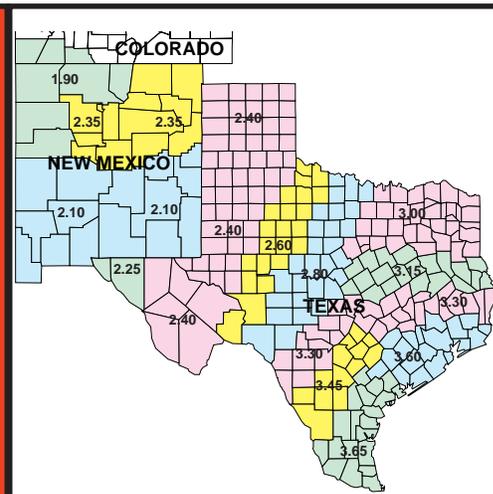


THE MARKET ADMINISTRATOR'S

REPORT



SOUTHWEST MARKETING AREA

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MARKET SUMMARY FOR NOVEMBER

The Producer Price Differential (P.P.D.) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$4.02 for November. Butterfat price increased \$0.3301 per pound from \$1.2444 in October to the level of \$1.5745 for November. Protein price decreased \$0.8879 cents per pound to \$0.9149 in November from \$1.8028 in October. November's Other Solids price increased \$0.0094 per pound from the previous month to \$0.0565. The Somatic Cell Count adjustment rate factor for November was .00051 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a November statistical uniform price of \$12.59 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is a decrease of 30 cents in comparison to the statistical blend price of \$12.89 in October.

The November Class I price decreased 7 cents from \$14.89 in October to the November level of \$14.82. The Class II price for November of \$13.68 per hundredweight increased \$1.14 from \$12.54 in October. November's Class III price decreased \$1.45 from \$10.02 in October to \$8.57 in November. The Class IV price increased \$1.19 from \$11.81 in October to \$13.00 in November.

In November 800 producers delivered a total of 651,752,101 pounds of milk. On a daily basis this represents a decrease of 7.52 percent from the producer receipts level in October and it represents a decrease of 5.33 percent when compared to the producer receipts level of November 1999.

Producer milk classified as Class I during November amounted to 52.65 percent of total producer receipts. This figure is up from 47.53 percent in October and it is up from 47.97 percent in November 1999. The average butterfat test of producer milk pooled during November was 3.768 percent, average protein test was 3.164 percent, average other solids test was 5.684 percent and the average somatic cell count was 352,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Nov 00	Oct 00	Nov 00	Oct 00	Nov 00	Oct 00
Appalachian	14.76	14.27	-----	-----	74.50	72.68
Arizona-Las Vegas	11.84	11.99	-----	-----	36.87	36.72
Central	10.85	11.40	2.28	1.38	30.43	29.63
Florida	15.90	15.48	-----	-----	90.14	89.79
Mideast	11.91	12.04	3.34	2.02	45.70	43.30
Northeast	13.36	13.32	4.79	3.30	49.20	48.50
Pacific Northwest	11.80	11.79	3.23	1.77	35.06	30.23
Southeast	14.14	13.89	-----	-----	68.55	66.37
Southwest	12.59	12.89	4.02	2.87	52.65	47.53
Upper Midwest	10.00	10.88	1.43	0.86	21.70	20.90
Western	10.68	11.49	2.11	1.47	28.71	29.59

TENTATIVE FINAL DECISION ANNOUNCED ON CLASS III AND IV PRICE FORMULAS

The United States Department of Agriculture announced on December 1, 2000, a tentative final decision to amend the current Class III and Class IV pricing formulas under Federal milk orders. The decision is based on testimony and data presented at a public hearing held May 8-12, 2000, in Alexandria, Va., to consider proposals submitted by the industry to change the formulas.

The decision provides for separate butterfat prices for milk used in Class III (cheese) and Class IV (butter and dry milk products) based on the value of butterfat in cheese and butter. The manufacturing (make) allowance for cheese is proposed to be reduced slightly, 17.02 cents per pound of cheese to 16.50 cents. The make allowance for dry whey, also a factor in calculating Class III value, would be increased from \$0.137 \$0.140 per pound of dry whey. The make allowances used in calculating Class IV value are proposed to increase slightly, 11.4 to 11.5 cents per pound of butter and from 13.7 cents to 14.0 cents per pound of nonfat dry milk.

The proposed changes are expected to have limited impact on returns to dairy farmers. Interested persons have until February 5, 2001, to file comments in response to the tentative decision. A tentative final decision is being issued because the Congressional deadlines of December 1, 2000, for publication of a final decision and January 1, 2001, for effectuating order amendments do not allow enough time to issue a recommended decision and receive

and consider comments before issuance of a final decision. USDA will determine whether dairy farmers approve the amended orders.

PRICE DATA RELEASE DATES

Listed below are the release dates for price data applicable to January through December 2001, for the Federal milk order pricing system. The advance pricing factors will be released on the Friday before the 23rd of the month unless this date is a Friday. Likewise, the price information to be released by the 5th of the month will be released on the Friday before this date unless this date is a Friday. The release time for all release dates, except November 23, is 10:00 a.m. EST/EDST. For November 23, the release time is 3:00 EST.



RELEASE DATES FOR PRICE DATA

Month to Which Prices Apply	Advanced Prices and Pricing Factors		Class and Component Prices	
	Release Date	Time Period of NASS Prices ^{1/}	Release Date	Time Period of NASS Prices ^{1/}
January	December 22	12/9, 16	February 2	1/6, 13, 20, 27
February	January 19	1/6, 13	March 2	2/3, 10, 17, 24
March	February 23	2/10, 17	March 30	3/3, 10, 17, 24
April	March 23	3/10, 17	May 4	3/31, 4/7, 14, 21, 28
May	April 20	4/7, 14	June 1	5/5, 12, 19, 26
June	May 18	5/5, 12	June 29	6/2, 9, 16, 23
July	June 22	6/9, 16	August 3	6/30, 7/7, 14, 21, 28
August	July 20	7/7, 14	August 31	8/4, 11, 18, 25
September	August 17	8/4, 11	October 5	9/1, 8, 15, 22, 29
October	September 21	9/8, 15	November 2	10/6, 13, 20, 27
November	October 19	10/6, 13	November 30	11/3, 10, 17, 24
December	November 23	11/10, 17	January 4	12/1, 8, 15, 22, 29

^{1/} Weekly sales periods, ending on the indicated date, which are included in the applicable average. Information for the week is released by NASS on Friday of the following week.

TOP TEN TEXAS COUNTIES a/ – NOVEMBER 2000

County	Number of Producers	Pounds	% Change From 1999b/	County	Number of Producers	Pounds	% Change From 1999b/
1. Erath	142	108,086,829	- 9.11	7. Lamb	3	12,770,538	+ 29.36
2. Hopkins	198	41,419,914	- 4.05	8. Hamilton	17	12,123,117	- 4.84
3. Comanche	48	39,953,126	- 4.30	9. Johnson	31	11,610,221	- 11.08
4. El Paso	8	20,423,585	- 5.45	10. Tom Green	9	9,190,848	+ 14.08
5. Archer	58	20,374,511	- 1.37	Ten County Total	567	288,803,941	- 5.39 b/
6. Wood	53	12,851,252	- 12.74	Other Counties Total	474	131,470,117	- 7.28
				Texas Total	1,041	420,274,058	- 5.99

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.

Class Prices at 3.5%, for Federal Orders 126 Formula Prices and Price Quotations

Month	Class Prices & P.P.D.					Component Prices			NASS Product Prices				
	I a/	II	III	IV	P.P.D.a/	BF	Other Solids	True Protein	SCC c/ Adj Rate	Grade AA Butter	Cheddar Cheese	NFDM Powder	Dry Whey
	----- Dollars Per Hundred Wt. -----					-----Cents Per Pound-----							
October 1999	18.95	16.09	11.49	11.78		123.57	5.93	261.38	.00070	112.73	139.34	101.83	19.44
November	19.42	16.56	9.79	11.57		115.82	5.65	206.96	.00060	106.37	120.58	101.68	19.17
December	14.65	11.79	9.63	10.69		98.04	5.39	206.15	.00057	91.79	113.71	101.11	18.92
Averages 1999b/	16.82	13.96	12.43	12.14		136.02	5.15	247.16	.00070	122.94	139.84	101.78	18.69
January 2000	13.90	11.43	10.05	10.73	1.96	93.66	5.03	216.77	.00058	88.20	115.17	101.15	18.57
February	13.71	11.51	9.54	10.80	2.28	95.88	4.32	198.49	.00055	90.02	110.67	101.06	17.88
March	13.84	11.71	9.54	11.00	2.36	101.91	4.24	191.66	.00055	94.97	110.93	100.94	17.80
April	13.93	12.10	9.41	11.38	2.64	113.52	4.08	173.99	.00055	104.49	110.11	100.78	17.65
May	14.48	12.63	9.37	11.91	3.06	128.54	4.03	155.14	.00055	116.80	110.22	100.71	17.60
June	14.70	13.08	9.46	12.38	3.29	141.28	4.38	142.78	.00056	127.25	111.37	100.97	17.94
July	15.46	12.58	10.66	11.87	2.70	126.91	5.57	197.26	.00061	115.47	121.89	101.02	19.09
August	14.95	12.56	10.13	11.87	3.03	126.59	5.77	179.52	.00058	115.20	116.60	101.08	19.29
September	14.84	12.58	10.76	11.94	2.52	127.07	5.02	201.37	.00062	115.60	123.15	101.66	18.56
October	14.89	12.54	10.02	11.81	2.87	124.44	4.71	180.28	.00058	113.44	116.02	101.27	18.26
November	14.82	13.68	8.57	13.00	4.02	157.45	5.65	91.49	.00051	140.51	102.45	101.59	19.17

a/ Subject to location adjustments. b/ Simple averages c/ SCC adjustment rate is per 1,000 difference.

TOP NEW MEXICO COUNTIES a/ – NOVEMBER 2000

County	Number of Producers	Pounds	% Change From 1999b/	County	Number of Producers	Pounds	% Change From 1999b/
1. Chaves	41	134,658,705	+ 0.57	7. Socorro	7	9,630,022	- 1.48
2. Dona Ana	25	67,639,967	+ 6.11	8. Valencia	10	9,161,972	- 1.88
3. Roosevelt	39	59,045,209	+ 23.19	9. Bernalillo	5	5,309,704	- 12.71
4. Curry	15	57,384,488	+ 4.36				
5. Lea	14	32,024,347	- 0.43	Nine County Total	162	398,158,260	+ 4.73 b/
6. Eddy	6	23,303,846	+ 4.62	Other Counties Total	5	8,956,499	- 7.45
				New Mexico Total	167	407,114,759	+ 4.43

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 MARKETED BY
PRODUCERS LOCATED IN TEXAS BY MONTHS:
JANUARY 1998 THROUGH NOVEMBER 2000, WITH PERCENTAGE COMPARISONS**

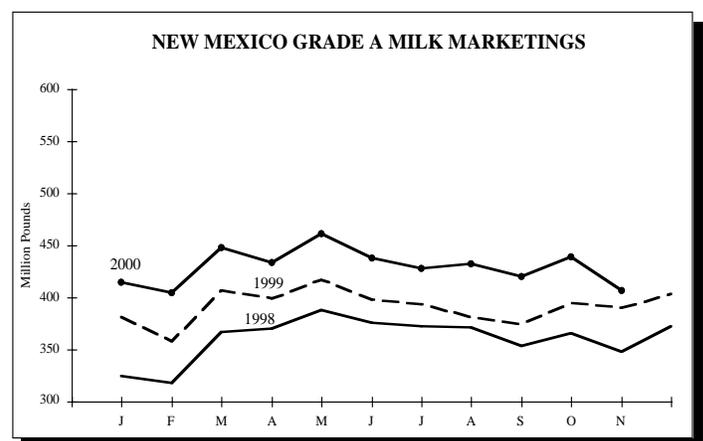
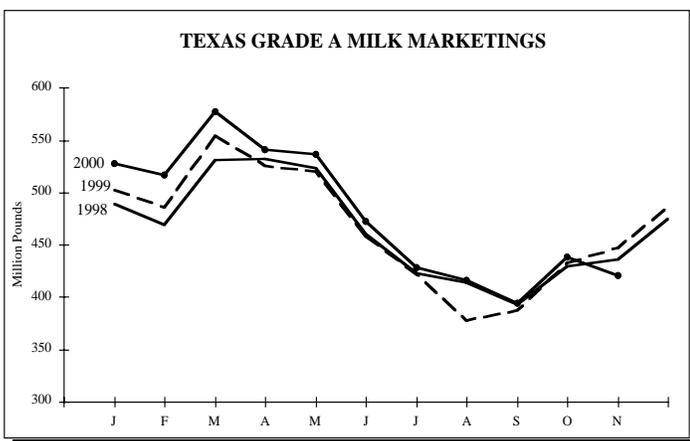
MONTH	1998 POUNDS	Number of Producers	1999 POUNDS	Number of Producers	2000 POUNDS	Number of Producers	PERCENT CHANGE 1999/98	PERCENT CHANGE 2000/99
January	491,168,340	1,359	501,754,729	1,251	528,032,131	1,156	+2.16	+5.24*
February	469,305,849	1,347	486,044,271	1,245	517,023,791	1,141	+3.57	+6.37*
March	532,588,272	1,339	553,983,640	1,241	577,134,609	1,134	+4.02	+4.18*
April	532,823,237	1,336	525,773,380	1,233	540,903,763	1,121	-1.32	+2.88*
May	524,523,430	1,319	519,613,189	1,219	536,505,477	1,112	-0.94	+3.25*
June	464,057,905	1,321	458,247,406	1,216	472,478,168	1,103	-1.25	+3.11*
July	422,973,696	1,305	421,397,795	1,206	428,683,700	1,089	-0.39	+1.73*
August	413,296,879	1,298	377,392,147	1,197	415,788,563	1,082	-8.69	+10.17*
September	392,427,802	1,300	386,931,407	1,189	393,642,034	1,066	-1.40	+1.73*
October	429,372,951	1,289	432,175,585	1,181	437,963,207	1,058	+0.65	+1.34
November	435,572,798	1,271	447,062,545	1,166	420,274,058	1,041	+2.64	-5.99
December	<u>474,573,747</u>	1,260	<u>485,682,323</u>	1,160			<u>+2.34</u>	
Years Total	5,582,684,906		5,596,058,417				+0.24	

*Revised

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 1998 THROUGH NOVEMBER 2000, WITH PERCENTAGE COMPARISONS**

MONTH	1998 POUNDS	Number of Producers	1999 POUNDS	Number of Producers	2000 POUNDS	Number of Producers	PERCENT CHANGE 1999/98	PERCENT CHANGE 2000/99
January	324,314,276	158	381,115,401	156	414,930,653	158	+17.51	+8.87*
February	317,500,751	156	358,049,940	157	404,085,655	158	+12.77	+12.86*
March	366,656,779	157	406,789,374	156	447,971,781	158	+10.95	+10.12*
April	369,782,775	156	399,229,362	157	433,303,618	159	+7.96	+8.54*
May	388,308,155	155	416,852,251	157	461,526,991	159	+7.35	+10.72*
June	378,569,203	159	397,483,877	159	437,718,050	159	+5.00	+10.12*
July	372,803,402	157	393,796,366	158	427,456,503	159	+5.63	+8.55*
August	370,668,016	156	380,628,318	158	431,815,797	160	+2.69	+13.45*
September	353,457,040	155	374,886,452	160	419,669,872	161	+6.06	+11.95*
October	365,469,264	159	394,366,657	162	438,410,599	163	+7.91	+11.17
November	348,126,652	158	389,857,074	159	407,114,759	167	+11.99	+4.43
December	<u>371,894,332</u>	157	<u>403,101,846</u>	158			<u>+8.39</u>	
Years Total	4,327,550,645		4,696,156,918				+8.52	

*Revised



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TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein ^{b/}		Other Solids ^{b/}		S-N-F		SCC ^{a/}	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
November 1999	3.71	3.67	3.13	3.10	5.65	5.65	8.78	8.75	333	244
December	3.75	3.72	3.13	3.13	5.66	5.68	8.79	8.81	324	248
Averages 1999	3.60	3.55	3.07	3.02	5.66	5.67	8.73	8.69	369	267
January 2000	3.71	3.68	3.08	3.08	5.69	5.68	8.77	8.77	313	257
February	3.68	3.62	3.06	3.06	5.70	5.69	8.76	8.75	318	252
March	3.62	3.59	3.05	3.04	5.71	5.70	8.76	8.74	318	253
April	3.59	3.55	3.06	3.03	5.71	5.70	8.76	8.73	343	257
May	3.56	3.49	3.03	2.99	5.69	5.70	8.72	8.70	369	253
June	3.55	3.44	3.03	2.96	5.67	5.67	8.70	8.63	415	272
July	3.54	3.42	3.01	2.91	5.62	5.63	8.63	8.54	419	287
August	3.55	3.44	3.05	2.95	5.60	5.62	8.65	8.57	420	287
September	3.59	3.48	3.10	3.01	5.61	5.63	8.71	8.64	419	278
October	3.72	3.59	3.16	3.10	5.67	5.67	8.82	8.77	369	258
November	3.81	3.73	3.19	3.15	5.69	5.68	8.87	8.83	406	313

a/ In thousands. b/ Estimated for 1999: True Protein = Crude Protein - .19 and Other Solids = SNF - True Protein

**NOVEMBER 2000
COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

		Pounds	Price	Value
Add: Class I Differential				\$397,929.27
Class I Butterfat	60(a)	8,223,905	\$1.2735	\$10,473,143.05
Class I Skim Per Cwt		334,909,310	\$10.7400	\$35,969,259.89
Class II Butterfat	60(b)	3,735,481	\$1.5815	\$5,907,663.24
Class II Nonfat Solids		2,507,692	\$0.9378	\$2,351,713.56
Class III Butterfat	60(c)	9,820,641	\$1.5745	\$15,462,599.28
Class III Protein		8,561,506	\$0.9149	\$7,832,921.86
Class III Other Solids		15,388,260	\$0.0565	\$869,436.68
Class IV Butterfat	60(d)	2,778,206	\$1.5745	\$4,374,285.37
Class IV Nonfat Solids		334,775	\$0.8617	\$288,475.63
Class II, III & IV Somatic Cell Adj.	60(e)			\$31,547.34
Total Producer Milk-Product Lbs & Value		651,752,101		\$83,958,975.17
Add: Value as for 60(f) Thru 60(j)				(\$40,992.23)
Less: Total Protein Pounds	61(b)	20,621,791	\$0.9149	\$18,866,876.59
Total Other Solids Pounds		37,045,398	\$0.0565	\$2,093,065.01
Total Butterfat Pounds		24,558,233	\$1.5745	\$38,666,937.89
Total Value of Somatic Cell Adjustment				(\$4,607.51)
Total Milk and Value		651,752,101		\$24,295,710.96
Add: Location Differential Adjustments	61(c)			\$1,830,252.15
Producer-Settlement Fund	61(d)			\$369,910.22
Total Producer Milk/URSP and Value		652,311,597	\$4.06184	\$26,495,873.33
Less: Producer-Settlement Fund	61(f)		\$0.04184	\$272,947.13
Producer Price Differential (Dallas County)			\$4.02	\$26,222,926.20

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NOVEMBER 2000
PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	343,133,215	52.65	8,223,905	33.49	334,909,310	53.40
Class II	30,958,927	4.75	3,735,481	15.21	27,223,446	4.34
Class III	271,246,521	41.62	9,820,641	39.99	261,425,880	41.68
Class IV	6,413,438	0.98	2,778,206	11.31	3,635,232	0.58
Total	651,752,101	100.00	24,558,233	100.00	627,193,868	100.00

Producer Milk Component Utilization Percentages						
	Protein Pounds	Percent	Other Solids Pounds	Percent	Nonfat Solids Pounds	Percent
Class I	11,043,838	53.55	19,831,122	53.53	30,874,956	53.54
Class II	896,883	4.35	1,610,809	4.35	2,507,692	4.35
Class III	8,561,506	41.52	15,388,260	41.54	23,949,766	41.53
Class IV	119,564	0.58	215,207	0.58	334,775	0.58
Total	20,621,791	100.00	37,045,398	100.00	57,667,189	100.00