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ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA FOR JULY 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	\$ 2.2284	\$ 17.14
Other Zones	\$ 1.75	\$ 9.63	\$ 2.2279	\$ 17.09
	1.70	9.58	2.2274	17.04
	1.65	9.53	2.2269	16.99
	1.60	9.48	2.2264	16.94
Class II Prices				
	Nonfat Solids		(Per pound)	\$ 0.9533
	Butterfat		(Per pound)	2.1953
	Skim Milk		(Per cwt.)	8.58
	3.50% BF		(Per cwt.)	15.96
Class III Prices				
	Protein		(Per pound)	\$ 2.3175
	Other Solids		(Per pound)	0.1510
	Butterfat		(Per pound)	2.1883
	Skim Milk		(Per cwt.)	8.08
	3.50% BF		(Per cwt.)	15.46
Class IV Prices				
	Nonfat Solids		(Per pound)	\$ 0.8234
	Butterfat		(Per pound)	2.1883
	Skim Milk		(Per cwt.)	7.41
	3.50% BF		(Per cwt.)	14.81
Somatic Cell Adjustment Rate				
			(Per cwt. per 1,000 SCC)	\$ 0.00083

Factors Used in Prices for July 2001

Advanced Class III Skim Milk Price	(Per cwt.)	\$ 7.56
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)	2.2104

			<u>2-Week Average</u>	<u>Monthly Average</u>
NASS Survey Prices	Butter	(Per pound)	\$ 1.9275	\$ 1.9094
	Cheese	(Per pound)	1.6232	1.6573
	Dry Whey	(Per pound)	0.2753	0.2862
	Nonfat Dry Milk	(Per pound)	1.0158	0.9634
Component Prices	Butterfat	(Per pound)	\$ 2.2104	\$ 2.1883
	Protein	(Per pound)	2.1723	2.3175
	Other Solids	(Per pound)	0.1398	0.1510
	Nonfat Solids	(Per pound)	0.8758	0.8234

**ADVANCED CLASS PRICES AND RELATED DATA
FOR AUGUST 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	\$ 2.2392	\$ 17.20
Other Zones	\$ 1.75	\$ 9.65	\$ 2.2387	\$ 17.15
	1.70	9.60	2.2382	17.10
	1.65	9.55	2.2377	17.05
	1.60	9.50	2.2372	17.00
Class II Nonfat Solids Price			(Per pound)	\$ 0.9111
Class II Skim Milk Price			(Per cwt.)	\$ 8.20
Factors Used in Prices for August 2001				
Advanced Class III Skim Milk Price			(Per cwt.)	\$ 7.90
Advanced Class IV Skim Milk Price			(Per cwt.)	7.50
Class I Skim Milk Price Mover			(Per cwt.)	\$ 7.90
Advanced Butterfat Price			(Per pound)	2.2212
NASS Survey Prices -- Two-Week Average				
Butter			(Per pound)	\$ 1.9364
Cheese			(Per pound)	1.6521
Dry Whey			(Per pound)	0.2874
Nonfat Dry Milk			(Per pound)	0.9730
Advanced Component Prices				
Butterfat			(Per pound)	\$ 2.2212
Protein			(Per pound)	2.2576
Other Solids			(Per pound)	0.1523
Nonfat Solids			(Per pound)	0.8330

REGIONAL MILK PRODUCTION COSTS, JUNE AND JULY 2001 ^{2/}

Region	Total Cash Expenses		Total Economic Costs	
	June 3/ (Per cwt.)	July (Per cwt.)	June 3/ (Per cwt.)	July (Per cwt.)
Northeast	\$ 15.42	\$ 15.24	\$ 20.41	\$ 20.23
Southeast	15.10	14.96	18.76	18.59
Upper Midwest	13.97	13.83	18.67	18.54
Corn Belt	14.93	14.78	20.85	20.71
Southern Plains	13.24	13.12	16.56	16.44
Pacific	9.85	9.78	11.54	11.47

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

July 2001	Class I Skim Milk	20%	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.

August 3, 2001

H. Paul Kyburz, Market Administrator

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