



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

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ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>October 2003</u>	
	<u>dollars</u>	
Class I price @ Suffolk County, MA (Boston) at 3.5% butterfat ^{1/}	17.52	per hundredweight
Processor Assessment ^{1/ 2/}	0.20	per hundredweight
Total Class I price ^{1/}	17.72	per hundredweight
Class II price @ 3.5 % butterfat	10.84	per hundredweight
Class II butterfat price	1.2623	per pound
Class II skim price ^{1/}	6.66	per hundredweight
Class II nonfat solids price ^{1/}	0.7400	per pound
Class III price @ 3.5 % butterfat	14.39	per hundredweight
Class III skim price	10.36	per hundredweight
Class IV price @ 3.5 % butterfat	10.16	per hundredweight
Class IV skim milk price	5.98	per hundredweight
Component prices:		
Butterfat price	1.2553	per pound
Nonfat solids price	0.6642	per pound
Protein price	3.2815	per pound
Other solids price	0.0311	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.1611	per pound
Nonfat dry milk	0.8109	per pound
Cheese	1.5936	per pound
Dry whey	0.1892	per pound

Estimated Utilization Percentages of Producer Milk for November 2003^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	25	75
Skim Milk	48	52

^{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.). The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous states and District of Columbia on a monthly basis, excluding those fluid milk products delivered to a residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

^{3/} Utilization percentages for assigning bulk receipts at pool distributing plants from other federal order markets, Section 1000.45(a) of the Order.

Note: Price formulas are available at www.ams.usda.gov/dairy/price_formula.htm.

(Class I prices by location on reverse side)

Erik F. Rasmussen
Market Administrator

October 2003
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:			10.43	1.2007	14.27
Boston, MA	3.25	0.00	13.68	1.2332	17.52
Newport News/Portsmouth, VA	3.20	(0.05)	13.63	1.2327	17.47
New York, NY	3.15	(0.10)	13.58	1.2322	17.42
Long Valley, NJ	3.10	(0.15)	13.53	1.2317	17.37
Philadelphia, PA	3.05	(0.20)	13.48	1.2312	17.32
Agawam, MA/Baltimore, MD	3.00	(0.25)	13.43	1.2307	17.27
Frederick, MD/New Holland, PA	2.90	(0.35)	13.33	1.2297	17.17
Mt. Holly Springs, PA	2.80	(0.45)	13.23	1.2287	17.07
Albany/Binghamton, NY	2.70	(0.55)	13.13	1.2277	16.97
Middlebury, VT	2.60	(0.65)	13.03	1.2267	16.87
Syracuse, NY	2.50	(0.75)	12.93	1.2257	16.77
St. Albans/Swanton, VT	2.40	(0.85)	12.83	1.2247	16.67
Watertown/Rochester, NY	2.30	(0.95)	12.73	1.2237	16.57
Buffalo, NY	2.20	(1.05)	12.63	1.2227	16.47
Jamestown, NY	2.10	(1.15)	12.53	1.2217	16.37

* 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

USDA's Economic Research Service (ERS) has discontinued calculating estimated monthly Cost of Production (COP) for milk effective with data provided on 5/31/02. ERS has recently developed a new approach for computing milk COP estimates using data from the 2000 Agricultural Resource Management Study of dairy farmers. This COP information can be found at www.ers.usda.gov/data/costsandreturns/testpick.htm under the "milk" selection. For additional information contact Sara Short (202) 694-5588, Jim Johnson (202) 694-5560, or Bill McBride (202) 694-5577.