

Agricultural Marketing Service
 Dairy Programs

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

 2701 International Lane, Suite 102
 Madison, WI 53704
 Telephone: (608) 242-1822
 Fax: (608) 242-1846

ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA FOR MAY 2002

	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	\$ 8.63	\$ 1.3519	\$ 13.06
Other Zones	\$ 1.75	\$ 8.58	\$ 1.3514	\$ 13.01
	1.70	8.53	1.3509	12.96
	1.65	8.48	1.3504	12.91
	1.60	8.43	1.3499	12.86
Class II Prices				
	Nonfat Solids		(Per pound)	\$ 0.8367
	Butterfat		(Per pound)	1.1503
	Skim Milk		(Per cwt.)	7.53
	3.50% BF		(Per cwt.)	11.29
Class III Prices				
	Protein		(Per pound)	\$ 2.2097
	Other Solids		(Per pound)	0.0371
	Butterfat		(Per pound)	1.1433
	Skim Milk		(Per cwt.)	7.07
	3.50% BF		(Per cwt.)	10.82
Class IV Prices				
	Nonfat Solids		(Per pound)	\$ 0.7572
	Butterfat		(Per pound)	1.1433
	Skim Milk		(Per cwt.)	6.81
	3.50% BF		(Per cwt.)	10.57
Somatic Cell Adjustment Rate				
			(Per cwt. per 1,000 SCC)	\$ 0.00062

Factors Used in Prices for May 2002

Advanced Class III Skim Milk Price	(Per cwt.)	\$ 6.31
Advanced Class IV Skim Milk Price	(Per cwt.)	6.83
Class I Skim Milk Price Mover	(Per cwt.)	\$ 6.83
Advanced Butterfat Price	(Per pound)	1.3339

			<u>2-Week Average</u>	<u>Monthly Average</u>
NASS Survey Prices	Butter	(Per pound)	\$ 1.2088	\$ 1.0525
	Cheese	(Per pound)	1.2229	1.2359
	Dry Whey	(Per pound)	0.1979	0.1759
	Nonfat Dry Milk	(Per pound)	0.8984	0.8972
Component Prices	Butterfat	(Per pound)	\$ 1.3339	\$ 1.1433
	Protein	(Per pound)	1.9212	2.2097
	Other Solids	(Per pound)	0.0598	0.0371
	Nonfat Solids	(Per pound)	0.7584	0.7572

**ADVANCED CLASS PRICES AND RELATED DATA
FOR JUNE 2002**

	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	\$ 9.03	\$ 1.1757	\$ 12.83
Other Zones	\$ 1.75	\$ 8.98	\$ 1.1752	\$ 12.78
	1.70	8.93	1.1747	12.73
	1.65	8.88	1.1742	12.68
	1.60	8.83	1.1737	12.63
Class II Nonfat Solids Price			(Per pound)	\$ 0.8333
Class II Skim Milk Price			(Per cwt.)	\$ 7.50
Factors Used in Prices for June 2002				
Advanced Class III Skim Milk Price			(Per cwt.)	\$ 7.23
Advanced Class IV Skim Milk Price			(Per cwt.)	6.80
Class I Skim Milk Price Mover			(Per cwt.)	\$ 7.23
Advanced Butterfat Price			(Per pound)	1.1577
NASS Survey Prices -- Two-Week Average				
Butter			(Per pound)	\$ 1.0643
Cheese			(Per pound)	1.2521
Dry Whey			(Per pound)	0.1827
Nonfat Dry Milk			(Per pound)	0.8953
Advanced Component Prices				
Butterfat			(Per pound)	\$ 1.1577
Protein			(Per pound)	2.2469
Other Solids			(Per pound)	0.0441
Nonfat Solids			(Per pound)	0.7553

REGIONAL MILK PRODUCTION COSTS, APRIL AND MAY 2002 2/

Region	Total Cash Expenses		Total Economic Costs	
	April 3/ (Per cwt.)	May (Per cwt.)	April 3/ (Per cwt.)	May (Per cwt.)
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

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

May 2002	Class I Skim Milk	20%	Class I Butterfat	8%
----------	-------------------	-----	-------------------	----

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 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.

3/ Revised.

May 31, 2002

H. Paul Kyburz, Market Administrator

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.