

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

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ANNOUNCEMENT OF CLASS PRICES FOR JANUARY 2012

	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/}	\$22.20	\$16.57	\$1.7735
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	\$22.55	\$16.92	\$1.7770
CLASS II PRICE	\$17.67	\$12.05^{1/}	\$1.7248
CLASS III PRICE	\$17.05	\$11.44	\$1.7178
CLASS IV PRICE	\$16.56	\$10.93	\$1.7178

FACTORS USED IN PRICES FOR JANUARY 2012

NASS Product Price Averages:	JANUARY 2012 Monthly Averages	2 Week Averages Ending December 17, 2011 ^{1/}
Cheese <i>(per lb.)</i>	\$1.6097	\$1.8102
Butter <i>(per lb.)</i>	\$1.5900	\$1.6079
Nonfat Dry Milk <i>(per lb.)</i>	\$1.3942	\$1.4419
Dry Whey <i>(per lb.)</i>	\$0.6876	\$0.6549

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$13.17
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.35
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.7395

^{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 \$3.40 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.

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HAROLD H. FRIEDLY, JR.
Market Administrator