



Milk Pricing

NEWSLETTER

Serving the California dairy industry for over 12 years

Dairy Marketing Branch, CDFA

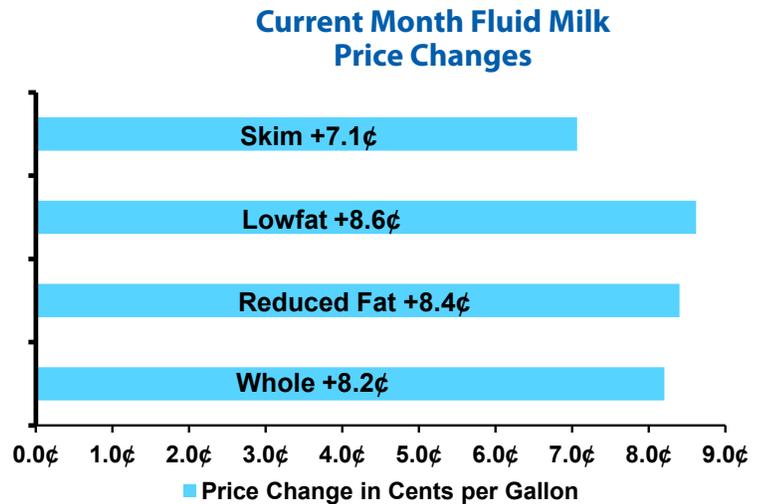
June 2015

Fluid Milk Price Changes for July 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 and Cheddar Cheese increased, while 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 July 2015

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.584	\$0.792	\$0.396	\$0.198	\$0.132	\$0.099
Reduced Fat 2%	\$1.427	\$0.714	\$0.357	\$0.178	\$0.119	\$0.089
Lowfat 1%	\$1.333	\$0.667	\$0.333	\$0.167	\$0.111	\$0.083
Nonfat (Skim)	\$0.996	\$0.498	\$0.249	\$0.124	\$0.083	\$0.062

Southern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.608	\$0.804	\$0.402	\$0.201	\$0.134	\$0.100
Reduced Fat 2%	\$1.451	\$0.725	\$0.363	\$0.181	\$0.121	\$0.091
Lowfat 1%	\$1.357	\$0.678	\$0.339	\$0.170	\$0.113	\$0.085
Nonfat (Skim)	\$1.020	\$0.510	\$0.255	\$0.128	\$0.085	\$0.064

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$0.082	\$0.041	\$0.021	\$0.010	\$0.007	\$0.005
Reduced Fat 2%	\$0.084	\$0.042	\$0.021	\$0.011	\$0.007	\$0.005
Lowfat 1%	\$0.086	\$0.043	\$0.022	\$0.011	\$0.007	\$0.005
Nonfat (Skim)	\$0.071	\$0.035	\$0.018	\$0.009	\$0.006	\$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	8.2¢	4.1¢	2.1¢	1.0¢	0.7¢	0.5¢
Reduced Fat 2%	8.4¢	4.2¢	2.1¢	1.1¢	0.7¢	0.5¢
Lowfat 1%	8.6¢	4.3¢	2.2¢	1.1¢	0.7¢	0.5¢
Nonfat (Skim)	7.1¢	3.5¢	1.8¢	0.9¢	0.6¢	0.4¢

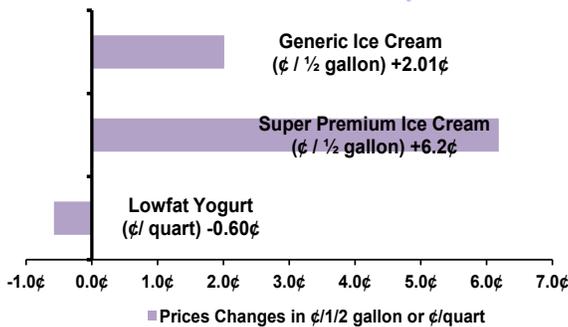
Whole milk increased eight and two tenths cents per gallon; reduced fat milk increased eight and four tenths cents per gallon; lowfat milk increased eight and six tenths cents per gallon; and skim milk increased seven and one tenths cents per gallon.

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)
November '13	\$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	\$1.57	\$1.34
March	\$0.26	\$1.22	\$0.47	\$1.56	\$1.37
April	\$0.23	\$1.18	\$0.45	\$1.63	\$1.39
May	\$0.23	\$1.18	\$0.45	\$1.77	\$1.43
June	\$0.22	\$1.24	\$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, March - May 2015

CITY	March 2015				April 2015				May 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	\$3.21	\$3.11	\$3.31	\$3.09	\$3.20	\$3.11	\$3.28	\$3.10	\$3.14	\$3.02	\$3.20	\$3.06
San Diego	\$3.60	\$3.47	\$3.62	\$3.42	\$3.57	\$3.42	\$3.61	\$3.41	\$3.55	\$3.41	\$3.58	\$3.41
Sacramento	\$4.26	\$4.10	\$4.21	\$4.06	\$4.17	\$3.96	\$4.09	\$3.85	\$4.08	\$3.86	\$4.03	\$3.77
San Francisco	\$4.80	\$4.67	\$4.88	\$4.80	\$4.76	\$4.60	\$4.81	\$4.72	\$4.23	\$4.09	\$4.44	\$4.14
Denver	\$3.13	\$2.58	\$2.58	\$2.42	\$3.13	\$2.54	\$2.55	\$2.38	\$3.11	\$2.56	\$2.57	\$2.41
Las Vegas	\$3.19	\$3.00	\$3.92	\$2.85	\$3.16	\$2.97	\$3.73	\$2.89	\$3.13	\$2.94	\$3.72	\$2.85
Phoenix	\$2.36	\$2.24	\$2.28	\$2.26	\$2.34	\$2.22	\$2.26	\$2.25	\$2.35	\$2.24	\$2.27	\$2.26
Portland	\$3.40	\$3.19	\$3.21	\$3.15	\$3.38	\$3.18	\$3.20	\$3.14	\$3.28	\$3.08	\$3.12	\$3.03
Salt Lake City-Boise	\$2.57	\$2.39	\$2.37	\$2.42	\$2.54	\$2.37	\$2.35	\$2.41	\$2.49	\$2.34	\$2.32	\$2.37
Seattle	\$3.44	\$3.19	\$3.20	\$3.16	\$3.44	\$3.17	\$3.19	\$3.14	\$3.41	\$3.17	\$3.16	\$3.11

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. May data through the week ending 5/9/15.



California Department of Food and Agriculture (CDFA)

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