



Pacific Northwest and Arizona Marketing Areas

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June 2021

Data for May 2021

MARKET SUMMARIES FOR MAY

Pacific Northwest (FO 124)

Producers delivered a total of 632.0 million pounds of milk to the market during May. Daily deliveries averaged 20.4 million pounds, up 0.2 percent from April. An estimated 347 producers delivered milk to the market during the month. Daily deliveries per producer averaged 58,754 pounds, up 0.2 percent from April.

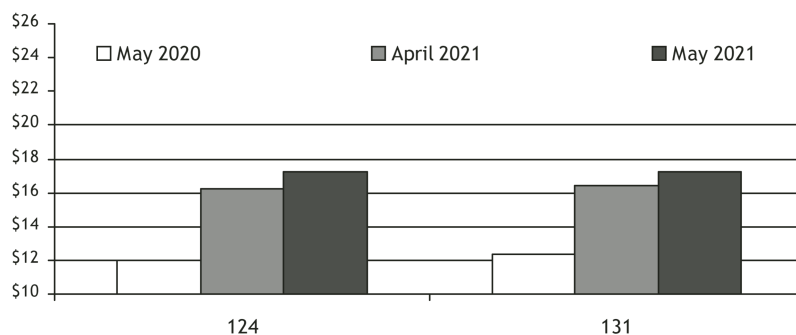
Class I producer milk during May totaled 133.3 million pounds, 21.09 percent of total producer receipts. Daily usage averaged 4.3 million pounds, down 6.4 percent from April. ▼

Arizona (FO 131)

Producers delivered a total of 356.8 million pounds of milk to the market during May. Daily deliveries averaged 11.5 million pounds, down 1.8 percent from April. An estimated 62 producers delivered milk to the market during the month. Daily deliveries per producer averaged 185,625 pounds, down 1.8 percent from April.

Class I producer milk during May totaled 107.9 million pounds, 30.2 percent of total producer receipts. Daily usage averaged 3.5 million pounds, down 8.2 percent from April. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Apr	May	Apr	May
Uniform Price (at 3.5%)	\$16.28	\$17.26	\$16.43	\$17.25
Uniform Price (at test)	\$18.20	\$18.98	\$16.73	\$17.56
PPD	(\$1.39)	(\$1.70)		
Butterfat	\$1.9496	\$1.9851		n/a
Protein	\$2.8136	\$3.1307		
Other Solids	\$0.4268	\$0.4645		
Uniform Skim			\$10.12	\$10.66
Uniform Butterfat		n/a	\$1.9030	\$1.9898
Butterfat	4.058%	3.982%	3.668%	3.666%
Protein	3.272%	3.222%		
Other Solids	5.787%	5.793%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ Continuation of Revision in Shipping Percentages
- ✓ USDA Announces Additional Aid

Federal Order Price Summaries

FINAL CLASS PRICES

The May 2021 Final Class Prices were calculated using AMS commodity price surveys from May 8, 15, 22, and 29, 2021. 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
Apr 2021	\$17.41	\$17.86	\$15.56	\$17.67	\$15.42	\$1.9496	\$2.8136	\$0.4268	\$0.9902
May 2021	\$19.00	\$19.45	\$16.22	\$18.96	\$16.16	\$1.9851	\$3.1307	\$0.4645	\$1.0607
Change	\$1.59	\$1.59	\$0.66	\$1.29	\$0.74	\$0.0355	\$0.3171	\$0.0377	\$0.0705

ADVANCED CLASS I PRICE

The July 2021 Advanced Price was calculated using AMS commodity price surveys from June 12 and 19, 2021. 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
Jun 2021	\$1.9674	\$12.73	\$9.42	\$11.82	\$18.29	\$20.19	\$20.64	\$10.12	\$1.1244
Jul 2021	\$1.9590	\$10.59	\$9.83	\$10.95	\$17.42	\$19.32	\$19.77	\$10.53	\$1.1700
Change	(\$0.0084)	(\$2.14)	\$0.41	(\$0.87)	(\$0.87)	(\$0.87)	(\$0.87)	\$0.41	\$0.0456

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Apr	May	Change
Cheese	\$1.7106	\$1.8206	\$0.1100
Butter	\$1.7814	\$1.8107	\$0.0293
Nonfat Dry Milk	\$1.1680	\$1.2392	\$0.0712
Whey	\$0.6135	\$0.6501	\$0.0366

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Jun	Jul	Change
Cheese	\$1.8448	\$1.6323	(\$0.2125)
Butter	\$1.7961	\$1.7892	(\$0.0069)
Nonfat Dry Milk	\$1.2247	\$1.2713	\$0.0466
Whey	\$0.6479	\$0.6400	(\$0.0079)

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a decrease in prices received for 40-pound blocks and a decrease for 500-pound barrels. The survey of 40-pound blocks showed a decrease of 26.89 cents between the May 15 and the June 19 surveys, to \$1.5568 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a decrease of 19.98 cents to \$1.6390 per pound.

The AMS butter price showed a net decrease of 0.66 cents between the weeks ending May 15 and June 19 from \$1.7901 per pound to \$1.7835 per pound. The AMS nonfat dry milk showed an increase of 4.38 cents since mid-May to \$1.2751 per pound. The average price for AMS whey showed a net decrease of 2.67 cents since mid-May to \$0.6250 per pound. ▼

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	May 2021	Apr 2021	May 2020	Apr 2020	May 2021	Apr 2021	May 2020	Apr 2020
Producer Prices								
Producer Price Differential (\$/cwt)	(\$1.70)	(\$1.39)	(\$0.17)	\$0.08	+	+	+	+
Butterfat (\$/pound)	1.9851	1.9496	1.3756	1.3218	+	+	+	+
Protein (\$/pound)	3.1307	2.8136	2.0918	2.4822	+	+	+	+
Other Solids (\$/pound)	0.4645	0.4268	0.1882	0.1793	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$10.66	\$10.12	\$7.86	\$8.69
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.9898	1.9030	1.3697	1.4115
Statistical Uniform Price (\$/cwt)	\$17.26	\$16.28	\$11.97	\$13.15	\$17.25	\$16.43	\$12.38	\$13.33
Producer Data								
Number of Producers	347	347	362	366	62	62	73	73
Avg. Daily Production (pounds)	58,754	58,667	57,189	56,609	185,625	189,030	192,016	201,560
Producer Milk Ratios								
Class I	21.09%	22.57%	21.13%	22.25%	30.24%	32.34%	23.54%	21.80%
Class II	6.33%	6.22%	6.78%	5.39%	9.05%	9.62%	8.27%	6.98%
Class III	28.57%	28.21%	28.60%	27.84%	3.23%	3.26%	30.84%	16.11%
Class IV	44.01%	43.00%	43.49%	44.52%	57.48%	54.78%	37.35%	55.11%
Market Shrinkage								
Pounds	12,820,335	6,537,706	8,261,707	6,652,157	3,525,652	5,624,641	3,408,999	1,966,662
% of Producer Milk	2.03%	1.07%	1.29%	1.07%	0.99%	1.60%	0.78%	0.45%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Apr 2021	Mar 2021	Apr 2020	Mar 2020	Apr 2021	Mar 2021	Apr 2020	Mar 2020
Number of Handlers								
Pool Handlers	18	18	19	19	9	9	8	8
<i>Distributing Plants</i>	11	11	11	11	7	7	6	6
<i>Supply Plants 1/</i>	4	4	4	4	1	1	1	1
<i>Cooperatives</i>	3	3	4	4	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	29	31	30	28	25	25	25	29
Class I Route Disposition In Area								
By Pool Plants	118,897,364	126,342,164	125,782,293	143,631,681	72,886,684	76,051,149	72,809,279	85,061,629
By Producer-Handlers	5,951,358	6,026,466	5,647,013	6,040,655	0	0	0	0
By Other Plants	16,388,945	16,462,709	15,014,442	16,425,877	9,292,614	10,497,638	7,852,020	9,502,400
Total	141,237,667	148,831,339	146,443,748	166,098,213	82,179,298	86,548,787	80,661,299	94,564,029
Producer-Handler Data								
% Class I Use	48.36%	48.21%	48.34%	48.83%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.21%	4.05%	3.86%	3.64%	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			
	May	Apr	May	Apr	May	Apr	May	Apr
	2021	2021	2020	2020	2021	2021	2020	2020
Receipts of Milk								
Total Producer Milk	632,021,597	610,727,430	641,776,899	621,568,166	356,770,539	351,595,290	434,532,970	441,415,630
Receipts From Other Sources	10,524,147	8,718,096	6,213,460	7,571,392	13,265,155	10,910,030	5,096,845	2,438,346
Opening Inventory	39,822,730	30,505,787	34,726,199	37,294,254	30,765,343	33,281,535	22,917,445	27,366,236
Total To Be Accounted For	682,368,474	649,951,313	682,716,558	666,433,812	400,801,037	395,786,855	462,547,260	471,220,212
Utilization of Receipts								
Whole milk	40,674,390	39,061,487	42,853,470	42,637,863	25,605,149	25,612,309	28,265,918	28,234,587
Flavored milk & drinks	8,982,451	8,795,277	8,244,390	7,854,867	5,168,847	6,228,962	3,780,234	3,896,264
2% milk	46,291,535	44,740,496	48,306,903	46,271,581	27,823,693	27,798,343	28,236,373	28,381,049
1% milk	17,777,804	17,418,438	19,046,288	19,374,962	8,411,094	8,878,339	8,300,478	7,908,580
Skim milk	7,661,338	7,562,909	9,445,419	8,479,237	3,484,368	3,848,990	4,036,778	3,978,618
Buttermilk	1,607,741	1,318,757	1,324,083	1,163,783	533,613	519,741	432,017	410,181
Class I dispositions in area	122,995,259	118,897,364	129,220,553	125,782,293	71,026,764	72,886,684	73,051,798	72,809,279
Class I dispositions out of area	8,956,647	9,298,438	9,717,840	9,534,019	37,743,323	40,099,724	28,944,266	26,124,571
Other Class I usage	28,170,147	28,292,968	16,501,894	21,116,934	17,445,447	20,245,391	13,809,393	12,838,157
Utilization by Class								
Total Class I Use	160,122,053	156,488,770	155,440,287	156,433,246	126,215,534	133,231,799	115,805,457	111,772,007
Total Class II Use	43,077,924	43,371,006	46,364,491	38,035,015	34,668,473	36,373,069	37,126,968	31,543,842
Total Class III Use	180,569,599	172,277,781	183,559,733	173,060,847	11,519,774	11,460,160	134,900,917	71,117,864
Total Class IV Use	298,598,898	277,813,756	297,352,047	298,904,704	228,397,256	214,721,827	174,713,918	256,786,499
Total Accounted For	682,368,474	649,951,313	682,716,558	666,433,812	400,801,037	395,786,855	462,547,260	471,220,212

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	May	Apr	May	Apr	May	Apr	May	Apr
	2021	2021	2020	2020	2021	2021	2020	2020
Producer milk								
Class I	133,323,340	137,843,931	135,637,987	138,290,146	107,897,278	113,713,710	102,282,328	96,244,047
Class II	39,996,793	37,987,199	43,480,557	33,529,769	32,288,772	33,837,596	35,951,602	30,807,902
Class III	180,568,550	172,275,940	183,559,733	173,060,847	11,519,563	11,460,160	134,002,370	71,117,864
Class IV	278,132,914	262,620,360	279,098,622	276,687,404	205,064,926	192,583,824	162,296,670	243,245,817
Other receipts								
Class I	26,798,713	18,644,839	19,802,300	18,143,100	18,318,256	19,518,089	13,523,129	15,527,960
Class II	3,081,131	5,383,807	2,883,934	4,505,246	2,379,701	2,535,473	1/	1/
Class III	1/	1/	0	0	1/	0	1/	0
Class IV	20,467,033	15,195,237	18,253,425	22,217,300	23,332,541	22,138,003	14,491,161	14,276,622
Avg. daily producer receipts	20,387,793	20,357,581	20,702,481	20,718,939	11,508,727	11,719,843	14,017,193	14,713,854
Change From Previous Year	-1.52%	-1.74%	-18.46%	-17.60%	-17.90%	-20.35%	0.11%	0.24%
Avg. daily Class I use	5,165,228	5,216,292	5,014,203	5,214,442	4,071,469	4,441,060	3,735,660	3,725,734
Change From Previous Year	3.01%	0.04%	-8.24%	-5.31%	8.99%	19.20%	-1.47%	-5.79%

1/ Restricted - Included with Class IV.

Market Administrator News

CONTINUATION OF REVISION IN SHIPPING PERCENTAGES

The following is an excerpt of a letter sent to FO 124 pool handlers.

SUMMARY: This action continues the reduction of the percentage of a cooperative association's producer milk that must be delivered to pool distributing plants to qualify its manufacturing plant for pool status. The order states that a specified percentage of producer milk must be delivered to pool distributing plants during either the current month or, on average, the immediately preceding 12-month period ending with the current month to qualify a cooperative's plant.

The purpose of this standard is to assure an adequate supply of milk for fluid consumption while enabling the continued pooling of producer milk that currently is pooled without the need for un-economic movements of milk, which would result in disorderly marketing. To accomplish this goal, the order must reflect the needs and nature of the market.

The minimum shipping percentages applicable pursuant to this revision are: 15%, effective July 1, 2021 - June 30, 2022.

STATEMENT OF CONSIDERATION: This proposed action is a continuation of the request made in May 2019 and granted in June 2019, effective July 1, 2019. In May 2020, comments were requested to continue the reduced shipping percentage through June 30, 2021. The continuation was granted. Dairy Farmers of America (DFA) requested the Market Administrator review the request annually. This proposal was originally requested by Cooperative Regions of Organic Producer Pools (CROPP), a handler regulated under the Pacific Northwest Federal Milk Marketing Order. CROPP requested the decrease of the percentage of producer milk that a cooperative association must ship to pool distributing plants to qualify its manufacturing plant for pool status, specified in section 1124.7(d), from 20 percent to 15 percent.

On May 25, 2021, this office notified Federal Order 124 handlers of a Proposed Continuation of Revision in Shipping Percentages for Manufacturing Plants Operated by a Cooperative Association and invited the submission of comments, data, or views on this request by no later than June 25, 2021.

Based on the comments received and analysis of available information and data, it is determined that the percentage of producer milk that a cooperative association must deliver to pool distributing plants during the current month or, on average, the immediately preceding 12-month period ending with the current month, be reduced to 15% through June 30, 2022, at which point, marketing conditions will be reviewed to determine if 15% continues to be appropriate.

As provided in section 1124.7(g) of the Pacific Northwest Federal Milk Marketing Order, the Market Administrator may review the need for any further adjustment on the Market Administrator's own initiative or at the request of interested parties.

The full letter can be found on our [website](#). 🐄

USDA News

USDA ANNOUNCES ADDITIONAL AID

The following is an excerpt of a press release by USDA.


On June 15, 2021, Agriculture Secretary Tom Vilsack announced additional aid to agricultural producers and businesses as part of the USDA Pandemic Assistance for Producers initiative. Earlier this year, Secretary Vilsack announced plans to use available pandemic assistance funds to address a number of gaps and disparities in previous rounds of aid. As part of the Pandemic Assistance initiative announced in March, USDA pledged to continue Coronavirus Food Assistance Program (CFAP) payments and to provide aid to producers and businesses left behind. Implementation of the assistance announced today will continue within 60 days to include support to timber harvesters, biofuels, dairy farmers and processors, livestock farmers and contract growers of poultry, assistance for organic cost share, and grants for PPE.

Through USDA's Build Back Better initiative, USDA has already announced \$5 billion in a mix of loans, grants and innovative financing to make meaningful investments to build a food system that is more resilient against shocks, delivers greater value to growers and workers, and offers consumers an affordable selection of healthy food produced and sourced locally and regionally by farmers and processors from diverse backgrounds.

As USDA looks to long-term solutions to build back a better food system, the Department is committed to delivering financial assistance to farmers, ranchers, and agricultural producers and businesses who have been impacted by COVID-19 market disruptions.

Since USDA rolled out the Pandemic Assistance initiative in March, the Department has announced approximately \$6.8 billion in assistance (Part II and III) to producers and agriculture entities through the following programs:

- \$6.295 billion: Coronavirus Food Assistance Program (CFAP) payments to farmers, ranchers, and producers (March 24th)
- \$35 million: Value Added Producer Grants (March 5th)
- \$169.9 million: Specialty Crop Block Grants (April 13th)
- \$75 million: Gus Schumacher Nutrition Incentive Program (April 13th)
- \$37.5 million: Beginning Farmer and Rancher Development Program (April 13th)
- \$80 million: Payments to Domestic Users of Cotton (April 13th)
- \$92.2 million: Local Agriculture Market Program (May 5th)
- Approximately \$20 Million: Pandemic Cover Crop Program (June 1st)

The full press release can be found on our [website](#). 

Federal Order Statistics for May 2021

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)	2,325.5	672.2	28.9%	\$20.35	\$18.34
Appalachian (FO 5)	441.8	296.4	67.1%	\$20.50	\$19.35
Florida (FO 6)	206.0	162.9	79.1%	\$22.50	\$21.26
Southeast (FO 7)	385.1	245.7	63.8%	\$20.90	\$19.52
Upper Midwest (FO 30)	938.7	202.7	21.6%	\$18.90	\$17.52
Central (FO 32)	919.8	353.5	38.4%	\$19.10	\$16.78
Mideast (FO 33)	1,422.6	532.0	37.4%	\$19.10	\$17.43
California (FO 51)	2,030.1	388.2	19.1%	\$19.20	\$16.73
Pacific Northwest (FO 124)	632.0	133.3	21.1%	\$19.00	\$17.26
Southwest (FO 126)	1,007.5	318.5	31.6%	\$20.10	\$17.32
Arizona (FO 131)	356.8	107.9	30.2%	\$19.45	\$17.25

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

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