UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE DAIRY PROGRAMS MILK MARKET ADMINISTRATOR

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ANNOUNCEMENT OF ADVANCED CLASS PRICES AND PRICING FACTORS FOR JANUARY 2010

	PRICE @ 3.5% BF	SKIM MILK PRICE (per cwt.)	BUTTERFAT PRICE (per lb.)
CLASS I PRICE 1/	\$18.43	\$13.22 ^{1/}	\$1.6214
Transportation Credit	0.15	0.15	0.0015
Processor Assessment 2/	0.20	0.20	0.0020
Total	\$18.78	\$13.57	\$1.6249
CLASS II PRICE		\$10.52	

FACTORS USED IN PRICES FOR JANUARY 2010

Advanced Pricing Factors 1/2:

Released:

December 18, 2009

Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$9.56
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$9.82
Advanced Butterfat Pricing Factor (per lb.)	\$1.5874

NASS Product Price Averages for the Two Most Recent Weeks Ending December 12, 2009:

Cheese (per lb.)	\$1.5764
Butter (per lb.)	\$1.4823
Nonfat Dry Milk (per lb.)	\$1.2701
Dry Whey (per lb.)	\$0.3629

MILEAGE RATE FACTOR (per cwt per mile): \$0.00448

EIA Average Diesel Fuel Price (per gallon) 3/: \$2.729

HAROLD H. FRIEDLY, JR. Market Administrator

^{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).