



# Milk Pricing

## NEWSLETTER

Serving the California dairy industry for over 12 years

Dairy Marketing Branch, CDFA

March 2013

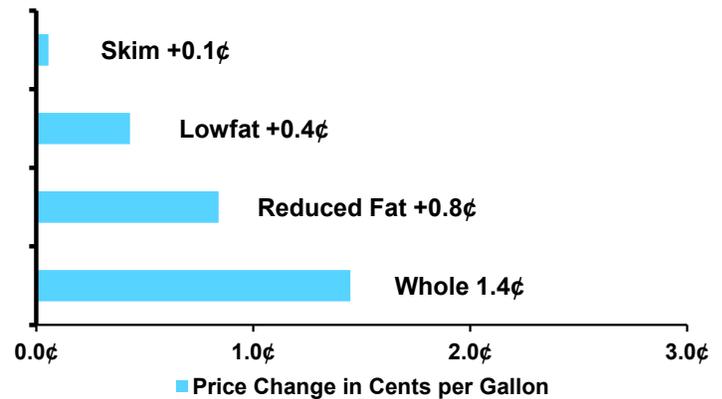
### All Milk Prices Show Slight Increases Compared to Previous Month

The minimum price of milk, established by the Department, is the price that dairy processors must pay for milk used to produce dairy products. National commodity prices, primarily Grade AA Butter, Cheddar Cheese, Nonfat Dry Milk, and Dry Whey are significant factors in determining the minimum milk price.

Compared to last month, the national commodity prices for Cheddar Cheese and Western Dry Whey decreased, while Grade AA Butter and Nonfat Dry Milk prices increased.

The table below shows individual prices for the four types of fluid milk by container size and the price changes from the previous month. The prices listed represent the minimum price paid by processors for the milk only, no other processing costs are included.

Current Month Fluid Milk Price Changes



### Minimum Prices for the Four Types of Fluid Milk, by Container Size for April 2013

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.676	\$0.838	\$0.419	\$0.210	\$0.140	\$0.105
Reduced Fat 2%	\$1.595	\$0.797	\$0.399	\$0.199	\$0.133	\$0.100
Lowfat 1%	\$1.554	\$0.777	\$0.389	\$0.194	\$0.130	\$0.097
Nonfat (Skim)	\$1.210	\$0.605	\$0.303	\$0.151	\$0.101	\$0.076
Southern California						
Whole	\$1.700	\$0.850	\$0.425	\$0.212	\$0.142	\$0.106
Reduced Fat 2%	\$1.618	\$0.809	\$0.405	\$0.202	\$0.135	\$0.101
Lowfat 1%	\$1.578	\$0.789	\$0.394	\$0.197	\$0.131	\$0.099
Nonfat (Skim)	\$1.235	\$0.617	\$0.309	\$0.154	\$0.103	\$0.077

### Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$0.014	\$0.007	\$0.004	\$0.002	\$0.001	\$0.001
Reduced Fat 2%	\$0.008	\$0.004	\$0.002	\$0.001	\$0.001	\$0.001
Lowfat 1%	\$0.004	\$0.002	\$0.001	\$0.001	\$0.000	\$0.000
Nonfat (Skim)	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

### Price Changes from the Previous Pricing Period Displayed in Cents

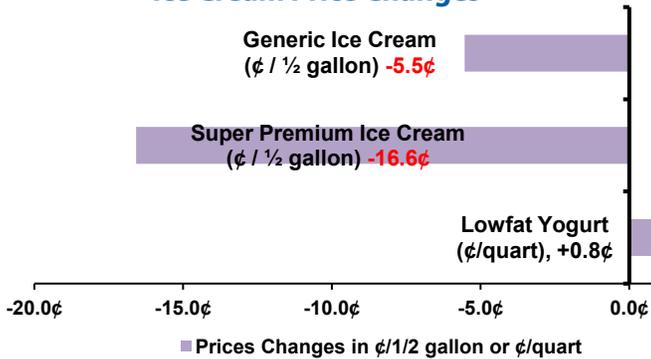
	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	1.4¢	0.7¢	0.4¢	0.2¢	0.1¢	0.1¢
Reduced Fat 2%	0.8¢	0.4¢	0.2¢	0.1¢	0.1¢	0.1¢
Lowfat 1%	0.4¢	0.2¢	0.1¢	0.1¢	0.0¢	0.0¢
Nonfat (Skim)	0.1¢	0.0¢	0.0¢	0.0¢	0.0¢	0.0¢

Whole milk increased one and four tenths cents per gallon; reduced fat milk increased eight tenths of a cent per gallon; lowfat milk increased four tenths of a cent per gallon; and skim milk increased one tenth of a cent per gallon.

## Minimum Prices for the Milk Component of Various Manufactured Dairy Products

The minimum prices for the raw milk component used by processors in manufacturing dairy products are listed in the table to the right. No other costs incurred by the processor are included, such as: milk quality premiums, milk composition premiums, transportation costs, plant processing costs, service charges, marketing costs.

### Current Month Yogurt and Ice Cream Price Changes -



	Lowfat Yogurt (\$/qt)	Super Premium Ice Cream (\$/1.5 qt)*	Generic Ice Cream (\$/1.5 qt)*	Grade AA Butter (\$/lb)	Cheese (\$/lb)
October '11	\$0.36	\$1.57	\$0.61	\$1.66	\$1.53
November	\$0.36	\$1.57	\$0.61	\$1.63	\$1.67
December	\$0.33	\$1.40	\$0.55	\$1.48	\$1.47
January '12	\$0.33	\$1.40	\$0.55	\$1.45	\$1.38
February	\$0.31	\$1.26	\$0.49	\$1.30	\$1.30
March	\$0.31	\$1.26	\$0.49	\$1.33	\$1.33
April	\$0.30	\$1.16	\$0.46	\$1.29	\$1.31
May	\$0.30	\$1.16	\$0.46	\$1.20	\$1.33
June	\$0.27	\$1.08	\$0.42	\$1.31	\$1.44
July	\$0.27	\$1.08	\$0.42	\$1.41	\$1.49
August	\$0.24	\$1.09	\$0.42	\$1.59	\$1.61
September	\$0.24	\$1.09	\$0.42	\$1.71	\$1.70
October	\$0.28	\$1.32	\$0.51	\$1.77	\$1.88
November	\$0.28	\$1.32	\$0.51	\$1.71	\$1.79
December	\$0.33	\$1.44	\$0.56	\$1.44	\$1.57
January '13	\$0.33	\$1.44	\$0.56	\$1.34	\$1.53
February	\$0.34	\$1.28	\$0.51	\$1.42	\$1.46
March	\$0.34	\$1.28	\$0.51	N/A	N/A

## Average U.S. Retail Prices for Whole, Reduced Fat, Lowfat, and Skim Milk Selected Cities, December 2012 - February 2013

CITY	December 2012				January 2013				February 2013			
	Whole	Reduced Fat	Lowfat	Skim	Whole	Reduced Fat	Lowfat	Skim	Whole	Reduced Fat	Lowfat	Skim
<i>Weighted Average Prices in Dollars Per Gallon</i>												
Los Angeles	\$3.62	\$3.57	\$3.67	\$3.22	\$3.49	\$3.45	\$3.53	\$3.14	\$3.41	\$3.36	\$3.41	\$3.12
San Diego	\$3.75	\$3.67	\$3.82	\$3.45	\$3.66	\$3.57	\$3.74	\$3.38	\$3.57	\$3.47	\$3.63	\$3.33
Sacramento	\$4.01	\$3.88	\$3.97	\$3.99	\$3.91	\$3.75	\$3.84	\$3.79	\$3.87	\$3.68	\$3.77	\$3.65
San Francisco	\$4.22	\$4.06	\$4.40	\$4.12	\$4.18	\$4.01	\$4.36	\$4.10	\$4.17	\$3.97	\$4.31	\$4.07
Denver	\$3.16	\$3.06	\$3.11	\$2.97	\$3.02	\$2.91	\$2.95	\$2.80	\$2.96	\$2.84	\$2.91	\$2.74
Las Vegas	\$3.24	\$3.10	\$3.14	\$3.18	\$3.19	\$3.04	\$3.06	\$3.03	\$3.20	\$3.02	\$3.09	\$3.07
Phoenix	\$2.52	\$2.40	\$2.40	\$2.29	\$2.38	\$2.26	\$2.27	\$2.18	\$2.41	\$2.33	\$2.34	\$2.27
Portland	\$3.23	\$3.01	\$3.13	\$3.12	\$3.10	\$2.87	\$3.02	\$2.98	\$3.13	\$2.86	\$3.00	\$2.91
Salt Lake City-Boise	\$3.09	\$2.85	\$2.81	\$3.04	\$3.04	\$2.78	\$2.73	\$2.98	\$3.00	\$2.79	\$2.72	\$2.88
Seattle	\$3.22	\$3.00	\$3.10	\$3.10	\$3.16	\$2.95	\$3.04	\$3.02	\$3.14	\$2.93	\$3.02	\$2.99

Source: AC Nielsen Scantrack Reports on Refrigerated Milk. The average price per gallon represents the weighted averages for specific brands of milk within the specified market. Data includes organic milk. Data subject to revision. February data through the week ending 2/16/13.

### California Department of Food and Agriculture (CDFA)

Karen Ross, Secretary

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