

**DAIRY MARKET NEWS AT A GLANCE**

**CME GROUP CASH MARKETS (11/12)**

**BUTTER:** Grade AA closed at \$1.9500. The weekly average for Grade AA is \$1.9625 (+0.0145).

**CHEESE:** Barrels closed at \$1.4975 and 40# blocks at \$1.7500. The weekly average for barrels is \$1.5310 (-0.0695) and blocks, \$1.7455 (+0.1090).

**NONFAT DRY MILK:** Grade A closed at \$1.5500. The weekly average for Grade A is \$1.5620 (-0.0020).

**DRY WHEY:** Extra grade dry whey closed at \$0.6700. The weekly average for dry whey is \$0.6620 (+0.0140).

**CHEESE HIGHLIGHTS:** Cheese demand is mixed regionally. Retail demand, however, is strong throughout the country as the holiday season has arrived like the winter weather. Production remains similar. Cheesemakers who are fully staffed are busy, but employee shortages continue to hinder production in some plants. Milk availability is beginning to tighten up in the Midwest, but it is more available in the coastal regions. Milk spot prices ranged from \$.50 to \$1 over Class in the Midwest. Cheese market tones are unstable after last week's precipitous drops. Cheese inventories vary by region.

**BUTTER HIGHLIGHTS:** Cream availability is meeting production demands in the West. However, cream supplies are reported to be increasingly limited in the Central and East regions. Some butter production schedules are hindered by cream tightness, labor issues, and delayed deliveries. Some contacts relay that bulk availability is diminishing, but others report comfortable inventory levels. Butter sales are strong as demand increases across food service and retail sectors. Market tones are steady to bullish. Bulk butter overages range from 2 to 15 cents above market this week.

**FLUID MILK:** Weather has been beneficial for cow comfort/farm milk production throughout most of the fall. However, winter weather is moving across the nation this week. Rain, and/or snow, are falling along with the temperatures from West to East at report time and more is expected throughout the weekend. Milk output has been strong, but with strengthening Class I demand, particularly when compared to last

year, milk availability is tighter. Hence, spot milk prices in the Midwest for cheese producers ranged from \$.50 to \$1 over Class. Condensed skim prices are edging higher. Cream is also tighter and some contacts expect the tightness to continue due to increases in cream cheese, and other seasonal favorites, production. F.O.B. cream multiples are **1.35-1.48** in the East, **1.33-1.50** in the Midwest, and **1.18-1.26** in the West.

**DRY PRODUCTS:** Prices for low/medium heat nonfat dry milk moved higher in the West, but the price range narrowed in the Central and East. Contacts report that spot availability for low/medium heat NDM is limited. High heat prices moved higher in the West and at the bottom of the Central and East price range. The top of that range is unchanged. High heat inventories are tight. Dry buttermilk prices are steady to higher. Inventories are tight as domestic demand starts to increase. Prices for U.S. dry whole milk are unchanged. Dry whey prices are steady to higher. Whey supplies are tight due to staffing shortages and more emphasis on higher whey protein concentration production. Prices for animal feed whey are steady. While the price range for whey protein concentrate 34% is unchanged, prices reported by individual companies moved upwards within that price range. Some industry contacts suggest WPC 34% is undervalued compared to other dairy proteins. Lactose prices did not change this week, and spot sales activity was quiet. Rennet and acid casein prices paused this week and did not move from last week.

**INTERNATIONAL DAIRY MARKET NEWS (DMN):**  
**WESTERN EUROPEAN OVERVIEW:** Milk deliveries across Western Europe are in typical seasonal declines, trailing to the annual nadir of milk output in November. Industry sources report prices for farm milk, cream and skim milk concentrate have all risen over the last few weeks. Demand for each has also increased ahead of the fall and winter holiday season. Lower than expected farm milk volumes have resulted in tight supplies of manufactured dairy products. Industry contacts suggest general dairy product demand is solid.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR NOVEMBER 8 - 12, 2021**  
**PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM														
Central Low/Med. Heat	1.5100	1.6000	1.5250	1.5450	BUTTERMILK				LACTOSE					
Change	0.0100	-0.0100	0.0050	N.C.	Central/East	1.3300	1.3850			Central/West	0.3300	0.5500	0.3600	0.4700
Central High Heat	1.6500	1.7500			Change	0.0500	N.C.			Change	N.C.	N.C.	N.C.	N.C.
Change	0.0100	N.C.			West	1.3000	1.3700	1.3200	1.3500	WPC 34%	1.1200	1.3500	1.1500	1.2400
West Low/Med. Heat	1.5000	1.6000	1.5400	1.5800	Change	N.C.	0.0100	N.C.	N.C.	Central/West	1.1200	1.3500	1.1500	1.2400
Change	0.0075	0.0050	0.0100	0.0100	WHEY				Change	N.C.	N.C.	0.0200	0.0300	
West High Heat	1.6525	1.7275			Central	0.4500	0.6400	0.5900	0.6200	CASEIN	4.7200	4.9300		
Change	0.0200	0.0200			Change	N.C.	0.0150	0.0150	0.0050	Rennet	N.C.	N.C.		
DRY WHOLE MILK					West	0.5575	0.6600	0.5700	0.6200	Change	N.C.	N.C.		
					Change	0.0025	0.0300	0.0100	0.0025	Acid	4.9000	5.6700		
					Northeast	0.5700	0.6350	Change	N.C.	N.C.				
					Change	0.0200	0.0050	ANIMAL FEED WHEY						
									Central	0.4600	0.5000			
									Change	N.C.	N.C.			

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**EASTERN EUROPEAN OVERVIEW:** Milk production in Poland and other Eastern European countries is nearing the low point for the year. That said, a few the countries in the eastern parts of Europe have been above milk output volumes for the year to date.

**OCEANIA OVERVIEW: AUSTRALIA:** Australian milk intakes are lagging behind expectations for the year due to an unseasonably wet spring. Tight milk supplies and robust dairy demand have prompted several dairy processors to increase their farm milk gate prices to AU\$7.05 to \$7.10/kg milk solids. According to Dairy Australia. September 2021 milk production, 842.4 million liters, was down 2.9 percent from September 2020. **NEW ZEALAND:** As the region nears peak production, milk output in New Zealand remains below expectations. Firming trends in the market prices are prompting industry groups to revise their milk price forecasts higher once again. Current milk forecasts are averaging between NZ\$8.40 to \$8.59.

**SOUTH AMERICA OVERVIEW:** Milk output is starting to ease in areas in Argentina and Uruguay. Market participants note milk volumes are fairly available for processors in the main dairy basins of South America. Export demands for various dairy ingredients are stable to growing. In Brazil, drier weather conditions are impacting milk output.

**NATIONAL RETAIL REPORT (DMN):** The number of conventional dairy advertisements increased by 36 percent, while the number of organic ads grew by 57 percent. The most advertised conventional dairy item was ice cream in 48 to 64-ounce containers. The total number of conventional ads for milk declined by 67 percent, while organic milk ads grew by 37 percent. There were 20 percent more conventional cheese ads this week; ads for organic cheese reappeared on the survey after not appearing last week. Conventional 8-ounce shred cheese was the most advertised cheese item. The weighted average price for conventional 8-ounce shred cheese increased by 23 cents to \$2.62. Organic 8-ounce shred cheese has a weighted average price of \$3.79.

**NOVEMBER SUPPLY AND DEMAND ESTIMATES (USDA WAOB):** The milk production forecasts for 2021 and 2022 are reduced from the previous month on lower expected dairy cow numbers and slower growth in milk per cow. The 2021 Class III price forecast is reduced from last month as the lower forecast cheese price more than offsets the higher whey price. The Class IV price forecast is raised on higher NDM and butter prices. The 2021 all milk price forecast is raised to \$18.50 per cwt.

**OCTOBER CONSUMER PRICE INDEX (BLS):** The October CPI for all food is 284.2, up 5.3 percent from 2020. The dairy products index is 233.2, up 1.8 percent from a year ago. The following are the October, year to year percentage changes for selected products: fresh whole milk is +5.8; cheese, -0.6; and butter, +0.9.

**OCTOBER PRODUCER PRICE INDEX (BLS):** The October PPI for all food is 229.3, up 12.8 percent from 2020. The dairy products index is 213.3, up 3.2 percent from a year ago. The following are the October, year to year percentage changes for selected products: fresh whole milk, 6.9; cheese, -6.7; and butter, +16.9.

COMMODITY	MONDAY NOV 8	TUESDAY NOV 9	WEDNESDAY NOV 10	THURSDAY NOV 11	FRIDAY NOV 12	:: WEEKLY CHANGE	:: WEEKLY AVERAGE
CHEESE							
BARRELS	\$1.5225 (+0.0200)	\$1.5400 (+0.0175)	\$1.5450 (+0.0050)	\$1.5500 (+0.0050)	\$1.4975 (-0.0525)	:: (-0.0050)	:: \$1.5310 (-0.0695)
40 POUND BLOCKS	\$1.6525 (+0.0675)	\$1.7150 (+0.0625)	\$1.8000 (+0.0850)	\$1.8100 (+0.0100)	\$1.7500 (-0.0600)	:: (+0.1650)	:: \$1.7455 (+0.1090)
NONFAT DRY MILK							
GRADE A	\$1.5700 (N.C.)	\$1.5700 (N.C.)	\$1.5600 (-0.0100)	\$1.5600 (N.C.)	\$1.5500 (-0.0100)	:: (-0.0200)	:: \$1.5620 (-0.0020)
BUTTER							
GRADE AA	\$1.9650 (+0.0300)	\$1.9650 (N.C.)	\$1.9750 (+0.0100)	\$1.9575 (-0.0175)	\$1.9500 (-0.0075)	:: (+0.0150)	:: \$1.9625 (+0.0145)
DRY WHEY							
EXTRA GRADE	\$0.6600 (N.C.)	\$0.6600 (N.C.)	\$0.6600 (N.C.)	\$0.6600 (N.C.)	\$0.6700 (+0.0100)	:: (+0.0100)	:: \$0.6620 (+0.0140)

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

New butter production runtime is seeing a decline as limited cream availability prompt reductions in the region's butter output rate. In the recent NASS butter production report, September 2021 East regional butter output dipped 15.8 percent, compared to September 2020. Steady to higher butter demand and shrunken cream availability supports the current bullish trend in the butter market price. For now, the Eastern region cream market necessitates multiples that hover around the mid to upper 1.40s, however, suppliers see the multiple elevating even higher in the coming weeks. Manufacturers are comfortable with butter inventory levels as they focus on satisfying existing seasonal butter commitments. Butter sales inquiries continue to spike as buyers try and stay ahead of a conceivable stronger butter market. The wholesale bulk butter price is reported 5-8 cents over the market on the CME Group with various time frames and averages used. The East market has a solid firming 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

### WEST

Throughout the West, cream is available to meet production demands. Contacts report that shipments of cream continue to face delays, due to a shortage of truck drivers. Food service demand for butter is strong. Retail demand is strengthening, as customers are purchasing to prepare for the upcoming holidays. Export demand is increasing; stakeholders report increased inquiries from international purchasers. Some butter makers are, reportedly, running below capacity due to delayed deliveries of production supplies and labor shortages. Spot availability of butter is limited, as demand continues to outpace production. Market tones are steady to bullish. Bulk butter overages range from 2.0 to 12.0 cents over the CME market price.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0200 - +0.1200

### CENTRAL

Butter sales are noted as very strong according to plant contacts. Retail and foodservice interests have increased, which was seasonally expected. Bulk butter prices have increased in recent weeks, as bulk is viewed as tightening. Butter plant managers say employee numbers have begun to show improvement in the past month. Time and training are expected to improve the labor shortage situation of the past year. Cream is reportedly tight and getting tighter. Butter market tones are healthy, with more bullish than bearish undertones.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter  
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0600 - +0.1500

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Secondary Sourced Information:

**DAIRY PRODUCTS REPORT – BUTTER SUMMARY**

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

Butter Production – States and United States: September 2020 and 2021

Region	Monthly Production (1000 pounds)		Percent Change from		
	SEP 2020	AUG 2021	SEP 2021	SEP 2020	AUG 2021
United States	150,709	147,982	143,396	- 4.9	-3.1
Atlantic	12,101	10,515	10,183	-15.8	-3.2
Central	56,897	55,497	53,541	- 5.9	-3.5
West	81,711	81,970	79,672	- 2.5	-2.8
California	48,485	51,325	47,383	-2.3	-7.7

Butter Production – Cumulative Production January - September

Report Month	Cumulative Production (1000 pounds)		Percent Change from	
	2020	2021	2020	
SEP	1,602,978	1,565,937	-2.3	

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

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
TOTAL, SEPTEMBER	14.3	+218
TOTAL, JAN-SEP	94.6	+134
Exports – Destination Country		
1 Canada	25.7	+ 84
2 Bahrain	11.1	+2459
3 Saudi Arabia	8.2	+ 14
4 China	7.8	+532
5 Egypt	6.2	+374,368

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

(Imports for Consumption)

	2021 Imports (Million Lb.)	% Change From 1 Year Ago
September Imports		
Total Butter, Fats, Milk (H.S. Code 0405)	11.9	- 16
Butter		
Quota (H.S. Code 405101000)	0.9	- 2
Over Quota (H.S. Code 405102000)	9.7	+ 10
AMF		
Quota (H.S. Code 405901020)	0.4	- 20
Over Quota (H.S. Code 405902020)	0.03	- 97
Other Milk Fat	0.9	- 71
TOTAL, JAN-SEP	95.3	- 15
Imports – Country of Origin		
1 Ireland	60.6	+ 4
2 India	10.8	- 42
3 New Zealand	9.5	+153
4 France	3.9	+ 16
5 United Kingdom	2.7	+ 59

## CHEESE MARKETS

## NORTHEAST

In the Northeast, milk supplies are available for Class III production. Cheese demands are healthy in the retail sector with numerous grocers ordering additional cheese supplies for upcoming holidays. Cheese sales in the foodservice sector are solid. Restaurants are working through stable/strong cheese demands. Regional cheese production is strong. Cheddar, mozzarella, and provolone cheese makers are receiving a heavy supply of milk for strong production schedules to fill immediate needs. Regional cheese inventory levels are mostly balanced with customers' demands. Supply chain and transportation challenges are impacting various deliveries and markets. Cheese markets have stabilized after a very bearish previous week.

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

Cheddar 40 pound Block	2.0900-2.3775
Muenster	2.0775-2.4275
Process American 5 pound Sliced	1.7050-2.1850
Swiss 10-14 pound Cuts	3.2450-5.5675

## MIDWEST

Cheesemakers are busy. Despite lighter amounts of spot milk being offered, cheesemakers say they are working full schedules if possible. Plant managers are working out their November schedules regarding holidays and time off allotments. Customers, both foodservice and retail, are actively searching. In fact, some cheesemakers say new customer interest has grown, as needs are not being fulfilled elsewhere. Worker shortages, thinly spread milk supplies and holiday demand activity have created a tighter cheese market. Market tones are readjusting after a bearish week 44.

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

Blue 5 pounds	2.2750-3.3425
Brick 5 pounds	2.0050-2.4300
Cheddar 40 pound Block	1.7275-2.1275
Monterey Jack 10 pounds	1.9800-2.1850
Mozzarella 5-6 pounds	1.8050-2.7500
Muenster 5 pounds	2.0050-2.4300
Process American 5 pound Loaf	1.6900-2.0500
Swiss 6-9 pound Cuts	2.7600-2.8775

## WEST

In the West, demand for cheese in retail markets is steady as purchasers are buying in preparation for upcoming holidays. Food service demand for cheese is, reportedly, softening. Contacts suggest that worsening port congestion has caused some decline in international demand for cheese. Port congestion and a shortage of truck drivers are causing delays to shipments. Cheese prices on the CME dropped last week, as the weekly average price for barrels last week was down \$.2365, while the weekly average price for blocks fell by \$.1130. Contacts report that declining demand, combined with increased availability have contributed to lower prices. Cheese producers relay that milk is available for production. Some plant managers say that staffing shortages are causing them to run limited schedules, while others continue to run busy schedules.

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

Cheddar 10 pound Cuts	1.9650-2.1650
Cheddar 40 pound Block	1.7175-2.2075
Monterey Jack 10 pounds	1.9525-2.2275
Process American 5 pound Loaf	1.7075-1.9625
Swiss 6-9 pound Cuts	3.0525-3.4825

## FOREIGN

Cheese prices in Europe are strengthening, even as cash market cheese prices in the United States have eased back. Industry sources report supplies of semi-hard cheeses in Europe are heavily committed. Current contract obligations are getting filled, but manufacturers are unable to meet additional inquiries. In some cases, even existing customers are having cuts to orders because of tight supplies. Inventories are declining, and the age profiles of cheese in storage centers are getting younger. Cheese demand is high across food service and retail channels in Europe. Customers are stocking up to assure supply and avoid potential delays in shipments. International demand is stable.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.0975-3.5850*
Gorgonzola	3.6900-5.7400	2.6050-3.3225*
Parmesan	-0-	3.4850-5.5750*
Romano	-0-	3.2875-5.4425*
Sardo Romano (Argentina)	2.8500-4.7800	-0-
Reggianito (Argentina)	3.2900-4.7800	-0-
Jarlsberg	-0-	-0-
Swiss	-0-	3.2800-3.6050*
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	
11/08/2021	40190	:	83097	:
11/01/2021	48906	:	83293	:
CHANGE	-8716	:	-196	:
% CHANGE	-18	:	0	:

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## CHEESE MARKETS

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

## Dairy Products Report – Cheese Summary

Released  
on: November 4, 2021by the National Agricultural Statistics Service (NASS), Agricultural Statistics  
Board, United States Department of Agriculture (USDA).**Cheese Production – United States: September 2020 and 2021**

	Monthly Production (1000 pounds)		Percent Change from		
	SEP	AUG	SEP	SEP	AUG
<b>Total Cheese</b> <sup>1</sup>	2020	2021	2021	2020	2021
Region	2020	2021	2021	2020	2021
United States	1,104,235	1,146,746	1,141,199	3.3	-0.5
Atlantic	142,423	138,678	138,999	-2.4	0.2
Central	513,197	557,087	549,644	7.1	-1.3
West	448,615	450,981	452,556	0.9	0.3

	Monthly Production (1000 pounds)		Percent Change from		
	SEP	AUG	SEP	SEP	AUG
<b>American Cheese</b> <sup>2</sup>	2020	2021	2021	2020	2021
Region	2020	2021	2021	2020	2021
United States	432,114	458,518	454,175	5.1	-0.9
Atlantic	26,861	26,822	26,518	-1.3	-1.1
Central	217,031	244,314	243,219	12.1	-0.4
West	188,222	187,382	184,438	-2.0	-1.6

	Monthly Production (1000 pounds)		Percent Change from		
	SEP	AUG	SEP	SEP	AUG
<b>Italian Cheese</b>	2020	2021	2021	2020	2021
Region	2020	2021	2021	2020	2021
United States	469,823	485,061	486,202	3.5	0.2
Atlantic	61,506	59,512	59,418	-3.4	-0.2
Central	192,701	204,941	202,497	5.1	-1.2
West	215,616	220,608	224,287	4.0	1.7

**Cheese Production – Cumulative Production January - September**

Cheese Type	Cumulative Production (1000 pounds)		Percent Change from
	2020	2021	2020
Total Cheese <sup>1</sup>	9,859,785	10,201,250	3.5
American Cheese <sup>2</sup>	3,952,587	4,160,432	5.3
Italian Cheese	4,206,094	4,315,300	2.6

1/ Excludes cottage cheese.

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

September Imports	2021 Imports (Million Lb.)	% Change From 1 Year Ago
TOTAL Cheese and Curd (H.S. Code 0406)	39.2	+ 16
Cheese, Except Fresh (H.S. Code 040690)	34.6	+ 17
Fresh Cheese (H.S. Code 040610)	1.8	+ 1
Cheese, Processed (H.S. Code 040630)	1.8	+ 28
Cheese, Blue-Veined (H.S. Code 040640)	0.9	+ 2

TOTAL, JAN-SEP Imports - Country of Origin	2021 Imports (Million Lb.)	% Change From 1 Year Ago
1 Italy	60.1	+ 27
2 France	30.3	+ 4
3 Netherlands	27.3	+ 11
4 Ireland	16.1	+ 50
5 Switzerland	15.7	+ 6



## FLUID MILK AND CREAM

## EAST

Northeast milk output is slightly increasing off farms this week. Milk supplies are generally balanced with processing demands, although transportation and delayed deliveries are impacting the dairy industry. Climate conditions are very comfortable for dairy cows. Farmers are working through harvesting crops and cutting hay fields. Northeast Class I sales are fairly stable. Dairy product demands in the retail and foodservice sectors are stable/firm. Mid-Atlantic milk production is level to picking up. Supply chain disruptions continue to impact many dairy product delivery times, market conditions and price points. In the Southeast, milk output is moving up off farms. Milk managers continue to note milk supplies are picking up to meet immediate milk needs. Bottling orders are strong. Milk production is starting to increase in Florida. Class I sales are reportedly stable. Cream prices are steady on somewhat tight spot availability. Cream demands are strengthening for holiday product manufacturing schedules. Butter production is slightly lower with limited cream supplies. Cream transportation challenges continue to impact some cream/milk deliveries. Condensed skim markets are stable. Manufacturers are working through committed condensed skim agreements.

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

Price Range - Class II; \$/LB Solids: 0.90 - 1.35

Price Range - Class III; \$/LB Solids: 0.95 - 1.40

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

Multiples Range - All Classes: 1.3500 - 1.4800

Price Range - Class II; \$/LB Butterfat: 2.6298 - 2.8830

## MIDWEST

Upper Midwestern weather has continued to treat dairy cows well, however winter is not waiting on a calendar date. A coast-to-coast storm now pelting the Northwest is moving eastbound and is expected to whiten the Dakotas, Minnesota, and Wisconsin, among other Midwestern states, later this week. That said, milk production has been fair to steadily increasing week to week since the end of the summer, thanks in part to the quality/quantity of feedstuffs and generally mild fall weather. Class I orders have been steady. Holiday orders will likely benefit retail sector orders, while school districts limit their holiday orders for school breaks. For the first time in weeks, some Class I contacts have said staff/driver shortages are improving, particularly in the lower portion of the region. Milk availability in the Texas/Oklahoma areas could become somewhat tighter in the weeks to come with stronger holiday related demand. Cheesemakers are remaining somewhat busy despite labor shortages. Most cheesemaker contacts relayed spot milk offers have definitively slowed in recent weeks. Cream is tightening as well. Multiples have hit 1.50x for the second week in a row. Some butter producers are seeking out loads later in the week, but generally only on a hand-to-mouth basis. Cream cheese producers are reportedly very busy, as is seasonally expected. The aforementioned mild fall weather has benefitted corn and bean farmers in the upper Midwest this harvest. A number of farmer contacts have reported being finished ahead of deer season, which is not always the case.

Price Range - Class III Milk; \$/CWT; Spot Basis: .50 - 1.00

Trade Activity: Slow

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

Multiples Range - All Classes: 1.3300 - 1.5000

Price Range - Class II; \$/LB Butterfat: 2.6882 - 2.9220

Multiples Range - Class II: 1.3800 - 1.5000

## WEST

Milk output is inching up in California. Class I and II sales are steady. Contacts say milk supplies are well balanced with dairy processing demands. Milk production is steady in Arizona. Bottling orders are unchanged. Sales for Class II and III milk are level to higher. Milk output is flat in New Mexico. Bottling sales are level to stronger. Class II orders are lower. Contacts say holdover numbers are slightly elevated but coming down, and balancing operations are managing steady milk supplies well. Recent cooler, wet weather across the Pacific Northwest has reduced cow comfort, and milk production has continued to decline. Class I and II demand is unchanged, and Class III demand is strong. Farm level milk production is steady in the mountain states of Idaho, Utah, and Colorado. Bottling demand is unchanged. Class III sales are healthy as cheesemaking is very active. Condensed skim contracts are steady, and some contracted customers are reportedly requesting a few additional loads. Internal cream supplies are adequate for the needs of some end users, but others are describing tightness. Butter churning is active, and cream cheese production remains strong. Some Western cream sellers believe multiples would be higher if not for rampant transportation shortages; more trucks would enable cream loads to move further, expanding the customer pool and allowing for higher sale prices. The Western cream multiples range narrowed this week.

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

Multiples Range - All Classes: 1.1800 - 1.2600

**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 moved up on the bottom of the range, lower on the top of the range, while the bottom end of the mostly series moved half a penny higher. Central region trading activity was quiet. Condensed skim availability has been steady, but balancing plants have experienced staffing and other logistical (hauling) issues, therefore production is not as stable under fully staffed conditions. Availability is noted as slightly lighter. Purchasers who can interchange NDM with WPC 34% are still opting for whey protein concentrate at a value. High heat NDM prices moved up a penny on the bottom of the range. High heat NDM markets were quiet, as availability is noted as extremely tight. NDM market tones are bullish.

**EAST:** Low/medium heat nonfat dry milk (NDM) prices moved slightly higher on the bottoms of the range and mostly, but the top of the range moved lower. Trading activity in the East was busier this week. Buyers were more apt to pay current prices, as some inventory levels have tightened. Staffing shortages continue to plague balancing plant managers, among industry managers throughout dairy. Additionally, driver shortages have also hampered movements and limited what plants are willing to take on. High heat prices moved slightly higher on the bottom of the range, while trading activity of high heat is quiet. NDM market tones are steady to bullish.

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: 1.5100 - 1.6000  
Mostly Range - Low & Medium Heat; \$/LB: 1.5250 - 1.5450

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: 1.6500 - 1.7500

**NONFAT DRY MILK - WEST**

The price range and mostly price series for low/medium heat nonfat dry milk (NDM) shifted higher on both ends, in the West, this week. Stakeholders report that demand for low/medium heat continues to be strong, but that buyer interest seems to be softening slightly in both domestic and international markets. A shortage of truck drivers is hindering the movement of production supplies and finished loads. Contacts report that spot availability for low/medium heat NDM is limited. Production of low/medium heat NDM is steady, though some plant managers are running shortened schedules due to labor shortages. High heat NDM prices are trending higher across the range this week. Spot trading is limited; high heat inventories are tight. Demand for high heat NDM is steady in the region. Drying operations are focusing their schedules on the production of low/medium heat NDM and skim milk, leaving less time available to produce high heat NDM.

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: 1.5000 - 1.6000  
Mostly Range - Low & Medium Heat; \$/LB: 1.5400 - 1.5800

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: 1.6525 - 1.7275

**DRY BUTTERMILK - CENTRAL AND EAST**

**CENTRAL:** Dry buttermilk prices in the Central region increased on the bottom of the range, as light spot market trading took place. Spot offerings are few as manufacturers' dry buttermilk supplies move primarily through seasonal contracts. Dry mix processors and the bakery sector are actively placing orders ahead of the year-end holiday needs. Dry buttermilk dryer schedules are fairly irregular and encourage the bullish market outlook.

**EAST:** This week, East dry buttermilk prices are steady to higher in a mostly inactive market. Production lags behind when considering the region's dry buttermilk spot demand, due to a decline in churning at manufacturing plants with limited cream supplies. Some manufacturers' dry buttermilk supplies are nearly depleted, as buyers find it increasingly difficult to source spot loads in the region for their hand-to-mouth needs. The market is stable as prices continue to firm.

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

Price Range ; \$/LB: 1.3300 - 1.3850

**DRY BUTTERMILK - WEST**

In the West the price range for dry buttermilk powder expanded this week, as the bottom of the range held steady while the top moved \$.01 higher. The mostly price series is unchanged. Domestic demand for dry buttermilk powder is trending higher; contacts report a seasonal uptick in purchasing. Export demand for dry buttermilk powder is steady. Port congestion and a shortage of truck drivers are causing delays to loads throughout the region. Spot purchasers are, reportedly, able to find loads to meet current market demands. Dry buttermilk production is limited, as plant managers continue to focus their schedules on the production of nonfat dry milk and skim milk powder.

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

Price Range ; \$/LB: 1.3000 - 1.3700  
Mostly Range - ; \$/LB: 1.3200 - 1.3500

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

Dry whole milk prices and market conditions have not really changed. As employee shortages hinder the industry, whole milk drying is maintains its secondary status to condensed skim and buttermilk drying. Therefore, more dry whole milk is moving into contractual needs in lieu of the spot market. Dry whole milk market tones, therefore, are viewed as quietly steady.

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

Price Range - 26% Butterfat; \$/LB: 1.8000 - 1.9400



**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 continue to push higher this week. Unexpected factors, namely staffing shortages, have created tighter market conditions. Cheesemakers say packaging of whey has become a hurdle as current employees are already running on overtime and on skeleton crews. Milk availability is tightening. Class III producers have said they are not getting the same amount of offers in recent weeks. Animal feed whey trading is slow, while a number of feed makers seek out edible grade whey for processing. Feed whey prices held steady. Generally, market tones are bullish this week.

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

Price Range - Animal Feed; \$/LB: .4600 - .5000

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: .4500 - .6400

Mostly Range - Non-Hygroscopic; \$/LB: .5900 - .6200

**DRY WHEY— NORTHEAST**

Dry whey prices are higher on moderately active spot trading. Dry whey offers are ranging in the high \$0.50s to low \$0.60s. Market participants' buying demands are strengthening. Customers are ordering additional loads from suppliers to cover immediate demands. Port congestion/transportation delays are impacting dry whey and other various dairy ingredient locations, markets and pricing. Some market participants are not able to receive spot loads from suppliers. Regional dry whey production is fairly stable. Class III operations are clearing a solid amount of milk, although reports note milk supplies are somewhat tight in areas of the East region. The dry whey markets are currently firm.

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: .5700 - .6350

**DRY WHEY— WEST**

Prices for dry whey have moved higher on both ends of the range, in the West. Similarly, the mostly price series saw positive movement on both ends. Demand for dry whey is, reportedly, increasing in domestic markets and international markets. Contacts report notable interest in dry whey from purchasers in Asian markets. Port congestion is causing delays to exports. Likewise, the ongoing truck driver shortage is causing delays throughout the region. Dry whey inventories are tight, though spot purchasers report being able to find loads to meet immediate needs. Some drying operations report an inability to run full schedules due to labor shortages. Plant managers are focusing their schedules on higher protein concentrates and permeate, when available, limiting the production of dry whey.

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: .5575 - .6600

Mostly Range - Non-Hygroscopic; \$/LB: .5700 - .6200

**WHEY PROTEIN CONCENTRATE**

The whey protein concentrate 34% price range is unchanged, but the mostly price series moved higher. Manufacturers sold a few spot loads at higher price points than a few weeks ago. Inventories are tight. Some industry contacts suggest WPC 34% is undervalued compared to other dairy proteins. As a result, end users are actively seeking out available supplies to cover their protein needs. WPC 34% production is steady, but given the option, manufacturers are making higher whey protein concentrations in lieu of WPC 34%.

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: 1.1200 - 1.3500

Mostly Range - 34% Protein; \$/LB: 1.1500 - 1.2400

**LACTOSE**

Lactose prices are unchanged this week. Production is active as manufacturers continue to focus a lot of production time on whey derivatives. Customers are taking contracted volumes of lactose, but spot sales are a little slow. Manufacturers are still facing shipping challenges. Inventories are growing in part because of the logistical backups and in part because of supply and demand fundamentals. Processors are eager to ship any lactose that will move to make space in the warehouse.

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: .3300 - .5500

Mostly Range - Non Pharmaceutical; \$/LB: .3600 - .4700

**CASEIN**

After last week's runup in market prices, sales have slowed/steadied. As New Zealand's milk and acid casein production both face limitations, demand has remained steadfast, or strengthened. Rennet casein production is in similar shape on the European continent. Producers of acid casein say they simply have very little to offer and are working on fulfilling current/near term needs. Some producers relayed they are planning on moving into more rennet casein production from this time into early 2022. Casein market tones are in rarefied, and bullish, air.

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: 4.9000-5.6700

Rennet; Price Range - \$/LB: 4.7200-4.9300

**Secondary Sourced Information:****U.S. DRY WHEY EXPORTS, H.S. CODE 0404104000(FAS)**

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
SEPTEMBER Total	41.4	- -
Total, JAN - SEP	383.5	+ 11
1 China	193.9	+ 30
2 Vietnam	22.0	+ 09
3 Indonesia	20.5	- 15
4 Thailand	20.4	+ 22
5 Mexico	18.2	- 09

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

	2021 Exports (Million Lb.)	% Change From 1 Year Ago
SEPTEMBER Total	22.6	- 23
Total, JAN - SEP	232.8	+ 01
1 China	107.9	+ 18
2 Mexico	36.5	+ 10
3 Canada	29.8	+ 09
4 Philippines	13.4	- 31
5 Indonesia	8.6	- 19

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
SEPTEMBER Total	59	+ 09
Total, JAN - SEP	529.8	+ 03
1 China	101.0	+ 35
2 New Zealand	69.8	+ 03
3 Mexico	59.0	- 01
4 Japan	58.0	- 01
5 Indonesia	34.5	- 06

**Dairy Products Report – Whey Summary**

Released on: November 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	
	SEP	AUG	SEP	SEP	AUG
	2020	2021	2021	2020	2021
United States	75,610	75,419	74,302	-1.7	-1.5
Atlantic	21,692	22,914	20,719	-4.5	-9.6
Central	32,169	35,348	32,560	1.2	-7.9
Wisconsin	22,336	24,765	22,036	-1.3	-11.0
West	21,749	17,157	21,023	-3.3	22.5

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

Dry Whey	Cumulative Production		Percent
	(1000 pounds)		Change
	2020	2021	from 2020
Total <sup>1</sup>	725,908	696,199	-4.1
Human <sup>2</sup>	711,233	681,568	-4.2

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	
	SEP	AUG	SEP	SEP	AUG
	2020	2021	2021	2020	2021
Human	78,871	66,590	61,085	-22.6	-8.3
Animal	1,068	1,587	3,132	193.3	97.4
Total	79,939	68,177	64,217	-19.7	-5.8

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

**Dairy Products Report – Whey Derivatives Summary**

Released

on:

November 21, 2021

by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board,  
United States Department of Agriculture (USDA).**Selected Whey Derivatives Production – United States**

Product	Monthly Production (1000 pounds)		Percent Change from		
	SEP	AUG	SEP	SEP	AUG
	2020	2021	2021	2020	2021
Whey Protein Concentrate, human and animal					
25.0-49.9 percent	14,722	12,216	16,410	11.5	34.3
50.0-89.9 percent	26,266	26,349	27,689	5.4	5.1
Whey protein isolates, 90.0 percent or greater	8,946	10,810	10,267	14.8	-5.0
Lactose, human and animal	93,454	92,290	100,733	7.8	9.1

**Selected Whey Derivatives – Cumulative Production January - September**

Product	Cumulative Production		Percent
	(1000 pounds)		Change
	2020	2021	from 2020
Whey Protein Concentrate, human and animal <sup>1</sup>			
25.0-49.9 percent	134,563	129,196	-4.0
50.0-89.9 percent	219,676	236,767	7.8
Whey protein isolates, 90.0 percent or greater <sup>1</sup>	87,270	95,315	9.2
Lactose, human and animal	835,374	844,856	1.1

1. Values are calculated from Dairy Products report data.

**Manufacturers' stocks end of month <sup>2</sup>**

Product	End of month stocks (1000 pounds)		Percent Change from		
	SEP	AUG	SEP	SEP	AUG
	2020	2021	2021	2020	2021
Whey Protein Concentrate, human and animal					
25.0-49.9 percent	24,013	23,094		-2.1	1.8
50.0-89.9 percent	40,686	39,961		-5.2	-3.5
Whey protein isolates, 90.0 percent or greater	15,241	11,250	11,058	-27.4	-1.7
Lactose, human and animal	105,022	138,250	144,125	37.2	4.2

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

**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
10/23/2021	60.8	2,580.7	58.3	2,524.7

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	17.42	16.90	16.59	17.08	17.98	
II	14.18	14.00	15.07	15.56	16.22	16.66	16.83	16.51	16.89	17.08		
III	16.04	15.75	16.15	17.67	18.96	17.21	16.49	15.95	16.53	17.83		
IV	13.75	13.19	14.18	15.42	16.16	16.35	16.00	15.92	16.36	17.04		

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
11/06/2021	1,8756 1,694,621	1,7968 12,929,292	1,8536 13,801,264	.5744 4,649,668	1.4382 17,545,077

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	11/05	11/08	11/09	11/10	11/11
NOV 21	17.81	18.05	18.12	18.10	18.19
DEC 21	17.59	17.68	18.11	18.03	18.08
JAN 22	17.96	18.07	18.45	18.35	18.48

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

DATE	11/05	11/08	11/09	11/10	11/11
NOV 21	18.65	18.65	18.65	18.68	18.68
DEC 21	19.13	19.18	19.20	19.20	19.11
JAN 22	19.03	19.11	19.13	19.06	19.14

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

DATE	11/05	11/08	11/09	11/10	11/11
NOV 21	193.50	195.00	195.00	195.00	195.00
DEC 21	194.00	195.00	195.00	197.50	195.00
JAN 22	189.90	190.40	190.80	194.65	194.25

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

DATE	11/05	11/08	11/09	11/10	11/11
NOV 21	146.50	146.50	146.50	147.00	147.00
DEC 21	152.75	153.00	152.85	151.53	151.50
JAN 22	153.50	153.83	154.13	152.00	152.00

**WHEY (Electronic-Traded) (¢/lb)**

DATE	11/05	11/08	11/09	11/10	11/11
NOV 21	58.55	58.55	59.00	58.80	58.95
DEC 21	61.50	62.00	62.50	62.68	62.68
JAN 22	61.58	61.58	64.25	64.50	65.00

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

DATE	11/05	11/08	11/09	11/10	11/11
NOV 21	1.73	1.74	1.74	1.75	1.75
DEC 21	1.77	1.73	1.75	1.75	1.77
JAN 22	1.78	1.78	1.77	1.77	1.77

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

**INTERNATIONAL DAIRY MARKET NEWS - EUROPE**

Information gathered November 1 - 12, 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**

Milk deliveries across Western Europe are in typical seasonal declines, trailing to the annual nadir of milk output in November. Industry sources report prices for farm milk, cream and skim milk concentrate have all risen over the last few weeks. Demand for each has also increased ahead of the fall and winter holiday season. Even with dairy prices supportive of milk production, farmers are facing higher feed costs and pressures to limit cow numbers. As such, industry sources expect milk supplies to remain tight over the next few months.

Lower than expected farm milk volumes have resulted in tight supplies of manufactured dairy products. Industry contacts suggest general dairy product demand is solid. While end users have covered much of the Q4 dairy needs, dairy production and shipment are behind, and manufacturers are trying to catch up.

**EASTERN EUROPE**

Milk production in Poland and other Eastern European countries is nearing the low point for the year. That said, a few the countries in the eastern parts of Europe have been above milk output volumes for the year to date. Strong cheese demand, rising commodity prices and relatively stable milk prices have helped support farm milk output. Several countries like Poland and Belarus have been able to meet domestic needs and work to expand export opportunities.

**BUTTER/BUTTEROIL**

Prices for European butter moved higher but have not kept pace with cream prices. According to some industry sources, prices for packaged butter are the highest they have been since the summer of 2018. Demand for packaged butter and bulk butter is still strong, but manufacturers note a slight downturn in the number of new orders. Some sources suggest butter needs are getting mostly covered through the end of the year, and some end users are now choosing to take a wait and see approach. Some initial discussions are occurring for first quarter transactions, but buyers and sellers have differing views of the direction butter prices will take. The price range for European butteroil has expanded, moving lower at the bottom of the range but higher at the top.

Western Europe, 82% Butterfat, Free on Board - Port Butter  
Price Range - \$/MT: 5,925 - 6,300

Western Europe, 99% Butterfat, Free on Board - Port Butteroil  
Price Range - \$/MT: 5,725 - 7,150

**SKIM MILK POWDER**

European skim milk powder prices ratcheted higher. With low availability and higher prices for skim milk concentrate, production of SMP is restrained. Manufacturers have SMP supplies to fill existing contracts but little more. Demand is steady, and in some cases, end users are willing to take delayed shipments if it guarantees that they will receive loads. Manufacturers and buyers are negotiating Q1 and 2022 contracts. However, with uncertainties regarding how much SMP production will be supported by milk outputs in the coming year and the result on prices, coming to an agreement can be difficult.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 2,925 - 3,750

**WHEY**

Whey powder prices in Europe are higher, moving up slightly at the bottom and at the top of the price range. Industry sources say demand has picked up for feed grade whey. Demand for whey powder used in food applications is solid. Availability of sweet whey powder is decreasing as demand outpaces limited inventories. Whey production is hampered by the restrained cheese production caused by seasonally lower farm milk output volumes.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey  
Price Range - Non-Hygroscopic; \$/MT: 1,175 - 1,350

**WHOLE MILK POWDER**

European whole milk powder prices moved higher. Industry contacts note supplies are very low. Farm milk volumes that are seasonally lower and below production levels of the previous year are restricting the amount of WMP that can be produced. WMP demand is steady and strong. End users that need loads outside of current contracts are paying higher prices for the WMP to assure coverage.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 4,250 - 4,600

**WESTERN EUROPEAN SECONDARY DATA:**

According to CLAL data made available to USDA, provisional September 2021 raw cows' milk delivered to dairies in the UK was 1.1912 million ton, down 0.4 percent from September 2020. Year-to-date milk deliveries through September 2021 in the UK, 11.761 million ton, increased 0.5 percent compared to year-to-date milk deliveries through September 2020.

## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered November 1 - 12, 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 milk intakes are lagging behind expectations for the year due to an unseasonably wet spring. Heavy rains in parts of the country have continued into the start of the cropping season. Some farmers report that harvesting forages is becoming difficult because of the precipitation. In places, quantities and quality of forages may be impacted. Farmers are hopeful for a dry stretch to get forages harvested, but are confident that the soil moisture will aid in pasture growth for a strong back half of the milk production season.

Industry sources suggest dairy product demand is strong in domestic and international channels. Consumer retail brands have strong sales, and contacts report the food service sector is rebounding as some of the COVID restrictions ease across parts of Australia. Tight milk supplies and robust dairy demand have prompted several dairy processors to increase their farm milk gate prices to AU\$7.05 to \$7.10/kg milk solids.

**NEW ZEALAND:** As the region nears peak production, milk output in New Zealand remains below expectations. Some industry contacts think the effects of the cold, wet spring may linger for another month or two, but they are also hopeful that the current soil moisture may carry pastures further into the summer. In addition, delays in calving may push the milk curve into a later season. In either case, market observers suggest overall volumes may be lower than last year's volumes, but the overall impact is uncertain, especially with the uncertainty of New Zealand summertime weather.

Part of the market view is driven on timing, and the current view is of tight milk and dairy product supplies. As a result, buyers have pushed commodity prices higher in efforts to assure coverage. On the latest GDT event, only buttermilk powder prices decreased. Other dairy commodity prices moved up significantly. The firming trends in the market are prompting industry groups to revise their milk price forecasts higher once again. Current milk forecasts are averaging between NZ\$8.40 to \$8.59. A few analysts are starting to suggest that the milk price may be reaching the upper limit of what processors may be able to pay for milk supplies.

Availability of agricultural workers is still worrisome to New Zealand farmers. A number of agricultural groups have asked the government to allow for more class exceptions to the managed isolation and quarantine program. Along with increasing the number of international farm workers allowed into the country, the request suggests the approval for farm workers to quarantine in separate on-farm housing, if workers were vaccinated and following COVID-19 safety protocols.

## BUTTER/BUTTEROIL

Oceania butter prices are still on an upwards trajectory, supported by a strong showing at the latest GDT event. Manufacturers are reporting stronger prices. Industry contacts relay butter supplies are tight because of the shift in dairy production focus to cheese and casein and the slow start to the Oceania milk production season. There is a strong buyer demand for butter. With short supplies, end users are bidding up prices to gain access to available supplies and assure they cover their near-term needs.

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

5,125 - 5,425

## SKIM MILK POWDER

Skim milk powder prices in Oceania pushed higher. Industry contacts were wondering if the firming trend would lose some steam, but buyers actively pursued SMP at the latest GDT event and in purchases off the auction platform. Market observers note that the spread between SMP and whole milk powder prices has narrowed, suggesting that demand for proteins may be the driving force in the market currently. With milk production still behind early season expectations, SMP supplies remain tight. Buyers are eager to make purchases to assure they fill their immediate and future needs.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder  
Price Range - 1.25% Butterfat; \$/MT: 3,400 - 3,750

## CHEESE

Oceania cheese prices pushed higher. Manufacturers report increased price levels from current sales. While some price sensitive buyers may have shied away from the higher cheddar prices, prices moved higher in a large jump at the latest GDT event. Industry sources relay that African buyers bought over half the volume on the auction. In addition, the buyers bought more cheddar at this event than the last event and the event last year. Cheese production is active in Oceania, and there is ample demand to keep supplies in check.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,  
Price Range - \$/MT: 4,500 - 5,125

## WHOLE MILK POWDER

Oceania whole milk powder prices marched higher. Another strong performance at the latest GDT event and solid sales from manufacturers are supporting WMP prices. While WMP prices have not breached the US\$4000/t mark at the GDT, market observers note that all regions except North America bought solid volumes at the last auction, with most regions increasing their purchase volumes from the last event and from last year. Industry contacts think demand for WMP is strong globally. Buyers want to make their purchases, but because early season milk output has not met expectations and the strong pulls from protein products, WMP supplies are tight.

Prices for: Oceania, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder  
Price Range - 26% Butterfat; \$/MT: 3,800 - 4,000

Exchange rates for selected foreign currencies:  
November 08, 2021

.0100 Argentina Peso	.0135 India Rupee
.7425 Australian Dollar	.0088 Japan yen
.1804 Brazil Real	.0492 Mexican Peso
.8036 Canadian Dollar	.7168 New Zealand Dollar
.0012 Chile Peso	.2523 Poland Zloty
1.1588 Euro	.0229 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: (1/.0492) = 20.3252 Mexican Pesos. Source: "Wall Street Journal"

CONTINUED ON PAGE 8B



## INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered November 1 - 12, 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.

## CONTINUED FROM PAGE 8A

## AUSTRALIA SECONDARY DATA:

According to Dairy Australia. September 2021 milk production, 842.4 million liters, was down 2.9 percent from September 2020. Seasonal YTD milk production through September 2021, 2,140.0 million liters, decreased 3.3 percent from July - September 2020. More detailed production data are in the table which follows.

## AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

State	July 2021 - September 2021			
	Million Liters	Percent Change From 1 Year Ago	Percentage Milkfat	Percentage Protein
New South Wales	291.0	+2.7	4.01	3.40
Victoria	1,420.1	-4.1	4.01	3.44
Queensland	82.1	-0.3	4.05	3.37
South Australia	115.9	-2.0	3.81	3.39
Western Australia	89.1	-4.3	3.83	3.37
Tasmania	141.7	-8.8	4.22	3.44
Australia (Total)	2,140.0	-3.3	4.02*	
3.43**				

\* -0.4 percent from prior year period

\*\* 0.0 percent from prior year period

July- September 2021 milk exports from Australia, 105,459 MT, increased 47.2 percent from July-September 2020, according to Dairy Australia.

January - September 2021 bulk and packaged milk exports from Australia, 224,000 MT, increased 23.0 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 119,436 MT, +64.77 percent; Singapore, 37,380 MT, +7.34 percent; and Malaysia, 14,703 MT, -16.51 percent.

## NEW ZEALAND SECONDARY DATA:

January - September 2021 bulk and packaged milk exports from New Zealand 196,000 MT, increased 13.8 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 147,424 MT, +22.77 percent; Philippines, 11,930 MT, -26.07 percent; and Taiwan, 9,614 MT, +20.38 percent.

## Secondary Sourced Information:

At GDT event 295, on November 2, 2021, the butter all contracts price, \$5,350, increased 4.7 percent. The December contract, \$5,385, increased 3.6 percent.

January - September butter exports from New Zealand, 288,000 MT, decreased 4.3 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 74,631 MT, +35.18 percent; Australia, 22,285 MT, -7.11 percent; and Philippines, 19,581 MT, -4.57 percent.

According to CLAL data made available to USDA, January - September 2021 butter exports from Australia, 19,000 MT, increased 72.2 percent from January - September 2020. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 4,976 MT, +158 percent; South Korea, 2,213 MT, +345 percent; and Singapore, 1,595 MT, +51.23 percent.

At GDT event 295 on November 2, 2021, the SMP all contracts price, \$3,627, increased 6.6 percent. The December contract, \$3,730, increased 7.2 percent.

January - September 2021 SMP exports from New Zealand, 225,000 MT, decreased 7.9 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 84,545 MT, +26.32 percent; Indonesia, 22,850 MT, -8.05 percent; and Malaysia, 16,672 MT, -7.53 percent.

According to CLAL data made available to USDA, January - September 2021 SMP exports from Australia, 113,000 MT, increased 18.1 percent from January - September 2020. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 53,105 MT, +53.23 percent; Indonesia, 19,441 MT, -8.42 percent; and Thailand, 4,766 MT, -19.33 percent.

At GDT event 295 on November 2, 2021, the cheddar all contracts price, \$5,058, increased 14.1 percent. The December contract, \$5,017, increased 10.5 percent.

January - September 2021 cheese exports from New Zealand, 265,000 MT, increased 16.2 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 67,259 MT, +42.89 percent; Japan, 41,988 MT, -9.27 percent; and Australia, 31,669 MT, +0.57 percent.

According to CLAL data made available to USDA, January - September 2021 cheese exports from Australia, 116,000 MT, increased 4.6 percent from January - September 2020. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were Japan, 43,127 MT, -17.74 percent; China, 21,429 MT, +60.48 percent; and Malaysia, 7,594 MT, -9.44 percent.

At GDT event 295 on November 2, 2021, the WMP all contracts price, \$3,921, increased 2.7 percent. The December contract, \$3,921, increased 2.0 percent.

January - September 2021 WMP exports from New Zealand, 1,104,000 MT, increased 10.4 percent from January - September 2020, according to CLAL data made available to USDA. The main export destinations January - September 2021, quantities, and percent change from January - September 2020, were China, 504,891 MT, +48.98 percent; United Arab Emirates, 65,766 MT, -4.29 percent; and Sri Lanka, 56,933 MT, +8.84 percent.

CONTINUED ON PAGE 8C

**INTERNATIONAL DAIRY MARKET NEWS - OCEANIA**

Information gathered November 1 - 12, 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 8B**

According to CLAL data made available to USDA, January – September 2021 WMP exports from Australia, 40,000 MT, increased 61.4 percent from January – September 2020. The main export destinations January - September 2021, quantities, and percent change from January – September 2020, were China, 17,171 MT, +30.12 percent; Thailand, 6,642 MT, +60.98 percent; and Singapore, 3,416 MT, +71.75 percent.

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**INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA**

Information gathered November 1 - 12, 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**

Milk output is starting to ease in areas in Argentina and Uruguay. Market participants note milk volumes are fairly available for processors in the main dairy basins of South America. Export demands for various dairy ingredients are stable to growing. In Brazil, drier weather conditions are impacting milk output. There is pushback from consumers on higher prices for dairy products at stores. Supply chain and port congestion/delayed transportation challenges are impacting some dairy ingredients markets. Manufacturers' customers are ordering additional dairy product supplies to cover year-end needs. Operations are increasing production schedules for holiday demands.

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**SKIM MILK POWDER**

Skim milk powder (SMP) F.O.B. prices are higher on moderate to active trading activities. Some buyers are purchasing supplies for year-end needs. Current demands are stable to growing from export buyers. Supply chain challenges and transportation/port delays are impacting various dairy ingredient markets. Condensed skim volumes are available for drying demands. SMP inventory levels are fairly steady/balanced for the near term.

The October 2021 Dairy Market News monthly average price for SMP (skimmed milk powder 1.25% butterfat) in South America is \$2,974, compared to \$2,947 in September 2021.

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

Price Range - 1.25% Butterfat; \$/MT: 2,900 - 3,400

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**WHOLE MILK POWDER**

Prices for whole milk powder (WMP) prices are heightened on firming buying demands. Many buyers are purchasing supplies for their immediate needs. In addition, regional and international demands are strengthening in the food processing industry ahead of the holidays. Supply chain and port congestion/delayed transportation challenges are impacting some WMP movements. WMP drying schedules are strong with milk output continuing to increase off farms. WMP inventories are fairly available for spot/contract agreements.

The October 2021 Dairy Market News monthly average price per metric ton for WMP in South America is \$3,468, compared to \$3,440 from last month.

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

Price Range - 26% Butterfat; \$/MT: 3,450 - 3,750

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**Secondary Sourced Information:**

At the GDT Event 295 on November 2, skim milk powder (SMP) prices across all contract periods averaged \$3,627 per metric ton, up 6.6 percent from the last event.

At the GDT Event 295 on November 2, whole milk powder (WMP) prices across all contract periods averaged \$3,921 per metric ton, up 2.7 percent from the last event.

## November Supply and Demand Estimates

The milk production forecasts for 2021 and 2022 are reduced from the previous month on lower expected dairy cow numbers and slower growth in milk per cow. Fat basis import forecasts for 2021 and 2022 are reduced on lower expected imports of butterfat products. Fat basis export forecasts for 2021 and 2022 are raised on higher expected exports of cheese and butterfat products. The skim-solids basis import forecast for 2021 is raised while 2022 imports are unchanged from last month. The 2021 and 2022 skim-solids basis export forecasts are unchanged from last month. Butter, nonfat dry milk (NDM), and whey price forecasts for 2021 are raised from last month on strength in demand and lower expected production. The cheese price forecast for 2021 is reduced on current prices and continued large supplies. The 2021 Class III price forecast is reduced from last month as the lower forecast cheese price more than offsets the higher whey price. The Class IV price forecast is raised on higher NDM and butter prices. The 2021 all milk price forecast is raised to \$18.50 per cwt. For 2022, cheese, butter, NDM, and whey price forecasts are raised on strength in demand and lower expected milk supplies. The 2021 Class III and Class IV price forecasts are raised on higher forecast dairy product prices. The all milk price for 2022 is raised to \$20.25 per cwt.

U.S. Milk Supply and Use					
Commodity	2020	2021 Projected		2022 Projected	
		Oct	Nov	Oct	Nov
Milk	<i>(billion pounds)</i>				
Production	223.2	227.0	226.4	229.7	228.1
Farm Use	1.1	1.1	1.1	1.1	1.1
Fat Basis Supply					
Beginning Commercial Stocks	13.6	15.6	15.6	15.5	14.9
Marketings	222.1	226.0	225.3	228.6	227.0
Imports	6.8	6.6	6.4	6.7	6.5
Total Commercial Supply	242.5	248.2	247.4	250.8	248.5
Fat Basis Use					
Commercial Exports	9.3	11.8	11.9	11.0	11.4
Ending Commercial Stocks	15.6	15.5	14.9	15.3	14.7
CCC Donations	0.3	0.0	0.0	0.0	0.0
Domestic Commercial Use	217.4	220.8	220.6	224.5	222.3
Skim-Solid Basis Supply					
Beginning Commercial Stocks	10.2	10.9	10.9	11.0	11.0
Marketings	222.1	226.0	225.3	228.6	227.0
Imports	5.6	5.6	5.7	5.5	5.5
Total Commercial Supply	237.9	242.5	241.9	245.1	243.5
Skim-Solids Basis Use					
Commercial Exports	47.2	51.4	51.4	51.8	51.8
Ending Commercial Stocks	10.9	11.0	11.0	11.1	10.9
CCC Donations	0.1	0.0	0.0	0.0	0.0
Domestic Commercial Use	179.7	180.0	179.5	182.2	180.8

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 10

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

U.S. Dairy Prices						
Commodity	2020	2021 Projected		2022 Projected		
		Oct	Nov	Oct	Nov	
Product Prices <sup>1</sup>	(dollars per pound)					
	Cheese	1.9236	1.6800	1.6700	1.7150	1.7650
	Butter	1.5808	1.6850	1.7200	1.7550	1.9100
	Nonfat Dry Milk	1.0417	1.2450	1.2700	1.3800	1.4850
	Dry Whey	0.3621	0.5650	0.5700	0.5100	0.5300
	(dollars per cwt)					
	Milk Prices <sup>2</sup>					
	Class III	18.16	17.05	16.95	17.10	17.75
	Class IV	13.49	15.70	16.00	17.15	18.70
	All Milk <sup>3</sup>	18.24	18.45	18.50	19.20	20.25
Quarterly						
	2021 III <sup>5</sup>	2021 IV <sup>5</sup>	2022 I <sup>5</sup>	2022 II <sup>5</sup>	2022 III <sup>5</sup>	
Milk Production	(billion pounds)					
	55.9	55.6	56.9	58.2	56.5	
(dollars per cwt)						
All Milk Price <sup>4</sup>	18.00	20.00	20.25	20.15	19.85	
Class III Price <sup>2</sup>	16.32	17.63	17.39	17.52	18.01	
Class IV Price <sup>2</sup>	16.09	18.31	18.70	18.78	18.90	

<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-618, November 9, 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].

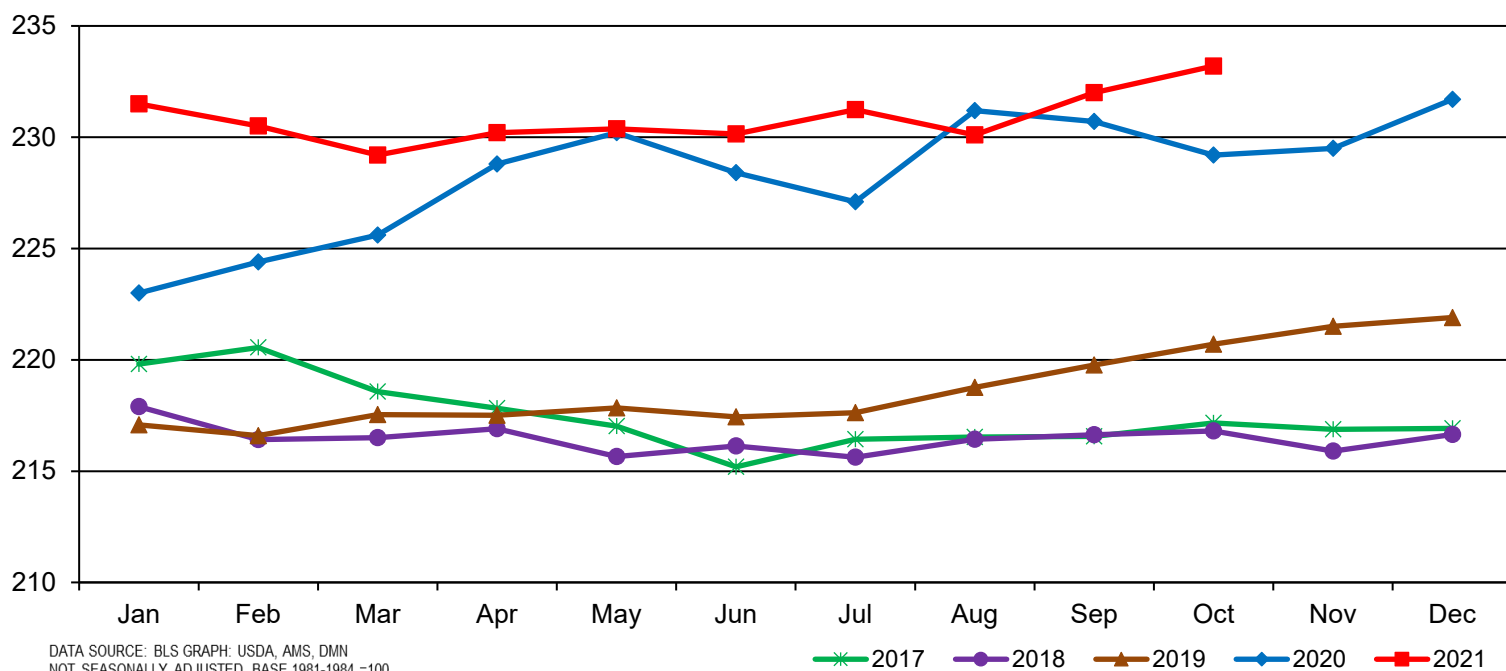


## Consumer Price Index and Average Retail Prices for Selected Products, U.S. City Average <sup>1</sup>

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>
Aug 2021	279.1	3.7	230.1	-0.5	224.4	2.9	238.7	-2.4	253.0	-0.6	288.4	8.0
Sep 2021	281.5	4.6	232.0	0.6	226.3	3.2	240.6	-1.0	247.9	-1.3	293.2	10.5
Oct 2021	284.2	5.3	233.2	1.8	227.5	5.8	241.6	-0.6	252.3	0.9	297.4	11.9
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		
Aug	3.560	3.406	N/A	N/A	3.977	4.285	5.336	5.572	4.918	4.950		
Sep	3.585	3.448	N/A	N/A	4.019	4.246	5.387	5.611	4.900	4.944		
Oct	3.663	3.380	N/A	N/A	3.987	4.233	5.396	5.583	4.952	4.925		

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



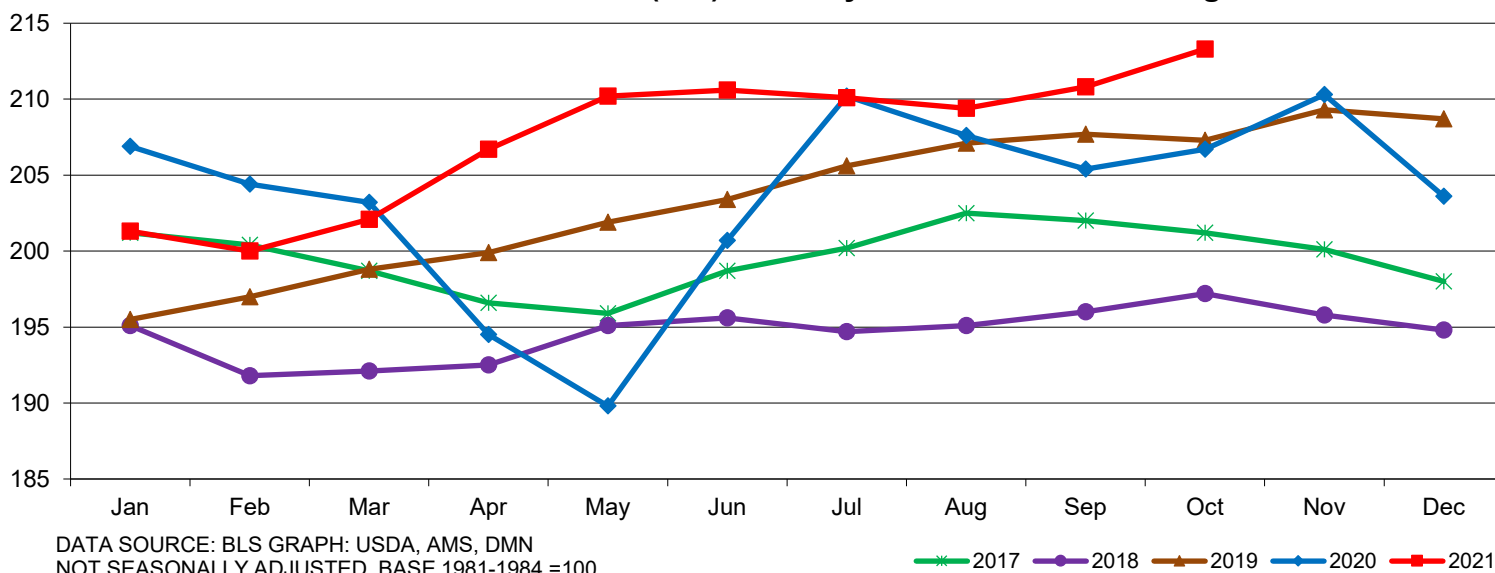
## Producer Price Index (PPI)<sup>1</sup>

Producer Price Index												
Month	All Food Manufacturing		Dairy Products		Fresh Whole Milk		Cheese		Butter		Dry Milk Products and Mixtures	
	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>	PPI <sup>1</sup>	Pct. Chg <sup>2</sup>
Aug-21	228.9	13.6	209.4	0.9	231.8	-4.1	186.9	-5.1	117.5	9.5	218.7	26.1
Sep-21	231.1	14.5	210.8	2.6	230.8	-2.0	189.3	-2.7	125.8	20.8	217.6	25.7
Oct-21	229.3	12.8	213.3	3.2	233.5	6.9	193.4	-6.7	121.5	16.9	217.6	26.7

1. The standard reference base period for these indexes is 1981-1984 = 100.

2. Percent change from previous year.

### Producer Price Index (PPI) for Dairy Product Manufacturing





## Dairy Market News Branch

Agricultural  
Marketing  
Service

# 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 45

Issued Weekly

Friday, November 12, 2021

### Advertised Prices for Dairy Products at Major Retail Supermarket Outlets ending during the period of 11/12/2021 to 11/18/2021

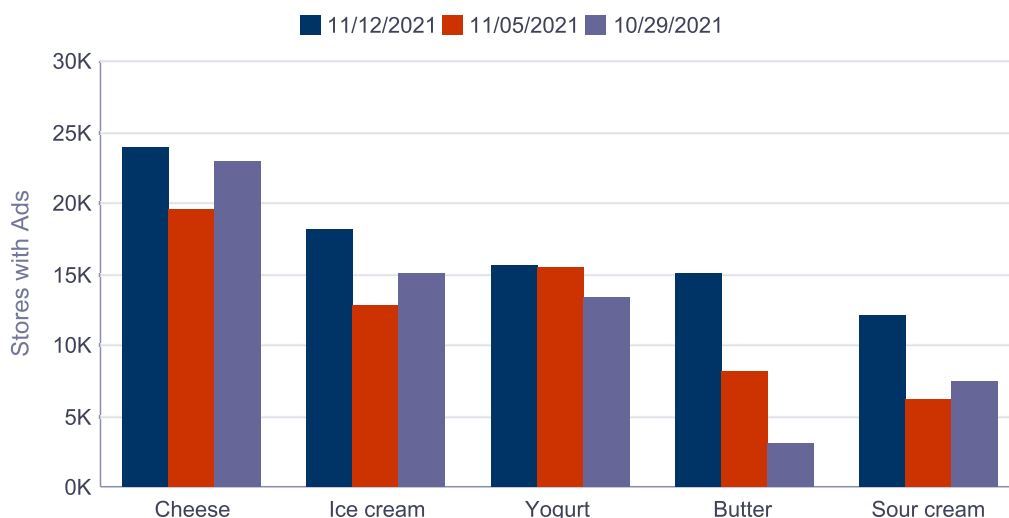
The number of conventional dairy advertisements increased by 36 percent, while the number of organic ads grew by 57 percent. The most advertised conventional dairy item was ice cream in 48 – 64 ounce containers. Ice cream in this container size had a weighted average advertised price of \$3.06. Advertisements for conventional egg nog in half gallon containers increased by 160 percent, the weighted average advertised price was 31 cents higher than in the previous survey at \$3.84.

The total number of conventional ads for milk declined by 67 percent, while organic milk ads grew by 37 percent. Half gallon sized containers of conventional milk were featured in 87 percent fewer ads this week and had a weighted average advertised price of \$2.00. Organic milk in half gallon sized containers was the most advertised organic item, with ad numbers increasing by 42 percent since the previous survey. The weighted average advertised price for organic half gallon milk was \$3.70, resulting in an organic premium of \$1.70.

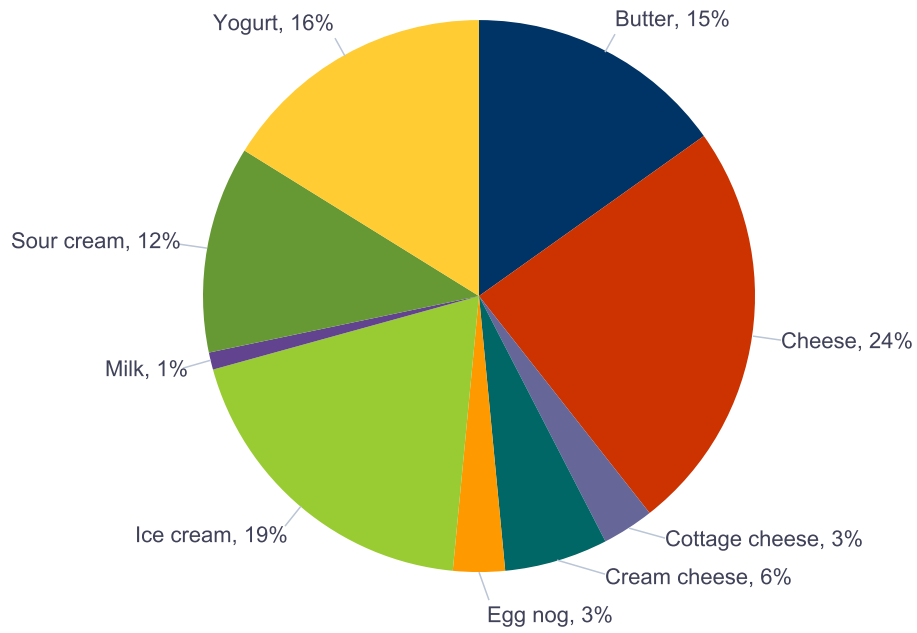
The number of conventional yogurt ads grew by 2 percent. Organic yogurt ads declined by 24 percent. Ads for conventional yogurt in 4 – 6 ounce containers increased by 6 percent, while the weighted average advertised price fell by 2 cents, to \$0.52. Organic yogurt ads for the same size containers increased by 136 percent, while the price grew by 14 cents to \$1.14.

There were 20 percent more conventional cheese ads this week; ads for organic cheese reappeared on the survey after not appearing last week. Conventional 8-ounce shred cheese was the most advertised cheese item, appearing in 14 percent more ads this week. The weighted average price for conventional 8-ounce shred cheese increased by 23 cents to \$2.62. Organic 8-ounce shred cheese has a weighted average price of \$3.79.

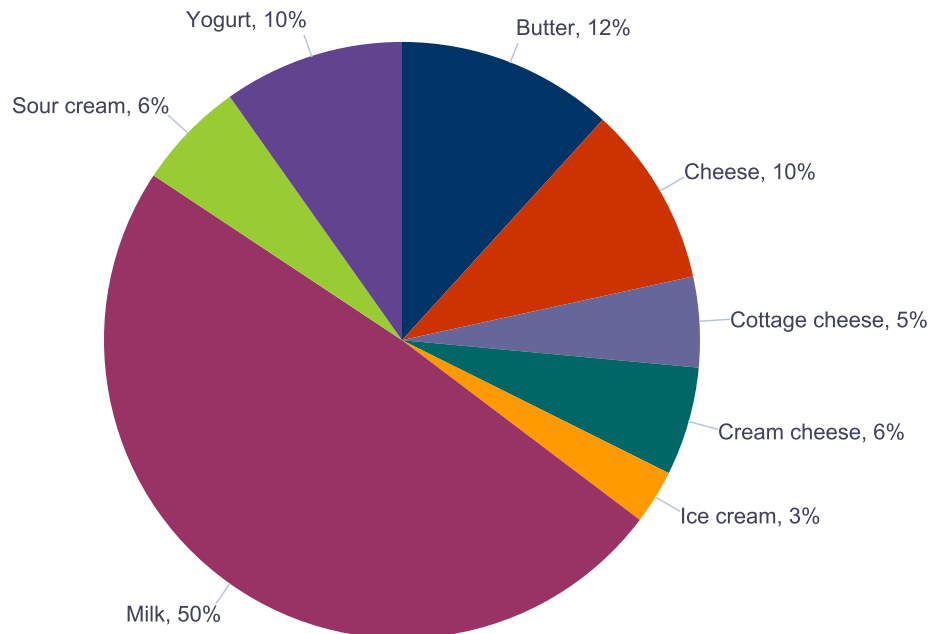
Top 5 Commodities Featured This Week



### 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 #	14316	3.06	7682	2.83	5952	3.13
Cheese	Natural Varieties	8 oz block	8958	2.45	8264	2.49	6732	2.36
Cheese	Natural Varieties	1 # block	927	4.78	942	4.22	1180	4.11
Cheese	Natural Varieties	2 # block	2916	5.60	1266	6.16	1325	7.22
Cheese	Natural Varieties	8 oz shred	9845	2.62	8653	2.39	7896	2.37
Cheese	Natural Varieties	1 # shred	678	4.15	390	4.36	646	4.11
Cottage cheese		16 oz	3319	2.13	1819	2.37	3254	2.04
Cream cheese		8 oz	5501	1.66	2547	1.74	3558	1.44
Egg nog		quart	537	3.02	426	3.13	535	3.01
Egg nog		half gallon	1964	3.84	754	3.53	627	4.50
Flavored milk	All fat tests	half gallon	121	2.50			121	2.50
Flavored milk	All fat tests	gallon			1161	3.38	107	4.44
Ice cream		48-64oz	17953	3.06	12804	3.10	10160	2.90
Milk	All fat tests	half gallon	133	2.00	994	2.43	812	1.27
Milk	All fat tests	gallon	514	3.75	960	2.98	810	2.76
Sour cream		16 oz	11723	1.80	5956	1.60	4198	2.06
Yogurt	Greek	4-6 oz	5604	.97	6085	.98	7992	.98
Yogurt	Greek	32 oz	1645	4.49	1914	4.38	1617	4.53
Yogurt	Yogurt	4-6 oz	6137	.52	5804	.54	5807	.53
Yogurt	Yogurt	32 oz	1611	2.68	845	2.70	894	2.01

## 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 #	1.99-3.99	3302	3.29	2.49-4.99	3798	3.27	1.99-4.49	2209	2.82
Cheese	Natural Varieties	8 oz block	1.66-3.99	3552	2.54	1.66-3.00	3941	2.38	1.77-3.50	1031	2.47
Cheese	Natural Varieties	1 # block	2.99-4.99	305	3.99	3.50-5.99	387	5.65	3.49	98	3.49
Cheese	Natural Varieties	2 # block				3.97	204	3.97	3.97-8.99	400	4.84
Cheese	Natural Varieties	8 oz shred	1.49-3.99	3261	2.62	1.66-3.50	3219	2.31	1.77-3.97	1339	3.03
Cheese	Natural Varieties	1 # shred	3.89-3.99	356	3.93	3.50	53	3.50	3.49	98	3.49
Cottage cheese		16 oz	1.99-2.99	972	2.40	1.50-2.00	1581	1.86	2.49-2.50	360	2.50
Cream cheese		8 oz	0.77-2.87	1309	1.64	1.25-2.00	1742	1.57	1.49-1.99	766	1.61
Egg nog		half gallon				3.49	114	3.49	3.49	225	3.49
Ice cream		48-64oz	1.99-4.99	4368	3.13	1.99-5.99	5745	3.01	1.99-4.99	2887	2.96
Milk	All fat tests	gallon	4.59	264	4.59						
Sour cream		16 oz	0.99-2.99	2961	1.84	0.99-2.29	3819	1.63	1.49-2.39	1492	1.78
Yogurt	Greek	4-6 oz	0.75-1.25	2465	.97	1.00	755	1.00	0.89-1.25	531	1.04
Yogurt	Greek	32 oz	3.99-5.49	1199	4.76	3.50	195	3.50			
Yogurt	Yogurt	4-6 oz	0.45-0.75	1653	.55	0.50	2313	.50	0.39-0.60	819	.50

Wtd Avg - Simple weighted average





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
Yogurt	Yogurt	32 oz	2.29-4.50	779	2.96	2.99	334	2.99	1.99-2.50	175	2.19

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 #	1.99-3.99	1823	2.81	1.99-3.00	1771	2.59	1.99-4.29	1223	3.20
Cheese	Natural Varieties	8 oz block	1.99-3.50	275	2.68				1.49-2.00	135	1.74
Cheese	Natural Varieties	1 # block				4.98	137	4.98			
Cheese	Natural Varieties	2 # block	3.97	78	3.97	3.97-6.99	1266	5.64	3.97-7.49	925	6.39
Cheese	Natural Varieties	8 oz shred	1.99-3.50	1028	2.54	2.99-3.99	618	3.55	1.49-3.50	256	2.57
Cheese	Natural Varieties	1 # shred				4.98	137	4.98			
Cottage cheese		16 oz	1.69-2.29	203	1.93				1.29	69	1.29
Cream cheese		8 oz	1.25-2.00	792	1.67	1.67-2.00	347	1.84	1.29-1.99	463	1.69
Egg nog		quart	2.19-2.99	248	2.82				3.19	289	3.19
Egg nog		half gallon	2.99-4.79	595	3.59	3.49	331	3.49	3.49-5.19	699	4.40
Flavored milk	All fat tests	half gallon	2.50	121	2.50						
Ice cream		48-64oz	1.99-4.49	1261	3.05	1.99-3.99	2963	2.98	0.97-5.49	645	3.63
Milk	All fat tests	half gallon	2.00	133	2.00						
Milk	All fat tests	gallon	4.39	82	4.39	1.49	63	1.49	2.50	105	2.50
Sour cream		16 oz	1.49-3.00	483	1.87	1.49-2.99	1729	2.05	1.29-2.19	1118	1.91
Yogurt	Greek	4-6 oz	0.88-1.25	430	1.04	0.79-1.00	1163	.93	0.69	105	.69
Yogurt	Greek	32 oz	3.50-4.49	251	3.92						
Yogurt	Yogurt	4-6 oz	0.50-0.60	829	.56	0.50	200	.50	0.50	289	.50
Yogurt	Yogurt	32 oz							1.79	289	1.79

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 #	2.77-2.99	32	2.85	3.50-3.99	58	3.79
Cheese	Natural Varieties	8 oz block				2.50	24	2.50
Cheese	Natural Varieties	2 # block	4.97-6.99	43	5.50			
Cheese	Natural Varieties	8 oz shred				2.50	24	2.50
Cheese	Natural Varieties	1 # shred				5.99	34	5.99
Cottage cheese		16 oz				3.49	34	3.49
Cream cheese		8 oz				1.67-4.69	82	3.17
Ice cream		48-64oz	2.49-7.99	60	5.23	4.25	24	4.25
Sour cream		16 oz	1.99	21	1.99			
Yogurt	Greek	4-6 oz	0.79	21	.79	1.33	34	1.33
Yogurt	Yogurt	4-6 oz				0.60	34	.60
Yogurt	Yogurt	32 oz				3.00	34	3.00



## 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 #	705	5.49	429	5.11	503	5.56
Cheese	Natural Varieties	8 oz block	289	3.79				
Cheese	Natural Varieties	8 oz shred	289	3.79				
Cottage cheese		16 oz	289	3.79			289	3.58
Cream cheese		8 oz	334	2.50	214	2.50	289	2.49
Ice cream		48-64oz	189	5.99				
Milk	All fat tests	half gallon	2439	3.70	1718	4.32	896	3.70
Milk	All fat tests	gallon	413	5.57	474	5.90	213	4.99
Milk	All fat tests	8 oz UHT	147	1.25				
Sour cream		16 oz	334	2.49	214	2.49	565	2.21
Yogurt	Greek	32 oz			169	4.49		
Yogurt	Yogurt	4-6 oz	255	1.14	108	1.00	369	1.28
Yogurt	Yogurt	32 oz	365	3.50	536	3.59	147	4.99

## 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
Butter		1 #	5.69-5.99	302	5.82	4.99	334	4.99	6.49	69	6.49
Cream cheese		8 oz				2.50	334	2.50			
Milk	All fat tests	half gallon	3.99-4.99	574	4.43	1.97-4.99	448	4.22	1.97-5.28	708	3.50
Milk	All fat tests	8 oz UHT	1.25	147	1.25						
Sour cream		16 oz				2.49	334	2.49			
Yogurt	Yogurt	4-6 oz	1.00-1.25	255	1.14						
Yogurt	Yogurt	32 oz	3.50	304	3.50	3.50	61	3.50			

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
Cheese	Natural Varieties	8 oz block							3.79	289	3.79

Wtd Avg - Simple weighted average



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
Cheese	Natural Varieties	8 oz shred							3.79	289	3.79
Cottage cheese		16 oz							3.79	289	3.79
Ice cream		48-64oz	5.99	72	5.99	5.99	117	5.99			
Milk	All fat tests	half gallon	1.97-4.99	213	2.99	1.97-3.99	364	3.32	1.97	121	1.97
Milk	All fat tests	gallon	5.49	141	5.49	5.99	167	5.99	5.00	105	5.00

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
Milk	All fat tests	half gallon	2.47	11	2.47			

### 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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