



UPPER MIDWEST DAIRY NEWS

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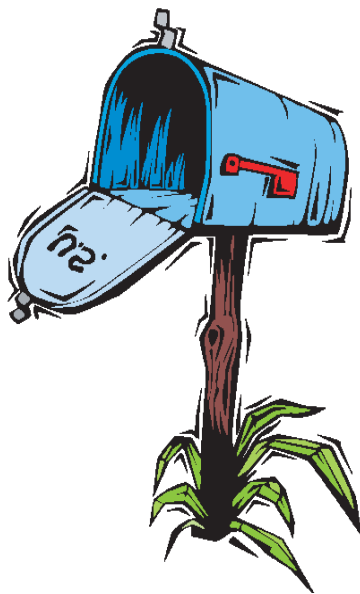
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2010 Outlook for Dairy *

Following is a summary of a presentation at USDA's 2010 Agricultural Outlook Forum by Jerry Cessna, Senior Agricultural Economist, USDA Agricultural Marketing Service, Dairy Programs.

The Outlook for 2010

Given the 3-year cyclical nature of milk prices since 1998 and the increasing peaks of 2004 and 2007, one might expect an average all-milk price which exceeds the prior peak of \$19.21 per cwt. Although prices are expected to rise from their lows of 2009, there are fundamental reasons to believe that

In 2010, domestic commercial use is expected to increase one percent.

exceeding the prior peak is not the most likely scenario. Given forecasts for recovery of the U.S. economy with continued high unemployment, a moderate increase in domestic commercial disappearance of dairy products is expected. In 2010, domestic commercial use is expected to increase 1.4 percent on a milk equivalent (m.e.) fat basis and 1.1 percent on a m.e. skim-solids basis.

At the global level, the macroeconomic outlook is also mixed. According to an

International Monetary Fund *World Economic Outlook Update* of January 26, 2010, "In most advanced economies, the recovery is expected to remain sluggish by past standards, whereas in many emerging and developing economies, activity is expected to be relatively vigorous, largely driven by buoyant internal demand." Gross domestic product for 2010 is expected to grow 2.1 percent for developed economies and 6.0 percent for developing economies.

U.S. Dairy Exports

The outlook for U.S. dairy exports is generally optimistic although there are some limiting variables to consider. Australian milk production is expected to decrease by 1 percent following a severe drought and high input costs. New Zealand milk production is expected to grow about 2.5 percent, slightly higher than the 5-year annual grown rate of 2003-2008. European Union (EU) milk production is expected to grow marginally as producers recover from the low prices of 2009. In the latter part of 2009, Oceania (Australia

The outlook for U.S. dairy exports is generally optimistic.

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Pool Summary

- In March, producer milk totaled 2.9 billion pounds, up 304 million pounds from February and 271 million pounds above March 2009.
- Class I utilization totaled 384 million pounds, up slightly from February on a daily basis. Class I usage accounted for 13.0% of producer milk.
- Class III utilization totaled 2.45 billion pounds and accounted for 83.2% of producer milk.
- The March Producer Price Differential (PPD) is \$0.54 per cwt.
- The Statistical Uniform Price is \$13.32 per cwt., down \$1.30 from February, but \$2.75 above March 2009.
- Market statistics for March are shown on Pages 4 and 5.

March 2010 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	13.0	384,317,107	16.14
Class II	2.0	58,796,168	14.46
Class III	83.2	2,450,695,209	12.78
Class IV	1.8	52,170,777	12.92
Total		2,945,979,261	

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and New Zealand) dairy export prices rose for all of the major dairy products, a positive sign for U.S. dairy exports. However, prices have fallen somewhat since the beginning of the 2010. There is some concern about how the EU will dispose of intervention stocks—168.4 million pounds of butter and 571.7 million pounds of nonfat dry milk (NFDM) as of December 10, 2009. In the U.S., the Commodity Credit Corporation holds 59.8 million pounds of uncommitted NFDM stocks.

USDA expects U.S. commercial dairy exports to increase significantly in 2010 over 2009, from 4.1 to 4.8 billion pounds on a m.e. fat solids basis and from 22.7 to 25.7 billion pounds on a m.e. skim-solids basis. However, given the mixed signals concerning the global economic recovery and signals indicating a possible leveling out of international export prices, dairy exports are not expected to reach the levels that existed in 2008 when exports were 8.7 billion pounds on a m.e. fat basis and 26.6 billion pounds on a m.e. skim-solids basis.

The U.S. Milk supply is expected to continue to decrease in 2010.

U.S. Milk Supply

The U.S. milk supply is expected to continue to decrease in 2010 as a lagged response to the low milk prices of 2009. The number of milk cows is expected to decline from an average of 9,200 thousand head in 2009 to an average of 9,015 thousand head in 2010, a decrease of about 2 percent. Milk per cow is expected increase from 20,572 pounds in 2009 to 20,950 pounds in 2010, an increase of 1.8 percent. Milk production is expected to decrease from 189.3 billion pounds in 2009 to 188.9 billion pounds in 2010, a 0.2 percent reduction.

Given the extremely low prices of 2009, one might expect milk production to fall at an even greater rate in 2010. However, according to NASS, the January 1, 2010, inventory of dairy

replacement heifers, 500 pounds and over, that are expected to calve reached 2.941 million head. This is 1 percent

The inventory of replacement heifers reached 2.941 million head on January 1, 2010.

more than the 2.909 million head reported for January 1, 2009 (NASS). The availability of these animals should moderate herd decline. Moreover, for the 2009/10 marketing year, the farm price of corn is expected to average \$3.45 to \$3.95 per bushel and the soybean meal price is expected to average \$270 to \$320 per ton. While these feed prices are relatively high by historic measures, they are substantially lower than the prices reached in the 2007/08 marketing year when corn averaged \$4.20 per bushel and soybean meal averaged \$335.94 per ton (World Agriculture Outlook Board). Milk-feed price ratios for 2010 are expected to average above 2008 and 2009 levels. The uptick in milk-feed price ratios in the second half of 2009 and the higher milk-feed price ratios expected for 2010 are not likely sufficient to encourage expansion, but they are expected to dampen the rate of decline in 2010.

2009 Ending Stocks

Ending stocks for 2009 were high, especially for cheese. Cheese stocks in cold storage ended the year at 967 million pounds, a 13.5 percent increase over those reported for the end of 2008. On a m.e. fat basis, 2009 ending commercial stocks for all reported products were 11.3 billion pounds. This is an increase of 12.5 percent over the 10.0 billion pounds reported for the end of 2008. On a m.e. milk skim-solids basis, 2009 ending commercial stocks for all reported products were 11.2 billion pounds. This is an increase of 3.4 percent over the 10.9 billion pounds reported for the end of 2008.

In summary, these are the supply and demand conditions the U.S. dairy industry faces for 2010:

- ◆ A moderate increase expected in domestic demand;

- ◆ A significant increase expected for export demand, though not to 2008 levels;
- ◆ A decreasing milk supply expected, though at a lower rate of decline than for 2009; and
- ◆ High beginning stocks for dairy products.

With these supply and demand conditions, prices are expected to increase

Prices are expected to increase significantly in 2010, but generally not to the levels seen in 2007 and 2008.

significantly in 2010, but generally not to the levels seen in 2007 and 2008. The prices of cheddar cheese, butter, and nonfat dry milk are expected to rise through the year while the price of dry whey expected to remain fairly steady. The average Class III price is expected to average \$14.90 to \$15.60 per cwt. over the year, and the average Class IV price is expected to average \$13.95 to \$14.75. USDA expects an average all-milk price of \$16.20 to \$16.90 per cwt.

Projections to 2019

U.S. milk production is projected to increase at an average rate of 1.1 percent over the projection period through 2019. U.S. exports are expected to remain relatively flat. The all-milk price increases to \$16.50 per cwt. in 2010, falls to \$15.60 in 2011, and then rises through the projection period, reaching \$18.50 by 2019. In line with the long-term trend of most agricultural commodities, farm-level milk prices in real terms generally decline over time. Following a fluctuation that lasts until 2012, real all-milk prices decrease for the remainder of the projection period.

* Adapted from a speech at USDA's annual Agricultural Outlook Forum by Jerry Cessna, Senior Agricultural Economist, USDA Agricultural Marketing Service, Dairy Programs on February 19, 2010. An audio file of the speech can be obtained at: www.usda.gov/oce/forum.

2009 Mailbox Milk Prices

The Dairy Programs section of the Agricultural Marketing Service, through its Federal milk order Market Administrator offices, collects and publishes "mailbox milk prices".

Mailbox prices for 2009 are contained in the table below. All mailbox prices are reported at test; there is no adjustment to 3.5% butterfat.

The mailbox price is defined as the net price received by dairy farmers for milk, including all payments received for milk sold and deducting costs associated with marketing the milk.

Mailbox Milk Prices ^{1/} for Selected Reporting Areas in Federal Milk Orders and California-2009

Reporting Area ^{2/}	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Weighted Average ^{3/}
New England States ^{4/}	\$14.95	\$12.46	\$12.25	\$12.66	\$12.65	\$12.27	\$12.22	\$12.57	\$13.45	\$14.84	\$15.90	\$17.06	\$13.59
New York	13.94	11.72	11.52	11.93	11.96	11.61	11.47	11.81	12.64	13.82	14.84	16.01	12.75
Eastern Pennsylvania ^{5/}	14.45	11.98	11.76	12.16	12.14	11.73	11.80	12.12	12.99	14.43	15.52	16.68	13.07
Appalachian States ^{6/}	16.55	13.20	12.25	12.70	12.78	12.36	12.74	13.04	13.94	15.30	16.33	17.38	13.97
Southeast States ^{7/}	17.05	13.76	12.47	13.08	13.15	12.85	13.38	13.88	14.77	16.41	16.93	17.75	14.52
Southern Missouri ^{8/}	14.98	11.69	10.78	11.09	10.77	10.77	11.08	11.51	12.55	14.23	15.01	15.85	12.39
Florida	18.39	14.97	13.61	14.34	14.70	14.07	14.81	15.37	16.20	17.76	17.86	18.64	15.79
Western Pennsylvania ^{9/}	14.37	11.89	11.61	12.07	11.86	11.53	11.53	11.97	12.97	14.60	15.69	16.63	13.00
Ohio	14.83	12.28	11.97	12.43	12.32	11.87	11.90	12.45	13.28	14.88	15.85	16.84	13.39
Indiana	14.86	12.00	11.34	11.76	12.00	11.37	11.51	11.90	12.81	14.27	15.34	16.35	12.94
Michigan	13.76	11.51	11.29	11.74	11.55	11.16	11.16	11.69	12.61	14.02	15.05	16.10	12.63
Wisconsin	12.94	11.24	11.87	12.17	11.40	11.24	11.15	12.25	13.30	14.54	15.69	16.61	12.88
Minnesota	12.77	11.82	12.27	12.26	11.49	11.26	11.27	12.57	13.48	14.83	15.77	16.58	12.90
Iowa	13.60	11.73	11.84	12.23	11.81	11.48	11.33	12.22	13.23	14.60	15.66	16.70	13.03
Illinois	13.38	11.62	11.84	12.06	11.80	11.44	10.91	12.44	13.29	14.71	15.69	16.72	12.95
Corn Belt States ^{10/}	13.61	11.33	11.43	11.62	11.33	10.96	10.82	11.69	12.82	14.12	14.99	16.01	12.52
Western Texas ^{11/}	12.98	10.73	10.73	11.07	10.59	10.20	10.43	11.30	12.22	13.37	14.65	15.49	11.96
New Mexico	12.25	10.03	9.92	10.26	9.77	9.37	9.66	10.51	11.39	12.52	13.86	14.53	11.13
Northwest States ^{12/}	12.75	10.66	10.95	11.29	10.87	10.55	10.57	11.17	12.17	13.52	14.84	16.00	12.10
All Federal Order Areas ^{13/}	\$13.77	\$11.61	\$11.60	\$11.96	\$11.61	\$11.27	\$11.30	\$12.04	\$12.98	\$14.29	\$15.37	\$16.37	\$12.82
Upper Midwest Order ^{14/}	\$13.00	\$11.51	\$12.06	\$12.31	\$11.51	\$11.30	\$11.23	\$12.38	\$13.36	\$14.67	\$15.76	\$16.74	\$12.95
California ^{15/}	\$10.57	\$9.80	\$9.92	\$9.88	\$9.70	\$9.63	\$9.60	\$10.51	\$11.20	\$12.30	\$13.78	\$15.33	\$11.02

^{1/} Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the reporting area and is reported at the average butterfat test. Mailbox price does not include any Milk Income Loss Contract (MILC) payments. Mailbox milk price does include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

^{2/} Information is shown for those areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from the area.

^{3/} Figures are annual averages -- the weighted average of the monthly figures; except California, which is the simple average.

^{4/} Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

^{5/} All counties to the east of those listed in footnote 9.

^{6/} Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

^{7/} Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

^{8/} The counties of Vernon, Cedar, Polk, Dallas, Laclade, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

^{9/} The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

^{10/} Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in footnote 8.

^{11/} All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

^{12/} Includes Oregon and Washington.

^{13/} Weighted average of the information for all selected reporting areas in Federal milk orders.

^{14/} This mailbox price is calculated by the Upper Midwest Order Market Administrator's Office and includes information for all milk pooled on the order.

^{15/} California is not part of the Federal order program. However, the California Department of Food and Agriculture, Dairy Marketing Branch calculates a mailbox price and publishes it in the "California Dairy Information Bulletin".

Upper Midwest Pool Statistics - March 2010

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	
Cwt.	Number	Pounds	Pounds	Pounds	Value	Pounds	Value
\$1.80	4	83,440,514	36,119,996	119,560,510	\$ 0	84,379,477	\$1,518,831
\$1.75	37	174,979,775	1,076,555,129	1,251,534,904	625,767	155,010,238	2,712,679
\$1.70	29	187,966,250	1,286,116,347	1,474,082,597	1,474,083	124,332,497	2,113,652
\$1.65	4	24,713,555	76,087,695	100,801,250	151,202	20,594,895	339,816
Total	74	471,100,094	2,474,879,167	2,945,979,261	\$2,251,052	384,317,107	\$6,684,978

Computation of Producer Price Differential-March 2010

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
Class I					
Differential Value					\$6,684,977.98
Product	13.0%	384,317,107			
Skim Milk			378,789,619	\$ 9.6000	36,363,803.44
Butterfat			5,527,488	1.4515	8,023,148.84
Class II					
Product	2.0%	58,796,168			
Nonfat Solids			4,622,991	1.0433	4,823,166.51
Butterfat			8,085,983	1.5417	12,466,160.02
Class III					
Product	83.2%	2,450,695,209			
Protein			74,107,052	2.1311	157,929,538.54
Other Solids			141,694,110	0.1823	25,830,836.26
Butterfat			88,166,608	1.5347	135,309,293.33
Class IV					
Product	1.8%	52,170,777			
Nonfat Solids			4,156,773	0.8688	3,611,404.38
Butterfat			6,782,303	1.5347	10,408,800.42
SCC Adjustment (Class II, III, and IV)					1,714,258.78
Total Producer Milk *		2,945,979,261			\$403,165,388.50
Add:					
Overage					28,427.80
Inventory Reclassified					36,175.13
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					48,466.20
Assembly Credit					305,815.29
Credit for Reconstituted FMP					0.00
Producer Milk Protein					189,610,255.88
Producer Milk Other Solids					31,006,827.80
Producer Milk Butterfat					166,610,687.68
Producer Milk SCC Adjustment					1,988,730.96
Total Milk and Value		2,945,979,261			\$13,659,207.62
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					2,251,052.09
One-Half Unobligated Balance Producer Settlement Fund					1,213,506.65
Total Value				0.581259	\$17,123,766.36
Subtract:					
Producer Settlement Fund Reserve				0.041259	1,215,478.35
Producer Price Differential **				\$0.54	\$15,908,288.01

* An estimated 105 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

	March 2010		February 2010	March 2009
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition				
Milk	51,235,098	1,599,050	46,674,160	52,709,811
Flavored Milk	3,012,538	96,617	2,782,568	4,196,622
Reduced Fat Milk	144,569,392	2,723,723	131,233,909	145,106,707
Lowfat Milk	56,630,038	540,973	50,771,840	52,314,996
Fat Free Milk	88,973,845	95,866	81,296,814	89,174,497
Flavored Reduced and Fat Free Milk	35,912,452	276,437	33,388,262	34,132,635
Buttermilk	2,963,421	29,595	2,527,902	2,660,312
Total Packaged Disposition	383,296,784	5,362,261	348,675,455	380,295,580
Total Ending Inventory	32,349,711	468,871	31,001,455	32,059,671
Bulk to Nonpool Plants	1,931,027	37,796	1,474,696	799,826
Shrinkage	1,614,794	166,748	1,596,356	1,465,963
Total Class I Utilization	419,192,316	6,035,676	382,747,962	414,621,040
Other Order Plants	(3,811,037)	(69,983)	(3,901,882)	(3,884,638)
Beginning Inventory	(31,006,054)	(437,231)	(31,750,870)	(33,288,671)
Reused Products	0	0	0	0
Other Source Milk	(160,958)	(2,661)	(197,620)	(1,071,576)
Overage	0	0	--	0
Interhandler Adjustment	102,840	1,687	117,388	(92,291)
Class I Producer Milk	384,317,107	5,527,488	347,014,978	376,283,864
Class II Utilization:				
Total Class II Utilization	72,089,789	8,187,245	74,505,912	130,732,104
Other Order Plants	--	--	--	--
Beginning Inventory	(3,751,635)	(87,644)	--	(482,720)
Reused Products	(9,541,986)	(13,618)	(7,306,231)	(14,443,120)
Other Source Milk	0	0	--	(172,620)
Overage	--	--	--	--
Class II Producer Milk	58,796,168	8,085,983	67,199,681	115,633,644
Class III Utilization:				
Total Class III Utilization	2,462,539,443	88,378,872	2,174,179,252	2,123,544,353
Other Order Plants	(3,259,499)	(12,168)	(2,004,647)	--
Beginning Inventory	(7,688,812)	(169,061)	(1,457,516)	(897,638)
Reused Products	0	0	0	0
Other Source Milk	(844,000)	(23,047)	(852,723)	(1,933,458)
Overage	(51,923)	(7,988)	(29,540)	(400,082)
Class III Producer Milk	2,450,695,209	88,166,608	2,169,834,826	2,120,313,175
Class IV Utilization:				
Total Class IV Utilization	112,536,675	9,607,836	120,421,160	107,375,302
Other Order Plants	(5,261,121)	(302,755)	(3,000,339)	(1,807,416)
Beginning Inventory	(17,059,587)	(1,102,676)	(27,766,804)	(15,825,657)
Reused Products	0	0	0	0
Other Source Milk	(38,032,515)	(1,412,956)	(31,899,060)	(27,096,142)
Overage	(12,675)	(7,146)	(32,169)	(114,094)
Class IV Producer Milk	52,170,777	6,782,303	57,722,788	62,531,993
Total Producer Milk -- All Classes	2,945,979,261	108,562,382	2,641,772,273	2,674,762,676

-- 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>					
Mar 2009	1.2336	1.2636	1.2611	1.1289	0.8166	0.1662	1.2387	1.2446	1.2545	1.1211	0.8152	0.1632
Apr	1.2689	1.2566	1.2771	1.1665	0.8195	0.1949	1.2753	1.3086	1.3030	1.1640	0.8181	0.1852
May	1.1681	1.1112	1.1553	1.2159	0.8318	0.2317	1.1720	1.1095	1.1562	1.2051	0.8314	0.2323
Jun	1.1472	1.1158	1.1466	1.2073	0.8461	0.2693	1.1451	1.1167	1.1459	1.2187	0.8443	0.2649
Jul	1.1260	1.1112	1.1334	1.1986	0.8422	0.2912	1.1339	1.1039	1.1339	1.1747	0.8416	0.2873
Aug	1.2318	1.2603	1.2605	1.2030	0.8666	0.2925	1.2015	1.2330	1.2311	1.2158	0.8695	0.2938
Sep	1.3480	1.3265	1.3522	1.1811	0.9664	0.2979	1.3726	1.3584	1.3802	1.1658	0.9541	0.2942
Oct	1.3909	1.4027	1.4110	1.2245	1.0270	0.3183	1.3940	1.4084	1.4155	1.2245	1.0299	0.3186
Nov	1.5074	1.4978	1.5169	1.3817	1.1120	0.3471	1.4896	1.5074	1.5113	1.3532	1.1147	0.3452
Dec	1.6432	1.5127	1.5969	1.4459	1.2858	0.3668	1.6035	1.5166	1.5764	1.4823	1.2701	0.3629
Jan 2010	1.5562	1.4850	1.5374	1.3610	1.1929	0.3880	1.5941	1.4788	1.5578	1.3350	1.3201	0.3893
Feb	1.4934	1.5020	1.5110	1.3609	1.0812	0.3925	1.4885	1.5184	1.5174	1.3701	1.1431	0.3928
Mar	1.3673	1.3289	1.3632	1.4388	1.0454	0.3761	1.4137	1.3650	1.4049	1.4249	1.0459	0.3821

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>							
Mar 2009	1.1770	1.2455	1.2738	0.8693	0.8088	0.1748	0.1906	
Apr	1.2042	1.2045	1.1506	0.8660	0.8230	0.2060	0.2295	
May	1.2526	1.1394	1.0763	0.8836	0.8325	0.2436	0.2518	
Jun	1.2235	1.1353	1.0884	0.9115	0.8404	0.2718	0.2985	
Jul	1.2349	1.1516	1.1349	0.9138	0.8391	0.2960	0.3221	
Aug	1.2005	1.3471	1.3271	0.9858	0.9325	0.2956	0.3214	
Sep	1.2199	1.3294	1.3035	1.0365	0.9920	0.3026	0.3288	
Oct	1.2830	1.4709	1.4499	1.2239	1.1712	0.3358	0.3415	
Nov	1.5008	1.5788	1.4825	1.3189	1.2542	0.3620	0.3736	
Dec	1.3968	1.6503	1.4520	1.3959	1.3180	0.3782	0.3950	
Jan 2010	1.3950	1.4536	1.4684	1.3713	1.2922	0.3845	0.4037	
Feb	1.3561	1.4526	1.4182	1.1916	1.1051	0.3742	0.4012	
Mar	1.4641	1.2976	1.2782	1.1175	1.0837	0.3529	0.3997	

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)	
Mar 2009	26	54	12	15,859	2,675	5,622	14.1	3.73	3.04	5.73	275
Apr	26	53	12	16,364	2,794	5,662	13.3	3.72	3.03	5.72	265
May	24	53	12	16,463	2,885	5,740	12.4	3.66	3.00	5.72	258
Jun	23	53	13	15,330	2,759	5,996	12.3	3.62	2.96	5.75	267
Jul	25	53	13	15,529	2,918	6,059	12.3	3.57	2.95	5.75	285
Aug	25	53	13	14,767	2,649	5,785	13.4	3.60	2.97	5.73	285
Sep	25	53	13	13,961	2,395	5,717	15.5	3.66	3.02	5.73	261
Oct	25	54	12	15,390	2,751	5,766	14.2	3.78	3.11	5.74	248
Nov	24	53	12	14,169	2,422	5,696	15.0	3.77	3.09	5.72	243
Dec	25	54	12	14,506	2,699	5,995	14.5	3.78	3.10	5.72	242
Jan 2010	24	51	12	15,400	2,880	6,030	13.0	3.77	3.09	5.75	253
Feb	24	50	12		2,642		13.1	3.73	3.06	5.75	250
Mar	23	51	12		2,946		13.0	3.69	3.02	5.77	251

* 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>
Mar 2009	1.0918	5.81	9.43	1.1098	7.61	11.23	1.1664	0.7233	6.51	10.36
Apr	1.1500	6.56	10.36	1.1680	8.36	12.16	1.2119	0.7189	6.47	10.49
May	1.2019	7.01	10.97	1.2199	8.81	12.77	1.2718	0.7211	6.49	10.71
June	1.2517	5.91	10.08	1.2697	7.71	11.88	1.2614	0.7344	6.61	10.79
Jul	1.2682	6.03	10.26	1.2862	7.83	12.06	1.2508	0.7478	6.73	10.87
Aug	1.2149	6.00	10.04	1.2329	7.80	11.84	1.2561	0.7444	6.70	10.86
Sep	1.2646	6.74	10.93	1.2826	8.54	12.73	1.2296	0.7722	6.95	11.01
Oct	1.2041	8.43	12.35	1.2221	10.23	14.15	1.2822	0.8567	7.71	11.93
Nov	1.2752	8.70	12.86	1.2932	10.50	14.66	1.4726	0.9311	8.38	13.24
Dec	1.4310	9.31	13.99	1.4490	11.11	15.79	1.5503	1.0156	9.14	14.25
Jan 2010	1.5874	9.82	15.03	1.6054	11.62	16.83	1.4475	1.1689	10.52	15.22
Feb	1.4090	10.27	14.84	1.4270	12.07	16.64	1.4474	1.2189	10.97	15.65
Mar	1.4515	9.60	14.34	1.4695	11.40	16.14	1.5417	1.0433	9.39	14.46
Apr	1.5179	8.19	13.22	1.5359	9.99	15.02		0.9467	8.52	

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>
Mar 2009	1.1594	2.1973	(0.0339)	6.61	10.44	1.1594	0.6423	5.78	9.64
Apr	1.2049	2.2009	(0.0043)	6.80	10.78	1.2049	0.6452	5.81	9.82
May	1.2648	1.7454	0.0336	5.61	9.84	1.2648	0.6574	5.92	10.14
Jun	1.2544	1.7283	0.0723	5.78	9.97	1.2544	0.6715	6.04	10.22
Jul	1.2438	1.6970	0.0949	5.82	9.97	1.2438	0.6677	6.01	10.15
Aug	1.2491	2.1009	0.0962	7.08	11.20	1.2491	0.6918	6.23	10.38
Sep	1.2226	2.4243	0.1018	8.12	12.11	1.2226	0.7906	7.12	11.15
Oct	1.2752	2.5584	0.1228	8.66	12.82	1.2752	0.8506	7.66	11.86
Nov	1.4656	2.6991	0.1524	9.27	14.08	1.4656	0.9348	8.41	13.25
Dec	1.5433	2.8751	0.1727	9.93	14.98	1.5433	1.1068	9.96	15.01
Jan 2010	1.4405	2.7916	0.1946	9.80	14.50	1.4405	1.0148	9.13	13.85
Feb	1.4404	2.7066	0.1992	9.57	14.28	1.4404	0.9043	8.14	12.90
Mar	1.5347	2.1311	0.1823	7.68	12.78	1.5347	0.8688	7.82	12.92

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>
Jan 2009	0.82	11.60	1.1084	2.3638	(0.0304)	0.00065	13.00
Feb	0.51	9.82	1.0941	1.9139	(0.0437)	0.00058	11.51
Mar	0.13	10.57	1.1594	2.1973	(0.0339)	0.00063	12.06
Apr	0.20	10.98	1.2049	2.2009	(0.0043)	0.00064	12.31
May	0.46	10.30	1.2648	1.7454	0.0336	0.00058	11.51
Jun	0.32	10.29	1.2544	1.7283	0.0723	0.00057	11.30
Jul	0.33	10.30	1.2438	1.6970	0.0949	0.00057	11.23
Aug	0.12	11.32	1.2491	2.1009	0.0962	0.00063	12.38
Sep	0.03	12.14	1.2226	2.4243	0.1018	0.00068	13.36
Oct	0.12	12.94	1.2752	2.5584	0.1228	0.00071	14.67
Nov	0.04	14.12	1.4656	2.6991	0.1524	0.00076	15.76
Dec	0.08	15.06	1.5433	2.8751	0.1727	0.00080	16.74
Jan 2010	0.26	14.76	1.4405	2.7916	0.1946	0.00077	16.06
Feb	0.34	14.62	1.4404	2.7066	0.1992	0.00076	
Mar	0.54	13.32	1.5347	2.1311	0.1823	0.00068	

FEDERAL MILK MARKET ADMINISTRATOR
 U.S. DEPARTMENT OF AGRICULTURE
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 Minneapolis, MN 55431-1420

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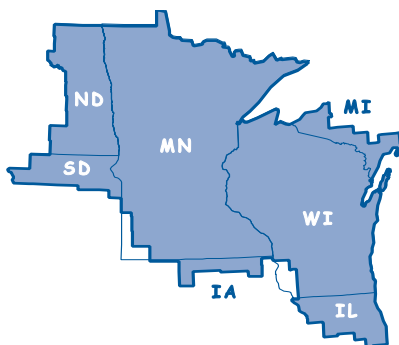
Summary of Federal Order Data - March 2010

Federal Order Number / Name	Producer Deliveries	Class I Producer Receipts	Class I Utilization	Class I Price	Producer Price Differential	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market	FOB Cook Cty. Illinois	Change From Previous Year
	<i>— Thousand Pounds —</i>		<i>Percent</i>	<i>— Dollars per Cwt. —</i>		<i>— Dollars per Cwt. —</i>		
1 Northeast	2,080,698	885,561	42.6	\$ 17.59	\$2.76	\$ 15.54	\$ 14.09	\$3.98
5 Appalachian	533,438	360,037	67.5	17.74	n/a	16.75	15.15	4.46
6 Florida	262,342	228,393	87.1	19.74	n/a	19.13	15.53	4.94
7 Southeast	641,090	410,387	64.0	18.14	n/a	16.80	14.80	4.33
30 Upper Midwest	2,945,979	384,317	13.0	16.14	0.54	13.32	13.32	2.75
32 Central	1,145,131	366,347	32.0	16.34	1.25	14.03	13.83	3.59
33 Mideast	1,474,823	591,780	40.1	16.34	1.74	14.52	14.32	3.79
124 Pacific Northwest	706,444	192,697	27.3	16.24	1.08	13.86	13.76	3.38
126 Southwest	940,881	368,015	39.1	17.34	2.28	15.06	13.86	3.61
131 Arizona	380,751	123,510	32.4	16.69	n/a	14.29	13.74	3.66
All Market Average or Total *	11,111,578	3,911,045	35.2					

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

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