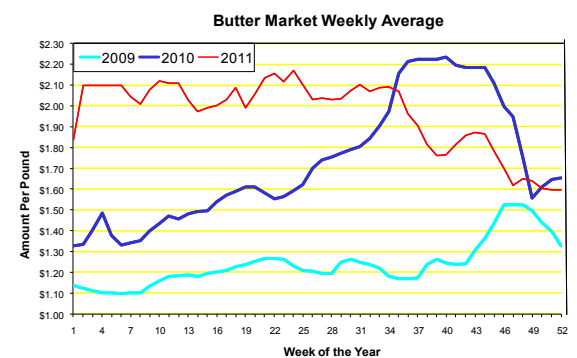
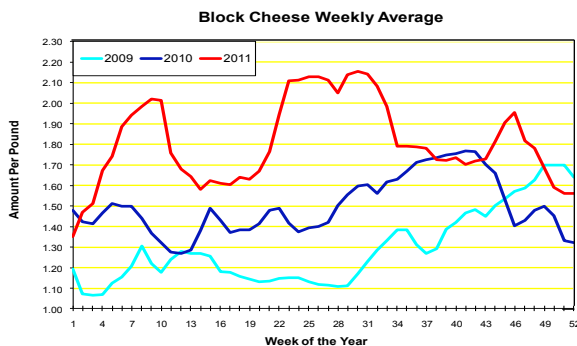
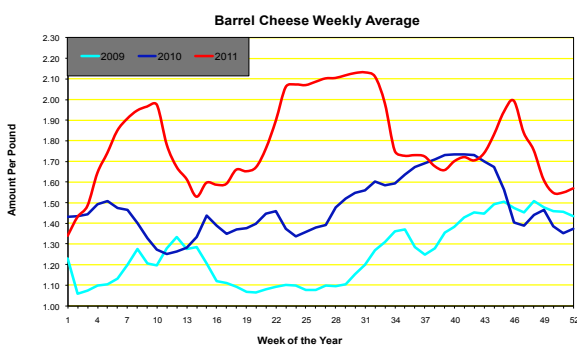


IPAP Market Recap

www.IPAP.com

December 30, 2011

DAILY CHEESE MARKETS								
Market	Prev. Avg.	26-Dec	27-Dec	28-Dec	29-Dec	30-Dec	Wkly. Avg.	Prior Year
BARREL	1.5500	CLOSED	1.5600	1.5600	1.5800	1.5800	1.5700	1.3725
BLOCK	1.5625	CLOSED	1.5625	1.5625	1.5625	1.5625	1.5625	1.3225
AA BUTTER MARKETS								
Market	Prev. Avg	26-Dec	27-Dec	28-Dec	29-Dec	30-Dec	Wkly. Avg.	Prior Year
AA	1.5965	CLOSED	1.5950	1.5950	1.5950	1.5950	1.5950	1.6525



Cheese—“The CME Group cash cheese market is about steady on blocks at \$1.5625 in a light trade, with no sales reported for the holiday shortened week. Barrel trading was also light with one sale reported and a bid raising the price of barrels to \$1.5800. The barrel price is above blocks for the first time since November 29. Last year’s closing price on December 31, for barrels was \$1.3400 and blocks closed last year at \$1.3425. Natural cheese orders are better than process demand at this time. Cheese cutters and packagers are working reduced holiday schedules and slowing demand. Cheese plants are seeing increased milk offerings due to the holidays.”

Butter—“The CME cash butter price has maintained a steady level for over a week and closed the year at \$1.5950. This yearly close compares to \$1.6700 last year at this time. Churning activity across the country during this yearend holiday period is seasonally strong with many butter operations churning at capacity levels. Cream offerings have been heavy and butter producers are being selective with the additional cream purchases. Many butter producers are indicating that they are generating bulk butter versus prints at this time. Butter orders are lighter this week as buyers assess holiday carryover volumes and prepare for the New Year. In many instances, buyers are hesitant to place large orders as many anticipate weaker prices in the New Year. Butter sales during the final quarter of 2011 have been much stronger than earlier anticipated. Features were very prevalent during the final 6-8 weeks of the year which cleared heavy volumes of print butter. Some butter producers continue to comment on potential export opportunities early in 2012.”

For additional dairy market info please see the following

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

