The Market Administrator's Report

Pacific Northwest & Arizona Marketing Areas

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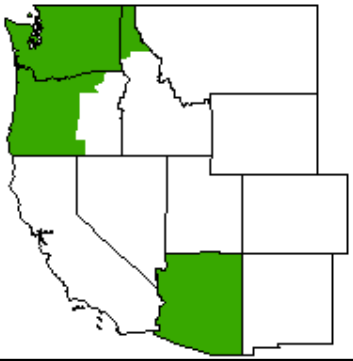

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December 2009

MARKET SUMMARIES FOR NOVEMBER 2009

Comparisons to a year ago can be found in the tables on pages 6 and 7.

Pacific Northwest

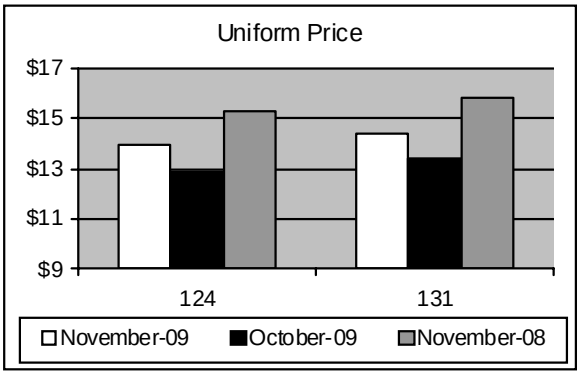
Producers delivered a total of 631.8 million pounds of milk to the market during November. Daily deliveries averaged 21.1 million pounds, down 0.3 percent from October. An estimated 636 producers delivered milk to the market during the month. Daily deliveries per producer averaged 33,111 pounds, down 0.3 percent from October.

Class I producer milk during November totaled 188.2 million pounds, 29.8 percent of total producer receipts. Daily usage averaged 6.3 million pounds, down 3.8 percent from October.

Arizona

Producers delivered a total of 318.8 million pounds of milk to the market during November. Daily deliveries averaged 10.6 million pounds, up 7.2 percent from October. An estimated 93 producers delivered milk to the market during the month. Daily deliveries per producer averaged 114,256 pounds, up 7.2 percent from October.

Class I producer milk during November totaled 123.0 million pounds, 38.6 percent of total producer receipts. Daily usage averaged 4.1 million pounds, up 2.7 percent from October. ♦



Federal Order Producer Prices and Component Levels: November 2009

Producer Prices	FO124	FO131	Component Levels (%)	FO124	FO131
Uniform Price 1/*	13.92	14.38	Butterfat	3.843	3.582
Butterfat 2/	1.4656	1.4327	Protein	3.241	N/A
Protein 2/	2.6991	N/A	Other Solids	5.702	N/A
Other Solids 2/	0.1524	N/A	Nonfat Solids	8.944	N/A
PPD 1/*	-0.16	N/A			
Skim 1/	N/A	9.71			

N/A = not applicable. * Subject to applicable location adjustments. 1/ $ per cwt. 2/ $ per pound.

NOVEMBER 2009 CLASS PRICES

November 2009 non-advanced Class Prices were calculated using NASS commodity price surveys from October 31, November 7, 14, 21 and 28, 2009. Component prices for the month are $2.6991 per pound of protein, $1.4656 per pound of butterfat, $0.1524 per pound of other solids, and $0.9348 per pound of nonfat solids.

November 2009 Class III and IV prices at 3.5% butterfat are $14.08 and $13.25 per hundredweight, respectively. The November Class III price compared to October is up $1.26. The Class III price is $1.43 lower than in November 2008.

Class II butterfat was announced at $1.4726 per pound. Class I skim and butterfat and Class II skim prices for November 2009 were announced on October 23, 2009. The Class II price at 3.5% butterfat is $13.24 for November 2009.

FINAL: NASS COMMODITY PRICES

	October	November	Change
Cheese*	$1.4110	$1.5169	$0.1059
Butter	$1.2245	$1.3817	$0.1572
Nonfat Dry Milk	$1.0270	$1.1120	$0.0850
Whey	$0.3183	$0.3471	$0.0288

* The weighted average of barrels plus 3 cents and blocks.

Current Commodity Prices - - The NASS survey of cheddar cheese prices showed an increase in price received for 40-pound blocks and a net increase for 500-pound barrels.–The survey of 40-pound blocks showed an increase of 11.83 cents between the November 14 and the December 12 surveys, to $1.6227 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a net increase of 0.58 cents to $1.5165 per pound.

The NASS butter price showed a net increase of 4.57 cents between the weeks ending November 14 and December 12 from $1.4063 per pound to $1.4520 per pound.

The NASS nonfat dry milk showed an increase of 16.52 cents since mid-November to $1.2756 per pound. The average price for NASS whey showed an increase of 1.66 cents since mid-November to $0.3634 per pound. ♦

JANUARY'S CLASS I PRICE ANNOUNCEMENT

On December 18, the January 2010 Class I price was announced at $16.93 for the Pacific Northwest Order and $17.38 for the Arizona Order. The Class I price was calculated using NASS commodity price surveys from the weeks of December 5 and 12.

The January Class III and IV advance skim prices are $9.56 and $9.82 per hundredweight, respectively. The butterfat portion of the Class I mover increased 15.64 cents from $1.4310 to $1.5874 per pound.

The January 2010 Class II skim and nonfat solids prices were also announced on December 18. The skim price is $10.52 per hundredweight, and the nonfat solids price is $1.1689 pound for all Federal orders. ♦

ADVANCED: NASS COMMODITY PRICES FOR CLASS I PRICE CALCULATIONS

	December	January	Change
Cheese*	$1.5113	$1.5764	$0.0651
Butter	$1.3532	$1.4823	$0.1291
Nonfat Dry Milk	$1.1147	$1.2701	$0.1554
Whey	$0.3452	$0.3629	$0.0177

* The weighted average of barrels plus 3 cents and blocks.

DAVID WALKER, MIDEAST MARKET ADMINISTRATOR, PASSED AWAY

David Z. Walker, Mideast Market Administrator, of Medina, Ohio, passed away on Tuesday, November 24, 2009, after a courageous battle with cancer. Dave began his career in the Middle Atlantic Milk Market Administrator's Office in Alexandria, Virginia, as a Marketing Specialist in 1979 after graduating from Virginia Polytechnic Institute and State University. Dave received a Master's Degree in Agricultural Economics and Rural Sociology from The Ohio State University in 1982. In 1990, he became the Middle Atlantic Assistant Market Administrator, and in 2001, he was appointed the Market Administrator for the Mideast Order in Cleveland, Ohio.

Dave is survived by his wife, Wendy; parents Roger and Julie of Fayetteville, Georgia; and children, Eirik and Alexandra Olson.

Dave was deeply committed to the Federal milk marketing order system and will be greatly missed. ♦

ERS SPECIAL ARTICLE: A COLLAPSE IN DEMAND DISTINGUISHES THE CURRENT DAIRY CRISIS FROM THE 56-MONTH CRISIS OF 1972-1977

The milk-feed-price (MFP) ratio, a widely used indicator of profitability in the dairy sector, reached its lowest level in nearly 35 years in May 2009, dropping below its long-term average of 2.74 for 21 consecutive months from January 2008 through September 2009, with reports of financial stress in the sector reaching what many consider to be crisis proportions.[1] The MFP ratio reached 1.5 this May and June, comparable to its level in August 1974.[2] The 21-month duration of the present crisis is so far considerably less than the 56-month crisis that extended from December 1972 through July 1977. However, the present crisis may rank as at least a close second, as the worst dairy crisis in more than 35 years, before the MFP returns to a more normal level.

The current crisis shares one characteristic with the crisis of 1972-1977 and has one important difference. The similarity is that both crises were at least partially precipitated by sharp increases in dairy feed costs. Feed costs had been relatively stable from January 1970 through the fall of 1972. However, as news of sudden and significant feed and food grain purchases by the (now) former Soviet Union as a result of several years of poor harvests emerged in late 1972, feed prices began to sharply increase. With continued shortfalls in its grain production, the Soviet Union remained a major purchaser of U.S. feed and food grains, contributing to dairy feed ration costs that more than doubled by August 1974. The dairy feed ration cost remained quite variable during the early crisis and thereafter, but at around a level roughly double its pre-crisis level.

Between the fall of 1972 and August 1973, the MFP ratio dropped to 1.6 from near its long-term average of 2.74. The decline occurred entirely because of the sudden increase in dairy feed costs, as the all milk price generally continued to increase. The MFP ratio then began to increase in August 1973 as a result of higher dairy support prices (tied to parity) mandated in the 1973 Farm Bill. In spite of the 1973 Farm Bill and other policies aimed at ameliorating this earlier dairy crisis, the crisis persisted for an additional 3 years, which were characterized by general inflation and a 16-month recession extending from November 1973 to March 1975. However, an important underlying cause of the 1972-1977 dairy crisis was that the dairy sector had not adjusted to a doubling of its feed costs.

The current dairy crisis was also precipitated by higher feed costs, but initially these were largely offset by a nearly concurrent dairy-price-enhancing-surge of dairy product exports. The cost of dairy feed doubled from a relatively stable average of about $4.00 per cwt from early 1998 to summer 2006, to over $8.00 per cwt by spring 2008. The sharply higher feed costs were not trade-induced as in the 1970s, but occurred at least partially because of policies that mandated higher ethanol use, along with higher oil prices that also encouraged more use of ethanol and strong grain exports encouraged by a weak U.S. dollar.

Increases in feed prices that began in the fall of 2006 were followed by proportionately greater increases in the all milk price, as U.S dairy products surged onto world markets in 2007 that were growing as a result of strong world economic growth, a favorable U.S. exchange rate, and reduced supplies among major U.S. dairy competitors in Oceania (Livestock, Dairy, and Poultry Outlook. June 17, Special Section: Dairy Trade, at http://usda.mannlib.cornell.edu/Mann Usda/viewDocumentInfo.do?documentID=1350).

The major difference between the current dairy crisis and the 1972-1977 crisis is that this year's collapse in the all milk price was brought about partially by the collapse in world demand and partly by decreased domestic demand as a result of the U.S. recession. While feed prices have also declined from their high in early 2009, they have not fallen in proportion to the decline in the all milk price. USDA forecasts that feed prices are likely to remain significantly higher next year and into the foreseeable future than they were in the eight years preceding the beginning of the increase in grain prices in fall 2006 (www.usda.gov/oce/commodity/). Thus, in response to the current crisis, dairy producers must not only adapt to higher feed prices but also to international demand, which is unlikely to return to the 2007 level in the near future because of slower global economic growth and a resumption of more-normal dairy production in Oceania.

While milk prices are forecast to increase and feed prices are expected to remain low relative to early-2009 levels for the remainder of this year and through at least 2010, the MFP ratio is unlikely to exceed 2.74 before the end of 2010, based on October WASDE forecasts. The MFP ratio would therefore remain below its long-term average for at least an additional 15 months. Added to the

21 months from January 2008 through September 2009 in which it has already been below its long-term average, that would place it at least 36 months below its long-term average, making this crisis a close second as the worst dairy crisis in more than 40 years. The August 2009 ERS Farm Income release projects average net dairy farm income down 94 percent in 2009, to $9,200 from $152,000 in 2008 (www.ers.usda.gov/Briefing/Farm Income/Gallery/businessincome.htm).

In recognition of the continued severity of the present crisis, ameliorative actions have been taken by USDA and the U.S. Congress, and separately by the dairy industry. On July 31, the Secretary of Agriculture announced a 3-month increase in the purchase price of nonfat dry milk from $0.80 per pound to $0.92 per pound; block cheese from $1.13 per pound to $1.31 per pound; and barrel cheese from $1.10 per pound to $1.28 per pound. During FY 2009, USDA has purchased 277 million pounds of nonfat dry milk and 4.6 million pounds of butter under the Dairy Product Price Support Program. USDA has also made over $700 million in direct payments to dairy producers in FY 2009 under the Milk Income Loss Contract Program. On August 5, the U.S. Senate passed the Fiscal 2010 Agricultural Appropriations bill, with an amendment allocating $350 million to USDA to help alleviate the current crisis, of which $60 million will be used to buy cheese and the remainder to provide direct payments to farmers. Separately, on October 1, the private Cooperatives Working Together (CWT) announced its third 2009 herd retirement. Two retirements in the second half of 2008 and two in 2009 have already removed 250,000 cows accounting for 4.9 billion pounds of milk (www.cwt.coop/)—equivalent to roughly 2.5 percent of 2008 milk production.

Notes

[1] The milk-feed-price ratio is published by NASS, and is defined as the number of pounds of a 16-percent protein mixed dairy feed equal in value to the value of 1 pound of whole milk. The price of commercial prepared dairy feed is based on current U.S. prices received for corn, soybeans, and alfalfa hay. The modeled feed uses 51 percent corn, 8 percent soybeans, and 41 percent alfalfa hay. For simplicity, it is calculated as the value of 100 pounds of milk (all milk price) divided by the value of 100 pounds of the mixed ration.

[2] Prior to 1984, NASS used a survey to determine the price paid by farmers for 16-percent protein mixed dairy feed. That series was discontinued in the mid-1980's and replaced by the current formula that uses the prices of corn, soybeans, and alfalfa hay. The author recalculated the milk-feed-price ratio for months prior to January 1984 from data provided by the University of Wisconsin website that estimates the price of a 16-percent protein mixed dairy feed ration (http://future.aae.wisc.edu/tab/costs.html#16) using the current NASS method to develop to long-term consistent price series for the milk-feed-price ratio. The recalculated series indicates that the milk-feed-price ratio in May and June of 2009 was the lowest since August 1974, while the unadjusted series as reported by NASS indicated that the milk-feed-price ratio in May and June of 2009 was the lowest since December 1983. ♦

Source: *Livestock, Dairy & Poultry Outlook*/LDP-M-184/October 16, 2009. Economic Research Service, USDA.

INCREASING SIZE OF DAIRY FARMS DRIVEN BY DECLINING PRODUCTION COSTS

Over the past three decades, the average herd size of U.S. dairy farms has increased from 29 to 139 head per farm. Decreases in average production costs in the U.S. dairy industry are driving this trend, which is projected to continue. Economic Research Service (ERS) research shows that average total costs of U.S. dairy operations decline as farm size increases, even on farms with very large herds.

A closer look at the cost of producing an extra unit of dairy products (known as the marginal cost) and the average cost of producing a given amount of dairy products as herd size increases sheds light on why dairy operations are getting larger. As long as marginal costs are less than average costs, farms of all sizes, even the very largest, have an incentive to expand. When those costs are equal, the incentive is exhausted—at least until such farms adopt new technology. The largest farms have almost reached this point.

Farms with declining average costs, however, may not be operating at complete efficiency if costs exceed the industry's minimum average total costs. A farm is "inefficient" if it fails to produce the maximum output with the inputs it employs, such as when a shortage of workers limits farm productivity. Inefficiency may also occur if an operation is not using inputs in optimal proportions given market prices; for instance, a farm cannot obtain credit to upgrade its technology and thus operates under an inefficient ratio of capital to labor. Farms of all sizes, but especially small ones, have room to improve their operational efficiency.

Many farms are not taking advantage of the incentives to expand. Some owners of small dairy operations may be unable to afford to hire a professional manager or outsource managerial

responsibilities to family members and perform their own labor. This labor is valued at the wages the farmers could earn at paying jobs, and the forgone wages can often be very high. Owners of small operations may also be hindered by the costs necessary to adopt new technologies that could increase their efficiency and help lower average production costs. Moreover, even if fully efficient, the average farm with fewer than 135 cows is not fully covering its costs once the value of unpaid labor and implicit capital expenses are taken into account. ♦

Source: *Amber* Waves, December 2009. Economic Research Service, USDA.

USDA ANNOUNCES NEW DAIRY ECONOMIC LOSS ASSISTANCE PAYMENT PROGRAM

On December 17, 2009, Agriculture Secretary Tom Vilsack announced the implementation of the new Dairy Economic Loss Assistance Payment (DELAP) program. The 2010 Agricultural Appropriations Bill authorized $290 million for loss assistance payments to eligible dairy producers. The following is an excerpt from the Secretary's press release.

Eligible producers will receive a one-time direct payment based on the amount of milk both produced and commercially marketed by their operation during the months of February through July 2009. Production information from these months will be used to estimate a full year's production for an operation to calculate the payments, using a 6-million pound per dairy operation limit.

Dairy producers who have production records at the USDA Farm Service Agency (FSA) county office because they participated in another FSA dairy program do not need to apply for the program. FSA will use existing production records for February through July 2009 to calculate and issue their payments.

Producers who have not provided production data for those months to FSA, and have not already been contacted by FSA to provide such data, have 30 days, until Jan. 19, 2010, to apply. FSA officials estimate that more than 95 percent of eligible producers will receive benefits without having to fill out a new application.

A national per hundred weight payment rate will be determined by dividing the available funding of $290 million, less a reserve established by FSA, divided by the total pounds of eligible milk production approved for payment. Based on current information, FSA estimates that 875 million cwt. of milk production will be eligible for payment. The reserve will cover new applicants and appeals. The expected payment rate is approximately $0.32 per cwt.

To be eligible for DELAP, the dairy producer and the dairy operation in which the producer has a share:

- Must have produced milk in the United States and marketed milk commercially at any time from February through July 2009;
- Must have milk production data for those months;
- Must certify to all milk production produced and marketed by the dairy operation during that time.

Also, any dairy producer who has an annual average adjusted gross non-farm income of more than $500,000 for calendar years 2006 through 2008 is not eligible for DELAP.

For more information and eligibility requirements on the new DELAP program, please visit your local FSA county office or www.fsa.usda.gov.♦

ASSISTANCE FOR OREGON'S ORGANIC FARMERS THROUGH THE ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

Oregon farmers and ranchers transitioning to organic production or already certified as organic, have until January 15, 2010, to apply for technical and financial assistance through USDA's Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP). Organic producers can receive up to $20,000 per year or $80,000 over six years through this initiative.

There are a number of practices that can qualify for funding through this initiative. A complete list of eligible practices, payment rates and other information about the 2009 EQIP Organic Initiative are available on the Oregon NRCS Web site at: ww.or.nrcs.usda.gov/programs /eqip/fy10/organic.html.

The 2010 EQIP Organic Initiative is a nationwide special initiative to provide financial assistance to National Organic Program (NOP) certified organic producers as well as producers in the process of transitioning to organic production. (For more information go to www.ams.usda.gov/nop/). ♦

MONTHLY SELECTED STATISTICS

Minimum Class Prices (3.5% B.F.)	PACIFIC NORTHWEST Nov 2009	Oct 2009	Nov 2008	Oct 2008	ARIZONA Nov 2009	Oct 2009	Nov 2008	Oct 2008
Class I Milk ($/cwt.)	$14.76	$14.25	$19.23	$17.43	$15.21	$14.70	$19.68	$17.88
Class II Milk ($/cwt.)	13.24	11.93	14.45	16.60	13.24	11.93	14.45	16.60
Class III Milk ($/cwt.)	14.08	12.82	15.51	17.06	14.08	12.82	15.51	17.06
Class IV Milk ($/cwt.)	13.25	11.86	12.25	13.62	13.25	11.86	12.25	13.62
Producer Prices								
Producer Price Differential ($/cwt.)	$(0.16)	$ 0.04	$(0.22)	$(1.57)	+	+	+	+
Butterfat ($/pound)	1.4656	1.2752	1.7730	1.8507	+	+	+	+
Protein ($/pound)	2.6991	2.5584	3.1301	3.5490	+	+	+	+
Other Solids ($/pound)	0.1524	0.1228	(0.0099)	(0.0047)	+	+	+	+
Uniform Skim Price ($/cwt.)	+	+	+	+	9.71	9.27	9.91	10.54
Uniform Butterfat Price ($/pound)	+	+	+	+	1.4327	1.2667	1.7913	1.8350
Statistical Uniform Price ($/cwt.)	$13.92	$12.86	$15.29	$15.49	$14.38	$13.38	$15.83	$16.59
Producer Data								
Number of Producers	636 *	636	667	509	93 *	93	102	100
Avg. Daily Production (lbs.)	33,111 *	33,210	31,045	28,864	114,256 *	106,630	109,815	106,824
Producer Milk Ratios								
Class I	29.80%	30.89%	29.41%	45.55%	38.58%	40.26%	34.37%	37.49%
Class II	6.80%	5.92%	6.05%	8.43%	8.64%	8.94%	6.62%	7.79%
Class III	39.41%	41.34%	32.47%	6.32%	28.74%	31.00%	28.20%	31.90%
Class IV	23.99%	21.85%	32.07%	39.70%	24.04%	19.80%	30.81%	22.82%

+ Not Applicable. * Preliminary.

MONTHLY SUPPLEMENTAL STATISTICS

Number of Handlers	Oct 2009	Sep 2009	Oct 2008	Sep 2008	Oct 2009	Sep 2009	Oct 2008	Sep 2008
Pool Handlers	28	25	25	27	7	7	7	7
Distributing Plants	*15*	*15*	*15*	*15*	*5*	*5*	*5*	*5*
Supply Plants 2/	*8*	*5*	*5*	*7*	*1*	*1*	*1*	*1*
Cooperatives	*5*	*5*	*5*	*5*	*1*	*1*	*1*	*1*
Producer-Handlers	5	5	6	6	0	0	1	1
Other Plants w/ Class I Use	25	26	21	21	26	26	25	22
Class I Route Disposition In Area								
By Pool Plants	183,924,546	174,338,582	179,554,866	168,524,387	99,970,885	95,670,139	98,937,514	94,285,075
By Producer-Handlers	7,043,908	7,265,688	7,216,641	7,222,020	0	0	1/	1/
By Other Plants	8,069,974 *	8,120,017	7,031,767	6,567,316	5,386,904 *	5,352,015	4,739,729	4,572,848
Total	199,038,428	189,724,287	193,803,274	182,313,723	105,357,789	101,022,154	103,677,243	98,857,923
Producer-Handler Data								
% Class I Use	85.91%	85.33%	88.97%	85.00%	0.00%	0.00%	R	R
% of Total In-Area Route Dispositions	3.54%	3.83%	3.72%	3.96%	0.00%	0.00%	R	R

* Preliminary. R = Restricted. Not included. 1/ Restricted. Included with other plants. 2/ Includes Cooperative Pool Manufacturing Plants

MONTHLY STATISTICAL SUMMARY

(Product pounds based upon reports of handlers)

RECEIPTS, UTILIZATION AND CLASSIFICATION OF MILK	PACIFIC NORTHWEST				ARIZONA			
	Nov 2009	Oct 2009	Nov 2008	Oct 2008	Nov 2009	Oct 2009	Nov 2008	Oct 2008
TOTAL PRODUCER MILK	631,764,987	654,760,499	621,205,625	455,446,820	318,774,111	307,415,531	336,032,616	331,155,824
RECEIPTS FROM OTHER SOURCES	15,040,375	11,945,341	26,763,102	22,845,103	2,642,993	4,279,030	8,459,198	5,101,535
OPENING INVENTORY	33,169,534	35,904,444	29,518,196	26,486,327	23,866,131	22,061,119	21,451,591	21,368,379
TOTAL TO BE ACCOUNTED FOR	679,974,896	702,610,284	677,486,923	504,778,250	345,283,235	333,755,680	365,943,405	357,625,738
UTILIZATION OF RECEIPTS								
Whole milk	31,774,647	34,414,590	31,576,382	33,009,909	24,891,733	25,246,267	24,259,603	25,494,644
Flavored milk & milk drinks	16,949,412	16,724,727	15,936,935	16,135,096	7,537,355	6,996,652	7,049,208	7,205,428
2% milk	69,690,930	73,402,681	67,834,267	71,700,844	36,774,475	38,069,944	37,010,747	38,267,920
1% milk	26,623,017	28,750,336	25,998,352	28,080,015	15,616,454	16,154,576	13,776,111	15,028,879
Skim milk	28,050,146	29,262,138	27,353,647	29,223,753	13,176,188	13,503,446	13,235,285	12,473,275
Buttermilk	1,393,159	1,370,074	1,339,351	1,405,249	423,504	3/	483,560	467,368
CLASS I ROUTE DISP. IN AREA	174,481,311	183,924,546	170,038,934	179,554,866	98,419,709	99,970,885	95,814,514	98,937,514
Class I dispositions out of area	14,725,385	17,795,880	16,872,338	20,316,726	23,706,262	23,832,663	21,680,976	22,628,623
Other Class I usage	17,820,223	18,922,646	15,844,496	24,040,826	14,074,963	13,574,617	12,770,632	14,452,824
TOTAL CLASS I USE	207,026,919	220,643,072	202,755,768	223,912,418	136,200,934	137,378,165	130,266,122	136,018,961
TOTAL CLASS II USE	52,661,679	47,065,522	41,804,249	44,823,319	28,502,061	28,423,605	22,809,292	26,412,765
TOTAL CLASS III USE	251,412,241	270,676,557	211,109,957	28,787,229	92,194,817	96,336,953	94,751,947	105,689,531
TOTAL CLASS IV USE	168,874,057	164,225,133	221,816,949	207,255,284	88,385,423	71,616,957	118,116,044	89,504,481
TOTAL ACCOUNTED FOR	679,974,896	702,610,284	677,486,923	504,778,250	345,283,235	333,755,680	365,943,405	357,625,738
CLASSIFICATION OF RECEIPTS								
Producer milk: Class I	188,242,075	202,251,466	182,730,222	207,458,306	122,987,352	123,778,137	115,520,980	124,179,120
Class II	42,957,227	38,756,512	37,553,495	38,406,929	27,550,680	27,497,116	22,230,285	25,787,686
Class III	248,969,997	270,676,557	201,702,368	28,787,229	91,620,950	95,305,141	94,751,947	105,635,765
Class IV	151,595,688	143,075,964	199,219,540	180,794,356	76,615,129	60,835,137	103,529,404	75,553,253
Other receipts: Class I	18,784,844	18,391,606	20,025,546	16,454,112	13,213,582	13,600,028	29,910,789	26,469,914
Class II	9,704,452	8,309,010	4,250,754	6,416,390	2/	2/	1/	1/
Class III	2,442,244	0	9,407,589	0	2/	2/	1/	1/
Class IV	17,278,369	21,149,169	22,597,409	26,460,928	13,295,542	12,740,121	1/	1/
Avg. daily producer receipts	21,058,833	21,121,306	20,706,854	14,691,833	10,625,804	9,916,630	11,201,087	10,682,446
Change From Previous Year	1.70%	43.76%	11.49%	-21.25%	-5.14%	-7.17%	8.97%	7.07%
Avg. daily Class I use	6,900,897	7,117,518	6,758,526	7,222,981	4,540,031	4,431,554	4,342,204	4,387,708
Change From Previous Year	2.11%	-1.46%	-6.03%	2.62%	4.56%	1.00%	-1.34%	1.62%

1/ Restricted - Included with Class I.
2/ Restricted - Included with Class IV.
3/ Restricted - Included with Flavored milk & milk drinks.

HIGHLIGHTS THIS ISSUE:

- Market Summaries for November 2009
- November 2009 Class Prices
- Class I Price for January 2010
- David Walker, Mideast Market Administrator, Passed Away
- ERS Special Article: Current Dairy Crisis
- Increasing Size of Dairy Farms Driven by Declining Production Costs
- Assistance for Oregon Organic Farmers
- USDA Announces New Economic Loss Assistance Payment Program

The Market Administrator's staff would like to wish you and your family a happy holiday season & best wishes for the new year!