

H. Paul Kyburz, Market Administrator
4570 W. 77th St., Suite 210
Minneapolis, MN 55435-5037
Telephone: (952) 831-5292
Fax: (952) 831-8249

Agricultural Marketing Service
Dairy Programs

**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA
FOR JANUARY 2001**

	Market Class I Differential Rate	Class I Prices ^{1/}		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$ 9.68	\$ 1.8424	\$ 15.79
Other Zones	\$ 1.75	\$ 9.63	\$ 1.8419	\$ 15.74
	1.70	9.58	1.8414	15.69
	1.65	9.53	1.8409	15.64
	1.60	9.48	1.8404	15.59
Class II Prices	Nonfat Solids		(Per pound)	\$ 0.9533
	Butterfat		(Per pound)	1.2966
	Skim Milk		(Per cwt.)	8.58
	3.50% BF		(Per cwt.)	12.82
Class III Prices	Protein		(Per pound)	\$ 1.6181
	Other Solids		(Per pound)	0.1120
	Butterfat		(Per pound)	1.2896
	Skim Milk		(Per cwt.)	5.68
	3.50% BF		(Per cwt.)	9.99
Class IV Prices	Nonfat Solids		(Per pound)	\$ 0.8765
	Butterfat		(Per pound)	1.2896
	Skim Milk		(Per cwt.)	7.89
	3.50% BF		(Per cwt.)	12.13
Somatic Cell Adjustment Rate			(Per cwt. per 1,000 SCC)	\$ 0.00056

Factors Used in Prices for January 2001

Advanced Class III Price (at 3.5% butterfat)	(Per cwt.)	\$ 9.51
Advanced Class IV Price (at 3.5% butterfat)	(Per cwt.)	13.99
Class I Price Mover (at 3.5% butterfat)	(Per cwt.)	\$ 13.99
Class I Skim Milk Price Mover	(Per cwt.)	7.88
Class I Butterfat Price Mover	(Per pound)	1.8244

			<u>2-Week Average</u>	<u>Monthly Average</u>
NASS Survey Prices	Butter	(Per pound)	\$ 1.6110	\$ 1.1725
	Cheese	(Per pound)	1.0930	1.1180
	Dry Whey	(Per pound)	0.2194	0.2484
	Nonfat Dry Milk	(Per pound)	1.0159	1.0165
Component Prices	Class III Butterfat	(Per pound)	\$ 1.4681	\$ 1.2896
	Class IV Butterfat	(Per pound)	1.8244	1.2896
	Protein	(Per pound)	1.3038	1.6181
	Other Solids	(Per pound)	0.0820	0.1120
	Nonfat Solids	(Per pound)	0.8759	0.8765

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**ADVANCED CLASS PRICES AND RELATED DATA
FOR FEBRUARY 2001**

	Market Class I Differential Rate	Class I Prices ^{1/}		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$ 9.69	\$ 1.2532	\$ 13.74
Other Zones	\$ 1.75	\$ 9.64	\$ 1.2527	\$ 13.69
	1.70	9.59	1.2522	13.64
	1.65	9.54	1.2517	13.59
	1.60	9.49	1.2512	13.54
Class II Nonfat Solids Price			(Per pound)	\$ 0.9544
Class II Skim Milk Price			(Per cwt.)	\$ 8.59

Factors Used in Prices for February 2001

Advanced Class III Price (at 3.5% butterfat)	(Per cwt.)	\$ 10.06
Advanced Class IV Price (at 3.5% butterfat)	(Per cwt.)	11.94
Class I Price Mover (at 3.5% butterfat)	(Per cwt.)	\$ 11.94
Class I Skim Milk Price Mover	(Per cwt.)	7.89
Class I Butterfat Price Mover	(Per pound)	1.2352
NASS Survey Prices -- Two-Week Average		
Butter	(Per pound)	\$ 1.1279
Cheese	(Per pound)	1.1340
Dry Whey	(Per pound)	0.2446
Nonfat Dry Milk	(Per pound)	1.0172
Advanced Component Prices		
Class III Butterfat	(Per pound)	\$ 1.5330
Class IV Butterfat	(Per pound)	1.2352
Protein	(Per pound)	1.3614
Other Solids	(Per pound)	0.1081
Nonfat Solids	(Per pound)	0.8772

REGIONAL MILK PRODUCTION COSTS, DECEMBER 2000 AND JANUARY 2001 ^{2/}

Region	Total Cash Expenses		Total Economic Costs	
	December 3/ (Per cwt.)	January (Per cwt.)	December 3/ (Per cwt.)	January (Per cwt.)
Northeast	\$ 14.94	\$ 14.79	\$ 19.85	\$ 19.71
Southeast	14.56	14.38	18.28	18.10
Upper Midwest	13.70	13.63	18.30	18.25
Corn Belt	14.52	14.42	20.36	20.28
Southern Plains	12.79	12.63	16.08	15.95
Pacific	9.60	9.54	11.25	11.19

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

January 2001	Class I Skim Milk	21%	Class I Butterfat	9%
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^{1/} There is also a \$0.20 per cwt. processor assessment which is an obligation under the Fluid Milk Promotion Order (7 CFR §1160.101 et seq.). The Order requires that all persons who process and market more than 500,000 pounds of fluid milk products in consumer-type packages in the contiguous 48 States of the continental United States and the District of Columbia be assessed \$0.20 per cwt. on all marketings of such packaged fluid products during the month.

^{2/} United States Department of Agriculture, Economic Research Service. For further information, contact Sarah 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.

^{3/} Revised.

February 2, 2001

H. Paul Kyburz, Market Administrator

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