

## Pacific Northwest and Arizona Marketing Areas

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Data for August 2023

### MARKET SUMMARIES FOR AUGUST

#### Pacific Northwest (FO 124)

Producers delivered a total of 623.3 million pounds of milk to the market during August. Daily deliveries averaged 20.1 million pounds, up 0.4 percent from July. An estimated 271 producers delivered milk to the market during the month. Daily deliveries per producer averaged 74,195 pounds, up 0.4 percent from July.

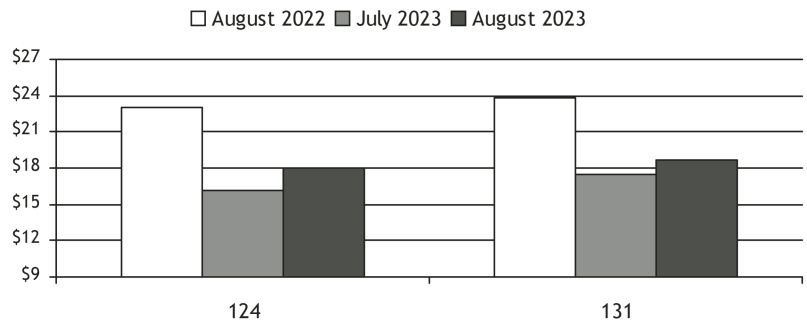
Class I producer milk during August totaled 130.8 million pounds, 21.0 percent of total producer receipts. Daily usage averaged 4.2 million pounds, up 6.5 percent from July. 📉

#### Arizona (FO 131)

Producers delivered a total of 363.7 million pounds of milk to the market during August. Daily deliveries averaged 11.7 million pounds, down 12.9 percent from July. An estimated 69 producers delivered milk to the market during the month. Daily deliveries per producer averaged 170,020 pounds, down 12.9 percent from July.

Class I producer milk during August totaled 115.9 million pounds, 31.9 percent of total producer receipts. Daily usage averaged 3.7 million pounds, up 1.3 percent from July. 📉

### UNIFORM PRICE



## Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Jul	Aug	Jul	Aug
Uniform Price (at 3.5%)	\$16.19	\$17.97	\$17.48	\$18.62
Uniform Price (at test)	\$18.26	\$20.52	\$18.38	\$19.62
PPD	\$2.42	\$0.78		
Butterfat	\$2.7986	\$3.0218		
Protein	\$1.1991	\$2.0851		
Other Solids	\$0.0689	\$0.0648		
Uniform Skim			\$7.96	\$8.50
Uniform Butterfat		n/a	\$2.7999	\$2.9769
Butterfat	4.117%	4.139%	3.829%	3.844%
Protein	3.271%	3.290%		
Other Solids	5.782%	5.773%		

### HIGHLIGHTS THIS ISSUE

- ✓ Expiration of Dairy Forward Pricing Program

# Federal Order Price Summaries

## FINAL CLASS PRICES

The August 2023 Final Class Prices were calculated using AMS commodity price surveys from August 5, 12, 19, and 26, 2023. Current and archived Final Class Price announcements are available at [www.fmmaseattle.com/classcomponent.html](http://www.fmmaseattle.com/classcomponent.html).

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Jul 2023	\$19.22	\$19.67	\$19.12	\$13.77	\$18.26	\$2.7986	\$1.1991	\$0.0689	\$0.9746
Aug 2023	\$18.52	\$18.97	\$19.91	\$17.19	\$18.91	\$3.0218	\$2.0851	\$0.0648	\$0.9599
Change	(\$0.70)	(\$0.70)	\$0.79	\$3.42	\$0.65	\$0.2232	\$0.8860	(\$0.0041)	(\$0.0147)

## ADVANCED CLASS I PRICE

The October 2023 Advanced Price was calculated using AMS commodity price surveys from September 9 and 16, 2023. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advance.html](http://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
Sep 2023	\$3.0170	\$7.15	\$8.64	\$8.64	\$18.90	\$20.80	\$21.25	\$9.34	\$1.0378
Oct 2023	\$3.0477	\$8.20	\$8.55	\$9.12	\$19.47	\$21.37	\$21.82	\$9.25	\$1.0278
Change	\$0.0307	\$1.05	(\$0.09)	\$0.48	\$0.57	\$0.57	\$0.57	(\$0.09)	(\$0.0100)

# Commodity Price Summaries

### AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Jul	Aug	Change
Cheese	\$1.4870	\$1.8349	\$0.3479
Butter	\$2.4825	\$2.6668	\$0.1843
Nonfat Dry Milk	\$1.1522	\$1.1374	(\$0.0148)
Whey	\$0.2660	\$0.2620	(\$0.0040)

### AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Sep	Oct	Change
Cheese	\$1.8617	\$1.9610	\$0.0993
Butter	\$2.6628	\$2.6882	\$0.0254
Nonfat Dry Milk	\$1.1374	\$1.1269	(\$0.0105)
Whey	\$0.2654	\$0.2914	\$0.0260

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and an increase for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 6.91 cents between the August 19 and the September 16 surveys, to \$2.0065 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed an increase of 7.45 cents to \$1.8959 per pound.

The AMS butter price showed a net increase of 2.07 cents between the weeks ending August 19 and September 16 from \$2.6862 per pound to \$2.7069 per pound. The AMS nonfat dry milk showed a net decrease of 1.77 cents since mid-August to \$1.1217 per pound. The average price for AMS whey showed a net increase of 3.03 cents since mid-August to \$0.2986 per pound. 🍷

# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Aug 2023	Jul 2023	Aug 2022	Jul 2022	Aug 2023	Jul 2023	Aug 2022	Jul 2022
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	\$0.78	\$2.42	\$2.98	\$1.96	+	+	+	+
Butterfat (\$/pound)	3.0218	2.7986	3.4001	3.3600	+	+	+	+
Protein (\$/pound)	2.0851	1.1991	2.1417	2.9116	+	+	+	+
Other Solids (\$/pound)	0.0648	0.0689	0.3146	0.3596	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	8.50	\$7.96	\$12.38	\$14.16
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.9769	2.7999	3.4038	3.3643
Statistical Uniform Price (\$/cwt)*	\$17.97	\$16.19	\$23.08	\$24.48	\$18.62	\$17.48	\$23.86	\$25.44
<b>Producer Data</b>								
Number of Producers	<b>271</b>	271	303	322	<b>69</b>	69	67	66
Avg. Daily Production (pounds)	<b>74,195</b>	73,905	65,890	65,105	<b>170,020</b>	195,087	156,257	192,928
<b>Producer Milk Ratios</b>								
Class I	20.99%	19.78%	21.71%	19.06%	31.88%	27.42%	31.20%	25.62%
Class II	6.72%	5.59%	4.87%	5.67%	11.67%	15.84%	9.69%	11.90%
Class III	53.01%	52.75%	49.85%	50.64%	33.37%	30.49%	43.37%	34.59%
Class IV	19.28%	21.88%	23.57%	24.63%	23.08%	26.25%	15.74%	27.89%
<b>Market Shrinkage</b>								
Pounds	11,293,422	10,652,705	6,203,056	11,253,827	4,373,840	3,433,643	4,393,847	2,292,631
% of Producer Milk	1.81%	1.72%	1.00%	1.73%	1.20%	0.82%	1.35%	0.58%

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

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Jul 2023	Jun 2023	Jul 2022	Jun 2022	Jul 2023	Jun 2023	Jul 2022	Jun 2022
<b>Number of Handlers</b>								
Pool Handlers	19	18	18	18	9	9	8	8
<i>Distributing Plants</i>	12	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	3	3	1	1	1	1
Producer-Handlers	4	4	4	4	0	0	0	0
Other Plants w/ Class I Use	<b>28</b>	30	31	29	<b>30</b>	28	29	28
<b>Class I Route Disposition In Area</b>								
By Pool Plants	110,819,040	111,900,236	110,196,220	118,127,669	75,301,213	69,485,520	63,435,355	63,075,379
By Producer-Handlers	5,014,573	5,053,848	4,319,744	4,408,464	0	0	0	0
By Other Plants	<b>9,591,585</b>	10,733,655	12,986,414	12,497,777	<b>9,022,084</b>	9,743,228	13,795,429	14,923,196
Total	125,425,198	127,687,739	127,502,378	135,033,910	84,323,297	79,228,748	77,230,784	77,998,575
<b>Producer-Handler Data</b>								
% Class I Use	44.56%	44.01%	40.72%	41.34%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.00%	3.96%	3.39%	3.26%	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			
	Aug 2023	Jul 2023	Aug 2022	Jul 2022	Aug 2023	Jul 2023	Aug 2022	Jul 2022
<b>Receipts of Milk</b>								
Total Producer Milk	623,309,425	620,871,948	618,904,113	649,880,421	363,673,142	417,290,447	324,544,968	394,730,465
Receipts From Other Sources	47,711,238	54,942,817	37,264,621	28,437,142	8,536,874	5,472,665	8,090,886	8,008,847
Opening Inventory	45,848,253	39,461,553	39,468,369	38,967,390	19,524,511	24,777,822	20,552,410	18,724,910
<b>Total To Be Accounted For</b>	<b>716,868,916</b>	<b>715,276,318</b>	<b>695,637,103</b>	<b>717,284,953</b>	<b>391,734,527</b>	<b>447,540,934</b>	<b>353,188,264</b>	<b>421,464,222</b>
<b>Utilization of Receipts</b>								
Whole milk	47,550,426	44,858,346	44,131,720	41,010,645	27,304,562	29,571,793	27,834,704	25,696,082
Flavored milk & drinks	6,164,526	4,740,649	7,193,081	5,601,702	5,868,070	5,463,028	5,845,729	2,880,110
2% milk	43,454,948	40,428,991	44,314,944	41,793,462	24,422,819	27,253,250	25,527,986	24,569,532
1% milk	13,890,228	12,988,040	14,726,867	13,406,582	7,819,879	6,339,213	8,495,414	6,639,991
Skim milk	6,424,649	6,126,081	7,341,473	6,805,777	3,340,829	6,203,915	3,666,599	3,197,095
Buttermilk	1,754,663	1,676,933	1,685,776	1,578,052	535,506	470,014	519,045	452,545
Class I dispositions in area	119,239,440	110,819,040	119,393,861	110,196,220	69,291,665	75,301,213	71,889,477	63,435,355
Class I dispositions out of area	15,669,036	15,092,712	9,333,129	8,242,172	26,677,389	37,391,612	25,767,832	25,304,739
Other Class I usage	28,247,107	28,657,653	26,863,681	28,951,870	31,863,768	14,746,815	16,172,371	25,517,197
<b>Utilization by Class</b>								
Total Class I Use	163,155,583	154,569,405	155,590,671	147,390,262	127,832,822	127,439,640	113,829,680	114,257,291
Total Class II Use	69,408,588	57,177,266	46,651,143	43,627,762	43,653,565	67,148,724	33,044,051	48,016,865
Total Class III Use	336,353,278	330,695,676	313,604,882	334,899,817	123,408,932	127,226,498	143,583,512	137,422,464
Total Class IV Use	147,951,467	172,833,971	179,790,407	191,367,112	96,839,208	125,726,072	62,731,021	121,767,602
<b>Total Accounted For</b>	<b>716,868,916</b>	<b>715,276,318</b>	<b>695,637,103</b>	<b>717,284,953</b>	<b>391,734,527</b>	<b>447,540,934</b>	<b>353,188,264</b>	<b>421,464,222</b>

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Aug 2023	Jul 2023	Aug 2022	Jul 2022	Aug 2023	Jul 2023	Aug 2022	Jul 2022
<b>Producer milk</b>								
Class I	130,807,807	122,787,152	134,348,012	123,891,662	115,926,725	114,441,675	101,271,691	101,131,171
Class II	41,895,324	34,735,468	30,137,824	36,828,133	42,442,572	66,108,363	31,438,185	46,970,742
Class III	330,430,353	327,505,686	308,552,893	329,127,247	121,358,480	127,226,498	140,747,283	136,556,741
Class IV	120,175,941	135,843,642	145,865,384	160,033,379	83,945,365	109,513,911	51,087,809	110,071,811
<b>Other receipts</b>								
Class I	32,347,776	31,782,253	21,242,659	23,498,600	11,906,097	12,997,965	12,557,989	13,126,120
Class II	27,513,264	22,441,798	16,513,319	6,799,629	1/	1/	1/	1/
Class III	5,922,925	3,189,990	5,051,989	5,772,570	1/	1/	2,836,229	865,723
Class IV	27,775,526	36,990,329	33,925,023	31,333,733	16,155,288	17,252,522	13,249,078	12,741,914
<b>Avg. daily producer receipts</b>	20,106,756	20,028,127	19,964,649	20,963,885	11,731,392	13,460,982	10,469,193	12,733,241
Change From Previous Year	0.71%	-4.46%	5.02%	-12.81%	12.06%	5.72%	-14.43%	-0.59%
<b>Avg. daily Class I use</b>	5,263,083	4,986,110	5,019,054	4,754,525	4,123,639	4,110,956	3,671,925	3,685,719
Change From Previous Year	4.86%	4.87%	-0.82%	-2.75%	12.30%	11.54%	-17.80%	-11.69%

1/ Restricted - Included with Class IV.

# Market Administrator News

## Expiration of Dairy Forward Pricing Program

On October 3, 2023, the Market Administrator sent out a letter to handlers and cooperatives in the Federal 124 and 131 Orders announcing the expiration of the Dairy Forward Pricing Program.

The letter states: Many programs and policies of the U.S. Department of Agriculture (USDA) were authorized under the Agriculture Act of 2018 (2018 Farm Bill) through September 30, 2023. Beginning October 1, 2023, the authority or funding provided under the 2018 Farm Bill for USDA to operate a number of these programs expired, including the Dairy Forward Pricing Program. As of October 1, 2023, Congress has not passed legislation extending the authority for USDA to carry out this program, and USDA cannot make new commitments to the program.

Therefore, proprietary handlers establishing new forward contracts on or after October 1, 2023, will not be exempt from paying minimum Federal order prices. Contracts established on or before September 30, 2023, that extend through September 30, 2026, are not impacted. If you have any questions concerning this notice, please contact Alyce Owen at 425-487-5614 or via e-mail at: [AOWen@fmmaseattle.com](mailto:AOWen@fmmaseattle.com).

To view the letter, please visit the Market Administrator's [website](#). 📄

# Federal Order Statistics for August 2023

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)	2,310.5	651.0	28.2%	\$19.87	\$19.43
Appalachian (FO 5)	444.8	327.2	73.6%	\$20.02	\$20.13
Florida (FO 6)	213.3	174.0	81.6%	\$22.02	\$21.84
Southeast (FO 7)	271.5	234.0	86.2%	\$20.42	\$20.67
Upper Midwest (FO 30)	2,796.8	159.7	5.7%	\$18.42	\$17.35
Central (FO 32)	1,213.6	359.6	29.6%	\$18.62	\$17.87
Mideast (FO 33)	1,394.5	533.9	38.3%	\$18.62	\$18.07
California (FO 51)	2,100.6	402.3	19.2%	\$18.72	\$17.96
<b>Pacific Northwest (FO 124)</b>	<b>623.3</b>	<b>130.8</b>	<b>21.0%</b>	<b>\$18.52</b>	<b>\$17.97</b>
Southwest (FO 126)	1,123.7	329.0	29.3%	\$19.62	\$18.52
<b>Arizona (FO 131)</b>	<b>363.7</b>	<b>115.9</b>	<b>31.9%</b>	<b>\$18.97</b>	<b>\$18.62</b>

For links to Market Administrator's webpages, see [www.fmmaseattle.com/links.html](http://www.fmmaseattle.com/links.html).

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