

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

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**ANNOUNCEMENT OF CLASS PRICES FOR DECEMBER 2011**

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
<b>CLASS I PRICE <sup>1/</sup></b>	<b>\$21.87</b>	<b>\$15.22</b>	<b>\$2.0531</b>
Transportation Credit	0.15	0.15	0.0015
<u>Processor Assessment <sup>2/</sup></u>	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$22.22	\$15.57	\$2.0566
<b>CLASS II PRICE</b>	<b>\$18.08</b>	<b>\$12.38<sup>1/</sup></b>	<b>\$1.7513</b>
<b>CLASS III PRICE</b>	<b>\$18.77</b>	<b>\$13.12</b>	<b>\$1.7443</b>
<b>CLASS IV PRICE</b>	<b>\$16.87</b>	<b>\$11.16</b>	<b>\$1.7443</b>

**FACTORS USED IN PRICES FOR DECEMBER 2011**

NASS Product Price Averages:	DECEMBER 2011 Monthly Averages	2 Week Averages Ending November 12, 2011 <sup>1/</sup>
Cheese <i>(per lb.)</i>	\$1.8070	\$1.7788
Butter <i>(per lb.)</i>	\$1.6119	\$1.8388
Nonfat Dry Milk <i>(per lb.)</i>	\$1.4201	\$1.4783
Dry Whey <i>(per lb.)</i>	\$0.6538	\$0.6342

**Advanced Pricing Factors <sup>1/</sup>:**

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.82
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.68
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.0191

<sup>1/</sup> As announced on or before the 23<sup>rd</sup> 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.

<sup>2/</sup> 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.