

## Weather and Market Discussion



Relative value for Class III prices looks favorable at this point as our view for physical supply tightness towards the end of 2010 is still present; couple this with the re-emergence of a La Nina pattern for later this year and we are looking at a return to prices moving towards 15 by late 3Q10. Over the next month, we are also expecting to see upside support for prices on the feed side in the short term, which could spill over to generate higher prices in US dairy within the next 30-45 days.

### Current global SST anomaly (& current SOI, inset)

