

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

DAIRY PROGRAMS

1930-220th St. SE, Ste. 102

Bothell, WA 98021-8471

Phone: (425) 487-6009

Fax: (425) 487-2775

E-mail: fmmaseattle@fmmaseattle.com

10050 N 25th Ave., Ste. 302

Phoenix, AZ 85021-1664

Phone: (602) 547-2909

Fax: (602) 547-2906

E-mail: ma@fmma.net

FEDERAL MILK ORDERS 124 & 131

ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED #* September 2006

Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 8.54	\$ 6.99	4/	4/
Butterfat 2/	\$ 1.2893	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 0.7767		4/
@ 3.5% Butterfat 1/ 3/	\$ 12.75	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 12.95			

Arizona

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 8.99	\$ 6.99	4/	4/
Butterfat 2/	\$ 1.2938	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 13.20	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 13.40			

Supplemental Price Data From NASS Surveys			Advance Pricing	
Surveys Included: 8/5/06 and 8/12/06	Average Price	Total Pounds of Product	Factors 3/	
Grade AA Butter	\$ 1.1736	10,268,240	Butterfat	\$ 1.2703
Cheese 40 Lb. Blocks	\$ 1.1527	21,584,750	Class III Skim	\$ 6.64
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.1469	16,747,598	Class IV Skim	\$ 6.29
Cheese, Average	\$ 1.1633	38,332,348	Base Skim Milk Price for Class I	\$ 6.64
Nonfat Dry Milk	\$ 0.8463	33,810,905		
Dry Whey	\$ 0.2925	25,590,416	Base Class I Price	\$ 10.85

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

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

* 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: August 18, 2006

James R. Daugherty
Market Administrator