

## NATIONAL DAIRY MARKET AT A GLANCE

**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (08/18):**  
**BUTTER:** Grade AA closed at \$1.1850. The weekly average for Grade AA is \$1.1875 (-.0075).

**CHEESE:** Barrels closed at \$1.0900 and blocks at \$1.2800. The weekly average for barrels is \$1.0820 (+.0300) and blocks, \$1.2815 (+.0600).

**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:** The market tone is unchanged with the cash price at the CME holding basically steady. Churning schedules at many plants across the country are lighter due to tighter milk and cream supply. Butter producers anticipate that cream may become more available in upcoming weeks as bottling and standardization increase as students return to classes. Butter inventories continue to run ahead of last year at this time. Buying interest is seasonally fair. Retail demand is fairly active, especially when featured. Food service is also active, although orders from vacation and resort areas are trending lower as the upcoming Labor Day holiday weekend traditionally marks the unofficial end of the summer.

**CHEESE:** The cheese market continues to struggle. Spot availability of cheese remains substantial enough to make increased and/or stable cash prices a challenge to potential buyers. USDA announced increases in the support purchase price of cheese on August 15 to adjust the make allowance to reflect the pricing formula under the reformed Federal Milk Marketing Orders. Some shifting of product mix is occurring in preparation of the reopening of schools. Current production and supplies remain seasonally heavy, particularly barrels. However, as additional schools reopen, milk supplies available for manufacturing normally decline.

**FLUID MILK:** Milk output is steady to lower and supplies are often reported as tighter. The hot weather in the southern part of the country and California continues to stress the cows and adversely effect milk output. With schools reopening, more milk is moving to fill school lunch pipelines. Handlers in the Southeast are importing increasing volumes of milk to fill their growing Class I demand. Also, some milk from the Mountain States is moving into the Southwest. Supplies of cream are tight and demand is good.

**DRY PRODUCTS:** The NDM market is unchanged. Production levels are often lighter as milk output is easing lower and more milk is moving into school lunch channels. Demand for NDM is steady and prices in all regions are unchanged this week. The dry whey market is steady to weak. Offerings range from tight to fully adequate. Those producers with little or no product to offer, see a firm market, but there are also those makers with inventories to move and they are discounting. The WPC market is steady to weaker. Demand is often slower, particularly on the feed side of the market. The lactose market

is steady to weak. Spot domestic demand is slow and producer stocks are often heavier than desired.

**CCC:** During the week of August 14 - 18, net CCC purchases totaled 6,214,628 pounds of nonfortified and 620,552 pounds of fortified NDM from Western offerors.

**FEDERAL MILK ORDER ADVANCE PRICES HIGHLIGHTS (DAIRY PROGRAMS):** Under the federal milk order pricing system, the base price for Class I milk for September 2000 is \$11.84. This price is derived from the advanced Class IV skim milk pricing factor of \$7.70 and the advanced butterfat pricing factor of \$1.2591 per pound. 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 September is \$8.40 and the Class II nonfat solids price is \$0.9333 per pound. The following are the two-week product price averages: butter \$1.1465, nonfat dry milk \$1.0091, cheese \$1.1847, and dry whey \$0.1940.

**USDA ANNOUNCES ADJUSTMENTS IN 2000 PURCHASE PRICES FOR MILK PRODUCTS (FSA):** The USDA announced that the CCC purchase prices for butter and cheese bought under the Dairy Support Program have been adjusted. Adjustments to the so-called make allowances were made to bring them in line with those used in the pricing formulas under the reformed Federal Milk Marketing Orders. The result of these adjustments is an increase of 2.2 cents in the purchase price of cheese and an increase of 1.8 cents on butter. Effective for product made on or after July 31, 2000, the purchase price of bulk butter is \$0.6680, with cheddar blocks at \$1.1220 and barrels at \$1.0920. The nonfortified NDM price is unchanged at \$1.0100.

**JULY MILK PRODUCTION (NASS):** Milk production in the 20 major states during July totaled 12.2 billion pounds, 585 million pounds (5.0%) above production in these same states in July 1999. This increase is magnified by unusually hot temperatures during July 1999 which lowered milk production per cow. Production per cow averaged 1,557 pounds for July, 59 pounds (3.9%) above July 1999. The number of cows on farms was 7.83 million head, up 83,000 head (1.1%) from July 1999 and up 24,000 (0.3%) from June 2000.

**MILK SUPPLY AND DEMAND ESTIMATES (USDA, WAOB):** Milk production is reduced slightly in 1999/2000 but increased in 2000/01. Low feed prices are expected to encourage continued expansion in the cow herd through 2000. However, this increase is being partly offset by slower-than-expected growth in milk production per cow. Product prices are forecast to remain weak through most of the period. As a result, the forecasts for Class III, Class IV, and all milk prices have been reduced from last month. With increased milk production in 2000/01, CCC removals of nonfat dry milk are increased to reflect the large offers to the CCC through the end of the price support program in December 2000.

\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*

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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 AUGUST 14	TUESDAY AUGUST 15	WEDNESDAY AUGUST 16	THURSDAY AUGUST 17	FRIDAY AUGUST 18	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.0600 (N.C.)	\$1.0850 (+.0250)	\$1.0875 (+.0025)	\$1.0875 (N.C.)	\$1.0900 (+.0025)	+.0300	\$1.0820 (+.0300)
40# BLOCKS	\$1.2850 (+.0100)	\$1.2825 (-.0025)	\$1.2800 (-.0025)	\$1.2800 (N.C.)	\$1.2800 (N.C.)	+.0050	\$1.2815 (+.0600)
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	\$1.1900 (N.C.)	----	\$1.1875 (-.0025)	----	\$1.1850 (-.0025)	-.0050	\$1.1875 (-.0075)

\*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM

CHICAGO MERCANTILE EXCHANGE

MONDAY, AUGUST 14, 2000

CHEESE -- SALES: 1 CAR BARRELS @ \$1.0650; 7 CARS 40# BLOCKS: 4 @ \$1.2850, 1 @ \$1.2800, 1 @ \$1.2850, 1 @ \$1.2775; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS BARRELS: 1 @ \$1.0600, 1 @ \$1.0700, 1 @ \$1.0800, 1 @ \$1.0900, 1 @ \$1.1500; 3 CARS 40# BLOCKS: 1 @ \$1.2900, 2 @ \$1.3000; 2 CARS 40# BLOCKS - 6 MONTHS OLD: 2 @ \$1.2900

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

BUTTER -- SALES: 13 CARS: 2 @ \$1.1800, 2 @ \$1.1825, 3 @ \$1.1850, 4 @ \$1.1875, 2 @ \$1.1900; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 7 CARS: 3 @ \$1.1900, 2 @ \$1.1950, 2 @ \$1.2000

TUESDAY, AUGUST 15, 2000

CHEESE -- SALES: 10 CARS BARRELS: 1 @ \$1.0800, 6 @ \$1.0875, 3 @ \$1.0850; 5 CARS 40# BLOCKS: 1 @ \$1.2800, 1 @ \$1.2775, 1 @ \$1.2825, 1 @ \$1.2800, 1 @ \$1.2825; BIDS UNFILLED: 1 CAR BARRELS @ \$1.0300; OFFERS UNCOVERED: 15 CARS BARRELS: 4 @ \$1.0850, 3 @ \$1.0875, 4 @ \$1.0900, 4 @ \$1.1000; 7 CARS 40# BLOCKS: 2 @ \$1.2850, 1 @ \$1.2900, 1 @ \$1.2950, 3 @ \$1.3000; 2 CARS 40# BLOCKS - 6 MONTHS OLD: 2 @ \$1.2900; 2 CARS 40# BLOCKS - 9 MONTHS OLD: 2 @ \$1.3800

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

WEDNESDAY, AUGUST 16, 2000

CHEESE -- SALES: 22 CARS BARRELS: 4 @ \$1.0850, 2 @ \$1.0875, 1 @ \$1.0900, 15 @ \$1.0875; 5 CARS 40# BLOCKS: 2 @ \$1.2800, 2 @ \$1.2775, 1 @ \$1.2800; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 12 CARS BARRELS: 3 @ \$1.0875, 2 @ \$1.0900, 2 @ \$1.0950, 5 @ \$1.0975; 9 CARS 40# BLOCKS: 2 @ \$1.2800, 7 @ \$1.2825

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

BUTTER -- SALES: 20 CARS: 1 @ \$1.1775, 3 @ \$1.1800, 4 @ \$1.1825, 3 @ \$1.1850, 2 @ \$1.1875, 1 @ \$1.1850, 1 @ \$1.1825, 1 @ \$1.1850, 2 @ \$1.1875, 1 @ \$1.1850, 1 @ \$1.1875; BIDS UNFILLED: 2 CARS @ \$1.1500; OFFERS UNCOVERED: 8 CARS: 1 @ \$1.1875, 4 @ \$1.1900, 1 @ \$1.1975, 1 @ \$1.2000, 1 @ \$1.1950

THURSDAY, AUGUST 17, 2000

CHEESE -- SALES: 8 CARS BARRELS: 7 @ \$1.0850, 1 @ \$1.0875; 9 CARS 40# BLOCKS: 1 @ \$1.2775, 2 @ \$1.2750, 5 @ \$1.2775, 1 @ \$1.2800; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.0875, 1 @ \$1.0900, 1 @ \$1.1000; 2 CARS 40# BLOCKS @ \$1.2800

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

FRIDAY, AUGUST 18, 2000

CHEESE -- SALES: 17 CARS BARRELS: 12 @ \$1.0875, 2 @ \$1.0850, 2 @ \$1.0875, 1 @ \$1.0900; 8 CARS 40# BLOCKS: 5 @ \$1.2775, 1 @ \$1.2800, 1 @ \$1.2775, 1 @ \$1.2800; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.0900, 1 @ \$1.0950, 1 @ \$1.1000; 2 CARS 40# BLOCKS @ \$1.2800

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

BUTTER -- SALES: 16 CARS: 1 @ \$1.1800, 1 @ \$1.1825, 2 @ \$1.1850, 2 @ \$1.1875, 2 @ \$1.1850, 1 @ \$1.1825, 1 @ \$1.1850, 1 @ \$1.1825, 1 @ \$1.1850, 1 @ \$1.1825, 3 @ \$1.1850; BIDS UNFILLED: 1 CAR @ \$1.1000; OFFERS UNCOVERED: 6 CARS: 4 @ \$1.1875, 2 @ \$1.1900

BUTTER MARKETS

NORTHEAST

The market tone is generally unchanged, but cream supplies are tightening and churning activity is lighter. Prices at the CME have been relatively steady for the past three - four trading sessions. Churning activity is lighter in the East and more suppliers are microfixing bulk to meet print orders. Fresh butter stocks are in tighter supply, but there is little or no concern that there will not be enough butter to meet needs. As churning activity slows, some bulk suppliers have increased their asking prices for loads of bulk. Retail sales are slow to fair unless featured. Food service orders are about steady. Sales of bulk butter, f.o.b. East, are reported in a range of 3 - 6 cents over the CME price/average.

CENTRAL

Butter markets are basically steady, although prices are slightly lower. Churning activity is seasonally active, but cream supplies are less available to local butter operations. Cream supplies are anticipated to become more available during the next few weeks as ice cream production continues to decline and cream from standardizing increases. Stocks of butter continue to be reported as fully sufficient for current needs. Some producers and handlers are securing additional volumes of bulk butter from out of area sources, especially if favorably priced. Overall

buying interest is fair. Food service orders, especially in resort and vacation areas, are somewhat lighter as they prepare for the upcoming unofficial end of the summer vacation season. Retail orders are fair, occasionally stimulated by feature activity. Butter producers and handlers indicate that the slight adjustment in the dairy support price for butter is having little impact on current butter markets and prices.

WEST

Western butter markets are basically steady with past weeks. Recent cash trading price adjustments at the CME are causing minimal price adjustments in the West. The recent support price adjustment is having little impact on Western butter markets. Churning activity is down this week. Cream supplies for churning are less available. Fat tests on incoming milk are indicating lower butterfat levels, typical for this time of the summer. Some producers are realizing a better return by selling cream versus churning at this time. Butter inventories continue to run ahead of last year, although lighter than last week. Buying interest for butter is seasonally fair. Current prices for bulk butter range from 5 cents under to 2 cents 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			
AUGUST 12	1.1873 6,627,108	1.1100 8,342,438	1.0139 14,837,195	1.1598 3,076,434	0.1930 5,048,220

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 mixed. Natural cheddar items are higher and process items are fractionally lower. The market tone remains unsettled. At the CME, the so-called spread between 40# blocks and barrels has reached record levels. As of August 14, there is a 22.5 cent difference between the two styles. Contacts expect this wide spread may cause a shift from making barrels to making blocks in those plants that can. This is less of an influence in the East where much of the cheddar production goes into aging programs, particularly New York State cheddar. Currently, cheese output in the Northeast is steady to lighter as milk supplies tighten. Stocks of cheddar are fully adequate to meet needs. Due to favorable prices and abundant milk supplies, many contacts feel that aged cheddar supplies will be more than ample to meet anticipated fourth quarter needs. Demand for current cheese is fair and mostly for replacement needs. Food service orders are holding up, but some orders are beginning to slow as resort area needs slow after Labor Day. Retail sales are just fair.

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

Cheddar 10# Prints	:	1.2600-1.7275
Cheddar Single Daisies	:	1.2175-1.6775
Cheddar 40# Block	:	1.3600-1.5375
Process 5# Loaf	:	1.2625-1.4375
Process 5# Sliced	:	1.2825-1.5400
Muenster	:	1.4200-1.6275
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

**MIDWEST**

The cheese market is unsettled, generally firmer on blocks and about steady on barrels. Blocks and most other natural varieties remain in a better supply/demand position than barrels. USDA announced increases in the support purchase price of cheese on August 15 to adjust the make allowance to reflect the new pricing formula under the reformed Federal Milk Marketing Orders. The price for barrels was increased \$0.0220 from \$1.07 to \$1.0920 and 40# blocks from \$1.10 to \$1.1220 for product produced on or after July 31. Natural orders are often slower this week, as buyers following cash market changes are seeing a large jump in prices from the previous week. Swiss and mozzarella interest remains generally good. Some shifting of demand is occurring seasonally as preparations for the reopening of schools starts to change the product mix from summer to fall items (weaker process and stronger sandwich type and mozzarella). The wide spread between blocks and barrels on the cash market, is still a problem for barrel producers competing for milk. Some limited fast food promotions are aiding process sales, but overall retail interest is generally fair at best. Cheese production is trending lower as the combination of the reopening of schools and heat and humidity reduces milk volumes entering cheese production.

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

Process American 5# Loaf	:	1.2525-1.5900
Brick And/Or Muenster 5#	:	1.5500-1.7850
Cheddar 40# Block	:	1.5500-2.1150
Monterey Jack 10#	:	1.7500-2.1150
Blue 5#	:	1.9200-2.1200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5700-2.2150
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	:	AUGUST 14 - 18, 2000
BARRELS*	:	\$1.0525 - 1.0975 (NOMINAL)
	:	(\$ .0025) (.0250)
40# BLOCKS	:	\$1.2325 - 1.2900 (NOMINAL)
	:	(\$ .0875) (.0700)

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

**WEST**

Western cheese prices continue to follow the average price trend of the CME. Producers and handlers are questioning the wide spread between barrels and 40# blocks and how much longer will this spread exist. The recent support price adjustment for 40# blocks and especially barrels was quickly reflected in cash trading at the CME. Many Western cheese producers are quite surprised that no barrel cheese has been offered to CCC, especially in light of reported heavy inventories. Cheese production is seasonally active, although milk volumes are starting to edge lower. Stocks of cheese in the West are reported to be readily available for current fair buyer interest.

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

Process 5# Loaf	:	1.2050-1.4650
Cheddar 40# Block	:	1.3475-1.4875
Cheddar 10# Cuts	:	1.5275-1.7475
Monterey Jack 10#	:	1.5375-1.6975
Grade A Swiss Cuts 6 - 9#	:	2.2000-2.4500

**FOREIGN**

Prices for domestic styles rebounded this week and are expected to continue their upward climb as the 40# block price at the CME has steadily increased since August 3. Demand for foreign type cheese is fair, but as schools start to reopen in the next few weeks, sales of some table and grating cheeses may improve. Supplies of most types are adequate to meet current needs.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: TFEWR	: -0-
Blue	: 2.6400-3.1400	: 1.5625-3.0575*
Gorgonzola	: 3.2400-5.9400	: 2.1175-2.4900*
Parmesan (Italy)	: TFEWR	: 2.9775-3.0025*
Romano (Italy)	: 2.1000-2.5400	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.5775-1.8475*
Romano (Cows Milk)	: -0-	: 2.7525-4.9275*
Sardo Romano (Argentine)	: 2.6500-3.2900	: -0-
Reggianito (Argentine)	: 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**

	:	:
08/14/00	32,234	: 145,270
08/01/00	34,007	: 144,058
CHANGE	-1,773	: 1,212
% CHANGE	-5	: 1

FLUID MILK AND CREAM

E A S T

Regional Milk Market Administrators announced the following, July 2000 uniform prices: Northeast \$13.52, Mideast \$12.68, Southeast \$14.23, Florida \$15.78, and Western New York (a state order) \$13.48 at the base cities/counties in the orders. (For the Northeast, Mideast, and Western New York orders, statistical uniform prices are reported.) This week, milk production is steady to lighter throughout the region. In the Northeast, the weather has continued wet and cool and milk output is holding up better than expected for August. In the Middle Atlantic area the weather is typical for this time of year, but there have not been long periods of oppressive heat like other years. Evenings have cooled down sufficiently to provide relief for the cows. In Georgia and Texas, it has been very hot and milk output is down. Florida's output is about steady, but with schools opening, the need for milk is growing. Handlers scheduled 66 loads to be imported this week. This compares to 17 loads last week and 94 a year ago. Handlers in other Southeastern states are also short of milk as schools reopen. It normally takes 4 - 5 weeks for all schools to be back in session and we are now in the second week of this "process." Local milk supplies are tight and about 107 loads of outside milk have been purchased to supplement local supplies. This compares to 0 last week and 265 loads during the same week last year. These loads came from the Upper Midwest, the Northeast and the Southwest. Demand for bottled milk is improving. Not only are schools opening, but retail features are in effect in some areas. Surplus milk volumes are lighter as Class I needs improve and milk output eases lower. Many butter/powder plants are not drying any skim due to good demand for milk and condensed skim. Cheese output is steady to slower. The condensed skim market is unchanged. Demand is holding up very well. In some instances, suppliers had to delay or cancel orders due to tighter milk receipts. The fluid cream market is firmer this week. Offerings are reported as tighter. Spot prices are generally higher. Multiples held about steady, but last week's CME butter average did increase more than a cent. Less spot California cream is being purchased as delivered prices are not competitive with local offerings. Ice cream output is about steady and following typical patterns for this time of year. Cream cheese output is also steady. Churning activity is light to moderate, mostly light.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT	
F.O.B. PRODUCING PLANTS: NORTHEAST	- 1.5535-1.7686
DELIVERED EQUIVALENT ATLANTA	- 1.5296-1.7447 M 1.6013-1.6730
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	- 1.6670-1.7328
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS	
F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.0500-1.1100
NORTHEAST- CLASS III - SPOT PRICES	- .8300-1.0100

M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
AUGUST 11 - 17, 2000	0
PREVIOUS WEEK	2
COMPARABLE WEEK IN 1999	41

Class I demand is often stronger, bolstered by retail feature activity in some markets and the reopening of schools in a few others. Milk supplies have tightened further. Buyers trying to acquire an extra load or two at the last minute were not always able to acquire desired volumes. Spot premiums were steady to higher, ranging from \$1.50 over class up to a couple loads at \$2.50 over delivered, but the majority were priced well under \$2.00. As schools reopen, Class I needs will increase further. A total of 19 reported loads of Wisconsin milk are direct shipped to Missouri and 3 loads to Tennessee, and pooled under another federal order. Milk volumes shipped from Michigan and Minnesota have increased with destinations reaching as far south as Georgia. In general, to experienced handlers, it seems like milk demand and shipments are lagging

a couple weeks behind year ago levels. Cream demand remains good with retail sales of ice cream improved by the bout of more summer-like weather. Multiples are little changed though the cash butter average is higher at the Chicago Mercantile Exchange. Warmer temperatures and increased humidity impacted milk receipts though the weather later moderated. Through much of Wisconsin, temperatures have yet to reach 90 degrees this year and weather related stress has been minimal. Further South within the region, more sustained heat has caused larger reductions in receipts. The initial estimated July milk production in selected Midwestern states compared with July 1999 is: Wisconsin 1.953 billion pounds, up 10 million pounds (0.5%); Minnesota 778 million pounds, an increase of 4 million pounds (0.5%); Michigan 486 million pounds, up 9 million pounds (1.9%), and Iowa 331 million pounds, an increase of 22 million pounds (7.1%).

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	AUGUST 10 - 16	PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.00- 42.50	\$ 35.00- 41.00
REPLACEMENT HEIFER CALVES	\$280.00-360.00	\$250.00-300.00

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

	AUGUST 10 - 16	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 49.50	\$ 32.00- 43.50

W E S T

Milk production in the 20 major states during July totaled 12.2 billion pounds, 5.0% heavier than July 1999. Of the surveyed states, milk output in all five of the Western states is above year ago levels. Percentage changes compared to July 1999 are: AZ +11.0%, CA +10.8%, ID +14.9%, NM +9.8%, and WA +0.4%. Hot, humid weather continues in much of the Southwest. In California, milk output is still falling from early August levels. In a few, scattered areas where temperatures moderated a little, the milk flow did rebound slightly. Milk supplies are tighter than desired which tends to free up plant capacity. Some manufacturing plants are using this time to do some maintenance/renovations. Bottled milk sales are mostly steady. Some power shutoffs were noted, but did not have much of an impact on processing schedules. These "brownouts" are occurring in parts of Central and Southern California. Feed conditions remain good at affordable prices. The hot weather is having an adverse effect on fat tests and yields. Fluid cream offerings are tight and easily cleared. Prices are mostly steady to higher. The higher prices are impacting shipments to the Midwest and East Coast as delivered prices are not as competitive as they were in July. Cream multiples are in the 115 to 135 FOB range. Temperatures are still reaching over 100 in Arizona and New Mexico, but contacts state that "it" isn't as bad as it has been. Milk output is easing lower. Fluid milk is being shipped to the Central and Southeastern regions to help supplement shortages in those regions. As schools reopen and the need for Grade A milk increases, some local bottlers are having to reach further to find needed volumes. Milk production in the Pacific Northwest is edging lower seasonally, but continues to run ahead of last year at this time. For the most part, milk volumes are available to keep manufacturing plants at or very near capacity. Weather conditions are reported to nearly ideal for late summer production patterns. Over the next 2 - 3 weeks, milk handlers will be balancing stronger bottled milk demand with manufacturing as schools resume classes for the fall term. Favorable feed prices and quantity continue in the Northwest. Although rainfall has been limited during recent weeks, water in reservoirs is reported to be at good levels. Due to adequate water volumes, late summer and fall irrigation should be no problem. Corn growth for silage is very good and farmers indicate that harvest should be positive. Hay continues to be sold for both export and domestic needs. In the Mountain States, temperatures are moderating and milk production is holding up quite well. As in other parts of the country, this region is also preparing for the upcoming school bottling season. Manufacturing continues to absorb good volumes of milk to maintain positive production schedules. Milk continues to move from Southern Idaho to the southwest to supplement milk shortages as the school bottling season resumes.

**CENTRAL AND WEST DRY MILK PRODUCTS**

All reports, except California manufacturing plants, were released 08/17/00 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 on a steady market. Production is somewhat lower due to shifts in the milk supply. Milk volumes are declining seasonally as hotter weather deters output. Some milk supplies are being diverted to bottling plants as schools re-open. Product continues to clear into government programs. Spot sales are slow with Grade A product clearing the best. High heat production is increasing as dryer time becomes available. Demand on high heat is fairly good into baking facilities. Standard Grade product is available and competitive with the WPC market into feed facilities. Aged product is reportedly being offered at .9900 - 1.0100 FOB.

Includes EXTRA GRADE and GRADE A, low and medium heat  
 NONFAT DRY MILK: 1.0100 - 1.0350 MOSTLY: 1.0150 - 1.0225

**DRY BUTTERMILK - CENTRAL**

Prices are unchanged on a mostly steady market. Resale product is reportedly available at .8700 - .9250 delivered. However, manufacturer supplies are generally tight to sold out which is encouraging market prices to remain unchanged. Trading is very light. Most buyers are preferring to wait for market declines before purchasing any additional loads. Producers are not anticipating any weakness in the market until mid-September when ice cream sales decline. Condensed supplies are readily clearing into ice cream production. Off grade product is available at substantial discounts.

BUTTERMILK: .9825 - 1.0200

**DRY WHEY - CENTRAL**

Prices are lower on a weak market. While some producers are in good balance, supplies are generally long. Trading activity is light with most product clearing in multiple load lots for export. Feed buyer inventories are heavy with some feed users finding it difficult to resell their supplies. Production is mostly steady to lower as milk volumes seasonally decline. Condensed supplies are in better balance to somewhat tight compared to last week with some buyers being shorted on their contracted loads. Off grade product is available for the light interest.

NONHYGROSCOPIC: .1600 - .2025 MOSTLY: .1875 - .1925

**ANIMAL FEED WHEY - CENTRAL**

Prices are unchanged to lower on a mostly steady market. Interest on milk replacer product is down compared to last week. Offering prices are lower reflecting an increase in supplies and decreases in the Extra Grade price. Roller ground production is steady and clearing best on regular commitments. Delactose supplies are tight with some producers unable to meet contracted commitments. Delactose prices remain unchanged as producers believe price increases may deter feed interest. Movement into food facilities continues steady. Barrow, gilt, lean hog and early weaned pig prices are trending lower. The North Central veal market is steady to firm on light offerings.

MILK REPLACER: .1400 - .1650  
 ROLLER GROUND: .1800 - .1950  
 DELACTOSE (Min. 20% protein): .3750 - .4000

**LACTOSE - CENTRAL AND WEST**

Prices are lower on a weak market. Most producers are finding it difficult to market spot trades without discounting. However, some producers remain in good balance with most product readily clearing into regular contracted commitments. Production is generally steady with some slight decreases due to seasonal declines in the milk supply. Inventories are generally heavy. Demand is best into export markets with some domestic movement into candy and infant formula facilities. Inquiries on feed grade are heavy from areas throughout Asia. Off grade supplies remain competitive with the Extra Grade market for the lackluster domestic feed interest.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.  
 EDIBLE: .1225 - .2300 MOSTLY: .1650 - .1750

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices are lower and the market continues unsettled. Trading activity is very light. Some buyers are bidding 3-7 cents lower and meeting manufacturer resistance. Resellers are trading at .7300 - .7650 delivered. Feed buyers are continuing to cancel contracted loads. Manufacturers are less accepting of contract cancellations and are enforcing delivery. Standard Grade NDM is a competitive substitute for WPC into some feed facilities. Food interest is generally steady with most buyers unaffected by the recent price volatility. Condensed supplies are tight with product clearing readily into feed and high protein facilities. The market for 80% is strong with some manufacturers unable to supply the increasing interest from export markets. Off grade product is available and competitive with resale product for the light to fair demand.

EXTRA GRADE 34% PROTEIN: .7525 - .8050 MOSTLY: .7700 - .7750

**NONFAT DRY MILK - WEST**

Prices and the market tone are unchanged this week. Commercial demand is steady and clearances to the support program continue to balance regional supplies. Export interest is still good, but no new DEIP sales are occurring. It was reported that a 2,500 MT commercial export sale was made to Algeria. Product was to be shipped as soon as possible and did come from Western plants. As the world market for NDM remains firm, contacts expect additional export sales outside of the DEIP. Production is lower as milk receipts decline due to the hot weather. Some producers are making a little more high heat for future contract and spot needs.

Includes EXTRA GRADE and GRADE A  
 LOW/MEDIUM HEAT: 1.0000 - 1.0225 MOSTLY: 1.0000 - 1.0100  
 HIGH HEAT: 1.0300 - 1.0700

**DRY BUTTERMILK - WEST**

Prices and the market tone are steady. Drying activity in the region is mixed, mostly lower. Cream offerings are reported as tight in most areas and churning activity is slower. Combine that with continued good sales of condensed buttermilk, dryers are not very active making buttermilk powder. Some producers are barely able to meet contract shipping dates. Spot buying interest remains on the light side, although more seasonal accounts are searching. There is some price resistance and buyers seem to be waiting as long as they can to reorder. Also, there are reports of resale loads being offered at attractive prices.

BUTTERMILK: .8800 - .9650 MOSTLY: .8800 - .9000

**DRY WHEY - WEST**

Western whey markets are generally steady at unchanged prices. New international and domestic buying activity is slow and unaggressive. Those handlers that are experiencing sales activity report that demand has been good and continues so into September. Many producers and handlers are stating that even spot buyer interest is not occurring this week. Stocks of whey powder vary from limited and fully committed to available for sale.

NONHYGROSCOPIC: .1725 - .2025 MOSTLY: .1800 - .1875

**CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK**

WEEK ENDING	PRICE	POUNDS
August 11	\$1.0101	10,877,220
August 4	\$1.0080	13,039,678

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 and the market tone are unchanged. Most contacts report a relatively slow market this week. Production levels are lighter as milk supplies tighten and condensed skim sales hold up. More Grade A milk is starting to move into the Southeast to fill Class I needs. Most Eastern dryers are making less powder than did a week or two ago and stocks range from very light to adequate. Some producers have dried only enough skim to meet contracts and sold most as a liquid. Producer inventories range from light to adequate and well below year ago levels. Spot demand is fair and contracts (domestic and export) are clearing a good portion of the current output.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0175 - 1.0500 MOSTLY: 1.0300 - 1.0350

HIGH HEAT: 1.0700 - 1.1000 MOSTLY: 1.0800 - 1.0850

DELVD SOUTHEAST:

ALL HEATS: 1.0300 - 1.1100

**DRY BUTTERMILK - NORTHEAST AND SOUTHEAST**

Prices remain nominal and are unchanged. The market tone is firm. There is little buttermilk powder available for spot sale from Eastern producers. More often, producers are barely able to keep pace with existing orders. Churning activity is light and little buttermilk is being dried. Demand is about steady and spot needs are often filled with resale loads or powder from other regions. However, buyers are resisting current prices and resale loads are reported to be taking place below the current price range.

F.O.B. NORTHEAST: .8800 - .9000

DELVD SOUTHEAST: .9300 - .9550

**DRY WHOLE MILK - NATIONAL**

Prices and the market tone is unchanged. Production levels are lighter as surplus milk supplies across the country are tightening as schools reopen in many areas. Producer stocks are closely balanced and spot demand is fair at best. Most sales are contractual.

F.O.B. PRODUCING PLANT: 1.2025 - 1.3200

**DEIP BID ACCEPTANCE SUMMARY**

JULY 1, 2000 THROUGH AUGUST 11, 2000  
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 12,750 MT (28,108,650 LBS)

CHEESE -- 3,030 MT (6,679,938 LBS)

This program-year's allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

**DRY WHEY - NORTHEAST AND SOUTHEAST**

Prices and the market tone are mostly unchanged. Production levels are steady to lighter now that milk supplies are tightening along seasonal patterns. Most Eastern producers report being sold out for the next month or so. However, there are reports circulating that some producers do have whey to offer and trying to clear it. Spot demand is slow to fair from both feed and food channels. Traders have reported little market activity or spot buyer interest this week. Producers are clearing most of their output through contracts and have little extra to move on the spot market. Buyers are more able to find spot loads from producers in the Midwest than they are in the East.

F.O.B. NORTHEAST: EXTRA GRADE .1975 - .2050

USPH GRADE A .2000 - .2100

DELVD SOUTHEAST: .2200 - .2400

**EVAPORATED MILK - NATIONAL**

Prices and the market tone are steady. Production levels are steady to lighter. Surplus milk supplies have tightened throughout the country. Demand is mostly for replacement needs, but retailers are preparing for anticipated fourth quarter needs. CCC invites offers under EVD-1, electronic invitation 640, to sell to CCC 5,324,400 pounds of evaporated milk packed in 24/12 oz. cans for shipment in October - December.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$20.00 - 33.00

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

**CASEIN - NATIONAL**

Casein markets remain firm with prices unchanged. Stocks continue to be reported as limited, although for the most part, domestic buyers are getting what they need. Scheduled deliveries might not be on time, delivery does occur. Most recent import figures indicate that as of May, casein imports of 5,362,623 kg are about 3 million kg lighter than May 1999, but on an cumulative basis are 8% above the comparable first 5 months of 1999.

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

RENNET: 2.1800 - 2.2600

ACID: 2.1800 - 2.2900

**CHICAGO MERCANTILE EXCHANGE AND NEW YORK BOARD OF TRADE FUTURES**

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

Month	08/02	08/03	08/04	08/07	08/08	08/09	08/10	08/11	08/14	08/15
<b>CME - (CLASS III) MILK FUTURES -- Dollars per cwt.</b>										
JUL 00	10.62 (1644) 0	10.65 (1630) 0	10.66 (1630) 0							
AUG 00	10.25 (1811) 27	9.93 (1813) 26	10.30 (1803) 61	10.20 (1796) 3	10.14 (1795) 15	10.07 (1792) 20	10.04 (1774) 19	10.11 (1781) 19	10.11 (1784) 14	10.15 (1784) 3
SEP 00	10.30 (1568) 30	10.27 (1580) 50	10.60 (1569) 64	10.60 (1546) 27	10.52 (1551) 8	10.56 (1535) 32	10.80 (1536) 93	10.68 (1570) 48	10.85 (1594) 35	10.85 (1599) 11
OCT 00	10.84 (1578) 50	10.62 (1577) 18	11.10 (1595) 96	10.97 (1589) 3	10.95 (1602) 30	10.95 (1591) 32	11.20 (1594) 84	10.85 (1616) 39	11.00 (1629) 23	11.05 (1627) 18
NOV 00	10.75 (967) 12	10.71 (963) 13	11.08 (977) 47	10.98 (978) 2	10.95 (980) 2	10.90 (972) 31	11.00 (978) 66	11.00 (981) 18	11.00 (1003) 26	11.05 (1005) 3
DEC 00	10.75 (802) 11	10.75 (814) 17	11.05 (824) 15	10.99 (820) 6	10.95 (821) 2	10.90 (822) 1	10.95 (820) 26	10.95 (827) 9	10.90 (833) 32	10.91 (823) 18
JAN 01	10.70 (166) 4	10.72 (177) 11	10.72 (185) 9	10.75 (185) 1	10.75 (186) 1	10.75 (187) 3	10.79 (187) 2	10.72 (192) 5	10.72 (197) 11	10.75 (199) 7
FEB 01	10.70 (188) 5	10.71 (195) 7	10.70 (197) 3	10.70 (198) 1	10.70 (198) 0	10.71 (198) 0	10.71 (198) 0	10.71 (202) 8	10.71 (206) 8	10.70 (206) 1
MAR 01	10.70 (181) 3	10.71 (182) 1	10.75 (185) 11	10.70 (185) 0	10.70 (187) 3	10.70 (187) 0	10.70 (187) 0	10.70 (189) 2	10.70 (194) 13	10.70 (194) 1
APR 01	10.60 (83) 8	10.64 (83) 3	10.65 (83) 1	10.61 (83) 0	10.61 (83) 0	10.61 (83) 0	10.61 (83) 0	10.61 (83) 4	10.61 (91) 8	10.61 (91) 0
MAY 01	10.60 (103) 6	10.64 (105) 5	10.65 (130) 25	10.61 (135) 5	10.64 (140) 5	10.64 (140) 0	10.64 (140) 2	10.63 (144) 10	10.63 (161) 23	10.60 (162) 2

**CME - CLASS IV MILK FUTURES - Dollars per cwt.**

OCT 00	11.95 (172) 6	11.92 (168) 15	12.00 (211) 85	12.00 (216) 8	11.99 (231) 23	11.75 (234) 30	11.82 (240) 22	11.74 (257) 23	11.74 (257) 0	11.74 (263) 6
NOV 00	11.88 (167) 12	11.80 (169) 4	11.90 (201) 42	11.99 (220) 19	11.94 (240) 27	11.78 (245) 14	11.80 (250) 9	11.75 (254) 5	11.70 (254) 0	11.70 (257) 6
DEC 00	11.76 (98) 23	11.75 (103) 11	11.77 (103) 0	11.77 (108) 15	11.80 (122) 33	11.70 (126) 5	11.75 (126) 3	11.70 (140) 21	11.55 (154) 14	11.50 (154) 0
JAN 01	11.50 (10) 0	11.50 (13) 4	11.45 (25) 12	11.45 (30) 5	11.48 (35) 6	11.44 (40) 7	11.44 (40) 2	11.40 (43) 3	11.40 (50) 9	11.34 (50) 0
FEB 01	11.50 (5) 0	11.50 (8) 4	11.50 (14) 7	11.50 (14) 2	11.50 (21) 8	11.50 (23) 6	11.45 (26) 6	11.40 (27) 1	11.40 (29) 2	11.40 (29) 0
MAR 01	11.51 (12) 0	11.51 (12) 0	11.51 (17) 5	11.51 (17) 2	11.50 (22) 8	11.50 (23) 4	11.45 (28) 5	11.45 (28) 0	11.45 (28) 0	11.45 (28) 0
APR 01	11.53 (12) 0	11.53 (12) 0	11.53 (12) 0	11.53 (12) 0	11.53 (15) 8	11.52 (19) 8	11.50 (20) 1	11.45 (20) 0	11.46 (20) 2	11.50 (20) 0
MAY 01	11.90 (4) 0	11.90 (6) 2	11.92 (27) 28	11.85 (42) 15	11.75 (42) 6	11.70 (42) 4	11.70 (44) 10	11.65 (44) 0	11.66 (44) 8	11.65 (44) 0
JUN 01	11.95 (25) 0	11.98 (25) 4	12.00 (26) 5	12.00 (30) 4	12.01 (31) 8	12.00 (31) 4	12.02 (31) 0	12.02 (31) 0	12.02 (31) 0	12.02 (31) 0

**CME - BUTTER FUTURES -- Cents per pound**

SEP 00	115.25 (388) 1	115.25 (386) 20	115.47 (375) 16	116.75 (352) 23	118.00 (340) 20	116.52 (339) 1	116.25 (329) 10	115.00 (326) 7	115.17 (324) 3	114.00 (312) 15
OCT 00	116.75 (344) 2	116.25 (335) 22	116.50 (333) 4	118.00 (326) 13	118.97 (322) 6	117.50 (321) 1	117.00 (317) 5	117.00 (314) 3	115.50 (312) 9	115.00 (300) 13
MAR 01	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0	110.00 (13) 0
MAY 01	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0	111.00 (6) 0
JUL 01	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0	116.50 (3) 0

**NYBOT - MILK INDEX -- Dollars per cwt.**

JUL 00	10.56 (79) 0	10.60 (79) 0								
AUG 00	10.25 (65) 0	10.00 (65) 0	10.30 (65) 0	10.25 (65) 0	10.20 (65) 0	10.20 (65) 0	10.05 (65) 0	10.10 (65) 0	10.10 (65) 0	10.10 (65) 0
SEP 00	10.45 (75) 0	10.40 (75) 0	10.60 (75) 0	10.65 (75) 0	10.55 (75) 0	10.60 (75) 0	10.75 (75) 0	10.85 (74) 1	10.85 (74) 0	10.83 (74) 0
OCT 00	10.90 (48) 0	10.80 (48) 0	11.10 (48) 0	11.05 (48) 0	11.00 (48) 0	11.00 (48) 0	11.15 (48) 0	10.95 (48) 1	11.05 (48) 0	11.08 (48) 0
NOV 00	10.95 (33) 0	10.65 (33) 0	11.05 (33) 0	10.95 (33) 0	10.95 (33) 0	10.95 (33) 0	11.00 (33) 0	11.00 (33) 0	11.00 (33) 0	11.00 (33) 0
DEC 00	10.95 (17) 0	10.90 (17) 0	11.05 (17) 0	11.00 (17) 0	10.95 (17) 0	10.95 (17) 0	10.95 (17) 0	10.95 (17) 0	10.95 (17) 0	10.95 (17) 0
JAN 01	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0	10.75 (3) 0

<sup>1/</sup> At the CME open interest for milk -- 200,000 pounds per contract. At the NYBOT open interest for milk -- 100,000 pounds per contract.

For more detailed information, you may call our automated voice system at 608-224-5088.

## INTERNATIONAL DAIRY MARKET NEWS

Information gathered August 7 - 18, 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 in Europe continues to edge lower. In most instances, milk output during the current season is running behind last year by about 1%. Lighter milk volumes during the year are only adding to the already limited dairy product availability. Most of Europe's dairy product production has been and is already fully committed through the balance of the milk production season. Producers and handlers are questioning and hopeful that they will be able to meet commitments through the end of the season. Demand from the international market remains very strong and interest is now entering the first quarter of 2001. On 11 August, an eighth EU export subsidy reduction since October occurred on skim (-9%) and whole milk (-5%) powders. This adjustment is having limited early impact on sales out of Europe due to limited stock availability. Cheese production is strong with domestic and international buying interest quite active. Butter markets are steady to slightly firmer. PSA has now come to a close for butter. Butter that entered PSA programs early (165 days ago) is now able to come out, although not too much was offered at that time. Butter handlers feel that it will be another 45 - 60 days before any significant volumes will become available.

**BUTTER/BUTTEROIL:** Butter and butteroil markets are steady to firm although prices are generally unchanged. Stocks of butter are sufficient to maintain ongoing domestic demand. PSA has now closed and the early offerings (March 2000) are now available for the market. Although 165 days have passed, there is very little available for release. In March the offerings were very light, thus very little is available yet. Traders and handlers feel that it will be another 6 - 8 weeks before significant volumes become available. International buying interest remains light and unaggressive. Domestic demand continues to clear stocks at this time. It is early, although some conversation is starting to develop pertaining to Russian butter needs during the upcoming winter.

82% BUTTERFAT: 1,300 - 1,500  
99% BUTTERFAT: 1,425 - 1,600

**SKIM MILK POWDER (SMP):** Skim milk powder markets remain firm, although prices are basically unchanged. On 11 August, the EU lowered the skim milk powder subsidy by about 9%. This was the eighth adjustment since last October. Although this will have the potential to increase European offering prices, the adjustment is having little impact at this time. Most of Eastern and Western Europe's skim milk powder has been previously committed, thus there is very little available for spot sale. Traders are still hopeful that there will be some end of season uncommitted powder available for sale, although many feel that this will not be the case. International buying interest remains strong and it is reported that a significant sale has occurred out of the U.S. destined for Northern Africa.

1.25% BUTTERFAT: 2,100 - 2,250

**WHOLE MILK POWDER (WMP):** Whole milk powder markets are generally steady at unchanged prices. Most of the lack of market activity is due to the limited volumes of powder available in Europe. As has been reported all production season, much of the current year's output has been and continues to be fully committed. Also lighter than usual buyer interest is surfacing for whole milk powder versus skim powder.

26% BUTTERFAT: 2,000 - 2,100

**SWEET WHEY POWDER:** Whey markets are generally steady. Cheese production in Europe is quite active, thus generating a significant volume of whey. Whey demand is not overly aggressive. International demand is light. Stocks of powder are sufficient should buyer interest develop, although recent buyer interest has had difficulty acknowledging Europe's higher than desired asking prices. August is typically a month of slower sales activity and this year is no different.

NONHYGROSCOPIC: 500 - 625

**OCEANIA**

**OVERVIEW:** The new milk production season is slowly developing in Australia and New Zealand. Early season conditions have been conducive to good milk production in New Zealand. Production in the Northern Island is underway and preliminary results are higher. Most early estimates expect higher milk receipts this season, but firm numbers are few. Additional cows are freshening in the Southern Island, but little milk is being picked up from farms yet. Manufacturing schedules are still light for plants in operation. In Australia, the early season conditions are good. There is concern that fairly low reservoir water levels in Victoria, the main milk producing region, may impact milk production if irrigation levels get cut later in the season. International dairy demand is generally improved from last season, with interest particularly strong for skim milk as alternative sources are limited. The EU cut its export subsidies on dry skim and whole milk late last week which could add some additional strength and/or stability to these markets.

**BUTTER:** The butter market is steady to firm with prices higher. Butteroil interest is fairly quiet. Early season production is light as milk volumes entering the plants increase slowly. New season offerings are minimal though contracts are being made for delivery later.

82% BUTTERFAT: 1,170 - 1,300

**CHEDDAR CHEESE:** The cheese market is fully steady. Early season cheese production is very light and inventories for spot sales are still limited. Most activity is occurring for delivery later in the season after milk production increases.

39% MAXIMUM MOISTURE: 1,820 - 1,925

**WHOLE MILK POWDER (WMP):** The whole milk market is steady to firm, but not nearly as firm as skim milk. The EU cut its export subsidy on dry whole milk late last week. Early season production and offerings are limited. Most activity centers on commitments for later season production and delivery.

26% BUTTERFAT: 1,970 - 2,050

**SKIM MILK POWDER (SMP):** The skim milk market is firm. Prices are sharply higher. International interest is mostly good for any available supplies. Alternative sources are limited and this is adding strength to the market. The EU again cut its export subsidy on dry skim milk late last week. Most activity centers on making commitments for delivery later after milk and powder production build seasonally.

1.25% BUTTERFAT: 1,970 - 2,300

Exchange rates for selected foreign currencies: AUGUST 14, 2000

.4110 Dutch Guilder	.4630 German Mark
.1381 French Franc	.4521 New Zealand Dollar
.1079 Mexican Peso	.5820 Australian Dollar
1.5047 British Pound	.0091 Japanese Yen
.2296 Polish Zloty	.9507 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.1079) = 9.2678  
That is 1 US Dollar equals 9.2678 Mexican Pesos.

Source: "Wall Street Journal"

**OVERVIEW: EASTERN EUROPE:** Milk production in Eastern Europe continues to decline seasonally. Milk output in Poland is reported to be trailing last season with production levels in other Eastern European countries unclear. Stocks of manufactured dairy products are lighter than desired by many producers and handlers. Lower milk output and strong demand is keeping dairy products in close balance to short of full needs. In many instances, stocks are sufficient to maintain ongoing domestic buyer needs, with international availability limited. Traders do not anticipate the situation to improve until next production season at the earliest.

MILK SUPPLY AND DEMAND ESTIMATES\*

Milk production is reduced slightly in 1999/2000 but increased in 2000/01. Low feed prices are expected to encourage continued expansion in the cow herd through 2000. However, this increase is being partly offset by slower-than-expected growth in milk production per cow. Product prices are forecast to remain weak through most of the period. As a result, the forecasts for Class III, Class IV, and all milk prices have been reduced from last month. With increased milk production in 2000/01, CCC removals of nonfat dry milk are increased to reflect the large offers to the CCC through the end of the price support program in December 2000.

Item	1998/99 1/	1999/00 Projection 1/		2000/01 Projection 1/		
		July	August	July	August	
<b>BILLION POUNDS</b>						
SUPPLY						
BEGINNING COMMERCIAL STOCKS 2/	5.8	7.4	7.4	7.3	7.5	
PRODUCTION	161.2	167.1	167.0	167.0	167.6	
FARM USE	1.4	1.3	1.3	1.3	1.3	
MARKETINGS	159.8	165.8	165.6	165.7	166.3	
IMPORTS 2/	4.8	4.1	4.4	4.0	3.9	
TOTAL COMMERCIAL SUPPLY 2/	170.4	177.3	177.4	177.0	177.6	
USE						
COMMERCIAL USE 2/ 3/	162.7	169.1	169.1	169.9	170.4	
ENDING COMMERCIAL STOCKS 2/	7.4	7.3	7.5	6.8	6.8	
CCC NET REMOVALS:						
MILKFAT BASIS 4/	0.3	0.9	0.8	0.3	0.4	
SKIM SOLIDS BASIS 4/	5.4	8.6	8.6	2.6	3.0	
<b>DOLLARS PER CWT.</b>						
MILK PRICES 5/						
BASIC FORMULA/CLASS III PRICE 6/	14.04	10.00-10.20	9.85-10.05	10.55-11.55	10.10-11.10	
CLASS IV 7/	NA	11.45-11.75	11.35-11.65	10.75-11.95	10.70-11.90	
ALL MILK 8/	15.37	12.55-12.75	12.45-12.65	12.15-13.15	11.85-12.85	
<b>MILLION POUNDS</b>						
CCC PRODUCT NET REMOVALS 4/						
BUTTER	1	15	12	10	15	
CHEESE	6	15	15	6	6	
NONFAT DRY MILK	449	705	705	215	255	
DRY WHOLE MILK	12	35	35	0	0	
		<b>QUARTERLY 9/</b>			<b>ANNUAL 9/</b>	
		2000 III	2000 IV	2001 I	2000	2001
<b>BILLION POUNDS</b>						
MILK PRODUCTION	40.8	41.0	42.6	167.5	167.4	
<b>DOLLARS PER CWT.</b>						
ALL MILK PRICE 5/ 8/	12.35-12.65	12.95-13.55	11.65-12.55	12.30-12.50	12.20-13.20	
CLASS III PRICE 5/ 6/	10.15-10.45	10.65-11.25	9.95-10.85	10.00-10.20	10.60-11.60	
CLASS IV PRICE 5/ 7/	11.75-12.05	11.75-12.35	10.10-11.00	11.60-11.80	10.85-11.85	

NOTE: Totals may not add due to rounding. 1/ Marketing year beginning October 1. 2/ Milk equivalent, milkfat basis. 3/ Includes commercial exports. 4/ Includes products exported under Dairy Export Incentive Program. 5/ Projections indicate a range of the average for the quarter or year. 6/ Basic Formula Price (BFP) through December 31, 1999; Federal milk order Class III price beginning January 1, 2000. 7/ Federal milk order Class IV price. 8/ Milk of average fat test. Does not reflect any deductions from producers as authorized by legislation. 9/ Calendar year basis projection.

\* The World Agricultural Supply and Demand Estimates were approved by the Interagency Commodity Estimates Committee. The members for Dairy are: Shayle Shagam, Chairperson, WAOB; John Mengel, AMS; Authur Coffing, FAS; James Miller, ERS; and Daniel Colacicco, FSA.

SOURCE: "World Agricultural Supply and Demand Estimates," WASDE-365, World Agricultural Outlook Board, USDA, August 11, 2000.

## JULY MILK PRODUCTION

Milk production in the 20 major States during July totaled 12.2 billion pounds, 5.0 percent above production in these same States in July 1999. This increase is magnified by unusually hot temperatures during July 1999 which lowered milk production per cow. June revised production, at 12.1 billion pounds was 2.9 percent above June 1999. The June revision represented an increase of 0.1 percent or 13 million pounds from last months preliminary production estimate.

Production per cow in the 20 major States averaged 1,557 pounds for July, 59 pounds above July 1999.

The number of cows on farms in the 20 major States was 7.83 million head, up 83,000 head from July 1999 and up 24,000 from June 2000.

## JULY 2000 MILK COWS AND MILK PRODUCTION, BY STATES

STATE	MILK COWS 1/		MILK PER COW 2/		MILK PRODUCTION 2/		
	1999	2000	1999	2000	1999	2000	% CHANGE FROM 1999
	THOUSANDS		POUNDS		MILLION POUNDS		PERCENT
AZ	135	140	1,620	1,735	219	243	11.0
CA	1,467	1,527	1,715	1,825	2,516	2,787	10.8
FL	159	157	1,190	1,245	189	195	3.2
ID	322	358	1,770	1,830	570	655	14.9
IL	122	120	1,310	1,430	160	172	7.5
IN	136	151	1,325	1,450	180	219	21.7
IA	216	215	1,430	1,540	309	331	7.1
KY	132	133	985	1,000	130	133	2.3
MI	307	298	1,555	1,630	477	486	1.9
MN	545	535	1,420	1,455	774	778	0.5
MO	157	154	1,020	1,210	160	186	16.3
NM	235	252	1,690	1,730	397	436	9.8
NY	702	690	1,460	1,460	1,025	1,007	-1.8
OH	260	263	1,460	1,475	380	388	2.1
PA	614	619	1,470	1,500	903	929	2.9
TX	346	348	1,225	1,225	424	426	0.5
VT	159	160	1,440	1,465	229	234	2.2
VA	120	120	1,185	1,265	142	152	7.0
WA	249	247	1,940	1,965	483	485	0.4
WI	1,368	1,347	1,420	1,450	1,943	1,953	0.5
20 STATE TOTAL	7,751	7,834	1,498	1,557	11,610	12,195	5.0

1/ Includes dry cows. Excludes heifers not yet fresh.

2/ Excludes milk sucked by calves.

**SOURCE:** "Milk Production," Da 1-1 (8-00), Agricultural Statistics Board, National Agricultural Statistics Service, U.S. Department of Agriculture.

**USDA ANNOUNCES ADJUSTMENTS IN 2000 PURCHASE PRICES FOR MILK AND MILK PRODUCTS**

WASHINGTON, August 15, 2000 -- The U.S. Department of Agriculture announced today that Commodity Credit Corporation (CCC) purchase prices for butter, cheese, and nonfat dry milk (NDM) bought under the Dairy Price Support Program have been adjusted. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2000, extended the price support program through calendar year (CY) 2000 at the 1999 support price of \$9.90 per hundredweight (cwt) of milk with an annual average milkfat content of 3.67 percent.

The Secretary of Agriculture is permitted to change the purchase prices for butter, cheese and NDM twice during CY 2000. Using that authority, the announced purchase prices of these products were adjusted as follows in order to reflect the new pricing formulas under the reformed Federal Milk Marketing Orders: CCC will increase the price it pays for block Cheddar and barrel cheese by 2.2 cents per pound to \$1.1220 and \$1.0920 per pound, respectively. The purchase price for butter will increase by 1.8 cents per pound to \$0.6680 per pound, and the purchase price for NDM will remain at \$1.0100 per pound. These prices were effective July 31, 2000.

Further terms and conditions for purchases of dairy products will be contained in subsequent announcements.

A tabular summary of the new prices follows:

**PURCHASE PRICES FOR SURPLUS DAIRY PRODUCTS**  
(Dollars per Pound)

	Produced before 7/31/00 and <u>offered by 8/14/00</u>	Produced on or after 7/31/00 or offered after <u>8/14/00</u>
<b>PRODUCTS</b>		
<b>BUTTER</b>		
U.S. Grade A or Higher 25-kg blocks, Salted	0.6500	0.6800
<b>NONFAT DRY MILK (Spray)</b>		
U.S. Extra Grade (but not more than 3.5 % moisture):		
Nonfortified (25-kg bags) <sup>1/</sup>	1.0100	1.0100
Fortified (Vitamins A & D) (25 kg bags)	1.0200	1.0200
<b>CHEESE</b>		
Standard Moisture Basis <sup>2/</sup> 40-lb. Block Cheddar U.S. Grade A or higher (but not more than 38.5% moisture)	1.1000	1.1220
500-lb. Barrel Cheese U.S. Extra Grade (but not more than 36.5% moisture)	1.0700	1.0920

<sup>1/</sup> Nonfat dry milk in bags which are classified as "Type X" will be accepted at a discount of 0.50 cent (1/2 cent) per pound. <sup>2/</sup> The prices per pound for cheese which contains less than 37.8 percent moisture are contained in the Moisture Adjustment Cheese Price Chart (Form FSA-250).

**NOTE: Farm Service Agency (FSA) news releases and media advisories are available on the World Wide Web at FSA's Home Page: <http://www.fsa.usda.gov/pas/news/releases/index.htm>**

**JANUARY-MARCH FLUID MILK SALES HIGHLIGHTS**

During January, about 4.4 billion pounds of packaged fluid milk products were sold in Federal milk order (FMO) marketing areas and California. In February, about 4.2 billion pounds of packaged fluid milk products were sold in FMO marketing areas and California. For the month of March, there were 4.6 billion pounds of packaged fluid milk products sold in FMO marketing areas and California. These figures were 0.8, 0.1, and 1.4 percent higher, respectively, than the previous year after adjustments for changes in the FMO marketing areas due to order consolidation (see 2/ below) and calendar composition. For the January -March 2000 period, total fluid milk sales in FMO marketing areas and California were 1.1 percent higher than the same period in 1999.

**PACKAGED SALES OF INDIVIDUAL WHOLE MILK PRODUCTS AND FAT-REDUCED MILK PRODUCTS IN MARKETING AREAS DEFINED BY FEDERAL MILK ORDERS AND CALIFORNIA, JANUARY 2000, FEBRUARY 2000, AND MARCH 2000, WITH COMPARISONS 1/**

Product	January Sales	Change from previous year <u>2/</u>	February Sales	Change from previous year <u>2/</u>	March Sales	Change from previous year <u>2/</u>	Year to Date Sales	Change from previous year <u>2/</u>
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole Milk <u>3/</u>	1,571	4.2	1,496	3.8	1,617	3.7	4,684	3.9
Reduced Fat Milk (2%)	1,379	-1.3	1,308	-0.3	1,429	0.5	4,116	-0.4
Low Fat Milk (1%) <u>4/</u>	733	5.9	713	5.6	766	5.6	2,213	5.7
Fat-Free Milk (Skim)	691	-6.4	659	-5.8	713	-5.5	2,062	-5.9
Buttermilk	49	4.0	49	5.0	54	6.1	152	5.1
Total Fluid Milk Products <u>5/</u>	4,433	0.8	4,230	1.0	4,588	1.4	13,251	1.1

1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, and represent approximately 93 percent of total fluid milk sales in the United States. January data are slightly revised. 2/ Data for 1999 have been estimated based on the change in population within Federal milk order marketing areas that has occurred as a result of the new consolidated marketing areas that came into effect in January 2000. Percent changes are based on this estimated 1999 data. Percent changes also have been adjusted for calendar composition, including the extra day in February 2000. 3/ Includes flavored whole milk. 4/ Includes flavored fat-reduced milk. 5/ Includes miscellaneous products.

**SOURCE: Monthly summaries of Federal Milk Order Market Statistics, AMS, USDA, and California Dairy Information Bulletin, California Agricultural Statistics Service and Milk Stabilization Branch.**

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF AUGUST 14 - 18, 2000			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/99	SAME PERIOD LAST YEAR	PERIOD ENDING 08/11/00	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	1,162,919	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	5,583,600	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	6,746,519	-0-	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfortified	6,214,628	-0-	6,214,628	432,798,246	175,003,615	-0-	-0-
Fortified	620,552	-0-	620,552	10,587,017	2,102,165	-0-	-0-
<b>TOTAL</b>	6,835,180	-0-	6,835,180	443,385,263	177,105,780	-0-	-0-

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

	MILKFAT* BASIS	SKIM** SOLIDS	MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF AUGUST 14 - 18, 2000 =	1.5	79.6	COMPARABLE WEEK IN 1999 =	0.3
CUMULATIVE SINCE OCTOBER 1, 1999 =	156.8	5,227.8	CUMULATIVE SAME PERIOD LAST YEAR =	39.0
CUMULATIVE JANUARY 1 - AUGUST 18, 2000 =	148.6	4,634.7	COMPARABLE CALENDAR YEAR 1999 =	38.9

\* 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 WEEK OF AUGUST 14 - 18, 2000 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	6,214,628	620,552
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-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
MIDWEST	-0-	-0-	6,665,991	-0-	45,064,658	15,434,971	44.7	8.7
WEST	-0-	-0-	80,528	-0-	393,380,345	161,670,809	54.6	91.3
EAST	-0-	-0-	-0-	-0-	4,940,260	-0-	0.7	0.0
<b>TOTAL</b>	-0-	-0-	6,746,519	-0-	443,385,263	177,105,780	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JULY 31, 2000

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

DOLLARS PER POUND

BUTTER: Bulk \$.6680; 1# Prints \$.6980

CHEESE: 40 & 60# Blocks \$1.1220; 500# Barrel \$1.0920; Process American 5# \$1.1745; Process American 2# \$1.2145

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 07/29/00 & 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	5.5	4.9	18.6	2.3	0.9	0.8	9.1	2.8	45.9	1,532.8	49.9	48.8
1999-Dairy cows HD (000)	0.2	1.0	6.6	5.0	16.7	2.3	2.9	0.6	8.8	2.5	46.6	1,492.2	48.9	45.8
2000-All cows HD (000)	0.2	1.1	7.4	13.2	26.1	12.2	11.5	3.4	11.9	5.0	92.0	3,142.7		
1999-All cows HD (000)	0.2	1.2	9.0	12.7	22.9	12.6	15.4	3.3	11.6	6.4	95.2	3,251.9		

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.

BASIC FORMULA PRICE (BFP) (3.5% BF, \$/CWT, FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63

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	12.46	11.95	11.84			
Class II	11.43	11.51	11.71	12.10	12.63	13.08	12.58					
Class III	10.05	9.54	9.54	9.41	9.37	9.46	10.66					
Class IV	10.73	10.80	11.00	11.38	11.91	12.38	11.87					

1/ Specific order differentials to be added to this base price are located at: [www.ams.usda.gov/dairy/fmor\\_announce.htm](http://www.ams.usda.gov/dairy/fmor_announce.htm)