

**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

June 4, 1999

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

	<u>MAY 1999</u>	<u>JUN 1999</u>	<u>JUL 1999</u>
CLASS I PRICE			
TEXAS ^{2/}	\$ 14.78	\$ 14.97	\$ 14.42
PROCESSOR ASSESSMENT ^{3/}	.20	.20	.20
TOTAL ^{3/}	14.98	15.17	14.62
NEW MEXICO-WEST TEXAS ^{4/}	\$ 13.97	\$ 14.16	\$ 13.61
PROCESSOR ASSESSMENT ^{3/}	.20	.20	.20
TOTAL ^{3/}	14.17	14.36	13.81
CLASS II PRICE	\$ 11.92	\$ 12.11	\$ 11.56
CLASS III PRICE	\$ 11.26		
CLASS III-A PRICE	\$ 11.62		
BUTTERFAT DIFFERENTIAL	\$.111		

PRICE QUOTATIONS AND FORMULA PRICES

	<u>MAY 1999</u>	<u>APR 1999</u>	<u>MAY 1998</u>
BASIC FORMULA PRICE AT 3.5% PER CWT	\$ 11.26	\$ 11.81	\$ 10.88
BASE MONTH PRICE AT TEST PER CWT		12.00	11.35
BASE MONTH PRICE AT 3.5% PER CWT		11.69	11.05
CHANGE IN VALUES PER CWT (ADJ. FROM PREV. TO CUR. MO.)	-0.43	-0.05	-0.94
CHICAGO GRADE A BUTTER OR EQUIVALENT PRICE	1.0389	0.9398	1.4945
NON-FAT DRY MILK AVG (CENTRAL STATES)	1.0228	1.0228	1.0348
40-LB BLOCK CHEESE PER LB. (NASS, U.S. AVERAGE)	1.2661	1.3131	1.2034

REGIONAL MILK PRODUCTION COSTS, APRIL AND MAY 1999 ^{5/}

<u>REGION</u>	<u>TOTAL CASH EXPENSES</u>		<u>TOTAL ECONOMIC COSTS</u>	
	<u>APR ^{6/}</u>	<u>MAY</u>	<u>APR ^{6/}</u>	<u>MAY</u>
NORTHEAST	\$13.05	\$13.59	\$18.18	\$18.78
SOUTHEAST	\$13.68	\$14.22	\$17.90	\$18.55
UPPER MIDWEST	\$12.28	\$12.59	\$17.13	\$17.52
CORN BELT	\$13.29	\$13.67	\$19.50	\$19.94
SOUTHERN PLAINS	\$11.67	\$12.10	\$15.45	\$15.93
PACIFIC	\$9.46	\$9.69	\$11.53	\$11.79

- ^{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/} 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.
- ^{6/} Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.

Richard Fleming
Market Administrator