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**Dairy EXCELLENCE**  
**Dairy Week**  
**In Review**



*Dated May 5, 2010*

**Policy:**

- The Northeast Dairy Leadership Team (NEDLT), a group comprised of industry leaders including Pennsylvania Agricultural Secretary Russell Redding and his counterparts in New York and Vermont, has been reviewing dairy policy proposals from across the nation to recommend meaningful reform to the dairy industry. As part of this review, the group voted to support an analysis conducted by Cornell and Cal Poly on various proposals.

**Markets:**

Dairy Prices	Price	Chge. From Week Ago	Chge. from Month Ago	Chge. From Year Ago
Milk Price (May) **	\$14.93/cwt.	▲ 1.7 %	▲ 2.8 %	▲ 15.0 %
Corn (May)	\$3.65/bushel	▲ 5.0 %	▼ 3.0 %	
SBean Meal (May)	\$279/ton	▼ 2.8 %	▲ 1.5 %	
Milk Margin*	\$11.25/cwt.	—	▼ 6.5 %	▲ 71.9 %

*\*Each issue of "Dairy Week in Review" will report on current and projected "Milk Margin," or the dollars remaining per one hundred lbs. of milk after feed is paid for. Milk margin is affected by both milk & feed prices. \*\* The milk price reported is the Class III futures price for the next month plus a basis of \$1.75, which is an estimate of what you can expect to see on your milk check for the coming month.*

- USDA's Ag Prices report shows the All-Milk price in April down 20 cents from a month ago to \$14.60 per hundredweight. Feed costs were up 3 cents from March to \$6.79, bringing Income Over Feed Costs to its lowest level since October at \$7.81 per hundredweight.
- The April Class III price is \$12.92 per hundredweight, up 14 cents from March and up \$2.14 from last April. The April Class IV price is \$13.73, up 81 cents from March and \$3.91 from last April. The 81-cent spread between Class IV and Class III is the largest since November 2007.
- The April Consumer Confidence Index is up more than 5 points to 57.9. This is the second consecutive monthly increase and the highest index since September 2008.
- The March USDA "Dairy Products" report shows total cheese production at 890 million pounds, 2.3 percent above March 2009 and 14.8 percent above February. American-type cheeses were down 0.6 percent to 362 million pounds in March, a 13.1 percent increase from March 2009. Butter production was up slightly to 141 million pounds, down 4.3 percent from March 2009. Yogurt production reached new highs in March, up 12.7 percent to 400 million pounds.

**Industry:**

- The latest USDA Crop Progress report shows that 68 percent of the nation's corn crop is planted, with about 38 percent of Pennsylvania's corn crop planted.
- National Milk Producers Federation renewed its push last week to have the FDA crack down on the improper use of dairy terms on imitation dairy products. NMPF sent a detailed letter to the FDA and supported their efforts with a widespread "NOT MILK" campaign on broadcast, print and social media outlets, including the National Public Radio.

