

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

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ANNOUNCEMENT OF CLASS PRICES FOR MAY 2006

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
CLASS I PRICE *	\$14.07	\$10.00	\$1.2641
Transportation Credit	0.095	0.095	0.00095
Processor Assessment **	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$14.365	\$10.295	\$1.26705
CLASS II PRICE	\$11.13	\$6.94 *	\$1.2652
CLASS III PRICE	\$10.83	\$6.66	\$1.2582
CLASS IV PRICE	\$10.33	\$6.14	\$1.2582

FACTORS USED IN PRICES FOR MAY 2006

NASS Product Price Averages:	MAY 2006 Monthly Averages	2 Week Averages Ending April 15, 2006 *
Cheese <i>(per lb.)</i>	\$1.1694	\$1.1698
Butter <i>(per lb.)</i>	\$1.1635	\$1.1426
Nonfat Dry Milk <i>(per lb.)</i>	\$0.8288	\$0.8400
Dry Whey <i>(per lb.)</i>	\$0.2805	\$0.3056

Advanced Pricing Factors *:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.90
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.24
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.2331

* As announced on or before the 23rd of the previous month. Class I skim milk price is announced at the higher of the advanced Class III or IV skim milk 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.