



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>January 2002</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	15.21	per hundredweight
Processor Assessment ^{1/2/}	<u>0.20</u>	per hundredweight
Total Class I price ^{1/}	15.41	per hundredweight
Class II price @ 3.5 % butterfat	12.69	per hundredweight
Class II butterfat price	1.4916	per pound
Class II skim price ^{1/}	7.74	per hundredweight
Class II nonfat solids price ^{1/}	0.8600	per pound
Class III price @ 3.5 % butterfat	11.87	per hundredweight
Class III skim price	6.92	per hundredweight
Class IV price @ 3.5 % butterfat	11.93	per hundredweight
Class IV skim milk price	6.98	per hundredweight
Component prices:		
Butterfat price	1.4846	per pound
Nonfat solids price	0.7761	per pound
Protein price	1.9660	per pound
Other solids price	0.1392	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	<u>1.3324</u>	per pound
Nonfat dry milk	0.9161	per pound
Cheese	1.2922	per pound
Dry whey	0.2747	per pound

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

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	21	79
Skim Milk	41	59

^{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)

JANUARY 2002
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:			7.34	1.3939	11.96
Boston, MA	3.25	0.00	10.59	1.4264	15.21
Newport News/Portsmouth, VA	3.20	(0.05)	10.54	1.4259	15.16
New York, NY	3.15	(0.10)	10.49	1.4254	15.11
Long Valley, NJ	3.10	(0.15)	10.44	1.4249	15.06
Philadelphia, PA	3.05	(0.20)	10.39	1.4244	15.01
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.34	1.4239	14.96
Frederick, MD/New Holland, PA	2.90	(0.35)	10.24	1.4229	14.86
Mt. Holly Springs, PA	2.80	(0.45)	10.14	1.4219	14.76
Albany/Binghamton, NY	2.70	(0.55)	10.04	1.4209	14.66
Middlebury, VT	2.60	(0.65)	9.94	1.4199	14.56
Syracuse, NY	2.50	(0.75)	9.84	1.4189	14.46
St. Albans/Swanton, VT	2.40	(0.85)	9.74	1.4179	14.36
Watertown/Rochester, NY	2.30	(0.95)	9.64	1.4169	14.26
Buffalo, NY	2.20	(1.05)	9.54	1.4159	14.16
Jamestown, NY	2.10	(1.15)	9.44	1.4149	14.06

* 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, December 2001 and January 2002*

Region	Total cash expenses		Total economic cost	
	Dec. 2001**	Jan. 2002	Dec. 2001**	Jan. 2002
	dollars per hundredweight			
Northeast	13.94	13.63	18.96	18.66
Southeast	13.87	13.63	17.43	17.18
Upper Midwest	12.94	12.71	17.72	17.49
Corn Belt	13.77	13.51	19.72	19.47
Southern Plains	12.22	12.02	15.54	15.32
Pacific	9.16	9.02	10.88	10.73

* 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.