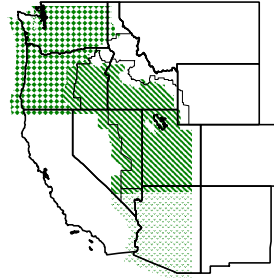


Pacific Northwest, Arizona-Las Vegas, & Western Marketing Areas



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APRIL 2002

MARKET SUMMARIES FOR MARCH 2002

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

Pacific Northwest

Producers delivered a total of 663.2 million pounds of milk to the market during March. Daily deliveries averaged 21.4 million pounds, up 1.1 percent from February. An estimated 1,035 producers delivered milk to the market during the month. Daily deliveries per producer averaged 20,669 pounds, up 1.1 percent from February.

Class I producer milk during March totaled 177.1 million pounds, 26.7 percent of total producer receipts. Daily usage averaged 5.7 million pounds, down 1.1 percent from February.

Arizona-Las Vegas

Producers delivered a total of 285.7 million pounds of milk to the market during March. Daily deliveries averaged 9.2 million pounds, up 4.3 percent from February. An

estimated 109 producers delivered milk to the market during the month. Daily deliveries per producer averaged 84,544 pounds, up 4.3 percent from February.

Class I producer milk during March totaled 81.5 million pounds, 28.5 percent of total producer receipts. Daily usage averaged 2.6 million pounds, down 3.4 percent from February.

Western

Producers delivered a total of 349.0 million pounds of milk to the market during March. Comparisons to the previous month are biased due to eligible milk not pooled in March 2002. Fewer than three handlers did not pool milk; the amount of eligible milk not pooled is restricted. Daily deliveries averaged 11.3 million pounds, down 30.1 percent from February. An estimated 767 producers delivered milk to the market during the month. Daily deliveries per

(Continued on Page 2)

Federal Order Producer Prices and Component Levels: March 2002

Producer Prices	FO124	FO131	FO135	Component Levels (%)	FO124	FO131	FO135
Uniform Price 1/*	11.73	11.91	11.56	Butterfat	3.716	3.592	3.681
Butterfat 2/	1.3638	1.3683	1.3638	Protein	3.062	N/A	3.115
Protein 2/	1.8342	N/A	1.8342	Other Solids	5.712	N/A	5.771
Other Solids 2/	0.0688	N/A	0.0688	Nonfat Solids	8.774	N/A	8.886
PPD 1/*	1.08	N/A	0.91				
Skim 1/	N/A	7.38	N/A				

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

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(Continued from page 1)

producer averaged 14,679 pounds, down 30.1 percent from February.

Class I producer milk during March totaled 82.7 million pounds, 23.7 percent of total producer receipts. Daily usage averaged 2.7 million pounds, down 4.5 percent from February. ♦

MARCH 2002 CLASS PRICES

March 2002 non-advanced Class Prices were calculated using NASS commodity price surveys from March 2, 9, 16, 23, and 30, 2002. Component prices for the month are \$1.8342 per pound of protein, \$1.3638 per pound of butterfat, \$0.0688 per pound of other solids, and \$0.7660 per pound of nonfat solids.

March 2002 Class III and IV prices at 3.5% butterfat are \$10.65 and \$11.42 per hundredweight, respectively. The March Class III price compared to February is down \$0.98. The Class III price is \$0.77 lower than March 2001 and \$0.85 above the support price.

Class II butterfat was also announced at \$1.3708 per pound. Class I skim and butterfat and Class II skim prices for March 2002 were announced on February 22, 2002. The Class II price at 3.5% butterfat is \$12.19 for March 2002.

FINAL: NASS COMMODITY PRICES

	<u>February</u>	<u>March</u>	<u>Change</u>
Cheese*	\$1.2895	\$1.2087	-\$0.0808
Butter	\$1.2480	\$1.2333	-\$0.0147
Nonfat Dry Milk	\$0.9121	\$0.9060	-\$0.0061
Whey	\$0.2334	\$0.2066	-\$0.0268

* The weighted average of barrels plus 3 cents and blocks. Beginning January 2001, barrels changed from 39% to 38% moisture cheese.

Current Commodity Prices -- The NASS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a net decrease in prices received for 500-pound barrels. The survey of 40-pound blocks showed an increase of 2.14 cents between the March 16 and the April 13 surveys, to \$1.2147 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed an increase of 2.69 cents to \$1.2028 per pound.

The NASS butter price showed a decrease of 6.31 cents between the weeks ending March 16

and April 13 from \$1.2412 per pound to \$1.1781 per pound.

The NASS nonfat dry milk showed a net decrease of 0.77 cents since mid-March to \$0.9054 per pound. The average price for NASS whey showed a decrease of 1.22 cents since mid-March to \$0.1962 per pound. ♦

MAY'S CLASS I PRICE ANNOUNCEMENT

On April 19, the May 2002 Class I price was announced at \$13.16 for the Pacific Northwest and Western Orders, and \$13.61 for the Arizona-Las Vegas Order. The Class I price was calculated using NASS commodity price surveys from the weeks of April 6 and 13.

The April Class III and IV advance skim prices are \$6.31 and \$6.83 per hundredweight, respectively. The butterfat portion of the Class I mover decreased 3.94 cents from \$1.3733 to \$1.3339 per pound.

The May 2002 Class II skim and nonfat solids prices were also announced on April 19. The skim price is \$7.53 per hundredweight, and the nonfat solids price is \$0.8367 per pound for all Federal orders. ♦

ADVANCED: NASS COMMODITY PRICES FOR CLASS I PRICE CALCULATIONS

	<u>April</u>	<u>May</u>	<u>Change</u>
Cheese*	\$1.2008	\$1.2229	\$0.0221
Butter	\$1.2411	\$1.2088	-\$0.0323
Nonfat Dry Milk	\$0.9074	\$0.8984	-\$0.0090
Whey	\$0.2077	\$0.1979	-\$0.0098

* The weighted average of barrels plus 3 cents and blocks. Beginning February 2001, barrel cheese prices changed from 39% to 38% moisture cheese.

DAIRY OUTLOOK

Milk Output Grows

Milk production was well above year-earlier levels between November and January, although these gains owed more to weakness a year earlier than to any real strength in recent months. By January, milk production was almost 2 percent larger than a year ago, as a more than 2-percent gain in milk per cow easily outweighed a fractional decline in cow numbers. Even so, growth in milk

per cow from the 5-year average stayed considerably below trend.

Recovery in milk production continues to be limited by the inability of replacement heifer supplies to keep up with rising demand. The January price of dairy replacements was down seasonally from October but up more than a fifth from any January reading. Record prices came in the face of relatively large supplies of replacement heifers. The January 1 inventory showed a record 44.6 dairy replacements (500 pounds and over) per 100 milk cows. But, culling rates have increased to the extent that these supplies were insufficient to sustain recent culling and provide heifers for expanding farms.

The heifer situation has affected milk cow numbers by discouraging expansions and delaying how quickly expanded facilities can be brought to capacity. However, the effect on cow numbers has been mitigated by keeping some cows that normally would have been culled and probably by selling an abnormally large share of cows from exiting herds as replacement cows. Unusual retention of inferior cows contributed to weakness in average milk per cow.

Tight supplies of good alfalfa hay remain a nagging problem, affecting milk per cow and even cow numbers. Last year's forage quality was quite uneven, with some poor and some good hay produced in most regions. Low stocks of good hay at the end of the previous feeding season, growth in the Western dairy herd, and recovery in alfalfa exports boosted prices in the spring of 2001. More recently, prices have eased, particularly for lower quality alfalfa. Mild autumn and winter weather reduced demand for hay for beef cows and allowed stocks of all hay to move above a year earlier. In addition, crumbling demand for Japanese beef has reduced export pressure on dairy hay. However, tight supplies of good forage probably will continue to limit growth in milk per cow.

Prices of concentrate feed are expected to stay fairly low in 2002, dominated by large grain supplies. Milk-feed price ratios will not be quite as favorable to increased concentrate feeding as they were during 2001, but producers will still have relatively ample incentive to give cows all they can handle. However, farmers do not respond as much as they once did to the milk-feed price ratio because of today's more complex feeding.

The expected large decline in returns over concentrate costs in 2002 probably will not affect rates of structural change greatly. Returns over concentrate costs are projected to average \$10.00-

10.50 per cwt of milk this year, down from about \$12 in 2001. In recent years, returns have exceeded \$11 per cwt in 4 of the last 6 years, providing considerable incentive for expansion by the stronger farms. However, growth has been slowed by tight heifer and hay supplies and by increasingly restrictive environmental requirements. This pent-up growth is likely to express itself despite 2002 returns. On the other side, the generally strong returns of recent years and 2002 returns that remain above the relatively low levels of 2000 and 1997 probably will keep the exit of weaker farms from accelerating much. Even so, these farms commonly remain under long-run income stress. Also, many of these farms received their last major investment about 20 years ago and may not be able to continue long without new capital.

Milk cow numbers are expected to slip slightly from current levels as 2002 progresses, running fractionally below a year earlier. Meanwhile, milk per cow is projected to recover and post gains of about 3 percent from a year earlier. In spite of these relatively large year-to-year increases, milk per cow is not expected to return to trend levels. Milk output in 2002 is projected to rise 2 to 3 percent with fairly steady increases through the year.

Milk production and milk per cow slipped 1 percent in 2001, as milk per cow was essentially unchanged on a daily average basis. Winter and summer weather stress, forage quality problems, and unusual culling battered milk per cow, keeping it generally below a year earlier from November 2000 through August 2001. Lagged effects of the relatively low 2000 returns pushed milk cow numbers down through mid-2001. Cow numbers were fairly flat during the second half and might have grown if expansions had been as relatively unencumbered as in the past.

Dairy Demand Holds

Dairy demand has been unsteady but generally fairly strong since last autumn. The recession has given evidence of being mild and short. The effects of last fall's events were mostly short-lived. Although consumers are likely to be more conservative about food spending than they were during most of the 1998-2001 period, dairy demand is expected to rise significantly this year. Cheese, butter, and fluid cream appear to remain the favored dairy products.

Demand for skim solids as ingredients remains soft. Overall use has not responded to stable and

lower prices, although sales of nonfat dry milk were an exception. Food processors can be very slow to change formulations because of associated costs and uncertainties about consumer reaction. They probably were particularly reluctant to make alterations during the recently ended period of strong demand for indulgent foods. This year's more normal demand environment may boost sales of skim solids.

Commercial use of milkfat is projected to rise about 2 percent following 2001's fractional gain. The increase could be larger if imports decline less than expected. Sales of skim solids also are expected to increase about 2 percent. Ingredient use of skim solids remains key, with uncertainties generated by long-term responses by food processors and by the likely increase in imports of concentrated milk proteins.

Commercial use of cheese rose more than 1 percent in 2001, as sales of American varieties increased a brisk 3 percent. Use of other cheeses was unchanged, largely because sales of Mozzarella had only a minimal increase instead of their normal large gain. Butter sales slipped 2 percent as the very high prices rationed supplies. On the other hand, commercial use of nonfat dry milk jumped more than a fourth to the highest level since 1996. February 1 commercial stocks were mixed. Holdings of butter and other-than-American cheese were considerably larger than a year earlier, but stocks of American cheese and nonfat dry milk were down substantially. The price volatility of recent years has made traders more comfortable with sizable stocks, and the February 1 levels probably were not excessive—with the possible exception of butter. On the other hand, Government stocks of nonfat dry milk exceeded 800 million pounds on March 1, far more than can be used readily.

Price support purchases of nonfat dry milk were heavy during January-February. Supplies were heavy, and manufacturers were concerned about a possible reduction in the support purchase price of powder. Growth in commercial use of skim solids is expected to trim 2002 purchases of nonfat dry milk, but the surplus may well be larger during the first half. Removals under the Dairy Export Incentive Program (DEIP) probably will again be roughly the same as the World Trade Organization (WTO) limit, although new contract activity has been sluggish recently. Net removals of nonfat dry milk fell more than a fourth in 2001 as purchases dropped. Even so, the surplus of skim solids remained sizable. There were no removals of

butter and only the very small DEIP removals of cheese.

International Price Prospects Dim

International dairy markets had an unsettled year in 2001. Prices collapsed during the last quarter of the year as the European Union (EU) recovered from dislocations caused by the foot-and-mouth disease outbreak, output grew once again in Oceania, the U.S. dollar was strong, and Argentina's economic collapse prompted traders to try to sell as much as possible right away. Prices are not expected to show much recovery until at least the second half of 2002.

Export supplies have been generally adequate. Milk production in the EU was about unchanged in 2001 as only a little output was lost to disease controls. EU production in 2002 may slip slightly because of lower output in the Netherlands, but the production quotas will be generally filled or a bit over-filled. Milk production continues to grow in Oceania. Australian output was a little weak during the second half of the 2000-01 season and again during the first part of their new season. However, New Zealand production has continued to grow, mostly because of more cows. Milk production in 2002 is also expected to increase in North America, Eastern Europe, and many Asian and South American countries.

Nonfat dry milk prices broke sharply last autumn, after staying above \$2,000 per ton since mid-2000. Strong Asian demand and relatively modest export supplies had been the most commonly cited reasons for market tightness. Even so, the needs of buyers seemed to be fairly easily met. Modest unsubsidized exports from the United States quickly appeared to satisfy this nominally tight market. Slippage in EU domestic markets, seasonal production increases in Oceania, and lower import demand from a few countries dropped prices about \$500 per ton over a few months. Ample supplies and some general economic weakness are expected to forestall much recovery until the second half of 2002. In fact, prices may not yet have reached bottom.

Butter prices started 2001 weak. Demand from Russia and the Middle East-North Africa was too sluggish to absorb even moderate export supplies. Prices picked up a little in late spring and summer, in large part because of over-tariff-rate-quota (TRQ) imports by the United States. Recent events apparently dampened butter demand in the Middle East-North Africa region, as Ramadan demand was noticeably less this year, and more recent

sales stayed sluggish. Russia reportedly has been importing more from other East European countries, particularly Ukraine, but imports from outside the region have been at best unchanged. Unless an unexpected source of demand emerges, butter prices are not likely to improve much this year, particularly if economic weakness triggers any shift from whole milk powder to skim milk powder.

U.S. imports and exports may both decline in 2002. Lower expected domestic butter and cheese prices will not provide the incentive to import as much milkfat in excess of the TRQ's. Even so, some over-TRQ imports are likely unless international butter prices recover faster than expected. Also, TRQ fill rates are likely to be fairly high again in 2002. On the export side, commercial exports of nonfat dry milk are not likely to be significant this year because of lower international prices. Whey exports may also be a bit sluggish, although commercial cheese exports may continue their slow growth.

Dairy Prices Lower

Wholesale dairy prices are not expected to change much until summer nears, although they may be far from steady. Production increases probably will be large, and the ability of demand to absorb the supply increase will be unclear. Moderate seasonal increases in butter and cheese prices are expected during the second half of the year. If international butter prices do not recover, over-TRQ imports of milkfat could be a much more significant limiting influence than last year.

Farm milk prices are expected to run below a year earlier until at least autumn. Even if markets turn out much tighter than currently expected, considerably stronger production and weaker demand growth than in 2001 seem fairly certain. Farm milk prices are projected to fall an average \$1.50-2.00 per cwt in 2002. Like the second half of 2001, the values of milk for butter-powder and for cheese are expected to stay closer together than they did during 2000 and the first part of 2001.

The average price received for milk was almost \$15 per cwt in 2001, up \$2.60 and the second highest ever. Prices of milkfat soared during the middle of the year when production faltered and demand stayed robust. Since 1996, milk prices, although quite volatile, have averaged \$1.60 per cwt above the 1980-95 trend.

Retail prices of dairy products are expected to stay near current levels during 2002. For the year, retail prices are projected to rise an average 2-3

percent from a year earlier. The farm-to-retail price spread will widen considerably after falling in 2001. Dairy price spreads have been relatively volatile in recent years as retail prices changed much slower than did farm and wholesale prices. ♦

FIRST QUARTER OF MILK PRODUCTION

Milk production for the first quarter of 2002 was up 2.43% for the U.S. and the top 20 states compared with the same period in 2001. The U.S. total for the first three months of 2002 equaled 42,271 million pounds, 1,004 million pounds more than last year. The table below shows data for January through March, 2002, for the selected states with comparisons to year-ago levels.

Milk production in March 2002 was up 3.21% for the U.S. compared with March 2001. The table on page 8 shows data for March 2002, with comparisons to March 2001. ♦

Milk Production, January-March 2001 and 2002 1/			
	2001	2002	% Change
	- million pounds -		
Arizona	753	796	5.71%
California	8,097	8,450	4.36%
Idaho	1,817	1,949	7.26%
Minnesota	2,306	2,203	-4.47%
New Mexico	1,302	1,508	15.82%
New York	2,854	3,016	5.68%
Oregon 3/	393	480	22.14%
Texas	1,388	1,388	0.00%
Utah 3/	394	397	0.76%
Washington	1,335	1,368	2.47%
Wisconsin	5,603	5,526	-1.37%
20 States 2/	35,551	36,415	2.43%
US Total	41,267	42,271	2.43%

See footnotes below table on back page.

MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST			WESTERN			ARIZONA-LAS VEGAS		
	Mar 2002	Feb 2002	Mar 2001	Mar 2002	Feb 2002	Mar 2001	Mar 2002	Feb 2002	Mar 2001
Minimum Class Prices (3.5% B.)									
Class I Milk (\$/cwt.)	\$13.52	\$13.85	\$14.55	\$13.52	\$13.85	\$14.55	\$13.97	\$14.30	\$15.00
Class II Milk (\$/cwt.)	12.19	12.28	14.17	12.19	12.28	14.17	12.19	12.28	14.17
Class III Milk (\$/cwt.)	10.65	11.63	11.42	10.65	11.63	11.42	10.65	11.63	11.42
Class IV Milk (\$/cwt.)	11.42	11.54	13.46	11.42	11.54	13.46	11.42	11.54	13.46
Producer Prices									
Producer Price Differential (\$/cwt.)	\$ 1.08	\$ 0.51	\$ 1.92	\$ 0.91	\$ 0.46	\$ 1.47	+	+	+
Butterfat (\$/pound)	1.3638	1.3817	1.6820	1.3638	1.3817	1.6820	+	+	+
Protein (\$/pound)	1.8342	2.0884	1.6498	1.8342	2.0884	1.6498	+	+	+
Other Solids (\$/pound)	0.0688	0.0965	0.1039	0.0688	0.0965	0.1039	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	+	+	7.38	7.82	7.83
Uniform Butterfat Price (\$/pound)	+	+	+	+	+	+	1.3683	1.4030	1.6454
Statistical Uniform Price (\$/cw . .)	\$11.73	\$12.14	\$13.34	\$11.56	\$12.09	\$12.89	\$11.91	\$12.46	\$13.31
Producer Data									
Number of Producers	1,035 *	1,035	1,102	767 *	767	734	109 *	109	114
Avg. Daily Production (lbs.)	20,669 *	20,451	15,832	14,679 *	20,987	13,194	84,544 *	81,069	75,982
Number of Handlers									
Pool Handlers	26	26	26	16	16	15	6	6	6
Producer-Handlers	9	9	10	6	6	7	2	2	1
Other Plants w/ Class I Use	15 *	15	13	21 *	21	12	27 *	27	27
Producer Milk Ratios									
Class I	26.70%	27.29%	33.68%	23.69%	17.35%	29.74%	28.54%	30.80%	31.81%
Class II	5.20%	5.17%	8.57%	7.61%	8.11%	8.81%	3.95%	3.80%	4.61%
Class III	36.52%	36.98%	36.48%	64.29%	50.99%	60.27%	38.86%	38.43%	36.97%
Class IV	31.58%	30.56%	21.27%	4.41%	23.55%	1.18%	28.65%	26.97%	26.61%

+ Not Applicable. * Preliminary.

MONTHLY SUPPLEMENTAL STATISTICS

	Feb 2002	Jan 2002	Jan 2001	Feb 2002	Jan 2002	Jan 2001	Feb 2002	Jan 2002	Jan 2001
Producer-Handler Data									
Production	20,986,595	22,717,750	23,943,472	2,248,193	2,563,990	2,360,071	R	R	R
Class I Use	16,873,769	18,817,893	19,319,544	1,737,889	1,875,486	1,827,194	R	R	R
% Class I Use	80.40%	82.83%	80.69%	77.30%	73.15%	77.42%	R	R	R
Class I Route Disposition In Area									
By Pool Plants	147,717,508	170,717,037	171,630,236	65,959,482	74,441,750	73,673,989	71,166,379	78,607,365	80,371,028
By Producer-Handlers	16,746,605	19,042,205	19,303,559	1,727,220	1,883,351	1,843,541	1/	1/	R
By Other Plants	1,238,175 *	1,122,141	780,499	1,684,657 *	1,961,764	1,212,561	29,413,457 *	32,160,281	15,112,272
Total	165,702,288	190,881,383	191,714,294	69,371,359	78,286,865	76,730,091	100,579,836	110,767,646	R

* Preliminary.

R = Restricted. Not included. 1/ Restricted. Included with other plants.

MONTHLY STATISTICAL SUMMARY

(Product pounds based upon reports of handlers)

RECEIPTS, UTILIZATION AND CLASSIFICATION OF MILK	PACIFIC NORTHWEST			WESTERN			ARIZONA-LAS VEGAS		
	Mar 2002	Feb 2002	Mar 2001	Mar 2002	Feb 2002	Mar 2001	Mar 2002	Feb 2002	Mar 2001
TOTAL PRODUCER MILK	663,171,807	592,680,180	540,851,627	349,020,202	450,718,859	300,209,737	285,672,681	247,421,066	268,520,808
RECEIPTS FROM OTHER SOURCES	7,820,827	6,619,624	11,455,324	5,777,896	4,121,278	5,031,962	21,891,779	17,288,918	3,830,061
OPENING INVENTORY	23,394,712	23,301,707	22,241,395	12,265,413	12,023,759	11,392,759	13,354,084	13,753,582	12,194,863
TOTAL TO BE ACCOUNTED FOR	694,387,346	622,601,511	574,548,346	367,063,511	466,863,896	316,634,458	320,918,544	278,463,566	284,545,732
UTILIZATION OF RECEIPTS									
Whole milk	28,365,891	25,546,523	27,277,137	12,355,828	11,255,279	12,103,170	21,894,614	19,865,650	20,350,042
Flavored milk & milk drinks	10,941,918	10,106,881	10,896,703	5,253,440	5,243,079	6,003,379	5,149,977	4,747,447	4,565,480
2% milk	69,924,498	63,176,958	75,086,743	28,519,525	26,236,468	29,713,642	28,791,357	27,240,321	31,715,826
1% milk	25,035,231	22,334,121	25,940,446	15,331,787	14,080,787	16,093,493	9,345,972	8,714,127	9,519,650
Skim milk	28,159,391	25,236,615	28,885,007	9,790,126	8,612,163	9,525,390	11,185,857	10,182,959	11,631,210
Buttermilk	1,477,614	1,316,410	1,598,706	583,098	531,706	605,138	505,631	415,875	530,687
CLASS I ROUTE DISP. IN AREA . .	163,904,543	147,717,508	169,684,742	71,833,804	65,959,482	74,044,212	76,873,408	71,166,379	78,312,895
Class I dispositions out of area . .	11,378,958	11,370,107	7,379,685	11,672,443	11,196,638	13,078,086	5,096,306	5,009,810	4,930,461
Other Class I usage	16,719,944	17,855,084	18,128,706	9,172,645	10,123,649	10,029,715	7,423,057	7,636,807	8,322,728
TOTAL CLASS I USE	192,003,445	176,942,699	195,193,133	92,678,892	87,279,769	97,152,013	89,392,771	83,812,996	91,566,084
TOTAL CLASS II USE	39,609,188	34,919,341	54,182,366	29,285,434	39,168,101	30,773,090	12,799,459	12,694,045	13,490,927
TOTAL CLASS III USE	242,999,952	219,255,691	199,588,366	224,367,809	229,828,547	181,589,025	111,568,927	95,094,074	100,755,856
TOTAL CLASS IV USE	219,774,761	191,483,780	125,584,481	20,731,376	110,587,479	7,120,330	107,157,387	86,862,451	78,732,865
TOTAL ACCOUNTED FOR	694,387,346	622,601,511	574,548,346	367,063,511	466,863,896	316,634,458	320,918,544	278,463,566	284,545,732
CLASSIFICATION OF RECEIPTS									
Producer milk: Class I	177,087,787	161,769,643	182,139,754	82,724,067	78,201,222	89,269,607	81,525,084	76,190,792	85,396,718
Class II	34,503,875	30,625,485	46,344,358	26,543,703	36,556,702	26,464,251	11,295,986	9,403,811	12,389,575
Class III	242,177,262	219,146,296	197,292,451	224,367,803	229,802,276	180,938,301	192,851,611	95,094,074	99,285,312
Class IV	209,402,883	181,138,756	115,075,064	15,384,629	106,158,659	3,537,578	0	66,732,389	71,449,203
Other receipts: Class I	14,915,658	15,173,056	13,053,379	9,954,825	9,078,547	7,882,406	35,245,863	31,042,500	16,024,924
Class II	5,105,313	4,293,856	7,838,008	2,741,731	2,611,399	4,308,839	1/	1/	1/
Class III	822,690	109,395	2,295,915	6	26,271	650,724	1/	1/	1/
Class IV	10,371,878	10,345,024	10,509,417	5,346,747	4,428,820	3,582,752	1/	1/	1/
Avg. daily producer receipts	21,392,639	21,167,149	17,446,827	11,258,716	16,097,102	9,684,185	9,215,248	8,836,467	8,661,962
Change From Previous Year	22.62%	18.79%		16.26%	53.41%		6.39%	0.76%	
Avg. daily Class I use	6,193,660	6,319,382	6,296,553	2,989,642	3,117,135	3,133,936	2,883,638	2,993,321	2,953,745
Change From Previous Year	-1.63%	0.78%		-4.60%	-1.43%		-2.37%	1.17%	

1/ Restricted - Included with Class I.

HIGHLIGHTS THIS ISSUE:

- Market Summaries for March 2002
- March 2002 Class Prices and Commodity Prices
- Class I Prices for May 2002
- Dairy Situation and Outlook
- First Quarter Milk Production

Milk Production, March 2001 and 2002 1/

	2001	2002	% Change
	- million pounds -		
Arizona	260	288	10.77%
California	2,814	2,977	5.79%
Idaho	634	680	7.26%
Minnesota	796	767	-3.64%
New Mexico	459	536	16.78%
New York	998	1,051	5.31%
Oregon 3/	N/A	N/A	N/A
Texas	489	496	1.43%
Utah 3/	N/A	N/A	N/A
Washington	464	475	2.37%
Wisconsin	1,944	1,927	-0.87%
20 States 2/	12,384	12,778	3.18%
US Total	14,375	14,836	3.21%

1/ Data for March 2001 is preliminary. 2/ 20 States do not include Oregon and Utah. 3/ Data for Oregon and Utah published quarterly. N/A = not available. Source: National Agricultural Statistics Service.