

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

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ANNOUNCEMENT OF CLASS PRICES FOR FEBRUARY 2007*

	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/}	\$16.49	\$12.29	\$1.3216
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	\$16.84	\$12.64	\$1.3251
CLASS II PRICE	\$13.08	\$8.77 ^{1/}	\$1.3182
CLASS III PRICE	\$14.18	\$9.94	\$1.3112
CLASS IV PRICE	\$12.71	\$8.42	\$1.3112

FACTORS USED IN PRICES FOR FEBRUARY 2007

NASS Product Price Averages:	FEBRUARY 2007 Monthly Averages	2 Week Averages Ending January 13, 2007 ^{1/}
Cheese <i>(per lb.)</i>	\$1.3454	\$1.3279
Butter <i>(per lb.)</i>	\$1.2129	\$1.1905
Nonfat Dry Milk <i>(per lb.)</i>	\$1.1021	\$1.0461
Dry Whey <i>(per lb.)</i>	\$0.6005	\$0.4539

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$9.19
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.07
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.2906

^{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 \$3.10 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.

* The manufacturing allowances used to compute the Federal order minimum Class II butterfat price, Class III skim and butterfat prices, and Class IV skim and butterfat prices in this announcement, as well as future price announcements, will be the revised manufacturing allowances contained in the Interim Final Rule published in the Federal Register on December 29, 2006 (71 FR 78333-78335).