To calculate the Base Class I Skim Milk Price, both the Class III and IV Advanced Skim Milk Pricing Factors must be calculated. These calculations are identical to those used to compute the Class III and IV Skim Milk Prices announced on or before the 5th of the following month, except for the time series of data used. The Advanced Prices and Pricing Factors series is released on or before the 23rd of the preceding month and uses the most recent two weeks of price data available at that time. The Class and Component Prices series is released on or before the 5th of the following month and uses the most recent four or five weeks of price data available at that time.

• To calculate the Advanced Butterfat Pricing Factor, use the Butter Price from the Advanced Prices and Pricing Factors series released on or before the 23rd of the preceding month. This price series uses the most recent two weeks of price data available at that time.

cwt = hundredweight, 100 pounds.
Class prices are announced as dollars per hundredweight.
0.965 represents standard assumption of 96.5 pounds of skim in 100 pounds of milk.

*updated June 2019 based on changes within the 2018 Farm Bill