



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

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ESTIMATED Federal Order Minimum Value for Selected California Products/Containers

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of the order (Los Angeles County, \$2.10) and effect of Processor Assessment (See Note 1) and certain other assumptions. Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

Type of Milk		Container Size Price					
		Gallon	Half Gallon	Quart	Pint	1/3 Quart	Half Pints
Whole 3.50%	January 2019	\$1.4997	\$0.7499	\$0.3749	\$0.1875	\$0.1250	\$0.0937
	February 2019	\$1.5152	\$0.7576	\$0.3788	\$0.1894	\$0.1263	\$0.0947
	March 2019	\$1.5740	\$0.7870	\$0.3935	\$0.1968	\$0.1312	\$0.0984
	April 2019	\$1.5552	\$0.7776	\$0.3888	\$0.1944	\$0.1296	\$0.0972
Reduced Fat 2.00%	January 2019	\$1.2395	\$0.6198	\$0.3099	\$0.1550	\$0.1033	\$0.0775
	February 2019	\$1.2610	\$0.6305	\$0.3153	\$0.1576	\$0.1051	\$0.0788
	March 2019	\$1.3149	\$0.6575	\$0.3287	\$0.1644	\$0.1096	\$0.0822
	April 2019	\$1.2952	\$0.6476	\$0.3238	\$0.1619	\$0.1079	\$0.0810
Lowfat 1.00%	January 2019	\$1.0864	\$0.5432	\$0.2716	\$0.1358	\$0.0905	\$0.0679
	February 2019	\$1.1129	\$0.5565	\$0.2782	\$0.1391	\$0.0927	\$0.0696
	March 2019	\$1.1652	\$0.5826	\$0.2913	\$0.1457	\$0.0971	\$0.0728
	April 2019	\$1.1440	\$0.5720	\$0.2860	\$0.1430	\$0.0953	\$0.0715
Nonfat 0.10%	January 2019	\$0.7824	\$0.3912	\$0.1956	\$0.0978	\$0.0652	\$0.0489
	February 2019	\$0.8063	\$0.4032	\$0.2016	\$0.1008	\$0.0672	\$0.0504
	March 2019	\$0.8457	\$0.4229	\$0.2114	\$0.1057	\$0.0705	\$0.0529
	April 2019	\$0.8284	\$0.4142	\$0.2071	\$0.1036	\$0.0690	\$0.0518

Type of Milk		Container Size Price Changes from the Previous Months					
Whole	February 2019	\$0.0155	\$0.0077	\$0.0039	\$0.0019	\$0.0013	\$0.0010
	March 2019	\$0.0588	\$0.0294	\$0.0147	\$0.0074	\$0.0049	\$0.0037
	April 2019	(\$0.0188)	(\$0.0094)	(\$0.0047)	(\$0.0024)	(\$0.0016)	(\$0.0012)
Reduced Fat	February 2019	\$0.0215	\$0.0107	\$0.0054	\$0.0027	\$0.0018	\$0.0013
	March 2019	\$0.0539	\$0.0270	\$0.0134	\$0.0068	\$0.0045	\$0.0034
	April 2019	(\$0.0197)	(\$0.0099)	(\$0.0049)	(\$0.0025)	(\$0.0017)	(\$0.0012)
Lowfat	February 2019	\$0.0265	\$0.0133	\$0.0066	\$0.0033	\$0.0022	\$0.0017
	March 2019	\$0.0523	\$0.0261	\$0.0131	\$0.0065	\$0.0044	\$0.0032
	April 2019	(\$0.0212)	(\$0.0106)	(\$0.0053)	(\$0.0027)	(\$0.0018)	(\$0.0013)
Nonfat	February 2019	\$0.0239	\$0.0120	\$0.0060	\$0.0030	\$0.0020	\$0.0015
	March 2019	\$0.0394	\$0.0197	\$0.0098	\$0.0049	\$0.0033	\$0.0025
	April 2019	(\$0.0173)	(\$0.0087)	(\$0.0043)	(\$0.0022)	(\$0.0015)	(\$0.0011)

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
January 2019	\$8.82	\$2.5447		\$6.52
February 2019	\$9.10	\$2.5192		\$6.80
March 2019	\$9.55	\$2.5900		\$7.25
April 2019	\$9.35	\$2.5829		\$7.05

Conversion Factors for Pricing Units

<u>Whole 3.5%/8.7% Gal.</u>	<u>Reduced 2%/10% Gal.</u>	<u>Lowfat 1%/11% Gal.</u>	<u>Nonfat 0.10%/9% Gal.</u>
8.61	8.66	8.70	8.63

Estimation Assumptions: Incoming milk tests 3.80% butterfat (BF) and 9.00% milk solids not fat (MSNF). Fortification is accomplished with condensed milk testing 33.5% MSNF. White milk products are fortified to California State Standards (BF/MSNF): Whole Milk 3.5%/8.7%; Reduced fat 2%/10%; Lowfat 1%/11%; Nonfat (skim) 0.10%/9%. In lieu of the final Class IV skim price which is not available before the 24th of the month, the advanced Class IV skim price is used. Pounds per gallon factors are based on the formula: $(100 / (100 + (BF\% \times 0.04811) - (MSNF\% \times 0.38556))) \times 8.3341$.

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 *et seq.*). These prices do not include any other assessments or costs associated with bottling milk.

Note 2: Prices were determined by a set of calculations which can be found on the FO 51 website (Sample Fortification Calculation).