## UNITED STATES DEPARTMENT OF AGRICULTURE

## AGRICULTURAL MARKETING SERVICE DAIRY PROGRAMS MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA Federal Order No. 5 Phone: 502-499-0040 Fax: 502-499-8749

E-Mail: friedly@malouisville.com

Released: September 4, 2009

10301 Brookridge Village Blvd. Louisville, Kentucky 40291-4467 (Mail) P. O. Box 91528 Louisville, Kentucky 40291-0528 http://www.malouisville.com

## **ANNOUNCEMENT OF CLASS PRICES FOR AUGUST 2009**

|                         | PRICE @ 3.5% BF | SKIM MILK PRICE (per cwt.) | BUTTERFAT PRICE (per lb.) |
|-------------------------|-----------------|----------------------------|---------------------------|
| CLASS I PRICE 1/        | \$13.44         | \$9.40                     | \$1.2489                  |
| Transportation Credit   | 0.15            | 0.15                       | 0.0015                    |
| Processor Assessment 2/ | 0.20            | 0.20                       | 0.002                     |
| Total                   | \$13.79         | \$9.75                     | \$1.2524                  |
| CLASS II PRICE          | \$10.86         | \$6.70 <sup>1/</sup>       | \$1.2561                  |
| CLASS III PRICE         | \$11.20         | \$7.08                     | \$1.2491                  |
| CLASS IV PRICE          | \$10.38         | \$6.23                     | \$1.2491                  |

## **FACTORS USED IN PRICES FOR AUGUST 2009**

| NASS Product Price Averages:                           | AUGUST 2009<br>Monthly Averages | 2 Week Averages<br>Ending July 11, 2009 <sup>1</sup> |
|--|---------------------------------|--|
| Cheese (per lb.)                                       | \$1.2605                        | \$1.1339   |
| Butter (per lb.)                                       | \$1.2030                        | \$1.1747   |
| Nonfat Dry Milk (per lb.)                              | \$0.8666                        | \$0.8416   |
| Dry Whey (per lb.)                                     | \$0.2925                        | \$0.2873   |
| Advanced Pricing Factors <sup>1/</sup> :               |                                 |  |
| Advanced Class III Skim Milk Pricing Factor (per cwt.) | \$5.90                          |  |
| Advanced Class IV Skim Milk Pricing Factor (per cwt.)  | \$6.00                          |  |
| Advanced Butterfat Pricing Factor (per lb.)            | \$1.2149                        |  |

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.

HAROLD H. FRIEDLY, JR. Market Administrator

<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.