

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

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ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 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/}	\$22.96	\$15.68	\$2.2354
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	\$23.31	\$16.03	\$2.2389
CLASS II PRICE	\$19.41	\$12.98^{1/}	\$1.9662
CLASS III PRICE	\$18.03	\$11.58	\$1.9592
CLASS IV PRICE	\$18.41	\$11.97	\$1.9592

FACTORS USED IN PRICES FOR OCTOBER 2011

NASS Product Price Averages:	OCTOBER 2011 Monthly Averages	2 Week Averages Ending September 17, 2011 ^{1/}
Cheese <i>(per lb.)</i>	\$1.7471	\$1.8347
Butter <i>(per lb.)</i>	\$1.7893	\$1.9893
Nonfat Dry Milk <i>(per lb.)</i>	\$1.5109	\$1.5461
Dry Whey <i>(per lb.)</i>	\$0.6152	\$0.5900

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.52
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$12.28
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.2014

^{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.

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HAROLD H. FRIEDLY, JR.
 Market Administrator