

United States Department of Agriculture Agricultural Marketing Service Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (530) 662-2037 -- Fax: (844) 206-7024 email: market.admin@cafmmo.com website: www.cafmmo.com

<u>ESTIMATED</u> 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 Si		1/2 0	
		Gallon	Half Gallon	Quart	Pint	<u>1/3 Quart</u>	Half Pints
	February 2019	\$1.5152	\$0.7576	\$0.3788	\$0.1894	\$0.1263	\$0.0947
Whole	March 2019	\$1.5740	\$0.7870	\$0.3935	\$0.1968	\$0.1312	\$0.0984
3.50%	April 2019	\$1.5552	\$0.7776	\$0.3888	\$0.1944	\$0.1296	\$0.0972
	May 2019	\$1.6118	\$0.8059	\$0.4030	\$0.2015	\$0.1343	\$0.1007
	February 2019	\$1.2610	\$0.6305	\$0.3153	\$0.1576	\$0.1051	\$0.0788
Reduced Fat	March 2019	\$1.3149	\$0.6575	\$0.3287	\$0.1644	\$0.1096	\$0.0822
2.00%	April 2019	\$1.2952	\$0.6476	\$0.3238	\$0.1619	\$0.1079	\$0.0810
	May 2019	\$1.3558	\$0.6779	\$0.3390	\$0.1695	\$0.1130	\$0.0847
	February 2019	\$1.1129	\$0.5565	\$0.2782	\$0.1391	\$0.0927	\$0.0696
Lowfat	March 2019	\$1.1652	\$0.5826	\$0.2913	\$0.1457	\$0.0971	\$0.0728
1.00%	April 2019	\$1.1440	\$0.5720	\$0.2860	\$0.1430	\$0.0953	\$0.0715
	May 2019	\$1.2072	\$0.6036	\$0.3018	\$0.1509	\$0.1006	\$0.0755
	February 2019	\$0.8063	\$0.4032	\$0.2016	\$0.1008	\$0.0672	\$0.0504
Nonfat	March 2019	\$0.8457	\$0.4229	\$0.2114	\$0.1057	\$0.0705	\$0.0529
0.10%	April 2019	\$0.8284	\$0.4142	\$0.2071	\$0.1036	\$0.0690	\$0.0518
	May 2019	\$0.8946	\$0.4473	\$0.2237	\$0.1118	\$0.0746	\$0.0559
					(
Type of Milk				Size Price Changes			<u> </u>
	March 2019	\$0.0588	\$0.0294	\$0.0147	\$0.0074	\$0.0049	\$0.0037
Whole	April 2019	(\$0.0188)	(\$0.0094)	(\$0.0047)	(\$0.0024)	(\$0.0016)	(\$0.0012)
	May 2019	\$0.0566	\$0.0283	\$0.0142	\$0.0071	\$0.0047	\$0.0035
	March 2019	\$0.0539	\$0.0270	\$0.0134	\$0.0068	\$0.0045	\$0.0034
Reduced Fat	April 2019	(\$0.0197)	(\$0.0099)	(\$0.0049)	(\$0.0025)	(\$0.0017)	(\$0.0012)
	May 2019	\$0.0606	\$0.0303	\$0.0152	\$0.0076	\$0.0051	\$0.0037
	March 2019	\$0.0523	\$0.0261	\$0.0131	\$0.0065	\$0.0044	\$0.0032
Lowfat	April 2019	(\$0.0212)	(\$0.0106)	(\$0.0053)	(\$0.0027)	(\$0.0018)	(\$0.0013)
	May 2019	\$0.0632	\$0.0316	\$0.0158	\$0.0079	\$0.0053	\$0.0040
	March 2019	\$0.0394	\$0.0197	\$0.0098	\$0.0049	\$0.0033	\$0.0025
Nonfat	April 2019	(\$0.0173)	(\$0.0087)	(\$0.0043)	(\$0.0022)	(\$0.0015)	(\$0.0011)
	May 2019	\$0.0662	\$0.0331	\$0.0166	\$0.0083	\$0.0056	\$0.0041
	Class I Prices	Skim	Butterfat	Adv Cla	Adv Class IV Prices Ski		
	February 2019	\$9.10	\$2.5192			\$6.80	
	March 2019	\$9.55	\$2.5900			\$7.25	
	April 2019	\$9.35	\$2.5829			\$7.05	
	May 2019	\$10.12	\$2.5585			\$7.02	
Conversion Factors	s for Pricing Units						
Whole 3.5%/8.7% Gal.		Reduced 2%/10% Gal.		Lowfat 1%/11% Gal.		Nonfat 0.10%/9% Gal.	
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% X 0.04811)-(MSNF% X 0.38556)) X 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 included 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).