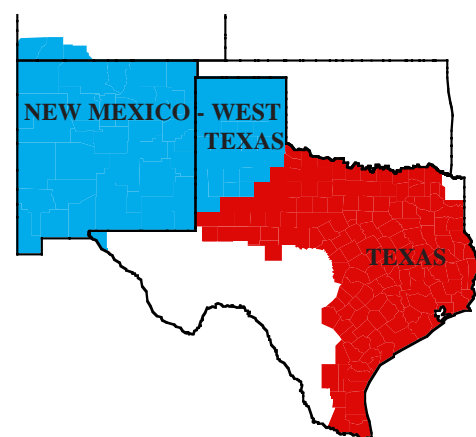


THE MARKET ADMINISTRATOR'S *REPORT*



TEXAS MARKETING AREA NEW MEXICO - WEST TEXAS MARKETING AREA

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MARKET SUMMARIES FOR APRIL

The April Class III price decreased 73 cents from the previous month to \$11.16. The Class II price for April of \$12.09 per hundredweight decreased 11 cents from \$12.20 in March. April's Class III-A price increased 5 cents from March's level to \$10.27.

Texas: Producers who delivered milk to handlers located in Zones 1 and 2 of the Texas Milk Market Order received \$12.70 per hundredweight for deliveries of milk containing 3.5% butterfat. The April price was down 23 cents from March.

Producers delivered a total of 572,836,936 pounds of milk during April. On a daily basis this represents an increase of 1.09 percent from the producer receipts level in March and it represents an increase of 1.19 percent when compared to the producer receipts level of April 1994.

Producer milk classified as Class I during April amounted to 43.55 percent of total producer receipts. This figure is down from 47.24 percent in March and it is down from 46.78 percent in April 1994. The average butterfat test of producer milk pooled during April 1995 was 3.485 percent.

New Mexico - West Texas: Producers who delivered milk to handlers located in Zone 1 of the New Mexico - West Texas Milk Market Order received \$11.90 per hundredweight for deliveries of milk containing 3.5% butterfat. The April price was down 17 cents from March.

Producers delivered a total of 179,825,583 pounds of milk during April. On a daily basis this represents a decrease of .57 percent from the producer receipts level in March but it represents an increase of 19.80 percent when compared to the producer receipts level of April 1994.

Producer milk classified as Class I during April

amounted to 30.19 percent of total producer receipts. This figure is down from 33.54 percent in March and it is down from 36.79 percent in April 1994. The average butterfat test of producer milk pooled during April 1995 was 3.596 percent.

USDA REFUNDS DAIRY FARMERS \$72.8 MILLION FOR REDUCED 1994 MARKETINGS

The U.S. Department of Agriculture has announced refunds of \$72.8 million to milk producers who reduced or did not increase their 1994 milk marketings compared with 1993. The law provides that any producer who did not market more milk in a refund-year than was marketed in the previous year is eligible for a refund of the entire amount assessed during the refund-year.

As required by section 204 of the Agricultural Act of 1949, as amended by the Omnibus Budget Reconciliation Act of 1990, producers paid an assessment on all milk they marketed during calendar year 1994. The rate of assessment for January milk marketings was 10.12 cents per hundredweight (cwt.) and for February through April, 11.25 cents. The assessment rate from May through December was increased to 19.28 cents in order to recapture funds paid out in 1993.

Eligible producers filed 47,956 applications and claimed refunds of \$72.8 million based upon reduced milk marketings of 4.7 billion pounds. In Texas, 718 eligible producers filed claims for \$2.709 million based upon reduced milk marketings of 271.9 million pounds. In New Mexico, 20 eligible producers filed claims for \$.376 million based upon reduced milk marketings of 26.3 million pounds. Producers must

have met the eligibility requirements and claimed the refund by March 15.

The assessment is increased on May-December marketings each year to compensate for refunds made the previous year. Therefore, the rate of assessment on milk marketings beginning May 1 will be increased by 6.98 cents per cwt. for a total assessment of 18.23 cents per cwt. for the remainder of this calendar year.

On January 1, 1996, the rate of assessment will be reduced to 10 cents per cwt., as required by the 1949 Act, as amended by the Omnibus Budget Reconciliation Act of 1993. The refund program also was continued by this amendment.

MILK PRODUCTION SURGE TO CONTINUE

Milk production is expected to continue expanding briskly during the rest of 1995. Higher than expected winter milk prices will encourage further growth in western cow numbers. In some midwestern States, more farms than a year earlier are expected to expand, while fewer quit dairying. However, lower spring and summer milk prices probably will pull cow numbers back below a year earlier during the second half.

The number of cows injected with bovine somatotropin (bST) will continue to increase, boosting milk per cow. Successful adopters of bST probably will inject more of their herds, while other producers start to use it. This should easily outweigh situations where bST use is discontinued. Along with a boost from better forage during the first half, additional bST use is expected to lift 1995 growth in milk per cow above 3 percent.

January through March milk production jumped 4 percent from a year earlier. Milk per cow rose sharply, while the number of milk cows was slightly above a year earlier. Strong domestic and export demand absorbed much of this additional production. However, April declines in cheese prices indicate that production gains were, as expected, overtaking higher use. Milk prices are expected to remain below a year earlier for the rest of 1995.

Source: "Livestock, Dairy and Poultry Situation and Outlook", LDP-M-16, April 12, 1995, Economic Research Service, USDA. .

DAIRY DAY AT OLD CITY PARK, JUNE 3

Dairy Day is set for Saturday, June 3, from 10 a.m.- 3 p.m. at Old City Park. This year's events include: free ice cream cones, samples of cheeses,

milk and yogurt, and balloons for the youngsters.

Enjoy this fun filled event in the park where young dairy calves will be on hand for youngsters to pet, and brave children and adults may try their hand at milking a dairy cow.

The magic of making butter will be demonstrated the old fashioned way. You can watch whole milk separate into skim milk and cream. Turn-of-the-century churns will be used to turn the cream into butter.

Special fun and game activities for children and adults will be available, and at the same time guests will see a demonstration of modern milking equipment in action at the milking parlor on wheels.

Exhibits will demonstrate the need for good nutrition, and will cover calcium equivalents, osteoporosis, and cheese tasting.

This event, a celebration of June Dairy Month, is sponsored by the Texas Agricultural Extension Service, The Texas A&M University System; Associated Milk Producers Inc., Consumer Services Division, Arlington; and metroplex milk and dairy products processors, in cooperation with Old City Park. Admission is \$3 per adult and \$2 for children 3-12 years old with all proceeds going to the Dallas County Heritage Society.

Old City Park is located at Harwood and I-30 on the southern edge of downtown Dallas near the Farmers' Market. For directions or information, call Old City Park at 421-5141.

USDA ISSUES FINAL DECISION ON SOUTHEAST MERGER

The USDA has issued a final decision on the merger of Federal milk orders in the Southern United States. Based on a hearing held in November 1993 in Atlanta, Georgia, the final decision would merge the Georgia, Alabama - West Florida, Greater Louisiana, New Orleans - Mississippi and Central Arkansas marketing areas with unregulated counties in Arkansas, Georgia, Mississippi and Tennessee into a new "Southeast" marketing area. This marketing area would include the territory of the former Memphis and Nashville, Tennessee milk marketing areas.

The decision is based on industry proposals to merge individual marketing areas in order to more equitably divide the markets' proceeds in what has essentially become a single, large market with significantly overlapping sales and procurement areas. The merger is also expected to more fairly apportion the cost associated with maintaining the seasonal reserve milk in the region.

TOP TEN TEXAS COUNTIES a/ – APRIL 1995

<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 1994</u>	<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 1994</u>
1. Erath	199	121,319,076	-5.26	7. Archer	66	18,325,097	-3.46
2. Hopkins	414	83,383,115	-5.42	8. Cherokee	46	17,680,528	-5.93
3. Comanche	55	34,110,688	-1.44	9. Hamilton	41	14,614,321	+20.78
4. Johnson	68	20,978,403	-7.98	10. Franklin	61	12,460,338	-6.89
5. Wood	96	20,595,783	-2.75	Ten County Total	1,055	361,802,195	-4.02 b/
6. El Paso	9	18,334,846	+9.7	<u>Other Counties Total</u>	<u>826</u>	<u>196,085,590</u>	<u>-7.47</u>
				Texas Total	1,881	557,887,785	-5.26

a/ Includes all known Grade "A" milk produced on farms located in Texas.

b/ Compared to top ten counties for the month in the previous year.

Minimum Prices at 3.5%, for Federal Orders 126 and 138 (Zone 1) Formula Prices (3.5%) and Price Quotations

	Class I a/		Class II	Class III	Class III-A	Uniform a/		B F Diff.	Grade A	Block	Spray
	126	138				126	138		Butter	Cheese	Powder
Month	----- Dollars Per Hundred Wt. -----							¢/Point	-----Cents Per Pound-----		
March 1994	15.57	14.76	12.61	12.77	10.32	13.64	12.59	5.3	65.00	136.23	110.47
April	15.57	14.76	13.19	12.99	10.34	13.68	12.64	5.3	64.93	139.28	110.76
May	15.93	15.12	13.88	11.51	10.24	13.59	12.47	5.6	63.90	124.31	108.47
June	16.15	15.34	12.18	11.25	10.09	13.67	12.53	5.8	64.63	119.14	106.06
July	14.67	13.86	10.35	11.41	10.13	12.60	11.92	6.0	66.94	125.53	105.62
August	14.41	13.60	11.84	11.73	10.38	13.15	12.18	6.5	71.00	127.85	106.53
September	14.57	13.76	12.95	12.04	10.35	13.47	12.71	6.4	71.00	131.39	106.59
October	14.89	14.08	12.15	12.29	10.36	13.47	12.71	6.3	71.00	132.69	107.04
November	15.20	14.39	12.53	11.86	10.40	13.60	12.74	6.4	71.00	126.56	107.10
December	15.45	14.64	12.24	11.38	10.17	13.40	12.36	5.8	65.52	120.91	106.86
Averages 1994 b/	15.33	14.52	12.45	12.00	10.27	13.51	12.54	5.8	66.77	128.70	107.93
January 1995	15.02	14.21	11.02	11.35	10.06	13.03	12.09	5.5	63.00	122.20	106.71
February	14.54	13.73	11.35	11.79	10.12	12.92	12.05	5.6	65.04	127.80	107.11
March	14.51	13.70	12.20	11.89	10.22	12.93	12.07	5.7	66.00	129.00	107.77
April	14.95	14.14	12.09	11.16	10.27	12.70	11.90	.59	66.00	121.10	107.56
May	15.05	14.24	12.19								
June	14.32	13.51	11.46								

a/ Subject to zone and location adjustments. b/ Simple averages

TOP NEW MEXICO COUNTIES a/ – APRIL 1995

<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 1994</u>	<u>County</u>	<u>Number of Producers</u>	<u>Pounds</u>	<u>% Change From 1994</u>
1. Chaves	40	113,490,007	+6.16	7. Valencia	13	11,057,339	+8.7
2. Dona Ana	24	59,242,914	+1.18	8. Bernalillo	8	9,951,874	-9.16
3. Roosevelt	27	38,840,675	+19.08	9. Socorro	9	5,782,983	+6.15
4. Curry	9	24,188,508	+31.98				
5. Eddy	5	16,863,308	+47.75	Nine County Total	146	295,569,100	+10.51
6. Lea	11	16,151,492	+31.55	<u>Other Counties Total</u>	<u>6</u>	<u>6,735,813</u>	<u>-39.98</u>
				New Mexico Total	152	302,304,913	+8.48

a/ All known Grade "A" milk produced on farms located in New Mexico.

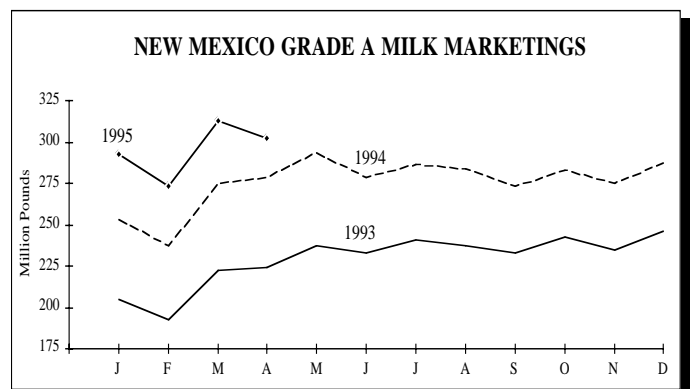
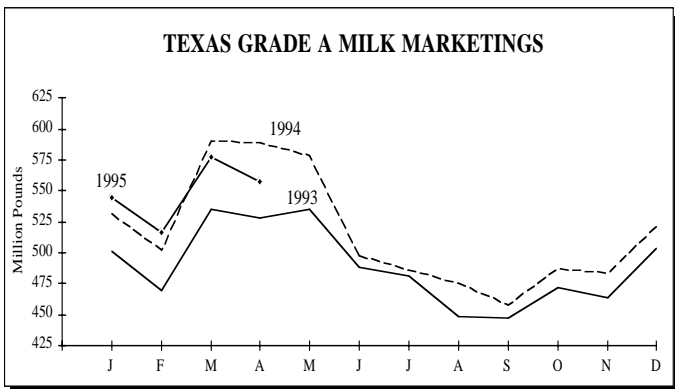
b/ Compared to top counties for the month in the previous year.

**POUNDS OF GRADE A MILK MARKETING BY
PRODUCERS LOCATED IN TEXAS BY MONTHS:
JANUARY 1993 THROUGH APRIL 1995, WITH PERCENTAGE COMPARISONS**

MONTH	1993 POUNDS	Number of Producers	1994 POUNDS	Number of Producers	1995 POUNDS	Number of Producers	PERCENT CHANGE 1994/93	1995/94
January	501,212,264	2,039	531,658,454	1,960	544,665,125	1,918	+6.07	+2.45
February	469,421,940	2,036	502,048,659	1,961	517,418,721	1,906	+6.95	+3.06
March	534,985,958	2,023	590,563,277	1,957	577,449,222	1,897	+10.39	-2.22
April	528,234,691	2,011	588,890,115	1,963	557,887,785	1,881	+11.48	-5.26
May	535,272,595	2,001	578,120,136	1,956			+8.00	
June	488,469,601	1,995	498,149,578	1,969			+1.98	
July	481,029,804	1,985	486,029,589	1,955			+1.04	
August	448,948,355	1,974	475,739,415	1,953			+5.97	
September	447,343,829	1,976	458,143,784	1,948			+2.41	
October	471,379,110	1,973	486,705,004	1,944			+3.25	
November	463,334,474	1,960	483,247,718	1,936			+4.30	
December	<u>503,356,197</u>	1,965	<u>521,399,526</u>	1,924			<u>+3.58</u>	
Years Total	5,872,988,818		6,200,845,698				+5.58	

**POUNDS OF GRADE A MILK MARKETING BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 1993 THROUGH APRIL 1995, WITH PERCENTAGE COMPARISONS**

MONTH	1993 POUNDS	Number of Producers	1994 POUNDS	Number of Producers	1995 POUNDS	Number of Producers	PERCENT CHANGE 1994/93	1995/94
January	204,707,796	139	253,218,001	147	293,138,194	156	+23.69	+15.76
February	192,335,243	140	237,211,785	148	273,530,768	155	+23.33	+15.31
March	222,849,739	140	275,165,335	145	313,161,171	152	+23.48	+13.81
April	224,429,460	141	278,682,898	149	302,304,913	152	+24.17	+8.48
May	237,473,164	143	293,746,832	149			+23.70	
June	232,947,016	142	278,940,461	150			+17.44	
July	240,574,076	145	286,825,906	149			+19.23	
August	237,512,245	146	283,870,810	150			+19.52	
September	232,833,573	146	273,359,295	151			+17.41	
October	242,443,358	148	283,588,806	152			+16.97	
November	234,445,273	149	275,359,100	152			+17.45	
December	<u>246,724,079</u>	148	<u>287,886,379</u>	154			<u>+16.68</u>	
Years Total	2,749,275,022		3,307,855,608				+20.32	



TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	<u>Butterfat</u>		<u>Protein</u>		<u>Lactose</u>		<u>S-N-F</u>		<u>SCC*</u>	
	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>
March 1994	3.52	3.63	3.18	3.13	4.79	4.79	8.69	8.64	338	238
April	3.45	3.58	3.17	3.11	4.80	4.80	8.68	8.63	335	229
May	3.43	3.49	3.14	3.08	4.79	4.81	8.65	8.61	383	221
June	3.39	3.44	3.09	3.03	4.78	4.80	8.57	8.54	427	240
July	3.37	3.37	3.12	3.03	4.77	4.79	8.59	8.53	454	260
August	3.44	3.39	3.15	3.06	4.76	4.79	8.61	8.56	444	264
September	3.52	3.46	3.23	3.15	4.74	4.80	8.69	8.68	448	278
October	3.63	3.61	3.27	3.21	4.80	4.82	8.78	8.76	405	252
November	3.70	3.69	3.30	3.25	4.78	4.82	8.80	8.80	397	250
December	3.68	3.69	3.27	3.23	4.81	4.82	8.80	8.77	389	255
Average 1994	3.54	3.56	3.20	3.14	4.78	4.80	8.69	8.66	393	247
January 1995	3.69	3.70	3.25	3.21	4.79	4.81	8.75	8.75	385	272
February	3.60	3.64	3.21	3.17	4.83	4.86	8.76	8.74	364	253
March	3.60	3.61	3.22	3.17	4.83	4.84	8.77	8.74	377	254

* In thousands.

NEW MEXICO - WEST TEXAS MILK MARKET AT A GLANCE

	<u>REPORTED</u> <u>APR. 1995</u>	<u>REPORTED</u> <u>MAR. 1995</u>	<u>REPORTED</u> <u>APR. 1994</u>
TOTAL UTILIZATION			
CLASS I	56,279,619	63,850,626	56,697,380
CLASS II	18,732,328	13,546,811	11,904,541
CLASS III/III-A	122,243,067	132,357,053	87,461,528
CLOSING INVENTORY (CLASS I, II AND III)	10,613,726	9,773,345	8,707,407
TOTAL UTILIZATION	207,868,740	219,527,835	164,770,856
DAILY CLASS I UTILIZATION	1,875,987	2,059,698	1,889,913
APR. -DAILY CLASS I COMPARED TO:		-8.92%	-.74%
CLASS I YEAR TO DATE (IN THOUSANDS)	233,903	177,623	231,729
% CHANGE FROM PREVIOUS YEAR	+.94%	+1.48%	-3.03%
TOTAL RECEIPTS			
PRODUCER RECEIPTS CLASSIFIED AS CLASS I	54,293,893	62,682,917	55,222,049
PRODUCER RECEIPTS CLASSIFIED AS CLASS II	17,628,229	12,018,642	10,851,107
PRODUCER RECEIPTS CLASSIFIED AS CLASS III/III-A	107,903,461	112,177,700	84,031,865
TOTAL PRODUCER RECEIPTS	179,825,583	186,879,259	150,105,021
OTHER SOURCE A/	18,242,344	19,900,740	4,097,611
OPENING INVENTORY	9,773,345	12,747,836	9,748,218
OVERAGE	27,468		820,006
TOTAL RECEIPTS	207,868,740	219,527,835	164,770,856
DAILY PRODUCER RECEIPTS	5,994,186	6,028,363	5,003,501
APR. -DAILY PRODUCER RECEIPTS COMPARED TO:		-.57%	+19.80%
PRODUCER RECEIPTS YEAR TO DATE (IN THOUSANDS)	654,534	474,708	667,449
% CHANGE FROM PREVIOUS YEAR	-1.94%	-8.24%	-7.37%
AVERAGE BUTTERFAT TEST OF PRODUCER RECEIPTS	3.596%	3.647%	3.598%
% PRODUCER MILK CLASSIFIED AS CLASS I	30.19%	33.54%	36.79%
NUMBER OF PRODUCERS	128	132	175
AVERAGE DAILY DELIVERY PER PRODUCER	46,830	45,669	28,591
NUMBER OF POOL HANDLERS	15	15	15

A/ INCLUDES MILK, SKIM MILK, CREAM AND SKIM EQUIVALENT OF CONCENTRATED SKIM MILK PRODUCTS

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TEXAS MARKETING AREA

NEW MEXICO - WEST TEXAS MARKETING AREA

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TEXAS MILK MARKET AT A GLANCE

	REPORTED <u>APR. 1995</u>	REPORTED <u>MAR. 1995</u>	AUDITED <u>APR. 1994</u>
TOTAL UTILIZATION			
CLASS I	251,942,617	277,409,251	268,384,781
CLASS II	96,041,048	97,649,085	93,976,669
CLASS III/III-A	234,047,776	233,948,689	232,217,217
CLOSING INVENTORY (CLASS I, II AND III)	34,308,972	27,570,812	31,749,215
TOTAL UTILIZATION	616,340,413	636,577,837	626,327,882
DAILY CLASS I UTILIZATION	8,398,087	8,948,686	8,946,159
APR. -DAILY CLASS I COMPARED TO:		-6.15%	-6.13%
CLASS I YEAR TO DATE (IN THOUSANDS)	1,065,460	813,518	1,081,124
% CHANGE FROM PREVIOUS YEAR	-1.45%	+1.10%	+2.82%
TOTAL RECEIPTS			
PRODUCER RECEIPTS CLASSIFIED AS CLASS I	249,462,680	276,624,489	264,848,687
PRODUCER RECEIPTS CLASSIFIED AS CLASS II	89,102,225	87,992,229	84,906,070
PRODUCER RECEIPTS CLASSIFIED AS CLASS III/III-A	234,272,031	220,910,153	216,369,399
TOTAL PRODUCER RECEIPTS	572,836,936	585,526,871	566,124,156
OTHER SOURCE A/	15,919,778	17,346,176	28,291,105
OPENING INVENTORY	27,570,812	33,222,525	31,912,621
OVERAGE	12,887	482,265	
TOTAL RECEIPTS	616,340,413	636,577,837	626,327,882
DAILY PRODUCER RECEIPTS	19,094,565	18,887,964	18,870,805
APR. -DAILY PRODUCER RECEIPTS COMPARED TO:		+1.09%	+1.19%
PRODUCER RECEIPTS YEAR TO DATE (IN THOUSANDS)	2,265,647	1,692,810	2,200,814
% CHANGE FROM PREVIOUS YEAR	+2.95%	+3.56%	+7.71%
AVERAGE BUTTERFAT TEST OF PRODUCER RECEIPTS	3.485%	3.582%	3.453%
% PRODUCER MILK CLASSIFIED AS CLASS I	43.55%	47.24%	46.78%
NUMBER OF PRODUCERS	2,102	2,113	2,137
AVERAGE DAILY DELIVERY PER PRODUCER	9,084	8,939	8,831
NUMBER OF POOL HANDLERS	35	35	32

A/ INCLUDES MILK, SKIM MILK, CREAM AND SKIM EQUIVALENT OF CONCENTRATED SKIM MILK PRODUCTS