



**UNITED STATES DEPARTMENT OF AGRICULTURE  
 AGRICULTURAL MARKETING SERVICE  
 DAIRY PROGRAMS  
 Milk Market Administrator  
 Southwest Marketing Area**

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**ANNOUNCEMENT OF CLASS I AND II ADVANCED PRICES  
 AND PRICING FACTORS <sup>1/</sup>**

January 2004

<b>CLASS I PRICE<sup>2/</sup></b> .....	\$ 14.85
Processor Assessment <sup>3/</sup> .....	\$ .20
<b>Total</b> .....	\$ 15.05
 Base Price (Class I mover).....	 \$ 11.85
Skim Milk Price <sup>4/</sup> .....	\$ 10.46
Butterfat Price, per lb. <sup>5/</sup> .....	\$ 1.3583
 <b>CLASS II</b>	
Skim Milk Price <sup>6/</sup> .....	\$ 6.64
Nonfat Solids Price, per lb. ....	\$ 0.7378
 <b>ADVANCED CLASS III SKIM MILK PRICING FACTOR</b> .....	 \$ 7.46
<b>ADVANCED CLASS IV SKIM MILK PRICING FACTOR</b> .....	\$ 5.94
<b>ADVANCED BUTTERFAT PRICING FACTOR, per lb.</b> .....	\$ 1.3283

**DAIRY PRODUCT AVERAGE PRICE QUOTATIONS**

	<u>DEC 2003</u>	<u>NOV 2003</u>	<u>DEC 2002</u>
<b>NASS WEIGHTED AVERAGE PRICES – TWO WEEKS</b>			
CHEDDAR CHEESE, per lb.	\$ 1.3227	\$ 1.5331	\$ 1.1195
BUTTER, per lb.	1.2219	1.1822	1.0813
NONFAT DRY MILK, per lb.	0.8072	0.8153	0.8813
DRY WHEY, per lb.	0.1967	0.1947	0.2038

**CLASS I PRICE ADJUSTMENTS FROM BASE DIFFERENTIAL – DALLAS COUNTY**

Albuquerque	-\$0.65	El Paso	-\$0.75	Sulphur Springs, Winnsboro	\$0.00
Amarillo	-\$0.60	Floresville	+\$0.45	Tyler	\$0.00
Austin	+\$0.30	Houston, Conroe	+\$0.60	Waco	+\$0.15
Bryan	+\$0.30	Lubbock	-\$0.60		
Corpus Christi	+\$0.65	San Antonio	+\$0.45		

- <sup>1/</sup> United States Department of Agriculture, Agricultural Marketing Service. For further information contact John Rourke, 202/720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.
- <sup>2/</sup> The Class I price announced is per hundredweight at 3.5% butterfat at Dallas County location.
- <sup>3/</sup> 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.
- <sup>4/</sup> The Class I skim price for the Southwest Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$3.00, subject to the adjustment for that location.
- <sup>5/</sup> The Class I butterfat price for the Southwest Marketing Area is the advanced butterfat pricing factor plus \$0.030 (\$3.00 divided by 100), subject to the adjustment for that location.
- <sup>6/</sup> The Class II skim price for the Southwest Marketing Area is the advanced Class IV skim milk pricing factor plus \$0.70.

Richard Fleming  
 Market Administrator