



United States
Department of
Agriculture

Announcement of Class and Component Prices

United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

CLS - 0121

February 3, 2021

January 2021 Highlights

Class II Price was \$14.18 per hundredweight for the month of January 2021. The price per hundredweight increased \$0.17 from the previous month. **Class III Price** was \$16.04 per hundredweight for the month of January 2021. The price per hundredweight increased \$0.32 from the previous month. **Class IV Price** was \$13.75 per hundredweight for the month of January 2021. The price per hundredweight increased \$0.39 from the previous month.

Announcement of Class and Component Prices for January 2021

Class II Price:	\$14.18 (per hundredweight)
Class II Butterfat Price:	\$1.5611 (per pound)
Class II Skim Milk Price ¹ :	\$9.03 (per hundredweight)
Class III Price:	\$16.04 (per hundredweight)
Class III Skim Milk Price:	\$10.99 (per hundredweight)
Class IV Price:	\$13.75 (per hundredweight)
Class IV Skim Milk Price:	\$8.61 (per hundredweight)
Butterfat Price:	\$1.5541 (per pound)
Nonfat Solids Price:	\$0.9570 (per pound)
Protein Price:	\$3.0355 (per pound)
Other Solids Price:	\$0.2682 (per pound)
Somatic Cell Adjustment Rate:	0.00083 (per 1,000 somatic cell count)
Product Price Averages:	
Butter	\$1.4548 (per pound)
Nonfat Dry Milk	\$1.1345 (per pound)
Cheese	\$1.6502 (per pound)
40-Pound Blocks	\$1.7171 (per pound)
500-Pound Barrels	\$1.5601 (per pound)
Dry Whey	\$0.4595 (per pound)

¹ December 2020 Advanced Price Announcement

Class and Component Prices
USDA - Agricultural Marketing Service

February 3, 2021

Federal Milk Order Class II, Class III, and Class IV Milk Prices, 2021

Month	Class II Price	Class II Butterfat Price	Class III Price	Class III Skim Milk Price	Class IV Price	Class IV Skim Milk Price
	<i>(\$/cwt)</i>	<i>(\$/lb)</i>			<i>(dollars per cwt)</i>	
Jan	14.18	1.5611	16.04	10.99	13.75	8.61

Federal Milk Order Class II, Class III, and Class IV Milk Prices, 2020

Month	Class II Price	Class II Butterfat Price	Class III Price	Class III Skim Milk Price	Class IV Price	Class IV Skim Milk Price
	<i>(\$/cwt)</i>	<i>(\$/lb)</i>			<i>(dollars per cwt)</i>	
Jan	17.05	2.1187	17.05	10.01	16.65	9.60
Feb	16.84	1.9883	17.00	10.43	16.20	9.60
Mar	16.75	1.9247	16.25	9.88	14.87	8.45
Apr	13.87	1.3288	13.07	8.75	11.40	7.02
May	12.30	1.3826	12.14	7.59	10.67	6.07
Jun	12.99	1.8661	21.04	15.06	12.90	6.62
Jul	13.79	1.9653	24.54	18.33	13.76	7.16
Aug	13.27	1.6345	19.77	14.58	12.53	7.08
Sep	13.16	1.6002	16.43	11.25	12.75	7.43
Oct	13.63	1.6458	21.61	16.45	13.47	8.01
Nov	13.86	1.5623	23.34	18.55	13.30	8.14
Dec	14.01	1.5469	15.72	10.71	13.36	8.26
Avg	14.29	1.7137	18.16	12.63	13.49	7.79

Class and Component Prices
USDA - Agricultural Marketing Service

February 3, 2021

Federal Milk Order Component Prices, 2021

Month	Butterfat Price	Nonfat Solids Price	Protein Price	Other Solids Price	Somatic Cell Adjustment Rate
	<i>(dollars per pound)</i>				<i>(\$/count)</i>
Jan	1.5541	0.9570	3.0355	0.2682	0.00083

Federal Milk Order Component Prices, 2020

Month	Butterfat Price	Nonfat Solids Price	Protein Price	Other Solids Price	Somatic Cell Adjustment Rate
	<i>(dollars per pound)</i>				<i>(\$/count)</i>
Jan	2.1117	1.0665	2.9606	0.1417	0.00090
Feb	1.9813	1.0667	3.0309	0.1750	0.00089
Mar	1.9177	0.9387	2.8424	0.1810	0.00085
Apr	1.3218	0.7795	2.4822	0.1793	0.00070
May	1.3756	0.6746	2.0918	0.1882	0.00065
Jun	1.8591	0.7354	4.5349	0.1696	0.00111
Jul	1.9583	0.7959	5.6294	0.1492	0.00129
Aug	1.6275	0.7862	4.4394	0.1387	0.00105
Sep	1.5932	0.8253	3.3935	0.1241	0.00089
Oct	1.6388	0.8902	5.0146	0.1534	0.00115
Nov	1.5553	0.9047	5.6226	0.1894	0.00123
Dec	1.5399	0.9180	3.0282	0.2245	0.00082
Avg	1.7067	0.8651	3.7559	0.1678	0.00096

Class and Component Prices
USDA - Agricultural Marketing Service

February 3, 2021

Dairy Products Price Averages Used in Federal Milk Order Price Formulas, 2021

Month	Product Price Averages For:							
	Class I (Skim, Bfat.), Class II (Skim, Nonfat Solids)				Class II (Bfat.), Class III, Class IV, Components			
	Butter	Nonfat dry milk	Cheese	Dry Whey	Butter	Nonfat dry milk	Cheese	Dry Whey
	<i>(dollars per pound)</i>				<i>(dollars per pound)</i>			
Jan	1.4604	1.1029	1.6038	0.4180	1.4548	1.1345	1.6502	0.4595
Feb	1.4765	1.1295	1.6342	0.4487				

Dairy Products Price Averages Used in Federal Milk Order Price Formulas, 2020

Month	Product Price Averages For:							
	Class I (Skim, Bfat.), Class II (Skim, Nonfat Solids)				Class II (Bfat.), Class III, Class IV, Components			
	Butter	Nonfat dry milk	Cheese	Dry Whey	Butter	Nonfat dry milk	Cheese	Dry Whey
	<i>(dollars per pound)</i>				<i>(dollars per pound)</i>			
Jan	1.9894	1.2095	2.1082	0.3266	1.9153	1.2451	1.8092	0.3367
Feb	1.9311	1.2388	1.8081	0.3295	1.8076	1.2453	1.7884	0.3690
Mar	1.8277	1.2541	1.8032	0.3644	1.7551	1.1160	1.7091	0.3748
Apr	1.7767	1.1609	1.7346	0.3729	1.2630	0.9552	1.4026	0.3732
May	1.2407	0.9564	1.4120	0.3724	1.3074	0.8492	1.2990	0.3818
Jun	1.2538	0.8395	1.1859	0.3822	1.7067	0.9106	2.2152	0.3638
Jul	1.6598	0.8923	2.0174	0.3674	1.7886	0.9717	2.5873	0.3440
Aug	1.8018	0.9666	2.5653	0.3467	1.5154	0.9619	2.1099	0.3338
Sep	1.5567	0.9683	2.4073	0.3413	1.4871	1.0014	1.7741	0.3196
Oct	1.4872	1.0042	1.7481	0.3232	1.5248	1.0670	2.2921	0.3480
Nov	1.5188	1.0657	2.2550	0.3428	1.4558	1.0816	2.4535	0.3830
Dec	1.4726	1.0891	2.6180	0.3746	1.4431	1.0951	1.6433	0.4171
Avg	1.6264	1.0538	1.9719	0.3537	1.5808	1.0417	1.9236	0.3621

Methodology: Monthly Class and Component Prices

Data: The Class and Component Prices are calculated using the most recent four or five weeks (since the last monthly Announcement of Class and Component Prices) from the latest National Dairy Products Sales Report (NDPSR).

Reliability: NDPSR are subject to revision for four weeks following the initial weekly report. For enforcement purposes, the information in the NDPSR 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. Note that the monthly Announcements of Class and Component Prices are not subject to revision.

Terms and Definitions: Announced milk prices are per 100 pounds or cwt, rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Announced product prices and pricing factors are per pound, rounded to the nearest one-hundredth cent. The somatic cell adjustment rate is for every 1,000 cells, rounded to the nearest one thousandth cent.

The NDPSR provides current wholesale market prices for basic dairy commodities. These commodity prices are used in the following formulas to calculate the USDA's Class and Component Prices used in the Federal Milk Marketing Order Program.

- Commodity Prices (Butter, Nonfat Dry Milk, Cheddar Cheese, and Dry Whey)
 - Commodity prices are calculated on the NDPSR ¹.
 - The prices are weighted averages for the previous four or five weeks (depending on date of last publication), weighted by sales volume in pounds.
 - Cheddar cheese in 500-pound barrels is adjusted to 38 percent moisture content.
 - For more information, see the Price Formulas publication ².
- Butterfat Price = (Butter Price – 0.1715) x 1.211
- Nonfat Solids Price = (NFDM Price – 0.1678) x 0.99
- Protein Price = ((Cheese Price – 0.2003) x 1.383) + (((Cheese Price – 0.2003) x 1.572) – Butterfat Price x 0.9) x 1.17)
- Other Solids Price = (Dry Whey Price-0.1991) x 1.03
- Somatic Cell Adjustment Rate = Cheese Price x 0.0005
- Class II Price = (Class II Skim Milk Price x 0.965)+(Class II Butterfat Price x 3.5)
 - Class II Skim Milk Price = See the Announcement of Advanced Prices and Pricing Factors for the applicable month.
 - Class II Butterfat Price = Butterfat Price+0.007
- Class III Price = (Class III Skim Milk Price x 0.965)+(Butterfat Price x 3.5)
 - Class III Skim Milk Price = (Protein Price x 3.1)+(Other Solids Price x 5.9)
- Class IV Price = (Class IV Skim Milk Price x 0.965)+(Butterfat Price x 3.5)
 - Class IV Skim Milk Price = Nonfat Solids Price x 9

¹ <https://www.ams.usda.gov/mnreports/dywdairyproductssales.pdf>

² <https://www.ams.usda.gov/resources/price-formulas>

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.



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.