



# Milk Pricing

## NEWSLETTER

Serving the California dairy industry for over 12 years

Dairy Marketing Branch, CDFA

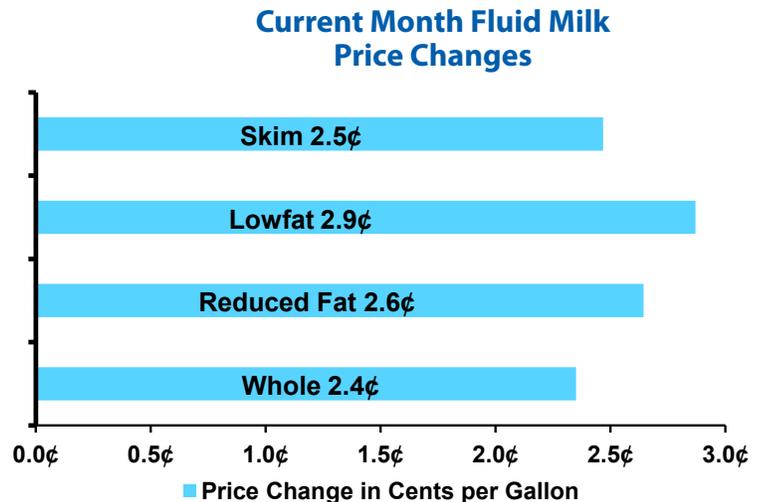
March 2015

### Fluid Milk Price Changes for April 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 Western Dry Whey decreased, while Cheddar Cheese and Nonfat Dry Milk 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.



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

Northern 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%	\$1.319	\$0.660	\$0.330	\$0.165	\$0.110	\$0.082
Lowfat 1%	\$1.238	\$0.619	\$0.310	\$0.155	\$0.103	\$0.077
Nonfat (Skim)	\$0.929	\$0.465	\$0.232	\$0.116	\$0.077	\$0.058

Southern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$1.480	\$0.740	\$0.370	\$0.185	\$0.123	\$0.092
Reduced Fat 2%	\$1.343	\$0.672	\$0.336	\$0.168	\$0.112	\$0.084
Lowfat 1%	\$1.262	\$0.631	\$0.316	\$0.158	\$0.105	\$0.079
Nonfat (Skim)	\$0.953	\$0.477	\$0.238	\$0.119	\$0.079	\$0.060

#### Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	\$0.024	\$0.012	\$0.006	\$0.003	\$0.002	\$0.001
Reduced Fat 2%	\$0.026	\$0.013	\$0.007	\$0.003	\$0.002	\$0.002
Lowfat 1%	\$0.029	\$0.014	\$0.007	\$0.004	\$0.002	\$0.002
Nonfat (Skim)	\$0.025	\$0.012	\$0.006	\$0.003	\$0.002	\$0.002

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

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole	2.4¢	1.2¢	0.6¢	0.3¢	0.2¢	0.1¢
Reduced Fat 2%	2.6¢	1.3¢	0.7¢	0.3¢	0.2¢	0.2¢
Lowfat 1%	2.9¢	1.4¢	0.7¢	0.4¢	0.2¢	0.2¢
Nonfat (Skim)	2.5¢	1.2¢	0.6¢	0.3¢	0.2¢	0.2¢

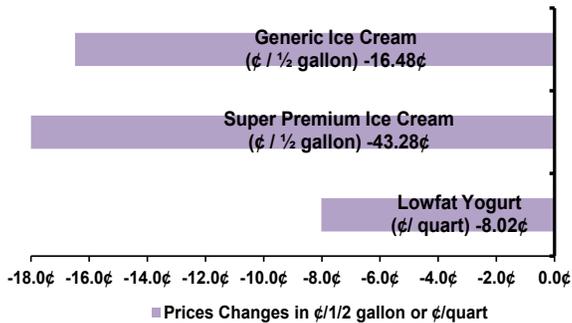
Whole milk increased two and four tenths cents per gallon; reduced fat milk increased two and six tenths cents per gallon; lowfat milk increased two and nine tenths cents per gallon; and skim milk increased two and five tenths cents per gallon.

## 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)
August '13	\$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	\$1.57	\$1.34
March	\$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, December 2014 - February 2015

CITY	December 2014				January 2015				February 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	\$3.77	\$3.66	\$3.78	\$3.47	\$3.41	\$3.34	\$3.49	\$3.22	\$3.28	\$3.22	\$3.39	\$3.14
San Diego	\$4.01	\$3.90	\$3.97	\$3.76	\$3.76	\$3.66	\$3.78	\$3.55	\$3.64	\$3.54	\$3.66	\$3.43
Sacramento	\$4.66	\$4.51	\$4.59	\$4.44	\$4.53	\$4.39	\$4.45	\$4.37	\$4.39	\$4.24	\$4.33	\$4.21
San Francisco	\$4.85	\$4.71	\$4.92	\$4.78	\$4.80	\$4.66	\$4.84	\$4.75	\$4.78	\$4.66	\$4.85	\$4.75
Denver	\$3.62	\$3.11	\$3.13	\$3.01	\$3.59	\$3.06	\$3.07	\$2.92	\$3.29	\$2.81	\$2.84	\$2.68
Las Vegas	\$3.45	\$3.27	\$3.38	\$3.22	\$3.39	\$3.19	\$3.58	\$3.12	\$3.38	\$3.19	\$3.83	\$3.05
Phoenix	\$2.59	\$2.49	\$2.49	\$2.47	\$2.51	\$2.52	\$2.53	\$2.51	\$2.51	\$2.40	\$2.41	\$2.40
Portland	\$3.54	\$3.36	\$3.40	\$3.35	\$3.51	\$3.30	\$3.33	\$3.27	\$3.38	\$3.18	\$3.21	\$3.14
Salt Lake City-Boise	\$2.86	\$2.74	\$2.70	\$2.73	\$2.71	\$2.62	\$2.56	\$2.62	\$2.64	\$2.52	\$2.43	\$2.51
Seattle	\$3.63	\$3.44	\$3.45	\$3.43	\$3.53	\$3.32	\$3.34	\$3.30	\$3.42	\$3.19	\$3.21	\$3.17

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. February data through the week ending 2/14/15.



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

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