

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (12/27):
BUTTER: Grade AA closed at \$1.1450. The weekly average for Grade AA is \$1.1400 (+.0233).

CHEESE: Barrels closed at \$1.1200 and blocks at \$1.1575. The weekly average for barrels is \$1.1175 (+.0165) and blocks, \$1.1492 (+.0162).

NONFAT DRY MILK: Extra Grade closed at \$0.9100 and Grade A at \$0.9100. The weekly average for Extra Grade is \$0.9100 (N.C.) and Grade A, \$0.9100 (N.C.).

BUTTER: Butter producers and handlers continue to question the strength in the CME cash butter price for this time of the year. Cream handlers and butter producers are stating that cream offerings are heavy during this holiday period. Often, cream is moving from one area of the country to another, seeking a willing buyer. Churning activity is at or very near capacity levels at many butter operations. Butter producers indicate that cream pricing multiples are often very favorable and difficult to pass up. Current churning activity and inventoried stocks are providing readily available volumes of butter for light buyer interest. Most orders being placed are centered around short term or replacement needs.

CHEESE: The cheese market is generally steady. Some limited effort is being made to raise year end inventory values. Heavy milk volumes are being diverted into cheese production from bottlers during the holidays. This has started to increase current cheese offerings. Packagers and processors are operating on holiday schedules, reducing the volumes of bulk cheese needed. Buyers are delaying purchases until January to limit year end inventory cost. Buyers are looking ahead to January and anticipated Super Bowl needs. During the holiday abbreviated period of December 23 – 27, CCC purchased 712,800 pounds of Midwest process.

FLUID MILK: Milk volumes are very heavy across the U.S. Milk production is little changed, but bottled milk demand has slowed considerably in most parts of the country. This lack of Class I demand, mostly school lunch programs, is forcing heavy volumes of surplus milk into manufacturing channels. Contrary to the above, a big storm moved from the South Central states up through New England and some bottlers added shifts to make up for the panic buying that resulted. Most manufacturing plants were

operating at or near capacity levels. Contacts reported a few plant problems, but forward planning for the extra milk made the situation, except for the weather related transportation problems, go quite smoothly. There were reports of last minute calls by suppliers looking to move some milk. These volumes were often difficult to move and at substantial discounts. The fluid cream market is weak and increasing volumes moved greater distances to find an outlet. Churning activity is very heavy.

DRY PRODUCTS: There was little spot trading activity reported on any product this week. Production of NDM is increasing in all areas as surplus milk volumes increase and sales of condensed skim ease. Dryers in the East and Southeast that had been idle for months were started up early this week and should remain in service until early in January. Western and Central dryers are also very active. Demand for NDM is slow to fair, mostly slow this last week of 2002. This is typical for most dry products as users try to use up stocks on hand. The dry whey market remains weak in a light test of the spot market. There is little buying interest at this time as buyers wait for prices to “settle out” before coming back into the market. Production levels are heavier. More producers have growing stocks and they are often discounting prices to attract interest. The WPC market is mostly steady and prices are unchanged. Spot trading is limited as many buyers use up existing stocks. The dry buttermilk market is steady to weak. Demand is fair at best and prices unchanged to lower depending on the region of the country.

CCC: During the week of December 23 - 27, CCC purchased 8,246,054 pounds of NDM from the West and 712,800 pounds of Midwestern process cheese.

COLD STORAGE (NASS): During November, U.S. cold storage holdings of butter totaled 136.3 million pounds, 17.2% less than a month ago, but 135% more than last November. Natural American cheese holdings total 474.5 million pounds, 5.4% less than a month ago, but 8.3% more than a year ago. Nonfat dry milk holdings at the end of October total 1.274 billion pounds, 32 million pounds less than last month, but 389 million pounds more than last year. The government holds 94.2% of the total NDM holdings.

****SPECIAL THIS ISSUE****

NOVEMBER COLD STORAGE HOLDINGS (PAGES 7-8)
 JANUARY FEDERAL MILK ORDER ADVANCE PRICES (PAGE 9)

CHICAGO MERCANTILE EXCHANGE
 CASH TRADING

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY DECEMBER 23	TUESDAY DECEMBER 24	WEDNESDAY DECEMBER 25	THURSDAY DECEMBER 26	FRIDAY DECEMBER 27	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.1125 (+.0075)			\$1.1200 (+.0075)	\$1.1200 (N.C.)	+ .0150	\$1.1175 (+.0165)
40# BLOCKS	\$1.1400 (N.C.)	NO	NO	\$1.1500 (+.0100)	\$1.1575 (+.0075)	+.0175	\$1.1492 (+.0162)
NONFAT DRY MILK EXTRA GRADE	\$.9100 (N.C.)			\$.9100 (N.C.)	\$.9100 (N.C.)	N.C.	\$.9100 (N.C.)
GRADE A	\$.9100 (N.C.)	TRADING	TRADING	\$.9100 (N.C.)	\$.9100 (N.C.)	N.C.	\$.9100 (N.C.)
BUTTER GRADE AA	\$1.1350 (+.0100)			----	\$1.1450 (+.0100)	+.0200	\$1.1400 (+.0233)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM NOTE: No cash trading December 31 and January 1.

CHICAGO MERCANTILE EXCHANGE

MONDAY, DECEMBER 23, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ \$1.1125; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.1500
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 1 CAR GRADE AA @ \$1.1350; BIDS UNFILLED: 17 CARS GRADE AA: 1 @ \$1.1325, 2 @ \$1.1300, 1 @ \$1.1275, 3 @ \$1.1250, 2 @ \$1.1225, 3 @ \$1.1200, 3 @ \$1.1175, 2 @ \$1.1150; OFFERS UNCOVERED: NONE

TUESDAY, DECEMBER 24, 2002

NO TRADING

WEDNESDAY, DECEMBER 25, 2002

NO TRADING

THURSDAY, DECEMBER 26, 2002

CHEESE — SALES: 1 CAR 40# BLOCKS @ \$1.1500; BIDS UNFILLED: 1 CAR BARRELS @ \$1.1200; 1 CAR 40# BLOCKS @ \$1.1425; OFFERS UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, DECEMBER 27, 2002

CHEESE — SALES: 1 CAR 40# BLOCKS @ \$1.1550; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.1575; OFFERS UNCOVERED: 2 CARS 40# BLOCKS @ \$1.1600
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 6 CARS GRADE AA: 3 @ \$1.1375, 2 @ \$1.1400, 1 @ \$1.1425; BIDS UNFILLED: 17 CARS GRADE AA: 2 @ \$1.1450, 1 @ \$1.1400, 3 @ \$1.1375, 2 @ \$1.1350, 2 @ \$1.1325, 3 @ \$1.1300, 2 @ \$1.1275, 2 @ \$1.1250; OFFERS UNCOVERED: NONE

BUTTER MARKETS

NOVEMBER COLD STORAGE

According to NASS, November month-ending cold storage figures for butter total 136.3 million pounds, 2.35 times more than the amount held last November, but 17.2% less than October 2002 holdings.

NORTHEAST

The market tone is mostly steady. However, the price of butter at the CME cash market did increase 1.25 cents on December 20. This is somewhat surprising for trading so close to Christmas. Some suggest that the increase could be speculation or driven by changes in the futures market, but most contacts see little correlation between price increases and the current supply/demand scenario. Churning activity is increasing along typical holiday patterns and butter supplies are more than ample to meet current demand. Most holiday orders have been filled with only some last minute or fill-in orders being delivered. Retail features have been common and clearing good quantities of butter. Food service orders are steady at good levels. Sales of bulk butter, f.o.b. East, are reported in a range of flat market to 4 cents over the CME price/average.

CENTRAL

The cash butter price is 2 1/2 cents higher since mid December which is unusual for this close to the yearend holidays. Producers and handlers continue to question where will the cash price settle as the New Year nears. Cream offerings are building. Churning schedules are anticipated to be at or very near capacity levels for the next week to 10 days. Stocks of butter are readily available for current needs.

WEST

Retail orders have dropped sharply as Christmas needs have been filled and New Years needs are also basically filled. Producers and handlers anticipate some fill-in orders to occur following the Christmas holiday, but nothing significant. Food service orders have also been strong, but now have eased greatly. Spot bulk butter orders are sharply lower with most buyers working off stocks acquired earlier. Bulk butter for spot sales is selling in a range of flat to 2 cents per pound over various pricing basis.

Cash butter prices at the CME have increased the last two trading sessions. Some Western contacts are surprised at this turn of events when historically butter has weakened as the end of the year approaches. Butter sales have been quite active, but no one is stating that they are short of butter. Features at retail stores are succeeding in moving good volumes of butter. Food service orders are also rated as quite good going into the restaurant trade. Most of these orders are filled and demand should drop off quite rapidly until the new year. Quite a bit of surplus milk and cream related to the Christmas holiday is showing up on the market. Some was not planned for and is having some trouble finding a good home at a good price. The storms over California and the rest of the coast are having some impact on the milk flow, but it may be another week or two to judge the real impact. Cold Storage holdings of butter did decline by 28 million pounds during November to 136.3 million pounds. The real concern is that stocks were only 57.9 million pounds one year ago and 27.3 million pounds two years ago. Stocks normally bottom out at the end of the year and begin to build again in January. Current prices for bulk butter range from 3 cents under to flat market based on the CME with various time frames and averages.

NASS DAIRY PRODUCT PRICES

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 38% MOISTURE			
DEC 21	1.1166	1.1065	0.8429	1.0896	0.1826
	5,630,807	11,770,262	23,392,143	3,349,860	10,688,474

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Prices are unchanged on process and Swiss, two cents higher on cheddar and Muenster. The market tone is mixed, but mostly steady. Cheese production is increasing this week as more surplus milk is now available throughout the region. However, the overall slow demand for cheese has some producers a little cautious about how much cheese they make and carry into next year. Some producers are down for several days during the holiday period. Holiday needs have all been filled. Some wholesale distributors are still fairly active making last minute deliveries, but most food service orders and retailers have what they need to get them through the holidays. Some restaurant business is still evident and should improved late this week for next week's needs.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.1950-1.6900
Cheddar Single Daisies	:	1.1525-1.6175
Cheddar 40# Block	:	1.2725-1.5175
Process 5# Loaf	:	1.3100-1.5100
Process 5# Sliced	:	1.3300-1.5775
Muenster	:	1.3575-1.5625
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is generally steady. Some attempts are being made to have cheese prices end the year closer to 2001's year end Chicago Mercantile Exchange cash market closes of \$1.2600 for blocks and \$1.2550 for barrels. Buyers and producers are trying to avoid building yearend inventory levels. Current spot interest is light for 2002 bulk cheese shipments as many buyers are delaying new orders and/or deliveries until January. Cheese cutters and processors are operating on holiday reduced schedules during the yearend holiday period, reducing bulk cheese requirements. Cheese production is seasonally heavy as additional milk supplies back up from bottlers during the holidays. Cheese yields remain good seasonally.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.2800-1.5200
Brick And/Or Muenster 5#	:	1.5900-1.6925
Cheddar 40# Block	:	1.5050-2.1150
Monterey Jack 10#	:	1.7575-2.1150
Blue 5#	:	1.8850-2.2700
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4375-2.2150
Grade A Swiss Cuts 6 - 9#	:	1.9000-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	DECEMBER 23 - 27, 2002
BARRELS*	:	\$1.1050 - 1.1225 (NOMINAL)
	:	(.0075)
40# BLOCKS	:	\$1.1325 - 1.1725 (NOMINAL)
	:	(\$.0025) (.0100)

() Change from previous week. * If steel, barrel returned.

Dairy Market News is proposing discontinuing the Midwest Commodity Cheese report in January. This proposal is due to the limited real spot reports available within the region and the price fluctuation limitations caused by the large growth in Western cheddar production. For comments in opposition to the ending of this report contact: George Koerner at 608.224.5083 or email George.Koerner@USDA.gov

WEST

Natural cheese items increased slightly in price while process and Swiss held steady. Cheese movement for the last sixty days has been better than anticipated. Inventories at a number of locations have declined quite impressively. Contacts do state that the amount of cheese produced over the next three weeks will go a long ways to establish how much strength there might be in the market for the first quarter. If production is not too heavy, they believe that prices could move up, but if output is heavy they expect prices to remain in the doldrums. The problem is that there seems to be quite a bit of milk looking for a home this holiday season and a good portion of that will end up in the cheese vat. Impacts from the early winter storms are hard to come by yet and may take at least another week to get a good read on the milk flow changes. Natural American Cold Storage cheese stocks declined by 27 million pounds during November. This amount is almost double the normal draw down. Stocks at the end of November stand at 474.5 million pounds, up 8.3% from last year or 36 million pounds. Swiss stocks stand at 22.7 million pounds, about double last year at this time.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.2500-1.5100
Cheddar 40# Block	:	1.2625-1.4025
Cheddar 10# Cuts	:	1.4425-1.6625
Monterey Jack 10#	:	1.4525-1.6125
Grade A Swiss Cuts 6 - 9#	:	2.2600-2.4100

FOREIGN

Prices are steady to higher and the market tone is steady. Most holiday orders have been delivered and distributors are fairly busy making last minute deliveries. Most will be down for 2 or more days this week. Demand for foreign type cheese is fair to good, best for traditional, table cheeses. Imports of cheese subject to licensing during the first eleven months of 2002 totals 111.721 million KG, 2.7% higher than the same period last year. During the same period, imports of high-tier cheese totaled 25.537 million KG, 43.3% more than the same period last year. The largest jump in high-tier imports was seen in American-type cheese which increased 6.668 million KG to 21.464 million KG.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	:	NEW YORK	
VARIETY	:	IMPORTED	: DOMESTIC
Roquefort	:	TFEWR	: -0-
Blue	:	2.6400-3.3900	: 1.4900-2.9800*
Gorgonzola	:	3.2400-5.9400	: 2.0075-2.4900*
Parmesan (Italy)	:	TFEWR	: 2.9000-2.9900*
Romano (Italy)	:	2.1000-3.1900	: -0-
Provolone (Italy)	:	3.4400-5.5000	: 1.4975-1.7250*
Romano (Cows Milk)	:	-0-	: 2.6875-4.8575*
Sardo Romano (Argentina)	:	2.8500-3.2900	: -0-
Reggianito (Argentina)	:	2.6900-3.2900	: -0-
Jarlsberg-(Brand)	:	2.7500-3.6900	: -0-
Swiss Cuts Switzerland	:	-0-	: 2.3500-2.5500
Swiss Cuts Finnish	:	2.6000-2.8500	: -0-
Swiss Cuts Austrian	:	TFEWR	: -0-
Edam	:	:	:
2 Pound	:	TFEWR	: -0-
4 Pound	:	2.1900-2.9900	: -0-
Gouda, Large	:	TFEWR	: -0-
Gouda, Baby (\$/Dozen)	:	:	:
10 Ounce	:	27.8000-31.7000	: -0-

* = Price change.

**WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTER
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS**

	BUTTER	:	CHEESE
12/23/02	44,572	:	129,356
12/01/02	47,383	:	130,462
CHANGE	-2,811	:	-1,106
% CHANGE	-6	:	-1

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	100	51	0	0	86
SOUTHEAST STATES	0	0	0	0	0	0

The base price for Class I milk for January 2003 is \$10.56 per cwt., up \$0.04 from December. A Class I differential specific to each pricing point (county) is added to the base price to determine the applicable Class I price. The Class II skim milk price for January is \$7.37, down \$0.32 from December. A major snow storm is predicted for Christmas Day for parts of the Northeast. This did give a boost to milk bottling schedules in the early part of the week. Elsewhere, milk sales were typical for a holiday week and surplus milk volumes were sharply higher. Milk production is steady to higher throughout the East. Some heavy rains in the Southeast and Middle Atlantic areas did retard gains seen the past few weeks. Florida's milk flow is increasing at the same time demand is slowing. Their need for milk dropped and handlers had to ship milk out of the state for processing. This week marks the first time since July that milk was shipped out of state. Manufacturing plants are operating at near capacity levels in most of the region. Reports indicate that milk is looking for homes in the Northeast, while some capacity, albeit limited, does exist here and there across the region. Bottled milk sales are reported as slow to good. Because of the predicted storm in the Northeast, there was another round of panic buying at retail stores and bottlers added on to production runs on Monday and Tuesday. Bottlers do, however, expect a slowdown in processing later this week. The condensed skim market is mixed. Some loads of Class III are reportedly moving at significantly lower prices to avoid drying. Some producers temporarily altered their formulas for Class III wet solids prices to keep product moving. Class II condensed skim sales range from steady to mostly lighter. The fluid cream market is weak. Supplies are more than ample and excess volumes are increasing. More Eastern cream is moving to Midwestern butter makers, because Eastern operations are full or do not want more cream. Class II sales are slow and prices are little changed. The CME average butter prices did move about a half cent higher last week and multiples are steady to lower. Ice cream production is lighter as many operations are down for various periods of time during the holidays. Cream cheese output is about steady as some producers are taking advantage of the ample supply and lower prices. Eggnog, sour cream, bottled cream, dip production have all slowed seasonally. However, contacts expect bottled cream, sour cream, and dip production to improve after the holidays and hold through January. Churning is heavy and most Eastern producers are near capacity.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.3400-1.4517
DELIVERED EQUIVALENT ATLANTA	-	1.3735-1.5187 M 1.3735-1.3959
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.3624-1.5075

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- .9850-1.0300
NORTHEAST- CLASS III - SPOT PRICES	- .7000- .8700

M I D W E S T

Class I demand is spotty, mostly lighter, with sizeable volumes of fluid volumes backing up into manufacturing channels from bottlers. Most schools are expected to be closed on break for about 2 weeks for the yearend holidays and handlers expect diverted milk volumes to be burdensome into January. Milk supplies have been long since Sunday (December 21). Retail feature activity last weekend and additional promotions planned for between the holidays are expected to reduce the volume diverted from at least one source. Forecasted snow through the central part of the region has caused slight

improvement in Class I use. Most holiday shipments to retailers have been made and surplus milk supplies are keeping manufacturing plants that are open on extended schedules. Many plant operators have already cranked up less efficient equipment in order to handle the flood of milk available. Delays in unloading trucks have increased as the volumes of milk build at some plants. A few plants that had been operating or expected to operate on reduced schedules may end up running on a full schedule all week to handle the surplus. A few plant breakdowns have also added to the problem. Getting a truck/trucker for intraregional hauls has not yet been a major problem. Price discounts are needed in order to move milk with \$-.50 to -\$1.00 delivered common. Reports indicate much lower prices on distressed loads. However, before last weekend a few loads were moved at up to \$1.50 over class. Cream demand is soft with many Class II users on holiday break. Heavy volumes are being cleared to churns. Condensed skim interest is also lighter though orders are improved for one producer between the yearend holidays though slow before. Current milk intakes are steady to slightly higher on a week to week basis. Fat and protein tests on incoming loads are at good seasonal levels. Temperatures have turned seasonal though snow cover in the upper tier of states is generally minimal except in the traditional "snowbelt" areas around the Great Lakes.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	DEC 19 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 33.00- 37.00	\$ 34.00- 39.00
REPLACEMENT HEIFER CALVES	\$230.00-340.00	\$400.00-500.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	DEC 19 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 33.00- 40.00	\$ 36.00- 44.75

W E S T

The major winter storms that hit CALIFORNIA over the past few weeks have had minimal impact on milk production. The storms were worse in the northern part of the state than the south. The rain certainly caused mud to be a problem in corrals and feed lots, but not bad enough to stress the milking herd to any great extent in the prime dairy locations. Also, since the last bad storms of a few years ago, many producers have added free stall barns to give their cows protection from the elements. Herd health is likely to show some stress over the next few weeks as cases of mastitis are likely to increase. Scattered calls searching for a home for some surplus milk were noted this holiday week. Probably more calls were noted than had been expected. Some sellers that thought they had done their homework and found outlets for their milk were surprised with return calls stating that the room really wasn't there or there had been a plant production problem. Some substantial discounts were noted on some loads. Most plants in the state were running full out with few able to take a down day for Christmas. Things are not expected to improve all that much for next week either. By the end of the week some relief should be noted as school pipe lines will need to be refilled. Cream multiples have again weakened and now stand at 103 to 126. Cream offerings are heavy with most of it ending up in the churn. Butter stocks will be increasing at the end of the year. ARIZONA is getting some much needed moisture also. Contacts state that milk output is about level in the state and the rain has not caused much of a problem. Plants are running heavy. Wet conditions are also the rule in the PACIFIC NORTHWEST. Some contacts are stating that they are seeing more than a normal seasonal downturn in production at this time. They are also wondering if feed rations are lowering milk output. The quality of the hay available is declining. Some producers are looking for some heifers, but have not found what they want at a fair price yet. There is finally some snow on the ground in the milk production regions of UTAH and IDAHO, but it is not causing any problems. Some good snow is building up in the mountains that should help with summer irrigation next year.

NDM, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Prices are unchanged on a weak market. Some offers are being made at a discount for the light interest. Prices are generally more attractive in the West. Production is heavier on low heat and lighter on high heat as low heat production schedules are more adequate in handling excess milk volumes over the holidays. Inventories are in balance to somewhat long and building. Many buyers are reducing current stocks in an effort to delay NDM purchases until further market decreases are noted sometime in the new year. Production of instant NDM is generally good. Condensed skim supplies are increasing for the light interest.

EAST: Prices are mostly steady, but the market tone is showing more signs of weakness. Eastern prices are nominal. Production levels are up at all plants that can dry. Plants that have not operated their dryers for months have "cranked them up" to help clear all the surplus milk. In some instances, plants added some employees to help get through the holidays while others intended to operate with their current staff. The extra output is somewhat welcomed as there was little or no NDM in producers' inventories. Buying interest, despite some lower offering prices, is lackluster. Lower offering prices generally bring some interest, but most buyers are waiting until January before getting back into the market.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .8000 - .9850 MOSTLY: .8900 - .9675
 HIGHHEAT: .9725 - 1.0400

NONFAT DRY MILK - WEST

Prices held steady for all heat treatments of NDM this holiday week as trading activity was very light. The wide mostly range is expected to begin to narrow as some pricing strategies are changed/modified in the new year. Powder production is very heavy this week and is expected to be heavy next week also. Spot demand is currently slow, but it is expected to increase after the holiday season. Surplus volumes of NDM continue to clear into the CCC price support program. During the week of December 16-20, Western producers cleared 8,991,128 pounds of nonfortified NDM into the price support program. They cancelled 2,231,305 pounds of previously offered powder. Some additional interest for high heat powder has been noted over the past few weeks from the baking industry.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .7950 - .9475 MOSTLY: .8000 - .9200
 HIGHHEAT: .8800 - .9700

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
December 20	NOT AVAILABLE		
December 13	\$.8584	12,401,155	7,653,664

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL

Prices remain unchanged and nominal on a cautiously steady market. Heavier milk supplies are encouraging butter churn activity at most locations. As a result, production of condensed and dry buttermilk is increasing. Stocks are reportedly in balance to long and building. Trade activity is anticipated to increase after the first of the year. In light of the current heavier production, some traders anticipate reduced prices, especially as NDM prices decrease in response to the new support price. Spot interest is light with most movement clearing on contracts. In some instances, West coast prices are more attractive to Central region buyers.

F.O.B. CENTRAL: .8000 - .8500

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Eastern prices remain nominal. Few spot sales are being reported. Production is heavier as churning has increased at all butter plants. However, most dryers are busy with NDM and there is little time to dry buttermilk. Demand for liquid buttermilk is seasonally slower.

F.O.B. NORTHEAST: .7800 - .8350
 DELVDSOUTHEAST: .8100 - .8550

DRY BUTTERMILK - WEST

Buttermilk powder prices in the Western region have weakened the past few weeks. Demand is generally light, production is up a bit, and stocks are growing at a number of locations. The lower prices are generating some additional buying interest. Producer stocks remain heavier than desired for this time of year. Powder production is up this week because of additional offerings of surplus holiday milk and very little demand for condensed buttermilk.

F.O.B. WEST: .7300 - .7800 MOSTLY: .7600 - .7750

DRY WHOLE MILK - NATIONAL

Prices are steady and nominal. The market tone is unchanged. Production is often a little lighter now that most dryers are very busy processing skim. Producer stocks remain closely balanced and spot demand is limited. Reports continued to note that imported dry whole milk is available at prices below the low end of our range.

F.O.B. PRODUCING PLANT: 1.1000 - 1.1800

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2001 THROUGH DECEMBER 20, 2002
 WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	42,626 MT (93,973,279 LBS)*
CHEESE	--	1,894 MT (4,175,512 LBS)*

* The second stage of the DEIP allocations is filled.

Allocations for the DEIP year beginning July 1, as announced September 13: Nonfat dry milk -- 68,201 MT; Cheese -- 3,030 MT; Butterfat -- 21,097 MT. However, the second stage of this year's program was announced on November 15 and makes available, as part of the total allocation, an additional 25,576 MT of NDM, 7,912 MT of butterfat, and 1,137 MT of cheese.

WHEY, CASEIN & EVAPORATED MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY - CENTRAL

Prices are unchanged to lower on a weak market. Trading activity is very slow during the holiday season. Some producers are offering product into the export market at the lower end of the range in an effort to clear heavy stocks. At this point, Central region product is often more price attractive to exporters than Western region product. Production is unchanged to heavier as milk intakes into some plants increase. Many buyers are waiting for prices to settle before making additional purchases. Trading activity in January is anticipated to increase compared to December, especially as many buyers opted not to contract for the year. Condensed whey is readily available at some locations, especially as some regular end-users defer shipments due to reduced holiday schedules.

F.O.B. CENTRAL: .1650 - .1825 MOSTLY: .1650 - .1800

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices continue to move lower and the Eastern prices remain nominal. The market tone is weak. Production levels are up at most locations as more surplus milk is available to Eastern cheese makers. Producer stocks are growing and there continues to be little buyer interest. Most spot buyers have enough to carry them into January and most are waiting to see if prices will continue their downward trend. Again this week, market activity was limited and not uncommon for this time of year.

NOTICE: Beginning next week, the Eastern Grade A price range will be discontinued and the prices will be incorporated with Extra Grade whey into one price range.

F.O.B. NORTHEAST: EXTRA GRADE .1825 - .1850
 USPH GRADE A .1925 - .2075
 DELVDSOUTHEAST: .1950 - .2075

DRY WHEY - WEST

Prices moved lower for the mostly this week in the Western region. The range held steady. Trading activity is light this holiday week. A number of sellers continue to discount the market to keep powder moving. They are having some success in clearing additional loads of powder. More competition is noted from powder in the Central region for both domestic sales and export activity. Production of powder is heavier than it has been because of additional holiday surplus milk being available.

NONHYGROSCOPIC: .1800 - .2400 MOSTLY: .2050 - .2200

ANIMAL FEED WHEY - CENTRAL

Prices are lower on roller ground and milk replacer and unchanged on delactose. Supplies of roller ground are generally in balance yet prices are trending lower with the Extra Grade market. Increased production of milk replacer product is encouraging trade at lower prices. Delactose movement is mostly contractual, encouraging steady market prices. Production of dry animal feed products is unchanged to higher as more milk is utilized in cheese facilities over the holiday season. November veal production totaled 16.9 million pounds, 4% above November a year ago. Calf slaughter totaled 91,100 head, up 4% from November 2001. Pork production totaled 1.71 billion pounds, down 1% from the previous year. Hog kill totaled 8.66 million head, 1% below November 2001.

NOTICE: The delactose report will be discontinued as of report 1 2003.

F.O.B. CENTRAL:
 MILK REPLACER: .1475 - .1600
 ROLLERGROUND: .1675 - .2000
 DELACTOSE (Min. 20% protein): .3225 - .3500

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged on a mostly steady market. Production is steady to higher due to increased milk intakes at some cheese plants and greater condensed whey availability. Inventories are mostly in balance. Spot trade activity is light and seasonal with most interest reported from domestic and foreign feed buyers. Increased demand in domestic 80% WPC production is noted as a substitute to 34% WPC with some contracts finalized for 2003. Canadian 34% WPC is being offered into the US market for the light interest. With higher international NDM prices, Asian interest in 34% WPC is reported to be growing. Off grade product is available and trading at prices that vary with the quality for the limited holiday season demand.

F.O.B. EXTRA GRADE 34% PROTEIN: .5100 - .5425 MOSTLY: .5100 - .5150

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady market. Contracts that continue to be negotiated for first quarter, especially into Asia, are not anticipated to be completed until mid-January. Higher first quarter contractual prices are noted for the higher mesh sizes yet the lower mesh product is trading at prices that are generally unchanged. Production is steady to higher in response to heavier milk intakes at some cheese plants and greater condensed whey availability. Supplies are mixed with some plants beginning to build supplies while others are in balance to short for the good contractual interest. Spot trade activity is very light and typical for the season.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
 F.O.B. EDIBLE: .1500 - .2275 MOSTLY: .1550 - .1750

CASEIN - NATIONAL

Casein markets and prices are basically steady during this holiday period, although the undertone remains firm for the New Year. Stocks are much the same as past weeks, tight on acid, while in better balance for rennet. The results of invitation 006 to announcement RSCS1 were publicly released on December 24. Under this invitation, 2,597,054 pounds of government owned nonfat dry milk were sold to the trade for the production of casein/caseinate at \$.22 per pound. Within the three most recent invitations, slightly more than 4 million pounds of government owned powder has been sold for this specific purpose.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 1.8500 - 2.1000
 ACID: 1.6500 - 1.9500

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. However, with the holiday sales pretty much behind us, demand for canned evaporated milk falls back into slow to fair levels. Typically, retailers will now work off any unsold, holiday stocks before taking too much more from producers. With all the surplus milk that is available, producers in most parts of the country are taking advantage of discounted prices and starting to replenish their holiday depleted stocks. Reports indicate substantial volumes of milk are available this holiday period.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$18.00 - 30.00
 Excluding promotional and other sales allowances. Included new price announcements.

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

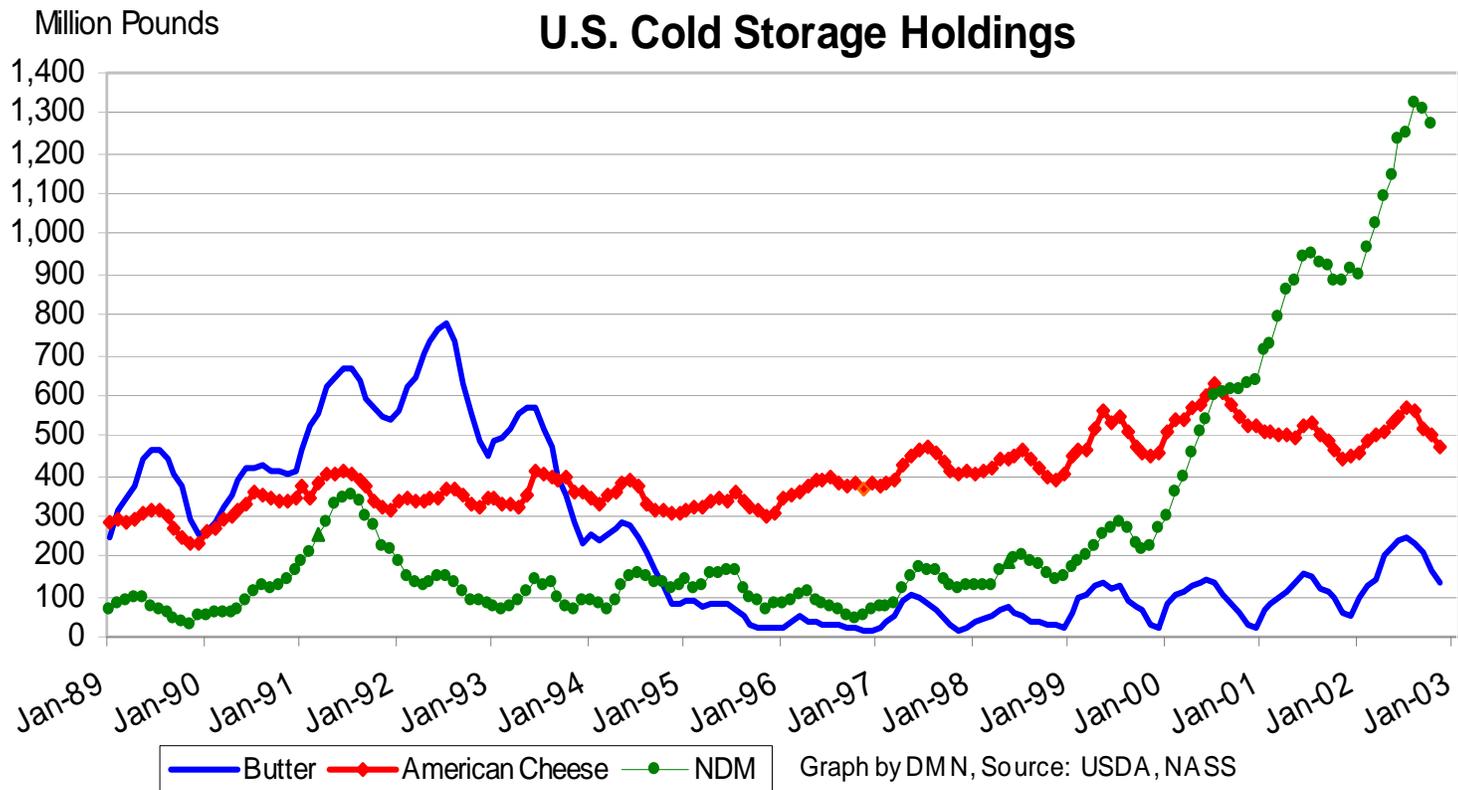
NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	OCT 31, 2000	OCT 31, 2001	REVISED OCT 31, 2002	NOV 30, 2000	NOV 30, 2001	NOV 30, 2002
Butter	58,326	100,791	164,640	27,280	57,916	136,267
Cheese, Natural American	546,708	463,378	501,401	522,534	438,140	474,450
Cheese, Swiss	15,777	10,671	18,927	14,080	11,335	22,672
Cheese, Other Natural	169,492	198,185	200,064	159,365	181,818	200,852
U.S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	330	344	1,844	188	341	1,021
Natural American Cheese	711	911	927	706	207	463

NOVEMBER COLD STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
New England	18,761	20,089	17,941	---	---	---	447	553	371
Middle Atlantic	45,568	56,541	59,428	---	---	---	8,863	31,184	28,593
East North Central	252,484	169,869	189,521	---	---	---	71,594	88,193	104,912
West North Central	95,969	88,967	108,065	---	---	---	57,491	51,872	54,793
South Atlantic	5,494	3,991	475	---	---	---	600	246	899
East South Central	0	278	276	---	---	---	147	144	253
West South Central	348	2,276	1,657	---	---	---	682	219	344
Mountain	13,012	12,437	8,026	---	---	---	6,560	2,318	746
Pacific	90,898	83,692	89,061	---	---	---	12,981	7,089	9,941
TOTAL	522,534	438,140	474,450	27,280	57,916	136,267	159,365	181,818	200,852

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.



COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 2001 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total <u>1/</u>		Commercial		Government		Total <u>1/</u>		Commercial		Government		Total <u>1/ 2/</u>		Commercial		Government <u>2/</u>	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	Million Pounds						Million Pounds						Million Pounds					
January	100	68	100	68	<u>3/</u>	<u>3/</u>	454	507	453	505	1	2	900	708	120	145	780	563
February	131	86	129	86	1	<u>3/</u>	485	506	484	504	1	2	966	726	142	138	823	589
March	146	96	144	95	1	1	498	500	497	498	1	2	1,028	791	158	123	871	668
April	199	112	197	112	2	1	508	503	508	501	1	2	1,093	858	161	127	933	731
May	227	138	225	137	2	1	531	497	531	496	1	2	1,146	882	166	134	981	747
June	243	153	241	153	2	1	546	522	545	520	1	2	1,235	945	174	166	1,062	779
July	245	151	243	150	2	1	571	528	571	526	1	2	1,254	950	138	147	1,116	803
August	229	118	227	117	2	1	564	499	563	497	<u>3/</u>	2	1,327	930	109	109	1,218	821
September	209	111	207	111	2	<u>3/</u>	517	488	516	486	1	1	1,308	918	85	103	1,223	815
October	165	101	163	100	2	<u>3/</u>	501	463	500	462	1	1	1,274	885	74	100	1,200	785
November	136	58	135	58	1	<u>3/</u>	474	438	474	438	<u>3/</u>	<u>3/</u>	882			113		769
December		56		55		<u>3/</u>		449		448		1	912			136		776

1/ Total may not add due to rounding. 2/ Includes instant nonfat dry milk. 3/ Less than 500,000 lbs.

COMMERCIALLY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Oct 31, 2000	Oct 31, 2001	Oct 31, 2002	Nov 30, 2000	Nov 30, 2001	Nov 31, 2002
	Thousand Pounds					
Butter	57,996	100,447	162,796	27,092	57,575	135,246
Natural American Cheese	545,997	462,467	500,474	521,828	437,933	473,987

1/ Total holdings minus Government owned holdings. For more information, see page 7 of this report.

SOURCE: "Cold Storage," Co St 1 (12-02) and "Dairy Products," Da 2-6 (12-02), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Farm Service Agency.

FEDERAL MILK ORDER ADVANCE PRICES, JANUARY

Class I Base Price -- Under the Federal milk order pricing system, the Class I base price for January 2003 is \$10.56 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$6.67 and the advanced butterfat pricing factor of \$1.1784. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Class II Price Information --** The advanced Class IV skim milk pricing factor is \$6.67. Thus, the Class II skim milk price for January is \$7.37 per cwt., and the Class II nonfat solids price is \$0.8189. **Product Price Averages --** The two-week product price averages for January are, butter \$1.0813, nonfat dry milk \$0.8813, cheese \$1.1195, and dry whey \$0.2038.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/} ^{2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	January 2003		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	13.81	9.92	1.2109
Appalachian (Charlotte) ^{5/}	005	13.66	9.77	1.2094
Southeast (Atlanta) ^{6/}	007	13.66	9.77	1.2094
Florida (Tampa) ^{7/}	006	14.56	10.67	1.2184
Midwest (Cleveland) ^{8/}	033	12.56	8.67	1.1984
Upper Midwest (Chicago) ^{9/}	030	12.36	8.47	1.1964
Central (Kansas City) ^{10/}	032	12.56	8.67	1.1984
Southwest (Dallas) ^{11/}	126	13.56	9.67	1.2084
Arizona-Las Vegas (Phoenix) ^{12/}	131	12.91	9.02	1.2019
Western (Salt Lake City) ^{13/}	135	12.46	8.57	1.1974
Pacific Northwest (Seattle) ^{14/}	124	12.46	8.57	1.1974
All-Market Average		13.14	9.25	1.2042

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons of milk. ^{2/} Note:

The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

^{3/} Names in parentheses are the major city in the principal pricing point of the markets. ^{4/} Class I prices at other cities are: New York City, minus \$0.10;

Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25. ^{5/} Class I prices at other cities are: Knoxville, minus \$0.30 and

Louisville, minus \$0.90. ^{6/} Class I prices at other cities are: New Orleans; plus \$0.50; Memphis, minus \$0.30; New Orleans; plus \$0.50; Memphis, minus \$0.30;

Nashville, minus \$0.50; and Springfield, Mo., minus \$0.90. ^{7/} Class I prices at other cities are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30.

^{8/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20. ^{9/} Class I prices at other cities are:

Milwaukee, minus 0.05; and Minneapolis, minus, \$0.10. ^{10/} Class I prices at other cities are: Des Moines, minus 0.20; Omaha, minus 0.15; Oklahoma City, plus 0.60; St. Louis, same;

and Denver plus \$0.55. ^{11/} Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

^{12/} Class I price at Las Vegas is minus \$0.35. ^{13/} Class I price at Boise is minus \$0.30. ^{14/} Class I prices at other cities are: Portland, same; and Spokane, same.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF DECEMBER 23 - 27, 2002			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/02	SAME PERIOD LAST YEAR	WEEK ENDING 12/20/02	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	343,714	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	296,019	-0-	-0-	-0-
Process	712,800	-0-	712,800	4,910,400	-0-	-0-	-0-
TOTAL	712,800	-0-	712,800	5,550,133	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	8,246,054	-0-	8,246,054	98,912,364	70,184,715	1,030,735,000	646,139,000
Fortified	-0-	-0-	-0-	-0-	-0-	46,391,000	38,227,000
TOTAL	8,246,054	-0-	8,246,054	98,912,364	70,184,715	1,077,126,000	684,366,000

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF DECEMBER 23 - 27, 2002 =	8.4	103.0	COMPARABLE PERIOD IN 2001 =	2.5	131.3
CUMULATIVE SINCE OCTOBER 1, 2002 =	73.0	1,206.2	CUMULATIVE SAME PERIOD LAST YEAR =	15.4	817.0
CUMULATIVE JANUARY 1 - DECEMBER 27, 2002 =	267.6	7,985.9	COMPARABLE CALENDAR YEAR 2001 =	88.9	4,087.2

* Factors used for Fat Solids Basis - Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
 **Factors used for Skim Solids Basis - Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF DECEMBER 23 - 27, 2002 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	712,800	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	8,246,054	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/01 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2002/03	2001/02	2002/03	2001/02	2002/03	2001/02	2002/03	2001/02
MIDWEST	-0-	-0-	4,910,400	-0-	1,015,166	-0-	91.6	-0-
WEST	-0-	-0-	639,733	-0-	97,897,198	70,184,715	8.4	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	5,550,133	-0-	98,912,364	70,184,715	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER NOVEMBER 15, 2002

MANUFACTURING MILK Average Test 3.67% - \$9.90 per cwt.

BUTTER Bulk \$1.0500 per pound; 1# Prints \$1.0850

CHEESE 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1889; Process Am. 2# \$1.2289

NONFAT DRY MILK Nonfortified \$.8000 per pound; Fortified \$.8100; Instant \$0.9625

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 12/07/02 & Comparable Week 2001

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL			
	1	2	3	4	5	6	7	8	9	10	WEEK	SINCE JAN 1	WEEK	SINCE JAN 1
2002-Dairy	0.2	0.9	6.6	4.8	22.8	2.6	0.4	1.0	16.5	2.6	58.3	2,437.5	47.7	46.0
2001-Dairy	0.2	0.8	6.5	5.1	22.2	2.8	0.7	1.0	13.8	2.8	55.8	2,429.8	45.4	45.5
2002-All cows	0.2	1.1	9.0	13.1	34.6	15.1	17.2	4.0	19.2	8.6	122.2	5,300.1		
2001-All cows	0.2	1.0	8.9	14.8	32.8	15.9	18.9	6.1	16.6	7.7	122.9	5,341.7		

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000-2001) AND BFP (1999) MILK PRICES, (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37
2001	9.99	10.27	11.42	12.06	13.83	15.02	15.46	15.55	15.90	14.60	11.31	11.80

FEDERAL MILK ORDER CLASS PRICES FOR 2002 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN 2003
I 1/	11.96	11.95	11.62	11.47	11.26	11.03	10.62	10.48	10.46	10.15	10.60	10.52	10.56
II	12.69	12.28	12.19	11.88	11.29	11.19	11.14	11.07	10.91	11.12	11.26		
III	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84		
IV	11.93	11.54	11.42	11.09	10.57	10.52	10.45	10.41	10.22	10.50	10.58		

1/ Specific order differentials to be added to this base price are located at www.ams.usda.gov/dyfmoms/mib/cls_prod_cmp_pr.htm