

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

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ANNOUNCEMENT OF CLASS PRICES FOR JANUARY 2011

	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/}	\$18.60	\$12.73	\$1.8036
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	\$18.95	\$13.08	\$1.8071
CLASS II PRICE	\$16.79	\$10.03^{1/}	\$2.0309
CLASS III PRICE	\$13.48	\$6.63	\$2.0239
CLASS IV PRICE	\$16.42	\$9.67	\$2.0239

FACTORS USED IN PRICES FOR JANUARY 2011

NASS Product Price Averages:	JANUARY 2011 Monthly Averages	2 Week Averages Ending December 18, 2010 ^{1/}
Cheese <i>(per lb.)</i>	\$1.4076	\$1.4841
Butter <i>(per lb.)</i>	\$1.8428	\$1.6328
Nonfat Dry Milk <i>(per lb.)</i>	\$1.2530	\$1.2148
Dry Whey <i>(per lb.)</i>	\$0.3935	\$0.3783

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.14
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$9.33
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.7696

^{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.

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HAROLD H. FRIEDLY, JR.
 Market Administrator