ORGANIC DAIRY MARKET NEWS

Information gathered March 25 - April 5, 2024

ORGANIC DAIRY MARKET OVERVIEW

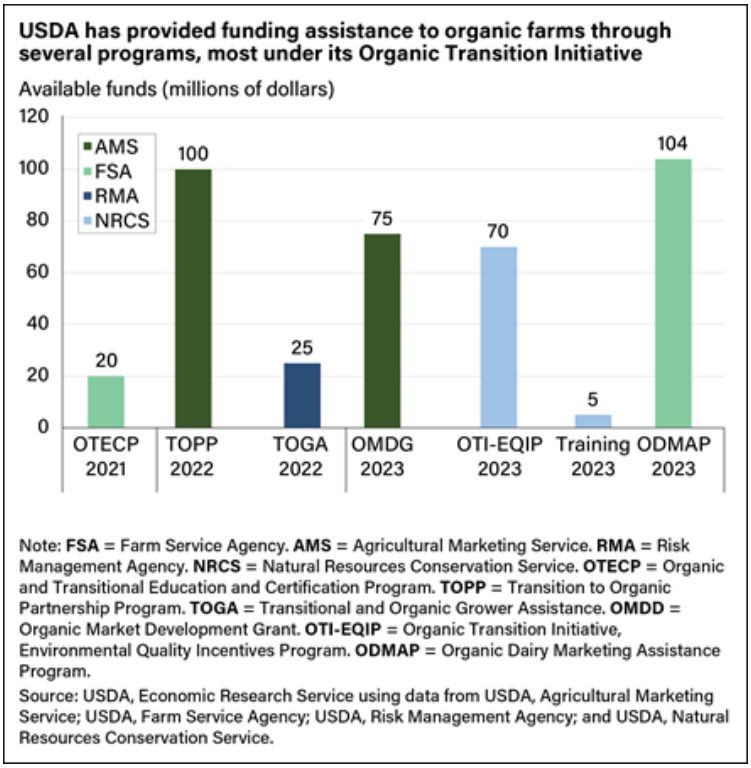
The USDA AMS National Organic Program (NOP) provides an email notification service to send out updates to the organic community. The Organic Insider released on April 1 included a link to and information about the recently released 2024 NOP Program Handbook Update. Updates were made to the handbook following the implementation of the Strengthening Organic Enforcement rule. Additional changes were made to the handbook as educational resources were moved to the NOP website and the Organic Integrity Learning Center. To read more from the Organic Insider, view archives, or register to receive updates by email visit: https:// www.ams.usda.gov/reports/organic-insider

The Transition to Organic Partnership Program (TOPP) was formed through cooperative agreements between the USDA and non-profit organizations to provide technical assistance and support for transitioning and existing organic farmers. A calendar of events held by partner organizations can be found at the following link: https://www.organictransition.org/events/

A selection of upcoming events are included below:
MSU's Is Organic Right for My Farm?, Virtual Webinar - April 5
Central Oregon Ag Show, Redmond, Or - April 5-7
FARRMS Diving Deeper Into Organic, Virtual Meeting - April 11
MOA's Organic in the Ozarks, Mt. Vernon, MO - April 12

The USDA - Economic Research Service (ERS) recently released an article discussing programs created by the USDA from 2021-2023 in response to disruptions to organic markets contributing to a recent decrease in organic certified organic land. Programs discussed in this article include the Environmental Quality Incentives Program (EQIP) Organic Initiative, the Farm Service Agency's Organic and Transitional Education and Certification Program (OTECP) and Organic Dairy Marketing Assistance Program (ODMAP), the Risk Management Agency's Transitional and Organic Grower Assistance (TOGA) program, the Agricultural Marketing Service's Organic Market Development Grant (OMDG) and Transition to Organic Partnership Program (TOPP), and two Natural Resources Conservation Service Organic Transition initiative investments which included hiring exports and providing training for field staff. The full article can be read at the following link: https://www.ers.usda.gov/amber-waves/2024/march/usda-created-organic-assistance-programs-from-2021-23-in-response-to-disruptions-decreased-organic-transitioning-acreage/

The following graph is included in the aforementioned article:



ORGANIC DAIRY FLUID OVERVIEW

The Foreign Agricultural Service (FAS) releases monthly export data which includes export volumes and values for organic milk categorized as HS-10 code 0401201000. Recently released data for February 2024 indicated organic milk exports were 116,554 liters, up 83.9 percent from the month prior, and up 102.5 percent from 2023. Exports of organic milk from the start of the year through February are up 22.1 percent, compared to the same time period one year ago.

The January 2024 European organic milk average pay price increased in Germany and Bavaria compared to December 2023 average pay prices, but decreased in Austria and France.

Additional information is shown in the table below.

Organic Milk Pay Prices in Europe

December 2023

	Euros/100KG	*(USD/100KG)	% Change October 2023	% Change November 2022
Austria (1)	52.61	$57.60	- 0.79	- 16.78
Austria (2)	58.56	$64.12	- 1.21	- 14.71
Germany	55.84	$61.14	+ 0.32	- 11.08
Bavaria	55.78	$61.07	+ 0.38	- 11.16
France	48.83	$55.12	- 2.07	- 0.24

*Results are based on the exchange rate on January 15, 2024, exchange rate of 1 Euro/1.09492 $USD.

Austria (1) prices exclude "haymilk," Austria (2) prices include "haymilk" which is produced by cows mainly fed grasses and dry hay, rather than silage.

A large Dutch organic milk processor announced that the guaranteed price for organic farm milk in April 2024 is 56.50 EUR/100kg ($61.05 USD), down 1.50 euros from March 2024. The processor stated they anticipate organic farm milk reference prices to decline. The guaranteed organic price applies to 100kg of milk with standard contents protein (3.58%) and fat (4.45%). The amounts apply to an average supply of 550,000 kg of milk annually.

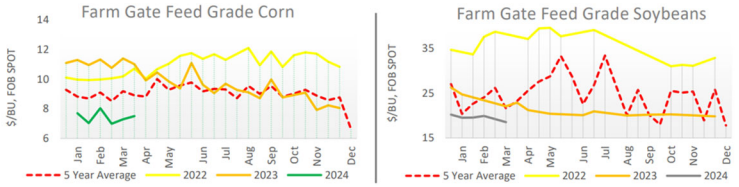
A cooperative announced a 1.5 eurocent per kilogram increase for their April organic milk pay price in the UK, bringing the price to 48.64 pounds ($61.28 USD) per liter. In announcing this increase the cooperative stated strengthening demand for organic milk is contributing to higher milk pay prices.

In a recent report from a Pacific Northwest livestock auction, organic cull cows traded higher than conventional cull cows. The average price for the top 10 organic cows auctioned was $136.95 per hundredweight, compared to an average price of $125.60 per hundredweight for auctioned top 10 conventional cows. The average weight for the top 10 conventional cows was 1527.0 pounds compared to 1309.0 pounds for the top 10 organic cows.

The Vermont Monthly Dairy Organic Report is now available. Click here for details. https://www.ams.usda.gov/mnreports/vt_da001.pdf

NATIONAL ORGANIC GRAIN FEEDSTUFF

Compared to last period, trade activity and demand was moderate. Organic feed corn sold 34 cents lower delivered elevator, down $4.64 compared to the same period last year with forward contracts delivering Q1 2024 through Q4 2024. Organic feed soybeans sold $1.03 higher delivered elevator, down $4.19 compared to the same period last year with forward contracts delivering Q1 2024 through Q4 2024. Trade was too limited on all other organic grains to report. The next available report will be Wednesday, April 17, 2024.



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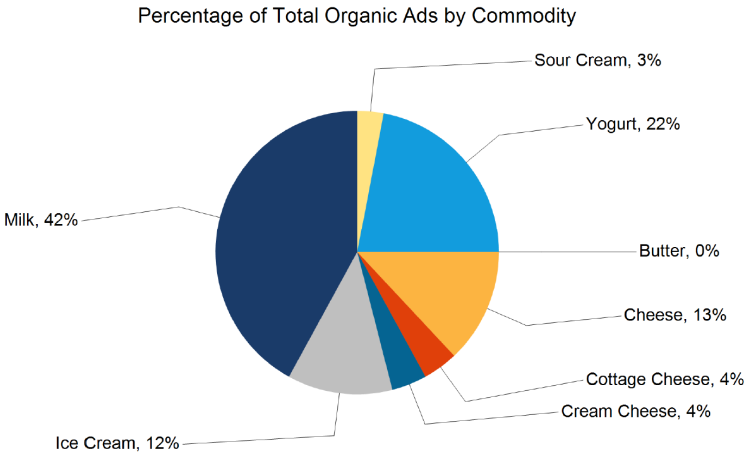
ORGANIC DAIRY RETAIL OVERVIEW

During the last two retail ad surveys, the number or organic dairy ads fluctuated. Total organic dairy ads grew from week 12 to week 13 by 118 percent, but the number of organic dairy ads declined by 64 percent in week 14. The most advertised organic dairy commodity in week 14 was milk, despite a 76 percent decline in ads. Cheese ads grew more than any other organic dairy product this week, increasing 171 percent, and was the third most advertised organic dairy product.



Half gallons of milk were the most advertise package size of organic milk during the week 14 survey, while appearing in 43 percent fewer ads than in week 13. The weighted average advertised price for half gallons of milk increased by 22 cents to $5.00 this week. Conventional half gallons of milk had a weighted average advertised price of $2.05. The organic premium for half gallons of milk was $2.95.

Organic yogurt ads declined by 56 percent during the week 14 retail ad survey. The second most advertised organic dairy commodity in the week 14 retail ad survey was organic yogurt, and regular organic yogurt in 32-ounce containers was the most advertised organic yogurt item this week. Total ads for regular organic yogurt in 32-ounce containers fell 73 percent from last week, while the weighted average advertised price increased 38 cents to $4.82. Same-sized packages of conventional regular yogurt had a weighted average advertised price of $2.66, making an organic premium for this item of $2.16.

During the week 13 retail ad survey, the only organic cheese item present in was packages of 6-8-ounce blocks. This week, organic packages of 6-8-ounce sliced and 6-8-ounce shred style cheese appeared in the survey. Packages of 6-8 -ounce shred style cheese were the most advertised organic cheese item this week and had a weighted average advertised price of $4.16. Conventional 6-8-ounce shred style cheese had a weighted average advertised price of $2.18. The organic premium for this item was $1.98 during week 14.

NATIONAL RETAIL ORGANIC DAIRY WEIGHTED AVERAGE ADVERTISED PRICES

COMMODITY	This Week	Last Week	Last Year
Butter			
8 oz.	n.a.	$4.99	n.a.
1 lb.	$ 9.50	$6.98	7.75
Cheese			
6-8 oz. Block	$2.99	$7.63	$6.49
6-8 oz. Shred	$4.16	n.a.	$4.28
6-8 oz. Sliced	$3.29	n.a.	n.a.
Cottage Cheese			
16 oz.	$6.99	$5.47	$5.16
Cream Cheese			
8 oz.	$2.79	$4.11	$3.90
Flavored Milk			
Half Gallon	n.a.	n.a.	$5.55
Ice Cream			
14-16 oz.	$5.17	$6.49	n.a.
48-64 oz.	$8.99	$8.35	n.a.
Milk			
Half Gal	$5.00	$4.78	$4.21
Gallon	$6.82	$6.91	$6.03
Sour Cream			
16 oz.	$4.51	$3.73	$4.04
Yogurt			
4-6 oz. Greek	$1.33	n.a.	n.a.
4-6 oz. Yogurt	$2.28	$1.61	$1.39
32 oz. Greek	$7.18	$7.02	n.a.
32 oz. Yogurt	$4.82	$4.44	$4.49