

**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS**

TEXAS MARKETING AREA
Federal Order No. 126

Office Address:
1404 Carroll Street
Carrollton, TX 75006-7245
Phone: (972) 245-6060

NEW MEXICO-WEST TEXAS MARKETING AREA
Federal Order No. 138

November 5, 1998

Mailing Address:
P O Box 110939
Carrollton, TX 75011-0939
Fax: (972) 245-3211
Lab Fax: (972) 323-7941

**ANNOUNCEMENT OF CLASS PRICES
PER HUNDREDWEIGHT FOR 3.5% MILK AND BUTTERFAT DIFFERENTIALS ^{1/}**

	<u>OCT 1998</u>	<u>NOV 1998 ^{5/}</u>	<u>DEC 1998 ^{5/}</u>
CLASS I PRICE			
TEXAS ^{2/}	\$ 18.15	\$ 18.26	\$ 19.20
PROCESSOR ASSESSMENT ^{3/}	_____ .20	_____ .20	_____ .20
TOTAL ^{3/}	18.35	18.46	19.40
NEW MEXICO-WEST TEXAS ^{4/}	\$ 17.34	\$ 17.45	\$ 18.39
PROCESSOR ASSESSMENT ^{3/}	_____ .20	_____ .20	_____ .20
TOTAL ^{3/}	17.54	17.65	18.59
CLASS II PRICE	\$ 15.29	\$ 15.40	\$ 16.34
CLASS III PRICE	\$ 16.04		
CLASS III-A PRICE	\$ 18.13		
BUTTERFAT DIFFERENTIAL	\$.273		

PRICE QUOTATIONS AND FORMULA PRICES

	<u>OCT 1998</u>	<u>SEP 1998</u>	<u>OCT 1997</u>
BASIC FORMULA PRICE AT 3.5% PER CWT	\$ 16.04	\$ 15.10	\$ 12.83
BASE MONTH PRICE AT TEST PER CWT		15.76	13.51
BASE MONTH PRICE AT 3.5%		15.18	12.91
CHANGE IN VALUES PER CWT (ADJ. FROM PREV. TO CUR. MO.)	+0.86	+0.41	+0.15
CHICAGO GRADE A BUTTER OR EQUIVALENT PRICE	2.3189	2.6666	1.3735
NON-FAT DRY MILK AVG (CENTRAL STATES)	1.1180	1.1007	1.0691
40-LB BLOCK CHEESE PER LB. (NASS, U.S. AVERAGE)	1.7534	1.6556	1.3835

REGIONAL MILK PRODUCTION COSTS, 1997 ^{6/}

<u>REGION</u>	<u>TOTAL CASH EXPENSES</u>	<u>TOTAL ECONOMIC COSTS</u>
NORTHEAST	\$15.11	\$19.99
SOUTHEAST	14.91	19.02
UPPER MIDWEST	14.43	19.07
CORN BELT	14.64	20.13
SOUTHERN PLAINS	12.96	16.42
PACIFIC	11.84	13.93
UNITED STATES	13.94	18.07

^{1/} United States Department of Agriculture, Agricultural Marketing Service. For further information contact John Rourke, 202/720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.

^{2/} The Class I price for the Texas Marketing Area is the basic formula price for the second preceding month plus \$3.16, subject to the zone adjustment for that location.

^{3/} The processor assessment 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 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

^{4/} The Class I price for the New Mexico-West Texas Marketing Area is the basic formula price for the second preceding month plus \$2.35, subject to the zone adjustment for that location.

^{5/} Class I price may be affected by judicial actions.

^{6/} United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202/694-5588, or visit <<www.econ.ag.gov/briefing/fbe/car/milk2.htm>>. Costs are dollars per 100 pounds (cwt.).

Richard Fleming
Market Administrator