

ORGANIC DAIRY MARKET NEWS
Information gathered November 4 - 15, 2019

ORGANIC DAIRY FLUID OVERVIEW

The Agricultural Marketing Services (AMS) report estimated US sales of total organic milk products for September 2019 were 220 million pounds, up 6.9 percent from September 2018, but down 2.6 percent compared to January-September 2018.

Organic whole milk sales for September 2019, 97 million pounds, are up 15.8 percent compared to a year earlier and up 3.5 percent compared with the year-to-date 2018. Reduced fat milk (2%) sales were 75 million pounds, up 13.6 percent from the previous year and up 3.8 percent year-to-date.

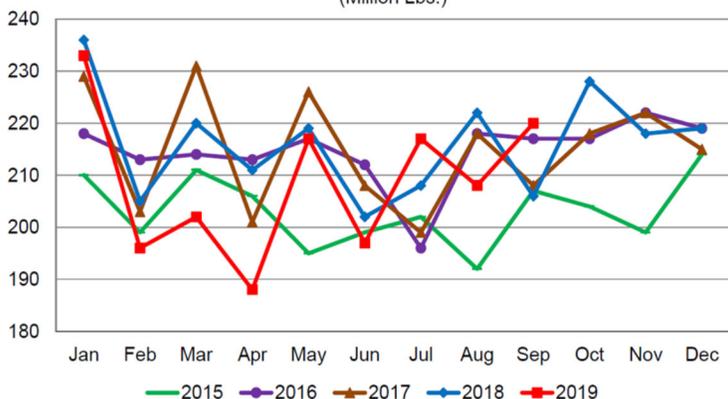
ESTIMATED TOTAL U.S. SALES OF ORGANIC FLUID MILK PRODUCTS
September 2019, with comparisons^{1/}

Product Name	Sales ^{1/}		Change	
	September	Y-T-D	Prev Yr. ^{2/}	Y-T-D ^{2/}
	(million pounds)		(percent)	
ORGANIC PRODUCTION PRACTICE				
Whole Milk	97	808	15.8	3.5
Reduced Fat Milk (2%)	75	618	13.6	0.7
Low Fat Milk (1%)	25	244	-13.3	-13.7
Fat-Free Milk (Skim)	16	140	-13.5	-18.9
Flavored Fat-Reduced Milk	8	67	-18.4	-13.8
Other Fluid Milk Products	0	0	-25.2	24.3
Total Fat-Reduced Milk ^{3/}	123	1,069	0.8	-6.8
Tot. Organic Milk Products	220	1,877	6.9	-2.6

¹ Data may not add due to rounding. Reported volumes do not include added non-dairy ingredients such as sweeteners or flavorings. ² Year to Date Sales, Change from Previous Year, and Change in Year to Date figures include the addition of the California Federal Milk Order, which also includes several changes in product classification. The California Federal Milk Marketing Order became effective on November 1, 2018.

For the U.S. as a whole, estimated sales data through September can be compared with several prior year's results in the graph below.

Estimated Total U.S. Sales of Organic Fluid Milk Products
(Million Lbs.)



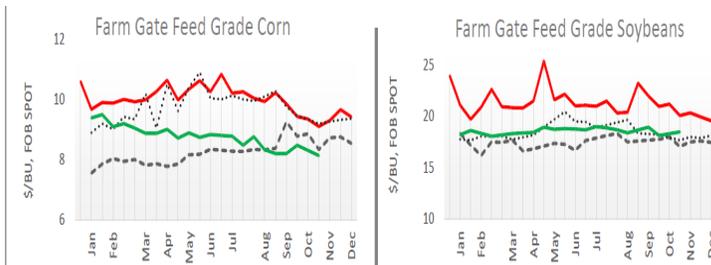
Organic Cow Auction Prices. In a recent report of a livestock auction in Oregon, organic cull cows sold for less than conventional cows. The average price for organic top 10 cows auctioned brought a price of \$52.60 per hundredweight, compared to an average price of \$60.28 per hundredweight for top 10 conventional cows auctioned.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

Organic Grain and Feed Market. Trade activity and demand are moderate for organic feed grade corn and soybeans markets. Meanwhile, organic feed grade wheat saw limited trading on light demand. Organic soybean oil transactions are active on good demand, while trading on all other organic grains is slow. Sources point out that imported organic soybean meal prices negatively impact domestic crushing. Feed mills are taking in new crop organic

corn and soybeans. Cash market remains unchanged from pre-harvest bids. Bid prices for f.o.b. feed grade organic corn range from 7.60 to 9.00. with organic feed soybeans 19.00.

Grower FOB Farm Gate Organic Grain								
Spot Transactions						Forward Contracts		Cash Bids
Feed Grade	Unit	Price Range	Avg.	Change	Prior Year	Price Range	Delivery Period	Price Range
Yellow Corn	\$/bu	7.50 - 9.80	8.13	N/A	9.18	N/A - N/A	N/A - N/A	7.60 - 9.00
Soybeans	\$/bu	18.00 - 19.00	18.49	N/A	17.68	N/A - N/A	N/A - N/A	19.00 - 19.00
Wheat	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A
Oats	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A



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

ORGANIC DAIRY RETAIL OVERVIEW

This week, total organic retail advertisements increased 27 percent. Organic cheese led the charge with a 220 percent increase in retail ads, followed by organic milk with a 199 percent increase in ads. Organic yogurt ads fell 16 percent.

Organic milk ads as a percentage of total organic ads are higher this week. Following a seasonal low of 16 percent last week, the organic milk ads grew to 38 percent this week. The pie chart below displays percentages of all the organic commodities detailed in the survey.

Further, this week the retail price spread between organic half gallon milk and conventional half gallon milk carries an organic price premium of \$1.55. The reported average half gallon organic milk price is \$3.91, and the conventional price is \$2.36. A year ago, the organic price premium was \$0.96.

Product pricing information of selected organic dairy commodities, from the current weekly retail survey, is presented in the following table:

NATIONAL RETAIL ORGANIC DAIRY
WEIGHTED AVERAGE ADVERTISED PRICE

Commodity	This Week	Last Week	Last Year
Butter	\$4.99	n.a.	\$5.20
Milk			
Half Gal.	\$4.11	\$4.19	\$3.83
Gallon	\$5.97	\$5.43	\$5.99
8 oz.UHT	n.a.	n.a.	\$1.08
Yogurt			
4-6 oz. Greek	n.a.	\$1.17	\$0.08
32 oz. Greek	\$3.91	\$4.17	\$3.00
4-6 oz. Yogurt	\$1.25	\$1.33	\$1.49
32 oz. Yogurt	\$3.23	\$3.31	\$3.99

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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>

DIRECT TO CONSUMER ORGANIC DAIRY PRODUCTS PRICES

The following tables identify U.S. price range results from a Dairy Market News national survey of publicly available prices of organic dairy products, available from farmstead outlets and online. There may be prices offered outside of the price range which were not identified by the survey. These are cows' milk products.

BUTTER

Commodity	Type	Pack Size	: Organic : <u>Price Range \$</u>
Organic Butter		1 lb	: 13.45 -
Organic Butter		8 oz	: 4.75 - 10.00

CHEESE

Commodity	Type	Pack Size	: Organic : <u>Price Range \$</u>
Organic Cheese	Cheddar - 10 year	8 oz	: 11.00 -
Organic Cheese	Cheddar - 11-14 year	8 oz	: 14.00 -
Organic Cheese	Cheddar - 2-4 year	8 oz	: 5.73 - 6.93
Organic Cheese	Cheddar - 5-9 year	8 oz	: 8.50 -
Organic Cheese	Cheddar - Medium	8 oz	: 4.52 - 8.00
Organic Cheese	Cheddar - Mild	8 oz	: 4.14 - 8.50
Organic Cheese	Cheddar - Sharp	8 oz	: 4.95 - 12.00
Organic Cheese	Colby	8 oz	: 5.25 - 8.00
Organic Cheese	Farmers	8 oz	: 4.00 - 6.00
Organic Cheese	Gouda	8 oz	: 12.00 -
Organic Cheese	Monterey Jack	8 oz	: 5.25 - 8.00
Organic Cheese	Mozzarella	8 oz	: 4.50 - 12.50
Organic Cheese	Muenster	8 oz	: 5.25 - 6.00
Organic Cheese	Pepper Jack	8 oz	: 12.50 -
Organic Cheese	Curds	Per Lb	: 6.80 - 12.00

Information for the period November 4 - November 15, 2019, issued monthly.