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 ADVANCED CLASS PRICES AND PRICING FACTORS

FOR MAY 2010

44	PRICE @ 3.5% BF (per cwt.)	SKIM MILK PRICE (per cwt.)	BUTTERFAT PRICE (per lb.)
CLASS I PRICE ^{1/}	\$17.20	\$11.93 ^{1/}	\$1.6260
Transportation Credit	0.15	0.15	0.0015
Processor Assessment ^{2/}	0.20	0.20	0.0020
Total	\$17.55	\$12.28	\$1.6295
CLASS II PRICE		\$9.23	

FACTORS USED IN PRICES FOR MAY 2010

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$7.69
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$8.53
Advanced Butterfat Pricing Factor (per lb.)	\$1.5920

NASS Product Price Averages for the Two Most Recent Weeks Ending April 17, 2010:

Cheese (per lb.)	\$1.3900
Butter (per lb.)	\$1.4861
Nonfat Dry Milk (per lb.)	\$1.1250
Dry Whey (per lb.)	\$0.3636
MILEAGE RATE FACTOR (per cwt per mile):	\$0.00457
EIA Average Diesel Fuel Price (per gallon) ^{3/} :	\$2.988

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).