

## ORGANIC DAIRY MARKET NEWS

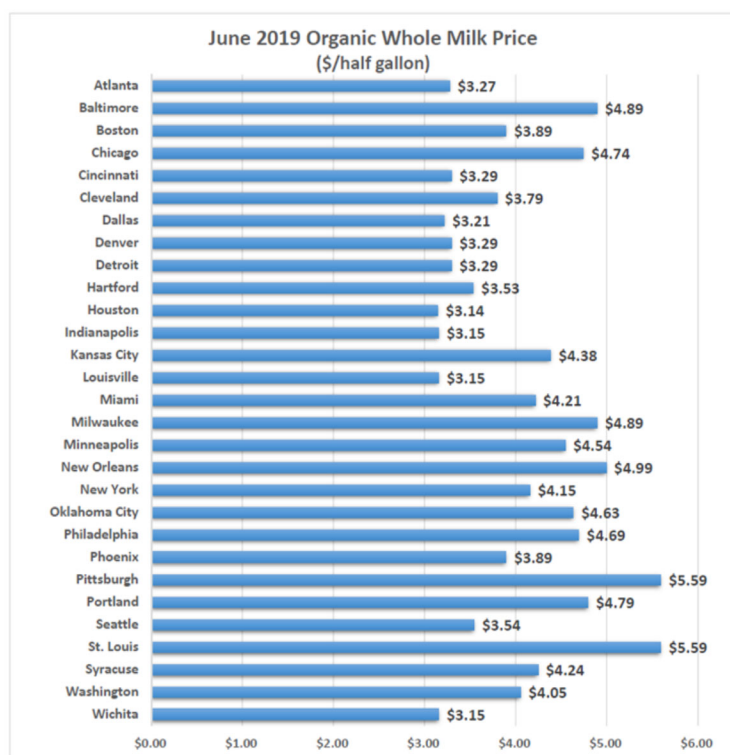
Information gathered June 17 - 28, 2019

## ORGANIC DAIRY FLUID OVERVIEW

**Organic Spending Bill Passes.** The House passed the financial appropriations bill for 2020 on Wednesday, June 26, 2019, which includes legislation for the funding of key organic programs. Those organic programs are significant to increasing domestic organic production to better meet the growth in consumer demand.

**Organic Milk Retail Prices.** The June 2019 in-store survey of selected supermarkets, in twenty-nine U.S. cities, revealed that the simple average June 2019 cost for organic whole milk in half-gallon containers was \$4.07. The average cost declined 5 cents from the previous month. The organic whole milk price ranged from \$3.14 in Houston, TX. to \$5.59 in Pittsburgh, PA. and St. Louis, MA. The market posting the largest June price increase, from the previous month, was Baltimore, MD, up \$0.30, while the steepest decline in price occurred in Washington, DC, down \$0.97.

The table below displays the June 2019 retail price, per half-gallon of organic whole milk, for each of the 29 cities surveyed.

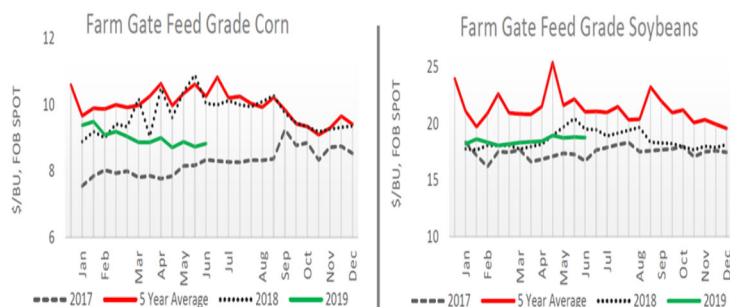


**Organic Milk Pay Prices in Europe.** According to CLAL, the average organic milk farm price in Germany for April 2019, 47.30 euros/100lt (currently \$53.85 USD), is 1.64 percent lower than a year earlier and 0.69 percent below March 2019. In France, the average organic milk farm price for the month of April, 40.83 euros/100lt (currently \$46.48 USD), is 1.42 percent higher than the previous year, but 9.82 percent lower than last month. Austria saw the organic farm milk price rise, 44.51 euros/100lt (currently \$62.25 USD), increase 2.11 percent over last year and up 0.54 percent over the previous month. In Bavaria, an important milk producing region of Germany, the average April price is 47.27 euros/100lt (currently \$53.75 USD), 2.80 percent lower than one year earlier and 1.44 percent below the previous month.

## ORGANIC GRAIN FEEDSTUFF OVERVIEW

**Organic Grain and Feed Market.** Demand is moderate on light trade activity for all organic grains. Feed grade corn moved 10 cents higher, while feed grade soybeans declined 5 cents. Due to the unseasonably wet weather, farmers have struggled to get new crop corn planted. This has disrupted trading leaving buyers and sellers uncertain as to the number of acres that will be planted. Also, late planting hinders the contracting of new crop. Farmers are hesitating when considering their ability to fulfill contractual obligations, relative to yields, along with the difficulty of predetermining delivery price under existing conditions.

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	8.25 - 9.00	8.83	0.10	10.04	9.00 - 9.50	Oct-19 - Jun-20	8.25 - 9.00
Soybeans	\$/bu	18.50 - 19.00	18.76	-0.05	19.50	N/A - N/A	N/A - N/A	18.50 - 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	4.00 - 4.50
Barley	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	7.50 - 7.50



**Crop Planting Update.** Both conventional and organic planting has been hammered by the excessive rainfall. According to the June 24, 2019 release of the NASS *Crop Progress* report, 96 percent of the corn has been planted in the 18 states, 4 percent less than the average. Also, only 89 percent of new crop has emerged, when compared to the previous 5 year average of 99 percent. Soybean planted acres are at 85 percent, below the five-year average of 97 percent. Soybean crops emerged is 71 percent, below the 91 percent 5 year average.

## ORGANIC DAIRY RETAIL OVERVIEW

This week, reports indicate that retail stores show a 31 percent decline in organic retail advertisements. Comparatively, conventional ads grew at a 12 percent rate across the country. Regional numbers show that organic ads shifted lower in the South Central (64 percent), Midwest (51 percent), Northeast (59 percent), and Northwest (42 percent).

The organic milk premium, the difference between the half gallon organic milk price and conventional milk price, \$2.11, shifted lower compared to the previous week's spread, \$3.12. The weighted average milk prices for organic and conventional this week are \$4.08 and \$1.97, respectively.

Ads for the primary organic dairy commodity groups show organic milk ads dipped 29 percent, organic yogurt ads fell 21 percent, while organic cheese failed to post advertisements across the regions this week.

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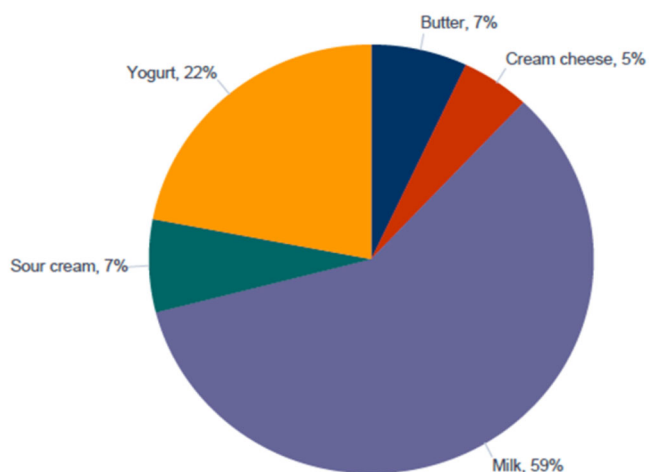
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The percentages of all advertised organic dairy products, gathered from the weekly retail survey, are shown in the pie chart below.

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 June 28-July 04, 2019. Retail survey ads reflect "advertised specials" and not the range of non-advertised supermarket cooler prices.

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
<b>Butter</b>	\$5.49	\$5.52	\$5.42
<b>Milk</b>			
Half Gal.	\$4.08	\$4.47	\$4.19
Gal.	\$5.00	\$5.81	\$6.99
8 oz.UHT	n.a	n.a.	n.a.
<b>Yogurt</b>			
4-6 oz. Greek	\$1.25	\$1.33	\$1.00
32 oz. Greek	\$5.99	n.a.	\$5.21
4-6 oz. Yogurt	\$1.13	\$0.60	\$0.88
32 oz. Yogurt	\$3.00	\$4.28	\$3.09

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 Price Range \$
Organic Butter		1 lb	13.45 -
Organic Butter		8 oz	4.75 - 10.00

## CHEESE

Commodity	Type	Pack Size	Organic Price Range \$
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	6.00 -
Organic Cheese	Pepper Jack	8 oz	12.50 -
Organic Cheese	Curds	Per Lb	6.80 - 12.00

Information for the period June 17 - June 28, 2019, issued monthly.