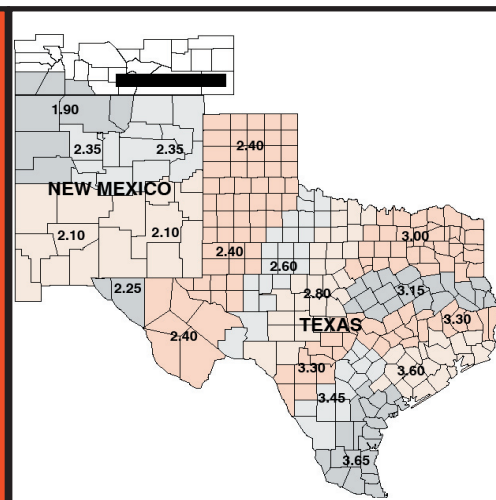


THE MARKET ADMINISTRATOR'S REPORT



SOUTHWEST MARKETING AREA

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MARKET SUMMARY FOR NOVEMBER

The Producer Price Differential (P.P.D.) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$1.38 for November. Butterfat price decreased \$0.0777 per pound from \$1.8507 in October to the level of \$1.7730 in November. Protein price decreased \$0.4189 per pound from \$3.5490 in October to \$3.1301 in November. October's Other Solids price decreased (\$0.0052) per pound from (\$0.0047) in October to (\$0.0099) in November. The Somatic Cell Count adjustment rate factor for November was 0.00088 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a November statistical uniform price of \$16.89 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is a decrease of \$0.37 in comparison to the statistical blend price of \$17.26 in October.

The November Class I price increased \$1.80 from \$18.53 in October to the November level of \$20.33. The Class II price for November of \$14.45 per hundredweight decreased \$2.15 from \$16.60 in October. November's Class III price increased \$1.55 from \$17.06 in October to \$15.51 in November. The Class IV price decreased \$1.37 from \$13.62 in October to \$12.25 in November.

In November 631 producers delivered a total of 953,745,600 pounds of milk. On a daily basis this represents an increase of 76.42 percent from the producer receipts level in October and it represents an increase of 3.31 percent when compared to the producer receipts level of November 2007.

Producer milk classified as Class I during November amounted to 36.22 percent of total producer receipts. This figure is down from 67.64 percent in October and it is down from 38.40 percent in November 2007. The average butterfat test of producer milk pooled during November was 3.680 percent, average protein test was 3.156 percent, average other solids test was 5.728 percent and the average somatic cell count was 241,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Nov 08	Oct 08	Nov 08	Oct 08	Nov 08	Oct 08
Appalachian	18.75	18.49	-----	-----	68.25	73.57
Arizona	15.83	16.59	-----	-----	34.37	37.49
Central	15.61	16.30	0.10	(0.76)	32.31	41.14
Florida	21.25	20.42	-----	-----	83.80	86.98
Mideast	16.32	16.80	0.81	(0.26)	42.40	50.70
Northeast	17.09	17.44	1.58	0.38	45.30	47.40
Pacific Northwest	15.29	15.49	(0.22)	(1.57)	29.41	45.55
Southeast	19.21	18.95	-----	-----	67.96	73.62
Southwest	16.89	17.26	1.38	0.20	36.22	67.64
Upper Midwest	15.85	17.02	0.34	(0.04)	13.90	18.30

SCHAFER NAMES MEMBERS TO NATIONAL DAIRY BOARD

Agriculture Secretary Ed Schafer has announced the appointment of eight new members and reappointment of five incumbents to the National Dairy Promotion and Research Board. Twelve appointees will serve three-year terms, Nov. 1, 2008 through Oct. 31, 2011 and one appointee from Region 2 will serve a two-year term, Nov. 1, 2008 through Oct. 31, 2010.

Newly appointed were: John B. Fiscalini, Modesto, Calif. (Region 2, shortened term); Ronald E. Shelton, Greeley, Colo. (Region 3); Harold A. Wick, Austin, Colo. (Region 3); Byron A. Lehman, Newton, Kan. (Region 4); Kenton W. Holle, Mandan, N.D. (Region 5); Sharon K. Laubscher, Wonewoc, Wis. (Region 6); Larry B. Jagers, Glendale, Ky. (Region 8); and Ellen H. Paradee, Grand Isle, Vt. (Region 13).

Reappointed to serve second terms were: Ronald L. Koetsier, Visalia, Calif. (Region 2); William R. D. Anglin, Bentonville, Ark. (Region 4); Carl F. Van-Den Avond, Luxemburg, Wis. (Region 6); Douglas D. Nuttelman, Stromsburg, Neb. (Region 7); and Carl A. Schmitz, Wadesville, Ind. (Region 9).

The National Dairy Promotion and Research Board, composed of 36 dairy farmers representing 13 regions of the contiguous United States, administers a coordinated program of promotion, research and nutrition education. The board was established by the Dairy Production Stabilization Act of 1983. It is authorized to design programs to strengthen the dairy

industry's position in domestic and foreign markets. The program is financed by a mandatory 15-cent per hundredweight assessment on milk produced and marketed commercially by dairy farmers in the 48 states. USDA's Agricultural Marketing Service (AMS) monitors the operation of the board.

2009 PRICE DATA RELEASE DATES

Listed below are the release dates for the Federal milk order program for price data applicable to January through December 2009. The advanced prices and pricing factors will be released at 10:00 a.m. EST/EDST no later than the 23rd of the preceding month if that date is on a Friday; otherwise, the release date will be the nearest Friday before the 23rd. Likewise, the class and component prices will be released at 10:00 a.m. EST/EDST no later than the 5th of the following month if that date is on a Friday; otherwise the release date will be the nearest Friday before the 5th. As noted below, the release time and release dates may differ from this schedule due to the timing of some holidays. Due to the Independence Day Federal holiday on July 3, the release date and time for the June Class and Component Prices is Thursday, July 2 at 2:00 p.m. EDST. Due to the Federal holiday on January 1, 2010, the release date and time for the December Class and Component Prices is Thursday, December 31, 2009, at 2:00 p.m. EST.

2009 RELEASE DATES FOR PRICE DATA

Month to Which Prices Apply	Advanced Prices and Pricing Factors		Class and Component Prices	
	Release Date	Time Period of NASS Prices ^{1/}	Release Date	Time Period of NASS Prices ^{1/}
January	December 19, 2008	12/6, 13	January 30, 2009	1/3, 10, 17, 24
February	January 23, 2009	1/10, 17	February 27	1/31, 2/7, 14, 21
March	February 20	2/7, 14	April 3	2/28, 3/7, 14, 21, 28
April	March 20	3/7, 14	May 1	4/4, 11, 18, 25
May	April 17	4/4, 11	June 5	5/2, 9, 16, 23, 30
June	May 22	5/9, 16	July 2	6/6, 13, 20, 27
July	June 19	6/6, 13	July 31	7/4, 11, 18, 25
August	July 17	7/4, 11	September 4	8/1, 8, 15, 22, 29
September	August 21	8/8, 15	October 2	9/5, 12, 19, 26
October	September 18	9/5, 12	October 30	10/3, 10, 17, 24
November	October 23	10/10, 17	December 4	10/31, 11/7, 14, 21, 28
December	November 20	11/7, 14	December 31	12/5, 12, 19, 26

^{1/} Weekly sales periods, ending on the indicated date, that are included in the applicable average. Information for the week is released by NASS on Friday of the following week.

TOP TEN TEXAS COUNTIES a/ – NOVEMBER 2008

<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 2007b/</u>	<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 2007b/</u>
1. Erath	89	99,329,884	+ 6.11	7. Bailey	11	38,194,730	+ 24.78
2. Parmer	13	66,189,875	+ 7.82	8. Hartley	10	37,966,058	+ 19.86
3. Deaf Smith	15	58,604,817	+ 22.73	9. Lamb	9	36,858,675	+ 3.87
4. Castro	11	54,202,295	+ 22.97	10. Hale	4	27,459,988	+ 10.05
5. Hopkins	121	42,202,694	+ 6.36	Ten County Total	311	499,588,746	+ 11.92 b/
6. Comanche	28	38,579,730	+ 3.90	<u>Other Counties Total</u>	<u>335</u>	<u>186,305,865</u>	<u>+ 9.95</u>
				Texas Total	646	685,894,611	+ 11.38

a/ Includes all known Grade "A" milk produced on farms located in Texas.

b/ Compared to top ten counties for the month in the previous year.

Class Prices at 3.5%, for Federal Orders 126 Formula Prices and Price Quotations

Class Prices & P.P.D.						Component Prices				NASS Product Prices			
I a/	II	III	IV	P.P.D.a/		BF	Other Solids	True Protein	SCC c/ Adj Rate	Grade AA Butter	Cheddar Cheese	NFDM Powder	Dry Whey
Month	----- Dollars Per Hundred Wt. -----					-----Cents Per Pound-----							
September 2007	24.91	22.16	20.07	21.61	2.36	151.01	28.90	439.29	.00101	137.86	202.50	205.57	47.62
October	24.59	21.90	18.70	21.31	2.92	140.92	22.86	416.95	.00096	129.45	192.27	206.15	41.75
November	24.45	22.07	19.22	20.40	2.36	140.77	24.61	430.81	.00098	129.33	196.52	195.62	43.45
December	23.04	20.82	20.60	19.18	0.41	143.48	26.37	470.61	.00105	131.59	209.76	180.31	45.16
Averages 2007 b/	21.14	18.36	18.04	18.36	1.43	146.93	42.01	351.21	.00087	134.41	173.80	169.27	60.04
January 2008	23.97	19.75	19.32	16.29	1.38	133.19	20.97	449.94	.00100	123.01	199.98	150.90	39.92
February	22.68	18.46	17.03	14.67	2.25	130.10	8.03	401.80	.00092	120.44	184.03	133.31	27.36
March	19.70	15.63	18.00	14.17	(0.68)	136.04	4.93	433.31	.00098	125.39	195.75	125.12	24.35
April	21.61	15.29	16.76	14.56	1.42	147.48	6.22	375.79	.00091	134.92	181.64	125.06	25.60
May	19.62	15.51	18.18	15.26	(0.30)	155.62	7.66	411.08	.00098	141.70	195.25	129.85	27.00
June	21.18	16.19	20.25	15.92	(1.23)	161.60	8.26	471.93	.00108	146.69	216.09	135.08	27.58
July	23.78	16.81	18.24	16.60	1.85	167.74	7.07	400.25	.00098	151.80	195.85	140.53	26.42
August	21.47	17.45	17.32	16.64	2.00	174.13	5.29	364.97	.00093	157.13	186.99	138.40	24.70
September	20.65	17.58	16.28	15.45	2.18	181.96	2.34	326.89	.00089	163.65	177.73	121.31	21.83
October	18.53	16.60	17.06	13.62	0.20	185.07	(0.47)	354.90	.00095	169.97	190.65	99.87	19.45
November	20.33	14.45	15.51	12.25	1.38	177.30	(0.99)	313.01	.00088	163.57	175.11	87.01	18.95

a/ Subject to location adjustments. b/ Simple averages c/ SCC adjustment rate is per 1,000 difference.

TOP NEW MEXICO COUNTIES a/ – NOVEMBER 2008

<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 2007b/</u>	<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 2007b/</u>
1. Chaves	39	162,517,117	+ 5.66	7. Socorro	8	18,957,070	+ 12.40
2. Curry	28	134,987,225	+ 5.25	8. Valencia	5	13,642,738	+ 9.51
3. Roosevelt	43	131,758,578	+ 20.07	9. Sierra	3	6,653,605	- 3.55
4. Dona Ana	23	83,969,438	- 6.75	10. Bernalillo	4	5,177,648	- 0.38
5. Lea	13	43,759,235	+ 23.99	Ten County Total	172	623,880,637	+ 7.36 b/
6. Eddy	6	22,457,983	- 0.38	<u>Other Counties Total</u>	<u>3</u>	<u>9,035,499</u>	<u>- 21.04</u>

a/ All known Grade "A" milk produced on farms located in New Mexico.

b/ Compared to top counties for the month in the previous year.

New Mexico Total 175 632,916,136 + 6.81

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN TEXAS BY MONTHS:
JANUARY 2006 THROUGH NOVEMBER 2008, WITH PRODUCTION PERCENTAGE COMPARISONS**

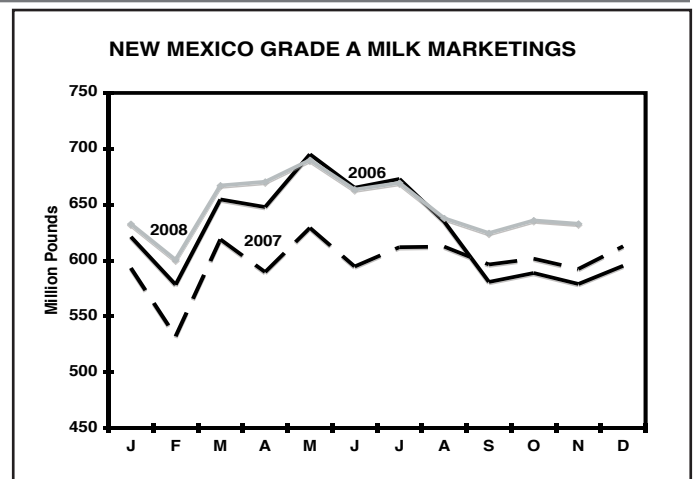
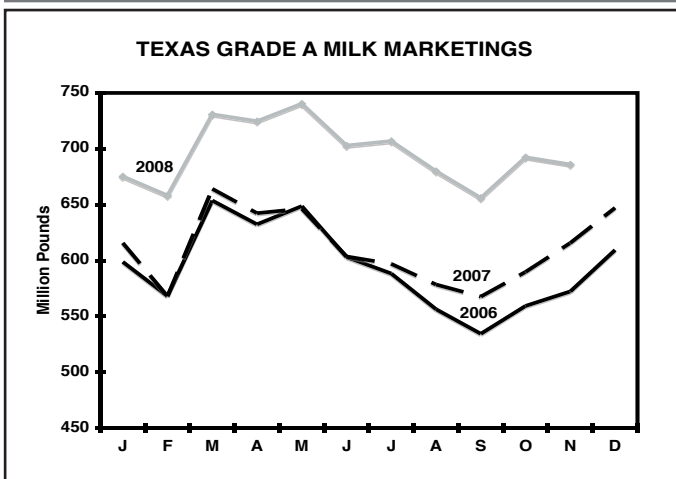
MONTH	2006 POUNDS	Number of Producers	2007 POUNDS	Number of Producers	2008 POUNDS	Number of Producers	PERCENT 2007/06	CHANGE 2008/07
January	598,770,671	746	615,854,742	697	675,265,283	654	+ 2.85	+ 9.65
February	568,127,819	740	567,905,237	692	658,108,461	658	- 0.04	+ 11.89*
March	653,677,865	740	664,126,490	694	730,859,173	659	+ 1.60	+ 10.05
April	632,332,356	741	642,444,396	689	724,651,306	659	+ 1.60	+ 12.80
May	648,575,970	739	646,347,511	676	740,427,008	659	- 0.34	+ 14.56
June	603,059,138	733	603,528,908	670	702,946,861	656	+ 0.08	+ 16.47
July	588,198,398	726	596,923,443	656	706,911,758	657	+ 1.48	+ 18.43
August	556,266,201	723	578,369,166	656	679,996,118	654	+ 3.97	+ 17.57
September	534,330,715	712	569,217,018	661	656,032,884	646	+ 6.53	+ 15.25
October	559,390,201	710	607,239,216	664	692,397,097	648	+ 8.55	+ 14.02
November	572,262,884	701	615,810,876	660	685,894,611	646	+ 7.61	+ 11.38
December	<u>609,404,039</u>	695	<u>647,114,088</u>	655			<u>+ 6.19</u>	
Years Total	7,124,396,257		7,354,881,091				+ 3.23	

* Based on average daily deliveries.

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 2006 THROUGH NOVEMBER 2008, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2006 POUNDS	Number of Producers	2007 POUNDS	Number of Producers	2008 POUNDS	Number of Producers	PERCENT 2007/06	CHANGE 2008/07
January	621,161,722	173	593,437,434	171	632,699,151	173	- 4.46	+ 6.62
February	578,266,056	172	531,955,021	170	600,488,935	169	- 8.01	+ 8.99*
March	654,702,022	172	618,854,728	171	667,225,545	170	- 5.48	+ 7.82
April	647,819,688	173	593,858,997	168	670,437,294	170	- 8.33	+ 12.90
May	695,061,878	175	629,220,180	166	690,007,674	173	- 9.47	+ 9.66
June	665,063,549	175	598,890,379	166	663,531,580	172	- 9.95	+ 10.79
July	672,988,089	174	611,908,294	167	669,450,030	172	- 9.08	+ 9.40
August	634,876,790	172	612,444,830	169	637,877,538	172	- 3.53	+ 4.15
September	580,816,517	173	596,639,214	173	624,527,568	172	+ 2.72	+ 4.67
October	588,810,710	171	614,972,057	172	635,779,456	174	+ 4.44	+ 3.38
November	578,970,652	173	592,544,809	171	632,916,136	175	+ 2.34	+ 6.81
December	<u>595,163,099</u>	175	<u>612,751,685</u>	172			<u>+ 2.96</u>	
Years Total	7,513,700,772		7,207,477,628				- 4.08	

* Based on average daily deliveries.



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TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC ^{a/}	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
November 2007	3.82	3.70	3.21	3.15	5.72	5.72	8.92	8.87	263	214
December	3.89	3.76	3.23	3.17	5.71	5.70	8.93	8.87	270	231
Averages 2007	3.73	3.62	3.10	3.05	5.69	5.70	8.80	8.75	315	256
January 2008	3.87	3.74	3.19	3.13	5.72	5.71	8.90	8.84	274	240
February	3.79	3.67	3.13	3.06	5.71	5.71	8.84	8.77	260	220
March	3.76	3.63	3.10	3.02	5.72	5.72	8.82	8.75	244	202
April	3.69	3.56	3.08	3.00	5.72	5.73	8.80	8.73	241	193
May	3.64	3.51	3.04	2.96	5.74	5.75	8.78	8.71	247	197
June	3.58	3.48	2.99	2.89	5.74	5.75	8.72	8.64	261	205
July	3.59	3.48	3.00	2.90	5.71	5.73	8.71	8.63	305	262
August	3.63	3.51	3.01	2.92	5.73	5.75	8.74	8.67	327	268
September	3.70	3.55	3.08	3.00	5.72	5.74	8.80	8.74	341	281
October	3.77	3.62	3.15	3.08	5.72	5.74	8.87	8.82	313	257
November	3.81	3.62	3.18	3.13	5.73	5.74	8.91	8.87	277	226

a/ In thousands.

NOVEMBER 2008 COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

		Pounds	Price	Value
Add: Class I Differential				\$360,721.98
Class I Butterfat	60(a)	7,793,916	\$1.8688	\$14,565,270.25
Class I Skim Per Cwt		337,692,009	\$14.2900	\$48,256,188.11
Class II Butterfat	60(b)	8,087,959	\$1.7800	\$14,396,567.02
Class II Nonfat Solids		6,939,245	\$0.9467	\$6,569,383.25
Class III Butterfat	60(c)	15,360,868	\$1.7730	\$27,234,818.95
Class III Protein		12,679,910	\$3.1301	\$39,689,386.29
Class III Other Solids		23,089,565	(\$0.0099)	(\$228,586.71)
Class IV Butterfat	60(d)	3,859,342	\$1.7730	\$6,842,613.37
Class IV Nonfat Solids		10,912,165	\$0.6953	\$7,587,228.32
Class II, III & IV Somatic Cell Adj.	60(e)			\$581,576.06
Total Producer Milk-Product Lbs & Value		953,745,600		\$165,855,166.89
Add: Value as for 60(f) Thru 60(j)				\$125,176.72
Less: Total Protein Pounds	61(b)	30,104,219	\$3.1301	\$94,229,215.90
Total Other Solids Pounds		54,637,779	(\$0.0099)	(\$540,914.02)
Total Butterfat Pounds		35,102,085	\$1.7730	\$62,235,996.71
Total Value of Somatic Cell Adjustment				\$910,480.84
Total Milk and Value		953,745,600		\$9,145,564.18
Add: Location Differential Adjustments	61(c)			\$4,112,956.28
Producer-Settlement Fund	61(d)			\$347,292.10
Total Producer Milk/URSP and Value		954,019,319	\$1.42615	\$13,605,812.56
Less: Producer-Settlement Fund	61(f)		\$0.04615	\$440,345.96
Producer Price Differential (Dallas County)			\$1.38	\$13,165,466.60

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Carrollton, TX
Permit No. 343

RETURN SERVICE REQUESTED

**NOVEMBER 2008
PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES**

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	345,485,925	36.22	7,793,916	22.20	337,692,009	36.76
Class II	83,207,704	8.72	8,087,959	23.04	75,119,745	8.18
Class III	403,260,697	42.29	15,360,868	43.77	387,899,829	42.22
Class IV	121,791,274	12.77	3,859,342	10.99	117,931,932	12.84
Total	953,745,600	100.00	35,102,085	100.00	918,643,515	100.00

Producer Milk Component Utilization Percentages						
	Protein Pounds	Percent	Other Solids Pounds	Percent	Nonfat Solids Pounds	Percent
Class I	11,042,521	36.68	20,078,597	36.75	31,121,114	36.72
Class II	2,473,099	8.22	4,466,143	8.17	6,939,245	8.19
Class III	12,679,910	42.12	23,089,565	42.26	35,769,474	42.21
Class IV	3,908,689	12.98	7,003,474	12.82	10,912,165	12.88
Total	30,104,219	100.00	54,637,779	100.00	84,741,998	100.00