

NATIONAL DAIRY MARKET AT A GLANCE**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (5/26):**

BUTTER: Grade AA closed at \$1.3700. The weekly average for Grade AA is \$1.3017 (+.0125).

CHEESE: Barrels closed at \$1.0650 and blocks at \$1.0875. The weekly average for barrels is \$1.0650 (-.0075) and blocks, \$1.0895 (+.0025).

NONFAT DRY MILK: Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

BUTTER: Butter markets are unsettled as many producers and handlers continue to question why cash prices are as firm as they are for this time of the season. Cream demand is mixed. Recent base price increases (butter) have caused some cream pricing multiples to weaken, although the overall price is higher. Ice cream production is seasonally active, although higher cream prices have caused some producers to adjust their production schedules. Butter production is keeping pace with available cream. Often butter producers are not getting the volumes of cream that they desire locally and are reaching to others areas of the country for additional volumes. Butter stocks are sufficient to meet current needs with most producers and handlers inventorying additional stocks for late summer and fall needs. Some butter handlers are looking at current and potential stock inventories and wondering if they will have sufficient volumes to get them through the last half of the year.

CHEESE: The cheese market remains weak. Cheese offerings are seasonally heavy and inventories continue to build, at least at the producer level. Manufacturing schedules are heavy but have not been as extended as some operators had anticipated prior to the holiday weekend. Most cutters and processors will be down an extra day for Memorial Day. During the period of May 18 - 26, CCC purchased 459,381 pounds of blocks and 277,200 pounds of process from the Midwest under the price support program. CCC also purchased 760,000 pounds of barrels for July delivery under Invitation 627 at \$.0450 per pound over the CME barrel average.

FLUID MILK: Handling the extra fluid volumes available over Memorial Day weekend, traditionally the worst of the year, is not expected to be a major problem heading into the weekend. Many upper Midwest manufacturing plants have not been operating on the extended schedules operators had been expecting. However, plant capacity is likely to be tested, particularly in the West. With additional schools closing for the holiday and some also for the summer, Class I sales slowed by midweek. Milk receipts are about steady to slightly higher in the Northeast and Midwest and declining in the South and mid-South. Further West, milk intakes are being reduced by high temperatures from

central California south and east through Arizona and New Mexico. High electrical demand in California caused a couple temporary plant shutdowns. High temperatures in Idaho and Utah have not stopped the expansion in receipts. In the Pacific Northwest, milk production is increasing seasonally.

DRY PRODUCTS: The buttermilk and WPC markets are firm and prices are mostly higher. Spot availability remains a problem for both products. Producers are shorting orders of WPC. Dryer capacity will be at a premium over the holiday weekend. Some extra buttermilk may be sold as condensed to allow for more NDM drying. Offerings of NDM to CCC from all regions of the country are helping to balance supply and demand. A couple dryers in California operated on reduced schedules due to power cutbacks. The whey market is steady with production seasonally heavy. Some whey wet solids are being diverted to WPC and lactose producers. Export interest for whey and WPC continues to reduce producer inventory positions.

CCC: Purchases reported for the period of May 18 - 26 totaled 17,126,328 net pounds of nonfortified NDM. From this total, 11,844,316 pounds were from the West, 235,892 pounds from the East, and 5,046,120 pounds from the Midwest. This is the first Eastern NDM offered since the first week of April. CCC also purchased 277,200 pounds of process cheese and 459,381 pounds of 40# blocks from the Midwest.

COLD STORAGE (USDA, NASS): U.S. cold storage holdings of butter on April 30, 2000, total 106.5 million pounds, 8.9% above March but 15.1% lower than April 1999. Natural American cheese holdings total 546.5 million pounds, up 4.1% from March and 6.2% more than a year ago.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products during January - March 2000 totals 40.4 billion pounds, up 4.4% from the first quarter of 1999. Comparing disappearance levels with year earlier levels: butter is up 6.4%; American cheese, an increase of 3.5%; other cheese, up 8.5%; and NDM, down 21.9%. Calendar year 1999 disappearance totals 164.9 billion pounds, up 5.1 billion pounds (3.2%) from 1998.

CONSUMER PRICE INDEX (BLS): The April CPI for all food is 166.6, up 2.0% from April 1999. The dairy products index at 160.6, is up 2.9% from a year ago. The following are the April to April changes for selected products: fresh whole milk, up 3.7%, cheese, an increase of 2.3%, and butter, down 10.0%.

****SPECIALS THIS ISSUE****

BUTTER, CHEESE, AND CLASS III FUTURES (PAGE 7)
INTERNATIONAL DAIRY MARKET NEWS (PAGE 8)
APRIL COLD STORAGE (PAGES 9-10)

FEDERAL ORDER ADVANCE PRICE HIGHLIGHTS (PAGE 11)
CONSUMER PRICE INDEX (PAGE 12)
COMMERCIAL DISAPPEARANCE (PAGE 12)

**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

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

PRODUCT	MONDAY MAY 22	TUESDAY MAY 23	WEDNESDAY MAY 24	THURSDAY MAY 25	FRIDAY MAY 26	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.0650 (N.C.)	\$1.0650 (N.C.)	\$1.0650 (N.C.)	\$1.0650 (N.C.)	\$1.0650 (N.C.)	N.C.	\$1.0650 (-.0075)
40# BLOCKS	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0875 (-.0025)	-.0025	\$1.0895 (+.0025)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
BUTTER GRADE AA	\$1.2650 (-.0700)	----	\$1.2700 (+.0050)	----	\$1.3700 (+.1000)	+.0350	\$1.3017 (+.0125)

*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: Markets will be closed on Monday, May 29 in observance of Memorial Day

CHICAGO MERCANTILE EXCHANGE

***Note: Markets will be closed on Monday, May 29 in observance of Memorial Day**

MONDAY, MAY 22, 2000

CHEESE -- SALES: 3 CARS BARRELS @ \$1.0650; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 2 CARS BARRELS @ \$1.0750; 1 CAR 40# BLOCKS @ \$1.0900

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 15 CARS GRADE AA: 1 @ \$1.3250, 1 @ \$1.3100, 1 @ \$1.3050, 1 @ \$1.3000, 1 @ \$1.2800, 1 @ \$1.2650, 1 @ \$1.2750, 1 @ \$1.2700, 2 @ \$1.2675, 3 @ \$1.2700, 2 @ \$1.2650; BIDS UNFILLED: 1 CAR GRADE AA @ \$1.2600; OFFERS UNCOVERED: 19 CARS GRADE AA: 1 @ \$1.2675, 1 @ \$1.2700, 1 @ \$1.2800, 1 @ \$1.2900, 1 @ \$1.3100, 2 @ \$1.3200, 2 @ \$1.3300, 1 @ \$1.3350, 2 @ \$1.3400, 1 @ \$1.3450, 1 @ \$1.3475, 1 @ \$1.3500, 1 @ \$1.3600, 1 @ \$1.3700, 1 @ \$1.3900, 1 @ \$1.4000

TUESDAY, MAY 23, 2000

CHEESE -- SALES: 2 CARS 40# BLOCKS @ \$1.0900; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.0900; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.1000

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, MAY 24, 2000

CHEESE -- SALES: 3 CARS 40# BLOCKS: 1 @ \$1.0875, 2 @ \$1.0900; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.0700; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.0750

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: NONE; BIDS UNFILLED: 25 CARS GRADE AA: 1 @ \$1.2700, 1 @ \$1.2650, 1 @ \$1.2625, 1 @ \$1.2600, 1 @ \$1.2575, 1 @ \$1.2550, 1 @ \$1.2525, 1 @ \$1.2500, 1 @ \$1.2400, 1 @ \$1.2300, 5 @ \$1.2200, 5 @ \$1.2100, 5 @ \$1.2000; OFFERS UNCOVERED: 2 CARS GRADE AA: 1 @ \$1.2900, 1 @ \$1.3000

THURSDAY, MAY 25, 2000

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

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, MAY 26, 2000

CHEESE -- SALES: NONE, BIDS UNFILLED: 1 CAR BARRELS @ \$1.0650, OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.0875

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 16 CARS GRADE AA: 1 @ \$1.3375, 1 @ \$1.3350, 1 @ \$1.3325, 1 @ \$1.3300, 1 @ \$1.3350, 1 @ \$1.3375, 1 @ \$1.3500, 1 @ \$1.3475, 1 @ \$1.3500, 2 @ \$1.3525, 2 @ \$1.3550, 1 @ \$1.3500, 1 @ \$1.3600, 1 @ \$1.3700; BIDS UNFILLED: 23 CARS GRADE AA: 1 @ \$1.3525, 1 @ \$1.3325, 2 @ \$1.3300, 1 @ \$1.3150, 7 @ \$1.3000, 3 @ \$1.2700, 1 @ \$1.2675, 1 @ \$1.2650, 1 @ \$1.2625, 1 @ \$1.2600, 1 @ \$1.2575, 1 @ \$1.2550, 1 @ \$1.2525, 1 @ \$1.2500 OFFERS UNCOVERED: 3 CARS GRADE AA: 1 @ \$1.3750, 2 @ \$1.3800

BUTTER MARKETS

APRIL MONTHLY COLD STORAGE

According to NASS, April month-end cold storage figures for butter total 106.5 million pounds, 15.1% less than last year, but 8.9% higher than March 2000.

NORTHEAST

Butter prices at the CME rose sharply last week, but fell about half the gain in Monday's (5/22) trading. The market tone remains unsettled. Contacts wonder what supply/demand situation is causing the large swings in price. April cold storage holdings, although lighter than a year ago, did increase eight or nine million pounds from the end of March. Churning activity was, in instances, heavier as higher prices tended to negatively impact demand for Class II & III fluid cream. Butter sales are fair to good as food service orders picked up for the Memorial Day weekend. Bulk demand is about steady and spot sales remain in the range of 3-5 cents over the CME price/average.

CENTRAL

Butter markets are firm, although cash prices have increased, decreased, and increased slightly through midweek. Butter production in the Midwest is seasonally active, although cream availability is somewhat limited to butter operations. Recent cash butter price increases have caused cream pricing multiples to weaken, although the overall cream price is higher. Ice cream production continues to absorb a large volume of cream as temperatures rise

and the summer vacation season nears. Butter stocks vary in the Midwest. Some producers and handlers are comfortable with existing stocks, while other are trying to enhance their stock position for use later this summer and fall. Retail and food service buying interest is seasonally quite active. Scattered retail feature activity scheduled at Midwestern grocery stores, along with good food service orders for the upcoming holiday weekend, and the unofficial start of the summer vacation season, are keeping butter stocks moving.

WEST

Most Western contacts report that cream demand is excellent, although the multiples have decreased somewhat as butter prices have firmed. Cream sales are limiting churning activity at some plants. A further limit on plant activity in California this past week was caused by the amount of electricity available due to the record setting early season heat wave. A number of plants were asked to cease operations for various short periods of time until shortages had passed. Butter demand remains very good, especially from the food service industry with the upcoming holiday in mind. Stocks of butter that are part of the weekly CME report increased modestly by 590,000 pounds. Last year at this time, stock levels began their rest of the year slide. Current prices for bulk butter range from 4 cents under to 1 cent under the market based on the CME with various time frames and averages involved.

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

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 39% MOISTURE			
MAY 20	1.0862 6,228,628	1.0855 11,026,106	1.0106 20,363,876	1.2045 4,122,202	0.1765 7,448,977

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

CHEESE MARKETS

NORTHEAST

Prices are lower for process and natural cheddar styles; unchanged on Swiss. The market tone is weak and prices, last week, at the CME moved lower and ended the week below the support purchase prices for both barrels and blocks. Eastern cheese production remains heavy as milk supplies are at or near the annual peak. With schools recessing between now and mid-June, more milk will likely be available to cheese makers. Cheddar stocks are long and buyers have little difficulty finding the volumes they desire. Demand is slightly improved, particularly food service from food stands and restaurants along the shore preparing for Memorial Day and the beginning of summer. Retail sales are slow to fair, but upcoming June Dairy Month promotions are "in the works" and orders have been quite good.

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

Cheddar 10# Prints	:	1.1250-1.5925
Cheddar Single Daisies	:	1.0825-1.5425
Cheddar 40# Block	:	1.2275-1.4050
Process 5# Loaf	:	1.2925-1.4550
Process 5# Sliced	:	1.3125-1.5600
Muenster	:	1.2850-1.5875
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is about steady at prices around government support prices. CCC continues to purchase Midwestern blocks and process cheese under the price support program. Some packagers/processors have been operating a little heavier during the past week or two in order to build some "cushion inventory" before the holiday weekend. Process demand, particularly food service, is generally stronger than natural. Offerings continue to increase as cheese production is near the annual peak. Some extra plant inventory building is occurring. Mozzarella interest is generally holding up better than expected this close to traditionally slower summer sales period. Swiss supplies available for sale remain fairly snug despite heavy seasonal production. Cheese yields are generally showing more seasonal declines as fat and protein tests slip.

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

Process American 5# Loaf	:	1.2525-1.4500
Brick And/Or Muenster 5#	:	1.4200-1.6475
Cheddar 40# Block	:	1.4000-2.1150
Monterey Jack 10#	:	1.5800-2.1150
Blue 5#	:	1.7825-2.0000
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4600-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0000-2.6850

MIDWEST COMMODITY CHEDDAR

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

CHEDDAR STYLES	:	MAY 22 - 26, 2000
BARRELS*	:	\$1.0625 - 1.0875 (NOMINAL)
	:	(-\$0.0150) (-.0250)
40# BLOCKS	:	\$1.0800 - 1.1375 (NOMINAL)
	:	(\$0.0075) (-.0125)

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

WEST

Natural and process cheese prices declined while Swiss prices increased. Stocks of Swiss cheese at the end of April totaled 10.2 million pounds, down 15.8% from last year. Demand, for this time of year, is being rated as excellent for Swiss. Demand for natural cheese is of just a regular nature. Orders are being placed and filled on normal schedules. No one is assuming that pricing will change much in the near future. Offerings of undergrade cheese destined for the process side of the industry are increasing again. Aged interest is quiet at this time. Natural American cheese stocks at the end of April are 6.2% above last year at this time and stand at 546.5 million pounds.

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

Process 5# Loaf	:	1.2250-1.4850
Cheddar 40# Block	:	1.2100-1.3500
Cheddar 10# Cuts	:	1.3900-1.6100
Monterey Jack 10#	:	1.4000-1.5600
Grade A Swiss Cuts 6 - 9#	:	2.2000-2.4500

FOREIGN

Domestic cheese prices are off two-cents with imported styles still reported as unchanged. The market tone is weak. As summer begins, foreign type cheese sales typically slow down. Stocks of most types and styles are adequate to cover current needs. The continued weak Euro is a major factor in buying and importing decisions. Preliminary figures for cheese production for the EU-15 in 1999 shows 6,122,000 MT, 1% higher than 1998.

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

	:	NEW YORK	
VARIETY	:	IMPORTED	DOMESTIC
	:		
Roquefort	:	TFEWR	-0-
Blue	:	2.6400-3.1400	1.4275-2.9225*
Gorgonzola	:	3.2400-5.9400	1.9825-2.4900*
Parmesan (Italy)	:	TFEWR	2.8425-3.3700*
Romano (Italy)	:	2.1000-2.5400	-0-
Provolone (Italy)	:	3.4400-5.5000	1.4425-1.7225*
Romano (Cows Milk)	:	-0-	2.6175-4.7925*
Sardo Romano (Argentina)	:	2.6500-3.2900	-0-
Reggiano (Argentina)	:	2.6500-3.2900	-0-
Jarlsberg (Brand)	:	2.7400-3.3100	-0-
Swiss Cuts Switzerland	:	-0-	2.3500-2.5500
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.

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

		BUTTER	CHEESE
05/22/00	:	25,495	: 130,888
05/01/00	:	24,626	: 130,143
CHANGE	:	869	: 745
% CHANGE	:	4	: 1

FLUID MILK AND CREAM

E A S T

The base price for Class I milk for June 2000 is \$11.70 per cwt., up 22 cents from May. Class I differentials specific to each order are added to the base price to determine the Class I price. The Class II skim milk price for June is \$8.40, unchanged from May. Milk production has leveled off in much of the region. In the Northeast, the milk flow is still moving toward its annual peak, but gains are slowing. In much of the far north, rainy weather has hampered alfalfa and pasture growth as well as delaying field work. Contacts feel that some decent weather will allow cows to get on pastures or green chop which should boost output. From the Middle Atlantic area south, milder temperatures and rain has helped hold milk production at last week's levels. Some severe storms moved through the Mid-South, but caused little or no disruption to milk movement. In Florida and other Deep South areas, the milk flow is decreasing, albeit slowly. Fluid milk supplies are heavy in the Southeast where more schools are recessing for the summer. Florida handlers shipped 116 loads out of state this week with school closings being cited as the major cause for the excess milk. This week's shipments compare to 109 loads last week and 50-60 last year. Bottled milk sales are mostly slower throughout the Southeast; fair to improved in the Northeast. Surplus milk volumes are often heavier and plants are operating longer hours. Many manufacturing plant contacts expect to be very busy over the Memorial Day weekend, but barring plant problems, they feel the holiday won't be too bad. It is a time of year when bottlers are unsure of how much milk they need or want until the last minute. The condensed skim market is fairly good. Spot interest is just fair, but contracts are clearing good volumes. Prices are unchanged. The fluid cream market is improved this week despite sharply higher prices. Demand was rated as good early in the week with little slow down expected during the holiday weekend. Supplies range from tight to balanced. However, with schools starting to close, less cream will be available from standardizing. Ice cream production is moderate to heavy. This weekend marks the unofficial beginning of summer which usually brings improved ice cream consumption. Bottled cream sales are fair to good as the strawberry season hits its peak in the Middle Atlantic and Northeast areas. Cream cheese output is about steady to slightly heavier this week and producing plants seemed to take some extra loads of cream this week. Churning activity is moderate.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT		
F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.6760-1.8049
DELIVERED EQUIVALENT ATLANTA	-	1.6760-1.7404 M 1.7017-1.7275
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.6760-1.7533
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS		
F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	.9900-1.1050
NORTHEAST- CLASS III - SPOT PRICES	-	.8000-.9500

M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
MAY 19 - 25, 2000	0
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1999	0

Class I demand is irregular, slower where schools are closing for the summer and the holiday weekend. Some retail feature activity is stimulating extra fluid sales. Weekend promotional activity is stimulating extra production of cottage cheese and dips in a few markets. Cream demand remains seasonally strong as cream cheese interest is steady and ice cream and novelty production have heated up. Many ice cream operations will close for the 3-day weekend. Manufacturing milk interest is steady to often slower as buyers wait for potential deals on milk offerings over the holiday weekend. Before the holiday weekend, spot prices reported range from \$0.85 to \$1.00 over class, but some weekend spot sales under class have already been made. Offerings from outside the region have been sparse through Thursday (5/25). Milk production is unevenly about steady in the upper tier of Midwestern states. Further south within the region, milk receipts are showing more consistent declines. A few

plant operators in the upper tier of states have suggested that perhaps the low milk prices have reduced the use of Bst and/or concentrate feeding in some herds. When combined with reduced freshening impacted by the heat and humidity last July, a few plant operators feel the normal annual peak may not occur in the usual May-June period. Other locations, often with grazers are still seeing some increases in week to week receipts. Many plant operators have not had to test plant capacity before the holiday weekend as hard as they had previously anticipated. Recent rains have stimulated some additional pasture and lawn growth. Some alfalfa has been cut though harvesting has been slowed by recent showers and soft fields.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	MAY 18 - 24	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00- 44.50	\$ 36.50- 42.50
REPLACEMENT HEIFER CALVES	\$310.00-390.00	\$215.00-260.00

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

	MAY 18 - 24	PREVIOUS YEAR
SLAUGHTER COWS	\$ 37.00- 47.00	\$ 34.00- 44.25

W E S T

Nationally, hay stocks on farms on May 1, were up 16.2%. In the West the story is completely different. All six Western states in the survey are negative. The percentage change for selected states compared to last year is as follows: California down 6.2%, Colorado down 28.6%, Idaho down 66.9%, Oregon down 5.2%, Utah down 34.0%, and Washington down 59.8%. These six states have an inventory this year of 1.94 million tons, down 38.9% from last year. Because of these stock levels many contacts believe that hay prices will firm this year and they question how much dairy producers will be willing to pay for hay with milk prices at 20 year lows. To further complicate the issue are the problems of heavy export interest, much of the first or second cutting seeing some rain damage, and record setting early season heat stressing the crop and reducing overall quality. Milk production in Central and Southern California is trending lower. Record setting hot weather was common over most milk producing regions of the state. Conditions in Northern California are excellent and cows are still working toward seasonal peak levels. The full extent of the heat was still being assessed with some handlers noting drops in milk, fat, and solids. Milk movements to fluid plants was about steady to lower in advance of schools being recessed for the Memorial Day weekend. Little extra retail movement is expected for the holiday. Power supplies were stressed in the state and several dairy plants were forced to shut down for several hours Monday. This caused inconveniences and altered milk shipments, but did not cause major problems. Other plants cut back on non-processing electrical usage. Milk supplies are expected to be handled without problems over the extended holiday weekend. Cream shipments from California backed off a little this week following an active last week. Multiples and overages were lowered due to the higher butter price and less demand. Demand from ice cream producers is very active seasonally. Milk production is trending lower in New Mexico. Weather conditions are over 100 degrees and unseasonably humid. Heat abatement measures such as misters and fans are in place. Milk producers are noting that milk cows' dry matter intake is declining. Lower fat and solids are noted for incoming milk. Contacts are noting that processing capacity is sufficient with limited calls for milk from other areas, so milk is being processed locally. Little information was available from Arizona sources this week. Weather conditions were also hot in the state. Milk is declining from seasonal highs. Milk output continues to increase seasonally in the Pacific Northwest. Conditions are very good for continued expansion. Plants believe that they will be able to handle milk offerings efficiently from school closings and the upcoming holiday weekend. Some new crop hay is becoming available and corn planting is progressing rapidly. Culling rates are minimal and heifers remain very hard to find. Milk production is increasing along normal seasonal patterns in Idaho and Utah. Temperatures are often as much as ten degrees above normal. Forecasts are for continued hot weather. Producers are wondering what the summer production season will be like. Plans for new milk production facilities and expansion of existing facilities are progressing even with the current very low milk prices.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 05/25/00 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 unchanged to higher on a mostly steady market. Demand is improving. Some producers are offering less to the government and supplying more product to end users at slightly higher prices. Low heat production is unchanged to lower as milk is diverted into high heat production. High heat prices are edging higher. Some traders are holding on to their supplies in anticipation of higher prices during late summer. A few producers are expressing concern over increased volumes of milk expected during the holiday weekend. However, in general, most plants should be able to adequately handle the extra volumes.

Includes EXTRA GRADE and GRADE A, low and medium heat
 NONFAT DRY MILK: .9900 - 1.0150 MOSTLY: 1.0000 - 1.0100

DRY BUTTERMILK - CENTRAL

Prices are unchanged to higher on a steady to firm market. Trading is very light as some buyers resist the current price level and sellers report very little product available to trade. Production continues to decrease with condensed product readily clearing into ice cream facilities. Inventories are tight. Aged product is reportedly trading below the range. Some buyers continue to work off of existing inventories in anticipation of price declines. However, producers are not expecting any market changes given good interest from bakery and ice cream plants.

BUTTERMILK: .8150 - .8775

DRY WHEY - CENTRAL

Prices are unchanged to higher on a steady market. Export opportunities into Mexico, South America and some Asian markets are alleviating excess supplies. While producers are in a better balance, prices are not significantly changing although less discounting is noted. Some feed buyers are holding heavy supplies that should last through most of the summer. Production is unchanged with most plants operating near capacity as cheese output holds strong. Condensed supplies are mixed. Some plants are tight on product as wet solids are diverted to WPC/lactose plants. Others are running long and able to readily supply additional loads to contractual buyers.

NONHYGROSCOPIC: .1700 - .1850 MOSTLY: .1700 - .1800

ANIMAL FEED WHEY - CENTRAL

Delactose prices are higher while milk replacer and roller ground are unchanged. Milk replacer supplies are in balance to heavy with most trade occurring at the lower end of the range. Roller ground movement is improving with some export opportunities appearing. Production is steady and inventories are generally in balance. Supplies of delactose are tight in areas. Some food and feed buyers are taking an interest in delactose as a substitute for WPC. Most trade is on regular contracts. April hog kill totaled 7.21 million head, 15% below 1999. Calf slaughter totaled 81 thousand head, down 17% from April 1999. Early weaned pigs are trading lower while barrows, gilts and lean hogs trend higher. The North Central veal market is weak.

MILK REPLACER: .1300 - .1600
 ROLLER GROUND: .1600 - .1800
 DELACTOSE (Min. 20% protein): .3300 - .3500

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady to weak market. Offerings are plentiful at the lower end of the range for domestic sale. Interest and trading activity are very light, especially into the feed sector. Movement into chocolate facilities is clearing some product. Export activity remains steady. A strong dollar compared to the Euro remains a competitive factor for some US manufacturers. Inquiries are heavy on 200 mesh. Most traders continue to speculate lower prices in the 3rd quarter. Production is steady and supplies are mixed with some plants running long and others tight on product. Off grade is ample for the light demand. Prices are reportedly 4-10 cents below the average depending on product quality.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
 EDIBLE: .1800 - .2550 MOSTLY: .1950 - .2050

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are higher on a firm market. Supplies remain tight with some manufacturers shorting buyers on their orders. More resellers are entering the market with aged supplies in anticipation that the market may be nearing a peak. Feed buyers continue to resist current prices. Off grade is trading higher compared to last week at 61-68 cents FOB. Export trade is steady into China, Japan, Canada and Mexico. Some plants are awaiting the announcement of the Japanese tender. With limited supplies available, producers are unsure as to how much will be allocated to the US. Some edible buyers are hesitantly looking at European delactose as a substitute to WPC. Condensed is clearing well into feed and cheese facilities and is tight in supply at some locations.

EXTRA GRADE 34% PROTEIN: .6800 - .7200 MOSTLY: .7000 - .7100

NONFAT DRY MILK - WEST

The low/medium heat nonfat dry milk market remains relatively sedentary with the majority of transactions centered around the government support program. Occasional loads are being offered outside of the range, but most often these loads have age and spec problems. DEIP interest remains light, although there is some talk of resurrection of past unshipped amounts. The new DEIP year begins July 1. The program could get additional play with increasing world prices and tighter supplies outside the US. Western production remains seasonally strong, although coming off peak levels. A couple of plants in California had down time due to power cutbacks. Spot demand is limited. High heat prices are unchanged. Demand is fair to good seasonally. Production schedules are light with drying time limited. Stocks are light.

Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .9900 - 1.0150 MOSTLY: 1.0000 - 1.0100
 HIGH HEAT: 1.0200 - 1.0600

DRY BUTTERMILK - WEST

Prices continue to trend higher for western buttermilk. The market tone is firm. Supplies are limited at the producer level and also at the resale level. Production is limited as butter churning is down as processors sell cream, dryer time is limited, and sales of condensed provide an outlet. Seasonal increases in demand have entered the market. Offerings are light. Some producers are trying to narrow the spread between NDM and buttermilk to more traditional levels of 10 cents or so. With supplies being tight, this is possible. However, the higher prices could kill off demand if viable substitutes can be found.

BUTTERMILK: .7400 - .8700 MOSTLY: .7700 - .8100

DRY WHEY - WEST

Most contacts continue to call the Western whey market steady. Supply and demand, overall, are in reasonably close balance. Some manufacturers report having stocks somewhat larger than desired, but others report being in a very balanced situation. There doesn't seem to be much agreement as to which direction this market will be going in the near term. Most market participants seem to be satisfied with the current situation.

NONHYGROSCOPIC: .1650 - .1900 MOSTLY: .1675 - .1750

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
May 19	\$1.0077	14,080,113
May 12	\$1.0085	12,711,285

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. Compiled by 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 steady to higher within the range. The market tone is unchanged. A few contacts report better than expected sales of condensed skim and lighter drying schedules. This is causing stocks of NDM to be in better balance and for those operations, contacts are not as inclined to move powder at bargain prices. Other plants have moderate to heavy drying runs, but most do not anticipate any problems during the Memorial Day weekend. Demand for NDM is just fair with some DEIP contracts being filled. Reports out of Europe note that skim powder stocks have become very tight in recent weeks which could impact U.S. sales of NDM when new allocations for DEIP are announced. Domestic demand is just fair as many buyers are still working off volumes purchased earlier this spring. This week, Eastern NDM was again offered to CCC.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0000 - 1.0300 MOSTLY: 1.0100 - 1.0250
HIGH HEAT: 1.0400 - 1.0800 MOSTLY: 1.0400 - 1.0700

DELVD SOUTHEAST:

ALL HEATS: 1.0300 - 1.1100

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are sharply higher and remain nominal. More Eastern producers have pushed prices into the 90+ cent area, but few spot sales are reported at these levels. Plant stocks are tight, often short and this price boost may be a disincentive to allow them to replenish inventories. Or, it may be a move to take advantage of the good demand for buttermilk. Drying schedules are light as churning activity has slowed in recent weeks and the demand for condensed buttermilk improves. There is resistance to these higher prices and buying interest is often limited to contracted volumes.

F.O.B. NORTHEAST: .8800 - .9200

DELVD SOUTHEAST: .8500 - .9000

DRY WHOLE MILK - NATIONAL

Prices are unchanged to higher as producers adjust prices to reflect higher butter and butterfat prices. The market tone is unchanged. Production levels are mostly geared to meeting contractual commitments. Some DEIP contracts are being filled, but few new dry whole milk bids have been accepted in the past week or two. Domestic demand is slow to fair with little spot interest being reported.

F.O.B. PRODUCING PLANT: 1.1675 - 1.3100

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1999 THROUGH MAY 19, 2000
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 101,383 MT (228,876,284 LBS)
Program-year and preallocated volumes are filled.

WHOLE MILK POWDER -- 11,377 MT (25,081,734 LBS)
CHANGE -- 125 MT (275,575 LBS)

CHEESE -- 2,838 MT (6,256,655 LBS)
CHANGE -- 19 MT (41,719 LBS)

BUTTERFAT -- 5,298 MT (11,679,970 LBS)

Allocations for the DEIP year beginning July 1, 1999, are: Nonfat dry milk - 76,207 MT; Whole Milk Powder - 2,518 MT; Cheese - 3,190 MT; Butterfat - 25,475 MT.

These DEIP allocations are in addition to balances still available from quantities announced on May 13, 1999; 25,177 MT of Nonfat Dry Milk (to be filled in roughly equal quarterly amounts during the GATT-year beginning July 1, 1999), 7,500 MT of dry whole milk, and 1,270 MT of cheese. March 31, 2000: USDA announced an that additional 8,232 MT of dry whole milk was made available under DEIP until June 30, 2000.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are unchanged to higher on Extra Grade, mostly unchanged on Grade A. The market tone is steady. Contacts report that market activity remains quiet, but some new sales are being made. Domestic demand is just fair and export sales have helped clear some additional volumes. Eastern producers have little dry whey available for spot sales and some report being fully committed through June. Any extra loads are being held with more confidence. However, despite the relatively tight supply, most producers are not able to get higher premiums at this time. Production is moderate as most Eastern cheese makers are running six to seven days a week. Eastern cheese makers note that financially, cheese plants are not the first choice as an outlet for surplus milk. The animal feed, dry whey market is little changed.

F.O.B. NORTHEAST: EXTRA GRADE .1750 - .1900

USPH GRADE A .1750 - .1950

DELVD SOUTHEAST: .2050 - .2200

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are steady, but surplus milk volumes in some parts of the country are falling from seasonal peaks. Memorial Day weekend typically brings more surplus milk, but this year it doesn't look like milk processing will be a problem. Demand for evaporated milk is steady. The Kansas City Commodity office announced the award of indefinite quantity contracts for evaporated milk under invitations 633, 634, and 635 to announcement EVD-1, for delivery July 1 to September 30, 2000. The purchase volumes range from a minimum of 4,626,720 pounds to a maximum of 6,903,360 pounds at prices ranging from \$.4112 - .4924 per pound.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$21.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets remain firm, although prices are generally unchanged. Availability of both acid and rennet is a concern. The Oceania region has fully committed their inventory and is out of the market until the new milk production season resumes in August/September at the earliest. In Europe, the demand for milk powder, both skim and whole, has increased sharply in the past two weeks, thus causing producers and handlers to question availability of casein during the current milk production season. Most buyers anticipate prices to remain firm. Negotiations for third and fourth quarter deliveries are occurring and reports indicate that prices are steady to higher.

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

RENNET: 2.0500 - 2.2000

ACID: 2.0700 - 2.2000

COFFEE, SUGAR & COCOA EXCHANGE (A subsidiary of the NEW YORK BOARD OF TRADE) AND CHICAGO MERCANTILE EXCHANGE FUTURES
Selected settling prices, (open interest), and volume 1/

Month	05/10	05/11	05/12	05/15	05/16	05/17	05/18	05/19	05/22	05/23
CSCE/NYBT - BFP -- Dollars per cwt.										
MAY 00	9.56 (52) 0	9.53 (52) 0	9.53 (52) 0	9.45 (52) 0	9.45 (52) 0	9.45 (52) 0	9.45 (52) 0	9.45 (52) 0	9.45 (52) 0	9.45 (52) 0
JUN 00	10.63 (61) 0	10.38 (61) 0	10.30 (61) 0	10.15 (61) 0	10.10 (61) 0	10.18 (61) 0	10.15 (61) 0	10.00 (61) 0	10.00 (61) 0	10.00 (61) 0
JUL 00	11.90 (68) 0	11.65 (67) 0	11.55 (68) 1	11.48 (69) 0	11.40 (69) 0	11.53 (72) 13	11.55 (65) 3	11.56 (65) 0	11.45 (66) 1	11.53 (67) 1
AUG 00	12.53 (51) 0	12.35 (51) 0	12.28 (51) 0	12.13 (52) 1	12.13 (52) 0	12.23 (53) 1	12.25 (54) 1	12.25 (54) 0	12.20 (55) 1	12.20 (57) 2
SEP 00	12.70 (59) 0	12.60 (59) 0	12.55 (59) 0	12.38 (60) 1	12.38 (60) 0	12.58 (62) 3	12.65 (62) 2	12.60 (62) 0	12.50 (64) 2	12.54 (65) 1
OCT 00	12.63 (35) 0	12.63 (35) 0	12.55 (35) 0	12.43 (35) 0	12.43 (35) 0	12.58 (36) 1	12.65 (36) 0	12.60 (36) 0	12.50 (37) 1	12.58 (38) 1
NOV 00	12.05 (23) 0	12.05 (23) 0	12.05 (23) 0	11.98 (24) 1	11.98 (24) 0	12.15 (24) 0	12.15 (24) 0	12.15 (24) 0	12.08 (25) 1	12.15 (26) 1
DEC 00	11.90 (10) 0	11.90 (10) 0	11.80 (11) 1	11.70 (12) 1	11.70 (12) 0	11.83 (12) 0	11.83 (12) 0	11.83 (12) 0	11.78 (12) 0	11.85 (13) 1
JAN 01	11.00 (4) 0	11.00 (4) 0	11.00 (4) 0	11.00 (4) 0	11.00 (4) 0	11.00 (3) 0	11.00 (3) 0	11.00 (3) 0	11.00 (4) 0	11.00 (4) 0
FEB 01	10.90 (0) 0	10.80 (0) 0	10.85 (0) 0	10.80 (0) 0	10.80 (0) 0	10.88 (0) 0	10.88 (0) 0	10.88 (0) 0	10.88 (0) 0	10.88 (0) 0
MAR 01	10.65 (0) 0	10.65 (0) 0	10.65 (0) 0	10.65 (0) 0	10.65 (0) 0	10.80 (0) 0	10.80 (0) 0	10.75 (0) 0	10.75 (0) 0	10.75 (0) 0

CME - BUTTER -- Cents per pound

MAY 00	119.00 (62) 2	120.00 (62) 0	120.00 (63) 10	121.00 (70) 13	120.50 (57) 9	135.00 (56) 9	139.95 (54) 4	133.00 (52) 0		
JUL 00	122.00 (412) 16	122.02 (412) 5	122.50 (414) 6	125.00 (422) 31	123.00 (411) 7	128.00 (410) 3	138.00 (412) 11	138.00 (413) 4	128.00 (412) 11	125.02 (410) 4
SEP 00	124.00 (480) 4	124.50 (480) 1	124.75 (481) 1	126.25 (487) 14	126.25 (484) 1	131.25 (484) 0	141.25 (483) 1	141.25 (485) 3	131.25 (485) 0	128.50 (483) 0
OCT 00	125.00 (338) 0	125.00 (338) 3	125.50 (338) 0	125.50 (338) 5	125.55 (338) 0	130.55 (338) 0	130.55 (338) 0	140.00 (338) 2	130.00 (338) 0	129.00 (338) 0

CME - BFP -- Dollars per cwt.

MAY 00	9.55 (782) 12	9.50 (793) 18	9.45 (791) 3	9.44 (785) 7	9.42 (774) 12	9.40 (764) 10	9.40 (763) 1	9.40 (763) 1	9.38 (752) 12	9.38 (752) 0
JUN 00	10.10 (1242) 12	10.30 (1257) 24	10.16 (1258) 23	10.06 (1262) 9	10.01 (1275) 31	10.04 (1275) 36	10.04 (1282) 14	9.96 (1291) 39	9.95 (1289) 14	9.91 (1299) 12
JUL 00	11.90 (1499) 64	11.62 (1514) 49	11.52 (1527) 34	11.50 (1535) 13	11.40 (1540) 20	11.60 (1542) 26	11.60 (1542) 7	11.55 (1540) 40	11.42 (1546) 38	11.50 (1545) 34
AUG 00	12.50 (1404) 17	12.30 (1421) 32	12.23 (1426) 20	12.10 (1430) 5	12.03 (1429) 7	12.30 (1431) 16	12.30 (1433) 11	12.20 (1447) 38	12.20 (1448) 7	12.25 (1453) 21
SEP 00	12.60 (1143) 17	12.50 (1154) 30	12.48 (1153) 12	12.50 (1151) 3	12.47 (1152) 7	12.60 (1158) 14	12.52 (1165) 12	12.46 (1164) 15	12.50 (1166) 4	12.55 (1175) 24
OCT 00	12.55 (1049) 8	12.55 (1064) 31	12.55 (1062) 13	12.50 (1063) 2	12.47 (1064) 4	12.52 (1068) 18	12.56 (1073) 12	12.46 (1076) 24	12.50 (1079) 8	12.55 (1080) 6
NOV 00	12.06 (654) 3	12.00 (676) 28	12.00 (676) 0	12.00 (679) 3	12.00 (671) 3	12.10 (675) 8	12.10 (675) 0	12.10 (676) 7	12.10 (678) 5	12.15 (680) 2
DEC 00	11.85 (580) 2	11.75 (594) 22	11.75 (594) 0	11.75 (594) 0	11.75 (595) 9	11.75 (596) 7	11.75 (597) 1	11.70 (595) 3	11.80 (597) 2	11.81 (601) 9
JAN 01	10.95 (58) 0	10.95 (58) 0	10.95 (59) 1	10.95 (59) 0	10.95 (59) 0	10.95 (59) 0	10.95 (59) 0	10.95 (59) 0	10.95 (62) 3	10.97 (65) 3
FEB 01	10.90 (19) 2	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 0	10.90 (19) 1
MAR 01	10.71 (7) 0	10.71 (7) 0	10.71 (7) 0	10.71 (7) 0	10.71 (7) 0	10.71 (7) 0	10.71 (7) 0	10.71 (8) 1	10.70 (8) 0	10.70 (8) 0

1/ At the CSCE/NYBT Open interest for BFP -- 100,000 pounds per contract. At the CME Open interest for BFP -- 200,000 pounds per contract.

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.

NOTE: The CME started futures trading for dry whey and nonfat dry milk (NDM) on November 16, 1998. Up to this point, there have been no settling prices recorded for either product.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered May 15 - 26, 2000

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: Milk production continues to seasonally increase. Although milk output is on the rise, manufactured dairy product offerings are limited. In most instances, current production is or has been fully committed. Early on in the milk production season, manufacturers basically committed themselves through the end of the second quarter, but now reports indicate that most producers have extended themselves well beyond that. In many instances, future production is committed for the balance of the season. Stocks are limited to the point that some buyers are questioning if they will actually get their order as scheduled. International buying interest is quite active. Most buyers are fully aware of the world supply situation and realize that Europe is the only potential source at this time. The U.S. is out of the picture until new DEIP allocations are issued after July 1 and the Oceania region has committed their inventoried stocks and will remain out of the international market until their new production season resumes in August or September. The overall tone to the market is firm. Prices are on the rise for available stocks. Often, availability of product and a workable time line for delivery are in the forefront with price then being negotiated. Some traders that have put together sales are now hopeful that they will be able to source their needs and make deliveries as scheduled. Sales that are being finalized are for smaller lot volumes.

BUTTER/BUTTEROIL: European butter markets are generally unchanged, although tightening stocks of other European manufactured dairy products, outside of butter, are slightly firming prices. International demand for butter is slow and unaggressive. For the most part, clearances of butter continue toward PSA, although future production is questionable. The strong demand for milk powders is causing milk to clear through whole milk markets with additional milk clearing to skim, thus generating butterfat for butter production.

82% BUTTERFAT: 1,250 - 1,325
99% BUTTERFAT: 1,400 - 1,575

SKIM MILK POWDER (SMP): Skim powder markets are firm with prices higher to sharply higher. In the past few weeks, skim powder stocks have really tightened. Early on in the current milk production season, many manufacturers committed their future output through the end of the second quarter and now many have extended this through the end of the milk production season. Stocks are limited. International buying interest is strong and many buyers are not finding their desired volumes in Eastern or Western Europe.

1.25% BUTTERFAT: 1,560 - 1,800

WHOLE MILK POWDER (WMP): European whole milk powder markets are firm. Prices are steady to generally higher. Availability of whole milk powder during the current milk production season is a much asked question. Buyer interest is quite strong, although many buyer inquiries are going unfilled. Early on in the milk production season, manufacturers of dairy products committed themselves to future output. This commitment was for about half of the season, but now, many producers have extended this commitment into the third quarter and for some, the rest of the season. Some traders that have sales on the books for future deliveries are questioning where they will find the powder to fill the orders.

26% BUTTERFAT: 1,600 - 1,900

SWEET WHEY POWDER: Whey markets are generally steady, although prices are slightly higher. Strength in whey prices is on the heels of firmer dairy product prices throughout Europe. Stocks are reported to be fully sufficient for current and future needs. Buying interest is not aggressive, thus stocks continue to increase.

NONHYGROSCOPIC: 450 - 500

OVERVIEW: EASTERN EUROPE: Milk output in Eastern Europe continues to increase, but reports indicate that the production outlook is not overly favorable. Manufactured dairy product stocks in Eastern Europe are also limited as they are in Western regions. Stock availability for international sales is questionable from this region. Stocks were greatly depleted from last season, thus current production is being used to re-establish inventories and to meet domestic needs with additional stocks for outside sales still in question. Many traders feel that this region will probably not be a significant source during coming months.

OCEANIA

OVERVIEW: Milk production in the Oceania region is nearing the seasonal end. In Australia, milk output has come to a halt with the milk production season in New Zealand also basically over. Season on season milk production projections in New Zealand are about 13% heavier with Australia reporting about a 7% growth. Stocks of manufactured dairy products are tight. For the most part, all inventories are fully committed. The market is steady to strong for all products, but especially for all types of milk powder and other protein containing products. Spot prices continue to firm, especially for milk powders, although most of the offering prices are nominal due to the lack of available stocks to meet spot buyer interest. International buyer interest is strong. Many buyers are concerned about locating desired volumes due to the overall tight world supply. European stocks and future production are limited, and for the most part, also reported to be fully committed. Availability of milk powders from the U.S. are there, although prices are higher than buyers are willing to pay and their current DEIP program allocations are filled until July 1. This limited world supply situation is positioning the Oceania region to be the major source of products once the new milk production season resumes in August and September. Until that time, international buyers will be making due with what they can secure, hope that their previously made contracts are honored and delivered on a timely basis, or do without.

BUTTER: Oceania butter markets are generally steady at unchanged prices. Stocks of butter are sufficient to fill ongoing or orders already placed. International buying interest for butter/butterfat is light, but if it were more active, Oceania sources would not be able to fill desired needs. For the most part, Oceania butter stocks are fully committed.

82% BUTTERFAT: 1,100 - 1,150

CHEDDAR CHEESE: Cheese markets are basically steady at unchanged prices. The milk production season has come to an end, thus any trading activity for cheese is being filled from inventoried product. Cheese sales are steady to regular/ongoing customers. For the most part, cheese stocks are committed to future needs.

39% MAXIMUM MOISTURE: 1,775 - 1,850

SKIM MILK POWDER (SMP): Skim milk powder markets are steady to firm with prices unchanged to slightly higher. Some slightly higher offering prices are being reported, although due to limited Oceania supplies, this marketing move is having very little impact on ongoing sales. For the most part, skim powder stocks are fully committed. The milk production season in both Australia and New Zealand has now basically ended, thus future deliveries of skim milk powder will be coming from inventoried product.

1.25% BUTTERFAT: 1,560 - 1,700

WHOLE MILK POWDER (WMP): Whole milk powder markets are steady at unchanged prices, although the tone is firm. Limited whole milk powder stocks in Europe are putting additional pressure on Oceania inventories. International buyer interest is strong, thus many buyers are having difficulty in sourcing product at this time. Oceania stocks are fully committed to previously placed orders and thus, they are out of the market until August at the earliest.

26% BUTTERFAT: 1,600 - 1,750

Exchange rates for selected foreign currencies: May 22, 2000

.4098 Dutch Guilder	.4618 German Mark
.1377 French Franc	.4590 New Zealand Dollar
.1050 Mexican Peso	.5727 Australian Dollar
1.4940 British Pound	.0093 Japanese Yen
.2214 Polish Zloty	.9032 Euro

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.1050) = 9.5238$
That is 1 US Dollar equals 9.5238 Mexican Pesos.

Source: "Wall Street Journal"

MONTHLY COLD STORAGE REPORT - TOTAL U.S. STOCKS

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

All stocks in thousand pounds except where otherwise indicated.

U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	MAR 31, 1998	MAR 31, 1999	REVISED MAR 31, 2000	APR 30, 1998	APR 30, 1999	APR 30, 2000
Butter	55,919	108,441	97,793	67,415	125,520	106,519
Cheese, Natural American	421,979	467,663	524,987	439,787	514,413	546,535
Cheese, Swiss	13,571	13,538	10,465	12,581	12,066	10,157
Cheese, Other Natural	97,553	163,850	191,274	105,252	162,172	191,041
U.S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	256	181	347	398	67	229
Natural American Cheese	199	35	57	171	20	24

APRIL COLD STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter*			Other Natural Cheese		
	1998	1999	2000	1998	1999	2000	1998	1999	2000
New England	22,798	25,812	20,438	---	---	---	162	329	658
Middle Atlantic	44,239	45,782	44,622	---	---	---	11,464	8,218	7,864
East North Central	243,112	232,347	266,007	---	---	---	84,709	80,749	99,045
West North Central	68,483	140,084	115,079	---	---	---	2,079	62,323	71,442
South Atlantic	466	439	4,426	---	---	---	561	647	518
East South Central	211	219	0	---	---	---	1,742	320	188
West South Central	200	255	371	---	---	---	450	295	466
Mountain	11,957	12,876	11,049	---	---	---	742	609	257

COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 1999 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total <u>1/</u>		Commercial		Government		Total <u>1/</u>		Commercial		Government		Total <u>1/ 2/</u>		Commercial		Government <u>2/</u>	
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
	Million Pounds						Million Pounds						Million Pounds					
January	73	61	73	61	<u>3/</u>	<u>3/</u>	480	452	480	452	<u>3/</u>	<u>3/</u>	296	175	146	82	150	93
February	89	95	89	95	<u>3/</u>	<u>3/</u>	515	465	515	465	<u>3/</u>	<u>3/</u>	359	190	173	108	186	82
March	98	108	97	108	<u>3/</u>	<u>3/</u>	525	468	525	468	<u>3/</u>	<u>3/</u>	393	205	166	123	227	83
April	106	126	106	125	<u>3/</u>	<u>3/</u>	547	514	547	514	<u>3/</u>	<u>3/</u>		222		136		86
May		137		136		<u>3/</u>		496		496		<u>3/</u>		252		164		88
June		121		121		<u>3/</u>		539		539		<u>3/</u>		273		158		114
July		124		123		<u>3/</u>		545		545		<u>3/</u>		282		141		141
August		95		95		<u>3/</u>		511		511		<u>3/</u>		272		101		171
September		71		71		<u>3/</u>		475		475		<u>3/</u>		234		87		147
October		64		64		<u>3/</u>		459		459		<u>3/</u>		217		84		133
November		30		30		<u>3/</u>		448		448		<u>3/</u>		225		87		138
December		25		25		<u>3/</u>		458		458		<u>3/</u>		273		139		134

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

COMMERCIALY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Mar 31, 1998	Mar 31, 1999	Mar 31, 2000	Apr 30, 1998	Apr 30, 1999	Apr 30, 2000
	Thousand Pounds					
Butter	55,663	108,260	97,446	67,017	125,453	106,290
Natural American Cheese	421,780	467,628	524,930	439,616	514,393	546,511

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

SOURCE: "Cold Storage," Co St 1 (5-00) and "Dairy Products," Da 2-6 (5-00), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Farm Service Agency.

FEDERAL MILK ORDER ADVANCE PRICES, JUNE

Class I Base Price: Under the Federal milk order pricing system, the Class I base price for June 2000 is \$11.70 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$7.70 and the advanced butterfat pricing factor of \$1.2195. Class I differentials specific to each order are added to the base price to determine the Class I price. **Class II Price Information:** The advanced Class IV skim milk pricing factor is \$7.70. Thus, the Class II skim milk price for June is \$8.40 per cwt., and the Class II nonfat solids price is \$0.9333. **Product Price Averages:** The two-week product price averages for June are; butter \$1.1140, nonfat dry milk \$1.0100, cheese \$1.1011, and dry whey \$0.1755.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/} ^{2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	June 2000		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	14.95	10.95	1.2520
Appalachian (Charlotte) ^{5/}	005	14.80	10.80	1.2505
Southeast (Atlanta) ^{6/}	007	14.80	10.80	1.2505
Florida (Tampa) ^{7/}	006	15.70	11.70	1.2595
Mideast (Cleveland) ^{8/}	033	13.70	9.70	1.2395
Upper Midwest (Chicago) ^{9/}	030	13.50	9.50	1.2375
Central (Kansas City) ^{10/}	032	13.70	9.70	1.2395
Southwest (Dallas) ^{11/}	126	14.70	10.70	1.2495
Arizona-Las Vegas (Phoenix) ^{12/}	131	14.05	10.05	1.2430
Western (Salt Lake City) ^{13/}	135	13.60	9.60	1.2385
Pacific Northwest (Seattle) ^{14/}	124	13.60	9.60	1.2385
All-Market Average		14.28	10.28	1.2453

^{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 principal pricing points of markets. ^{4/} Class I prices at other points 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 points are: Knoxville, minus \$0.30 and Louisville, minus \$0.90. ^{6/} Class I prices at other points 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 points are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30. ^{8/} Class I prices at other points are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20. ^{9/} Class I prices at other points are: Milwaukee, minus 0.05; and Minneapolis, minus, \$0.10. ^{10/} Class I prices at other points 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 points 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 points are: Portland, same; and Spokane, same.

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

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}	CPI ^{2/}	Pct. Chg. ^{3/}
FEB 2000	166.3	1.8	160.9	-0.9	154.8	-5.3	164.8	1.3	126.7	-18.5	151.3	2.9
MAR 2000	166.5	2.0	159.1	-1.5	153.0	-6.1	162.3	0.2	134.2	-10.1	152.4	3.8
APR 2000	166.6	2.0	160.6	2.9	155.2	3.7	163.6	2.3	131.0	-10.0	152.9	4.2
U.S. City Average Retail Prices												
Month	Whole Milk ^{4/}		Lowfat Milk ^{4/}		Butter ^{5/}		Process Cheese		Natural Cheese		Ice Cream ^{8/}	
	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999	2000	1999
Dollars												
FEBRUARY	2.777	3.004	2.693	2.901	2.293	2.801	3.731	3.723	3.821	3.746	3.340	3.291
MARCH	2.748	3.003	2.681	2.881	2.408	2.739	3.845	3.878	3.810	3.714	3.275	3.231
APRIL	2.773	2.707	2.711	2.686	2.300	2.703	3.747	3.748	3.790	3.694	3.338	3.266

NA = Not available. ^{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—JANUARY-MARCH 1999-2000 AND ANNUAL 1998-99 ^{1/}

Item	Jan.-Mar. 1999	Percent change ^{4/}	Jan.-Mar. 2000	Percent change ^{4/}	Jan.-Dec. 1998	Percent change ^{4/}	Jan.-Dec. 1999	Percent change ^{4/}
	Million Pounds							
<u>MILK</u>								
Production	40,505	3.4	42,576	4.0	157,348	0.8	162,711	3.4
Marketings	40,168	3.5	42,245	4.0	155,942	0.8	161,344	3.5
Beginning Commercial Stocks ^{2/}	5,274	7.9	6,135	16.3	4,889	3.9	5,274	7.9
Imports ^{2/}	1,098	56.2	952	-13.3	4,587	70.1	4,743	3.4
Total Supply ^{3/}	46,540	4.8	49,332	5.0	165,418	2.0	171,361	3.6
Ending Commercial Stocks ^{2/}	8,164	34.0	8,644	5.9	5,274	7.9	6,135	16.3
Net Removals ^{2/}	76	-63.6	273	259.2	366	-66.4	343	-6.3
Commercial Disappearance ^{3/}	38,300	0.5	40,415	4.4	159,778	2.3	164,883	3.2
<u>SELECTED PRODUCTS ^{5/}</u>								
Butter	299.3	-3.8	322.5	6.4	1,222.7	10.3	1,308.8	7.0
American Cheese	837.4	2.1	875.9	3.5	3,338.4	2.1	3,586.3	7.4
Other Cheese	1,047.0	2.3	1,148.1	8.5	4,452.0	2.0	4,677.8	5.1
Nonfat Dry Milk	205.4	-9.8	162.0	-21.9	866.7	-3.1	790.4	-8.8
Fluid Milk Products ^{6/}	NA	NA	NA	NA	55,266.8	-0.4	55,674.8	0.7

^{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/} Milk-equivalent, milkfat basis. Calculated using slightly different factors than previously. Further changes may be made as technical parameters become available. ^{3/} Totals may not add because of rounding. ^{4/} From year earlier on a daily average basis. ^{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. This information is now available through ERS AutoFAX. To request a document, dial (202) 694-5700 and enter document number 11521 when prompted.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE PERIOD OF MAY 18 - 26, 2000			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/99	SAME PERIOD LAST YEAR	PERIOD ENDING 05/19/00	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	459,381	-0-	459,381	954,584	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	277,200	-0-	277,200	5,583,600	-0-	-0-	-0-
TOTAL	736,581	-0-	736,581	6,538,184	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	20,041,723	2,915,395	17,126,328	316,252,042	102,493,164	-0-	-0-
Fortified	-0-	-0-	-0-	5,313,347	-0-	-0-	-0-
TOTAL	20,041,723	2,915,395	17,126,328	321,565,389	102,493,164	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS	MILKFAT* BASIS	SKIM** SOLIDS
PERIOD OF MAY 18 - 26, 2000 =	10.6	206.6	COMPARABLE WEEK IN 1999 =	1.9
CUMULATIVE SINCE OCTOBER 1, 1999 =	131.1	3,807.7	CUMULATIVE SAME PERIOD LAST YEAR =	22.5
CUMULATIVE JANUARY 1 - MAY 26, 2000 =	119.9	3,214.6	COMPARABLE CALENDAR YEAR 1999 =	22.5

* Factors used for Milkfat 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 MAY 18 - 26, 2000 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MI DWEST	-0-	-0-	-0-	459,381	-0-	277,200	5,046,120	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	11,844,316	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	235,892	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/99 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99
MI DWEST	-0-	-0-	6,457,656	-0-	38,017,420	8,364,791	51.8	8.2
WEST	-0-	-0-	80,528	-0-	280,872,080	94,128,373	47.7	91.8
EAST	-0-	-0-	-0-	-0-	2,675,889	-0-	0.5	0.0
TOTAL	-0-	-0-	6,538,184	-0-	321,565,389	102,493,164	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 2000

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

DOLLARS PER POUND

BUTTER: Bulk \$.6500; 1# Prints \$.6800

CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrel \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925

NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675

Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 05/06/00 & Comparable Week 1999 1/ 2/

Regions*	U.S. TOTAL										% DAIRY OF ALL			
	1	2	3	4	5	6	7	8	9	10				
2000-Dairy cows HD (000)	0.2	0.9	5.7	5.0	19.2	2.5	0.7	0.8	9.4	2.7	47.2	984.8	46.6	50.4
1999-Dairy cows HD (000)	0.2	1.0	4.9	5.3	16.3	1.7	2.6	0.8	8.7	2.7	44.3	958.0	42.9	46.8
2000-All cows HD (000)	0.2	1.1	7.8	13.4	28.1	14.8	13.9	3.8	11.7	6.4	101.2	1,952.3		
1999-All cows HD (000)	0.2	1.0	6.8	17.3	22.7	13.8	18.5	4.9	11.7	6.3	103.2	2,048.8		

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.

1/ States included in regions are as follows: Region 1--ME, NH, VT, CT, MA, and RI; Region 2--NY and NJ; Region 3--DE, PA, WV, VA, and MD; Region 4--KY, TN, NC, SC, GA, AL, MS, and FL; Region 5--MI, OH, IN, IL, WI, and MN; Region 6--TX, OK, NM, AR, and LA; Region 7--IA, NB, KS, and MO; Region 8--MT, WY, CO, UT, ND, and SD; Region 9--CA, NV, AZ, and HA; Region 10--ID, OR, and WA. 2/ Totals may not add due to rounding.

FEDERAL MILK ORDER CLASS PRICES FOR 2000 (3.5% BF)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Class I 1/	10.90	10.71	10.84	10.93	11.48	11.70						
Class II	11.43	11.51	11.71	12.10								
Class III	10.05	9.54	9.54	9.41								
Class IV	10.73	10.80	11.00	11.38								

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/fmor_announce.htm