

Weather and Market Discussion

We are still looking at current the Class III price range as one that will see upside support through the end of the year. Taking a longer range view, we are looking at the development of a very healthy pattern for milk production for the start of 2011 (esp. May), so supply tightness and increased upside price pressure for the rest of 2010 should give way to a better physical situation next year. As such, there should be opportunities to take advantage of a market in backwardation as we move into 3Q10.



Current global SST anomaly (& current SOI, inset)

