

**FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, JULY 2010**

**HIGHLIGHTS.** Handler reports of receipts and utilization under the Federal milk order system for July have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During July, about 10.7 billion pounds of milk were received from producers. This volume of milk is 1.2 percent lower than the July 2009 volume. In July 2010, there were significant volumes of milk not pooled due to intraorder disadvantageous price relationships. About 3.6 billion pounds of producer milk were used in Class I products, 1.4 percent lower than the previous year. Calendar composition likely had a positive impact on milk used in Class I in 2010 as compared to 2009. The all-market average Class utilization percentages were: Class I = 34%, Class II = 10%, Class III = 48% and Class IV = 8%. The weighted average statistical uniform price was \$16.19 per cwt., \$0.48 higher than last month and \$4.87 higher than last year.

| <b>PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF JULY 2010</b> |                 |                              |                              |  |                              |         |  |              |             |                     |
|--|-----------------|------------------------------|------------------------------|--|------------------------------|---------|--|--------------|-------------|---------------------|
| FEDERAL MILK ORDER<br>MARKETING AREA 1/  | ORDER<br>NUMBER | RECEIPTS OF<br>PRODUCER MILK |                              | UTILIZATION OF PRODUCER<br>MILK IN CLASS I |                              |         | UTILIZATION OF PRODUCER<br>MILK IN OTHER CLASSES |              |             | UNIFORM<br>PRICE 2/ |
|  |                 | TOTAL                        | CHANGE<br>FROM PREV.<br>YEAR | TOTAL                                      | CHANGE<br>FROM PREV.<br>YEAR | PERCENT | CLASS<br>II                                      | CLASS<br>III | CLASS<br>IV |                     |
|  |                 | MIL.<br>LBS.                 | PERCENT                      | MIL.<br>LBS.                               | PERCENT                      |         | PERCENT  |              |             | \$ PER<br>CWT.      |
| Northeast (Boston)   | 001             | 2,096.4                      | 2.8                          | 843.2                                      | 1.4                          | 40      | 23   | 27           | 11          | 17.43               |
| Appalachian (Charlotte)  | 005             | 484.2                        | -0.8                         | 332.2                                      | -2.5                         | 69      | 17   | 8            | 7           | 18.54               |
| Southeast (Atlanta)  | 007             | 552.1                        | -3.3                         | 371.6                                      | -2.7                         | 67      | 9  | 22           | 2           | 18.37               |
| Florida (Tampa)  | 006             | 224.5                        | -3.0                         | 200.9                                      | -2.3                         | 90      | 8  | 2            | 1           | 20.87               |
| Mideast (Cleveland)  | 033 3/          | 1,277.6                      | -12.5                        | 506.4                                      | -8.4                         | 40      | 13   | 41           | 6           | 16.12               |
| Upper Midwest (Chicago)  | 030 3/          | 2,916.0                      | -0.1                         | 352.0                                      | -2.2                         | 12      | 2  | 86           | 4/          | 14.39               |
| Central (Kansas City)  | 032 3/          | 1,120.8                      | -4.9                         | 354.7                                      | 6.3                          | 32      | 12   | 50           | 6           | 15.63               |
| Southwest (Dallas)   | 126 3/          | 999.9                        | 5.5                          | 342.3                                      | 2.3                          | 34      | 5  | 46           | 15          | 16.53               |
| Arizona (Phoenix)  | 131             | 337.8                        | 11.1                         | 112.0                                      | -4.3                         | 33      | 8  | 31           | 28          | 16.14               |
| Pacific Northwest (Seattle)  | 124             | 686.0                        | 0.2                          | 179.9                                      | -4.1                         | 26      | 7  | 40           | 27          | 15.67               |
| <b>ALL MARKET AVERAGE OR TOTAL</b>   | 3/              | 10,695.3                     | -1.2                         | 3,595.2                                    | -1.4                         | 34      | 10   | 48           | 8           | 16.19               |

1/ Names in parentheses are the major city in the principal pricing point of the market.

2/ Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 401 million pounds of milk that normally would have been associated with these markets. In July 2009, the estimated not pooled volume of milk was 82 million pounds, occurring in order numbers 030 and 032. After adjusting for non pooled milk, the year-to-year percent change is +1.7%.

4/ Less than 0.5 percent.