

UNITED STATES DEPARTMENT OF AGRICULTURE

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AGRICULTURAL MARKETING SERVICE DAIRY PROGRAMS

FEDERAL MILK ORDERS 124, 131 & 135

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ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *FINAL* December 2000

	Pacific		Pacific Northwest & Western		
	Northwest	Western	Class II	Class III	Class IV
	Class I *				
Skim 1/	\$ 9.65	\$ 9.65	\$ 8.45	\$ 3.71	\$ 7.75
Butterfat 2/	\$ 1.3473	\$ 1.3473	\$ 1.6604	\$ 1.6534	\$ 1.6534
Protein 2/				\$ 1.0378	
Other Solids /2				\$ 0.0829	
Nonfat Solids 2/			\$ 0.9389		\$ 0.8616
@ 3.5% Butterfat 1/ 3/	\$ 14.03	\$ 14.03	\$ 13.97	\$ 9.37	\$ 13.27
Processor Assessment **	\$ 0.20	\$ 0.20			
Total 1/	\$ 14.23	\$ 14.23			

	Arizona-Las Vegas			
	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 10.10	\$ 8.45	\$ 3.71	\$ 7.75
Butterfat 2/	\$ 1.3518	\$ 1.6604	\$ 1.6534	\$ 1.6534
@ 3.5% Butterfat 1/ 3/	\$ 14.48	\$ 13.97	\$ 9.37	\$ 13.27
Processor Assessment **	\$ 0.20			
Total 1/	\$ 14.68			

Supplemental Price Data From NASS Surveys			FO 124 & FO 135 Only	
Surveys Included: 12/2/00 to 12/30/00	Average Price	Total Pounds of Product	PRODUCER COMPONENT PRICES	
Grade AA Butter	\$ 1.4698	18,103,481	Butterfat	\$ 1.6534
Cheese 40 Lb. Blocks	\$ 1.0835	29,230,912		
Cheese 500 Lb. Barrels	\$ 1.0645	39,332,301		
Cheese, Average	\$ 1.0898	68,563,213	Protein	\$ 1.0378
Nonfat Dry Milk	\$ 1.0158	79,040,814		
Dry Whey	\$ 0.2172	35,126,505	Other Solids	\$ 0.0829

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 0.00054.

Released: January 5, 2001

James R. Daugherty
 Market Administrator

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Regional Milk Production Costs, November 2000 and December 2000 1/ Dollars Per Hundredweight

<u>Region</u>	<u>Total Cash Expenses</u>		<u>Total Economic Costs</u>	
	<u>Nov. 2/</u>	<u>Dec.</u>	<u>Nov. 2/</u>	<u>Dec.</u>
Northeast	\$ 15.11	\$ 15.16	\$ 19.99	\$ 20.06
Southeast	\$ 14.73	\$ 14.79	\$ 18.44	\$ 18.50
Upper Midwest	\$ 13.79	\$ 13.83	\$ 18.36	\$ 18.41
Corn Belt	\$ 14.63	\$ 14.68	\$ 20.44	\$ 20.50
Southern Plains	\$ 12.92	\$ 12.97	\$ 16.20	\$ 16.27
Pacific	\$ 9.67	\$ 9.70	\$ 11.31	\$ 11.34

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 December 1, 2000, 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.