

The Market Administrator's Report

Pacific Northwest Marketing Area

Peter Fredericks, Market Administrator

August 2026

Federal Order No. 124

Data for July 2026

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JULY POOL PRICE CALCULATION

The July 2026 Statistical Uniform Price (SUP) for the Pacific Northwest Marketing Area was \$18.26 per cwt for milk delivered to plants a differential value of \$2.70 per cwt in King County, Washington, the pricing point for the Pacific Northwest Federal Marketing Order. The SUP is announced at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids. When calculated at the average tests of pooled milk, the July SUP was \$20.24 per cwt. The Producer Price Differential (PPD), calculated as difference between the SUP and Class III price, was \$2.74 per cwt in July. The SUP was \$0.23 lower than the previous month (-1.2%), and \$0.65 lower than the same month last year (-3.4%). The July PPD was \$0.23 higher than the previous month.

SELECTED COMPONENT STATISTICS

The butterfat price in July decreased 41.4 percent from the previous year to \$1.6668 per pound. The protein price increased 23.9 percent from June 2025 to \$2.3202 per pound. The other solids price increased 28.4 percent from the previous year. The nonfat solids price in July experienced a 16.9 percent month over decline and 35.5 year over increase.

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed an increase in prices received for 40-pound blocks of 14.86 cents between the July 18 and August 15 surveys, to \$1.6350 per pound. The AMS butter price showed a net decrease of 14.13 cents between the weeks ending July 18 and August 15 from \$1.6262 per pound to \$1.4849 per pound. The AMS nonfat dry milk showed a net decrease of 6.36 cents since mid-July to \$1.5800 per pound. The average price for AMS whey showed a net increase of 1.12 cents since mid-July to \$0.6642 per pound. 🐄

CLASSIFICATION OF PRODUCER MILK IN JULY

Class	Percent	Pounds
Class I	18.04	73,620,728
Class II	4.87	19,881,793
Class III	74.99	306,028,895
Class IV	2.10	8,566,150
Total Producer Milk		408,097,566

PRODUCER PRICES IN JULY

Price	2026	2025	2024
Uniform Price (at 3.5%)	\$18.26	\$18.91	\$20.87
Uniform Price (at test)	\$20.24	\$21.72	\$23.95
PPD	\$2.74	\$1.59	\$1.08
Butterfat	\$1.6668	\$2.8435	\$3.5720
Protein	\$2.3202	\$1.8730	\$1.9466
Other Solids	\$0.3970	\$0.3092	\$0.2571

CLASS PRICES IN JULY

Price	2026	2025	2024
Class I	\$24.03	\$21.52	\$23.01
Class I ESL Adj	(\$1.46)	\$1.14	N/A
Class II	\$21.89	\$19.31	\$21.82
Class III	\$15.52	\$17.32	\$19.79
Class IV	\$18.34	\$18.89	\$21.31

POOL SUMMARY FOR JULY

- ◇ An estimated 147 producers were pooled with an average daily delivery of 89,554 pounds, up 3.9 percent from June.
- ◇ Pooled milk receipts totaled 408.1 million pounds, up 7.4 percent from June.
- ◇ Class I usage accounted for 18.0 percent of total pooled milk receipts.
- ◇ Class I daily usage averaged 2.4 million pounds, up 15.6 percent from June. 🐄

Monthly Component Test Trends

June's bulletin explored yearly pooled butterfat test trends in the Pacific Northwest Order (FO 124) from 2015 through 2025. This month's bulletin highlights monthly test trends for butterfat, protein, and other solids for years 2021 through 2025 using FO 124 audited payroll data. Looking at shifts in monthly component tests reveal regional seasonality patterns which directly affect the underlying market dynamics.

These charts give a good idea of how seasonality may influence component levels but may not be totally indicative of the milkshed for any month analyzed. Pooling and depooling decisions by handlers can influence component levels by including or excluding milk from the pool that may have higher or lower composition. Since this analysis relies on audited pooled data, milk that is depooled is omitted from the dataset which may not fully reflect the actual farm production trends.

Figure 1 displays monthly butterfat tests in FO 124 for years 2021 through 2025. The chart displays a U-shaped seasonal pattern, with average tests beginning at relatively high levels in January before receding through the remainder of the winter months, spring months and bottoming out in the summer. Average tests then rebound in the fall months when they steadily climb to their annual peaks experienced in either November or December for all five years. The lines displayed in the chart reveal two distinct trends occurring simultaneously in FO 124. The first is predictable seasonal butterfat patterns, while the second is an upward shift in the baseline of butterfat composition levels. The annual weighted average test was 4.11 percent in 2021, and then subsequently increased to 4.30, 4.32, 4.39, and 4.45 percent in 2025. This rise is pronounced enough that every month in 2025 was comfortably higher than the annual weighted average calculated for 2021.

Figure 2 tracks monthly protein tests in FO 124 during the same years. The chart follows a similar U-shaped seasonal pattern noted in Figure 1. However, nuances exist which demonstrate that the relationship between butterfat and protein is not perfectly linear and may experience slightly different seasonality patterns. This is apparent when comparing the timing of seasonal lows and highs between the two components. Butterfat tests reached their absolute annual lows in June for 2021 and 2025, while the protein tests only bottomed out in July or August for the selected years, reaching lows for 2021 and 2025 in August and July, respectively. Vice versa, the yearly high butterfat tests show a tendency to occur later than the yearly protein highs. In years 2022 through 2024 the butterfat tests reached highs in the month of December, while the highs for protein were realized in November during those same years. The weighted average butterfat tests experienced an increase of 0.34 percentage points during this timeframe and the weighted protein tests increased 0.14 percentage points, representing a 4.1 percent growth rate differential between the two components.

Figure 3 shows other solids tests for the year 2025 compared to the weighted average for the selected years. Other solids tests show much less variation in seasonality as well as overall growth, with tests ranging from 5.74 percent experienced in September 2021, to 5.81 percent experienced in January 2025. The weighted average test in 2021 was 5.77 percent, and then 5.78 percent for each of the subsequent years.

Figure 1: FO 124 Monthly Butterfat Tests, 2021-2025

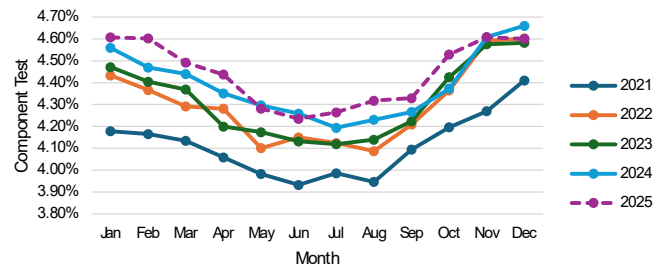


Figure 2: FO 124 Monthly Protein Tests, 2021-2025

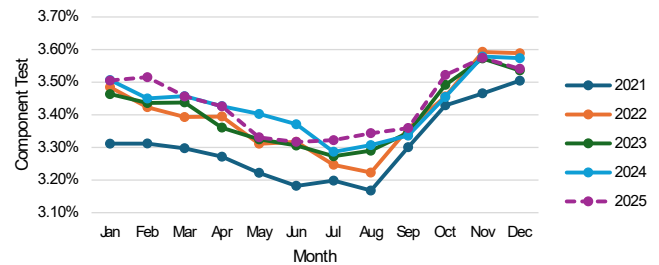
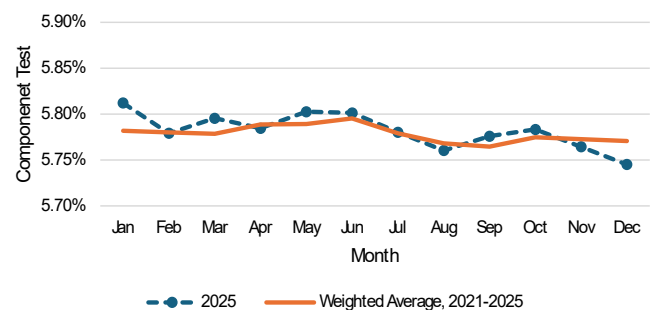


Figure 3: FO 124 Monthly Other Solids Tests, 2025, Weighted Average, 2021-2025



COMPUTATION OF PRODUCER PRICE DIFFERENTIAL AND STATISTICAL UNIFORM PRICE*

		<u>Product Pounds</u>	<u>Price cwt/lb.</u>	<u>Component Value</u>	<u>Total Value</u>
Class I	Skim Milk	71,565,945	\$15.91	\$11,386,141.84	
	Butterfat	2,054,783	1.7075	3,508,541.97	
	Class I Differential at Location			1,933,708.21	\$16,828,392.02
Class II	Butterfat	2,116,877	1.6738	3,543,228.72	
	Nonfat Solids	1,679,993	1.7860	3,000,467.51	6,543,696.23
Class III	Butterfat	12,988,246	1.6668	21,648,808.44	
	Protein	10,594,948	2.3202	24,582,398.34	
	Other Solids	17,653,167	0.3970	7,008,307.29	53,239,514.07
Class IV	Butterfat	633,898	1.6668	1,056,581.19	
	Nonfat Solids	757,970	1.3940	1,056,610.18	2,113,191.37
Total Classified Value					\$78,724,793.69
Add: Value for \$1124.60 (f) through 60(j)				<i>Total value of milk in the pool</i>	2,222,157.64
Total Pool Value					\$80,946,951.33
	Less: Value of Producer Butterfat	17,793,804	1.6668	(29,658,712.51)	
	Value of Producer Protein	13,972,821	2.3202	(32,419,739.29)	
	Value of Producer Other Solids	23,490,329	0.3970	(9,325,660.60)	(71,404,112.40)
Total PPD Value Before Adjustments					\$9,542,838.93
Add: Location Adjustmets to Producers					1,645,989.38
One-half Unobligated Balance - Producer Settlement Fund					170,575.56
Less: Producer Settlement Fund - Reserve					(177,530.56)
Total Pool Milk & PPD Value		408,097,566			\$11,181,873.31
Producer Price Differential at King County			\$2.74		
Statistical Uniform Price at King County			\$18.26		

* Price at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids.

YEAR TO DATE POOL DATA

PRICE & POOL DATA	Number of Producers	Avg. Daily Production (pounds)	Avg. daily producer receipts (millions)	Total Producer Milk (millions)	Class I	Class II	Class III	Class IV
August 2025	217	82,531	17.9	555.2	20.79%	6.08%	52.41%	20.72%
September	215	74,464	16.0	480.3	26.73%	6.43%	29.08%	37.76%
October	223	75,563	16.9	522.4	26.93%	7.24%	23.09%	42.74%
November	224	75,054	16.8	504.4	24.80%	7.66%	22.62%	44.92%
December	219	76,153	16.7	517.0	25.16%	6.66%	23.62%	44.56%
January 2026	222	75,993	16.9	523.0	25.66%	6.27%	24.45%	43.62%
February	107	73,070	7.8	218.9	34.25%	8.45%	54.15%	3.15%
March	163	77,289	12.6	390.5	18.49%	5.73%	73.25%	2.53%
April	158	80,888	12.8	383.4	18.48%	5.17%	75.14%	1.21%
May	149	86,301	12.9	398.6	16.20%	5.02%	78.06%	0.72%
June	147	86,205	12.7	380.2	16.22%	4.51%	78.79%	0.48%
July	147	89,554	13.2	408.1	18.04%	4.87%	74.99%	2.10%
ROUTES & PLANT DATA	Class I Route Disposition In Area (millions)			Pool Handlers			Producer- Handlers Other Plants w/ Class I Use	
	Pool Plants	Producer- Handlers	Other Plants	Distributing Plants	Supply Plants	Cooperatives		
January 2026	121.9	4.3	10.8	13	3	3	3	26
February	103.5	3.8	11.8	12	1	3	3	28
March	117.9	4.1	12.0	13	3	3	3	29
April	111.4	4.0	11.0	12	3	3	3	29
May	113.2	3.9	12.1	12	3	3	3	30
June	106.5	4.3	13.7	12	3	3	3	31

Preliminary data indicated in **bold**.



MARKET ADMINISTRATOR
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RETURN SERVICE REQUESTED

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FEDERAL ORDER STATISTICS FOR JULY 2026

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price	PPD
	- million pounds -			- per cwt (at location) -		
Northeast (FO 1)	2,380.4	623.0	26.2%	\$26.43	\$21.16	\$5.64
Appalachian (FO 5)	393.1	287.6	73.2%	\$26.93	\$25.40	+
Florida (FO 6)	186.6	153.7	82.4%	\$28.13	\$26.79	+
Southeast (FO 7)	292.7	214.6	73.3%	\$27.13	\$25.50	+
Upper Midwest (FO 30)	2,712.9	157.5	5.8%	\$24.53	\$16.40	\$0.88
Central (FO 32)	1,296.8	320.6	24.7%	\$24.53	\$18.75	\$3.23
Mideast (FO 33)	1,636.0	532.1	32.5%	\$25.13	\$19.63	\$4.11
California (FO 51)	1,947.4	370.3	19.0%	\$24.13	\$17.92	\$2.40
Pacific Northwest (FO 124)	408.1	73.6	18.0%	\$24.03	\$18.26	\$2.74
Southwest (FO 126)	1,168.7	294.6	25.2%	\$25.03	\$18.85	\$3.33
Arizona (FO 131)	374.8	100.2	26.7%	\$23.93	\$19.50	+
+ Not Applicable.						

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