

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (12/06)

BUTTER: Grade AA closed at \$1.9150. The weekly average for Grade AA is \$1.9355 (-.0703).

CHEESE: Barrels closed at \$2.2275 and 40# blocks at \$1.9700. The weekly average for barrels is \$2.2485 (+.0543) and blocks, \$1.9595 (+.0345).

NONFAT DRY MILK: Grade A closed at \$1.2675. The weekly average for Grade A is \$1.2550 (+.0258).

DRY WHEY: Extra grade dry whey closed at \$.3675. The weekly average for dry whey is \$.3625 (+.0108).

CHEESE HIGHLIGHTS: Cheesemakers are taking on plenty of milk in all regions. Therefore, Class III production has picked up following the holiday week. Some Midwestern cheese plant managers said they allotted time off during Thanksgiving week, even with milk prices as low as \$5 in the Midwest. Now, spot milk prices rebounded on quiet spot trading, with a tighter range of Class to \$2 under Class being reported. Milk prices are generally on par with the past two years during week 49. Pizza cheese producers are expecting some upcoming ordering strength. That said, cheese demand is mixed, as buyers expect a potential price depression. However, block prices have seen more up than down this week, and barrels have only slightly come down from Monday after a bullish/short holiday trading week. Western inventories are available, therefore some market contacts feel current prices are not on par with supply.

BUTTER HIGHLIGHTS: With more cream available for churning at cheaper prices, butter production is active throughout the country. Thanksgiving sales were solid, and retailers appear eager to reorder for the next winter holiday push. The nominal spot butter prices are approaching the lowest point since 2016. According to some stakeholders, the current lower prices may be timely, as it may spur on more buying following holiday demand peaks. This week, bulk butter pricing varies by regions: East, 5.0 cents to 8.0 cents over the market; Central, 1.0 cent to 3.5 cents above the market; West, even to 7.5 cents over the market, with various periods and averages used.

FLUID MILK: Farm milk output is seasonally strong across the country. In most regions, it is either steady or increasing. However, in the Mid-Atlantic, milk production is mixed. Fluid milk intakes have picked up this week with the return of schools to normal operations after the holiday. As the result, when compared to last week, balancing needs have declined at most processing plants. While cream availability is mixed in the East, it is abundant in the Midwest and the West. Cream multiples for all Classes range 1.18-1.33 in the East, 1.15-1.27 in the Midwest, and 1.01-1.21 in the West. Condensed skim spot sales are lower in the East. In the West, processing is active.

DRY PRODUCTS: Low/medium heat nonfat dry milk prices are up in all the regions. Market conditions are strengthening, activated by a push in export demands. Outputs are steady to up as milk production is strong. Inventories of low/medium heat nonfat dry milk are balanced to tighter. **High heat nonfat dry milk** prices are unchanged in the East and the Central, but increased at the top of the range in the West. The market undertone is flat. **Dry buttermilk** prices are mostly stable, except for a slight growth at the bottom of the range in the West. Spot trading activities are light in the East. In the West, sales are mainly contractually based. Dry buttermilk inventories are available in the Central, but tight in the East and the West. **Dry whey** prices have suddenly largely increased in the U.S. Unexpected bullishness in the market reportedly caught some market participants off guard. Contractual negotiations are ongoing in the Central and the East. In the West, exports to Mexico and Asia are increasing. Dry whey processing declined in the West compared to the previous month because some dry whey processors switched to higher whey protein concentrate and permeate manufacturing. In the Central, plant managers have reduced their production during the past holiday week. **Animal feed** prices are following the same trend as dry whey. **Lactose** prices are unchanged from the previous week. The market is characterized by quiet trading activities and sufficient stocks to meet

-CONTINUED ON PAGE 1A-

TABLE OF CONTENTS

| | | | | | |
|---|---|--|----|-------------------------------------|----|
| Product Highlights/CME/DMN at a Glance | 1 | Dry Whey/WPC 34%/Lactose/Casein | 6 | October Dairy Products Highlights | 13 |
| Weekly CME Cash Trading/Butter Markets | 2 | U.S. Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures | 7 | November Class and Component Prices | 14 |
| Cheese Markets | 3 | International Dairy Market News | 8 | Dairy Graphs | G1 |
| Fluid Milk and Cream | 4 | DMN November Monthly Averages | 9 | National Retail Report—Dairy | |
| Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk | 5 | October Agricultural Prices | 12 | Dairy Market News Contacts | |

DAIRY MARKET NEWS PRICE SUMMARY FOR DECEMBER 2 - 6, 2019 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

| Commodity | Range | | Mostly | | Commodity | Range | | Mostly | | Commodity | Range | | Mostly | |
|-----------------------|--------|--------|--------|--------|-------------------|--------|--------|--------|--------|-------------------------|--------|--------|--------|--------|
| NDM | | | | | BUTTERMILK | | | | | LACTOSE | | | | |
| Central Low/Med. Heat | 1.1725 | 1.2900 | 1.2300 | 1.2600 | Central/East | 1.0900 | 1.1300 | | | Central/West | 0.1800 | 0.3700 | 0.2500 | 0.3300 |
| Change | 0.0050 | 0.0400 | 0.0400 | 0.0350 | Change | N.C. | N.C. | | | Change | N.C. | N.C. | N.C. | N.C. |
| Central High Heat | 1.2500 | 1.3400 | | | West | 1.0550 | 1.1500 | 1.0900 | 1.1200 | WPC 34% | | | | |
| Change | N.C. | N.C. | | | Change | 0.0050 | N.C. | N.C. | N.C. | Central/West | 0.7500 | 1.1250 | 0.8800 | 1.0500 |
| West Low/Med. Heat | 1.1725 | 1.2950 | 1.2200 | 1.2600 | WHEY | | | | | Change | N.C. | 0.0150 | N.C. | N.C. |
| Change | 0.0075 | 0.0250 | N.C. | 0.0200 | Central | 0.2900 | 0.4200 | 0.3250 | 0.3600 | CASEIN | | | | |
| West High Heat | 1.2500 | 1.4100 | | | Change | 0.0100 | 0.0800 | 0.0350 | 0.0350 | Rennet | 3.6125 | 3.7100 | | |
| Change | N.C. | 0.0300 | | | West | 0.2950 | 0.4050 | 0.3100 | 0.3800 | Change | 0.1775 | 0.1425 | | |
| DRY WHOLE MILK | | | | | Change | 0.0450 | 0.0050 | 0.0225 | 0.0400 | Acid | 3.4500 | 3.6500 | | |
| National | 1.7000 | 1.9000 | | | Northeast | 0.3075 | 0.4000 | | | Change | 0.1375 | 0.1275 | | |
| Change | 0.0500 | 0.1000 | | | Change | N.C. | 0.0525 | | | ANIMAL FEED WHEY | | | | |
| | | | | | | | | | | Central | 0.2800 | 0.3200 | | |
| | | | | | | | | | | Change | 0.0300 | 0.0400 | | |

DAIRY MARKET NEWS PRICE SUMMARY FOR NOVEMBER 25 - DECEMBER 6, 2019 PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

| Commodity | Range | | Commodity | Range | | Commodity | Range | |
|-------------|-------|------|--------------------------|-------|------|-----------------------|-------|------|
| SMP | | | WHOLE MILK POWDER | | | BUTTER | | |
| W. Europe | 2750 | 2875 | W. Europe | 3325 | 3425 | W. Europe | 3900 | 4075 |
| Change | 25 | N.C. | Change | 25 | -25 | Change | -25 | -50 |
| Oceania | 3025 | 3150 | Oceania | 3300 | 3450 | Oceania | 3975 | 4150 |
| Change | 50 | 25 | Change | N.C. | 100 | Change | -50 | -50 |
| S. America | 2775 | 3275 | S. America | 3225 | 3425 | BUTTEROIL | | |
| Change | 25 | 25 | Change | -25 | -25 | W. Europe | 4350 | 4800 |
| WHEY | | | | | | Change | -500 | -600 |
| W. Europe | 750 | 1025 | | | | CHEDDAR CHEESE | | |
| Change | N.C. | N.C. | | | | Oceania | 3925 | 4050 |
| | | | | | | Change | 250 | 150 |

DAIRY MARKET NEWS AT A GLANCE**-CONTINUED FROM PAGE 1-**

buyers' requests. Production is steady. **Whey protein concentrate 34%** prices are steady to up, whereas demands and inventories vary by areas. Some feed purchasers are substituting nonfat dry milk with WPC 34% to save on protein costs. WPC 34% production is flat. **Dry whole milk prices** have picked up this week, rising by 5 cents at the bottom of the range and 10 cents at the top. Production is focused on satisfying contractual obligations. Trading is light, and inventories are tight. Both **Rennet** and **Acid casein** prices moved up on the range. Casein processors are not looking to contract as they expect that prices will keep climbing. In addition, casein production and availability have declined, hampered by higher skim milk powder prices.

INTERNATIONAL DAIRY MARKET NEWS: EUROPEAN OVERVIEW: WESTERN OVERVIEW: Western European milk production recently hit the seasonal low and is slowly moving higher. Production in some of the leading milk producing countries has increased each week for several weeks. Increases are over one year earlier, as well as above the previous week. This raises optimism for a strong end to the calendar 2019 milk production. Cheese manufacturers, in particular, are eager to get all of the milk they can. While many or most buyers are generally comfortably stocked for 2019, there are still active discussions to finalize early 2020 dairy product needs. This applies to internal European needs, as well as export interest. **EASTERN OVERVIEW:** Eastern European milk production is similar to Western Europe in rising from recent seasonal lows. There are also signs of increases in key milk producing countries being over year earlier volumes.

OCEANIA OVERVIEW: AUSTRALIA: Milk production in Australia during October was 5.5 percent below October last year, according to Dairy Australia. **NEW ZEALAND:** Milk production in New Zealand is on the downward slope from the seasonal peak. While recent official data for October showed lower milk solids and production from October 2019, New Zealand based observers caution not to interpret that too simplistically. They note that 2018 production through October was quite high in a historical context. That diminishes the simple comparison as meaning that current production is disappointing.

SOUTH AMERICA OVERVIEW: Milk production at the farm level in South America is seasonally descending as high summer temperatures continue taking a toll on dairy cows' milk yields. However, milk volumes are enough to meet most of the needs of the food processing industry, particularly in Argentina, Uruguay and Paraguay. On the contrary, in Brazil, milk volumes have recently declined and are well below the strong demands from dairy processors. Despite the weak economy and a relatively low currency value in the main Southern Cone countries, farm gate prices have remained marginally above operating costs. The good quality and availability of concentrates in the region have been important factors in mitigating the operating costs of several tambos. However, some small producers, with no capacity for economies of scale, continue to struggle with small profit margins and have sold part of their livestock to the meat industry.

NATIONAL RETAIL REPORT (DMN): Conventional dairy ads are up 274 percent. Conventional ice cream, 48-64 ounce, comprises the largest volume of ads. Of the primary conventional dairy commodities, cheese prices rose 26 percent, yogurt prices fell 14 percent, and milk prices declined 36 percent. Ads featuring holiday and baking themed conventional dairy products increased from the previous Thanksgiving holiday shortened week. Butter ads, 1 pound, rose 222 percent while the average price increased 6 cents to \$3.43. Cream cheese ads are up 190 percent with an average price of \$1.60, down 12 cents.

OCTOBER AGRICULTURAL PRICE HIGHLIGHTS (NASS): The All Milk price received by farmers was \$19.90 in October, up \$2.40 from October 2018. Milk Cows price was \$1,310 in October, up \$80 from October 2018. Alfalfa hay price was \$179.00 in October, up \$3.00 from October 2018. Corn price was \$3.84 in October, up \$.42 from October 2018. Soybean price was \$8.60 in October, up \$.01 from

October 2018. The milk-feed price ratio was 2.39 in October, up 0.17 from October 2018. The index of prices received by farmers for dairy products during the month of October 2019 was up 3 to 99.0. Compared to October 2018, the index was up 11.9 points (13.7 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in October 2019 was 0.5 up 110.1. Compared with October 2018, the index was up 0.3 points (+0.3 percent).

OCTOBER DAIRY PRODUCTS REPORT HIGHLIGHTS (NASS): Butter production was 157 million pounds, 5.4 percent above October 2018, and 13.8 percent above September 2019. American type cheese production totaled 443 million pounds, 3.2 percent below October 2018, but 6.8 percent above September 2019. Total cheese output (excluding cottage cheese) was 1.13 billion pounds, 2.1 percent below October 2018, but 4.6 percent above September 2019. Nonfat dry milk production, for human food, totaled 135 million pounds, 11.1 percent above October 2018, and 12.3 percent above September 2019. Dry whey production, for human food, was 89 million pounds, 8.0 percent above October 2018, but 0.9 percent below September 2019. Ice cream, regular hard production, totaled 58.7 million gallons, 3.1 percent below October 2018 and 0.9 percent below September 2019.

NOVEMBER CLASS AND COMPONENT PRICES (USDA, FMMO): The following are the November 2019 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.85 (+\$0.17), Class III: \$20.45 (+\$1.73), and Class IV: \$16.60 (+0.21). Under the Federal milk order pricing system, the butterfat price for November 2019 is \$2.3195 per pound. Thus, the Class II butterfat price is \$2.3265 per pound. The protein and other solids prices for November 2019 are \$3.9118 and \$0.1112 per pound, respectively. These component prices set the Class III skim milk price at \$12.78 per cwt. The November 2019 Class IV skim milk price is \$8.79, which is derived from the nonfat solids price of \$0.9763 per pound. The product price averages for November 2019 are: butter: \$2.0869, nonfat dry milk: \$1.1540 cheese: \$2.1723 (40-pound blocks: \$2.0987 and 500-pound barrels: \$2.2280) and dry whey: \$0.3071.

| COMMODITY | MONDAY DEC 2 | TUESDAY DEC 3 | WEDNESDAY DEC 4 | THURSDAY DEC 5 | FRIDAY DEC 6 | :: | WEEKLY CHANGE | :: | WEEKLY AVERAGE |
|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----|------------------|----|-----------------------|
| CHEESE | | | | | | | | | |
| BARRELS | \$2.2575 (+0.0100) | \$2.2625 (+0.0050) | \$2.2525 (-0.0100) | \$2.2425 (-0.0100) | \$2.2275 (-0.0150) | :: | (-0.0200) | :: | \$2.2485 (+0.0543) |
| 40 POUND BLOCKS | \$1.9325 (-0.0300) | \$1.9475 (+0.0150) | \$1.9750 (+0.0275) | \$1.9725 (-0.0025) | \$1.9700 (-0.0025) | :: | (+0.0075) | :: | \$1.9595 (+0.0345) |
| NONFAT DRY MILK | | | | | | | | | |
| GRADE A | \$1.2625 (+0.0250) | \$1.2500 (-0.0125) | \$1.2475 (-0.0025) | \$1.2475 (N.C.) | \$1.2675 (+0.0200) | :: | (+0.0300) | :: | \$1.2550 (+0.0258) |
| BUTTER | | | | | | | | | |
| GRADE AA | \$1.9700 (-0.0275) | \$1.9425 (-0.0275) | \$1.9350 (-0.0075) | \$1.9150 (-0.0200) | \$1.9150 (N.C.) | :: | (-0.0825) | :: | \$1.9355 (-0.0703) |
| DRY WHEY | | | | | | | | | |
| EXTRA GRADE | \$0.3550 (+0.0025) | \$0.3550 (N.C.) | \$0.3675 (+0.0125) | \$0.3675 (N.C.) | \$0.3675 (N.C.) | :: | (+0.0150) | :: | \$0.3625 (+0.0108) |

Prices shown are in U.S. dollars per lb. in carlot quantities. Carlot unit weights: CHEESE, 40,000-44,000 lbs.; NONFAT DRY MILK, 41,000-45,000 lbs.; BUTTER, 40,000-43,000 lbs.; DRY WHEY, 41,000-45,000 lbs. Weekly Change is the sum of Daily Price Changes. Weekly Average is the simple average of the Daily Cash Close prices for the calendar week. Weekly Average Change is the difference between current and previous Weekly Average. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKET-NEWS/DAIRY

NOTICE: Five days of trading information can be found at www.cmegroup.com/trading/agricultural/spot-call-data.html

BUTTER MARKETS

NORTHEAST

Butter plants in the Northeast are churning at a steady post-Thanksgiving pace. Manufacturers' stocks are enough for near-term customer accounts. Retail, foodservice, and food processing interests remain active. Bulk sales are 5-8 cents over the market on the CME Group, with various time frames and averages used. Retail 1# butter prices shifted higher as store ads decreased significantly. Export butter demand is moderate to sluggish. Domestic butter prices continue to surpass global prices, as universal market prices dip. The current butter market has a softening undertone.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0500 - +0.0800

Secondary Sourced Information:

CME GROUP

Tuesday's CME Group cash trading saw Grade AA butter close at \$1.9425, down from \$2.0100 a week ago.

The CME Group November 2019 monthly average price was \$2.0495, compared to \$2.1071 in October.

WEST

The western butter market conditions are stable to declining compared to the prior week. According to some market participants, Thanksgiving sales were solid. Now, retailers are placing large orders to restock their shelves for the end of year holidays. A few bulk butter sellers are receiving inquiries from customers about making arrangements for Q1 coverages. Butter production is active. Cream is available to meet all churning needs. As so, some processors report getting unsolicited offers of estimated future cream supplies. Butter inventories are readily accessible to buyers. However, there seems to be more bulk butter compared to print butter. Some loads of butter are being cleared through the CME. The bulk butter price range has remained the same as last week.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: 0.0000 - +0.0750

Secondary Sourced Information:

The Grade AA butter price at the CME Group on Wednesday closed at \$1.9350, compared to the weekly average price of \$2.0058 from last week.

The CME Group November 2019 monthly average price for AA butter, \$2.0495, compared to the October 2019 monthly average of \$2.1071. One year ago, the CME Group monthly average was \$2.2480.

CENTRAL

Sales reports continue to be strong for butter makers in the region. Both organic and conventional retail butter sales numbers are positive. That said, inventories are plentiful so strong (seasonal) sales are required to maintain a semblance of market balance. Market prices have continued to slide after broaching the underside of \$2 last week for the first time since 2016. Some market analysts are suggesting bearishness to continue with current availability. Cream was widely available during the holiday week. Cream accessibility tightened a little in relation to last week, but loads are still easy to locate for regional contacts.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter

Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0175 - +0.0325

Secondary Sourced Information:

CHEESE MARKETS

NORTHEAST

Cheese production in the Northeast is steady to strong in the region. Mozzarella and provolone cheese orders are stable for this time of year. Manufacturers' inventories are balanced to available. Cheddar cheese block and barrel spot prices have increased a bit on various market exchanges. Market participants relay that market conditions are fairly healthy heading into the holiday season. In the Northeast, the wholesale cheese price for both cheddar and Muenster increased \$0.0800. In addition, the process cheese prices heightened by \$0.0300. The Grade A Swiss price is steady. The DMN Northeast November 2019 monthly average price for cheddar blocks is \$2.6186, compared to \$2.6289 one month ago. Processed 5# sliced average price is \$2.6555, compared to \$2.2852 one month ago.

WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

| | |
|---------------------------------|---------------|
| Cheddar 40 pound Block | 2.3800-2.6675 |
| Muenster | 2.3675-2.7175 |
| Process American 5 pound Sliced | 2.3500-2.8300 |
| Swiss 10-14 pound Cuts | 3.4125-3.7350 |

Secondary Sourced Information:

The CME Group November 2019 monthly average price for barrels was \$2.2554, compared to \$2.0224 a month ago; blocks' average price was \$1.9664, down from \$2.0703 a month ago.

MIDWEST

Cheese orders are steady to busier in the region. Cheese producers report last minute production preparations for the increased end-of-year holiday ordering. Some plant managers reported keeping production minimum to nil over the holiday and some weekend days. Now, however, more milk is becoming available. Early in the week, spot milk trading is quiet but prices are at Class to discounted slightly. The \$5 under-Class holiday milk prices have yet to be reported. According to regional producers, inventories are in a good place. Markets continue to confuse cheese contacts. After a turn-around on the holiday week, barrel prices are continuing upward while blocks are a little more hesitant and remain under \$2. All said, however, market prices are stronger than most participants would have expected for 2019. Midwestern wholesale prices are unchanged for Swiss cuts, up \$.0300 for process and up \$.0800 for all other types.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

| | |
|-------------------------------|---------------|
| Blue 5 pounds | 2.5625-3.6325 |
| Brick 5 pounds | 2.2950-2.7200 |
| Cheddar 40 pound Block | 2.0175-2.4175 |
| Monterey Jack 10 pounds | 2.2700-2.4750 |
| Mozzarella 5-6 pounds | 2.0950-3.0400 |
| Muenster 5 pounds | 2.2950-2.7200 |
| Process American 5 pound Loaf | 2.2800-2.6400 |
| Swiss 6-9 pound Cuts | 2.9275-3.0450 |

WEST

With plenty of milk available, western cheese plants are busy. Cheese production is active ahead of the winter holidays. Industry contacts suggest demand is mixed. Retail and food service requests are steady and at seasonal levels, while pizza sales are solid. However, current market prices have put a wet blanket over shoppers urge to buy cheese. Many end users continue to shop hand to mouth and are not eager to put extra cheese into their warehouses. Some market participants think cheese supplies are readily available, and that the strong prices are not fully justified.

WHOLESALE SELLING PRICES: DELIVERED
DOLLARS PER POUND(MIXED LOTS (1000-5000 POUNDS))

| | |
|-------------------------------|---------------|
| Cheddar 10 pound Cuts | 2.2550-2.4550 |
| Cheddar 40 pound Block | 2.0075-2.4975 |
| Monterey Jack 10 pounds | 2.2425-2.5175 |
| Process American 5 pound Loaf | 2.2975-2.5525 |
| Swiss 6-9 pound Cuts | 3.0100-3.4400 |

FOREIGN TYPE

In Germany, cheese prices are rising as many buyers feel constrained to accept higher prices to safeguard the supplies they need. Processors are prioritizing the fulfillment of contractual orders, and from time to time, they have to delay deliveries due to cheese stocks being very low. Retailers and large consumers demands for cheese are increasing ahead of the end of year holidays. Sales of cheese within and outside the European Union are on the rise as well. Cheese production is close to stable. U.S. domestic prices for blue, gorgonzola, parmesan, and Romano have increased \$0.0800, but all the other prices in the table below are steady.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

| VARIETY | NEW YORK | IMPORTED | DOMESTIC |
|--------------------------|---------------|----------|----------------|
| Blue | 2.6400-5.2300 | | 2.4400-3.9275* |
| Gorgonzola | 3.6900-5.7400 | | 2.9475-3.6650* |
| Parmesan | -0- | | 3.8275-5.9175* |
| Romano | -0- | | 3.6300-5.7850* |
| Sardo Romano (Argentina) | 2.8500-4.7800 | | -0- |
| Reggianito (Argentina) | 3.2900-4.7800 | | -0- |
| Jarlsberg | 2.9500-6.4500 | | -0- |
| Swiss | -0- | | 3.4500-3.7725 |
| Swiss (Finland) | 2.6700-2.9300 | | -0- |

* = Price change.

COLD STORAGE

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

| | BUTTER | CHEESE |
|------------|--------|--------|
| 12/02/2019 | 48777 | 79533 |
| 12/01/2019 | 48777 | 79534 |
| CHANGE | 0 | -1 |
| % CHANGE | 0 | 0 |

CONTINUED ON PAGE 3A

CHEESE MARKETS

CONTINUED FROM PAGE 3

Dairy Products Report – Cheese Summary

Released December 4, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Cheese Production – United States: October 2018 and 2019

| Total Cheese ¹ | <u>Monthly Production (1000 pounds)</u> | | | <u>Percent Change from</u> | |
|----------------------------------|---|----------------|--------------|----------------------------|----------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| United States | 1,154,170 | 1,080,648 | 1,130,481 | -2.1 | 4.6 |
| Atlantic | 142,056 | 131,788 | 139,922 | -1.5 | 6.2 |
| Central | 535,267 | 498,460 | 516,812 | -3.4 | 3.7 |
| West | 476,847 | 450,400 | 473,747 | -0.7 | 5.2 |

| American Cheese ² | <u>Monthly Production (1000 pounds)</u> | | | <u>Percent Change from</u> | |
|-------------------------------------|---|----------------|--------------|----------------------------|----------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| United States | 457,122 | 414,502 | 442,609 | -3.2 | 6.8 |
| Atlantic | 27,541 | 26,556 | 26,405 | -4.1 | -0.6 |
| Central | 231,029 | 205,835 | 223,193 | -3.4 | 8.4 |
| West | 198,552 | 182,111 | 193,011 | -2.8 | 6.0 |

| Italian Cheese | <u>Monthly Production (1000 pounds)</u> | | | <u>Percent Change from</u> | |
|-----------------------|---|----------------|--------------|----------------------------|----------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| United States | 483,852 | 470,703 | 482,161 | -0.3 | 2.4 |
| Atlantic | 62,061 | 56,417 | 61,482 | -0.9 | 9.0 |
| Central | 198,555 | 192,252 | 188,834 | -4.9 | -1.8 |
| West | 223,236 | 222,034 | 231,845 | 3.9 | 4.4 |

Cheese Production – Cumulative Production January - October

| Cheese Type | <u>Cumulative Production (1000 pounds)</u> | | <u>Percent Change from</u> |
|------------------------------|--|------------|----------------------------|
| | 2018 | 2019 | 2018 |
| Total Cheese ¹ | 10,816,211 | 10,898,869 | 0.8 |
| American Cheese ² | 4,371,308 | 4,326,388 | -1.0 |
| Italian Cheese | 4,608,638 | 4,716,987 | 2.4 |

1/ Excludes cottage cheese.

2/ Includes cheddar, colby, washed curd, stirred curd, Monterey and jack.

EAST

Northeast milk production is flat to picking up. Class I sales are higher as educational institutions have reopened from the holiday. Manufacturers relay production schedules are steady this week. **Mid-Atlantic** milk off the farms is mixed. Balancing operations are not at capacity. **Southeast** milk output is slightly climbing, yet not as quickly as some expected. Class I sales are higher, and some bottlers have requested additional add-ons onto their current orders this week. **Florida** milk production is coming up. Class I sales have improved compared to last week, however some bottlers have cut milk loads from their orders. **Cream** interest continues to be on the lighter side. The availability is somewhat mixed currently, yet many market participants are purchasing cream this week at lower prices. Cream multiples are ranging 1.18-1.33 F.O.B. **Condensed skim** markets are steady. Spot sales are limited on the market. The DMN November average for Northeast Class II cream was \$2.6664, compared to \$2.7467 a month ago. The DMN November monthly average for Northeast Class II condensed skim was \$1.0100, no change compared to a month ago.

| | |
|--|-------------|
| Northeastern U.S., F.O.B. Condensed Skim | |
| Price Range - Class II; \$/LB Solids: | 0.95 - 1.07 |
| Price Range - Class III; \$/LB Solids: | 0.90 - 1.05 |

| | |
|--|-----------------|
| Northeastern U.S., F.O.B. Cream | |
| Multiples Range - All Classes: | 1.1800 - 1.3300 |
| Price Range - Class II; \$/LB Butterfat: | 2.3668 - 2.6677 |

MIDWEST

Milk production reports are steady to higher, both month to month and year to year. Milk availability, not unrelated, has grown markedly. With the holiday last week, both bottlers and manufacturers reported time off. Therefore, fluid milk and cream handlers were receiving calls for milk/cream placements throughout the holiday weekend. Cheese plant managers say spot milk trading was scant. Most reported spot prices were in the Class range, but there were no premiums reported this week. The \$5 discounts of last week also were not reported. Current spot milk prices are comparable to previous years. In 2018, spot milk prices ranged from \$1 over to \$3 under Class, while two years ago spot milk prices were at Class to \$4 under. **Cream** supplies were readily available. During the holiday weekend, there were reports of cream trades near Class. However, this week prices bounced back, as multiples were generally similar to those early in and prior to Thanksgiving week. Farmers in the upper Midwest relay some corn and beans are still in the fields. A number of farmers had a somewhat weather-friendly week, but sub-freezing temperatures and precipitation are spotty and expected this weekend and into next week. That said, some dairy farmer contacts in the same region reported comfortable haylage/silage supplies.

The DMN monthly average of the range price series for Upper Midwest Class II cream during November 2019 was \$2.6539, compared to \$2.7666 in October.

| | |
|---|-------------|
| Price Range - Class III Milk; \$/CWT; Spot Basis: | -2.00 - .00 |
| Trade Activity: Slow | |

| | |
|--|-----------------|
| Midwestern U.S., F.O.B. Cream | |
| Multiples Range - All Classes: | 1.1500 - 1.2700 |
| Price Range - Class II; \$/LB Butterfat: | 2.4872 - 2.5474 |
| Multiples Range - Class II: | 1.2400 - 1.2700 |

WEST

In **California**, the weather conditions continue to be in favor of milk production. Milk loads are plentiful and enough to meet all processing needs. Class I sales are back up with the return of schools to normal schedules. Class II demands are stable. Milk components' percentages are at higher levels. **Arizona** milk output is seasonally strong. Class I intakes have picked up with the reopening of educational institutions, whereas Class II and III sales are steady. Handlers are routing milk to the different Classes without any issues. Processing plants are running near full capacities. Wintery storms in parts of **New Mexico** have affected milk production and delivery schedules. However, haulers and producers were prepared for alternative solutions that kept the milk moving to the prearranged destinations. Milk holdovers were up toward the end of last week, partly due to declining intakes during the holiday and repair/maintenance workloads at some plants. Now, they are back to the average weekly levels. Class I, II and III orders have increased, resulting in less need for balancing. No surplus milk was reported this week. Milk production in the **Pacific Northwest** is strong and steady. Mild weather has kept the milking herd comfortable. Industry contacts report bottling demand has returned to normal following the holiday week, and there is plenty of milk available to meet manufacturing needs. Most manufacturing facilities are running near full capacity. Milk production in the mountain states of **Idaho**, **Utah**, and **Colorado** is steady to higher. Milk handlers were able to place milk loads over the Thanksgiving holiday without any confirmed losses. Milk distribution patterns are returning to normal. Industry contacts say the continued stress of heavy milk volumes in northern parts of the region have prompted some milk handlers to send base program notices out to farmers. The programs seek to bring milk supplies into better balance with available processing capacity. Among the different dried dairy products, nonfat dry milk production is prioritized because of increasing demand and prices. As the result, **condensed skim** processing is active in the West. Compared to the other regions of the United States, there is a lot more **cream** available in the West. Churning is active, ensuring ongoing clearing of cream. Cream sellers are looking for sale outlets wherever possible. As so, some industry participants report receiving unsolicited offers of cream. Several western vendors are considering moving cream to the East if they can find cost effective transportation. Cream multiples for all Classes are lower on both ends of the range.

| | |
|--------------------------------|-----------------|
| Western U.S., F.O.B. Cream | |
| Multiples Range - All Classes: | 1.0100 - 1.2100 |

CONTINUED FROM PAGE 4

Dairy Products Report - Ice Cream, Regular, Hard

Released December 4, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Ice Cream, Regular (Hard) Production – States and United States: Oct 2018 and 2019

| Region | Monthly Production (1000 lbs) | | | Percent Change from | |
|---------------|-------------------------------|--------------|-------------|---------------------|--------------|
| | Oct 2018 | Sept 2019 | Oct 2019 | Oct 2018 | Sept 2019 |
| United States | 60,610 | 59,247 | 58,706 | -3.1 | -0.9 |
| Atlantic | 13,828 | 12,698 | 13,255 | -4.1 | 4.4 |
| Pennsylvania | 3,232 | 3,047 | 2,550 | -21.1 | -16.3 |
| Central | 35,638 | 35,518 | 33,114 | -7.1 | -6.8 |
| Missouri | 2,844 | 2,977 | 2,786 | -2.0 | -6.4 |
| Ohio | 2,307 | 2,152 | 2,412 | 4.6 | 12.1 |
| West | 11,144 | 11,031 | 12,337 | 10.7 | 11.8 |
| California | 5,545 | 6,281 | 6,720 | 21.2 | 7.0 |
| Oregon | 1,111 | 1,012 | 1,117 | 0.5 | 10.4 |
| Utah | 2,317 | 1,730 | 2,292 | -1.1 | 32.5 |

Ice Cream, Regular (Hard) – Cumulative Production January - Oct

| Report Month | Cumulative Production (1000 lbs) | | Percent Change from 2018 |
|--------------|-------------------------------------|---------|--------------------------------|
| | 2018 | 2019 | |
| Oct | 626,607 | 611,734 | -2.4 |

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Low/medium heat nonfat dry milk (NDM) prices shifted higher on a trading week that was slow to start, but picked up midweek. There is no doubt that prices and market tones are firming. With lighter availability, and customers looking to fulfill end-of-year supplies, the bullish push looks to continue into 2020. Mexican demand remains key in keeping producers busy. Milk production has increased in the region, and nonfat drying is also gaining more attention from manufacturers. That said, demand is outweighing supply at the moment. High heat NDM prices did not follow suit, but they did hold steady on similarly steady trading to the past two weeks. On the whole, NDM market tones are sturdily bullish.

EAST: The low/medium heat nonfat dry milk (NDM) post-Thanksgiving price has strengthened behind heightened demand. Markets advanced in the range and the mostly series. Good export sales continues to pull from available stocks, driving pricing. Backlogged low/medium nonfat dry milk orders are being shipped. Spot loads are actively trading as buyers, by design, manage purchases consistent with their immediate and near-term needs. New NDM business, Q1 2020, continues to develop and push production beyond capacity in some instances. Some industry sources speculate that the NDM inventories, overall, are committed and suggest that some sold-out positions will hold for the near-term, therein contributing to a trending bullish market. High heat NDM prices are steady with most sales occurring near the top of the price range. On all accounts, end-user high heat NDM purchases are steady around yearend holiday baking needs. The DMN monthly average of the mostly price series for Central and East low/medium heat NDM during November was \$1.1964, compared to \$1.1380 in October.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk
 Price Range - Low & Medium Heat; \$/LB: 1.1725 - 1.2900
 Mostly Range - Low & Medium Heat; \$/LB: 1.2300 - 1.2600

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk
 Price Range - High Heat; \$/LB: 1.2500 - 1.3400

NONFAT DRY MILK - WEST

In the West, f.o.b. prices for low/medium heat nonfat dry milk (NDM) have been on the rise for the past 7 weeks, and this week is no exception. Compared to last week, prices have increased on both ends of the range and on the top of the mostly series. According to some contacts, buyers are not excited about the current price levels and feel constrained to purchase at prices above their projected costs to guarantee coverages. Low/medium heat NDM supplies vary between balanced and short. This situation is due to increasing exports to Mexico and other parts of the world. Some reports suggest that lower skim milk powder stocks in the European Union are causing several of their customers to fall back on the U.S. to meet their needs. In the domestic market, while many buyers are finishing up Q1 2020 contract negotiations, some are waiting and hoping that spot market prices will be more favorable in the coming months. Low/medium heat NDM production is ongoing. High heat NDM prices have also increased at the top of the range. Production and spot sales are limited, whereas contractual demands continue to be stable. Overall, the market tone is steady. The November 2019 Dairy Market News monthly average for the West low/medium heat nonfat dry milk mostly series is \$1.2039 compared to \$0.8995 a year ago. The average for Western high heat nonfat dry milk is \$1.3018 compared to \$1.0456 a year ago.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk
 Price Range - Low & Medium Heat; \$/LB: 1.1725 - 1.2950
 Mostly Range - Low & Medium Heat; \$/LB: 1.2200 - 1.2600

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk
 Price Range - High Heat; \$/LB: 1.2500 - 1.4100

Dairy Products Report – Nonfat Dry Milk, Human Summary

Released December 4, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Nonfat Dry Milk, Human Production – States & United States: Oct 2018 and 2019

| | Monthly Production (1000 pounds) | | | Percent Change from | |
|-------------------|----------------------------------|--------------|-------------|---------------------|--------------|
| Region | Oct 2018 | Sept 2019 | Oct 2019 | Oct 2018 | Sept 2019 |
| United | 121,595 | 120,297 | 135,123 | 11.1 | 12.3 |
| Atlantic | 22,590 | 26,296 | 28,919 | 28.0 | 10.0 |
| Pennsyl- vania | 10,795 | 12,720 | 13,280 | 23.0 | 4.4 |
| Central | 19,458 | 22,799 | 22,878 | 17.6 | 0.3 |
| West | 79,547 | 71,202 | 83,326 | 4.8 | 17.0 |
| California | 44,897 | 39,078 | 48,092 | 7.1 | 23.1 |
| Other States | | | | | |
| 1/ | 65,903 | 68,499 | 73,751 | 11.9 | 7.7 |

1/ States not shown when fewer than 3 plants reported or individual plant operations could be disclosed.

Nonfat Dry Milk, Human Production – Cumulative Production Jan - Oct

| Report Month | Cumulative Production (1000 pounds) | | Percent Change from |
|--------------|-------------------------------------|-----------|---------------------|
| | 2018 | 2019 | 2018 |
| Oct | 1,496,594 | 1,539,376 | 2.9 |

Manufacturers' stocks end-of-month 3/

| | End of month stocks (1000 pounds) | | | Percent Change from | |
|-----------|-----------------------------------|---------|---------|---------------------|-------|
| | Oct | Sept | Oct | Oct | Sept |
| Product | 2018 | 2019 | 2019 | 2018 | 2019 |
| Nonfat | | | | | |
| Dry Milk, | | | | | |
| Human | 252,648 | 250,907 | 219,821 | -13.0 | -12.4 |

3/ Stocks held by manufacturers at all points and in transit.

Manufacturers' shipments 4/

| | Oct | Sept | Oct | Oct | Sept |
|------------------------|---------|---------|---------|------|------|
| Product | 2018 | 2019 | 2019 | 2018 | 2019 |
| Nonfat dry milk, human | 118,658 | 121,743 | 155,047 | 30.7 | 27.4 |

4/ For dry products, shipments of bulk goods.

-CONTINUED ON PAGE 5A-

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

-CONTINUED FROM PAGE 5-

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Buttermilk powder trading in the region, unlike some other dairy powder sales, were slow after Thanksgiving. Prices, therefore, remain unchanged. As nonfat dry milk and dry whey powder trading showed firmness, dry buttermilk may be facing a late-season lull. Inventories have been available. Currently, demand is steady. Drying, which has been very active until recently, is taking a backseat to condensed skim drying as nonfat dry milk markets are clearly favoring the seller. Churning is busier, but trading condensed buttermilk, when possible, mutually benefits the buyer and seller. Dry buttermilk market tones are quiet.

EAST: Dry buttermilk markets are unchanged on light f.o.b. spot trading. Moderate to heavy churning this week marginally increased dry buttermilk output. However, some spot buyers continue to chase loads, as availability remains limited apart from regular customer needs. The undertone is steady in the East market. The DMN monthly average of the range price series for Central and East dry buttermilk during November was \$1.1063, compared to \$1.0878 in October.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk
Price Range ; \$/LB: 1.0900 - 1.1300

DRY BUTTERMILK - WEST

In the West, dry buttermilk prices slightly increased at the bottom of the range, while the top of the range and the mostly series remained the same. Production is back to normal after the busy holiday drying time. Most condensed buttermilk processing schedules are made around contractual customers' demands, leaving just little inventories to satisfy spot requests. With the end of the year holidays near the corner, bakers' interests in dry buttermilk are trending higher. Overall, the market undertone is steady. The November 2019 Dairy Market News monthly average for the West dry buttermilk mostly series is \$1.0908 compared to \$0.8919 a year ago

Prices for: Western U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk
Price Range ; \$/LB: 1.0550 - 1.1500
Mostly Range - ; \$/LB: 1.0900 - 1.1200

DRY WHOLE MILK - U.S.

Free on board cash prices for national dry whole milk are higher, while the trading activity has been slow throughout the week. Currently, the production of dry whole is mainly driven by Q4/Q1 contractual needs. In the cash market, requests from chocolatiers are strong as the winter season is in full swing. However, dry whole milk inventories are reported as tight.

Prices for: U.S., All First Sales, F.O.B., Conventional, and Edible Dry Whole Milk
Price Range - 26% Butterfat; \$/LB: 1.7000 - 1.9000

Dairy Products Report – Dry Buttermilk Summary

Released December 4, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Dry Buttermilk – United States: October 2018 and 2019

| Region | Monthly Production (1000 pounds) | | Percent Change from | | |
|---------------|----------------------------------|----------------|---------------------|--------------|----------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| United States | 10,072 | 8,847 | 8,905 | -11.6 | 0.7 |

Manufacturers' stocks end-of-month 3/

| Product | End of month stocks (1000 pounds) | | Percent Change from | | |
|------------------------|-----------------------------------|----------------|---------------------|--------------|----------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| Dry butter-milk, total | 12,975 | 13,884 | 12,413 | -4.3 | -10.6 |

3/ Stocks held by manufacturers at all points and in transit.

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY- CENTRAL

The entire whey complex is in the midst of a bullish push, after most of 2019 has resembled a continual and mostly bearish timeline. Central region dry whey trading, which did not completely slow down even during Thanksgiving week, maintained steady to active trading. Positive price shifts took place at every point on the Dairy Market News range and mostly series. On the whole, whey drying has been tapered this year. Class III producers have cut back. Even in the midst of heavily discounted milk markets last week, plant managers reported taking the holiday and weekend days off. Currently, buyers are looking to secure some dry whey spot loads to supplement their upcoming 2020 contractual intakes. Animal feed whey prices increased on busier trading. Animal feed whey end users were not expecting such a shift, and they say offers have dwindled late this year and into Q1 2020. Contacts feel the newfound bullishness came on without warning. The DMN monthly average of the mostly price series for Central dry whey during November was \$0.3058, compared to \$0.3303 in October. The monthly average of the range price series for Central animal feed whey during November was \$0.2446, compared to \$0.2509 in October.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey

Price Range - Animal Feed; \$/LB: .2800 - .3200

Prices for: Central U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey

Price Range - Non-Hygroscopic; \$/LB: .2900 - .4200

Mostly Range - Non-Hygroscopic; \$/LB: .3250 - .3600

DRY WHEY- NORTHEAST

Whey powder prices are steady to higher on the price range in the East region. A few manufacturers continue to offer additional loads on top of their customers' regular orders, however these spot loads are priced higher than variable contract prices. Some market participants relay current contracts are keeping their dry whey needs filled. Many dairy contacts are in the process of negotiating 2020 agreements. On various market exchanges, dry whey spot prices are moving upward. Market conditions are showing signs of strength as prices are shifting. The November 2019 Dairy Market News monthly average for Northeast dry whey was \$0.3352 compared to \$0.3502 one month ago.

Prices for: Eastern U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey

Price Range - Non-Hygroscopic; \$/LB: .3075 - .4000

DRY WHEY- WEST

Western whey prices moved upwards in both the range and mostly price series. Demand is stronger. Industry contacts report interest from buyers in Mexico and Asia has increased. However, while some shoppers seem willing to take on loads, others don't want to carry the extra inventories on their year-end ledgers. Regular contract shipments are keeping manufacturers' inventories lean. Western whey production is down from previous months. A few processors have shifted from dry whey production to higher whey protein concentrations and permeate. The DMN monthly average of the mostly price series for West dry whey during November was \$0.3069 compared to \$0.3470 one month ago and \$0.4530 a year ago.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Dry Whey

Price Range - Non-Hygroscopic; \$/LB: .2950 - .4050

Mostly Range - Non-Hygroscopic; \$/LB: .3100 - .3800

Dairy Products Report – Whey Summary

Released December 4, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Dry Whey (Human) Production – States and United States

| State | Monthly Production (1000 pounds) | | Percent Change from | |
|---------------|----------------------------------|----------------|---------------------|----------------|
| | October 2018 | September 2019 | October 2018 | September 2019 |
| United States | 82,222 | 89,602 | 88,820 | 8.0 -0.9 |
| Atlantic | 20,621 | 22,024 | 20,776 | 0.8 -5.7 |
| Central | 32,467 | 37,979 | 36,519 | 12.5 -3.8 |
| Wisconsin | 23,125 | 24,380 | 23,789 | 2.9 -2.4 |
| West | 29,134 | 29,599 | 31,525 | 8.2 6.5 |

Dry Whey – Cumulative Production January - October

| Dry Whey | Cumulative Production (1000 pounds) | | Percent Change from |
|--------------------|-------------------------------------|---------|---------------------|
| | 2018 | 2019 | 2018 |
| Total ¹ | 852,545 | 818,302 | -4.0 |
| Human ² | 837,433 | 804,980 | -3.9 |

1. Excludes all modified dry whey products.

2. Values are calculated from Dairy

Products report data.

Manufacturers' stocks end of month ³

| Dry Whey | End of month stocks (1000 pounds) | | Percent Change from | |
|----------|-----------------------------------|----------------|---------------------|----------------|
| | October 2018 | September 2019 | October 2018 | September 2019 |
| Human | 73,179 | 80,066 | 76,554 | 4.6 -4.4 |
| Animal | 1,145 | 2,621 | 1,504 | 31.4 -42.6 |
| Total | 74,324 | 82,687 | 78,058 | 5.0 -5.6 |

3. Stocks held by manufacturers at all points and in transit.

DRY WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are generally steady, but moved higher at the top of the price range. Market participants are hopeful that firming nonfat dry milk and higher whey protein concentrate prices can translate into higher prices for WPC 34%. But, so far, WPC 34% demand is mixed. Some contacts report feed buyers are switching from nonfat dry milk to WPC 34% to save on protein costs. And a few manufacturers say if they had WPC 34% loads readily available, they could ask for, and likely get, higher prices. However, other manufacturers suggest there is still plenty of reluctance by end users to acquiesce to price increases. Inventories vary by brand and range from committed to more than enough. WPC 34% production is steady. The November 2019 Dairy Market News average of the mostly price series for Central and West whey protein concentrate 34% was \$0.9597, compared to \$0.9530 in October and \$.8817 one year ago.

Prices for: Central and Western U.S., All First Sales, F.O.B., Extra Grade, Conventional, and Edible Whey Protein Concentrate

Price Range - 34% Protein; \$/LB: .7500 - 1.1250

Mostly Range - 34% Protein; \$/LB: .8800 - 1.0500

CONTINUED ON PAGE 6A

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

CONTINUED FROM PAGE 6**Dairy Products Report – Whey Derivatives Summary**Released December 4, 2019, by the National Agricultural Statistics Service (NASS),
Agricultural Statistics Board, United States Department of Agriculture (USDA).**Selected Whey Derivatives Production – United States**

| Product | <u>Monthly Production (1000 pounds)</u> | | <u>Percent Change from</u> | |
|--|---|-------------------|----------------------------|-------------------|
| | October 2018 | September 2019 | October 2018 | September 2019 |
| Whey Protein Concentrate, human and animal | | | | |
| 25.0-49.9 | | | | |
| percent | 16,634 | 15,755 | 14,062 | -15.5 |
| 50.0-89.9 | | | | |
| percent | 25,758 | 24,110 | 25,799 | 0.2 |
| Whey protein isolates, 90.0 percent or greater | | | | |
| | 11,479 | 9,771 | 10,626 | -7.4 |
| Lactose, human and animal | | | | |
| | 90,025 | 95,525 | 97,301 | 8.1 |

Selected Whey Derivatives – Cumulative Production January - October

| Product | <u>Cumulative Production</u> | | <u>Percent Change</u> |
|---|------------------------------|-----------|-----------------------|
| | (1000 pounds) | 2019 | from 2018 |
| Whey Protein Concentrate, human and animal ¹ | | | |
| 25.0-49.9 | | | |
| percent | 165,422 | 152,034 | -8.1 |
| 50.0-89.9 | | | |
| percent | 263,908 | 253,385 | -4.0 |
| Whey protein isolates, 90.0 percent or greater ¹ | | | |
| | 100,879 | 99,826 | -1.0 |
| Lactose, human and animal | | | |
| | 944,757 | 1,043,309 | 10.4 |

1. Values are calculated from Dairy Products report data.

Manufacturers' stocks end of month ²

| Product | <u>End of month stocks (1000 pounds)</u> | | | <u>Percent Change from</u> | |
|--|--|-------------------|-----------------|----------------------------|-------------------|
| | October 2018 | September 2019 | October 2019 | October 2018 | September 2019 |
| Whey Protein Concentrate, human and animal | | | | | |
| 25.0-49.9 | | | | | |
| percent | 22,400 | 22,943 | 22,745 | 1.5 | -0.9 |
| 50.0-89.9 | | | | | |
| percent | 39,346 | 42,470 | 42,952 | 9.2 | 1.1 |
| Whey protein isolates, 90.0 percent or greater | | | | | |
| | 23,610 | 18,478 | 18,052 | -23.5 | -2.3 |
| Lactose, human and animal | | | | | |
| | 86,341 | 112,972 | 107,084 | 24.0 | -5.2 |

2. Stocks held by manufacturers at all points and in transit.

LACTOSE

Prices for lactose are unchanged. While lactose is moving well through current contracts, spot market activity is relatively quiet. Inventories are sufficient to meet buyer needs, and production is steady. Market participants, striving to establish Q1 and annual contracts, have a lot to consider as the calendar year ends. Stronger permeate demand has improved prices and cleared out supplies of that dairy carbohydrate, leading some dairy contacts to think lactose prices could improve as well. However, the U.S. has not fully resolved its trade issues with China. And some contacts point out that China has adequate lactose supplies on hand, and with a slower economy, lactose demand could falter. Industry contacts want to hear more positive news before believing a market recovery is real. The November 2019 Dairy Market News average of the mostly price series for Central and West lactose was \$0.2884, compared to \$0.2809 in October, and \$.3510 one year ago.

Prices for: Central and Western U.S., Spot Sales And Up to 3 Month Contracts, F.O.B., Conventional, and Edible Lactose
 Price Range - Non Pharmaceutical; \$/LB: .1800 - .3700
 Mostly Range - Non Pharmaceutical; \$/LB: .2500 - .3300

CASEIN

Prices for rennet and acid casein firmed this week. Market participants expect firming prices into 2020. The strength of skim milk powder prices is mentioned as a big factor affecting casein markets. The attractiveness of manufacturing SMP has resulted in casein buyers scrambling to get coverage. Most casein manufacturers/suppliers are not willing to contract very far ahead in the current market because they expect prices to keep rising. Buyers are left having to live with shorter term deals than they prefer.

Prices for: Spot Sales And Up to 3 Month Contracts, Free on Board - Warehouse, Non-Restricted, All Mesh Sizes, Conventional, and Edible Casein

Acid; Price Range - \$/LB: 3.4500-3.6500
 Rennet; Price Range - \$/LB: 3.6125-3.7100

U.S. Dairy Cow Slaughter (1000 head) under Federal Inspection

| WEEK ENDING | 2019 WEEKLY DAIRY COWS | 2019 CUMULATIVE DAIRY COWS | 2018 WEEKLY DAIRY COWS | 2018 CUMULATIVE DAIRY COWS |
|-------------|---------------------------|-------------------------------|---------------------------|-------------------------------|
| 11/16/2019 | 61.2 | 2,851.8 | 64.2 | 2,783.0 |

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, the Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA

FEDERAL MILK ORDER CLASS III MILK PRICES (3.5% Butterfat)

| YEAR | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2014 | 21.15 | 23.35 | 23.33 | 24.31 | 22.57 | 21.36 | 21.60 | 22.25 | 24.60 | 23.82 | 21.94 | 17.82 |
| 2015 | 16.18 | 15.46 | 15.56 | 15.81 | 16.19 | 16.72 | 16.33 | 16.27 | 15.82 | 15.46 | 15.30 | 14.44 |
| 2016 | 13.72 | 13.80 | 13.74 | 13.63 | 12.76 | 13.22 | 15.24 | 16.91 | 16.39 | 14.82 | 16.76 | 17.40 |
| 2017 | 16.77 | 16.88 | 15.81 | 15.22 | 15.57 | 16.44 | 15.45 | 16.57 | 16.36 | 16.69 | 16.88 | 15.44 |
| 2018 | 14.00 | 13.40 | 14.22 | 14.47 | 15.18 | 15.21 | 14.10 | 14.95 | 16.09 | 15.53 | 14.44 | 13.78 |

FEDERAL MILK ORDER CLASS IV MILK PRICES (3.5% Butterfat)

| YEAR | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2014 | 22.29 | 23.46 | 23.66 | 23.34 | 22.65 | 23.13 | 23.78 | 23.89 | 22.58 | 21.35 | 18.21 | 16.70 |
| 2015 | 13.23 | 13.82 | 13.80 | 13.51 | 13.91 | 13.90 | 13.15 | 12.90 | 15.08 | 16.43 | 16.89 | 15.52 |
| 2016 | 13.31 | 13.49 | 12.74 | 12.68 | 13.09 | 13.77 | 14.84 | 14.65 | 14.25 | 13.66 | 13.76 | 14.97 |
| 2017 | 16.19 | 15.59 | 14.32 | 14.01 | 14.49 | 15.89 | 16.60 | 16.61 | 15.86 | 14.85 | 13.99 | 13.51 |
| 2018 | 13.13 | 12.87 | 13.04 | 13.48 | 14.57 | 14.91 | 14.14 | 14.63 | 14.81 | 15.01 | 15.06 | 15.09 |

FEDERAL MILK ORDER CLASS PRICES FOR 2019 (3.5% Butterfat)

| CLASS | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| I (BASE) | 15.12 | 15.30 | 15.98 | 15.76 | 16.42 | 17.07 | 17.18 | 17.89 | 17.85 | 17.84 | 18.14 | 19.33 |
| II | 15.74 | 16.13 | 16.61 | 16.38 | 16.48 | 17.30 | 17.61 | 17.60 | 16.93 | 16.68 | 16.85 | |
| III | 13.96 | 13.89 | 15.04 | 15.96 | 16.38 | 16.27 | 17.55 | 17.60 | 18.31 | 18.72 | 20.45 | |
| IV | 15.48 | 15.86 | 15.71 | 15.72 | 16.29 | 16.83 | 16.90 | 16.74 | 16.35 | 16.39 | 16.60 | |

Further information may be found at: <https://www.ams.usda.gov/rules-regulations/mmr/dmr>**NATIONAL DAIRY PRODUCTS SALES REPORT
U.S. AVERAGES AND TOTAL POUNDS**

| WEEK ENDING | BUTTER | CHEESE 40# BLOCKS | CHEESE BARRELS 38% MOISTURE | DRY WHEY | NDM |
|-------------|---------------------|----------------------|--------------------------------|--------------------|----------------------|
| 11/30/2019 | 2.0600 2,018,760 | 2.0076 10,164,990 | 2.2581 9,528,528 | .3220 3,936,290 | 1.1775 18,053,214 |

Further data and revisions may be found on the internet at: <http://www.ams.usda.gov/rules-regulations/mmr/dmr>**CME GROUP, INC FUTURES
Selected settling prices****CLASS III MILK FUTURES (Pit-Traded) (\$/cwt)**

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|-------|-------|-------|-------|-------|
| NOV 19 | 20.36 | 20.40 | 20.41 | 20.45 | |
| DEC 19 | 19.30 | 19.36 | 19.34 | 19.35 | 19.37 |
| JAN 20 | 18.81 | 18.99 | 18.92 | 18.91 | 18.60 |

NONFAT DRY MILK FUTURES (Pit-Traded) (¢/lb)

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|--------|--------|--------|--------|--------|
| NOV 19 | 115.30 | 115.45 | 115.55 | 115.40 | |
| DEC 19 | 120.38 | 120.00 | 120.00 | 119.50 | 119.50 |
| JAN 20 | 124.75 | 124.85 | 124.30 | 123.55 | 124.03 |

CLASS IV MILK FUTURES (Pit-Traded) (\$/cwt)

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|-------|-------|-------|-------|-------|
| NOV 19 | 16.65 | 16.65 | 16.65 | 16.60 | |
| DEC 19 | 17.08 | 16.98 | 16.84 | 16.80 | 16.74 |
| JAN 20 | 17.42 | 17.40 | 17.20 | 17.06 | 17.04 |

WHEY (Electronic-Traded) (¢/lb)

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|-------|-------|-------|-------|-------|
| NOV 19 | 30.15 | 30.43 | 30.43 | 30.71 | |
| DEC 19 | 33.50 | 33.60 | 33.60 | 34.10 | 34.75 |
| JAN 20 | 37.08 | 36.98 | 36.80 | 37.53 | 40.00 |

CASH SETTLED BUTTER FUTURES (Electronic-Traded) (¢/lb)

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|--------|--------|--------|--------|--------|
| NOV 19 | 209.65 | 209.33 | 209.30 | 208.69 | |
| DEC 19 | 209.00 | 207.33 | 205.50 | 204.60 | 203.00 |
| JAN 20 | 208.50 | 206.90 | 203.45 | 202.50 | 200.35 |

CHEESE CSC (Electronic-Traded) (\$/lb)

| DATE | 11/29 | 12/02 | 12/03 | 12/04 | 12/05 |
|--------|-------|-------|-------|-------|-------|
| NOV 19 | 2.17 | 2.17 | 2.17 | 2.17 | |
| DEC 19 | 2.03 | 2.04 | 2.04 | 2.04 | 2.04 |
| JAN 20 | 1.96 | 1.98 | 1.98 | 1.97 | 1.93 |

Further information may be found at: <http://www.cmegroup.com/market-data/daily-bulletin.html>

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered November 25 - December 6, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN OVERVIEW

Western European milk production recently hit the seasonal low and is slowly moving higher. Production in some of the leading milk producing countries has increased each week for several weeks. Increases are over one year earlier, as well as above the previous week. This raises optimism for a strong end to the calendar 2019 milk production. The additional milk is easily accommodated by processing plants. Cheese manufacturers, in particular, are eager to get all of the milk they can.

While many or most buyers are generally comfortably stocked for 2019, there are still active discussions to finalize early 2020 dairy product needs. This applies to internal European needs, as well as export interest.

Continuing tightness of cheese supplies has led to buyers being less price resistant. It is widely accepted that prices are not likely to move lower, or at least much lower, in the immediate future.

EASTERN OVERVIEW

Eastern European milk production is similar to Western Europe in rising from recent seasonal lows. There are also signs of increases in key milk producing countries being over year earlier volumes. Poland, a top milk producer in Eastern Europe, remains hopeful that December results will help notch a strong end to 2019 milk production there.

BUTTER/BUTTEROIL

Western Europe butter prices are slightly lower. Butteroil prices are lower. Butter demand from EU customers is good and is expected to increase as the end of the December holiday season approaches. However, manufacturers are readily supplementing current butter production with cold storage stocks to meet current demand. This overrides the factor of competition for cream from other dairy products.

A helpful factor to supplying butter demand is that milk production is up slightly from the seasonal low point. Strong and steady end of year demand is normal and butter markets are performing as expected. Export orders are being filled in a timely way. Internal European first quarter 2020 orders are being finalized. This is also true for some export orders.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 3,900 - 4,075

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 4,350 - 4,800

SKIM MILK POWDER

Skim milk powder prices in Western Europe are slightly higher. SMP supplies are tight, continuing recent trends. With milk production near the seasonal low, it is more challenging for SMP manufacturers to source milk away from some other dairy products. Most current SMP production has already been contracted. This results in buyers with immediate SMP needs, who can find available supplies, paying surcharges. Negotiations continue for February. A number of global buyers continue to prefer Western European SMP sourcing, even if pricing may not be the lowest available globally. Export inquiries and interest continue to be active.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,750 - 2,875

DRY WHEY

Prices for dry whey in Western Europe are steady. Dry whey production is uneven. Factors include competition with whey protein powders, as well as the reality of seasonally lower cheese production. Many buyers are contracted through Q1 of 2020. This limits availability for buyers still looking for delivery early next year.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 750 - 1,025

WHOLE MILK POWDER

Whole milk powder prices in Western Europe are slightly up at the low end of the price range, but slightly lower at the top. WMP markets in Western Europe are mostly order based and contracts are being filled. Some late year holiday baking demand led to buyers competing for available spot market WMP, leading to the higher prices. Little extra production is occurring. Other dairy products are considered to be more profitable and that contributed to WMP production schedules being focused on contract fulfillment.

WMP manufacturers in Western Europe primarily focus on filling existing orders, especially orders from within the European Union. With butterfat demand being good, leading to better returns in other dairy products, those products are generally the choice for available milk rather than making WMP not needed for contracts. Export activity is secondary to domestic production.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,325 - 3,425

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered November 25 - December 6, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

OCEANIA DAIRY MARKET OVERVIEW

AUSTRALIA: Milk production in Australia during October was 5.5 percent below October last year, according to Dairy Australia. More detailed production data for the first four months of the season are in the table which follows.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

| State | July - October 2019 | | October 2019 | |
|-------------------|---------------------|--------------------------------|--------------------|---------|
| | Million Liters | Percent Change From 1 Year Ago | Percentage Milkfat | Protein |
| New South Wales | 374.0 | - 7.3 | 3.89 | 3.29 |
| Victoria | 2,078.4 | - 5.3 | 3.80 | 3.35 |
| Queensland | 114.6 | -14.5 | 3.91 | 3.25 |
| South Australia | 153.9 | -10.7 | 3.64 | 3.33 |
| Western Australia | 127.4 | - 3.6 | 3.78 | 3.35 |
| Tasmania | 265.7 | - 1.0 | 3.96 | 3.46 |
| Australia (Total) | 3,113.9 | - 5.8 | 3.83* | 3.35** |

* -1.6 percent from prior year period

** -0.7 percent from prior year period

Data from Dairy Australia

The fires burning in Australia for weeks continue to be a big problem. They are beyond the ability of firefighters to exert much control. Substantial rainfall would help. For now, great anxiety is present.

NEW ZEALAND: Milk production in New Zealand is on the downward slope from the seasonal peak. While recent official data for October showed lower milk solids and production from October 2019, New Zealand based observers caution not to interpret that too simplistically. They note that 2018 production through October was quite high in a historical context. That diminishes the simple comparison as meaning that current production is disappointing. Within the dairy industry in New Zealand, many people are at ease with 2019 milk production. Recent weather conditions have been viewed as decent for this time of year. Forage quality is viewed as pretty good for dairy producers. The biggest variable now is the pace of the decline in milk production from the seasonal peak, to the end of the season.

BUTTER/BUTTEROIL

Oceania butter prices are lower. Butter production in Oceania is close to seasonal high levels. Even with milk production having begun to decline from the recent seasonal peak, it seems many buyers are more covered than manufacturers believed. There is also perceived to be a feeling among some buyers that butter availability will remain decent in coming weeks. Holiday demand is a bigger factor in Australia than New Zealand, reflecting the greater role of exports in New Zealand. Australian butter demand is steady. New Zealand export demand is good, but stocks seem able to meet demand.

Oceania, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT:

3,975 - 4,150

Secondary Sourced Information:

At GDT event 249 on December 3, the butter all contracts price, \$3,983, decreased 4.9 percent. The January contract, \$4,025, decreased 4.2 percent.

SKIM MILK POWDER

Oceania skim milk process are higher. Demand for SMP remains firm. Manufacturers are typically contracted for most current production. Production not already committed can easily be used to meet near term commitments, if spot market buyers don't step forward. Manufacturers are comfortable making what volumes they can from available milk. Early 2020 contracting has been quite active.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 3,025 - 3,150

Secondary Sourced Information:

At GDT event 249 on December 3, the SMP all contracts price, \$3,068, increased 1.9 percent. The January contract, \$3,114, decreased 0.3 percent.

CHEESE

Oceania cheddar prices are stronger. Some buyers are competing to lock in supplies and that helped drive prices for available cheddar higher. Cheddar market dynamics somewhat favor manufacturers seeking higher prices. Contracting activity for early 2020 is quite active.

Current pricing is expected to encourage buyers to lock in commitments for their needs. Cheese production is mostly steady as some manufacturers are keeping milk in cheese plants as a priority.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port
Price Range - \$/MT: 3,925 - 4,050

Secondary Sourced Information:

At GDT event 249 on December 3, the cheddar all contracts price, \$3,797, increased 2.7 percent. The January contract, \$3,865, increased 2.8 percent.

WHOLE MILK POWDER

Whole milk powder prices in Oceania are steady to higher. With New Zealand and Australia milk production being past the seasonal peak, WMP drying volumes are contracting. However, WMP remains as a primary profit source among dairy products in Oceania. That helps keeping available milk flowing to WMP plants to meet the substantial position of the region as a WMP exporter.

CONTINUED ON PAGE 8B

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered November 25 - December 6, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

CONTINUED FROM PAGE 8A

Traders and handlers are moving ahead to meet scheduled upcoming shipments. There is good demand for utilization in nutritional and reconstituted beverage markets for developing countries.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder

Price Range - 26% Butterfat; \$/MT: 3,300 - 3,450

Secondary Sourced Information:

At GDT event 249 on December 3, the WMP all contracts price, \$3,331, increased 0.1 percent. The January contract, \$3,323, decreased 0.1 percent.

**Exchange rates for selected foreign currencies:
December 2, 2019**

| | |
|-------------------------|--------------------------|
| .0167 Argentina Peso | .0140 India Rupee |
| .6819 Australian Dollar | .0092 Japan yen |
| .2368 Brazil Real | .0511 Mexican Peso |
| .7513 Canadian Dollar | .6503 New Zealand Dollar |
| .0012 Chile Peso | .2584 Poland Zloty |
| 1.1079 Euro | .0263 Uruguay Peso |

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0511) = 19.5695$ Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered November 25 - December 6, 2019

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

SOUTH AMERICA OVERVIEW

Milk production at the farm level in South America is seasonally descending as high summer temperatures continue taking a toll on dairy cows' milk yields. However, milk volumes are enough to meet most of the needs of the food processing industry, particularly in Argentina, Uruguay and Paraguay. On the contrary, in Brazil, milk volumes have recently declined and are well below the strong demands from dairy processors. Despite the weak economy and a relatively low currency value in the main Southern Cone countries, farm gate prices have remained marginally above operating costs. The good quality and availability of concentrates in the region have been important factors in mitigating the operating costs of several tambos. However, some small producers, with no capacity for economies of scale, continue to struggle with small profit margins and have sold part of their livestock to the meat industry. Meanwhile, in Argentina, the recent election of the new president has stirred uncertainty among participants of the country's dairy industry. For some contacts, the new protectionist government could lacerate the negotiations in the proposed trade agreement between Mercosur and the European Union. However, it is too early to know precisely what the new Argentinian government is going to bring to the dairy industry of the country.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,225 - 3,425

Secondary Sourced Information:

At the GDT Event 249 on December 3, whole milk powder (WMP) prices across all contract periods averaged \$3,331 per metric ton, up 0.1 percent from the last event.

SKIM MILK POWDER

Throughout the South American Southern Cone region, skim milk powder (SMP) free on board export prices continue inching up on light trading. This niche market remains on a bullish position, parallel with international SMP markets. In the last two weeks, drying schedules for skim milk have been reduced since most processors focus on WMP production. Therefore, SMP inventory levels continue to be tight and highly committed to meet contractual needs. SMP supplies are expected to be short at least during the summer when farm milk output is typically at the lowest seasonal point.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,775 - 3,275

Secondary Sourced Information:

At the GDT Event 249 on December 3, skim milk powder (SMP) prices across all contract periods averaged \$3,068 per metric ton, up 1.9 percent from the last event.

WHOLE MILK POWDER

Export prices for whole powder (WMP) shifted slightly down in the Southern Cone of South America. For some contacts, the WMP market is transitioning from firm to becoming in balance again. For some contacts, the WMP market is transitioning from a bullish streak to being in economic balance again, which is reflected on the current pricing trends. The volumes of condensed whole milk destined to dryers are increasing little by little, prompted by higher farm milk intakes.

2019 MONTHLY AVERAGES

| AREA and PRODUCT | : JAN | : FEB | : MAR | : APR | : MAY | : JUN | : JUL | : AUG | : SEP | : OCT | : NOV |
|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CME Group ¹ | | | | | | | | | | | |
| BUTTER - DAILY TRADING | | | | | | | | | | | |
| GRADE AA | 2.2481 | 2.2659 | 2.2773 | 2.2635 | 2.3366 | 2.3884 | 2.3897 | 2.2942 | 2.1690 | 2.1071 | 2.0495 |
| CHEESE - DAILY TRADING | | | | | | | | | | | |
| BARRELS | 1.2379 | 1.3867 | 1.4910 | 1.5925 | 1.6278 | 1.6258 | 1.7343 | 1.7081 | 1.7463 | 2.0224 | 2.2554 |
| 40 POUND BLOCKS | 1.4087 | 1.5589 | 1.5908 | 1.6619 | 1.6799 | 1.7906 | 1.8180 | 1.8791 | 2.0395 | 2.0703 | 1.9664 |
| NONFAT DRY MILK - DAILY TRADING | | | | | | | | | | | |
| GRADE A | 1.0075 | 0.9916 | 0.9671 | 0.9986 | 1.0513 | 1.0498 | 1.0297 | 1.0297 | 1.0703 | 1.1579 | 1.2139 |
| WHEY - DAILY TRADING | | | | | | | | | | | |
| EXTRA GRADE | 0.4640 | 0.3559 | 0.3304 | 0.3420 | 0.3499 | 0.3529 | 0.3338 | 0.3701 | 0.3800 | 0.3004 | 0.3109 |
| DAIRY MARKET NEWS ² | | | | | | | | | | | |
| CHEESE | | | | | | | | | | | |
| WISCONSIN | | | | | | | | | | | |
| PROCESS AMERICAN 5 POUND LOAF | 1.5164 | 1.6126 | 1.7158 | 1.8530 | 1.9091 | 1.8438 | 2.0094 | 1.9799 | 2.0278 | 2.1552 | 2.5255 |
| BRICK AND/OR MUENSTER 5 POUNDS | 1.9720 | 2.0908 | 2.1480 | 2.2422 | 2.2568 | 2.3319 | 2.4038 | 2.4440 | 2.6091 | 2.6126 | 2.6024 |
| CHEDDAR 40 POUND BLOCK | 1.6845 | 1.8016 | 1.8580 | 1.9522 | 1.9668 | 2.0419 | 2.1138 | 2.1540 | 2.3191 | 2.3226 | 2.3124 |
| MONTEREY JACK 10 POUNDS | 1.8370 | 1.9558 | 2.0130 | 2.1072 | 2.1218 | 2.1969 | 2.2688 | 2.3090 | 2.4741 | 2.4776 | 2.4674 |
| BLUE 5 POUNDS | 2.5620 | 2.6808 | 2.7380 | 2.8322 | 2.8468 | 2.9219 | 2.9938 | 3.0340 | 3.1991 | 3.2026 | 3.1924 |
| MOZZARELLA 5-6 POUNDS | 2.0295 | 2.1483 | 2.2055 | 2.2997 | 2.3153 | 2.3919 | 2.4638 | 2.5040 | 2.6691 | 2.6726 | 2.6624 |
| SWISS 6-9 POUND CUTS | 2.7577 | 2.6351 | 2.5597 | 2.5717 | 2.5698 | 2.6663 | 2.7847 | 2.8469 | 2.8413 | 2.9553 | 2.9860 |
| NORTHEAST | | | | | | | | | | | |
| CHEDDAR 40 POUND BLOCK | 1.9945 | 2.1133 | 2.1705 | 2.2647 | 2.2793 | 2.3506 | 2.4213 | 2.4615 | 2.6266 | 2.6289 | 2.6186 |
| PROCESS AMERICAN 5 POUND SLICED | 1.6214 | 1.7176 | 1.8208 | 1.9580 | 2.0141 | 1.9675 | 2.1394 | 2.1099 | 2.1578 | 2.2852 | 2.6555 |
| MUENSTER | 2.0120 | 2.1308 | 2.1880 | 2.2822 | 2.2968 | 2.3681 | 2.4388 | 2.4790 | 2.6441 | 2.6476 | 2.6374 |
| SWISS 10-14 POUND CUTS | 3.3452 | 3.2226 | 3.1472 | 3.1592 | 3.1573 | 3.2538 | 3.3722 | 3.4344 | 3.4288 | 3.5428 | 3.5735 |
| WEST | | | | | | | | | | | |
| PROCESS AMERICAN 5 POUND LOAF | 1.4514 | 1.5476 | 1.6508 | 1.7880 | 1.8495 | 1.8088 | 1.9744 | 1.9449 | 1.9928 | 2.1202 | 2.4905 |
| CHEDDAR 40 POUND BLOCK | 1.7408 | 1.8595 | 1.9167 | 2.0109 | 2.0256 | 2.1006 | 2.1693 | 2.1890 | 2.3541 | 2.3576 | 2.3474 |
| CHEDDAR 10 POUND CUTS | 1.8095 | 1.9283 | 1.9855 | 2.0797 | 2.0943 | 2.1694 | 2.2426 | 2.2915 | 2.4566 | 2.4601 | 2.4499 |
| MONTEREY JACK 10 POUNDS | 1.7895 | 1.9083 | 1.9655 | 2.0776 | 2.1306 | 2.2056 | 2.2768 | 2.3165 | 2.4816 | 2.4851 | 2.4749 |
| SWISS 6-9 POUND CUTS | 2.9964 | 2.8738 | 2.7985 | 2.8105 | 2.8085 | 2.9050 | 3.0234 | 3.0857 | 3.0800 | 3.1941 | 3.2247 |
| FLUID PRODUCTS | | | | | | | | | | | |
| CLASS II CREAM | | | | | | | | | | | |
| NORTHEAST - F.O.B. | 2.4925 | 2.5644 | 2.6702 | 2.8091 | 3.0084 | 3.1605 | 3.2332 | 3.2220 | 2.8544 | 2.7467 | 2.6664 |
| UPPER MIDWEST - F.O.B. | 2.6433 | 2.6582 | 2.7342 | 2.8389 | 2.9634 | 3.0921 | 3.2017 | 3.1863 | 2.8671 | 2.7666 | 2.6539 |
| CONDENSED SKIM - NORTHEAST - F.O.B. | | | | | | | | | | | |
| CLASS II | 0.7567 | 0.7342 | 0.7679 | 0.8330 | 0.8023 | 0.7750 | 0.7841 | 0.7886 | 0.8618 | 1.0100 | 1.0100 |
| CLASS III | 0.7357 | 0.7250 | 0.7060 | 0.7386 | 0.7455 | 0.7175 | 0.7355 | 0.7286 | 0.8105 | 0.9750 | 0.9750 |

¹ Monthly averages are a simple average of all the closes during the month.

² Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded.

2019 MONTHLY AVERAGES

| AREA and PRODUCT | : JAN | : FEB | : MAR | : APR | : MAY | : JUN | : JUL | : AUG | : SEP | : OCT | : NOV |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| DAIRY MARKET NEWS, CONTINUED ² | | | | | | | | | | | |
| DRY PRODUCTS | | | | | | | | | | | |
| NONFAT DRY MILK | | | | | | | | | | | |
| CENTRAL/EAST - LOW/MEDIUM HEAT | 0.9669 | 0.9922 | 0.9766 | 0.9935 | 1.0414 | 1.0531 | 1.0415 | 1.0425 | 1.0573 | 1.1236 | 1.1952 |
| --MOSTLY | 0.9821 | 0.9976 | 0.9849 | 0.9899 | 1.0361 | 1.0497 | 1.0361 | 1.0345 | 1.0590 | 1.1380 | 1.1964 |
| CENTRAL/EAST - HIGH HEAT | 1.0769 | 1.0995 | 1.0899 | 1.1160 | 1.1661 | 1.1756 | 1.1678 | 1.1702 | 1.1725 | 1.2302 | 1.2832 |
| WEST - LOW/MEDIUM HEAT | 0.9848 | 0.9841 | 0.9680 | 0.9868 | 1.0411 | 1.0475 | 1.0259 | 1.0239 | 1.0558 | 1.1328 | 1.1913 |
| --MOSTLY | 0.9807 | 0.9892 | 0.9660 | 0.9873 | 1.0370 | 1.0463 | 1.0361 | 1.0300 | 1.0560 | 1.1448 | 1.2039 |
| WEST - HIGH HEAT | 1.1199 | 1.1320 | 1.1060 | 1.1297 | 1.1972 | 1.2019 | 1.1845 | 1.1870 | 1.1928 | 1.2489 | 1.3018 |
| WHEY POWDER | | | | | | | | | | | |
| CENTRAL - | 0.4488 | 0.4271 | 0.4027 | 0.3987 | 0.3574 | 0.3488 | 0.3446 | 0.3356 | 0.3373 | 0.3122 | 0.3015 |
| --MOSTLY | 0.4676 | 0.4416 | 0.4163 | 0.3922 | 0.3651 | 0.3547 | 0.3513 | 0.3500 | 0.3532 | 0.3303 | 0.3058 |
| WEST - | 0.4645 | 0.4136 | 0.3830 | 0.3709 | 0.3714 | 0.3619 | 0.3414 | 0.3601 | 0.3746 | 0.3356 | 0.3156 |
| --MOSTLY | 0.4689 | 0.4405 | 0.3976 | 0.3807 | 0.3685 | 0.3550 | 0.3436 | 0.3451 | 0.3636 | 0.3470 | 0.3069 |
| NORTHEAST - EXTRA AND GRADE A | 0.4924 | 0.4501 | 0.4042 | 0.3898 | 0.3770 | 0.3663 | 0.3593 | 0.3573 | 0.3600 | 0.3502 | 0.3352 |
| WHEY PROTEIN CONCENTRATE 34% | | | | | | | | | | | |
| CENTRAL AND WEST | 0.9293 | 0.9101 | 0.8993 | 0.8938 | 0.8994 | 0.9394 | 0.9606 | 0.9790 | 0.9764 | 0.9364 | 0.9300 |
| -- MOSTLY | 0.8929 | 0.8995 | 0.9025 | 0.9025 | 0.9074 | 0.9244 | 0.9297 | 0.9444 | 0.9465 | 0.9530 | 0.9597 |
| ANIMAL FEED | | | | | | | | | | | |
| CENTRAL - MILK REPLACER | 0.3655 | 0.3376 | 0.3105 | 0.2852 | 0.2718 | 0.2725 | 0.2657 | 0.2598 | 0.2550 | 0.2509 | 0.2446 |
| DRY BUTTERMILK | | | | | | | | | | | |
| CENTRAL/EAST | 0.9780 | 0.9986 | 0.9990 | 1.0259 | 1.0440 | 1.0559 | 1.0570 | 1.0604 | 1.0711 | 1.0878 | 1.1063 |
| WEST | 0.9250 | 0.9592 | 0.9481 | 0.9610 | 1.0015 | 1.0225 | 1.0310 | 1.0305 | 1.0498 | 1.0559 | 1.0955 |
| --MOSTLY | 0.9286 | 0.9592 | 0.9600 | 0.9807 | 1.0105 | 1.0275 | 1.0327 | 1.0291 | 1.0455 | 1.0523 | 1.0908 |
| DRY WHOLE MILK | | | | | | | | | | | |
| NATIONAL | 1.5750 | 1.6018 | 1.6221 | 1.6457 | 1.6586 | 1.6788 | 1.7357 | 1.7132 | 1.7343 | 1.7723 | 1.7513 |
| LACTOSE | | | | | | | | | | | |
| CENTRAL AND WEST | 0.3652 | 0.3250 | 0.3345 | 0.3449 | 0.3380 | 0.3363 | 0.3168 | 0.3150 | 0.3140 | 0.2850 | 0.2750 |
| -- MOSTLY | 0.3700 | 0.3639 | 0.3650 | 0.3525 | 0.3339 | 0.3150 | 0.3085 | 0.2973 | 0.2919 | 0.2809 | 0.2884 |
| CASEIN | | | | | | | | | | | |
| RENNET | 2.4540 | 2.5699 | 2.7336 | 3.0466 | 3.1151 | 3.3931 | 3.4181 | 3.1388 | 3.0628 | 3.1215 | 3.3824 |
| ACID | 3.0651 | 3.0835 | 3.1051 | 3.1570 | 3.1681 | 3.1963 | 3.2220 | 3.2175 | 3.1991 | 3.2740 | 3.4007 |

² Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded.

2019 INTERNATIONAL MONTHLY AVERAGES

| AREA and PRODUCT | : JAN | : FEB | : MAR | : APR | : MAY | : JUN | : JUL | : AUG | : SEP | : OCT | : NOV |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| DAIRY MARKET NEWS ³ | | | | | | | | | | | |
| BUTTER (82% BUTTERFAT) | | | | | | | | | | | |
| -- OCEANIA | 4215 | 4442 | 4919 | 5619 | 5492 | 4622 | 4402 | 4114 | 4136 | 4132 | 4115 |
| -- WEST EUROPE | 5060 | 4998 | 4761 | 4686 | 4642 | 4416 | 4141 | 3924 | 3975 | 4002 | 4020 |
| BUTTEROIL (99% BUTTERFAT) | | | | | | | | | | | |
| -- WEST EUROPE | 6842 | 6347 | 6098 | 6072 | 6103 | 5819 | 5593 | 5400 | 5296 | 5133 | 5023 |
| CHEDDAR CHEESE (39% MAXIMUM MOISTURE) | | | | | | | | | | | |
| -- OCEANIA | 3484 | 3660 | 4008 | 4280 | 4629 | 3888 | 3874 | 3956 | 3871 | 3724 | 3767 |
| SKIM MILK POWDER (1.25% BUTTERFAT) | | | | | | | | | | | |
| -- OCEANIA | 2451 | 2612 | 2578 | 2551 | 2533 | 2403 | 2560 | 2593 | 2640 | 2772 | 3023 |
| -- SOUTH AMERICA | 2651 | 2514 | 2493 | 2480 | 2503 | 2394 | 2426 | 2430 | 2502 | 2615 | 2949 |
| -- WEST EUROPE | 2125 | 2254 | 2208 | 2181 | 2292 | 2334 | 2336 | 2359 | 2438 | 2614 | 2774 |
| WHEY POWDER (NONHYGROSCOPIC) | | | | | | | | | | | |
| -- WEST EUROPE | 1006 | 1032 | 1007 | 984 | 950 | 925 | 852 | 814 | 819 | 839 | 884 |
| WHOLE MILK POWDER (26% BUTTERFAT) | | | | | | | | | | | |
| -- OCEANIA | 2768 | 3020 | 3257 | 3316 | 3206 | 3044 | 3086 | 3174 | 3151 | 3190 | 3319 |
| -- SOUTH AMERICA | 2842 | 2941 | 3217 | 3250 | 3196 | 3088 | 3124 | 3132 | 3106 | 3208 | 3315 |
| -- WEST EUROPE | 3199 | 3293 | 3276 | 3340 | 3365 | 3347 | 3209 | 3182 | 3252 | 3315 | 3368 |

3 Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month – Saturdays and Sundays excluded.

October Agricultural Prices Highlights

The All Milk price received by farmers was \$19.90 in October, up \$2.40 from October 2018. Milk Cows price was \$1,310 in October, up \$80 from October 2018. Alfalfa hay price was \$179.00 in October, up \$3.00 from October 2018. Corn price was \$3.84 in October, up \$.42 from October 2018. Soybean price was \$8.60 in October, up \$.01 from October 2018. The milk-feed price ratio was 2.39 in October, up 0.17 from October 2018.

The index of prices received by farmers for dairy products during the month of October 2019 was up 3 to 99.0. Compared to October 2018, the index was up 11.9 points (13.7 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in October 2019 was 0.5 up 110.1. Compared with October 2018, the index was up 0.3 points (+0.3 percent).

| Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., October 2019 with Comparisons | | | | | | | | | | |
|---|-------------------------------|-------|------------------------|-------|--------------------|--------|----------------------|------|----------------------|------|
| State | All-Milk price ^{1,2} | | Milk cows ³ | | Alfalfa hay, baled | | Corn for Grain | | Soybeans | |
| | Oct | | Oct | | Oct | | Oct | | Oct | |
| | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 |
| | (dollars per cwt) | | (dollars per head) | | (dollars per ton) | | (dollars per bushel) | | (dollars per bushel) | |
| AZ | 16.80 | 18.90 | 1,450 | 1,450 | 190.00 | 190.00 | --- | --- | --- | --- |
| CA | 17.04 | 18.90 | 1,200 | 1,400 | 200.00 | 200.00 | --- | --- | --- | --- |
| CO | 18.20 | 20.00 | 1,350 | 1,300 | 215.00 | 235.00 | 3.67 | 3.91 | --- | --- |
| GA | 19.20 | 21.00 | 1,220 | 1,300 | --- | --- | --- | --- | --- | --- |
| ID | 16.80 | 20.90 | 1,350 | 1,350 | 155.00 | 160.00 | --- | --- | --- | --- |
| IN | 17.20 | 19.30 | 1,100 | 1,250 | --- | --- | 3.44 | 4.01 | 8.64 | 8.94 |
| IA | 18.00 | 21.30 | 1,170 | 1,280 | 140.00 | 143.00 | 3.40 | 3.79 | 8.72 | 8.50 |
| MI | 16.50 | 18.30 | 1,200 | 1,320 | 155.00 | 190.00 | 3.50 | 3.98 | 8.73 | 8.78 |
| MN | 17.50 | 21.30 | 1,050 | 1,160 | 138.00 | 152.00 | 3.23 | 3.63 | 8.61 | 8.33 |
| NM | 15.70 | 18.40 | 1,450 | 1,400 | 230.00 | 220.00 | --- | --- | --- | --- |
| NY | 18.10 | 19.70 | 1,100 | 1,260 | 175.00 | 194.00 | --- | --- | --- | --- |
| OH | 17.50 | 19.70 | 1,050 | 1,120 | 175.00 | 200.00 | 3.47 | 4.14 | 8.65 | 8.97 |
| PA | 18.10 | 20.10 | 1,150 | 1,190 | 202.00 | 220.00 | 3.85 | 4.33 | --- | --- |
| TX | 18.10 | 20.40 | 1,450 | 1,400 | 198.00 | 157.00 | 4.15 | 4.28 | --- | --- |
| WA | 18.30 | 19.90 | 1,300 | 1,350 | 185.00 | 200.00 | --- | --- | --- | --- |
| WI | 17.80 | 20.50 | 1,180 | 1,270 | 165.00 | 213.00 | 3.38 | 3.76 | 8.70 | 8.53 |
| U.S. | 17.50 | 19.90 | 1,230 | 1,310 | 176.00 | 179.00 | 3.42 | 3.84 | 8.59 | 8.60 |

¹ Prices are shown at reported butterfat test. ² Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

³ Animals sold for dairy herd replacement only. Quarterly United States milk cow prices are based on revised milk cow inventory.

(D) Withheld to avoid disclosing data for individual operations.

(S) Insufficient number of reports to establish an estimate.

| Milk-Feed Price Ratio, Selected States and U.S., October 2019 with Comparisons | | | |
|--|----------|----------|----------|
| Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹ | | | |
| State ² | Oct 2018 | Sep 2019 | Oct 2019 |
| IA | 2.41 | 2.69 | 2.57 |
| MI | 2.28 | 2.11 | 2.19 |
| MN | 2.38 | 2.51 | 2.20 |
| OH | 2.21 | 2.15 | 2.05 |
| WI | 2.40 | 2.29 | 2.23 |
| U.S. | 2.22 | 2.33 | 2.39 |

¹ The price of commercial prepared dairy feed is based on current United States prices received for corn, soybeans, and alfalfa. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. ² Available states that provided all necessary data to compute milk feed price ratios.

| General Price Measures, U.S., October 2019 with Comparisons | | | |
|---|----------|----------|----------|
| Item | Oct 2018 | Sep 2019 | Oct 2019 |
| Index Numbers (1990-92=100): | | | |
| Prices received by farmers for dairy production | 87.1 | 96.0 | 99.0 |
| Prices paid by farmers for commodities and services, interest taxes, and wage rates | 109.8 | 109.6 | 110.1 |

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices*, November 2019.

October 2019 Dairy Products Highlights

Butter production was 157 million pounds, 5.4 percent above October 2018, and 13.8 percent above September 2019. **American type cheese** production totaled 443 million pounds, 3.2 percent below October 2018, but 6.8 percent above September 2019. **Total cheese** output (excluding cottage cheese) was 1.13 billion pounds, 2.1 percent below October 2018, but 4.6 percent above September 2019. **Nonfat dry milk** production, for human food, totaled 135 million pounds, 11.1 percent above October 2018, and 12.3 percent above September 2019. **Dry whey** production, for human food, was 89 million pounds, 8.0 percent above October 2018, but 0.9 percent below September 2019. **Ice cream, regular hard** production, totaled 58.7 million gallons, 3.1 percent below October 2018 and 0.9 percent below September 2019.

| Production of Dairy Products | | | | | | | | | |
|--|--------------|--------------|----------------|---------------------------|-------------------------------------|--------------|--------------|----------------|---------------------------|
| Product | October 2019 | Change from | | | Product | October 2019 | Change from | | |
| | | October 2018 | September 2019 | Year to Date ¹ | | | October 2018 | September 2019 | Year to Date ¹ |
| | (1,000 lbs) | (percent) | | | | (1,000 lbs) | (percent) | | |
| Butter | 156,964 | 5.4 | 13.8 | 0.1 | Yogurt (plain and flavored) | 351,784 | -3.1 | -1.7 | -3.3 |
| Cheese | | | | | Dry whey, human food | 88,820 | 8.0 | -0.9 | --- |
| American types ² | 442,609 | -3.2 | 6.8 | -1.0 | Dry whey, animal feed | 1,064 | -40.3 | 3.9 | --- |
| Cheddar | 309,566 | -4.2 | 9.3 | -2.6 | Dry whey, total ⁸ | 89,884 | 7.0 | -0.8 | -4.0 |
| Other American | 133,043 | -0.6 | 1.4 | --- | Reduced lactose & minerals | | | | |
| Brick & Muenster | 19,198 | 3.7 | 21.1 | --- | Human food | 1,343 | -10.3 | -40.2 | --- |
| Cream & Neufchatel | 88,666 | -6.7 | 1.7 | --- | Animal feed | 3,194 | -9.2 | 17.5 | --- |
| Hispanic | 30,077 | -0.2 | 7.3 | --- | Lactose, human food & animal feed | 97,301 | 8.1 | 1.9 | 10.4 |
| Total Italian types | 482,161 | -0.3 | 2.4 | 2.4 | Whey protein concentrate | | | | |
| Mozzarella | 382,867 | 0.4 | 1.7 | 3.8 | Human food ⁹ | 38,615 | -8.1 | 1.3 | --- |
| Other Italian | 99,294 | -3.3 | 5.2 | --- | Animal feed ⁹ | 1,246 | 231.4 | -29.2 | --- |
| Swiss | 29,145 | 6.4 | 5.0 | --- | Total ⁹ | 39,861 | -6.0 | - | -5.6 |
| All other types | 38,625 | -8.3 | 5.6 | --- | 25.0-49.9 percent ¹⁰ | 14,062 | -15.5 | -10.7 | --- |
| Total | 1,130,481 | -2.1 | 4.6 | 0.8 | 50.0-89.9 percent ¹⁰ | 25,799 | 0.2 | 7.0 | --- |
| Cottage cheese, curd ³ | 32,973 | -1.5 | 6.3 | --- | Whey protein isolates ¹¹ | 10,626 | -7.4 | 8.8 | --- |
| Cottage cheese, cream ⁴ | 31,161 | 4.5 | 13.9 | -2.2 | | | | | |
| Cottage cheese, lowfat ⁵ | 28,319 | -1.3 | 3.0 | -5.5 | | | | | |
| Dry buttermilk | 8,905 | -11.6 | 0.7 | --- | | | | | |
| Dry whole milk | 7,952 | 36.4 | 4.6 | --- | Frozen products | | | | |
| Milk protein conc. (MPC), total ⁶ | 13,475 | 55.4 | 8.3 | --- | Ice cream, regular hard | 58,706 | -3.1 | -0.9 | -2.4 |
| Nonfat dry milk (NDM), human | 135,123 | 11.1 | 12.3 | 2.9 | Ice cream, lowfat, hard | 17,003 | -2.5 | 1.6 | --- |
| Skim milk powders (SMP) ⁷ | 44,208 | -9.0 | -16.3 | -11.0 | Ice cream, lowfat, soft | 14,928 | -22.1 | -5.4 | --- |
| Sour cream | 133,499 | 3.6 | 17.9 | 1.4 | Ice cream, lowfat, total | 31,931 | -12.8 | -1.8 | -0.8 |
| | | | | | Sherbet, hard | 2,462 | -17.3 | -8.9 | -9.8 |
| | | | | | Frozen yogurt, total | 3,067 | -1.8 | -19.6 | -4.5 |

| Manufacturers' Stocks, End of Month ¹² | | | | | | | |
|---|-----------------|-----------------|-------------------|-------------------------------------|-----------------|-----------------|-------------------|
| Product | October 2019 | October 2018 | September 2019 | Product | October 2019 | October 2018 | September 2019 |
| | (1,000 lbs) | (percent) | | | (1,000 lbs) | (percent) | |
| Dry whey, human food | 76,554 | 4.6 | -4.4 | Whey protein concentrate | | | |
| Dry whey, animal feed | 1,504 | 31.4 | -42.6 | Human food ⁹ | 64,320 | 5.7 | 0.7 |
| Reduced lactose & minerals—human & animal ¹³ | 4,934 | 28.8 | -1.6 | Animal feed ⁹ | 1,377 | 55.6 | -8.9 |
| Lactose, human food & animal feed | 107,084 | 24.0 | -5.2 | Total ⁹ | 65,697 | 6.4 | 0.4 |
| Dry buttermilk | 12,413 | -4.3 | -10.6 | 25.0-49.9 percent ¹⁰ | 22,745 | 1.5 | -0.9 |
| Nonfat dry milk, human food | 219,821 | -13.0 | -12.4 | 50.0-89.9 percent ¹⁰ | 42,952 | 9.2 | 1.1 |
| | | | | Whey protein isolates ¹¹ | 18,052 | -23.5 | -2.3 |

¹ 2019 cumulative as percent change of 2018 cumulative. ² Includes Cheddar, Colby, Monterey and Jack. ³ Mostly used for processing into cream or lowfat cottage cheese. ⁴ Fat content 4 percent or more. ⁵ Fat content less than 4 percent. ⁶ Dry milk protein concentrate, 40-89.9 percent. ⁷ Includes protein standardized and blends. ⁸ Excludes all modified dry whey products. ⁹ Whey protein concentrate, 25.0 to 89.9 percent. ¹⁰ Whey protein concentrate, human and animal. ¹¹ Whey protein isolates, 90.0 percent or greater. ¹² Stocks held by manufacturers at all points and in transit. ¹³ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. **Source:** U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, December 2019.*

Final Class Prices by Order, November 2019

November 2019 Highlights

Class Prices: The following are the November 2019 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.85 (+\$0.17), Class III: \$20.45 (+\$1.73), and Class IV: \$16.60 (+0.21).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for November 2019 is \$2.3195 per pound. Thus, the Class II butterfat price is \$2.3265 per pound. The protein and other solids prices for November 2019 are \$3.9118 and \$0.1112 per pound, respectively. These component prices set the Class III skim milk price at \$12.78 per cwt. The November 2019 Class IV skim milk price is \$8.79, which is derived from the nonfat solids price of \$0.9763 per pound.

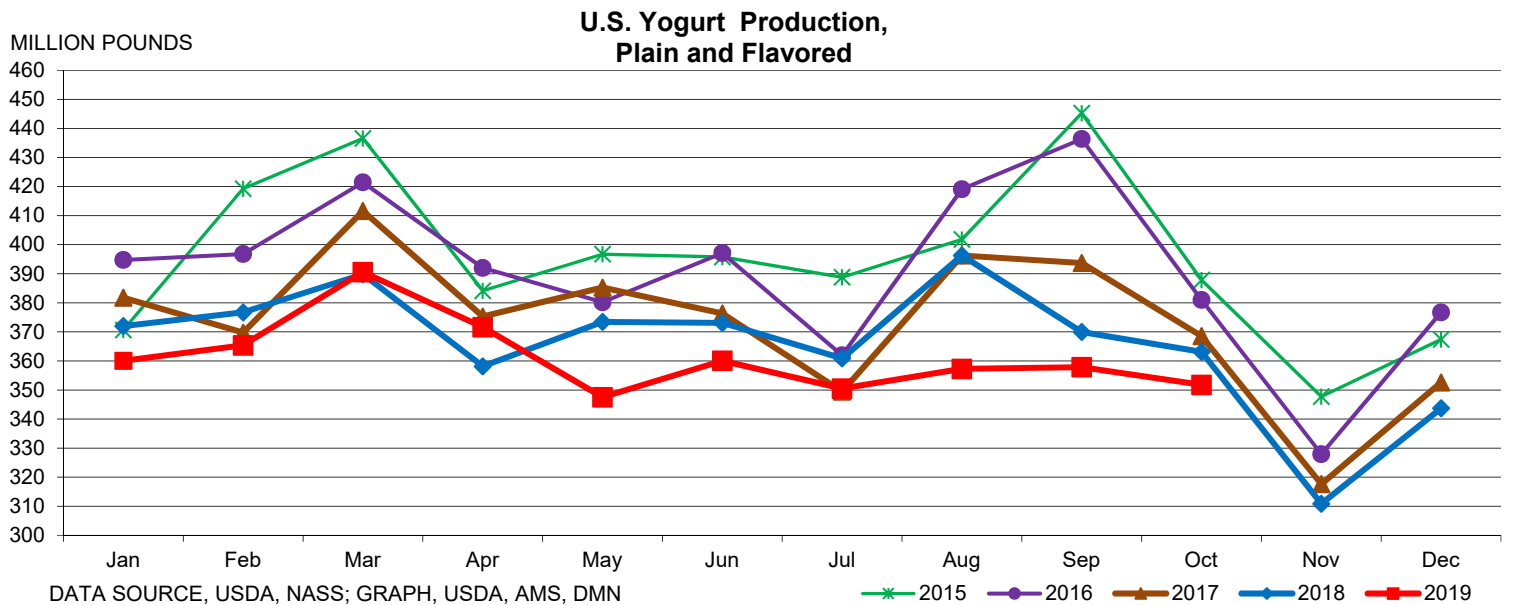
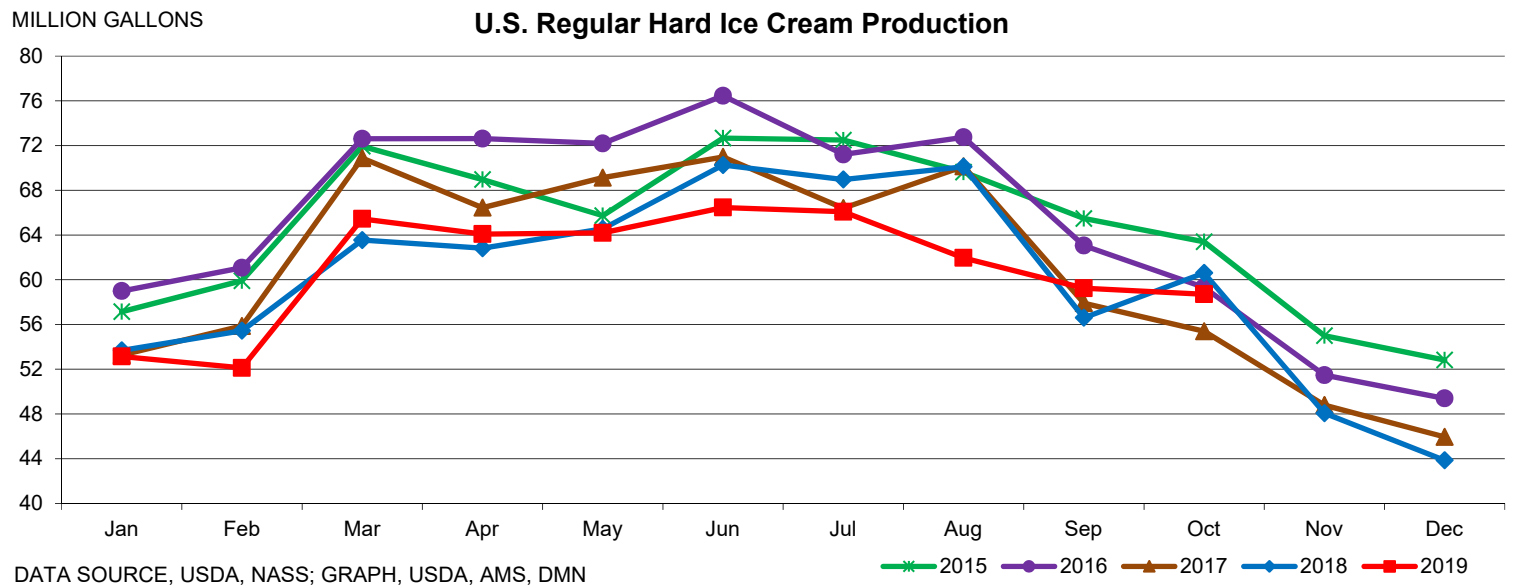
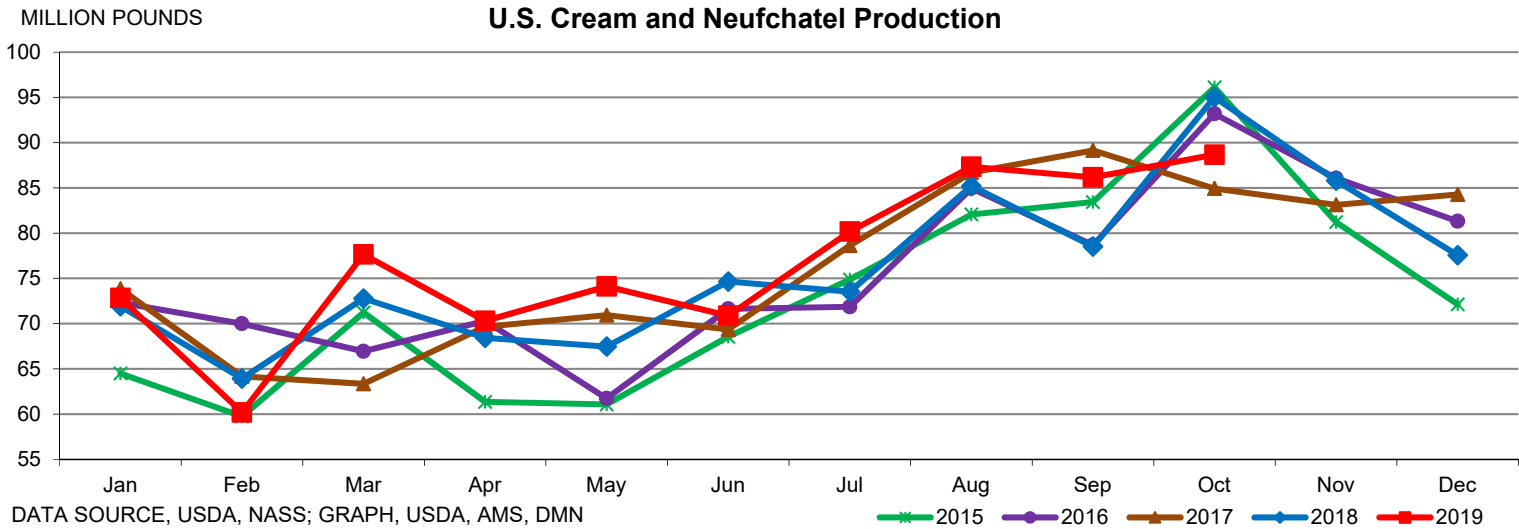
Product Price Averages: The product price averages for November 2019 are: butter: \$2.0869, nonfat dry milk: \$1.1540 cheese: \$2.1723 (40-pound blocks: \$2.0987 and 500-pound barrels: \$2.2280) and dry whey: \$0.3071.

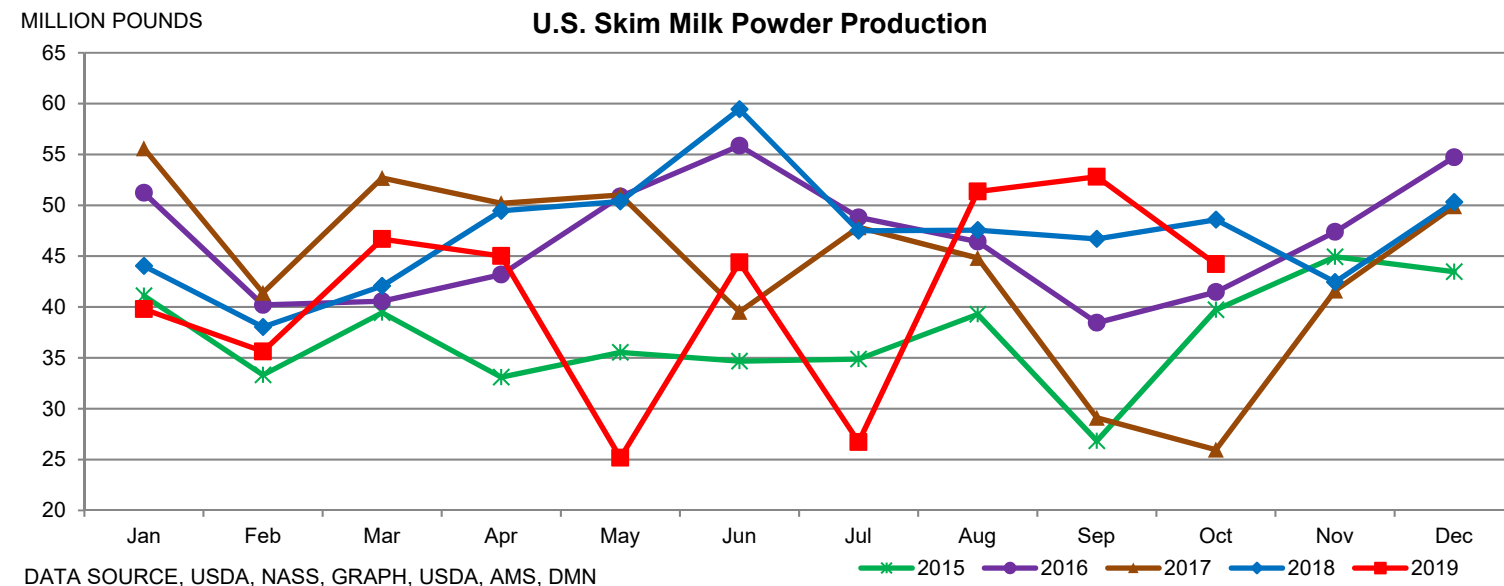
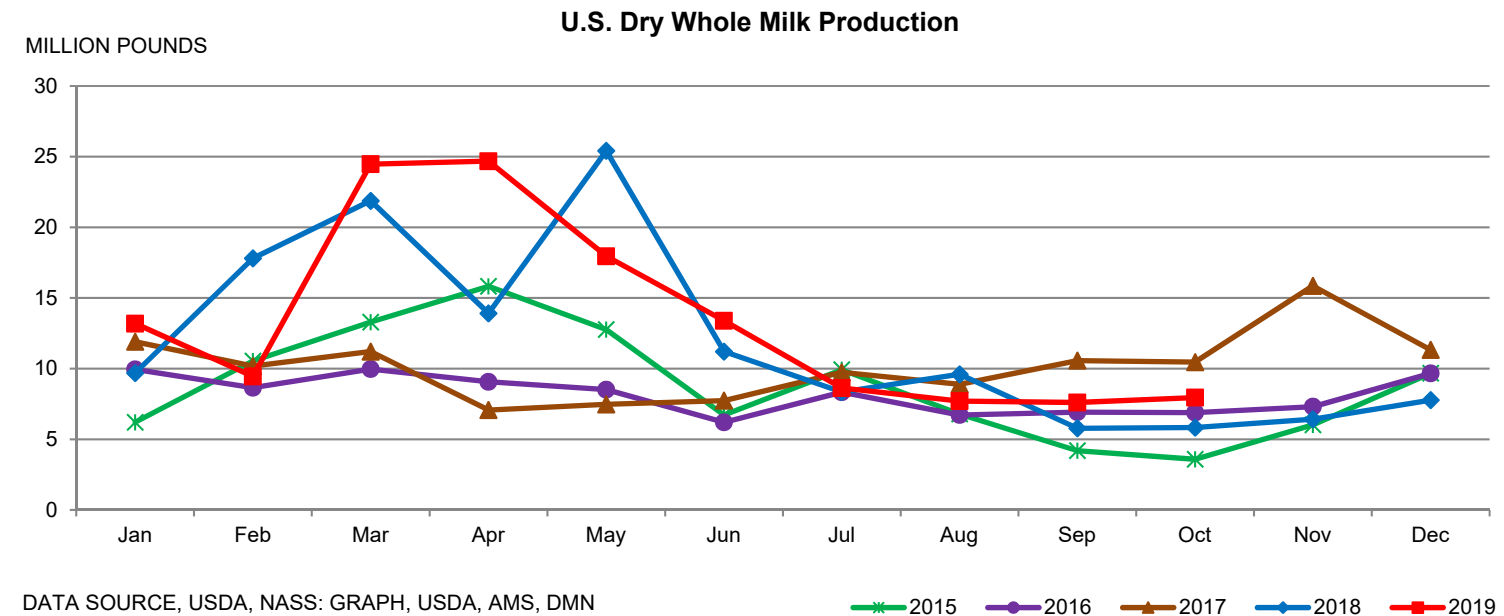
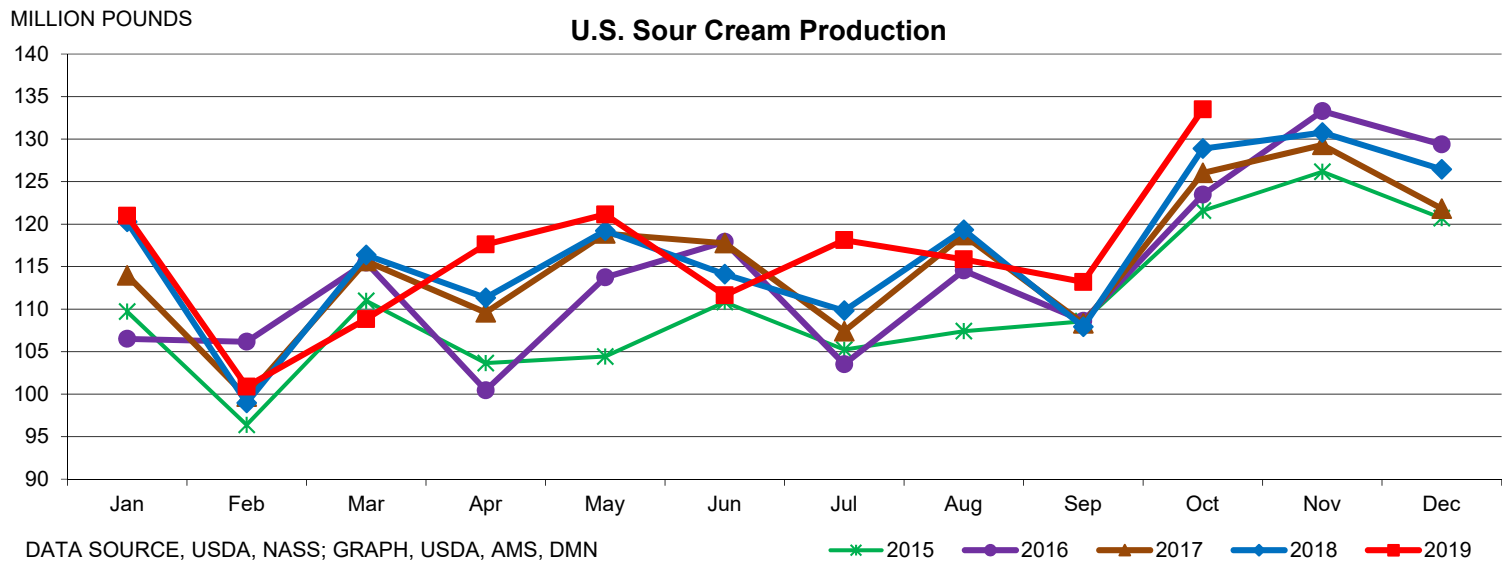
Final Class Prices for November 2019

Federal Milk Order Minimum Class Prices for Milk of 3.5 Percent Butterfat ^{1, 2}

| Federal Milk Order Marketing Area ³ | Order Number | Nov 2019 | | | | Dec 2019 |
|---|-----------------|--------------------------|----------|-----------|----------|----------|
| | | Class I | Class II | Class III | Class IV | Class I |
| | | <i>(dollars per cwt)</i> | | | | |
| Northeast (Boston) | 001 | 21.39 | 16.85 | 20.45 | 16.60 | 22.58 |
| Appalachian (Charlotte) | 005 | 21.54 | 16.85 | 20.45 | 16.60 | 22.73 |
| Florida (Tampa) | 006 | 23.54 | 16.85 | 20.45 | 16.60 | 24.73 |
| Southeast (Atlanta) | 007 | 21.94 | 16.85 | 20.45 | 16.60 | 23.13 |
| Upper Midwest (Chicago) | 030 | 19.94 | 16.85 | 20.45 | 16.60 | 21.13 |
| Central (Kansas City) | 032 | 20.14 | 16.85 | 20.45 | 16.60 | 21.33 |
| Mideast (Cleveland) | 033 | 20.14 | 16.85 | 20.45 | 16.60 | 21.33 |
| California (Los Angeles) | 051 | 20.24 | 16.85 | 20.45 | 16.60 | 21.43 |
| Pacific Northwest (Seattle) | 124 | 20.04 | 16.85 | 20.45 | 16.60 | 21.23 |
| Southwest (Dallas) | 126 | 21.14 | 16.85 | 20.45 | 16.60 | 22.33 |
| Arizona (Phoenix) | 131 | 20.49 | 16.85 | 20.45 | 16.60 | 21.68 |
| All-Market Average | | 20.96 | 16.85 | 20.45 | 16.60 | 22.15 |

¹ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk. ² The mandatory \$0.20 per cwt processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. ³ Names in parentheses are the major city in the principal pricing point of the markets. Class I prices at other cities are: Northeast (Boston): New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25; Appalachian (Charlotte): Knoxville, minus \$0.20; and Louisville, minus \$1.10; Florida (Tampa): Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40; Southeast (Atlanta): New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40; Upper Midwest (Chicago): Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10; Central (Kansas City): Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55; Mideast (Cleveland): Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20; California (Los Angeles): San Francisco, minus \$0.30; Sacramento, minus \$0.40; Tulare, minus \$0.50. Pacific Northwest (Seattle): Portland, same; and Spokane, same; Southwest (Dallas): Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75. Report Contact: Randal Stoker, randal.stoker@usda.gov







Dairy Market News Branch

Agricultural
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National Retail Report-Dairy

Websites: <http://www.marketnews.usda.gov/mnp/da-home> and <http://www.ams.usda.gov/mnreports/dybretail.pdf>

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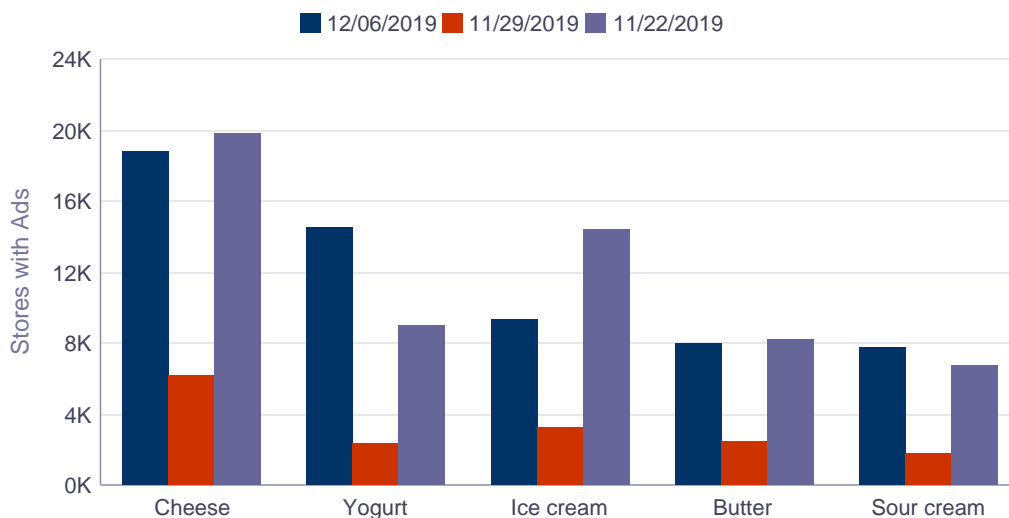
Friday, December 6, 2019

Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 12/06/2019 to 12/12/2019

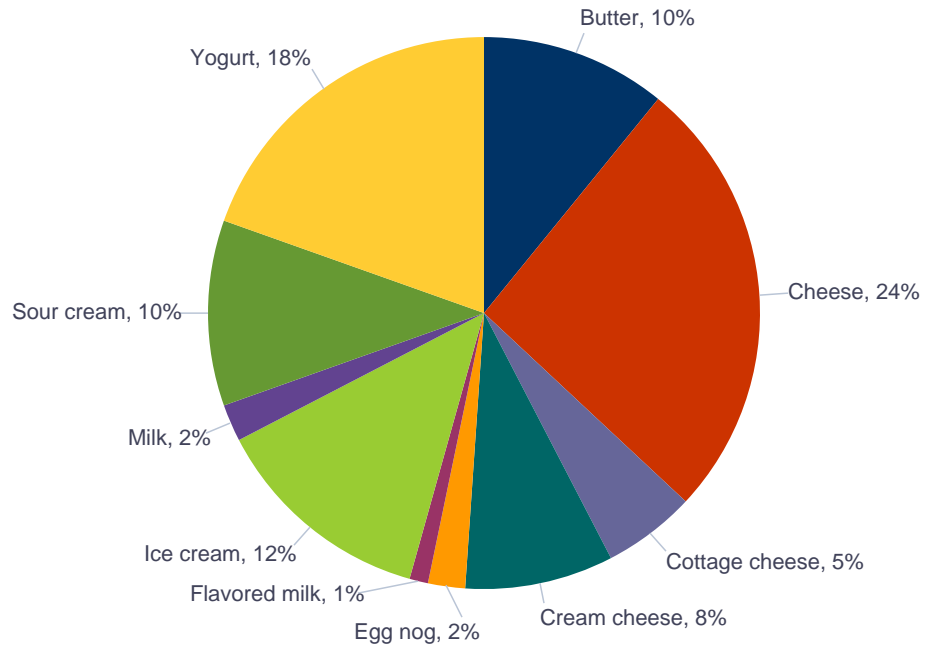
Conventional dairy ads are up 274 percent. Conventional ice cream, 48-64 ounce, comprises the largest volume of ads. Of the primary conventional dairy commodities, cheese prices rose 26 percent, yogurt prices fell 14 percent, and milk prices declined 36 percent. The national weighted average conventional milk price for half gallons is \$1.61, and for organic half-gallon milk, \$4.37. The organic-conventional half-gallon price spread is \$2.76, up from \$1.38 in 2018.

Ads featuring holiday and baking themed conventional dairy products increased from the previous Thanksgiving holiday shortened week. Eggnog, half gallon, ad numbers are up more than three-fold, with an average price of \$3.63, down \$1.74 from a week ago. Butter ads, 1 pound, rose 222 percent while the average price increased 6 cents to \$3.43. Cream cheese ads are up 190 percent with an average price of \$1.60, down 12 cents.

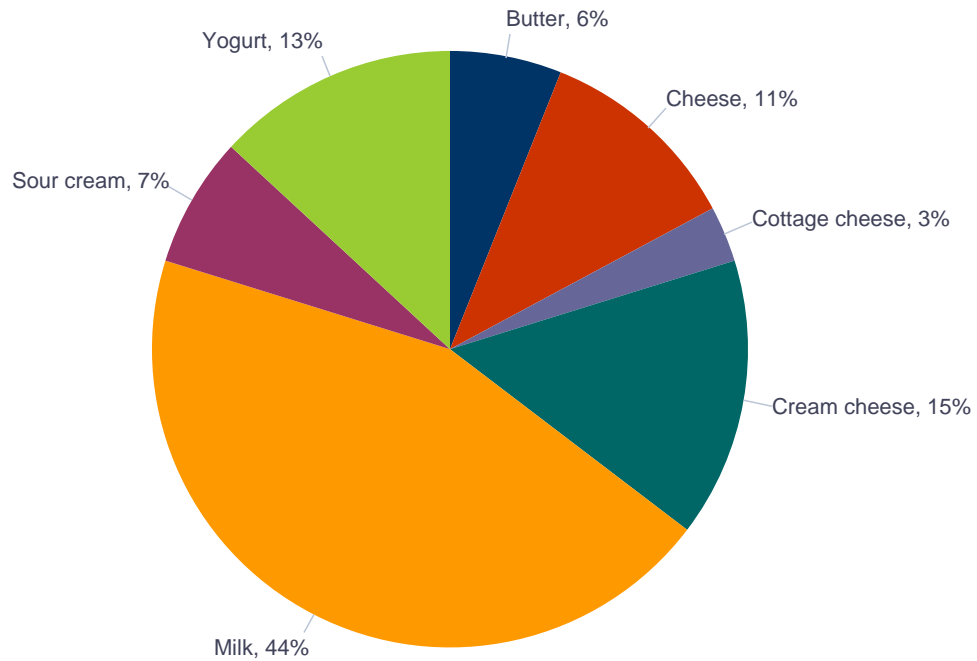
Top 5 Commodities Featured This Week



Percentage of Total Conventional Ads by Commodity



Percentage of Total Organic Ads by Commodity





NATIONAL -- CONVENTIONAL DAIRY PRODUCTS

| Commodity | Type | Pack Size | THIS PERIOD | | LAST WEEK | | LAST YEAR | |
|----------------|-------------------|-------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | | | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price |
| Butter | | 1 # | 7682 | 3.43 | 2383 | 3.37 | 6113 | 3.31 |
| Cheese | Natural Varieties | 8 oz block | 6566 | 2.29 | 4432 | 1.95 | 4923 | 2.09 |
| Cheese | Natural Varieties | 1 # block | 2564 | 3.60 | 636 | 3.89 | 2593 | 3.51 |
| Cheese | Natural Varieties | 2 # block | 1150 | 5.23 | | | 1365 | 5.61 |
| Cheese | Natural Varieties | 8 oz shred | 6192 | 2.32 | 910 | 2.35 | 6306 | 2.15 |
| Cheese | Natural Varieties | 1 # shred | 1805 | 4.19 | 135 | 3.99 | 1530 | 3.04 |
| Cottage cheese | | 16 oz | 4059 | 1.94 | 276 | 2.21 | 2259 | 2.10 |
| Cream cheese | | 8 oz | 6085 | 1.60 | 2098 | 1.72 | 6991 | 1.92 |
| Egg nog | | quart | 445 | 3.10 | 362 | 2.91 | 2367 | 2.60 |
| Egg nog | | half gallon | 842 | 3.63 | 233 | 5.37 | 323 | 4.81 |
| Flavored milk | All fat tests | half gallon | 180 | 2.00 | | | 414 | 2.09 |
| Flavored milk | All fat tests | gallon | 285 | 3.88 | | | 319 | 3.33 |
| Ice cream | | 48-64oz | 9293 | 3.17 | 3243 | 3.13 | 10740 | 2.95 |
| Milk | All fat tests | half gallon | 1015 | 1.61 | | | 729 | 2.33 |
| Milk | All fat tests | gallon | 726 | 3.16 | 137 | 3.49 | 580 | 3.25 |
| Sour cream | | 16 oz | 7507 | 1.74 | 1783 | 1.77 | 4259 | 1.73 |
| Yogurt | Greek | 4-6 oz | 8830 | 1.04 | 1082 | 1.00 | 7441 | .96 |
| Yogurt | Greek | 32 oz | 1222 | 3.76 | 299 | 5.22 | 1885 | 4.47 |
| Yogurt | Yogurt | 4-6 oz | 3341 | .54 | 747 | .50 | 4583 | .49 |
| Yogurt | Yogurt | 32 oz | 579 | 3.23 | 60 | 2.99 | 846 | 2.68 |

REGIONAL -- CONVENTIONAL DAIRY PRODUCTS

| Commodity | Type | Pack Size | NORTHEAST U.S. | | | SOUTHEAST U.S. | | | MIDWEST U.S. | | |
|----------------|-------------------|-------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 2.50-5.99 | 2135 | 3.57 | 2.98-3.99 | 3099 | 3.60 | 2.99-3.99 | 323 | 3.26 |
| Cheese | Natural Varieties | 8 oz block | 1.50-3.99 | 3020 | 2.27 | 2.00-3.49 | 1360 | 2.44 | 1.67-2.50 | 937 | 2.08 |
| Cheese | Natural Varieties | 1 # block | 1.99 | 608 | 1.99 | 3.50-4.99 | 850 | 4.90 | 3.49 | 468 | 3.49 |
| Cheese | Natural Varieties | 2 # block | 1.99-5.00 | 231 | 3.08 | | | | | | |
| Cheese | Natural Varieties | 8 oz shred | 1.50-3.50 | 2343 | 2.35 | 2.00-3.49 | 1424 | 2.44 | 1.99-2.50 | 495 | 2.21 |
| Cheese | Natural Varieties | 1 # shred | | | | 3.50-4.99 | 850 | 4.90 | 3.49 | 352 | 3.49 |
| Cottage cheese | | 16 oz | 1.50-2.99 | 1958 | 2.28 | 1.50-2.49 | 1428 | 1.58 | 1.66-2.00 | 291 | 1.75 |
| Cream cheese | | 8 oz | 0.88-3.00 | 2334 | 1.64 | 1.50-3.00 | 837 | 1.96 | 0.99-3.00 | 993 | 1.27 |
| Egg nog | | quart | 2.79-3.50 | 445 | 3.10 | | | | | | |
| Egg nog | | half gallon | | | | | | | 2.99 | 370 | 2.99 |
| Flavored milk | All fat tests | half gallon | | | | | | | 2.00 | 180 | 2.00 |
| Flavored milk | All fat tests | gallon | | | | | | | 4.99 | 180 | 4.99 |
| Ice cream | | 48-64oz | 1.99-3.99 | 2638 | 2.74 | 2.00-5.99 | 3440 | 3.38 | 2.99-3.99 | 776 | 3.66 |
| Milk | All fat tests | half gallon | 2.19-2.89 | 270 | 2.54 | | | | 0.88-1.39 | 595 | 1.07 |
| Milk | All fat tests | gallon | 2.99-4.29 | 477 | 3.47 | | | | | | |

Wtd Avg - Simple weighted average



National Retail Report - Dairy Vol 86 - No. 49
Friday, December 6, 2019 - Page 4

| Commodity | Type | Pack Size | NORTHEAST U.S. | | | SOUTHEAST U.S. | | | MIDWEST U.S. | | |
|------------|--------|-----------|----------------|-----------------|---------------|----------------|-----------------|---------------|--------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Sour cream | | 16 oz | 1.39-2.79 | 2958 | 1.83 | 1.50-2.00 | 1578 | 1.56 | 1.00-2.49 | 1096 | 1.62 |
| Yogurt | Greek | 4-6 oz | 0.00-1.00 | 3104 | .87 | 0.83-1.00 | 2182 | .99 | 0.99-1.00 | 642 | 1.00 |
| Yogurt | Greek | 32 oz | 3.49-4.49 | 473 | 3.83 | 3.99-5.00 | 428 | 4.50 | | | |
| Yogurt | Yogurt | 4-6 oz | 0.50-0.79 | 941 | .55 | 0.49-0.50 | 365 | .50 | 0.40-0.50 | 581 | .49 |
| Yogurt | Yogurt | 32 oz | 2.50-3.50 | 373 | 3.03 | 2.49 | 64 | 2.49 | | | |

| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|----------------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 2.78-3.99 | 1151 | 3.02 | 2.99-3.99 | 668 | 3.33 | 1.99-2.99 | 295 | 2.76 |
| Cheese | Natural Varieties | 8 oz block | 1.99-2.99 | 544 | 2.38 | 1.97-2.99 | 542 | 2.28 | 1.99 | 105 | 1.99 |
| Cheese | Natural Varieties | 1 # block | 3.49 | 78 | 3.49 | 2.99-3.99 | 549 | 3.49 | | | |
| Cheese | Natural Varieties | 2 # block | | | | 5.00-6.49 | 802 | 5.80 | 5.99 | 69 | 5.99 |
| Cheese | Natural Varieties | 8 oz shred | 2.00-2.50 | 247 | 2.21 | 1.97-2.50 | 1056 | 2.23 | 1.99-2.99 | 521 | 2.12 |
| Cheese | Natural Varieties | 1 # shred | | | | 2.99-3.99 | 303 | 3.50 | 3.69 | 289 | 3.69 |
| Cottage cheese | | 16 oz | | | | 1.50 | 241 | 1.50 | 1.88-2.00 | 130 | 1.94 |
| Cream cheese | | 8 oz | 0.99-1.50 | 271 | 1.31 | 0.99-2.00 | 1161 | 1.52 | 1.67-2.00 | 358 | 1.73 |
| Egg nog | | half gallon | 4.79 | 121 | 4.79 | 3.50 | 62 | 3.50 | 3.99 | 289 | 3.99 |
| Flavored milk | All fat tests | gallon | | | | | | | 1.99 | 105 | 1.99 |
| Ice cream | | 48-64oz | 3.00-3.99 | 548 | 3.49 | 2.49-3.99 | 911 | 3.20 | 1.99-3.99 | 934 | 2.99 |
| Milk | All fat tests | half gallon | 1.19-2.99 | 150 | 2.05 | | | | | | |
| Milk | All fat tests | gallon | 2.99 | 133 | 2.99 | | | | 1.99 | 105 | 1.99 |
| Sour cream | | 16 oz | 1.50-1.99 | 235 | 1.74 | 1.50-2.00 | 779 | 1.84 | 1.49-2.19 | 829 | 1.81 |
| Yogurt | Greek | 4-6 oz | 0.79-1.00 | 733 | .95 | 0.88-1.00 | 1275 | .96 | 1.00-3.99 | 867 | 2.00 |
| Yogurt | Greek | 32 oz | 2.99 | 121 | 2.99 | 2.49 | 200 | 2.49 | | | |
| Yogurt | Yogurt | 4-6 oz | 0.40-1.00 | 431 | .57 | 0.50-1.00 | 487 | .56 | 0.38-0.60 | 419 | .56 |
| Yogurt | Yogurt | 32 oz | 3.99 | 114 | 3.99 | | | | | | |

| Commodity | Type | Pack Size | ALASKA U.S. | | | HAWAII U.S. | | |
|----------------|-------------------|------------|-------------|-----------------|---------------|-------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 3.49 | 11 | 3.49 | | | |
| Cheese | Natural Varieties | 8 oz block | | | | 2.00-2.75 | 58 | 2.44 |
| Cheese | Natural Varieties | 1 # block | 3.99 | 11 | 3.99 | | | |
| Cheese | Natural Varieties | 2 # block | 5.00 | 21 | 5.00 | 5.00 | 27 | 5.00 |
| Cheese | Natural Varieties | 8 oz shred | 2.50 | 21 | 2.50 | 2.00-3.00 | 85 | 2.62 |
| Cheese | Natural Varieties | 1 # shred | 3.99 | 11 | 3.99 | | | |
| Cottage cheese | | 16 oz | 2.79 | 11 | 2.79 | | | |
| Cream cheese | | 8 oz | 1.49-1.99 | 53 | 1.69 | 1.75-2.99 | 78 | 2.44 |
| Ice cream | | 48-64oz | 3.49-3.99 | 22 | 3.74 | 3.99 | 24 | 3.99 |
| Milk | All fat tests | gallon | 2.99 | 11 | 2.99 | | | |
| Sour cream | | 16 oz | 1.99-2.79 | 32 | 2.27 | | | |

Wtd Avg - Simple weighted average



| Commodity | Type | Pack Size | ALASKA U.S. | | | HAWAII U.S. | | |
|-----------|--------|-----------|-------------|-----------------|---------------|-------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Yogurt | Greek | 4-6 oz | | | | 1.25 | 27 | 1.25 |
| Yogurt | Yogurt | 4-6 oz | 0.40-0.50 | 32 | .47 | 0.60-0.80 | 85 | .68 |
| Yogurt | Yogurt | 32 oz | 4.49 | 28 | 4.49 | | | |

NATIONAL -- ORGANIC DAIRY PRODUCTS

| Commodity | Type | Pack Size | THIS PERIOD | | LAST WEEK | | LAST YEAR | |
|----------------|-------------------|-------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | | | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price | Stores With Ads | Wtd Avg Price |
| Butter | | 1 # | 275 | 6.11 | 141 | 5.23 | 214 | 5.39 |
| Cheese | Natural Varieties | 8 oz block | 178 | 4.99 | | | | |
| Cheese | Natural Varieties | 1 # block | | | 72 | 5.99 | 117 | 5.99 |
| Cheese | Natural Varieties | 8 oz shred | 299 | 3.79 | | | 381 | 3.43 |
| Cottage cheese | | 16 oz | 137 | 3.99 | | | | |
| Cream cheese | | 8 oz | 628 | 2.76 | | | | |
| Egg nog | | quart | | | | | 34 | 7.19 |
| Ice cream | | 48-64oz | | | | | 117 | 5.99 |
| Milk | All fat tests | half gallon | 1774 | 4.37 | 644 | 3.71 | 1518 | 3.71 |
| Milk | All fat tests | gallon | 108 | 6.99 | | | 229 | 4.80 |
| Sour cream | | 16 oz | 299 | 2.11 | | | | |
| Yogurt | Greek | 32 oz | 489 | 4.81 | 55 | 6.99 | | |
| Yogurt | Yogurt | 4-6 oz | 72 | .69 | | | 441 | 1.00 |
| Yogurt | Yogurt | 32 oz | | | 137 | 3.99 | 282 | 4.23 |

REGIONAL -- ORGANIC DAIRY PRODUCTS

| Commodity | Type | Pack Size | NORTHEAST U.S. | | | SOUTHEAST U.S. | | | MIDWEST U.S. | | |
|--------------|---------------|-------------|----------------|-----------------|---------------|----------------|-----------------|---------------|--------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 5.49 | 161 | 5.49 | | | | | | |
| Cream cheese | | 8 oz | 2.99 | 161 | 2.99 | | | | | | |
| Milk | All fat tests | half gallon | 3.99-5.99 | 1218 | 4.84 | 3.98 | 195 | 3.98 | | | |



| Commodity | Type | Pack Size | NORTHEAST U.S. | | | SOUTHEAST U.S. | | | MIDWEST U.S. | | |
|-----------|---------------|-----------|----------------|-----------------|---------------|----------------|-----------------|---------------|--------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Milk | All fat tests | gallon | 6.99 | 108 | 6.99 | | | | | | |
| Yogurt | Greek | 32 oz | | | | 3.00-6.99 | 489 | 4.81 | | | |
| Yogurt | Yogurt | 4-6 oz | 0.69 | 72 | .69 | | | | | | |

| Commodity | Type | Pack Size | SOUTH CENTRAL U.S. | | | SOUTHWEST U.S. | | | NORTHWEST U.S. | | |
|----------------|-------------------|-------------|--------------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| Butter | | 1 # | 6.99 | 114 | 6.99 | | | | | | |
| Cheese | Natural Varieties | 8 oz block | | | | 4.99 | 178 | 4.99 | | | |
| Cheese | Natural Varieties | 8 oz shred | 3.49 | 121 | 3.49 | 3.99 | 178 | 3.99 | | | |
| Cottage cheese | | 16 oz | | | | 3.99 | 137 | 3.99 | | | |
| Cream cheese | | 8 oz | | | | 2.99 | 178 | 2.99 | 2.49 | 289 | 2.49 |
| Milk | All fat tests | half gallon | | | | 2.99 | 361 | 2.99 | | | |
| Sour cream | | 16 oz | 2.29 | 121 | 2.29 | 1.99 | 178 | 1.99 | | | |

| Commodity | Type | Pack Size | ALASKA U.S. | | | HAWAII U.S. | | |
|-----------|------|-----------|-------------|-----------------|---------------|-------------|-----------------|---------------|
| | | | Price Range | Stores with Ads | Wtd Avg Price | Price Range | Stores with Ads | Wtd Avg Price |
| | | | | | | | | |

REGIONAL DEFINITIONS

As used in this report, regions include the following states:

| | |
|--------------------|--|
| NORTHEAST U.S. | Connecticut, Delaware, Massachusetts, Maryland, Maine, New Hampshire, New jersey, New York, Pennsylvania, Rhode Island and Vermont |
| SOUTHEAST U.S. | Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia |
| MIDWEST U.S. | Iowa, Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, Nebraska, Ohio, South Dakota and Wisconsin |
| SOUTH CENTRAL U.S. | Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas |
| SOUTHWEST U.S. | Arizona, California, Nevada and Utah |
| NORTHWEST U.S. | Idaho, Montana, Oregon, Washington, and Wyoming |
| ALASKA | Alaska |
| HAWAII | Hawaii |
| NATIONAL | Continental United States |



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