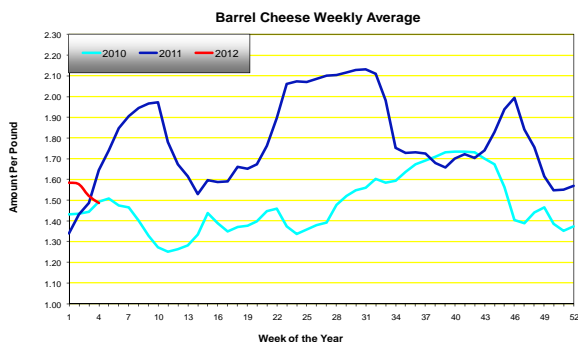


IPAP Market Recap

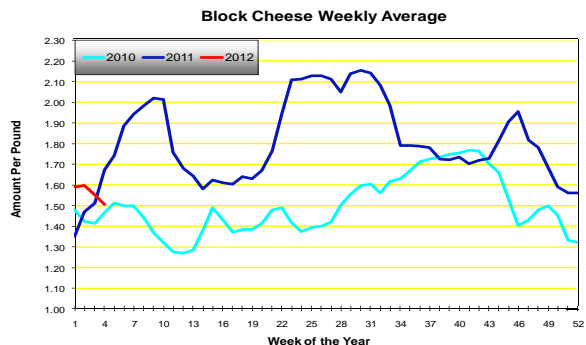
www.IPAP.com

January 27, 2012

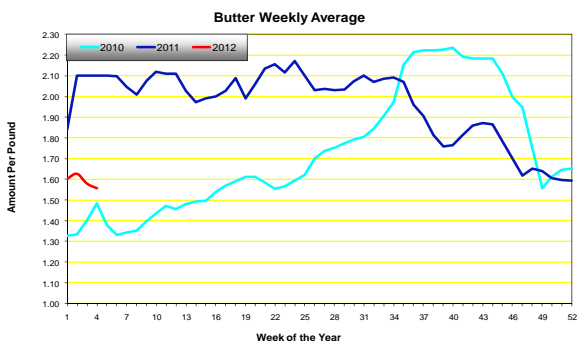
DAILY CHEESE MARKETS								
Market	Prev. Avg.	23-Jan	24-Jan	25-Jan	26-Jan	27-Jan	Wkly. Avg.	Prior Year
BARREL	1.5200	1.4850	1.4850	1.4850	1.4850	1.4950	1.4870	1.6445
BLOCK	1.5500	1.5050	1.5050	1.5050	1.5050	1.5100	1.5060	1.6735
AA BUTTER MARKETS								
Market	Prev. Avg.	23-Jan	24-Jan	25-Jan	26-Jan	27-Jan	Wkly. Avg.	Prior Year
AA	1.5800	1.5650	1.5600	1.5600	1.5550	1.5500	1.5580	2.1000



Cheese—“Cheese market averages continued to move lower this week. The market has moved lower for three consecutive weeks. The week ended on a higher note with both barrels and blocks increasing. Friday's close at the CME Group of \$1.5100 for blocks and \$1.4950 for barrels represents a retreat of \$.1000 for blocks and \$.0950 for barrels since the first week of the new year. Friday's price increase was the first advance since January 6. Increased volumes of milk available to cheese plants are allowing some manufacturers to increase production. Other producers are waiting for orders to arrive before increasing production. Cheese buyers are reluctant to place additional new orders while the market is trending lower.”



Butter—“The CME cash butter price continues to ease and settled at \$1.5500 at week's end. This cash price is the lowest since December 2010. Churning activity across the country is strong as cream supplies are plentiful and clearing from one region to another to find processing capacity. Butter producers are gearing up production schedules and often, churns are running at capacity levels. With churning as active as it is, production is greatly surpassing demand, thus clearances to inventory are heavy. Butter demand is fair at best as many buyers are hesitant to procure too heavily in a down price cycle.”



For additional dairy market info please see the following

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

