

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS
MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA
 Federal Order No. 5
 Phone: 502-499-0040
 Fax: 502-499-8749
 E-Mail: friedly@malouisville.com

4511 Bardstown Road, Suite 103
 Louisville, Kentucky 40218-4001
 (Mail) P. O. Box 18030
 Louisville, Kentucky 40261-0030
<http://members.aye.net/~usda>

ANNOUNCEMENT OF CLASS PRICES FOR SEPTEMBER 2006

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
CLASS I PRICE *	\$13.95	\$9.74	\$1.3013
Transportation Credit	0.095	0.095	0.00095
<u>Processor Assessment **</u>	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$14.245	\$10.035	\$1.30425
CLASS II PRICE	\$11.74	\$6.99 *	\$1.4261
CLASS III PRICE	\$12.29	\$7.59	\$1.4191
CLASS IV PRICE	\$11.10	\$6.36	\$1.4191

FACTORS USED IN PRICES FOR SEPTEMBER 2006

NASS Product Price Averages:	SEPTEMBER 2006 Monthly Averages	2 Week Averages Ending August 12, 2006 *
Cheese <i>(per lb.)</i>	\$1.2912	\$1.1633
Butter <i>(per lb.)</i>	\$1.2976	\$1.1736
Nonfat Dry Milk <i>(per lb.)</i>	\$0.8537	\$0.8463
Dry Whey <i>(per lb.)</i>	\$0.3191	\$0.2925

Advanced Pricing Factors *:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.64
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.29
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.2703

* As announced on or before the 23rd of the previous month. Class I skim milk price is announced at the higher of the advanced Class III or IV skim milk pricing factors plus the base zone (Mecklenburg County, NC) differential of \$3.10 and is subject to location adjustments.

** 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.