

# IPAP Market Recap

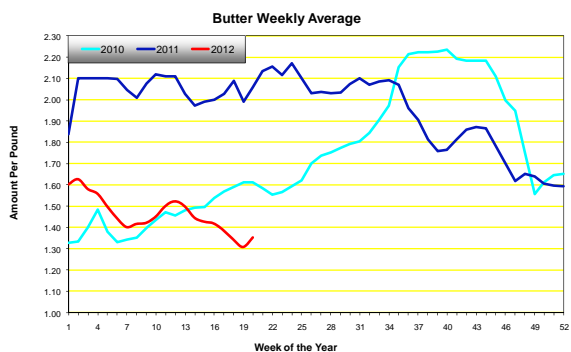
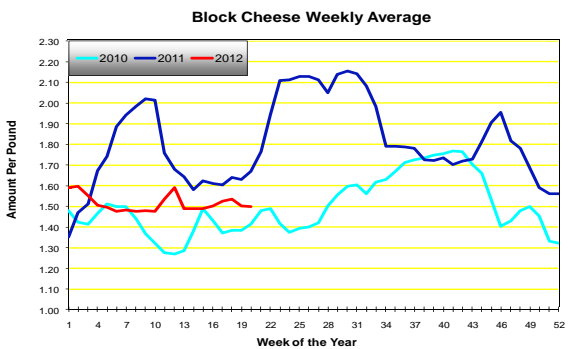
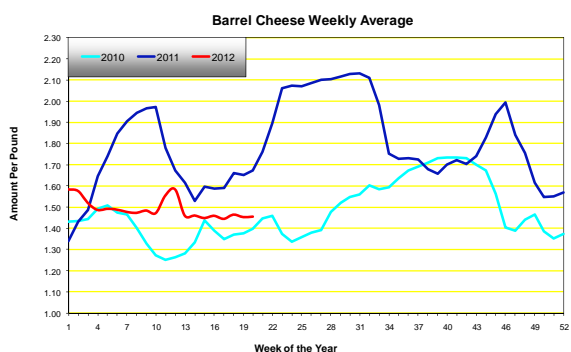
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May 18, 2012

DAILY CHEESE MARKETS								
Market	Prev. Avg.	14-May	15-May	16-May	17-May	18-May	Wkly. Avg.	Prior Year
BARREL	1.4540	1.4500	1.4500	1.4600	1.4600	1.4600	1.4560	1.6720
BLOCK	1.5025	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.6700
AA BUTTER MARKETS								
Market	Prev. Avg	14-May	15-May	16-May	17-May	18-May	Wkly. Avg.	Prior Year
AA	1.3065	1.3400	1.3525	1.3550	1.3550	1.3550	1.3515	2.0570

**Cheese**—“Milk supplies across the country remain above year ago levels and much of that milk is finding its way to cheese plants. Discounts are being offered to plants to encourage higher production levels for cheese. Stocks of cheese are increased from a year ago. Cheese plants are keeping a close eye on inventories as demand is described as moderate. Increased features in retail advertising are helping to move additional supplies. Trading at the CME Group this week has been uneventful with light activity from both manufacturers and buyers. Barrel prices are up one cent from last Friday, closing at \$1.4600 for the week, while blocks are unchanged from last Friday at \$1.5000.”

**Butter**—“Late last week at the CME Group Cash trading sessions and continuing for much of the current week, the cash price firmed to close the week at \$1.3550. To the surprise of many butter producers and handlers, this strength is occurring at a time when butter production is seasonally strong and inventories are building. Cream volumes available to the churn remain seasonally heavy, although some butter producers are reporting lighter surplus cream offerings than in recent weeks. Lighter surplus offerings are being attributed to increased Class II demand, especially for ice cream and mix needs. Although lighter surplus cream offerings are occurring, many butter producers are anticipating heavier volumes within the week as the Memorial Day holiday weekend approaches which usually generates additional cream volumes for the churn. Overall butter demand is fair with some producers and handlers reporting good butter movement. Retail print ads are featuring butter promotions in many regions of the country, which typically clear good volumes of print butter.”



For additional dairy market info please see the following

- [www.dairy.nu/spot.asp](http://www.dairy.nu/spot.asp)
- [www.ams.usda.gov/dairy/](http://www.ams.usda.gov/dairy/)
- [www.future.aae.wisc.edu/](http://www.future.aae.wisc.edu/)

