

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

DAIRY PROGRAMS

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FEDERAL MILK ORDERS 124, 131 & 135

ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *FINAL*

July 2001

	Pacific		Pacific Northwest & Western		
	Northwest	Western			
	Class I *		Class II	Class III	Class IV
Skim 1/	\$ 9.78	\$ 9.78	\$ 8.58	\$ 8.08	\$ 7.41
Butterfat 2/	\$ 2.2294	\$ 2.2294	\$ 2.1953	\$ 2.1883	\$ 2.1883
Protein 2/				\$ 2.3175	
Other Solids /2				\$ 0.1510	
Nonfat Solids 2/			\$ 0.9533		\$ 0.8234
@ 3.5% Butterfat 1/ 3/	\$ 17.24	\$ 17.24	\$ 15.96	\$ 15.46	\$ 14.81
Processor Assessment **	\$ 0.20	\$ 0.20			
Total 1/	\$ 17.44	\$ 17.44			

Arizona-Las Vegas

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 10.23	\$ 8.58	\$ 8.08	\$ 7.41
Butterfat 2/	\$ 2.2339	\$ 2.1953	\$ 2.1883	\$ 2.1883
@ 3.5% Butterfat 1/ 3/	\$ 17.69	\$ 15.96	\$ 15.46	\$ 14.81
Processor Assessment **	\$ 0.20			
Total 1/	\$ 17.89			

Supplemental Price Data From NASS Surveys			FO 124 & FO 135 Only	
Surveys Included: 6/30/01 to 7/28/01	Average Price	Total Pounds of Product	PRODUCER COMPONENT PRICES	
Grade AA Butter	\$ 1.9094	13,915,842	Butterfat	\$ 2.1883
Cheese 40 Lb. Blocks	\$ 1.6551	36,860,393		
Cheese 500 Lb. Barrels	\$ 1.6293	41,581,061		
Cheese, Average	\$ 1.6573	78,441,454	Protein	\$ 2.3175
Nonfat Dry Milk	\$ 0.9634	112,527,295		
Dry Whey	\$ 0.2862	51,172,761	Other Solids	\$ 0.1510

Pacific Northwest (FO 124) & Western Order (FO 135) price milk on the basis of multiple components.

Arizona-Las Vegas (FO 131) prices milk on the basis of butterfat and skim.

* Subject to applicable location adjustments.

** The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR § 1160.101 et seq.).

The Order requires that all persons who process and market more than 500,000 pounds of fluid milk products in consumer-type packages in the contiguous 48 States of the continental United States and the District of Columbia be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

1/ Per hundredweight. 2/ Per pound. 3/ 0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price.

For Information Purposes Only. Somatic Cell Adjustment Rate is 0.00083.

These prices were computed using the formulas in the U.S. District Court's preliminary injunction order dated January 31, 2001.

Released: August 3, 2001

James R. Daugherty
Market Administrator

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Regional Milk Production Costs, June 2001 and July 2001 1/ Dollars Per Hundredweight

Region	Total Cash Expenses		Total Economic Costs	
	Jun. 2/	Jul.	Jun. 2/	Jul.
Northeast	\$ 15.42	\$ 15.24	\$ 20.41	\$ 20.23
Southeast	\$ 15.10	\$ 14.96	\$ 18.76	\$ 18.59
Upper Midwest	\$ 13.97	\$ 13.83	\$ 18.67	\$ 18.54
Corn Belt	\$ 14.93	\$ 14.78	\$ 20.85	\$ 20.71
Southern Plains	\$ 13.24	\$ 13.12	\$ 16.56	\$ 16.44
Pacific	\$ 9.85	\$ 9.78	\$ 11.54	\$ 11.47

1/ The reporting of this data was necessitated by the requirement in the Agricultural Appropriations Bill to include milk cost of production (COP) data on the BFP announcement. Regions are defined as: Northeast -- New York, Pennsylvania, and Vermont; Southeast -- Florida and Georgia; Upper Midwest -- Michigan, Minnesota, and Wisconsin; Corn Belt -- Iowa, Missouri, and Ohio; Southern Plains -- Texas; Pacific -- Arizona, California, and Washington.

2/ Revised from June 29, 2001, announcement due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.

Source: United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202-694-5588.