

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (04/29):**

BUTTER: Grade AA closed at \$2.0750. The weekly average for Grade AA is \$2.0290 (+.0290).

CHEESE: Barrels closed at \$1.6025 and 40# blocks at \$1.6125. The weekly average for barrels is \$1.5915 (+.0040) and blocks, \$1.6045 (-.0074).

BUTTER HIGHLIGHTS: The CME Group cash butter price has steadily increased during the week to settle at \$2.0750 by week's end. Many butter producers and handlers are surprised at the strength of the current cash market, as many were anticipating that this price would ease following the Easter/Passover holiday. Although the cash price has a firm tone, many feel that the price will ease during the upcoming spring milk flush. Butter producers and handlers were quite pleased with butter sales during the past four to six weeks. Retail orders were heavier than anticipated, often stimulated by feature activity. Food service orders were also more active than anticipated. Many butter producers will be using current and near term butter production to enhance inventories that are much lower than last year at this time and lower than desired. Most have been hesitant to rebuild inventories at recent and current price levels, but some are now reevaluating their inventory management decisions. Cream demand has eased for cream based Class II needs, thus additional volumes are available for butter churns. Although in the early stages, some Class II cream buyers, especially ice cream and mix producers, are starting to establish workable inventories as the summer demand period nears.

CHEESE HIGHLIGHTS: The cheese market seems to be settling into a trading range on the CME Group cash market. Some cheese operations are seeing improved sales while others remain sluggish and continue to build inventory. Buyers based on monthly averages will see a 20+ cent decline based on the lower April CME Group averages, likely enough to stimulate orders. Cheese production remains seasonally active as overall milk volumes continues to increase. Also, 2010 milk components through March (see page G3) have remained above recent years, generating improved cheese yields. According to NASS, the revised 2010 cumulative U.S. cheddar production totals 3.233 billion pounds, down 21.6 million pounds (-0.7%) from the initial 2010 total but, 28.2 million pounds (+0.9%) above the revised 2009 total. Revised 2010 mozzarella output is 3.488 billion pounds, 6.2 million pounds (-0.2%) less than the initial total though 221.0 million pounds (6.8%) more than the revised 2009 cumulative. The new total cheese 2010 output is 10.436 billion pounds, down 12.8 million pounds (-0.1%) from the 2010 initial but 361.7 million pounds (3.6%) above the 2009 revised output. For comparison, U.S. 2010 exports of cheese and curd totaled 382.6 million pounds. The 2010 production of processed cheese and combination products (big use for barrels) totaled 2.125 billion pounds, down 73.4 million pounds (-3.3%).

FLUID MILK: Manufacturing milk supplies were heavier over the holiday period, increasing manufacturing schedules with plant capacities more

than adequate to handle the increased milk volumes. Milk production patterns show declines in the Deep South and Southwest, steady to increasing in the Midwest, New Mexico, and Pacific Northwest with significant increases in California and the Mid-Atlantic region. The Northeast shows limited milk production increases due to unseasonably cool weather. Cream multiples declined over the holiday period, but rebounded in the early part of the week as Class II production schedules returned to normal seasonal levels. Churning activity was active with some butter makers lowering prices to stimulate sales. Ice cream production is slow to develop in some areas due to the unseasonably cool spring in the Northern tier of states.

DRY PRODUCTS: Nonfat dry milk prices are steady in the Central and Eastern regions and slightly higher in the West. Production increased over the holiday period and is trending higher as milk production increases in most regions of the country. Trade sentiment was muted with a large industry meeting occurring this week. Export interest remains active. Dry buttermilk prices are slightly higher in the West and steady in other regions. Demand is fair, clearing best via contracts with limited spot interest. Dry whey prices are mostly steady. Additional cheese production is helping source more whey. Spot activity is very light as many traders attended a national dairy products conference. Whey protein concentrate 34% prices moved higher under contract formulations. Production is steady and the market is firm. The lactose market is firm.

INTERNATIONAL DAIRY MARKET NEWS (DMN): Milk production trends in **Western Europe** are positive at this time. The new production season is off to a strong start and early reports indicate that overall volumes are running ahead of last season in many countries. Early spring weather patterns are good, but lack of moisture is a major topic of discussion in most regions of Western Europe. Pastures are lush and green at this time, but moisture will be needed during the next 3 - 4 weeks to maintain these conditions and positive pasture growth for the future. Traders and handlers are stating that buyer interest from both domestic and international buyers has been limited. Most are attributing this trend to the Easter holiday. Traders state that stocks are available for immediate and future needs. At the April 21 Dairy Management Committee meeting, 300 MT of intervention skim milk powder were tendered at prices ranging 1,900 - 2,100 Euros (about \$2,755 - 3,045) per MT and all offers were rejected. The Private Storage Aid (PSA) scheme for butter has been open since March 1 and through April 17, nearly 25,300 MT of butter have cleared to the program. The Commission is now meeting only once a month, thus the next meeting will be held on Thursday, May 19. Milk receipts are generally up slightly in **New Zealand** for the season, but not as high as originally forecast.

CONTINUED ON PAGE 1A

*****SPECIALS THIS ISSUE*****

INTERNATIONAL DAIRY MARKET NEWS (PAGE 8)
DAIRY FUTURES (PAGES 9)
CONSUMER PRICE INDEX (PAGE 10)
COMMERCIAL DISAPPEARANCE (PAGE 10)

MAY ANNOUNCED COOPERATIVE CLASS I PRICES (PAGE 11)
FEBRUARY FMMO OVER ORDER CHARGES (PAGE 12)
APRIL CLASS PRICE (PAGE 13)

CME GROUP CASH TRADING

COMMODITY	MONDAY APR 25	TUESDAY APR 26	WEDNESDAY APR 27	THURSDAY APR 28	FRIDAY APR 29	:: WEEKLY :: CHANGE*	:: WEEKLY :: AVERAGE#
CHEESE							
BARRELS	\$1.5800 (N.C.)	\$1.5750 (-.0050)	\$1.6100 (+.0350)	\$1.5900 (-.0200)	\$1.6025 (+.0125)	:: :: (+.0225)	:: :: \$1.5915 :: (+.0040)
40# BLOCKS	\$1.6000 (N.C.)	\$1.6000 (N.C.)	\$1.6050 (+.0050)	\$1.6050 (N.C.)	\$1.6125 (+.0075)	:: :: (+.0125)	:: :: \$1.6045 :: (-.0074)
NONFAT DRY MILK							
EXTRA GRADE	\$1.8000 (N.C.)	\$1.8000 (N.C.)	\$1.8000 (N.C.)	\$1.8000 (N.C.)	\$1.8000 (N.C.)	:: :: (N.C.)	:: :: \$1.8000 :: (N.C.)
GRADE A	\$1.6100 (N.C.)	\$1.6100 (N.C.)	\$1.6100 (N.C.)	\$1.6225 (+.0125)	\$1.6450 (+.0225)	:: :: (+.0350)	:: :: \$1.6195 :: (+.0057)
BUTTER							
GRADE AA	\$2.0025 (+.0025)	\$2.0025 (N.C.)	\$2.0150 (+.0125)	\$2.0500 (+.0350)	\$2.0750 (+.0250)	:: :: (+.0750)	:: :: \$2.0290 :: (+.0290)

NATIONAL DAIRY MARKET NEWS AT A GLANCE

CONTINUED FROM PAGE 1

While not as strong as anticipated early in the season and through the peak, better weather later in the season provided a good tail after a slow start. Spot supplies will be very limited. Overall, current prices are fairly steady. Fall weather is fairly normal in New Zealand with cooler and occasionally wet weather. In **Australia**, the milk production season is also nearing the end with prospects improved for next year due to continued rains. The weather is fairly mild to occasionally warm for fall, providing good pasture growth late in the season. Production is also expected to be slightly higher but, due to herd reductions, due to the drought in recent years, may take a couple years to rebuild. Winter feed quality may be slightly below normal in some areas and could affect early production next season. At the April 19 g/DT auction, prices were mixed, anhydrous milkfat and skim powder lower while whole milk prices averaged higher. The average prices covering all contracting periods and the percentage change from the previous event are: anhydrous milk fat, \$5,951 per MT, -0.8%; skim milk powder \$3,771, -0.6%; and whole milk powder, \$3,912, +0.8%. Again no buttermilk powder was offered or sold.

CONSUMER PRICE INDEX (BLS): The March CPI for all food is 225.4, up 2.9% from March 2010. The dairy products index is 206.2, up 3.7% from a year ago. The following are the March to March changes for selected products: fresh whole milk +7.1%; cheese, +1.9%; and butter, +31.9%.

COMMERCIAL DISAPPEARANCE (ERS,AMS): Commercial disappearance of dairy products during December 2010 – February 2011 totals 46.9 billion pounds, 3.2% above the same period in 2009/2010. Comparing disappearance levels with year earlier levels; butter is +4.0%; American cheese, +6.0%; other cheese, +6.2%; NDM, +18.8%; and fluid products, -1.2%.

MAY ANNOUNCED COOPERATIVE CLASS I PRICES (AMS, DAIRY PROGRAMS): For May 2011, the all-city average announced cooperative Class I price was \$24.93 per cwt., \$2.54 higher than the Federal milk order (FMO) Class I price average for these cities. The May 2011 cooperative Class I price was \$0.29 higher than the April 2011 price. The May 2011 Federal order Class I price was \$0.32 higher than the April 2011 price. On an individual city basis, the difference between the Federal order and announced cooperative Class I price ranged from \$.53 in Phoenix, AZ, to \$4.21 in Miami, FL. For May 2010, the all-city average announced cooperative Class I price was \$19.01, \$2.57 higher than the Federal order Class I price average for these cities.

FEBRUARY FEDERAL MILK MARKETING OVER-ORDER CHARGES (AMS, DAIRY PROGRAMS): For February 2011, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.13 per cwt., up \$0.01 from the January 2011 average. Ninety 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 \$0.75 in the Pacific Northwest to \$2.91 in the Southeast. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.14 per cwt., also up \$0.01 per cwt. from the January 2011 average. Seventy-seven percent of the producer milk used in Class II carried an over-order charge.

CLASS AND COMPONENT PRICES (AMS, DAIRY PROGRAMS): The following are the April 2011 prices under the Federal Milk Order pricing system and the changes from the previous month: Class II \$19.66 (+\$.83), Class III \$16.87. (-\$2.53), and Class IV \$19.78 (+\$.37). Product price averages used in computing Class prices are: butter \$1.9975, NDM \$1.5680, cheese \$1.6983, and dry whey \$0.4808. The Class II butterfat price is \$2.2183 and the Class III/IV butterfat price is \$2.2113. Further information may be found at: www.ams.usda.gov/AMSv1.0/PriceFormulas2011

CME GROUP

MONDAY, APRIL 25, 2011

CHEESE -- SALES: 2 CARS 40# BLOCKS @ \$1.6000; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5700; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.0025; LAST OFFER UNCOVERED: NONE

TUESDAY, APRIL 26, 2011

CHEESE -- SALES: 4 CARS BARRELS: 3 @ \$1.5800, 1 @ \$1.5750; 11 CARS 40# BLOCKS @ \$1.6000; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.5750; 7 CARS 40#
 BLOCKS @ \$1.6000; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6000; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.6100
 BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: ONE

WEDNESDAY, APRIL 27, 2011

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.6100; 1 CAR 40# BLOCKS @ \$1.6050; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$1.6100; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.6100; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.6200
 BUTTER -- SALES: 2 CARS GRADE AA @ \$2.0150; LAST BID UNFILLED: 3 CARS GRADE AA @ \$2.0150; LAST OFFER UNCOVERED: NONE

THURSDAY, APRIL 28, 2011

CHEESE -- SALES: 3 CARS BARRELS @ \$1.5900; 3 CARS 40# BLOCKS @ \$1.6050; LAST BID UNFILLED: 3 CARS BARRELS @ \$1.5900; 1 CAR 40# BLOCKS @ \$1.6050; LAST
 OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6225; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$2.0500; LAST OFFER UNCOVERED: NONE

FRIDAY, APRIL 29, 2011

CHEESE -- SALES: 13 CARS BARRELS: 1 @ \$1.5950, 10 @ \$1.5925, 2 @ \$1.6000; 3 CARS 40# BLOCKS: 1 @ \$1.6050, 2 @ \$1.6075; LAST BID UNFILLED:
 2 CARS BARRELS @ \$1.6025; 5 CARS 40# BLOCKS @ \$1.6125; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$1.6450; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6450; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 18 CARS GRADE AA: 4 @ \$2.0550, 2 @ \$2.0700, 12 @ \$2.0750; LAST BID UNFILLED: 4 CARS GRADE AA @ \$2.0750; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

The butter price on the CME Group held steady Tuesday and closed at \$2.0025. Butter prices have been working their way higher, since last declining on April 4. Butter production increased over the holiday period and into the early part of the week, prompted by increased cream supplies. Butter orders are fairly good coming off the holiday, but not enough to keeping inventories from expanding. Some butter makers lowered prices in hopes of stimulating additional sales. Butter makers remain hesitant to build inventories at the current price levels. Cream multiples ranged from 123-132. According to the latest NASS Cold Storage report, butter in storage on March 31, totaled 144.4 million pounds, 5.8 million pounds (4%) more than the prior month stocks, but 51.4 million pounds (26%) less than March 2010 stocks. Prices for bulk butter range from 3-8 cents over the market, based on the CME Group with various time frames and averages used.

CENTRAL

The CME cash butter price has held steady at \$2.00 for a week, but firmed on Monday and by Wednesday increased to \$2.0150. Churning schedules were somewhat heavier over the past holiday weekend and are projected to remain active. Class II holiday cream demand is now over, thus additional volumes of cream are anticipated to be available to butter producers. Class II ice cream production is expected to increase in the future, but for the near term, will probably remain at pre-holiday levels. Butter orders are light early in the week as buyers assess inventory levels following the Easter/Passover holiday. Many butter producers feel that butter orders for the near term will be on the lighter side as some buyers anticipate that the cash price for butter will ease. Although cash butter prices might ease, many butter producers and handlers feel that the cash prices will not maintain a lower level for an extended period of time. More butter producers and handlers are now gearing

their thoughts towards inventory enhancement. Pre Easter/Passover orders were good this year, much to the surprise of most in the butter industry with much of recent production clearing into the marketplace. Now that the holiday has passed, summer is approaching and cream demand will be increasing for ice cream and mix needs. Butter producers are becoming more convinced that butter prices will probably remain at firmer levels than earlier projected, thus more will be rebuilding inventory levels at a faster pace than in recent months. Bulk butter prices range from 2 - 4 cents over various pricing bases and averages per pound.

WEST

The CME Group butter price for Wednesday is \$.0125 higher at \$2.0150. Prices for the week are up \$.0150. Wednesday's price increase was tied to two sales and more unfilled bids. Western butter markets continued to firm this week as overall supplies remain tight. Extra cream available over the Easter weekend went to churns and manufacturers were able to put some product into inventory. Butter producers continue to move product into retail, although the pace is expected to slow after the holiday surge. Higher fuel costs are affecting demand for butter at retail as consumers keep a close eye on discretionary income. Cream prices have firmed slightly as ice cream manufacturers reenter the market. Prices for bulk butter range from 1 cent over to 3 cents under the market, based on the CME with various time frames and averages used. According to the CME Group, weekly butter stocks in CME approved warehouses increased 1.7 million pounds to a warehouse adjusted 24.2 million pounds. The total of 24.2 million pounds compares to 59.1 million pounds in 2010 and 80.4 million pounds in the comparable week in 2009. According to the NASS Cold Storage report, stocks of butter as of March 31, 2011, total 144.4 million pounds, -26% or 51.4 million pounds less than March 2010. Stocks were 4% higher or 5.8 million pounds more than February 2011.

NASS DAIRY PRODUCT PRICES
 U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	NDM	BUTTER	DRY WHEY
April 23	1.6202 10,594,112	1.6222 8,416,923	1.5716 17,337,763	1.9878 5,977,424	0.4807 9,061,311

CHEESE MARKETS

NORTHEAST

Cheese prices on the CME Group were mixed Tuesday as barrels declined \$.0050 and closed at \$1.5750, while blocks were unchanged at \$1.6000. The weekly average prices declined for both barrels and blocks, resulting in \$.0100 decline in wholesale prices for all varieties with the exception of Swiss Cuts, which remained unchanged. Increased holiday milk supplies prompted increases in cheese production. Cream cheese also experienced some production expansion, brought about by an increase in post-holiday orders. The latest NASS Cold Storage report shows stocks of natural cheese in cold storage as of March 31, 2011 totaled 1.03 billion pounds, slightly less (0.1%) than one month ago, but 3% higher than one year ago. A majority of the holdings are in the form of American cheese (59.4%) totaling 614.1 million pounds, 1% less than the amount one month ago, but 2% higher than one year ago. The next highest natural cheese holdings in cold storage are in the form of Other Natural Cheese, (37.4%) totaling 386.9 million pounds, 2% more than one month ago and 3% more than one year ago. Swiss cheese accounts for 3.2% of holdings at 32.3 million pounds, 7% less than one month ago, but 20% more than one year ago.

WEST

Cheddar barrels on Wednesday at the CME Group are up \$.0350 at \$1.6100. 40 pound blocks are \$.0050 higher Wednesday at \$1.6050. Barrels have surpassed the block price on a bid with no sales reported for Wednesday. For the week so far, barrels are \$.0300 higher and blocks are \$.0050 higher. Sales of barrels are light to moderate with four loads traded. Blocks have traded heavier with thirteen loads sold by midweek. Western cheese prices are weaker early and beginning to show a slight bounce back higher as this week progresses. Cheese plants are busy with increased milk supplies over the Easter weekend and plants are replenishing inventories that moved over the last few weeks. Demand for cheese is described as good in most cases, although buyers are price sensitive in dealing with extra volumes. Recent lower prices have increased demand for export mozzarella and some plants are increasing production in response. Contract sales for domestic use are moving along expected levels. According to NASS, *Cold Storage* stocks of cheese (total) at the end of March 2011 are 1,033 million pounds, up 3% or 28.5 million pounds from last year. American stocks were up 2%, and Other Natural stocks were 3% higher than last year. Swiss stocks at the end of March total 32.3 million pounds, up 20% or 5.3 million pounds more than March 2010.

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

Cheddar 40# Block	:	1.9300-2.2050
Process 5# Sliced	:	1.6950-2.0050
Muenster	:	1.9500-2.1550
Grade A Swiss Cuts 10 - 14#	:	3.4025-3.7250

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

Process 5# Loaf	:	1.7125-1.9700
Cheddar 40# Block	:	1.7400-2.0925
Cheddar 10# Cuts	:	1.9200-2.1400
Monterey Jack 10#	:	1.9300-2.0900
Grade A Swiss Cuts 6 - 9#	:	2.9800-3.4100

MIDWEST

The cheese market appears steadier. New orders continue to be slow to arrive from monthly average users but some weekly average buyers have increased orders. Orders based on the April monthly averages, assuming little price change the rest of the week, should be down around 20 cents from those based on the March CME Group average. A few processors are noting increased orders and need overtime on some lines. Some process product is being prepared for Memorial Day promotions. The concern for process and mozzarella/pizza demand is that with high gas prices, summer travel may be curtailed, and reduce cheese use in vacation locations. Natural orders remain fair. Some plants continue to have problems clearing product commercially. Some product continues to be put in aging programs. Production is increasing seasonally as milk volumes climb. Combined with good seasonal yields, current offerings remain at least adequate.

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

Process American 5# Loaf	:	1.9475-2.2400
Brick And/Or Muenster 5#	:	2.1225-2.3300
Cheddar 40# Block	:	2.1225-2.8650
Monterey Jack 10#	:	2.0850-2.8650
Blue 5#	:	2.4400-3.0500
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9550-2.9650
Grade A Swiss Cuts 6 - 9#	:	2.9500-3.3300

FOREIGN

The CME Group weekly average block price declined, resulting in a \$.0100 decrease in wholesale prices for all domestic varieties. Imported varieties and domestic Swiss Cut prices remained unchanged.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-4.6900	: 2.0700-3.5575*
Gorgonzola	: 3.6900-6.3900	: 2.5725-2.8325*
Parmesan (Italy)	: -0-	: 3.1875-3.6025*
Provolone (Italy)	: 3.4400-6.2900	: 2.1125-2.2700*
Romano (Cows Milk)	: -0-	: 3.2600-5.4025*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-3.8300	: -0-
Jarlsberg-(Brand)	: 2.9500-4.8900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.4950-3.8175
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
	:	
04/25/11	7,862	: 126,503
04/01/11	7,608	: 126,483
CHANGE	254	: 20
% CHANGE	3	: N.C.

FLUID MILK AND CREAM

EAST

SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	260	0	220	0	200
SOUTHEAST STATES	0	0	0	0	0	0

Increased manufacturing milk supplies were the norm throughout the Eastern region over the holiday weekend and into the early part of the week. Class I demand has returned to mostly normal levels for this time of year with some kickbacks and sluggishness remaining in the South as some bottlers may have over ordered and some schools had extended holiday breaks. Cool wet weather in the Northeast region continues to delay spring field work activities and limit milk production increases. Pastures are improving slowly with ratings spread evenly between poor, fair and good. Warmer temperatures in the Mid-Atlantic and greener pastures are advancing milk production increases with production rapidly approaching the seasonal peak. Milk intakes in the Deep South are decreasing as day time temperatures have moved consistently into the 90's. Other areas in the Southeast region are at or near peak production levels. Auxiliary cheese plants were utilized over the holiday weekend and into the early part of the week to handle the increase in milk volumes. Florida is experiencing unusually warm weather for this time of year and as one contact put it, "we're getting June heat in late April". Cow comfort levels are declining and with it, reduced milk production. Florida also continues to be very dry. Pasture quality, which was improving, is now declining and producers have to continue supplemental feeding. Cream supplies were readily available over the holiday period and into the early part of the week. Demand increased this week as ice cream production and other Class II manufacturers returned to normal production schedules. Cream multiples ranged from 123-132. Condensed skim supplies increased significantly this week, following increases in the manufacturing milk supply and also due to a manufacturing plant shutting down their dryers for maintenance. Expanded yogurt production in the Northeast has increased condensed skim demand.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast	-	2.4600-2.6400
F.O.B. producing plants: Upper Midwest	-	2.4000-2.5800

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.61 - 1.66
Northeast - Class III - spot prices	- 1.45 - 1.54

MIDWEST

Class I interest was uneven, about steady where schools were in session and lighter where schools were out on a holiday break, whether just a day or longer. Class II product interest was not out of the ordinary for non-ice cream products. Ice cream interest is mixed, improved for some firms though slow enough for a few others to reduce schedules where demand has been slowed by cool weather. Cream demand was generally lighter with a number of operations down for a long holiday weekend. Cream multiples were lower over the weekend but recovered early in the week. Churning was active though some churns are really not interested in making and storing butter at current price levels. Extra manufacturing milk supplies over the holiday weekend were easily absorbed and prices reported did not drop below class. A few manufacturing plants have also been taking some planned maintenance days to prepare for the larger milk volumes expected in a month or two.

Milk components remain seasonally good and well above year ago levels. Some operations have been looking for extra milk to help fill orders for some customers. Weather remains a big issue for dairy. Severe weather in some states caused a few plants to adjust schedules for employee safety and/or power concerns. In northern states, wet and cool weather continues to delay planting and slowed pasture growth. It may also slow alfalfa maturity as producers feed stuff reserves are emptied. In the Southwest, at least parts of Texas received much needed rains with some temperature moderation. Milk intakes are steady to slightly higher in central and northern states and steady to lower in southern states.

WEST

March 2011 POOL RECEIPTS of milk in CALIFORNIA total 3.44 billion pounds, 7.9% higher than last year, according to CDFA. The March blend price, at a fat test of 3.73%, is \$18.35, \$0.45 higher than February and \$5.23 more than March 2010. The percentage of receipts used in Class 1 products is 14.9%. The March quota price is \$19.01 and the over quota price is \$17.31. These prices are \$0.57 higher than February and \$4.90 more than a year ago. Milk production patterns in CALIFORNIA are continuing to increase on a weekly basis with current feeding of new crop hay and green chop providing a boost to farm level output. Growth potential is being debated. The strong demand and high prices for beef continue to create opportunities for dairy producers to cull marginal milk cows and replace that animal with a fresh heifer. Dairy plants are running on increasing schedules to process the growing milk supply, but there is adequate capacity. NEW MEXICO milk supplies are building, as conditions are conducive for seasonal growth. Processing plants are running on extended schedule to handle the growing milk supplies, especially as milk sales out of state have slowed. Class I needs are slightly higher. ARIZONA weather conditions are generally favorable to milk cows and milk output is steady to slightly lower and continues to trend off the seasonal peak. Demand for Class I milk is a little higher after the holiday weekend. Patterns are expected to be steady until schools and colleges begin to recess in May. CREAM prices are mainly steady with only slight changes noted for multiples and butter prices. Demand for cream is uneven coming out of an extended holiday weekend with many processing plants taking extra days off. Ice cream plant demand is slow to develop. There are concerns over cream prices as well as other ingredient costs - dairy, chocolate, sugar, and flavorings - that will squeeze margins as end product consumers use more discretionary income for food and transportation basics. At the CME Group, the Grade AA butter price closed at \$2.0150 on Wednesday, April 27, up 1.5 cents from a week ago. Cream multiples range from 103-122 and vary based on class usage and basing point. Milk production in the PACIFIC NORTHWEST continues to increase seasonally along expected volumes. Warmer temperatures are returning slowly to the region and cows are responding with increased milk flow. The increased volumes are being handled with most production facilities working extended schedules on weekends. Spring fieldwork is behind in some cases and new crop forages are slow to develop as cool weather hinders growth. UTAH and IDAHO temperatures are showing wide variations this spring as a short spell of warmer temperatures can be quickly followed with cool wet conditions. Frost and snow in the upper elevations continue to slow spring's arrival. Milk volumes are being readily handled within the region. Improved milk prices have dairy farmers looking to increase herds. Replacement heifer prices at auction in Idaho are steady to firm with the top heifer at one auction reported at \$1635. The top fifty heifers averaged \$1440 per head. Planting of spring grains is spotty and reported to be behind schedule. Alfalfa production is also slow to develop.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

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

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: The Central nonfat dry milk market is mostly steady. Availability of spot loads is variable from plant to plant, improving overall in the region from both manufacturer and broker/trader sources. Sales of spot loads trend toward singular or a few loads, versus blocks, as most Central plants indicate production is still being channeled for contract fulfillment in the near to mid terms. Contract loads from the West continue to clear into the Central region. Central region production of low heat NDM is steady to higher as farm milk intakes build along the usual seasonal pattern.

EAST: Price ranges for nonfat dry milk were unchanged this week in fairly light trading as numerous traders attended the annual ADPI conference in Chicago. Nonfat dry milk production expanded due to heavy manufacturing milk supplies over the holiday period. Production increases were not as significant as they might have been, because a major manufacturer in the East had their dryers shut down for maintenance. Drying schedules are geared to mostly low heat production to better handle the leftover holiday milk supplies. One broker described the market as trading "sideways, without much going on" as numerous buyers and sellers are taking a wait and see attitude and desire a clearer picture of the market.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.5500 - 1.7500 MOSTLY: 1.5500 - 1.6200
HIGH HEAT: 1.6000 - 1.8200

NONFAT DRY MILK - WEST

Western low/medium heat NDM prices increased slightly for both the range and mostly series. Trade sentiment was muted with a large industry meeting happening this week. Production is seasonally increasing with more milk moving to balancing plants as farm level milk production increases. There were added volumes over the holiday weekend and extended into the early week. Condensed skim sales are slow to resume. Demand for NDM is fair to good, but variable among buyers. Domestic cheese accounts are slow to develop any added demand. Export buyers are active and have locked in some added needs in recent weeks. Many traders are cautious about taking an extended position at this time. The CME Group NDM markets closed at midweek at \$1.8000 for Extra Grade and \$1.6100 for Grade A with one sale for Grade A recorded last week, and one this week. Western high heat nonfat dry milk prices are unchanged this week. Trading activity remains limited beyond contracted sales. Drying activity is light to moderate with some producers making additional high heat for later needs. Stocks are in balance.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.5400 - 1.6500 MOSTLY: 1.5800 - 1.6000
HIGH HEAT: 1.6000 - 1.8000

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are steady for the week, with interest unchanged to marginally lower. Spot cream loads are reported as plentiful in the Central region. Condensed buttermilk interest from Class II manufacturers is at seasonal levels, leaving some condensed buttermilk to clear to the dryers. Contract shipments are reported as being received without delays from most producers.

EAST: Eastern dry buttermilk prices remained unchanged this week in light trading. Dry buttermilk production expanded over the holiday period as cream supplies and butter production increased. Condensed buttermilk sales began to pick up early in the week as ice cream production returned to regular seasonal production schedules. Most dry buttermilk supplies are moving through contracts with only small volumes making their way to the spot market. Demand for dry buttermilk remains flat giving the market a weak undertone.

F.O.B. CENTRAL/EAST: 1.3650 - 1.6200

DRY BUTTERMILK - WEST

Western dry buttermilk prices are slightly higher in light trading. The market tone is mostly steady. Supplies are adequate for current need and there are some additional offerings as dry buttermilk output remains seasonally active to process available solids. Demand is fair, clearing best under contract, while spot interest is limited. Stocks are light to moderate and available for current needs.

F.O.B. WEST: 1.5000 - 1.5600 MOSTLY: 1.5100 - 1.5400

DRY WHOLE MILK - NATIONAL

The price range narrowed for dry whole milk, representing contract prices based on various current indices as well as spot load sales. Dry whole milk inventories are clearing regularly to contract shipments. Spot market activity is sporadic due to light supplies. End user interest for the second half of the year is active, although finding the common ground between buyer/seller pricing is a sticking point. The butter and NDM markets, which impact dry whole milk pricing, have not demonstrated a clear pricing trend for July – December 2011. With pricing factors uncertain, neither buyers nor sellers want to carry the entire price risk burden. Finding suppliers with both projected milk supplies and dryer availability during the next half of the year is also a consideration. Weekly production of dry whole milk varies greatly, and some plants indicate dryer time is available, but milk solids are scarce.

F.O.B. PRODUCING PLANT: 1.9500 - 1.9900

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 22	\$1.5270	12,637,731	0
April 15	\$1.5511	12,890,486	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.

2010 TOTAL PRODUCTION OF DRY PRODUCTS AND % CHANGE FROM 2009

Dry Product	2010 Production, Millions of Pounds	% Change from 2009
Nonfat dry milk, human	1,562.5	+3.4
Skim milk powder	253.8	+14.4
Dry buttermilk	82.0	+10.1
Dry whole milk	70.0	+17.5

Source: Dairy Products 2010 Summary (April 2011), USDA, National Agricultural Statistics Service

WHEY, WPC 34%, LACTOSE & CASEIN

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

DRY WHEY - CENTRAL

Central dry whey prices adjusted to accommodate contract sales based on variable indices. Production is steady at most locations, although plant maintenance schedules have prompted some shifting of farm milk intakes. Cheese orders are exerting an influence on some plant schedules, allowing an additional day or two of cheese/whey production during the week. Spot loads of dry whey are intermittently being offered from brokers and a few producers to mostly steady interest. Buyer interest is reported to be focused on near term needs. Some manufacturers offered hope of improved spot load availability over the next 2 – 4 weeks, as lags on contract load commitments near fulfillment. ANIMAL FEED WHEY prices are firm, keeping pace with the edible market. Some edible dry whey loads with minor packaging or specification issues have augmented the supply from the dedicated animal feed whey production sector. Interest is steady.

F.O.B. CENTRAL: .4400 - .5150 MOSTLY: .4450 - .5100
 F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .3100 - .4525

DRY WHEY - NORTHEAST

Whey prices in the East were unchanged in limited trading this week as many traders attended the ADPI conference in Chicago. Dry whey production expanded following increased cheese production as manufacturing milk supplies increased over the holiday period, increasing cheese production. Supplies remain very tight with most current production moving through contracts. Buyers on the spot market are finding the product a little easier to source outside the region with resale prices under \$.6500. Domestic and export demand continue to be very good, giving the dry whey market a strong undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .4575 - .5425

DRY WHEY - WEST

Western whey prices are mostly steady with some weakness reported at the top of the range. Spot activity is very light this week as many market participants attended a national dairy products conference. Additional cheese production is helping to source more whey. Manufacturers are hoping to catch up on some delayed contract deliveries. Whey supplies are described as tight. Demand remains good for available offered loads. According to NASS, the 2010 Dairy Products Summary reported total dry whey production at 1.01 billion pounds, up 1.2% from 2009. Production of Human dry whey in the West for 2010 totaled 254.9 million pounds, up 10.5 million pounds (+4.3%). The West produced 26.5% of the total human dry whey for 2010.

NONHYGROSCOPIC: .4525 - .5600 MOSTLY: .4550 - .5150

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Weekly prices for whey protein concentrate 34% moved higher as contract pricing adjusted to changes in various indices. The market is firm. Spot market sales, F.O.B., are supporting the top ends of both the range and mostly series. Production is steady, but generally lower than optimal capacity due to regularly scheduled plant maintenance and variations in condensed whey stream availability. Slightly off spec and/or WPC 34% with compromised packaging is reportedly available and clearing within the price range.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.3600 - 1.5800 MOSTLY: 1.3900 - 1.5100

LACTOSE - CENTRAL AND WEST

The lactose market is firm. The range price series adjusted to incorporate spot sales as well as recently reported contract sales. The bottom of the mostly price series moved higher to reflect the bulk of trading as reported by F.O.B. sellers and buyers. Some spot load availability is occurring from time to time from manufacturers and pricing is confident of market interest. Initial discussions for Q3 are underway between various end users and manufacturers.

Including spot sales and up to 3 month contracts.
 F.O.B. EDIBLE, NON PHARMACEUTICAL .3600 - .5600 MOSTLY: .4300 - .4800

CASEIN - NATIONAL

Domestic casein markets and prices remain firm. Supply availability continues to be at the forefront of most domestic casein buyers. Suppliers remain optimistic that they will be able to fulfill commitments, but indicate that spot availability will be limited. The Oceania production season is over and commitments are being filled from inventoried volumes. The European milk production season is increasing, thus is casein output. At this point, casein production in Europe is developing as projected. Milk volumes are clearing to most all manufacturing facilities as planned and casein manufacturers indicate that they are on target with forecasts. Casein manufacturers are not concerned about milk availability at this time, but as the spring flush peaks and then winds down, milk disposition could be re-directed towards products of more need or better financial return than 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: 4.7600 - 5.1400
 ACID: 4.7000 - 5.1200

2010 TOTAL PRODUCTION OF DRY PRODUCTS AND % CHANGE FROM 2009		
Dry Product	2010 Production, Millions of Pounds	% Change from 2009
Dry whey, human and animal	1,013.0	+1.2
WPC 25.0-49.9%, human and animal	244.3	-6.2
WPC 50.0-89.9%, human and animal	183.6	+18.9
Lactose, human and animal	907.5	+25.6

Source: Dairy Products 2010 Summary (April 2011), USDA, National Agricultural Statistics Service

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 25 - 29, 2011			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/10	SAME PERIOD LAST YEAR	WEEK ENDING 04/22/11	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-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-	-0-	132,276	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	132,276	-0-	-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 04/09/11 & Comparable Week 2010

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
2011-Dairy	N.A.	0.6	8.3	3.2	20.6	4.1	N.A.	N.A.	15.2	4.1	58.2	904.0#	47.5	48.8
2010-Dairy	N.A.	0.6	6.2	2.3	16.9	4.9	0.2	N.A.	17.1	3.9	53.6	774.2	45.7	45.6
2011-All cows	0.0	0.7	10.4	13.6	32.4	22.8	N.A.	N.A.	17.1	7.2	122.5	1,851.6		
2010-All cows	N.A.	0.7	7.8	13.2	32.0	22.0	13.7	N.A.	19.7	7.0	119.9	1,699.6		

CORRECTIONS ON TOTAL FOR WEEK ENDING 4/2 (REPORT 16) # - 845.8

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.

CLASS III MILK PRICES, (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83

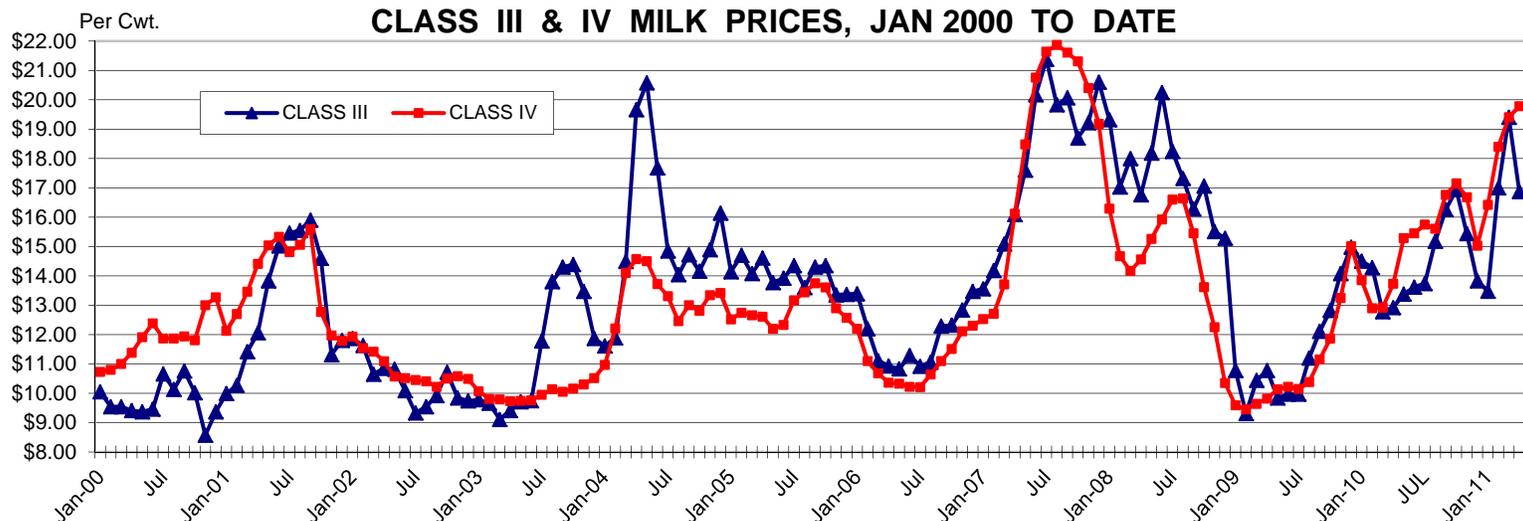
CLASS IV MILK PRICES, (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2007	12.53	12.71	13.71	16.12	18.48	20.76	21.64	21.87	21.61	21.31	20.40	19.18
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03

FEDERAL MILK ORDER CLASS PRICES FOR 2011 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	15.20	15.89	18.23	19.43	19.75							
II	16.79	17.97	18.83	19.66								
III	13.48	17.00	19.40	16.87								
IV	16.42	18.40	19.41	19.78								

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



INTERNATIONAL DAIRY MARKET NEWS—EUROPE

Information gathered April 18—29, 2011

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

WESTERN AND EASTERN EUROPE

WESTERN OVERVIEW: Milk production trends in Western Europe are positive at this time. The new production season is off to a strong start and early reports indicate that overall volumes are running ahead of last season in many countries. Milk volumes are clearing to all areas of manufacturing with relative ease. Early spring weather patterns are good, but lack of moisture is a major topic of discussion in most regions of Western Europe. Pastures are lush and green at this time, but moisture will be needed during the next 3 - 4 weeks to maintain these conditions and positive pasture growth for the future. Traders and handlers are stating that buyer interest from both domestic and international buyers has been limited. Most are attributing this trend to the Easter holiday. Now that the holiday is past and buyers are returning to work, traders anticipate that buyer interest will once again improve. Traders do state that stocks are available for immediate and future needs. Fresh product demand has dropped off now that Easter holiday needs have been filled thus uncommitted production will be clearing to inventory. At the April 21 Dairy Management Committee meeting, 300 MT of intervention skim milk powder were tendered at prices ranging 1,900 - 2,100 Euros (about \$2,755 - 3,045) per MT and all offers were rejected. There are about 50,000 MT of intervention powder available for possible sale. The Private Storage Aid (PSA) scheme for butter has been open since March 1 and through April 17, nearly 25,300 MT of butter have cleared to the program. The Commission is now meeting only once a month, thus the next meeting will be held on Thursday, May 19.

BUTTER/BUTTEROIL: European butter markets and prices are steady to firm. The new milk production season is underway in Western Europe, thus churning is seasonally increasing, while still at seasonally low levels in Eastern Europe. Domestic butter demand has been good prior to the Easter holiday in Europe, but eased last week and has not improved yet this week. Much of Europe has observed a 4 day Easter holiday weekend, thus most buyers are just returning to work and assessing need before re-entering the marketplace. Traders and handlers feel that near term butter orders will be filled for domestic needs with international buyers still appearing to be hesitant because of European prices.

82% BUTTERFAT: 5,500 - 5,950
99% BUTTERFAT: 6,050 - 6,500

SKIM MILK POWDER (SMP): Skim milk powder markets and prices are weaker. Although skim milk powder prices are lower, the market undertone is not overly weak. Traders and handlers are speculating that prices are easing somewhat to keep new production moving. Traders are stating that skim demand is not overly active and what activity that is occurring is from domestic buyers. Some recent international milk powder tenders are being filled, but new sales activity or shipments are not as active as projected. Traders and handlers are speculating now that the Easter holiday is past, buyers will return to the market, especially if prices continue to ease.

1.25% BUTTERFAT: 3,275 - 3,625

WHOLE MILK POWDER (WMP): European whole milk powder markets are mixed with prices unchanged to lower. Traders are indicating that whole milk powder buyer interest is active with most activity centered around a domestic market, although shipments are occurring internationally, for product previously committed. New buyer interest is quiet, typical for the period prior to and just after a holiday. The milk production season is on the increase, thus milk volumes are fully sufficient to maintain steady whole milk drying schedules. Stocks are available for immediate and future needs.

26% BUTTERFAT: 4,350 - 4,500

SWEET WHEY POWDER: European whey powder markets and prices are steady to firm. Cheese production is building seasonally as milk volumes increase, thus whey volumes are also on the increase. At this point, whey disposition in Europe is clearing through domestic edible and animal feed markets. International buyers continue to exercise caution with their purchases and often higher than desired asking prices are limiting transactions.

NONHYGROSCOPIC: 1,300 - 1,375

EASTERN OVERVIEW: Milk production in Eastern Europe remains seasonally low, but increases are being reported, especially in Poland and the Baltics. Late winter weather conditions extended a little further this year, thus seasonal increases might be delayed somewhat. Concerns of limited moisture are starting to be discussed in some Eastern European regions. Pastures are still not well developed for the upcoming milk production season and moisture will be needed to enhance growth in the coming weeks. Milk clearing through manufacturing facilities remains limited, but, for the most part, facilities are ready for the upcoming milk production season. Stocks are limited, but manufacturers and handlers are optimistic.

Exchange rates for selected foreign currencies: April 25, 2011

1.0476 Canadian Dollar	.0225 Indian Rupee
.2450 Argentina Peso	.8001 New Zealand Dollar
.0862 Mexican Peso	1.0722 Australian Dollar
.3694 Polish Zloty	.0122 Japanese Yen
	1.4583 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0862)
= 11.6009 Mexican Pesos. Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered APRIL 18-29, 2011

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

OCEANIA

Milk receipts are generally up slightly in New Zealand for the season, but not as high as originally forecast. While not as strong as anticipated early in the season and through the peak, better weather later in the season provided a good tail after a slow start. Current manufacturing centers on covering commitments until next season and for priority customers' late orders. Spot supplies will be very limited until the next season with most deliveries from product already in storage. Overall, current prices are fairly steady. Fall weather is fairly normal in New Zealand with cooler and occasionally wet weather. The major dairy firm in New Zealand, Fonterra announced a new export record was set in March at 229,000 MT of dairy products. In Australia, the milk production season is also nearing the end with prospects improved for next year due to continued rains. The weather is fairly mild to occasionally warm for fall, providing good pasture growth late in the season. Production is also expected to be slightly higher but, due to herd reductions due the drought in recent years, may take a couple years to rebuild the herd. The strength of the Australian Dollar compared to the weak U.S. dollar makes exports to countries with currencies tied to the U.S. Dollar more difficult. Most current production centers on covering commitments and inventorying product for winter sale before next season. Winter feed quality may be slightly below normal in some areas and could affect early production next season. At the April 19 g/Dt auction, prices were mixed, anhydrous milkfat and skim powder lower while whole milk prices averaged higher. The average prices covering all contracting period and the percentage change from the previous event are: anhydrous milk fat, \$5,951 per MT, -0.8%; skim milk powder \$3,771, -0.6%; and whole milk powder, \$3,912, +0.8%. Again no buttermilk powder was offered or sold.

BUTTER: The butter market is fairly steady. Spot supplies will be limited until the new season. Manufacturing is light, reflecting late season milk intakes and the still strong demand for whole milk powder. Most shipments will originate from storage with spot availability limited until the new season. On the April 19 g/Dt auction, the June anhydrous contract averaged \$5,977, +0.1%; July - September also \$5,977, -2.6%; and October - December \$5,872, -1.1%. All contracts averaged \$5,951, -0.8%.

82% BUTTERFAT:

4,500 - 4,900

SKIM MILK POWDER (SMP): The skim market is steady and international interest is generally light. Prices are a little firmer. Production is light due to steady to generally lower milk intakes and better demand for other dairy products. On the April 19 g/Dt auction, the June contract averages \$3,900, -2.8%; July - September \$3,784, -1.7%; October - December \$3,687, +1.5%. All contracts averaged \$3,771, -0.6%.

1.25% BUTTERFAT:

3,700 - 4,000

WHOLE MILK POWDER (WMP): The whole milk market is fully steady. Some late season production continues to cover current commitments and priority customers' needs until the new milk production season begins. Overall powder production is trending lower along with reduced milk volumes. On the April 19 g/Dt auction, the June whole milk contract averaged \$3,986, -0.2%; July - September \$3,985, +1.8%; October - December \$3,829, +0.7%. All whole milk contracts averaged \$3,912, +0.8%.

26% BUTTERFAT:

3,950 - 4,300

CHEDDAR CHEESE: The cheddar market is generally steady with production at light seasonal levels. Other products, such as whole milk, are generally prioritized higher than cheese at this point in time. By the new season, cheese inventory is expected to be minimal though possibly just slightly above the end of the previous season. Preparations continue to add industrial cheddar cheese to the g/Dt auction platform in July.

39% MAXIMUM MOISTURE:

4,300 - 4,600

APRIL 19, 2011 Global/Dairy Trading (g/Dt) event 42 recap US \$ per metric ton				
Average prices and Changes in price Indices from Previous event	Contract #1 June 2011	Contract #2 July - September 2011	Contract #3 October- December 2011	All Contracts
Anhydrous Milk Fat	\$5,977	\$5,977	\$5,872	\$5,951
	0.1%	-2.6%	-1.1%	-0.8%
Buttermilk Powder	N.A.	N.A.	N.A.	N.A.
	N.A.	N.A.	N.A.	N.A.
Skim Milk Powder	\$3,900	\$3,784	\$3,687	\$3,771
	-2.8%	-1.7%	1.5%	-0.6%
Whole Milk Powder	\$3,986	\$3,985	\$3,829	\$3,912
	-0.2%	1.8%	0.7%	0.8%

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	04/14	04/15	04/18	04/19	04/20	04/21	04/22	04/25	04/26	04/27
CME - CLASS III MILK FUTURES (Pit-Traded)										
APR 11	16.74 (5451) 0	16.74 (5439) 0	16.74 (5440) 0	16.74 (5421) 2	16.74 (5413) 0	16.80 (5411) 0	NO TRADING	16.80 (5455) 0	16.80 (5459) 0	16.80 (5452) 0
MAY 11	16.85 (5638) 0	16.78 (5661) 0	16.35 (5567) 0	16.36 (5609) 2	16.41 (5578) 0	16.27 (5476) 0		16.16 (5475) 0	16.26 (5453) 0	16.48 (5370) 0
JUN 11	17.45 (4378) 0	17.42 (4410) 0	16.93 (4391) 1	16.97 (4473) 24	17.15 (4574) 2	16.88 (4599) 0		16.91 (4645) 0	17.18 (4683) 0	17.39 (4687) 0
JUL 11	17.66 (3385) 0	17.68 (3393) 0	17.30 (3382) 1	17.36 (3414) 24	17.52 (3416) 2	17.40 (3418) 0		17.40 (3413) 0	17.62 (3424) 0	17.75 (3423) 0
AUG 11	17.76 (3196) 0	17.81 (3199) 0	17.69 (3206) 1	17.72 (3238) 24	17.82 (3245) 2	17.75 (3248) 0		17.79 (3240) 0	17.94 (3236) 0	17.98 (3237) 0
SEP 11	17.87 (3164) 0	17.95 (3171) 0	17.82 (3174) 0	17.87 (3197) 24	17.99 (3199) 2	17.91 (3200) 0		17.99 (3209) 0	18.09 (3220) 0	18.10 (3277) 0
OCT 11	17.58 (2860) 0	17.62 (2864) 0	17.53 (2866) 0	17.54 (2886) 24	17.62 (2888) 2	17.62 (2887) 0		17.67 (2896) 0	17.80 (2901) 0	17.84 (2911) 0
NOV 11	16.91 (2593) 0	16.98 (2601) 0	16.93 (2603) 1	16.94 (2617) 24	17.02 (2620) 2	17.00 (2623) 0		17.10 (2648) 0	17.20 (2669) 0	17.25 (2684) 0
DEC 11	16.77 (2654) 0	16.80 (2661) 0	16.73 (2664) 1	16.75 (2675) 24	16.84 (2680) 2	16.75 (2691) 0		16.87 (2696) 0	17.04 (2729) 0	17.04 (2767) 0
CME - CLASS IV MILK FUTURES (Pit-Traded)										
APR 11	20.00 (400) 1	20.01 (400) 0	20.01 (402) 2	20.01 (412) 10	20.01 (412) 0	20.01 (412) 0	NO TRADING	19.81 (412) 0	19.81 (412) 0	19.81 (412) 0
MAY 11	19.90 (439) 1	19.98 (440) 0	20.03 (448) 5	20.00 (464) 11	20.05 (471) 1	20.05 (471) 0		20.09 (471) 0	20.09 (483) 12	20.09 (483) 0
JUN 11	19.95 (509) 1	19.95 (509) 0	20.00 (508) 5	20.21 (524) 11	20.30 (535) 1	20.30 (535) 0		20.35 (535) 0	20.35 (547) 12	20.35 (547) 0
CME - CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
APR 11	200.00 (570) 0	200.00 (567) 3	200.75 (567) 0	200.75 (565) 2	199.75 (563) 4	199.75 (562) 1	NO TRADING	199.75 (562) 0	199.75 (562) 0	199.75 (562) 0
MAY 11	196.30 (448) 0	198.00 (448) 0	200.50 (448) 8	200.25 (450) 3	199.78 (452) 2	199.78 (452) 0		199.78 (454) 2	199.78 (454) 4	201.00 (448) 17
JUN 11	200.00 (413) 4	201.00 (403) 12	202.00 (408) 22	202.50 (431) 27	202.98 (439) 14	202.98 (439) 0		202.00 (440) 2	202.00 (444) 7	203.00 (453) 28
CME - NONFAT DRY MILK FUTURES (Pit-Traded)										
APR 11	157.25 (346) 0	157.25 (346) 0	157.25 (346) 0	157.25 (346) 0	157.25 (346) 0	157.25 (346) 0	NO TRADING	157.25 (346) 0	157.25 (346) 0	157.25 (346) 0
MAY 11	160.00 (319) 0	160.50 (319) 0	160.50 (322) 0	160.50 (332) 0	160.50 (337) 0	160.50 (337) 0		160.50 (337) 0	160.50 (337) 0	160.50 (337) 0
JUN 11	159.00 (378) 0	159.00 (378) 0	159.00 (381) 0	161.50 (394) 0	162.50 (401) 0	162.50 (409) 0		162.50 (414) 0	162.50 (414) 0	162.50 (414) 0
CME - WHEY (Electronic-Traded)										
APR 11	48.03 (432) 1	48.03 (432) 0	48.00 (432) 0	48.00 (432) 0	48.00 (432) 0	48.00 (432) 0	NO TRADING	48.00 (432) 0	48.00 (432) 0	48.00 (432) 0
MAY 11	48.00 (400) 5	47.75 (404) 6	47.75 (404) 0	47.75 (404) 0	47.75 (404) 0	47.75 (404) 0		47.75 (404) 0	47.75 (404) 0	47.75 (404) 0
JUN 11	47.08 (315) 2	47.08 (315) 0	47.00 (315) 0	47.00 (315) 0	46.75 (315) 0	46.75 (315) 0		47.25 (316) 1	47.25 (315) 1	48.00 (315) 1
CME - CHEESE CSC (Electronic-Traded)										
APR 11	1.69 (358) 0	1.69 (358) 0	1.69 (358) 0	1.68 (359) 1	1.68 (359) 0	1.69 (359) 0	NO TRADING	1.69 (359) 0	1.69 (359) 0	1.69 (359) 0
MAY 11	1.69 (262) 1	1.69 (262) 0	1.64 (263) 1	1.65 (263) 0	1.65 (263) 0	1.64 (267) 4		1.63 (270) 2	1.63 (270) 0	1.65 (270) 0
JUN 11	1.76 (364) 4	1.76 (364) 1	1.71 (364) 1	1.72 (362) 2	1.73 (362) 0	1.72 (366) 8		1.71 (367) 5	1.73 (369) 8	1.74 (371) 4
JUL 11	1.82 (143) 8	1.81 (143) 2	1.77 (143) 0	1.78 (147) 4	1.78 (147) 0	1.78 (147) 0		1.79 (151) 4	1.79 (159) 11	1.79 (174) 2
AUG 11	1.81 (107) 0	1.81 (111) 4	1.81 (111) 0	1.81 (111) 0	1.82 (111) 0	1.82 (115) 4		1.81 (121) 6	1.83 (122) 3	1.83 (137) 0
SEP 11	1.83 (140) 4	1.83 (140) 0	1.82 (140) 0	1.82 (140) 0	1.82 (140) 0	1.83 (144) 4		1.83 (144) 0	1.83 (144) 0	1.83 (159) 1

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-278-4142.

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

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish, and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
JAN 2011	222.9	1.8	202.3	1.7	193.8	2.2	206.1	1.7	202.6	19.6	214.3	6.2
FEB 2011	223.8	2.3	203.5	2.4	196.9	3.9	205.7	1.1	209.9	23.3	216.2	6.8
MAR 2011	225.4	2.9	206.2	3.7	203.1	7.1	207.7	1.9	213.4	31.9	218.8	7.9
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Butter ^{5/}		Process Cheese ^{6/}		Natural Cheese ^{7/}		Ice Cream ^{8/}			
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	Dollars											
JAN	3.301	3.236	3.526	2.778	3.758	3.875	5.143	4.720	4.740	4.483		
FEB	3.357	3.203	3.670	2.838	3.734	3.943	5.023	4.608	4.990	4.388		
MAR	3.503	3.188	3.690	2.781	3.828	3.914	5.065	4.708	4.923	4.313		

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

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS—DECEMBER 2010-FEBRUARY 2011 AND YEAR-TO-DATE 2009-2010 ^{1/}

Item	Dec.-Feb. 2009/10	Percent change ^{2/}	Dec.-Feb. 2010/11	Percent change ^{2/}	Jan.-Dec. 2009	Percent change ^{2/}	Jan.-Dec. 2010	Percent change ^{2/}
	Million Pounds							
MILK								
Production	46,551	0.6	47,899	2.9	189,320	-0.1	193,118	2.0
Marketings	46,311	0.6	47,662	2.9	188,308	-0.1	192,162	2.0
Beginning Commercial Stocks ^{3/}	11,485	17.2	10,516	-8.4	10,045	-3.0	11,334	12.8
Imports ^{3/}	909	-30.4	715	-21.3	4,057	3.2	3,098	-23.6
Total Supply ^{4/}	58,705	3.5	58,893	0.3	202,410	0.0	206,594	2.1
Ending Commercial Stocks ^{3/}	13,138	7.1	12,020	-8.5	11,284	12.3	10,927	-3.2
Net Removals ^{3/}	219	75.2	0	-100.0	703	2,829.2	112	-84.1
Commercial Disappearance ^{4/}	45,398	1.4	46,873	3.2	190,423	-1.2	195,555	2.7
SELECTED PRODUCTS ^{5/}								
Butter	392.5	-1.8	408.3	4.0	1,567.6	-8.1	1,629.0	3.9
American Cheese	1,008.7	-2.8	1,069.3	6.0	4,193.4	3.4	4,265.0	1.7
Other Cheese	1,504.3	6.2	1,597.1	6.2	6,138.9	1.2	6,390.8	4.1
Nonfat Dry Milk	334.5	4.4	397.4	18.8	1,346.2	-2.0	1,548.8	15.0
Fluid Milk Products ^{6/}	13,988.4	-1.0	13,826.5	-1.2	55,445.0	1.0	54,673.1	-1.4

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

**ANNOUNCED COOPERATIVE CLASS I PRICES FOR SELECTED CITIES IN FEDERAL MILK ORDERS,
MAY 2011, WITH COMPARISONS ^{1/}**

For May 2011, the all-city average announced cooperative Class I price was \$24.93 per cwt., \$2.54 higher than the Federal milk order (FMO) Class I price average for these cities. The May 2011 cooperative Class I price was \$0.29 higher than the April 2011 price. The May 2011 Federal order Class I price was \$0.32 higher than the April 2011 price. On an individual city basis, the difference between the Federal order and announced cooperative Class I price ranged from \$.53 in Phoenix, AZ, to \$4.21 in Miami, FL. For May 2010, the all-city average announced cooperative Class I price was \$19.01, \$2.57 higher than the Federal order Class I price average for these cities. Note: For most cities, the Announced Cooperative Class I Price now includes premiums paid for milk produced without rBST.

City	MAY 2011		
	Announced Cooperative Class I Price	Federal Milk Order Class I Price	Difference
	Dollars per hundredweight, 3.5% butterfat		
Atlanta, GA	26.85	23.55	3.30
Baltimore, MD	24.42	22.75	1.67
Boston, MA	24.50	23.00	1.50
Charlotte, NC	26.52	23.15	3.37
Chicago, IL	25.04	21.55	3.49
Cincinnati, OH	25.12	21.95	3.17
Cleveland, OH	24.92	21.75	3.17
Dallas, TX	24.88	22.75	2.13
Denver, CO	23.73	22.30	1.43
Des Moines, IA	24.30	21.55	2.75
Detroit, MI	24.69	21.55	3.14
Hartford, CT	24.40	22.90	1.50
Houston, TX	25.68	23.35	2.33
Indianapolis, IN	24.92	21.75	3.17
Kansas City, MO	23.99	21.75	2.24
Louisville, KY	25.22	22.05	3.17
Memphis, TN	25.82	22.65	3.17
Miami, FL	29.96	25.75	4.21
Milwaukee, WI	24.99	21.50	3.49
Minneapolis, MN	23.70	21.45	2.25
New Orleans, LA	25.72	23.55	2.17
Oklahoma City, OK	24.49	22.35	2.14
Omaha, NE	24.05	21.60	2.45
Philadelphia, PA	25.95	22.80	3.15
Phoenix, AZ	22.63	22.10	0.53
Pittsburgh, PA	25.40	21.85	3.55
St. Louis, MO	24.39	21.75	2.64
Seattle, WA	22.43	21.65	0.78
Springfield, MO	24.79	22.15	2.64
Washington, DC	24.42	22.75	1.67
Wichita, KS	23.89	21.95	1.94
Simple Average	24.93	22.39	2.54

^{1/} This table contains information from the Class I price announcements sent by the major cooperatives in each city market to all handlers who buy milk from them. These over-order prices include charges for various services performed by the cooperative. In some instances, these over-order prices may not include all credits that may be allowed. These prices have not been verified as having been actually paid by handlers.

**OVER-ORDER CHARGES ON PRODUCER MILK, BY CLASS OF UTILIZATION,
BY FEDERAL MILK ORDER MARKETING AREA, FEBRUARY 2011 1/**

For February 2011, the all reporting areas combined average over-order charge on producer milk used in Class I was \$2.13 per cwt., up \$0.01 from the January 2011 average. Ninety 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 \$0.75 in the Pacific Northwest to \$2.91 in the Southeast. For producer milk used in Class II, the all reporting areas combined average over-order charge was \$1.14 per cwt., also up \$0.01 per cwt. from the January 2011 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	2.75	1.31
Southeast	007	2.91	2.40
Florida	006	2.75	0.15
Mideast	033	2.10	1.47
Upper Midwest	030	1.99	1.13
Central	032	1.92	0.80
Pacific Northwest	124	0.75	0.54
All Reporting Areas Combined 3/		2.13	1.14

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.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, APRIL

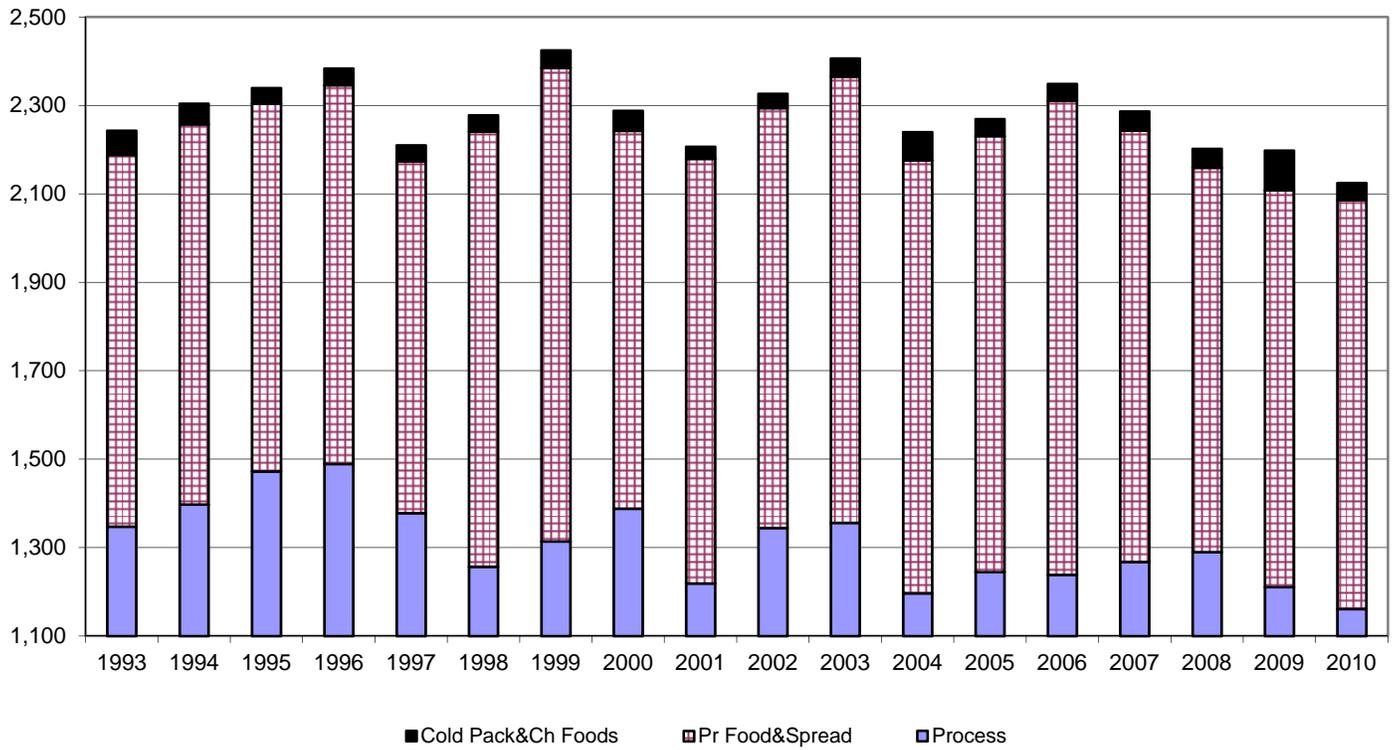
Component Price Information: Under the Federal milk order pricing system, the butterfat price for April 2011 is \$2.2113 per pound. Thus, the Class II butterfat price is \$2.2183. The protein and other solids prices for April are \$2.4984 and \$0.2902 per pound, respectively. These component prices set the Class III skim milk price at \$9.46 per cwt. The April Class IV skim milk price is \$12.48 which is derived from the nonfat solids price of \$1.3862 per pound.
Product Price Averages: The product price averages for April are: butter \$1.9975, nonfat dry milk \$1.5680, cheese \$1.6983, and dry whey \$0.4808.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/} _{2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	APRIL 2011				MAY 2011
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	22.68	19.66	16.87	19.78	23.00
Appalachian (Charlotte) ^{5/} _{6/}	005	22.83	19.66	16.87	19.78	23.15
Southeast (Atlanta) ^{6/} _{7/}	007	23.23	19.66	16.87	19.78	23.55
Florida (Tampa) ^{6/} _{8/}	006	24.83	19.66	16.87	19.78	25.15
Midwest (Cleveland) ^{9/}	033	21.43	19.66	16.87	19.78	21.75
Upper Midwest (Chicago) ^{10/}	030	21.23	19.66	16.87	19.78	21.55
Central (Kansas City) ^{11/}	032	21.43	19.66	16.87	19.78	21.75
Southwest (Dallas) ^{12/}	126	22.43	19.66	16.87	19.78	22.75
Arizona (Phoenix)	131	21.78	19.66	16.87	19.78	22.10
Pacific Northwest (Seattle) ^{13/}	124	21.33	19.66	16.87	19.78	21.65
All-Market Average	---	22.32	19.66	16.87	19.78	22.64

^{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.

Million Pounds

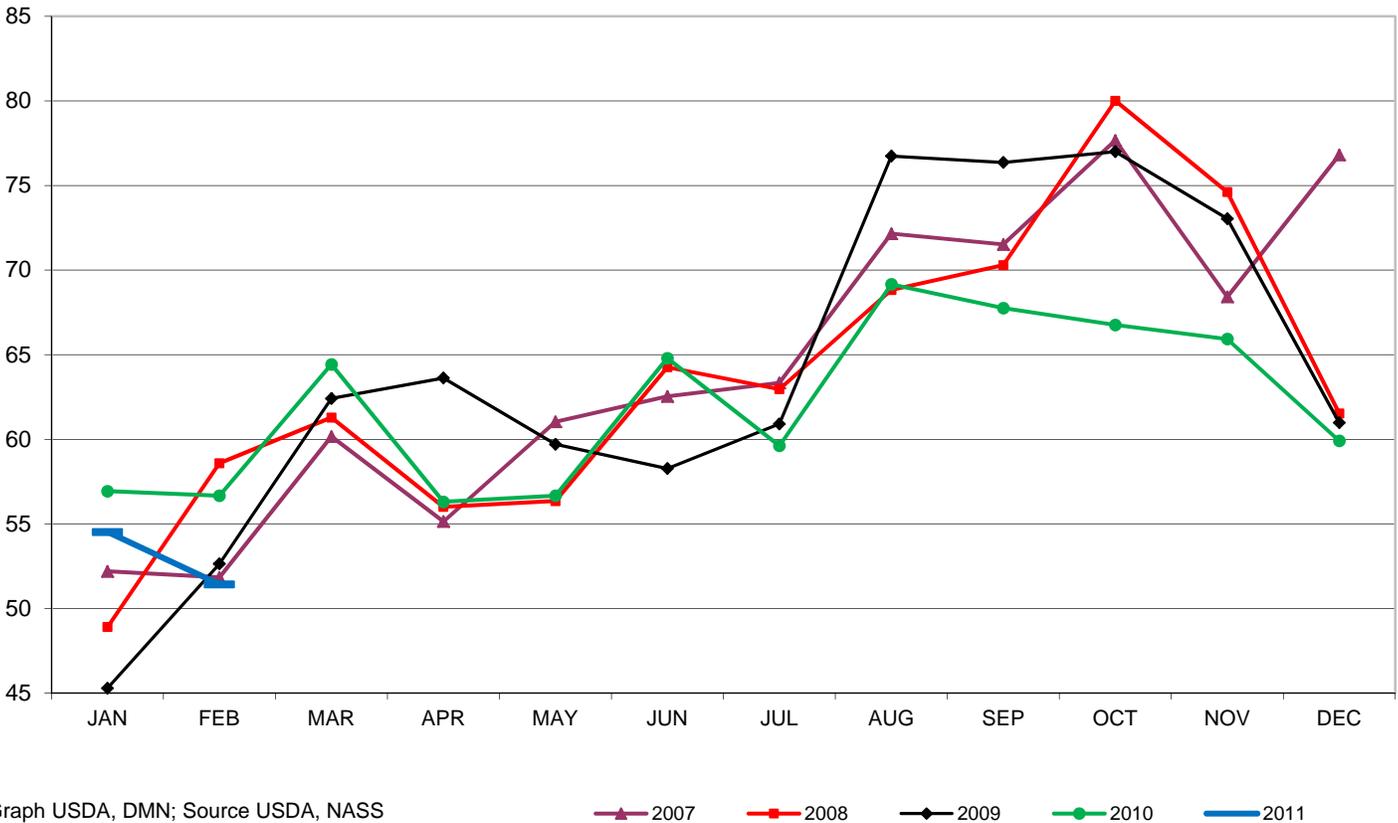
U.S. Process Cheese and Coldpack Production



Data excludes spreads made from neufchatel and cream cheese

Million Pounds

U.S. CREAM and NEUFCHATEL PRODUCTION

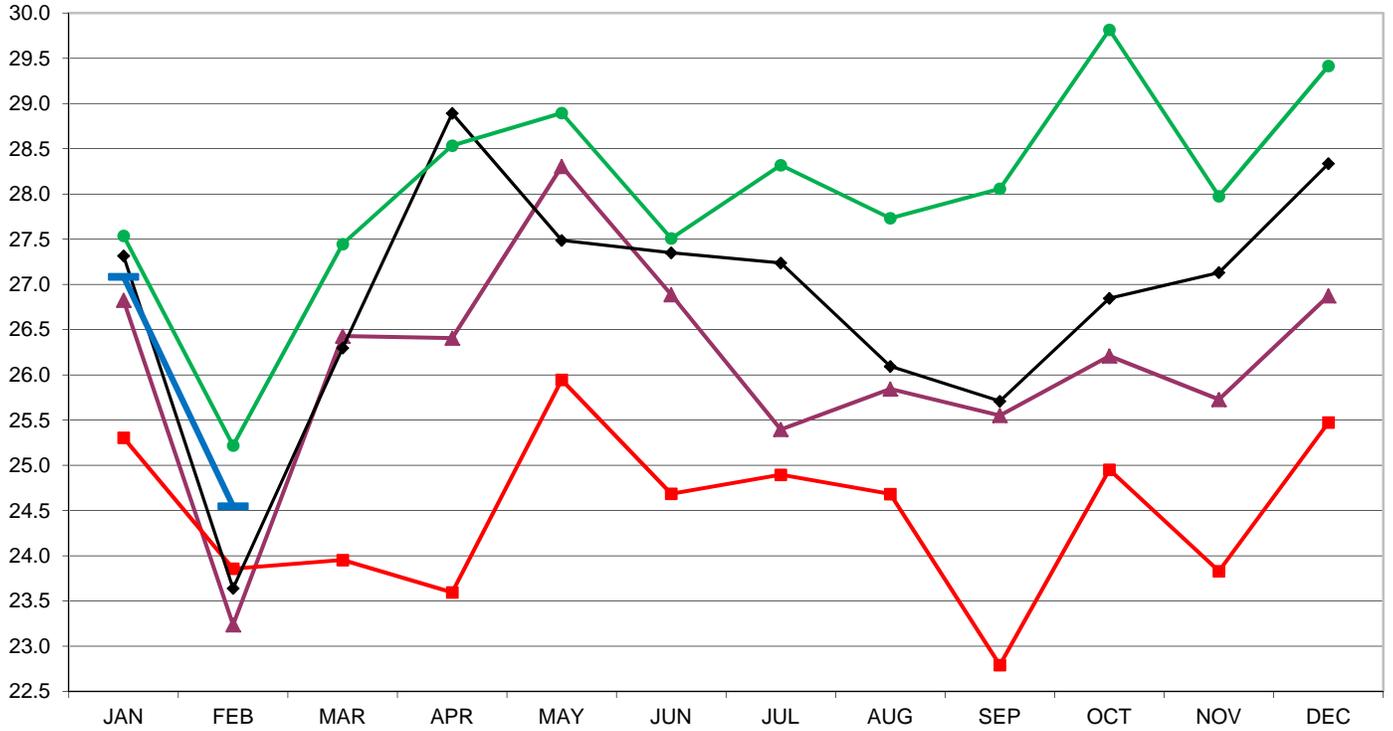


Graph USDA, DMN; Source USDA, NASS

▲ 2007
 ■ 2008
 ◆ 2009
 ● 2010
 ■ 2011

Million Pounds

U.S. SWISS CHEESE PRODUCTION

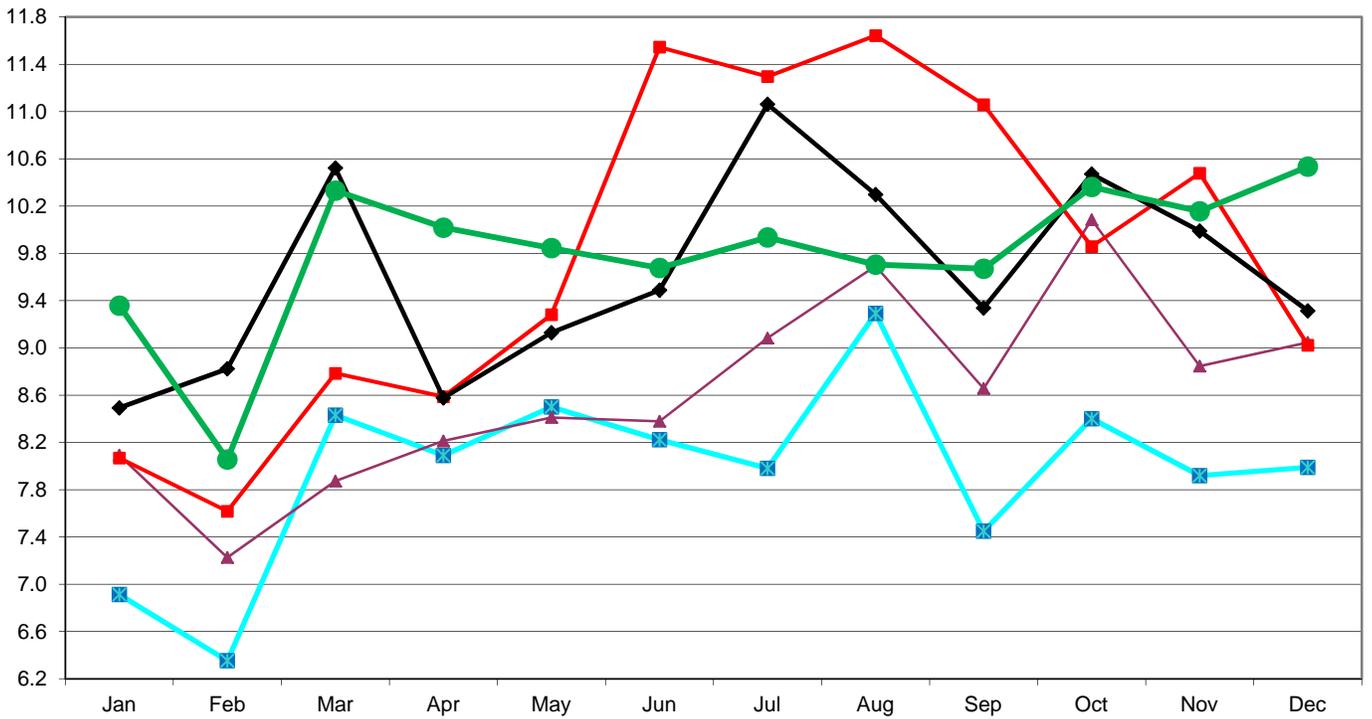


Graph USDA, DMN; Source USDA, NASS

2007 2008 2009 2010 2011

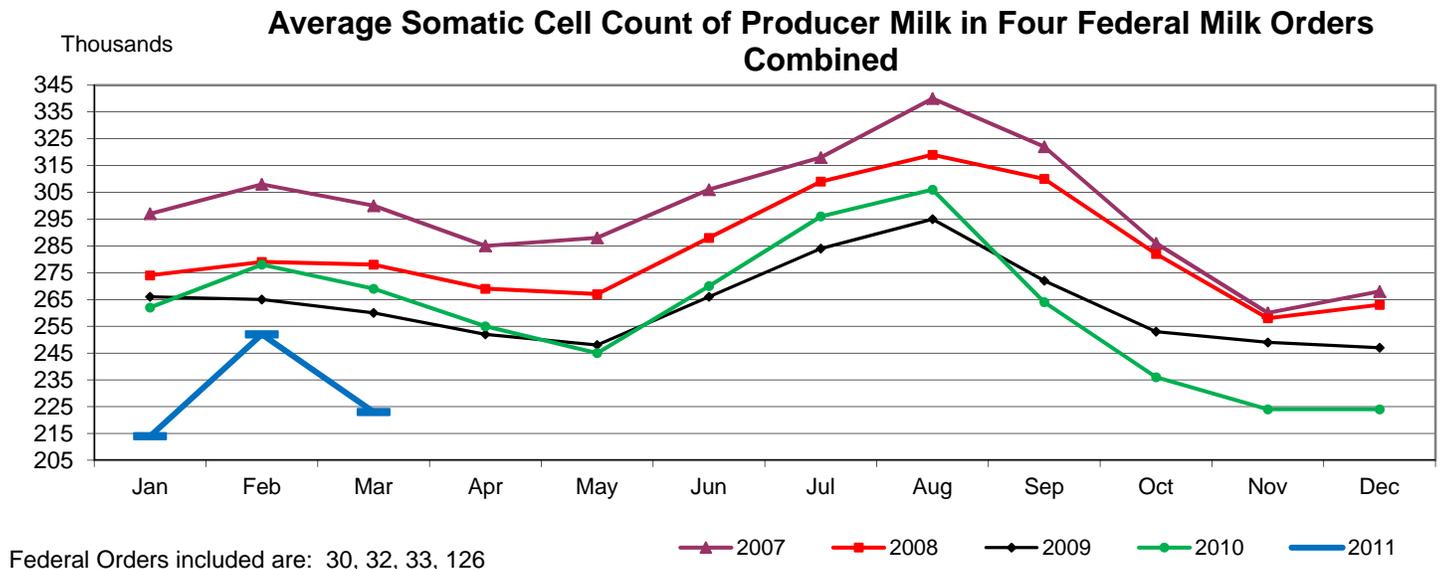
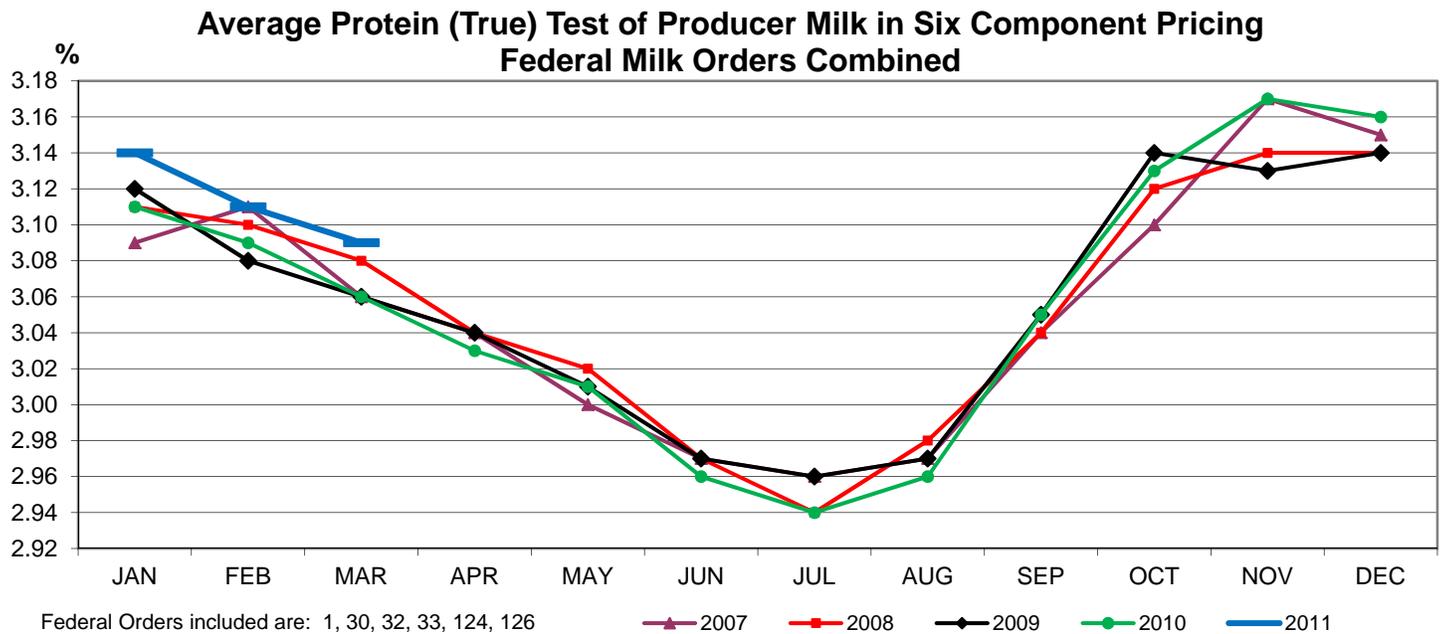
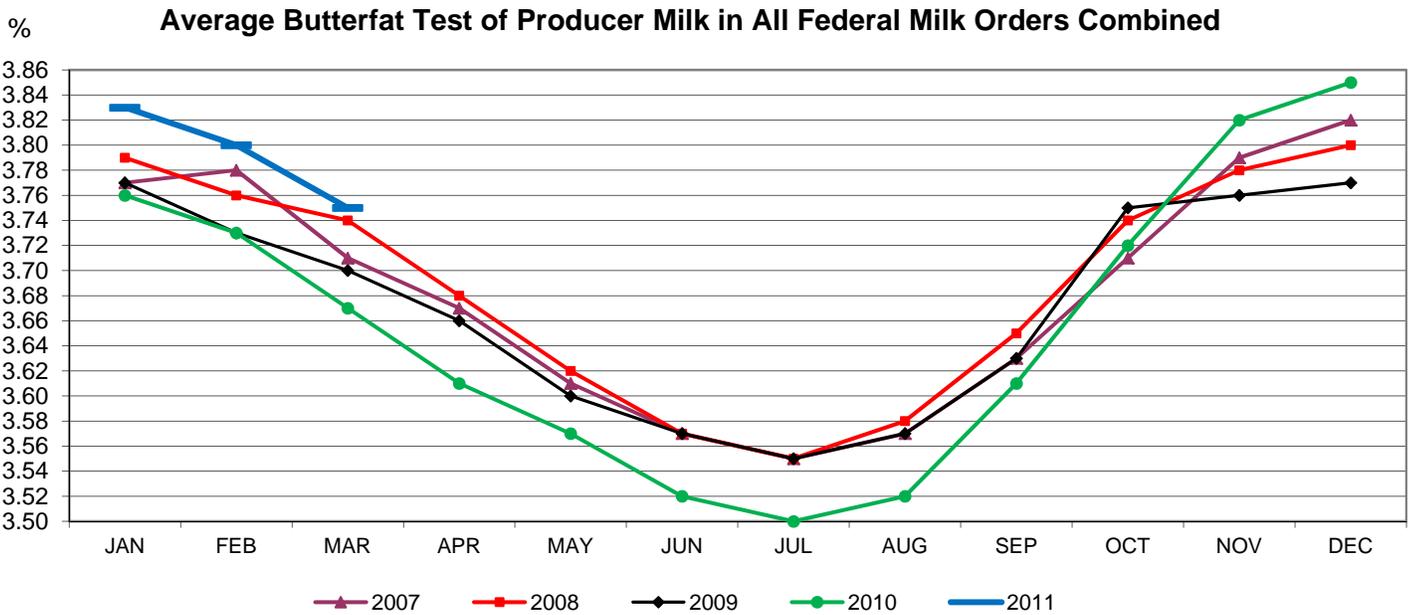
Million Pounds

U.S. Muenster Production



Graph by DMN, Data from NASS

2006 2007 2008 2009 2010



DAIRY MARKET NEWS

GENERAL NUMBER
(608) 278-4200

VOLUME: 78

REPORT: 17

Elizabeth Frederick
(608) 278-4150
Elizabeth.Frederick@AMS.USDA.GOV

DATE: 04/29/2011

EAST

Rick Whipp
(608) 278-4151
Rick.Whipp@AMS.USDA.GOV

INTERNATIONAL

Steven Schneeberger
(608) 278-4154
Steven.Schneeberger@AMS.USDA.GOV

CENTRAL

George Koerner
(608) 278-4155
George.Koerner@AMS.USDA.GOV

ORGANIC

Eric Graf
(608) 278-4153
Eric.Graf@AMS.USDA.GOV

CENTRAL/WEST

Janet Linder
(608) 278-4157
Janet.Linder@AMS.USDA.GOV

INTERNET ADDRESS

www.ams.usda.gov/DairyMarketNews

SOUTHWEST

Butch Speth
(608) 278-4152
Butch.Speth@AMS.USDA.GOV

MARKET NEWS PORTAL

www.marketnews.usda.gov

NORTHWEST/MOUNTAIN

Bob Hunter
(608) 278-4158
Robert.Hunter@AMS.USDA.GOV

RECORDED INFORMATION SYSTEM

(608) 278-4142

FAX

(608) 278-4141

NATIONAL SUPERVISOR

Donald Nelson
(608) 278-4156
DonaldO.Nelson@AMS.USDA.GOV

USDA, Dairy Market News
2920 Marketplace Drive, STE 202
Fitchburg, WI 53719-5337