

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (11/17):

BUTTER: Grade AA closed at \$1.7950. The weekly average for Grade AA is \$1.7950 (+.2142).

CHEESE: Barrels closed at \$1.0600 and blocks at \$1.1200. The weekly average for barrels is \$1.0340 (+.0300) and blocks, \$1.1020 (+.0940).

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 remain firm. Demand for butter is surpassing current production, thus inventoried stocks are being used to supplement orders. Churning schedules across the country are lighter than desired. Cream supplies are tight. Churns are taking any available cream if they consider the price reasonable. Retail orders are strong as the Thanksgiving holiday nears. Retailers indicate that feature activity, which has been active all fall, will continue into next week, although some scheduled features are being canceled due to higher prices. Food service orders are also excellent in anticipation of a strong finish to the fourth quarter.

CHEESE: The cheese market is firmer, but with a cautious undertone. Cash cheese prices at the Chicago Mercantile Exchange moved both higher and closer to the CCC purchase prices for blocks and barrels. During the week of November 13 - 17, CCC purchased 233,938 pounds of Western barrels under the price support program, the first Western barrels purchased since June 1997. CCC also purchased 198,000 pounds of Midwestern process. Milk supplies are tight in many locations east of the Rockies and some cheese plant operators are balancing milk supplies and cheese orders by selling milk.

FLUID MILK: Milk production across the U.S. is lighter than some handlers desire. The upcoming Thanksgiving holiday is already impacting milk demand. Bottling schedules will be adjusting during the upcoming weekend with schools recessing by midweek and retail demand improving. In the Northeast, milk supplies are reported as tight throughout the region. Increased orders from bottlers have further reduced the already light volumes of surplus milk available to manufacturing plants. Milk supplies in the Southeast are also not fully sufficient within the region, thus imports continue. Milk output in the Midwestern part of the country is lighter and milk volumes are tight. In the West and Southwest, milk volumes are reported to be fluctuating at seasonally low levels. In areas of California and Arizona, milk output is lower than last year at this time, but higher in others. Weather conditions are causing no milk production problems in the Pacific Northwest, but financial stress at the producer level is a growing concern. Winter weather in northern Utah and southern Idaho is reducing milk receipts at many locations. The problem is being further compounded by herd dispersals related to extreme financial stress. The fluid cream market is firm. Cream supplies are tight, and in most instances, lighter than most producers desire. Cream demand remains good and, despite butter prices more than 50 cents higher than a week ago, pricing multiples remain firm.

DRY PRODUCTS: In most instances, dry dairy product markets are steady to firm. Tight milk supplies in many areas of the country are limiting manufacturing schedules. Nonfat dry milk markets vary, depending what part of the country you are from. In the East and Midwest, production is limited and when needed, they are securing stocks from Western producers. Surplus Western production continues to clear to CCC. Buttermilk powder markets are steady to firm. Limited volumes of buttermilk powder are available for spot sale, but for the most part, stocks are tight. Whey markets are also firm. Decreases in the milk supply along with milk diversions away from cheese are decreasing the amount of dry whey produced.

CCC: During the week of November 13 - 17, CCC net purchases totaled 7,300,409 pounds of nonfortified NDM, all from the West. Fortified purchases of 770,950 pounds were also sourced from the West. Net purchases of process cheese totaled 198,000 pounds from the Midwest with 233,938 pounds of barrel cheese offered from the West.

FEDERAL MILK ORDER ADVANCE PRICES HIGHLIGHTS (DAIRY PROGRAMS): Under the federal milk order pricing system, the base price for Class I milk for December 2000 is \$12.13. This price is derived from the advanced Class IV skim milk pricing factor of \$7.75 and the advanced butterfat pricing factor of \$1.3283 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 December is \$8.45 and the Class II nonfat solids price is \$0.9389 per pound. The following are the two-week product price averages: butter \$1.2032, nonfat dry milk \$1.0157, cheese \$1.0259, and dry whey \$0.1881.

OCTOBER MILK PRODUCTION (NASS): Milk production in the 20 major states during October totaled 11.9 billion pounds, up 2.9% from production in these same states in October 1999. Production per cow averaged 1,514 pounds for October, 23 pounds (1.5%) above a year ago. The number of cows on farms was 7.85 million head, 105,000 head (1.4%) more than October 1999 and 2,000 head more than September 2000.

MILK SUPPLY AND DEMAND ESTIMATES (NASS): The 2000/01 forecasts for milk production and the all milk price are increased due to the continuation of the dairy price support program. Both cow numbers and milk per cow are projected higher than last month. Milk production is forecast to exceed 1999/2000 levels in each quarter. The support program also will increase CCC net removals of nonfat dry milk in calendar year 2001. Recent low cheese prices are expected to encourage processors to offer cheese to the CCC. Class III prices are lowered due to weakness in cheese prices. However, continuation of CCC buying to support the price of NDM will boost Class IV prices above last month's forecast.

SEPTEMBER FLUID MILK SALES (AMS & CDF): During September, about 4.4 billion pounds of packaged fluid milk products were sold in Federal milk order (FMO) marketing areas and California. This was 0.9% lower than September 1999. Total fluid milk sales for the January - September 2000 period were 0.7% lower than the same period last year.

****SPECIALS THIS ISSUE****

THE CHICAGO MERCANTILE EXCHANGE WILL BE CLOSED ON NOVEMBER 23 AND 24 FOR THE HOLIDAY OBSERVANCE

OCTOBER MILK PRODUCTION (PAGE 7)
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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 NOVEMBER 13	TUESDAY NOVEMBER 14	WEDNESDAY NOVEMBER 15	THURSDAY NOVEMBER 16	FRIDAY NOVEMBER 17	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.0200 (N.C.)	\$1.0200 (N.C.)	\$1.0300 (+.0100)	\$1.0400 (+.0100)	\$1.0600 (+.0200)	+.0400	\$1.0340 (+.0300)
40# BLOCKS	\$1.0900 (+.0300)	\$1.1000 (+.0100)	\$1.1000 (N.C.)	\$1.1000 (N.C.)	\$1.1200 (+.0200)	+.0600	\$1.1020 (+.0940)
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	\$1.7950 (N.C.)	----	\$1.7950 (N.C.)	----	\$1.7950 (N.C.)	N.C.	\$1.7950 (+.2142)

*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, NOVEMBER 13, 2000

CHEESE -- SALES: 3 CARS BARRELS: 2 @ \$1.0300, 1 @ \$1.0200; 4 CARS 40# BLOCKS: 3 @ \$1.0900, 1 @ \$1.0950; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS BARRELS: 1 @ \$1.0225, 1 @ \$1.0250, 1 @ \$1.0275, 1 @ \$1.0300, 1 @ \$1.0400; 4 CARS 40# BLOCKS: 1 @ \$1.0900, 1 @ \$1.0925, 1 @ \$1.0950, 1 @ \$1.1000
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: 4 CARS GRADE AA: 2 @ \$1.7950, 2 @ \$1.7900; OFFERS UNCOVERED: NONE

TUESDAY, NOVEMBER 14, 2000

CHEESE -- SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1000, 1 @ \$1.1050, 2 @ \$1.1000; BIDS UNFILLED: 1 CAR BARRELS @ \$1.0200; OFFERS UNCOVERED: 2 CARS 40# BLOCKS: 1 @ \$1.1050, 1 @ \$1.1100
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, NOVEMBER 15, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 4 CARS BARRELS: 1 @ \$1.0300, 3 @ \$1.0200; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.0700; 5 CARS 40# BLOCKS: 1 @ \$1.1300, 1 @ \$1.1350, 1 @ \$1.1400, 1 @ \$1.1450, 1 @ \$1.1500
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: 3 CARS GRADE AA: 2 @ \$1.5500, 1 @ \$1.3500; OFFERS UNCOVERED: 1 CAR GRADE AA @ \$1.9000

THURSDAY, NOVEMBER 16, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.0400, 2 @ \$1.0300; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.1300
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, NOVEMBER 17, 2000

CHEESE -- SALES: 2 CARS BARRELS: 1 @ \$1.0700, 1 @ \$1.0600; BIDS UNFILLED: 1 CAR BARRELS @ \$1.0425; 4 CARS 40# BLOCKS: 1 @ \$1.1200, 3 @ \$1.1000; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ \$1.0650, 1 @ \$1.0675, 1 @ \$1.0700; 1 CAR 40# BLOCKS @ \$1.1500
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: 1 CAR GRADE AA @ \$1.2500; OFFERS UNCOVERED: NONE

BUTTER MARKETS

NORTHEAST

The market tone is firm. The bulk butter price at the CME, was unchanged in Monday's (11/13) trading after increasing nearly 58 cents during the Wednesday and Friday trading sessions last week. Eastern contacts speculate that these prices won't last too long, but will certainly have a large impact while they are this high. In the East, churning activity is lighter as cream supplies remain tight. Fresh butter supplies are often short of needs (the basic premise behind the CME butter price jump), but frozen stocks are readily available. However, most users/printers need bulk they can use now and do not want to wait the time it takes to temper frozen butter. Eastern printers are filling a larger portion of their print orders via microfixing. Food service orders are improving as restaurants are preparing for Thanksgiving and post-Thanksgiving needs. Retail sales are improving and following fairly normal patterns for the week before Thanksgiving. Sales of bulk butter, f.o.b. East, are reported in a range of 2.5 - 6 cents over the CME price/average.

CENTRAL

Butter markets and prices remain firm. Producers and handlers indicate butter stocks are tight. Demand for fresh butter continues to outpace production thus inventories continue to decline. Demand for butter remains seasonally strong. Thanksgiving orders have been placed, shipped, and for the most part ready for holiday. Some producers are indicating that they will be filling orders right up to the Thanksgiving holiday due to lighter than anticipated churning schedules. Retailers indicate that feature activity, which has been active all fall, will continue into next week, although some scheduled features are being pulled due to higher

prices. The recent increase in the butter price at the CME was a surprise to many producers and handlers, but with declining butter stocks and lighter than desired churning schedules, they feel that current firm prices could extend into early December. Most producers and handlers did not anticipate prices to firm as they have. Limited cream offerings are quickly absorbed at sharply higher prices by butter producers. Many Midwestern buyers continue to look for additional butter stocks. Very limited volumes of bulk butter are reported for sale, but when available, 3 - 5 cents a pound above various pricing bases is the going price in the Midwest.

WEST

Western contacts are certainly curious about how long the strength in the CME butter markets will last. The magnitude of the increase surprised most Western people contacted. Demand for prints for the retail trade is excellent. The majority of butter is in stores or in a very short pipeline to get to stores for the holiday next week. Manufacturers are concerned whether they can meet all their commitments. Food service orders are also excellent in anticipation of a strong finish to the fourth quarter. Bulk supplies continue to be short of full trade needs. More cream is going into holiday related high fat products. Churns are taking any cream available if they consider the price reasonable. Weekly CME butter stocks declined another 6.0 million pounds this past week down to 23.1 million pounds. This is the third consecutive week that butter stocks have trailed 1999. Stocks in the last five weeks have declined 27.75 million pounds compared to 18.89 million pounds last year for the same period. Current prices for bulk butter nominally range from 2 cents under to flat 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			
NOVEMBER 11	1.0222	0.9875	1.0175	1.2942	0.1882
	5,609,019	5,434,035	16,689,242	2,763,477	6,255,183

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 fractionally higher on process items, unchanged on the balance. Cheese output in the East is light as more producers cut back on operating schedules due to the tight supply of milk. In fact, some plant contacts report getting calls from Class I users looking for more milk. A few operations continue to run daily, but many plants are making cheese only 3-5 days a week. Contacts are hoping for some extra milk to become available during the Thanksgiving week, but most don't expect to see it. Cheese demand is fair on cheddar, but improved movement into holiday gift pack items is occurring. Mozzarella sales have been very good and the lower production is making it difficult for some operations to meet all the orders. Food service orders are improving as restaurants prepare for the next week's holiday and the beginning of the Christmas shopping season. Retail sales are just fair.

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

Cheddar 10# Prints	:	1.0475-1.5150
Cheddar Single Daisies	:	1.0050-1.4650
Cheddar 40# Block	:	1.1475-1.3250
Process 5# Loaf	:	1.2125-1.3875
Process 5# Sliced	:	1.2325-1.4900
Muenster	:	1.2075-1.4150
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is steadier on natural, unsettled on barrels. Some traders question whether the current rebound in block prices is temporary during the usually stronger fall cheese sales period or indicative of an improved supply/demand situation. Some also feel the wider barrel/block spread on the Chicago Mercantile Exchange (8 cents on November 14) may shift production from barrels into blocks. More plants seem to be using higher market bases, such as today's Chicago Mercantile Exchange market or another flat base price for non-cheddar sales. Overall, moderate to good seasonal demand for most natural varieties is keeping supplies about in balance. Cheddar prices are more competitive than other varieties as supplies are more available. Process interest is steady for food service and private label, usually lighter for branded. At least a couple processors are filling in regular schedules with production for offering to CCC. Packaging and grading of cheese for offering to CCC continue while waiting for lab results. Aged cheddar interest has improved in recent weeks, but profits on loads put away earlier in the year are much below recent years. Some interest in milk for bottling and/or Class II is reducing cheese output at some plants. Cheese yields are at or near annual peak levels with milk intakes near the low end of the cycle.

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

Process American 5# Loaf	:	1.2025-1.5000
Brick And/Or Muenster 5#	:	1.4700-1.5625
Cheddar 40# Block	:	1.3725-2.1150
Monterey Jack 10#	:	1.5900-2.1150
Blue 5#	:	1.7075-2.0900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4375-2.2150
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	:	NOVEMBER 13 - 17, 2000
BARRELS*	:	\$1.0050 - 1.0300 (NOMINAL)
	:	(\$.0050) (.0150)
40# BLOCKS	:	\$1.0375 - 1.1200 (NOMINAL)
	:	(\$.0575) (.0700)

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

WEST

Western cheese prices held steady this week, but some increases are expected next week. The strength in block cheese at the CME in the last few trading sessions caught some Western cheese buyers by surprise. Shredding operations are looking for more bargain cheese at this time. Processors are trying to find some additional down graded cheese. Top quality current blocks are actually having less interest than many other types of cheese. Demand for aged cheese is improving as the calendar approaches the end of the year holidays. Returns to those operations that have stored the cheese are not as good as were anticipated. Demand for mozzarella is excellent with new interest often going unsatisfied. Sales of Swiss cheese to meet end of the year demand are excellent. Western contacts were pleased to see that some natural cheese has finally been offered to the government price support program. With the recent dramatic price strength in butter markets, operations generally continue to attempt to limit cheese production in favor of butter/powder when possible.

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

Process 5# Loaf	:	1.1525-1.4125
Cheddar 40# Block	:	1.1325-1.2725
Cheddar 10# Cuts	:	1.3125-1.5325
Monterey Jack 10#	:	1.3225-1.4825
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5400

FOREIGN

Prices and the market tone are unchanged. Imports are slowing seasonally. We are at the time, mid-November, when FAS makes a last attempt to fully allocate all quota shares before country specific quota shares turn into "global" quota shares. They issue, on a random selection basis, these global shares to interested parties. Importers (license holders) surrender licenses they cannot use prior to October 1, and FAS reallocates the unused portions in the hopes of maximizing quota usage. Current, retail demand for imported or foreign type cheese is fair to good now that we enter the holiday season.

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	: 1.3500-2.8450
Gorgonzola	:	3.2400-5.9400	: 1.9000-2.4900
Parmesan (Italy)	:	TFEWR	: 2.7650-2.7900
Romano (Italy)	:	2.1000-2.5400	: -0-
Provolone (Italy)	:	3.4400-5.5000	: 1.3575-1.6350
Romano (Cows Milk)	:	-0-	: 2.5400-4.7150
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
11/13/00	10,850	: 129,219
11/01/00	14,196	: 134,459
CHANGE	-3,346	: -5,240
% CHANGE	-24	: -4

FLUID MILK AND CREAM

E A S T

Regional Milk Market Administrators announced the following, October 2000 uniform prices: Northeast \$13.32, Mideast \$12.04, Southeast \$13.89, Florida \$15.48, and Western New York (a state order) \$13.31 at the base cities/counties in the orders. (For the Northeast, Mideast, and Western New York orders, statistical uniform prices are reported.) Milk production is at or near its annual low point in New England and parts of New York, about steady in the Middle Atlantic area and the Southeast, and increasing slowly in Florida. Fluid milk supplies are reported as tight throughout the region. Increased orders from bottlers have further reduced the already light volumes for surplus milk available to manufacturing plants. If past years are a pattern, this will do an about face early next week when schools recess and anticipated Thanksgiving needs have been filled. This week, Florida handlers imported 94 loads. This is up from 26 loads last week and 71 a year ago. There was a sharp increase in orders for bottlers late last week which accounts for the jump in imports. Handlers in other Southeastern states imported 50 loads this week. This compares to 54 last week and 28 a year ago. Surplus milk volumes are light and most manufacturing plants are operating on reduced schedules. Most butter/powder plant contacts report limited output. Most expect some extra milk during the Thanksgiving week, but volumes should be easily cleared. The condensed skim market remains firm. Offerings from local producers are light and there is more conversation about bringing wet solids across the country. Pricewise, it is doable. Despite anticipated lower Class III milk prices in October, most Eastern suppliers are holding their prices for Class III condensed skim. The fluid cream market is very firm. Supplies are tight and demand, considering last week's price jump on butter, remains good. Spot prices are sharply higher following the nearly 60-cent jump in butter prices (38.41 cents on the weekly average) last week. Cream cheese producers are taking contracted volumes. Bottlers are taking more cream ahead of Thanksgiving needs. Ice cream output is mixed. Those operations that continue to produce are taking contracted volumes and making fewer spot purchases. Churning activity is light to 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	-	2.1183-2.2922
DELIVERED EQUIVALENT ATLANTA	-	2.1341-2.3080 M 2.1499-2.2131
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.1341-2.5310
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS		
F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	1.0700-1.1500
NORTHEAST- CLASS III - SPOT PRICES	-	.8900-1.0100

M I D W E S T

SPOT SHIPMENTS:	LOADS
NOVEMBER 10 - 16, 2000	21
PREVIOUS WEEK	24
COMPARABLE WEEK IN 1999	24

DESTINATIONS: TENNESSEE 21

Class I demand is excellent, bolstered in some markets by retail promotional activity and preparations for the upcoming holiday. Production of holiday items such as egg nog and dips are also in full swing. Class I premiums of \$2.00 up to a few loads at \$4.00 are being paid. Milk supplies are very tight in the region. Manufacturing milk demand is generally good, though some plant operators are willing to sell a few extra loads of fluid rather than make cheese. Another 21 loads of Wisconsin milk are direct shipped to Missouri along with 20 loads to Kentucky and 3 loads to Michigan and pooled under other federal orders. Some intra-regional movement is underway as well as movement to nearby states in other orders such as Minnesota milk moving into Iowa as well as Missouri, Tennessee, and Michigan milk moving to New York. Cream prices are sharply higher, reflecting recent increases in butter prices at the Chicago Mercantile Exchange cash butter market. Cream demand is good and some buyers are going not fully satisfied. Milk supplies are mixed, from right at the

bottom to starting to show signs of coming off the annual low. Milk fat and protein tests are at annual highs. October milk production in selected Midwestern states compared with October 1999 is: Wisconsin 1.913 billion pounds, up 27 million pounds (1.4%); Minnesota 761 million pounds, off 2 million pounds (-0.3%); Michigan 476 million pounds, up 22 million pounds (4.8%); and Iowa 320 million pounds, an increase of 7 million pounds (2.2%). While cow numbers compared to last October were mixed, output per cow was up in all of these states. Seasonal temperatures along with snow blanketing most of the region. Deer hunters welcome the snow as their gun seasons are either underway or soon to open.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 9 - 15	PREVIOUS YEAR
SLAUGHTER COWS	\$ 35.00- 40.00	\$ 33.00- 38.50
REPLACEMENT HEIFER CALVES	\$270.00-365.00	\$270.00-350.00

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

	NOV 9 - 15	PREVIOUS YEAR
SLAUGHTER COWS	\$ 33.00- 45.00	\$ 30.00- 43.50

W E S T

Milk production in the 20 surveyed states for October is 11.9 billion pounds, up 2.9% from October 1999. Cumulative output through October for the same number of days in both years is up 3.6%. Output in selected Western states compared to last year is as follows: Arizona down 3.0%, California up 2.8%, Idaho up 10.5%, New Mexico up 12.6%, and Washington up 1.5%. Cow numbers in these five states are up 128,000 head from a year earlier while the 20 state total overall is up only 105,000 head. Production per cow in Arizona and California remains negative. They are down 6.4% and 1.4% respectively compared to last year in October. The most common reason given is related to weather conditions that started near the end of the summer that caused some stress on the milking herds and it has not abated. The December Class 1 prices in California range from \$14.59 in the north to \$14.86 in the south. The statewide average Class 1 price based on production is \$14.64. The average is 82 cents higher than November and 89 cents higher than December 1999. Milk production levels are mixed across California. There are areas where milk production is still trending lower seasonally and even where levels are lower than a year ago. The overall trend in the state is slightly higher than last year at this time. Milk production per cow continues to be below last year. The extent of low milk prices is reaching the farm level. Added concerns are that alfalfa prices are showing slight firmness. Weather conditions have been seasonal, but are cool in the Central Valley. Precipitation has generally been limited the last few weeks. Thanksgiving orders are being placed for fluid milk. Retail sales are expected to be good in preparation for the holiday period. The offset is that schools are on vacation. Cream demand remains good and, despite butter prices more than 50 cents higher than a week ago, multiples are still being held in the 115 to 135 range with reports of more than 140 noted. The sharp increases in butter prices and low cheese prices would project additional milk going to butter/powder production. However, this may not happen to any great extent with butter prices precariously sitting at seasonal highs. While it would be pure genius to be sitting on inventories when the prices increase, it would be devastating if prices were to fall the same extent. Arizona production was noted to be down considerably last week after the effects of recent weather hit the milking herds. There remains stress on the milk cows. New Mexico milk production is off somewhat following wet and cold weather conditions last week. There are concerns that cell counts could be pushed higher due to muddy lots. The effects of lower milk prices are being noted. Comments indicate that feed costs are still decent and many producers have low feed prices locked in under contracts. Weather conditions are causing no milk production problems in the Pacific Northwest, but financial stress at the producer level is a growing concern. More sales are occurring and prices for cows are beginning to decline. Culling rates remain light. Hay prices are increasing, but quality remains good. Winter weather in northern Utah and southern Idaho is reducing milk receipts at many locations. The problem is being further compounded by herd dispersals related to extreme financial stress. Handlers are keeping weekly totals on how many producers they are losing. Many are buying milk on the outside to supplement declining producer milk

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 11/16/00 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 steady to firm market. As milk production reaches seasonal lows, Class I & Class II interest is increasing and NDM production is decreasing. Some plants have again shut down their operations until fluid supplies increase. Plenty of government bagged NDM is ready and waiting for pick up in some plant warehouses. Demand is fair to good, best into blending facilities. High heat interest is strong and production is light. Inventories are generally short of spot buyer needs on high heat and Grade A product.

Includes EXTRA GRADE and GRADE A, low and medium heat
 NONFAT DRY MILK: 1.0100 - 1.0500 MOSTLY: 1.0200 - 1.0300

DRY BUTTERMILK - CENTRAL

Prices are higher on a firm market. Supply increases anticipated around the Thanksgiving holiday are not appearing. While some plants have a few extra loads to sell, most manufacturer supplies are tight. Production is generally to fulfill current contractual commitments as condensed continues to clear well into ice cream facilities. Supplies are not anticipated to loosen for at least 2 weeks when more school milk becomes available. Some buyers are looking to coastal regions for spot loads and finding supplies difficult to find. Less than trucklot loads continue to clear at premiums.

BUTTERMILK: 1.0050 - 1.0450

DRY WHEY - CENTRAL

Prices are higher on a firm market. Decreases in the milk supply along with milk diversions away from cheese are decreasing the amount of dry whey produced. Inventories are in balance to tight with some plants gaining substantial premiums on spot loads. Demand is fair to good. Most interest is emanating from resellers and food operations. Feed buyers are becoming somewhat reluctant to pay the higher prices as the market is expected to weaken as holiday milk supplies appear. On the other hand, some producers do not anticipate holiday milk increases to directly compensate for current whey market shortages. Low cheese prices continue to encourage milk to be diverted away from cheese vats. Off grade production is light for the fair demand.

NONHYGROSCOPIC: .1950 - .2300 MOSTLY: .1950 - .2050

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher on a steady to firm market. Production of animal feed whey items is unchanged to somewhat lower due to decreases in cheese production. Milk replacer and roller ground markets adjusted to changes in the Extra Grade market. Milk replacer supplies are somewhat tight with roller ground inventories mostly in balance with current demand. Delactose production is unchanged with some plants unable to meet extra interest from spot markets. Demand is steady into feed facilities and strong into food operations for holiday process cheese production. Hog markets are trading higher while the North Central veal market is trending steady to weak.

MILK REPLACER: .1550 - .1675
 ROLLER GROUND: .1775 - .2000
 DELACTOSE (Min. 20% protein): .3750 - .4000

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a mostly steady market. Domestic and export inquiries are increasing as the first quarter nears. Offers are generally higher for the first quarter. A few finalized negotiations settled at the average, a half, and one cent higher. Buyers are often hesitant to contract and prefer to wait and see where the market lies at the end of the year. Trading is best on the higher mesh sizes with the 30-100 mesh sizes adequately clearing into feed, baking and confectionary plants. Off grade product is in light supply and therefore less of a competitive substitute in purchasing lactose for feed facilities.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
 EDIBLE: .1550 - .2100 MOSTLY: .1600 - .1700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged on a generally steady market. Demand is improved compared to last week. Some veal facilities continue to operate hand to mouth while others are purchasing seasonal spot loads. Supplies are in balance to somewhat short of current interest. Exports to Mexico are mixed while movement into Canada and Asia remain unchanged. Some Canadian supplies are moving into the US at a premium. Condensed demand is strong into feed, process cheese and high protein facilities. Nutraceutical and sports nutrition companies are increasingly requesting specialized high protein product for specific end uses. Production is unchanged to somewhat lower due to decreases in cheese production. Off grade product is in light supply for the good demand.

EXTRA GRADE 34% PROTEIN: .7225 - .7625 MOSTLY: .7275 - .7375

NONFAT DRY MILK - WEST

Prices are holding mostly steady for low/medium heat powder. Spot trades are being noted as light. There continues to be heavy weekly offerings to the CCC to clear surplus powder. Processors want to keep powder inventories clear to avoid having stocks in case a support price tilt was to be enacted. Spot trades are generally limited. There are few reports of renewed interest in NDM, but both NDM and condensed skim continue to be used in cheese production. High heat prices are unchanged in a very limited market. Seasonal demand is fair and best described as mixed. However, demand is varied among suppliers with comments from several that interest is slow. For the week of November 6 - 10, net CCC purchases totaled 8.4 million pounds of nonfortified NDM from the West and Midwest and 0.3 million pounds of fortified NDM from the West.

Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: 1.0000 - 1.0200 MOSTLY: 1.0000 - 1.0150
 HIGH HEAT: 1.0300 - 1.0750

DRY BUTTERMILK - WEST

Market conditions and pricing levels have changed very little for dry buttermilk in the region. Spot offerings remain light despite general seasonal increases in butter production in the region. Little of the extra production is subsequently showing up as dry buttermilk on the spot market. Contracted volumes are still being delayed in filling. There remains frustration among buyers due to the lack of dry buttermilk on the market. Producers' stocks are light.

BUTTERMILK: .9500 - .9900 MOSTLY: .9500 - .9700

DRY WHEY - WEST

Both range and mostly prices are showing some strength. Stocks are in much closer balance with some manufacturers sold out for a few weeks. Those that do have some extra powder on hand are not aggressively marketing it at this time. The current strength is due to a number of factors including: less cheese production, tightness in Eastern and Central markets, and improving demand for powder. Export interest is about steady. There appears to be a firming undertone to the market.

NONHYGROSCOPIC: .1725 - .2100 MOSTLY: .1850 - .1975

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
November 10	\$1.0118	13,744,624
November 3	\$1.0118	11,665,456

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 generally unchanged and nominal. Few spot sales are being reported by producers and buyers. There is quite a bit of activity being reported, but most often in the form of resales. Traders are often forced to purchase from other resellers in order to obtain product to fill their commitments. Most, if not all, Eastern producers have little or no powder on hand. Some producers are purchasing Western NDM to supplement their own production. Drying continues to be very light. The continued very good demand for condensed skim along with this week's improved demand for milk leaves very little skim to be dried. Bottlers have stepped up their schedules to meet anticipated Thanksgiving needs and this is pulling more milk away from manufacturing plants. Demand for dry skim is steady.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0500 - 1.0800 MOSTLY: 1.0600 - 1.0650
 HIGH HEAT: 1.1000 - 1.1150 MOSTLY: 1.1100 - 1.1150

DELVD SOUTHEAST:

ALL HEATS: 1.0400 - 1.1350

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are higher and remain nominal. Few spot sales are being reported in the East. Production levels are paralleling churning activity. Local producers have little or no powder on the floor for immediate shipment and most are having some difficulty meeting contract shipping dates. Buyers are often looking to other regions for dry buttermilk where they also find limited availability. Resale sales are common at prices near or slightly above current ranges.

F.O.B. NORTHEAST: .9800 - 1.0000
 DELVD SOUTHEAST: 1.0000 - 1.0300

DRY WHOLE MILK - NATIONAL

The market tone is steady to firmer. Prices are often higher as Western producers adjust their prices to the new, sharply higher butter prices at the CME. Eastern and Midwestern manufacturers more often adjust prices based on milk prices. Producer stocks are light and spot interest is slow to fair. Production levels are light to moderate and generally to fill contracts.

F.O.B. PRODUCING PLANT: 1.2275 - 1.4500

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH NOVEMBER 9, 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 are higher and the market tone is firm. Production in the East is light and most producers have no product to offer on the spot market. An occasional load is found, but for the most part, producers are sold out through mid to late December. Any stocks that may exist are being held with growing confidence. Market activity is brisk, but because of resales, not spot sales from producers. Most Eastern producers are barely able to meet commitments. There have been reports of contract shipping delays. Production in most plants is rarely more than 3-5 runs per week, if that much. Surplus milk volumes in the East are tight and cheese makers are being contacted by bottlers to see if they wish to sell milk rather than process it. Traders report that little dry whey is available in any region of the country. Producers and traders alike report getting calls from potential buyers they have not heard from in years. It is rare that any of these types of calls find any product. Most suppliers are barely able to take care of their regular or long-term customers. Demand is good. Animal feed quality whey is garnering more interest.

F.O.B. NORTHEAST: EXTRA GRADE .2000 - .2150
 USPH GRADE A .2025 - .2250
 DELVD SOUTHEAST: .2275 - .2650

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production is about steady but surplus milk volumes are very tight, particularly in the Eastern half of the country. Demand has been fair to good. Most Thanksgiving needs have been delivered and some replenishing of stocks is taking place.

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 at basically unchanged prices. European milk production is reported to be at seasonally low levels, thus casein orders are being filled from inventoried stocks. Often these stocks are lighter than desired and some European sources are having to renegotiate previous commitments. Oceania milk production is at peak levels, although overall casein availability is just in balance. Sources indicate that orders and shipments are being filled with minimal volumes being offered on a spot basis. Most domestic buyers anticipate that casein availability will be tight and prices will be firm well into the new year. At this time, rennet supplies are more limited than acid, although acid stocks are also tight.

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

RENNET: 2.2500 - 2.4000
 ACID: 2.3000 - 2.4500

OCTOBER MILK PRODUCTION

Milk production in the 20 major States during October totaled 11.9 billion pounds, 2.9 percent above production in these same States in October 1999. September revised production, at 11.5 billion pounds, was 2.7 percent above September 1999. The September revision represented an decrease of 0.1 percent or 15 million pounds from last month's preliminary production estimate.

Production per cow in the 20 major States averaged 1,514 pounds for October, 23 pounds above October 1999.

The number of cows on farms in the 20 major States was 7.85 million head, up 105,000 head from October 1999 and up 2,000 from September 2000.

OCTOBER 2000 MILK COWS AND MILK PRODUCTION, BY STATES

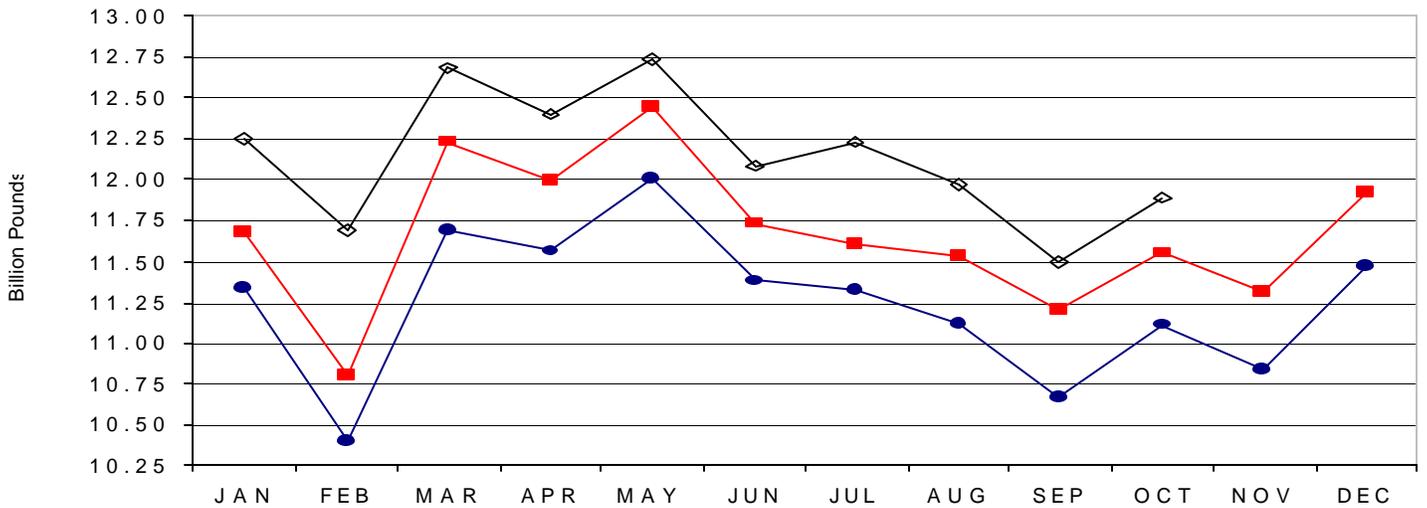
STATE	MILK COWS 1/		MILK PER COW 2/		MILK PRODUCTION 2/		
	1999	2000	1999	2000	1999	2000	% CHANGE FROM 1999
	THOUSANDS		POUNDS		MILLION POUNDS		PERCENT
AZ	135	140	1,725	1,615	233	226	-3.0
CA	1,480	1,544	1,760	1,735	2,605	2,679	2.8
FL	156	156	1,025	1,115	160	174	8.8
ID	327	357	1,750	1,770	572	632	10.5
IL	121	119	1,340	1,400	162	167	3.1
IN	135	149	1,325	1,420	179	212	18.4
IA	215	215	1,455	1,490	313	320	2.2
KY	131	131	1,015	1,060	133	139	4.5
MI	299	303	1,520	1,570	454	476	4.8
MN	545	530	1,400	1,435	763	761	-0.3
MO	158	152	1,130	1,180	179	179	---
NM	235	261	1,685	1,710	396	446	12.6
NY	700	690	1,400	1,420	980	980	---
OH	259	264	1,400	1,450	363	383	5.5
PA	617	618	1,450	1,470	895	908	1.5
TX	346	345	1,255	1,295	434	447	3.0
VT	159	158	1,390	1,425	221	225	1.8
VA	121	119	1,315	1,275	159	152	-4.4
WA	245	248	1,885	1,890	462	469	1.5
WI	1,362	1,352	1,385	1,415	1,886	1,913	1.4
20 STATE TOTAL	7,746	7,851	1,491	1,514	11,549	11,888	2.9

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

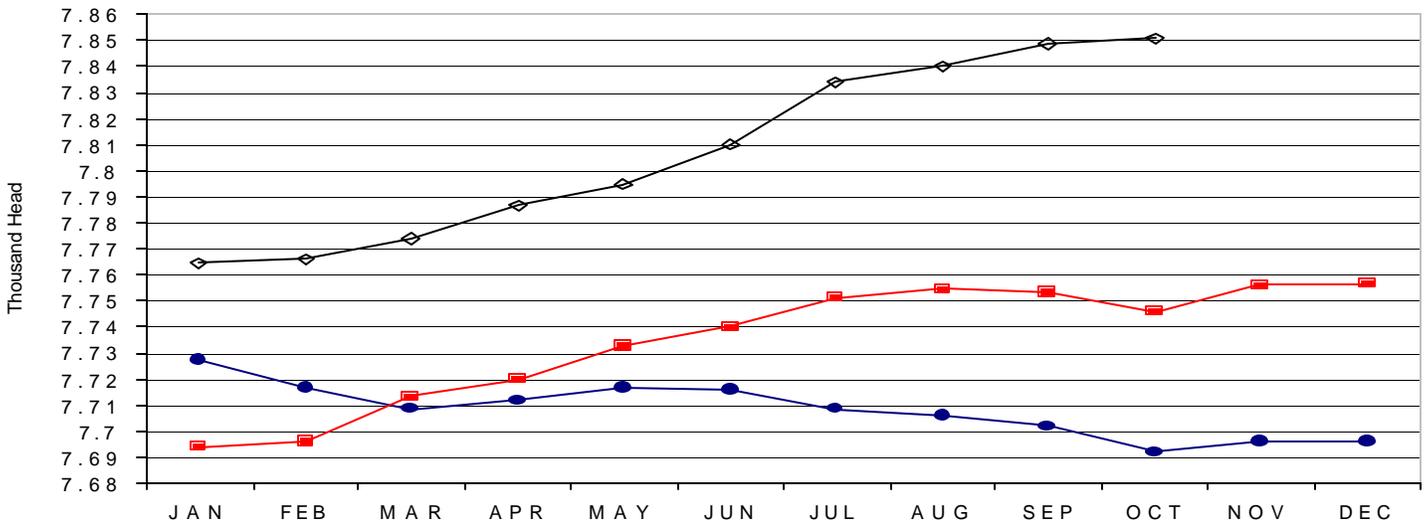
2/ Excludes milk sucked by calves.

SOURCE: "Milk Production," Da 1-1 (10-00), Agricultural Statistics Board, National Agricultural Statistics Service, U.S. Department of Agriculture.

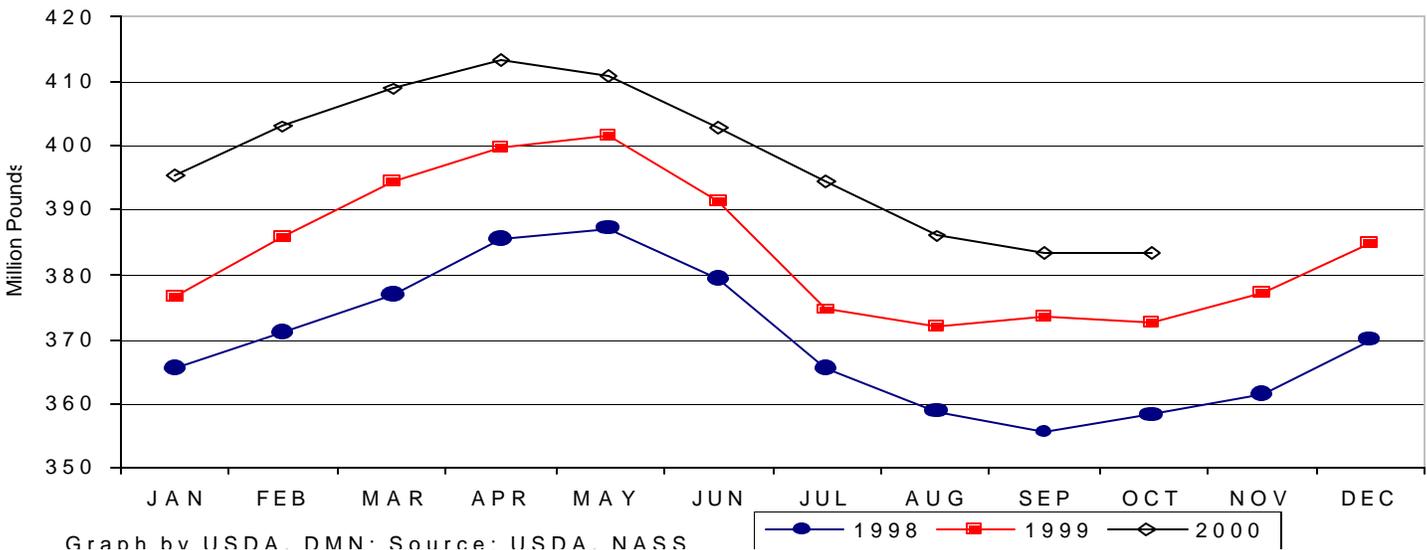
MILK PRODUCTION - 20 MAJOR STATES



MILK COW NUMBERS - 20 MAJOR STATES



Average Daily Milk Production 20 Major States



NOVEMBER MILK SUPPLY AND DEMAND ESTIMATES*

The 2000/01 forecasts for milk production and the all milk price are increased due to the continuation of the dairy price support program. Both cow numbers and milk per cow are projected higher than last month. Milk production is forecast to exceed 1999/2000 levels in each quarter. The support program also will increase CCC net removals of nonfat dry milk in calendar year 2001. Recent low cheese prices are expected to encourage processors to offer cheese to the CCC. Class III prices are lowered due to weakness in cheese prices. However, continuation of CCC buying to support the price of NDM will boost Class IV prices above last month's forecast.

Item	1998/99 1/	1999/00 Projection 1/		2000/01 Projection 1/	
		October	November	October	November
BILLION POUNDS					
SUPPLY					
BEGINNING COMMERCIAL STOCKS 2/	5.8	7.4	7.4	8.6	8.5
PRODUCTION	161.2	167.4	167.5	168.9	169.6
FARM USE	1.4	1.3	1.3	1.3	1.3
MARKETINGS	159.8	166.0	166.2	167.6	168.3
IMPORTS 2/	4.8	4.7	4.6	4.2	4.2
TOTAL COMMERCIAL SUPPLY 2/	170.5	178.1	178.3	180.4	181.0
USE					
COMMERCIAL USE 2/ 3/	162.8	168.8	168.9	172.8	173.1
ENDING COMMERCIAL STOCKS 2/	7.4	8.6	8.5	7.2	7.2
CCC NET REMOVALS:					
MILKFAT BASIS 4/	0.3	0.8	0.8	0.5	0.7
SKIM SOLIDS BASIS 4/	5.4	8.5	8.5	4.5	7.5
DOLLARS PER CWT.					
MILK PRICES 5/					
BASIC FORMULA/CLASS III PRICE 6/	14.04	9.99	9.99	9.65-10.45	9.55-10.25
CLASS IV 7/	NA	11.51	11.51	10.35-11.35	11.25-12.15
ALL MILK 8/	15.38	12.62	12.62	11.60-12.40	11.95-12.65
MILLION POUNDS					
CCC PRODUCT NET REMOVALS 4/					
BUTTER	1	11	11	12	12
CHEESE	6	17	17	10	30
NONFAT DRY MILK	449	690	690	375	615
DRY WHOLE MILK	12	34	34	3	3
		QUARTERLY 9/		ANNUAL 9/	
		2000 IV	2001 I	2001 II	2000
					2001
BILLION POUNDS					
MILK PRODUCTION	41.3	43.0	43.8	168.4	169.7
DOLLARS PER CWT.					
ALL MILK PRICE 5/ 8/	12.40-12.70	11.90-12.50	11.45-12.35	12.25-12.35	12.15-13.05
CLASS III PRICE 5/ 6/	9.45-9.75	9.50-10.10	9.35-10.25	9.75-9.85	9.95-10.85
CLASS IV PRICE 5/ 7/	11.70-12.00	11.00-11.60	10.95-11.85	11.55-11.65	11.40-12.30

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-368, World Agricultural Outlook Board, USDA, November 9, 2000.

SEPTEMBER FLUID MILK SALES

During September, about 4.4 billion pounds of packaged fluid milk products were sold in Federal milk order (FMO) marketing areas and California. This was 0.9 percent lower than September 1999. On an individual product basis, sales of whole milk and low fat (1%) milk increased from September 1999, while sales of reduced fat (2%) milk, fat-free (skim) milk, and buttermilk decreased from a year earlier. Total fluid milk sales for the January-September 2000 period were 0.7 percent lower than the same period last year. Data for 1999 have been adjusted for changes in the FMO marketing areas due to order consolidation (see 2/ below) and data for both years have been adjusted for calendar composition.

Editor’s Note: For some individual marketing areas, the data for 1999 are largely estimated due to Federal milk order consolidation. See www.ams.usda.gov/dairy/mmos.htm for this data for January-August.

PACKAGED SALES OF FLUID MILK PRODUCTS IN MARKETING AREAS DEFINED BY FEDERAL MILK ORDERS AND CALIFORNIA, SEPTEMBER 2000, WITH COMPARISONS^{1/}

Product Name/ Marketing Area (Order Number) ^{2/}	Sales		Change from: ^{3/}	
	Sep	Year to date	Previous Year	Year to Date
	Mil.lbs		Percent	
Whole Milk ^{4/}	1,539	13,760	0.9	1.3
Reduced Fat Milk (2%)	1,368	12,126	-0.8	-1.0
Low Fat Milk (1%) ^{5/}	736	6,087	1.1	3.0
Fat-Free Milk (Skim)	673	5,946	-5.3	-7.3
Buttermilk	48	439	-5.3	0.6
Total Fluid Milk Products ^{2/}	4,370	38,424	-0.9	-0.7
Northeast (001)	819	7,280	-0.8	-0.2
Appalachian (005)	300	2,672	-7.1	-2.1
Southeast (007)	422	3,688	0.9	-0.5
Florida (006)	228	2,091	0.9	0.9
Midwest (033)	557	4,932	-1.5	-1.2
Upper Midwest (030)	372	3,249	1.5	1.5
Central (032)	399	3,436	-1.1	-2.4
Southwest (126)	350	3,086	-2.1	-0.6
Ariz.-Las Vegas/Western (131/135) ^{6/}	179	1,563	1.0	-0.3
Pacific Northwest (124)	190	1,619	0.6	-1.5
California (---)	553	4,808	0.6	0.3

^{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. ^{2/} Sales by product are for all marketing areas combined. Individual marketing area data is for total fluid milk products. Total fluid milk products include plain, flavored, and miscellaneous whole milk products, plain, flavored, and miscellaneous reduced fat, low fat, and fat-free milk products, eggnog, and buttermilk. ^{3/} For all marketing areas combined, 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. For individual marketing areas, 1999 data are the simple summation of the data for the orders that were consolidated. For those orders that also include partial marketing area changes or the addition of unregulated area, the figures for the previous year were adjusted for these marketing area changes, mainly based on population. 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. ^{4/} Includes flavored whole milk. ^{5/} Includes flavored fat-reduced milk. ^{6/} The data for these markets have been combined for reporting purposes.

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 NOVEMBER 13 - 17, 2000			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	PERIOD ENDING 11/10/00	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	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	233,938	-0-	223,938	223,938	-0-	-0-	-0-
Process	198,000	-0-	198,000	950,400	-0-	-0-	-0-
TOTAL	431,938	-0-	431,938	1,184,338	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	8,622,857	1,322,448	7,300,409	52,947,922	9,900,485	-0-	-0-
Fortified	770,950	-0-	770,950	8,466,553	909,269	-0-	-0-
TOTAL	9,393,807	1,322,448	8,071,359	61,414,475	10,809,754	-0-	-0-

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

	MILKFAT* BASIS	SKIM** SOLIDS	MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF NOVEMBER 13 - 17, 2000 =	5.8	98.2	0.7	35.6
CUMULATIVE SINCE OCTOBER 1, 2000 =	24.4	726.6	2.4	125.8
CUMULATIVE JANUARY 1 - NOVEMBER 17, 2000 =	185.1	5,905.6	43.3	2,290.4
COMPARABLE WEEK IN 1999 =				
CUMULATIVE SAME PERIOD LAST YEAR =				
COMPARABLE CALENDAR YEAR 1999 =				

* 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 NOVEMBER 13 - 17, 2000 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	198,000	-0-	-0-
WEST	-0-	-0-	-0-	-0-	233,938	-0-	7,300,409	770,950
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00
MIDWEST	-0-	-0-	950,400	-0-	1,299,802	1,101,429	37.1	10.2
WEST	-0-	-0-	233,938	-0-	60,114,673	9,708,325	62.9	89.8
EAST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
TOTAL	-0-	-0-	1,184,338	-0-	61,414,475	10,809,754	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# Barrels \$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 & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 10/28/00 & Comparable Week 1999 1/2/

Regions*	U.S. TOTAL										% DAIRY OF ALL			
	1	2	3	4	5	6	7	8	9	10	WEEK : SINCE JAN 1	WEEK : SINCE JAN 1		
2000-Dairy cows HD (000)	0.2	0.9	6.2	5.3	21.8	2.4	2.4	0.7	12.1	2.8	55.0	2,187.6	46.5	48.6
1999-Dairy cows HD (000)	0.3	1.0	7.6	5.6	21.5	2.3	2.8	0.7	11.0	2.6	55.4	2,150.5	44.4	46.0
2000-All cows HD (000)	0.2	1.1	8.5	15.8	30.2	16.8	17.5	5.3	14.8	7.9	118.2	4,500.3		
1999-All cows HD (000)	0.3	1.2	10.6	15.0	30.0	19.3	20.9	4.6	14.8	8.3	124.9	4,679.6		

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	11.89	11.82	12.13
Class II	11.43	11.51	11.71	12.10	12.63	13.08	12.58	12.56	12.58	12.54		
Class III	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02		
Class IV	10.73	10.80	11.00	11.38	11.91	12.38	11.87	11.87	11.94	11.81		

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