

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

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ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 2007

	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/}	\$24.69	\$19.96	\$1.5519
Transportation Credit	0.15	0.15	0.0015
Processor Assessment ^{2/}	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$25.04	\$20.31	\$1.5554
CLASS II PRICE	\$21.90	\$17.56^{1/}	\$1.4162
CLASS III PRICE	\$18.70	\$14.27	\$1.4092
CLASS IV PRICE	\$21.31	\$16.97	\$1.4092

FACTORS USED IN PRICES FOR OCTOBER 2007

NASS Product Price Averages:	OCTOBER 2007 Monthly Averages	2 Week Averages Ending September 15, 2007 ^{1/}
Cheese <i>(per lb.)</i>	\$1.9227	\$2.0214
Butter <i>(per lb.)</i>	\$1.2945	\$1.3876
Nonfat Dry Milk <i>(per lb.)</i>	\$2.0615	\$2.0494
Dry Whey <i>(per lb.)</i>	\$0.4175	\$0.4885

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$15.33
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$16.86
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.5209

^{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 \$3.10 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.