



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	May 2002	
	dollars	
Class I price @ Suffolk County, MA (Boston) at 3.5% butterfat ^{1/}	14.51	per hundredweight
Processor Assessment ^{1/2/}	0.20	per hundredweight
Total Class I price ^{1/}	14.71	per hundredweight
Class II price @ 3.5 % butterfat	11.29	per hundredweight
Class II butterfat price	1.1503	per pound
Class II skim price ^{1/}	7.53	per hundredweight
Class II nonfat solids price ^{1/}	0.8367	per pound
Class III price @ 3.5 % butterfat	10.82	per hundredweight
Class III skim price	7.07	per hundredweight
Class IV price @ 3.5 % butterfat	10.57	per hundredweight
Class IV skim milk price	6.81	per hundredweight
Component prices:		
Butterfat price	1.1433	per pound
Nonfat solids price	0.7572	per pound
Protein price	2.2097	per pound
Other solids price	0.0371	per pound

Product price monthly averages:	dollars	
Butter	1.0525	per pound
Nonfat dry milk	0.8972	per pound
Cheese	1.2359	per pound
Dry whey	0.1759	per pound

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

	Class I	Class II, III and IV
Butterfat	22	78
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)

MAY 2002
Class I Price Information for the Northeast Order

Selected locations	Differential*	Adjustment	Prices		
			Skim	Butterfat	Class I#
			dollars		
			per cwt.	per pound	per cwt.
Class I Mover Factor:			6.83	1.3339	11.26
Boston, MA	3.25	0.00	10.08	1.3664	14.51
Newport News/Portsmouth, VA	3.20	(0.05)	10.03	1.3659	14.46
New York, NY	3.15	(0.10)	9.98	1.3654	14.41
Long Valley, NJ	3.10	(0.15)	9.93	1.3649	14.36
Philadelphia, PA	3.05	(0.20)	9.88	1.3644	14.31
Agawam, MA/Baltimore, MD	3.00	(0.25)	9.83	1.3639	14.26
Frederick, MD/New Holland, PA	2.90	(0.35)	9.73	1.3629	14.16
Mt. Holly Springs, PA	2.80	(0.45)	9.63	1.3619	14.06
Albany/Binghamton, NY	2.70	(0.55)	9.53	1.3609	13.96
Middlebury, VT	2.60	(0.65)	9.43	1.3599	13.86
Syracuse, NY	2.50	(0.75)	9.33	1.3589	13.76
St. Albans/Swanton, VT	2.40	(0.85)	9.23	1.3579	13.66
Watertown/Rochester, NY	2.30	(0.95)	9.13	1.3569	13.56
Buffalo, NY	2.20	(1.05)	9.03	1.3559	13.46
Jamestown, NY	2.10	(1.15)	8.93	1.3549	13.36

* 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, April and May 2002*

Region	Total cash expenses		Total economic cost	
	April**	May	April**	May
	dollars per hundredweight			
Northeast	14.70	15.03	19.92	20.31
Southeast	14.51	14.79	18.36	18.73
Upper Midwest	13.38	13.58	18.40	18.67
Corn Belt	14.33	14.57	20.51	20.82
Southern Plains	12.71	12.95	16.22	16.49
Pacific	9.45	9.57	11.30	11.46

* 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.