

ORGANIC DAIRY MARKET NEWS
Information gathered January 28 - February 8, 2019

ORGANIC DAIRY FLUID OVERVIEW

U.S. Organic Milk Pay Prices. The February 2019 farm gate organic milk pay price is \$32.42, with a twelve-month average price of \$31.30, based on a 12.9 percent representation of total solids. The organic pay price is the amount accepted by those organic dairy producers who contract with a large national organic cooperative, while based on the geographic area where the organic milk is produced and whether it is organic grassmilk.

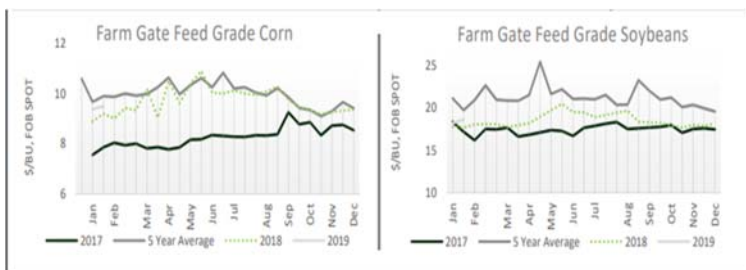
Organic Milk Pay Prices in Europe. According to CLAL, the most recent organic monthly milk pay price information reports advances for November 2018 in Germany, Austria and France when compared to October 2018. The organic milk farm price in Germany averaged 47.85 euros/100lt (\$54.07 USD), 2.90 percent lower than a year ago, but up 0.29 percent from a month earlier. In Bavaria, an important milk producing region of Germany, the average price is 48.10 euros/100lt (\$54.35 USD), 3.82 percent lower than one year earlier, but 0.10 percent above the previous month. In Austria, November 2018, average organic milk farm prices, 44.87 euros/100lt (\$50.70 USD), is reported 8.52 percent lower than a year ago, but up 1.49 percent from October 2018. France's average organic milk farm price for November 2018, 48.29 euros/100lt (\$54.57 USD), is 0.83 percent higher than November 2017, and 1.29 percent more than October 2018.

Cambria Friesland Dutch Organic Milk Pay Price. In the Netherlands, a large processor of organic milk announced the guaranteed price for organic milk is unchanged from last month. The February 2019 price, 48.00 euros/100kg, (currently \$54.49 USD), is for organic milk with a fat content of 4.41 percent, a protein content of 3.47 percent, and a lactose content of 4.51 percent from a producer supplying an average of 600,000 kilograms of organic milk annually.

U.S. Organic Dairy Fluid Market. There are some reports the organic fluid market is growing somewhat at a slow pace. A couple items interfering with the market are other bottled beverage products. Some organic milk products have seen slower growth due to a recent movement of consuming less dairy. However, the worldwide organic dairy market is increasing. Also, the United States is the biggest market for organic cheese.

ORGANIC GRAIN FEEDSTUFF OVERVIEW

Organic Grain and Feed Market Trend. Organic feed grade corn and soybean demand remains stable. Trading activity is moderate to increased, as prices for feed grade corn and soybeans shifted higher compared to the previous trading period. At this time, sales are slower for other organic grains, as most trades were contracted in early 2018.

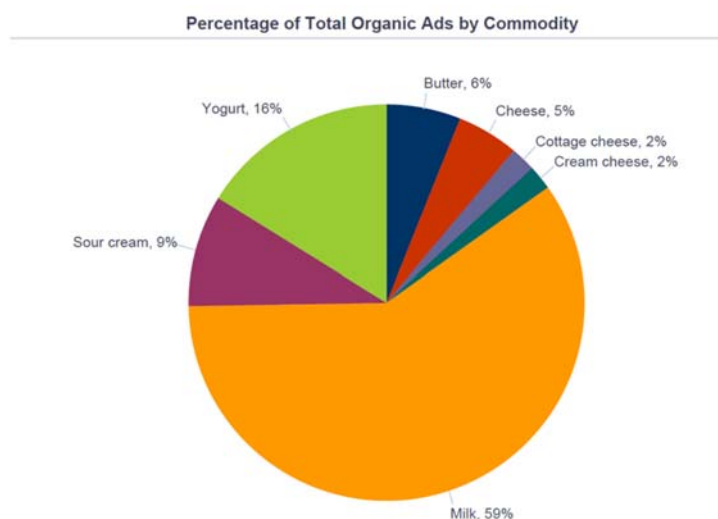


Organic Grain				
Commodity	Specifications	Units	Price Range	Average Price
Yellow Corn	Feed Grade #2	\$/bushel	8.70 - 10.25	9.49
	Food Grade #2	\$/bushel	NA - NA	NA
Yellow Soybeans	Feed Grade #1	\$/bushel	17.75 - 19.00	18.20
	Food Grade #1	\$/bushel	NA - NA	NA

ORGANIC DAIRY RETAIL OVERVIEW

In the first week of February, total organic retail advertisements increased 32 percent. Organic yogurt, 32 oz packages posted the largest percentage change in ads, 214 percent. The Northeast region has the largest percentage change for promotions this survey period at 215 percent. For organic milk, half gallon packages posted the biggest number of ads this week. The current retail milk price spread between organic and conventional half gallon milk is an organic premium of \$2.44. The price spread shifted up \$1.27 compared to the prior retail survey.

Organic retail outlets displayed ads for 7 commodities this week. Organic milk, as a percentage of the overall ads of organic dairy products, reported 59 percent, followed by organic yogurt at 16 percent. Organic cottage and cream cheese published the lowest percentages of total ads, both representing 2 percent this week. The pie chart below displays percentages of all organic dairy commodities detailed in the ad survey.



Data source: USDA Dairy Market News

Complete results of this bi-weekly survey providing additional graphs, tables, can be accessed at: <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>. Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from February 8-14, 2019. Retail survey ads reflect "advertised specials" and not the range of non-advertised supermarket cooler prices.

Product pricing information of selected organic dairy commodities, from the current weekly retail survey, is presented in the following table:

NATIONAL RETAIL ORGANIC DAIRY WEIGHTED AVERAGE ADVERTISED PRICE (Dollars)

Commodity	This Week	Last Week	Last Year
Butter	5.18	n.a.	5.22
Milk			
Half Gal.	3.98	3.63	3.63
Gal.	5.62	6.01	7.13
8 oz.	n.a.	0.92	n.a.
Yogurt			
4-6 oz. Greek	n.a.	n.a.	1.00
32 oz. Greek	n.a.	3.00	n.a.
4-6 oz. Yogurt	1.11	n.a.	0.90
32 oz. Yogurt	3.61	3.50	3.34

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DIRECT TO CONSUMER ORGANIC DAIRY PRODUCTS PRICES

The following tables identify U.S. price range results from a Dairy Market News national survey of publicly available prices of organic dairy products, available from farmstead outlets and online. There may be prices offered outside of the price range which were not identified by the survey. These are cows' milk products.

BUTTER

<u>Commodity</u>	<u>Type</u>	<u>Pack Size</u>	<u>Organic Price Range \$</u>
Organic Butter		1 lb	9.50 - 13.45
Organic Butter		8 oz	4.75 - 10.00

CHEESE

<u>Commodity</u>	<u>Type</u>	<u>Pack Size</u>	<u>Organic Price Range \$</u>
Organic Cheese	Cheddar - 10 year	8 oz	11.00 -
Organic Cheese	Cheddar - 2-4 year	8 oz	5.73 - 6.93
Organic Cheese	Cheddar - 5-9 year	8 oz	8.50 -
Organic Cheese	Cheddar - Medium	8 oz	4.52 - 8.00
Organic Cheese	Cheddar - Mild	8 oz	4.14 - 8.50
Organic Cheese	Cheddar - Sharp	8 oz	4.95 - 6.00
Organic Cheese	Colby	8 oz	5.25 - 8.00
Organic Cheese	Farmers	8 oz	4.00 - 6.00
Organic Cheese	Gouda	8 oz	12.00 -
Organic Cheese	Monterey Jack	8 oz	5.25 - 8.00
Organic Cheese	Mozzarella	8 oz	5.50 - 12.50
Organic Cheese	Muenster	8 oz	4.50 -
Organic Cheese	Pepper Jack	8 oz	12.50 -
Organic Cheese	Curds	Per Lb	6.80 - 12.00

Information for the period January 28, 2019 - February 8, 2019, issued monthly