



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 43, No. 10

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Data for September 2017

MARKET SUMMARIES FOR SEPTEMBER

Pacific Northwest (FO 124)

Producers delivered a total of 717.1 million pounds of milk to the market during September. Daily deliveries averaged 23.9 million pounds, down 1.2 percent from August. An estimated 531 producers delivered milk to the market during the month. Daily deliveries per producer averaged 45,016 pounds, down 0.6 percent from August.

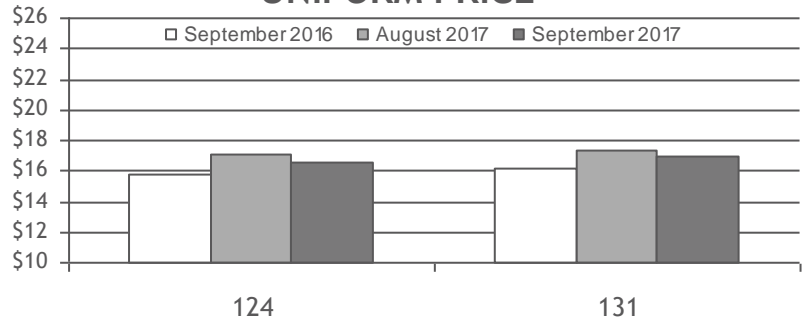
Class I producer milk during September totaled 159.5 million pounds, 22.2 percent of total producer receipts. Daily usage averaged 5.3 million pounds, up 4.6 percent from August. ▼

Arizona (FO 131)

Producers delivered a total of 397.4 million pounds of milk to the market during September. Daily deliveries averaged 13.2 million pounds, down 0.8 percent from August. An estimated 91 producers delivered milk to the market during the month. Daily deliveries per producer averaged 145,553 pounds, down 0.8 percent from August.

Class I producer milk during September totaled 104.7 million pounds, 26.3 percent of total producer receipts. Daily usage averaged 3.5 million pounds, down 3.7 percent from August. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Aug	Sep	Aug	Sep
Uniform Price (at 3.5%)	\$17.05	\$16.59	\$17.40	\$16.89
Uniform Price (at test)	\$18.65	\$18.51	\$17.66	\$17.21
PPD	\$0.48	\$0.23		
Butterfat	\$3.0109	\$2.8559		
Protein	\$1.5536	\$1.6988		n/a
Other Solids	\$0.2425	\$0.2241		
Uniform Skim			\$7.11	\$7.03
Uniform Butterfat		n/a	\$3.0105	\$2.8878
Butterfat	3.932%	4.012%	3.588%	3.614%
Protein	3.182%	3.259%		
Other Solids	5.731%	5.723%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ Market Administrator Retires
- ✓ Overview of Hauling Charges for May 2017
- ✓ USDA Provides Support for Dairies in Puerto Rico

Federal Order Price Summaries

FINAL CLASS PRICES

The September 2017 Final Class Prices were calculated using AMS commodity price surveys from September 2, 9, 16, 23 and 30, 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
Aug 2017	\$18.62	\$19.07	\$17.56	\$16.57	\$16.61	\$3.0109	\$1.5536	\$0.2425	\$0.6984
Sep 2017	\$18.61	\$19.06	\$16.80	\$16.36	\$15.86	\$2.8559	\$1.6988	\$0.2241	\$0.6753
Change	(\$0.01)	(\$0.01)	(\$0.76)	(\$0.21)	(\$0.75)	(\$0.1550)	\$0.1452	(\$0.0184)	(\$0.0231)

ADVANCED CLASS I PRICE

The November 2017 Advanced Price was calculated using AMS commodity price surveys from October 7 and 14, 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
Oct 2017	\$2.8580	\$6.67	\$6.14	\$6.67	\$16.44	\$18.34	\$18.79	\$6.84	\$0.7600
Nov 2017	\$2.6804	\$7.28	\$5.88	\$7.28	\$16.41	\$18.31	\$18.76	\$6.58	\$0.7311
Change	(\$0.1776)	\$0.61	(\$0.26)	\$0.61	(\$0.03)	(\$0.03)	(\$0.03)	(\$0.26)	(\$0.0289)

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	August	September	Change
Cheese	\$1.6664	\$1.6608	(\$0.0056)
Butter	\$2.6578	\$2.5298	(\$0.1280)
Nonfat Dry Milk	\$0.8733	\$0.8499	(\$0.0234)
Whey	\$0.4345	\$0.4167	(\$0.0178)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	October	November	Change
Cheese	\$1.6668	\$1.6932	\$0.0264
Butter	\$2.5315	\$2.3849	(\$0.1466)
Nonfat Dry Milk	\$0.8565	\$0.8274	(\$0.0291)
Whey	\$0.4211	\$0.3829	(\$0.0382)

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 1.49 cents between the September 16 and the October 14 surveys, to \$1.6887 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net increase of 9.2 cents to \$1.7081 per pound.

The AMS butter price showed a net decrease of 14.91 cents between the weeks ending September 16 and October 14 from \$2.5038 per pound to \$2.3547 per pound. The AMS nonfat dry milk showed a net decrease of 1.98 cents since mid-September to \$0.8277 per pound. The average price for AMS whey showed a net decrease of 4.85 cents since mid-September to \$0.3685 per pound.

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Sep 2017	Aug 2017	Sep 2016	Aug 2016	Sep 2017	Aug 2017	Sep 2016	Aug 2016
Producer Prices								
Producer Price Differential (\$/cwt)	\$0.23	\$0.48	(\$0.62)	(\$1.12)	+	+	+	+
Butterfat (\$/pound)	2.8559	3.0109	2.3082	2.4873	+	+	+	+
Protein (\$/pound)	1.6988	1.5536	2.5675	2.5738	+	+	+	+
Other Solids (\$/pound)	0.2241	0.2425	0.1096	0.0881	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$7.03	\$7.11	\$8.30	\$7.62
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.8878	3.0105	2.3447	2.5165
Statistical Uniform Price (\$/cwt)	\$16.59	\$17.05	\$15.77	\$15.79	\$16.89	\$17.40	\$16.22	\$16.16
Producer Data								
Number of Producers	531	534	452	444	91	91	89	90
Avg. Daily Production (pounds)	45,016	45,305	44,840	42,746	145,553	146,683	130,371	130,020
Producer Milk Ratios								
Class I	22.24%	21.01%	27.56%	27.55%	26.34%	27.13%	31.02%	30.95%
Class II	5.52%	6.15%	6.98%	8.19%	9.26%	9.77%	13.31%	14.65%
Class III	42.00%	43.22%	29.73%	28.43%	30.76%	28.01%	24.90%	27.67%
Class IV	30.24%	29.62%	35.73%	35.83%	33.64%	35.09%	30.77%	26.73%
Market Shrinkage								
Pounds	9,619,806	12,224,537	7,118,789	6,385,452	1,714,872	1,320,272	1,692,737	2,222,505
% of Producer Milk	1.34%	1.63%	1.17%	1.09%	0.43%	0.32%	0.49%	0.61%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Aug 2017	Jul 2017	Aug 2016	Jul 2016	Aug 2017	Jul 2017	Aug 2016	Jul 2016
Number of Handlers								
Pool Handlers	24	23	22	25	8	8	8	7
<i>Distributing Plants</i>	11	11	11	12	6	6	6	5
<i>Supply Plants 1/</i>	7	6	5	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	22	20	20	18	24	23	24	24
Class I Route Disposition In Area								
By Pool Plants	127,986,660	133,974,944	143,345,263	140,210,153	80,810,749	70,883,156	80,980,992	72,578,335
By Producer-Handlers	6,544,172	6,012,041	7,171,548	6,568,900	0	0	0	0
By Other Plants	13,532,262	12,127,121	12,677,831	11,079,451	8,749,499	6,214,835	9,244,245	6,730,167
Total	148,063,094	152,114,106	163,194,642	157,858,504	89,560,248	77,097,991	90,225,237	79,308,502
Producer-Handler Data								
% Class I Use	52.60%	47.39%	60.22%	56.53%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.42%	3.95%	4.39%	4.16%	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			
	Sep 2017	Aug 2017	Sep 2016	Aug 2016	Sep 2017	Aug 2017	Sep 2016	Aug 2016
Receipts of Milk								
Total Producer Milk	717,102,885	749,974,318	608,025,546	588,362,225	397,360,320	413,792,429	348,089,846	362,756,325
Receipts From Other Sources	8,641,303	13,447,398	9,632,930	34,577,918	3,849,944	3,775,645	6,105,900	7,434,737
Opening Inventory	42,646,274	43,695,826	29,770,798	31,838,695	27,135,405	21,312,208	22,845,752	19,843,714
Total To Be Accounted For	768,390,462	807,117,542	647,429,274	654,778,838	428,345,669	438,880,282	377,041,498	390,034,776
Utilization of Receipts								
Whole milk	41,679,686	39,714,852	40,452,394	41,051,439	26,425,688	27,156,412	25,151,239	25,891,112
Flavored milk & drinks	14,015,581	8,366,063	14,447,571	8,972,229	7,478,573	7,555,726	7,939,415	7,581,600
2% milk	52,375,193	48,325,770	54,844,678	54,891,541	27,664,220	28,188,611	27,923,357	28,413,168
1% milk	22,164,362	18,598,464	24,629,534	22,264,105	11,769,288	11,929,405	12,499,894	12,752,944
Skim milk	12,516,047	11,415,767	14,612,009	14,430,230	5,547,009	5,980,595	6,431,494	6,342,168
Buttermilk	1,444,973	1,565,744	1,521,644	1,735,719	2/	2/	2/	2/
Class I dispositions in area	144,195,842	127,986,660	150,507,830	143,345,263	78,884,778	80,810,749	79,945,399	80,980,992
Class I dispositions out of area	11,666,319	23,907,924	11,388,361	12,378,423	27,661,552	29,749,817	28,040,914	30,543,487
Other Class I usage	26,469,808	25,798,010	22,564,048	20,415,734	11,524,094	13,167,158	12,788,615	13,398,845
Utilization by Class								
Total Class I Use	182,331,969	177,692,594	184,460,239	176,139,420	118,070,424	123,727,724	120,774,928	124,923,324
Total Class II Use	44,462,515	51,394,919	48,435,468	55,817,796	38,340,022	41,718,847	48,418,306	54,399,639
Total Class III Use	301,655,667	326,515,792	181,034,763	167,548,676	122,362,334	116,263,030	86,683,415	101,915,356
Total Class IV Use	239,940,311	251,514,237	233,498,804	255,272,946	149,572,889	157,170,681	121,164,849	108,796,457
Total Accounted For	768,390,462	807,117,542	647,429,274	654,778,838	428,345,669	438,880,282	377,041,498	390,034,776

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Sep 2017	Aug 2017	Sep 2016	Aug 2016	Sep 2017	Aug 2017	Sep 2016	Aug 2016
Producer milk								
Class I	159,508,593	157,599,267	167,598,301	162,074,933	104,652,391	112,282,216	107,985,418	112,259,973
Class II	39,595,031	46,113,800	42,467,550	48,161,128	36,813,079	40,426,095	46,338,139	53,144,095
Class III	301,217,615	324,168,872	180,739,553	167,253,325	122,222,887	115,901,001	86,683,415	100,368,626
Class IV	216,781,646	222,092,379	217,220,142	210,872,839	133,671,963	145,183,117	107,082,874	96,983,631
Other receipts								
Class I	22,823,376	20,093,327	16,861,938	14,064,487	13,418,033	11,445,508	12,789,510	12,663,351
Class II	4,867,484	5,281,119	5,967,918	7,656,668	1/	1/	2,080,167	1/
Class III	438,052	2,346,920	1/	1/	1/	362,029	0	1/
Class IV	23,158,665	29,421,858	16,573,872	44,695,458	17,567,316	13,280,316	14,081,975	14,615,100
Avg. daily producer receipts	23,903,430	24,192,720	20,267,518	18,979,427	13,245,344	13,348,143	11,602,995	11,701,817
Change From Previous Year	17.94%	27.47%	27.92%	29.07%	14.15%	14.07%	-5.14%	0.63%
Avg. daily Class I use	6,077,732	5,732,019	6,148,675	5,681,917	3,935,681	3,991,217	4,025,831	4,029,785
Change From Previous Year	-1.15%	0.88%	-1.35%	-0.59%	-2.24%	-0.96%	-0.16%	1.50%

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

USDA News

OVERVIEW OF HAULING CHARGES FOR MAY 2017: PACIFIC NORTHWEST ORDER

The market administrator's office recently published an overview of hauling charges associated with producer milk pooled under the Pacific Northwest Order.

The overview reflects data for the month of May 2017. The overview includes a more detailed description of the data and can be found at <http://www.fmmaseattle.com/staffpapers.html> under Hauling Charges by Location and Size-Range of Production: Pacific Northwest Order.

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

USDA PROVIDES SUPPORT FOR HURRICANE-IMPACTED DAIRIES IN PUERTO RICO

In the wake of the 2017 hurricanes, the United States Department of Agriculture (USDA) is providing emergency assistance to dairy operators in the Commonwealth of Puerto Rico.

The Commodity Credit Corporation is providing up to \$12 million dollars to enable operators of Puerto Rico's 253 licensed dairy operations to purchase feed for cattle. The special initiative, applicable only to Puerto Rico, is called the Dairy Assistance Program for Puerto Rico (DAP-PR). The program will be administered by the Farm Service Agency (FSA), which has offices and staff on the island.

For more information on DAP-PR, visit FSA's website: www.fsa.usda.gov. 🐾

Source: USDA. Release No. 0135.17. Available at www.usda.gov.



MARKET ADMINISTRATOR RETIRES

On October 14, 2017, William A. Wise retired from the position of Market Administrator, Pacific Northwest and Arizona Milk Marketing Orders.

Mr. Wise began his over 35-year career with the Federal Milk Marketing Order Program in December 1981 in the Phoenix, Arizona, market administrator's office.

Mr. Wise was appointed Market Administrator in February 2011 following the retirement of Jim Daugherty.

Effective October 15, 2017, Lisa Wyatt and Alyce Owen are designated to serve, on a rotational basis, as Acting Market Administrator, Pacific Northwest and Arizona Milk Marketing Orders, until a permanent appointment has been made. 🐾



Federal Order Statistics for September 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)	2,179.8	739.3	33.92%	\$19.96	\$17.89
Appalachian (FO 5)	473.4	341.2	72.07%	\$20.11	\$19.06
Florida (FO 6)	202.8	174.2	85.93%	\$22.11	\$21.14
Southeast (FO 7)	408.4	312.6	76.55%	\$20.51	\$19.61
Upper Midwest (FO 30)	3,189.7	268.4	8.41%	\$18.51	\$16.54
Central (FO 32)	1,419.0	408.6	28.79%	\$18.71	\$16.72
Mideast (FO 33)	1,616.4	536.3	33.18%	\$18.71	\$17.00
Pacific Northwest (FO 124)	717.1	159.5	22.24%	\$18.61	\$16.59
Southwest (FO 126)	1,194.4	361.2	30.24%	\$19.71	\$17.58
Arizona (FO 131)	397.4	104.7	26.34%	\$19.06	\$16.89

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



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