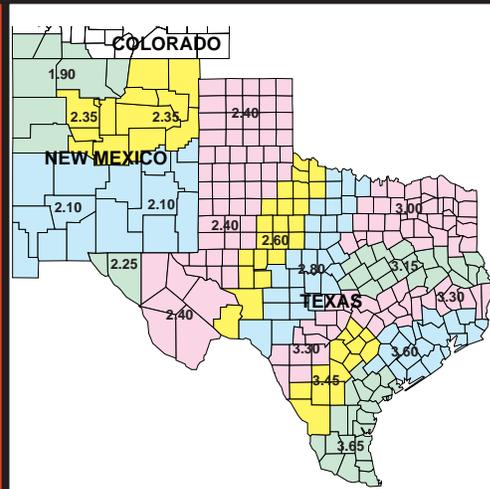


THE MARKET ADMINISTRATOR'S

REPORT



SOUTHWEST MARKETING AREA

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MARKET SUMMARY FOR MARCH

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 \$2.12 for March. Butterfat price decreased \$0.0179 per pound from \$1.3817 in February to the level of \$1.3638 in March. Protein price decreased \$0.2542 per pound from \$2.0884 in February to \$1.8342 in March. March's Other Solids price decreased \$0.0277 per pound from the previous month to \$0.0688. The Somatic Cell Count adjustment rate factor for March was .00060 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a February statistical uniform price of \$12.77 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 \$0.51 in comparison to the statistical blend price of \$13.28 in February.

The March Class I price decreased 33 cent from

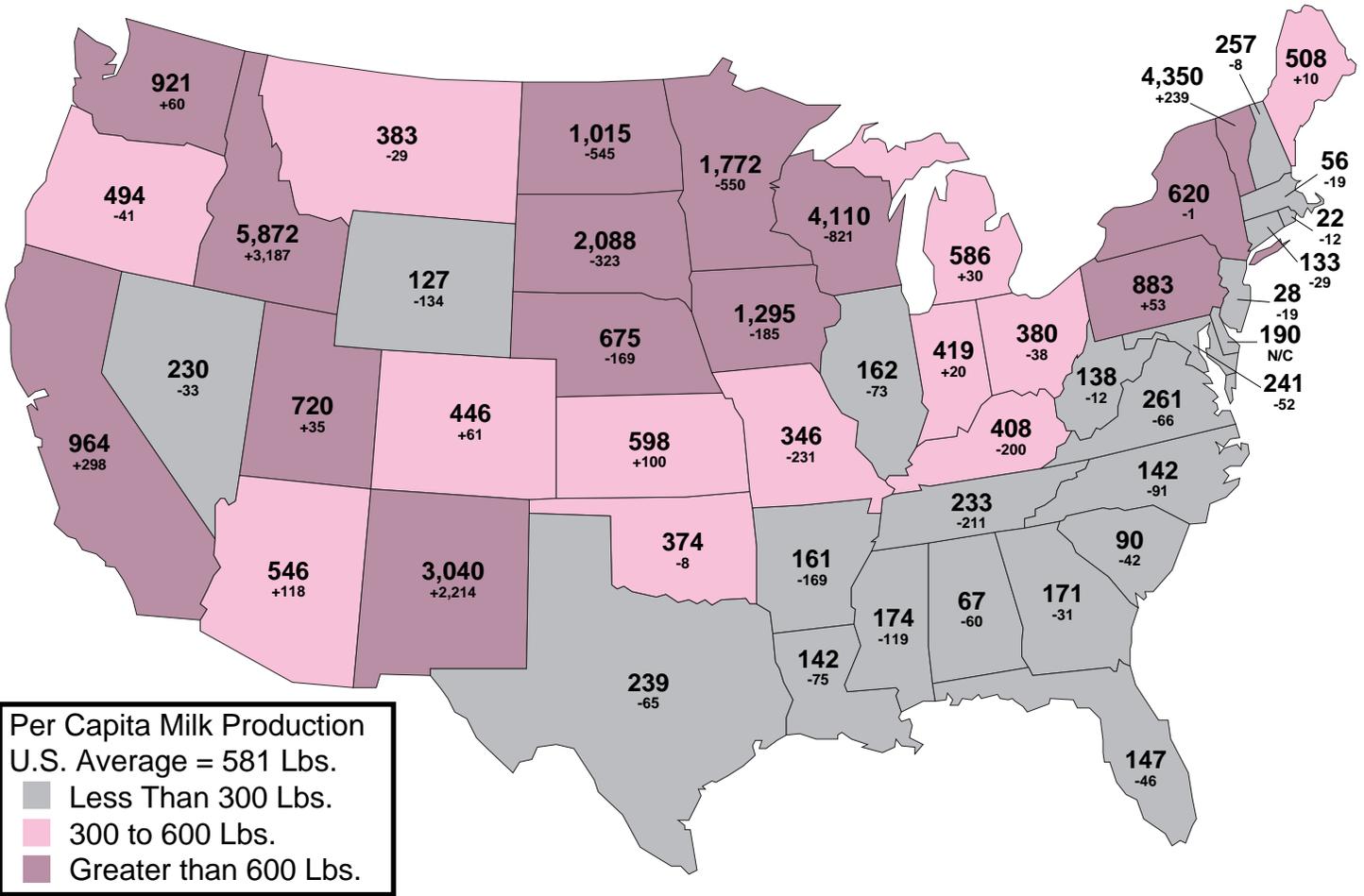
\$14.95 in February to the March level of \$14.62. The Class II price for March of \$12.19 per hundredweight decreased \$0.09 from \$12.28 in February. March's Class III price decreased \$0.98 from \$11.63 in February to \$10.65 in March. The Class IV price decreased \$0.12 from \$11.54 in February to \$11.42 in March.

In March 947 producers delivered a total of 865,829,556 pounds of milk. On a daily basis this represents an increase of 2.90 percent from the producer receipts level in February and it represents an increase of 26.81 percent when compared to the producer receipts level of March 2001.

Producer milk classified as Class I during March amounted to 39.03 percent of total producer receipts. This figure is down from 41.59 percent in February and it is down from 50.87 percent in March 2001. The average butterfat test of producer milk pooled during March was 3.688 percent, average protein test was 3.057 percent, average other solids test was 5.703 percent and the average somatic cell count was 307,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Mar 02	Feb 02	Mar 02	Feb 02	Mar 02	Feb 02
Appalachian	13.60	14.04	-----	-----	59.11	65.71
Arizona-Las Vegas	11.91	12.46	-----	-----	28.54	30.80
Central	11.66	12.32	1.01	0.69	26.39	27.44
Florida	15.20	15.46	-----	-----	88.35	90.08
Mideast	11.93	12.46	1.28	0.83	34.90	34.90
Northeast	13.05	13.48	2.40	1.85	39.20	40.80
Pacific Northwest	11.73	12.14	1.08	0.51	26.70	27.29
Southeast	13.34	13.75	-----	-----	53.02	56.63
Southwest	12.77	13.28	2.12	1.65	39.03	41.59
Upper Midwest	11.25	12.04	0.60	0.41	18.90	19.70
Western	11.56	12.09	0.91	0.46	23.69	17.35

2001 PER CAPITA MILK PRODUCTION WITH POUND CHANGE COMPARISON TO 1989



	Production Million Lbs.		Population Thousands		Per Capita Production Pounds	
	2001	1989	2001	1989	2001	1989
California	33,251	19,353	34,501	29,063	964	666
Wisconsin	22,199	24,000	5,402	4,867	4,110	4,931
New York	11,778	11,142	19,011	17,950	620	621
Pennsylvania	10,849	9,998	12,287	12,040	883	830
Minnesota	8,812	10,108	4,972	4,353	1,772	2,322
Idaho	7,757	2,669	1,321	0,994	5,872	2,685
Michigan	5,855	5,152	9,991	9,273	586	556
New Mexico	5,561	1,243	1,829	1,504	3,040	826
Washington	5,514	4,097	5,988	4,761	921	861
Texas	5,099	5,170	21,325	16,991	239	304
United States	165,336	144,239	284,797	246,819	581	584

TOP TEN TEXAS COUNTIES a/ – MARCH 2002

County	Number of Producers	Pounds	% Change From 2001b/	County	Number of Producers	Pounds	% Change From 2001b/
1. Erath	129	129,104,399	+ 2.96	7. Wood	44	13,565,408	- 6.60
2. Hopkins	170	50,810,060	- 3.74	8. Hamilton	17	13,503,148	- 6.94
3. Comanche	39	42,978,286	- 6.12	9. Johnson	20	11,496,925	- 10.31
4. El Paso	7	23,016,156	- 2.33	10. Tom Green	9	11,446,876	+ 9.11
5. Archer	55	21,833,620	- 1.24	Ten County Total	494	336,403,927	+ 0.36 b/
6. Lamb	4	18,649,049	+ 40.85	<u>Other Counties Total</u>	<u>398</u>	<u>156,772,104</u>	<u>+ 2.69</u>
				Texas Total	892	493,176,031	+ 1.09

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-----							
January 2001	16.99	12.82	9.99	12.13	3.63	128.96	11.20	161.81	.00056	117.25	111.80	101.65	24.84
February	14.94	13.43	10.27	12.70	2.97	146.26	11.99	149.51	.00057	131.43	114.67	101.37	25.61
March	15.65	14.17	11.42	13.46	2.76	168.20	10.39	164.98	.00064	149.42	127.37	101.27	24.06
April	16.44	15.10	12.06	14.41	2.85	194.83	10.81	154.43	.00067	171.26	134.23	101.45	24.46
May	17.21	15.72	13.83	15.04	2.22	211.91	12.29	191.08	.00076	185.27	151.29	101.80	25.90
June	17.99	16.05	15.02	15.33	1.83	220.89	14.09	216.70	.00081	192.63	162.11	101.48	27.64
July	18.34	15.96	15.46	14.81	1.66	218.83	15.10	231.75	.00083	190.94	165.73	96.34	28.62
August	18.40	15.98	15.55	15.06	1.88	229.76	15.35	221.88	.00083	199.90	166.93	94.73	28.86
September	18.56	16.24	15.90	15.59	1.70	244.49	15.20	216.47	.00085	211.98	170.85	94.97	28.71
October	18.93	13.53	14.60	12.77	1.45	165.26	14.82	266.64	.00078	147.01	155.91	94.41	28.35
November	18.76	12.78	11.31	11.97	3.77	145.00	14.70	180.45	.00062	130.40	123.22	93.49	28.23
December	14.98	12.61	11.80	11.79	1.65	143.22	15.17	197.82	.00064	128.94	127.62	91.99	28.68
Averages 2001b/	17.27	14.53	13.10	13.76	2.36	184.80	13.43	196.13	.00071	163.04	142.64	97.91	27.00
January 2002	14.96	12.69	11.87	11.93	1.79	148.46	13.92	196.60	.00065	133.24	129.22	91.61	27.47
February	14.95	12.28	11.63	11.54	1.65	138.17	9.65	208.84	.00064	124.80	128.95	91.21	23.34
March	14.62	12.19	10.65	11.42	2.12	136.38	6.88	183.42	.00060	123.33	120.87	90.60	20.66

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

TOP NEW MEXICO COUNTIES a/ – MARCH 2002

County	Number of Producers	Pounds	% Change From 2001b/	County	Number of Producers	Pounds	% Change From 2001b/
1. Chaves	39	156,914,648	+ 7.64	7. Socorro	8	15,936,091	+ 51.37
2. Roosevelt	42	88,962,811	+ 32.85	8. Valencia	9	10,370,592	+ 7.46
3. Curry	19	84,695,849	+ 31.20	9. Bernalillo	5	6,027,501	+ 6.64
4. Dona Ana	25	81,769,725	+ 5.04				
5. Lea	16	42,518,059	+ 15.69	Nine County Total	170	516,238,452	+ 16.59 b/
6. Eddy	7	29,043,176	+ 15.85	<u>Other Counties Total</u>	<u>5</u>	<u>12,591,635</u>	<u>+ 20.68</u>
				New Mexico Total	175	528,830,087	+ 16.68

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 2000 THROUGH MARCH 2002, WITH PRODUCTION PERCENTAGE COMPARISONS**

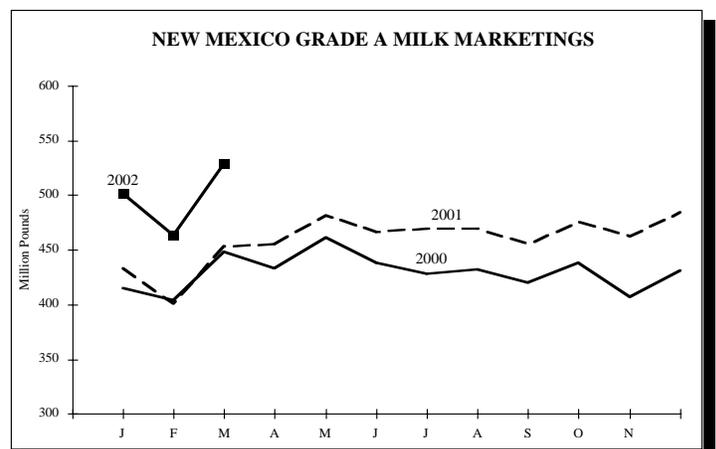
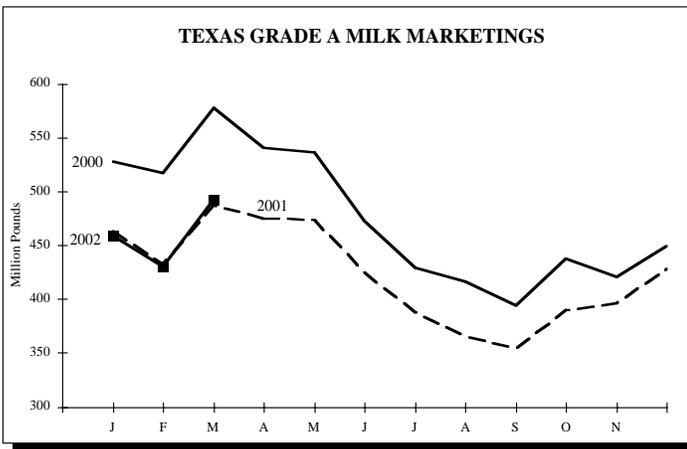
MONTH	2000 POUNDS	Number of Producers	2001 POUNDS	Number of Producers	2002 POUNDS	Number of Producers	PERCENT CHANGE 2001/00	2002/01
January	528,032,131	1,156	463,431,654	1,026	458,465,287	896	-12.23	-1.07
February	517,023,791	1,141	432,156,106	1,006	430,637,781	893	-13.43	-0.35
March	577,134,609	1,134	487,875,678	991	493,176,031	892	-15.47	+1.09
April	540,903,763	1,121	474,386,881	978			-12.30	
May	536,505,477	1,112	474,113,159	961			-11.63	
June	472,478,168	1,103	424,655,275	953			-10.12	
July	428,683,700	1,089	387,938,852	932			-9.50	
August	415,788,563	1,082	365,355,835	918			-12.13	
September	393,642,034	1,066	352,986,582	915			-10.33	
October	437,963,207	1,058	389,680,164	907			-11.02	
November	420,274,058	1,041	395,729,842	906			-5.85	
December	<u>448,671,268</u>	1,033	<u>428,007,707</u>	902			<u>-4.61</u>	
Years Total	5,717,100,769		5,076,317,735				-11.21	

*Based on average daily delivery.

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 2000 THROUGH MARCH 2002, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2000 POUNDS	Number of Producers	2001 POUNDS	Number of Producers	2002 POUNDS	Number of Producers	PERCENT CHANGE 2001/00	2002/01
January	414,930,653	158	432,749,978	166	501,275,998	174	+4.29	+15.84
February	404,085,655	158	400,543,634	166	463,667,936	173	+2.66	+15.76
March	447,971,781	158	453,232,150	165	528,830,087	175	+1.17	+16.68
April	433,303,618	159	454,980,340	167			+5.00	
May	461,526,991	159	480,995,372	169			+4.22	
June	437,718,050	159	466,640,323	170			+6.61	
July	427,456,503	159	469,362,545	171			+9.80	
August	431,815,797	160	469,391,326	174			+8.70	
September	419,669,872	161	455,259,423	173			+8.48	
October	438,410,599	163	474,918,306	173			+8.33	
November	407,114,759	167	462,212,000	173			+13.53	
December	<u>431,351,678</u>	166	<u>484,020,641</u>	173			<u>+12.21</u>	
Years Total	5,155,355,956		5,504,306,038				+6.74	

*Based on average daily delivery.



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TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC ^{a/}	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
March 2001	3.64	3.61	3.07	3.04	5.71	5.70	8.78	8.74	414	348
April	3.54	3.54	3.04	3.01	5.68	5.68	8.72	8.69	383	302
May	3.51	3.48	3.02	2.98	5.67	5.69	8.68	8.66	397	296
June	3.54	3.47	3.01	2.94	5.68	5.70	8.68	8.63	400	295
July	3.57	3.47	3.00	2.91	5.64	5.65	8.63	8.56	430	315
August	3.59	3.45	3.05	2.95	5.61	5.63	8.65	8.58	454	335
September	3.68	3.52	3.11	3.01	5.63	5.66	8.73	8.68	447	328
October	3.76	3.61	3.18	3.09	5.65	5.67	8.83	8.76	385	284
November	3.76	3.67	3.15	3.12	5.67	5.67	8.82	8.78	364	285
December	3.79	3.73	3.14	3.14	5.68	5.68	8.82	8.81	377	306
Averages 2001	3.66	3.58	3.08	3.03	5.67	5.67	8.74	8.70	408	321
January 2002	3.78	3.71	3.12	3.09	5.69	5.69	8.81	8.78	364	322
February	3.77	3.71	3.09	3.06	5.70	5.69	8.79	8.75	371	327
March	3.72	3.66	3.08	3.03	5.71	5.70	8.79	8.73	335	294

a/ In thousands.

**MARCH 2002
COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

		Pounds	Price	Value
Add: Class I Differential				\$394,066.43
Class I Butterfat	60(a)	7,871,275	\$1.3917	\$10,954,453.43
Class I Skim Per Cwt		330,031,601	\$10.1000	\$33,333,191.72
Class II Butterfat	60(b)	6,480,688	\$1.3708	\$8,883,727.12
Class II Nonfat Solids		6,812,506	\$0.8511	\$5,798,123.87
Class III Butterfat	60(c)	10,704,037	\$1.3638	\$14,598,165.66
Class III Protein		9,418,266	\$1.8342	\$17,274,983.51
Class III Other Solids		17,638,514	\$0.0688	\$1,213,529.78
Class IV Butterfat	60(d)	6,878,426	\$1.3638	\$9,380,797.39
Class IV Nonfat Solids		11,841,320	\$0.7660	\$9,070,451.11
Class II, III & IV Somatic Cell Adj.	60(e)			\$150,463.90
Total Producer Milk-Product Lbs & Value		865,829,556		\$111,051,953.92
Add: Value as for 60(f) Thru 60(j)				\$48,613.80
Less: Total Protein Pounds	61(b)	26,468,385	\$1.8342	\$48,548,311.78
Total Other Solids Pounds		49,376,673	\$0.0688	\$3,397,115.14
Total Butterfat Pounds		31,934,426	\$1.3638	\$43,552,170.20
Total Value of Somatic Cell Adjustment				\$223,485.94
Total Milk and Value		865,829,556		\$15,379,484.66
Add: Location Differential Adjustments	61(c)			\$3,034,753.40
Producer-Settlement Fund	61(d)			\$333,865.23
Total Producer Milk/URSP and Value		865,834,301	\$2.16532	\$18,748,103.29
Less: Producer-Settlement Fund	61(f)		\$0.04532	\$392,416.11
Producer Price Differential (Dallas County)			\$2.12	\$18,355,687.18

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MARCH 2002
PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	337,902,876	39.03	7,871,275	24.65	330,031,601	39.58
Class II	81,241,888	9.38	6,480,688	20.29	74,761,200	8.97
Class III	309,508,373	35.75	10,704,037	33.52	298,804,336	35.82
Class IV	137,176,419	15.84	6,878,426	21.54	130,297,993	15.63
Total	865,829,556	100.00	31,934,426	100.00	833,895,130	100.00

Producer Milk Component Utilization Percentages						
	Protein Pounds	Percent	Other Solids Pounds	Percent	Nonfat Solids Pounds	Percent
Class I	10,556,508	39.88	19,577,947	39.65	30,134,458	39.74
Class II	2,378,609	8.99	4,433,896	8.98	6,812,506	8.98
Class III	9,418,266	35.58	17,638,513	35.72	27,056,774	35.67
Class IV	4,115,002	15.55	7,726,317	15.65	11,841,320	15.61
Total	26,468,385	100.00	49,376,673	100.00	75,845,058	100.00