

Pacific Northwest and Arizona Marketing Areas

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Data for August 2020

MARKET SUMMARIES FOR AUGUST

Pacific Northwest (FO 124)

Producers delivered a total of 627.3 million pounds of milk to the market during August. Daily deliveries averaged 20.2 million pounds, down 10.5 percent from July. An estimated 369 producers delivered milk to the market during the month. Daily deliveries per producer averaged 54,839 pounds, down 10.5 percent from July.

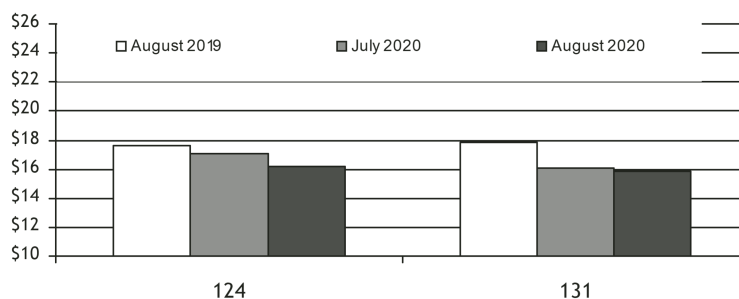
Class I producer milk during August totaled 130.1 million pounds, 20.7 percent of total producer receipts. Daily usage averaged 4.2 million pounds, down 17.5 percent from July. ▼

Arizona (FO 131)

Producers delivered a total of 299.0 million pounds of milk to the market during August. Daily deliveries averaged 9.6 million pounds, up 3.1 percent from July. An estimated 70 producers delivered milk to the market during the month. Daily deliveries per producer averaged 137,780 pounds, up 3.1 percent from July.

Class I producer milk during August totaled 97.4 million pounds, 32.6 percent of total producer receipts. Daily usage averaged 3.1 million pounds, down 4.6 percent from July. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	July	August	July	August
Uniform Price (at 3.5%)	\$17.11	\$16.16	\$16.12	\$15.84
Uniform Price (at test)	\$18.77	\$17.49	\$16.31	\$16.07
PPD	(\$7.43)	(\$3.61)		
Butterfat	\$1.9583	\$1.6275		n/a
Protein	\$5.6294	\$4.4394		
Other Solids	\$0.1492	\$0.1387		
Uniform Skim			\$9.70	\$10.23
Uniform Butterfat		n/a	\$1.9314	\$1.7060
Butterfat	3.884%	3.911%	3.606%	3.642%
Protein	3.150%	3.139%		
Other Solids	5.773%	5.744%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ USDA Announces Contracts For Round Three of the Farmers To Families Food Box Program

Federal Order Price Summaries

FINAL CLASS PRICES

The August 2020 Final Class Prices were calculated using AMS commodity price surveys from August 8, 15, 22, and 29, 2020. 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
Jul 2020	\$18.46	\$18.91	\$13.79	\$24.54	\$13.76	\$1.9583	\$5.6294	\$0.1492	\$0.7959
Aug 2020	\$21.68	\$22.13	\$13.27	\$19.77	\$12.53	\$1.6275	\$4.4394	\$0.1387	\$0.7862
Change	\$3.22	\$3.22	(\$0.52)	(\$4.77)	(\$1.23)	(\$0.3308)	(\$1.1900)	(\$0.0105)	(\$0.0097)

ADVANCED CLASS I PRICE

The October 2020 Advanced Price was calculated using AMS commodity price surveys from September 12 and 19, 2020. Current and archived Advanced Price announcements are available at www.fmmaseattle.com/advance.html.

ADVANCED	Base 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
Sep 2020	\$1.6775	\$17.43	\$7.13	\$13.02	\$18.44	\$20.34	\$20.79	\$7.83	\$0.8700
Oct 2020	\$1.5933	\$11.01	\$7.45	\$9.97	\$15.20	\$17.10	\$17.55	\$8.15	\$0.9056
Change	(\$0.0842)	(\$6.42)	\$0.32	(\$3.05)	(\$3.24)	(\$3.24)	(\$3.24)	\$0.32	\$0.0356

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Jul	Aug	Change
Cheese	\$2.5873	\$2.1099	(\$0.4774)
Butter	\$1.7886	\$1.5154	(\$0.2732)
Nonfat Dry Milk	\$0.9717	\$0.9619	(\$0.0098)
Whey	\$0.3440	\$0.3338	(\$0.0102)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Sep	Oct	Change
Cheese	\$2.4073	\$1.7481	(\$0.6592)
Butter	\$1.5567	\$1.4872	(\$0.0695)
Nonfat Dry Milk	\$0.9683	\$1.0042	\$0.0359
Whey	\$0.3413	\$0.3232	(\$0.0181)

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 32.76 cents between the August 15 and the September 19 surveys, to \$1.9648 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net decrease of 47.67 cents to \$1.6324 per pound.

The AMS butter price showed a net decrease of 7.36 cents between the weeks ending August 15 and September 19 from \$1.5556 per pound to \$1.4820 per pound. The AMS nonfat dry milk showed a net increase of 4.78 cents since mid-August to \$1.0090 per pound. The average price for AMS whey showed a net decrease of 1.13 cents since mid-August to \$0.3258 per pound. ▼

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Aug 2020	Jul 2020	Aug 2019	Jul 2019	Aug 2020	Jul 2020	Aug 2019	Jul 2019
Producer Prices								
Producer Price Differential (\$/cwt)	(\$3.61)	(\$7.43)	\$0.00	(\$0.03)	+	+	+	+
Butterfat (\$/pound)	1.6275	1.9583	2.6574	2.6858	+	+	+	+
Protein (\$/pound)	4.4394	5.6294	2.4453	2.4032	+	+	+	+
Other Solids (\$/pound)	0.1387	0.1492	0.1730	0.1689	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$10.23	\$9.70	\$9.09	\$8.78
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.7060	1.9314	2.6674	2.6865
Statistical Uniform Price (\$/cwt)	\$16.16	\$17.11	\$17.60	\$17.52	\$15.84	\$16.12	\$18.11	\$17.88
Producer Data								
Number of Producers	369	369	514	485	70	70	75	74
Avg. Daily Production (pounds)	54,839	61,275	49,229	52,902	137,780	133,594	165,269	170,364
Producer Milk Ratios								
Class I	20.74%	22.48%	17.88%	17.68%	32.57%	35.20%	27.88%	25.65%
Class II	7.28%	7.22%	5.10%	5.82%	11.76%	11.30%	8.74%	8.73%
Class III	29.31%	25.59%	40.30%	40.63%	3.68%	4.66%	36.56%	32.72%
Class IV	42.67%	44.71%	36.72%	35.87%	51.99%	48.84%	26.82%	32.90%
Market Shrinkage								
Pounds	10,051,449	9,955,652	11,091,614	10,425,274	3,510,603	2,718,556	3,286,324	3,522,508
% of Producer Milk	1.60%	1.42%	1.41%	1.31%	1.17%	0.94%	0.86%	0.90%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Jul 2020	Jun 2020	Jul 2019	Jun 2019	Jul 2020	Jun 2020	Jul 2019	Jun 2019
Number of Handlers								
Pool Handlers	19	18	23	23	8	8	8	8
<i>Distributing Plants</i>	12	11	11	11	6	6	6	6
<i>Supply Plants 1/</i>	4	4	6	6	1	1	1	1
<i>Cooperatives</i>	3	3	6	6	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	28	27	31	30	28	28	29	28
Class I Route Disposition In Area								
By Pool Plants	125,217,799	124,883,317	128,221,963	121,670,964	72,192,469	71,026,998	70,770,895	67,452,519
By Producer-Handlers	5,714,801	6,246,909	6,113,284	5,193,267	0	0	0	0
By Other Plants	14,179,164	14,473,957	12,126,111	12,478,714	8,050,782	8,124,337	5,775,167	6,373,363
Total	145,111,764	145,604,183	146,461,358	139,342,945	80,243,251	79,151,335	76,546,062	73,825,882
Producer-Handler Data								
% Class I Use	47.79%	51.68%	50.15%	46.50%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.94%	4.29%	4.17%	3.73%	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	Jul	Jun	Jul	Jun	Jul	Jun	Jul	Jun
	2020	2020	2019	2019	2020	2020	2019	2019
Receipts of Milk								
Total Producer Milk	700,924,401	614,412,284	795,385,120	761,526,132	289,899,533	375,813,924	390,814,342	413,983,247
Receipts From Other Sources	10,266,790	6,790,040	11,685,831	9,188,569	6,754,542	6,322,112	11,188,201	11,770,034
Opening Inventory	30,837,022	34,294,140	36,694,389	38,631,126	18,753,118	23,851,938	20,508,295	21,991,884
Total To Be Accounted For	742,028,213	655,496,464	843,765,340	809,345,827	315,407,193	405,987,974	422,510,838	447,745,165
Utilization of Receipts								
Whole milk	41,684,933	41,219,876	43,850,513	40,569,222	27,162,523	26,764,862	27,383,023	25,775,538
Flavored milk & drinks	6,462,570	6,651,123	7,318,880	8,381,416	3,337,696	3,514,405	3,520,553	3,669,356
2% milk	48,975,618	48,698,546	48,370,999	45,193,424	29,390,928	27,949,867	26,604,620	25,784,724
1% milk	16,276,239	16,758,844	17,007,131	16,672,208	8,079,120	8,497,680	8,649,002	8,407,612
Skim milk	10,211,329	10,156,627	9,888,719	9,302,633	3,784,734	3,870,798	4,152,789	3,815,289
Buttermilk	1,607,110	1,398,301	1,785,721	1,552,061	437,468	429,386	460,908	2/
Class I dispositions in area	125,217,799	124,883,317	128,221,963	121,670,964	72,192,469	71,026,998	70,770,895	67,452,519
Class I dispositions out of area	22,592,604	9,306,817	8,694,405	8,808,731	29,493,530	27,648,214	27,204,133	27,220,595
Other Class I usage	23,116,412	15,276,000	18,691,411	18,126,356	14,983,444	13,398,614	13,083,256	11,190,891
Utilization by Class								
Total Class I Use	170,926,815	149,466,134	155,607,779	148,606,051	116,669,443	112,073,826	111,058,284	105,864,005
Total Class II Use	60,716,308	44,578,118	54,246,733	47,686,042	33,938,491	35,010,645	35,881,272	37,905,776
Total Class III Use	179,332,073	178,080,702	323,198,264	319,586,271	1/	1/	129,385,207	139,251,150
Total Class IV Use	331,053,017	283,371,510	310,712,564	293,467,463	164,799,259	258,903,503	146,186,075	164,724,234
Total Accounted For	742,028,213	655,496,464	843,765,340	809,345,827	315,407,193	405,987,974	422,510,838	447,745,165

PACIFIC NORTHWEST

ARIZONA

CLASSIFICATION OF RECEIPTS	Jul	Jun	Jul	Jun	Jul	Jun	Jul	Jun
	2020	2020	2019	2019	2020	2020	2019	2019
Producer milk								
Class I	157,599,427	135,430,010	140,657,837	126,787,229	102,058,074	98,585,295	100,228,737	91,383,607
Class II	50,622,881	38,560,746	46,294,648	43,224,994	32,746,865	33,901,006	34,125,441	36,151,319
Class III	179,332,073	178,080,477	323,198,264	319,176,209	13,495,904	98,847,773	127,855,472	137,828,589
Class IV	313,370,020	262,341,051	285,234,371	272,337,700	141,598,690	144,479,850	128,604,692	148,619,732
Other receipts								
Class I	13,327,388	14,036,124	14,949,942	21,818,822	14,611,369	13,488,531	10,829,547	14,480,398
Class II	10,093,427	6,017,372	7,952,085	4,461,048	1/	1,109,639	1/	1/
Class III	0	1/	0	410,062	1/	1/	1/	1/
Class IV	17,682,997	21,030,684	25,478,193	21,129,763	10,896,291	15,575,880	20,866,949	19,281,520
Avg. daily producer receipts	22,610,465	20,480,409	25,657,585	25,384,204	9,351,598	12,527,131	12,606,914	13,799,442
Change From Previous Year	-11.88%	-19.32%	3.42%	1.15%	-25.82%	-9.22%	-8.62%	-0.92%
Avg. daily Class I use	5,513,768	4,982,204	5,019,606	4,953,535	3,763,530	3,735,794	3,582,525	3,528,800
Change From Previous Year	9.84%	0.58%	-3.67%	-7.76%	5.05%	5.87%	-1.14%	-3.27%

1/ Restricted - Included with Class IV.

USDA News

USDA ANNOUNCES CONTRACTS FOR ROUND THREE OF THE FARMERS TO FAMILIES FOOD BOX PROGRAM

The Following is an excerpt of a statement released by the U.S. Department of Agriculture (USDA) on September 17.

Following President Donald Trump's approval to include up to an additional \$1 billion in the Farmers to Families Food Box Program, U.S. Secretary of Agriculture Sonny Perdue announced the U.S. Department of Agriculture (USDA) has approved up to \$1 billion in contracts to support American producers and communities in need through the USDA Farmers to Families Food Box Program. Earlier this week, USDA reached a milestone of having distributed more than 90 million food boxes in support of American farmers and families affected by the COVID-19 pandemic.

"These contract awards will go to vendors who submitted the strongest proposals in support of American agriculture and the American people. The high level of interest and quality of proposals are a testament that the program is accomplishing what we intended - supporting U.S. farmers and distributors and getting food to those who need it most. It's a real trifecta, which is why we call it a win-win-win," said Secretary Perdue. "Thanks to President Trump and his commitment to the program with the announcement of an additional \$1 billion in funding, more farmers will be supported, and more families will receive the nutritious food they need during these difficult times."

These contract awards are a result of the third round of Farmers to Families Food Box program announced on July 24, 2020, and President Trump's announcement on August 24 that up to an additional \$1 billion was being made available for deliveries through October 31, 2020. A full list of approved suppliers is available on the [Farmers to Families Food Box Program](#) webpage.

In this third round of purchases, USDA announced plans to purchase combination boxes to ensure all recipient organizations have access to fresh produce, dairy products, fluid milk and meat products. These boxes will be distributed to every county in America.

USDA solicited new proposals for the third round. Proposals were required to illustrate how coverage would be provided to areas identified as opportunity zones, detail subcontracting agreements, and address the "last mile" delivery of product into the hands of the food insecure population.

Entities who met the government's requirements and specifications were issued agreements and submitted pricing through a competitive acquisition process. Agreements were awarded based on the pricing submitted for the delivery locations proposed, box content, last mile delivery plans, means testing compliance, and support of small and local/regional food systems.

The full press release can be found at www.ams.usda.gov/press-release/usda-announces-contracts-round-3-farmers-families-food-box-program.



Federal Order Statistics for August 2020

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price
	<i>- million pounds -</i>			<i>- per cwt (at location) -</i>	
Northeast (FO 1)	2,260.2	646.1	28.6%	\$23.03	\$18.02
Appalachian (FO 5)	449.0	318.1	70.9%	\$23.18	\$20.25
Florida (FO 6)	197.1	160.7	81.5%	\$25.18	\$22.69
Southeast (FO 7)	368.3	250.5	68.0%	\$23.58	\$20.18
Upper Midwest (FO 30)	1,090.7	203.2	18.6%	\$21.58	\$17.71
Central (FO 32)	864.1	370.8	42.9%	\$21.78	\$16.15
Mideast (FO 33)	1,350.7	549.3	40.7%	\$21.78	\$16.84
California (FO 51)	1,831.6	400.0	21.8%	\$21.88	\$14.53
Pacific Northwest (FO 124)	627.3	130.1	20.7%	\$21.68	\$16.16
Southwest (FO 126)	899.8	333.3	37.0%	\$22.78	\$16.01
Arizona (FO 131)	299.0	97.4	32.6%	\$22.13	\$15.84

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

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