

**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 91528
Louisville, Kentucky 40291-0528
<http://www.malouisville.com>

ANNOUNCEMENT OF CLASS PRICES FOR FEBRUARY 2016

| | 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/} | \$17.04 | \$9.31 | \$2.3018 |
| 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 | \$17.39 | \$9.66 | \$2.3053 |
| CLASS II PRICE | \$14.30 | \$6.17 ^{1/} | \$2.3848 |
| CLASS III PRICE | \$13.80 | \$5.68 | \$2.3778 |
| CLASS IV PRICE | \$13.49 | \$5.36 | \$2.3778 |

FACTORS USED IN PRICES FOR FEBRUARY 2016

| Product Price Averages: | FEBRUARY 2016 Monthly Averages | 2 Week Averages Ending January 16, 2016 ^{1/} |
|----------------------------------|-----------------------------------|--|
| Cheese <i>(per lb.)</i> | \$1.5170 | \$1.5115 |
| Butter <i>(per lb.)</i> | \$2.1350 | \$2.0442 |
| Nonfat Dry Milk <i>(per lb.)</i> | \$0.7689 | \$0.7817 |
| Dry Whey <i>(per lb.)</i> | \$0.2469 | \$0.2344 |

Advanced Pricing Factors ^{1/}:

| | |
|---|----------|
| Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i> | \$5.91 |
| Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i> | \$5.47 |
| Advanced Butterfat Pricing Factor <i>(per lb.)</i> | \$2.2678 |

^{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.