

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

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FEDERAL MILK ORDERS 124, 131 & 135

ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED*

October 2003

| | Pacific | | Pacific Northwest & Western | | |
|-------------------------|-----------|-----------|-----------------------------|-----------|----------|
| | Northwest | Western | Class II | Class III | Class IV |
| | Class I * | | | | |
| Skim 1/ | \$ 12.33 | \$ 12.33 | \$ 6.66 | 4/ | 4/ |
| Butterfat 2/ | \$ 1.2197 | \$ 1.2197 | 4/ | 4/ | 4/ |
| Protein 2/ | | | | 4/ | |
| Other Solids /2 | | | | 4/ | |
| Nonfat Solids 2/ | | | \$ 0.7400 | | 4/ |
| @ 3.5% Butterfat 1/ 3/ | \$ 16.17 | \$ 16.17 | 4/ | 4/ | 4/ |
| Processor Assessment ** | \$ 0.20 | \$ 0.20 | | | |
| Total 1/ | \$ 16.37 | \$ 16.37 | | | |

Arizona-Las Vegas

| | Class I * | Class II | Class III | Class IV |
|-------------------------|-----------|----------|-----------|----------|
| Skim 1/ | \$ 12.78 | \$ 6.66 | 4/ | 4/ |
| Butterfat 2/ | \$ 1.2242 | 4/ | 4/ | 4/ |
| @ 3.5% Butterfat 1/ 3/ | \$ 16.62 | 4/ | 4/ | 4/ |
| Processor Assessment ** | \$ 0.20 | | | |
| Total 1/ | \$ 16.82 | | | |

| Supplemental Price Data From NASS Surveys | | | Advanced Pricing Factors 3/ | |
|---|---------------|-------------------------|----------------------------------|-----------|
| Surveys Included: 9/6/03 and 9/13/03 | Average Price | Total Pounds of Product | | |
| Grade AA Butter | \$ 1.1156 | 7,421,036 | Butterfat | \$ 1.2007 |
| Cheese 40 Lb. Blocks | \$ 1.5745 | 14,938,993 | Class III Skim | \$ 10.43 |
| Cheese 500 Lb. Barrels, 38% moisture | \$ 1.5793 | 19,734,532 | Class IV Skim | \$ 5.96 |
| Cheese, Average | \$ 1.5943 | 34,673,525 | Base Skim Milk Price for Class I | \$ 10.43 |
| Nonfat Dry Milk | \$ 0.8094 | 42,248,460 | | |
| Dry Whey | \$ 0.1716 | 22,177,461 | Base Class I Price | \$ 14.27 |

Pacific Northwest (FO 124) & Western Order (FO 135) price milk on the basis of multiple components.

Arizona-Las Vegas (FO 131) prices milk on the basis of butterfat and skim.

* Subject to applicable location adjustments.

** The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR § 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.

1/ Per hundredweight. 2/ Per pound. 3/ Prices at 3.5% butterfat are calculated in the following manner:

0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price. 4/ Announced for the month on or before the 5th of the following month.

Released: September 19, 2003

James R. Daugherty
Market Administrator