

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS
MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA
 Federal Order No. 5
 Phone: 502-499-0040
 Fax: 502-499-8749
 E-Mail: friedly@malouisville.com

4511 Bardstown Road, Suite 103
 Louisville, Kentucky 40218-4001
 (Mail) P.O. Box 18030
 Louisville, Kentucky 40261-0030
<http://members.aye.net/~usda>

Announcement Of Class I Skim Milk And Butterfat
And Class II Skim Milk Prices for December 2005
Federal Order No. 5

NASS Survey Price Quotations for Two Most Recent Weeks Ending November 12, 2005

Weighted Average Cheddar Cheese	\$1.4213
AA Butter	\$1.5011
Nonfat Dry Milk	\$0.9834
Dry Whey	\$0.3084
Advance Pricing Factors:	
Class III	\$8.03
Class IV	\$7.52
Butterfat	\$1.6633

<u>December 2005</u>	<u>Class I Price Per Cwt.</u>	<u>Skim Milk Price Per Cwt.</u>	<u>Butterfat Price Per Lb.</u>
Class I Price *	\$16.67	\$11.13	\$1.6943
Transportation Credit ^{1/}	.095	.095	.00095
Processor Assessment **	<u>.20</u>	<u>.20</u>	<u>.0020</u>
Total **	\$16.965	\$11.425	\$1.69725
Class II Skim Milk Price		\$8.22	

* Class I skim milk is announced at the higher of the Class III or IV advance pricing factors plus the base zone (Mecklenburg County, NC) differential of \$3.10 and is subject to location adjustments.

** The processor assessment is an obligation under the Fluid Milk Promotion Order (7 CFR § 1160.101 *et seq.*). The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia on a monthly basis, excluding those fluid milk products delivered to the residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

1/ The U.S. Department of Agriculture announced a final rule that amends the Appalachian and Southeast Milk Marketing Orders on October 12, 2005. The final rule increases the transportation credit from \$0.065 per cwt to \$0.095 per cwt effective November 1, 2005.