

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

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ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 2013

| | 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/} | \$22.60 | \$17.95 | \$1.5067 |
| 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 | \$22.95 | \$18.30 | \$1.5102 |
| CLASS II PRICE | \$20.56 | \$15.25 ^{1/} | \$1.6708 |
| CLASS III PRICE | \$18.22 | \$12.85 | \$1.6638 |
| CLASS IV PRICE | \$20.17 | \$14.87 | \$1.6638 |

FACTORS USED IN PRICES FOR OCTOBER 2013

| Product Price Averages: | OCTOBER 2013 Monthly Averages | 2 Week Averages Ending September 14, 2013 ^{1/} |
|----------------------------------|----------------------------------|--|
| Cheese <i>(per lb.)</i> | \$1.8025 | \$1.7739 |
| Butter <i>(per lb.)</i> | \$1.5454 | \$1.3876 |
| Nonfat Dry Milk <i>(per lb.)</i> | \$1.8366 | \$1.8008 |
| Dry Whey <i>(per lb.)</i> | \$0.5731 | \$0.5791 |

Advanced Pricing Factors ^{1/}:

| | |
|---|----------|
| Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i> | \$13.22 |
| Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i> | \$14.55 |
| Advanced Butterfat Pricing Factor <i>(per lb.)</i> | \$1.4727 |

^{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 30, 2013

HAROLD H. FRIEDLY, JR.
Market Administrator