

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CME GROUP CASH MARKETS (6/7):**

BUTTER: Grade AA closed at \$1.5450. The weekly average for Grade AA is \$1.5410 (-.0003).

CHEESE: Barrels closed at \$1.7600 and 40# blocks at \$1.7475. The weekly average for barrels is \$1.7250 (+.0137) and blocks, \$1.7315 (-.0135).

BUTTER HIGHLIGHTS: Western butter buyers are looking for discounts for sales above immediate needs. Increased inventories continue to weigh on the market. Western manufacturers are looking at export opportunities to move inventory and some have increased production of 82% butterfat to fill that need. The Central butter market is steady. Butter churn operators continue to buy spot cream loads for churning, as long as multiples are below the mid 1.30's. Butter production continues at an active pace in the Northeast with plenty of cream finding its way to the churn. Most Northeast butter makers remain comfortable with their current inventories. Prices for bulk butter vary by region. Western prices range from 3 cents under to 5 cents under the market, Central prices are flat to +4, and Northeast prices are 4-8 cents over the market. NASS reports that April butter production for the U.S. totaled 169.3 million pounds, down 0.3% or 0.5 million pounds from April of 2012. Cumulative output for the year for the U.S. through April was 713.2 million pounds, up 2.1% or 14.9 million pounds from the same period in unadjusted 2012. According to the Foreign Agricultural Service, exports of butter and milkfat for January-April 2013 total 43.0 million pounds, up 4% or 1.8 million pounds from the same period a year ago.

CHEESE HIGHLIGHTS: Wholesale cheese prices based off of the CME Group weekly average were lower for the second week as both barrels and blocks were weaker. Cheese production is lower than previous months, but remains above year ago levels. Milk supplies for manufacturing increased this week as Class I usage is lower with many schools now closed for the summer. Much of this milk will go to Class III (cheese) manufacturing. The increased production will add to already heavy inventories in storage. Demand is reported to be lackluster with many buyers hoping to wait for a bottom in prices. Indications of price increases this week at the CME Group spot sales spurred trading of blocks with 50 loads sold this week. Barrel sales remained restrained with 4 loads sold. Exports of cheese for January-April 2013 total 210.7 million pounds, up 7% from the same period a year ago. Exports account for 5.7% of total cheese production in the

U.S. At Friday's close at the CME Group, barrels closed at \$1.7600, up .0525 compared to last Friday. Blocks closed at \$1.7475, up .0025 compared to last week's close.

FLUID MILK: Milk production is steady to increasing in most regions of the nation. Extreme heat in the Southwest and California is putting increased stress on those dairy herds. Humidity and a tropical storm across Florida will likely accelerate the down trend in milk production. Manufacturing supplies are increasing nationwide as schools are beginning to close. Most manufacturers in most areas of the country are handling the increased volumes without problems, except the Northeast. The Northeast has incurred extended delays clearing milk, due to a variety of production interruptions at numerous plants. The Southeast is also experiencing heavy milk volumes, necessitating the utilization of nearly all auxiliary manufacturing plants. Demand for cream is steady in the West and increasing in the remainder of the country with increased pulls from ice cream and cream cheese manufacturers.

DRY PRODUCTS: Nonfat dry milk prices were steady to higher. Demand remains fairly slow as many market participants are waiting for a better understanding of market conditions before making future marketing decisions. Most manufacturers are comfortable with their current inventories. Production is especially heavy in the Eastern region. Dry buttermilk prices showed some strength in the West, but were mixed in other parts of the country. Production is seasonally heavy with some declines noted in the Central region. Most manufacturers are comfortable with their current supplies. Dry whey prices firmed this week across the nation. Production is steady to increasing in most areas. Domestic demand is steady, but export interest has improved. WPC 34% prices have firmed with improved buyer interest. Production is active at most locations. Lactose prices are unchanged with some manufacturers offering spot loads to the market.

INTERNATIONAL DAIRY MARKET NEWS (DMN):
WESTERN EUROPE OVERVIEW: Western European milk production is mostly steady with some areas being affected by adverse weather conditions. Flooding and wet conditions are common over some areas of Europe seeing the most severe issues. Early indications are that the impact is minimal to the dairy sector. Wet conditions at

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CME GROUP CASH TRADING

COMMODITY	MONDAY JUN 03	TUESDAY JUN 04	WEDNESDAY JUN 05	THURSDAY JUN 06	FRIDAY JUN 07	:: WEEKLY CHANGE*	:: WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.7075 (N.C.)	\$1.6850 (-.0225)	\$1.7300 (+.0450)	\$1.7425 (+.0125)	\$1.7600 (+.0175)	:: (+.0525)	:: \$1.7250 (+.0137)
40# BLOCKS	\$1.7275 (-.0175)	\$1.7075 (-.0200)	\$1.7350 (+.0275)	\$1.7400 (+.0050)	\$1.7475 (+.0075)	:: (+.0025)	:: \$1.7315 (-.0135)
NONFAT DRY MILK							
EXTRA GRADE	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	\$1.7000 (N.C.)	:: (N.C.)	:: \$1.7000 (N.C.)
GRADE A	\$1.6800 (N.C.)	\$1.6850 (+.0050)	\$1.6900 (+.0050)	\$1.6900 (N.C.)	\$1.6925 (+.0025)	:: (+.0125)	:: \$1.6875 (+.0075)
BUTTER							
GRADE AA	\$1.5400 (N.C.)	\$1.5400 (N.C.)	\$1.5400 (N.C.)	\$1.5400 (N.C.)	\$1.5450 (+.0050)	:: (+.0050)	:: \$1.5410 (-.0003)

CHEESE: carload = 40,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *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/DAIRYMARKETNEWS.

NATIONAL DAIRY MARKET NEWS AT A GLANCE**CONTINUED FROM PAGE 1**

the farms in these areas are preventing pasturing of stock and the cropping. Some transportation issues are noted in the collection of farm milk and the subsequent delivery of dairy products. Milk production has likely peaked for the season in Germany. Output is currently noted higher than year ago volumes in Germany, Holland and Denmark. Milk volumes are lower than year ago levels in France, U.K., and Ireland. Dairy product pricing levels are mostly stable with only slight adjustments recorded. The stronger Euro factored in some price gains. The Private Storage Assistance (PSA) butter stocks at the end of May are over 46,000 MT, compared to nearly 80,000 MT a year ago. **EASTERN OVERVIEW:** Eastern European milk production levels are trending slightly higher as seasonal gains are registered. Volumes vary across countries. Flooding was also common over Eastern Europe, most notable in the Czech Republic. Dairy products are trading along expected volumes with buyers more active in seeking future needs. Milk production is reported higher than year ago levels in Poland. **OCEANIA OVERVIEW:** The NEW ZEALAND milk output is slowing at levels along seasonal trends as the calendar enters the winter season. Overall, milk remains at levels below a year ago. The effects of the March drought remain a strong influence on the current production cycle. Despite recent wet conditions, there has been limited response to milk production. Pasture conditions are expected to improve with reseeding growth developing. Farmers are seeing more optimistic news about the next season. Higher payments for next season's milk are being set by milk buyers/processors. The payments are a result of the higher market prices for finished dairy products and the shifting supply and demand balance in international markets. **AUSTRALIAN** milk production trends remain below a year ago levels in most milk producing regions. Milk price step ups are reported for this production season in Australia. Additionally, opening milk prices for next season are being calculated and projected to move higher. Recent currency devaluations would factor into allowing for increased milk pricing. Farm economics and the effects of weather conditions continue to put a damper on current milk production. Rainfall is helping to rebuild soil moisture and water reservoirs that will benefit next season's pastures and crops. Domestic dairy product production and demand are stable. Dairy product prices have retreated from recent high levels. Other supplying countries are filling in voids for commodity products. Dairy product prices at current levels and offerings are creating a sense that markets could gain support. Current offering volumes are light from Oceania sources. Short-term offerings have slowed as products are moving to fill contracted volumes and to products of greatest needs. Commodity product business is slowing seasonally. **gDT:** Results are noted for the June 4th gDT session #93. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,478 -4.3%; butter, \$3,743 -2.6%; buttermilk powder, \$4,410 +3.3%; cheddar cheese, \$4.877 n.a.; lactose, not traded; milk protein concentrate, not traded; rennet casein, not traded; skim milk powder, \$4,164 -3.2%; and whole milk powder, \$4,643 -7.1%.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The following are the MAY 2013 prices under the Federal Milk Order pricing system and the changes from the previous month: Class II \$18.43 (-\$0.30), Class III \$18.52, (\$+0.93), and Class IV \$18.89, (+\$0.79). Component Price Information: The butterfat price for May 2013 is \$1.7884 per pound. Thus, the Class II butterfat price is \$1.7954. The protein and other solids prices for May are \$3.3597 and \$0.3887 per pound, respectively. These component prices set the Class III skim milk price at \$12.71. The May Class IV skim

milk price is \$13.09, which is derived from the nonfat solids price of \$1.4549 per pound. Product Price Averages: The product price averages for May are: butter \$1.6483, NDM \$1.6374, cheese \$1.8274, and dry whey \$0.5765. Further information may be found at: www.ams.usda.gov/AMSv1.0/PriceFormulas2011

MAY 2013 DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 169.3 million pounds, 0.3% below April 2012 and 6.9% below March 2013. American Type Cheese production totaled 373.0 million pounds, 2.4% above April 2012 but 3.0% below March 2013. Total Cheese output (excluding cottage cheese) was 928.2 million pounds, 3.2% above April 2012 but 2.9% below March 2013. Nonfat Dry Milk production, for human food, totaled 160.8 million pounds, 15.7% below April 2012 but 7.0% above March 2013. Dry Whey production, for human food, was 78.6 million pounds, slightly below April 2012 and 0.1% below March 2013. Ice Cream (hard) production totaled 71.6 million gallons, 1.5% above April 2012 and 2.0% above March 2013.

MAY AGRICULTURE PRICES HIGHLIGHTS (NASS): The All Milk price received by farmers was \$19.80 in May, up \$0.30 from April 2013 and up \$3.60 from May 2012. Alfalfa hay price was \$221.00 in May, up \$4.00 from May 2012. Corn price was \$6.88 in May, up \$0.54 from May 2012. Soybean price was \$14.80 in May, up \$0.80 from May 2012. The milk-feed price ratio was 1.55 in May, up 0.21 from May 2012. The index of prices received by farmers for dairy products during the month of May 2013 was up 3 points to 152. Compared with May 2012, the index was up 28 points (22.6%). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2013 unchanged at 219. Compared with May 2012, the index was up 4 points (1.9%).

CME GROUP

MONDAY, JUNE 3, 2013

CHEESE -- SALES: 7 CARS 40# BLOCKS: 1 @ \$1.7350, 1 @ \$1.7300, 1 @ \$1.7250, 1 @ \$1.7225, 2 @ \$1.7200, 1 @ \$1.7275; LAST BID UNFILLED: 3 CARS BARRELS @ \$1.7000; 2 CARS 40# BLOCKS @ \$1.7200; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7450
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 3 CARS GRADE AA @ \$1.5400; LAST BID UNFILLED: NONE; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.5500

TUESDAY, JUNE 4, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.6850; 6 CARS 40# BLOCKS: 1 @ \$1.7200, 1 @ \$1.7175, 2 @ \$1.7150, 1 @ \$1.7100, 1 @ \$1.7075; LAST BID UNFILLED: 1 CAR 40# BLOCKS @ \$1.7050; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6850; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5300; LAST OFFER UNCOVERED: 1 CAR GRADE AA @ \$1.5500

WEDNESDAY, JUNE 5, 2013

CHEESE -- SALES: 2 CARS BARRELS @ \$1.6975; 8 CARS 40# BLOCKS: 1 @ \$1.7100, 2 @ \$1.7075, 1 @ \$1.7050, 1 @ \$1.7200, 3 @ \$1.7350; LAST BID UNFILLED: 4 CARS BARRELS @ \$1.7300; 3 CARS 40# BLOCKS @ \$1.7350; LAST OFFER UNCOVERED: NONE
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6900; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5300; LAST OFFER UNCOVERED: NONE

THURSDAY, JUNE 6, 2013

CHEESE -- SALES: 12 CARS 40# BLOCKS: 1 @ \$1.7325, 2 @ \$1.7350, 1 @ \$1.7325, 1 @ \$1.7350, 1 @ \$1.7400, 6 @ \$1.7325; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.7425; 5 CARS 40# BLOCKS @ \$1.7400; LAST OFFER UNCOVERED: 5 CARS 40# BLOCKS @ \$1.7500
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 1 CAR GRADE A @ \$1.6900; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 12 CARS GRADE AA @ \$1.5400; LAST BID UNFILLED: 1 CAR GRADE AA @ \$1.5300; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.5500

FRIDAY, JUNE 7, 2013

CHEESE -- SALES: 1 CAR BARRELS @ \$1.7600; 17 CARS 40# BLOCKS: 5 @ \$1.7400, 1 @ \$1.7425, 1 @ \$1.7400, 1 @ \$1.7375, 2 @ \$1.7350, 1 @ \$1.7325, 2 @ \$1.7350, 1 @ \$1.7375, 2 @ \$1.7400, 1 @ \$1.7500; LAST BID UNFILLED: 2 CARS BARRELS @ \$1.7500; LAST OFFER UNCOVERED: 1 CAR 40# BLOCKS @ \$1.7475
 NONFAT DRY MILK -- SALES: NONE; LAST BID UNFILLED: 2 CARS GRADE A @ \$1.6925; LAST OFFER UNCOVERED: NONE
 BUTTER -- SALES: 5 CARS GRADE AA: 3 @ \$1.5400, 2 @ \$1.5450; LAST BID UNFILLED: 4 CARS GRADE AA @ \$1.5400; LAST OFFER UNCOVERED: 2 CARS GRADE AA @ \$1.5475

BUTTER MARKETS

NORTHEAST

The CME Group butter price was unchanged Tuesday and closed at \$1.5400. Butter prices have closed at the current level for the past 5 sessions in fairly light trading with 10 loads sold. Butter production continues at an active pace as plenty of cream is finding its way to the churn. Production of bulk butter remains strong and adding to inventories. Current butter sales remain flat, but there is increased interest amongst some buyers as they perceive the market as being at or near a pricing low point. Export interest has declined over the past few weeks, but a few plants continue to make 82% to fill current orders. Most butter makers remain comfortable with their current inventories. Current bulk butter prices for this week are 4-8 cents over the market on the CME Group with various time frames and averages used.

CENTRAL

The Central butter market is steady. Butter churn operators continue to buy spot cream loads for churning, as long as multiples are below the mid 1.30's. Some producers indicate they are looking for alternatives to producing butter for their cream spot loads as the season advances. International interest drove butter production decisions in the first quarter of the year for many Central manufacturers, but some producers indicate they are unsure that global interest will sustain the domestic butter market in the long run. During April, total butter exports decreased by 29% compared to one year ago, totaling 9.4 million pounds. Domestic wholesale butter demand is little to moderate. Various market participants indicate retailers have not featured butter strongly so far this month. Bulk butter prices are flat to +4, depending on branding and other factors. During April, Central butter production totaled 62.5 million pounds, a 13.4% decrease from the previous month, and a 3.3% decrease from one year ago.

WEST

Wholesale butter prices in the West are lower following six weeks of lower weekly averages at the CME Group exchange. Increased supplies held in inventory are reported to be to blame for the reduced demand. Buyers are looking for discounts for sales above immediate needs. Butter manufacturers are looking at export opportunities to move inventory and some have

increased production of 82% butterfat to fill that need. Prices for bulk butter range from 3 cents under to 5 cents under the market, based on the CME with various time frames and averages used. Butter prices at the CME Group exchange on Wednesday are unchanged, closing at \$1.5400. Increased inventories continue to weigh on the market. Sales of butter at the exchange are light so far this week with three sales reported by Wednesday's close. CME Group average price for May 2013 for butter is \$1.5997 compared to \$1.3531 for May 2012. According to the NASS *Dairy Products* report, April butter production for the U.S. totals 169.3 million pounds, down 0.3% or 0.5 million pounds from April of 2012. Cumulative output for the year for the U.S. is 713.2 million pounds, up 2.1% or 14.9 million pounds from the same period in unadjusted 2012. April output in the Western region totals 87.9 million pounds, up 0.2% or 0.2 million pounds more than April of 2012. The West produced 51.9% of the butter in the U.S. in April. According to the Foreign Agricultural Service, exports of butter and milkfat for January-April 2013 total 43.0 million pounds, up 4% or 1.8 million pounds from the same period a year ago. Saudi Arabia, at 20.0 million pounds for the year, is the largest importer with a 47% increase above 2012. Exports for April amounted to 9.4 million pounds, down 28.8% from April of 2013. The butter and milkfat exports account for 6.0% of butter production in the U.S. for the year.

2013 U.S. Butter and Milkfat Exports, (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
Apr. Total	9.4	- 29
Total, Jan - Apr.	43.0	+ 4
1 Saudi Arabia	20.0	+ 47
2 Iran	7.8	+ 54
3 Egypt	2.6	- 51
4 Morocco	1.8	- 62
5 UAE	1.7	*
*UAE purchases Jan. - Apr. 2012 were only 200,300 pounds		

NATIONAL DAIRY PRODUCTS SALES REPORT

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	BUTTER	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	DRY WHEY	NDM
June 1, 2013					
	1.6182	1.8090	1.7746	0.5813	1.6690
	4,978,513	11,554,020	9,466,972	7,427,606	13,704,377

CHEESE MARKETS

NORTHEAST

Cheese prices on the CME Group declined Tuesday with barrels down \$0.0225 closing at \$1.6850, while blocks dropped \$0.0200 to close at \$1.7075. Trading activity over the last 5 sessions has been focused more on blocks with 25 loads sold, while barrels have only seen 3 sales. The weekly average cheese prices on the CME Group declined last week, and as a result, wholesale prices for cheddar blocks and Muenster declined \$0.0150, while Process 5# sliced cheese dropped \$0.0225. Wholesale prices for Swiss cuts were unchanged. Manufacturing milk volumes going to cheese plants remain strong with most plants on 6-7 day production schedules. Cheese sales have slowed and are unable to keep up with current production schedules. Export activity continues, but at lower volumes compared to earlier in the year.

DAIRY PRODUCTS: According to the latest NASS report, total cheese production for April in New York was 64.5 million pounds, 0.4% more than March and 9.6% more than April 2012. Pennsylvania produced 39.3 million pounds in April, 2.6% less than one month earlier, but 10.8% more than one year ago. Vermont produced 11.2 million pounds, 4.6% more than last month and 7.9% more than April 2012. The total of all cheese production for April in the Atlantic region was 123.1 million pounds, down 1.5% from March, but 8.3% more compared to the same period last year. Atlantic region cheese production accounted for 13.3% of total U.S. production. Total U.S. cheese production in March totaled 928.2 million pounds, 2.9% less than March, but 3.2% more than April 2012. Cumulative 2013 U.S. Cheese production was 1.3% greater than 2012. Focusing on Italian cheese, New York production in April totaled 29.0 million pounds, 11.0% less than March and 1.6% less than April 2012. Pennsylvania produced 26.2 million pounds in April, 1.2% more than March and 9.6% more than April 2012. The Atlantic region in March, produced 61.5 million pounds of Italian cheese, 6.7% less than March, but 1.3% more than last year.

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

Cheddar 40# Block	:	2.1425-2.4275
Process 5# Sliced	:	1.9325-2.4125
Muenster	:	2.1625-2.5225
Grade A Swiss Cuts 10 - 14#	:	3.3925-3.7150

MIDWEST

Cheese weekly average prices ended last week down for the second consecutive week then moved even lower by Tuesday's close. On Wednesday the previous declines reversed into advances, with Barrels up 4 ½ cents to \$1.7300 and Blocks up 2 ¾ cents to \$1.7350. There have been recent indicators of buyers waiting to place purchase orders until they believed the recent price declines had moved toward a low. Last week, some manufacturers noted increased inquiries "asking" about block availability. A cheese manufacturer observed that the "normal seasonal trend for cheese markets is higher for coming months". Nevertheless, many believe that caution may be advisable in expectations as to the sustainability of any significant market reversal for a while, at least until the current season's crop, forage and grain perspective becomes clearer. There remains plenty of cheese stored. This is especially true for Mozzarella which is available for spot purchases "at discounts" to current Block prices. Total April 2013 cheese production nationally, 928 million pounds, is 3.2% above April 2012 but 2.9% below March

this year according to Dairy Products. In the listed Central Region states, total cheese production for April, 354 million pounds, is 2.1% over April last year but down 5.8% from March. Focusing on Cheddar, the Central Region's April production of 131.3 million pounds is a 7.4% decrease from March compared with a 2.7% national decrease. Central Region American cheese production for April, 179.2 million pounds, is down 4.6% from March compared with -1.3% nationally. Total Central Region Italian cheese production for April, 159.1 million pounds, is down 6.4% from March compared with -4.0% nationally. Cooperatives Working Together (CWT) has accepted requests for export assistance to sell 2.075 million pounds (941 metric tons) of Cheddar and Monterey Jack cheese to customers in Asia and North Africa. The product will be delivered June through November 2013. Year-to-date, CWT has assisted member cooperatives in selling 59.201 million pounds of cheese.

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

Process American 5# Loaf	:	1.9050-2.6100
Brick And/Or Muenster 5#	:	2.1300-2.5775
Cheddar 40# Block	:	2.1300-3.0025
Monterey Jack 10#	:	2.1000-3.0025
Blue 5#	:	2.3925-3.3800
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9725-3.1025
Grade A Swiss Cuts 6 - 9#	:	2.9125-3.0300

WEST

Western wholesale cheese prices were lower following the CME Group weekly average. Buyers are cautious about advance purchases as they assess the weakness in the market. Although prices are significantly lower than a few weeks ago for block cheese, prices are still higher than year ago for most varieties. Export sales have slowed with some manufacturers offering discounts to move product. The CWT program assisted with sales of 2.075 million pounds of Cheddar and Monterey Jack this week. Cheese prices at the CME Group staged a turnaround on Wednesday with barrels \$0.0450 higher to settle at \$1.7300. Blocks were \$0.0275 higher, closing at \$1.7350. Trading has been active in the block market all week with 21 loads sold by Wednesday's close. Barrels had sales of 3 loads by midweek. The CME Group monthly average price for May 2013 for barrels is \$1.7251 compared to May 2012 at \$1.4701. Blocks averaged \$1.8052 for May 2013 compared to \$1.5234 for the previous year. According to the NASS *Dairy Products* report, total cheese production in the U.S. in April reached 928.2 million pounds, up 3.2% or 28.8 million pounds from April of 2012. Cumulative total cheese output for the U.S. for the year is 3.7 billion pounds, up 1.3% or 46.2 million pounds from unadjusted 2012. April total cheese production in the Western region was 391.5 million pounds, up 3.3% or 12.7 million pounds from April 2012. The West produced 42.2% of all the cheese in the U.S. in April. Swiss output for the U.S. in April is 26.5 million pounds, down 4.6% or 1.3 million pounds from a year ago. According to FAS, exports of cheese and curd for January-April 2013 total 210.7 million pounds, up 7% from the same period a year ago. The exports account for 5.7% of total cheese production in the U.S. for January-April of

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CHEESE MARKETS

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2013. Exports for the month of April are 5.7% higher than a year ago. The three largest importers of U.S. cheese are Mexico at 49.5 million pounds (+10%), South Korea 31.9 million pounds (+7%) and Japan at 27.6 million pounds (+35%). These three customers make up 51.7% of U.S. cheese exports.

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

Process 5# Loaf	:	1.8400-2.0975
Cheddar 40# Block	:	1.8625-2.2150
Cheddar 10# Cuts	:	2.0425-2.2625
Monterey Jack 10#	:	2.0525-2.2125
Grade A Swiss Cuts 6 - 9#	:	2.9700-3.4000

2013 U.S. Cheese and Curd Exports, (USDA-FAS)

	(Million Lb.)	% Change From 1 Year Ago
Apr. Total	56.3	+ 6
Total Jan.-Apr.	210.7	+ 7
1 Mexico	49.5	+ 10
2 South Korea	31.9	+ 7
3 Japan	27.6	+ 35
4 Canada	9.6	+ 12
5 Australia	8.2	+ 3

FOREIGN

The CME Group weekly average block price declined again last week, lowering domestic wholesale foreign type cheese prices by \$0.0150. Domestic Swiss cuts and imported cheese prices were unchanged. According to European market analysts, milk production in May reached its seasonal peak in Europe, but was below year ago levels. Contributing to the lower milk production output was the cool spring and wet weather limiting the availability of good pastures and forages. Milk production is expected to improve and be above year ago levels in the second half of the year. Cheese production is expected to increase in 2013, compared to year ago levels.

DAIRY PRODUCTS: According to the latest NASS report, domestic Parmesan production during April totaled 30.0 million pounds, 16.1% more than the previous month and 17.3% more than April 2012. Provolone production during April totaled 33.8 million pounds, 13.8% more than March and 12.4% more than April 2012. Romano production during April totaled 3.9 million pounds, 29.7% less than April and 19.8% less than April 2012. Swiss production during April totaled 26.5 million pounds, 7.7% more than March, but 4.6% less than April 2012.

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

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Blue	: 2.6400-5.2200	: 2.2825-3.7700*
Gorgonzola	: 3.4900-6.4700	: 2.7850-3.2400*
Parmesan (Italy)	: -0-	: 3.6725-5.7625*
Provolone (Italy)	: 3.4400-5.4500	: 2.3250-2.4825*
Romano (Cows Milk)	: -0-	: 3.4725-5.6225*
Sardo Romano (Argentine)	: 2.8500-3.6900	: -0-
Reggianito (Argentine)	: 3.2900-4.4600	: -0-
Jarlsberg-(Brand)	: 2.9500-5.2900	: -0-
Swiss Cuts Switzerland	: -0-	: 3.4900-3.8125

* = Price change.

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

	BUTTER : CHEESE	
	:	
06/03/13	17,582	: 112,135
06/01/13	17,617	: 112,193
CHANGE	-35	: -58
% CHANGE	0	: 0

FLUID MILK AND CREAM

EAST

SPOT SHIPMENTS OF GRADE A MILK INTO OR OUT OF FLORIDA & SOUTHEASTERN STATES

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	120	0	100	0	160
SOUTHEAST STATES	0	0	0	0	0	0

Manufacturing milk supplies remain very heavy in the Mid-Atlantic and Northeast regions as milk production has plateaued at levels just beyond the seasonal peak. Class I demand is mixed with some areas showing declines as some schools are beginning to close for the summer. Balancing plants are doing all they can to keep milk from hitting the ground. Unloading delays are occurring in some areas of the Northeast. The recent heat wave that covered much of the East Coast did little to limit milk production as night time lows allowed cattle to recover from the daytime highs. Milk production in Florida continues to slowly decline. The weather has turned very humid with forecasts for a tropical storm to cross the state later this week. The humidity and storms have the potential to significantly lower cow comfort levels and milk production. Class I demand has declined compared to previous weeks. Export spot loads totaled 120 this week. Milk supplies remain heavy in the Southeast Region with nearly all auxiliary manufacturing plants being utilized to handle the increased supplies. Class I demand has marginally rebounded in some areas, but not enough to stem the flow of milk to manufacturing plants. Some loads continue to be rejected, due to temperature issues. Demand for cream has increased and tightened supplies. Reduction in Class I demand is reducing standardized cream volumes as schools are beginning to close. Increased pulls for cream are coming from ice cream and cream cheese manufacturers with especially strong demand coming from cream bottlers. **Cream multiples for all Classes** moved significantly higher this week and range 1.26-1.33 with no spot loads moving out of the region. Demand for condensed skim remains flat with most manufacturers able to meet their needs via contracted supplies. The heavy supplies are keeping most drying operations operating at or near capacity levels.

DAIRY PRODUCTS: According to NASS, ice Cream production in the Atlantic region for April totaled 14.9 million gallons, 11.0% more than March, but 0.1% less than April 2012. U.S. Yogurt production (plain and flavored) for April totaled 378.1 million pounds, down 9.9% from March, but 8.3% more than April 2012. Cumulative 2013 production through April totaled 1,551.8 million pounds, 3.4% higher than through April 2012.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, DOLLARS PER LB. BUTTERFAT:

F.O.B. producing plants: Northeast -	1.9420-2.0499
F.O.B. producing plants: Upper Midwest -	1.8803-2.0191

PRICES OF CONDENSED SKIM, DOLLARS PER LB. SOLIDS,

F.O.B. PRODUCING PLANTS:

Northeast - Class II - includes monthly formula prices -	1.53 - 1.68
Northeast - Class III - spot prices -	1.39 - 1.49

MIDWEST

Manufacturing milk supplies in the Central region are steady to increasing as demand from bottlers recedes with the end of school terms. Class II demand moved higher for the week, with condensed skim from the Southwest filling some South Central supply gaps. Manufacturers report within Class II demand, both soft serve and frozen ice cream production is increasing seasonally. Many ice cream manufacturers hit peak production in June. Production on multi-serve and individual serve packaging lines is equally strong as manufacturers work on fulfilling orders to seasonal sport parks and recreational areas as well as retailers. Cream multiples firmed this week, ranging from 1.22 - 1.31. Demand for spot loads of milk is

generally light. Some cheese manufacturers offered loads to the market, hoping for premiums, but offers centered around flat Class. Crop farmers in Iowa are reassessing fields after receiving heavy rains during the past 7 - 10 days. Reports from some areas indicate soil erosion averaged up to 5 tons/acre. Some corn fields may require replanting, and crop farmers are reevaluating various seed varieties for this task. Farmers may opt to report fields as Prevented Planting or switch to soybeans when planting conditions improve. Existing corn stands are struggling against moisture laden conditions. Recent rains added to volumes in manure pits and farmers are becoming anxious to deal with this. Wet conditions, though, have kept field spreading to a minimum. Some first cutting alfalfa made it out of the fields in the North Central area before the rains shut down harvesting. Green chopping is ongoing.

WEST

Temperatures approaching the 113 mark by the weekend are possible in the southern Central Valley of CALIFORNIA. This would be near a record and quite early for heat this intense. The length of the heat and how cool it gets to at night will tell how much stress there will be on the milking herd and if they will be able to rebound. Hay prices are mostly steady and range from \$221-249/ton for Premium/Supreme FOB the stack in the Central Valley. The May 4a price (butter/powder) in CALIFORNIA is \$18.24, up \$0.22 from April and \$4.79 higher than last year. This compares to the Federal Order Class IV price for May at \$18.89. The May 4b price (cheese) is \$17.20, \$0.28 higher than April and \$3.64 more than last year. This compares to the Federal Order Class III price for May at \$18.52. Weather conditions in ARIZONA are starting to add much more stress on the milking herd. The temperature is getting into the 80s much more quickly in the mornings. Near record heat is possible by the weekend as the thermometer may be in the 110 range. Humidity, so far, has not been that bad. School closings are adding to the manufacturing supplies. Plants are running OK with the present volumes of milk to process. NEW MEXICO temperatures were high early in the week with the 100 degree mark being touched. Nights remain very cool and there is no humidity stress. Milk is being handled efficiently in the state. Tests on milk receipts are declining seasonally. CREAM markets are being called steady again after the downturn over the holiday weekend. Ice cream operations are taking some increasing volumes of cream. Very little cream is leaving California at this time. At the CME Group, Grade AA pricing closed at \$1.54 on Wednesday, June 5, unchanged from last week. Cream multiples are about steady in the 1.10-1.28 range and vary depending on class usage and basing points. Moderate temperatures are helping to add to cow comfort levels in the PACIFIC NORTHWEST. Milk production levels are steady to increasing slowly. The closing of schools across the region has added to manufacturing milk supplies. Processors report few problems with handling current volumes. Hay prices in the region are coming down as harvest of first crop hay has begun. UTAH and IDAHO milk volumes are mostly steady to slightly improved as moderate temperatures continue in the area. Lack of significant rainfall has raised some concerns as to availability of irrigation water for later in the year. Milk processors are able to handle current supplies with some reports of additional milk available for those plants with surplus capacity. Current high cull cow prices at auctions have helped dairies to replace lower producing cows at a faster pace as some prices have topped \$80.00 per cwt. According to the NASS *Agricultural Prices* report for May, mid-month U.S. prices for baled alfalfa hay were \$221/ton, \$4/ton more than last year. Prices for selected Western states and the change from last year are as follows: Arizona \$240, -\$15; California \$202, -\$25; Colorado \$245, -\$10; Idaho \$190, +\$10; Nevada \$202, -\$23; New Mexico \$265, -\$21; Oregon \$205, -\$25; Utah \$191, -\$14 and Washington \$225, -\$15. The NASS Pasture and Range Condition report indicates that as of June 2 for the U.S., 25% are in the poor or very poor category. For selected Western states the rate in these categories are as follows: Arizona 75%, California 65%, Colorado 54%, Nevada 57%, and New Mexico 92%.

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot 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 AND EAST

CENTRAL: Central nonfat dry milk prices are steady on the mostly and higher on the range based on various index based contract prices. Manufacturers indicate buyers display some interest for spot loads priced in the high \$1.60's to low \$1.70's, but that interest dissipates at the mid-\$1.70 mark. Market participants report the number of resale offers of NDM priced below the market declined this week. They interpreted this in different ways, including: reseller inventories are in balance, resellers anticipate NDM prices will improve during the summer when Oceania SMP product will be less available, or near term domestic NDM/SMP supplies may tighten due to participation in an Algerian tender. The domestic market seems to be waiting for the next big event in milk production or NDM sales to help establish short to mid-term market direction. According to NASS, NDM production in the Central region totaled 25.9 million pounds during April 2013, 0.9% less than one month ago, but 5.2% more than the April 2012 total. Cumulative nonfat dry milk production for 2013 in the Central region totals 104.8 million pounds, 40.3% higher compared to 2012 production during the same time span. The May 2013 Dairy Market News average of the mostly price series for Central and East nonfat dry milk, low/medium heat, was \$1.7066 compared to \$1.6288 one month ago and \$1.1702 in May 2012. The May 2013 Dairy Market News average of the range price series for Central and East nonfat dry milk, high heat, was \$1.7560 compared to \$1.6777 one month ago and \$1.2655 in May 2012.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of human food NONFAT DRY MILK during April 2013 totaled 160.8 million pounds, up 7.0% from March 2013 production but 15.7% lower than the April 2012 total. Cumulative nonfat dry milk production for 2013 totals 591.5 million pounds, 15.9% lower than 2012 production during the same time span. Month ending stocks, at 193.1 million pounds, are 16.8% lower than a month ago, and 14.4% lower than one year ago. April 2013 production of SKIM MILK POWDERS, which includes protein standardized and blended product, totaled 39.4 million pounds, 17.2% lower than one month ago but 110.6% higher than the April 2012 total. Cumulative 2013 skim milk powder production totals 178.1 million pounds, a 95.9% increase in production compared to production during the same time span in 2012.

EAST: Nonfat dry milk prices moved higher this week on both ranges, but held steady on the low heat mostly range. Manufacturing milk supplies did not back down this week and kept nonfat dry milk operations working at or near capacity. Production continues to focus on low heat manufacturing as plant operators are trying to process milk as quickly as possible. Current production is adding to low heat inventories. The combination of limited high heat production with supplies moving through contracts and a few spot sales have tightened high heat supplies. Domestic demand remains lackluster as most buyers are interested in low heat under \$1.70, while most manufacturers are unwilling to move under that price. Some manufacturers have been able to better manage inventories via export sales, where demand has recently improved. The market undertone is unsettled as buyers and sellers struggle to find a trading price point.

DAIRY PRODUCTS: The latest NASS Dairy Products report indicates nonfat dry milk production for April in the Atlantic region totaled 23.6 million pounds, 14.7% of the nation's total. The Atlantic region production was 11.1% less than one year ago, but 7.8% more than the previous month.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.6600 - 1.7450 MOSTLY: 1.6800 - 1.7225
HIGH HEAT: 1.7500 - 1.8000

U.S. NDM Exports, H.S. Code 0402100000(FAS)

	2013 Exports (Million Lb.)	% Change From 1 Year Ago
April Total	121.7	+ 40
TOTAL, JAN - APR	355.6	+ 3
1 Mexico	135.7	- 5
2 Indonesia	40.6	+ 28
3 Philippines	35.0	+ 2
4 Vietnam	30.2	+ 24
5 Malaysia	22.0	+ 72

NONFAT DRY MILK - WEST

Both the range and mostly price series widened out a bit this week as various segments of the market reacted differently to market signals. Many continue to wait for a better understanding of some fundamentals along with future market direction before they make buying or selling decisions. As the spring flush of milk passes, most assume a clearer picture will develop. Some manufacturers are trying to market additional powder and others are content to have a workable inventory. Many operations are maximizing SMP production for export purposes as a way to work around the unknowns. The high heat price series also widened out. Stocks and production are both light. Demand is improving from most quarters seasonally. According to the NASS Dairy Products report, NDM production for the U.S. in April totals 160.8 million pounds, down 15.7% from April 2012. Stocks at the end of the month total 193.1 million pounds, down 14.4% from a year earlier. Cumulative output for the first four months of the year is 591.5 million pounds, down 15.9% or 111.9 million pounds from last year for the same time-period unadjusted. In the Western region, output in April was 111.3 million pounds, down 20.3% from last year. The West produced 69% of the output in the U.S. in April. SMP output for the U.S. in April was 39.4 million pounds, more than double a year earlier. Cumulative SMP output for 2013 totals 178.1 million pounds, almost double the total for the same period last year. The increase is 87.2 million pounds.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUM HEAT: 1.6100 - 1.7400 MOSTLY: 1.6650 - 1.7200
HIGH HEAT: 1.6600 - 1.8000

DRY BUTTERMILK - CENTRAL AND EAST

CENTRAL: The Central dry buttermilk price series narrowed. Brokers and traders indicate spot load availability of dry buttermilk from Central manufacturers tightened during the last 2 weeks. While some manufacturers have spot loads on hand, they indicate there is limited need to clear loads during the current market trend. Pricing will likely determine whether spot loads clear. Dry buttermilk production is steady to lower. Some manufacturers are clearing butterfat through dry whole milk production as an alternative to 80% butter churning. The May 2013 Dairy Market News average of the range price series for Central and East dry buttermilk was \$1.5584 compared to \$1.4862 one month ago and \$1.0328 in May 2012.

Continued on page 5A

NONFAT DRY MILK, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

Continued from page 5

DRY BUTTERMILK - CENTRAL AND EAST continued

DAIRY PRODUCTS: NASS *Dairy Products* reports production of dry buttermilk during April 2013 totaled 11.3 million pounds, 3.2% less than one month ago but 18.4% more than the April 2012 total. Cumulative 2012 dry buttermilk production totals 48.7 million pounds, 12.5% more than during the same time span of 2012. Month ending stocks of dry buttermilk, at 17.6 million pounds, are 7.8% lower than one month ago and 25.7% lower than one year ago.

EAST: Prices for dry buttermilk were mixed as spot sales increased the low end of the range, while sales based on various price indices marginally lowered the upper end of the range. Dry buttermilk production held about steady with last week as current milk production maintained good cream flows going to churns. Trading was fairly light with only a few spot sales reported. Demand is fairly light as most buyers are purchasing for immediate needs only while they wait for a clearer market trend to develop. Current production is adding to inventories with most manufacturers comfortable with their current supplies. Cream demand has increased with stronger pulls from ice cream and cream cheese manufacturers, which may be a precursor to lower dry buttermilk production in the near term. The market undertone is cautiously steady.

F.O.B. CENTRAL/EAST: 1.5200 - 1.6000

DRY BUTTERMILK - WEST

The Western buttermilk powder market continues to show some strength as buyers look for good quality and good value dairy proteins. Offerings are moderate and finding good buyer interest. Production is seasonally heavy, but inventories are on the light side. Some buyers have to wait a bit on deliveries. According to the NASS Dairy Products report, dry buttermilk production in the U.S. for April totals 11.3 million pounds, up 18.4% from last year. Stocks at the end of April stand at 17.6 million pounds, a decline of 25.7% from last year.

F.O.B. WEST: 1.5200 - 1.5650 MOSTLY: 1.5400 - 1.5500

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk moderated slightly in tandem with market trends for butterfat and nonfat solids in recent weeks. Interest remains steady for contract loads. Producers report their ample manufacturing milk intakes are spurring dry whole milk production as dryer schedules allow. The May 2013 Dairy Market News average of the price series for dry whole milk was \$1.8900, compared to \$1.8409 one month ago. The average price one year ago was \$1.4602.

DAIRY PRODUCTS: NASS's Dairy Products report shows dry whole milk production during April 2013 increased 44.2% compared to March 2013 to 6.2 million pounds and increased 40.3% compared to the April 2012 total. Cumulative 2013 dry whole milk production totals 20.6 million pounds, 10.7% higher than production during the same time span in 2012. Month ending stocks, at 4.5 million pounds, are 21.6% higher than one month ago, but 35.4% lower than one year ago.

F.O.B. PRODUCING PLANT: 1.7800 - 1.9800

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
May 31	\$1.6159	5,553,499	0
May 24	\$1.5505	9,835,175	0

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. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY - CENTRAL

Prices for Central dry whey are higher across both price series. Various end users indicate offers from resellers were lighter this week. Some brokers/traders commented they see opportunities in the near future to recoup costs on some of the whey loads if this market follows the expected firming trend during the summer months. Some Central dry whey manufacturers report export sales to Southeast Asia increased compared to a few weeks ago, although prices carry a discount to domestic sales to offset land transportation costs. Dry whey production in the region is steady to higher. Some plant operators report vat counts are trending higher on a week to week basis as manufacturing milk volumes increase. Cheese manufacturers indicate sales into fluid accounts are markedly lower now that schools are either closed or running partial day sessions, and this is keeping more milk in house. ANIMAL FEED DRY WHEY prices are unchanged for the week. Production is steady to higher as one or two operations report recent whey drying operations yielded additional animal feed dry whey from dryer cleanings and startup/shut down. Blended feed manufacturers indicate sales of finished feed into calf milk and veal milk replacer accounts are very active. Veal raisers noted calf prices are trending lower, offering some cost savings for refilling barns. Human food dry whey production during April 2013 in the Central region totaled 41.4 million pounds. This dry whey production is 6.6% lower than one month ago, but 3.9% higher than the April 2012 total. Cumulative 2013 human food dry whey production in the Central region totals 167.6 million pounds, 5.9% higher than 2012 production during the same time span. The May 2013 Dairy Market News average of the mostly price series for Central dry whey was \$0.5402, unchanged from one month ago, and compared to \$0.4956 in May 2012. The May 2013 Dairy Market News average of the range price series for ANIMAL FEED Central milk replacer dry whey was \$0.4738 compared to \$0.4672 one month ago and \$0.4269 in May 2012.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows production of HUMAN FOOD dry whey in April 2013 totaled 78.6 million pounds, 0.1% lower than one month ago and unchanged from the April 2012 total. Month ending stocks of HUMAN FOOD dry whey totaled 66.6 million pounds, 10.1% less than one month ago but 39.9% more than one year ago. Production of ANIMAL FEED dry whey during April 2013 totaled 3.4 million pounds, 25.6% less than one month ago and 39.3% less than the April 2012 total. ANIMAL FEED dry whey month ending stocks totaled 2.4 million pounds, 31.8% lower than one month ago and 18.5% lower than one year ago.

F.O.B. CENTRAL: .5075 - .6300 MOSTLY: .5175 - .5700
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .4075 - .5400

DRY WHEY - NORTHEAST

Dry whey prices moved marginally higher this week in light trading as sales based on various price indices move prices higher. Production of dry whey remains very active as milk volumes going to cheese plants remain heavy. Domestic demand is light as most buyers are covering their needs via their contract volumes. Most manufacturers' inventories are expanding, but a few have been able to better manage their inventories through export sales. Overall, most manufacturers do not view their inventories as burdensome. Limited spot sale and resale prices are under current contract levels.

The May 2013 Dairy Market News average of the price series for Northeast dry whey was \$0.5779 compared to \$0.5792 one month ago and \$0.5644 in May 2012.

DAIRY PRODUCTS: The latest NASS Dairy Products report shows production of dry whey for human consumption for the nation in April, totaled 78.6 million pounds, unchanged from year ago levels, but 0.1% less than March. The Atlantic region totaled 19.6 million pounds, or 24.9% of the nation's total. The Atlantic region production was 13.5% less than April 2012, but up 6.5% compared to the previous month. April 30 dry whey for human consumption stocks, at 66.6 million pounds, are 39.9% above year ago levels, but 10.1% less than March.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .5450 - .6150

DRY WHEY - WEST

Western dry whey prices firmed slightly this week across both the full range and the mostly series. Domestic prices were mostly steady with export sales reporting steady prices with a firm undertone. Whey production levels are mostly steady with some additional product from higher cheese production. Demand is reported to be good with stronger international interest. Current stocks are said to be adequate for immediate needs from both manufacturers and brokers. The May 2013 Dairy Market News monthly average price for Western dry whey range was \$0.5884 compared to \$0.4498 for May 2012; the Western dry whey mostly series averaged \$0.5796 compared to \$0.4931 a year ago. According to the NASS *Dairy Products* report, edible U.S. whey production in April totals 78.6 million pounds, unchanged from April of last year. The Western region produced 17.6 million pounds of whey in April, up 9.2% (1.5 million pounds) from last year. The West produced 22.4% of the whey in the U.S. in April. Cumulative U.S. total dry whey production for the year is 332.9 million pounds, down 6.9% or 24.6 million pounds from the unadjusted period in 2012. Manufacturers' stocks at the end of April for edible whey are 66.6 million pounds, up 39.9% from last year's unadjusted total. According to the Foreign Agricultural Service, exports of dried whey for January-April 2013 total 159.8 million pounds, down 5% (7.9 million pounds) from the unadjusted same period a year ago. The exports account for 48.0% of the total dry whey production in the U.S. for January-April 2013. China remains the leading U.S. export destination for whey with 33.1% of the total U.S. whey export market. Chinese imports of U.S. whey this year are currently 47% above year ago amounts.

NONHYGROSCOPIC: .5575 - .6200 MOSTLY: .5600 - .6100

U.S. Dry Whey Exports. H.S. Code 0404104000(FAS)

	2013 Exports (Million Lb.)	% Change From 1 Year Ago
April Total	43.3	+ 6
TOTAL, JAN - APR	159.8	- 5
1 China	53.0	+ 47
2 Canada	16.0	+ 8
3 Indonesia	12.2	+ 11
4 Japan	11.8	N.C.
5 Philippines	8.3	+ 16

CONTINUED ON PAGE 6A

WHEY, WPC 34%, LACTOSE & CASEIN

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

CONTINUED FROM PAGE 6**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Whey protein concentrate 34% prices firmed in both price series this week. Manufacturers indicate fresh inquiries for WPC 34% arrive on a continuous basis throughout the week. Producers are choosing among buyers to determine which quantity and price requests can be spliced into existing production schedules. Production is active at most locations as manufacturing milk supplies improve slightly as fluid account demand diminishes seasonally. Inventories are reported as comfortable for near term contract fulfillment. The May 2013 Dairy Market News average of the mostly price series for whey protein concentrate 34% Central and West was \$1.2786 compared to \$1.2378 one month ago and \$1.3010 in May 2012.

DAIRY PRODUCTS: The NASS *Dairy Products* report shows production of HUMAN AND ANIMAL WPC (25.0-49.9% PROTEIN) during April 2013 totaled 18.1 million pounds, 4.7% higher than one month ago, but 9.3% lower than the April 2012 total. Cumulative WPC 34% HUMAN AND ANIMAL WPC (25.0 -49.9% PROTEIN) production for 2013 totals 69.4 million pounds, 15.7% lower than 2012 production during the same time span. Manufacturers' end-of-month stocks of HUMAN AND ANIMAL WPC (25.0 – 49.9% PROTEIN) totaled 24.6 million pounds, 5.7% lower than one month ago and 16.7% lower than one year ago.

F.O.B. EXTRA GRADE 34% PROTEIN:1.2675 -1.4800 MOSTLY: 1.2775 - 1.3225

U.S. WPC ≤ 80% Exports, H.S. Code 0404100500(FAS)

	2013 Exports (Million Lb.)	% Change From 1 Year Ago
April Total	21.2	+ 4
TOTAL, JAN - APR	78.0	+ 18
1 Mexico	24.6	+ 265
2 China	14.1	- 27
3 Canada	10.6	+ 21
4 Taiwan	3.7	+ 555
5 Australia	3.6	+ 133

LACTOSE - CENTRAL AND WEST

Prices for lactose are unchanged on the mostly, unchanged to higher on the range. Some manufacturers report they are offering spot loads to the market, mostly of unground lactose loads, on an intermittent basis. Interest is variable, based on brand, packaging and other qualities. Contracting for July and Q3 is ongoing, with some manufacturers testing market interest with initial offers. The May 2013 Dairy Market News average of the mostly price series for Central and West lactose was \$0.6450, compared to \$0.6439 one month ago. The average price one year ago was \$0.9100.

DAIRY PRODUCTS: NASS's *Dairy Products* report shows HUMAN and ANIMAL lactose production during April 2013 decreased 4.5% compared to March 2013 to 89.0 million pounds, but increased 1.8% compared to the April 2012 total. Cumulative 2013 lactose production totals 349.0 million pounds, a 0.8% increase the same time span in 2012. Month ending stocks, at 88.2

million pounds, are 3.6% lower than one month ago, but 9.7% higher than one year ago.

Including spot sales and up to 3 month contracts.

F.O.B. EDIBLE, NON PHARMACEUTICAL:5200 - .7500 MOSTLY: .5800 - .7100

U.S. Lactose Exports, H.S. Code 1702110000(FAS)

	2013 Exports (Million Lb.)	% Change From 1 Year Ago
April Total	45.6	+ 73
TOTAL, JAN - APR	165.9	+ 35
1 New Zealand	30.4	+ 42
2 China	24.7	- 11
3 Mexico	20.1	+ 26
4 Japan	12.2	+ 44
5 Brazil	10.9	+ 65

CASEIN - NATIONAL

Rennet casein prices are slightly higher; acid casein prices are unchanged. Supplies are adequate for current trade needs. The trade is assessing milk production and subsequent casein output in European countries. Milk output has been trailing year ago levels in Ireland and France.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 4.3500 - 5.0000
ACID: 4.6000 - 5.4000

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS EFFECTIVE NOVEMBER 1, 2009

BUTTER Bulk \$1.05 per pound; CHEESE 40# Blocks \$1.13 per pound; 500# Barrels \$1.10; NONFAT DRY MILK \$.80 per pound

The CCC Purchase table will no longer be shown unless purchases occur. Last CCC purchase: October 2009

U.S. Dairy Cow Slaughter (000 head) under Federal Inspection & Comparable Week 2012

WEEK ENDING	WEEKLY DAIRY COWS	2013 CUMULATIVE DAIRY COWS	2012 WEEKLY DAIRY COWS	2012 CUMULATIVE DAIRY COWS
05/18/2013	54.1	1,253.4	54.6	1,202.5

WEBSITE: http://www.ams.usda.gov/mnreports/sj_ls714.txt

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 MILK PRICES (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24	17.32	16.28	17.06	15.51	15.28
2009	10.78	9.31	10.44	10.78	9.84	9.97	9.97	11.20	12.11	12.82	14.08	14.98
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00	21.02	20.83	18.66

CLASS IV MILK PRICES (3.5% BF)

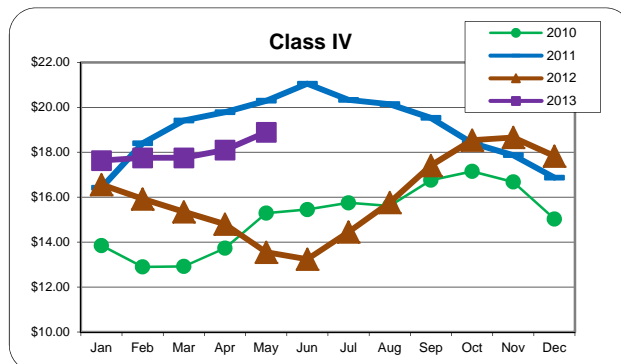
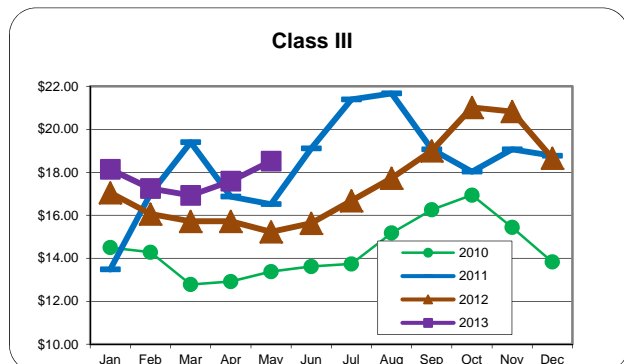
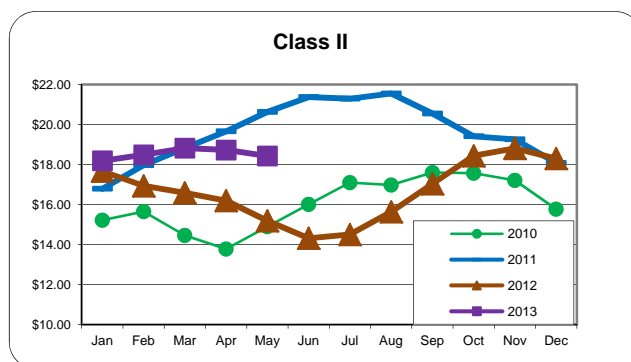
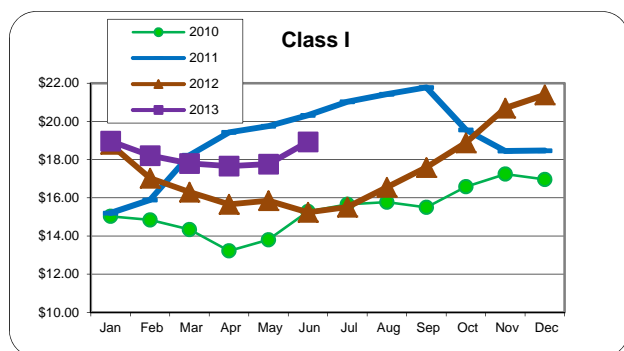
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2008	16.29	14.67	14.17	14.56	15.26	15.92	16.60	16.64	15.45	13.62	12.25	10.35
2009	9.59	9.45	9.64	9.82	10.14	10.22	10.15	10.38	11.15	11.86	13.25	15.01
2010	13.85	12.90	12.92	13.73	15.29	15.45	15.75	15.61	16.76	17.15	16.68	15.03
2011	16.42	18.40	19.41	19.78	20.29	21.05	20.33	20.14	19.53	18.41	17.87	16.87
2012	16.56	15.92	15.35	14.80	13.55	13.24	14.45	15.76	17.41	18.54	18.66	17.83

FEDERAL MILK ORDER CLASS PRICES FOR 2013 (3.5%)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	18.97	18.21	17.80	17.66	17.76	18.93						
II	18.19	18.49	18.82	18.73	18.43							
III	18.14	17.25	16.93	17.59	18.52							
IV	17.63	17.75	17.75	18.10	18.89							

1/ Specific order differentials to be added to this base price can be found by going to:

www.ams.usda.gov/DairyMarketingStatistics; then select "Prices"; and then select "Principal Pricing Points."



INTERNATIONAL DAIRY MARKET NEWS - EUROPE

Information gathered May 27 - June 7, 2013

Prices are U.S. \$/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 OVERVIEW: Western European milk production is mostly steady with some areas being affected by adverse weather conditions. Flooding and wet conditions are common over some areas of Europe seeing the most severe issues. Early indications are that the impact is minimal to the dairy sector. Wet conditions at the farms in these areas are preventing pasturing of stock and the cropping. Some transportation issues are noted in the collection of farm milk and the subsequent delivery of dairy products. Milk production has likely peaked for the season in Germany. Output is currently noted higher than year ago volumes in Germany, Holland and Denmark. Milk volumes are lower than year ago levels in France, U.K., and Ireland. Dairy product pricing levels are mostly stable with only slight adjustments recorded. The stronger Euro factored in some price gains. The Private Storage Assistance (PSA) butter stocks at the end of May are over 46,000 MT, compared to nearly 80,000 MT a year ago.

BUTTER/BUTTEROIL: European butter prices moved slightly higher. Demand is fair to good for current offerings into local trade. Export interest is tempered because of the pricing levels and with competition from U.S. sourced butter, when compared on a fat basis. Butter continues to move into the Private Storage Assistance (PSA) program storage at a slower pace than a year ago. Through May, volumes are at 46,000 MT, compared to 80,000 MT for the comparable period in 2012. Producers are opting to sell butter at current pricing levels versus putting butter in storage for later in the year needs. Butter churning is mostly steady. Demand for cream for fresh products is lower. Packaged butter interest has slowed. Some buyers are waiting for lower prices. European butteroil market prices are stable and lightly tested. High values for the fat are limiting sales as offerings of anhydrous milkfat and butter from other supplying countries are at lower prices.

82% BUTTERFAT:	5,000 - 5,300
99% BUTTERFAT:	5,500 - 6,000

SKIM MILK POWDER (SMP): Skim milk powder prices moved slightly higher over recent weeks. Higher Euro values factored into the increases in pricing. Buyer interest is steady to slightly renewed. Pricing levels are competitive, especially to regions where there are freight advantages. Trade sources have bid on recent export tenders and are awaiting results. Contracting for Q3 and later is being negotiated. Additionally, internal demand is steady. Production of SMP in Europe remains at seasonal levels to process available milk supplies. Production of WMP remains in favor. European offered MH, SMP at the June 4 gDT trading event traded at \$4,070 per MT for August shipment.

1.25% BUTTERFAT:	3,900 - 4,250
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SWEET WHEY POWDER: Prices for European whey are mostly unchanged. The market sentiment has been quiet and prices relatively stable over recent weeks. Demand is light to fair and met with limited offerings. Cheese production is seasonally active with the whey solids being utilized in a wide array of whey proteins and isolates.

NONHYGROSCOPIC:	1,275 - 1,450
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WHOLE MILK POWDER (WMP): The European WMP price range narrowed with most price quotations stable. The increases in the Euro are making products more expensive into export channels. The market is mostly steady. WMP drying schedules are active. Producers are filling current and contracted orders. Returns are favorable for WMP production. Stock levels are light to moderate. Traders/handlers are bidding on export tenders and hope to gain business in Q3. The prospects are favorable, yet competition with South America is noted.

26% BUTTERFAT:	4,600 - 4,850
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EASTERN OVERVIEW: Eastern European milk production levels are trending slightly higher as seasonal gains are registered. Volumes vary across countries. Flooding was also common over Eastern Europe, most notable in the Czech Republic. Dairy products are trading along expected volumes with buyers more active in seeking future needs. Milk production is reported higher than year ago levels in Poland.

**Exchange rates for selected foreign currencies:
June 3, 2013**

.1892 Argentina Peso	.0100 Japan Yen
.9770 Australian Dollar	.0785 Mexican Peso
.9731 Canadian Dollar	.8089 New Zealand Dollar
1.3077 Euro	.3076 Polish Zloty
.0176 India Rupee	

To compare the value of 1 US Dollar to Mexican Pesos:
(1/.0785) = 12.7389 Mexican Pesos.

Source: "Wall Street Journal"

Information gathered May 27 - June 7, 2013

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OCEANIA OVERVIEW: NEW ZEALAND milk output is slowing at levels along seasonal trends as the calendar enters the winter season. Overall, milk remains at levels below a year ago. The effects of the March drought remain a strong influence on the current production cycle. Despite recent wet conditions, there has been limited response to milk production. Pasture conditions are expected to improve with reseeding growth developing. Farmers are seeing more optimistic news about the next season. Higher payments for next season's milk are being set by milk buyers/processors. The payments are a result of the higher market prices for finished dairy products and the shifting supply and demand balance in international markets. **AUSTRALIAN** milk production trends remain below a year ago levels in most milk producing regions. Milk price step ups are reported for this production season in Australia. Additionally, opening milk prices for next season are being calculated and projected to move higher. Recent currency devaluations would factor into allowing for increased milk pricing. Farm economics and the effects of weather conditions continue to put a damper on current milk production. Rainfall is helping to rebuild soil moisture and water reservoirs that will benefit next season's pastures and crops. Domestic dairy product production and demand are stable. Dairy product prices have retreated from recent high levels. Other supplying countries are filling in voids for commodity products. Dairy product prices at current levels and offerings are creating a sense that markets could gain support. Current offering volumes are light from Oceania sources. Short-term offerings have slowed as products are moving to fill contracted volumes and to products of greatest needs. Commodity product business is slowing seasonally. gDT: Results are noted for the June 4th gDT session #93. The all contracts price averages (US\$ per MT) and percent changes from the previous average are: anhydrous milk fat, \$4,478 -4.3%; butter, \$3,743 -2.6%; buttermilk powder, \$4,410 +3.3%; cheddar cheese, \$4.877 n.a.; lactose, not traded; milk protein concentrate, not traded; rennet casein, not traded; skim milk powder, \$4,164 -3.2%; and whole milk powder, \$4,643 -7.1%.

BUTTER: Oceania butter prices moved slightly lower from the past reporting period. The market undertone remains slightly weaker as butter pricing declines. Market activity is slowing as offerings from trader/handlers are on the seasonally light mark. Sales have slowed into international markets. The trade is looking to the U.S. or Europe for any unfilled fat needs. Butter output is limited as the milk season slows. At the June 4 gDT event 93, butter averaged \$3,830/MT for the August contracts, -1.5%, and \$3,743/MT for all contract periods, -2.6%. AMF prices averaged \$5,070/MT for the nearby August contracts, -15.9% from the prior event. The AMF price average was \$4,478/MT for all contract periods, -4.3%.

82% BUTTERFAT: 3,700 - 4,500

SKIM MILK POWDER (SMP): Oceania SMP market prices are trading at lower levels. Prices continue to trend lower from the April highs. More buyers have needs filled and the tone has softened as buyers became less aggressive in securing coverage. Supplies are tight with some limited small lot business moving. Offerings from other supplying countries are available and attracting commodity buyers. The market activity in Oceania is also slowing seasonally. Stocks are generally light and needed to fill existing orders. At the June 4 gDT event, SMP for all contracting periods averaged \$4,164 per MT, down 3.2%. For the nearby trading in contract period 2, (August 2013), prices averaged \$4,305 for NZ sourced medium heat product. The price gap narrowed between NZ medium heat SMP prices and prices for U.S. and European SMP. For August sales, the gap decline from the last trading session, at \$385/MT for U.S. MH SMP and \$235/MT for E.U. MH SMP. Additionally, the first offering of India MH SMP was recorded, at \$3,245 for July and August contracts.

1.25% BUTTERFAT: 4,000 - 4,750

CHEDDAR CHEESE: Prices for Oceania cheddar cheese narrowed. Trading is uneven with some prices increasing within the range, whereas others declined. The market undertone remains unsettled. Buying interest is light to fair when gauged against current offerings. Shipments are moving on schedule. New season negotiations are bumping against currency valuation declines in Asia. Cheese production is stable at seasonal low levels.

39% MAXIMUM MOISTURE: 4,250 - 4,900

WHOLE MILK POWDER (WMP): WMP pricing moved lower to sharply lower this period. The impacts of lower gDT auction results and weaker pricing for other trades factored into lower pricing points. The top of the reported market range is sharply lower. Buyer interest is trending lower and not pressuring the current limited supplied market as adequate short-term coverage has been secured by most buyers. Other commodity WMP needs shifted to suppliers in other countries who have offerings. Market activity has slowed with many market participants taking care of existing orders on the books. New sales are limited in the region as the production cycle winds down. Most orders are moving out on a timely basis. At the June 4 gDT event, the WMP pricing index, across all contracting periods averaged \$4,643 per MT, down 7.1%. The first offering of India WMP traded, \$3,995, for Contract period 1 (July 2013). For Contract period 2, August 2013, NZ pricing averaged \$5,250 per MT, -14.5%.

26% BUTTERFAT: 4,400 - 5,500

INTERNATIONAL DAIRY MARKET NEWS - OCEANIA

Information gathered May 27 - June 7, 2013

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US\$/MT	Global/Dairy Trading (g/DT) Event 93 Recap - June 4, 2013													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Jul-13		Aug-13		Sep-13		Oct-13		Nov-13		Dec-13			
Anhydrous Milk Fat		n.a.	\$5,070	-15.9%	\$4,823	0.0%	\$4,347	-3.3%	\$4,220	-1.5%	\$4,184	-2.0%	\$4,478	-4.3%
Butter		n.a.	\$3,830	-1.5%	\$3,690	-3.4%	\$3,675	-3.2%		n.a.		n.a.	\$3,743	-2.6%
Buttermilk Powder		n.a.	\$4,410	3.3%		n.a.		n.a.		n.a.		n.a.	\$4,410	3.3%
Cheddar		n.a.		n.a.	\$4,920	n.a.	\$4,830	n.a		n.a.		n.a.	\$4,877	n.a.
Lactose		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Milk Protein Concentrate		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Rennet Casein		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Skim Milk Powder	\$3,679	1.5%	\$4,116	-8.0%	\$4,352	-3.8%	\$4,270	1.5%	\$4,304	2.5%		n.a.	\$4,164	-3.2%
Whole Milk Powder	\$5,240	n.a.	\$5,250	-14.5%	\$4,488	-20.9%	\$4,338	-1.8%	\$4,387	-0.3%	\$4,533	1.5%	\$4,643	-7.1%

Average price US\$/MT and % change in indices from previous event.

US\$/Pound	Global/Dairy Trading (g/DT) Event 93 Recap - June 4, 2013													
	Contract 1		Contract 2		Contract 3		Contract 4		Contract 5		Contract 6		All Contracts	
	Jul-13		Aug-13		Sep-13		Oct-13		Nov-13		Dec-13			
Anhydrous Milk Fat		n.a.	\$2.2997	-15.9%	\$2.1877	0.0%	\$1.9718	-3.3%	\$1.9142	-1.5%	\$1.8978	-2.0%	\$2.0312	-4.3%
Butter		n.a.	\$1.7373	-1.5%	\$1.6738	-3.4%	\$1.6670	-3.2%		n.a.		n.a.	\$1.6978	-2.6%
Buttermilk Powder		n.a.	\$2.0004	3.3%		n.a.		n.a.		n.a.		n.a.	\$2.0004	3.3%
Cheddar		n.a.		n.a.	\$2.2317	n.a.	\$2.1909	n.a		n.a.		n.a.	\$2.2122	n.a.
Lactose		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Milk Protein Concentrate		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Rennet Casein		n.a.		n.a.		n.a.		n.a		n.a.		n.a.		n.a.
Skim Milk Powder	\$1.6688	1.5%	\$1.8670	-8.0%	\$1.9741	-3.8%	\$1.9369	1.5%	\$1.9523	2.5%		n.a.	\$1.8888	-3.2%
Whole Milk Powder	\$2.3768	n.a.	\$2.3814	-14.5%	\$2.0357	-20.9%	\$1.9677	-1.8%	\$1.9899	-0.3%	\$2.0562	1.5%	\$2.1061	-7.1%

Average price US\$/pound and % change from previous event.

CHICAGO MERCANTILE EXCHANGE FUTURES

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

Month	05/23	05/24	05/27	05/28	05/29	05/30	05/31	06/03	06/04	06/05
CME - CLASS III MILK FUTURES (Pit-Traded)										
MAY 13	18.51 (3476) 0	18.51 (3452) 0	NO TRADING	18.51 (3481) 0	18.50 (3472) 0	18.50 (3444) 0	18.51 (3414) 0	18.51 (3414) 0	18.50 (3414) 0	18.52 (3026) 0
JUN 13	18.34 (3977) 0	17.91 (4088) 0		17.88 (4128) 0	17.92 (4134) 0	17.79 (4134) 11	17.78 (4068) 14	17.78 (4029) 11	17.74 (3973) 0	18.03 (3788) 4
JUL 13	18.60 (3289) 0	18.45 (3316) 0		18.32 (3331) 1	18.46 (3330) 1	18.40 (3400) 12	18.39 (3542) 13	18.22 (3690) 17	18.00 (3855) 2	18.55 (3797) 0
AUG 13	18.90 (2866) 0	18.80 (2877) 0		18.67 (2842) 0	18.76 (2853) 2	18.71 (2888) 0	18.70 (2893) 1	18.65 (2911) 0	18.42 (3012) 1	18.92 (3112) 1
SEP 13	19.09 (2371) 0	19.00 (2377) 0		18.93 (2367) 0	18.92 (2382) 4	18.88 (2416) 0	18.91 (2422) 1	18.89 (2431) 0	18.76 (2451) 0	19.02 (2479) 0
OCT 13	18.84 (1849) 0	18.79 (1855) 0		18.80 (1856) 0	18.77 (1856) 3	18.76 (1855) 0	18.78 (1861) 1	18.76 (1871) 0	18.68 (1883) 0	18.87 (1890) 1
NOV 13	18.50 (1719) 0	18.48 (1722) 0		18.50 (1728) 0	18.45 (1735) 2	18.46 (1742) 0	18.47 (1745) 0	18.46 (1750) 0	18.42 (1770) 0	18.58 (1774) 0
DEC 13	18.00 (1629) 4	17.98 (1634) 0		17.98 (1632) 0	17.98 (1643) 3	17.98 (1652) 0	18.00 (1658) 0	18.00 (1662) 0	18.00 (1679) 0	18.10 (1688) 0
JAN 14	17.53 (480) 4	17.46 (482) 0		17.49 (484) 0	17.49 (482) 0	17.49 (486) 5	17.50 (488) 0	17.53 (489) 0	17.53 (489) 0	17.64 (492) 0
FEB 14	17.30 (403) 0	17.30 (403) 1		17.30 (403) 0	17.30 (403) 0	17.30 (403) 3	17.30 (403) 1	17.30 (407) 0	17.22 (407) 0	17.22 (409) 0
CME - CLASS IV MILK FUTURES (Pit-Traded)										
MAY 13	18.84 (317) 0	18.84 (317) 0	NO TRADING	18.84 (317) 0	18.79 (317) 0	18.79 (317) 0	18.79 (317) 0	18.79 (317) 0	18.79 (317) 0	18.89 (307) 0
JUN 13	19.08 (303) 0	19.08 (303) 0		19.08 (303) 0	19.08 (303) 0	19.08 (303) 0	19.08 (303) 0	19.08 (303) 0	19.04 (303) 0	19.03 (303) 0
JUL 13	19.43 (269) 0	19.43 (269) 0		19.43 (269) 0	19.38 (269) 0	19.38 (269) 0	19.38 (269) 0	19.38 (269) 0	19.28 (277) 0	19.28 (279) 0
CME – CASH SETTLED BUTTER FUTURES (Electronic-Traded)										
MAY 13	164.50 (653) 2	164.00 (653) 4	NO TRADING	164.00 (653) 0	163.25 (653) 3	163.25 (652) 1	163.25 (652) 0	163.25 (652) 0	163.25 (652) 0	164.83 (668) 0
JUN 13	161.78 (751) 9	161.78 (751) 0		161.00 (795) 53	159.50 (795) 0	158.73 (800) 5	158.50 (802) 7	158.00 (803) 2	157.50 (803) 3	157.50 (802) 9
JUL 13	165.00 (753) 32	164.50 (754) 1		164.00 (756) 28	163.75 (756) 24	163.75 (756) 10	164.00 (755) 5	164.00 (755) 0	162.98 (771) 21	162.98 (771) 0
CME – NONFAT DRY MILK FUTURES (Pit-Traded)										
MAY 13	164.25 (233) 0	164.25 (233) 0	NO TRADING	164.25 (233) 0	164.25 (233) 0	164.25 (233) 0	164.00 (231) 0	164.00 (231) 0	164.00 (231) 0	163.74 (236) 0
JUN 13	167.00 (308) 0	167.00 (308) 0		167.00 (305) 0	167.00 (313) 0	167.00 (317) 0	167.00 (317) 0	167.00 (317) 0	167.00 (320) 0	167.40 (320) 0
JUL 13	168.00 (253) 0	168.00 (253) 0		168.03 (253) 0	168.03 (253) 0	168.03 (253) 0	168.03 (253) 0	168.03 (253) 0	168.03 (253) 0	168.03 (253) 0
CME – WHEY (Electronic-Traded)										
MAY 13	57.35 (258) 2	57.75 (248) 15	NO TRADING	57.75 (248) 0	58.00 (248) 1	57.98 (249) 2	57.75 (249) 0	57.75 (249) 0	57.75 (249) 0	57.65 (248) 0
JUN 13	57.05 (237) 0	57.05 (237) 3		57.05 (237) 0	57.20 (236) 2	58.00 (234) 15	58.00 (234) 0	58.00 (237) 8	58.00 (238) 5	58.00 (237) 1
JUL 13	57.50 (253) 7	57.50 (253) 0		57.00 (255) 2	57.00 (256) 12	58.75 (261) 19	58.25 (268) 7	58.25 (268) 0	58.25 (267) 1	58.50 (278) 28
CME – CHEESE CSC (Electronic-Traded)										
MAY 13	1.83 (965) 6	1.83 (926) 64	NO TRADING	1.83 (926) 0	1.82 (923) 4	1.82 (923) 0	1.83 (923) 0	1.83 (923) 0	1.83 (923) 0	1.83 (969) 0
JUN 13	1.80 (847) 2	1.76 (851) 21		1.76 (845) 15	1.77 (850) 5	1.75 (853) 6	1.75 (853) 0	1.75 (852) 67	1.74 (859) 40	1.77 (857) 3
JUL 13	1.84 (598) 1	1.82 (602) 5		1.82 (611) 38	1.83 (607) 16	1.81 (607) 32	1.81 (606) 2	1.79 (632) 83	1.77 (648) 41	1.82 (666) 35
AUG 13	1.87 (519) 0	1.85 (523) 25		1.84 (519) 21	1.85 (524) 11	1.83 (540) 23	1.84 (546) 6	1.83 (563) 18	1.81 (601) 43	1.85 (603) 21
SEP 13	1.89 (453) 10	1.89 (455) 2		1.87 (455) 0	1.87 (470) 23	1.86 (500) 52	1.86 (500) 0	1.86 (522) 22	1.85 (532) 14	1.87 (537) 7
OCT 13	1.86 (497) 5	1.86 (500) 4		1.86 (500) 1	1.87 (521) 21	1.86 (521) 0	1.85 (527) 10	1.85 (549) 22	1.84 (581) 32	1.84 (581) 9

^{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 608-278-4142.)

MONTHLY SUMMARY AND AVERAGES FOR MAY 2013 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 18 ::-----	::REPORT NUMBER 19 ::-----	::REPORT NUMBER 20 ::-----	::REPORT NUMBER 21 ::-----	::REPORT NUMBER 22 ::-----	:: 2013 :: Average	:: 2012 :: Average
	:: MAY 01 - 03	:: MAY 06 - 10	:: MAY 13 - 17	:: MAY 20 - 24	:: MAY 27 - 31	:: or Total	:: or Total
CHEESE							
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.9200 - 2.6250	:: 1.8800 - 2.5850	:: 1.9250 - 2.6300	:: 1.9325 - 2.6375	:: 1.9275 - 2.6325	:: 2.2688	:: 2.0013
-- Brick And/Or Muenster 5#	:: 2.2525 - 2.7000	:: 2.2800 - 2.7275	:: 2.2550 - 2.7025	:: 2.1600 - 2.6075	:: 2.1450 - 2.5925	:: 2.4425	:: 2.1831
-- Cheddar 40# Block	:: 2.2525 - 3.1250	:: 2.2800 - 3.1525	:: 2.2550 - 3.1275	:: 2.1600 - 3.0325	:: 2.1450 - 3.0175	:: 2.6550	:: 2.3956
-- Monterey Jack 10#	:: 2.2225 - 3.1250	:: 2.2500 - 3.1525	:: 2.2250 - 3.1275	:: 2.1300 - 3.0325	:: 2.1150 - 3.0175	:: 2.6400	:: 2.3806
-- Blue 5#	:: 2.5150 - 3.5025	:: 2.5425 - 3.5300	:: 2.5175 - 3.5050	:: 2.4225 - 3.4100	:: 2.4075 - 3.3950	:: 2.9750	:: 2.6606
-- Mozzarella 5 - 6#	:: 2.0950 - 3.2250	:: 2.1225 - 3.2525	:: 2.0975 - 3.2275	:: 2.0025 - 3.1325	:: 1.9875 - 3.1175	:: 2.6263	:: 2.3681
-- Grade A Swiss Cuts 6 - 9#	:: 2.9500 - 3.0675	:: 2.9125 - 3.0300	:: 2.9125 - 3.0300	:: 2.9125 - 3.0300	:: 2.9125 - 3.0300	:: 2.9764	:: 2.8310
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 40# Block	:: 2.2650 - 2.5500	:: 2.2925 - 2.5775	:: 2.2675 - 2.5525	:: 2.1725 - 2.4575	:: 2.1575 - 2.4425	:: 2.3738	:: 2.0581
-- Process 5# Sliced	:: 1.9475 - 2.4275	:: 1.9075 - 2.3875	:: 1.9525 - 2.4325	:: 1.9600 - 2.4400	:: 1.9550 - 2.4350	:: 2.1838	:: 1.7363
-- Muenster	:: 2.2850 - 2.6450	:: 2.3125 - 2.6725	:: 2.2875 - 2.6475	:: 2.1925 - 2.5525	:: 2.1775 - 2.5375	:: 2.4313	:: 2.1156
-- Grade A Swiss Cuts 10 - 14#	:: 3.4300 - 3.7525	:: 3.3925 - 3.7150	:: 3.3925 - 3.7150	:: 3.3925 - 3.7150	:: 3.3925 - 3.7150	:: 3.5589	:: 3.4235
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.8550 - 2.1125	:: 1.8150 - 2.0725	:: 1.8600 - 2.1175	:: 1.8675 - 2.1250	:: 1.8625 - 2.1200	:: 1.9800	:: 1.7100
-- Cheddar 40# Block	:: 1.9850 - 2.3375	:: 2.0125 - 2.3650	:: 1.9875 - 2.3400	:: 1.8925 - 2.2450	:: 1.8775 - 2.2300	:: 2.1275	:: 1.8164
-- Cheddar 10# Cuts	:: 2.1650 - 2.3850	:: 2.1925 - 2.4125	:: 2.1675 - 2.3875	:: 2.0725 - 2.2925	:: 2.0575 - 2.2775	:: 2.2413	:: 1.9301
-- Monterey Jack 10#	:: 2.1750 - 2.3350	:: 2.2025 - 2.3625	:: 2.1775 - 2.3375	:: 2.0825 - 2.2425	:: 2.0675 - 2.2275	:: 2.2213	:: 1.9101
-- Grade A Swiss Cuts 6 - 9#	:: 3.0075 - 3.4375	:: 2.9700 - 3.4000	:: 2.9700 - 3.4000	:: 2.9700 - 3.4000	:: 2.9700 - 3.4000	:: 3.1901	:: 3.0548
FLUID PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	:: 2.0580 - 2.1952	:: 1.9332 - 2.1517	:: 1.9048 - 2.0676	:: 1.8898 - 2.0499	:: 1.8852 - 2.0580	:: 2.0118	:: 1.6454
-- Upper Midwest - f.o.b	:: 2.0580 - 2.1952	:: 2.0340 - 2.1181	:: 1.9699 - 2.0513	:: 1.9218 - 2.0339	:: 1.8852 - 1.9952	:: 2.0211	:: 1.6308
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	:: 1.50 - 1.58	:: 1.50 - 1.58	:: 1.40 - 1.55	:: 1.40 - 1.55	:: 1.63 - 1.71	:: 1.5341	:: 1.2189
-- Class III	:: 1.35 - 1.43	:: 1.30 - 1.45	:: 1.39 - 1.50	:: 1.39 - 1.50	:: 1.40 - 1.50	:: 1.4225	:: 1.1741

MONTHLY SUMMARY AND AVERAGES FOR MAY 2013 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	::REPORT NUMBER 18 ::-----	::REPORT NUMBER 19 ::-----	::REPORT NUMBER 20 ::-----	::REPORT NUMBER 21 ::-----	::REPORT NUMBER 22 ::-----	:: 2013 :: Average	:: 2012 :: Average
	:: MAY 01 - 03	:: MAY 06 - 10	:: MAY 13 - 17	:: MAY 20 - 24	:: MAY 27 - 31	:: or Total	:: or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central And East (f.o.b.)							
-- Low/Medium Heat	:: 1.6275 - 1.7900	:: 1.6800 - 1.7500	:: 1.6800 - 1.7400	:: 1.6600 - 1.7300	:: 1.6400 - 1.7225	:: 1.7023	:: 1.1748
-- Mostly	:: 1.6275 - 1.7500	:: 1.7000 - 1.7400	:: 1.6900 - 1.7300	:: 1.6800 - 1.7300	:: 1.6800 - 1.7225	:: 1.7066	:: 1.1702
-- High Heat	:: 1.6675 - 1.8300	:: 1.7200 - 1.7800	:: 1.7250 - 1.8000	:: 1.7250 - 1.8000	:: 1.7250 - 1.7800	:: 1.7560	:: 1.2655
-- West (f.o.b.)							
-- Low/Medium Heat	:: 1.5675 - 1.7900	:: 1.6000 - 1.7800	:: 1.6000 - 1.7400	:: 1.6200 - 1.7300	:: 1.6200 - 1.7200	:: 1.6769	:: 1.1230
-- Mostly	:: 1.6100 - 1.7400	:: 1.6500 - 1.7500	:: 1.6500 - 1.7200	:: 1.6700 - 1.7200	:: 1.6700 - 1.7150	:: 1.6907	:: 1.1074
-- High Heat	:: 1.6075 - 1.8300	:: 1.6600 - 1.8500	:: 1.6600 - 1.8050	:: 1.6800 - 1.7900	:: 1.6800 - 1.7850	:: 1.7363	:: 1.2398
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	:: 0.5025 - 0.6250	:: 0.4700 - 0.6200	:: 0.4800 - 0.6300	:: 0.4700 - 0.6275	:: 0.4700 - 0.6275	:: 0.5514	:: 0.4602
-- Mostly	:: 0.5200 - 0.5650	:: 0.5150 - 0.5650	:: 0.5175 - 0.5650	:: 0.5150 - 0.5650	:: 0.5100 - 0.5650	:: 0.5402	:: 0.4956
-- West (f.o.b.)	:: 0.5250 - 0.6200	:: 0.5600 - 0.6250	:: 0.5500 - 0.6300	:: 0.5600 - 0.6300	:: 0.5500 - 0.6200	:: 0.5884	:: 0.4498
-- Mostly	:: 0.5350 - 0.5950	:: 0.5600 - 0.6050	:: 0.5600 - 0.6050	:: 0.5600 - 0.6025	:: 0.5600 - 0.6025	:: 0.5796	:: 0.4931
-- Northeast (f.o.b.)	:: 0.5400 - 0.6275	:: 0.5450 - 0.6150	:: 0.5450 - 0.6100	:: 0.5400 - 0.6100	:: 0.5400 - 0.6100	:: 0.5779	:: 0.5644
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 1.2200 - 1.4000	:: 1.2400 - 1.4100	:: 1.2500 - 1.4800	:: 1.2500 - 1.4800	:: 1.2500 - 1.4800	:: 1.3484	:: 1.2137
-- Mostly	:: 1.2400 - 1.2800	:: 1.2400 - 1.3000	:: 1.2600 - 1.3100	:: 1.2600 - 1.3100	:: 1.2600 - 1.3150	:: 1.2786	:: 1.3010
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.4075 - 0.5400	:: 0.4075 - 0.5400	:: 0.4075 - 0.5400	:: 0.4075 - 0.5400	:: 0.4075 - 0.5400	:: 0.4738	:: 0.4269
BUTTERMILK (Min. 30% protein)							
-- Central And East (f.o.b.)	:: 1.5400 - 1.6000	:: 1.4500 - 1.6200	:: 1.5350 - 1.6100	:: 1.5150 - 1.6100	:: 1.5100 - 1.6025	:: 1.5584	:: 1.0328
-- West (f.o.b.)	:: 1.4700 - 1.5300	:: 1.4000 - 1.5800	:: 1.4700 - 1.5800	:: 1.5000 - 1.5500	:: 1.5000 - 1.5650	:: 1.5150	:: 1.0633
-- Mostly	:: 1.4900 - 1.5100	:: 1.5000 - 1.5200	:: 1.5000 - 1.5300	:: 1.5200 - 1.5350	:: 1.5250 - 1.5475	:: 1.5185	:: 1.0624
WHOLE MILK POWDER							
-- National (f.o.b.)	:: 1.8000 - 1.9500	:: 1.7800 - 2.0000	:: 1.7800 - 2.0000	:: 1.7900 - 2.0000	:: 1.7900 - 2.0000	:: 1.8900	:: 1.4602
LACTOSE							
-- Central And West (f.o.b.)	:: 0.4775 - 0.7500	:: 0.4500 - 0.7500	:: 0.4500 - 0.7500	:: 0.4800 - 0.7500	:: 0.4800 - 0.7500	:: 0.6080	:: 0.9264
-- Mostly	:: 0.5800 - 0.7100	:: 0.5800 - 0.7100	:: 0.5800 - 0.7100	:: 0.5800 - 0.7100	:: 0.5800 - 0.7100	:: 0.6450	:: 0.9100
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 4.3500 - 4.7000	:: 4.3500 - 4.7000	:: 4.3500 - 4.7000	:: 4.3500 - 4.9000	:: 4.3500 - 4.9000	:: 4.5659	:: 4.3250
-- Nonrestricted - Acid	:: 4.6000 - 4.9500	:: 4.6000 - 4.9500	:: 4.6000 - 5.0500	:: 4.6000 - 5.4000	:: 4.6000 - 5.4000	:: 4.8784	:: 4.6000

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CME GROUP AVERAGES FOR MAY 2013

COMMODITY	::REPORT NUMBER 18::	REPORT NUMBER 19::	REPORT NUMBER 20::	REPORT NUMBER 21::	REPORT NUMBER 22::	2013 *	2012 *
	::-----::	-----::	-----::	-----::	-----::	Monthly	Monthly
	:: MAY 1 - 3 ::	MAY 6 - 10 ::	MAY 13 - 17 ::	MAY 20 - 24 ::	MAY 27 - 31 ::	Average	Average

BUTTER*							
-- GRADE AA							
--Monday	::	::	1.6450	::	1.6100	::	1/
--Tuesday	::	::	1.6375	::	1.5875	::	1.5450
--Wednesday	::	1.6900	::	1.6300	::	1.5950	::
--Thursday	::	1.6850	::	1.6175	::	1.6000	::
--Friday	::	1.6500	::	1.6100	::	1.6150	::
--Weekly Average**	::	1.6810	::	1.6280	::	1.6015	::
CHEESE*							
-- BARRELS							
--Monday	::	::	1.7350	::	1.7225	::	1.7550
--Tuesday	::	::	1.7350	::	1.7250	::	1.7300
--Wednesday	::	1.6700	::	1.7350	::	1.7300	::
--Thursday	::	1.7000	::	1.7225	::	1.7525	::
--Friday	::	1.7300	::	1.7225	::	1.7600	::
--Weekly Average**	::	1.6850	::	1.7300	::	1.7380	::
-- 40# BLOCKS							
--Monday	::	::	1.9150	::	1.8025	::	1.7700
--Tuesday	::	::	1.8650	::	1.7800	::	1.7600
--Wednesday	::	1.9000	::	1.8650	::	1.7550	::
--Thursday	::	1.9050	::	1.8575	::	1.7650	::
--Friday	::	1.9100	::	1.8450	::	1.7700	::
--Weekly Average**	::	1.8935	::	1.8695	::	1.7745	::
NONFAT DRY MILK*							
-- EXTRA GRADE							
--Monday	::	::	1.7000	::	1.7000	::	1.7000
--Tuesday	::	::	1.7000	::	1.7000	::	1.7000
--Wednesday	::	1.7000	::	1.7000	::	1.7000	::
--Thursday	::	1.7000	::	1.7000	::	1.7000	::
--Friday	::	1.7000	::	1.7000	::	1.7000	::
--Weekly Average**	::	1.7000	::	1.7000	::	1.7000	::
-- GRADE A							
--Monday	::	::	1.7475	::	1.7000	::	1.6800
--Tuesday	::	::	1.7300	::	1.7000	::	1.6800
--Wednesday	::	1.7600	::	1.7000	::	1.6800	::
--Thursday	::	1.7600	::	1.7000	::	1.6800	::
--Friday	::	1.7475	::	1.7000	::	1.6800	::
--Weekly Average**	::	1.7575	::	1.7155	::	1.6880	::

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

1/ CME Group closed.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, MAY

Component Price Information: Under the Federal milk order pricing system, the butterfat price for May 2013 is \$1.7884 per pound. Thus, the Class II butterfat price is \$1.7954. The protein and other solids prices for May are \$3.3597 and \$0.3887 per pound, respectively. These component prices set the Class III skim milk price at \$12.71 per cwt. The May Class IV skim milk price is \$13.09, which is derived from the nonfat solids price of \$1.4549 per pound.

Product Price Averages: The product price averages for May are: butter \$1.6483, nonfat dry milk \$1.6374, cheese \$1.8274, and dry whey \$0.5765.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT ^{1/2/}						
FEDERAL MILK ORDER MARKETING AREAS ^{3/}	ORDER NUMBER	MAY 2013				JUNE 2013
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) ^{4/}	001	21.01	18.43	18.52	18.89	22.18
Appalachian (Charlotte) ^{5/ 6/}	005	21.16	18.43	18.52	18.89	22.33
Southeast (Atlanta) ^{6/ 7/}	007	21.56	18.43	18.52	18.89	22.73
Florida (Tampa) ^{6/ 8/}	006	23.16	18.43	18.52	18.89	24.33
Mideast (Cleveland) ^{9/}	033	19.76	18.43	18.52	18.89	20.93
Upper Midwest (Chicago) ^{10/}	030	19.56	18.43	18.52	18.89	20.73
Central (Kansas City) ^{11/}	032	19.76	18.43	18.52	18.89	20.93
Southwest (Dallas) ^{12/}	126	20.76	18.43	18.52	18.89	21.93
Arizona (Phoenix)	131	20.11	18.43	18.52	18.89	21.28
Pacific Northwest (Seattle) ^{13/}	124	19.66	18.43	18.52	18.89	20.83
All-Market Average	---	20.65	18.43	18.52	18.89	21.82

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk.

^{2/} Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

^{3/} Names in parentheses are the major city in the principal pricing point of the market.

^{4/} Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25.

^{5/} Class I prices at other cities are: Knoxville, minus \$0.20 and Louisville, minus \$1.10.

^{6/} Effective May 1, 2008, the Class I price surface in these orders were temporarily adjusted.

^{7/} Class I prices at other cities are: New Orleans, same; Memphis, minus \$0.90; Nashville, minus \$0.90; and Springfield, MO, minus \$1.40.

^{8/} Class I prices at other cities are: Orlando, same; Miami, plus \$0.60; and Jacksonville, minus \$0.40.

^{9/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

^{10/} Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

^{11/} Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

^{12/} Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

^{13/} Class I prices at other cities are: Portland, same; and Spokane, same.

APRIL 2013 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 169.3 million pounds, 0.3 percent below April 2012 and 6.9 percent below March 2013. **AMERICAN TYPE CHEESE** production totaled 373.0 million pounds, 2.4 percent above April 2012 but 3.0 percent below March 2013. **TOTAL CHEESE** output (excluding cottage cheese) was 928.2 million pounds, 3.2 percent above April 2012 but 2.9 percent below March 2013. **NONFAT DRY MILK** production, for human food, totaled 160.8 million pounds, 15.7 percent below April 2012 but 7.0 percent above March 2013. **DRY WHEY** production, for human food, was 78.6 million pounds, slightly below April 2012 and 0.1 percent below March 2013. **ICE CREAM** (hard) production totaled 71.6 million gallons, 1.5 percent above April 2012 and 2.0 percent above March 2013.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	APR 2013	PERCENT CHANGE FROM:			PRODUCT	APR 2013	PERCENT CHANGE FROM:		
	1,000 LBS.	APR 2012	MAR 2013	YEAR TO DATE 1/		1,000 LBS.	APR 2012	MAR 2013	YEAR TO DATE 1/
BUTTER	169,348	-0.3	-6.9	2.1	YOGURT (PLAIN AND FLAVORED)	378,118	8.3	-9.9	3.4
CHEESE					DRY WHEY, HUMAN FOOD	78,591	0.0	-0.1	---
AMERICAN TYPES ^{2/}	373,048	2.4	-3.0	1.8	DRY WHEY, ANIMAL FEED	3,384	-39.3	-25.6	---
CHEDDAR	276,291	4.4	-2.7	2.6	DRY WHEY, TOTAL ^{3/}	81,975	-2.6	-1.5	-6.9
OTHER AMERICAN	96,757	-2.8	-3.8	---	REDUCED LACTOSE AND MINERALS				
BRICK & MUENSTER	13,703	-2.5	4.3	---	HUMAN FOOD	2,071	-38.3	-24.5	---
CREAM & NEUFCHATEL	63,663	10.5	5.6	---	ANIMAL FEED	5,550	16.0	6.8	---
HISPANIC	19,493	9.0	-0.6	---	LACTOSE, HUMAN FOOD & ANIMAL FEED	88,956	1.8	-4.5	0.8
TOTAL ITALIAN TYPES	397,001	2.9	-4.0	0.1	WHEY PROTEIN CONCENTRATE				
MOZZARELLA	306,521	1.4	-5.1	-0.3	HUMAN FOOD ^{2/}	36,793	6.3	-3.2	---
OTHER ITALIAN	90,480	8.2	0.1	---	ANIMAL FEED ^{2/}	824	-66.7	-9.4	---
SWISS	26,487	-4.6	7.7	---	TOTAL ^{2/}	37,617	1.4	-3.3	-1.5
ALL OTHER TYPES	13,611	17.5	-13.4	---	25.0-49.9 PERCENT ^{10/}	18,059	-9.3	4.7	---
TOTAL	928,223	3.2	-2.9	1.3	50.0-89.9 PERCENT ^{10/}	19,558	13.8	-9.8	---
COTTAGE CHEESE, CURD ^{3/}	33,752	-2.5	-2.4	---	WHEY PROTEIN ISOLATES ^{11/}	6,100	7.8	-20.1	---
COTTAGE CHEESE, CREAM ^{4/}	25,528	-0.9	-4.6	-1.0					
COTTAGE CHEESE, LOWFAT ^{5/}	32,912	3.8	0.5	-0.2	FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
DRY BUTTERMILK	11,285	18.4	-3.2	---	ICE CREAM (HARD)	71,575	1.5	2.0	-1.4
DRY WHOLE MILK	6,169	40.3	44.2	---	ICE CREAM, LOWFAT (HARD)	19,485	-0.7	1.8	---
MILK PROTEIN CONC. (MPC), TOTAL ^{6/}	8,141	-32.5	-10.5	---	ICE CREAM, LOWFAT (SOFT)	19,620	-21.1	-7.9	---
NONFAT DRY MILK (NDM), HUMAN	160,780	-15.7	7.0	-15.9	ICE CREAM, LOWFAT (TOTAL)	39,105	-12.1	-3.3	-13.3
SKIM MILK POWDERS (SMP) ^{7/}	39,378	110.6	-17.2	95.9	SHERBET, HARD	4,396	9.3	-0.3	1.9
SOUR CREAM	97,992	0.9	-6.7	-0.2	FROZEN YOGURT (TOTAL)	6,734	3.4	5.2	-11.2

MANUFACTURERS' STOCKS, END OF MONTH 12/

PRODUCT	APR 2013	PERCENT OF:		PRODUCT	MAR 2013	PERCENT OF:	
	1,000 LBS.	APR 2012	MAR 2013		1,000 LBS.	MAR 2012	FEB 2013
DRY WHEY, HUMAN FOOD	66,629	39.9	-10.1	WHEY PROTEIN CONCENTRATE			
DRY WHEY, ANIMAL FEED	2,429	-18.5	-31.8	HUMAN FOOD ^{2/}	56,421	21.0	0.4
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL ^{13/}	6,132	-20.4	-5.2	ANIMAL FEED ^{2/}	1,572	-19.7	0.3
LACTOSE, HUMAN FOOD & ANIMAL FEED	88,228	9.7	-3.6	TOTAL ^{2/}	57,993	19.4	0.4
DRY BUTTERMILK	17,641	-25.7	-7.8	25.0-49.9 PERCENT ^{10/}	24,617	-16.7	-5.7
NONFAT DRY MILK (NDM), HUMAN FOOD	193,095	-14.4	-16.8	50.0-89.9 PERCENT ^{10/}	33,376	75.5	5.5
				WHEY PROTEIN ISOLATES ^{11/}	10,710	47.4	-1.6

^{1/} 2013 cumulative as percent change of 2012 cumulative. ^{2/} Includes Cheddar, Colby, Monterey and Jack. ^{3/} Mostly used for processing into cream or lowfat cottage cheese. ^{4/} Fat content 4 percent or more. ^{5/} Fat content less than 4 percent. ^{6/} Dry milk protein concentrate, 40-89.9 percent. ^{7/} Includes protein standardized and blends. ^{8/} Excludes all modified dry whey products. ^{9/} Whey protein concentrate, 25.0 to 89.9 percent. ^{10/} Whey protein concentrate, human and animal. ^{11/} Whey protein isolates, 90.0 percent or greater. ^{12/} Stocks held by manufacturers at all points and in transit. ^{13/} Reduced lactose and minerals stocks combined to avoid disclosure of individual operations.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Dairy Products, June 2013.*

MAY AGRICULTURAL PRICES HIGHLIGHTS

The All Milk price received by farmers was \$19.80 in May, up \$0.30 from April 2013 and up \$3.60 from May 2012. Alfalfa hay price was \$221.00 in May, up \$4.00 from May 2012. Corn price was \$6.88 in May, up \$0.54 from May 2012. Soybean price was \$14.80 in May, up \$0.80 from May 2012. The milk-feed price ratio was 1.55 in May, up 0.21 from May 2012.

The index of prices received by farmers for dairy products during the month of May 2013 was up 3 points to 152. Compared with May 2012, the index was up 28 points (22.6 percent). The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in May 2013 unchanged at 219. Compared with May 2012, the index was up 4 points (1.9 percent).

SELECTED MILK PRICES, MILK COWS, AND FEED PRICES, SELECTED STATES AND U.S., MAY 2013 WITH COMPARISONS

State	All-Milk price ^{1/2/}				Alfalfa hay, baled		Corn for Grain		Soybeans	
	Dollars per cwt.				Dollars per ton		Dollars per bushel		Dollars per bushel	
	April		May		May		May		May	
	2012	2013	2012	2013 ^{3/}	2012	2013 ^{3/}	2012	2013 ^{3/}	2012	2013 ^{3/}
AZ	16.00	18.60	15.40	19.20	255.00	240.00	---	---	---	---
CA	15.00	18.23	14.31	18.30	227.00	202.00	---	---	---	---
CO	17.10	19.50	16.50	20.00	255.00	245.00	6.21	6.99	---	---
ID	16.40	18.90	15.80	19.90	180.00	190.00	---	---	---	---
IN	16.90	20.00	17.00	20.30	---	---	6.52	7.00	---	---
IA	17.40	20.10	16.80	20.50	142.00	275.00	6.31	6.90	13.80	14.90
MI	17.30	19.80	16.80	19.90	125.00	250.00	6.18	6.50	13.70	14.30
MN	17.70	20.00	17.30	20.70	150.00	265.00	6.06	6.80	13.70	14.50
NM	15.40	18.10	15.10	19.00	286.00	265.00	---	---	---	---
NY	17.90	20.50	17.30	20.60	175.00	205.00	---	---	---	---
OH	18.00	20.40	17.00	20.60	209.00	250.00	6.46	7.14	---	---
PA	18.40	20.80	17.90	21.00	200.00	221.00	6.89	7.18	---	---
TX	16.80	19.70	16.40	19.80	220.00	243.00	6.84	^{4/}	---	---
WA	17.10	19.80	16.30	20.30	240.00	225.00	---	---	---	---
WI	17.60	19.90	17.00	20.50	135.00	275.00	6.17	6.90	13.70	14.30
U.S.	16.80	19.50	16.20	19.80	217.00	221.00	6.34	6.88	14.00	14.80

^{1/} Prices are shown at reported butterfat test. ^{2/} Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies.

^{3/} Preliminary. ^{4/} Withheld to avoid disclosing data for individual operations.

MILK-FEED PRICE RATIO, SELECTED STATES AND U.S., MAY 2013 WITH COMPARISONS

Milk-feed: pounds of 16% mixed dairy feed equal in value to 1 pound of whole milk ^{1/}			
State ^{2/}	May 2012	April 2013	May 2013 ^{3/}
IA	1.60	1.49	1.47
MI	1.68	1.53	1.54
MN	1.66	1.51	1.53
OH	1.41	1.49	1.54
WI	1.66	1.49	1.48
U.S.	1.34	1.54	1.55

^{1/} The price of commercial prepared dairy feed is based on current United States prices received for corn, soybeans, and alfalfa. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. ^{2/} Available states that provided all necessary data to compute milk feed price ratios.

^{3/} Preliminary.

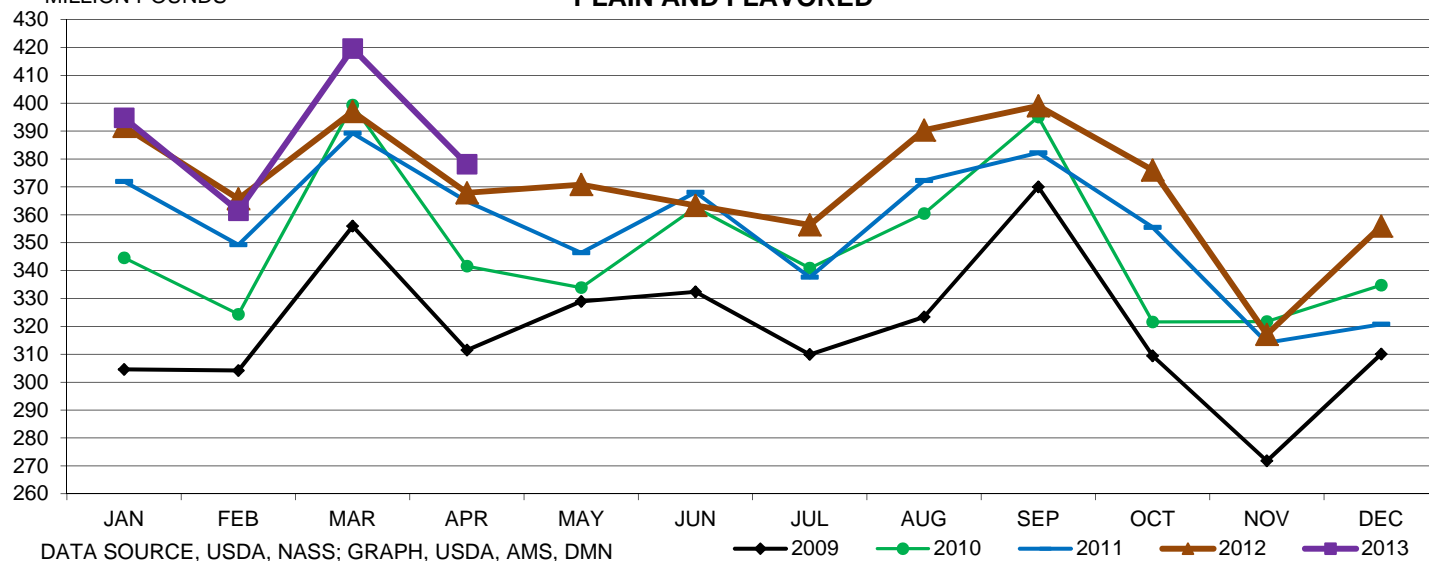
GENERAL PRICE MEASURES, U.S., MAY 2013 WITH COMPARISONS

Item	May 2012	April 2013	May 2013 ^{1/}
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for dairy products	124	149	152
Prices paid by farmers for commodities and services, interest taxes, and wage rates	215	219	219

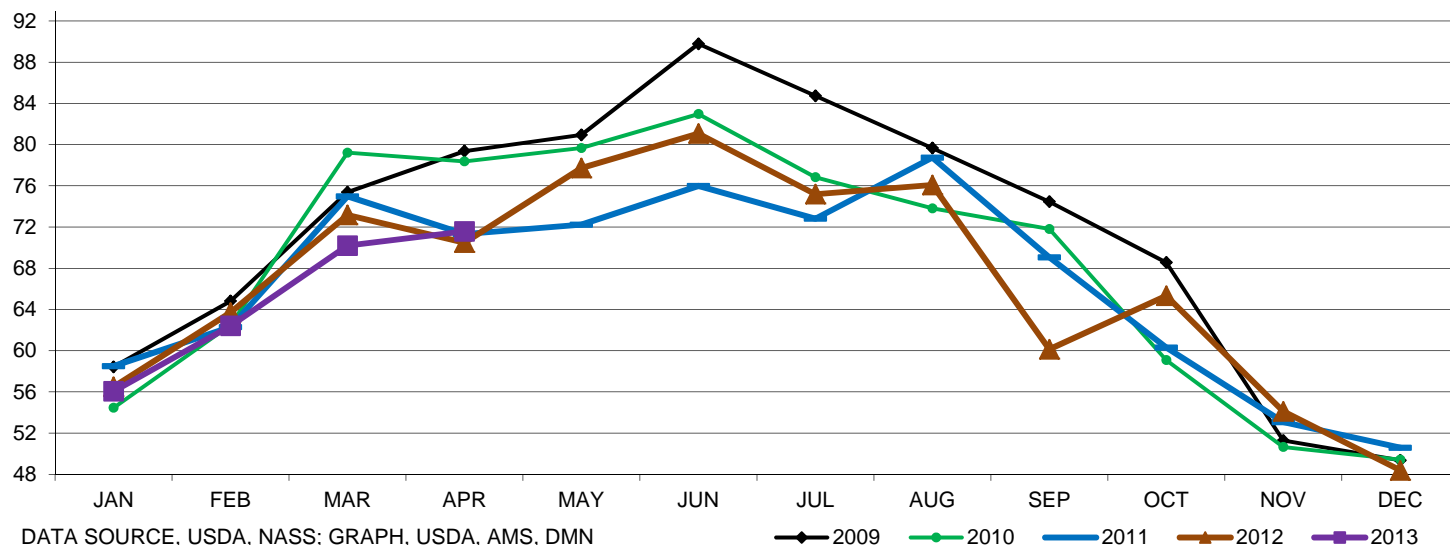
^{1/} Preliminary.

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Agricultural Statistics Board. *Agricultural Prices, May 2013*.

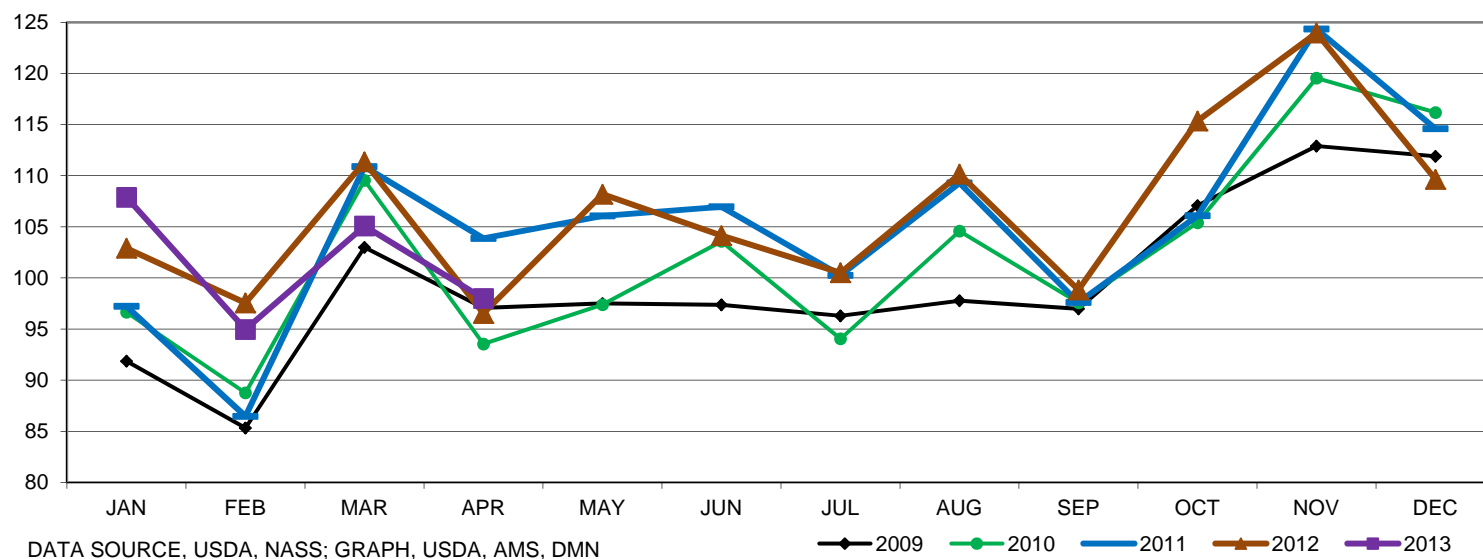
MILLION POUNDS

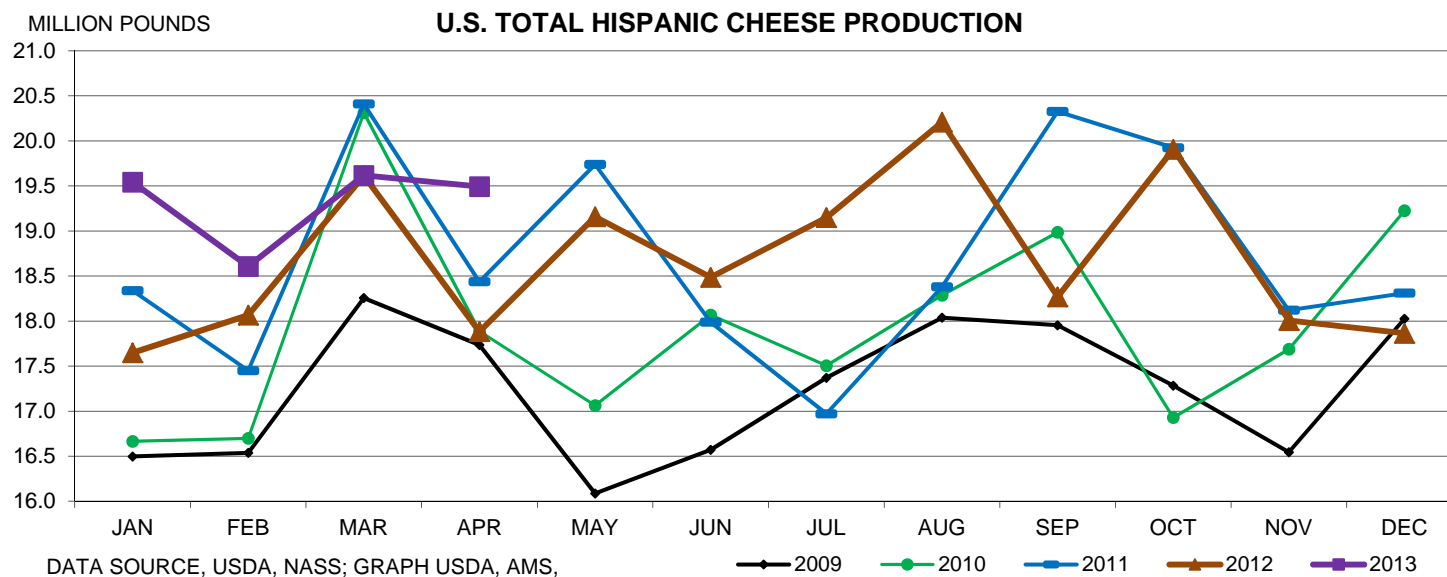
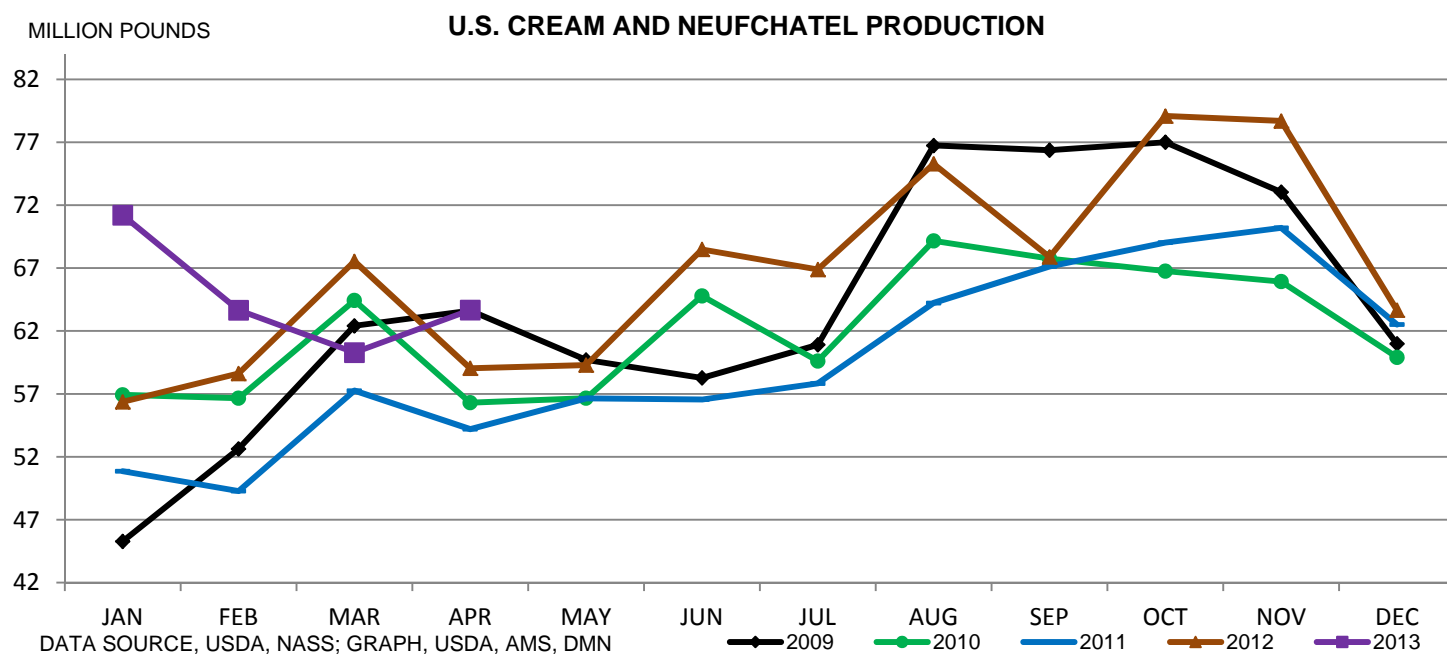
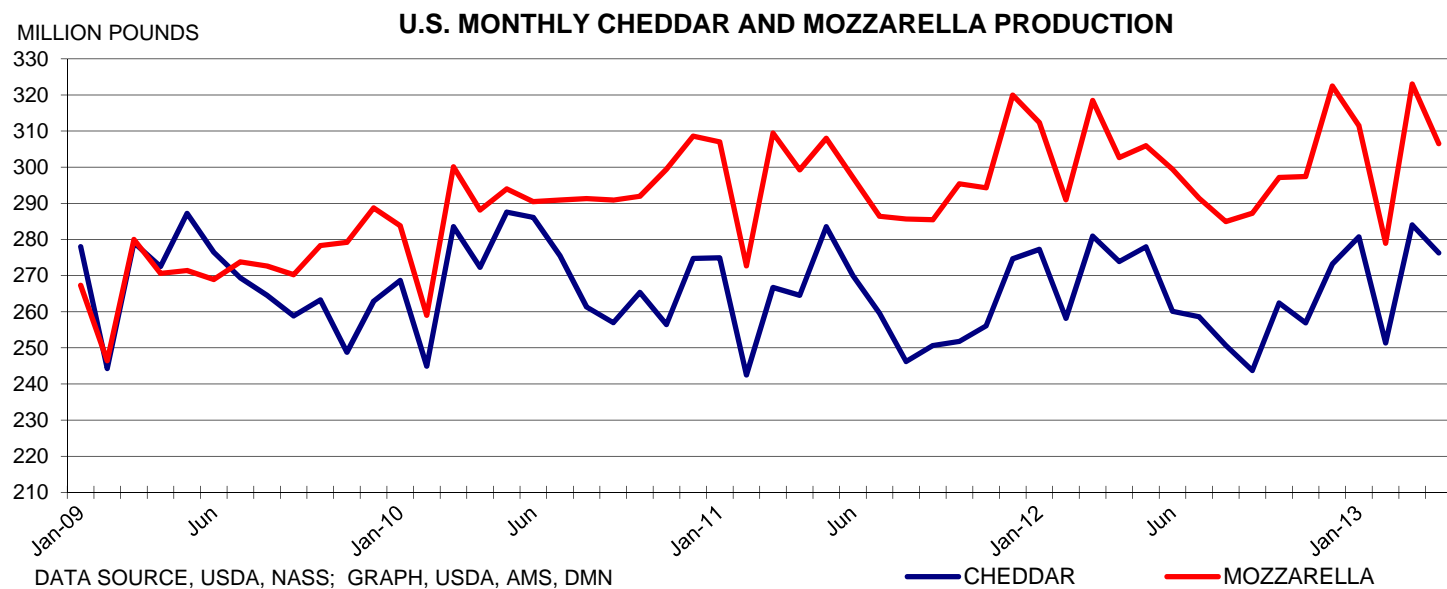


MILLION GALLONS



MILLION POUNDS





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