



UPPER MIDWEST DAIRY NEWS

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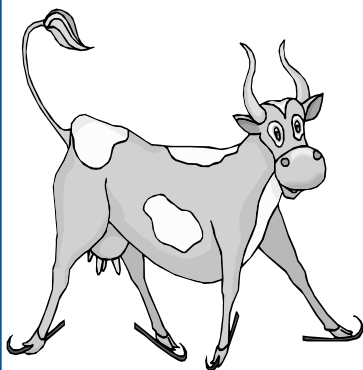
CME Cheese Prices Remain Near Support, Butter also Weak

Prices for cheddar cheese on the Chicago Mercantile Exchange (CME) were generally steady in December and early January, hovering at about the support price level of \$1.1014 per pound for barrels and \$1.1314 per pound for blocks.

In mid-January, CME prices for barrels and 40-pound blocks of cheddar cheese were \$1.11½ and \$1.16 per pound, respectively. The barrel price ranged from \$1.10 to \$1.12

per pound during the one and a half month period. The block price during the period ranged from \$1.10 to \$1.16 per pound.

The CME butter price in mid-January was \$1.07 per pound, down from a high of \$1.14½ in late December. The butter purchase price under the Dairy Price Support Program was increased nearly 20 cents in November to \$1.05 per pound.



Preliminary 2002 U.S. Milk Production Up 2.6%

Preliminary U.S. Department of Agriculture estimates indicate total United States milk production for 2002 was 170 billion pounds, up 2.6% from 2001.

The increase resulted from a 0.3% rise in the average number of milk cows and a 2.3% gain in output per cow.

For the top ten milk producing states, 2002 production, compared to the previous year, was up 14% in New Mexico, 5% in Idaho and California, 4% in Texas and New York, and 2% in Michigan and Washington, but down 4% in Minnesota, 1% in Pennsylvania, and 0.5% in Wisconsin.

Pool Summary

- In December, 14,949 producers delivered to the market with an average daily delivery of 4,090 pounds.
- Producer milk totaled 1.82 billion pounds, up 5.2% on a daily basis from November.
- Class I utilization totaled 343 million pounds, down 5.6% on a daily basis from November.
- Class I usage accounted for 18.8% of producer milk.
- The December Producer Price Differential is \$0.59 per cwt.
- The Statistical Uniform Price is \$10.33 per cwt., down 10¢ from November and \$1.86 below December 2001.
- Market statistics for December are shown on Pages 4 and 5.

December 2002 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	18.8	342,918,843	12.32
Class II	2.2	40,919,141	11.62
Class III	77.5	1,414,199,417	9.74
Class IV	1.5	26,859,353	10.49
Total		1,824,896,754	

Utilization and Classification for 2001 and 2002

	2001 Annual		2002 Annual		Change in Product Pounds	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds	1,000 Pounds*	Percent
Class I Utilization:						
Packaged Disposition						
Milk	643,086,680	20,955,276	658,127,790	21,385,099	15,041	2.3
Flavored Milk	69,915,205	2,064,443	68,799,385	1,994,718	(1,116)	(1.6)
Reduced Fat Milk	1,573,515,673	30,984,538	1,554,267,377	30,472,696	(19,248)	(1.2)
Lowfat Milk	533,323,044	5,287,513	543,002,884	5,330,502	9,680	1.8
Fat Free Milk	996,788,998	1,143,067	1,001,050,875	1,147,549	4,262	0.4
Flavored Reduced and Fat Free Milk	271,453,939	2,995,472	297,763,032	3,364,110	26,309	9.7
Buttermilk	32,508,542	336,893	32,123,916	336,979	(385)	(1.2)
Total Packaged Disposition	4,120,592,081	63,767,202	4,155,135,259	64,031,653	34,543	0.8
Total Ending Inventory	345,498,810	5,425,465	362,372,430	5,618,443	16,874	
Bulk to Nonpool Plants	22,647,417	575,592	12,247,955	252,094	(10,399)	
Shrinkage	33,610,381	1,501,603	38,055,068	1,668,519	4,445	
Total Class I Utilization	4,522,348,689	71,269,862	4,567,810,712	71,570,709	45,462	1.0
Other Order Plants	(194,777,438)	(2,001,868)	(104,709,878)	(1,448,700)	90,068	
Beginning Inventory	(351,288,072)	(5,450,937)	(365,763,171)	(5,621,961)	(14,475)	
Reused Products	0	0	0	0	0	
Other Source Milk	(2,149,242)	(40,905)	(3,124,178)	(42,048)	(975)	
Overage	(1,208,412)	(181)	(65,458)	0	1,143	
Interhandler Adjustment	(3,725,861)	(31,174)	35,499	13,529	3,761	
Class I Producer Milk	3,969,199,664	63,744,797	4,094,183,526	64,471,529	124,984	3.1
Class II Utilization:						
Total Class II Utilization	918,124,885	104,582,474	694,030,366	91,657,186	(224,095)	(24.4)
Other Order Plants	(84,192,162)	(3,958,936)	(34,328,477)	(1,000,673)	49,864	
Beginning Inventory	(41,878,614)	(2,552,500)	(26,087,813)	(1,834,064)	15,791	
Reused Products	(114,677,464)	(168,339)	(101,160,835)	(46,823)	13,517	
Other Source Milk	(15,217,148)	(11,547,121)	(4,296,341)	(4,070,298)	10,921	
Overage	(699,859)	(112,585)	(260,433)	(17,468)	439	
Class II Producer Milk	661,459,638	86,242,993	527,896,467	84,687,860	(133,563)	(20.2)
Class III Utilization:						
Total Class III Utilization	15,526,430,907	553,632,681	15,793,963,892	566,732,689	267,533	1.7
Other Order Plants	(242,254,806)	(7,808,176)	(291,962,484)	(7,492,080)	(49,708)	
Beginning Inventory	(49,881,411)	(1,305,443)	(61,115,534)	(1,506,624)	(11,234)	
Reused Products	0	0	0	0	0	
Other Source Milk	(51,993,796)	(939,315)	(39,926,758)	(776,167)	12,067	
Overage	(1,831,504)	(75,637)	(1,074,969)	(103,970)	757	
Class III Producer Milk	15,180,469,390	543,504,110	15,399,884,147	556,853,848	219,415	1.4
Class IV Utilization:						
Total Class IV Utilization	539,733,688	73,363,242	594,324,131	72,844,961	54,590	10.1
Other Order Plants	(104,211,643)	(8,328,295)	(83,495,865)	(7,992,446)	20,716	
Beginning Inventory	(107,369,237)	(7,180,092)	(144,979,772)	(8,252,739)	(37,611)	
Reused Products	0	0	--	--	--	
Other Source Milk	(75,894,057)	(5,141,824)	(80,732,412)	(5,482,408)	(4,838)	
Overage	(1,110,413)	(103,667)	(516,643)	(144,266)	594	
Class IV Producer Milk	251,148,338	52,609,364	284,599,439	50,973,102	33,451	13.3
Total Producer Milk -- All Classes	20,062,277,030	746,101,264	20,306,563,579	756,986,339	244,287	1.2

* May not add due to rounding.

-- Restricted Information

Annual Utilization and Classification

Annual utilization and classification for 2001 and 2002 are summarized and compared in the table on Page 2. The annual numbers represent the sum of monthly data.

Class I Utilization - Class I producer milk in 2002 was 4.1 billion pounds, up 3% from 2001. The increase resulted primarily from a rise in total Class I packaged disposition and a decline in Class I receipts from other order plants. Class I use includes milk sold to consumers in fluid form.

Total Class I packaged disposition (sales) increased nearly 1% during 2002. Decreases in disposition of flavored milk and reduced fat milk were more than offset by increases in disposition of milk, lowfat milk, fat free milk, and flavored reduced fat and flavored fat free milk.

Most packaged sales of milk, however, continue to be reduced fat milk, accounting for 37% of total packaged sales, followed by fat free milk at 24%, whole milk at 16% and lowfat milk at 13%.

Class I use in 2002 accounted for 20.2% of total producer milk (as shown in Figure 1), up from 19.8% in 2001.

Class II Utilization - Class II producer milk in 2002 was down 134 million pounds, or 20%, from 2001. Class II

use primarily includes fluid cream products, ice cream, cottage cheese and yogurt. Class II producer milk accounted for 2.6% of total producer milk during the year.

Class III Utilization - Class III producer milk of 15.4 billion pounds in 2002 was up 1% from 2001. Class III utilization primarily includes milk used for the manufacture of hard cheeses, and accounted for 75.8% of producer milk.

Class IV Utilization - Class IV utilization in 2002 totaled 0.3 billion pounds, up 13% from 2001. Class IV includes butter and all dried milk products, and accounted for 1.4% of total producer milk in 2002.

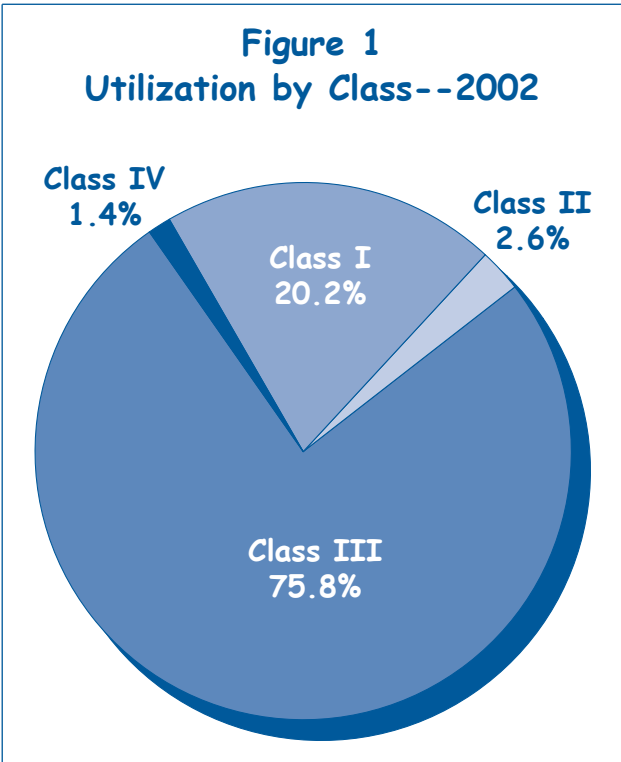
Producer Milk - Total producer milk in 2002 was up 244 million pounds, or 1.2%, from 2001.

During the year, 860 million pounds of producer milk was pooled on the Upper Midwest Order from California, down 1.9 billion pounds from 2001. In addition, 1.2 billion pounds of milk was pooled from

Idaho during the year, up 560 million pounds from 2001.

An average of 14,310 producers delivered to the market each month in 2002, down from 14,585 in 2001. Average component levels of producer milk for the year were:

- Butterfat - 3.73%
- Protein - 3.02%
- Other solids - 5.71%
- Nonfat solids - 8.72%



Upper Midwest Pool Statistics - December 2002

Market Class I Differential Rate	Pool Plants	Received at Pool Plants	Diverted to Pool and Nonpool Plants	Total	Location Adjustment to Producers	Class I Differential to Handlers	
<i>Cwt.</i>	<i>Number</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Value</i>	<i>Pounds</i>	<i>Value</i>
\$1.80	5	12,422,495	40,059,447	52,481,942	\$ 0	48,199,842	\$ 867,597
\$1.75	38	192,729,663	410,580,657	603,310,320	301,655	148,600,665	2,600,511
\$1.70	38	202,343,551	776,008,252	978,351,803	978,352	123,461,805	2,098,851
\$1.65	5	25,841,096	5,574,019	31,415,115	47,123	22,656,531	373,833
Other	0	0	159,337,574	159,337,574	313,432	0	0
Total	86	433,336,805	1,391,559,949	1,824,896,754	\$1,640,562	342,918,843	\$5,940,792

Computation of Producer Price Differential - December 2002

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
Class I					
Differential Value					\$5,940,792.31
Product	18.8%	342,918,843			
Skim Milk			337,258,516	\$ 6.9900	23,574,370.26
Butterfat			5,660,327	1.0782	6,102,964.59
Class II					
Product	2.2%	40,919,141			
Nonfat Solids			3,115,168	0.8544	2,661,599.54
Butterfat			6,762,790	1.1992	8,109,937.76
Class III					
Product	77.5%	1,414,199,417			
Protein			43,496,870	1.7506	76,145,620.63
Other Solids			80,330,541	0.0584	4,691,303.58
Butterfat			52,633,327	1.1922	62,749,452.47
Class IV					
Product	1.5%	26,859,353			
Nonfat Solids			2,043,298	0.7282	1,487,929.60
Butterfat			4,363,429	1.1922	5,202,080.06
SCC Adjustment (Class II, III, and IV)					421,807.56
Total Producer Milk *		1,824,896,754			\$197,087,858.36
Add:					
Overage					24,948.15
Inventory Reclassified					(6,261.77)
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					190,254.94
Assembly Credit					271,051.23
Credit for Reconstituted FMP					0.00
Producer Milk Protein					98,139,404.53
Producer Milk Other Solids					6,050,913.77
Producer Milk Butterfat					82,762,372.60
Producer Milk SCC Adjustment					547,427.26
Total Milk and Value		1,824,896,754			\$9,145,120.41
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					1,640,562.33
One-Half Unobligated Balance Producer Settlement Fund					790,431.27
Total Value				0.634344	\$11,576,114.01
Subtract:					
Producer Settlement Fund Reserve				0.044344	809,223.16
Producer Price Differential **				\$0.59	\$10,766,890.85

* An estimated 70 million pounds of milk was not pooled.

** Producer Price Differential is dollars per cwt. at the Base Zone of Cook County, Illinois.



Utilization and Classification

	December 2002		November 2002	December 2001
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition				
Milk	53,850,743	1,755,722	56,692,985	55,501,351
Flavored Milk	5,656,225	186,580	6,020,501	5,217,584
Reduced Fat Milk	127,345,819	2,500,186	133,050,446	132,429,975
Lowfat Milk	44,960,933	440,967	46,725,914	45,656,253
Fat Free Milk	81,367,944	85,120	85,709,356	83,558,188
Flavored Reduced and Fat Free Milk	30,244,302	601,933	32,013,294	27,531,494
Buttermilk	2,699,457	27,942	2,744,713	2,870,544
Total Packaged Disposition	346,125,423	5,598,450	362,957,209	352,765,389
Total Ending Inventory	30,099,674	465,691	30,635,582	29,312,985
Bulk to Nonpool Plants	1,283,946	11,612	627,987	1,039,228
Shrinkage	3,174,412	157,467	3,655,084	2,532,652
Total Class I Utilization	380,683,455	6,233,220	397,875,862	385,650,254
Other Order Plants	(6,413,152)	(70,246)	(11,599,511)	(8,798,878)
Beginning Inventory	(31,044,452)	(495,496)	(34,470,501)	(35,424,037)
Reused Products	0	0	0	0
Other Source Milk	(290,041)	(6,465)	(290,307)	(338,756)
Overage	0	0	0	--
Interhandler Adjustment	(16,967)	(686)	80,858	(646,254)
Class I Producer Milk	342,918,843	5,660,327	351,596,401	340,442,329
Class II Utilization:				
Total Class II Utilization	52,779,469	7,273,801	51,632,517	65,313,327
Other Order Plants	(3,332,258)	(27,608)	(4,261,317)	(5,193,150)
Beginning Inventory	(1,728,066)	(109,789)	(2,002,900)	(1,885,814)
Reused Products	(6,426,480)	(15,392)	(7,987,647)	(6,766,792)
Other Source Milk	(373,524)	(358,222)	(143,676)	(835,892)
Overage	--	--	0	--
Class II Producer Milk	40,919,141	6,762,790	37,236,977	50,631,679
Class III Utilization:				
Total Class III Utilization	1,453,386,107	53,608,251	1,311,419,123	1,437,003,866
Other Order Plants	(31,668,608)	(757,978)	(39,060,312)	(21,776,139)
Beginning Inventory	(3,986,058)	(111,813)	(5,795,606)	(2,196,552)
Reused Products	0	0	0	0
Other Source Milk	(3,492,412)	(102,968)	(2,966,780)	(3,609,684)
Overage	(39,612)	(2,165)	(85,066)	(72,103)
Class III Producer Milk	1,414,199,417	52,633,327	1,263,511,359	1,409,349,388
Class IV Utilization:				
Total Class IV Utilization	53,506,423	6,619,182	49,005,348	58,931,415
Other Order Plants	(7,241,419)	(940,679)	(6,603,802)	(10,966,220)
Beginning Inventory	(12,637,948)	(782,844)	(8,417,216)	(6,201,589)
Reused Products	--	--	0	0
Other Source Milk	(6,757,962)	(528,888)	(7,008,254)	(8,484,176)
Overage	(9,741)	(3,342)	(201,603)	(200,150)
Class IV Producer Milk	26,859,353	4,363,429	26,774,473	33,079,280
Total Producer Milk -- All Classes	1,824,896,754	69,419,873	1,679,119,210	1,833,502,676

-- Restricted Information

Commodity Prices

Month/Year	Weighted Monthly Average NASS Prices *						Weighted Two-Week Average NASS Prices *					
	Cheddar Cheese			Nonfat			Cheddar Cheese			Nonfat		
	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey
	<i>Dollars per Pound</i>						<i>Dollars per Pound</i>					
Dec 2001	1.2733	1.2485	1.2762	1.2894	0.9199	0.2868	1.2897	1.2594	1.2895	1.2580	0.9222	0.2902
Jan 2002	1.2660	1.2790	1.2922	1.3324	0.9161	0.2747	1.2486	1.2624	1.2740	1.3335	0.9166	0.2810
Feb	1.2904	1.2590	1.2895	1.2480	0.9121	0.2334	1.2935	1.2518	1.2862	1.2316	0.9133	0.2347
Mar	1.2000	1.1834	1.2087	1.2333	0.9060	0.2066	1.1943	1.1751	1.2008	1.2411	0.9074	0.2077
Apr	1.2210	1.2085	1.2323	1.1720	0.8975	0.1948	1.2123	1.1986	1.2229	1.2088	0.8984	0.1979
May	1.2213	1.2133	1.2359	1.0525	0.8972	0.1759	1.2337	1.2315	1.2521	1.0643	0.8953	0.1827
Jun	1.1655	1.1438	1.1708	1.0343	0.9005	0.1639	1.1738	1.1524	1.1792	1.0533	0.9006	0.1663
Jul	1.0898	1.0768	1.1004	1.0112	0.9033	0.1545	1.1013	1.0847	1.1098	1.0188	0.9025	0.1552
Aug	1.1030	1.0996	1.1189	0.9925	0.9074	0.1571	1.1155	1.0993	1.1237	1.0010	0.9091	0.1559
Sep	1.1412	1.1155	1.1438	0.9431	0.9096	0.1755	1.1367	1.1159	1.1427	0.9297	0.9080	0.1703
Oct	1.2431	1.1391	1.2020	0.9945	0.9165	0.2131	1.2239	1.1366	1.1921	0.9697	0.9159	0.2081
Nov	1.1211	1.0733	1.1111	1.0107	0.9177	0.2223	1.1085	1.0610	1.0985	0.9991	0.9172	0.2234
Dec	1.1075	1.0991	1.1203	1.0926	0.8682	0.1965	1.1061	1.0993	1.1195	1.0813	0.8813	0.2038

Month/Year	Chicago Mercantile Exchange						
	Butter	Cheddar Cheese		Nonfat Dry Milk (Low/Medium Heat)		Whey Powder	
	Grade AA	Blocks	Barrels	Central & East **	West	Central	West
	<i>Dollars per Pound</i>						
Dec 2001	1.2793	1.2567	1.2500	n/a	0.9591	0.3016	0.2656
Jan 2002	1.3454	1.3242	1.2970	0.9396	0.9511	0.2689	0.2427
Feb	1.2427	1.2076	1.1797	0.9357	0.9434	0.2135	0.2257
Mar	1.2473	1.2130	1.1809	0.9218	0.9279	0.1963	0.2133
Apr	1.1712	1.2448	1.2177	0.9061	0.9134	0.1846	0.1948
May	1.0590	1.2009	1.1688	0.9174	0.9149	0.1691	0.1715
Jun	1.0427	1.1299	1.1051	0.9213	0.9138	0.1553	0.1591
Jul	1.0302	1.0889	1.0680	0.9275	0.9144	0.1566	0.1451
Aug	0.9752	1.1575	1.1252	0.9323	0.9210	0.1673	0.1546
Sep	0.9635	1.2041	1.1100	0.9468	0.9239	0.2051	0.1722
Oct	1.0315	1.1950	1.0970	0.9563	0.9263	0.2426	0.2043
Nov	1.0425	1.0891	1.0705	0.9578	0.9149	0.2245	0.2151
Dec	1.1198	1.1311	1.1055	0.9075	0.8715	0.1818	0.2112

Market Statistics

Month/Year	Distributing Plants	Supply Plants	Coop .9(c) Handlers	Producers	Total Producer Milk	Estimated Average Daily Delivery	Class I Utilization	Butterfat Test	Protein Test	Other Solids Test	Weighted Average SCC
					Mil. lbs.	Pounds	Percent	Percent	Percent	Percent	
										(000)	
Dec 2001	26	59	10	14,670	1,834	4,088	18.6	3.82	3.08	5.69	330
Jan 2002	26	60	10	14,926	1,945	4,259	18.7	3.80	3.05	5.70	327
Feb	26	58	10	14,494	1,617	4,235	19.7	3.78	3.03	5.70	330
Mar	26	58	10	14,172	1,828	4,263	18.9	3.78	3.04	5.71	334
Apr	27	58	10	13,803	1,779	4,389	19.3	3.74	3.01	5.73	334
May	27	58	11	13,490	1,621	3,986	21.9	3.71	2.98	5.72	324
Jun	27	56	11	13,563	1,546	3,908	19.1	3.64	2.95	5.74	340
Jul	27	56	12	13,407	1,513	3,742	21.2	3.55	2.89	5.70	390
Aug	27	60	12	14,642	1,730	3,927	19.9	3.58	2.95	5.70	393
Sep	27	60	12	14,614	1,651	3,885	20.6	3.65	3.01	5.69	355
Oct	27	60	12	14,806	1,574	3,821	23.5	3.82	3.09	5.70	322
Nov	27	60	12	14,660	1,679	3,882	20.9	3.84	3.10	5.69	307
Dec	27	59	12	14,949	1,825	4,090	18.8	3.80	3.07	5.68	296

* NASS = National Agricultural Statistics Service, USDA.

** The Central and East markets are published as one price, effective January 2002.

Class Prices

Month/Year	Class I Price Mover			Class I Price at Cook County, IL			Class II Price			
	Butterfat	Skim Milk	3.50%	Butterfat	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Dec 2001	1.4513	7.15	11.98	1.4693	8.95	13.78	1.4392	0.8722	7.85	12.61
Jan 2002	1.3939	7.34	11.96	1.4119	9.14	13.76	1.4916	0.8600	7.74	12.69
Feb	1.4860	6.99	11.95	1.5040	8.79	13.75	1.3887	0.8544	7.69	12.28
Mar	1.3617	7.10	11.62	1.3797	8.90	13.42	1.3708	0.8511	7.66	12.19
Apr	1.3733	6.91	11.47	1.3913	8.71	13.27	1.2960	0.8456	7.61	11.88
May	1.3339	6.83	11.26	1.3519	8.63	13.06	1.1503	0.8367	7.53	11.29
Jun	1.1577	7.23	11.03	1.1757	9.03	12.83	1.1281	0.8333	7.50	11.19
Jul	1.1443	6.85	10.62	1.1623	8.65	12.42	1.0999	0.8389	7.55	11.14
Aug	1.1022	6.86	10.48	1.1202	8.66	12.28	1.0771	0.8400	7.56	11.07
Sep	1.0805	6.92	10.46	1.0985	8.72	12.26	1.0169	0.8467	7.62	10.91
Oct	0.9935	6.91	10.15	1.0115	8.71	11.95	1.0796	0.8456	7.61	11.12
Nov	1.0423	7.20	10.60	1.0603	9.00	12.40	1.0993	0.8533	7.68	11.26
Dec	1.0782	6.99	10.52	1.0962	8.79	12.32	1.1992	0.8544	7.69	11.62
Jan 2003	1.1784	6.67	10.56	1.1964	8.47	12.36		0.8189	7.37	

Month/Year	Class III Price					Class IV Price				
	Butterfat	Protein	Other Solids	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%	
	<i>lb.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	
Dec 2001	1.4322	1.9782	0.1517	7.03	11.80	1.4322	0.7799	7.02	11.79	
Jan 2002	1.4846	1.9660	0.1392	6.92	11.87	1.4846	0.7761	6.98	11.93	
Feb	1.3817	2.0884	0.0965	7.04	11.63	1.3817	0.7721	6.95	11.54	
Mar	1.3638	1.8342	0.0688	6.09	10.65	1.3638	0.7660	6.89	11.42	
Apr	1.2890	2.0109	0.0566	6.57	10.85	1.2890	0.7575	6.82	11.09	
May	1.1433	2.2097	0.0371	7.07	10.82	1.1433	0.7572	6.81	10.57	
Jun	1.1211	2.0148	0.0247	6.39	10.09	1.1211	0.7605	6.84	10.52	
Jul	1.0929	1.8095	0.0150	5.70	9.33	1.0929	0.7633	6.87	10.45	
Aug	1.0701	1.9021	0.0177	6.00	9.54	1.0701	0.7674	6.91	10.41	
Sep	1.0099	2.0646	0.0367	6.62	9.92	1.0099	0.7696	6.93	10.22	
Oct	1.0726	2.1839	0.0755	7.22	10.72	1.0726	0.7765	6.99	10.50	
Nov	1.0923	1.8469	0.0850	6.23	9.84	1.0923	0.7777	7.00	10.58	
Dec	1.1922	1.7506	0.0584	5.77	9.74	1.1922	0.7282	6.55	10.49	

Producer Prices

Month/Year	Producer Price Differential	Statistical Uniform Price (at 3.50%)	Butterfat Price	Protein Price	Other Solids Price	SCC Adjustment Rate	Producer Mailbox Price (at test)
	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>
Oct 2001	0.15	14.75	1.6526	2.6664	0.1482	0.00078	15.18
Nov	1.14	12.45	1.4500	1.8045	0.1470	0.00062	13.44
Dec	0.39	12.19	1.4322	1.9782	0.1517	0.00064	13.17
Jan 2002	0.43	12.30	1.4846	1.9660	0.1392	0.00065	13.30
Feb	0.41	12.04	1.3817	2.0884	0.0965	0.00064	12.73
Mar	0.60	11.25	1.3638	1.8342	0.0688	0.00060	12.19
Apr	0.50	11.35	1.2890	2.0109	0.0566	0.00062	12.17
May	0.48	11.30	1.1433	2.2097	0.0371	0.00062	11.98
Jun	0.63	10.72	1.1211	2.0148	0.0247	0.00059	11.16
Jul	0.80	10.13	1.0929	1.8095	0.0150	0.00055	10.61
Aug	0.66	10.20	1.0701	1.9021	0.0177	0.00056	10.91
Sep	0.54	10.46	1.0099	2.0646	0.0367	0.00057	11.42
Oct	0.31	11.03	1.0726	2.1839	0.0755	0.00060	12.27
Nov	0.59	10.43	1.0923	1.8469	0.0850	0.00056	
Dec	0.59	10.33	1.1922	1.7506	0.0584	0.00056	

Summary of Federal Order Data - December 2002

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts <i>— Thousand Pounds —</i>	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential <i>— Dollars per Cwt. —</i>	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market <i>— Dollars per Cwt. —</i>	FOB Cook Cty. Illinois <i>— Dollars per Cwt. —</i>	Change From Previous Year
1 Northeast	2,091,664	933,101	44.6	\$ 13.77	\$ 2.50	\$ 12.24	\$ 10.79	\$ (1.48)
5 Appalachian	558,014	374,996	67.2	13.62	n/a	12.96	11.66	(1.20)
6 Florida	244,731	207,108	84.6	14.52	n/a	14.15	11.95	(1.43)
7 Southeast	605,412	393,341	65.0	13.62	n/a	12.76	11.46	(1.19)
30 Upper Midwest	1,824,897	342,919	18.8	12.32	0.59	10.33	10.33	(1.86)
32 Central	1,636,609	414,547	25.3	12.52	0.93	10.67	10.47	(1.79)
33 Mideast	1,363,663	550,728	40.4	12.52	1.38	11.12	10.92	(1.52)
124 Pacific Northwest	653,964	179,520	27.5	12.42	1.07	10.81	10.71	(1.54)
126 Southwest	794,377	335,734	42.3	13.52	2.18	11.92	10.72	(1.53)
131 Arizona-Las Vegas	257,320	83,718	32.5	12.87	n/a	11.07	10.52	(1.64)
135 Western	448,287	102,869	22.9	12.42	0.76	10.50	10.40	(1.83)
All Market Average or Total *	10,478,937	3,918,582	37.4					

n/a = Not applicable. * May not add due to rounding.

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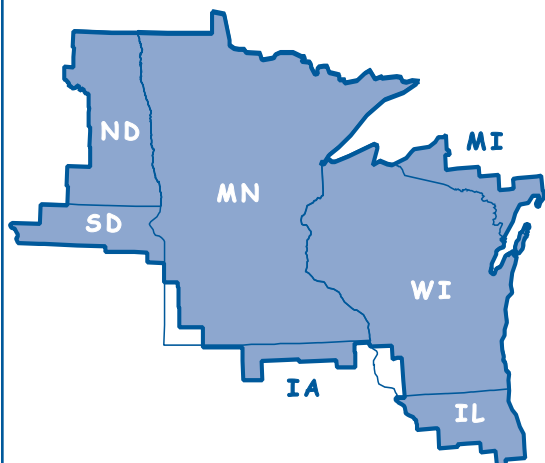
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