UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE DAIRY PROGRAMS MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA Federal Order No. 5

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ANNOUNCEMENT OF ADVANCED CLASS PRICES AND PRICING FACTORS FOR JULY 2009

	PRICE @ 3.5% BF	SKIM MILK PRICE (per cwt.)	BUTTERFAT PRICE (per lb.)
CLASS I PRICE 1/	\$13.66	\$9.43 ^{1/}	\$1.3022
Transportation Credit	0.15	0.15	0.0015
Processor Assessment 2/	0.20	0.20	0.0020
Total	\$14.01	\$9.78	\$1.3057
CLASS II PRICE		\$6.73	

FACTORS USED IN PRICES FOR JULY 2009

Advanced Pricing Factors 1/2:

Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.71
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$6.03
Advanced Butterfat Pricing Factor (per lb.)	\$1.2682

NASS Product Price Averages for the Two Most Recent Weeks Ending June 13, 2009:

Cheese (per lb.)	\$1.1459
Butter (per lb.)	\$1.2187
Nonfat Dry Milk (per lb.)	\$0.8443
Dry Whey (per lb.)	\$0.2649

MILEAGE RATE FACTOR (per cwt per mile): \$0.00435

EIA Average Diesel Fuel Price (per gallon) 3/: \$2.398

HAROLD H. FRIEDLY, JR. Market Administrator

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^{1/} 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.

^{3/} A simple average of the four most recent weeks of the Energy Information Administration's (of the U.S. Department of Energy) announced diesel fuel prices for the Lower Atlantic and Gulf Coast regions is used to determine the variable Mileage Rate Factor (§ 1005.83).