



UPPER MIDWEST DAIRY NEWS

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Inside This Issue:

2008 Annual Utilization and Classification 2

Computation of Producer Price Differential 4

Utilization and Classification 5

Commodity Prices and Market Statistics 6

Class Prices and Producer Prices 7



Cheese and Butter Prices Down

Prices for cheddar cheese on the Chicago Mercantile Exchange (CME) stabilized somewhat in early January following a very sharp decline in December. The CME butter price fell in the first half of January, but at a slower pace than the sharp decline in December.

On January 20, the CME barrel cheddar cheese price was \$1.09 per pound, down 70¢ from December 1. The price for 40-pound blocks was \$1.06¹/₄ per pound on January 20, down 72³/₄¢ from December 1. Barrel and block prices are below year-earlier levels by about 71¢ and 59¢, respectively.

The CME butter price on January 20 was \$1.10 per pound, down 24¢ from December 1, and about 12¢ below last year.

The December Federal order Class III price was \$15.28 per cwt., down \$0.23 from November and \$4.32 below December 2007.

The January CME Class III futures price is currently at around \$10.65 per cwt., with February and March falling below \$10.00 per cwt. The futures prices for the second half of the year have rebounded, with December traded at about \$14.00 per cwt.

Preliminary 2008 Milk Production Released

Preliminary U.S. Department of Agriculture estimates indicate total United States milk production for 2008 was a record-high 190 billion pounds, an increase of 2.2% from 2007.

The increase in milk production was driven by an increase in both milk per cow and the average number of milk cows.

For the top ten milk producing states, 2008 production, compared to the previous year, was up 14% in Texas, 8% in New Mexico, 7% in Idaho, nearly 3% in New York and Washington, 1.6% in Wisconsin, 1.4% in Minnesota, 1.2% in California, and 0.7% in Michigan, but down 1% in Pennsylvania.

Final estimates will be released in February.

Pool Summary

- In December, 15,061 producers delivered to the market with an average daily delivery of 5,416 pounds.
- Producer milk totaled 2.3 billion pounds, down 307 million pounds from November and 109 million pounds below December 2007.
- Class I utilization totaled 394 million pounds, up 4% from November 2008 on a daily basis and also 4% above December 2007. Class I usage accounted for 17.0% of producer milk.
- The December Producer Price Differential (PPD) is \$(0.24) per cwt.
- The Statistical Uniform Price is \$15.04 per cwt., down \$0.81 from November and \$5.61 below December 2007.
- Market statistics for December are shown on Pages 4 and 5.

December 2008 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	17.0	39,361,660	17.23
Class II	4.4	101,381,077	11.21
Class III	75.2	1,743,527,287	15.28
Class IV	3.4	79,559,647	10.35
Total		2,318,079,671	

Utilization and Classification for 2007 and 2008

	2007 Annual		2008 Annual		Change in Product Pounds	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds	1,000 Pounds*	Percent
Class I Utilization:						
Packaged Disposition						
Milk	640,695,089	20,505,092	628,548,881	20,128,235	(12,146)	(1.9)
Flavored Milk	50,594,916	1,619,346	49,151,545	1,525,175	(1,443)	(2.9)
Reduced Fat Milk	1,709,109,546	32,346,748	1,727,725,943	32,838,387	18,616	1.1
Lowfat Milk	598,726,318	5,793,091	601,952,530	5,807,986	3,226	0.5
Fat Free Milk	1,081,981,001	1,186,480	1,067,878,267	1,136,983	(14,103)	(1.3)
Flavored Reduced and Fat Free Milk	338,538,008	3,002,565	349,453,983	3,077,632	10,916	3.2
Buttermilk	28,411,507	294,935	28,938,306	300,769	527	1.9
Total Packaged Disposition	4,448,056,385	64,748,257	4,453,649,455	64,815,167	5,593	0.1
Total Ending Inventory	371,034,063	5,487,044	372,606,043	5,526,547	1,572	
Bulk to Nonpool Plants	61,438,271	1,266,785	18,388,738	335,323	(43,050)	
Shrinkage	27,379,209	1,676,306	22,614,547	1,608,245	(4,765)	
Total Class I Utilization	4,907,907,928	73,178,392	4,867,258,783	72,285,282	(40,649)	(0.8)
Other Order Plants	(29,160,489)	(529,982)	(41,782,876)	(812,869)	(12,622)	
Beginning Inventory	(371,326,754)	(5,537,318)	(372,431,222)	(5,484,223)	(1,104)	
Reused Products	0	0	0	0	0	
Other Source Milk	(688,631)	(11,436)	(8,838,915)	(180,487)	(8,150)	
Overage	--	0	(6)	(4)	--	
Interhandler Adjustment	1,276,738	4,165	520,650	13,940	(756)	
Class I Producer Milk	4,508,008,792	67,103,821	4,444,726,414	65,821,639	(63,282)	(1.4)
Class II Utilization:						
Total Class II Utilization	1,392,297,735	113,647,645	1,479,128,118	116,731,399	86,830	6.2
Other Order Plants	(18,780,699)	(793,116)	(14,532,480)	(368,720)	4,248	
Beginning Inventory	(31,704,707)	(1,464,707)	(34,778,651)	(1,556,914)	(3,074)	
Reused Products	(76,223,631)	(342,778)	(112,424,664)	(753,855)	(36,201)	
Other Source Milk	(5,697,796)	(4,589,168)	(5,599,380)	(5,098,623)	98	
Overage	(58,180)	(48,811)	(1,604,500)	(70,084)	(1,546)	
Class II Producer Milk	1,259,832,722	106,409,065	1,310,188,443	108,883,203	50,356	4.0
Class III Utilization:						
Total Class III Utilization	20,234,795,870	729,403,668	21,503,402,473	775,396,193	1,268,607	6.3
Other Order Plants	(61,135,249)	(1,365,315)	(33,456,801)	(621,813)	27,678	
Beginning Inventory	(45,582,875)	(801,454)	(25,690,015)	(726,926)	19,893	
Reused Products	0	0	0	0	0	
Other Source Milk	(46,023,828)	(488,393)	(24,119,319)	(522,075)	21,905	
Overage	(818,315)	(126,903)	(1,419,466)	(76,946)	(601)	
Class III Producer Milk	20,081,235,603	726,621,603	21,418,716,872	773,448,433	1,337,481	6.7
Class IV Utilization:						
Total Class IV Utilization	1,307,311,832	113,251,192	1,531,586,857	125,713,134	224,275	17.2
Other Order Plants	(39,197,920)	(2,261,744)	(58,629,239)	(2,893,529)	(19,431)	
Beginning Inventory	(165,324,835)	(10,470,457)	(197,477,947)	(11,354,499)	(32,153)	
Reused Products	0	0	--	0	--	
Other Source Milk	(461,602,473)	(18,234,145)	(407,588,645)	(15,829,550)	54,014	
Overage	(382,198)	(104,028)	(911,017)	(142,098)	(529)	
Class IV Producer Milk	640,804,406	82,180,818	866,980,009	95,493,458	226,176	35.3
Total Producer Milk -- All Classes	26,489,881,523	982,315,307	28,040,611,738	1,043,646,733	1,550,730	5.9

* May not add due to rounding.

-- Restricted Information

2008 Annual Utilization and Classification

Annual utilization and classification for 2007 and 2008 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 2008 was 4.4 billion pounds, down 1.4% from 2007. Class I use includes milk sold to consumers in fluid form.

Total Class I packaged disposition rose 0.1% during 2008. Increases in disposition of reduced fat milk, lowfat milk, flavored reduced and fat free milk, and buttermilk more than offset the decreases in disposition of milk, flavored milk, and fat free milk.

Most packaged sales of milk continue to be reduced fat milk, accounting for 39% of total packaged sales, followed by fat free milk at 24%, whole milk at 13.5%, and lowfat milk at 13%. Other categories combined made up the remaining 10% of packaged sales.

Class I use in 2008 accounted for 15.8% of total producer milk (as shown in Figure 1), down from 17.0% in 2007.

Class II Utilization - Class II producer milk in 2008 was up 50 million pounds, or 4% from 2007. Class II

use primarily includes fluid cream products, ice cream, cottage cheese and yogurt. Class II producer milk accounted for 4.7% of total producer milk during the year.

Class III Utilization - Class III producer milk in 2008 was up 1.3 billion pounds, or 6.7% from 2007. Class III utilization primarily includes milk used for the manufacture of hard cheeses, and accounted for 76.4% of producer milk.

Class IV Utilization - Class IV utilization in 2008 totaled 867 million pounds, up 226 million pounds from 2007. Class IV includes butter and all dried milk products, and accounted for 3.1% of producer milk.

Producer Milk - Total producer milk in 2008 was 28.0 billion pounds, a record high for the market, and was up 1.6 billion pounds, or 5.9%, from 2007.

An average of 15,452 producers delivered to the market each month in

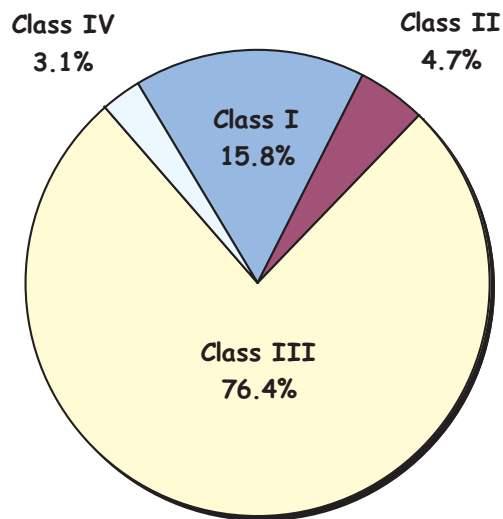
2008, down from 16,083 in 2007.

The average daily delivery per producer in 2008 was estimated at 5,223 pounds, up from the 2007 estimate of 4,870 pounds.

Average component levels of producer milk for the year were:

- Butterfat - 3.72%
- Protein - 3.04%
- Other Solids - 5.71%
- Nonfat Solids - 8.75%

**Figure 1
Utilization by Class--2008**



Upper Midwest Pool Statistics - December 2008

Market Class I Differential Rate	Pool Plants	Received at Pool Plants	Diverted to		Location Adjustment to Producers	Class I Differential to Handlers	
			Pool and Nonpool Plants	Total		Pounds	Value
<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	4	81,601,938	27,451,803	109,053,741	\$ 0	80,875,912	\$ 1,455,766
\$1.75	39	193,248,135	861,974,411	1,055,222,546	527,611	164,657,788	2,881,511
\$1.70	31	201,727,840	913,189,507	1,114,917,347	1,114,917	127,306,564	2,164,212
\$1.65	5	23,252,061	15,633,976	38,886,037	56,171	20,771,396	342,728
Total	79	499,829,974	1,818,249,697	2,318,079,671	\$ 1,698,699	393,611,660	\$ 6,844,217

Computation of Producer Price Differential-December 2008

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
Class I					
Differential Value					\$ 6,844,217.38
Product	17.0%	393,611,660			
Skim Milk			387,530,320	\$ 9.4900	36,776,627.38
Butterfat			6,081,340	1.7925	10,900,801.97
Class II					
Product	4.4%	101,381,077			
Nonfat Solids			8,551,099	0.7644	6,536,460.10
Butterfat			8,265,792	1.3068	10,801,736.99
Class III					
Product	75.2%	1,743,527,287			
Protein			54,325,960	3.6390	197,692,168.45
Other Solids			99,660,936	(0.0269)	(2,680,879.20)
Butterfat			64,684,279	1.2998	84,076,625.86
Class IV					
Product	3.4%	79,559,647			
Nonfat Solids			6,426,294	0.6680	4,292,764.42
Butterfat			9,667,643	1.2998	12,566,002.39
SCC Adjustment (Class II, III, and IV)					1,531,810.03
Total Producer Milk *		2,318,079,671			\$ 369,338,335.77
Add:					
Overage					25,633.44
Inventory Reclassified					120,750.20
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					97,768.83
Assembly Credit					313,873.65
Credit for Reconstituted FMP					0.00
Producer Milk Protein					262,754,762.87
Producer Milk Other Solids					(3,560,084.01)
Producer Milk Butterfat					115,291,030.43
Producer Milk SCC Adjustment					1,859,249.50
Total Milk and Value		2,318,079,671			\$ (7,271,881.86)
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					1,698,699.47
One-Half Unobligated Balance Producer Settlement Fund					1,090,463.22
Total Value				(0.193381)	\$ (4,482,719.17)
Subtract:					
Producer Settlement Fund Reserve				0.046619	1,080,672.04
Producer Price Differential **				\$(0.24)	\$ (5,563,391.21)

* An estimated 448 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 of Milk

	December 2008		November 2008	December 2007
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition:				
Milk	56,503,978	1,809,216	51,119,460	53,580,441
Flavored Milk	3,766,427	124,211	3,743,742	4,357,361
Reduced Fat Milk	154,801,822	2,943,506	141,072,862	148,177,073
Lowfat Milk	53,253,324	516,973	50,114,486	51,298,908
Fat Free Milk	92,518,942	102,302	87,628,367	90,077,140
Flavored Reduced And Fat Free Milk	34,260,228	492,381	34,004,756	31,812,129
Buttermilk	2,627,565	26,815	2,484,246	2,553,276
Total Packaged Disposition	397,732,286	6,015,404	370,167,919	381,856,328
Total Ending Inventory	32,552,832	489,270	34,330,159	29,629,572
Bulk To Nonpool Plants	1,135,640	19,095	479,555	1,760,398
Shrinkage	2,105,230	198,500	1,542,022	2,554,022
Total Class I Utilization	433,525,988	6,722,269	406,519,655	415,800,320
Other Order Plants	(4,446,143)	(87,556)	(3,969,706)	(2,961,756)
Beginning Inventory	(34,362,741)	(532,321)	(36,679,973)	(35,504,706)
Reused Products	0	0	0	0
Other Source Milk	(1,085,156)	(23,846)	(802,089)	(176,750)
Overage	0	0	--	0
Interhandler Adjustment	(20,288)	2,794	17,809	262,167
Class I Producer Milk	393,611,660	6,081,340	365,085,696	377,419,275
Class II Utilization:				
Total Class II Utilization	114,805,811	8,730,630	115,549,899	62,291,382
Other Order Plants	--	--	--	--
Beginning Inventory	(4,563,526)	(139,133)	--	--
Reused Products	(8,529,963)	(10,858)	(8,701,276)	(5,514,354)
Other Source Milk	(331,245)	(314,847)	(305,711)	(309,710)
Overage	--	--	--	--
Class II Producer Milk	101,381,077	8,265,792	106,542,912	56,467,318
Class III Utilization:				
Total Class III Utilization	1,750,175,550	64,848,312	2,090,593,350	1,910,274,990
Other Order Plants	(609,489)	(17,311)	(413,324)	(9,787,799)
Beginning Inventory	(4,309,764)	(101,354)	(302,521)	(1,016,811)
Reused Products	0	0	0	0
Other Source Milk	(1,678,471)	(41,956)	(1,178,047)	(1,055,293)
Overage	(50,539)	(3,412)	(33,198)	(223,226)
Class III Producer Milk	1,743,527,287	64,684,279	2,088,666,260	1,898,191,861
Class IV Utilization:				
Total Class IV Utilization	132,556,228	12,251,995	112,402,167	144,706,829
Other Order Plants	(1,917,310)	(72,973)	(3,169,145)	(4,097,079)
Beginning Inventory	(23,280,314)	(1,383,797)	(10,973,343)	(12,702,350)
Reused Products	0	0	0	0
Other Source Milk	(27,753,008)	(1,119,691)	(33,103,961)	(33,164,254)
Overage	(45,949)	(7,891)	(90,088)	(96,595)
Class IV Producer Milk	79,559,647	9,667,643	65,065,630	94,646,551
Total Producer Milk -- All Classes	2,318,079,671	88,699,054	2,625,360,498	2,426,725,005

-- 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 2007	2.0928	2.0726	2.0976	1.3159	1.8031	0.4516	2.1351	2.1003	2.1328	1.3146	1.8304	0.4568
Jan 2008	1.9742	2.0025	1.9998	1.2301	1.5090	0.3992	1.9887	2.0128	2.0126	1.2585	1.6931	0.4380
Feb	1.7892	1.8653	1.8403	1.2044	1.3331	0.2736	1.7443	1.8509	1.8092	1.2150	1.3398	0.2673
Mar	1.9548	1.9302	1.9575	1.2539	1.2512	0.2435	2.0193	1.9886	2.0190	1.2438	1.2537	0.2454
Apr	1.8180	1.7845	1.8164	1.3492	1.2506	0.2560	1.7950	1.7845	1.8038	1.3421	1.2456	0.2528
May	1.9430	1.9348	1.9525	1.4170	1.2985	0.2700	1.9416	1.9363	1.9527	1.4223	1.3006	0.2686
Jun	2.1326	2.1680	2.1609	1.4669	1.3508	0.2758	2.1885	2.2210	2.2156	1.4607	1.3479	0.2774
Jul	1.9477	1.9423	1.9585	1.5180	1.4053	0.2642	1.9726	1.9586	1.9792	1.5205	1.3957	0.2690
Aug	1.8809	1.8247	1.8699	1.5713	1.3840	0.2470	1.9317	1.8353	1.9041	1.5711	1.3790	0.2487
Sep	1.7661	1.7611	1.7773	1.6365	1.2131	0.2183	1.7265	1.6997	1.7279	1.6125	1.2628	0.2241
Oct	1.8927	1.8928	1.9065	1.6997	0.9987	0.1945	1.9185	1.9189	1.9323	1.6899	1.0452	0.1970
Nov	1.7268	1.7518	1.7511	1.6356	0.8701	0.1895	1.7253	1.7322	1.7420	1.6517	0.8617	0.1896
Dec	1.7355	1.7447	1.7544	1.2448	0.8425	0.1730	1.7615	1.8048	1.7989	1.3262	0.8460	0.1716

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 2007	1.3190	2.0083	2.0147	1.7528	1.6938	0.4406	0.4385
Jan 2008	1.2246	1.8257	1.8774	1.5615	1.4979	0.3745	0.3338
Feb	1.2088	2.0023	1.9560	1.3999	1.2975	0.2832	0.2773
Mar	1.3454	1.8234	1.7980	1.3224	1.2917	0.2540	0.2563
Apr	1.3905	1.8826	1.8010	1.3525	1.3285	0.2672	0.2807
May	1.4750	2.0976	2.0708	1.4044	1.3661	0.2714	0.2842
Jun	1.5001	2.0350	2.0562	1.4649	1.4215	0.2634	0.2762
Jul	1.5385	1.9673	1.8890	1.4498	1.4428	0.2432	0.2732
Aug	1.6279	1.7398	1.6983	1.4439	1.3972	0.2170	0.2546
Sep	1.6973	1.8762	1.8517	1.3187	1.2379	0.1993	0.1979
Oct	1.7320	1.7963	1.8025	1.1032	0.9680	0.1899	0.1791
Nov	1.6165	1.7099	1.6975	0.9353	0.8647	0.1770	0.1586
DEC	1.2007	1.5132	1.5295	0.8907	0.8424	0.1754	0.1456

Market Statistics

Month/Year	Distributing Plants	Supply Plants	Coop .9(c) Handlers	Producers	Total Producer Milk	Est. Average Daily Delivery Per Producer	Class I Utilization	Butterfat Test	Protein Test	Other Solids Test	Weighted Average SCC
					Mil. lbs.	Pounds	Percent	Percent	Percent	Percent	
										(000)	
Dec 2007	22	55	13	16,546	2,427	4,871	15.6	3.84	3.13	5.70	253
Jan 2008	23	54	13	16,617	2,538	5,010	15.6	3.81	3.10	5.69	258
Feb	23	52	13	16,503	2,409	5,057	15.1	3.79	3.10	5.70	279
Mar	25	51	13	15,208	2,105	5,158	17.6	3.77	3.06	5.70	281
Apr	25	52	13	16,519	2,513	5,234	14.8	3.73	3.02	5.70	280
May	25	53	13	13,869	1,868	5,265	20.3	3.67	3.00	5.70	279
Jun	25	53	13	13,722	1,948	5,205	16.8	3.61	2.97	5.73	294
Jul	25	52	13	15,356	2,384	5,189	14.6	3.58	2.93	5.72	311
Aug	27	55	13	16,125	2,627	5,207	13.4	3.59	2.95	5.71	312
Sep	25	53	13	16,039	2,531	5,247	14.9	3.67	3.02	5.72	291
Oct	27	52	13	14,313	2,175	5,296	18.3	3.77	3.09	5.71	271
Nov	26	52	13	16,091	2,625	5,392	13.9	3.82	3.12	5.71	253
Dec	26	53	13	15,061	2,318	5,416	17.0	3.83	3.11	5.71	259

* NASS = National Agricultural Statistics Service, USDA.

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 2007	1.4120	15.65	20.04	1.4300	17.45	21.84	1.4418	1.8167	16.35	20.82
Jan 2008	1.4333	16.53	20.97	1.4513	18.33	22.77	1.3389	1.7344	15.61	19.75
Feb	1.3660	15.44	19.68	1.3840	17.24	21.48	1.3080	1.5989	14.39	18.46
Mar	1.3138	12.54	16.70	1.3318	14.34	18.50	1.3674	1.2489	11.24	15.63
Apr	1.3483	14.39	18.61	1.3663	16.19	20.41	1.4818	1.1633	10.47	15.29
May	1.4663	11.90	16.62	1.4843	13.70	18.42	1.5632	1.1556	10.40	15.51
Jun	1.5625	13.17	18.18	1.5805	14.97	19.98	1.6230	1.2100	10.89	16.19
Jul	1.6086	15.70	20.78	1.6266	17.50	22.58	1.6844	1.2567	11.31	16.81
Aug	1.6804	13.05	18.47	1.6984	14.85	20.27	1.7483	1.3044	11.74	17.45
Sep	1.7411	11.98	17.65	1.7591	13.78	19.45	1.8266	1.2878	11.59	17.58
Oct	1.7451	9.76	15.53	1.7631	11.56	17.33	1.8577	1.1622	10.46	16.60
Nov	1.8388	11.29	17.33	1.8568	13.09	19.13	1.7800	0.9467	8.52	14.45
Dec	1.7925	9.49	15.43	1.8105	11.29	17.23	1.3068	0.7644	6.88	11.21
Jan 2009	1.3983	11.24	15.74	1.4163	13.04	17.54		0.7489	6.74	

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 2007	1.4348	4.7061	0.2637	16.14	20.60	1.4348	1.6296	14.67	19.18
Jan 2008	1.3319	4.4994	0.2097	15.19	19.32	1.3319	1.3385	12.05	16.29
Feb	1.3010	4.0180	0.0803	12.93	17.03	1.3010	1.1643	10.48	14.67
Mar	1.3604	4.3331	0.0493	13.72	18.00	1.3604	1.0833	9.75	14.17
Apr	1.4748	3.7579	0.0622	12.02	16.76	1.4748	1.0827	9.74	14.56
May	1.5562	4.1108	0.0766	13.20	18.18	1.5562	1.1301	10.17	15.26
Jun	1.6160	4.7193	0.0826	15.12	20.25	1.6160	1.1819	10.64	15.92
Jul	1.6774	4.0025	0.0707	12.82	18.24	1.6774	1.2358	11.12	16.60
Aug	1.7413	3.6497	0.0529	11.63	17.32	1.7413	1.2147	10.93	16.64
Sep	1.8196	3.2689	0.0234	10.27	16.28	1.8196	1.0455	9.41	15.45
Oct	1.8507	3.5490	(0.0047)	10.97	17.06	1.8507	0.8226	7.40	13.62
Nov	1.7730	3.1301	(0.0099)	9.64	15.51	1.7730	0.6953	6.26	12.25
Dec	1.2998	3.6390	(0.0269)	11.12	15.28	1.2998	0.6680	6.01	10.35

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 2007	0.83	19.53	1.4092	4.1695	0.2286	0.00096
Nov	0.64	19.86	1.4077	4.3081	0.2461	0.00098	21.31
Dec	0.05	20.65	1.4348	4.7061	0.2637	0.00105	21.79
Jan 2008	0.38	19.70	1.3319	4.4994	0.2097	0.00100	20.57
Feb	0.60	17.63	1.3010	4.0180	0.0803	0.00092	19.01
Mar	(0.25)	17.75	1.3604	4.3331	0.0493	0.00098	18.78
Apr	0.47	17.23	1.4748	3.7579	0.0622	0.00091	18.21
May	(0.19)	17.99	1.5562	4.1108	0.0766	0.00098	18.87
Jun	(0.46)	19.79	1.6160	4.7193	0.0826	0.00108	20.02
Jul	0.66	18.90	1.6774	4.0025	0.0707	0.00098	19.11
Aug	0.49	17.81	1.7413	3.6497	0.0529	0.00093	18.19
Sep	0.57	16.85	1.8196	3.2689	0.0234	0.00089	17.87
Oct	(0.04)	17.02	1.8507	3.5490	(0.0047)	0.00095	
Nov	0.34	15.85	1.7730	3.1301	(0.0099)	0.00088	
Dec	(0.24)	15.04	1.2998	3.6390	(0.0269)	0.00088	

FEDERAL MILK MARKET ADMINISTRATOR
 U.S. DEPARTMENT OF AGRICULTURE
 4570 W 77th St., Suite 210
 Minneapolis, MN 55435-5037

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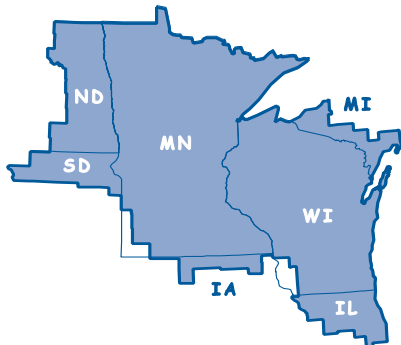
Summary of Federal Order Data - December 2008

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market	FOB Cook Cty. Illinois <i>— Dollars per Cwt. —</i>	Change From Previous Year
1 Northeast	1,976,927	914,673	46.3	\$ 18.68	(\$0.22)	\$ 15.06	\$ 13.61	(\$6.53)
5 Appalachian	522,732	361,684	69.2	18.83	n/a	16.23	14.63	(6.14)
6 Florida	264,689	223,609	84.5	20.83	n/a	18.88	15.28	(4.56)
7 Southeast	606,466	404,358	66.7	19.23	n/a	16.85	14.85	(5.59)
30 Upper Midwest	2,318,080	393,612	17.0	17.23	(0.24)	15.04	15.04	(5.61)
32 Central	928,617	376,208	40.5	17.43	(1.65)	13.63	13.43	(6.73)
33 Mideast	1,225,356	586,566	47.9	17.43	(0.86)	14.42	14.22	(6.22)
124 Pacific Northwest	472,745	203,709	43.1	17.33	(2.28)	13.00	12.90	(7.30)
126 Southwest	603,946	366,997	60.8	18.43	(0.53)	14.75	13.55	(6.26)
131 Arizona	358,518	120,644	33.7	17.78	n/a	13.97	13.42	(6.85)
All Market Average or Total *	9,278,075	3,952,060	42.6					

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

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