

## DAIRY MARKET NEWS AT A GLANCE

**CME GROUP CASH MARKETS (6/11)**

**BUTTER:** Grade AA closed at \$1.7925. The weekly average for Grade AA is \$1.7830 (-0.0070).

**CHEESE:** Barrels closed at \$1.6725 and 40# blocks at \$1.5000. The weekly average for barrels is \$1.6080 (+0.0149) and blocks, \$1.4805 (-0.0245).

**NONFAT DRY MILK:** Grade A closed at \$1.3000. The weekly average for Grade A is \$1.2970 (+0.0195).

**DRY WHEY:** Extra grade dry whey closed at \$0.6275. The weekly average for dry whey is \$0.6135 (+0.0116).

**CHEESE HIGHLIGHTS:** Although spring flush is in the rearview mirror, milk availability for cheese production in the country has yet to receive the memo. Spot prices ranged from \$6 to \$5 under Class III in the Midwest, but all regions are running generally busy cheese production schedules to keep up with current milk supplies. Retail demand notes vary from slow to busy. Food service orders have steadied, as well. Export sales, according to Western cheese contacts, have picked up due to the market price drops. Still, though, logistical issues with freight/shipping remain a stumbling block. Cheese availability has expectedly grown during flush season. Cheese market prices are still "inverted" as barrel prices outpace those of blocks', but block prices are showing some resilience after dropping into the mid \$1.40s midweek.

**BUTTER HIGHLIGHTS:** Cream is available for butter making needs. Some butter making operations are running seasonally shorter production schedules. Other butter plants are keeping production steady and building inventories in advance of anticipated increases in demand this fall. Retail sales remain weak. Food service demand is steady in the East and Central regions and strengthening in the West. Bulk butter prices range from 1.0 to 8.0 cents above market across the country this week.

**FLUID MILK:** Milk output is steady to lower across the U.S. as manufacturers work through available milk supplies. Class I demand is lower in much of the country, though orders are reportedly steady in Arizona. Class III demand is steady as cheese producers continue to run active schedules. Low crop yields are a concern for many due to widespread high temperatures and drought conditions. Condensed skim markets are steady. Cream supplies are available for production in the Midwest and the West. Ice cream production is reportedly mixed, with lower production in the East, Midwest, and Southwest. In the Northwest ice cream producers are running busy schedules.

**DRY PRODUCTS:** Low/medium heat nonfat dry milk (NDM) prices have decreased this week; contacts report that these lower prices have led to an uptick in demand. Production is active as producers have plenty of condensed skim milk. High heat NDM prices slipped at the top of the range in all regions, while also falling at the bottom in the West. Inventories are tight as manufacturers focus their drying times on low/medium heat. Dry buttermilk prices are steady to lower, while inventories remain somewhat tight. Ice cream production is taking priority over the drying of condensed buttermilk. The bottom of the price range for dry whole milk moved higher as spot supplies are limited. In all regions the price range for dry whey has slipped lower. Inventories of dry whey remain steady to tight as production is mixed. In the Northeast production is active, while lower in the Central and West regions. Whey protein concentrate 34% inventories are mixed as some report availability while inventories that meet strict specifications are tight. Production is less than optimal as manufacturers opt to produce higher concentrations. Prices for lactose are steady, as loads are moving well through contracts. Casein demand is strong as inventories remain tight.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR June 07 - 11, 2021**  
**PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES																	
Commodity		Range		Mostly		Commodity		Range		Mostly		Commodity		Range		Mostly	
NDM						BUTTERMILK						LACTOSE					
Central Low/Med. Heat		1.2300	1.3400	1.3000	1.3200	Central/East		1.2250	1.2650			Central/West		0.3800	0.5500	0.4100	0.4900
Change		-0.0550	-0.0050	N.C.	-0.0100	Change		0.0250	-0.0050			Change		N.C.	N.C.	N.C.	N.C.
Central High Heat		1.4400	1.4800			West		1.1700	1.2600	1.2000	1.2500	WPC 34%					
Change		N.C.	-0.0100			Change		N.C.	-0.0100	0.0100	0.0100	Central/West		1.0500	1.3200	1.1000	1.2025
West Low/Med. Heat		1.2275	1.3525	1.2700	1.3200	WHEY						Change		-0.0300	N.C.	N.C.	0.0200
Change		-0.0125	-0.0100	-0.0200	N.C.	Central		0.5500	0.6600	0.6050	0.6375	CASEIN					
West High Heat		1.3900	1.4875			Change		-0.0300	-0.0200	-0.0250	-0.0075	Renmet		4.4300	4.5100		
Change		-0.0600	-0.0100			West		0.5500	0.7100	0.6025	0.6475	Change		0.2700	0.2200		
DRY WHOLE MILK						Change		-0.0400	-0.0025	-0.0275	-0.0050	Acid		4.4700	4.7800		
National		1.7800	1.8450			Northeast		0.5400	0.6800			Change		0.1600	0.0200		
Change		0.0200	N.C.			Change		N.C.	-0.0075			ANIMAL FEED WHEY					
												Central		0.5000	0.5600		
												Change		-0.0400	N.C.		

**DAIRY MARKET NEWS PRICE SUMMARY FOR MAY 31 - June 11, 2021**  
**PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity		Range		Commodity		Range		Commodity		Range	
<b>SMP</b>				<b>WHOLE MILK POWDER</b>				<b>BUTTER</b>			
W. Europe		3175	3300	W. Europe		3850	4100	W. Europe		4875	5525
	Change	50	50		Change	-25	N.C.		Change	75	125
Oceania		3450	3575	Oceania		4000	4150	Oceania		4650	4800
	Change	-25	-25		Change	-100	-50		Change	-225	-575
S. America		3200	3400	S. America		3700	4100	<b>BUTTEROIL</b>			
	Change	-50	-50		Change	N.C.	-50	W. Europe		5325	6450
<b>WHEY</b>									Change	75	-50
W. Europe		1275	1425					<b>CHEDDAR CHEESE</b>			
	Change	25	25					Oceania		4275	4450
									Change	-125	N.C.

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**INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPEAN OVERVIEW:** Sources in Germany and France, the two largest EU milk producing countries, have come to believe that 2021 milk production may end the year slightly behind 2020. The slow start to 2021 may be hard to overcome as the first quarter is often the highest producing quarter in a year. However, strong production in some other large Western European countries such as Italy and Ireland is still expected to push the EU to higher 2021 milk production than 2020 production.

**EASTERN EUROPEAN OVERVIEW:** Czech Republic milk production January - April 2021 decreased 3.8 percent from January - April 2020 according to CLAL data made available to USDA. Other January - April 2021 production changes from January - April 2020 include cheese, +2.4 percent; butter, -8.4 percent, WMP +4.2 percent; and SMP -1.7 percent.

**OCEANIA OVERVIEW: AUSTRALIA:** Australian bulk milk exports continue to increase. January - April 2021 bulk and packaged milk exports from Australia 86,000 MT, increased 26.7 percent from January - April 2020, according to CLAL data made available to USDA. China has been actively buying fluid milk from Australia. **NEW ZEALAND:** Current milk production in New Zealand is near the annual low. The new dairy season began on June 1. Appreciable milk production increases are expected to begin to register during July, heading toward the typical peak in late October.

**SOUTH AMERICA OVERVIEW:** In parts of South America, autumn temperatures are remaining and supporting healthy milk output off farms. Farmers are working full schedules to harvest soybean crops/grains. Higher feed costs continue to be in discussions. SMP markets are fairly stable, while the WMP undertone displays changeability. Currency exchange rates are also factoring into WMP current price points on various international markets.

**APRIL DAIRY PRODUCTS HIGHLIGHTS (NASS):** Butter production was 185 million pounds, 18.5 percent below April 2020, and 6.9 percent below March 2021. American type cheese production totaled 473 million pounds, 6.0 percent above April 2020, but 0.7 percent below March 2021. Total cheese output (excluding cottage cheese) was 1.14 billion pounds, 8.0 percent above April 2020, but 3.4 percent below March 2021. Nonfat dry milk production, for human food, totaled 195 million pounds, 4.0 percent below April 2020, and 2.4 percent below March 2021. Dry whey production, for human food, was 73.3 million pounds, 1.0 percent below April 2020, and 6.6 percent below March 2021. Ice cream, regular hard production, totaled 68.4 million gallons, 7.8 percent above April 2020, but 2.4 percent below March 2021.

**JUNE SUPPLY AND DEMAND ESTIMATES (WAOB):** Milk production for 2021 is raised from last month on higher expected cow numbers. The fat basis import forecast is reduced from the previous month on lower expected imports of butterfat containing products, while the skim-solids basis import forecast is unchanged. Exports on both fat and skims-solids bases are raised from last month. The cheese price forecast is lowered from last month on relatively large stocks and current prices. The lower forecast cheese price results in a lower Class III price, but the higher NDM and butter prices support result in a higher Class IV price. The all milk price forecast is lowered to \$18.85 per cwt for 2021.

**MAY CONSUMER PRICE INDEX (BLS):** The May CPI for all food is 274.2, up 2.2 percent from 2020. The dairy products index is 230.4, up 0.1 percent from a year ago. The following are the April, year to year percentage changes for selected products: fresh whole milk is +7.2; cheese, -1.2; and butter, 0.5.

COMMODITY	MONDAY JUN 7	TUESDAY JUN 8	WEDNESDAY JUN 9	THURSDAY JUN 10	FRIDAY JUN 11	::	WEEKLY CHANGE	::	WEEKLY AVERAGE
<b>CHEESE</b>									
BARRELS	\$1.5850 (-0.0300)	\$1.5775 (-0.0075)	\$1.5975 (+0.0200)	\$1.6075 (+0.0100)	\$1.6725 (+0.0650)	::	(+0.0575)	::	\$1.6080 (+0.0149)
40 POUND BLOCKS	\$1.4750 (-0.0250)	\$1.4650 (-0.0100)	\$1.4575 (-0.0075)	\$1.5050 (+0.0475)	\$1.5000 (-0.0050)	::	(N.C.)	::	\$1.4805 (-0.0245)
<b>NONFAT DRY MILK</b>									
GRADE A	\$1.2700 (+0.0100)	\$1.3000 (+0.0300)	\$1.3150 (+0.0150)	\$1.3000 (-0.0150)	\$1.3000 (N.C.)	::	(+0.0400)	::	\$1.2970 (+0.0195)
<b>BUTTER</b>									
GRADE AA	\$1.7700 (-0.0050)	\$1.7700 (N.C.)	\$1.7900 (+0.0200)	\$1.7925 (+0.0025)	\$1.7925 (N.C.)	::	(+0.0175)	::	\$1.7830 (-0.0070)
<b>DRY WHEY</b>									
EXTRA GRADE	\$0.5950 (-0.0075)	\$0.6050 (+0.0100)	\$0.6200 (+0.0150)	\$0.6200 (N.C.)	\$0.6275 (+0.0075)	::	(+0.0250)	::	\$0.6135 (+0.0116)

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](http://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](http://www.cmegroup.com/trading/agricultural/spot-call-data.html)

## BUTTER MARKETS

### NORTHEAST

Butter markets are relatively flat. East butter productions are running through steady to slightly shorter schedules at this time. Market participants note a few operations have halted butter output for a couple of weeks. Cream supplies are available in the East region. Retail sales are unchanged from weaker undertones. Foodservice sales are stable for the near term. The bulk butter price for domestic sales, in the East, is reported 3 – 8 cents over the CME market, with various time frames and averages used.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0300 - +0.0800

indoor capacity limits and staffing shortages, a number of restaurants are still running abbreviated hours of service or offering limited menu selections. Some contacts anticipate demand will keep growing as more food service outlets return to full operating capacity in the coming weeks to months. Bulk butter overages are unchanged from the previous week.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0100 - +0.0750

### DAIRY PRODUCTS REPORT – BUTTER SUMMARY

Released June 4, 2021, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

#### Butter Production – States and United States: April 2020 and 2021

Region	Monthly Production (1000 pounds)		Percent Change from	
	APR 2020	MAR 2021	APR 2020	MAR 2021
United States	227,200	198,920	185,173	- 18.5 -6.9
Atlantic	22,267	17,766	17,780	-20.2 0.1
Central	96,662	77,266	69,696	-27.9 -9.8
West	108,271	103,888	97,697	-9.8 -6.0
California	64,603	62,573	59,185	-8.4 -5.4

#### Butter Production – Cumulative Production January - April

Report Month	Cumulative Production (1000 pounds)		Percent Change from
	2020	2021	2020
APR	826,923	780,027	-5.7

### CENTRAL

Butter producers relay demand tones and estimates which are similar to pre-pandemic levels. Although food service has leveled off from the pipeline replenishment earlier in the spring, sales are well above last year at this time overall. Cream is available for Midwestern churners, but plant managers say they are finding it from other areas and regions, primarily the Western region. Ice cream manufacturers have recently taken on lighter amounts of cream than expected, therefore more is available for churning. Regarding churning, butter production remains somewhat steady as producers work toward expected fall demand increases. Butter market tones are quietly steady.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0150 - +0.0600

### WEST

Cream is widely available. Movement out of the West and into other regions is somewhat limited by tanker availability. Butter production varies; some manufacturers have reduced production seasonally, while others are working through steady cream supplies to build bulk butter stocks for fall demand. Inventories are available for contract and spot needs. Retail sales are lackluster and have dropped below pre-pandemic levels. Food service demand continues to strengthen. Dine-in restrictions are still in place for some states and counties, however. Faced with these

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## U.S. BUTTER AND MILKFAT IMPORTS (USDA-FAS)

(Imports for Consumption)

	2021 Imports (Million Lb.)	% Change From 1 Year Ago
April Imports		
Total Butter, Fats, Milk (H.S. Code 0405)	11.1	- 5
Butter		
Quota (H.S. Code 405101000)	1.4	- 35
Over Quota (H.S. Code 405102000)	8.3	+ 55
AMF		
Quota (H.S. Code 405901020)	0.3	- 43
Over Quota (H.S. Code 405902020)	0.3	- 87
Other Milk Fat	0.8	- 38
	2021 Imports (Million Lb.)	% Change From 1 Year Ago
TOTAL, JAN-APR	33.7	- 11
Imports – Country of Origin		
1 Ireland	20.8	+ 38
2 India	4.4	- 33
3 New Zealand	3.3	+110
4 France	1.5	- 13
5 United Kingdom	1.2	+ 36

## U.S. BUTTER AND MILKFAT EXPORTS (USDA-FAS)

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
TOTAL, APR	12.0	+253
TOTAL, JAN-APR	37.6	+142
Exports – Destination Country		
1 Canada	9.8	+ 68
2 Egypt	5.0	+301,077
3 Saudi Arabia	4.6	+304
4 Bahrain	3.5	+1827
5 Denmark	3.1	...

## CHEESE MARKETS

## NORTHEAST

In the East, milk volumes are aplenty for strong cheese production. Cheddar cheese operations are receiving a stable amount of milk, keeping intakes near capacity. Also, mozzarella and provolone production schedules are full. Cheese inventory levels are steady to growing. Foodservice demands have steadied a bit. Some foodservice outlets are not ordering additional cheese supplies at this time. Retail cheese sales are relatively unchanged from a stable undertone. Customers are purchasing a variety of cheese supplies for cooking and outdoor grilling. On various spot market exchanges, cheddar cheese block prices have closed around the \$1.40s this week.

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

Cheddar 40 pound Block	1.9575-2.2450
Muenster	1.9450-2.2950
Process American 5 pound Sliced	1.6925-2.1725
Swiss 10-14 pound Cuts	3.2650-3.5875

## MIDWEST

Cheesemakers are busy in the region. Some are reporting six and seven day workweeks. Retail cheese demand varies across the spectrum, from slow to very busy. Interestingly, although barrel markets are maintaining more stability than blocks, some barrel producers are saying they have some extra loads available, but nothing too concerning regarding availability. Although temperatures have recently begun to signal summertime in the upper Midwest in the past week, milk availability levels suggest spring is not yet over. Spot milk prices remain at similar discounts to last week and cheese plant managers are turning away offers. Cheese market tones are indicative of growing nationwide availability, particularly on the block market.

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

Blue 5 pounds	2.1425-3.2100
Brick 5 pounds	1.8725-2.2975
Cheddar 40 pound Block	1.5950-1.9950
Monterey Jack 10 pounds	1.8475-2.0525
Mozzarella 5-6 pounds	1.6725-2.6175
Muenster 5 pounds	1.8725-2.2975
Process American 5 pound Loaf	1.6775-2.0375
Swiss 6-9 pound Cuts	2.7800-2.8975

## WEST

This week, retail and food service demand for cheese has held steady in the West. Cheese markets are mixed. Cheese block prices have fallen on the CME by \$0.0475 since the previous report, while barrel prices are up \$0.0075. Lower market prices have, reportedly, led to increased demand for cheese to export, with contacts reporting a notable demand to Asian markets. Some contacts report difficulty in obtaining transportation and shipping supplies causing delays to loads as well as increased freight costs. Production of cheese is strong in the region as producers are running full schedules to utilize available milk. Cheese is available for spot purchases.

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

Cheddar 10 pound Cuts	1.8325-2.0325
Cheddar 40 pound Block	1.5850-2.0750
Monterey Jack 10 pounds	1.8200-2.0950
Process American 5 pound Loaf	1.6950-1.9500
Swiss 6-9 pound Cuts	3.0725-3.5025

## FOREIGN TYPE

The overall situation for Western European cheese is steady to slightly higher demand. There is still plant capacity to make more cheese. Extra milk is generally going into cheese in Western European locations with multiple dairy product manufacturing options. Export demand is strong. Some deliveries have slowed due to shipping factors. United States domestic Swiss prices increased \$0.0450. Domestic prices decreased \$0.0375 for blue, gorgonzola, parmesan and romano. All other prices 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		1.9650-3.4525*
Gorgonzola	3.6900-5.7400		2.4725-3.1900*
Parmesan	-0-		3.3525-5.4425*
Romano	-0-		3.1550-5.3100*
Sardo Romano (Argentina)	2.8500-4.7800		-0-
Reggianito (Argentina)	3.2900-4.7800		-0-
Jarlsberg	-0-		-0-
Swiss	-0-		3.3000-3.6250*
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
06/07/2021	73839	81399
06/01/2021	73033	81679
CHANGE	806	-280
% CHANGE	1	0

## Secondary Sourced Information:

U.S. CHEESE AND CURD IMPORTS (USDA-FAS)  
(Imports for Consumption)

April Imports	2021 Imports (Million Lb.)	% Change From 1 Year Ago
TOTAL Cheese and Curd (H.S. Code 0406)	31.8	+ 26
Cheese, Except Fresh (H.S. Code 040690)	27.1	+ 23
Fresh Cheese (H.S. Code 040610)	2.2	+ 46
Cheese, Processed (H.S. Code 040630)	1.5	+ 65
Cheese, Blue-Veined (H.S. Code 040640)	0.7	+ 9

	2021 Imports (Million Lb.)	% Change From 1 Year Ago
TOTAL, JAN-APR	118.2	+ 3
Imports - Country of Origin		
1 Italy	23.2	- 5
2 France	12.1	- 8
3 Netherlands	8.5	- 12
4 Switzerland	7.3	+ 1
5 Ireland	5.6	+ 80

## CHEESE MARKETS

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## Dairy Products Report – Cheese Summary

Released on: June 4, 2021

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

**Cheese Production – United States: April 2020 and 2021**

<b>Total Cheese</b> <sup>1</sup>	<u>Monthly Production (1000 pounds)</u>			<u>Percent Change from</u>	
	APR 2020	MAR 2021	APR 2021	APR 2020	MAR 2021
Region					
United States	1,051,959	1,175,989	1,136,187	8.0	-3.4
Atlantic	128,981	144,749	136,119	5.5	-6.0
Central	487,570	559,226	537,309	10.2	-3.9
West	435,408	472,014	462,759	6.3	-2.0

<b>American Cheese</b> <sup>2</sup>	<u>Monthly Production (1000 pounds)</u>			<u>Percent Change from</u>	
	APR 2020	MAR 2021	APR 2021	APR 2020	MAR 2021
Region					
United States	446,525	476,720	473,422	6.0	-0.7
Atlantic	28,645	28,951	28,901	0.9	-0.2
Central	229,023	252,044	247,102	7.9	-2.0
West	188,857	195,725	197,419	4.5	0.9

<b>Italian Cheese</b>	<u>Monthly Production (1000 pounds)</u>			<u>Percent Change from</u>	
	APR 2020	MAR 2021	APR 2021	APR 2020	MAR 2021
Region					
United States	447,648	502,468	480,703	7.4	-4.3
Atlantic	58,736	62,676	59,834	1.9	-4.5
Central	179,040	211,398	199,428	11.4	-5.7
West	209,872	228,394	221,441	5.5	-3.0

**Cheese Production – Cumulative Production January - April**

Cheese Type	<u>Cumulative Production (1000 pounds)</u>		<u>Percent Change from</u>	
	2020	2021	2020	
Total Cheese <sup>1</sup>	4,331,080	4,491,248	3.7	
American Cheese <sup>2</sup>	1,749,310	1,850,551	5.8	
Italian Cheese	1,867,651	1,907,454	2.1	

1/ Excludes cottage cheese.

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



## FLUID MILK AND CREAM

## EAST

In the Northeast, milk output is dropping. Manufacturers are working through available milk supplies for the near term. Class I sales are slightly lower this week. Schools are closing for the summer, although several food programs will be offered for the summer. Class III plants are running on active production schedules. Mid-Atlantic milk output is flat to slightly lower off farms. Class I sales are lower. Southeast milk production is decreasing. Although Class I sales are down this week, bottlers are receiving some milk supplies for their immediate needs. Manufacturers are adding additional milk loads onto schedules. Hot/humid temperatures are lingering in parts of the United States this week. Florida milk output has dropped. Class I lower for the near term. In some areas, dry weather conditions have negatively impacted pasture quality. Cream multiples are trading around the mid to high 1.30s. A few East butter operations are selling off cream supplies. There are reports some ice cream productions are slowing down a bit. Condensed skim markets are stable. Suppliers are working through regular contract/spot agreements.

Northeastern U.S., F.O.B. Condensed Skim

Price Range - Class II; \$/LB Solids: 0.90 - 1.00

Price Range - Class III; \$/LB Solids: 0.95 - 1.05

Northeastern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.3250 - 1.3900

Price Range - Class II; \$/LB Butterfat: 2.3718 - 2.4881

## MIDWEST

As temperatures rise throughout the region, milk yields off the farm are steadily decreasing. The effects of any declines have yet to encumber milk availability for any and all uses. Class I demand has edged back considerably as schools have begun to break for the summer. In untimely fashion, retail milk sales have also slowed. Milk handlers are working to find homes for a heavy milk volumes from the South to the North Central areas. Some balancing plant managers have worked with suppliers to delay maintenance days off with the current situation. Cheese producers relay milk offers are regularly incoming. Some say offer prices are below the current range of \$6 to \$5 under Class III, which is unchanged from last week, while last year's prices during week 23 ranged from \$.75 over to \$3 over Class III. Cream availability is not scarce, but not nearly as heightened as raw milk. Cream multiples are generally steady week over week. Butter producers are finding loads within their budget, but say they are not overwhelmed by offers, either. Some contacts say retail ice cream production is a little less active than expected this early in the season. Still, with less cream being skimmed for school milk supplies and warmer temperatures, some expect cream to tighten up near-term. Feed concerns are a regular topic among contacts. Drought conditions in parts of the region, along with little to no relief in the weather forecast, have contacts questioning potential corn/bean yields there.

Price Range - Class III Milk; \$/CWT; Spot Basis: -6.00 - -5.00  
Trade Activity: Slow

Midwestern U.S., F.O.B. Cream

Multiples Range - All Classes: 1.1900 - 1.3600

Price Range - Class II; \$/LB Butterfat: 2.3270 - 2.4344

Multiples Range - Class II: 1.3000 - 1.3600

## WEST

Much of the West region is hotter and dryer than usual. Temperatures in California have been boosted as much as 10-15 degrees higher than normal, hitting triple digit temperatures in several areas. Some crops are reportedly drying out quickly in the heat. Alfalfa is on its third stage of cutting. Milk production is seasonally decreasing, but output is still abundant. Bottling orders are lower. Milk yield is level in Arizona. Some dairy manufacturers with available capacity are bringing in out of state milk supplies. Class I demand is steady. Milk is widely available in New Mexico. Milk output is heavy, and Class I orders are lower. Generous volumes are clearing to balancing plants, and holdover numbers are high. In the Pacific Northwest, depleted subsoil moisture is limiting the impact of recent rainfall on improving drought conditions. Contacts share that several counties experiencing parched conditions are requesting state drought declarations. With that said, the region experienced temperatures optimal for cow comfort this week, and milk output continues to be very strong. Double digit overbase programs are in place to help manage the abundance. Class I demand is lower, but demand for Class II and III is stable. In the mountain states of Idaho, Utah, and Colorado, milk production is steady to heavy. Some contacts report that spot loads are available in Idaho at discounts of up to \$5.50 under Class IV. Bottling orders are level to lower. Contracted condensed skim is steady, and limited spot loads are available around flat class pricing. Cream supplies are ample. Butter production is mixed, and the same is true for ice cream, as well. Some plant managers say that Southwestern ice cream production is decreasing, while others report that production is still very active in the Northwest. Some contacts believe this is an effort to refill the ice cream pipeline after a heatwave passed through the Pacific Northwest a few weeks ago. Cream multiples dropped a few points at the top of the range this week.

Western U.S., F.O.B. Cream

Multiples Range - All Classes: 1.0000 - 1.2450

**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 slipped this week. Although the bottom of the range dropped quite a bit, a majority of trading remains in the low \$1.30s. Trading was somewhat active in the region, as offer prices have begun to entice a little more customer activity. Some end users still relay some hesitancy regarding buying anything but necessary loads at this time. Mexican buying activity reports vary, but some suggest the drought situation south of the border is expected to keep buyers active and keep markets firm for the near future. High heat prices slipped by a penny on the top of the range after a slow trading week. NDM market tones are uncertain.

**EAST:** Low/medium heat nonfat dry milk (NDM) prices slid lower at all facets this week. Trading was somewhat subdued in the Eastern region, as a majority of reported prices are from the Central region. That said, spot trades reported from the East are typically north of the \$1.30 mark. NDM production remains active, as condensed skim has become more available in recent weeks. Low/medium heat NDM is noted as somewhat tight, while high heat NDM inventories are noted as very tight. Prices slipped on the top of the high heat NDM price range, but the cause of that could be limited reported trading in general. Generally, NDM market tones are uncertain.

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: 1.2300 - 1.3400  
Mostly Range - Low & Medium Heat; \$/LB: 1.3000 - 1.3200

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: 1.4400 - 1.4800

**NONFAT DRY MILK - WEST**

The price range for low/medium heat nonfat dry milk (NDM) moved lower, in the West, this week. The mostly price series held steady at the top end, while falling at the bottom. Contacts report a small uptick in domestic demand as prices have lowered. Demand for export of low/medium heat NDM is lighter. Freight times are rising in the region due to a shortage of truck drivers and an inability to obtain shipping containers. Dryers are running full schedules as plenty of milk is available. Low/medium heat NDM is available for spot purchases. The high heat NDM price range expanded this week, with the bottom of the range dropping by six cents, as the top fell by one cent. Production remains limited in the region, though contacts report increased availability for spot purchasing this week. Demand for high heat remains low.

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: 1.2275 - 1.3525  
Mostly Range - Low & Medium Heat; \$/LB: 1.2700 - 1.3200

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: 1.3900 - 1.4875

**U.S. NDM Exports, H.S. Code 0402100000(FAS)**

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
APRIL Total	173.1	+ 16
TOTAL, JAN - APR	660.2	+ 18
1 Mexico	229.4	+ 22
2 Philippines	77.6	+ 7
3 Vietnam	70.7	+ 60
4 Indonesia	57.9	- 25
5 China	31.7	+ 1,161

**DRY BUTTERMILK - CENTRAL AND EAST**

**CENTRAL:** Buttermilk powder prices are higher on the bottom, and slightly lower on the top end. Even with the slight drop atop the range, buttermilk powder markets remain somewhat firm due to limited supplies. Cream is available for the churn, but it is not overwhelming. As bottling demand is seasonally declining, along with rising temperatures, there are some expectations of cream tightening in the coming weeks. As ice cream production is seasonally active, ice cream producers are clearing condensed buttermilk loads. Therefore, dried buttermilk production and availability could remain limited for the near-term.

**EAST:** Reported dry buttermilk spot trading was slow in the Eastern region this week. Drying time is very limited, and producers say regular base customers are taking on most of their dried buttermilk via contracts. Condensed buttermilk is moving into ice cream channels somewhat regularly. Therefore, in the East, dry buttermilk spot trading is quiet. That said, market tones remain somewhat firm even though demand is generally quiet due to sheer supply limitations.

Prices for: Eastern and Central U.S., All First Sales, F.O.B., Conventional, and Edible Buttermilk  
Price Range ; \$/LB: 1.2250 - 1.2650

**DRY BUTTERMILK - WEST**

The price range for dry buttermilk powder, in the West, has tightened this week with the top of the price range moving lower, while the bottom of the range held steady. The mostly price series shifted higher by 1 cent on both ends. Domestic demand for dry buttermilk is low, with some contacts reporting a slight uptick in interest this week. Demand for export is steady, though loads continue to face delays due to port congestion. Dry buttermilk inventories are light as contacts focus production on other commodities. Ice cream makers in the region are using much of the available condensed buttermilk. Drying time is also limited as plant managers focus on nonfat dry milk.

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

Price Range ; \$/LB: 1.1700 - 1.2600  
Mostly Range - ; \$/LB: 1.2000 - 1.2500



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**NONFAT DRY MILK, BUTTERMILK & WHOLE MILK**

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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.

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**-CONTINUED FROM PAGE 5-**

**DRY WHOLE MILK - U.S.**

Dry whole milk prices moved up on the bottom of the range. Reported spot trading was quiet this week. Spot supplies are very limited, hence the upward movement on pricing. That said, seasonal demand is somewhat subdued, as well. Although the general market tone is hushed, contacts expect more bulls than bears moving into the third quarter.

Prices for: U.S., All First Sales, F.O.B., Conventional, and Edible Dry  
Whole Milk

Price Range - 26% Butterfat; \$/LB: 1.7800 - 1.8450

**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**

Dry whey prices slipped at all points this week. End users are finding deals in the high \$.50s and low \$.60s more commonly than in previous weeks. Internationally, Southeast Asian customers are finding competitive pricing points from European producers. Still, domestic whey powder availability is viewed as tight as producers look to meet a growth in demand for high-protein blends, which in some cases are sold out through June and into July. Animal feed whey prices slipped on the bottom of the range on slow trading activity. Dry whey market tones are uncertain.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey  
Price Range - Animal Feed; \$/LB: .5000 - .5600

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: .5500 - .6600  
Mostly Range - Non-Hygroscopic; \$/LB: .6050 - .6375

**DRY WHEY- NORTHEAST**

In the East region, dry whey pricing is steady to slightly lower on fairly steady buying activity. On various market exchanges, spot prices are mixed. Market participants purchasing regular spot loads to fulfill demands. Although, many industry contacts are not purchasing additional spot loads at this time. Dry whey operations are working through healthy whey supplies for active dry whey output. Some market participants report an increase in whey powder availability. Inventory levels are mostly stable in the region. The dry whey market is displaying unsettledness.

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: .5400 - .6800

**DRY WHEY- WEST**

In the West, dry whey prices fell this week, with the top of the range and mostly price series falling by half a cent, while the bottom of each dropped by a few cents. Domestic demand for dry whey is steady, while international demand has slowed. Exports continue to face delays due to port congestion. Contacts report increased freight times due to a shortage of truck drivers and an inability to obtain shipping containers in the region. Dry whey markets are steady. Inventories of dry whey remain low as producers continue to focus on higher whey protein concentrates and permeate.

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: .5500 - .7100  
Mostly Range - Non-Hygroscopic; \$/LB: .6025 - .6475

**WHEY PROTEIN CONCENTRATE**

Prices for whey protein concentrate 34% are mixed, moving down at the bottom of the price range but up at the top of the mostly price series. Manufacturers suggest inventories vary greatly by brand. A few processors have stocks available, while others report supplies are mostly committed. WPC 34% production has been steady but muted for several months. Manufacturers with the ability to shift between making WPC 34% and higher whey protein concentrations have chosen to make the higher concentrations in lieu of WPC 34%. Demand for WPC 34% is steady. Manufacturers that make WPC 34% that meets infant formula and other stringent end users specifications say they continue to get regular inquiries from buyers looking for additional loads.

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: 1.0500 - 1.3200  
Mostly Range - 34% Protein; \$/LB: 1.1000 - 1.2025

**LACTOSE**

Lactose prices are unchanged. Prices are rangebound at levels historically considered comfortable by both buyers and sellers. Manufacturers say aside from shipping challenges and higher freight costs, lactose is moving well through contracts. Industry contacts suggest domestic and international demand has been steady and is well-balanced with available supplies. Production levels are stable. Lactose stocks have grown, but do not seem to be a major concern for processors. Much of the increased inventories are committed shipments that are waiting for containers, vessels space or other shipping logistics. In a few cases, manufacturers have reallocated some of the backlogged lactose into the domestic market. Some exporters are concerned that the higher freight rates could erode profit margins. Or, as the backlogged shipments reach their destinations, some contacts worry that end users may reduce their purchases and demand may falter.

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: .3800 - .5500  
Mostly Range - Non Pharmaceutical; \$/LB: .4100 - .4900

**CASEIN**

The price ranges for acid casein and rennet casein increased. Buying demand remains very strong for tight stocks of casein. Buyers who did not previously lock in casein contracts are scrambling now to get supplies. This market tightness is expected to continue in coming weeks.

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: 4.4700-4.7800  
Rennet; Price Range - \$/LB: 4.4300-4.5100

**Secondary Sourced Information:**

U.S. casein imports January – April 2021, 17,000 MT, increased 23.3 percent from January – April 2020 according to CLAL data made available to USDA. Top sources, volumes, and percent change between January – April 2021 and January – April 2020 include New Zealand, 6,410 MT, -10.53 percent; Ireland, 3,204 MT, +15.59 percent; and France, 2,707 MT, +61.58 percent.

**U.S. WPC < 80% EXPORTS, H.S. CODE 0404100500(FAS)**

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
APRIL TOTAL	23.3	- 13
Total, JAN - APR	106.7	+ 11
1 China	55.8	+ 66
2 Mexico	13.0	- 20
3 Canada	12.9	- 05
4 Philippines	4.9	- 37
5 Indonesia	4.0	- 18

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****U.S. LACTOSE EXPORTS, H.S. CODE 1702110000(FAS)**

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
APRIL TOTAL	71.8	+ 21
Total, JAN - APR	234.5	+ 05
1 China	42.6	+ 45
2 New Zealand	35.1	+ 08
3 Japan	23.9	- 06
4 Mexico	23.2	- 07
5 Indonesia	18.7	+ 22

**Dairy Products Report – Whey Summary**Released on June 4, 2021 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		
	APR 2020	MAR 2021	APR 2021	APR 2020	MAR 2021
United States	73,996	78,445	73,273	-1.0	-6.6
Atlantic	22,462	22,557	19,715	-12.2	-12.6
Central	31,560	41,122	35,023	11.0	-14.8
Wisconsin	21,705	30,747	23,879	10.0	-22.3
West	19,974	14,766	18,535	-7.2	25.5

**Dry Whey – Cumulative Production January - April**

Dry Whey	Cumulative Production (1000 pounds)		Percent Change from
	2020	2021	2020
Total <sup>1</sup>	321,796	313,364	-2.6
Human <sup>2</sup>	314,794	308,851	-1.9

1. Excludes all modified dry whey products.

2. Values calculated from Dairy Products report data.

**Manufacturers' stocks end of month <sup>3</sup>**

Dry Whey	End of month stocks (1000 pounds)			Percent Change from	
	APR 2020	MAR 2021	APR 2021	APR 2020	MAR 2021
Human	76,014	62,759	59,636	-21.5	-5.0
Animal	1,022	946	829	-18.9	-12.4
Total	77,036	63,705	60,465	-21.5	-5.1

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

**U.S. DRY WHEY EXPORTS, H.S. CODE 0404104000(FAS)**

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
APRIL TOTAL	46.2	+ 24
Total, JAN - APR	180.0	+ 30
1 China	91.8	+ 102
2 Thailand	10.8	+ 46
3 South Korea	9.2	+ 235
4 Indonesia	8.7	- 29
5 Mexico	8.6	- 23

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

WEEK ENDING	2021 WEEKLY DAIRY COWS	2021 CUMULATIVE DAIRY COWS	2020 WEEKLY DAIRY COWS	2020 CUMULATIVE DAIRY COWS
05/29/2021	53.6	1,372.1	48.1	1,387.2

WEBSITE: [http://www.ams.usda.gov/mnreports/sj\\_ls714.txt](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
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
2019	13.96	13.89	15.04	15.96	16.38	16.27	17.55	17.60	18.31	18.72	20.45	19.37
2020	17.05	17.00	16.25	13.07	12.14	21.04	24.54	19.77	16.43	21.61	23.34	15.72

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

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2019	15.48	15.86	15.71	15.72	16.29	16.83	16.90	16.74	16.35	16.39	16.60	16.70
2020	16.65	16.20	14.87	11.40	10.67	12.90	13.76	12.53	12.75	13.47	13.30	13.36

**FEDERAL MILK ORDER CLASS PRICES FOR 2021 (3.5% Butterfat)**

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I (BASE)	15.14	15.54	15.20	15.51	17.10	18.29						
II	14.18	14.00	15.07	15.56	16.22							
III	16.04	15.75	16.15	17.67	18.96							
IV	13.75	13.19	14.18	15.42	16.16							

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
06/05/2021	1,7926 2,598,070	1,7089 12,459,086	1,6780 13,393,539	.6530 3,961,239	1,2680 12,019,970

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	06/04	06/07	06/08	06/09	06/10
JUN 21	17.31	17.15	17.02	17.07	17.20
JUL 21	17.86	17.62	17.46	17.53	17.60
AUG 21	18.44	18.39	18.31	18.38	18.37

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

DATE	06/04	06/07	06/08	06/09	06/10
JUN 21	16.48	16.48	16.48	16.56	16.56
JUL 21	16.67	16.67	16.78	16.84	16.72
AUG 21	16.95	17.04	17.18	17.22	17.12

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

DATE	06/04	06/07	06/08	06/09	06/10
JUN 21	179.90	179.00	179.00	180.00	180.00
JUL 21	182.00	181.00	180.75	182.03	182.00
AUG 21	184.00	183.50	183.75	183.78	183.78

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

DATE	06/04	06/07	06/08	06/09	06/10
JUN 21	127.88	127.83	129.00	129.50	128.50
JUL 21	128.50	129.50	131.55	131.60	129.80
AUG 21	131.25	133.15	134.30	134.85	132.00

**WHEY (Electronic-Traded) (¢/lb)**

DATE	06/04	06/07	06/08	06/09	06/10
JUN 21	64.85	64.25	63.65	63.78	64.23
JUL 21	63.25	62.63	61.50	62.03	62.25
AUG 21	59.50	59.50	58.53	59.53	59.25

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

DATE	06/04	06/07	06/08	06/09	06/10
JUN 21	1.61	1.61	1.60	1.60	1.60
JUL 21	1.69	1.69	1.68	1.66	1.66
AUG 21	1.76	1.76	1.76	1.75	1.74

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

**INTERNATIONAL DAIRY MARKET NEWS - EUROPE**

Information gathered May 31 - June 11, 2021

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**

Sources in Germany and France, the two largest EU milk producing countries, have come to believe that 2021 milk production may end the year slightly behind 2020. The slow start to 2021 may be hard to overcome as the first quarter is often the highest producing quarter in a year. However, strong production in some other large Western European countries such as Italy and Ireland is still expected to push the EU to higher 2021 milk production than 2020 production.

The European Union has withdrawn consideration of a proposal to ban the use of terms such as "buttery" and "creamy" by nondairy manufacturers in promoting dairy alternative products. The proposal would have also prohibited nondairy products from using packaging similar to what is used by dairy products.

On June 2 the existing members of the Trans Pacific Partnership (TPP) agreed to commence discussions with the United Kingdom about joining the TPP. On June 15 the prime ministers of Australia and the United Kingdom are scheduled to meet. There is speculation that at the meeting it may be announced that the countries have reached agreement as to a trade deal between them.

**EASTERN EUROPE**

Czech Republic milk production January - April 2021 decreased 3.8 percent from January - April 2020 according to CLAL data made available to USDA. Other January - April 2021 production changes from January - April 2020 include cheese, +2.4 percent; butter, -8.4 percent, WMP +4.2 percent; and SMP -1.7 percent.

**BUTTER/BUTTEROIL**

The Western European butter price range pulled back. France recorded the highest butter prices. Some customers for butter produced in France have strong sourcing preferences. Butteroil prices are mixed, up at the low end of the price range but down at the top.

Some butter buyers feel that production in recent weeks is ahead of current demand. That has emboldened those buyers to bargain harder and feel okay to slow down the pace of purchasing. Nevertheless, packaged butter demand is active in Western Europe. Bulk butter demand is also increasing. Those demand factors are tempered by production volumes.

Western Europe, 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT: 4,875 - 5,525

Western Europe, 99% Butterfat, Free on Board - Port Butteroil  
Price Range - \$/MT: 5,325 - 6,450

**SKIM MILK POWDER**

Western European skim milk powder prices moved higher at each end of the price range. The highest prices were reached in Germany, followed by France and the Netherlands. Buyers continue to comment that uncommitted supplies are tight.

Many sellers feel confident in not budging much from quoted prices when buyers try to haggle process lower. Internal EU demand is strong. Coupled with strong export demand, that portends firm pricing in the coming months. Unlike whole milk powder, Western European manufacturers produce SMP without having orders in place because they have confidence that sales will occur. Right now, manufacturers feel that if they could produce more SMP they could sell it. SMP production is constrained by milk availability.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 3,175 - 3,300

**WHEY**

Western European dry whey notched higher prices at each end of the price range. Demand continues to be very strong. Asian buyers are very actively working to close export deals. Most buyers can be accommodated, but there are enough buyers looking around to keep the negotiating atmosphere charged. There is always the lingering apprehension among buyers that they might come up short. That is likely to keep firm pressure on prices in coming weeks.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/MT: 1,275 - 1,425

**WHOLE MILK POWDER**

The Western European whole milk powder price range is down slightly at the low end but steady at the top. Germany recorded the highest prices. The WMP market is steady. Western European manufacturers tend not to make WMP until they have buyers secured.

Presently production is primarily flowing to internal EU markets. Production is in good balance with buying commitments. Even if more milk became available, Western European manufacturers would be unlikely to make much more WMP unless buying interest increased.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 3,850 - 4,100

Secondary Sourced Information:

At GDT event 285 on June 1, 2021, the SMP all contracts price, \$3,415, decreased 0.5 percent. The July contract, \$3,575, increased 1.1 percent.

January - April 2021 SMP exports from Australia 64,000 MT, increased 40.7 percent from January - April 2020, according to CLAL data made available to USDA.

January - April 2021 SMP exports from New Zealand 110,000 MT, decreased 20.7 percent from January - April 2020, according to CLAL data made available to USDA.



## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered May 31 - June 11, 2021

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:** Australian bulk milk exports continue to increase. January – April 2021 bulk and packaged milk exports from Australia 86,000 MT, increased 26.7 percent from January – April 2020, according to CLAL data made available to USDA. China has been actively buying fluid milk from Australia.

**NEW ZEALAND:** Current milk production in New Zealand is near the annual low. The new dairy season began on June 1. Appreciable milk production increases are expected to begin to register during July, heading toward the typical peak in late October.

January – April 2021 bulk and packaged milk exports from New Zealand 94,000 MT, increased 25.4 percent from January – April 2020, according to CLAL data made available to USDA. Shipping milk to China from New Zealand is an open sea route to Southeast Chinese ports such as Shanghai.

Extremely severe flooding occurred in the Canterbury region of New Zealand last weekend. Nearly one half of typical annual rainfall was received in two days. Substantial flooding damaged vital infrastructure such as roads, bridges, pastures and farm buildings. Fences were destroyed. Winter crops were damaged. Milk tanker access to some farms on the South Island was made impossible. For some dairy producers this will leave lingering impacts for the full season.

## BUTTER/BUTTEROIL

Butter prices dipped at each end of the Oceania price range. This coincided with lower butter volumes sold at the last GDT event. Looking ahead across a number of contract periods, there is a general evenness in price levels. September pricing had been high compared with other periods but that has now fallen back into alignment. Oceania sources point out that the butter price decrease has now brought butter closer to anhydrous milkfat (AMF) on a milkfat basis.

Oceania, 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT: 4,650 - 4,800

## SKIM MILK POWDER

The Oceania skim milk powder price range moved minimally lower. Volumes offered at the last GDT event increased, which was a factor in pricing. An additional factor for some buyers is European SMP remaining at a lower price level. Sellers report hearing that mentioned during negotiations. Looking ahead, there is not much expectation that pricing will firm appreciably so sellers tend to make deals more readily now.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 3,450 - 3,575

## CHEESE

Cheddar prices are weaker at each end of the price range. The low range price reflects GDT event pricing. The upper range price is driven by private sales off the GDT. Volumes of cheddar being sold have increased recently. Cheddar is available, and buyers are stepping up to close deals. Export interest is very strong.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,  
Price Range - \$/MT: 4,275 - 4,450

## WHOLE MILK POWDER

The Oceania whole milk powder price range moved slightly lower. Nevertheless, the slight decrease still leaves prices at a very profitable level. At the most recent GDT event, buying from China slowed a bit. That opened more WMP to other buyers with less competition. Export activity is robust.

Looking ahead in this new season, contract pricing for coming months are dancing around in the aftermath of the GDT. Price levels overall are strong. But buyers are still searching for a consensus as to expectations.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 4,000 - 4,150

Exchange rates for selected foreign currencies:  
June 7, 2021

.0105 Argentina Peso	.0137 India Rupee
.7755 Australian Dollar	.0092 Japan yen
.1982 Brazil Real	.0505 Mexican Peso
.8276 Canadian Dollar	.7228 New Zealand Dollar
.0014 Chile Peso	.2728 Poland Zloty
1.2190 Euro	.0229 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0505) = 19.8020 Mexican Pesos. Source: "Wall Street Journal"

## Secondary Sourced Information:

At GDT event 285 on June 1, 2021, 2021, the WMP all contracts price, \$4,062, decreased 0.5 percent. The July contract, \$4,009, decreased 0.6 percent.

January – April 2021 WMP exports from Australia 17,000 MT, increased 26.4 percent from January – April 2020, according to CLAL data made available to USDA.

January – April 2021 WMP exports from New Zealand 592,000 MT, increased 7.7 percent from January – April 2020, according to CLAL data made available to USDA.

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered May 31 - June 11, 2021

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.

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**CONTINUED FROM PAGE 8A****Secondary Sourced Information:**

At GDT event 285 on June 1, 2021, 2021, the cheddar all contracts price, \$4,324, increased 0.5 percent. The September contract was \$4,280.

January – April 2021 cheese exports from Australia 56,000 MT, increased 15.0 percent from January – April 2020, according to CLAL data made available to USDA.

January – April 2021 cheese exports from New Zealand 132,000 MT, increased 16.8 percent from January – April 2020, according to CLAL data made available to USDA.

**Secondary Sourced Information:**

At GDT event 285 on June 1, 2021, 2021, the SMP all contracts price, \$3,415, decreased 0.5 percent. The July contract, \$3,575, increased 1.1 percent.

January – April 2021 SMP exports from Australia 64,000 MT, increased 40.7 percent from January – April 2020, according to CLAL data made available to USDA.

January – April 2021 SMP exports from New Zealand 110,000 MT, decreased 20.7 percent from January – April 2020, according to CLAL data made available to USDA.

**Secondary Sourced Information:**

At GDT event 285 on June 1, 2021, the butter all contracts price, \$4,690, decreased 5.4 percent. The July contract, \$4,665, decreased 4.9 percent.

January – April 2021 butter exports from Australia 9,500 MT, increased 190.7 percent from January – April 2020, according to CLAL data made available to USDA.

January – April 2021 butter exports from New Zealand 155,000 MT, decreased 3.4 percent from January – April 2020, according to CLAL data made available to USDA.

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**INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA**

Information gathered May 31 - June 11, 2021

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.

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**SOUTH AMERICA OVERVIEW**

In parts of South America, autumn temperatures are remaining and supporting healthy milk output off farms. Farmers are working full schedules to harvest soybean crops/grains. Higher feed costs continue to be in discussions. SMP markets are fairly stable, while the WMP undertone displays changeability. Currency exchange rates are also factoring into WMP current price points on various international markets.

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**SKIM MILK POWDER**

Skim milk powder (SMP) F.O.B. prices are slightly lower on both sides of the price series this reporting week. Market participants are working through SMP contracts for their immediate needs. Moreover, a few suppliers are negotiating with various export buyers for SMP loads. However, there are several buyers/traders not purchasing on the spot market at this time. In areas, milk supplies are growing. Drying operations are receiving additional milk supplies, although SMP drying schedules are somewhat unchanged from limited output periods. The SMP market undertone is relatively level.

Prices for: South America, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder

Price Range - 1.25% Butterfat; \$/MT: 3,200 - 3,400

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**WHOLE MILK POWDER**

Whole milk powder (WMP) prices are mixed on slightly soft market demands. Market participants relay buying demands are steady to somewhat slow. Currency exchange rates are also factoring into WMP current price points on various international markets. WMP suppliers are offering available WMP supplies. Some market participants are not purchasing spot loads but are watching to see how demand/supply changes. WMP production schedules are steady to higher. The WMP tone varies on an unsettled market.

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

Price Range - 26% Butterfat; \$/MT: 3,700 - 4,100

## 2021 INTERNATIONAL MONTHLY PRICE AVERAGES (US \$/MT)

AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY
DAIRY MARKET NEWS <sup>3</sup>					
BUTTER (82% BUTTERFAT)					
-- OCEANIA	4720	5138	5679	5753	5088
-- WESTERN EUROPE	4130	4381	4796	4875	5039
BUTTEROIL (99% BUTTERFAT)					
-- WESTERN EUROPE	4861	4997	5301	5549	5739
CHEDDAR CHEESE (39% MAXIMUM MOISTURE)					
-- OCEANIA	4090	4269	4386	4428	4410
SKIM MILK POWDER (1.25% BUTTERFAT)					
-- OCEANIA	3215	3238	3388	3418	3507
-- SOUTH AMERICA	3217	3297	3311	3334	3336
-- WESTERN EUROPE	2786	2888	2950	3058	3166
WHEY POWDER (NONHYGROSCOPIC)					
-- WESTERN EUROPE	1052	1141	1213	1266	1320
WHOLE MILK POWDER (26% BUTTERFAT)					
-- OCEANIA	3357	3653	4097	4086	4146
-- SOUTH AMERICA	3414	3591	3770	3874	3900
-- WESTERN EUROPE	3432	3572	3782	3882	3951

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

## April 2021 Dairy Products Highlights

**Butter** production was 185 million pounds, 18.5 percent below April 2020, and 6.9 percent below March 2021. **American type cheese** production totaled 473 million pounds, 6.0 percent above April 2020, but 0.7 percent below March 2021. **Total cheese** output (excluding cottage cheese) was 1.14 billion pounds, 8.0 percent above April 2020, but 3.4 percent below March 2021. **Nonfat dry milk** production, for human food, totaled 195 million pounds, 4.0 percent below April 2020, and 2.4 percent below March 2021. **Dry whey** production, for human food, was 73.3 million pounds, 1.0 percent below April 2020, and 6.6 percent below March 2021. **Ice cream, regular hard** production, totaled 68.4 million gallons, 7.8 percent above April 2020, but 2.4 percent below March 2021.

Production of Dairy Products									
Product	April 2021	Change from			Product	April 2021	Change from		
		April 2020	March 2021	Year to Date <sup>1</sup>			April 2020	March 2021	Year to Date <sup>1</sup>
	(1,000 lbs)	(percent)				(1,000 lbs)	(percent)		
Butter	185,173	-18.5	-6.9	-5.7	Yogurt (plain and flavored)	412,149	13.9	-6.9	5.6
Cheese					Dry whey, human food	73,273	-1.0	-6.6	---
American types <sup>2</sup>	473,422	6.0	-0.7	5.8	Dry whey, animal feed	1,171	-35.9	0.6	---
Cheddar	334,162	1.2	0.1	4.0	Dry whey, total <sup>8</sup>	74,444	-1.8	-6.5	-2.6
Other American	139,260	19.6	-2.6	---	Reduced lactose & minerals				
Brick & Muenster	15,639	15.2	-9.0	---	Human food	1,838	25.5	-18.9	---
Cream & Neufchatel	76,033	20.6	-7.1	---	Animal feed	2,936	-1.4	-15.0	---
Hispanic	28,399	-1.9	-12.8	---	Lactose, human food & animal feed	91,834	3.6	-7.6	3.3
Total Italian types	480,703	7.4	-4.3	2.1	Whey protein concentrate				
Mozzarella	376,418	6.6	-4.1	0.8	Human food <sup>9</sup>	38,678	6.0	-7.4	---
Other Italian	104,285	10.2	-5.3	---	Animal feed <sup>9</sup>	1,066	23.7	103.0	---
Swiss	28,843	12.0	11.4	---	Total <sup>9</sup>	39,744	6.4	-6.0	5.9
All other types	33,148	25.4	-15.7	---	25.0-49.9 percent <sup>10</sup>	13,116	-7.8	-12.1	---
Total	1,136,187	8.0	-3.4	3.7	50.0-89.9 percent <sup>10</sup>	26,628	15.2	-2.7	---
Cottage cheese, curd <sup>3</sup>	29,555	-11.4	-13.9	---	Whey protein isolates <sup>11</sup>	10,822	13.3	-10.8	---
Cottage cheese, cream <sup>4</sup>	27,384	-13.1	-12.7	-4.0					
Cottage cheese, lowfat <sup>5</sup>	24,219	-9.5	-15.7	-4.0					
Dry buttermilk	13,146	25.0	5.9	---					
Dry whole milk	13,800	-3.1	-6.0	---					
Milk protein conc. (MPC), total <sup>6</sup>	18,942	-8.5	14.2	---					
Nonfat dry milk (NDM), human	194,602	-4.0	-2.4	5.5					
Skim milk powders (SMP) <sup>7</sup>	41,607	-19.4	5.0	-20.6					
Sour cream	120,958	9.0	-9.2	7.1					

Manufacturers' Stocks, End of Month <sup>12</sup>							
Product	April 2021	April 2020	March 2021	Product	April 2021	April 2020	March 2021
	(1,000 lbs)	(percent)			(1,000 lbs)	(percent)	
Dry whey, human food	59,636	-21.5	-5.0	Whey protein concentrate			
Dry whey, animal feed	829	-18.9	-12.4	Human food <sup>9</sup>	59,094	-5.1	-1.0
Reduced lactose & minerals—human & animal <sup>13</sup>	6,084	17.3	-1.3	Animal feed <sup>9</sup>	1,397	33.3	-4.7
Lactose, human food & animal feed	125,568	29.8	-1.2	Total <sup>9</sup>	60,491	-4.4	-1.1
Dry buttermilk	23,020	7.7	-0.5	25.0-49.9 percent <sup>10</sup>	23,092	-10.2	-1.2
Nonfat dry milk, human food	302,047	-23.1	-4.7	50.0-89.9 percent <sup>10</sup>	37,399	-0.5	-1.1
				Whey protein isolates <sup>11</sup>	13,295	-9.1	-6.4

<sup>1</sup> 2021 cumulative as percent change compared to 2020 cumulative. <sup>2</sup> Includes Cheddar, Colby, Monterey and Jack. <sup>3</sup> Mostly used for processing into cream or lowfat cottage cheese. <sup>4</sup> Fat content 4 percent or more. <sup>5</sup> Fat content less than 4 percent. <sup>6</sup> Dry milk protein concentrate, 40-89.9 percent. <sup>7</sup> Includes protein standardized and blends. <sup>8</sup> Excludes all modified dry whey products. <sup>9</sup> Whey protein concentrate, 25.0 to 89.9 percent. <sup>10</sup> Whey protein concentrate, human and animal. <sup>11</sup> Whey protein isolates, 90.0 percent or greater. <sup>12</sup> Stocks held by manufacturers at all points and in transit. <sup>13</sup> 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, June 2021.*



## June Supply and Demand Estimates

Milk production for 2021 is raised from last month on higher expected cow numbers. The fat basis import forecast is reduced from the previous month on lower expected imports of butterfat containing products, while the skim-solids basis import forecast is unchanged. Exports on both fat and skims-solids bases are raised from last month. Fat basis export increases are underpinned largely by higher shipments of butterfat-containing products and cheese, while skim-solids increases primarily reflect stronger expected cheese, lactose, and whey shipments. Price forecasts for butter, nonfat dry milk (NDM), and whey are raised from the previous month on recent price strength and stronger anticipated demand. The cheese price forecast is lowered from last month on relatively large stocks and current prices. The lower forecast cheese price results in a lower Class III price, but the higher NDM and butter prices support result in a higher Class IV price. The all milk price forecast is lowered to \$18.85 per cwt for 2021. The 2022 milk production forecast is raised from last month as higher forecast cow numbers for 2021 carry into 2022. Import forecasts are unchanged. The fat basis export forecast is unchanged, but the skim-solids export forecast is increased on expected strength in whey exports. For 2022, butter, NDM, and whey price forecasts are raised from the previous month while the cheese price is unchanged. Thus, Class III and Class IV price forecasts are raised from last month. The all milk price forecast is raised to \$18.75 per cwt for 2022.

U.S. Milk Supply and Use					
Commodity	2020	2021 Projected		2022 Projected	
		May	Jun	May	Jun
Milk	<i>(billion pounds)</i>				
Production	223.2	227.9	228.5	230.3	231.1
Farm Use	1.1	1.1	1.1	1.1	1.1
Fat Basis Supply					
Beginning Commercial Stocks	13.6	15.6	15.6	15.0	15.1
Marketings	222.1	226.8	227.4	229.2	230.0
Imports	6.8	6.2	6.1	5.9	5.9
Total Commercial Supply	242.5	248.6	249.1	250.1	251.1
Fat Basis Use					
Commercial Exports	9.3	10.8	11.1	10.3	10.3
Ending Commercial Stocks	15.6	15.0	15.1	15.0	15.1
CCC Donations	0.3	0.0	0.0	0.0	0.0
Domestic Commercial Use	217.4	222.8	222.9	224.8	225.7
Skim-Solid Basis Supply					
Beginning Commercial Stocks	10.2	10.9	10.9	10.5	10.6
Marketings	222.1	226.8	227.4	229.2	230.0
Imports	5.6	5.5	5.5	5.4	5.4
Total Commercial Supply	237.9	243.2	243.8	245.1	246.0
Skim-Solids Basis Use					
Commercial Exports	47.2	49.5	50.2	50.0	50.7
Ending Commercial Stocks	10.9	10.5	10.6	10.4	10.3
CCC Donations	0.1	0.0	0.0	0.0	0.0
Domestic Commercial Use	179.7	183.2	183.0	184.7	185.1

CCC Donations include purchases made through the USDA Trade Mitigation program. They do not include products purchased under other programs. Dairy domestic commercial use for 2020 includes additional milk marketed but not processed. NOTE: Totals may not add due to rounding.

Continued on page 12

## June Milk Supply and Demand Estimates-cont'd

U.S. Dairy Prices						
Commodity	2020	2021 Projected		2022 Projected		
		May	Jun	May	Jun	
Product Prices <sup>1</sup>	(dollars per pound)					
	Cheese	1.9236	1.7400	1.7050	1.7150	1.7150
	Butter	1.5808	1.7100	1.7150	1.7900	1.7950
	Nonfat Dry Milk	1.0417	1.2400	1.2500	1.1950	1.2200
	Dry Whey	0.3621	0.5750	0.5900	0.4750	0.5100
Milk Prices <sup>2</sup>	(dollars per cwt)					
	Class III	18.16	17.70	17.45	16.85	17.15
	Class IV	13.49	15.75	15.85	15.70	15.95
	All Milk <sup>3</sup>	18.24	18.95	18.85	18.50	18.75
	Quarterly					
	2021 I	2021 II <sup>5</sup>	2021 III <sup>5</sup>	2021 IV <sup>5</sup>	2022 I <sup>5</sup>	
Milk Production	(billion pounds)					
	56.8	58.4	56.8	56.5	57.6	
All Milk Price <sup>4</sup>	(dollars per cwt)					
	17.33	18.95	19.00	20.05	19.20	
	Class III Price <sup>2</sup>	15.98	17.98	17.67	18.12	17.47
Class IV Price <sup>2</sup>	13.71	16.03	16.90	16.73	15.99	

<sup>1</sup> Simple average of monthly prices calculated from AMS weekly average dairy product prices for class price computations. Details may be found by going to <http://www.ams.usda.gov/rules-regulations/mmr/dmr>; scroll down to Publications, National Dairy Products Sales Reports, and select Current Release & Archives.” <sup>2</sup> Annual and quarterly Class III and Class IV prices are the simple average of monthly minimum Federal order milk prices paid by regulated plants for milk used in the respective classes. All milk price is the simple average of monthly prices received by farmers for milk at average test. <sup>3</sup> Does not reflect any deductions from producers as authorized by legislation. <sup>4</sup> Prices received by farmers for all milk. <sup>5</sup> Projection.

**Source:** U.S. Department of Agriculture. World Agricultural Outlook Board. *World Agricultural Supply and Demand Estimates, WASDE-613, June 10, 2021*. Approved by the Interagency Commodity Estimates Committee [members for Dairy are: Shayle Shagam, ICEC Chair, WAOB; Carolyn Liebrand, AMS; Paul Kiendl, FAS; Jerry Cessna, ERS; and Georgi Gabrielyan, FPAC].

## Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average <sup>1</sup>

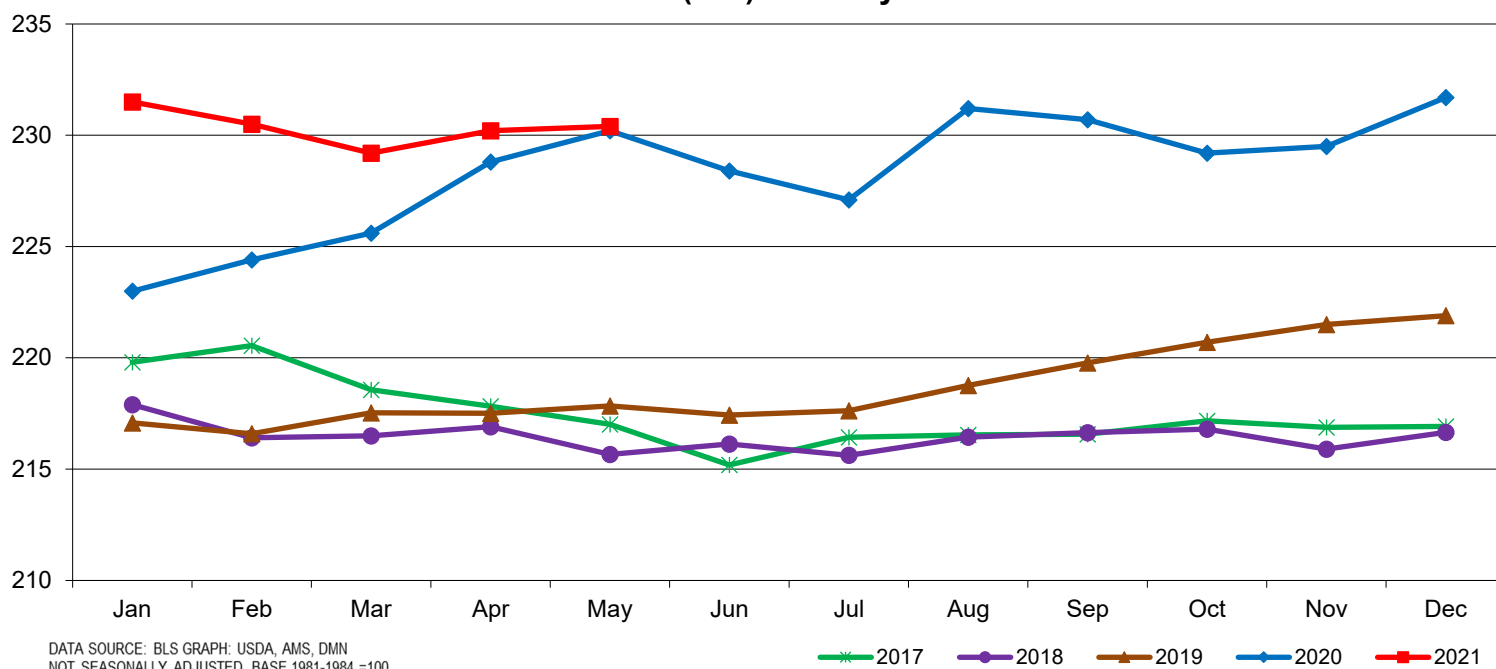
Consumer Price Index												
Month	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>	CPI <sup>2</sup>	Pct. Chg <sup>3</sup>
Mar 2021	271.8	3.5	229.2	1.6	213.6	2.5	243.0	2.7	250.0	-1.9	268.5	5.4
Apr 2021	273.1	2.4	230.2	0.6	218.5	4.4	240.1	-0.3	246.4	-0.6	271.5	2.0
May 2021	274.2	2.2	230.4	0.1	223.3	7.2	239.9	-1.2	253.4	0.5	275.8	0.1

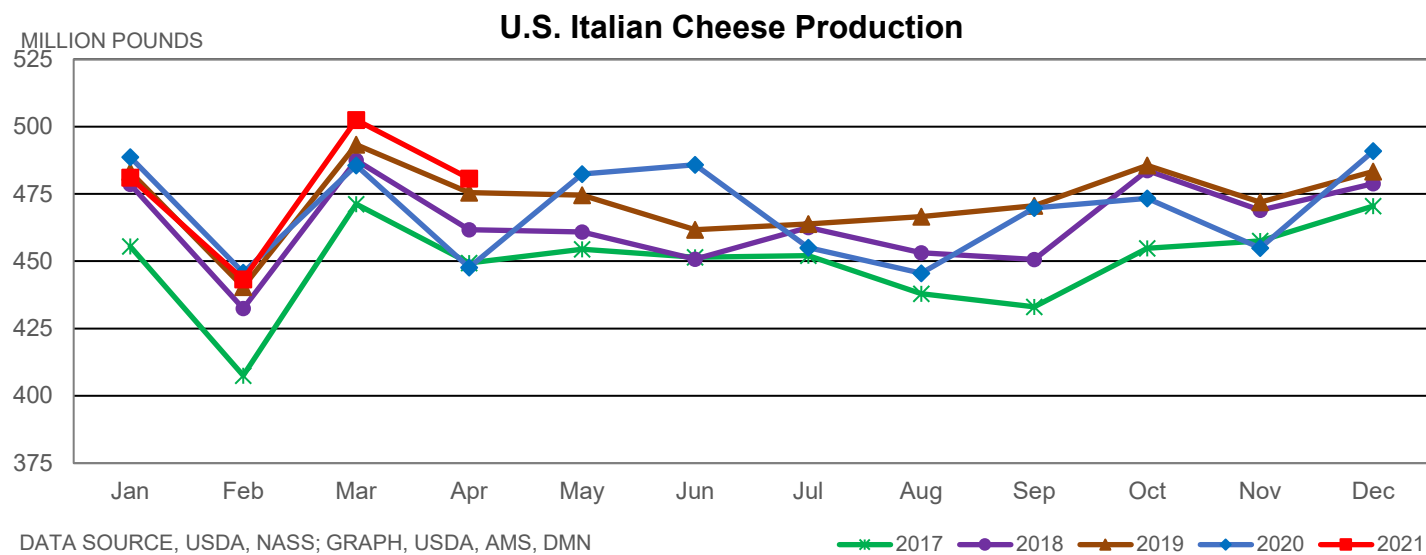
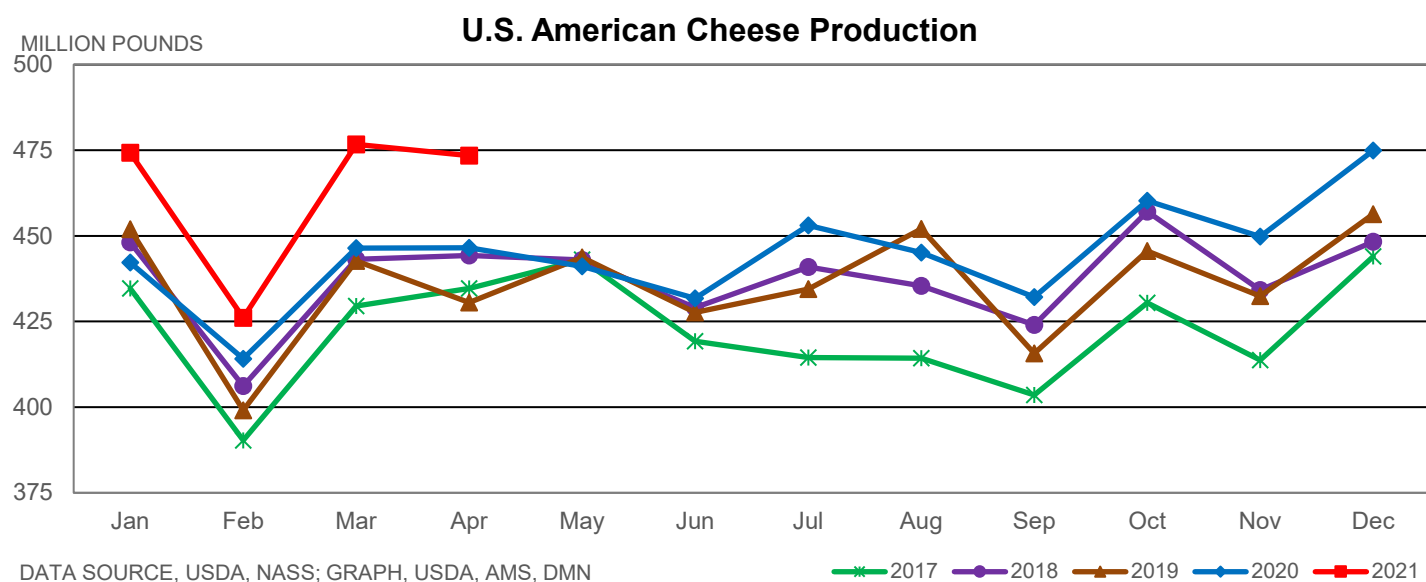
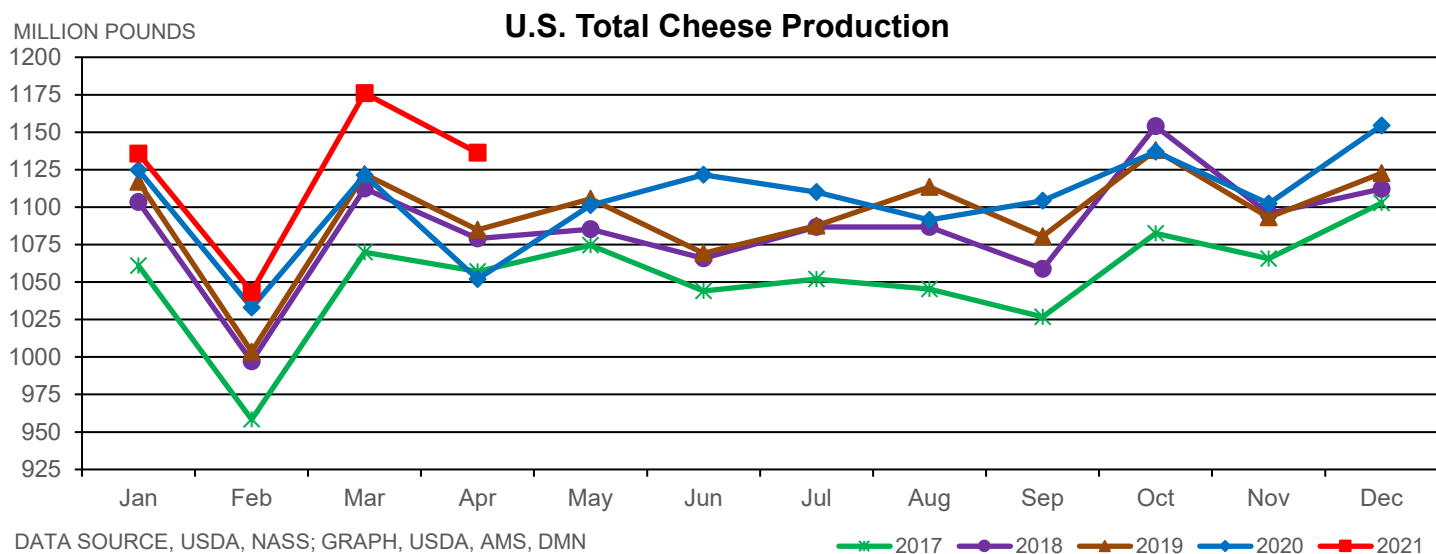
  

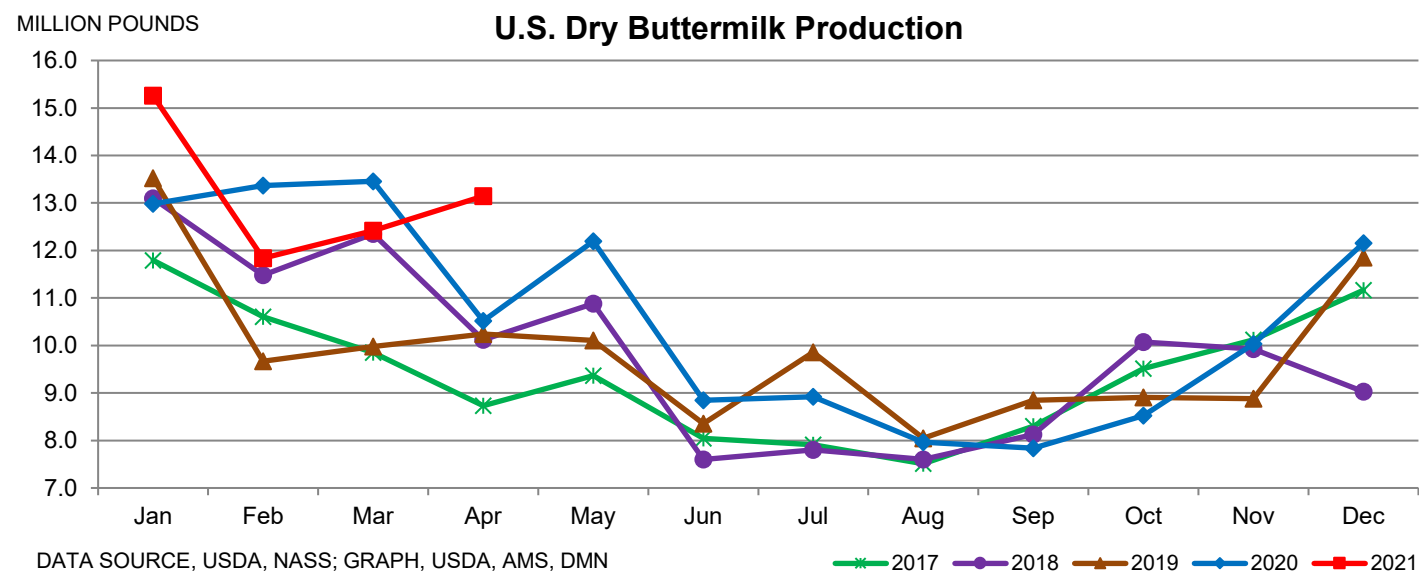
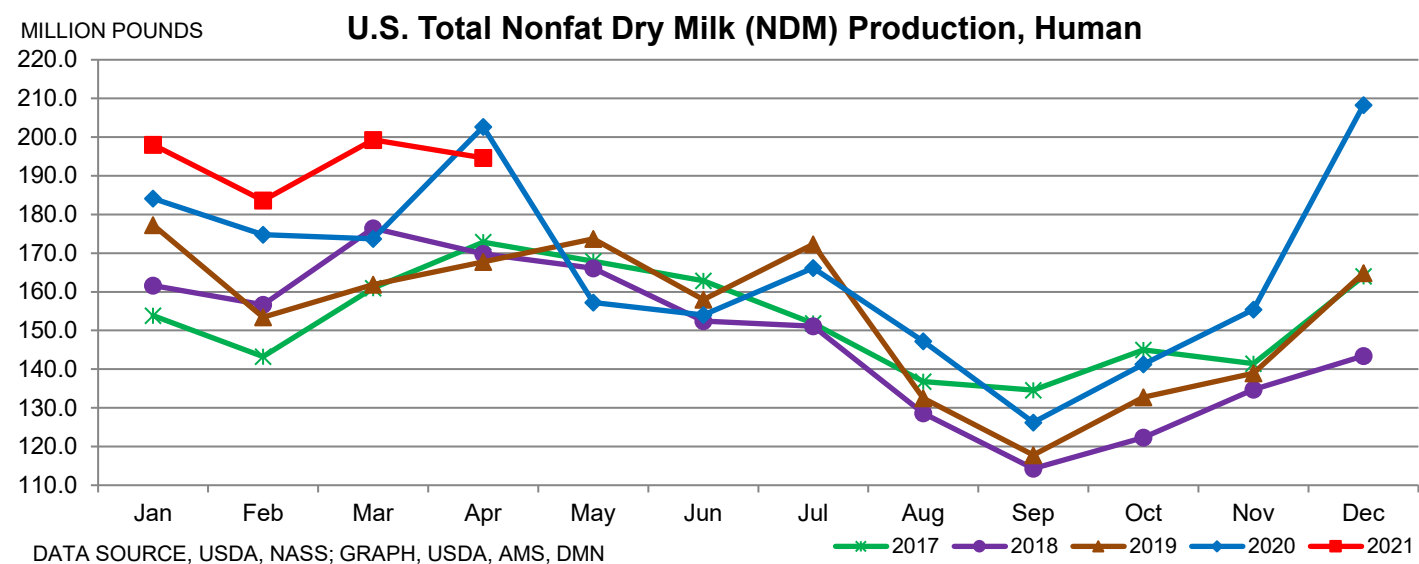
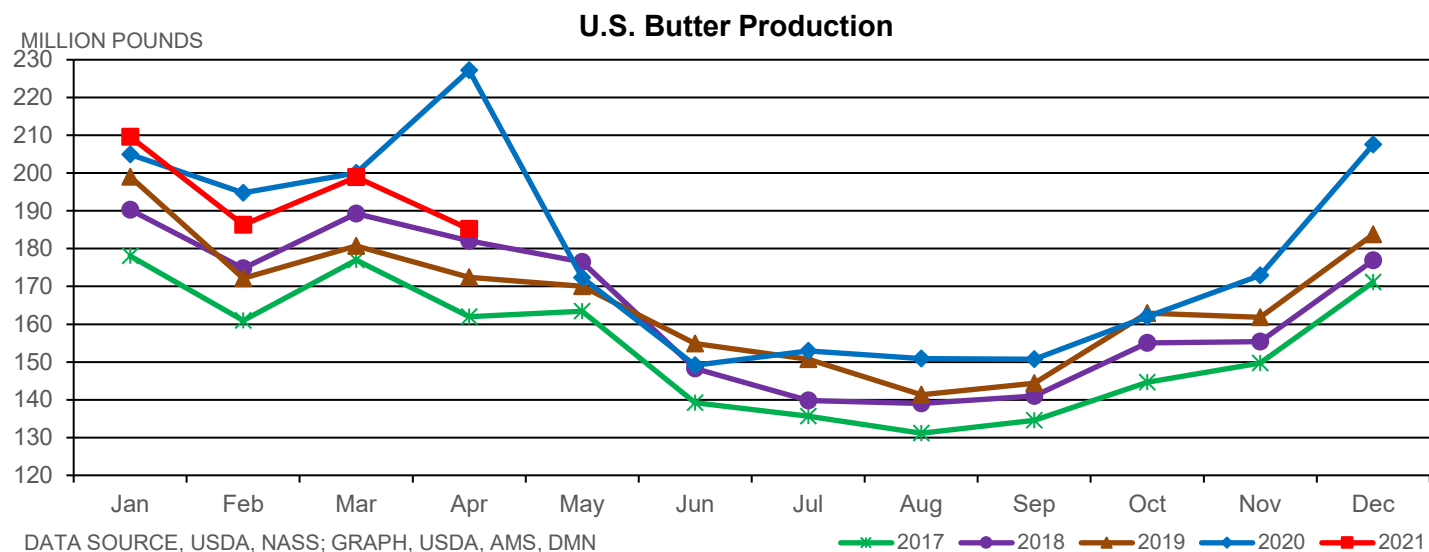
U.S. City Average Retail Prices										
Month	Whole Milk <sup>4</sup>		Butter <sup>5</sup>		Process Cheese <sup>6</sup>		Natural Cheese <sup>7</sup>		Ice Cream <sup>8</sup>	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Mar	3.348	3.248	N/A	N/A	4.145	3.907	5.682	5.329	4.949	4.918
Apr	3.447	3.267	N/A	N/A	4.100	3.981	5.441	5.453	4.978	4.941
May	3.497	3.210	N/A	N/A	4.048	4.097	5.421	5.558	4.685	4.934

N/A = Not available. <sup>1</sup> "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. <sup>2</sup> The standard reference base period for these indexes is 1982-1984 = 100. <sup>3</sup> Percent change over previous year. <sup>4</sup> Per gallon. <sup>5</sup> Per pound. Grade AA, salted, stick butter. <sup>6</sup> Per pound, any size and type of package. <sup>7</sup> Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). <sup>8</sup> Per 1/2 gallon prepackaged regular.

### Consumer Price Index (CPI) for Dairy and Related Products

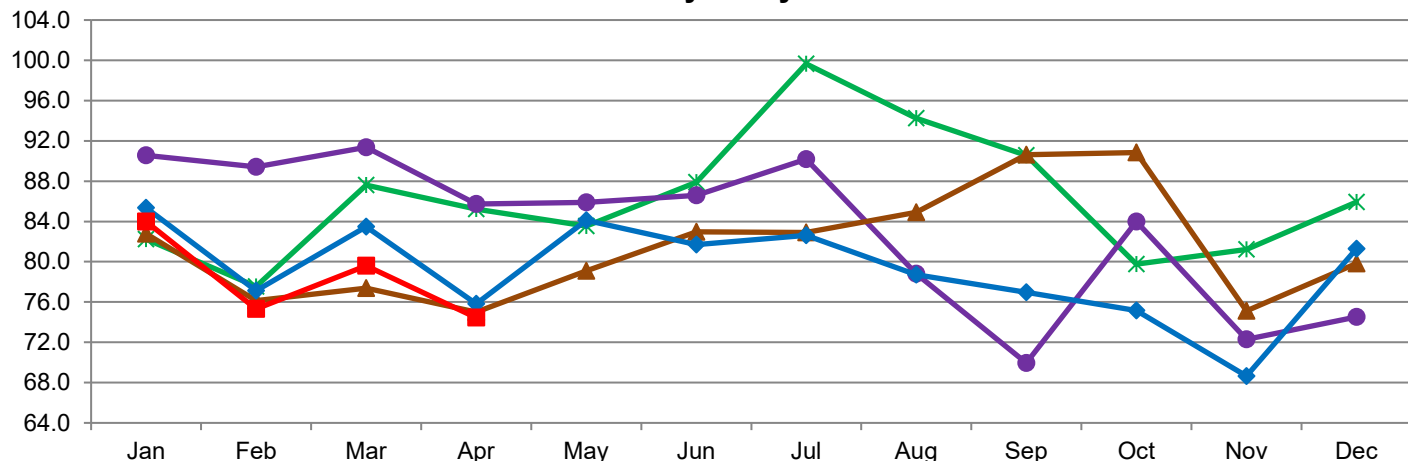








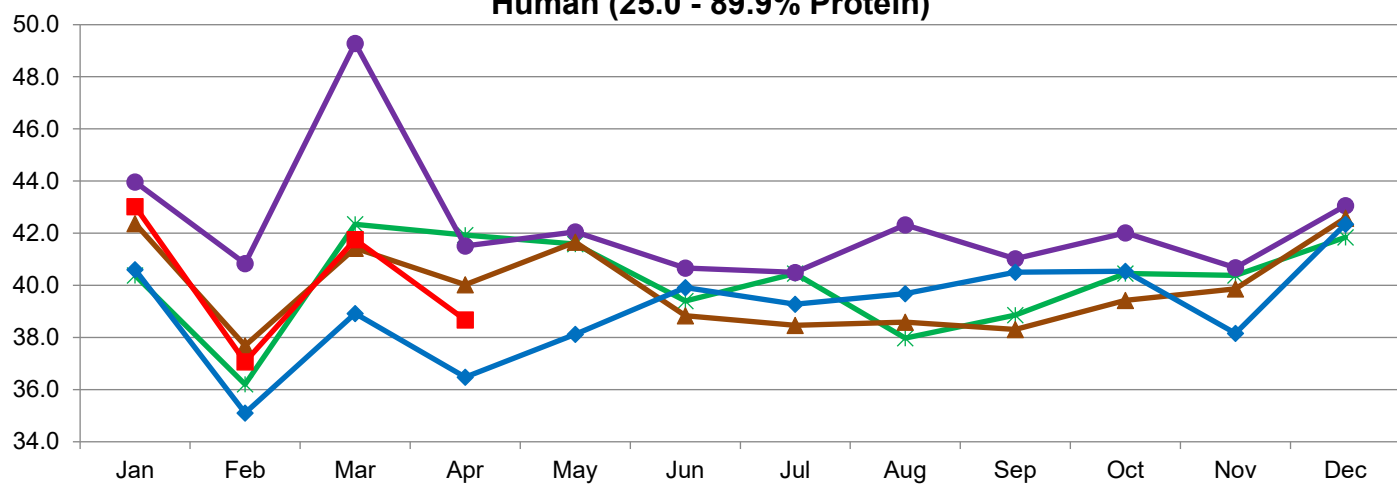
MILLION POUNDS

**U.S. Total Dry Whey Production**

DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2017 2018 2019 2020 2021

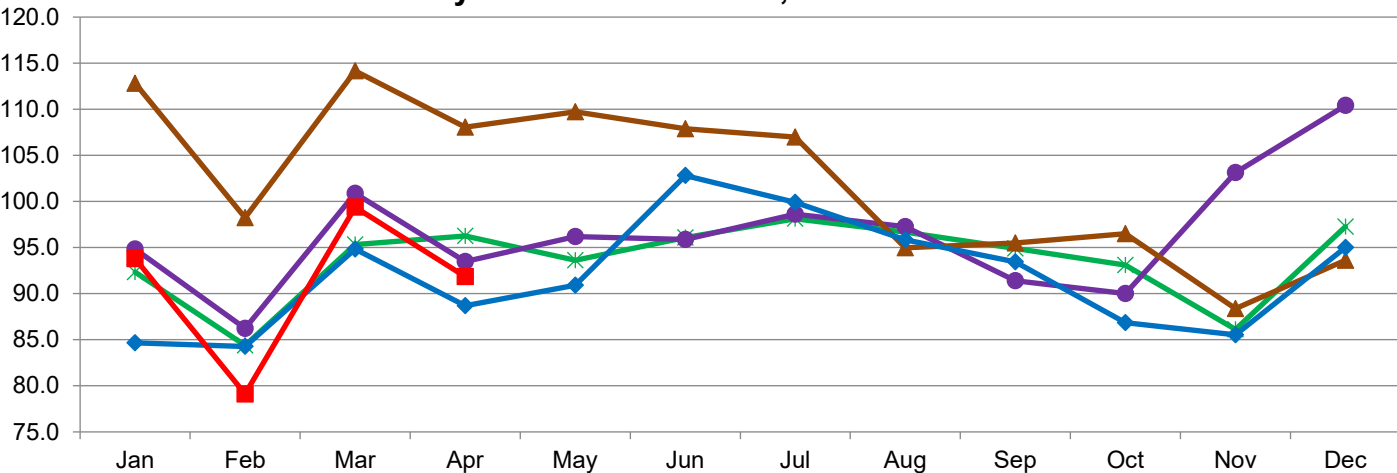
MILLION POUNDS

**U.S. Whey Protein Concentrate Production  
Human (25.0 - 89.9% Protein)**

DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2017 2018 2019 2020 2021

MILLION POUNDS

**U.S. Dry Lactose Production, Human and Animal**

DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN

2017 2018 2019 2020 2021



Agricultural  
Marketing  
Service

## Dairy Market News Branch

# National Retail Report-Dairy

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

Volume 88- Number 23

Issued Weekly

Friday, June 11, 2021

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 06/11/2021 to 06/17/2021

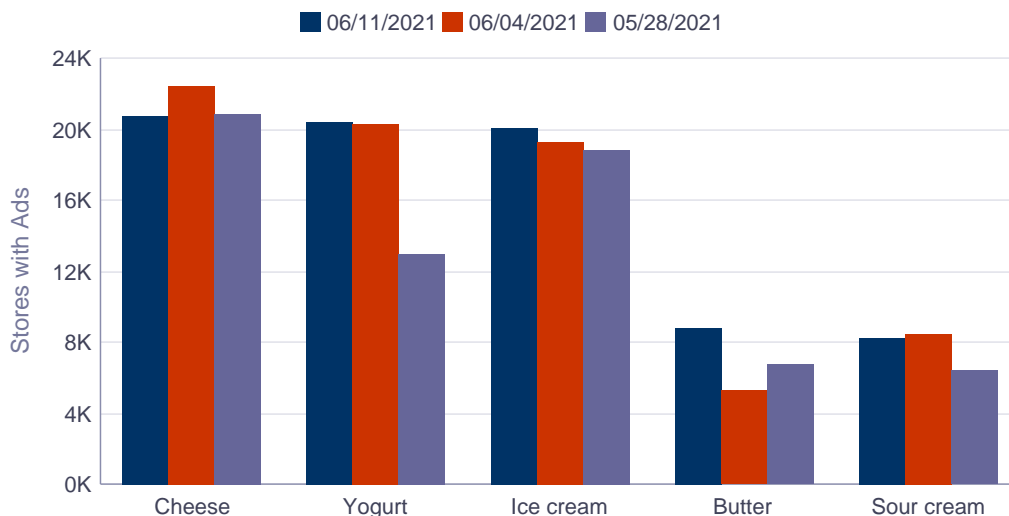
Conventional dairy ads saw an increase of 2 percent this week. The most advertised item was ice cream in 48 to 64-ounce containers. These ads grew by just 4 percent, while the weighted average price dropped by \$0.16 down to \$2.92. The largest increase in conventional advertisements were with Greek yogurt in 32-ounce containers, increasing by 207 percent. The weighted average price fell by \$0.02 to \$4.44.

The number of conventional cheese ads fell by 7 percent this week. The largest increase in conventional cheese ads occurred with 1-pound blocks. Advertisements grew by 87 percent, with the weighted average price slicing off \$0.66, settling at \$4.12. The most advertised cheese item was conventional 8-ounce shred cheese, despite a 1 percent decrease in ad numbers.

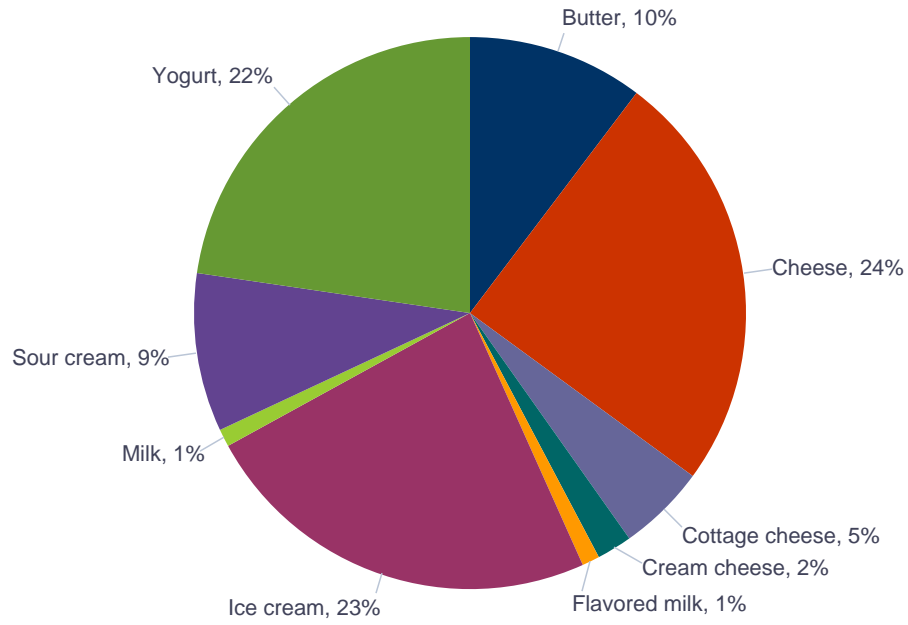
Conventional yogurt ads increased by 2 percent this week, while the weighted average price increased by \$0.59 to \$1.74. A large increase in ads for both conventional and Greek yogurt in 32-ounce containers was counteracted by decreases in ads for 4-6-ounce containers. Conventional yogurt ads for 4-6-ounce containers decreased by 9 percent, while the number of Greek yogurt ads dropped by 29 percent.

The number of conventional milk ads decreased by 65 percent, while organic milk ads fell by 3 percent. The largest decrease in conventional milk advertisement were in half gallon containers, which fell by 92 percent. The weighted average price for conventional half gallon milk is \$1.99 up \$0.61 from last week. Organic half gallon milk ads decreased by 2 percent and have a weighted average price of \$3.79, a decrease of just 1 cent from a week ago. The organic price premium for half gallon milk is \$1.80.

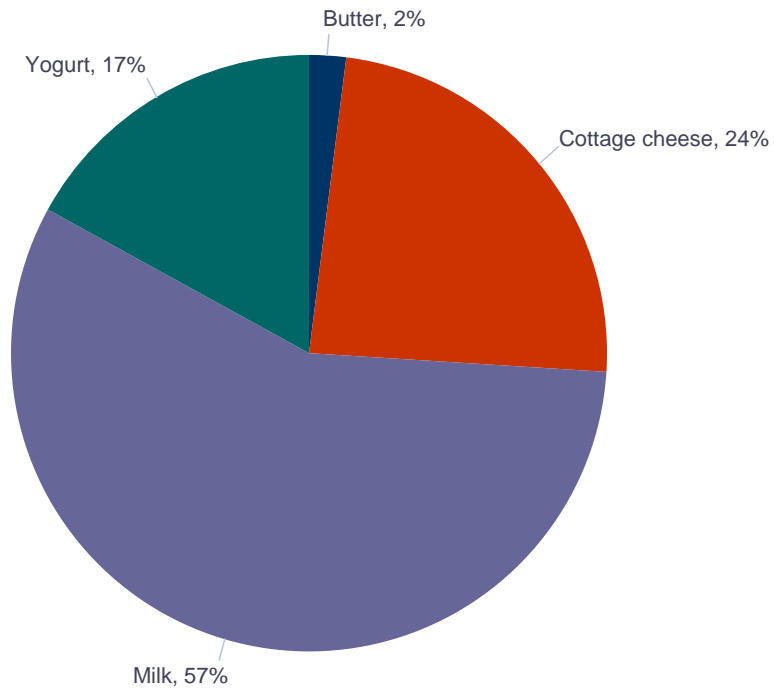
Top 5 Commodities Featured This Week



### 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 #	8661	3.04	5081	3.19	4320	3.13
Cheese	Natural Varieties	8 oz block	5225	2.39	6275	2.33	4031	2.46
Cheese	Natural Varieties	1 # block	1573	4.12	842	4.78	1129	4.60
Cheese	Natural Varieties	2 # block	1110	6.34	2755	6.75	2072	6.23
Cheese	Natural Varieties	8 oz shred	10178	2.79	10253	2.32	8094	2.39
Cheese	Natural Varieties	1 # shred	1485	3.27	1973	4.30	579	4.59
Cottage cheese		16 oz	4547	2.12	3242	2.20	2058	2.17
Cream cheese		8 oz	1998	1.61	2537	1.76	2510	1.89
Flavored milk	All fat tests	half gallon	616	3.12	821	1.73		
Flavored milk	All fat tests	gallon	105	2.50			105	1.99
Ice cream		48-64oz	20049	2.92	19191	3.08	12049	2.80
Milk	All fat tests	half gallon	99	1.99	1194	1.38	1496	2.55
Milk	All fat tests	gallon	486	2.48	457	2.58	401	2.01
Sour cream		16 oz	8249	1.82	8296	1.83	2225	1.88
Yogurt	Greek	4-6 oz	7112	.98	10039	.97	8318	1.01
Yogurt	Greek	32 oz	3900	4.44	1270	4.46	613	4.23
Yogurt	Yogurt	4-6 oz	5369	.48	5879	.49	4710	.46
Yogurt	Yogurt	32 oz	2913	2.32	1686	2.06	593	2.30

## 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 #	1.57-3.99	1787	3.09	0.99-3.00	2072	2.86	1.99-3.49	1224	2.81
Cheese	Natural Varieties	8 oz block	1.98-3.00	2075	2.31	2.29-2.99	684	2.50	2.00-2.99	1273	2.28
Cheese	Natural Varieties	1 # block	3.49-6.99	233	5.91	2.50-4.49	231	3.37	2.50-3.99	568	2.79
Cheese	Natural Varieties	8 oz shred	1.67-3.00	2505	2.41	2.00-4.99	3493	3.34	2.00-3.00	1831	2.43
Cheese	Natural Varieties	1 # shred	4.99	110	4.99	2.50-4.49	231	3.37	2.50-3.99	568	2.79
Cottage cheese		16 oz	1.50-2.99	1563	2.27	1.66-2.50	2055	2.03	2.00-2.49	249	2.35
Cream cheese		8 oz	1.48-1.99	448	1.61	1.50-1.99	769	1.53	1.25	69	1.25
Flavored milk	All fat tests	half gallon	2.89	221	2.89				1.79	106	1.79
Ice cream		48-64oz	1.99-4.99	3279	2.87	1.97-5.49	4512	2.75	1.99-4.49	5155	2.93
Milk	All fat tests	gallon	3.49	62	3.49				1.99	106	1.99
Sour cream		16 oz	0.99-2.50	2097	1.89	1.49-2.50	2692	1.81	1.49-2.39	1631	1.70
Yogurt	Greek	4-6 oz	0.79-1.00	2560	.99	0.80-1.00	1191	.96	0.99-1.25	1371	1.06
Yogurt	Greek	32 oz	3.49-4.99	905	4.11	3.49-4.99	737	3.77	4.88-4.99	775	4.96
Yogurt	Yogurt	4-6 oz	0.40-0.60	1339	.52	0.40-0.60	1420	.43	0.33-0.60	1228	.46
Yogurt	Yogurt	32 oz	1.99-3.49	823	2.55	2.00-2.38	1063	2.36	2.29	119	2.29



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 #	2.49-3.69	822	3.01	2.49-3.99	1807	3.25	2.47-3.49	917	3.21
Cheese	Natural Varieties	8 oz block	1.99-2.99	506	2.55	1.88-2.79	371	2.59	2.50	289	2.50
Cheese	Natural Varieties	1 # block	2.50-4.99	199	4.01	4.99-5.99	331	5.72			
Cheese	Natural Varieties	2 # block	5.77-6.00	254	5.89	4.99-6.99	361	6.33	4.99-7.49	463	6.55
Cheese	Natural Varieties	8 oz shred	1.79-2.99	628	2.48	1.88-3.99	1261	2.73	2.50	394	2.50
Cheese	Natural Varieties	1 # shred	2.50	78	2.50	3.49-3.50	487	3.49			
Cottage cheese		16 oz	1.69-2.29	254	2.00	2.50	137	2.50	1.67	289	1.67
Cream cheese		8 oz	1.50-1.79	195	1.61	1.25	62	1.25	1.49-1.99	427	1.69
Flavored milk	All fat tests	half gallon							3.79	289	3.79
Flavored milk	All fat tests	gallon							2.50	105	2.50
Ice cream		48-64oz	1.99-5.50	2122	3.15	1.97-5.99	3935	2.96	1.77-4.00	942	3.00
Milk	All fat tests	half gallon	1.99	99	1.99						
Milk	All fat tests	gallon	1.49-2.99	213	2.43				2.50	105	2.50
Sour cream		16 oz	1.50	195	1.50	1.49-2.00	948	1.79	1.67-2.19	647	1.94
Yogurt	Greek	4-6 oz	0.79-1.25	618	.98	0.88-1.00	832	.94	0.69-1.00	529	.91
Yogurt	Greek	32 oz	3.49-4.99	317	3.86	3.49-5.99	866	5.11	4.39	289	4.39
Yogurt	Yogurt	4-6 oz	0.50-0.88	360	.60	0.50	274	.50	0.35-0.50	699	.44
Yogurt	Yogurt	32 oz	1.99-2.79	254	2.37	1.67-2.50	627	1.98			

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 #	3.49-4.49	32	4.15			
Cheese	Natural Varieties	8 oz block				3.49	27	3.49
Cheese	Natural Varieties	1 # block	4.99	11	4.99			
Cheese	Natural Varieties	2 # block	6.99	32	6.99			
Cheese	Natural Varieties	8 oz shred	3.00-4.00	39	3.72	3.49	27	3.49
Cheese	Natural Varieties	1 # shred	4.99	11	4.99			
Cream cheese		8 oz	3.99	28	3.99			
Ice cream		48-64oz	2.49-8.99	50	6.46	3.29-3.79	54	3.54
Sour cream		16 oz	1.99-3.29	39	2.92			
Yogurt	Greek	4-6 oz	1.00	11	1.00			
Yogurt	Greek	32 oz	5.49	11	5.49			
Yogurt	Yogurt	4-6 oz	0.70-1.19	49	.98			
Yogurt	Yogurt	32 oz				1.67	27	1.67

## NATIONAL -- ORGANIC DAIRY PRODUCTS

Commodity	Type	Pack Size	THIS PERIOD	LAST WEEK	LAST YEAR
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Wtd Avg - Simple weighted average





			Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price	Stores With Ads	Wtd Avg Price
Butter		1 #	121	5.29	221	5.99	335	5.42
Cheese	Natural Varieties	8 oz shred			285	4.00		
Cottage cheese		16 oz	1541	3.00	169	3.99	394	4.15
Cream cheese		8 oz			1686	2.51	178	2.99
Milk	All fat tests	half gallon	3387	3.79	3456	3.80	2187	4.28
Milk	All fat tests	gallon	214	4.99	251	6.45	105	5.00
Sour cream		16 oz			169	2.60	1083	1.99
Yogurt	Greek	32 oz	828	4.43	110	2.99	1226	6.49
Yogurt	Yogurt	4-6 oz	209	1.06	72	.69		
Yogurt	Yogurt	32 oz	62	5.99	1216	2.99		

## 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
Cottage cheese		16 oz				3.00	298	3.00	3.00	714	3.00
Milk	All fat tests	half gallon	3.00-4.99	1281	3.80	3.49-4.99	1063	3.58	4.46-4.98	360	4.72
Milk	All fat tests	gallon				4.99	214	4.99			
Yogurt	Greek	32 oz	3.50-6.99	625	4.73	3.50	87	3.50	3.50	116	3.50
Yogurt	Yogurt	4-6 oz	0.69-1.25	209	1.06						

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 #	5.29	121	5.29						
Cottage cheese		16 oz	3.00	78	3.00	3.00	451	3.00			
Milk	All fat tests	half gallon							2.99-4.39	683	3.59
Yogurt	Yogurt	32 oz				5.99	62	5.99			

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:

Wtd Avg - Simple weighted average



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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