

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

DAIRY PROGRAMS

1930-220th St. SE, Ste. 102

Bothell, WA 98021-8471

Phone: (425) 487-6009

Fax: (425) 487-2775

E-mail: fmmaseattle@fmmaseattle.com

10050 N 25th Ave., Ste. 302

Phoenix, AZ 85021-1664

Phone: (602) 547-2909

Fax: (602) 547-2906

E-mail: ma@fmma.net

FEDERAL MILK ORDERS 124 & 131

**ANNOUNCEMENT OF UNIFORM PRICES FOR
THE PACIFIC NORTHWEST AND ARIZONA ORDERS**

FO 124 and 131

December 2012

| Producer Prices * | Pacific Northwest FO 124 | Arizona FO 131 |
|--------------------------------|-------------------------------------|---------------------------|
| Producer Price Differential 1/ | \$0.51 | |
| Butterfat 2/ | \$1.7276 | |
| Protein 2/ | \$3.3113 | |
| Other Solids 2/ | \$0.4758 | |
| Nonfat Solids 3/ | \$1.3569 | |
| Skim 1/ | | \$13.89 |
| Butterfat 2/ | | \$1.7891 |
| Stat. Uniform Price 4/ | \$19.17 | \$19.67 |

| Producer Milk Utilizations | | | | |
|-----------------------------------|----------------|---------------|----------------|---------------|
| Class | Percent | Pounds | Percent | Pounds |
| Class I | 25.91% | 179,008,062 | 30.08% | 115,344,538 |
| Class II | 4.64% | 32,046,362 | 6.77% | 25,964,400 |
| Class III | 43.31% | 299,222,648 | 22.21% | 85,171,452 |
| Class IV | 26.14% | 180,586,536 | 40.94% | 156,976,212 |
| Total Producer Milk | | 690,863,608 | | 383,456,602 |

| Producer Milk Component Levels | | |
|---------------------------------------|--------|--------|
| Butterfat | 4.011% | 3.643% |
| Protein | 3.289% | |
| Other Solids | 5.717% | |
| Solids-Not-Fat | 9.006% | |

| Computation of: | PPD (124) | Uniform Price (131) |
|------------------------|--------------------|----------------------------|
| Class I | \$36,017,825.77 | \$23,852,565.13 |
| Class II | \$9,749,040.40 | \$8,532,274.76 |
| Class III | \$62,570,378.42 | \$19,182,127.60 |
| Class IV | \$36,787,993.31 | \$24,646,956.19 |
| Gross Value | \$145,125,237.90 | \$76,213,923.68 |
| Net Adjustments | (\$141,601,829.42) | (\$24,868,028.70) |
| Net Pool Value | \$3,523,408.48 | \$51,345,894.98 |

| | | | |
|---------|-------------|-----|-----|
| Class I | % Skim | 26% | 31% |
| | % Butterfat | 12% | 16% |

* Subject to applicable location adjustments.

1/ Per hundredweight. 2/ Per pound. 3/ Price not used for payments to producers. 4/ For FO 124, statistical uniform price represents the Class III price, plus the producer price differential. For FO 131, uniform price represents 0.965 multiplied by the skim price, plus 3.5 multiplied by the butterfat price.

Released: January 11, 2013

William A. Wise
Market Administrator

MILK MARKET SUMMARIES FOR DECEMBER 2012

Pacific Northwest Order (FO 124)

| | December 2012 | November 2012 1/ | December 2011 1/ | December 2012 Change From | |
|--|----------------|---------------------|---------------------|------------------------------|---------------|
| | | | | Month-Ago | Year-Ago |
| Producer Deliveries | 690,863,608 | 414,972,725 | 581,020,887 | 66.48% | 18.91% |
| Daily Deliveries | 22,285,923 | 13,832,424 | 18,742,609 | 61.11% | 18.91% |
| Number of Producers | 611 | 450 | 518 | | |
| Daily Deliveries Per Producer | 36,475 | 30,739 | 36,183 | 18.66% | 0.81% |
| Class I Producer Milk | 179,008,062 | 187,166,727 | 190,556,629 | -4.36% | -6.06% |
| Class I Utilization (%) | 25.91% | 45.10% | 32.80% | | |
| Class I Daily Usage | 5,774,454 | 6,238,891 | 6,146,988 | -7.44% | -6.06% |
| Uniform Price (@ 3.5% Butterfat) | \$19.17 | \$19.98 | \$18.05 | -\$0.81 | \$1.12 |
| <i>Uniform Price (@ Avg. Pool Tests)</i> | <i>\$21.05</i> | <i>\$21.71</i> | <i>\$19.61</i> | <i>-\$0.66</i> | <i>\$1.44</i> |
| Avg. Pool Butterfat Test | 4.011% | 3.915% | 3.890% | | |
| Avg. Pool Protein Test | 3.289% | 3.230% | 3.251% | | |
| Avg. Pool Other Solids Test | 5.717% | 5.707% | 5.731% | | |

Arizona Order (FO 131)

| | December 2012 | November 2012 | December 2011 | December 2012 Change From | |
|--|----------------|----------------|----------------|------------------------------|---------------|
| | | | | Month-Ago | Year-Ago |
| Producer Deliveries | 383,456,602 | 350,267,427 | 386,072,110 | 9.48% | -0.68% |
| Daily Deliveries | 12,369,568 | 11,675,581 | 12,453,939 | 5.94% | -0.68% |
| Number of Producers | 96 | 96 | 101 | | |
| Daily Deliveries Per Producer | 128,850 | 121,621 | 123,306 | 5.94% | 4.50% |
| Class I Producer Milk | 115,344,538 | 119,834,575 | 118,822,975 | -3.75% | -2.93% |
| Class I Utilization (%) | 30.08% | 34.21% | 30.78% | | |
| Class I Daily Usage | 3,720,792 | 3,994,486 | 3,832,999 | -6.85% | -2.93% |
| Uniform Price (@ 3.5% Butterfat) | \$19.67 | \$20.67 | \$18.57 | -\$1.00 | \$1.10 |
| <i>Uniform Price (@ Avg. Pool Tests)</i> | <i>\$19.90</i> | <i>\$20.93</i> | <i>\$18.87</i> | <i>-\$1.03</i> | <i>\$1.03</i> |
| Avg. Pool Butterfat Test | 3.643% | 3.639% | 3.678% | | |

Numbers in Bold/Italics are estimated.

Numbers in Italics represent the calculation of the Uniform Price using average pool component tests. Contact Bothell office for details.

1/ Eligible milk not pooled due to price. Comparisons to previous month or year may be biased.