

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

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**ANNOUNCEMENT OF CLASS PRICES FOR OCTOBER 2008**

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	PRICE @ 3.5% BF <i>(per cwt.)</i>	SKIM MILK PRICE <i>(per cwt.)</i>	BUTTERFAT PRICE <i>(per lb.)</i>
<b>CLASS I PRICE <sup>1/</sup></b>	<b>\$18.93</b>	<b>\$13.16</b>	<b>\$1.7791</b>
Transportation Credit	0.15	0.15	0.0015
Processor Assessment <sup>2/</sup>	<u>0.20</u>	<u>0.20</u>	<u>0.002</u>
Total	\$19.28	\$13.51	\$1.7826
<b>CLASS II PRICE</b>	<b>\$16.60</b>	<b>\$10.46<sup>1/</sup></b>	<b>\$1.8577</b>
<b>CLASS III PRICE</b>	<b>\$17.06</b>	<b>\$10.97</b>	<b>\$1.8507</b>
<b>CLASS IV PRICE</b>	<b>\$13.62</b>	<b>\$7.40</b>	<b>\$1.8507</b>

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**FACTORS USED IN PRICES FOR OCTOBER 2008**

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NASS Product Price Averages:	OCTOBER 2008 Monthly Averages	2 Week Averages Ending September 13, 2008 <sup>1/</sup>
Cheese <i>(per lb.)</i>	\$1.9065	\$1.7279
Butter <i>(per lb.)</i>	\$1.6997	\$1.6125
Nonfat Dry Milk <i>(per lb.)</i>	\$0.9987	\$1.2628
Dry Whey <i>(per lb.)</i>	\$0.1945	\$0.2241

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**Advanced Pricing Factors <sup>1/</sup>:**

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$9.71
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$9.76
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$1.7451

<sup>1/</sup> As announced on or before the 23<sup>rd</sup> 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.

<sup>2/</sup> 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.