



UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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Secretary Vilsack Announces Members of the Dairy Industry Advisory Committee

Agriculture Secretary Tom Vilsack recently announced the appointment of 17 members to a federal Dairy Industry Advisory Committee. Over the next two years, the committee will review the issues of farm milk price volatility, dairy farmer profitability and consolidation, and offer suggestions on ways USDA can best address the needs of a struggling dairy industry. Representatives will include: producers and producer organizations, processors and processor organizations, handlers, consumers, academia, retailers, and state agencies involved in organic and non-organic dairy at the local, regional, national, and international levels.

USDA has worked tirelessly to assist dairy farmers during these tough times," said Vilsack. "We've increased support prices under the Dairy Product Price Support Program, reactivated the Dairy Export Incentive Program, and bought 200 million pounds of nonfat dry milk for federal feeding programs. This committee, whose members come from all aspects of the dairy industry, will work to find long term solutions to assist this struggling industry."

Producer members appointed to the committee are: Erick Coolidge (Pa.), Timothy den Dulk (Mich.), Debora Erb (N.H.), James Goodman (Wis.), James Krahn, (Ore.), Edward Maltby (Mass.), Manuel Souza (Calif.), Ed Welch (Minn.), and James Williams (Ga.).

Representatives from the processing industry include: Jay Bryant (Va.), Patricia Stroup (Calif.), Sue Taylor (Colo.), and Robert Wills (Wis.).

Members representing state government, retail, academia, and consumers are: Rodney Nilsestuen (Wis.), Robert Schupper (Pa.), Andrew Novakovic (N.Y.), and Paul Bourbeau (Vt.).

All members will serve two-year terms, beginning in January 2010, and expiring January 1, 2012. The committee was expanded this year from 15 members to 17 and will hold its first meeting in early 2010. The meeting will be open to the public, and USDA encourages public participation. For additional information, check the Dairy Industry Advisory Committee website, www.ams.usda.gov/dairyadvisorycommittee.

Pool Summary

- In December, producer milk totaled 2.7 billion pounds, up 277 million pounds from November, and 381 million pounds above December 2008.
- Class I utilization totaled 391 million pounds, up 4% on a daily basis from November. Class I usage accounted for 14.5% of producer milk.
- Class III utilization totaled 2.1 billion pounds and accounted for 77.5% of producer milk.
- The December Producer Price Differential (PPD) is \$0.08 per cwt.
- The Statistical Uniform Price is \$15.06 per cwt., up \$0.94 from November, and \$0.02 above December 2008.
- Market statistics for December are shown on Pages 4 and 5.

December 2009 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	14.5	391,439,646	15.79
Class II	5.2	141,451,816	14.25
Class III	77.5	2,090,722,642	14.98
Class IV	2.8	75,029,666	15.01
Total		2,698,643,770	

Utilization and Classification for 2008 and 2009

	2008 Annual		2009 Annual		Change in Product Pounds	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds	1,000 Pounds*	Percent
Class I Utilization:						
Packaged Disposition						
Milk	628,548,881	20,128,235	620,980,548	19,741,733	(7,568)	(1.2)
Flavored Milk	49,151,545	1,525,175	42,702,323	1,316,932	(6,449)	(13.1)
Reduced Fat Milk	1,727,725,943	32,838,387	1,707,187,247	32,352,485	(20,539)	(1.2)
Lowfat Milk	601,952,530	5,807,986	626,701,195	5,995,971	24,749	4.1
Fat Free Milk	1,067,878,267	1,136,983	1,050,178,927	1,120,935	(17,699)	(1.7)
Flavored Reduced and Fat Free Milk	349,453,983	3,077,632	367,818,312	3,243,406	18,364	5.3
Buttermilk	28,938,306	300,769	30,733,335	314,742	1,795	6.2
Total Packaged Disposition	4,453,649,455	64,815,167	4,446,301,887	64,086,204	(7,348)	(0.2)
Total Ending Inventory	372,606,043	5,526,547	384,238,264	5,611,008	11,632	
Bulk to Nonpool Plants	18,388,738	335,323	7,803,945	156,211	(10,585)	
Shrinkage	22,614,547	1,608,245	22,620,024	1,714,198	5	
Total Class I Utilization	4,867,258,783	72,285,282	4,860,964,120	71,567,621	(6,295)	(0.1)
Other Order Plants	(41,782,876)	(812,869)	(45,899,218)	(768,716)	(4,116)	
Beginning Inventory	(372,431,222)	(5,484,223)	(382,613,509)	(5,585,180)	(10,182)	
Reused Products	0	0	0	0	0	
Other Source Milk	(8,838,915)	(180,487)	(6,337,815)	(128,124)	2,501	
Overage	(6)	(4)	(1,021)	--	(1)	
Interhandler Adjustment	520,650	13,940	(4,215,049)	(77,463)	(4,736)	
Class I Producer Milk	4,444,726,414	65,821,639	4,421,897,508	65,008,138	(22,829)	(0.5)
Class II Utilization:						
Total Class II Utilization	1,479,128,118	116,731,399	1,493,481,847	111,233,452	14,354	1.0
Other Order Plants	(14,532,480)	(368,720)	(3,610,465)	(52,189)	10,922	
Beginning Inventory	(34,778,651)	(1,556,914)	(23,969,782)	(1,280,628)	10,809	
Reused Products	(112,424,664)	(753,855)	(111,419,350)	(88,869)	1,005	
Other Source Milk	(5,599,380)	(5,098,623)	(2,551,514)	(2,383,361)	3,048	
Overage	(1,604,500)	(70,084)	(627,509)	0	977	
Class II Producer Milk	1,310,188,443	108,883,203	1,351,303,227	107,428,405	41,115	3.1
Class III Utilization:						
Total Class III Utilization	21,503,402,473	775,396,193	25,829,111,514	935,773,901	4,325,709	20.1
Other Order Plants	(33,456,801)	(621,813)	(21,976,385)	(505,705)	11,480	
Beginning Inventory	(25,690,015)	(726,926)	(39,249,730)	(733,686)	(13,560)	
Reused Products	0	0	0	0	0	
Other Source Milk	(24,119,319)	(522,075)	(19,756,451)	(507,166)	4,363	
Overage	(1,419,466)	(76,946)	(1,170,137)	(77,047)	249	
Class III Producer Milk	21,418,716,872	773,448,433	25,746,958,811	933,950,297	4,328,242	20.2
Class IV Utilization:						
Total Class IV Utilization	1,531,586,857	125,713,134	1,197,011,687	109,029,022	(334,575)	(21.8)
Other Order Plants	(58,629,239)	(2,893,529)	(31,135,295)	(1,503,686)	27,494	
Beginning Inventory	(197,477,947)	(11,354,499)	(176,968,701)	(10,957,042)	20,509	
Reused Products	--	0	0	0	--	
Other Source Milk	(407,588,645)	(15,829,550)	(324,581,263)	(10,958,349)	83,007	
Overage	(911,017)	(142,098)	(553,999)	(89,340)	357	
Class IV Producer Milk	866,980,009	95,493,458	663,772,429	85,520,605	(203,208)	(23.4)
Total Producer Milk -- All Classes	28,040,611,738	1,043,646,733	32,183,931,975	1,191,907,445	4,143,320	14.8

* May not add due to rounding.

-- Restricted Information

2009 Annual Utilization and Classification

Annual utilization and classification for 2008 and 2009 are summarized and compared in the table on Page 2. The annual numbers represent the sum of monthly data.

Class I Utilization - Class I producer milk in 2009 was 4.42 billion pounds, down 0.5% from 2008. Class I use includes milk sold to consumers in fluid form.

Total Class I packaged disposition fell 0.2% during 2009. Decreases in disposition of milk, flavored milk, reduced fat milk, and fat free milk more than offset the increases in disposition of lowfat milk, flavored reduced and fat free milk, and buttermilk.

Most packaged sales of milk continue to be reduced fat milk, accounting for 38.4% of total packaged sales, followed by fat free milk at 23.6%, low fat milk at 14.1%, and whole milk at 14.0%. Other categories combined made up the remaining 9.9% of packaged sales.

Class I use in 2009 accounted for 13.7% of total producer milk (as shown in Figure 1), down from 15.8% in 2008. The 2009 percentage of Class I utilization is the lowest in this market since market reform in 2000.

Class II Utilization - Class II producer milk in 2009 totaled 1.35 bil-

lion pounds, up 41 million pounds or 3.1% from 2008. Class II use primarily includes fluid cream products, ice cream, cottage cheese, and yogurt. Class II producer milk accounted for 4.2% of total producer milk during the year.

Class III Utilization - Class III producer milk in 2009 was 25.7 billion pounds, up 4.3 billion pounds or 20.2% from 2008. Class III utilization primarily includes milk used for the manufacture of hard cheeses, and accounted for 80.0% of producer milk. This is the highest annual Class III utilization in this market since market reform.

Class IV Utilization - Class IV utilization in 2009 totaled 664 million pounds, down 203 million pounds or 23.4% from 2008. Class IV includes butter and all dried milk products, and accounted for 2.1% of producer milk.

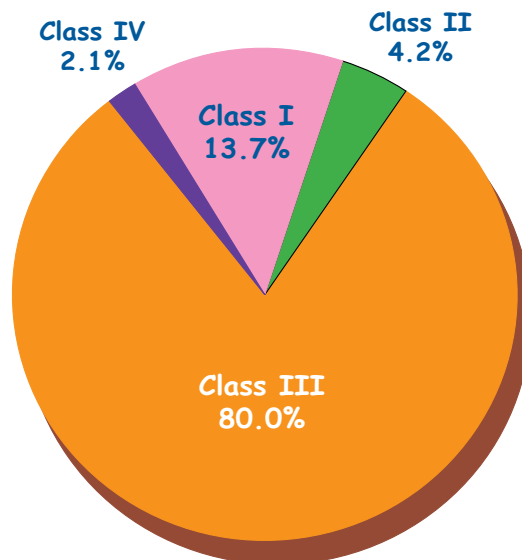
Producer Milk - Total producer milk in 2009 was 32.2 billion pounds, which exceeded the

record set in this market in 2008 by 4.1 billion pounds or 14.8%. This significant increase in total producer milk was fully absorbed by the increase in Class III utilization.

Average component levels of producer milk for the year were:

- Butterfat - 3.70%
- Protein - 3.03%
- Other Solids - 5.73%
- Nonfat Solids - 8.76%

**Figure 1
Utilization by Class--2009**



Upper Midwest Pool Statistics - December 2009

Market Class I Differential Rate	Pool Plants	Received at Pool Plants	Diverted to		Location Adjustment to Producers	Class I Differential to Handlers	
			Pool and Nonpool Plants	Total		Pounds	Value
<i>Cwt.</i>	<i>Number</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Value</i>	<i>Pounds</i>	<i>Value</i>
\$1.80	5	88,192,302	31,038,311	119,230,613	\$ 0	85,920,439	\$ 1,546,568
\$1.75	39	191,926,231	1,093,390,560	1,285,316,791	642,658	159,322,903	2,788,151
\$1.70	30	189,473,574	1,036,063,193	1,225,536,767	1,225,537	124,758,528	2,120,895
\$1.65	5	23,893,767	44,665,832	68,559,599	88,350	21,437,776	353,723
Total	79	493,485,874	2,205,157,896	2,698,643,770	\$ 1,956,545	391,439,646	\$ 6,809,337

Computation of Producer Price Differential-December 2009

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
Class I					
Differential Value					\$ 6,809,337.05
Product	14.5%	391,439,646			
Skim Milk			385,430,582	\$ 9.3100	35,883,587.19
Butterfat			6,009,064	1.4310	8,598,970.59
Class II					
Product	5.2%	141,451,816			
Nonfat Solids			12,116,564	1.0156	12,305,582.42
Butterfat			9,592,320	1.5503	14,870,973.69
Class III					
Product	77.5%	2,090,722,642			
Protein			64,899,210	2.8751	186,591,718.66
Other Solids			119,812,800	0.1727	20,691,670.59
Butterfat			77,254,119	1.5433	119,226,281.88
Class IV					
Product	2.8%	75,029,666			
Nonfat Solids			6,064,680	1.1068	6,712,387.81
Butterfat			9,285,396	1.5433	14,330,151.65
SCC Adjustment (Class II, III, and IV)					1,987,726.37
Total Producer Milk *		2,698,643,770			\$428,008,387.90
Add:					
Overage					33,604.78
Inventory Reclassified					169,653.44
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					54,348.61
Assembly Credit					312,706.55
Credit for Reconstituted FMP					0.00
Producer Milk Protein					240,753,720.79
Producer Milk Other Solids					26,667,818.84
Producer Milk Butterfat					157,634,049.37
Producer Milk SCC Adjustment					2,338,139.04
Total Milk and Value		2,698,643,770			\$ 450,862.92
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					1,956,545.48
One-Half Unobligated Balance Producer Settlement Fund					954,133.02
Total Value				0.124564	\$ 3,361,541.42
Subtract:					
Producer Settlement Fund Reserve				0.044564	1,202,626.40
Producer Price Differential **				\$0.08	\$ 2,158,915.02

* An estimated 242 million pounds of milk was not pooled.

** Producer Price Differential is dollars per cwt. at the Base Zone of Cook County, Illinois.



Utilization and Classification of Milk

	December 2009		November 2009	December 2008
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition				
Milk	54,118,168	1,725,242	49,377,770	56,503,978
Flavored Milk	3,293,252	111,823	3,306,610	3,766,427
Reduced Fat Milk	148,869,934	2,847,847	138,251,741	154,801,822
Lowfat Milk	56,710,718	543,718	53,869,372	53,253,324
Fat Free Milk	90,386,638	95,199	85,394,317	92,518,942
Flavored Reduced and Fat Free Milk	35,074,028	475,245	34,569,498	34,260,228
Buttermilk	2,793,907	28,715	2,661,960	2,627,565
Total Packaged Disposition	391,246,645	5,827,789	367,431,268	397,732,286
Total Ending Inventory	35,577,359	515,513	31,996,707	32,552,832
Bulk to Nonpool Plants	193,362	3,673	1,201,248	1,135,640
Shrinkage	2,019,756	242,317	2,123,750	2,105,230
Total Class I Utilization	429,037,122	6,589,292	402,752,973	433,525,988
Other Order Plants	(3,726,092)	(63,962)	(3,552,673)	(4,446,143)
Beginning Inventory	(32,321,152)	(487,433)	(34,135,922)	(34,362,741)
Reused Products	0	0	0	0
Other Source Milk	0	0	(163,588)	(1,085,156)
Overage	0	0	0	0
Interhandler Adjustment	(1,550,232)	(28,833)	(1,011,043)	(20,288)
Class I Producer Milk	391,439,646	6,009,064	363,889,747	393,611,660
Class II Utilization:				
Total Class II Utilization	158,987,939	10,272,094	160,241,249	114,805,811
Other Order Plants	--	--	0	--
Beginning Inventory	(7,328,173)	(295,159)	(70,056)	(4,563,526)
Reused Products	(9,684,139)	(13,053)	(5,670,822)	(8,529,963)
Other Source Milk	(523,811)	(371,562)	0	(331,245)
Overage	--	--	--	--
Class II Producer Milk	141,451,816	9,592,320	154,500,371	101,381,077
Class III Utilization:				
Total Class III Utilization	2,098,217,183	77,378,810	1,848,679,524	1,750,175,550
Other Order Plants	--	--	(199,962)	(609,489)
Beginning Inventory	(5,824,868)	(74,776)	(640,448)	(4,309,764)
Reused Products	0	0	0	0
Other Source Milk	(1,636,403)	(43,710)	(860,667)	(1,678,471)
Overage	(33,270)	(6,205)	(56,090)	(50,539)
Class III Producer Milk	2,090,722,642	77,254,119	1,846,922,357	1,743,527,287
Class IV Utilization:				
Total Class IV Utilization	120,976,273	11,590,516	103,473,491	132,556,228
Other Order Plants	(4,286,357)	(162,052)	(3,568,224)	(1,917,310)
Beginning Inventory	(14,376,870)	(1,080,447)	(14,250,556)	(23,280,314)
Reused Products	0	0	0	0
Other Source Milk	(27,248,168)	(1,055,628)	(29,126,289)	(27,753,008)
Overage	(35,212)	(6,993)	(80,021)	(45,949)
Class IV Producer Milk	75,029,666	9,285,396	56,448,401	79,559,647
Total Producer Milk -- All Classes	2,698,643,770	102,140,899	2,421,760,876	2,318,079,671

-- Restricted Information

Commodity Prices

Month/Year	Weighted Monthly Average NASS Prices *						Weighted Two-Week Average NASS Prices *					
	Cheddar Cheese			Nonfat			Cheddar Cheese			Nonfat		
	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey
	<i>Dollars per Pound</i>						<i>Dollars per Pound</i>					
Dec 2008	1.7355	1.7447	1.7544	1.2448	0.8425	0.1730	1.7615	1.8048	1.7989	1.3262	0.8460	0.1716
Jan 2009	1.2906	1.2728	1.2961	1.0868	0.8318	0.1696	1.2806	1.2700	1.2895	1.0914	0.8333	0.1701
Feb	1.1239	1.1495	1.1518	1.0750	0.8215	0.1567	1.1171	1.1342	1.1414	1.0731	0.8195	0.1545
Mar	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

Month/Year	Chicago Mercantile Exchange							
	Butter	Cheddar Cheese		Nonfat Dry Milk (Low/Medium Heat)		Whey Powder		
	Grade AA	Blocks	Barrels	Central & East	West	Central	West	
	<i>Dollars per Pound</i>							
Dec 2008	1.2007	1.5132	1.5295	0.8907	0.8424	0.1754	0.1456	
Jan 2009	1.1096	1.0833	1.0832	0.8584	0.8161	0.1638	0.1466	
Feb	1.1097	1.2171	1.1993	0.8574	0.8007	0.1601	0.1627	
Mar	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	

Market Statistics

Month/Year	Distributing Plants	Supply Plants	Coop .9(c) Handlers	Producers	Total Producer Milk	Est. Average Daily Delivery Per Producer	Class I Utilization	Butterfat Test	Protein Test	Other Solids Test	Weighted Average SCC
					Mil. lbs.	Pounds	Percent	Percent	Percent	Percent	
										(000)	
Dec 2008	26	53	13	15,061	2,318	5,416	17.0	3.83	3.11	5.71	259
Jan 2009	26	53	12	16,118	2,751	5,499	14.1	3.81	3.09	5.71	272
Feb	24	54	12	16,197	2,488	5,507	14.3	3.76	3.06	5.73	277
Mar	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		2,422		15.0	3.77	3.09	5.72	243
Dec	25	54	12		2,699		14.5	3.78	3.10	5.72	242

* NASS = National Agricultural Statistics Service, USDA.

Class Prices

Month/Year	Class I Price Mover			Class I Price at Cook County, IL			Class II Price			
	Butterfat	Skim Milk	3.50%	Butterfat	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Dec 2008	1.7925	9.49	15.43	1.8105	11.29	17.23	1.3068	0.7644	6.88	11.21
Jan 2009	1.3983	11.24	15.74	1.4163	13.04	17.54	1.1154	0.7489	6.74	10.41
Feb	1.1140	7.07	10.72	1.1320	8.87	12.52	1.1011	0.7367	6.63	10.25
Mar	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		1.1689	10.52	

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>
Dec 2008	1.2998	3.6390	(0.0269)	11.12	15.28	1.2998	0.6680	6.01	10.35
Jan 2009	1.1084	2.3638	(0.0304)	7.15	10.78	1.1084	0.6574	5.92	9.59
Feb	1.0941	1.9139	(0.0437)	5.68	9.31	1.0941	0.6472	5.82	9.45
Mar	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

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 2008	(0.04)	17.02	1.8507	3.5490	(0.0047)	0.00095	18.47
Nov	0.34	15.85	1.7730	3.1301	(0.0099)	0.00088	17.48
Dec	(0.24)	15.04	1.2998	3.6390	(0.0269)	0.00088	16.50
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	
Nov	0.04	14.12	1.4656	2.6991	0.1524	0.00076	
Dec	0.08	15.06	1.5433	2.8751	0.1727	0.00080	

* Revised

FIRST-CLASS MAIL
 U.S. POSTAGE PAID
 HOPKINS, MN
 PERMIT NO. 586

Address Service Requested

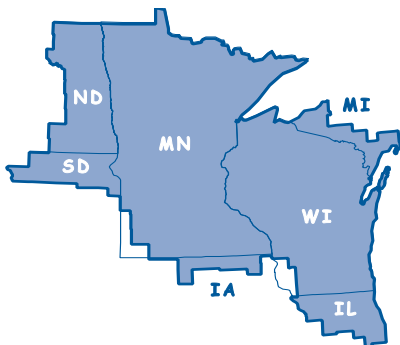
Summary of Federal Order Data - December 2009

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts <i>— Thousand Pounds —</i>	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market	FOB Cook Cty. Illinois <i>Dollars per Cwt.</i>	Change From Previous Year
1 Northeast	1,912,139	904,160	47.3	\$ 17.24	\$ 1.13	\$ 16.11	\$ 14.66	\$ 1.05
5 Appalachian	504,544	363,064	72.0	17.39	n/a	16.99	15.39	0.76
6 Florida	254,431	222,997	87.6	19.39	n/a	18.99	15.39	0.11
7 Southeast	615,755	413,012	67.1	17.79	n/a	17.23	15.23	0.38
30 Upper Midwest	2,698,644	391,440	14.5	15.79	0.08	15.06	15.06	0.02
32 Central	971,272	381,493	39.3	15.99	(0.02)	14.96	14.76	1.33
33 Mideast	1,390,620	606,113	43.6	15.99	0.14	15.12	14.92	0.70
124 Pacific Northwest	618,634	200,657	32.4	15.89	0.07	15.05	14.95	2.05
126 Southwest	900,856	370,466	41.1	16.99	1.02	16.00	14.80	1.25
131 Arizona	345,769	123,368	35.7	16.34	n/a	15.50	14.95	1.53
All Market Average or Total *	10,212,665	3,976,770	38.9					

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

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