

Pacific Northwest and Arizona Marketing Areas

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December 2022

Data for November 2022

MARKET SUMMARIES FOR NOVEMBER

Pacific Northwest (FO 124)

Producers delivered a total of 585.2 million pounds of milk to the market during November. Daily deliveries averaged 19.5 million pounds, down 1.6 percent from October. An estimated 295 producers delivered milk to the market during the month. Daily deliveries per producer averaged 66,127 pounds, down 1.9 percent from October.

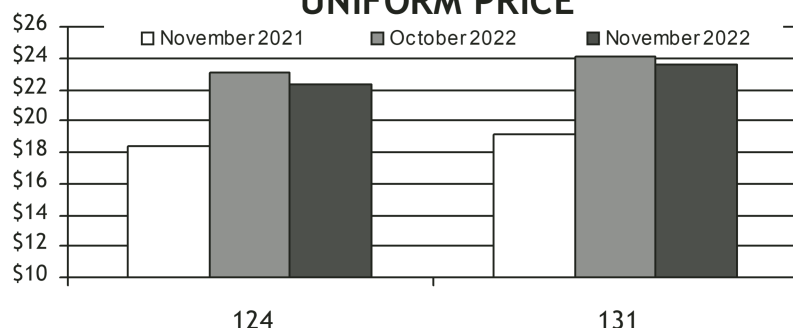
Class I producer milk during November totaled 135.8 million pounds, 23.2 percent of total producer receipts. Daily usage averaged 4.5 million pounds, up 2.6 percent from October. 📈

Arizona (FO 131)

Producers delivered a total of 417.3 million pounds of milk to the market during November. Daily deliveries averaged 13.9 million pounds, up 5.8 percent from October. An estimated 69 producers delivered milk to the market during the month. Daily deliveries per producer averaged 201,599 pounds, up 5.8 percent from October.

Class I producer milk during November totaled 119.6 million pounds, 28.7 percent of total producer receipts. Daily usage averaged 4.0 million pounds, up 7.7 percent from October. 📈

UNIFORM PRICE



Pool Quick Stats

| Producer Prices & Component Levels | FO 124 | | FO 131 | |
|------------------------------------|----------|----------|----------|----------|
| | Oct | Nov | Oct | Nov |
| Uniform Price (at 3.5%) | \$23.14 | \$22.36 | \$24.11 | \$23.60 |
| Uniform Price (at test) | \$27.47 | \$27.58 | \$25.39 | \$25.18 |
| PPD | \$1.33 | \$1.35 | | |
| Butterfat | \$3.6567 | \$3.3720 | n/a | |
| Protein | \$2.4512 | \$2.5374 | | |
| Other Solids | \$0.2952 | \$0.2837 | | |
| Uniform Skim | | | \$11.75 | \$12.03 |
| Uniform Butterfat | n/a | | \$3.6478 | \$3.4269 |
| Butterfat | 4.364% | 4.591% | 3.863% | 3.978% |
| Protein | 3.457% | 3.592% | n/a | |
| Other Solids | 5.768% | 5.773% | | |

HIGHLIGHTS THIS ISSUE

- ✓ USDA Extends 2023 Dairy Margin Coverage Signup

Federal Order Price Summaries

FINAL CLASS PRICES

The November 2022 Final Class Prices were calculated using AMS commodity price surveys from November 5, 12, 19, and 26, 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 |
|----------|--------------------|--------------------|----------|-----------|----------|------------|----------|-----------------|------------------|
| Oct 2022 | \$24.61 | \$25.06 | \$25.73 | \$21.81 | \$24.96 | \$3.6567 | \$2.4512 | \$0.2952 | \$1.4000 |
| Nov 2022 | \$25.99 | \$26.44 | \$24.67 | \$21.01 | \$23.30 | \$3.3720 | \$2.5374 | \$0.2837 | \$1.3233 |
| Change | \$1.38 | \$1.38 | (\$1.06) | (\$0.80) | (\$1.66) | (\$0.2847) | \$0.0862 | (\$0.0115) | (\$0.0767) |

ADVANCED CLASS I PRICE

The January 2023 Advanced Price was calculated using AMS commodity price surveys from December 10 and 17, 2022. 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 2022 | \$3.2946 | \$9.63 | \$11.78 | \$11.45 | \$22.58 | \$24.48 | \$24.93 | \$12.48 | \$1.3867 |
| Jan 2023 | \$3.2827 | \$9.54 | \$11.62 | \$11.32 | \$22.41 | \$24.31 | \$24.76 | \$12.32 | \$1.3689 |
| Change | (\$0.0119) | (\$0.09) | (\$0.16) | (\$0.13) | (\$0.17) | (\$0.17) | (\$0.17) | (\$0.16) | (0.0178) |

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

| | Oct | Nov | Change |
|-----------------|----------|----------|------------|
| Cheese | \$2.1560 | \$2.0897 | (\$0.0663) |
| Butter | \$3.1911 | \$2.9560 | (\$0.2351) |
| Nonfat Dry Milk | \$1.5819 | \$1.5045 | (\$0.0774) |
| Whey | \$0.4857 | \$0.4745 | (\$0.0112) |

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

| | Dec | Jan | Change |
|-----------------|----------|----------|------------|
| Cheese | \$2.0735 | \$2.0660 | (\$0.0075) |
| Butter | \$2.8921 | \$2.8822 | (\$0.0099) |
| Nonfat Dry Milk | \$1.4902 | \$1.4722 | (\$0.0180) |
| Whey | \$0.4749 | \$0.4648 | (\$0.0101) |

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and a decrease for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 10.06 cents between the November 19 and the December 17 surveys, to \$2.1620 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a decrease of 11.89 cents to \$1.9399 per pound.

The AMS butter price showed a net decrease of 6.66 cents between the weeks ending November 19 and December 17 from \$2.8990 per pound to \$2.8324 per pound. The AMS nonfat dry milk showed a net decrease of 1.84 cents since mid-November to \$1.4669 per pound. The average price for AMS whey showed a decrease of 0.53 cents since mid-November to \$0.4625 per pound. 🐄

Monthly Selected Statistics

| PRICE & POOL DATA | PACIFIC NORTHWEST | | | | ARIZONA | | | |
|--------------------------------------|-------------------|-------------|-------------|-------------|----------------|-------------|-------------|-------------|
| | Nov 2022 | Oct 2022 | Nov 2021 | Oct 2021 | Nov 2022 | Oct 2022 | Nov 2021 | Oct 2021 |
| Producer Prices | | | | | | | | |
| Producer Price Differential (\$/cwt) | \$1.35 | \$1.33 | \$0.35 | (\$0.70) | + | + | + | + |
| Butterfat (\$/pound) | 3.3720 | 3.6567 | 2.1541 | 1.9414 | + | + | + | + |
| Protein (\$/pound) | 2.5374 | 2.4512 | 2.7536 | 3.0130 | + | + | + | + |
| Other Solids (\$/pound) | 0.2837 | 0.2952 | 0.3949 | 0.3560 | + | + | + | + |
| Uniform Skim Price (\$/cwt) | + | + | + | + | 12.03 | \$11.75 | \$12.16 | \$11.61 |
| Uniform Butterfat Price (\$/pound) | + | + | + | + | 3.4269 | 3.6478 | 2.1175 | 1.9489 |
| Statistical Uniform Price (\$/cwt)* | \$22.36 | \$23.14 | \$18.38 | \$17.13 | \$23.60 | \$24.11 | \$19.15 | \$18.02 |
| Producer Data | | | | | | | | |
| Number of Producers | 295 | 294 | 333 | 334 | 69 | 69 | 65 | 63 |
| Avg. Daily Production (pounds) | 66,127 | 67,414 | 54,996 | 55,817 | 201,599 | 190,633 | 206,055 | 188,125 |
| Producer Milk Ratios | | | | | | | | |
| Class I | 23.21% | 22.26% | 25.25% | 23.24% | 28.66% | 28.14% | 29.61% | 32.22% |
| Class II | 4.33% | 4.78% | 6.16% | 6.51% | 16.14% | 16.14% | 15.18% | 16.18% |
| Class III | 49.23% | 49.18% | 31.00% | 30.04% | 30.12% | 34.39% | 28.51% | 21.74% |
| Class IV | 23.23% | 23.78% | 37.59% | 40.21% | 25.08% | 21.33% | 26.70% | 29.86% |
| Market Shrinkage | | | | | | | | |
| Pounds | 8,062,076 | 8,452,055 | 8,313,877 | 9,167,067 | 3,682,975 | 4,148,455 | 5,097,521 | 7,615,221 |
| % of Producer Milk | 1.38% | 1.38% | 1.51% | 1.59% | 0.88% | 1.02% | 1.27% | 2.07% |

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

Monthly Supplemental Statistics

| SUPPLEMENTAL DATA | PACIFIC NORTHWEST | | | | ARIZONA | | | |
|--|-------------------|-------------|-------------|-------------|------------------|-------------|-------------|-------------|
| | Oct 2022 | Sep 2022 | Oct 2021 | Sep 2021 | Oct 2022 | Sep 2022 | Oct 2021 | Sep 2021 |
| Number of Handlers | | | | | | | | |
| Pool Handlers | 19 | 19 | 17 | 17 | 9 | 8 | 9 | 9 |
| Distributing Plants | 12 | 12 | 11 | 11 | 7 | 6 | 7 | 7 |
| Supply Plants 1/ | 4 | 4 | 3 | 3 | 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 | 27 | 28 | 31 | 31 | 28 | 28 | 30 | 29 |
| Class I Route Disposition In Area | | | | | | | | |
| By Pool Plants | 126,767,021 | 123,502,923 | 127,169,744 | 123,623,345 | 76,215,764 | 67,748,242 | 70,850,890 | 69,926,944 |
| By Producer-Handlers | 4,272,881 | 4,455,600 | 5,266,055 | 5,530,824 | 0 | 0 | 0 | 0 |
| By Other Plants | 10,809,623 | 10,906,306 | 14,496,258 | 13,978,258 | 9,385,166 | 14,396,043 | 8,796,102 | 8,859,036 |
| Total | 141,849,525 | 138,864,829 | 146,932,057 | 143,132,427 | 85,600,930 | 82,144,285 | 79,646,992 | 78,785,980 |
| Producer-Handler Data | | | | | | | | |
| % Class I Use | 40.31% | 41.45% | 44.71% | 47.94% | 0.00% | 0.00% | 0.00% | 0.00% |
| % of Total In-Area Route Dispositions | 3.01% | 3.21% | 3.58% | 3.86% | 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 2022 | Oct 2022 | Nov 2021 | Oct 2021 | Nov 2022 | Oct 2022 | Nov 2021 | Oct 2021 |
| Receipts of Milk | | | | | | | | |
| Total Producer Milk | 585,223,755 | 614,413,131 | 549,410,043 | 577,931,427 | 417,309,974 | 407,763,856 | 401,806,881 | 367,408,911 |
| Receipts From Other Sources | 34,033,126 | 24,195,499 | 30,915,738 | 19,051,598 | 7,009,135 | 8,090,203 | 7,427,074 | 9,099,027 |
| Opening Inventory | 42,619,852 | 43,107,937 | 37,726,497 | 39,841,260 | 27,957,178 | 26,856,165 | 35,167,984 | 30,799,669 |
| Total To Be Accounted For | 661,876,733 | 681,716,567 | 618,052,278 | 636,824,285 | 452,276,287 | 442,710,224 | 444,401,939 | 407,307,607 |
| Utilization of Receipts | | | | | | | | |
| Whole milk | 46,026,794 | 45,728,865 | 42,764,613 | 42,110,757 | 29,015,831 | 28,311,938 | 26,308,563 | 25,734,860 |
| Flavored milk & drinks | 12,670,529 | 13,451,556 | 14,372,876 | 14,012,818 | 7,767,438 | 6,849,667 | 8,053,511 | 7,324,589 |
| 2% milk | 44,796,798 | 42,708,592 | 45,779,579 | 45,288,135 | 28,380,363 | 27,599,780 | 26,545,626 | 25,136,320 |
| 1% milk | 15,522,399 | 16,136,503 | 16,186,509 | 16,606,499 | 7,990,321 | 7,892,759 | 8,745,763 | 8,418,561 |
| Skim milk | 7,203,652 | 7,169,754 | 7,546,719 | 7,543,827 | 5,148,259 | 5,064,005 | 4,173,324 | 3,758,055 |
| Buttermilk | 1,614,424 | 1,571,751 | 1,617,036 | 1,607,708 | 519,721 | 497,615 | 581,090 | 478,505 |
| Class I dispositions in area | 127,834,596 | 126,767,021 | 128,267,332 | 127,169,744 | 78,821,933 | 76,215,764 | 74,407,877 | 70,850,890 |
| Class I dispositions out of area | 8,519,096 | 8,902,341 | 8,088,566 | 8,189,164 | 38,591,728 | 38,893,511 | 40,631,674 | 44,570,451 |
| Other Class I usage | 26,462,686 | 28,024,832 | 22,041,686 | 22,661,080 | 16,645,511 | 15,432,242 | 18,848,152 | 18,306,059 |
| Utilization by Class | | | | | | | | |
| Total Class I Use | 162,816,378 | 163,694,194 | 158,397,584 | 158,019,988 | 134,059,172 | 130,541,517 | 133,887,703 | 133,727,400 |
| Total Class II Use | 39,111,603 | 41,757,117 | 40,607,405 | 39,710,320 | 68,997,958 | 67,357,927 | 63,217,775 | 61,051,107 |
| Total Class III Use | 293,082,883 | 306,765,119 | 172,144,382 | 173,601,023 | 126,622,547 | 141,081,379 | 116,240,181 | 81,055,412 |
| Total Class IV Use | 166,865,869 | 169,500,137 | 246,902,907 | 265,492,954 | 122,596,610 | 103,729,401 | 131,056,280 | 131,473,688 |
| Total Accounted For | 661,876,733 | 681,716,567 | 618,052,278 | 636,824,285 | 452,276,287 | 442,710,224 | 444,401,939 | 407,307,607 |

| CLASSIFICATION OF RECEIPTS | PACIFIC NORTHWEST | | | | ARIZONA | | | |
|-------------------------------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Nov 2022 | Oct 2022 | Nov 2021 | Oct 2021 | Nov 2022 | Oct 2022 | Nov 2021 | Oct 2021 |
| Producer milk | | | | | | | | |
| Class I | 135,812,218 | 136,783,166 | 138,718,063 | 134,339,401 | 119,597,461 | 114,763,308 | 118,990,980 | 118,366,132 |
| Class II | 25,322,197 | 29,373,773 | 33,825,306 | 37,633,253 | 67,370,288 | 65,799,883 | 61,003,765 | 59,430,919 |
| Class III | 288,117,496 | 302,143,827 | 170,305,932 | 173,601,023 | 125,677,685 | 140,249,550 | 114,566,563 | 79,891,323 |
| Class IV | 135,971,844 | 146,112,365 | 206,560,742 | 232,357,750 | 104,664,540 | 86,951,115 | 107,245,573 | 109,720,537 |
| Other receipts | | | | | | | | |
| Class I | 27,004,160 | 26,911,028 | 19,679,521 | 23,680,587 | 14,461,711 | 15,778,209 | 14,896,723 | 15,361,268 |
| Class II | 13,789,406 | 12,383,344 | 6,782,099 | 2,077,067 | 1/ | 1/ | 1/ | 1/ |
| Class III | 4,965,387 | 4,621,292 | 1,838,450 | 0 | 1/ | 831,829 | 1,673,618 | 1/ |
| Class IV | 30,894,025 | 23,387,772 | 40,342,165 | 33,135,204 | 20,504,602 | 18,336,330 | 26,024,717 | 24,537,428 |
| Avg. daily producer receipts | 19,507,459 | 19,819,778 | 18,313,668 | 18,642,949 | 13,910,332 | 13,153,673 | 13,393,563 | 11,851,900 |
| Change From Previous Year | 6.52% | 6.31% | -6.24% | -6.13% | 3.86% | 10.98% | 27.16% | 21.64% |
| Avg. daily Class I use | 5,427,213 | 5,280,458 | 5,279,919 | 5,097,419 | 4,468,639 | 4,211,017 | 4,462,923 | 4,313,787 |
| Change From Previous Year | 2.79% | 3.59% | -0.74% | -2.43% | 0.13% | -2.38% | 11.34% | 8.94% |

1/ Restricted - Included with Class IV.

USDA News

USDA EXTENDS 2023 DAIRY MARGIN COVERAGE SIGNUP

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

The U.S. Department of Agriculture (USDA) has extended the deadline for producers to enroll in [Dairy Margin Coverage \(DMC\)](#) and [Supplemental Dairy Margin Coverage \(SDMC\)](#) for program year 2023 to January 31, 2023.

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.

“We recognize this is a busy time of year with many competing priorities, so we’ve extended the DMC enrollment deadline to ensure every producer who wants coverage for 2023 has the opportunity to enroll in the program,” said Farm Service Agency (FSA) Administrator Zach Ducheneaux. “Early projections indicate DMC payments are likely to trigger for the first eight months in 2023. We all know that markets fluctuate, sometimes at a moment’s notice and sometimes with no warning at all, so now’s the time to ensure your operation is covered. Please don’t let this second chance slide.”

Nearly 18,000 operations that enrolled in DMC for 2022 have received margin payments for August and September for a total of \$76.3 million. At \$0.15 per hundredweight for \$9.50 coverage, risk coverage through DMC is a relatively inexpensive investment.

DMC offers different levels of coverage, even an option that is free to producers, aside from a \$100 administrative fee. Limited resource, beginning, socially disadvantaged, and military veteran farmers and ranchers are exempt from paying the administrative fee, if requested. To determine the appropriate level of DMC coverage for a specific dairy operation, producers can use the online [dairy decision tool](#).

Last year, USDA introduced Supplemental DMC, which provided \$42.8 million in payments to better help small- and mid-sized dairy operations that had increased production over the years but were not able to enroll the additional production. Supplemental DMC is also available for 2023. The enrollment period for 2023 Supplemental DMC is also extended to Jan. 31, 2023.

For the full press release visit the USDA website at <https://www.fsa.usda.gov/news-room/news-releases/2022/2023-dairy-margin-coverage-deadline-extended-jan-31-2023-last-day-to-enroll>. 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. 🐮

Federal Order Statistics for November 2022

| 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) | 2,178.9 | 677.4 | 31.1% | \$27.34 | \$24.27 |
| Appalachian (FO 5) | 441.8 | 334.8 | 75.8% | \$27.49 | \$26.24 |
| Florida (FO 6) | 207.0 | 174.5 | 84.3% | \$29.49 | \$28.27 |
| Southeast (FO 7) | 307.2 | 228.4 | 74.3% | \$27.89 | \$26.65 |
| Upper Midwest (FO 30) | 2,977.3 | 170.0 | 5.7% | \$25.89 | \$21.30 |
| Central (FO 32) | 1,289.2 | 378.1 | 29.3% | \$26.09 | \$22.28 |
| Mideast (FO 33) | 1,317.7 | 527.0 | 40.0% | \$26.09 | \$22.75 |
| California (FO 51) | 1,989.1 | 410.9 | 20.7% | \$26.19 | \$22.35 |
| Pacific Northwest (FO 124) | 585.2 | 135.8 | 23.2% | \$25.99 | \$22.36 |
| Southwest (FO 126) | 1,112.1 | 328.5 | 29.5% | \$27.09 | \$22.98 |
| Arizona (FO 131) | 417.3 | 119.6 | 28.7% | \$26.44 | \$23.60 |

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

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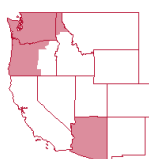
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