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Agricultural Marketing Service  
Dairy Programs

**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA  
FOR DECEMBER 2000**

	Market Class I Differential Rate	Class I Prices <sup>1/</sup>		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
<b>Base Zone</b>	<b>\$ 1.80</b>	<b>\$ 9.55</b>	<b>\$ 1.3463</b>	<b>\$ 13.93</b>
Other Zones	\$ 1.75	\$ 9.50	\$ 1.3458	\$ 13.88
	1.70	9.45	1.3453	13.83
	1.65	9.40	1.3448	13.78
	1.60	9.35	1.3443	13.73
<b>Class II Prices</b>	Nonfat Solids		(Per pound)	\$ 0.9389
	Butterfat		(Per pound)	1.6604
	Skim Milk		(Per cwt.)	8.45
	3.50% BF		(Per cwt.)	13.97
<b>Class III Prices</b>	Protein		(Per pound)	\$ 1.0378
	Other Solids		(Per pound)	0.0829
	Butterfat		(Per pound)	1.6534
	Skim Milk		(Per cwt.)	3.71
	3.50% BF		(Per cwt.)	9.37
<b>Class IV Prices</b>	Nonfat Solids		(Per pound)	\$ 0.8616
	Butterfat		(Per pound)	1.6534
	Skim Milk		(Per cwt.)	7.75
	3.50% BF		(Per cwt.)	13.27
<b>Somatic Cell Adjustment Rate</b>			(Per cwt. per 1,000 SCC)	\$ 0.00054

**Factors Used in Prices for December 2000**

Advanced Class III Skim Milk Price	(Per cwt.)	\$ 4.14
Advanced Class IV Skim Milk Price	(Per cwt.)	7.75
Class I Skim Milk Price Mover	(Per cwt.)	\$ 7.75
Advanced Butterfat Price	(Per pound)	1.3283

			<u>2-Week Average</u>	<u>Monthly Average</u>
NASS Survey Prices	Butter	(Per pound)	\$ 1.2032	\$ 1.4698
	Cheese	(Per pound)	1.0259	1.0898
	Dry Whey	(Per pound)	0.1881	0.2172
	Nonfat Dry Milk	(Per pound)	1.0157	1.0158
Component Prices	Butterfat	(Per pound)	\$ 1.3283	\$ 1.6534
	Protein	(Per pound)	1.2348	1.0378
	Other Solids	(Per pound)	0.0528	0.0829
	Nonfat Solids	(Per pound)	0.8615	0.8616

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

	Market Class I Differential Rate	Class I Prices <sup>1/</sup>		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
<b>Base Zone</b>	<b>\$ 1.80</b>	<b>\$ 9.68</b>	<b>\$ 1.8424</b>	<b>\$ 15.79</b>
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
<b>Class II Nonfat Solids Price</b>		(Per pound)		\$ 0.9533
<b>Class II Skim Milk Price</b>		(Per cwt.)		\$ 8.58
<b>Factors Used in Prices for January 2001</b>				
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
NASS Survey Prices -- Two-Week Average				
Butter		(Per pound)		\$ 1.6110
Cheese		(Per pound)		1.0930
Dry Whey		(Per pound)		0.2194
Nonfat Dry Milk		(Per pound)		1.0159
Advanced Component Prices				
Class III Butterfat		(Per pound)		\$ 1.4681
Class IV Butterfat		(Per pound)		1.8244
Protein		(Per pound)		1.3038
Other Solids		(Per pound)		0.0820
Nonfat Solids		(Per pound)		0.8759

**REGIONAL MILK PRODUCTION COSTS, NOVEMBER AND DECEMBER 2000 <sup>2/</sup>**

Region	Total Cash Expenses		Total Economic Costs	
	November 3/ (Per cwt.)	December (Per cwt.)	November 3/ (Per cwt.)	December (Per cwt.)
Northeast	\$ 15.11	\$ 15.16	\$ 19.99	\$ 20.06
Southeast	14.73	14.79	18.44	18.50
Upper Midwest	13.79	13.83	18.36	18.41
Corn Belt	14.63	14.68	20.44	20.50
Southern Plains	12.92	12.97	16.20	16.27
Pacific	9.67	9.70	11.31	11.34

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.

January 5, 2001

H. Paul Kyburz, Market Administrator

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