



UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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Cheese and Butter Prices Moving in Opposite Directions

Prices for cheddar cheese on the Chicago Mercantile Exchange (CME) fell significantly during April and early May after reaching record high levels in late March. The butter price, on the other hand, has risen sharply over the past month.

The CME barrel cheddar cheese price on May 15 was \$1.96 per pound, down 41¼¢ from its peak in March, and 20¾¢ below the April 15 price. The 40-pound block price of \$1.99¼ per pound on May 15 is 43½¢ below its peak from March, and 20¢ below the April 15 price. Barrel and block prices are

more than 23¢ above year-earlier levels.

The CME butter price on May 15 was \$2.16 per pound, up 26¢ from April 15 and 56½¢ above a year earlier.

The April Federal order Class III price was a record high \$24.31 per cwt., up \$0.98 from March, and \$6.72 above April 2013. The May CME Class III futures price on May 15 closed at \$22.55 per cwt., with June and July at \$20.57 and \$19.92, respectively. The futures prices for the second half of the year averaged about \$19.50 per cwt.



Upper Midwest Order--Sources of Producer Milk

Producer Milk by State

During December 2013, 67% of producer milk was received from Wisconsin, with 24% from Minnesota (See Table 1 on Page 2). The remaining producer milk, about 9%, was primarily received from Illinois, Iowa, Michigan, and North and South Dakota. In addition, a small quantity of milk was pooled

on the order from each of the states of Idaho, Indiana, Missouri, Nebraska, and Ohio.

Producer milk in December 2013 totaled 2.9 billion pounds, up 86 million pounds from the previous year. In December 2012, producer milk was received from Oklahoma, but not in December of 2013.

Continued on Page 2

Pool Summary

- In April, producer milk totaled 2.64 billion pounds, down 173 million pounds from March, and 256 million pounds below April 2013.
- Class I utilization totaled 299 million pounds, up 1.8% from March on a daily basis. Class I usage accounted for 11.3% of producer milk.
- Class III utilization totaled 2.2 billion pounds and accounted for 84.1% of producer milk.
- The April Producer Price Differential (PPD) was \$0.10 per cwt.
- The Statistical Uniform Price was \$24.41 per cwt., up \$0.89 from March and \$6.57 above April 2013.
- Market statistics for March are shown on Pages 4 and 5.

April 2014 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	11.3	299,326,850	25.45
Class II	2.4	63,276,882	24.74
Class III	84.1	2,219,577,959	24.31
Class IV	2.2	56,692,391	23.34
Total		2,638,874,082	

**Table 1
Producer Milk by State, December 2013**

	Counties from Which Received	Number of Producers	Million Pounds	Producer Milk		
				Percent of Market - December		
				2013	2012	2011
Wisconsin ^{1/}	69	8,416	1,914.1	66.8	70.7	68.6
Minnesota	83	3,134	685.5	23.9	20.6	21.7
South Dakota	21	106	111.2	3.9	2.9	2.9
Iowa	33	209	77.3	2.7	3.3	3.7
Illinois	13	222	37.4	1.3	1.6	1.8
North Dakota	24	65	19.6	0.7	0.5	0.5
Michigan	16	69	12.2	0.4	0.3	0.5
Indiana	8	28	5.3	0.2	0.2	0.2
Idaho	3	4	4.1	0.1	R	*
Missouri	1	R	R	R	*	*
Nebraska	1	R	R	R	R	R
Ohio	2	R	R	R	0	0
Oklahoma	0	0	0	0	R	0
Market **	274	12,253	2,866.7	100.0	100.0	100.0

1/ Wisconsin data includes data for states which are restricted.
 R = Restricted. Included with Wisconsin data.
 * Less than 0.05%.
 ** Revised from previously published data.

Continued from Page 1

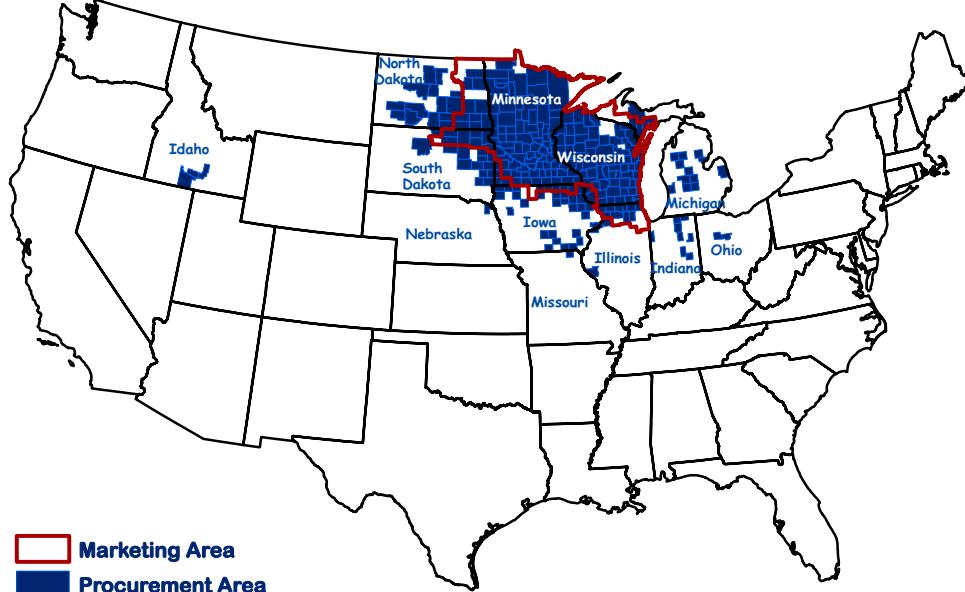
The number of counties from which producer milk was received, the number of producers, and pounds of producer milk represented by each state in December 2013 are shown in Table 1 above. In addition, the percentage of producer milk represented by each state is shown for December of 2013, 2012, and 2011.

The map to the right depicts the states and counties from which producer milk was received in December 2013.

Producer Milk for 15 Top Counties

The 15 top counties from which producer milk was received in December 2013 are shown in

Upper Midwest Marketing Area and December 2013 Procurement Area



Marketing Area
 Procurement Area

Table 2 below, along with the number of producers and pounds of producer milk represented by each county. The rank, number of producers and pounds of producer milk for those same counties for December 2012 are also shown.

Wisconsin has 12 of the top 15 counties in December 2013, and Minnesota has the other three. The makeup of the top 15 counties in December 2013 was slightly different from a year earlier. The county ranked 15th in 2013, Morrison County, Minnesota, was 45th in 2012. Rising to the top 15, Morrison County pushed Chippewa County, Wisconsin, ranked 14th in 2012, out of the top 15 in 2013.

There also was some shifting among the counties that remained in the top 15 in both years. Stearns County, Minnesota returned to the top spot in 2013, after ranking in the seventh spot a year earlier. Manitowoc County, Wisconsin stayed at second. Dane County, Wisconsin, the top supplier of producer milk in December 2012, dropped to 4th in 2013. Kewaunee and Outagamie Counties in Wisconsin retained their ranks between the two years, at the 8th and 9th spots, respectively. All other counties within the top fifteen shifted in rank.

The top 15 counties supplied 41% of total producer milk on the order in

December 2013, and accounted for 36% of the producers.

A complete list of producer milk by state and county for December 2012 and December 2013 is available on our website at: www.fmms30.com/homepage/fo30_data.html.

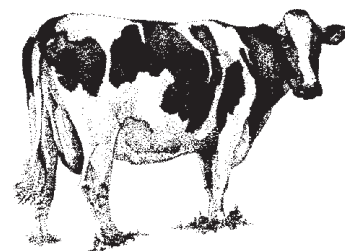


Table 2
15 Top Counties in Deliveries of Producer Milk *

County	State	December 2013			December 2012		
		Rank	Number of Producers	Producer Milk (Mil. Lbs.)	Rank	Number of Producers	Producer Milk (Mil. Lbs.)
Stearns	MN	1	610	108	7	606	86
Manitowoc	WI	2	231	103	2	234	96
Clark	WI	3	702	101	3	716	93
Dane	WI	4	268	95	1	281	99
Marathon	WI	5	548	94	6	558	88
Brown	WI	6	173	89	4	161	89
Fond du Lac	WI	7	251	87	5	263	88
Kewaunee	WI	8	165	86	8	150	72
Outagamie	WI	9	197	70	9	205	68
Shawano	WI	10	298	69	12	295	60
Dodge	WI	11	278	68	10	284	66
Calumet	WI	12	130	57	11	145	61
Winona	MN	13	124	49	15	126	41
Sheboygan	WI	14	147	49	13	153	51
Morrison	MN	15	235	43	45	206	20
Total **			4,357	1,166		4,383	1,078
Market			12,253	2,867		12,439	2,781
Percentage of Market			36	41		35	39

* Revised from previously published data.

** Producer milk totals may not add due to rounding.

Utilization and Classification of Milk

	April 2014		March 2014	April 2013
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition Milk	42,241,615	1,384,384	42,426,972	40,118,054
Flavored Milk	2,261,553	70,955	2,306,389	2,313,203
Reduced Fat Milk	106,921,004	2,062,695	110,065,237	110,949,837
Lowfat Milk	53,714,097	513,426	54,993,684	57,496,712
Fat Free Milk	59,759,022	51,596	61,861,397	68,856,462
Flavored Reduced and Fat Free Milk	29,905,013	196,723	30,073,117	31,441,065
Buttermilk	2,915,702	45,367	2,970,773	2,584,560
Total Packaged Disposition	297,718,006	4,325,146	304,697,569	313,759,893
Total Ending Inventory	21,664,364	306,731	20,037,242	23,240,163
Bulk to Nonpool Plants	1,573,782	34,739	1,945,305	544,063
Shrinkage	1,643,610	165,035	1,454,008	1,211,503
Total Class I Utilization	322,599,762	4,831,651	328,134,124	338,755,622
Other Order Plants	(2,361,381)	(38,552)	(2,830,344)	(3,328,035)
Beginning Inventory	(20,037,242)	(287,880)	(20,591,284)	(21,509,368)
Reused Products	0	0	0	0
Other Source Milk	(783,031)	(11,536)	(713,969)	(292,285)
Overage	0	0	0	--
Interhandler Adjustment	(91,258)	(1,866)	(117,430)	(37,166)
Class I Producer Milk	299,326,850	4,491,817	303,881,097	313,588,768
Class II Utilization:				
Total Class II Utilization	71,411,428	7,259,408	62,678,527	59,866,462
Other Order Plants	0	0	0	0
Beginning Inventory	(1,672,379)	(83,630)	--	(3,009,216)
Reused Products	(6,462,167)	(3,784)	(6,273,297)	(6,542,331)
Other Source Milk	--	--	0	(826,372)
Overage	0	0	0	--
Class II Producer Milk	63,276,882	7,171,994	56,405,230	49,488,543
Class III Utilization:				
Total Class III Utilization	2,224,421,632	78,432,514	2,431,293,347	2,541,966,737
Other Order Plants	(433,379)	(9,764)	(1,944,023)	(1,625,804)
Beginning Inventory	(3,437,951)	(57,190)	(5,002,061)	(11,285,092)
Reused Products	0	0	0	0
Other Source Milk	(833,609)	(15,020)	(13,569,628)	(16,274,244)
Overage	(138,734)	(6,425)	(23,339)	(53,008)
Class III Producer Milk	2,219,577,959	78,344,115	2,410,754,296	2,512,728,589
Class IV Utilization:				
Total Class IV Utilization	179,993,445	15,057,221	135,032,731	130,135,770
Other Order Plants	(11,368,526)	(415,455)	(8,099,633)	(4,196,323)
Beginning Inventory	(18,392,536)	(930,340)	(9,968,305)	(15,197,326)
Reused Products	0	0	0	0
Other Source Milk	(93,526,793)	(3,580,865)	(76,020,306)	(91,921,601)
Overage	(13,199)	(4,445)	(224,574)	(2,560)
Class IV Producer Milk	56,692,391	10,126,116	40,719,913	18,817,960
Total Producer Milk -- All Classes	2,638,874,082	100,134,042	2,811,760,536	2,894,623,860

-- Restricted Information

Commodity Prices

Month/Year	Weighted Monthly Average Prices						Weighted Two-Week Average 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>					
Apr 2013	1.7313	1.7007	1.7310	1.6766	1.5312	1.5741	1.6764	1.6542	1.6803	1.6542	1.5021	0.5797
May	1.8556	1.7640	1.8274	1.6483	1.6374	0.5765	1.8864	1.7519	1.8388	1.6579	1.6367	0.5741
Jun	1.7569	1.7778	1.7810	1.5422	1.6878	0.5738	1.7658	1.7664	1.7806	1.5590	1.6826	0.5710
Jul	1.7020	1.6983	1.7142	1.4674	1.7272	0.5804	1.7141	1.6974	1.7201	1.4902	1.7131	0.5769
Aug	1.7498	1.7727	1.7731	1.4187	1.7706	0.5778	1.7463	1.7888	1.7778	1.4448	1.7679	0.5752
Sep	n/a	n/a	1.7961	1.4263	1.8085	0.5791	1.7479	1.7757	1.7739	1.3876	1.8008	0.5791
Oct	n/a	n/a	1.8025	1.5454	1.8366	0.5731	n/a	n/a	1.7938	1.5551	1.8358	0.5757
Nov	1.8555	1.8379	1.8612	1.5205	1.8892	0.5831	1.8675	1.8592	1.8774	1.4916	1.8856	0.5749
Dec	1.8744	1.8477	1.8761	1.6308	1.9537	0.5706	1.8556	1.8309	1.8583	1.6406	1.9423	0.5669
Jan 2014	2.0744	2.0633	2.0838	1.6475	2.0335	0.6025	2.0373	1.9943	2.0308	1.5939	2.0270	0.5939
Feb	2.2703	2.2728	2.2864	1.8320	2.0783	0.6314	2.2987	2.3126	2.3213	1.8476	2.0718	0.6238
Mar	2.2502	2.2631	2.2689	1.8562	2.0897	0.6554	2.1953	2.2250	2.2211	1.8308	2.1007	0.6495
Apr	2.3666	2.3094	2.3547	1.9227	2.0191	0.6774	2.3878	2.3138	2.3695	1.9708	2.0040	0.6751

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>						
Apr 2013	1.7197	1.8225	1.7124	1.6590	1.6231	0.5581	0.5705
May	1.5997	1.8052	1.7251	1.7023	1.6769	0.5514	0.5884
Jun	1.5105	1.7140	1.7184	1.7184	1.6950	0.5528	0.5888
Jul	1.4751	1.7072	1.6919	1.7548	1.7565	0.5486	0.5907
Aug	1.4013	1.7493	1.7425	1.7993	1.7832	0.5495	0.5825
Sep	1.5233	1.7956	1.7688	n/a	n/a	n/a	n/a
Oct	1.5267	1.8236	1.7714	n/a	n/a	n/a	n/a
Nov	1.6126	1.8478	1.7833	1.9411	1.9076	1.5451	0.5645
Dec	1.5963	1.9431	1.8651	2.0460	2.0040	0.5726	0.5846
Jan 2014	1.7756	2.2227	2.1727	2.0867	2.0664	0.5889	0.6065
Feb	1.8047	2.1945	2.1757	2.1018	2.0536	0.6193	0.6242
Mar	1.9145	2.3554	2.2790	2.0951	2.0740	0.6491	0.6448
Apr	1.9357	2.2439	2.1842	2.0059	1.9768	0.6740	0.6569

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)	
Feb 2013	19	51	12	12,803	2,699	7,528	11.0	3.88	3.14	5.75	214
Mar	18	49	12	12,379	3,010	7,655	10.4	3.87	3.14	5.74	212
Apr	18	49	12	12,662	2,895	7,619	10.8	3.84	3.12	5.74	213
May	18	50	12	11,978	2,847	7,666	11.0	3.77	3.09	5.76	216
Jun	17	48	12	12,455	2,847	7,619	9.5	3.71	3.04	5.76	231
Jul	17	48	12	12,466	2,892	7,487	10.1	3.66	2.98	5.75	254
Aug	17	50	12	12,438	2,912	7,546	10.6	3.70	3.01	5.76	241
Sep	17	50	12	12,391	2,747	7,391	10.8	3.73	3.06	5.73	239
Oct	17	50	12	12,255	2,828	7,446	11.3	3.86	3.16	5.71	214
Nov	17	50	13	12,288	2,743	7,440	11.5	3.93	3.21	5.70	204
Dec	17	51	12	12,253	2,866	7,547	11.1	3.92	3.21	5.70	209
Jan 2014	17	51	12	12,161	2,871	7,611	11.4	3.89	3.18	5.71	222
Feb	16	51	12	11,081	2,291	7,383	12.6	3.87	3.16	5.71	224
Mar	16	51	11		2,812		10.8	3.86	3.15	5.70	221
Apr	16	51	12		2,639		11.3	3.79	3.10	5.71	204

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>
Apr 2013	1.7189	12.07	17.66	1.7369	13.87	19.46	1.8297	1.4189	12.77	18.73
May	1.7955	11.89	17.76	1.8135	13.69	19.56	1.7954	1.3989	12.59	18.43
Jun	1.8000	13.09	18.93	1.8180	14.89	20.73	1.6669	1.5322	13.79	19.14
Jul	1.6803	13.50	18.91	1.6983	15.30	20.71	1.5763	1.5778	14.20	19.22
Aug	1.5969	13.77	18.88	1.6149	15.57	20.68	1.5174	1.6078	14.47	19.27
Sep	1.5420	14.26	19.16	1.5600	16.06	20.96	1.5266	1.6622	14.96	19.78
Oct	1.4727	14.55	19.20	1.4907	16.35	21.00	1.6708	1.6944	15.25	20.56
Nov	1.6755	14.86	20.20	1.6935	16.66	22.00	1.6406	1.7289	15.56	20.76
Dec	1.5986	15.31	20.37	1.6166	17.11	22.17	1.7742	1.7789	16.01	21.66
Jan 2014	1.7791	15.81	21.48	1.7971	17.61	23.28	1.7944	1.8344	16.51	22.21
Feb	1.7225	16.57	22.02	1.7405	18.37	23.82	2.0179	1.9189	17.27	23.73
Mar	2.0298	17.14	23.64	2.0478	18.94	25.44	2.0472	1.9633	17.67	24.22
Apr	2.0094	17.22	23.65	2.0274	19.02	25.45	2.1277	1.9911	17.92	24.74
May	2.1790	17.45	24.47	2.1970	19.25	26.27		1.8956	17.06	

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>
Apr 2013	1.8227	3.0130	0.3863	11.62	17.59	1.8227	1.3498	12.15	18.10
May	1.7884	3.3597	0.3887	12.71	18.52	1.7884	1.4549	13.09	18.89
Jun	1.6599	3.3455	0.3859	12.65	18.02	1.6599	1.5048	13.54	18.88
Jul	1.5693	3.2257	0.3927	12.32	17.38	1.5693	1.5438	13.89	18.90
Aug	1.5104	3.4775	0.3901	13.08	17.91	1.5104	1.5868	14.28	19.07
Sep	1.5196	3.5419	0.3914	13.29	18.14	1.5196	1.6243	14.62	19.43
Oct	1.6638	3.4107	0.3852	12.85	18.22	1.6638	1.6521	14.87	20.17
Nov	1.6336	3.6316	0.3955	13.59	18.83	1.6336	1.7042	15.34	20.52
Dec	1.7672	3.5390	0.3826	13.23	18.95	1.7672	1.7680	15.91	21.54
Jan 2014	1.7874	4.1870	0.4155	15.43	21.15	1.7874	1.8470	16.62	22.29
Feb	2.0109	4.6044	0.4453	16.90	23.35	2.0109	1.8914	17.02	23.46
Mar	2.0402	4.5172	0.4700	16.78	23.33	2.0402	1.9027	17.12	23.66
Apr	2.1207	4.7089	0.4926	17.50	24.31	2.1207	1.8328	16.50	23.34

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>
Feb 2013	0.32	17.57	1.6619	2.9609	0.4534	0.00083	19.56
Mar	0.33	17.26	1.7476	2.8204	0.4179	0.00082	19.29
Apr	0.25	17.84	1.8227	3.0130	0.3863	0.00087	19.75
May	0.11	18.63	1.7884	3.3597	0.3887	0.00091	20.21
Jun	0.30	18.32	1.6599	3.3455	0.3859	0.00089	19.65
Jul	0.40	17.78	1.5693	3.2257	0.3927	0.00086	18.91
Aug	0.34	18.25	1.5104	3.4775	0.3901	0.00089	19.58
Sep	0.36	18.50	1.5196	3.5419	0.3914	0.00090	20.02
Oct	0.38	18.60	1.6638	3.4107	0.3852	0.00090	20.68
Nov	0.33	19.16	1.6336	3.6316	0.3955	0.00093	21.50
Dec	0.39	19.34	1.7672	3.5390	0.3826	0.00094	21.97
Jan 2014	0.20	21.35	1.7874	4.1870	0.4155	0.00104	23.54
Feb	0.07	23.42	2.0109	4.6044	0.4453	0.00114	25.33
Mar	0.19	23.52	2.0402	4.5172	0.4700	0.00113	
Apr	0.10	24.41	2.1207	4.7089	0.4926	0.00118	

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Summary of Federal Order Data - April 2014

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	2,153,193	739,965	34.4	\$ 26.90	\$1.15	\$ 25.46	\$ 24.01	\$5.96
5 Appalachian	493,474	307,258	62.3	27.05	n/a	26.31	24.71	5.89
6 Florida	236,074	198,984	84.3	29.05	n/a	28.45	24.85	5.95
7 Southeast	496,180	327,001	65.9	27.45	n/a	26.73	24.73	5.93
30 Upper Midwest	2,638,874	299,327	11.3	25.45	0.10	24.41	24.41	6.57
32 Central	1,226,557	402,134	32.8	25.65	(0.11)	24.20	24.00	6.03
33 Mideast	1,420,815	511,966	36.0	25.65	0.17	24.48	24.28	5.99
124 Pacific Northwest	578,737	168,421	29.1	25.55	(0.28)	24.03	23.93	5.87
126 Southwest	796,880	364,937	45.8	26.65	0.81	25.12	23.92	6.08
131 Arizona	419,790	107,242	25.5	26.00	n/a	24.43	23.88	5.82
All Market Average or Total *	10,460,574	3,427,234	32.8					

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

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Upper Midwest Marketing Area F.O. 30

Phone: (952) 831-5292
 Fax: (952) 831-8249

Website: www.fmma30.com

