees, are raising the heat stress of cows. This situation is adversely affecting their productivity. However, milk plants continue getting enough milk loads, helping clear up milk volumes from nearby states. Bottled milk demand is unchanged at usual summer levels. Milk volumes in New Mexico are seasonally lower. Nevertheless, there are plenty of milk volumes in the state. In addition, plentiful loads of milk are coming from neighboring states. Some processors are running at full capacity and clearing milk loads to Central states. New Mexico has plenty of fair/good pasture to feed cows. All the state’s regions are in the third cutting of alfalfa. The sales into Class I and Class II are slightly lower this week. According to DMN *National Retail Report-Dairy* for week of June 26-July 2, the weighted average advertised price for one gallon of milk in the Southwest is $2.33, five cents below the National price. The cream market tone is balanced. Some churns are reporting a reduction in production due to a deficiency of solid components in the processed milk. However, the West has plenty of cream. A big part the cream output is pulled by orders from ice cream/frozen desserts manufacturers due to good seasonal demand. Cream multiples are unchanged, ranging from 1.21 to 1.25. Grade AA butter closed Tuesday at $ 1.9175, up $0.0200 compared to a week ago. The Pacific Northwest normally sees strong milk production well into July, however industry contacts report they have already started to see decreases in milk intakes. Recent hot, dry weather has been putting strains on cows and milk cooling equipment. It is anticipated that hot days and warm nights may reduce milk production further. Processors report they still have access to plenty of milk and cream is generally available. Some processors continue to sell off loads of cream. The seasonal increase in ice cream production is pulling cream from other uses. Industry contacts in Idaho and Utah report milk production is beginning to slow, following typical seasonal trends. Milk is still readily available for processors, however some manufacturers have started seeing the components in milk drop. Current hay production is proceeding. Some sources suggest hay may not be as plentiful as in an average year and there may be some pull for hay from outside the region later in the summer.

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: Prices for low/medium heat Central nonfat dry milk are mostly lower. The market tone is weak. Processing remains active as milk supplies continue to be strong. Demand for later dates is picking up. Some sellers report export demand is increasing. High heat NDM prices are holding steady. Production is irregular as most processors use available drying times for other products. Activity in the spot market is light.

EAST: Eastern prices for low/medium heat nonfat dry milk declined marginally. Buyer resistance is noted at the top of the range. Buyers are primarily holding off heavy purchasing, in anticipation of further price declines. Production is steady to higher, prompted by increased milk intakes into balancing plants, in front of the holiday weekend. Supply/demand conditions, developed around the July 4th holiday, are channeling larger volumes of condensed skim to the dryers. Sales are somewhat limited to contracted volumes, with nominal spot market interest. Low/medium NDM inventory levels are heavy and building. The market maintains a weak undertone. Prices for high heat are unchanged in this short holiday week. Spot demand is light, although some market participants are seeking product. However, tightness in supplies and limited production due to dryer availability hampers procurement opportunities in the spot market.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	.8300 - .9800	MOSTLY:	.9000 - .9600
HIGH HEAT:	.9950 - 1.1800		

NONFAT DRY MILK - WEST

Prices on the Western range for low/medium nonfat dry milk are steady. The mostly prices move lower at the top of the mostly range. The low/ medium heat nonfat dry milk market tone remains weak. Sales are slow and irregular in the f.o.b. spot market. Production is steady. Some buyers are delaying purchases expecting a drop in prices. The inventories are steady to higher. Some NDM processors are doing regular operational maintenance this week. Exports of NDM products are lower this week. Prices for high heat nonfat dry milk moved lower at the bottom of the range. Production is slow with sporadic f.o.b. spot market sales.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	.8000 - .9600	MOSTLY:	.9000 - .9450
HIGH HEAT:	1.0000 - 1.0950		

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES
June 26	$.9051	10,140,477
June 19	$.9324	17,047,535

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

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Central dry buttermilk prices are steady this week. Production is steady to lower as some butter manufacturers are selling excess cream instead of churning. Drying space is being used for other products, so manufacturers are offering discounts for condensed. Buyers indicate dry buttermilk is available, but not as readily as in past weeks. Spot sales are limited.

EAST: Eastern dry buttermilk prices are steady. Regional production levels are unchanged to marginally lower, as Class II pulls on available cream supplies. The upcoming holiday’s impact will likely add to the decline, as nonfat dryer usage increases. Stocks of dry buttermilk are mixed, although adequate. Ice cream buyers are in the market for their seasonal needs, as contractual sales account for most product movement. The market undertone is soft.

F.O.B. CENTRAL/EAST: .8000 - .9100

DRY BUTTERMILK - WEST

Dry buttermilk prices moved lower at the bottom of the West range, as well as, at the bottom of the mostly price range. The dry buttermilk market tone is unbalanced and weak. The demand is very light and the supply is generally above end user needs. Sales are intermittent. Some traders are selling at discount prices to clear up storage. Inventories are steady to higher.

F.O.B. WEST: .7700 - .8800 MOSTLY: .7800 - .8300

DRY WHOLE MILK - NATIONAL

Dry whole milk f.o.b. spot market prices are unchanged this week. Production is limited in some regions. In addition, the good demand for cream from frozen desserts manufacturers is reducing production of dry whole milk. The market tone in the Central region is weak. However, there are some sporadic exports in the East. Inventory levels vary from plant to plant.

F.O.B. PRODUCING PLANT: 1.0100 - 1.4800

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central dry whey prices were steady to lower in a weak market. Whey production is up as cheese manufacturing continues to increase. Whey manufacturers are offering discounts for condensed whey so drying availability can be used elsewhere. Some whey producers will take sharp discounts for condensed in order to not have to dispose of the whey. Demand is steady to decreasing as most buyers have ample supplies. There have been reports of some manufacturers overselling and pushing current sales to August. International sales increased slightly due to decreased production in other countries. Animal feed dry whey prices are also steady to lower. Demand is down as buyers have filled pipelines. Some sellers believe that sales will start to pick up when the market starts stabilizing.

F.O.B. CENTRAL: .3100 - .4750 MOSTLY: .3450 - .3800
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2200 - .2700

DRY WHEY - NORTHEAST

Prices remained steady. Dry whey is being produced at high levels in the region, as heavy milk volumes continue to clear into cheese manufacturing. Demand for whey is fair with increased discounted loads moving through contracts. Northeast stocks are ample, creating a weak market undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3500 - .4600

DRY WHEY - WEST

The Western whey price range moved lower this week. Market activity remains slow, and buyers seem in no hurry to make transactions. However, a few spot sales occurred this week. There were also a few off spec or discounted loads moved to clear some inventory. Dry whey production is still active due to heavy cheese production and inventories of dry whey remain long.

NONHYGROSCOPIC: .3800 - .4500 MOSTLY: .3900 - .4200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices moved slightly lower on the mostly range for this week. The market tone continues to be weak, and much of the market for whey proteins appears to be out of balance. Inventories tend to be long and demand for whey protein concentrate has been limited. Manufacturers appear willing to blend back or discount loads in order to move WPC 80%.

F.O.B. EXTRA GRADE 34% PROTEIN: .7550 - .9550 MOSTLY: .7600 - .9300

LACTOSE - CENTRAL AND WEST

Lactose prices moved slightly lower this week. The market tone remains weak. Production continues to be active and inventories tend to be long, unless the manufacturer can find a home for Q3 or Q4 production. Buyers are making more inquiries for product, but demand for spot loads continues to be somewhat limited. In some cases, manufacturers are discounting a few loads to help clear inventories.

Including spot sales and up to 3 month contracts.
F.O.B. EDIBLE, NON PHARMACEUTICAL .1700 - .3000 MOSTLY: .1800 - .2450

CASEIN - NATIONAL

Acid and rennet casein trading for Q3 moved price ranges significantly lower. Price ranges are relatively wide, reflecting the downward trending market as contracts are being negotiated and finalized. Supplies are readily available in the EU, while tightening in Oceania as milk production has declined to seasonally low levels. Oceania manufacturers are negotiating new season orders for Q4 and beyond. US buyers of both types of casein continue to be cautious in their purchases primarily covering their near term needs, knowing global supplies are readily available.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S.WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.9000 - 3.5000
ACID:	2.8000 - 3.7000

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

WEEK ENDING	2015 WEEKLY DAIRY COWS	2015 CUMULATIVE DAIRY COWS	2014 WEEKLY DAIRY COWS	2014 CUMULATIVE DAIRY COWS
06/13/2015	49.0	1,370.4	47.1	1,311.1

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
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
2014	21.15	23.35	23.33	24.31	22.57	21.36	21.60	22.25	24.60	23.82	21.94	17.82

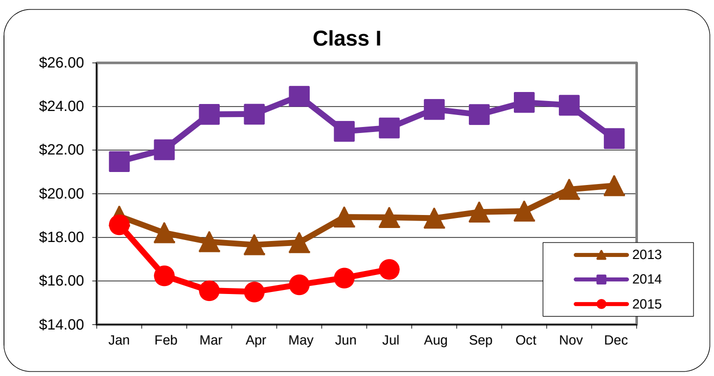
CLASS IV MILK PRCES (3.5%)

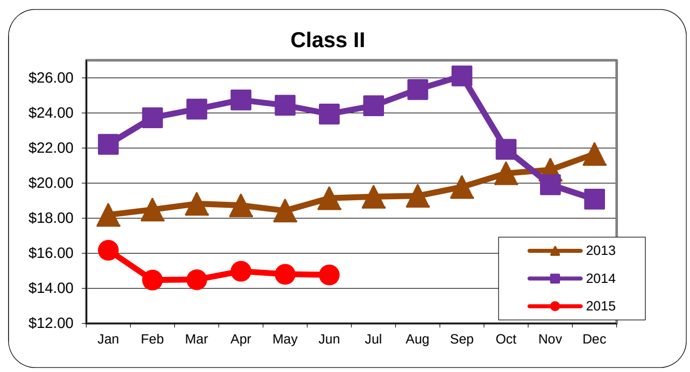
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83
2013	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54
2014	22.29	23.46	23.66	23.34	22.65	23.13	23.78	23.89	22.58	21.35	18.21	16.70

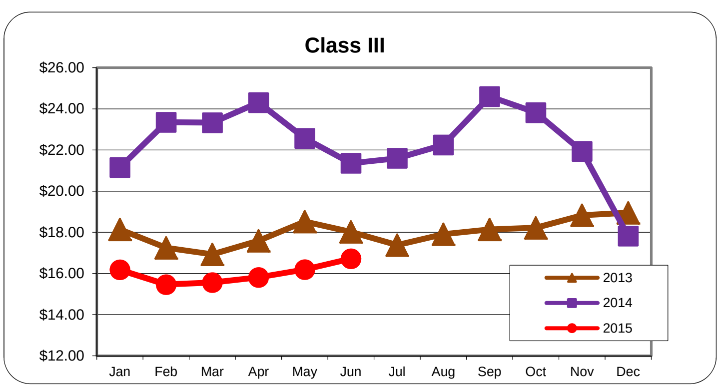
FEDERAL MILK ORDER CLASS PRICES FOR 2015 (3.5%)

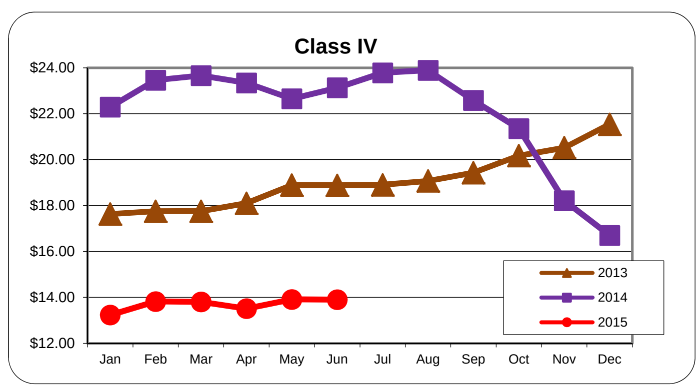
CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.58	16.24	15.56	15.50	15.83	16.14	16.53					
II	16.18	14.48	14.50	14.98	14.81	14.77						
III	16.18	15.46	15.56	15.81	16.19	16.72						
IV	13.23	13.82	13.80	13.51	13.91	13.90						

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









ORGANIC DAIRY MARKET NEWS

Information gathered June 22 - July 3, 2015

ORGANIC DAIRY RETAIL OVERVIEW

Milk Product Sales. AMS reports total organic milk products sales for April 2015, 206 million pounds, were up 0.2% from April last year. However, 2015 year to date sales are down 0.5% compared with year to date sales last year.
Organic whole milk sales for April 2015, 66 million pounds, were up 10.2% compared with April last year.
Organic reduced fat milk sales for April, 60 million pounds, were down 1.4% from sales one year earlier.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, APRIL 2015, WITH COMPARISONS

Product Name	Sales APR.	Sales Y-T-D	Change from: Prev Yr.	Change from: Y-T-D
	Mil. Lbs.		Percent	
ORGANIC PRODUCTION PRACTICE				
Whole Milk	66	266	10.2	12.6
Reduced Fat Milk (2%)	60	239	-1.4	3.3
Low Fat Milk (1%)	38	152	-0.8	5.8
Fat-Free Milk (Skim)	31	123	-9.1	12.6
Flavored Fat-Reduced Milk	10	44	-10.4	7.0
Other Fluid Milk Products	0	1	--	--
Total Fat-Reduced Milk	140	558	-3.7	5.5
Tot. Organic Milk Products	206	825	0.2	-0.5

California Organic Update. A Northern California creamery has recently expanded distribution of organic milk, with newly designed packaging and labeling, using new distribution channels.

The area is coastal, with morning mist most days and periods of light rain many days. That keeps pastures lush and permits organic cows to graze much of the year. Organic milk production has been increasing in that region, as more conventional dairy producers have decided to transition into organic production attracted by pay premiums leading to higher margins. Many of the producers are third generation dairy producers, well established in their farming operations. The nearly yearlong ability to graze enhances organic dairy profitability.

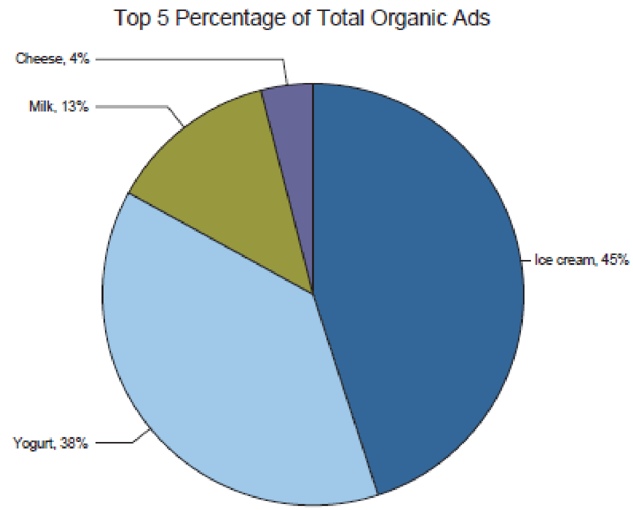
A motivation for the creamery expanding distribution is to better move increasing volumes of organic milk. Marketing to consumers emphasizes that cows spend most days grazing in lush pastures, and are milked only twice a day. These organic cows are featured as being well cared for, and feeling the love of the producers, who typically name every cow. The marketing campaign for branded organic milk produced carries the image through, by using the tagline “share the love”.

ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON

Organic Dairy Overview. Organic dairy ad numbers show an increase as ad numbers rose 20% heading into the July 4th holiday weekend. Ice cream in 48-64 oz. containers saw ads inflate over 20 times from the number last week. Ads for organic milk half gallon saw the biggest drop at 79%.

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads with prices valid from July 3-9, 2015, identifying weekly “specials” and containing organic dairy content. Surveyed ads reflect advertised “specials” and not the range of non-advertised supermarket cooler prices.



Organic ice cream accounts for 45% of ads this period, organic yogurt 38%, organic milk 13% and organic cheese 4%.

Complete results of this weekly survey providing additional graphs, tables and regional delineation, follow at the end of Dairy Market News, or can be accessed at: http://www.ams.usda.gov/AMSv1.0/DairyRetailReport

Organic Milk Half Gallons. The U.S. weighted average advertised price of organic milk half gallons is $4.46, up 85 cents from last week. One year ago the price was $3.80.
Ads appeared in the Northeast and Hawaii regions. The price in the Northeast is $4.44 and $5.97 in Hawaii.

Organic Milk Gallons. The U.S. weighted average advertised price of organic milk gallons is $6.98, up $1.42 from last week. One year ago the price was $5.50.

Organic Yogurt. The U.S. weighted average price of 32 ounce organic Greek yogurt is $5.49, unchanged from last week but down $2.50 cents from one year ago. Ads appeared in the South Central region.

ORGANIC GRAIN AND FEEDSTUFF MARKETS:

Organic Grain and Feedstuff Markets. Prices of organic soybeans are trending mostly steady to firm. Organic wheat is steady to slightly lower, with offering prices in a wide range depending on quality and situation. Prices for the balance of organic grains are steady. Demand is light to moderate. Most buyers are content with current contracts and inventories, while many producers are waiting to see if the markets will follow historical summer price trends. Few forward contract negotiations are taking place because many buyers and sellers are waiting for harvest. Concerns remain about factors including the impact of imported grains on domestic prices and volumes, recent weather patterns, resulting potential yield qualities and quantities, and current product quality issues and availability.

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

May Agricultural Prices Highlights

The All Milk price received by farmers was $16.70 in May, down $7.50 from May 2014. The alfalfa hay price was $192.00 in May, down $33.00 from May 2014. The corn price was $3.62 in May, down $1.09 from May 2014. The soybean price was $9.60 in May, down $4.80 from May 2014. The milk-feed price ratio was 1.96 in May, down 0.28 from May 2014.

The index of prices received by farmers for dairy products during the month of May 2015 was up 1 point to 83. Compared to May 2014, the index was down 37 points (-30.8 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2015 was down 1 point to 109. Compared with May 2014, the index was down 4 points (-3.5 percent).

Note: Beginning January 2015, NASS will publish full-month data only.

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., May 2015 with Comparisons

State	All-Milk price[1, 2] May		Alfalfa hay, baled May		Corn for Grain May		Soybeans May	
	2014	2015	2014	2015	2014	2015	2014	2015
	(dollars per cwt)		*(dollars per ton)*		*(dollars per bushel)*		*(dollars per bushel)*	
AZ	23.60	15.50	240.00	200.00	---	---	---	---
CA	22.01	15.12	260.00	215.00	---	---	---	---
CO	24.30	17.40	215.00	190.00	4.91	3.64	---	---
ID	23.00	16.60	195.00	165.00	---	---	---	---
IN	24.60	16.50	---	---	4.91	3.74	14.80	9.91
IA	24.90	17.10	180.00	129.00	4.71	3.60	14.70	9.57
MI	24.50	16.00	170.00	165.00	4.64	3.59	14.90	9.61
MN	25.00	17.80	186.00	148.00	4.43	3.56	14.00	9.50
NM	22.40	16.00	265.00	225.00	---	---	---	---
NY	26.10	17.60	223.00	250.00	---	---	---	---
OH	24.80	17.20	165.00	175.00	4.89	3.71	15.00	9.71
PA	26.40	17.80	230.00	238.00	5.10	3.70	---	---
TX	24.90	17.10	252.00	224.00	5.05	4.12	---	---
WA	25.00	16.70	190.00	200.00	---	---	---	---
WI	24.70	17.70	175.00	136.00	4.72	3.47	14.70	9.40
U.S.	24.20	16.70	225.00	192.00	4.71	3.62	14.40	9.60

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

Milk-Feed Price Ratio, Selected States and U.S., May 2015 with Comparisons

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

State[2]	May 2014	Apr 2015	May 2015
IA	2.51	2.27	2.38
MI	2.53	1.94	2.02
MN	2.57	2.45	2.36
OH	2.55	2.15	2.13
WI	2.51	2.45	2.46
U.S.	2.24	1.95	1.96

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

General Price Measures, U.S., May 2015 with Comparisons

Item	May 2014	Apr 2015	May 2015
Index Numbers (1990-92=100):			
Prices received by farmers for dairy products	120	82	83
Prices paid by farmers for commodities and services, interest taxes, and wage rates	113	110	109

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, May 2015.*

Federal Milk Order Class and Component Prices, June

Class Prices: The following are the June 2015 class prices under the Federal milk order pricing system and changes from the previous month: Class II: $14.77 (-$0.04), Class III: $16.72 (+$0.53), and Class IV: $13.90 (-$0.01).

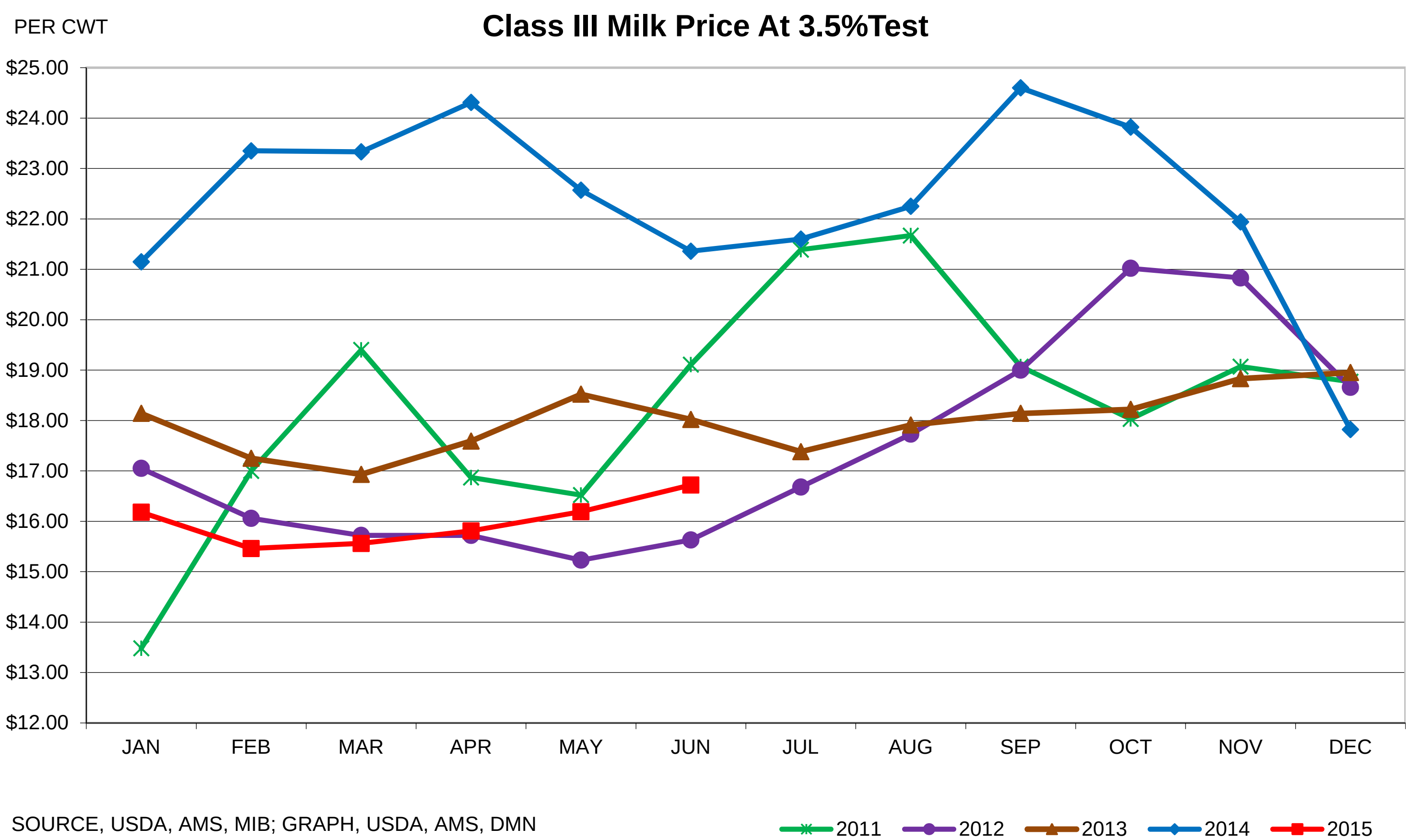
Component Price Information: Under the Federal milk order pricing system, the butterfat price for June 2015 is $2.1011 per pound. Thus, the Class II butterfat price is $2.1081 per pound. The protein and other solids prices for June 2015 are $2.6915 and $0.2322 per pound, respectively. These component prices set the Class III skim milk price at $9.71 per cwt. The June 2015 Class IV skim milk price is $6.78, which is derived from the nonfat solids price of $0.7529 per pound.

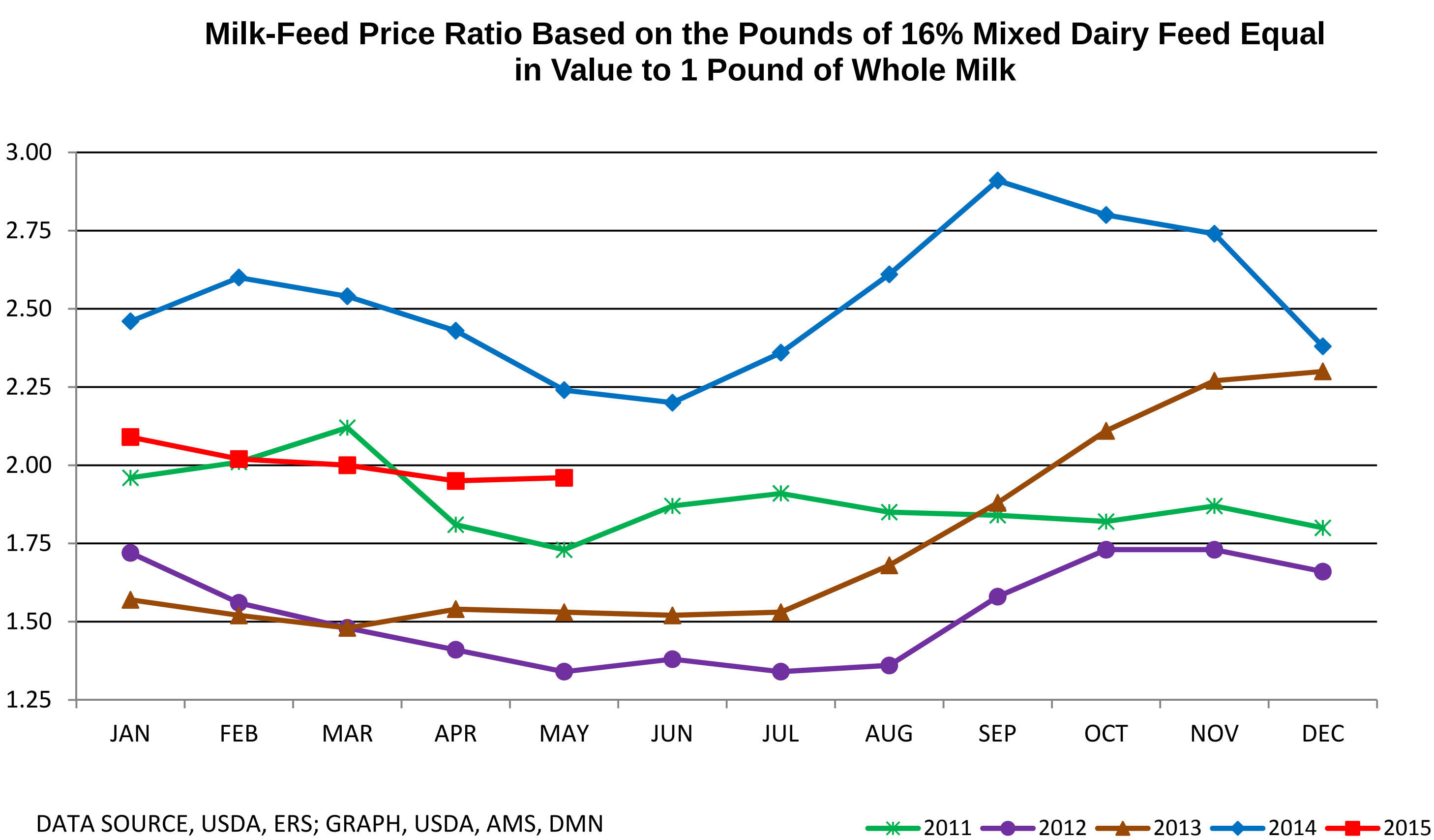
Product Price Averages: The product price averages for June 2015 are: butter: $1.9065, nonfat dry milk: $0.9283, cheese: $1.7222, and dry whey: $0.4245.

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat [1, 2]

Federal Milk Order Marketing Areas[3]	Order Number	June 2015 Class I	June 2015 Class II	June 2015 Class III	June 2015 Class IV	July 2015 Class I
		(dollars per 100 pounds)				
Northeast (Boston)[4]	001	19.39	14.77	16.72	13.90	19.78
Appalachian (Charlotte)[5, 6]	005	19.54	14.77	16.72	13.90	19.93
Florida (Tampa)[6, 7]	006	21.54	14.77	16.72	13.90	21.93
Southeast (Atlanta)[6, 8]	007	19.94	14.77	16.72	13.90	20.33
Upper Midwest (Chicago)[9]	030	17.94	14.77	16.72	13.90	18.33
Central (Kansas City)[10]	032	18.14	14.77	16.72	13.90	18.53
Mideast (Cleveland)[11]	033	18.14	14.77	16.72	13.90	18.53
Pacific Northwest (Seattle)[12]	124	18.04	14.77	16.72	13.90	18.43
Southwest (Dallas)[13]	126	19.14	14.77	16.72	13.90	19.53
Arizona (Phoenix)	131	18.49	14.77	16.72	13.90	18.88
All-Market Average	---	19.03	14.77	16.72	13.90	19.42

[1] To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.
[2] The mandatory $0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.
[3] Names in parentheses are the major city in the principal pricing point of the markets.
[4] Class I prices at other cities are: New York City, minus $0.10; Philadelphia, minus $0.20; Baltimore, minus $0.25, and Washington, DC, minus $0.25.
[5] Class I prices at other cities are: Knoxville, minus $0.20 and Louisville, minus $1.10.
[6] Effective May 1, 2008, the Class I price surface in these orders were temporarily adjusted.
[7] Class I prices at other cities are: Orlando, same; Miami, plus $0.60; and Jacksonville, minus $0.40.
[8] Class I prices at other cities are: New Orleans, same; Memphis, minus $0.90; Nashville, minus $0.90; and Springfield, MO, minus $1.40.
[9] Class I prices at other cities are: Milwaukee, minus $0.05; and Minneapolis, minus $0.10.
[10] Class I prices at other cities are: Des Moines, minus $0.20; Omaha, minus $0.15; Oklahoma City, plus $0.60; St. Louis, same; and Denver, plus $0.55.
[11] Class I prices at other cities are: Indianapolis, same; Cincinnati, plus $0.20; Pittsburgh, plus $0.10; and Detroit, minus $0.20.
[12] Class I prices at other cities are: Portland, same; and Spokane, same.
[13] Class I prices at other cities are: Houston, plus $0.60; San Antonio, plus $0.45; Albuquerque, minus $0.65; and El Paso, minus $0.75.


PER CWT
Class III Milk Price At 3.5%Test
$25.00
$24.00
$23.00
$22.00
$21.00
$20.00
$19.00
$18.00
$17.00
$16.00
$15.00
$14.00
$13.00
$12.00
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
SOURCE, USDA, AMS, MIB; GRAPH, USDA, AMS, DMN
2011
2012
2013
2014
2015


Milk-Feed Price Ratio Based on the Pounds of 16% Mixed Dairy Feed Equal in Value to 1 Pound of Whole Milk
3.00
2.75
2.50
2.25
2.00
1.75
1.50
1.25
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
DATA SOURCE, USDA, ERS; GRAPH, USDA, AMS, DMN
2011
2012
2013
2014
2015

Dairy Market News Branch

National Retail Report - Dairy

Agricultural Marketing Service

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

Volume 82- Number 26 | Issued Weekly | Thursday, July 2, 2015

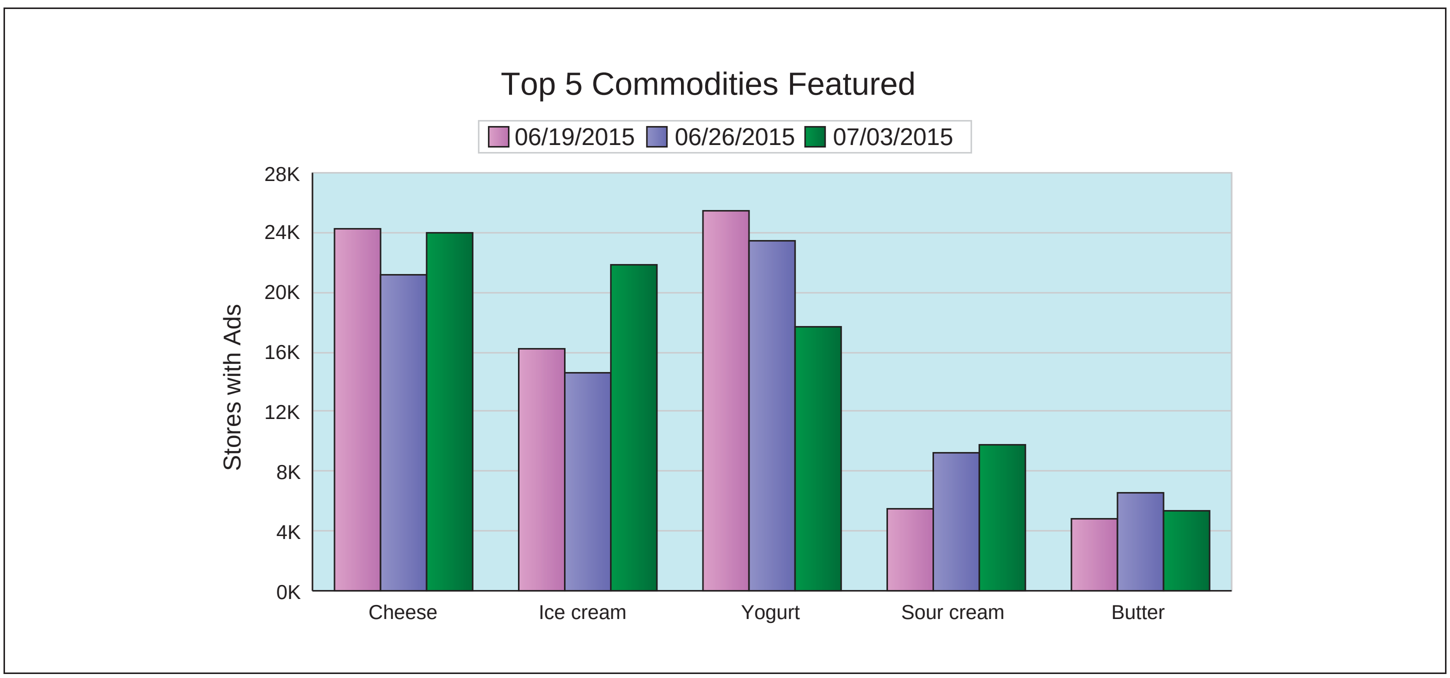
Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 07/03/2015 to 07/09/2015

Ice cream in 48-64 oz. containers saw ad volume increase 41% leading into the 4th of July Holiday. This is the largest ad volume increase of any surveyed dairy product. The U.S. weighted average advertised price, \$3.03, is up 16 cents from last week. One year ago the price was also \$3.03.

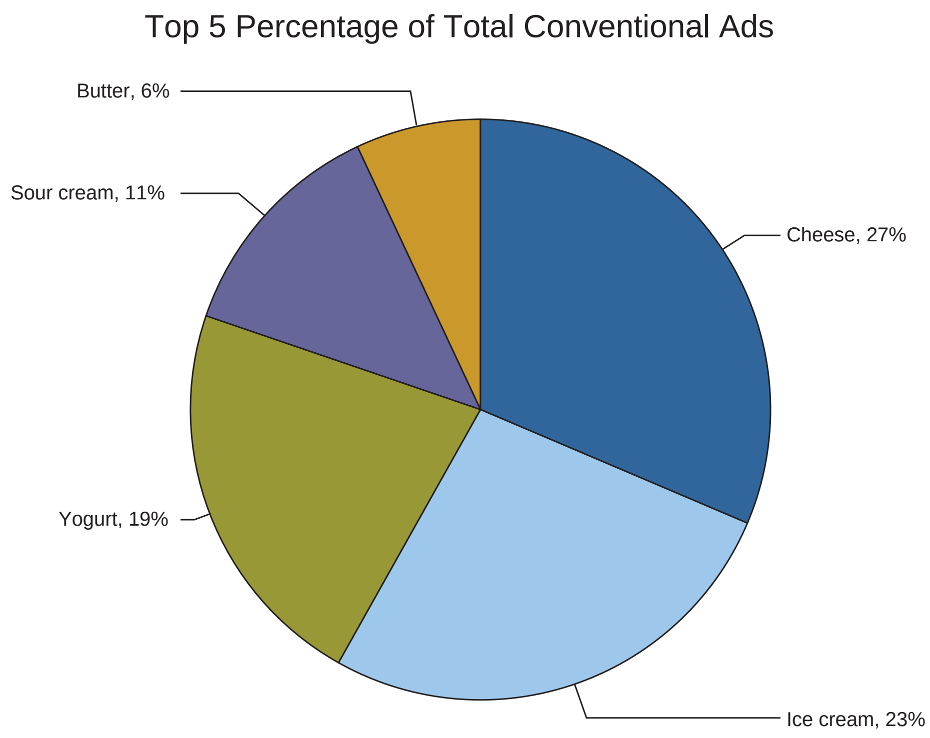
The average price of 4-6 ounce Greek yogurt, \$.96, is down 1 cent from last year and last week. Yogurt in 4-6 ounce packages averages 49 cents, one year ago the average price was \$.56, and last week the price was 49 cents. Total yogurt ad numbers decreased 28% from last week.

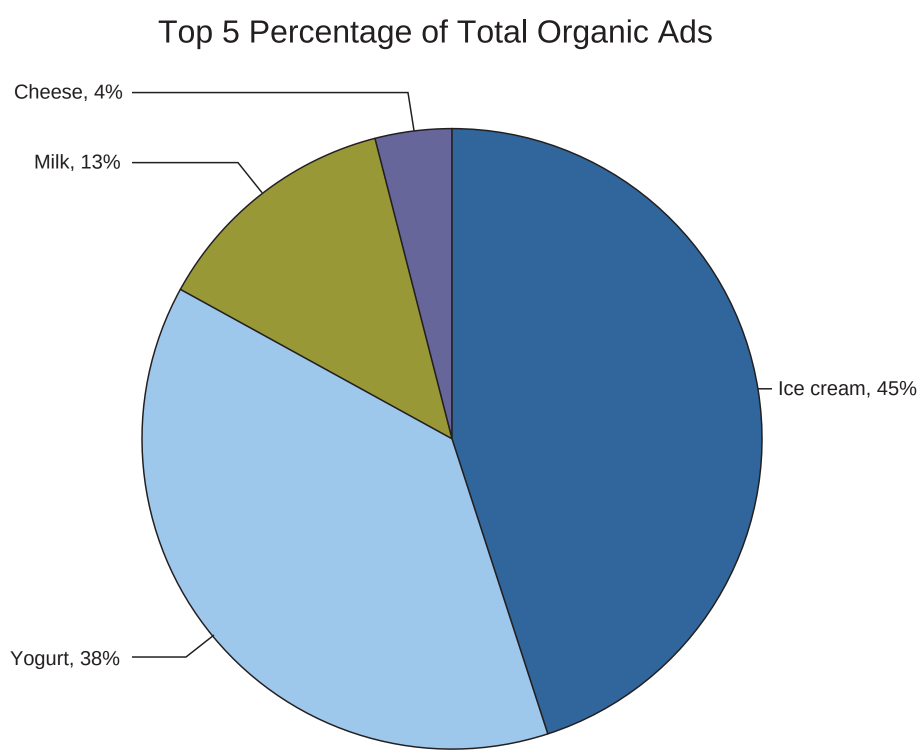
U.S. advertised prices for 8 ounce cheese blocks average \$2.45, compares with \$2.44 a year ago, and is up 28 cents from one week ago; while 8 ounce shredded cheese at \$2.45, compares with \$2.30 one year ago, and is 17 cents above a week ago. Total cheese ad numbers are up 13% from last week.

Organic - conventional half gallon milk has a price spread of \$2.63. The price spread is the difference between the national weighted average conventional milk price for half gallons, \$1.83, and the average for organic half gallon milk, \$4.46.



1 -- Dairy Market News surveys nearly 150 retailers, comprising over 23,000 individual stores, with online weekly advertised features.





Wtd Avg - Simple weighted average

NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	5409	3.04	6461	3.42	3570	3.51
Cheese	Natural Varieties	8 oz block	8680	2.45	7508	2.17	6613	2.44
Cheese	Natural Varieties	1 # block	2003	3.48	1855	3.63	1279	4.43
Cheese	Natural Varieties	2 # block	434	7.69	997	7.52	1143	7.84
Cheese	Natural Varieties	8 oz shred	10469	2.45	8212	2.28	7824	2.30
Cheese	Natural Varieties	1 # shred	2301	3.26	2578	3.26	873	4.72
Cottage cheese		16 oz	2730	1.88	2415	1.82	2128	2.58
Cream cheese		8 oz	4920	1.93	6357	1.82	6152	1.72
Flavored milk	All fat tests	half gallon	482	2.01	610	2.39	494	2.47
Flavored milk	All fat tests	gallon			423	2.88	105	5.99
Ice cream		48-64oz	20547	3.03	14567	2.87	11516	3.03
Milk	All fat tests	half gallon	386	1.83	1001	2.28	305	1.25
Milk	All fat tests	gallon	1481	2.09	2856	2.38	2572	3.11
Sour cream		16 oz	9811	1.67	9184	1.72	5160	1.94
Yogurt	Greek	4-6 oz	9906	.96	11775	.97	12631	.97
Yogurt	Greek	32 oz	1203	3.83	2110	3.98	438	4.32
Yogurt	Yogurt	4-6 oz	4139	.49	7986	.49	7597	.56
Yogurt	Yogurt	32 oz	1361	2.54	1084	2.54	767	2.45

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

Commodity	Type	Pack Size	NORTHEAST U.S.			SOUTHEAST U.S.			MIDWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-3.99	1933	2.95	2.50-3.50	858	3.43	2.49-2.89	710	2.82
Cheese	Natural Varieties	8 oz block	1.49-3.00	2114	2.20	1.66-3.50	2303	2.85	1.65-2.49	1161	2.04
Cheese	Natural Varieties	1 # block	2.99-3.99	144	3.49	2.99-3.29	508	3.11	2.99-3.99	540	3.60
Cheese	Natural Varieties	8 oz shred	1.99-3.00	2344	2.31	1.66-3.00	2858	2.67	1.68-2.49	972	2.12
Cheese	Natural Varieties	1 # shred	3.99	135	3.99	2.99-3.29	508	3.11	2.99	923	2.99
Cottage cheese		16 oz	1.99-2.99	782	2.39	1.00-1.25	324	1.09	1.00-2.19	601	1.51
Cream cheese		8 oz	1.50-2.39	1365	1.75	0.99-2.39	1381	2.11	1.49-2.49	454	2.09
Flavored milk	All fat tests	half gallon				1.25-1.66	324	1.51	2.50	53	2.50
Ice cream		48-64oz	1.99-3.99	3534	2.71	2.39-3.99	6867	3.11	1.99-3.99	4009	2.92
Milk	All fat tests	half gallon				1.25-1.66	324	1.51			
Milk	All fat tests	gallon	2.29	255	2.29				1.69-2.77	935	1.94
Sour cream		16 oz	1.29-2.00	2483	1.57	1.00-2.00	2086	1.78	0.99-2.19	1165	1.48
Yogurt	Greek	4-6 oz	0.79-1.33	3020	.97	0.79-1.00	2051	.95	0.79-1.25	1849	.95
Yogurt	Greek	32 oz	2.99-5.99	441	3.92				3.69	588	3.69
Yogurt	Yogurt	4-6 oz	0.33-0.80	1616	.52	0.40-0.50	1532	.47	0.40-0.50	348	.46
Yogurt	Yogurt	32 oz	1.99-2.50	404	2.27	3.99	84	3.99	1.99	106	1.99

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 #	2.28-3.50	368	2.61	1.99-3.49	724	2.63	2.50-3.99	741	3.63
Cheese	Natural Varieties	8 oz block	1.50-3.00	1418	2.35	1.77-3.49	1279	2.41	3.00	289	3.00
Cheese	Natural Varieties	1 # block	2.99-3.99	362	3.19	3.50-4.50	378	3.86	4.49	69	4.49
Cheese	Natural Varieties	2 # block				5.99-8.99	373	7.64	7.99	61	7.99
Cheese	Natural Varieties	8 oz shred	1.50-3.00	1871	2.31	1.77-3.00	1366	2.34	2.49-3.50	915	2.81
Cheese	Natural Varieties	1 # shred	2.99	288	2.99	3.50-4.50	378	3.86	4.49	69	4.49
Cottage cheese		16 oz	1.00-2.38	406	1.71	1.49-1.99	241	1.62	1.88-2.99	370	2.42
Cream cheese		8 oz	1.49-2.29	755	1.85	1.50-2.50	569	1.92	1.50-2.00	350	1.91
Flavored milk	All fat tests	half gallon							3.29	105	3.29
Ice cream		48-64oz	1.99-4.49	2878	3.14	2.49-3.99	2371	3.10	2.50-3.24	606	2.76
Milk	All fat tests	half gallon				3.50	62	3.50			
Milk	All fat tests	gallon	1.79	151	1.79	2.98	137	2.98			
Sour cream		16 oz	0.97-2.00	1620	1.74	0.99-1.99	1779	1.68	1.50-2.00	590	1.72
Yogurt	Greek	4-6 oz	0.79-1.00	1422	.92	1.00	661	1.00	0.88-1.00	840	.99
Yogurt	Greek	32 oz							3.50-5.00	174	4.09
Yogurt	Yogurt	4-6 oz	0.44	139	.44	0.50	347	.50	0.39-0.50	130	.44
Yogurt	Yogurt	32 oz	2.49	210	2.49				2.49-2.79	529	2.55

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Butter		1 #	2.50-4.00	47	3.57	2.50-3.29	28	3.18
Cheese	Natural Varieties	8 oz block	2.00-3.50	55	3.34	3.00-3.33	61	3.13
Cheese	Natural Varieties	1 # block	5.99	2	5.99			
Cheese	Natural Varieties	8 oz shred	2.00-3.50	55	3.34	2.49-3.33	88	2.93
Cottage cheese		16 oz	2.59	6	2.59			
Cream cheese		8 oz	1.99-2.98	9	2.32	2.00-2.25	37	2.23
Ice cream		48-64oz	2.50-8.48	93	5.84	2.75-7.99	189	4.81
Milk	All fat tests	gallon				4.88	3	4.88
Sour cream		16 oz	1.98-3.50	37	3.18	1.88-2.29	51	2.07
Yogurt	Greek	4-6 oz	1.25	2	1.25	1.25-1.50	61	1.39
Yogurt	Yogurt	4-6 oz				0.55-0.69	27	.67
Yogurt	Yogurt	32 oz	4.50	28	4.50			

NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD		LAST WEEK		LAST YEAR	
			Stores	Wtd Avg	Stores	Wtd Avg	Stores	Wtd Avg

Wtd Avg - Simple weighted average

			With Ads	Price	With Ads	Price	With Ads	Price
Butter		1 #			84	5.49	202	3.98
Cheese	Natural Varieties	8 oz block			59	5.99	1553	3.61
Cheese	Natural Varieties	8 oz shred	114	3.29			1441	3.61
Cream cheese		8 oz					202	1.98
Ice cream		48-64oz	1281	3.89	59	4.49		
Milk	All fat tests	half gallon	222	4.46	1058	3.61	1121	3.80
Milk	All fat tests	gallon	137	6.98	367	5.56	2503	5.50
Milk	All fat tests	8 oz UHT			267	1.00	1149	1.04
Yogurt	Greek	4-6 oz	1022	1.01	301	1.28	1487	1.00
Yogurt	Greek	32 oz	63	5.49	63	5.49	201	2.99
Yogurt	Yogurt	4-6 oz			106	.96		
Yogurt	Yogurt	32 oz	2	4.49	2	4.29	1351	3.87

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
Ice cream		48-64oz				3.50	1083	3.50			
Milk	All fat tests	half gallon	4.29-4.69	219	4.44						
Yogurt	Greek	4-6 oz				1.00	184	1.00			

Commodity	Type	Pack Size	SOUTH CENTRAL U.S.			SOUTHWEST U.S.			NORTHWEST U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Cheese	Natural Varieties	8 oz shred	3.29	114	3.29						
Ice cream		48-64oz							5.99	187	5.99
Milk	All fat tests	gallon				6.98	137	6.98			
Yogurt	Greek	4-6 oz	0.88-1.39	387	1.07	0.88-1.00	451	.97			
Yogurt	Greek	32 oz	5.49	63	5.49						

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Ice cream		48-64oz	6.59	11	6.59			
Milk	All fat tests	half gallon				5.97	3	5.97

Wtd Avg - Simple weighted average

Commodity	Type	Pack Size	ALASKA U.S.			HAWAII U.S.		
			Price Range	Stores with Ads	Wtd Avg Price	Price Range	Stores with Ads	Wtd Avg Price
Yogurt	Yogurt	32 oz	4.49	2	4.49			

REGIONAL DEFINITIONS

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

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

Wtd Avg - Simple weighted average

DAIRY MARKET NEWS

GENERAL NUMBER
(608)557-7000

Elizabeth Frederick
(608) 557-7002
Elizabeth.Frederick@AMS.USDA.GOV

EAST
Daniel Johnson
(608) 557-7006
Daniel.Johnson@AMS.USDA.GOV

CENTRAL
Tara Herbst
(608) 557-7007
Tara.Herbst@AMS.USDA.GOV

SOUTHWEST
Janet Linder
(608) 557-7003
Janet.Linder@AMS.USDA.GOV

Angel Teran
(608) 557-7011
Angel.Teran@AMS.USDA.GOV

NORTHWEST/MOUNTAIN
Mike Bandli
(608) 557-7010
Mike.Bandli@AMS.USDA.GOV

NATIONAL SUPERVISOR
Butch Speth
(608) 557-7001
Butch.Speth@AMS.USDA.GOV

VOLUME: 82

REPORT: 26

DATE: 07/03/2015

INTERNATIONAL
Rick Whipp
(608) 557-7004
Rick.Whipp@AMS.USDA.GOV

ORGANIC
Eric Graf
(608) 557-7005
Eric.Graf@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/DairyMarketNews

MARKET NEWS PORTAL

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

RECORDED INFORMATION SYSTEM
(608) 557-7000

FAX
(608) 819-0629

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

U.S. DEPARTMENT OF AGRICULTURE – AGRICULTURAL MARKETING SERVICE – DAIRY PROGRAMS