



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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MAY 2004 POOL PRICE ANNOUNCEMENT

| Producer Milk | Percent | Pounds | Minimum Class Price |
|---------------------|---------|---------------|---------------------|
| Class I | 44.8 | 848,154,904 | \$22.90 |
| Class II | 20.4 | 387,282,405 | 15.03 |
| Class III | 17.1 | 324,100,801 | 20.58 |
| Class IV | 17.7 | 335,506,618 | 14.50 |
| Total Producer Milk | 100.0 | 1,895,044,728 | |

| | |
|------------------------------------|---|
| Producer Price Differential | (\$0.74) /cwt. @ Suffolk County, MA (Boston) |
| Statistical Uniform Price | \$19.84 /cwt. @ Suffolk County, MA (Boston) |

| | |
|---------------------|---------------|
| Protein Price | \$3.7639 /lb. |
| Butterfat Price | 2.4282 /lb. |
| Other Solids Price | 0.1444 /lb. |
| Nonfat Solids Price | 0.6913 /lb. |

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

| | Product Pounds | Price per cwt./lb. | Component Value | Total Value |
|---|----------------|--------------------|-----------------|--------------------------|
| Class I— Skim | 831,146,399 | \$14.75 | 122,594,093.85 | |
| Butterfat | 17,008,505 | 2.4762 | 42,116,460.08 | |
| Less: Location Adjustment to Handlers | | | (2,649,271.66) | \$162,061,282.45 |
| Class II— Butterfat | 27,093,636 | 2.4352 | 65,978,422.38 | |
| Nonfat Solids | 32,373,720 | 0.7489 | 24,244,678.93 | 90,223,101.31 |
| Class III— Butterfat | 13,164,261 | 2.4282 | 31,965,458.58 | |
| Protein | 9,598,352 | 3.7639 | 36,127,237.10 | |
| Other Solids | 18,341,601 | 0.1444 | 2,648,527.18 | 70,741,222.86 |
| Class IV— Butterfat | 10,721,177 | 2.4282 | 26,033,162.00 | |
| Nonfat Solids | 29,204,689 | 0.6913 | 20,189,201.56 | 46,222,363.56 |
| Total Classified Value | | | | \$369,247,970.18 |
| Add: Overage—All Classes | | | | 496,785.84 |
| Inventory Reclassification—All Classes | | | | 265,053.36 |
| Other Source Receipts | 55,088 | | | 1,145.83 |
| Less: Producer Component Valuations | | | | (392,620,342.35) |
| Subtotal | | | | (\$22,609,387.14) |
| Add: Location Adjustment to Producers | | | | 8,530,953.04 |
| One-half Unobligated Balance—Producer Settlement Fund | | | | 904,455.58 |
| Total Pool Milk & Aggregate Value | 1,895,099,816 | | | (13,173,978.52) |
| Less: Producer Settlement Fund—Reserve | | | | (849,760.10) |
| Producer Price Differential | | (\$0.74) | | (14,023,738.62) |
| Statistical Uniform Price | | \$19.84 | | |

(Selected pool and price statistics on reverse side)

MAY 2004

Selected Pool Statistics

| | | |
|------------------------------------|--------------|--------|
| Average test of producer receipts: | Butterfat | 3.59 % |
| | True Protein | 2.97 % |
| | Other Solids | 5.70 % |

Estimated Marketwide Utilization for JUNE 2004:

| | Skim | Butterfat |
|-----------------------|------|-----------|
| Class I | 42% | 22% |
| Classes II, III, & IV | 58% | 78% |

Producer Price Differential and Statistical Uniform Price, by Location

| Selected Locations | Differential* | Adjustment | Producer | Statistical # |
|-------------------------------|---------------|------------|--------------|---------------|
| | | | Price | Uniform |
| | | | Differential | Price |
| dollars per hundredweight | | | | |
| Boston, MA | 3.25 | 0.00 | (0.74) | 19.84 |
| Newport News/Portsmouth, VA | 3.20 | (0.05) | (0.79) | 19.79 |
| New York, NY | 3.15 | (0.10) | (0.84) | 19.74 |
| Long Valley, NJ | 3.10 | (0.15) | (0.89) | 19.69 |
| Philadelphia, PA | 3.05 | (0.20) | (0.94) | 19.64 |
| Agawam, MA/Baltimore, MD | 3.00 | (0.25) | (0.99) | 19.59 |
| Frederick, MD/New Holland, PA | 2.90 | (0.35) | (1.09) | 19.49 |
| Mt. Holly Springs, PA | 2.80 | (0.45) | (1.19) | 19.39 |
| Albany/Binghamton, NY | 2.70 | (0.55) | (1.29) | 19.29 |
| Middlebury, VT | 2.60 | (0.65) | (1.39) | 19.19 |
| Syracuse, NY | 2.50 | (0.75) | (1.49) | 19.09 |
| St. Albans/Swanton, VT | 2.40 | (0.85) | (1.59) | 18.99 |
| Watertown/Rochester, NY | 2.30 | (0.95) | (1.69) | 18.89 |
| Buffalo, NY | 2.20 | (1.05) | (1.79) | 18.79 |
| Jamestown, NY | 2.10 | (1.15) | (1.89) | 18.69 |

* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials and prices may be above or below this range. Cities listed are for reference purposes only.

Prices apply on a county basis. Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.