



United States  
Department of  
Agriculture

# Announcement of Class and Component Prices

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United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

[CLS - 0124](#)

January 31, 2024

## January 2024 Highlights

**Class II Price** was \$20.04 per hundredweight for the month of January 2024. The price per hundredweight increased \$0.16 from the previous month. **Class III Price** was \$15.17 per hundredweight for the month of January 2024. The price per hundredweight decreased \$0.87 from the previous month. **Class IV Price** was \$19.39 per hundredweight for the month of January 2024. The price per hundredweight increased \$0.16 from the previous month.

## Announcement of Class and Component Prices for January 2024

Class II Price:	\$20.04 (per hundredweight)
Class II Butterfat Price:	\$2.9835 (per pound)
Class II Skim Milk Price <sup>1</sup> :	\$9.95 (per hundredweight)
Class III Price:	\$15.17 (per hundredweight)
Class III Skim Milk Price:	\$4.92 (per hundredweight)
Class IV Price:	\$19.39 (per hundredweight)
Class IV Skim Milk Price:	\$9.30 (per hundredweight)
Butterfat Price:	\$2.9765 (per pound)
Nonfat Solids Price:	\$1.0330 (per pound)
Protein Price:	\$1.1265 (per pound)
Other Solids Price:	\$0.2417 (per pound)
Somatic Cell Adjustment Rate:	0.00076 (per 1,000 somatic cell count)
Product Price Averages:	
Butter	\$2.6294 (per pound)
Nonfat Dry Milk	\$1.2112 (per pound)
Cheese	\$1.5226 (per pound)
40-Pound Blocks	\$1.5260 (per pound)
500-Pound Barrels <sup>2</sup>	\$1.4895 (per pound)
Dry Whey	\$0.4338 (per pound)

<sup>1</sup> December 2023 Advanced Price Announcement

<sup>2</sup> Adjusted to 38-percent moisture

Class and Component Prices  
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**Federal Milk Order Class II, Class III, and Class IV Milk Prices, 2024**

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	20.04	2.9835	15.17	4.92	19.39	9.30

**Federal Milk Order Class II, Class III, and Class IV Milk Prices, 2023**

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	21.61	2.7783	19.43	10.08	20.01	10.68
Feb	20.83	2.7248	17.78	8.57	18.86	9.69
Mar	19.52	2.7370	18.10	8.85	18.38	9.14
Apr	19.20	2.7079	18.52	9.40	17.95	8.80
May	19.11	2.7642	16.11	6.69	18.10	8.76
Jun	18.83	2.7675	14.91	5.44	18.26	8.91
Jul	19.12	2.8056	13.77	4.12	18.26	8.77
Aug	19.91	3.0288	17.19	6.85	18.91	8.64
Sep	19.98	3.1334	18.39	7.72	19.09	8.44
Oct	21.95	3.7214	16.84	3.98	21.49	8.80
Nov	21.21	3.4678	17.15	5.22	20.87	9.07
Dec	19.88	2.9848	16.04	5.82	19.23	9.13
Avg	20.10	2.9685	17.02	6.90	19.12	9.07

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**Federal Milk Order Component Prices, 2024**

Month	Butterfat Price	Nonfat Solids Price	Protein Price	Other Solids Price	Somatic Cell Adjustment Rate
	<i>(dollars per pound)</i>				<i>(\$/count)</i>
Jan	2.9765	1.0330	1.1265	0.2417	0.00076

**Federal Milk Order Component Prices, 2023**

Month	Butterfat Price	Nonfat Solids Price	Protein Price	Other Solids Price	Somatic Cell Adjustment Rate
	<i>(dollars per pound)</i>				<i>(\$/count)</i>
Jan	2.7713	1.1864	2.8058	0.2343	0.00099
Feb	2.7178	1.0766	2.3650	0.2101	0.00091
Mar	2.7300	1.0154	2.4085	0.2338	0.00092
Apr	2.7009	0.9774	2.5603	0.2479	0.00094
May	2.7572	0.9729	1.8002	0.1877	0.00083
Jun	2.7605	0.9896	1.5144	0.1266	0.00079
Jul	2.7986	0.9746	1.1991	0.0689	0.00074
Aug	3.0218	0.9599	2.0851	0.0648	0.00092
Sep	3.1264	0.9382	2.3027	0.0992	0.00097
Oct	3.7144	0.9781	1.0468	0.1243	0.00087
Nov	3.4608	1.0080	1.3238	0.1895	0.00087
Dec	2.9778	1.0144	1.4499	0.2242	0.00081
Avg	2.9615	1.0076	1.9051	0.1676	0.00088

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**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				

**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

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## 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 <sup>1</sup>.
  - 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 <sup>2</sup>.
- 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

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

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

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

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