



UPPER MIDWEST DAIRY NEWS

Victor J. Halverson, Market Administrator

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Sonny Perdue Sworn in as Secretary of Ag

Sonny Perdue was sworn in as the 31st U.S. Secretary of Agriculture on April 25, 2017. Secretary Perdue came by his knowledge of agriculture the old fashioned way: he was born into a farming family in Bonaire, Georgia. From childhood, and through his life in business and elected office, he has experienced the industry from every possible perspective.

Perdue's policies as U.S. Secretary of Agriculture will be guided by four principles which will inform his decisions. First, he will maximize the ability of the men and women of America's agriculture and agribusiness sector to create jobs, to produce and sell the foods and fiber that feed and clothe the world, and to reap the earned reward of their labor. Second, he will prioritize customer service every day for American taxpayers and consumers. Third, as Americans expect a safe and secure food supply, USDA will continue to serve in the critical role of ensuring the food we put on the table to feed our families meets the strict safety standards we have established. And fourth, Perdue will always remember that America's agricultural bounty comes directly from the land.

Additionally, Perdue recognizes that American agriculture needs a strong advocate to promote its interests to international markets. The work of promoting American agricultural products to other countries will benefit us domestically, just as it will fulfill the moral imperative of helping to feed the world. Perdue has pledged to be an unapologetic advocate for American agriculture.

Under Secretary Perdue, the USDA will always be facts-based and data-driven, with a decision-making mindset that is customer-focused. He will seek solutions to problems and not lament that the agency might be faced with difficult challenges.

Perdue has been married to Mary Ruff Perdue for 44 years and has four adult children and fourteen grandchildren. He and his wife have served as foster parents for eight children awaiting adoption. Perdue remains a licensed airplane and helicopter pilot and avid outdoor sportsman.

Adapted from USDA press release No. 0029.17, April 25, 2017. www.usda.gov/media/press-releases.



Pool Summary

- In March, producer milk totaled 2.94 billion pounds, up 685 million pounds from February and 190 million pounds below from March 2016.
- Class I utilization totaled 292 million pounds, up 2.1% from February on a daily basis, but 1.1% below last year. Class I usage accounted for 9.9% of producer milk.
- Class III utilization totaled 2.4 billion pounds and accounted for 82.9% of producer milk.
- The March Producer Price Differential (PPD) was \$0.24 per cwt.
- The Statistical Uniform Price was \$16.05 per cwt., down \$0.89 from February, but \$2.21 above March 2016.
- Market statistics for March are shown on Pages 3, 4, and 5.

March 2017 Producer Milk by Class

| | Percent | Product Pounds | Price \$/cwt. |
|--------------|---------|----------------------|---------------|
| Class I | 9.9 | 292,021,725 | 18.70 |
| Class II | 2.4 | 68,943,799 | 16.21 |
| Class III | 82.9 | 2,434,274,860 | 15.81 |
| Class IV | 4.8 | 141,150,335 | 14.32 |
| Total | | 2,936,390,719 | |

Class III Milk Prices

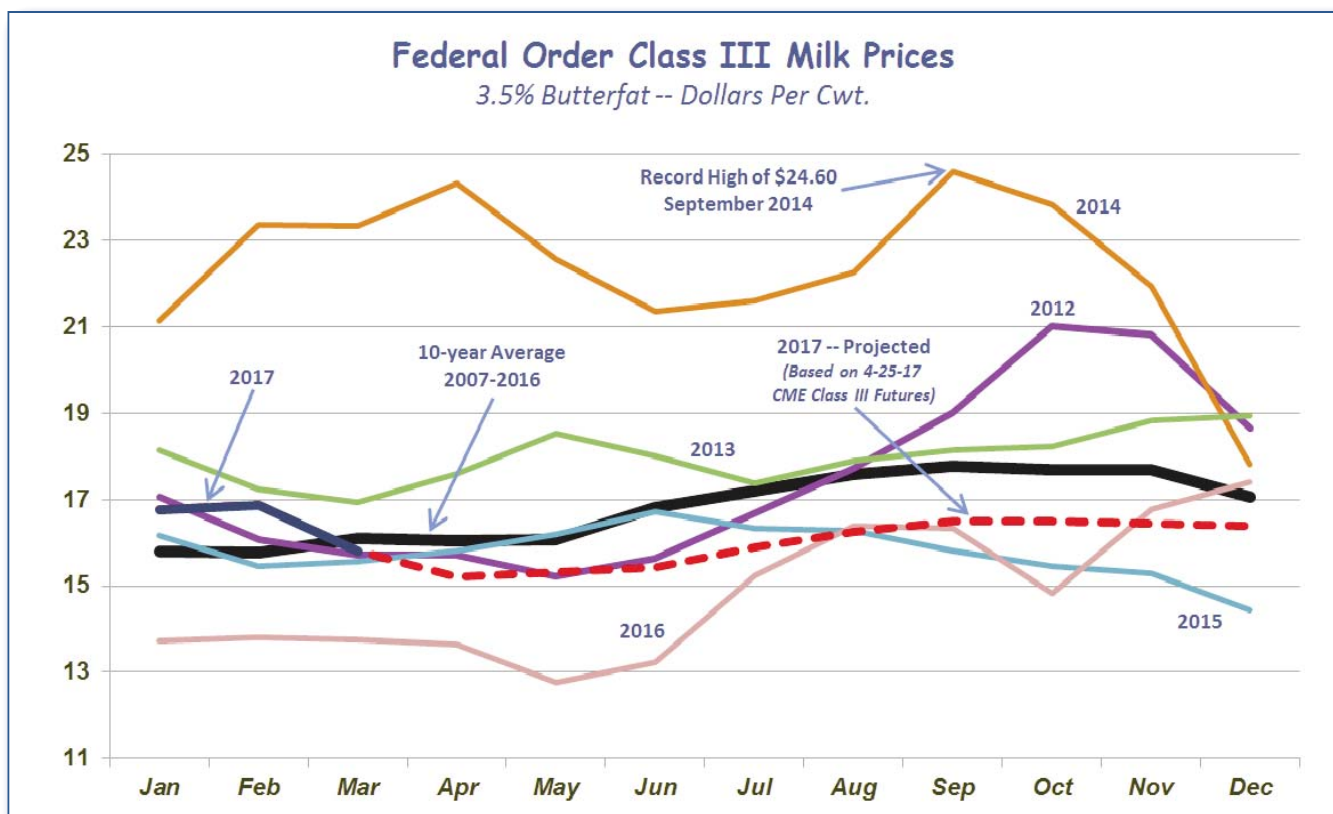
Class III milk prices under the Federal milk order system since 2012 are shown graphically below, along with the 10-year average for 2007-2016. Class III milk is primarily used to make hard cheese.

The March 2017 Class III price was \$15.81, up \$2.07 from March 2016, but \$0.29 below the 10-year average (2007-2016) for the same month.

In 2014, a record high annual average Class III price was set and every month other than December set a record high for that month. The peak for the year, as shown in the

graph, was \$24.60 in September, which set the record high Class III price.

The Class III prices in 2017 were above the 10-year average in January and February, but slightly below in March. For the rest of 2017, which is shown in the dashed red line in the graph below, the price is projected to range from \$15.20 in April to \$16.50 in August and September. Consequently, the projected annual average for 2017 will be about \$0.70 below the 10-year average.



CME Dairy Commodity Prices Mixed in April

Prices for dairy commodities on the Chicago Mercantile Exchange (CME) were mixed during April, with most of prices showing some volatility, but generally closing above the end of March.

The CME barrel cheddar cheese price on April 25 was \$1.42 $\frac{3}{4}$ per pound, down 4 $\frac{1}{4}$ ¢ from the end of March, but 4¢ above its low point for the month. The 40-pound block price of \$1.55 $\frac{1}{4}$ per pound on April 25 was 3 $\frac{1}{4}$ ¢ above the end of March and at its high point for the month. The bar-

rel price was basically unchanged from one year ago, while the block price was 13 $\frac{1}{4}$ ¢ above its year-earlier level.

The CME butter price on April 25 was \$2.13 $\frac{3}{4}$ per pound, up 3¢ from the end of March and 7 $\frac{1}{2}$ ¢ above its low point during the month, but down 1 $\frac{1}{4}$ ¢ from its high point. The butter price was 10 $\frac{1}{4}$ ¢ above a year earlier.

The CME nonfat dry milk price on April 25 was \$0.85 $\frac{1}{4}$ per pound, up 5 $\frac{1}{4}$ ¢ from the end of March and 9 $\frac{1}{4}$ ¢ above a year earlier.

Milk Hauling Charges -- May 2016

The Upper Midwest Order recently released a staff paper prepared by Dr. Corey Freije, an agricultural economist on staff. Staff Paper 17-01, entitled *Milk Hauling Charges in the Upper Midwest Marketing Area - May 2016* is available at:

www.fmms30.com/Staff_Papers.html

The study, which is summarized in this article, analyzes hauling charges based on state, county, and producer size groups for May 2016. Payroll data for the 12,813 producers who were associated with the Upper Midwest Marketing Order during the month were examined.

Hauling Charges for the Market

The weighted average hauling charge for producers on the Upper Midwest Order in May 2016, as shown in the table below, was 17.17¢ per cwt., up from 15.64¢ in May 2015.

Hauling Charges by State

The Wisconsin weighted average hauling charge of 13.64¢ per cwt. was 3.53¢ below the weighted market average, while the Minnesota average of 19.99¢ was 2.82¢ above the market

average. These two states supplied almost 85% of the milk on the market in May 2016.

Wisconsin had the lowest average hauling charge of any of the states included in the study, while North Dakota had the highest average hauling charge at 41.62¢ per cwt.

The study found that the North Dakota average hauling charge was strongly influenced by the low number of farms, the long distance from high demand areas, and less handler competition. Wisconsin, in contrast, has a high number of farms and close proximity to high demand areas.

Hauling Charges by Size Range

The study shows a strong indication that as a producer's milk volume increases, the average hauling charge per hundredweight decreases.

The most obvious factor responsible for this is that many Upper Midwest handlers charge a fixed hauling dollar value to dairy producers, regardless of volume of milk delivered. Therefore, as the producer's production increases, the hauling charge per hundredweight will automatically decrease.

Average Producer Delivery, by State and for the Marketing Area for May 2016

| State | Simple Average Hauling Charges | Total Hauling Charges | Production | Number of Farms | Producer Average Monthly Delivery | Weighted Average Hauling Charges |
|--------------|--------------------------------|-----------------------|----------------------|-----------------|-----------------------------------|----------------------------------|
| | (\$/cwt.) | (\$) | (pounds) | | (pounds) | (\$) |
| Illinois | 0.4096 | 147,762.24 | 57,729,777 | 246 | 234,674 | 0.2560 |
| Iowa | 0.4190 | 945,654.86 | 346,986,518 | 864 | 401,605 | 0.2725 |
| Michigan UP | 0.3096 | 35,048.48 | 21,398,692 | 35 | 611,391 | 0.1638 |
| Minnesota | 0.3892 | 1,655,031.01 | 827,886,326 | 3,070 | 269,670 | 0.1999 |
| North Dakota | 0.9593 | 100,466.51 | 24,139,784 | 64 | 377,184 | 0.4162 |
| South Dakota | 0.5383 | 537,551.44 | 192,267,564 | 153 | 1,256,651 | 0.2796 |
| Wisconsin | 0.2694 | 3,467,127.18 | 2,541,351,103 | 8,381 | 303,228 | 0.1364 |
| Total | 0.3176 | 6,888,641.72 | 4,011,759,764 | 12,813 | 313,101 | 0.1717 |

Upper Midwest Pool Statistics - March 2017

| 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 | 3 | 91,281,369 | 559,398 | 91,840,767 | \$ 0 | 84,984,494 | \$1,529,721 |
| \$1.75 | 33 | 123,993,225 | 1,247,445,137 | 1,371,438,362 | 685,720 | 63,382,923 | 1,109,201 |
| \$1.70 | 26 | 324,634,952 | 1,067,759,165 | 1,392,394,117 | 1,392,394 | 128,122,878 | 2,178,089 |
| \$1.65 | 3 | 18,247,982 | 62,469,491 | 80,717,473 | 121,076 | 15,531,430 | 256,269 |
| Total | 65 | 558,157,528 | 2,378,233,191 | 2,936,390,719 | \$2,199,190 | 292,021,725 | \$5,073,280 |

Computation of Producer Price Differential - March 2017

| | Utilization Percentage | Product Pounds | Component Pounds | Rate | Value |
|-------------------------------------------------------------------|---------------------------|----------------------|---------------------|---------------|--------------------------|
| Class I | | | | | \$ 5,073,279.57 |
| Differential Value | | | | | |
| Product | 9.9% | 292,021,725 | | | |
| Skim Milk | | | 287,326,562 | \$ 8.6500 | 24,853,747.63 |
| Butterfat | | | 4,695,163 | 2.4428 | 11,469,344.15 |
| Class II | 2.4% | 68,943,799 | | | |
| Product | | | | | |
| Nonfat Solids | | | 5,723,212 | 0.8889 | 5,087,363.15 |
| Butterfat | | | 7,031,326 | 2.4246 | 17,048,153.04 |
| Class III | 82.9% | 2,434,274,860 | | | |
| Product | | | | | |
| Protein | | | 76,701,395 | 1.8198 | 139,581,198.64 |
| Other Solids | | | 140,407,429 | 0.3345 | 46,966,284.99 |
| Butterfat | | | 88,114,901 | 2.4176 | 213,026,584.67 |
| Class IV | 4.8% | 141,150,335 | | | |
| Product | | | | | |
| Nonfat Solids | | | 11,749,523 | 0.6747 | 7,927,403.16 |
| Butterfat | | | 14,095,372 | 2.4176 | 34,076,971.35 |
| SCC Adjustment (Class II, III, and IV) | | | | | 3,312,651.08 |
| Total Producer Milk * | | 2,936,390,719 | | | \$ 508,422,981.43 |
| Add: | | | | | |
| Overage | | | | | 22,330.06 |
| Inventory Reclassified | | | | | 34,779.21 |
| Other Source Milk \$.60(h) | | | | | 0.00 |
| Other Source Milk \$.60(i) | | 27,065 | | | 827.79 |
| Subtract: | | | | | |
| Transportation Credit | | | | | 2,806.64 |
| Assembly Credit | | | | | 232,246.87 |
| Credit for Reconstituted FMP | | | | | 0.00 |
| Producer Milk Protein | | | | | 167,814,878.84 |
| Producer Milk Other Solids | | | | | 56,498,312.10 |
| Producer Milk Butterfat | | | | | 275,453,515.81 |
| Producer Milk SCC Adjustment | | | | | 3,675,301.48 |
| Total Milk and Value | | 2,936,417,784 | | | \$ 4,803,856.75 |
| Add: | | | | | |
| Location Adjustment -- Producer and Unregulated Supply Plant Milk | | | | | 2,199,144.18 |
| One-Half Unobligated Balance Producer Settlement Fund | | | | | 1,394,196.47 |
| Total Value | | | | 0.285967 | \$ 8,397,197.40 |
| Subtract: | | | | | |
| Producer Settlement Fund Reserve | | | | 0.045967 | 1,349,794.72 |
| Producer Price Differential ** | | | | \$0.24 | \$ 7,047,402.68 |

* An estimated 650 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 2017 | | February 2017 | March 2016 |
|-------------------------------------------|----------------------|--------------------|----------------------|----------------------|
| | Product Pounds | Butterfat Pounds | Product Pounds | Product Pounds |
| Class I Utilization: | | | | |
| Packaged Disposition | | | | |
| Milk | 50,135,344 | 1,645,865 | 44,134,757 | 49,064,877 |
| Flavored Milk | 2,484,890 | 83,866 | 2,131,099 | 2,446,256 |
| Reduced Fat Milk | 104,889,114 | 2,026,234 | 93,430,557 | 105,738,249 |
| Lowfat Milk | 52,932,041 | 500,120 | 47,433,937 | 54,089,507 |
| Fat Free Milk | 42,996,135 | 37,438 | 39,530,051 | 48,696,638 |
| Flavored Reduced and Fat Free Milk | 30,669,920 | 230,501 | 29,272,260 | 28,684,697 |
| Buttermilk | 3,468,177 | 57,503 | 2,689,640 | 3,583,227 |
| Total Packaged Disposition | 287,575,621 | 4,581,527 | 258,622,301 | 292,303,451 |
| Total Ending Inventory | 22,715,508 | 337,625 | 18,357,389 | 22,406,546 |
| Bulk to Nonpool Plants | 1,689,468 | 43,765 | 2,239,898 | 1,595,073 |
| Shrinkage | 1,409,821 | 54,300 | 1,250,678 | 889,314 |
| Total Class I Utilization | 313,390,418 | 5,017,217 | 280,470,266 | 317,194,384 |
| Other Order Plants | (2,377,268) | (46,782) | (2,151,020) | (2,054,006) |
| Beginning Inventory | (18,736,721) | (270,321) | (19,916,250) | (19,204,606) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (562,640) | (8,362) | (524,124) | (618,354) |
| Overage | 0 | 0 | 0 | 0 |
| Interhandler Adjustment | 307,936 | 3,411 | 462,166 | (2,192) |
| Class I Producer Milk | 292,021,725 | 4,695,163 | 258,341,038 | 295,315,226 |
| Class II Utilization: | | | | |
| Total Class II Utilization | 79,238,275 | 7,073,150 | 177,972,938 | 185,183,483 |
| Other Order Plants | -- | -- | 0 | 0 |
| Beginning Inventory | (3,213,592) | (34,481) | (18,529) | (713,562) |
| Reused Products | (6,952,352) | (5,942) | (5,470,810) | (6,727,881) |
| Other Source Milk | (128,532) | (1,401) | 0 | (121,109) |
| Overage | -- | -- | -- | -- |
| Class II Producer Milk | 68,943,799 | 7,031,326 | 172,483,599 | 177,620,931 |
| Class III Utilization: | | | | |
| Total Class III Utilization | 2,444,016,965 | 88,273,492 | 1,700,233,243 | 2,515,980,812 |
| Other Order Plants | (1,956,345) | (1,269) | -- | -- |
| Beginning Inventory | (5,124,238) | (67,493) | (2,522,894) | (3,816,579) |
| Reused Products | -- | -- | -- | 0 |
| Other Source Milk | (2,596,287) | (86,003) | (4,806,040) | (2,194,995) |
| Overage | (65,235) | (3,826) | (49,611) | (134,169) |
| Class III Producer Milk | 2,434,274,860 | 88,114,901 | 1,692,854,698 | 2,509,835,069 |
| Class IV Utilization: | | | | |
| Total Class IV Utilization | 234,657,199 | 18,223,291 | 212,042,001 | 235,990,151 |
| Other Order Plants | (9,680,100) | (462,126) | (4,753,288) | (5,099,287) |
| Beginning Inventory | (13,076,010) | (947,232) | (19,900,617) | (19,604,030) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (70,746,230) | (2,715,164) | (59,844,202) | (67,241,997) |
| Overage | (4,524) | (3,397) | (112,964) | (11,363) |
| Class IV Producer Milk | 141,150,335 | 14,095,372 | 127,430,930 | 144,033,474 |
| Total Producer Milk -- All Classes | 2,936,390,719 | 113,936,762 | 2,251,110,265 | 3,126,804,700 |

-- 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> | | | | | |
| Mar 2016 | 1.5062 | 1.4991 | 1.5162 | 1.9905 | 0.7522 | 0.2477 | 1.5024 | 1.5009 | 1.5148 | 1.9969 | 0.7504 | 0.2502 |
| Apr | 1.4918 | 1.4899 | 1.5041 | 2.0192 | 0.7307 | 0.2466 | 1.5034 | 1.4926 | 1.5119 | 2.0092 | 0.7298 | 0.2465 |
| May | 1.3907 | 1.4070 | 1.4104 | 2.0580 | 0.7607 | 0.2505 | 1.4300 | 1.4408 | 1.4477 | 2.0632 | 0.7469 | 0.2522 |
| Jun | 1.4015 | 1.4820 | 1.4477 | 2.1623 | 0.7888 | 0.2601 | 1.3963 | 1.4789 | 1.4432 | 2.1359 | 0.7925 | 0.2576 |
| Jul | 1.5871 | 1.6830 | 1.6419 | 2.3155 | 0.8363 | 0.2742 | 1.5721 | 1.6636 | 1.6231 | 2.3245 | 0.8428 | 0.2745 |
| Aug | 1.7556 | 1.8600 | 1.8119 | 2.2254 | 0.8588 | 0.2846 | 1.7156 | 1.8277 | 1.7771 | 2.2173 | 0.8512 | 0.2827 |
| Sep | 1.7578 | 1.7134 | 1.7514 | 2.0775 | 0.8847 | 0.3055 | 1.7781 | 1.7428 | 1.7758 | 2.0892 | 0.8906 | 0.3015 |
| Oct | 1.5893 | 1.5455 | 1.5830 | 1.8637 | 0.9222 | 0.3303 | 1.5965 | 1.5432 | 1.5860 | 1.8849 | 0.9275 | 0.3173 |
| Nov | 1.7769 | 1.7087 | 1.7596 | 1.9092 | 0.9119 | 0.3690 | 1.7799 | 1.7286 | 1.7706 | 1.9142 | 0.9105 | 0.3706 |
| Dec | 1.8382 | 1.7208 | 1.7990 | 2.1000 | 0.9579 | 0.3994 | 1.8600 | 1.7126 | 1.8052 | 2.1016 | 0.9615 | 0.3981 |
| Jan 2017 | 1.7189 | 1.6493 | 1.7011 | 2.2568 | 1.0229 | 0.4421 | 1.7228 | 1.6466 | 1.7027 | 2.2518 | 1.0198 | 0.4322 |
| Feb | 1.7103 | 1.6321 | 1.6871 | 2.1760 | 0.9926 | 0.4894 | 1.7216 | 1.6236 | 1.6889 | 2.1887 | 0.9875 | 0.4876 |
| Mar | 1.5417 | 1.5380 | 1.5551 | 2.1679 | 0.8493 | 0.5239 | 1.5697 | 1.5581 | 1.5793 | 2.1932 | 0.8506 | 0.5235 |
| Apr | | | | | | | 1.4831 | 1.4634 | 1.4884 | 2.1315 | 0.8294 | 0.5315 |

| 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> | | | | | | | | |
| Mar 2016 | 1.9605 | 1.4877 | 1.4530 | 0.7413 | 0.7778 | 0.7473 | 0.2560 | 0.2333 | 0.2625 |
| Apr | 2.0563 | 1.4194 | 1.4231 | 0.7306 | 0.7689 | 0.7260 | 0.2505 | 0.2327 | 0.2508 |
| May | 2.0554 | 1.3174 | 1.3529 | 0.7880 | 0.7828 | 0.7690 | 0.2398 | 0.2454 | 0.2464 |
| Jun | 2.2640 | 1.5005 | 1.5301 | 0.8476 | 0.8184 | 0.8200 | 0.2649 | 0.2569 | 0.2544 |
| Jul | 2.2731 | 1.6613 | 1.7363 | 0.8638 | 0.8824 | 0.8736 | 0.2787 | 0.2903 | 0.2853 |
| Aug | 2.1776 | 1.7826 | 1.8110 | 0.8454 | 0.8732 | 0.8609 | 0.2921 | 0.3046 | 0.3110 |
| Sep | 1.9950 | 1.6224 | 1.5415 | 0.9160 | 0.9089 | 0.9189 | 0.3218 | 0.3293 | 0.3418 |
| Oct | 1.8239 | 1.6035 | 1.5295 | 0.8852 | 0.9361 | 0.9142 | 0.3554 | 0.3402 | 0.3631 |
| Nov | 1.9899 | 1.8775 | 1.7424 | 0.8914 | 0.9268 | 0.8987 | 0.3828 | 0.3558 | 0.3910 |
| Dec | 2.1763 | 1.7335 | 1.6132 | 1.0019 | 0.9874 | 0.9879 | 0.4088 | 0.3782 | 0.4065 |
| Jan 2017 | 2.2393 | 1.6866 | 1.5573 | 1.0043 | 1.0143 | 1.0163 | 0.4519 | 0.4410 | 0.4718 |
| Feb | 2.1534 | 1.6199 | 1.6230 | 0.9000 | 0.9721 | 0.9455 | 0.4896 | 0.4876 | 0.5009 |
| Mar | 2.1392 | 1.4342 | 1.4072 | 0.8080 | 0.8838 | 0.8497 | 0.4898 | 0.4908 | 0.5078 |

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) | |
| Jan 2016 | 16 | 48 | 12 | 11,432 | 3,256 | 9,185 | 9.1 | 3.92 | 3.18 | 5.69 | 198 |
| Feb | 17 | 46 | 11 | 11,225 | 3,101 | 9,525 | 9.2 | 3.90 | 3.15 | 5.73 | 200 |
| Mar | 17 | 46 | 11 | 10,226 | 3,127 | 9,863 | 9.4 | 3.86 | 3.12 | 5.75 | 197 |
| Apr | 17 | 46 | 13 | 10,420 | 3,193 | 10,214 | 8.9 | 3.84 | 3.11 | 5.74 | 194 |
| May | 16 | 46 | 13 | 10,565 | 3,165 | 9,657 | 8.9 | 3.78 | 3.08 | 5.76 | 191 |
| Jun | 16 | 46 | 13 | 10,597 | 3,035 | 9,544 | 8.6 | 3.71 | 3.03 | 5.77 | 208 |
| Jul | 16 | 46 | 14 | 9,941 | 2,713 | 8,799 | 9.5 | 3.67 | 2.98 | 5.77 | 222 |
| Aug | 17 | 50 | 14 | 8,882 | 2,173 | 7,887 | 13.2 | 3.67 | 3.00 | 5.75 | 234 |
| Sep | 17 | 50 | 14 | 9,465 | 2,313 | 8,140 | 12.6 | 3.77 | 3.08 | 5.77 | 224 |
| Oct | 17 | 50 | 13 | 10,132 | 2,771 | 8,820 | 10.2 | 3.87 | 3.16 | 5.72 | 206 |
| Nov | 17 | 50 | 14 | 8,336 | 1,862 | 7,439 | 15.7 | 3.88 | 3.18 | 5.72 | 194 |
| Dec | 18 | 50 | 14 | 8,464 | 2,109 | 8,034 | 14.5 | 3.95 | 3.21 | 5.72 | 193 |
| Jan 2017 | 17 | 50 | 14 | 9,166 | 2,543 | 8,941 | 11.4 | 3.91 | 3.17 | 5.75 | 193 |
| Feb | 15 | 49 | 12 | | 2,251 | | 11.5 | 3.86 | 3.13 | 5.75 | 190 |
| Mar | 17 | 48 | 12 | | 2,936 | | 9.9 | 3.88 | 3.14 | 5.75 | 190 |

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> |
| May 2016 | 2.2255 | 6.12 | 13.70 | 2.2435 | 7.92 | 15.50 | 2.2916 | 0.6344 | 5.71 | 13.53 |
| Jun | 2.2908 | 5.31 | 13.14 | 2.3088 | 7.11 | 14.94 | 2.4179 | 0.6511 | 5.86 | 14.12 |
| Jul | 2.3789 | 5.57 | 13.70 | 2.3969 | 7.37 | 15.50 | 2.6034 | 0.6967 | 6.27 | 15.16 |
| Aug | 2.6073 | 6.16 | 15.07 | 2.6253 | 7.96 | 16.87 | 2.4943 | 0.7456 | 6.71 | 15.21 |
| Sep | 2.4775 | 8.17 | 16.56 | 2.4955 | 9.97 | 18.36 | 2.3152 | 0.7544 | 6.79 | 14.66 |
| Oct | 2.3223 | 8.78 | 16.60 | 2.3403 | 10.58 | 18.40 | 2.0563 | 0.7933 | 7.14 | 14.09 |
| Nov | 2.0749 | 7.79 | 14.78 | 2.0929 | 9.59 | 16.58 | 2.1114 | 0.8300 | 7.47 | 14.60 |
| Dec | 2.1104 | 9.84 | 16.88 | 2.1284 | 11.64 | 18.68 | 2.3424 | 0.8133 | 7.32 | 15.26 |
| Jan 2017 | 2.3374 | 9.61 | 17.45 | 2.3554 | 11.41 | 19.25 | 2.5323 | 0.8633 | 7.77 | 16.36 |
| Feb | 2.5192 | 8.20 | 16.73 | 2.5372 | 10.00 | 18.53 | 2.4344 | 0.9211 | 8.29 | 16.52 |
| Mar | 2.4428 | 8.65 | 16.90 | 2.4608 | 10.45 | 18.70 | 2.4246 | 0.8889 | 8.00 | 16.21 |
| Apr | 2.4483 | 7.75 | 16.05 | 2.4663 | 9.55 | 17.85 | | 0.7533 | 6.78 | |
| May | 2.3736 | 7.14 | 15.20 | 2.3916 | 8.94 | 17.00 | | 0.7333 | 6.60 | |

| 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 2016 | 2.2028 | 1.9206 | 0.0501 | 6.25 | 13.74 | 2.2028 | 0.5786 | 5.21 | 12.74 |
| Apr | 2.2376 | 1.8450 | 0.0489 | 6.01 | 13.63 | 2.2376 | 0.5573 | 5.02 | 12.68 |
| May | 2.2846 | 1.4935 | 0.0529 | 4.94 | 12.76 | 2.2846 | 0.5870 | 5.28 | 13.09 |
| Jun | 2.4109 | 1.4807 | 0.0628 | 4.96 | 13.22 | 2.4109 | 0.6148 | 5.53 | 13.77 |
| Jul | 2.5964 | 1.9112 | 0.0774 | 6.38 | 15.24 | 2.5964 | 0.6618 | 5.96 | 14.84 |
| Aug | 2.4873 | 2.5738 | 0.0881 | 8.50 | 16.91 | 2.4873 | 0.6841 | 6.16 | 14.65 |
| Sep | 2.3082 | 2.5675 | 0.1096 | 8.61 | 16.39 | 2.3082 | 0.7097 | 6.39 | 14.25 |
| Oct | 2.0493 | 2.2975 | 0.1351 | 7.92 | 14.82 | 2.0493 | 0.7469 | 6.72 | 13.66 |
| Nov | 2.1044 | 2.8085 | 0.1750 | 9.74 | 16.76 | 2.1044 | 0.7367 | 6.63 | 13.76 |
| Dec | 2.3354 | 2.6922 | 0.2063 | 9.56 | 17.40 | 2.3354 | 0.7822 | 7.04 | 14.97 |
| Jan 2017 | 2.5253 | 2.1768 | 0.2503 | 8.22 | 16.77 | 2.5253 | 0.8465 | 7.62 | 16.19 |
| Feb | 2.4274 | 2.2348 | 0.2990 | 8.69 | 16.88 | 2.4274 | 0.8166 | 7.35 | 15.59 |
| Mar | 2.4176 | 1.8198 | 0.3345 | 7.61 | 15.81 | 2.4176 | 0.6747 | 6.07 | 14.32 |

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 2016 | 0.23 | 13.95 | 2.3062 | 1.8169 | 0.0371 | 0.00076 | 16.22 |
| Feb | 0.19 | 13.99 | 2.3778 | 1.7389 | 0.0492 | 0.00076 | 16.09 |
| Mar | 0.10 | 13.84 | 2.2028 | 1.9206 | 0.0501 | 0.00076 | 15.79 |
| Apr | 0.15 | 13.78 | 2.2376 | 1.8450 | 0.0489 | 0.00075 | 15.58 |
| May | 0.32 | 13.08 | 2.2846 | 1.4935 | 0.0529 | 0.00071 | 14.80 |
| Jun | 0.24 | 13.46 | 2.4109 | 1.4807 | 0.0628 | 0.00072 | 15.08 |
| Jul | 0.10 | 15.34 | 2.5964 | 1.9112 | 0.0774 | 0.00082 | 16.75 |
| Aug | (0.25) | 16.66 | 2.4873 | 2.5738 | 0.0881 | 0.00091 | 18.00 |
| Sep | (0.02) | 16.37 | 2.3082 | 2.5675 | 0.1096 | 0.00088 | 18.05 |
| Oct | 0.19 | 15.01 | 2.0493 | 2.2975 | 0.1351 | 0.00079 | 17.21 |
| Nov | (0.52) | 16.24 | 2.1044 | 2.8085 | 0.1750 | 0.00088 | 18.69 |
| Dec | (0.19) | 17.21 | 2.3354 | 2.6922 | 0.2063 | 0.00090 | 19.76 |
| Jan 2017 | 0.22 | 16.99 | 2.5253 | 2.1768 | 0.2503 | 0.00085 | 19.45 |
| Feb | 0.06 | 16.94 | 2.4274 | 2.2348 | 0.2990 | 0.00084 | 19.09 |
| Mar | 0.24 | 16.05 | 2.4176 | 1.8198 | 0.3345 | 0.00078 | |

Address Service Requested

Summary of Federal Order Data - March 2017

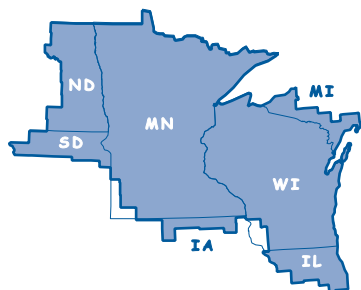
| Federal Order Number / Name | Producer Deliveries <i>— Thousand Pounds —</i> | Class I Producer Receipts | Class I Utilization <i>Percent</i> | Class I Price <i>— Dollars per Cwt. —</i> | Producer Price Differential | Uniform or Statistical Uniform Price at 3.5% Butterfat | | |
|--------------------------------------|---------------------------------------------------|---------------------------|---------------------------------------|----------------------------------------------|-----------------------------|--------------------------------------------------------|---------------------------------------------------|---------------------------|
| | | | | | | FOB Market | FOB Cook Cty. Illinois <i>Dollars per Cwt.</i> | Change From Previous Year |
| 1 Northeast | 2,396,030 | 768,340 | 32.1 | \$ 20.15 | \$1.49 | \$ 17.30 | \$ 15.85 | \$2.49 |
| 5 Appalachian | 502,706 | 350,666 | 69.8 | 20.30 | n/a | 19.06 | 17.46 | 3.19 |
| 6 Florida | 235,520 | 196,479 | 83.4 | 22.30 | n/a | 21.28 | 17.68 | 3.22 |
| 7 Southeast | 513,245 | 334,819 | 65.2 | 20.70 | n/a | 19.15 | 17.15 | 2.93 |
| 30 Upper Midwest | 2,936,391 | 292,022 | 9.9 | 18.70 | 0.24 | 16.05 | 16.05 | 2.21 |
| 32 Central | 1,495,368 | 428,502 | 28.7 | 18.90 | 0.43 | 16.24 | 16.04 | 2.37 |
| 33 Mideast | 1,855,738 | 565,994 | 30.5 | 18.90 | 0.62 | 16.43 | 16.23 | 2.46 |
| 124 Pacific Northwest | 619,178 | 164,649 | 26.6 | 18.80 | 0.12 | 15.93 | 15.83 | 2.26 |
| 126 Southwest | 1,239,413 | 363,401 | 29.3 | 19.90 | 1.19 | 17.00 | 15.80 | 2.28 |
| 131 Arizona | 458,012 | 111,454 | 24.3 | 19.25 | n/a | 16.02 | 15.47 | 2.18 |
| All Market Average or Total * | 12,251,601 | 3,576,325 | 29.2 | | | | | |

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

