

IPAP Market Recap

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December 31, 2009

DAILY CHEESE MARKETS								
Market	Prev. Avg.	28-Dec	29-Dec	30-Dec	31-Dec	1-Jan	Wkly. Avg.	Prior Year
BARREL	1.4350	1.4325	1.4300	1.4300	1.4300	HOLIDAY	1.4306	1.3075
BLOCK	1.6394	1.5200	1.5000	1.4500	1.4500	HOLIDAY	1.4800	1.2700
NFDM Gr. A	1.3700	1.3700	1.3700	1.3700	1.3700	HOLIDAY	1.3700	0.8900

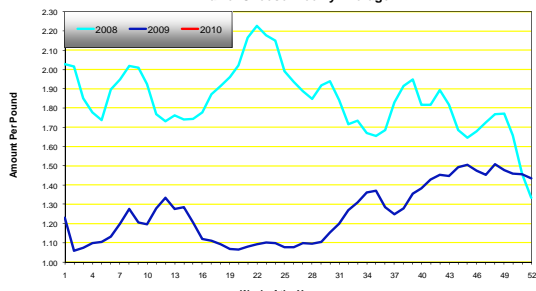
AA BUTTER MARKETS								
Market	Prev. Avg	28-Dec	29-Dec	30-Dec	31-Dec	1-Jan	Wkly. Avg.	Prior Year
AA	1.3269	1.3275	1.3275	1.3275	1.3275	HOLIDAY	1.3275	1.4450

Cheese—"CME Group cash block cheese prices continued to decline with the barrel/block spread down to 2 cents on December 31. The CME Group block price was \$1.4500 per pound compared to \$1.1325 on December 31, 2008. Barrels ended 2009 at \$1.4300 compared to \$1.1300 last year. Current interest is light as buyers wait for prices to settle and reorder after reviewing yearend movement. Most packagers and processors were again operating on holiday reduced schedule, reducing bulk cheese needs. Inventory is accumulating at the plant level. Production remains seasonally active as surplus holiday milk volumes clear to cheese plants."

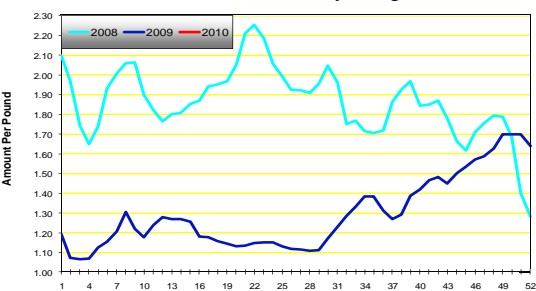
Butter—"The CME cash butter price has held steady at \$1.3275 during the past holiday week. Churning schedules across the country have been active as cream supplies are readily available to butter operations. Cream prices have ranged from below the CME butter market to flat market delivered to multiples above various pricing bases. In many instances, cream buyers stated what they were willing to pay and stuck to their plan. Much of the butter generated at this time is clearing to inventory for future domestic and international sales. Some butter producers are generating 82% butter for export in 2010. Butter demand slowed greatly this week as most buyers were absent from the market. Buying interest is projected to resume next week once buyers have had a chance to review holiday clearance."

NFDM—It was a very quiet week on the Non Fat Dry Milk Market. No changes during this holiday week.

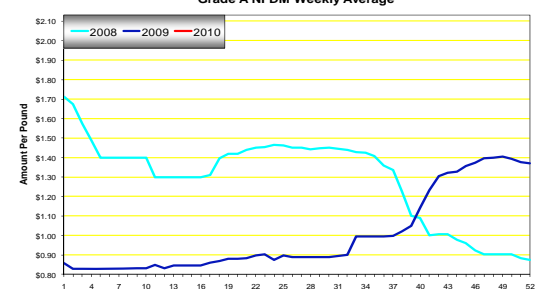
Barrel Cheese Weekly Average



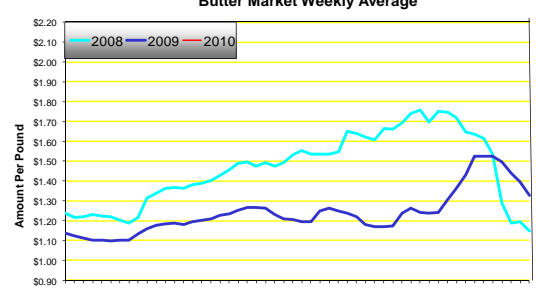
Block Cheese Weekly Average



Grade A NFDM Weekly Average



Butter Market Weekly Average



For additional dairy market info please see the following

- www.dairy.nu/spot.asp
- www.ams.usda.gov/dairy/
- www.future.aae.wisc.edu/

