

NATIONAL DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (1/03):

BUTTER: Grade AA closed at \$1.5700. The weekly average for Grade AA is \$1.5413 (-.0387).

CHEESE: Barrels closed at \$1.9200 and 40# blocks at \$2.0425. The weekly average for barrels is \$1.8825 (-.0850) and blocks, \$2.0144 (+.0144).

BUTTER HIGHLIGHTS: Butter churn operators increased churn rates across the regions as additional cream supplies are available. Some butter manufacturers are producing additional 82% butter. Domestic butter demand declined in the Northeast, and is light to moderate in the Central and Western regions. International interest is active in the Northeast, picking up in the Central, and good in the West. Inventories continue to be rebuilt throughout the nation. Current bulk butter prices ranged 5-9 cents over the market in the Northeast, flat to 5 cents over the market in the Central, and market to 4 cents under the market in the West, based on the CME, with various time frames and averages used. The Grade AA butter price on the CME Group closed Friday at \$1.5700, up 2 cents from last Friday. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 5.9 million pounds of butter. The product will be delivered from December 2013 through June 2014. In 2013, CWT assisted member cooperatives in selling 97.6 million pounds of butter.

CHEESE HIGHLIGHTS: Cheese production schedules were mixed for the last week of the year. Some additional milk was available for manufacturing over the holiday. Many plants took advantage of increased milk to build inventory or to catch up on current orders. Some plants with heavier stocks are just maintaining production levels and waiting for orders to pick up. There continues to be a degree of uncertainty over market direction to begin the new year. Buyers and sellers often appear to be taking a wait and see attitude this week to begin their marketing for 2014. At the CME Group, barrels closed Friday at \$1.9200 and blocks closed at \$2.0425, a 12.25 cent spread.

FLUID MILK: Milk production across the Northern tier of states remains mostly steady, while Southern tier states are seeing some increases due to milder weather. Manufacturing milk supplies are increased this holiday interrupted week. Both fluid milk and cream were available to processors early in the week. Some discounts were offered, but transportation costs and truck availability weighed on buying decisions. By midweek, more milk was moving back to Class

I bottlers to resupply school milk programs.

DRY PRODUCTS: Nonfat dry milk prices are steady to higher with a firm undertone. Early in the week, there was increased production with some surplus holiday milk going into Class IV manufacturing. Despite increased production, stocks remain tight as many processors indicate they are still behind on contract fulfillment. Dry buttermilk prices are higher as good demand outweighs supplies. Production was increased early in the week, but returned to expected levels late. Dry whole milk prices are steady in a firm market. They prices are mostly unchanged this week with very light spot trading reported. International demand is good and prices are firming to near domestic price levels. Whey protein concentrate 34% prices are steady to firm. Manufacturers report tight inventories. Lactose prices are steady with some weakness at the bottom of the range. Tight milk supplies are holding lactose production back. Casein prices are higher.

INTERNATIONAL DAIRY MARKET NEWS (DMN):

WESTERN AND EASTERN EUROPE: WESTERN OVERVIEW: Milk production in Europe continues to show signs of seasonal increases. A strong storm over the holiday period with high winds did cause some flooding and transportation problems in Ireland, the UK and the coastal regions of France. Overall though, weather has been fairly mild with no major interruptions to milk production. European manufacturing milk supplies are increasing, due to the holiday shutdowns of numerous dairy product and food manufacturing plants. Producer margins are at levels that encourage milk production and expansion of operations, when possible, with Dutch and Irish producers especially active in working to increase their herds. Numerous producers are willing to pay levies in lieu of increased production. Most dairy product supplies are tight going into 2014 with a majority of skim milk and whole milk powder inventories committed through Q1.

EASTERN OVERVIEW: Eastern European milk production is showing marginal increases with Poland leading the way as countries come out of their seasonal production low points. Lithuanian dairy product exports to Russia are expected to resume in January. Imports were suspended by Russia in October, but increased quality oversight by Lithuania and negotiations with Russian officials, appear to have resolved most of the import suspension issues. The whey market continues to hold steady.

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CME GROUP CASH TRADING

COMMODITY	MONDAY DEC 30	TUESDAY DEC 31	WEDNESDAY JAN 01	THURSDAY JAN 02	FRIDAY JAN 03	WEEKLY CHANGE *	WEEKLY AVERAGE #
CHEESE							
BARRELS	\$1.9100 (-.0600)	\$1.8500 (-.0600)	HOLIDAY	\$1.8500 (N.C.)	\$1.9200 (+.0700)	:: (-.0500)	:: \$1.8825 (-.0850)
40# BLOCKS	\$2.0000 (N.C.)	\$2.0000 (N.C.)		\$2.0150 (+.0150)	\$2.0425 (+.0275)	:: (+.0425)	:: \$2.0144 (+.0144)
NONFAT DRY MILK							
EXTRA GRADE	\$2.0900 (N.C.)	\$2.0900 (N.C.)	NO	\$2.0900 (N.C.)	\$2.0900 (N.C.)	:: (N.C.)	:: \$2.0900 (N.C.)
GRADE A	\$2.0900 (-.0200)	\$2.0600 (-.0300)	TRADING	\$2.0600 (N.C.)	\$2.0675 (+.0075)	:: (-.0425)	:: \$2.0694 (-.0406)
BUTTER							
GRADE AA	\$1.5225 (-.0275)	\$1.5325 (+.0100)		\$1.5400 (+.0075)	\$1.5700 (+.0300)	:: (+.0200)	:: \$1.5413 (-.0387)

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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OCEANIA OVERVIEW: **AUSTRALIAN** milk production for November, according to Dairy Australia, was 2.9% lower than November 2012. The state changes from a year earlier are: New South Wales, -5.6%; Victoria, -2.3%; Queensland -9.1%; South Australia -4.6%; Western Australia -3.6%; and Tasmania -0.6%. July to date totals show Australia down 3.9% with all states below the previous year's production. Weather continues to be favorable for milk production with hopes of closing the production season with stronger production totals than last year. Most favorable estimates, given good weather, still peg Australia's production to be 1-2% below last year. Market activity was very light over the last fortnight, due to the yearend holidays. Dairy product prices have held mostly steady with some underlying firmness seen in skim and whole milk powders. Supplies for most dairy products are tight through the first quarter of 2014. Chinese buyers appear to be on the verge of purchasing Australia's largest privately-owned milk supplier. Other Australian dairy assets have also become targets of possible purchase by Chinese buyers as China looks to expand dairy operations. **NEW ZEALAND** milk production continues to pace itself above last year's levels by nearly 6%. The close of the current season should see milk production well above last year's drought stricken finish. The dairy herd in New Zealand has rebounded from last year's drought with Statistics New Zealand pegging the dairy herd at 6.6 million head, up 27% from 2006. Other livestock numbers showed slight declines in 2013, an indication that conversion to dairy operations is ongoing. Market activity over the yearend holiday period has been light and prices have held mostly steady. Dairy product supplies are viewed as tight with a majority of first quarter production committed. News reports out of China, indicating new regulations imposed by China's Food and Drug Administration may limit domestic milk powder supplies, are giving the dairy markets a firm undertone. The situation in China has increased buying focus on New Zealand's remaining available supplies. One contact indicated current dairy demand is contingent on what China will do. The GDT auction has taken an extra week hiatus over the holiday period and will conduct the first auction event of 2014 on January 7.

DECEMBER AGRICULTURAL PRICE HIGHLIGHTS

(NASS): The All Milk price received by farmers was \$21.80 in December, up \$0.20 from November 2013, and up \$1.00 from December 2012. The alfalfa hay price was \$187.00 in December, down \$30.00 from December 2012. The corn price was \$4.31 in December, down \$2.56 from December 2012. The soybean price was \$13.00 in December, down \$1.30 from December 2012. The milk-feed price ratio was 2.30 in December, up 0.65 from December 2012. The index of prices received by farmers for dairy products during the month of December 2013 was up 2 points to 167. Compared to December 2012, the index was up 8 points (5.0%). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in December 2013 was down 1 point to 213. Compared with December 2012, the index was down 4 points (1.8%).

DECEMBER CLASS AND COMPONENT PRICES (DAIRY

PROGRAMS): The following are the December 2013 prices under the Federal milk order pricing system and changes from the previous month: Class II \$21.66 (+\$0.90), Class III \$18.95 (+\$0.12), and Class IV \$21.54 (+\$1.02). Product price averages used in computing Class prices are: butter \$1.6308, nonfat dry milk \$1.9537, cheese \$1.8761, and dry whey \$0.5706. The Class II butterfat price is \$1.7742, and the Class III/IV butterfat price is \$1.7672. Further information may be found at: www.ams.usda.gov/AMSV1.0/PriceFormulas2013

CME GROUP

MONDAY, DECEMBER 30, 2013

CHEESE -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.9100
 NONFAT DRY MILK -- SALES: 1 CAR GRADE A @ \$2.0900; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE A @ \$2.1100
 BUTTER -- SALES: 7 CARS GRADE AA: 1 @ \$1.5400, 1 @ \$1.5350, 1 @ \$1.5325, 3 @ \$1.5300, 1 @ \$1.5200; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5225; LAST OFFER UNCOVERED: NONE

TUESDAY, DECEMBER 31, 2013

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.9100, 1 @ \$1.8500; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: 6 CARS GRADE A @ \$2.0600; LAST BID UNFILLED: 1 CAR GRADE A @ \$2.0600; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 4 CARS GRADE AA @ \$1.5325; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.5325; LAST OFFER UNCOVERED: NONE

WEDNESDAY, JANUARY 1, 2014

HOLIDAY -- NO TRADING

THURSDAY, JANUARY 2, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.8500; 1 CAR 40# BLOCKS @ \$2.0150; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 5 CARS GRADE AA @ \$1.5400; LAST OFFER UNCOVERED: NONE

FRIDAY, JANUARY 3, 2014

CHEESE -- SALES: NONE; LAST BID UNFILLED: 1 CAR BARRELS @ \$1.9200; 1 CAR 40# BLOCKS @ \$2.0425; LAST OFFER UNCOVERED: 1 CAR BARRELS @ \$1.9500
 NONFAT DRY MILK -- SALES: 3 CARS GRADE A: 1 @ \$2.0650, 2 @ \$2.0675; LAST BID UNFILLED: 2 CARS GRADE A @ \$2.0675; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE AA @ \$1.5700; LAST OFFER UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

Cream supplies have increased over the holiday week and are keeping butter production active with increased churning schedules. Bulk butter volumes increased as print orders have lessened following the holidays. Domestic demand has declined, but export demand is active. Some 82% butter inventories have been reduced to minimal levels as butter manufacturers begin to fill first quarter 2014 export orders. Cooperatives Working Together (CWT) has accepted export assistance to sell 5.936 million pounds of butter to customers in Europe, the Middle East and North Africa. The product will be delivered in December 2013 through June 2014. The CME Group butter price increased \$0.0100 Tuesday to close at \$1.5325. The increase followed 2 previous sessions that lowered the butter price by \$0.0625.

CENTRAL

Butter operators are taking advantage of extra cream supplies available at lower prices to churn at or near full capacity production rates. Some butter manufacturers are producing additional 82% to satisfy international demand. Domestic demand is light to moderate this week. Inventories are being rebuilt. Current bulk butter prices ranged flat to 5 cents over the market, based on the CME, with various time frames and averages used. The Grade AA butter price on the CME Group closed a cent higher on Tuesday to \$1.5325. Eleven loads of Grade AA butter have been sold at Tuesday's close. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 5.9 million pounds of butter. The product will be delivered from December 2013 through June 2014. Year-to-date, CWT has assisted member cooperatives in selling 97.6 million pounds of butter.

WEST

Western butter prices are unsettled as the year closes. Butter production is increasing as some extra cream is available over the midweek holiday. Butter churns are glad to see any extra cream as they try to fill current orders and build inventories. Demand for domestic print butter continues to be light to moderate as some stores restock after the holidays. Butter manufacturers are also filling current export orders with stocks clearing at a good rate. Butter prices at the CME Group on Tuesday were up 1 cent and closed at \$1.5325. The market is unsettled as both buyers and sellers attempt to determine the market direction. Buying interest is good with 11 loads sold by Tuesday's close. The market is closed for the New Year's holiday. Prices for bulk butter range from market to 4 cents under the market, based on the CME with various time frames and averages used.

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
December 28, 2013	1,5804 1,321,527	1,9133 7,474,584	1,8990 9,930,157	0,5716 6,616,960	1,9785 7,709,258

CHEESE MARKETS

NORTHEAST

Cheese production is very active in the region, as cheese makers clear the heavy intake of holiday milk. Inventories are expanding with the increase in production. Demand is good as cheese makers continue to receive Q1 orders from both domestic and export buyers. The weekly average cheese prices increased on the CME Group last week. Wholesale prices for 40# block and muenster increased by \$0.0325, and \$0.0800 for process 5# slices. Swiss cheese prices were unchanged. CME Group cheese prices were mixed Tuesday with barrels declining 6 cents for the second consecutive day, and closed at \$1.8500. Blocks were unchanged and closed at \$2.0000.

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

Cheddar 40# Block	: 2.3925-2.6775
Process 5# Sliced	: 2.1900-2.6700
Muenster	: 2.4125-2.7725
Grade A Swiss Cuts 10 - 14#	: 3.4575-3.7800

MIDWEST

The market tone for Midwest cheese is softening with heavy inventories and sluggish sales due to the short holiday week. Many manufacturers took on additional milk supplies last week, but some are cutting back on production levels due to high inventory stocks. Cheesemakers expect sales to increase next week with a full work week. Cheese barrels plummeted a total of 12 cents Monday and Tuesday at the CME Group, closing at \$1.8500 on Tuesday. Cheese blocks closed unchanged Monday and closed unchanged Tuesday at \$2.0000. The barrel to block price spread went from 3 cents on Friday's close to a 15 cent spread at Tuesday's close. Co-operatives Working Together (CWT) has accepted requests for export assistance to sell 0.9 million pounds of cheese. The product will be delivered from December 2013 through June 2014. Year-to-date, CWT has assisted member cooperatives in selling 130.3 million pounds of cheese.

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

Process American 5# Loaf	: 2.0675-2.4275
Brick And/Or Muenster 5#	: 2.3725-2.7975
Cheddar 40# Block	: 2.0775-2.4950
Monterey Jack 10#	: 2.3475-2.5525
Blue 5#	: 2.6400-3.6275
Mozzarella 5 - 6# (Low Moisture, Part Skim)	: 2.2175-3.1125
Grade A Swiss Cuts 6 - 9#	: 2.9750-3.0925

WEST

Western cheese prices are higher this week as prices rallied last week at the CME Group. There is a degree of uncertainty as to market direction this week. Cheese production in the West continues to be limited by tight milk supplies. Recent price increases have slowed demand from domestic and export markets. Buyers are often taking a wait and see attitude for near term purchases. Stocks of cheese are adequate for immediate sales. Cheese trading prior to the New Year's break was mixed with barrels moving lower both days and blocks holding steady. Barrel prices closed 6 cents lower at \$1.8500 on Tuesday. Blocks were unchanged at \$2.0000. On the last day of the year, barrels are 15 cents lower than blocks. For the week, there have been two sales of barrels and no blocks as of Tuesday's close. The exchange is closed for the New Year's holiday.

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

Process 5# Loaf	: 2.0975-2.3550
Cheddar 40# Block	: 2.1150-2.4675
Cheddar 10# Cuts	: 2.2950-2.5150
Monterey Jack 10#	: 2.3050-2.4650
Grade A Swiss Cuts 6 - 9#	: 3.0350-3.4650

FOREIGN

The CME Group weekly average block price increased again this week. Wholesale prices for domestic foreign type cheese rose by \$0.0325, while Swiss cuts and imported cheeses were unchanged. Domestic wholesale cheese averages, except Swiss, have advanced in 5 of the least 6 weeks, for a net increase of \$0.1875.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.5325-4.0200*
Gorgonzola	: 3.4900-6.6900	: 3.0350-3.4475*
Parmesan (Italy)	: -0-	: 3.9225-6.0125*
Provolone (Italy)	: -0-	: 2.5750-2.7325*
Romano (Cows Milk)	: -0-	: 3.7225-5.8725*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.4600	: -0-
Jarlsberg-(Brand)	: 2.9500-5.6300	: -0-
Swiss Cuts Switzerland	: -0-	: 3.5550-3.8775
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-

* = Price change.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKSBUTTER : CHEESE

	:	
12/30/13	7,262	: 96,242
12/01/13	7,212	: 101,126
CHANGE	50	: -4,884
% CHANGE	1	: -5

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 *updated	0	50	0	77*	0	188
SOUTHEAST STATES	0	0	0	0	0	0

Manufacturing milk volumes have expanded in the Northeast and Mid-Atlantic regions, which is typical over the yearend holidays. Balancing plants are working through the increased volumes with minimal delays. Milk supplies over the holiday period in Florida have brought about the exporting of spot loads. The 77 loads last week and 50 loads this week are well below last year's export totals for the same period. Class I demand is expected to increase next week when schools resume classes. Milder weather has prompted an uptick in milk production. Milk supplies in the Southeast region have also been heavy with most manufacturing plants operating at near capacity levels. A manufacturing plant breakdown in Kentucky did cause some backups and delays over the weekend. Class I orders are expected to increase as bottling plants prepare for schools to open next week. Cream supplies are more problematic this week compared to last. Some loads are having difficulty finding a home with some moving out of the region. Volumes going to churns are very heavy. **Cream multiples for all classes** are lower and ranged 1.00-1.25 with long haul loads accounting for the low end of the range. **Condensed skim** supplies are readily available with Class IV production near maximum levels to handle the increase in supplies. Loads sold to other regions required discounts nearing flat class prices to complete the sales. High transportation costs have reduced plant managers' willingness to move loads out of region.

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 -	1.6590-1.9750
F.O.B. producing plants: Upper Midwest -	1.5800-1.9750

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.83-1.93
Northeast - Class III - spot prices -	1.51-1.61

MIDWEST

Colder than normal temperatures and feed quality issues continue to plague milk production rates leaving them stagnant to marginally increasing. Spot load prices on milk picked up a little this week with less than seasonal supplies available. Bottling orders are beginning to pick back up as educational pipelines start to be restocked. Some discounts were seen on condensed skim. **Class II cream multiples decreased marginally this week, ranged 1.00-1.25.** Cream availability loosened some and butter churn operators willingly took on additional supplies. Some cheesemakers cut back on milk intakes after taking on extra loads last week. The weekly cow slaughter totaled 62,300 head for the week ending on December 14, down 4,300 head or 6.5% from a year ago. According to NASS's Agricultural Prices report, the National alfalfa hay price received for December 2013 averaged \$187 per ton, down from last December's price of \$217 per ton.

WEST

Processors at butter/powder and cheese operations report milk intakes are receding post-holiday as fluid orders strengthen. CALIFORNIA milk production is unchanged this week. Bottlers are refilling customer outlets as well as resupplying educational institutions for regular operation during the last half of this week. NEW MEXICO farm milk production is steady and at seasonally expected volumes. Weather cooperated throughout the two week holiday period as far as milk transportation is concerned. Fluid demand is returning as bottlers fill orders for school meal programs as well as in-store placement. Milk handlers in ARIZONA indicate production is steady to slightly higher as comfortable weather extended through this week. **The Western cream multiple range is unchanged to lower, 1.00 – 1.23, depending on Class usage and basing points.** A few Western manufacturers indicated availability of spot cream loads was lighter than anticipated in some areas. California spot cream loads were mostly processed in-state, except for a few loads clearing into Idaho. Arizona cream loads also stayed close to home as other manufacturers made up for previous lost churning opportunities this week. At the CME Group, Grade AA butter closed on Tuesday at \$1.5325, 5.25 cents lower than one week ago. Milk production in the PACIFIC NORTHWEST is mostly unchanged. Milk needed for Class I usage will increase late this week to refill the school milk pipeline. Any surplus milk is being easily handled by manufacturing facilities. No weather problems were reported moving milk last week and expectations are the same for this week. UTAH and IDAHO milk production is steady. Temperatures are above freezing for most days and in the 20's at night. Favorable weather, with few winter storms, is helping to keep production steady. Milk is being moved to plants with no significant transportation problems reported. Increased competition for available milk in the region has some dairies looking at various processors for their milk contracting for 2014. According to the NASS *Agricultural Prices* report, December U.S. prices for baled alfalfa hay were \$187/ton, \$30/ton less than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$190, unchanged; California \$198, -\$14; Colorado \$230, -\$15; Idaho \$170, -\$30; Nevada \$196, -\$9; New Mexico \$245, -\$15; Oregon \$190, -\$32; Utah \$170, -\$22 and Washington \$195, -\$35.

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 nonfat dry milk are unchanged on low/medium heat and higher on high heat. The market tone is firm. Some NDM manufacturers were able to obtain extra milk supplies, thus increasing production levels. Domestic demand is status quo given the holiday week. NDM inventories are mostly tight, with some manufacturers looking to rebuild stocks. Extra Grade NDM was unchanged at the CME Group, closing at \$2.09 Tuesday. Grade A NDM went down both Monday and Tuesday, closing at \$2.0600 on Tuesday.

EAST: Nonfat dry milk prices were mixed as low heat prices were unchanged, while high heat prices increased. Production has increased significantly over the holiday period. Supplies remain tight in the region. Spot sales activity was light with most movement of product through contracted sales. Domestic demand is variable as most buyers are only buying for immediate needs. Export interest remains active.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 2.0275 - 2.1400 MOSTLY: 2.0300 - 2.1000
 HIGH HEAT: 2.0825 - 2.1650

NONFAT DRY MILK - WEST

Nonfat dry milk prices from Western manufacturers are mixed, with various indices adding 1 cent or more onto contract prices while F.O.B. spot sales were limited. Although production has been very active during the last two weeks, most manufacturers report they have light to nil uncommitted volumes. As December ends, some producers indicate they are behind on contract fulfillment for that month. Bottler demand is reemerging as schools reopen and this is directing some milk volumes away from NDM production. A handful of manufacturers indicate they are counting on increasing farm milk production, and related increases in NDM production, to get beyond their current deficit positions on NDM contract fulfillment.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.9825 - 2.1000 MOSTLY: 2.0200 - 2.0600
 HIGH HEAT: 2.0225 - 2.1300

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: Dry buttermilk prices went slightly higher on the top of the range while remaining unchanged on the bottom of the range. The market tone remains firm with good domestic demand. Many manufacturers report additional drying of buttermilk. Buyers are actively seeking product. Stocks of dry buttermilk are low.

EAST: Dry buttermilk prices saw a marginal increase on the high end of the range following last week's noteworthy increase. Dry buttermilk production is building as demand for cream declines, pushing increased volumes to churns. Inventories are tight with limited spot trades and most available supplies clearing by way of contracts. Demand is very good with buyers looking to purchase. The market undertone is steady to firm.

F.O.B. CENTRAL/EAST: 1.8200 - 1.9300

DRY BUTTERMILK - WEST

Dry buttermilk prices in the West are unchanged to higher on the range and mostly price series. Production throughout the last 7 – 10 days has been active, with additional milk volumes clearing through manufacturing plants. However, by Tuesday of this week, orders from bottlers resumed and milk volumes clearing through butter/powder plants are noticeably lower. Dry buttermilk inventories are light to moderate. Most contract fulfillment is on time. Requests for F.O.B. spot loads are being considered on a case by case basis, with some requests for add-ons to contracts being given additional weight.

F.O.B. WEST: 1.8500 - 1.9300 MOSTLY: 1.8500 - 1.8700

DRY WHOLE MILK - NATIONAL

Dry whole milk prices are steady and the market tone is firm. Production has been slow during the last two weeks due to heavy manufacturing milk intakes requiring production of faster-than-DWM end products. Producers anticipate placing dry whole milk back on the production schedule in the upcoming week.

F.O.B. PRODUCING PLANT: 2.0000 - 2.1500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
December 27	\$1.9436	4,518,409	0
December 20	\$1.9321	7,816,839	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 dry whey in the Central region moved slightly higher on the bottom of the range and mostly. The market tone is status quo on a quiet holiday week. Some manufacturers are looking to rebuild stocks after cleaning out some inventories over the last few weeks of the year. Some end users report they are receiving a few loads late. Domestic and international demand is steady. ANIMAL FEED WHEY prices increased slightly on the bottom of the range and are unchanged on the top of the range on light trading activity. Domestic demand for animal feed whey is steady. Inventories are light.

F.O.B. CENTRAL: .5300 - .6350 MOSTLY: .5450 - .5800
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4200 - .5500

DRY WHEY - NORTHEAST

Prices for dry whey are unchanged in light of holiday trading. Dry whey production is increasing due to heavier yearend milk supplies. Inventories are fairly tight going into first quarter of 2014. Demand is good as whey remains the lowest priced dairy protein on a per unit basis. The market undertone is steady.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5725 - .6300

DRY WHEY - WEST

Western dry whey prices are unchanged in very light year end trading. The market tone is steady with some firmness noted. Whey production is increased marginally this week as some extra manufacturing milk enters the cheese plants. Demand for whey is unchanged as both buyers and sellers are content to wait for full trading to resume next week. Whey stocks are adequate to fill most current needs.

NONHYGROSCOPIC: .5600 - .6175 MOSTLY: .5700 - .6075

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Whey protein concentrate 34% prices are unchanged to higher on a firm market. Non-cooperative manufacturers indicate they are firming up contracts for supplies of farm milk for 2014. Some manufacturers anticipate a decrease in farm milk supplies as demand from consumer products manufacturers increases. These decreases in manufacturing milk may require changes to already finalized WPC 34% contract quantities. WPC 34% inventories are light to moderate, with some short delays in contract fulfillment persisting.

F.O.B. EXTRA GRADE 34% PROTEIN: 1.4250-1.9200 MOSTLY: 1.6700 - 1.7700

LACTOSE - CENTRAL AND WEST

Prices for lactose are unchanged on the mostly series, but the bottom of the range is lower as various spot/contract prices activate for January. Several manufacturers report further price changes for Q1 and January will activate next week. Production during the last week to 10 days has been higher at many facilities as bottlers pushed back on milk orders. This trend is changing for the last half of the week as fluid demand strengthens. As 2014 arrives, some non-cooperative manufacturers indicate they are finalizing farm milk supply contracts. For some lactose manufacturers, those milk supplies will decrease due to stronger demand from regional perishable consumer product manufacturers. Some 2014 lactose contracts may require quantity adjustments to coincide with the projected decrease in lactose production. Current lactose inventories remain variable.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL .4100-.8400 MOSTLY: .5500-.7200

CASEIN - NATIONAL

Casein pricing is higher on the bottom ends of both pricing series. The market tone is firming. Activity has been light, yet pricing trends are moving higher on spot and auction markets. Pricing increases in other protein markets are supportive of casein markets.

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: 4.8000 - 5.0000
ACID: 4.9000 - 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 DAIRY COWS	2013 CUMULATIVE DAIRY COWS	2012 WEEKLY DAIRY COWS	2012 CUMULATIVE DAIRY COWS
12/14/2013	62.3	2,942.2	66.6	2,919.7

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

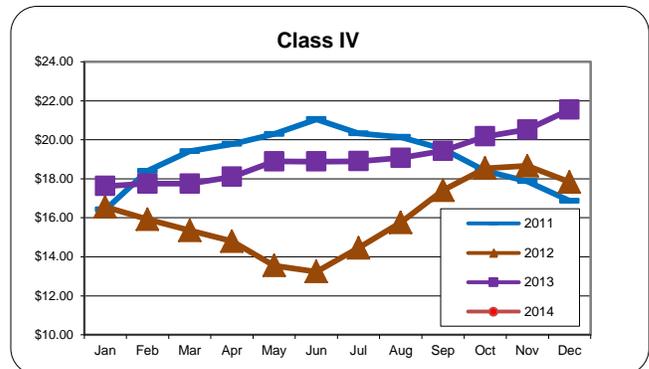
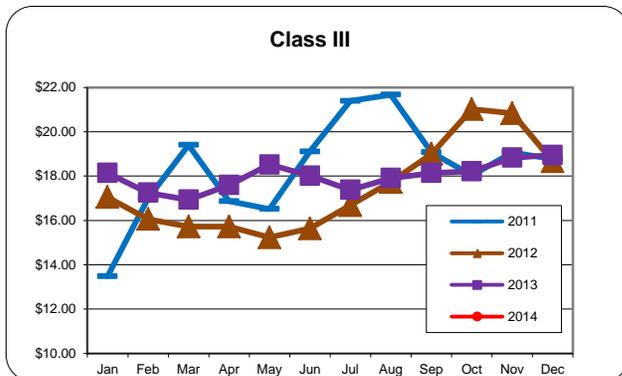
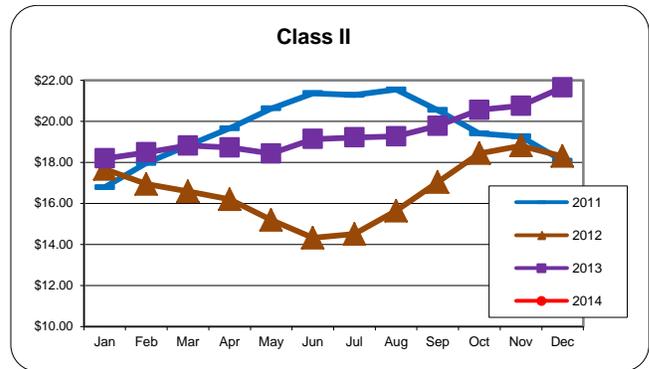
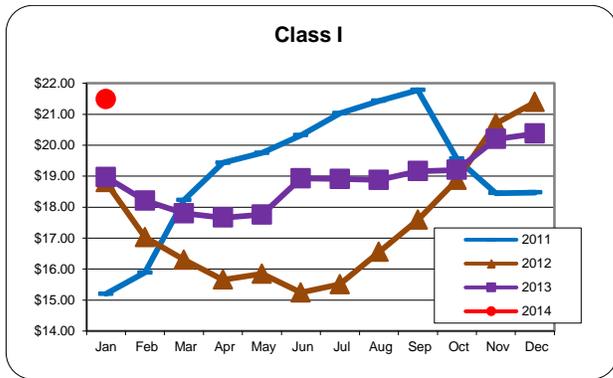
FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)

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	18.88	19.16	19.20	20.20	20.37
II	18.19	18.49	18.82	18.73	18.43	19.14	19.22	19.27	19.78	20.56	20.76	21.66
III	18.14	17.25	16.93	17.59	18.52	18.02	17.38	17.91	18.14	18.22	18.83	18.95
IV	17.63	17.75	17.75	18.10	18.89	18.88	18.90	19.07	19.43	20.17	20.52	21.54

FEDERAL MILK ORDER CLASS PRICES FOR 2014 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	21.48											

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 December 23, 2013 -January 3, 2014

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 in Europe continues to show signs of seasonal increases. A strong storm over the holiday period with high winds did cause some flooding and transportation problems in Ireland, the UK and the coastal regions of France. Overall though, weather has been fairly mild with no major interruptions to milk production. European manufacturing milk supplies are increasing, due to the holiday shutdowns of numerous dairy product and food manufacturing plants. Producer margins are at levels that encourage milk production and expansion of operations, when possible, with Dutch and Irish producers especially active in working to increase their herds. Numerous producers are willing to pay levies in lieu of increased production. Most dairy product supplies are tight going into 2014 with a majority of skim milk and whole milk powder inventories committed through Q1.

BUTTER/BUTTEROIL: Prices held mostly steady for European butter with the market lightly tested over the course of the yearend holidays. Production has increased as cream volumes going to butter production expanded over the past fortnight. Production of bulk butter is increasing as holiday package demand has run its course. Export demand has lessened, but Russia continues to show interest in Polish stocks. PSA stocks have worked below 23,000 MT and are below year ago levels. The 2013 butter market saw significant price increases occur from March to April and beyond April the price never dropped below \$4,900/MT on the low end of the range. The market high of \$5,925/MT was recorded in late October. Butteroil prices held increased over the holiday period in light trading. Butteroil remains a challenge to export at current price levels, due to lower competing international prices.

82% BUTTERFAT: 5,450 - 5,850
99% BUTTERFAT: 6,750 - 6,900

SKIM MILK POWDER (SMP): Prices for skim milk powder were steady to firm in light trading over the yearend holiday period. Production built with the increase in holiday manufacturing milk supplies. Product availability remains tight with most supplies committed through the first quarter of 2014. Global demand for SMP remains very good. The combination of skim milk powder and butter margins remains above the whole milk powder margin, maintaining the manufacturers' production focus on SMP. SMP prices in 2013 increased significantly in April. Since October, the SMP market has increased to the yearly high in December of \$4,700/MT.

1.25% BUTTERFAT: 4,375 - 4,700

WHOLE MILK POWDER (WMP): Prices for WMP were mostly unchanged in light trading over the yearend fortnight. Production has declined as European manufacturers are focused on butter and skim milk powder production. Supplies are tight going into 2014. Global demand continues to be active, with best interest for European product coming from the Middle East and North Africa. From mid third quarter to the end of the year, WMP prices ranged from \$4700-\$5,250/MT.

26% BUTTERFAT: 5,000 - 5,250

SWEET WHEY POWDER: European whey prices are steady to slightly lower. The market tone is firm. Whey demand is fair to good for internal and export needs. Dry whey production is uneven with some processors shipping more whey solids to WPC and other higher protein whey powders. Whey prices showed the most price consistency of all the dairy powders in 2013. Sweet whey powder prices spent most of the year in a range of \$1,200-\$1,500/MT. Feed grade whey prices were steady to firm over the yearend holiday fortnight.

NONHYGROSCOPIC: 1,325 - 1,500

EASTERN OVERVIEW: Eastern European milk production is showing marginal increases with Poland leading the way as countries come out of their seasonal production low points. Lithuanian dairy product exports to Russia are expected to resume in January. Imports were suspended by Russia in October, but increased quality oversight by Lithuania and negotiations with Russian officials, appear to have resolved most of the import suspension issues. The whey market continues to hold steady.

**Exchange rates for selected foreign currencies:
December 30, 2013**

.1534 Argentina Peso	.0095 Japan Yen
.8904 Australian Dollar	.0765 Mexican Peso
.9391 Canadian Dollar	.8203 New Zealand Dollar
1.3803 Euro	.3329 Polish Zloty
.0162 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0765) = 13.0719 Mexican Pesos. Source: "Wall Street Journal"

Information gathered December 30, 2013 –January 3, 2014

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.

AUSTRALIAN milk production for November, according to Dairy Australia, was 2.9% lower than November 2012. The state changes from a year earlier are: New South Wales, -5.6%; Victoria, -2.3%; Queensland -9.1%; South Australia -4.6%; Western Australia -3.6%; and Tasmania -0.6%. July to date totals show Australia down 3.9% with all states below the previous year's production. Weather continues to be favorable for milk production with hopes of closing the production season with stronger production totals than last year. Most favorable estimates, given good weather, still peg Australia's production to be 1-2% below last year. Market activity was very light over the last fortnight, due to the yearend holidays. Dairy product prices have held mostly steady with some underlying firmness seen in skim and whole milk powders. Supplies for most dairy products are tight through the first quarter of 2014. Chinese buyers appear to be on the verge of purchasing Australia's largest privately-owned milk supplier. Other Australian dairy assets have also become targets of possible purchase by Chinese buyers as China looks to expand dairy operations. **NEW ZEALAND** milk production continues to pace itself above last year's levels by nearly 6%. The close of the current season should see milk production well above last year's drought stricken finish. The dairy herd in New Zealand has rebounded from last year's drought with Statistics New Zealand pegging the dairy herd at 6.6 million head, up 27% from 2006. Other livestock numbers showed slight declines in 2013, an indication that conversion to dairy operations is ongoing. Market activity over the yearend holiday period has been light and prices have held mostly steady. Dairy product supplies are viewed as tight with a majority of first quarter production committed. News reports out of China, indicating new regulations imposed by China's Food and Drug Administration may limit domestic milk powder supplies, are giving the dairy markets a firm undertone. The situation in China has increased buying focus on New Zealand's remaining available supplies. One contact indicated current dairy demand is contingent on what China will do. The GDT auction has taken an extra week hiatus over the holiday period and will conduct the first auction event of 2014 on January 7.

BUTTER: Oceania butter prices and markets are mostly steady. Butter production is mixed with production seasonally active in Australia, while New Zealand production is below year ago levels as manufacturers focus on whole milk powder production, which pulls cream away from churns. Supplies are fairly tight going into the New Year with good export interest coming from Russia, North Africa and the Middle East. Current market activity is limited with most buyers on holiday. The price ranges for butter have been fairly significant in 2013, representative of a two tiered market, with the span between the high and low price ranging from \$750-\$1,000 for a majority of the year. The low price for 2013 was \$3,000 recorded in early January; the high price of \$5,000 was recorded in April and late December.

82% BUTTERFAT: 3,700 - 5,000

SKIM MILK POWDER (SMP): The Oceania SMP prices were steady in a firm market. Production is active and holding steady with recent weeks. Many market participants were on holiday and trading was light. As Quarter 1 starts, traders are indicating that the books are mostly filled and sales have been good. Strong global demand continues to be the main story going into 2014. Prices in 2013 spiked in April to the yearly high of \$6,325/MT, with the low price of \$3,250/MT registered last January. Prices in the 3Q and 4Q ranged mostly \$4,200-\$4,900/MT.

1.25% BUTTERFAT: 4,450 - 5,100

CHEDDAR CHEESE: Cheddar cheese prices held steady in light trading over the holiday period. Domestic demand was seasonally good in Australia. Production continues to be at reduced levels as milk is being pulled away from vats to the more lucrative production of whole milk powder. Supplies remain tight with most supplies committed in Q1 following recent completed negotiations with Japan. Prices in the second half of 2013 mostly ranged between \$4,200-\$4,700/MT.

39% MAXIMUM MOISTURE: 4,500 - 5,300

WHOLE MILK POWDER (WMP): Prices for WMP were steady to firm within the range. Trading activity was light with many participants on various yearend holidays. Production is active as manufacturers are focused on channeling as much milk as possible to WMP production, due to the increased margins. Supplies are tight with most stocks for the first quarter of 2014 committed. China continues to be the largest buyer and key factor in Oceania's WMP market. Prices in 2013 registered significant increases in April and registered the high price for the year at \$6,300/MT. Prices in the second half of the year ranged mostly between \$4,650-\$5,350/MT.

26% BUTTERFAT: 4,875 - 5,400

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	12/19	12/20	12/23	12/24	12/25	12/26	12/27	12/30	12/31	01/01
CME - CLASS III MILK FUTURES (Pit-Traded)										
DEC 13	18.98 (4631) 3	19.03 (4491) 0	19.00 (4472) 0	19.02 (4537) 0	NO TRADING	19.01 (4495) 0	18.99 (4489) 0	18.99 (4488) 0	18.99 (4486) 0	NO TRADING
JAN 14	19.45 (3884) 11	19.63 (4012) 11	19.59 (3991) 1	19.64 (4018) 2		19.60 (4032) 1	19.48 (4085) 0	19.26 (4130) 21	19.34 (4132) 20	
FEB 14	18.75 (3283) 16	19.00 (3377) 7	18.96 (3430) 6	18.97 (3508) 2		18.97 (3576) 2	18.78 (3644) 0	18.61 (3711) 23	18.67 (3730) 11	
MAR 14	18.55 (2740) 21	18.89 (2804) 7	18.78 (2797) 1	18.78 (2803) 0		18.73 (2819) 4	18.62 (2846) 0	18.43 (2860) 1	18.35 (2845) 8	
APR 14	18.24 (2112) 12	18.50 (2150) 1	18.40 (2174) 5	18.39 (2183) 2		18.37 (2236) 27	18.30 (2241) 0	18.14 (2262) 1	18.03 (2280) 8	
MAY 14	18.01 (2046) 6	18.18 (2113) 4	18.10 (2120) 5	18.12 (2127) 1		18.05 (2139) 8	18.00 (2149) 0	17.90 (2168) 1	17.87 (2175) 9	
JUN 14	17.85 (1751) 6	17.89 (1800) 1	17.86 (1808) 0	17.93 (1820) 2		17.92 (1836) 1	17.85 (1852) 0	17.80 (1856) 1	17.73 (1880) 6	
JUL 14	17.58 (1070) 9	17.60 (1081) 1	17.61 (1082) 0	17.67 (1098) 0		17.65 (1116) 2	17.63 (1124) 0	17.63 (1125) 1	17.56 (1153) 5	
AUG 14	17.53 (1015) 4	17.58 (1034) 1	17.62 (1037) 0	17.64 (1046) 0		17.63 (1054) 2	17.57 (1058) 0	17.61 (1065) 1	17.56 (1076) 5	
SEP 14	17.50 (969) 9	17.55 (980) 2	17.56 (977) 0	17.60 (997) 0		17.60 (1009) 2	17.60 (1026) 0	17.65 (1026) 1	17.56 (1051) 9	
CME - CLASS IV MILK FUTURES (Pit-Traded)										
DEC 13	21.59 (908) 0	21.56 (908) 0	21.53 (908) 0	21.54 (938) 0	NO TRADING	21.48 (906) 0	21.49 (901) 0	21.49 (901) 0	21.49 (901) 0	NO TRADING
JAN 14	21.89 (1219) 6	21.91 (1246) 0	21.90 (1250) 0	21.90 (1274) 0		21.88 (1273) 0	21.72 (1271) 0	21.65 (1271) 0	21.65 (1297) 0	
FEB 14	22.10 (1299) 7	22.16 (1308) 0	22.16 (1318) 0	22.05 (1319) 0		22.03 (1318) 0	21.95 (1314) 0	21.84 (1317) 0	21.75 (1337) 0	
CME – CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
DEC 13	163.80 (919) 9	163.50 (919) 0	162.50 (919) 36	162.85 (919) 10	NO TRADING	162.85 (917) 40	163.18 (917) 5	163.00 (927) 30	163.00 (927) 0	NO TRADING
JAN 14	162.30 (716) 33	164.35 (748) 40	163.75 (749) 18	162.50 (749) 6		162.00 (752) 14	158.28 (772) 68	157.00 (772) 12	157.00 (774) 4	
FEB 14	162.78 (723) 34	165.50 (716) 41	164.50 (712) 43	163.75 (698) 15		163.00 (697) 19	160.28 (706) 45	159.00 (738) 54	160.00 (768) 45	
CME – NONFAT DRY MILK FUTURES (Pit-Traded)										
DEC 13	195.40 (450) 0	195.23 (450) 0	195.23 (450) 0	195.23 (450) 0	NO TRADING	195.23 (450) 0	195.40 (450) 0	195.50 (450) 0	195.50 (450) 0	NO TRADING
JAN 14	199.98 (468) 0	199.38 (475) 0	199.50 (481) 0	199.50 (481) 0		199.88 (481) 0	199.00 (476) 0	198.88 (478) 0	199.03 (497) 0	
FEB 14	201.50 (529) 0	200.88 (531) 0	201.20 (533) 0	201.20 (543) 0		200.75 (542) 0	201.13 (539) 0	200.00 (533) 0	199.45 (549) 0	
CME – WHEY (Electronic-Traded)										
DEC 13	58.50 (296) 0	57.75 (299) 4	57.75 (301) 2	57.50 (304) 9	NO TRADING	57.50 (306) 2	57.50 (306) 0	57.50 (306) 0	57.50 (306) 0	NO TRADING
JAN 14	58.50 (281) 0	58.50 (281) 0	58.65 (281) 1	59.00 (280) 3		59.00 (280) 1	58.50 (277) 8	58.50 (277) 0	58.50 (277) 7	
FEB 14	61.00 (264) 0	61.00 (264) 0	61.03 (264) 0	61.03 (264) 1		61.00 (264) 4	60.00 (261) 7	59.90 (261) 1	59.68 (262) 1	
CME – CHEESE CSC (Electronic-Traded)										
DEC 13	1.87 (1481) 0	1.88 (1514) 33	1.88 (1514) 2	1.88 (1514) 0	NO TRADING	1.88 (1514) 0	1.88 (1515) 1	1.88 (1515) 9	1.88 (1515) 0	NO TRADING
JAN 14	1.89 (1198) 49	1.93 (1200) 5	1.92 (1197) 23	1.93 (1192) 38		1.93 (1192) 5	1.92 (1192) 1	1.90 (1198) 14	1.91 (1195) 16	
FEB 14	1.83 (912) 5	1.86 (916) 9	1.84 (916) 12	1.86 (913) 7		1.86 (913) 21	1.84 (932) 21	1.83 (953) 40	1.84 (956) 11	
MAR 14	1.81 (899) 20	1.85 (904) 13	1.84 (906) 4	1.84 (906) 0		1.83 (878) 33	1.83 (880) 22	1.80 (884) 9	1.80 (886) 15	
APR 14	1.78 (782) 0	1.80 (779) 7	1.80 (778) 1	1.80 (778) 2		1.80 (778) 1	1.79 (777) 1	1.78 (774) 13	1.77 (774) 14	
MAY 14	1.75 (722) 2	1.77 (725) 4	1.78 (727) 4	1.78 (727) 2		1.78 (727) 3	1.76 (728) 3	1.76 (732) 9	1.75 (733) 7	

^{1/} At the CME open interest for milk -- 200,000 pounds per contract.)

MONTHLY SUMMARY AND AVERAGES FOR DECEMBER 2013 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:::REPORT NUMBER 49	:::REPORT NUMBER 50	:::REPORT NUMBER 51	:::REPORT NUMBER 52	:::REPORT NUMBER 1	::: 2013	: 2012
	:::-----	:::-----	:::-----	:::-----	:::-----	::: Average	: Average
	::: DEC 02 - 06	::: DEC 09 - 13	::: DEC 16 - 20	::: DEC 23 - 27	::: DEC 30 - 31	::: or Total	: or Total

CHEESE

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	:: 1.8675 - 2.2275	:: 1.9300 - 2.2900	:: 1.8950 - 2.2550	:: 1.9875 - 2.3475	:: 2.0675 - 2.4275	:: 2.1108	: 2.2228
-- Brick And/Or Muenster 5#	:: 2.2375 - 2.6625	:: 2.2700 - 2.6950	:: 2.2675 - 2.6925	:: 2.3400 - 2.7650	:: 2.3725 - 2.7975	:: 2.4973	: 2.4318
-- Cheddar 40# Block	:: 1.9425 - 2.3600	:: 1.9750 - 2.3925	:: 1.9725 - 2.3900	:: 2.0450 - 2.4625	:: 2.0775 - 2.4950	:: 2.1985	: 2.5880
-- Monterey Jack 10#	:: 2.2125 - 2.4175	:: 2.2450 - 2.4500	:: 2.2425 - 2.4475	:: 2.3150 - 2.5200	:: 2.3475 - 2.5525	:: 2.3623	: 2.5730
-- Blue 5#	:: 2.5050 - 3.4925	:: 2.5375 - 3.5250	:: 2.5350 - 3.5225	:: 2.6075 - 3.5950	:: 2.6400 - 3.6275	:: 3.0460	: 2.9093
-- Mozzarella 5 - 6#	:: 2.0825 - 2.9775	:: 2.1150 - 3.0100	:: 2.1125 - 3.0075	:: 2.1850 - 3.0800	:: 2.2175 - 3.1125	:: 2.5773	: 2.5605
-- Grade A Swiss Cuts 6 - 9#	:: 2.9500 - 3.0675	:: 2.9750 - 3.0925	:: 2.9750 - 3.0925	:: 2.9750 - 3.0925	:: 2.9750 - 3.0925	:: 3.0278	: 3.3813

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 40# Block	:: 2.2575 - 2.5425	:: 2.2900 - 2.5750	:: 2.2875 - 2.5725	:: 2.3600 - 2.6450	:: 2.3925 - 2.6775	:: 2.4473	: 2.3068
-- Process 5# Sliced	:: 1.9900 - 2.4700	:: 2.0525 - 2.5325	:: 2.0175 - 2.4975	:: 2.1100 - 2.5900	:: 2.1900 - 2.6700	:: 2.2933	: 1.9578
-- Muenster	:: 2.2775 - 2.6375	:: 2.3100 - 2.6700	:: 2.3075 - 2.6675	:: 2.3800 - 2.7400	:: 2.4125 - 2.7725	:: 2.5048	: 2.3643
-- Grade A Swiss Cuts 10 - 14#	:: 3.4325 - 3.7550	:: 3.4575 - 3.7800	:: 3.4575 - 3.7800	:: 3.4575 - 3.7800	:: 3.4575 - 3.7800	:: 3.6128	: 3.9638

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	:: 1.8975 - 2.1550	:: 1.9600 - 2.2175	:: 1.9250 - 2.1825	:: 2.0175 - 2.2750	:: 2.0975 - 2.3550	:: 2.0896	: 1.9340
-- Cheddar 40# Block	:: 1.9800 - 2.3325	:: 2.0125 - 2.3650	:: 2.0100 - 2.3625	:: 2.0825 - 2.4350	:: 2.1150 - 2.4675	:: 2.2035	: 2.0605
-- Cheddar 10# Cuts	:: 2.1600 - 2.3800	:: 2.1925 - 2.4125	:: 2.1900 - 2.4100	:: 2.2625 - 2.4825	:: 2.2950 - 2.5150	:: 2.3173	: 2.1743
-- Monterey Jack 10#	:: 2.1700 - 2.3300	:: 2.2025 - 2.3625	:: 2.2000 - 2.3600	:: 2.2725 - 2.4325	:: 2.3050 - 2.4650	:: 2.2973	: 2.1543
-- Grade A Swiss Cuts 6 - 9#	:: 3.0100 - 3.4400	:: 3.0350 - 3.4650	:: 3.0350 - 3.4650	:: 3.0350 - 3.4650	:: 3.0350 - 3.4650	:: 3.2440	: 3.5950

FLUID PRODUCTS

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

-- Northeast - f.o.b	:: 2.2410 - 2.4568	:: 2.2482 - 2.4451	:: 1.9560 - 2.3309	:: 1.6364 - 1.9481	:: 1.6590 - 1.9750	:: 2.1428	: 1.7182
-- Upper Midwest - f.o.b	:: 2.1082 - 2.2908	:: 2.1005 - 2.2974	:: 2.0864 - 2.2331	:: 1.6364 - 1.9481	:: 1.5800 - 1.9750	:: 2.0721	: 1.7383

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

-- Class II	:: 1.88 - 1.93	:: 1.93 - 1.98	:: 1.93 - 1.98	:: 1.98 - 2.03	:: 1.83 - 1.93	:: 1.9455	: 1.5268
-- Class III	:: 1.58 - 1.63	:: 1.66 - 1.71	:: 1.66 - 1.71	:: 1.66 - 1.71	:: 1.51 - 1.61	:: 1.6540	: 1.6968

MONTHLY SUMMARY AND AVERAGES FOR DECEMBER 2013 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 49 ::-----::	::REPORT NUMBER 50 ::-----::	::REPORT NUMBER 51 ::-----::	::REPORT NUMBER 52 ::-----::	::REPORT NUMBER 1 ::-----::	:: 2013 :: Average	:: 2012 :: Average
	:: DEC 02 - 06	:: DEC 09 - 13	:: DEC 16 - 20	:: DEC 23 - 27	:: DEC 30 - 31	:: or Total	:: or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central And East (f.o.b.)							
-- Low/Medium Heat	:: 1.9500 - 2.0500	:: 1.9500 - 2.0900	:: 2.0150 - 2.1300	:: 2.0275 - 2.1400	:: 2.0275 - 2.1400	:: 2.0460	:: 1.5666
-- Mostly	:: 1.9500 - 2.0000	:: 1.9500 - 2.0300	:: 2.0200 - 2.1000	:: 2.0300 - 2.1000	:: 2.0300 - 2.1000	:: 2.0245	:: 1.5678
-- High Heat	:: 1.9900 - 2.0400	:: 2.0300 - 2.1050	:: 2.0575 - 2.1400	:: 2.0675 - 2.1500	:: 2.0825 - 2.1650	:: 2.0757	:: 1.6629
-- West (f.o.b.)							
-- Low/Medium Heat	:: 1.8900 - 2.0000	:: 1.9300 - 2.0500	:: 1.9550 - 2.1000	:: 1.9550 - 2.1400	:: 1.9825 - 2.1000	:: 2.0040	:: 1.5458
-- Mostly	:: 1.9400 - 1.9700	:: 1.9700 - 2.0300	:: 1.9800 - 2.0600	:: 2.0000 - 2.0600	:: 2.0200 - 2.0600	:: 2.0036	:: 1.5326
-- High Heat	:: 1.9625 - 2.0700	:: 1.9700 - 2.0700	:: 1.9800 - 2.1000	:: 1.9800 - 2.1000	:: 2.0225 - 2.1300	:: 2.0330	:: 1.5778
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	:: 0.5200 - 0.6200	:: 0.5225 - 0.6200	:: 0.5250 - 0.6100	:: 0.5225 - 0.6350	:: 0.5300 - 0.6350	:: 0.5726	:: 0.6318
-- Mostly	:: 0.5300 - 0.5750	:: 0.5300 - 0.5775	:: 0.5300 - 0.5750	:: 0.5400 - 0.5800	:: 0.5450 - 0.5800	:: 0.5552	:: 0.6410
-- West (f.o.b.)	:: 0.5500 - 0.6125	:: 0.5500 - 0.6125	:: 0.5600 - 0.6125	:: 0.5600 - 0.6175	:: 0.5600 - 0.6175	:: 0.5846	:: 0.6184
-- Mostly	:: 0.5600 - 0.6025	:: 0.5600 - 0.6025	:: 0.5700 - 0.6050	:: 0.5700 - 0.6075	:: 0.5700 - 0.6075	:: 0.5849	:: 0.6328
-- Northeast (f.o.b.)	:: 0.5600 - 0.6300	:: 0.5600 - 0.6375	:: 0.5725 - 0.6250	:: 0.5725 - 0.6300	:: 0.5725 - 0.6300	:: 0.5986	:: 0.6828
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 1.4200 - 1.7875	:: 1.4200 - 1.7950	:: 1.4250 - 1.8800	:: 1.4250 - 1.8800	:: 1.4250 - 1.9200	:: 1.6321	:: 1.2588
-- Mostly	:: 1.5600 - 1.7300	:: 1.6000 - 1.7450	:: 1.6700 - 1.7700	:: 1.6700 - 1.7700	:: 1.6700 - 1.7700	:: 1.6908	:: 1.2483
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.3900 - 0.5300	:: 0.4150 - 0.5325	:: 0.3500 - 0.5650	:: 0.4150 - 0.5500	:: 0.4200 - 0.5500	:: 0.4693	:: 0.5528
BUTTERMILK (Min. 30% protein)							
-- Central And East (f.o.b.)	:: 1.7900 - 1.8700	:: 1.8100 - 1.8700	:: 1.8200 - 1.8800	:: 1.8200 - 1.9200	:: 1.8200 - 1.9300	:: 1.8490	:: 1.5955
-- West (f.o.b.)	:: 1.7800 - 1.9000	:: 1.8100 - 1.8700	:: 1.8350 - 1.9300	:: 1.8350 - 1.9300	:: 1.8500 - 1.9300	:: 1.8630	:: 1.4985
-- Mostly	:: 1.7800 - 1.8200	:: 1.8200 - 1.8500	:: 1.8400 - 1.8700	:: 1.8400 - 1.8700	:: 1.8500 - 1.8700	:: 1.8376	:: 1.4894
WHOLE MILK POWDER							
-- National (f.o.b.)	:: 1.9500 - 2.1300	:: 2.0000 - 2.1500	:: 2.0000 - 2.1500	:: 2.0000 - 2.1500	:: 2.0000 - 2.1500	:: 2.0667	:: 1.7900
LACTOSE							
-- Central And West (f.o.b.)	:: 0.4200 - 0.7400	:: 0.5000 - 0.7400	:: 0.5000 - 0.8400	:: 0.5000 - 0.8400	:: 0.4100 - 0.8400	:: 0.6324	:: 0.7309
-- Mostly	:: 0.5600 - 0.7200	:: 0.5500 - 0.7200	:: 0.5500 - 0.7200	:: 0.5500 - 0.7200	:: 0.5500 - 0.7200	:: 0.6362	:: 0.7718
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 4.7000 - 5.0000	:: 4.7000 - 5.0000	:: 4.7000 - 5.0000	:: 4.7000 - 5.0000	:: 4.8000 - 5.0000	:: 4.8548	:: 4.0525
-- Nonrestricted - Acid	:: 4.8000 - 5.4000	:: 4.8000 - 5.4000	:: 4.8000 - 5.4000	:: 4.8000 - 5.4000	:: 4.9000 - 5.4000	:: 5.1048	:: 4.6013

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR DECEMBER 2013

COMMODITY	:REPORT NUMBER 49:		:REPORT NUMBER 50:		:REPORT NUMBER 51:		:REPORT NUMBER 52:		:REPORT NUMBER 1		2013 *	2012 *
	:DEC 2 - 6		:DEC 9 - 13		:DEC 16 - 20		:DEC 23 - 27		:DEC 30 - 31		Monthly	Monthly
	:		:		:		:		:		Average	Average
BUTTER*												
-- GRADE AA												
--Monday	::	1.6400	::	1.6600	::	1.5500	::	1.6000	::	1.5225	::	:
--Tuesday	::	1.6400	::	1.6600	::	1.5500	::	1.5850	::	1.5325	::	:
--Wednesday	::	1.6400	::	1.6600	::	1.5500	::	1/	::		::	:
--Thursday	::	1.6400	::	1.6000	::	1.5600	::	1.5850	::		::	:
--Friday	::	1.6450	::	1.5700	::	1.5825	::	1.5500	::		::	1.5963 : 1.5590
--Weekly Average**	::	1.6410	::	1.6300	::	1.5585	::	1.5800	::		::	:
CHEESE*												
-- BARRELS												
--Monday	::	1.7775	::	1.7750	::	1.8225	::	1.9600	::	1.9100	::	:
--Tuesday	::	1.8125	::	1.7800	::	1.8400	::	1.9700	::	1.8500	::	:
--Wednesday	::	1.8850	::	1.7800	::	1.8900	::	1/	::		::	:
--Thursday	::	1.8325	::	1.8000	::	1.9300	::	1.9700	::		::	:
--Friday	::	1.8325	::	1.8300	::	1.9500	::	1.9700	::		::	1.8651 : 1.6634
--Weekly Average**	::	1.8280	::	1.7930	::	1.8865	::	1.9675	::		::	:
-- 40# BLOCKS												
--Monday	::	1.8800	::	1.8725	::	1.9275	::	2.0000	::	2.0000	::	:
--Tuesday	::	1.9200	::	1.8800	::	1.9500	::	2.0000	::	2.0000	::	:
--Wednesday	::	1.9475	::	1.8900	::	1.9725	::	1/	::		::	:
--Thursday	::	1.8725	::	1.9100	::	1.9850	::	2.0000	::		::	:
--Friday	::	1.8725	::	1.9250	::	2.0000	::	2.0000	::		::	1.9431 : 1.7448
--Weekly Average**	::	1.8985	::	1.8955	::	1.9670	::	2.0000	::		::	:
NONFAT DRY MILK*												
-- EXTRA GRADE												
--Monday	::	1.9750	::	2.0225	::	2.0600	::	2.0900	::	2.0900	::	:
--Tuesday	::	1.9950	::	2.0400	::	2.0900	::	2.0900	::	2.0900	::	:
--Wednesday	::	1.9950	::	2.0400	::	2.0900	::	1/	::		::	:
--Thursday	::	2.0050	::	2.0400	::	2.0900	::	2.0900	::		::	:
--Friday	::	2.0225	::	2.0450	::	2.0900	::	2.0900	::		::	2.0543 : 1.5600
--Weekly Average**	::	1.9985	::	2.0375	::	2.0840	::	2.0900	::		::	:
-- GRADE A												
--Monday	::	2.0000	::	2.0575	::	2.0900	::	2.1100	::	2.0900	::	:
--Tuesday	::	2.0175	::	2.0600	::	2.1100	::	2.1100	::	2.0600	::	:
--Wednesday	::	2.0300	::	2.0700	::	2.1100	::	1/	::		::	:
--Thursday	::	2.0325	::	2.0750	::	2.1100	::	2.1100	::		::	:
--Friday	::	2.0575	::	2.0800	::	2.1100	::	2.1100	::		::	2.0762 : 1.5575
--Weekly Average**	::	2.0275	::	2.0685	::	2.1060	::	2.1100	::		::	:

1/ Holiday/CME Group Closed - no cash dairy trading at CME Group

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

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

DECEMBER AGRICULTURAL PRICES HIGHLIGHTS

The All Milk price received by farmers was \$21.80 in December, up \$0.20 from November 2013, and up \$1.00 from December 2012. Alfalfa hay price was \$187.00 in December, down \$30.00 from December 2012. Corn price was \$4.31 in December, down \$2.56 from December 2012. Soybean price was \$13.00 in December, down \$1.30 from December 2012. The milk-feed price ratio was 2.30 in December, up 0.65 from December 2012.

The index of prices received by farmers for dairy products during the month of December 2013 was up 2 points to 167. Compared to December 2012, the index was up 8 points (5.0 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in December 2013 was down 1 point to 213. Compared with December 2012, the index was down 4 points (1.8 percent).

SELECTED MILK PRICES, MILK COWS, AND FEED PRICES, SELECTED STATES AND U.S., NOVEMBER 2013 WITH COMPARISONS

State	All-Milk price ^{1/2/}				Alfalfa hay, baled		Corn for Grain		Soybeans	
	Dollars per cwt.				Dollars per ton		Dollars per bushel		Dollars per bushel	
	November		December		December		December		December	
	2012	2013	2012	2013 ^{3/}	2012	2013 ^{3/}	2012	2013 ^{3/}	2012	2013 ^{3/}
AZ	21.00	20.90	20.10	21.00	190.00	190.00	---	---	---	---
CA	19.82	20.01	18.60	20.50	212.00	198.00	---	---	---	---
CO	22.20	21.80	21.40	22.00	245.00	230.00	7.01	4.35	---	---
ID	21.20	20.70	19.60	20.70	200.00	170.00	---	---	---	---
IN	22.50	22.20	21.50	22.40	---	---	7.27	4.30	---	---
IA	23.10	22.20	21.70	22.40	220.00	195.00	6.92	4.30	14.30	12.90
MI	22.40	21.70	21.50	21.90	220.00	180.00	6.93	4.10	14.10	12.90
MN	23.30	22.00	21.40	22.10	245.00	205.00	6.68	4.20	14.10	12.70
NM	20.70	20.50	19.70	20.50	260.00	245.00	---	---	---	---
NY	22.80	22.90	22.10	22.80	242.00	200.00	---	---	---	---
OH	23.10	22.20	22.40	22.40	248.00	190.00	7.17	4.40	---	---
PA	23.60	23.00	22.60	23.20	238.00	200.00	7.31	4.07	---	---
TX	22.00	22.40	21.20	22.40	251.00	234.00	7.32	5.17	---	---
WA	22.00	22.20	21.40	22.50	230.00	195.00	---	---	---	---
WI	23.20	21.80	21.30	21.90	235.00	205.00	6.85	4.10	14.00	12.80
U.S.	22.00	21.60	20.80	21.80	217.00	187.00	6.87	4.31	14.30	13.00

^{1/} Prices are shown at reported butterfat test. ^{2/} Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

^{3/} Preliminary. ^{4/} Withheld to avoid disclosing data for individual operations.

MILK-FEED PRICE RATIO, SELECTED STATES AND U.S., NOVEMBER 2013 WITH COMPARISONS

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ^{1/}			
State ^{2/}	December 2012	November 2013	December 2013 ^{3/}
IA	1.71	2.30	2.33
MI	1.69	2.29	2.40
MN	1.65	2.28	2.27
OH	1.65	2.27	2.33
WI	1.65	2.29	2.27
U.S.	1.65	2.27	2.30

^{1/} The price of commercial prepared dairy feed is based on current United States prices received for corn, soybeans, and alfalfa. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. ^{2/} Available states that provided all necessary data to compute milk feed price ratios.

^{3/} Preliminary.

GENERAL PRICE MEASURES, U.S., NOVEMBER 2013 WITH COMPARISONS

Item	December 2012	November 2013	December 2013 ^{1/}
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for dairy products	159	165	167
Prices paid by farmers for commodities and services, interest taxes, and wage rates	217	214	213

^{1/} Preliminary.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service, Agricultural Statistics Board, *Agricultural Prices, December 2013*.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, DECEMBER

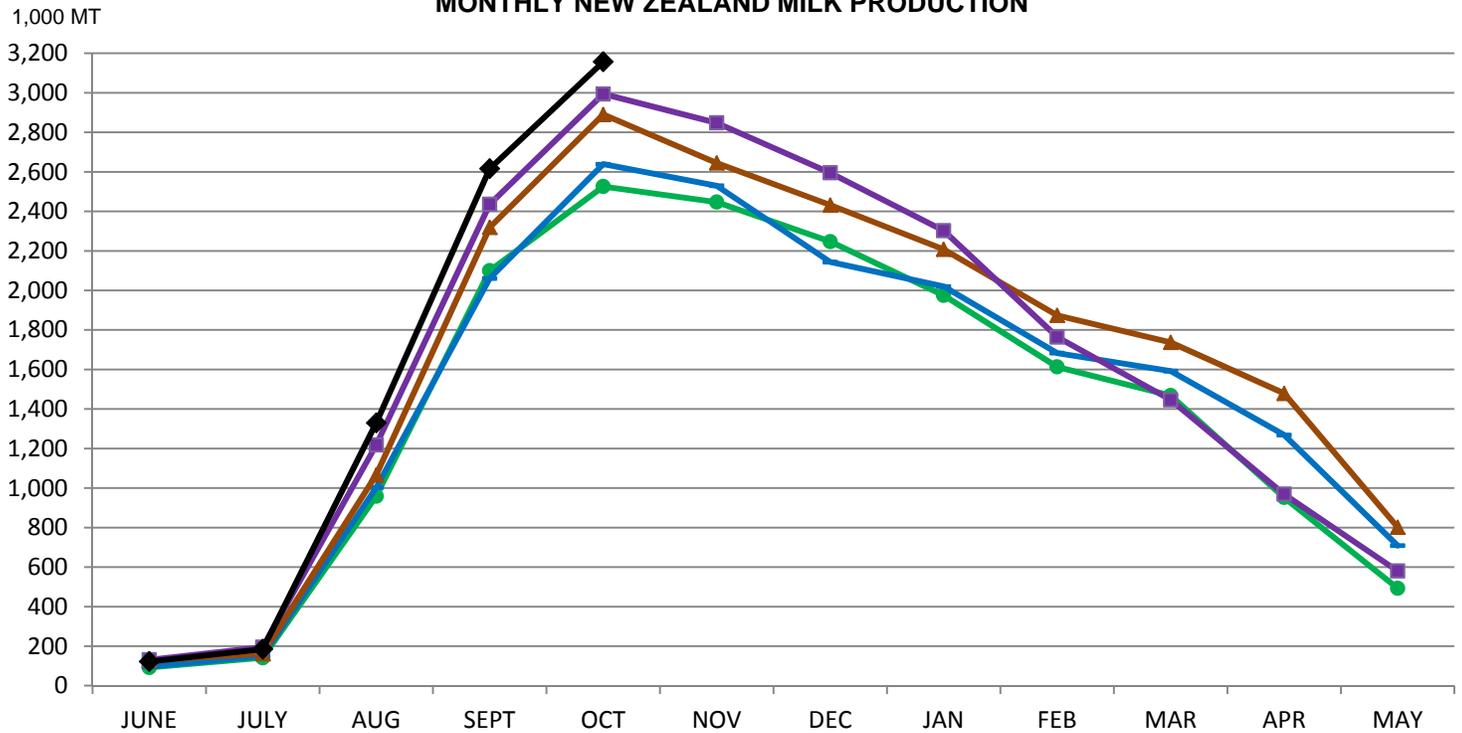
Component Price Information: Under the Federal milk order pricing system, the butterfat price for December 2013 is \$1.7672 per pound. Thus, the Class II butterfat price is \$1.7742. The protein and other solids prices for December are \$3.5390 and \$0.3826 per pound, respectively. These component prices set the Class III skim milk price at \$13.23 per cwt. The December Class IV skim milk price is \$15.91, which is derived from the nonfat solids price of \$1.7680 per pound.

Product Price Averages: The product price averages for December are: butter \$1.6308, nonfat dry milk \$1.9537, cheese \$1.8761, and dry whey \$0.5706.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	DECEMBER 2013				JANUARY 2014
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	23.62	21.66	18.95	21.54	24.73
Appalachian (Charlotte) ^{5/ 6/}	005	23.77	21.66	18.95	21.54	24.88
Florida (Tampa) ^{6/ 7/}	006	25.77	21.66	18.95	21.54	26.88
Southeast (Atlanta) ^{6/ 8/}	007	24.17	21.66	18.95	21.54	25.28
Upper Midwest (Chicago) ^{9/}	030	22.17	21.66	18.95	21.54	23.28
Central (Kansas City) ^{10/}	032	22.37	21.66	18.95	21.54	23.48
Mideast (Cleveland) ^{11/}	033	22.37	21.66	18.95	21.54	23.48
Pacific Northwest (Seattle) ^{12/}	124	22.27	21.66	18.95	21.54	23.38
Southwest (Dallas) ^{13/}	126	23.37	21.66	18.95	21.54	24.48
Arizona (Phoenix)	131	22.72	21.66	18.95	21.54	23.83
All-Market Average	---	23.26	21.76	18.95	21.54	24.37

^{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: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.
^{8/} Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.
^{9/} Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.
^{10/} 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.
^{11/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.
^{12/} Class I prices at other cities are: Portland, same; and Spokane, same.
^{13/} 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.

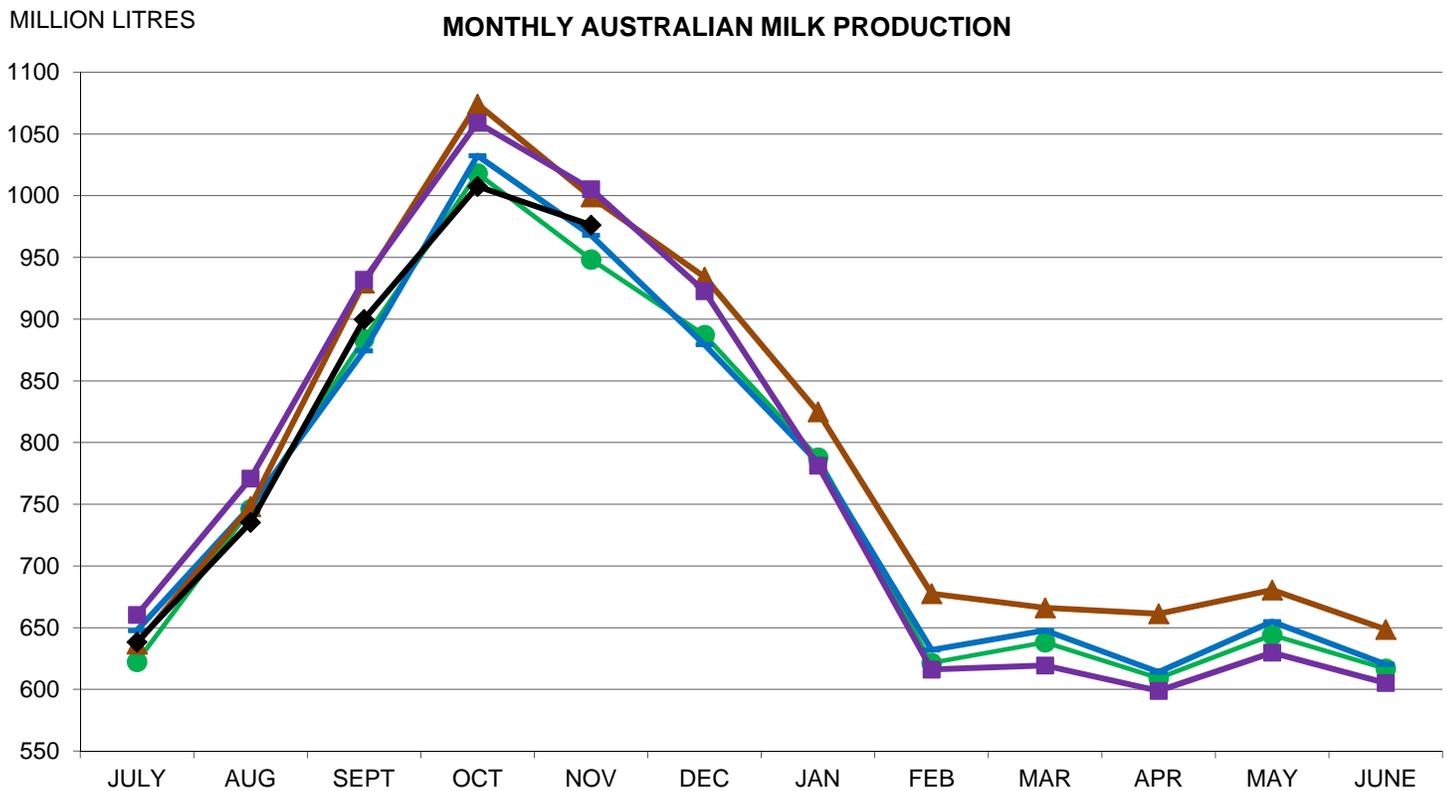
MONTHLY NEW ZEALAND MILK PRODUCTION



DATA SOURCE, DCANZ; GRAPH, USDA, AMS, DMN

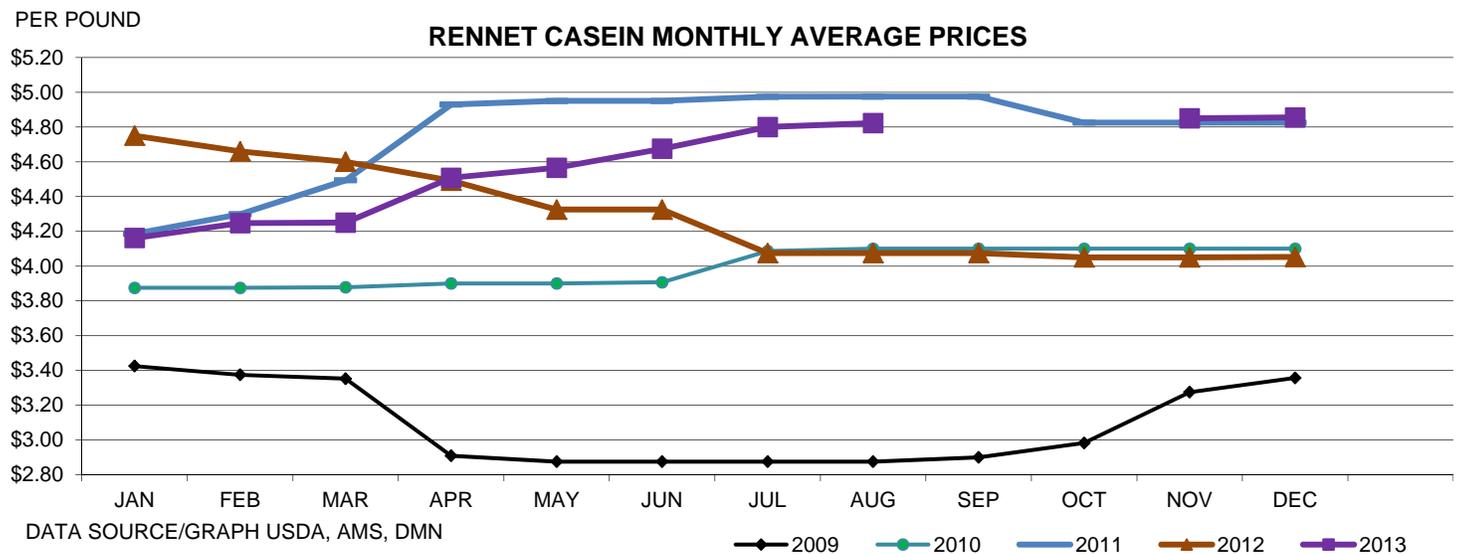
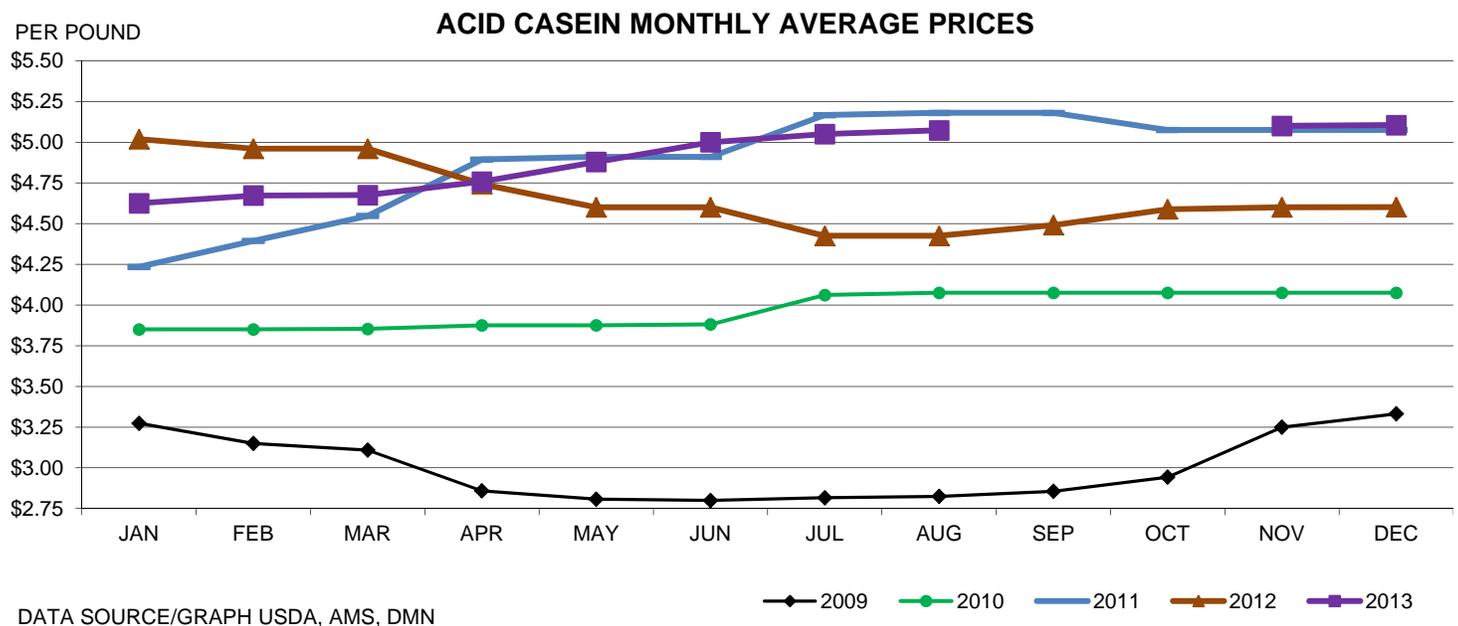
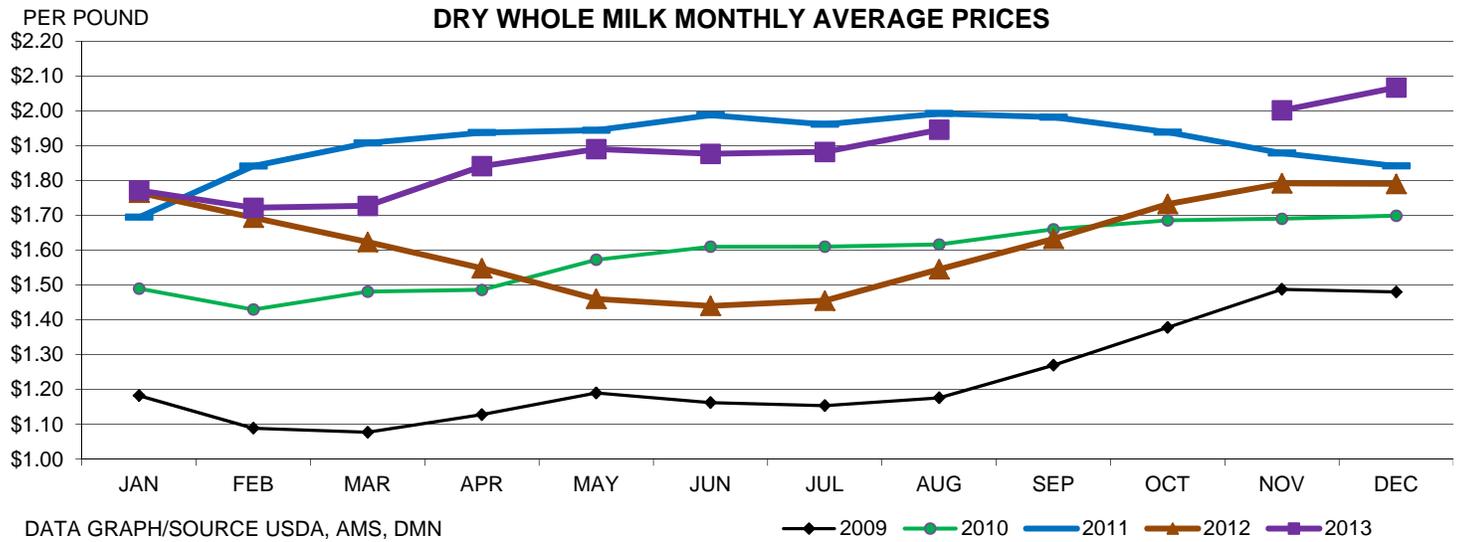
2009-10 2010-11 2011-12 2012-13 2013-14

MONTHLY AUSTRALIAN MILK PRODUCTION



DATA SOURCE, DAIRY AUSTRALIA LTD.; GRAPH, USDA, AMS, DMN

2009-10 2010-11 2011-12 2012-13 2013-14



DAIRY MARKET NEWS

GENERAL NUMBER
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