

USDA The Market Administrator's Report



Facilitating the Efficient Marketing of Milk and Dairy Products

Pacific Northwest and Arizona Marketing Areas

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December 2021

Data for November 2021

MARKET SUMMARIES FOR NOVEMBER

Pacific Northwest (FO 124)

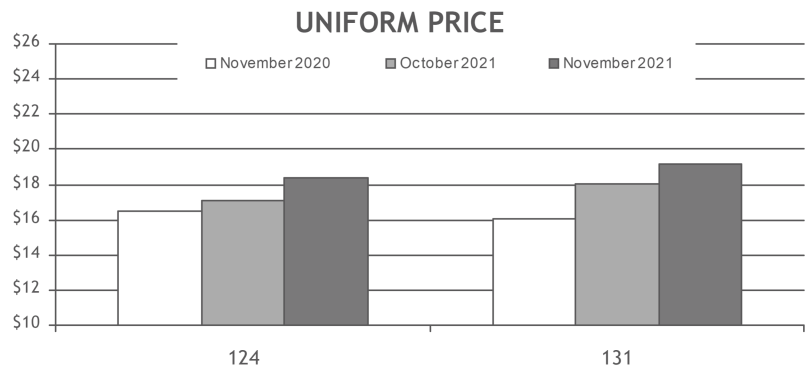
Producers delivered a total of 549.4 million pounds of milk to the market during November. Daily deliveries averaged 18.3 million pounds, down 1.8 percent from October. An estimated 334 producers delivered milk to the market during the month. Daily deliveries per producer averaged 54,831 pounds, down 1.8 percent from October.

Class I producer milk during November totaled 138.7 million pounds, 25.3 percent of total producer receipts. Daily usage averaged 4.6 million pounds, up 6.7 percent from October. ▼

Arizona (FO 131)

Producers delivered a total of 401.8 million pounds of milk to the market during November. Daily deliveries averaged 13.4 million pounds, up 13.0 percent from October. An estimated 63 producers delivered milk to the market during the month. Daily deliveries per producer averaged 212,596 pounds, up 13.0 percent from October.

Class I producer milk during November totaled 119.0 million pounds, 29.6 percent of total producer receipts. Daily usage averaged 4.0 million pounds, up 3.9 percent from October. ▼



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Oct	Nov	Oct	Nov
Uniform Price (at 3.5%)	\$17.13	\$18.38	\$18.02	\$19.15
Uniform Price (at test)	\$19.83	\$21.37	\$18.65	\$19.91
PPD	(\$0.70)	\$0.35		
Butterfat	\$1.9414	\$2.1541		n/a
Protein	\$3.0130	\$2.7536		
Other Solids	\$0.3560	\$0.3949		
Uniform Skim			\$11.61	\$12.16
Uniform Butterfat		n/a	\$1.9489	\$2.1175
Butterfat	4.196%	4.269%	3.839%	3.884%
Protein	3.429%	3.466%		
Other Solids	5.765%	5.778%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ USDA Opens 2022 Dairy Margin Coverage Signup

Federal Order Price Summaries

FINAL CLASS PRICES

The November 2021 Final Class Prices were calculated using AMS commodity price surveys from November 6, 13, 20, and 27. 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
Oct 2021	\$18.98	\$19.43	\$17.08	\$17.83	\$17.04	\$1.9414	\$3.0130	\$0.3560	\$1.1801
Nov 2021	\$19.88	\$20.33	\$18.40	\$18.03	\$18.79	\$2.1541	\$2.7536	\$0.3949	\$1.2960
Change	\$0.90	\$0.90	\$1.32	\$0.20	\$1.75	\$0.2127	(\$0.2594)	\$0.0389	\$0.1159

ADVANCED CLASS I PRICE

The January 2022 Advanced Price was calculated using AMS commodity price surveys from December 11 and 18, 2021. 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
Dec 2021	\$2.1139	\$11.40	\$11.52	\$12.20	\$19.17	\$21.07	\$21.52	\$12.22	\$1.3578
Jan 2022	\$2.2660	\$10.73	\$12.21	\$12.21	\$19.71	\$21.61	\$22.06	\$12.91	\$1.4344
Change	\$0.1521	(\$0.67)	\$0.69	\$0.01	\$0.54	\$0.54	\$0.54	\$0.69	0.0766

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Oct	Nov	Change
Cheese	\$1.7698	\$1.7588	(\$0.0110)
Butter	\$1.7746	\$1.9503	\$0.1757
Nonfat Dry Milk	\$1.3598	\$1.4769	\$0.1171
Whey	\$0.5447	\$0.5825	\$0.0378

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Dec	Jan	Change
Cheese	\$1.8046	\$1.7516	(\$0.0530)
Butter	\$1.9171	\$2.0427	\$0.1256
Nonfat Dry Milk	\$1.4612	\$1.5385	\$0.0773
Whey	\$0.5729	\$0.6316	\$0.0587

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and a net decrease for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 11.96 cents between the November 13 and the December 18 surveys, to \$1.8767 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net decrease of 10.64 cents to \$1.6412 per pound.

The AMS butter price showed a net increase of 11.11 cents between the weeks ending November 13 and December 18 from \$1.9496 per pound to \$2.0607 per pound. The AMS nonfat dry milk showed a net increase of 6.55 cents since mid-November to \$1.5521 per pound. The average price for AMS whey showed an increase of 6.04 cents since mid-November to \$0.6324 per pound. 🐄

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Nov 2021	Oct 2021	Nov 2020	Oct 2020	Nov 2021	Oct 2021	Nov 2020	Oct 2020
Producer Prices								
Producer Price Differential (\$/cwt)	\$0.35	(\$0.70)	(\$6.88)	(\$5.77)	+	+	+	+
Butterfat (\$/pound)	2.1541	1.9414	1.5553	1.6388	+	+	+	+
Protein (\$/pound)	2.7536	3.0130	5.6226	5.0146	+	+	+	+
Other Solids (\$/pound)	0.3949	0.3560	0.1894	0.1534	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$12.16	\$11.61	\$10.90	\$9.86
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.1175	1.9489	1.5781	1.6367
Statistical Uniform Price (\$/cwt)	\$18.38	\$17.13	\$16.46	\$15.84	\$19.15	\$18.02	\$16.04	\$15.24
Producer Data								
Number of Producers	334	334	354	354	63	63	73	67
Avg. Daily Production (pounds)	54,831	55,817	55,175	56,103	212,596	188,125	144,289	145,419
Producer Milk Ratios								
Class I	25.25%	23.24%	24.04%	23.44%	29.61%	32.22%	34.17%	35.89%
Class II	6.16%	6.51%	6.76%	6.38%	15.18%	16.18%	12.24%	13.08%
Class III	31.00%	30.04%	28.57%	29.20%	28.51%	21.74%	3.47%	4.13%
Class IV	37.59%	40.21%	40.63%	40.98%	26.70%	29.86%	50.12%	46.90%
Market Shrinkage								
Pounds	8,313,877	9,167,067	10,737,671	8,027,790	5,097,521	7,615,221	2,476,368	3,536,564
% of Producer Milk	1.51%	1.59%	1.83%	1.30%	1.27%	2.07%	0.78%	1.17%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Oct 2021	Sep 2021	Oct 2020	Sep 2020	Oct 2021	Sep 2021	Oct 2020	Sep 2020
Number of Handlers								
Pool Handlers	17	17	18	18	9	9	8	8
<i>Distributing Plants</i>	11	11	11	11	7	7	6	6
<i>Supply Plants 1/</i>	3	3	4	4	1	1	1	1
<i>Cooperatives</i>	3	3	3	3	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	31	31	30	29	30	29	27	27
Class I Route Disposition In Area								
By Pool Plants	127,169,744	123,623,345	132,178,991	126,260,075	70,850,890	69,926,944	78,239,044	71,083,201
By Producer-Handlers	5,266,055	5,530,824	6,079,453	6,112,264	0	0	0	0
By Other Plants	14,496,258	13,978,258	14,895,086	14,759,115	8,796,102	8,859,036	9,120,189	8,722,324
Total	146,932,057	143,132,427	153,153,530	147,131,454	79,646,992	78,785,980	87,359,233	79,805,525
Producer-Handler Data								
% Class I Use	44.71%	47.94%	47.63%	51.75%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.58%	3.86%	3.97%	4.15%	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			
	Nov	Oct	Nov	Oct	Nov	Oct	Nov	Oct
	2021	2021	2020	2020	2021	2021	2020	2020
Receipts of Milk								
Total Producer Milk	549,410,043	577,931,427	585,958,068	615,678,452	401,806,881	367,408,911	315,992,128	302,035,586
Receipts From Other Sources	30,915,738	19,051,598	16,517,046	10,189,422	7,427,074	9,099,027	3,086,155	4,930,630
Opening Inventory	37,726,497	39,841,260	37,126,259	32,192,634	35,167,984	30,799,669	22,166,063	21,356,549
Total To Be Accounted For	618,052,278	636,824,285	639,601,373	658,060,508	444,401,939	407,307,607	341,244,346	328,322,765
Utilization of Receipts								
Whole milk	42,764,613	42,110,757	42,071,378	44,626,792	26,308,563	25,734,860	26,588,894	26,956,608
Flavored milk & drinks	14,372,876	14,012,818	10,378,265	10,067,520	8,053,511	7,324,589	5,651,173	5,522,866
2% milk	45,779,579	45,288,135	48,579,227	48,466,336	26,545,626	25,136,320	30,928,704	31,913,766
1% milk	16,186,509	16,606,499	18,551,879	19,036,412	8,745,763	8,418,561	9,120,572	9,308,290
Skim milk	7,546,719	7,543,827	8,289,790	8,470,199	4,173,324	3,758,055	4,105,201	4,057,923
Buttermilk	1,617,036	1,607,708	1,431,633	1,511,732	581,090	478,505	510,313	479,591
Class I dispositions in area	128,267,332	127,169,744	129,302,172	132,178,991	74,407,877	70,850,890	76,904,857	78,239,044
Class I dispositions out of area	8,088,566	8,189,164	10,510,368	10,961,968	40,631,674	44,570,451	29,510,197	30,330,619
Other Class I usage	22,041,686	22,661,080	19,768,508	18,818,085	18,848,152	18,306,059	13,841,069	14,186,208
Utilization by Class								
Total Class I Use	158,397,584	158,019,988	159,581,048	161,959,044	133,887,703	133,727,400	120,256,123	122,755,871
Total Class II Use	40,607,405	39,710,320	43,810,629	43,532,862	63,217,775	61,051,107	39,530,300	40,702,840
Total Class III Use	172,144,382	173,601,023	167,470,081	179,796,987	116,240,181	81,055,412	1/	1/
Total Class IV Use	246,902,907	265,492,954	268,739,615	272,771,615	131,056,280	131,473,688	181,457,923	164,864,054
Total Accounted For	618,052,278	636,824,285	639,601,373	658,060,508	444,401,939	407,307,607	341,244,346	328,322,765

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Nov	Oct	Nov	Oct	Nov	Oct	Nov	Oct
	2021	2021	2020	2020	2021	2021	2020	2020
Producer milk								
Class I	138,718,063	134,339,401	140,851,100	144,316,006	118,990,980	118,366,132	107,973,372	108,408,885
Class II	33,825,306	37,633,253	39,608,950	39,273,221	61,003,765	59,430,919	38,690,738	39,509,737
Class III	170,305,932	173,601,023	167,381,342	179,796,763	114,566,563	79,891,323	10,957,285	12,478,343
Class IV	206,560,742	232,357,750	238,116,676	252,292,462	107,245,573	109,720,537	158,370,733	141,638,621
Other receipts								
Class I	19,679,521	23,680,587	18,729,948	17,643,038	14,896,723	15,361,268	12,282,751	14,346,986
Class II	6,782,099	2,077,067	4,201,679	4,259,641	1/	1/	839,562	1/
Class III	1,838,450	0	1/	1/	1,673,618	1/	0	1/
Class IV	40,342,165	33,135,204	30,711,678	20,479,377	26,024,717	24,537,428	12,129,905	11,940,193
Avg. daily producer receipts	18,313,668	18,642,949	19,531,936	19,860,595	13,393,563	11,851,900	10,533,071	9,743,083
Change From Previous Year	-6.24%	-6.13%	-2.63%	-2.95%	27.16%	21.64%	-14.28%	-17.25%
Avg. daily Class I use	5,279,919	5,097,419	5,319,368	5,224,485	4,462,923	4,313,787	4,008,537	3,959,867
Change From Previous Year	-0.74%	-2.43%	-4.10%	-7.02%	11.34%	8.94%	0.05%	1.10%

1/ Restricted - Included with Class IV.

USDA News

USDA OPENS 2022 DAIRY MARGIN COVERAGE SIGNUP

The following is an excerpt of a statement released by the U.S. Department of Agriculture (USDA) on December 8.

As part of the Biden-Harris Administration's ongoing efforts to support dairy farmers and rural communities, the U.S. Department of Agriculture (USDA) opened signup for the Dairy Margin Coverage (DMC) program and expanded the program to allow dairy producers to better protect their operations by enrolling supplemental production. This signup period, which runs from December 13, 2021 to February 18, 2022, enables producers to get coverage through this important safety-net program for another year as well as get additional assistance through the new Supplemental DMC.

Supplemental DMC will provide \$580 million to better help small and mid-sized dairy operations that have increased production over the years but were not able to enroll the additional production. Now, they will be able to retroactively receive payments for that supplemental production. Additionally, USDA's Farm Service Agency (FSA) updated how feed costs are calculated, which will make the program more reflective of actual dairy producer expenses.

This announcement is part of a broader package to help the dairy industry respond to the pandemic and other challenges. USDA is also amending Dairy Indemnity Payment Program (DIPP) regulations to add provisions for the indemnification of cows that are likely to be not marketable for longer durations, as a result, for example, of per- and polyfluoroalkyl substances. FSA also worked closely with USDA's Natural Resources Conservation Service to target assistance through the Environmental Quality Incentives Program) and other conservation programs to help producers safely dispose of and address resource concerns created by affected cows. Other recent dairy announcements include \$350 million through the Pandemic Market Volatility Assistance Program and \$400 million for the Dairy Donation Program.

Additional details on these changes to DMC and DIPP can be found in a rule that will be published soon in the Federal Register. This rule also included information on the new Oriental Fruit Fly Program as well as changes to FSA conservation programs. To view a copy of the rule, you may view the [Dairy Margin Coverage rule](#) (PDF, 537 KB).

For the full press release visit the USDA website at <https://www.usda.gov/media/press-releases/2021/12/08/usda-opens-2022-signup-dairy-margin-coverage-expands-program>. To learn more or to participate in DMC or DIPP, producers should contact their [local USDA Service Center](#). Service Center staff continue to work with agricultural producers via phone, email and other digital tools. Because of the pandemic, some USDA Service Centers are open to limited visitors. Producers should contact their Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus. 🇺🇸

Federal Order Statistics for November 2021

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)	2,158.9	706.7	32.7%	\$21.23	\$19.54
Appalachian (FO 5)	425.8	326.8	76.8%	\$21.38	\$21.13
Florida (FO 6)	207.1	176.1	85.1%	\$23.38	\$22.93
Southeast (FO 7)	376.5	268.1	71.2%	\$21.78	\$21.22
Upper Midwest (FO 30)	1,922.7	218.9	11.4%	\$19.78	\$18.21
Central (FO 32)	1,140.9	368.1	32.3%	\$19.98	\$18.25
Mideast (FO 33)	1,669.2	564.0	33.8%	\$19.98	\$18.53
California (FO 51)	2,075.7	422.4	20.3%	\$20.08	\$18.76
Pacific Northwest (FO 124)	549.4	138.7	25.2%	\$19.88	\$18.38
Southwest (FO 126)	1,086.8	340.8	31.4%	\$20.98	\$19.06
Arizona (FO 131)	401.8	119.0	29.6%	\$20.33	\$19.15

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

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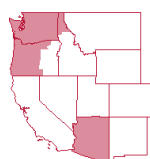
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