



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>September 2001</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	18.810	per hundredweight
Processor Assessment ^{1/2/}	<u>0.200</u>	per hundredweight
Total Class I price ^{1/}	19.010	per hundredweight
Class II price @ 3.5 % butterfat	16.24	per hundredweight
Class II butterfat price	2.4519	per pound
Class II skim price ^{1/}	7.94	per hundredweight
Class II nonfat solids price ^{1/}	0.8822	per pound
Class III price @ 3.5 % butterfat	15.90	per hundredweight
Class III skim price	7.61	per hundredweight
Class IV price @ 3.5 % butterfat	15.59	per hundredweight
Class IV skim milk price	7.29	per hundredweight
Component prices:		
Butterfat price	2.4449	per pound
Nonfat solids price	0.8097	per pound
Protein price	2.1647	per pound
Other solids price	0.1520	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	2.1198	per pound
Nonfat dry milk	0.9497	per pound
Cheese	1.7085	per pound
Dry whey	0.2871	per pound

Estimated Utilization Percentages of Producer Milk for October 2001^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	25	75
Skim Milk	49	51

^{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/} Utilization percentages for assigning bulk receipts at pool distributing plants from other federal order markets, Section 1000.45(a) of the Order.

* **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)

September 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:			7.99	2.2432	15.56
Boston, MA	3.25	0.00	11.24	2.2757	18.81
Newport News/Portsmouth, VA	3.20	(0.05)	11.19	2.2752	18.76
New York, NY	3.15	(0.10)	11.14	2.2747	18.71
Long Valley, NJ	3.10	(0.15)	11.09	2.2742	18.66
Philadelphia, PA	3.05	(0.20)	11.04	2.2737	18.61
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.99	2.2732	18.56
Frederick, MD/New Holland, PA	2.90	(0.35)	10.89	2.2722	18.46
Mt. Holly Springs, PA	2.80	(0.45)	10.79	2.2712	18.36
Albany/Binghamton, NY	2.70	(0.55)	10.69	2.2702	18.26
Middlebury, VT	2.60	(0.65)	10.59	2.2692	18.16
Syracuse, NY	2.50	(0.75)	10.49	2.2682	18.06
St. Albans/Swanton, VT	2.40	(0.85)	10.39	2.2672	17.96
Watertown/Rochester, NY	2.30	(0.95)	10.29	2.2662	17.86
Buffalo, NY	2.20	(1.05)	10.19	2.2652	17.76
Jamestown, NY	2.10	(1.15)	10.09	2.2642	17.66

* 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.).

Regional Milk Production Costs, August and September 2001*

Region	Total cash expenses		Total economic cost	
	August**	September	August**	September
	dollars per hundredweight			
Northeast	15.13	15.24	20.12	20.25
Southeast	14.88	14.99	18.51	18.58
Upper Midwest	13.77	13.80	18.49	18.55
Corn Belt	14.72	14.80	20.65	20.74
Southern Plains	13.08	13.18	16.39	16.49
Pacific	9.75	9.80	11.44	11.51

* 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.