

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

TEXAS MARKETING AREA  
Federal Order No. 126

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

February 8, 1999

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**ANNOUNCEMENT OF CLASS PRICES  
PER HUNDREDWEIGHT FOR 3.5% MILK AND BUTTERFAT DIFFERENTIALS <sup>1/</sup>**

	<u>JAN 1999</u>	<u>FEB 1999 <sup>2/</sup></u>	<u>MAR 1999 <sup>2/</sup></u>
<b>CLASS I PRICE</b>			
TEXAS <sup>3/</sup>	\$ 20.00	\$ 20.50	\$ 19.43
PROCESSOR ASSESSMENT <sup>4/</sup>	_____ .20	_____ .20	_____ .20
TOTAL <sup>4/</sup>	20.20	20.70	19.63
NEW MEXICO-WEST TEXAS <sup>5/</sup>	\$ 19.19	\$ 19.69	\$ 18.62
PROCESSOR ASSESSMENT <sup>4/</sup>	_____ .20	_____ .20	_____ .20
TOTAL <sup>4/</sup>	19.39	19.89	18.82
<b>CLASS II PRICE</b>	\$ 17.14	\$ 17.64	\$ 16.57
<b>CLASS III PRICE</b>	\$ 16.27		
<b>CLASS III-A PRICE</b>	\$ 13.12		
<b>BUTTERFAT DIFFERENTIAL</b>	\$ .137		

**PRICE QUOTATIONS AND FORMULA PRICES**

	<u>JAN 1999</u>	<u>DEC 1998</u>	<u>JAN 1998</u>
BASIC FORMULA PRICE AT 3.5% PER CWT	\$ 16.27	\$ 17.34	\$ 13.25
BASE MONTH PRICE AT TEST PER CWT		17.92	13.70
BASE MONTH PRICE AT 3.5% PER CWT		17.35	13.26
CHANGE IN VALUES PER CWT (ADJ. FROM PREV. TO CUR. MO.)	-1.08	+0.28	-0.02
CHICAGO GRADE A BUTTER OR EQUIVALENT PRICE	1.3322	1.3231	1.1061
NON-FAT DRY MILK AVG (CENTRAL STATES)	1.0893	1.1490	1.0593
40-LB BLOCK CHEESE PER LB. (NASS, U.S. AVERAGE)	1.7595	1.8707	1.4165

**REGIONAL MILK PRODUCTION COSTS, DEC 1998 AND JAN 1999 <sup>6/</sup>**

	<u>TOTAL CASH EXPENSES</u>		<u>TOTAL ECONOMIC COSTS</u>	
<u>REGION</u>	<u>DEC <sup>7/</sup></u>	<u>JAN</u>	<u>DEC <sup>7/</sup></u>	<u>JAN</u>
NORTHEAST	\$14.77	\$14.55	\$20.24	\$20.00
SOUTHEAST	\$18.78	\$18.55	\$24.42	\$24.10
UPPER MIDWEST	\$13.89	\$13.73	\$19.01	\$18.82
CORN BELT	\$14.53	\$14.36	\$20.77	\$20.57
SOUTHERN PLAINS	\$14.81	\$14.63	\$19.28	\$19.06
PACIFIC	\$11.48	\$11.36	\$13.77	\$13.61

<sup>1/</sup> 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.

<sup>2/</sup> Class I price may be affected by judicial actions.

<sup>3/</sup> 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.

<sup>4/</sup> 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.

<sup>5/</sup> 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.

<sup>6/</sup> United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202/694-5588. Costs are dollars per 100 pounds (cwt.). 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.

<sup>7/</sup> Revised from January 5, 1999 announcement.

Richard Fleming  
Market Administrator