Mideast Market Administrator's

Federal Order No. 33

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Producer milk receipts totaled 17.7 billion pounds on the Mideast Order during 2002, an increase of 511 million pounds, or 3.0 percent from 2001. Monthly producer receipts ranged from a low of 1.3 billion pounds in November to a high of 1.7 billion pounds in May.

The average daily delivery perproducer during 2002 was 4,331 pounds, an increase of 197 pounds from last year. The number of producers pooled on the Mideast Order in 2001 averaged 11,217 per month, down 178, or 16 percent from a year earlier. Producer milk averaged 3.69 percent butterfat ranging from a low of 3.52 percent in July and August to a high of 3.83 in November and December. The protein test averaged 3.02 percent for the year. It ranged from a low of 2.90 percent in July, to a high of 3.13 percent in November. Other solids averaged 5.71 percent for the year.

For the year, 36.9 percent of producer milk was utilized as Class I; 12.7 percent in Class II; 45.8 percent in Class III; and 4.6 percent in Class IV. The Class I utilization percentage had a high of 43.0 percent in November and a low of 29.2 percent in June. Class I milk totaled 66 billion pounds during 2002, down 1.2 percent from 2001. Class II milk totaled 2.2 billion pounds, an increase of 12.1 percent from 2001. Class III pooled pounds were 8.1 billion pounds, an increase of 3.5 percent from 2001. Class IV milk totaled 815 million pounds, an increase of 10.0 percent from 2001.

The Class I price averaged \$13.01 for the year, a decrease of \$3.26 from 2001. The Class I price peaked in January at \$13.96 and was low estin O ctober at \$12.15. The C lass II price averaged \$11.55, a decrease of \$2.98. It was highest in January at \$12.69 and was low estin September at \$10.91. The Class III price averaged \$10.42, a decrease of \$2.68. January was the highest price at \$11.87 and July was the low est at \$933. The C lass IV price averaged \$10.81 for the year, a decrease of \$2.95 from a yearago. It was the highest in January at \$11.93 and was low estin September at \$10.22.

The Statistical Uniform Price averaged \$11.57 for 2002 compared to \$14.52 in 2001. The Producer Butterfat Price averaged \$1.1928 perpound in the year 2002. This was a decrease of 65.52 cents from 2001. It peaked at \$14846 in January and was low est in September at \$1.0099. The Protein Price averaged \$1.9735 per pound. This was an increase of 1.22 cents from the previous year. The high was \$2.2097 in May and the low was \$1.7506 in

December. Other Solids Price averaged \$0.0593 per pound. This was a decrease of 7.5 cents from 2001. It reached a high of \$0.1392 per pound in January and a low of .0150 per pound in July. The Producer Price Differential (PPD) averaged \$1.15 cwt. in 2002 producing a high in A ugust of \$1.65 and a low of \$0.60 in O ctober.

NOVEMBER MILK PRODUCTION UP 1.8 PERCENT

Milk production in the 20 major States during November totaled 11.7 billion pounds, up 18 percent from November 2001. October revised production, at 12.0 billion pounds, was up 2.1 percent from October 2001. The October revision represented a decrease of 0.2 percent or 26 million pounds from last month's pre liminary production estimate.

Production per cow in the 20 major States averaged 1,501 pounds for N ovember, 16 pounds above N ovember 2001.

The number of milk cows on farms in the 20 major States was 7.79 million head, 54,000 head more than N ovember 2001, and 1,000 head more than October 2002.

The Mideast Marketing Area has four states represented in the 20 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during N ovember totaled 19 billion pounds, up 0.7 percentfrom November 2001.

Production per cow in the Mideast states averaged 1,460 pounds for N ovember, 21 pounds above N ovember 2001.

The number of cows on farms in the Mideast states was 1.3 million head, 4,000 head less than November 2001.

DECEMBER 2002 - POOL SUMMARY Classification of Producer Milk Percent Class I 550,728,223 40.4 9.7 Class II 131,853,132 Class III 593,972,718 43.5 Class IV 87,108,591 6.4 Total 1,363,662,664 100.0 **Producer Prices** Producer Price Differential \$1.38 /cwt Butterfat Price 1.1922 / lb Protein Price 1.7506 / lb Other Solids Price 0.0584 / lb Somatic C ell Adju stment Rate 0.00056 / cwtStatistical Uniform Price 11.12 /cwt

ANNOUNCEMENT OF PRODUCER PRICES

Federal Order No. 33

DECEMBER 2002

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Name				SKIM /	NONFAT	OTHER		
Class Butterfat		<u>POUNDS</u>	BUTTERFAT	<u>PROTEIN</u>	SOLIDS	SOLIDS	PRICE	VALUE
Class I Location Differential 550,728,223 11,016,419 0.8544 / lb 9,412,42839 11,016,419 0.8544 / lb 9,412,42839 11,9192 / lb 1390031688 11,591,325 18,450,349 1.7506 / lb 322,991,8095 18,450,349 1.7506 / lb 322,991,8095 1.7506 / lb 324,014,51 1.7506 / l				539,906,437				\$ 48,537,588.69
Class II SNF Value			10,821,786				1.0982 / lb	, ,
Class II Butterfat		550,728,223						` '
Class III Protein Value					11,016,419			, , , , , , , , , , , , , , , , , , ,
Class III Other Solids Value			11,591,325					1390031688
Class III Butterfat				18,450,349				, , , , , , , , , , , , , , , , , , ,
Class IV SNF Value						33,863,049		, ,
Class IV Butterfat 8,268,618 1.1922 / lb 9,857,846.42 348,399.49 77,687,223 348,399.49 777AL PRODUCER MILK VALUE 1,363,662,664 52,264,026 42,408,884 77,687,223 \$158,918,692.79 707AL PRODUCER MILK VALUE 1,363,662,664 52,264,026 42,408,884 77,687,223 \$158,918,692.79 \$158,918,692.			21,582,297					
Somatic Cell Value II / III / IV					7,196,118			, , , , , , , , , , , , , , , , , , ,
TOTAL PRODUCER MILK VALUE 1,363,662,664 52,264,026 42,408,884 77,687,223 \$ 158,918,692.79 O verages \$ 9933.51 \$ 9933.51 \$ (18,929.18) \$ (8,995.67) \$ (8,995.67) \$ (18,929.18) <			8,268,618				1.1922 / lb	, ,
O verages \$ 9933.51 Beginning Inventory (18,929.18) TOTAL ADJUSTMENTS \$ (8,99567) TOTAL HANDLER OBLIGATIONS \$ 158,909697.12 Total Prote in Value 42,408,884lbs @ \$17506 \$ (74240,992.34) Total Other Solids Value 77,687,223lbs @ 00584 (4536,933.84) Butterfat Value 52,264,026lbs @ 11922 (62,309,171.81) Total Somatic Cell Values (534,9453.3) (534,9453.3) TOTALS \$ 17,287,653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,2524.5)								
Beginning Inventory (18,929.18) TOTAL ADJUSTMENTS \$ (8,99567) TOTAL HANDLER OBLIGATIONS \$ (8,99567) Total Protein Value 42,408,884bs © \$17506 \$ (74240,99234) Total Other Solids Value 77,687,223bs © 00584 (4536,93384) Butterfat Value 52,264,026bs © 11922 (62,309,171.81) Total Somatic Cell Values (534,94533) 17,287653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 bs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)	TOTAL PRODUCER MILK VALUE	1,363,662,664	52,264,026	42,408,884		77,687,223		\$ 158,918,692.79
Beginning Inventory (18,929.18) TOTAL ADJUSTMENTS \$ (8,99567) TOTAL HANDLER OBLIGATIONS \$ (8,99567) Total Protein Value 42,408,884bs © \$17506 \$ (74240,99234) Total Other Solids Value 77,687,223bs © 00584 (4536,93384) Butterfat Value 52,264,026bs © 11922 (62,309,171.81) Total Somatic Cell Values (534,94533) 17,287653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 bs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)						A 0022 51		
TOTAL ADJUSTMENTS \$ (8,99567) TOTAL HANDLER OBLIGATIONS \$ 158,909697.12 Total Protein Value 42,408,884lbs @ \$17506 \$ (74240,99234) Total Other Solids Value 77,687,223lbs @ 00584 (4536,933,84) Butterfat Value 52,264,026lbs @ 11922 (62,309,171,81) Total Somatic Cell Values (534,94533) (534,94533) TOTALS \$ 1,405,142.96 Net Producer Location Adjustments \$ 1,405,142.96 1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)	e							
TOTAL HANDLER OBLIGATIONS \$ 158,909,697.12 Total Prote in Value 42,408,884lbs @ \$17506 \$ 74240,99234) Total Other Solids Value 77,687,223lbs @ 00584 (4536,93384) Butterfat Value 52,264,026lbs @ 11922 (62,309,171.81) Total Somatic Cell Values (534,94533) (534,94533) TOTALS \$ 17,287653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)						(18,929.18)		¢ (0.005.67)
Total Prote in Value 42,408,884bs © \$17506 \$ (7424099234) Total Other Solids Value 77,687,223bs © 00584 (4536,933,84) Butterfat Value 52,264,026bs © 11,922 (62,309,171.81) Total Somatic Cell Values (534,94533) (534,94533) TOTALS \$ 17,287,653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 bs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)								
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Total Other Solids Value 77,687,223 bs © 00584 (4,536,933.84) Butterfat Value 52,264,026 bs © 11.922 (62,309,171.81) Total Somatic Cell Values (534,945.33) 17,287,653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 bs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,252.45)	Total Protein Value			42.408.884lbs	@	\$17506		\$ (7424099234)
Butterfat Value 52,264,026bs © 11922 (62,309,171.81) Total Somatic Cell Values (534,94533) (534,94533) TOTALS \$ 17,287,653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)	Total Other Solids Value				@	00584		
Total Somatic Cell Values (534,94533) TOTALS \$ 17,287,653.80 Net Producer Location Adjustments \$ 1,405,142.96 1/2 Unobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)						1.1922		
Net Producer Location Adjustments \$ 1,405,142.96 1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)	Total Somatic Cell Values							(534,94533)
1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)	TOTALS							\$ 17,287,653.80
1/2 U nobligated Balance Producer Settlement Fund 724,000.00 Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (00438710) (598,25245)								
Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (0.0438710) (598,25245)	Net Producer Location Adjustments							\$ 1,405,142.96
Total - Divided by Total Pounds 1,363,662,664 lbs 1.4238710 \$ 19,416,796.76 Rate of Cash Reserve (0.0438710) (598,25245)								
Rate of Cash Reserve (0.0438710) (598,25245)	1/2 Unobligated Balance Producer Settler	m ent Fund						724,000.00
	Total - Divided by Total Pounds			1,363,662,664	bs	1.4238710		\$ 19,416,796.76
PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH* 1,363,662,664 \$1.38 / cwt \$ 18,818,544.31								
	PRODUCER PRICE DIFFERENTIA	${f L}$ at Cuyahoga County, ${f G}$	OH*	1,363,662,664		\$1.38 / cwt		\$ 18,818,544.31

COMPONENT	PRICES

COMPUTATION OF UNIFORM PRICE

	Decer	nber		Dec	ember
	<u>2002</u>	<u>2001</u>		2002	2001
Butterfat Price	\$1.1922 / lb	\$1.4322 / lb	Class III Price - 3.5% BF	\$ 9.74	\$11.80
Prote in Price	17506 / lb	19782 / lb	Producer Price Differential*	1.38	0.84
Other Solids Price	00584 / lb	0.1517 / lb	Statistical Uniform Price	\$11.12	\$12.64
Somatic Cell Adjustment Rate	0.00056 / cwt	0.00064 / cwt			
Monfat Solide Drice	07282 / lb	07700 / lb			

CLASS PRICES

CLASSIFICATION OF PRODUCER MILK

December				December		
	2002	<u>2001</u>		2002	<u>2001</u>	
Class I*	\$1252	\$1398		Product lbs.	Product lbs.	
Class II	11.62	12.61	Class I	550,728,223	561,956,012	
Class III	9.74	1180	Class II	131,853,132	189,264,712	
Class IV	1049	11.79	Class III	593,972,718	700,833,846	
			Class IV	87,108,591	106,578,775	
ubject to Location Adjustr	ment.		Total	1,363,662,664	1,558,633,345	

ORDER 33 MARKET SUMMARY

The Producer Price Differential for the Mideast Marketing Area for December 2002 was \$138 and the Statistical Uniform Price was \$11.12 for the month. The Statistical Uniform Price is down 5 cents from last month, and is \$1.52 lower than December 2001.

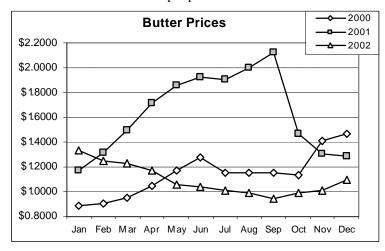
The Producer Butterfat Price of \$1.1922 per pound increased 9.99 cents from N ovem ber 2002 and is down 24 cents from a year ago. The Protein Price of \$1.7506 is down 9.63 cents from last month and is down 22.76 cents from D ecem ber 2001. The Other Solids Price in December was \$0.0584 per pound, a decrease from last month's price of \$00850 and a decrease of 9.33 cents from last December. The Somatic C ell Adjustment rate for December was \$0.0056.

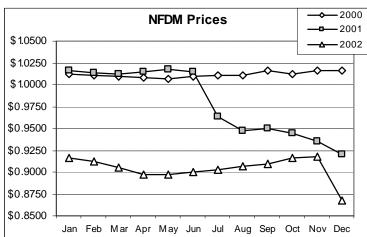
December producer receipts of 136 billion pounds were up 3.2 percent from Novem ber 2002, and decreased 12.5 percent from December 2001 production of 156 billion pounds. Producer milk allocated to Class I accounted for 40.4 percent of the total producer milk in December 2002, less than the 43.0 percent in November and more than the 36.1 percent in December 2001. A total of 10678 producers were pooled on the Mideast Order with an average daily delivery of 4,120 pounds compared to 11657 producers pooled in December 2001 with an average daily delivery of 4313 pounds.

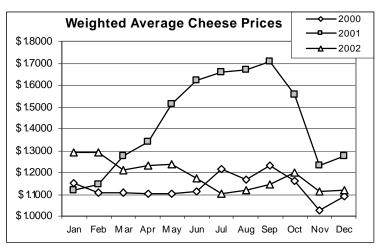
The market average content of producer milk was as follows: Butterfat 3.83 %; Protein 3.11 %; Other Solids 5.70 % and Nonfat Solids 8.81 %.

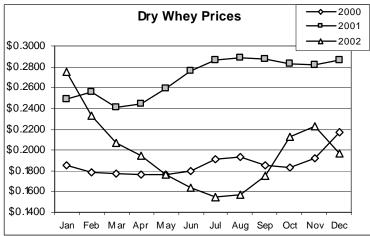
COMMODITY PRICES FALL IN 2002

The NASS monthly commodity prices for Butter, C heese, Dry Whey, and Nonfat DryM ilk all declined in 2002. The Butter price averaged \$1.0931 perpound for the year. This was a decrease of 53.73 cents per pound from 2001 and 19.5 cents from the three-year average beginning January 1, 2000. The Weighted A verage price for block and barrelcheese averaged \$1.1855 perpound in 2002. This was 24.09 cents perpound less than 2001 and 6.22 cents less than the three-year average. The Dry Whey price averaged 19.74 cents perpound in 2002. This was 7.26 cents perpound less than 2001 and 2.05 cents less than the three-year average. The Nonfat DryM ilk price averaged 90.43 cents perpound in 2002. This was 7.48 cents per pound less than 2001 and 6.07 cents less than the three-year average.









	Weighted	Averages	- Butterf	*	in, Other al Order No	,	Somatic Cell	Count	by Stat	te	
November 2002*							November 2001				
i				We	eighted Ave	erages	Weighted Averages				
	Num ber of	Pounds of			Other	SCC	Pounds of			Other	SCC
State	Producers	Milk (000)	Butterfat	Protein	Solids	(000)	Milk (000)	Butterfat	Protein	Solids	(000)
Michigan	2,572	426,650	3.75	3.12	5.70	263	433,534	3.73	3.09	5.70	270
Ohio	2,697	294,526	3.90	3.18	5.68	298	310,982	3.82	3.15	5.67	288
Wisconsin	2,181	277,027	3.82	3.08	5.70	279	321,716	3.79	3.08	5.68	271
Indiana	1,293	130,379	3.88	3.16	5.70	277	122,590	3.84	3.15	5.68	306
Pennsylv an ia	1,412	114,345	3.90	3.16	5.64	364	127,828	3.85	3.13	5.65	321
New York	514	50,314	3.81	3.09	5.66	279	97,434	3.69	3.02	5.68	252
Illinois	89	11,500	3.90	3.11	5.71	304	12,383	3.79	3.09	5.84	302
West Virginia	86	5,905	3.90	3.21	5.64	381	7,344	3.86	3.22	5.66	350
Minnesota	46	4,090	3.95	3.14	5.71	324	3,769	3.82	3.15	5.74	392
Other	95	5,983	3.93	3.17	5.66	338	8,524	3.83	3.16	5.63	307
Tota l/Avera ge	10,985	1,320,720	3.83	3.13	5.69	286	1,446,104	3.78	3.10	5.68	282
* Totals m	ay not add due	e to rounding.	Data provide	d on a one	month delay	basis.					



Mideast Market Administrator Bulletin

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FEDERAL ORDER DATA DECEMBER 2002

		Produ	icer Milk	Class I	Producer	Statistic a1
Mark	eting Area 1/	<u>Tota l</u>	Class I	<u>Percent</u>	Price Differential	Uniform Price
		(000)	(000)	%		
FO 1	Northeast - (Boston)	2,091,664	933,101	44.6	\$2.50	\$12.24
FO 5	Appalachian - (Charlotte)	558,014	374,996	67.2	2/	12.96
FO 6	Florida - (Tampa)	244,731	207,108	84.6	2/	14.15
FO 7	South east - (Atlanta)	605,412	393,341	65.0	2/	12.76
FO 30	Upper Midwest - (Chicago)	1,824,897	342,919	18.8	0.59	10.33
FO 32	Central - (Kansas City)	1,636,609	414,547	25.3	0.93	10.67
FO 33	Mideast - (Cleveland)	1,363,663	550,728	40.4	1.38	11.12
FO 124	Pacific N orthw est - (Seattle)	653,964	179,520	27.5	1.07	10.81
FO 126	South west - (Dallas)	794,377	335,734	42.3	2.18	11.92
FO 131	Arizona-Las Vegas - (Phoenix)	257,320	83,718	32.5	2/	11.07
FO 135	Western - (Salt Lake City)	448,287	102,869	22.9	0.76	10.50

^{1/} Names in parentheses are principal points of markets.



^{2/} Producers in these markets are paid on the basis of a uniform skim and butterfat price.