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**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA
FOR MAY 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	\$ 1.9067	\$ 16.01
Other Zones	\$ 1.75	\$ 9.63	\$ 1.9062	\$ 15.96
	1.70	9.58	1.9057	15.91
	1.65	9.53	1.9052	15.86
	1.60	9.48	1.9047	15.81
Class II Prices	Nonfat Solids		(Per pound)	\$ 0.9533
	Butterfat		(Per pound)	2.1261
	Skim Milk		(Per cwt.)	8.58
	3.50% BF		(Per cwt.)	15.72
Class III Prices	Protein		(Per pound)	\$ 1.9108
	Other Solids		(Per pound)	0.1229
	Butterfat		(Per pound)	2.1191
	Skim Milk		(Per cwt.)	6.65
	3.50% BF		(Per cwt.)	13.83
Class IV Prices	Nonfat Solids		(Per pound)	\$ 0.8780
	Butterfat		(Per pound)	2.1191
	Skim Milk		(Per cwt.)	7.90
	3.50% BF		(Per cwt.)	15.04
Somatic Cell Adjustment Rate			(Per cwt. per 1,000 SCC)	\$ 0.00076

Factors Used in Prices for May 2001

Advanced Class III Skim Milk Price	(Per cwt.)	\$ 5.55
Advanced Class IV Skim Milk Price	(Per cwt.)	7.88
Class I Skim Milk Price Mover	(Per cwt.)	\$ 7.88
Advanced Butterfat Price	(Per pound)	1.8887

			<u>2-Week Average</u>	<u>Monthly Average</u>
NASS Survey Prices	Butter	(Per pound)	\$ 1.6637	\$ 1.8527
	Cheese	(Per pound)	1.3326	1.5129
	Dry Whey	(Per pound)	0.2434	0.2590
	Nonfat Dry Milk	(Per pound)	1.0154	1.0180
Component Prices	Butterfat	(Per pound)	\$ 1.8887	\$ 2.1191
	Protein	(Per pound)	1.5873	1.9108
	Other Solids	(Per pound)	0.1068	0.1229
	Nonfat Solids	(Per pound)	0.8754	0.8780

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

	Market Class I Differential	Class I Prices ^{1/}		
	Rate	Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$ 9.70	\$ 2.1213	\$ 16.79
Other Zones	\$ 1.75	\$ 9.65	\$ 2.1208	\$ 16.74
	1.70	9.60	2.1203	16.69
	1.65	9.55	2.1198	16.64
	1.60	9.50	2.1193	16.59
Class II Nonfat Solids Price			(Per pound)	\$ 0.9556
Class II Skim Milk Price			(Per cwt.)	\$ 8.60
Factors Used in Prices for June 2001				
Advanced Class III Skim Milk Price			(Per cwt.)	\$ 6.26
Advanced Class IV Skim Milk Price			(Per cwt.)	7.90
Class I Skim Milk Price Mover			(Per cwt.)	\$ 7.90
Advanced Butterfat Price			(Per pound)	2.1033
NASS Survey Prices -- Two-Week Average				
Butter			(Per pound)	\$ 1.8397
Cheese			(Per pound)	1.4731
Dry Whey			(Per pound)	0.2535
Nonfat Dry Milk			(Per pound)	1.0173
Advanced Component Prices				
Butterfat			(Per pound)	\$ 2.1033
Protein			(Per pound)	1.7945
Other Solids			(Per pound)	0.1173
Nonfat Solids			(Per pound)	0.8773

REGIONAL MILK PRODUCTION COSTS, APRIL AND MAY 2001 ^{2/}

Region	Total Cash Expenses		Total Economic Costs	
	April 3/ (Per cwt.)	May (Per cwt.)	April 3/ (Per cwt.)	May (Per cwt.)
Northeast	\$ 15.35	\$ 15.69	\$ 20.32	\$ 20.69
Southeast	14.98	15.28	18.68	18.97
Upper Midwest	13.94	14.13	18.61	18.85
Corn Belt	14.86	15.12	20.77	21.05
Southern Plains	13.14	13.39	16.46	16.73
Pacific	9.80	9.94	11.48	11.65

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

May 2001	Class I Skim Milk	19%	Class I Butterfat	8%
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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.

June 1, 2001

H. Paul Kyburz, Market Administrator

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