

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (4/17):
BUTTER: Grade AA closed at \$1.0975. The weekly average for Grade AA is \$1.0963 (+.0046).

CHEESE: Barrels closed at \$1.0900 and blocks at \$1.1200. The weekly average for barrels is \$1.0900 (N.C.) and blocks, \$1.1200 (N.C.).

NONFAT DRY MILK: Extra Grade closed at \$0.8400 and Grade A at \$0.8400. The weekly average for Extra Grade is \$0.8400 (N.C.) and Grade A, \$0.8400 (N.C.).

BUTTER: The cash price at the CME remains basically steady. Cream supplies across the country are reported to be more available this week now that Class II cream based dairy product needs for the holiday have been produced and placed. Butter producers report that current churning activity continues to surpass demand, thus additional stocks are clearing to inventory. Butter demand this week is lower and orders that are being placed are for fill-in needs. Buyers state that they will probably continue to place orders on an as needed basis as long as prices hold at current levels. Retailers indicate that butter sales with or without features are strong.

CHEESE: The cheese market is steady with prices unchanged for over two weeks. Many traders feel that the recent California milk pricing formula change is the main reason prices are unchanged. Current cheese orders are fairly steady. Some plant operators keep trying to limit production close to product order levels rather than run plants at capacity. Commercial process interest is increasing seasonally. Some processors and packagers will be closed on April 18, reducing bulk cheese requirements. Cheese continues to clear to CCC under the price support program from the West and Central.

FLUID MILK: Milk production is increasing in most parts of the country. It appears that the seasonal peak has been reached in the southern tier of states from Florida to Arizona. Increases of varying degrees are being reported farther north. Bottled milk sales are slower as the long, holiday weekend has slowed school lunch milk needs. Scattered plant problems are also adding to the growing volumes of surplus milk looking for a home. Some Southwest milk continues to move into Southeastern manufacturing plants. Manufacturing plants farther north are also getting more milk to process. Plant capacity is not yet being stretched, but there are increasing volumes being shipped greater distances. The fluid cream market is weaker. Demand has eased as offerings increase and utilization slows. Butter makers are very active and they are being offered increasing volumes of excess cream.

DRY PRODUCTS: The commercial NDM market is generally steady. However, CCC has been rather busy. In addition to buying NDM, CCC has announced contracts for the purchase of instantized and fortified NDM, and they have issued invitation 021 to RSC1, inviting offers to buy from CCC, NDM for use in animal feed. Nonfat dry milk production remains heavy and is increasing in many areas where surplus milk volumes are increasing. Commercial spot demand for skim powder is lackluster. The dry buttermilk market is weak. Demand is sluggish at best. The dry whey market is showing more signs of

weakness. More producers are offering discounted prices to stimulate interest. Production is heavy in most regions of the country and inventories are accumulating. The WPC market is steady to weak. Demand is spotty. Some plants are clearing their output to contracted buyers, while other producers are accumulating stocks. The lactose market is steady to firmer. Stocks range from in close balance to tight. Demand is good from both domestic and foreign buyers.

CCC: For the week of April 14 - 18, CCC purchased 761,623 pounds of bulk butter from the West. Cheese purchases included 356,400 pounds of process from the Central, 2,049,793 pounds of block and 444,960 pounds of barrel cheese from the West. Nonfat dry milk purchases totaled 18,174,710 pounds: 634,835 pounds from the Central; 16,167,533 pounds from the West; and 1,372,342 pounds from the East.

FEDERAL MILK ORDER ADVANCE PRICES HIGHLIGHTS (DAIRY PROGRAMS): Under the Federal milk order pricing system, the base price for Class I milk for May 2003 is \$9.71. This price is derived from the advanced Class IV skim milk pricing factor of \$5.91 and the advanced butterfat pricing factor of \$1.1462 per pound. Class I differentials specific to each county are added to the base price to determine the Class I price. The Class II skim milk price for May is \$5.91 and the Class II nonfat solids price is \$0.7344 per pound. The following are the two-week product price averages: butter \$1.0702, nonfat dry milk \$0.8032, cheese \$1.0842, and dry whey \$0.1589.

MARCH FEDERAL MILK ORDER PRICE AND POOL SUMMARY (DAIRY PROGRAMS): During March, about 10.8 billion pounds of milk were received from producers. This volume of milk is 2.4% lower than the March 2002 volume. (Taking into account the volume of milk not pooled due to intraorder disadvantageous price relationships, the year-to-year change is -2.2%.) About 3.8 billion pounds of producer milk were used in Class I products, 0.7% lower than the previous year. The timing of the Easter season likely had a positive impact on milk used in Class I in 2003 as compared to 2002. The all-market average Class utilizations were: Class I = 36%, Class II = 10%, Class III = 44%, and Class IV = 10%. The weighted average statistical uniform price was \$10.69, \$0.35 lower than last month, and \$1.63 lower than last year.

MARCH MILK PRODUCTION (NASS): Milk production in the 20 major states during March totaled 13.0 billion pounds, up 1.5% from March 2002. February revised production, at 11.6 billion pounds, was up 1.6% from February 2002. Production per cow averaged 1,664 pounds for March, 10 pounds above March 2002. The number of cows on farms was 7.81 million head, 67,000 head (0.9%) more than March 2002, and 2,000 head more than February 2003. The January-March quarterly production of milk for the U.S. was 43.0 billion pounds, 1.3% above the same period last year. The average number of milk cows in the U.S. during the first three months of 2003 was 9.16 million head, 43,000 head (0.5%) more than the same period last year.

****SPECIAL THIS ISSUE****

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**CHICAGO MERCANTILE EXCHANGE
 CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY APRIL 14	TUESDAY APRIL 15	WEDNESDAY APRIL 16	THURSDAY APRIL 17	FRIDAY APRIL 18	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	NO	N.C.	\$1.0900 (N.C.)
40# BLOCKS	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1200 (N.C.)			N.C.
BUTTER							
GRADE AA	\$1.0950 (-.0025)	-----	\$1.0975 (+.0025)	-----	TRADING	N.C.	\$1.0963 (+.0046)

*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: The NDM daily/weekly prices are reported here when changes occur. The Extra Grade price is \$.8400 and Grade A price is \$.8400. NDM information remains available at the above internet address.)

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 14, 2003

CHEESE — SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1175, 1 @ \$1.1200, 1 @ \$1.1175, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 8 CARS GRADE AA: 2 @ \$1.1000, 3 @ \$1.0975, 1 @ \$1.0950, 1 @ \$1.0975, 1 @ \$1.0950; BIDS UNFILLED: 9 CARS GRADE AA: 1 @ \$1.0950, 3 @ \$1.0925, 5 @ \$1.0900; OFFERS UNCOVERED: NONE

TUESDAY, APRIL 15, 2003

CHEESE — SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1175, 1 @ \$1.1200, 1 @ \$1.1175, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, APRIL 16, 2003

CHEESE — SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1175, 1 @ \$1.1200, 1 @ \$1.1175, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 2 CARS GRADE AA @ \$1.0975; BIDS UNFILLED: 12 CARS GRADE AA: 5 @ \$1.0950, 2 @ \$1.0925, 2 @ \$1.0900, 1 @ \$1.0875, 2 @ \$1.0850; OFFERS UNCOVERED: 1 CAR GRADE AA @ \$1.1050

THURSDAY, APRIL 17, 2003

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, APRIL 18, 2003

HOLIDAY - NO TRADING

BUTTER MARKETS

NORTHEAST

The butter market tone is fairly steady. The price at the CME has “bounced” around in a very narrow range for the past 6-7 weeks. It appears that traders are comfortable with the current price of bulk butter. Churning activity is moderate to heavy. Excess cream supplies are long, particularly late in the week. Butter stocks are still more than ample for the slow to fair demand. Easter/Passover needs are in the stores. Demand for bulk is lackluster at best. Food service orders are about steady, but most needs for the Easter weekend have been shipped. Distributors are quite busy this week. 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 continues to adjust slightly within a quarter of a cent range. Producers indicate that cream offerings from outside sources are more available this week. They feel with Easter cream based product production has easing, cream supplies will be more available to them, although ice cream production is expected to increase seasonally, competing for the additional offerings also. Butter production continues to run heavier than current demand can fully utilize, thus additional stocks are clearing to inventory. Butter demand is lighter this week, with most orders being placed for last minute/fill-in needs. Many butter producers feel that post Easter orders will probably remain light and basically be placed for short

term or immediate needs. Some producers and handlers indicate that orders are often slow in gaining momentum following the spring holiday. In instances, holiday carry over inventories are heavier than expected and buyers work down their inventories before re-entering the market. Bulk butter for spot sale is in a range of flat to 2 cents per pound over various pricing basis.

WEST

Butter has traded in a two cent range at the cash CME market since the first trading session in March (nineteen sessions). Orders have been shipped to cover the added interest related to the upcoming Easter holiday. Current production and stocks are sufficient for any additional demand. Some additional feature activity is noted. Offerings of cream on the market are heavy and ice cream production seems to be slow in building for summer needs. Churning activity is heavier than anticipated. CME weekly warehouse totals increased by 3.7 million pounds this past week (one new warehouse has been added to the survey). Inventories have increased by 80.1 million pounds over the past seventeen weeks back to Mid-December. Stocks now stand at 165.1 million pounds, 15 million pounds above the 2002 peak. Current prices for bulk butter range from 4 1/4 cents under to 2 cents under the market based on the CME with various time frames and averages (includes CCC sales when applicable).

NASS DAIRY PRODUCT PRICES

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	CHEESE	BARRELS	NDM	BUTTER	DRY WHEY
	40# BLOCKS	38% MOISTURE			
APRIL 12	1.0840 7,624,662	1.0688 10,463,835	0.8022 34,177,117	1.0709 3,551,268	0.1600 10,493,277

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 mostly higher on natural and process items, unchanged on Swiss. The market tone is steady. At the CME, prices have held or traded in a very narrow range for the last two weeks. However, nearly 60 loads of blocks have been sold at the CME during those two weeks and most of those sales were based on offers. (All of the 35 sales last week were offer-based.) This tends to indicate an ample supply nationally. In the East, cheese production is steady at moderate to heavy levels. Surplus milk supplies are starting to increase on a more consistent basis. The effects of last week's ice storm in upstate New York easing. Some areas did not have electricity for about a week. Delivery and consumption patterns are getting back to normal. Retail sales are fairly good, but retailers' orders are slowing now that Easter/Passover needs have been delivered. Food service orders are easing as Easter orders are being shipped.

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

Cheddar 10# Prints	:	1.1825-1.6775
Cheddar Single Daisies	:	1.1400-1.6050
Cheddar 40# Block	:	1.2575-1.5050
Process 5# Loaf	:	1.3000-1.5000
Process 5# Sliced	:	1.3200-1.5675
Muenster	:	1.3450-1.5500
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

Overall, the cheese market is steady. However, there is still some unsettledness noted by some contacts. At the Chicago Mercantile Exchange (CME), it appears that 40# blocks are being offered in a way that forces buyers to purchase if they are to maintain current prices. All of last week's sales at the CME were based on offers. This tends to indicate that blocks are in ample supply. In the commercial market, offerings are adequate for needs. Current buying interest is generally steady at fair levels. Sizeable quantities product remain in the pipeline to CCC for clearance under the price support program. Surplus milk supplies are about steady. Firms continue to wait for the anticipated CCC year-round contracts to purchase cheese to be issued/announced.

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

Process American 5# Loaf	:	1.2700-1.4600
Brick And/Or Muenster 5#	:	1.4600-1.7800
Cheddar 40# Block	:	1.4400-2.1150
Monterey Jack 10#	:	1.7000-2.1150
Blue 5#	:	1.8725-2.1900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4250-2.2150
Grade A Swiss Cuts 6 - 9#	:	1.9500-2.6850

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

	BUTTER	:	CHEESE
		:	
04/14/03	78,786	:	138,949
04/01/03	77,992	:	139,451
CHANGE	794	:	-502
% CHANGE	1	:	N.C.

WEST

Natural prices increased while Swiss held steady after cash trading at the CME last week. Block cheese continues to be offered on the exchange on a daily basis and buyers continue to support the market. Contacts still believe that at least part of the basis for the support is the change implemented in the California pricing system on April 1. Block and barrel cheese continue to clear to the government support program from the West with process cheese clearing from the Central region. Clearances of cheese to the government since last October total 21.7 million pounds. Offerings of current blocks from the West are mixed. Buying activity is about steady. Contacts are thinking that some plants are trying to limit their cheese output at these low prices even in the face of heavy seasonal milk production. Barrels and other processing solids are in better balance than a few weeks ago. Interest in mozzarella is lackluster. Swiss stocks seem to be building with operations adjusting their production schedules accordingly.

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

Process 5# Loaf	:	1.2400-1.5000
Cheddar 40# Block	:	1.2500-1.3900
Cheddar 10# Cuts	:	1.4300-1.6500
Monterey Jack 10#	:	1.4400-1.6000
Grade A Swiss Cuts 6 - 9#	:	2.2000-2.3700

FOREIGN

Domestic prices are fractionally higher and imported styles are unchanged. The market tone is seasonal. Demand is slow to fair as the pre-Easter/Passover demand has slowed. Supplies of most types of cheese are adequate to meet the current demand. Reports from the EU indicate that cheese prices are easing lower as output is increasing in many countries. Demand for European cheeses has been fairly good. Also, reports show that Germany's cheese exports during 2002 were down 11% compared to 2001. Here in the U.S., there are still some scattered reports that various special interest groups are calling for the boycotting of French cheeses.

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

	:	NEW YORK
VARIETY	:	IMPORTED : DOMESTIC
	:	
Roquefort	:	TFEWR : -0-
Blue	:	2.6400-3.5500 : 1.4775-2.9675*
Gorgonzola	:	3.6900-5.9400 : 1.9950-2.4900*
Parmesan (Italy)	:	TFEWR : 2.8875-2.9775*
Romano (Italy)	:	2.1000-3.1900 : -0-
Provolone (Italy)	:	3.4400-5.5000 : 1.4850-1.7125*
Romano (Cows Milk)	:	-0- : 2.6750-4.8475*
Sardo Romano (Argentina)	:	2.8500-3.2900 : -0-
Reggianito (Argentina)	:	2.6900-3.2900 : -0-
Jarlsberg-(Brand)	:	2.7500-3.7900 : -0-
Swiss Cuts Switzerland	:	-0- : 2.3500-2.5500
Swiss Cuts Finnish	:	2.5900-2.8500 : -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.

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	192	0	168	0	117
SOUTHEAST STATES	0	0	0	0	0	0

EDITOR'S NOTE: Due to recent changes in milk supply agreements, milk import/export totals are not directly comparable to year ago figures and to shipments prior to April 1, 2003.

Regional Milk Market Administrators announced the following March 2003 uniform prices: Northeast \$11.43, Midwest \$10.36, Southeast \$11.91, Florida \$13.31, and Western New York (a state order) \$11.09 at the base city or county in the orders. (For the Northeast, Midwest, and Western New York orders, statistical uniform prices are reported.) Milk production ranges from peak levels in the Gulf Coast states to slightly higher in the far North. As the weather improves and pastures/grass matures, we'll see the seasonal peak in milk production move from south to north, with the peak in the far north usually late in May. Those areas hit by the ice storm last week are getting back to normal and reports indicate that little, if any, farm milk was lost. Milk supplies are excessive and growing. Class I needs are slower in most sections of the region. The upcoming holiday weekend is affecting school lunch programs and some states' schools are off all of next week. This, combined the slower demand and a manufacturing plant being down for renovations, is pushing more milk into other manufacturing plants. Many are full or nearly full. Florida handlers are shipping an increasing number of loads out of state and they expect that trend to continue for a while. Other Southeastern contacts report that most of their manufacturing plants are full, but there is still some processing capacity to be used. In the Northeast, plant contacts expect to be running on extended schedules during the coming weeks. The condensed skim market is weak. Increased milk volumes are causing increased volumes of wet solids to be offered and some suppliers have discounted prices to keep product moving. Others are just drying more rather than drop prices. Some buyers report that they are getting more calls from producers and/or traders offering them condensed skim. The fluid cream market is mixed, but mostly slower. Supplies are heavier and demand is slowing now that Easter/Passover needs have been filled. The slowing demand and the sharply increasing volumes of surplus milk, are combining to increase cream availability. Spot prices are mixed. The CME butter average did move fractionally higher last week, but multiples are occasionally lower. Spot demand is slower from bottlers, sour cream and dip producers, and cream cheese makers. Ice cream production seems to be a little slower this week. Some plants may be down an extra day this weekend. The warmer weather did help soft serve mix sales in many areas. Excess cream volumes moving to local and Midwestern churns increased this week.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

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

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.3646-1.4956
DELIVERED EQUIVALENT ATLANTA	-	1.3537-1.4738 M 1.3646-1.4410
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.3755-1.4847

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- .8500- .9800
NORTHEAST- CLASS III - SPOT PRICES	- .7400- .8000

M I D W E S T

Class I interest was generally steady to improved. While some schools were out for spring vacation, most others were still in session, at least through midweek. Retail feature activity on fluid was causing extra bulk milk purchases along with good orders for dips, sour cream, whipped cream and related items. Cream demand was strong, not only for producing holiday items but also from ice cream accounts. For most handlers, the holiday weekend was not expected

to generate a large backup in surplus milk supplies. Most bottlers and some manufacturers are just cutting back on their Sunday (4/19) operation. Some operations are expecting to condense extra milk to help balance the holiday weekend. Surplus manufacturing milk interest is normally lighter on weekends. Manufacturing milk interest was steady to occasionally improved during the week. Reported spot manufacturing milk prices range +\$0.50 to +\$1.50, with most in the \$0.75 - \$1.00 over area. Condensed skim interest was also good through midweek. Current plant milk intakes are steady to slightly higher. Some operations, generally a little further south, are noticing larger declines in fat and protein tests, typical for spring. Temperatures range from setting record daily highs (80'S) down to the 30's and 40's with mixed precipitation. While planters were moving in parts of Iowa and Illinois around showers, further north, cold and often damp soils are limiting planting to spring grain crops and alfalfa. Lawns and pastures growth is still fairly slow.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APRIL 10 - 16	PREVIOUS YEAR
SLAUGHTER COWS	\$ 40.00- 45.00	\$ 39.00- 44.00
REPLACEMENT HEIFER CALVES	\$210.00-340.00	\$500.00-600.00

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

	APRIL 10 - 16	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00- 47.00	\$ 37.50- 44.50

W E S T

The May 2003 Class 1 prices in CALIFORNIA range from \$11.72 in the north to \$12.00 in the south. The statewide average Class 1 price based on production is \$11.77. The average is \$0.08 higher than April 2003 but \$1.31 lower than May 2002. Milk output across CALIFORNIA continues to move seasonally higher at rates above last year. Southern California experienced heavy rainfall over the past week with averages of 1 to 2 inches. The rains mucked up lots. Early indications are that milk intakes only leveled off. Limited rainfall did not impact milk production in the central milk regions. Output is pushing higher seasonally. New plants are helping balance the increased milk supplies in the state. The far northern areas of the state are seeing milk output continuing to grow at rates well above a year ago. Milder weather and pasture growth are contributing factors. New crop hay is being harvested in the state when the weather permits. Green chop and new hay are helping milk output grow. Bottled milk orders are mixed across the state. Several major school districts are on break and most are taking some days off around Easter. There is some increase in retail and food service orders, but not enough to account for the drop in school milk orders. ARIZONA milk production is flat at seasonal high levels. There are indications that milk may have peaked. Weather conditions have been ideal for milk cows. Milk from nearby states continues to be processed, but volumes have declined. Very little new market information is developing for the Western CREAM markets. There are some changes in products being made as the holiday demand winds down, but overall cream demand is light and surplus cream is clearing to the churns. Some cream sellers are seeing an increase in demand from ice cream accounts. Western cream multiples are mostly steady in the range from 110 to 123, FOB, depending on class usage. Conditions remain wet and cool for this time of year in the PACIFIC NORTHWEST. These conditions are causing some problems with spring pastures. Fields are too wet for efficient grazing. Cows are being put out when the fields are not really fit, but producers don't want to lose any more feed value. Some are trying to do green chopping and they are also struggling to get anything done in a timely fashion. Hay growers are nervously trying to market some additional old crop hay before the new crop becomes available. There is only limited interest in this hay. More dairies in the region were reported to be exiting the market this past week. Scattered showers are helping the alfalfa crop to get a good start in UTAH and IDAHO. Cool temperatures are slowing growth in some areas. Tests on milk receipts seem to be in good shape compared to last spring. The overall milk supply seems to be holding about steady at seasonal heavy levels. Heifer prices are holding in the \$1250-1350 range with lighter interest noted.

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 steady market. Production continues to increase in response to seasonally higher milk volumes. Movement is mostly contractual, especially on the low heat product. Some increased high heat demand is noted into bakery facilities. Brokers are generally purchasing additional supplies from the West. Condensed skim interest is improved as production of ice cream and seasonal dips and spreads increases. Conversation continues on the CCC cheese/NDM exchange and the potential implications of CCC NDM resale product on the current market. Standard grade trade is light for the fair interest.

EAST: Eastern prices and the market tone are steady. More contacts commented about all the surplus milk that is available in the East and the slow demand for wet solids. Class I milk demand is slower, some cheese makers are down for renovations/repairs, others are down to control inventory, and milk production is at or near its peak in the Deep South have all combined to push more milk into manufacturing channels. Eastern producers report adequate, but unaggressive demand. Spot buyers seem to be purchasing for immediate needs. They have little concern that they will not be able to find all the NDM they need as they need it. Producers stocks are growing and increased offerings to CCC are being seen. The CCC is again offering government-owned NDM for sale, via competitive bids, for use in animal feed. Invitation 021 to Announcement RSC1 inviting offers to buy from CCC 728,352 pounds of NDM. Offers are due April 28.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .8000 - .8750 MOSTLY: .8000 - .8500
 HIGHHEAT: .8600 - .9150

NONFAT DRY MILK - WEST

Low/medium heat nonfat dry milk prices are mostly steady with a price adjustment noted on the bottom end of the range. The weak market tone continues. Heavy, weekly offerings to the CCC support program continue to comprise the majority of current production. Drying schedules are high and growing to accommodate additional milk supplies in the region. Current stocks are long of trade needs. The KCCO announced, under Announcement FMP1, awards to offer 3,450,000 pounds of fortified/instant NDM and 20,480,182 pounds of fortified NDM for shipment May through July 2003. The NDM is for use in export donation programs. During the week of April 7 - 11, CCC net purchases totaled 18.1 million pounds of NDM from Western producers. Western high heat prices are lower on the top end of the range and reflect a weaker trend and several producers' inability to move product at higher levels. Limited seasonal interest is evident. Buyers are making just in time purchases. Stock levels are adequate to long of current needs.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .7900 - .8875 MOSTLY: .7950 - .8100
 HIGHHEAT: .8225 - .8400

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 11	\$.8016	15,787,905	9,399,361
April 4	\$.8024	15,229,082	7,487,927

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 are nominal on a steady market. The slight increase in price last week confused some buyers as producers are believed to be holding heavy stocks. Therefore, buyers do not see prices increasing. Some producers are seeing better clearance of condensed buttermilk into Class II facilities. Churning activity is also reduced as cream clears better into Class II facilities, decreasing buttermilk output at some locations and suggesting better market conditions. In general, spot interest in buttermilk is lackluster with most product cleared on a contractual basis.

F.O.B. CENTRAL: .6500 - .7300

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are little changed. Eastern prices remain nominal. There is little spot trading being reported. Some LTL and down-graded powder is moving, but contacts report little activity on Extra Grade. This appears to be the norm throughout the country, not just the East. Production of dry buttermilk ranges from steady to heavier. Churning activity is increasing at some plants, while others are limiting processing to their own cream. Sales of condensed buttermilk are just fair. Producer stocks are fairly well balanced, but accumulating slowly in some instances.

F.O.B. NORTHEAST: .7000 - .7175
 DELVDSOUTHEAST: .7300 - .7550

DRY BUTTERMILK - WEST

Dry buttermilk prices in the West are unchanged in light trading. Buying interest is very limited. Currently, the bulk of sales are being made under prior contracted arrangements. Several producers say they have had no spot sales in two or three weeks. The drying schedules are mixed with some accounts taking more condensed than in recent weeks. Inventory levels are long in the region.

F.O.B. WEST: .7000 - .7400 MOSTLY: .7100 - .7200

DRY WHOLE MILK - NATIONAL

Prices are steady to lower again this week. Despite the decline in price, the market tone remains steady and prices are nominal. Production levels are easing now that more skim is being processed in most parts of the country. Demand for dry whole milk is slowing slightly and remains mostly contractual. Competition for imported powder continues.

F.O.B. PRODUCING PLANT: 1.0300 - 1.1500

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2002 THROUGH APRIL 11, 2003
 WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	-	68,201	MT (150,355,592 LBS)
Program's NDM allocation is filled.			
CHEESE	-	3,029	MT (6,677,733 LBS)
BUTTERFAT	-	5,000	MT (11,023,000 LBS)

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. This program-year's allocations have been announced in stages. The third stage was announced on February 25, 2003, and makes available 25,575 MT of NDM, 1,136 MT of cheese, and 5,000 MT of butterfat. This announcement fills the NDM and cheese allocations for this DEIP-year.

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. While some brand specific producers are able to garner a premium on their sales, many producers are finding whey difficult to clear, even at a discount. Lower prices in the West are deterring export sales from the Central region. Some brokers are reportedly selling inventoried stocks at a loss to avoid further costs in the future. Offerings to brokers and end-users are heavy with block loads available. Production is increasing in response to seasonally higher milk volumes. Stocks are building with increased offerings of condensed whey noted into some WPC/lactose and feed facilities. Unconfirmed trades of Extra Grade whey continue to be reported below the range.

F.O.B. CENTRAL: .1475 - .1650 MOSTLY: .1525 - .1575

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are unchanged to lower in the Northeast, lower in the Southeast. The market tone is showing more signs of weakness. Eastern contacts/producers are trying to hold prices, but this week, there have been more reports of Midwestern producers discounting prices. Demand has been, and is lackluster. Some traders indicate that it is difficult to clear their contract purchases. Spot buyers are purchasing as needed since there are few, if any, indications that whey supplies will tighten in the next few months. Producer stocks are a little heavier as milk and cheese output increase along seasonal patterns. Offerings continue to outpace demand.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .1575 - .1725
DELVD SOUTHEAST: .1775 - .1850

DRY WHEY - WEST

Prices continue to decline for Western whey powder. Stocks are larger than desired at a number of operations and producers are reducing prices to try and move some additional powder. Domestic sales of powder are slowing across the country with all areas reporting a surplus of powder and inventories building. Export sales are slower and competition from Europe is taking away some sales opportunities. Production is heavier than anticipated at many locations.

NONHYGROSCOPIC: .1250 - .1750 MOSTLY: .1300 - .1500

ANIMAL FEED WHEY - CENTRAL

Prices are mixed on a steady to weak market. Increased activity is noted on milk replacer as a competitive substitute to permeate into some feed operations. Production is higher due to heavier Extra Grade output. Roller ground movement is mostly contractual on steady production schedules. Early weaned pig trade is mixed while veal movement is steady. NOTICE: Due to the reduced number of roller ground producers, the roller ground report will be discontinued as of May 1, 2003.

F.O.B. CENTRAL:
MILK REPLACER: .1275 - .1500
ROLLERGROUND: .1475 - .1825

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to lower on a steady to weak market. Producers that have brand specific product or that are well-contracted are able to gain a premium to the market. Some improved interest is also reported into Mexico. However, at other locations, production is heavy and stocks are increasing. Some producers are asking buyers and brokers to make a bid without avail. Heavy offerings of domestic and foreign 80% WPC continue to depress 34% WPC interest. Buyers are delaying pick-up of their orders due to reduced end-use and in an attempt to gain reduced prices as the market declines. The impact of CCC NDM on the WPC is also being discussed as product may be released from the cheese/NDM exchange or the CCC invitation of NDM for non-human use. Off grade stocks are available for the light to fair interest.

F.O.B. EXTRA GRADE 34% PROTEIN: .4600 - .5450 MOSTLY: .4850 - .4950

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady to firm market. Most buyers and traders are reporting that lactose is difficult to find. However, some producers are reporting that discount offers are being made by another domestic supplier on the export market. Inquiries are being reported from domestic and foreign sources. Traders are concerned by last week's price increase, especially since lactose is uncommonly trading much higher than the whey market. Reduced interest in lactose from the Oceania region may deter lactose movement into the third quarter. Production is steady to higher in response to increased milk and cheese output. Off grade supplies are limited for the good interest.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
F.O.B. EDIBLE: .1600 - .2350 MOSTLY: .1650 - .1900

CASEIN - NATIONAL

Domestic casein markets are generally steady at unchanged prices. Buyer interest is holding steady. Most domestic buyers are getting their needs filled through contracts with minimal spot activity being reported at this time. Domestic buyers and international suppliers are closely monitoring recent proposals in the EU pertaining to casein aid reductions during upcoming years and what impact this will have on European production and subsequent prices within Europe and elsewhere in the world. Many within the domestic casein industry were not surprised at the results of the most recent round of bidding for government owned nonfat dry milk for the production of casein/caseinates. For round seven, no bids were received. Since last fall, USDA has sold slightly more than 4 million pounds of powder at prices ranging \$.22 - .30 per pound for this 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: 1.9500 - 2.1000
ACID: 1.9500 - 2.0500

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are often heavier as more surplus milk is available in many parts of the country. Some producers are taking full advantage of the increasing milk volumes and the often discounted prices, to replenish their inventories. Demand is slower now that the Easter/Passover orders have been filled.

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.

Measures of Growth in Federal Milk Order Markets, Selected Years, 1947-2002

Year	Number of markets 1/	Population of Federal milk marketing areas	Number of handlers 1/	Number of producers 2/	Receipts of producer milk 3/	Producer milk used in Class I	Percentage of producer milk used in Class I	Prices at 3.5% butterfat content 2/		Receipts as percentage of milk sold to plants and dealers		Daily deliveries of milk per producer	Gross value of receipts of producer milk 4/	
								Class I	Blend	Fluid grade	All milk		Per producer	All producers
	Number	1,000	Number		Million pounds		Percent	Dol. per cwt.		Percent	Pounds	Dollars	1,000 dol.	
1947	29	---	991	135,830	14,980	9,808	65.5	4.65	4.34	---	21	302	5,024	682,407
1950	39	---	1,101	156,584	18,660	11,000	58.9	4.51	3.93	41	25	326	4,914	769,442
1955	63	46,963	1,483	188,611	28,948	18,032	62.3	4.67	4.08	51	32	420	6,510	1,227,815
1960	80	88,818	2,259	189,816	44,812	28,758	64.2	4.88	4.47	64	43	648	10,482	1,989,615
1965	73	102,351	1,891	158,077	54,444	34,561	63.5	4.93	4.31	70	48	944	15,300	2,418,526
1970	62	125,721	1,588	143,411	65,104	40,063	61.5	6.74	5.95	79	59	1,244	27,636	3,963,311
1975	56	150,666	1,315	123,855	69,249	40,106	57.9	9.36	8.64	78	63	1,532	49,233	6,097,768
1980	47	164,908	1,091	117,490	83,998	41,034	48.9	13.77	12.86	80	67	1,954	93,685	11,007,001
1985	44	176,440	884	116,765	97,762	42,201	43.2	13.88	12.61	80	70	2,294	107,871	12,595,522
1986	44	177,992	849	112,322	98,791	42,725	43.2	13.60	12.38	80	71	2,413	111,581	12,515,451
1987	43	180,374	797	105,882	98,182	42,876	43.7	13.90	12.51	80	71	2,542	118,402	12,529,800
1988	42	184,180	776	104,141	100,066	43,141	43.1	13.42	12.14	79	71	2,627	119,261	12,419,974
1989	41	185,919	748	100,291	95,871	43,367	45.2	14.51	13.30	75	68	2,614	129,744	13,012,796
1990	42	195,841	753	100,397	102,396	43,783	42.8	15.55	13.78	77	70	2,796	142,324	14,289,567
1991	40	198,409	722	100,267	103,252	45,033	43.6	13.30	12.11	76	71	2,821	121,479	12,180,354
1992	40	200,530	698	97,803	107,947	44,914	41.6	14.57	13.12	77	73	3,017	146,452	14,323,698
1993	38	199,604	675	92,934	103,979	44,805	43.1	14.19	12.89	73	69	3,073	145,350	13,507,974
1994	38	201,561	629	91,397	107,811	44,866	41.6	14.75	13.16	75	71	3,232	156,253	14,281,193
1995	33	207,548	571	88,717	108,548	45,004	41.5	14.19	12.79	75	71	3,350	157,754	13,995,454
1996	32	209,599	570	82,947	104,501	45,479	43.5	16.19	14.64	72	69	3,442	187,713	15,570,261
1997	31	208,379	570	78,422	105,224	44,917	42.7	14.36	13.10	71	69	3,676	178,424	13,992,366
1998	31	210,484	522	72,402	99,223	44,968	45.3	16.14	14.92	66	64	3,755	202,770	14,681,340
1999	31	212,118	487	69,008	104,479	45,216	43.3	16.24	14.09	67	65	4,148	216,794	14,960,544
2000	11	228,899	346	69,590	116,920	45,989	39.3	14.24	12.11	72	70	4,590	207,913	14,468,892
2001	11	231,487	350	66,423	120,223	45,887	38.2	16.96	14.90	75	73	4,959	275,642	18,308,968
2002	11	234,256	338	63,856	125,546	46,043	36.7	13.69	11.91	77	76	5,387	237,503	15,165,997

1/ End of year. The number of markets peaked at 83 in 1962. The number of handlers peaked at 2,314 in 1961.

2/ Average for year. The number of producers peaked at 192,947 in 1961.

3/ Beginning in 1989, due to disadvantageous price situations in some markets, handlers elected not to pool milk that normally would have been associated with the order. This has reduced, sometimes substantially, the volume of producer milk receipts reported for some markets.

4/ Based on blend (uniform) price adjusted for the butterfat content, and in later years, other milk components of producer milk.

FEDERAL MILK ORDER PRICE AND POOL SUMMARY, MARCH

HIGHLIGHTS: Handler reports of receipts and utilization under the Federal milk order system for March have been filed and tabulated. Combined totals for the 11 consolidated orders are being released. During March, about 10.8 billion pounds of milk were received from producers. This volume of milk is 2.4 percent lower than the March 2002 volume. (Taking into account the volume of milk not pooled due to intraorder disadvantageous price relationships, the year-to-year change is -2.2 percent.) About 3.8 billion pounds of producer milk were used in Class I products, 0.7 percent lower than the previous year. The timing of the Easter season likely had a positive impact on milk used in Class I in 2003 as compared to 2002. The all-market average Class utilization percentages were; Class I = 36%, Class II = 10%, Class III = 44%, and Class IV = 10%. The weighted average statistical uniform price was \$10.69 per cwt., \$0.35 lower than last month, and \$1.63 lower than last year.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF MARCH 2003										
FEDERAL MILK ORDER MARKETING AREA ^{1/}	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE ^{2/}
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV. YEAR	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			\$ PER CWT.
Northeast (Boston)	001	2,149.8	-6.1	888.3	-1.0	41	19	29	11	11.43
Appalachian (Charlotte)	005	566.5	-9.4	368.0	-0.5	65	14	11	10	12.07
Southeast (Atlanta)	007	626.9	-17.6	391.8	-2.9	62	9	22	7	11.91
Florida (Tampa)	006	253.5	2.6	219.0	0.4	86	8	4	2	13.31
Midwest (Cleveland)	033	1,456.8	-7.6	545.1	-1.0	38	12	44	6	10.36
Upper Midwest (Chicago)	030 ^{3/}	1,937.2	6.0	339.8	-1.9	17	3	77	3	9.65
Central (Kansas City)	032 ^{3/}	1,486.9	-4.6	408.6	-0.7	28	6	58	8	10.08
Southwest (Dallas)	126	942.6	8.9	338.9	0.3	36	12	29	23	11.10
Arizona-Las Vegas (Phoenix)	131	279.4	-2.2	82.6	1.4	30	5	37	28	10.29
Western (Salt Lake City)	135 ^{3/}	442.6	26.8	90.2	9.1	20	7	71	2	9.88
Pacific Northwest (Seattle)	124	644.1	-2.9	175.0	-1.2	27	6	34	33	10.13
ALL MARKET AVERAGE OR TOTAL	^{3/}	10,786.2	-2.4	3,847.3	-0.7	36	10	44	10	10.69

^{1/} Names in parentheses are the major city in the principal pricing point of the market.

^{2/} Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

^{3/} Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform (blend) price in these markets, handlers elected not to pool an estimated 295 million pounds of milk that normally would have been associated with these markets. In March 2002, the estimated not-pooled volume of milk was 285 million pounds. After adjusting for these not-pooled volumes, the year-to-year percent change is -2.2.

MARCH MILK PRODUCTION

Milk production in the 20 major states during March totaled 13.0 billion pounds, up 1.5 percent from March 2002. February revised production, at 11.6 billion pounds, was up 1.6 percent from February 2002. The February revision represented a decrease of 8 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,664 pounds for March, 10 pounds above March 2002. The number of cows on farms in the 20 major states was 7.81 million head, 67,000 head more than March 2002, and 2,000 head more than February 2003. The January-March quarterly production of milk for the U.S. was 43.0 billion pounds, 1.3 percent above the January-March period last year. The average number of milk cows in the U.S. during the January-March quarter was 9.16 million head, 43,000 head more than the same period last year.

STATE	MILK COWS ^{1/ 2/}				MILK PRODUCTION ^{1/ 3/}			
	MARCH		JANUARY-MARCH		MARCH		JANUARY-MARCH	
	2002	2003	2002	2003	2003	% CHANGE FROM 2002	2003	% CHANGE FROM 2002
	THOUSANDS				MILLION LBS.	PERCENT	MILLION LBS.	PERCENT
AL	--	--	20	18	--	--	70	-11.4
AK	--	--	1.2	1.3	--	--	4.33	7.7
AZ	143	150	142	150	323	0.3	915	2.3
AR	--	--	33	30	--	--	96	-10.3
CA	1,631	1,691	1,627	1,686	3,086	3.4	8,818	4.3
CO	--	--	97	101	--	--	552	6.0
CT	--	--	24	23	--	--	108	-6.9
DE	--	--	9.5	9.0	--	--	37.7	-10.2
FL	151	147	152	147	223	-1.8	629	-2.3
GA	--	--	85	85	--	--	399	1.0
HI	--	--	6.7	6.6	--	--	24.0	-2.0
ID	381	395	381	394	731	8.9	2,087	7.5
IL	115	113	115	114	189	1.6	538	1.5
IN	153	145	154	146	227	-0.9	655	-0.8
IA	209	203	208	205	333	-1.5	965	0.9
KS	--	--	100	104	--	--	520	8.3
KY	123	120	123	120	138	-9.8	392	-9.3
LA	--	--	51	48	--	--	149	-12.4
ME	--	--	38	35	--	--	155	-5.5
MD	--	--	81	79	--	--	331	-0.6
MA	--	--	21	20	--	--	88	-3.3
MI	295	299	296	300	525	2.9	1,506	3.4
MN	490	480	493	480	746	-2.4	2,141	-2.7
MS	--	--	34	32	--	--	122	-12.2
MO	138	131	139	133	176	-4.3	495	-3.5
MT	--	--	18	18	--	--	84	1.2
NE	--	--	68	66	--	--	297	-0.7
NV	--	--	25	26	--	--	127	7.6
NH	--	--	18	17	--	--	79	-6.0
NJ	--	--	13	13	--	--	57	-5.0
NM	293	315	291	313	578	7.8	1,622	7.6
NY	675	686	674	683	1,056	--	3,027	-0.2
NC	--	--	65	62	--	--	279	-6.4
ND	--	--	41	37	--	--	143	-3.4
OH	261	260	260	260	390	-0.5	1,120	-1.1
OK	--	--	88	88	--	--	333	1.5
OR	--	--	105	117	--	--	526	8.2
PA	581	585	584	588	936	-1.2	2,686	-1.3
RI	--	--	1.4	1.4	--	--	5.8	--
SC	--	--	20	20	--	--	96	-5.9
SD	--	--	97	93	--	--	352	-3.0
TN	--	--	90	82	--	--	325	-7.1
TX	309	312	310	311	515	3.8	1,448	4.0
UT	--	--	93	92	--	--	397	1.5
VT	154	151	154	152	231	-2.1	668	-1.9
VA	120	118	120	118	162	-6.9	463	-6.7
WA	247	248	247	248	486	1.9	1,394	1.8
WV	--	--	16	15	--	--	56	-9.7
WI	1,276	1,263	1,278	1,264	1,945	0.9	5,563	0.7
WY	--	--	4.5	3.9	--	--	13.3	-15.8
20 STATE TOTAL	7,745	7,812	--	--	12,996	1.5	--	--
U.S. ^{5/ 6/}	--	--	9,112	9,155	--	--	42,958	1.3

^{1/} Preliminary. ^{2/} Includes dry cows, excludes heifers not yet fresh. ^{3/} Excludes milk sucked by calves. ^{5/} Includes states for which individual monthly estimates are not available. ^{6/} Milk cows will not add due to rounding. SOURCE: "Milk Production," Da 1-1 (4-03), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 14 - 18, 2003			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/02	SAME PERIOD LAST YEAR	WEEK ENDING 04/11/03	SAME PERIOD LAST YEAR
BUTTER							
Bulk	761,623	-0-	761,623	6,685,257	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	328,320	-0-	-0-	-0-
TOTAL	761,623	-0-	761,623	7,013,577	-0-	-0-	-0-
CHEESE							
Block	2,049,793	-0-	2,049,793	3,675,215	-0-	-0-	-0-
Barrel	444,960	-0-	444,960	5,304,226	-0-	-0-	-0-
Process	356,400	-0-	356,400	15,523,200	-0-	-0-	-0-
TOTAL	2,851,153	-0-	2,851,153	24,502,641	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	18,174,710	-0-	18,174,710	363,966,336	325,022,752	1,198,711,000	898,301,000
Fortified	-0-	-0-	-0-	-0-	-0-	46,391,000	46,391,000
TOTAL	18,174,710	-0-	18,174,710	363,966,336	325,022,752	1,245,102,000	944,692,000

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 14 - 18, 2003 =	46.9	239.9	COMPARABLE PERIOD IN 2002 =	4.3	227.5
CUMULATIVE SINCE OCTOBER 1, 2002 =	459.1	4,480.0	CUMULATIVE SAME PERIOD LAST YEAR =	71.5	3,783.3
CUMULATIVE JANUARY 1 - APRIL 18, 2003 =	385.0	3,214.4	COMPARABLE CALENDAR YEAR 2002 =	54.6	2,887.4

* 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 APRIL 14 - 18, 2003 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
CENTRAL	-0-	-0-	-0-	-0-	-0-	356,400	634,835	-0-
WEST	761,623	-0-	-0-	2,049,793	444,960	-0-	16,167,533	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	1,372,342	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/02 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
CENTRAL	-0-	-0-	15,564,800	-0-	13,417,153	11,698,786	31.9	3.6
WEST	7,013,577	-0-	8,937,841	-0-	335,363,649	296,011,334	67.4	91.1
EAST	-0-	-0-	-0-	-0-	15,185,534	17,312,632	0.7	5.3
TOTAL	7,013,577	-0-	24,502,641	-0-	363,966,336	325,022,752	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 03/29/03 & Comparable Week 2002

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		
2003-Dairy	0.2	0.8	7.0	4.6	20.6	2.8	0.3	1.0	13.7	3.1	54.1	752.0	49.8	49.8
2002-Dairy	0.2	0.8	5.4	4.4	17.8	2.0	0.5	0.9	11.7	2.8	46.4	656.1	46.1	47.5
2003-All cows	0.2	1.0	9.4	13.1	31.9	14.0	14.3	3.3	15.1	6.2	108.6	1,510.5		
2002-All cows	0.2	0.9	7.5	13.0	26.6	13.5	15.5	3.4	14.1	6.1	100.7	1,381.1		

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 MILK PRICES, (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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
2002	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74

FEDERAL MILK ORDER CLASS PRICES FOR 2003 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	10.56	10.23	9.81	9.64	9.71							
II	11.29	10.66	10.54									
III	9.78	9.66	9.11									
IV	10.07	9.81	9.79									

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