

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

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ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 2010

	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
CLASS I PRICE ^{1/}	\$19.98	\$12.02	\$2.3934
Transportation Credit	0.15	0.15	0.0015
<u>Processor Assessment ^{2/}</u>	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$20.33	\$12.37	\$2.3969
CLASS II PRICE	\$17.57	\$9.32 ^{1/}	\$2.4506
CLASS III PRICE	\$16.94	\$8.69	\$2.4436
CLASS IV PRICE	\$17.15	\$8.91	\$2.4436

FACTORS USED IN PRICES FOR OCTOBER 2010

NASS Product Price Averages:	OCTOBER 2010 Monthly Averages	2 Week Averages Ending September 11, 2010^{1/}
Cheese <i>(per lb.)</i>	\$1.7666	\$1.6747
Butter <i>(per lb.)</i>	\$2.1893	\$2.1198
Nonfat Dry Milk <i>(per lb.)</i>	\$1.1674	\$1.1351
Dry Whey <i>(per lb.)</i>	\$0.3676	\$0.3607

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.01
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.62
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.3594

^{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.