

Agricultural Marketing Service
 Dairy Programs

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ADVANCED ANNOUNCEMENT OF CLASS PRICES AND RELATED DATA FOR SEPTEMBER 2004

| | Market Class I Differential Rate (Per cwt.) | Class I Prices ^{1/} | | |
|-------------------------------------|--|------------------------------|--------------------------|-----------------------|
| | | Skim Milk (Per cwt.) | Butterfat (Per Pound) | 3.5% BF (Per cwt.) |
| Base Zone | \$ 1.80 | \$ 9.76 | \$ 1.8070 | \$15.74 |
| Other Zones | \$ 1.75 | \$ 9.71 | \$ 1.8065 | \$15.69 |
| | 1.70 | 9.66 | 1.8060 | 15.64 |
| | 1.65 | 9.61 | 1.8055 | 15.59 |
| | 1.60 | 9.56 | 1.8050 | 15.54 |
| Class II Nonfat Solids Price | | (Per pound) | | \$ 0.7900 |
| Class II Skim Milk Price | | (Per cwt.) | | \$ 7.11 |

Factors Used in Prices for September 2004

| | | |
|--|-------------|-----------|
| Advanced Class III Skim Milk Price | (Per cwt.) | \$ 7.96 |
| Advanced Class IV Skim Milk Price | (Per cwt.) | 6.41 |
| Class I Skim Milk Price Mover | (Per cwt.) | \$ 7.96 |
| Advanced Butterfat Price | (Per pound) | 1.7890 |
| NASS Survey Prices -- Two-Week Average | | |
| Butter | (Per pound) | \$ 1.6058 |
| Cheese | (Per pound) | 1.5047 |
| Dry Whey | (Per pound) | 0.2280 |
| Nonfat Dry Milk | (Per pound) | 0.8596 |
| Advanced Component Prices | | |
| Butterfat | (Per pound) | \$ 1.7890 |
| Protein | (Per pound) | 2.4330 |
| Other Solids | (Per pound) | 0.0711 |
| Nonfat Solids | (Per pound) | 0.7124 |

^{1/} There is also a \$0.20 per cwt. processor assessment which 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.

August 20, 2004

H. Paul Kyburz, Market Administrator