



United States Department of Agriculture

Agricultural Marketing Service Dairy Programs

FEDERAL MILK ORDER No. 1 Northeast Marketing Area

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OCTOBER 2008 POOL PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	47.4	916,367,009	\$18.78
Class II	19.4	375,817,576	16.60
Class III	21.6	416,872,273	17.06
Class IV	11.6	223,327,334	13.62
Total Producer Milk	100.0	1,932,384,192	

Computation of Uniform Price (<i>per cwt @ Suffolk County, MA - Boston</i>)		Class III & Producer Component Prices	
Producer Price Differential	\$0.38	Protein Price	\$3.5490 /lb
Class III Price (@ 3.5% Butterfat)	\$17.06	Butterfat Price	1.8507 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$17.44	Other Solids Price	-0.0047 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.48	Nonfat Solids Price	0.8226 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	898,532,517	\$13.01	116,899,080.46	
Butterfat	17,834,492	1.7776	31,702,592.98	
Less: Location Adjustment to Handlers			(2,954,868.05)	\$145,646,805.43
Class II— Butterfat	29,462,854	1.8577	54,733,143.87	
Nonfat Solids	31,745,875	1.1622	36,895,055.93	91,628,199.80
Class III— Butterfat	17,178,437	1.8507	31,792,133.38	
Protein	13,015,769	3.5490	46,192,964.21	
Other Solids	23,605,701	(0.0047)	(110,946.76)	77,874,150.83
Class IV— Butterfat	8,780,202	1.8507	16,249,519.83	
Nonfat Solids	19,695,173	0.8226	16,201,249.34	32,450,769.17
Total Classified Value				\$347,599,925.23
Add: Overage—All Classes				136,535.23
Inventory Reclassification—All Classes				157,222.44
Other Source Receipts	105,677 Pounds			1,720.29
Total Pool Value				\$347,895,403.19
Less: Producer Component Valuations @ Class III Component Prices				(349,714,335.56)
Total PPD Value Before Adjustments				(\$1,818,932.37)
Add: Location Adjustment to Producers				9,243,075.71
One-half Unobligated Balance—Producer Settlement Fund				818,167.92
Less: Producer Settlement Fund—Reserve				(898,849.74)
Total Pool Milk & PPD Value	1,932,489,869 Producer pounds			\$7,343,461.52
Producer Price Differential		\$0.38		
Statistical Uniform Price		\$17.44		

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

Payment Schedule

Payment Dates for the Month of:

OCTOBER 2008

Payments TO the Producer Settlement Fund due on:	11/14/2008
Payments FROM the Producer Settlement Fund made on:	11/17/2008
Final payments TO a Cooperative Association must be made on:	11/17/2008
Final payments to Producers must be RECEIVED by:	11/18/2008

Producer Price Differential and Statistical Uniform Price, by Location

Selected Locations	Differential*	Adjustment	Producer Price Differential	Statistical # Uniform Price
	dollars per hundredweight			
Boston, MA	3.25	0.00	0.38	17.44
Newport News/Portsmouth, VA	3.20	(0.05)	0.33	17.39
New York, NY	3.15	(0.10)	0.28	17.34
Long Valley, NJ	3.10	(0.15)	0.23	17.29
Philadelphia, PA	3.05	(0.20)	0.18	17.24
Agawam, MA/Baltimore, MD	3.00	(0.25)	0.13	17.19
Frederick, MD/New Holland, PA	2.90	(0.35)	0.03	17.09
Mt. Holly Springs, PA	2.80	(0.45)	(0.07)	16.99
Albany/Binghamton, NY	2.70	(0.55)	(0.17)	16.89
Middlebury, VT	2.60	(0.65)	(0.27)	16.79
Syracuse, NY	2.50	(0.75)	(0.37)	16.69
St. Albans/Swanton, VT	2.40	(0.85)	(0.47)	16.59
Watertown/Rochester, NY	2.30	(0.95)	(0.57)	16.49
Buffalo, NY	2.20	(1.05)	(0.67)	16.39
Jamestown, NY	2.10	(1.15)	(0.77)	16.29

* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials and prices may be above or below this range. Cities listed are for reference purposes only.

Prices apply on a county basis. Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.79 %
	True Protein	3.13 %
	Other Solids	5.69 %

Estimated Marketwide Utilization for NOVEMBER 2008:

	Skim	Butterfat
Class I	46%	23%
Classes II, III, & IV	54%	77%