

NATIONAL DAIRY MARKET AT A GLANCE**CME GROUP CASH MARKETS (03/05):**

BUTTER: Grade AA closed at \$1.4500. The weekly average for Grade AA is \$1.4335 (+.0345).

CHEESE: Barrels closed at \$1.2500 and 40# blocks at \$1.2975. The weekly average for barrels is \$1.2725 (-.0565) and blocks, \$1.3205 (-.0485).

BUTTER HIGHLIGHTS: At the CME Group, the Grade AA butter price closed at \$1.4500, up 4.5 cents from last Friday's close and the fourth straight week of increases in the weekly average price. Cream supplies remain seasonally heavy though some cream suppliers indicate improved demand from ice cream and cream cheese accounts. Much of the current butter being churned is being printed to fill orders for Lenten/holiday promotions. Many operations are also trying to build bulk butter inventory for use later in the year or to provide fall coverage. Other manufacturers are working at covering export opportunities. According to the NASS *Dairy Products* report, U.S. January butter production totaled 162.0 million pounds, down 12.7 million pounds (-7.2%) from January 2009.

CHEESE HIGHLIGHTS: CME Group cash cheese market prices continued to decline as sales volume on the Exchange remains heavy as producers try to move extra product. Orders remain seasonally light as buyers wait for prices to settle before reordering. Most packagers are just trying to maintain a regular work schedule without overtime. Efforts continue to try to slow inventory building, not always successfully, at the plant level. At most plants, milk volumes are increasing seasonally, particularly in the upper Midwest where intakes are usually above year ago levels. According to the NASS, U.S. January cheddar production totaled 266.6 million pounds, down 7.5 million pounds (-2.7%) from January 2009. Mozzarella output was placed at 285.3 million pounds, up 17.3 million pounds (6.4%) from last January. Monthly total cheese production reached 842.3 million pounds, up 18.4 million pounds (2.2%) from last year.

FLUID MILK: Weather continued to be an issue for the Northeast again this week. Snow storms backed up or delayed deliveries from farms to manufacturing facilities in the affected areas. Most of the nation had favorable conditions and milk moved readily. Southern producers are seeing seasonal increases of milk. The southeast reported exporting its first loads out of the region in over a year. Class I demand is steady. Excess milk volumes are being used in both Class II and IV production. Easter and Passover holidays have increased demand for these manufacturers. Class III usage remains steady, though recent declines in cheese prices have some plants trying to limit production. Plants across the country have adequate capacity to handle current milk production levels. Cream demand is increasing as butter prices have appreciated. Farmers across the country continue to watch finances closely, as farm milk prices are having a hard time reaching anticipated higher levels. Breakevens for cost of production remain elusive in many parts of the country.

DRY PRODUCTS: NDM prices are unchanged to lower in a weak market. Powder inventories are building in many cases. Buyers are hesitant to commit to extra purchases as prices decline. Larger volumes are being offered in some instances at reduced prices to stimulate sales and clear inventories. A quantity of CCC owned aged NDM powder was offered for animal feed use only. Buttermilk supplies are increasing as churns operate on heavy schedules. Prices are trending lower in light demand. Condensed buttermilk sales are increasing as ice cream manufacturers gear up for increased production. Dry whey prices are steady to weak following other dry product trends. Inventories are clearing to contract orders. Extra supplies are meeting mixed demand as buyers anticipate lower prices. Whey Protein Concentrate 34% prices are weaker. Buyers are looking at various whey products and prices to determine optimum ways to acquire protein needs. Lactose trading involves mostly contract orders currently. Negotiations are ongoing for second quarter contracts.

INTERNATIONAL OVERVIEW (DMN): The effects of a cold winter season continue to impact milk production in WESTERN EUROPE. Seemingly, most all countries are seeing milk intakes trending lower in recent weeks with intakes more stable this week. Trade indications of milk output changes this year in selected countries showed Ireland down 10%, France down 2%, Germany lower, and Austria steady. Localized rains were heavy and caused some flooding in parts of France, yet the impact on milk output was not noticed. Intervention is not receiving any current dairy products and current stocks are closed. European butter prices are steady to slightly higher with an unsettled market tone. Production is mainly steady with the recent period and market conditions generally balanced. Exporting is light. Whey prices moved slightly lower, although the market tone is stable. Some of the price adjustments are due to lower currency valuation. Whey output is steady to trending higher where cheese production is building. Whey demand is mostly along projections for local sales, while exports are mixed. European skim milk powder market prices are steady to higher and the market undertone is firmer than in recent weeks. For Europe, production is steady to lower with milk moving to cheese production. Whole milk powder prices are unchanged to slightly higher. The market undertone is mostly steady, helped by pricing levels in other regions. Traders and handlers still expect that European SMP and WMP will be utilized to fill a recent tender. EASTERN EUROPEAN milk production levels are slowly improving following relatively poor winter conditions characterized by cold temperatures and heavy snowfalls. Milk intakes at processing plants remain below projections. Finished products are in tighter positions than expected and buyers are reaching to other countries to secure dairy products. January 2010 AUSTRALIAN milk output trailed January 2009

CONTINUED ON PAGE 1-A

****SPECIALS THIS ISSUE****

INTERNATIONAL DAIRY MARKET NEWS (PAGE 8)
DAIRY FUTURES (PAGE 9)
FEBRUARY MONTHLY AVERAGES AND SUMMARY (PAGES 10-12)
FEBRUARY AGRICULTURAL PRICES (PAGE 13)

JANUARY COMMERCIAL PRICE INDEX (PAGE 14)
COMMERCIAL DISAPPEARANCE (PAGE 14)
JANUARY DAIRY PRODUCTS (PAGE 15)

**CME GROUP
CASH TRADING**

PRODUCT	MONDAY MARCH 1	TUESDAY MARCH 2	WEDNESDAY MARCH 3	THURSDAY MARCH 4	FRIDAY MARCH 5	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.2900 (N.C.)	\$1.2900 (N.C.)	\$1.2825 (-.0075)	\$1.2500 (-.0325)	\$1.2500 (N.C.)	(-.0400)	\$1.2725 (-.0565)
40# BLOCKS	\$1.3400 (N.C.)	\$1.3400 (N.C.)	\$1.3200 (-.0200)	\$1.3050 (-.0150)	\$1.2975 (-.0075)	(-.0425)	\$1.3205 (-.0485)
BUTTER GRADE AA	\$1.4225 (+.0175)	\$1.4250 (+.0025)	\$1.4300 (+.0050)	\$1.4400 (+.0100)	\$1.4500 (+.0100)	(+.0450)	\$1.4335 (+.0345)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.
Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET AT A GLANCE

CONTINUED FROM PAGE 1

by 9.1%; while July-January season to date figures are running 6.6% lower than the prior year period. Current milk production is moving higher and indicated to be closing the production gap when compared to a year ago. Rainfall of recent weeks has increased pasture growth and has helped feed quality and translated into improved milk output. The growth in milk per cow is allowing the total milk supply to improve. The product mix at the processor level has not changed or been impacted by the milk supplies. The common expectations are for seasonal milk production figures to close the milk production year at around -4%. Feed prices remain relatively low and allowing for supplemental feeding. NEW ZEALAND milk production continues to trend higher and current output is tracking slightly higher than a year ago with total season estimates still expected to be above the prior year. Buying interest early in the reporting period was slow as buyers assessed needs and producers watched pricing directions on international markets. The results of the March 2 global/Dairy Trading event are being reported. Skim milk powder (SMP) traded for the first time at the event and all period deliveries averaged \$2927 per MT. May deliveries averaged \$2825; June - August deliveries averaged \$3143; and September - November deliveries averaged \$2927. Trades of whole milk powder (WMP) averaged \$3281 per MT (-0.8%). May deliveries averaged \$3291 (+2.8%); June - August deliveries averaged \$3337 (+0.9%); and September - November deliveries averaged \$3204 (-2.5%). For anhydrous milkfat, trades averaged \$3959 per MT (-5.4%). May deliveries averaged \$4008 (-3.8%); June - August deliveries averaged \$3976 (-5.2%); and September - November deliveries averaged \$3884 (-7.1%). Current butter pricing is mostly unchanged with offerings often trending lower. Demand is fair and along expected levels. Seasonal butter production is along projected levels. Cream supplies are adequate. SMP pricing is mostly steady to higher. Production levels are seasonal. Demand is fair to good for current offerings. A majority of SMP has been committed for the season and sellers are working at moving their remaining powder. The trade is assessing market weakness in the U.S. and what impact that could have on the local market price. Whole milk powder pricing levels are steady to higher and are reflecting firmer trading levels at the recent auction and some related trades. Supplies are generally in good balance. Production trends are steady and expected to continue on with the seasonal milk supplies. Oceania cheese prices have trended lower with some pricing pressures evident in other world markets. Regional demand remains mixed with some buyers well covered for the current season and others filing in some needs. Production is along expectations and cheese supplies are available on a limited basis to fill in needs.

FEBRUARY AGRICULTURAL PRICES HIGHLIGHTS (NASS):

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in February 2010 advanced 1 point to 185. Compared with February 2009, the index was up 6 points (3.4 percent). The index of prices received by farmers for dairy products declined 1 point during the month of February 2010 to 122. Compared with February 2009, the index was up 33 points (37.1 percent). Prices received by farmers in February with changes from January were: for All Milk, \$15.90 per hundredweight (cwt.), down \$.20; for Fluid Grade Milk, \$15.90 per cwt., down \$.20; and for Manufacturing Grade Milk, \$15.80 per cwt., up \$.30.

COMMERCIAL PRICE INDEX (BLS): The CPI for all food is 218.9, down 0.4% from January 2009. The dairy products index is 198.9, down 5.1% from a year ago. The following are the January to January changes for selected products: fresh whole milk is -8.6%; cheese, -6.9%; and butter, -6.8%.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during 2009 totals 190.4 billion pounds, 1.2% less than 2008. Comparing disappearance levels with year earlier levels: butter is -8.1%; American cheese, +2.6%; other cheese, +1.7%; NDM, -5.9%; and fluid milk products, +1.1%.

JANUARY DAIRY PRODUCTS (NASS): BUTTER production was 162 million pounds in January, 7.2% less than January 2009 and 7.5% above December 2009. AMERICAN TYPE CHEESE production totaled 347.7 million pounds, 1.6% less than January 2009 and 0.5% below December 2009. TOTAL CHEESE output (excluding cottage cheese) was 842.3 million pounds, 2.2% above January 2009 but 2.3% below December 2009. NONFAT DRY MILK production, for human food, totaled 128 million pounds, 17.3% below January 2009 and 1.6% more than December 2009. DRY WHEY production, for human food, was 82 million pounds, 11.3% above January 2009 and 2.3% above December 2009. ICE CREAM (hard) production totaled 56.4 million gallons, 2.0% below January 2009 but 13.6% above December 2009.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS):

The following are the February 2010 prices under the Federal Milk Order pricing system and the changes from the previous month: Class II \$15.65 (+\$0.43), Class III \$14.28 (-\$0.22), and Class IV \$12.90 (-\$0.95). Product price averages used in computing Class prices are: butter \$1.3609, NDM \$1.0812, cheese \$1.5110, and dry whey \$0.3925. The Class II butterfat price is \$1.4474 and the Class III/IV butterfat price is \$1.4404. Further information may be found at: www.ams.usda.gov/DairyMarketStatistics select Prices, select Price Formulas - 2010.

CME GROUP

MONDAY, MARCH 1, 2010

CHEESE — SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.2800; 1 CAR 40# BLOCKS @ \$1.3300; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3100
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 1 CAR GRADE AA @ \$1.4100; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.4225; LAST OFFER UNCOVERED: NONE

TUESDAY, MARCH 2, 2010

CHEESE — SALES: 19 CARS BARRELS @ \$1.2900; 2 CARS 40# BLOCKS @ \$1.3400; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.2800; 1 CAR 40# BLOCKS @ \$1.3350; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR EXTRA GRADE @ \$1.1200
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4250; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MARCH 3, 2010

CHEESE — SALES: 8 CARS BARRELS: 1 @ \$1.2850, 3 @ \$1.2900, 3 @ \$1.2850, 1 @ \$1.2825; 6 CARS 40# BLOCKS: 1 @ \$1.3400, 1 @ \$1.3350, 1 @ \$1.3300, 2 @ \$1.3250, 1 @ \$1.3200; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.2800; 1 CAR 40# BLOCKS @ \$1.3150; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.3300
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4300; LAST OFFER UNCOVERED: NONE

THURSDAY, MARCH 4, 2010

CHEESE — SALES: 5 CARS BARRELS: 1 @ \$1.2750, 1 @ \$1.2725, 3 @ \$1.2500; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.2500; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.3050
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.1100
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4400; LAST OFFER UNCOVERED: NONE

FRIDAY, MARCH 5, 2010

CHEESE — SALES: 2 CARS BARRELS @ \$1.2500; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.2500; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.2975
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4500; LAST OFFER UNCOVERED: NONE

CME GROUP CASH NONFAT DRY MILK: Extra Grade closed the week at \$1.1200 and Grade A at \$1.1100. The last price change for Extra Grade was on 03/02/10 and Grade A was on 3/04/10. The weekly average for Extra Grade is \$1.1440 (-.0960) and Grade A is \$1.1160 (-.0040).

BUTTER MARKETS

NORTHEAST

The CME Group butter price continued to advance, closing .0025 higher on Tuesday at \$1.4250. Tuesday's close was the highest price since January 25, 2010, when it closed at \$1.4350. Churns, for the most part, are very active building inventories to fill Easter and Passover orders. However, some churning schedules were reduced in some areas, as increased cream cheese and Class II production pulled cream away from churns. According to NASS, January 2010 monthly U.S. butter production totaled 162 million pounds, up 7.5% from December 2009, but down 7.2% from January 2009. Atlantic region butter production in January 2010 totaled 15.9 million pounds, up 5.8% from December 2009, but 1.3% less than January 2009. Prices for bulk butter range from 3-4 cents over the market, based on the CME Group with various time frames and averages used.

CENTRAL

Butter prices on the CME Group cash market continued to firm this week, reaching 1.4300 on March 3. Current bulk butter prices remain about 10 cents below mid-January. Churning remains seasonally active with current emphasis on printing butter for Lenten/Passover needs. Interest is good from customers looking to store bulk butter for use later in the year. Some extra interest from cream cheese is absorbing extra cream loads but ice cream production remains sluggish. Spot bulk butter prices range from 2 - 4 cents over various pricing bases and averages per pound.

WEST

Wednesday's butter trading at the CME Group closed up \$.0050 at \$1.4300. Trading prices have appreciated each day so far this week on light sales of one load and bids moving the market. This follows a general upward price trend since a low of \$1.3100 on February 2, 2010. Stronger butter markets continue to push available cream supplies to churns. Western butter plants are working on full schedules. Overall, U.S. production is down, but Western churns are producing levels above last year. Good retail sales in stores have allowed producers to move inventory quickly if desired. Export interest is said to be lighter as the dollar strengthens against the Euro. Churns continue to build inventory for summer sales. Butter futures remain favorable for higher sales into the second and third quarter. Production and consumption domestically are reported as in a good balance. According to the CME Group, weekly butter stocks increased by 3.7 million pounds last week to stand at 60.4 million pounds. After holding near steady for two weeks, storage inventory has increased. This total compares to 74.7 million pounds in 2009 and 121.5 million pounds in the comparable week in 2008. Weekly butter storage levels for this week have not been this low since 2005. According to the NASS Dairy Products report, January butter production for the U.S. totals 162 million pounds, down 7.2% or 12.7 million pounds from January of last year. Output in the Western region totals 80.9 million pounds, up 2.6% from January 2009. The West produced 49.9% of the butter in the U.S. in January. Prices for bulk butter range from 1 to 4 cents under the market, based on the CME with various time frames and averages used.

NASS DAIRY PRODUCT PRICES

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	NDM	BUTTER	DRY WHEY
FEBRUARY 27	1.4921 12,220,773	1.4661 8,550,981	1.0448 34,313,453	1.3592 6,205,539	0.3894 10,547,029

Further data and revisions may be found on the internet at: <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1450>

NORTHEAST

CHEESE MARKETS

WEST

Barrel and block prices on the CME Group held steady Monday and Tuesday after last week's significant declines. Barrels were very active Tuesday with numerous transactions totaling 19 loads and closed at \$1.2900. Blocks traded merely 2 loads and closed at \$1.3400. As a result of last week's price declines, wholesale cheese prices moved lower, with the exception of Swiss cuts which held steady. Cream cheese production is very active and increasing ahead of the Easter and Passover holidays. NASS reports that January 2010 total cheese production in New York was 57.6 million pounds, 3.6% less than December 2009, but 1.9% above January 2009. Pennsylvania produced 33.6 million pounds in January 2010, 2.9% more than one month earlier and 3.2% more than one year ago. Vermont produced 9.9 million pounds, 2.8% less than last month and 2.9% less than January 2009. Focusing on Italian cheese, in January, New York ranked 3rd among individually reported states, producing 30.9 million pounds, 8.0% less than last month and 8.7% less than January 2009. Pennsylvania followed in Italian cheese production, with 23.0 million pounds produced in January 2010, 13.3% more than December 2009 and 2.6% more than January 2009. Total January cheese production in the Atlantic region was 110.0 million pounds, down 2.5% from December, but 2.3% higher compared to the same period last year. Atlantic region cheese production accounted for 13% of total U.S. production. Total U.S. cheese production in January 2009 totaled 842.3 million pounds, 2.3% below December 2009, but 2.2% more than January 2009.

Prices on 40 lb. Blocks at the CME Group on Wednesday were \$.0200 lower to settle at \$1.3200. The last time that Blocks were this low was September 17, 2009. Barrels were \$.0075 lower on Wednesday and ended the trading session at \$1.2825. Barrel prices had held steady to start the week, but were lower Wednesday on moderate to heavy sales of 27 loads for the week. Prices continue to weaken in cheese markets. Production levels are above year ago as milk is channeled to cheese plants to maintain production efficiencies. Contract sales continue to clear large inventories. Buyers are content to wait the market out for above contract needs. Barrel production levels have increased spot offers in some instances. Export sales are being offered, but meeting resistance until buyers feel the market has reached a bottom. The stronger dollar has also made for "tougher sales". According to the NASS Dairy Products report, total cheese production in the U.S. in January reached 842.3 million pounds, up 2.2% or 18.4 million pounds from last year. January total cheese production in the Western region was 351.2 million pounds, up 1.0% from January 2009. The West produced 41.7% of all the cheese in the U.S. in January. Swiss output for the U.S. in January is 27.2 million pounds, up 2.4% or 0.6 million pounds from last year. January Swiss production was 4.3% less than December 2009.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 40# Block	:	1.6950-1.9700
Process 5# Sliced	:	1.4225-1.7325
Muenster	:	1.7150-1.9125
Grade A Swiss Cuts 10 - 14#	:	3.2175-3.5400

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.4550-1.7125
Cheddar 40# Block	:	1.5000-1.8525
Cheddar 10# Cuts	:	1.6800-1.9000
Monterey Jack 10#	:	1.6900-1.8500
Grade A Swiss Cuts 6 - 9#	:	2.7650-3.1950

MIDWEST

The cheese market remains under pressure though CME Group cash cheese prices have started to stabilize this week. Manufacturers hope that price stability will cause "fence sitting customers" to place orders for bulk and finished products. Overall movement is average at best for early March. Promotional activity used in some locations, generally retail, is aiding sales in some outlets. Supplies are readily available and offers to bulk buyers are occasionally heavier as some only deal with regular supply sources. Overtime use for filling finished product orders is minimal. In the upper Midwest, increases in milk volumes continue to keep cheese production steady to slightly higher seasonally. Cheese yields are fairly steady with recent weeks. Some efforts continue to try to minimize inventory expansion.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.6900-1.9100
Brick And/Or Muenster 5#	:	1.8775-2.1000
Cheddar 40# Block	:	1.8975-2.5650
Monterey Jack 10#	:	1.8425-2.5650
Blue 5#	:	2.1675-2.8200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7125-2.6650
Grade A Swiss Cuts 6 - 9#	:	2.5900-3.3300

FOREIGN

Domestic wholesale cheese prices continued to decline, with the exception of Swiss cuts, following the significant declines in the CME Group block weekly average price. Swiss cheese production increased in the Northeast, following the marginal increases in milk production. Swiss wholesale interest is light and inventories are increasing. NASS reports that domestic Swiss production during January 2010 totaled 27.2 million pounds, 4.3% less than December 2009, but 2.4% more than January 2009.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3900	: 1.8350-3.3225*
Gorgonzola	: 3.6900-6.6900	: 2.3375-2.5975*
Parmesan (Italy)	: -0-	: 3.2425-3.4450*
Provolone (Italy)	: 3.4400-5.9900	: 1.8775-2.0350*
Romano (Cows Milk)	: -0-	: 3.0250-5.1675*
Sardo Romano (Argentina)	: 2.8500-3.6900	: -0-
Reggianito (Argentina)	: 3.2900-3.5300	: -0-
Jarlsberg-(Brand)	: 2.9500-4.6900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.3100-3.6325
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-

* = Price change.

**WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS**

	BUTTER	:	CHEESE
03/01/10	10,638	:	141,019
02/01/10	8,498	:	121,257
CHANGE	+2,140	:	+19,762
% CHANGE	+25	:	+16

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	132	0	116	0	203
SOUTHEAST STATE	0	55	0	0	0	0

Recent winter storms in the Northeast delayed some deliveries and backed up milk in some areas. As a result of the backed up milk and some increases in production, manufacturing milk supplies have increased. In the Mid Atlantic region, milk production has increased and may be an indication of the beginning of the spring flush. The Southeast region has experienced unseasonably cool weather and is holding off the beginning of the spring flush. Milk production overall is holding steady in the region. The Southeast region reported exporting 55 spot loads, which were the first exports out of region in over a year. Cool weather continues to hamper pastures in Florida, with over half of the pastures rated by NASS as poor or very poor, with hay stocks running low. Milk production is increasing in Florida. Class I demand for most regions is steady, with the exception of the upper Northeast where demand is good. Cream supplies have become somewhat tight as butter and cream cheese production is very active ahead of the Easter and Passover holidays. Multiples are in a tight range from 125 to 130. Less condensed skim is heading to the dryers as Class II and III production has increased. Some plants would rather sell spot loads of condensed rather than run their dryers. According to NASS, ice cream production in the Atlantic region in January 2010 totaled 13.6 million gallons, 7.4% more than December 2009, but 4.9% less than January 2009. Pennsylvania's ice cream production for January 2010 totaled 2.3 million gallons, down 13.5% from December 2009, but 0.4% higher than year ago levels. Yogurt production (plain and flavored) for January 2010 totaled 337.1 million pounds, up 14.4% from December 2009 and 10% higher compared to the same period last year.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.7487-1.8187
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.7168-1.7907

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:		
NORTHEAST - CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	1.20 - 1.28
NORTHEAST - CLASS III - SPOT PRICES	-	1.24 - 1.30

M I D W E S T

Class I interest is steady to occasionally improved in the new month. As usual, promotions are stimulating extra sales at scattered locations. Class II interest is generally described as steady at best. Cream interest continues to lag for many sellers. Some improvement was noted for cream use for cream cheese production and for additional ice cream mix for the reopening of some seasonal frozen dairy specialty outlets. Churning remains active with emphasis on covering print butter orders for Lenten/Passover needs. Manufacturing milk demand is light and the offerings exceed the demand. On a very light test, spot manufacturing milk prices are lower though still positive on the limited volume sold. Plant operators are "coming out of the woodwork" in the attempt to sell milk as a way to slow cheese inventory accumulation. Reports indicate there are a number of producers trying to find a new milk buyer with little serious interest from plant operators in the upper Midwest until after intakes decline in summer. Most plant operators are already nervous over whether they have enough plant capacity to handle the spring receipts from their current producers. Milk intakes are generally higher in central and northern sections.

Further south, most operations have recovered from the unusually severe winter weather and are returning to increasing intakes, though the number of producers left may be reduced. Some snow melting has occurred as temperatures in northern locations crawl above the freezing mark. Some hauling of solid manure is occurring as producers try to clean piles and barnyards. The late fall harvest (including still standing corn) and limited fall tillage have many producers nervous about the prospect of a wet spring.

W E S T

According to the NASS *Agricultural Prices* for February, mid-month U.S. prices for baled alfalfa hay were \$111/ton, \$32/ton less than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$110, -\$70; California \$116, -\$46; Colorado \$125, -\$45; Idaho \$107, -\$67; Nevada \$105, -\$70; New Mexico \$145, -\$49; Oregon \$110, -\$57; Utah \$100, -\$60; and Washington \$115, -\$80. The February 2010 4a price (butter/powder) in CALIFORNIA is \$12.84, \$0.91 lower than January 2010 but \$3.44 higher than last year. The February 2010 4b price (cheese) is \$12.95, \$0.23 higher than January 2010 and \$2.84 higher than last year. January 2010 POOL RECEIPTS of milk in CALIFORNIA total 3.09 billion pounds, 3.0% lower than a year earlier. The January blend price, at a fat test of 3.76%, is \$14.40, \$1.12 lower than December 2009 but \$3.20 more than January 2009. The percentage of receipts used in Class 1 products was 16.27%. The January quota price is \$15.18 and the over quota price is \$13.48. These prices are \$0.99 lower than December but \$3.08 more than a year earlier. CALIFORNIA milk production trends continue to indicate a steady to slightly rising pattern. Weather conditions are mainly neutral and not impacting the milk flow. Processing plants continue to have capacity to handle current and projected milk volumes in the state. ARIZONA milk output remains on an upwards, seasonal climb. Plants are running well and able to handle the incoming milk supplies. Farm conditions remain unsettled with milk prices again trending lower and are most often below cost of production. Retail milk movements are steady. NEW MEXICO milk intakes are irregularly lower to higher and able to be handled through normal channels. Shipments to regular out of region accounts are moving, though often at lighter than projected volumes. CREAM markets are firming as demand has picked up for many cream based items. The firming butter market prices and averages are also causing some buyers to push ahead with buying decisions earlier than they thought. Some items are being made for upcoming holidays. Butter pricing at the CME closed at \$1.4300 on Wednesday, March 3, up 2.5 cents from a week ago. Cream multiples range 112-123 FOB and vary depending on class usage and basing points. PACIFIC NORTHWEST milk production levels are steady to slightly higher. Weather conditions are favorable for increased production as spring weather has arrived over much of the area. The coastal regions are seeing spring rains and inland areas are drying out from earlier muddy conditions. Farmers are beginning to prepare for planting of early season crops. Milk volumes are being handled easily as production continues to favor cheese plants. Early hay harvest has begun in southern areas, with quality being questioned due to wet weather delaying first harvest. Hay prices for the new season are still being determined. Banks continue to monitor farm milk prices as cheese markets and dry product prices are weaker than anticipated. IDAHO and UTAH weather continued to warm up and farmers are beginning to think spring. Milk production remains steady with manufacturing plants receiving sufficient volumes to maintain busy schedules. Plants are not at capacity in many instances, yet are mostly working at comfortable production levels for needs. Farmers are assessing feed needs and watching costs closely. Lower milk prices have caused many to rethink finances. Weaker product prices and subsequent lower farm milk prices have delayed hoped for breakevens. Many continue to purchase inputs on an as needed basis.

NDM, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: The NDM market is weak and prices are unchanged to lower. Interest is somewhat improved as recent higher prices for skim milk internationally have some buyers looking to make some purchases. The announced sale of CCC-owned aged powder for animal feed use is a distraction to the NDM market. Sales of 23 million pounds of aged CCC-owned NDM on March 3 at 74 – 77 cents were reported. The product is restricted to animal feed use though not denatured. More is still available for sale. Current drying schedules remain seasonally heavy. Powder inventories continue to build for most producers though a few are currently in pretty good shape.

EAST: Prices for NDM have declined as some manufacturers are lowering inventories at reduced price levels. The reduced price levels have stimulated and increased spot trading activity. Manufacturing milk supplies have increased as milk production has experienced some marginal increases. Dryers are fairly active making low heat NDM primarily on or near the weekend, when milk volumes are heaviest and high heat production during the week. Adding to the weak market undertone, over 23 million pounds of restricted use NDM were offered and sold by The Seam, LLC from CCC stocks at prices averaging \$.75 per pound. The February 2010 Dairy Market News average of the mostly price series for Central and East nonfat dry milk low/medium heat was \$1.2050 compared to \$1.3664 one month ago and \$0.8313 in February 2009. The latest NASS Dairy Products report indicates nonfat dry milk production during January 2010 totaled 128 million pounds, down 17.3% from January 2009, but 1.6% higher than last month. Production in the Atlantic region totaled 15.6 million pounds, a 23.3% decrease from one year ago and 10.5% less than one month ago. Month ending stocks, at 138.1 million pounds, are 32.3% below last year, but 4.9% more than a month ago.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.0050 - 1.1850 MOSTLY: 1.0800 - 1.1000
 HIGH HEAT: 1.1850 - 1.2850

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk prices continue to trend lower. The market tone remains weak. Production is active to process available milk supplies. Buying interest is light to moderate with loads clearing best at discounted pricing levels. Offerings are available from most producers and also in the resale market. Export interest remains light. Stocks are moderate to heavy. High heat prices are trending lower in a light market test. Producers are often limiting drying schedules to match very current commitments to avoid holding any extra stocks in this weak market. Demand is light with buyers taking contracted loads and little else. U.S. NDM production in January 2010 totaled 128.0 million pounds, 17.3% lower than last year. NDM production in the Western region in January totaled 101.6 million pounds, down 14.0% from last year. The West produced 79% of the U.S. total in January. U.S. manufacturers' stocks of NDM at the end of January were reported at 138.1 million pounds, 32.3% lower than a year earlier but 4.9% higher than December. U.S. skim milk powders (SMP) production in January totaled 20.6 million pounds, 16.5% more than last year.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .9800 - 1.1500 MOSTLY: 1.0000 - 1.0700
 HIGH HEAT: 1.0600 - 1.2300

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: The buttermilk market is generally lower on a light test. Continued pressure from NDM price weakness still impacts the buttermilk market as a substitute ingredient in some product formulations. Churning remains seasonally active though some buttermilk continues to clear as condensed. Inventory continues to grow for many producers.

EAST: The dry buttermilk market continues to be pressured by the weakness in the NDM market. Cream supplies are increasing following the marginal increases in milk production. Churns are very active making butter ahead of the Easter and Passover holidays and as a result, increased dry buttermilk production. Inventories are building and spot market activity is very light as traders sit on the sidelines waiting for the market to settle. The February 2010 Dairy Market News average of the price series for Central and East dry buttermilk was \$1.1508 compared to \$1.2933 one month ago and \$0.6639 in February 2009. NASS reports, January 2010 dry buttermilk production totaled 9.3 million pounds, up 24.1% from a year ago and 6.7% higher than last month. January 31 dry buttermilk stocks, at 13.2 million pounds, are 26.8% above January last year and 28.3% higher than last month.

F.O.B. CENTRAL/EAST: .9950 - 1.1200

DRY BUTTERMILK - WEST

Western dry buttermilk prices continue to trend slightly lower and the market tone remains weak. Buying interest is mainly light as buyers utilize holdings and look for the best deals before securing powder. Discounting continues for producer and resale offerings. Drying schedules remain active to process available buttermilk solids that are coming off the butter churns. Dry stocks are moderate to heavy. Buttermilk powder production in January 2010 for the U.S. totals 9.3 million pounds, up 24.1% from last year. Buttermilk stocks at the end of January are 13.2 million pounds, up 26.8% from last year and 28.3% higher than last month.

F.O.B. WEST: .8500 - .9650 MOSTLY: .8500 - .9200

DRY WHOLE MILK - NATIONAL

Dry whole milk prices firmed slightly at the bottom of the range. However, spot market trading was not active. The latest Oceana auction prices show a mixed trend. New Zealand regular dry whole milk winning prices per pound for the contract periods and percent price changes from the last auction are: Contract 1, \$1.4928, +2.8%; Contract 2, \$1.5136, +0.9%; and Contract 3, \$1.4533, -2.5%. DAIRY PRODUCTS: The NASS Dairy Products report released this week shows dry whole milk production during January 2010 totaled nearly 5.2 million pounds, down 27.1% from December 2009 but 26.3% more than January 2009. A revision to previously reported December 2009 production increased the reported volume to nearly 7.1 million pounds.

F.O.B. PRODUCING PLANT: 1.3700 - 1.5200

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
February 26	\$1.0209	22,782,576	0
February 19	\$1.0247	11,015,655	0

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY - CENTRAL

Central Whey prices are steady to weak. The market tone is weaker as other dry products put downward pressure on whey prices. Cheese production levels are heavy and more whey is available for drying. Increased production compared to year ago is filling contract needs. Whey Protein Concentrate production increases across the industry have reduced overall dry whey production. Buyers continue to shop for offers at lower prices to purchase additional supplies. NASS's Dairy Products report shows human food dry whey production during January 2010 in the Central region totaled 41.0 million pounds. This dry whey production is 0.2% less than December 2009 production and 8.0% higher than January 2009. The February 2010 Dairy Market News average of the mostly price series for Central dry whey was \$0.3782 compared to \$0.3761 one month ago and \$0.1578 in January 2009. DAIRY PRODUCTS: NASS's Dairy Products report shows production of HUMAN AND ANIMAL dry whey during January 2010 totaled 85.5 million pounds, 0.4% higher than December 2009, and 8.0% higher than January 2009. January ending stocks of HUMAN FOOD dry whey totaled 43.8 million pounds, 3.6% more than 1 month ago but 19.1% lower than January 2009. ANIMAL FEED dry whey month ending stocks totaled 1.5 million pounds, 15.1% more than one month ago and 30.6% lower than one year ago.

F.O.B. CENTRAL: .3100 - .4075 MOSTLY: .3650 - .3875
 F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2200 - .3700

DRY WHEY - NORTHEAST

Northeast whey prices trended steady to weak as the upper end of the range declined a quarter cent. Supplies are fairly tight, with few offers resulting in light spot market activity. Production is moving through contracts with only marginal additions being made to inventories. Whey production is steady with recent production levels. The fairly tight supplies are providing a firm undertone to the dry whey market. The latest NASS Dairy Products report shows production of dry whey for human consumption in the Atlantic area totaled 20.5 million pounds, or 25% of the nation's total for January of 82.0 million pounds. The Atlantic area's production is 8.3% above last month and 6.8% higher than production one year ago. The February 2010 Dairy Market News average of the Northeast price series for dry whey was \$0.3807 compared to \$0.3761 one month ago and \$0.1830 in February 2009.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3675 - .4050

DRY WHEY - WEST

The Western whey market is steady to weak. Prices weakened on the top side of the range, but were mostly steady. The mostly range was slightly lower on the bottom of the series, expressing downward pressure from buyers. Production schedules in the West are significantly higher than year ago levels. Contracted activity is handling the bulk of the domestic trade. Contracted export orders are being filled with more interest being expressed for future orders. Buyers are keeping a watchful eye on price trends before committing to future purchases. According to the NASS Dairy Products report, edible whey production in January totals 82 million pounds, up 11.3% or 8.3 million pounds compared to January 2009. The Western region produced 20.5 million pounds of whey in January, up 24.1% from last year. The West produced 25.0% of the whey in the U.S. in January. Manufacturers' stocks at the end of January for edible whey are 43.8 million pounds, down 19.1% or 10.4 million pounds from last year. The February 2010 Dairy Market News average of the mostly price series for Western dry whey was \$0.4050 compared to \$0.4068 for January and \$0.1552 in 2009.

NONHYGROSCOPIC: .3750 - .4250 MOSTLY: .3875 - .4200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

WPC 34% pricing levels and the market tone are weaker. The market is only being lightly tested and there are more loads in the resale channels at discounted offering prices. Producers are not actively discounting 34%. The trade is also watching to see what effects, if any, the sellback of CCC owned NDM for restricted use will have on the WPC and whey markets. Producers' stocks range from light to moderate levels. The market for 80% WPC is snug with tight supplies at steady pricing levels. DAIRY PRODUCTS: The NASS Dairy Products report shows production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during January 2010 totaled 20.2 million pounds, 4.3% less than December 2009 production and 7.1% less than production of one year ago. Manufacturers' end-of-month stocks of HUMAN AND ANIMAL WPC (25.0 - 49.9% PROTEIN) totaled 21.0 million pounds, 7.6% less than December 2009 but 2.6% more than January 2009.

F.O.B. EXTRA GRADE 34% PROTEIN: .8400 - .9900 MOSTLY: .9000 - .9300

LACTOSE - CENTRAL AND WEST

Lactose prices are holding mostly steady with a majority of current transactions being made under contracts and with a very light test on spot trades. Production trends are mainly steady. The trade is assessing second quarter needs and formulating plans as contract volumes and prices are negotiated. DAIRY PRODUCTS: NASS's Dairy Products report shows HUMAN and ANIMAL lactose production during January 2010 increased 4.0% compared to December 2009 to 66.8 million pounds and was 11.7% higher than January 2009 production. Month ending stocks, at 61.4 million pounds, are 11.6% more than one month ago but are 35.4% lower than one year ago.

Including spot sales and up to 3 month contracts.

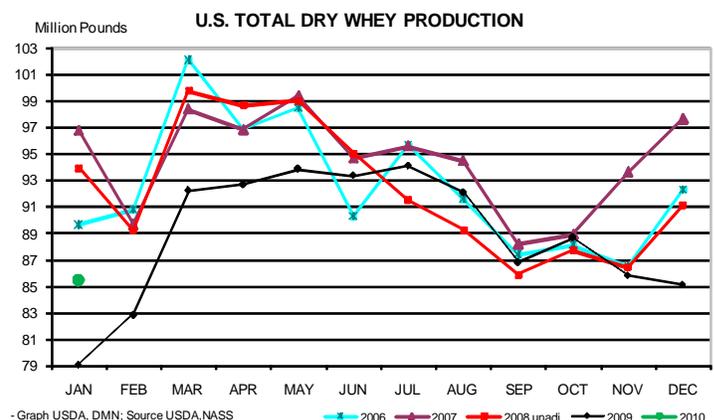
F.O.B. EDIBLE, NON PHARMACEUTICAL .2700 - .4500 MOSTLY: .3300 - .3700

CASEIN - NATIONAL

The casein market is steady. Users are receiving committed supplies, but spot availability is limited, at least from regular suppliers. It is still too early in the season for significant European casein production while the Oceania production season is nearing the end. Current shipments continue from inventory produced earlier.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 3.5000 - 4.2500
 ACID: 3.5000 - 4.2000



CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF MARCH 1 - 5, 2010			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/09	SAME PERIOD LAST YEAR	WEEK ENDING 02/26/10	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	4,639,010	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	4,639,010	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfat	-0-	-0-	-0-	132,276	188,379,273	-0-	-0-
TOTAL	-0-	-0-	-0-	132,276	188,379,273	-0-	-0-

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF MARCH 1 - 5, 2010 =	0.0	0.0	COMPARABLE PERIOD IN 2009 =	0.9	48.4
CUMULATIVE SINCE OCTOBER 1, 2009 =	0.0	1.5	CUMULATIVE SAME PERIOD LAST YEAR =	142.6	2,193.3
CUMULATIVE JAN. 1 - MAR. 5, 2010 =	0.0	0.0	COMPARABLE CALENDAR YEAR 2009 =	117.4	859.8

* Factors used for Fat Solids Basis - Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
 **Factors used for Skim Solids Basis - Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF MARCH 1 - 5, 2010 (POUNDS)

REGION	BUTTER		CHEESE		NONFAT DRY MILK
	BULK		BLOCK	BARREL	NONFORTIFIED
CENTRAL	-0-		-0-	-0-	-0-
WEST	-0-		-0-	-0-	-0-
EAST	-0-		-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/09 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09
CENTRAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	4,639,010	-0-	-0-	132,276	188,379,273	100.0	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	4,639,010	-0-	-0-	132,276	188,379,273	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS EFFECTIVE NOVEMBER 1, 2009

BUTTER Bulk \$1.05 per pound

CHEESE 40# Blocks \$1.13 per pound; 500# Barrels \$1.10

NONFAT DRY MILK \$.80 per pound

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 02/13/10 & Comparable Week 2008

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL			
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1		
2010-Dairy	N.A.	0.4	5.8	2.5	15.2	5.3	0.4	N.A.	16.9	3.8	52.0	380.3	48.8	44.3
2009-Dairy	N.A.	0.5	8.2	3.4	18.7	5.9	0.4	N.A.	20.1	5.8	64.5	441.5	50.4	49.8
2010-All cows	N.A.	0.5	7.3	11.2	28.6	15.6	13.7	N.A.	19.0	6.7	106.6	857.9		
2009-All cows	N.A.	0.6	10.3	13.9	33.4	23.1	13.2	N.A.	21.6	8.2	128.1	886.4		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CANADIAN DAIRY BREEDING FEMALE IMPORTS

WEEK ENDING	WEEKLY TOTAL	2010 CUMULATIVE TOTAL	SOURCE: USDA, APHIS
FEBRUARY 20, 2010	329	2,723	

CLASS III MILK PRICES, (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2006	13.39	12.20	11.11	10.93	10.83	11.29	10.92	11.06	12.29	12.32	12.84	13.47
2007	13.56	14.18	15.09	16.09	17.60	20.17\$	21.38	19.83	20.07	18.70	19.22	20.60
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24	17.32	16.28	17.06	15.51	15.28
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98

FEDERAL MILK ORDER CLASS PRICES FOR 2010 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	15.03	14.84	14.34									
II	15.22	15.65										
III	14.50	14.28										
IV	13.85	12.90										

1/ Specific order differentials to be added to this base price can be found by going to:

www.ams.usda.gov/DairyMarketingStatistics; then select "Prices"; and then select "Principal Pricing Points." \$ Revised

INTERNATIONAL DAIRY MARKET NEWS

Information gathered February 22 - March 5, 2010

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

WESTERN OVERVIEW: The effects of a cold winter season continue to impact milk production in Western Europe. Seemingly, most all countries are seeing milk intakes trending lower in recent weeks with intakes more stable this week. Trade indications of milk output changes this year in selected countries showed Ireland down 10%, France down 2%, Germany lower, and Austria steady. Localized rains were heavy and caused some flooding in parts of France, yet the impact on milk output was not noticed. Intervention is not receiving any current dairy products and current stocks are closed. European butter prices are steady to slightly higher with an unsettled market tone. Production is mainly steady with the recent period and market conditions generally balanced. Exporting is light. Whey prices moved slightly lower, although the market tone is stable. Some of the price adjustments are due to lower currency valuation. Whey output is steady to trending higher where cheese production is building. Whey demand is mostly along projections for local sales, while exports are mixed. European skim milk powder market prices are steady to higher and the market undertone is firmer than in recent weeks. For Europe, production is steady to lower with milk moving to cheese production. Whole milk powder prices are unchanged to slightly higher. The market undertone is mostly steady, helped by pricing levels in other regions. Traders and handlers still expect that European SMP and WMP will be utilized to fill a recent tender.

BUTTER/BUTTEROIL: European butter prices are steady to slightly higher with an unsettled market tone. Production is mainly steady with the recent period and market conditions generally balanced. Exporting is light at these price levels. There are no indications that butter will move into intervention in the near future. Butteroil prices are higher and adjusted to reflect the fat value. The market is only lightly tested with most sales moving under prior contracts.

82% BUTTERFAT: 3,700 - 3,975
99% BUTTERFAT: 4,000 - 4,500

WHOLE MILK POWDER (WMP): European whole milk powder prices are unchanged to slightly higher. The market undertone is mostly steady. Market participants see some higher market prices in Oceania and those may have removed some recent unsettledness in past weeks. Traders and handlers still expect that European WMP will be utilized to fill a recent tender, though there is not any new news on the results. WMP supplies are available to fill current and contract orders.

26% BUTTERFAT: 3,250 - 3,450

SWEET WHEY POWDER: European whey prices moved slightly lower, although the market tone is stable. Some of the prices adjustments are due to lower currency valuation. Whey output is steady to trending higher where cheese production is building. Whey demand is mostly along projections for local sales, while exports are mixed. Stocks are at moderate levels.

NONHYGROSCOPIC: 900 - 1,050

OCEANIA

OCEANIA OVERVIEW: January 2010 Australian milk output trailed January 2009 by 9.1%; while July-January season to date figures are running 6.6% lower than the prior year period. Current milk production is moving higher and indicated to be closing the production gap when compared to a year ago. Rainfall of recent weeks has increased pasture growth and has helped feed quality and translated into improved milk output. The growth in milk per cow is allowing the total milk supply to improve. The product mix at the processor level has not changed or been impacted by the milk supplies. The common expectations are for seasonal milk production figures to close the milk production year at around -4%. Feed prices remain relatively low and allowing for supplemental feeding. New Zealand milk production continues to trend higher and current output is tracking slightly higher than a year ago with total season estimates still expected to be above the prior year. Buying interest early in the reporting period was slow as buyers assessed needs and producers watched pricing directions on international markets. The results of the March 2 global/Dairy Trading event are being reported. Skim milk powder (SMP) traded for the first time at the event and all period deliveries averaged \$2927 per MT. May deliveries averaged \$2825; June - August deliveries averaged \$3143; and September - November deliveries averaged \$2927. Trades of whole milk powder (WMP) averaged \$3281 per MT (-0.8%). May deliveries averaged \$3291 (+2.8%); June - August deliveries averaged \$3337 (+0.9%); and September - November deliveries averaged \$3204 (-2.5%). For anhydrous milkfat, trades averaged \$3959 per MT (-5.4%). May deliveries averaged \$4008 (-3.8%); June - August deliveries averaged \$3976 (-5.2%); and September - November deliveries averaged \$3884 (-7.1%). Current butter pricing is mostly unchanged with offerings often trending lower. Demand is fair and along expected levels. Seasonal butter production is along projected levels. Cream supplies are adequate. SMP pricing is mostly steady to higher. Production levels are seasonal. Demand is fair to good for current offerings. A majority of SMP has been committed for the season and sellers are working at moving their remaining powder. The trade is assessing market weakness in the U.S. and what impact that could have on the local market price. Whole milk powder pricing levels are steady to higher and are reflecting firmer trading levels at the recent auction and some related trades. Supplies are generally in good balance. Production trends are steady and expected to continue on with the seasonal milk supplies. Oceania cheese prices have trended lower with some pricing pressures evident in other world markets. Regional demand remains mixed with some buyers well covered for the current season and others filling in some needs. Production is along expectations and cheese supplies are available on a limited basis to fill in needs.

BUTTER: Current butter pricing is mostly unchanged with offerings often trending lower. Demand is fair and along expected levels. Seasonal butter production is along projected levels. Cream supplies are adequate for other needs, including anhydrous milkfat, and remain available for churning. Local butter needs are being filled, contracts are being filled, and there is a light test on the spot market. Lower priced anhydrous may influence butter prices. The results of the March 2 global/Dairy Trading event are being reported. For anhydrous milkfat, trades averaged \$3959 per MT (-5.4%). May deliveries averaged \$4008 (-3.8%); June - August deliveries averaged \$3976 (-5.2%); and September - November deliveries averaged \$3884 (-7.1%).

82% BUTTERFAT: 3,500 - 3,800

INTERNATIONAL DAIRY MARKET NEWS

Information gathered February 22 - March 5, 2010

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

Continued from Page 8

SKIM MILK POWDER (SMP): European skim milk powder markets prices are steady to higher and the market undertone is firmer than in recent weeks. Market traders are looking at the U.S. NDM market being weak; whereas some firmness has been shown in Oceania, especially in the most recent auction trading. For Europe, production is steady to lower with milk moving to cheese production. There are no current projections of SMP moving into intervention. The program opening on March 1 will not garner any offerings with current market prices above intervention levels. No news on a recent export tender has materialized, but there is speculation that SMP and WMP will be shipped from the EU to fill part of the tender.

1.25% BUTTERFAT: 2,600 - 2,850

EASTERN OVERVIEW: Eastern European milk production levels are slowly improving following relatively poor winter conditions characterized by cold temperatures and heavy snowfalls. Milk intakes at processing plants remain below projections. Finished products are in tighter positions than expected and buyers are reaching to other countries to secure dairy products.

OCEANIA

Continued from Page 8

CHEDDAR CHEESE: Oceania cheese prices have trended lower with some pricing pressures evident in other world markets. Regional demand remains mixed with some buyers well covered for the current season and others filing in some needs. Production is along expectations and cheese supplies are available on a limited basis to fill in needs.

39% MAXIMUM MOISTURE: 3,600 - 4,000

SKIM MILK POWDER (SMP): SMP pricing is mostly steady to higher on the top end of the range. Production levels are seasonal. Demand is fair to good for current offerings. A majority of SMP has been committed for the season and sellers are working at moving their remaining powder. The trade is assessing market weakness in the U.S. and what impact that could have on the local market price. There is some interest in the varied world pricing levels, as the current global/DairyTrade, May price traded at \$2825/MT or \$1.28 per pound; while current U.S. NDM price is trading around \$2280/MT. The maximum traded auction volume for the May price would have been 3000 MT; which could have been a factor. The results of the March 2 global/Dairy Trading event are being reported. Skim milk powder (SMP) traded for the first time at the event and all period deliveries averaged \$2927 per MT. May deliveries averaged \$2825; June - August deliveries averaged \$3143; and September - November deliveries averaged \$2927.

1.25% BUTTERFAT: 2,500 - 3,175

WHOLE MILK POWDER (WMP): Pricing levels are steady to higher on the top end of the range and are reflecting firmer trading levels at the recent auction and some related trades. Supplies are generally in good balance. Some demand is resuming after a lull before the March 2 auction as buyers and sellers were looking for direction before transacting. Production trends are steady and expected to continue on with the seasonal milk supplies. The results of the March 2 global/Dairy Trading event are being reported. Trades of whole milk powder (WMP) averaged \$3281 per MT (+0.8%). May deliveries averaged \$3291 (+2.8%); June - August deliveries averaged \$3337 (+0.9%); and September - November deliveries averaged \$3204 (-2.5%).

26% BUTTERFAT: 3,000 - 3,350

Exchange rates for selected foreign currencies: March 1, 2010

.9600 Canadian Dollar	.0217 Indian Rupee
.2590 Argentina Peso	.6992 New Zealand Dollar
.0785 Mexican Peso	.9006 Australian Dollar
.3455 Polish Zloty	.0112 Japanese Yen
	1.3560 Euro

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0785) = 12.7389$ Mexican Pesos. Source: "Wall Street Journal"

CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	02/18	02/19	02/22	02/23	02/24	02/25	02/26	03/01	03/02	03/03
CME - CLASS III MILK FUTURES (Pit-Traded)										
FEB 10	14.18 (3572) 0	14.20 (3570) 0	14.24 (3571) 0	14.24 (3572) 1	14.22 (3574) 0	14.22 (3570) 0	14.28 (3577) 0	14.27 (3570) 0	14.28 (3548) 0	14.29 (3548) 0
MAR 10	13.36 (3600) 0	13.37 (3598) 0	13.31 (3565) 0	13.40 (3576) 13	13.26 (3608) 0	13.00 (3647) 0	13.05 (3624) 26	13.00 (3698) 35	13.14 (3717) 0	13.00 (3829) 0
APR 10	13.19 (3620) 0	13.04 (3752) 0	12.96 (3803) 0	13.06 (3861) 5	13.05 (3948) 0	12.89 (4077) 0	12.90 (4095) 0	12.89 (4187) 3	13.18 (4220) 0	13.01 (4268) 0
MAY 10	13.24 (3089) 0	13.17 (3189) 0	13.11 (3314) 2	13.14 (3309) 5	13.16 (3354) 0	13.09 (3405) 0	13.16 (3423) 0	13.10 (3557) 2	13.33 (3553) 0	13.13 (3608) 0
JUN 10	13.55 (2701) 5	13.50 (2735) 0	13.46 (2778) 2	13.50 (2789) 13	13.53 (2818) 0	13.52 (2856) 0	13.60 (2876) 0	13.66 (2924) 2	14.04 (2919) 3	13.90 (2949) 0
JUL 10	14.18 (2151) 13	14.15 (2156) 0	13.99 (2185) 2	14.05 (2216) 13	14.06 (2238) 0	14.04 (2254) 0	14.09 (2273) 0	14.17 (2309) 2	14.56 (2310) 0	14.48 (2320) 1
AUG 10	14.85 (2041) 0	14.80 (2055) 0	14.59 (2065) 2	14.59 (2083) 13	14.67 (2108) 0	14.65 (2142) 0	14.65 (2141) 0	14.72 (2155) 2	15.11 (2167) 0	15.00 (2187) 0
SEP 10	15.25 (2028) 0	15.15 (2030) 0	14.95 (2041) 2	14.94 (2048) 10	15.00 (2058) 3	14.84 (2059) 0	14.84 (2074) 0	14.93 (2080) 2	15.25 (2088) 0	15.18 (2089) 1
OCT 10	15.35 (1858) 0	15.25 (1860) 0	15.09 (1901) 2	14.94 (1915) 10	14.99 (1924) 4	14.90 (1934) 0	14.90 (1939) 0	15.00 (1936) 2	15.25 (1942) 0	15.19 (1945) 0
CME - CLASS IV MILK FUTURES (Pit-Traded)										
MAY10	13.15 (60) 0	13.15 (60) 0	13.34 (60) 0	13.34 (60) 0	13.34 (60) 0	13.34 (60) 0	13.34 (60) 0	13.43 (60) 0	13.43 (60) 0	13.43 (60) 0
JUN 10	13.80 (35) 0	13.80 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0	13.71 (35) 0
CME - CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
FEB 10	134.25 (379) 0	134.50 (379) 0	134.50 (379) 0	134.50 (379) 0	134.50 (379) 0	134.50 (379) 0	135.25 (374) 5	135.25 (374) 0	135.25 (374) 0	135.25 (374) 0
MAR 10	141.50 (503) 0	142.50 (514) 18	142.50 (514) 4	142.50 (514) 2	143.75 (516) 12	143.50 (516) 6	143.25 (516) 1	143.50 (513) 13	143.50 (513) 0	144.00 (512) 3
APR 10	144.25 (389) 0	144.25 (389) 0	144.50 (389) 0	144.75 (389) 0	145.00 (389) 0	146.03 (388) 1	146.00 (384) 7	146.25 (406) 29	146.50 (406) 0	146.75 (406) 0
MAY 10	147.00 (383) 0	147.00 (383) 0	147.00 (383) 0	149.00 (397) 14	149.00 (397) 0	149.00 (402) 15	149.00 (404) 7	149.00 (404) 0	149.00 (404) 0	149.25 (406) 2
JUN 10	149.50 (362) 3	149.50 (362) 0	149.50 (362) 0	152.00 (375) 13	151.00 (375) 0	150.50 (384) 11	150.50 (391) 7	150.50 (396) 5	151.00 (401) 5	151.00 (401) 0
CME - NONFAT DRY MILK FUTURES (Pit-Traded)										
FEB 10	108.50 (112) 0	108.50 (112) 0	108.50 (112) 0	108.50 (112) 0	108.50 (112) 0	108.50 (112) 0	108.50 (112) 0	109.50 (112) 0	109.50 (112) 0	109.50 (112) 0
MAR 10	106.50 (111) 0	106.50 (111) 0	107.50 (118) 0	107.50 (118) 0	107.50 (120) 9	106.75 (129) 0	106.50 (129) 0	106.50 (129) 0	106.50 (129) 0	106.50 (129) 0
APR 10	106.00 (112) 0	106.00 (112) 0	108.00 (112) 0	108.50 (112) 0	108.00 (123) 16	106.75 (131) 0	106.03 (131) 0	106.25 (131) 0	106.25 (131) 0	106.50 (131) 0
MAY 10	105.50 (131) 0	105.50 (131) 0	108.00 (131) 0	109.00 (131) 0	108.50 (143) 13	108.00 (149) 0	108.00 (149) 0	108.00 (149) 0	108.00 (149) 0	108.00 (149) 0
CME - WHEY (Electronic-Traded)										
FEB 10	38.25 (331) 0	39.00 (331) 2	39.00 (331) 0	39.00 (331) 0	39.00 (331) 0	39.00 (331) 0	39.00 (331) 22	39.00 (331) 0	39.00 (331) 0	39.00 (331) 0
MAR 10	34.50 (282) 4	35.00 (286) 6	35.00 (286) 0	35.00 (286) 0	35.00 (286) 0	36.00 (286) 5	35.00 (286) 6	35.75 (286) 7	35.75 (286) 0	36.50 (286) 5
APR 10	30.00 (289) 14	30.00 (290) 1	29.00 (293) 3	29.95 (293) 0	29.95 (293) 0	30.50 (293) 1	32.00 (293) 1	32.00 (293) 0	32.00 (293) 0	32.00 (293) 0
MAY 10	27.75 (240) 0	28.00 (240) 2	27.00 (242) 2	27.00 (242) 0	27.00 (242) 0	27.28 (242) 0	28.50 (243) 1	29.00 (243) 5	29.50 (243) 2	29.50 (243) 0
JUN 10	27.50 (198) 5	27.95 (203) 5	27.95 (203) 0	27.95 (203) 0	27.95 (203) 0	28.53 (203) 2	29.48 (203) 0	29.00 (204) 10	29.75 (204) 2	29.75 (204) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-250-3208.

MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2010 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:REPORT NUMBER				2010		2009	
	5	6	7	8	Average	Average	or Total	or Total
	FEB 01 - 05	FEB 08 - 12	FEB 15 - 19	FEB 22 - 26				
CHEESE								
WISCONSIN (WSP, Delivered, LTL)								
-- Process American 5# Loaf	:: 1.8675 - 2.0475	:: 1.8350 - 2.0150	:: 1.8250 - 2.0050	:: 1.7625 - 1.9425	::	1.9124	:	1.7484
-- Brick And/Or Muenster 5#	:: 2.0225 - 2.1500	:: 2.0075 - 2.1500	:: 2.0075 - 2.1500	:: 1.9500 - 2.1000	::	2.0666	:	1.8956
-- Cheddar 40# Block	:: 1.9800 - 2.5650	:: 1.9800 - 2.5650	:: 1.9800 - 2.5650	:: 1.9300 - 2.5650	::	2.2659	:	2.1370
-- Monterey Jack 10#	:: 1.9875 - 2.5650	:: 1.9725 - 2.5650	:: 1.9725 - 2.5650	:: 1.9150 - 2.5650	::	2.2632	:	2.1324
-- Blue 5#	:: 2.3125 - 2.8700	:: 2.2975 - 2.8700	:: 2.2975 - 2.8700	:: 2.2400 - 2.8200	::	2.5716	:	2.3968
-- Mozzarella 5 - 6#	:: 1.8575 - 2.6650	:: 1.8425 - 2.6650	:: 1.8425 - 2.6650	:: 1.7850 - 2.6650	::	2.2482	:	2.1353
-- Grade A Swiss Cuts 6 - 9#	:: 2.6400 - 3.3300	:: 2.5900 - 3.3300	:: 2.5900 - 3.3300	:: 2.5900 - 3.3300	::	2.9666	:	2.8163
NORTHEAST (WSP, Delivered, LTL)								
-- Cheddar 40# Block	:: 1.8400 - 2.1150	:: 1.8250 - 2.1000	:: 1.8250 - 2.1000	:: 1.7675 - 2.0425	::	1.9513	:	1.5833
-- Process 5# Sliced	:: 1.6000 - 1.9100	:: 1.5675 - 1.8775	:: 1.5575 - 1.8675	:: 1.4950 - 1.8050	::	1.7099	:	1.4439
-- Muenster	:: 1.8600 - 2.0575	:: 1.8450 - 2.0425	:: 1.8450 - 2.0425	:: 1.7875 - 1.9850	::	1.9326	:	1.5645
-- Grade A Swiss Cuts 10 - 14#	:: 3.2725 - 3.5950	:: 3.2175 - 3.5400	:: 3.2175 - 3.5400	:: 3.2175 - 3.5400	::	3.3932	:	3.0088
WEST COAST (WSP, Delivered, LTL)								
-- Process 5# Loaf	:: 1.6325 - 1.8900	:: 1.6000 - 1.8575	:: 1.5900 - 1.8475	:: 1.5275 - 1.7850	::	1.7161	:	1.4352
-- Cheddar 40# Block	:: 1.6450 - 1.9975	:: 1.6300 - 1.9825	:: 1.6300 - 1.9825	:: 1.5725 - 1.9250	::	1.7951	:	1.4845
-- Cheddar 10# Cuts	:: 1.8250 - 2.0450	:: 1.8100 - 2.0300	:: 1.8100 - 2.0300	:: 1.7525 - 1.9725	::	1.9088	:	1.5983
-- Monterey Jack 10#	:: 1.8350 - 1.9950	:: 1.8200 - 1.9800	:: 1.8200 - 1.9800	:: 1.7625 - 1.9225	::	1.8888	:	1.5783
-- Grade A Swiss Cuts 6 - 9#	:: 2.8200 - 3.2500	:: 2.7650 - 3.1950	:: 2.7650 - 3.1950	:: 2.7650 - 3.1950	::	2.9945	:	2.8368
FLUID PRODUCTS								
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)								
-- Northeast - f.o.b	:: 1.7237 - 1.7927	:: 1.5705 - 1.7303	:: 1.5433 - 1.7177	:: 1.6891 - 1.8107	::	1.7008	:	1.2165
-- Upper Midwest - f.o.b	:: 1.6272 - 1.6962	:: 1.5706 - 1.6371	:: 1.5830 - 1.6775	:: 1.6486 - 1.7162	::	1.6453	:	1.2689
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.								
-- Class II	:: 1.30 - 1.37	:: 1.30 - 1.39	:: 1.37 - 1.41	:: 1.20 - 1.24	::	1.3189	:	0.9050
-- Class III	:: 1.26 - 1.30	:: 1.24 - 1.30	:: 1.24 - 1.30	:: 1.24 - 1.30	::	1.2726	:	0.8463

MONTHLY SUMMARY AND AVERAGES FOR FEBRUARY 2010 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:REPORT NUMBER				2010		2009	
	5	6	7	8	Average	Average	Average	Average
	FEB 01 - 05	FEB 08 - 12	FEB 15 - 19	FEB 22 - 26	or Total	or Total	or Total	or Total
DRY PRODUCTS								
NONFAT DRY MILK								
-- Central And East (f.o.b.)								
-- Low/Medium Heat	:: 1.1200 - 1.3750	:: 1.0500 - 1.3100	:: 1.1000 - 1.2700	:: 1.0500 - 1.2550	::	1.1916	:	0.8574
-- Mostly	:: 1.2200 - 1.3000	:: 1.1600 - 1.2800	:: 1.1500 - 1.2600	:: 1.1000 - 1.1700	::	1.2050	:	0.8313
-- High Heat	:: 1.2500 - 1.4000	:: 1.2000 - 1.4000	:: 1.1900 - 1.3700	:: 1.1800 - 1.3550	::	1.2938	:	0.9100
-- West (f.o.b.)								
-- Low/Medium Heat	:: 1.0500 - 1.2350	:: 1.0000 - 1.2000	:: 1.0000 - 1.1800	:: 1.0000 - 1.1700	::	1.1051	:	0.8007
-- Mostly	:: 1.0700 - 1.1500	:: 1.0400 - 1.1000	:: 1.0400 - 1.1000	:: 1.0000 - 1.0900	::	1.0739	:	0.7963
-- High Heat	:: 1.1600 - 1.3900	:: 1.1200 - 1.3300	:: 1.1100 - 1.3300	:: 1.0900 - 1.3300	::	1.2332	:	0.9207
WHEY POWDER (Nonhygroscopic)								
-- Central (f.o.b.)	:: 0.3650 - 0.4050	:: 0.3400 - 0.4050	:: 0.3400 - 0.4150	:: 0.3100 - 0.4150	::	0.3742	:	0.1601
-- Mostly	:: 0.3700 - 0.3900	:: 0.3675 - 0.3875	:: 0.3675 - 0.3875	:: 0.3675 - 0.3875	::	0.3782	:	0.1578
-- West (f.o.b.)	:: 0.3700 - 0.4300	:: 0.3700 - 0.4300	:: 0.3750 - 0.4300	:: 0.3750 - 0.4300	::	0.4012	:	0.1627
-- Mostly	:: 0.3900 - 0.4200	:: 0.3900 - 0.4200	:: 0.3900 - 0.4200	:: 0.3900 - 0.4200	::	0.4050	:	0.1552
-- Northeast (f.o.b.)	:: 0.3500 - 0.4050	:: 0.3500 - 0.4050	:: 0.3575 - 0.4025	:: 0.3675 - 0.4075	::	0.3807	:	0.1830
WHEY PROTEIN CONCENTRATE								
-- Central And West (f.o.b.)								
-- Extra Grade 34% Protein	:: 0.9000 - 1.0000	:: 0.8800 - 1.0000	:: 0.8500 - 1.0000	:: 0.8500 - 0.9950	::	0.9349	:	0.5536
-- Mostly	:: 0.9200 - 0.9475	:: 0.9200 - 0.9475	:: 0.9125 - 0.9475	:: 0.9100 - 0.9400	::	0.9307	:	0.5397
ANIMAL FEED - WHEY								
-- Central (f.o.b.)								
-- Milk Replacer	:: 0.2200 - 0.3700	:: 0.2200 - 0.3700	:: 0.2200 - 0.3700	:: 0.2200 - 0.3700	::	0.2950	:	0.1243
BUTTERMILK (Min. 30% protein)								
-- Central And East (f.o.b.)	:: 1.0600 - 1.3650	:: 1.0600 - 1.3250	:: 1.0000 - 1.2325	:: 0.9900 - 1.1600	::	1.1508	:	0.6639
-- West (f.o.b.)	:: 0.9500 - 1.1550	:: 0.9200 - 1.0800	:: 0.8800 - 1.0300	:: 0.8500 - 1.0200	::	0.9872	:	0.6179
-- Mostly	:: 0.9800 - 1.0800	:: 0.9500 - 1.0300	:: 0.9100 - 0.9800	:: 0.8750 - 0.9650	::	0.9726	:	0.6324
WHOLE MILK POWDER								
-- National (f.o.b.)	:: 1.3200 - 1.5200	:: 1.3200 - 1.5200	:: 1.3600 - 1.5200	:: 1.3600 - 1.5200	::	1.4295	:	1.0889
LACTOSE								
-- Central And West (f.o.b.)	:: 0.2900 - 0.4600	:: 0.2700 - 0.4500	:: 0.3000 - 0.4500	:: 0.2700 - 0.4500	::	0.3671	:	0.1537
-- Mostly	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	::	0.3500	:	0.1275
CASEIN - Edible - National (f.o.b.)								
-- Nonrestricted - Rennet	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	::	3.8750	:	3.3750
-- Nonrestricted - Acid	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	::	3.8500	:	3.1500

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR FEBRUARY 2010

COMMODITY	::REPORT NUMBER 5 :: FEB 1 - 5	::REPORT NUMBER 6 :: FEB 8 - 12	::REPORT NUMBER 7 :: FEB 16 - 19	::REPORT NUMBER 8 :: FEB 22 - 26	:: 2010 * :: Monthly Average	:: 2009 * :: Monthly Average
BUTTER*						
-- GRADE AA						
--Monday	:: 1.3250	:: 1.3200	:: 1/	:: 1.3750	::	::
--Tuesday	:: 1.3100	:: 1.3500	:: 1.3300	:: 1.4050	::	::
--Wednesday	:: 1.3450	:: 1.3500	:: 1.3350	:: 1.4050	::	::
--Thursday	:: 1.3475	:: 1.3500	:: 1.3800	:: 1.4050	::	::
--Friday	:: 1.3275	:: 1.3400	:: 1.3600	:: 1.4050	:: 1.3561	:: 1.1097
--Weekly Average**	:: 1.3310	:: 1.3420	:: 1.3513	:: 1.3990	::	::
CHEESE*						
-- BARRELS						
--Monday	:: 1.4800	:: 1.4725	:: 1/	:: 1.3700	::	::
--Tuesday	:: 1.4725	:: 1.4725	:: 1.4250	:: 1.3600	::	::
--Wednesday	:: 1.4725	:: 1.4775	:: 1.4150	:: 1.3275	::	::
--Thursday	:: 1.4725	:: 1.4575	:: 1.3875	:: 1.2975	::	::
--Friday	:: 1.4725	:: 1.4450	:: 1.3775	:: 1.2900	:: 1.4182	:: 1.1993
--Weekly Average**	:: 1.4740	:: 1.4650	:: 1.4013	:: 1.3290	::	::
-- 40# BLOCKS						
--Monday	:: 1.5100	:: 1.4925	:: 1/	:: 1.3950	::	::
--Tuesday	:: 1.5025	:: 1.4925	:: 1.4800	:: 1.3950	::	::
--Wednesday	:: 1.4975	:: 1.5000	:: 1.4450	:: 1.3700	::	::
--Thursday	:: 1.4925	:: 1.5050	:: 1.4275	:: 1.3450	::	::
--Friday	:: 1.4925	:: 1.5050	:: 1.4125	:: 1.3400	:: 1.4526	:: 1.2171
--Weekly Average**	:: 1.4990	:: 1.4990	:: 1.4413	:: 1.3690	::	::
NONFAT DRY MILK*						
-- EXTRA GRADE						
--Monday	:: 1.2400	:: 1.2400	:: 1/	:: 1.2400	::	::
--Tuesday	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	::	::
--Wednesday	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	::	::
--Thursday	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	::	::
--Friday	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	:: 0.8500
--Weekly Average**	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.2400	::	::
-- GRADE A						
--Monday	:: 1.1900	:: 1.1000	:: 1/	:: 1.1200	::	::
--Tuesday	:: 1.1900	:: 1.1000	:: 1.1050	:: 1.1200	::	::
--Wednesday	:: 1.1900	:: 1.1000	:: 1.1200	:: 1.1200	::	::
--Thursday	:: 1.1900	:: 1.1050	:: 1.1200	:: 1.1200	::	::
--Friday	:: 1.1500	:: 1.1050	:: 1.1200	:: 1.1200	:: 1.1308	:: 0.8311
--Weekly Average**	:: 1.1820	:: 1.1020	:: 1.1163	:: 1.1200	::	::

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

1/ HOLIDAY

FEBRUARY AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in February 2010 advanced 1 point to 185. Compared with February 2009, the index was up 6 points (3.4 percent). The index of prices received by farmers for dairy products declined 1 point during the month of February 2010 to 122. Compared with February 2009, the index was up 33 points (37.1 percent).

Prices received by farmers in February with changes from January were: for All Milk, \$15.90 per hundredweight (cwt.), down \$.20; for Fluid Grade Milk, \$15.90 per cwt., down \$.20; and for Manufacturing Grade Milk, \$15.80 per cwt., up \$.30.

SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., FEBRUARY 2010 WITH COMPARISONS

STATE	All-milk price <u>1/</u> <u>3/</u>				Milk cows <u>5/</u>		Cows <u>6/</u>		Alfalfa hay, baled <u>7/</u>	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	JANUARY		FEBRUARY		FEBRUARY		FEBRUARY		FEBRUARY	
	2010 <u>2/</u>	2009 <u>2/</u>	2010 <u>4/</u>	2009 <u>2/</u>	2010 <u>4/</u>	2009 <u>2/</u>	2010 <u>7/</u>	2009 <u>8/</u>	2010	2009
CA	14.75	11.16	14.50	10.50	PRICES PUBLISHED JANUARY, APRIL, JULY AND OCTOBER		50.40	39.10	116.00	162.00
ID	14.60	10.60	14.50	10.50			52.40	40.80	107.00	174.00
MI	16.90	15.00	16.80	12.30			51.00	45.00	125.00	155.00
MN	16.10	12.90	16.10	12.10			51.00	46.60	125.00	125.00
NM	15.70	13.10	15.50	11.00			54.00	46.90	145.00	194.00
NY	16.80	14.30	16.70	12.20			---	---	150.00	155.00
PA	18.00	16.20	17.70	13.50			47.90	47.50	153.00	175.00
TX	17.10	14.50	16.40	12.20			49.70	41.10	183.00	190.00
WA	15.70	13.10	15.40	10.70			---	---	115.00	195.00
WI	16.30	13.20	16.10	11.50			48.70	42.00	120.00	110.00
U.S.	16.10	13.30	15.90	11.60			50.50	43.60	111.00	141.00

1/ Prices are shown at reported butterfat test. 2/ Partially revised. 3/ Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. 4/ Preliminary. 5/ Animals sold for dairy herd replacement only. 6/ Beef cows and cull dairy cows sold for slaughter. 7/ Mid-month price. 8/ Entire month.

MILK AND OTHER GENERAL PRICE MEASURES, U.S., FEBRUARY 2010 WITH COMPARISONS

ITEM	FEBRUARY 2009	JANUARY 2010 <u>1/</u>	FEBRUARY 2010 <u>2/</u>
PRICES RECEIVED BY FARMERS , dol. per cwt., at reported butterfat test: <u>3/</u>			
All milk	11.60	16.10	15.90
Fluid grade milk	11.60	16.10	15.90
Manufacturing grade milk	10.50	15.50	15.80
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for all farm products	126	139	133
Prices received by farmers for dairy products	89	123	122
Prices paid by farmers for commodities and services, interest taxes, and wage rates	179	184	185
Prices paid by farmers for production items	183	188	189
Prices paid by farmers for feed	187	185	186
MILK FEED PRICE RATIO: Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk <u>4/</u>	1.51	2.31	2.38

1/ Partially revised. 2/ Preliminary. 3/ Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. 4/ For this data series, the price of the commercial prepared feed is based on current U.S. prices received for corn, soybeans, and alfalfa hay and all wheat.

SOURCE: "Agricultural Prices," Pr 1 (2-10), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE ^{1/}

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
NOV 2009	217.3	-0.7	193.9	-9.0	180.9	-15.8	197.4	-10.3	153.5	-14.9	201.2	-4.0
DEC 2009	217.6	-0.5	194.8	-7.6	184.1	-12.8	198.7	-9.3	160.8	-11.5	201.0	-3.8
JAN 2010	218.9	-0.4	198.9	-5.1	189.7	-8.6	202.7	-6.9	169.5	-6.8	201.9	-3.2
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Butter ^{5/}		Process Cheese ^{6/}		Natural Cheese ^{7/}		Ice Cream ^{8/}			
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008		
Dollars												
NOV	3.034	3.734	2.612	3.120	3.838	4.080	4.425	5.097	4.431	4.397		
DEC	3.105	3.681	2.668	3.129	3.858	4.141	4.552	4.952	4.234	4.281		
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009		
JAN	3.236	3.575	2.778	3.164	3.875	4.124	4.720	5.014	4.483	4.441		

^{1/} "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ^{2/} The standard reference base period for these indexes is 1982-1984 = 100. ^{3/} Percent change over previous year. ^{4/} Per gallon. ^{5/} Per pound. Grade AA, salted, stick butter. ^{6/} Per pound, any size and type of package. ^{7/} Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). ^{8/} Per 1/2 gallon, prepackaged regular.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS—OCTOBER-DECEMBER AND YEAR-TO-DATE 2008-2009 ^{1/}

Item	Oct.-Dec. 2008	Percent change ^{2/}	Oct.-Dec. 2009	Percent change ^{2/}	Jan.-Dec. 2008	Percent change ^{2/}	Jan.-Dec. 2009	Percent change ^{2/}
	Million Pounds							
MILK								
Production	46,727	1.5	46,265	-1.0	189,992	2.1	189,320	-0.1
Marketings	46,457	1.5	45,995	-1.0	188,918	2.1	188,240	-0.1
Beginning Commercial Stocks ^{3/}	11,506	-7.9	13,626	18.4	10,355	8.9	10,045	-3.0
Imports ^{3/}	1,523	16.3	1,058	-30.5	3,941	-15.2	4,057	3.2
Total Supply ^{4/}	59,486	-0.1	60,679	2.0	203,214	1.8	202,342	0.0
Ending Commercial Stocks ^{3/}	10,045	-3.0	11,284	12.3	10,045	-3.0	11,284	12.3
Net Removals ^{3/}	24	100.0	582	2,325.0	24	100.0	703	2,829.2
Commercial Disappearance ^{4/}	49,417	1.0	48,813	-1.2	193,145	2.3	190,355	-1.2
SELECTED PRODUCTS ^{5/}								
Butter	512.2	2.8	467.1	-8.8	1,710.1	12.3	1,567.4	-8.1
American Cheese	1,067.6	4.4	1,040.6	-2.5	4,064.1	2.6	4,159.0	2.6
Other Cheese	1,554.9	-3.4	1,634.4	5.1	6,080.4	-2.0	6,168.8	1.7
Nonfat Dry Milk	264.3	-0.3	252.6	-4.4	1,378.0	13.2	1,293.0	-5.9
Fluid Milk Products ^{6/}	14,268.9	0.4	14,373.9	0.7	55,056.6	-0.2	55,485.9	1.1

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} From year earlier on a daily average basis. ^{3/} Milk-equivalent, milkfat basis. ^{4/} Totals may not add because of rounding. ^{5/} Commercial disappearance in product pounds. ^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA.

JANUARY 2010 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 162.0 million pounds in January, 7.2 percent below January 2009 but 7.5 percent above December 2009. **AMERICAN TYPE CHEESE** production totaled 347.7 million pounds, 1.6 percent below January 2009 and 0.5 percent below December 2009. **TOTAL CHEESE** output (excluding cottage cheese) was 842.3 million pounds, 2.2 percent above January 2009 but 2.3 percent below December 2009. **NONFAT DRY MILK** production, for human food, totaled 128.0 million pounds, 17.3 percent below January 2009 but 1.6 percent above December 2009. **DRY WHEY** production, for human food, was 82.0 million pounds, 11.3 percent above January 2009 and 2.3 percent above December 2009. **ICE CREAM** (hard) production totaled 56.4 million gallons, 2.0 percent below January 2009 but 13.6 percent above December 2009.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	JAN 2010	PERCENT CHANGE FROM:			PRODUCT	JAN 2010	PERCENT CHANGE FROM:		
	1,000 LBS.	JAN 2009	DEC 2009	YEAR TO DATE 1/		1,000 LBS.	JAN 2009	DEC 2009	YEAR TO DATE 1/
BUTTER	162,040	-7.2	7.5	-7.2	SOUR CREAM	89,276	2.7	-16.1	2.7
CHEESE					YOGURT (PLAIN AND FLAVORED)	337,101	10.0	14.4	10.0
AMERICAN TYPES 2/	347,712	-1.6	-0.5	-1.6	DRY WHEY, HUMAN FOOD	81,993	11.3	2.3	---
CHEDDAR	266,589	-2.7	2.5	-2.7	DRY WHEY, ANIMAL FEED	3,477	-36.3	-30.3	---
OTHER AMERICAN	81,123	2.5	-9.3	---	DRY WHEY, TOTAL 8/	85,470	8.0	0.4	8.0
BRICK & MUENSTER	10,041	6.9	1.9	---	REDUCED LACTOSE AND MINERALS				
CREAM & NEUFCHATEL	56,577	25.6	-4.8	---	HUMAN FOOD	2,071	-21.8	-7.8	---
HISPANIC	16,186	---	-8.5	---	ANIMAL FEED	4,950	5.2	3.5	---
TOTAL ITALIAN TYPES	363,047	4.4	-2.7	4.4	LACTOSE, HUMAN FOOD & ANIMAL FEED	66,806	11.7	4.0	11.7
MOZZARELLA	285,314	6.4	-1.6	6.4	WHEY PROTEIN CONCENTRATE				
OTHER ITALIAN	77,733	-2.6	-6.5	---	HUMAN FOOD 9/	31,795	1.2	1.5	---
SWISS	27,172	2.4	-4.3	---	ANIMAL FEED 9/	3,021	9.2	-25.6	---
ALL OTHER TYPES	21,613	-15.9	-10.3	---	TOTAL 9/	34,816	1.8	-1.6	1.8
TOTAL	842,348	2.2	-2.3	2.2	25.0-49.9 PERCENT 10/	20,216	-7.1	-4.3	---
COTTAGE CHEESE, CURD 3/	33,299	-5.4	-0.3	---	50.0-89.9 PERCENT 10/	14,600	17.5	2.5	---
COTTAGE CHEESE, CREAM 4/	25,000	-5.3	-0.8	-5.3	PROTEIN ISOLATES 11/	4,708	23.1	7.2	---
COTTAGE CHEESE, LOWFAT 5/	29,025	-6.1	-0.3	-6.1	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
CANNED EVAP & CONDSD WHOLE MILK	37,770	-4.7	-9.7	---	ICE CREAM (HARD)	56,358	-2.0	13.6	-2.0
DRY BUTTERMILK	9,299	24.1	6.7	---	ICE CREAM, LOWFAT (HARD)	9,896	-6.7	12.3	---
DRY WHOLE MILK	5,159	26.3	-27.1	---	ICE CREAM, LOWFAT (SOFT)	13,276	0.8	-6.5	---
MILK PROTEIN CONC. (MPC), TOTAL 6/	7,452	5.2	-22.8	---	ICE CREAM, LOWFAT (TOTAL)	23,172	-2.6	0.7	-2.6
NONFAT DRY MILK (NDM), HUMAN	127,962	-17.3	1.6	-17.3	SHERBET, HARD	3,432	-3.4	19.5	-3.4
SKIM MILK POWDERS (SMP) 7/	20,581	16.5	-8.9	16.5	YOGURT (TOTAL)	3,858	12.5	-5.1	12.5

MANUFACTURERS' STOCKS, END OF MONTH 12/							
PRODUCT	JAN 2010	PERCENT OF:		PRODUCT	JAN 2010	PERCENT OF:	
	1,000 LBS.	JAN 2009	DEC 2009		1,000 LBS.	JAN 2009	DEC 2009
DRY WHEY, HUMAN FOOD	43,777	-19.1	3.6	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	1,539	-30.6	15.1	HUMAN FOOD 9/	35,296	11.8	-3.6
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 13/	9,197	-49.1	-5.4	ANIMAL FEED 9/	2,128	10.9	-11.7
LACTOSE, HUMAN FOOD & ANIMAL FEED	61,448	-35.4	11.6	TOTAL 9/	37,424	11.8	-4.1
CANNED EVAP & CONDSD WHOLE MILK	52,526	7.1	17.2	25.0-49.9 PERCENT 10/	20,993	2.6	-7.6
DRY BUTTERMILK	13,219	26.8	28.3	50.0-89.9 PERCENT 10/	16,431	26.1	0.8
NONFAT DRY MILK (NDM), HUMAN FOOD	138,148	-32.3	4.9	PROTEIN ISOLATES 11/	10,350	54.7	-0.6

1/ 2010 cumulative as percent change of 2009 cumulative. 2/ Includes Cheddar, Colby, Monterey and Jack. 3/ Mostly used for processing into cream or lowfat cottage cheese. 4/ Fat content 4 percent or more. 5/ Fat content less than 4 percent. 6/ Dry milk protein concentrate, 40-89.9 percent. 7/ Includes protein standardized and blends. 8/ Excludes all modified dry whey products. 9/ Whey Protein Concentrate, 25.0 to 89.9 percent. 10/ Whey Protein Concentrate Human and Animal. 11/ Whey Protein Isolates, 90.0 percent or greater. 12/ Stocks held by manufacturers at all points and in transit. 13/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. SOURCE: "Dairy Products," Da 2-6 (3-10), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, FEBRUARY

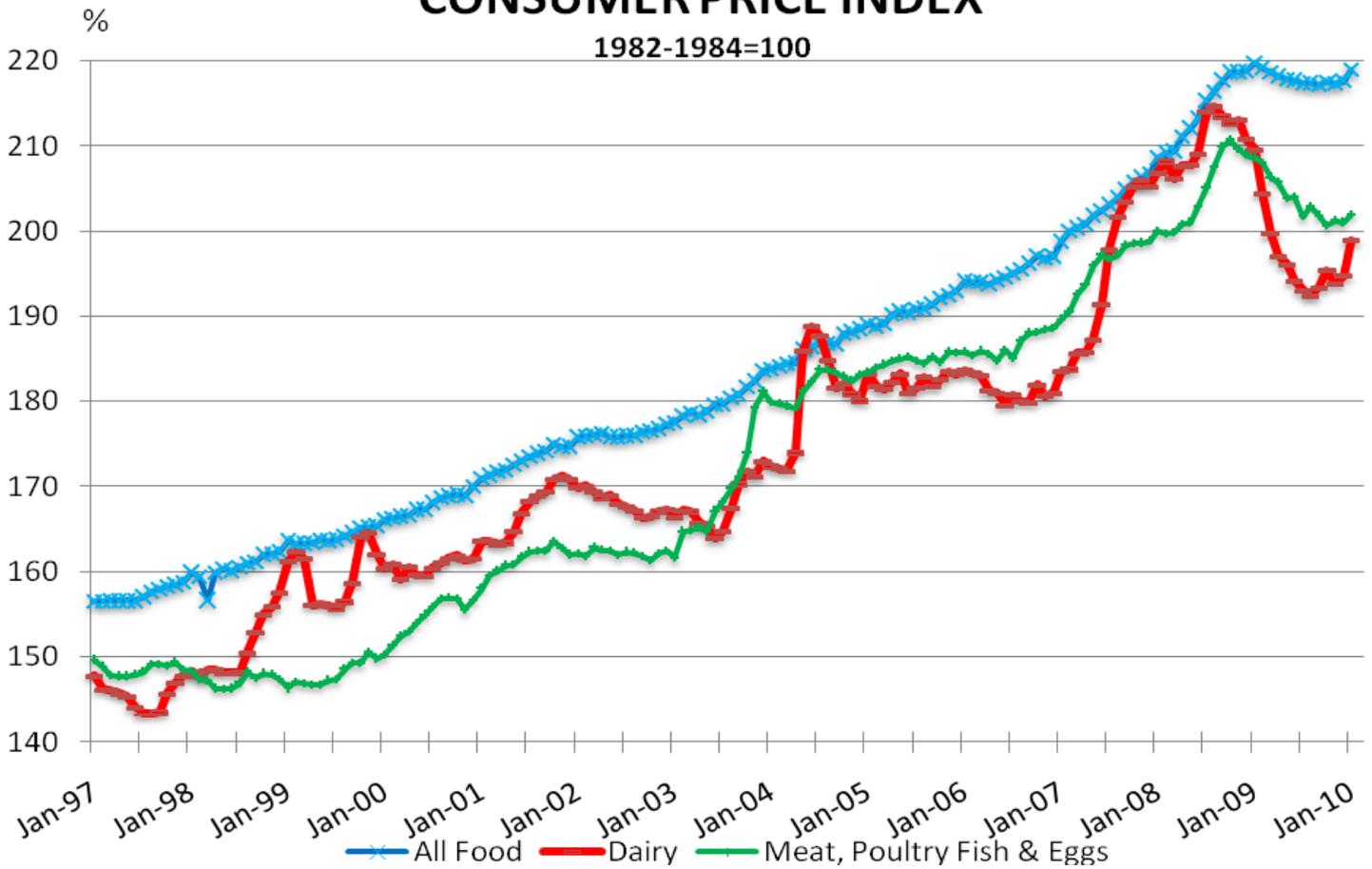
Component Price Information: Under the Federal milk order pricing system, the butterfat price for February 2010 is \$1.4404 per pound. Thus, the Class II butterfat price is \$1.4474. The protein and other solids prices for February are \$2.7066 and \$0.1992 per pound, respectively. These component prices set the Class III skim milk price at \$9.57 per cwt. The February Class IV skim milk price is \$8.14 which is derived from the nonfat solids price of \$0.9043 per pound.
Product Price Averages: The product price averages for February are: butter \$1.3609, nonfat dry milk \$1.0812, cheese \$1.5110, and dry whey \$0.3925.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/} _{2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	FEBRUARY 2010				MARCH 2010
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	18.09	15.65	14.28	12.90	17.59
Appalachian (Charlotte) ^{5/} _{6/}	005	18.24	15.65	14.28	12.90	17.74
Southeast (Atlanta) ^{6/} _{7/}	007	18.64	15.65	14.28	12.90	18.14
Florida (Tampa) ^{6/} _{8/}	006	20.24	15.65	14.28	12.90	19.74
Midwest (Cleveland) ^{9/}	033	16.84	15.65	14.28	12.90	16.34
Upper Midwest (Chicago) ^{10/}	030	16.64	15.65	14.28	12.90	16.14
Central (Kansas City) ^{11/}	032	16.84	15.65	14.28	12.90	16.34
Southwest (Dallas) ^{12/}	126	17.84	15.65	14.28	12.90	17.34
Arizona (Phoenix)	131	17.19	15.65	14.28	12.90	16.69
Pacific Northwest (Seattle) ^{13/}	124	16.74	15.65	14.28	12.90	16.24
All-Market Average	---	17.73	15.65	14.28	12.90	17.23

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.
^{2/} Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.
^{3/} Names in parentheses are the major city in the principal pricing point of the market.
^{4/} Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25.
^{5/} Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.
^{6/} Effective May 1, 2008, the Class I price surface in these orders were temporarily adjusted.
^{7/} Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.
^{8/} Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.
^{9/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.
^{10/} Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.
^{11/} Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.
^{12/} Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.
^{13/} Class I prices at other cities are: Portland, same; and Spokane, same.

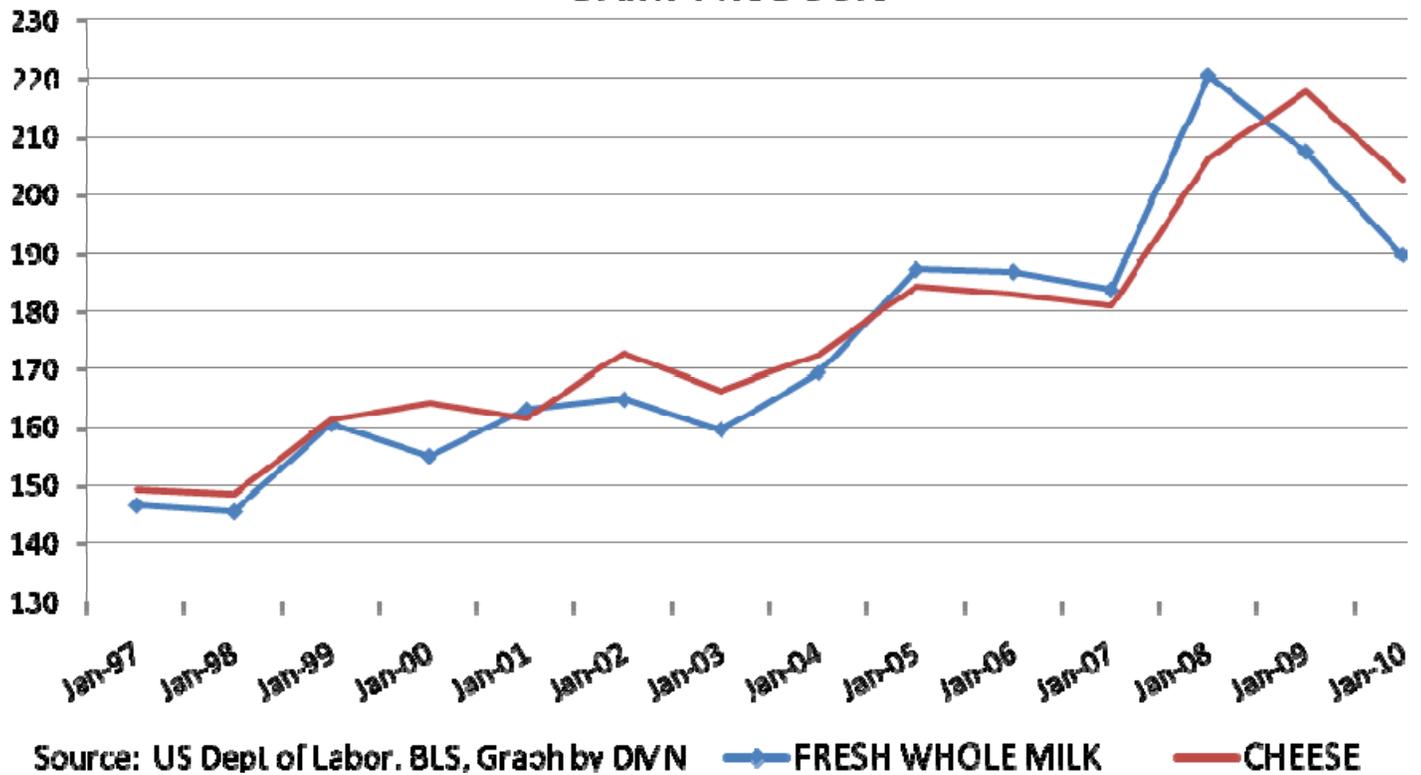
CONSUMER PRICE INDEX

1982-1984=100



CONSUMER PRICE INDEX DAIRY PRODUCTS

1982-1984 100
%



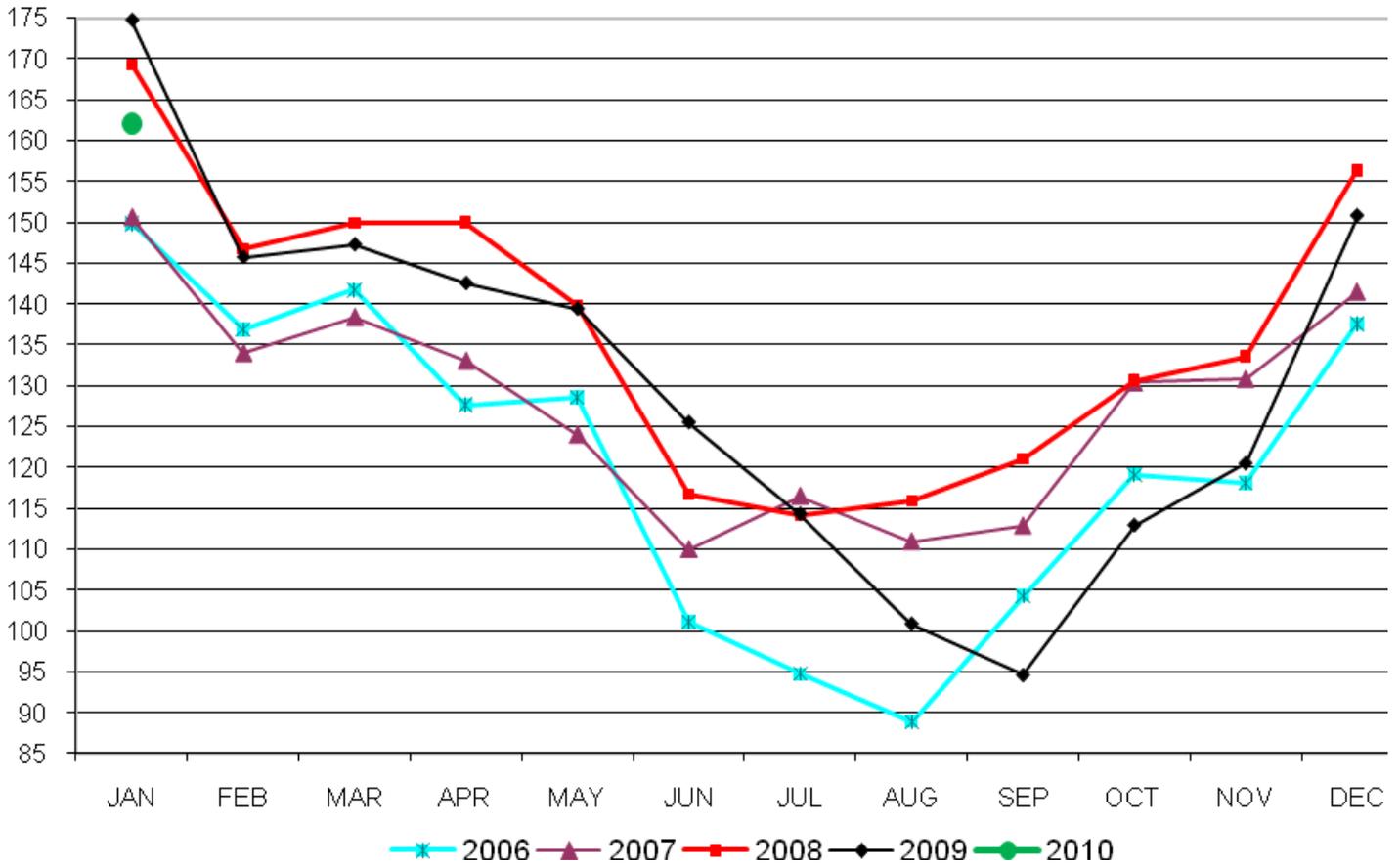
Source: US Dept of Labor, BLS, Graph by DMN

◆ FRESH WHOLE MILK

— CHEESE

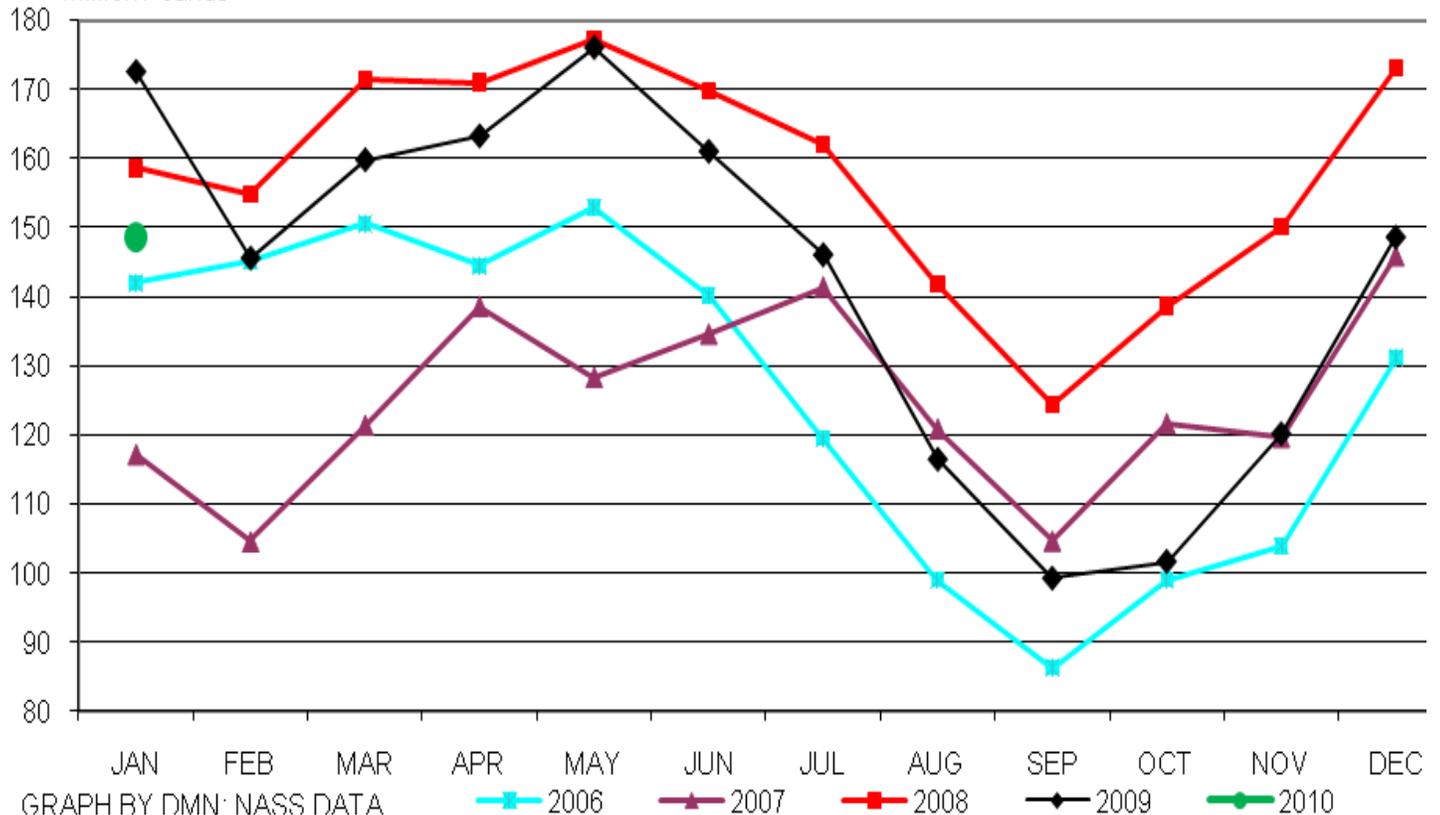
Million Pounds

U.S. BUTTER PRODUCTION



U.S. COMBINED NDM (HUMAN) AND SKIM POWDER PRODUCTION

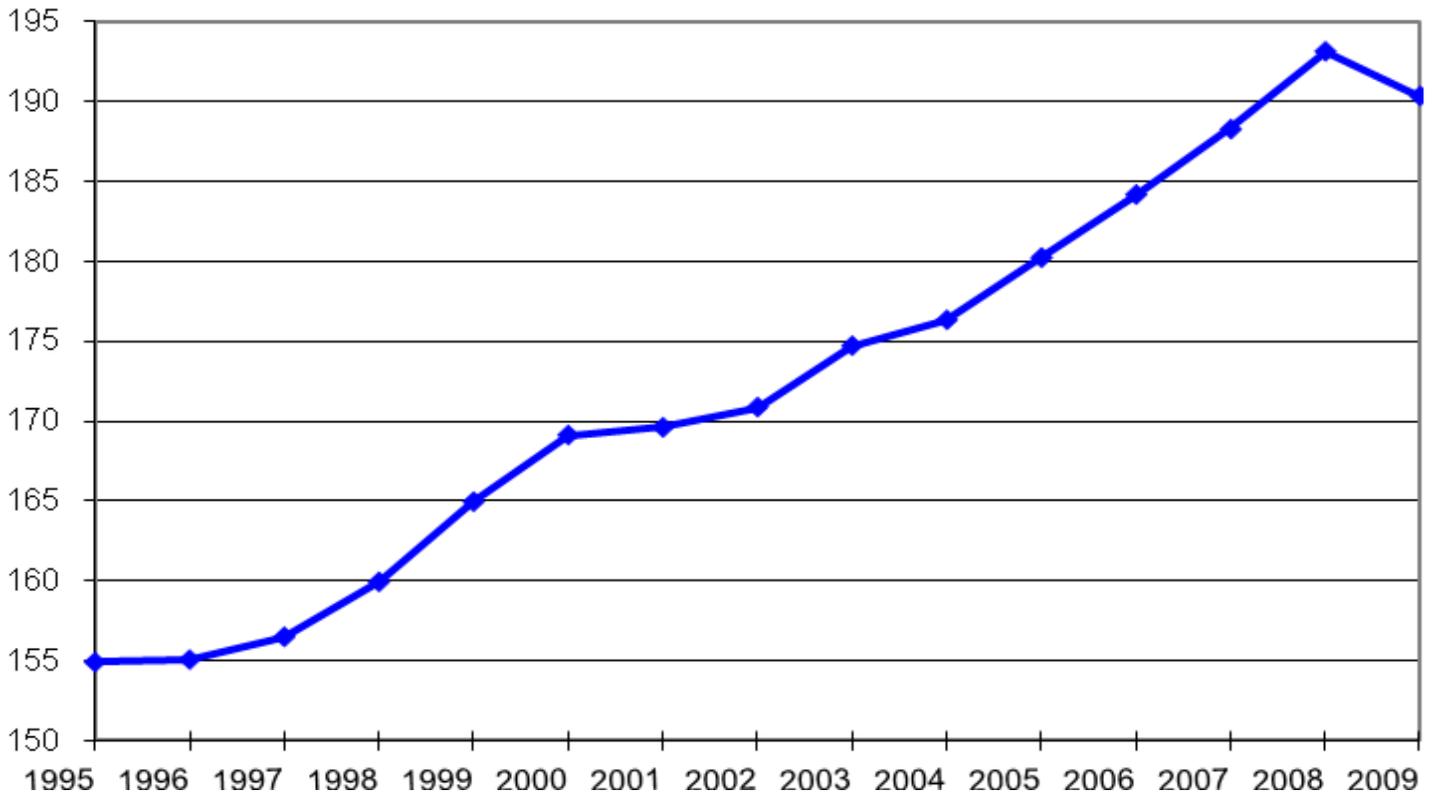
Million Pounds



GRAPH BY DMN: NASS DATA

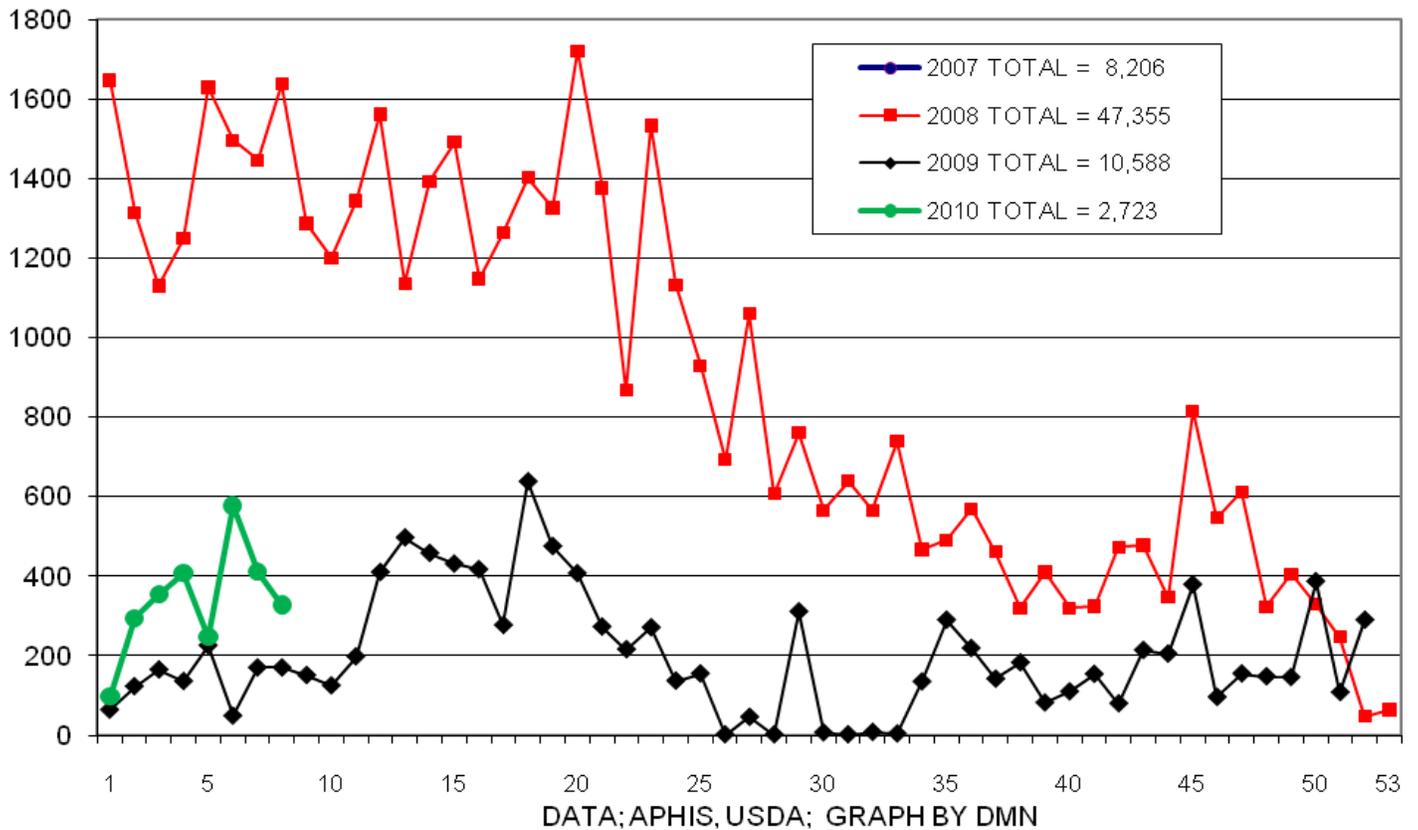
ANNUAL COMMERCIAL DISAPPEARANCE OF TOTAL MILK & DAIRY PRODUCTS

BILLION LBS.



Head

Canadian Dairy Breeding Female Cattle Imports by Week



DAIRY MARKET NEWS

GENERAL NUMBER

Elizabeth Frederick
(608) 250-3200
Elizabeth.Frederick@AMS.USDA.GOV

VOLUME: 77

REPORT: 09

DATE: 03/05/2010

NORTHEAST/SOUTHEAST

Rick Whipp
(608) 250-3201
Rick.Whipp@AMS.USDA.GOV

INTERNATIONAL

Steven Schneeberger
(608) 250-3204
Steven.Schneeberger@AMS.USDA.GOV

CENTRAL

George Koerner
(608) 250-3205
George.Koerner@AMS.USDA.GOV

ORGANIC

Eric Graf
(608) 250-3203
Eric.Graf@AMS.USDA.GOV

Janet Linder
(608) 250-3207
Janet.Linder@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/DairyMarketNews

SOUTHWEST

Lester "Butch" Speth
(608) 250-3202
Butch.Speth@AMS.USDA.GOV

MARKET NEWS PORTAL

www.marketnews.usda.gov

NORTHWEST/MOUNTAIN

Bob Hunter
(608) 250-3217
Robert.Hunter@AMS.USDA.GOV

RECORDED INFORMATION SYSTEM

(608) 250-3208

NATIONAL SUPERVISOR

Donald Nelson
National Supervisor
(608) 250-3206
DonaldO.Nelson@AMS.USDA.GOV

FAX

(608) 250-3216

USDA, Dairy Market News
122 E Olin Ave Ste 290
Madison, WI 53713-1475