



Milk Pricing

NEWSLETTER

Serving the California dairy industry for over 12 years

Dairy Marketing Branch, CDFA

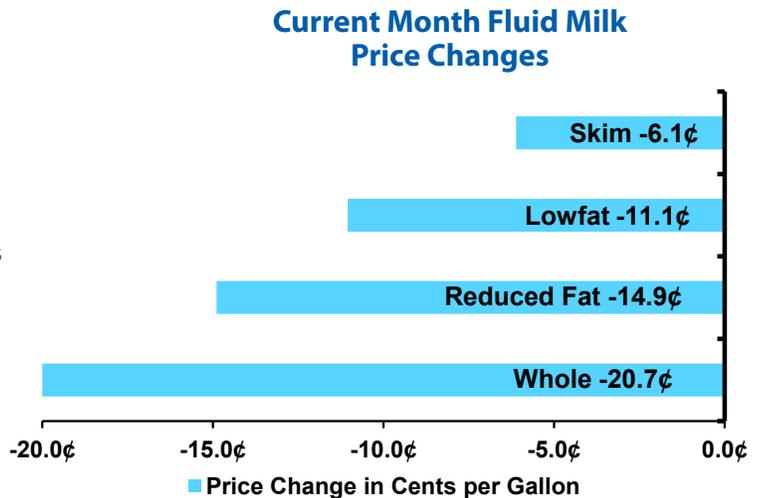
January 2015

Fluid Milk Price Changes for February 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, 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 February 2015

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Northern California						
Whole	\$1.469	\$0.735	\$0.367	\$0.184	\$0.122	\$0.092
Reduced Fat 2%	\$1.370	\$0.685	\$0.342	\$0.171	\$0.114	\$0.086
Lowfat 1%	\$1.315	\$0.658	\$0.329	\$0.164	\$0.110	\$0.082
Nonfat (Skim)	\$1.009	\$0.505	\$0.252	\$0.126	\$0.084	\$0.063
Southern California						
Whole	\$1.493	\$0.746	\$0.373	\$0.187	\$0.124	\$0.093
Reduced Fat 2%	\$1.393	\$0.697	\$0.348	\$0.174	\$0.116	\$0.087
Lowfat 1%	\$1.339	\$0.669	\$0.335	\$0.167	\$0.112	\$0.084
Nonfat (Skim)	\$1.033	\$0.517	\$0.258	\$0.129	\$0.086	\$0.065

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	-\$0.207 ↓	-\$0.104 ↓	-\$0.052 ↓	-\$0.026 ↓	-\$0.017 ↓	-\$0.013 ↓
Reduced Fat 2%	-\$0.149 ↓	-\$0.074 ↓	-\$0.037 ↓	-\$0.019 ↓	-\$0.012 ↓	-\$0.009 ↓
Lowfat 1%	-\$0.111 ↓	-\$0.055 ↓	-\$0.028 ↓	-\$0.014 ↓	-\$0.009 ↓	-\$0.007 ↓
Nonfat (Skim)	-\$0.061 ↓	-\$0.031 ↓	-\$0.015 ↓	-\$0.008 ↓	-\$0.005 ↓	-\$0.004 ↓

Price Changes from the Previous Pricing Period Displayed in Cents

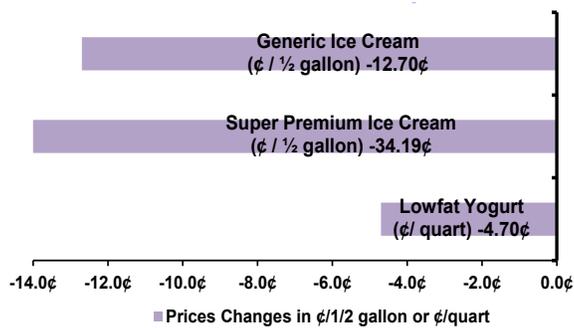
	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	-20.7¢ ↓	-10.4¢ ↓	-5.2¢ ↓	-2.6¢ ↓	-1.7¢ ↓	-1.3¢ ↓
Reduced Fat 2%	-14.9¢ ↓	-7.4¢ ↓	-3.7¢ ↓	-1.9¢ ↓	-1.2¢ ↓	-0.9¢ ↓
Lowfat 1%	-11.1¢ ↓	-5.5¢ ↓	-2.8¢ ↓	-1.4¢ ↓	-0.9¢ ↓	-0.7¢ ↓
Nonfat (Skim)	-6.1¢ ↓	-3.1¢ ↓	-1.5¢ ↓	-0.8¢ ↓	-0.5¢ ↓	-0.4¢ ↓

Whole milk decreased twenty and seven tenths cents per gallon; reduced fat milk decreased fourteen and nine tenths cents per gallon; lowfat milk decreased eleven and one-tenth of a cent per gallon; and skim milk decreased six and 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)
June '13	\$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	\$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	\$0.74	\$1.82	\$1.82
January '15	\$0.34	\$1.66	\$0.74	N/A	N/A

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

CITY	September 2014				October 2014				November 2014			
	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	\$3.81	\$3.78	\$3.80	\$3.53	\$3.82	\$3.77	\$3.82	\$3.54	\$3.79	\$3.71	\$3.80	\$3.52
San Diego	\$3.99	\$3.92	\$4.03	\$3.77	\$4.00	\$3.91	\$4.00	\$3.77	\$4.00	\$3.91	\$3.98	\$3.77
Sacramento	\$4.60	\$4.47	\$4.54	\$4.43	\$4.61	\$4.48	\$4.53	\$4.44	\$4.65	\$4.48	\$4.55	\$4.40
San Francisco	\$4.73	\$4.62	\$4.91	\$4.73	\$4.78	\$4.66	\$4.92	\$4.76	\$4.85	\$4.70	\$4.91	\$4.75
Denver	\$3.56	\$3.12	\$3.06	\$3.01	\$3.52	\$3.09	\$3.02	\$2.97	\$3.54	\$3.08	\$3.04	\$2.97
Las Vegas	\$3.44	\$3.28	\$3.29	\$3.26	\$3.42	\$3.24	\$3.27	\$3.22	\$3.44	\$3.26	\$3.31	\$3.20
Phoenix	\$2.57	\$2.46	\$2.48	\$2.44	\$2.65	\$2.54	\$2.55	\$2.52	\$2.63	\$2.51	\$2.53	\$2.48
Portland	\$3.46	\$3.27	\$3.29	\$3.22	\$3.56	\$3.35	\$3.38	\$3.34	\$3.59	\$3.38	\$3.40	\$3.35
Salt Lake City-Boise	\$2.98	\$2.90	\$2.79	\$2.86	\$2.93	\$2.86	\$2.71	\$2.80	\$2.88	\$2.79	\$2.72	\$2.78
Seattle	\$3.48	\$3.28	\$3.28	\$3.24	\$3.57	\$3.36	\$3.37	\$3.34	\$3.62	\$3.38	\$3.40	\$3.37

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. November data through the week ending 11/22/14.

California Department of Food and Agriculture (CDFA)

Karen Ross, Secretary

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