

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

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FEDERAL MILK ORDERS 124 & 131

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**ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED* #
March 2011**

Pacific Northwest

| | <u>Class I *</u> | <u>Class II</u> | <u>Class III</u> | <u>Class IV</u> |
|-------------------------|------------------|-----------------|------------------|-----------------|
| Skim 1/ | \$ 12.40 | \$ 11.20 | 4/ | 4/ |
| Butterfat 2/ | \$ 2.3326 | 4/ | 4/ | 4/ |
| Protein 2/ | | | 4/ | |
| Other Solids 2/ | | | 4/ | |
| Nonfat Solids 2/ | | \$ 1.2444 | | 4/ |
| @ 3.5% Butterfat 1/ 3/ | \$ 20.13 | 4/ | 4/ | 4/ |
| Processor Assessment ** | \$ 0.20 | | | |
| Total 1/ | \$ 20.33 | | | |

Arizona

| | <u>Class I *</u> | <u>Class II</u> | <u>Class III</u> | <u>Class IV</u> |
|-------------------------|------------------|-----------------|------------------|-----------------|
| Skim 1/ | \$ 12.85 | \$ 11.20 | 4/ | 4/ |
| Butterfat 2/ | \$ 2.3371 | 4/ | 4/ | 4/ |
| @ 3.5% Butterfat 1/ 3/ | \$ 20.58 | 4/ | 4/ | 4/ |
| Processor Assessment ** | \$ 0.20 | | | |
| Total 1/ | \$ 20.78 | | | |

| Supplemental Price Data From NASS Surveys | | | Advance Pricing Factors 3/ | |
|---|---------------|-------------------------|----------------------------|-----------|
| Surveys Included: 2/5/11 and 2/12/11 | Average Price | Total Pounds of Product | Butterfat | \$ 2.3136 |
| Grade AA Butter | \$ 2.0820 | 7,008,791 | Class III Skim | \$ 8.12 |
| Cheese 40 Lb. Blocks | \$ 1.6092 | 19,844,739 | Class IV Skim | \$ 10.50 |
| Cheese 500 Lb. Barrels, 38% moisture | \$ 1.6404 | 18,366,929 | Base Skim Milk Price | |
| Cheese, Average | \$ 1.6386 | 38,211,668 | for Class I | \$ 10.50 |
| Nonfat Dry Milk | \$ 1.3467 | 34,528,085 | | |
| Dry Whey | \$ 0.4146 | 19,438,058 | Base Class I Price | \$ 18.23 |

Pacific Northwest (FO 124) prices milk on the basis of multiple components.

Arizona (FO 131) prices milk on the basis of butterfat and skim.

* The FO 124 Class I price includes a Class I differential of \$1.90 per hundredweight (King County, Washington).

The FO 131 Class I price includes a Class I differential of \$2.35 per hundredweight (Maricopa County, Arizona).

Subject to applicable location adjustments.

** The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR § 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.

1/ Per hundredweight. 2/ Per pound. 3/ Prices at 3.5% butterfat are calculated in the following manner:

0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price. 4/ Announced for the month on or before the

5th of the following month.

Released: February 18, 2011

Gary H. Jablonski
Acting Market Administrator