

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

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ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 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/}	\$22.28	\$15.71	\$2.0348
Transportation Credit	0.15	0.15	0.0015
Processor Assessment ^{2/}	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$22.63	\$16.06	\$2.0383
CLASS II PRICE	\$18.44	\$11.42^{1/}	\$2.1206
CLASS III PRICE	\$21.02	\$14.12	\$2.1136
CLASS IV PRICE	\$18.54	\$11.55	\$2.1136

FACTORS USED IN PRICES FOR OCTOBER 2012

Product Price Averages:	OCTOBER 2012 Monthly Averages	2 Week Averages Ending September 15, 2012 ^{1/}
Cheese <i>(per lb.)</i>	\$2.0479	\$1.8542
Butter <i>(per lb.)</i>	\$1.9168	\$1.8237
Nonfat Dry Milk <i>(per lb.)</i>	\$1.4636	\$1.3708
Dry Whey <i>(per lb.)</i>	\$0.6205	\$0.5804

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$12.31
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$10.72
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.0008

^{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.

Released: October 31, 2012

HAROLD H. FRIEDLY, JR.
 Market Administrator