

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (9/3)

BUTTER: Grade AA closed at \$1.7975. The weekly average for Grade AA is \$1.7675 (+0.0665).

CHEESE: Barrels closed at \$1.3925 and 40# blocks at \$1.7350. The weekly average for barrels is \$1.3825 (-0.0835) and blocks, \$1.7170 (-0.0350).

NONFAT DRY MILK: Grade A closed at \$1.3400. The weekly average for Grade A is \$1.3240 (+0.0485).

DRY WHEY: Extra grade dry whey closed at \$0.4850. The weekly average for dry whey is \$0.4900 (-0.0220).

CHEESE HIGHLIGHTS: Seasonal milk availability declines are being reported across the country. In spite of the three-day weekend ahead, spot prices in the Midwest are still solely reported at overages, from \$.25 to \$1.00 over Class. Last year, with a drastic virtual learning curveball thrown at the industry, prices were still at \$5 under Class during week 35, with myriads of fewer milk loads moving into bottling for schools. Contacts view this year, at least so far, as a more traditional/comparable year than 2020, generally. National cheese demand ranges from steady to busy. Western producers say cheese loads are available. Midwestern cheesemakers report tighter pizza cheese/mozzarella supplies. Production has been active, but lighter milk and staffing shortages have deterred full-strength production schedules. Cheese markets lack stability. Contacts say as long as the block price remains so far above the barrel price, markets will remain in limbo.

BUTTER HIGHLIGHTS: Cream availability has begun to shift lower week-over-week. Some butter producers report micro-fixing/churning are meeting current needs. Logistically, plant staffing shortages are putting a pinch on overall production nationwide. Retail sales have yet to pick up, but food service sales are viewed as healthy despite Delta variant concerns. Butter market participants view current market tones with more bullishness than not. Bulk butter overages range from .01 to .08 cents above market this week.

FLUID MILK: Off the farm milk production in much of the United States is following distinctive seasonal declines. Hurricane Ida could potentially impact milk output in the Mid-Atlantic and Northeast with expectations of the storm hitting there this week. Mechanical issues prevented milk intakes for one Idaho plant, giving way to the sale of spot milk at Class III pricing this week. Meanwhile, cheese producers in the Central region do not expect the upcoming three-day holiday weekend to create a glut in milk availability. Milk suppliers continue to report a lack in drivers. Cream markets are feeling the impact of school re-opening as milk divert to bottling. Spot trading is fairly quiet this week as offers lessen. Ice cream season is winding down and available supplies are flowing to other cream-based manufacturers. Cream multiples for all Classes are **1.31-1.40** in the East; **1.25-1.38** in the Midwest; and **1.14-1.27** in the West.

DRY PRODUCTS: Low/medium nonfat dry milk (NDM) prices soared higher, with active interest south of the border and in Asian markets. Similarly, high heat NDM prices are supported by tight/firm markets. Interest is growing seasonally. Dry buttermilk prices are steady to higher in the West, but largely higher in the rest of the country. Production is expected to spike over the extended holiday weekend. Dry whole milk prices moved higher on slow trading activity. Supplies are moderate. Dry whey indicators point to weakness in the markets, as prices shifted somewhat lower. Delays in trucking are causing inventory build at a few plants. Production has remained generally steady. The price for whey protein concentrate 34% is steady to higher. Buyer interest is limited mixed. Processors are opting to make WPC 80%, WPI or other higher whey protein concentrations in lieu of WPC 34%. Some lactose prices moved lower due to some quick ship loads, but other lactose prices are steady. Spot market demand is lackluster. Supplies are growing. Rennet casein prices dipped this week in a quiet market.

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DAIRY MARKET NEWS PRICE SUMMARY FOR AUGUST 30 - SEPTEMBER 3, 2021
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					BUTTERMILK					LACTOSE				
Central Low/Med. Heat	1.2550	1.3500	1.2800	1.3100	Central/East	1.2150	1.3000			Central/West	0.3400	0.5600	0.4000	0.5000
Change	0.0550	0.0600	0.0550	0.0450	Change	0.0150	0.0225			Change	-0.0200	N.C.	N.C.	N.C.
Central High Heat	1.3900	1.5500			West	1.2000	1.2800	1.2100	1.2450	WPC 34%				
Change	0.0425	0.1500			Change	N.C.	0.0100	N.C.	N.C.	Central/West	1.0200	1.3300	1.0800	1.2250
West Low/Med. Heat	1.2250	1.3675	1.2600	1.2900	WHEY					Change	N.C.	N.C.	N.C.	0.0100
Change	0.0250	0.0600	0.0250	0.0250	Central	0.4400	0.5500	0.4700	0.5200	CASEIN				
West High Heat	1.3600	1.5025			Change	N.C.	N.C.	-0.0050	N.C.	Rennet	4.6000	4.8500		
Change	0.0175	0.0600			West	0.4625	0.6150	0.5250	0.5800	Change	-0.1400	-0.1000		
DRY WHOLE MILK					Change	-0.0125	-0.0075	N.C.	N.C.	Acid	4.7000	4.9000		
National	1.8200	1.8500			Northeast	0.5000	0.5850			Change	0.1000	-0.0500		
Change	0.0200	N.C.			Change	-0.0200	-0.0075			ANIMAL FEED WHEY				
										Central	0.3800	0.4400		
										Change	N.C.	N.C.		

DAIRY MARKET NEWS PRICE SUMMARY FOR AUGUST 23 - SEPTEMBER 3, 2021
PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity		Range		Commodity		Range		Commodity		Range	
SMP				WHOLE MILK POWDER				BUTTER			
W. Europe		2900	3100	W. Europe		3625	3950	W. Europe		4625	4850
	Change	50	75		Change	25	125		Change	125	N.C.
Oceania		3000	3125	Oceania		3500	3725	Oceania		4600	4850
	Change	N.C.	-25		Change	-25	N.C.		Change	N.C.	N.C.
S. America		2800	3050	S. America		3275	3575	BUTTEROIL			
	Change	N.C.	25		Change	N.C.	N.C.	W. Europe		5800	5925
WHEY									Change	1000	-25
W. Europe		1100	1325					CHEDDAR CHEESE			
	Change	25	25					Oceania		4025	4300
									Change	N.C.	N.C.

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INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPEAN OVERVIEW: Milk deliveries across Europe continue their seasonal decline. Besides the natural wind down of the milk season, industry contacts say that high feed costs are placing financial pressures on farmers. In the first half of the year, dairy farmers have culled cows at a higher rate than in 2020. In addition, contacts suggest farmers are retiring without the next generation taking over the farm.

EASTERN EUROPEAN OVERVIEW: Milk deliveries in Eastern Europe are slowing seasonally. Industry sources suggest that although less milk is making its way to processors, dairy product manufacturing is well balanced with demand. Eastern European cheese sales are stable.

OCEANIA OVERVIEW: AUSTRALIA: At several months into the new milk production season, Australian dairy farmers are still optimistic for a strong year. So far, milk volumes are meeting expectations. Much of Australia started the 2021-2022 milk production season with adequate rainfall and good pasture conditions. In addition, meteorologists are forecasting above average rainfall and warm temperatures for the next few months. Dairy farmers have plenty of forages on hand and feed costs have been under control. Like much of the world, shipping delays and port congestion have hampered some dairy export opportunities. Some shipping companies are omitting the ports of Brisbane, Sydney and Melbourne from their shipping schedules due to port congestion and the need for schedule recovery. The news is unsettling as Oceania begins peak milk and dairy production seasons.

NEW ZEALAND: The emerging New Zealand milk production season is starting off strong. Much of the calving is wrapping up on the North Island, and the South Island is only a few weeks behind. Preliminary milk volumes are on target. Pasture growth rates are at normal levels, aided by plentiful rains through the winter months. Weather forecasts predict a drier and warmer spring. Dairy farmers expect this will aid in good pasture growth, assuming that adequate soil moisture can be maintained. Parts of New Zealand remain under a level 4 lockdown due to Delta variant COVID-19 cases. The Auckland and Northland regions of the country will remain under the heaviest restrictions as the rest of the country moves to level 3 protocols. As essential workers, dairy farmers and food processing workers may travel between the regions with proper documentation but are required to maintain social distancing and other safety measures. Industry contacts do not expect much disruption to processing or farming operations, but the travel restrictions have made finding skilled workers more difficult, especially if those workers came from international workforces.

NATIONAL RETAIL REPORT (DMN): The most advertised dairy product this week is conventional ice cream in 48 to 64-ounce containers. The weighted average advertised price is \$3.08, up 25 cents from the previous period. Organic ice cream advertisements appeared on the survey, after taking last week off, with a weighted average advertised price is \$8.03. Total conventional dairy advertisements fell by 2 percent, while total organic dairy ads decreased by 40 percent. The number of ads for milk decreased across both conventional and organic categories. Conventional milk ads were down 73 percent, while organic milk ads declined by 55 percent. Conventional half gallon sized milk, the most advertised conventional milk item, had a weighted average price that was 42 cents higher than the previous period, at \$2.24. Organic half gallon milk was, similarly, the most advertised organic milk product this week. This product had a weighted average price of \$4.22, an increase of 43 cents from last week. The organic premium for half gallon milk was \$1.98, in this week's survey.

JULY AGRICULTURAL PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$17.90 in July, down \$2.70 from July 2020. Milk Cows price was \$1,380 in July, up \$70.00 from July 2020. Alfalfa hay price was \$201.00 in July, up \$29.00 from July 2020. Corn price was \$6.12 in July, up \$2.91 from July 2020. Soybean price was \$14.10 in July, up \$5.60 from July 2020. The milk-feed price ratio was 1.55 in July, down 1.17 from July 2020. The index of prices received by farmers for dairy products during the month of July 2021

was down 2.4 to 89.1. Compared to July 2020, the index was down 13.4 points (13.1 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2021 was up 0.9 to 116. Compared with July 2020, the index was up 7.6 points (7.0 percent).

AUGUST FINAL CLASS PRICES HIGHLIGHTS (FMMO): The following are the August 2021 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.51 (\$-0.32), Class III: \$15.95 (\$-0.54), and Class IV: \$15.92 (\$-0.08). Under the Federal milk order pricing system, the butterfat price for August 2021 is \$1.8508 per pound. Thus, the Class II butterfat price is \$1.8578 per pound. The protein and other solids prices for August 2021 are \$2.4582 and \$0.3735 per pound, respectively. These component prices set the Class III skim milk price at \$9.82 per cwt. The August 2021 Class IV skim milk price is \$9.78, which is derived from the nonfat solids price of \$1.0872 per pound. The product price averages for August 2021 are: butter \$1.6998, nonfat dry milk \$1.2660, cheese \$1.5680, and dry whey \$0.5617.

COMMODITY	MONDAY AUG 30	TUESDAY AUG 31	WEDNESDAY SEP 1	THURSDAY SEP 2	FRIDAY SEP 3	:: WEEKLY CHANGE	:: WEEKLY AVERAGE
CHEESE							
BARRELS	\$1.3650 (-0.0375)	\$1.3800 (+0.0150)	\$1.3800 (N.C.)	\$1.3950 (+0.0150)	\$1.3925 (-0.0025)	:: (-0.0100)	:: \$1.3825 (-0.0835)
40 POUND BLOCKS	\$1.7100 (-0.0400)	\$1.7100 (N.C.)	\$1.7100 (N.C.)	\$1.7200 (+0.0100)	\$1.7350 (+0.0150)	:: (-0.0150)	:: \$1.7170 (-0.0350)
NONFAT DRY MILK							
GRADE A	\$1.3025 (+0.0100)	\$1.3200 (+0.0175)	\$1.3325 (+0.0125)	\$1.3250 (-0.0075)	\$1.3400 (+0.0150)	:: (+0.0475)	:: \$1.3240 (+0.0485)
BUTTER							
GRADE AA	\$1.7150 (+0.0075)	\$1.7650 (+0.0500)	\$1.7650 (N.C.)	\$1.7950 (+0.0300)	\$1.7975 (+0.0025)	:: (+0.0900)	:: \$1.7675 (+0.0665)
DRY WHEY							
EXTRA GRADE	\$0.4975 (-0.0025)	\$0.4975 (N.C.)	\$0.4850 (-0.0125)	\$0.4850 (N.C.)	\$0.4850 (N.C.)	:: (-0.0150)	:: \$0.4900 (-0.0220)

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

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

BUTTER MARKETS

NORTHEAST

Production in the East butter market is unchanged from the previous week. Some manufacturing sources link tighter week-over-week cream availability to ongoing pulls on milk intakes from school openings. Manufacturers' stocks are sufficient as micro-fixing covers their immediate and near-term butter needs. Meanwhile, truck shipping issues continue to complicate matters. Steady to higher multiples support gains in spot butter prices. Bulk butter overages in the East are 4-8 cents above the CME, with various time frames and averages used. Foodservice demand is stronger stemming from quick-service and fast-casual segments return to growth, over 2019, this quarter. Retail butter sales are somewhat sluggish. This week, store ads show the overall average one pound butter price fell, while also tracking lower in Northeast and Southeast retail butter outlets. The undertone conveys a steadily firming market.

Prices for: Eastern U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0400 - +0.0800

WEST

Cream availability continues to taper in the West. Contacts note staffing issues and delivery delays are interrupting production at some plants; cream would be tighter if facilities were able to operate full steam ahead. Other contacts, however, report unhindered churning schedules and receipt of steady cream supplies to maintain typical seasonal butter production. Inventories are available for spot and contract sales. Retail sales are stable, and contacts say some grocers are increasing orders heading into fall and the holiday season. Despite lingering concerns about the Delta variant, food service demand is steady to growing, with the restaurant sector reported to be particularly busy. Bulk overages range from 2.5 to 7.5 cents over the CME market butter price.

Prices for: Western U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0250 - +0.0750

Secondary Sourced Information:

EXPORT ASSISTANCE

This week, a cooperative export assistance program accepted requests for export assistance to sell 610,000 pounds (277 metric tons) of butter. So far this year, the program has assisted member cooperatives who have contracts to sell 12.7 million pounds of butter (82% milkfat) and 5.1 million pounds of AMF in export markets. When combined with other dairy products, the program has assisted members with sales of 945.1 million pounds of milk on a milkfat basis.

CENTRAL

Butter production remains busy, in spite of lighter seasonal cream supplies. Butter plant managers' reports of staffing shortages are growing. Plant managers report schedules would be more routine if it were not for thinly stretched workforces. Cream multiples are a little steeper week to week, and some producers are bidding for 4th quarter cream supplies. Butter sales remain somewhat steady. Retail sales have yet to lift, but fall demand upticks are expected near-term. Early on in the week, butter market tones are bullish.

Prices for: Central U.S., All First Sales, F.O.B., Grade AA, Conventional, and Edible Butter
Bulk Basis Pricing - 80% Butterfat \$/LB: +0.0100 - +0.0500

CHEESE MARKETS

NORTHEAST

Cheese markets are holding a stable undertone. In the Northeast, cheese operations are working through a steady to lower milk supply. Milk production is seasonally dropping off farms, and Class I demands continue to grow in the region. Cheddar, mozzarella and provolone cheese makers are operating on steady to lower production schedules. Cheese inventory levels remain mostly balanced. Market participants relay cheese inventories are in-line with current demands. Cheese sales in the foodservice sector continue to display stronger numbers. Retail cheese sales are stable.

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

Cheddar 40 pound Block	2.2050-2.4925
Muenster	2.1925-2.5425
Process American 5 pound Sliced	1.5700-2.0500
Swiss 10-14 pound Cuts	3.5850-5.9075

MIDWEST

Midwestern cheesemakers are reporting similar tones to last week. Production schedules are busy, but staffing shortages are adding stress to a growing number of producers. Spot milk prices, at report time, are similar to last week's despite the upcoming holiday week-end. Regional cheese sales are healthy. Pizza cheese producers continue to turn down orders. They relay mozzarella inventories are tightening. Curd and barrel sales are steady week to week. Despite CME market price fluctuations, regional cheese market movements are more bullish than bearish.

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

Blue 5 pounds	2.3900-3.4575
Brick 5 pounds	2.1200-2.5450
Cheddar 40 pound Block	1.8425-2.2425
Monterey Jack 10 pounds	2.0950-2.3000
Mozzarella 5-6 pounds	1.9200-2.8650
Muenster 5 pounds	2.1200-2.5450
Process American 5 pound Loaf	1.5550-1.9150
Swiss 6-9 pound Cuts	3.1000-3.2175

WEST

Demand for cheese is holding steady across both retail and food service markets this week. Stakeholders are concerned with how the current surge of COVID-19 cases may affect demand for cheese, particularly with food service. Contacts report strong demand for cheese from international purchasers. However, ongoing port congestion is causing delays to loads intended for export. Domestic loads are also facing delays due to a shortage of truck drivers and limited available shipping supplies. Market prices have lowered in the past week. Inventories of both barrels and blocks are available for spot purchasing. Cheese production is mixed. Milk supplies are available, despite a seasonal decline in production. Some plant managers are, reportedly, running reduced schedules due to a labor shortage in the region.

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

Cheddar 10 pound Cuts	2.0800-2.2800
Cheddar 40 pound Block	1.8325-2.3225
Monterey Jack 10 pounds	2.0675-2.3425
Process American 5 pound Loaf	1.5725-1.8275
Swiss 6-9 pound Cuts	3.3925-3.8225

FOREIGN TYPE

European cheese demand has picked up as summer holidays come to a close and schools reopen. Prices are relatively stable, but some contacts anticipate an upwards movement of prices due to increased buyer activity and seasonal milk declines. Manufacturers are reporting that cheese holdings have a younger age structure, and that stock volumes have become tighter over the last few weeks. Cheese supplies are available to meet contract demand, but extra loads can be more difficult to obtain. Container scarcity is still hindering export fulfillment and delays in shipments are common.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	2.6400-5.2300	2.2125-3.7000*
Gorgonzola	3.6900-5.7400	2.7200-3.4375*
Parmesan	-0-	3.6000-5.6900*
Romano	-0-	3.4025-5.5575*
Sardo Romano (Argentina)	2.8500-4.7800	-0-
Reggianito (Argentina)	3.2900-4.7800	-0-
Jarlsberg	-0-	-0-
Swiss	-0-	3.6200-3.9450
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
08/30/2021	68482	85029
08/01/2021	74093	86010
CHANGE	-5611	-981
% CHANGE	-8	-1

Secondary Sourced Information:

This week, a cooperative export assistance program accepted requests for export assistance on contracts to sell 408,000 pounds (185 metric tons) of American-type cheese and 77,000 pounds (35 metric tons) of cream cheese. So far this year, the program has assisted member cooperatives who have contracts to sell 34.1 million pounds of American-type cheeses and 9.1 million pounds of cream cheese in export markets. When combined with butter, AMF, cream cheese and whole milk powder, the program has assisted members with sales of 945.1 million pounds of milk on a milkfat basis.

FLUID MILK AND CREAM

EAST

In the Northeast, milk production is seasonally dropping off farms. Class I sales continue to increase. Bottlers are refilling schools' milk pipelines back up for the start to the school year. Class III sales are stable for the near term. Mid-Atlantic milk output is dropping. Class I sales are up. Milk markets are fairly tight at this time. Hurricane Ida is anticipated to reach the Mid-Atlantic and Northeast this week. There are reports of potential torrential rainfall and power outages. Contacts report South and Southeastern states' damages/recovery from Hurricane Ida is extremely early to predict. For additional information, access this site: <https://www.farmers.gov/protection-recovery/disaster-tool#step-1>. Southeast milk production has dropped. Milk managers report available milk supplies are fairly tight in some areas. Class I sales are strong, as many operations are adding extra loads onto their regular milk orders. There are no available milk loads for manufacturing. USDA offers a disaster tool for farmers and ranchers. Milk production in Florida is slightly lower. Class I sales continue to be strong. Cream markets are displaying a firming undertone. Suppliers are beginning to offer cream at increasing prices. A few butter operations are working through internal cream volumes. Condensed skim supplies are slightly tightening in the region. Condensed skim markets are stable for the near term.

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

Price Range - Class II; \$/LB Solids: 0.90 - 1.15

Price Range - Class III; \$/LB Solids: 0.85 - 1.10

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

Multiples Range - All Classes: 1.3100 - 1.4000

Price Range - Class II; \$/LB Butterfat: 2.2283 - 2.3814

MIDWEST

Farm milk output is dipping week to week, as there has been a clear and notable increase in Class I demand. Contacts say this year has been more comparable to 2019 and prior, as opposed to last year's anomaly due to COVID-19 related school schedules/in-person attendance. Milk suppliers continue to report a dearth in haulers. They say the driver shortage is not expected to remedy itself anytime soon, particularly with COVID-19 resurgences. Cheese producers relay the upcoming three-day weekend is not creating a glut in milk availability. In fact, spot milk prices shifted only slightly lower from last week. Comparably, last year's prices were \$5 under Class to \$1 over Class, while in 2019, prices ranged from \$.50 under to \$1.25 over Class. Cheesemakers say they are utilizing more nonfat dry milk to fortify, as well. Cream availability is similar. Cream trading activity was somewhat quiet. Butter producers are working on securing Q4 contractual requirements. Cream cheese producers are also steadily clearing cream loads. However, last week's higher multiples (around 1.40) were not reported again this week. Although parts of the northern part of the region have received beneficial precipitation, there remains a swath of the Northern Plains in a drought, despite some recent rainfall.

Price Range - Class III Milk; \$/CWT; Spot Basis: 0.25 - 1.00

Trade Activity: Moderate

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

Multiples Range - All Classes: 1.2500 - 1.3800

Price Range - Class II; \$/LB Butterfat: 2.2453 - 2.3474

Multiples Range - Class II: 1.3200 - 1.3800

WEST

Farm level milk production is declining in California. Contacts report some limited spot load availability. Bottling sales are higher. Demand is steady for Class II and Class III milk. Milk is tighter in Arizona. Output is down month to month. Class I demand is elevated, and handlers have been pulling hard at available milk supplies to keep the school pipeline full and to support grocery store gallon promotions. Milk production in New Mexico has dropped. Class I and II orders are down slightly. Balancing plants are running well and have the capacity to process additional milk, if necessary. Contacts say holdover numbers are manageable. Pacific Northwest milk output is decreasing. Driver shortages are, reportedly, causing some delayed deliveries. School milk orders are driving higher Class I demand. Class II and III sales are steady. Milk output in the mountain states of Idaho, Utah, and Colorado remains similar to last week. Mechanical issues in Idaho, however, enabled some spot sales at Class III pricing this week. Spot milk would not have been available, otherwise, as capacity would have been available to handle milk intakes. Bottling sales are strong. Class II and Class III orders are flat. Condensed skim contracts are steady. Cream availability continues to decline, but contacts relay receiving volumes that are adequately meeting current manufacturing needs. Ice cream season is winding down, allowing cream supplies to flow into other cream-based manufacturing. Additionally, plant managers say cream supplies would be tighter, but staffing shortages are keeping some production lines from running at capacity. Cream multiples are unchanged from last week.

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

Multiples Range - All Classes: 1.1400 - 1.2700

Secondary Sourced Information:

PACIFIC NORTHWEST MARKET ORDER

Milk delivered to the Pacific Northwest Order 124 totaled 745.4 million pounds in July 2021. Class I utilization was 128.8 million pounds and accounted for 17.28 percent of producer milk. The uniform price at test was \$18.24, down \$0.46 from June 2021, and \$0.53 below the same month a year ago.

ARIZONA MARKET ORDER

Milk delivered to the Arizona Order 131 totaled 397.1 million pounds in July 2021. Class I utilization was 112.1 million pounds and accounted for about 28.2 percent of producer milk. The uniform price at test was \$17.70, down \$0.51 from June 2021, but \$1.39 above the same month a year ago.

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 with notable bullishness this week. Last week, there were reports of continued/steady interest from south of the U.S. border. That said, contacts suggest it is domestic end users who are showing more interest week over week. Condensed skim, for the first time in months, is reportedly tightening. NDM production is slightly less active and employment/staffing shortages are becoming a problem industry-wide. High heat NDM prices were bolstered by tight/firming markets, as well. High heat NDM trading activity was busier, as prices pushed over the \$1.50 mark. NDM market tones are clearly bullish near term.

EAST: Eastern low/medium heat NDM trading was busier this week, as prices moved northbound in prompt fashion. Some end users who had built up inventories in recent months were back on the market, but they were met with increasing prices. The beginning of some companies' fiscal years may be behind pricing at and above \$1.30. Condensed skim availability, which has been markedly open for a number of months, has begun to slim down with lighter milk output. NDM production is somewhat steady, still. High heat NDM prices increased. Tight inventories have been reported for weeks regarding the high heat variety, but demand mirrored that of low/medium heat NDM this week. NDM market tones are 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: 1.2550 - 1.3500

Mostly Range - Low & Medium Heat; \$/LB: 1.2800 - 1.3100

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: 1.3900 - 1.5500

NONFAT DRY MILK - WEST

Prices for low/medium heat nonfat dry milk (NDM) shifted higher, in the West, this week. The top of the price range moved up by \$0.06, while the bottom of the range and both ends of the mostly price series increased by \$0.025. Increased demand for skim milk powder in Asian markets is, reportedly, helping to push the price of NDM higher. Markets are bullish, with prices on the CME rising into the 1.30s at the start of the week. Domestic demand for low/medium heat NDM has held steady this week. Contacts report an uptick in international demand and note strong purchasing for export to Mexico. Spot purchasers are having more difficulty finding loads this week, as inventories have tightened. Production schedules are restricted as less milk is available for drying. Some plant managers are running lighter production schedules due to labor shortages. While production schedules of NDM are limited, drying operations are focusing their time on low/medium heat rather than high heat. The price range for high heat NDM shifted higher by \$0.0175 at the bottom, and by \$0.06 at the top. Sellers report a bullish market, and they are less likely to accept offers near the bottom of the high heat range. High heat NDM inventories are tight, as demand is ticking up.

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: 1.2250 - 1.3675

Mostly Range - Low & Medium Heat; \$/LB: 1.2600 - 1.2900

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: 1.3600 - 1.5025

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk spot prices are higher on limited market trading. Manufacturers who have extra supplies are trading well above the upper end of last week's range. With the start of school, inquiries for dry buttermilk are increasing from end-users in the bakery sector. Dry buttermilk production varies, as plants consistently exchange condensed buttermilk supplies to ice cream. Stock levels are moderately reserved to tight. The undertone for dry buttermilk markets is firm.

EAST: In the East, dry buttermilk prices are higher on both ends of the range. As milk volumes continue to sidestep butter makers, dry buttermilk loads are harder to find and lend to stronger pricing. But, stocks are likely to improve following suspended production from other cream users over the Labor Day holiday period. Sources suggest multiple plants in the region are unable to fill buyers' immediate need requests. Those buyers continue to look for sources in other regions. The undertone hints at a strengthening dry buttermilk market.

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

Price Range ; \$/LB: 1.2150 - 1.3000

DRY BUTTERMILK - WEST

The price range for dry buttermilk powder expanded; the bottom of the price range held steady, while the top moved \$0.01 higher. However, the mostly price series is unchanged. Demand is steady to higher, as some contacts report an uptick in interest. Contacts report notable purchasing for export to Mexico. Warehouse inventories are building in the region, as loads face delays due to a shortage of truck drivers. Dry buttermilk powder is available for spot purchasing. As ice cream production season is winding down, supplies of condensed buttermilk are available for drying. Despite this availability, production of dry buttermilk powder remains limited with plant managers focusing 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: 1.2000 - 1.2800

Mostly Range - ; \$/LB: 1.2100 - 1.2450

DRY WHOLE MILK - U.S.

Dry whole milk prices moved higher on the bottom of the range on slow trading activity. Production remains somewhat limited. Supplies, therefore, are not overabundant. That said, demand is not outpacing available supplies, either. Therefore, despite the increase in pricing on the bottom of the range, market tones are generally quiet/sideways.

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

Price Range - 26% Butterfat; \$/LB: 1.8200 - 1.8500

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY- CENTRAL

The bottom of the dry whey mostly series shifted a half cent lower, but all other prices were steady. Dry whey trading is moderately active. Stocks are available, but some contacts have begun to suggest more solids are moving into high protein processing. Those markets, particularly WPC 80% and whey protein isolate, remain firm. Lighter milk volumes are moving into Class III production, as is seasonally expected during the dog days of summer and the onset of the school year. Animal feed whey trading remains quiet. Feed end users are finding permeates and deproteinized whey at a value when compared to off-spec whey, which remains around \$.40. Dry whey market tones are quietly awaiting direction.

Prices for: Central U.S., All First Sales, F.O.B., Conventional, and Non-Edible Dry Whey
Price Range - Animal Feed; \$/LB: .3800 - .4400

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: .4400 - .5500
Mostly Range - Non-Hygroscopic; \$/LB: .4700 - .5200

DRY WHEY- NORTHEAST

The dry whey price range is lower this week in the East region. Trading activities are steady to slightly lighter at this time. Manufacturers are offering additional spot loads on top of committed agreements to several market participants. However, some industry contacts are not purchasing extra dry whey spot loads. Dry whey production is reportedly stable for the near term. Regional operations are drying on strong/fixed operating schedules. Dry whey inventory stocks are currently available for spot and contract demands. The market undertone is relatively mixed.

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: .5000 - .5850

DRY WHEY- WEST

In the West, the price range for dry whey shifted lower on both ends, while the mostly price series is unchanged this week. Steady demand for dry whey is present in both domestic and international markets. Contacts report notable demand for export of dry whey to Asian markets. Delays to loads in the region are causing warehouse inventories to build. A shortage of truck drivers and limited available shipping supplies are contributing to these delays. Port congestion is causing further delays to loads of dry whey intended for export. While warehouse inventories are high, much of these inventories represent near term contract needs. Cheese producers say that milk is available for production, though some are running lighter schedules due to labor shortages. Plant managers are utilizing the tighter supplies of liquid whey to produce higher whey protein concentrates and permeate, 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: .4625 - .6150
Mostly Range - Non-Hygroscopic; \$/LB: .5250 - .5800

WHEY PROTEIN CONCENTRATE

Whey protein concentrate 34% prices are stable, aside from the top of the mostly price series moving higher. That said, industry contacts describe a bi-modal market in which the segments appear to be moving apart. For WPC 34% that meets stringent end user requirements, manufacturers report regular inquiries from buyers, limited supplies,

and firm market prices. For WPC 34% that is interchangeable with other dairy proteins, manufacturers relay that buyer interest is limited, inventories are growing, and market prices are flat. In either case, production is steady. However, processors are opting to make WPC 80%, WPI or other higher whey protein concentrations in lieu of WPC 34%, if that option exists.

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: 1.0200 - 1.3300
Mostly Range - 34% Protein; \$/LB: 1.0800 - 1.2250

LACTOSE

The bottom of the lactose price range moved lower due to some quick ship loads brought to the market. Other lactose prices are steady. Industry contacts report processing disruptions and freight challenges have prompted a few manufacturers to offer quick ship sales for lactose. Spot market demand is a bit lackluster otherwise. Contacts say it has been hard to get much interest from buyers, aside from 200 mesh or lactose that fulfills added testing requirements for end user needs. Q4 contract negotiations are starting. So far, manufacturers share mixed reports, but Q4 contract prices are generally off a few cents from Q3 contract prices. Lactose inventories are growing. A few manufacturers are requesting buyers move their lactose out of the warehouse in order to make more room for new production. Lactose production is stable.

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: .3400 - .5600
Mostly Range - Non Pharmaceutical; \$/LB: .4000 - .5000

CASEIN

Rennet casein prices slipped this week, while the acid casein price range narrowed. Contacts suggest price shifts lower are not indicative of market sentiment, but slow trading generally and pricing adjustments due to marked increases in shipping costs. In fact, some contacts expect pricing to return to the \$4.90+ mark in upcoming weeks/months. Reports exhibit the strength in imports when compared to previous years, with notable increases in quantities moving into Southeast Asia. Rennet and acid casein market tones are quiet.

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: 4.7000-4.9000
Rennet; Price Range - \$/LB: 4.6000-4.8500

Secondary Sourced Information:

January – July casein exports from New Zealand 40,000 MT, increased 22.7 percent from January – July 2020, according to CLAL data made available to USDA. The main export destinations January – July 2021, quantities, and percent change from January – July 2020, were United States, 11,176 MT, +5.24 percent; China, 7,135 MT, +60.88 percent; and, Mexico, 5,209 MT, +9.56 percent.

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
08/21/2021	59.0	2,036.5	54.6	2,010.4

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

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

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

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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			
II	14.18	14.00	15.07	15.56	16.22	16.66	16.83	16.51				
III	16.04	15.75	16.15	17.67	18.96	17.21	16.49	15.95				
IV	13.75	13.19	14.18	15.42	16.16	16.35	16.00	15.92				

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
08/28/2021	1.6860 3,301,066	1.7471 12,962,939	1.4658 13,460,143	.5513 5,216,340	1.2619 17,726,265

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	08/27	08/30	08/31	09/01	09/02
AUG 21	15.98	15.97	15.98	15.95	
SEP 21	16.76	16.66	16.75	16.73	16.67
OCT 21	16.54	16.66	16.90	16.84	16.81

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

DATE	08/27	08/30	08/31	09/01	09/02
AUG 21	15.94	15.94	15.94	15.92	
SEP 21	16.17	16.17	16.20	16.21	16.21
OCT 21	16.31	16.26	16.42	16.37	16.40

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

DATE	08/27	08/30	08/31	09/01	09/02
AUG 21	171.98	171.50	171.50	169.98	
SEP 21	172.18	172.00	174.00	173.60	174.65
OCT 21	172.50	172.70	174.00	174.75	175.95

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

DATE	08/27	08/30	08/31	09/01	09/02
AUG 21	126.53	126.55	126.55	126.60	
SEP 21	128.30	128.00	128.03	128.23	128.00
OCT 21	129.40	129.45	130.00	130.88	130.00

WHEY (Electronic-Traded) (¢/lb)

DATE	08/27	08/30	08/31	09/01	09/02
AUG 21	56.00	56.00	56.00	56.17	
SEP 21	53.00	52.50	52.50	52.50	52.75
OCT 21	48.43	48.43	48.43	48.43	49.28

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

DATE	08/27	08/30	08/31	09/01	09/02
AUG 21	1.69	1.69	1.69		
SEP 21	1.78	1.76	1.77	1.77	1.77
OCT 21	1.76	1.76	1.77	1.79	1.76

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

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered August 23 - September 3, 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 Europe continue their seasonal decline. Besides the natural wind down of the milk season, industry contacts say that high feed costs are placing financial pressures on farmers. In the first half of the year, dairy farmers have culled cows at a higher rate than in 2020. In addition, contacts suggest farmers are retiring without the next generation taking over the farm.

Dairy markets are becoming more active as Europeans return from summer holidays and school terms resume. Dairy product consumption is recovering, and market demand is slowly increasing as buyers recognize the need to refill supplies and prepare for the next few months. Retail, food service and food manufacturing markets are creating more opportunities for sales of dairy products. Currently, dairy supplies are not keeping up with the demand. Some contacts anticipate an upward movement of dairy product prices due to increased buyer activity and seasonal milk declines.

EASTERN EUROPE

Milk deliveries in Eastern Europe are slowing seasonally. Industry sources suggest that although less milk is making its way to processors, dairy product manufacturing is well balanced with demand. Eastern European cheese sales are stable.

Eastern European Secondary Data:

January – July 2021 milk production in Belarus, 4.606 million ton, increased 0.9 percent from January - July 2020 according to CLAL data made available to USDA.

BUTTER/BUTTEROIL

European butter and butteroil prices are mixed. Butter prices moved higher at the bottom of the range but held steady at the top of the range. Butteroil prices moved up at the bottom of the range, but inched lower at the top of the price range. Market activity has picked up as buyers return from summer holidays. Industry contacts say retail and food service butter orders have both slightly increased. In addition, buyers from food manufacturing are making their butter and butteroil purchases to prepare for the next few months. As seasonal milk production slows, so does cream availability. With lower cream supplies, higher cream prices, and the subsequently higher butter prices, negotiations have taken a while to evolve. Buyers and sellers had differing price expectations but are coming to terms as the weather cools.

Western Europe, 82% Butterfat, Free on Board - Port Butter
Price Range - \$/MT: 4,625 - 4,850

Western Europe, 99% Butterfat, Free on Board - Port Butteroil
Price Range - \$/MT: 5,800 - 5,925

SKIM MILK POWDER

European skim milk powder prices moved higher. As market activity has increased, raw milk supplies moving into the dryers have dwindled. Higher condensed skim milk prices are keeping some manufacturers from pursuing additional milk supplies. Industry contacts suggest there is enough SMP to meet contractual needs, but limited supplies for more sales. Demand from food manufacturers has increased.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Skim Milk Powder
Price Range - 1.25% Butterfat; \$/MT: 2,900 - 3,100

WHEY

European whey prices moved higher at both ends of the price range. Industry contacts suggest that as the summer holidays are ending, market activity has increased. Whey demand from food manufacturers has picked up. End users are more intent on getting the whey coverage needed to fill their ingredient needs for the next few months. Recent whey production has not kept dry whey inventories sufficiently stocked to meet current demand. This is partly due to lower milk volumes clearing into cheese vats and less resulting whey solids available for drying. Also, some manufacturers are making more whey protein concentrates in lieu of sweet whey powder.

Prices for: Western Europe, All First Sales, Free on Board - Port, Conventional, and Edible Dry Whey
Price Range - Non-Hygroscopic; \$/MT: 1,100 - 1,325

WHOLE MILK POWDER

European whole milk powder prices moved higher. Earlier in the month, manufacturers worked to hold back on production due to light demand. However, as market activity has picked up, WMP demand is increasing across Europe. Some manufacturers will have to work to catch up. Industry contacts suggest WMP inventories are tight and with less milk to work with, restocking WMP supplies will be more difficult.

Prices for: Europe, All First Sales, Free on Board - Port, Conventional, and Edible Whole Milk Powder
Price Range - 26% Butterfat; \$/MT: 3,625 - 3,950

INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered August 23 - September 3, 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 8**Secondary Sourced Information:**

Butter and other fats exports from the EU27 January – June 2021, 129,000 MT, decreased 25.8 percent from January – June 2020 according to CLAL data made available to USDA. Main destinations January – June 2021, quantity, and percent of the total are United States, 20,920 MT, -8.40 percent; United Kingdom, 20,358 MT, -39.86 percent; and China, 11,427 MT, +41.09 percent.

SMP exports from the EU27 January – June 2021, 420,000 MT, decreased 2.3 percent from January – June 2020 according to CLAL data made available to USDA. Main destinations January – June 2021, quantity, and percent change from January – June 2020 are China, 70,844 MT, +26.70 percent; Algeria, 48,039 MT, -36.43 percent; and Indonesia, 38,571 MT, +91.47 percent.

January - June 2021 whey powder exports from Belarus, 73,000 MT, increased 8.3 percent from January - June 2020, according to CLAL data made available to USDA. The main export destinations January - June 2021, quantities, and percent change from January - June 2020, were China, 36,423 MT, +36.61 percent; Russia, 21,871 MT, -18.08 percent; and Philippines, 2,600 MT, -11.11 percent.

WMP exports from the EU27 January – June 2021, 153,000 MT, decreased 10.3 percent from January – June 2020 according to CLAL data made available to USDA. Main destinations January – June 2021, quantity, and percent change from January – June 2020 are Oman, 25,827 MT, +3.47 percent; China, 11,508 MT, +66.89 percent; and Nigeria, 10,803 MT, -19.42 percent.

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered August 23 - September 3, 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: At several months into the new milk production season, Australian dairy farmers are still optimistic for a strong year. So far, milk volumes are meeting expectations. Much of Australia started the 2020-2021 milk production season with adequate rainfall and good pasture conditions. In addition, meteorologists are forecasting above average rainfall and warm temperatures for the next few months. Dairy farmers have plenty of forages on hand and feed costs have been under control.

Like much of the world, shipping delays and port congestion have hampered some dairy export opportunities. Some shipping companies are omitting the ports of Brisbane, Sydney and Melbourne from their shipping schedules due to port congestion and the need for schedule recovery. The news is unsettling as Oceania begins peak milk and dairy production seasons.

July 2020 - June 2021 seasonal milk production in Australia increased 0.6 percent from July 2019 - June 2020, according to Dairy Australia. June 2021 milk production, 621.4 million liters, was down 1.1 percent from June 2020. More detailed production data are in the table which follows.

AUSTRALIA MILK PRODUCTION, MILKFAT and PROTEIN

July 2020 - June 2021

State	Million Liters	Percent Change From 1 Year Ago	Percentage Milkfat	Percentage Protein
New South Wales	1,074.9	+2.0	4.20	3.43
Victoria	5,646.6	+0.4	4.35	3.47
Queensland	309.5	-1.9	4.18	3.41
South Australia	499.4	+2.2	4.14	3.41
Western Australia	361.9	-0.7	4.08	3.28
Tasmania	961.0	+1.2	4.85	3.75
Australia (Total)	8,853.3	+0.6	4.33*	3.47**

* +0.9 percent from prior year period

** -1.0 percent from prior year period

NEW ZEALAND: The emerging New Zealand milk production season is starting off strong. Much of the calving is wrapping up on the North Island, and the South Island is only a few weeks behind. Preliminary milk volumes are on target. Pasture growth rates are at normal levels, aided by plentiful rains through the winter months. Weather forecasts predict a drier and warmer spring. Dairy farmers expect this will aid in good pasture growth, assuming that adequate soil moisture can be maintained.

Parts of New Zealand remain under a level 4 lockdown due to Delta variant COVID-19 cases. The Auckland and Northland regions of the country will remain under the heaviest restrictions as the rest of the country moves to level 3 protocols. As essential workers, dairy farmers and food processing workers may travel between the regions with proper documentation but are required to maintain social distancing and other safety measures. Industry contacts do not expect much disruption to processing or farming operations, but the travel restrictions have made finding skilled workers more difficult, especially if those workers came from international workforces.

July 2021 New Zealand milk solids reported by DCANZ and NZX are 26.600 million kg, compared to 24.795 million kg in July 2020.

DCANZ calculates the year-to-date milk production through July 2021 is 9.279 million MT, compared to 8.787 million MT January through July 2020.

January - July 2021 bulk and packaged milk exports from New Zealand 153,000 MT, increased 19.3 percent from January - July 2020, according to CLAL data made available to USDA. The main export destinations January - July 2021, quantities, and percent change from January - July 2020, were China, 115,777 MT, +33.26 percent; Philippines, 8,507 MT, -31.94 percent; and Taiwan, 8,443 MT, +16.34 percent.

BUTTER/BUTTEROIL

Butter prices are unchanged this week. Industry contacts suggest demand is stable as buyers from northern Asian countries remain active. While still early in the season, contacts are optimistic regarding the developing butter markets. Cream availability is growing as milk production grows. Several New Zealand butter processors are increasing production at their plants to help meet the growing demand.

Oceania, 82% Butterfat, Free on Board - Port Butter

Price Range - \$/MT:

4,600 - 4,850

SKIM MILK POWDER

Oceania skim milk powder prices are mostly steady, moving only slightly lower on the top of the price range. Market activity is still a little quiet as market participants wait to see if buyers return to the market in the same way they were present in the first half of the year. Industry contacts are cautiously optimistic for Oceania SMP. They believe supplies in the EU will stay tight through the end of the year, and SMP demand may pick up as the Oceania milk production grows into the new milk season.

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

Price Range - 1.25% Butterfat; \$/MT:

3,000 - 3,125

CHEESE

Oceania cheese prices are unchanged. Demand is well-balanced with supply. Industry contacts expect both supply and demand to grow as the Oceania milk production season takes shape. Export demand has been strong through the first half of the year, and market observers do not expect this to waver.

Prices for: Oceania Cheese, Cheddar, 39% Maximum Moisture, Free on Board - Port,

Price Range - \$/MT:

4,025 - 4,300

CONTINUED ON PAGE 8C

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered August 23 - September 3, 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 8B

WHOLE MILK POWDER

Oceania whole milk powder prices moved slightly lower at the bottom of the price range but held steady at the top. Buyers are still waiting for the next bit of market information that could clarify the direction of the market. Analysts believe that New Zealand dairy futures indicate that WMP prices should hold at levels close to where they are at currently, a price point that is still well above prices at this time last year. However, industry contacts note that the milk season down under has only just begun, and it may be a few weeks before export market buyers make their Oceania WMP buying intentions known.

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

Price Range - 26% Butterfat; \$/MT: 3,500 - 3,725

CLAL data made available to USDA. The main export destinations January - July 2021, quantities, and percent change from January - July 2020, were China, 457,166 MT, +56.78 percent; United Arab Emirates, 57,640 MT, -8.55 percent; and Sri Lanka, 55,879 MT, +14.91 percent.

**Exchange rates for selected foreign currencies:
August 30, 2021**

.0102 Argentina Peso	.0136 India Rupee
.7297 Australian Dollar	.0091 Japan yen
.1929 Brazil Real	.0497 Mexican Peso
.7932 Canadian Dollar	.6999 New Zealand Dollar
.0013 Chile Peso	.2586 Poland Zloty
1.1799 Euro	.0235 Uruguay Peso

Conversion example: To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0497) = 20.1207$ Mexican Pesos. Source: "Wall Street Journal"

Secondary Sourced Information:

January - July butter exports from New Zealand 256,000 MT, decreased 2.9 percent from January - July 2020, according to CLAL data made available to USDA. The main export destinations January - July 2021, quantities, and percent change from January - July 2020, were China, 66,811 MT, +36.99 percent; Australia, 18,276 MT, -8.52 percent; and Philippines, 17,335 MT, -1.17 percent.

January - July 2021 SMP exports from New Zealand 194,000 MT, decreased 11.3 percent from January - July 2020, according to CLAL data made available to USDA. The main export destinations January - July 2021, quantities, and percent change from January - July 2020, were China, 72,499 MT, +23.70 percent; Indonesia, 19,985 MT, -7.31 percent; and Thailand, 15,222 MT, -2.35 percent.

January - July 2021 cheese exports from New Zealand 234,000 MT, increased 22.1 percent from January - July 2020, according to CLAL data made available to USDA. The main export destinations January - July 2021, quantities, and percent change from January - July 2020, were China, 61,459 MT, +62.27 percent; Japan, 37,835 MT, -2.41 percent; and Australia, 25,205 MT, -1.02 percent.

January - July 2021 WMP exports from New Zealand 1,001,000 MT, increased 14.3 percent from January - July 2020, according to

INTERNATIONAL DAIRY MARKET NEWS - SOUTH AMERICA

Information gathered August 23 - September 3, 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.

SOUTH AMERICA OVERVIEW

In the main dairy basins of Argentina, Uruguay, and Chile, milk output is moving up. Spring-like weather conditions and good quality pastures continue to improve. Market participants report milk supplies are meeting most dairy processing demands. Farm level milk prices continue to be at fairly good levels. The current milk pricing is helping ease some operating cost pressures. With the strength in the milk supply and consumer demands, UHT processing continues to work through strong production schedules. Whole milk powder and skim milk powder markets are displaying stable undertones. The foodservice sector is stable to firm. There are reports under Mexico's 2021 Quality Infrastructure National Program (QINP), Mexico is working to create NOMS for butter, cream, milk, yoghurt, cheese and milk powder to bring more legislative certainty to the Mexican dairy industry and more transparency to consumers.

SKIM MILK POWDER

Skim milk powder (SMP) F.O.B. prices are steady to slightly higher. Trading activities/buying demands have been fairly steady to flat for some market participants. There are some industry contacts noting trading activities are seasonally stable and at expected market numbers for a few operations. Some SMP manufacturers are scheduling additional SMP drying time, prompted by higher available condensed skim milk volumes. This reflects the seasonal increases in milk production. SMP stocks remain mostly in balance with spot and contractual needs. The SMP market undertone is mostly stable for the near term.

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

Price Range - 1.25% Butterfat; \$/MT: 2,800 - 3,050

WHOLE MILK POWDER

Whole milk powder (WMP) prices in South America are unchanged from last reporting period. There are some buyers/traders working through regular contract commitments, however, spot demands have softened a bit. Milk output continues to slightly increase off farms, creating a stable portion of milk supplies for WMP production, although UHT milk processing continues to receive strong/and or more milk loads than WMP production. WMP inventory levels are reportedly available for spot/contract demands. The whole milk powder market tone is stable.

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

Price Range - 26% Butterfat; \$/MT: 3,275 - 3,575

2021 U.S. MONTHLY PRICE AVERAGES (US \$/LB)								
AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
CME GROUP ¹								
BUTTER - DAILY TRADING								
GRADE AA	1.3496	1.3859	1.7153	1.8267	1.8124	1.7758	1.6912	1.6815
CHEESE - DAILY TRADING								
BARRELS	1.5141	1.4442	1.4811	1.7119	1.6923	1.5639	1.4774	1.4158
40 POUND BLOCKS	1.7470	1.5821	1.7362	1.7945	1.6778	1.4978	1.6370	1.7217
NONFAT DRY MILK - DAILY TRADING								
GRADE A	1.1808	1.1137	1.1676	1.2368	1.3111	1.2757	1.2485	1.2673
DRY WHEY - DAILY TRADING								
EXTRA GRADE	0.5128	0.5426	0.6027	0.6605	0.6395	0.5976	0.5263	0.5160
DAIRY MARKET NEWS ²								
CHEESE								
WISCONSIN								
PROCESS AMERICAN 5 POUND LOAF	1.7983	1.7026	1.7337	1.8881	2.0081	1.8531	1.7665	1.6782
BRICK AND/OR MUENSTER 5 POUNDS	2.3280	2.1549	2.2896	2.3598	2.3225	2.0819	2.1909	2.2768
CHEDDAR 40 POUND BLOCK	2.0380	1.8649	1.9996	2.0698	2.0325	1.7919	1.9009	1.9868
MONTEREY JACK 10 POUNDS	2.1930	2.0199	2.1546	2.2248	2.1875	1.9469	2.0559	2.1418
BLUE 5 POUNDS	2.9180	2.7458	2.8808	2.9510	2.9138	2.6732	2.7822	2.8681
MOZZARELLA 5-6 POUNDS	2.3880	2.2149	2.3496	2.4198	2.3825	2.1419	2.2509	2.3368
SWISS 6-9 POUND CUTS	3.4463	3.5881	2.9755	2.8231	2.8019	2.8306	2.9956	3.1252
NORTHEAST								
CHEDDAR 40 POUND BLOCK	2.3443	2.1711	2.3058	2.3760	2.3388	2.0982	2.2072	2.2931
PROCESS AMERICAN 5 POUND SLICED	1.8733	1.7776	1.8087	1.9631	2.0831	1.9281	1.8415	1.7532
MUENSTER	2.3630	2.1899	2.3246	2.3948	2.3575	2.1169	2.2259	2.3118
SWISS 10-14 POUND CUTS	4.0338	4.1756	3.5630	3.4106	3.3894	3.4181	4.4922	4.7127
WEST								
PROCESS AMERICAN 5 POUND LOAF	1.7633	1.6676	1.6987	1.8531	1.9731	1.8181	1.7315	1.6432
CHEDDAR 40 POUND BLOCK	2.0730	1.8999	2.0346	2.1048	2.0675	1.8269	1.9359	2.0218
CHEDDAR 10 POUND CUTS	2.1755	2.0024	2.1371	2.2073	2.1700	1.9294	2.0384	2.1243
MONTEREY JACK 10 POUNDS	2.2005	2.0274	2.1621	2.2323	2.1950	1.9541	2.0632	2.1493
SWISS 6-9 POUND CUTS	3.8950	4.0368	3.4242	3.2718	3.2506	3.2793	3.4443	3.5740
FLUID PRODUCTS								
CLASS II CREAM								
NORTHEASTERN - F.O.B.	1.5974	1.5804	2.0956	2.4343	2.4388	2.3914	2.2454	2.2163
MIDWESTERN - F.O.B.	1.6620	1.6328	2.0759	2.3695	2.4217	2.3705	2.2554	2.2193
CONDENSED SKIM - NORTHEASTERN - F.O.B.								
CLASS II	0.5263	0.5000	0.5663	0.9420	0.9750	0.8761	0.9045	0.9795
CLASS III	0.6447	0.6250	0.6848	1.0057	1.0250	0.9114	0.9182	0.9466

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

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

2021 U.S. MONTHLY PRICE AVERAGES (US \$/LB)								
AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
DAIRY MARKET NEWS, CONTINUED ²								
DRY PRODUCTS								
NONFAT DRY MILK								
EASTERN AND CENTRAL - LOW/MEDIUM HEAT	1.1674	1.1145	1.1680	1.2056	1.3163	1.2873	1.2513	1.2514
--MOSTLY	1.1674	1.1359	1.1568	1.2082	1.3200	1.3006	1.2465	1.2478
EASTERN AND CENTRAL - HIGH HEAT	1.2650	1.2326	1.3093	1.3277	1.4431	1.4295	1.3516	1.3805
WESTERN - LOW/MEDIUM HEAT	1.1701	1.1189	1.1564	1.2067	1.3197	1.2877	1.2506	1.2599
--MOSTLY	1.1632	1.1389	1.1572	1.2010	1.3206	1.2869	1.2395	1.2523
WESTERN - HIGH HEAT	1.2891	1.2900	1.3262	1.3496	1.4894	1.4426	1.4047	1.3991
DRY WHEY								
CENTRAL	0.4788	0.5167	0.5782	0.6200	0.6275	0.6047	0.5559	0.4995
--MOSTLY	0.4798	0.5128	0.5827	0.6209	0.6438	0.6144	0.5501	0.5015
WESTERN	0.4871	0.5222	0.5714	0.6407	0.6431	0.6346	0.5858	0.5515
--MOSTLY	0.4816	0.5199	0.5755	0.6341	0.6447	0.6261	0.5879	0.5542
NORTHEASTERN - EXTRA AND GRADE A	0.4680	0.5160	0.5640	0.6228	0.6356	0.6193	0.5835	0.5544
WHEY PROTEIN CONCENTRATE 34%								
CENTRAL AND WESTERN	1.0046	1.0593	1.0905	1.1525	1.1750	1.1934	1.1918	1.1852
--MOSTLY	0.9693	1.0134	1.0487	1.0977	1.1328	1.1513	1.1551	1.1548
ANIMAL FEED								
CENTRAL - MILK REPLACER	0.3784	0.3913	0.4752	0.5469	0.5613	0.5255	0.4719	0.4168
DRY BUTTERMILK								
EASTERN AND CENTRAL	1.0697	1.0768	1.1113	1.1348	1.2056	1.2473	1.2503	1.2379
WESTERN	1.0600	1.0874	1.0622	1.1145	1.2013	1.2234	1.2149	1.2213
--MOSTLY	1.0589	1.0787	1.0889	1.1195	1.1963	1.2236	1.2155	1.2167
DRY WHOLE MILK								
NATIONAL	1.5724	1.6447	1.6883	1.7350	1.7797	1.8056	1.8136	1.8225
LACTOSE								
CENTRAL AND WESTERN	0.4300	0.4313	0.4435	0.4852	0.4663	0.4664	0.4682	0.4591
--MOSTLY	0.4089	0.4145	0.4309	0.4495	0.4500	0.4518	0.4584	0.4534
CASEIN								
RENNET	3.5163	3.6486	3.6935	3.7227	3.7963	4.5402	4.8143	4.8341
ACID	3.6449	3.8533	4.1902	4.2386	4.3350	4.6277	4.7014	4.7773

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

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

AREA and PRODUCT	: JAN	: FEB	: MAR	: APR	: MAY	: JUN	: JUL	: AUG
DAIRY MARKET NEWS ³								
BUTTER (82% BUTTERFAT)								
-- OCEANIA	4720	5138	5679	5753	5088	4673	4507	4682
-- WESTERN EUROPE	4130	4381	4796	4875	5039	5073	4677	4692
BUTTEROIL (99% BUTTERFAT)								
-- WESTERN EUROPE	4861	4997	5301	5549	5739	5856	5845	5624
CHEDDAR CHEESE (39% MAXIMUM MOISTURE)								
-- OCEANIA	4090	4269	4386	4428	4410	4354	4175	4160
SKIM MILK POWDER (1.25% BUTTERFAT)								
-- OCEANIA	3215	3238	3388	3418	3507	3464	3174	3063
-- SOUTH AMERICA	3217	3297	3311	3334	3336	3239	3037	2936
-- WESTERN EUROPE	2786	2888	2950	3058	3166	3163	2985	2960
WHEY POWDER (NONHYGROSCOPIC)								
-- WESTERN EUROPE	1052	1141	1213	1266	1320	1312	1218	1198
WHOLE MILK POWDER (26% BUTTERFAT)								
-- OCEANIA	3357	3653	4097	4086	4146	4053	3875	3644
-- SOUTH AMERICA	3414	3591	3770	3874	3900	3820	3605	3453
-- WESTERN EUROPE	3432	3572	3782	3882	3951	3926	3780	3745

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

July Agricultural Prices Highlights

The All Milk price received by farmers was \$17.90 in July, down \$2.70 from July 2020. Milk Cows price was \$1,380 in July, up \$70.00 from July 2020. Alfalfa hay price was \$201.00 in July, up \$29.00 from July 2020. Corn price was \$6.12 in July, up \$2.91 from July 2020. Soybean price was \$14.10 in July, up \$5.60 from July 2020. The milk-feed price ratio was 1.55 in July, down 1.17 from July 2020.

The index of prices received by farmers for dairy products during the month of July 2021 was down 2.4 to 89.1. Compared to July 2020, the index was down 13.4 points (13.1 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in July 2021 was up 0.9 to 116. Compared with July 2020, the index was up 7.6 points (7.0 percent).

Selected Milk Prices, Milk Cows, and Feed Prices, Selected States and U.S., July 2021 with Comparisons

State	All-Milk price ^{1,2}		Milk cows ³		Alfalfa hay, baled		Corn for Grain		Soybeans	
	Jul		Jul		Jul		Jul		Jul	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
	<i>(dollars per cwt)</i>		<i>(dollars per head)</i>		<i>(dollars per ton)</i>		<i>(dollars per bushel)</i>		<i>(dollars per bushel)</i>	
AZ	16.30	17.60	1,450	1,550	175.00	200.00	---	---	---	---
CA	21.10	18.20	1,350	1,350	185.00	205.00	---	---	---	---
CO	17.00	18.10	1,250	1,450	225.00	225.00	3.46	6.55	---	---
GA	20.30	20.70	1,270	1,250	---	---	---	---	---	---
ID	21.60	17.30	1,350	1,350	145.00	190.00	---	---	---	---
IN	17.90	17.90	1,220	1,310	---	---	3.51	6.22	8.87	14.30
IA	23.20	17.90	1,260	1,310	112.00	169.00	3.14	6.22	8.48	14.40
MI	17.00	17.00	1,320	1,450	180.00	185.00	3.45	6.05	8.65	15.30
MN	24.40	17.80	1,160	1,310	122.00	199.00	3.04	5.69	8.30	14.00
NM	19.20	15.70	1,400	1,550	215.00	240.00	---	---	---	---
NY	18.50	18.10	1,230	1,330	198.00	200.00	---	---	---	---
OH	18.70	18.30	1,170	1,340	195.00	195.00	3.47	6.27	8.95	14.10
PA	19.30	18.50	1,250	1,300	221.00	225.00	3.69	6.57	---	---
TX	21.60	17.40	1,350	1,300	173.00	212.00	3.71	6.46	---	---
WA	18.80	17.90	1,300	1,350	195.00	210.00	---	---	---	---
WI	22.30	17.70	1,350	1,480	163.00	172.00	3.05	6.04	8.36	14.40
U.S.	20.60	17.90	1,310	1,380	172.00	201.00	3.21	6.12	8.50	14.10

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

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

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

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

Milk-Feed Price Ratio, Selected States and U.S., July 2021 with Comparisons

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ¹

State ²	Jul 2020	Jun 2021	Jul 2021
IA	2.85	1.73	1.62
MI	2.57	1.43	1.45
MN	2.67	1.74	1.57
OH	2.24	1.66	1.60
WI	2.60	1.73	1.64
U.S.	2.72	1.60	1.55

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

General Price Measures, U.S., April 2021 with Comparisons

Item	Jul 2020	Jun 2021	Jul 2021
Index Numbers (1990-92=100):			
Prices received by farmers for dairy production	102.5	91.5	89.1
Prices paid by farmers for commodities and services, interest taxes, and wage rates	108.4	115.1	116.0

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices*, August 2021.

Final Class Prices by Order, August 2021

August 2021 Highlights

Class Prices: The following are the August 2021 class prices under the Federal milk order pricing system and changes from the previous month: Class II: \$16.51 (\$-0.32), Class III: \$15.95 (\$-0.54), and Class IV: \$15.92 (\$-0.08).

Component Price Information: Under the Federal milk order pricing system, the butterfat price for August 2021 is \$1.8508 per pound. Thus, the Class II butterfat price is \$1.8578 per pound. The protein and other solids prices for August 2021 are \$2.4582 and \$0.3735 per pound, respectively. These component prices set the Class III skim milk price at \$9.82 per cwt. The August 2021 Class IV skim milk price is \$9.78, which is derived from the nonfat solids price of \$1.0872 per pound.

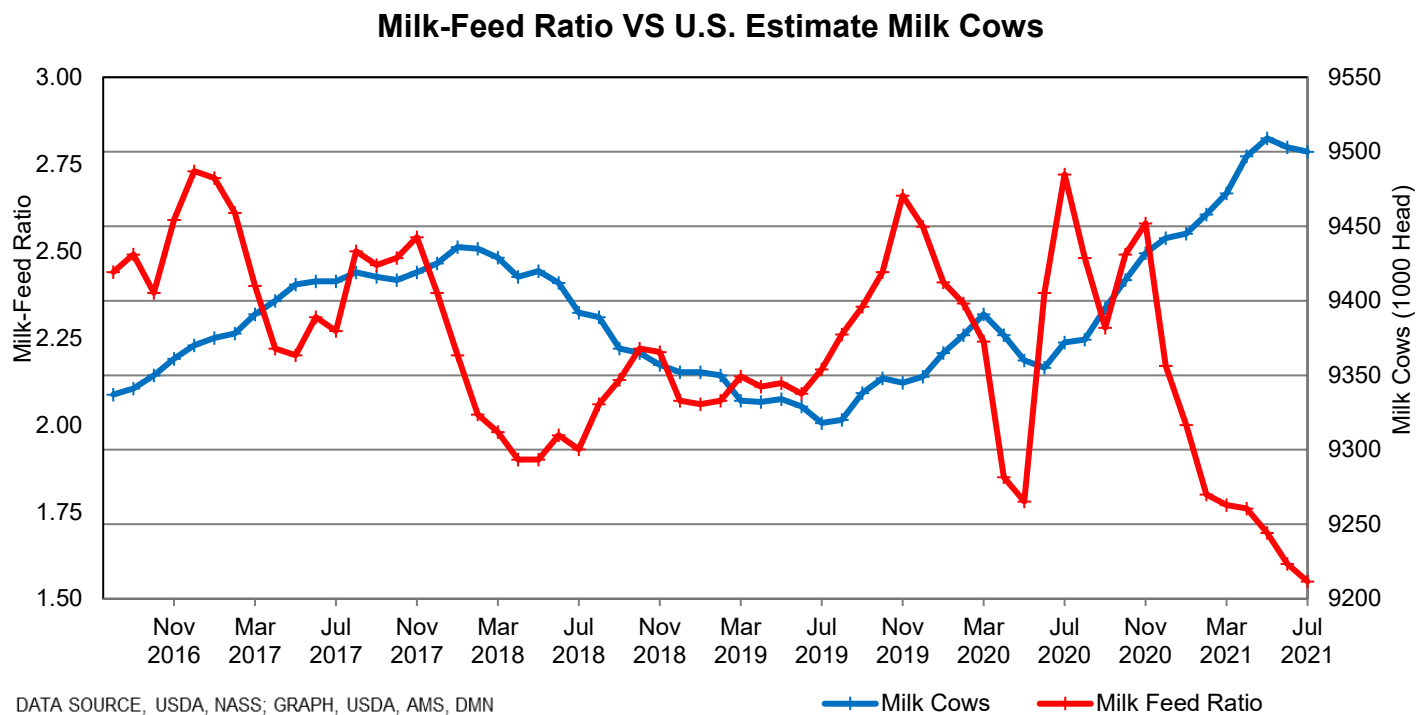
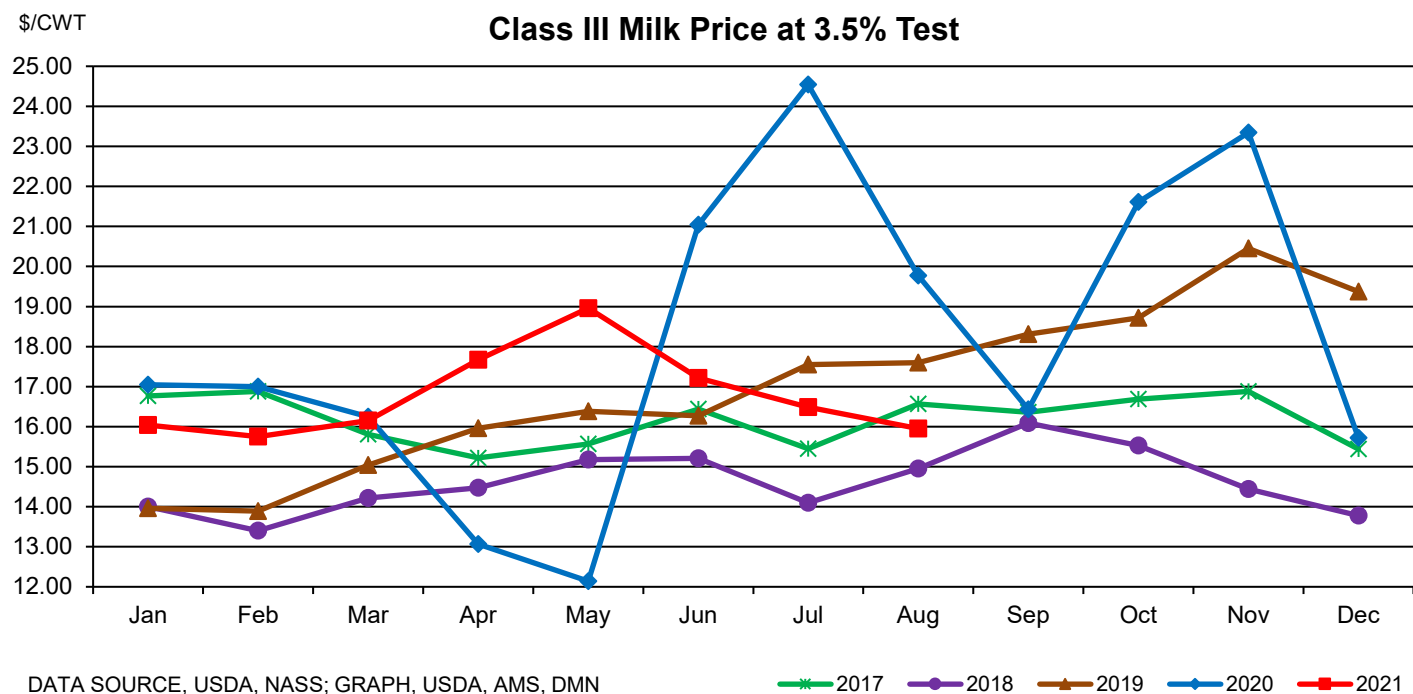
Product Price Averages: The product price averages for August 2021 are: butter \$1.6998, nonfat dry milk \$1.2660, cheese \$1.5680, and dry whey \$0.5617.

Final Class Prices by Order for August 2021

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

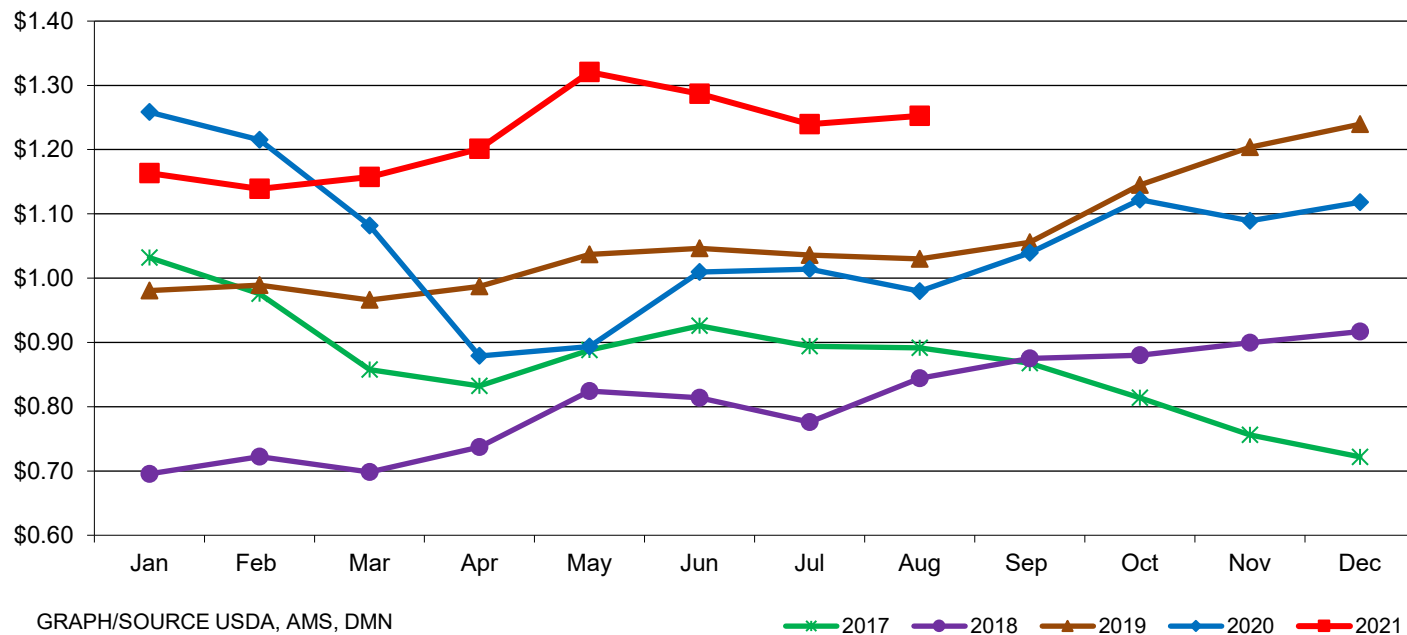
Federal Milk Order Marketing Area ³	Order Number	Aug 2021				Sep 2021
		Class I	Class II	Class III	Class IV	Class I
		<i>(dollars per cwt)</i>				
Northeast (Boston)	001	20.15	16.51	15.95	15.92	19.84
Appalachian (Charlotte)	005	20.30	16.51	15.95	15.92	19.99
Florida (Tampa)	006	22.30	16.51	15.95	15.92	21.99
Southeast (Atlanta)	007	20.70	16.51	15.95	15.92	20.39
Upper Midwest (Chicago)	030	18.70	16.51	15.95	15.92	18.39
Central (Kansas City)	032	18.90	16.51	15.95	15.92	18.59
Mideast (Cleveland)	033	18.90	16.51	15.95	15.92	18.59
California (Los Angeles)	051	19.00	16.51	15.95	15.92	18.69
Pacific Northwest (Seattle)	124	18.80	16.51	15.95	15.92	18.49
Southwest (Dallas)	126	19.90	16.51	15.95	15.92	19.59
Arizona (Phoenix)	131	19.25	16.51	15.95	15.92	18.94
All-Market Average		19.72	16.51	15.95	15.92	19.41

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



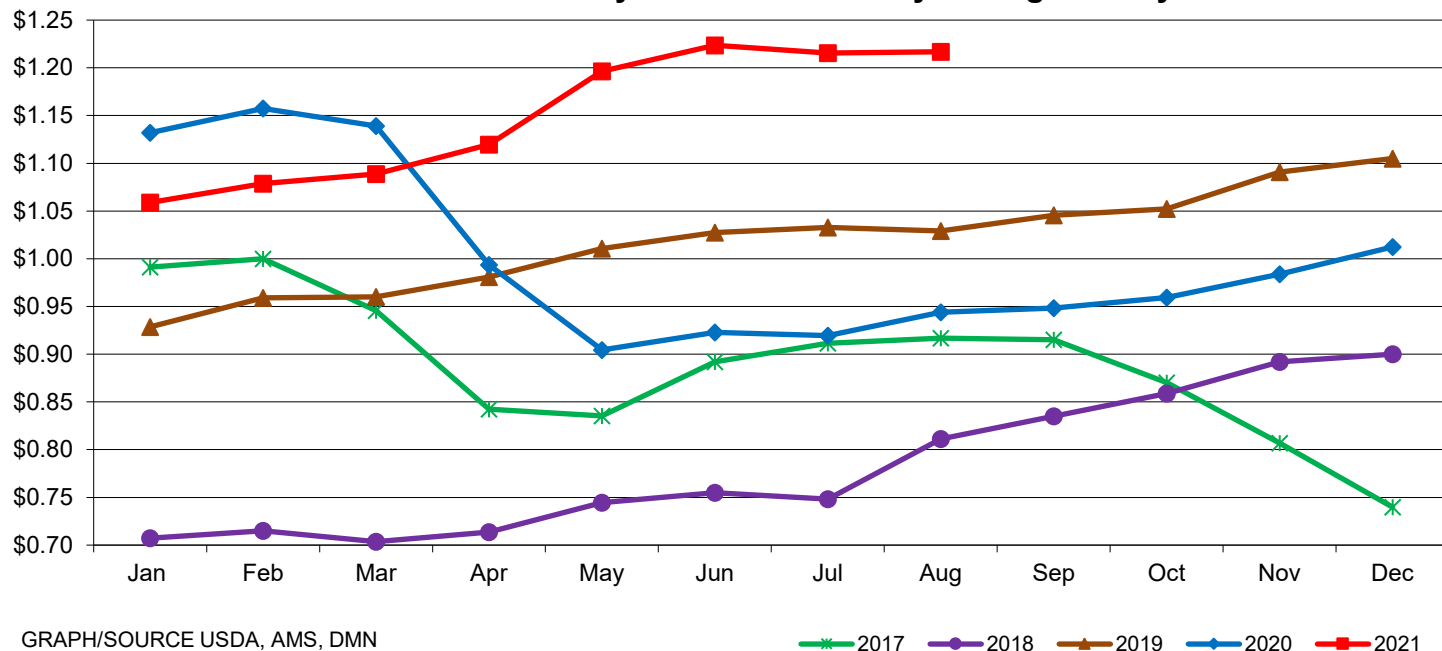
Western Low/Medium Heat Nonfat Dry Milk Monthly Average Mostly Prices

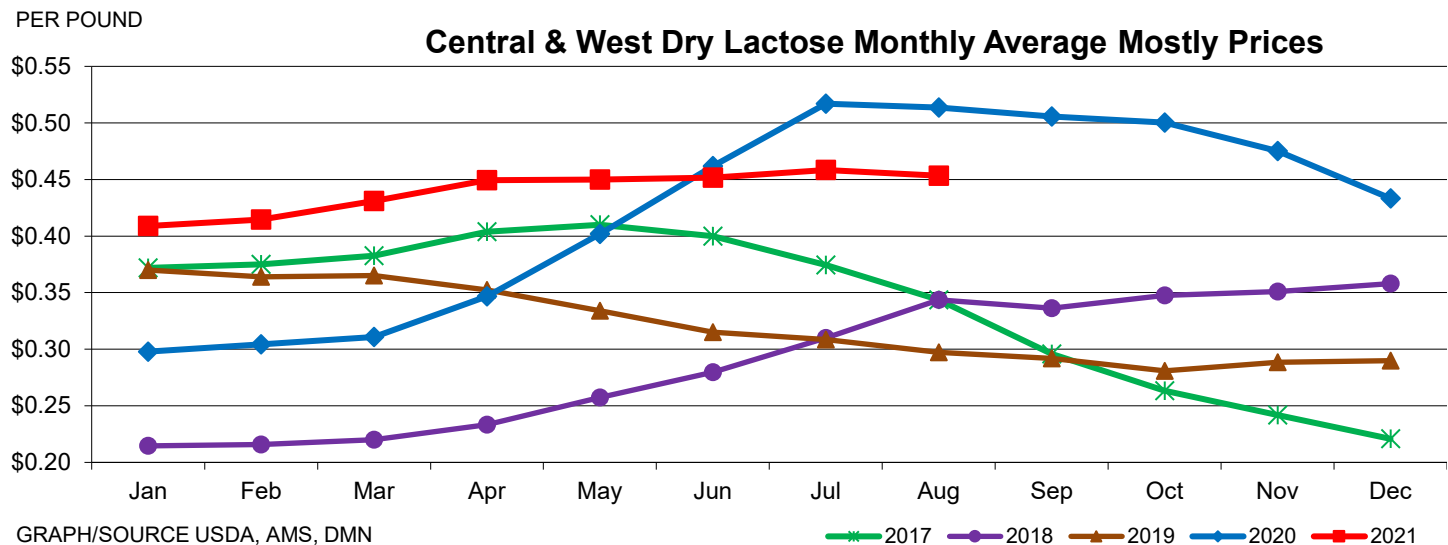
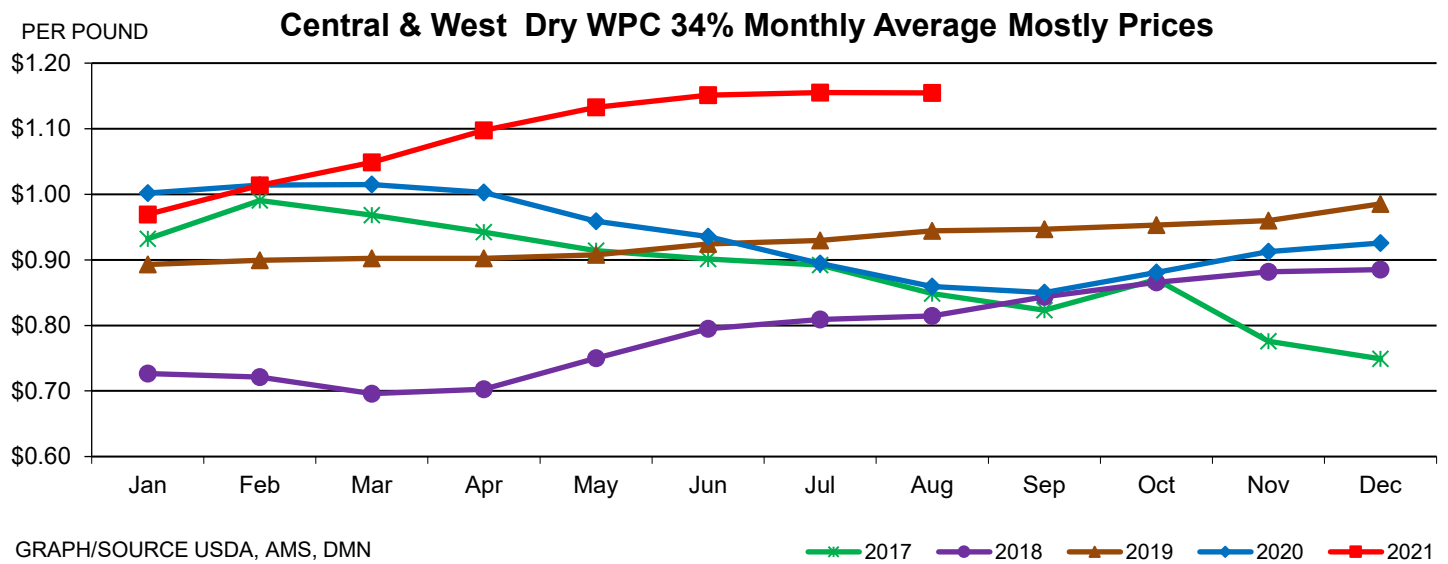
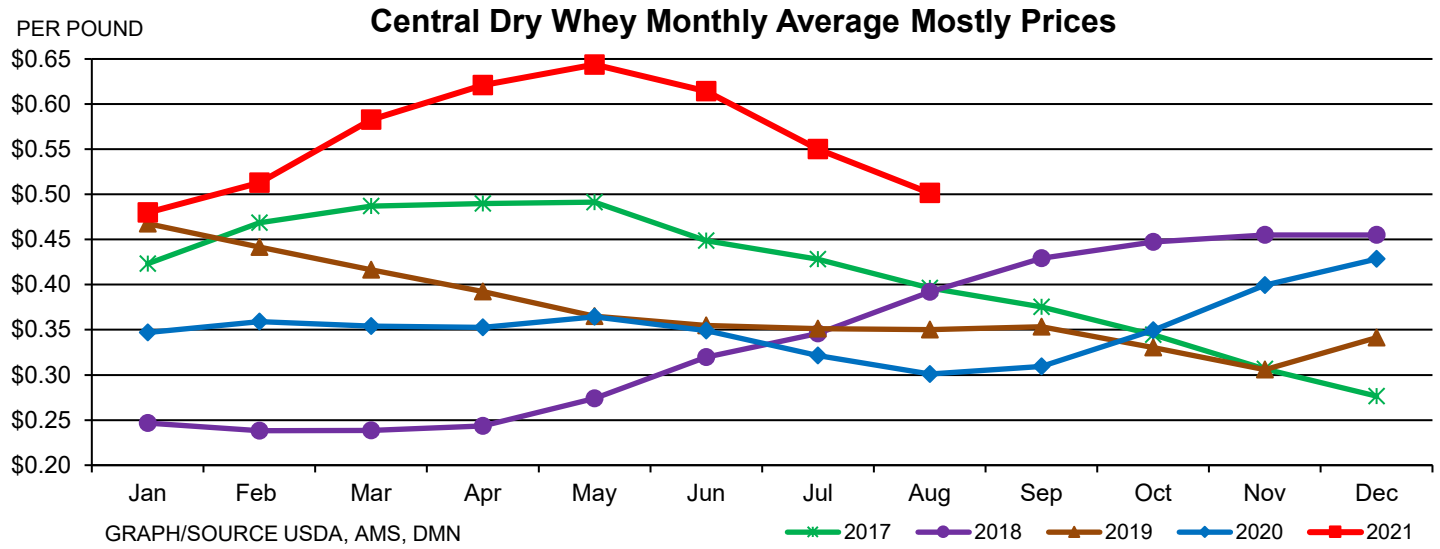
PER POUND



Western Dry Buttermilk Monthly Average Mostly Prices

PER POUND







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Market Information Branch

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