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

10301 Brookridge Village Blvd.
Louisville, Kentucky 40291-4467
(Mail) P. O. Box 18030
Louisville, Kentucky 40261-0030
http://www.malouisville.com

ANNOUNCEMENT OF CLASS PRICES FOR AUGUST 2008

	PRICE @ 3.5% BF *(per cwt.)*	SKIM MILK PRICE *(per cwt.)*	BUTTERFAT PRICE *(per lb.)*
CLASS I PRICE 1/	**$21.87**	**$16.45**	**$1.7144**
Transportation Credit	0.15	0.15	0.0015
Processor Assessment 2/	0.20	0.20	0.002
Total	$22.22	$16.80	$1.7179
CLASS II PRICE	**$17.45**	**$11.74 1/**	**$1.7483**
CLASS III PRICE	**$17.32**	**$11.63**	**$1.7413**
CLASS IV PRICE	**$16.64**	**$10.93**	**$1.7413**

FACTORS USED IN PRICES FOR AUGUST 2008

NASS Product Price Averages:	**AUGUST 2008 Monthly Averages**	**2 Week Averages Ending July 12, 2008 1/**
Cheese *(per lb.)*	$1.8699	$1.9792
Butter *(per lb.)*	$1.5713	$1.5205
Nonfat Dry Milk *(per lb.)*	$1.3840	$1.3957
Dry Whey *(per lb.)*	$0.2470	$0.2690

Advanced Pricing Factors 1/:

Advanced Class III Skim Milk Pricing Factor *(per cwt.)*	$13.05
Advanced Class IV Skim Milk Pricing Factor *(per cwt.)*	$11.04
Advanced Butterfat Pricing Factor *(per lb.)*	$1.6804

1/ 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 $3.40 and is subject to location adjustments.

2/ 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.

HAROLD H. FRIEDLY, JR.
Market Administrator

Released: September 5, 2008