

ANNOUNCEMENT OF BASIC FORMULA PRICE INFORMATION, SEPTEMBER 3, 1999 1/

BASIC FORMULA PRICE FOR AUGUST 1999: \$15.79

BUTTERFAT DIFFERENTIAL FOR AUGUST 1999 (value per 0.1% butterfat): \$.136

BASE MONTH PRICE DATA FOR JULY 1999:

PRICE AT TEST	\$13.45	PROTEIN TEST	3.06%
BUTTERFAT TEST	3.59%	SOLIDS-NOT-FAT	8.46%
PRICE AT 3.5%	\$13.33		

CHANGE IN PRODUCT PRICE FORMULA JULY TO AUGUST 1999: \$+2.46

MILK COMPONENT TESTS FOR AUGUST 1999:

PROTEIN	3.10%	BUTTERFAT TEST	3.61%
SOLIDS-NOT-FAT	8.45%		

BASIC FORMULA PRICE AT TEST FOR AUGUST 1999: \$15.94

PRODUCT PRICE AVERAGES FOR AUGUST 1999 (dollars per pound):

BUTTER, GRADE AA, CHICAGO MERC. EX.	\$1.3963
BUTTER, EQUIVALENT GRADE A	1.3063
CHEESE, 40-LB BLOCK, NASS, U.S. AVERAGE	1.7213
NONFAT DRY MILK, LOW/MED. HEAT, WEST	1.0124
DRY BUTTERMILK, WEST	0.7269
NONFAT DRY MILK, CLASS III-A, WEST	1.0224
NONFAT DRY MILK, CENTRAL	1.0384

PRODUCTION IN MN/WI FOR JULY 1999 (thous. lbs.):

AMERICAN CHEESE	132,040	NONFAT DRY MILK	1,796
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CLASS III-A PRICES FOR AUGUST 1999:

FOR ORDERS 1 AND 2	\$12.72	FOR ORDER 124, 131, & 135	\$12.49
FOR ORDER 4	\$12.74	FOR OTHER AFFECTED ORDERS	\$12.62

1/ 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.

REGIONAL MILK PRODUCTION COSTS, JULY AND AUGUST, 1999 2/:

REGION	TOTAL CASH EXPENSES		TOTAL ECONOMIC COSTS	
	JUL.3/	AUG.	JUL.3/	AUG.
NORTHEAST	\$13.32	\$13.49	\$18.61	\$18.82
SOUTHEAST	13.94	14.11	18.41	18.64
UPPER MIDWEST	12.50	12.59	17.52	17.66
CORN BELT	13.54	13.65	19.92	20.08
SOUTHERN PLAINS	11.89	12.01	15.81	15.97
PACIFIC	9.64	9.70	11.78	11.87

2/ United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202-694-5588. Costs are dollars per 100 pounds (cwt.). Regions are defined as: Northeast--New York, Pennsylvania, and Vermont; Southeast--Florida and Georgia; Upper Midwest--Michigan, Minnesota, and Wisconsin; Corn Belt--Iowa, Missouri, and Ohio; Southern Plains--Texas; Pacific--Arizona, California, and Washington.

3/ Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.