

NATIONAL DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (6/21):

BUTTER: Grade AA closed at \$1.5000. The weekly average for Grade AA is \$1.5160 (-.0240).

CHEESE: Barrels closed at \$1.7175 and 40# blocks at \$1.7250. The weekly average for barrels is \$1.7445 (-.0255) and blocks, \$1.7230 (-.0130).

BUTTER HIGHLIGHTS: Western butter prices are steady to weak as increased butter in cold storage weighs on the market. Buyers are looking for discounts as an incentive to purchase more than immediate needs. Domestic demand for print butter into Western retail and club stores continues to be strong. Central bulk butter production is active, but churn operators report they are willing to forego some churning to sell into the Class II market at higher multiples. Cream multiples for the week range from 1.26 to 1.35 for all Classes. Northeast cream demand continued to improve this week, and as a result, butter production has seen further declines. Some Northeast butter makers have been able to curtail bulk butter production, due to the decrease in the cream supply. Domestic demand for Northeast butter remains lackluster and below year ago levels and producers are building inventory. Prices for bulk butter vary, ranging from 3 cents under to 5 cents under the market in the West, from 1 cent under to 1 cent over in the Central Region, and from 4-6 cents over the market in the Northeast. According to the FAS, quota imports of butter for January - May 2013 total 4.0 million pounds, 50.3% more than the same period in 2012. January - May imports for 2013 account for 26.2% of the yearly total quota. Imports of High-Tier butter (above quota and with a penalty) are 252,749 pounds, more than double last year's high tier import of 110,137 pounds for January - May.

CHEESE HIGHLIGHTS: Cheese prices are mixed for the week. Contract cheese prices tied to CME weekly averages were higher for both blocks and barrels. Spot cheese prices at the CME and elsewhere were mixed for blocks and lower on barrel offerings. Barrels had been trading at a premium to blocks recently and that spread returned to a more typical situation. Overall prices have moved in a small range for the last month. Cheese production continued at a steady pace with plants trying to maximize schedules. Domestic sales are steady with some increased interest from export markets. CWT assistance has helped to accelerate export sales this year. Year to date, the program has assisted with export sales of over 61 million pounds of cheese. Cheese stocks are heavier than usual, but are not felt to be problematic. Barrels closed the week at the CME Group on Friday at \$1.7175 and blocks at \$1.7250. Barrels are down \$.0550 from last Friday and blocks are up \$.0025 from last week's close.

FLUID MILK: Availability of spot loads of milk in the Midwest is uneven. Some cheese manufacturers indicate their internal milk supplies are declining seasonally and access to additional milk supplies would be helpful to meet near term cheese orders. A few manufacturers with nonfat dry milk and cheese production capabilities are opting toward sending additional loads of farm milk intakes into NDM operations as that market appears to be gaining near term strength. Weather in California is not stressing the milking herd at all. The peak in milk production is past, but output is not dropping off very much or very fast. According to the U.S. Drought Monitor, the entire state is classified as being in a moderate to severe drought with the outlook calling for the drought to persist or intensify in the coming months. Warm conditions continue to persist in Arizona. The milking herd is under some stress, but the heat abatement measures continue to work well. Tests on milk receipts do continue to decline seasonally. Milk receipts in New Mexico continue to hold up reasonably well. Days are warm in the dairy areas, but drop into the mid-60s at night. Milk is being handled efficiently by processing plants. Weather conditions in the Pacific Northwest are ideal for comfortable cows. This is helping to hold milk production levels near the seasonal peak. Coastal areas are well supplied with rains for pasture and some rains fell across the high desert areas of Eastern Washington this week. Milk supplies for processing showed some increases this week as Class I usage drops with schools letting out. Manufacturing plants have adequate capacity to handle current supplies with some milk being moved to balance production of specific products. Utah and Idaho milk supplies are mostly steady. High temperatures during the day are balanced with cooler nights and cows are not stressed to any extent currently. Manufacturing capacity is still above milk production in most parts of the region. Weather conditions favorable of cow comfort levels in the Northeast and Mid-Atlantic regions have supported a strong and prolonged seasonal milk flush. Manufacturing milk supplies continue to be heavy and above year ago levels. Class I demand is near its seasonal low point as nearly all schools have closed for summer break. Florida weather has turned hot and humid, causing considerable declines in milk production. Milk supplies in the Southeast continue to exceed demand, requiring the utilization of auxiliary manufacturing plants. Load rejections, due to temperature issues, continue to be a problem with transports out of the most southern areas of the region.

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CME GROUP CASH TRADING

COMMODITY	MONDAY JUN 17	TUESDAY JUN 18	WEDNESDAY JUN 19	THURSDAY JUN 20	FRIDAY JUN 21	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.7725 (N.C.)	\$1.7600 (-.0125)	\$1.7500 (-.0100)	\$1.7225 (-.0275)	\$1.7175 (-.0050)	:: (-.0550)	:: \$1.7445 (-.0255)
40# BLOCKS	\$1.7150 (-.0075)	\$1.7250 (+.0100)	\$1.7250 (N.C.)	\$1.7250 (N.C.)	\$1.7250 (N.C.)	:: (+.0025)	:: \$1.7230 (-.0130)
NONFAT DRY MILK							
EXTRA GRADE	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	:: (N.C.)	:: \$1.7000 (N.C.)
GRADE A	\$1.7025 (N.C.)	\$1.7025 (N.C.)	\$1.7025 (N.C.)	\$1.7250 (+.0225)	\$1.7300 (+.0050)	:: (+.0275)	:: \$1.7125 (+.0160)
BUTTER							
GRADE AA	\$1.5350 (N.C.)	\$1.5300 (-.0050)	\$1.5075 (-.0225)	\$1.5075 (N.C.)	\$1.5000 (-.0075)	:: (-.0350)	:: \$1.5160 (-.0240)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week.

Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE

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DRY PRODUCTS: Prices for Central and East nonfat dry milk increased on both the range and mostly series. Central nonfat dry milk inventories are steady to building incrementally at some locations. Eastern production is adding to most manufacturers' inventories. The Western range price for low/medium heat powder moved higher on the low end and held steady on top, while both sides of the mostly increased in price in lighter trading. There is a firm undertone mostly driven by export sales and interest. Central and Eastern Dry buttermilk prices are steady on a market with firmer undertones. Various Central market participants report F.O.B. spot loads of dry buttermilk are difficult to locate and often require a standing relationship with the manufacturer to get workable pricing. Eastern production of dry buttermilk continues to decrease as improved cream demand is reducing the flow of cream to churns. The Western mostly and range price both moved higher in lighter trading. Offerings of powder are declining seasonally. Buyers are more actively looking for powder with limited success. Prices for dry whole milk are unchanged to lower on an unsettled market. Prices for Central dry whey are unchanged on the mostly price series, and unchanged to slightly lower on the range series as contract bases adjust lower. Domestic interest is steady, while interest from off shore buyers is reportedly increasing. Northeast dry whey prices declined after two weeks of increases as sales based on various price indices moved the upper end of the range lower, while spot sales lowered the low end of the range. The continuing strong prolonged seasonal milk flush in the region is keeping cheese production and dry whey production at increased levels. Western dry whey prices are uneven. The full range price series narrowed with the bottom of the series moving higher and the top moving lower. The mostly series is firmer as the bottom of that range moved higher. Opinions are varied amongst the market participants as to the direction of the market. The range price series narrowed for whey protein concentrate 34% while the mostly price series moved higher on the basis of solid demand and competition for available supplies. A few manufacturers report they are currently oversold on WPC 34%. Prices for lactose are steady on the mostly series. Interest is divided along mesh sizes, with higher mesh sizes in good demand and unground lactose demand described as steady to modestly improving. Pricing of both acid and rennet casein is steady. The market tone is slightly firm, yet untested.

INTERNATIONAL DAIRY MARKET NEWS (DMN):
WESTERN OVERVIEW: Milk production trends are steady to lower for most milk producing countries. Volumes are declining from the seasonal peak. For the EU, April milk production was 3.1% lower than April 2012. In May, many countries were noting the milk volumes were lower than a year ago, yet narrowing the gap to year ago levels. Current conditions have been generally favorable. Temperatures are moderate with only some relatively few hot days noted. Milk prices in most countries are rising, helping with profitability and thought to allow milk output to grow. The impact of the flooding and wet conditions remain in Germany, yet the scope is limited to specific locations. Butter movements into the Private Storage Assistance (PSA) program are at 54,700 MT through June 9, down 40% from last year and 13% lower than two years ago. At current pricing, butter producers are willing to sell butter and not hold volumes beyond future needs. Dairy product prices are slightly higher. Gains are noted because of the stronger Euro. However, this is having a negative impact on exporting. Demand is light to fair for new business with product moving out from prior sales. **EASTERN OVERVIEW:** Eastern European milk volumes are steady to slightly lower. Weather conditions are generally favorable. Milk price gains are positive to farmer incomes. Processing plants are holding schedules to plan. Information sources are indicating only limited issues surrounding flooding and wet conditions. **OCEANIA OVERVIEW:** **NEW ZEALAND** milk production is trending lower at or near seasonal lows. Processing plants continue to be stepped down for end of season maintenance and to maximize efficiencies. Milk output levels are down sharply when compared to year ago levels, unofficial counts are often more than 30% lower in May. This is a continuation of the poor results seen in March and April. According to

DCANZ, April milk production was 34.5% lower than April 2012. The June - April output, at 18.9 million tons, is running 0.2% lower than the previous season. Farmers began to cull heavier and earlier to compensate for the drought conditions. The trade notes that the market has compensated for the declines. The effects are mitigated due to the low point of the milk season and that traders/handlers began to back off future sales against the declining milk forecasts. Moisture conditions are improving with widespread, heavy rains over the North and South Islands. Groundwater is being replenished and pastures are being revitalized for the upcoming season. **AUSTRALIAN** milk production trends are expected to continue at the light side of normal with projections being eased lower. Weather conditions have become wetter during the fall season. The impact on the pasture and growing conditions is limited because of cooler weather limiting any growth. The precipitation is welcomed as farmers look ahead to the new season. Processors and coops are announcing higher milk prices for the upcoming season, at levels up 20% or more than for last season's start. This is also anticipated news as farmers plan the financials. The declining Australian dollar value is positive for exporting. Dairy product prices are steady to lower. The market test is generally light with limited commodity products available to be offered. There are some odd lot offering and other offers because of fiscal year end considerations. Some limited resale loads are indicated to be available. Demand is light for the current market conditions with buyers filling nearby needs from other country sources. Negotiations for new season products are building. **gDT:** For the June 18 gDT session #94, the all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,589 +1.7%; butter, \$3,925 +4.7%; buttermilk powder, \$4,315 -2.2%; cheddar cheese, \$4,578 -6.5%; lactose, not traded; milk protein concentrate, not traded; rennet casein, \$9,707 n.a.; skim milk powder, \$4,284 +3.2%; and whole milk powder, \$4,668 +2.2%.

JULY FEDERAL MILK ORDER ADVANCE PRICES (FMMO): Under the Federal milk order pricing system, the base Class I price for July 2013 is \$18.91. This price is derived from the advanced Class IV skim milk pricing factor of \$13.50 and the advanced butterfat pricing factor of \$1.6803. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. Compared to June 2013, the base Class I price decreased \$0.02. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.01 per cwt., \$0.001 per gallon; reduced fat milk (2%), \$0.16 per cwt., \$0.014 per gallon; fat-free (skim milk), \$0.35 per cwt., \$0.030 per gallon. The advanced Class IV skim milk pricing factor is \$13.50. Thus, the Class II skim milk price for July is \$14.20, and the Class II nonfat solids price is \$1.5778. The two-week product price averages for June are: butter \$1.5590, nonfat dry milk \$1.6826, cheese \$1.7806, and dry whey \$0.5710.

MAY MILK PRODUCTION (NASS): Milk production in the 23 major States during May totaled 16.5 billion pounds, up 0.9% from May 2012. April revised production, at 16.1 billion pounds, was up 0.2% from April 2012. The April revision represented a decrease of 20 million pounds or 0.1% from last month's preliminary production estimate.

CME GROUP

MONDAY, JUNE 17, 2013	
CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7150	
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE	
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.5400	
TUESDAY, JUNE 18, 2013	
CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.7250; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7600; 1 CAR 40# BLOCKS @ \$1.7300	
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE	
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.5300	
WEDNESDAY, JUNE 19, 2013	
CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7500; 1 CAR 40# BLOCKS @ \$1.7300	
NONFAT DRY MILK -- SALES: 2 CARS GRADE A @ \$1.7025; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.7025; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$1.7050	
BUTTER -- SALES: 2 CARS GRADE AA @ \$1.5075; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5000; LAST OFFER UNCOVERED: NONE	
THURSDAY, JUNE 20, 2013	
CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7225	
NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.7250; LAST OFFER UNCOVERED: NONE	
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.5100	
FRIDAY, JUNE 21, 2013	
CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.7175	
NONFAT DRY MILK -- SALES: 4 CARS GRADE A @ \$1.7300; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE	
BUTTER -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.5000	

BUTTER MARKETS

NORTHEAST

The CME Group butter price declined \$0.0050 Tuesday and closed at \$1.5300. Trading activity has turned light over the last 7 trading sessions with only 3 loads sold. Cream demand continued to improve this week, and as a result, butter production has seen further declines. Some butter makers have been able to curtail bulk butter production, due to the decrease in the cream supply. Domestic demand for butter remains lackluster and below year ago levels. Export demand has dropped off in recent weeks as export incentive programs have become less active, compared to earlier in the year. Some plants continue to make 82% to fill export orders. Most butter makers are comfortable with their current inventories. Current bulk butter prices for this week are 4-6 cents over the market on the CME Group with various time frames and averages used.

CENTRAL

Bulk butter production is active in the region, but churn operators report they are willing to forego some churning to sell into the Class II market at higher multiples. Cream multiples for the week range from 1.26 to 1.35 for all Classes. Bulk butter pricing in the Central region ranges from 1 cent under to 1 cent over. Manufacturers acknowledge the bulk butter market is seasonally soft, but consumer interest is expected to reemerge with the July holiday and summer restaurant dining. In addition, international interest is expected to improve as the summer advances. With those future demands in sight, butter producers are building some inventories. CME Group Grade AA butter prices came under pressure this week, stepping lower on Tuesday by one-half cent and Wednesday by 2.25 cents.

WEST

Western butter prices are steady to weak as increased butter in cold storage weighs on the market. Buyers are looking for discounts as an incentive to purchase more than immediate needs. Domestic demand for print butter into retail and club stores continues to be strong. Butter producers are welcoming increased demand from ice cream manufacturers for available cream supplies. Bulk butter users are content with contracted volumes at current prices. U.S. butter prices are at a discount to international prices. According to the FAS, quota imports of butter for January - May 2013 total 4.0 million pounds, 50.3% more than the same period in 2012. January - May imports for 2013 account for 26.2% of the yearly total quota. Imports of High-Tier butter (above quota and with a penalty) are 252,749 pounds, more than double last year's high tier import of 110,137 pounds for January - May. Butter prices at the CME Group exchange on Wednesday are \$.0225 lower, closing at \$1.5075. Butter prices continue to move lower influenced by heavier than typical inventories in storage. Trading at the exchange is light with two sales reported by midweek. Prices for bulk butter range from 3 cents under to 5 cents under the market, based on the CME with various time frames and averages used.

2013 U.S. Butter Imports (USDA-FAS)
(Million Lb.) % Change From % of
1 Year Ago Yearly Quota

May Quota Imports	0.85	+ 42.5	5.5
Jan. - May			
High Tier	.25	+ 129.5	N.A.
Quota Imports	4.02	+ 50.3	26.2

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

<u>WEEK ENDING</u>	<u>BUTTER</u>	<u>CHEESE 40# BLOCKS</u>	<u>CHEESE BARRELS</u>	<u>DRY WHEY</u>	<u>NDM</u>
June 15, 2013			38% MOISTURE		
	1.5688	1.7552	1.7709	0.5742	1.6816
	2,410,722	10,932,931	9,690,366	7,934,618	22,120,873

CHEESE MARKETS

NORTHEAST

Cheese prices on the CME Group were mixed Tuesday with barrels decreasing \$0.0125 to close at \$1.7600, while blocks increased \$0.0100 to close at \$1.7250. Trading activity has declined in the last 5 trading sessions with only 8 loads of blocks sold. The weekly average cheese prices on the CME Group were higher last week, and as a result, wholesale prices for cheddar blocks and Muenster increased \$0.0050, while Process 5# sliced cheese increased \$0.0450. Wholesale prices for Swiss cuts were unchanged. Cheese production remains steady with previous weeks' levels as milk volumes going to cheese plants remain strong. Inventory expansion has slowed as cheese sales have improved with increased retail promotions. Export demand has also seen some increased interest. Accepted requests for export assistance, for late last week and this week, by Cooperatives Working Together (CWT) totaled 1.923 million pounds (872 metric tons) of Cheddar, Gouda and Monterey Jack cheese. The product will be delivered June through October 2013. During 2013, CWT has assisted member cooperatives in making export sales of cheese totaling 61.123 million pounds.

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

Cheddar 40# Block	: 2.1350-2.4200
Process 5# Sliced	: 1.9900-2.4700
Muenster	: 2.1550-2.5150
Grade A Swiss Cuts 10 - 14#	: 3.4675-3.7900

MIDWEST

Manufacturers offer mixed perspectives about recent milk availability. Some manufacturers report having had extra milk available late last week, which was used to manufacture additional cheese, specifically white cheddar. More manufacturers offered comments such as "no spot milk was available" or "we could use more milk". Some of those manufacturers report using nonfat dry milk to fortify cheese recently manufactured. There was varied Midwestern transactional activity in Barrels last week. Some sales were under CME pricing. Other transactions between initial buyers and subsequent purchasers were at delivered prices a bit over CME prices. A manufacturer not involved in the transactions commented that there was "big processor demand" for Barrels. There has been a price inversion with CME Barrel prices over Block prices all last week into this week although, the magnitude has narrowed this week to \$.0250 by Wednesday. Mozzarella sales continue to be "in the tank" according to a Midwest cheese manufacturer. Some discounts are reported to be over \$.2500 a pound. This is attributed to what is believed to be a "pretty significant turn down" in sales of frozen pizza. Nevertheless, sales to food service end users remain good. Mozzarella manufacturers face the additional challenge of needing to move manufactured cheese within a few days to maybe 5 days, due to the nature of Mozzarella, in contrast with blocks which tolerate some time in inventory better. Cooperatives Working Together (CWT) has accepted four requests for export assistance to sell 310,852 pounds (141 metric tons) of Cheddar cheese to customers in Asia and North Africa. The product will be delivered June through September 2013. Year-to-date, CWT has assisted member cooperatives in selling 61.123 million pounds of cheese.

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

Process American 5# Loaf	: 1.9650-2.6700
Brick And/Or Muenster 5#	: 2.1200-2.5675
Cheddar 40# Block	: 2.1200-2.9925
Monterey Jack 10#	: 2.0900-2.9925
Blue 5#	: 2.3825-3.3700
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 1.9625-3.0925
Grade A Swiss Cuts 6 - 9#	: 2.9875-3.1050

WEST

Western wholesale cheese prices were stronger this week as CME weekly averages moved higher. Barrel prices moved \$.0450 cents higher and blocks were \$.0050 higher. Cheese producers continue to operate full schedules to maximize efficiencies at the plants. Some additional milk is available to cheese plants as schools let out for the summer. Domestic demand is steady. Export interest is up as U.S. prices are favorable to international markets. The CWT program continues to assist with export sales. Those increased export sales are helping to keep domestic supplies in balance. According to FAS, quota imports of cheese for January - May 2013 total 61.9 million pounds, down 0.7% from a year ago. The imports stand at 20.7% of the annual quota. Imports of High-Tier cheese (above quota and with a penalty) for the same period are estimated to total 9.8 million pounds, down 10.4% compared to imports for January - May of 2012. Imports of quota Swiss cheese for January - May 2013 total 17.3 million pounds, up 2.9% from last year. The two main countries for the imports are Norway and Switzerland, and they accounted for 10.0 million pounds or 57.6% of the year's total import of Swiss. Cheese prices at the CME Group on Wednesday closed mixed with barrels \$.0100 lower at \$1.7500. Blocks closed unchanged at \$1.7250. Barrel prices continued to trade above blocks for the second week in a row. Trading has been very light at the exchange this week with only one load of blocks changing hands and no barrels.

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

Process 5# Loaf	: 1.8975-2.1550
Cheddar 40# Block	: 1.8550-2.2075
Cheddar 10# Cuts	: 2.0350-2.2550
Monterey Jack 10#	: 2.0450-2.2050
Grade A Swiss Cuts 6 - 9#	: 3.0450-3.4750

2013 U.S. Cheese Imports (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago	% of Yearly
Quota			
May Quota Imports	12.6	- 12.4	4.2
Jan. - May			
High Tier	9.8	- 10.4	N.A.
Quota Imports	61.9	- 0.7	20.7

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CHEESE MARKETS

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FOREIGN

The CME Group weekly average block price advanced last week, ending 5 weeks of decline. The increase raised domestic wholesale foreign type cheese prices by \$0.0050. The prices for domestic Swiss cuts and imported cheese were unchanged. According to FAS, imports of high tier and quota Italian-type cheese from January through May this year totaled 8.7 million pounds, down 32.2% compared to last year. Imports of quota Italian-type cheese January through May totaled 3.7 million pounds, 47.8% below last year and 12.5% of the annual quota. Imports of high tier Italian-type cheese January through May totaled 5.0 million pounds, down 12.9% from 2012. The significant declines can mostly be attributed to declines in Argentinian Italian type cheese imports, which are down over 3.5 million pounds through May, compared to last year. Imports of high tier and quota Swiss/Emmenthaler varieties from January through May 2013 totaled 17.4 million pounds, 2.8% more than last year.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.2750-3.7625*
Gorgonzola	: 3.4900-6.4700	: 2.7775-3.2325*
Parmesan (Italy)	: -0-	: 3.6650-5.7550*
Provolone (Italy)	: 3.4400-5.4500	: 2.3175-2.4750*
Romano (Cows Milk)	: -0-	: 3.4650-5.6150*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.4600	: -0-
Jarlsberg-(Brand)	: 2.9500-5.2900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.5650-3.8875
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

	:	
06/17/13	18,146	: 115,729
06/01/13	17,617	: 112,193
CHANGE	529	: 3,536
% CHANGE	3	: 3

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	92	0	188	0	150
SOUTHEAST STATES	0	0	0	0	0	0

Weather conditions favorable of cow comfort levels in the Northeast and Mid-Atlantic regions have supported a strong and prolonged seasonal milk flush. Manufacturing milk supplies continue to be heavy and above year ago levels. Class I demand is near its seasonal low point as nearly all schools have closed for summer break. Numerous rains this past week over both regions severely limited farm field work and hay harvest activities. Severe drought conditions in Florida have been eliminated in the wake of Tropical Storm Andrea. The weather following the storm has turned hot and humid, causing considerable declines in milk production. Class I demand did show some increase compared to the previous week. The combination of reduced milk production and marginally increased fluid demand limited exports to 92 spot loads this week. Milk production in the Southeast is holding about steady with last week. Milk supplies continue to exceed demand, requiring the utilization of auxiliary manufacturing plants. Load rejections, due to temperature issues, continue to be a problem with transports out of the most southern areas of the region. Demand for cream is increasing and reducing the flow of cream to churns. Increased pulls for cream are coming from ice cream, cream cheese, whipping cream manufacturers and cream bottlers. Butterfat levels in off farm milk supplies remain above year ago levels, but the margin above year ago levels is declining. Some market analysts foresee butterfat levels equaling year ago levels in July. **Cream multiples for all Classes** moved higher this week and range 1.28-1.44. Demand for condensed skim milk remains flat with little spot sale activity. Supplies quickly exceed demand, maintaining heavy volumes going to Class IV production. Some Class II spot sales continue to be discounted, due to the heavy available volumes. A closer look at fluid milk sales, showed an increase in April total fluid milk products of 1.1%. This increase is mostly attributable to flavored milk sales, which had a 17.1% increase in April for flavored whole milk sales and an 8.7% increase for flavored reduced fat milk sales. Flavored milk sales stemmed the decline in year to date fluid milk product sales from -3.3% in March to -2.3% in April. Some market analysts have suggested the national promotion of flavored milk as a sports drink is prompting the increase in sales.

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 -	2.0482-2.2176
F.O.B. producing plants: Upper Midwest -	1.9866-2.0790

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.53 - 1.63
Northeast - Class III - spot prices -	1.46 - 1.56

MIDWEST

Availability of spot loads of milk is uneven. Some cheese manufacturers indicate their internal milk supplies are declining seasonally and access to additional milk supplies would be helpful

to meet near term cheese orders. A few manufacturers with nonfat dry milk and cheese production capabilities are opting toward sending additional loads of farm milk intakes into NDM operations as that market appears to be gaining near term strength. Some Class III operations are also favoring American style production to keep pace with the uptick in process cheese sales during the traditional grilling season. Various balancing plant operators indicate spot milk loads are readily available and allowing them to fill their plants for efficient operation. The extent of discount pricing was not disclosed. According to the NASS Milk Production report, May 2013 milk production increased compared to one year ago in eight of the ten Central region states included in the NASS 23 Selected States Milk Production report. Central region monthly milk production increases ranged from 1.2% in Wisconsin to 8.1% in Kansas. On a regional basis, Central May 2013 milk production showed a 1.7% increase over one year ago. Cream sales into ice cream and mix facilities are active and reach into the Northeast. Various Class II processors indicate their cone, cup, stick and tub operations are nearing full production and will remain at that peak through the balance of the month and possibly into July, depending on sales. Orders for ice cream/soft serve mix for various restaurant brands increased this week to meet demand for summer menu items. Class II cream multiples firmed, ranging from 1.29 to 1.35. Progress on field planting for corn moved toward completion in many states during the last week, but remains below 100% in most areas. Wheat harvest began this week in Texas. First cutting for alfalfa is approaching completion, but 3 - 4 weeks behind historical average dates in many North Central areas. Dairy farmers currently are employing various options for managing feed and maintaining milk output, including reformulating rations to match available feed inputs. Milk haulers report feed supplies are a top concern for North Central dairy operators. Up to this point, dairy operators have been stretching out stored feed from 2012 along with whatever forages could be purchased.

WEST

Weather in CALIFORNIA is not stressing the milking herd at all. Temperatures in the Central Valley are running in the low 90s daytime and low 60s to high 50s night time. The peak in milk production is past, but output is not dropping off very much or very fast. California hay prices in the north are running \$210-229/ton FOB the stack, \$243-249/ton in the central region, and \$210 in the far south. According to the U.S. Drought Monitor, the entire state is classified as being in a moderate to severe drought with the outlook calling for the drought to persist or intensify in the coming months. Warm conditions continue to persist in ARIZONA. There is very little variation from day to day. The outlook for the entire week is about 108 for the high and 81 the low. On Monday it was 83 at 5:45 am. The milking herd is under some stress, but the heat abatement measures continue to work well. Milk intake managers continue to be surprised that output is holding up as well as it is. Tests on milk receipts do continue to decline seasonally. Milk receipts in NEW MEXICO continue to hold up reasonably well. Days are warm in the dairy areas, but drop into the mid-60s at night. Milk is being handled efficiently by processing plants. The hay harvest continues with the southeast at 40-70% into the second cutting, the south and

Continued on page 4A

Continued from page 4

southwest 70-90% on the second cutting and the north central region at 70-100% into the first cutting. Prices in the east are delivering at \$275-285/ton for premium/supreme hay, in the southeast \$240-250/ton, and in the south and southwest it is \$230-250/ton. Pasture and range conditions continue to stress animals in the Southwest. As of June 16, 23% of the pastures and range in the U.S. were in very poor or poor conditions. For selected Western states these same conditions are as follows: Arizona 79%, California 85%, Colorado 59%, Nevada 54%, and New Mexico 93%. CREAM markets are steady to slightly firmer. Ice cream plants are taking some additional cream, but not as much as expected for mid-June. At the CME Group, Grade AA pricing closed at \$1.5075 on Wednesday, June 19, down \$0.0325 from last week. This is the lowest butter price since late January. Cream multiples are about steady in the 1.13-1.29 range and vary depending on class usage and basing points. Some butter operations in the region continue to be more active in marketing cream to reduce churning. They are also aggressively selling additional bulk butter. Weather conditions in the PACIFIC NORTHWEST are ideal for comfortable cows. This is helping to hold milk production levels near the seasonal peak. Coastal areas are well supplied with rains for pasture and some rains fell across the high desert areas of Eastern Washington this week. Milk supplies for processing showed some increases this week as Class I usage drops with schools letting out. Manufacturing plants have adequate capacity to handle current supplies with some milk being moved to balance production of specific products. Milk pooled on the Pacific Northwest Order 124 totaled 749.2 million pounds in May 2013; approximately 595 producers delivered milk to the market. The average daily delivery per producer was 40,619 pounds. Class I utilization was 185.0 million pounds and accounted for 24.7% of producer milk. The producer price differential (PPD) for the Pacific Northwest Order was \$0.27, resulting in a statistical uniform price of \$18.79. The statistical uniform price for the Pacific Northwest Order was \$0.63 above last month, and \$3.48 above the same month last year, an increase of 22.7%. UTAH and IDAHO milk supplies are mostly steady. High temperatures during the day are balanced with cooler nights and cows are not stressed to any extent currently. Manufacturing capacity is still above milk production in most parts of the region. First crop harvest of forages is ongoing and adding to feed supplies in the area. According to NASS, May *Milk Production* for the 23 surveyed states totals 16.5 billion pounds, up 0.9% from last year. May milk production changes from a year ago for selected Western states are as follows: Arizona -1.9%, California -0.5%, Colorado +1.4%; Idaho +0.3%, New Mexico -1.1%, Oregon -0.4%, Utah -2.4%, and Washington +1.5%. Due to the effects of sequestration, cow numbers and production per cow are unavailable for this report.

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: Prices for Central nonfat dry milk increased on both the range and mostly series. Interest is more pronounced, according to market participants, but pricing remains part of the conversation. Buyers are also carefully considering transportation costs and managing final costs by choosing among suppliers in various locations. Nonfat dry milk production is variable, driven by factors unique to each operation. Some plants are clearing higher volumes of farm milk into NDM as a reaction to slowing cheese sales and ample cheese inventories. Other plants obtained discounted milk volumes that brought plant schedules up to capacity. Other plant operators report condensed skim sales are active into Class II and shunting milk away from the dryers. Nonfat dry milk inventories are steady to building incrementally at some locations.

EAST: Prices for nonfat dry milk again moved higher this week on the full range for both low and high heat as sales based on various price indices moved the upper end of the range higher. The strong and prolonged spring flush continues to channel heavy milk volumes to dryers, keeping nonfat dry milk production at elevated levels. Some manufacturers in the East have and continue to operate at near capacity levels. Current production is adding to most manufacturers' inventories. Global pricing and export interest were of primary influence on the market this week. This week's g/DT auction saw skim milk powder increase 3.2% and lent significant support to the nonfat dry milk market. Traders are also still waiting for the results of the Algerian tender, which are expected soon, and may influence domestic supplies if a significant portion of the tender is filled via US manufacturers. Domestic demand increased this week as numerous buyers sought to secure additional loads in light of the markets bullish tendencies.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.6800 - 1.7725 MOSTLY: 1.6900 - 1.7300
 HIGH HEAT: 1.7500 - 1.8500

NONFAT DRY MILK - WEST

The Western range price for low/medium heat powder moved higher on the low end and held steady on top, while both sides of the mostly increased in price in lighter trading. There is a firm undertone mostly driven by export sales and interest. Domestic interest is there, but not driving the market. Producers are in no hurry to sell additional powder. Most believe that the market looks good for them moving forward. Domestic buyers have some coverage and do not see a real opportunity to buy more at what they would consider "reasonable" prices in the short run. More manufacturers are also very happy to make as much SMP for export as they are able to. Prices are good for that product and it tightens up the supply of NDM for domestic use. Production of both powders is seasonally heavy, but it is near the point of slowing down. Production of high heat powder remains limited. Regular buyer interest is good. Output will increase as dryer throughput declines seasonally.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.6500 - 1.7600 MOSTLY: 1.6900 - 1.7300
 HIGH HEAT: 1.6600 - 1.8200

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices are steady on a market with firmer undertones. Various market participants report F.O.B. spot loads of dry buttermilk are difficult to locate and often require a standing relationship with the manufacturer to get workable pricing. Manufacturers are filling contract commitments on a timely basis. Dry buttermilk production is trending seasonally lower as butterfat clears to Class II end uses.

EAST: Prices for dry buttermilk were unchanged this week. Production of dry buttermilk continues to decrease as improved cream demand is reducing the flow of cream to churns. Manufacturers' supplies are tightening and most are comfortable with their current inventories. Domestic demand has improved as some buyers see dry buttermilk as a lower priced alternative to nonfat dry milk and also due to increased interest from ice cream and baking manufacturers. The tightening supplies and the firming nonfat dry milk market are giving this market a firm undertone.

F.O.B. CENTRAL/EAST: 1.5100 - 1.6000

DRY BUTTERMILK - WEST

Both the mostly and the range price moved higher in lighter trading. Offerings of powder are declining seasonally. Buyers are more actively looking for powder with limited success. Any resale powder offerings are also moving well. Butter churning remains relatively heavy as most of the cream is still heading to butter production. Some output of high fat soft products is beginning to increase as summer begins. The market has a firm undertone.

F.O.B. WEST: 1.5500 - 1.5825 MOSTLY: 1.5600 - 1.5750

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are unchanged to lower on an unsettled market. Orders are reportedly increasing into some plants, but recent pricing on some loads retreated as butterfat prices decline seasonally. Stocks on hand are described as geared for contract fulfillment.

F.O.B. PRODUCING PLANT: 1.8000 - 1.9500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
June 14	\$1.6613	11,865,042	0
June 7	\$1.6622	8,334,585	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

Prices for Central dry whey are unchanged on the mostly price series, and unchanged to slightly lower on the range series as contract bases adjust lower. Domestic interest is steady, while interest from off shore buyers is reportedly increasing. Central dry whey producers indicate the price difference between Central and West dry whey represents an opportunity to compete in the international market since transportation to the coast is essentially covered by the Central/West price gap. Dry whey production is steady to somewhat lower as internal milk supplies step seasonally lower. Animal feed dry whey prices are steady. A few buyers note they obtained mixed lot loads of edible and feed grade dry whey, with sellers willing to discount the edible whey to fill out the load. Various feed blenders report sales into dairy beef and dairy replacement accounts are more active. They relate this to the recent downturn in calf prices.

F.O.B. CENTRAL: .4700 - .6200 MOSTLY: .5150 - .5700
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4075 - .5400

DRY WHEY - NORTHEAST

Dry whey prices declined after two weeks of increases as sales based on various price indices moved the upper end of the range lower, while spot sales lowered the low end of the range. The continuing strong prolonged seasonal milk flush in the region is keeping cheese production and dry whey production at increased levels. Current production is adding to overall inventories. Domestic demand is fairly light as mild weather has limited the expansion of ice cream sales, production and dry whey purchases. Export sales remain steady and continue to be the primary means for some manufacturers to manage their inventories. Spot and resale prices are under contract pricing and give the market a weak undertone.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5425 - .6175

DRY WHEY - WEST

Western dry whey prices are uneven. The full range price series narrowed with the bottom of the series moving higher and the top moving lower. The mostly series is firmer as the bottom of that range moved higher. Opinions are varied amongst the market participants as to the direction of the market. Some contract brokers are reporting current prices higher than they can realize from their customers. July will begin the Q3 contract period and negotiations are ongoing for new business. Export demand is said to be good with increased interest for Q3 and Q4 of this year. Much of the Western whey is moved offshore and firmer export prices are welcomed. Whey production continues at a steady pace as cheese production schedules are heavy. Whey supplies are adequate for most contract and spot needs.

NONHYGROSCOPIC: .5700 - .6100 MOSTLY: .5725 - .6100

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The range price series narrowed for whey protein concentrate 34% while the mostly price series moved higher on the basis of solid demand and competition for available supplies. A few manufacturers report they are currently oversold on WPC 34%. Sales activity through the trade found new energy as buyers ran into trouble sourcing loads directly from producers. Resale prices, in most instances, carried firm premiums to the market. Whey protein concentrate 34% production is steady to lower as a few operations' managers report farm milk is shifting toward nonfat dry milk plants rather than into cheese plants. This is a result of slow sales for some commodity cheeses, particularly for Italian style bulk cheeses.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.2800 - 1.4600 MOSTLY: 1.3000 - 1.3500

LACTOSE - CENTRAL AND WEST

Prices for lactose are steady on the mostly series. Interest is divided along mesh sizes, with higher mesh sizes in good demand and unground lactose demand described as steady to modestly improving. Contracting activity for the new month and the new quarter is active. Demand from Southeast Asia is reported as increasing, with some distributors in that global area requesting commitments for half again as much lactose volume as was handled in Q2. For manufacturers, the upbeat demand is good news, and allows for choosing among potential customers and end uses to fit marketing strategies.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .5200 - .7500 MOSTLY: .5800 - .7100

CASEIN - NATIONAL

Pricing of both acid and rennet casein is steady. The market tone is slightly firm, yet untested. Buying interest is mostly light with orders being shipped on prior contracts. A higher milk flow in EU producing countries is expected to be available, yet production in Ireland and France is trailing year ago levels. Looking further ahead into the new production year, rains are widespread in Oceania. Rennet casein pricing at the June 18 gDT auction averaged \$4.4031 across August-October.

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: 4.3500 - 5.0000
ACID: 4.6000 - 5.4000

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

The CCC Purchase table will no longer be shown unless purchases occur. Last CCC purchase: October 2009

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2012

WEEK ENDING	WEEKLY	2013	2012 WEEKLY	2012
	DAIRY COWS	CUMULATIVE DAIRY COWS	DAIRY COWS	CUMULATIVE DAIRY COWS
06/01/2013	47.8	1,358	49.9	1,309.6

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

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
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
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66

CLASS IV MILK PRICES (3.5% BF)

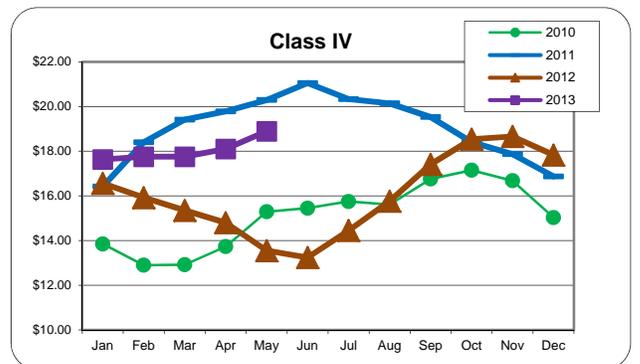
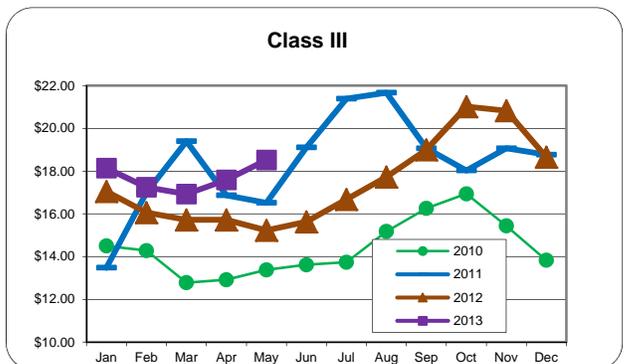
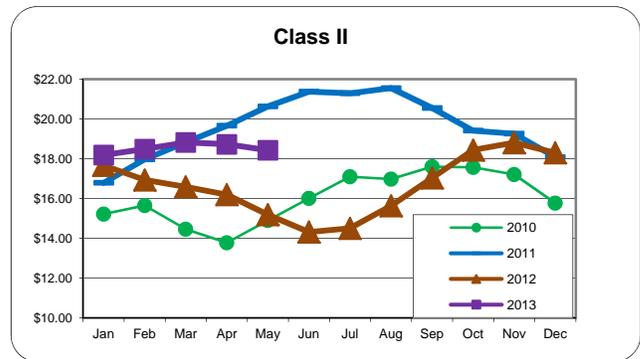
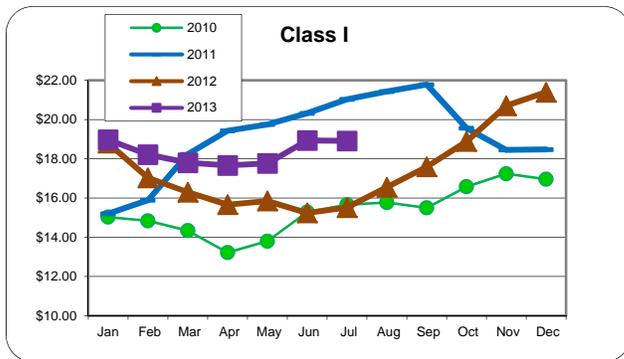
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83

FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.97	18.21	17.80	17.66	17.76	18.93	18.91					
II	18.19	18.49	18.82	18.73	18.43							
III	18.14	17.25	16.93	17.59	18.52							
IV	17.63	17.75	17.75	18.10	18.89							

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."



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered June 10 - 21, 2013

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 OVERVIEW: Milk production trends are steady to lower for most milk producing countries. Volumes are declining from the seasonal peak. For the EU, April milk production was 3.1% lower than April 2012. In May, many countries were noting the milk volumes were lower than a year ago, yet narrowing the gap to year ago levels. Current conditions have been generally favorable. Temperatures are moderate with only some relatively few hot days noted. Milk prices in most countries are rising, helping with profitability and thought to allow milk output to grow. The impact of the wet flooding and wet conditions remain in Germany, yet the scope is limited to specific locations. Butter movements into the Private Storage Assistance (PSA) program are at 54,700 MT through June 9, down 40% from last year and 13% lower than two years ago. At current pricing, butter producers are willing to sell butter and not hold volumes beyond future needs. Dairy product prices are slightly higher. Gains are noted because of the stronger Euro. However, this is having a negative impact on exporting. Demand is light to fair for new business with product moving out from prior sales.

BUTTER/BUTTEROIL: European butter prices are higher. There continues to be a fair internal demand to clear current offerings. Some buyers are more price averse and waiting for opportunities. Prices remain too high to export butter beyond a limited scope of customers. The recent increases in the Euro are making exporting even more challenging. Butter movements into the Private Storage Assistance (PSA) program are at 54,700 MT through June 9, down 40% from last year and 13% lower than two years ago comparables. Butter production is steady at seasonal levels. Butteroil prices are higher in nominal trading. Pricing adjustments are noted to measure fat values. Output is limited at the present time.

82% BUTTERFAT: 5,000 - 5,475
99% BUTTERFAT: 5,700 - 6,200

SKIM MILK POWDER (SMP): European SMP prices are mainly steady to slightly higher. The market tone is stable. Buyer interest is fair for internal coverage. Some buyers have needs to fill and are exploring options. Export demand is uneven, but at volumes below a year ago. The higher Euro values are impeding on volumes as the EU become less competitive. Production is trending seasonally lower from the peak, yet is holding up relatively well to projections. Stocks are available to service orders. European offered MH, SMP at the June 18 gDT trading event traded at \$4,085 per MT for August shipment.

1.25% BUTTERFAT: 4,000 - 4,350

SWEET WHEY POWDER: European whey prices are slightly higher with some gains due to currency fluctuations. The market is steady. Additional offerings are available on the market. Buyer interest is described as quiet and stable. Feed interest is more robust than thought would be the case at this time. Export demand has slowed down, attributed to the increasing Euro/Dollar value and the competitive disadvantage to U.S. whey. Whey production is seasonally active. Stock levels are manageable.

NONHYGROSCOPIC: 1,300 - 1,475

WHOLE MILK POWDER (WMP): European WMP prices are mostly steady to slightly higher on the top end of the reported range. Demand is uneven with export interest light to fair. Pricing is a factor as the Euro strengthens, yet the EU is currently the place to source WMP. The trade awaits the result of a recent tender and anticipates the EU will be the source of a good deal of WMP. Production trends are lower than year ago levels.

26% BUTTERFAT: 4,600 - 5,000

EASTERN OVERVIEW: Eastern European milk volumes are steady to slightly lower. Weather conditions are generally favorable. Milk price gains are positive to farmer incomes. Processing plants are holding schedules to plan. Information sources are indicating only limited issues surrounding flooding and wet conditions.

**Exchange rates for selected foreign currencies:
June 17, 2013**

.1874 Argentina Peso	.0106 Japan Yen
.9550 Australian Dollar	.0779 Mexican Peso
.9817 Canadian Dollar	.7994 New Zealand Dollar
1.3366 Euro	.3157 Polish Zloty
.0172 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos:
(1/.0779)

= 12.8370 Mexican Pesos.

Source: "Wall Street Journal"

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered June 10 - 21, 2013

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OCEANIA OVERVIEW: NEW ZEALAND milk production is trending lower at or near seasonal lows. Processing plants continue to be stepped down for end of season maintenance and to maximize efficiencies. Milk output levels are down sharply when compared to year ago levels, unofficial counts are often more than 30% lower in May. This is a continuation of the poor results seen in March and April. According to DCANZ, April milk production was 34.5% lower than April 2012. The June - April output, at 18.9 million tons, is running 0.2% lower than the previous season. Farmers began to cull heavier and earlier to compensate for the drought conditions. The trade notes that the market has compensated for the declines. The effects are mitigated due to the low point of the milk season and that traders/handlers began to back off future sales against the declining milk forecasts. Moisture conditions are improving with widespread, heavy rains over the North and South Islands. Groundwater is being replenished and pastures are being revitalized for the upcoming season. **AUSTRALIAN** milk production trends are expected to continue at the light side of normal with projections being eased lower. Weather conditions have become wetter during the fall season. The impact on the pasture and growing conditions is limited because of cooler weather limiting any growth. The precipitation is welcomed as farmers look ahead to the new season. Processors and coops are announcing higher milk prices for the upcoming season, at levels up 20% or more than for last season's start. This is also anticipated news as farmers plan the financials. The declining Australian dollar value is positive for exporting. Dairy product prices are steady to lower. The market test is generally light with limited commodity products available to be offered. There are some odd lot offering and other offers because of fiscal year end considerations. Some limited resale loads are indicated to be available. Demand is light for the current market conditions with buyers filling nearby needs from other country sources. Negotiations for new season products are building.

BUTTER: Oceania butter prices are unchanged in limited market test. The market undertone is unsettled. Activity is light. Buying interest has slowed to mainly movements around contracted volumes and previous orders. Seasonal, domestic butter demand is at fair to moderate levels. Production trends have declined to seasonal low points. Demand for domestic needs is also pulling cream from butter and AMF. Lower priced offerings for U.S. sourced butter are capturing more attention. At the June 18 gDT event 94, butter averaged \$4,015/MT for the August contracts, +4.8%, and \$3,925/MT for all contract periods, +4.7%. AMF prices averaged \$5,332/MT for the August contracts, +5.6% from the prior event. The AMF price average was \$4,589/MT for all contract periods, +1.7%.

82% BUTTERFAT: 3,700 - 4,500

SKIM MILK POWDER (SMP): Oceania skim milk powder pricing levels narrowed into a tighter range this reporting period. Trade sentiment is slowing with offering volumes trending lower. Drying schedules are light, reflecting the milk production trends moving towards the seasonal low point. Processors are working on limited schedules as most plants are down for maintenance ahead of the next production season and the new influx of milk. Current offerings outside of orders on the books are minimal. Spot interest is light with some of that demand moving to the gDT auction. Supplies are reported to be adequate to fill existing orders. There are talks of some

delays/juggling of shipments but those are said to be minimal. Existing season demand is limited. Negotiations for the next year are taking place. There is optimism about pricing levels due to prices holding at relatively high levels in the U.S. and EU countries. World demand remains fair to good and several tenders are locking up future production from exporting countries. At the June 18 gDT event, SMP for all regions and contracting periods averaged \$4,284 per MT, up 3.2%. For trading in contract period 2, (August 2013), prices averaged \$4,585 for NZ sourced medium heat product. For August sales, the price gap increased from the last trading session, at \$530/MT for U.S. MH SMP and \$500/MT for E.U. MH SMP.

1.25% BUTTERFAT: 4,100 - 4,650

CHEDDAR CHEESE: Oceania cheddar cheese prices moved lower. The market tone is weaker in a lightly worked market. Conditions are relatively stable with some negative pricing factors affecting the cheese market. Milk intakes are declining seasonally. Cheese production is at the low point of the cycle. Cheese is being made to fill domestic needs and limited export needs. Competition into Asian markets is proving more challenging with weaker currencies coupled with lower pricing from other exporting countries. Some buyers have tempered interest and are more price conscious.

39% MAXIMUM MOISTURE: 4,000 - 4,800

WHOLE MILK POWDER (WMP): Whole milk powder pricing trends moved lower, especially off the top end of the range. The market tone is unsettled, reflecting limited offerings and higher demand. WMP production is tending to be light and matching the declines in milk production. Processors are often making products of greatest need and specialty items to maximize returns during the lower point of the milk season. Shipments are being made to fill existing orders. Export tenders are being finalized for current orders expected to be filled from the EU or South America. World pricing is stable.

At the June 18 gDT event, the WMP pricing index, across all contracting periods averaged \$4,668 per MT, up 2.2%. For Contract period 2, August 2013, NZ regular WMP averaged \$4,990 per MT.

26% BUTTERFAT: 4,300 - 5,200

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered June 10 - 21, 2013

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.

US\$/MT	Global/Dairy Trading (g/DT) Event 94 Recap - June 18, 2013													
	Contract 1 Jul-13		Contract 2 Aug-13		Contract 3 Sep-13		Contract 4 Oct-13		Contract 5 Nov-13		Contract 6 Dec-13		All Contracts	
Anhydrous Milk Fat	n.a.	\$5,332	5.6%	\$5,299	10.9%	\$4,289	-1.2%	\$4,204	-0.3%	\$4,242	2.2%	\$4,589	1.7%	
Butter	n.a.	\$4,015	4.8%	\$3,840	4.1%	\$3,907	6.3%	n.a.	n.a.	n.a.	n.a.	\$3,925	4.7%	
Buttermilk Powder	n.a.	\$4,315	-2.2%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$4,315	-2.2%	
Cheddar	n.a.	n.a.	n.a.	\$4,600	-6.5%	\$4,555	n.a.	n.a.	n.a.	n.a.	n.a.	\$4,578	-6.5%	
Lactose	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Milk Protein Concentrate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Rennet Casein	n.a.	\$9,865	n.a.	\$9,445	n.a.	\$9,485	n.a.	n.a.	n.a.	n.a.	n.a.	\$9,707	n.a.	
Skim Milk Powder	\$3,793	2.6%	\$4,295	5.0%	\$4,524	3.7%	\$4,337	1.2%	\$4,307	-0.1%	n.a.	\$4,284	3.2%	
Whole Milk Powder	\$4,065	1.8%	\$5,007	-4.3%	\$4,689	4.8%	\$4,554	5.2%	\$4,442	1.4%	\$4,611	2.0%	\$4,668	2.2%

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (g/DT) Event 94 Recap - June 18, 2013													
	Contract 1 Jul-13		Contract 2 Aug-13		Contract 3 Sep-13		Contract 4 Oct-13		Contract 5 Nov-13		Contract 6 Dec-13		All Contracts	
Anhydrous Milk Fat	n.a.	\$2.4186	5.6%	\$2.4036	10.9%	\$1.9455	-1.2%	\$1.9069	-0.3%	\$1.9242	2.2%	\$2.0816	1.7%	
Butter	n.a.	\$1.8212	4.8%	\$1.7418	4.1%	\$1.7722	6.3%	n.a.	n.a.	n.a.	n.a.	\$1.7804	4.7%	
Buttermilk Powder	n.a.	\$1.9573	-2.2%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	\$1.9573	-2.2%	
Cheddar	n.a.	n.a.	n.a.	\$2.0865	-6.5%	\$2.0661	n.a.	n.a.	n.a.	n.a.	n.a.	\$2.0766	-6.5%	
Lactose	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Milk Protein Concentrate	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Rennet Casein	n.a.	\$4.4747	n.a.	\$4.2842	n.a.	\$4.3024	n.a.	n.a.	n.a.	n.a.	n.a.	\$4.4031	n.a.	
Skim Milk Powder	\$1.7205	2.6%	\$1.9482	5.0%	\$2.0521	3.7%	\$1.9673	1.2%	\$1.9536	-0.1%	n.a.	\$1.9432	3.2%	
Whole Milk Powder	\$1.8439	1.8%	\$2.2712	-4.3%	\$2.1269	4.8%	\$2.0657	5.2%	\$2.0149	1.4%	\$2.0915	2.0%	\$2.1174	2.2%

Average price US\$/pound and % change from previous event.

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	06/06	06/07	06/10	06/11	06/12	06/13	06/14	06/17	06/18	06/19
CME - CLASS III MILK FUTURES (Pit-Traded)										
JUN 13	18.06 (3799) 20	18.09 (3793) 0	18.11 (3734) 0	18.04 (3705) 0	18.04 (3651) 0	18.00 (3651) 0	17.99 (3645) 0	18.02 (3624) 0	18.02 (3497) 0	18.04 (3479) 0
JUL 13	18.66 (3827) 0	18.58 (3868) 4	18.62 (3984) 0	18.32 (4043) 0	18.08 (4110) 2	18.09 (4205) 0	18.03 (4208) 0	18.17 (4193) 0	17.98 (4195) 0	18.04 (4149) 0
AUG 13	19.05 (3213) 1	19.05 (3207) 1	19.12 (3247) 0	19.00 (3367) 0	18.69 (3334) 10	18.65 (3431) 0	18.52 (3400) 0	18.69 (3430) 0	18.46 (3402) 2	18.48 (3369) 40
SEP 13	19.10 (2507) 0	19.08 (2511) 1	19.13 (2542) 1	19.13 (2587) 1	18.91 (2580) 0	18.83 (2813) 0	18.81 (2802) 0	18.97 (2805) 0	18.83 (2864) 0	18.82 (2880) 0
OCT 13	18.87 (1907) 0	18.87 (1909) 1	18.99 (1924) 0	19.00 (1954) 0	18.82 (1961) 0	18.78 (1966) 0	18.79 (1985) 0	18.89 (1988) 0	18.82 (1990) 0	18.84 (1984) 0
NOV 13	18.59 (1780) 0	18.54 (1802) 1	18.59 (1821) 0	18.65 (1836) 0	18.58 (1843) 0	18.52 (1845) 0	18.55 (1849) 0	18.62 (1846) 0	18.54 (1844) 0	18.53 (1849) 0
DEC 13	18.16 (1698) 0	18.13 (1701) 1	18.15 (1720) 0	18.18 (1730) 0	18.15 (1739) 0	18.17 (1747) 0	18.16 (1747) 0	18.16 (1746) 0	18.13 (1747) 0	18.12 (1748) 0
JAN 14	17.59 (515) 0	17.65 (516) 0	17.65 (519) 0	17.65 (525) 0	17.65 (525) 0	17.63 (545) 0	17.60 (554) 0	17.63 (558) 0	17.62 (559) 0	17.62 (561) 0
FEB 14	17.25 (430) 0	17.30 (435) 0	17.25 (443) 0	17.28 (443) 0	17.28 (446) 0	17.25 (454) 0	17.25 (455) 0	17.27 (456) 0	17.27 (456) 0	17.27 (457) 0
MAR 14	17.15 (340) 0	17.15 (344) 0	17.15 (348) 0	17.15 (349) 0	17.17 (350) 0	17.17 (355) 0	17.17 (355) 0	17.18 (355) 0	17.18 (355) 0	17.15 (358) 0
CME - CLASS IV MILK FUTURES (Pit-Traded)										
JUN 13	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	19.03 (303) 0	18.98 (301) 0
JUL 13	19.28 (279) 0	19.33 (297) 0	19.36 (303) 0	19.36 (303) 0	19.33 (323) 2	19.30 (353) 0	19.30 (353) 0	19.30 (353) 0	19.30 (353) 0	19.22 (353) 0
AUG 13	19.35 (358) 0	19.45 (358) 0	19.56 (364) 0	19.56 (364) 0	19.51 (374) 10	19.58 (399) 0	19.51 (419) 0	19.51 (419) 0	19.54 (439) 0	19.54 (439) 0
CME - CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
JUN 13	157.00 (802) 7	157.00 (802) 0	157.00 (802) 0	156.63 (801) 3	157.00 (801) 1	156.00 (807) 8	155.55 (807) 1	155.55 (784) 0	155.55 (811) 0	155.55 (811) 0
JUL 13	163.00 (771) 0	163.40 (768) 5	163.00 (764) 21	162.38 (766) 5	161.00 (770) 15	159.40 (814) 48	159.40 (818) 6	159.10 (825) 7	158.13 (834) 23	157.20 (847) 21
AUG 13	164.75 (805) 16	165.25 (799) 15	164.75 (781) 21	163.25 (797) 33	163.00 (797) 10	162.50 (821) 37	162.75 (828) 12	162.75 (846) 18	162.00 (859) 28	161.60 (860) 16
CME - NONFAT DRY MILK FUTURES (Pit-Traded)										
JUN 13	167.75 (320) 0	167.83 (320) 0	168.25 (321) 0	168.25 (321) 0	168.50 (321) 0	168.50 (321) 0	168.50 (321) 0	168.50 (321) 0	168.50 (321) 0	168.50 (321) 0
JUL 13	168.25 (253) 0	169.00 (253) 0	170.00 (253) 0	170.00 (253) 0	171.00 (253) 0	171.20 (258) 0	171.50 (259) 0	171.50 (259) 0	171.50 (259) 0	171.50 (259) 0
AUG 13	169.50 (255) 0	170.25 (255) 0	171.53 (257) 0	171.75 (257) 0	172.03 (256) 0	173.08 (257) 0	173.00 (254) 0	173.00 (254) 0	173.00 (258) 0	173.00 (258) 0
CME - WHEY (Electronic-Traded)										
JUN 13	58.25 (237) 1	58.28 (237) 0	58.50 (237) 0	58.50 (237) 0	58.25 (245) 8	57.05 (246) 2	57.10 (246) 0	57.15 (249) 3	57.20 (249) 0	57.25 (249) 2
JUL 13	59.00 (278) 7	59.00 (278) 0	59.45 (278) 1	59.00 (279) 1	59.00 (279) 0	58.00 (280) 3	57.25 (277) 3	57.50 (278) 4	57.55 (277) 2	57.50 (277) 4
AUG 13	59.50 (228) 3	59.50 (228) 1	59.50 (228) 0	59.25 (231) 6	59.25 (233) 2	58.65 (234) 4	58.48 (234) 0	58.50 (240) 18	58.75 (242) 3	58.70 (245) 12
CME - CHEESE CSC (Electronic-Traded)										
JUN 13	1.78 (855) 4	1.77 (856) 1	1.78 (856) 0	1.77 (855) 3	1.77 (855) 7	1.77 (865) 15	1.77 (865) 1	1.78 (868) 10	1.78 (872) 6	1.78 (872) 1
JUL 13	1.84 (666) 8	1.83 (655) 21	1.83 (656) 3	1.80 (667) 22	1.78 (689) 69	1.78 (708) 46	1.78 (708) 2	1.79 (714) 17	1.77 (720) 16	1.78 (732) 12
AUG 13	1.87 (605) 4	1.87 (608) 5	1.88 (608) 10	1.87 (645) 63	1.84 (667) 32	1.84 (670) 4	1.83 (673) 7	1.84 (684) 14	1.81 (698) 33	1.82 (700) 8
SEP 13	1.88 (545) 8	1.87 (550) 6	1.87 (550) 0	1.88 (570) 44	1.87 (569) 3	1.86 (575) 14	1.86 (573) 8	1.87 (584) 54	1.85 (586) 20	1.85 (575) 5
OCT 13	1.85 (581) 0	1.85 (581) 0	1.85 (581) 0	1.87 (584) 3	1.85 (600) 23	1.85 (613) 18	1.85 (614) 1	1.86 (621) 10	1.85 (621) 0	1.85 (621) 0
NOV 13	1.82 (798) 0	1.82 (798) 0	1.82 (798) 0	1.83 (801) 3	1.83 (804) 15	1.82 (805) 1	1.83 (813) 8	1.83 (826) 13	1.83 (826) 0	1.82 (826) 5

^{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.)

FEDERAL MILK ORDER ADVANCE PRICES, JULY

Base Class I Price. Under the Federal milk order pricing system, the base Class I price for July 2013 is \$18.91 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$13.50 and the advanced butterfat pricing factor of \$1.6803. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Comparison to Previous Month.** Compared to June 2013, the base Class I price decreased \$0.02 per cwt. For selected consumer products, the price changes are: whole milk (3.25% milk fat), \$0.01 per cwt., \$0.001 per gallon; reduced fat milk (2%), \$0.16 per cwt., \$0.014 per gallon; fat-free (skim milk), \$0.35 per cwt., \$0.030 per gallon. **Class II Price Information.** The advanced Class IV skim milk pricing factor is \$13.50. Thus, the Class II skim milk price for July is \$14.20 per cwt., and the Class II nonfat solids price is \$1.5778. **Product Price Averages.** The two-week product price averages for July are: butter \$1.5590, nonfat dry milk \$1.6826, cheese \$1.7806, and dry whey \$0.5710.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	July 2013		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	22.16	16.75	1.7128
Appalachian (Charlotte) ^{5/ 6/}	005	22.31	16.90	1.7143
Southeast (Atlanta) ^{6/ 7/}	007	22.71	17.30	1.7183
Florida (Tampa) ^{6/ 8/}	006	24.31	18.90	1.7343
Midwest (Cleveland) ^{9/}	033	20.91	15.50	1.7003
Upper Midwest (Chicago) ^{10/}	030	20.71	15.30	1.6983
Central (Kansas City) ^{11/}	032	20.91	15.50	1.7003
Southwest (Dallas) ^{12/}	126	21.91	16.50	1.7103
Arizona (Phoenix)	131	21.26	15.85	1.7038
Pacific Northwest (Seattle) ^{13/}	124	20.81	15.40	1.6993
All-Market Average		21.80	16.39	1.7092

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 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 markets. ^{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.

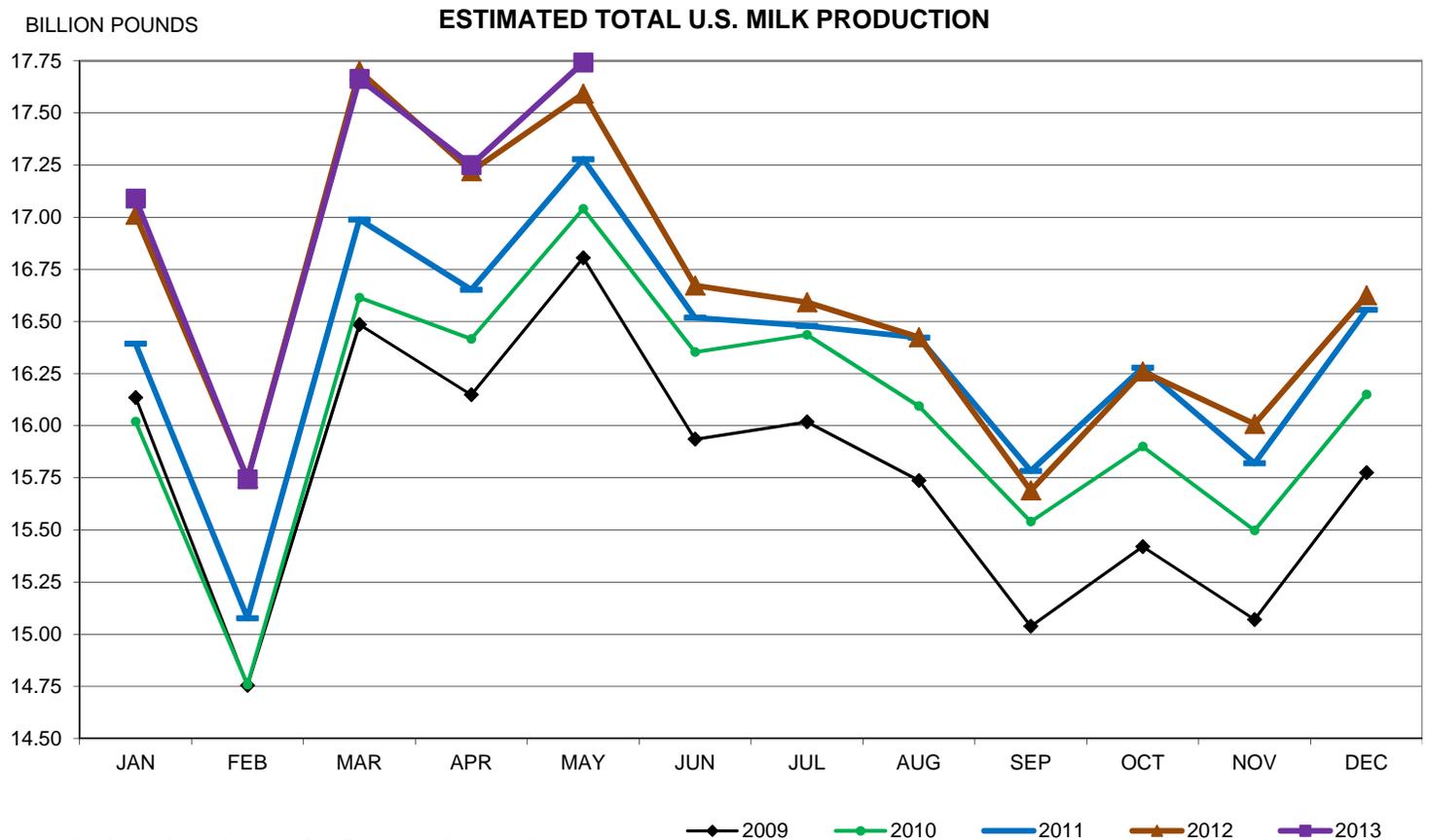
MAY MILK PRODUCTION

Milk production in the 23 major States during May totaled 16.5 billion pounds, up 0.9 percent from May 2012. April revised production, at 16.1 billion pounds, was up 0.2 percent from April 2012. The April revision represented a decrease of 20 million pounds or 0.1 percent from last month's preliminary production estimate.

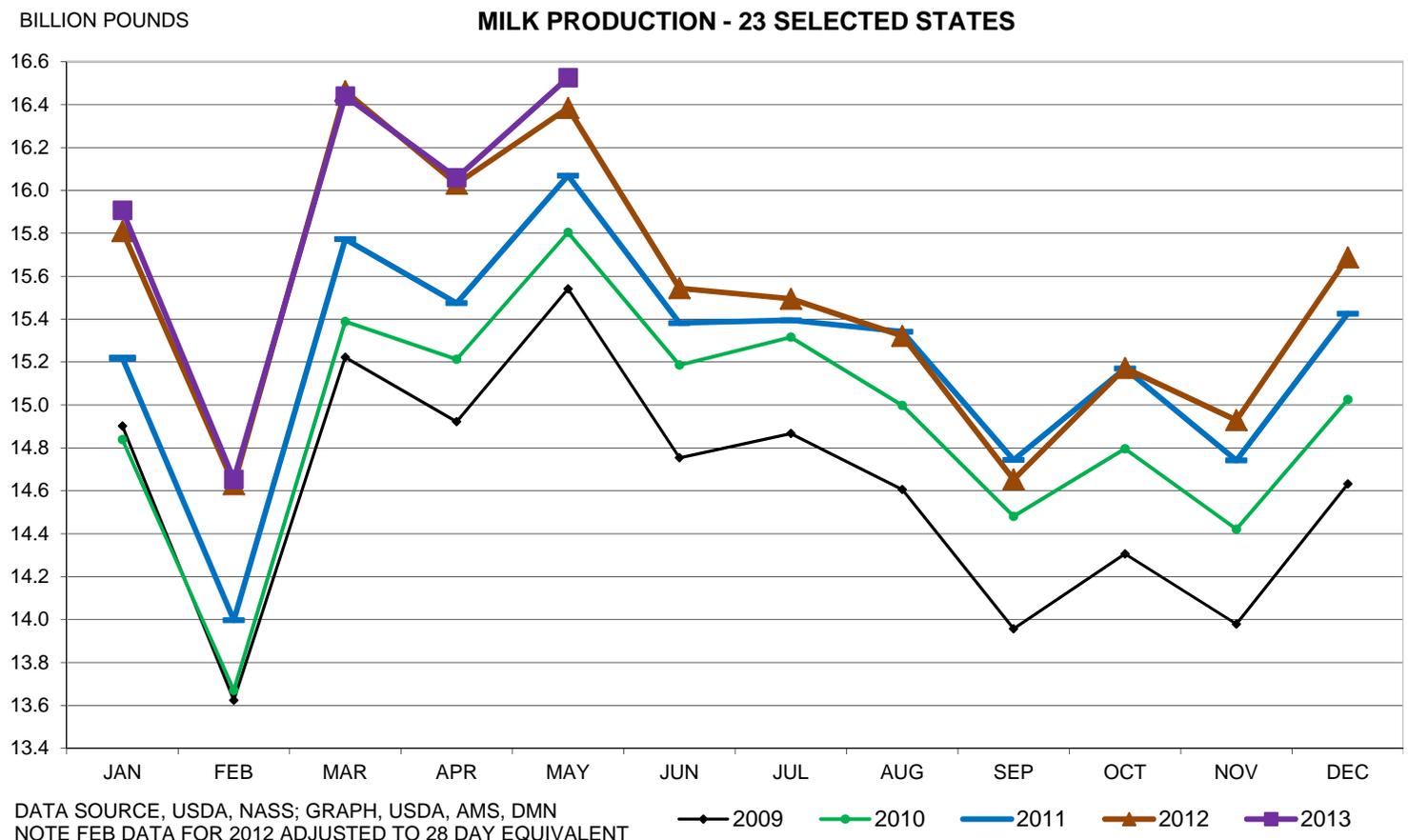
MAY 2013 MILK PRODUCTION, BY STATES

STATE	MILK PRODUCTION					
	APRIL			MAY		
	2012	2013	CHANGE FROM 2012	2012	2013	CHANGE FROM 2012
	MILLION POUNDS		PERCENT	MILLION POUNDS		PERCENT
AZ	418	411	-1.7	418	410	-1.9
CA	3,632	3,619	-0.4	3,744	3,726	-0.5
CO	268	271	1.1	278	282	1.4
FL	221	220	-0.5	218	218	--
ID	1,108	1,117	0.8	1,172	1,175	0.3
IL	173	173	--	171	174	1.8
IN	327	337	3.1	330	347	5.2
IA	384	390	1.6	382	393	2.9
KS	233	247	6.0	236	255	8.1
MI	750	760	1.3	765	784	2.5
MN	770	774	0.5	777	791	1.8
MO	136	128	-5.9	131	128	-2.3
NM	718	700	-2.5	722	714	-1.1
NY	1,119	1,132	1.2	1,153	1,177	2.1
OH	469	470	0.2	470	478	1.7
OR	212	213	0.5	223	222	-0.4
PA	904	904	--	914	935	2.3
TX	843	816	-3.2	847	840	-0.8
UT	163	158	-3.1	170	166	-2.4
VT	216	220	1.9	223	231	3.6
VA	153	153	--	151	155	2.6
WA	528	537	1.7	550	558	1.5
WI	2,286	2,309	1.0	2,339	2,366	1.2
23 STATE TOTAL	16,031	16,059	0.2	16,384	16,525	0.9

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Milk Production, June 2013.*



DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
 NOTE: FEB DATA FOR 2012 ADJUSTED TO 28 DAY EQUIVALENT



DATA SOURCE, USDA, NASS; GRAPH, USDA, AMS, DMN
 NOTE FEB DATA FOR 2012 ADJUSTED TO 28 DAY EQUIVALENT

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