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**ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA
FOR DECEMBER 2010**

| | 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 | \$10.91 | \$ 2.3528 | \$18.76 |
| Other Zones | \$ 1.75 | \$10.86 | \$ 2.3523 | \$18.71 |
| | 1.70 | 10.81 | 2.3518 | 18.66 |
| | 1.65 | 10.76 | 2.3513 | 18.61 |
| | 1.60 | 10.71 | 2.3508 | 18.56 |
| Class II Prices | Nonfat Solids | | (Per pound) | \$ 1.0900 |
| | Butterfat | | (Per pound) | 1.8022 |
| | Skim Milk | | (Per cwt.) | 9.81 |
| | 3.50% BF | | (Per cwt.) | 15.77 |
| Class III Prices | Protein | | (Per pound) | \$ 2.1706 |
| | Other Solids | | (Per pound) | 0.1852 |
| | Butterfat | | (Per pound) | 1.7952 |
| | Skim Milk | | (Per cwt.) | 7.82 |
| | 3.50% BF | | (Per cwt.) | 13.83 |
| Class IV Prices | Nonfat Solids | | (Per pound) | \$ 1.0068 |
| | Butterfat | | (Per pound) | 1.7952 |
| | Skim Milk | | (Per cwt.) | 9.06 |
| | 3.50% BF | | (Per cwt.) | 15.03 |
| Somatic Cell Adjustment Rate | | | (Per cwt. per 1,000 SCC) | \$ 0.00073 |

Factors Used in Prices for December 2010

| | | | | |
|------------------------------------|-----------------|-----------------------|------------------------|-----------|
| Advanced Class III Skim Milk Price | | (Per cwt.) | \$ 8.47 | |
| Advanced Class IV Skim Milk Price | | (Per cwt.) | 9.11 | |
| Class I Skim Milk Price Mover | | (Per cwt.) | \$ 9.11 | |
| Advanced Butterfat Price | | (Per pound) | 2.3348 | |
| | | <u>2-Week Average</u> | <u>Monthly Average</u> | |
| NASS Survey Prices | Butter | (Per pound) | \$ 2.0995 | \$ 1.6539 |
| | Cheese | (Per pound) | 1.7063 | 1.4606 |
| | Dry Whey | (Per pound) | 0.3716 | 0.3789 |
| | Nonfat Dry Milk | (Per pound) | 1.1903 | 1.1848 |
| Component Prices | Butterfat | (Per pound) | \$ 2.3348 | \$ 1.7952 |
| | Protein | (Per pound) | 2.3941 | 2.1706 |
| | Other Solids | (Per pound) | 0.1777 | 0.1852 |
| | Nonfat Solids | (Per pound) | 1.0123 | 1.0068 |

-- OVER --

**ADVANCED CLASS PRICES AND RELATED DATA
FOR JANUARY 2011**

| | Market Class I Differential Rate | Class I Prices ^{1/} | | |
|--|--|------------------------------|------------------|----------------|
| | | Skim Milk | Butterfat | 3.5% BF |
| | | (Per cwt.) | (Per Pound) | (Per cwt.) |
| Base Zone | \$ 1.80 | \$11.13 | \$ 1.7876 | \$17.00 |
| Other Zones | \$ 1.75 | \$11.08 | \$ 1.7871 | \$16.95 |
| | 1.70 | 11.03 | 1.7866 | 16.90 |
| | 1.65 | 10.98 | 1.7861 | 16.85 |
| | 1.60 | 10.93 | 1.7856 | 16.80 |
| Class II Nonfat Solids Price | | | (Per pound) | \$ 1.1144 |
| Class II Skim Milk Price | | | (Per cwt.) | \$ 10.03 |
| Factors Used in Prices for January 2011 | | | | |
| Advanced Class III Skim Milk Price | | | (Per cwt.) | \$ 8.14 |
| Advanced Class IV Skim Milk Price | | | (Per cwt.) | 9.33 |
| Class I Skim Milk Price Mover | | | (Per cwt.) | \$ 9.33 |
| Advanced Butterfat Price | | | (Per pound) | 1.7696 |
| NASS Survey Prices -- Two-Week Average | | | | |
| Butter | | | (Per pound) | \$ 1.6328 |
| Cheese | | | (Per pound) | 1.4841 |
| Dry Whey | | | (Per pound) | 0.3783 |
| Nonfat Dry Milk | | | (Per pound) | 1.2148 |
| Advanced Component Prices | | | | |
| Butterfat | | | (Per pound) | \$ 1.7696 |
| Protein | | | (Per pound) | 2.2733 |
| Other Solids | | | (Per pound) | 0.1846 |
| Nonfat Solids | | | (Per pound) | 1.0365 |

Estimated Utilization of Producer Milk in Class I

(Pursuant to § 1030.45(a))

| | | | | |
|---------------|-------------------|-----|-------------------|----|
| December 2010 | Class I Skim Milk | 14% | Class I Butterfat | 5% |
|---------------|-------------------|-----|-------------------|----|

^{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.

December 30, 2010

H. Paul Kyburz, Market Administrator

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