

**ANNOUNCEMENT OF BASIC FORMULA PRICE INFORMATION, JANUARY 5, 2000 1/**

**BASIC FORMULA PRICE FOR DECEMBER 1999:** \$ 9.63

**BUTTERFAT DIFFERENTIAL FOR DECEMBER 1999 (value per 0.1% butterfat):** \$.086

**BASE MONTH PRICE DATA FOR NOVEMBER 1999:**

PRICE AT TEST	\$10.97	PROTEIN TEST	3.33%
BUTTERFAT TEST	3.96%	SOLIDS-NOT-FAT	8.67%
PRICE AT 3.5%	\$10.48		

**CHANGE IN PRODUCT PRICE FORMULA NOVEMBER TO DECEMBER 1999:** \$-0.85

**MILK COMPONENT TESTS FOR DECEMBER 1999:**

PROTEIN	3.29%	BUTTERFAT TEST	3.93%
SOLIDS-NOT-FAT	8.64%		

**BASIC FORMULA PRICE AT TEST FOR DECEMBER 1999:** \$10.00

**PRODUCT PRICE AVERAGES FOR DECEMBER 1999 (dollars per pound):**

BUTTER, GRADE AA, CHICAGO MERC. EX.	\$0.9163
BUTTER, EQUIVALENT GRADE A	0.8263
CHEESE, 40-LB BLOCK, NASS, U.S. AVERAGE	1.1319
NONFAT DRY MILK, LOW/MED. HEAT, WEST	1.0039
DRY BUTTERMILK, WEST	0.7304
NONFAT DRY MILK, CLASS III-A, WEST	1.0132
NONFAT DRY MILK, CENTRAL	1.0168

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

AMERICAN CHEESE	128,850	NONFAT DRY MILK	1,831
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**CLASS III-A PRICES FOR DECEMBER 1999:**

FOR ORDERS 1 AND 2	\$10.75	FOR ORDER 124, 131, & 135	\$10.66
FOR ORDER 4	\$10.77	FOR OTHER AFFECTED ORDERS	\$10.69

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, NOVEMBER AND DECEMBER, 1999 2/:**

REGION	TOTAL CASH EXPENSES		TOTAL ECONOMIC COSTS	
	NOV.3/	DEC.	NOV.3/	DEC.
NORTHEAST	\$13.60	\$13.64	\$18.92	\$19.01
SOUTHEAST	14.18	14.22	18.68	18.79
UPPER MIDWEST	12.70	12.74	17.76	17.84
CORN BELT	13.77	13.81	20.21	20.29
SOUTHERN PLAINS	12.08	12.11	16.03	16.10
PACIFIC	9.79	9.81	11.95	11.99

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.