



**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 ^{1/ 2/}**

	<u>March 2007</u>
CLASS I PRICE ^{3/}	\$ 17.25
Processor Assessment ^{4/}	\$.20
Total	\$ 17.45
Base Price (Class I mover)	\$ 14.25
Skim Milk Price ^{5/}	\$ 13.00
Butterfat Price, per lb. ^{6/}	\$ 1.3435
CLASS II	
Skim Milk Price ^{7/}	\$ 9.07
Nonfat Solids Price, per lb.	\$ 1.0078
ADVANCED CLASS III SKIM MILK PRICING FACTOR	\$ 10.00
ADVANCED CLASS IV SKIM MILK PRICING FACTOR	\$ 8.37
ADVANCED BUTTERFAT PRICING FACTOR, per lb.	\$ 1.3135

DAIRY PRODUCT AVERAGE PRICE QUOTATIONS

	<u>FEB 2007</u>	<u>JAN 2007</u>	<u>FEB 2006</u>
NASS WEIGHTED AVERAGE PRICES – TWO WEEKS			
CHEDDAR CHEESE, per lb.	\$ 1.3529	\$ 1.3279	\$ 1.2923
BUTTER, per lb.	1.2148	1.1905	1.2623
NONFAT DRY MILK, per lb.	1.0960	1.0461	0.9053
DRY WHEY, per lb.	0.5986	0.4539	0.3532

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		

- ^{1/} United States Department of Agriculture, Agricultural Marketing Service. For further information contact, 202/720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.
- ^{2/} The manufacturing allowances used to compute the Federal order minimum advance Class I and Class II prices and pricing factors in this announcement, as well as future Class I and Class II prices and pricing factors, and Federal order minimum prices for Class III and Class IV milk prices, 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).
- ^{3/} The Class I price announced is per hundredweight at 3.5% butterfat at Dallas County location.
- ^{4/} 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.
- ^{5/} 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.
- ^{6/} 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.
- ^{7/} 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