

**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

10301 Brookridge Village Blvd.
Louisville, Kentucky 40291-4467
(Mail) P. O. Box 18030
Louisville, Kentucky 40261-0030
<http://www.malouisville.com>

ANNOUNCEMENT OF CLASS PRICES FOR JANUARY 2009

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
CLASS I PRICE ^{1/}	\$19.14	\$14.64	\$1.4323
Transportation Credit	0.15	0.15	0.0015
<u>Processor Assessment ^{2/}</u>	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$19.49	\$14.99	\$1.4358
CLASS II PRICE	\$10.41	\$6.74 ^{1/}	\$1.1154
CLASS III PRICE	\$10.78	\$7.15	\$1.1084
CLASS IV PRICE	\$9.59	\$5.92	\$1.1084

FACTORS USED IN PRICES FOR JANUARY 2009

NASS Product Price Averages:	JANUARY 2009 Monthly Averages	2 Week Averages Ending December 13, 2008 ^{1/}
Cheese <i>(per lb.)</i>	\$1.2961	\$1.7989
Butter <i>(per lb.)</i>	\$1.0868	\$1.3262
Nonfat Dry Milk <i>(per lb.)</i>	\$0.8318	\$0.8460
Dry Whey <i>(per lb.)</i>	\$0.1696	\$0.1716

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.24
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.04
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.3983

^{1/} 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 \$3.40 and is subject to location adjustments.

^{2/} 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.