



# The Market Administrator's Report

*Facilitating the Efficient Marketing of Milk and Dairy Products*

## Pacific Northwest and Arizona Marketing Areas

*Lisa K. Wyatt, Acting Market Administrator*

Volume 44, No. 11

November 2018

Data for October 2018

### MARKET SUMMARIES FOR OCTOBER

#### Pacific Northwest (FO 124)

Producers delivered a total of 810.2 million pounds of milk to the market during October. Daily deliveries averaged 26.1 million pounds, up 28.4 percent from September. An estimated 526 producers delivered milk to the market during the month. Daily deliveries per producer averaged 49,685 pounds, up 5.0 percent from September.

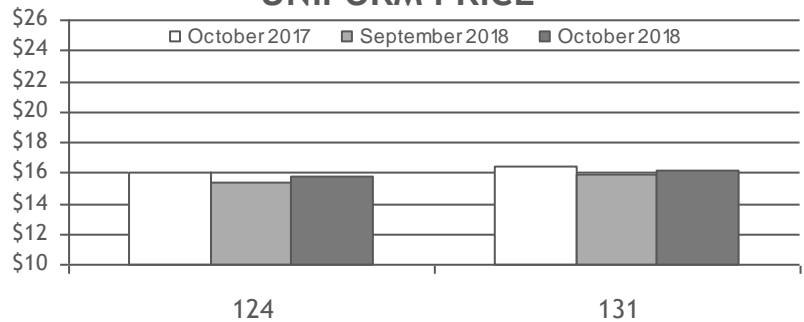
Class I producer milk during October totaled 177.5 million pounds, 21.9 percent of total producer receipts. Daily usage averaged 5.7 million pounds, up 16.3 percent from September. 🐄

#### Arizona (FO 131)

Producers delivered a total of 419.2 million pounds of milk to the market during October. Daily deliveries averaged 13.5 million pounds, up 14.6 percent from September. An estimated 82 producers delivered milk to the market during the month. Daily deliveries per producer averaged 164,904 pounds, up 9.0 percent from September.

Class I producer milk during October totaled 108.1 million pounds, 25.8 percent of total producer receipts. Daily usage averaged 3.5 million pounds, up 4.3 percent from September. 🐄

### UNIFORM PRICE



## Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Sep	Oct	Sep	Oct
Uniform Price (at 3.5%)	\$15.44	\$15.77	\$15.85	\$16.22
Uniform Price (at test)	\$17.23	\$18.21	\$16.09	\$16.75
PPD	(\$0.65)	\$0.24		
Butterfat	\$2.5442	\$2.5551		n/a
Protein	\$2.0029	\$1.7185		
Other Solids	\$0.2098	\$0.2553		
Uniform Skim			\$7.13	\$7.53
Uniform Butterfat		n/a	\$2.5622	\$2.5582
Butterfat	3.997%	4.189%	3.598%	3.715%
Protein	3.251%	3.374%		
Other Solids	5.729%	5.730%		n/a

### HIGHLIGHTS THIS ISSUE

- ✓ California Federal Milk Marketing Order Begins
- ✓ Important Dates

# Federal Order Price Summaries

## FINAL CLASS PRICES

The October 2018 Final Class Prices were calculated using AMS commodity price surveys from October 6, 13, 20, and 27, 2018. Current and archived Final Class Price announcements are available at [www.fmmaseattle.com/classcomponent.html](http://www.fmmaseattle.com/classcomponent.html).

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Sep 2018	\$16.75	\$17.20	\$15.13	\$16.09	\$14.81	\$2.5442	\$2.0029	\$0.2098	\$0.6801
Oct 2018	\$18.23	\$18.68	\$15.54	\$15.53	\$15.01	\$2.5551	\$1.7185	\$0.2553	\$0.6990
Change	\$1.48	\$1.48	\$0.41	(\$0.56)	\$0.20	\$0.0109	(\$0.2844)	\$0.0455	\$0.0189

## ADVANCED CLASS I PRICE

The December 2018 Advanced Price was calculated using AMS commodity price surveys from November 10 and 17, 2018. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advance.html](http://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
Nov 2018	\$2.5578	\$6.81	\$6.26	\$6.81	\$15.52	\$17.42	\$17.87	\$6.96	\$0.7733
Dec 2018	\$2.5286	\$5.85	\$6.42	\$6.42	\$15.05	\$16.95	\$17.40	\$7.12	\$0.7911
Change	(\$0.0292)	(\$0.96)	\$0.16	(\$0.39)	(\$0.47)	(\$0.47)	(\$0.47)	\$0.16	\$0.0178

# Commodity Price Summaries

### AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION


	September	October	Change
Cheese	\$1.6533	\$1.5686	(\$0.0847)
Butter	\$2.2724	\$2.2814	\$0.0090
Nonfat Dry Milk	\$0.8548	\$0.8739	\$0.0191
Whey	\$0.4028	\$0.4470	\$0.0442

### AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	November	December	Change
Cheese	\$1.5723	\$1.4507	(\$0.1216)
Butter	\$2.2836	\$2.2595	(\$0.0241)
Nonfat Dry Milk	\$0.8707	\$0.8886	\$0.0179
Whey	\$0.4379	\$0.4648	\$0.0269

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a net decrease for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 16.46 cents between the October 13 and the November 17 surveys, to \$1.5144 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net decrease of 10.70 cents to \$1.3422 per pound.

The AMS butter price showed a net decrease of 4.43 cents between the weeks ending October 13 and November 17 from \$2.2959 per pound to \$2.2516 per pound. The AMS nonfat dry milk showed a net increase of 0.88 cents since mid-October to \$0.8821 per pound. The average price for AMS whey showed a net increase of 3.11 cents since mid-October to \$0.4671 per pound. 

# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Oct 2018	Sep 2018	Oct 2017	Sep 2017	Oct 2018	Sep 2018	Oct 2017	Sep 2017
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	\$0.24	(\$0.65)	(\$0.66)	\$0.23	+	+	+	+
Butterfat (\$/pound)	2.5551	2.5442	2.6646	2.8559	+	+	+	+
Protein (\$/pound)	1.7185	2.0029	2.1084	1.6988	+	+	+	+
Other Solids (\$/pound)	0.2553	0.2098	0.1853	0.2241	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$7.53	\$7.13	\$7.22	\$7.03
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.5582	2.5622	2.7040	2.8878
Statistical Uniform Price (\$/cwt)	\$15.77	\$15.44	\$16.03	\$16.59	\$16.22	\$15.85	\$16.43	\$16.89
<b>Producer Data</b>								
Number of Producers	<b>526</b>	430	448	541	<b>82</b>	78	91	91
Avg. Daily Production (pounds)	<b>49,685</b>	47,340	43,868	44,184	<b>164,904</b>	151,226	137,020	145,553
<b>Producer Milk Ratios</b>								
Class I	21.91%	24.19%	27.50%	22.24%	25.79%	28.34%	29.34%	26.34%
Class II	5.87%	6.62%	6.67%	5.52%	9.12%	12.07%	10.68%	9.26%
Class III	37.83%	29.27%	29.74%	42.00%	34.57%	27.06%	21.95%	30.76%
Class IV	34.39%	39.92%	36.09%	30.24%	30.52%	32.53%	38.03%	33.64%
<b>Market Shrinkage</b>								
Pounds	10,362,780	7,559,158	8,363,506	9,619,806	2,868,238	1,547,646	1,490,097	1,714,872
% of Producer Milk	1.28%	1.24%	1.37%	1.34%	0.68%	0.44%	0.39%	0.43%

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

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Sep 2018	Aug 2018	Sep 2017	Aug 2017	Sep 2018	Aug 2018	Sep 2017	Aug 2017
<b>Number of Handlers</b>								
Pool Handlers	21	21	24	24	8	8	8	8
<i>Distributing Plants</i>	11	11	11	11	6	6	6	6
<i>Supply Plants 1/</i>	4	4	7	7	1	1	1	1
<i>Cooperatives</i>	6	6	6	6	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	<b>23</b>	23	20	22	<b>25</b>	26	22	24
<b>Class I Route Disposition In Area</b>								
By Pool Plants	135,525,031	134,985,968	144,195,842	127,986,660	74,891,158	79,687,162	78,884,778	80,810,749
By Producer-Handlers	5,819,372	6,353,563	6,392,329	6,544,172	0	0	0	0
By Other Plants	<b>13,107,739</b>	13,013,845	12,450,693	13,532,262	<b>8,636,328</b>	8,828,551	7,887,265	8,749,499
Total	154,452,142	154,353,376	163,038,864	148,063,094	83,527,486	88,515,713	86,772,043	89,560,248
<b>Producer-Handler Data</b>								
% Class I Use	51.32%	52.79%	53.70%	52.60%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.77%	4.12%	3.92%	4.42%	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			
	Oct	Sep	Oct	Sep	Oct	Sep	Oct	Sep
	2018	2018	2017	2017	2018	2018	2017	2017
<b>Receipts of Milk</b>								
Total Producer Milk	810,164,239	610,691,627	609,235,706	717,102,885	419,185,775	353,868,720	386,533,583	397,360,320
Receipts From Other Sources	10,595,892	9,845,494	7,071,444	8,641,303	6,863,885	7,613,018	4,405,822	3,849,944
Opening Inventory	47,446,962	30,445,951	37,330,178	42,646,274	23,772,284	20,853,854	26,546,693	27,135,405
<b>Total To Be Accounted For</b>	<b>868,207,093</b>	<b>650,983,072</b>	<b>653,637,328</b>	<b>768,390,462</b>	<b>449,821,944</b>	<b>382,335,592</b>	<b>417,486,098</b>	<b>428,345,669</b>
<b>Utilization of Receipts</b>								
Whole milk	44,554,027	41,496,526	42,426,928	41,679,686	28,034,398	25,989,244	27,355,344	26,425,688
Flavored milk & drinks	17,000,044	12,920,858	17,660,116	14,015,581	7,718,402	6,938,644	7,498,428	7,478,573
2% milk	51,677,802	48,830,440	53,763,445	52,375,193	28,419,547	26,506,341	28,836,293	27,664,220
1% milk	20,894,498	19,972,944	22,616,173	22,164,362	11,038,851	10,550,232	11,811,870	11,769,288
Skim milk	11,332,570	10,762,183	12,696,300	12,516,047	5,269,434	4,906,697	5,844,938	5,547,009
Buttermilk	1,604,366	1,542,080	1,427,555	1,444,973	2/	2/	2/	2/
Class I dispositions in area	147,063,307	135,525,031	150,590,517	144,195,842	80,480,632	74,891,158	81,346,873	78,884,778
Class I dispositions out of area	21,725,010	10,620,999	11,647,471	11,666,319	27,891,038	25,015,383	29,017,539	27,661,552
Other Class I usage	26,971,184	21,587,887	27,625,369	26,469,808	12,312,821	12,147,477	14,534,814	11,524,094
<b>Utilization by Class</b>								
Total Class I Use	195,759,501	167,733,917	189,863,357	182,331,969	120,684,491	112,054,018	124,899,226	118,070,424
Total Class II Use	58,653,510	42,222,993	42,957,436	44,462,515	40,298,885	44,195,386	42,950,817	38,340,022
Total Class III Use	306,681,359	178,754,734	181,621,605	301,655,667	145,673,757	1/	84,889,472	122,362,334
Total Class IV Use	307,112,723	262,271,428	239,194,930	239,940,311	143,164,811	226,086,188	164,746,583	149,572,889
<b>Total Accounted For</b>	<b>868,207,093</b>	<b>650,983,072</b>	<b>653,637,328</b>	<b>768,390,462</b>	<b>449,821,944</b>	<b>382,335,592</b>	<b>417,486,098</b>	<b>428,345,669</b>

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Oct	Sep	Oct	Sep	Oct	Sep	Oct	Sep
	2018	2018	2017	2017	2018	2018	2017	2017
<b>Producer milk</b>								
Class I	177,493,038	147,702,132	167,562,473	159,508,593	108,094,535	100,284,222	113,411,640	104,652,391
Class II	47,576,349	40,433,185	40,642,659	39,595,031	38,214,499	42,706,152	41,289,519	36,813,079
Class III	306,468,149	178,750,683	181,212,245	301,217,615	144,898,628	95,754,452	84,848,331	122,222,887
Class IV	278,626,703	243,805,627	219,818,329	216,781,646	127,978,113	115,123,894	146,984,093	133,671,963
<b>Other receipts</b>								
Class I	18,266,463	20,031,785	22,300,884	22,823,376	12,589,956	11,769,796	11,487,586	13,418,033
Class II	11,077,161	1,789,808	2,314,777	4,867,484	1/	1/	1,661,298	1/
Class III	1/	1/	1/	438,052	1/	1/	41,141	1/
Class IV	28,699,230	18,469,852	19,785,961	23,158,665	18,046,213	16,697,076	17,762,490	17,567,316
<b>Avg. daily producer receipts</b>	<b>26,134,330</b>	<b>20,356,388</b>	<b>19,652,765</b>	<b>23,903,430</b>	<b>13,522,122</b>	<b>11,795,624</b>	<b>12,468,825</b>	<b>13,245,344</b>
Change From Previous Year	32.98%	-14.84%	-0.84%	17.94%	8.45%	-10.95%	-4.40%	14.15%
<b>Avg. daily Class I use</b>	<b>6,314,823</b>	<b>5,591,131</b>	<b>6,124,624</b>	<b>6,077,732</b>	<b>3,893,048</b>	<b>3,735,134</b>	<b>4,029,007</b>	<b>3,935,681</b>
Change From Previous Year	3.11%	-8.01%	0.91%	-1.15%	-3.37%	-5.10%	-0.13%	-2.24%

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

# USDA News

## IMPORTANT DATES

The important dates concerning the 2019 Federal order price announcements, reporting and payments are now available.

The 2019 AMS release dates are as follows:

### *Advanced Prices & Pricing Factors*

- Wed., December 19, 2018
- Wed., January 16, 2019
- Thurs., February 21
- Wed., March 20
- Wed., April 17
- Wed., May 22
- Wed., June 19
- Wed., July 17
- Wed., August 21
- Wed., September 18
- Wed., October 23
- Wed., November 20

### *Final Class & Component Prices*

- Wed., January 30, 2019
- Wed., February 27
- Wed., April 3
- Wed., May 1
- Wed., June 5
- Wed., July 3
- Wed., July 31
- Thurs., September 5
- Wed., October 2
- Wed., October 30
- Wed., December 4
- Thurs., January 2, 2020

The 2019 release dates for price announcements, as issued by the Agricultural Marketing Service (AMS) are available via the market administrator's website at [www.fmmaseattle.com/dates.html](http://www.fmmaseattle.com/dates.html). Tables that identify reporting and payment dates specific to the Pacific Northwest (FO 124) and Arizona (FO 131) Federal Orders are available via the market administrator's website at [www.fmmaseattle.com/reportingandpaymentdates.html](http://www.fmmaseattle.com/reportingandpaymentdates.html). 🐾

## CALIFORNIA FEDERAL MILK MARKETING ORDER BEGINS

On November 1, 2018, the new California Federal Milk Marketing Order (Federal Order 51) went into effect. USDA Under Secretary Greg Ibach joined dairy farmers in Tulare, CA, on November 7 to celebrate the implementation of the new Federal Order. "America's dairy farmers face many challenges at home and abroad, so working together is more important than ever," said Ibach during remarks at a California dairy. Federal Order 51 is one of 11 current Federal Orders, and incorporates the entire state of California. It is estimated that 18 percent of all U.S. milk supply will be represented by the new Federal Order. 🐾

Source: USDA. Agricultural Marketing Service. Release No. 163-18. Available at [www.ams.usda.gov](http://www.ams.usda.gov).

# Federal Order Statistics for October 2018

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)	2,219.3	774.6	34.90%	\$19.58	\$17.19
Appalachian (FO 5)	467.7	348.5	74.50%	\$19.73	\$18.76
Florida (FO 6)	217.3	183.1	84.23%	\$21.73	\$20.87
Southeast (FO 7)	401.7	315.4	78.53%	\$20.13	\$19.39
Upper Midwest (FO 30)	2,664.7	247.4	9.29%	\$18.13	\$15.75
Central (FO 32)	1,333.4	426.0	31.95%	\$18.33	\$16.02
Mideast (FO 33)	1,647.4	576.9	35.02%	\$18.33	\$16.30
<b>Pacific Northwest (FO 124)</b>	<b>810.2</b>	<b>177.5</b>	<b>21.91%</b>	<b>\$18.23</b>	<b>\$15.77</b>
Southwest (FO 126)	1,324.8	384.0	28.98%	\$19.33	\$16.86
<b>Arizona (FO 131)</b>	<b>419.2</b>	<b>108.1</b>	<b>25.79%</b>	<b>\$18.68</b>	<b>\$16.22</b>

For links to Market Administrator's webpages, see [www.fmmaseattle.com/links.html](http://www.fmmaseattle.com/links.html).



The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

### E-mail the MA Office

[fmmaseattle@fmmaseattle.com](mailto:fmmaseattle@fmmaseattle.com)



#### Bothell Office

1930 220th Street SE, Suite 102  
Bothell, Washington 98021

Phone: (425) 487-6009  
Fax: (425) 487-2775

#### Phoenix Office

4835 E Cactus Road, Suite 365  
Scottsdale, Arizona 85254

Phone: (602) 547-2909  
Fax: (602) 547-2906

### Visit the MA Website

[www.fmmaseattle.com](http://www.fmmaseattle.com)