



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>May 2001</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	17.460	per hundredweight
Processor Assessment ^{1/2/}	0.200	per hundredweight
Compact Price Regulation		
Over Order Obligation ^{1/3/}	0.000	per hundredweight
Administrative Assessment ^{1/3/}	0.027	per hundredweight
Total Class I price ^{1/}	<u>17.687</u>	per hundredweight
Class II price @ 3.5 % butterfat	15.72	per hundredweight
Class II butterfat price	2.1261	per pound
Class II skim price ^{1/}	8.58	per hundredweight
Class II nonfat solids price ^{1/}	0.9533	per pound
Class III price @ 3.5 % butterfat	13.83	per hundredweight
Class III skim price	6.65	per hundredweight
Class IV price @ 3.5 % butterfat	15.04	per hundredweight
Class IV skim milk price	7.90	per hundredweight
Component prices:		
Butterfat price	2.1191	per pound
Nonfat solids price	0.8780	per pound
Protein price	1.9108	per pound
Other solids price	0.1229	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.8527	per pound
Nonfat dry milk	1.0180	per pound
Cheese	1.5129	per pound
Dry whey	0.2590	per pound

^{1/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*.

^{2/} The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*).

^{3/} For handlers subject to Compact Price Regulation authorized under the Northeast Interstate Dairy Compact as approved by 7USC§7256. The Compact Over Order Obligation and accompanying administrative assessment are set forth in 7CFR§1300.1 *et seq.*

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

Note: Price formulas are available at www.ams.usda.gov/dairy/price_formula.htm.

(Class I prices by location and Regional Milk Production Costs on reverse side)

MAY 2001
Class I Price Information for the Northeast Order

Selected locations	Differential*	Adjustment	Prices		
			Skim	Butterfat	Class I#
			per cwt.	per pound	per cwt.
Class I Mover Factor:			7.88	1.8887	14.21
Boston, MA	3.25	0.00	11.13	1.9212	17.46
Newport News/Portsmouth, VA	3.20	(0.05)	11.08	1.9207	17.41
New York, NY	3.15	(0.10)	11.03	1.9202	17.36
Long Valley, NJ	3.10	(0.15)	10.98	1.9197	17.31
Philadelphia, PA	3.05	(0.20)	10.93	1.9192	17.26
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.88	1.9187	17.21
Frederick, MD/New Holland, PA	2.90	(0.35)	10.78	1.9177	17.11
Mt. Holly Springs, PA	2.80	(0.45)	10.68	1.9167	17.01
Albany/Binghamton, NY	2.70	(0.55)	10.58	1.9157	16.91
Middlebury, VT	2.60	(0.65)	10.48	1.9147	16.81
Syracuse, NY	2.50	(0.75)	10.38	1.9137	16.71
St. Albans/Swanton, VT	2.40	(0.85)	10.28	1.9127	16.61
Watertown/Rochester, NY	2.30	(0.95)	10.18	1.9117	16.51
Buffalo, NY	2.20	(1.05)	10.08	1.9107	16.41
Jamestown, NY	2.10	(1.15)	9.98	1.9097	16.31

* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials may be above or below this range. Cities listed are for reference purposes only. Differentials apply on a county basis.

Price at 3.5% butterfat. Does not include the 20 cent per hundredweight processor assessment, an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.), or the Northeast Dairy Compact Over Order Obligation and administrative assessment.

Regional Milk Production Costs, April and May 2001*

Region	Total cash expenses		Total economic cost	
	April**	May	April**	May
	dollars per hundredweight			
Northeast	15.35	15.69	20.32	20.69
Southeast	14.98	15.28	18.68	18.97
Upper Midwest	13.94	14.13	18.61	18.85
Corn Belt	14.86	15.12	20.77	21.05
Southern Plains	13.14	13.39	16.46	16.73
Pacific	9.80	9.94	11.48	11.65

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

** Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.