



United States  
Department of  
Agriculture

# Announcement of Advanced Prices and Pricing Factors

[Email us with accessibility issues  
regarding this report.](#)

United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

[ADV - 0924](#)

August 21, 2024

## September 2024 Highlights

**Base Class I Price** was \$21.60 per hundredweight for the month of September 2024. The price per hundredweight increased \$0.28 from the previous month.

**Base Skim Milk Price** for Class I was \$9.49 per hundredweight for the month of September 2024. The price per hundredweight increased \$0.41 from the previous month.

## Announcement of Advanced Prices and Pricing Factors for September 2024

Base Class I Price:	\$21.60 (per hundredweight)
Base Skim Milk Price for Class I:	\$9.49 (per hundredweight)
Advanced Class III Skim Milk Pricing Factor:	\$8.10 (per hundredweight)
Advanced Class IV Skim Milk Pricing Factor:	\$9.39 (per hundredweight)
Advanced Butterfat Pricing Factor:	\$3.5538 (per pound)
Class II Skim Milk Price:	\$10.09 (per hundredweight)
Class II Nonfat Solids Price:	\$1.1211 (per pound)
Two-week Product Price Averages:	
Butter	\$3.1061 (per pound)
Nonfat Dry Milk	\$1.2212 (per pound)
Cheese	\$1.9985 (per pound)
40-Pound Blocks	\$1.9548 (per pound)
500-Pound Barrels <sup>1</sup>	\$2.0030 (per pound)
Dry Whey	\$0.4848 (per pound)
Special information for Appalachian and Southeast:	
Diesel Fuel Price	\$3.559 (per gallon)
Mileage Rate Factor <sup>2</sup>	\$0.00780 (per hundredweight per mile)

<sup>1</sup> Adjusted to 38-percent moisture

<sup>2</sup> Per Final Rule 88 FR 84038, published in the Federal Register on December 1, 2023, the Mileage Rate Factor change became effective March 1, 2024. See the methodology section (p. 4) for details.

Advanced Prices and Pricing Factors Announcement  
USDA - Agricultural Marketing Service

August 21, 2024

**Federal Milk Order Class I and Class II Advanced Prices and Pricing Factors, 2024**

Month	Class I Base Price	Base Skim Milk Price for Class I	Advanced Class III Skim Milk Pricing Factor	Advanced Class IV Skim Milk Pricing Factor	Advanced Butterfat Pricing Factor	Class II Skim Milk Price	Class II Nonfat Solids Price
	<i>(dollars per cwt)</i>				<i>(\$/lb)</i>	<i>(\$/cwt)</i>	<i>(\$/lb)</i>
Jan	18.48	8.24	5.74	9.25	3.0091	9.95	1.1056
Feb	17.99	7.75	4.73	9.29	3.0035	9.99	1.1100
Mar	18.80	8.14	5.38	9.41	3.1269	10.11	1.1233
Apr	19.18	8.15	5.63	9.19	3.2342	9.89	1.0989
May	18.46	7.18	3.88	8.99	3.2954	9.69	1.0767
Jun	20.08	8.29	6.29	8.80	3.4512	9.50	1.0556
Jul	21.11	9.07	7.72	8.93	3.5297	9.63	1.0700
Aug	21.32	9.08	7.48	9.20	3.5872	9.90	1.1000
Sep	21.60	9.49	8.10	9.39	3.5538	10.09	1.1211

**Federal Milk Order Class I and Class II Advanced Prices and Pricing Factors, 2023**

Month	Class I Base Price	Base Skim Milk Price for Class I	Advanced Class III Skim Milk Pricing Factor	Advanced Class IV Skim Milk Pricing Factor	Advanced Butterfat Pricing Factor	Class II Skim Milk Price	Class II Nonfat Solids Price
	<i>(dollars per cwt)</i>				<i>(\$/lb)</i>	<i>(\$/cwt)</i>	<i>(\$/lb)</i>
Jan	22.41	11.32	9.54	11.62	3.2827	12.32	1.3689
Feb	20.78	11.38	10.28	11.00	2.7990	11.70	1.3000
Mar	18.99	9.79	8.49	9.60	2.7252	10.30	1.1444
Apr	18.85	9.66	8.46	9.37	2.7217	10.07	1.1189
May	19.57	10.47	10.37	9.08	2.7059	9.78	1.0867
Jun	18.01	8.72	7.17	8.78	2.7412	9.48	1.0533
Jul	17.32	7.88	5.33	8.94	2.7757	9.64	1.0711
Aug	16.62	7.22	4.00	8.95	2.7566	9.65	1.0722
Sep	18.90	8.64	7.15	8.64	3.0170	9.34	1.0378
Oct	19.47	9.12	8.20	8.55	3.0477	9.25	1.0278
Nov	19.75	7.24	4.29	8.70	3.6466	9.40	1.0444
Dec	19.76	7.95	5.34	9.08	3.4526	9.78	1.0867
Avg	19.20	9.12	7.39	9.36	2.9727	10.06	1.1177

Advanced Prices and Pricing Factors Announcement  
USDA - Agricultural Marketing Service

August 21, 2024

**Dairy Products Price Averages Used in Federal Milk Order Price Formulas, 2024**

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	2.6563	1.2062	1.6248	0.4184	2.6294	1.2112	1.5226	0.4338
Feb	2.6517	1.2099	1.5154	0.4289	2.7339	1.2125	1.5947	0.4649
Mar	2.7536	1.2242	1.6012	0.4621	2.8457	1.1863	1.6082	0.4788
Apr	2.8422	1.1991	1.6475	0.4842	2.9220	1.1506	1.5478	0.4289
May	2.8927	1.1768	1.5159	0.4446	3.0316	1.1422	1.8706	0.4108
Jun	3.0214	1.1557	1.8305	0.4091	3.0983	1.1770	1.9962	0.4249
Jul	3.0862	1.1705	1.9957	0.4148	3.1211	1.1930	1.9717	0.4487
Aug	3.1337	1.2007	1.9738	0.4416				
Sep	3.1061	1.2212	1.9985	0.4848				

**Dairy Products Price Averages Used in Federal Milk Order Price Formulas, 2023**

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	2.8822	1.4722	2.0660	0.4648	2.4599	1.3662	1.9767	0.4266
Feb	2.4828	1.4025	1.9953	0.4444	2.4158	1.2553	1.8224	0.4031
Mar	2.4219	1.2449	1.8191	0.3986	2.4258	1.1935	1.8399	0.4261
Apr	2.4190	1.2197	1.8012	0.4221	2.4018	1.1551	1.8775	0.4398
May	2.4059	1.1868	1.9675	0.4538	2.4483	1.1505	1.6600	0.3813
Jun	2.4351	1.1531	1.6920	0.3998	2.4510	1.1674	1.5724	0.3220
Jul	2.4636	1.1712	1.5677	0.3199	2.4825	1.1522	1.4870	0.2660
Aug	2.4478	1.1725	1.4601	0.2671	2.6668	1.1374	1.8349	0.2620
Sep	2.6628	1.1374	1.8617	0.2654	2.7532	1.1155	1.9366	0.2954
Oct	2.6882	1.1269	1.9610	0.2914	3.2387	1.1558	1.7390	0.3198
Nov	3.1827	1.1439	1.7549	0.3092	3.0293	1.1860	1.7421	0.3831
Dec	3.0225	1.1868	1.7486	0.3869	2.6305	1.1924	1.6234	0.4168
Avg	2.6262	1.2182	1.8079	0.3686	2.6170	1.1856	1.7593	0.3618

---

## Methodology: Advanced Prices and Pricing Factors

**Data:** The Advanced Prices and Pricing Factors are calculated using the most recent two weeks of data from the latest National Dairy Products Sales Report (NDPSR).

**Reliability:** The NDPSR is subject to revisions 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 review a company's sales records to ensure accurate reports during onsite verifications. Note that the monthly Announcement of Advanced Prices and Pricing Factors is 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 diesel fuel price is per gallon, rounded down to the nearest one-tenth cent. The mileage rate factor is per hundredweight per mile, rounded down to the nearest one-thousandth cent. Please see [CFR 1005.83](#) and [1007.83](#) for more information.

The NDPSR provides current wholesale market prices for basic dairy commodities. These commodity prices for the previous two weeks are used in the following formulas to calculate the USDA's Advanced Prices and Pricing Factors 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 <sup>1</sup>.
  - The prices are weighted averages for the previous two weeks, 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 <sup>2</sup>.
- Base Class I Price <sup>3</sup> = (Base Skim Milk Price for Class I x 0.965) + (Advanced Butterfat Pricing Factor x 3.5)
- Base Skim Milk Price for Class I = ((Advanced Class III Skim Milk Pricing Factor + Advanced Class IV Skim Milk Pricing Factor) / 2) + \$0.74
- Advanced Class III Skim Milk Pricing Factor = (Protein Price x 3.1) + (Other Solids Price x 5.9)
  - Protein Price = ((Cheese Price - 0.2003) x 1.383) + (((Cheese Price - 0.2003) x 1.572) - Advanced Butterfat Pricing Factor x 0.9) x 1.17)
  - Other Solids Price = (Dry Whey Price - 0.1991) x 1.03
- Advanced Class IV Skim Milk Pricing Factor = Nonfat Solids Price x 9
  - Nonfat Solids Price = (Nonfat Dry Milk Price - 0.1678) x 0.99
- Advanced Butterfat Pricing Factor = (Butter Price - 0.1715) x 1.211
- Class II Skim Milk Price = Advanced Class IV Skim Milk Pricing Factor + 0.70
- Class II Nonfat Solids Price = Class II Skim Milk Price / 9

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

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

<sup>3</sup> The Class I Base Price is shown for informational purposes only; it is not defined in Section 1000.50 of the order. The Class I skim milk price equals the Base Skim Milk Price plus the applicable Class I differential. The Class I Butterfat Price equals Advanced Butterfat Pricing Factor plus the (applicable Class I differential divided by 100).

**Revisions:** The monthly Announcement of Advanced Prices and Pricing Factors is 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](mailto:dpp@usda.gov).

Jessica Newsome  
Chief, Market Information  
(202) 260-9091

## Dairy Product Mandatory Reporting Program

Hripsime Tamrazyan  
Dairy Products Marketing Specialist, Coordinator  
(202) 260-8953

Alexis Gonzalez  
Dairy Products Marketing Specialist  
(202) 799-7296

Joshua McNeff  
Dairy Products Marketing Specialist  
(202) 937-4934

Bradley Vierra  
Dairy Products Marketing Specialist  
(817) 313-2131

## Federal Milk Order Information Program

Joshua McNeff  
Dairy Products Marketing Specialist, Coordinator  
(202) 937-4934

Hripsime Tamrazyan  
Dairy Products Marketing Specialist  
(202) 260-8953

For the most current release, visit AMS Dairy Program ([Dairy Product 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](mailto:program.intake@usda.gov).