

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

BUTTER (4/11): Grade AA closed at \$1.7100. The weekly average for Grade AA is \$1.7063 (+.0230).

CHEESE (4/12): Barrels closed at \$1.3375 and blocks at \$1.3775. The weekly average for barrels is \$1.3319 (+.0119) and blocks, \$1.3725 (+.0120).

NONFAT DRY MILK (4/12): Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

BUTTER: Butter markets are firm. The cash butter price is nearly 70 cents higher than it was last year at this time. Producers and handlers question why prices are at current levels and also where will they go during upcoming months when the cash price usually firms. Butter production is seasonally active, although churning schedules vary depending on cream availability and inventory management opinions. Many butter operations anticipate heavier cream offerings during the upcoming Easter weekend. Stocks of butter are lighter than desired and some buyers are purchasing imported butter. Easter orders are now completed and handlers anticipate future orders to be placed for short term or immediate needs only.

CHEESE: The cheese market is fully steady to firm. The current supply/demand situation is uncharacteristically tight entering the peak production period. Current cheese offerings are generally limited. Many cutters and processors built finished product inventory in order to close for a longer holiday weekend. Some extra fluid will be available to manufacturing plants over the holiday weekend, but no plant capacity problems are expected. The results of the first batch of CCC cheese purchases for July 1, 2001 to June 30, 2002 delivery are found on page 13 of this report.

FLUID MILK: Milk production is steady at peak levels in the Gulf States. Processing plants in the region are mostly full and milk is being moved out for processing. Output in the Northeast is climbing along seasonal patterns, but at levels below a year ago. Plants are receiving significantly less milk than past years. Capacity is available to process any additional surplus milk and components over the holiday weekend. Midwestern production is steady in the northern tier of states, but increasing at seasonally higher levels further south. Milk in the Southwest varies. California production was lower in the south due to adverse weather; while favorable conditions in the Central Valley helped increase receipts several percentage points. Comments are that milk per cow is still lagging a year ago. Wind and rain have also affected milk output in New Mexico and Arizona. In the Northwest and Mountain States, farm conditions are less than favorable and milk output is not responding favorably. Manufacturing plants would like more milk for processing. Cream prices are mostly steady to higher. Demand for cream is improving seasonally from ice cream producers. Fluid milk orders are often being disrupted due to school holiday sessions and spring breaks.

DRY PRODUCTS: Dry product markets are trending consistent with recent patterns. NDM prices are holding mostly steady this week. Offerings remain excessive of current demand and offerings increased to the CCC under the price support program. Additional loads are filling DEIP orders and some direct exporting of NDM is occurring from the West. Dry buttermilk prices are trending higher in a firm market. Producer offerings are lower and prices are being raised. Whey prices are higher in the Central and West regions. Supplies are limited from producers and demand remains good from both domestic and export accounts. WPC prices are holding mostly steady to lower on the top of the price range. Trading is lighter and premiums are lower compared to last week. Production levels are steady to lower as some plants are noting production problems. Lactose prices are unchanged in a firm market. Second quarter contracts are mostly finalized. Export interest is being expressed from many regions for additional supplies.

CCC: During the week of April 9 - 13, CCC net purchases totaled 13,025,394 pounds of nonfortified Western NDM.

FMD UPDATE: The European foot and mouth disease (FMD) situation continues to cause concern around the world. Buyers of agriculture products, including dairy products, are cautious and governments of importing countries remain on alert. Demand for dairy products, especially from countries identified as having FMD, has declined, although in most instances, with requested certification, dairy products continue to move.

FEBRUARY FLUID MILK SALES (USDA & CDF): During February, about 4.0 billion pounds of packaged fluid milk products were sold in Federal milk order (FMO) marketing areas and California. This was 0.3% higher than February 2000. On an individual product basis, sales of reduced fat (2%) milk, low fat (1%) milk, and fat-free (skim) milk increased from February 2000, while sales of whole milk and buttermilk decreased from a year earlier. The data for February 2000 have been adjusted for calendar composition.

APRIL MILK SUPPLY AND DEMAND ESTIMATES (WAOB,USDA): Milk production forecasts for 2000/01 are lowered this month as lower milk-per-cow data continue to indicate a decline in early-year productivity. Although productivity gains are forecast to resume later in the year, the recovery will be slower than forecast last month. Despite higher forecast milk prices, cow numbers are expected to continue declining through the year. CCC net removals of cheese are forecast lower as cheese demand remains strong. Lower milk production and strong demand for products are expected to boost milk prices. The Class III price is projected to average \$10.80 to \$11.10 per cwt. Class IV prices are raised to \$13.00 to \$13.50 per cwt. The all milk price is forecast at \$13.40 to \$13.70 per cwt.

****SPECIALS THIS ISSUE****

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**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY APRIL 9	TUESDAY APRIL 10	WEDNESDAY APRIL 11	THURSDAY APRIL 12	FRIDAY APRIL 13	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.3275 (+.0025)	\$1.3300 (+.0025)	\$1.3325 (+.0025)	\$1.3375 (+.0050)	NO	(+.0125)	\$1.3319 (+.0119)
40# BLOCKS	\$1.3700 (+.0050)	\$1.3700 (N.C.)	\$1.3725 (+.0025)	\$1.3775 (+.0050)	TRADING	(+.0125)	\$1.3725 (+.0120)
BUTTER GRADE AA	\$1.7025 (+.0125)	----	\$1.7100 (+.0075)	----	NO TRADING	(+.0200)	\$1.7063 (+.0230)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM (NOTE: The NDM daily/weekly prices are no longer reported here. Extra Grade and Grade A prices are \$1.0300. They last changed 9/1999. NDM information remains available at the above internet address.)

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 9, 2001

CHEESE — SALES: 1 CAR 40# BLOCKS @ \$1.3700; BIDS UNFILLED: 2 CARS BARRELS: 1 @ \$1.3275, 1 @ \$1.3250; 2 CARS 40# BLOCKS: 1 @ \$1.3700, 1 @ \$1.3675; OFFERS UNCOVERED: NONE
 BUTTER — SALES: 2 CARS GRADE AA: 1 @ \$1.7000, 1 @ \$1.7025; BIDS UNFILLED: 3 CARS GRADE AA: 1 @ \$1.6925, 1 @ \$1.6900, 1 @ \$1.6800; OFFERS UNCOVERED: NONE

TUESDAY, APRIL 10, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ \$1.3300; OFFERS UNCOVERED: NONE

WEDNESDAY, APRIL 11, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ \$1.3325; 2 CARS 40# BLOCKS: 1 @ \$1.3725, 1 @ \$1.3700; OFFERS UNCOVERED: NONE,
 BUTTER — SALES: NONE; BIDS UNFILLED: 6 CARS GRADE AA: 1 @ \$1.7100, 1 @ \$1.7075, 1 @ \$1.7050, 2 @ \$1.7025, 1 @ \$1.7000; OFFERS UNCOVERED: 1 CAR GRADE AA @ \$2.0000

THURSDAY, APRIL 12, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: 2 CARS BARRELS: 1 @ \$1.3375, 1 @ \$1.3300; 3 CARS 40# BLOCKS: 1 @ \$1.3775, 1 @ \$1.3750, 1 @ \$1.3725; OFFERS UNCOVERED: NONE

FRIDAY, APRIL 13, 2001

NO TRADING

Dairy Market News will resume reporting of CME nonfat dry milk sales, bids, and offers, should trading activity occur.

BUTTER MARKETS

NORTHEAST

The market tone remains unsettled, but mostly firm. The CME butter price is again moving upward after a one-day drop early last week. Some contacts are concerned that prices have continued to climb through Easter even though most all orders have been shipped. Without the expected/historical drop in prices just prior to Easter, these contacts now see the Grade AA butter price continuing to climb through the spring flush and into summer. Users and speculators are looking to build some inventory before prices move much higher, but it seems that producers are holding any extra output for their own needs. Churning activity in the East is light to moderate. Those plants that are making butter are finding less excess cream to purchase as Class II cream improves seasonally. Demand for packaged butter is a little slower now that Easter and Passover needs have been filled. Spot demand for bulk is quite good, but producers are holding stocks with growing confidence and increasing premiums. Spot sales are infrequent and often for LTL quantities which normally command higher premiums. Sales of bulk butter, f.o.b. East, are reported in a range of 3.5 – 8.0 cents over the CME price/average.

CENTRAL

The market tone remains firm as the cash price at the CME continues to increase. Many producers and handlers continue to question why prices are doing what they are at this time of the year. For many, butter stocks are not at desired levels, thus they are trying to build some inventory for use later in the summer and fall, even though prices are much higher than usual for this time of the season. Some

Midwestern butter producers are securing large volumes of surplus cream, especially during the upcoming holiday weekend. Overall butter demand has slowed this week as most Easter orders had been previously placed and shipped. Some last minute fill-in orders were reported. Producers and handlers state that butter sales over than past six weeks were good, although most feel that they would have been better if cash prices would have been lower. Retail feature activity was much lighter than previously scheduled. Food service orders remain strong this week as restaurants prepare for the Easter holiday weekend. When available for spot sale, butter is being offered in a price range of 3 – 5 cents per pound over various pricing bases.

WEST

Prices for butter generally continue to firm. Buyer interest in bulk butter for current needs and for the future continues at very strong levels. Easter orders have been filled, but most suppliers have not noticed a real slowdown. Cream sales to products other than butter are stronger. More contacts are concerned about shortages of butter going into the fall season. Some end users are currently buying butter out of US warehouses that came from New Zealand. Other butter is said to be available from Eastern Europe and South America. Supplies of butter from the Oceania region are expected to be quite tight, as they have reached the end of their seasonal production period. The butter from the other two regions comes with some perceived health risk. Both buyers and sellers expect prices to increase quite a bit further. CME weekly butter stocks increased by 270,000 pounds last week to 53.9 million pounds. Stocks lag last year by about 11 million pounds. Current prices for bulk butter nominally range from 4 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 38% MOISTURE			
APRIL 7	1.3251 5,859,782	1.2981 8,695,181	1.0151 25,308,024	1.6536 2,505,890	0.2421 12,039,877

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 higher again this week and the market tone is firm. Prices at the CME continue to spiral upward. The current weekly averages (\$1.3605 for blocks and \$1.3200 for barrels) are about twenty-seven & twenty-three cents higher than the first week of 2001, respectively. Cheese production is still lighter than expected in the Northeast where surplus milk volumes are reported as tight. Cheese stocks are fully adequate for the slow to fair demand. Distributors are moderately active making last minute deliveries to stores and restaurants. Retail sale are about fair and food service orders have slowed.

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

Cheddar 10# Prints	:	1.4050-1.8750
Cheddar Single Daisies	:	1.3625-1.8225
Cheddar 40# Block	:	1.5000-1.6825
Process 5# Loaf	:	1.5300-1.7025
Process 5# Sliced	:	1.5500-1.8050
Muenster	:	1.5650-1.7725
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is fully steady. Prices continue to move higher at the Chicago Mercantile Exchange. Current Chicago Mercantile Exchange prices are higher than comparable year ago levels going back to 1996 at the National Cheese Exchange for both blocks and barrels. Spot offerings are being held with confidence and are surprisingly limited for this close to the spring peak production period. In fact, one buyer expressed that it seems more like a seller's market than a buyer's market as spot offerings are way down. Most cutters and/or processors had been operating extra heavy in recent weeks in order to close for a longer holiday weekend. Some processors are putting away extra barrels for anticipated tightness and higher prices later in the year. Process demand is seasonally strong, for both retail and food service accounts. Mozzarella remains tight to short of needs. It seems that current production at more plants is committed for a couple weeks out. Some Swiss producers are having trouble filling orders with legal cheese due to gaps in age requirements. Current plant output generally seems to lag year ago levels, mainly due to reduced milk supply. Yields are trending lower seasonally. Many plant operators are expecting extra milk to be available over the holiday weekend. Plant field staff are aggressively seeking new as well as maintaining current milk producers.

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

Process American 5# Loaf	:	1.5400-1.6500
Brick And/Or Muenster 5#	:	1.6200-1.9550
Cheddar 40# Block	:	1.6200-2.1150
Monterey Jack 10#	:	1.8200-2.1150
Blue 5#	:	2.1000-2.2500
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6400-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0450-2.6850

MIDWEST COMMODITY CHEDDAR

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

CHEDDAR STYLES	:	APRIL 9 - 13, 2001
BARRELS*	:	\$1.3200 - 1.3475 (NOMINAL)
	:	(\$.0250) (.0150)
40# BLOCKS	:	\$1.3600 - 1.3900 (NOMINAL)
	:	(\$.0175) (.0100)

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

WEST

Both natural and process cheese prices are firm and continue to follow trading at the CME. Sales of process cheese are strong for this season of the year. Processors continue to search for barrels and processing solids for current and future needs. Demand for current blocks is generally good. Many producers are sold out into the future for a good period of time. Aged blocks are much more mixed at this time. Generally they are regarded to be on the long side, but there are some holes for specific ages. Swiss sales are good and stocks are light. Mozzarella sales remain strong, but supplies are short of needs. Contacts wonder if this market will loosen before the end of the year. Cheese production over the region is not up to expectations at many locations.

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

Process 5# Loaf	:	1.4700-1.7300
Cheddar 40# Block	:	1.4825-1.6225
Cheddar 10# Cuts	:	1.6625-1.8825
Monterey Jack 10#	:	1.6725-1.8325
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5100

FOREIGN

Prices are often higher on domestic styles. Some price changes, both higher and lower, on imported styles were noted this week. The market tone is about steady. Improved demand for the Easter/Passover holidays was noted on some specialty cheeses, but overall demand is just fair. Supplies are more than adequate to cover current demand. Imports continued to be affected by government-imposed restrictions due to FMD in some EU countries. Some say that the restrictions are confusing and non-specific.

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	1.7075-3.2025*
Gorgonzola	:	3.2400-5.9400	2.2575-2.4900*
Parmesan (Italy)	:	TFEWR	3.1225-3.1475*
Romano (Italy)	:	2.1000-2.9900*	-0-
Provolone (Italy)	:	3.4400-5.5000	1.7150-1.9425*
Romano (Cows Milk)	:	-0-	2.8975-5.0775*
Sardo Romano (Argentine)	:	2.6500-3.2900	-0-
Reggianito (Argentine)	:	2.6500-3.2900	-0-
Jarlsberg-(Brand)	:	2.7400-3.5900*	-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	:	2.3900-2.6800*	-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

	:		
04/09/01	:	22,861	: 120,788
04/01/01	:	22,050	: 121,708
CHANGE	:	811	: -920
% CHANGE	:	4	: -1

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	150	0	145	0	138
SOUTHEAST STATES	0	0	0	0	0	0

Milk production in the East ranges from steady, at the peak in some other Gulf Coast States, to increasing in the Northeast. Temperatures are rising into the 90's during the day and this is starting to take it's toll on the cows and the milk flow. This drop in milk output is being offset by a much slower bottled milk demand. Milk production in the Northeast is climbing along seasonal patterns, but still running behind year ago levels. Plant contacts report that the amount of milk going through their plants is significantly lower than the past year or two. Milk sales are also slow in most of the East. Easter needs have already been put up and many states have schools on recess for varying periods of time this week and next which is reducing the need to bottle. All of this leads to increasing volumes of surplus milk. Nearly all manufacturing plants in the Southeast are full and handlers are scrambling a bit to find homes for their milk. In the Northeast, there is plant capacity for surplus milk. Contacts report that they are getting calls from milk suppliers trying to be first in line to have an outlet for any extra milk they may have this weekend. This extra milk is welcomed at most plants, particularly butter/powder plants where NDM stock are tight. All of this notwithstanding, Eastern milk supplies are expected to be tight this summer and some suppliers are increasing their asking premiums for milk sales. The condensed skim market is not as firm this week and suppliers are having more difficulty clearing their offerings. This is pushing more solids through dryers. The fluid cream market is weaker this week, particularly at the end of the week. Increasing volumes of surplus milk are generating extra cream, but the high cost is keeping demand somewhat in check. Some suppliers are finding it more difficult to move cream and reports of heavier volumes clearing to Midwest churning facilities are increasing. Spot prices are often higher, but slightly lower multiples are offsetting the increase in the CME butter price. Ice cream production is about steady, but some plants will be down an extra day this weekend. Cream cheese output is holding about steady. Bottled cream production continues as UHT plants appear to be building a little inventory before prices move even higher. Churning activity in the East is moderate to heavier.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT	
F.O.B. PRODUCING PLANTS: NORTHEAST	- 2.1546-2.3230
DELIVERED EQUIVALENT ATLANTA	- 2.1378-2.3230 M 2.1715-2.2556
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	- 2.1715-2.3061
PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS	
F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.0900-1.1500
NORTHEAST- CLASS III - SPOT PRICES	- .8600- .9600

M I D W E S T

Class I demand is generally good, though some patches of slower institutional sales were noted where schools are on spring break. Retail promotional activity was aiding sales for others. There was not any extra milk brought in for bottling from Missouri or Arkansas this week. A number of loads of Upper Midwest milk continue to move to other federal orders for pooling purposes. Manufacturing milk demand is still good for the limited supplies. Spot manufacturing milk prices for milk delivered before the holiday weekend ranged in price from \$1.25 - 1.75 over class. Early reported spot milk prices were steady to mostly lower for the upcoming holiday weekend. Any extra fluid supplies over the weekend were expected to be handled with minimal difficulty, including some volumes for states further south. Cream prices continue to creep higher as the Chicago Mercantile Exchange average cash butter price continues to trek higher on average. Ice cream, cream cheese, and dips were seasonally active and absorbing good volumes of cream. Extra cream was being booked into churns over the holiday weekend, as many of the other users will be closed. Current milk receipts in the upper tier of Midwestern states vary little week to week, with the usual seasonal increases not as pronounced as usual. Further south in the region, plant milk receipts are showing more pronounced seasonal increases. Manufacturing schedules remain seasonally lighter than normal for this time of year. Cheese yields are drifting lower

seasonally. Plant field staff remain very active in seeking new and maintaining current milk producers due to the concern of much tighter milk supplies later in the year. Frequent heavy rains, very strong winds, and some localized flooding have stopped fieldwork for most farmers in the upper tier of states. The high winds caused many buildings to lose shingles, destroyed a few buildings, and loose debris was being blown around. Lawns, pastures, winter wheat, and alfalfa fields have been slow to green up until recent rains and warmer temperatures. The ground temperature in the upper tier of states is still too cold for germination of anything other than small grains.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APRIL 5 - 11	PREVIOUS YEAR
SLAUGHTER COWS	\$ 41.00- 47.00	\$ 38.00- 44.00
REPLACEMENT HEIFER CALVES	\$290.00-390.00	\$250.00-335.00

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

	APRIL 5 - 11	PREVIOUS YEAR
SLAUGHTER COWS	\$ 43.50- 51.50	\$ 35.00- 48.50

W E S T

Growers intend to harvest 63.8 million acres of hay in the US, up 7% from a year earlier based on a USDA survey completed March 30. Acreage intentions in Western states are generally unchanged to occasionally lower. Western states acreage intentions and percent changes are as follows: Arizona at 250,000, up 1%; California 1,540,000, up 1%; Colorado 1,550,000, up 11%; Idaho 1,410,000, up 1%; Oregon 1,050,000, down 3%; Utah 700,000, even; and Washington 760,000, down 3%. The May Class 1 prices in California range from \$15.92 in the north to \$16.19 in the south. The statewide average Class 1 price based on production is \$15.97. The average is \$0.75 higher than April and \$2.42 higher than May 2000. Milk production levels were mixed in the Southwest this week. More producers are looking at biosecurity issues at the farm level. Cooler, windy and wetter conditions in Southern California were causing milk production to be lower. Some producers were seeing lower production for a couple days before seeing milk output recover. Lots in the area are muddier than in recent weeks. In the Central Valley, milk production conditions are good and intakes are generally at a rate varying from 1 to 4% higher than last year at this time. Production per cow is often lower, but the number of cows is higher than last year. Producers continue to assess whether to cull cows or keep them for the potential new calves with the high costs of replacement animals. New hay is being made further north each week, although weather conditions have disrupted harvesting. Arizona milk production is steady to slightly higher, but still recovering from the effects of a wet and cool March. March production levels were often below a year earlier. Currently, output is nearing the seasonal peak, but contacts are unsure how high levels will go or if there will be a longer, but level, flush period. Windy and cooler temperatures affected New Mexico output this week. The high winds caused milk receipts to dip by a few percentage points. Feed prices locally are holding mostly steady and quality feeds are available. Western cream multiples are holding in the 114 to 133 FOB range and vary depending on usage. The butter price continues to increase at the CME. Cream sales to ice cream producers are increasing and butter output is sometimes lower. Cool and wet conditions are common over much of the Pacific Northwest. The moisture is very welcome, but growth of any farm crops is slow because of the cool temperatures. Pastures are becoming quite soft with the rain so that efficient grazing is becoming harder. Some corn ground has been worked, but no planting has been reported. Dairy producers are negotiating with hay growers for supplies for the new crop year. Supplies are expected to be short and prices firm. Carryover stocks from this past year will be extremely light. Producers are increasing culling rates somewhat as prices continue to firm. The problem with that strategy is that replacement heifer prices are also increasing. A major heifer sale last week had offerings that were double last month and last year and prices were still firm. Many sales were at or above \$1700. Dairy producers are unsure of the direct impact that power and water shortages will have, but they are certain that they can expect higher costs through the summer. Snow was again noted over parts of northern Utah and southern Idaho this past weekend. Any moisture is welcome at this time of the year. It may allow some hay growers to harvest a first cutting without using irrigation water. Some feedlots in the region have to deal with as much mud as they have all season at this point. Herd health issues are becoming more of a concern. Many manufacturing plants in the region are on the short side when it comes to milk supplies compared to what they had anticipated. Some plants are out recruiting new shippers.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 04/12/01 and represent FOB Central and Western production areas. Prices represent CL/TL quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged on a mostly steady market. Milk production is increasing with some locations showing substantial gains and operating heavy NDM production schedules. Stocks are generally in balance to somewhat tight yet spot loads are readily available. Demand is fair into blending and broker operations. Some buyers are importing supplies from the West coast where delivered prices are competitive with Central region FOB prices. High heat supplies are tight and production is minimal. Demand into bakery and blending plants is good. Standard grade interest is strong and supplies are tight.

Includes EXTRA GRADE and GRADE A, low and medium heat
 NONFAT DRY MILK: 1.0250 - 1.0600 MOSTLY: 1.0250 - 1.0350

DRY BUTTERMILK - CENTRAL

Prices are higher on a firm market. Limited supplies are encouraging some manufacturers to move prices higher. Condensed continues to clear well into ice cream facilities, alleviating expensive dryer cost. Some producers continue to hold excess supplies in anticipation of higher prices. Demand is good from seasoning, ice cream, blending, and bakery facilities. Speculators are finding it difficult to gage when a break or weakness in the market will occur. Reseller offers at prices slightly above the average are sometimes met with resistance. Production is mostly steady to instances lower.

BUTTERMILK: 1.0500 - 1.1200

DRY WHEY - CENTRAL

Prices are higher on a firm market. Production is steady to somewhat lower than expected for this time of year. Many manufacturers are reporting tight supplies and offering at higher prices. While some producers are reportedly behind on their orders, others can readily offer an extra load onto contracted shipments. Some feed buyers are requesting shipment delays on contracted supplies since calf and veal milk replacer demand is lower. Feed buyers are also selling excess stocks of whey on the market. Export interest is good with inquiries from Asia and Mexico. Domestic movement is steady, best into blending facilities. Condensed supplies vary. Production problems at some plants are increasing available supplies with some feed operations refusing additional loads. At other locations, plants are reporting a less than adequate supply of condensed and a decrease in solid content. Off grade supplies are tighter than the week prior for the good demand.

NONHYGROSCOPIC: .2425 - .2525 MOSTLY: .2425 - .2525

ANIMAL FEED WHEY - CENTRAL

Prices are higher on milk replacer and unchanged on roller ground and delactose. Similar to the Extra Grade market, milk replacer supplies are tight and prices are trending higher. Demand is generally good with some resale product available below the range. Roller ground production is steady with most movement occurring on a contractual basis. Delactose demand is strong into edible and feed markets. Some producers are shorting loads in an attempt to balance supplies. Production is steady to somewhat lower due to equipment delays at some plants. Early weaned pig prices are higher while barrow, gilt and lean hog markets trend steady to weak. Veal markets are generally steady.

MILK REPLACER: .1950 - .2300
 ROLLER GROUND: .2275 - .2575
 DELACTOSE (Min. 20% protein): .4150 - .4300

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a firm market. Most contracts are finalized for second quarter. Some producers believe that prices will continue to increase during the second quarter as export interest remains firm. Inquiries are being reported from the EU, Asia, the Middle East and New Zealand. Production is mostly steady to somewhat lower due to equipment problems at some locations. Domestic movement is steady on regular commitments. Spot interest from feed and blending operations is increasing yet sales activity is light. Supplies are tight with some plants sold out through mid-May. Inquiries for 3rd and 4th quarters are being reported. Off grade supplies are tight and trading is light for the good demand.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
 EDIBLE: .1675 - .2150 MOSTLY: .1675 - .1875

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to lower on a steady to firm market. Trading is lighter and premiums are lower compared to last week. Supplies are generally tight yet at some plants producers are offering product at the average. Production is mostly steady to somewhat lower due to equipment problems at some locations. High protein imports from the Oceania region are competitive with 34% WPC into feed facilities at prices well below the range on a per pound equivalent basis. Contractual 34% movement is generally steady with some shortages noted. Domestic spot interest is best into ice cream. Export inquiries continue with requests from Asia and the EU. Feed movement is mixed. Some buyers are canceling loads while others pick up extra loads. Condensed supplies are readily available into some feed operations. Off grade supplies are tight for the good demand.

EXTRA GRADE 34% PROTEIN: .7900 - .8250 MOSTLY: .7900 - .8000

NONFAT DRY MILK - WEST

Low/medium heat NDM prices are mostly steady with recent weeks. The market undertone remains steady to slightly firm. Production levels vary throughout the region and are dependent on the quantity of milk available. Producers are looking at drying options and ways to avoid drying when possible. Also, processors are assessing where is the best place from an energy cost standpoint to process milk. This could be a cheese plant or the most efficient drying plant. Clearances to the CCC were again higher this week following a rather low offering rate last week (April 2-6) when only 3.6 million pounds of NDM were offered. This was the lowest weekly offering since December 1999. Part of the decline was due to increased DEIP orders and some direct exporting of NDM. High heat prices are fair to good. Increased seasonal demand is noted from end users.

Includes EXTRA GRADE and GRADE A
 LOW/MEDIUM HEAT: .9950 - 1.0300 MOSTLY: 1.0025 - 1.0175
 HIGH HEAT: 1.0300 - 1.0700

DRY BUTTERMILK - WEST

Prices are higher for dry buttermilk in a firmer market. Offerings are generally steady to lower. Producers raised prices in response to tighter supplies. Buyers were making additional purchases on both spot and contract basis. Seasonal demand is higher. Production remains mixed as some butter producers are selling cream while others are churning to fill orders. Stocks are light and being held with general confidence.

BUTTERMILK: .9800 - 1.0700 MOSTLY: .9900 - 1.0300

DRY WHEY - WEST

Western whey prices range from steady to somewhat higher. Sales activity remains good for both export and domestic demand. Supplies are generally in close balance with current needs. Domestic buyers continue to look for additional loads of powder. Export sales activity is about steady. Production levels for whey are not as heavy as anticipated for this time of year.

NONHYGROSCOPIC: .2200 - .2600 MOSTLY: .2450 - .2575

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
April 6	\$1.0065	15,117,236
March 30	\$1.0078	14,313,267

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 for domestic and export sales in 25 kg. or 50 lb. bags, and totes, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

The prices are steady to higher and nominal in the Northeast. Production levels are up slightly this week as more surplus milk was filling plants in the Southeast. Also, the holiday weekend may provide more milk to Northeastern butter/powder plants. The call for condensed skim remains quite brisk and drying activity is limited. Some plants that have not made NDM for the past few months because of their fuel situation and/or the good demand for condensed skim may be operating their dryers with a little more regularity in the coming weeks. However, drying schedules are well below historic levels for April. As noted last week, some producers notified buyers that Eastern-made NDM would be in short supply this summer and Western powder would most likely be substituted. This notice seemed to trigger users, traders, and speculators into picking up their contracted volumes as quickly as they could and put them in their own warehouses. This leaves Eastern producers with even tighter inventory levels.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0275 - 1.0825 MOSTLY: 1.0275 - 1.0600

HIGH HEAT: 1.0550 - 1.1100 MOSTLY: 1.0550 - 1.1000

DELVD SOUTHEAST:

ALL HEATS: 1.0525 - 1.1500

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to higher and nominal. The market tone is firming. Seasonal use of condensed buttermilk is improving sales and less is being dried. Also, churning activity remains moderate, but a little more excess cream was available to butter makers this week. Producer stocks are light. Demand is fair to good, but few truckload, spot sales are being reported. With fat costs rising to record springtime levels, interest in dry buttermilk could improve as a relatively inexpensive source of fat.

F.O.B. NORTHEAST: 1.0000 - 1.0300

DELVD SOUTHEAST: 1.0300 - 1.1550

DRY WHOLE MILK - NATIONAL

The market tone is steady, but prices are often higher as producers adjust their prices to the increasing butter market. Production levels are light and generally geared to meeting commitments. Plant stocks are light. Spot demand remains slow.

F.O.B. PRODUCING PLANT: 1.3200 - 1.4800

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH APRIL 6, 2001
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 68,201 MT (150,355,925 LBS)
CHANGE -- 108 MT (238,097 LBS)

This program-year allocation is filled.

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

This program-year 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 unchanged and nominal. The market tone is also unchanged and quite firm in the East. Production levels are light to moderate, but with surplus milk supplies starting to increase seasonally, more cheese and dry whey may be made. Demand is fair to good, but few Eastern producers have dry whey to offer for immediate shipment. Orders are being taken for delivery in May. Demand for condensed or liquid whey is also good and some dryers are not able to get desired volumes. Export interest is fair to good. Reports indicate plants that had some inventory to clear, moved product out of the country and are now in a more comfortable inventory situation.

F.O.B. NORTHEAST: EXTRA GRADE .2425 - .2550

USPH GRADE A .2600 - .2675

DELVD SOUTHEAST: .2725 - .2850

EVAPORATED MILK - NATIONAL

Prices are unchanged, but producers continue to pass along the higher costs of the milk and growing costs of production. Demand is mostly for replacement volumes, but if prices do move higher, many buyers would likely take advantage of "buy in" periods and replenish their inventories before the higher prices become effective. This could affect purchasing patterns later in the year when prices are expected to be higher.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.00 - 33.00

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

CASEIN - NATIONAL

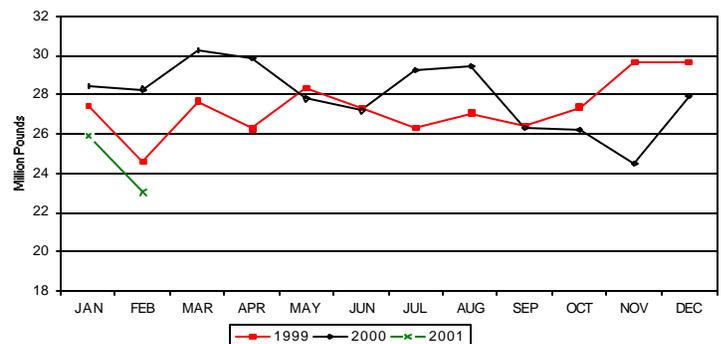
Casein markets remain firm with prices basically unchanged. In instances, domestic buyers report that shipments are not as timely as previously anticipated. In light of this, inventories are being reduced to very low levels. Sources from Oceania indicate that shipments are as scheduled, although there are minimal stocks available for spot sale. In Europe, the current FMD situation continues to hinder smooth product shipments. Some European sources are also indicating that casein production during the upcoming milk production season is unclear. At this point, they anticipate casein output to be lower.

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

RENNET: 2.4500 - 2.6500

ACID: 2.4500 - 2.6500

U.S. Dry WPC Production, Human



Graph USDA, DMN; Source: USDA, NASS

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	03/28	03/29	03/30	04/02	04/03	04/05	04/06	04/09	04/10	04/11
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CME - (CLASS III) MILK FUTURES -- Dollars per cwt.

MAR 01	11.39 (1142) 1	11.39 (1106) 0	11.42 (1106) 0							
APR 01	11.77 (1387) 34	11.80 (1379) 61	12.05 (1367) 44	11.85 (1390) 31	11.77 (1395) 15	11.79 (1434) 171	11.82 (1432) 73	11.87 (1422) 9	11.88 (1429) 12	11.88 (1436) 18
MAY 01	11.87 (1360) 53	11.95 (1378) 64	12.18 (1375) 46	12.00 (1403) 79	11.93 (1410) 30	11.88 (1427) 34	11.82 (1447) 65	11.93 (1442) 61	12.10 (1462) 73	12.18 (1463) 28
JUN 01	12.85 (1609) 49	12.87 (1610) 98	13.03 (1601) 71	12.60 (1642) 73	12.57 (1651) 75	12.50 (1664) 43	12.42 (1697) 48	12.45 (1708) 60	12.55 (1717) 54	12.61 (1727) 23
JUL 01	13.15 (1632) 57	13.24 (1658) 95	13.49 (1650) 66	13.34 (1707) 96	13.24 (1728) 34	13.15 (1768) 78	13.05 (1787) 56	13.10 (1806) 60	13.35 (1820) 86	13.41 (1832) 37
AUG 01	13.15 (1657) 65	13.24 (1685) 105	13.50 (1690) 56	13.40 (1739) 84	13.32 (1772) 48	13.25 (1806) 85	13.15 (1834) 45	13.19 (1840) 52	13.50 (1831) 68	13.48 (1847) 73
SEP 01	13.30 (1572) 42	13.36 (1588) 95	13.52 (1590) 50	13.40 (1646) 90	13.34 (1672) 33	13.25 (1701) 87	13.16 (1730) 56	13.20 (1758) 62	13.50 (1757) 76	13.50 (1766) 40
OCT 01	13.08 (1468) 52	13.13 (1494) 108	13.34 (1492) 44	13.28 (1555) 99	13.23 (1578) 32	13.16 (1616) 64	13.12 (1641) 37	13.15 (1648) 58	13.26 (1649) 63	13.31 (1653) 46
NOV 01	12.54 (1080) 35	12.51 (1092) 52	12.65 (1084) 28	12.58 (1107) 43	12.42 (1124) 34	12.35 (1142) 28	12.31 (1158) 27	12.32 (1154) 19	12.46 (1136) 38	12.53 (1182) 93
DEC 01	12.01 (860) 36	12.00 (865) 35	12.08 (854) 24	11.96 (868) 47	11.87 (872) 16	11.87 (879) 7	11.87 (877) 32	11.91 (867) 21	12.00 (892) 54	12.06 (937) 51
JAN 02	11.45 (134) 3	11.45 (146) 15	11.47 (150) 11	11.46 (152) 5	11.46 (156) 3	11.46 (165) 13	11.50 (166) 2	11.60 (164) 5	11.61 (164) 1	11.66 (165) 3
FEB 02	11.18 (58) 14	11.17 (62) 4	11.18 (68) 16	11.19 (70) 5	11.20 (70) 0	11.20 (74) 4	11.29 (75) 3	11.33 (73) 4	11.38 (74) 3	11.45 (75) 1
MAR 02	11.20 (13) 0	11.05 (13) 0	11.05 (17) 8	11.10 (20) 3	11.10 (21) 2	11.11 (24) 3	11.25 (30) 8	11.30 (32) 4	11.30 (34) 2	11.50 (32) 3

CME - CLASS IV MILK FUTURES - Dollars per cwt.

MAR 01	13.50 (251) 0	13.50 (253) 0	13.46							
APR 01	14.40 (241) 0	14.40 (241) 0	14.40 (241) 0	14.40 (241) 0	14.30 (241) 0	14.30 (241) 0	14.30 (241) 0	14.30 (241) 0	14.30 (241) 0	14.40 (233) 20
MAY 01	14.30 (295) 17	14.40 (303) 8	14.40 (303) 0	14.40 (303) 0	14.30 (309) 9	14.25 (309) 0	14.25 (309) 0	14.25 (309) 5	14.30 (309) 2	14.40 (313) 4
JUN 01	14.40 (267) 17	14.40 (274) 7	14.40 (274) 0	14.40 (274) 1	14.40 (282) 16	14.45 (282) 6	14.45 (282) 4	14.45 (282) 0	14.50 (282) 8	14.65 (286) 4
JUL 01	14.40 (277) 13	14.40 (283) 6	14.40 (284) 1	14.40 (284) 0	14.40 (289) 13	14.45 (289) 6	14.45 (289) 4	14.45 (289) 0	14.50 (291) 5	14.75 (294) 3
AUG 01	14.50 (218) 11	14.50 (229) 16	14.49 (230) 1	14.49 (229) 1	14.49 (239) 14	14.45 (239) 0	14.45 (239) 1	14.46 (239) 0	14.50 (241) 2	14.75 (241) 1
SEP 01	14.50 (200) 7	14.50 (203) 7	14.50 (203) 0	14.50 (203) 0	14.50 (214) 14	14.45 (214) 0	14.45 (214) 0	14.45 (214) 0	14.50 (214) 2	14.75 (214) 3
OCT 01	14.45 (266) 11	14.50 (271) 5	14.49 (273) 2	14.49 (273) 0	14.49 (279) 14	14.45 (279) 0	14.45 (279) 0	14.45 (279) 0	14.50 (280) 1	14.45 (284) 5
NOV 01	14.50 (230) 17	14.50 (235) 5	14.49 (235) 0	14.49 (235) 0	14.49 (243) 11	14.40 (243) 0	14.40 (243) 0	14.40 (243) 0	14.50 (246) 3	14.50 (249) 3
DEC 01	13.10 (72) 9	13.25 (77) 5	13.35 (77) 0	13.40 (77) 0	13.50 (77) 0	13.55 (77) 0	13.60 (77) 0	13.60 (84) 7	13.80 (84) 0	13.90 (87) 3

CME - BUTTER FUTURES -- Cents per pound

MAY 01	169.25 (55) 0	169.25 (55) 0	169.25 (55) 0	169.25 (54) 1	167.00 (54) 0	167.00 (54) 0	167.00 (54) 0	168.00 (54) 0	169.00 (54) 0	172.00 (54) 0
JUL 01	176.50 (71) 0	176.50 (71) 0	176.50 (71) 0	176.50 (71) 2	171.50 (71) 2	171.50 (71) 0	171.50 (71) 1	174.00 (71) 0	174.00 (71) 0	177.00 (71) 0
SEP 01	180.00 (43) 0	180.00 (43) 0	180.00 (43) 0	175.00 (43) 1	170.00 (43) 2	170.00 (43) 0	170.00 (43) 0	172.00 (43) 0	172.05 (43) 0	177.05 (43) 0
OCT 01	175.00 (6) 0	175.00 (6) 0	175.00 (6) 0	171.00 (6) 0	171.00 (6) 0	171.00 (6) 0	171.00 (6) 0	172.00 (6) 0	172.00 (6) 0	177.00 (6) 0
DEC 01	165.00 (1) 1	165.00 (1) 0	165.00 (1) 0	160.00 (1) 0	160.00 (1) 0	160.00 (1) 0	160.00 (1) 0	160.00 (1) 0	160.00 (1) 0	160.00 (1) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 2 - 13, 2001

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: The foot and mouth (FMD) situation in Europe continues to impact dairy product sales. Most buyers remain cautious about sourcing product from Europe. In most instances, requested health certification accompanies product as it leaves the producing plant or country, but the uncertainty of acceptable paperwork by the time the product arrives at a destination hinders product sales at this time. Producers, handlers, and traders report that complete sales and delivery transactions are risky at this time. The milk production quota year has now ended (March 31). For the most part, early reports indicate that some minimal overages are being reported in Germany and Austria with other countries within limits. Overall milk supplies are reported to be in line with last year at this time. The new milk production season is about to begin in Europe. Cooler than usual weather patterns and limited pasture growth are causing many herds to remain in the barn. Another factor limiting pasturing is the FMD situation and the ban on allowing animals to graze. The United Kingdom is the hardest hit by FMD, thus the impact on the dairy industry in this country is a major concern. Although too early to project the impact, producers and handlers report that this season's output will be lower, but to what extent is unknown. Production of manufactured dairy products in Europe remains seasonally low, especially if milk was being sourced from the UK. Often milk and/or cream from the UK was shipped to the mainland for processing. Stocks of manufactured dairy products are reported to be available for potential buyer needs. Due to the slow demand due the FMD situation, inventories of some products are starting to build with lower prices being reported in hopes of clearing these stocks.

BUTTER/BUTTEROIL: European butter markets are firm with prices generally higher. Overall butter production remains light as the milk production season is just getting underway. Stocks are reported to be entering PSA and intervention. Demand for fresh butter is strong for domestic needs as consumers prepare for the Passover/Easter holiday. Some producers and traders report sales of butter to the United States within and outside of quota levels. Sources feel that this activity will continue as long as butter prices remain firm and stocks are lighter than desired in the United States.

82% BUTTERFAT: 1,300 - 1,500
99% BUTTERFAT: 1,400 - 1,600

SKIM MILK POWDER (SMP): European skim milk powder markets are weak. Stocks of powder are starting to build in many locations. Most of this stock building is occurring due to limited powder sales. The current FMD situation and cautiousness on the part of buyers is limiting powder sales. The animal feed market is also slow and unaggressive as the veal market is having difficulty in procuring and selling calves.

1.25% BUTTERFAT: 1,900 - 2,100

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally weak, following the trends of skim milk powder. Sales activity is reported as slow and unaggressive. Producers, handlers and traders indicate that sales activity at this time is very risky and unsettling. All the proper paper work can be filed at the time of shipment, but by the time of delivery, 3 - 4 weeks down the road, entry requirements could change.

26% BUTTERFAT: 1,900 - 2,100

SWEET WHEY POWDER: Whey powder markets are generally steady, although prices are slightly lower. The undertone is unsettled. The veal market is not overly aggressive, domestic animal feed markets are not seeking why now that skim milk powder is becoming more available. International buyer interest for whey is equally quiet. Cheese production continues to build seasonally, thus whey stocks are starting to build, causing concern on the part of some producers and handlers.

NONHYGROSCOPIC: 450 - 500

OVERVIEW: EASTERN EUROPE: Eastern European milk production remains seasonally low due to wet and cool weather conditions. Producers and handlers have an optimistic outlook for the upcoming production season. Stocks of manufactured dairy products are low with producers and handlers hopeful to once again reestablish inventory levels during the next few months.

OCEANIA

OVERVIEW: Milk production continues to seasonally decline in both Australia and New Zealand. Milk output in New Zealand is projected to finish the season around 6 - 7% above last year, while Australia's production is estimated to trail last year by about 4%. In New Zealand, weather conditions are basically favorable for late season, thus milk production patterns are finishing the season quite strong. In Australia, a hot January caused milk production totals to trail last January by 10%, which greatly impacted cumulative totals for the first six months of the year. Early production totals indicate that overall production was down 2.7% for the first six months when compared to the previous year period of July through January. Oceania contacts indicate that new international sales are slow. Regular and ongoing customer needs continue to be filled, but for the most part, stocks are very limited for additional buyer interest. Some increased buyer interest is being reported from regular customers, especially from those that also use Europe as a source. The European foot and mouth disease (FMD) situation continues to cause concern around the world. Buyers are cautious and governments of importing countries remain on alert.

BUTTER: Butter markets are generally steady, although some slight price adjustments were reported. Stocks of butter are in close balance for regular and ongoing buyer needs. A lighter than expected finish to Australia's milk production season is putting pressure on basically all manufactured dairy products including butter/powder production. Although New Zealand is experiencing a better milk production season's end, overall butter stocks for both countries as a total will be in close balance and in instances short of full needs.

82% BUTTERFAT: 1,225 - 1,350

CHEDDAR CHEESE: Oceania cheese markets are generally steady with slight price adjustments being reported. Ongoing buyer interest continues to absorb most available cheese stocks from New Zealand and Australia. Producers and handlers indicate that there are or virtually will be no cheese offerings available for spot sale until the new production year begins.

39% MAXIMUM MOISTURE: 2,025 - 2,200

SKIM MILK POWDER (SMP): Skim milk powder markets are steady to firm with prices unchanged to slightly higher. Stocks of skim powder remain in close balance and are reported to be fully committed. Late season milk production is not as strong as previously projected for the Oceania region as a total, thus producers and handlers of powder are questioning their supply situation for previously made commitments. Some additional buying interest is going unfilled. This buyer interest is coming from buyers that typically were procuring powder from European sources, but current animal health problems are causing concern on the part of the buyer and/or end user.

1.25% BUTTERFAT: 2,075 - 2,200

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady with slight price adjustments being reported. For the most part, whole milk powder stocks are fully committed with minimal supplies, if any, available for spot sale. Producers and handlers feel that current orders and projected needs will easily clear available stocks. Some are questioning if they will have sufficient volumes to meet those commitments.

26% BUTTERFAT: 2,025 - 2,100

Exchange rates for selected foreign currencies: APRIL 9, 2001

.4069 Dutch Guilder	.4584 German Mark
.1367 French Franc	.4050 New Zealand Dollar
.1069 Mexican Peso	.4937 Australian Dollar
1.4443 British Pound	.0080 Japanese Yen
.2509 Polish Zloty	.8966 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.1069)= 9.3545
That is 1 US Dollar equals 9.3545 Mexican Pesos.

Source: "Wall Street Journal"

APRIL MILK SUPPLY AND DEMAND ESTIMATES*

Milk production forecasts for 2000/01 are lowered this month as lower milk-per-cow data continue to indicate a decline in early-year productivity. Although productivity gains are forecast to resume later in the year, the recovery will be slower than forecast last month. Despite higher forecast milk prices, cow numbers are expected to continue declining through the year. CCC net removals of cheese are forecast lower as cheese demand remains strong. Lower milk production and strong demand for products are expected to boost milk prices. The Class III price is projected to average \$10.80 to \$11.10 per cwt. Class IV prices are raised to \$13.00 to \$13.50 per cwt. The all milk price is forecast at \$13.40 to \$13.70 per cwt.

Item	1998/99 1/	1999/00 Projection 1/		2000/01 Projection 1/		
		March	April	March	April	
BILLION POUNDS						
SUPPLY						
BEGINNING COMMERCIAL STOCKS 2/	5.8	7.4	7.4	8.9	8.9	
PRODUCTION	161.2	167.4	167.4	167.1	166.5	
FARM USE	1.4	1.3	1.3	1.3	1.3	
MARKETINGS	159.8	166.1	166.1	165.8	165.2	
IMPORTS 2/	4.8	4.6	4.6	4.4	4.6	
TOTAL COMMERCIAL SUPPLY 2/	170.4	178.1	178.1	179.1	178.8	
USE						
COMMERCIAL USE 2/ 3/	162.7	168.5	168.5	170.4	170.5	
ENDING COMMERCIAL STOCKS 2/	7.4	8.9	8.9	8.2	8.0	
CCC NET REMOVALS:						
MILKFAT BASIS 4/	0.3	0.8	0.8	0.5	0.3	
SKIM SOLIDS BASIS 4/	5.4	8.5	8.5	6.0	6.1	
DOLLARS PER CWT.						
MILK PRICES 5/						
BASIC FORMULA/CLASS III PRICE 6/	14.04	9.99	9.99	10.10-10.50	10.80-11.10	
CLASS IV 7/	NA	11.51	11.51	12.30-12.90	13.00-13.50	
ALL MILK 8/	15.38	12.62	12.62	12.80-13.20	13.40-13.70	
MILLION POUNDS						
CCC PRODUCT NET REMOVALS 4/						
BUTTER	1	11	11	5	0	
CHEESE	6	17	17	30	16	
NONFAT DRY MILK	449	690	690	485	510	
DRY WHOLE MILK	12	34	34	3	3	
		QUARTERLY 9/			ANNUAL 9/	
		2001 I	2001 II	2001 III	2000	2001
BILLION POUNDS						
MILK PRODUCTION	41.7	43.2	41.0		167.7	167.1
DOLLARS PER CWT.						
ALL MILK PRICE 5/ 8/	13.27	13.65-14.05	14.00-14.70		12.34	13.85-14.35
CLASS III PRICE 5/ 6/	10.56	11.35-11.75	12.00-12.70		9.74	11.50-12.00
CLASS IV PRICE 5/ 7/	12.76	13.40-13.80	13.55-14.25		11.83	13.25-13.75

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-373, World Agricultural Outlook Board, USDA, April 10, 2001.

MEASURES OF GROWTH IN FEDERAL MILK ORDER MARKETS, SELECTED YEARS, 1947-2000

Year	Number of markets <u>1/</u>	Population of Federal milk marketing areas <u>2/</u>	Number of handlers <u>1/</u>	Number of producers <u>3/</u>	Producer deliveries	Producer deliveries used in Class I	Percentage of producer deliveries used in Class I	Prices at 3.5% butterfat content <u>4/</u>		Receipts as percentage of milk sold to plants and dealers		Daily deliveries per producer	Gross value at blend price adjusted for butterfat content	
								Class I	Blend	Fluid grade <u>5/</u>	All milk		Per producer	All producers
	Number	1,000	Number	Number	Million pounds		Percent	Dol. per 100 lb.		Percent		Pounds	Dollars	1,000 dol.
1947	29	*	991	135,830	14,980	9,808	65.5	4.65	4.34	*	21	302	5,024	682,407
1950	39	*	1,101	156,584	18,660	11,000	58.9	4.51	3.93	41	25	326	4,914	769,442
1955	63	46,963	1,483	188,611	28,948	18,032	62.3	4.67	4.08	51	32	420	6,510	1,227,815
1960	80	88,818	2,259	189,816	44,812	28,758	64.2	4.88	4.47	64	43	648	10,482	1,989,615
1965	73	102,351	1,891	158,077	54,444	34,561	63.5	4.93	4.31	70	48	944	15,300	2,418,526
1970	62	125,721	1,588	143,411	65,104	40,063	61.5	6.74	5.95	79	59	1,244	27,636	3,963,311
1975	56	150,666	1,315	123,855	69,249	40,106	57.9	9.36	8.64	78	63	1,532	49,233	6,097,768
1980	47	164,908	1,091	117,490	83,998	41,034	48.9	13.77	12.86	80	67	1,954	93,685	11,007,001
1981	48	166,663	1,058	119,323	87,989	40,746	46.3	14.69	13.63	80	68	2,021	102,354	12,213,199
1982	49	172,775	1,010	120,743	91,611	40,807	44.5	14.63	13.53	81	69	2,079	104,573	12,626,510
1983	46	175,624	958	121,052	95,757	41,091	42.9	14.69	13.53	82	70	2,168	109,142	13,211,805
1984	45	177,524	912	119,033	91,676	41,517	45.3	14.41	13.33	81	70	2,104	104,935	12,490,729
1985	44	176,440	884	116,765	97,762	42,201	43.2	13.88	12.61	80	70	2,294	107,871	12,595,522
1986	44	177,992	849	112,322	98,791	42,725	43.2	13.60	12.38	80	71	2,413	111,581	12,515,451
1987	43	180,374	797	105,882	98,182	42,876	43.7	13.90	12.51	80	71	2,542	118,402	12,529,800
1988	42	184,180	776	104,141	100,066	43,141	43.1	13.42	12.14	79	71	2,627	119,261	12,419,974
1989	41	185,919	748	100,291	95,871	43,367	45.2	14.51	13.30	75	68	2,614	129,744	13,012,796
1990	42	195,841	753	100,397	102,396	43,783	42.8	15.55	13.78	77	70	2,796	142,324	14,289,567
1991	40	198,409	722	100,267	103,252	45,033	43.6	13.30	12.11	76	71	2,821	121,479	12,180,354
1992	40	200,530	698	97,803	107,947	44,914	41.6	14.57	13.12	77	73	3,017	146,452	14,323,698
1993	38	199,604	675	92,934	103,979	44,805	43.1	14.19	12.89	73	69	3,073	145,350	13,507,974
1994	38	201,561	629	91,397	107,811	44,866	41.6	14.75	13.16	75	71	3,232	156,253	14,281,193
1995	33	207,548	571	88,717	108,548	45,004	41.5	14.19	12.79	75	71	3,350	157,754	13,995,454
1996	32	209,599	570	82,947	104,501	45,479	43.5	16.19	14.64	72	69	3,442	187,713	15,570,261
1997	31	208,379	570	78,422	105,224	44,917	42.7	14.36	13.10	71	69	3,676	178,424	13,992,366
1998	31	210,484	522	72,402	99,223	44,968	45.3	16.14	14.92	66	64	3,755	202,770	14,681,340
1999	31	212,118	487	69,008	104,479	45,216	43.3	16.24	14.09	67	65	4,148	216,794	14,960,544
2000	11	*	*	69,590	116,919	45,989	39.3	14.24	12.11	73	70	4,590	*	*

*Data not available. 1/ End of year. (Date on which pricing provisions became effective.) 2/ End of year. 1955, 1960-70, 1980, and 1990 according to 1950, 1960, 1980, and 1990 U.S. census, respectively. 1975, 1981-1989 and 1991 to date are estimated. 3/ Average for year. The figures in recent years are understated due to the situation described in 5/. 4/ Prices are simple averages for 1947-60 and weighted averages for 1965 to date. 5/ Due to disadvantageous price situations in some markets, handlers elected not to pool an estimated 3.6 billion and 13.9 billion pounds of milk, in 2000 and 1999, respectively, that normally would have been pooled under these orders. These price situations occur when the blend price adjusted for location is equal to or less than the Class II, Class III, Class III-A, or Class IV price. In these situations, handlers may elect not to pool milk that normally would have been associated with the order. Handlers also may elect not to pool milk when it is more advantageous to associate the milk with a State milk order or when the Class III price is too high relative to the pricing programs used to pay dairy farmers.

FEBRUARY FLUID MILK SALES

During February, about 4.0 billion pounds of packaged fluid milk products were sold in Federal milk order (FMO) marketing areas and California. This was 0.3 percent higher than February 2000. On an individual product basis, sales of reduced fat (2%) milk, low fat (1%) milk, and fat-free (skim) milk increased from February 2000, while sales of whole milk and buttermilk decreased from a year earlier. The data for February 2000 have been adjusted for calendar composition.

Editor's Note: This data also can be found at www.ams.usda.gov/dairy/mmos.htm.

**PACKAGED SALES OF FLUID MILK PRODUCTS IN MARKETING AREAS DEFINED BY
FEDERAL MILK ORDERS AND CALIFORNIA, FEBRUARY 2001, WITH COMPARISONS ^{1/}**

Product Name/ Marketing Area (Order Number) ^{2/}	Sales		Change from: ^{3/} ^{4/}	
	Feb	Year to date	Previous Year	Year to Date
	Mil. lbs		Percent	
Whole Milk ^{5/}	1,396	2,967	-1.5	-0.8
Reduced Fat Milk (2%)	1,270	2,690	2.7	1.1
Low Fat Milk (1%) ^{6/}	681	1,429	0.2	0.3
Fat-Free Milk (Skim)	607	1,284	0.6	-2.0
Buttermilk	42	90	-7.2	-5.4
Total Fluid Milk Products ^{2/}	4,004	8,474	0.3	-0.4
Northeast (001)	760	1,590	0.1	-2.2
Appalachian (005)	270	578	0.2	^{4/}
Southeast (007)	384	817	1.4	-1.3
Florida (006)	228	481	0.4	2.1
Mideast (033)	500	1,068	^{4/}	^{4/}
Upper Midwest (030)	344	728	0.4	-0.3
Central (032)	369	781	2.4	2.1
Southwest (126)	315	684	-2.4	-0.3
Ariz.-Las Vegas/Western (131/135) ^{7/}	167	352	1.1	2.4
Pacific Northwest (124)	166	356	-0.4	0.4
California (---)	500	1,039	-0.2	-1.5

^{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 the products listed plus miscellaneous products and eggnog. ^{3/} Percent changes have been adjusted for calendar composition. ^{4/} Percent changes exclude the data for Appalachian and Mideast, where applicable. ^{5/} Includes flavored whole milk. ^{6/} Includes flavored fat-reduced milk. ^{7/} The data for these markets have been combined for reporting purposes.

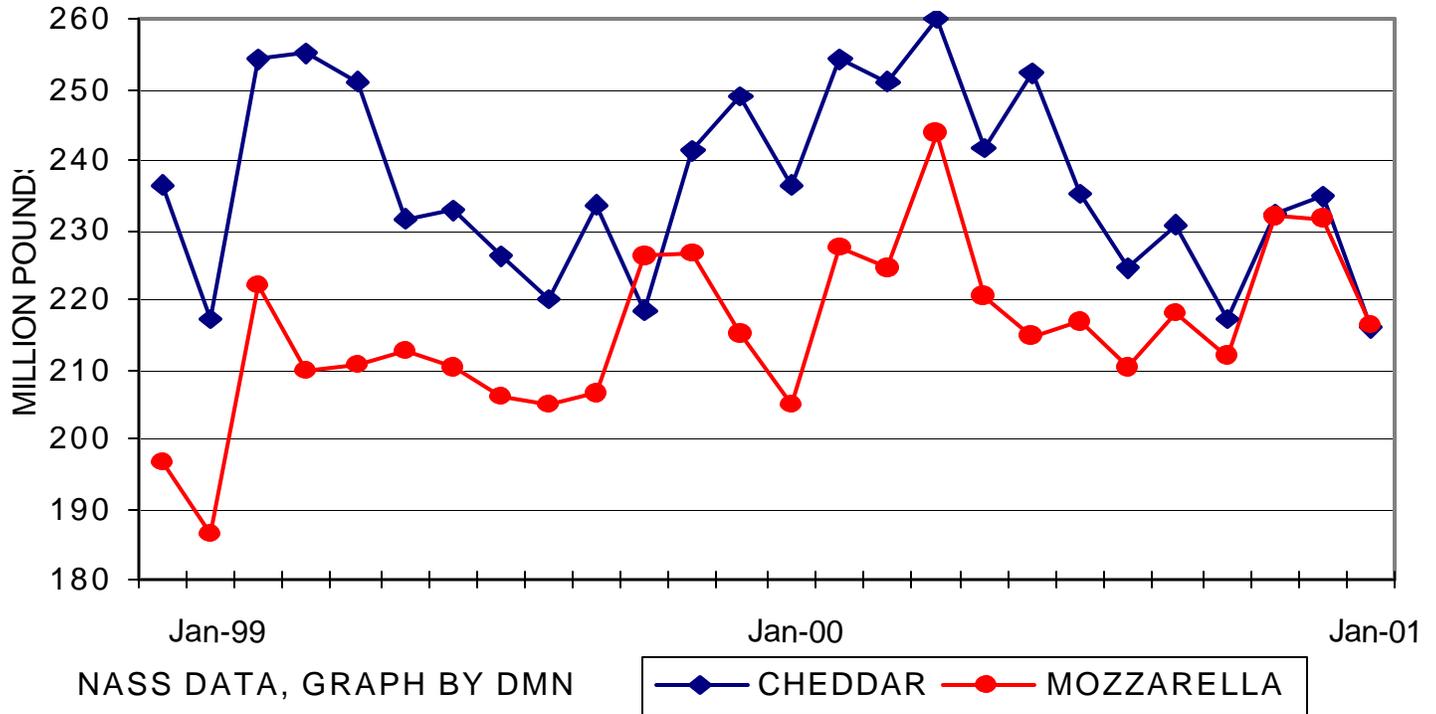
SOURCE: Monthly summaries of Federal Milk Order Market Statistics, AMS, USDA, and California Dairy Information Bulletin, California Agricultural Statistics Service and Milk Stabilization Branch.

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, APRIL 2001, WITH COMPARISONS ^{1/}												
CITY	APR 1999			APR 2000			MAR 2001			APR 2001		
	Coop.	Federal Order	Differ-ence									
Dollars Per Hundredweight												
Atlanta, GA	15.00	13.35	1.65	15.86	14.03	1.83	16.83	15.75	1.08	17.62	16.54	1.08
Baltimore, MD	14.05	13.30	0.75	15.48	13.93	1.55	17.40	15.65	1.75	18.19	16.44	1.75
Boston, MA *	13.99	13.51	0.48	14.66	14.18	0.48	16.38	15.90	0.48	17.17	16.69	0.48
Carbondale, IL	14.39	12.28	2.11	14.85	13.13	1.72	16.56	14.85	1.71	17.35	15.64	1.71
Charlotte, NC	15.00	13.35	1.65	15.86	14.03	1.83	16.83	15.75	1.08	17.62	16.54	1.08
Chicago, IL	13.60	11.67	1.93	14.68	12.73	1.95	15.99	14.45	1.54	16.86	15.24	1.62
Cincinnati, OH	14.23	12.38	1.85	14.98	13.13	1.85	16.58	14.85	1.73	17.37	15.64	1.73
Cleveland, OH	13.82	12.27	1.55	14.63	12.93	1.70	16.38	14.65	1.73	17.17	15.44	1.73
Dallas, TX	13.68	13.43	0.25	15.23	13.93	1.30	16.20	15.65	0.55	16.99	16.44	0.55
Denver, CO	13.65	13.00	0.65	14.13	13.48	0.65	15.90	15.20	0.70	16.69	15.99	0.70
Des Moines, IA	13.42	11.82	1.60	14.07	12.73	1.34	15.66	14.45	1.21	16.45	15.24	1.21
Detroit, MI	14.14	12.12	2.02	13.98	12.73	1.25	15.45	14.45	1.00	16.24	15.24	1.00
Hartford, CT *	13.89	13.41	0.48	14.56	14.08	0.48	16.28	15.80	0.48	17.07	16.59	0.48
Houston, TX	14.22	13.97	0.25	15.83	14.53	1.30	16.80	16.25	0.55	17.59	17.04	0.55
Indianapolis, IN	14.07	12.17	1.90	14.78	12.93	1.85	16.38	14.65	1.73	17.17	15.44	1.73
Kansas City, MO	13.69	12.19	1.50	14.58	12.93	1.65	15.86	14.65	1.21	16.40	15.44	0.96
Louisville, KY	13.63	12.38	1.25	14.53	13.13	1.40	15.85	14.85	1.00	16.64	15.64	1.00
Memphis, TN	13.84	13.04	0.80	15.31	13.73	1.58	16.28	15.45	0.83	17.07	16.24	0.83
Miami, FL	17.32	14.45	2.87	18.37	15.23	3.14	19.26	16.95	2.31	20.13	17.74	2.39
Milwaukee, WI	13.51	11.58	1.93	14.63	12.68	1.95	16.09	14.40	1.69	16.96	15.19	1.77
Minneapolis, MN	13.05	11.47	1.58	13.98	12.63	1.35	15.45	14.35	1.10	16.32	15.14	1.18
New Orleans, LA	14.37	13.92	0.45	16.01	14.53	1.48	16.98	16.25	0.73	17.77	17.04	0.73
Oklahoma City, OK	14.54	13.04	1.50	15.08	13.53	1.55	16.05	15.25	0.80	16.84	16.04	0.80
Omaha, NE	13.52	12.02	1.50	14.07	12.78	1.29	15.71	14.50	1.21	16.50	15.29	1.21
Philadelphia, PA	14.08	13.36	0.72	15.65	13.98	1.67	17.57	15.70	1.87	18.36	16.49	1.87
Phoenix, AZ	12.79	12.79	0.00	13.88	13.28	0.60	15.15	15.00	0.15	15.94	15.79	0.15
Pittsburgh, PA	12.77	12.27	0.50	14.43	13.03	1.40	16.95	14.75	2.20	17.74	15.54	2.20
St. Louis, MO	14.39	12.28	2.11	14.64	12.93	1.71	16.36	14.65	1.71	17.15	15.44	1.71
Salt Lake City, UT	12.42	12.17	0.25	13.08	12.83	0.25	14.80	14.55	0.25	15.59	15.34	0.25
Seattle, WA	14.30	12.17	2.13	14.96	12.83	2.13	14.93	14.55	0.38	15.72	15.34	0.38
Spokane, WA	14.30	12.17	2.13	14.96	12.83	2.13	14.93	14.55	0.38	15.72	15.34	0.38
Springfield, MO	13.96	12.46	1.50	14.68	13.13	1.55	15.65	14.85	0.80	16.44	15.64	0.80
Washington, DC	14.05	13.30	0.75	15.48	13.93	1.55	17.40	15.65	1.75	18.19	16.44	1.75
Simple Average	13.99	12.70	1.29	14.91	13.41	1.50	16.27	15.13	1.14	17.06	15.92	1.14

*NOTE: The Northeast Dairy Compact has established a Class I price level of \$16.94. The Compact obligation is \$16.94 less the Federal order Class I price shown for Boston. The effective Class I price level is the Federal order price at location plus the Compact obligation plus the figure shown under the column labeled "Difference". When the Federal order Class I price shown for Boston is higher than the Compact Class I price, the Compact price is not effective.

^{1/} Class I prices announced for the beginning of the month by the major cooperative in each city market. These prices may not apply to all of the Class I sales in these city markets. Announced prices may not include handling or service charges applicable to milk from supply plants and competitive credits which may be allowed. These prices have not been verified as having been actually paid by handlers.

U.S. CHEDDAR COMPARED TO MOZZARELLA PRODUCTION



The Kansas City Commodity Office announced on April 9 the following awards to purchase indefinite-delivery, indefinite-quantities of cheese for delivery July 1, 2001 - June 30, 2002. Prices reported are the accepted differential added to the applicable previous month's barrel or block average at the Chicago Mercantile Exchange. USDA intends to issue supplemental invitations to obtain additional quantities of certain items.

<u>TYPE</u>	<u>PACK SIZE</u>	<u>MINIMUM POUNDS</u>	<u>MAXIMUM POUNDS</u>	<u>PRICE RANGE</u>
PROCESS				
PROCESS	12/2# LOAVES	3,801,600	5,821,200	.2300-.3034
PROCESS	6/5# LOAVES SLC	17,273,520	27,086,400	.1200-.1575
PROCESS	6/5# LOAVES	10,533,600	17,582,400	.1200-.1581
PROCESS	6/5# BLENDED SLC	6,534,000	13,068,000	.1050-.1600
TOTAL PROCESS		38,142,720	63,558,000	
NATURAL AMERICAN				
BARRELS	500# BARRELS	3,640,000	6,160,000	.0425-.0850
BLOCKS	40# BLOCKS	2,716,600	4,314,600	.0775-.1125
CHEDDAR	4/10# CUTS	1,398,250	2,516,850	.2800-.3150
CHEDDAR	6/5# SHREDDED	2,918,400	4,992,000	.2450-.3100
TOTAL AMERICAN		10,673,250	17,983,450	
MOZZARELLA				
LMPS FROZEN	8/6#	9,797,760	16,410,240	.0700-.1400
LMPS UNFROZEN	PROCESSOR PACK	12,700,800	22,538,880	.0700-.1375
LMPS FROZEN	SHREDDED 30#	2,499,840	6,491,520	.1315-.2002
LITE FROZEN	8/6#	685,440	2,499,840	.1675-.2150
LITE FROZEN	SHREDDED 30#	322,640	1,491,840	.3175-.3650
TOTAL MOZZARELLA		26,006,480	49,432,320	

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 9 - 13, 2001			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	WEEK ENDING 04/06/01	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	3,050,083	40,022	-0-	-0-
Barrel	-0-	-0-	-0-	4,025,276	-0-	-0-	-0-
Process	-0-	-0-	-0-	3,999,600	3,049,200	-0-	-0-
TOTAL	-0-	-0-	-0-	11,074,959	3,089,222	-0-	-0-
NONFAT DRY MILK							
Nonfortified	13,025,394	-0-	13,025,394	260,360,216	224,864,294	488,435,000	-0-
Fortified	-0-	-0-	-0-	26,867,069	5,313,347	37,339,000	-0-
TOTAL	13,025,394	-0-	13,025,394	287,227,285	230,177,641	525,774,000	-0-

#Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

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

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 9 - 13, 2001 =	2.9	151.6	COMPARABLE WEEK IN 2000 =	14.8	176.7
CUMULATIVE SINCE OCTOBER 1, 2000 =	165.4	3,453.0	CUMULATIVE SAME PERIOD LAST YEAR =	79.2	2,709.9
CUMULATIVE JANUARY 1 - APRIL 13, 2001 =	48.9	1,970.4	COMPARABLE CALENDAR YEAR 2000 =	67.4	2,116.7

* Factors used for Fat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
 **Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF APRIL 9 - 13, 2001 (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-	13,025,394	-0-
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-	5,995,440	3,089,222	3,105,246	24,000,821	33.9	42.7
WEST	-0-	-0-	5,039,919	-0-	284,122,039	203,626,593	65.9	56.6
EAST	-0-	-0-	39,600	-0-	-0-	2,550,227	0.2	0.7
TOTAL	-0-	-0-	11,074,959	3,089,222	287,227,285	230,177,641	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 16, 2001

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

BUTTER: Bulk \$.6549 per pound; 1# Prints \$.6849

CHEESE: 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239

NONFAT DRY MILK: Nonfortified \$1.0032 per pound; Fortified \$1.0132; Instant \$1.1607

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 03/24/01 & Comparable Week 2000

Regions* (000 HEAD):											U.S. TOTAL	% DAIRY OF ALL		
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1	WEEK SINCE JAN 1	
2001-Dairy	0.3	0.6	5.6	4.9	21.9	3.0	2.3	1.0	12.0	3.0	54.6	678.5	49.8	49.8
2000-Dairy	0.2	1.0	6.2	5.2	20.3	2.4	2.7	0.8	12.3	3.5	54.6	648.9	53.7	51.2
2001-All cows	0.3	0.8	7.5	14.2	31.0	12.8	18.7	5.2	13.4	6.0	109.7	1,361.7		
2000-All cows	0.2	1.2	8.4	13.6	29.5	12.1	11.8	4.6	13.9	6.4	101.7	1,268.4		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000) AND BFP (1998-99) MILK PRICES, (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
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37

FEDERAL MILK ORDER CLASS PRICES FOR 2001 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	13.99	11.94	12.65	13.44								
II	12.82	13.43	14.17									
III	9.99	10.27	11.42									
IV	12.13	12.70	13.46									

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