



Pacific Northwest and Arizona Marketing Areas

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June 2022

Data for May 2022

MARKET SUMMARIES FOR MAY

Pacific Northwest (FO 124)

Producers delivered a total of 591.3 million pounds of milk to the market during May. Daily deliveries averaged 19.1 million pounds, down 9.5 percent from April. An estimated 324 producers delivered milk to the market during the month. Daily deliveries per producer averaged 58,875 pounds, down 9.8 percent from April.

Class I producer milk during May totaled 137.8 million pounds, 23.3 percent of total producer receipts. Daily usage averaged 4.4 million pounds, up 0.2 percent from April. 📉

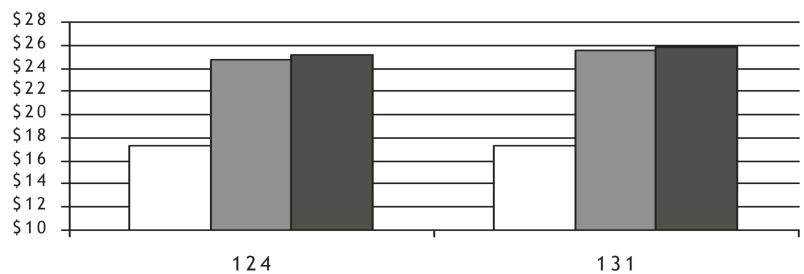
Arizona (FO 131)

Producers delivered a total of 445.2 million pounds of milk to the market during May. Daily deliveries averaged 14.4 million pounds, down 3.2 percent from April. An estimated 62 producers delivered milk to the market during the month. Daily deliveries per producer averaged 231,631 pounds, down 3.2 percent from April.

Class I producer milk during May totaled 104.3 million pounds, 23.4 percent of total producer receipts. Daily usage averaged 3.4 million pounds, down 10.5 percent from April. 📉

UNIFORM PRICE

□ May 2021 ■ April 2022 ■ May 2022



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Apr	May	Apr	May
Uniform Price (at 3.5%)	\$24.79	\$25.12	\$25.52	\$25.83
Uniform Price (at test)	\$28.68	\$28.27	\$26.26	\$26.48
PPD	\$0.37	(\$0.09)		
Butterfat	\$3.1461	\$3.1056		n/a
Protein	\$3.4239	\$3.8696		
Other Solids	\$0.5565	\$0.4857		
Uniform Skim			\$15.04	\$15.47
Uniform Butterfat		n/a	\$3.1456	\$3.1150
Butterfat	4.281%	4.101%	3.746%	3.718%
Protein	3.395%	3.311%		n/a
Other Solids	5.794%	5.790%		

HIGHLIGHTS THIS ISSUE

- ✓ Overview of Component Tests of Producer Milk at the Farm Level: 2021
- ✓ USDA Awards Money to Support Dairy Initiatives

Federal Order Price Summaries

FINAL CLASS PRICES

The May 2022 Final Class Prices were calculated using AMS commodity price surveys from May 7, 14, 21, and 28, 2022. 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 2022	\$26.28	\$26.73	\$25.71	\$24.42	\$25.31	\$3.1461	\$3.4239	\$0.5565	\$1.6470
May 2022	\$27.35	\$27.80	\$25.87	\$25.21	\$24.99	\$3.1056	\$3.8696	\$0.4857	\$1.6253
Change	\$1.07	\$1.07	\$0.16	\$0.79	(\$0.32)	(\$0.0405)	\$0.4457	(\$0.0708)	(\$0.0217)

ADVANCED CLASS I PRICE

The July 2022 Advanced Price was calculated using AMS commodity price surveys from June 11 and 18, 2022. 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 2022	\$3.0728	\$15.04	\$14.80	\$15.66	\$25.87	\$27.77	\$28.22	\$15.50	\$1.7222
Jul 2022	\$3.3543	\$13.07	\$14.72	\$14.64	\$25.87	\$27.77	\$28.22	\$15.42	\$1.7133
Change	\$0.2815	(\$1.97)	(\$0.08)	(\$1.02)	\$0.00	\$0.00	\$0.00	(\$0.08)	(\$0.0089)

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Apr	May	Change
Cheese	\$2.2910	\$2.4161	\$0.1251
Butter	\$2.7694	\$2.7360	(\$0.0334)
Nonfat Dry Milk	\$1.8314	\$1.8095	(\$0.0219)
Whey	\$0.7394	\$0.6707	(\$0.0687)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Jun	Jul	Change
Cheese	\$2.4153	\$2.3502	(\$0.0651)
Butter	\$2.7089	\$2.9414	\$0.2325
Nonfat Dry Milk	\$1.8292	\$1.8202	(\$0.0090)
Whey	\$0.6844	\$0.6182	(\$0.0662)

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a decrease in prices received for 40-pound blocks and a net decrease for 500-pound barrels. The survey of 40-pound blocks showed a decrease of 8.76 cents between the May 14 and the June 18 surveys, to \$2.3092 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net decrease of 7.57 cents to \$2.3286 per pound.

The AMS butter price showed an increase of 27.99 cents between the weeks ending May 14 and June 18 from \$2.6992 per pound to \$2.9791 per pound. The AMS nonfat dry milk showed a net decrease of 0.45 cents since mid-May to \$1.8204 per pound. The average price for AMS whey showed a decrease of 6.69 cents since mid-May to \$0.6145 per pound. 🐄

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	May 2022	Apr 2022	May 2021	Apr 2021	May 2022	Apr 2022	May 2021	Apr 2021
Producer Prices								
Producer Price Differential (\$/cwt)	(\$0.09)	\$0.37	(\$1.70)	(\$1.39)	+	+	+	+
Butterfat (\$/pound)	3.1056	3.1461	1.9851	1.9496	+	+	+	+
Protein (\$/pound)	3.8696	3.4239	3.1307	2.8136	+	+	+	+
Other Solids (\$/pound)	0.4857	0.5565	0.4645	0.4268	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	15.47	\$15.04	\$10.66	\$10.12
Uniform Butterfat Price (\$/pound)	+	+	+	+	3.1150	3.1456	1.9898	1.9030
Statistical Uniform Price (\$/cwt)*	\$25.12	\$24.79	\$17.26	\$16.28	\$25.83	\$25.52	\$17.25	\$16.43
Producer Data								
Number of Producers	324	323	343	347	62	62	59	62
Avg. Daily Production (pounds)	58,875	65,234	59,440	58,667	231,631	239,330	195,063	189,030
Producer Milk Ratios								
Class I	23.30%	21.05%	21.09%	22.57%	23.43%	25.35%	30.24%	32.34%
Class II	7.49%	5.90%	6.33%	6.22%	13.46%	12.94%	9.05%	9.62%
Class III	29.56%	48.41%	28.57%	28.21%	27.00%	26.31%	3.23%	3.26%
Class IV	39.65%	24.64%	44.01%	43.00%	36.11%	35.40%	57.48%	54.78%
Market Shrinkage								
Pounds	7,642,607	5,069,321	12,820,335	6,537,706	2,911,487	3,070,816	3,525,652	5,624,641
% of Producer Milk	1.29%	0.80%	2.03%	1.07%	0.65%	0.69%	0.99%	1.60%

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

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Apr 2022	Mar 2022	Apr 2021	Mar 2021	Apr 2022	Mar 2022	Apr 2021	Mar 2021
Number of Handlers								
Pool Handlers	18	18	18	18	9	8	9	9
<i>Distributing Plants</i>	11	11	11	11	7	6	7	7
<i>Supply Plants 1/</i>	4	4	4	4	1	1	1	1
<i>Cooperatives</i>	3	3	3	3	1	1	1	1
Producer-Handlers	4	4	5	5	0	0	0	0
Other Plants w/ Class I Use	28	31	29	31	29	31	25	25
Class I Route Disposition In Area								
By Pool Plants	123,533,191	128,560,925	118,897,364	126,342,164	76,822,885	74,454,890	72,886,684	76,051,149
By Producer-Handlers	4,429,303	4,643,591	5,951,358	6,026,466	0	0	0	0
By Other Plants	13,025,948	11,845,245	16,388,945	16,462,709	9,802,518	13,189,965	9,292,614	10,497,638
Total	140,988,442	145,049,761	141,237,667	148,831,339	86,625,403	87,644,855	82,179,298	86,548,787
Producer-Handler Data								
% Class I Use	41.42%	41.47%	48.36%	48.21%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.14%	3.20%	4.21%	4.05%	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
	2022	2022	2021	2021	2022	2022	2021	2021
Receipts of Milk								
Total Producer Milk	591,336,493	632,117,730	632,021,597	610,727,430	445,194,280	445,153,822	356,770,539	351,595,290
Receipts From Other Sources	27,810,806	12,697,033	10,524,147	8,718,096	6,437,626	7,594,763	13,265,155	10,910,030
Opening Inventory	38,888,866	38,408,552	39,822,730	30,505,787	20,987,001	28,586,376	30,765,343	33,281,535
Total To Be Accounted For	658,036,165	683,223,315	682,368,474	649,951,313	472,618,907	481,334,961	400,801,037	395,786,855
Utilization of Receipts								
Whole milk	41,949,065	42,248,162	40,674,390	39,061,487	26,190,907	27,474,076	25,605,149	25,612,309
Flavored milk & drinks	9,831,393	11,319,825	8,982,451	8,795,277	5,605,843	7,759,024	5,168,847	6,228,962
2% milk	44,017,704	44,586,631	46,291,535	44,740,496	24,849,450	27,190,760	27,823,693	27,798,343
1% milk	16,753,554	16,469,924	17,777,804	17,418,438	8,163,788	8,863,281	8,411,094	8,878,339
Skim milk	9,505,849	7,299,893	7,661,338	7,562,909	3,569,327	4,647,604	3,484,368	3,848,990
Buttermilk	1,698,809	1,608,756	1,607,741	1,318,757	541,786	888,140	533,613	519,741
Class I dispositions in area	123,756,374	123,533,191	122,995,259	118,897,364	68,921,101	76,822,885	71,026,764	72,886,684
Class I dispositions out of area	8,664,004	7,432,840	8,956,647	9,298,438	24,565,305	34,836,457	37,743,323	40,099,724
Other Class I usage	28,353,031	25,129,551	28,170,147	28,292,968	25,089,740	16,464,058	17,445,447	20,245,391
Utilization by Class								
Total Class I Use	160,773,409	156,095,582	160,122,053	156,488,770	118,576,146	128,123,400	126,215,534	133,231,799
Total Class II Use	48,492,323	41,208,530	43,077,924	43,371,006	60,927,936	59,968,318	34,668,473	36,373,069
Total Class III Use	174,851,853	310,608,269	180,569,599	172,277,781	120,590,001	118,029,419	11,519,774	11,460,160
Total Class IV Use	273,918,580	175,310,934	298,598,898	277,813,756	172,524,824	175,213,824	228,397,256	214,721,827
Total Accounted For	658,036,165	683,223,315	682,368,474	649,951,313	472,618,907	481,334,961	400,801,037	395,786,855

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	May	Apr	May	Apr	May	Apr	May	Apr
	2022	2022	2021	2021	2022	2022	2021	2021
Producer milk								
Class I	137,771,933	133,059,293	133,323,340	137,843,931	104,318,987	112,829,260	107,897,278	113,713,710
Class II	44,274,505	37,270,608	39,996,793	37,987,199	59,908,275	57,612,545	32,288,772	33,837,596
Class III	174,789,765	306,014,772	180,568,550	172,275,940	120,202,789	117,115,687	11,519,563	11,460,160
Class IV	234,500,290	155,773,057	278,132,914	262,620,360	160,764,229	157,596,330	205,064,926	192,583,824
Other receipts								
Class I	23,001,476	23,036,289	26,798,713	18,644,839	14,257,159	15,294,140	18,318,256	19,518,089
Class II	4,217,818	3,937,922	3,081,131	5,383,807	1/	1/	2,379,701	2,535,473
Class III	1/	4,593,497	1/	1/	1/	1/	1/	0
Class IV	39,480,378	19,537,877	20,467,033	15,195,237	13,167,468	20,886,999	23,332,541	22,138,003
Avg. daily producer receipts	19,075,371	21,070,591	20,387,793	20,357,581	14,361,106	14,838,461	11,508,727	11,719,843
Change From Previous Year	-6.44%	3.50%	-1.52%	-1.74%	24.78%	26.61%	-17.90%	-20.35%
Avg. daily Class I use	5,186,239	5,203,186	5,165,228	5,216,292	3,825,037	4,270,780	4,071,469	4,441,060
Change From Previous Year	0.41%	-0.25%	3.01%	0.04%	-6.05%	-3.83%	8.99%	19.20%

1/ Restricted - Included with Class IV.

Market Administrator News

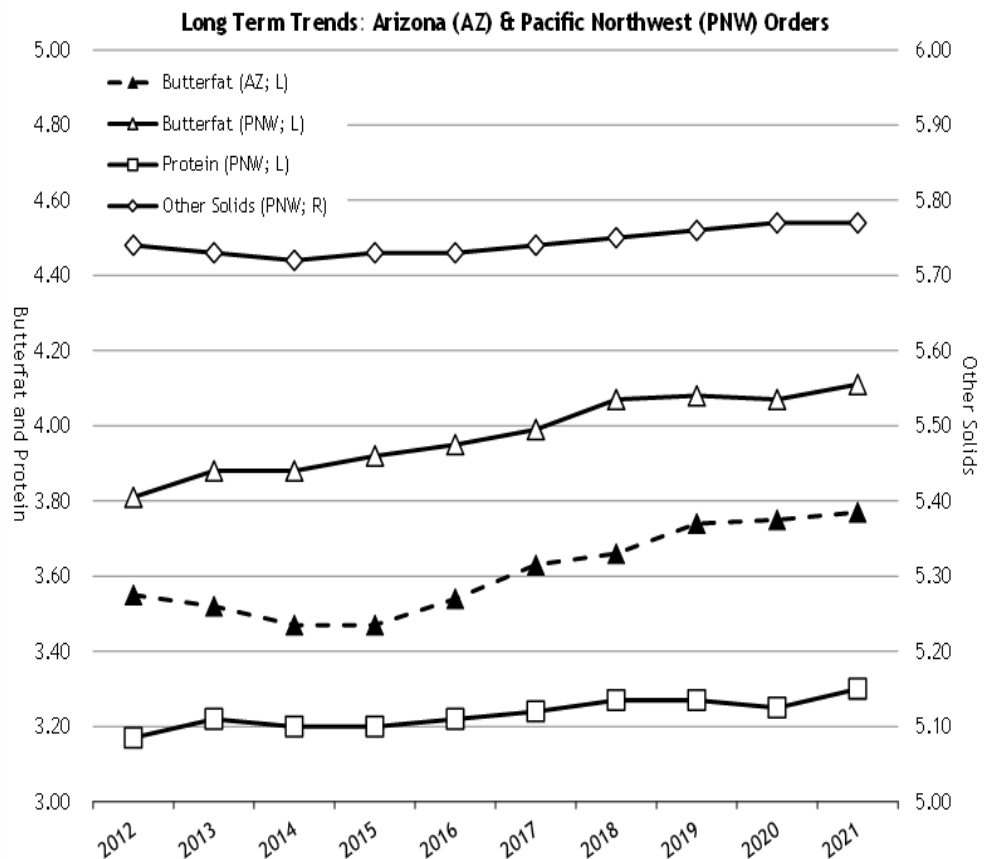
THE OVERVIEW OF COMPONENT TESTS OF PRODUCER MILK AT THE FARM LEVEL: 2021

The market administrator's office recently published an overview of component tests of producer milk pooled on the Pacific Northwest and Arizona Federal Milk Marketing Orders. The tables summarize average tests by order, month, year, region, size-range of production, and long term trends. Producer milk values are also calculated using Federal order minimum producer prices for the respective orders at 3.5% butterfat and at test. All test and value averages are weighted averages.

The farm level data included in these tables comprises all producers and producer milk pooled on the Pacific Northwest and Arizona Orders. The data was collected from producer payrolls submitted by handlers to the market administrator's office. Components available for the Pacific Northwest Order are butterfat, protein, and other solids. Other solids are lactose and minerals. The component for the Arizona Order is butterfat. In certain months, milk production that historically qualified to be pooled on an order may not have been pooled due to price relationships. This historically eligible producer milk is **not** included in this analysis. Large changes in producer numbers and producer milk typically indicate those months when milk was not pooled due to price relationships. Small differences may be evident between published pool information and the data shown in this overview due to the use of partially audited payroll data.

The graph to the right provides one aspect of the data included in the overview.

The overview can be found at <http://fmmaseattle.com/staffpapers.html> under Component Tests/Levels of Producer Milk at the Farm Level: Pacific Northwest and Arizona Federal Orders. Please contact John Mykrantz at jmykrantz@fmmaseattle.com or 425-487-5612, if you have any questions. 🐄



USDA News

USDA AWARDS \$80 MILLION, MAKES ANOTHER \$22.9 MILLION AVAILABLE TO SUPPORT DAIRY INITIATIVES

On June 20, 2022, the U.S. Department of Agriculture (USDA) announced \$80 million in awards to support processing capacity expansion, on-farm improvements, and technical assistance services to producers under the Dairy Business Innovation Initiatives (DBI). The funds are being awarded noncompetitively to the four current DBI Initiatives at the California State University Fresno, the University of Tennessee, Vermont Agency of Agriculture, Food & Markets, and the University of Wisconsin. Additionally, USDA is announcing the availability of \$22.9 million through a Request for Applications (RFA) for funding provided by FY 2022 appropriations to support these same DBI Initiatives.

The awards were made possible by supplemental funds from the American Rescue Plan (ARP) Act, and the newly-announced RFA will provide funding available through the Consolidated Appropriations Act of 2022.

Since its inception in 2019, DBI initiatives have provided valuable technical assistance and sub-grants to dairy farmers and businesses across their regions, supporting them with business plan development, marketing and branding, as well as, increasing access to innovative production and processing techniques to support the development of value-added products.

The Agriculture Marketing Service (AMS) supports U.S. food and agricultural products market opportunities, while increasing consumer access to fresh, healthy foods through applied research, technical services, and Congressionally funded grants.

To learn more about AMS's investments in enhancing and strengthening agricultural systems, visit the [AMS Grants Page](#). The press announcement can be found on the [AMS website](#). 🐮

Federal Order Statistics for May 2022

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)	2,362.2	678.0	28.7%	\$28.70	\$26.58
Appalachian (FO 5)	469.2	307.7	65.6%	\$28.85	\$27.79
Florida (FO 6)	208.0	163.4	78.5%	\$30.85	\$29.76
Southeast (FO 7)	365.1	230.3	63.1%	\$29.25	\$28.07
Upper Midwest (FO 30)	2,075.0	197.7	9.5%	\$27.25	\$25.34
Central (FO 32)	1,403.5	360.1	25.7%	\$27.45	\$25.22
Mideast (FO 33)	1,725.2	519.2	30.1%	\$27.45	\$25.59
California (FO 51)	1,788.9	402.2	22.5%	\$27.55	\$25.43
Pacific Northwest (FO 124)	591.3	137.8	23.3%	\$27.35	\$25.12
Southwest (FO 126)	1,212.5	314.9	26.0%	\$28.45	\$25.85
Arizona (FO 131)	445.2	104.3	23.4%	\$27.80	\$25.83

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

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