



## Pacific Northwest and Arizona Marketing Areas

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Data for September 2020

### MARKET SUMMARIES FOR SEPTEMBER

#### Pacific Northwest (FO 124)

Producers delivered a total of 607.1 million pounds of milk to the market during September. Daily deliveries averaged 20.2 million pounds, unchanged from August. An estimated 356 producers delivered milk to the market during the month. Daily deliveries per producer averaged 56,843 pounds, unchanged from August.

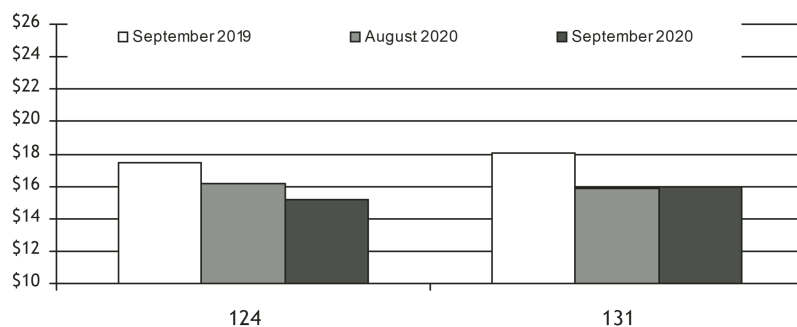
Class I producer milk during September totaled 136.9 million pounds, 22.5 percent of total producer receipts. Daily usage averaged 4.6 million pounds, up 8.7 percent from August. ▼

#### Arizona (FO 131)

Producers delivered a total of 265.7 million pounds of milk to the market during September. Daily deliveries averaged 8.9 million pounds, down 8.2 percent from August. An estimated 69 producers delivered milk to the market during the month. Daily deliveries per producer averaged 128,369 pounds, down 8.2 percent from August.

Class I producer milk during September totaled 100.5 million pounds, 37.8 percent of total producer receipts. Daily usage averaged 3.4 million pounds, up 6.7 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%)	\$16.16	\$15.19	\$15.84	\$16.00
Uniform Price (at test)	\$17.49	\$16.78	\$16.07	\$16.22
PPD	(\$3.61)	(\$1.24)		
Butterfat	\$1.6275	\$1.5932		n/a
Protein	\$4.4394	\$3.3935		
Other Solids	\$0.1387	\$0.1241		
Uniform Skim			\$10.23	\$10.70
Uniform Butterfat		n/a	\$1.7060	\$1.6217
Butterfat	3.911%	4.009%	3.642%	3.645%
Protein	3.139%	3.217%		
Other Solids	5.744%	5.764%		n/a

### HIGHLIGHTS THIS ISSUE

- ✓ USDA'S Dairy Margin Coverage Enrollment For 2021 Now Open

# Federal Order Price Summaries

## FINAL CLASS PRICES

The September 2020 Final Class Prices were calculated using AMS commodity price surveys from September 5, 12, 19, and 26, 2020. 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
Aug 2020	\$21.68	\$22.13	\$13.27	\$19.77	\$12.53	\$1.6275	\$4.4394	\$0.1387	\$0.7862
Sep 2020	\$20.34	\$20.79	\$13.16	\$16.43	\$12.75	\$1.5932	\$3.3935	\$0.1241	\$0.8253
Change	(\$1.34)	(\$1.34)	(\$0.11)	(\$3.34)	\$0.22	(\$0.0343)	(\$1.0459)	(\$0.0146)	\$0.0391

## ADVANCED CLASS I PRICE

The November 2020 Advanced Price was calculated using AMS commodity price surveys from October 10 and 17, 2020. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advance.html](http://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
Oct 2020	\$1.5933	\$11.01	\$7.45	\$9.97	\$15.20	\$17.10	\$17.55	\$8.15	\$0.9056
Nov 2020	\$1.6316	\$16.07	\$8.00	\$12.78	\$18.04	\$19.94	\$20.39	\$8.70	\$0.9667
Change	\$0.0383	\$5.06	\$0.55	\$2.81	\$2.84	\$2.84	\$2.84	\$0.55	\$0.0611

# Commodity Price Summaries

### AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Aug	Sep	Change
Cheese	\$2.1099	\$1.7741	(\$0.3358)
Butter	\$1.5154	\$1.4871	(\$0.0283)
Nonfat Dry Milk	\$0.9619	\$1.0014	\$0.0395
Whey	\$0.3338	\$0.3196	(\$0.0142)

### AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Oct	Nov	Change
Cheese	\$1.7481	\$2.2550	\$0.5069
Butter	\$1.4872	\$1.5188	\$0.0316
Nonfat Dry Milk	\$1.0042	\$1.0657	\$0.0615
Whey	\$0.3232	\$0.3428	\$0.0196

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed an increase in prices received for 40-pound blocks and an increase for 500-pound barrels. The survey of 40-pound blocks showed an increase of 64.27 cents between the September 19 and the October 17 surveys, to \$2.6118 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed an increase of 31.87 cents to \$1.9511 per pound.

The AMS butter price showed a net increase of 2.32 cents between the weeks ending September 19 and the October 17 from \$1.4831 per pound to \$1.5063 per pound. The AMS nonfat dry milk showed an increase of 6.41 cents since mid-September to \$1.0734 per pound. The average price for AMS whey showed a net increase of 1.97 cents since mid-September to \$0.3455 per pound. ▼

# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Sep 2020	Aug 2020	Sep 2019	Aug 2019	Sep 2020	Aug 2020	Sep 2019	Aug 2019
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	(\$1.24)	(\$3.61)	(\$0.88)	\$0.00	+	+	+	+
Butterfat (\$/pound)	1.5932	1.6275	2.4982	2.6574	+	+	+	+
Protein (\$/pound)	3.3935	4.4394	2.8633	2.4453	+	+	+	+
Other Solids (\$/pound)	0.1241	0.1387	0.1758	0.1730	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$10.70	\$10.23	\$9.55	\$9.09
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.6217	1.7060	2.5332	2.6674
Statistical Uniform Price (\$/cwt)	\$15.19	\$16.16	\$17.43	\$17.60	\$16.00	\$15.84	\$18.08	\$18.11
<b>Producer Data</b>								
Number of Producers	<b>356</b>	356	405	514	<b>69</b>	69	74	75
Avg. Daily Production (pounds)	<b>56,843</b>	56,841	51,273	49,229	<b>128,369</b>	139,776	151,031	165,269
<b>Producer Milk Ratios</b>								
Class I	22.54%	20.74%	22.83%	17.88%	37.82%	32.57%	30.39%	27.88%
Class II	7.35%	7.28%	6.01%	5.10%	13.64%	11.76%	9.42%	8.74%
Class III	29.56%	29.31%	28.89%	40.30%	4.74%	3.68%	30.05%	36.56%
Class IV	40.55%	42.67%	42.27%	36.72%	43.80%	51.99%	30.14%	26.82%
<b>Market Shrinkage</b>								
Pounds	9,319,191	10,051,449	8,338,705	11,091,614	3,375,828	3,510,603	2,325,525	3,286,324
% of Producer Milk	1.54%	1.60%	1.34%	1.41%	1.27%	1.17%	0.69%	0.86%

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

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Aug 2020	Jul 2020	Aug 2019	Jul 2019	Aug 2020	Jul 2020	Aug 2019	Jul 2019
<b>Number of Handlers</b>								
Pool Handlers	18	19	23	23	8	8	8	8
<i>Distributing Plants</i>	11	12	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	<b>28</b>	28	29	31	<b>24</b>	28	29	29
<b>Class I Route Disposition In Area</b>								
By Pool Plants	120,999,030	125,217,799	128,151,467	128,221,963	71,038,317	72,192,469	77,178,411	70,770,895
By Producer-Handlers	5,647,285	5,714,801	5,632,853	6,113,284	0	0	0	0
By Other Plants	<b>14,939,589</b>	14,179,164	13,693,541	12,126,111	<b>7,892,540</b>	8,050,782	7,157,798	5,775,167
Total	141,585,904	145,111,764	147,477,861	146,461,358	78,930,857	80,243,251	84,336,209	76,546,062
<b>Producer-Handler Data</b>								
% Class I Use	46.14%	47.79%	47.05%	50.15%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.99%	3.94%	3.82%	4.17%	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	Sep	Aug	Sep	Aug	Sep	Aug	Sep	Aug
	2020	2020	2019	2019	2020	2020	2019	2019
<b>Receipts of Milk</b>								
Total Producer Milk	607,087,707	627,301,405	622,963,204	784,408,266	265,724,025	298,981,763	335,287,735	384,250,365
Receipts From Other Sources	8,930,214	13,868,084	8,663,553	9,271,522	5,089,392	3,908,799	5,968,337	14,288,254
Opening Inventory	35,968,263	31,005,219	32,244,069	35,932,022	19,677,075	21,754,718	20,516,758	17,723,407
<b>Total To Be Accounted For</b>	<b>651,986,184</b>	<b>672,174,708</b>	<b>663,870,826</b>	<b>829,611,810</b>	<b>290,490,492</b>	<b>324,645,280</b>	<b>361,772,830</b>	<b>416,262,026</b>
<b>Utilization of Receipts</b>								
Whole milk	41,644,036	41,012,198	41,322,104	43,340,553	26,247,882	27,097,833	25,760,009	27,664,911
Flavored milk & drinks	8,168,667	6,089,352	12,204,773	7,511,167	4,172,165	3,459,897	6,171,850	6,852,535
2% milk	47,773,359	47,324,447	46,946,029	48,301,579	27,739,210	28,008,212	26,243,668	27,277,698
1% milk	18,041,751	15,684,566	18,713,410	17,663,477	8,651,110	8,154,051	9,455,235	10,246,638
Skim milk	9,169,798	9,464,775	9,531,408	9,649,337	3,813,622	3,882,887	4,362,757	4,672,151
Buttermilk	1,462,464	1,423,692	1,580,044	1,685,354	459,212	435,437	448,431	464,478
Class I dispositions in area	126,260,075	120,999,030	130,297,768	128,151,467	71,083,201	71,038,317	72,441,950	77,178,411
Class I dispositions out of area	9,680,133	9,835,054	8,349,281	9,085,716	28,251,990	28,073,068	27,020,523	28,730,527
Other Class I usage	17,828,899	18,281,977	21,225,195	19,691,450	14,486,713	13,745,064	14,351,819	13,086,943
<b>Utilization by Class</b>								
Total Class I Use	153,769,107	149,116,061	159,872,244	156,928,633	113,821,904	112,856,449	113,814,292	118,995,881
Total Class II Use	48,818,662	48,690,660	41,035,084	45,238,001	36,928,223	36,084,568	33,616,514	34,957,441
Total Class III Use	179,675,504	183,855,904	179,951,114	316,411,766	1/	1/	101,882,039	141,876,642
Total Class IV Use	269,722,911	290,512,083	283,012,384	311,033,410	139,740,365	175,704,263	112,459,985	120,432,062
<b>Total Accounted For</b>	<b>651,986,184</b>	<b>672,174,708</b>	<b>663,870,826</b>	<b>829,611,810</b>	<b>290,490,492</b>	<b>324,645,280</b>	<b>361,772,830</b>	<b>416,262,026</b>

## PACIFIC NORTHWEST

## ARIZONA

CLASSIFICATION OF RECEIPTS	Sep	Aug	Sep	Aug	Sep	Aug	Sep	Aug
	2020	2020	2019	2019	2020	2020	2019	2019
<b>Producer milk</b>								
Class I	136,861,730	130,073,719	142,197,530	140,235,427	100,505,041	97,367,120	101,894,815	107,138,132
Class II	44,592,886	45,675,371	37,445,919	39,983,266	36,257,035	35,163,350	31,599,808	33,572,894
Class III	179,466,136	183,855,904	179,951,114	316,140,222	12,597,891	11,005,816	100,740,619	140,464,564
Class IV	246,166,955	267,696,411	263,368,641	288,049,351	116,364,058	155,445,477	101,052,493	103,074,775
<b>Other receipts</b>								
Class I	16,907,377	19,042,342	17,674,714	16,693,206	13,316,863	15,489,329	11,919,477	11,857,749
Class II	4,225,776	3,015,289	3,589,165	5,254,735	1/	1/	1/	1/
Class III	1/	0	0	1/	1/	0	1/	1/
Class IV	23,765,324	22,815,672	19,643,743	23,255,603	11,449,604	10,174,188	14,565,618	20,153,912
<b>Avg. daily producer receipts</b>	<b>20,236,257</b>	<b>20,235,529</b>	<b>20,765,440</b>	<b>25,303,492</b>	<b>8,857,468</b>	<b>9,644,573</b>	<b>11,176,258</b>	<b>12,395,173</b>
Change From Previous Year	-2.55%	-20.03%	2.01%	23.33%	-20.75%	-22.19%	-5.25%	-4.46%
<b>Avg. daily Class I use</b>	<b>5,125,637</b>	<b>4,810,196</b>	<b>5,329,075</b>	<b>5,062,214</b>	<b>3,794,063</b>	<b>3,640,531</b>	<b>3,793,810</b>	<b>3,838,577</b>
Change From Previous Year	-3.82%	-4.98%	-4.69%	-6.62%	0.01%	-5.16%	1.57%	-0.69%

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

## USDA News

### USDA'S DAIRY MARGIN COVERAGE PROGRAM ENROLLMENT FOR 2021 NOW OPEN

USDA is now enrolling dairy farmers for the 2021 Dairy Margin Coverage (DMC) program year. The enrollment period runs through December 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The decision tool is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

More information can be found at <https://www.fsa.usda.gov/programs-and-services/dairy-margin-coverage-program/index>. 🐾



# Federal Order Statistics for September 2020

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)	2,167.7	655.3	30.2%	\$21.69	\$16.80
Appalachian (FO 5)	449.3	324.6	72.2%	\$21.84	\$19.68
Florida (FO 6)	195.1	158.9	81.4%	\$23.84	\$21.85
Southeast (FO 7)	393.1	264.5	67.3%	\$22.24	\$19.62
Upper Midwest (FO 30)	1,063.6	213.2	20.0%	\$20.24	\$15.97
Central (FO 32)	869.8	382.4	44.0%	\$20.44	\$15.71
Mideast (FO 33)	1,446.0	553.7	38.3%	\$20.44	\$16.16
California (FO 51)	1,797.5	409.5	22.8%	\$20.54	\$14.47
<b>Pacific Northwest (FO 124)</b>	<b>607.1</b>	<b>136.9</b>	<b>22.5%</b>	<b>\$20.34</b>	<b>\$15.19</b>
Southwest (FO 126)	858.0	334.6	39.0%	\$21.44	\$15.83
<b>Arizona (FO 131)</b>	<b>265.7</b>	<b>100.5</b>	<b>37.8%</b>	<b>\$20.79</b>	<b>\$16.00</b>

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

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