

NATIONAL DAIRY MARKET AT A GLANCE**CME GROUP CASH MARKETS (04/01):**

BUTTER: Grade AA closed at \$1.4950. The weekly average for Grade AA is \$1.4919 (+.0119).

CHEESE: Barrels closed at \$1.3750 and 40# blocks at \$1.4300. The weekly average for barrels is \$1.3550 (+.0745) and blocks, \$1.3813 (+.0943).

BUTTER HIGHLIGHTS: The CME cash butter price continues to strengthen and closed the week at \$1.4950. This is the highest cash price since mid January and compares to \$1.1800 last year at this time and \$1.3650 in 2008. Churning activity across the country is more active this week as cream supplies became more available to many butter producers. Class II cream based product production has declined now that Easter/Passover orders have been filled. Ice cream production is starting to show signs of increases, but the holiday weekend is slowing this demand. Butter producers are hopeful that ice cream production will not increase too rapidly after the holiday and they will have some time to generate additional butter stock for future needs. Butter demand slowed this week as most butter needs were filled prior to the holiday. Some last minute orders were reported, but for the most part, buying interest was slow. Various butter feature ads appeared in print ranging from 1# prints at \$.9900 with a coupon to 2# for \$3.00.

CHEESE HIGHLIGHTS: CME Group cash cheese prices during the abbreviated trading week rebounded again, reaching \$1.43 per pound for blocks, up 10.5 cents from last Friday. Barrels also climbed over 6 cents to close at \$1.3750. Both closes are over 10 cents above the comparable week last year but well under the \$1.70s in 2008. Demand has improved as rising prices caused buyers to cover at least short term needs. Many packagers/processors are operating on reduced schedules this week, reducing bulk cheese needs. Higher prices make exports more difficult. With peak annual cheese production still a couple months away, traders realize offerings may again increase after the current wave of orders are filled. Cheese production remains active as milk volumes increase seasonally though declines in milk components partially offset larger intakes. Spring/holiday breaks also reduce fluid demand, causing larger volumes to move to manufacturing. Two cheese export deals were announced on March 29 under the CWT program for April/May delivery, totaling 959 metric tons (2.1 million pounds or around 52 truckloads) of block cheddar.

FLUID MILK: Milk receipts are climbing seasonally throughout the country with Southern locations seeing large volumes as spring flush begins in the South and works northward over the next few

months. Lighter Class I demand with many schools/universities out on holiday/spring breaks has caused larger volumes to move into manufacturing channels. Plant capacity should be adequate due to the brief duration. Cream demand has improved as warmer weather stimulates ice cream and mix interest and production as well as for holiday items such as dips, sour and whipped cream.

DRY PRODUCTS: NDM and buttermilk are trending higher. Production of NDM is increasing seasonally and plant capacity limitations are minimizing the volume of high heat produced in favor of the larger plant throughput associated with low/medium heat. Domestic and international NDM interest is improving. Buttermilk drying schedules are uneven with extra volumes moving as condensed. Expected seasonal declines in butter production, butterfat tests, and more cream moving to other products has producers holding current buttermilk supplies with confidence. The whey market is mixed with prices both higher and lower. Growing supplies for some producers with declining offering prices is still generating limited interest. The WPC market is quiet and producer prices are steady. Lactose prices are steady though lower sugar prices are reducing demand, particularly from confectionary customers. Interest from other customers is steady with some new customers also interested. Inventories are growing at some locations.

INTERNATIONAL OVERVIEW (DMN): The development of the **Western European** milk production season is slower than projected. In many instances, the cold and snowy winter season extended further into early spring than is usual. In recent days, temperatures and weather patterns are more conducive to early spring, but much later than usual. The milk quota year for 2009–2010 concluded on March 31. For the most part, all countries are within quota levels with the exception of possibly two. Italy, usually above quota, is within quota levels this year due to the 5% quota increase that was realized for milk producers in that country during the 2009–2010 year. Italy will not receive any more quota adjustments from now through the end of the quota program in 2015. At the most recent Dairy Management committee meeting two weeks ago, no significant dairy issues were addressed or changed. Export refunds remain at zero and no dairy products have cleared to intervention since the beginning of the new intervention open season. With current milk production levels lower than projected, current milk volumes continue to clear to cheese production when possible. Strong cheese demand is the major factor contributing to the move. Other manufactured dairy product (butter, skim, and whole milk

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**CME GROUP
CASH TRADING**

PRODUCT	MONDAY MARCH 29	TUESDAY MARCH 30	WEDNESDAY MARCH 31	THURSDAY APRIL 01	FRIDAY APRIL 02	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.3350 (+.0225)	\$1.3400 (+.0050)	\$1.3700 (+.0300)	\$1.3750 (+.0050)	CME	(+.0625)	\$1.3550 (+.0745)
40# BLOCKS	\$1.3425 (+.0175)	\$1.3525 (+.0100)	\$1.4000 (+.0475)	\$1.4300 (+.0300)	CLOSED	(+.1050)	\$1.3813 (+.0943)
BUTTER GRADE AA	\$1.4900 (N.C.)	\$1.4900 (N.C.)	\$1.4925 (+.0025)	\$1.4950 (+.0025)	NO TRADING	(+.0050)	\$1.4919 (+.0119)

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)

powder) output is lighter than desired, thus these products are often limited and tight. Strong and solid internal demand for dairy products is also limiting volumes available for international buyer interest at this time of the season. From the recent milk powder tender that was finalized in recent weeks, traders and handlers feel that the majority of the milk powder will come from European sources. They are also stating that another tender is in the works for additional milk powder. Late winter weather patterns continue to be reported in **Eastern Europe**, thus development of the new milk production season is still weeks away. Milk producers and handlers are speculating that the season will also be pushed back further as is the case in Western regions. Some Eastern European traders and handlers are stating that they will be involved with supplying some of the milk powder that was sought in the recent milk powder tender. They are also stating that they will probably submit bids for the new tender that has been recently announced. Supplies of manufactured dairy products are limited in Eastern Europe at this time as the new milk production has not yet begun. The **Oceania** milk production season continues to wind down at varying rates. In **New Zealand**, especially on the North Island, milk production has dropped sharply over the past few weeks and milk producers and handlers are not anticipating recovery to occur. Lack of moisture during the fall is the major factor contributing to the sharp decline. Milk output is dropping so quickly that some farmers are reducing their milkings to one per day with some deciding to dry off their herds earlier than projected. This is bringing a quick end to the production season on the North Island. On the South Island, total milk output is not as heavy as on the North Island, but milk volumes continue to run ahead of projections. With these recent trends, milk production estimates for the year in New Zealand are again being adjusted to be more in the flat to a 1% increase level over last season. New Zealand milk handlers and manufacturers are very concerned about end of season commitments. Current milk volumes are being directed toward whole milk powder production when possible. Some caseinate production continues to occur at remote locations, but for the most part, the casein production season is over. In **Australia**, the milk production season is trending lower, but February production data indicates that, as hoped, late season production might realize some recovery. During the month, milk volumes continued to trail last February by 3.8%, bring the year to date figure (eight months) to down 6.4%. This is the first month in many that previous year comparables were not nearing -10%. In recent weeks, commodity prices for most all manufactured dairy products have increased. Traders and handlers are stating that the market is firm and that supply, or lack of supply, will be that major factor in market conditions and pricing for the foreseeable future. Oceania traders, along with other international traders are very curious about the outcome of the upcoming global/Dairy Trading activity that will occur early next week. Most all are projecting firmer prices, but how firm is their question. Traders are stating that with the New Zealand milk production season ending sooner than projected, slow milk output development in Europe, and an international market that needs dairy products, supply availability will be a major factor and this trading event might start to show how aggressive buyers might be to secure stock, especially in future shipment period.

JANUARY FEDERAL MILK MARKETING ORDER OVER ORDER CHARGES (AMS): For January 2010, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.26, up \$0.02 from the December 2009 average. Ninety-two percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from \$0.71 in the Pacific Northwest to \$3.65 in Florida. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.18, down \$0.02 from the December 2009 average. Eighty-two percent of the producer milk used in Class II carried an over-order charge.

CONSUMER PRICE INDEX (BLS): The February CPI for all food is 218.8, down -0.2% from February 2009. The dairy products index is 198.8, down -2.8% from a year ago. The following are the February to February changes for selected products: fresh whole milk is -2.5%; cheese, -4.7%; and butter, -0.4%.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during the November 2009 – January 2010 totals 47.7 billion pounds, 1.2% above the same period in 2008/2009. Comparing disappearance levels with year earlier levels: butter is -2.6%; American cheese, -5.0%; other cheese, +7.7%; NDM, +0.8%; and fluid milk products, -0.3%.

MARCH AGRICULTURAL PRICES HIGHLIGHTS (NASS): The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2010 was unchanged at 184. Compared with March 2009, the index was up 4 points (2.2%). The index of prices received by farmers for dairy products declined 6 points during the month of March 2010 to 116. Compared with March 2009, the index was up 26 points (28.9%). Prices received by farmers in March with changes from February were: for All Milk, \$15.10, down \$.80; for Fluid Grade Milk, \$15.10, down \$.80; and for Manufacturing Grade Milk, \$13.80, down \$.70.

FEBRUARY DAIRY PRODUCTS (NASS): Butter production was 141.1 million pounds in February, 3.1% below February 2009 and 12.9% below January 2010. American type cheese production totaled 318.9 million pounds, 0.6% below February 2009 and 8.2% below a year ago. Total cheese output (excluding cottage cheese) was 777.2 million pounds, 1.0% above February 2009 but 7.7% below January 2010. Nonfat dry milk production, for human food, totaled 116.8 million pounds, 4.9% below February 2009 and 9.2% below January 2010. Dry whey production, for human food, was 75.0 million pounds, 7.3% above February 2009 but 9.0% below January 2010.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The following are the March 2010 prices under the Federal Milk Order pricing system and the changes from February: Class II \$14.46 (-\$1.19), Class III \$12.78 (-\$1.50), and Class IV \$12.92 (+\$0.02). Product price averages used in computing Class prices are: butter \$1.4388, NDM \$1.0454, cheese \$1.3632, and dry whey \$0.3761. The Class II butterfat price is \$1.5417 and the Class III/IV butterfat price is \$1.5347. Further information may be found at: www.ams.usda.gov/DairyMarketStatistics select Prices, select Price Formulas - 2010

CME GROUP

MONDAY, MARCH 29, 2010

CHEESE — SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3350; 1 CAR 40# BLOCKS @ \$1.3425; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.1500; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 6 CARS GRADE AA @ \$1.4900; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4800; LAST OFFER UNCOVERED: NONE

TUESDAY, MARCH 30, 2010

CHEESE — SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3400; 1 CAR 40# BLOCKS @ \$1.3525; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: 6 CARS GRADE A @ \$1.1850; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.1500; 2 CARS GRADE A @ \$1.1850; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4900; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.4950

WEDNESDAY, MARCH 31, 2010

CHEESE — SALES: 1 CAR BARRELS @ \$1.3700; 2 CARS 40# BLOCKS: 1 @ \$1.3900, 1 @ \$1.4000; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3700; 1 CAR 40# BLOCKS @ \$1.3525; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3800
 NONFAT DRY MILK — SALES: 3 CARS GRADE A @ \$1.2000; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.2000; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 1 CAR GRADE AA @ \$1.4900; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4925; LAST OFFER UNCOVERED: NONE

THURSDAY, APRIL 1, 2010

CHEESE — SALES: 1 CAR BARRELS @ \$1.3750; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3700; 1 CAR 40# BLOCKS @ \$1.4300; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: 1 CAR GRADE A @ \$1.2200; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.1650; 1 CAR GRADE A @ \$1.2250; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4950; LAST OFFER UNCOVERED: NONE

FRIDAY, APRIL 2, 2010

CME CLOSED NO TRADING

CME GROUP CASH NONFAT DRY MILK: Extra Grade closed the week at \$1.1650 and Grade A at \$1.2250. The last price change for Extra Grade was on 04/01/10 and Grade A was on 4/01/10. The weekly average for Extra Grade is \$1.1463 (+.0263) and Grade A is \$1.1900 (+.0560).

BUTTER MARKETS

NORTHEAST

The CME Group butter price has either held steady or increased over the last eleven trading sessions, closing Tuesday at \$1.4900. The current price level, reached Friday, is the highest price for butter since January 20 of this year. Cream supplies are uneven. Additional cream supplies are available due to increased milk production, but standardized cream is less available due to lighter Class I demand. The lighter Class I demand trend will continue over the next couple of weeks as schools and universities take their spring breaks. Churns are active in most areas. Current production is filling last minute holiday orders, filling orders to rebuild customer inventories, but mostly adding to their own inventories for sale later in the year. Butter producers are attempting to rebuild inventories ahead of active ice cream production, which is expected to increase after the upcoming holiday. Prices for bulk butter range from 4-6 cents over the market, based on the CME Group with various time frames and averages used.

CENTRAL

The cash butter price at the CME continues to strengthen on a steady basis and settled at \$1.4925 at midweek. This is 1 3/4 cents higher than last Wednesday and the highest cash price since mid January. Last year at this time the cash price was \$1.1800 and \$1.3600 at the end of March 2008. Most Central butter producers are churning at an active pace. Most are generating more than current demand is clearing, thus surplus volumes are clearing to inventory for later use with confidence. Butter producers indicate that pricing multiples are firmer, but realize that cream volumes will tighten in the near future when prices for churning purposes are typically higher. Once Easter/Passover is past, Class II cream demand for ice cream starts to build. As temperatures warm in the Central part of the country, this demand might increase sooner than in years past. Many butter producers are looking well into the fall and trying to generate stock levels that will be needed at that time.

Some butter producers and handlers are already concerned about where prices will be in the fall and are taking a hedge with additional inventory at this time. Current butter demand is slower this week as buyers ease their purchases until the holiday weekend is past. Many retailers are indicating that retail promotions are clearing good volumes of print butter prior to the holiday weekend. Food service orders have also slowed. 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 \$.0025 to \$1.4925. Sales activity is moderate with seven loads sold so far this week. The butter price has remained steady or appreciated at the CME Group since March 15, 2010. Overall milk supplies are increasing seasonally across the Southwest. Cream supplies are anticipated to be higher over the weekend as some processing facilities are allowing employees longer weekends for Easter and Passover celebrations. Churns will run on busy schedules to handle extra available cream supplies. Retail sales have slowed as the holiday buying period has passed. Food service sales are lower in some instances as holiday needs have been met previously. Butter producers hope to increase stocks for use later. Ice cream demand is increasing and will compete with churns for available cream. According to the CME Group, weekly butter stocks decreased by 2.5 million pounds last week to stand at 55.2 million pounds. This is the fourth week in a row for stocks in storage to drop. Stocks have lowered for five out of the last six weeks. This total compares to 75.1 million pounds in 2009 and 118.1 million pounds in the comparable week in 2008. Stocks in CME Group storage at this time of year have not been this low since 2001. Prices for bulk butter range from flat to 4 cents under the market, based on the CME with various time frames and averages used.

NASS DAIRY PRODUCT PRICES

WEEK ENDING	U.S. AVERAGES AND TOTAL POUNDS				
	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	NDM	BUTTER	DRY WHEY
MARCH 27	1.3019	1,2895	1,0534	1,4511	0.3689
	10,692,519	11,637,844	21,031,707	3,119,267	10,093,531

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

CME Group cheese prices have moved higher in each of the last five trading sessions and closed Tuesday with barrels at \$1.3400 and blocks at \$1.3525. In the last five trading sessions barrels advanced \$.0750 and blocks \$.0825. The firm undertone to the market is supported by the general consensus that cheese prices have bottomed out. Production remains fairly steady with some increases noted in quality cheddar for aging. Demand continues to be good for cream cheese, mozzarella and aged cheddar. Recent national pizza features have stimulated increased wholesale mozzarella sales.

At the CME Group this week, prices for Barrels and Blocks traded higher each day. Barrels on Wednesday were up \$.0300 to \$1.3700. Prices on 40lb. Blocks were \$.0475 higher to \$1.4000. Prices at the CME Group for Barrels have been steady to higher since March 5. Blocks have been steady to higher since March 11. Sales activity has been light this week with only 1 load of Barrels sold and 2 loads of Blocks sold. Cheese prices at the CME Group have returned to levels seen in mid February. Processors are busy keeping up with increasing milk volumes. Spring break for schools has reduced Class I needs allowing more milk to become available for processing. Sales of contracted product are reported good. Buyers are purchasing for immediate needs. Increased cheese prices are stimulating some extra orders as buyers assess future needs and speculate on those prices. Demand at grocery outlets is good with warmer weather increasing cookout activity. Export activity has been augmented by a reactivated export assistance program. Cooperatives Working Together (CWT) accepted bids this week for export assistance for Cheddar cheese to the Middle East. The amount of cheese accepted is a total of 2.1 million pounds. The product is due to be delivered in April and May 2010. CWT hopes to help clear inventories of U.S. Cheddar with the result of helping domestic milk prices. Bids accepted were from Western and Central regions.

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

Cheddar 40# Block	:	1.6150-1.8900
Process 5# Sliced	:	1.3725-1.6825
Muenster	:	1.6350-1.8325
Grade A Swiss Cuts 10 - 14#	:	3.1625-3.4850

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

Process 5# Loaf	:	1.4050-1.6625
Cheddar 40# Block	:	1.4200-1.7725
Cheddar 10# Cuts	:	1.6000-1.8200
Monterey Jack 10#	:	1.6100-1.7700
Grade A Swiss Cuts 6 - 9#	:	2.7100-3.1400

MIDWEST

The cheese market is firm though an unsettled to weak undertone is developing as prices climb. Since March 11, the CME Group cash block price has rebounded 13.25 cents to \$1.4000 (March 31) and barrels 11 cents. Two export deals for blocks have been announced under the CWT program for April/May delivery, totaling 959 metric tons (2.1 million pounds or around 52 truckloads) of cheese. The big question for some in the industry is whether this is actually new business or just a replacement supplier to take advantage of the program. Other reports indicate additional interest in acquiring dry white cheddar 40# blocks, likely for export. Many packagers/processors are on a holiday shortened schedule (4 days) this week. Supplies of current varieties have tightened as buyers returned to try and beat any additional short term price increases. Process demand is steady to occasionally improved as some food service and retailers prepare for Memorial Day weekend and grilling season. While product already in storage does not directly determine current cheese/milk prices, the large volume in inventory continues to weigh down the market. Most in the industry expect inventory levels will likely increase, at least at times, until a significant decline in milk volumes due to fewer cows and summer heat stress tightens milk supplies. Possible increases in exports, not necessarily just cheese, could also help improve the supply/demand situation.

FOREIGN

The CME Group weekly average block price increased for the first time since the last week of January. The weekly average price increased \$.0200 and as result wholesale prices for domestic foreign type cheeses increased with the exception of Swiss prices, which will be adjusted next week after the new Class III price is released Friday. Imported cheese prices remained unchanged.

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

Process American 5# Loaf	:	1.6400-1.8600
Brick And/Or Muenster 5#	:	1.7975-1.9600
Cheddar 40# Block	:	1.8000-2.5650
Monterey Jack 10#	:	1.7625-2.5650
Blue 5#	:	2.0875-2.6800
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6325-2.6650
Grade A Swiss Cuts 6 - 9#	:	2.5350-3.3300

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.3900	: 1.7550-3.2425*
Gorgonzola	: 3.6900-6.6900	: 2.2575-2.5175*
Parmesan (Italy)	: -0-	: 3.1625-3.3650*
Provolone (Italy)	: 3.4400-5.9900	: 1.7975-1.9550*
Romano (Cows Milk)	: -0-	: 2.9450-5.0875*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-3.5300	: -0-
Jarlsberg-(Brand)	: 2.9500-4.6900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.2550-3.5775
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

	:	
03/29/10	11,225	: 125,031
03/01/10	10,638	: 141,019
CHANGE	587	: -15,988
% CHANGE	6	: -11

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	190	0	160	0	191
SOUTHEAST STATE	0	0	0	0	0	0

Increased milk production associated with the early stages of the spring flush have been noted in the southern areas of the Northeast, while the northern areas have only recently seen their snow disappear and are a week or two away from spring production increases. The spring flush is on in the Mid Atlantic region with significant milk production increases. Haulers are adding trucks to routes to handle the increased supplies. Manufacturers are experiencing milk volumes comparable to the Christmas holiday period and are channeling most of the increased supplies to dryers for low heat non fat dry milk production to better handle the increased volumes. The Southeast region is also in the spring flush and significant milk production increases have been noted. Lighter Class I demand, due to schools on spring break, has also added to manufacturing milk supplies. Manufacturing milk supply volumes are also comparable to the Christmas holiday period. Outside manufacturing plants, not typically used, have been utilized to handle the increased volumes. Florida schools are on spring break and winter residents are beginning to move out of state, resulting in lighter Class I demand and an increase in exported milk for manufacturing purposes. Class I demand has decreased in most areas of the East as numerous schools and universities are on or will be on spring break next week. Some public schools have shortened spring breaks due to the number of snow related closures this year. Cream supplies are uneven, but are generally increasing due to increased milk production. There is less standardized cream available due to lighter Class I demand. Cream demand remains fairly good as cream cheese production continues to be surprisingly active this close to the Easter holiday. Butter churns are active as butter makers attempt to build inventories ahead of increased ice cream production. Cream multiples are ranging from 131 to 137 with discounts on the weekend when supplies are heaviest. Condensed skim supplies have increased following the increases in milk production. Some plants with increased volumes of condensed skim and limited drying capacity are moving supplies at discounts in order to clear the increased volumes. Other plants with more drying capabilities prefer to make non fat dry milk in lieu of selling at a discount. Some areas have experienced some Class II production increases with additional increases expected after the Easter holiday. Class III condensed skim prices are unchanged due to lack of spot sale activity.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

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

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.9388-2.0276
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.8500-1.9684

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:	
NORTHEAST - CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.00 - 1.12
NORTHEAST - CLASS III - SPOT PRICES	- 1.20 - 1.24

M I D W E S T

Milk volumes are increasing and plant capacity is again being pushed, though not appreciably by the upcoming holiday weekend. For many operations, fluid sales have been on the light side as a result of various schools/universities out on spring break. The prospect of lower Class I prices in April may also be an incentive to wait. Cream demand was stronger, aided by demand for holiday related products such as whipped cream and sour cream as well as dips needed to watch sporting events. Cream multiples were often higher during the week but holiday weekend cream prices seem to be lower as some firms struggle to find someone to place product with while others close early for the holiday. Ice cream production is also improving with better spring weather. Manufacturing milk interest is generally light as plant intakes continue to rise

seasonally. Some firms indicate increased offerings from locations in the East and/or Southeast as they struggle to handle local supplies. Cheese milk demand is steady to occasionally lighter with some light pressure on prices over the upcoming holiday weekend. At least a couple operations have/are starting up added plant capacity in the upper Midwest after running test trials for various periods. Some spring tillage and seeding of alfalfa and small grains has started, but pasture and lawn green up remains slow. Soil temperatures are still too cold for corn and soybeans in upper tier locations. However, midweek temperatures in the 70s for highs in Wisconsin, though conditions remain dry, may cause lawnmowers to get started. Feed and planting input financing is a genuine problem for a number of producers causing some extra herds to "hit the road".

W E S T

February 2010 POOL RECEIPTS of milk in CALIFORNIA total 2.83 billion pounds, 2.4% lower than last year. The February blend price, at a fat test of 3.69%, is \$13.89, 51 cents lower than January, but \$3.64 more than February 2009. The percentage of receipts used in Class 1 products is 16.28%. The February quota price is \$14.81 and the over quota price is \$13.11. These prices are 37 cents lower than January, but \$3.53 higher than a year earlier. CALIFORNIA milk production is mostly steady in the more northern areas of the state to trending seasonally higher in the Central Valley and more southern areas. Wet weather has been sporadic this spring, but has not had much impact on milk cows. The moisture has been welcome for growing hay and other crops. Additional green chopping will develop as fields dry and mature. Manufacturing plants are running along expected levels. There have been some downtimes for equipment issues, but mainly minor issues. ARIZONA milk production continues to build slightly higher and is moving towards the seasonal peak. Total intakes are close to year ago levels. Plants are able to handle the milk supplies. Fluid milk needs are steady. NEW MEXICO milk output saw slight gains this week compared to bigger gains two weeks ago. Despite the fluctuations, the overall trend continues to move higher weekly with gains also noted in fat and protein levels. Bottled milk demand is mixed depending on school breaks and another spring holiday. More milk is being moved into local plants for processing. Western CREAM markets are firm with both higher basing points and multiples. The spring holiday impact has slowed some demand for cream, but butter churning is active and producers are actively seeking cream supplies. Additional demand is developing from ice cream accounts, although some are taking down days this weekend. At the CME Group, butter prices moved 4.25 cents higher from a week ago to close at \$1.4925 on Wednesday, March 31. Cream multiples are steady to higher and range 115-127 FOB and vary depending on class usage and basing points. Milk supplies in the PACIFIC NORTHWEST are running above year ago levels. This week turned cooler with wind and rains reported over much of the region. The added moisture inland was welcomed to replenish ground moisture levels. Spring field preparations have begun during dry periods. Milk production is at seasonal levels with the spring flush a few weeks off yet. Processors are able to handle available supplies. Class I needs are reduced for spring break. Cheese and butter plants are utilizing extra supplies to try to build inventories. Drying plants for NDM and whey are operating busy schedules. UTAH and IDAHO temperatures cooled and snow squalls were reported this week. Milk intakes are at expected seasonal levels and are readily handled by regional processors. Farmers continue to face economic challenges. Balancing cash flow from milk production with feed and forage costs has been difficult. Cull cow prices in the upper \$50's/cwt. and above have helped to balance checkbooks. Banks continue to watch milk prices as dairies hope for higher mailbox prices. New crop forage is still a few weeks away. Ability to pay will influence final prices for hay brokers. Replacement heifer prices at auction in Idaho were near steady with early in the month. The top 50 heifer average was \$1350 per head with a top of \$1510.

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: Nonfat dry milk prices moved higher on the low/medium heat price series and the market tone is stronger. Production is creeping higher seasonally, although steady condensed skim demand is siphoning product away from the dryers. Spot load availability of low heat NDM is light, with a few producers indicating limited or sold out positions on low heat NDM through April. Demand is reportedly stronger and some buyers indicate they are trying to restock their holdings of NDM in case prices move higher in the near term. Manufacturers are building inventories with confidence. With Central NDM offerings being limited, various buyers are looking to Western manufacturers for product. Some buyers and end users are resisting the higher prices being quoted this week from various Western producers, although Western NDM is filling some Central NDM demand. High heat NDM availability is scant, and dryer time being devoted to this product is intermittent from week to week.

EAST: Prices moved higher for low and high heat NDM in the Eastern region. Demand is good as end users are attempting to build inventories believing the market is becoming stronger and prices for future purchases will be higher. Brokers want to maintain current inventories and are seeking additional supplies to fill current orders. Some manufacturers are clearing a fair amount of current supplies through contracts and are comfortable building inventories for the time being. Manufacturing milk supplies and NDM production have increased due to increased milk production and decreased Class I demand. Heavy manufacturing milk supplies are limiting most plants to only low heat NDM production in order to clear the additional volumes.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.1100 - 1.2000 MOSTLY: 1.1300 - 1.1700
 HIGH HEAT: 1.1800 - 1.3000

NONFAT DRY MILK - WEST

Low/medium heat NDM prices continue to trend higher and reflect a firming market tone. Buyer interest remains fair to good for the current offerings from the producer levels, which are trending lower as a result of recent sales activity. Both domestic and export interest is noted to be fair to good with a new export tender being discussed. Some producers are not finding themselves behind on orders. Offerings from the resale trade are limited; there are holdings but with the firming tone, there are firms holding onto NDM as the market price moves higher. Drying schedules are steady to higher and reflect the building milk supply. High heat prices are trending slightly higher and the market tone is firm. Demand is fair to good, more stimulated by the trend in market prices higher than for any seasonal demand. Producer offerings are often tight. Stocks are light.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.0700 - 1.1800 MOSTLY: 1.0900 - 1.1400
 HIGH HEAT: 1.1150 - 1.2350

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are unchanged to higher on a stronger market. Interest is gaining some strength, but offers to the spot market from manufacturers are infrequent. Those producers with product are in no rush to sell in this strengthening market. Production is uneven for dry buttermilk. Although churning is mostly steady, sales of condensed buttermilk are active, which is decreasing the dry buttermilk production in some locations.

EAST: Dry buttermilk prices are firming in the East with light spot market activity. The market undertone remains firm, supported by the stronger NDM market. Traders report few offers as manufacturers are building inventories, in anticipation of stronger demand and higher prices as Class II production increases after the Easter holiday. Production of dry buttermilk has increased as churns are active, but buttermilk production in some areas has been offset by sales of condensed buttermilk to ice cream plants. Current supplies are filling contracts and adding to inventories.

F.O.B. CENTRAL/EAST: .9200 - 1.100

DRY BUTTERMILK - WEST

Western dry buttermilk prices are trending higher and the market tone remains firms. Demand is fair to good for the current light offerings. Supplies and offerings have tightened in recent weeks after sales and commitments have been made by producers to clear some of their inventory positions. As NDM and the dry buttermilk markets pulled out of their recent downward cycles, buying activity increased as buyers looked to secure product. Currently, drying of buttermilk is active and dryer times are available. Stocks are at light to moderate levels.

F.O.B. WEST: .9150 - .9550 MOSTLY: .9300 - .9500

DRY WHOLE MILK - NATIONAL

Interest in dry whole milk is steady to increasing, however manufacturers' inventories remain tight. Production is based on contract needs. Some market participants indicate international interest is also building due to a recent tender. Dry whole milk prices are finding support from recent increases in nonfat dry milk and butterfat values.

F.O.B. PRODUCING PLANT: 1.4400 - 1.5500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
March 26	\$1.0310	14,965,954	0
March 19	\$1.0298	20,375,278	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 dry whey prices are mostly lower. Reports of resale loads moving at discounts to the market are frequent, and some F.O.B. prices have weakened. Production is steady to higher at most plants, depending on cheese orders. Dry whey inventories are steady to building in the region, and some Central dry whey is filling demand in the West.

F.O.B. CENTRAL: .3000 - .3900 MOSTLY: .3475 - .3700
 F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2500 - .3550

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The whey protein concentrate 34% market is steady for the week, but the market tone is mixed. Buyers continue to hang back from any sizeable spot load purchasing commitments. Some producers note price resistance to spot load offers is making it tougher to finalize some sales. A few producers indicate product availability is limiting their opportunities to offer loads to the spot market because contract sales are strong and contract buyers are frequently getting first pick on any loads that are built up through the production cycle.

F.O.B. EXTRA GRADE 34% PROTEIN: .8300 - .9800 MOSTLY: .8975 - .9275

DRY WHEY - NORTHEAST

Prices for Northeast dry whey declined on both ends of the price range. Spot sale activity was lighter than recent weeks as some purchasers recently replenished their inventories. Dry whey production has increased as milk production has increased with the early stages of the spring flush. Supplies are moving through contracts and adding to inventories. Eastern whey supplies may tighten in the near future as production may be down due to maintenance projects.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3825 - .4250

LACTOSE - CENTRAL AND WEST

The lactose range and mostly price series adjusted to the inclusion of active second quarter and new monthly contract prices just as first quarter and old monthly prices wind down this week. A few producers indicate buyers have been slow to sign onto fresh price and/or volume commitments, but several manufacturers indicate that contract negotiations are finalized, and contracted volumes met projections. Spot market activity is light.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2650 - .4400 MOSTLY: .3150 - .3600

DRY WHEY - WEST

Western whey markets are unchanged on light to moderate spot sales. Contract sales continue to make up the bulk of the transactions for the week. The market is unsettled as to direction as producers and end users attempt to determine supplies and needs. Production schedules are at seasonal levels with some increases in drying as cheese production remains active. Contract needs are being met in most cases. Local production problems have increased demand for some short term needs. Export demand beyond contract needs was lighter this week. Buyers are waiting and watching for a better idea as to market direction and supplies.

NONHYGROSCOPIC: .3450 - .4375 MOSTLY: .3800 - .4200

CASEIN - NATIONAL

Casein markets and prices are generally steady, although prices did adjust higher and lower. Casein production in Oceania is now finished for the season. Milk production in the region is low to the point that casein output is no longer the product of most need. Some caseinate is being generated at remote plants, but that will cease soon. In Europe, the milk production season is slow to develop, thus casein output is also getting off to a slower start than projected. Domestic buyers are aware of the supply situations in Oceania and Europe and are questioning suppliers about product availability. At this point, most say that they will be able to meet commitments, but also state that spot availability will probably be lower than in years past.

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: 3.6000 - 4.2000
 ACID: 3.6000 - 4.1500

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF MARCH 29 - APRIL 2			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/09	SAME PERIOD LAST YEAR	WEEK ENDING 03/26/10	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	209,382,524	-0-	-0-
TOTAL	-0-	-0-	-0-	132,276	209,382,524	-0-	-0-

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF MAR. 29 - APR. 2, 2010 =	0.0	0.0	COMPARABLE PERIOD IN 2009 =	0.9	46.5
CUMULATIVE SINCE OCTOBER 1, 2009 =	0.0	1.5	CUMULATIVE SAME PERIOD LAST YEAR =	147.2	2,437.8
CUMULATIVE JAN. 1 - APR. 2, 2010 =	0.0	0.0	COMPARABLE CALENDAR YEAR 2009 =	122.0	1,104.2

* 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 29 - APRIL 2, 2010 (POUNDS)

REGION	BUTTER		CHEESE		NONFAT DRY MILK	
	BULK	BLOCK	BARREL	NONFORTIFIED		
CENTRAL	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-
EAST	-0-	-0-	-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	209,382,524	100.0	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	4,639,010	-0-	-0-	132,276	209,382,524	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 03/13/10 & 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.	0.7	8.2	2.7	18.5	4.8	0.3	N.A.	18.3	3.7	58.8	612.1	47.3	45.3
2009-Dairy	N.A.	0.5	7.3	2.8	17.1	3.7	0.4	N.A.	16.0	4.8	54.1	673.3	48.2	49.8
2010-All cows	N.A.	0.8	10.3	13.0	34.6	20.8	14.2	N.A.	20.9	6.0	124.4	1,351.3		
2009-All cows	N.A.	0.6	9.2	11.6	31.7	18.5	12.6	N.A.	17.4	7.3	112.3	1,352.4		

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
March 20, 2010	N.A.	N.A.	

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	13.22								
II	15.22	15.65	14.46									
III	14.50	14.28	12.78									
IV	13.85	12.90	12.92									

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 March 22 - APRIL 2, 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

WESTERNOVERVIEW: The development of the European milk production season is slower than projected. In many instances, the cold and snowy winter season extended further into early spring than is usual. In recent days, temperatures and weather patterns are more conducive to early spring, but much later than usual. The milk quota year for 2009 – 2010 concluded on March 31. For the most part, all countries are within quota levels with the exception of possibly two. Italy, usually above quota, is within quota levels this year due to the 5% quota increase that was realized for milk producers in that country during the 2009 – 2010 year. Italy will not receive any more quota adjustments from now through the end of the quota program in 2015. At the most recent Dairy Management committee meeting two weeks ago, no significant dairy issues were addressed or changed. Export refunds remain at zero and no dairy products have cleared to interventions since the beginning of the new intervention open season. With current milk production levels lower than projected, current milk volumes continue to clear to cheese production when possible. Strong cheese demand is the major factor contributing to the move. Other manufactured dairy product (butter, skim, and whole milk powder) output is lighter than desired, thus these products are often limited and tight. Strong and solid internal demand for dairy products is also limiting volumes available for international buyer interest at this time of the season. From the recent milk powder tender that was finalized in recent weeks, traders and handlers feel that the majority of the milk powder will come from European sources. They are also stating that another tender is in the works for additional milk powder.

BUTTER/BUTTEROIL: European butter markets and prices are firm. In most instances, the milk production season is slow in getting started thus churning activity is often lighter than anticipated. Also, cheese production remains strong, thus when possible, milk is moving in this direction versus other manufactured dairy products. Traders and handlers state that butter stocks are tight and difficult to get any volume.

82% BUTTERFAT: 3,875 - 4,200
 99% BUTTERFAT: 4,600 - 5,000

WHOLE MILK POWDER (WMP): European whole milk powder markets are generally firm with prices unchanged to higher. Whole milk powder production is slow to develop this season as milk volumes are lighter than anticipated. European traders and handlers are projecting that within the recent milk powder tender that was seeking a combination of skim and whole milk powder, a significant portion of the whole milk will be sourced from Europe. Another tender is now in the works seeking additional volumes of milk powder. It is felt that European suppliers will once again actively bid.

26% BUTTERFAT: 3,300 - 3,600

EUROPEAN REPORT CONTINUED ON
 PAGE 8A

OCEANIA

OVERVIEW: The Oceania milk production season continues to wind down at varying rates. In New Zealand, especially on the North Island, milk production has dropped sharply over the past few weeks and milk producers and handlers are not anticipating recovery to occur. Lack of moisture during the fall is the major factor contributing to the sharp decline. Milk output is dropping so quickly that some farmers are reducing their milkings to one per day with some deciding to dry off their herds earlier than projected. This is bringing a quick end to the production season on the North Island. On the South Island, total milk output is not as heavy as on the North Island, but milk volumes continue to run ahead of projections. With these recent trends, milk production estimates for the year in New Zealand are again being adjusted to be more in the flat to a 1% increase level over last season. New Zealand milk handlers and manufacturers are very concerned about end of season commitments. Current milk volumes are being directed toward whole milk powder production when possible. Some caseinate production continues to occur at remote locations, but for the most part, the casein production season is over. In Australia, the milk production season is trending lower, but February production data indicates that, as hoped, late season production might realize some recovery. During the month, milk volumes continued to trail last February by 3.8%, bring the year to date figure (eight months) to down 6.4%. This is the first month in many that previous year comparables were not nearing -10%. In recent weeks, commodity prices for most all manufactured dairy products have increased. Traders and handlers are stating that the market is firm and that supply, or lack of supply, will be that major factor in market conditions and pricing for the foreseeable future. Oceania traders, along with other international traders are very curious about the outcome of the upcoming global/Dairy Trading activity that will occur early next week. Most all are projecting firmer prices, but how firm is their question. Traders are stating that with the New Zealand milk production season ending sooner than projected, slow milk output development in Europe, and an international market that needs dairy products, supply availability will be a major factor and this trading event might start to show how aggressive buyers might be to secure stock, especially in future shipment periods.

BUTTER: Oceania butter markets and prices are generally steady, although a firm market undertone prevails. The milk production season in Oceania is trending lower, and in some instances, faster than projected, thus late season butter output might not be at anticipated levels. At this time, traders and handlers indicate that they have sufficient butter stocks to meet near term needs, but stocks for upcoming winter commitments might be questionable.

82% BUTTERFAT: 3,600 - 4,000

CHEDDAR CHEESE: Cheese markets and prices in Oceania are generally steady, although prices are unchanged to slightly higher. For the most part, Oceania cheese traders and handlers are comfortable with their supply/demand balance, but are being cautious about what impact lower than projected milk volumes, at the end of the season for some, might have on cheese output.

39% MAXIMUM MOISTURE: 3,600 - 4,100

OCEANIA REPORT AND CURRENCIES CONTINUED ON
 PAGE 8A

INTERNATIONAL DAIRY MARKET NEWS

Information gathered March 22 - APRIL 2, 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

OCEANIA

**EUROPEAN REPORT CONTINUED FROM
PAGE 8**

**OCEANIA REPORT AND CURRENCIES CONTINUED FROM
PAGE 8**

SWEET WHEY POWDER: Whey powder markets and prices are mixed, although an unsettled market tone prevails. Most traders and handlers state that stocks are readily available as cheese production is seasonally strong. Cheese production is projected to remain active for the foreseeable future, thus whey volumes should be available for both an internal and international market. Traders state that increasing volumes and weaker prices should attract international buyer.

NONHYGROSCOPIC: 850 - 1,080

SKIM MILK POWDER (SMP): Skim milk powder markets and prices in Europe are generally steady, although a firm undertone is developing. Drying schedules are slowly increasing this season as milk output is slow to develop. In many instances, when possible, milk is clearing to strong cheese production versus other manufactured dairy products. It is still early in the season, thus powder producers are not overly concerned at this time about supply availability. Traders and handlers are speculating that European suppliers received a significant portion of the recent milk powder tender and anticipate that they will again be actively involved with a new tender that was recently announced.

1.25% BUTTERFAT: 2,750 - 2,900

EASTERN OVERVIEW: Late winter weather pattern continue to be reported in Eastern Europe, thus development of the new milk production season is still weeks away. Milk producers and handlers are speculating that the season will also be pushed back further as is the case in Western regions. Some Eastern European traders and handlers are stating that they will be involved with supplying some of the milk powder that was sought in the recent milk powder tender. They are also stating that they will probably submit bids for the new tender that has been recently announced. Supplies of manufactured dairy products are limited in Eastern Europe at this time as the new milk production has not yet begun.

SKIM MILK POWDER (SMP): Skim milk powder markets and prices are firm. Traders and handlers, especially those in New Zealand, are very concerned about late season skim production and stock availability. A very quick end to the North Island's milk production season is the major concern factor. Manufacturers and handlers were hoping for extended end of the season output which is not happening in New Zealand, but appears to be occurring in Australia. This late spurt in Australia will generate some additional milk powder, but may not be significant enough to cover all of the potential Oceania shortage.

1.25% BUTTERFAT: 2,700 - 3,200

WHOLE MILK POWDER (WMP): Oceania whole milk powder markets and prices are firm. Traders and handlers are awaiting the next round of global/Dairy trading early next week as an indication of where prices might be headed for the future. For some milk producers, the end of the milk production season is arriving earlier than anticipated, thus projected milk volumes clearing to manufacturing plants and dryers are lower than projected. Many whole milk powder manufacturers were hoping that the second half of the season would stretch out longer into the fall and early winter than current trends are realizing. When possible, milk is being diverted to whole milk powder production. Traders and handlers are very concerned about supply availability for fall and winter needs.

26% BUTTERFAT: 3,200 - 3,400

Exchange rates for selected foreign currencies: March 29, 2010

.9796 Canadian Dollar	.0223 Indian Rupee
.2582 Argentina Peso	.7092 New Zealand Dollar
.0804 Mexican Peso	.9172 Australian Dollar
.3474 Polish Zloty	.0108 Japanese Yen
	1.3481 Euro

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.0804) = 12.4378$ Mexican Pesos. Source: "Wall Street Journal"

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	03/18	03/19	03/22	03/23	03/24	03/25	03/26	03/29	03/30	03/31
CME - CLASS III MILK FUTURES (Pit-Traded)										
MAR 10	12.80 (4006) 0	12.81 (4013) 0	12.79 (4060) 0	12.80 (4056) 0	12.80 (4057) 0	12.81 (4045) 0	12.78 (4065) 0	12.78 (4109) 0	12.78 (4125) 0	12.78 (4119) 0
APR 10	12.43 (4753) 0	12.45 (4781) 0	12.35 (4780) 0	12.35 (4759) 1	12.57 (4733) 16	12.54 (4685) 1	12.62 (4780) 45	12.59 (4799) 41	12.60 (4767) 4	12.64 (4728) 0
MAY 10	12.89 (4363) 0	12.99 (4379) 0	12.75 (4440) 12	12.80 (4460) 0	13.07 (4448) 4	13.08 (4384) 0	13.28 (4495) 23	13.27 (4550) 0	13.33 (4543) 2	13.19 (4616) 0
JUN 10	13.60 (3560) 0	13.69 (3563) 0	13.47 (3686) 15	13.44 (3796) 4	13.73 (3794) 0	13.80 (3729) 0	14.07 (3802) 24	14.06 (3807) 1	14.09 (3809) 2	13.96 (3854) 0
JUL 10	13.95 (2591) 0	13.95 (2640) 0	13.64 (2673) 15	13.67 (2732) 2	14.00 (2792) 0	14.05 (2804) 0	14.41 (2787) 28	14.44 (2788) 0	14.57 (2756) 6	14.49 (2731) 0
AUG 10	14.41 (2505) 0	14.30 (2548) 0	14.00 (2615) 15	14.04 (2661) 0	14.35 (2684) 0	14.48 (2709) 0	14.80 (2690) 24	14.78 (2701) 1	14.94 (2690) 1	14.83 (2704) 2
SEP 10	14.88 (2333) 0	14.75 (2343) 0	14.40 (2372) 15	14.50 (2466) 1	14.75 (2504) 0	14.88 (2531) 0	15.10 (2532) 24	15.10 (2538) 0	15.22 (2532) 2	15.14 (2545) 0
OCT 10	14.83 (2161) 0	14.68 (2176) 0	14.36 (2215) 15	14.48 (2253) 0	14.80 (2284) 0	14.89 (2323) 0	14.93 (2305) 24	14.95 (2329) 0	15.10 (2327) 2	15.05 (2342) 1
NOV 10	14.76 (2082) 0	14.58 (2093) 0	14.40 (2121) 15	14.40 (2171) 0	14.60 (2189) 0	14.66 (2212) 0	14.70 (2236) 24	14.71 (2249) 0	14.94 (2263) 2	14.91 (2287) 1
CME - CLASS IV MILK FUTURES (Pit-Traded)										
MAY 10	13.58 (60) 0	13.58 (60) 0	13.58 (60) 0	13.64 (60) 0	13.64 (60) 0	13.64 (60) 0	13.64 (60) 0	13.73 (60) 0	13.73 (60) 0	13.73 (60) 0
JUN 10	13.79 (35) 0	13.79 (35) 0	13.85 (35) 0	14.05 (35) 0	14.05 (35) 0	14.09 (35) 0	14.09 (35) 0	14.33 (35) 0	14.33 (35) 0	14.33 (35) 0
CME - CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
MAR 10	142.50 (499) 12	143.75 (491) 8	143.75 (491) 0	143.75 (491) 0	143.75 (491) 0	143.75 (491) 0	143.75 (491) 0	144.00 (491) 1	144.00 (491) 0	144.00 (491) 0
APR 10	144.50 (446) 11	146.00 (443) 8	146.25 (443) 0	146.25 (443) 0	146.25 (443) 0	146.00 (450) 7	146.50 (450) 0	146.50 (452) 6	147.00 (452) 5	147.00 (437) 15
MAY 10	147.50 (460) 10	147.50 (460) 0	147.50 (460) 2	148.00 (466) 25	148.00 (466) 0	148.00 (466) 0	148.00 (470) 5	148.00 (470) 0	148.25 (475) 9	148.25 (475) 0
JUN 10	149.00 (449) 0	149.00 (449) 0	149.00 (454) 6	149.50 (455) 1	150.00 (455) 10	150.00 (455) 0	150.75 (455) 0	151.00 (464) 21	151.00 (464) 0	150.50 (481) 19
JUL 10	152.75 (407) 0	152.75 (407) 0	152.75 (408) 1	153.00 (423) 15	153.00 (428) 5	153.00 (428) 0	153.75 (429) 1	153.25 (442) 16	153.25 (455) 13	153.25 (455) 0
CME - NONFAT DRY MILK FUTURES (Pit-Traded)										
MAR 10	105.75 (129) 0	105.75 (129) 0	105.75 (129) 0	105.75 (129) 0	105.50 (136) 0	105.50 (136) 0	105.00 (141) 0	105.00 (141) 0	105.00 (141) 0	105.00 (141) 0
APR 10	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (168) 0	109.00 (176) 0
MAY 10	111.00 (178) 0	111.00 (178) 0	111.00 (178) 0	111.00 (178) 0	112.00 (176) 0	112.00 (176) 0	112.00 (176) 0	112.00 (176) 0	111.00 (181) 0	111.00 (181) 0
JUN 10	113.75 (194) 0	114.50 (194) 0	114.50 (194) 0	115.00 (194) 0	117.50 (194) 0	117.50 (196) 0	117.50 (196) 0	117.50 (196) 0	118.00 (196) 0	120.00 (191) 0
CME - WHEY (Electronic-Traded)										
MAR 10	37.68 (286) 2	37.75 (286) 3	37.75 (286) 0	37.75 (286) 0	37.75 (286) 0	37.75 (286) 0	37.58 (286) 0	37.58 (286) 0	37.58 (286) 0	37.58 (286) 0
APR 10	34.00 (298) 3	34.00 (298) 0	34.00 (298) 9	34.00 (298) 0	34.00 (298) 0	34.00 (298) 2	34.00 (298) 0	34.00 (298) 0	34.00 (298) 0	34.00 (298) 3
MAY 10	31.75 (250) 8	31.25 (253) 24	31.00 (266) 14	31.00 (266) 0	32.50 (282) 42	32.00 (292) 34	32.00 (292) 0	32.00 (292) 0	32.00 (292) 0	32.00 (292) 6
JUN 10	31.75 (228) 15	31.00 (238) 10	30.75 (256) 18	30.78 (258) 4	33.40 (259) 31	33.40 (260) 2	32.00 (263) 3	31.75 (264) 1	32.20 (269) 7	32.00 (274) 6
JUL 10	31.75 (171) 9	31.00 (176) 5	30.75 (183) 7	30.75 (183) 0	31.00 (183) 0	31.00 (183) 0	31.00 (184) 1	31.00 (184) 0	31.00 (185) 1	32.00 (185) 3

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 MARCH 2010 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 9	:::REPORT NUMBER 10	:::REPORT NUMBER 11	:::REPORT NUMBER 12	:::REPORT NUMBER 13:::	2010	:	2009
	:-----:-----:-----:-----:-----:					Average	:	Average
	::: MAR 01 - 05	::: MAR 08 - 12	::: MAR 15 - 19	::: MAR 22 - 26	::: MAR 29 - 31	::: or Total	:	or Total
CHEESE								
WISCONSIN (WSP, Delivered, LTL)								
-- Process American 5# Loaf	::: 1.6900 - 1.9100	::: 1.6325 - 1.9100	::: 1.6150 - 1.9100	::: 1.6225 - 1.9100	::: 1.6400 - 1.8600	::: 1.7717	:	1.6924
-- Brick And/Or Muenster 5#	::: 1.8775 - 2.1000	::: 1.8300 - 2.1000	::: 1.7850 - 2.1000	::: 1.7775 - 2.1000	::: 1.7975 - 1.9600	::: 1.9483	:	1.8299
-- Cheddar 40# Block	::: 1.8975 - 2.5650	::: 1.8500 - 2.5650	::: 1.8050 - 2.5650	::: 1.7975 - 2.5650	::: 1.8000 - 2.5650	::: 2.1988	:	2.1225
-- Monterey Jack 10#	::: 1.8425 - 2.5650	::: 1.7950 - 2.5650	::: 1.7500 - 2.5650	::: 1.7425 - 2.5650	::: 1.7625 - 2.5650	::: 2.1724	:	2.1452
-- Blue 5#	::: 2.1675 - 2.8200	::: 2.1200 - 2.8200	::: 2.0750 - 2.8200	::: 2.0675 - 2.8200	::: 2.0875 - 2.6800	::: 2.4533	:	2.3314
-- Mozzarella 5 - 6#	::: 1.7125 - 2.6650	::: 1.6650 - 2.6650	::: 1.6200 - 2.6650	::: 1.6125 - 2.6650	::: 1.6325 - 2.6650	::: 2.1574	:	2.1515
-- Grade A Swiss Cuts 6 - 9#	::: 2.5900 - 3.3300	::: 2.5350 - 3.3300	::: 2.5350 - 3.3300	::: 2.5350 - 3.3300	::: 2.5350 - 3.3300	::: 2.9385	:	2.8038
NORTHEAST (WSP, Delivered, LTL)								
-- Cheddar 40# Block	::: 1.6950 - 1.9700	::: 1.6475 - 1.9225	::: 1.6025 - 1.8775	::: 1.5950 - 1.8700	::: 1.6150 - 1.8900	::: 1.7699	:	1.6295
-- Process 5# Sliced	::: 1.4225 - 1.7325	::: 1.3650 - 1.6750	::: 1.3475 - 1.6575	::: 1.3550 - 1.6650	::: 1.3725 - 1.6825	::: 1.5275	:	1.5117
-- Muenster	::: 1.7150 - 1.9125	::: 1.6675 - 1.8650	::: 1.6225 - 1.8200	::: 1.6150 - 1.8125	::: 1.6350 - 1.8325	::: 1.7511	:	1.6108
-- Grade A Swiss Cuts 10 - 14#	::: 3.2175 - 3.5400	::: 3.1625 - 3.4850	::: 3.1625 - 3.4850	::: 3.1625 - 3.4850	::: 3.1625 - 3.4850	::: 3.3357	:	2.9894
WEST COAST (WSP, Delivered, LTL)								
-- Process 5# Loaf	::: 1.4550 - 1.7125	::: 1.3975 - 1.6550	::: 1.3800 - 1.6375	::: 1.3875 - 1.6450	::: 1.4050 - 1.6625	::: 1.5338	:	1.5131
-- Cheddar 40# Block	::: 1.5000 - 1.8525	::: 1.4525 - 1.8050	::: 1.4075 - 1.7600	::: 1.4000 - 1.7525	::: 1.4200 - 1.7725	::: 1.6136	:	1.5193
-- Cheddar 10# Cuts	::: 1.6800 - 1.9000	::: 1.6325 - 1.8525	::: 1.5875 - 1.8075	::: 1.5800 - 1.8000	::: 1.6000 - 1.8200	::: 1.7274	:	1.6331
-- Monterey Jack 10#	::: 1.6900 - 1.8500	::: 1.6425 - 1.8025	::: 1.5975 - 1.7575	::: 1.5900 - 1.7500	::: 1.6100 - 1.7700	::: 1.7074	:	1.6131
-- Grade A Swiss Cuts 6 - 9#	::: 2.7650 - 3.1950	::: 2.7100 - 3.1400	::: 2.7100 - 3.1400	::: 2.7100 - 3.1400	::: 2.7100 - 3.1400	::: 2.9370	:	2.8995
FLUID PRODUCTS								
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)								
-- Northeast - f.o.b	::: 1.7487 - 1.8187	::: 1.7918 - 1.9352	::: 1.8387 - 2.0152	::: 1.8636 - 1.9556	::: 1.9388 - 2.0276	::: 1.8856	:	1.4513
-- Upper Midwest - f.o.b	::: 1.7168 - 1.7907	::: 1.7919 - 1.8636	::: 1.8535 - 1.8976	::: 1.8637 - 1.9074	::: 1.8500 - 1.9684	::: 1.8452	:	1.4741
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.								
-- Class II	::: 1.20 - 1.28	::: 1.20 - 1.22	::: 1.20 - 1.22	::: 1.10 - 1.12	::: 1.00 - 1.12	::: 1.1752	:	0.9050
-- Class III	::: 1.24 - 1.30	::: 1.22 - 1.24	::: 1.22 - 1.24	::: 1.20 - 1.24	::: 1.20 - 1.24	::: 1.2352	:	0.8334

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

COMMODITY	:::REPORT NUMBER 9	:::REPORT NUMBER 10	:::REPORT NUMBER 11	:::REPORT NUMBER 12	:::REPORT NUMBER 13:::	2010	2009
	:-----:-----:-----:-----:-----:					Average	Average
	:: MAR 01 - 05	:: MAR 08 - 12	:: MAR 15 - 19	:: MAR 22 - 26	:: MAR 29 - 31	:: or Total	:: or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central And East (f.o.b.)							
-- Low/Medium Heat	:: 1.0050 - 1.1850	:: 1.0700 - 1.1400	:: 1.1000 - 1.1500	:: 1.0800 - 1.1650	:: 1.1100 - 1.2000	:: 1.1175	: 0.8693
-- Mostly	:: 1.0800 - 1.1000	:: 1.0800 - 1.1000	:: 1.1000 - 1.1300	:: 1.1200 - 1.1500	:: 1.1300 - 1.1700	:: 1.1130	: 0.8418
-- High Heat	:: 1.1850 - 1.2850	:: 1.1900 - 1.3050	:: 1.1900 - 1.3050	:: 1.1800 - 1.2650	:: 1.1800 - 1.3000	:: 1.2384	: 0.9057
-- West (f.o.b.)							
-- Low/Medium Heat	:: 0.9800 - 1.1500	:: 0.9800 - 1.1500	:: 1.0100 - 1.1500	:: 1.0500 - 1.1500	:: 1.0700 - 1.1800	:: 1.0837	: 0.8088
-- Mostly	:: 1.0000 - 1.0700	:: 1.0200 - 1.0600	:: 1.0500 - 1.0800	:: 1.0700 - 1.1200	:: 1.0900 - 1.1400	:: 1.0661	: 0.8029
-- High Heat	:: 1.0600 - 1.2300	:: 1.0600 - 1.2300	:: 1.0800 - 1.2300	:: 1.0850 - 1.2300	:: 1.1150 - 1.2350	:: 1.1538	: 0.9212
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	:: 0.3100 - 0.4075	:: 0.3000 - 0.4100	:: 0.3000 - 0.4075	:: 0.3000 - 0.3975	:: 0.3000 - 0.3900	:: 0.3529	: 0.1748
-- Mostly	:: 0.3650 - 0.3875	:: 0.3650 - 0.3850	:: 0.3625 - 0.3825	:: 0.3525 - 0.3800	:: 0.3475 - 0.3700	:: 0.3707	: 0.1705
-- West (f.o.b.)	:: 0.3750 - 0.4250	:: 0.3750 - 0.4400	:: 0.3750 - 0.4350	:: 0.3450 - 0.4375	:: 0.3450 - 0.4375	:: 0.3997	: 0.1906
-- Mostly	:: 0.3875 - 0.4200	:: 0.3875 - 0.4200	:: 0.3875 - 0.4200	:: 0.3800 - 0.4200	:: 0.3800 - 0.4200	:: 0.4024	: 0.1867
-- Northeast (f.o.b.)	:: 0.3675 - 0.4050	:: 0.3850 - 0.4050	:: 0.3925 - 0.4125	:: 0.3875 - 0.4350	:: 0.3825 - 0.4250	:: 0.3994	: 0.1953
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 0.8400 - 0.9900	:: 0.8300 - 0.9800	:: 0.8300 - 0.9800	:: 0.8300 - 0.9800	:: 0.8300 - 0.9800	:: 0.9072	: 0.5575
-- Mostly	:: 0.9000 - 0.9300	:: 0.8975 - 0.9275	:: 0.8975 - 0.9275	:: 0.8975 - 0.9275	:: 0.8975 - 0.9275	:: 0.9130	: 0.5435
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.2200 - 0.3700	:: 0.2200 - 0.3700	:: 0.2200 - 0.3700	:: 0.2500 - 0.3550	:: 0.2500 - 0.3550	:: 0.2976	: 0.1269
BUTTERMILK (Min. 30% protein)							
-- Central And East (f.o.b.)	:: 0.9950 - 1.1200	:: 0.9200 - 1.0800	:: 0.9400 - 1.0950	:: 0.9200 - 1.0950	:: 0.9200 - 1.1000	:: 1.0192	: 0.7455
-- West (f.o.b.)	:: 0.8500 - 0.9650	:: 0.8500 - 0.9400	:: 0.8300 - 0.9500	:: 0.8800 - 0.9500	:: 0.9150 - 0.9550	:: 0.9062	: 0.6540
-- Mostly	:: 0.8500 - 0.9200	:: 0.8500 - 0.9050	:: 0.8500 - 0.9250	:: 0.9000 - 0.9300	:: 0.9300 - 0.9500	:: 0.8976	: 0.6557
WHOLE MILK POWDER							
-- National (f.o.b.)	:: 1.3700 - 1.5200	:: 1.4400 - 1.5200	:: 1.4400 - 1.5500	:: 1.4400 - 1.5500	:: 1.4400 - 1.5500	:: 1.4809	: 1.0773
LACTOSE							
-- Central And West (f.o.b.)	:: 0.2700 - 0.4500	:: 0.2500 - 0.4500	:: 0.2700 - 0.4400	:: 0.2700 - 0.4400	:: 0.2650 - 0.4400	:: 0.3547	: 0.1593
-- Mostly	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	:: 0.3300 - 0.3700	:: 0.3150 - 0.3600	:: 0.3484	: 0.1320
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	:: 3.5000 - 4.2500	:: 3.6000 - 4.2000	:: 3.8783	: 3.3523
-- Nonrestricted - Acid	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	:: 3.5000 - 4.2000	:: 3.6000 - 4.1500	:: 3.8533	: 3.1091

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 MARCH 2010

COMMODITY	::REPORT NUMBER 9 :: MAR 1 - 5	::REPORT NUMBER 10 :: MAR 8 - 12	::REPORT NUMBER 11 :: MAR 15 - 19	::REPORT NUMBER 12 :: MAR 22 - 26	::REPORT NUMBER 13 :: MAR 29 - 31	2010 * :: Average	2009 * :: Monthly Average
BUTTER*							
-- GRADE AA							
--Monday	:: 1.4225	:: 1.4700	:: 1.4500	:: 1.4750	:: 1.4900	::	:
--Tuesday	:: 1.4250	:: 1.4800	:: 1.4500	:: 1.4750	:: 1.4900	::	:
--Wednesday	:: 1.4300	:: 1.4850	:: 1.4500	:: 1.4800	:: 1.4925	::	:
--Thursday	:: 1.4400	:: 1.4650	:: 1.4600	:: 1.4800	::	::	:
--Friday	:: 1.4500	:: 1.4550	:: 1.4700	:: 1.4900	::	:: 1.4641	: 1.1770
--Weekly Average**	:: 1.4335	:: 1.4710	:: 1.4560	:: 1.4800	::	::	:
CHEESE*							
-- BARRELS							
--Monday	:: 1.2900	:: 1.2500	:: 1.2625	:: 1.2650	:: 1.3350	::	:
--Tuesday	:: 1.2900	:: 1.2500	:: 1.2625	:: 1.2650	:: 1.3400	::	:
--Wednesday	:: 1.2825	:: 1.2500	:: 1.2625	:: 1.2725	:: 1.3700	::	:
--Thursday	:: 1.2500	:: 1.2600	:: 1.2625	:: 1.2875	::	::	:
--Friday	:: 1.2500	:: 1.2625	:: 1.2650	:: 1.3125	::	:: 1.2782	: 1.2738
--Weekly Average**	:: 1.2725	:: 1.2545	:: 1.2630	:: 1.2805	::	::	:
-- 40# BLOCKS							
--Monday	:: 1.3400	:: 1.2875	:: 1.2675	:: 1.2700	:: 1.3425	::	:
--Tuesday	:: 1.3400	:: 1.2750	:: 1.2675	:: 1.2700	:: 1.3525	::	:
--Wednesday	:: 1.3200	:: 1.2750	:: 1.2675	:: 1.2800	:: 1.4000	::	:
--Thursday	:: 1.3050	:: 1.2675	:: 1.2675	:: 1.2900	::	::	:
--Friday	:: 1.2975	:: 1.2675	:: 1.2700	:: 1.3250	::	:: 1.2976	: 1.2455
--Weekly Average**	:: 1.3205	:: 1.2745	:: 1.2680	:: 1.2870	::	::	:
NONFAT DRY MILK*							
-- EXTRA GRADE							
--Monday	:: 1.2400	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1200	::	:
--Tuesday	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1500	::	:
--Wednesday	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1500	::	:
--Thursday	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1200	::	::	:
--Friday	:: 1.1200	:: 1.1200	:: 1.1200	:: 1.1200	::	:: 1.1278	: 0.8500
--Weekly Average**	:: 1.1440	:: 1.1200	:: 1.1200	:: 1.1200	::	::	:
-- GRADE A							
--Monday	:: 1.1200	:: 1.1100	:: 1.1100	:: 1.1150	:: 1.1500	::	:
--Tuesday	:: 1.1200	:: 1.1100	:: 1.1150	:: 1.1250	:: 1.1850	::	:
--Wednesday	:: 1.1200	:: 1.1100	:: 1.1150	:: 1.1350	:: 1.2000	::	:
--Thursday	:: 1.1100	:: 1.1100	:: 1.1150	:: 1.1450	::	::	:
--Friday	:: 1.1100	:: 1.1100	:: 1.1150	:: 1.1500	::	:: 1.1263	: 0.8365
--Weekly Average**	:: 1.1160	:: 1.1100	:: 1.1140	:: 1.1340	::	::	:

* 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.

**OVER-ORDER CHARGES ON PRODUCER MILK, BY CLASS OF UTILIZATION,
BY FEDERAL MILK ORDER MARKETING AREA, JANUARY 2010 1/**

For January 2010, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.26 per cwt., up \$0.02 from the December 2009 average. Ninety-two percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from \$0.71 in the Pacific Northwest to \$3.65 in Florida. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.18 per cwt., down \$0.02 from the December 2009 average. Eighty-two percent of the producer milk used in Class II carried an over-order charge.

Federal Milk Order Marketing Area 2/	Order Number	Weighted Average of Over-Order Charges Spread Over Total Class I Milk 1/	Weighted Average of Over-Order Charges Spread Over Total Class II Milk 1/
		\$/cwt	
Appalachian	005	2.65	1.06
Southeast	007	2.75	2.32
Florida	006	3.65	1.10
Mideast	033	2.07	1.38
Upper Midwest	030	2.01	0.97
Central	032	2.05	0.95
Pacific Northwest	124	0.71	0.57
All Reporting Areas Combined 3/		2.26	1.18

1/ Figures are weighted averages of all the over-order charges applicable to any volume of milk used in the respective class spread over 100 percent of the producer milk used in that class. Includes some producer milk for which there was no over-order charge.

2/ Information is available for all Federal milk marketing areas except the Northeast and Southwest. See 3/.

3/ Figures are weighted averages of the available individual marketing area data; includes information for the Arizona order which is administratively confidential.

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/}
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
FEB 2010	218.8	-0.2	198.8	-2.8	189.6	-2.5	203.4	-4.7	170.2	-0.4	202.3	-2.7
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												
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		
FEB	3.203	3.319	2.838	3.033	3.943	4.049	4.608	4.922	4.388	4.349		

^{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—NOVEMBER-JANUARY 2008-2010 AND YEAR-TO-DATE 2008-2009 ^{1/}

Item	Nov.-Jan. 2008/09	Percent change ^{2/}	Nov.-Jan. 2009/10	Percent change ^{2/}	Jan.-Dec. 2008	Percent change ^{2/}	Jan.-Dec. 2009	Percent change ^{2/}
	Million Pounds							
MILK								
Production	47,245	1.3	46,935	-0.7	189,992	2.1	189,320	-0.1
Marketings	46,966	1.3	46,666	-0.6	188,918	2.1	188,240	-0.1
Beginning Commercial Stocks ^{3/}	10,271	-9.9	12,611	22.8	10,355	8.9	10,045	-3.0
Imports ^{3/}	1,539	14.9	1,008	-34.5	3,941	-15.2	4,057	3.2
Total Supply ^{4/}	58,776	-0.5	60,285	2.6	203,214	1.8	202,342	0.0
Ending Commercial Stocks ^{3/}	11,536	5.6	12,171	5.5	10,045	-3.0	11,284	12.3
Net Removals ^{3/}	70	100.0	419	498.6	24	100.0	703	2,829.2
Commercial Disappearance ^{4/}	47,170	1.0	47,744	1.2	193,145	2.3	190,355	-1.2
SELECTED PRODUCTS ^{5/}								
Butter	456.8	-0.2	445.1	-2.6	1,710.1	12.3	1,567.4	-8.1
American Cheese	1,077.9	3.7	1,023.5	-5.0	4,064.1	2.6	4,159.0	2.6
Other Cheese	1,484.2	-6.1	1,598.1	7.7	6,080.4	-2.0	6,168.8	1.7
Nonfat Dry Milk	298.3	6.1	300.7	0.8	1,378.0	13.2	1,293.0	-5.9
Fluid Milk Products ^{6/}	14,311.9	0.7	14,271.8	-0.3	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.

MARCH AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in March 2010 was unchanged at 184. Compared with March 2009, the index was up 4 points (2.2 percent). The index of prices received by farmers for dairy products declined 6 points during the month of March 2010 to 116. Compared with March 2009, the index was up 26 points (28.9 percent).

Prices received by farmers in March with changes from February were: for All Milk, \$15.10 per hundredweight (cwt.), down \$.80; for Fluid Grade Milk, \$15.10 per cwt., down \$.80; and for Manufacturing Grade Milk, \$13.80 per cwt., down \$.70.

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

STATE	All-milk price ^{1/} ^{3/}				Milk cows ^{5/}		Cows ^{6/}		Alfalfa hay, baled ^{7/}	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	FEBRUARY		MARCH		MARCH		MARCH		MARCH	
	2010 ^{2/}	2009 ^{2/}	2010 ^{4/}	2009 ^{2/}	2010 ^{4/}	2009 ^{2/}	2010 ^{7/}	2009 ^{8/}	2010	2009
CA	14.22	10.50	13.50	10.53	PRICES PUBLISHED JANUARY, APRIL, JULY AND OCTOBER		52.50	39.80	109.00	144.00
ID	14.10	10.50	13.30	11.10			56.70	44.60	107.00	168.00
MI	16.70	12.30	16.00	12.00			54.00	45.00	130.00	150.00
MN	15.90	12.10	14.90	12.60			53.70	48.00	125.00	115.00
NM	15.50	11.00	14.70	10.80			55.50	47.20	147.00	194.00
NY	16.80	12.20	16.00	11.50			---	---	155.00	165.00
PA	18.10	13.50	17.30	13.00			48.50	45.20	160.00	166.00
TX	16.80	12.20	16.50	12.10			50.00	41.60	183.00	190.00
WA	15.30	10.70	14.30	10.90			---	---	115.00	180.00
WI	16.00	11.50	14.90	12.20			50.90	43.50	120.00	105.00
U.S.	15.90	11.60	15.10	11.80			52.40	44.40	111.00	138.00

^{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., MARCH 2010 WITH COMPARISONS

ITEM	MARCH 2009	FEBRUARY 2010 ^{1/}	MARCH 2010 ^{2/}
PRICES RECEIVED BY FARMERS , dol. per cwt., at reported butterfat test: ^{3/}			
All milk	11.80	15.90	15.10
Fluid grade milk	11.80	15.90	15.10
Manufacturing grade milk	11.10	14.50	13.80
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for all farm products	126	135	141
Prices received by farmers for dairy products	90	122	116
Prices paid by farmers for commodities and services, interest taxes, and wage rates	180	184	184
Prices paid by farmers for production items	184	187	187
Prices paid by farmers for feed	185	177	170
MILK FEED PRICE RATIO: Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk ^{4/}	1.56	2.35	2.26

^{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 (3-10), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

FEBRUARY 2010 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 141.1 million pounds in February, 3.1 percent below February 2009 and 12.9 percent below January 2010. AMERICAN TYPE CHEESE production totaled 318.9 million pounds, 0.6 percent below February 2009 and 8.2 percent below January 2010. TOTAL CHEESE output (excluding cottage cheese) was 777.2 million pounds, 1.0 percent above February 2009 but 7.7 percent below January 2010. NONFAT DRY MILK production, for human food, totaled 116.8 million pounds, 4.9 percent below February 2009 and 9.2 percent below January 2010. DRY WHEY production, for human food, was 75.0 million pounds, 7.3 percent above February 2009 but 9.0 percent below January 2010. ICE CREAM (hard) production totaled 63.0 million gallons, 1.0 percent below February 2009 but 13.6 percent above January 2010.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	FEB 2010	PERCENT CHANGE FROM:			PRODUCT	FEB 2010	PERCENT CHANGE FROM:		
	1,000 LBS.	FEB 2009	JAN 2010	YEAR TO DATE 1/		1,000 LBS.	FEB 2009	JAN 2010	YEAR TO DATE 1/
BUTTER	141,140	-3.1	-12.9	-5.4	SOUR CREAM	83,239	2.3	-7.1	2.7
CHEESE					YOGURT (PLAIN AND FLAVORED)	314,621	0.2	-7.3	5.4
AMERICAN TYPES 2/	318,947	-0.6	-8.2	-1.1	DRY WHEY, HUMAN FOOD	75,026	7.3	-9.0	---
CHEDDAR	242,845	0.6	-8.9	-1.2	DRY WHEY, ANIMAL FEED	2,948	-37.7	-15.3	---
OTHER AMERICAN	76,102	-4.0	-6.1	---	DRY WHEY, TOTAL 8/	77,974	4.4	-9.3	6.6
BRICK & MUENSTER	8,444	-13.0	-16.2	---	REDUCED LACTOSE AND MINERALS				
CREAM & NEUFCHATEL	56,721	4.9	0.3	---	HUMAN FOOD	1,606	-29.3	-22.5	---
HISPANIC	15,616	-4.4	-3.1	---	ANIMAL FEED	4,513	17.2	-8.8	---
TOTAL ITALIAN TYPES	332,784	4.0	-8.3	4.2	LACTOSE, HUMAN FOOD & ANIMAL FEED	62,218	20.6	-6.9	15.9
MOZZARELLA	260,655	5.4	-8.5	5.9	WHEY PROTEIN CONCENTRATE				
OTHER ITALIAN	72,129	-0.4	-7.2	---	HUMAN FOOD 9/	28,923	2.2	-8.8	---
SWISS	24,580	3.9	-9.6	---	ANIMAL FEED 9/	2,375	-19.1	-20.3	---
ALL OTHER TYPES	20,115	-20.8	-6.0	---	TOTAL 9/	31,298	0.2	-9.8	0.8
TOTAL	777,207	1.0	-7.7	1.6	25.0-49.9 PERCENT 10/	18,991	-5.9	-5.5	---
COTTAGE CHEESE, CURD 3/	32,680	-4.5	-2.0	---	50.0-89.9 PERCENT 10/	12,307	11.2	-15.7	---
COTTAGE CHEESE, CREAM 4/	25,721	-3.7	3.0	-4.6	PROTEIN ISOLATES 11/	4,303	21.7	-8.1	---
COTTAGE CHEESE, LOWFAT 5/	29,143	-5.8	0.2	-5.8	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
CANNED EVAP & CONDSO WHOLE MILK	38,769	-4.5	1.3	---	ICE CREAM (HARD)	62,955	-1.0	13.6	-2.3
DRY BUTTERMILK	7,660	15.0	-17.8	---	ICE CREAM, LOWFAT (HARD)	9,788	-3.3	1.4	---
DRY WHOLE MILK	4,905	37.7	-8.2	---	ICE CREAM, LOWFAT (SOFT)	16,831	2.7	29.1	---
MILK PROTEIN CONC. (MPC), TOTAL 6/	6,869	-12.8	-7.8	---	ICE CREAM, LOWFAT (TOTAL)	26,619	0.4	17.3	-2.0
NONFAT DRY MILK (NDM), HUMAN	116,807	-4.9	-9.2	-11.6	SHERBET, HARD	3,667	-7.9	6.7	-5.7
SKIM MILK POWDERS (SMP) 7/	22,029	-2.9	7.0	5.6	YOGURT (TOTAL)	4,610	-3.0	20.8	3.0

MANUFACTURERS' STOCKS, END OF MONTH 12/							
PRODUCT	FEB 2010	PERCENT OF:		PRODUCT	FEB 2010	PERCENT OF:	
	1,000 LBS.	FEB 2009	JAN 2010		1,000 LBS.	FEB 2009	JAN 2010
DRY WHEY, HUMAN FOOD	41,933	-11.6	-7.5	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	1,602	-37.1	1.1	HUMAN FOOD 9/	33,079	2.8	-3.1
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 13/	8,382	-52.5	-8.9	ANIMAL FEED 9/	2,174	-15.1	4.7
LACTOSE, HUMAN FOOD & ANIMAL FEED	65,795	-29.3	7.1	TOTAL 9/	35,253	1.5	-2.7
CANNED EVAP & CONDSO WHOLE MILK	61,803	3.2	4.0	25.0-49.9 PERCENT 10/	20,972	6.1	0.2
DRY BUTTERMILK	12,928	86.4	-3.5	50.0-89.9 PERCENT 10/	14,281	-4.6	-6.5
NONFAT DRY MILK (NDM), HUMAN FOOD	147,861	-21.7	7.1	PROTEIN ISOLATES 11/	10,391	36.0	-0.4

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 (4-10), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, MARCH

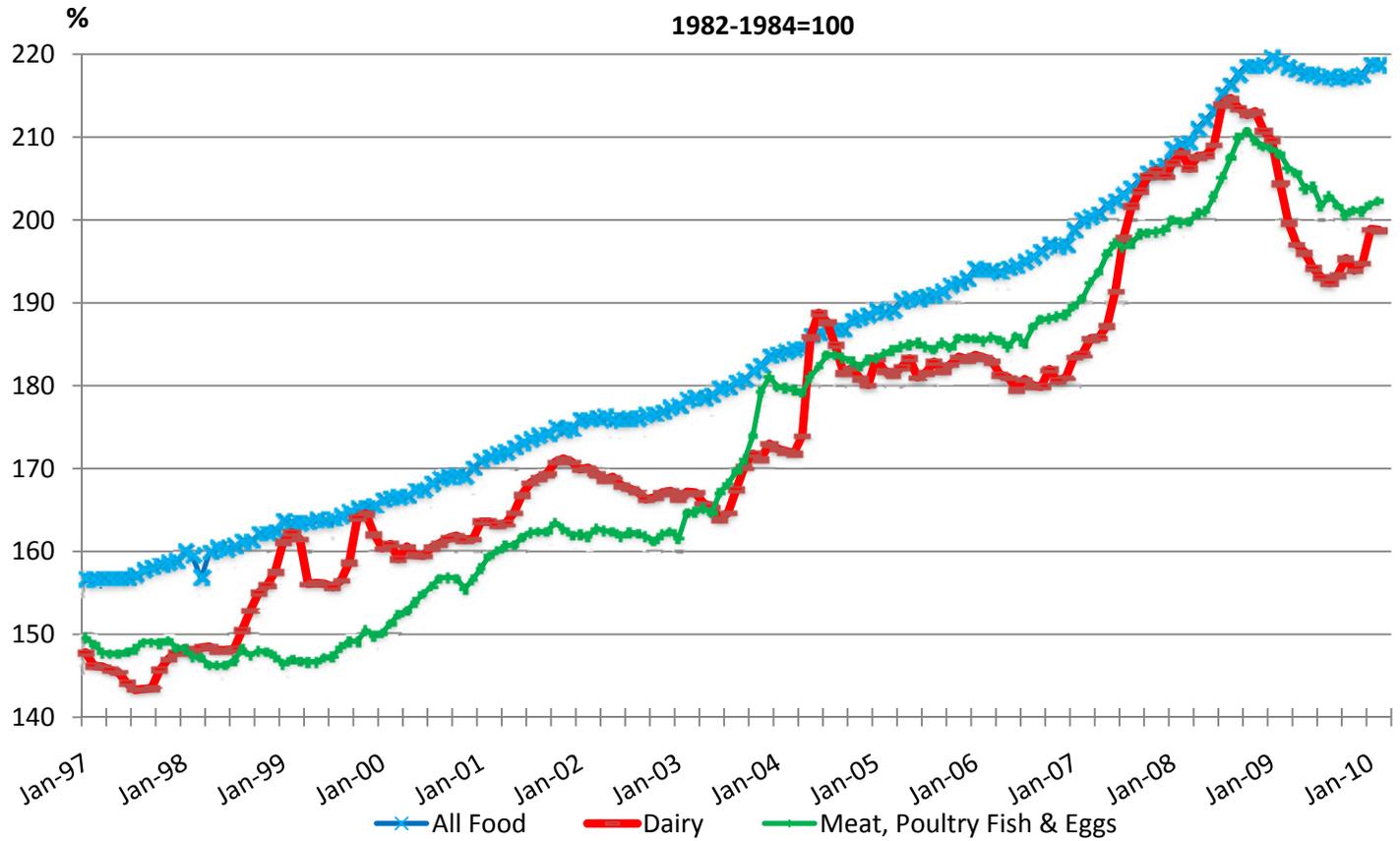
Component Price Information: Under the Federal milk order pricing system, the butterfat price for March 2010 is \$1.5347 per pound. Thus, the Class II butterfat price is \$1.5417. The protein and other solids prices for March are \$2.1311 and \$0.1823 per pound, respectively. These component prices set the Class III skim milk price at \$7.68 per cwt. The March Class IV skim milk price is \$7.82 which is derived from the nonfat solids price of \$0.8688 per pound.
Product Price Averages: The product price averages for March are: butter \$1.4388, nonfat dry milk \$1.0454, cheese \$1.3632, and dry whey \$0.3761.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/} _{2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	MARCH 2010				APRIL 2010
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	17.59	14.46	12.78	12.92	16.47
Appalachian (Charlotte) ^{5/} _{6/}	005	17.74	14.46	12.78	12.92	16.62
Southeast (Atlanta) ^{6/} _{7/}	007	18.14	14.46	12.78	12.92	17.02
Florida (Tampa) ^{6/} _{8/}	006	19.74	14.46	12.78	12.92	18.62
Midwest (Cleveland) ^{9/}	033	16.34	14.46	12.78	12.92	15.22
Upper Midwest (Chicago) ^{10/}	030	16.14	14.46	12.78	12.92	15.02
Central (Kansas City) ^{11/}	032	16.34	14.46	12.78	12.92	15.22
Southwest (Dallas) ^{12/}	126	17.34	14.46	12.78	12.92	16.22
Arizona (Phoenix)	131	16.69	14.46	12.78	12.92	15.57
Pacific Northwest (Seattle) ^{13/}	124	16.24	14.46	12.78	12.92	15.12
All-Market Average	---	17.23	14.46	12.78	12.92	16.11

^{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.

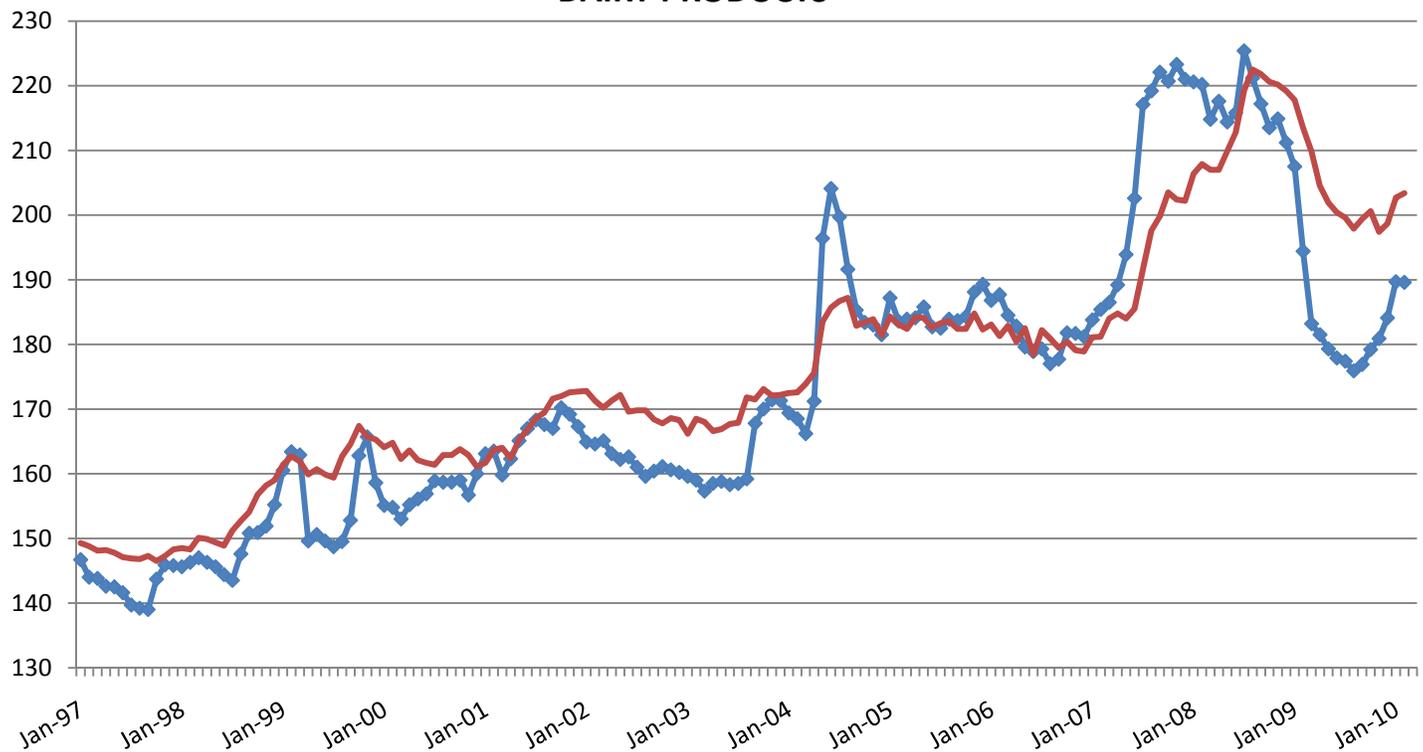
CONSUMER PRICE INDEX

1982-1984=100



CONSUMER PRICE INDEX DAIRY PRODUCTS

1982-1984=100
%

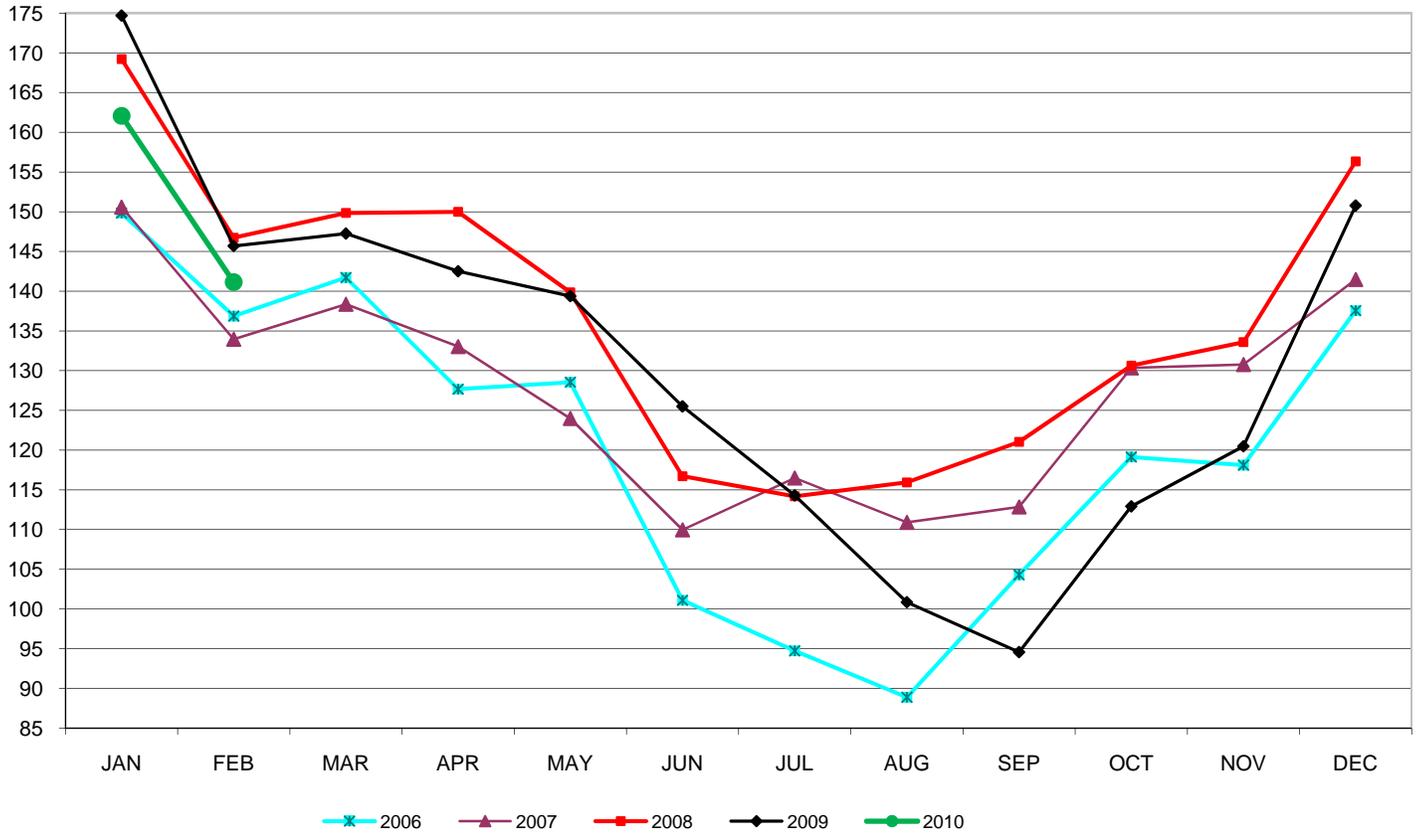


Source: US Dept of Labor. BLS, Graph by DMN

◆ FRESH WHOLE MILK — CHEESE

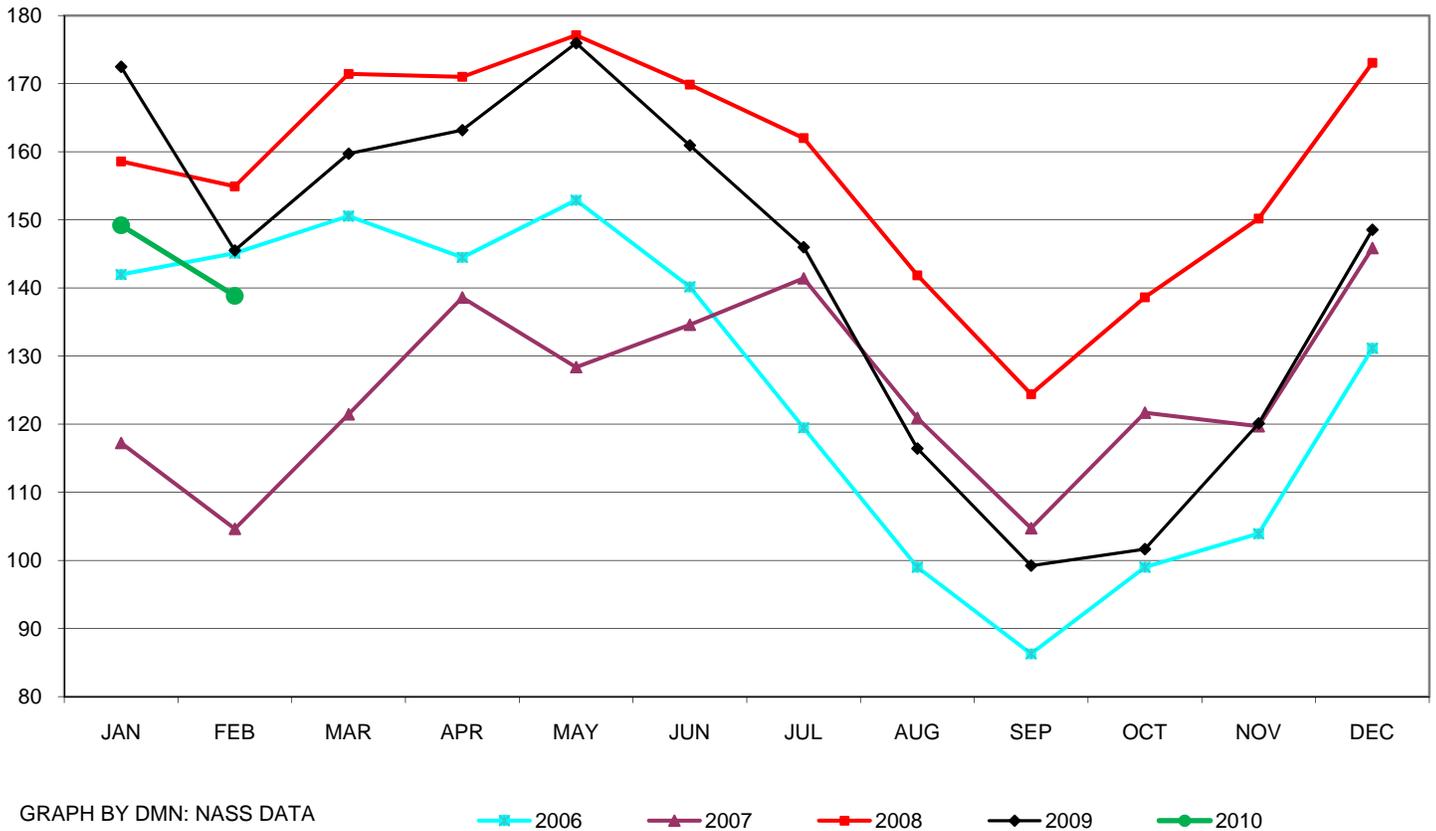
Million Pounds

U.S. BUTTER PRODUCTION



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

Million Pounds



GRAPH BY DMN: NASS DATA

DAIRY MARKET NEWS

GENERAL NUMBER

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

VOLUME: 77

REPORT: 13

DATE: 04/02/2010

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