



The Market Administrator's Report

Facilitating the Efficient Marketing of Milk and Dairy Products

Pacific Northwest and Arizona Marketing Areas

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Data for April 2016

MARKET SUMMARIES FOR APRIL

Pacific Northwest (FO 124)

Producers delivered a total of 580.7 million pounds of milk to the market during April. Daily deliveries averaged 19.4 million pounds, up 0.2 percent from March. An estimated 448 producers delivered milk to the market during the month. Daily deliveries per producer averaged 43,209 pounds, up 0.2 percent from March.

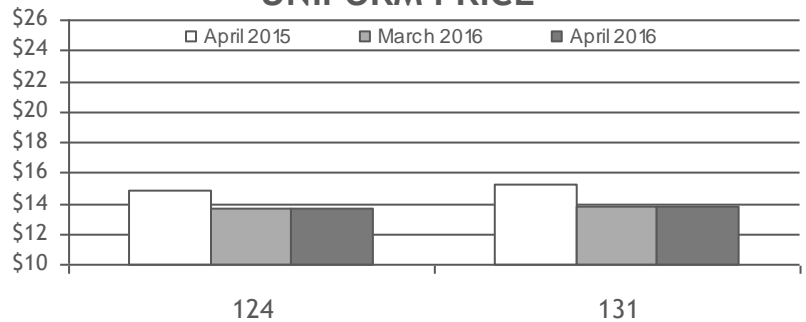
Class I producer milk during April totaled 152.8 million pounds, 26.3 percent of total producer receipts. Daily usage averaged 5.1 million pounds, down 5.8 percent from March. ▼

Arizona (FO 131)

Producers delivered a total of 445.2 million pounds of milk to the market during April. Daily deliveries averaged 14.8 million pounds, down 0.9 percent from March. An estimated 93 producers delivered milk to the market during the month. Daily deliveries per producer averaged 159,586 pounds, down 0.9 percent from March.

Class I producer milk during April totaled 103.7 million pounds, 23.3 percent of total producer receipts. Daily usage averaged 3.5 million pounds, down 4.9 percent from March. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Mar	Apr	Mar	Apr
Uniform Price (at 3.5%)	\$13.67	\$13.67	\$13.84	\$13.82
Uniform Price (at test)	\$15.00	\$14.79	\$13.84	\$13.82
PPD	(\$0.07)	\$0.04		
Butterfat	\$2.2028	\$2.2376		n/a
Protein	\$1.9206	\$1.8450		
Other Solids	\$0.0501	\$0.0489		
Uniform Skim			\$6.22	\$6.20
Uniform Butterfat		n/a	\$2.2389	\$2.2390
Butterfat	3.930%	3.864%	3.499%	3.501%
Protein	3.188%	3.156%		
Other Solids	5.741%	5.746%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ March Milk Sales
- ✓ ERS Report: U.S. Food Commodity Consumption
- ✓ Staff Article: Changes in Milk Shed 2000-2015

Federal Order Price Summaries

FINAL CLASS PRICES

The April 2016 Final Class Prices were calculated using AMS commodity price surveys from April 2, 9, 16, 23, and 30, 2016. Current and archived Final Class Price announcements are available at www.fmmaseattle.com/classcomponent.html.

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Mar 2016	\$15.68	\$16.13	\$13.57	\$13.74	\$12.74	\$2.2028	\$1.9206	\$0.0501	\$0.5786
Apr 2016	\$15.64	\$16.09	\$13.54	\$13.63	\$12.68	\$2.2376	\$1.8450	\$0.0489	\$0.5573
Change	(\$0.04)	(\$0.04)	(\$0.03)	(\$0.11)	(\$0.06)	\$0.0348	(\$0.0756)	(\$0.0012)	(\$0.0213)

ADVANCED CLASS I PRICE

The June 2016 Advanced Price was calculated using AMS commodity price surveys from May 7 and 14, 2016. Current and archived Advanced Price announcements are available at www.fmmaseattle.com/advance.html.

ADVANCED	Butterfat	Class III Skim	Class IV Skim	Base Skim	Base Class I	Class I (FO124)	Class I (FO131)	Class II Skim	Class II Non-fat Solids
May 2016	\$2.2255	\$6.12	\$5.01	\$6.12	\$13.70	\$15.60	\$16.05	\$5.71	\$0.6344
Jun 2016	\$2.2908	\$5.31	\$5.16	\$5.31	\$13.14	\$15.04	\$15.49	\$5.86	\$0.6511
Change	\$0.0653	(\$0.81)	\$0.15	(\$0.81)	(\$0.56)	(\$0.56)	(\$0.56)	\$0.15	\$0.0167

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	March	April	Change
Cheese	\$1.5162	\$1.5041	(\$0.0121)
Butter	\$1.9905	\$2.0192	\$0.0287
Nonfat Dry Milk	\$0.7522	\$0.7307	(\$0.0215)
Whey	\$0.2477	\$0.2466	(\$0.0011)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	May	June	Change
Cheese	\$1.5119	\$1.4477	(\$0.0642)
Butter	\$2.0092	\$2.0632	\$0.0540
Nonfat Dry Milk	\$0.7298	\$0.7469	\$0.0171
Whey	\$0.2465	\$0.2522	\$0.0057

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a decrease in prices received for 40-pound blocks and for 500-pound barrels. The survey of 40-pound blocks showed a decrease of 7.69 cents between the April 16 and the May 14 surveys, to \$1.4179 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a decrease of 6.77 cents to \$1.4218 per pound.

The AMS butter price showed a net increase of 0.07 cents between the weeks ending April 16 and May 14 from \$2.0514 per pound to \$2.0521 per pound. The AMS nonfat dry milk showed a net increase of 2.61 cents since mid-April to \$0.7508 per pound. The average price for AMS whey showed a net increase of 1.01 cents since mid-April to \$0.2533 per pound. ▼

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Apr 2016	Mar 2016	Apr 2015	Mar 2015	Apr 2016	Mar 2016	Apr 2015	Mar 2015
Producer Prices								
Producer Price Differential (\$/cwt)	\$0.04	(\$0.07)	(\$0.95)	(\$0.56)	+	+	+	+
Butterfat (\$/pound)	2.2376	2.2028	1.8940	1.8444	+	+	+	+
Protein (\$/pound)	1.8450	1.9206	2.5551	2.4875	+	+	+	+
Other Solids (\$/pound)	0.0489	0.0501	0.2698	0.2918	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$6.20	\$6.22	\$8.94	\$9.20
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.2390	2.2389	1.8922	1.8434
Statistical Uniform Price (\$/cwt)	\$13.67	\$13.67	\$14.86	\$15.00	\$13.82	\$13.84	\$15.25	\$15.33
Producer Data								
Number of Producers	448	448	422	431	93	93	95	94
Avg. Daily Production (pounds)	43,209	43,108	37,047	37,400	159,586	160,946	149,114	149,305
Producer Milk Ratios								
Class I	26.32%	28.00%	34.68%	32.80%	23.29%	24.27%	25.91%	26.14%
Class II	7.09%	8.23%	9.27%	8.84%	10.35%	10.67%	9.81%	10.49%
Class III	26.43%	27.66%	5.27%	9.72%	25.99%	25.90%	19.89%	20.70%
Class IV	40.16%	36.11%	50.78%	48.64%	40.37%	39.16%	44.39%	42.67%
Market Shrinkage								
Pounds	9,208,709	13,956,733	9,093,493	7,055,760	1,763,355	2,363,301	1,270,052	1,744,284
% of Producer Milk	1.59%	2.33%	1.94%	1.41%	0.40%	0.51%	0.30%	0.40%

+ Not Applicable. Preliminary data indicated in **bold**.

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Mar 2016	Feb 2016	Mar 2015	Feb 2015	Mar 2016	Feb 2016	Mar 2015	Feb 2015
Number of Handlers								
Pool Handlers	22	24	21	22	8	7	7	7
<i>Distributing Plants</i>	12	12	12	13	6	5	5	5
<i>Supply Plants 1/</i>	4	6	4	4	1	1	1	1
<i>Cooperatives</i>	6	6	5	5	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	20	22	19	19	25	27	24	22
Class I Route Disposition In Area								
By Pool Plants	152,044,065	145,112,644	152,123,960	138,069,019	85,481,928	81,113,633	86,358,157	78,842,683
By Producer-Handlers	6,929,419	6,367,007	7,266,700	6,752,119	0	0	0	0
By Other Plants	11,644,213	11,255,003	11,303,368	11,033,043	8,087,978	7,732,790	7,542,191	7,235,459
Total	170,617,697	162,734,654	170,694,028	155,854,181	93,569,906	88,846,423	93,900,348	86,078,142
Producer-Handler Data								
% Class I Use	58.43%	54.82%	67.76%	65.43%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.06%	3.91%	4.26%	4.33%	0.00%	0.00%	0.00%	0.00%

Preliminary data indicated in **bold**. 1/ Includes Cooperative Pool Manufacturing Plants.

Monthly Statistical Summary


RECEIPTS & UTILIZATION	PACIFIC NORTHWEST				ARIZONA			
	Apr	Mar	Apr	Mar	Apr	Mar	Apr	Mar
	2016	2016	2015	2015	2016	2016	2015	2015
Receipts of Milk								
Total Producer Milk	580,732,044	598,677,671	469,017,444	499,699,495	445,244,577	464,007,939	424,974,951	435,074,822
Receipts From Other Sources	44,959,744	30,007,478	32,390,956	16,009,399	6,976,562	4,734,544	6,591,620	6,580,419
Opening Inventory	33,147,716	36,286,009	29,623,905	32,451,763	24,496,005	22,479,914	23,004,574	24,066,678
Total To Be Accounted For	658,839,504	664,971,158	531,032,305	548,160,657	476,717,144	491,222,397	454,571,145	465,721,919
Utilization of Receipts								
Whole milk	37,086,717	38,955,238	34,449,705	35,237,131	25,548,643	26,388,139	23,914,337	25,086,198
Flavored milk & drinks	12,284,144	13,667,168	10,586,625	14,000,801	7,746,590	6,996,374	6,282,581	5,795,826
2% milk	52,087,886	56,443,049	54,939,920	57,133,197	28,882,393	30,566,388	29,307,032	31,473,495
1% milk	23,768,554	25,369,560	25,539,340	26,353,385	13,230,976	13,779,468	13,997,670	14,679,855
Skim milk	14,625,923	15,969,710	19,783,218	17,840,926	6,990,904	7,751,559	7,933,634	8,860,152
Buttermilk	1,321,565	1,639,340	1,450,456	1,558,520	2/	2/	403,816	462,631
Class I dispositions in area	141,174,789	152,044,065	146,749,264	152,123,960	82,399,506	85,481,928	81,839,070	86,358,157
Class I dispositions out of area	10,870,454	11,631,287	13,673,218	13,576,846	24,059,950	25,007,878	27,454,068	25,339,510
Other Class I usage	18,844,092	21,041,747	17,292,355	16,100,628	10,497,491	13,494,036	12,346,416	11,477,960
Utilization by Class								
Total Class I Use	170,889,335	184,717,099	177,714,837	181,801,434	116,956,947	123,983,842	121,639,554	123,175,627
Total Class II Use	45,253,750	53,847,271	49,121,649	49,938,987	47,571,866	50,994,612	42,579,822	46,419,398
Total Class III Use	154,161,898	165,608,319	24,725,725	48,661,777	115,708,258	120,189,844	84,519,946	90,080,491
Total Class IV Use	288,534,521	260,798,469	279,470,094	267,758,459	196,480,073	196,054,099	205,831,823	206,046,403
Total Accounted For	658,839,504	664,971,158	531,032,305	548,160,657	476,717,144	491,222,397	454,571,145	465,721,919

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Apr	Mar	Apr	Mar	Apr	Mar	Apr	Mar
	2016	2016	2015	2015	2016	2016	2015	2015
Producer milk								
Class I	152,824,420	167,650,117	162,672,155	163,917,963	103,676,471	112,608,552	110,108,463	113,715,101
Class II	41,190,632	49,289,740	43,501,112	44,180,846	46,096,917	49,516,195	41,686,365	45,629,230
Class III	153,514,393	165,608,319	24,721,598	48,574,936	115,708,258	120,188,614	84,519,946	90,080,491
Class IV	233,202,599	216,129,495	238,122,579	243,025,750	179,762,931	181,694,578	188,660,177	185,650,000
Other receipts								
Class I	18,064,915	17,066,982	15,042,682	17,883,471	13,280,476	11,375,290	11,531,091	9,460,526
Class II	4,063,118	4,557,531	5,620,537	5,758,141	1/	1,478,417	1/	1/
Class III	1/	0	1/	1/	0	1/	0	0
Class IV	55,979,427	44,668,974	41,351,642	24,819,550	18,192,091	14,360,751	18,065,103	21,186,571
Avg. daily producer receipts	19,357,735	19,312,183	15,633,915	16,119,339	14,841,486	14,967,998	14,165,832	14,034,672
Change From Previous Year	23.82%	19.81%	-18.96%	-33.70%	4.77%	6.65%	1.24%	-3.73%
Avg. daily Class I use	5,696,311	5,958,616	5,923,828	5,864,562	3,898,565	3,999,479	4,054,652	3,973,407
Change From Previous Year	-3.84%	1.60%	-4.33%	-3.77%	-3.85%	0.66%	1.38%	-0.38%

1/ Restricted - Included with Class IV. 2/ Restricted - Included with Flavored milk and drinks.

AMS News

MARCH MILK SALES

During March 4.2 billion pounds of packaged fluid milk products is estimated to have been sold in the United States. This was 0.5 percent lower than March 2015. Estimated sales of total conventional fluid milk products decreased 0.6 percent from March 2015 and estimated sales of total organic fluid milk products increased 1.6 percent from a year earlier. 

Estimated Total U.S. Sales of Fluid Milk Products, March 2016, with Comparisons 1/4/

Product Name	Sales		Change from 2/	
	March	Year to Date	Previous Year	Year to Date
	<i>(million pounds)</i>		<i>(percent)</i>	
Conventional Production Practice				
Whole Milk	1,198	3,559	5.2	4.6
Flavored Whole Milk	51	146	7.1	7.7
Reduced Fat Milk (2%)	1,324	3,953	-1.1	-2.2
Low Fat Milk (1%)	597	1,787	-4.7	-3.9
Fat-Free Milk (Skim)	417	1,251	-10.2	-10.2
Flavored Fat-Reduced Milk	355	1,059	0.8	3.7
Buttermilk	46	129	1.3	-0.9
Other Fluid Milk Products	4	13	12.7	12.1
Total Fat-Reduced Milk 3/	2,693	8,051	-3.2	-3.2
Total Conventional Milk Products	3,992	11,898	-0.6	-0.8
Organic Production Practice				
Whole Milk	75	227	9.3	13.7
Reduced Fat Milk (2%)	65	201	13.0	12.9
Low Fat Milk (1%)	36	110	-5.5	-3.5
Fat-Free Milk (Skim)	27	83	-13.1	-10.3
Flavored Fat-Reduced Milk	9	23	-31.7	-31.6
Other Fluid Milk Products	0	1	-----	-----
Total Fat-Reduced Milk 3/	138	417	-2.2	-0.3
Total Organic Milk Products	214	645	1.6	4.2
Total Fluid Milk Products	4,206	12,543	-0.5	-0.6

1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which account for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. 2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis. 3/ Both conventional and organic fat-reduced milk categories are total of reduced fat, lowfat, skim and flavored fat-reduced milk. 4/ The California Department of Food and Agriculture (CDFA) clarified reporting instructions starting in July 2015, for packaged product moving plant to plant prior to ultimate distribution. This improved the accuracy of current numbers, but makes current year to prior year comparisons less accurate, and will overstate any year over year decrease in sales. Report contact: Daniel Manzoni, Daniel.manzoni@ams.usda.gov or 202-720-2352.

USDA Updates

ERS REPORT: U.S. FOOD COMMODITY CONSUMPTION BROKEN DOWN BY DEMOGRAPHICS, 1994-2008

The following is an excerpt from a report published by USDA's Economic Research Service.

The Food Availability (FA) data and the Loss-Adjusted Food Availability (LAFA) data are two data series within the Food Availability Data System (FADS) compiled by U.S. Department of Agriculture (USDA), Economic Research Service (ERS). These series contain estimates of the amounts of over 200 food and beverage commodities available for consumption. FADS data are used to measure U.S. food and beverage consumption trends and to show year-to-year changes in commodity consumption.

The data serve as a proxy for consumption by the Nation as a whole, but do not reveal who eats what food commodities and the amounts eaten. However, this level of detail is critical to Government and businesses for addressing such issues as the Nation's failure to meet Federal dietary guidelines. In this report, ERS researchers converted foods reported in several national food intake surveys to LAFA commodities in order to break down LAFA data by consumer demographics.

What Did the Study Find?

Using data from six national food intake surveys conducted between 1994 and 2008, ERS researchers disaggregated 63 LAFA commodities for 15 demographic characteristics.

Dairy consumption declined between 1994-98 and 2007-08, from 220.5 to 211.4 pounds per person per year. The decline was chiefly a result of falling consumption of fluid milk, in spite of rising consumption of cheese, yogurt, and other dairy products (such as cream cheese and sour cream). Of the 211.4 pounds of dairy products consumed during 2007-08, total fluid milk accounted for 62 percent. Cheese and yogurt accounted for small shares of total dairy consumption, but unlike fluid milk, consumption of cheese and yogurt trended upward for all demographic groups.

For more information, view the full report at www.ers.usda.gov/publications/err-economic-research-report/err206. 🐾

Source: USDA. Economic Research Service.

NEW STAFF ARTICLE POSTED ON MA WEBSITE

Changes in the Arizona Order's Milk Shed: 2000 - 2015

Change is perhaps the only constant. Changes in the character of the milk shed of the Arizona Order over the last 15 years illustrate this point. Where milk is produced and the size of dairies has changed significantly. Staff Article 16-02 illustrates some of these changes by looking at producer milk and producer numbers in October of 2000, 2005, 2010 and 2015.

The article can be found at: www.fmmaseattle.com/staffpapers.html. Staff Article 16-01, which illustrates data for the Pacific Northwest Order's milk shed is available via the same link.

If you have any questions regarding this article, please contact John Mykrantz at 425-487-5612 or via email at jmykrantz@fmmaseattle.com. 🐾



Federal Order Statistics for April 2016

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price
	- million pounds -			- per cwt (at location) -	
Northeast (FO 1)	2,265.9	725.2	32.00%	\$16.99	\$14.85
Appalachian (FO 5)	486.7	321.3	66.02%	\$17.14	\$16.01
Florida (FO 6)	231.5	195.6	84.47%	\$19.14	\$18.32
Southeast (FO 7)	493.3	317.1	64.29%	\$17.54	\$16.34
Upper Midwest (FO 30)	3,192.6	283.4	8.88%	\$15.54	\$13.78
Central (FO 32)	1,390.6	414.6	29.82%	\$15.74	\$13.91
Mideast (FO 33)	1,745.1	518.0	29.68%	\$15.74	\$14.02
Pacific Northwest (FO 124)	580.7	152.8	26.32%	\$15.64	\$13.67
Southwest (FO 126)	1,256.1	368.8	29.36%	\$16.74	\$14.80
Arizona (FO 131)	445.2	103.7	23.29%	\$16.09	\$13.82

For links to Market Administrator's webpages, see www.fmmaseattle.com/links.html.



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