

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (4/26):
BUTTER: Grade AA closed at \$1.1200. The weekly average for Grade AA is \$1.1550 (-.0017).

CHEESE: Barrels closed at \$1.2125 and blocks at \$1.2350. The weekly average for barrels is \$1.2255 (-.0020) and blocks, \$1.2465 (-.0060).

NONFAT DRY MILK: Extra Grade closed at \$0.9400 and Grade A at \$0.8700. The weekly average for Extra Grade is \$0.9400 (N.C.) and Grade A, \$0.8700 (N.C.).

BUTTER: The butter market tone remains weak. Butter production is heavy in most butter operations across the country. Cream supplies are readily available from local and outside sources. Ice cream production is increasing slowly but not enough to absorb the heavy volumes of available cream. As in past weeks, butter production continues to exceed demand, thus inventories continue to increase. Overall butter demand is fair with most orders being filled for short-term needs. Retail sales are fair at best and food service orders are steady.

CHEESE: The cheese market is unsettled. Current movement seems to be just "coasting along". Process movement is mostly steady at fair to good levels. A few extra loads of barrels are occasionally available, as processors have built inventory for current and later use. Offerings of cheddar blocks are at least adequate for current needs with some still entering aging programs. Mozzarella interest is irregular, ranging from soft to fairly good. Current cheese production remains seasonally active. Milk supplies are steady to increasing seasonally in the Midwest and Northeast.

FLUID MILK: Milk production is steady to higher in most sections of the country. In Florida and other Deep South states, the milk flow is holding at peak levels. Most noticeable increases in milk output are now in the West and Northwest. Milk supplies are excessive of the overall slow to fair bottled milk demand. Contacts in the Eastern third of the country are commenting on how poor bottled milk sales are and how much more surplus milk there is to process. A strike at a large-volume user's plant is eminent and could push another million-plus pounds per day into manufacturing channels. The fluid cream market is weak. Offerings far exceed Class II needs and the volumes being sent to butter plants remain very heavy. The condensed skim market is also weak and suppliers note that slow demand is forcing more skim into the dryers. According to NASS reports, dairy cow slaughter figures,

through April 6, show year-to-date slaughter at 704,200 head. This is 10.0% less than same period last year and 5.5% less than two years ago.

DRY PRODUCTS: There are few bright spots in the dry dairy product markets. Nonfat dry milk production is heavy and commercial demand is limited. Buyers are looking for the lowest price for short term needs. Most are waiting for a change in the support purchase price. (They have been waiting for nearly six months.) Sales to CCC continue to clear large volumes and more/different producing plants are appearing on the CCC-list of dairy purchases. The dry whey market is weak in all regions of the country. Prices continue to move lower. Production is steady to heavier and stocks are more than ample to cover the current, slow spot demand. The WPC market is weak and prices moved lower. Competition from whey and high protein WPC is taking its toll on this market, particularly on feed. The lactose market is weak with prices steady to lower, particularly on domestic spot sales. Not all second quarter export contracts have been finalized.

CCC: For the week of April 22 - 26, CCC purchased 15,472,251 pounds of NDM. Of the total, 2,405,731 pounds originated in the East, 716,342 pounds in the Midwest, and 12,350,178 pounds from the West.

COLD STORAGE (NASS): During March, U.S. cold storage holdings of butter total 147.5 million pounds, 12.9% more than a month ago and 53.3% higher than last March. Natural American cheese holdings total 492.4 million pounds, 1.5% heavier than a month ago, but 1.6% less than a year ago. Nonfat dry milk holdings at the end of February total 963.0 million pounds, 63 million pounds more than last month and 237 million pounds more than last February. The government holds 85.5% of the total nonfat holdings.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during the months of December 2001 - February 2002 totals 39.9 billions pounds, 0.1% less than from the same period in a year ago. Comparing disappearance levels with year earlier levels: butter +9.3%, American cheese -2.9%, other cheese +1.9%, NDM -15.2%, and fluid milk product -0.8%

CONSUMER PRICE INDEX (BLS): The March CPI for all food is 176.1, up 2.6% from 2001. The dairy products index at 169.4 is up 3.8% from a year ago. The following are the March-to-March changes for selected products: fresh whole milk +3.3%, cheese +3.8%, and butter +7.3%.

****SPECIAL THIS ISSUE****

BUTTER AND CLASS III & IV MILK FUTURES (PAGE 7)
 INTERNATIONAL DAIRY MARKET NEWS (PAGE 8)
 MARCH COLD STORAGE HOLDINGS (PAGES 9 - 10)
 MAY FEDERAL ORDER ADVANCE PRICES (PAGE 11)

MARCH CONSUMER PRICE INDEX (PAGE 12)
 DECEMBER-FEBRUARY COMMERCIAL DISAPPEARANCE (PAGE 12)
 YEAR TO DATE COW SLAUGHTER (PAGE 13)

**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 APRIL 22	TUESDAY APRIL 23	WEDNESDAY APRIL 24	THURSDAY APRIL 25	FRIDAY APRIL 26	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.2300 (N.C.)	\$1.2300 (N.C.)	\$1.2300 (N.C.)	\$1.2250 (-.0050)	\$1.2125 (-.0125)	-.0175	\$1.2255 (-.0020)
40# BLOCKS	\$1.2325 (N.C.)	\$1.2550 (+.0225)	\$1.2550 (N.C.)	\$1.2550 (N.C.)	\$1.2350 (-.0200)	+.0025	\$1.2465 (-.0060)
NONFAT DRY MILK							
EXTRA GRADE	\$.9400 (N.C.)	\$.9400 (N.C.)	\$.9400 (N.C.)	\$.9400 (N.C.)	\$.9400 (N.C.)	N.C.	\$.9400 (N.C.)
GRADE A	\$.8700 (N.C.)	\$.8700 (N.C.)	\$.8700 (N.C.)	\$.8700 (N.C.)	\$.8700 (N.C.)	N.C.	\$.8700 (N.C.)
BUTTER							
GRADE AA	\$1.1725 (+.0075)	----	\$1.1725 (N.C.)	----	\$1.1200 (-.0525)	-.0450	\$1.1550 (-.0017)

*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

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 22, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS GRADE A @ \$0.8800
 BUTTER — SALES: 4 CARS GRADE AA: 1 @ \$1.1700, 1 @ \$1.1600, 1 @ \$1.1700, 1 @ \$1.1725; BIDS UNFILLED: 8 CARS GRADE AA: 1 @ \$1.1700, 2 @ \$1.1650, 2 @ \$1.1600, 1 @ \$1.1500, 1 @ \$1.1400, 1 @ \$1.1300; OFFERS UNCOVERED: NONE

TUESDAY, APRIL 23, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ \$1.2550, 1 @ \$1.2350; OFFERS UNCOVERED: NONE
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: 1 CAR GRADE A @ \$0.8600; OFFERS UNCOVERED: 1 CAR GRADE A @ \$0.8800

WEDNESDAY, APRIL 24, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 2 CARS BARRELS @ \$1.2300
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS GRADE A @ \$0.8800
 BUTTER — SALES: 3 CARS GRADE AA: 1 @ \$1.1725, 1 @ \$1.1775, 1 @ \$1.1725; BIDS UNFILLED: 1 CAR GRADE AA @ \$1.1725; OFFERS UNCOVERED: NONE

THURSDAY, APRIL 25, 2002

CHEESE — SALES: 1 CAR BARRELS @ \$1.2250; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.2300
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: 5 CARS GRADE A @ \$0.8500; OFFERS UNCOVERED: 5 CARS GRADE A @ \$0.9000

FRIDAY, APRIL 26, 2002

CHEESE — SALES: 5 CARS BARRELS: 1 @ \$1.2300, 1 @ \$1.2125, 1 @ \$1.2175, 1 @ \$1.2150, 1 @ \$1.2250; 3 CARS 40# BLOCKS: 1 @ \$1.2325, 1 @ \$1.2050, 1 @ \$1.2150; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.2350; OFFERS UNCOVERED: 7 CARS BARRELS: 1 @ \$1.2125, 1 @ \$1.2200, 5 @ \$1.2300
 NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 5 CARS GRADE AA: 1 @ \$1.1750, 1 @ \$1.1500, 1 @ \$1.1350, 1 @ \$1.1275, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 3 CARS GRADE AA: 1 @ \$1.1675, 1 @ \$1.1725, 1 @ \$1.1750

BUTTER MARKETS

MARCH COLD STORAGE

According to NASS, March month-ending cold storage figures for butter total 147.5 million pounds, 53.3% higher than the amount held last March and 12.9% more than February 2002 holdings.

NORTHEAST

The market tone remains weak despite the price increase seen the past three trading sessions (through 4/22) at the CME. It continues to puzzle some buyers that prices are going up at a time when production and inventories are as high/heavy as they are. Analyzing recent trading (sales, offers, bids) at the CME, it seems that there is an effort to hold prices at or near present levels. The current supply/demand relationship does not point to increasing prices. Churning activity in the East remains heavy. Producer stocks are growing. Spot demand is holding at lackluster levels. Retail sales are fair at best and food service orders are steady. 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 at the CME has firmed 2.75 cents to \$1.1725 at midweek. Many producers and handlers are questioning why this is occurring when cream supplies and butter stocks are so plentiful. Midwestern butter producers are reporting that cream offerings from local and out of area sources and are often heavier than they can handle at this time. As milk production increases locally, most butter operations are running at or very near capacity. Churning activity continues to surpass demand, thus inventories continue to build. Overall butter demand is slow and unaggressive. Often, buyers are placing only short term or

immediate need orders. Producers and handlers anticipate that orders will continue at these levels for the near term. Bulk butter for spot sale is selling in a range of flat - 3 cents per pound over various pricing basis.

Addendum: In last week's Central print comment, the reference to non quota butter arriving on U.S. shores around \$1.25 was understated. When international butter prices fall below certain levels, as they are now, an additional tariff is imposed. With international butter prices in the \$0.45 - .50 per pound range, a safeguard provision is imposed of about \$0.28, thus a more accurate non quota butter price would be around \$1.50. The safeguard duty or tariff rate is determined by a graduated scale as international butter prices decline. When international fob butter prices fall below \$1.09 per pound, this safeguard provision is enacted.

WEST

Butter production in the Western region is heavy and growing at some locations. Cream supplies are readily available. Ice cream production is increasing seasonally, but not fast enough to have much impact on the butter market at this time. Some Western contacts indicate that they are surprised at the strength noted again at the CME for cash butter trading. Butter production is heavy, milk production is heavy, and butter stocks continue to grow. End of March NASS butter Cold Storage stocks stand at 147.5 million pounds, up 51 million pounds from a year earlier. Weekly CME butter stocks grew by another 7.2 million pounds to set another new record of 120 million pounds. This level is 65 million pounds ahead of last year. Current prices for bulk butter range from 5 cents to 2 cents under market based on the CME with various time frames and averages involved.

NASS DAIRY PRODUCT PRICES
 U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY	MILKFAT	
	40# BLOCKS	BARRELS 38% MOISTURE				CLASS II	ALL CLASSES
APRIL 20	1.2295 6,619,742	1.2104 10,321,312	0.8967 30,627,345	1.1501 3,764,210	0.1957 10,786,656	1.5545 2,587,296	1.5379 4,758,344

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 generally higher on natural and process items, unchanged on Swiss. Despite higher prices, the market tone is, at best, steady. Cheese output in the Northeast is generally heavy as they approach their peak milk production period of April and May. However, milk volumes in March were reported as near-peak levels. Demand for cheese is fair at best. Most of the cheddar production is moving into aging programs. Retail sales are just fair and best movement is noted to be process. Food service orders are steady, but restaurants are starting to prepare for Mothers' Day which is less than three weeks away.

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

Cheddar 10# Prints	:	1.3150-1.7800
Cheddar Single Daisies	:	1.2725-1.7325
Cheddar 40# Block	:	1.3900-1.6025
Process 5# Loaf	:	1.4375-1.6225
Process 5# Sliced	:	1.4575-1.7350
Muenster	:	1.4750-1.6825
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market seems to be just "coasting along", neither aggressive nor weak. Cash cheese prices at the Chicago Mercantile Exchange continue to move up and down within a trading range. Current weekly cash prices for blocks and barrels at the Chicago Mercantile Exchange are roughly 24 cents below (upper \$1.40's) the equivalent week last year but 13 - 15 cents above the same week in 2000. Buyers seem to have little difficulty in securing a spot load of most natural varieties. Barrels and good processing solids remain tight to adequate. Current overall cheese movement is about steady with recent weeks. Mozzarella sales remain spotty, often slower, as pizza sales typically slow with warmer weather. Mozzarella offerings are increasing. Most cheese plants continue to operate on heavy seasonal schedules, providing at least adequate cheese offerings. Process interest is irregular, ranging from occasionally slower to generally steady at reasonably good levels. Some volumes continue to enter aging programs and some mozzarella is going into the freezer.

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

Process American 5# Loaf	:	1.4475-1.6400
Brick And/Or Muenster 5#	:	1.5300-1.8125
Cheddar 40# Block	:	1.5000-2.1150
Monterey Jack 10#	:	1.7400-2.1150
Blue 5#	:	1.9950-2.2700
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5200-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0675-2.6850

MIDWEST COMMODITY CHEDDAR

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

CHEDDAR STYLES	:	APRIL 22 - 26, 2002
BARRELS*	:	\$1.2275 - 1.2450 (NOMINAL)
	:	(\$0.0150) (.0175)
40# BLOCKS	:	\$1.2325 - 1.2825 (NOMINAL)
	:	(-\$0.0125) (.0075)

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

WEST

Natural and process cheese prices continued to show some strength. Contacts are wondering if the market will be able to continue to support this strength. CME cash prices have moved lower and higher in recent trading. The milk production report released last week indicated that milk output continues to grow at a faster rate, especially in the Western region. The cheese Cold Storage report was also released last week indicating that cheese stocks are catching up with last year's levels. March American cheese stocks stand at 492.4 million pounds, down 2% from last year. Swiss cheese stocks are 12.8 million pounds, up 1% from the previous year. Natural cheese demand is rated as fair and process sales are being called good. Demand for barrel cheese and processing solids continues to be rated as good and is keeping the market in a balanced position. Demand for current blocks is not quite as strong. Some are entering aging programs, but other loads are coming back out after being in the warehouse for a couple of months. Some of the cheese coming out cannot be sold as number 1 quality. Swiss sales are generally rated as good. Mozzarella cheese is moving well with quite a bit being shipped across the country. Cheese production, overall, is being called heavy.

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

Process 5# Loaf	:	1.3800-1.6400
Cheddar 40# Block	:	1.3725-1.5125
Cheddar 10# Cuts	:	1.5525-1.7725
Monterey Jack 10#	:	1.5625-1.7275
Grade A Swiss Cuts 6 - 9#	:	2.3600-2.5300

FOREIGN

Prices are unchanged to fractionally higher and the market tone is seasonally weak. Supplies are generally adequate to meet the slow to fair demand. This is quite typical for this time of year, particularly for table cheeses. In Europe, cheese prices are declining under the pressure of steady output, heavy stocks and slower demand.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	TFEWR	-0-
Blue	2.6400-3.1400	1.6175-3.1125*
Gorgonzola	3.2400-5.9400	2.1175-2.4900*
Parmesan (Italy)	TFEWR	3.0325-3.0875*
Romano (Italy)	2.1000-3.1500	-0-
Provolone (Italy)	3.4400-5.5000	1.6200-1.8450*
Romano (Cows Milk)	-0-	2.8100-4.9900*
Sardo Romano (Argentine)	2.8500-3.2900	-0-
Reggianito (Argentine)	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	2.1900-2.8900	-0-
Gouda, Large	2.3900-2.6500	-0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	27.8000-31.7000	-0-

* = Price change.

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

	BUTTER	CHEESE
04/22/02	50,730	123,954
04/01/02	40,540	130,087
CHANGE	10,190	-6,133
% CHANGE	25	-5

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	146	0	117	0	82
SOUTHEAST STATES	0	0	0	0	0	0

Milk production ranges from steady in the Southeast to increasing slightly in the Northeast. Last week's heat wave did slow milk output gains in the Midsouth and Middle Atlantic areas. This week, reports indicate that milk production in these areas is slow to resume its seasonal climb. Florida and other Gulf Coast states have reached their peak and are holding at those levels. Fluid milk supplies are heavy in most parts of the region. Bottled milk sales are reported as slow and lackluster. Contacts have no definitive reason for the overall lack of demand for bottled milk, but it does seem to be affecting the region as a whole. Surplus milk volumes are excessive. Contacts, particularly in the Southeast, report that this week was the busiest they have had (including Easter and spring break weeks) and are having some difficulty finding capacity to process the milk. So far, the milk has been handled within the Southeast. A few colleges will be coming to the end of their terms within the next week or two. Surplus milk volumes are also heavy in the Northeast, but they could get heavier at the end of this week. A large processor has been notified, by their workers' union, that a strike will start Friday morning. If they do strike, about 1.5 million pounds of milk a day would be "looking for a home." Contacts theorize that a strike, if it occurs, could be a lengthy one. The condensed skim market remains weak and suppliers are having difficulty finding outlets, excluding drying, in the next several weeks. Prices are unchanged, but some distressed figures are being noted, particularly on Class III & IV. The fluid cream market remains weak. Supplies are still long and demand is seldom better than fair. Prices are steady to lower as the CME average did move fractionally lower last week. However, since 4/22, the price of butter at the CME has been moving higher. This continues to surprise many cream buyers and sellers since there is so much milk and cream coming into butter/powder plants all across the country. Eastern cream continues to move to Midwestern churning facilities and local butter makers are operating at near capacity levels. Ice cream output, after a good week last week, has slowed to moderate levels. Most producers are taking contracted cream volumes, but limiting spot purchases. Cream cheese production is steady.

to close for the summer and bottling schedules will once again be altered. Most elementary and secondary schools will remain open through most of May. Milk volumes for both manufacturing and bottling are fully sufficient to keep most plants at or near capacity. Prices for spot loads of manufacturing milk range from \$1.00 - 1.75 per cwt. over class delivered. Cream supplies remain excessive. Ice cream production is increasing gradually, but not enough to clear available cream offerings. Butter operations are taking the additional offerings, although pricing multiple are lower and near the bottom of the Class II price range. Condensed skim prices are holding steady around \$0.92 - 1.0150.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APR 18 - 24	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00-44.00	\$ 43.50-49.00
REPLACEMENT HEIFER CALVES	\$540.00-670.00	\$350.00-430.00

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

	APR 18 - 24	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00-46.00	\$ 44.00-55.50

W E S T

CALIFORNIA continues to crank out milk at a pace of 5% or more above last year's levels. In the southern portion of the state, milk intakes are fluctuating at levels near the seasonal peak. Contacts are not sure if the peak has been reached yet. Conditions remain favorable, but hotter weather has sporadically occurred. In the Central Valley, milk output is increasing seasonally and expected to move higher as new alfalfa and green chop are fed to the herds. The feed content of the alfalfa is noted as very good. Temperatures have been ideal for milk cows. Milk output is pushing seasonally higher in the northern milk producing areas. ARIZONA milk output remains strong and is also higher than last year at this time. Volumes are holding mostly steady with recent weeks. Processing capacity is ample and milk from nearby areas is being brought in for manufacturing. Temperatures remain ideal for the milking herds. Milk output remains sharply higher in NEW MEXICO due to higher cow numbers and increases in output per cow. Plants remain full in the state to process the milk and volumes are moving to other locations for processing. CREAM multiples remain weak across the West and are highly negotiable. Offerings are heavy and buyers are shopping and negotiating for the best deal. Cream is moving out of the region under contracts, but spot movements are slow. Multiples are running in the 105 to 120 range, F.O.B. The basing points, based on the CME butter market, have weakened in recent weeks. Cream demand from ice cream producers remains slower than expected. Surplus cream is moving to butter plants. Normal spring weather seems to be the rule in the PACIFIC NORTHWEST. The milk flow is increasing at a faster seasonal pace. Plant operating schedules are being extended at a number of locations. Limited volumes of hay are being sold to producers that need some additional supplies to allow them to get through to the new crop harvest. The quality that is available is surprisingly good. Spring is slow to come to the NORTHERN UTAH and SOUTHERN IDAHO region. Frost is common most nights and daytime highs are on the low end of average. Green up is slow in arriving. A number of plants are not seeing much increase in the milk flow at all. In fact, some are noting that supplies are not up to expectations. Some welcomed moisture has hit the region. This means that irrigation water will not need to be used quite as early. Some canal systems are telling their users that they are starting the growing season with a 60% reduction on available supplies.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANK LOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT	
F.O.B. PRODUCING PLANTS: NORTHEAST	- 1.3880-1.5037
DELIVERED EQUIVALENT ATLANTA	- 1.3765-1.5037 M 1.3765-1.2275
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	- 1.3880-1.4921
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS	
F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- .9550-1.0250
NORTHEAST- CLASS III - SPOT PRICES	- .7500-.9700

M I D W E S T

Weather patterns in the Central part of the country are holding true for spring. Record setting warm temperatures last week were replaced with low temperatures this week. Often, temperatures did not get higher than the 60's during the day and dipped below 32 degrees at night. This swing in temperatures had varying affects on milk production. Some milk handlers indicated that the warm temperatures of last week did lower milk receipts, while others noticed no difference. Class I demand remains steady this week as most bottling operations have stabilized at pre-spring break schedules. Some bottlers are now looking ahead to the next few weeks as colleges start

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. Because the government support price of 90 cents is higher than most spot trades, more plants are bagging product for movement to the CCC. Some buyers are attempting to delay or reduce their shipments. Sellers are resisting shipment delays and enforcing contractual obligations. Movement is best into ice cream and cheese facilities. Some renewed demand for instant NDM is noted. Competitively priced New Zealand and Eastern European NDM are available for the fair demand. Low heat output and stocks are increasing with seasonal increases in the milk supply. High heat movement is steady for the contractual interest.

EAST: Prices are unchanged and the market tone remains weak. Producers report that surplus milk volumes are growing and drying is increasing at most operations. Growing volumes of milk are also going into cheese plants and some cheese makers are now cutting back on the volumes of wet and dry solids they are using to fortify their milk. The overall sluggish demand for condensed skim is further adding to the pressure on dryers to process the skim. With few commercial outlets, more locally made NDM is clearing to CCC. Buyers continue to purchase on an as needed basis as they wait to see if a tilt will occur. There is no worry on the buyers' part since skim powder is in abundant supply. They have nothing to lose by waiting for lower prices. Spot activity is light and at the lower end of the price range and/or in the resale market.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8500 - .9625 MOSTLY: .8500 - .9000
 HIGH HEAT: .9100 - .9925

NONFAT DRY MILK - WEST

Prices for the Western low/medium heat range are marginally higher on the bottom end of the range, reflecting slightly improved marketing conditions for powder not being offered to the support program. The market tone remains weak with continued, heavy weekly offerings to the support program being the major market outlet. Some contacts are noting that demand has improved over the past week as buyers look to fill in for short term needs. The "cloud" of a support price tilt continues to hang over the market. The potential and timing of a change continues to be debated and speculated. Production levels are seasonally active and heavy in the region. During the week of April 15 - 19, adjusted support program purchases totaled 19,548,158 pounds of NDM with 17,407,963 pounds from the West. Uncommitted CCC stocks are fast approaching the billion pound mark and will likely surpass that level in early to mid May. High heat prices are unchanged in light trading. Seasonal interest is slow to develop and buyers are reluctant to make future purchases. Production remains often on an as-ordered basis.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .8600 - .9675 MOSTLY: .8950 - .9100
 HIGH HEAT: .9225 - .9450

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 19	\$.9015	12,827,339	8,541,525
April 12	\$.9012	14,474,680	11,164,961

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 higher on a mostly steady market. While supplies are still readily available at some locations, prices are reportedly higher. Some concern is being expressed regarding the pricing differential between Central and Western regions. Historically, Western prices have generally trended below the Central market. Production is steady to higher in light of increased churning activity. Trading activity is light with most movement occurring into brokerage firms.

F.O.B. CENTRAL: .8000 - .9000

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are steady and the market tone remains weak. Eastern prices are nominal. Drying schedules are moderate to heavy as churning activity is heavy. Some plants are limiting butter output, but cream is readily available to any plant that wants to step up butter output. However, dry buttermilk output is light to moderate depending on the amount sold as a liquid and the dryer-time available to process buttermilk. Producer stocks are growing, but are manageable. Spot demand is just fair.

F.O.B. NORTHEAST: .8300 - .8775
 DELVD SOUTHEAST: .8000 - .8800

DRY BUTTERMILK - WEST

Dry buttermilk prices are lower on the bottom end of both the range and mostly series and continue to reflect the general weakness of the market. Extended drying schedules continue to be needed to process additional solids from higher than anticipated butter production. Demand is fair with a little more interest shown this week by seasonal accounts. Buyers are still showing reluctance to purchasing beyond the short term. There are concerns of the potential lowering of the NDM support price along with competition from condensed skim and NDM. Inventory levels are higher than desired. Stocks also continue to be available from most regional producers and resellers.

F.O.B. WEST: .8200 - .9000 MOSTLY: .8600 - .8900

DRY WHOLE MILK - NATIONAL

Prices and the market tone are changed. Prices are nominal. Production is light as most dryers are busy processing skim. Spot interest is limited. Plant stocks are light.

F.O.B. PRODUCING PLANT: 1.1600 - 1.2400

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2001 THROUGH APRIL 19, 2002
 WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 68,201 MT (150,355,925 LBS)
 This program-year's allocation is filled.

CHEESE -- 3,030 MT (6,679,938 LBS)
 This program-year's allocation is filled.

Allocations for the DEIP year beginning July 1, 2001: Nonfat dry milk -- 68,201 MT; Cheese -- 3,030 MT; Butterfat -- 21,097 MT.

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 lower on a weak market. Offerings are heavy. Lower prices in the Western market are encouraging Central producers to lower their prices. Production is heavy with most locations operating at capacity. Inventories are building with plants taking time to examine a possible pricing point where storing whey will become more advantageous than selling the product. Export activity is increasing with some movement noted into Asia and Mexico. Domestic movement is light and best into brokerage firms and feed operations that find whey more attractively priced than lactose.

NONHYGROSCOPIC: .1750 - .1825 MOSTLY: .1775 - .1825

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are again fractionally lower and the market tone remains weak. Production levels are heavy as more milk is available to Eastern manufacturing plants. However, some Eastern cheese makers are trying to maintain current production levels in an effort to not make too much cheese. Spot demand for dry whey at both the production and resale levels is sluggish. Reports of discounted prices on large-volume sales continue, but these are often from the Midwest. Eastern producers seem to be in better balance than producers in other regions, but there is concern about growing stocks. Contract sales are clearing a good portion of the output. Spot buyers are bidding prices lower to see if they can get a "deal." Reportedly, producers are listening to these bids, but no confirmed sales have been noted in the East. Next week's ADPI meeting in Chicago may spark some movement as many industry people will be in attendance.

F.O.B. NORTHEAST: EXTRA GRADE .1825 - .1875
 USPH GRADE A .1975 - .2175
 DELVD SOUTHEAST: .2000 - .2150

DRY WHEY - WEST

Western whey prices continue to weaken. Plants with heavier inventories are reducing prices to move additional loads of whey. Some of the additional sales are for exports and other sales are to domestic accounts. Sales activity seems to have improved over the past two weeks as prices have declined. Most rate production levels heavier than they had anticipated. Competition from other regions of the world, especially Europe, remains intense.

NONHYGROSCOPIC: .1600 - .2000 MOSTLY: .1700 - .2000

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to lower. Milk replacer and roller ground prices are again moving lower with price changes in the Extra Grade whey market. Milk replacer is more readily available in some locations than the week prior. Roller ground supplies are generally in balance with demand. Delactose movement is unchanged for the predominant contractual interest. Production is steady and supplies are in balance. March calf slaughter totaled 77,500 head, down 8% from March 2001. The March hog kill totaled 7.98 million head, 4% below March 2001. The early weaned pig and North Central veal markets are weak.

F.O.B. CENTRAL:
 MILK REPLACER: .1550 - .1750
 ROLLER GROUND: .1675 - .2050
 DELACTOSE (Min. 20% protein): .3800 - .4150

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are lower on a weak market. While 80% WPC prices are beginning to rebound into nutraceutical markets, 34% WPC prices continue to trend lower. Oceania high protein imports remain competitive with 34% WPC yet the availability of these imports appears to be decreasing. Production is mixed yet generally trending higher. Offerings of condensed WPC into feed facilities are being turned down and consequently diverted to dryers. Trading activity is light with buyers waiting for signs of market stability before purchasing additional supplies. Off grade supplies remain readily available at prices within and below the range for the light to fair interest.

F.O.B. EXTRA GRADE 34% PROTEIN: .5200 - .5700 MOSTLY: .5400 - .5650

LACTOSE - CENTRAL AND WEST

Prices are lower on a weak market. More second quarter contracts are finalized at lower prices. Some Asian buyers continue to delay contractual commitments for the quarter. Discounts are enticing light movement into brokerage firms and export markets. Production is steady to higher with some plants carrying heavier than desired stocks. Some lactose producers are vying with whey suppliers for the available feed interest. Off grade supplies are readily available at various prices and degrees of quality.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
 F.O.B. EDIBLE: .1600 - .2625 MOSTLY: .1800 - .2100

CASEIN – NATIONAL

Casein markets remain weak. Stocks of rennet and acid vary with acid supplies the most limited. Domestic buyers continue to place orders for short term or immediate needs. For the most part, suppliers do not foresee any significant problems with shipments during the near future. Production in the Oceania region is nearing the seasonal end while European output is just getting under way.

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: 2.2500 - 2.4000
 ACID: 2.0500 - 2.3000

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are increasing as surplus milk supplies increase. Surplus milk is readily available and often at a discounted price. Demand for evaporated milk is seasonally slow. Currently, many retail chains are in the process of taking bids for new contract periods. Reports indicate that "things" get very competitive as producers try to gain or maintain market share. Plant stocks are being replenished.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$19.00 - 33.00
 Excluding promotional and other sales allowances. Included new price announcements.

CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	04/10	04/11	04/12	04/15	04/16	04/17	04/18	04/19	04/22	04/23
CME - (CLASS III) MILK FUTURES -- Dollars per cwt.										
APR 02	10.91 (1808) 11	10.92 (1798) 47	10.92 (1785) 11	10.92 (1806) 27	10.92 (1797) 16	10.90 (1759) 78	10.88 (1728) 32	10.85 (1728) 20	10.85 (1722) 13	10.85 (1719) 1
MAY 02	11.23 (1867) 23	11.35 (1871) 41	11.31 (1977) 221	11.25 (1992) 19	11.20 (1989) 54	11.20 (2003) 94	11.28 (2033) 36	11.15 (2041) 26	11.12 (2037) 68	11.11 (2037) 6
JUN 02	12.01 (1976) 21	12.05 (2029) 79	11.95 (2081) 89	11.90 (2170) 108	11.87 (2188) 82	11.90 (2186) 39	12.03 (2243) 68	11.99 (2251) 41	11.87 (2251) 64	11.90 (2284) 62
JUL 02	12.80 (2309) 14	12.81 (2345) 42	12.76 (2389) 66	12.75 (2451) 84	12.75 (2489) 97	12.70 (2510) 165	12.81 (2537) 39	12.78 (2549) 36	12.70 (2549) 19	12.70 (2553) 20
AUG 02	13.20 (1847) 1	13.25 (1862) 25	13.20 (1854) 27	13.14 (1871) 19	13.14 (1914) 47	13.14 (1922) 24	13.25 (1949) 31	13.22 (1965) 37	13.12 (1985) 31	13.13 (1978) 17
SEP 02	13.40 (1913) 1	13.42 (1935) 27	13.39 (1950) 45	13.38 (1989) 48	13.38 (2014) 29	13.39 (2021) 20	13.47 (2049) 53	13.42 (2068) 32	13.32 (2090) 44	13.31 (2117) 42
OCT 02	12.83 (1237) 4	12.85 (1240) 18	12.86 (1263) 78	12.85 (1261) 20	12.86 (1257) 13	12.86 (1256) 16	12.90 (1270) 34	12.85 (1271) 102	12.82 (1269) 3	12.82 (1276) 8
NOV 02	12.58 (778) 4	12.60 (794) 16	12.59 (787) 37	12.57 (787) 0	12.56 (805) 19	12.56 (805) 6	12.59 (811) 6	12.55 (830) 28	12.50 (832) 2	12.47 (834) 3
DEC 02	12.39 (648) 1	12.38 (654) 13	12.38 (650) 18	12.34 (653) 6	12.33 (666) 13	12.33 (672) 7	12.33 (681) 20	12.35 (681) 0	12.30 (685) 7	12.26 (684) 7
JAN 03	11.75 (86) 0	11.75 (86) 0	11.75 (86) 0	11.75 (87) 1	11.75 (88) 1	11.75 (88) 0	11.75 (88) 0	11.74 (88) 0	11.74 (88) 0	11.74 (88) 0
FEB 03	11.60 (53) 0	11.60 (53) 0	11.60 (53) 0	11.60 (54) 1	11.60 (57) 3	11.60 (57) 1	11.60 (57) 0	11.60 (57) 0	11.60 (57) 0	11.60 (57) 0
MAR 03	11.60 (49) 0	11.60 (49) 0	11.60 (49) 0	11.60 (50) 1	11.60 (52) 6	11.60 (52) 0	11.60 (52) 0	11.60 (52) 0	11.60 (52) 0	11.60 (52) 0
APR 03	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.72 (41) 0	11.70 (42) 0
MAY 03	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0	11.73 (31) 0

CME - CLASS IV MILK FUTURES - Dollars per cwt.

APR 02	11.30 (187) 0	11.30 (200) 27	11.25 (197) 3	11.20 (192) 0	11.20 (192) 0	11.20 (192) 0	11.20 (167) 0	11.20 (167) 0	11.20 (167) 0	11.20 (167) 0
MAY 02	11.35 (253) 0	11.35 (249) 0	11.32 (248) 4	11.30 (249) 1	11.00 (249) 0	11.12 (249) 0	11.12 (249) 0	11.20 (249) 0	11.20 (249) 0	11.20 (249) 0
JUN 02	11.40 (364) 1	11.35 (364) 0	11.35 (364) 1	11.30 (364) 0	11.30 (364) 0	11.30 (364) 0	11.30 (364) 0	11.30 (364) 0	11.30 (364) 0	11.30 (364) 0
JUL 02	11.35 (497) 1	11.30 (497) 0	11.30 (495) 0	11.30 (495) 0	11.30 (495) 0	11.30 (495) 0	11.30 (495) 0	11.30 (495) 0	11.29 (495) 0	11.29 (495) 0
AUG 02	11.60 (477) 5	11.50 (477) 0	11.49 (477) 0	11.49 (477) 0	11.44 (477) 0	11.44 (477) 0	11.44 (477) 0	11.44 (477) 0	11.44 (477) 0	11.40 (477) 0
SEP 02	11.65 (420) 5	11.50 (420) 0	11.50 (420) 0	11.49 (420) 0	11.44 (420) 0	11.43 (415) 0	11.43 (415) 0	11.43 (415) 0	11.43 (416) 1	11.40 (416) 0
OCT 02	11.59 (378) 10	11.50 (378) 0	11.50 (378) 0	11.49 (378) 0	11.44 (378) 0	11.43 (377) 0	11.43 (377) 0	11.43 (377) 0	11.43 (377) 0	11.40 (377) 0
NOV 02	11.60 (264) 0	11.60 (264) 0	11.58 (264) 0	11.56 (264) 0	11.50 (265) 2	11.49 (264) 0	11.49 (264) 0	11.49 (264) 0	11.49 (264) 0	11.48 (264) 0
DEC 02	11.65 (91) 0	11.65 (91) 0	11.65 (93) 10	11.55 (93) 0	11.54 (94) 2	11.50 (94) 0	11.50 (94) 0	11.50 (94) 0	11.50 (94) 0	11.48 (94) 0
JAN 03	11.75 (23) 0	11.75 (23) 0	11.75 (23) 0	11.75 (23) 0	11.75 (26) 6	11.65 (26) 0	11.64 (26) 0	11.64 (26) 0	11.64 (26) 0	11.63 (26) 0
FEB 03	11.77 (23) 0	11.77 (23) 0	11.75 (25) 2	11.70 (25) 0	11.70 (27) 4	11.60 (27) 0	11.59 (27) 0	11.59 (32) 5	11.60 (32) 0	11.59 (32) 0

CME - BUTTER FUTURES -- Cents per pound

MAY 02	121.00 (205) 6	118.50 (209) 7	117.50 (225) 29	118.00 (226) 1	118.52 (230) 4	119.50 (230) 8	120.00 (232) 2	119.50 (241) 20	120.00 (235) 9	120.50 (235) 2
JUL 02	124.50 (294) 5	122.00 (295) 2	121.00 (296) 3	121.00 (296) 2	122.00 (301) 7	123.00 (307) 9	124.00 (307) 0	124.00 (318) 11	123.00 (320) 2	123.50 (321) 6
SEP 02	127.85 (221) 4	125.27 (225) 5	124.00 (240) 26	124.00 (240) 0	124.52 (246) 8	125.75 (247) 4	126.00 (247) 0	126.50 (256) 12	127.00 (264) 10	127.50 (285) 25
OCT 02	129.00 (172) 17	127.00 (176) 6	125.75 (180) 8	124.50 (180) 0	125.77 (180) 4	126.27 (186) 10	130.00 (187) 2	128.75 (187) 0	128.70 (193) 17	128.25 (226) 34
DEC 02	131.50 (13) 0	128.00 (36) 0	128.00 (36) 0	128.00 (36) 0	128.00 (36) 0	128.00 (38) 2	128.00 (38) 0	128.00 (38) 0	128.00 (38) 0	128.00 (38) 0

CME - NONFAT DRY MILK FUTURES -- Cents per pound

JUL 02	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0	86.00 (13) 0
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1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 15 - 26, 2002

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: The milk production season continues to develop throughout Western Europe. In comparison to last year, milk volumes are reported to be basically on track. The growth this season has been gradual in most areas with no significant disruptions being reported. Favorable weather conditions are contributing to the steady production growth. Milk handlers in many countries indicate that in early May, they anticipate peak production to be at hand. As milk production increases seasonally, so are manufacturing schedules. When possible, manufacturers are directing milk toward products of most need. At this time, most plants do not have that option, thus stocks of most manufactured dairy products are on the increase. Clearances of butter and skim milk powder continue to intervention. As of April 21, intervention totals for skim milk powder are 39,895 metric tons and butter totals are 64,300 metric tons. Germany continues to lead the way with 13,820 metric tons offered since March 1 followed by Ireland and the UK. International sales activity is slow and unaggressive. Even with the most recent round of export subsidy adjustments two weeks ago, these are having limited impact on new sales activity. Buyers continue to look for the best buy and often are quoting what they are willing to pay versus what the supply source is quoting. In many instances, buyers continue to place orders for short term or immediate needs versus entering into a long term contract.

BUTTER/BUTTEROIL: European butter production continues to build seasonally. Milk production is nearing the peak in many countries, thus milk and cream volumes are heavy. The overall tone to the butter market remains weak. Prices are steady to lower. European butter traders report that international sales activity is limited for European sourced butter, especially when FOB butter prices are below \$1000 from the Oceania region. Butter stocks continue to clear to PSA and intervention. As of April 21, butter intervention clearances total 64,300 metric tons.

82% BUTTERFAT: 1,000 - 1,100
99% BUTTERFAT: 1,250 - 1,350

SKIM MILK POWDER (SMP): European skim milk powder markets remain weak. The most recent round of subsidy adjustments is having little impact on overall skim powder sales. Although limited, international buyers continue to look elsewhere for better prices. Production is seasonally strong for butter/powder as the milk production season in Eastern and Western Europe nears the peak. Producers and handlers report that stocks are available for buyer needs. Stocks of powder continue to clear to intervention. As of April 21, 39,895 metric tons of powder have cleared to interventions since March 1.

1.25% BUTTERFAT: 1,200 - 1,350

WHOLE MILK POWDER (WMP): Whole milk powder markets remain weak at basically unchanged prices. International buyer interest is slow and unaggressive. The subsidy adjustment of two weeks ago is having limited impact on new powder sales. Traders report that potential buyers continue to look for the best price and often are able to source their needs elsewhere in the world.

26% BUTTERFAT: 1,300 - 1,350

SWEET WHEY POWDER: Whey powder markets remain basically steady at unchanged prices. Cheese production is quite strong throughout Eastern and Western Europe, thus whey stocks are increasing. European sales activity into the international markets remains slow and unaggressive. As has been the case in the past, European prices are higher than buyers are willing to pay.

NONHYGROSCOPIC: 375 - 450

OVERVIEW: EASTERN EUROPE: Milk production in Eastern Europe continues to increase seasonally. Reports indicate that milk output is strong in Poland and the Former Soviet Union, while not as positive in the Czech Republic. Although milk production is mixed, Eastern European traders and handlers anticipate positive sales patterns during the upcoming summer months. Stocks of Eastern European dairy products are quite low, thus most producers are building inventories, while filling limited new sales activity.

OCEANIA

OVERVIEW: Milk production in Australia and New Zealand is winding down seasonally. In Australia, the strong finish to the season is now starting to dwindle. Milk handlers are stating that declining plant receipts are indicating that the season's end is near. In most areas of Australia, manufacturing plants are reducing production schedules to accommodate the decline in milk intakes. New Zealand's milk production season is following much the same trend. In the Northern most areas of the North Island, less than favorable weather conditions have prevailed through out most of the season, thus total milk volumes are slightly lower than last season. In the main production area of the North Island, a strong finish to the annual cycle is stretching the season a little longer than usual. On the South Island, dairy operations continue to be built, thus overall milk volumes are heavier than last year. Early, unofficial production estimates for New Zealand are slightly higher than 5% over last season. Stocks of manufactured dairy products are reported to be in fairly good balance in both Australia and New Zealand for known and projected buyer interest. In most instances, Oceania prices have not reacted to the most recent export subsidy adjustments in Europe. Overall international sales activity continues to be reported as limited. Most of the current sales are for regular and ongoing customer needs. Oceania marketers and traders are optimistic about sales activity during the next few months as Europe's production increases and the U.S. DEIP allocations for skim powder and cheese are filled through June.

BUTTER: Oceania butter prices remain basically steady under a weak market tone. Butter prices dipped under the \$1000 level a few weeks ago and more sales activity is being reported at this lower rate. Oceania producers and handlers report that stocks are fully available for current and projected needs. Stocks have been committed, although there are volumes available for new buyer interest.

82% BUTTERFAT: 950 - 1,050

CHEDDAR CHEESE: Oceania cheese markets are generally steady, although overall prices are lower. A weak tone to most all manufactured dairy products is putting downward pressure on current cheese pricing. Overall cheese sales continue to center around regular and ongoing customers. Most shipments are occurring as scheduled with no disruption anticipated for future deliveries. Stocks of cheese are sufficient to fill customer needs.

39% MAXIMUM MOISTURE: 1,700 - 1,850

SKIM MILK POWDER (SMP): Skim milk powder markets remain weak with prices unchanged to slightly lower on the top end of the reported range. For the most part, Oceania traders indicate that they have not reacted with lower prices to the most recent subsidy increase in Europe. Stocks of powder are reported to be in fairly good balance with demand. Oceania traders are hopeful that they will be able to fill potential buyer interest during the next few months now that the U.S. is out of DEIP allocations through June and Europe's new milk production season is getting underway.

1.25% BUTTERFAT: 1,250 - 1,350

WHOLE MILK POWDER (WMP): Whole milk powder markets remain weak with prices unchanged to slightly lower. Oceania producers, handlers, and traders are aware of the recent export subsidy increase for skim powder in Europe, but are not overly reacting with lower offering prices from the region. Stocks of powder are reported to be in balance with demand. At this point, handlers are not overly concerned about the volume of uncommitted stocks they have on hand.

26% BUTTERFAT: 1,250 - 1,375

Exchange rates for selected foreign currencies: APRIL 22, 2002

.6367 Canadian Dollar	.0204 Indian Rupee
.3160 Argentina Peso	.4474 Zealand Dollar
.1080 Mexican Peso	.5402 Australian Dollar
1.4506 British Pound	.0077 Japanese Yen
.2476 Polish Zloty	.8896 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.1080)= 9.2592.
That is 1 US Dollar equals 9.2592 Mexican Pesos.
Source: "Wall Street Journal"

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

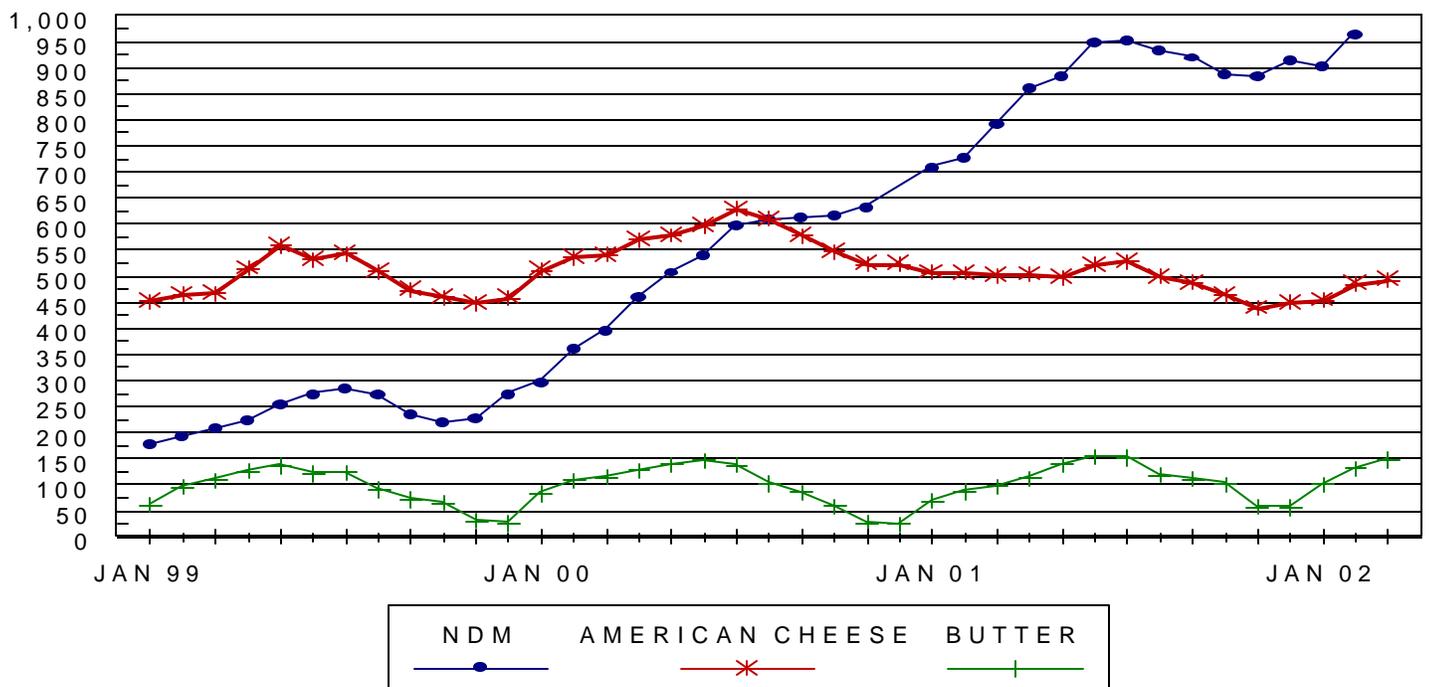
U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	FEB 29, 2000	FEB 28, 2001	REVISED FEB 28, 2002	MAR 31, 2000	MAR 31 2001	MAR 31, 2002
Butter	107,847	86,078	130,595	114,037	96,208	147,497
Cheese, Natural American	536,165	505,951	485,070	540,625	500,430	492,439
Cheese, Swiss	15,377	13,027	12,598	14,786	12,680	12,780
Cheese, Other Natural	205,691	204,938	217,976	209,709	198,517	222,407
U.S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	383	279	1,200	339	717	1,323
Natural American Cheese	67	1,806	753	57	1,955	733

MARCH COLD STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
New England	19,168	22,068	20,186	---	---	---	599	379	530
Middle Atlantic	42,822	51,366	57,309	---	---	---	14,331	14,804	38,725
East North Central	253,148	224,717	187,228	---	---	---	100,079	106,141	106,152
West North Central	113,653	94,923	124,133	---	---	---	71,514	59,832	61,631
South Atlantic	4,199	5,453	3,585	---	---	---	356	219	158
East South Central	0	0	103	---	---	---	182	155	214
West South Central	679	583	2,968	---	---	---	552	517	194
Mountain	11,959	15,407	8,811	---	---	---	5,220	6,357	3,512
Pacific	94,997	85,913	88,116	---	---	---	16,876	10,113	11,291
TOTAL	540,625	500,430	492,439	114,037	96,208	147,497	209,709	198,517	222,407

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

COLD STORAGE 1999 TO DATE

MILLION POUNDS



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	963	726	140	138	823	589
March	147	96	146	95	1	1	492	500	492	498	1	2		791		123		668
April		112		112		1		503		501		2		858		127		731
May		138		137		1		497		496		2		882		134		747
June		153		153		1		522		520		2		945		166		779
July		151		150		1		528		526		2		950		147		803
August		118		117		1		499		497		2		930		109		821
September		111		111		<u>3/</u>		488		486		1		918		103		815
October		101		100		<u>3/</u>		463		462		1		885		100		785
November		58		58		<u>3/</u>		438		438		<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	Feb 29, 2000	Feb 28, 2001	Feb 28, 2002	Mar 31, 2000	Mar 31, 2001	Mar 31, 2002
	Thousand Pounds					
Butter	107,464	85,799	129,395	113,698	95,491	146,174
Natural American Cheese	536,098	504,145	484,317	540,568	498,475	491,706

1/ Total holdings minus Government owned holdings. For more information, see page 9 of this report.

SOURCE: "Cold Storage," Co St 1 (4-02) and "Dairy Products," Da 2-6 (4-02), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Farm Service Agency.

FEDERAL MILK ORDER ADVANCE PRICES, MAY

Class I Base Price: Under the Federal milk order pricing system, the Class I base price for May 2002 is \$11.26 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$6.83 and the advanced butterfat pricing factor of \$1.3339. 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 \$6.83. Thus, the Class II skim milk price for May is \$7.53 per cwt., and the Class II nonfat solids price is \$0.8367. **Product Price Averages:** The two-week product price averages for May are, butter \$1.2088, nonfat dry milk \$0.8984, cheese \$1.2229, and dry whey \$0.1979.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/} ^{2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	May 2002		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	14.51	10.08	1.3664
Appalachian (Charlotte) ^{5/}	005	14.36	9.93	1.3649
Southeast (Atlanta) ^{6/}	007	14.36	9.93	1.3649
Florida (Tampa) ^{7/}	006	15.26	10.83	1.3739
Mideast (Cleveland) ^{8/}	033	13.26	8.83	1.3539
Upper Midwest (Chicago) ^{9/}	030	13.06	8.63	1.3519
Central (Kansas City) ^{10/}	032	13.26	8.83	1.3539
Southwest (Dallas) ^{11/}	126	14.26	9.83	1.3639
Arizona-Las Vegas (Phoenix) ^{12/}	131	13.61	9.18	1.3574
Western (Salt Lake City) ^{13/}	135	13.16	8.73	1.3529
Pacific Northwest (Seattle) ^{14/}	124	13.16	8.73	1.3529
All-Market Average		13.84	9.41	1.3597

^{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 in 100 pounds 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; 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. price at Boise is minus \$0.30. ^{14/} Class I prices at other cities are: Portland, same; and Spokane, same.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE ^{1/}

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
JAN 2002	175.8	2.9	169.9	3.9	164.9	1.1	172.8	6.9	175.5	12.3	162.1	2.6
FEB 2002	175.9	2.7	170.1	4.0	164.6	0.7	171.3	4.6	169.9	9.7	161.8	1.4
MAR 2002	176.1	2.6	169.4	3.8	165.1	3.3	170.2	3.8	163.4	7.3	162.8	1.7
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Lowfat Milk ^{4/}		Butter ^{5/}		Process Cheese ^{6/}		Natural Cheese ^{7/}		Ice Cream ^{8/}	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
Dollars												
JANUARY	2.812	2.852	2.581	2.705	3.419	2.971	3.937	3.674	4.229	3.871	3.425	3.673
FEBRUARY	2.807	2.847	2.571	2.672	3.284	2.979	3.869	3.693	4.180	3.862	3.810	3.609
MARCH	2.816	2.760	2.585	2.677	3.060	2.970	3.885	3.723	4.162	3.846	3.819	3.660

^{1/} "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. ^{2/} The standard reference base period for these indexes is 1982-1984 = 100. ^{3/} Percent change over previous year. ^{4/} Per gallon. ^{5/} Per pound. Grade AA, salted, stick butter. ^{6/} Per pound, any size and type of package. ^{7/} Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). ^{8/} Per 1/2 gallon, prepackaged regular.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS--DECEMBER-FEBRUARY 2000-01 & 2000-02 AND ANNUAL 2000-01 ^{1/}

Item	Dec.-Feb. 2000/01	Percent change ^{4/}	Dec.-Feb. 2001/02	Percent change ^{4/}	Jan.-Dec. 2000	Percent change ^{4/}	Jan.-Dec. 2001	Percent change ^{4/}
	Million Pounds							
MILK								
Production	40,649	-2.6	41,340	1.7	167,559	2.7	165,336	-1.0
Marketings	40,332	-2.6	41,034	1.7	166,247	2.7	164,062	-1.0
Beginning Commercial Stocks ^{2/}	6,862	14.4	6,873	0.2	6,143	16.5	6,839	11.3
Imports ^{2/}	1,122	10.9	1,193	6.3	4,446	-6.8	5,717	28.6
Total Supply ^{3/}	48,316	-0.2	49,100	1.6	176,836	2.9	176,618	0.1
Ending Commercial Stocks ^{2/}	8,280	-9.4	9,147	10.5	6,871	11.9	7,047	2.6
Net Removals ^{2/}	102	-57.9	66	-35.3	841	145.2	153	-81.8
Commercial Disappearance ^{3/}	39,934	2.3	39,887	-0.1	169,124	2.3	169,418	0.4
SELECTED PRODUCTS ^{5/}								
Butter	298.4	-2.9	326.1	9.3	1,298.2	-1.2	1,268.1	-2.1
American Cheese	905.6	6.1	879.7	-2.9	3,587.7	1.0	3,688.8	3.1
Other Cheese	1,157.3	2.9	1,179.2	1.9	4,963.5	6.0	4,950.2	0.0
Nonfat Dry Milk	204.7	57.9	173.5	-15.2	770.8	4.4	972.2	26.4
Fluid Milk Products ^{6/}	13,903.9	-0.2	13,799.3	-0.8	55,516.7	-0.6	55,097.2	-0.5

^{1/} Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. ^{2/} From year earlier on a daily average basis. ^{3/} Milk-equivalent, milkfat basis. ^{4/} Totals may not add because of rounding. ^{5/} Commercial disappearance in product pounds.

^{6/} Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA.

TOTAL COW SLAUGHTER UNDER FEDERAL INSPECTION, UNITED STATES, 2000 TO 2002
(THOUSAND HEAD)

2000			2001			2002		
Week Ending	All Cows	Dairy Cows	Week Ending	All Cows	Dairy Cows	Week Ending	All Cows	Dairy Cows
Jan 1	89.9	44.3	Jan 6	108.1	55.3	Jan 5	101.2	47.4
8	115.7	57.7	13	134.0	65.6	12	129.3	59.5
15	115.5	56.8	20	117.2	57.7	19	120.6	56.1
22	111.1	52.9	27	115.4	57.8	26	107.3	51.2
29	104.6	51.2	Feb 3	112.5	57.0	Feb 2	102.9	50.3
Feb 5	102.5	51.9	10	110.1	55.1	9	102.3	49.7
12	107.2	54.0	17	110.7	54.5	16	104.9	51.4
19	103.8	51.5	24	111.4	54.2	23	104.8	49.3
26	102.8	53.7	Mar 3	110.3	55.7	Mar 2	97.2	48.0
Mar 4	101.8	55.6	10	111.5	55.7	9	98.5	50.1
11	102.2	55.1	17	110.8	55.3	16	107.5	48.4
18	99.5	53.9	24	109.7	54.6	23	104.2	48.6
25	101.7	54.6	31	109.6	52.8	30	100.7	46.4
Apr 1	100.0	52.3	Apr 7	102.2	50.8	Apr 6	99.2	47.8
8	97.5	48.8	14	95.0	47.0	13		
15	99.3	48.8	21	102.6	47.7	20		
22	97.9	47.8	28	110.7	49.3	27		
29	98.1	46.7	May 5	107.9	47.1	May 4		
May 6	101.3	47.2	12	106.4	47.2	11		
13	103.1	46.8	19	105.8	44.8	18		
20	104.0	46.5	26	109.6	46.3	25		
27	108.3	47.7	Jun 2	95.0	41.3	Jun 1		
Jun 3	90.7	41.3	9	107.1	46.1	8		
10	105.0	46.4	16	97.6	41.8	15		
17	101.6	45.2	23	99.0	41.8	22		
24	102.8	47.3	30	109.7	45.8	29		
Jul 1	104.7	47.4	Jul 7	88.6	37.5	Jul 6		
8	75.4	37.0	14	104.1	47.4	13		
15	103.7	48.6	21	105.6	45.6	20		
22	99.1	48.1	28	100.3	41.8	27		
29	92.0	45.9	Aug 4	101.2	42.4	Aug 3		
Aug 5	93.8	46.1	11	98.2	43.4	10		
12	92.8	45.8	18	106.4	46.7	17		
19	95.3	46.2	25	110.6	48.9	24		
26	103.4	50.4	Sep 1	107.4	47.4	31		
Sep 2	108.7	52.1	8	91.5	43.3	Sep 7		
9	89.6	45.4	15	105.3	47.4	14		
16	106.9	50.5	22	107.9	47.3	21		
23	107.8	51.0	29	112.3	50.2	28		
30	107.1	54.2	Oct 6	111.7	49.3	Oct 5		
Oct 7	109.5	52.1	13	112.1	48.8	12		
14	108.5	51.5	20	116.8	50.3	19		
21	116.8	55.4	27	125.7	52.5	26		
28	118.2	54.1	Nov 3	125.3	51.2	Nov 2		
Nov 4	118.6	54.9	10	126.5	53.7	9		
11	117.8	56.4	17	124.3	53.7	16		
18	120.9	57.2	24	96.9	42.0	23		
25	99.8	47.7	Dec 1	120.0	54.9	30		
Dec 2	126.9	60.6	8	122.9	55.8	Dec 7		
9	125.2	59.5	15	116.3	53.6	14		
16	108.5	52.5	22	116.7	52.9	21		
23	108.4	53.6	29	82.0	37.9	28		
30	88.6	45.1						

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.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 22 - 26, 2002			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/01	SAME PERIOD LAST YEAR	WEEK ENDING 04/19/02	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-	-0-	3,050,083	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	4,025,276	-0-	-0-
Process	-0-	-0-	-0-	-0-	3,999,600	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	11,074,959	-0-	-0-
NONFAT DRY MILK							
Nonfort	15,472,251	-0-	15,472,251	340,495,003	273,143,084	917,849,000	507,226,000
Fortified	-0-	-0-	-0-	-0-	27,258,654	46,391,000	37,339,000
TOTAL	15,472,251	-0-	15,472,251	340,495,003	300,401,738	964,240,000	544,565,000

Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 22 - 26, 2002 =	3.4	180.1	COMPARABLE PERIOD IN 2001 =	1.6	86.2
CUMULATIVE SINCE OCTOBER 1, 2001 =	74.9	3,963.3	CUMULATIVE SAME PERIOD LAST YEAR =	168.3	3,606.3
CUMULATIVE JANUARY 1 - APRIL 26, 2002 =	58.0	3,067.5	COMPARABLE CALENDAR YEAR 2001 =	51.8	2,123.7

* 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 22 - 26, 2002 (POUNDS)

REGION	BUTTER		CHEESE				NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	716,342	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	12,350,178	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	2,405,731	-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 (%)	
	2001/02	2000/01	2001/02	2000/01	2001/02	2000/01	2001/02	2000/01
MIDWEST	-0-	-0-	-0-	5,995,440	12,415,128	3,105,246	3.6	43.9
WEST	-0-	-0-	-0-	5,039,919	308,361,512	297,296,492	90.6	55.5
EAST	-0-	-0-	-0-	39,600	19,718,363	-0-	5.8	0.6
TOTAL	-0-	-0-	-0-	11,074,959	340,495,003	300,401,738	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER MAY 31, 2001

MANUFACTURING MILK Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

BUTTER Bulk \$.8548 per pound; 1# Prints \$.8848
CHEESE 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239
NONFAT DRY MILK Nonfortified \$.9000 per pound; Fortified \$.9100; Instant \$1.0575

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 04/06/02 & 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			
2002-Dairy	0.2	0.8	5.5	5.2	18.4	2.3	0.4	1.0	11.2	2.8	47.8	704.2	48.2	47.6
2001-Dairy	0.3	0.6	5.9	4.6	20.5	2.6	1.8	1.1	10.5	3.0	50.8	782.1	49.7	49.7
2002-All cows	0.2	1.0	7.6	12.5	27.3	13.0	14.8	3.5	14.0	5.3	99.2	1,480.6		
2001-All cows	0.3	0.7	8.0	13.0	29.0	11.6	16.7	4.7	12.5	5.8	102.2	1,573.5		

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
I 1/	11.96	11.95	11.62	11.47	11.26							
II	12.69	12.28	12.19									
III	11.87	11.63	10.65									
IV	11.93	11.54	11.42									

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