



UPPER MIDWEST DAIRY NEWS

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Volume 17, Issue 2

Upper Midwest Marketing Area, Federal Order No. 30

February 2016

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Commodity Prices Update

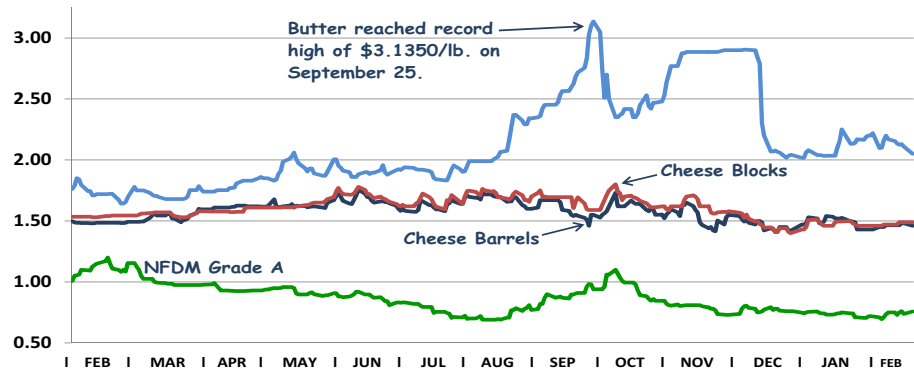
The Chicago Mercantile Exchange (CME) barrel cheddar cheese price on February 16 was \$1.46 per pound, down 6½¢ from January 15 and 2½¢ below February 17, 2015. The price for 40-pound blocks was \$1.49 per pound on February 16, down ½¢ from January 15 and 5¢ below a year earlier. Both cheese prices have stayed relatively flat over the last year, staying within a narrow range of \$1.40 to \$1.80 since the beginning of 2015.

On February 16, the CME butter price closed at \$2.05 per pound, down 20¢ from January 15, but 33¢ above a year ago.

On February 16, the CME Grade A Nonfat Dry Milk (NFDM) price closed at \$0.75¾ per pound, up ¾¢ from January 15, but 41¼¢ below a year ago.

The January 2016 Federal order Class III price of \$13.72 was 72¢ below December 2015, and \$2.46 below January 2015. The February 16 CME Class III futures market has the February price at \$13.84 per cwt. Futures gradually rise from there through the end of the year with a December price of \$15.75, before a declining during the first few months of next year.

Chicago Mercantile Exchange - Selected Commodity Prices *



*Prices depicted are per pound for each day that trading occurred from February 2, 2015 to February 16, 2016.

Pool Summary

- In January, producer milk totaled a record high of nearly 3.3 billion pounds, up 178 million pounds from December, and 148 million pounds above January 2015.
- Class I utilization totaled 298 million pounds, down 3.4% from December on a daily basis. Class I usage accounted for 9.1% of producer milk.
- Class III utilization totaled 2.8 billion pounds and accounted for 84.8% of producer milk.
- The January Producer Price Differential (PPD) was \$0.23 per cwt.
- The January Statistical Uniform Price was \$13.95 per cwt., down \$0.91 from December, and \$2.44 below January 2015.
- Market statistics for January are shown on Pages 3, 4, and 5.

January 2016 Producer Milk by Class

| | Percent | Product Pounds | Price \$/cwt. |
|-----------|---------|----------------|---------------|
| Class I | 9.1 | 297,707,865 | 17.84 |
| Class II | 1.6 | 51,321,525 | 14.19 |
| Class III | 84.8 | 2,762,514,298 | 13.72 |
| Class IV | 4.5 | 144,899,071 | 13.31 |
| Total | | 3,256,442,759 | |

Recap of Federal Order Data for 2015

The table to the right and the map below summarize data for all Federal milk orders for 2015. Some comparisons are also made to data for 2014.

Producer milk in 2015 for all Federal orders combined totaled 126.1 billion pounds, down from 129.4 billion in 2014. Class I producer milk for all Federal orders totaled 41.2 billion pounds, or 32.7% of producer milk. Total Class I pounds for all Federal orders in 2015 decreased by about 0.5% from the previous year. Class I use in 2015 ranged from 11.5% in the Upper Midwest Order to 84.6% in the Florida Order.

The weighted average uniform price for all Federal orders combined for 2015 was \$16.70 per cwt., down from \$23.54 in 2014. The average uniform price in 2015 ranged from \$15.67 in the Pacific Northwest Order to \$20.90 in the Florida Order.

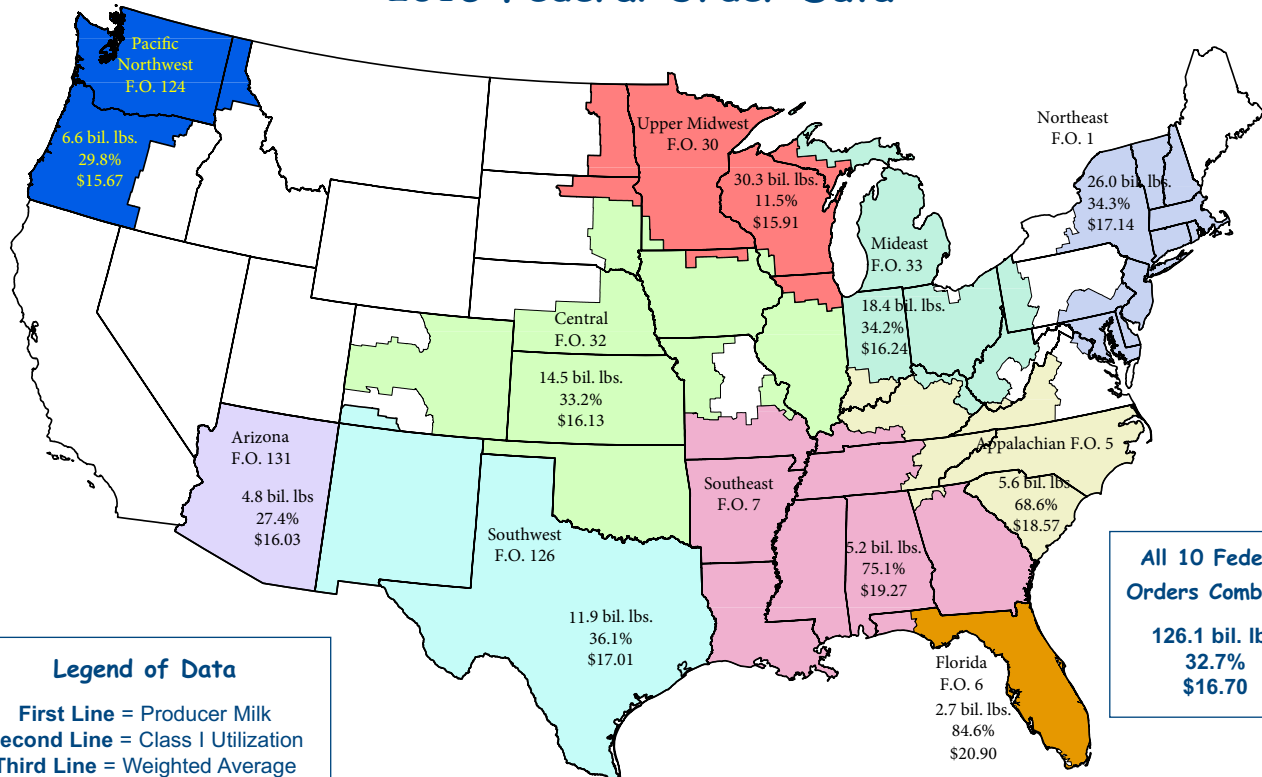
It should be noted that Federal order prices are *minimums* and do not necessarily represent what producers are actually paid. Upper Midwest producers, for example, sometimes receive premiums considerably above the Federal order minimums.

Summary of Data for All Federal Orders -- 2015

| | Producer Deliveries | Class I Producer Receipts | Class I Utilization | |
|--------------------------------|---------------------|---------------------------|---------------------|-------------|
| | 1,000 Pounds | 1,000 Pounds | 2015 | 2014 |
| | | | Percent | |
| January | 11,933,432 | 3,703,377 | 31.0 | 33.9 |
| February | 10,882,616 | 3,281,564 | 30.2 | 36.1 |
| March | 10,721,594 | 3,503,435 | 32.7 | 30.4 |
| April | 9,842,491 | 3,402,583 | 34.6 | 32.8 |
| May | 10,053,055 | 3,320,286 | 33.0 | 28.7 |
| June | 9,171,371 | 3,208,758 | 35.0 | 28.1 |
| July | 9,258,747 | 3,280,555 | 35.4 | 29.4 |
| August | 9,899,859 | 3,356,532 | 33.9 | 30.1 |
| September | 10,437,590 | 3,432,578 | 32.9 | 32.2 |
| October | 11,260,771 | 3,641,205 | 32.3 | 37.8 |
| November | 10,935,966 | 3,474,526 | 31.8 | 35.8 |
| December | 11,728,703 | 3,600,549 | 30.7 | 31.1 |
| 2015 Total ¹ | 126,126,196 | 41,205,947 | 32.7 | |
| 2014 Total | 129,420,366 | 41,420,033 | | 32.0 |

¹ Totals do not add due to rounding.

2015 Federal Order Data



All 10 Federal Orders Combined
 126.1 bil. lbs
 32.7%
 \$16.70

Legend of Data
 First Line = Producer Milk
 Second Line = Class I Utilization
 Third Line = Weighted Average Uniform or Statistical Uniform Price

Final 2015 U.S. Milk Production Released

The U.S. Department of Agriculture final estimate of U.S. milk production for 2015 is 208.7 billion pounds, up 1.3% from 206.1 billion pounds in 2014.

The increase in 2015 milk production was a result of increases in both production per cow and in the average number of milk cows.

U.S. production per cow for 2015 is estimated at 22,393 pounds, 134 pounds, or 0.6%, above a year earlier. The estimated number of cows on farms in 2015 was 9.32 million head, 60,000 head more than the previous year.

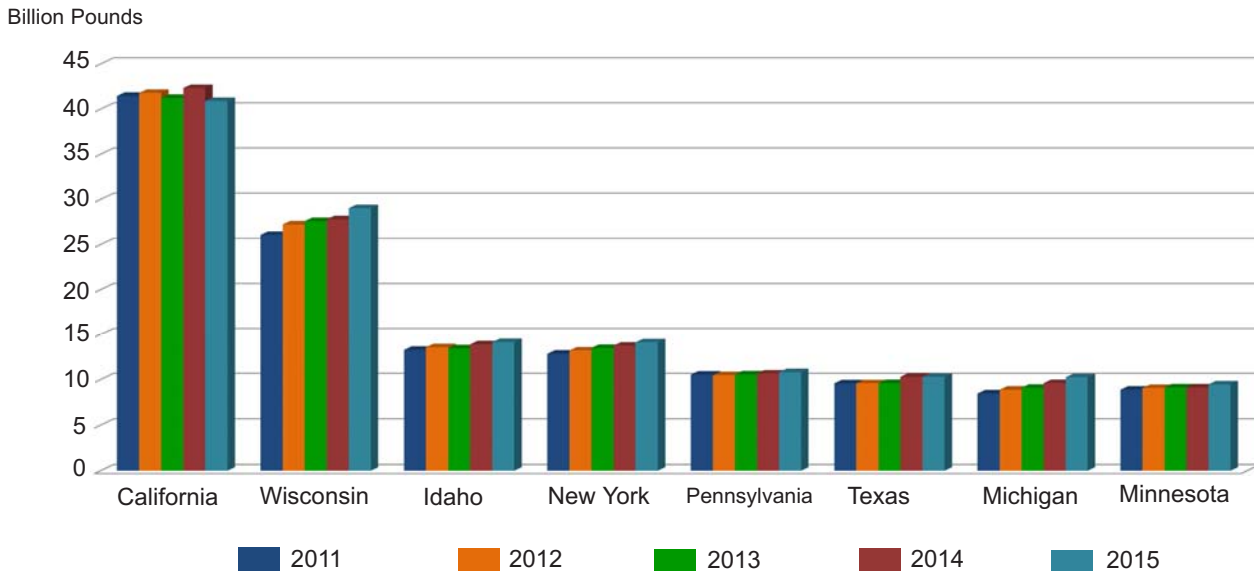
California remained this nation's leading milk producing state, with a 19.6% share in 2015. Wisconsin followed and accounted for about 13.9% of the U.S. total. The top ten milk producing states, combined, accounted for 73.5% of total U.S. milk production in 2015.

In the top ten milk producing states, Michigan had the largest increase on a percentage basis at 6.70%, followed by Wisconsin at 4.44%, and Minnesota at 3.71%. California and New Mexico were the largest declines of the top ten, decreasing from 2014 to 2015 in milk production by 3.40% and 3.38%, respectively.

2015 Milk Production Top 10 Milk Producing States & U.S.

| | 2014 Production <i>Mil. Lbs.</i> | 2015 Production <i>Mil. Lbs.</i> | Change Percent |
|----------------------|--|--|-------------------|
| California | 42,339 | 40,898 | -3.40% |
| Wisconsin | 27,795 | 29,030 | 4.44% |
| Idaho | 13,873 | 14,114 | 1.74% |
| New York | 13,730 | 14,100 | 2.69% |
| Pennsylvania | 10,664 | 10,805 | 1.32% |
| Texas | 10,310 | 10,295 | -0.15% |
| Michigan | 9,609 | 10,253 | 6.70% |
| Minnesota | 9,127 | 9,466 | 3.71% |
| New Mexico | 8,105 | 7,831 | -3.38% |
| Washington | 6,576 | 6,606 | 0.46% |
| United States | 206,054 | 208,663 | 1.27% |

Milk Production -- Top 8 Milk Producing States



Upper Midwest Pool Statistics - January 2016

| 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 | 3 | 94,022,698 | 4,841,376 | 98,864,074 | \$ 0 | 86,566,693 | \$ 1,558,200 |
| \$1.75 | 30 | 82,771,929 | 1,243,015,218 | 1,325,787,147 | 662,894 | 67,829,176 | 1,187,011 |
| \$1.70 | 28 | 231,796,640 | 1,463,858,938 | 1,695,655,578 | 1,695,655 | 128,233,658 | 2,179,972 |
| \$1.65 | 3 | 18,598,273 | 117,537,687 | 136,135,960 | 204,204 | 15,078,338 | 248,793 |
| Total | 64 | 427,189,540 | 2,829,253,219 | 3,256,442,759 | \$ 2,562,753 | 297,707,865 | \$ 5,173,976 |

Computation of Producer Price Differential - January 2016

| | Utilization Percentage | Product Pounds | Component Pounds | Rate | Value |
|---|---------------------------|----------------------|---------------------|----------------|--------------------------|
| Class I | | | | | |
| Differential Value | | | | | \$ 5,173,975.85 |
| Product | 9.1% | 297,707,865 | | | |
| Skim Milk | | | 293,059,659 | \$ 5.6100 | 16,440,646.87 |
| Butterfat | | | 4,648,206 | 3.0362 | 14,112,883.07 |
| Class II | | | | | |
| Product | 1.6% | 51,321,525 | | | |
| Nonfat Solids | | | 4,154,209 | 0.7011 | 2,912,515.93 |
| Butterfat | | | 6,408,558 | 2.3132 | 14,824,276.38 |
| Class III | | | | | |
| Product | 84.8% | 2,762,514,298 | | | |
| Protein | | | 87,988,964 | 1.8169 | 159,867,148.71 |
| Other Solids | | | 158,418,016 | 0.0371 | 5,877,308.40 |
| Butterfat | | | 102,491,163 | 2.3062 | 236,365,120.09 |
| Class IV | | | | | |
| Product | 4.5% | 144,899,071 | | | |
| Nonfat Solids | | | 11,159,666 | 0.6037 | 6,737,090.37 |
| Butterfat | | | 14,023,773 | 2.3062 | 32,341,625.27 |
| SCC Adjustment (Class II, III, and IV) | | | | | 3,409,545.41 |
| Total Producer Milk * | | 3,256,442,759 | | | \$ 498,062,136.35 |
| Add: | | | | | |
| Overage | | | | | 39,801.23 |
| Inventory Reclassified | | | | | (42,464.42) |
| Other Source Milk \$.60(h) | | | | | 0.00 |
| Other Source Milk \$.60(i) | | 68,707 | | | 2,833.34 |
| Subtract: | | | | | |
| Transportation Credit | | | | | 12,860.20 |
| Assembly Credit | | | | | 237,628.59 |
| Credit for Reconstituted FMP | | | | | 0.00 |
| Producer Milk Protein | | | | | 187,895,189.53 |
| Producer Milk Other Solids | | | | | 6,879,538.83 |
| Producer Milk Butterfat | | | | | 294,205,854.52 |
| Producer Milk SCC Adjustment | | | | | 3,773,419.20 |
| Total Milk and Value | | 3,256,511,466 | | | \$ 5,057,815.63 |
| Add: | | | | | |
| Location Adjustment -- Producer and Unregulated Supply Plant Milk | | | | | 2,562,750.65 |
| One-Half Unobligated Balance Producer Settlement Fund | | | | | 1,293,391.34 |
| Total Value | | | | 0.273727 | \$ 8,913,957.62 |
| Subtract: | | | | | |
| Producer Settlement Fund Reserve | | | | 0.043727 | 1,423,981.25 |
| Producer Price Differential ** | | | | \$ 0.23 | \$ 7,489,976.37 |

* An estimated 213 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

| | January 2016 | | December 2015 | January 2015 |
|---|----------------------|--------------------|----------------------|----------------------|
| | Product Pounds | Butterfat Pounds | Product Pounds | Product Pounds |
| Class I Utilization: | | | | |
| Packaged Disposition | | | | |
| Milk | 49,121,437 | 1,614,020 | 52,198,863 | 48,416,372 |
| Flavored Milk | 2,476,642 | 78,664 | 2,636,389 | 2,389,062 |
| Reduced Fat Milk | 107,559,149 | 2,086,200 | 113,302,112 | 115,332,528 |
| Lowfat Milk | 55,408,491 | 522,669 | 57,137,876 | 59,553,089 |
| Fat Free Milk | 51,106,267 | 46,608 | 52,756,964 | 59,939,371 |
| Flavored Reduced and Fat Free Milk | 28,393,327 | 183,986 | 29,250,034 | 30,115,508 |
| Buttermilk | 2,553,738 | 36,010 | 3,067,030 | 2,933,239 |
| Total Packaged Disposition | 296,619,051 | 4,568,157 | 310,349,268 | 318,679,169 |
| Total Ending Inventory | 24,293,452 | 342,940 | 22,203,669 | 21,307,231 |
| Bulk to Nonpool Plants | 467,607 | 6,338 | 127,172 | 276,265 |
| Shrinkage | 1,287,499 | 124,572 | 1,453,896 | 809,483 |
| Total Class I Utilization | 322,667,609 | 5,042,007 | 334,134,005 | 341,072,148 |
| Other Order Plants | (2,127,611) | (35,610) | (2,272,748) | (2,615,719) |
| Beginning Inventory | (22,253,119) | (349,881) | (22,893,858) | (20,732,994) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (533,522) | (7,408) | (589,611) | (675,468) |
| Overage | 0 | 0 | 0 | 0 |
| Interhandler Adjustment | (45,492) | (902) | (207,239) | (65,624) |
| Class I Producer Milk | 297,707,865 | 4,648,206 | 308,170,549 | 316,982,343 |
| Class II Utilization: | | | | |
| Total Class II Utilization | 58,187,816 | 6,957,896 | 52,984,396 | 164,124,831 |
| Other Order Plants | -- | -- | -- | -- |
| Beginning Inventory | -- | -- | (2,939,691) | (926,105) |
| Reused Products | (6,404,333) | (87,380) | (8,063,913) | (7,286,920) |
| Other Source Milk | (461,958) | (461,958) | (1,009,667) | (407,023) |
| Overage | 0 | 0 | 0 | -- |
| Class II Producer Milk | 51,321,525 | 6,408,558 | 40,971,125 | 155,504,783 |
| Class III Utilization: | | | | |
| Total Class III Utilization | 2,767,074,576 | 102,619,089 | 2,717,359,453 | 2,537,790,014 |
| Other Order Plants | (1,426,169) | (35,689) | (2,402,236) | (13,778,189) |
| Beginning Inventory | (1,584,510) | (34,470) | (5,944,557) | (4,648,134) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (1,457,809) | (47,791) | (1,932,836) | (812,667) |
| Overage | (91,790) | (9,976) | (102,558) | (129,558) |
| Class III Producer Milk | 2,762,514,298 | 102,491,163 | 2,706,977,266 | 2,518,421,466 |
| Class IV Utilization: | | | | |
| Total Class IV Utilization | 235,373,301 | 17,749,846 | 122,115,136 | 231,677,693 |
| Other Order Plants | (8,663,237) | (352,445) | (6,784,099) | (13,372,708) |
| Beginning Inventory | (14,819,955) | (766,045) | (14,505,744) | (17,024,888) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (66,838,262) | (2,603,523) | (77,953,708) | (83,370,716) |
| Overage | (52,776) | (4,060) | (14,896) | (8,079) |
| Class IV Producer Milk | 144,899,071 | 14,023,773 | 22,856,689 | 117,901,302 |
| Total Producer Milk -- All Classes | 3,256,442,759 | 127,571,700 | 3,078,975,629 | 3,108,809,894 |

-- 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> | | | | | |
| Dec 2014 | 1.7545 | 1.6823 | 1.7362 | 1.9049 | 1.2554 | 0.5871 | 1.8280 | 1.7653 | 1.8141 | 1.9706 | 1.2826 | 0.5847 |
| Jan 2015 | 1.5841 | 1.5461 | 1.5807 | 1.5633 | 1.0202 | 0.5875 | 1.5909 | 1.5484 | 1.5857 | 1.5521 | 1.0253 | 0.5903 |
| Feb | 1.5372 | 1.5242 | 1.5446 | 1.6823 | 1.0308 | 0.5169 | 1.5317 | 1.5215 | 1.5408 | 1.6585 | 1.0213 | 0.5415 |
| Mar | 1.5694 | 1.5519 | 1.5750 | 1.6945 | 1.0217 | 0.4824 | 1.5615 | 1.5319 | 1.5617 | 1.6944 | 1.0577 | 0.4935 |
| Apr | 1.5812 | 1.6214 | 1.6122 | 1.7355 | 0.9684 | 0.4610 | 1.5780 | 1.6265 | 1.6142 | 1.7381 | 0.9705 | 0.4600 |
| May | 1.6251 | 1.6671 | 1.6557 | 1.8725 | 0.9464 | 0.4450 | 1.6200 | 1.6662 | 1.6520 | 1.8462 | 0.9489 | 0.4443 |
| Jun | 1.7103 | 1.7084 | 1.7222 | 1.9065 | 0.9283 | 0.4245 | 1.6786 | 1.6887 | 1.6955 | 1.9151 | 0.9362 | 0.4341 |
| Jul | 1.6945 | 1.6762 | 1.6997 | 1.9159 | 0.8366 | 0.3937 | 1.6874 | 1.6641 | 1.6906 | 1.9330 | 0.8548 | 0.3975 |
| Aug | 1.7203 | 1.7327 | 1.7386 | 2.0438 | 0.7443 | 0.3108 | 1.7010 | 1.7247 | 1.7255 | 1.9595 | 0.7521 | 0.3495 |
| Sep | 1.7213 | 1.6769 | 1.7145 | 2.4449 | 0.8007 | 0.2442 | 1.7199 | 1.6882 | 1.7191 | 2.4136 | 0.8144 | 0.2416 |
| Oct | 1.6881 | 1.6378 | 1.6790 | 2.5734 | 0.8951 | 0.2309 | 1.6806 | 1.6237 | 1.6678 | 2.5461 | 0.9139 | 0.2262 |
| Nov | 1.6598 | 1.6093 | 1.6503 | 2.7999 | 0.8372 | 0.2341 | 1.6608 | 1.6279 | 1.6594 | 2.7353 | 0.8464 | 0.2332 |
| Dec | 1.5752 | 1.5377 | 1.5719 | 2.5709 | 0.7893 | 0.2336 | 1.5761 | 1.5443 | 1.5753 | 2.6787 | 0.7970 | 0.2341 |
| Jan 2016 | 1.4823 | 1.5309 | 1.5178 | 2.0759 | 0.7776 | 0.2351 | 1.4699 | 1.5297 | 1.5115 | 2.0442 | 0.7817 | 0.2344 |

| Month/Year | Chicago Mercantile Exchange | | | | USDA Dairy Market News | | | | |
|------------|-----------------------------|----------------|---------|---------|------------------------|--------|-------------|---------|--------|
| | Butter | Cheddar Cheese | | NFDM | NFDM Low/Medium Heat | | Whey Powder | | |
| | Grade AA | Blocks | Barrels | Grade A | Central & East | West | Northeast | Central | West |
| | <i>Dollars per Pound</i> | | | | | | | | |
| Jan 2015 | 1.5714 | 1.5218 | 1.4995 | 0.9898 | 1.0478 | 1.0381 | 0.5584 | 0.5138 | 0.5016 |
| Feb | 1.7293 | 1.5382 | 1.4849 | 1.1067 | 1.0707 | 1.0600 | 0.5139 | 0.5061 | 0.4838 |
| Mar | 1.7166 | 1.5549 | 1.5290 | 1.0108 | 1.0634 | 1.0489 | 0.4820 | 0.4616 | 0.4513 |
| Apr | 1.7937 | 1.5890 | 1.6135 | 0.9415 | 0.9825 | 0.9747 | 0.4666 | 0.4405 | 0.4415 |
| May | 1.9309 | 1.6308 | 1.6250 | 0.9226 | 0.9665 | 0.9476 | 0.4529 | 0.4302 | 0.4436 |
| Jun | 1.9065 | 1.7052 | 1.6690 | 0.8734 | 0.9448 | 0.9064 | 0.4240 | 0.4113 | 0.4338 |
| Jul | 1.9056 | 1.6659 | 1.6313 | 0.7622 | 0.8539 | 0.8115 | 0.3873 | 0.3632 | 0.3982 |
| Aug | 2.1542 | 1.7111 | 1.6689 | 0.7329 | 0.7817 | 0.7288 | 0.3123 | 0.2576 | 0.2848 |
| Sep | 2.6690 | 1.6605 | 1.5840 | 0.9045 | 0.8879 | 0.8549 | 0.2496 | 0.2265 | 0.2388 |
| Oct | 2.4757 | 1.6674 | 1.6072 | 0.9333 | 1.0004 | 0.9449 | 0.2357 | 0.2243 | 0.2405 |
| Nov | 2.8779 | 1.6176 | 1.5305 | 0.7822 | 0.8923 | 0.8168 | 0.2271 | 0.2238 | 0.2553 |
| Dec | 2.3318 | 1.4616 | 1.4638 | 0.7685 | 0.8509 | 0.7789 | 0.2500 | 0.2282 | 0.2600 |
| Jan 2016 | 2.1214 | 1.4757 | 1.4842 | 0.7312 | 0.8202 | 0.7496 | 0.2572 | 0.2296 | 0.2650 |

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 | |
| | | | | | | | | | | | |
| Nov | 18 | 48 | 11 | 10,038 | 2,397 | 7,961 | 12.4 | 3.92 | 3.19 | 5.73 | 184 |
| Dec | 18 | 49 | 12 | 11,309 | 2,865 | 8,174 | 10.9 | 3.88 | 3.18 | 5.74 | 193 |
| Jan 2015 | 18 | 47 | 12 | 11,521 | 3,107 | 8,700 | 10.2 | 3.87 | 3.16 | 5.74 | 199 |
| Feb | 18 | 47 | 13 | 11,846 | 2,911 | 8,772 | 9.6 | 3.88 | 3.15 | 5.73 | 201 |
| Mar | 18 | 47 | 13 | 10,549 | 2,644 | 8,080 | 11.3 | 3.84 | 3.11 | 5.72 | 201 |
| Apr | 18 | 47 | 14 | 9,646 | 2,287 | 7,897 | 12.8 | 3.77 | 3.09 | 5.72 | 194 |
| May | 17 | 47 | 13 | 9,701 | 2,307 | 7,669 | 12.3 | 3.72 | 3.05 | 5.74 | 193 |
| Jun | 16 | 47 | 13 | 9,417 | 2,067 | 7,316 | 13.1 | 3.66 | 3.02 | 5.75 | 200 |
| Jul | 17 | 46 | 13 | 9,092 | 1,864 | 6,630 | 14.9 | 3.65 | 2.99 | 5.75 | 211 |
| Aug | 16 | 46 | 13 | 9,141 | 2,013 | 7,098 | 13.9 | 3.66 | 3.01 | 5.75 | 218 |
| Sep | 17 | 46 | 13 | 10,227 | 2,443 | 7,957 | 11.9 | 3.71 | 3.05 | 5.75 | 218 |
| Oct | 15 | 46 | 13 | 10,718 | 2,747 | 8,268 | 11.1 | 3.85 | 3.16 | 5.73 | 199 |
| Nov | 16 | 47 | 12 | 10,997 | 2,848 | 8,625 | 10.3 | 3.91 | 3.18 | 5.74 | 192 |
| Dec | 17 | 47 | 12 | | 3,079 | | 10.0 | 3.90 | 3.17 | 5.74 | 192 |
| Jan 2016 | 16 | 48 | 12 | | 3,256 | | 9.1 | 3.92 | 3.18 | 5.69 | 198 |

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> |
| Jan 2015 | 2.1787 | 11.35 | 18.58 | 2.1967 | 13.15 | 20.38 | 1.6925 | 1.1811 | 10.63 | 16.18 |
| Feb | 1.6719 | 10.76 | 16.24 | 1.6899 | 12.56 | 18.04 | 1.8366 | 0.9267 | 8.34 | 14.48 |
| Mar | 1.8008 | 9.59 | 15.56 | 1.8188 | 11.39 | 17.36 | 1.8514 | 0.9233 | 8.31 | 14.50 |
| Apr | 1.8442 | 9.37 | 15.50 | 1.8622 | 11.17 | 17.30 | 1.9010 | 0.9589 | 8.63 | 14.98 |
| May | 1.8972 | 9.52 | 15.83 | 1.9152 | 11.32 | 17.63 | 2.0669 | 0.8722 | 7.85 | 14.81 |
| Jun | 2.0281 | 9.37 | 16.14 | 2.0461 | 11.17 | 17.94 | 2.1081 | 0.8511 | 7.66 | 14.77 |
| Jul | 2.1115 | 9.47 | 16.53 | 2.1295 | 11.27 | 18.33 | 2.1195 | 0.8389 | 7.55 | 14.70 |
| Aug | 2.1332 | 9.13 | 16.28 | 2.1512 | 10.93 | 18.08 | 2.2744 | 0.7578 | 6.82 | 14.54 |
| Sep | 2.1653 | 9.08 | 16.34 | 2.1833 | 10.88 | 18.14 | 2.7601 | 0.6567 | 5.91 | 15.36 |
| Oct | 2.7152 | 6.57 | 15.84 | 2.7332 | 8.37 | 17.64 | 2.9157 | 0.7178 | 6.46 | 16.44 |
| Nov | 2.8756 | 6.65 | 16.48 | 2.8936 | 8.45 | 18.28 | 3.1900 | 0.8167 | 7.35 | 18.26 |
| Dec | 3.1048 | 6.05 | 16.71 | 3.1228 | 7.85 | 18.51 | 2.9127 | 0.7500 | 6.75 | 16.71 |
| Jan 2016 | 3.0362 | 5.61 | 16.04 | 3.0542 | 7.41 | 17.84 | 2.3132 | 0.7011 | 6.31 | 14.19 |
| Feb | 2.2678 | 5.91 | 13.64 | 2.2858 | 7.71 | 15.44 | | 0.6856 | 6.17 | |

| 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> |
| Jan 2015 | 1.6855 | 2.6731 | 0.4001 | 10.65 | 16.18 | 1.6855 | 0.8439 | 7.60 | 13.23 |
| Feb | 1.8296 | 2.4051 | 0.3273 | 9.39 | 15.46 | 1.8296 | 0.8544 | 7.69 | 13.82 |
| Mar | 1.8444 | 2.4875 | 0.2918 | 9.43 | 15.56 | 1.8444 | 0.8454 | 7.61 | 13.80 |
| Apr | 1.8940 | 2.5551 | 0.2698 | 9.51 | 15.81 | 1.8940 | 0.7926 | 7.13 | 13.51 |
| May | 2.0599 | 2.5206 | 0.2533 | 9.31 | 16.19 | 2.0599 | 0.7708 | 6.94 | 13.91 |
| Jun | 2.1011 | 2.6915 | 0.2322 | 9.71 | 16.72 | 2.1011 | 0.7529 | 6.78 | 13.90 |
| Jul | 2.1125 | 2.6070 | 0.2004 | 9.26 | 16.33 | 2.1125 | 0.6621 | 5.96 | 13.15 |
| Aug | 2.2674 | 2.5692 | 0.1151 | 8.64 | 16.27 | 2.2674 | 0.5707 | 5.14 | 12.90 |
| Sep | 2.7531 | 1.9801 | 0.0465 | 6.41 | 15.82 | 2.7531 | 0.6266 | 5.64 | 15.08 |
| Oct | 2.9087 | 1.7019 | 0.0328 | 5.47 | 15.46 | 2.9087 | 0.7200 | 6.48 | 16.43 |
| Nov | 3.1830 | 1.3205 | 0.0361 | 4.31 | 15.30 | 3.1830 | 0.6627 | 5.96 | 16.89 |
| Dec | 2.9057 | 1.3599 | 0.0355 | 4.43 | 14.44 | 2.9057 | 0.6153 | 5.54 | 15.52 |
| Jan 2016 | 2.3062 | 1.8169 | 0.0371 | 5.85 | 13.72 | 2.3062 | 0.6037 | 5.43 | 13.31 |

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 2014 | (0.11) | 23.71 | 2.8507 | 3.7362 | 0.4670 | 0.00115 | 25.59 |
| Nov | (0.19) | 21.75 | 2.2011 | 3.9018 | 0.4505 | 0.00107 | 23.59 |
| Dec | 0.65 | 18.47 | 2.0991 | 2.7387 | 0.3996 | 0.00087 | 21.28 |
| Jan 2015 | 0.21 | 16.39 | 1.6855 | 2.6731 | 0.4001 | 0.00079 | 18.19 |
| Feb | 0.18 | 15.64 | 1.8296 | 2.4051 | 0.3273 | 0.00077 | 17.58 |
| Mar | 0.07 | 15.63 | 1.8444 | 2.4875 | 0.2918 | 0.00079 | 17.41 |
| Apr | 0.03 | 15.84 | 1.8940 | 2.5551 | 0.2698 | 0.00081 | 17.53 |
| May | 0.01 | 16.20 | 2.0599 | 2.5206 | 0.2533 | 0.00083 | 17.64 |
| Jun | (0.10) | 16.62 | 2.1011 | 2.6915 | 0.2322 | 0.00086 | 17.75 |
| Jul | 0.02 | 16.35 | 2.1125 | 2.6070 | 0.2004 | 0.00085 | 17.35 |
| Aug | (0.02) | 16.25 | 2.2674 | 2.5692 | 0.1151 | 0.00087 | 17.38 |
| Sep | 0.38 | 16.20 | 2.7531 | 1.9801 | 0.0465 | 0.00086 | 17.81 |
| Oct | 0.31 | 15.77 | 2.9087 | 1.7019 | 0.0328 | 0.00084 | 17.82 |
| Nov | 0.45 | 15.75 | 3.1830 | 1.3205 | 0.0361 | 0.00083 | 17.91 |
| Dec | 0.42 | 14.86 | 2.9057 | 1.3599 | 0.0355 | 0.00079 | |
| Jan 2016 | 0.23 | 13.95 | 2.3062 | 1.8169 | 0.0371 | 0.00076 | |

FEDERAL MILK MARKET ADMINISTRATOR
 U.S. DEPARTMENT OF AGRICULTURE
 1600 West 82nd Street, Suite 200
 Minneapolis, MN 55431-1420

FIRST-CLASS MAIL
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Address Service Requested

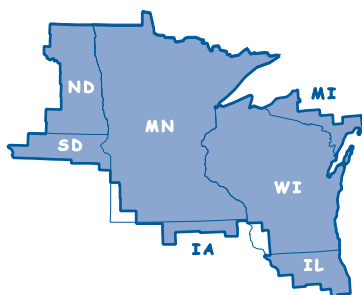
Summary of Federal Order Data - January 2016

| 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 | 2,253,085 | 761,433 | 33.8 | \$19.29 | \$1.80 | \$ 15.52 | \$ 14.07 | \$ (2.05) |
| 5 Appalachian | 492,098 | 346,733 | 70.5 | 19.44 | n/a | 17.03 | 15.43 | (2.57) |
| 6 Florida | 247,867 | 209,629 | 84.6 | 21.44 | n/a | 19.34 | 15.74 | (2.87) |
| 7 Southeast | 472,060 | 343,820 | 72.8 | 19.84 | n/a | 17.60 | 15.60 | (2.79) |
| 30 Upper Midwest | 3,256,443 | 297,708 | 9.1 | 17.84 | 0.23 | 13.95 | 13.95 | (2.44) |
| 32 Central | 1,375,113 | 418,910 | 30.5 | 18.04 | 0.66 | 14.38 | 14.18 | (2.16) |
| 33 Mideast | 1,704,818 | 548,480 | 32.2 | 18.04 | 0.88 | 14.60 | 14.40 | (2.07) |
| 124 Pacific Northwest | 748,504 | 165,047 | 22.1 | 17.94 | 0.43 | 14.15 | 14.05 | (1.69) |
| 126 Southwest | 1,192,610 | 380,088 | 31.9 | 19.04 | 1.63 | 15.35 | 14.15 | (2.13) |
| 131 Arizona | 432,410 | 107,729 | 24.9 | 18.39 | n/a | 14.50 | 13.95 | (1.54) |
| All Market Average or Total * | 12,175,007 | 3,579,577 | 29.4 | | | | | |

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

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