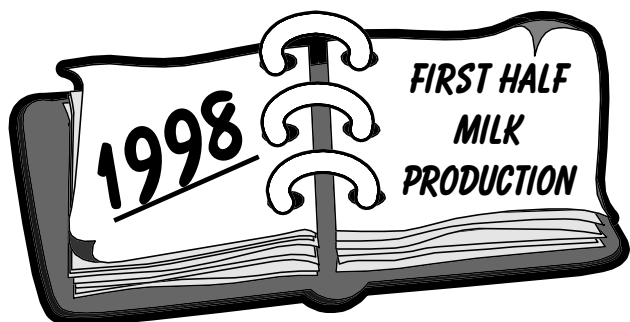
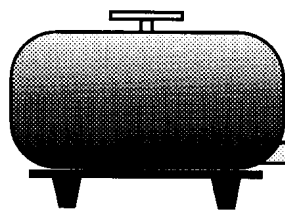


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U.S. milk production for the first six months of 1998 totaled 80.2 billion pounds -- a 0.7% increase compared with the previous year's first half production of 79.6 billion pounds. Delaware recorded the largest yearly percentage gain during the first six months of 1998, with a production increase of 15.1%. Idaho was the only other state to post a double digit percentage increase, with milk production increasing by 12.8%. Wyoming recorded the largest percentage decrease during the first half of 1998, with milk production declining by 11.2%. Following Wyoming were North and South Dakota, with production declines of 10.2% and 8.8%, respectively.

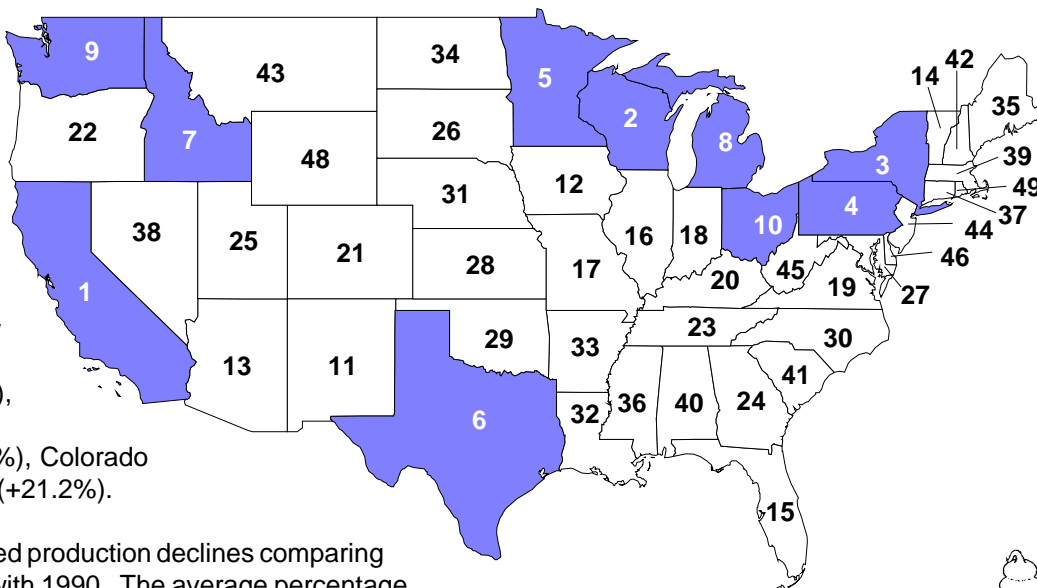
Comparing January-to-June 1998 with the same period of 1990, milk production in the U.S. increased by 4.8 billion pounds, or approximately 6.4%.

The map on this page details the state ranking in milk production for the first half of 1998. The top ten milk producing states are shaded. The graphics on page 4 depict the states with the largest percentage increases and decreases from 1990 to 1998.

Twenty states registered milk production increases comparing the first six months of 1998 with first half production during 1997. The average increase for these 20 states was 4.5%. Twenty-nine states posted production decreases, which averaged 4.3%. Hawaii reported no change in milk production compared with the previous year. Six states registered gains of more than 5% during the first six months of 1998, while 11 states recorded decreases in milk production of 5% or more compared with the first half of 1997.

Twenty-three states reported milk production increases comparing January through June 1998 data with the same period of 1990. The largest increase was posted by New Mexico, with a gain of 191.9%. The increases for these 23 states averaged 26.8%. Eight of these states posted increases of 20 percent or more during this time frame. These eight states were New Mexico (+191.9%), Idaho (+98.0%), Arizona (+65.7%), Nevada (+53.0%), Delaware (+41.4%), California (+33.6%), Colorado (+27.2%), and Washington (+21.2%).

1998 First Half Milk Production Ranking Top Ten States Highlighted



Twenty-seven states recorded production declines comparing the first six months of 1998 with 1990. The average percentage decline for these 27 states was 13.7%. Seventeen of these

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1998



states recorded decreases greater than the average loss. These states were:

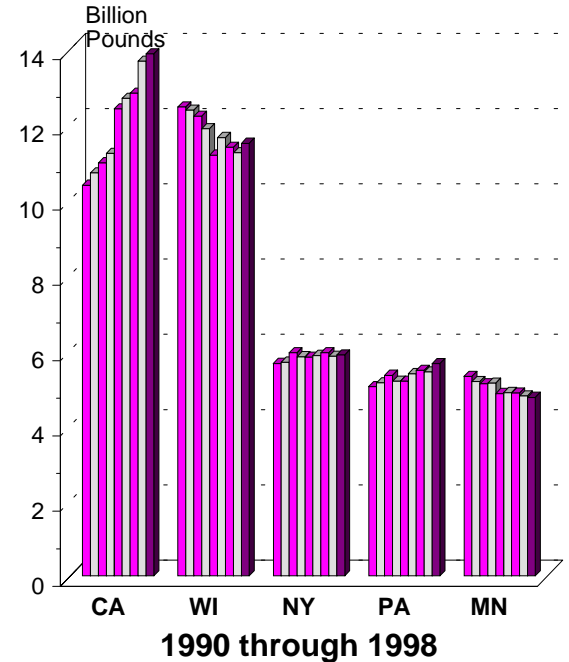
North Dakota	-41.1%	Wyoming	-37.5%	Tennessee	-28.8%
Alabama	-25.2%	Missouri	-23.7%	Kentucky	-22.2%
North Carolina	-20.3%	New Jersey	-20.2%	Nebraska	-19.9%
South Dakota	-19.3%	Mississippi	-18.2%	Alaska	-17.8%
Arkansas	-16.9%	Illinois	-16.8%	Hawaii	-16.8%
South Carolina	-16.5%	Louisiana	-15.0%		

The graph at the right depicts January through June milk production during the last nine years for the nation's top five milk producing states. Minnesota was the only state to record a decrease during the first half of 1998. California was the only state to record an increase each year during this period, with milk production for the first six months of 1998 increasing by 33.6% compared with 1990. Pennsylvania (+12.2%) and New York (+4.0%) also posted increases compared with 1990. Minnesota (-10.5%) and Wisconsin (-7.8%) both recorded decreased milk production versus 1990.

The map on page 6 provides a ranking of states based on milk production per cow. California, Washington, and Idaho are the only states ranked in the top ten for the first half of 1998 in both total milk production and milk production per cow.

January - June Milk Production

Top Five Dairy States



1998 1st Half Per Capita Milk Production

Per capita milk production is a data series reported previously in this Bulletin. A comparison of this series to per capita consumption data may reflect the aggregate supply and demand balance for individual states and regions throughout the U.S. The table on page 7 details and compares per capita milk production by state for the first six months of 1998*, 1997, and 1990. This table lists the states in descending order based on January through June 1998 per capita production. The states with per capita production of more than 300 pounds are inside the shaded area of the table. Five of the top ten states in total production are also in the top ten in per capita production. These five are Wisconsin, Pennsylvania, Minnesota, Idaho, and Washington.

Per capita production for the first half of 1998 was up 2.1 pounds (+0.7%) compared with 1997. Twenty states reported per capita increases during this time period, with six posting increases of more than 5 percent. The largest two percentage increases were reported by Delaware at 15.0%, and Idaho with a 12.8% gain. Nevada (+8.1%), New Mexico (+7.0%), West Virginia (+6.9%), and Connecticut (+5.5%) were the other states with increases of more than 5 percent. Wyoming and North Dakota recorded the largest per capita production declines during the first half of 1998, with losses of 11.2% and 10.2%, respectively. Nine other states posted declines of 5 percent or more: South Carolina (-8.7%), Alabama (-8.3%), Mississippi (-7.8%), Tennessee (-7.1%), Florida (-7.0%), Utah (-6.8%), North Carolina (-6.3%), Kentucky (-6.2%), and New Jersey (-5.7%).

Per capita milk production for the U.S. declined by 3.3 pounds, or -1.1%, comparing the first half of 1998 with 1990. Sixteen states recorded increases in per capita milk production during this time frame, led by New Mexico's gain of 155.7%. North Dakota, Wyoming, and Tennessee recorded the largest decreases, with per capita production falling by 41.3%, 40.8%, and 35.4%, respectively. Thirteen other states posted declines of 20 percent or more compared with 1990, while 9 more states reported decreases between 10 and 20 percent.

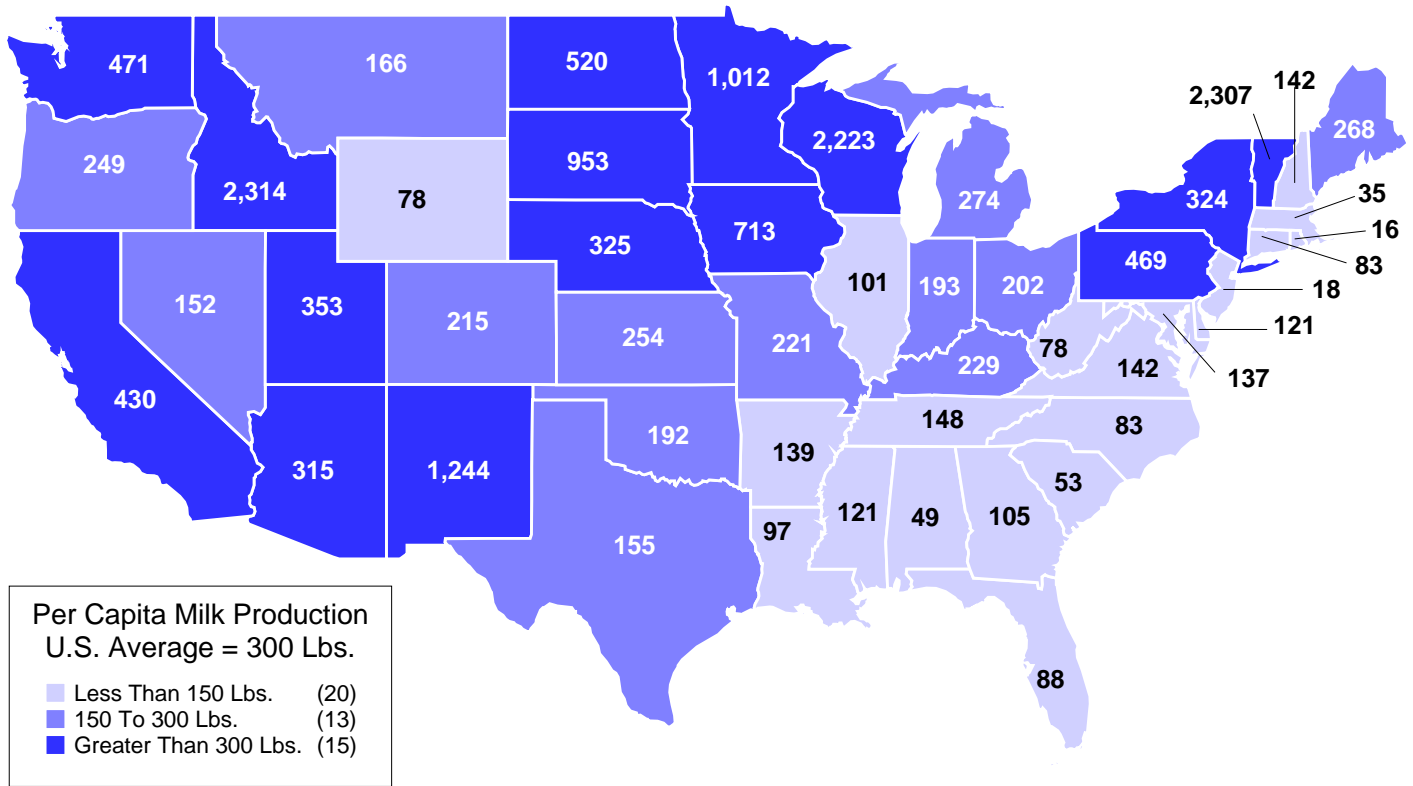
The map on the top of page 3 depicts per capita milk production by state for the first six months of 1998. The 150 and 300-pound levels of per capita production are arbitrary divisions selected for the categories used in this map. These levels reflect one-half of the average annual fluid and total per capita dairy consumption, plus reserve requirements. A cursory analysis of regional milk supply conditions can be performed by examining the shading patterns prevalent in the individual regions.

The map at the bottom of page 3 displays the percentage change in per

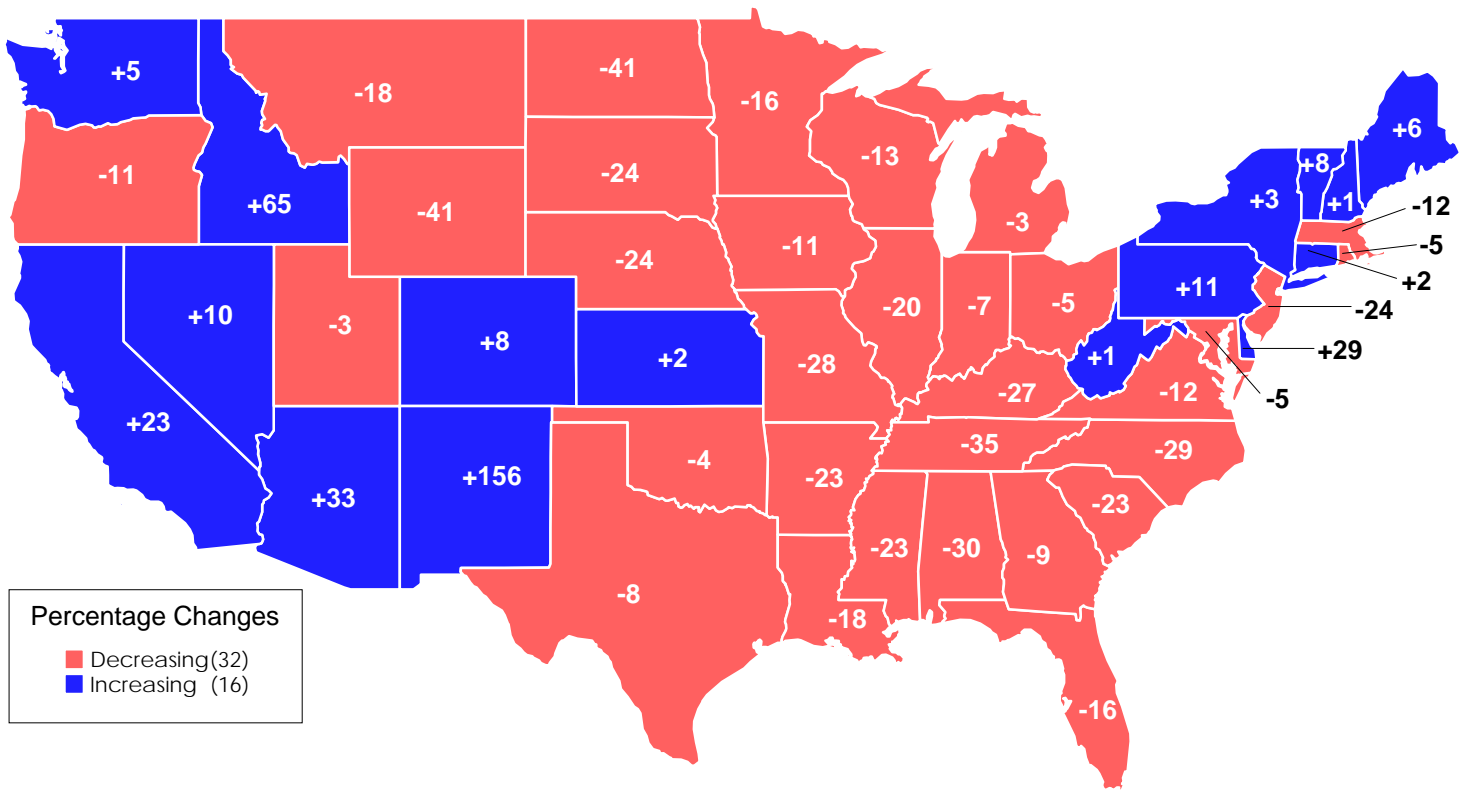
Percentage Of 1st Half Year Totals 1998

	U.S. Milk Production	U. S. Population Estimate*
California	17.29	12.06
Wisconsin	14.33	1.93
New York	7.32	6.78
Pennsylvania	7.03	4.49
Minnesota	5.91	1.75
5-State Total	51.88	27.01

1998 First Half Per Capita Milk Production



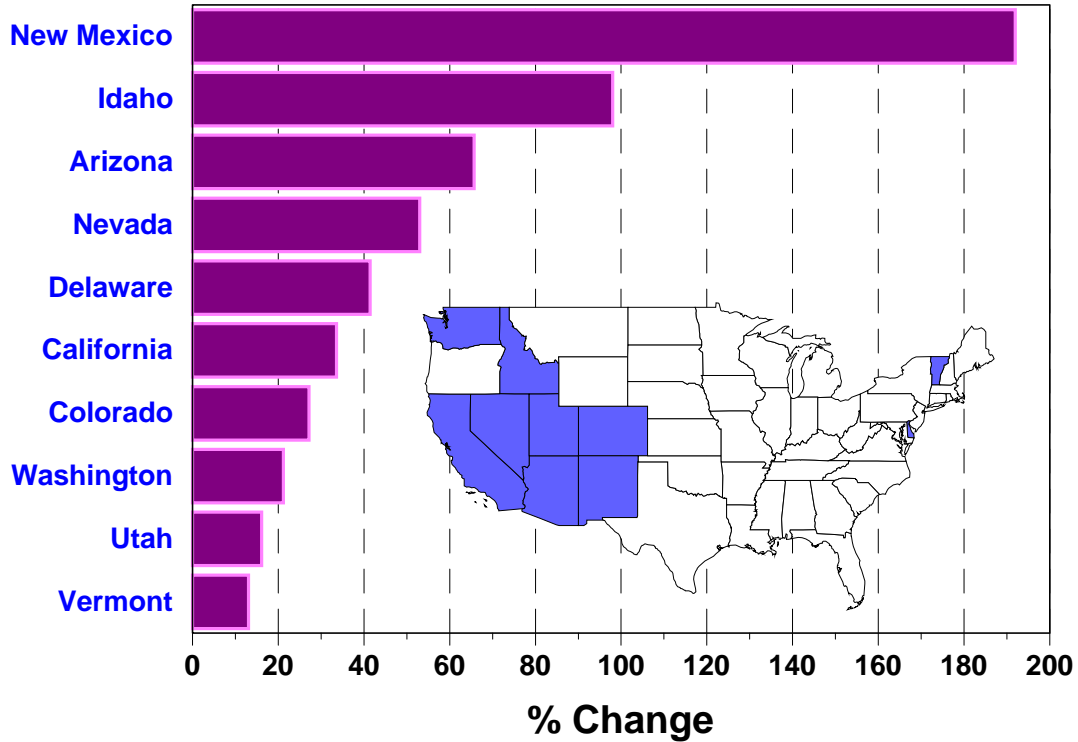
Percent Change In Per Capita Milk Production First Half -- 1998 vs 1990



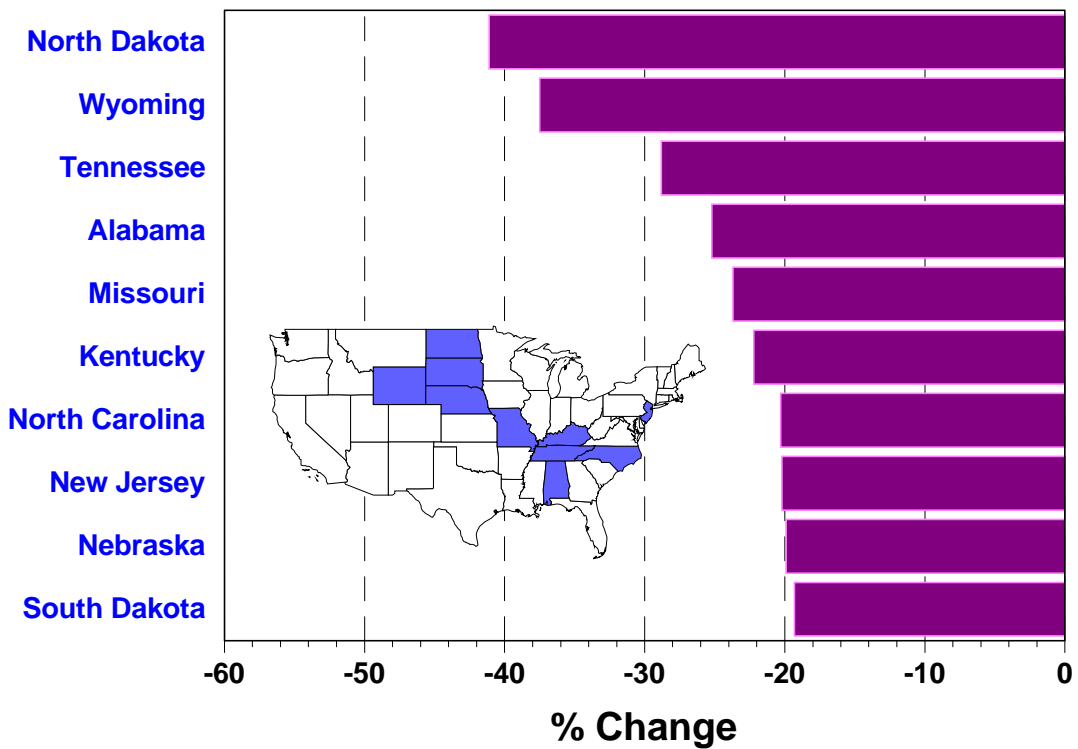
January-June Milk Production: 1998 vs 1990

U.S. Average = +6.4%

Largest Production Increases



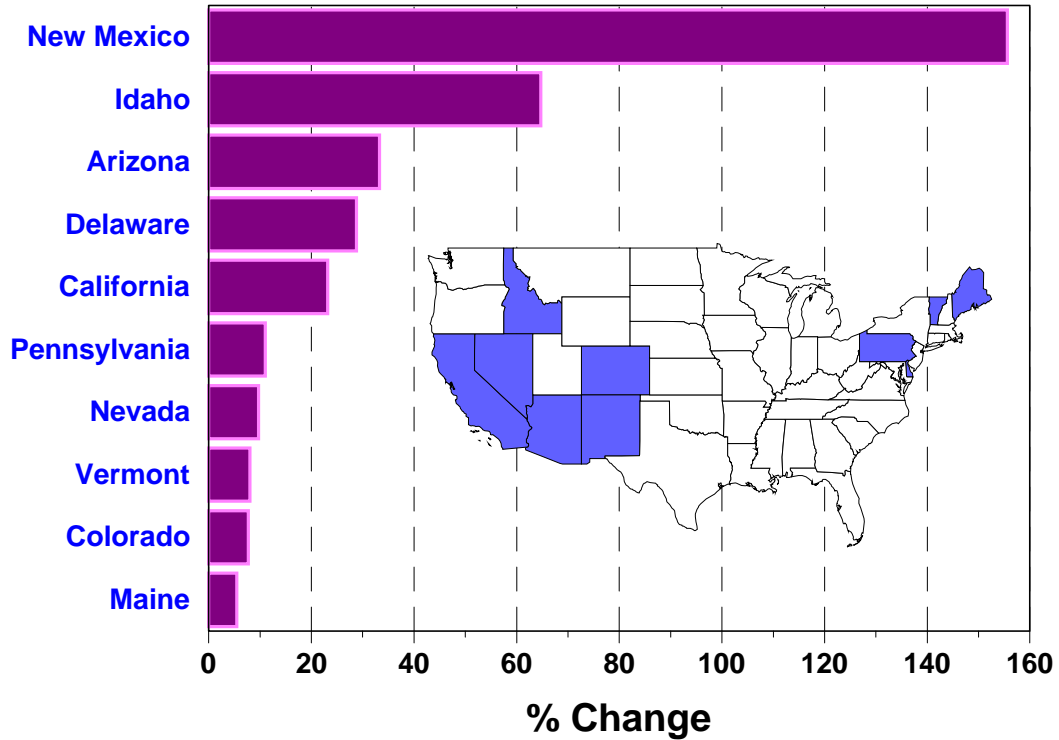
Largest Production Decreases



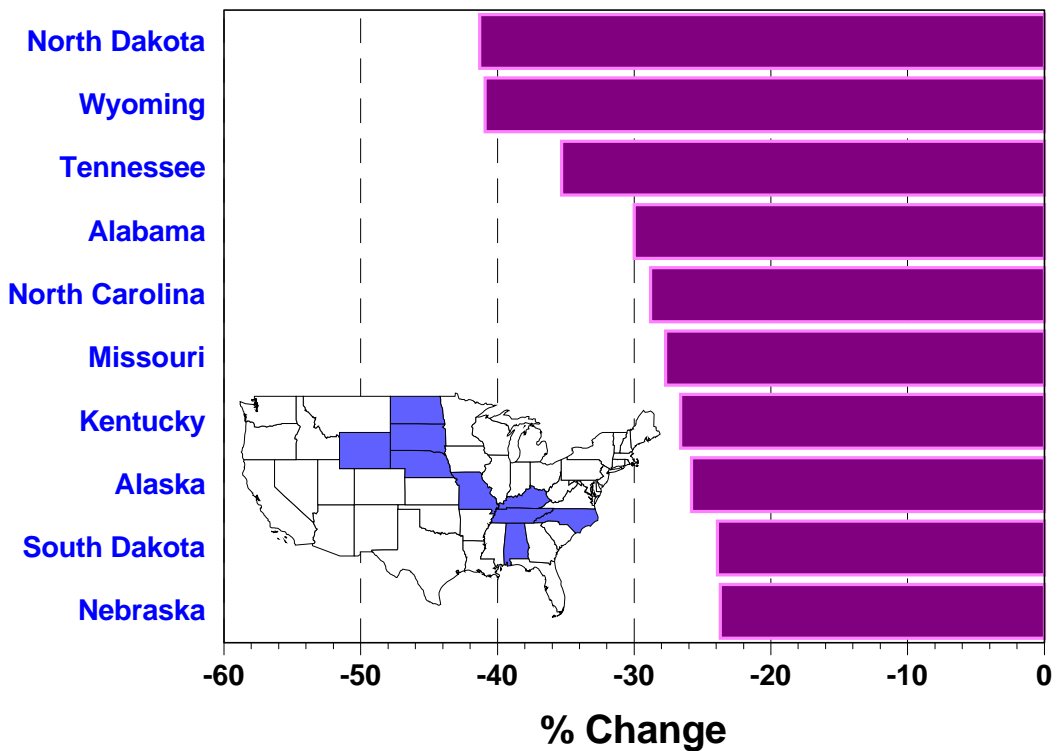
January-June Per Capita Milk Production*: 1998 vs 1990

U.S. Average = +1.1%

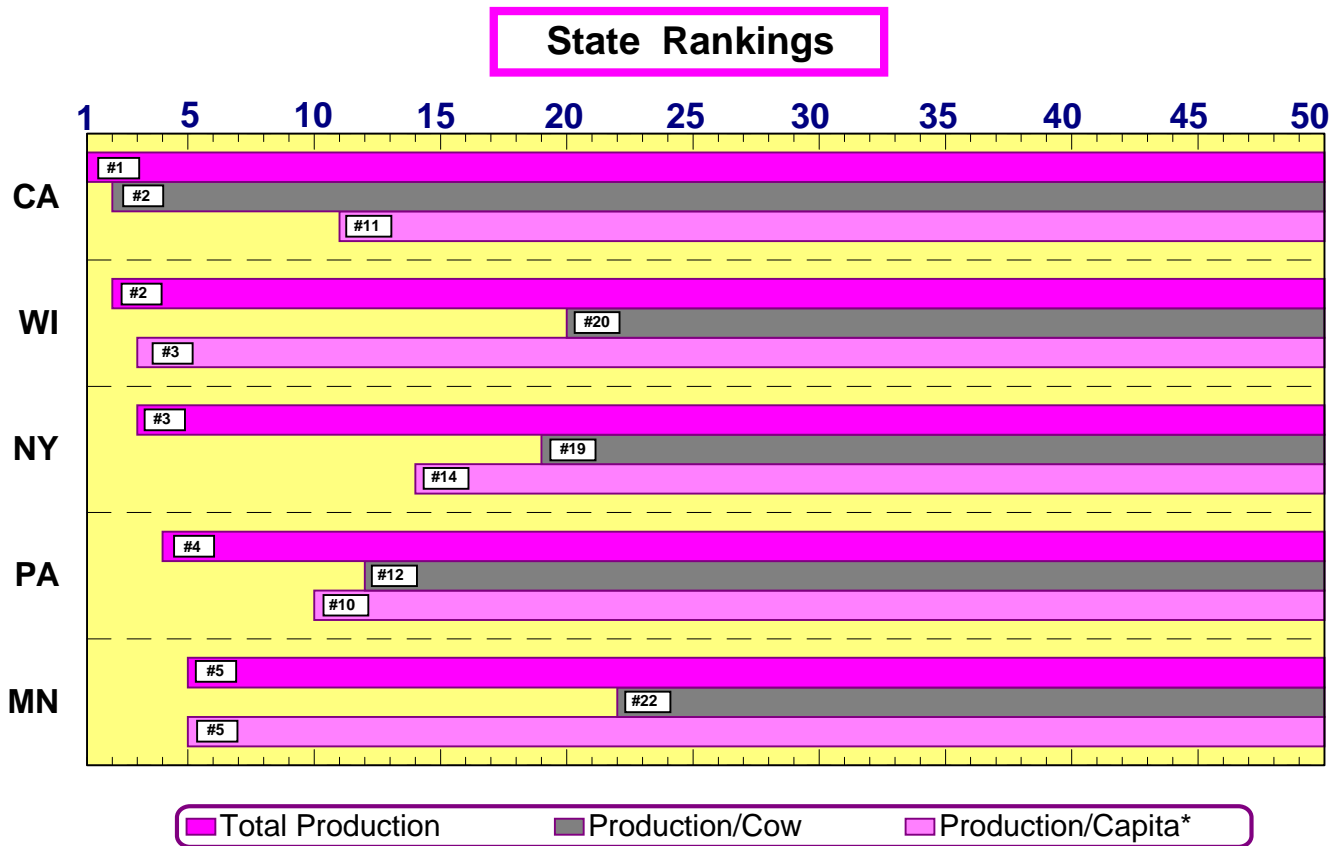
Largest Per Capita Increases



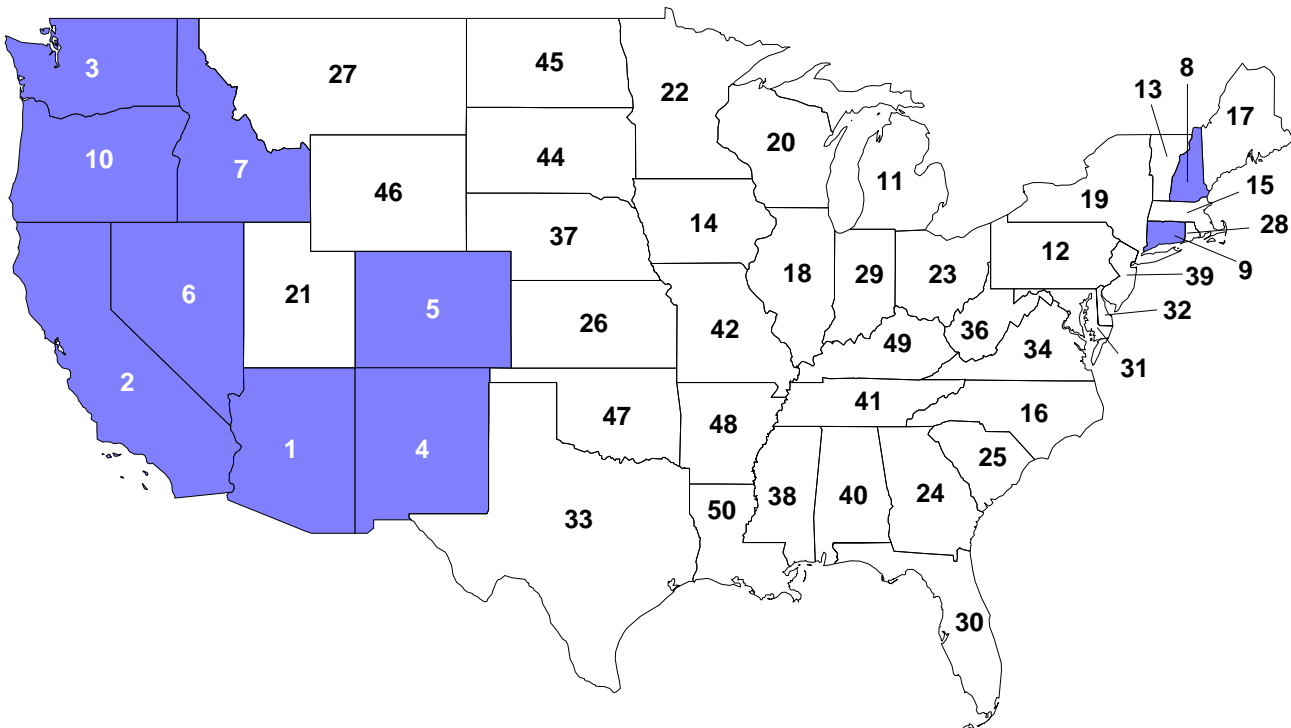
Largest Per Capita Decreases



1998 January thru June Milk Production: Top 5 States



First Half 1998 Milk Production Per Cow Ranking Top Ten States Highlighted



Per Capita Milk Production

1998 versus 1997 & 1990 - By State

January through June Data

States	Per Capita Milk Production			Change In Per Capita Milk Production			
	1998	1997	1990	1998 vs 1997		1998 vs 1990	
				Pounds	Percent	Pounds	Percent
1 Idaho	2,313.6	2,050.8	1,404.5	262.8	12.8	909.1	64.7
2 Vermont	2,307.4	2,208.9	2,135.9	98.5	4.5	171.5	8.0
3 Wisconsin	2,223.3	2,175.0	2,547.1	48.3	2.2	(323.8)	(12.7)
4 New Mexico	1,243.5	1,162.6	486.4	80.9	7.0	757.1	155.7
5 Minnesota	1,012.3	1,019.7	1,210.8	(7.4)	(0.7)	(198.5)	(16.4)
6 South Dakota	952.6	943.1	1,251.4	9.5	1.0	(298.8)	(23.9)
7 Iowa	713.1	697.7	797.3	15.4	2.2	(84.2)	(10.6)
8 North Dakota	519.6	578.9	884.5	(59.3)	(10.2)	(364.9)	(41.3)
9 Washington	471.3	477.5	448.2	(6.2)	(1.3)	23.1	5.2
10 Pennsylvania	469.3	450.8	423.0	18.5	4.1	46.3	10.9
11 California	429.8	423.9	348.8	5.9	1.4	81.0	23.2
12 Utah	353.1	378.8	363.4	(25.7)	(6.8)	(10.3)	(2.8)
13 Nebraska	325.3	313.2	426.4	12.1	3.9	(101.1)	(23.7)
14 New York	323.5	321.8	313.8	1.7	0.5	9.7	3.1
15 Arizona	315.0	319.0	236.3	(4.0)	(1.3)	78.7	33.3
16 Michigan	274.4	280.3	282.0	(5.9)	(2.1)	(7.6)	(2.7)
17 Maine	268.1	267.3	254.1	0.8	0.3	14.0	5.5
18 Kansas	254.4	258.2	250.2	(3.8)	(1.5)	4.2	1.7
19 Oregon	248.8	249.4	280.8	(0.6)	(0.2)	(32.0)	(11.4)
20 Kentucky	229.3	244.4	312.2	(15.1)	(6.2)	(82.9)	(26.6)
21 Missouri	221.2	232.3	306.0	(11.1)	(4.8)	(84.8)	(27.7)
22 Colorado	215.0	222.0	199.7	(7.0)	(3.2)	15.3	7.7
23 Ohio	201.9	202.7	213.0	(0.8)	(0.4)	(11.1)	(5.2)
24 Indiana	192.7	187.2	207.4	5.5	2.9	(14.7)	(7.1)
25 Oklahoma	192.3	197.5	200.9	(5.2)	(2.6)	(8.6)	(4.3)
26 Montana	166.1	170.7	202.7	(4.6)	(2.7)	(36.6)	(18.1)
27 Texas	155.1	162.2	169.4	(7.1)	(4.4)	(14.3)	(8.4)
28 Nevada	151.5	140.1	138.1	11.4	8.1	13.4	9.7
29 Tennessee	147.5	158.7	228.2	(11.2)	(7.1)	(80.7)	(35.4)
30 Virginia	142.4	140.2	162.1	2.2	1.6	(19.7)	(12.2)
31 New Hampshire	141.6	142.4	139.7	(0.8)	(0.6)	1.9	1.4
32 Arkansas	138.7	132.4	179.1	6.3	4.8	(40.4)	(22.6)
33 Maryland	136.6	132.5	144.1	4.1	3.1	(7.5)	(5.2)
34 Delaware	120.8	105.0	93.8	15.8	15.0	27.0	28.8
35 Mississippi	120.5	130.7	156.1	(10.2)	(7.8)	(35.6)	(22.8)
36 Georgia	105.1	107.8	115.3	(2.7)	(2.5)	(10.2)	(8.8)
37 Illinois	101.4	98.9	126.9	2.5	2.5	(25.5)	(20.1)
38 Louisiana	97.4	101.1	118.2	(3.7)	(3.7)	(20.8)	(17.6)
39 Florida	88.4	95.1	105.3	(6.7)	(7.0)	(16.9)	(16.0)
40 North Carolina	83.0	88.6	116.5	(5.6)	(6.3)	(33.5)	(28.8)
41 Connecticut	82.6	78.3	80.9	4.3	5.5	1.7	2.1
42 Wyoming	78.0	87.8	131.8	(9.8)	(11.2)	(53.8)	(40.8)
43 West Virginia	77.7	72.7	77.5	5.0	6.9	0.2	0.3
44 South Carolina	52.7	57.7	68.0	(5.0)	(8.7)	(15.3)	(22.5)
45 Hawaii	55.1	55.1	70.9	0.0	0.0	(15.8)	(22.3)
46 Alabama	48.9	53.3	69.8	(4.4)	(8.3)	(20.9)	(29.9)
47 Massachusetts	34.7	36.1	39.2	(1.4)	(3.9)	(4.5)	(11.5)
48 New Jersey	18.1	19.2	23.7	(1.1)	(5.7)	(5.6)	(23.6)
49 Rhode Island	16.4	16.9	17.3	(0.5)	(3.0)	(0.9)	(5.2)
50 Alaska	11.8	11.9	15.9	(0.1)	(0.8)	(4.1)	(25.8)
U.S. Totals	299.7	297.6	303.0	2.1	0.7	(3.3)	(1.1)

Data Sources:

Milk production Data: [Milk Production](#), National Agricultural Statistics Service, Agriculture Statistics Board, USDA.
 Population Data: [Estimates of the Population of States: Annual Time Series, July 1, 1990 to July 1, 1997](#),
 Population Estimates Program, Population Division, US Bureau of the Census,
 Department of Commerce.

A comparison of Blend Prices for milk of 3.5% butterfat content is provided for selected Federal milk marketing orders:		Jul 1998	Jun 1998	Jul 1997
		Southeast (Zone 7)	\$13.78	\$14.73
	Chicago Regional (Zone I)	12.94	13.23	11.27
	Greater Kansas City	13.26	13.79	12.49
	Indiana	12.40	13.41	12.01
	Iowa (Zone I)	12.95	13.47	11.47
	Southwest Plains (Zone I)	13.48	14.00	12.22
	Central Illinois (Zone I)	12.58	13.47	11.96
	Southern Illinois - Eastern Missouri (Base Zone)	12.42	13.46	11.89

capita milk production by state for the first six months of 1998 compared with 1990. The data represented by this map reflects changes in production combined with population changes* that have transpired since 1990. The West and Northeast regions are dominated by states with increases in milk production per capita. The remainder of the states reported decreased per capita production, with the exception of a small increase recorded by Kansas. The graphics on page 5 depict the states with the largest percentage increases/decreases comparing the first six months of 1998 with 1990.

The graph on page 6 provides a ranking of the top five milk producing states in total milk production, production per cow, and production per capita.

* Population estimates are the most recent ones available from the U.S. Bureau of the Census, Department of Commerce.

These estimates were released December 30, 1997, and are the estimated number of persons living in an area (resident population) as of July 1, 1997.

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