



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>August 2001</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	18.650	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>18.877</u>	per hundredweight
Class II price @ 3.5 % butterfat	15.98	per hundredweight
Class II butterfat price	2.3046	per pound
Class II skim price ^{1/}	8.20	per hundredweight
Class II nonfat solids price ^{1/}	0.9111	per pound
Class III price @ 3.5 % butterfat	15.55	per hundredweight
Class III skim price	7.78	per hundredweight
Class IV price @ 3.5 % butterfat	15.06	per hundredweight
Class IV skim milk price	7.27	per hundredweight
Component prices:		
Butterfat price	2.2976	per pound
Nonfat solids price	0.8073	per pound
Protein price	2.2188	per pound
Other solids price	0.1535	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.9990	per pound
Nonfat dry milk	0.9473	per pound
Cheese	1.6693	per pound
Dry whey	0.2886	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)

AUGUST 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:			7.90	2.2212	15.40
Boston, MA	3.25	0.00	11.15	2.2537	18.65
Newport News/Portsmouth, VA	3.20	(0.05)	11.10	2.2532	18.60
New York, NY	3.15	(0.10)	11.05	2.2527	18.55
Long Valley, NJ	3.10	(0.15)	11.00	2.2522	18.50
Philadelphia, PA	3.05	(0.20)	10.95	2.2517	18.45
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.90	2.2512	18.40
Frederick, MD/New Holland, PA	2.90	(0.35)	10.80	2.2502	18.30
Mt. Holly Springs, PA	2.80	(0.45)	10.70	2.2492	18.20
Albany/Binghamton, NY	2.70	(0.55)	10.60	2.2482	18.10
Middlebury, VT	2.60	(0.65)	10.50	2.2472	18.00
Syracuse, NY	2.50	(0.75)	10.40	2.2462	17.90
St. Albans/Swanton, VT	2.40	(0.85)	10.30	2.2452	17.80
Watertown/Rochester, NY	2.30	(0.95)	10.20	2.2442	17.70
Buffalo, NY	2.20	(1.05)	10.10	2.2432	17.60
Jamestown, NY	2.10	(1.15)	10.00	2.2422	17.50

* 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, July and August 2001*

Region	Total cash expenses		Total economic cost	
	July**	August	July**	August
	dollars per hundredweight			
Northeast	14.97	14.55	19.95	19.54
Southeast	14.71	14.36	18.37	17.99
Upper Midwest	13.69	13.40	18.39	18.11
Corn Belt	14.59	14.26	20.50	20.18
Southern Plains	12.93	12.64	16.25	15.95
Pacific	9.67	9.48	11.35	11.17

* 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.