

ORGANIC DAIRY MARKET NEWS
Information gathered April 22 - May 3, 2024

ORGANIC DAIRY MARKET OVERVIEW

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 is included below:

- CT NOFA's Energy Efficiency on the Farm, East Haddam, CT - May 05
- Cover Crop and Farming for Conservation Field Day, Carnation, WA - May 11
- CT NOFA's Soul Health Assessment 3 Ways, Naugatuck, CT - May 11
- TOPP's Taking the Worry Out of Inspection, Virtual Workshop - May 14
- Rotational Grazing, Draft Power, and Medicinal Herbs, Marathon, NY - May 14
- Demystifying Organic Certification: Record Keeping, Workshop - May 15
- NOFA-NH's Farmers Organic Roundtable, Virtual Workshop - May 16
- MH CRAFT's Cover Cropping, Poughkeepsie, NY - May 16

The USDA AMS National Organic Program (NOP) provides an email notification service to send out updates to the organic community. The NOP solicits public comments regarding new rules, one part of the May 1 Organic Insider included a training titled Writing an Effective Public Comment. This training was made to aid those who would like to participate in the organic standards process. To read previously released Organic Insiders visit the following link: <https://www.ams.usda.gov/reports/organic-insider>

The National Organic Standards Board (NOSB) is seeking nominations to fill five vacant spots, with terms beginning in January 2025. Board members represent specific sectors of the organic community and serve a 5-year term. Applications are due by June 28, 2024 and can be submitted electronically or by mail post-marked by the due date. More information about the current board openings, duties of board members, or application visit the following link: <https://www.ams.usda.gov/rules-regulations/organic/nosb/nomination-process>

ORGANIC DAIRY FLUID OVERVIEW

Federal Milk Market Order 1, in New England, reports utilization of types of organic milk by pool plants. During March 2024, organic whole milk utilization totaled 19.15 million pounds, down from 19.18 million pounds the previous year. The butterfat content, 3.29 percent, is up from 3.27 a year ago. The utilization of organic reduced fat milk, 15.67 million pounds, decreased from 18.19 million pounds a year ago. The butterfat content, 1.49 percent, is up from 1.42 percent the previous year.

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 March 2024 indicated organic milk exports were 132,223 liters, down 44.0 percent from the month prior, and down 18.9 percent from 2023. Exports of organic milk from the start of the year through March are up 7.3 percent, compared to the same time period one year ago.

The Agricultural Marketing Service (AMS) reported February 2024 estimated fluid product sales. The U.S. sale of total organic milk products was 235 million pounds, up 7.8 percent from the previous year, and up 3.7 percent year-to-date. Organic whole milk sales, 120 million pounds, rose 12.9 percent compared to a year earlier and increased 10.5 percent year-to-date. Reduced fat milk (2%) sales were 76 million pounds, up 8.3 percent from the previous year, and up 1.3 percent year-to-date. Organic flavored whole milk sales, 1 million pounds, decreased 0.8 percent from the previous year, but increased 11.1 percent year-to-date.

The February 2024 European organic milk average pay price increased in Austria, Germany and Bavaria compared to January, but decreased in France. Additional information is shown in the table below.

Organic Milk Pay Prices in Europe
February 2024

	Euros/100KG	*(USD/100KG)	% Change January 2024	% Change February 2024
Austria (1)	53.00	\$56.79	+0.74	-14.14
Austria (2)	58.91	\$63.11	+0.6	-12.69
Germany	55.99	\$59.99	+0.27	-9.25
Bavaria	56.01	\$60.01	+0.41	-9.12
France	48.27	\$51.72	-1.21	-0.31

*Results are based on the exchange rate on January 15, 2024, exchange rate of 1 Euro/1.07149 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 May 2024 is 56.50 EUR/100kg (\$60.86 USD), unchanged from April 2024. The processor stated they anticipate organic farm milk reference prices to stay relatively unchanged from last month. 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 May organic milk pay price in the UK, bringing the price to 49.98 pounds (\$62.83 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, the top 10 organic cull cows traded lower than conventional cull cows, while the overall average for organic cull cow prices traded higher than the overall average for conventional cull cows. The average price for the top 10 organic cows auctioned was \$129.71 per hundredweight, compared to an average price of \$131.71 per hundredweight for auctioned top 10 conventional cows. The average weight for the top 10 conventional cows was 1413.0 pounds compared to 1285.5 pounds for the top 10 organic cows. The overall price for organic cows auctioned was \$121.02 per hundredweight with an average weight of 1238.2 pounds, while the overall price for conventional cows auctioned was \$107.16 per hundredweight and had an average weight of 1290.9 pounds.

Scientists at the at the University of New Hampshire's New Hampshire Agricultural Experiment Station (NHAES) have been examining how an essential oils blend composed of wild carrot and coriander, made to meet USDA organic guidelines, could impact organic dairy cow methane emissions, milk composition, and production. Research began in the spring of 2023 with the addition of the essential oil blend to cows' diets prior to the transition from indoor winter feeding, to pasture feeding. The scientists stated this time was chosen as they hope to determine the optimal time to add the blend to a cow's diet. Researchers say early results showed a 6.5 percent increase in milk production and a 6 percent reduction in methane produced per pound of energy corrected milk.

NATIONAL ORGANIC GRAIN FEEDSTUFF

Compared to last period, trade activity was light to moderate for organic feed corn, trading 9 cents higher FOB. Trade activity and demand was light for organic feed soybeans. There were few reported spot trades of organic feed soybeans, but too few to establish a trend. There were a few forward contracts for organic feed corn, wheat, and soybeans. Most forward contracts were for organic feed corn. Trade was inactive for all other organic grains. The next available report will be Wednesday, May 15, 2024.

ESTIMATED TOTAL U.S. SALES OF ORGANIC FLUID MILK PRODUCTS

February 2024, with comparisons

Product Name	SALES ¹		CHANGE from:	
	February (million pounds)	Y-T-D	Prev Yr. (percent)	Y-T-D
Organic Production Practice				
Whole Milk	120	255	12.9	10.5
Flavored Whole Milk	1	1	- 0.8	11.1
Reduced Fat Milk (2%)	76	157	8.3	1.3
Low Fat Milk (1%)	21	45	- 3.6	- 6.8
Fat-Free Milk (Skim)	11	23	- 10.6	- 11.9
Flavored Fat-Reduced Milk	5	10	- 14.3	- 23.2
Other Fluid Milk Products	1	1	215.2	69.6
Total Fat-Reduced Milk	113	236	2.5	- 1.1
Total Organic Milk Products	235	493	7.8	3.7

1. Data may not add due to rounding

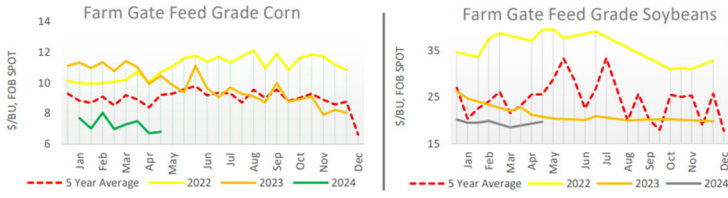
Grower FOB Farm Gate Organic Grain								
Feed Grade	Price Range	Spot Transactions			Forward Contracts		Cash Bids	
		Avg.	Change	Prior Year	Price Range	Delivery Period	Price Range	
Yellow Corn	6.10 - 8.15	6.81	0.09	9.91	6.15 - 7.25	Apr-24 - Dec-24	N/A - N/A	
Soybeans	19.50 - 20.00	19.7	N/A	21.21	18.00 - 18.55	Apr-24 - Nov-24	N/A - N/A	
Wheat	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Oats	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Barley	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Rye	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Sorghum	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	

*All prices in \$/bu

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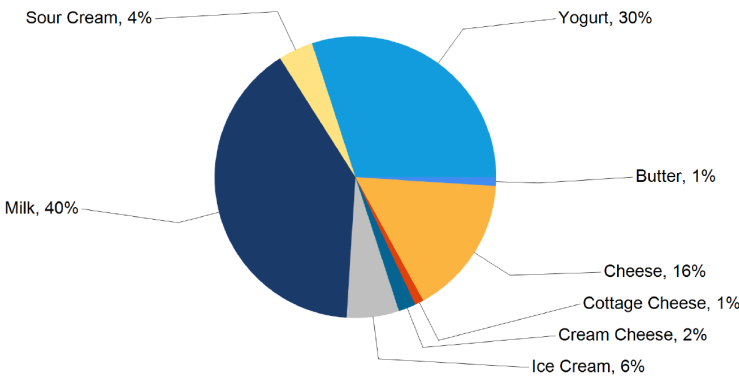
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ORGANIC RETAIL OVERVIEW

Total organic retail dairy ads declined during by 7 percent during the week 17 retail ad survey, then declined by 38 percent during the week 18 survey. The top two most advertised organic dairy commodities, milk and yogurt, were the same during this and last week's survey despite the number of ads declining for both. Cheese, ice cream, and sour cream were the only organic commodities to appear in more ads than last week and were the third through fifth most advertised organic dairy products. Organic flavored milk did not appear in this week's survey, but was present in the week 17 retail survey.

Percentage of Total Organic Ads by Commodity



The total number of organic milk ads declined by 36 percent from last week. Half gallons of milk were the only package size of organic milk present in this week's survey and appeared in 16 percent fewer ads than last week. The weighted average advertised price for half gallons of organic milk during week 18 was \$3.93, down 31 cents from the prior week. Conventional half gallons of milk had a weighted average advertised price of \$2.10, the organic premium for this item was \$1.83.

Every organic yogurt product appearing in last week's retail survey was present in fewer ads this week. This contributed to a 46 percent decline in overall organic yogurt ads during the week 18 retail survey. Organic traditional yogurt in 32-ounce containers appeared in 50 percent fewer advertisements from last week, but was the most advertised yogurt product and had a weighted average advertised price of \$4.40, up 32 cents from last week.

Organic cheese ads increased 501 percent from week 17. Shred style cheese sold in 6-8-ounce packages appeared in more ads than any other organic cheese item this week, after not appearing last week. This item had a weighted average advertised price of \$4.45, while conventional 6-8-ounce shred style cheese had a weighted average advertised price of \$2.47. The organic premium for this item was \$1.98 in week 18.

Total ads for last week's fourth most advertised organic commodity, butter, fell by 90 percent this week. In contrast, ads for this week's fourth most advertised organic commodity, ice cream, grew by 484 percent. The most advertised organic ice cream product this week came in 14-16-ounce packages, though this item was not present in last week's survey. Organic 14-16-ounce ice cream had a weighted average advertised price of \$5.96 in Week 18, while conventional ice cream of the same size's weighted average advertised price was \$3.45. The organic premium for ice cream in 14-16-ounce ice cream this week was \$2.51.

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

**NATIONAL RETAIL ORGANIC DAIRY
WEIGHTED AVERAGE ADVERTISED PRICES**

COMMODITY	This Week	Last Week	Last Year
Butter			
8 oz.	4.49	\$4.79	n.a.
1 lb.	n.a.	\$5.98	6.99
Cheese			
6-8 oz. Block	\$5.79	n.a.	\$3.63
6-8 oz. Shred	\$4.45	n.a.	\$4.77
6-8 oz. Sliced	\$3.88	\$3.39	\$4.99
1 lb. Shred	\$4.00	n.a.	n.a.
Cottage Cheese			
16 oz.	\$5.57	\$4.02	n.a.
Cream Cheese			
8 oz.	\$4.49	\$3.35	\$4.18
Flavored Milk			
Half Gallon	n.a.	\$3.99	n.a.
Ice Cream			
14-16 oz.	\$5.96	n.a.	n.a.
48-64 oz.	\$9.17	\$8.99	n.a.
Milk			
Half Gal	\$3.93	\$4.24	\$4.33
Gallon	n.a.	\$7.00	\$6.33
Sour Cream			
16 oz.	\$4.24	\$3.99	\$3.68
Yogurt			
4-6 oz. Yogurt	n.a.	\$1.35	n.a.
32 oz. Greek	\$6.70	\$6.55	\$5.24
32 oz. Yogurt	\$4.40	\$4.08	n.a.