



The Market Administrator's Report

Facilitating the Efficient Marketing of Milk

Pacific Northwest and Arizona Marketing Areas

William A. Wise, Market Administrator

Volume 42, No. 1

January 2016

Data for December 2015

MARKET SUMMARIES FOR DECEMBER

Pacific Northwest (FO 124)

Producers delivered a total of 738.6 million pounds of milk to the market during December. Daily deliveries averaged 23.8 million pounds, up 0.4 percent from November. An estimated 570 producers delivered milk to the market during the month. Daily deliveries per producer averaged 41,799 pounds, up 0.4 percent from November.

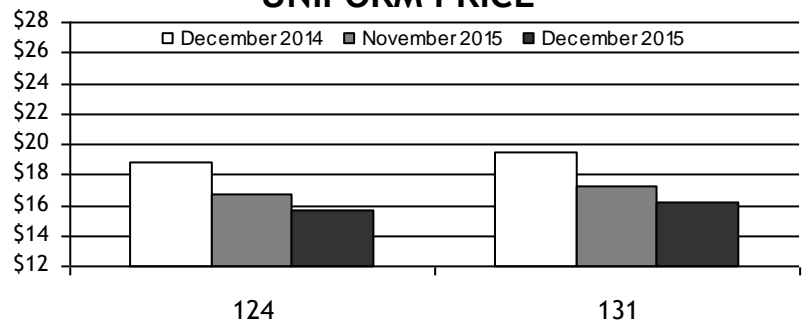
Class I producer milk during December totaled 173.3 million pounds, 23.5 percent of total producer receipts. Daily usage averaged 5.6 million pounds, up 0.5 percent from November. 🐄

Arizona (FO 131)

Producers delivered a total of 424.7 million pounds of milk to the market during December. Daily deliveries averaged 13.7 million pounds, up 7.8 percent from November. An estimated 95 producers delivered milk to the market during the month. Daily deliveries per producer averaged 144,198 pounds, up 3.2 percent from November.

Class I producer milk during December totaled 115.6 million pounds, 27.2 percent of total producer receipts. Daily usage averaged 3.7 million pounds, up 3.2 percent from November. 🐄

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Nov	Dec	Nov	Dec
Uniform Price (at 3.5%)	\$16.68	\$15.68	\$17.28	\$16.24
Uniform Price (at test)	\$19.14	\$18.00	\$17.67	\$16.60
PPD	\$1.38	\$1.24		
Butterfat	\$3.1830	\$2.9057	n/a	
Protein	\$1.3205	\$1.3599		
Other Solids	\$0.0361	\$0.0355		
Uniform Skim			\$6.52	\$6.16
Uniform Butterfat	n/a		\$3.1399	\$2.9426
Butterfat	4.123%	4.135%	3.627%	3.624%
Protein	3.355%	3.337%	n/a	
Other Solids	5.746%	5.726%		

HIGHLIGHTS THIS ISSUE

- ✓ Notice: LAST PRINTED ISSUE
- ✓ Number of Producers & Pounds of Milk: November 2015
- ✓ Map of Pounds of Producer Milk by County

Federal Order Price Summaries

FINAL CLASS PRICES

The December 2015 Final Class Prices were calculated using AMS commodity price surveys from December 5, 12, 19, and 26, 2015. Current and archived Final Class Price announcements are available at www.fmmaseattle.com/finalprice.htm.

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Nov 2015	\$18.38	\$18.83	\$18.26	\$15.30	\$16.89	\$3.1830	\$1.3205	\$0.0361	\$0.6627
Dec 2015	\$18.61	\$19.06	\$16.71	\$14.44	\$15.52	\$2.9057	\$1.3599	\$0.0355	\$0.6153
Change	\$0.23	\$0.23	(\$1.55)	(\$0.86)	(\$1.37)	(\$0.2773)	\$0.0394	(\$0.0006)	(\$0.0474)

ADVANCED CLASS I PRICE

The February 2016 Advanced Price was calculated using AMS commodity price surveys from January 9 and 16, 2016. Current and archived Advanced Price announcements are available at www.fmmaseattle.com/advanceprice.htm.

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
Jan 2016	\$3.0362	\$4.04	\$5.61	\$5.61	\$16.04	\$17.94	\$18.39	\$6.31	\$0.7011
Feb 2016	\$2.2678	\$5.91	\$5.47	\$5.91	\$13.64	\$15.54	\$15.99	\$6.17	\$0.6856
Change	(\$0.7684)	\$1.87	(\$0.14)	\$0.30	(\$2.40)	(\$2.40)	(\$2.40)	(\$0.14)	(\$0.0155)

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION


	November	December	Change
Cheese	\$1.6503	\$1.5719	(\$0.0784)
Butter	\$2.7999	\$2.5709	(\$0.2290)
Nonfat Dry Milk	\$0.8372	\$0.7893	(\$0.0479)
Whey	\$0.2341	\$0.2336	(\$0.0005)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	January	February	Change
Cheese	\$1.5753	\$1.5115	(\$0.0638)
Butter	\$2.6787	\$2.0442	(\$0.6345)
Nonfat Dry Milk	\$0.7970	\$0.7817	(\$0.0153)
Whey	\$0.2341	\$0.2344	\$0.0003

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a net increase for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 8.03 cents between the December 19 and the January 16 surveys, to \$1.4769 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net increase of 0.70 cents to \$1.5432 per pound.

The AMS butter price showed a net decrease of 42.15 cents between the weeks ending December 19 and January 16 from \$2.4642 per pound to \$2.0427 per pound. The AMS nonfat dry milk showed a net decrease of 0.61 cents since mid-December to \$0.7857 per pound. The average price for AMS whey showed a net increase of 0.38 cents since mid-December to \$0.2351 per pound. 

USDA Updates

REVISED DEADLINES TO FILE TRANSCRIPT CORRECTIONS

On January 8, 2016, Administrative Law Judge Jill Clifton revised the deadlines to file proposed transcript corrections for the hearing on a proposed Federal Milk Marketing Order in California.

The revised date for the Proponents of Proposals 1 and 2 is now January 25, 2016. The revised date for any additional proposed transcript corrections is now February 16, 2016. 🐾

Source: USDA. Agricultural Marketing Service.

OVERVIEWS OF COMPONENT TESTS OF PRODUCER MILK AT THE FARM LEVEL

The market administrator's office recently published two overviews of component tests of producer milk pooled on the Pacific Northwest and Arizona Federal Milk Marketing Orders. The overviews reflect data for 2013 and 2014.

Each overview includes a more detailed description of the data and can be found at www.fmmaseattle.com/historicaldata.htm under Overviews of Component Tests: Pacific Northwest and Arizona Orders.

Please contact John Mykrantz at jmykrantz@fmmaseattle.com or 425-487-5612, if you have any questions concerning the overviews. 🐾

RESUMPTION OF ASSESSMENTS

On January 20, 2016, the market administrator issued a letter to all handlers advising them that the administrative assessment of 3.5 cents per hundredweight that was waived for the milk pooled during the month of December 2015 will resume beginning with the milk pooled for the month of January 2016. 🐾

NOTICE FROM THE MARKET ADMINISTRATOR: LAST PRINTED ISSUE

The Market Administrator's office is moving toward electronic-only versions of certain documents, including our monthly bulletin, the "Market Administrator's Report." Effective February 1, 2016, this document will no longer be mailed and will only be available electronically on our website and via email. This issue is the last printed copy of the "Market Administrator's Report."

Current and archived bulletins are available at: www.fmmaseattle.com/bulletins.htm. To be added to our email distribution list, please send your contact information (including your full name and email address) to fmmaseattle@fmmaseattle.com using the subject line "Subscribe to Bulletin Email List." 🐾

Number of Producers and Pounds of Milk: November 2015

State	County 1/	Producers	Milk	State	County 1/	Producers	Milk
ARIZONA ORDER				PACIFIC NORTHWEST ORDER (CONTINUED)			
Arizona				Washington			
	Maricopa	49	196,539,740		Adams	9	19,512,365
	Pinal	22	133,481,490		Benton	3	6,970,434
	Restricted 2/	9	30,592,589		Clark	7	6,317,299
	Total Arizona	80	360,613,819		Franklin	11	48,052,021
California					Grant	20	53,847,735
	Restricted 3/	11	20,694,508		Grays Harbor	9	4,379,743
Total Arizona Order		91	381,308,327		King	23	12,818,213
PACIFIC NORTHWEST ORDER					Klickitat	3	1,510,377
California					Lewis	28	10,134,074
	Siskiyou	3	1,203,476		Pacific	7	2,219,761
Idaho					Skagit	30	22,440,060
	Restricted 4/	7	712,736		Snohomish	20	19,461,147
Oregon					Spokane	6	1,275,825
	Benton	4	3,035,733		Stevens	7	1,097,244
	Clackamas	6	711,345		Thurston	9	10,341,268
	Clatsop	4	1,018,277		Whatcom	98	77,591,271
	Coos	10	4,914,452		Yakima	64	214,345,369
	Josephine	3	729,991		Restricted 6/	9	4,457,981
	Klamath	5	5,624,112		Total Washington	363	516,772,187
	Lane	3	4,637,246	Total Pacific Northwest Order		570	711,210,346
	Linn	6	2,992,088	Total for Both Orders		661	1,092,518,673
	Marion	27	26,556,495	1/ Restricted Counties Identified in Footnotes 2-6.			
	Morrow	6	68,698,350	2/ Cochise, Greenlee, La Paz, Pima & Yuma, AZ and Bailey & Parmer, TX			
	Polk	5	10,421,507	3/ Imperial, Riverside, & San Bernardino, CA			
	Tillamook	92	44,132,498	4/ Bear Lake, Franklin & Latah, ID, and Cache, UT			
	Umatilla	4	4,241,003	5/ Columbia, Deschutes & Jackson, OR			
	Washington	11	4,204,771	6/ Clallam, Cowlitz, Island, Jefferson, Kittitas, Lincoln Pierce & Wahkiakum, WA			
	Yamhill	6	9,631,941				
	Restricted 5/	5	972,138				
	Total Oregon	197	192,521,947				

1/ Restricted Counties Identified in Footnotes 2-6.

2/ Cochise, Greenlee, La Paz, Pima & Yuma, AZ and Bailey & Parmer, TX

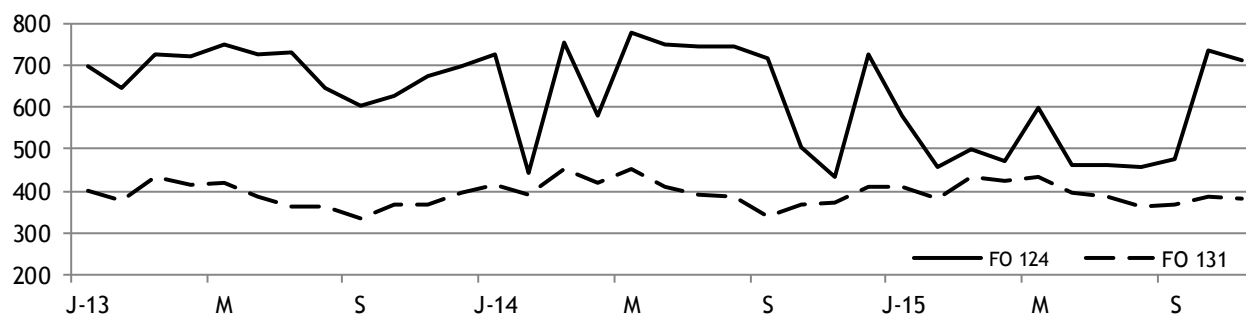
3/ Imperial, Riverside, & San Bernardino, CA

4/ Bear Lake, Franklin & Latah, ID, and Cache, UT

5/ Columbia, Deschutes & Jackson, OR

6/ Clallam, Cowlitz, Island, Jefferson, Kittitas, Lincoln Pierce & Wahkiakum, WA

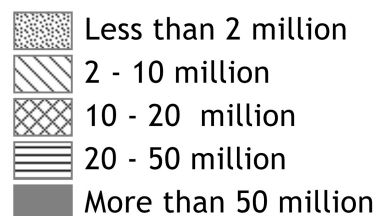
Pacific Northwest (FO 124) and Arizona (FO 131) Producer Milk Pooled
January 2013 - November 2015 (million pounds)



Pounds of Producer Milk by County: November 2015



Production



Monthly Selected Statistics

	PACIFIC NORTHWEST				ARIZONA			
PRICE & POOL DATA	Dec 2015	Nov 2015	Dec 2014	Nov 2014	Dec 2015	Nov 2015	Dec 2014	Nov 2014
Producer Prices								
Producer Price Differential (\$/cwt)	\$1.24	\$1.38	\$1.05	(\$1.76)	+	+	+	+
Butterfat (\$/pound)	2.9057	3.1830	2.0991	2.2011	+	+	+	+
Protein (\$/pound)	1.3599	1.3205	2.7387	3.9018	+	+	+	+
Other Solids (\$/pound)	0.0355	0.0361	0.3996	0.4505	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$6.16	\$6.52	\$12.44	\$13.37
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.9426	3.1399	2.1194	2.3672
Statistical Uniform Price (\$/cwt)	\$15.68	\$16.68	\$18.87	\$20.18	\$16.24	\$17.28	\$19.42	\$21.19
Producer Data								
Number of Producers	570	570	578	429	95	91	92	92
Avg. Daily Production (pounds)	41,799	41,618	40,472	33,816	144,198	139,673	143,336	134,899
Producer Milk Ratios								
Class I	23.46%	23.44%	24.30%	37.99%	27.23%	28.44%	26.89%	27.89%
Class II	5.82%	6.85%	5.68%	10.13%	10.54%	10.00%	10.44%	11.77%
Class III	42.62%	41.86%	41.00%	7.83%	27.77%	29.23%	24.99%	25.54%
Class IV	28.10%	27.85%	29.02%	44.05%	34.46%	32.33%	37.68%	34.80%
Market Shrinkage								
Pounds	10,225,822	17,491,547	11,182,512	6,170,595	1,985,503	2,093,663	1,631,440	1,624,681
% of Producer Milk	1.38%	2.46%	1.54%	1.42%	0.47%	0.55%	0.40%	0.44%

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

Monthly Supplemental Statistics

	PACIFIC NORTHWEST				ARIZONA			
SUPPLEMENTAL DATA	Nov 2015	Oct 2015	Nov 2014	Oct 2014	Nov 2015	Oct 2015	Nov 2014	Oct 2014
Number of Handlers								
Pool Handlers	24	23	22	22	7	7	7	7
Distributing Plants	12	12	13	14	5	5	5	5
Supply Plants 1/	6	6	4	3	1	1	1	1
Cooperatives	6	6	5	5	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	22	20	19	20	23	24	22	22
Class I Route Disposition In Area								
By Pool Plants	153,437,428	154,381,690	154,308,520	159,014,535	83,891,799	86,259,938	82,300,839	87,086,557
By Producer-Handlers	6,635,079	6,917,253	6,837,222	7,248,750	0	0	0	0
By Other Plants	11,424,857	12,182,502	11,158,732	12,043,702	7,719,614	7,770,762	7,190,857	8,076,108
Total	171,497,364	173,481,445	172,304,474	178,306,987	91,611,413	94,030,700	89,491,696	95,162,665
Producer-Handler Data								
% Class I Use	61.65%	59.62%	64.77%	67.62%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.87%	3.99%	3.97%	4.07%	0.00%	0.00%	0.00%	0.00%

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

Monthly Statistical Summary

	PACIFIC NORTHWEST				ARIZONA			
RECEIPTS & UTILIZATION	Dec 2015	Nov 2015	Dec 2014	Nov 2014	Dec 2015	Nov 2015	Dec 2014	Nov 2014
Receipts of Milk								
Total Producer Milk	738,588,980	711,675,838	725,179,341	435,216,457	424,661,803	381,308,327	408,795,575	372,320,870
Receipts From Other Sources	7,400,266	7,925,266	6,846,020	9,441,877	2,841,713	6,588,815	12,851,445	8,749,245
Opening Inventory	39,672,690	43,634,578	37,561,186	28,989,243	17,690,438	23,984,419	22,904,039	22,268,260
Total To Be Accounted For	785,661,936	763,235,682	769,586,547	473,647,577	445,193,954	411,881,561	444,551,059	403,338,375
Utilization of Receipts								
Whole milk	38,588,294	36,925,861	34,794,694	33,654,712	27,134,610	25,259,007	25,769,418	23,250,669
Flavored milk & drinks	15,441,734	17,057,024	15,563,167	16,318,094	6,979,287	7,069,219	6,283,610	6,444,480
2% milk	59,223,753	57,010,725	60,701,881	59,546,805	31,742,202	30,021,939	32,738,125	29,881,579
1% milk	24,912,079	24,763,770	25,398,374	24,917,576	13,446,418	13,434,367	14,304,173	13,873,032
Skim milk	16,102,497	16,093,231	18,466,290	18,396,000	7,738,514	7,662,884	8,724,889	8,376,422
Buttermilk	1,510,201	1,586,817	1,434,048	1,475,333	430,777	444,383	460,868	474,657
Class I dispositions in area	155,778,558	153,437,428	156,358,454	154,308,520	87,471,808	83,891,799	88,281,083	82,300,839
Class I dispositions out of area	13,853,774	12,742,540	16,277,300	14,949,871	25,178,529	25,473,101	24,137,040	23,219,371
Other Class I usage	21,912,996	22,142,948	19,272,326	16,863,615	13,800,209	10,951,569	9,682,606	11,981,101
Utilization by Class								
Total Class I Use	191,545,328	188,322,916	191,908,080	186,122,006	126,450,546	120,316,469	122,100,729	117,501,311
Total Class II Use	47,580,717	52,747,945	45,584,694	46,990,239	45,453,590	38,754,118	43,250,992	44,454,941
Total Class III Use	316,649,028	299,214,517	297,386,178	34,076,341	119,413,829	112,370,997	102,184,136	95,159,320
Total Class IV Use	229,886,863	222,950,304	234,707,595	206,458,991	153,875,989	140,439,977	177,015,202	146,222,803
Total Accounted For	785,661,936	763,235,682	769,586,547	473,647,577	445,193,954	411,881,561	444,551,059	403,338,375

	PACIFIC NORTHWEST				ARIZONA			
CLASSIFICATION OF RECEIPTS	Dec 2015	Nov 2015	Dec 2014	Nov 2014	Dec 2015	Nov 2015	Dec 2014	Nov 2014
Producer milk								
Class I	173,269,623	166,826,372	176,242,310	165,355,648	115,646,149	108,431,878	109,926,615	103,822,300
Class II	43,017,509	48,752,601	41,166,017	44,085,035	44,752,401	38,112,872	42,675,287	43,836,475
Class III	314,823,537	297,903,861	297,299,923	34,076,341	117,935,810	111,459,372	102,160,533	95,081,460
Class IV	207,478,311	198,193,004	210,471,091	191,699,433	146,327,443	123,304,205	154,033,140	129,580,635
Other receipts								
Class I	18,275,705	21,496,544	15,665,770	20,766,358	10,804,397	11,884,591	12,174,114	13,679,011
Class II	4,563,208	3,995,344	4,418,677	2,905,204	1/	1/	1/	1/
Class III	1,825,491	1,310,656	1/	0	1/	1/	1/	1/
Class IV	22,408,552	24,757,300	24,322,759	14,759,558	9,727,754	18,688,643	23,581,370	17,338,494
Avg. daily producer receipts	23,825,451	23,722,528	23,392,882	14,507,215	13,698,768	12,710,278	13,186,954	12,410,696
Change From Previous Year	1.85%	63.52%	3.89%	-35.18%	3.88%	2.41%	3.68%	2.04%
Avg. daily Class I use	6,178,882	6,277,431	6,190,583	6,204,067	4,079,050	4,010,549	3,938,733	3,916,710
Change From Previous Year	-0.19%	1.18%	-2.56%	-5.22%	3.56%	2.40%	-7.15%	-9.44%

1/ Restricted - Included with Class IV.



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FEDERAL ORDER STATISTICS FOR DECEMBER

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)	2,192.2	778.9	35.53%	\$19.96	\$17.27
Appalachian (FO 5)	503.3	338.7	67.30%	\$20.11	\$18.68
Florida (FO 6)	238.1	202.9	85.24%	\$22.11	\$20.99
Southeast (FO 7)	456.8	340.0	74.44%	\$20.51	\$19.34
Upper Midwest (FO 30)	3,079.0	308.2	10.01%	\$18.51	\$14.86
Central (FO 32)	1,329.1	422.1	31.76%	\$18.71	\$15.75
Mideast (FO 33)	1,575.0	547.5	34.76%	\$18.71	\$16.13
Pacific Northwest (FO 124)	738.6	173.3	23.46%	\$18.61	\$15.68
Southwest (FO 126)	1,191.9	373.2	31.31%	\$19.71	\$16.51
Arizona (FO 131)	424.7	115.6	27.23%	\$19.06	\$16.24

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