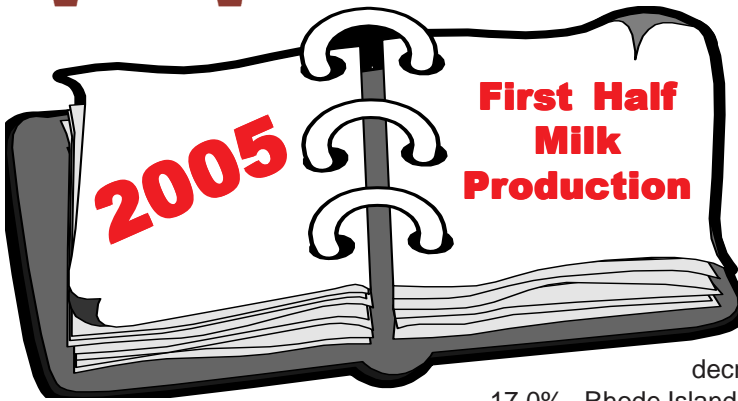
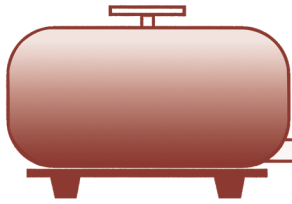


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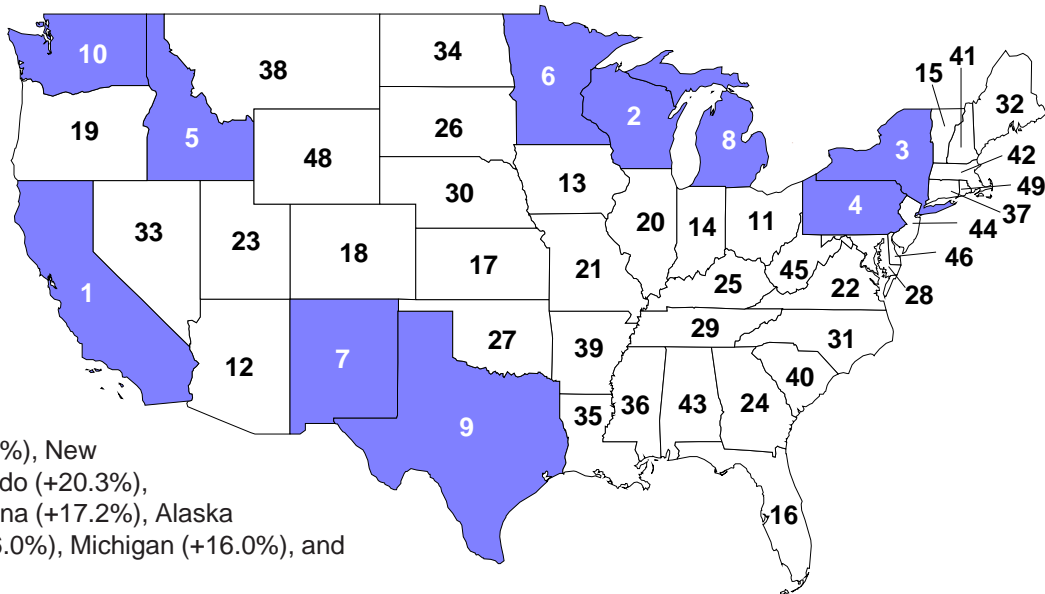
U.S. milk production during the first six months of 2005 totaled 88.9 billion pounds -- a 2.6% increase (3.2% on a daily basis) compared with the previous year's 86.6 billion pound total. Idaho recorded the largest percentage gain during the first six months of 2005 with a 10.5% increase. Five other states posted gains of more than 5.0%: Wyoming (+6.8%), South Dakota (+6.4%), Montana (+6.4%), Colorado (+6.2%), and Nevada (+5.2%). Conversely, four states recorded milk production decreases of 5.0% or more led by Hawaii's decline of 17.0%. Rhode Island (-9.6%), Alabama (-7.3%), and Louisiana (-7.0%) were the other states with decreases surpassing 5.0%.

The map on this page details the state ranking in milk production for the first half of 2005. The top ten milk producing states are shaded. The graphics on page 4 depict the states with the largest percentage increases and decreases in milk production comparing the first half of 2005 with the comparable period of 2000.

Twenty-eight states registered milk production increases comparing the first six months of 2005 with first half production during 2004. The average percentage increase for these 28 states was 3.8%. Twenty states recorded production decreases, with an average percentage decrease of 3.9%. Two states, Alaska and Massachusetts, recorded no change in milk production comparing the first half of 2005 with the same period of the previous year.

Comparing January through June 2005 with the same period of 2000*, milk production in the United States increased by 3.1 billion pounds, or 3.6%. Fourteen states reported milk production increases led by Kansas's 52.7% gain. The average percentage increase for these 14 states was 22.4%, with 12 states posting increases of more than 10.0%. These 12 states were Kansas (+52.7%), Idaho (+39.7%), Oregon (+34.4%), Indiana (+31.6%), New Mexico (+28.5%), Colorado (+20.3%), Arizona (+18.2%), Montana (+17.2%), Alaska (+16.4%), California (+16.0%), Michigan (+16.0%), and Nevada (+13.7%).

2005 First Half Milk Production Ranking Top Ten States Highlighted



* Data presented in this Bulletin for the first 6 months of both 2000 and 2004 have not been adjusted for leap year. 2000 and 2004 production data would both be reduced by 0.55% if adjusted for the extra day due to leap year (182 days during the first 6 months of leap year versus 181 days during non-leap years).

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Thirty-six states recorded production declines comparing the first six months of 2005 with 2000. The average percentage decline for these states was 16.9%. Eighteen of these states recorded percentage decreases greater than the average loss. These states were:

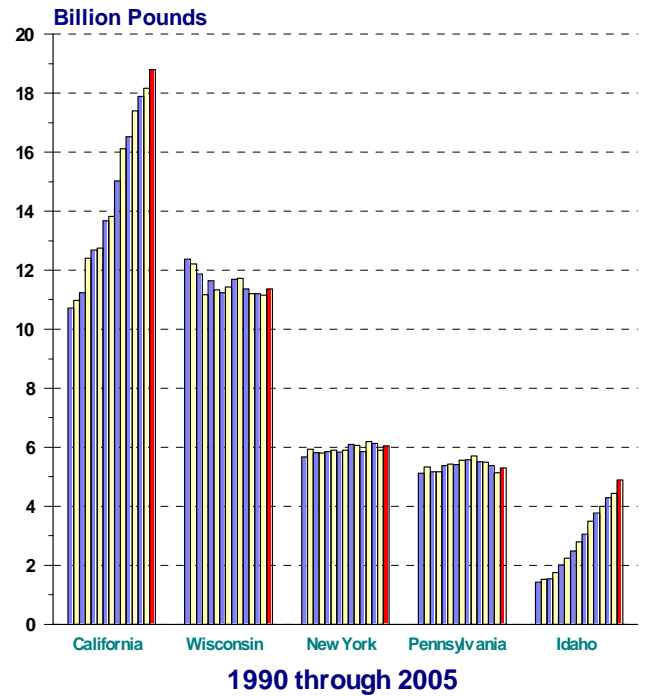
Arkansas	-41.8%	Hawaii	-39.6%	Rhode Island	-38.2%
Louisiana	-36.9%	Alabama	-35.9%	West Virginia	-29.9%
Mississippi	-28.8%	New Jersey	-27.5%	Massachusetts	-26.8%
North Dakota	-26.1%	Missouri	-22.1%	Tennessee	-20.8%
Connecticut	-20.3%	South Carolina	-19.5%	North Carolina	-18.6%
Kentucky	-18.5%	Wyoming	-18.0%	Delaware	-17.9%

The graph at the right depicts January through June milk production during the last 16 years for the nation's top five milk producing states. Idaho entered the top five during the first half of 2003 and Minnesota dropped to sixth. California and Idaho were the only states to record increases every year during this 16-year period. Moreover, Idaho and California's milk production for the first six months of 2005 compared with the same period of 2000 increased by 39.7% and 16.0%, respectively. New York (-1.0%), Wisconsin (-3.6%) and Pennsylvania (-7.6%) recorded decreased milk production versus 2000.

The map on page 6 provides a ranking of states based on milk production per cow during the first six months of 2005. California, Idaho, New Mexico, Michigan, and Washington rank in the top ten in total milk production and milk production per cow.

January - June Milk Production

Top Five Dairy States



2005 1st Half Per Capita Milk Production

A comparison of per capita milk production to per capita consumption provides insight into the supply and demand balance for individual states and regions throughout the United

States. The table on page 7 details and compares per capita milk production by state for the first six months of 2005, 2004, and 2000. This table lists the states in descending order based on January through June 2005 per capita production. States with per capita production of more than 300 pounds are inside the shaded area of the table. Six of the top ten states in total production are also in the top ten in per capita production. These six are California, Wisconsin, Idaho, Minnesota, New Mexico, and Washington.

Per capita production for the first half of 2005 was up by 7.8 pounds (+2.6%) compared with 2004. Twenty-eight states reported per capita increases during this time period, with 16 posting increases of 3.0% or more. The largest percentage increases were reported by Idaho at 10.5% and Wyoming with a 6.9% gain. South Dakota (+6.4%), Montana (+6.3%), and Colorado (+6.2) were other states that posted gains of more than 6.0%. Twenty states recorded per capita production declines during the first half of 2005. The largest percentage loss was Hawaii's 16.9% decrease, with Rhode Island (-9.4%), Alabama (-7.3%), and Louisiana (-7.0%) also posting declines of more than 6.0%. Massachusetts and Alaska recorded unchanged per capita milk production.

Per capita milk production decreased by 1.6 pounds (-0.5%) comparing the first half of 2005 with 2000. Twelve states recorded increases during this time frame, with Kansas's gain of 50.3% (+141 pounds) being the largest percentage increase. The largest per capita pound increase was recorded by Idaho, however, with a gain of 815 pounds (+30.3%). Seventeen states recorded declines of more than 20.0% led by Arkansas's decrease of 43.4%. Eight states posted declines of between 10.0% & 20.0% compared with 2000. Minnesota (-18.3%), Vermont (-7.3%), South Dakota (-13.2%), and North Dakota (-25.4%) reported the largest per capita pound losses with declines of 184, 169, 142, and 141 pounds, respectively.

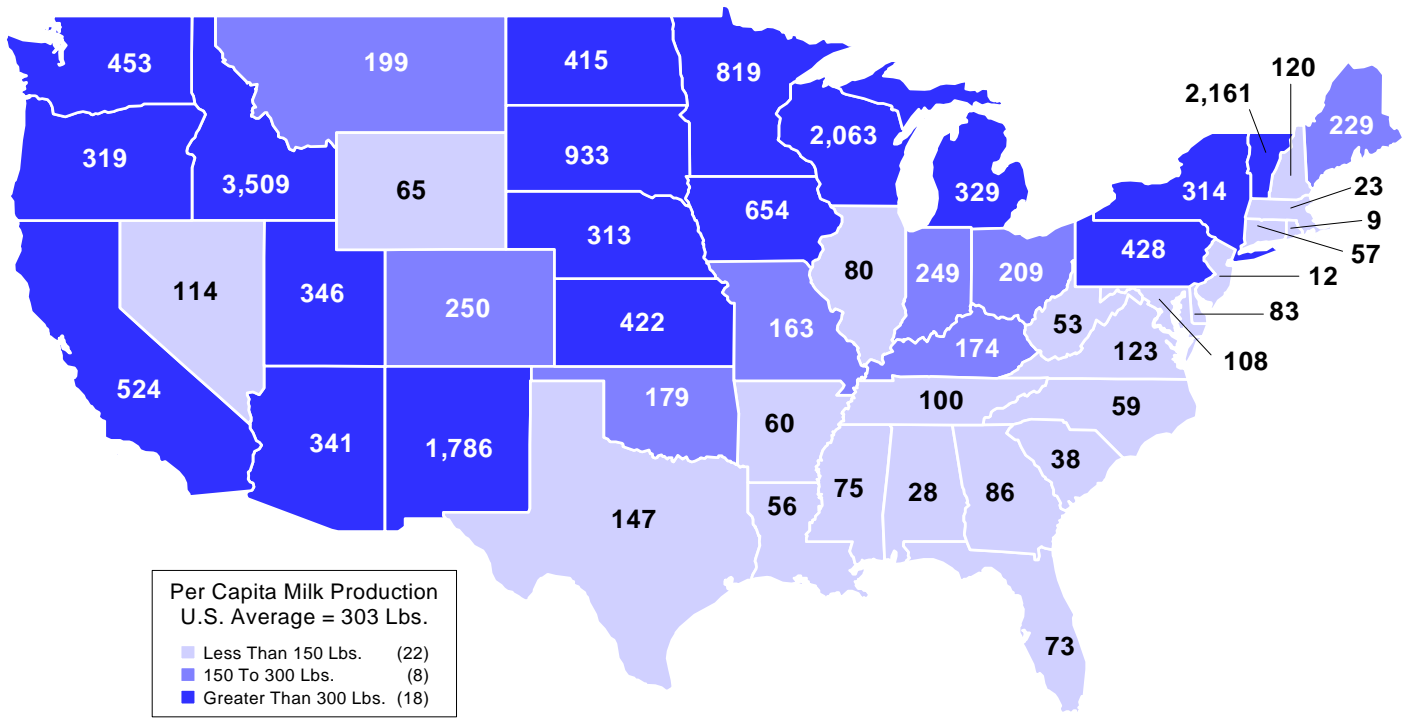
The map on the top of page 3 depicts per capita milk production by state for the first six months of 2005. The 150- and 300-pound levels of per capita production are arbitrary divisions selected for the categories used in this map. These levels reflect approximately one-half of the average annual fluid and total per capita dairy consumption, plus reserve requirements. A cursory analysis of regional milk supply conditions can be performed by examining the shading patterns prevalent in the individual regions.

The map at the bottom of page 3 displays the percentage change in per capita milk production by state for the first six months of 2005 compared with 2000. The data represented by this map reflects changes in production combined with population changes that have transpired since 2000. The only states that recorded an increase in production per capita located east of the Western Plains were Indiana, Michigan, and Ohio with increases of 28.4%, 14.1%, and 3.8%, respectively.

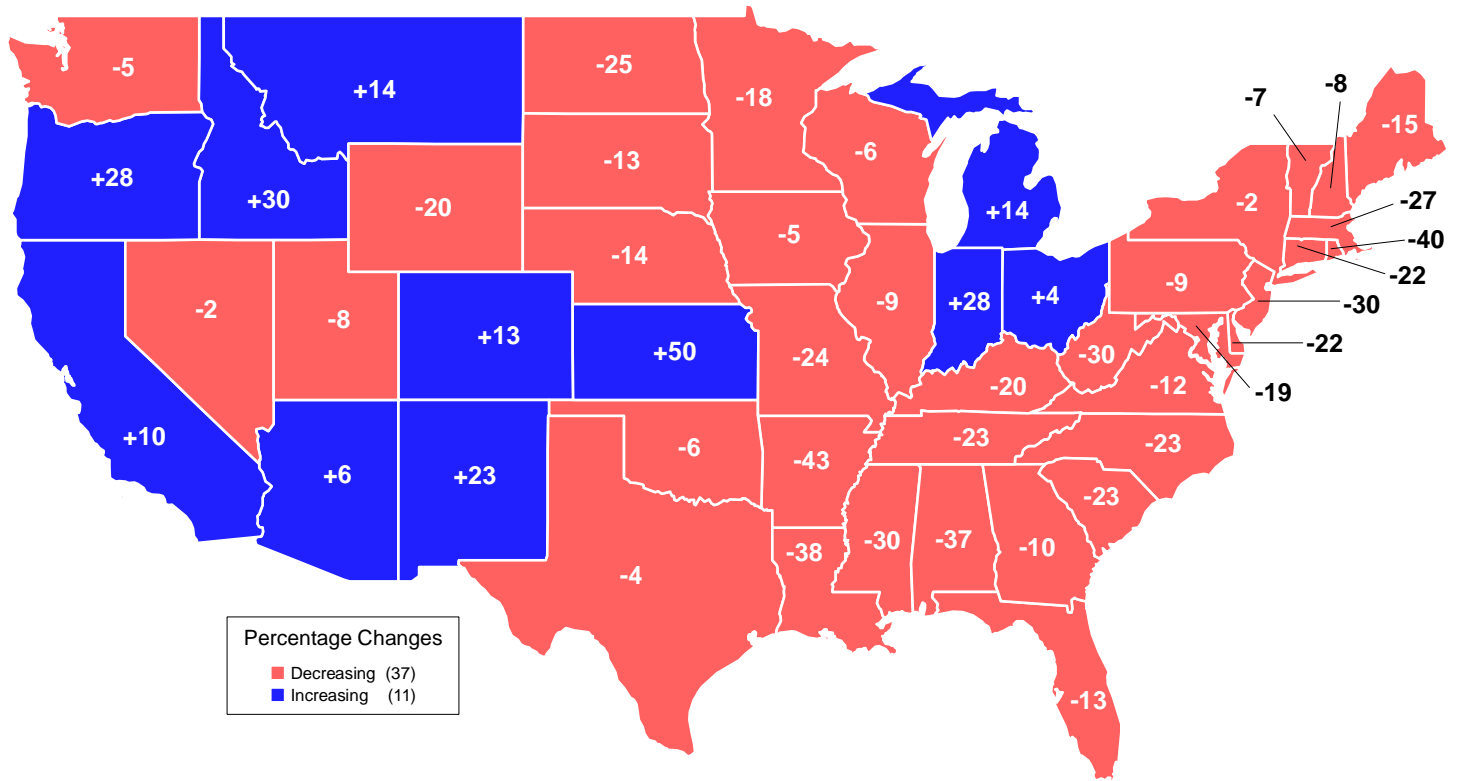
Percentage Of 1st Half Year Totals 2005

	U.S. Milk Production	U. S. Population Estimate
California	21.16	12.22
Wisconsin	12.79	1.88
New York	6.80	6.55
Pennsylvania	5.97	4.22
Idaho	5.50	0.47
5-State Total	52.22	25.34

2005 First Half Per Capita Milk Production



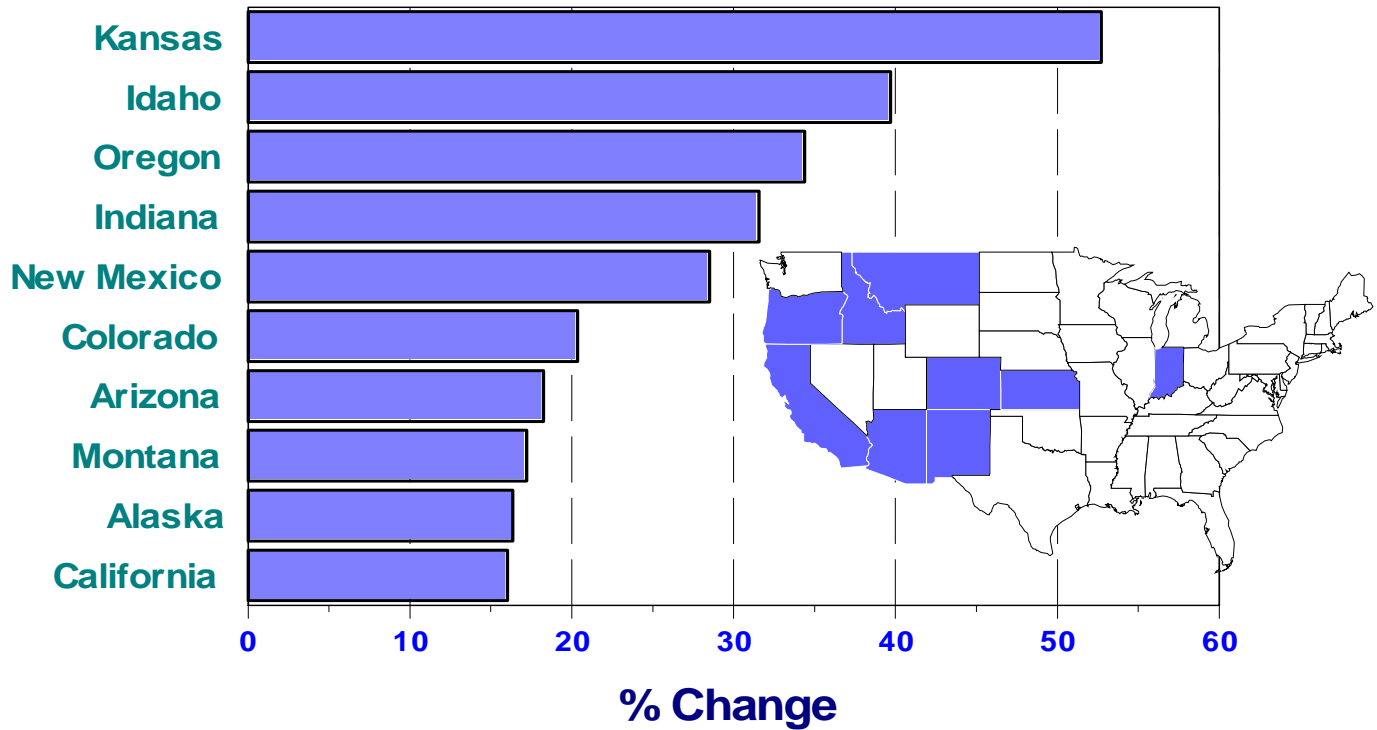
Percent Change In Per Capita Milk Production First Half: 2005 vs 2000



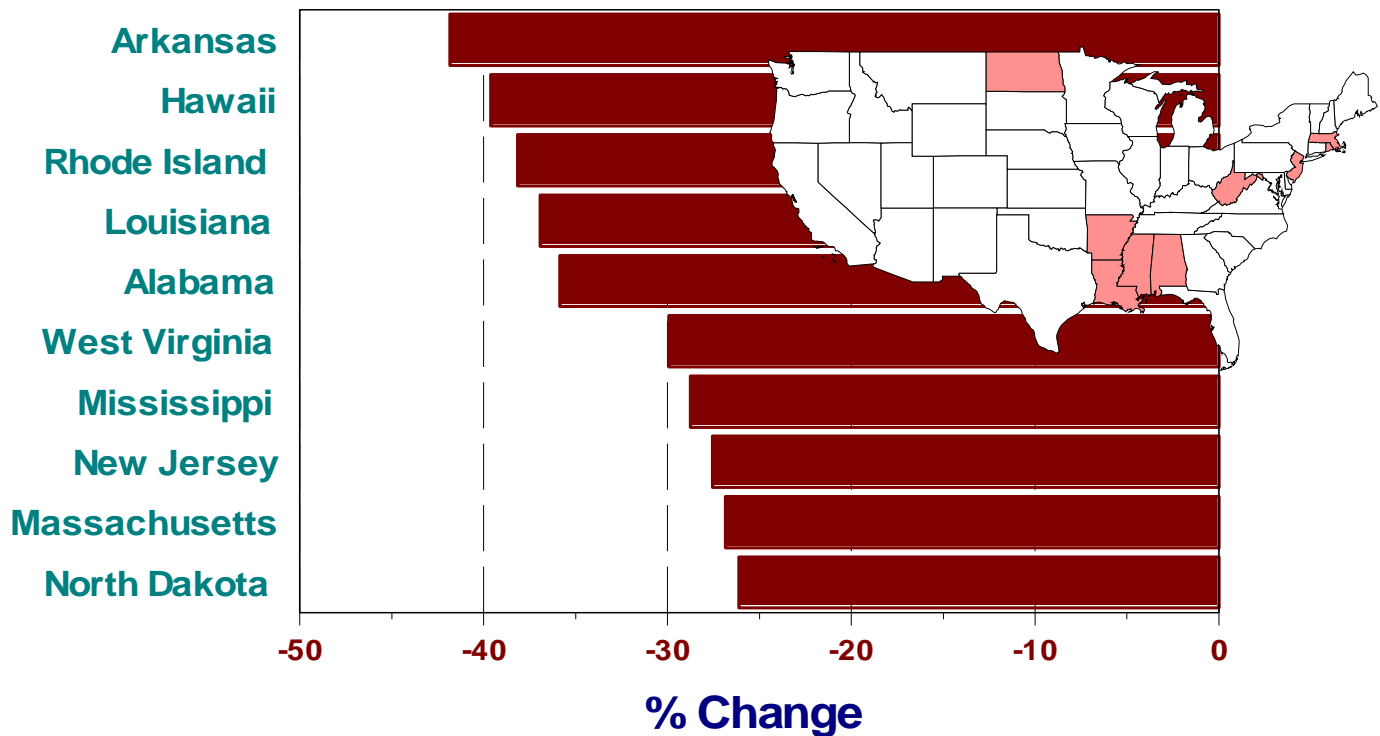
January-June Milk Production: 2005 vs 2000

U.S. Average = +3.56%

Largest Production Increases



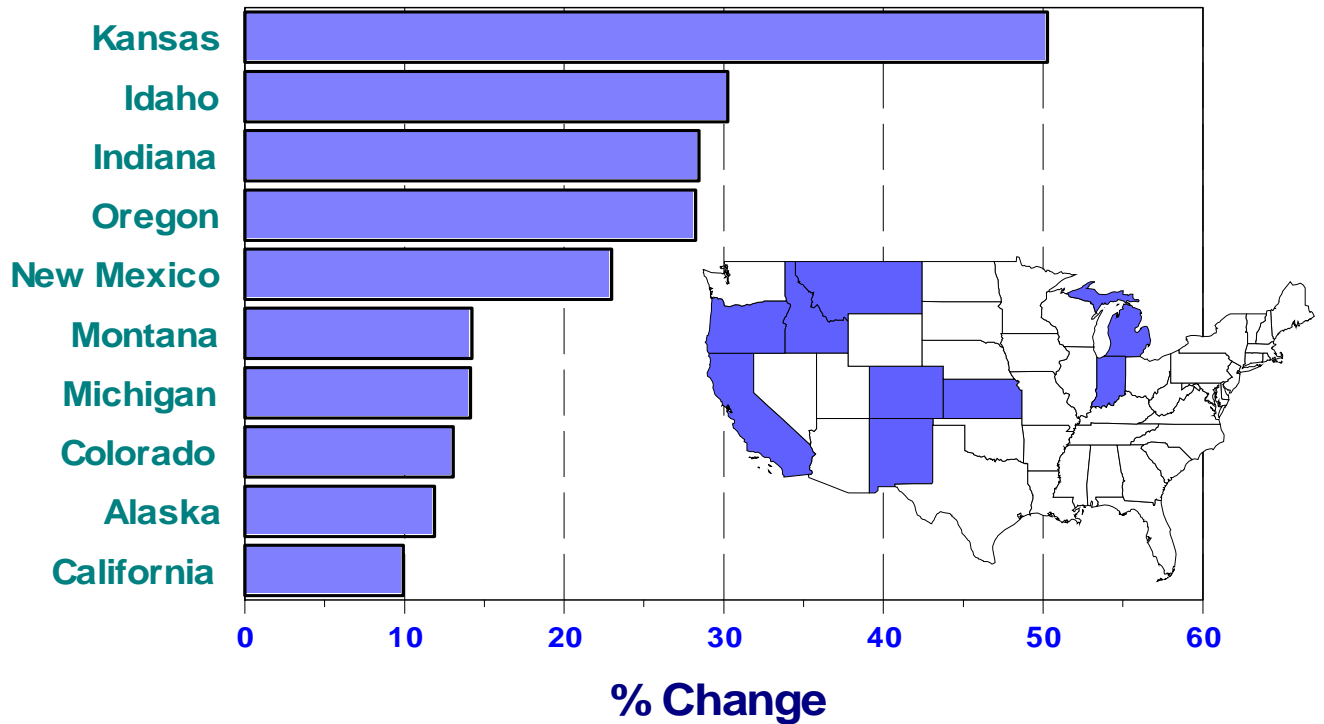
Largest Production Decreases



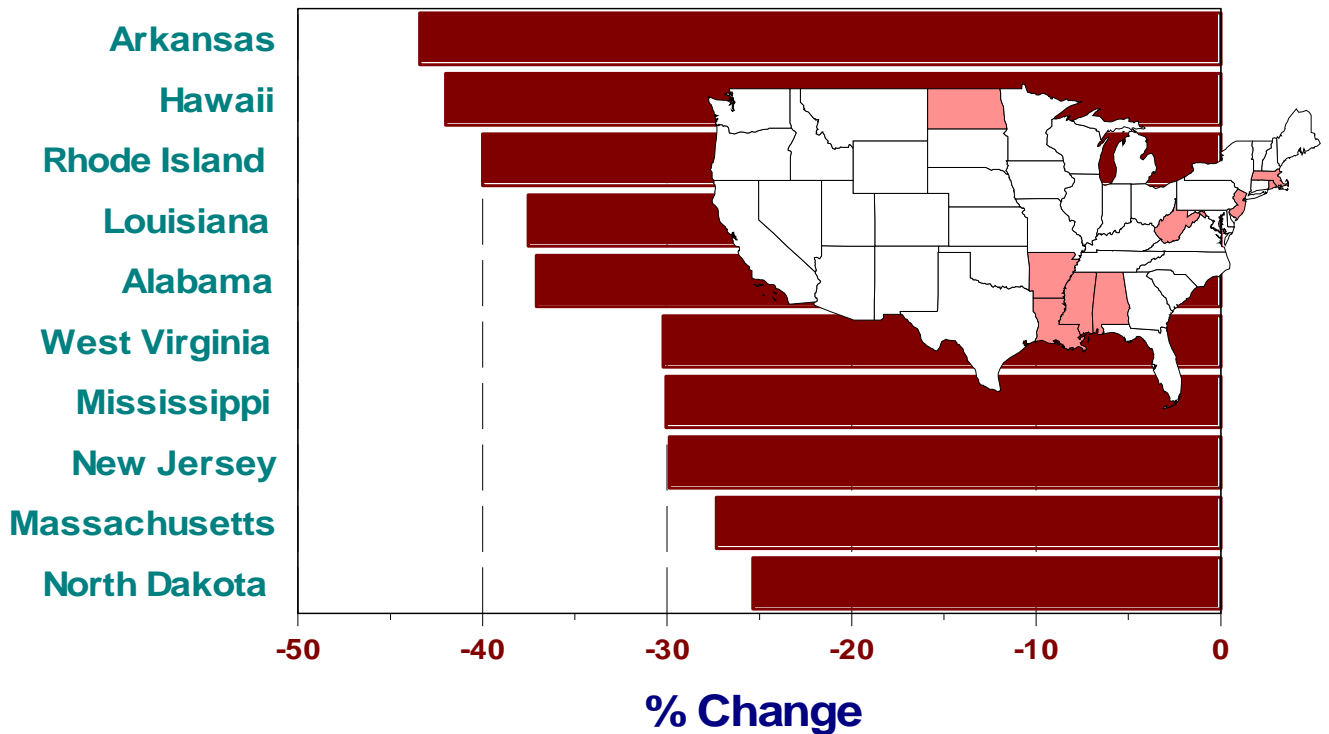
January-June Per Capita Milk Production: 2005 vs 2000

U.S. Average = -0.53%

Largest Per Capita Increases

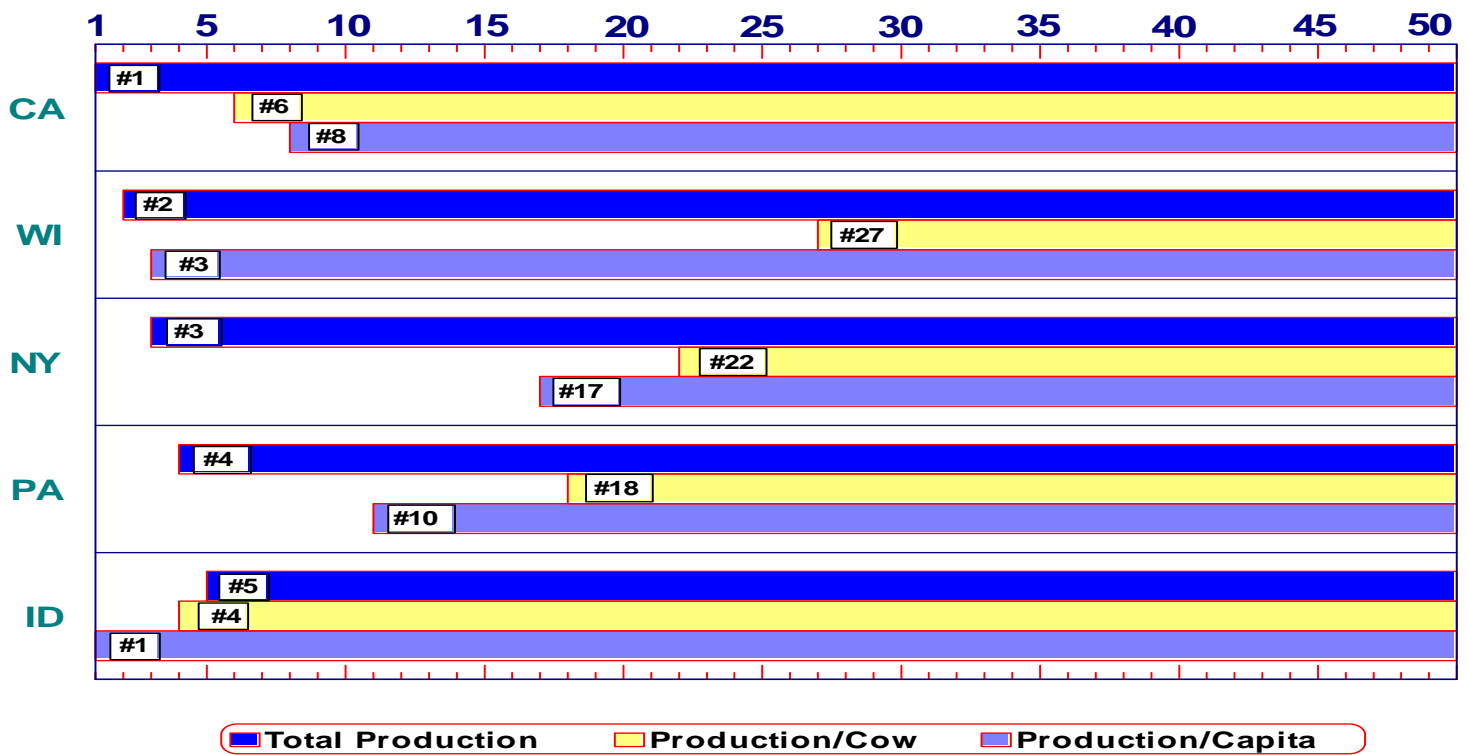


Largest Per Capita Decreases

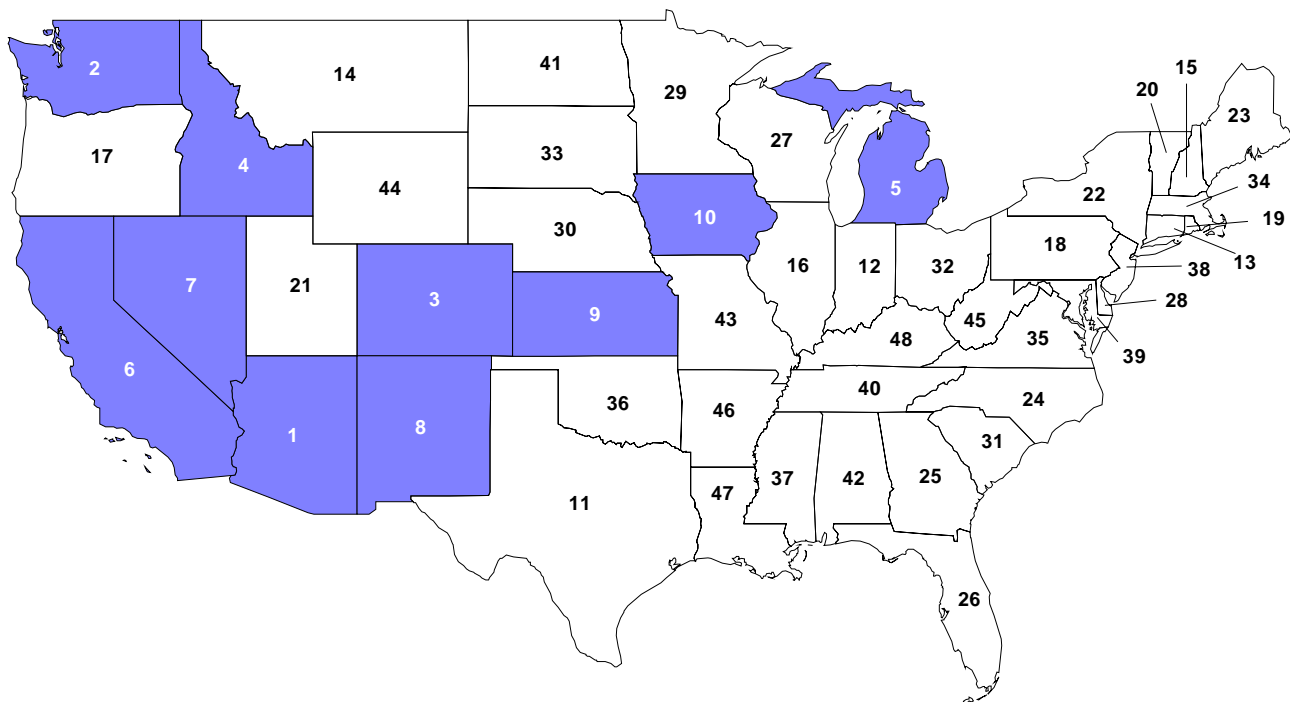


2005 January thru June Milk Production: Top Five States

State Rankings



2005 First Half Milk Production Per Cow Ranking Top Ten States Highlighted



Per Capita Milk Production

2005 versus 2004 & 2000 - By State

- January through June Data -

States	Per Capita Milk Production			Change In Per Capita Milk Production			
	2005	2004	2000	2005 vs 2004		2005 vs 2000	
				Pounds	Percent	Pounds	Percent
1 Idaho	3,509.0	3,176.0	2,693.8	333.0	10.5	815.2	30.3
2 Vermont	2,161.3	2,103.3	2,330.6	58.0	2.8	-169.3	-7.3
3 Wisconsin	2,063.0	2,019.6	2,195.2	43.4	2.1	-132.2	-6.0
4 New Mexico	1,786.4	1,799.0	1,452.8	-12.6	-0.7	333.6	23.0
5 South Dakota	932.7	876.9	1,074.8	55.8	6.4	-142.1	-13.2
6 Minnesota	818.7	812.4	1,002.6	6.3	0.8	-183.9	-18.3
7 Iowa	654.3	665.8	687.6	-11.5	-1.7	-33.3	-4.8
8 California	524.0	507.1	476.7	16.9	3.3	47.3	9.9
9 Washington	453.3	441.0	478.3	12.3	2.8	-25.0	-5.2
10 Pennsylvania	427.6	413.6	467.5	14.0	3.4	-39.9	-8.5
11 Kansas	421.5	410.5	280.5	11.0	2.7	141.0	50.3
12 North Dakota	414.6	417.7	555.5	-3.1	-0.7	-140.9	-25.4
13 Utah	345.7	333.2	376.5	12.5	3.8	-30.8	-8.2
14 Arizona	340.9	330.3	320.6	10.6	3.2	20.3	6.3
15 Michigan	328.7	313.5	288.0	15.2	4.8	40.7	14.1
16 Oregon	318.5	315.2	248.4	3.3	1.0	70.1	28.2
17 New York	314.2	306.9	321.2	7.3	2.4	-7.0	-2.2
18 Nebraska	313.1	305.1	364.4	8.0	2.6	-51.3	-14.1
19 Colorado	249.5	234.9	220.7	14.6	6.2	28.8	13.0
20 Indiana	249.3	243.4	194.1	5.9	2.4	55.2	28.4
21 Maine	229.3	233.8	268.6	-4.5	-1.9	-39.3	-14.6
22 Ohio	208.7	200.8	201.0	7.9	3.9	7.7	3.8
23 Montana	198.5	186.7	173.8	11.8	6.3	24.7	14.2
24 Oklahoma	179.4	187.0	191.7	-7.6	-4.1	-12.3	-6.4
25 Kentucky	174.4	178.7	219.2	-4.3	-2.4	-44.8	-20.4
26 Missouri	162.5	167.9	214.1	-5.4	-3.2	-51.6	-24.1
27 Texas	146.6	140.7	152.0	5.9	4.2	-5.4	-3.6
28 Virginia	123.1	119.0	139.6	4.1	3.4	-16.5	-11.8
29 New Hampshire	120.0	118.5	129.9	1.5	1.3	-9.9	-7.6
30 Nevada	113.5	107.9	115.4	5.6	5.2	-1.9	-1.6
31 Maryland	107.8	108.0	132.6	-0.2	-0.2	-24.8	-18.7
32 Tennessee	100.0	105.1	130.7	-5.1	-4.9	-30.7	-23.5
33 Georgia	86.2	86.4	95.5	-0.2	-0.2	-9.3	-9.7
34 Delaware	83.1	80.7	106.8	2.4	3.0	-23.7	-22.2
35 Illinois	79.5	80.9	87.6	-1.4	-1.7	-8.1	-9.2
36 Mississippi	75.1	73.4	107.4	1.7	2.3	-32.3	-30.1
37 Florida	73.3	70.5	84.7	2.8	4.0	-11.4	-13.5
38 Wyoming	65.0	60.8	81.2	4.2	6.9	-16.2	-20.0
39 Arkansas	59.6	62.1	105.3	-2.5	-4.0	-45.7	-43.4
40 North Carolina	59.0	61.2	76.6	-2.2	-3.6	-17.6	-23.0
41 Connecticut	57.1	57.7	73.6	-0.6	-1.0	-16.5	-22.4
42 Louisiana	55.6	59.8	89.0	-4.2	-7.0	-33.4	-37.5
43 West Virginia	52.9	54.5	75.8	-1.6	-2.9	-22.9	-30.2
44 South Carolina	38.4	36.9	49.7	1.5	4.1	-11.3	-22.7
45 Hawaii	29.0	34.9	50.0	-5.9	-16.9	-21.0	-42.0
46 Alabama	28.0	30.2	44.5	-2.2	-7.3	-16.5	-37.1
47 Massachusetts	23.4	23.4	32.2	0.0	0.0	-8.8	-27.3
48 New Jersey	11.5	12.0	16.4	-0.5	-4.2	-4.9	-29.9
49 Alaska	11.3	11.3	10.1	0.0	0.0	1.2	11.9
50 Rhode Island	8.7	9.6	14.5	-0.9	-9.4	-5.8	-40.0
U.S. Totals	302.6	294.8	304.2	7.8	2.6	-1.6	-0.5

Data Sources:

Milk production Data: **Milk Production**, July 2005, National Agricultural Statistics Service, Agriculture Statistics Board, USDA.
 Population Data : U.S. Census Bureau, Department of Commerce. (July 1st population estimates for each year.)

	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Jun '05	May '05	Jun '05	May '05	Jun '05	May '05
Northeast	15.23	15.35	1.31	1.58	41.43	42.06
Appalachian	15.49	15.85	-----	-----	59.10	57.52
Florida	16.80	17.28	-----	-----	76.75	73.28
Southeast	15.47	15.73	-----	-----	55.54	52.55
Upper Midwest	14.12	14.05	0.20	0.28	18.44	16.10
Central	14.18	14.21	0.26	0.44	37.55	25.79
Mideast	14.36	14.40	0.44	0.63	29.69	30.21
Pacific Northwest	13.81	13.98	-0.11	0.21	27.08	28.66
Southwest	14.87	15.10	0.95	1.33	37.35	39.73
Arizona-Las Vegas	14.19	14.21	-----	-----	30.47	28.52

(continued from page 2) . . .

The graphics on page 5 depict the states with the largest percentage increases and decreases comparing the first six months of 2005 with 2000. The graph on page 6 ranks the top five milk producing states in total milk production, production per cow, and production per capita during the first six months of 2005.

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