

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

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ANNOUNCEMENT OF CLASS PRICES FOR AUGUST 2012

	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/}	\$19.95	\$14.61	\$1.6726
Transportation Credit	0.15	0.15	0.0015
Processor Assessment ^{2/}	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$20.30	\$14.96	\$1.6761
CLASS II PRICE	\$15.64	\$9.53 ^{1/}	\$1.8409
CLASS III PRICE	\$17.73	\$11.72	\$1.8339
CLASS IV PRICE	\$15.76	\$9.68	\$1.8339

FACTORS USED IN PRICES FOR AUGUST 2012

Product Price Averages:	AUGUST 2012 Monthly Averages	2 Week Averages Ending July 14, 2012 ^{1/}
Cheese <i>(per lb.)</i>	\$1.7682	\$1.6781
Butter <i>(per lb.)</i>	\$1.6859	\$1.5246
Nonfat Dry Milk <i>(per lb.)</i>	\$1.2543	\$1.1588
Dry Whey <i>(per lb.)</i>	\$0.5352	\$0.4944

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$11.21
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.83
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.6386

^{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.