

NATIONAL DAIRY MARKET AT A GLANCE

CME GROUP CASH MARKETS (05/07):

BUTTER: Grade AA closed at \$1.6050. The weekly average for Grade AA is \$1.6110 (+.0210).**CHEESE:** Barrels closed at \$1.3725 and 40# blocks at \$1.3800. The weekly average for barrels is \$1.3760 (+.0070) and blocks, \$1.3830 (N.C.).**BUTTER HIGHLIGHTS:** The CME cash butter price remained firm until midweek, declined sharply, but then recovered somewhat later in the week. The midweek decline was the first price decline since mid February. Churning schedules across the country are seasonally active as cream supplies are generally available to butter operations. Class II cream demand is building slowly, thus sufficient volumes of cream are available to the churn to maintain steady production schedules. Many butter producers continue to actively churn for current and future needs. In some instances, butter producers are choosing to sell a portion of their cream supply. Butter demand is seasonally fair. Retail orders are steady with restaurant and food service orders somewhat stronger. The upcoming Mother's Day holiday and Memorial Day holiday weekend are contributing to heavier orders. The Memorial Day holiday weekend is the unofficial opening of the summer vacation and tourist season.**CHEESE HIGHLIGHTS:** Cheese markets are weak with prices generally lower. Cheese production is building in most parts of the country as the milk flow increases towards seasonal peak levels. Stocks of cheese are often heavier than last year at this time and some cheese makers are trying to limit new production by diverting milk to other products when possible. Cheese demand is seasonal for this time of the year and supplies are sufficient to meet demand. Cumulative first quarter U.S. 2010 cheddar production totals 792.6 million pounds, down 9.3 million pounds (-1.2%) from the same quarter in 2009. Mozzarella output for the first quarter total 844.6 million pounds, up 50.8 million pounds (6.4%) from 2009.**FLUID MILK:** Milk production continues to increase in most areas of the country with the Southeast and Mid Atlantic regions at their spring peaks. Arizona and Florida, though beyond their peaks, are maintaining steady production levels. California intakes are moving higher, but are lower than last year. Milk components are edging lower in the Central and East regions, especially for those cattle on pasture. Class I push backs in the East are adding to the already heavy manufacturing supplies. Manufacturing plants overall are operating on heavier schedules and handling the current milk supplies. Cream supplies are fairly tight and demand has improved

as cream cheese and ice cream production has increased in the Central and Eastern regions. There is also good call for cream into butter in the West.

DRY PRODUCTS: Prices for nonfat dry milk are steady to higher. Production is steady to higher, reflecting the seasonally building milk supplies. Some plants are selling more condensed skim to Class II interest, allowing for increased high heat NDM production. Domestic and export demand is generally fair to good. Producer stocks are light to moderate and held with confidence. Recently dissolved marketing agreements in the East are providing NDM buyers with additional supply options. Dry buttermilk prices are steady to higher and the market tone is firm. Production is lower as more cream and condensed buttermilk are moving to ice cream accounts. Stocks are light to moderate and held with confidence. Prices for dry whole milk are higher on a firming domestic market. Production is increasing in some locations in response to continuing interest. Prices for dry whey are steady to lower. Production is increasing as the spring flush adds to available milk supplies. The market is uneasy with the possibility of future sales to China not being accepted. Inventories are adequate to somewhat short. Lactose prices are unchanged on the mostly as the range price series widened. The market tone is mixed and inventories are comfortable at most locations.**ORGANIC DAIRY MARKET OVERVIEW (DMN):** Milk production is well up during the flush season. A number of brands are running in-store promotions. May is characterized by one plant official as a "push" month to move product. There has been a tightening of available organic cream beginning this week, particularly in the Northeast. A processor observed that in recent months, organic cream was generally easily available, often for about \$1.00 over non-organic cream spot prices. A number of specialty organic product processors in the Northeast who have been regular spot cream customers of larger firms for some time were informed, last week, that organic cream was not available. They have been scrambling to locate organic cream from new sources for immediate needs, with mixed success. In some instances, organic cream that was available was priced in the range of 40% over prices of recent weeks. Much of the organic cream previously available in the Northeast has been moving west. For the period April 24 through May 7, 2010, the number of surveyed newspaper ads containing organic dairy content decreased to 2,486 out of 9,150 surveyed ads.

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CASH TRADING**

PRODUCT	MONDAY MAY 3	TUESDAY MAY 4	WEDNESDAY MAY 5	THURSDAY MAY 6	FRIDAY MAY 7	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.3800 (N.C.)	\$1.3800 (N.C.)	\$1.3750 (-.0050)	\$1.3725 (-.0025)	\$1.3725 (N.C.)	(-.0075)	\$1.3760 (+.0070)
40# BLOCKS	\$1.3875 (N.C.)	\$1.3850 (-.0025)	\$1.3825 (-.0025)	\$1.3800 (-.0025)	\$1.3800 (N.C.)	(-.0075)	\$1.3830 (N.C.)
BUTTER GRADE AA	\$1.6300 (+.0100)	\$1.6400 (+.0100)	\$1.5800 (-.0600)	\$1.6000 (+.0200)	\$1.6050 (+.0050)	(-.0150)	\$1.6110 (+.0210)

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

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This is down from 3,793 two weeks ago and the second lowest level of organic dairy ads for the first four months of 2010. For this two week period, the Midwest region topped all regions with 23.8% of total organic dairy ads placed, followed closely by the Northeast, 23.6%. The organic dairy ad percentage for other regions is: South Central, 16.4%; Southwest, 14.6%; Northwest, 11.3%; and Southeast, 10.3%. Organic yogurt ads now lead in number, in contrast with two weeks ago when milk ads led yogurt. The weighted average advertised price for half gallons of organic milk increased to \$3.38, 54 cents higher than two weeks ago. The top of the range fell 10 cents to \$3.49, while the bottom increased 30 cents to \$2.79. A narrowing of the range and fewer offerings near the lower end of the range resulted in the increased weighted average advertised price.

2009 MILK PRODUCTION, DISPOSITION, AND INCOME (NASS): Milk production decreased 0.3% in 2009 to 189 billion pounds. The production per cow, at 20,576 pounds, was 181 pounds above 2008. The annual average number of milk cows on farms was 9.20 million head, down 114,000 head from 2008. Cash receipts from marketings of milk during 2009 totaled \$24.3 billion, 30.1% lower than 2008. Producer returns averaged \$12.93 per hundredweight, 29.9% below 2008. Marketings totaled 188 billion pounds, 0.3% below 2008. Marketings include whole milk sold to plants and dealers and milk sold directly to consumers. An estimated 1.01 billion pounds of milk were used on farms where produced, 5.1% less than 2008. Calves were fed 89% of this milk, with the remainder consumed in producer households.

2009 ANNUAL DAIRY PRODUCTS (NASS): Butter production in the United States during 2009 totaled 1.57 billion pounds, 4.3% below 2008. California was the leading state in butter production and accounted for 33.1% of the production, followed by Pennsylvania with 5.0%. Total cheese production, excluding cottage cheeses, was 10.1 billion pounds, 2.0% above 2008 production. Wisconsin was the leading state with 26.0% of the production, followed by California with 20.4% and Idaho with 8.2%. Nonfat dry milk for human food totaled 1.51 billion pounds, down 0.7%. California was the leading state with 55.2% of the production. Skim milk powders totaled 222 million pounds, down 40.6%. Dry whey for human food production, at 951 million pounds, was down 7.2%. Lactose, Human and Animal production, was 723 million pounds, down 3.1%. During 2009, there were 1,178 dairy plants in the U.S. manufacturing one or more dairy products, 53 more than in 2008.

APRIL AGRICULTURAL PRICES (NASS): The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 2010 advanced 1 point to 183. Compared with April 2009, the index was up 3 points (1.7%). The index of prices received by farmers for dairy products declined 1 point during the month of April 2010 to 112. Compared with April 2009, the index was up 21 points (23.1%). Prices received by farmers in April with changes from March were: for All Milk, \$14.60 per hundredweight, down \$.20; for Fluid Grade Milk, \$14.60, down \$.20; and for Manufacturing Grade Milk, \$13.70, up \$.30.

MARCH DAIRY PRODUCTS (NASS): BUTTER production was 141.1 million pounds in March, 4.3% below March 2009 but slightly above February 2010. AMERICAN TYPE CHEESE production totaled 362.3 million pounds, 0.6% below March 2009 but 13.1% above February 2010. TOTAL CHEESE output (excluding cottage cheese) was 890.1 million pounds, 2.3% above March 2009 and 14.8% above February 2010. NONFAT DRY MILK production, for human food, totaled 137.5 million pounds, 0.2% above March 2009 and 16.8% above February 2010. DRY WHEY production, for human food, was 88.3 million pounds, 11.2% above March 2009 and 17.3% above February 2010. ICE CREAM (hard) production totaled 79.8 million gallons, 5.5% above March 2009 and 26.4% above February 2010.

CME GROUP

MONDAY, MAY 3, 2010

CHEESE — SALES: 1 CAR 40# BLOCKS @ \$1.3875; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.3850; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.3000; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6300; LAST OFFER UNCOVERED: NONE

TUESDAY, MAY 4, 2010

CHEESE — SALES: 1 CAR 40# BLOCKS @ \$1.3850; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.3850; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.2800; 2 CARS GRADE A @ \$1.3100; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6400; LAST OFFER UNCOVERED: NONE

WEDNESDAY, MAY 5, 2010

CHEESE — SALES: 1 CAR BARRELS @ \$1.3750; 1 CAR 40# BLOCKS @ \$1.3825; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3700; 1 CAR 40# BLOCKS @ \$1.3825; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: 2 CARS GRADE A @ \$1.3150; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.2900; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 4 CARS GRADE AA: 1 @ \$1.5900, 1 @ \$1.5875, 2 @ \$1.5800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.5900

THURSDAY, MAY 6, 2010

CHEESE — SALES: 2 CARS 40# BLOCKS: 1 @ \$1.3825, 1 @ \$1.3800; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.3725
 NONFAT DRY MILK — SALES: 2 CARS GRADE A @ \$1.3250; LAST BID UNFILLED: 1 CAR EXTRA GRADE @ \$1.3000; 2 CARS GRADE A @ \$1.3250; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 3 CARS GRADE AA @ \$1.6000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6000; LAST OFFER UNCOVERED: NONE

FRIDAY, MAY 7, 2010

CHEESE — SALES: 9 CARS BARRELS: 8 @ \$1.3750, 1 @ \$1.3725; 3 CARS 40# BLOCKS @ \$1.3800; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.3725; 2 CARS 40# BLOCKS @ \$1.3800; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK — SALES: 2 CARS GRADE A @ \$1.3275; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.3275; LAST OFFER UNCOVERED: NONE
 BUTTER — SALES: 1 CAR GRADE AA @ \$1.6000; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.6050; LAST OFFER UNCOVERED: NONE

CME GROUP CASH NONFAT DRY MILK: Extra Grade closed the week at \$1.3000 and Grade A at \$1.3275. The last price change for Extra Grade was on 05/06/10 and Grade A was on 5/07/10. The weekly average for Extra Grade is \$1.2840 (+.0340) and Grade A is \$1.3155 (+.0180).

BUTTER MARKETS

NORTHEAST

After reaching \$1.6000, the CME Group butter price has continued to increase daily on bid activity. In the past four trading sessions butter has increased six cents, closing Tuesday at \$1.6400. Butter production is mixed with some plants opting to sell cream at multiples in the mid 130's, while other plants continue to operate churns at steady schedules. Butter makers building inventories believe, the relatively low butter inventories, fairly tight cream supplies, and good export demand provide the basis for continued strength in the butter market. According to NASS, cumulative 2010 butter production through March was 5.8% below cumulative year production for the same period for 2009. March 2010 monthly U.S. butter production totaled 141.1 million pounds, statistically unchanged from February and down 4.3% compared to March 2009. Atlantic region butter production in March 2010 totaled 15 million pounds, up 2.9% from February and 2.7% more than March 2009. Prices for bulk butter range 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 is unsettled and declined 6 cents to settle at \$1.5800 at midweek, unchanged from last week but increased 6 cents during the five most recent trading sessions. This is the first decrease in price since mid March. The current price remains 40 cents higher than last year at this time and 20 3/4 cents higher than early May 2008. Churning activity in the Central part of the country is seasonally strong. Most butter producers are taking advantage of available cream supplies and generating butter for current and future needs. Many butter producers state that butter prices are higher than usual for this time of the season, but are churning additional volumes for future needs with confidence. At this point, most butter producers indicate that they are getting their desired cream volumes and anticipate that supplies will tighten in the near future as Class II demand improves and overall cream volumes ease. In many instances, butter stocks are lower than desired for this time of the season, thus most butter producers are generating as much additional butter as they can at this time. Butter demand is seasonally steady. Retailers are indicating that firm butter prices are contributing to firm shelf prices. Some indicate that consumers appear to not be buying as much

butter as when prices were lower. Food service orders have improved as buyers prepare for the upcoming Mothers Day holiday. Butter orders are also improving from food service outlets and restaurants in vacation and resort areas as they prepare for the Memorial Day Holiday weekend and the unofficial start of the summer vacation season. 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 was \$.0600 lower at \$1.5800. There were sales of four loads as the price retreated. The market had advanced 6 cents over the last week's trade on unfilled bids. The last sales activity at the CME Group previous to Wednesday's transactions was back on April 14. Prices had been on a steady rise as of late as U.S. supplies continue to be below year ago levels. International prices for butterfat are increasing with supplies thought to be tight. This scenario has Western churns busy using additional cream supplies from the spring flush of milk. Producers are willing to add to inventories above and beyond current needs. Stocks have been below year ago levels and extra product is welcomed in storage for use later in the year. Current retail and food service demand is moderate. According to the NASS Dairy Products report, March butter production for the U.S. totals 141.1 million pounds, down 4.3% or 6.3 million pounds from March of last year. Production was nearly equal with production in February. Output in the Western region totals 76.3 million pounds, up 11% or 7.5 million pounds more than March 2009. The West produced 54% of the butter in the U.S. in March. Cumulative output for the year for the U.S. is 444.2 million pounds, down 5.8% from the same period in 2009. This works out to a decline of 27.6 million pounds. According to the CME Group, weekly butter stocks in CME approved warehouses increased 2.8 million pounds last week to stand at 61.9 million pounds. This total compares to 81.5 million pounds in 2009 and 122.8 million pounds in the comparable week in 2008. Stocks in storage for this week at the CME Group have been above this level since 2001. Prices for bulk butter range from flat to 3.5 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
MAY 1	1.4257	1.3939	1.2174	1.5491	0.3574
	12,412,566	10,072,040	14,415,673	4,779,522	9,164,648

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

The CME Group cheese prices for barrels and blocks increased earlier this past week and then held fairly steady. Tuesday's trade saw barrels close at \$1.3800 and blocks close at \$1.3850. The increased cheese prices advanced the weekly average, increasing the wholesale cheese prices with the exception of Swiss cuts. Swiss cuts declined following the decline in the Class III milk price, released last Friday. Swiss wholesale movement remains sluggish. Cheese production is mixed with some plants attempting to limit production in order to better balance inventories. Mozzarella and cream cheese production remain steady and sales are active. NASS reports that March 2010 total cheese production in New York was 64.6 million pounds, 16.9% more than February and 5.6% more than March 2009. Pennsylvania produced 37.6 million pounds in March, 15.1% more than one month earlier and 5.7% more than one year ago. Vermont produced 10.7 million pounds, 21.6% more than last month, but 5.6% less than March 2009. Focusing on Italian cheese, in February, New York ranked 3rd among individually reported states, producing 32.8 million pounds, 15.1% more than last month and 0.1% more than March 2009. Pennsylvania followed in Italian cheese production, with 24.4 million pounds produced in March 2010, 13.5% more than February and 9.5% more than March 2009. Total March cheese production in the Atlantic region was 121.1 million pounds, up 17.9% from February and 3.9% more compared to the same period last year. Atlantic region cheese production accounted for 13.4% of total U.S. production. Total U.S. cheese production in March 2010 totaled 890.1 million pounds, 14.8% above February and 2.3% more than March 2009. Cumulative 2010 (three month) U.S. Cheese production through March was 1.7% greater than comparable 2009 production.

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

Cheddar 40# Block	:	1.7100-1.9850
Process 5# Sliced	:	1.4600-1.7700
Muenster	:	1.7300-1.9275
Grade A Swiss Cuts 10 - 14#	:	2.9675-3.2900

MIDWEST

The cheese market is steady around current prices. Many traders feel that cheese prices will remain under pressure at least until schools close and summer weather reduces milk volumes. While the tilt may be towards butter/powder over cheese, there is not enough butter/powder plant capacity in the Midwest to handle the milk supplies. Cheese is adequate to ample though specialties still require usual lead times. Process is probably better than natural overall as summer and Memorial Day weekend orders get filled and shipped. For some processors, orders are below a year ago. Most packagers are having problems filling a regular schedule on most lines. Milk intakes continue to increase seasonally and milk components continue to slip, reducing yields. Cumulative first quarter U.S. 2010 cheddar production totals 792.6 million pounds, down 9.3 million pounds (-1.2%) from the same quarter in 2009. Mozzarella output for the first quarter totals 844.6 million pounds, up 50.8 million pounds (6.4%) from 2009.

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

Process American 5# Loaf	:	1.7275-1.9075
Brick And/Or Muenster 5#	:	1.8925-1.9600
Cheddar 40# Block	:	1.8000-2.5650
Monterey Jack 10#	:	1.8575-2.5650
Blue 5#	:	2.1825-2.6800
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7275-2.6650
Grade A Swiss Cuts 6 - 9#	:	2.3400-3.3300

Cheddar Barrels on Wednesday at the CME Group closed \$.0050 lower at \$1.3750. 40 Pound Blocks were \$.0025 lower to close at \$1.3825. Sales for the last five sessions have been light. Only four loads of Barrels were sold since Wednesday's close. Blocks experienced light trading also with five loads sold in the period. Blocks and Barrels are trading in a narrow range. Cheese prices in the West are trending steady to weak. Retail sales are good at current prices. Cheese plants are operating at increased schedules as milk supplies continue to be heavy. Stocks are above year ago levels, but producers are comfortable with current inventories. Contract sales are continuing to move with moderate to good demand. Spot offers of cheese are being held in firm hands. Buyers are looking for additional sales in some cases and are cautious about making purchases at higher asking prices. According to the NASS Dairy Products report, total cheese production in the U.S. in March reached 890.1 million pounds, up 2.3% or 19.6 million pounds from last year. March total cheese production in the Western region was 376.4 million pounds, up 3.6% from March 2009. The West produced 42.3% of all the cheese in the U.S. in March. Cumulative output for the U.S. for the year is 2.5 billion pounds, up 1.7% from the same period in 2009. This is an increase of 41.7 million pounds. Swiss output for the U.S. in March is 26.7 million pounds, up 1.6% or 2.2 million pounds from last year.

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

Process 5# Loaf	:	1.4925-1.7500
Cheddar 40# Block	:	1.5150-1.8675
Cheddar 10# Cuts	:	1.6950-1.9150
Monterey Jack 10#	:	1.7050-1.8650
Grade A Swiss Cuts 6 - 9#	:	2.5150-2.9450

FOREIGN

The CME Group cheese prices increased earlier this past week and then held steady. The increase in blocks advanced the weekly average price. As a result of the increased weekly average, prices increased for all domestic varieties of foreign-type cheese, with the exception of Swiss cuts. Prices for Swiss cuts declined following the lower Class III milk price, released last Friday by NASS. Swiss wholesale movement remains sluggish with some Swiss cheese makers attempting to limit production in order to better balance inventories. NASS reports that domestic Swiss production during March 2010 totaled 26.7 million pounds, 8.8% more than February and 1.6% more than March 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	: 1.8500-3.3375*
Gorgonzola	: 3.6900-6.6900	: 2.3525-2.6125*
Parmesan (Italy)	: -0-	: 3.2575-3.4600*
Provolone (Italy)	: 3.4400-5.9900	: 1.8925-2.0500*
Romano (Cows Milk)	: -0-	: 3.0400-5.1825*
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-	: 3.0600-3.3825*
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
05/03/10	11,024	: 131,407
05/01/10	10,944	: 131,509
CHANGE	80	: -102
% CHANGE	+1	: NC

FLUID MILK AND CREAM

EAST

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	203	0	200	0	198
SOUTHEAST STATE	0	0	0	0	0	0

Milk production is increasing in the Northeast region as the flush continues to strengthen. In the Mid Atlantic region milk production has reached its peak and milk intakes are leveling off. Both regions are experiencing push backs from Class I bottlers, adding to the already heavy manufacturing milk supplies. Unless breakdowns occur, manufacturing plants are clearing supplies without extended delays. Milk components are beginning to decline for grazing dairy cattle, but remain fairly steady for cattle on feed in confinement operations. Dryers are operating on mostly heavy schedules with some high heat nonfat dry milk production at mid-week or when milk supplies allow. Recently dissolved marketing agreements are providing buyers of nonfat dry milk with additional supply options. In the Southeast, record breaking rains and flash floods closed schools and caused transportation delays in Tennessee, Mississippi and Kentucky. Milk production is at or near its peak. Manufacturing milk supplies are heavy and auxiliary cheese plants continue operations in order to assist with clearing increased milk supplies. Florida's milk production remains steady, but a recent period of hot humid weather and forecasts for more may soon decrease milk intakes. Florida exported 203 loads out of state. Class I sales remain flat for the entire Eastern region. Cream supplies are fairly tight as ice cream and cream cheese production have increased. Butter production also remains fairly active in some areas. Multiples range from 129 to 136 with the low end of the range occurring on or near the end of the week when supplies are more readily available. Condensed skim sales have increased as some users of nonfat dry milk are opting to purchase condensed skim due to price advantages. Continuing ice cream promotions in the South combined with some 80 degree days are resulting in increased sales. According to NASS, ice Cream production in the Atlantic region in March totaled 16.4 million gallons, 18.5% more than February and 1.4% less than March 2009. Pennsylvania's ice cream production for March totaled 2.5 million gallons, up 25.4% from February, but 10.7% lower than year ago levels. Yogurt production (plain and flavored) for March totaled 401 million pounds, up 27.5% from February and 12.7% higher compared to the same period last year. Cumulative 2010 production through March totaled 1.1 billion pounds, 9.3% higher than through March 2009.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

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

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.0511-2.1624
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.0253-2.1038

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:	
NORTHEAST - CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.17 - 1.25
NORTHEAST - CLASS III - SPOT PRICES	- 1.00 - 1.05

MIDWEST

The fluid market was generally unexciting for the first week of the month with little change in required volume reported. While school years are coming to a close, because of the forced closing of many schools for snow this past winter in areas not used to larger volumes, some schools may see schedules extended beyond the scheduled end to make up for lost time. Class II production of non-ice cream products was steady to occasionally improved. Bottlers have little difficulty in acquiring last minute milk loads due to the large volumes available. Cream demand has improved as more operations step up ice cream, novelty, and mix production, but not all operations are on the heavier schedules. Churning is generally lighter and more based on weekend cream supplies. Cheese milk interest seems a bit lighter as most manufacturers

feel Class III prices may be higher and supplies more available in May. Milk intakes continue to rise seasonally in many central and northern states. Manufacturing plants are operating on heavier than year ago schedules in most upper tier states. A few plants added capacity and this should help alleviate some of the usual backlog around Memorial Day or when schools finally close for the summer. Milk components are edging lower, reducing manufactured product yields. Good progress is being made on spring planting though generally cool temperatures have slowed emergence and many wet spots remain. Grazing is well underway as grass growth is good.

WEST

According to the NASS *Agricultural Prices* for April, mid-month U.S. prices for baled alfalfa hay were \$113/ton, \$20/ton less than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$120, -\$35; California \$119, -10; Colorado \$125, -\$40; Idaho \$102, -\$48; Nevada \$97, -\$78; New Mexico \$148, -\$48; Oregon \$126, -\$9; Utah \$105, -\$45; and Washington \$115, -\$45. The April 2010 4a price (butter/powder) in CALIFORNIA is \$13.49, up 65 cents from March and \$3.70 higher than last year. This compares to the Federal Order Class IV price for April 2010 at \$13.73. The April 2010 4b price (cheese) is \$12.30, \$1.17 higher than March and \$1.89 higher than last year. This compares to the Federal Order Class III price for April at \$12.92. March 2010 POOL RECEIPTS of milk in CALIFORNIA total 3.19 billion pounds, 1.4% lower than last year. The March blend price, at a fat test of 3.64%, is \$13.12, 77 cents lower than February, but \$2.69 more than March 2009. The percentage of receipts used in Class 1 products 15.98%. The March quota price is \$14.11 and the over quota price is \$12.41. These prices are 70 cents lower than February, but \$2.57 higher than a year earlier. CALIFORNIA milk production continues to trend seasonally higher in most areas of the state with plant intake noted to be several percentage points lower than last year. The rate of change from last year is narrowing as the calendar reaches a point where output was declining a year ago. Current output is being helped by new crop hay and green chop being fed to cows, along with new heifers entering the milking herds. The economic conditions and low milk prices are keeping a damper on growth. Plants are running on expected schedules and handling the current milk supply. ARIZONA milk output is mostly steady this week after seeing slight declines over the past couple of weeks. Likely, the seasonal peak has been seen, but weather conditions are not a factor. Milk is being handled well and along expected channels. The fluid market is steady and to regular accounts. CREAM markets are tight and pricing firm. There is a good call for cream into butter and a moderate call for ice cream. State specific and claim-based cream remains in tight supply. Tighter tanker availability and higher freight costs are both being noted. CME Group butter prices are unchanged from a week ago to close at \$1.5800 on Wednesday, May 5, however the market moved six cents higher over several trading sessions only to lose the entire six cents in one trading session on May 5. Cream multiples are unchanged and range 115-127 FOB and vary depending on class usage and basing points. Milk supplies continue to build in the PACIFIC NORTHWEST. After Class I needs were met, manufacturing plants were busy with increasing supplies of milk. Plant capacities in the region are adequate for the increased volumes. Balancing plants are geared up for increased volumes and drying schedules. Weather for the week was typical for this time of year. High winds were reported in some areas this week. Spring planting was delayed or made more difficult due to the windy conditions. Hay production is reported to be slightly behind schedule although some early cutting should start next week in Washington. Old crop hay is mostly cleared up as hay dealers prepare for new crop supplies. UTAH and IDAHO weather turned windy and colder. The cooler temperatures have not been detrimental to milk production. Production levels are above year ago and milk intakes are being handled regionally. The windy conditions have delayed some fieldwork activities. A large northwest agricultural lender recently announced increased first quarter earnings compared to year ago levels despite the poor performance for dairy loans. This helped to reduce stress concerning the availability of operating loans to dairies and related farms.

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 in the Central region are unchanged to higher on the low/medium heat mostly range and high heat range prices series. Production is steady to higher at most locations, following the trend of seasonally higher farm milk intakes. A few plants are selling more condensed skim into good Class II interest, allowing those plants to increase high heat NDM production for the near term contract needs and spot market sales opportunities. Various plants report inventories are static as contract shipping is allowing for minimal product buildup despite active NDM drying schedules. Some Western NDM is clearing into the Central region at delivered prices within the Central mostly price series. March 2010 nonfat dry milk production in the Central region totaled 15.4 million pounds, a 38.5% increase from one month ago, but 7.7% lower than one year ago. The April 2010 Dairy Market News monthly average for the Central/East low/medium heat mostly price series is \$1.2403/lb. compared to \$1.1130/lb. in March 2010 and \$.8600/lb. in April 2009. The April 2010 Dairy Market News average of the mostly price series for Central/East nonfat dry milk, high heat was \$1.3184/lb. compared to \$1.2384/lb. one month ago and \$.9197/lb. in April 2009.

EAST: Production is steady at increased levels as dryers are running heavy schedules in order to clear increased milk volumes due to the flush. Condensed skim sales have increased due to price advantages reducing the volumes headed towards the dryers. Most plants are able to produce high heat nonfat dry milk at midweek when milk volumes are more manageable. Recently dissolved marketing agreements are providing buyers of nonfat dry milk with additional supply options. Brokers report low heat supplies are tight and high heat nonfat dry milk is difficult to find. Plants are holding inventories with confidence. Those purchasers of nonfat dry milk from the West are incurring increased transportation costs as produce is beginning to move out of California and fuel prices have risen. The latest NASS Dairy Products report indicates production in the Atlantic region totaled 20.0 million pounds, a 3.9% decrease from one year ago, but 30.0% more than one month ago. Month ending stocks, at 147.9 million pounds, are 22.2% below last year and 2.5% less than a month ago. Nonfat dry milk production in the Atlantic region during 2009 totaled 210 million pounds, about 13.8% of the national total production and about an 8% decrease from 2008 total national production. **DAIRY PRODUCTS:** NASS's *Dairy Products* report shows production of human food NONFAT DRY MILK during March 2010 totaled 137.5 million pounds, up 16.8% from February 2010 production and 0.2% higher than March 2009. Month ending stocks, at 147.9 million pounds, are 2.5% lower than a month ago and 22.2% lower than one year ago. Cumulative 2010 nonfat dry milk powder production totals 383.0 million pounds, compared to 421.5 million pounds in 2009, a 9.0% decrease in production. Production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 27.6 million pounds, 25.4% higher than one month ago and 13.1% higher than production one year ago. January - March cumulative 2010 skim milk powder production totals 70.2 million pounds, compared to 64.8 million pounds during the same time span in 2009, an 8% increase in production.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.2075 - 1.3900 MOSTLY: 1.2400 - 1.3400
 HIGH HEAT: 1.3500 - 1.4200

NONFAT DRY MILK - WEST

Western low/medium heat NDM prices are steady to higher in a firm market tone. The current world market pricing tone remains firm with the most recent global Dairy Trade auction pricing mainly steady at levels well above U.S. prices for offered volumes. While other world SMP markets are well below that mark, the firmer tone is evident. Domestic U.S. demand is predominantly light to fair. Some additional interest is noted in utilizing condensed skim at lower prices. Export demand is fair to good and committing more powder at higher prices. Regional drying patterns are trending higher and reflect seasonally building milk supplies. Producer level stocks are light to moderate and held

with confidence. High heat prices are steady to higher. Demand is fair to good for the current limited offerings. Producers are making some additional product to fill orders, but the supplies are often shorter than demand needs. Stocks are light. U.S. NDM production in March 2010 totaled 137.5 million pounds, 0.2% higher than last year. Cumulative YTD output through March totals 383.9 million pounds, down 8.9% from the same period in 2009. NDM production in the Western region in March totaled 102.1 million pounds, up 2.3% from last year. The West produced 74% of the U.S. total in March. U.S. manufacturers' stocks of NDM at the end of March were reported at 147.9 million pounds, 22.2% lower than a year earlier and 2.5% lower than February. U.S. skim milk powders (SMP) production in March totaled 27.6 million pounds, 13.1% more than last year.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.1500 - 1.4000 MOSTLY: 1.2200 - 1.3000
 HIGH HEAT: 1.1900 - 1.3700

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Central dry buttermilk production is lower at several facilities as cream supplies tighten. Ice cream accounts are actively pulling cream loads into their production schedules, thereby lessening butter and dry buttermilk manufacturing. Dry buttermilk inventories are uneven, with few spot market offers from manufacturers. The April 2010 Dairy Market News monthly average for the Central/East dry buttermilk price series is \$1.0623/lb. compared to \$1.0192/lb. in March 2010 and \$.8632/lb. in April 2009.

EAST: Dry buttermilk production is mostly lower, while some churns are fairly active, other manufacturing plants have limited churning schedules and opted to sell cream. Another factor contributing to reduced dry buttermilk production IS continuing sales of condensed buttermilk to ice cream concerns. Brokers report that available supplies are difficult to locate and demand is good. Good export interest and firmer nonfat dry milk prices support the firm market undertone.

DAIRY PRODUCTS: NASS *Dairy Products* reports production of dry buttermilk during March 2010 totaled 7.3 million pounds, 6.9% less than February 2010 production, but 26.1% more than production one year ago. Cumulative 2010 dry buttermilk production totals 24.4 million pounds, 22% more than during the same time span of 2009. Month ending stocks of dry buttermilk, at 9.9 million pounds, are 35.0% lower than one month ago but 57.6% higher than one year ago. NASS's *Dairy Products* 2009 *Summary* shows production of dry buttermilk during 2009 totaled 74.5 million pounds, up 2.8% from 2008 annual production. Condensed buttermilk production in 2009 totaled 50.8 million pounds, a 20.8% decrease from 2008 production.

F.O.B. CENTRAL/EAST: 1.1500 - 1.2500

DRY BUTTERMILK - WEST

Dry buttermilk prices are steady to higher and the market tone is firm. Buying interest is fair to good for the current limited offerings. The market is benefiting from higher pricing points for NDM and buyers crossing over product categories to secure protein, as well as buyers looking to secure product. Production levels are steady active and continue to reflect active churning in the region. Stocks are light to moderate. Buttermilk powder production in March 2010 for the U.S. totals 7.3 million pounds, up 26.1% from last year. Buttermilk stocks at the end of March are 9.9 million pounds, up 91.3% from last year but 35.0% lower than last month.

F.O.B. WEST: 1.0500 - 1.2800 MOSTLY: 1.0900 - 1.1500

CONTINUED ON PAGE 1A

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.

CONTINUED FROM PAGE 1

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 30	\$1.1134	11,969,691	0
April 23	\$1.0825	17,195,092	0

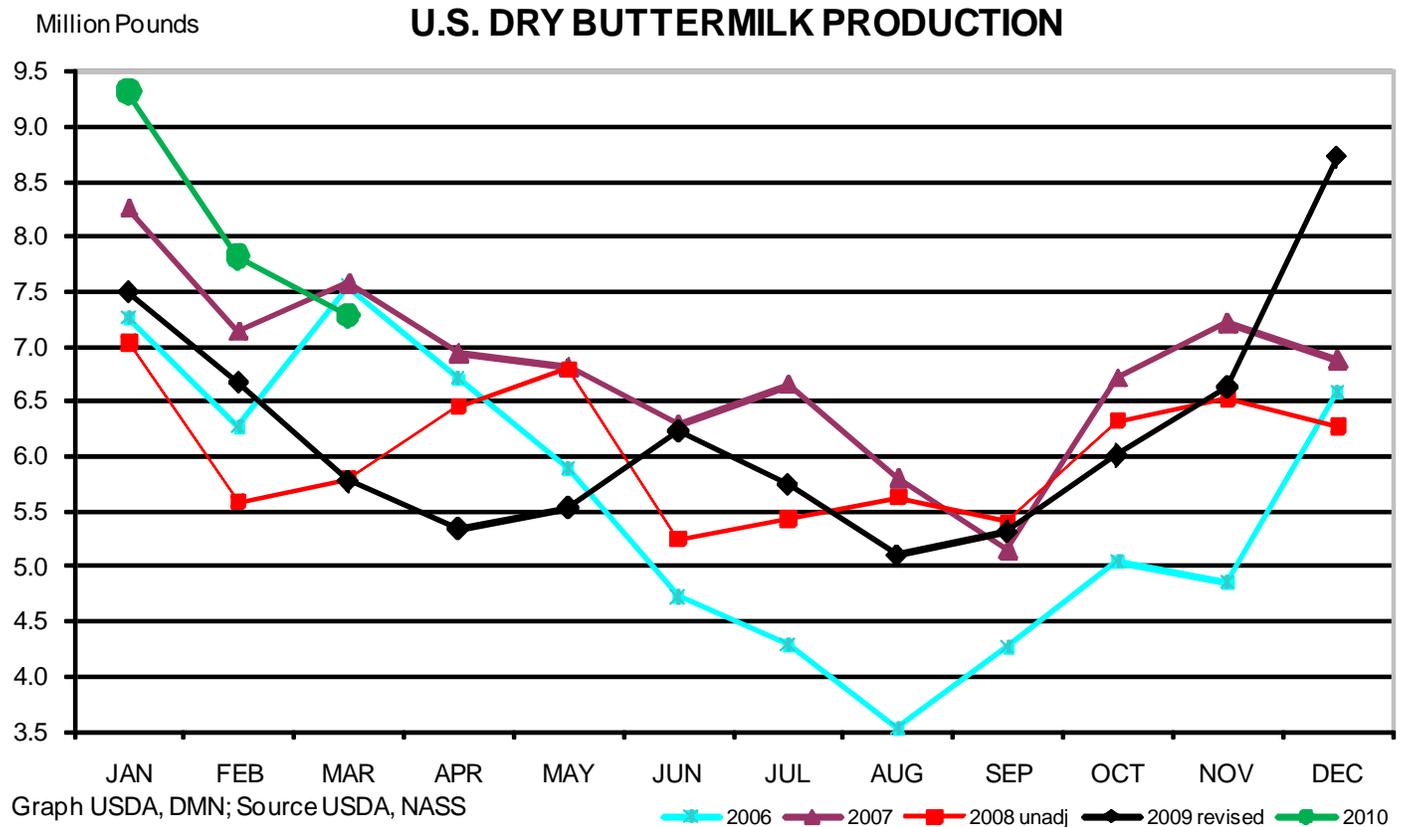
Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food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

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are higher on a firming domestic market as increasing butterfat prices are factored into the dry whole milk spot and monthly contract prices. Production is moving higher in some locations as a response to steady interest. Offers to the spot market are intermittent. The April 2010 Dairy Market News monthly average for the dry whole milk price series is \$1.4859/lb. compared to \$1.4809/lb. in March 2010 and \$1.1279/lb. in April 2009. The latest Oceania auction results show prices trending fractionally lower in the near term. New Zealand regular dry whole milk winning prices per pound for the various contract periods and percent in price changes from the previous auction are: Contract 1, \$1.8461, -1.5%; Contract 2, \$1.746, -4.8%; Contract 3, \$1.7645, +3.5%. New Zealand offered quantities for the three contract periods and changes from the previous auction offerings were 6,000 MT (+1,100 MT), 10,000 MT (+5,000 MT+) and 5,000 MT (-1,00 MT), respectively.

F.O.B. PRODUCING PLANT:

1.5000 - 1.6300



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

The Central dry whey range narrowed slightly but the mostly price range is steady. A few manufacturers indicate that various buyers who ship to China are pressing for earlier than originally scheduled shipping dates. This is in response to the extension granted by China to accept food grade dairy products with health certificates issued on or before May 30, 2010. Producers indicate that domestic shipments may have to be worked into the schedule around these time sensitive export shipments. Availability of product on the spot market is adequate to meet demand and most manufacturers indicate inventories are sufficient to somewhat short of meeting current contract needs. Some spot loads of Central whey continue to fill Western dry whey demand. The April 2010 Dairy Market News monthly average for the Central dry whey mostly price series is \$.3482/lb. compared to \$.3707/lb. in March 2010 and \$.2053/lb. in April 2009. The April 2010 Dairy Market News monthly average for the Central animal feed dry whey - milk replacer price series is \$.2926/lb. compared to \$.2976/lb. in March 2010 and \$.1491/lb. in April 2009. Human food dry whey production during March 2010 in the Central region totaled 42.5 million pounds. This dry whey production is 16.9% more than February 2010 production and 5.1% higher than March 2009. ANIMAL FEED DRY WHEY prices are unchanged to marginally lower this week.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of HUMAN AND ANIMAL dry whey during March 2010 totaled 93.6 million pounds (Human, 88.3 million pounds, and Animal, 5.3 million pounds), 19.6% higher than February 2010, and 13.1% higher than production 1 year ago. Cumulative 2010 dry whey production is 9% higher than 2010 production, totaling 257.8 million pounds. March ending stocks of HUMAN FOOD dry whey totaled 47.2 million pounds, 11.3% higher than 1 month ago and 10.2% higher than March 2009. ANIMAL FEED dry whey month ending stocks totaled 3.2 million pounds, more than double the stocks of one month ago and 73.3% higher than one year ago.

F.O.B. CENTRAL: .3100 - .3700 MOSTLY: .3250 - .3650
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2475 - .3100

DRY WHEY - NORTHEAST

Prices for dry whey in the Northeast declined in fairly light trading and steady to flat domestic demand. Production is steady at increased levels as cheese production has expanded with the spring flush. Some cheese plants are attempting to limit production to better balance inventories. Sales of condensed whey to animal feeding operations were at lower prices, compared to last week. There continues to be fairly good export interest. The April 2010 Dairy Market News average of the price series for Northeast dry whey was \$0.3910 compared to \$0.3994 one month ago and \$0.2378 in April 2009. NASS's *Dairy Products 2009 Summary* shows production of HUMAN AND ANIMAL dry whey 2009 totaled 1.0 billion pounds, a 7.5% decrease from 2008. Human food dry whey production during the Central region during 2009 totaled 470.2 million pounds, which is 46.5% of the nation's 2008 total. Human food dry whey production in the Atlantic region during 2009 totaled 236.1 million pounds, which is 23.1% of the nation's 2009 total.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3525 - .3975

DRY WHEY - WEST ON PAGE 6A

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The market for whey protein concentrate 34% is holding steady. Interest is mixed. Demand from the animal feed sector is facing competition from edible, aged NDM reportedly clearing into that use at prices in the +/- \$.70 range, while food account demand is mostly steady. Inventories are variable from producer to producer. Because China is now willing to accept food grade dairy products with health certificates dated on or before May 30, 2010, some manufacturers are shuffling shipping dates or sending intermittent LTL's to domestic accounts as a way to make up full loads headed to China. Some tightness on trucks has been mentioned in arranging product movement, and overland shipping rates are reportedly trending higher in the near term. The April 2010 Dairy Market News monthly average for the whey protein concentrate 34% mostly price series is \$.9102/lb. compared to \$.9130/lb. in March 2010 and \$.5470/lb. in April 2009.

DAIRY PRODUCTS: The NASS *Dairy Products* report shows production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during March 2010 totaled 21.1 million pounds, 11.3% more than February 2010 production but 6.4% less than production of one year ago. Manufacturers' end-of-month stocks of HUMAN AND ANIMAL WPC (25.0 - 49.9% PROTEIN) totaled 24.4 million pounds, 13.6% more than February 2010 and 14.2% more than March 2009. Cumulative 2010 HUMAN WPC (25.0%-89.9% PROTEIN) production through March, 33.9 million pounds, is 2.3% higher than 2009 production through same time span.

F.O.B. EXTRA GRADE 34% PROTEIN: .8500 - .9750 MOSTLY: .8925 - .9275

LACTOSE - CENTRAL AND WEST

Central and West lactose prices are unchanged on the mostly while the range price series widened to accommodate recent spot market activity. May monthly pricing data is included in both the range and mostly price series. The overall market tone is mixed, with sales interest reported as both lower and higher for the various mesh sizes. Inventories are comfortable at most locations. A few orders destined for China have been bumped up on shipping schedules. This allows producers to meet the extended health certificate deadline of May 30, 2010, given by that country for accepting U.S. food grade dairy products. The April 2010 Dairy Market News monthly average for the lactose mostly price series is \$.3358/lb. compared to \$.3484/lb. in March 2010 and \$.1437/lb. in April 2009.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows HUMAN and ANIMAL lactose production during March 2010 increased 16.9% compared to February 2010 to 74.4 million pounds and was 24.5% higher than March 2009 production. This is the largest monthly production amount of lactose ever reported, based on NASS records from 1979 to the current month. Cumulative 2010 lactose production totals 204.9 million pounds, 20% more than during the same time span in 2009. Month ending stocks, at 66.5 million pounds, are 1.1% more than one month ago, but 21.8% lower than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2150 -.4000 MOSTLY: .3100 -3600

CASEIN - NATIONAL ON PAGE 6A

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 - WEST

Whey prices in the West were steady to weak. The market is uneasy as China has agreed to accept U.S. health certificates for food-grade dairy products issued on or before May 30. The possibility of future sales not being accepted has exporters in a wait and see position. Production of dry whey is increasing as the spring flush adds to available milk supplies. Stocks are above year ago levels. According to the NASS *Dairy Products* report, edible whey production in March totals 88.3 million pounds, up 11.2% or 8.9 million pounds compared to March 2009. The Western region produced 25.9 million pounds of whey in March, up 43% from last year. The West produced 29.3% of the whey in the U.S. in March. Cumulative total dry whey production for the year in the U.S. is 257.8 million pounds, up 8.9% or 21 million pounds from the same period in 2009. Manufacturers' stocks at the end of March for edible whey are 47.2 million pounds, up 10.2% or 4.4 million pounds from last year. NASS's *Dairy Products 2009 Summary* shows production of dry whey for human food at 950.7 million pounds, 7.2% less than 2008 production. Western production of dry whey for human food was 244.3 million pounds, 25.7% of U.S. production. The April 2010 Dairy Market News monthly average price for Western dry whey was \$0.3898 compared to \$0.3997 last month and \$0.2295 a year ago.

NONHYGROSCOPIC: .3450 - .4300 MOSTLY: .3725 - .4200

CASEIN - NATIONAL

Casein markets remain firm although prices are unchanged. The strength in the market is the uncertainty of supply. Domestic buyers continue to question suppliers about casein availability in the future. At this point, most suppliers are stating that they have full intentions of meeting commitments. European production is just getting under way, thus it is very early in the season to be overly concerned. The Oceania production season, especially in New Zealand, resulted in stocks not attaining projected levels. Suppliers are stating that they are committed to their customers although they may need to adjust delivery schedules.

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 MAY 3 - 7, 2010			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/09	SAME PERIOD LAST YEAR	WEEK ENDING 04/30/10	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	234,267,704	-0-	-0-
TOTAL	-0-	-0-	-0-	132,276	234,267,704	-0-	-0-

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF MAY 3 - 7, 2010 =	0.0	0.0	COMPARABLE PERIOD IN 2009 =	0.7	39.4
CUMULATIVE SINCE OCTOBER 1, 2009 =	0.0	1.5	CUMULATIVE SAME PERIOD LAST YEAR =	152.7	2,727.4
CUMULATIVE JAN 1 - MAY 7, 2010 =	0.0	0.0	COMPARABLE CALENDAR YEAR 2009 =	127.5	1,393.9

* 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 MAY 3 - 7, 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	234,267,704	100.0	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	4,639,010	-0-	-0-	132,276	234,267,704	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 04/17/10 & 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	7.4	3.0	17.2	4.0	0.2	N.A.	17.0	3.7	54.8	882.5	43.7	45.4
2009-Dairy	N.A.	0.5	6.3	2.6	14.8	4.2	0.3	N.A.	13.9	4.2	48.1	925.9	45.2	49.0
2010-All cows	N.A.	0.8	9.4	14.1	32.9	23.4	14.4	N.A.	19.9	6.4	125.4	1,944.7		
2009-All cows	N.A.	0.6	7.9	12.5	27.2	18.1	12.7	N.A.	16.2	7.6	106.5	1,888.0		

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
APRIL 24	135	4,651	

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	13.80							
II	15.22	15.65	14.46	13.78								
III	14.50	14.28	12.78	12.92								
IV	13.85	12.90	12.92	13.73								

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

ORGANIC DAIRY MARKET NEWS

Information gathered April 26 - May 7, 2010

ORGANIC DAIRY RETAIL OVERVIEW

NATIONALLY ADVERTISED PRICE COMPARISON:

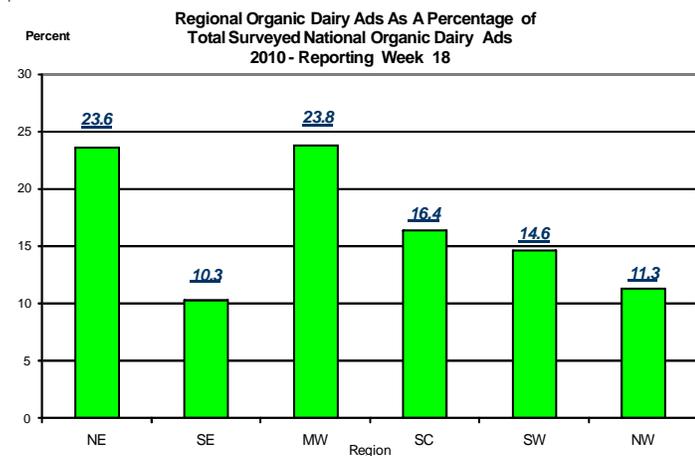
For the period April 24 through May 7, 2010, the number of surveyed newspaper ads containing organic dairy content decreased to 2,486 out of 9,150 surveyed ads. This is down from 3,793 two weeks ago and the second lowest level of organic dairy ads for the first four months of 2010. A perspective of organic dairy ads as a percentage of total supermarket ads for the first four months of 2010 follows.

Organic Dairy Ad National Trends Year-to-Date. The table below shows the percentage of organic dairy ads for each week of 2010, January through April, as well as the change in dairy organic ads as a percent of the total ads surveyed compared with two weeks earlier:

NATIONAL ORGANIC DAIRY SUPERMARKET ADS AS PERCENTAGE OF TOTAL ADS JANUARY THROUGH APRIL, 2010 SUMMARY

Week	Percentage	Change
2	45.2	+25.4
4	48.7	+3.5
6	27.5	-21.2
8	33.4	+5.3
10	37.9	+ 4.5
12	23.3	-14.6
14	20.2	-3.1
16	41.4	+21.2
18	27.2	-14.2

Regional Organic Dairy Ad Trends – Current Period. For this two week period, the Midwest region topped all regions with 23.8% of total organic dairy ads placed, followed closely by the Northeast, 23.6%. The organic dairy ad percentage for other regions is: South Central, 16.4%; Southwest, 14.6%; Northwest, 11.3%; and Southeast, 10.3%.



Regional Organic Dairy Ad Trends – Year-to-Date. Looking at bi-weekly regional results for the first four months of 2010, it is possible to aggregate relative regional bi-weekly rankings to determine overall relative regional organic dairy ad rankings for the cumulative four month period. This is done by adding the ranking, 1 through 6, for each region, each report, then dividing by 9, the total number of reports during 2010. Results are reflected below.

In the following table, the number labeled “Cumulative” reflects organic dairy advertising spanning January through April, 2010. The lower the “cumulative” number the closer to leading in organic dairy ads among the regions:

REGIONAL ORGANIC DAIRY SUPERMARKET ADS SUM OF RANKING 1 THROUGH 6 AMONG REGIONS NINE SURVEY PERIODS JANUARY THROUGH APRIL, 2010

Region	Cumulative
Northeast	20
Southwest	20
Midwest	26
Northwest	35
South Central	40
Southeast	48

The Northeast and Southwest, with the lowest “cumulative” number, 20, tied for the highest percentage of organic dairy ads spanning four months. This reflects the aggregate number of ads but does not reflect bi-weekly rankings. Comparing bi-weekly ranking frequency spanning four months, the Southwest recorded the highest overall number of periods as number 1, four, compared with three as number 1 for the Northeast. This ranking reverses when comparing the most periods as 1 and 2 combined, with the Northeast recording 7 compared with 5 for the Southwest.

It is also clear that the lowest relative percentage of organic dairy ads, January through April, was in the Southeast. That region was always fifth or sixth and never higher. Finally, only the Southeast and South Central Regions were never first or second among regions at any time during the first four months of 2010.

Product Emphasis. Individual store ads may contain more than one type of organic dairy featured item, or multiple brands of the same item and size. Thus, numbers shown below for product emphasis exceed total organic ad numbers. This period, yogurt ads replaced milk ads as most prevalent.

Organic yogurt ads now lead in number, in contrast with two weeks ago when milk ads led yogurt. There were 1,641 organic yogurt ads this period, down from 2,744 listings two weeks ago but up from 915 ad listings four weeks ago. There was a significant decline in 6 ounce yogurt ads to 600 from 2,321 two weeks ago, also slightly below 757 four weeks ago. Ads for organic Greek Yogurt in 5.3 ounce containers re-appeared this week with 818 ads, contrasted with none two weeks ago and 42 four weeks ago. Organic yogurt in 32 ounce containers was offered in 165 ads compared with 247 two weeks ago and 49 four weeks ago. 4 ounce “kids” yogurt appeared in 58 ads in contrast with 176 ads for 4 ounce “baby” yogurt four weeks ago.

Organic milk ads dropped to 1,086 from 3,139 two weeks ago, 2,052 four weeks ago and 1,867 six weeks ago. Ads this period included: 497 for half gallons, down from 2,536 two weeks ago and 1,139 four weeks ago; 275 for gallons, down from 326 two weeks ago and 285 four weeks ago; 314 for 3 quart containers compared with none two weeks ago but equal to 314 four weeks ago. There were no ads for 8 ounce containers compared with 277 two weeks ago and 314 four weeks ago.

Remaining ad listings totaled 159 for butter, close to 157 two weeks ago and 31 for cheese, with the last cheese ads having appeared six weeks ago when 58 appeared.

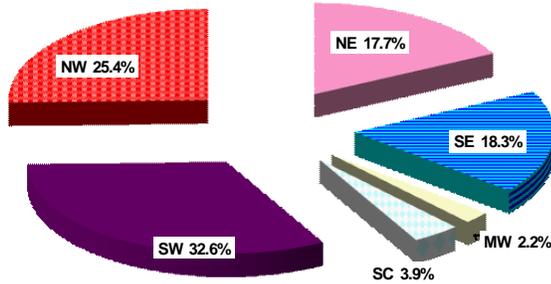
Organic milk ads appeared in each region. The Southwest led with 32.6%. The other regions’ percentages were: Northwest, 25.4%; Southeast, 18.3%; Northeast, 17.7%; South Central Region, 3.9%; and Midwest, 2.2%.

ORGANIC DAIRY MARKET NEWS

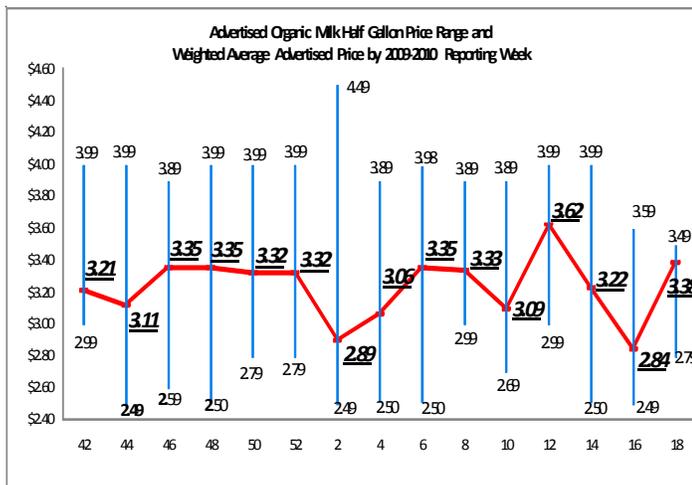
Information gathered April 26 - May 7, 2010

CONTINUED FROM PAGE 8

ORGANIC MILK FEATURES
Regional % of Surveyed National Supermarket Ads
Report Week 18, 2010



Half Gallons. The weighted average advertised price for half gallons of organic milk increased to \$3.38, 54 cents higher than two weeks ago. The top of the range fell 10 cents to \$3.49 while the bottom increased 30 cents to \$2.79. A narrowing of the range and fewer offerings near the lower range resulted in the increased weighted average advertised price.



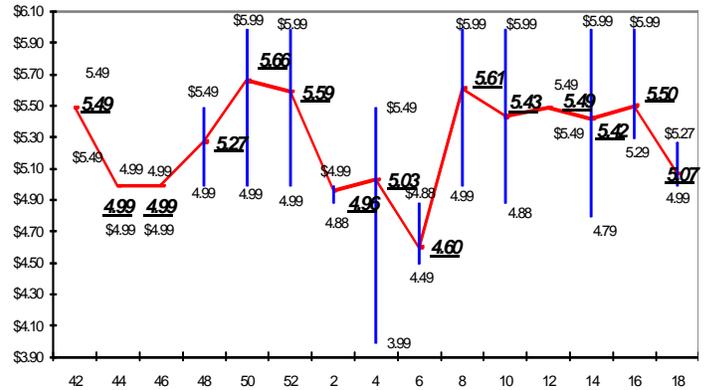
The following table shows the percentage of national half gallon organic milk ads by region and the regional weighted average advertised price.

REGIONAL ORGANIC HALF GALLON MILK ADS
AVERAGE ADVERTISED RETAIL PRICE AND % - WEEK 18

Region	Price	Percentage
Northeast	—	0%
Southeast	\$3.49	24%
Midwest	\$3.49	5%
South Central	\$3.49	8%
Southwest	\$3.49	9%
Northwest	\$3.29	54%

Gallons. The weighted average advertised price for organic milk gallons decreased 43 cents to \$5.07 and the range contracted to a total of 28 cents, among the narrowest ranges since last fall. A greater decline appeared in the top of the range, falling 72 cents to \$5.27, than the bottom, falling 30 cents to \$4.99.

Advertised Organic Milk Gallon Range and Weighted Average Advertised Price by 2009-2010 Reporting Week



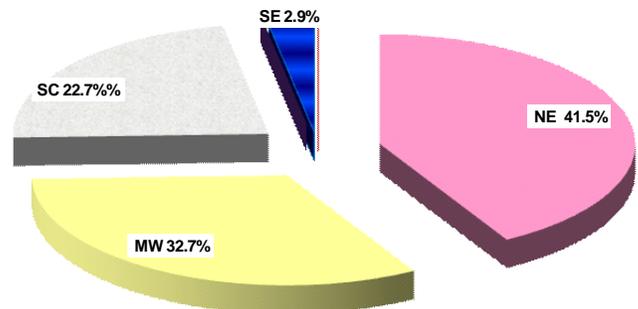
The following table shows the percentage of national organic gallon organic milk ads by region and the regional weighted average advertised price.

REGIONAL ORGANIC GALLON MILK ADS
AVERAGE ADVERTISED RETAIL PRICE AND % - WEEK 18

Region	Price	Percentage
Northeast	\$4.99	71%
Southeast	\$5.27	29%
Midwest	—	0%
South Central	—	0%
Southwest	—	0%
Northwest	—	0%

Yogurt. The Southwest's regional concentration of total yogurt ad placements continued a recent decline to no ads, down from 41.9% two weeks ago and 68.6% four weeks ago. Now the Northeast leads all regions with 41.5% of placements, up from 26.9% two weeks ago and 22.6% four weeks ago. Yogurt placements in other regions included the Midwest, 32.7%; South Central region, 22.7%; Southeast, 2.9%; and Northwest, 0%.

ORGANIC YOGURT FEATURES
Regional % of Surveyed National Newspaper Ads
Report Week 18, 2010



Weighted average advertised organic yogurt prices in 6 ounce containers are unchanged at 76 cents. The range contracted to 29 cents from 50 cents two weeks ago, with a top of range price down 11 cents to 89 cents and a bottom range price up 10 cents to 60 cents.

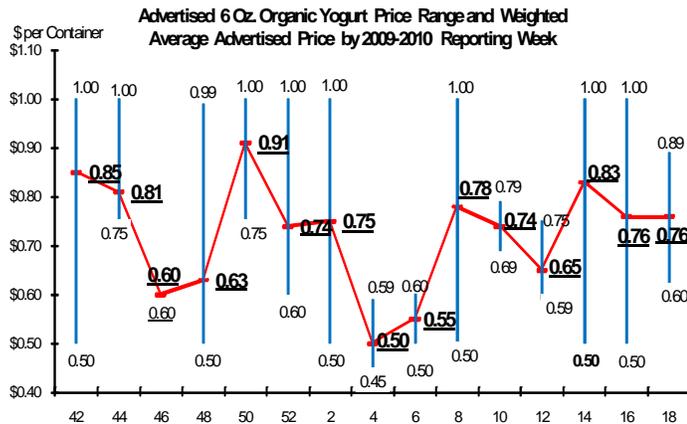
ORGANIC DAIRY MARKET NEWS

Information gathered April 26 - May 7, 2010

CONTINUED FROM PAGE 8-A

A table summarizing the survey results appears below.

ORGANIC MILK AND CHEESE PRICE RANGE
2010 WEEK 18



	MADISON, WI		CHICAGO, IL			
	LOW	HIGH	RANGE	LOW	HIGH	RANGE
GALLONS:						
Whole	5.36	7.29	1.93	5.49	6.49	1.00
2%	5.22	6.69	1.47	5.49	6.49	1.00
1%	5.22	6.69	1.47	5.49	6.49	1.00
Skim	5.04	6.69	1.65	5.49	6.49	1.00
HALF GALLONS:						
Whole	3.04	4.39	1.35	2.99	4.49	1.50
2%	2.74	4.39	1.65	2.99	4.49	1.50
1%	3.04	4.39	1.35	2.99	4.19	1.50
Skim	3.04	4.39	1.35	2.99	4.49	1.50
CHOCOLATE HALF GALLON:						
	4.29	5.39	1.90	4.29	5.99	1.70
CHEESE - 8 OUNCE CHUNKS:						
Mozzarella						
Mild Cheddar	3.07	5.69	2.62	5.69	5.69	**0
Monterey Jack	3.50	5.99	2.49	3.99	4.99	1.00
Pepper Jack	3.89	6.29	2.40	3.49	5.69	2.20
CHEESE - 6 OUNCE STRING						
Mozzarella						
Colby Jack	3.99	5.09	1.10	4.99	4.99	0
	3.89	5.09	1.20	5.39	5.39	**0

** Indicates only 1 seller

Butter. Organic butter in 1 pound boxes had a weighted average advertised price of \$4.74, with the range being \$4.49 to \$4.99. Two weeks ago all butter was advertised at \$3.49. Ads were nearly evenly split between the Northwest and Southeast.

Cheese. All 31 ads for "selected" but not specified varieties of a national brand of organic cheese at "20% off", were placed in the Midwest.

SUPERMARKET PRICE COMPARISON:

Madison Wisconsin and Chicago, Illinois Prices. Non-advertised organic milk sold in a range of food stores in Madison, Wisconsin is compared for the period April 24 through May 7, 2010 and contrasted with stores in Chicago, Illinois. Prices are compared for organic milk in both 1 gallon and 1/2 gallon sizes of whole milk; reduced fat (2%); lowfat (1%); nonfat (skim); and 1/2 gallons of chocolate milk.

A selection of organic cheese varieties is also compared. Varieties include 8 ounce chunks of Mozzarella, Mild Cheddar, Monterey Jack, and Pepper Jack; as well as 6 ounce string cheese including Colby Jack and Mozzarella.

Madison stores included a big-box sized local supermarket; 2 regional chain supermarkets; a smaller but full product line food market; and 2 natural food stores; a national discount big-box chain store also selling food; and a large local cooperative grocery store.

Chicago stores included an outlet of each of the two largest chains operating in the area; an outlet of each of two natural food store chains; an outlet of a local supermarket chain which features imported, specialty and domestic food; and an outlet of a national discount big-box store chain also selling food.

Milk available at Madison stores included 2 national brands, 4 private label store brands, and 3 small local or near-by creamery brands. Cheese available included 2 national brands, 2 store brands, and cheese from 5 other cheesemakers.

Milk available in Chicago included the same two national brands as Madison, the same two natural food store brands, the same national discount store brand, a multi-regional brand, and two store brands. Cheese was more limited than in Madison.

Madison had both lower and higher prices for gallons than Chicago. The uniform \$1.00 gallon price spread in Chicago was a bit lower than the varied price spread in Madison, varying between \$1.47 and \$1.93.

For gallons, there was more price uniformity in Chicago than in Madison. Three Chicago stores offered gallons priced at \$5.99, each a different brand. There were 8 stores/brand combinations available. Four Madison stores also offered \$5.99 gallons, two of the milk brands being the same as \$5.99 gallons in Chicago, sold at the same natural food store outlets in the respective cities. However, Madison had 14 combinations of gallons and stores available.

Half gallons presented the same pattern of more price uniformity in Chicago than in Madison. Of 17 combinations of stores and brands in Chicago, 3 matched offering at \$3.79 and 3 at \$3.69. 3 of 5 offerings of chocolate half gallons were at \$4.39. In Madison, of 24 combinations of brands and stores for half gallons, 2 matched at \$3.39 and 2 at \$3.49. Of 11 combinations of stores and brands for chocolate half gallons, only 2 matched, at \$4.39.

Cheese, offerings in Chicago were thinner than in Madison. Two of the six stores offered no organic cheese in any the surveyed varieties. Only one of the stores offered all six surveyed varieties.

Yet, the lowest prices for Monterey Jack and Pepper Jack were in Chicago, rather than Madison. Madison had the lowest prices of the other varieties. Madison also had a wider price range for every variety than Chicago.

Price aside, there are also differences between milk offered in Chicago and Madison, as to the distance milk travels to retail outlets from bottling plants. Distance is determined by using Food and Drug Administration assigned plant code numbers imprinted on milk containers. In general, milk travels further from plant to store in Chicago, than in Madison.

ORGANIC DAIRY MARKET NEWS

Information gathered April 26 - May 7, 2010

CONTINUED FROM PAGE 8-B

While 32.4% of Madison's shelf placements were bottled 100 miles or less from Madison, none of Chicago's shelf placements were bottled within 100 miles of surveyed stores. 91.4% of Madison's shelf placements came from milk plants 375 miles or less away, compared with 19.2% for Chicago. 28.8% of Chicago's milk shelf placements are bottled over 900 miles distance, compared with 6.5% in Madison, up from 1.5% two weeks ago.

The greatest plant distance from Madison is slightly over 1,650 miles, compared with nearly 1,700 miles for Chicago – the same plant for each city. That most distant plant provided 6.5% of Madison's organic milk shelf placements and 14.4% of Chicago's.

Even though more retail milk shelf placements in Madison are bottled closer to stores and transported a lower distance overall than Chicago, Chicago had the lowest prices for 3 of 4 types of half gallons, \$2.99, while Madison's \$2.74 for reduced fat (2%) half gallons was lower than Chicago.

Each city was within 5 cents for the relative lowest price for 3 types of half gallons and 25 cents for the other. Yet, Chicago's lowest prices were for a national brand transported slightly over 400 miles in contrast with Madison's lowest prices being for milk bottled in a local creamery adjacent to the organic farm, then transported 24 miles to Madison.

During the period that this Report has examined prices in Madison including national discount chains, the lowest price for organic milk in Madison has always been in a store other than a national discount chain store. This was also true in Chicago for this reporting period, as well as previously in Miami and Washington, D.C.

ORGANIC DAIRY FLUID OVERVIEW

The decrease in supermarket newspaper advertising for organic milk and dairy products, detailed previously, is puzzling to many producers and processors. Milk production is well up during the flush season. A number of brands are running in store promotions. May is characterized by one plant official as a "push" month to move product.

There has been a tightening of available organic cream beginning this week, particularly in the Northeast. A processor observed that in recent months, organic cream was generally easily available, often for about \$1.00 over non-organic cream spot prices. A number of specialty organic product processors in the Northeast who have been regular spot cream customers of larger firms for some time, beginning in the last week were informed that cream was not available. They have been scrambling to source cream from new sources for immediate needs, with mixed success. In some instances, organic cream that was available was priced in the range of 40% over prices of recent weeks. Much of the organic cream previously available in the Northeast has been moving West.

Eastern Cornbelt organic grain and feedstuff prices compared to two weeks ago, were lower with light demand. Trading activity was slow. With grain inventories near capacity, end users are unwilling to buy ahead with the potential of lower prices. Upper Midwest organic grain and feedstuff prices were lower with light demand. Trading activity was weak to moderate. Additional livestock and grain market news information is available at: www.ams.usda.gov/LSMarketNews.

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

COMMODITY	:REPORT NUMBER 13					:REPORT NUMBER 14					:REPORT NUMBER 15					:REPORT NUMBER 16					:REPORT NUMBER 17					2010		2009																										
	:-----										:-----										:-----										:-----										:-----										Average		Average	
	: APR 01 - 02					: APR 05 - 09					: APR 12 - 16					: APR 19 - 23					: APR 26 - 30					: or Total					or Total		or Total																					
CHEESE																																																						
WISCONSIN (WSP, Delivered, LTL)																																																						
-- Process American 5# Loaf	::	1.6400	-	1.8600	::	1.7150	-	1.8950	::	1.7975	-	1.9775	::	1.7475	-	1.9275	::	1.7075	-	1.8875	::	1.8244	:	1.6265																														
-- Brick And/Or Muenster 5#	::	1.7975	-	1.9600	::	1.8925	-	1.9600	::	1.9600	-	1.9975	::	1.9400	-	1.9600	::	1.8800	-	1.9600	::	1.9378	:	1.8102																														
-- Cheddar 40# Block	::	1.8000	-	2.5650	::	1.8000	-	2.5650	::	1.8000	-	2.5650	::	1.8000	-	2.5650	::	1.8000	-	2.5650	::	2.1825	:	2.1052																														
-- Monterey Jack 10#	::	1.7625	-	2.5650	::	1.8575	-	2.5650	::	1.8900	-	2.5650	::	1.8900	-	2.5650	::	1.8450	-	2.5650	::	2.2129	:	2.1302																														
-- Blue 5#	::	2.0875	-	2.6800	::	2.1825	-	2.6800	::	2.2875	-	2.6800	::	2.2300	-	2.6800	::	2.1700	-	2.6800	::	2.4428	:	2.3113																														
-- Mozzarella 5 - 6#	::	1.6325	-	2.6650	::	1.7275	-	2.6650	::	1.8300	-	2.6650	::	1.7750	-	2.6650	::	1.7150	-	2.6650	::	2.2076	:	2.1485																														
-- Grade A Swiss Cuts 6 - 9#	::	2.5350	-	3.3300	::	2.5100	-	3.3300	::	2.5100	-	3.3300	::	2.5100	-	3.3300	::	2.5100	-	3.3300	::	2.9211	:	2.7314																														
NORTHEAST (WSP, Delivered, LTL)																																																						
-- Cheddar 40# Block	::	1.6150	-	1.8900	::	1.7100	-	1.9850	::	1.8150	-	2.0900	::	1.7575	-	2.0325	::	1.6975	-	1.9725	::	1.8707	:	1.6399																														
-- Process 5# Sliced	::	1.3725	-	1.6825	::	1.4475	-	1.7575	::	1.5300	-	1.8400	::	1.4800	-	1.7900	::	1.4400	-	1.7500	::	1.6201	:	1.4442																														
-- Muenster	::	1.6350	-	1.8325	::	1.7300	-	1.9275	::	1.8350	-	2.0325	::	1.7775	-	1.9750	::	1.7175	-	1.9150	::	1.8519	:	1.6211																														
-- Grade A Swiss Cuts 10 - 14#	::	3.1625	-	3.4850	::	3.1375	-	3.4600	::	3.1375	-	3.4600	::	3.1375	-	3.4600	::	3.1375	-	3.4600	::	3.3010	:	3.1263																														
WEST COAST (WSP, Delivered, LTL)																																																						
-- Process 5# Loaf	::	1.4050	-	1.6625	::	1.4800	-	1.7375	::	1.5625	-	1.8200	::	1.5125	-	1.7700	::	1.4725	-	1.7300	::	1.6264	:	1.4508																														
-- Cheddar 40# Block	::	1.4200	-	1.7725	::	1.5150	-	1.8675	::	1.6200	-	1.9725	::	1.5625	-	1.9150	::	1.5025	-	1.8550	::	1.7144	:	1.5200																														
-- Cheddar 10# Cuts	::	1.6000	-	1.8200	::	1.6950	-	1.9150	::	1.8000	-	2.0200	::	1.7425	-	1.9625	::	1.6825	-	1.9025	::	1.8282	:	1.6338																														
-- Monterey Jack 10#	::	1.6100	-	1.7700	::	1.7050	-	1.8650	::	1.8100	-	1.9700	::	1.7525	-	1.9125	::	1.6925	-	1.8525	::	1.8082	:	1.6138																														
-- Grade A Swiss Cuts 6 - 9#	::	2.7100	-	3.1400	::	2.6850	-	3.1150	::	2.6850	-	3.1150	::	2.6850	-	3.1150	::	2.6850	-	3.1150	::	2.9023	:	2.8970																														
FLUID PRODUCTS																																																						
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)																																																						
-- Northeast - f.o.b	::	1.9388	-	2.0276	::	1.8947	-	2.0439	::	1.9012	-	2.0508	::	1.9673	-	2.0749	::	2.0096	-	2.0881	::	2.0019	:	1.4984																														
-- Upper Midwest - f.o.b	::	1.8500	-	1.9684	::	1.9395	-	1.9842	::	1.9311	-	1.9910	::	1.9674	-	1.9981	::	2.0253	-	2.1038	::	1.9850	:	1.5082																														
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.																																																						
-- Class II	::	1.00	-	1.12	::	1.00	-	1.12	::	1.10	-	1.14	::	1.10	-	1.14	::	1.15	-	1.20	::	1.1134	:	0.8455																														
-- Class III	::	1.20	-	1.24	::	1.20	-	1.24	::	1.00	-	1.05	::	1.00	-	1.05	::	1.00	-	1.05	::	1.0870	:	0.8675																														

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

COMMODITY	:REPORT NUMBER 13		:REPORT NUMBER 14		:REPORT NUMBER 15		:REPORT NUMBER 16		:REPORT NUMBER 17		2010	2009
	:-----:		:-----:		:-----:		:-----:		:-----:		Average	Average
	APR 01 - 02	APR 05 - 09	APR 12 - 16	APR 19 - 23	APR 26 - 30	or Total	or Total					
DRY PRODUCTS												
NONFAT DRY MILK												
-- Central And East (f.o.b.)												
-- Low/Medium Heat	:: 1.1100 - 1.2000	:: 1.1800 - 1.2300	:: 1.1800 - 1.3000	:: 1.2250 - 1.3500	:: 1.2250 - 1.3600	:: 1.2470	:: 0.8660					
-- Mostly	:: 1.1300 - 1.1700	:: 1.1900 - 1.2300	:: 1.1900 - 1.2600	:: 1.2250 - 1.3350	:: 1.2250 - 1.3400	:: 1.2403	:: 0.8600					
-- High Heat	:: 1.1800 - 1.3000	:: 1.2600 - 1.3300	:: 1.2600 - 1.3300	:: 1.2950 - 1.4200	:: 1.2950 - 1.4200	:: 1.3184	:: 0.9197					
-- West (f.o.b.)												
-- Low/Medium Heat	:: 1.0700 - 1.1800	:: 1.0750 - 1.2200	:: 1.0950 - 1.2500	:: 1.1100 - 1.3000	:: 1.1400 - 1.3000	:: 1.1807	:: 0.8230					
-- Mostly	:: 1.0900 - 1.1400	:: 1.1100 - 1.1650	:: 1.1250 - 1.2200	:: 1.1500 - 1.2500	:: 1.1800 - 1.2700	:: 1.1775	:: 0.8147					
-- High Heat	:: 1.1150 - 1.2350	:: 1.1200 - 1.2550	:: 1.1350 - 1.3000	:: 1.1500 - 1.3200	:: 1.1600 - 1.3300	:: 1.2170	:: 0.9270					
WHEY POWDER (Nonhygroscopic)												
-- Central (f.o.b.)	:: 0.3000 - 0.3900	:: 0.3000 - 0.3900	:: 0.3100 - 0.3800	:: 0.3100 - 0.3750	:: 0.3100 - 0.3750	:: 0.3439	:: 0.2060					
-- Mostly	:: 0.3475 - 0.3700	:: 0.3375 - 0.3700	:: 0.3250 - 0.3650	:: 0.3250 - 0.3650	:: 0.3250 - 0.3650	:: 0.3482	:: 0.2053					
-- West (f.o.b.)	:: 0.3450 - 0.4375	:: 0.3575 - 0.4300	:: 0.3500 - 0.4300	:: 0.3450 - 0.4300	:: 0.3450 - 0.4300	:: 0.3898	:: 0.2295					
-- Mostly	:: 0.3800 - 0.4200	:: 0.3800 - 0.4200	:: 0.3800 - 0.4200	:: 0.3800 - 0.4200	:: 0.3800 - 0.4200	:: 0.4000	:: 0.2300					
-- Northeast (f.o.b.)	:: 0.3825 - 0.4250	:: 0.3825 - 0.4250	:: 0.3625 - 0.4175	:: 0.3600 - 0.4050	:: 0.3600 - 0.4050	:: 0.3910	:: 0.2378					
WHEY PROTEIN CONCENTRATE												
-- Central And West (f.o.b.)												
-- Extra Grade 34% Protein	:: 0.8300 - 0.9800	:: 0.8300 - 0.9800	:: 0.8500 - 0.9750	:: 0.8500 - 0.9750	:: 0.8500 - 0.9750	:: 0.9101	:: 0.5685					
-- Mostly	:: 0.8975 - 0.9275	:: 0.8925 - 0.9275	:: 0.8925 - 0.9275	:: 0.8925 - 0.9275	:: 0.8925 - 0.9275	:: 0.9102	:: 0.5470					
ANIMAL FEED - WHEY												
-- Central (f.o.b.)												
-- Milk Replacer	:: 0.2500 - 0.3550	:: 0.2500 - 0.3550	:: 0.2475 - 0.3325	:: 0.2475 - 0.3325	:: 0.2475 - 0.3200	:: 0.2926	:: 0.1491					
BUTTERMILK (Min. 30% protein)												
-- Central And East (f.o.b.)	:: 0.9200 - 1.1000	:: 0.9600 - 1.1100	:: 0.9800 - 1.1400	:: 0.9800 - 1.1400	:: 0.9800 - 1.2500	:: 1.0623	:: 0.8632					
-- West (f.o.b.)	:: 0.9150 - 0.9550	:: 0.9200 - 0.9725	:: 0.9600 - 1.1200	:: 0.9900 - 1.2000	:: 1.0200 - 1.2000	:: 1.0376	:: 0.6993					
-- Mostly	:: 0.9300 - 0.9500	:: 0.9400 - 0.9600	:: 0.9600 - 1.0200	:: 1.0000 - 1.0700	:: 1.0550 - 1.0850	:: 1.0048	:: 0.7124					
WHOLE MILK POWDER												
-- National (f.o.b.)	:: 1.4400 - 1.5500	:: 1.3900 - 1.5500	:: 1.4300 - 1.5500	:: 1.4300 - 1.5500	:: 1.4300 - 1.5500	:: 1.4859	:: 1.1279					
LACTOSE												
-- Central And West (f.o.b.)	:: 0.2650 - 0.4400	:: 0.2650 - 0.4400	:: 0.2000 - 0.4400	:: 0.2000 - 0.4400	:: 0.2500 - 0.4000	:: 0.3315	:: 0.1409					
-- Mostly	:: 0.3150 - 0.3600	:: 0.3150 - 0.3600	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3358	:: 0.1437					
CASEIN - Edible - National (f.o.b.)												
-- Nonrestricted - Rennet	:: 3.6000 - 4.2000	:: 3.6000 - 4.2000	:: 3.6000 - 4.2000	:: 3.6000 - 4.2000	:: 3.6000 - 4.2000	:: 3.9000	:: 2.9091					
-- Nonrestricted - Acid	:: 3.6000 - 4.1500	:: 3.6000 - 4.1500	:: 3.6000 - 4.1500	:: 3.6000 - 4.1500	:: 3.6000 - 4.1500	:: 3.8750	:: 2.8591					

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 APRIL 2010

COMMODITY	REPORT NUMBER 13 APR 1 - 2	REPORT NUMBER 14 APR 5 - 9	REPORT NUMBER 15 APR 12 - 16	REPORT NUMBER 16 APR 19 - 23	REPORT NUMBER 17 APR 26 - 30	2010 * Average	2009 * Monthly Average
BUTTER*							
-- GRADE AA							
--Monday		1.4950	1.5000	1.5700	1.5700		
--Tuesday		1.4950	1.5050	1.5700	1.5800		
--Wednesday		1.4975	1.5600	1.5700	1.5800		
--Thursday	1.4950	1.4975	1.5600	1.5700	1.6000		
--Friday	<u>1/</u>	1.5000	1.5600	1.5700	1.6200	1.5460	1.2042
--Weekly Average**	1.4919	1.4970	1.5370	1.5700	1.5900		
CHEESE*							
-- BARRELS							
--Monday		1.4100	1.4200	1.3500	1.3500		
--Tuesday		1.4325	1.3875	1.3450	1.3525		
--Wednesday		1.4550	1.3850	1.3500	1.3800		
--Thursday	1.3750	1.4550	1.3825	1.3475	1.3825		
--Friday	<u>1/</u>	1.4400	1.3650	1.3475	1.3800	1.3854	1.1506
--Weekly Average**	1.3550	1.4385	1.3880	1.3480	1.3690		
-- 40# BLOCKS							
--Monday		1.4600	1.4700	1.3850	1.3700		
--Tuesday		1.4800	1.4350	1.3650	1.3850		
--Wednesday		1.4900	1.4325	1.3675	1.3850		
--Thursday	1.4300	1.5100	1.4125	1.3675	1.3875		
--Friday	<u>1/</u>	1.4975	1.3975	1.3675	1.3875	1.4182	1.2045
--Weekly Average**	1.3813	1.4875	1.4295	1.3705	1.3830		
NONFAT DRY MILK*							
-- EXTRA GRADE							
--Monday		1.1650	1.1900	1.2500	1.2500		
--Tuesday		1.1650	1.1900	1.2500	1.2500		
--Wednesday		1.1650	1.1900	1.2500	1.2500		
--Thursday	1.1650	1.1850	1.2075	1.2500	1.2500		
--Friday	<u>1/</u>	1.1900	1.2100	1.2500	1.2500	1.2154	0.8505
--Weekly Average**	1.1463	1.1740	1.1975	1.2500	1.2500		
-- GRADE A							
--Monday		1.2250	1.2650	1.2925	1.2975		
--Tuesday		1.2300	1.2675	1.2925	1.2975		
--Wednesday		1.2400	1.2675	1.2925	1.2975		
--Thursday	1.2250	1.2650	1.2750	1.2925	1.2975		
--Friday	<u>1/</u>	1.2650	1.2925	1.2975	1.2975	1.2749	0.8531
--Weekly Average**	1.1900	1.2450	1.2735	1.2935	1.2975		

* 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 published.

1/ CME Group Dairy Closed.

Milk Production, Disposition, and Income 2009

Milk production decreased 0.3 percent in 2009 to 189 billion pounds. The rate per cow, at 20,576 pounds, was 181 pounds above 2008. The annual average number of milk cows on farms was 9.20 million head, down 114,000 head from 2008.

Cash receipts from marketings of milk during 2009, totaled \$24.3 billion, 30.1 percent lower than 2008. Producer returns averaged \$12.93 per hundredweight, 29.9 percent below 2008. Marketings totaled 188 billion pounds, 0.3 percent below 2008. Marketings include whole milk sold to plants and dealers as well as milk sold directly to consumers.

An estimated 1.01 billion pounds of milk were used on farms where produced, 5.1 percent less than 2008. Calves were fed 89 percent of this milk, with the remainder consumed in producer households.

**Milk Cows and Production of Milk:
United States, 2007-2009**

Year	Number of Milk Cows <u>1/</u> 1,000 head	Production of Milk <u>2/</u>				Total Milk Mil. Lbs.
		Per Milk Cow	Percent of Fat			
		Milk Pounds	Fluid Grade	Manuf. Grade	All Milk	
2006	9,189	20,204	3.68	3.99	3.68	185,654
2007	9,315	20,395	3.68	4.01	3.68	189,982
2008	9,201	20,576	3.67	4.00	3.67	189,320

1/ Average number during year, excluding heifers not yet fresh. 2/ Excludes milk sucked by calves.

**Milk Marketings and Income:
United States, 2007-2009**

Year	Combined Marketings of Milk and Cream			
	Milk Marketed by Producers		Average Returns <u>1/</u>	Cash Receipts from Marketings 1,000 Dollars
	Total <u>2/</u> Mil. lbs.	Fluid Grade <u>3/</u> Percent	Per 100 Pounds of Milk Dollars	
2006	184,565	99	19.21	35,453,399
2007	188,917	99	18.45	34,849,113
2008	188,307	98	12.93	24,342,440

1/ Cash receipts divided by milk marketings. 2/ Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. 3/ Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products.

Source: "Milk Production, Disposition and Income, 2009 Summary" Da 1-2(10), National Agricultural Statistics Service, USDA.

**ANNUAL MILK MARKETINGS BY PRODUCERS AND CASH RECEIPTS FROM MARKETINGS,
BY STATE, 2009**

State	Milk Marketed by Producers		Cash Receipts from Marketings	
	Quantity <u>1/</u>	Fluid Grade <u>2/</u>	Total	Average Return <u>3/</u>
	Mil. lbs.	Percent	1,000 Dollars	\$/cwt.
AL	163	100	25,428	15.60
AK	5.5	100	1,348	24.50
AZ	4,063	100	491,623	12.10
AR	162	100	21,708	13.40
CA	39,488	95	4,537,171	11.49
CO	2,804	100	358,912	12.80
CT	352	100	50,336	14.30
DE	101	100	14,342	14.20
FL	2,071	100	349,999	16.90
GA	1,383	100	201,918	14.60
HI	21.1	100	7,491	35.50
ID	12,123	100	1,430,514	11.80
IL	1,914	98	254,562	13.30
IN	3,358	99	449,972	13.40
IA	4,359	99	575,388	13.20
KS	2,477	100	346,780	14.00
KY	1,175	100	165,675	14.10
LA	266	100	37,772	14.20
ME	592	100	87,616	14.80
MD	997	100	144,565	14.50
MA	243	100	34,749	14.30
MI	7,940	100	1,063,960	13.40
MN	8,914	98	1,194,476	13.40
MS	248	100	35,464	14.30
MO	1,545	96	200,850	13.00
MT	293	100	42,778	14.60
NE	1,195	99	160,130	13.40
NV	605	100	68,970	11.40
NH	290	100	40,600	14.00
NJ	159	100	20,352	12.80
NM	7,853	100	950,213	12.10
NY	12,392	100	1,685,312	13.60
NC	875	100	133,000	15.20
ND	375	83	48,750	13.00
OH	5,162	96	727,842	14.10
OK	992	100	150,784	15.20
OR	2,227	100	305,099	13.70
PA	10,485	100	1,509,840	14.40
RI	19.5	100	2,769	14.20
SC	317	100	50,403	15.90
SD	1,883	98	259,854	13.80
TN	905	100	127,605	14.10
TX	8,813	100	1,172,129	13.30
UT	1,754	100	213,988	12.20
VT	2,451	100	338,238	13.80
VA	1,728	100	264,384	15.30
WA	5,544	100	681,912	12.30
WV	160	100	20,640	12.90
WI	24,967	97	3,270,677	13.10
WY	98.2	84	13,552	13.80
US <u>4/</u>	188,307	98	24,342,440	12.93

1/ Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealers' own herds and milk sold directly to consumers. Also includes milk produced by institutional herds. 2/ Percentage of milk sold that is eligible for fluid use (Grade A in most States). Includes fluid grade milk used in manufacturing dairy products.

3/ Cash receipts divided by milk marketings. 4/ May not add due to rounding.

Source: "Milk Production, Disposition and Income, 2009 Summary," Da 1-2(10), National Agricultural Statistics Service, USDA.

DAIRY PRODUCTS, 2009 ANNUAL SUMMARY

Butter production in the United States during 2009 totaled 1.57 billion pounds, 4.3 percent below 2008. California was the leading state in butter production and accounted for 33.1 percent of the production, followed by Pennsylvania with 5.0 percent.

Total cheese production, excluding cottage cheeses, was 10.1 billion pounds, 2.0 percent above 2008 production. Wisconsin was the leading State with 26.0 percent of the production, followed by California with 20.4 percent and Idaho with 8.2 percent.

American type cheese production was 4.20 billion pounds, 2.3 percent above 2008 and accounted for 41.6 percent of total cheese in 2009. Wisconsin was the leading State with 20.2 percent of production, followed by Idaho with 16.0 percent and California with 15.3 percent.

Italian varieties, with 4.18 billion pounds were 1.4 percent above 2008 production and accounted for 41.4 percent of total cheese in 2009. Mozzarella accounted for 78.2 percent of the Italian production followed by Provolone with 8.3 percent and Ricotta with 5.9 percent. Wisconsin was the leading State in Italian cheese production with 29.5 percent of the production, followed by California with 29.1 percent and New York with 9.1 percent

Ice cream, Regular totaled 920 million gallons, down 1.1 percent from 2008. Lowfat ice cream, at 381 million gallons, was down 0.6 percent.

Nonfat dry milk for human food totaled 1.51 billion pounds, down 0.7 percent. California was the leading state with 55.2 percent of the production. Skim milk powders totaled 222 million pounds, down 40.6 percent.

Dry whey for human food production, at 951 million pounds, was down 7.2 percent. Lactose, Human and Animal production was 723 million pounds, down 3.1 percent.

Dairy Plants: During 2009, there were 1,178 dairy plants in the U.S. manufacturing one or more dairy products, 53 more than in 2008.

Source: "Dairy Products 2009 Summary," Da 2-1(10), National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

**ANNUAL PRODUCTION OF SELECTED DAIRY PRODUCTS AND NUMBER OF PLANTS MANUFACTURING THESE PRODUCTS,
UNITED STATES, 2008 AND 2009**

Product	2008 Revised		2009		Change from 2008 Percent
	Plants	Production	Plants	Production	
	Number	1,000 pounds	Number	1,000 pounds	
Butter	81	1,644,076	78	1,573,481	-4.3
Cheese Types:					
Cheddar	182	3,186,454	194	3,207,437	0.7
Other American <u>1/</u>	128	922,111	129	995,062	7.9
Total American	196	4,108,565	207	4,202,499	2.3
Swiss	50	293,968	53	322,336	9.7
Muenster	39	117,241	42	115,417	-1.6
Mozzarella	115	3,222,765	126	3,267,306	1.4
Other Italian	42	898,066	47	912,974	1.7
Total Italian	157	4,120,831	173	4,180,280	1.4
Cream & Neufchatel	28	763,595	31	767,006	0.4
Hispanic	51	194,268	63	206,474	6.3
Total <u>2/</u>	450	9,912,828	494	10,109,293	2.0
Cottage Cheese, Curd <u>3/</u>	69	428,092	63	434,844	1.6
Cottage Cheese, Creamed <u>4/</u>	72	324,980	67	341,900	5.2
Cottage Cheese, Lowfat <u>5/</u>	70	389,195	63	387,657	-0.4
Canned Evaporated &					
Condensed Whole Milk <u>6/</u>	5	534,378	5	524,338	-1.9
Dry Whole Milk	14	50,137	14	59,560	18.8
Nonfat Dry Milk, Human	51	1,519,173	52	1,509,111	-0.7
Skim Milk Powders <u>7/</u>	12	373,830	13	221,910	-40.6
Dry Buttermilk	22	72,494	24	74,514	2.8
Sour Cream	107	1,150,735	111	1,148,009	-0.2
Yogurt (Plain & Flavored)	110	3,570,355	109	3,831,971	7.3
Condensed Whey, Solids Content, Human Food <u>8/</u>	11	103,894	13	90,809	-12.6
Dry Whey Products					
Dry Whey, Human	34	1,024,252	32	950,654	-7.2
Dry Whey, Animal	30	57,658	25	50,506	-12.4
Reduced Lactose and Minerals, Total	9	88,750	7	83,602	-5.8
Lactose Total	30	745,295	27	722,559	-3.1
Whey Protein Concentrate					
Human Food <u>9/</u>	40	404,352	41	375,336	-7.2
Animal Feed <u>9/</u>	18	38,357	18	39,679	3.4
Total <u>9/</u>	---	442,709	---	415,015	-6.3
25.0-49.9 Pct <u>10/</u>	28	296,116	27	260,604	-12.0
50.0-89.9 Pct <u>10/</u>	24	146,593	25	154,411	5.3
Protein Isolates <u>11/</u>	13	43,969	12	51,878	18.0
Frozen Products					
Ice Cream, Regular	---	930,708	---	920,226	-1.1
Ice Cream, Lowfat <u>12/</u>	---	383,828	---	381,455	-0.6
Sherbet	---	57,718	---	53,085	-8.0
Yogurt	---	75,580	---	74,417	-1.5

1/ Includes Colby, Monterey and Jack. 2/ Excluding cottage cheese. 3/ Mostly used for processing into creamed or lowfat cottage cheese. 4/ Fat content 4.0 percent or more. 5/ Fat content less than 4.0 percent, mostly 0.5 to 2.0 fat. 6/ Combined to avoid disclosing individual plant operations. 7/ Includes protein standardized and blends. 8/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified dry whey products. 9/ Whey Protein Concentrate, 25.0 to 89.9 percent. 10/ Whey Protein Concentrate, Human and Animal. 11/ Whey Protein Isolate, 90.0 percent or higher. 12/ Includes freezer-made milkshake.

SOURCE: "Dairy Products 2009 Summary," Da 2-1(10), National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

APRIL AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 2010 advanced 1 point to 183. Compared with April 2009, the index was up 3 points (1.7 percent). The index of prices received by farmers for dairy products declined 1 point during the month of April 2010 to 112. Compared with April 2009, the index was up 21 points (23.1 percent).

Prices received by farmers in April with changes from March were: for All Milk, \$14.60 per hundredweight (cwt.), down \$.20; for Fluid Grade Milk, \$14.60 per cwt., down \$.20; and for Manufacturing Grade Milk, \$13.70 per cwt., up \$.30.

SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., APRIL 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	
	MARCH		APRIL		APRIL		APRIL		APRIL	
	2010 ^{2/}	2009 ^{2/}	2010 ^{4/}	2009 ^{2/}	2010 ^{4/}	2009 ^{2/}	2010 ^{7/}	2009 ^{8/}	2010	2009
CA	13.32	10.54	13.60	10.54	1,300	1,300	57.20	45.20	119.00	129.00
ID	13.10	11.10	13.50	10.80	1,300	1,380	60.30	48.70	102.00	150.00
MI	15.70	12.00	15.20	12.40	1,400	1,550	57.00	47.00	115.00	150.00
MN	14.60	12.60	15.00	12.50	1,250	1,410	59.10	50.00	115.00	110.00
NM	14.50	10.90	13.80	11.20	1,320	1,300	62.30	51.00	148.00	196.00
NY	16.10	12.20	15.30	12.70	1,300	1,300	---	---	130.00	165.00
PA	17.00	13.00	16.20	13.40	1,400	1,500	52.60	48.00	135.00	159.00
TX	15.80	12.00	15.00	12.30	1,270	1,400	55.40	46.80	183.00	190.00
WA	14.40	11.00	14.20	11.40	1,300	1,300	---	---	115.00	155.00
WI	14.70	12.10	14.60	12.40	1,450	1,420	56.10	46.10	115.00	100.00
U.S.	14.80	11.70	14.60	11.90	1,330	1,390	56.90	48.00	113.00	131.00

^{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., APRIL 2010 WITH COMPARISONS

ITEM	APRIL 2009	MARCH 2009 ^{1/}	APRIL 2010 ^{2/}
PRICES RECEIVED BY FARMERS , dol. per cwt., at reported butterfat test: ^{3/}			
All milk	11.90	14.80	14.60
Fluid grade milk	11.90	14.80	14.60
Manufacturing grade milk	11.40	13.40	13.70
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for all farm products	129	140	138
Prices received by farmers for dairy products	91	113	112
Prices paid by farmers for commodities and services, interest taxes, and wage rates	180	182	183
Prices paid by farmers for production items	185	184	185
Prices paid by farmers for feed	185	175	172
MILK FEED PRICE RATIO: Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk ^{4/}	1.59	2.19	2.15

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

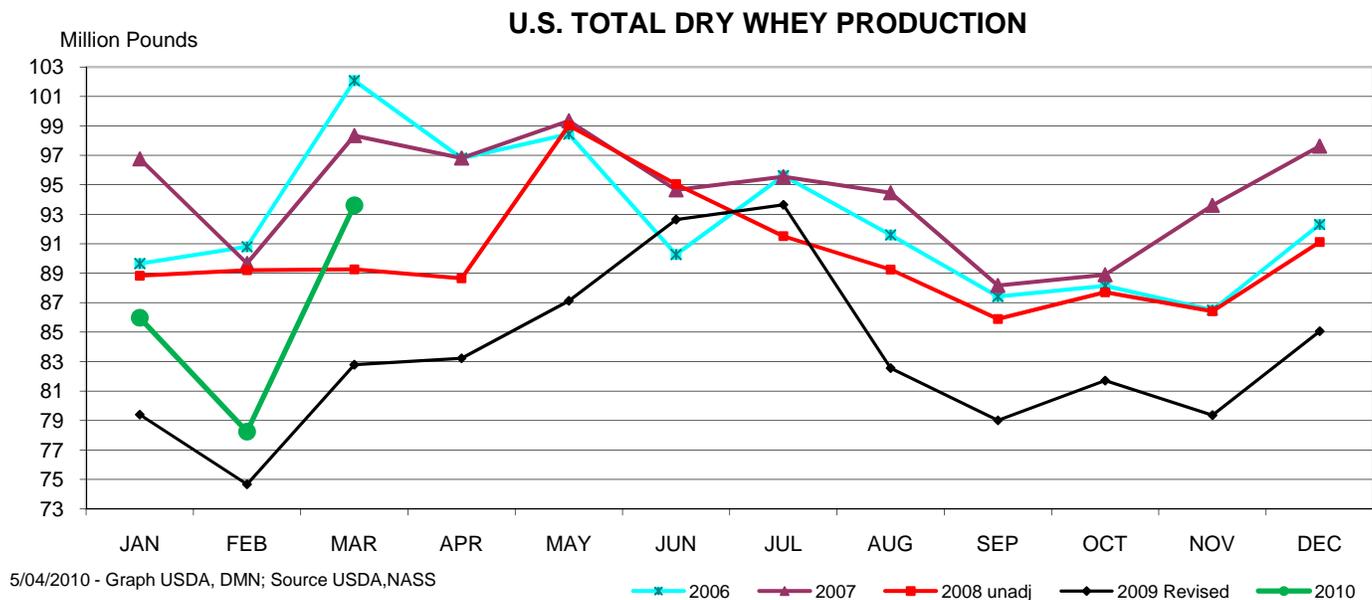
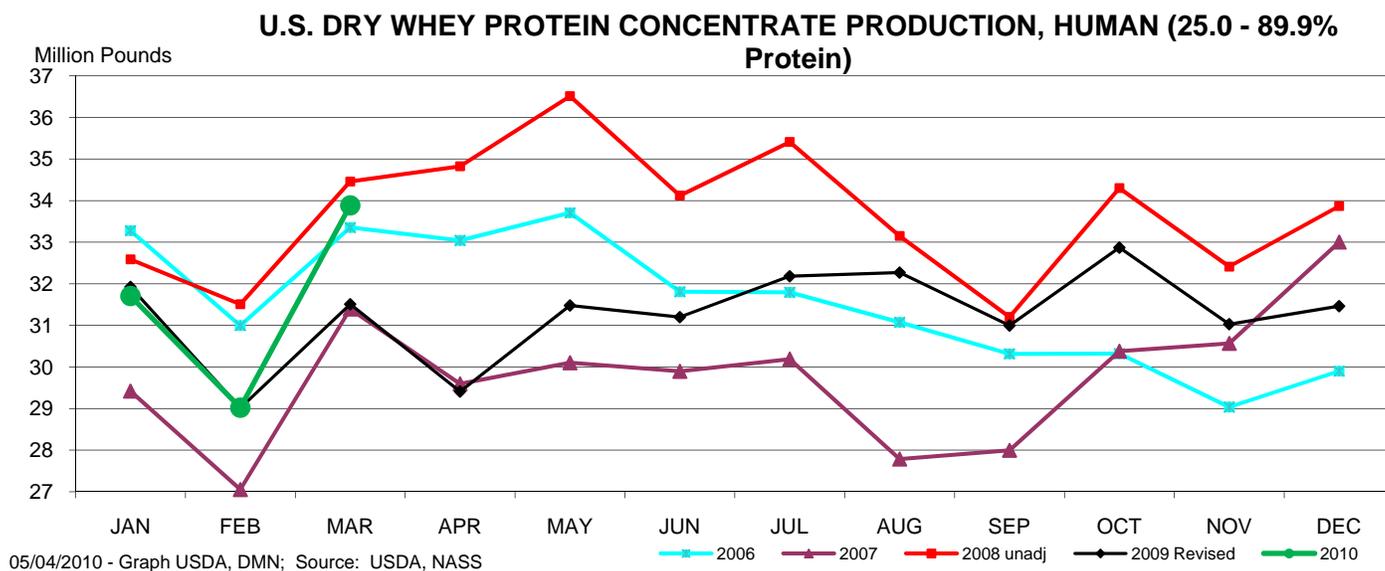
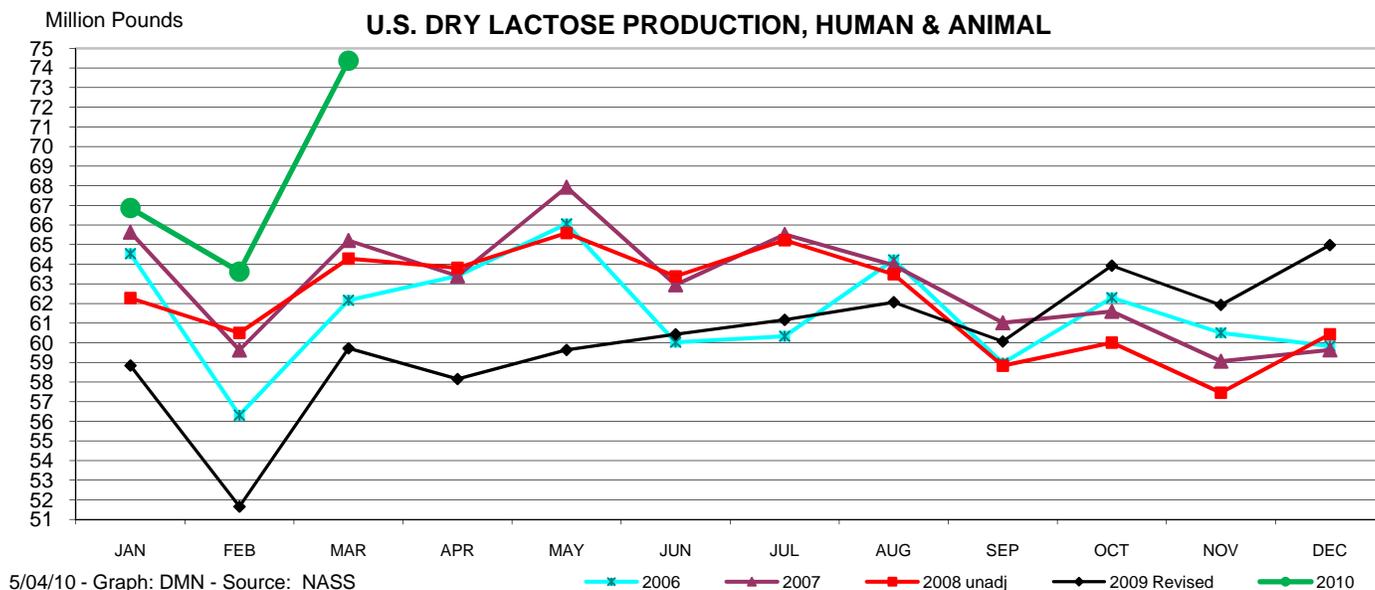
MARCH 2010 DAIRY PRODUCTS HIGHLIGHTS

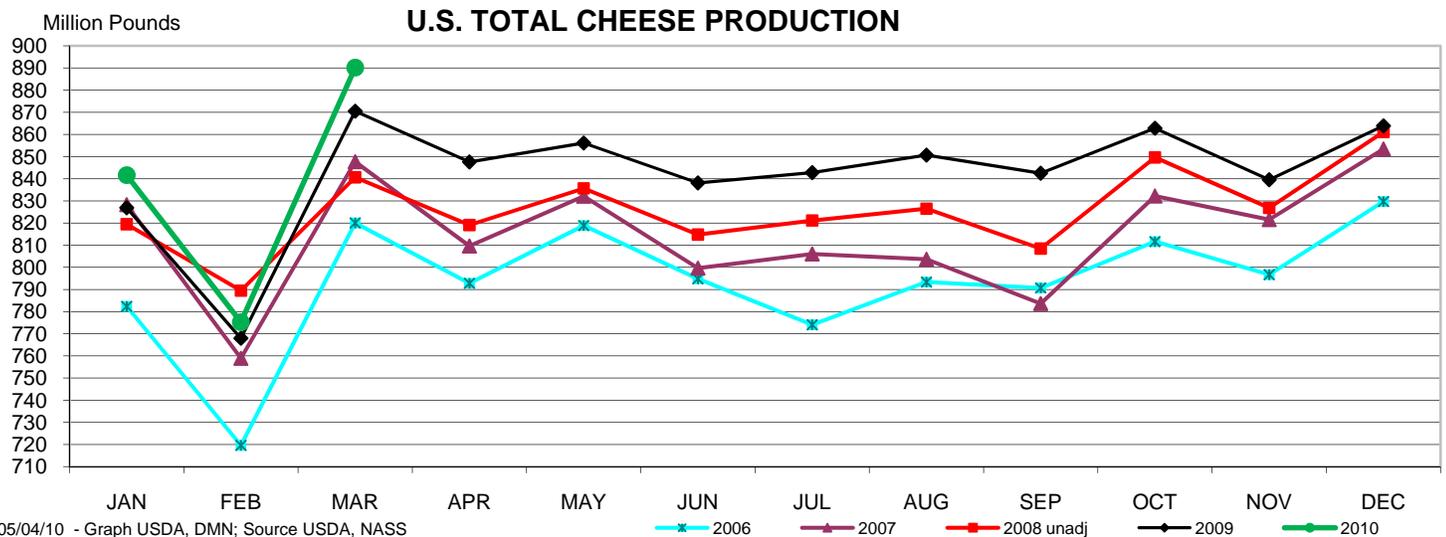
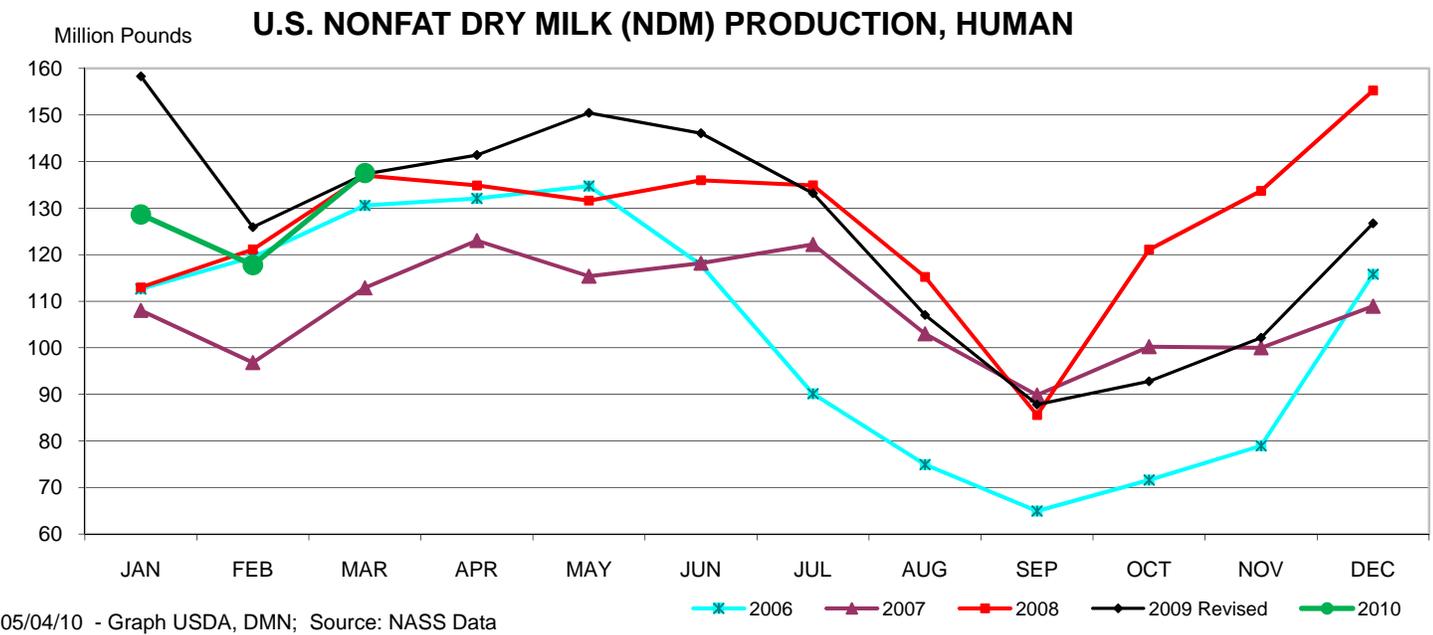
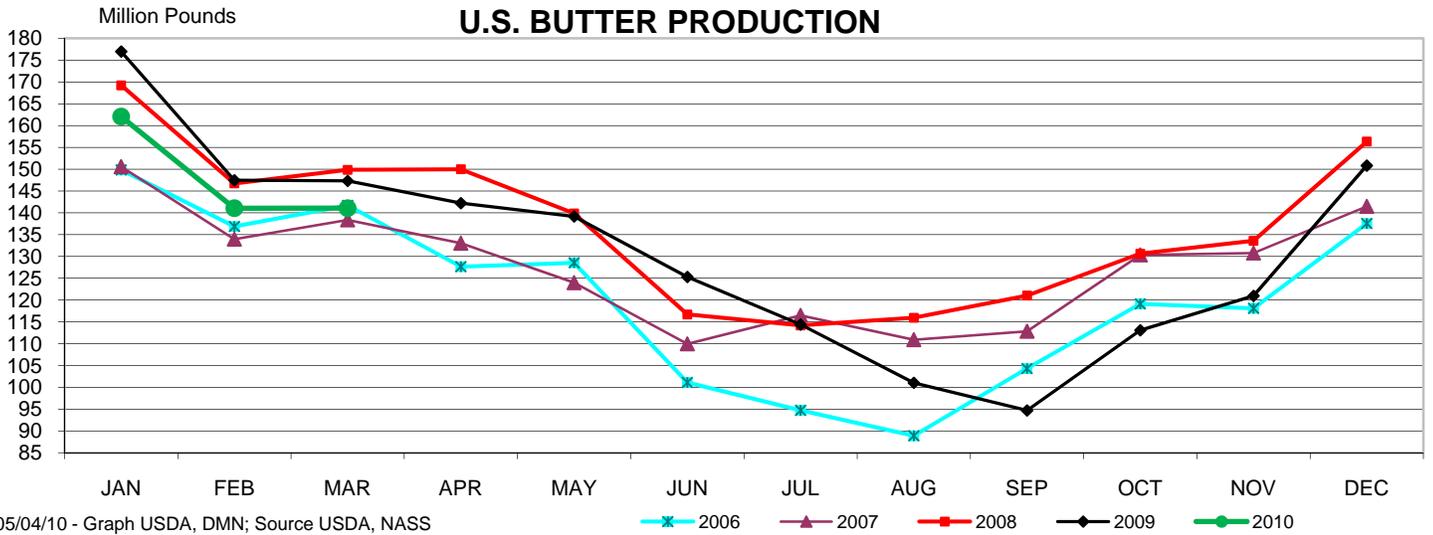
BUTTER production was 141.1 million pounds in March, 4.3 percent below March 2009 but slightly above February 2010. **AMERICAN TYPE CHEESE** production totaled 362.3 million pounds, 0.6 percent below March 2009 but 13.1 percent above February 2010. **TOTAL CHEESE** output (excluding cottage cheese) was 890.1 million pounds, 2.3 percent above March 2009 and 14.8 percent above February 2010. **NONFAT DRY MILK** production, for human food, totaled 137.5 million pounds, 0.2 percent above March 2009 and 16.8 percent above February 2010. **DRY WHEY** production, for human food, was 88.3 million pounds, 11.2 percent above March 2009 and 17.3 percent above February 2010. **ICE CREAM** (hard) production totaled 79.8 million gallons, 5.5 percent above March 2009 and 26.4 percent above February 2010.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	MAR 2010	PERCENT CHANGE FROM:			PRODUCT	MAR 2010	PERCENT CHANGE FROM:		
	1,000 LBS.	MAR 2009	FEB 2010	YEAR TO DATE 1/		1,000 LBS.	MAR 2009	FEB 2010	YEAR TO DATE 1/
BUTTER	141,073	-4.3	---	-5.8	SOUR CREAM	104,695	5.3	22.9	3.8
CHEESE					YOGURT (PLAIN AND FLAVORED)	400,969	12.7	27.5	9.3
AMERICAN TYPES 2/	362,295	-0.6	13.1	-1.4	DRY WHEY, HUMAN FOOD	88,278	11.2	17.3	---
CHEDDAR	281,640	0.8	15.2	-1.2	DRY WHEY, ANIMAL FEED	5,336	55.5	78.4	---
OTHER AMERICAN	80,655	-5.2	6.1	---	DRY WHEY, TOTAL 8/	93,614	13.1	19.6	8.9
BRICK & MUENSTER	10,699	-3.5	26.7	---	REDUCED LACTOSE AND MINERALS				
CREAM & NEUFCHATEL	64,565	3.4	13.8	---	HUMAN FOOD	1,973	-37.0	30.1	---
HISPANIC	19,394	6.4	22.4	---	ANIMAL FEED	5,168	15.6	14.4	---
TOTAL ITALIAN TYPES	380,374	5.8	15.1	5.1	LACTOSE, HUMAN FOOD & ANIMAL FEED	74,372	24.5	16.9	20.4
MOZZARELLA	300,446	7.3	16.0	6.4	WHEY PROTEIN CONCENTRATE				
OTHER ITALIAN	79,928	0.7	12.1	---	HUMAN FOOD 9/	33,884	7.5	16.8	---
SWISS	26,708	1.6	8.8	---	ANIMAL FEED 9/	2,418	-35.5	2.0	---
ALL OTHER TYPES	26,109	-9.2	38.0	---	TOTAL 9/	36,302	3.0	15.6	-0.4
TOTAL	890,144	2.3	14.8	1.7	25.0-49.9 PERCENT 10/	21,143	-6.4	11.3	---
COTTAGE CHEESE, CURD 3/	37,269	-4.4	15.2	---	50.0-89.9 PERCENT 10/	15,159	19.7	22.3	---
COTTAGE CHEESE, CREAM 4/	29,164	-6.9	13.1	-3.7	PROTEIN ISOLATES 11/	4,369	-4.8	1.5	---
COTTAGE CHEESE, LOWFAT 5/	34,911	0.4	16.1	-2.9	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
CANNED EVAP & CONDSO WHOLE MILK	39,593	-13.8	4.7	---	ICE CREAM (HARD)	79,825	5.5	26.4	-0.4
DRY BUTTERMILK	7,277	26.1	-6.9	---	ICE CREAM, LOWFAT (HARD)	13,414	-9.8	36.6	---
DRY WHOLE MILK	6,754	65.1	32.2	---	ICE CREAM, LOWFAT (SOFT)	27,168	29.6	53.3	---
MILK PROTEIN CONC. (MPC), TOTAL 6/	7,323	-24.5	6.6	---	ICE CREAM, LOWFAT (TOTAL)	40,582	13.3	47.4	4.8
NONFAT DRY MILK (NDM), HUMAN	137,517	0.2	16.8	-8.9	SHERBET, HARD	4,930	-2.5	33.6	-4.1
SKIM MILK POWDERS (SMP) 7/	27,626	13.1	25.4	8.4	YOGURT (TOTAL)	6,542	0.8	46.7	-8.9

MANUFACTURERS' STOCKS, END OF MONTH 12/							
PRODUCT	MAR 2010	PERCENT OF:		PRODUCT	MAR 2010	PERCENT OF:	
	1,000 LBS.	MAR 2009	FEB 2010		1,000 LBS.	MAR 2009	FEB 2010
DRY WHEY, HUMAN FOOD	47,215	10.2	11.3	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	3,187	73.3	100.2	HUMAN FOOD 9/	35,967	5.1	7.4
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 13/	8,486	-51.8	0.8	ANIMAL FEED 9/	2,444	-12.1	15.1
LACTOSE, HUMAN FOOD & ANIMAL FEED	66,458	-21.8	1.1	TOTAL 9/	38,411	3.8	7.8
CANNED EVAP & CONDSO WHOLE MILK	76,906	8.6	25.0	25.0-49.9 PERCENT 10/	24,414	14.2	13.6
DRY BUTTERMILK	9,941	91.3	-35.0	50.0-89.9 PERCENT 10/	13,997	-10.4	-0.9
NONFAT DRY MILK (NDM), HUMAN FOOD	147,861	-22.2	-2.5	PROTEIN ISOLATES 11/	10,525	23.5	1.3

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 (5-10), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.





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