



Milk Pricing

NEWSLETTER

Serving the California dairy industry for over 12 years

Dairy Marketing Branch, CDFA

January 2014

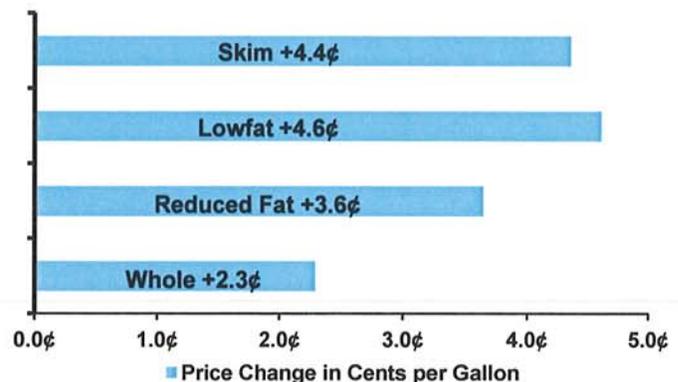
Fluid Milk Price Changes for February 2014

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, Nonfat Dry Milk, Western Dry Whey increased, while Grade AA Butter decreased.

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 February 2014

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.987	\$0.994	\$0.497	\$0.248	\$0.166	\$0.124
Reduced Fat 2%	\$1.941	\$0.971	\$0.485	\$0.243	\$0.162	\$0.121
Lowfat 1%	\$1.928	\$0.964	\$0.482	\$0.241	\$0.161	\$0.121
Nonfat (Skim)	\$1.530	\$0.765	\$0.382	\$0.191	\$0.127	\$0.096

Southern California

Whole	\$2.011	\$1.005	\$0.503	\$0.251	\$0.168	\$0.126
Reduced Fat 2%	\$1.965	\$0.982	\$0.491	\$0.246	\$0.164	\$0.123
Lowfat 1%	\$1.952	\$0.976	\$0.488	\$0.244	\$0.163	\$0.122
Nonfat (Skim)	\$1.554	\$0.777	\$0.389	\$0.194	\$0.130	\$0.097

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$0.023	\$0.011	\$0.006	\$0.003	\$0.002	\$0.001
Reduced Fat 2%	\$0.036	\$0.018	\$0.009	\$0.005	\$0.003	\$0.002
Lowfat 1%	\$0.046	\$0.023	\$0.012	\$0.006	\$0.004	\$0.003
Nonfat (Skim)	\$0.044	\$0.022	\$0.011	\$0.005	\$0.004	\$0.003

Price Changes from the Previous Pricing Period Displayed in Cents

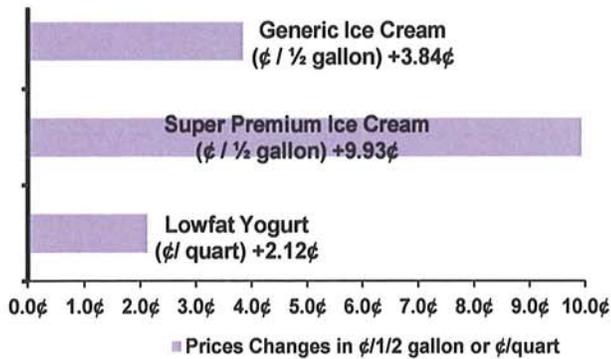
	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	2.3¢	1.1¢	0.6¢	0.3¢	0.2¢	0.1¢
Reduced Fat 2%	3.6¢	1.8¢	0.9¢	0.5¢	0.3¢	0.2¢
Lowfat 1%	4.6¢	2.3¢	1.2¢	0.6¢	0.4¢	0.3¢
Nonfat (Skim)	4.4¢	2.2¢	1.1¢	0.5¢	0.4¢	0.3¢

Whole milk increased two and three tenths cents per gallon; reduced fat milk increased three and six tenths cents per gallon; lowfat milk increased four and six tenths cents per gallon; and skim milk increased four and four tenths cents 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)
June '12	\$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	\$1.48	\$1.42
April	\$0.34	\$1.31	\$0.52	\$1.57	\$1.61
May	\$0.34	\$1.31	\$0.52	\$1.48	\$1.64
June	\$0.34	\$1.34	\$0.53	\$1.38	\$1.54
July	\$0.34	\$1.35	\$0.53	\$1.33	\$1.50
August	\$0.37	\$1.31	\$0.52	\$1.26	\$1.57
September	\$0.37	\$1.31	\$0.52	\$1.34	\$1.60
October	\$0.39	\$1.30	\$0.53	\$1.40	\$1.62
November	\$0.39	\$1.30	\$0.53	\$1.44	\$1.66
December	\$0.41	\$1.40	\$0.56	\$1.47	\$1.74
January '14	\$0.41	\$1.40	\$0.56	N/A	N/A

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

CITY	October 2013				November 2013				December 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	\$3.34	\$3.25	\$3.37	\$3.06	\$3.43	\$3.34	\$3.46	*	\$3.53	\$3.44	\$3.54	*
San Diego	\$3.48	\$3.37	\$3.58	\$3.25	\$3.57	\$3.46	\$3.67	*	\$3.66	\$3.54	\$3.74	*
Sacramento	\$4.03	\$3.82	\$3.91	\$3.86	\$4.11	\$3.88	\$3.97	*	\$4.15	\$3.90	\$4.00	*
San Francisco	\$4.25	\$4.05	\$4.42	\$4.16	\$4.32	\$4.12	\$4.48	*	\$4.34	\$4.15	\$4.53	*
Denver	\$3.03	\$2.88	\$2.92	\$2.76	\$2.98	\$2.85	\$2.89	*	\$3.15	\$3.00	\$3.04	*
Las Vegas	\$3.12	\$3.00	\$2.99	\$3.16	\$3.12	\$3.14	\$2.98	*	\$3.22	\$3.19	\$3.05	*
Phoenix	\$2.46	\$2.38	\$2.40	\$2.33	\$2.60	\$2.59	\$2.54	*	\$2.39	\$2.33	\$2.32	*
Portland	\$3.05	\$2.81	\$2.95	\$2.89	\$3.12	\$3.19	\$2.98	*	\$3.16	\$3.36	\$3.03	*
Salt Lake City-Boise	\$2.98	\$2.67	\$2.65	\$2.90	\$2.99	\$3.49	\$2.59	*	\$2.92	\$4.29	\$2.60	*
Seattle	\$3.09	\$2.84	\$2.95	\$2.97	\$3.15	\$3.34	\$2.99	*	\$3.21	\$3.46	\$3.07	*

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. Prices may include organic and raw milks. Data subject to revision. December data through the week ending 12/21/13.

* Data under revision.



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