United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

## 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$3.50 \%$ | October 2021 | \$1.6690 | \$0.8345 | \$0.4173 | \$0.2086 | \$0.1391 | \$0.1043 |
|  | November 2021 | \$1.7463 | \$0.8732 | \$0.4366 | \$0.2183 | \$0.1455 | \$0.1091 |
|  | December 2021 | \$1.8487 | \$0.9244 | \$0.4622 | \$0.2311 | \$0.1541 | \$0.1155 |
|  | January 2022 | \$1.8954 | \$0.9477 | \$0.4739 | \$0.2369 | \$0.1580 | \$0.1185 |
| $\begin{gathered} \text { Reduced Fat } \\ 2.00 \% \end{gathered}$ | October 2021 | \$1.5168 | \$0.7584 | \$0.3792 | \$0.1896 | \$0.1264 | \$0.0948 |
|  | November 2021 | \$1.6055 | \$0.8028 | \$0.4014 | \$0.2007 | \$0.1338 | \$0.1003 |
|  | December 2021 | \$1.6896 | \$0.8448 | \$0.4224 | \$0.2112 | \$0.1408 | \$0.1056 |
|  | January 2022 | \$1.7224 | \$0.8612 | \$0.4306 | \$0.2153 | \$0.1435 | \$0.1077 |
| $\begin{gathered} \text { Lowfat } \\ \text { 1.00\% } \end{gathered}$ | October 2021 | \$1.4478 | \$0.7239 | \$0.3620 | \$0.1810 | \$0.1207 | \$0.0905 |
|  | November 2021 | \$1.5463 | \$0.7732 | \$0.3866 | \$0.1933 | \$0.1289 | \$0.0966 |
|  | December 2021 | \$1.6215 | \$0.8108 | \$0.4054 | \$0.2027 | \$0.1351 | \$0.1013 |
|  | January 2022 | \$1.6473 | \$0.8237 | \$0.4118 | \$0.2059 | \$0.1373 | \$0.1030 |
| $\begin{gathered} \text { Nonfat } \\ 0.10 \% \end{gathered}$ | October 2021 | \$1.1343 | \$0.5672 | \$0.2836 | \$0.1418 | \$0.0945 | \$0.0709 |
|  | November 2021 | \$1.2262 | \$0.6131 | \$0.3066 | \$0.1533 | \$0.1022 | \$0.0766 |
|  | December 2021 | \$1.2685 | \$0.6343 | \$0.3171 | \$0.1586 | \$0.1057 | \$0.0793 |
|  | January 2022 | \$1.2707 | \$0.6354 | \$0.3177 | \$0.1589 | \$0.1059 | \$0.0794 |
| Type of Milk |  | Container Size Price Changes from the Previous Months |  |  |  |  |  |
| Whole | November 2021 | \$0.0773 | \$0.0387 | \$0.0193 | \$0.0097 | \$0.0064 | \$0.0048 |
|  | December 2021 | \$0.1024 | \$0.0512 | \$0.0256 | \$0.0128 | \$0.0086 | \$0.0064 |
|  | January 2022 | \$0.0467 | \$0.0233 | \$0.0117 | \$0.0058 | \$0.0039 | \$0.0030 |
| Reduced Fat | November 2021 | \$0.0887 | \$0.0444 | \$0.0222 | \$0.0111 | \$0.0074 | \$0.0055 |
|  | December 2021 | \$0.0841 | \$0.0420 | \$0.0210 | \$0.0105 | \$0.0070 | \$0.0053 |
|  | January 2022 | \$0.0328 | \$0.0164 | \$0.0082 | \$0.0041 | \$0.0027 | \$0.0021 |
| Lowfat | November 2021 | \$0.0985 | \$0.0493 | \$0.0246 | \$0.0123 | \$0.0082 | \$0.0061 |
|  | December 2021 | \$0.0752 | \$0.0376 | \$0.0188 | \$0.0094 | \$0.0062 | \$0.0047 |
|  | January 2022 | \$0.0258 | \$0.0129 | \$0.0064 | \$0.0032 | \$0.0022 | \$0.0017 |
| Nonfat | November 2021 | \$0.0919 | \$0.0459 | \$0.0230 | \$0.0115 | \$0.0077 | \$0.0057 |
|  | December 2021 | \$0.0423 | \$0.0212 | \$0.0105 | \$0.0053 | \$0.0035 | \$0.0027 |
|  | January 2022 | \$0.0022 | \$0.0011 | \$0.0006 | \$0.0003 | \$0.0002 | \$0.0001 |
|  | Class I Prices | Skim | Butterfat | Adv Class IV Prices |  | Skim |  |
|  | October 2021 | \$12.96 | \$1.9651 |  |  | \$9.93 |  |
|  | November 2021 | \$14.03 | \$1.9268 |  |  | \$10.53 |  |
|  | December 2021 | \$14.50 | \$2.1369 |  |  | \$11.52 |  |
|  | January 2022 | \$14.51 | \$2.2890 |  |  | \$12.21 |  |

Conversion Factors for Pricing Units
\# 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).

