



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

**DAIRY PROGRAMS  
Milk Market Administrator  
Southwest Marketing Area**

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August 17, 2001

**ANNOUNCEMENT OF CLASS I AND II ADVANCED PRICES  
AND PRICING FACTORS <sup>1/ 7/</sup>**

SEPTEMBER 2001

<b>CLASS I PRICE<sup>2/</sup></b> .....	\$ 18.56
Processor Assessment <sup>3/</sup> .....	\$ .20
<b>Total</b> .....	\$ 18.76
Base Price (Class I mover) .....	\$ 15.56
Skim Milk Price <sup>4/</sup> .....	\$ 10.99
Butterfat Price, per lb. <sup>5/</sup> .....	\$ 2.2732
 <b>CLASS II</b>	
Skim Milk Price <sup>6/</sup> .....	\$ 7.94
Nonfat Solids Price, per lb. ....	\$ 0.8822
<b>ADVANCED CLASS III SKIM MILK PRICING FACTOR</b> .....	\$ 7.99
<b>ADVANCED CLASS IV SKIM MILK PRICING FACTOR</b> .....	\$ 7.24
<b>ADVANCED BUTTERFAT PRICING FACTOR, per lb.</b> .....	\$ 2.2432

**DAIRY PRODUCT AVERAGE PRICE QUOTATIONS**

	<u>AUG 2001</u>	<u>JUL 2001</u>	<u>AUG 2000</u>
<b>NASS WEIGHTED AVERAGE PRICES – TWO WEEKS</b>			
CHEDDAR CHEESE, per lb.	1.6696	1.6521	1.1847
BUTTER, per lb.	1.9544	1.9364	1.1465
NONFAT DRY MILK, per lb.	0.9445	0.9730	1.0091
DRY WHEY, per lb.	0.2871	0.2874	0.1940

**CLASS I PRICE ADJUSTMENTS FROM BASE DIFFERENTIAL – DALLAS COUNTY**

Albuquerque	-\$0.65	El Paso	-\$0.75	Sulphur Springs, Winnboro	\$0.00
Amarillo	-\$0.60	Floresville	+\$0.45	Tyler	\$0.00
Austin	+\$0.30	Houston, Conroe	+\$0.60	Waco	+\$0.15
Bryan	+\$0.30	Lubbock	-\$0.60		
Corpus Christi	+\$0.65	San Antonio	+\$0.45		

- <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> The Class I price announced is per hundredweight at 3.5% butterfat at Dallas County location.
- <sup>3/</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 marketing of such packaged fluid milk products during the month.
- <sup>4/</sup> The Class I skim price for the Southwest Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$3.00, subject to the adjustment for that location.
- <sup>5/</sup> The Class I butterfat price for the Southwest Marketing Area is the advanced butterfat pricing factor plus \$0.030 (\$3.00 divided by 100), subject to the adjustment for that location.
- <sup>6/</sup> The Class II skim price for the Southwest Marketing Area is the advanced Class IV skim milk pricing factor plus \$0.70.
- <sup>7/</sup> These prices were computed using the formulas in the U.S. District Court's preliminary injunction dated January 31, 2001.

Richard Fleming  
Market Administrator