

ANNOUNCEMENT OF BASIC FORMULA PRICE INFORMATION, March 5, 1999 1/

BASIC FORMULA PRICE FOR FEBRUARY 1999: \$10.27

BUTTERFAT DIFFERENTIAL FOR FEBRUARY 1999 (value per 0.1% butterfat): \$.139

BASE MONTH PRICE DATA FOR JANUARY 1999:

PRICE AT TEST	\$15.28	PROTEIN TEST	3.26%
BUTTERFAT TEST	3.91%	SOLIDS-NOT-FAT	8.66%
PRICE AT 3.5%	\$14.72		

CHANGE IN PRODUCT PRICE FORMULA JANUARY TO FEBRUARY 1999: \$-4.45

MILK COMPONENT TESTS FOR FEBRUARY 1999:

PROTEIN	3.23%	BUTTERFAT TEST	3.87%
SOLIDS-NOT-FAT	8.63%		

BASIC FORMULA PRICE AT TEST FOR FEBRUARY 1999: \$10.78

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

BUTTER, GRADE AA, CHICAGO MERC. EX.	\$1.3153
BUTTER, EQUIVALENT GRADE A	1.2253
CHEESE, 40-LB BLOCK, NASS, U.S. AVERAGE	1.3010
NONFAT DRY MILK, LOW/MED. HEAT, WEST	1.0257
DRY BUTTERMILK, WEST	0.7163
NONFAT DRY MILK, CLASS III-A, WEST	1.0392
NONFAT DRY MILK, CENTRAL	1.0437

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

AMERICAN CHEESE	128,346	NONFAT MILK	2,916
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CLASS III-A PRICES FOR FEBRUARY 1999:

FOR ORDERS 1 AND 2	\$12.80	FOR ORDER 124, 131, & 135	\$12.75
FOR ORDER 4	\$12.82	FOR OTHER AFFECTED ORDERS	\$12.78

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, JANUARY AND FEBRUARY, 1999 2/:

REGION	TOTAL CASH EXPENSES		TOTAL ECONOMIC COSTS	
	JAN. 3/	FEB.	JAN. 3/	FEB.
NORTHEAST	\$14.24	\$14.37	\$19.45	\$19.61
SOUTHEAST	16.13	16.24	20.87	21.02
UPPER MIDWEST	13.09	13.17	17.87	17.98
CORN BELT	14.03	14.12	19.99	20.12
SOUTHERN PLAINS	13.73	13.81	17.81	17.92
PACIFIC	11.12	11.19	13.28	13.38

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.