Advanced Class Prices by Order

United States Department of Agriculture

Agricultural Marketing Service | **Dairy Programs** | **Market Information Branch**

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December 2020 Highlights

Base Class I Price: The base Class I price for December 2020 is $19.87 per cwt, an increase of $1.83 per cwt when compared to November 2020. A Class I differential for each order's principle pricing point (county) is added to the base price to determine the Class I Price.

Class II Price Information: For December 2020, the advanced Class IV skim milk pricing factor is $8.21 per cwt, the Class II skim milk price is $8.91 per cwt, and the Class II nonfat solids price is $0.9900 per pound.

Product Price Averages: The two-week product price averages for December 2020 are: butter $1.4726, nonfat dry milk $1.0891, cheese $2.6180, and dry whey $0.3746.

Advanced Class Prices by Order, December 2020

Federal Milk Order Class I Price Information [1]

Federal Milk Order Marketing Area [2]	Order Number	Dec 2020		
		Class I Price (3.5%)	Class I Skim Milk Price [3]	Class I Butterfat Price
		(dollars per cwt)	*(dollars per cwt)*	*(dollars per pound)*
Northeast (Boston)	001	23.12	18.13	1.6081
Appalachian (Charlotte)	005	23.27	18.28	1.6096
Florida (Tampa)	006	25.27	20.28	1.6296
Southeast (Atlanta)	007	23.67	18.68	1.6136
Upper Midwest (Chicago)	030	21.67	16.68	1.5936
Central (Kansas City)	032	21.87	16.88	1.5956
Mideast (Cleveland)	033	21.87	16.88	1.5956
California (Los Angeles)	051	21.97	16.98	1.5966
Pacific Northwest (Seattle)	124	21.77	16.78	1.5946
Southwest (Dallas)	126	22.87	17.88	1.6056
Arizona (Phoenix)	131	22.22	17.23	1.5991
All Market Average		22.69	17.70	1.6038

[1] To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63 - the approximate number of gallons in 100 pounds of milk. The mandatory $0.20 per cwt processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown in this table. [2] Names in parentheses are the major city in the principal pricing point of the markets. [3] The Class I Price change is effective May 1, 2019. Please see the Advanced Prices and Pricing Factors Announcement: https://www.ams.usda.gov/mnreports/dymadvancedprices.pdf.

Methodology: Advanced Class Price Report

The Mandatory Price Reporting Act of 2010 was passed on September 27, 2010. The act requires USDA to release dairy product sales information on or before Wednesday at 3:00 pm EST (unless affected by a Federal Holiday).

For milk associated with Federal Milk Marketing orders, product-price formulas are used to set minimum prices as reported in the Announcement of Advanced Prices and Pricing Factors publication each month. Weighted-average product prices used for these formulas are computed from prices and volumes reported for the most recent two-week period in the National Dairy Products Sales Report.

Class I Prices for each order are calculated by adding the appropriate class I differential (determined by each order's physical county base location) to the monthly Base Class I Price. Each order's base location and class I differentials are as follows: Northeast Order 001 (Boston, MA) $3.25; Appalachian Order 005 (Charlotte, NC) $3.40; Florida Order 006 (Tampa, FL) $5.40; Southeast Order 007 (Atlanta, GA) $3.80; Upper Midwest Order 030 (Chicago, IL) $1.80; Central Order 032 (Kansas City, KS) $2.00; Mideast Order 033 (Cleveland, OH) $2.00; California Order 051 (Los Angeles, CA) $2.10; Pacific Northwest Order 124 (Seattle, WA) $1.90; Southwest Order 126 (Dallas, TX) $3.00; Arizona Order 131 (Phoenix, AZ) $2.35.

The Advanced Prices and Pricing Factors are released generally at 3:00 P.M. EST, no later than the 23rd of the following month. If the release date does not fall on the 23rd, the most current release preceding the 23rd will be used in the price calculation. Once monthly average prices have been computed, they are not revised. For more information on product price formulas and a schedule of release dates, please visit the Dairy Mandatory Market Reporting page.

Reliability: National Dairy Products Sales Reports are subject to revision for four weeks following the initial weekly report. For enforcement purposes, the information in the National Dairy Products Sales Report is subject to verification for up to two years from the time of submission. The AMS audit staff periodically reviews a company's sales records to ensure accurate reports during onsite verifications. The monthly Announcements of Advanced Prices and Pricing Factors are not subject to revision.

Information Contacts

Listed below are the specialists in the Agricultural Marketing Service, Dairy Program, Market Information Branch to contact for additional information. E-mail inquiries may be sent to dpp@usda.gov.

Lorie Warren Cashman
Chief, Market Information
(202) 720-4405

Dairy Product Mandatory Reporting Program

Patsy Emmons
Dairy Products Marketing Specialist, Coordinator
(202) 720-6491

Jessica Newsome
Dairy Products Marketing Specialist
(202) 260-9091

Kerry Siekmann
Dairy Products Marketing Specialist
(952) 277-2363

Federal Milk Order Information Program

Kerry Siekmann
Dairy Products Marketing Specialist, Coordinator
(952) 277-2363

Randal Stoker
Dairy Products Marketing Specialist
(202) 690-1932

For the most current release, visit AMS Dairy Program (Dairy Products Mandatory Reporting Program's page) or Cornell University's Library (National Dairy Products Sales Report page).

To receive e-mail notification for AMS Dairy Program publications, visit Cornell University's Library and follow the instructions.

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