

**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

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 OCTOBER 2016

	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/}	\$20.00	\$12.18	\$2.3563
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	\$20.35	\$12.53	\$2.3598
CLASS II PRICE	\$14.09	\$7.14 ^{1/}	\$2.0563
CLASS III PRICE	\$14.82	\$7.92	\$2.0493
CLASS IV PRICE	\$13.66	\$6.72	\$2.0493

FACTORS USED IN PRICES FOR OCTOBER 2016

Product Price Averages:	OCTOBER 2016 Monthly Averages	2 Week Averages Ending September 17, 2016 ^{1/}
Cheese <i>(per lb.)</i>	\$1.5830	\$1.7758
Butter <i>(per lb.)</i>	\$1.8637	\$2.0892
Nonfat Dry Milk <i>(per lb.)</i>	\$0.9222	\$0.8906
Dry Whey <i>(per lb.)</i>	\$0.3303	\$0.3015

Advanced Pricing Factors ^{1/}:

Advanced Class III Skim Milk Pricing Factor <i>(per cwt.)</i>	\$8.78
Advanced Class IV Skim Milk Pricing Factor <i>(per cwt.)</i>	\$6.44
Advanced Butterfat Pricing Factor <i>(per lb.)</i>	\$2.3223

^{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 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.