

CME Butter Prices vs. Audited California Butter Sales

Introductory Remarks

Data were collected and audited from six butter plants, representing sales of salted bulk butter from January 2004 to December 2005. The six plants reported monthly sales volume and sales revenue for the 24 month period. CME butter prices are the monthly simple averages of butter prices released by CME, using the 26th of the prior month through the 25th of the current month. Weighted average California butter prices represent the monthly price per pound received by each plant and then weighted by sales volume. The data represents 100% of the salted bulk butter sold by California plants.

	<u>CME Butter</u>	<u>CA Weighted</u>	<u>Difference</u>
Jan-04	\$1.3743	\$1.3733	-\$0.0010
Feb-04	\$1.6579	\$1.6475	-\$0.0104
Mar-04	\$2.1275	\$2.0463	-\$0.0812
Apr-04	\$2.2052	\$2.1872	-\$0.0180
May-04	\$2.0958	\$2.1296	\$0.0338
Jun-04	\$1.9160	\$1.9218	\$0.0058
Jul-04	\$1.7818	\$1.8002	\$0.0184
Aug-04	\$1.5630	\$1.5480	-\$0.0150
Sep-04	\$1.7369	\$1.7207	-\$0.0162
Oct-04	\$1.6863	\$1.6642	-\$0.0221
Nov-04	\$1.8558	\$1.8332	-\$0.0226
Dec-04	\$1.7705	\$1.8214	\$0.0509
Jan-05	\$1.5725	\$1.5544	-\$0.0181
Feb-05	\$1.6071	\$1.5833	-\$0.0238
Mar-05	\$1.5543	\$1.5375	-\$0.0168
Apr-05	\$1.5179	\$1.4914	-\$0.0265
May-05	\$1.4025	\$1.3835	-\$0.0190
Jun-05	\$1.4923	\$1.4603	-\$0.0320
Jul-05	\$1.6402	\$1.6090	-\$0.0312
Aug-05	\$1.6665	\$1.6332	-\$0.0333
Sep-05	\$1.7098	\$1.6751	-\$0.0347
Oct-05	\$1.6427	\$1.6181	-\$0.0246
Nov-05	\$1.4627	\$1.4251	-\$0.0376
Dec-05	\$1.3648	\$1.3359	-\$0.0289

Summary of Results: CA less CME

	<u>Average Differences</u>	
	<u>Simple</u>	<u>Weighted</u>
All 24 Months	-\$0.0168	-\$0.0181
12 months ending Dec. 2004	-\$0.0065	-\$0.0088
12 months ending Dec. 2005	-\$0.0272	-\$0.0270
Smallest Monthly Difference	-\$0.0812	
Largest Monthly Difference	\$0.0509	
Average without smallest and largest differences	-\$0.0170	-\$0.0176

Difference of Monthly CME Average Price
and California Weighted Average Price Received

