

The Market Administrator's Report

Facilitating the Efficient Marketing of Milk and Dairy Products

Pacific Northwest and Arizona Marketing Areas

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Volume 43, No. 12

December 2017

Data for November 2017

MARKET SUMMARIES FOR NOVEMBER

Pacific Northwest (FO 124)

Producers delivered a total of 581.6 million pounds of milk to the market during November. Daily deliveries averaged 19.4 million pounds, down 1.35 percent from October. An estimated 448 producers delivered milk to the market during the month. Daily deliveries per producer averaged 43,276 pounds, down 1.35 percent from October.

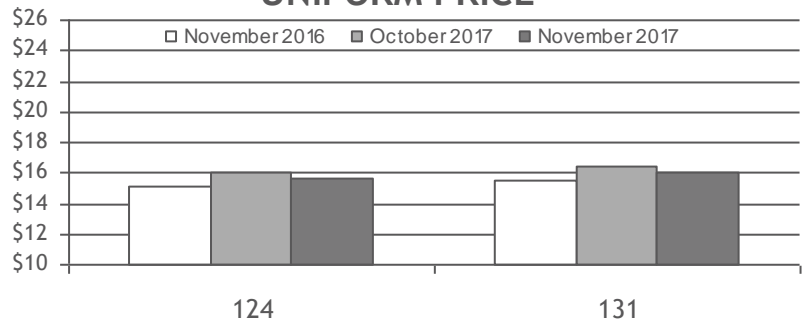
Class I producer milk during November totaled 158.7 million pounds, 27.3 percent of total producer receipts. Daily usage averaged 5.3 million pounds, down 2.1 percent from October. ▼

Arizona (FO 131)

Producers delivered a total of 385.2 million pounds of milk to the market during November. Daily deliveries averaged 12.8 million pounds, up 3.0 percent from October. An estimated 91 producers delivered milk to the market during the month. Daily deliveries per producer averaged 141,091 pounds, up 3.0 percent from October.

Class I producer milk during November totaled 109.4 million pounds, 28.4 percent of total producer receipts. Daily usage averaged 3.6 million pounds, down 0.3 percent from October. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Oct	Nov	Oct	Nov
Uniform Price (at 3.5%)	\$16.03	\$15.69	\$16.43	\$16.02
Uniform Price (at test)	\$18.21	\$18.13	\$16.94	\$16.56
PPD	(\$0.66)	\$(1.19)		
Butterfat	\$2.6646	\$2.5546		n/a
Protein	\$2.1084	\$2.3412		
Other Solids	\$0.1853	\$0.1644		
Uniform Skim			\$7.22	\$7.23
Uniform Butterfat		n/a	\$2.7040	\$2.5829
Butterfat	4.051%	4.116%	3.693%	3.717%
Protein	3.328%	3.356%		
Other Solids	5.732%	5.754%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ Appointments to National Fluid Milk Processor Promotion Board Announced
- ✓ USDA Seeks Nominees for National Fluid Milk Processor Promotion Board

Federal Order Price Summaries

FINAL CLASS PRICES

The November 2017 Final Class Prices were calculated using AMS commodity price surveys from November 4, 11, 18, and 25, 2017. 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
Oct 2017	\$18.34	\$18.79	\$15.95	\$16.69	\$14.85	\$2.6646	\$2.1084	\$0.1853	\$0.6357
Nov 2017	\$18.31	\$18.76	\$15.32	\$16.88	\$13.99	\$2.5546	\$2.3412	\$0.1644	\$0.5816
Change	(\$0.03)	(\$0.03)	(\$0.63)	\$0.19	(\$0.86)	(\$0.1100)	\$0.2328	(\$0.0209)	(\$0.0541)

ADVANCED CLASS I PRICE

The January 2018 Advanced Price was calculated using AMS commodity price surveys from December 9 and 16, 2017. 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
Dec 2017	\$2.5335	\$8.30	\$5.24	\$8.30	\$16.88	\$18.78	\$19.23	\$5.94	\$0.6600
Jan 2018	\$2.4875	\$6.98	\$5.00	\$6.98	\$15.44	\$17.34	\$17.79	\$5.70	\$0.6333
Change	(\$0.0460)	(\$1.32)	(\$0.24)	(\$1.32)	(\$1.44)	(\$1.44)	(\$1.44)	(\$0.24)	(\$0.0267)

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION


	October	November	Change
Cheese	\$1.7254	\$1.7617	\$0.0363
Butter	\$2.3718	\$2.2810	(\$0.0908)
Nonfat Dry Milk	\$0.8099	\$0.7553	(\$0.0546)
Whey	\$0.3790	\$0.3587	(\$0.0203)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	December	January	Change
Cheese	\$1.7641	\$1.6513	(\$0.1128)
Butter	\$2.2636	\$2.2256	(\$0.0380)
Nonfat Dry Milk	\$0.7563	\$0.7290	(\$0.0273)
Whey	\$0.3561	\$0.2995	(\$0.0566)

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a decrease for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 14.77 cents between the November 18 and the December 16 surveys, to \$1.5898 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a decrease of 12.17 cents to \$1.6349 per pound.

The AMS butter price showed a net decrease of 2.79 cents between the weeks ending November 18 and December 16 from \$2.2483 per pound to \$2.2204 per pound. The AMS nonfat dry milk showed a net decrease of 2.73 cents since mid-November to \$0.7274 per pound. The average price for AMS whey showed a net decrease of 3.89 cents since mid-November to \$0.3145 per pound. 

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Nov 2017	Oct 2017	Nov 2016	Oct 2016	Nov 2017	Oct 2017	Nov 2016	Oct 2016
Producer Prices								
Producer Price Differential (\$/cwt)	(\$1.19)	(\$0.66)	(\$1.69)	\$0.14	+	+	+	+
Butterfat (\$/pound)	2.5546	2.6646	2.1044	2.0493	+	+	+	+
Protein (\$/pound)	2.3412	2.1084	2.8085	2.2975	+	+	+	+
Other Solids (\$/pound)	0.1644	0.1853	0.1750	0.1351	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$7.23	\$7.22	\$8.45	\$8.34
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.5829	2.7040	2.1059	2.0989
Statistical Uniform Price (\$/cwt)	\$15.69	\$16.03	\$15.07	\$14.96	\$16.02	\$16.43	\$15.52	\$15.39
Producer Data								
Number of Producers	448	448	444	452	91	91	88	89
Avg. Daily Production (pounds)	43,276	43,868	41,742	43,849	141,091	137,020	143,213	146,543
Producer Milk Ratios								
Class I	27.29%	27.50%	29.29%	27.46%	28.41%	29.34%	29.65%	27.83%
Class II	6.71%	6.67%	7.44%	7.83%	10.19%	10.68%	12.41%	11.74%
Class III	30.58%	29.74%	26.18%	28.93%	21.19%	21.95%	21.50%	29.27%
Class IV	35.42%	36.09%	37.09%	35.78%	40.21%	38.03%	36.44%	31.16%
Market Shrinkage								
Pounds	5,625,970	8,363,506	8,019,851	10,379,830	1,960,554	1,490,097	2,220,798	1,906,877
% of Producer Milk	0.97%	1.37%	1.44%	1.69%	0.51%	0.39%	0.59%	0.47%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Oct 2017	Sep 2017	Oct 2016	Sep 2016	Oct 2017	Sep 2017	Oct 2016	Sep 2016
Number of Handlers								
Pool Handlers	22	24	22	22	8	8	8	8
<i>Distributing Plants</i>	11	11	11	12	6	6	6	6
<i>Supply Plants 1/</i>	5	7	4	3	1	1	1	1
<i>Cooperatives</i>	6	6	7	7	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	23	20	21	20	23	22	24	23
Class I Route Disposition In Area								
By Pool Plants	150,590,517	144,195,842	154,746,646	150,507,830	81,346,873	78,884,778	82,679,115	79,945,399
By Producer-Handlers	6,484,398	6,392,329	6,896,151	7,085,131	0	0	0	0
By Other Plants	13,382,069	12,450,693	11,990,782	11,871,312	8,310,796	7,887,265	8,276,681	8,465,333
Total	170,456,984	163,038,864	173,633,579	169,464,273	89,657,669	86,772,043	90,955,796	88,410,732
Producer-Handler Data								
% Class I Use	54.98%	53.70%	57.17%	64.57%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.80%	3.92%	3.97%	4.18%	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			
	Nov 2017	Oct 2017	Nov 2016	Oct 2016	Nov 2017	Oct 2017	Nov 2016	Oct 2016
Receipts of Milk								
Total Producer Milk	581,631,462	609,235,706	556,002,710	614,411,929	385,179,292	386,533,583	378,083,546	404,312,973
Receipts From Other Sources	5,925,413	7,071,444	18,326,125	9,229,145	4,183,079	4,405,822	4,292,832	6,065,365
Opening Inventory	38,346,383	37,330,178	32,768,777	34,136,109	23,215,233	26,546,693	20,967,076	20,798,826
Total To Be Accounted For	625,903,258	653,637,328	607,097,612	657,777,183	412,577,604	417,486,098	403,343,454	431,177,164
Utilization of Receipts								
Whole milk	41,673,809	42,426,928	40,321,186	41,074,374	26,673,049	27,355,344	25,463,361	26,202,343
Flavored milk & drinks	16,979,081	17,660,116	17,106,597	17,101,130	8,207,289	7,498,428	8,330,744	7,532,819
2% milk	52,942,242	53,763,445	55,222,924	56,135,012	28,309,664	28,836,293	28,259,911	29,433,205
1% milk	21,300,311	22,616,173	23,270,731	24,404,991	11,288,858	11,811,870	12,026,170	12,754,338
Skim milk	12,442,018	12,696,300	14,098,443	14,534,670	5,701,907	5,844,938	6,318,221	6,756,410
Buttermilk	1,483,298	1,427,555	1,530,469	1,496,469	2/	2/	2/	2/
Class I dispositions in area	146,820,759	150,590,517	151,550,350	154,746,646	80,180,767	81,346,873	80,398,407	82,679,115
Class I dispositions out of area	11,944,782	11,647,471	11,907,314	11,692,042	28,547,084	29,017,539	29,701,200	29,279,727
Other Class I usage	23,837,133	27,625,369	17,921,098	21,713,116	14,981,840	14,534,814	14,734,003	13,108,326
Utilization by Class								
Total Class I Use	182,602,674	189,863,357	181,378,762	188,151,804	123,709,691	124,899,226	124,833,610	125,067,168
Total Class II Use	40,938,788	42,957,436	45,013,152	51,736,270	40,380,980	42,950,817	48,026,403	49,962,914
Total Class III Use	178,061,107	181,621,605	145,800,238	178,062,190	1/	84,889,472	1/	118,951,635
Total Class IV Use	224,300,689	239,194,930	234,905,460	239,826,919	248,486,933	164,746,583	230,483,441	137,195,447
Total Accounted For	625,903,258	653,637,328	607,097,612	657,777,183	412,577,604	417,486,098	403,343,454	431,177,164

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Nov 2017	Oct 2017	Nov 2016	Oct 2016	Nov 2017	Oct 2017	Nov 2016	Oct 2016
Producer milk								
Class I	158,716,190	167,562,473	162,828,552	168,736,473	109,417,641	113,411,640	112,107,350	112,529,923
Class II	39,051,040	40,642,659	41,356,219	48,122,703	39,258,827	41,289,519	46,930,750	47,450,028
Class III	177,853,683	181,212,245	145,561,118	177,755,135	81,618,157	84,848,331	81,273,476	118,357,181
Class IV	206,010,549	219,818,329	206,256,821	219,797,618	154,884,667	146,984,093	137,771,970	125,975,841
Other receipts								
Class I	23,886,484	22,300,884	18,550,210	19,415,331	14,292,050	11,487,586	12,726,260	12,537,245
Class II	1,887,748	2,314,777	3,656,933	3,613,567	1/	1,661,298	1/	1/
Class III	1/	1/	1/	1/	1/	41,141	1/	1/
Class IV	18,497,564	19,785,961	28,887,759	20,336,356	13,106,262	17,762,490	12,533,648	14,326,946
Avg. daily producer receipts	19,387,715	19,652,765	18,533,424	19,819,740	12,839,310	12,468,825	12,602,785	13,042,354
Change From Previous Year	4.61%	-0.84%	-21.87%	-16.61%	1.88%	-4.40%	-0.85%	4.23%
Avg. daily Class I use	6,086,756	6,124,624	6,045,959	6,069,413	4,123,656	4,029,007	4,161,120	4,034,425
Change From Previous Year	0.67%	0.91%	-3.69%	-2.78%	-0.90%	-0.13%	3.75%	0.06%

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

USDA News

SECRETARY PERDUE ANNOUNCES NATIONAL FLUID MILK PROCESSOR PROMOTION BOARD APPOINTMENTS

Agriculture Secretary Sonny Perdue recently announced the appointment of six members to serve on the National Fluid Milk Processor Promotion Board. The terms for these appointees are effective immediately and expire on June 30, 2020. Newly appointed members are Randell W. Eronimous from Seattle, WA (Region 13) and Erin S. Sharp from Cincinnati, OH (At-large, processor). One of the four reappointed members includes Evan L. Rainwater from Boise, ID (Region 14).

More information about the board is available on the [National Fluid Milk Processor Promotion Board](#) page on the AMS website. 🐄

Source: USDA. Agriculture Marketing Service. Release No. 133-17 November 2017.

HEARING ON EMERGENCY AID FOR FLORIDA HANDLERS AND PRODUCERS

The U.S. Department of Agriculture held a public hearing from December 12, 2017, through December 14, 2017, to consider a proposal seeking to provide emergency reimbursement to Florida milk handlers and dairy producers for costs incurred as a result of market disruptions stemming from Hurricane Irma.

Further information can be found on the [AMS website](#). 🐄

Source: USDA. Agricultural Marketing Service. Release No. 134-17 December 2017.

USDA SEEKS NOMINEES FOR NATIONAL FLUID MILK PROCESSOR PROMOTION BOARD

The U.S. Department of Agriculture is asking fluid milk processors and other interested parties to nominate candidates to serve on the National Fluid Milk Processor Promotion Board. Agriculture Secretary Sonny Perdue will appoint eight individuals to succeed members whose terms expire on June 30, 2018, and two members to fill vacant positions with terms expiring on June 30, 2019. There are six openings in geographic regions and two openings for at-large positions.

Fluid milk processors and interested parties may submit nominations for regions in which they are located or market fluid milk, and for at-large members. To nominate an individual, you may submit a copy of the nomination form and a signed background form for each nominee by January 12, 2018, to: Emily DeBord, Promotion, Research, and Planning Division, Dairy Program, AMS, USDA, 1400 Independence Ave., S.W., Stop 0233, Room 2958-S, Washington, D.C. 20250-0233, or via email at emily.debord@ams.usda.gov. Blank forms are available at the [Fluid Milk Processors Promotion Board](#). 🐄

Source: USDA. Agriculture Marketing Service. Release No. 146-17 December 2017.

Happy Holidays from the Market Administrator's Offices



Federal Order Statistics for November 2017

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)	2,180.7	766.3	35.14%	\$19.66	\$17.14
Appalachian (FO 5)	479.0	354.2	73.95%	\$19.81	\$18.63
Florida (FO 6)	218.1	184.0	84.34%	\$21.81	\$20.66
Southeast (FO 7)	422.9	316.7	74.89%	\$20.21	\$19.07
Upper Midwest (FO 30)	2,099.4	281.3	13.40%	\$18.21	\$16.67
Central (FO 32)	1,015.7	412.4	40.59%	\$18.41	\$15.98
Mideast (FO 33)	1,486.3	560.2	37.69%	\$18.41	\$16.24
Pacific Northwest (FO 124)	581.6	158.7	27.29%	\$18.31	\$15.69
Southwest (FO 126)	694.5	373.8	53.82%	\$19.41	\$16.76
Arizona (FO 131)	385.2	109.4	28.41%	\$18.76	\$16.02

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



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