

**NATIONAL DAIRY MARKET AT A GLANCE****CME GROUP CASH MARKETS (12/03):**

**BUTTER:** Grade AA closed at \$1.6100. The weekly average for Grade AA is \$1.5575 (-.1925).

**CHEESE:** Barrels closed at \$1.4600 and 40# blocks at \$1.5075. The weekly average for barrels is \$1.4650 (+.0250) and blocks, \$1.5000 (+.0225).

**BUTTER HIGHLIGHTS:** The CME Group AA cash butter price declined early in the week but recovered late to close at \$1.6100 (-6 cents from last Wednesday, November 24 close). Churning was more active over the long holiday weekend while many other cream users were closed. Printing continues to fill last minute orders from bulk and fresh stocks. Export interest has improved with the lower prices. Some manufacturers are looking at increasing butter/butterfat exports, particularly during the yearend holiday season. The "new crop" butter production year started December 1, allowing CME Group cash butter market sale eligibility until March 1, 2012.

**CHEESE HIGHLIGHTS:** CME Group block and barrel cash prices were somewhat mixed with blocks firm and barrels both higher and lower over the course of the week. Blocks closed the week at \$1.5075 (+4 cents from the abbreviated holiday week November 24 close) and barrels \$1.4600 (+2 cents from the November 24 close). Natural demand has improved as buyers try to cover yearend holiday needs. Packagers are fully committed on some lines, at least for the short term. Many are finally seeing the usual strong "fall surge" in orders. The opportunity window is limited to make, package and ship these orders to customers before the holidays. Certain natural varieties are in tight supply. Aged cheddar inventories, mainly 2010 production, are being depleted to fill orders. A few buyers have been searching for additional aged cheddar volumes to supplement their supplies. Process interest is seasonally about steady. Cheese production was heavier over the long holiday weekend and is generally back to regular schedules. Cumulative estimated January – October cheddar cheese production totals 2.710 billion pounds, up 14.7 million pounds (0.5%) from the same period in 2009. Cumulative 2010 mozzarella output totals 2.886 billion pounds, up 186.9 million pounds (6.9%) from the same period last year. Cumulative 2010 total cheese production is estimated at 8.659 billion pounds, up 252.9 million pounds (3.0%) from 2010.

**FLUID MILK:** Milk intakes are steady to increasing seasonally throughout the country. Manufacturing schedules were heavier over the long holiday weekend though extra volumes backed up from fluid accounts were readily handled. Class I demand returned to normal levels after the holiday and manufacturing levels accordingly declined. Snow and drifting caused transportation delays in the Pacific Northwest as well as Idaho and Utah.

**DRY PRODUCTS:** The NDM market is steady to firmer with prices steady to higher in the West. Drying was heavier over the holiday weekend and added supplies to many comfortable to low inventory producer positions. Sales are generally limited to covering short term needs. The announcement that Algeria has banned U.S. dairy products is a concern for sellers, particularly NDM/skim milk powder. Buttermilk prices are steady to lower in an unsettled to weak market as churning increases seasonally and spot buttermilk interest is light. Whey prices are steady to firm as buyers try to find additional supplies while manufacturers cover previous commitments. Production is mixed while dry whey spot availability is limited. Condensed whey volumes are also lower. The WPC 34% market is firm as spot offerings are limited. Lactose prices are steady to lower as offerings have increased from some manufacturers. Some operations are operating on lighter schedules as they adjust their product mix.

**INTERNATIONAL UPDATE (DMN):** The December 1 gDT session results showed only limited changes from two weeks ago. For the nearby February 2011 period, prices and changes from the previous session are: anhydrous milk fat, \$5308/MT, 0.0%; buttermilk powder, \$2950/MT, -5.3%; skim milk powder, \$2899/MT, -1.7%; and whole milk powder, \$3518, +1.3%.

**ORGANIC DAIRY MARKET OVERVIEW (DMN):** In the 30 City Series, comparing the November, 2010 average price in each city with the November, 2009 average in each city, 9 cities are above the year ago average, 16 are below, and 5 are even with the average. Minneapolis had the highest average price for organic 2% milk in November, 2010 at \$4.74, 36 cents higher than the high price for November, 2009 recorded by Kansas City, MO, at \$4.38. Denver had the lowest average price for organic 2% milk in November, 2010 at \$2.94, 20 cents lower than the low average price in November, 2009

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**CME GROUP CASH TRADING**

PRODUCT	MONDAY NOVEMBER 29	TUESDAY NOVEMBER 30	WEDNESDAY DECEMBER 1	THURSDAY DECEMBER 2	FRIDAY DECEMBER 3	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.4550 (+.0150)	\$1.4750 (+.0200)	\$1.4750 (N.C.)	\$1.4600 (-.0150)	\$1.4600 (N.C.)	(+.0200)	\$1.4650 (+.0250)
40# BLOCKS	\$1.4900 (+.0225)	\$1.4975 (+.0075)	\$1.4975 (N.C.)	\$1.5075 (+.0100)	\$1.5075 (N.C.)	(+.0400)	\$1.5000 (+.0225)
NONFAT DRY MILK							
EXTRA GRADE	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	(N.C.)	\$1.2250 (N.C.)
GRADE A	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	\$1.2250 (N.C.)	(N.C.)	\$1.2250 (N.C.)
BUTTER							
GRADE AA	\$1.5300 (-.1400)	\$1.5300 (N.C.)	\$1.5325 (+.0025)	\$1.5850 (+.0525)	\$1.6100 (+.0250)	(-.0600)	\$1.5575 (-.1925)

CHEESE: carload = 40-44,000 lbs., BUTTER: carlot = 40-43,000 lbs., NDM 42-45,000lbs. \*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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recorded by Cincinnati, OH at \$3.14. The overall November, 2010 average price for the 30 cities combined is \$3.70, 9 cents lower than the November, 2009 average. Total organic dairy ad placements increased significantly this reporting period when compared to the previous report and to the report for the same period last year. The increase can be attributed to an increase in yogurt ads, but more so to the increased ad placements for butter and other Class II and III organic products associated with the typical dairy consumer holiday trends, such as eggnog, half and half, whipping cream, sour cream, cream cheese and shredded cheese. Together, organic dairy ads other than milk and yogurt totaled 2672, an increase of 1753 ads over the previous report. Butter accounted for 1064 of those ads, surpassing organic milk ads, and was second to yogurt as the organic product with the greatest number of organic ad placements. The national weighted average advertised price for half gallons of organic milk increased 44 cents to \$3.61. The price range shifted higher from the reports of 2 and 4 weeks ago when the range was \$2.50 to \$3.50 to the current range of \$3.49 to \$3.99. The national weighted average advertised price for organic milk gallons increased 31 cents from 2 weeks ago. The price range continued to narrow, as the top of the range increased 22 cents to \$5.49 and the bottom of the range increased 28 cents to \$5.27. The national weighted average advertised organic yogurt price in 6 ounce containers fell 8 cents to 69 cents. This continues a decline from 4 weeks ago when the highest weighted average advertised price of 2010 was registered. This decline brings the weighted average advertised price back closer to the normal cluster of prices over the year.

**NOVEMBER AGRICULTURAL PRICES (NASS):** The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in November 2010 advanced 2 points to 188. Compared with November 2009, the index was up 10 points (5.6%). The index of prices received by farmers for dairy products declined 5 points during the month of November 2010 to 137. Compared with November 2009, the index was up 19 points (16.1%). Prices received by farmers in November with changes from October were: for All Milk, \$17.90, down \$.60; for Fluid Grade Milk, \$17.90, down \$.60; and for Manufacturing Grade Milk, \$15.60, down \$1.80.

**SEPTEMBER FEDERAL MILK MARKETING OVER-ORDER CHARGES (AMS):** For September 2010, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.08, down \$0.05 from the August 2010 average. Ninety-one percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from \$0.81 in the Pacific Northwest to \$2.65 in Florida. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.10, down \$0.04 from the August 2010 average. Seventy-seven percent of the producer milk used in Class II carried an over-order charge.

**OCTOBER 2010 DAIRY PRODUCTS (NASS):** Butter production was 121.6 million pounds in October, 7.5% above October 2009 and 6.8 above September 2010. American type cheese production totaled 363.7 million pounds, 4.1% above October 2009 and 2.8% above September 2010. Total cheese output (excluding cottage cheese) was 892.6 million pounds, 3.5% above October 2009 and 1.6% above September 2010. Nonfat dry milk production, for human food, totaled 115.3 million pounds, 24.2% above October 2009 and 5.5% above September 2010. Dry whey production, for human food, was 76.8 million pounds, 1.0% below October 2009 but 1.6% above September 2010. Ice cream (hard) production totaled 61.3 million gallons, 10.7% below October 2009 and 17.3% below September 2010.

**CONSUMER PRICE INDEX (BLS):** The October 2010 CPI for all food is 220.6, up 1.4% from October 2009. The dairy products index is 201.3, up 3.0% from a year ago. The following are the October to October changes for selected products: fresh whole milk is +8.1%; cheese, +4.0%; and butter, +25.4%.

**COMMERCIAL DISAPPEARANCE (ERS, AMS):** Commercial disappearance of dairy products during the first 9 months of 2010 totals 145.9 billion pounds, 3.0% above the same period in 2009. Comparing disappearance levels with year earlier levels: butter is +5.2%; American cheese, +0.7%; other cheese, +4.6%; NDM, +11.6%; and fluid milk products, -1.5%.

**CLASS AND COMPONENT PRICES (DAIRY PROGRAMS):** The following are the November 2010 prices under the Federal Milk Order pricing system and the changes from the previous month: Class II \$17.21 (-\$.036), Class III \$15.44 (-\$1.50), and Class IV \$16.68 (-\$.47). Product price averages used in computing Class prices are: butter \$2.0230, NDM \$1.1953, cheese \$1.6152, and dry whey \$0.3736. The Class II butterfat price is \$2.2492 and the Class III/IV butterfat price is \$2.2422. Further information may be found at: [www.ams.usda.gov/AMSV1.0/PriceFormulas2010](http://www.ams.usda.gov/AMSV1.0/PriceFormulas2010)

**CME GROUP**

MONDAY, NOVEMBER 29, 2010

CHEESE — SALES: 4 CARS BARRELS: 3 @ \$1.4400, 1 @ \$1.4450; 1 CAR 40# BLOCKS @ \$1.4900; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.4550; 1 CAR 40# BLOCKS @ \$1.4800; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4600  
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.4700; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.5300

TUESDAY, NOVEMBER 30, 2010

CHEESE — SALES: 6 CARS BARRELS: 1 @ \$1.4625, 2 @ \$1.4700, 2 @ \$1.4725, 1 @ \$1.4750; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.4975; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER — SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5000; LAST OFFER UNCOVERED: NONE

WEDNESDAY, DECEMBER 1, 2010

CHEESE — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4850  
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER — SALES: 2 CARS GRADE AA @ \$1.5300; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5325; LAST OFFER UNCOVERED: NONE

THURSDAY, DECEMBER 2, 2010

CHEESE — SALES: 2 CARS BARRELS @ \$1.4600; 1 CAR 40# BLOCKS @ \$1.5075; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER — SALES: 5 CARS GRADE AA: 1 @ \$1.5500, 2 @ \$1.5775, 2 @ \$1.5825; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5850; LAST OFFER UNCOVERED: NONE

FRIDAY, DECEMBER 3, 2010

CHEESE — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.4600  
 NONFAT DRY MILK — SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE  
 BUTTER — SALES: 2 CARS GRADE AA @ \$1.6000; LAST BID UNFILLED: 3 CARS GRADE AA @ \$1.6100; LAST OFFER UNCOVERED: NONE

**BUTTER MARKETS**

**NORTHEAST**

Butter prices on the CME Group continued their downward trend Monday as the market declined 14 cents. Tuesday's trade saw butter close unchanged at \$1.5300. In the last 5 trading sessions CME Group butter prices have dropped 36 cents. Over the holiday period, butter makers attempted to match production with current orders and sell the remaining cream to avoid building inventories in a down market. Cream supplies were so plentiful over the holiday week that some butter production added to inventories. Demand for butter has lessened as a majority of the seasonal orders have been placed, while other buyers are delaying purchases as long as possible to take advantage of the down market and lower prices. The declining market has increased export interest. Cream multiples have strengthened this week as Class II production has resumed following the holiday. Prices for bulk butter range 6-8 cents over the market, based on the CME Group with various time frames and averages used.

**CENTRAL**

Butter prices continued to fall at the CME Group cash butter market, dropping to \$1.53 per pound on November 29, down 32% from the 2010 peak of \$2.2350. The butter price rebounded fractionally to close at \$1.5325 on Wednesday. Many other cream users were closed for an extra day or two over the holiday weekend. Churning was heavier over the long holiday weekend despite some producers' efforts to limit inventory building before the start of the "new crop" butter year on December 1. Butter makers were hearing from various locations around the world seeking butter/butterfat

supplies. Many private label customers were not happy with prices based on orders made before the price declines. Printers were busy finishing remaining holiday orders from fresh and tempered supplies. Bulk butter prices range from 0 - 4 cents over various pricing bases and averages per pound.

**WEST**

Wednesday's butter price at the CME Group was \$.0025 higher at \$1.5325. The fractional price increase is the first reversal of the downward trend since November 8th. Sales of butter at the CME Group have been very light, although two loads were traded today. Overall butter prices continued to retreat. The lower prices were anticipated throughout the industry. The reduced price has spurred some additional last minute interest, although most print butter needs have been shipped for the upcoming holidays. Bulk butter end users are showing increased interest as prices are now closer to last year's levels. Butter manufacturers are increasing production schedules in some cases as additional cream finds its way to the market. Stocks of butter remain light as producers were wary of carrying large inventories of higher priced butterfat. According to the CME Group, weekly butter stocks in CME approved warehouses decreased 600,000 pounds last week to 11.8 million pounds. This total compares to 53 million pounds in 2009 and 39.1 million pounds in the comparable week in 2008. CME Group average price for November 2010 for butter is \$1.9295 compared to \$1.5008 for November 2009. Prices for bulk butter range from flat to 4 cents under the market, based on the CME with various time frames and averages used.

**NASS DAIRY PRODUCT PRICES**

**U.S. AVERAGES AND TOTAL POUNDS**

<b>WEEKENDING</b>	<b>CHEESE 40# BLOCKS</b>	<b>CHEESE BARRELS 38% MOISTURE</b>	<b>NDM</b>	<b>BUTTER</b>	<b>DRY WHEY</b>
November 27	1.4726	1.4550	1.2023	1.8663	0.3769
	12,117,545	8,114,211	12,634,410	2,522,684	6,378,428

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

**CHEESE MARKETS**

**NORTHEAST** **WEST**

CME Group cheese prices increased Tuesday with barrels advancing 2 cents and closing at \$1.4750, while blocks advanced \$.0075 and closed at \$1.4975. In the last 5 trading sessions, barrels have increased \$.0450 with blocks advancing \$.0525. The weekly average CME Group cheese prices increased \$.0500 for both barrels and blocks, raising wholesale prices with the exception of Swiss Cuts which remained unchanged. Cheese production has increased in the Northeast with cream cheese production at maximum levels. Cream cheese sales are strong with one cream cheese maker stating "We're selling it as fast as we can make it!" Other varieties such as mozzarella, low fat cheddar, and aged cheddar are also experiencing good demand and strong sales.

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

Cheddar 40# Block	:	1.7950-2.0700
Process 5# Sliced	:	1.5450-1.8550
Muenster	:	1.8150-2.0200
Grade A Swiss Cuts 10 - 14#	:	3.3275-3.6500

**MIDWEST**

The cheese market is firm though some traders feel prices may be approaching a short term peak. The rebound in prices forced buyers waiting for possibly lower prices back into ordering, at least for short term coverage. Plant orders for fresh natural cheese supplies have improved in recent weeks and packaging operations are putting in more overtime. Some packagers are seeing the excellent "holiday surge" in orders at long last, at least to cover the yearend holidays. Tightness is noted in a few fresh varieties, including those used in baking like ricotta. Other varieties such as pepper jack that need extra time to "knit" before cutting are also limited. Aged cheddar, mainly 2010 production, has been worked down. Aged hard Italian supplies are still departing warehouses and generally being replaced with fresh product. A big unknown is how sales of holiday gift packages will be over the next few weeks. Process orders are mainly seasonal. Committed cheese volumes for 2011 are mostly steady to occasionally below 2010 levels, with the usual fine tuning of the product mix. Cheese production was more active over the long holiday weekend as butter makers reacted to sharply lower butter prices. Cheese yields are seasonal.

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

Process American 5# Loaf	:	1.8000-2.0000
Brick And/Or Muenster 5#	:	1.9850-2.2100
Cheddar 40# Block	:	2.0025-2.5650
Monterey Jack 10#	:	1.9450-2.5650
Blue 5#	:	2.3025-2.9300
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8175-2.6650
Grade A Swiss Cuts 6 - 9#	:	2.7350-3.3300

Cheddar Barrels on Wednesday at the CME Group are unchanged at \$1.4750. 40 Pound Blocks are also unchanged at \$1.4975. Sales of Barrels for the week have been active with ten loads trading in the first three days. The market has firmed on Barrels by \$.0350 cents over the period. Blocks have seen limited sales of one load so far this week and the price has advanced \$.0300 cents. CME Group monthly average price for November 2010 for Barrels is \$1.4520 compared to November 2009 at \$1.4825. Blocks averaged \$1.4619 for November 2010 compared to \$1.5788 for last year. Cheese prices continue to show strength. Cheese producers saw some increased volumes of milk over the Thanksgiving holiday and are keeping busy schedules. Winter weather in the Pacific Northwest caused some delays in deliveries over the holiday weekend. Contracted sales are helping to clear inventories, with export sales showing good movement, especially when aided by CWT support. Demand for cheese supplies is described as good with most holiday items shipped to retailers. Processor demand is good as supplies are available in most cases.

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

Process 5# Loaf	:	1.5650-1.8225
Cheddar 40# Block	:	1.6050-1.9575
Cheddar 10# Cuts	:	1.7850-2.0050
Monterey Jack 10#	:	1.7950-1.9550
Grade A Swiss Cuts 6 - 9#	:	2.9050-3.3350

**FOREIGN**

The CME Group block cheese price closed \$.0075 higher Tuesday at \$1.4975. In the last 5 trading sessions block prices have increased \$.0525. The recent price increases raised the CME Group weekly average price, resulting in higher wholesale prices for domestic varieties with the exception of Swiss Cuts, which were unchanged. Seasonal demand for hard grating and cooking cheeses remains good.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-4.6900	: 1.9350-3.4225*
Gorgonzola	: 3.6900-5.9900	: 2.4375-2.6975*
Parmesan (Italy)	: -0-	: 3.2750-3.4675*
Provolone (Italy)	: 3.4400-5.8900	: 1.9775-2.1350*
Romano (Cows Milk)	: -0-	: 3.1250-5.2675*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-3.8300	: -0-
Jarlsberg-(Brand)	: 2.9500-4.6900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.4200-3.7425
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
11/29/10	6,738	:	132,405
11/01/10	10,107	:	131,995
CHANGE	-3,369	:	410
% CHANGE	-33	:	N.C.

**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	103	0	100	0	90
SOUTHEAST STATE	6	0	10	0	0	0

Milk production in the Northeast and Mid Atlantic regions is increasing along the seasonal trend and is above year ago levels. Manufacturing milk supplies were heavy over the holiday period, but not burdensome. Class I and II pulls are strong as schools are back in session and Class II product production has resumed. Southeast manufacturing milk supplies increased coming out of the holiday weekend. Class I demand was fairly flat going into the week, but picked up at mid week, prompted by forecasts for adverse weather. Milk production in Florida is increasing as cows are beginning to freshen. Winter grazing is limited due to lack of moisture and producers are continuing with supplemental hay feeding. Exported spot loads out of Florida this week totaled 103. Class I demand was fairly strong prior to the holiday, but lessened early this week. A bottling plant will be shut down this week due to maintenance projects. Condensed skim is moving well through contracts as Class II demand has increased following the holiday. Class III demand for condensed skim has also improved with the rising cheese markets and holiday production schedules. Cream demand has rebounded nicely after the holiday period as seasonal product production has resumed. Cream cheese is very active and is producing at maximum capacity. Cream multiples have strengthened and range from 126 to 133.

**FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES**

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

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.2050-2.3275
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.7500-2.1875

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:	
NORTHEAST - CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.24 - 1.29
NORTHEAST - CLASS III - SPOT PRICES	- 1.11 - 1.18

**MIDWEST**

Class I interest returned to regular, but occasionally lower volumes after the long holiday weekend, as schools reopened on Monday. Production of Class II items was also lighter than just before Thanksgiving with industry expectations of heavier schedules again in a week or so. Many of the Class II and Class III cream product manufacturers were again operating after taking extra vacation time over the holiday weekend. Cream prices varied widely, depending on whether it was available over the holiday weekend or after the weekend. Churning was heavier at some locations. Traders continue to argue whether current butter prices are still too high or not. Export interest has increased for butter/butterfat with the lower prices so some operations are looking at producing 82% butter for export. Manufacturing milk volumes were also slightly heavier over the holiday weekend as less milk was needed by fluid accounts. Some discounts were used to move extra loads, but discounts were mostly minimal as were the extra offerings. Generally, natural cheese demand is stronger as buyers try to cover anticipated yearend holiday needs. Handlers and manufacturing plants are already setting up yearend holiday plans to try to keep the volume of surplus milk and

cream that is uncommitted to a minimum. In some areas of the upper Midwest, while components have rebounded, milk receipts have remained flat. Others are seeing the usual slow increase in volumes week by week. The debate continues over the affect current grain prices compared to milk prices may have on 2011 milk production. More of the snowy, wintery weather has occurred in western sections of the Midwest, from Minnesota through the Dakotas, though temperatures have dropped throughout the region.

**WEST**

The November 4a price (butter/powder) in CALIFORNIA is \$16.34, down \$0.31 from October and \$3.18 higher than last year. The November 4b price (cheese) is \$13.14, \$2.52 lower than October and \$0.62 less than last year. According to the NASS "Agricultural Prices" report for November, mid-month U.S. prices for baled alfalfa hay were \$117/ton, \$8/ton more than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$125, +\$20; California \$130, +\$28; Colorado \$125, -\$5; Idaho \$127, +\$7; Nevada \$132, +\$27; New Mexico \$165, +\$17; Oregon \$143, +\$15; Utah \$112, +\$7; and Washington \$130, +\$10. CALIFORNIA milk output is described as steady with recent weeks. The holiday period did not create any issues handling the milk supply and any surplus milk or components. Weather conditions have not been a factor for milk cows. High feed prices and lower milk prices are creating more concerns about future milk volumes in the state. There are more expectation that milk output will be below expectations and several processors are lowering their estimates. ARIZONA milk production is flat. Holiday milk was not an issue. There was adequate plant capacity and milk volumes were along expectations. Class I needs returned to more predictable levels as schools and colleges resumed classes after the break. Retail demand was lower following a fair to good holiday ordering period. CREAM markets and prices are weakening. Buyer interest is unsettled with those needing cream to make current products often reluctantly taking cream, whereas other buyers are waiting for the lower butter prices to work through basing points and averages. At midweek, the CME Grade AA butter price closed at \$1.5325, 13.75 cents lower than a week ago. Last week's CME average butter price was \$1.7500 and the current prices are more than 21 cents lower. This is affecting demand for cream. Cream multiples are unchanged and untested, ranging 100-123, and vary based on class usage and basing point. Early winter storms continued to cause some transportation interruptions in some areas of the PACIFIC NORTHWEST over the past week. Snow in the mountain passes and at higher elevations forced some delays in deliveries of milk to processors although no serious interruptions were noted. Manufacturing milk facilities were busy with added deliveries over the Thanksgiving weekend. Milk production levels are above year ago, but regional processors have the plant capacity to handle the additional supplies. As higher feed prices are adding to input costs, farmers are looking closely at lower Class III milk futures for the first half of 2011. UTAH and IDAHO also experienced winter conditions and had some difficulties with transportation issues over the week. Milk handling facilities were able to process any extra supplies over the holiday weekend. Farmers are trying to balance higher feed costs and maintain some profitability. Replacement heifer prices at auction in Idaho were sharply lower as cash is harder to acquire. A recent auction had a top of \$1310 with the top 50 average at \$1110. This is \$100-200 lower than many recent sales.

**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: Prices for nonfat dry milk in the Central region are unchanged on a steady market. Some buyers indicate they anticipated a weaker market to emerge by this time, yet FOB NDM prices have not wavered significantly over the last few weeks. Sales activities are largely on single load quantities versus blocks of loads as buyers seem to be following a just-in-time purchasing pattern. Production of low heat nonfat dry milk is tapering lower this week at some processing plants as Class I demand exerts pressure on farm milk intakes. Inventories of low heat NDM are termed comfortable to somewhat short of preferred volumes for this time of year. Manufacturers are being circumspect in spot load offerings. Opinions of NDM market participants on the impact of the recent announcement that Algeria has closed its borders to U.S. dairy products are variable. U.S. 2010 exports of NDM through September to that country total about 3.3 million pounds, having fallen about 88% compared to 2009, but Algeria has ranked in the top ten destinations for U.S. milk powder for several years.

EAST: Eastern nonfat dry milk prices held steady this week. Manufacturing milk supplies increased over the holiday week with increased volumes of condensed skim going to dryers. The increase in production over the holiday will be short lived as Class I and II demand increases as schools and seasonal product production resume. Supplies are fairly tight in light trading. Buyers are limiting their purchases to immediate needs, holding off on making major NDM purchases until 2011 when supplies may be more plentiful and possibly lower prices. Production over the holiday weekend focused on low heat production, but some manufacturers were scheduling high heat production by mid week. Export interest remains fairly good.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.1800 - 1.2800 MOSTLY: 1.2200 - 1.2500  
 HIGH HEAT: 1.3100 - 1.3900

**NONFAT DRY MILK - WEST**

Western low/medium heat nonfat dry milk prices are mostly steady to occasionally higher. The market tone is steady to slightly firm. Production was often higher over the holiday period last week as more milk was available. There were not many issues handling the milk supply despite some weather related issues in the Northwest and High Plains regions. Demand for low heat is fair for the current light offerings. Some buyers are cautious ahead of the year end and are unaggressive in securing loads. Others are filling short term needs. Global indices are slightly mixed for SMP, on limited volume sales. Domestic U.S. interest in NDM is generally light and unaggressive. Negotiations are occurring for 2011 needs. Producers' stocks are at light to moderate levels. High heat NDM prices are slightly higher on the bottom of the range. Increasing pricing indices are also influencing basing points. In general, demand is light to steady and moving fairly well under contract. Spot interest is limited. Producer offerings are mostly adequate to fill needs.

LOW/MEDIUM HEAT: 1.1700 - 1.2600 MOSTLY: 1.1800 - 1.2150  
 HIGH HEAT: 1.2150 - 1.3800

**DRY BUTTERMILK - CENTRAL AND EAST**

CENTRAL: Dry buttermilk prices in the Central region are unchanged to lower on a weaker market. Dry buttermilk production varies from location to location, with some plants having to clear cream to the churns as Class I and II sales change from week to week. Increased butter demand has emerged as the butterfat price moderated in recent weeks, but many plants are meeting that demand from butter stocks in inventory versus current churning activity. Dry buttermilk inventories are building somewhat from week to week at a few locations and manufacturers are focusing on contract fulfillment versus spot market participation. Condensed buttermilk sales are clearing readily to various Class II accounts for holiday related manufacturing.

EAST: Dry buttermilk prices declined on the low end of the range this week. Buttermilk production is steady to lower as butter makers try to limit production to the level of current orders in order to avoid building inventories on a down market. Dry buttermilk demand has not rebounded coming out of the holiday and remains sluggish. Brokers wanting to clear product are lowering offers to stimulate buyer interest. Spot market activity is very light and the market undertone remains weak.

F.O.B. CENTRAL/EAST: 1.0750 - 1.3800

**DRY BUTTERMILK - WEST**

Western dry buttermilk prices are slightly lower in a lightly tested market. Buying interest is light and slow to regain activity following the holiday. Production is trending higher as more butter is produced for yearend holidays, therefore creating more buttermilk solids. Drying time is available for buttermilk production. The only issues are switching the dryers from one product to another. Dry buttermilk stocks are at moderate levels and are available for trade needs.

F.O.B. WEST: 1.1500 - 1.2300 MOSTLY: 1.1600 - 1.2150

**DRY WHOLE MILK - NATIONAL**

Dry whole milk prices are unchanged for the week, but the market is unsettled as butterfat prices moderate seasonally and domestic dry whole milk inventories dwindle. Production of dry whole milk powder is part of the production schedules at a few plants as farm milk intakes and cream supplies allow. Several plants, though, are looking toward the next long holiday weekend as the most reasonable opportunity for scheduling runs of dry whole milk. FOB sales are mostly contract based, with limited availability of full loads of dry whole milk. LTL's are moving quickly at premiums to the market. The latest *globalDairyTrade* auction results show dry whole milk prices trending higher. New Zealand regular dry whole milk winning prices per pound for the various contract periods and percent change in price from the previous auction are: Contract 1, \$1.5762, +1.3%; Contract 2, \$1.6103, +4.1%; Contract 3, \$1.5831, +2.6%. New Zealand offered quantities for the three contract periods were 11,000 MT, 9,500 MT and 2,000 MT, respectively.

F.O.B. PRODUCING PLANT: 1.6400 - 1.7400

**CALIFORNIA MANUFACTURING PLANTS - NDM**

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
November 26	\$1.1907	9,794,944	0
November 19	\$1.1767	11,838,100	0

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

**WHEY, WPC 34%, LACTOSE & CASEIN**

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

**DRY WHEY - CENTRAL**

Dry whey prices in the Central region are unchanged to higher on the range price series. The mostly price series is steady. Cheese production at a few locations has decreased somewhat due to the recent unsettled nature of the cheese market. Some Class III plant operators report that as cheese prices moved lower, cheese buyers placed or pulled orders to best capture price advantages. For some plants, this has decreased cheese demand, cheese production and the accompanying dry whey production. Availability of condensed whey is also lighter for the week, decreasing opportunities for dry whey production from that source of whey solids. FOB spot sales of dry whey are light as availability of extra loads is tight. Broker/trader based loads of dry whey are available intermittently and some buyers indicate premiums to the market are increasing on these resale loads of fresh product, but slightly older product is clearing at fractional discounts to the market. Dry whey contracting activity for 2011 is winding down for many manufacturers. Sellers indicate that interest is mostly active. Customers are jockeying for volume commitments from current or new suppliers. Prices on 2011 contracts are reportedly carrying higher premiums than premiums on 2010 contracts. ANIMAL FEED DRY WHEY prices are unchanged for FOB sales. Some resale loads are reportedly available and clearing within the price range.

F.O.B. CENTRAL: .3350 - .4000 MOSTLY: .3400 - .3750  
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2600 - .3525

**DRY WHEY - NORTHEAST**

The Northeast dry whey prices advanced on the high end of the range this week. Production is expanding following the steady to increased seasonal cheese production in the East. Buyers of condensed whey are having difficulty sourcing supplies as more condensed whey is being channeled to dryers. A majority of supplies are moving through contracts with contracted buyers requesting additional volumes. Manufacturers are not always able to expand contracted volumes due to the extremely tight supplies. Spot market activity is light as product is difficult to source. Domestic and export demand remains good, supporting the market's firm undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .3700 - .3975

**DRY WHEY - WEST**

Prices for Western whey this week are steady to fractionally higher. The lower end of the range and the mostly series were slightly higher, while the upper end of the market was described as steady to firm. Whey production is adequate for most current contracted needs with limited offerings into the spot market. Delays in deliveries of contracted needs have been reported. Despite good demand, available supplies of dry whey are hard to find as manufacturers apportion the whey stream into concentrated whey protein products. Export interest is currently good with some producers anticipating lower demand as the Chinese New Year celebration approaches.

NONHYGROSCOPIC: .3575 - .4200 MOSTLY: .3750 - .4100

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices for whey protein concentrate 34% are steady on a firm market. Interest for spot loads is active, but few FOB loads are available. Resellers with WPC 34% on hand are claiming most of the market activity this week, with resale prices reportedly meeting and/or surpassing \$1.10. Production is variable as some plants channel their whey streams to alternate products, depending on market projections. Some manufacturers indicate recent changes in the volumes of cheese orders have prompted lower cheese production. This has decreased WPC 34% output as well.

F.O.B. EXTRA GRADE 34% PROTEIN: .9700 - 1.0700 MOSTLY: .9800 - 1.0100

**LACTOSE - CENTRAL AND WEST**

Edible, non pharmaceutical lactose prices are unchanged to lower for the week on the range price series. Spot load availability is described as improved from a few manufacturers, with multi-load orders clearing to good interest. Other producers are offering loads intermittently either as inventories or sales strategies permit. Lactose production is lower at some locations where variability in cheese ordering has prompted decreased cheese production as well as the associated lactose production. Other plants indicate cheese and lactose output are level. Contracting activity continues between manufacturers and buyers, with many buyers interested in securing commitments on needed volumes. Some buyers indicate, though, they are changing strategies for the upcoming year, and plan to meet 2011 lactose needs through spot market purchases.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .2200 - .4350 MOSTLY: .3100 - .3600

**CASEIN - NATIONAL**

Current prices are unchanged though a weak undertone persists. Current supplies are about in balance with needs and buyers are carefully watching market trends and supply availability. Spot offerings from the EU are minimal though adequate supplies have been prepared to meet contracts. Oceania is still near peak levels in milk production though New Zealand producers are preparing for the possibility of drought this summer. This may affect the volume of milk available for casein production with other uses for milk given priority over casein production.

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: 3.9000 - 4.3000  
ACID: 3.9000 - 4.2500

**CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)**

	FOR THE WEEK OF NOVEMBER 29 - DECEMBER 3			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/10	SAME PERIOD LAST YEAR	WEEK ENDING 11/26/10	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfat	-0-	-0-	-0-	-0-	132,276	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	132,276	-0-	-0-

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF NOV. 29 - DEC. 3, 2010 =	0.0	0.0	COMPARABLE PERIOD IN 2009 =	0.0	0.0
CUMULATIVE SINCE OCTOBER 1, 2010 =	0.0	0.0	CUMULATIVE SAME PERIOD LAST YEAR =	0.0	1.5
CUMULATIVE JAN. 1 - DEC. 3, 2010 =	0.0	0.0	COMPARABLE CALENDAR YEAR 2009 =	136.7	1,883.0

\* 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 NOVEMBER 29 - DECEMBER 3, 2010 (POUNDS)**

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

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

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
CENTRAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	132,276	-0-	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	132,276	-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 11/13/10 & Comparable Week 2009**

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.	0.6	8.9	3.5	21.3	3.1	0.2	N.A.	18.8	2.8	60.7	2,458.5	42.2	43.7
2009-Dairy	N.A.	0.6	8.2	2.7	17.8	3.5	0.4	N.A.	17.3	2.7	54.7	2,517.1	38.6	46.6
2010-All cows	N.A.	0.7	11.3	15.0	39.8	26.9	15.1	N.A.	21.9	8.4	143.7	5,631.4		
2009-All cows	N.A.	0.7	10.4	13.4	38.8	25.9	17.0	N.A.	22.6	8.2	141.6	5,401.4		

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

**CANADIAN DAIRY BREEDING FEMALE IMPORTS**

WEEKS ENDING	WEEKLY TOTALS	2010 CUMULATIVE TOTAL	
NOV. 13	1	7,491	SOURCE: USDA, APHIS

**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	15.28	15.66	15.77	15.50	16.58	17.24	16.96
II	15.22	15.65	14.46	13.78	14.90	16.01	17.10	16.98	17.60	17.57	17.21	
III	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	
IV	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	

1/ Specific order differentials to be added to this base price can be found by going to: [www.ams.usda.gov/DairyMarketingStatistics](http://www.ams.usda.gov/DairyMarketingStatistics); then select "Prices"; and then select "Principal Pricing Points." \$ Revised

ORGANIC DAIRY MARKET NEWS

Information gathered November 22 - December 3, 2010

ORGANIC DAIRY RETAIL OVERVIEW

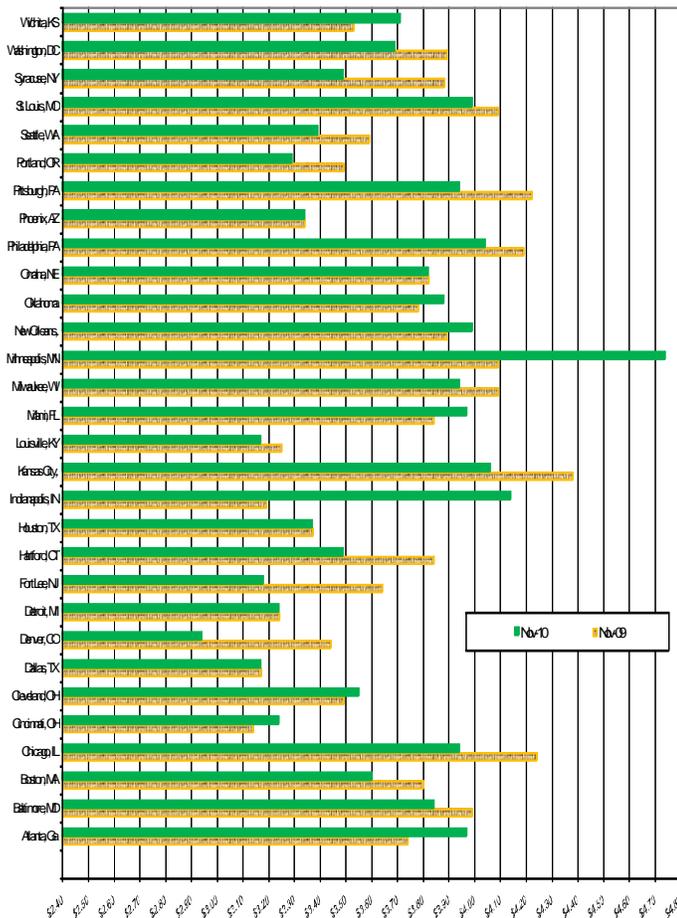
MONTHLY RETAIL MILK PRICE COMPARISON FOR 30 CITIES:

Retail half gallon organic reduced fat (2%) milk prices are surveyed monthly in the 30 City Series. Comparing the November, 2010 average price in each city with the November, 2009 average in each city, 9 cities are above the year ago average, 16 are below, and 5 are even with the average. Minneapolis had the highest average price for organic 2% milk in November, 2010 at \$4.74, 36 cents higher than the high price for November, 2009 recorded by Kansas City, MO, at \$4.38. Denver had the lowest average price for organic 2% milk in November, 2010 at \$2.94, 20 cents lower than the low average price in November, 2009 recorded by Cincinnati, OH at \$3.14.

The three cities most below year ago averages are, Denver, CO, at \$2.94, 50 cents lower; Fort Lee, NJ, at \$3.18, 46 cents lower; and Syracuse, NY, at \$3.49, 39 cents lower. The three cities most above year ago averages are, Indianapolis, IN, at \$4.14, 95 cents higher; Minneapolis, MN, at \$4.74, 65 cents higher; and Atlanta, GA, at \$3.97, 23 cents higher.

The overall November, 2010 average price for the 30 cities combined is \$3.70, 9 cents lower than the November, 2009 average. This comparison is derived from prices collected by Federal Milk Market Administrators during the first non-Friday or weekend 10 days of each month in 1 outlet of each of the 2 largest food store chains on 30 cities or metropolitan areas. The price listed represents the simple average of the 2 prices.

Half Gallon Organic 2% Milk Price Change  
November 2009 - November 2010



NATIONALLY ADVERTISED PRICE COMPARISON:

Total organic dairy ad placements increased significantly this reporting period when compared to the previous report and to the report for the same period last year. The increase can be attributed to an increase in yogurt ads, but more so to the increased ad placements for butter and other Class II and III organic products associated with the typical dairy consumer holiday trends, such as eggnog, half and half, whipping cream, sour cream, cream cheese and shredded cheese. Together, organic dairy ads other than milk and yogurt totaled 2672, an increase of 1753 ads over the previous report. Butter accounted for 1064 of those ads, surpassing organic milk ads, and was second to yogurt as the organic product with the greatest number of organic ad placements.

Organic yogurt, lead all organic dairy products in the number of ad placements with 1378. Organic yogurt ads in 6 ounce containers accounted for over 65% of the total yogurt ads.

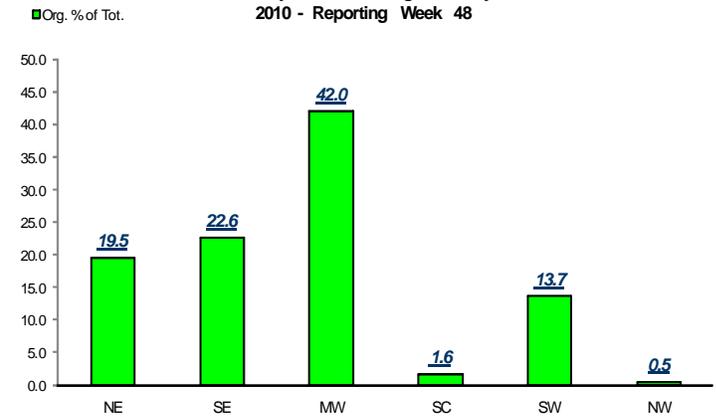
Organic milk ads, that in previous reports dominated organic ads, dropped to third with 994 placements. A good portion of the decline can be attributed to the lack of ads for organic milk in 8 ounce containers. The absence of 8 ounce milk ads is not surprising considering schools were closed for the holiday. Ads for half gallon containers comprised for over 86% of all organic milk ads.

This information is compiled from newspaper supermarket ads for the period November 20, 2010 to December 4, 2010 identifying weekly "specials" and containing organic dairy content, which numbered 2,285 of 9,210 surveyed ads for supermarkets. The ads identified price specials for 5,044 organic dairy products within the 2,285 supermarkets advertising one or more organic dairy item in each ad placement. Surveyed ads reflect advertised "specials" and not the range of supermarket cooler prices.

Ads this period represented a mixture of national brands and private label organic milk - even in ads for the same store.

**Regional Organic Dairy Ad Trends - Current Period.** Organic dairy advertising was most prevalent in the Midwest, replacing the Northeast, which had been the most prevalent for three of the previous four Reports. The Midwest lead all regions with 42.0% of the organic ads placed. The balance of organic ads included: the Southeast, 22.6%; the Northeast, 19.5%; the Southwest, 13.7%; the South Central region, 1.6%; and the Northwest, 0.5%.

Regional Organic Dairy Ads As A Percentage of  
Total Surveyed National Organic Dairy Ads  
2010 - Reporting Week 48



**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.

Organic milk ad placements totaled 994, a marked decrease from 2,281 two weeks ago. Of organic milk ads, 857 were for half gallons, down from 1,177 two weeks ago; 137 for gallons, down from 393 two weeks ago with no ads for 8 ounce aseptic containers.

ORGANIC DAIRY MARKET NEWS

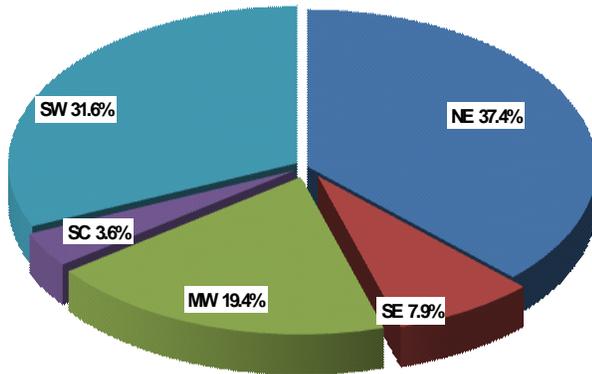
Information gathered November 22 - December 3, 2010

CONTINUED FROM PAGE 8

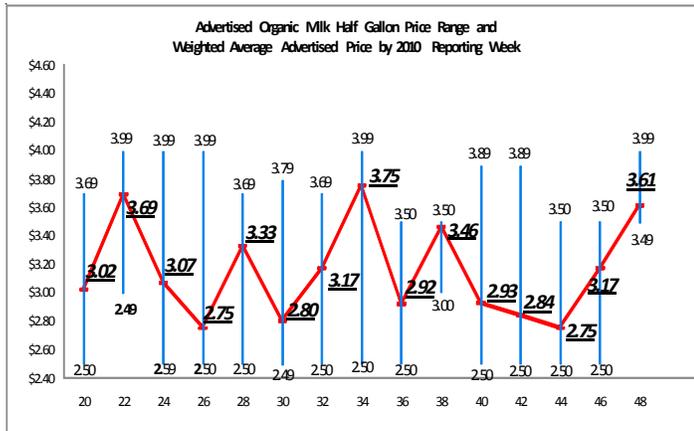
The total number of organic yogurt ad placements this period is 1378, up from 1077 two weeks ago and 910 from four weeks ago. Organic yogurt placements for 6 ounce containers, a traditionally standard ad item, registered 907 this week, up from 740 ad placements two weeks ago. This was followed by 157 ads for 32 ounce containers of organic yogurt.

**Milk.** Organic milk ads appeared in 5 of the 6 regions. The highest concentration of milk ads, 37.4%, appeared in the Northeast Region. The remaining regions and percentages include the Southwest, 31.6%; the Midwest, 19.4%; the Southeast, 7.9%; and the South Central, 3.6%.

ORGANIC MILK FEATURES  
Regional % of Surveyed National Supermarket Ads  
Report Week 48, 2010



**Half Gallons.** The national weighted average advertised price for half gallons of organic milk increased 44 cents to \$3.61. The price range shifted higher from the reports of 2 and 4 weeks ago when the range was \$2.50 to \$3.50 to the current range of \$3.49 to \$3.99.



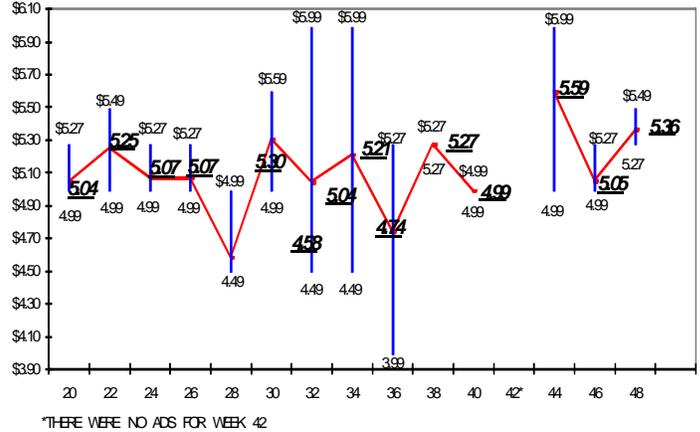
The following table shows the percentage of national half gallon organic milk ads by region and the regional weighted average advertised price.

HALF GALLON ORGANIC MILK ADS  
REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

REGION	%	WTD. AV. ADV. PRICE \$
NE	36.6	3.79
SE	00.0	—
MW	22.5	3.52
SC	04.3	3.49
SW	36.6	3.50
NW	00.0	—

**Gallons.** Organic milk gallon ads appeared in 2 of the 6 regions. The national weighted average advertised price for organic milk gallons increased 31 cents from 2 weeks ago. The price range continued to narrow, as the top of the range increased 22 cents to \$5.49 and the bottom of the range increased 28 cents to \$5.27. There were 137 ads for organic gallons, 256 less than the number two weeks ago.

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



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

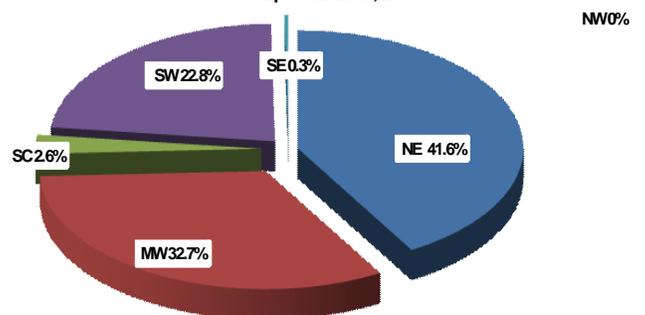
GALLON ORGANIC MILK ADS  
REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

REGION	%	WTD. AV. ADV. PRICE \$
NE	42.3	5.49
SE	57.7	5.27
MW	—	—
SC	—	—
SW	—	—
NW	—	—

**8 Ounce Milk.** The survey recorded no ad placements for organic 8 ounce milk containers, compared to 711 ad placements in the previous report 2 weeks ago. The previous report's weighted average advertised price was 78 cents.

**Yogurt.** The Northeast dominated regional yogurt advertising, with 41.6% of ads. Other regions with yogurt ads were: the Midwest, 32.7%; the Southwest, 22.8%; the South Central, 2.6%; and the Southeast, 0.3%. No organic yogurt ads ran in surveyed newspapers in the Northwest region.

ORGANIC YOGURT FEATURES  
Regional % of Surveyed Newspaper Ads  
Report Week 48, 2010



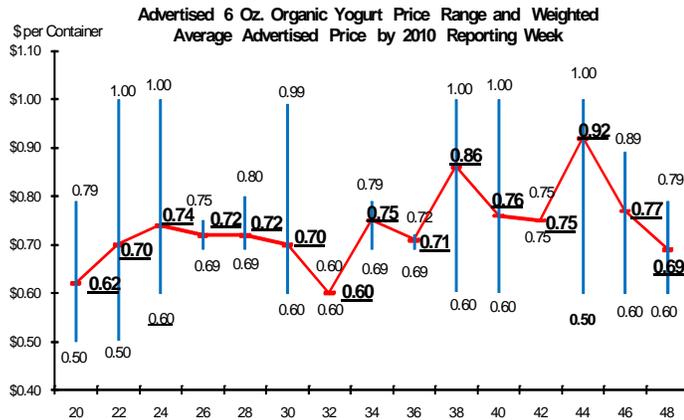
CONTINUED ON PAGE 8-B

ORGANIC DAIRY MARKET NEWS

Information gathered November 22 - December 3, 2010

CONTINUED FROM PAGE 8-A

The national weighted average advertised organic yogurt price in 6 ounce containers fell 8 cents to 69 cents. This continues a decline from 4 weeks ago when the highest weighted average advertised price of 2010 was registered. This decline brings the weighted average advertised price back closer to the normal cluster of prices over the year.



In the following table, the percentage of national 6 ounce yogurt ads by region and the regional weighted average advertised price is presented.

6 OUNCE ORGANIC YOGURT ADS REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

REGION	%	WTD. AV. ADV. PRICE \$
NE	11.2	0.72
SE	00.4	0.72
MW	49.7	0.63
SC	04.1	0.60
SW	34.6	0.79
NW		

Numbers for other organic yogurt ad placements totaled 471 or 34.2% of all organic ad placements. Other ads included 157 ads for 32 ounce organic yogurt, 157 for 10 ounce yogurt smoothies and 157 ads for 6 ounce yogurt smoothies, all in the Northeast.

**Butter.** Organic 1 lb. butter placements totaled 1064, second to only organic yogurt ad placements. The vast majority of organic butter ads, 85.2%, were placed in the Southeast and Midwest regions. This is the highest number of ads for organic butter in 2010. Prices ranged from \$3.99 to \$5.49 with a weighted average price of \$4.93.

**Eggnog.** Eggnog ad placements remained fairly strong for the holiday reporting period with 225 ads for one quart containers. All advertised organic eggnog was manufactured by two separate national brands. A majority of the ads, 84%, appeared in the Midwest region. Prices ranged from \$3.49 to \$3.69 with a weighted average price of \$3.51.

**Half and Half.** Ad placements for organic half and half in pint containers increased significantly from the previous report total of 24 to 394. Over 87% of the ad placements were in the Northeast and Midwest regions. Prices ranged from \$1.99 to \$3.79 with a weighted average of \$2.74.

**Cream Cheese.** The 181 ads for 8 ounce organic cream cheese were in the Midwest and Northeast regions. Prices ranged from \$2.59 to \$2.89 with a weighted average price of \$2.85.

**Sour Cream.** Organic sour cream ad placements for 1 pound containers totaled 179 and were placed in the Northeast and Midwest regions. The prices ranged from \$2.99 to \$3.89 with a weighted average price of \$3.81.

**Whipping Cream.** Ads for organic whipping cream in 16 ounce containers totaled 181 and were located in the Northeast and Midwest regions. Prices ranged from \$1.79 to \$2.19 with a weighted average price of \$2.14.

**Shredded Cheese.** Organic cheese ad placements for 6 ounce packages of shredded Mozzarella, Cheddar and Monterey Jack cheeses totaled 574. The ads were confined to the Northeast and Southeast regions. All Mozzarella and Monterey Jack ads were priced at \$4.09. Cheddar prices ranged from \$4.09 to \$4.59 and had a weighted average price of \$4.36.

No ads appeared for organic ice cream, cottage cheese, or other types of cheese.

SUPERMARKET PRICE COMPARISON:

**Madison Wisconsin Prices.** Non-advertised organic milk, yogurt, butter and cheese prices in a range of food stores in Madison, Wisconsin are compared for this two week period.

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.

Organic milk available in Madison stores included 2 national brands, 4 private label store brands, and 3 small local or near-by creamery brands, one featuring non-homogenized milk. Cheese available included 2 national brands, 2 store brands, and cheese from 5 other cheesemakers.

A table summarizing the survey results appears below.

ORGANIC MILK, YOGURT, CHEESE & BUTTER PRICE RANGE REPORTING WEEK 48

	MADISON, WI		
	LOW	HIGH	RANGE
	(In Dollars)		
<b>GALLONS:</b>			
Whole	5.19	6.49	1.30
Reduced Fat (2%)	5.19	6.49	1.30
Low Fat (1%)	5.19	6.49	1.30
Nonfat (Skim)	5.19	6.49	1.30
<b>HALF GALLONS:</b>			
Whole	2.99*	4.19	1.20*
Reduced Fat (2%)	2.99*	4.19	1.20*
Low Fat (1%)	2.99*	4.19	1.20*
Nonfat (Skim)	2.99*	4.19	1.20*
<b>CHOCOLATE HALF GALLON:</b>			
	3.39	5.69	2.30
<b>YOGURT</b>	.79	1.59	0.80
<b>CHEESE – 8 OUNCE BLOCKS:</b>			
Mozzarella	3.59	5.75	2.16
Mild Cheddar	3.50	5.99	2.49
Monterey Jack	3.50	5.99	2.49
Pepper Jack	3.59	5.99	2.40
<b>CHEESE – 6 OUNCE STRING</b>			
Mozzarella	3.89	6.99	3.10
Colby Jack	3.89	6.99	3.10
<b>BUTTER – 1 POUND</b>	4.79	8.45	3.66

\*=Price change from prior reporting period

Of 34 prices forming the top and bottom of the price range for the organic dairy categories shown above, 4 changed from two weeks ago, with 4 low prices moving lower. All 4 of the changes reduced the low price for half gallons to \$2.99 from \$3.00 two weeks ago.

CONTINUED ON PAGE 8-C

**ORGANIC DAIRY MARKET NEWS**

Information gathered November 22 - December 3, 2010

**CONTINUED FROM PAGE 8-B****ORGANIC GRAIN AND FEEDSTUFF MARKETS:**

National organic grain and feedstuff prices were steady on light demand and offerings. Trading activity was very light. Premium organic large bales of alfalfa hay sold from \$210 to \$220 per ton, delivered, in the Texas Panhandle. This was unchanged from the last reporting period.

Eastern organic grain and feedstuff prices were steady. Organic grain movement was light with very light trading activity this reporting period. Feed grade corn was steady to firm with higher futures values supporting organic prices. Feed grade soybeans and wheat were steady.

Upper Midwest organic grain and feedstuffs prices were steady on a light test. Supplies of organic food and feed grade grains this period were reportedly moderate. Demand for organic feedstuff was light, given the weak economy. The depletion of gainful employment of consumers whom previously purchased organic products on a regular basis continues to hamper the organic grain market. Monthly and third quarter average prices are located below. All prices FOB the farm and negotiated spot market.

Additional livestock and grain market news information is available at: [www.ams.usda.gov/LSMarketNews](http://www.ams.usda.gov/LSMarketNews).

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

COMMODITY	:::REPORT NUMBER 44	:::REPORT NUMBER 45	:::REPORT NUMBER 46	:::REPORT NUMBER 47	:::REPORT NUMBER 48::	2010	: 2009
	:::-----	:::-----	:::-----	:::-----	:::-----	::: Average	: Average
	::: NOV 01 - 05	::: NOV 08 - 12	::: NOV 15 - 19	::: NOV 22 - 26	::: NOV 29 - 30	::: or Total	: or Total

CHEESE

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	:: 2.0350 - 2.2250	:: 1.8900 - 2.1200	:: 1.7650 - 2.1200	:: 1.7500 - 2.0000	:: 1.8000 - 2.0000	:: 1.9841	: 1.9168
-- Brick And/Or Muenster 5#	:: 2.1650 - 2.3400	:: 2.0375 - 2.3400	:: 1.9100 - 2.3400	:: 1.9350 - 2.2100	:: 1.9850 - 2.2100	:: 2.1564	: 2.0803
-- Cheddar 40# Block	:: 2.1800 - 2.5650	:: 2.0550 - 2.5650	:: 1.9275 - 2.5650	:: 1.9525 - 2.5650	:: 2.0025 - 2.5650	:: 2.2968	: 2.2125
-- Monterey Jack 10#	:: 2.1250 - 2.5650	:: 1.9975 - 2.5650	:: 1.8700 - 2.5650	:: 1.8950 - 2.5650	:: 1.9450 - 2.5650	:: 2.2684	: 2.2625
-- Blue 5#	:: 2.5025 - 3.0600	:: 2.3750 - 3.0600	:: 2.2475 - 3.0600	:: 2.2725 - 2.9300	:: 2.3025 - 2.9300	:: 2.6841	: 2.5853
-- Mozzarella 5 - 6#	:: 1.9975 - 2.6650	:: 1.8700 - 2.6650	:: 1.7425 - 2.6650	:: 1.7675 - 2.6650	:: 1.8175 - 2.6650	:: 2.2546	: 2.2875
-- Grade A Swiss Cuts 6 - 9#	:: 2.6150 - 3.3300	:: 2.7350 - 3.3300	:: 2.7350 - 3.3300	:: 2.7350 - 3.3300	:: 2.7350 - 3.3300	:: 3.0175	: 2.8775

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 40# Block	:: 1.9750 - 2.2500	:: 1.8475 - 2.1225	:: 1.7200 - 1.9950	:: 1.7450 - 2.0200	:: 1.7950 - 2.0700	:: 1.9593	: 1.9680
-- Process 5# Sliced	:: 1.7775 - 2.0875	:: 1.6675 - 1.9775	:: 1.5100 - 1.8200	:: 1.4950 - 1.8050	:: 1.5450 - 1.8550	:: 1.7639	: 1.7309
-- Muenster	:: 1.9950 - 2.2000	:: 1.8675 - 2.0725	:: 1.7400 - 1.9450	:: 1.7650 - 1.9700	:: 1.8150 - 2.0200	:: 1.9443	: 1.9493
-- Grade A Swiss Cuts 10 - 14#	:: 3.2075 - 3.5300	:: 3.3275 - 3.6500	:: 3.3275 - 3.6500	:: 3.3275 - 3.6500	:: 3.3275 - 3.6500	:: 3.4588	: 3.2138

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	:: 1.8000 - 2.0575	:: 1.6900 - 1.9475	:: 1.5300 - 1.7875	:: 1.5150 - 1.7725	:: 1.5650 - 1.8225	:: 1.7588	: 1.7372
-- Cheddar 40# Block	:: 1.7875 - 2.1400	:: 1.6600 - 2.0125	:: 1.5325 - 1.8850	:: 1.5575 - 1.9100	:: 1.6050 - 1.9575	:: 1.8103	: 1.8618
-- Cheddar 10# Cuts	:: 1.9675 - 2.1875	:: 1.8400 - 2.0600	:: 1.7125 - 1.9325	:: 1.7375 - 1.9575	:: 1.7850 - 2.0050	:: 1.9240	: 1.9755
-- Monterey Jack 10#	:: 1.9775 - 2.1375	:: 1.8500 - 2.0100	:: 1.7225 - 1.8825	:: 1.7475 - 1.9075	:: 1.7950 - 1.9550	:: 1.9040	: 1.9555
-- Grade A Swiss Cuts 6 - 9#	:: 2.7850 - 3.2150	:: 2.9050 - 3.3350	:: 2.9050 - 3.3350	:: 2.9050 - 3.3350	:: 2.9050 - 3.3350	:: 3.0900	: 2.8405

FLUID PRODUCTS

SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)

-- Northeast - f.o.b	:: 2.7968 - 2.9716	:: 2.7430 - 2.8696	:: 2.5574 - 2.7173	:: 2.3376 - 2.5324	:: 2.2050 - 2.3275	:: 2.6553	: 1.9393
-- Upper Midwest - f.o.b	:: 2.5128 - 2.8187	:: 2.4800 - 2.7219	:: 2.3576 - 2.5574	:: 2.1818 - 2.4350	:: 1.7500 - 2.1875	:: 2.4596	: 1.9002

PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.

-- Class II	:: 1.23 - 1.26	:: 1.23 - 1.26	:: 1.23 - 1.26	:: 1.24 - 1.29	:: 1.24 - 1.29	:: 1.2510	: 1.1361
-- Class III	:: 1.06 - 1.13	:: 1.11 - 1.16	:: 1.11 - 1.16	:: 1.11 - 1.18	:: 1.11 - 1.18	:: 1.1280	: 1.2018

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

COMMODITY	:REPORT NUMBER 44		:REPORT NUMBER 45		:REPORT NUMBER 46		:REPORT NUMBER 47		:REPORT NUMBER 48:		2010	2009
	:-----		:-----		:-----		:-----		:-----		Average	Average
	NOV 01 - 05	NOV 08 - 12	NOV 15 - 19	NOV 22 - 26	NOV 29 - 30	or Total	or Total					
DRY PRODUCTS												
NONFAT DRY MILK												
-- Central And East (f.o.b.)												
-- Low/Medium Heat	:: 1.1500 - 1.2800	:: 1.1800 - 1.2800	:: 1.1800 - 1.2800	:: 1.1800 - 1.2800	:: 1.1800 - 1.2800	:: 1.2263	:: 1.3189					
-- Mostly	:: 1.2100 - 1.2500	:: 1.2200 - 1.2500	:: 1.2200 - 1.2500	:: 1.2200 - 1.2500	:: 1.2200 - 1.2500	:: 1.2338	:: 1.2976					
-- High Heat	:: 1.3400 - 1.4500	:: 1.3400 - 1.4500	:: 1.3100 - 1.3900	:: 1.3100 - 1.3900	:: 1.3100 - 1.3900	:: 1.3703	:: 1.3632					
-- West (f.o.b.)												
-- Low/Medium Heat	:: 1.1500 - 1.2300	:: 1.1500 - 1.2500	:: 1.1500 - 1.2500	:: 1.1500 - 1.2500	:: 1.1700 - 1.2600	:: 1.1990	:: 1.2542					
-- Mostly	:: 1.1700 - 1.2050	:: 1.1700 - 1.2050	:: 1.1800 - 1.2100	:: 1.1800 - 1.2100	:: 1.1800 - 1.2150	:: 1.1919	:: 1.2661					
-- High Heat	:: 1.2200 - 1.3900	:: 1.2000 - 1.3900	:: 1.2100 - 1.3900	:: 1.2100 - 1.3800	:: 1.2150 - 1.3800	:: 1.2990	:: 1.2714					
WHEY POWDER (Nonhygroscopic)												
-- Central (f.o.b.)	:: 0.3325 - 0.3875	:: 0.3325 - 0.3900	:: 0.3350 - 0.3900	:: 0.3350 - 0.3950	:: 0.3350 - 0.4000	:: 0.3626	:: 0.3620					
-- Mostly	:: 0.3375 - 0.3725	:: 0.3375 - 0.3725	:: 0.3375 - 0.3725	:: 0.3400 - 0.3750	:: 0.3400 - 0.3750	:: 0.3558	:: 0.3443					
-- West (f.o.b.)	:: 0.3550 - 0.4150	:: 0.3550 - 0.4175	:: 0.3550 - 0.4200	:: 0.3550 - 0.4200	:: 0.3575 - 0.4200	:: 0.3868	:: 0.3736					
-- Mostly	:: 0.3725 - 0.4050	:: 0.3725 - 0.4075	:: 0.3725 - 0.4075	:: 0.3725 - 0.4100	:: 0.3750 - 0.4100	:: 0.3902	:: 0.3645					
-- Northeast (f.o.b.)	:: 0.3675 - 0.3900	:: 0.3675 - 0.3925	:: 0.3700 - 0.3950	:: 0.3700 - 0.3950	:: 0.3700 - 0.3975	:: 0.3812	:: 0.3356					
WHEY PROTEIN CONCENTRATE												
-- Central And West (f.o.b.)												
-- Extra Grade 34% Protein	:: 0.9700 - 1.0600	:: 0.9700 - 1.0600	:: 0.9700 - 1.0600	:: 0.9700 - 1.0700	:: 0.9700 - 1.0700	:: 1.0165	:: 0.8357					
-- Mostly	:: 0.9800 - 1.0100	:: 0.9800 - 1.0100	:: 0.9800 - 1.0100	:: 0.9800 - 1.0100	:: 0.9800 - 1.0100	:: 0.9950	:: 0.8237					
ANIMAL FEED - WHEY												
-- Central (f.o.b.)												
-- Milk Replacer	:: 0.2600 - 0.3525	:: 0.2600 - 0.3525	:: 0.2600 - 0.3525	:: 0.2600 - 0.3525	:: 0.2600 - 0.3525	:: 0.3063	:: 0.2788					
BUTTERMILK (Min. 30% protein)												
-- Central And East (f.o.b.)	:: 1.2200 - 1.4000	:: 1.2000 - 1.4000	:: 1.2000 - 1.4000	:: 1.2200 - 1.3800	:: 1.0750 - 1.3800	:: 1.2953	:: 1.3447					
-- West (f.o.b.)	:: 1.1700 - 1.2750	:: 1.1500 - 1.2600	:: 1.1500 - 1.2425	:: 1.1500 - 1.2350	:: 1.1500 - 1.2300	:: 1.2032	:: 1.2353					
-- Mostly	:: 1.2000 - 1.2450	:: 1.1700 - 1.2450	:: 1.1700 - 1.2250	:: 1.1700 - 1.2200	:: 1.1600 - 1.2150	:: 1.2043	:: 1.2257					
WHOLE MILK POWDER												
-- National (f.o.b.)	:: 1.6400 - 1.7400	:: 1.6400 - 1.7400	:: 1.6400 - 1.7400	:: 1.6400 - 1.7400	:: 1.6400 - 1.7400	:: 1.6900	:: 1.4876					
LACTOSE												
-- Central And West (f.o.b.)	:: 0.2500 - 0.4350	:: 0.2500 - 0.4350	:: 0.2500 - 0.4350	:: 0.2500 - 0.4350	:: 0.2200 - 0.4350	:: 0.3410	:: 0.3143					
-- Mostly	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3100 - 0.3600	:: 0.3350	:: 0.3370					
CASEIN - Edible - National (f.o.b.)												
-- Nonrestricted - Rennet	:: 3.9000 - 4.3000	:: 3.9000 - 4.3000	:: 3.9000 - 4.3000	:: 3.9000 - 4.3000	:: 3.9000 - 4.3000	:: 4.1000	:: 3.2750					
-- Nonrestricted - Acid	:: 3.9000 - 4.2500	:: 3.9000 - 4.2500	:: 3.9000 - 4.2500	:: 3.9000 - 4.2500	:: 3.9000 - 4.2500	:: 4.0750	:: 3.2500					

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 NOVEMBER 2010

COMMODITY	REPORT NUMBER 44 NOV 1 - 5	REPORT NUMBER 45 NOV 8 - 12	REPORT NUMBER 46 NOV 15 - 19	REPORT NUMBER 47 NOV 22 - 24	REPORT NUMBER 48 NOV 29 - 30	2010 * Average	2009 * Average
<b>BUTTER*</b>							
-- GRADE AA							
--Monday	2.1850	2.0000	1.9850	1.8000	1.5300		
--Tuesday	2.1850	2.0000	1.9850	1.7800	1.5300		
--Wednesday	2.1500	2.0000	1.9500	1.6700			
--Thursday	2.1500	2.0000	1.9300	1/			
--Friday	1.8800	1.9900	1.8900	1/		1.9295	1.5008
--Weekly Average**	2.1100	1.9980	1.9480	1.7500			
<b>CHEESE*</b>							
-- BARRELS							
--Monday	1.6275	1.4425	1.3575	1.4400	1.4550		
--Tuesday	1.5950	1.4200	1.3500	1.4400	1.4750		
--Wednesday	1.5400	1.4000	1.3900	1.4400			
--Thursday	1.5450	1.3925	1.4200	1/			
--Friday	1.5100	1.3700	1.4300	1/		1.4520	1.4825
--Weekly Average**	1.5635	1.4050	1.3895	1.4400			
-- 40# BLOCKS							
--Monday	1.5975	1.4050	1.4125	1.4700	1.4900		
--Tuesday	1.5575	1.4050	1.4175	1.4950	1.4975		
--Wednesday	1.5100	1.4000	1.4225	1.4675			
--Thursday	1.5100	1.4000	1.4450	1/			
--Friday	1.4800	1.4100	1.4450	1/		1.4619	1.5788
--Weekly Average**	1.5310	1.4040	1.4285	1.4775			
<b>NONFAT DRY MILK*</b>							
-- EXTRA GRADE							
--Monday	1.2250	1.2250	1.2250	1.2250	1.2250		
--Tuesday	1.2250	1.2250	1.2250	1.2250	1.2250		
--Wednesday	1.2250	1.2250	1.2250	1.2250			
--Thursday	1.2250	1.2250	1.2250	1/			
--Friday	1.2250	1.2250	1.2250	1/		1.2250	1.3947
--Weekly Average**	1.2250	1.2250	1.2250	1.2250			
-- GRADE A							
--Monday	1.2250	1.2250	1.2250	1.2250	1.2250		
--Tuesday	1.2250	1.2250	1.2250	1.2250	1.2250		
--Wednesday	1.2250	1.2250	1.2250	1.2250			
--Thursday	1.2250	1.2250	1.2250	1/			
--Friday	1.2250	1.2250	1.2250	1/		1.2250	1.3803
--Weekly Average**	1.2250	1.2250	1.2250	1.2250			

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

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

## NOVEMBER AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in November 2010 advanced 2 points to 188. Compared with November 2009, the index was up 10 points (5.6 percent). The index of prices received by farmers for dairy products declined 5 points during the month of November 2010 to 137. Compared with November 2009, the index was up 19 points (16.1 percent).

Prices received by farmers in November with changes from October were: for All Milk, \$17.90 per hundredweight (cwt.), down \$.60; for Fluid Grade Milk, \$17.90 per cwt., down \$.60; and for Manufacturing Grade Milk, \$15.60 per cwt., down \$1.80.

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

STATE	All-milk price <sup>1/</sup> <sup>3/</sup>				Milk cows <sup>5/</sup>		Cows <sup>6/</sup>		Alfalfa hay, baled <sup>7/</sup>	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	OCTOBER		NOVEMBER		NOVEMBER		NOVEMBER		NOVEMBER	
	2010 <sup>2/</sup>	2009 <sup>2/</sup>	2010 <sup>4/</sup>	2009 <sup>2/</sup>	2010 <sup>4/</sup>	2009 <sup>2/</sup>	2010 <sup>7/</sup>	2009 <sup>8/</sup>	2010	2009
CA	16.74	12.76	15.50	14.17	PRICES PUBLISHED JANUARY, APRIL, JULY AND OCTOBER		52.60	44.40	130.00	104.00
ID	17.10	14.00	16.50	14.80			52.30	42.30	127.00	120.00
MI	19.30	14.70	19.50	15.60			50.00	43.00	110.00	145.00
MN	18.90	15.30	17.70	16.20			55.10	44.60	110.00	110.00
NM	18.00	13.50	17.80	14.90			58.00	45.00	165.00	148.00
NY	19.50	15.00	19.30	16.00			---	---	120.00	145.00
PA	20.30	15.80	20.10	16.80			51.80	40.30	135.00	152.00
TX	19.30	14.80	19.50	16.00			47.10	36.80	180.00	185.00
WA	18.30	13.40	18.00	14.60			---	---	130.00	120.00
WI	18.80	14.70	17.50	15.80			51.90	41.00	105.00	100.00
U.S.	18.50	14.30	17.90	15.40	51.90	41.70	117.00	110.00		

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

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

ITEM	NOVEMBER 2009	OCTOBER 2010 <sup>1/</sup>	NOVEMBER 2010 <sup>2/</sup>
<b>PRICES RECEIVED BY FARMERS</b> , dol. per cwt., at reported butterfat test: <sup>3/</sup>			
All milk	15.40	18.50	17.90
Fluid grade milk	15.40	18.50	17.90
Manufacturing grade milk	15.30	17.40	15.60
<b>INDEX NUMBERS</b> (1990-92=100):			
Prices received by farmers for all farm products	136	155	159
Prices received by farmers for dairy products	118	142	137
Prices paid by farmers for commodities and services, interest taxes, and wage rates	178	186	188
Prices paid by farmers for production items	181	190	193
Prices paid by farmers for feed	183	194	203
<b>MILK FEED PRICE RATIO:</b> Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk <sup>4/</sup>	2.26	2.40	2.22

<sup>1/</sup> Partially revised. <sup>2/</sup> Preliminary. <sup>3/</sup> Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. <sup>4/</sup> 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," November 2010, Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

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

For September 2010, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.08 per cwt., down \$0.05 from the August 2010 average. Ninety-one percent of the producer milk used in Class I carried an over-order charge. On an individual order basis, Class I over-order charges ranged from \$0.81 in the Pacific Northwest to \$2.65 in Florida. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.10 per cwt., down \$0.04 per cwt. from the August 2010 average. Seventy-seven percent of the producer milk used in Class II carried an over-order charge.

Federal Milk Order Marketing Area 2/	Order Number	Weighted Average of Over-Order Charges Spread Over Total Class I Milk 1/	Weighted Average of Over-Order Charges Spread Over Total Class II Milk 1/
		\$/cwt	
Appalachian	005	2.56	1.92
Southeast	007	2.62	2.17
Florida	006	2.65	0.52
Mideast	033	2.37	1.68
Upper Midwest	030	2.61	1.33
Central	032	2.16	1.05
Pacific Northwest	124	0.81	0.64
All Reporting Areas Combined 3/		2.08	1.10

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

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

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

OCTOBER 2010 DAIRY PRODUCTS HIGHLIGHTS

**BUTTER** production was 121.6 million pounds in October, 7.5 percent above October 2009 and 6.8 above September 2010. **AMERICAN TYPE CHEESE** production totaled 363.7 million pounds, 4.1 percent above October 2009 and 2.8 percent above September 2010. **TOTAL CHEESE** output (excluding cottage cheese) was 892.6 million pounds, 3.5 percent above October 2009 and 1.6 percent above September 2010. **NONFAT DRY MILK** production, for human food, totaled 115.3 million pounds, 24.2 percent above October 2009 and 5.5 percent above September 2010. **DRY WHEY** production, for human food, was 76.8 million pounds, 1.0 percent below October 2009 but 1.6 percent above September 2010. **ICE CREAM** (hard) production totaled 61.3 million gallons, 10.7 percent below October 2009 and 17.3 percent below September 2010.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	OCT 2010	PERCENT CHANGE FROM:			PRODUCT	OCT 2010	PERCENT CHANGE FROM:		
	1,000 LBS.	OCT 2009	SEP 2010	YEAR TO DATE 1/		1,000 LBS.	OCT 2009	SEP 2010	YEAR TO DATE 1/
BUTTER	121,559	7.5	6.8	-2.4	SOUR CREAM	102,345	-1.3	7.9	2.0
CHEESE					YOGURT (PLAIN AND FLAVORED)	351,220	13.5	-9.8	8.4
AMERICAN TYPES 2/	363,666	4.1	2.8	1.4	DRY WHEY, HUMAN FOOD	76,800	-1.0	1.6	---
CHEDDAR	274,146	4.1	6.0	0.5	DRY WHEY, ANIMAL FEED	2,248	-45.4	-10.2	---
OTHER AMERICAN	89,520	4.1	-6.0	---	DRY WHEY, TOTAL 8/	79,048	-3.3	1.2	1.5
BRICK & MUENSTER	10,538	-7.4	3.4	---	REDUCED LACTOSE AND MINERALS				
CREAM & NEUFCHATEL	75,805	-1.6	2.5	---	HUMAN FOOD	2,322	-21.4	-23.7	---
HISPANIC	16,810	-2.5	-10.9	---	ANIMAL FEED	4,809	10.3	-3.3	---
TOTAL ITALIAN TYPES	369,004	3.1	0.9	5.4	LACTOSE, HUMAN FOOD & ANIMAL FEED	74,020	15.8	-2.8	23.3
MOZZARELLA	291,769	4.9	0.3	6.9	WHEY PROTEIN CONCENTRATE				
OTHER ITALIAN	77,235	-3.2	3.2	---	HUMAN FOOD 9/	32,537	-1.0	0.9	---
SWISS	29,940	11.5	6.4	---	ANIMAL FEED 9/	2,825	-4.6	-18.6	---
ALL OTHER TYPES	26,862	16.5	-3.2	---	TOTAL 9/	35,362	-1.3	-1.0	1.3
TOTAL	892,625	3.5	1.6	3.0	25.0-49.9 PERCENT 10/	19,915	-5.1	---	---
COTTAGE CHEESE, CURD 3/	34,073	-3.3	-5.9	---	50.0-89.9 PERCENT 10/	15,447	4.0	-2.3	---
COTTAGE CHEESE, CREAM 4/	25,441	-4.7	-9.2	-7.8	PROTEIN ISOLATES 11/	5,607	19.8	3.3	---
COTTAGE CHEESE, LOWFAT 5/	29,429	-5.8	-13.2	-3.9	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
CANNED EVAP & CONDSD WHOLE MILK	44,331	-12.2	8.9	---	ICE CREAM (HARD)	61,264	-10.7	-17.3	-2.9
DRY BUTTERMILK	5,989	-0.3	8.1	---	ICE CREAM, LOWFAT (HARD)	9,984	-13.2	-25.8	---
DRY WHOLE MILK	6,827	22.3	22.9	---	ICE CREAM, LOWFAT (SOFT)	17,940	6.2	-10.4	---
MILK PROTEIN CONC. (MPC), TOTAL 6/	2,955	-44.2	-13.8	---	ICE CREAM, LOWFAT (TOTAL)	27,924	-1.6	-16.6	5.0
NONFAT DRY MILK (NDM), HUMAN	115,286	24.2	5.5	1.7	SHERBET, HARD	3,026	-9.4	-14.5	-8.1
SKIM MILK POWDERS (SMP) 7/	17,522	72.2	0.3	15.0	YOGURT (TOTAL)	4,425	-25.5	-22.7	-7.9

MANUFACTURERS' STOCKS, END OF MONTH 12/							
PRODUCT	OCT 2010	PERCENT OF:		PRODUCT	OCT 2010	PERCENT OF:	
	1,000 LBS.	OCT 2009	SEP 2010		1,000 LBS.	OCT 2009	SEP 2010
DRY WHEY, HUMAN FOOD	40,181	5.3	5.6	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	1,295	-14.4	-72.3	HUMAN FOOD 9/	27,923	-17.5	-7.1
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 13/	9,631	-19.6	-8.9	ANIMAL FEED 9/	1,677	-10.7	-1.6
LACTOSE, HUMAN FOOD & ANIMAL FEED	81,734	51.6	-4.1	TOTAL 9/	29,600	-17.2	-6.8
CANNED EVAP & CONDSD WHOLE MILK	79,459	1.6	-29.2	25.0-49.9 PERCENT 10/	14,394	-34.1	-11.2
DRY BUTTERMILK	9,877	152.7	14.3	50.0-89.9 PERCENT 10/	15,206	9.3	-2.2
NONFAT DRY MILK (NDM), HUMAN FOOD	123,855	36.3	-11.1	PROTEIN ISOLATES 11/	6,931	-38.0	-12.2

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," December 2010, National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE <sup>1/</sup>

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>	CPI <sup>2/</sup>	Pct. Chg. <sup>3/</sup>
AUG 2010	219.5	1.0	198.7	3.3	192.2	9.3	205.0	3.6	186.8	12.0	208.9	2.9
SEP 2010	220.2	1.4	199.0	2.9	191.6	8.3	206.1	3.4	197.5	19.1	211.3	4.7
OCT 2010	220.6	1.4	201.3	3.0	193.8	8.1	208.7	4.0	206.1	25.4	212.2	5.8
U.S. City Average Retail Prices												
Month	Whole Milk <sup>4/</sup>		Butter <sup>5/</sup>		Process Cheese <sup>6/</sup>		Natural Cheese <sup>7/</sup>		Ice Cream <sup>8/</sup>			
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009		
	Dollars											
AUG	3.303	2.979	3.242	2.774	3.811	3.902	4.650	4.552	4.421	4.279		
SEP	3.278	2.981	3.573	2.808	3.864	3.820	4.726	4.610	4.325	4.244		
OCT	3.321	3.046	3.634	2.780	4.004	3.881	4.651	4.545	4.602	4.623		

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

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS—JULY-SEPTEMBER AND YEAR-TO-DATE 2009-2010 <sup>1/</sup>

Item	Jul.-Sep. 2009	Percent change <sup>2/</sup>	Jul.-Sep. 2010	Percent change <sup>2/</sup>	Jan.-Sep. 2009	Percent change <sup>2/</sup>	Jan.-Sep. 2010	Percent change <sup>2/</sup>
	Million Pounds							
<b>MILK</b>								
Production	46,793	0.9	48,077	2.7	143,055	0.2	145,182	1.5
Marketings	46,538	1.0	47,836	2.8	142,298	0.2	144,467	1.5
Beginning Commercial Stocks <sup>3/</sup>	14,421	6.0	13,372	-7.3	10,045	-3.0	11,334	12.8
Imports <sup>3/</sup>	1,022	45.5	861	-15.8	2,999	24.5	2,243	-25.2
Total Supply <sup>4/</sup>	61,981	3.3	62,069	0.1	155,342	0.7	158,044	1.7
Ending Commercial Stocks <sup>3/</sup>	13,626	18.4	12,051	-11.6	13,626	18.4	12,051	-11.6
Net Removals <sup>3/</sup>	86	100.0	0	-100.0	121	100.0	112	-7.4
Commercial Disappearance <sup>4/</sup>	48,269	-1.3	50,018	3.6	141,595	-1.1	145,881	3.0
<b>SELECTED PRODUCTS <sup>5/</sup></b>								
Butter	352.8	-16.1	395.5	12.1	1,103.2	-7.6	1,160.7	5.2
American Cheese	1,055.3	3.3	1,073.1	1.7	3,147.0	5.4	3,170.0	0.7
Other Cheese	1,566.1	2.6	1,631.6	4.2	4,511.8	0.1	4,719.0	4.6
Nonfat Dry Milk	357.5	16.3	395.5	10.6	1,057.5	-4.7	1,180.1	11.6
Fluid Milk Products <sup>6/</sup>	13,585.8	1.1	13,336.6	-1.8	41,111.6	1.2	40,500.3	-1.5

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

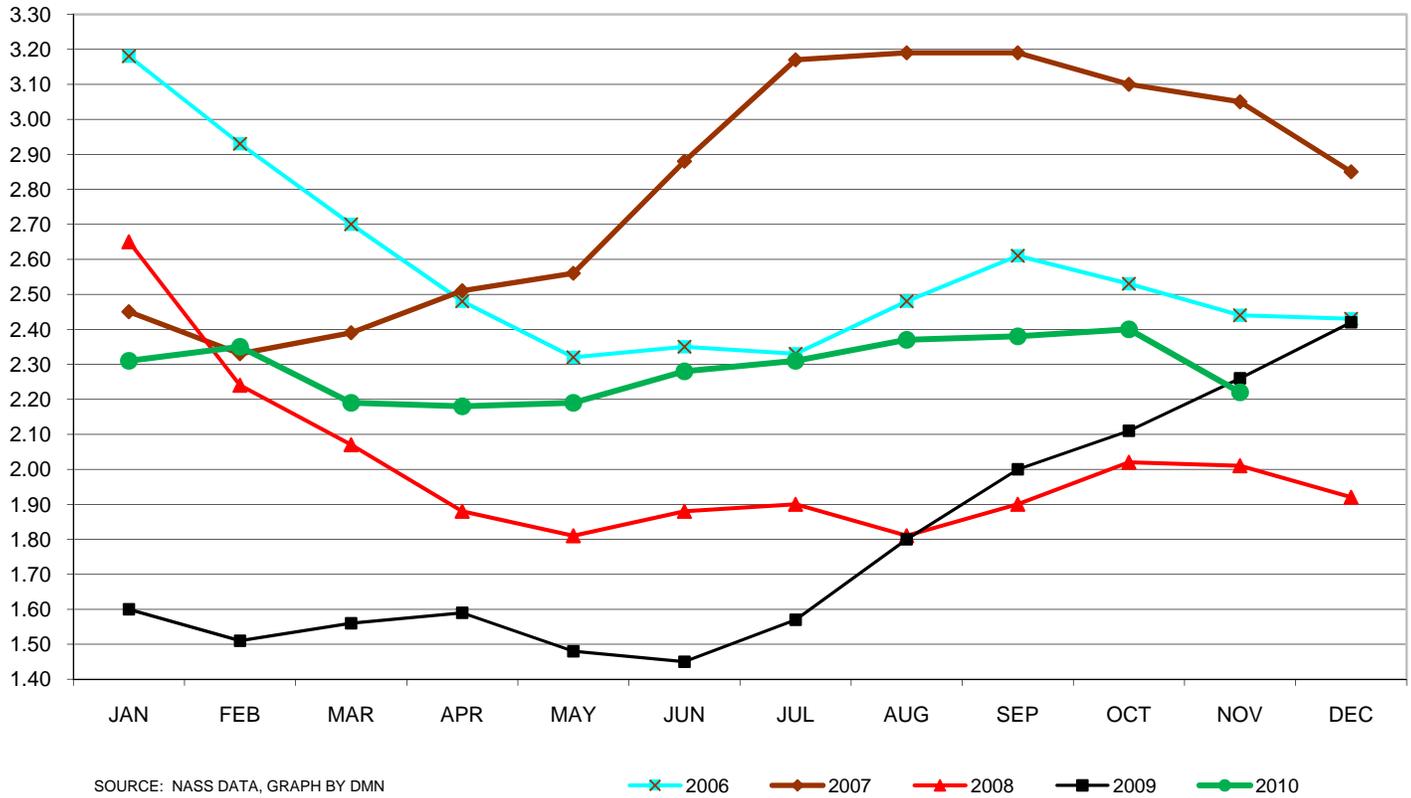
FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, NOVEMBER

**Component Price Information:** Under the Federal milk order pricing system, the butterfat price for November 2010 is \$2.2422 per pound. Thus, the Class II butterfat price is \$2.2492. The protein and other solids prices for November are \$2.1981 and \$0.1797 per pound, respectively. These component prices set the Class III skim milk price at \$7.87 per cwt. The November Class IV skim milk price is \$9.15 which is derived from the nonfat solids price of \$1.0172 per pound. **Product Price Averages:** The product price averages for November are: butter \$2.0230, nonfat dry milk \$1.1953, cheese \$1.6152, and dry whey \$0.3736.

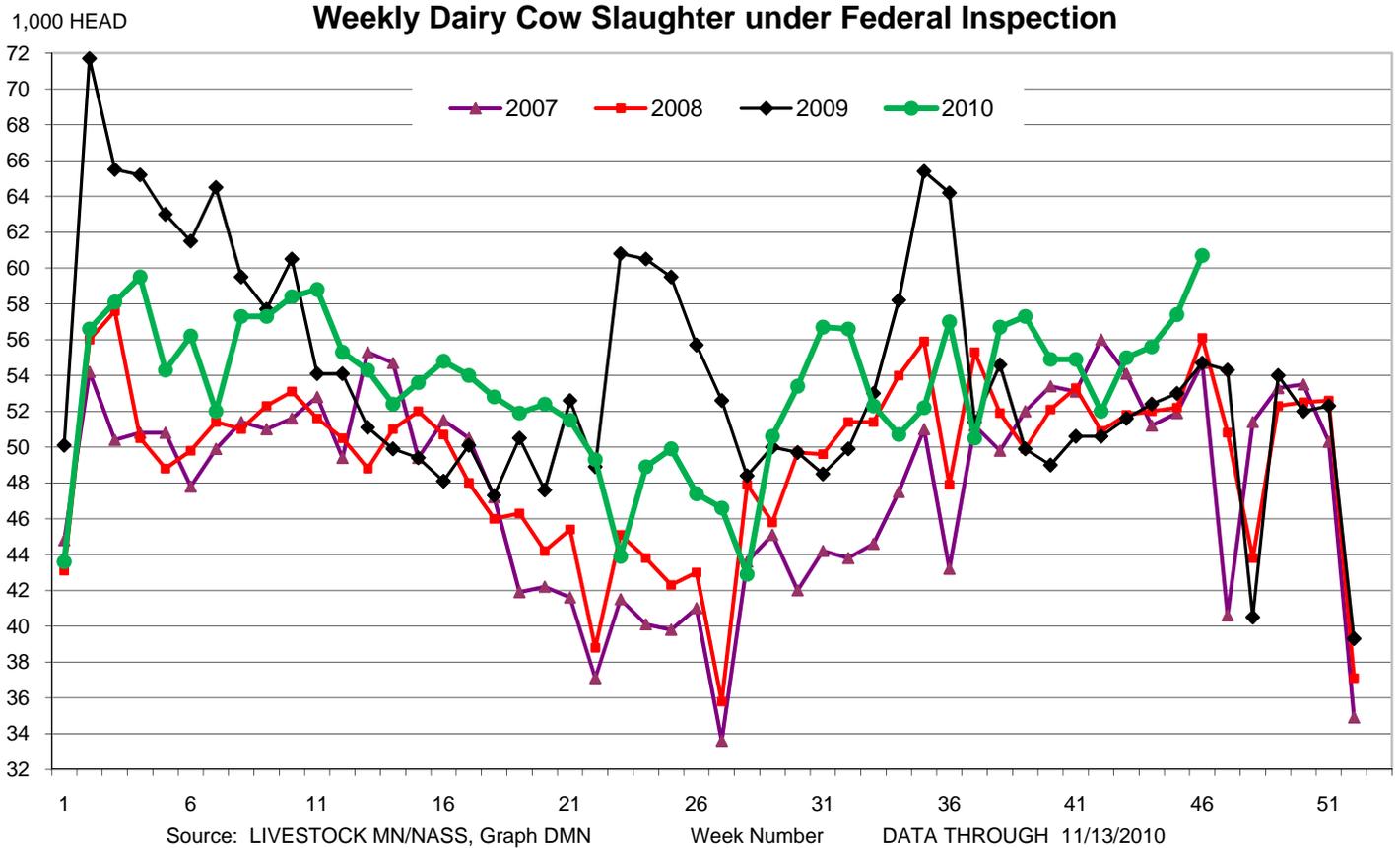
FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT 1/ 2/						
FEDERAL MILK ORDER MARKETING AREAS 3/	ORDER NUMBER	NOVEMBER 2010				DECEMBER 2010
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) 4/	001	20.49	17.21	15.44	16.68	20.21
Appalachian (Charlotte) 5/ 6/	005	20.64	17.21	15.44	16.68	20.36
Southeast (Atlanta) 6/ 7/	007	21.04	17.21	15.44	16.68	20.76
Florida (Tampa) 6/ 8/	006	22.64	17.21	15.44	16.68	22.36
Midwest (Cleveland) 9/	033	19.24	17.21	15.44	16.68	18.96
Upper Midwest (Chicago) 10/	030	19.04	17.21	15.44	16.68	18.76
Central (Kansas City) 11/	032	19.24	17.21	15.44	16.68	18.96
Southwest (Dallas) 12/	126	20.24	17.21	15.44	16.68	19.96
Arizona (Phoenix)	131	19.59	17.21	15.44	16.68	19.31
Pacific Northwest (Seattle) 13/	124	19.14	17.21	15.44	16.68	18.86
All-Market Average	---	20.13	17.21	15.44	16.68	19.85

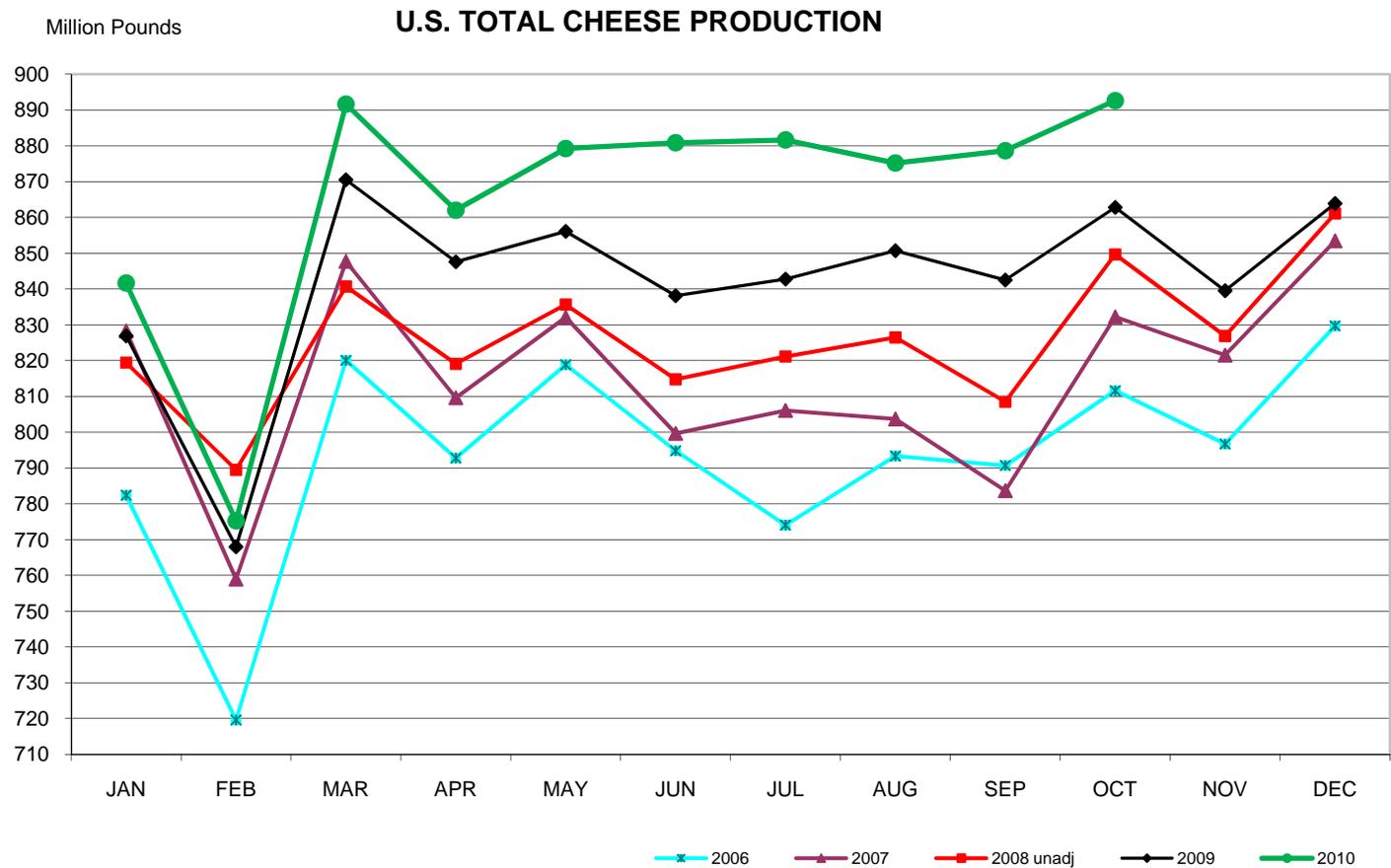
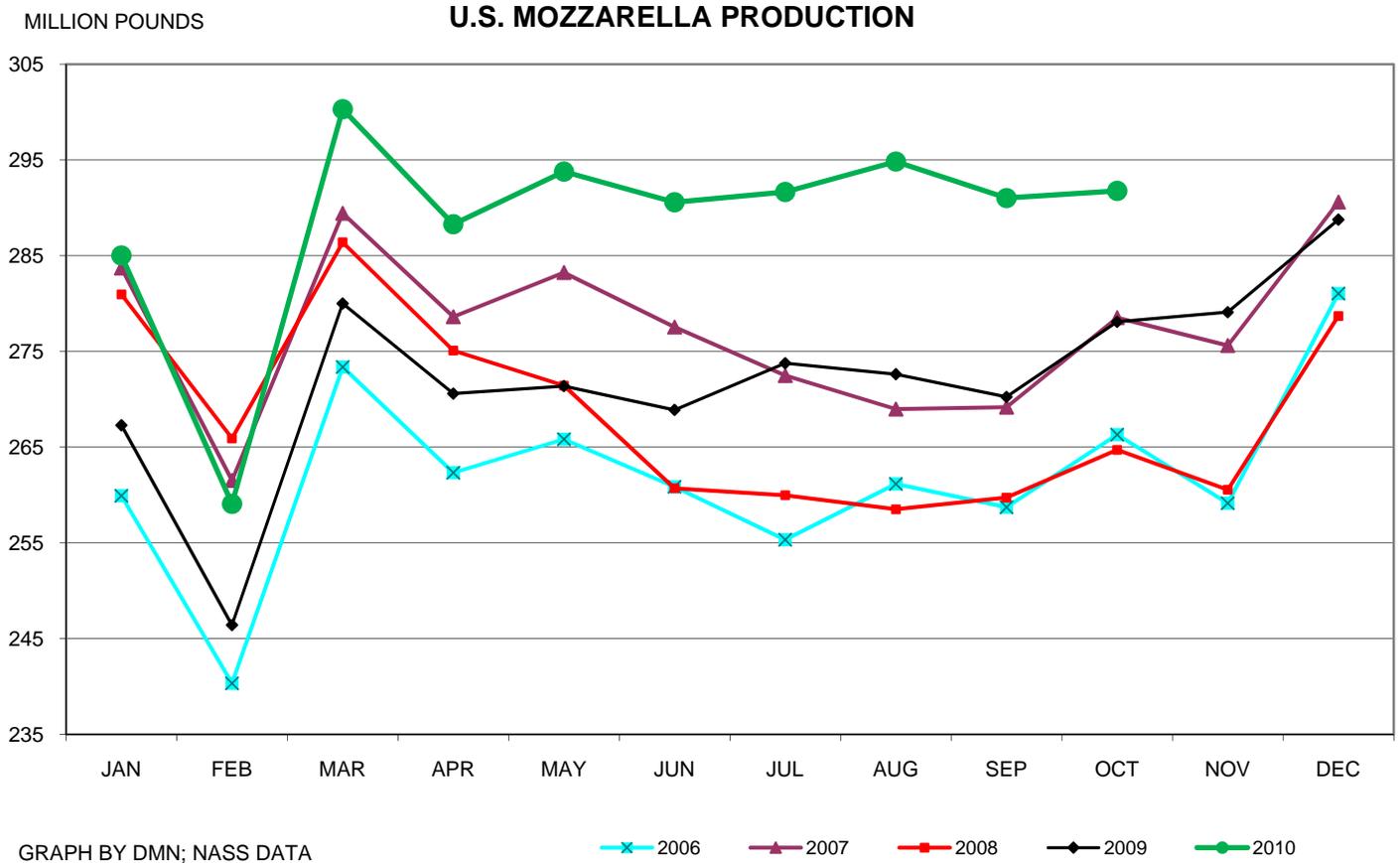
1/ To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.  
 2/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this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

### Milk Feed Price Ratio

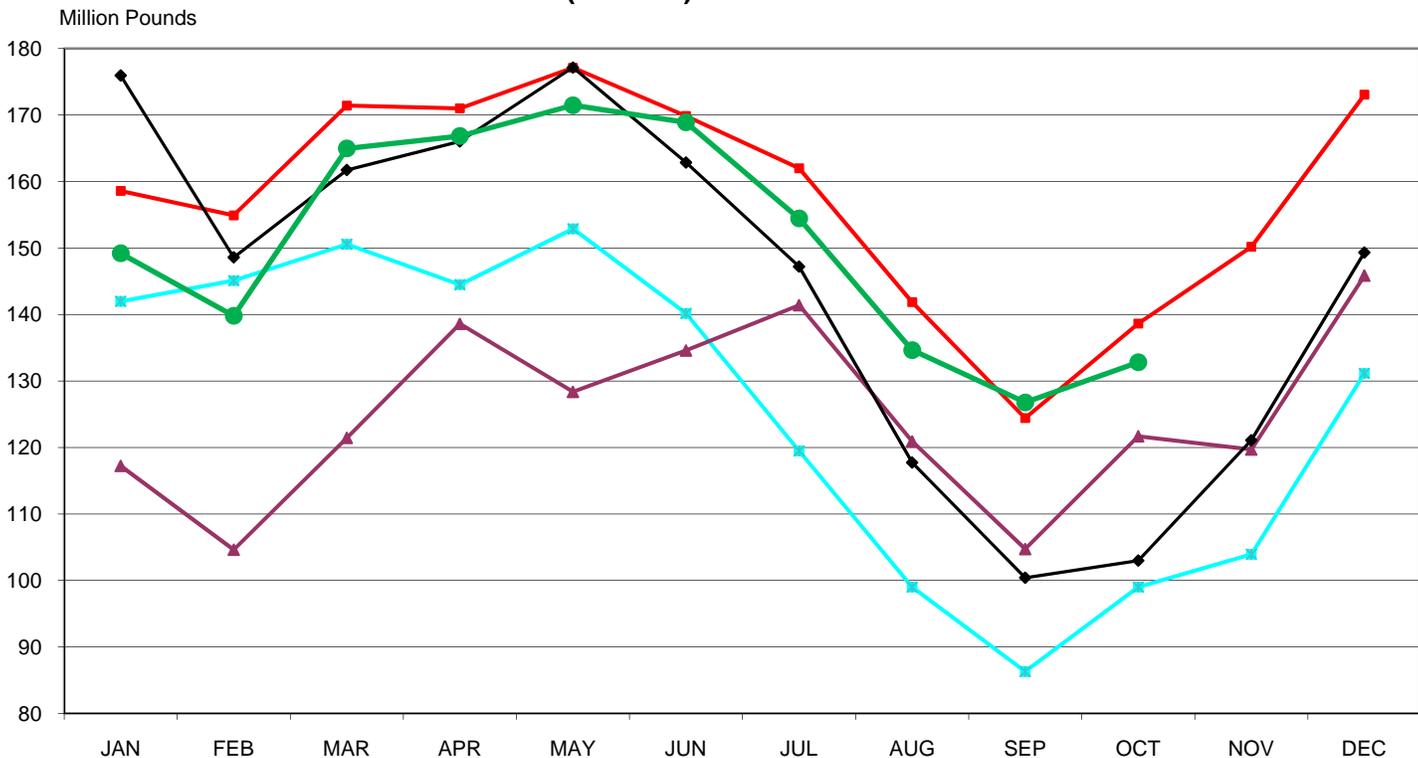


### Weekly Dairy Cow Slaughter under Federal Inspection





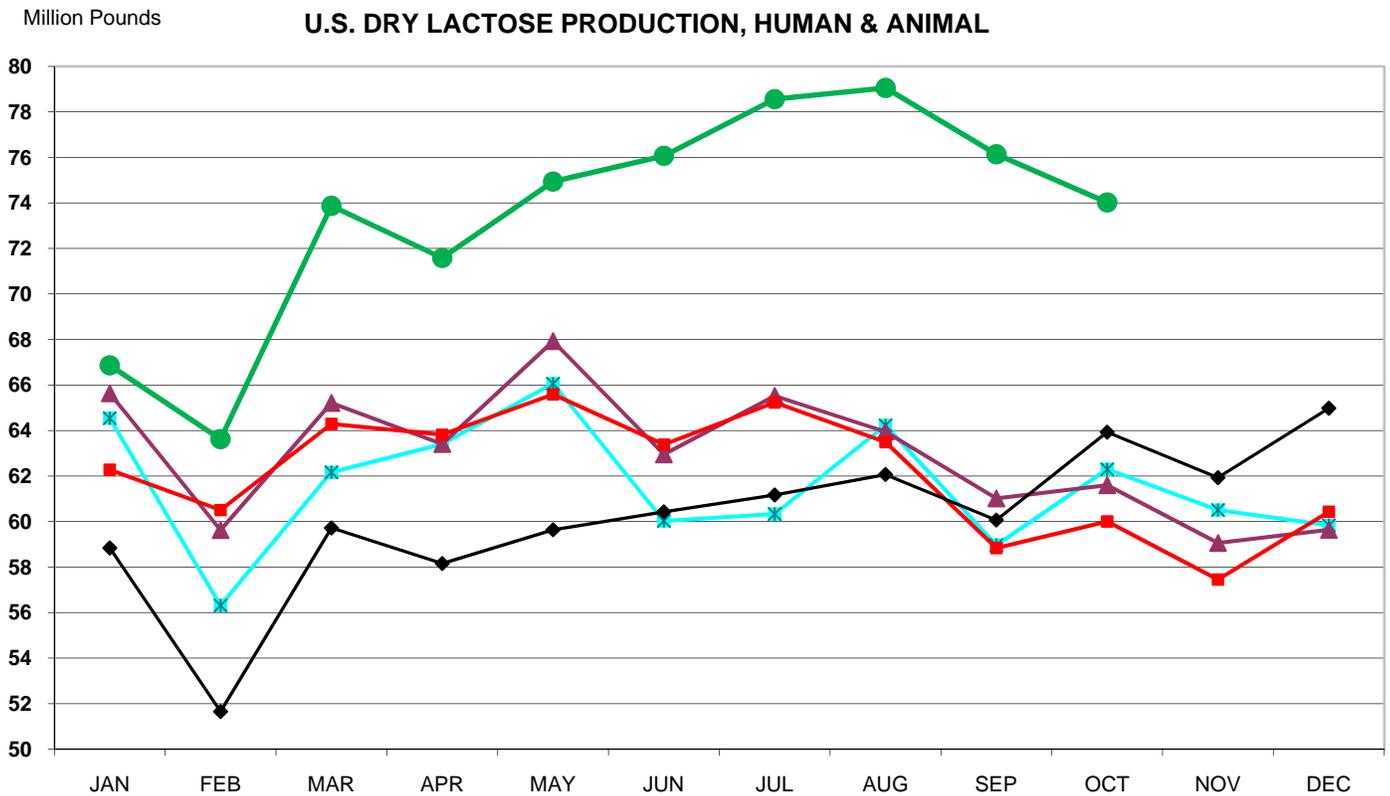
### U.S. COMBINED NDM (HUMAN) AND SKIM POWDER PRODUCTION



GRAPH BY DMN: NASS DATA

2006 2007 2008 2009 Revised 2010

### U.S. DRY LACTOSE PRODUCTION, HUMAN & ANIMAL



12/02/10 - Graph: DMN - Source: NASS

2006 2007 2008 2009 2010

# DAIRY MARKET NEWS

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