



UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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Inside This Issue:

CME Commodity Price Update 3

Computation of Producer Price Differential 4

Utilization and Classification..... 5

Commodity Prices and Market Statistics 6

Class Prices and Producer Prices 7

H. Paul Kyburz to Retire as Market Administrator

H. Paul Kyburz has announced his retirement as Market Administrator for the Upper Midwest Marketing Area effective October 2, 2015, having completed over 42 years of service to the Federal milk order program.

Mr. Kyburz began his Federal order career in June 1973 as a Marketing Specialist with the Minneapolis Market Administrator’s office which at that time administered the former Minneapolis-St. Paul and Minnesota-North Dakota Orders. In 1976, those two markets were merged with two other orders, plus some previously unregulated areas, to form the Upper Midwest Order, Federal Order 68. After serving in several capacities with the Upper Midwest

Order (FO 68), Mr. Kyburz became Assistant Market Administrator for that order in 1990 and Market Administrator in 1993.

In 2000, Mr. Kyburz became Market Administrator for the current Upper Midwest Order, Federal Order 30, which resulted from the consolidation of the former Upper Midwest Order (FO 68) and former Chicago Regional Order (FO 30). He has been serving in that position since that time.

The Market Administrator staff commends Mr. Kyburz for his many years of dedicated service to the Federal milk order program and wishes him and his wife Sheilah the best of luck in retirement.



Staff Paper Released

The Upper Midwest Order released a staff paper in August 2015 prepared by Dr. Corey Freije, an agricultural economist with the Upper Midwest Order.

Staff Paper 15-01 entitled “*Analysis of Component Levels and Somatic Cell Count in Individual Herd Milk at the Farm Level - 2014*” has been published on our website at:

www.fmma30.com/Homepage/FO30_STAFF_PAPERS.htm.

A paper copy of the study can be obtained by calling Dr. Freije, toll free, at (888) 301-8224, Ext. 226.

Data on the butterfat, protein, other solids and solids-not-fat (SNF) levels and somatic cell count (SCC) were examined for producer milk

Continued on Page 2

Pool Summary

- In August, producer milk totaled 2.0 billion pounds, up 149 million pounds from July, but 898 million pounds below August 2014.
- Class I utilization totaled 279 million pounds, down 0.1% from July on a daily basis. Class I usage accounted for 13.9% of producer milk.
- Class III utilization totaled 1.4 billion pounds and accounted for 71.4% of producer milk.
- The August Producer Price Differential (PPD) was \$(0.02) per cwt.
- The Statistical Uniform Price was \$16.25 per cwt., down \$0.10 from July, and \$6.48 below August 2014.
- Market statistics for August are shown on Pages 3, 4, and 5.

August 2015 Producer Milk by Class

| | Percent | Product Pounds | Price \$/cwt. |
|--------------|---------|----------------------|---------------|
| Class I | 13.9 | 278,536,253 | 18.08 |
| Class II | 9.2 | 185,412,594 | 14.54 |
| Class III | 71.4 | 1,437,497,253 | 16.27 |
| Class IV | 5.5 | 111,081,883 | 12.90 |
| Total | | 2,012,527,983 | |

Continued from Page 1

associated with the Upper Midwest Order during 2014.

Results from the analyses include: market and state averages and seasonal variation in component levels and SCC, and statistical relationships among the four components in individual herd milk at the farm level.

Major Findings

- 1) Weighted average component levels and SCC for 2014 were 3.80% butterfat, 3.11% protein, 5.73% other solids, 8.84% SNF and 222,000 SCC.
- 2) For 2014, weighted average butterfat levels and protein levels were lowest in June and July, respectively, and highest in November, while other solids levels were lowest in March and highest in June. The monthly weighted average butterfat and protein tests ranged from 3.67% to 3.92% and from 3.01% to

3.20%, respectively. Other solids only ranged between 5.70% and 5.76%. Weighted average SCC were lowest in the November and highest in July, ranging between 191,000 and 252,000.

- 3) Butterfat and protein tests were on average lower with larger producers, while other solids and solids-not-fat tests tended to be higher with larger producers. Larger producers, on average, also tended to have lower somatic cell counts than their smaller counterparts.
- 4) In 2014, the range of weighted average component levels within one standard deviation of the weighted average was: 3.49% to 4.11% for butterfat; 2.94% to 3.28% for protein; 5.65% to 5.81% for other solids; 8.66% to 9.02% for SNF; and 117,000 to 327,000 for SCC.
- 5) Within the paper, weighted average Somatic Cell Count was examined

from the years 2002 through 2014. It is notable that there is a seasonal pattern of higher levels in the summer, and lower levels in the fall and winter. Furthermore, there is a general trend of lower highs and lower lows. Seasonal high levels of SCC for 2010 and beyond are lower than the seasonal low was in 2002. Somatic cell counts under the Upper Midwest Order have shown a sustained and substantial downward trend between 2002 and 2014, with the annual weighted averages dropping from 326,000 in 2002 to 222,000 in 2014.

- 6) The annual weighted average value of butterfat, protein, and other solids, adjusted for SCC, was \$23.65 per cwt. for the market in 2014. Butterfat and Protein were the most valuable components, contributing more than 88% of the total value between them.

Weighted Average Levels of Selected Components and Somatic Cell Count in Milk by Month 2014

| Month | Butterfat | Protein | Other Solids | Solids Not-Fat | Somatic Cell Count |
|----------------|-----------|---------|--------------|----------------|--------------------|
| | - % - | - % - | - % - | - % - | - 1,000 - |
| January | 3.89 | 3.18 | 5.71 | 8.89 | 224 |
| February | 3.87 | 3.17 | 5.71 | 8.88 | 228 |
| March | 3.84 | 3.15 | 5.70 | 8.85 | 224 |
| April | 3.79 | 3.10 | 5.71 | 8.81 | 212 |
| May | 3.74 | 3.07 | 5.72 | 8.80 | 211 |
| June | 3.67 | 3.02 | 5.76 | 8.77 | 234 |
| July | 3.68 | 3.01 | 5.74 | 8.75 | 252 |
| August | 3.71 | 3.03 | 5.75 | 8.78 | 249 |
| September | 3.77 | 3.10 | 5.74 | 8.84 | 236 |
| October | 3.86 | 3.16 | 5.75 | 8.90 | 199 |
| November | 3.92 | 3.20 | 5.73 | 8.93 | 191 |
| December | 3.88 | 3.18 | 5.74 | 8.92 | 198 |
| Minimum | 3.67 | 3.01 | 5.70 | 8.75 | 191 |
| Maximum | 3.92 | 3.20 | 5.76 | 8.93 | 252 |
| Annual Average | 3.80 | 3.11 | 5.73 | 8.84 | 222 |

CME and Class III Price Update

Cheese prices on the Chicago Mercantile Exchange (CME) remain well below last year's levels, but have been very stable, rising gradually since initially falling below \$1.50 last December. The nonfat dry milk (NFD) price was up noticeably over the last month. The butter price was up more significantly, eclipsing the \$2.50 price level for the first time since October 2014.

Over a longer view, butter prices have been relatively high the last two years. The daily CME price of butter has not been below \$1.50 per pound since the fall of 2013. This is due largely to high butter demand from the food service industry. When butter production is increased to meet this higher demand, NFD production is also increased solely to use or store the skim milk not used in butter. This creates a surplus of NFD which drives down the NFD

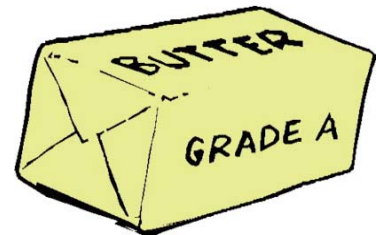
price, and helps explain the significant price difference between butter and NFD.

On September 15, the CME barrel cheddar cheese price closed at \$1.55 per pound, down 14³/₄¢ from August 14 and 81¢ below a year earlier. The 40-pound block price of \$1.69¹/₂ on September 15 was up ¹/₄¢ from August 14, but 67¹/₄¢ below a year ago. The CME butter price closed at \$2.59¹/₂ per pound on September 15, up 53¢ from last month, but 40¹/₄¢ below last September. On September 15, the Grade A NFD price was up 20³/₄¢ from last month to 89³/₄¢ per pound. This price was 45¢ below a year earlier.

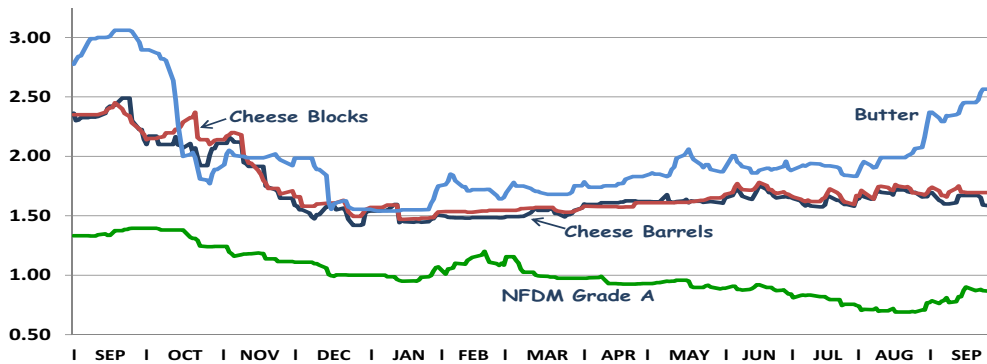
The August Federal order Class III price of \$16.27 was below the June and July prices, but was still the third highest Class III price of the year. The Class III price was down \$0.06 from July, and

\$5.98 below the August 2014 price. This year's highest Class III price was the June price of \$16.72 per cwt.

The CME Class III futures market as of September 15 shows September 2015 through August 2016 prices fluctuating between \$15.58 and \$16.37 per cwt. The CME futures decline gradually over the rest of the year before bottoming in February 2016 at \$15.58. Subsequently, Class III futures rise through next spring and summer until reaching the highest point of the observed 12-month period in August 2016, at \$16.37.



Chicago Mercantile Exchange - Selected Commodity Prices *



* Prices depicted are per pound for each day that trading occurred from September 2, 2014 to September 15, 2015.

Upper Midwest Pool Statistics - August 2015

| 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 | 90,177,437 | 5,461,217 | 95,638,654 | \$ 0 | 83,003,305 \$ 1,494,059 |
| \$1.75 | 29 | 95,231,055 | 936,352,142 | 1,031,583,197 | 514,799 | 60,530,433 1,059,283 |
| \$1.70 | 27 | 219,085,894 | 611,405,917 | 830,491,811 | 826,520 | 120,841,437 2,054,304 |
| \$1.65 | 3 | 18,598,401 | 36,215,920 | 54,814,321 | 82,221 | 14,161,078 233,658 |
| Total | 62 | 423,092,787 | 1,589,435,196 | 2,012,527,983 | \$ 1,423,540 | 278,536,253 \$ 4,841,304 |

Computation of Producer Price Differential- August 2015

| | Utilization Percentage | Product Pounds | Component Pounds | Rate | Value |
|---|------------------------|----------------------|------------------|------------------|--------------------------|
| Class I | | | | | |
| Differential Value | | | | | \$ 4,841,304.34 |
| Product | 13.9% | 278,536,253 | | | |
| Skim Milk | | | 274,093,890 | \$ 9.1300 | 25,024,772.16 |
| Butterfat | | | 4,442,363 | 2.1332 | 9,476,448.75 |
| Class II | | | | | |
| Product | 9.2% | 185,412,594 | | | |
| Nonfat Solids | | | 15,908,732 | 0.7578 | 12,055,637.11 |
| Butterfat | | | 10,592,502 | 2.2744 | 24,091,586.57 |
| Class III | | | | | |
| Product | 71.4% | 1,437,497,253 | | | |
| Protein | | | 43,367,078 | 2.5692 | 111,418,696.77 |
| Other Solids | | | 82,847,881 | 0.1151 | 9,535,791.07 |
| Butterfat | | | 49,624,257 | 2.2674 | 112,518,040.31 |
| Class IV | | | | | |
| Product | 5.5% | 111,081,883 | | | |
| Nonfat Solids | | | 9,250,441 | 0.5707 | 5,279,226.65 |
| Butterfat | | | 8,932,245 | 2.2674 | 20,252,972.34 |
| SCC Adjustment (Class II, III, and IV) | | | | | 1,995,900.12 |
| Total Producer Milk * | | 2,012,527,983 | | | \$ 336,490,376.19 |
| Add: | | | | | |
| Overage | | | | | 73,120.70 |
| Inventory Reclassified | | | | | 32,621.63 |
| Other Source Milk \$.60(h) | | | | | 0.00 |
| Other Source Milk \$.60(i) | | 89,986 | | | 1,771.42 |
| Subtract: | | | | | |
| Transportation Credit | | | | | 15,801.61 |
| Assembly Credit | | | | | 219,909.89 |
| Credit for Reconstituted FMP | | | | | 0.00 |
| Producer Milk Protein | | | | | 155,630,222.59 |
| Producer Milk Other Solids | | | | | 13,322,351.53 |
| Producer Milk Butterfat | | | | | 166,861,065.56 |
| Producer Milk SCC Adjustment | | | | | 2,303,956.02 |
| Total Milk and Value | | 2,012,617,969 | | | \$ (1,755,417.26) |
| Add: | | | | | |
| Location Adjustment -- Producer and Unregulated Supply Plant Milk | | | | | 1,423,397.24 |
| One-Half Unobligated Balance Producer Settlement Fund | | | | | 827,225.90 |
| Total Value | | | | 0.024605 | \$ 495,205.88 |
| Subtract: | | | | | |
| Producer Settlement Fund Reserve | | | | 0.044605 | 897,729.47 |
| Producer Price Differential ** | | | | \$ (0.02) | \$ (402,523.59) |

* An estimated 1.449 billion 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

| | August 2015 | | July 2015 | August 2014 |
|---|----------------------|-------------------|----------------------|----------------------|
| | Product Pounds | Butterfat Pounds | Product Pounds | Product Pounds |
| Class I Utilization: | | | | |
| Packaged Disposition | | | | |
| Milk | 44,329,201 | 1,454,664 | 46,596,022 | 43,086,825 |
| Flavored Milk | 2,779,308 | 86,163 | 2,631,340 | 2,405,420 |
| Reduced Fat Milk | 104,581,338 | 2,015,318 | 105,759,243 | 109,101,719 |
| Lowfat Milk | 51,187,612 | 480,033 | 50,826,479 | 51,959,667 |
| Fat Free Milk | 50,602,459 | 41,072 | 51,614,058 | 57,679,488 |
| Flavored Reduced and Fat Free Milk | 19,536,210 | 173,275 | 17,449,990 | 21,152,869 |
| Buttermilk | 3,191,186 | 51,569 | 3,467,918 | 2,902,760 |
| Total Packaged Disposition | 276,207,314 | 4,302,094 | 278,345,050 | 288,288,748 |
| Total Ending Inventory | 20,251,905 | 288,097 | 19,915,923 | 19,194,182 |
| Bulk to Nonpool Plants | 2,736,908 | 65,622 | 287,396 | 1,113,328 |
| Shrinkage | 1,317,642 | 125,818 | 2,134,055 | 1,015,266 |
| Total Class I Utilization | 300,513,769 | 4,781,631 | 300,682,424 | 309,611,524 |
| Other Order Plants | (1,834,887) | (35,897) | (1,856,277) | (1,934,477) |
| Beginning Inventory | (19,356,927) | (291,863) | (19,467,186) | (20,855,105) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (770,549) | (10,946) | (660,838) | (763,329) |
| Overage | 0 | 0 | 0 | 0 |
| Interhandler Adjustment | (15,153) | (562) | 28,747 | (79) |
| Class I Producer Milk | 278,536,253 | 4,442,363 | 278,726,870 | 286,058,534 |
| Class II Utilization: | | | | |
| Total Class II Utilization | 191,406,862 | 10,659,780 | 207,772,914 | 62,880,775 |
| Other Order Plants | 0 | 0 | -- | -- |
| Beginning Inventory | -- | -- | (2,964,589) | (956,250) |
| Reused Products | (5,963,565) | (36,575) | (12,191,818) | (12,536,676) |
| Other Source Milk | (30,703) | (30,703) | (599,801) | (553,558) |
| Overage | -- | -- | -- | -- |
| Class II Producer Milk | 185,412,594 | 10,592,502 | 192,016,706 | 48,834,291 |
| Class III Utilization: | | | | |
| Total Class III Utilization | 1,439,288,452 | 49,655,568 | 1,299,475,290 | 2,602,042,137 |
| Other Order Plants | -- | -- | (7,376,224) | (25,947,590) |
| Beginning Inventory | (917,432) | (21,325) | (4,032,149) | (6,157,893) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (661,107) | (5,127) | (941,297) | (10,931,088) |
| Overage | (212,660) | (4,859) | (115,851) | (77,181) |
| Class III Producer Milk | 1,437,497,253 | 49,624,257 | 1,287,009,769 | 2,558,928,385 |
| Class IV Utilization: | | | | |
| Total Class IV Utilization | 187,488,568 | 11,953,668 | 209,872,415 | 105,896,316 |
| Other Order Plants | (1,831,445) | (66,168) | (7,162,945) | (11,244,934) |
| Beginning Inventory | (8,997,672) | (456,344) | (13,911,904) | (9,413,363) |
| Reused Products | 0 | 0 | 0 | 0 |
| Other Source Milk | (65,064,425) | (2,494,959) | (82,884,786) | (67,921,215) |
| Overage | (513,143) | (3,952) | (30,259) | (409,914) |
| Class IV Producer Milk | 111,081,883 | 8,932,245 | 105,882,521 | 16,906,890 |
| Total Producer Milk -- All Classes | 2,012,527,983 | 73,591,367 | 1,863,635,866 | 2,910,728,100 |

-- 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> | | | | | |
| Aug 2014 | 2.0591 | 2.1318 | 2.1074 | 2.5206 | 1.7887 | 0.6880 | 2.0272 | 2.0817 | 2.0666 | 2.4319 | 1.8020 | 0.6926 |
| Sep | 2.3090 | 2.3635 | 2.3472 | 2.8525 | 1.4718 | 0.6725 | 2.2593 | 2.3293 | 2.3062 | 2.7652 | 1.4766 | 0.6747 |
| Oct | 2.2900 | 2.2632 | 2.2914 | 2.5255 | 1.4900 | 0.6525 | 2.3008 | 2.2692 | 2.3001 | 2.8318 | 1.5052 | 0.6590 |
| Nov | 2.1509 | 2.0741 | 2.1305 | 1.9891 | 1.3902 | 0.6365 | 2.2166 | 2.1166 | 2.1872 | 1.9828 | 1.4517 | 0.6441 |
| Dec | 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 | 0.5909 | 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 |

| 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> | | | | | | | | |
| Aug 2014 | 2.5913 | 2.1820 | 2.1961 | 1.4365 | 1.6270 | 1.6055 | 0.7043 | 0.6502 | 0.6607 |
| Sep | 2.9740 | 2.3499 | 2.3663 | 1.3554 | 1.4345 | 1.4301 | 0.7001 | 0.6185 | 0.6242 |
| Oct | 2.3184 | 2.1932 | 2.0782 | 1.3345 | 1.3984 | 1.3986 | 0.6671 | 0.5919 | 0.5974 |
| Nov | 1.9968 | 1.9513 | 1.9326 | 1.1724 | 1.3113 | 1.2992 | 0.6478 | 0.5400 | 0.5788 |
| Dec | 1.7633 | 1.5938 | 1.5305 | 1.0506 | 1.1755 | 1.1567 | 0.6015 | 0.5234 | 0.5307 |
| 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 |

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) | |
| Jun 2014 | 16 | 51 | 12 | 12,199 | 2,900 | 7,921 | 9.1 | 3.67 | 3.02 | 5.76 | 231 |
| Jul | 16 | 50 | 12 | 12,011 | 2,937 | 7,887 | 9.8 | 3.68 | 3.01 | 5.75 | 248 |
| Aug | 17 | 51 | 11 | 11,883 | 2,911 | 7,899 | 9.8 | 3.71 | 3.04 | 5.75 | 244 |
| Sep | 16 | 50 | 12 | 11,479 | 2,820 | 8,191 | 10.8 | 3.77 | 3.10 | 5.74 | 232 |
| Oct | 18 | 50 | 11 | 9,983 | 2,302 | 7,436 | 13.7 | 3.86 | 3.15 | 5.74 | 192 |
| 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 | 7,317 | 13.1 | 3.66 | 3.02 | 5.75 | 200 |
| Jul | 17 | 46 | 13 | | 1,864 | | 14.9 | 3.65 | 2.99 | 5.75 | 211 |
| Aug | 16 | 46 | 13 | | 2,013 | | 13.9 | 3.66 | 3.01 | 5.75 | 218 |

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> |
| Aug 2014 | 2.6235 | 15.22 | 23.87 | 2.6415 | 17.02 | 25.67 | 2.8518 | 1.7689 | 15.92 | 25.34 |
| Sep | 2.7373 | 14.56 | 23.63 | 2.7553 | 16.36 | 25.43 | 3.2537 | 1.6956 | 15.26 | 26.11 |
| Oct | 3.1410 | 13.67 | 24.19 | 3.1590 | 15.47 | 25.99 | 2.8577 | 1.3733 | 12.36 | 21.93 |
| Nov | 3.2216 | 13.25 | 24.06 | 2.2396 | 15.05 | 25.86 | 2.2081 | 1.4022 | 12.62 | 19.91 |
| Dec | 2.1935 | 15.39 | 22.53 | 2.2115 | 17.19 | 24.33 | 2.1061 | 1.3489 | 12.14 | 19.09 |
| 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 | | 0.6567 | 5.91 | |

| 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> |
| Aug 2014 | 2.8448 | 3.1496 | 0.5036 | 12.74 | 22.25 | 2.8448 | 1.6047 | 14.44 | 23.89 |
| Sep | 3.2467 | 3.4991 | 0.4876 | 13.72 | 24.60 | 3.2467 | 1.2910 | 11.62 | 22.58 |
| Oct | 2.8507 | 3.7362 | 0.4670 | 14.34 | 23.82 | 2.8507 | 1.3090 | 11.78 | 21.35 |
| Nov | 2.2011 | 3.9018 | 0.4505 | 14.75 | 21.94 | 2.2011 | 1.2102 | 10.89 | 18.21 |
| Dec | 2.0991 | 2.7387 | 0.3996 | 10.85 | 17.82 | 2.0991 | 1.0767 | 9.69 | 16.70 |
| 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 |

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> |
| | May 2014 | 0.43 | 23.00 | 2.2721 | 3.9553 | 0.4897 | 0.00109 |
| Jun | 0.43 | 21.79 | 2.4413 | 3.3437 | 0.4942 | 0.00102 | 23.00 |
| Jul | 0.45 | 22.05 | 2.6349 | 3.1798 | 0.5046 | 0.00102 | 23.25 |
| Aug | 0.48 | 22.73 | 2.8448 | 3.1496 | 0.5036 | 0.00105 | 24.07 |
| Sep | 0.16 | 24.76 | 3.2467 | 3.4991 | 0.4876 | 0.00117 | 26.30 |
| Oct | (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 | |
| Jul | 0.02 | 16.35 | 2.1125 | 2.6070 | 0.2004 | 0.00085 | |
| Aug | (0.02) | 16.25 | 2.2674 | 2.5692 | 0.1151 | 0.00087 | |

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

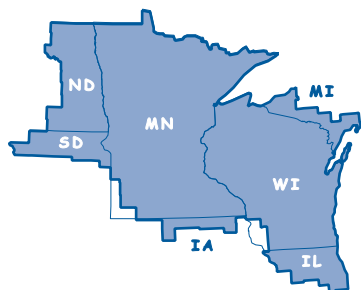
Summary of Federal Order Data - August 2015

| 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 | 2,211,446 | 712,938 | 32.2 | \$ 19.53 | \$ 0.63 | \$ 16.90 | \$ 15.45 | \$ (8.51) |
| 5 Appalachian | 457,970 | 316,925 | 69.2 | 19.68 | n/a | 18.37 | 16.77 | (8.36) |
| 6 Florida | 229,532 | 190,534 | 83.0 | 21.68 | n/a | 20.62 | 17.02 | (8.22) |
| 7 Southeast | 421,374 | 324,477 | 77.0 | 20.08 | n/a | 19.18 | 17.18 | (8.21) |
| 30 Upper Midwest | 2,012,528 | 278,536 | 13.9 | 18.08 | (0.02) | 16.25 | 16.25 | (6.48) |
| 32 Central | 1,126,590 | 392,621 | 34.9 | 18.28 | 0.00 | 16.27 | 16.07 | (7.29) |
| 33 Mideast | 1,426,752 | 522,631 | 36.6 | 18.28 | (0.22) | 16.05 | 15.85 | (7.95) |
| 124 Pacific Northwest | 455,854 | 157,641 | 34.6 | 18.18 | (1.42) | 14.85 | 14.75 | (8.74) |
| 126 Southwest | 1,197,330 | 351,073 | 29.3 | 19.28 | 1.00 | 17.27 | 16.07 | (5.82) |
| 131 Arizona | 360,484 | 109,155 | 30.3 | 18.63 | n/a | 15.88 | 15.33 | (7.26) |
| All Market Average or Total * | 9,899,859 | 3,356,532 | 33.9 | | | | | |

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

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