



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

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August 20, 2004

**ANNOUNCEMENT OF CLASS I AND II ADVANCED PRICES
AND PRICING FACTORS ^{1/}**

September 2004

CLASS I PRICE^{2/}	\$ 16.94
Processor Assessment ^{3/}	\$.20
Total	\$ 17.14
 Base Price (Class I mover).....	 \$ 13.94
Skim Milk Price ^{4/}	\$ 10.96
Butterfat Price, per lb. ^{5/}	\$ 1.8190
 CLASS II	
Skim Milk Price ^{6/}	\$ 7.11
Nonfat Solids Price, per lb.	\$ 0.7900
 ADVANCED CLASS III SKIM MILK PRICING FACTOR	 \$ 7.96
ADVANCED CLASS IV SKIM MILK PRICING FACTOR	\$ 6.41
ADVANCED BUTTERFAT PRICING FACTOR, per lb.	\$ 1.7890

DAIRY PRODUCT AVERAGE PRICE QUOTATIONS

	<u>AUG 2004</u>	<u>JUL 2004</u>	<u>AUG 2003</u>
NASS WEIGHTED AVERAGE PRICES – TWO WEEKS			
CHEDDAR CHEESE, per lb.	\$ 1.5047	\$ 1.5439	\$ 1.5396
BUTTER, per lb.	1.6058	1.8610	1.1937
NONFAT DRY MILK, per lb.	0.8596	0.8552	0.8118
DRY WHEY, per lb.	0.2280	0.2600	0.1599

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 John Rourke, 202/720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.

^{2/} The Class I price announced is per hundredweight at 3.5% butterfat at Dallas County location.

^{3/} 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.

^{4/} 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.

^{5/} 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.

^{6/} 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