

**ORGANIC DAIRY MARKET NEWS**  
Information gathered July 30 - August 10, 2018

**ORGANIC DAIRY FLUID OVERVIEW**

**USDA Organic Seal Integrity.** On August 1, 2018, the U.S. Senate passed the annual agriculture funding bill that is expected to support the integrity of the USDA's organic seal. The increase in funding acknowledges the need to improve enforcement procedures to safeguard the integrity of the organic label. The bill increased funding for the National Organic Program from \$12 million to \$15 million annually. The organic dairy and eggs sector at present identifies as the second largest category for U.S. organic sales with \$6.5 billion in sales, 14.3 percent of total organic sales.

**U.S. Organic Milk Pay Price.** A national organic dairy cooperator's August 2018 pay price, per cwt., is \$29.14. The current organic milk pay price received by organic dairy producers are based on the geographic area where the milk is produced.

**Dutch Organic Milk Pay Price.** In the Netherlands, the August organic milk pay price is 35.75 euros/100kg, (currently \$41.25 USD), with a fat content of 4.41 percent, a protein content of 3.47 percent, and a lactose content of 4.51 percent. The amounts are applicable to an average supply of 800,000 kilograms of organic milk annually by a major producer.

**ORGANIC DAIRY RETAIL OVERVIEW**

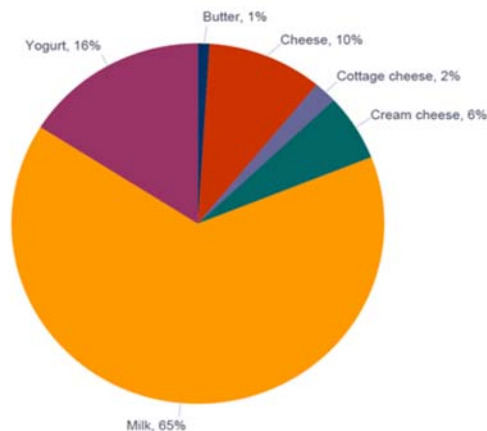
The volume of total organic retail advertisements saw a considerable dip this week, dropping 55 percent, when compared to the previous organic report. Organic milk ads as a percentage of total organic dairy saw a notable swing moving upwards to 65 percent. In general, organic milk ads declined 45 percent, with half gallon packaging falling 69 percent over last week. The organic milk half gallon prices premium this period is \$1.44.

Noticeably, the high organic butter and yogurt ad numbers, over the last two survey periods, have declined to a lesser number of ads. Organic butter ads plunged 96 percent as prices increased 28 percent, \$1.41 above the previous organic survey. Advertisements for 32 ounce organic Greek yogurt recorded the largest shortfall in yogurt ads, 90 percent, while prices rose 30 percent, \$1.50 above the previous report. Meanwhile, there were not any organic ice cream ads reported at surveyed stores this week.

Organic dairy ads appeared in most of the regions across the country. Regional ad numbers as a percentage of all organic dairy ads declined in the Midwest (-76 percent), Northeast (-1 percent), Southeast (85 percent), South Central (-53 percent), but increased in the Southwest (+4 percent), and Northwest (+74 percent.) No organic ads were reported in Hawaii or Alaska.

The pie chart below displays percentages of all the organic commodities detailed in the survey. Complete results of this bi-weekly survey providing additional graphs, tables, and regional delineation, or can be accessed at: <https://www.ams.usda.gov/mnreports/dybdairyorganic.pdf>

Percentage of Total Organic Ads by Commodity



Advertising information presented is compiled from nearly 23,000 surveyed newspaper supermarket ads. Prices are valid from July 27-Aug 2, 2018. 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
<b>Butter</b>	6.39	4.98	4.82
<b>Milk</b>			
Half Gal.	3.89	3.90	4.29
Gal.	6.85	5.55	4.43
8 oz.	.88	.91	.88
<b>Ice Cream</b>	n.a.	3.41	3.99
<b>Yogurt</b>			
4-6 oz. Greek	1.35	1.33	1.00
32 oz. Greek	6.49	4.99	5.99
4-6 oz. Yogurt	.81	.82	.94
32 oz. Yogurt	n.a.	3.26	3.12

Complete results of the "National Retail Report-Dairy" and "Weekly National Organic Summary" are accessible using the following links:

- 1/ <https://www.ams.usda.gov/mnreports/dybretail.pdf>
- 2/ <https://www.ams.usda.gov/mnreports/lswnos.pdf>

**ORGANIC GRAIN FEEDSTUFF OVERVIEW**

**Organic Grain and Feed Markets.** The demand for old crop feed grade corn is moderate to good on active trading while prices are mostly steady. Forward contract activity was mostly for new crop feed grade corn and food grade HRW wheat. In the food grade HRW wheat category, end users purchasing 7 percent protein paid \$0.88 to \$0.92; for 13.5 percent, \$1.04; for sub 10.5 percent, \$0.81; and for 12-14 percent, \$1.07-\$1.08. Trade activity on all other organic grains is steady.

Additional livestock and grain market news information is available at: [www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews)