

Before the Board of Milk Control of the State of Montana
Announcement of Class I, II & III Producer Prices Effective October 01, 2020

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By Order of the Montana Milk Control Bureau

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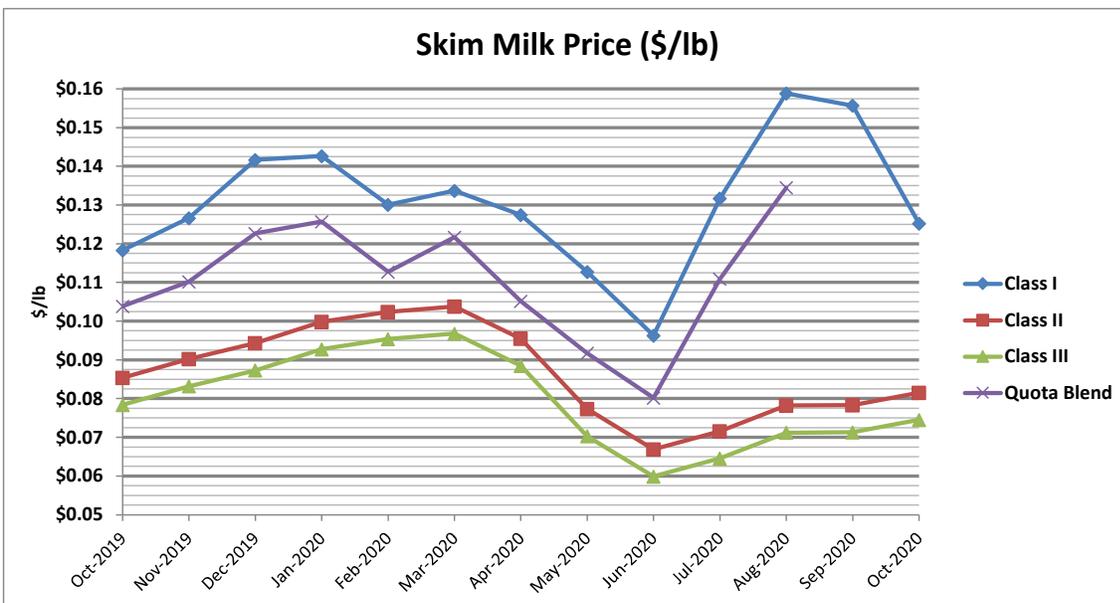
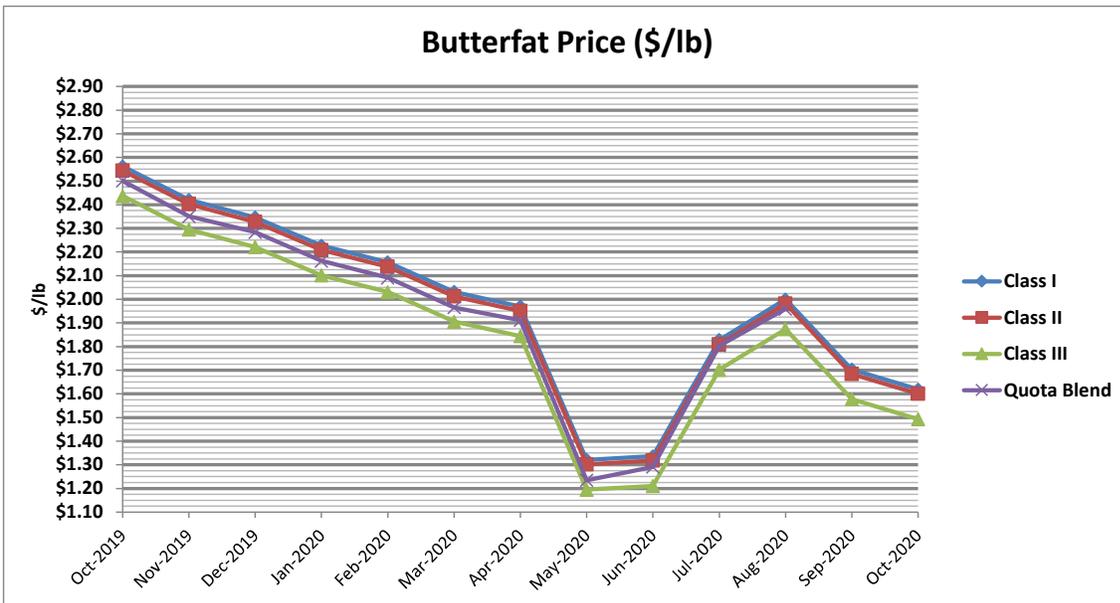
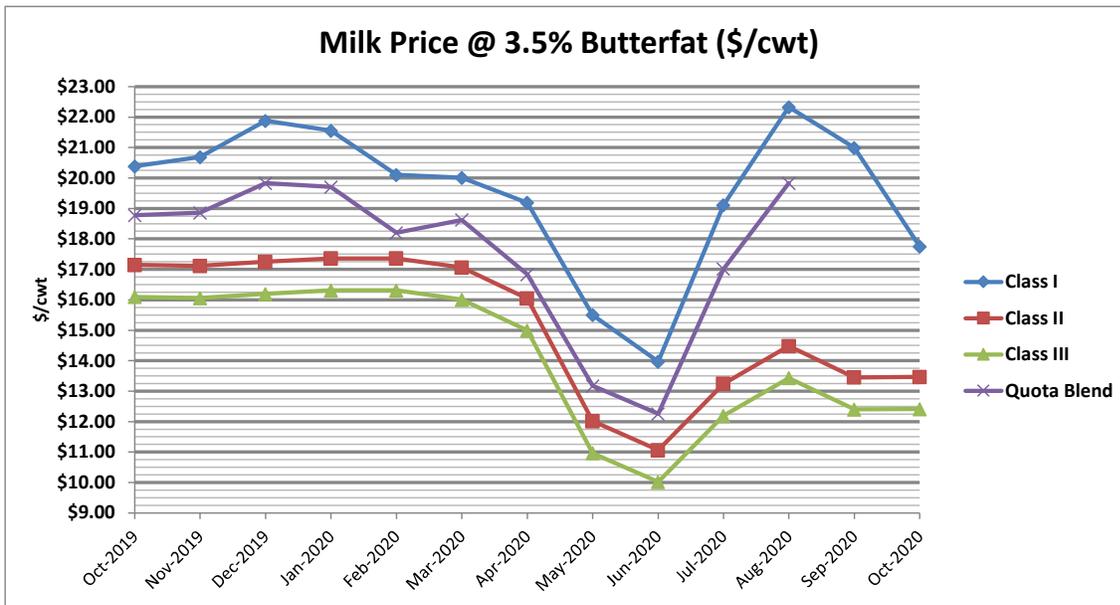
October 2020 Montana Price Announcement Summary			
	Price for Milk Testing 3.5% Butterfat (\$/cwt)	Butterfat Price (\$/lb)	Skim Milk Price (\$/lb) to seven decimal places
Class I	\$17.75000	\$1.6188	\$0.1252249
Class II	\$13.46580	\$1.6003	\$0.0815000
Class III	\$12.41580	\$1.4933	\$0.0745000

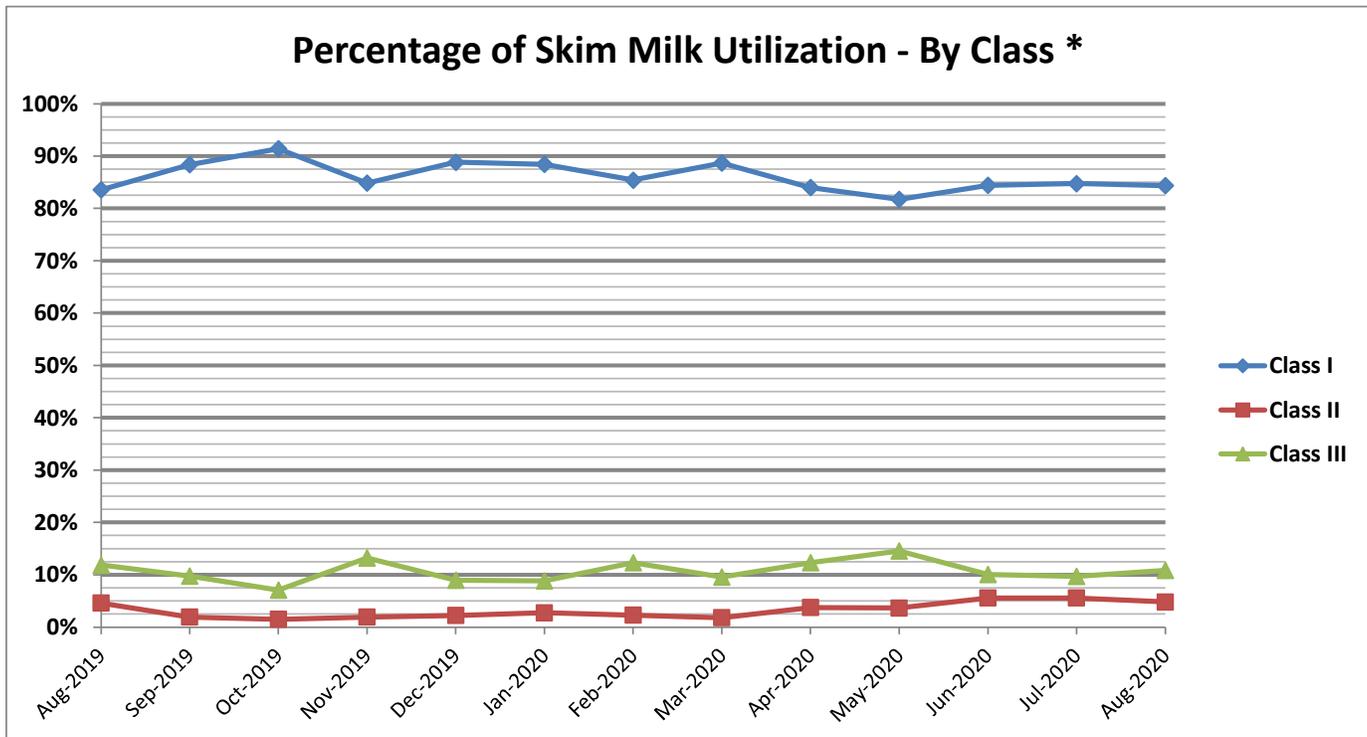
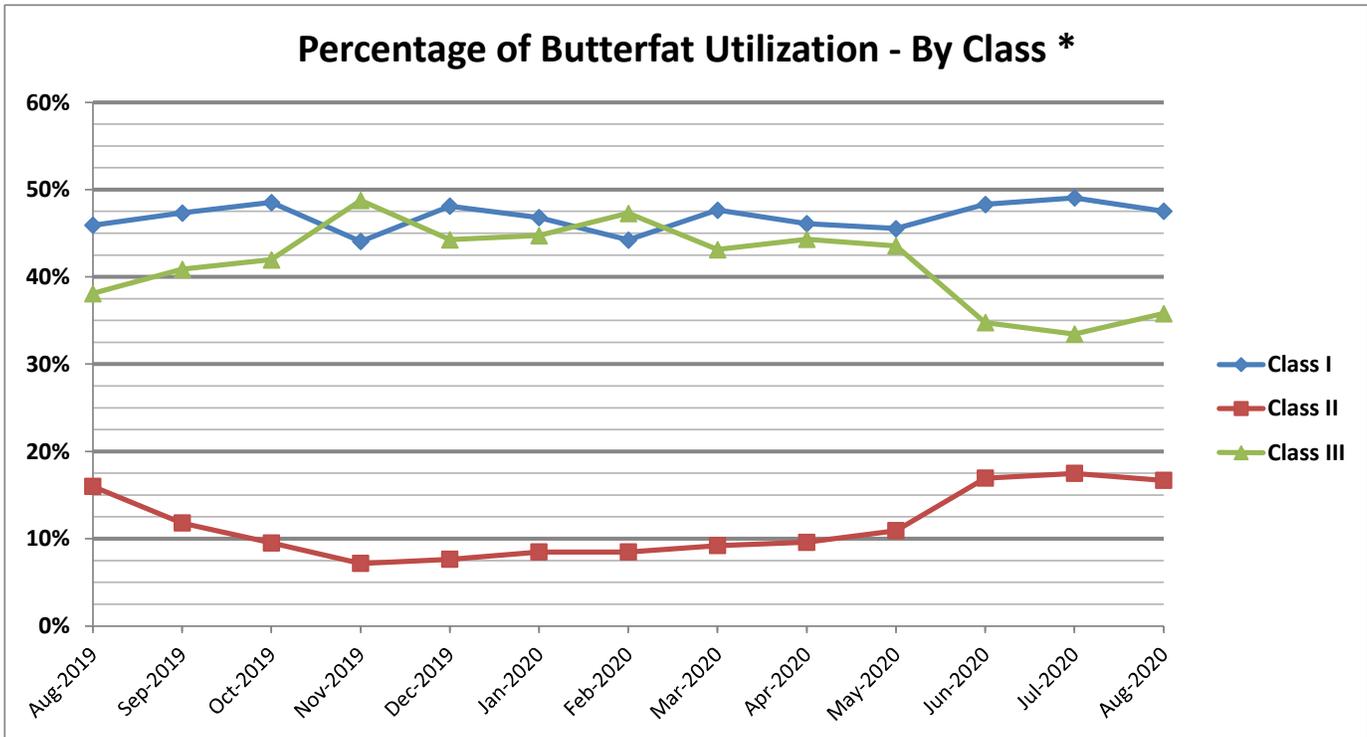
Montana Class I Price Computations per ARM 32.24.480(2)			
	Federal Order Base Class I Price for Milk Testing 3.5% Butterfat (\$/cwt):	\$	15.20
	Plus: Montana Differential (\$/cwt)	\$	2.55
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	17.75
	Federal Order Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5933
	Plus: Montana Differential (\$/lb)	\$	0.0255
	Montana Class I Butterfat Price (\$/lb)	\$	1.6188
	Value of Montana Class I Butterfat at 3.5 lbs	\$	5.66580
	Value of Montana Class I Skim Milk at 96.5 lbs	\$	12.08420
	Montana Class I Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	17.75000

Montana Class II Price Computations per ARM 32.24.480(3)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5933
	Plus: \$0.007/lb (\$/lb)	\$	0.0070
	Montana Class II Butterfat Price (\$/lb)	\$	1.6003
	Montana Class II Skim Milk Price (\$/lb): federal Class II Skim Milk Price converted to units of dollars per pound of skim milk	\$	0.0815
	Value of Montana Class II Butterfat at 3.5 lbs	\$	5.60105
	Value of Montana Class II Skim Milk at 96.5 lbs	\$	7.86475
	Montana Class II Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	13.46580

Montana Class III Price Computations per ARM 32.24.480(4)			
	Advanced Butterfat Pricing Factor (\$/lb)	\$	1.5933
	Less: Montana Class III Butterfat Price Differential (\$/lb)	\$	(0.1000)
	Montana Class III Butterfat Price (\$/lb)	\$	1.4933
	Federal Class III Skim Milk Pricing Factor (\$/cwt)	\$	11.01
	Federal Class IV Skim Milk Pricing Factor (\$/cwt)	\$	7.45
	Montana Class III Skim Milk Price: lower of Class III or Class IV Skim Milk Pricing Factor converted to units of dollars per pound of skim milk (\$/lb)	\$	0.0745
	Value of Montana Class III Butterfat at 3.5 lbs	\$	5.22655
	Value of Montana Class III Skim Milk at 96.5 lbs	\$	7.18925
	Montana Class III Milk Price for Milk Testing 3.5% Butterfat (\$/cwt)	\$	12.41580

Reference Prices for Montana Producer Price Calculations USDA	
<i>Announcement of Advanced Prices and Pricing Factors - September 23, 2020</i>	
Federal Order Base Class I Price (\$/cwt)	\$15.20
Advanced Butterfat Pricing Factor (\$/lb)	\$1.5933
Class II Skim Milk Price (\$/cwt)	\$8.15
Class III Skim Milk Pricing Factor (\$/cwt)	\$11.01
Class IV Skim Milk Pricing Factor (\$/cwt)	\$7.45





* Approximately 30% of skim milk utilization and 15% of butterfat utilization is for Class I milk that is sold as surplus milk. Surplus sales adjustments decrease the pool skim milk utilization value by \$2.55/cwt for sales to markets contiguous to Montana and by \$3.05/cwt for sales to markets non-contiguous to Montana.