

ORGANIC DAIRY MARKET NEWS
Information gathered January 27 – February 7, 2020

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. During December 2019, organic whole milk utilization totaled 13.1 million pounds, down from 14.6 million pounds one year earlier. The December 2019 butterfat content was 3.28 percent, up from 3.26 percent in 2018. Organic reduced fat milk utilization number for December 2019, 11.6 million pounds, slide from 17.8 million pounds one year earlier. Meanwhile, butterfat content was 1.37 percent, up from 1.36 percent the previous year.

Dutch Organic Milk Pay Price. In the Netherlands, a large processor of organic milk announced the February 2020 pay price for organic milk is 48.50 EUR/100kg (currently \$53.24 USD). The organic milk producer supplies an average of 550,000 kilograms of milk, containing a fat content of 4.42 percent, protein content of 3.57 percent and a lactose content of 4.53 percent, on an annual basis.

November 2019 Average Organic Milk Farm Prices in Europe
(4 percent p.p fat – 3.4 percent protein)

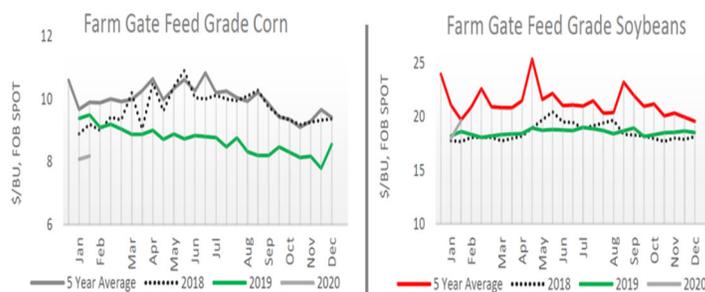
	euros/100lt	(\$USD)	% Change Oct. 2019	% Change Nov. 2018
Germany	47.12	51.73	+ 0.32	- 1.53
Bavaria	47.43	52.07	+ 0.11	- 1.39
France	49.16	53.97	- 0.16	+ 1.95
Austria	42.69	46.86	+ 0.38	- 4.86

ORGANIC GRAIN FEEDSTUFF OVERVIEW

National Organic Grain and Feed Markets. Moderate demand and modest trading advanced the organic feed grade corn price 10 cents. Cash bids ranged 7.50 to 8.15 delivered elevator. The market is seeing a steady increase in forward contracts for Q1 and Q2 2020. Overall, the level of trading was moderate for feed grade soybeans, with the market trading 1.66 higher on good demand and limited availability of supply. Cash bids were 18.00 to 19.25 delivered elevator. Organic feed grade wheat demand is steady. Most exchanges represented contracts for March-April delivery. Meanwhile, old crop contracts, on average, were 75 cents lower than new crop contracts. Limited trades occurred in the organic food grade wheat market. Trade was inactive on all other organic grains.

Grower FOB Farm Gate Organic Grain

Feed Grade	Unit	Spot Transactions				Forward Contracts		Cash Bids
		Price Range	Avg.	Change	Prior Year	Price Range	Delivery Period	Price Range
Yellow Corn	\$/bu	7.60 - 9.50	8.18	0.10	9.49	7.67 - 8.40	Feb-20 - May-20	8.00 - 8.00
Soybeans	\$/bu	18.80 - 20.00	19.63	1.66	18.62	N/A - N/A	N/A - N/A	N/A - N/A
Wheat	\$/bu	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A



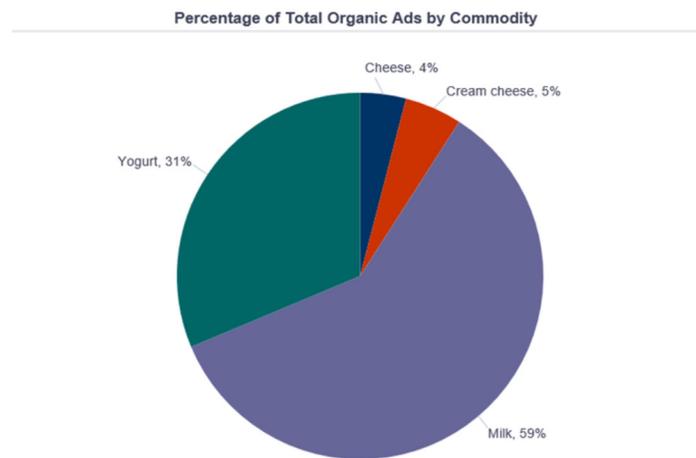
For additional information, access the link: <https://www.ams.usda.gov/mnreports/lbfnof.pdf>

ORGANIC DAIRY RETAIL OVERVIEW

This survey period, total organic dairy advertisements at retail supermarket outlets declined 62 percent. Organic yogurt in 32 ounce containers had the largest retail ad decline for all surveyed organic dairy products, 89 percent, followed by organic half gallon and gallon milk, 64 and 42 percent, respectively. Organic milk advertisements, in general, tumbled 63 percent compared to the previous week, while organic yogurt also lost traction, as ads dropped 57 percent in major retail outlets.

The retail milk price spread between organic and conventional half gallon milk represents an organic premium of \$1.08, down \$1.33 from last week's survey. A year ago, the price spread was \$1.63. Reports show the organic milk retail price average, which includes prices for all surveyed packaging sizes, increased 48 cents, up 13 percent across major retail outlets.

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



Data source: USDA Dairy Market News

Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from January 31 – February 6, 2019. Retail survey ads reflect “advertised specials” and not the range of non-advertised supermarket cooler prices.

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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 <u>Week</u>	Last <u>Week</u>	Last <u>Year</u>
Butter	n.a.	\$5.49	\$5.18
Cream Cheese 8 oz.	\$1.99	\$2.50	\$2.99
Milk			
Half Gal.	\$4.04	\$3.86	\$3.98
Gallon	\$5.99	\$5.00	\$5.62
8 oz.UHT	n.a.	\$0.80	n.a.
Yogurt			
4-6 oz. Greek	\$1.25	\$1.25	n.a.
32 oz. Greek	\$3.90	n.a.	n.a.
4-6 oz. Yogurt	n.a.	\$0.90	\$1.11
32 oz. Yogurt	\$3.00	\$3.87	\$3.61

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 - 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 - 5.50
Organic Cheese	Cheddar - Mild	8 oz	: 4.14 - 6.00
Organic Cheese	Cheddar - Sharp	8 oz	: 4.95 - 6.93
Organic Cheese	Colby	8 oz	: 5.25 - 6.29
Organic Cheese	Farmers	8 oz	: 4.00 - 6.00
Organic Cheese	Gouda	8 oz	: 12.00 -
Organic Cheese	Monterey Jack	8 oz	: 5.25 - 6.00
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 January 27 - February 7, 2020, issued monthly.