



Milk Pricing

NEWSLETTER

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Dairy Marketing Branch, CDFA

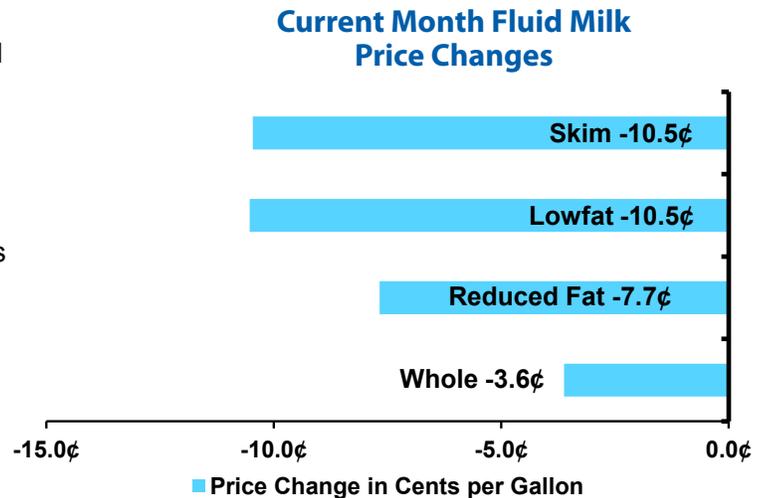
February 2015

Fluid Milk Price Changes for March 2015

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 Butter increased, while Cheddar Cheese, Western Dry Whey and Nonfat Dry Milk 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.



Minimum Prices for the Four Types of Fluid Milk, by Container Size for March 2015

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.433	\$0.716	\$0.358	\$0.179	\$0.119	\$0.090
Reduced Fat 2%	\$1.293	\$0.647	\$0.323	\$0.162	\$0.108	\$0.081
Lowfat 1%	\$1.210	\$0.605	\$0.302	\$0.151	\$0.101	\$0.076
Nonfat (Skim)	\$0.904	\$0.452	\$0.226	\$0.113	\$0.075	\$0.057

Southern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.456	\$0.728	\$0.364	\$0.182	\$0.121	\$0.091
Reduced Fat 2%	\$1.317	\$0.658	\$0.329	\$0.165	\$0.110	\$0.082
Lowfat 1%	\$1.233	\$0.617	\$0.308	\$0.154	\$0.103	\$0.077
Nonfat (Skim)	\$0.929	\$0.464	\$0.232	\$0.116	\$0.077	\$0.058

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	-\$0.036 ↓	-\$0.018 ↓	-\$0.009 ↓	-\$0.005 ↓	-\$0.003 ↓	-\$0.002 ↓
Reduced Fat 2%	-\$0.077 ↓	-\$0.038 ↓	-\$0.019 ↓	-\$0.010 ↓	-\$0.006 ↓	-\$0.005 ↓
Lowfat 1%	-\$0.105 ↓	-\$0.053 ↓	-\$0.026 ↓	-\$0.013 ↓	-\$0.009 ↓	-\$0.007 ↓
Nonfat (Skim)	-\$0.105 ↓	-\$0.052 ↓	-\$0.026 ↓	-\$0.013 ↓	-\$0.009 ↓	-\$0.007 ↓

Price Changes from the Previous Pricing Period Displayed in Cents

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	-3.6¢ ↓	-1.8¢ ↓	-0.9¢ ↓	-0.5¢ ↓	-0.3¢ ↓	-0.2¢ ↓
Reduced Fat 2%	-7.7¢ ↓	-3.8¢ ↓	-1.9¢ ↓	-1.0¢ ↓	-0.6¢ ↓	-0.5¢ ↓
Lowfat 1%	-10.5¢ ↓	-5.3¢ ↓	-2.6¢ ↓	-1.3¢ ↓	-0.9¢ ↓	-0.7¢ ↓
Nonfat (Skim)	-10.5¢ ↓	-5.2¢ ↓	-2.6¢ ↓	-1.3¢ ↓	-0.9¢ ↓	-0.7¢ ↓

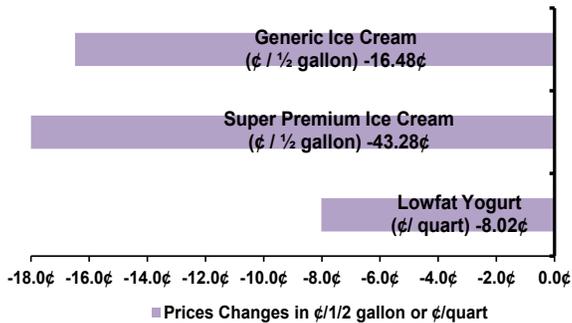
Whole milk decreased three and six tenths cents per gallon; reduced fat milk decreased seven and seven tenths cents per gallon; lowfat milk decreased ten and five tenths cents per gallon; and skim milk decreased ten and five tenths cents per gallon.

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.

	Lowfat Yogurt (\$/qt)	Super Premium Ice Cream (\$/1.5 qt)*	Generic Ice Cream (\$/1.5 qt)*	Grade AA Butter (\$/lb)	Cheese (\$/lb)
July '13	\$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	\$1.55	\$1.96
February	\$0.43	\$1.50	\$0.60	\$1.68	\$2.04
March	\$0.43	\$1.50	\$0.60	\$1.74	\$2.14
April	\$0.46	\$1.64	\$0.66	\$1.80	\$2.10
May	\$0.46	\$1.64	\$0.66	\$1.96	\$1.86
June	\$0.44	\$1.70	\$0.67	\$2.10	\$1.83
July	\$0.44	\$1.70	\$0.67	\$2.30	\$1.81
August	\$0.42	\$1.84	\$0.72	\$2.40	\$1.93
September	\$0.42	\$1.84	\$0.72	\$2.79	\$2.17
October	\$0.39	\$2.00	\$0.76	\$2.38	\$2.03
November	\$0.39	\$2.00	\$0.76	\$1.82	\$1.82
December	\$0.34	\$1.66	\$0.64	\$1.67	\$1.43
January '15	\$0.34	\$1.66	\$0.64	\$1.40	\$1.34
February	\$0.26	\$1.22	\$0.47	N/A	N/A

Current Month Yogurt and Ice Cream Price Changes



Average U.S. Retail Prices for Whole, Reduced Fat, Lowfat, and Skim Milk Selected Cities, November 2014 - January 2015

CITY	November 2014				December 2014				January 2015			
	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	\$3.78	\$3.70	\$3.79	\$3.51	\$3.77	\$3.66	\$3.78	\$3.47	\$3.47	\$3.39	\$3.54	\$3.26
San Diego	\$3.99	\$3.90	\$3.97	\$3.76	\$4.01	\$3.90	\$3.97	\$3.76	\$3.80	\$3.71	\$3.83	\$3.61
Sacramento	\$4.65	\$4.48	\$4.55	\$4.40	\$4.66	\$4.51	\$4.59	\$4.44	\$4.57	\$4.44	\$4.50	\$4.42
San Francisco	\$4.84	\$4.70	\$4.91	\$4.75	\$4.85	\$4.71	\$4.92	\$4.78	\$4.80	\$4.65	\$4.85	\$4.76
Denver	\$3.60	\$3.14	\$3.11	\$3.04	\$3.62	\$3.11	\$3.13	\$3.01	\$3.60	\$3.11	\$3.11	\$2.95
Las Vegas	\$3.45	\$3.26	\$3.32	\$3.21	\$3.45	\$3.27	\$3.38	\$3.22	\$3.40	\$3.22	\$3.39	\$3.14
Phoenix	\$2.66	\$2.56	\$2.57	\$2.53	\$2.59	\$2.49	\$2.49	\$2.47	\$2.65	\$2.54	\$2.55	\$2.53
Portland	\$3.59	\$3.38	\$3.41	\$3.36	\$3.54	\$3.36	\$3.40	\$3.35	\$3.54	\$3.33	\$3.35	\$3.30
Salt Lake City-Boise	\$2.88	\$2.78	\$2.71	\$2.77	\$2.86	\$2.74	\$2.70	\$2.73	\$2.75	\$2.67	\$2.61	\$2.67
Seattle	\$3.62	\$3.40	\$3.41	\$3.38	\$3.63	\$3.44	\$3.45	\$3.43	\$3.56	\$3.37	\$3.39	\$3.34

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. January data through the week ending 1/17/15.



California Department of Food and Agriculture (CDFA)

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