



Dairy Week In Review

Dated June 10, 2010



Markets:

Dairy Prices	Price	Chge. From Week Ago	Chge. from Month Ago	Chge. From Year Ago
Milk Price (July) **	\$15.20/cwt.	▲ 0.5 %	▼ 1.7 %	▲ 29.6 %
Corn (July)	\$3.38/bushel	▼ 2.9 %	▼ 9.2 %	▼ 14.5 %
SBean Meal (July)	\$285.5/ton	▲ 5.1 %	▼ 0.8 %	▼ 21.2 %
Milk Margin*	\$10.76/cwt.	—	▼ 4.0 %	▲ 66.6 %

* 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 weekly crop progress report showed 84% of the nation's soybean crop was planted as of June 6 and right in line with the 5-year average. Current crop condition shows 75% is rated good/excellent. The corn crop is rated 76% good/excellent.
- The May Class III price is \$13.38, up 46 cents from April and up \$3.54 from May 2009. The Class IV price is \$15.29, up \$1.56 from April and the highest since September 2008.
- The European Union accepted bids to sell back 25 million lbs. of butter out of intervention into the marketplace. However, the EU rejected all bids to buy skim milk powder out of intervention, citing that bids were below prevailing market prices. The EU's goal is to unload the inventories without depressing the market.

Industry:

- National Milk Producers Federation (NMPF) board of directors overwhelmingly adopted a multi-faceted proposal to make changes in U.S. dairy policy. NMPF's plan includes transitioning the existing safety nets of the Dairy Product Price Support and Milk Income Loss Contract programs into a new Dairy Producer Margin Protection Program; establishing a Dairy Market Stabilization Program to help address periodic imbalances in milk production and demand; and reforming the Federal Milk Marketing Order program.
- Bids are due June 25 for Cooperative Working Together's 10th round of herd retirements. The maximum bid is \$3.75 per hundredweight. CWT has no set target for the volume of milk or the number of cows to be removed. For more information, visit www.cwt.coop.
- Criminal charges have been charged against one man in the Willett Dairy Farm animal abuse case in Genoa, NY. The charges stemmed from a video released by US Mercy for Animals, an animal rights group. However, law enforcers said they found a high degree of animal husbandry on the farm and the majority of the actions there were misinterpreted by Mercy for Animals in the video.
- Dairy Day was held at the state capitol in Harrisburg, Pa., this Wednesday, with Pennsylvania Secretary of Agriculture presenting a proclamation from the Governor on the role PA's dairy industry plays in the commonwealth.

