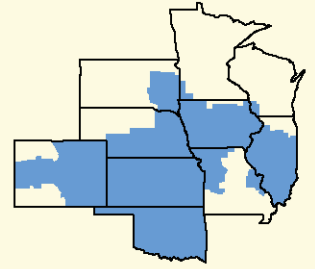


Bulletin

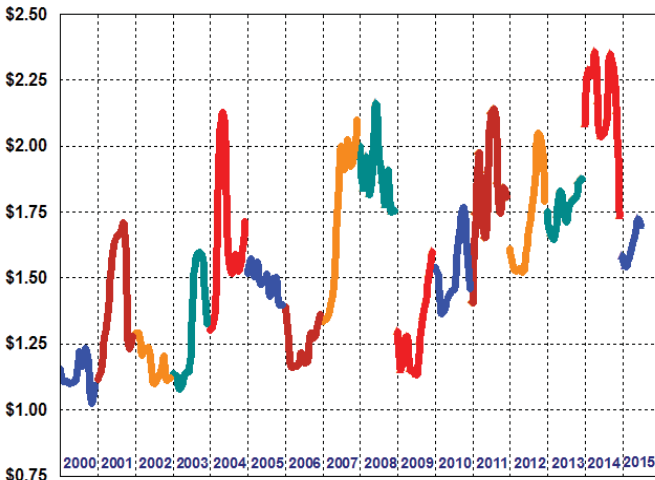


Facilitating the efficient marketing of milk and dairy products.



CENTRAL MARKETING AREA

AMS / NASS Wtd. Avg. Block/Barrel Cheese Prices*

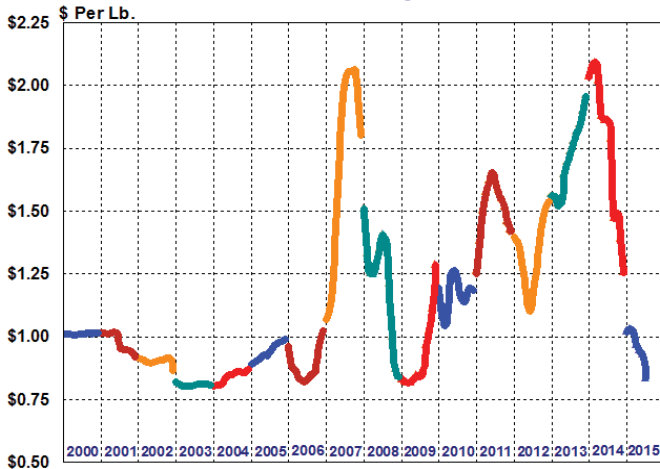


A variety of economic factors affecting the U.S. dairy industry are illustrated by the graphs in this bulletin. These graphs depict monthly data for 15 selected factors from January 2000 through July of this year. A cursory examination of this data provides insight into the milk marketing environment in the U.S. over the past 16 years.



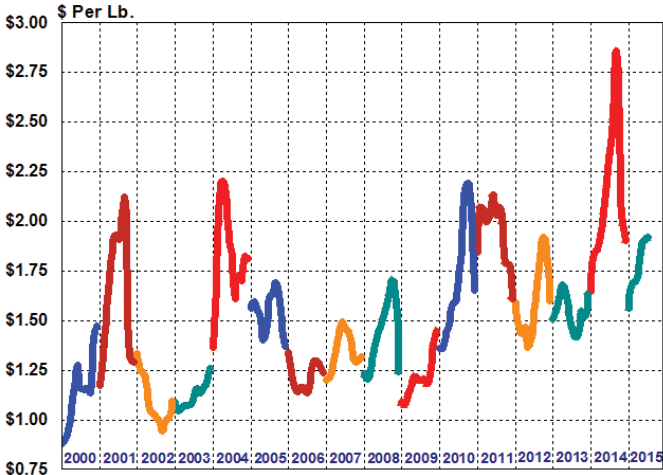
Most of the price series depicted in this bulletin reached record high levels during 2014. All have declined since then, however, many by substantial amounts. Federal Milk Order (FMO) Class II and IV prices have been particularly hard hit, with current prices more than \$10 per cwt. below their peak 2014 levels. Current prices for these two series are more than 40% below last year's all-time highs, while the FMO Class III price has declined by approximately one-third from its 2014 peak. The Central Order Statistical Blend Price has declined substantially due to these significantly lower FMO Class price levels, with current levels approximately one-third less than the all-time high of \$24.83 posted last September.

AMS / NASS Nonfat Dry Milk Prices*



Prices for soybeans and corn for grain registered all-time highs in mid-year 2012, but the trend for both has been decidedly downward since that time (page 3). The substantial price decreases for these two important feed grains has helped lessened the impact of lower producer milk prices on dairy producers' income over feed costs (IOFC). Although national IOFC levels for the first half of 2014 are down significantly from the lofty figures posted during 2014, they are similar to those recorded during the first six months of 2013.

AMS / NASS Butter Prices*

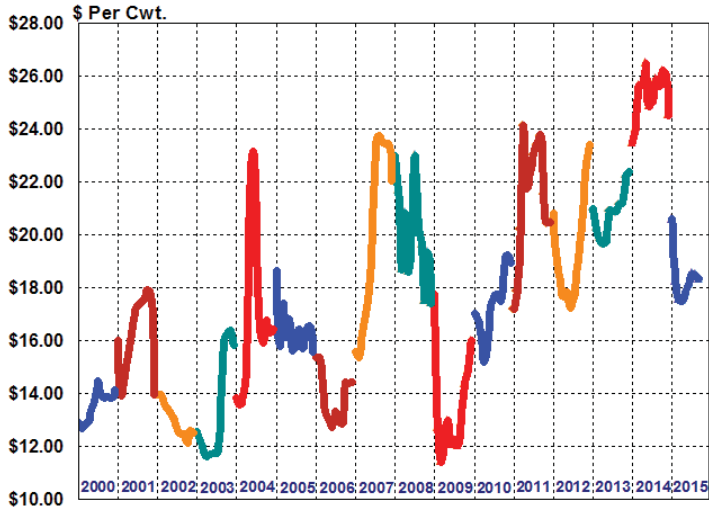


Two non-price data series are depicted in this bulletin – U.S. milk production and FMO Class I producer receipts. U.S. milk production, portrayed in the bottom left graph on page three, indicates an overall increasing trend since 2001. Year-over-year milk production has increased in 16 of the last 18 years, with the only exceptions occurring in 2001 and 2009. In contrast to U.S. milk production, FMO Class I producer receipts have been on a downward trajectory since 2009, as indicated by the third graph on page three.

The graphs on this page illustrate three Agricultural Marketing Service (AMS)/National Agricultural Statistic Service (NASS) commodity price series that have a direct impact on Federal Milk Order minimum prices. The six graphs on page two along with the first graph on page three depict FMO prices applicable to dairy farmers and/or regulated milk processors. A variety of factors that directly and indirectly influence the economic environment for milk production and processing are portrayed by the remaining graphs on page three.

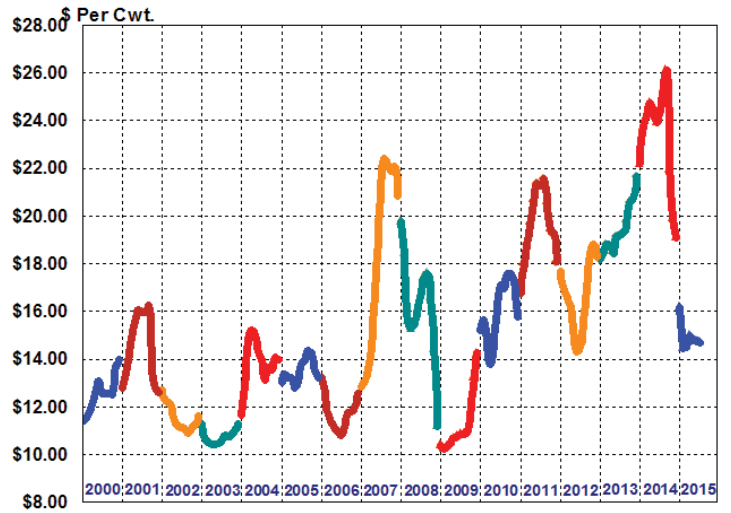
* NASS prices prior to April 2012.

Federal Order Class I Price (\$2.00 Differential)*

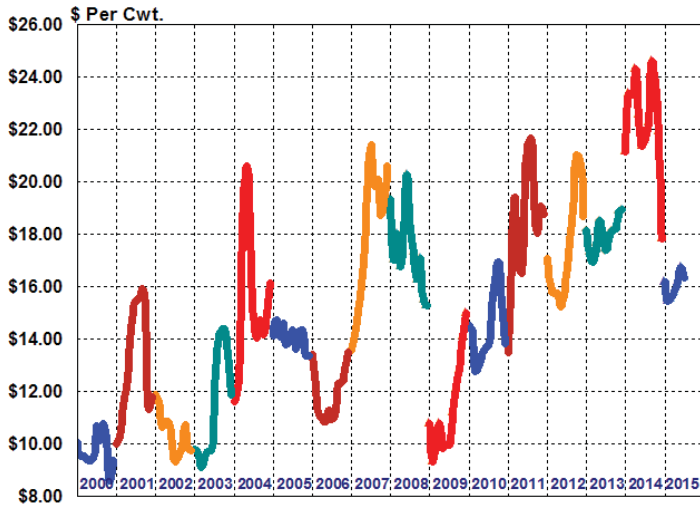


*Through October 2012

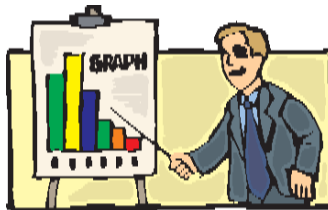
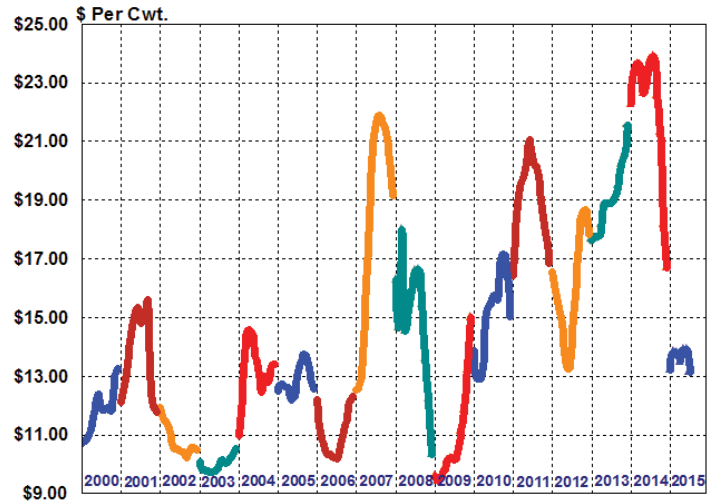
Federal Order Class II Price



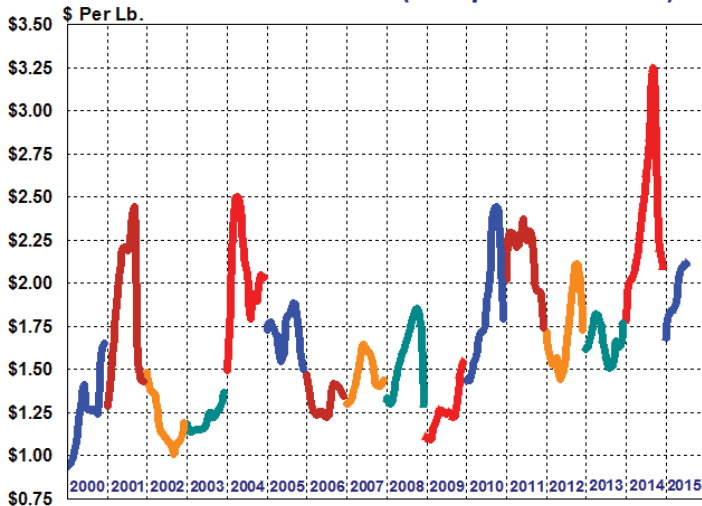
Federal Order Class III Price



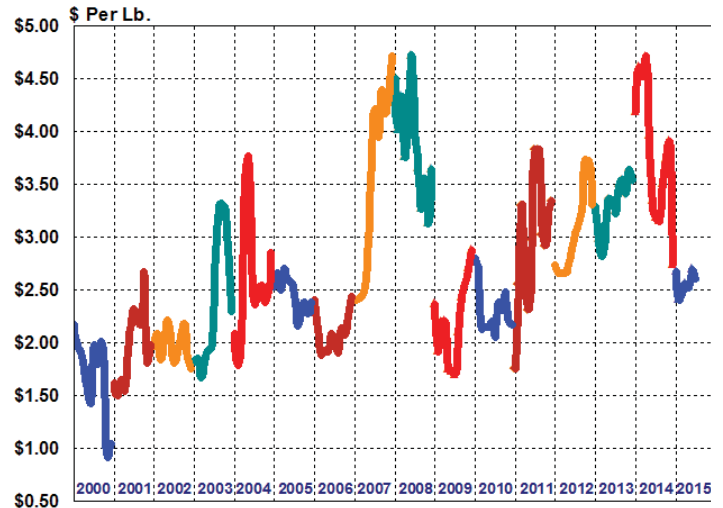
Federal Order Class IV Price



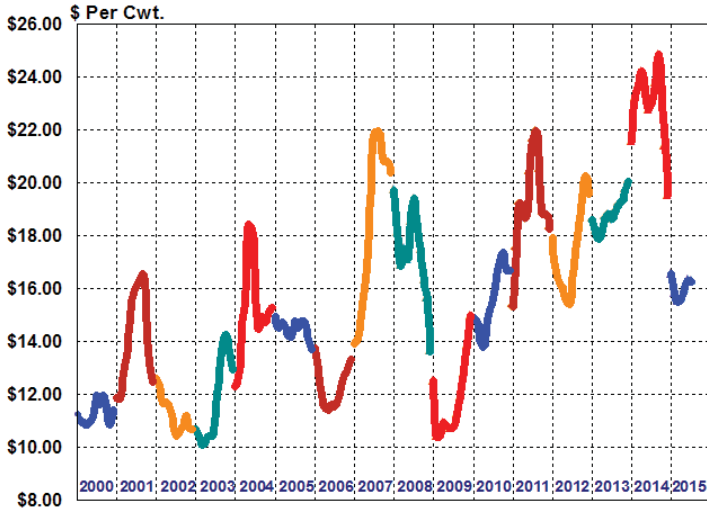
Producer Butterfat Price (component orders)



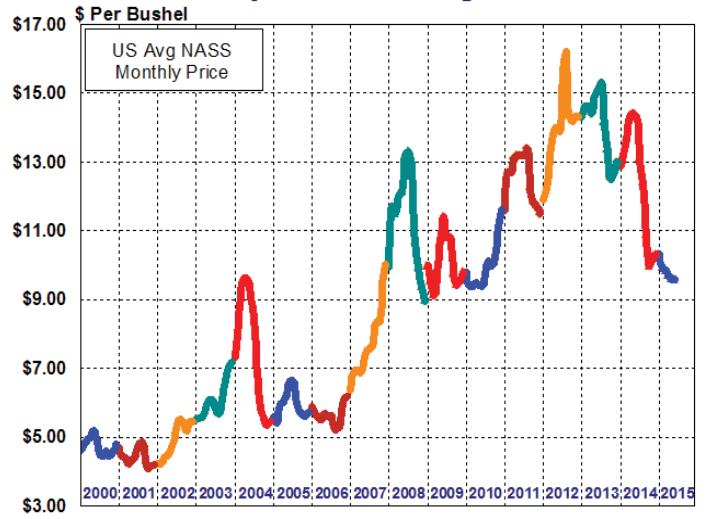
Producer & Handler Protein Price



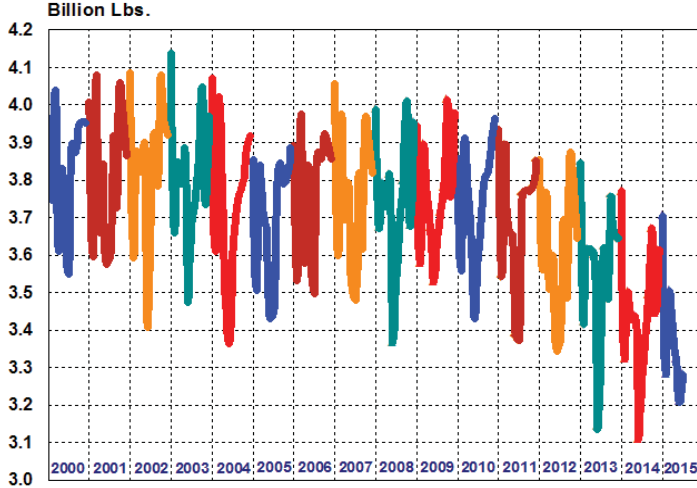
Central Federal Order Statistical Blend Price



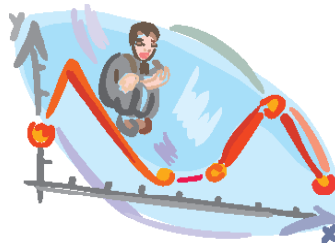
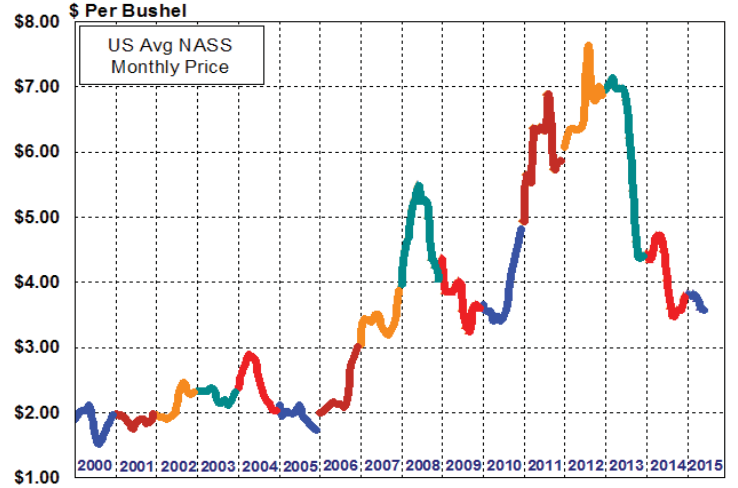
Soybeans - US Avg Prices



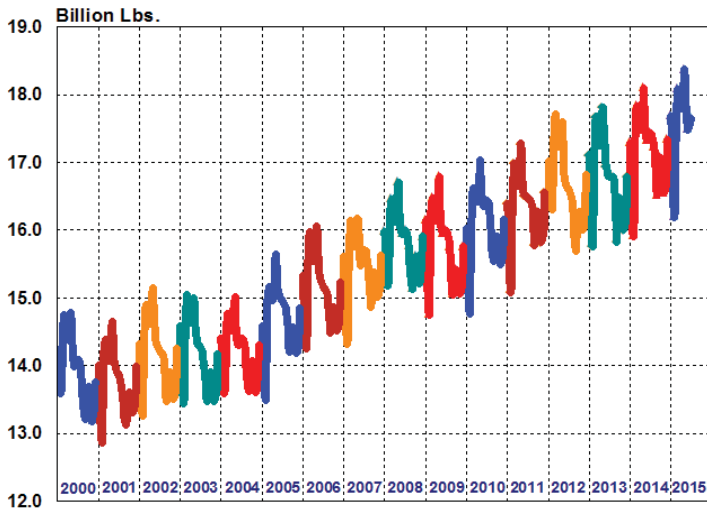
Class I Producer Receipts (All Federal Milk Orders)



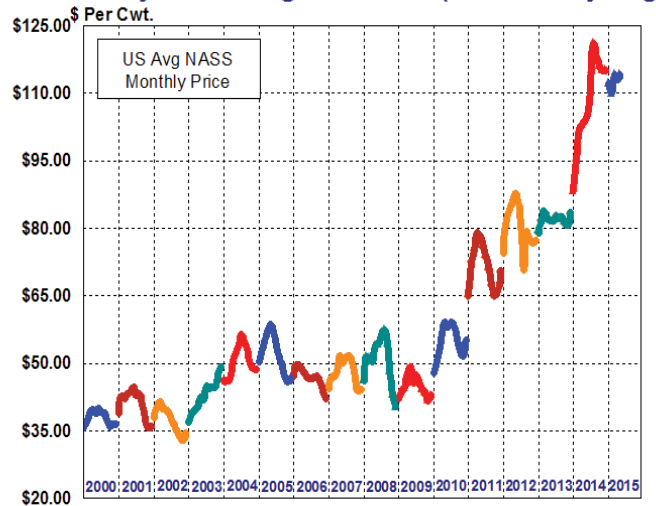
Corn for Grain - U.S. Avg Prices



Estimated U.S. Milk Production



Beef & Dairy Cow Slaughter Prices (U.S. Monthly Avg.)





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Department of
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	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	<u>Jul '15</u>	<u>Jun '15</u>	<u>Jul '15</u>	<u>Jun '15</u>	<u>Jul '15</u>	<u>Jun '15</u>
Northeast	16.91	17.09	0.58	0.37	31.27	34.06
Appalachian	18.50	18.24	-----	-----	69.50	66.33
Florida	21.05	20.62	-----	-----	86.75	83.95
Southeast	19.31	18.94	-----	-----	77.01	71.42
Upper Midwest	16.35	16.62	0.02	-0.10	14.96	13.16
Central	16.27	16.30	-0.06	-0.42	36.82	34.78
Mideast	16.16	16.26	-0.17	-0.46	35.34	33.79
Pacific Northwest	15.18	15.38	-1.15	-1.34	34.96	34.59
Southwest	17.25	17.21	0.92	0.49	43.84	57.05
Arizona	15.76	15.95	-----	-----	28.15	26.44

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