

# IPAP Market Recap

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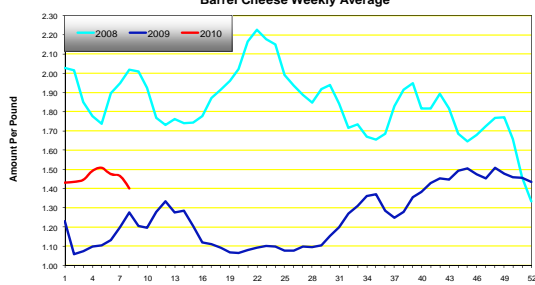
February 19, 2010

DAILY CHEESE MARKETS								
Market	Prev. Avg.	15-Feb	16-Feb	17-Feb	18-Feb	19-Feb	Wkly. Avg.	Prior Year
BARREL	1.4650	HOLIDAY	1.4250	1.4150	1.3875	1.3775	1.4013	1.2763
BLOCK	1.4990	HOLIDAY	1.4800	1.4450	1.4275	1.4125	1.4413	1.3063
NFDM Gr. A	1.1020	HOLIDAY	1.1050	1.1200	1.1200	1.1200	1.1163	0.8319

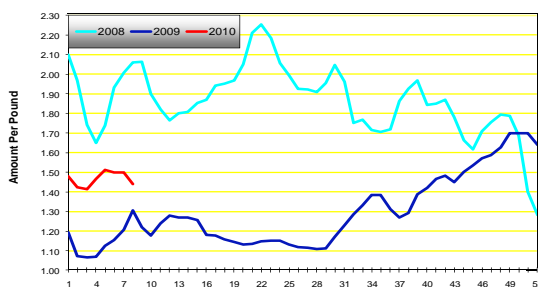
  

AA BUTTER MARKETS								
Market	Prev. Avg	15-Feb	16-Feb	17-Feb	18-Feb	19-Feb	Wkly. Avg.	Prior Year
AA	1.3420	HOLIDAY	1.3300	1.3350	1.3800	1.3600	1.3513	1.1025

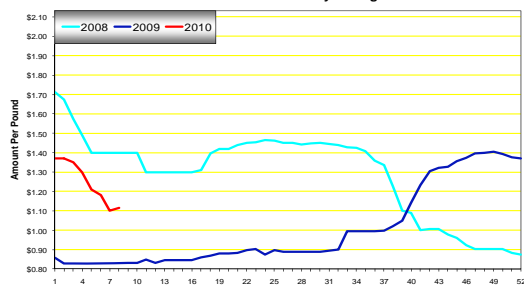
Barrel Cheese Weekly Average



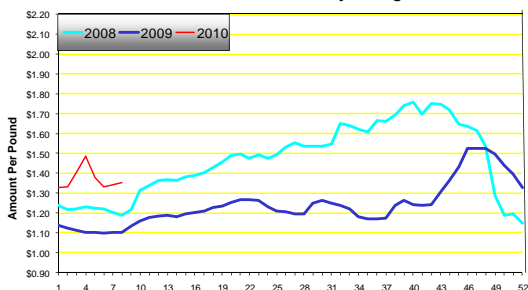
Block Cheese Weekly Average



Grade A NFDM Weekly Average



Butter Market Weekly Average



**Cheese**—“CME Group cash cheese market prices have declined as volumes traded increased sharply from last week. Weakness in other dairy product prices has spilled onto cheese. Demand is light to fair. Overall offerings are increasing and lead time on orders is no more than normal. Cheese production is generally steady to higher seasonally though some operations are trying to limit production to slow inventory growth. The Kansas City Commodity Office announced the purchase of 163,800 pounds of reduced fat cheddar for March - December delivery at \$2.39 per pound under Solicitation PDP-AGAP1-003 under the FY 2010 Agriculture Appropriations Act.”

**Butter**—“At the CME Group, the Grade AA butter price closed at \$1.3600 on Friday, following recent patterns of pricing levels moving higher and lower on a daily basis. Many manufacturers and handlers state that they wish the price would settle at one level versus fluctuate as it has over the past month. Within the past month, the cash price reached \$1.5250 as a high and dipped to \$1.3100 with adjustments basically occurring on a daily basis. Part of the current fluctuation is related to the "new crop" butter rules in which only butter produced after December 1, 2009, can be traded at the CME Group after March 1, 2010. Butter producers indicate that buyer interest ranges from steady to improved. Orders are stronger for deliveries over the next few weeks as retail and food service outlets prepare for the upcoming Easter/Passover holiday period.”

**NFDM**—The Non Fat Dry Milk Market rose slightly at the beginning of the week to bring the average up to \$1.1163.

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/)

