

**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 91528
 Louisville, Kentucky 40291-0528
<http://www.malouisville.com>

ANNOUNCEMENT OF CLASS PRICES FOR AUGUST 2011

	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/}	\$24.83	\$17.45	\$2.2836
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	\$25.18	\$17.80	\$2.2871
CLASS II PRICE	\$21.55	\$13.97^{1/}	\$2.3055
CLASS III PRICE	\$21.67	\$14.12	\$2.2985
CLASS IV PRICE	\$20.14	\$12.53	\$2.2985

FACTORS USED IN PRICES FOR AUGUST 2011

NASS Product Price Averages:	AUGUST 2011 Monthly Averages	2 Week Averages Ending July 16, 2011^{1/}
Cheese <i>(per lb.)</i>	\$2.1402	\$2.1308
Butter <i>(per lb.)</i>	\$2.0695	\$2.0291
Nonfat Dry Milk <i>(per lb.)</i>	\$1.5739	\$1.6571
Dry Whey <i>(per lb.)</i>	\$0.5691	\$0.5470

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$14.05
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$13.27
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.2496

^{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.