The Market Administrator's

BULLETIN

CALIFORNIA MARKETING AREA

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July 2026 Federal Order No. 51

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July Pool Price Calculation

The July 2026 Statistical Uniform Price (SUP) for the California Marketing Area decreased by $0.72 per hundredweight (cwt) from last month to $17.92 per cwt for milk delivered to plants located in Los Angeles County, California, the pricing point for the California Federal Marketing Order. The SUP is announced at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids. When reported at average tests of pooled milk (4.18 percent butterfat, 3.35 percent protein, and 5.77 percent other solids), the July SUP was $19.44 per cwt, $0.79 lower than in June. The July Producer Price Differential (PPD) in Los Angeles County was $2.40 per cwt, $0.26 lower than the month prior.

Product Prices Effect

Prices in the National Dairy Product Sales Report mostly declined in July. The butter price decreased by nearly 2 cents to $1.6036 per pound. The cheese price decreased by roughly 5 cents to $1.5149 per pound. The nonfat dry milk price declined 29 cents to $1.6474 per pound. The dry whey price increased by less than a cent to $0.6522 per pound.

Component prices also experienced declining trends in July. The butterfat price declined by nearly 2 cents to $1.6668 per pound. The protein price fell 14 cents to $2.3202 per pound. The nonfat solids price decreased roughly 28 cents to $1.3940 per pound. The other solids price increased less than a cent to $0.3970 per pound.

All Class Prices in July declined from June. The Class I price decreased by $0.85 to $24.13 per cwt. The Class II price declined by $0.89 to $21.89 per cwt. The Class III price decreased by $0.46 to $15.52 per cwt. Lastly, the Class IV price had the largest decline at $2.62, falling to $18.34 per cwt.

Selected Statistics

The July 2026 butterfat price, at $1.6668, was the lowest recorded price for the month since Federal Order 51 began. The protein price, at $2.3202, was the highest for the month of July since 2022. The Class I volume reached 370.3 million pounds, the highest for the month since 2021. The Class I price at $24.13 per cwt, is the highest for the month of July since 2022. The other solids price at $0.3970 per pound, was the highest for the month since July 2021. ❖

Pool Summary

- A total of 839 producers were pooled with an average daily delivery per producer of 74,875 pounds, an increase of 1.10 percent from June.
- Pooled milk receipts totaled 1.947 billion pounds, an increase of 0.86 percent on an average daily basis.
- Class I usage (milk for bottling) accounted for 19 percent of total pooled milk receipts.
- The average butterfat test of producer receipts was 4.18 percent.
- The average true protein test of producer receipts was 3.35 percent.
- The average other solids test of producer receipts was 5.77 percent.❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	19.0	370,332,481
Class II	5.8	112,881,377
Class III	72.6	1,413,765,781
Class IV	2.6	50,450,591
Total Pooled Milk		1,947,430,230

Producer Component Prices

	2026	2025
	$/lb	
Protein Price	2.3202	1.8730
Butterfat Price	1.6668	2.8435
Other Solids Price	0.3970	0.3092

Class Price Factors

	2026	2025
	$/cwt	
Class I	24.13	21.62
Class I ESL Adj	-1.46	1.14
Class II	21.89	19.31
Class III	15.52	17.32
Class IV	18.34	18.89

Mailbox Prices and Pool Volumes

Every month, the USDA Agricultural Marketing Service (AMS) publishes the Mailbox Milk Price Report. The mailbox price is calculated for certain geographical regions using the producer payrolls submitted by regulated handlers. The Mailbox Price is defined as the net price received by producers for milk, including all payments received for milk sold, and deducting costs associated with marketing the milk. Additional statistics on mailbox prices can be found at https://mymarketnews.ams.usda.gov/viewReport/3357.

Mailbox Prices

Table 1 displays the monthly mailbox price figures for selected areas. The all-Federal Order (FO) mailbox price averaged $20.38 per cwt for 2025. The highs were observed in early 2025 reaching $23.51 per cwt in January, before decreasing to the low of $17.95 per cwt in December.

Table 1: Mailbox Prices from 2025 through 2026 for Selected Areas

Pool Period	California	Northwest	New Mexico	Western Texas	Wisconsin	Minnesota	All FOs
Jan-25	23.52	21.76	21.21	22.78	23.70	24.04	23.51
Feb-25	23.02	21.53	20.36	22.05	23.43	23.48	23.32
Mar-25	21.18	19.22	19.43	20.56	21.63	21.31	21.46
Apr-25	20.30	17.70	18.70	19.93	20.37	20.48	20.46
May-25	20.53	18.50	18.89	20.15	21.05	21.28	20.56
Jun-25	20.57	17.96	18.92	19.93	21.15	20.97	20.55
Jul-25	20.22	17.78	18.39	19.36	19.67	19.31	20.14
Aug-25	20.18	17.63	18.07	19.27	19.27	19.78	20.03
Sep-25	19.22	16.80	17.49	18.63	19.71	19.75	19.55
Oct-25	18.03	16.22	17.10	18.15	19.08	19.61	18.70
Nov-25	17.41	16.06	17.31	18.14	19.60	20.07	18.34
Dec-25	16.87	15.71	16.25	16.82	19.26	18.43	17.95
2025 Average	**20.09**	**18.07**	**18.51**	**19.65**	**20.66**	**20.71**	**20.38**
Jan-26	15.98	15.31	14.86	15.65	17.15	16.73	16.73
Feb-26	16.68	16.89	15.69	16.07	17.48	17.66	17.45
Mar-26	17.92	18.11	17.44	18.25	18.55	19.13	18.84
Apr-26	18.88	18.78	18.51	19.40	19.12	19.49	19.84
			Highs	Lows			

California's average mailbox price in 2025 was $20.09 per cwt. It reached a high in January at $23.52 per cwt and remained above twenty dollars until September before declining to a low of $16.87. The California mailbox price was higher than the All-FO mailbox price in four months out of the year reaching a high of 15 cents in August. The January 2026 mailbox price, at $15.98 per cwt, decreased from December 2025 before increasing over three consecutive months to April's price of $18.88 per cwt.

From the selected areas, Minnesota and Wisconsin had the highest 2025 average mailbox prices during the period at $20.71 and $20.66 per cwt, respectively. The Southern and Northeastern states have larger Class I location adjustments, than the Western part of the United States, therefore having higher mailbox prices, which are not included in Table 1. In July 2025, California's mailbox price was higher than Wisconsin and Minnesota's by 55 and 91 cents, respectively. Additionally, in August 2025, California's mailbox price surpassed the two once again by 91 and 40 cents, respectively. The lowest average mailbox prices were from New Mexico and the Northwest at $18.51 and $18.07 per cwt, respectively. The average mailbox price for Western Texas was $19.65 per cwt, 73 cents lower than the all-FO average and $1.58 higher than the Northwest's average.

Table 2: California Mailbox Prices and Statistical Uniform Prices, 2025 and 2026

Pool Period	California Mailbox Price	SUP Standard Test	SUP Average Test
Jan-25	23.52	20.95	24.56
Feb-25	23.02	20.54	23.92
Mar-25	21.18	19.08	22.12
Apr-25	20.30	18.37	21.13
May-25	20.53	18.64	21.17
Jun-25	20.57	18.93	21.47
Jul-25	20.22	18.80	21.16
Aug-25	20.18	18.61	21.09
Sep-25	19.22	17.31	19.77
Oct-25	18.03	15.54	18.08
Nov-25	17.41	14.76	17.35
Dec-25	16.87	15.33	17.30
2025 Average	**20.09**	**18.07**	**20.76**
Jan-26	15.98	14.85	16.53
Feb-26	16.68	16.04	18.00
Mar-26	17.92	17.22	19.13
Apr-26	18.88	18.28	20.18
	Highs	Lows	

SUPs

Table 2 displays FO 51's Statistical Uniform Price (SUP) at standard tests (3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids), SUP at average tests (the average component value in the pool), and California mailbox prices. Both California SUP follows the same patterns as the mailbox prices for 2025, the highs were observed in January while the lows occurred at the end of the year. The 2025 average for the SUP at standard tests was $2.02 less than the California average mailbox price. Meanwhile, the

(continued on page 3)

Mailbox Prices and Pool Volumes *(continued from page 2)*

average California mailbox price, at $20.09 per cwt, was 67 cents lower than the 2025 SUP at average tests, at $20.76 per cwt. In November 2025, the California mailbox price, at $17.41 per cwt, surpassed the SUP at average tests by 6 cents, at $17.35 per cwt.

Pool Volumes

Figure 1 illustrates the pool volume trends in Federal Order (FO) 51 from January 2025 through July 2026. FO 51 experienced record-high pool volumes in 2025, with the largest volume peaking in April at nearly 3.3 billion pounds. The pool volumes were high due to handlers pooling Class III and IV. After June 2025, handlers prioritized pooling either Class III or IV which led to pool volumes dropping to below 2 billion pounds. In September 2025, the pool volume decreased to a low of 1.67 billion pounds. So far in 2026, handlers have been pooling Class III due to favorable price relationships, and pool volumes have continued to be lower with an average of 1.869 billion pounds.

Figure 1: FO 51 Pool Volume

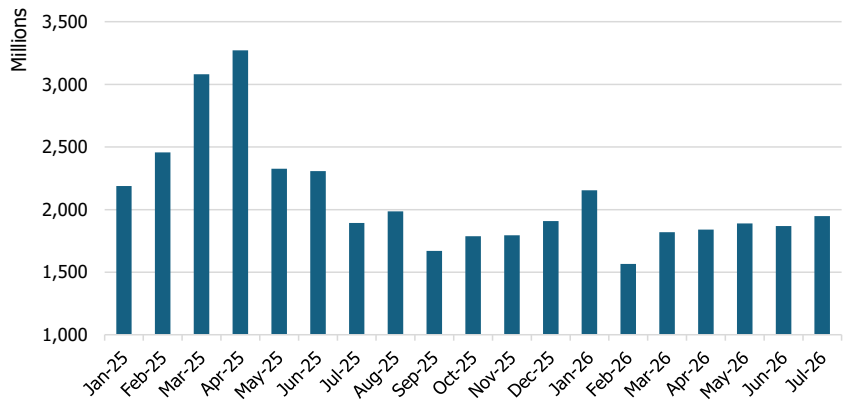
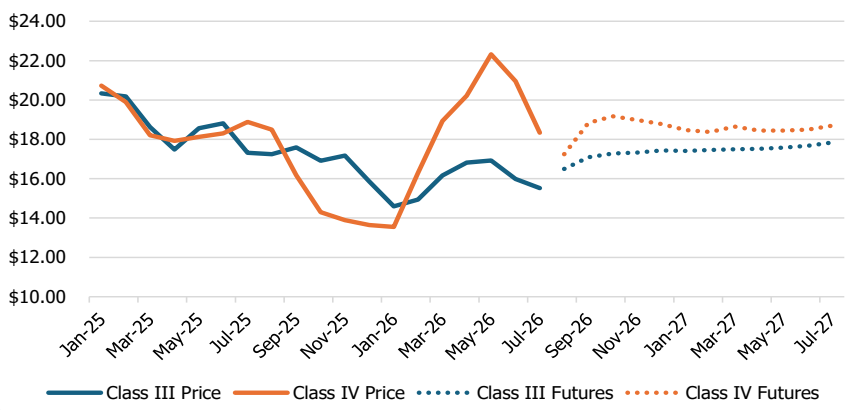


Figure 2: Class III and IV Prices



CMEs

Looking ahead, the Chicago Mercantile Exchange (CME) posts futures data for Class III and IV prices. CME futures published on August 19, 2026, show a lower Class III price than Class IV for the remainder of 2026 and into the first half of 2027. This indicates that pool volumes could remain at their current levels for the rest of the year. The most recent futures can be seen in Figure 2. For more information, visit the CME website at https://www.cmegroup.com/.❖

Pool Statistics for All Federal Orders, July 2026

Federal Order Number	Federal Order Name	Statistical Uniform Price*	Producer Price Differential*	Total Producer Milk	Utilization Class I	Utilization Class II	Utilization Class III	Utilization Class IV
		$/cwt		million lbs	%			
1	Northeast	21.16	5.64	2,380.4	26.2	29.5	31.2	13.1
5	Appalachian***	25.40	N/A	393.1	73.2	20.7	4.7	1.5
6	Florida***	26.79	N/A	186.59	82.4	15.3	2.1	0.2
7	Southeast***	25.50	N/A	292.7	73.3	17.1	7.2	2.3
30	Upper Midwest	16.40	0.88	2,712.9	5.8	1.0	92.5	0.7
32	Central	18.75	3.23	1,296.8	24.7	7.3	58.6	9.4
33	Mideast	19.63	4.11	1,636.0	32.5	10.1	45.6	11.9
51	**California**	**17.92**	**2.40**	**1,947.4**	**19.0**	**5.8**	**72.6**	**2.6**
124	Pacific Northwest	18.26	2.74	408.1	18.0	4.9	75.0	2.1
126	Southwest	18.85	3.33	1,168.7	25.2	5.1	68.7	1.0
131	Arizona***	19.50	N/A	374.82	26.7	16.5	31.8	25.0
All Federal Orders**		19.18	3.15	12,797.58	24.4	11.0	58.2	6.4

*Price at principal location differential in each Order at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids.
**Weighted averages or total for all Federal Orders.
***These orders are not price on components but on Skim and Butterfat
N/A = Not applicable

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Computation of Producer Price Differential and Statistical Uniform Price*

	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	360,200,486	$18.71	$67,393,510.93	
Butterfat	10,131,995	1.7355	17,584,077.32	
Less: Location Adjustment to Handlers			(1,049,117.52)	$83,928,470.73
Class II— Butterfat	14,801,170	1.6738	24,774,198.35	
Nonfat Solids	9,251,055	1.7860	16,522,384.24	41,296,582.59
Class III— Butterfat	51,449,134	1.6668	85,755,416.54	
Protein	48,059,078	2.3202	111,506,672.77	
Other Solids	82,050,303	0.3970	32,573,970.29	229,836,059.60
Class IV— Butterfat	5,106,951	1.6668	8,512,265.93	
Nonfat Solids	4,292,860	1.3940	5,984,246.84	14,496,512.77
Total Classified Value		*Total value of milk in the pool* →		**$369,557,625.69**
Add: Value for 60 (f) through 60(j)				(1,049,895.41)
Other Source Receipts	3,140,085			
Total Pool Value				**$368,507,730.28**
Less: Value of Producer Butterfat	81,489,250	1.6668	(135,826,281.86)	
Value of Producer Protein	65,293,586	2.3202	(151,494,178.26)	
Value of Producer Other Solids	112,299,019	0.3970	(44,582,710.53)	(331,903,170.65)
Total PPD Value Before Adjustments		*Total Class III value of producer components*		**$36,604,559.63**
Add: Location Adjustment to Producers				9,853,132.13
One-half Unobligated Balance—Producer Settlement Fund				1,189,318.17
Less: Producer Settlement Fund—Reserve				(833,322.45)
Total Pool Milk & PPD Value	1,950,570,315			**$46,813,687.48**
Producer Price Differential		**$ 2.40**		
Statistical Uniform Price		**$ 17.92**		

Value from which PPD per hundredweight is calculated

* Price at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids.