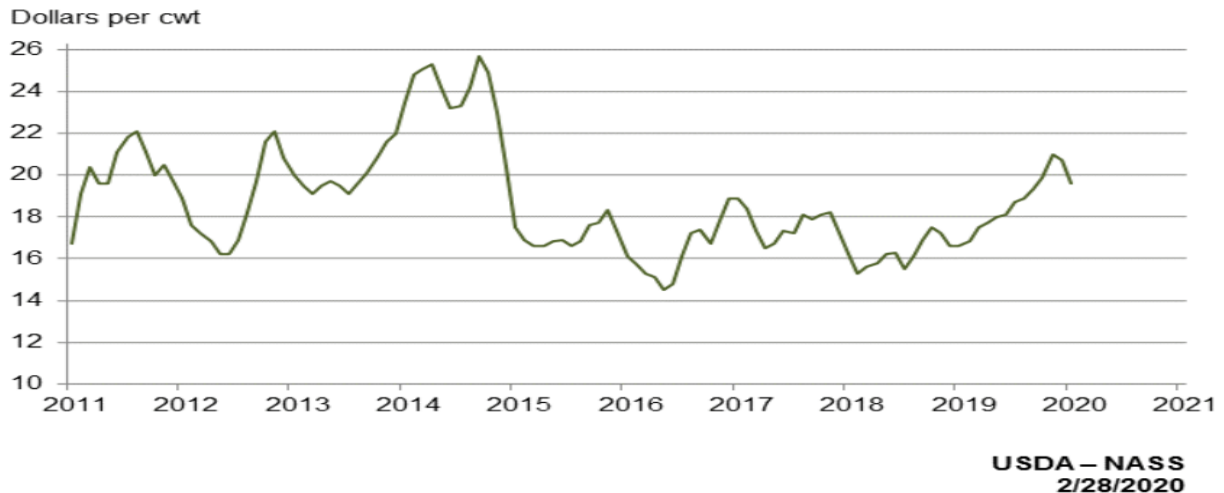


Current Milk News

The May Class III futures contract traded 53 cents cwt lower for the week. Prices did rebound the last two trading sessions for the week. The May contract is now trading \$2.57 cwt lower than we did the third week in January. Overall milk production increased this past week with the demand steady to higher depending on the Class.

Prices Received for Milk by Month



May Class III Milk



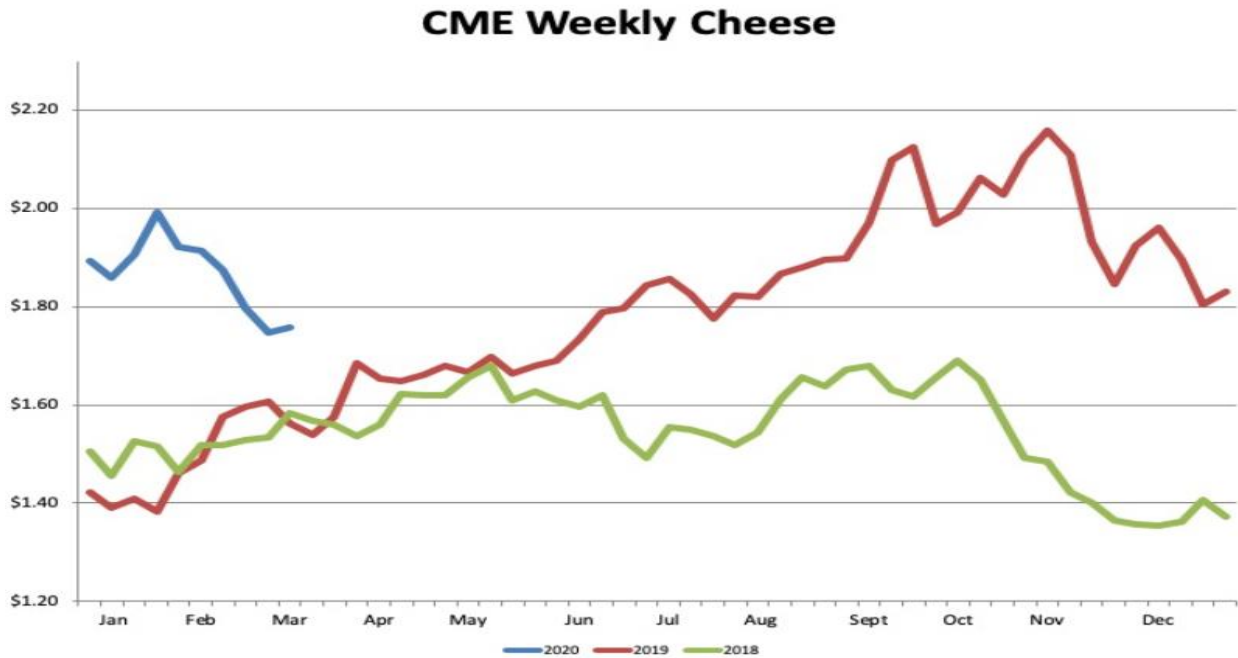
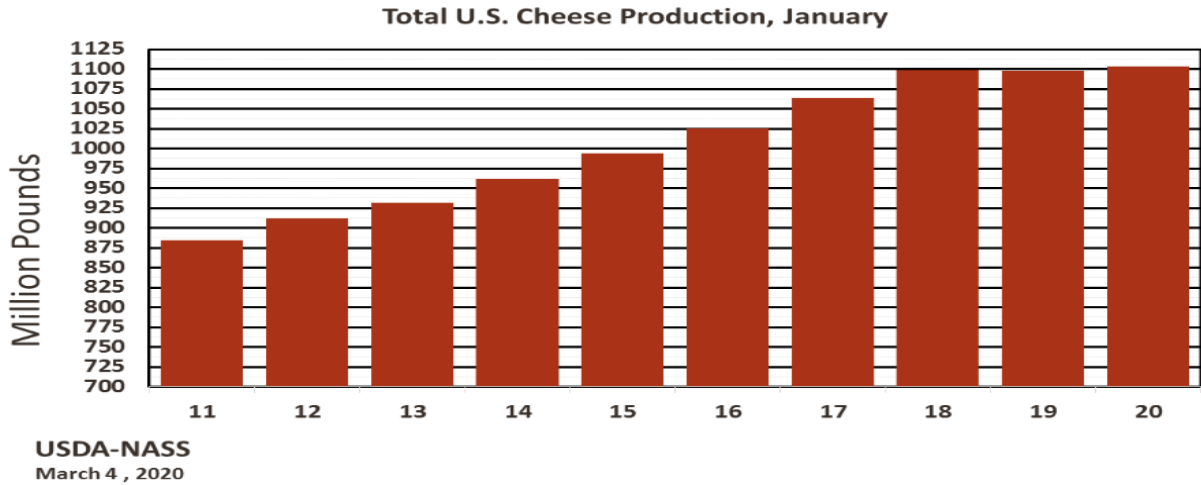
Chart Provided by Track N Trade

The historical trend is showing Milk futures to trend higher through the end of April.

Current Cheese News

Blocks traded higher this past week while the Barrel market remained steady. Production was steady and the demand moved higher in the retail market.

Although production has increased since 2011 as you can see production in January has stagnated over the past three years in the month of January.



Even with all the negative news in the market at this time we can see that there is a good possibility for cheese prices to follow the historical trend and trade higher over the next couple of months.