

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (11/26):
BUTTER: Grade AA closed at \$1.2375. The weekly average for Grade AA is \$1.2225 (+.0217).

CHEESE: Barrels closed at \$1.1500 and blocks at \$1.3600. The weekly average for barrels is \$1.1767 (-.0628) and blocks, \$1.3600 (N.C.).

BUTTER: The market tone for butter remains firm. Churning activity across the country is often lighter than desired for this time of the season. Cream supplies for butter production are limited. Often, fresh butter stocks are not keeping pace with demand, thus inventoried stocks are rounding out the orders. Some butter handlers are reaching to the CME for additional butter supplies. In the six most recent cash trading sessions, over 240 cars of butter have been sold in a price range of \$1.1950-1.2375. Butter demand is strong. Thanksgiving orders have been good and Christmas/New Years orders are equally strong. Imports of High Tier butter continue to lag a year ago and are insignificant because of the current price relationship compared to foreign prices. Butter brought in under quota has reached 11.9 million pounds, up 11.8% from the same period last year. A little over 77% of the annual quota is now filled.

CHEESE: The cheese market is unsettled on blocks and continues weak on barrels. Bulk cheese requirements were lower this week as facilities will be closed an extra day or two during the holiday weekend. Orders for natural chunks, shreds, and slices range from fair to generally good. Natural supplies, depending on variety, range from tight to short on top grade Swiss to adequate on other varieties. Process movement is generally fair at best. Barrel and processing solid offerings continue to exceed the current interest. Cheese production is fairly steady with many plant operators not expecting problems handling any surplus milk offerings available during the holiday weekend.

FLUID MILK: Milk production across the country is typical for this time of the season. Compared to most years, milk supplies in the Northeast are tight. In the Southeast, milk output is holding basically steady with shipments into Florida dropping significantly for this holiday week. In the Southwest, milk production trends are holding steady at lower than anticipated levels with slight increases noted in areas of New Mexico, Arizona, and California. In the Pacific Northwest, adverse weather conditions are not impacting milk production patterns, although many milk handlers indicate that output is trailing projections. In the Mountain states, milk output is limited to the point that some manufacturing plants will welcome any additional milk during the Thanksgiving holiday weekend.

The continued good demand for Class I milk should halt at midweek when school lunch programs stop and retail needs are filled. Due to tighter milk supplies, many manufacturing plant managers indicate that they anticipate minimal volumes of additional milk available to them during the upcoming weekend. Fluid cream markets remain strong. Offerings are tight and demand remains good. Orders for holiday items like egg nog, bottled cream, etc. are down this week. However, with cream supplies as tight as they have been, some producers of these products will continue to make as much as they can. Cream buyers/users are not finding the volumes they desire. Suppliers/producers are not always able to fill all demand for cream and some demand is going unfilled, especially to butter producers.

DRY PRODUCTS: Dry product markets are generally steady this holiday week with some slight price adjustments noted on whey and whey protein concentrate. Nonfat dry milk markets are steady at unchanged prices. Surplus milk volumes are not at levels many manufacturing plant managers anticipated for this time of the year. Most do not anticipate any problems with handling milk volume over the upcoming holiday weekend. Buttermilk powder markets are steady. Production levels are limited by lighter churning activity and steady demand for liquid/condensed buttermilk. Whey powder markets are mixed with prices slightly higher and lower from coast to coast. It appears that whey supplies are the most limited in Central and Eastern areas. Western stocks are available with stocks building at various locations causing some producers to reduce prices to maintain or stimulate sales activity. Whey protein concentrate markets are firm. Trading activity is light with supplies tight. Production is steady with buyers reporting steady receipt of contractual supplies.

CCC: During the holiday shortened period of November 24 - 25, CCC purchased 6,208,520 pounds of nonfortified NDM from the West.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during the first nine months of 2003 totals 128.8 billion pounds, 1.7% more than the same period in 2002. Comparing disappearance levels with year earlier levels: butter is unchanged; American cheese, -1.3%; other cheese, +2.1%; NDM, -7.9%; and fluid milk products, -0.2%.

CONSUMER PRICE INDEX (BLS): The October CPI for all food is 181.7, 2.9% higher than October 2002. The dairy products index, at 171.8, is 3.2% above last October. The following are the October to October changes for selected products: fresh whole milk +5.5%, cheese +3.2%, and butter +1.7%.

*****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 NOVEMBER 24	TUESDAY NOVEMBER 25	WEDNESDAY NOVEMBER 26	THURSDAY NOVEMBER 27	FRIDAY NOVEMBER 28	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.2000 (-.0150)	\$1.1800 (-.0200)	\$1.1500 (-.0300)	C L O	C L O	(-.0650)	\$1.1767 (-.0628)
40# BLOCKS	\$1.3600 (N.C.)	\$1.3600 (N.C.)	\$1.3600 (N.C.)	S	S	(N.C.)	\$1.3600 (N.C.)
BUTTER GRADE AA	\$1.2075 (+.0100)	----	\$1.2375 (+.0300)	E D	E D	(+.0400)	\$1.2225 (+.0217)

*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, NOVEMBER 24, 2003

CHEESE — SALES: NONE; BIDS UNFILLED: 3 CARS 40# BLOCKS: 1 @ \$1.3600, 1 @ \$1.3550, 1 @ \$1.3500; OFFERS UNCOVERED: 4 CARS BARRELS: 2 @ \$1.2000, 2 @ \$1.2150

BUTTER — SALES: 49 CARS: 9 @ \$1.2025, 2 @ \$1.2050, 9 @ \$1.2025, 15 @ \$1.2050, 5 @ \$1.2075, 1 @ \$1.2050, 8 @ \$1.2075; BIDS UNFILLED: 41 CARS: 5 @ \$1.2075, 11 @ \$1.2050, 12 @ \$1.2025, 5 @ \$1.2000, 3 @ \$1.1975, 5 @ \$1.1950; OFFERS UNCOVERED: 12 CARS @ \$1.2150

TUESDAY, NOVEMBER 25, 2003

CHEESE — SALES: 1 CAR BARRELS @ \$1.1850; BIDS UNFILLED: 3 CARS 40# BLOCKS @ \$1.3600; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.1800, 1 @ \$1.1975,

WEDNESDAY, NOVEMBER 26, 2003

CHEESE — SALES: 3 CARS BARRELS: 1 @ \$1.1450, 1 @ \$1.1350, 1 @ \$1.1300; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.1500, 1 @ \$1.1100, 1 @ \$1.1000; 1 CAR 40# BLOCKS @ \$1.3600; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.1800

BUTTER — SALES: 42 CARS: 2 @ \$1.2225, 10 @ \$1.2250, 20 @ \$1.2275, 9 @ \$1.2300, 1 @ \$1.2375; BIDS UNFILLED: 81 CARS: 5 @ \$1.2350, 5 @ \$1.2325, 9 @ \$1.2300, 13 @ \$1.2275, 8 @ \$1.2250, 5 @ \$1.2225, 5 @ \$1.2200, 5 @ \$1.2175, 5 @ \$1.2150, 7 @ \$1.2125, 7 @ \$1.2100, 7 @ \$1.2075; OFFERS UNCOVERED: NONE

THURSDAY, NOVEMBER 27, 2003 - NO TRADING

FRIDAY, NOVEMBER 28, 2003 - NO TRADING

BUTTER MARKETS**OCTOBER COLD STORAGE**

According to NASS, October month-ending cold storage figures for butter total 161.9 million pounds, 1.7% less than last October and 21.9% less than September 2003 holdings.

NORTHEAST

The market tone is mixed. The price at the CME has been higher and lower in the past four sessions (through 11/24). Friday's (11/21) trading saw a single-session record of 114 loads sold, all based on bids. Monday's trading saw 49 more sales, also all on bids. These very active sessions are reportedly a result of the seasonally improving demand for packaged butter. Also, contacts are commenting that some speculation may also be present since some in the trade think the butter prices could be higher next year. For the most part, Thanksgiving orders have been shipped, but some wholesalers are active with last minute order. Most producers and printers are busy putting up stocks for the year end holidays. Churning activity remains limited as cream supplies stay tight. Fresh butter stocks are tight. Micro-fixing continues to fill a good portion of packaged butter needs. Demand for butter is good at the producer level, fair to good at retail depending on features. Food service orders are good for both Thanksgiving and post-Thanksgiving needs. Sales of bulk butter f.o.b. East, are reported in a range of flat market to 7.5 cents over the CME price/average.

CENTRAL

Much to the surprise of some butter producers and handlers, the cash butter market at the CME remains firm in comparison to previous years at this time. Earlier this fall, many butter producers and handlers were comfortable with their supply/inventory situation and projected butter production schedules for the upcoming yearend holidays. Orders were strong for Thanksgiving needs with Christmas and New Year orders doing equally well. Often, throughout this time, churning schedules were not sufficient to meet fresh butter demand thus inventoried stocks were being used to fill order. To the surprise of many producers and handlers, these inventories were being reduced at a faster rate than many had anticipated. At this time, some are scrambling to fill Thanksgiving refill orders and are looking for additional volumes for year end needs. Often handlers were not able to locate supplies in a

timely manner, thus some are turning to the CME to secure additional stocks. During the most recent five CME cash trading sessions (November 14 – 24), 200 cars of AA butter have been sold in a three cent pricing range of \$1.1950 – 1.2250. Current churning schedules are much lighter than many anticipated. Milk and cream supplies have tightened and Class II holiday cream based products continue to pull available cream volumes away from butter producers. Butter demand remains strong as retail features and overall favorably priced butter at retail are moving large volumes of print butter. Many suppliers indicate that food service and restaurant orders are stronger this year versus recent years. Favorable weather patterns, somewhat better economic conditions, and an earlier, more active, holiday shopping season are a few factors causing away from home eating patterns to be strong. Bulk butter for spot sale is limited, although when available are being reported in the 2 - 4 cents per pound range over various pricing basis.

WEST

Cream supplies available for churning remain tight in the Western region. Some contacts believe that this may change at the end of the week due to the long holiday weekend. Others are not so sure. Orders for butter continue to be excellent this holiday week. Current butter production is not heavy enough to fill all needs. Butter continues to be pulled out of storage. U.S. cold storage holdings of butter continue to decline compared to last year and last month. Stocks at the end of October stand at 161.9 million pounds, down 21.9% (45.3 million pounds) from last month. They also trail last year by a few million pounds. Prices continue to move up and down in a narrow range at the cash CME butter market. Trading has been extremely heavy since the first part of October. In the last eight weeks (through November 21), 653 loads have been sold at the Exchange for an average volume of 82 loads per week. Trading on November 21 and 24 included 163 sales with all of them on Monday on bids. Buyers continue to need butter for current orders. Imports of High Tier butter continue to lag a year ago and are insignificant because of the current price relationship compared to foreign prices. Butter brought in under quota has reached 11.9 million pounds, up 11.8% from the same period last year. A little over 77% of the annual quota is now filled. Current prices for bulk butter range from flat market to 3 1/2 cents under the market based on the CME with various time frames and averages.

NASS DAIRY PRODUCT PRICES**DATA WAS NOT AVAILABLE AT THE TIME THIS REPORT WAS PUBLISHED**

CHEESE MARKETS

NORTHEAST

Prices are generally lower again this week. The market tone is weak, but this does seem counter to the typical good demand during the holiday period of November through January. With prices at the CME falling for the past several weeks, buyers are waiting to see where they will level out before getting back into the market. Cheese output in the Northeast is light and some cheese makers are still not getting desired volumes of milk. Distributors are busy getting last minute orders out to buyers. Many will only be working a three-day week, while others will only be down for Thanksgiving. Retail movement is just fair as prices are often high enough to hurt sales. Food service orders are improved for Thanksgiving and the Christmas shopping season.

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

Cheddar 10# Prints	:	1.4250-1.9300
Cheddar Single Daisies	:	1.3825-1.8475
Cheddar 40# Block	:	1.5000-1.7475
Process 5# Loaf	:	1.4500-1.6475
Process 5# Sliced	:	1.4700-1.7150
Muenster	:	1.5975-1.7900
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is about steady on blocks though decidedly weak on barrels. The wide spread between blocks and barrels continues to financially stress barrel producers and bothers some traders. Most packaging and processing operations will be down an additional day or two this week because of Thanksgiving. This reduces the volume of bulk cheese needed. Natural cutting, shredding, and slicing operations are operating on moderate to generally good schedules. Process movement continues typically slow to fair. Barrel and other processing solids remain long and some sellers continue to have problems clearing inventory. While some extra fluid is expected by manufacturers over the holiday weekend, no sizeable quantities are expected. Current milk intakes seem little changed from recent weeks though fat and protein levels are good seasonally.

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

Process American 5# Loaf	:	1.4200-1.9100
Brick And/Or Muenster 5#	:	1.9900-2.0225
Cheddar 40# Block	:	1.7175-2.1150
Monterey Jack 10#	:	1.9775-2.1600
Blue 5#	:	2.1175-2.6900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6625-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0000-2.6850

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERSOUNDS -INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
		:	
11/24/03	44,837	:	121,757
11/01/03	57,527	:	128,695
CHANGE	-12,690	:	-6,938
% CHANGE	-22	:	-5

WEST

Cheese prices continue to falter at the cash CME market. The spread between barrels and blocks is the widest seen in the last couple of years. Contacts in the West are not all that surprised and indicate that is what the market is like in the region. Blocks are in a balanced to tight position with barrels and processing solids much more readily available. Cheese processors continue to ask for and receive discounts to make trades work. Stocks are heavier than desired. Milk output continues to lag expectations in the region. Reasons given center around past weather conditions and feed quality issues. Stock levels of Swiss cheese at the end of October are holding about steady seasonally, but they are about 17% ahead of last year at 22.2 million pounds. Stocks of American cheese are being drawn down at a heavy rate this fall. Stocks total 488.6 million pounds, down 5.4% (28 million pounds) from last month. They trail last year by 2.3% or 12.8 million pounds. Plants are not expecting any problems handling milk supplies over the upcoming holiday weekend.

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

Process 5# Loaf	:	1.3875-1.6475
Cheddar 40# Block	:	1.4900-1.8400
Cheddar 10# Cuts	:	1.6700-1.8900
Monterey Jack 10#	:	1.6800-1.8400
Grade A Swiss Cuts 6 - 9#	:	2.2500-2.4600

FOREIGN

Prices are steady on imported; lower on domestic types and styles. The market tone is mixed, but improving along seasonal patterns. Retail prices are deterring some sales, but the domestic style price reductions are helping wholesale demand as we enter the holiday "entertaining" season. Importers are running into a very strong Euro and orders are not very aggressive at this time. Cheese imports, subject to licensing, during the first ten months of 2003 total 94.252 million Kg, 4.4% less than the same period last year. Imports of "high-tier" cheese during the same period total 17.928 million Kg, 27.1% below last year's ten-month total.

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

			NEW YORK
VARIETY	:	IMPORTED	: DOMESTIC
	:		:
Roquefort	:	TFEWR	: -0-
Blue	:	2.6400-3.7200	: 1.7200-3.2100*
Gorgonzola	:	3.6900-5.9400	: 2.2375-2.4900*
Parmesan (Italy)	:	TFEWR	: 3.1300-3.2200*
Romano (Italy)	:	2.1000-3.1500	: -0-
Provolone (Italy)	:	3.4400-5.5000	: 1.7275-1.9550*
Romano (Cows Milk)	:	-0-	: 2.9175-5.0900*
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	:	2.1900-3.2500	: -0-
Gouda, Large	:	TFEWR	: -0-
Gouda, Baby (\$/Dozen)	:		:
10 Ounce	:	27.8000-31.7000	: -0-

* = Price change.

FLUID MILK AND CREAM

EAST

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	23	0	159	0	55	0
SOUTHEAST STATES	0	0	0	0	0	0

EDITOR'S NOTE: Due to 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.

Milk production is about steady in most of the East. Colder weather in the Southeast early this week is helping milk output increase along seasonal patterns. The milk flow in the Northeast is mostly steady to lighter. Compared to most years, milk volumes are very tight in the Northeast. Some of the tighter milk supply can be attributed to the fact that there are fewer milk producers than a year ago and that November is traditionally the low month for milk production per cow. The continued good demand for Class I milk should come to a halt at midweek when school lunch programs stop and retail needs are filled. Contacts already report slower milk orders after Tuesday. Florida's need for outside milk dropped significantly, but handlers expect in-state milk production and the slower Class I needs to carry them through the holiday weekend. Manufacturing plant contacts see little or no extra milk showing up at their plants this weekend. Some report that they have never seen milk this tight during a Thanksgiving week. Those plants that have been supplying Florida's need may have extra milk to process, but it will be welcomed. The condensed skim market is generally steady. Supplies are tight and few spot sales are being reported. In some instances, producers are having difficulty filling contracts because of the tight supply of surplus milk. The fluid cream market remains strong. Offerings are tight and demand remains good. Orders for holiday items like egg nog, bottled cream, etc. are down this week. However, with cream supplies as tight as they have been, some producers of these products continue to make as much as they can. Cream buyers/users are not finding the volumes they desire. Suppliers/producers are not always able to fill all demand for cream and some demand is going unfilled. Spot prices are often lower as last week's CME butter average did drop 1.34 cents from the previous week. Multiples range from mostly unchanged to higher. Cream cheese output remains fairly brisk as orders are good through the year end holidays. Ice cream production is holding up better than expected. Many ice cream producers are down for a long weekend this week, but expect to be back on line next week. Some ice cream producers are building inventories ahead of their traditional down time during the year end holiday period. Churning activity remains light. Outside of contracts, there is little cream being offered to butter makers.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

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

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.6211-1.8853
DELIVERED EQUIVALENT ATLANTA	-	1.7051-1.9213 M 1.7532-1.8973
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.5851-1.7051

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-.8700-.9300
NORTHEAST- CLASS III - SPOT PRICES	- 1.2000-1.3000

MIDWEST

Class I milk use remained very strong this week, between preparing holiday product orders and preparing for some retail feature activity in some markets. The strong fluid demand seemed to reduce the volume of spot manufacturing milk supplies available, at least before the holiday. Except for no more than a light day on Thursday at a few locations, bottling schedules were expected to remain strong during the weekend. On a light test, reported spot manufacturing milk premiums range from \$0.25 - 1.65 over class with the lowest price requiring a much longer haul to other plants. The majority of activity would be in the \$0.75 - 1.25 over area. Manufacturing plant operators were not expecting to be inundated with surplus volumes over the long holiday weekend unless some major plant problem occurred, though some plant operators, depending on location and product, would welcome additional milk. Most, if not all, manufacturing plants continue to operate on relatively light fall schedules. With the wide barrel/block cheese price

spread, as much milk as possible has been shifted from barrel production. Cream demand generally remains strong though with some operations closed for the holiday, weekend multiples are at the low end. Current plant milk intakes seem to be little changed on a week to week basis. Current fat and protein levels are seasonally good, resulting in very good manufacturing yields. The few remaining fields are being harvested, though some need the ground to be frozen on top due to a very wet November in some locations.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 20 - 25	PREVIOUS YEAR
SLAUGHTER COWS	\$ 51.00- 56.00	\$ 34.00- 37.50
REPLACEMENT HEIFER CALVES	\$350.00-410.00	\$310.00-380.00

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

	NOV 20 - 25	PREVIOUS YEAR
SLAUGHTER COWS	\$ 52.00- 58.00	\$ 34.00- 43.50

WEST

OCTOBER 2003 POOL RECEIPTS of milk in CALIFORNIA total 2.89 billion pounds, 0.7% lower than the prior year. Year to date pool receipts are running 1.0% higher than 2002. The October blend price, at a fat test of 3.66%, is \$13.57, \$0.22 higher than September and \$2.68 above October 2002. The percentage of receipts used in Class I products is 20.19%. The October quota price is \$14.45 and the over quota price is \$12.75. These prices are \$0.11 higher than September and \$2.61 more than a year earlier. CALIFORNIA milk output is holding mostly steady with some areas seeing slight increases. The fat and solids levels of incoming milk are moving higher seasonally. Weather conditions are cooler across the state. Plants in the state are expected to handle the holiday milk situation with guarded optimism. The bottled milk market remains unsettled with the grocery clerk strike impacting sales at affected stores. Orders remain higher from other grocery and club stores. The effect on suppliers is often sporadic ordering. The biggest new concern this week is that the strike has expanded to include grocery distribution centers in southern California. Bottling for schools often stopped this week ahead of holiday vacations. ARIZONA milk production is mostly steady with only slight daily variations developing. There are expectations that the rate would increase with very good milk producing weather, but that has not happened. Bottlers have good orders ahead of the holiday. Plants in the state have ample capacity to handle any extra holiday milk supplies. NEW MEXICO milk output is holding mostly steady to only slightly higher with overall growth often gained by the addition of cows. There are expectations that the levels should be higher, but the rate per cow is slow to increase. Out of region orders slowed for later in the week. Balancing plants are expected to run at higher levels, but not to be taxed. Despite heavy sales at the CME, the butter price remains relatively stable. Grade AA butter closed at \$1.2075 on Monday, 11/24. Cream supplies are snug in the region. Offerings are very light and only expected to improve slightly over the holiday. Butter production is active to fill orders and taking as much cream as possible. Trucking to other areas is harder over the holiday, but local needs are absorbing cream supplies. Western cream multiples are holding steady and range from 115 to 132, FOB, depending on class usage and basing point. Moisture is common every 3-4 days in the PACIFIC NORTHWEST as storms continue to move in off the Pacific. Snow in the passes is causing some transportation delays at times. Milk production is not being impacted at the present time by the shower activity. Tests are increasing seasonally on incoming milk receipts. The overall milk flow is not up to seasonal expectations. No problems are anticipated in handling milk over the holiday weekend. In fact, a number of plants are looking forward to handling some additional milk. Cream supplies in the region remain tight. Contacts in UTAH and IDAHO are noting some problems with transportation this week. This is not an unusual problem for the Thanksgiving time period. Additional problems are being caused by closures on the interstate system because of snow and ice. Some trucks scheduled to get in on Monday are not expected until late Tuesday or Wednesday. Drivers will miss getting home for the Thanksgiving holiday. Some cheese operations were very surprised at how little milk was available last week due to the extremely good call for fluid needs and holiday related Class II items. They are hoping for some additional surplus milk this week. Winter type conditions are common over much of the region. Many of the mountain areas are reporting more than 100 inches of snowfall for the season so far. Valley snows are not causing any production problems.

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 is unchanged to higher with increased output expected over the holiday weekend as milk intended for the Class I market is diverted into NDM dryers. However, milk supplies are less than anticipated for this time of year, indicating that increased NDM output may not be sufficient to impact prices. Demand is steady with inquiries noted from end-users and brokers. Supplies of NDM from CCC cheese and pudding exchanges are less available than the week prior. Condensed skim movement is steady and mostly contractual.

EAST: Prices and the market tone remain firm. Drying schedules are very light. Some producers comment that their plants are making about one third as much NDM as anticipated. Surplus milk supplies are very tight in the Northeast. The holiday week may provide a little extra milk for butter/powder plants, but contacts feel that there will be few, if any, problems clearing the Thanksgiving milk. Demand for NDM is steady and spot needs are often filled with resale powder or government exchange programs. Stocks at the plant level are almost non-existent, particularly high heat.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .8100 - .8800 MOSTLY: .8425 - .8600
 HIGHHEAT: .8650 - .9450

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk prices are unchanged as the market tone remains steady. Spot offerings are light in the region but there appears to be a transition period where NDM production is increasing and DEIP/contract sales declining. The trade feels that offerings to the support program will increase shortly, especially if the next DEIP allocation announcement is further delayed. There is still good usage of NDM in cheese production despite declines in the cheese market. Production schedules are slow to build and generally reflect the milk supplies. The trade does not expect problems handling milk over the Thanksgiving holiday and following weekend. During the week of November 17 - 21, CCC net purchases totaled 8.6 million pounds of NDM from the West. The Western high heat prices did not change. Sales are mainly contractual and are higher as supplies and seasonal demand build. Production is mostly steady to higher with stocks light.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
 LOW/MEDIUMHEAT: .7950 - .8825 MOSTLY: .8000 - .8150
 HIGHHEAT: .8350 - .8500

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
November 21	\$.8136	11,256,293	1,463,270
November 14	\$.8103	10,704,391	1,889,144

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

DRY BUTTERMILK - CENTRAL

Prices remain unchanged and nominal on a firm market. Production is mixed. With higher cream prices, some plants are opting to sell cream to Class II users rather than seasonally churn, resulting in lower buttermilk production. At other locations, production trends are typical with higher buttermilk output anticipated over the holiday weekend. Supplies of dry buttermilk are tight. Movement is limited to contracts and less than trucklot loads.

F.O.B. CENTRAL: .9350 - 1.0200

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and the Northeastern prices remain nominal. Production levels are limited by the light churning activity and the steady demand for liquid/condensed buttermilk. There is little test of the spot market. Many sales are LTL to try to partially fill more contract accounts. Also, there are few spot resales being reported. The market tone is firm. Demand is steady.

F.O.B. NORTHEAST: .8400 - .8500
 DELVDSOUTHEAST: .8800 - .9000

DRY BUTTERMILK - WEST

The dry buttermilk prices in the Western region are holding steady. The market tone is firm, although untested. Offerings are not readily available from producers, who are catching up on past orders. Butter production is seasonally heavy in the region. Drying is active, but most of the current production is committed. Stocks remain light.

F.O.B. WEST: .8500 - .8800 MOSTLY: .8500 - .8600

DRY WHOLE MILK - NATIONAL

Prices are unchanged and nominal. The market tone is unchanged. Production levels remain light, particularly in the East where surplus milk volumes appear to be the tightest. Demand is generally fair. Producer stocks are light.

F.O.B. PRODUCING PLANT: 1.0650 - 1.2200

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2003 TO DATE
 WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 22,733 MT (50,117,171 LBS)

Allocations for the DEIP year beginning July 1, 2003, were announced on August 15 and total 68,201 MT of NDM, 3,030 MT of cheese, and 21,097 MT of butterfat. (These totals are unchanged from last year's program.) This program-year's allocations are again being announced in stages. Stage one allocations are:
 NDM -- 22,733 MT, butterfat -- 7,032 MT, and cheese -- 1,010 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 unchanged to higher and the market tone is mixed. While some plants state that supplies are tight and offerings are limited, other locations have whey readily available for the light to fair feed and edible interest. Production is steady to somewhat higher as extra loads of condensed whey are reportedly readily available. Contracts for 2004 continue to be discussed with some buyers seeking new suppliers due to discontinued production at some plant locations. Spot movement is generally light due in part to the short holiday week.

F.O.B. CENTRAL: .1900 - .2175 MOSTLY: .2000 - .2050

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices range from mostly steady to occasionally higher. The Northeastern prices are nominal. Production levels are lighter than desired and most producers are either out of the spot market or limiting spot sales to regular customers. Some are having difficulty meeting contract shipping dates. Eastern cheese output continues to be impacted by the very tight supply of surplus milk. Demand is fair to good, but market activity is light this week. This is typical for a Thanksgiving week, when some traders will be closed for a long weekend.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2050 - .2225
DELVD SOUTHEAST: .2250 - .2525

DRY WHEY - WEST

The Western range price held steady while the mostly series was steady to fractionally lower. Most comments indicate that domestic sales activity is continuing at good levels. The further east you go in the country, the tighter whey stocks get. Export sales seem to be where the problem is occurring for Western producers. Some are now admitting heavier stocks and they are willing to reduce prices to maintain or stimulate sales activity. Stocks in the West range from balanced to growing. Production levels are increasing seasonally, but not at expected rates. The market continues to exhibit the mixed pattern noted for the past few weeks.

NONHYGROSCOPIC: .1700 - .2175 MOSTLY: .1775 - .2100

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged and nominal. The market tone remains steady. Trade activity is heavier than the week prior as producers attempt to clear inventories before the year end. Interest is on an as needed basis as buyers also monitor inventories on hand. Veal prices continue to falter in response to continued frozen veal shipments from Canada.

F.O.B. CENTRAL:
MILK REPLACER: .1850 - .1950

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are higher on a firm market. Trade activity is light. Trades into the export market are noted at the lower end of the range whereas domestic edible trades are reported at the higher end. Supplies remain tight. With 80% WPC supplies more available and prices more attractive than WPC 34%, some traders are surprised buyers are not more apt to buy 80% instead of 34%. Production is steady with buyers reporting steady receipt of contractual supplies. Aged product from almost 2 years ago is reportedly available at a discount for the good feed interest.

F.O.B. EXTRA GRADE 34% PROTEIN: .5300 - .6075 MOSTLY: .5575 - .5675

LACTOSE - CENTRAL AND WEST

Prices remain unchanged on a firm market. Producers that have not set first quarter contracts are more readily discussing trade in order to ensure contract finalization before the Christmas/New Year holiday season. Higher prices are anticipated for the first quarter in light of settled contracts and current offerings for the term. Spot trade activity is light with prices near the higher end of the mostly. Production is steady. Some plants are shorting orders, encouraging some buyers, especially candy manufacturers, to secure additional supplies contractually in 2004. 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: .1950 - .2650 MOSTLY: .2050 - .2200

CASEIN - NATIONAL

Casein prices are holding steady, although the market tone remains firm. Buyers state that stocks of both rennet and acid are in close balance with most contracted needs being met, but additional spot needs are difficult to find. Many suppliers indicate that their supply situation is not overly positive, but are working closely with customers. Suppliers state that some shifting or adjustments in shipping schedules might be needed, but for the most part, customers are getting their contracted volumes in a timely manner.

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: 2.1000 - 2.2000
ACID: 2.0500 - 2.2500

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels remain light as surplus milk supplies are tight across much of the country. Retailer sales are generally good, but slowing now that Thanksgiving shopping is nearly over. Retailers are now gearing up for the year end holiday features. Producer stocks are lighter, but this is typical for this time of year.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$19.00 - 30.00
Excluding promotional and other sales allowances. Included new price announcements.

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/}
AUG 2003	180.4	2.5	167.5	0.2	159.2	-0.3	171.8	1.2	140.8	-3.9	169.7	4.6
SEP 2003	180.7	2.4	170.3	2.4	167.8	4.6	171.5	1.8	147.9	-1.2	171.1	5.7
OCT 2003	181.7	2.9	171.8	3.2	170.0	5.5	173.1	3.2	150.2	1.7	174.0	7.9
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Butter ^{5/}		Process Cheese ^{6/}		Natural Cheese ^{7/}		Ice Cream ^{8/}			
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	Dollars											
AUGUST	2.666	2.720	2.747	2.938	3.815	3.895	3.845	4.345	3.976	3.783		
SEPTEMBER	2.904	2.728	2.856	3.101	3.803	3.841	3.900	4.381	3.892	3.896		
OCTOBER	2.905	2.727	2.882	3.032	3.714	3.920	4.016	4.160	3.878	3.336		

^{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 -- JULY-SEPTEMBER AND YEAR-TO-DATE 2002-03 ^{1/}**

Item	Jul.-Sep. 2002	Percent change ^{2/}	Jul.-Sep. 2003	Percent change ^{2/}	Jan.-Sep. 2002	Percent change ^{2/}	Jan.-Sep. 2003	Percent change ^{2/}
	Million Pounds							
MILK								
Production	41,791	3.0	41,542	-0.6	128,203	2.9	128,353	0.1
Marketings	41,503	3.1	41,271	-0.6	127,350	3.0	127,549	0.2
Beginning Commercial Stocks ^{3/}	12,355	24.1	13,439	8.8	7,041	3.0	9,889	40.4
Imports ^{3/}	1,329	-12.6	1,199	-9.8	3,775	-11.9	3,608	-4.4
Total Supply ^{4/}	55,187	6.7	55,909	1.3	138,166	2.5	141,046	2.1
Ending Commercial Stocks ^{3/}	11,240	28.4	11,072	-1.5	11,240	28.4	11,072	-1.5
Net Removals ^{3/}	109	303.7	184	68.8	239	91.2	1,145	379.1
Commercial Disappearance ^{4/}	43,838	2.1	44,653	1.9	126,687	0.6	128,829	1.7
SELECTED PRODUCTS ^{5/}								
Butter	317.4	1.2	315.4	-0.6	894.7	1.8	894.6	0.0
American Cheese	961.6	6.2	951.7	-1.0	2,792.8	2.7	2,757.3	-1.3
Other Cheese	1,293.1	4.7	1,335.1	3.2	3,839.1	3.1	3,920.1	2.1
Nonfat Dry Milk	254.5	-18.4	237.2	-6.8	593.6	-18.9	546.5	-7.9
Fluid Milk Products ^{6/}	13,680.9	1.7	13,470.1	-1.5	40,989.4	0.3	40,895.5	-0.2

^{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.

FEDERAL MILK ORDER ADVANCE PRICES, DECEMBER

Class I Base Price - Under the Federal milk order pricing system, the Class I base price for December 2003 is \$13.84 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$9.70 and the advanced butterfat pricing factor is \$1.2806. 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 \$6.02. Thus, the Class II skim milk price for December is \$6.72 per cwt., and the Class II nonfat solids price is \$0.7467. **Product Price Averages** - The two-week product price average for December are, butter \$1.1822, nonfat dry milk \$0.8153, cheese \$1.5331, and dry whey \$0.1947.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/} _{2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	December 2003		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	17.09	12.95	1.3131
Appalachian (Charlotte) ^{5/}	005	16.94	12.80	1.3116
Southeast (Atlanta) ^{6/}	007	16.94	12.80	1.3116
Florida (Tampa) ^{7/}	006	17.84	13.70	1.3206
Midwest (Cleveland) ^{8/}	033	15.84	11.70	1.3006
Upper Midwest (Chicago) ^{9/}	030	15.64	11.50	1.2986
Central (Kansas City) ^{10/}	032	15.84	11.70	1.3006
Southwest (Dallas) ^{11/}	126	16.84	12.70	1.3106
Arizona-Las Vegas (Phoenix) ^{12/}	131	16.19	12.05	1.3041
Western (Salt Lake City) ^{13/}	135	15.74	11.60	1.2996
Pacific Northwest (Seattle) ^{14/}	124	15.74	11.60	1.2996
All-Market Average		16.42	12.28	1.3064

^{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.

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, DECEMBER 2003, WITH COMPARISONS ^{1/}												
CITY	December 2001			December 2002			November 2003			December 2003		
	Announced Coop.	Federal Order	Difference	Announced Coop.	Federal Order	Difference	Announced Coop.	Federal Order	Difference	Announced Coop.	Federal Order	Difference
	Dollars Per Hundredweight, 3.5% Butterfat											
Atlanta, GA	16.33	15.08	1.25	15.55	13.62	1.93	18.53	17.47	1.06	18.37	16.94	1.43
Baltimore, MD	16.73	14.98	1.75	15.27	13.52	1.75	19.22	17.37	1.85	18.69	16.84	1.85
Boise, ID ^{2/}	13.58	13.58	0.00	12.42	12.12	0.30	16.27	15.97	0.30	15.74	15.44	0.30
Boston, MA	16.83	15.23	1.60	15.17	13.77	1.40	19.32	17.62	1.70	18.79	17.09	1.70
Charlotte, NC	16.33	15.08	1.25	15.55	13.62	1.93	18.53	17.47	1.06	18.37	16.94	1.43
Chicago, IL	15.73	13.78	1.95	14.38	12.32	2.06	18.25	16.17	2.08	17.70	15.64	2.06
Cincinnati, OH	15.95	14.18	1.77	14.29	12.72	1.57	18.14	16.57	1.57	17.61	16.04	1.57
Cleveland, OH	15.75	13.98	1.77	14.09	12.52	1.57	17.94	16.37	1.57	17.41	15.84	1.57
Dallas, TX	15.82	14.98	0.84	14.82	13.52	1.30	17.90	17.37	0.53	17.74	16.84	0.90
Denver, CO	15.38	14.53	0.85	13.92	13.07	0.85	17.77	16.92	0.85	17.24	16.39	0.85
Des Moines, IA	14.99	13.78	1.21	13.70	12.32	1.38	17.56	16.17	1.39	17.03	15.64	1.39
Detroit, MI	15.03	13.78	1.25	13.50	12.32	1.18	17.59	16.17	1.42	17.06	15.64	1.42
Hartford, CT	16.73	15.13	1.60	15.07	13.67	1.40	19.22	17.52	1.70	18.69	16.99	1.70
Houston, TX	16.42	15.58	0.84	15.42	14.12	1.30	18.50	17.97	0.53	18.34	17.44	0.90
Indianapolis, IN	15.75	13.98	1.77	14.09	12.52	1.57	17.94	16.37	1.57	17.41	15.84	1.57
Kansas City, MO	15.19	13.98	1.21	14.29	12.52	1.77	17.65	16.37	1.28	17.12	15.84	1.28
Louisville, KY	15.18	14.18	1.00	13.82	12.72	1.10	17.99	16.57	1.42	17.46	16.04	1.42
Memphis, TN	15.83	14.78	1.05	15.05	13.32	1.73	18.03	17.17	0.86	17.87	16.64	1.23
Miami, FL	18.84	16.28	2.56	17.96	14.82	3.14	20.80	18.67	2.13	20.64	18.14	2.50
Milwaukee, WI	15.83	13.73	2.10	14.48	12.27	2.21	18.35	16.12	2.23	17.80	15.59	2.21
Minneapolis, MN	15.19	13.68	1.51	13.83	12.22	1.61	17.70	16.07	1.63	17.15	15.54	1.61
New Orleans, LA	16.48	15.58	0.90	15.70	14.12	1.58	18.68	17.97	0.71	18.52	17.44	1.08
Oklahoma City, OK	15.63	14.58	1.05	14.77	13.12	1.65	17.87	16.97	0.90	17.34	16.44	0.90
Omaha, NE	15.04	13.83	1.21	13.75	12.37	1.38	17.61	16.22	1.39	17.08	15.69	1.39
Philadelphia, PA	16.90	15.03	1.87	15.44	13.57	1.87	19.27	17.42	1.85	18.74	16.89	1.85
Phoenix, AZ	14.48	14.33	0.15	13.02	12.87	0.15	16.87	16.72	0.15	16.34	16.19	0.15
Pittsburgh, PA	16.28	14.08	2.20	14.58	12.62	1.96	18.42	16.47	1.95	17.94	15.94	2.00
St. Louis, MO	15.69	13.98	1.71	13.77	12.52	1.25	17.62	16.37	1.25	17.09	15.84	1.25
Salt Lake City, UT	14.18	13.88	0.30	12.72	12.42	0.30	16.57	16.27	0.30	16.04	15.74	0.30
Seattle, WA	14.30	13.88	0.42	12.84	12.42	0.42	16.69	16.27	0.42	16.16	15.74	0.42
Springfield, MO	14.98	14.18	0.80	14.37	12.72	1.65	17.47	16.57	0.90	16.94	16.04	0.90
Washington, DC	16.73	14.98	1.75	15.27	13.52	1.75	19.22	17.37	1.85	18.69	16.84	1.85
Simple Average	15.75	14.46	1.29	14.47	13.00	1.47	18.11	16.85	1.26	17.66	16.32	1.34

^{1/} This table contains information obtained from the Class I price announcements sent by the major cooperative in each city market to all handlers who buy milk from them. These over-order prices include charges for various services performed by the cooperative. In some instances, these over-order prices may not include all credits that may be allowed. These prices have not been verified as having been actually paid by handlers.

^{2/} The information for this city is being reported now; the information for Spokane, WA has been discontinued.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE PERIOD OF NOVEMBER 24 - 25, 2003			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/03	SAME PERIOD LAST YEAR	WEEK ENDING 11/21/03	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	1,069,200	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	1,069,200	-0-	-0-
NONFAT DRY MILK							
Nonfortified	6,208,520	-0-	6,208,520	49,975,177*	55,505,310	879,639,000	1,067,516,000
Fortified	-0-	-0-	-0-	-119,048	-0-	46,391,000	46,391,000
TOTAL	6,208,520	-0-	6,208,520	49,856,129*	55,505,310	926,030,000	1,113,907,000

*A cancellation of 119,048 pounds was made previously and reduced from the cumulative total.

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
PERIOD OF NOVEMBER 24 - 25, 2003 =	1.4	72.3	COMPARABLE PERIOD IN 2002 =	3.3	62.0
CUMULATIVE SINCE OCTOBER 1, 2003 =	11.0	581.7	CUMULATIVE SAME PERIOD LAST YEAR =	22.1	656.7
CUMULATIVE JAN. 1 - NOV. 25, 2003 =	703.0	6,994.5	COMPARABLE CALENDAR YEAR 2002 =	216.7	7,436.3

* 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 PERIOD OF NOVEMBER 24 - 25, 2003 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
CENTRAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	6,208,520	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/03 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2003/04	2002/03	2003/04	2002/03	2003/04	2002/03	2003/04	2002/03
CENTRAL	-0-	-0-	-0-	1,069,200	-0-	398,658	-0-	45.1
WEST	-0-	-0-	-0-	-0-	49,856,129	55,106,652	100.0	54.9
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	1,069,200	49,856,129	55,505,310	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 11/08/03 & 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	0.9	7.7	7.1	21.7	2.8	0.5	1.2	14.5	2.9	59.3	2,466.0	47.3	47.9
2002-Dairy	0.2	0.8	7.5	5.2	20.1	2.6	0.6	1.7	16.1	2.3	57.1	2,221.5	46.9	46.0
2003-All cows	0.2	1.1	10.1	14.9	32.4	19.4	19.4	3.7	16.9	7.2	125.3	5,152.0		
2002-All cows	0.2	1.0	10.2	13.3	31.6	14.9	17.8	3.9	18.9	9.9	121.7	4,827.8		

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	9.74	9.77	10.97	13.71	14.27	14.37	13.84
II	11.29	10.66	10.54	10.44	10.43	10.46	10.63	10.81	10.76	10.84		
III	9.78	9.66	9.11	9.41	9.71	9.75	11.78	13.80	14.30	14.39		
IV	10.07	9.81	9.79	9.73	9.74	9.76	9.95	10.14	10.05	10.16		

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