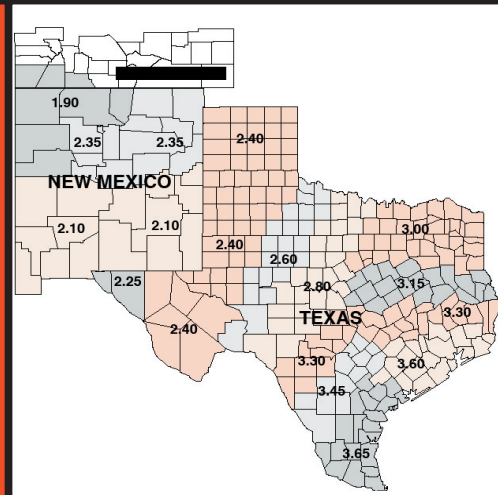


THE MARKET ADMINISTRATOR'S

REPORT



SOUTHWEST MARKETING AREA

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MARKET SUMMARY FOR APRIL

The Producer Price Differential (P.P.D.) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$3.02 for April. Butterfat price decreased \$0.0746 per pound from \$2.2859 in March to the level of \$2.2113 in April. Protein price decreased \$0.8040 per pound from \$3.3024 in March to \$2.4984 in April. April's Other Solids price increased \$0.0237 per pound from \$0.2665 in March to \$0.2902 in April. The Somatic Cell Count adjustment rate factor for April was 0.00085 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received an April statistical uniform price of \$19.89 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is a decrease of \$0.44 in comparison to the statistical uniform price of \$20.33 in March.

The April Class I price increased \$1.20 from \$21.23 in March to the April level of \$22.43. The Class II price for April of \$19.66 per hundredweight increased \$0.83 from \$18.83 in March. April's Class III price decreased \$2.53 from \$19.40 in March to \$16.87 in April. The Class IV price increased \$0.37 from \$19.41 in March to \$19.78 in April.

In April 506 producers delivered a total of 1,054,741,809 pounds of milk. On a daily basis this represents an increase of 81.50 percent from the producer receipts level in March and it represents an increase of 11.56 percent when compared to the producer receipts level of April 2010.

Producer milk classified as Class I during April amounted to 34.66 percent of total producer receipts. This figure is down from 62.85 percent in March and it is down from 38.28 percent in April 2010. The average butterfat test of producer milk pooled during April was 3.619 percent, average protein test was 3.053 percent, average other solids test was 5.781 percent and the average somatic cell count was 180,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Apr 11	Mar 11	Apr 11	Mar 11	Apr 11	Mar 11
Appalachian - FO 5	21.74	21.06	-----	-----	67.80	69.38
Arizona - FO 131	19.56	19.70	-----	-----	28.49	29.45
Central - FO 32	18.71	19.21	1.84	(0.19)	32.38	38.87
Florida - FO 6	23.88	22.88	-----	-----	83.21	82.38
Mideast - FO 33	19.19	19.40	2.32	0.00	40.50	40.90
Northeast - FO 1	20.38	20.28	3.51	0.88	38.30	41.40
Pacific Northwest - FO 124	18.95	19.43	2.08	0.03	26.86	28.67
Southeast - FO 7	21.35	21.27	-----	-----	57.24	60.50
Southwest - FO 126	19.89	20.33	3.02	0.93	34.66	62.85
Upper Midwest - FO 30	17.51	19.43	0.64	0.03	13.00	14.20

MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA, 2010 ANNUAL AVERAGES, WITH COMPARISONS 1/

For 2010, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.29 per cwt., \$3.47 higher than the all-area average reported for 2009. The component tests of producer milk in 2010 averaged: butterfat, 3.66%; protein 3.05%; and other solids, 5.74%. On an individual reporting area basis, mailbox prices increased in all Federal milk orders reporting areas, and ranged from \$19.40 in Florida to \$14.77 in New Mexico.

Reporting Area ^{2/}	Mailbox Milk Price ^{3/}		
	2009	2010	Change 2010 from 2009
	Dollars per cwt.		
New England States ^{4/}	13.59	17.48	3.89
New York	12.75	16.33	3.58
Eastern Pennsylvania ^{5/}	13.07	17.01	3.94
Appalachian States ^{6/}	13.97	17.98	4.01
Southeast States ^{7/}	14.52	18.38	3.86
Southern Missouri ^{8/}	12.39	16.33	3.94
Florida	15.79	19.40	3.61
Western Pennsylvania ^{9/}	13.00	17.00	4.00
Ohio	13.39	17.18	3.79
Indiana	12.94	16.83	3.89
Michigan	12.63	16.33	3.70
Wisconsin	12.88	15.89	3.01
Minnesota	12.90	15.71	2.81
Iowa	13.03	16.39	3.36
Illinois	12.95	16.49	3.54
Corn Belt States ^{10/}	12.52	16.03	3.51
Western Texas ^{11/}	11.96	15.68	3.72
New Mexico	11.13	14.77	3.64
Northwest States ^{12/}	12.10	15.71	3.61
All Market Avg. ^{13/}	12.82	16.29	3.47
California ^{14/}	11.02	14.37	3.35

1/ Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the reporting area and is reported at the average butterfat test. Mailbox price does not include any Milk Income Loss Contract (MILC) payments. Mailbox price does include, for the most part, the assessment under the Cooperatives Working Together (CWT) program. 2/ Information is shown for those area for which prices are reported for at least 75% of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from that area. 3/ Figures are annual averages -- the weighted average of the monthly figures; except California, which is the simple average. 4/ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. 5/ All counties to the east of those listed in 9/. 6/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 7/ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. 8/ The counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these. 9/ The counties

of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these. 10/ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in 8/. 11/ All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby. 12/ Includes Oregon and Washington. 13/ Weighted average of the information for all selected reporting areas in Federal milk orders. 14/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin."

DAIRY PRODUCTS 2010 SUMMARY

Butter production in the United States during 2010 totaled 1.56 billion pounds, 0.5 percent below 2009. California accounted for 35.6 percent of the production.

Total cheese production, excluding cottage cheeses, was 10.4 billion pounds, 3.6 percent above 2009 production. Wisconsin was the leading State with 25.0 percent of the production, followed by California with 21.1 percent and Idaho with 8.1 percent.

American type cheese production was 4.28 billion pounds, 1.7 percent above 2009 and accounted for 41.0 percent of total cheese in 2010. Wisconsin was the leading State with 19.5 percent of production, followed by Idaho with 15.9 percent and California with 14.3 percent.

Italian varieties, with 4.42 billion pounds were 5.8 percent above 2009 production and accounted for 42.4 percent of total cheese in 2010. Mozzarella accounted for 78.9 percent of the Italian production followed by Provolone with 8.0 percent and Ricotta with 5.9 percent. California was the leading State in Italian cheese production with 31.1 percent of the production, followed by Wisconsin with 28.8 percent and New York with 8.3 percent.

Ice cream, Regular totaled 912 million gallons, down 0.6 percent from 2009. Lowfat ice cream, at 380 million gallons, was down 4.9 percent.

Nonfat dry milk for human food totaled 1.56 billion pounds, up 3.4 percent from 2009. California was the leading state with 56.2 percent of the production. Skim milk powders totaled 254 million pounds, up 14.4 percent.

Dry whey for human food production, at 961 million pounds, was up 1.1 percent from 2009. Lactose, Human and Animal production was 907 million pounds, up 25.6 percent.

Dairy Plants: During 2010, there were 1,273 dairy plants in the U.S. manufacturing one or more dairy products, 25 more than in 2009

Source: U.S. Department of Agriculture. National Agricultural Statistics Service. Dairy Products 2010 Summary, April 2011.

TOP TEN TEXAS COUNTIES a/ – APRIL 2011

County	Number of Producers	Pounds	% Change From 2010b/	County	Number of Producers	Pounds	% Change From 2010b/
1. Erath	80	103,015,063	+ 4.20	7. Bailey	10	45,548,741	+ 6.78
2. Castro	13	82,992,828	+ 19.93	8. Comanche	19	43,226,683	+ 11.09
3. Parmer	14	77,139,260	+ 16.62	9. Hopkins	90	39,285,802	- 14.47
4. Deaf Smith	11	60,543,148	+ 1.93	10. Hale	6	36,481,394	+ 9.73
5. Hartley	11	52,995,690	+ 2.63	Ten County Total	264	589,659,905	+ 7.18 b/
6. Lamb	10	48,431,296	+ 9.67	Other Counties Total	285	222,400,243	+ 6.38
				Texas Total	549	812,060,148	+ 6.96

a/ Includes all known Grade "A" milk produced on farms located in Texas.

b/ Compared to top ten counties for the month in the previous year.

TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC a/	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
February	3.88	3.69	3.19	3.11	5.73	5.75	8.92	8.86	336	278
March	3.75	3.56	3.16	3.08	5.75	5.76	8.91	8.85	299	230
April	3.64	3.47	3.11	3.03	5.76	5.77	8.87	8.80	276	208
May	3.61	3.42	3.09	3.00	5.75	5.77	8.84	8.77	274	193
June	3.56	3.37	3.01	2.92	5.75	5.77	8.76	8.69	287	206
July	3.56	3.37	3.04	2.93	5.75	5.77	8.79	8.70	323	243
August	3.59	3.40	3.03	2.92	5.74	5.75	8.77	8.67	326	260
September	3.67	3.48	3.10	2.99	5.74	5.76	8.85	8.75	297	229
October	3.80	3.60	3.21	3.10	5.77	5.77	8.98	8.88	262	205
November	3.92	3.74	3.26	3.16	5.78	5.79	9.03	8.96	237	184
December	3.96	3.78	3.25	3.14	5.75	5.75	9.00	8.90	226	172
Averages 2010	3.73	3.55	3.14	3.04	5.75	5.76	8.89	8.81	285	220
January 2011	3.96	3.78	3.22	3.12	5.75	5.76	8.99	8.89	223	165
February	3.95	3.76	3.19	3.08	5.75	5.77	8.94	8.85	269	206
March	3.82	3.63	3.15	3.03	5.77	5.78	8.91	8.81	239	179
April	3.77	3.56	3.13	3.02	5.78	5.79	8.91	8.81	209	156

a/ In thousands.

TOP NEW MEXICO COUNTIES a/ – APRIL 2011

County	Number of Producers	Pounds	% Change From 2010b/	County	Number of Producers	Pounds	% Change From 2010b/
1. Chaves	35	176,612,820	+ 3.96	7. Eddy	3	18,167,320	+ 4.98
2. Curry	26	142,775,566	- 2.02	8. Luna	3	16,600,760	+ 17.23
3. Roosevelt	37	133,268,820	+ 2.56	9. Valencia	5	15,913,260	+ 8.09
4. Dona Ana	22	96,109,564	+ 1.37	10. Bernalillo	4	5,620,143	+ 2.31
5. Lea	13	51,568,476	+ 6.08	Ten County Total	156	676,913,464	+ 2.44 b/
6. Socorro	8	20,276,735	+ 0.56	Other Counties Total	2	11,759,567	+ 15.70
				New Mexico Total	158	688,673,031	+ 2.64

a/ All known Grade "A" milk produced on farms located in New Mexico.

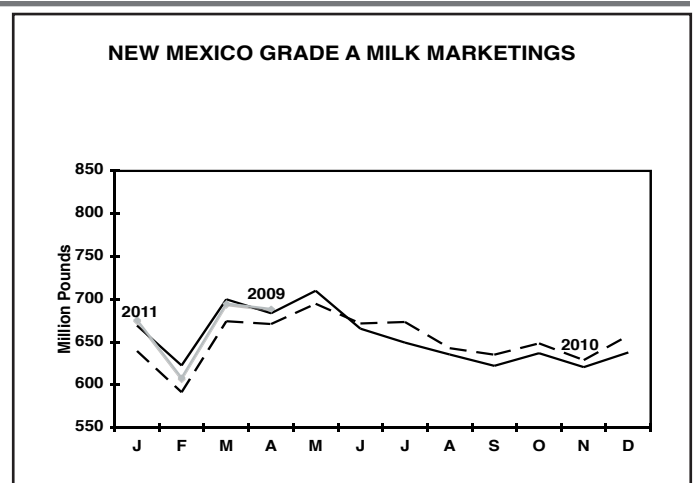
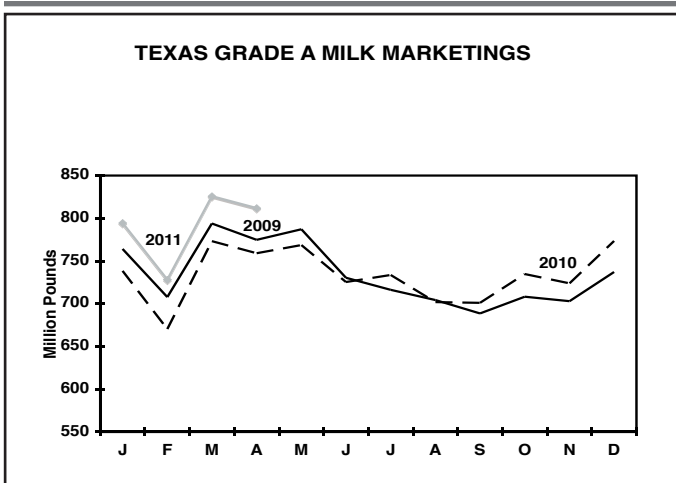
b/ Compared to top counties for the month in the previous year.

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN TEXAS BY MONTHS:
JANUARY 2009 THROUGH APRIL 2011, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2009 POUNDS	Number of Producers	2010 POUNDS	Number of Producers	2011 POUNDS	Number of Producers	PERCENT 2010/09	CHANGE 2011/10
January	764,064,476	636	738,538,899	582	794,574,299	555	- 3.34	+ 7.59
February	707,786,943	631	672,168,487	578	728,226,604	554	- 5.03	+ 8.34
March	793,989,726	635	773,286,159	577	825,750,805	552	- 2.61	+ 6.78
April	774,795,518	631	759,203,798	576	812,060,148	549	- 2.01	+ 6.96
May	787,077,681	629	768,833,368	571			- 2.32	
June	730,380,337	622	725,500,766	565			- .067	
July	716,344,326	598	733,719,075	568			+ 2.43	
August	704,267,950	597	702,002,272	559			- 0.32	
September	688,737,418	593	701,066,340	558			+ 1.79	
October	708,312,372	590	738,609,251	554			+ 4.28	
November	703,046,885	591	723,908,057	555			+ 2.97	
December	<u>737,072,970</u>	581	<u>773,415,328</u>	557			<u>+ 4.93</u>	
Years Total	8,815,876,602		8,810,251,800				- 0.06	

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 2009 THROUGH APRIL 2011, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2009 POUNDS	Number of Producers	2010 POUNDS	Number of Producers	2011 POUNDS	Number of Producers	PERCENT 2010/09	CHANGE 2011/10
January	669,161,661	170	639,771,307	157	675,834,553	157	- 4.39	+ 5.64
February	622,538,938	167	591,156,278	158	608,071,702	159	- 5.04	+ 2.86
March	699,808,110	168	674,287,000	159	694,817,453	159	- 3.65	+ 3.04
April	683,575,106	164	670,976,253	159	688,673,031	158	- 1.84	+ 2.64
May	709,872,347	165	694,638,948	160			- 2.15	
June	665,627,017	166	671,649,637	159			+ 0.90	
July	649,187,109	158	676,898,057	159			+ 4.27	
August	635,258,249	157	642,846,047	159			+ 1.19	
September	622,278,128	158	635,203,468	156			+ 2.08	
October	636,944,152	157	648,369,979	156			+ 1.79	
November	620,605,564	157	628,936,968	156			+ 1.34	
December	<u>641,902,168</u>	156	<u>657,677,525</u>	156			<u>+ 2.46</u>	
Years Total	7,856,758,549		7,832,411,467				- 0.31	



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Class Prices at 3.5%, for Federal Orders 126 Formula Prices and Price Quotations

Month	Class Prices & P.P.D.					BF	Component Prices			NASS Product Prices			
	I a/	II	III	IV	P.P.D.a/		Other Solids	True Protein	SCC c/ Adj Rate	Grade AA Butter	Cheddar Cheese	NFDM Powder	Dry Whey
	----- Dollars Per Hundred Wt. -----						-----Cents Per Pound-----						
February 2010	17.84	15.65	14.28	12.90	1.71	144.04	19.92	270.66	.00076	136.09	151.10	108.12	39.25
March	17.34	14.46	12.78	12.92	2.28	153.47	18.23	213.11	.00068	143.88	136.32	104.54	37.61
April	16.22	13.78	12.92	13.73	1.84	158.13	17.02	214.49	.00069	147.73	138.27	112.08	36.43
May	16.80	14.90	13.38	15.29	2.07	170.58	17.04	215.23	.00071	158.01	142.57	125.20	36.45
June	18.28	16.01	13.62	15.45	2.54	172.34	17.48	220.40	.00072	159.46	144.75	126.31	36.88
July	18.66	17.10	13.74	15.75	2.79	189.64	17.00	205.15	.00073	173.75	145.67	122.77	36.41
August	18.77	16.98	15.18	15.61	2.19	203.36	16.47	237.88	.00080	185.08	160.31	115.57	35.90
September	18.50	17.60	16.26	16.76	1.69	240.44	16.73	230.57	.00085	215.70	170.16	113.83	36.15
October	19.58	17.57	16.94	17.15	1.38	244.36	17.36	247.39	.00088	218.93	176.66	116.74	36.76
November	20.24	17.21	15.44	16.68	2.25	224.22	17.97	219.81	.00081	202.30	161.52	119.53	37.36
December	19.96	15.77	13.83	15.03	2.56	179.52	18.52	217.06	.00073	165.39	146.06	118.48	37.89
Averages 2010 b/	18.35	16.02	14.41	15.09	2.08	185.35	17.77	230.91	.00076	170.20	152.26	116.87	37.16
January 2011	18.20	16.79	13.48	16.42	2.76	202.39	20.02	175.90	.00070	184.28	140.76	125.30	39.35
February	18.89	17.97	17.00	18.40	1.42	229.67	23.10	255.86	.00087	206.80	174.49	137.28	42.34
March	21.23	18.83	19.40	19.41	0.93	228.59	26.65	330.24	.00099	205.91	197.22	149.45	45.78
April	22.43	19.66	16.87	19.78	3.02	221.13	29.02	249.84	.00085	199.75	169.83	156.80	48.08

a/ Subject to location adjustments. b/ Simple averages c/ SCC adjustment rate is per 1,000 difference.

**APRIL 2011
COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

		Pounds	Price	Value
Add: Class I Differential				\$414,433.23
Class I Butterfat	60(a)	7,689,235	\$2.2883	\$17,595,276.45
Class I Skim Per Cwt		357,902,854	\$14.9400	\$53,470,686.40
Class II Butterfat	60(b)	7,253,076	\$2.2183	\$16,089,498.53
Class II Nonfat Solids		6,480,217	\$1.3700	\$8,877,897.29
Class III Butterfat	60(c)	14,973,959	\$2.2113	\$33,111,915.55
Class III Protein		12,731,069	\$2.4984	\$31,807,302.79
Class III Other Solids		24,269,138	\$0.2902	\$7,042,903.85
Class IV Butterfat	60(d)	8,264,868	\$2.2113	\$18,276,102.62
Class IV Nonfat Solids		16,807,196	\$1.3862	\$23,298,135.10
Class II, III & IV Somatic Cell Adj.	60(e)			\$1,060,400.64
Total Producer Milk-Product Lbs & Value		1,054,741,809		\$211,044,552.45
Add: Value as for 60(f) Thru 60(j)				\$52,555.47
Less: Total Protein Pounds	61(b)	32,210,613	\$2.4984	\$80,474,995.54
Total Other Solids Pounds		60,984,439	\$0.2902	\$17,697,684.21
Total Butterfat Pounds		38,181,138	\$2.2113	\$84,429,950.49
Total Value of Somatic Cell Adjustment				\$1,526,080.05
Total Milk and Value		1,054,741,809		\$26,968,397.63
Add: Location Differential Adjustments	61(c)			\$4,973,605.86
Producer-Settlement Fund	61(d)			\$365,038.60
Total Producer Milk/URSP and Value		1,054,741,809	\$3.06302	\$32,307,042.09
Less: Producer-Settlement Fund	61(f)		\$0.04302	\$453,839.46
Producer Price Differential (Dallas County)			\$3.02	\$31,853,202.63

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REPORT

SOUTHWEST MARKETING AREA
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P.O. BOX 110939, CARROLLTON, TEXAS 75011-0939

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APRIL 2011
PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	365,592,089	34.66	7,689,235	20.14	357,902,854	35.21
Class II	77,858,957	7.38	7,253,076	19.00	70,605,881	6.95
Class III	419,738,191	39.80	14,973,959	39.21	404,764,232	39.81
Class IV	191,552,572	18.16	8,264,868	21.65	183,287,704	18.03
Total	1,054,741,809	100.00	38,181,138	100.00	1,016,560,671	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
Total Pounds	38,181,138	32,210,613	60,984,439	93,195,052
Percentage	3.619	3.053	5.781	8.835

Average Somatic Cell Count	180,000
Total Number of Pooled Producers	506