

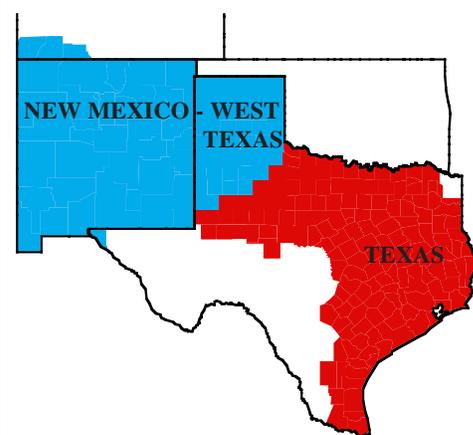
THE MARKET ADMINISTRATOR'S

REPORT



TEXAS MARKETING AREA NEW MEXICO - WEST TEXAS MARKETING AREA

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MARKET SUMMARIES FOR JUNE

The June Class III price increased 30 cents from the previous month to \$11.42. The Class II price for June of \$11.46 per hundredweight decreased 73 cents from \$12.19 in May. June's Class III-A price increased 16 cents from May's level to \$10.37.

Texas: Producers who delivered milk to handlers located in Zones 1 and 2 of the Texas Milk Market Order received \$12.71 per hundredweight for deliveries of milk containing 3.5% butterfat. The June price was down 26 cents from May.

Producers delivered a total of 545,146,559 pounds of milk during June. On a daily basis this represents a decrease of .42 percent from the producer receipts level in May but it represents an increase of 2.24 percent when compared to the producer receipts level of June 1994.

Producer milk classified as Class I during June amounted to 46.63 percent of total producer receipts. This figure is essentially the same as May's 43.60 percent but it is down from 48.09 percent in June 1994. The average butterfat test of producer milk pooled during June 1995 was 3.436 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 \$11.80 per hundredweight for deliveries of milk containing 3.5% butterfat. The June price was down 13 cents from May.

Producers delivered a total of 170,816,512 pounds of milk during June. On a daily basis this represents a decrease of 3.95 percent from the producer receipts level in May but it represents an increase of 22.85 percent when compared to the producer receipts level of June 1994.

Producer milk classified as Class I during June

amounted to 32.63 percent of total producer receipts. This figure is up from 31.82 percent in May but it is down from 36.98 percent in June 1994. The average butterfat test of producer milk pooled during June 1995 was 3.430 percent.

DAIRY OUTLOOK

Dairy markets are coping with a volatile mix this spring and summer: faltering gains and expected recovery in milk production, very strong export demand for milkfat, a reduced Dairy Export Incentive Program (DEIP), large nonfat dry milk stocks, and modest gains in commercial use of skim solids. Cheese prices and farm milk prices are expected to be about flat until midsummer and then post moderate seasonal gains. For all of 1995, farm milk prices are projected to average 3 to 5 percent below a year earlier, the result of a 3 percent rise in production and only a 2 percent increase in skim solids sales.

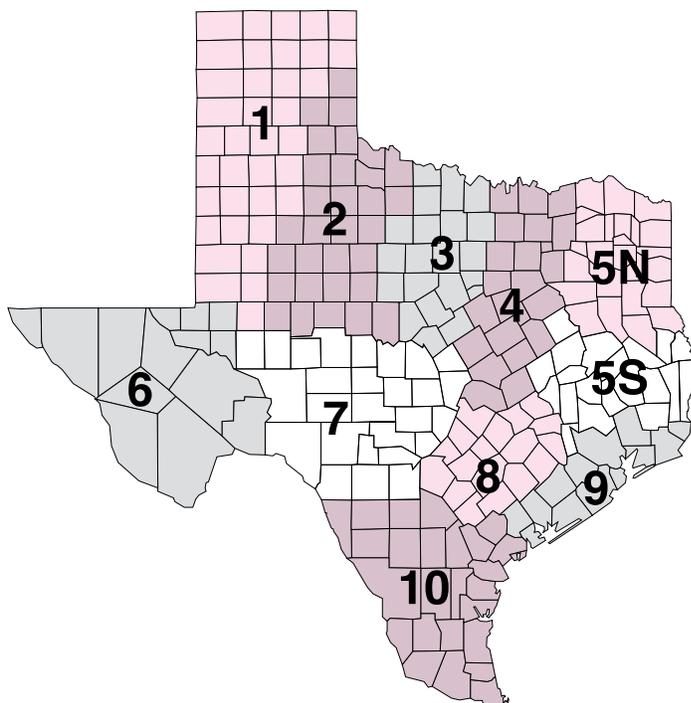
Milk production is expected to show large increases during the second half of 1995, if the currently sluggish milk per cow in western areas can recover. Cow numbers are expected to be barely below a year earlier, while milk per cow, aided by further adoption of bovine somatotropin (bST), posts large gains. The 1995 total milk production is projected to rise about 3 percent.

In 1996, milk prices are expected to be about unchanged. Both milk output and commercial use of skim solids are projected to grow about 2 percent. While the surplus of skim solids will be substantial, almost all of the available milkfat beyond domestic sales is projected to be exported without subsidy.

Source: "Dairy Outlook", LDP-D-7, June 23, 1995, Economic Research Service, USDA. .

TEXAS GEOGRAPHIC REGIONS

AREA	REGION NAME
1	HIGH PLAINS
2	LOW PLAINS
3	CROSTIMBERS
4	BLACKLANDS
5N	NORTH EAST
5S	SOUTH EAST
6	TRANS-PECOS
7	EDWARDS PLATEAU
8	SOUTH CENTRAL
9	UPPER COAST
10	SOUTH



TEXAS DAIRY MILK COMPONENTS FOR GEOGRAPHIC REGIONS - MAY 1995

REGION	NUMBER OF PRODUCER'S	% OF MILK MARKETED	PERCENT BUTTERFAT	PERCENT PROTEIN	PERCENT LACTOSE	PERCENT S-N-F	SCC (1,000)
1	27	2.69	3.58	3.12	4.85	8.69	277
2	22	1.20	3.62	3.17	4.86	8.75	330
3	518	41.94	3.48	3.16	4.80	8.69	358
4	250	9.72	3.52	3.18	4.78	8.68	418
5N	854	33.12	3.37	3.18	4.77	8.67	409
5S	35	0.95	3.40	3.09	4.70	8.51	438
6	13	4.06	3.51	3.03	4.72	8.46	233
7	26	1.40	3.59	3.18	4.78	8.68	338
8	92	3.16	3.67	3.22	4.71	8.65	396
9	7	0.31	3.40	3.18	4.75	8.64	382
10	35	1.46	3.94	3.34	4.72	8.79	442
TOTAL	1,879	100.00	3.47	3.17	4.78	8.67	377

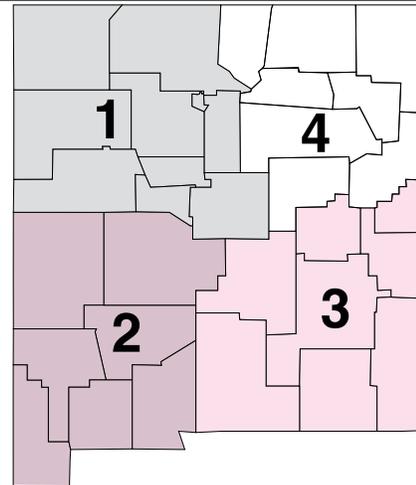
TEXAS DAIRY MILKING HERD SIZE ARRAY FOR GEOGRAPHIC REGIONS* - MAY 1995

REGION	NUMBER OF FARMS PER HERD SIZE GROUP (MILKING COW NUMBERS)						Total # Milking Cows
	0-100	101-250	251-500	501-750	751-1000	1001->	
1	8	8	6	4	0	1	7,340
2	12	8	0	0	2	0	3,274
3	202	183	81	30	7	15	114,532
4	159	66	21	3	1	0	26,536
5N	537	258	50	8	1	0	90,447
5S	28	6	1	0	0	0	2,605
6	2	3	2	0	0	6	11,086
7	17	4	3	1	1	0	3,817
8	70	14	7	0	1	0	8,636
9	3	4	0	0	0	0	843
10	24	6	4	1	0	0	3,986
TOTAL	1,062	560	175	47	13	22	273,102

*ESTIMATED BASED ON A 55 LB/DAY/COW AVERAGE

NEW MEXICO GEOGRAPHIC REGIONS

AREA	REGION NAME
1	NORTHWEST
2	SOUTHWEST
3	SOUTHEAST
4	NORTHEAST



NEW MEXICO DAIRY MILK COMPONENTS FOR GEOGRAPHIC REGIONS - MAY 1995

REGION	NUMBER OF PRODUCER'S	% OF MILK MARKETED	PERCENT BUTTERFAT	PERCENT PROTEIN	PERCENT LACTOSE	PERCENT S-N-F	SCC (1,000)
1	24	8.03	3.62	3.11	4.81	8.63	198
2	35	21.92	3.49	3.06	4.82	8.60	212
3	95	70.05	3.45	3.13	4.82	8.67	231
4	0	0	0	0	0	0	0
TOTAL	154	100.00	3.47	3.11	4.82	8.65	224

NEW MEXICO DAIRY MILKING HERD SIZE FOR GEOGRAPHIC REGIONS* - MAY 1995

REGION	NUMBER OF FARMS PER HERD SIZE GROUP (MILKING COW NUMBERS)						Total # Milking Cows
	0-250	251-500	501-1000	1001-2000	2001-3000	3001->	
1	12	3	6	2	1	0	12,777
2	5	6	5	17	2	0	34,889
3	11	11	24	33	14	2	111,531
4	0	0	0	0	0	0	0
TOTAL	28	20	35	52	17	2	159,196

*ESTIMATED BASED ON A 65 LB/DAY/COW AVERAGE

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

Month	Class I a/ 126 138 Class II Class III III-A					Uniform a/ 126 138		B F Diff.	Grade A Butter	Block Cheese	Spray Powder
	----- Dollars Per Hundred Wt. -----										
May 1994	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	5.9	66.00	121.10	107.56
May	15.05	14.24	12.19	11.12	10.21	12.97	11.93	5.9	66.00	121.13	106.84
June	14.32	13.51	11.46	11.42	10.37	12.71	11.80	6.4	70.00	125.26	106.75
July	14.28	13.47	11.42								
August	14.58	13.77	11.72								

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

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

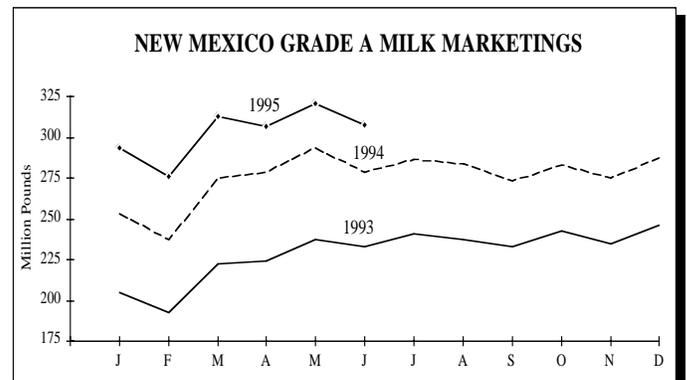
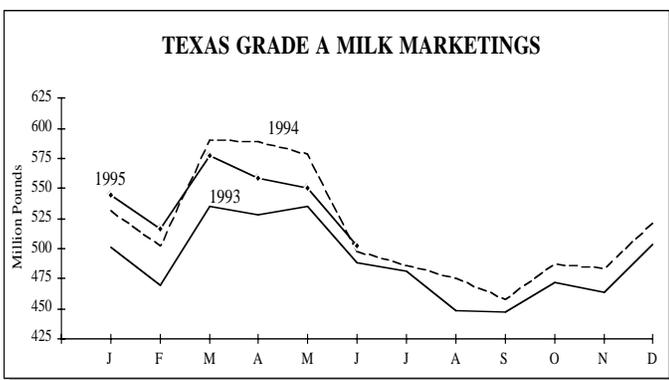
MONTH	1993 POUNDS	Number of Producers	1994 POUNDS	Number of Producers	1995 POUNDS	Number of Producers	PERCENT CHANGE 1994/93	PERCENT CHANGE 1995/94
January	501,212,264	2,039	531,658,454	1,960	544,665,125	1,918	+6.07	+2.45
February	469,421,940	2,036	502,048,659	1,961	517,418,721	1,906	+6.95	+3.06
March	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	558,387,965	1,881	+11.48	-5.18*
May	535,272,595	2,001	578,120,136	1,956	550,303,073	1,879	+8.00	-4.81*
June	488,469,601	1,995	498,149,578	1,969	502,909,961	1,859	+1.98	+9.96
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	

*Revised figures

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

MONTH	1993 POUNDS	Number of Producers	1994 POUNDS	Number of Producers	1995 POUNDS	Number of Producers	PERCENT CHANGE 1994/93	PERCENT CHANGE 1995/94
January	204,707,796	139	253,218,001	147	293,542,014	156	+23.69	+15.92*
February	192,335,243	140	237,211,785	148	276,638,548	155	+23.33	+16.62*
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	307,337,393	152	+24.17	+10.28*
May	237,473,164	143	293,746,832	149	320,781,400	154	+23.70	+9.20*
June	232,947,016	142	278,940,461	150	309,224,349	153	+17.44	+10.86
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	

*Revised figures



TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Lactose		S-N-F		SCC*	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
June 1994	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
April	3.50	3.56	3.21	3.14	4.78	4.81	8.73	8.69	368	235
May	3.47	3.47	3.17	3.11	4.77	4.81	8.67	8.65	377	225
June	3.46	3.40	3.16	3.10	4.74	4.79	8.63	8.62	410	232

* In thousands.

NEW MEXICO - WEST TEXAS MILK MARKET AT A GLANCE

	REPORTED JUN. 1995	REPORTED MAY 1995	REPORTED JUN. 1994
TOTAL UTILIZATION			
CLASS I	56,476,070	59,462,601	52,517,104
CLASS II	14,882,624	16,321,711	20,296,281
CLASS III/III-A	118,453,035	124,916,356	77,858,104
CLOSING INVENTORY (CLASS I, II AND III)	8,232,563	12,497,919	8,958,649
TOTAL UTILIZATION	198,044,292	213,198,587	159,630,138
DAILY CLASS I UTILIZATION	1,882,536	1,918,148	1,750,570
JUN. -DAILY CLASS I COMPARED TO:		-1.86%	+7.54%
CLASS I YEAR TO DATE (IN THOUSANDS)	349,841	293,365	339,278
% CHANGE FROM PREVIOUS YEAR	+3.11%	+2.30%	-4.10%
TOTAL RECEIPTS			
PRODUCER RECEIPTS CLASSIFIED AS CLASS I	55,740,770	58,480,520	51,411,368
PRODUCER RECEIPTS CLASSIFIED AS CLASS II	12,800,331	14,856,899	18,657,257
PRODUCER RECEIPTS CLASSIFIED AS CLASS III/III-A	102,275,411	110,423,245	68,974,825
TOTAL PRODUCER RECEIPTS	170,816,512	183,760,664	139,043,450
OTHER SOURCE A/	14,729,861	18,893,116	10,547,768
OPENING INVENTORY	12,497,919	10,427,160	10,038,920
OVERAGE		117,647	
TOTAL RECEIPTS	198,044,292	213,198,587	159,630,138
DAILY PRODUCER RECEIPTS	5,693,884	5,927,763	4,634,782
JUN. -DAILY PRODUCER RECEIPTS COMPARED TO:		-3.95%	+22.85%
PRODUCER RECEIPTS YEAR TO DATE (IN THOUSANDS)	1,009,111	838,294	977,172
% CHANGE FROM PREVIOUS YEAR	+3.27%	+0.02%	-9.69%
AVERAGE BUTTERFAT TEST OF PRODUCER RECEIPTS	3.430%	3.508%	3.442%
% PRODUCER MILK CLASSIFIED AS CLASS I	32.63%	31.82%	36.98%
NUMBER OF PRODUCERS	126	126	170
AVERAGE DAILY DELIVERY PER PRODUCER	45,190	47,046	27,263
NUMBER OF POOL HANDLERS	15	15	17

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

THE MARKET ADMINISTRATOR'S *REPORT*

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TEXAS MILK MARKET AT A GLANCE

	REPORTED <u>JUN. 1995</u>	REPORTED <u>MAY 1995</u>	AUDITED <u>JUN. 1994</u>
TOTAL UTILIZATION			
CLASS I	253,500,523	265,633,832	257,770,476
CLASS II	110,230,311	103,396,546	106,573,940
CLASS III/III-A	207,403,220	218,956,991	191,344,590
CLOSING INVENTORY (CLASS I, II AND III)	20,844,601	27,940,366	23,320,153
TOTAL UTILIZATION	591,978,655	615,927,735	579,009,159
DAILY CLASS I UTILIZATION	8,450,017	8,398,087	8,682,344
JUN. -DAILY CLASS I COMPARED TO:		-1.39%	-1.66%
CLASS I YEAR TO DATE (IN THOUSANDS)	1,584,595	1,331,094	1,608,033
% CHANGE FROM PREVIOUS YEAR	-1.46%	-1.42%	+3.70%
TOTAL RECEIPTS			
PRODUCER RECEIPTS CLASSIFIED AS CLASS I	254,204,782	263,606,698	256,416,698
PRODUCER RECEIPTS CLASSIFIED AS CLASS II	97,383,018	93,514,559	95,581,221
PRODUCER RECEIPTS CLASSIFIED AS CLASS III/III-A	193,558,759	208,569,217	181,201,629
TOTAL PRODUCER RECEIPTS	545,146,559	565,690,474	533,199,548
OTHER SOURCE A/	18,865,846	15,891,090	17,312,990
OPENING INVENTORY	27,940,366	34,308,972	28,494,574
OVERAGE	25,884	37,199	2,047
TOTAL RECEIPTS	591,978,655	615,927,735	579,009,159
DAILY PRODUCER RECEIPTS	18,171,552	18,248,080	17,773,318
JUN. -DAILY PRODUCER RECEIPTS COMPARED TO:		-0.42%	+2.24%
PRODUCER RECEIPTS YEAR TO DATE (IN THOUSANDS)	3,376,484	2,831,337	3,305,949
% CHANGE FROM PREVIOUS YEAR	+2.13%	+2.11%	+7.71%
AVERAGE BUTTERFAT TEST OF PRODUCER RECEIPTS	3.436%	3.455%	3.397%
% PRODUCER MILK CLASSIFIED AS CLASS I	46.63%	46.60%	48.09%
NUMBER OF PRODUCERS	2,203	2,101	2,553
AVERAGE DAILY DELIVERY PER PRODUCER	8,249	8,685	6,692
NUMBER OF POOL HANDLERS	33	35	33

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