

ORGANIC DAIRY MARKET NEWS
Information gathered December 16 - 27, 2019

ORGANIC DAIRY FLUID OVERVIEW

Retail Organic Milk Prices in Selected U.S. Cities. The December 2019 survey of selected supermarkets in twenty-nine U.S. cities shows the price of organic whole milk, in half gallon containers, ranges from \$3.14 in Houston, TX. to \$5.84 in Pittsburgh, PA. The U.S. simple average price for December 2019 is \$4.06.

The largest price increase for organic half gallon milk, 15 cents over the previous month, was in Hartford, CT, but the largest decline was 30 cents, in Baltimore, MD. The city of St. Louis, MO posted the highest annual average price for organic whole milk in half-gallon packaging, \$5.73, amongst the 29 cities surveyed.

The following graph displays December 2019 prices, per half gallon of organic whole milk, for each of the 29 selected cities surveyed.



As collected by Federal milk order market administrators, based on a survey conducted one day between the 1st and 10th of each month (excluding Fridays and weekends) in selected cities or metropolitan areas. One outlet of the largest and second largest food store chains and the largest convenience store chain are surveyed. The price represents the most common brand in nonreturnable containers.

Dutch Organic Milk Pay Price. In the Netherlands, a large processor of organic milk announced the December 2019 pay price for organic milk is 45.74 euros/100lt (\$50.78 USD), down 1.26 euro (\$1.40) compared to the previous month. The price applies to those organic milk producers supplying an average of 600,000 kilograms of milk, containing a fat content of 4.41 percent, protein content of 3.47 percent and a lactose content of 4.51 percent, on an annual basis.

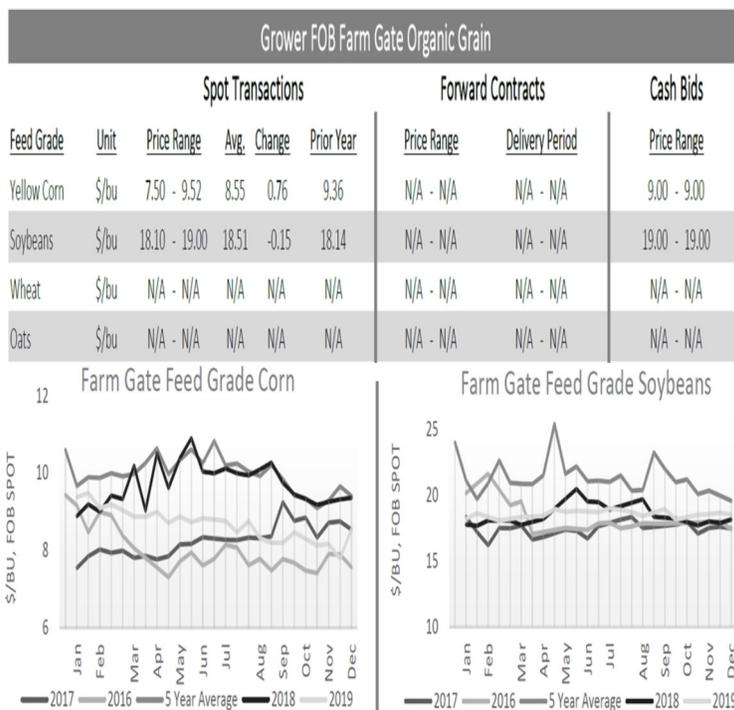
OCTOBER 2019 AVERAGE ORGANIC MILK FARM PRICES IN EUROPE

| | euros/100lt | (\$USD) | % Change Sept. 2019 | % Change Oct. 2018 |
|---------|-------------|---------|------------------------|-----------------------|
| Germany | 46.97 | 52.15 | + 0.69 | - 1.55 |
| Bavaria | 47.38 | 52.60 | + 1.48 | - 1.39 |
| France | 49.29 | 54.72 | + 0.08 | + 3.18 |
| Austria | 42.53 | 47.22 | - 0.21 | - 3.80 |

ORGANIC GRAIN FEEDSTUFF OVERVIEW

National Organic Grain and Feed Markets. This week, trade activity for organic feed grade corn was moderate to light as demand eased ahead of the holiday. The market is trading 76 cents higher than the prior period. Several Midwest states report low test weights and high moisture. Trade activity and demand is modest on organic feed grade soybeans, as most transactions saw 15 cents drop from the prior period. Bid prices for organic corn and soybeans remain mostly unchanged. Organic soybean meal continues to trade between 840.00 and 875.00 f.o.b. the crusher. Organic soybean oil prices are between 60 and 65 cents f.o.b. the crusher.

For additional information, access the link: <https://www.ams.usda.gov/mnreports/lbfnof.pdf>



ORGANIC DAIRY RETAIL OVERVIEW

This retail survey period, overall organic ad numbers are down 3 percent from the previous week. Total organic yogurt ads continued the descent, tumbling 78 percent. The top three organic commodities with ads were organic milk, 47 percent; organic butter, 19 percent; and organic cream cheese, 19 percent. The Southwest was the only one of the eight regions to report an increase, 76 percent, in organic ads.

Total organic milk ads grew 6 percent this period. The weighted average price for organic milk in half gallon packaging declined 30 cents compared to the last retail survey. The retail milk price spread between organic and conventional half gallon milk posted an organic premium of \$1.29. The price spread fell \$0.81 compared to the prior retail survey. A year ago, the organic premium was \$2.70.

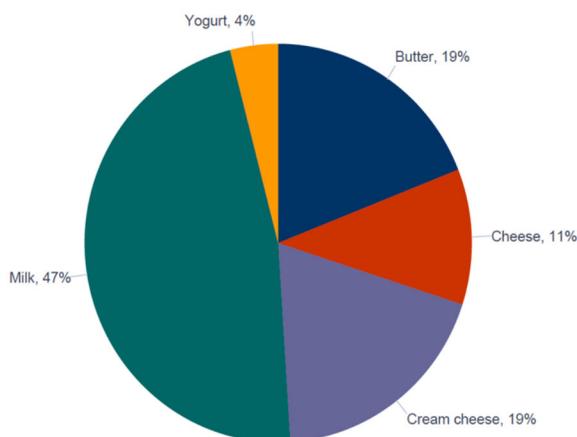
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The pie chart below displays percentages for all organic dairy commodities detailed in the ad survey.

Percentage of Total Organic Ads by Commodity



Data source: USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from December 27 – January 2, 2019. Retail survey ads reflect “advertised specials” and not the range of non-advertised supermarket cooler prices.

**NATIONAL RETAIL ORGANIC DAIRY
WEIGHTED AVERAGE ADVERTISED PRICE**

| COMMODITY | This <u>Week</u> | Last <u>Week</u> | Last <u>Year</u> |
|----------------|---------------------|---------------------|---------------------|
| Butter | \$6.15 | \$5.95 | \$5.39 |
| Milk | | | |
| Half Gal. | \$3.69 | \$3.99 | \$3.88 |
| Gallon | n.a. | \$5.69 | \$4.99 |
| 8 oz.UHT | \$0.92 | n.a. | n.a. |
| Yogurt | | | |
| 4-6 oz. Greek | n.a. | n.a. | \$1.29 |
| 32 oz. Greek | \$5.99 | \$3.99 | n.a. |
| 4-6 oz. Yogurt | n.a. | \$1.25 | n.a. |
| 32 oz. Yogurt | n.a. | \$3.29 | n.a. |

*Pricing information of selected organic dairy commodities from current weekly retail survey

Complete results of the “National Retail Report-Dairy” and “Bi-Weekly Organic Report” are accessible using the following links:

1 <https://www.ams.usda.gov/mnreports/dybretail.pdf>

2 <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>