

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (10/18)

BUTTER: Grade AA closed at \$2.6600. The weekly average for Grade AA is \$2.6400 (-0.0200).

CHEESE: Barrels closed at \$2.0100 and 40# blocks at \$1.9250. The weekly average for barrels is \$1.9370 (+0.0480) and blocks \$1.9220 (-0.0020).

NONFAT DRY MILK: Grade A closed at \$1.3800. The weekly average for Grade A is \$1.3590 (+0.0050).

DRY WHEY: Extra grade dry whey closed at \$0.6025. The weekly average for dry whey is \$0.5970 (-0.0030).

BUTTER HIGHLIGHTS: In the East region, retail butter demand is steady, while food service demand is lighter. In the Central region, busy retail demand is meeting expectations, and food service demand is comparatively lighter. In the West, butter demand varies from steady to lighter for both sectors. Export demand is stronger. Cream volumes are widely available throughout the country. For the Central region, flat market cream multiples were reported. Butter churning paces are noted as strong or steady across the nation. Bulk butter overages range from 1 to 8 cents above market, across all regions.

CHEESE HIGHLIGHTS: Cheese production remains variable throughout the U.S. Cheese production is noted to be steady in the East. Spot milk loads have become more available than in recent weeks. Demand from both food service and retail customers is steady. Cheesemakers in the Midwest report mixed production schedules and mixed demand. Some contacts say retail orders are strong, while others relay seasonally quiet demand. Spot milk prices range from at Class to \$2.50 above Class. Contacts in the West say cheese production is trending steady to stronger. Some cheesemakers say they are requesting additional spot milk loads from handlers. Mozzarella demand remains strong in the region.

FLUID MILK HIGHLIGHTS: Milk production varies throughout the country. In the Northeast, farm level milk production is seasonally steady. Even with interruptions, steady milk levels are being reported in the Mid-Atlantic and Southeastern states. Cooler temperatures are improving cow comfort in the Central region where farm level milk output is rising slightly. Steady to stronger numbers are being seen in Southwest, Pacific Northwest, and the mountain states. Higher temperatures and issues with herd health are reported as the main contributors to weaker output in California. Class I demand for milk continues to be strong far into the school year. Spot milk prices ranged from Class III to \$2.50 over-Class this week. Class II and III demand is steady, and cheese makers say they are pleased with current milk availability. Demand for cream is weaker, and multiples are moving lower in all regions as abundant spot loads find available end users for processing. Condensed skim milk loads are widely available. Condensed skim milk demand is steady. Cream

multiples are 1.25 – 1.35 in the East, 1.00 – 1.32 in the Midwest, and 1.08 – 1.26 in the West.

DRY PRODUCTS HIGHLIGHTS: Low/medium heat nonfat dry milk (NDM) prices were steady to lower in all regions. Lighter Mexican demand is being reported from Western contacts, while Central/East region contacts suggest rangebound tones. Dry buttermilk prices were unchanged in the Central/East, as production is focused on contractual need. Dry buttermilk prices were mixed in the West, where production is steady. Dry whole milk prices were steady to lower this week following light demand outside of contracts. Dry whey prices were steady to higher nationwide. Dry whey remains in tight supply as processors continue to focus resources on high protein concentrations. Lactose prices moved higher on continued strengthening carbohydrate markets. Whey protein concentrate 34% prices also continued their recent and noticeably bullish run. Rennet and acid casein prices held steady on quiet trading activity outside of contractual exchanges.

ORGANIC DAIRY MARKET NEWS: The USDA's National Organic Standard Board (NOSB) is meeting in Portland Oregon October 20 - 22. The USDA AMS NOP Organic Insider sent out on November 15 discussed the upcoming NOSB meeting and noted the NOP Fall 2024 NOSB update presentation is available in the Organic Integrity Learning Center. The USDA recently announced \$11.04 million in funds have been provided through the DBI to support dairy businesses and producers. The Department of Energy's Argonne National Laboratory recently published a report regarding new technology which can convert dairy wastewater into biofuel and greatly reduce carbon emissions in jets. The number of organic retail dairy ads declined in this week's survey. The most advertised organic dairy commodity was milk, despite appearing in fewer ads than in week 41. Cheese was the 2nd most advertised organic dairy commodity this week, jumping from 4th place last week. Cream cheese and flavored milk were the only organic dairy commodities not present in this week's survey, despite appearing in the week 41 survey.

NATIONAL RETAIL REPORT: Total dairy advertisements decreased for conventional and organic items in the week 42 retail ad survey. The most advertised conventional dairy commodity this week was cheese, despite appearing in fewer ads than in week 41. Meanwhile, the number of organic cheese ads grew from last week. The conventional dairy commodity which had the largest percentage increase of ad appearances from the previous survey was eggnog. Conventional yogurt overtook ice cream as the 2nd most advertised conventional dairy commodity in week 42. Total conventional and organic ice cream ads declined in this week's survey.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR OCTOBER 14 - 18, 2024
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM									
Central Low/Med. Heat	1.3200	1.3800	1.3400	1.3550	Central/East	1.1500	1.2200		
Change	N.C.	-0.0100	N.C.	-0.0050	Change	N.C.	N.C.		
Central High Heat	1.4400	1.5000			West	1.1950	1.3200	1.2500	1.3000
Change	N.C.	-0.0100			Change	-0.0150	N.C.	0.0200	N.C.
West Low/Med. Heat	1.3050	1.3900	1.3200	1.3700	DRY WHEY				
Change	N.C.	-0.0100	-0.0100	-0.0100	Central	0.5300	0.6200	0.5500	0.5800
West High Heat	1.4200	1.4700			Change	0.0100	0.0250	0.0100	0.0050
Change	-0.0050	-0.0050			West	0.5150	0.6200	0.5500	0.6100
DRY WHOLE MILK					Change	0.0050	N.C.	N.C.	0.0100
National	2.2200	2.4200			Northeast	0.5325	0.6050		
Change	N.C.	-0.0300			Change	N.C.	N.C.		
LACTOSE									
					Central/West	0.2900	0.4500	0.3300	0.3875
					Change	N.C.	0.0250	0.0100	0.0075
					WPC 34%				
					Central/West	1.1500	1.3500	1.1800	1.2400
					Change	0.0400	0.0400	0.0500	0.0100
CASEIN									
					Remnet	3.5000	3.7500		
					Change	N.C.	N.C.		
					Acid	3.7000	4.1000		
					Change	N.C.	N.C.		
ANIMAL FEED WHEY									
					Central	0.3800	0.4000		
					Change	N.C.	N.C.		