

**United States Department of Agriculture
Agricultural Marketing Service
Dairy Programs
Milk Market Administrator
Federal Orders 124 & 131**

April 17, 2013

Federal Order Minimum Cost for Selected Products/Containers

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

<u>White Milk</u>		<u>FO 124</u>		<u>FO 131</u>	
		<u>Gallons</u>	<u>Half Pints</u>	<u>Gallons</u>	<u>Half Pints</u>
3.25%	February 2013	\$1.7139	\$0.1071	\$1.7526	\$0.1095
	March 2013	\$1.6786	\$0.1049	\$1.7173	\$0.1073
	April 2013	\$1.6653	\$0.1041	\$1.7040	\$0.1065
	May 2013	\$1.6717	\$0.1045	\$1.7104	\$0.1069
2.00%	February 2013	\$1.5548	\$0.0972	\$1.5936	\$0.0996
	March 2013	\$1.5175	\$0.0948	\$1.5563	\$0.0973
	April 2013	\$1.4970	\$0.0936	\$1.5358	\$0.0960
	May 2013	\$1.4950	\$0.0934	\$1.5338	\$0.0959
1.00%	February 2013	\$1.4243	\$0.0890	\$1.4631	\$0.0914
	March 2013	\$1.3854	\$0.0866	\$1.4242	\$0.0890
	April 2013	\$1.3592	\$0.0850	\$1.3980	\$0.0874
	May 2013	\$1.3505	\$0.0844	\$1.3893	\$0.0868
0.06%	February 2013	\$1.3032	\$0.0815	\$1.3420	\$0.0839
	March 2013	\$1.2627	\$0.0789	\$1.3016	\$0.0813
	April 2013	\$1.2311	\$0.0769	\$1.2700	\$0.0794
	May 2013	\$1.2160	\$0.0760	\$1.2549	\$0.0784
<u>Chocolate Milk *</u>					
3.25%	February 2013	\$1.5943	\$0.0996	\$1.6303	\$0.1019
	March 2013	\$1.5615	\$0.0976	\$1.5975	\$0.0998
	April 2013	\$1.5491	\$0.0968	\$1.5851	\$0.0991
	May 2013	\$1.5551	\$0.0972	\$1.5911	\$0.0994
1.00%	February 2013	\$1.3219	\$0.0826	\$1.3579	\$0.0849
	March 2013	\$1.2858	\$0.0804	\$1.3218	\$0.0826
	April 2013	\$1.2615	\$0.0788	\$1.2975	\$0.0811
	May 2013	\$1.2533	\$0.0783	\$1.2893	\$0.0806
0.06%	February 2013	\$1.2081	\$0.0755	\$1.2441	\$0.0778
	March 2013	\$1.1706	\$0.0732	\$1.2066	\$0.0754
	April 2013	\$1.1413	\$0.0713	\$1.1773	\$0.0736
	May 2013	\$1.1272	\$0.0705	\$1.1632	\$0.0727
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Skim</u>	<u>Butterfat</u>
February 2013		\$15.01	\$1.6637	\$15.46	\$1.6682
March 2013		\$14.54	\$1.6774	\$14.99	\$1.6819
April 2013		\$14.17	\$1.7399	\$14.62	\$1.7444
May 2013		\$13.99	\$1.8165	\$14.44	\$1.8210

Conversion Factors

<u>White 3.25% Gal.</u> 8.60	<u>White 3.25% 1/2 Pint</u> 0.53750	<u>White 2.00% Gal.</u> 8.62	<u>White 2.00% 1/2 Pint</u> 0.53875	<u>White 1.00% Gal.</u> 8.62	<u>White 1.00% 1/2 Pint</u> 0.53875	<u>White 0.06% Gal.</u> 8.63	<u>White 0.06% 1/2 Pint</u> 0.539375
<u>Chocolate Gal.</u> 8.00	<u>Chocolate 1/2 Pint</u> 0.50000						

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 following formula:

$$(((\text{Percent Skim} \times \text{Skim Price}) / 100 + (\text{Percent Butterfat} \times \text{Butterfat Price})) / 100) \times \text{Conversion Factor}$$

For example, the formula for a gallon of whole milk would be:

$$(((96.75 \times \text{Skim Price}) / 100 + (3.25 \times \text{Butterfat Price})) / 100) \times 8.6$$

Note 3: Asterisk (*): Conversion factors for chocolate milk vary between products.