



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

| | October 2001 | |
|--|--------------|-------------------|
| | dollars | |
| Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/} | 19.180 | per hundredweight |
| Processor Assessment ^{1/2/} | 0.200 | per hundredweight |
| Total Class I price ^{1/} | 19.380 | per hundredweight |
| Class II price @ 3.5 % butterfat | 13.53 | per hundredweight |
| Class II butterfat price | 1.6596 | per pound |
| Class II skim price ^{1/} | 8.00 | per hundredweight |
| Class II nonfat solids price ^{1/} | 0.8889 | per pound |
| Class III price @ 3.5 % butterfat | 14.60 | per hundredweight |
| Class III skim price | 9.14 | per hundredweight |
| Class IV price @ 3.5 % butterfat | 12.77 | per hundredweight |
| Class IV skim milk price | 7.24 | per hundredweight |
| Component prices: | | |
| Butterfat price | 1.6526 | per pound |
| Nonfat solids price | 0.8041 | per pound |
| Protein price | 2.6664 | per pound |
| Other solids price | 0.1482 | per pound |

| Product price monthly averages: | dollars | |
|---------------------------------|---------|-----------|
| Butter | 1.4701 | per pound |
| Nonfat dry milk | 0.9441 | per pound |
| Cheese | 1.5591 | per pound |
| Dry whey | 0.2835 | per pound |

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

| | Class I | Class II, III and IV |
|-----------|---------|----------------------|
| Butterfat | 26 | 74 |
| 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.

Notification: The December "Announcement of Class I Price and Advanced Pricing Factors" will not be available until after 1 p.m. on November 23, 2001.

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

October 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: | | | 7.38 | 2.5160 | 15.93 |
| Boston, MA | 3.25 | 0.00 | 10.63 | 2.5485 | 19.18 |
| Newport News/Portsmouth, VA | 3.20 | (0.05) | 10.58 | 2.5480 | 19.13 |
| New York, NY | 3.15 | (0.10) | 10.53 | 2.5475 | 19.08 |
| Long Valley, NJ | 3.10 | (0.15) | 10.48 | 2.5470 | 19.03 |
| Philadelphia, PA | 3.05 | (0.20) | 10.43 | 2.5465 | 18.98 |
| Agawam, MA/Baltimore, MD | 3.00 | (0.25) | 10.38 | 2.5460 | 18.93 |
| Frederick, MD/New Holland, PA | 2.90 | (0.35) | 10.28 | 2.5450 | 18.83 |
| Mt. Holly Springs, PA | 2.80 | (0.45) | 10.18 | 2.5440 | 18.73 |
| Albany/Binghamton, NY | 2.70 | (0.55) | 10.08 | 2.5430 | 18.63 |
| Middlebury, VT | 2.60 | (0.65) | 9.98 | 2.5420 | 18.53 |
| Syracuse, NY | 2.50 | (0.75) | 9.88 | 2.5410 | 18.43 |
| St. Albans/Swanton, VT | 2.40 | (0.85) | 9.78 | 2.5400 | 18.33 |
| Watertown/Rochester, NY | 2.30 | (0.95) | 9.68 | 2.5390 | 18.23 |
| Buffalo, NY | 2.20 | (1.05) | 9.58 | 2.5380 | 18.13 |
| Jamestown, NY | 2.10 | (1.15) | 9.48 | 2.5370 | 18.03 |

* 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, September and October 2001*

| Region | Total cash expenses | | Total economic cost | |
|-----------------|---------------------------|---------|---------------------|---------|
| | September** | October | September** | October |
| | dollars per hundredweight | | | |
| Northeast | 15.42 | 15.66 | 20.36 | 20.61 |
| Southeast | 15.12 | 15.36 | 18.88 | 19.11 |
| Upper Midwest | 14.04 | 14.18 | 18.67 | 18.82 |
| Corn Belt | 14.95 | 15.13 | 20.82 | 21.01 |
| Southern Plains | 13.31 | 13.50 | 16.64 | 16.83 |
| Pacific | 9.94 | 10.05 | 11.60 | 11.71 |

* 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.