

ORGANIC DAIRY MARKET NEWS

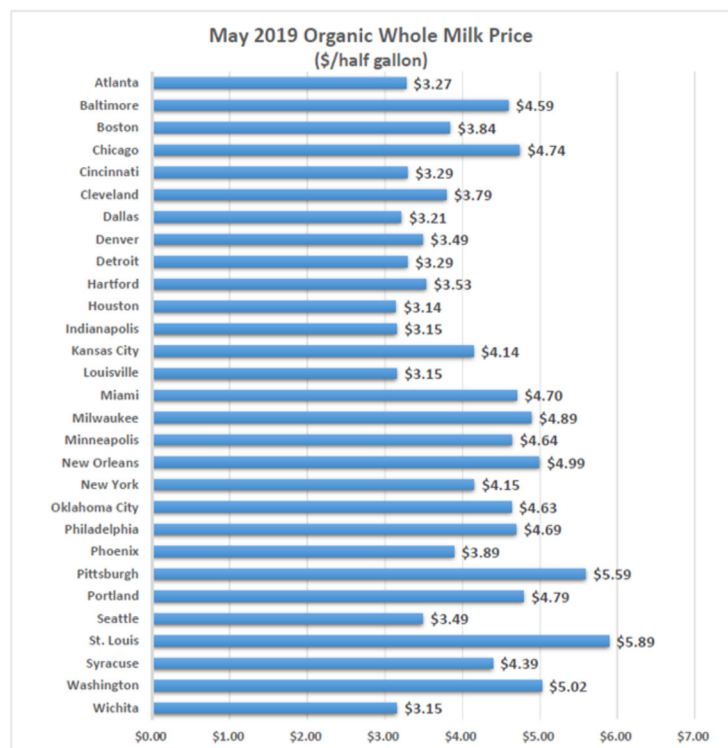
Information gathered May 20 - 31, 2019

ORGANIC DAIRY FLUID OVERVIEW

New England Organic Milk Sales and Sourcing. Federal Milk Market Order 1 in New England reports utilization of types of organic milk by pool plants. In April 2019, organic whole milk utilization totaled 11.9 million pounds, down from 14.9 million pounds one year earlier. The April 2019 butterfat content was 3.27 percent, a decline from 3.28 percent in 2018. Organic reduced fat milk utilization for April this year, 15.3 million pounds, was down from 18.1 million pounds one year earlier. The butterfat content was reported 1.31 percent, down from 1.32 percent the previous year.

Retail Organic Milk Prices for Selected U.S. Cities. The May 2019 in-store surveys of selected supermarkets in twenty-nine U.S. cities reveal that the price of organic whole milk, in half gallon containers, range from \$3.14 in Houston, TX. to \$5.89 in St. Louis, MO. The U.S. average price for May is \$4.12. The biggest price increase for organic whole milk half gallon, over the previous month, occurred in Washington, DC, up \$0.88, while the largest decrease in price was reported in Baltimore, MD, down \$0.30 in May.

The graph below displays May 2019 price per half gallon of organic whole milk for each of the 29 cities surveyed.

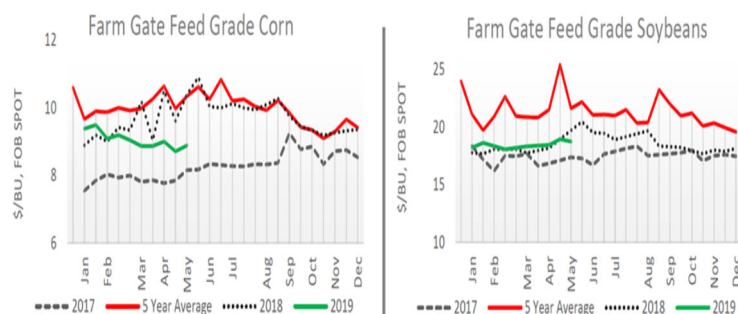


Organic Milk Pay Prices in Europe. According to CLAL, the average March 2019 organic milk farm price in Germany was 47.63 euros/100lt (\$53.06 USD), 2.40 percent lower than a year earlier and down 0.04 percent from February. In France, the average March organic milk farm price was 45.60 euros/100lt (\$50.79 USD), 0.19 percent below the previous year and 1.08 percent less than the previous month. In Austria, 44.27 euros/100lt (\$49.31 USD) was the average March organic milk farm price, unchanged from the previous year, but down 0.11 percent compared to last month. Bavaria, an important milk producing region of Germany, reported an average March organic milk price of 47.96 euros/100lt (\$53.42 USD), 3.27 percent less than one year earlier, but 0.04 percent above the previous month.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

USDA Announces Farmer Support. The Market Facilitation Program (MFP) for 2019, will provide \$14.5 billion in direct payments to farmers. The program has been expanded to cover a range of feed crops and agricultural products. Feed crops that will be covered in the program includes alfalfa hay, barley, canola, corn, sorghum, soybeans and wheat. Additionally, a \$1.4 billion Food Purchase and Distribution Program (FPDP) to purchase commodities that includes milk for distribution by the Food and Nutrition Service (FNS).

Organic Grain and Feed Market. Markets participants report lackluster trading on light post-holiday demand for all organic grains. Feed grade corn traded 17 cents higher, with the bulk of activity centered around f.o.b. spot sales of old crop. Most farmers are behind on new crop planting in regions affected by wet weather. Feed grade soybeans traded 20 cents lower in the spot market. Transactions for feed grade wheat was limited. Soybean meal traded between 840.00 and 870.00 per ton, crusher f.o.b. price.



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 - 9.75	8.88	0.17	10.39	N/A - N/A	N/A - N/A	8.50 - 9.00
Soybeans	\$/bu	18.00 - 19.00	18.74	-0.20	N/A	N/A - N/A	N/A - N/A	18.00 - 19.00
Wheat	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	8.00 - 8.50
Oats	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	4.00 - 4.00
Barley	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	7.50 - 7.50

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

ORGANIC DAIRY RETAIL OVERVIEW

Total organic advertisements grew 54 percent for surveyed retail stores across the country. Regionally, the Northeast, Southeast, and South Central show hikes in retail advertisement volume of 16 percent, 118 percent and 80 percent this week, respectively. Driving retail ad volume were 32 ounce organic Greek yogurt, and half gallon organic milk. Yogurt ads were 23 times higher, and milk ads increased 43 percent.

Ads by the main organic dairy commodity groups, show organic cheese ads dipped 32 percent, organic milk ads grew 41 percent, while organic yogurt ads increased 229 percent. As well, the average price for 32 ounce Greek yogurt plunged \$3.39. Organic milk premium, the difference between half gallon organic and conventional milk prices, \$2.36, is down 36 cents from last week's organic - premium.

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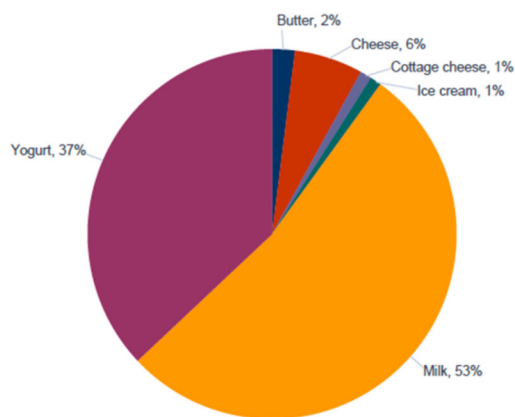
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As a percentage of total organic ads by commodity, milk led the charge, 53 percent, followed by yogurt at 37 percent. The weekly percentages of all advertised organic dairy products, gathered from the weekly retail survey, are presented in the pie 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 May 31-June 6, 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
Butter	\$5.29	\$5.49	\$4.99
Milk			
Half Gal.	\$3.90	\$4.26	\$3.92
Gal.	\$5.99	\$6.08	\$5.40
8 oz.UHT	\$1.00	n.a.	n.a.
Yogurt			
4-6 oz. Greek	n.a.	n.a.	\$1.00
32 oz. Greek	\$3.60	\$6.99	\$3.43
4-6 oz. Yogurt	\$0.58	\$0.58	\$1.05
32 oz. Yogurt	\$3.12	\$3.80	\$3.74

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 table identifies 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 May 20 - 31, 2019, issued monthly.