USDAThe Market Administrator's Report

Facilitating the Efficient Marketing of Milk and Dairy Products

Pacific Northwest and Arizona Marketing Areas

Lisa K. Wyatt, Market Administrator

Volume 48, No. 7

July 2022

Data for June 2022

MARKET SUMMARIES FOR JUNE

Pacific Northwest (FO 124)

Producers delivered a total of 627.2 million pounds of milk to the market during June. Daily deliveries averaged 20.9 million pounds, up 9.6 percent from May. An estimated 319 producers delivered milk to the market during the month. Daily deliveries per producer averaged 65,536 pounds, up 10.6 percent from May.

Class I producer milk during June totaled 128.7 million pounds, 20.5 percent of total producer receipts. Daily usage averaged 4.3 million pounds, down 3.5 percent from May.

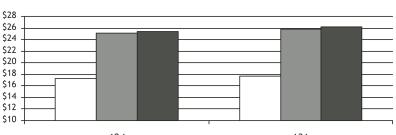
Arizona (FO 131)

Producers delivered a total of 419.0 million pounds of milk to the market during June. Daily deliveries averaged 14.0 million pounds, down 2.7 percent from May. An estimated 62 producers delivered milk to the market during the month. Daily deliveries per producer averaged 225,278 pounds, down 2.7 percent from May.

Class I producer milk during June totaled 103.5 million pounds, 24.7 percent of total producer receipts. Daily usage averaged 3.4 million pounds, up 2.5 percent from May.

UNIFORM PRICE

☐ June 2021 ☐ May 2022 ☐ June 2022



Pool Quick Stats

Producer Prices &	FO	124	FO 131		
Component Levels	May	Jun	May	Jun	
Uniform Price (at 3.5%)	\$25.12	\$25.39	\$25.83	\$26.22	
Uniform Price (at test)	\$28.27	\$28.72	\$26.48	\$26.93	
PPD	(\$0.09)	\$1.06			
Butterfat	\$3.1056	\$3.3323	n/a		
Protein	\$3.8696	\$3.4173			
Other Solids	\$0.4857	\$0.4295			
Uniform Skim	n,	/ >	\$15.47	\$15.20	
Uniform Butterfat	117	ď	\$3.1150	\$3.2993	
Butterfat	4.101%	4.150%	3.718%	3.726%	
Protein	3.311%	3.317%	2	/a	
Other Solids	5.790%	5.801%	117	a	

HIGHLIGHTS THIS ISSUE

- ✓ Continuation of Revision in Shipping Percentages
- ✓ May 2022 State and County Data

Federal Order Price Summaries

FINAL CLASS PRICES

The June 2022 Final Class Prices were calculated using AMS commodity price surveys from June 4, 11, 18, and 25, 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
May 2022	\$27.35	\$27.80	\$25.87	\$25.21	\$24.99	\$3.1056	\$3.8696	\$0.4857	\$1.6253
Jun 2022	\$27.77	\$28.22	\$26.65	\$24.33	\$25.83	\$3.3323	\$3.4173	\$0.4295	\$1.6313
Change	\$0.42	\$0.42	\$0.78	(\$0.88)	\$0.84	\$0.2267	(\$0.4523)	(\$0.0562)	\$0.0060

ADVANCED CLASS I PRICE

The August 2022 Advanced Price was calculated using AMS commodity price surveys from July 9 and 16, 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
Jul 2022	\$3.3543	\$13.07	\$14.72	\$14.64	\$25.87	\$27.77	\$28.22	\$15.42	\$1.7133
Aug 2022	\$3.3886	\$11.19	\$14.83	\$13.75	\$25.13	\$27.03	\$27.48	\$15.53	\$1.7256
Change	\$0.0343	(\$1.88)	\$0.11	(\$0.89)	(\$0.74)	(\$0.74)	(\$0.74)	\$0.11	\$0.0123

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	May	Jun	Change		Jul	Aug	Change
Cheese	\$2.4161	\$2.3498	(\$0.0663)	Cheese	\$2.3502	\$2.2234	(\$0.1268)
Butter	\$2.7360	\$2.9232	\$0.1872	Butter	\$2.9414	\$2.9697	\$0.0283
Nonfat Dry Milk	\$1.8095	\$1.8156	\$0.0061	Nonfat Dry Milk	\$1.8202	\$1.8324	\$0.0122
Whey	\$0.6707	\$0.6161	(\$0.0546)	Whey	\$0.6182	\$0.5348	(\$0.0834)

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 14.42 cents between the June 18 and the July 16 surveys, to \$2.1647 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a decrease of 10.50 cents to \$2.2236 per pound.

The AMS butter price showed a net decrease of 0.72 cents between the weeks ending June 18 and July 16 from \$2.9746 per pound to \$2.9674 per pound. The AMS nonfat dry milk showed a net increase of 0.65 cents since mid-June to \$1.8269 per pound. The average price for AMS whey showed a net decrease of 7.07 cents since mid-June to \$0.5427 per pound.

Monthly Selected Statistics

	PAC	CIFIC NO	ORTHWI	EST		ARIZONA			
PRICE & POOL DATA	Jun 2022	May 2022	Jun 2021	May 2021	Jun 2022	May 2022	Jun 2021	May 2021	
Producer Prices									
Producer Price Differential (\$/cwt)	\$1.06	(\$0.09)	\$0.11	(\$1.70)	+	+	+	+	
Butterfat (\$/pound)	3.3323	3.1056	1.9641	1.9851	+	+	+	+	
Protein (\$/pound)	3.4173	3.8696	2.5834	3.1307	+	+	+	+	
Other Solids (\$/pound)	0.4295	0.4857	0.4579	0.4645	+	+	+	+	
Uniform Skim Price (\$/cwt)	+	+	+	+	15.20	\$15.47	\$11.25	\$10.66	
Uniform Butterfat Price (\$/pound)	+	+	+	+	3.2993	3.1150	1.9711	1.9898	
Statistical Uniform Price (\$/cwt)*	\$25.39	\$25.12	\$17.32	\$17.26	\$26.22	\$25.83	\$17.76	\$17.25	
Producer Data									
Number of Producers	319	322	343	343	62	62	64	59	
Avg. Daily Production (pounds)	65,536	59,240	58,144	59,440	225,278	231,631	203,161	195,063	
Producer Milk Ratios								_	
Class I	20.52%	23.30%	20.81%	21.09%	24.69%	23.43%	27.99%	30.24%	
Class II	6.21%	7.49%	6.54%	6.33%	14.30%	13.46%	8.64%	9.05%	
Class III	50.25%	29.56%	29.34%	28.57%	29.96%	27.00%	19.76%	3.23%	
Class IV	23.02%	39.65%	43.31%	44.01%	31.05%	36.11%	43.61%	57.48%	
Market Shrinkage									
Pounds	6,234,205	7,642,607	7,983,923	12,820,335	3,345,369	2,911,487	4,106,935	3,525,652	
% of Producer Milk + Not Applicable. Preliminary data indicate	0.99% ed in <i>bold</i> .	1.29%	1.33%	2.03%	0.80%	0.65%	1.05%	0.99%	

Monthly Supplemental Statistics

	PA(CIFIC NO	DRTHWI	EST	ARIZONA			
SUPPLEMENTAL DATA	May 2022	Apr 2022	May 2021	Apr 2021	May 2022	Apr 2022	May 2021	Apr 2021
Number of Handlers								
Pool Handlers	17	18	17	18	8	9	9	9
Distributing Plants	11	11	11	11	6	7	7	7
Supply Plants 1/	3	4	3	4	1	1	1	1
Cooperatives	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	28	29	29	28	29	26	25
Class I Route Disposition In Area								
By Pool Plants	123,756,374	123,533,191	122,995,259	118,897,364	68,921,101	76,822,885	71,026,764	72,886,684
By Producer-Handlers	4,490,583	4,429,303	5,683,486	5,951,358	0	0	0	0
By Other Plants	12,922,662	13,025,948	13,991,420	16,388,945	13,106,065	9,802,518	9,173,696	9,292,614
Total	141,169,619	140,988,442	142,670,165	141,237,667	82,027,166	86,625,403	80,200,460	82,179,298
Producer-Handler Data								
% Class I Use	41.88%	41.42%	46.60%	48.36%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.18%	3.14%	3.98%	4.21%	0.00%	0.00%	0.00%	0.00%
Dualizziana, data indiantad in hald 4/ la	-1 -1d	Aire Deel Men	£4	 				

Preliminary data indicated in **bold** . 1/ Includes Cooperative Pool Manufacturing Plants.

Monthly Statistical Summary

	PA	CIFIC NO	ORTHWE	ST	ARIZONA			
RECEIPTS & UTILIZATION	Jun	May	Jun	May	Jun	May	Jun	May
	2022	2022	2021	2021	2022	2022	2021	2021
Receipts of Milk								
Total Producer Milk	627,175,196	591,336,493	598,302,932	632,021,597	419,017,145	445,194,280	390,069,953	356,770,539
Receipts From Other Sources	37,683,419	27,810,806	7,683,749	10,524,147	7,307,190	6,437,626	12,960,037	13,265,155
Opening Inventory	41,228,284	38,888,866	45,370,590	39,822,730	21,063,936	20,987,001	28,507,169	30,765,343
Total To Be Accounted For	706,086,899	658,036,165	651,357,271	682,368,474	447,388,271	472,618,907	431,537,159	400,801,037
Utilization of Receipts								
Whole milk	42,729,247	41,949,065	39,765,165	40,674,390	25,702,859	26,190,907	25,001,435	25,605,149
Flavored milk & drinks	7,681,527	9,831,393	7,092,626	8,982,451	3,026,477	5,605,843	3,526,035	5,168,847
2% milk	44,090,005	44,017,704	42,738,048	46,291,535	23,904,096	24,849,450	23,998,122	27,823,693
1% milk	14,577,212	16,753,554	15,371,886	17,777,804	6,770,486	8,163,788	6,991,256	8,411,094
Skim milk	7,327,347	9,505,849	7,520,076	7,661,338	3,175,115	3,569,327	3,328,981	3,484,368
Buttermilk	1,722,331	1,698,809	1,616,516	1,607,741	496,346	541,786	494,738	533,613
Class I dispostions in area	118,127,669	123,756,374	114,104,317	122,995,259	63,075,379	68,921,101	63,340,567	71,026,764
Class I dispositions out of area	9,527,024	8,664,004	8,880,084	8,956,647	25,472,688	24,565,305	45,105,945	37,743,323
Other Class I usage	25,340,552	28,353,031	25,559,349	28,170,147	28,188,588	25,089,740	18,059,151	17,445,447
Utilization by Class								_
Total Class I Use	152,995,245	160,773,409	148,543,750	160,122,053	116,736,655	118,576,146	126,505,663	126,215,534
Total Class II Use	46,233,384	48,492,323	44,694,333	43,077,924	61,746,022	60,927,936	35,995,812	34,668,473
Total Class III Use	321,196,953	174,851,853	176,059,687	180,569,599	126,375,539	120,590,001	77,091,796	11,519,774
Total Class IV Use	185,661,317	273,918,580	282,059,501	298,598,898	142,530,055	172,524,824	191,943,888	228,397,256
Total Accounted For	706,086,899	658,036,165	651,357,271	682,368,474	447,388,271	472,618,907	431,537,159	400,801,037

	PA	CIFIC NO	ORTHWE:	ST	ARIZONA				
CLASSIFICATION OF	Jun	May	Jun	May	Jun	May	Jun	May	
RECEIPTS	2022	2022	2021	2021	2022	2022	2021	2021	
Producer milk									
Class I	128,717,745	137,771,933	124,511,124	133,323,340	103,467,929	104,318,987	109,162,239	107,897,278	
Class II	38,948,671	44,274,505	39,141,834	39,996,793	59,931,655	59,908,275	33,712,174	32,288,772	
Class III	315,127,202	174,789,765	175,541,778	180,568,550	125,526,798	120,202,789	77,091,796	11,519,563	
Class IV	144,381,578	234,500,290	259,108,196	278,132,914	130,090,763	160,764,229	170,103,744	205,064,926	
Other receipts									
Class I	24,277,500	23,001,476	24,032,626	26,798,713	13,268,726	14,257,159	17,343,424	18,318,256	
Class II	7,284,713	4,217,818	5,552,499	3,081,131	1/	1/	1/	2,379,701	
Class III	6,069,751	1/	1/	1/	1/	1/	0	1/	
Class IV	41,279,739	39,480,378	23,469,214	20,467,033	15,102,400	13,167,468	24,123,782	23,332,541	
Avg. daily producer receipts	20,905,840	19,075,371	19,943,431	20,387,793	13,967,238	14,361,106	13,002,332	11,508,727	
Change From Previous Year	4.83%	-6.44%	-2.62%	-1.52%	7.42%	24.78%	3.79%	-17.90%	
Avg. daily Class I use	5,099,842	5,186,239	4,951,458	5,165,228	3,891,222	3,825,037	4,216,855	4,071,469	
Change From Previous Year	3.00%	0.41%	-0.62%	3.01%	-7.72%	-6.05%	12.88%	8.99%	

^{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 12month 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 uneconomic 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, 2022 - June 30, 2023.

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 and May 2021, comments were requested to continue the reduced shipping percentage through June 30, 2021 and June 30, 2022, respectively. The continuations were 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 27, 2022, 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 24, 2022.

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, 2023, 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.

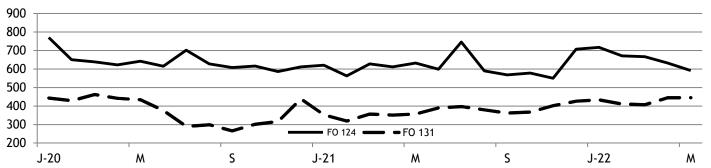


Number of Producers and Pounds of Milk: May 2022

State	County 1/	Producers	Milk	State	County 1/	Producers	Milk
ARIZON	A ORDER			PACIFIC	NORTHWEST ORDER	R (CONTINI	UED)
Arizo	na			Washi	ngton	•	,
Ma	ricopa	31	207,793,399	Ada	=	4	11,979,075
Pir	nal	18	180,210,641	Fra	nklin	13	60,484,510
Re	stricted 2/	7	42,713,240	Gra	nt	19	70,892,466
	Total Arizona	56	430,717,280	Gra	ys Harbor	6	3,398,172
Calif	ornia			Kin	g	14	11,100,548
Re	stricted 3/	6	14,477,000	Klic	kitat	3	1,658,364
Total Ar	izona Order	62	445,194,280	Lev	vis	22	9,507,393
				Pac	ific	6	1,958,707
				Ska	git	18	16,021,956
PACIFIC NORTHWEST ORDER			Sno	Snohomish		19,317,316	
Idaho	Idaho			Spo	kane	3	1,011,320
Re	stricted	4/	4/	Ste	vens	4	1,034,755
Oreg	on			Thu	ırston	6	9,860,426
Ве	nton	4	3,414,511	Whatcom		63	66,896,543
Cla	ackamas	4	1,377,709	Yak	ima	51	225,985,056
Co	os	7	5,484,113	Res	tricted 6/	8	12,595,878
Lir	nn	8	4,992,223	T	otal Washington	255	523,702,485
Ma	rion	16	20,755,938	Total Pag	ific Northwest Order	322	591,336,493
Po	lk	5	10,673,617				
Til	lamook	6	1,121,941	Total for	Both Orders	384	1,036,530,773
Wa	ashington	3	1,114,423				
Ya	mhill	5	13,553,423	1/ Restrict	ted Counties Identified in	Footnotes 2-	6.
Re	stricted 5/	9	5,146,110	2/ La Paz	, & Yuma, AZ. Bailey, Lar	nb, and Parm	er, TX.
•	Total Oregon	67	67,634,008	3/ Imperia	ıl, Riverside & San Bernar	dino, CA.	
				4/ Idaho ii	ncluded with Washington'	s restricted c	ounties.
				5/ Deschut	tes, Jackson, Jefferson, J	losephine , Kl	amath
				Lane,	& Umatilla, OR.		

Pacific Northwest (FO 124) and Arizona (FO 131) Producer Milk Pooled January 2020 - May 2022 (million pounds)

6/ Benton, Clallam, Clark, Island & Wahkiakim, WA and Latah, ID.



Number of Producers and Pounds of Milk: May 2022



Federal Order Statistics for June 2022

Federal Order Name	Producer	Class I	Class I	Class I	Uniform
(Number)	Deliveries	Receipts	Utilization	Price	Price
	- million _l	pounds -		- per cwt (at	t location) -
Northeast (FO 1)	2,244.4	618.0	27.5%	\$29.12	\$26.98
Appalachian (FO 5)	432.9	287.6	66.4%	\$29.27	\$28.52
Florida (FO 6)	187.2	151.9	81.1%	\$31.27	\$30.60
Southeast (FO 7)	348.2	216.8	62.2%	\$29.67	\$28.74
Upper Midwest (FO 30)	2,487.6	163.8	6.6%	\$27.67	\$24.63
Central (FO 32)	1,290.6	338.0	26.2%	\$27.87	\$25.37
Mideast (FO 33)	1,319.5	459.9	34.9%	\$27.87	\$25.78
California (FO 51)	1,654.6	374.3	22.6%	\$27.97	\$25.59
Pacific Northwest (FO 124)	627.2	128.7	20.5%	\$27.77	\$25.39
Southwest (FO 126)	1,091.8	292.7	26.8%	\$28.87	\$26.04
Arizona (FO 131) For links to Market A	419.0 dministrator's we	103.5 ebpages, see ww	24.7% ww.fmmaseattle.c	\$28.22 om/links.html	\$26.22

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