

# Mailbox Milk Price Report

United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

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## December 2019 Highlights

In December 2019, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$20.03 per cwt, down \$0.08 from the November 2019 average and up \$4.02 from the December 2018 average (without California<sup>12</sup>). The component tests of producer milk in December 2019 were butterfat, 4.02%; protein, 3.24%; and other solids, 5.76%. The 2019 weighted annual for all Federal Order reporting areas, \$17.89 per cwt, was \$2.17/cwt higher than the 2018 weighted annual average of \$15.72/cwt.

## Mailbox Milk Prices, December 2019

Reporting Area <sup>1</sup>	Mailbox Milk Price <sup>2</sup>		
	Dec 2018	Nov 2019	Dec 2019
	<i>(dollars per hundredweight)</i>		
New England States <sup>3</sup>	17.89	20.61	20.60
New York	16.53	19.42	19.58
Eastern Pennsylvania <sup>4</sup>	16.46	19.75	19.78
Appalachian States <sup>5</sup>	16.82	19.93	20.36
Southeast States <sup>6</sup>	16.68	20.00	20.58
Southern Missouri <sup>7</sup>	16.83	20.65	20.48
Florida	17.90	20.49	21.20
Western Pennsylvania <sup>8</sup>	16.57	19.29	20.13
Ohio	16.34	18.82	20.20
Indiana	16.15	18.73	19.77
Michigan	14.80	17.47	18.56
Wisconsin	16.07	22.13	21.14
Minnesota	16.16	22.47	21.66
Iowa	16.24	21.08	20.45
Illinois	16.65	21.07	20.74
Corn Belt States <sup>9</sup>	14.69	19.54	18.96
Western Texas <sup>10</sup>	15.19	20.81	20.03
New Mexico	13.69	*19.13	18.49
Northwest States <sup>11</sup>	16.69	21.00	20.56
California <sup>12</sup>	NA	NA	NA
All Federal Order Areas <sup>13</sup>	16.01	20.11	20.03

\* Revised. See footnotes on Page 3.

**Mailbox Milk Prices for Selected Reporting Areas  
in Federal Milk Orders, by Month, Jan – Jun 2019**

Reporting Area <sup>1</sup>	Jan	Feb	Mar	Apr	May	Jun
	<i>(dollars per hundredweight)</i>					
New England States <sup>3</sup>	17.92	18.06	18.47	18.34	18.56	18.74
New York	16.67	16.86	17.32	17.21	17.52	17.70
Eastern Pennsylvania <sup>4</sup>	16.52	16.65	17.08	17.01	17.19	17.50
Appalachian States <sup>5</sup>	17.04	17.24	17.30	*17.03	17.45	*17.81
Southeast States <sup>6</sup>	16.99	17.10	17.10	*17.22	17.69	18.03
Southern Missouri <sup>7</sup>	16.77	16.63	17.01	*16.78	17.25	17.47
Florida	18.58	18.31	18.48	*18.67	18.73	19.16
Western Pennsylvania <sup>8</sup>	16.63	16.80	17.33	17.39	17.50	17.72
Ohio	16.57	16.67	17.07	16.99	17.24	17.40
Indiana	16.09	16.22	16.72	*16.77	17.12	17.17
Michigan	14.83	14.82	15.59	15.72	16.06	16.23
Wisconsin	16.18	16.18	17.11	17.65	17.92	17.67
Minnesota	16.20	16.50	17.50	17.92	18.15	*17.99
Iowa	16.28	16.59	17.34	17.54	17.98	17.70
Illinois	16.70	16.73	17.39	17.62	17.89	17.80
Corn Belt States <sup>9</sup>	15.05	15.25	15.94	*15.90	16.17	16.28
Western Texas <sup>10</sup>	15.47	15.70	16.67	16.73	17.08	17.25
New Mexico	14.01	14.05	15.06	15.21	15.63	15.75
Northwest States <sup>11</sup>	16.54	16.59	17.50	17.55	17.85	17.94
California <sup>12</sup>	NA	NA	NA	NA	NA	NA
All Federal Order Areas <sup>13</sup>	16.14	16.24	16.95	17.09	17.39	*17.44

\* Revised. See footnotes on Page 3.

## Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders, by Month, Jul – Dec 2019

Reporting Area <sup>1</sup>	Jul	Aug	Sep	Oct	Nov	Dec	Avg <sup>14</sup>
	<i>(dollars per hundredweight)</i>						
New England States <sup>3</sup>	18.85	19.06	19.39	19.71	20.61	20.60	19.01
New York	*17.87	18.21	18.43	18.89	19.42	19.58	17.97
Eastern Pennsylvania <sup>4</sup>	17.81	18.01	18.28	18.79	19.75	19.78	17.84
Appalachian States <sup>5</sup>	*18.25	19.02	18.85	19.03	19.93	20.36	18.21
Southeast States <sup>6</sup>	18.64	19.50	19.12	19.37	20.00	20.58	18.34
Southern Missouri <sup>7</sup>	18.35	19.33	19.16	19.86	20.65	20.48	18.17
Florida	19.38	20.47	19.81	20.08	20.49	21.20	19.40
Western Pennsylvania <sup>8</sup>	*18.07	18.37	18.72	20.25	19.29	20.13	18.15
Ohio	*17.76	18.09	18.34	19.90	18.82	20.20	17.88
Indiana	*17.57	18.18	18.35	19.38	18.73	19.77	17.67
Michigan	*16.54	16.90	17.15	18.35	17.47	18.56	16.51
Wisconsin	18.52	18.77	19.60	20.37	22.13	21.14	18.33
Minnesota	18.87	19.16	20.21	21.16	22.47	21.66	18.41
Iowa	18.34	18.48	19.15	19.71	21.08	20.45	18.31
Illinois	*18.44	18.77	19.21	19.85	21.07	20.74	18.41
Corn Belt States <sup>9</sup>	16.81	17.00	17.57	18.45	19.54	18.96	16.92
Western Texas <sup>10</sup>	17.80	17.94	17.88	19.61	20.81	20.03	17.79
New Mexico	16.31	16.12	16.59	17.57	*19.13	18.49	16.15
Northwest States <sup>11</sup>	18.72	18.71	19.11	20.10	21.00	20.56	18.52
California <sup>12</sup>	NA	NA	NA	NA	NA	NA	NA
All Federal Order Areas <sup>13</sup>	*17.96	18.24	18.58	19.38	20.11	20.03	17.89

**Footnotes:**

\* Revised <sup>1</sup> Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. <sup>2</sup> Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program. <sup>3</sup> Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. <sup>4</sup> Includes all counties to the east of those listed in <sup>8</sup>. <sup>5</sup> Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. <sup>6</sup> Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. <sup>7</sup> Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these. <sup>8</sup> Includes the counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these. <sup>9</sup> Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in <sup>7</sup>. <sup>10</sup> Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby. <sup>11</sup> Includes Oregon and Washington. <sup>12</sup> The California Federal Milk Marketing Order became effective on November 1, 2018. Prior to November 2018, the CA mailbox price was calculated by the California Department of Food and Agriculture. 2019 monthly mailbox data are not yet available for the California Federal Milk Marketing Order. <sup>13</sup> Weighted average of prices for all reporting areas (excluding California). <sup>14</sup> Weighted average of monthly prices for each of the indicated reporting areas.

## **Methodology: Mailbox Milk Price Report**

**Definitions:** The Mailbox Price is defined as the net price received by producers for milk, including all payments received for milk sold, and deducting costs associated with marketing the milk.

**Data:** Included in all payments for milk sold are: over-order premiums; quality, component, breed, and volume premiums; payouts from state-run over-order pricing pools; payments from super pool organizations or marketing agencies in common; payouts from programs offering seasonal production bonuses; and, monthly distributions of cooperative earnings. Annual distributions of cooperative profits/earnings or equity repayments are not included.

Included in costs associated with marketing milk are: hauling charges; cooperative dues, assessments, equity deductions/capital retains, and re-blends; the Federal milk order deduction for marketing services; Federally-mandated assessments such as the National Promotion Program and budget deficit reduction; and advertising/promotion assessments above the national program level. Other deductions, such as loan, insurance or feed mill assignments are not included.

For all markets, the mailbox price is reported at the handlers' average butterfat test (i.e., no adjustment to 3.5 percent).

**Reliability:** The AMS audit staff periodically perform on-site audits on each reporting agency's payroll records to ensure accurate reporting of mailbox price information. For enforcement purposes, the information used in this report is subject to audit for up to three years after the month reported.

**Report Aggregation:** The Market Administrators collect the information and calculate prices relative to their reporting areas, then submit to MIB. MIB then combines the data and publishes a weighted average.

Prior to November 2018, the California Department of Food and Agriculture (CDFA) calculated the California mailbox price using Market Administrator methodology and submitted monthly to MIB to include in the Mailbox publication.

The California Federal Milk Marketing Order became effective November 1, 2018. This report does not include a California mailbox milk price, as that information is not yet available. As soon as California mailbox data becomes available, applicable revisions will be made.

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## 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@ams.usda.gov](mailto:dpp@ams.usda.gov).

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