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**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA
FOR DECEMBER 2008**

	Market Class I Differential Rate	Class I Prices ^{1/}		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$11.29	\$ 1.8105	\$17.23
Other Zones	\$ 1.75	\$11.24	\$ 1.8100	\$17.18
	1.70	11.19	1.8095	17.13
	1.65	11.14	1.8090	17.08
	1.60	11.09	1.8085	17.03
Class II Prices	Nonfat Solids		(Per pound)	\$ 0.7644
	Butterfat		(Per pound)	1.3068
	Skim Milk		(Per cwt.)	6.88
	3.50% BF		(Per cwt.)	11.21
Class III Prices	Protein		(Per pound)	\$ 3.6390
	Other Solids		(Per pound)	(0.0269)
	Butterfat		(Per pound)	1.2998
	Skim Milk		(Per cwt.)	11.12
	3.50% BF		(Per cwt.)	15.28
Class IV Prices	Nonfat Solids		(Per pound)	\$ 0.6680
	Butterfat		(Per pound)	1.2998
	Skim Milk		(Per cwt.)	6.01
	3.50% BF		(Per cwt.)	10.35
Somatic Cell Adjustment Rate			(Per cwt. per 1,000 SCC)	\$ 0.00088

Factors Used in Prices for December 2008

Advanced Class III Skim Milk Price		(Per cwt.)	\$9.49	
Advanced Class IV Skim Milk Price		(Per cwt.)	6.18	
Class I Skim Milk Price Mover		(Per cwt.)	\$9.49	
Advanced Butterfat Price		(Per pound)	1.7925	
		<u>2-Week Average</u>	<u>Monthly Average</u>	
NASS Survey Prices	Butter	(Per pound)	\$ 1.6517	\$ 1.2448
	Cheese	(Per pound)	1.7420	1.7544
	Dry Whey	(Per pound)	0.1896	0.1730
	Nonfat Dry Milk	(Per pound)	0.8617	0.8425
Component Prices	Butterfat	(Per pound)	\$ 1.7925	\$ 1.2998
	Protein	(Per pound)	3.0802	3.6390
	Other Solids	(Per pound)	(0.0098)	(0.0269)
	Nonfat Solids	(Per pound)	0.6870	0.6680

**ADVANCED CLASS PRICES AND RELATED DATA
FOR JANUARY 2009**

	Market Class I Differential Rate	Class I Prices ^{1/}		
		Skim Milk (Per cwt.)	Butterfat (Per Pound)	3.5% BF (Per cwt.)
Base Zone	\$ 1.80	\$13.04	\$1.4163	\$17.54
Other Zones	\$ 1.75	\$12.99	\$1.4158	\$17.49
	1.70	12.94	1.4153	17.44
	1.65	12.89	1.4148	17.39
	1.60	12.84	1.4143	17.34
Class II Nonfat Solids Price			(Per pound)	\$ 0.7489
Class II Skim Milk Price			(Per cwt.)	\$6.74
Factors Used in Prices for January 2009				
Advanced Class III Skim Milk Price			(Per cwt.)	\$11.24
Advanced Class IV Skim Milk Price			(Per cwt.)	6.04
Class I Skim Milk Price Mover			(Per cwt.)	\$11.24
Advanced Butterfat Price			(Per pound)	1.3983
NASS Survey Prices -- Two-Week Average				
Butter			(Per pound)	\$ 1.3262
Cheese			(Per pound)	1.7989
Dry Whey			(Per pound)	0.1716
Nonfat Dry Milk			(Per pound)	0.8460
Advanced Component Prices				
Butterfat			(Per pound)	\$ 1.3983
Protein			(Per pound)	3.6787
Other Solids			(Per pound)	(0.0283)
Nonfat Solids			(Per pound)	0.6714

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

December 2008	Class I Skim Milk	18%	Class I Butterfat	7%
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^{1/} There is also a \$0.20 per cwt. processor assessment which 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.

January 2, 2009

H. Paul Kyburz, Market Administrator

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