

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

APPALACHIAN MARKETING AREA

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ANNOUNCEMENT OF CLASS PRICES FOR FEBRUARY 2006

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
CLASS I PRICE *	\$16.48	\$11.61	\$1.5081
Transportation Credit	.095	.095	.00095
<u>Processor Assessment **</u>	<u>.20</u>	<u>.20</u>	<u>.0020</u>
Total	\$16.775	\$11.905	\$1.51105
CLASS II PRICE	\$12.62	\$8.17 *	\$1.3539
CLASS III PRICE	\$12.20	\$7.76	\$1.3469
CLASS IV PRICE	\$11.10	\$6.62	\$1.3469

FACTORS USED IN PRICES FOR FEBRUARY 2006

NASS Product Price Averages:	February 2006 Monthly Averages	2 Week Averages Ending January 14, 2006 *
Cheese <i>(per lb.)</i>	\$1.2637	\$1.3895
Butter <i>(per lb.)</i>	\$1.2374	\$1.3459
Nonfat Dry Milk <i>(per lb.)</i>	\$0.8833	\$0.9782
Dry Whey <i>(per lb.)</i>	\$0.3531	\$0.3394

Advanced Pricing Factors *:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.51
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$7.47
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.4771

* As announced on or before the 23^d 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 \$3.10 and is subject to location adjustments.

** 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.