



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>December 2001</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	15.23	per hundredweight
Processor Assessment ^{1/2/}	<u>0.20</u>	per hundredweight
Total Class I price ^{1/}	15.43	per hundredweight
Class II price @ 3.5 % butterfat	12.61	per hundredweight
Class II butterfat price	1.4392	per pound
Class II skim price ^{1/}	7.85	per hundredweight
Class II nonfat solids price ^{1/}	0.8722	per pound
Class III price @ 3.5 % butterfat	11.80	per hundredweight
Class III skim price	7.03	per hundredweight
Class IV price @ 3.5 % butterfat	11.79	per hundredweight
Class IV skim milk price	7.02	per hundredweight
Component prices:		
Butterfat price	1.4322	per pound
Nonfat solids price	0.7799	per pound
Protein price	1.9782	per pound
Other solids price	0.1517	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	<u>1.2894</u>	per pound
Nonfat dry milk	0.9199	per pound
Cheese	1.2762	per pound
Dry whey	0.2868	per pound

Estimated Utilization Percentages of Producer Milk for January 2002^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	21	79
Skim Milk	43	57

^{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)

DECEMBER 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:			7.15	1.4513	11.98
Boston, MA	3.25	0.00	10.40	1.4838	15.23
Newport News/Portsmouth, VA	3.20	(0.05)	10.35	1.4833	15.18
New York, NY	3.15	(0.10)	10.30	1.4828	15.13
Long Valley, NJ	3.10	(0.15)	10.25	1.4823	15.08
Philadelphia, PA	3.05	(0.20)	10.20	1.4818	15.03
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.15	1.4813	14.98
Frederick, MD/New Holland, PA	2.90	(0.35)	10.05	1.4803	14.88
Mt. Holly Springs, PA	2.80	(0.45)	9.95	1.4793	14.78
Albany/Binghamton, NY	2.70	(0.55)	9.85	1.4783	14.68
Middlebury, VT	2.60	(0.65)	9.75	1.4773	14.58
Syracuse, NY	2.50	(0.75)	9.65	1.4763	14.48
St. Albans/Swanton, VT	2.40	(0.85)	9.55	1.4753	14.38
Watertown/Rochester, NY	2.30	(0.95)	9.45	1.4743	14.28
Buffalo, NY	2.20	(1.05)	9.35	1.4733	14.18
Jamestown, NY	2.10	(1.15)	9.25	1.4723	14.08

* 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, November and December 2001*

Region	Total cash expenses		Total economic cost	
	November**	December	November**	December
	dollars per hundredweight			
Northeast	14.27	14.04	19.30	19.09
Southeast	14.15	13.92	17.71	17.49
Upper Midwest	13.17	13.00	17.95	17.80
Corn Belt	14.04	13.84	19.99	19.82
Southern Plains	12.46	12.26	15.78	15.58
Pacific	9.32	9.17	11.04	10.90

* 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.