

NATIONAL DAIRY MARKET AT A GLANCE

At the Chicago Mercantile Exchange (CME), all grades of butter are unchanged: Grade AA is \$0.9200, Grade A is \$0.8100, and Grade B is \$0.7800. Also at the CME, barrel cheese is unchanged at \$1.1500 and 40# blocks increased 1/4 cent to \$1.1525.

The Basic Formula Price (BFP) used in Federal Orders for April 1997 is \$11.44 per cwt. at 3.5% butterfat, \$1.05 lower than March. The April BFP is the March base month price of \$12.31 minus \$0.87, which is the change in the butter/powder/cheese formula from March to April. The butterfat differential is \$0.094. The April Class III-A milk prices are: for Federal Orders 1 & 2, \$12.01; for Order 4, \$12.03; for Orders 124, 131, & 135, \$12.01; for other affected orders, \$12.10.

On May 6, Agriculture Secretary Dan Glickman announced that a new cheese price series will be used under the federal milk marketing order program to calculate the BFP beginning June 5. The new cheese price series, developed by USDA's National Agricultural Statistics Service (NASS), is based on a weekly survey of cheese manufacturing plants throughout the country. NASS first published the weekly price and volume report on cheddar cheese prices on May 9. The first release covered weeks from March 7 - May 2 and subsequent reports will provide data for the most recent 5-week period (see page 14).

According to NASS, butter production was 102.3 million lbs in March 1997, 9% below March 1996. American type cheese production totaled 284.1 million lbs, steady with last March. Total cheese output (excluding cottage cheese) was 637.0 million lbs, 2% heavier than March 1996. Nonfat dry milk production, for human food, totaled 111.2 million lbs, 5% more than last March.

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 1997 was unchanged at 117. Compared with April 1996, the index was up 3 points (2.6 %). The index of prices received by farmers

for dairy products was unchanged during the month of April 1997 at 103. Compared with April 1996, the index was down 3 points (2.8%). On a 3.5% butterfat basis, prices received by farmers in April with changes from March were: for All Milk, \$13.36 per cwt., up 8 cents; for Fluid Milk, \$13.36, down 3 cents; and for Manufacturing Grade Milk, \$11.74, down 30 cents.

Dry dairy product markets are steady to weaker. Nonfat dry milk markets are weak. Lower priced offerings in the Western part of the country are causing prices elsewhere to decline. Demand is slow at best. Many producers and handlers are speculating if/when powder might be offered to the government price support program. Whey markets are steady to weak. Both export and domestic sales activity are slowing down. The buttermilk powder markets are mixed.

Milk production patterns across the United States continue to follow seasonal trends. In southern most areas where milk production has peaked or is holding steady at high levels, milk volumes remain heavy. Diversions within and outside of the marketing area continue, although a slight decline in surplus milk is noted. Further north, mild weather conditions prevail which are contributing to a strong milk production spring in most areas of the U.S.

SPECIAL THIS ISSUE

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BUTTER MARKETS

CHICAGO WHOLESALE

Dollars per pound, trucklot, bulk in fiber boxes, delivered metropolitan area, prices include CCC purchase price whenever bulk butter is moving to CCC from the Midwest area.

GRADE	MAY 6	MAY 8	MAY 9
AA	\$0.9200 - 0.9300	\$0.9200 - 0.9300	\$0.9200 - 0.9300
A	\$0.8100 - 0.8200	\$0.8100 - 0.8200	\$0.8100 - 0.8200

() Change from previous price.

BUTTER HIGHLIGHTS: At the Chicago Mercantile Exchange, prices are unchanged. Churning schedules remain seasonally heavy, although, in some areas, cream supplies are not as readily available as in past weeks. Stocks of butter are sufficient for current needs with handlers holding additional stocks with confidence. Some handlers continue to secure additional supplies for future use. Domestic sales are fair with export interest light.

CHEESE MARKETS

WISCONSIN ASSEMBLY POINTS

Dollars per pound, standard moisture basis (37.8-39.0%), carlot/trucklot, F.O.B. plants or storage centers, prices include CCC purchase price whenever cheese is moving to CCC from the Midwest area.

CHEDDAR STYLES	MAY 5 - 9, 1997
BARRELS*	\$1.1300 - 1.1550 (nominal) (-.0200) (-.0200)
40# BLOCKS	\$1.1300 - 1.1550 (nominal) (-.0300) (-.0450)

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

CHEESE HIGHLIGHTS: The cheese market is unsettled to weak. At the Chicago Mercantile Exchange, the block price increased fractionally with barrels unchanged. Trading was moderate. Cheese demand remains sluggish. Current cheddar supplies are more than adequate. Plant inventories continue to build. Cheese production is generally steady to slightly higher, depending on location. For results of CCC market price process cheese purchases, turn to page 15 of this report.

CHICAGO MERCANTILE EXCHANGE

BUTTER TRANSACTIONS ON FRIDAY, MAY 9, 1997

(CARLOT UNIT = 40,000 - 42,000 LBS.)

GRADE	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION - LST
AA	N.C.	\$0.9200 : BID 04/25/97
A	N.C.	\$0.8100 : BID 04/25/97
B	N.C.	\$0.7800 : BID 04/25/97

SALES: NONE

BIDS UNFILLED: NONE

OFFERS UNCOVERED: NONE

CHEESE TRANSACTIONS ON THURSDAY, MAY 8, 1997

(CARLOAD UNIT = 40,000-44,000 LBS.)

CHEDDAR STYLES	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION
BARRELS	N.A.	\$1.1500 : SALE 05/08/97
40# BLOCKS	+0.0025	\$1.1525 : OFFER 05/08/97

SALES: 6 CARS 40# BLOCKS: 5 @ \$1.1500, 1 @ \$1.1550
 9 CARS BARRELS: 2 @ \$1.1475, 1 @ \$1.1450,
 2 @ \$1.1425, 1 @ \$1.1375, 3 @ \$1.1500 (LST)

BIDS UNFILLED: NONE

OFFERS UNCOVERED: 3 CARS 40# BLOCKS @ \$1.1525 (LST)

6 CARS BARRELS:
 3 @ \$1.1500, 2 @ \$1.1525, 1 @ \$1.1550

Summary of CCC Milk Price Support and Related Program Activities, Second Quarter, 1997 Marketing Year

Item	Butter	Cheese	NDM/DWM <u>1/</u>	Item	Butter	Cheese	NDM/DWM <u>1/</u>
	Thousand Pounds				Thousand Pounds		
Purchases:				Domestic Donations: <u>4/</u>			
Price Support	0	484	0	Schools	0	15,687	823
Market Price <u>2/</u>	230	17,067	3,160	Institutions	17	928	2,472
DWM			0				
Total Purchases	230	17,551	3,160	Foreign Donations:			
				Food for Progress-			
Domestic Sales:				DWM			0
Unrestricted	0	0	0	Food for Peace-			0
				DWM			
Foreign Sales:				Total Utilizations	1,856	18,213	40,230
DEIP <u>3/</u>	1,839	1,598	35,542				
DWM			1,393	Uncommitted Inventories	0	0	0

1/ Nonfat dry milk or Dry whole milk. Figures are nonfat dry milk unless otherwise specified. 2/ Cheese includes American -- 11,745 and Mozzarella -- 5,322; purchases are on a delivery basis. 3/ Contract basis. 4/ Based on orders issued for shipment.

SOURCE: Farm Service Agency, U.S. Department of Agriculture. For more information, contact Beverly Sadler (202) 720-1696.

PRINT BUTTER MARKETS - GRADE AA

NORTHEAST

Prices are unchanged and the market tone is still somewhat unsettled. Surplus milk volumes remain heavy in most areas of the East and churning activity is moderate to heavy. Producers' stocks are more than adequate for the current, slow demand. Retail sales are lagging as prices have, reportedly, not fallen at the same pace as the wholesale market. Food service orders are about steady. However, some resort area restaurants are increasing orders in preparation for the upcoming Memorial Day weekend and the unofficial beginning of summer. Nationally, butter production during March totaled 102.3 million pounds, 9% below March 1996.

WHOLESALE PRICES: MIN 25 BOXES
DOLLARS PER POUND, DELIVERED EAST COAST CITIES

1/4 LB. PRINTS	:	1.1300-1.3775
1 LB. PRINTS	:	1.0450-1.2275
CHIPS/PATTIES	:	1.1075-1.2775
REDDIES	:	1.1825-1.3775
CONTINENTALS	:	1.2625-1.4375

CENTRAL

Print butter markets are generally steady at unchanged prices. Some butter handlers have an unsettled feeling with current markets and are proceeding cautiously. Churning schedules in the Central part of the country are seasonally active. Milk volumes are increasing as spring production continues to trend higher. Cream volumes are readily available to local churns, although ice cream production is also on the increase. Stocks of bulk and print butter are fully adequate for current needs. Buying interest is centered around short term needs, but handlers are taking full advantage of additional stocks for later use.

FOB CENTRAL STATES PLANTS: MIN 20,000 POUNDS, \$ PER POUND

1/4 LB. PRINTS	:	1.0200-1.4275
1 LB. PRINTS	:	.9850-1.1475
CHIPS/PATTIES	:	1.0100-1.2200
REDDIES	:	1.0925-1.3300
CONTINENTALS	:	1.2500-1.4400

WEST

Prices are holding steady for Western print butter. Sales activity is generally categorized as fair. Much improvement in orders is noted in comparison to a few weeks ago. Most feel that the market has "settled down" for the time being, but they are concerned about the weakness in powder and cheese. They worry about milk shifting out of cheese into butter/powder and the weak market psychology with powder and cheese near support. Milk supplies in the Western region are running very heavy. U.S. butter output in March totals 102.3 million pounds, down 9% from March 1996. March butter output compared to last year for selected Western states is as follows: California down 17%, Oregon up 60%, and Washington up 29%.

WHOLESALE SELLING PRICES: DELIVERED WESTERN CITIES
150 - 1000 POUNDS, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.2050-1.2525
1 LB. PRINTS	:	1.1225-1.1950
PATTIES	:	1.1750-1.3425
REDDIES	:	1.3025-1.3225

FOB CALIFORNIA PLANTS - GRADE AA
100 CASES AND UP, DOLLARS PER POUND

1/4 LB. PRINTS	:	.9100- .9500
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WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
05/05/97	32,169	:	115,595
05/01/97	31,021	:	114,802
CHANGE	+1,148	:	+ 793
% CHANGE	+ 4	:	+ 1

Based on the historical relationship of the preliminary U.S. Cold Storage report of March 31, 1997 and the selected centers storage report, the expected U.S. holdings as of May 1, 1997 are:

Butter 41 million pounds plus or minus 0.88 percent
Cheese 421 million pounds plus or minus 3.17 percent

CHEESE MARKETS

NORTHEAST

Prices are generally 2-3 cents lower on most natural and process cheddar items. Most contacts/distributors who based prices on the trading levels at the National Cheese Exchange are now, at least temporarily, using the Chicago Mercantile Exchange as a basis for pricing. The market tone is weak. In the East, cheese production is mixed, but mostly steady. Producers, during this down market, are not fortifying their milk with skim solids to increase yields. Cheddar stocks are adequate for needs and more cheddar is being put into aging programs. Demand for cheese is slow to fair as users/distributors are limiting purchases to replacement volumes. Food service orders are improving as restaurants and fast food outlets prepare for the Memorial Day weekend and the summer trade. Retail sales are seldom better than fair, unless featured.

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

Cheddar 10# Prints	:	1.2700-1.6325
Cheddar Single Daisies	:	1.2400-1.6275
Cheddar 40# Block	:	1.2875-1.4375
Process 5# Loaf	:	1.3600-1.5000
Process 5# Sliced	:	1.3800-1.5225
Muenster	:	1.3300-1.8275
Grade A Swiss Cuts 10 - 14#	:	2.2500-2.5050

MIDWEST

The cheese market remains weak. In the initial cash cheddar cheese trading session at the Chicago Mercantile Exchange on May 1, both 40# blocks and barrels ended the session at \$1.1500. Most traders expect a spread to redevelop between blocks and barrels. Orders are showing some slight increase, but buyers are still wary of additional price declines. Contacts believe that at current price levels, there is limited downside risk to making sizeable purchases and/or rebuilding aging programs. Cheddar offerings remain ample to burdensome. Cheese production is steady to higher, depending on location. March estimated American cheese production in selected Midwestern states compared to last year is: Wisconsin, 81.5 million pounds, down 4.5%; Minnesota, 48.0 million pounds, down 16.2%; and Iowa, 8.7 million pounds, down 2.5%. Revised 1996 U.S. production figures are: American cheese is 3.3 billion pounds; Italian cheese, 2.8 billion pounds; and total cheese, 7.2 billion pounds.

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

Process American 5# Loaf	:	1.5025-1.6225
Brick And/Or Muenster 5#	:	1.5400-1.6075
Cheddar 40# Block	:	1.4025-1.9150
Monterey Jack 10#	:	1.6025-1.9150
Blue 5#	:	1.7550-2.0800
Provolone 10 - 12#	:	TFEWR
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5250-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.2075-2.4850

WEST

Cheese prices continue to falter in the Western region. Demand is rated as fair to slow. Many buyers are hesitant to make any purchases at this time if they believe prices still may trend a bit lower. Industry contacts are speculating about the possibility of cheese going to the support program in the very near future. A number of plants are trying to not accept as much milk or have quit using powder to fortify the vats in order to cut down on production. U.S. American cheese output in March totals 284.1 million pounds, down fractionally from last year. Output for selected Western states compared to last years is as follows: California up 48%, Idaho up 8%, Utah up 1%, and Washington up 36%. Swiss output in March totals 16.8 million pounds, down 5% from March 1996.

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

Process 5# Loaf	:	1.3400-1.6900
Cheddar 40# Block	:	1.3325-1.7300
Cheddar 10# Cuts	:	1.5675-1.7800
Monterey Jack 10#	:	1.5175-1.7800
Grade A Swiss Cuts 6 - 9#	:	2.3375-2.5600

FOREIGN TYPE CHEESE

Domestic prices are lower and there were no reported changes on imported styles. As noted in last week's report, EU subsidies on cheese exported to the U.S. were "frozen" until May 1. After evaluation, those subsidies are again in effect until volumes exported exceed GATT limits. Demand for foreign type cheese is unchanged at slow to fair levels.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: 5.5000-6.8900	: -0-
Blue	: 2.6400-3.1400	: 1.4850-2.0525*
Gorgonzola	: 3.2400-5.9400	: 2.1075-2.4900*
Parmesan (Italy)	: TFEWR	: 2.8550-2.9625*
Romano (Italy)	: 2.1900-2.9000	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.1575-1.6650*
Romano (Cows Milk)	: -0-	: 2.6875-2.8925*
Sardo Romano (Argentine)	: 2.6500-3.2900	: -0-
Reggianito (Argentine)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.1200	: -0-
Swiss Cuts Switzerland	: -0-	: 2.2500-2.5050
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

* = Price change.

FLUID MILK AND CREAM

EAST

Following the announcement of the April BFP, Eastern Milk Market Administrators announced changes to their class prices. The April BFP is \$11.44, down \$1.05 from March. In all orders in the East, June Class I & II milk prices will be down \$1.05 from May. In orders 1, 2, and 4, the April Class III prices are down \$1.09, and down \$1.05 in all other orders. The April Class III-A is \$12.01 in orders 1 & 2, \$12.03 in order 4, and \$12.10 in all other Eastern orders. The butterfat differential is \$0.094. Milk production is falling in the Gulf Coast States, but mostly steady in Florida. In the Middle Atlantic and Mid-South areas, the milk flow is increasing toward the seasonal peak (flush). In New York and New England, milk output is steady to slightly higher. Fluid milk supplies are not quite as burdensome as the past couple weeks. Less surplus milk is moving out of Florida, but volumes still exceed 10 loads per day. Most of that milk is being handled within the Southeast. In the Middle Atlantic area, manufacturing plants are full, but less pressured this week. With less Southern milk to process, they are better able to clear their own, increasing milk volumes. The condensed skim market is still weak, but prices are unchanged. Offerings are very heavy and some distressed prices were noted where suppliers had problems and had to move some loads quickly. Overall demand for wet solids is slow. Cheese makers are not fortifying their milk as heavily as they were and many are switching to NDM because of cost savings. The fluid cream market has firmed up rather dramatically this week. Cream users, seeing no change at the last Chicago Mercantile Exchange butter market, apparently feel that prices won't drop much further and have reentered the market. Spot cream prices are increasing because of higher multiples this week. Cream supplies range from tight, early in the week when spot demand is best, to fully adequate late in the week. Demand is very good and some butter makers are finding it more difficult to get desired volumes of cream. Ice cream production is up at most plants as orders are starting to improve. Cream cheese production is moderate to heavy and some producers are looking for more cream. Bottled cream sales are improving in some locales.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT			
F.O.B. Producing Plants: Northeast	-	1.0773 - 1.1748	
Delivered Equivalent Atlanta	-	1.0692 - 1.2988	M 1.0692-1.0935
F.O.B. Producing Plants: Upper Midwest	-	1.1097 - 1.1502	

PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS			
F.O.B. Producing Plants: Northeast	-	1.1000 - 1.2800	

MIDWEST

SPOT SHIPMENTS:	LOADS
MAY 2 - 8, 1997	0
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1996	0

The April BFP milk price was announced at \$11.44 at 3.5% test, down \$1.05 from March. Class I demand picked up in some markets, bolstered by the usual first of the month sales improvement. Other locations are seeing little change in Class I sales. Class II interest remains strong, as preparations continue for the summer ice cream season. Cream sales are seasonally good with prices firming somewhat as buyers get the feeling that perhaps the butter price low may already be in. Milk receipts are mixed in northern sections of the region, ranging from little changed

to noticeable increases. Plant operators seeing good fluid receipt increases are also noticing a decline in protein tests and yields. Manufacturing milk interest is steady at best. Surplus milk supplies are little changed with the majority of spot sale activity 50 cents either side of the BFP/MCP. As inventories build, more plant operators are less enthusiastic about extra milk purchases. Reports indicate that some interregional milk movement continues with volumes little changed from recent weeks. Plant operating schedules are fairly steady at seasonally active levels. Cool and often wet field conditions continue to hinder the spring planting season in some northern areas. Other areas have most of the corn already planted. The cool temperatures are slowing germination of crops needing warmer weather like corn. Grass and pasture growth are slowly improving.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	MAY 1 - 7	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00- 44.50	\$ 32.00- 37.00
REPLACEMENT HEIFER CALVES	\$ 90.00-125.00	\$110.00-180.00

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

	MAY 1 - 7	PREVIOUS YEAR
SLAUGHTER COWS	\$ 39.00- 46.00	\$ 31.50- 36.50

WEST

The California Pool price for 4a (butter/powder) milk for April is \$12.19, down 46 cents from last month but \$1.55 higher than last year. The 4b price (cheese) is \$10.65, 80 cents less than March 1997 and \$1.66 less than April 1996. The BFP price for April is \$11.44, down \$1.05 from the previous month. The U.S. "all milk" price for April is \$13.50 at a fat test of 3.65%. Prices for selected Western states are as follows: Arizona \$12.80 at 3.52%, California \$12.20 at 3.63%, Colorado \$12.90 at 3.61%, Idaho \$11.80 at 3.58%, New Mexico \$13.30 at 3.48%, Oregon \$13.90 at 3.64%, Utah \$12.70 at 3.60%, and Washington \$14.00 at 3.62%. In California, a public hearing was held on April 21 to consider a replacement to the National Cheese Exchange (NCE) 40 pound block cheddar price used in the Commodity Reference Price and Class 4b pricing formulas. After considering all testimony and evidence, the Department has determined to replace the NCE with the new Chicago Mercantile Exchange 40 pound block cheddar price. Seasonal production increases in the Southwest seem to be moderating. However, milk remains at very high spring output levels. Milk is being handled within the region more efficiently. Most contacts believe that the flush hit 4-6 weeks earlier than normal due to ideal early spring weather and than rose rapidly with the availability of new crop hay. They are also guessing that output may begin to fall earlier than normal especially if the early hot weather continues. Conditions are warming and drying in the Pacific Northwest. Field corn should be going in the ground by the end of the week. Some hay is being cut in the Pasco area of Washington. Hay producers are hoping for five cuttings and are therefore starting very early. Quality is great with the early harvest, but yields are down slightly. Temperatures in the mid 70's to the low 80's are common over Utah and Idaho. Some stream and river flooding is occurring, but conditions are not bad when the amount of moisture in the snow pack is considered. The worry is a warm rain. Milk output is continuing to increase and a further surge is expected in 2-3 weeks when new crop hay is available. Most plants are operating at near capacity levels.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 05/08/97 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are lower in light market trading. The market tone is weak, reflective of lower prices in the West. As Western prices drop below the support price of \$1.0470, buying interest is very limited. Some deals are being done, but sales are stagnant. Contacts expect support sales to the CCC to commence in the immediate future. The declining cheese market prices continue to plague the NDM market. Usage of NDM and condensed skim for cheese standardization/fortification is trending lower. NDM production is higher for most producers. Stock levels are increasing. U.S. production of human food NDM during March totaled 111.2 million pounds, 5% more than last year. (Combined MN and WI production during March totaled 1,978,000 pounds.) Manufacturers' stocks at the end of March totaled 80.3 million pounds, 18% lower than last year but 12% more than last month.

Includes EXTRA GRADE and GRADE A, all heat treatments

NONFAT DRY MILK: 1.0800 - 1.1250 MOSTLY: 1.0900 - 1.1100

DRY BUTTERMILK - CENTRAL

Buttermilk prices are steady, but often trending lower within the range. Attempts to increase prices are met with buyer resistance. Availability is fair from producers, but offerings from resellers continue to provide buyers with competitively priced product. The weakening NDM market is affecting buttermilk sales. Contacts are stating demand from ice cream producers is not as good as expected for this time of year. During March, dry buttermilk production totaled 4.3 million pounds, down 18% from last year. End-of-month stocks totaled 3.1 million pounds, down 41% from last year but 21% more than last month.

BUTTERMILK: 1.0600 - 1.2150

DRY WHEY - CENTRAL

Whey prices are steady with recent weeks. The market tone is unsettled to steady. Offerings are not as plentiful, but demand from end users remains light to fair. Export interest is limited. Some contacts feel that inventories have been transferred from producers to resellers and expect further pricing pressure as production trends seasonally higher. Producer stocks are light to moderate. U.S. production of human food whey during March totaled 92.0 million pounds, 1% lower than last year. End-of-March stocks, at 32.2 million pounds, are 10% less than last year but 12% above February.

NONHYGROSCOPIC: .1700 - .1900 MOSTLY: .1725 - .1775

ANIMAL FEED WHEY - CENTRAL

Prices range from lower to slightly higher. The market tone remains unsettled. During the declines in edible whey prices, animal feed whey prices were reduced to keep pace. Recently, with stable edible prices, animal prices returned to more normal margins. Availability is generally light. Roller ground demand remains good and availability limited. Delactose offerings remain in excess of current needs. March U.S. animal feed, dry whey production totaled 5.3 million pounds, 5% more than last year. Month-ending stocks were 4.2 million pounds, 4% more than last year. Animal feed, reduced lactose and minerals whey production during March totaled 2.5 million pounds, 73% more than last year. All stocks (animal and human), at 12.8 million pounds, were 42% higher than last year.

MILK REPLACER: .1500 - .1700
STANDARD: .1400 - .1550
ROLLER GROUND: .1775 - .1900
DELACTOSE (Min. 20% protein): .3200 - .3500

LACTOSE - CENTRAL AND WEST

Lactose prices are unchanged and the market tone remains steady. Additional offerings are being absorbed into the marketplace, but at prices not as aggressively as even a month ago. Production is seasonally increasing at most plants. Stocks are mostly limited, but higher at some locations. U.S. lactose production during March totaled 35.0 million pounds, up 12% from last year. End-of-March stocks, at 19.6 million pounds, are 2% lower than last year but 12% more than last month.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .2300 - .2900 MOSTLY: .2500 - .2700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

WPC prices continue to decline and the market tone remains unsettled. Producer offerings vary from light to moderate levels. Demand is fair at best. The weak NDM market is affecting sales to edible accounts. Feed demand is seldom better than light. U.S. production of human food WPC during March totaled 23.9 million pounds, a 5% increase from last year. Manufacturers' stocks at the end of March totaled 8.8 million pounds, 9% more than last year and 24% higher than February.

EXTRA GRADE 34% PROTEIN: .5500 - .6000 MOSTLY: .5650 - .5850

NONFAT DRY MILK - WEST

High heat powder sales activity is mixed. Some operations are way behind on orders, but others state that they have powder on hand and find demand very light. Prices are declining. Demand for low/medium heat powder is slow at best. Production is up and demand is down, especially from cheese operations that had been using solids to fortify cheese vats. DEIP sales are now very marginal in helping clear stocks. Contacts continue to speculate if/when powder might be offered to the government price support program. U.S. NDM production in March totals 111.2 million pounds, up 5% from last year. Stocks at the end of the month were reported at 80.3 million pounds, down 18% from the same period last year.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0400 - 1.1000 MOSTLY: 1.0500 - 1.0700
HIGH HEAT: 1.1000 - 1.1350

DRY BUTTERMILK - WEST

Sales activity for buttermilk powder is slowing down. Stocks are beginning to build at a number of locations. Buyers are watching declining NDM prices and wonder why buttermilk powder prices need to be this high. Sales of condensed buttermilk are improving. Butter production and therefore buttermilk solids production is beginning to pick up seasonally. U.S. buttermilk powder production in March totaled 4.3 million pounds, down 18% from last year. Stocks at the end of the month were reported at 3.1 million pounds, down 41% from a year earlier.

BUTTERMILK: 1.1200 - 1.1600 MOSTLY: 1.1200 - 1.1400

DRY WHEY - WEST

Mostly prices continue to weaken for Western whey powder. Both export and domestic sales activity are slowing down. The recent Japanese tender for whey powder was filled, for the most part, with powder from Europe. A number of traders, who had powder ready to go for this transaction, now wonder what they will do with their stocks. Seasonally increasing production and slower demand has a number of contacts worried about the near term future of the market. U.S. whey production in March totals 92.0 million pounds, down 1% from last year. Stocks at the end of the month were reported at 32.2 million pounds, down 10% from the same period last year.

NONHYGROSCOPIC: .1900 - .2100 MOSTLY: .1900 - .1950

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended May 02, on powder sales of 11,572,440 pounds f.o.b. California manufacturing plants was \$1.0898 per pound. This compares to 8,397,035 pounds at \$1.1178 for the previous week ending April 25, 1997. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to lower. The market tone is weak as lower priced offerings from Western producers are, more often, influencing Eastern producer prices. Most Eastern producers' stocks are accumulating and some are pricing product to move. Others are comfortable with their build up. Less milk is available from the Southeast this week and some drying plants were able to "work in" a down-day or two; others had more time to dry high heat. Demand is sluggish for low heat; fair to good for high heat. Production of human food, nonfat dry milk during March 1997 totaled 111.2 million pounds, up 5% from March 1996. Month ending stocks, at 80.3 million pounds, are 18% below a year ago but 12% more than last month.

Includes EXTRA GRADE and GRADE A, all heat treatments

F.O.B. NORTHEAST:	1.1100 - 1.1900
DELVD SOUTHEAST:	1.1300 - 1.1600

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are steady to higher and the market tone remains firm. Production levels are moderate. Churning activity is heavy, but increased volumes of fluid milk are taking most of the dryer time and the improving call for condensed buttermilk is reducing the need to dry. Producers' stocks are generally light. Demand is fair to good, but there are more reports of price resistance, particularly to prices at the upper end of the ranges. Dry buttermilk production during March 1997 totaled 4.3 million pounds, down 18% from March 1996. Month ending stocks, at 3.1 million pounds, are 41% less than a year ago but 21% more than last month.

F.O.B. NORTHEAST:	1.0900 - 1.1400
DELVD SOUTHEAST:	1.1200 - 1.2500

DRY WHOLE MILK - NATIONAL

Prices are moderately to sharply lower following the announcement of ht April Class III milk prices. Production is moderate and plant stocks remain closely balanced. Demand is slow to fair domestically. Some export sales, under DEIP, have been made, which are helping move powder. Dry whole milk production during March 1997 totaled 9.5 million pounds, down 18% from March 1996. Month ending stocks, at 5.2 million pounds, are 47% below a year ago but 9% more than last month.

F.O.B. PRODUCING PLANT:	1.1600 - 1.2700
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DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1996 THROUGH MAY 2, 1997
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	42,713	MT	(94,165,079	LBS)
CHANGE	--	1,086	MT	(2,394,196	LBS)
WHOLE MILK POWDER	--	1,633	MT	(3,600,112	LBS)
CHANGE	--	47	MT	(103,616	LBS)
CHEESE	--	1,535	MT	(3,384,061	LBS)
BUTTERFAT	--	4,271	MT	(9,415,847	LBS)
CHANGE	--	2,613	MT	(5,760,620	LBS)

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are mostly steady, but fractionally lower and fractionally higher prices were noted. The market tone is weak. Production levels are heavy, demand is slow (particularly export), and producer stocks are growing. Contacts state that there is little interest for dry whey as buyers continue to wait to see if prices will hold, drop, or rise. The heavy stocks and low prices of whey in Europe plus the stronger dollar are making exporting more difficult for U.S. firms and this is having a significant impact on the dry whey market. Production of human food, dry whey during March totaled 92.0 million pounds, 1% less than March 1996. Month ending stocks, at 32.2 million pounds, are 10% below a year ago but 12% more than last month.

F.O.B. NORTHEAST:	EXTRA GRADE	.1700 - .1750
	USPH GRADE A	.1700 - .1800
DELVD SOUTHEAST:		.1825 - .2125

ANIMAL FEED WHEY - NORTHEAST

Prices are unchanged, but the market tone is weak and few spot sales have been reported. Buyers are taking only contracted volumes and waiting to see where the market "is going" before making any spot purchases or entering into new contracts. Production of animal feed dry whey during March totaled 5.3 million pounds, 5% more than last March.

F.O.B. NORTHEAST:	MILK REPLACER	.1625 - .1675
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EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are seasonally heavier now that surplus milk volumes are increasing in most regions of the country. Plant stocks are lighter than desired, but being replenished now that milk prices are more attractive. Demand is fair and mostly for replacement volumes. Canned evaporated milk production during March 1997 totaled 42.1 million pounds, up 20% from March 1996. Month ending stocks, at 25.7 million pounds, are 41% less than a year ago but 19% more than last month.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES	\$22.50 - 33.00
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Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein prices are unchanged. The market tone for both has weak undertones. The availability of casein from both major exporting regions of the world is ample to satisfy all current demand. Contract commitments are being delivered on a timely basis. Contacts negotiating contracts are seeing lower prices than for prior contracts.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.2000 - 2.4100
ACID:	2.0500 - 2.2000

COFFEE, SUGAR, & COCOA EXCHANGE AND CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	04/24	04/25	04/28	04/29	04/30	05/01	05/02	05/05	05/06	05/07
CSCE CHEDDAR CHEESE -- Cents per pound										
JUN 97	123.50 (18) 0	123.50 (18) 0	123.50 (18) 0	123.50 (18) 0	123.00 (18) 0	121.50 (18) 6	119.30 (18) 0	119.50 (18) 0	117.00 (18) 1	117.00 (17) 2
AUG 97	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	132.50 (4) 0	132.50 (4) 0	132.30 (4) 0	132.30 (4) 2
OCT 97	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	134.50 (0) 0	134.50 (0) 0	134.30 (0) 0	134.30 (0) 0
CSCE - NONFAT DRY MILK -- Cents per pound										
JUN 97	110.50 (36) 4	110.50 (36) 0	110.00 (36) 0	110.00 (36) 16	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (24) 36
AUG 97	111.50 (58) 0	112.00 (58) 50	111.50 (58) 0	111.50 (57) 16	108.50 (57) 0	108.50 (57) 0	108.50 (57) 0	109.00 (57) 0	109.00 (57) 0	109.00 (57) 0
CSCE - FLUID MILK -- Dollars per cwt.										
JUN 97	11.75 (20) 0	11.60 (13) 2	11.60 (13) 2	11.68 (13) 0	11.65 (18) 5	11.75 (18) 0	11.78 (18) 0	11.68 (19) 1	11.60 (24) 5	11.35 (24) 3
AUG 97	13.45 (39) 8	13.35 (38) 5	13.30 (33) 0	13.38 (33) 0	13.13 (32) 0	13.23 (26) 0	13.13 (26) 0	13.08 (26) 0	13.00 (26) 0	13.15 (31) 7
OCT 97	13.70 (13) 1	13.70 (9) 3	13.65 (11) 4	13.60 (9) 0	13.50 (9) 0	13.65 (9) 0	13.55 (9) 0	13.50 (10) 1	13.44 (10) 0	13.60 (10) 0
CSCE - BUTTER - Cents per lb.										
JUN 97	95.00 (60) 0	94.20 (46) 2	94.50 (50) 20	94.80 (48) 0	94.00 (58) 10	93.50 (58) 3	94.00 (51) 15	94.00 (51) 0	93.50 (51) 0	94.00 (51) 0
AUG 97	101.80 (26) 0	101.00 (26) 28	102.30 (58) 8	101.00 (54) 0	101.30 (57) 11	101.00 (57) 0	100.50 (57) 8	101.30 (57) 7	100.50 (57) 2	101.00 (59) 0
OCT 97	102.40 (9) 0	101.60 (9) 0	102.90 (9) 0	101.60 (5) 0	101.90 (5) 0	103.00 (5) 0	103.50 (5) 0	103.50 (5) 0	103.60 (5) 0	103.80 (5) 0
CSCE - BFP -- Dollars per cwt.										
JUN 97	11.68 (80) 5	11.55 (82) 35	11.55 (94) 27	11.56 (106) 29	11.40 (109) 5	11.55 (102) 14	11.50 (119) 14	11.35 (129) 10	11.18 (140) 33	11.10 (147) 24
AUG 97	12.35 (81) 2	12.32 (84) 5	12.38 (84) 8	12.42 (92) 27	12.28 (90) 2	12.33 (97) 11	12.33 (106) 27	12.34 (127) 26	12.29 (127) 14	12.31 (134) 14
OCT 97	12.66 (71) 12	12.72 (74) 3	12.78 (77) 22	12.70 (86) 16	12.68 (81) 0	12.75 (90) 18	12.73 (90) 22	12.79 (106) 28	12.48 (112) 7	12.58 (116) 8
CME - FLUID MILK -- Dollars per cwt.										
APR 97	NO ACTIVITY									
CME - BUTTER -- Cents per pound										
JUN 97	97.00 (11) 5	99.00 (NA) 11	100.00 (14) 11	98.50 (14) 2	97.50 (14) 1	97.00 (16) 2	97.00 (16) 2	97.00 (16) 0	97.00 (16) 0	97.00 (16) 0
JLY 97	98.50 (92) 30	99.50 (NA) 28	101.25 (104) 28	99.00 (105) 4	98.00 (99) 21	98.00 (97) 5	98.25 (97) 0	99.00 (97) 1	99.00 (108) 6	99.50 (110) 4
SEP 97	102.00 (30) 18	103.00 (NA) 6	103.00 (42) 6	101.50 (43) 3	101.50 (44) 5	101.50 (46) 5	101.60 (50) 11	102.00 (51) 2	102.00 (51) 0	103.00 (51) 0

1/ Open interest for NDM and cheddar -- 4 contracts equal 40,000 pounds. Open interest for fluid milk (at both exchanges) -- 1 contract equals 50,000 pounds. For more detailed information, you may call our automated voice system at 608-224-5088 or the CSCE's Soft Fax at 212-742-6111.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 28 - May 9, 1997

Prices are U.S. Dollars per 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: Weather conditions in Western Europe are quite favorable for spring milk production patterns. In France, conditions have been dry, thus limiting overall production growth, but recent rainfall is causing output to expand. Germany is also experiencing a slower growth in milk production. Elsewhere within Western Europe, production continues to build toward the seasonal peak. Although production is increasing, the overall increases are slower to develop than in past years. Sales activity up to this point has been centered around a sellers market, but now is turning towards a buyers market. Foreign currencies continue to impact European trading activities and prices. Up to this point, sales have been slow, but as Europe enters their milk production season and manufactured dairy products again become available, buyer interest again is building. For the time being, most traders are comfortable with supplies for both domestic and international inquiries.

BUTTER/BUTTEROIL: Butter markets are steady to firmer. Production of butter is increasing slowly. In instances, current production is below actual needs. Private storage is slowly building. Due to the slow increase, private storage stock levels are lower than desired for this time of the year. One of the factors attributed to the lower storage levels is the strong buyer interest from Russia during winter and early spring.

82% BUTTERFAT:	1,600 - 1,850
99% BUTTERFAT:	1,800 - 1,850

SKIM MILK POWDER (SMP): Market activity on SMP is slow in developing. Powder production throughout Europe is increasing, but not at levels of past years. Stocks of powder are not heavy at this time. The animal feed milk replacer industry is becoming more active in the edible skim powder market. The recent purchase of powder by Mexico continues to clear committed stocks from Europe and is probably the most market activity at this time.

1.25% BUTTERFAT:	1,700 - 1,750
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WHOLE MILK POWDER (WMP): Whole milk powder markets are steady to firm. At this time, production of whole milk is being boosted by developing buyer interest. Also favoring whole milk production are firmer prices. Of all of the current markets, whole milk appears to be the most active, or at least has the potential to be most active. Much of the anticipated market activity is centered around existing buyers and potential new contracts.

26% BUTTERFAT:	1,760 - 1,950
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SWEET WHEY POWDER: European whey markets remain weak and unaggressive. Outside of the recent Japanese tender, whey trading activity has been very slow. Nearly 80% of the 2,800 MT Japanese whey tender will be sourced from Europe. Handlers are stating that cheese production is starting to increase seasonally, thus new product will be coming onto the market which will further depress already low prices. Some new inquiries are starting to develop which handlers hope will renew buyer interest and cause prices to recover from current low levels.

NONHYGROSCOPIC:	380 - 500
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OVERVIEW - EASTERN EUROPE: Eastern Europe milk production conditions continue to improve as temperatures warm and overall conditions become more favorable. Although early in the season, production projections are positive for the upcoming milk season. Sales activity remains light. Stocks for current inquiries are limited, thus no major new business is occurring as of yet.

OCEANIA

OVERVIEW: Milk production within the region continues to decline seasonally. In most areas, production is at seasonal low levels. Compared to last season, output is estimated to be 3 - 4% heavier in Australia while nearing 10% heavier in New Zealand. In areas of Australia, moisture has been limited late in the season, but now rainfall is occurring which is too late to provide much benefit for fall conditions before winter sets in. Australian contacts are stating that cow conditioning, as they enter the winter season, is not as good as producers would desire. The increase in New Zealand, in part, is being attributed to an increase in cow numbers and favorable weather conditions throughout the entire production season. Oceania market activity is quite limited. Most product that is moving out of the region is from previous commitments. Although stocks are not abundant, most handlers are comfortable with uncommitted supplies.

BUTTER: Butter market conditions in the Oceania region are much the same as they have been over the past few months. Prices are steady to slightly lower. Stocks of butter are fully sufficient for contractual commitments with limited supplies available for spot interest. Although additional stocks are light, most handlers are comfortable with uncommitted supply levels.

82% BUTTERFAT:	1,350 - 1,450
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CHEDDAR CHEESE: Oceania cheese markets are steady with past weeks. Asian buying interest is somewhat lighter, although overall buyer interest remains steady. The milk production season is near an end within this region, thus cheese production is also becoming lighter. Stock levels are sufficient for current orders, with additional uncommitted stocks ranging from in close balance to limited for additional spot interest.

39% MAXIMUM MOISTURE:	2,100 - 2,150
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SKIM MILK POWDER (SMP): Skim powder markets are mixed. Prices are steady to lower. Powder stocks are reported to be in balance for committed needs with additional stocks available for potential spot buyer interest. The milk production season has basically come to a close, thus butter/powder production is also light. Due to the low volumes of milk, powder inventories at this time are what will carry the Oceania region through the upcoming winter months.

1.25% BUTTERFAT:	1,700 - 1,750
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WHOLE MILK POWDER (WMP): Whole milk powder markets are much the same as they have been over the past month or so and are typical of other Oceania manufactured dairy product markets. Stocks are at comfortable levels for contractual needs and available for limited spot interest. New buyer interest is limited as most buyers are aware of Oceania's supply situation.

26% BUTTERFAT:	1,750 - 1,800
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Exchange rates for selected foreign currencies: May 5, 1997

.5133 Dutch Guilder	.5772 German Mark
.1710 French Franc	.6891 New Zealand Dollar
.1265 Mexican Peso	.7807 Australian Dollar
1.6223 British Pound	.0079 Japanese Yen
.3160 Polish Zloty	

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.1265) = 7.9051$. That is 1 US Dollar equals 7.9051 Mexican Pesos.

Source: *Wall Street Journal*

APRIL AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 1997 was unchanged at 117. Compared with April 1996, the index was up 3 points (2.6 percent). The index of prices received by farmers for dairy products was unchanged during the month of April 1997 at 103. Compared with April 1996, the index was down 3 points (2.8 percent).

On a 3.5 percent butterfat basis, prices received by farmers in April with changes from March were: for All Milk, \$13.36 per hundredweight (cwt.), up 8 cents; for Fluid Grade Milk, \$13.36 per cwt., down 3 cents; and for Manufacturing Grade Milk, \$11.74 per cwt., down 30 cents.

SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., APRIL 1997 WITH COMPARISONS

STATE	All-milk price <u>1/</u> <u>3/</u>				Milk cows <u>5/</u>		Cows <u>6/</u>		All hay baled <u>7/</u>	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	MARCH		APRIL		APRIL		APRIL		APRIL	
	1997	1996 <u>2/</u>	1997 <u>4/</u>	1996 <u>2/</u>	1997	1996	1997 <u>7/</u>	1996 <u>8/</u>	1997	1996
CA	12.17	12.17	12.08	12.23	1,250	1,190	35.00	29.00	134.00	105.00
IA	12.80	13.44	13.09	13.75	1,100	1,040	40.20	29.50	110.00	87.00
MI	13.48	13.75	13.94	13.76	1,100	1,100	39.00	30.30	117.00	69.00
MN	13.08	13.67	12.46	13.95	1,010	1,000	38.00	30.40	101.00	79.00
NY	13.37	13.86	13.21	13.76	1,000	1,000	---	---	91.00	92.00
OH	13.44	13.92	13.70	13.94	1,070	1,040	34.00	28.30	162.00	90.00
PA	14.09	14.24	13.96	14.05	1,120	1,070	36.30	31.00	123.00	105.00
TX	13.72	13.64	13.70	13.86	1,140	1,110	38.90	26.40	77.00	77.00
WA	13.39	13.02	13.89	13.04	1,220	1,140	---	---	119.00	103.00
WI	13.42	13.74	12.60	14.04	1,090	1,030	40.90	31.90	106.00	59.00
U.S.	13.28	13.67	13.36	13.79	1,110	1,070	38.50	29.40	117.00	90.30

1/ Prices converted to 3.5 percent butterfat. 2/ Partially revised. 3/ Before deductions for hauling; and Government withholding; but including bulk-tank, quantity, or other premiums, excluding hauling subsidies. 4/ Preliminary. 5/ Animals sold for dairy herd replacement only. 6/ Average prices received by farmers. Includes cull dairy cows and beef cows sold for slaughter. 7/ Mid-month price. 8/ Entire month.

MILK AND PARITY PRICE RELATIONSHIPS AND OTHER GENERAL PRICE MEASURES, U.S., APRIL 1997 WITH COMPARISONS 1/

ITEM	APRIL 1996	MARCH 1997 <u>2/</u>	APRIL 1997 <u>3/</u>
PRICES (converted to 3.5 percent butterfat) received by farmers for:			
All milk Dol. per cwt.	13.79	13.28	13.36
Fluid grade milk Dol. per cwt.	13.79	13.39	13.36
Manufacturing grade milk Dol. per cwt.	12.73	12.04	11.74
INDEX NUMBERS for:			
Prices received by farmers for dairy products (1990-92 = 100) Index	106	103	103
Prices paid by farmers for commodities and services, interest taxes, and wage rates (1990-92=100) Index	114	117	117
PARITY PRICE for all milk Dol. per cwt.	28.70	29.30	29.70
PARITY EQUIVALENT price for manufacturing grade milk Dol. per cwt.	26.23	26.60	26.97
MILK FEED PRICE RATIO: Pounds of concentrate ration fed to milk cows equal in value to one pound of milk <u>4/</u>	1.52	1.54	1.54

1/ Parity prices are based on data for the current month. Parity price equivalent during 1997 is 90.8% of the parity price of all milk sold to plants, compared with 91.4 percent in 1996. 2/ Partially revised. 3/ Preliminary. 4/ Computed by Dairy Division, AMS, USDA; based on concentrate ration value as reported quarterly in "Milk Production", NASS, USDA.

SOURCE: "Agricultural Prices," Pr 1 (4/97), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

MARCH 1997 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 102.3 million pounds in March, 9 percent below March 1996 and 6 percent below February 1997. **AMERICAN TYPE CHEESE** production totaled 284.1 million pounds, slightly below March 1996 but 6 percent above February 1997. **TOTAL CHEESE** output (excluding cottage cheese) was 637.0 million pounds, 2 percent above March 1996 and 11 percent above February 1997. **NONFAT DRY MILK** production, for human food, totaled 111.2 million pounds, 5 percent above March 1996 and 21 percent above February 1997. **DRY WHEY** production, for human food, was 92.0 million pounds, 1 percent below March 1996 but 12 percent above February 1997. **ICE CREAM** (hard) production totaled 72.4 million gallons, 6 percent above March 1996 and 15 percent above February 1997.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	MAR 1997	PERCENT OF:		YEAR TO DATE 1/ PERCENT	PRODUCT	MAR 1997	PERCENT OF:		YEAR TO DATE 1/ PERCENT
	1,000 LBS.	MAR 1996	FEB 1997			1,000 LBS.	MAR 1996	FEB 1997	
BUTTER	102,272	91	94	93	DRY BUTTERMILK	4,307	82	93	---
CHEESE					YOGURT (PLAIN AND FLAVORED)	138,373	91	109	---
AMERICAN TYPES 2/	* 284,110	100	106	100	CONDENSED WHEY, SOLIDS CONTENT 8/				
CHEDDAR	220,312	97	106	---	SWEET-TYPE, HUMAN FOOD	10,278	104	99	---
SWISS	16,831	95	107	---	SWEET-TYPE, ANIMAL FEED	1,971	98	93	---
BRICK & MUENSTER	9,065	96	119	---	DRY WHEY PRODUCTS				
CREAM & NEUFCHATEL	51,917	111	129	---	DRY WHEY, HUMAN FOOD	92,025	99	112	---
BLUE	3,589	114	109	---	DRY WHEY, ANIMAL FEED	5,340	105	104	---
HISPANIC	5,780	95	99	---	TOTAL DRY WHEY 9/	97,365	99	112	96
MOZZARELLA	202,614	103	110	---	LACTOSE, HUMAN FOOD & ANIMAL FEED	35,028	112	101	---
OTHER ITALIAN TYPES	53,626	102	126	---	WHEY PROTEIN CONCENTRATE				
TOTAL ITALIAN TYPES	256,240	103	113	101	HUMAN FOOD	23,877	105	99	---
ALL OTHER TYPES 3/	9,493	111	125	---	ANIMAL FEED	2,782	97	105	---
TOTAL	637,025	102	111	101					
COTTAGE CHEESE, CURD 4/	36,931	98	104	---	FROZEN PRODUCTS	1,000 GALLONS		PERCENT	
COTTAGE CHEESE, CREAMED 5/	33,371	110	120	101	ICE CREAM (HARD)	72,385	106	115	104
COTTAGE CHEESE, LOWFAT 6/	29,676	106	111	103	ICE CREAM, LOWFAT (HARD)	11,268	112	131	---
CANNED EVAPORATED & CONDENSED					ICE CREAM, LOWFAT (SOFT)	20,072	92	135	---
WHOLE MILK	42,066	120	134	---	ICE CREAM, LOWFAT (TOTAL)	31,340	98	133	98
DRY WHOLE MILK	9,515	82	92	---	SHERBET (HARD)	4,106	97	114	98
NONFAT DRY MILK, HUMAN FOOD	7/ 111,169	105	121	102	YOGURT	8,559	79	107	80
DRY SKIM MILK FOR ANIMAL FEED	474	80	150	---					

MANUFACTURERS' STOCKS, END OF MONTH 10/							
PRODUCT	MAR 1997	PERCENT OF:		PRODUCT	MAR 1997	PERCENT OF:	
	1,000 LBS.	MAR 1996	FEB 1997		1,000 LBS.	MAR 1996	FEB 1997
DRY WHEY PRODUCTS				WHEY PROTEIN CONCENTRATE			
DRY WHEY, HUMAN FOOD	32,200	90	112	HUMAN FOOD	8,766	109	124
DRY WHEY, ANIMAL FEED	4,182	104	113	ANIMAL FEED	540	99	101
REDUCED LACTOSE & MINERALS--HUMAN & ANIMAL 11/	12,834	142	184	CANNED EVAPORATED & CONDENSED WHOLE MILK	25,718	59	119
LACTOSE, HUMAN FOOD & ANIMAL FEED	19,559	98	112	DRY WHOLE MILK	5,203	53	109
DRY BUTTERMILK, TOTAL	3,089	59	121	NONFAT DRY MILK FOR HUMAN FOOD	80,345	82	112
				DRY SKIM MILK FOR ANIMAL FEED	681	66	89

1/ 1997 cumulative as percent of 1996 cumulative. 2/ Whole milk cheese, including Cheddar, colby, washed curd, stirred curd, monterey and jack. 3/ Does not include Part Skim cheese beginning January 1996 or Hispanic cheese beginning June 1996. 4/ Mostly used for processing into creamed or lowfat cottage cheese. 5/ Fat content 4 percent or more. 6/ Fat content less than 4 percent. 7/ Includes combined Minnesota and Wisconsin production of 1,987,000 lbs. 8/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified whey products. 9/ Excludes all modified dry whey products. 10/ Stocks held by manufacturers at all points and in transit. 11/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. *Includes combined Minnesota and Wisconsin production of 129,478,000 lbs.

SOURCE: "Dairy Products," Da 2-6 (4-97), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

FEDERAL MILK ORDER MINIMUM CLASS PRICE HIGHLIGHTS

BASIC FORMULA PRICE. The Basic Formula Price for April 1997 is \$11.44 per hundredweight at 3.5 percent butterfat. The April Basic Formula Price is the March base month Minnesota-Wisconsin (M-W) price of \$12.31 at 3.5 percent minus a change of \$0.87, which is the change in the butter/powder/cheese formula from March 1997 to April 1997. The April 1997 Basic Formula Price is \$1.05 less than last month and \$1.65 less than the April 1996 Basic Formula Price. This Basic Formula Price is the Class III price for April 1997 and is to be used in June 1997 for establishing minimum Class I (fluid use) prices and minimum Class II prices under Federal milk orders. To arrive at the minimum Class I price for each market, a Class I differential, ranging from \$1.20 in the Upper Midwest order to \$4.18 in the Southeastern Florida order, is added to this basic formula price. To arrive at the minimum Class II price for all markets, a differential of \$0.30 is added to this basic formula price. For those orders which adjust blend prices for butterfat contents varying from 3.5 percent, the producer butterfat differential per 0.1 percent butterfat is 9.4 cents. **MILK COMPONENT CONTENTS.** For the March 1997 base month M-W price, the butterfat content was 3.87 percent, protein 3.19 percent, and solids-not-fat 8.58 percent. For the April 1997 Basic Formula Price, the butterfat content was 3.85 percent, protein 3.16 percent, and solids-not-fat 8.57 percent.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/																
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	APRIL								MAY			JUNE			
		PRICE PER 100 POUNDS										PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II		
		1997	1996	1997	1996	1997	1996	1997	1996	1997	1996	1997	1997	1997		
		DOLLARS										DOLLARS				
New England (Boston)	1 3/	15.70	15.83	12.76	12.89	11.35	13.00	12.01	10.43	15.73	15.94	12.79	14.68	11.74		
New York/New Jersey (NY City)	2 4/	15.60	15.73	12.84	12.97	11.43	13.08	12.09	10.51	15.63	15.84	12.87	14.58	11.82		
Middle Atlantic (Philadelphia/Baltimore/Washington, DC)	4 5/	15.49	15.62	12.76	12.89	11.37	13.02	12.03	10.45	15.52	15.73	12.79	14.47	11.74		
Carolina (Charlotte)	5	15.54	15.67	12.76	12.89	11.44	13.09	12.10	10.52	15.57	15.78	12.79	14.52	11.74		
Tennessee Valley (Knox/Chat)	11	15.23	15.36	12.76	12.89	11.44	13.09	12.10	10.52	15.26	15.47	12.79	14.21	11.74		
Southeast (Atlanta/Birmingham)	7	15.54	15.67	12.76	12.89	11.44	13.09	12.10	10.52	15.57	15.78	12.79	14.52	11.74		
Upper Florida (Jacksonville/Tallahassee)	6	16.04	16.17	12.76	12.89	11.44	13.09	---	---	16.07	16.28	12.79	15.02	11.74		
Tampa Bay	12	16.34	16.47	12.76	12.89	11.44	13.09	---	---	16.37	16.58	12.79	15.32	11.74		
Southeastern Florida (Miami)	13	16.64	16.77	12.76	12.89	11.44	13.09	---	---	16.67	16.88	12.79	15.62	11.74		
Michigan Upper Peninsula (Marquette)	44	13.81	13.94	12.76	12.89	11.44	13.09	12.10	10.52	13.84	14.05	12.79	12.79	11.74		
Southern Michigan (Detroit)	40 6/	14.21	14.34	12.76	12.89	11.44	13.09	12.10	10.52	14.24	14.45	12.79	13.19	11.74		
E. Ohio/W. PA. (Cleveland/Pittsburgh)	36	14.46	14.59	12.76	12.89	11.44	13.09	12.10	10.52	14.49	14.70	12.79	13.44	11.74		
Ohio Valley (Columbus)	33	14.50	14.63	12.76	12.89	11.44	13.09	12.10	10.52	14.53	14.74	12.79	13.48	11.74		

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT*1/														
FEDERAL MILK ORDER MARKETING AREAS 2/	ORDER NUMBER	APRIL								MAY			JUNE	
		PRICE PER 100 POUNDS								PRICE PER 100 POUNDS				
		CLASS I		CLASS II		CLASS III		CLASS III-A		CLASS I		CLASS II	CLASS I	CLASS II
		1997	1996	1997	1996	1997	1996	1997	1996	1997	1996	1997	1997	1997
DOLLARS										DOLLARS				
Indiana (Indianapolis)	49	14.36	14.49	12.76	12.89	11.44	13.09	12.10	10.52	14.39	14.60	12.79	13.34	11.74
Chicago Regional	30	13.86	13.99	12.76	12.89	11.44	13.09	12.10	10.52	13.89	14.10	12.79	12.84	11.74
Central Illinois (Peoria)	50	14.07	14.20	12.76	12.89	11.44	13.09	---	---	14.10	14.31	12.79	13.05	11.74
S. Illinois/E. Missouri (Alton)	32	14.38	14.51	12.76	12.89	11.44	13.09	---	---	14.41	14.62	12.79	13.36	11.74
Louisville/Lexington/Evansville	46	14.57	14.70	12.76	12.89	11.44	13.09	12.10	10.52	14.60	14.81	12.79	13.55	11.74
Upper Midwest (Minneapolis)	68	13.66	13.79	12.76	12.89	11.44	13.09	12.10	10.52	13.69	13.90	12.79	12.64	11.74
E. South Dakota (Sioux Falls)	76	13.96	14.09	12.76	12.89	11.44	13.09	---	---	13.99	14.20	12.79	12.94	11.74
Iowa (Des Moines)	79	14.01	14.14	12.76	12.89	11.44	13.09	12.10	10.52	14.04	14.25	12.79	12.99	11.74
Nebraska/W. IA. (Omaha/Sioux City)	65	14.21	14.34	12.76	12.89	11.44	13.09	12.10	10.52	14.24	14.45	12.79	13.19	11.74
Greater Kansas City	64	14.38	14.51	12.76	12.89	11.44	13.09	---	---	14.41	14.62	12.79	13.36	11.74
Southwest Plains (Oklahoma City)	106	15.23	15.36	12.76	12.89	11.44	13.09	12.10	10.52	15.26	15.47	12.79	14.21	11.74
Texas (Dallas)	126	15.62	15.75	12.76	12.89	11.44	13.09	12.10	10.52	15.65	15.86	12.79	14.60	11.74
Eastern Colorado (Denver)	137	15.19	15.32	12.76	12.89	11.44	13.09	---	---	15.22	15.43	12.79	14.17	11.74
Western Colorado (Grand Junction)	134	14.46	14.59	12.76	12.89	11.44	13.09	---	---	14.49	14.70	12.79	13.44	11.74
SW Idaho/Eastern Oregon (Boise)	135	13.96	14.09	12.76	12.89	11.44	13.09	12.01	10.41	13.99	14.20	12.79	12.94	11.74
Great Basin (Salt Lake City)	139	14.36	14.49	12.76	12.89	11.44	13.09	---	---	14.39	14.60	12.79	13.34	11.74
Central Arizona (Phoenix)	131	14.98	15.11	12.76	12.89	11.44	13.09	12.01	10.41	15.01	15.22	12.79	13.96	11.74
New Mexico/West Texas (Albuquerque)	138	14.81	14.94	12.76	12.89	11.44	13.09	12.10	10.52	14.84	15.05	12.79	13.79	11.74
Pacific Northwest (Seattle/Portland)	124	14.36	14.49	12.76	12.89	11.44	13.09	12.01	10.41	14.39	14.60	12.79	13.34	11.74
SIMPLE AVERAGE	---	14.80	14.93	12.76	12.89	11.43	13.08	12.08	10.50	14.83	15.04	12.79	13.78	11.74

* 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. For example, the minimum Class I price in Boston (the New England market) in June 1997 is \$14.68 per 100 pounds or \$1.26 per gallon (\$14.68 divided by 11.63 equals \$1.2623).

1/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order resumed effective June 1, 1996. This assessment applies to all persons who process and market more than 500,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia during the month.

2/ Names in parentheses are principal cities and pricing points of markets.

3/ Zone 1, Boston. Class I price at 201-210 mile zone--72 cents less.

4/ New York City metropolitan area. Prices at 201-210 mile zone: Class I - 72 cents less, Class II - 8 cents less, Class III - 8 cents less, and Class III-A - 8 cents less.

5/ Prices exclude a 6-cent direct delivery differential applicable to milk delivered to Philadelphia.

6/ Prices exclude a 10-cent direct delivery differential applicable to milk delivered to Detroit metropolitan area.

USDA ANNOUNCES NEW CHEESE PRICE SERIES TO REPLACE NCE PRICE

WASHINGTON, May 6, 1997--Agriculture Secretary Dan Glickman today announced that a new cheese price series will be used under the federal milk marketing order program to calculate the Basic Formula Price (BFP) beginning June 5. Cheese prices reported on the National Cheese Exchange had been used in the calculation of the BFP.

The new cheese price series, developed by USDA's National Agricultural Statistics Service (NASS), is based on a weekly survey of cheese manufacturing plants throughout the country. NASS will release the first new cheese price series May 9.

"The new cheese price series being factored into the Basic Formula Price will significantly contribute to improved market information for the dairy industry," Glickman said, "while allowing the current longer term process of reforming federal milk marketing orders, including possible replacement of the BFP, to continue without disruption."

NASS began collecting data in early March from cheddar cheese manufacturing plants around the country, covering approximately 80-85 percent of all bulk cheddar cheese sales. The May 9 report will include prices since the survey began. NASS intends to publish the new price series on a weekly basis. All bulk sales of 40-lb block cheddar cheese during a week are included in the survey price, thus providing more information than the National Cheese Exchange (NCE), in which trades only took place each Friday.

The BFP serves as the basis for establishing minimum prices for milk under the federal milk marketing order program. Because of concerns raised about use of the NCE price in calculating the BFP, USDA sought public comments on whether the NCE price should continue to be used or what alternative prices could replace it. USDA received nearly 800 comments during the comment period, which closed March 31.

With the April 25 closing of the NCE, it became imperative that a replacement cheese price be found. A new cheese price was needed to calculate the BFP for May, which will be announced June 5, and for milk marketing orders that use cheese prices to derive a protein price under component pricing plans.

Under existing federal milk marketing order regulations, if a price used to administer the orders is no longer available, the secretary is authorized to administratively adopt a suitable and equivalent replacement. If a suitable or equivalent cheese price were not available, the existing regulatory authority could have led to the need to consider an immediate replacement of the BFP. With the availability of NASS' survey-based cheese price series, this will not be necessary.

Replacement of the BFP is a longer term effort that will be accomplished through the current reform process mandated by the 1996 farm bill. USDA recently released a preliminary BFP report, as part of the milk order consolidation and reform process, that focuses on the longer term issues of modifications or replacement for the BFP. The Department is receiving comments on that report now.

Release No. 0153.97

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CHEDDAR CHEESE PRICES BY STYLE AND REGION

Style and Region :	Week Ending									
	May 2, 1997	Apr 25, 1997	Apr 18, 1997	Apr 11, 1997	Apr 4, 1997	Mar 28, 1997	Mar 21, 1997	Mar 14, 1997	Mar 7, 1997	
40 Lb. Blocks:	Dol./Lb.									
Avg. Price <u>1</u> /										
MN/WI	1.2089	1.2614	1.2986	1.3185	1.3350	1.3553	1.3605	1.3592	1.3622	
Oth	1.1779	1.2279	1.2517	1.2871	1.2833	1.3006	1.3080	1.3079	1.3106	
US	1.1839	1.2353	1.2620	1.2957	1.2938	1.3108	1.3207	1.3180	1.3227	
Sales Volume <u>2</u> /	Pounds									
MN/WI	973,957	1,142,779	1,103,480	1,291,405	841,346	859,045	1,102,772	928,574	1,253,514	
Oth	4,126,200	4,046,648	3,948,444	3,411,466	3,287,731	3,764,262	3,482,762	3,781,211	4,061,259	
US	5,100,157	5,189,427	5,051,924	4,702,871	4,129,077	4,623,307	4,585,534	4,709,785	5,314,773	
640 Lb. Blocks:	Dol./Lb.									
Avg. Price <u>1</u> /										
US	1.2125	1.2334	1.2750	1.3135	1.3408	1.3506	1.3467	1.3384	1.3452	
Sales Volume <u>2</u> /	Pounds									
US	671,192	971,574	1,009,740	624,571	834,009	757,105	1,232,266	1,062,284	1,146,208	
500 Lb. Barrels:	Dol./Lb.									
Avg. Price <u>1</u> /										
MN/WI	1.2363	1.2633	1.2945	1.3276	1.3348	1.3404	1.3467	1.3345	1.3424	
Oth	1.2658	1.2878	1.3106	1.3249	1.3272	1.3296	1.3451	1.3484	1.3484	
US	1.2498	1.2749	1.3014	1.3264	1.3315	1.3361	1.3460	1.3402	1.3451	
Adj. Price to 39% Moisture										
MN/WI	1.1563	1.1779	1.2030	1.2409	1.2478	1.2536	1.2591	1.2588	1.2499	
Oth	1.1841	1.2010	1.2274	1.2427	1.2448	1.2467	1.2585	1.2586	1.2608	
US	1.1690	1.1887	1.2134	1.2417	1.2465	1.2508	1.2589	1.2587	1.2547	
Sales Volume <u>2</u> /	Pounds									
MN/WI	3,979,617	3,910,990	4,123,472	3,866,881	3,574,868	3,627,767	3,897,106	3,662,114	3,875,915	
Oth	3,347,281	3,477,566	3,076,755	3,494,748	2,674,975	2,420,372	3,177,717	2,525,392	3,074,488	
US	7,326,898	7,388,556	7,200,227	7,361,629	6,249,843	6,048,139	7,074,823	6,187,506	6,950,403	
Moisture Content	Percent									
MN/WI	34.78	34.57	34.36	34.74	34.75	34.78	34.76	35.33	34.49	
Oth	34.80	34.59	34.86	34.96	34.96	34.94	34.80	34.65	34.76	
US	34.79	34.58	34.58	34.84	34.84	34.84	34.78	35.05	34.61	

1/ Prices weighted by volumes reported. 2/ Cheese sales where price could be established and reported to NASS.
 Data Reliability: The survey collects price information on bulk sales of natural, unaged, Cheddar cheese at the first (wholesale) point of sale. Data are recorded for sales transactions completed during the survey week. A transaction is considered complete when cheese is shipped out or title transfers. The 63 plants reporting account for an estimated 80-85 percent of bulk, natural Cheddar cheese sales. The next "Cheddar Cheese Prices" report will be released at 8:30 A.M. ET on May 16, 1997.
 SOURCE: National Agricultural Statistics Service (NASS), Agricultural Statistics Board, U.S. Department of Agriculture. For information on "Cheddar Cheese Prices" call Kevin Hintzman at (202) 720-4448, office hours 7:30 a.m. to 4:00 p.m. ET.

COFFEE, SUGAR, & COCOA EXCHANGE AND CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	04/24	04/25	04/28	04/29	04/30	05/01	05/02	05/05	05/06	05/07
CSCE CHEDDAR CHEESE -- Cents per pound										
JUN 97	123.50 (18) 0	123.50 (18) 0	123.50 (18) 0	123.50 (18) 0	123.00 (18) 0	121.50 (18) 6	119.30 (18) 0	119.50 (18) 0	117.00 (18) 1	117.00 (17) 2
AUG 97	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	133.50 (4) 0	132.50 (4) 0	132.50 (4) 0	132.30 (4) 0	132.30 (4) 2
OCT 97	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	135.50 (0) 0	134.50 (0) 0	134.50 (0) 0	134.30 (0) 0	134.30 (0) 0
CSCE - NONFAT DRY MILK -- Cents per pound										
JUN 97	110.50 (36) 4	110.50 (36) 0	110.00 (36) 0	110.00 (36) 16	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (36) 0	107.00 (24) 36
AUG 97	111.50 (58) 0	112.00 (58) 50	111.50 (58) 0	111.50 (57) 16	108.50 (57) 0	108.50 (57) 0	108.50 (57) 0	109.00 (57) 0	109.00 (57) 0	109.00 (57) 0
CSCE - FLUID MILK -- Dollars per cwt.										
JUN 97	11.75 (20) 0	11.60 (13) 2	11.60 (13) 2	11.68 (13) 0	11.65 (18) 5	11.75 (18) 0	11.78 (18) 0	11.68 (19) 1	11.60 (24) 5	11.35 (24) 3
AUG 97	13.45 (39) 8	13.35 (38) 5	13.30 (33) 0	13.38 (33) 0	13.13 (32) 0	13.23 (26) 0	13.13 (26) 0	13.08 (26) 0	13.00 (26) 0	13.15 (31) 7
OCT 97	13.70 (13) 1	13.70 (9) 3	13.65 (11) 4	13.60 (9) 0	13.50 (9) 0	13.65 (9) 0	13.55 (9) 0	13.50 (10) 1	13.44 (10) 0	13.60 (10) 0
CSCE - BUTTER - Cents per lb.										
JUN 97	95.00 (60) 0	94.20 (46) 2	94.50 (50) 20	94.80 (48) 0	94.00 (58) 10	93.50 (58) 3	94.00 (51) 15	94.00 (51) 0	93.50 (51) 0	94.00 (51) 0
AUG 97	101.80 (26) 0	101.00 (26) 28	102.30 (58) 8	101.00 (54) 0	101.30 (57) 11	101.00 (57) 0	100.50 (57) 8	101.30 (57) 7	100.50 (57) 2	101.00 (59) 0
OCT 97	102.40 (9) 0	101.60 (9) 0	102.90 (9) 0	101.60 (5) 0	101.90 (5) 0	103.00 (5) 0	103.50 (5) 0	103.50 (5) 0	103.60 (5) 0	103.80 (5) 0
CSCE - BFP -- Dollars per cwt.										
JUN 97	11.68 (80) 5	11.55 (82) 35	11.55 (94) 27	11.56 (106) 29	11.40 (109) 5	11.55 (102) 14	11.50 (119) 14	11.35 (129) 10	11.18 (140) 33	11.10 (147) 24
AUG 97	12.35 (81) 2	12.32 (84) 5	12.38 (84) 8	12.42 (92) 27	12.28 (90) 2	12.33 (97) 11	12.33 (106) 27	12.34 (127) 26	12.29 (127) 14	12.31 (134) 14
OCT 97	12.66 (71) 12	12.72 (74) 3	12.78 (77) 22	12.70 (86) 16	12.68 (81) 0	12.75 (90) 18	12.73 (90) 22	12.79 (106) 28	12.48 (112) 7	12.58 (116) 8
CME - FLUID MILK -- Dollars per cwt.										
APR 97	NO ACTIVITY									
CME - BUTTER -- Cents per pound										
JUN 97	97.00 (11) 5	99.00 (NA) 11	100.00 (14) 11	98.50 (14) 2	97.50 (14) 1	97.00 (16) 2	97.00 (16) 2	97.00 (16) 0	97.00 (16) 0	97.00 (16) 0
JLY 97	98.50 (92) 30	99.50 (NA) 28	101.25 (104) 28	99.00 (105) 4	98.00 (99) 21	98.00 (97) 5	98.25 (97) 0	99.00 (97) 1	99.00 (108) 6	99.50 (110) 4
SEP 97	102.00 (30) 18	103.00 (NA) 6	103.00 (42) 6	101.50 (43) 3	101.50 (44) 5	101.50 (46) 5	101.60 (50) 11	102.00 (51) 2	102.00 (51) 0	103.00 (51) 0

1/ Open interest for NDM and cheddar -- 4 contracts equal 40,000 pounds. Open interest for fluid milk (at both exchanges) -- 1 contract equals 50,000 pounds. For more detailed information, you may call our automated voice system at 608-224-5088 or the CSCE's Soft Fax at 212-742-6111.