

The Market Administrator's Report

Pacific Northwest Marketing Area

Peter Fredericks, Market Administrator

October 2026

Federal Order No. 124

Data for September 2026

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SEPTEMBER POOL PRICE CALCULATION

The September 2026 Statistical Uniform Price (SUP) for the Pacific Northwest Marketing Area was $17.23 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 September SUP was $19.56 per cwt. The Producer Price Differential (PPD), calculated as difference between the SUP and Class III price, was $1.19 per cwt in September. The SUP was $0.73 lower than the previous month (-4.1%), and $0.49 lower than the same month last year (-2.8%). The September PPD was $0.13 lower than the previous month.

SELECTED COMPONENT STATISTICS

The butterfat price in September decreased 32.7 percent from the previous month. The protein price decreased 5.9 percent from the previous month. The other solids price increased 29.3 percent from September 2025. The nonfat solids price increased 14.0 percent from the previous month and 57.0 percent from the previous year.

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a decrease in prices received for 40-pound blocks of 15.79 cents between the September 19 and October 17 surveys, to $1.3856 per pound. The AMS butter price showed a net decrease of 8.65 cents between the weeks ending September 19 and October 17 from $1.4412 per pound to $1.3547 per pound. The AMS nonfat dry milk showed an increase of 19.93 cents since mid-September to $1.9959 per pound. The average price for AMS whey showed an increase of 5.33 cents since mid-September to $0.7260 per pound.

CLASSIFICATION OF PRODUCER MILK IN SEPTEMBER

Class	Percent	Pounds
Class I	19.21	78,588,669
Class II	5.57	22,788,137
Class III	73.68	301,381,813
Class IV	1.54	6,278,688
Total Producer Milk		409,037,307

PRODUCER PRICES IN SEPTEMBER

Price	2026	2025	2024
Uniform Price (at 3.5%)	$17.23	$17.72	$22.59
Uniform Price (at test)	$19.56	$20.57	$26.39
PPD	$1.19	$0.13	($0.75)
Butterfat	$1.4762	$2.1925	$3.6114
Protein	$2.6619	$2.7062	$2.9249
Other Solids	$0.4147	$0.3207	$0.3430

CLASS PRICES IN SEPTEMBER

Price	2026	2025	2024
Class I	$19.74	$21.40	$23.50
Class I ESL Adj	$0.81	$0.53	N/A
Class II	$17.60	$17.39	$22.40
Class III	$16.04	$17.59	$23.34
Class IV	$18.94	$16.17	$22.29

POOL SUMMARY FOR SEPTEMBER

- An estimated 153 producers were pooled with an average daily delivery of 89,115 pounds, up 11.2 percent from August.
- Pooled milk receipts totaled 409.0 million pounds, down 38.3 percent from August.
- Class I usage accounted for 19.2 percent of total pooled milk receipts.
- Class I daily usage averaged 2.6 million pounds, down 28.7 percent from August.

Class Receipt Volumes and Shares for Selected Orders

This month's bulletin observes January through September 2026 Class receipt trends in FO 124, as well as the Upper Midwest (FO 30), Central (FO 32), California (FO 51), Southwest (FO 126), and Arizona (FO 131) Orders. Looking at these markets highlights regional trends in producer milk under current market conditions. Class receipt volumes indicate how producer milk is allocated within the Federal Milk Marketing Order system, but they do not represent total milk production. Additionally, each Order has different pooling patterns due to price relationships with different implications from order-specific provisions, and unique pool volumes and plants.

Figures 1 through 4 display 2026 year-to-date receipt volumes and class shares for each Order. FO 124 pooled 3.8 billion pounds of producer milk, near FO 131's 3.2 billion pounds. FO 30 led with 21.1 billion pounds, followed by FO 51 at 17.2 billion pounds, while Orders 32 and 126 had roughly 11 billion pounds each. On a percentage basis, FO 124 and FO 51 exhibit similar ratios across the four classes. Class III holds the highest shares for both markets, accounting for 62.5 percent of receipts in FO 124, and 61.6 percent in FO 51. FO 32 also demonstrates similar percentages, although Class III in the Order is a bit lower at 50.8 percent. FO 126 tracks similar shares to FO 124 in Class II and Class III but maintains a higher portion of receipts in Class I at 26.0 percent, and a lower portion in Class IV at 5.1 percent. In FO 131, receipts are more evenly balanced compared to the selected orders as volumes in all four classes fall within 20 to 30 percent of the total. Conversely, FO 30 is a Class III dominant market at 89.1 percent of its receipts.

Class Receipt Trends in 2025 and 2026

Figure 5 compares 2025 and 2026 Class receipt volumes in FO 124 for January through September. 2025 demonstrates higher volumes in Classes I, II, and IV over the same period. Class IV dropped the most, falling 1.1 billion pounds, followed by Class I at 320.9 million pounds, and then Class II at 99.8 million pounds. However, Class III volumes are up 99.0 million pounds from 2025 levels. The trends represent milk pooled on the Order and should not be interpreted solely as physical shifts in milk production or processing.

Important Updates

Expiration of Dairy Forward Pricing Program

On October 2, 2026, handlers and interested parties were notified of the expiration of the Dairy Forward Pricing Program for contracts established after September 30, 2026. Contracts established on or before September 30, 2026, that extend through September 30, 2029, are not impacted. More information can be found at https://fmmaseattle.com/news.html.

2027 Dairy Margin Coverage Enrollment

On September 30, 2026, USDA announced that dairy producers can enroll for 2027 Dairy Margin Coverage (DMC) beginning October 5 through December 18, 2026. More information regarding the program can be found at https://www.fsa.usda.gov/news-events/news/09-30-2026/usda-announces-2027-dairy-margin-coverage-enrollment.

2027 Reporting and Payment Dates

Reporting and payment dates for the 2027 calendar year are now available on the Market Administrator's website at https://fmmaseattle.com/reportingandpaymentdates.html.

Figure 1: 2026 to Date Class I Receipt Volumes and Percentages by Selected Orders

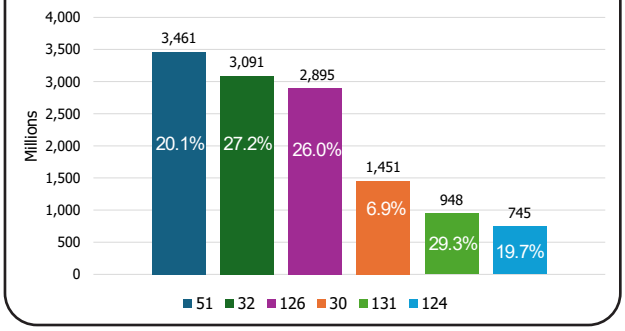


Figure 2: 2026 to Date Class II Receipt Volumes and Percentages by Selected Orders

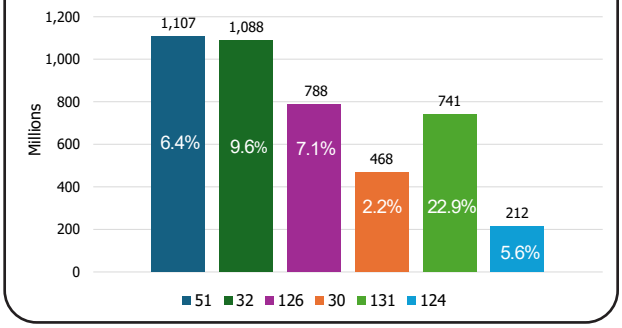


Figure 3: 2026 to Date Class III Receipt Volumes and Percentages by Selected Orders

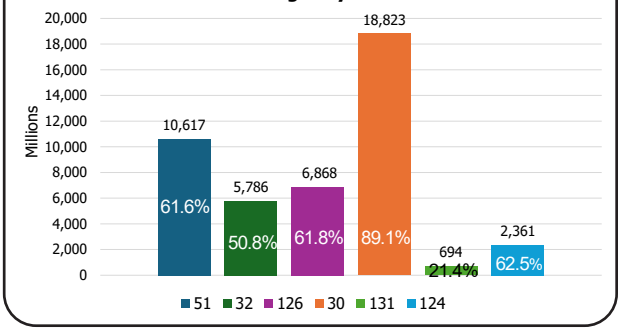


Figure 4: 2026 to Date Class IV Receipt Volumes and Percentages by Selected Orders

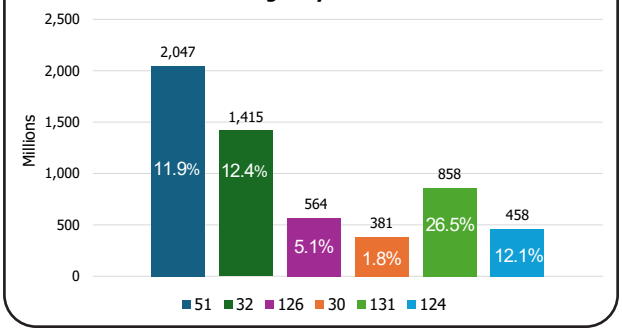
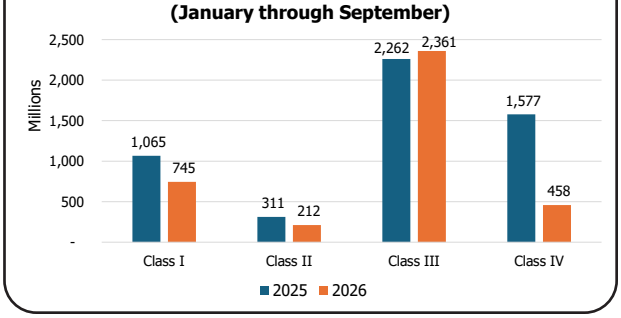


Figure 5: FO 124 Class Receipts, 2025 and 2026 (January through September)



COMPUTATION OF PRODUCER PRICE DIFFERENTIAL AND STATISTICAL UNIFORM PRICE*

		Product Pounds	Price cwt/lb.	Component Value	Total Value
Class I	Skim Milk	76,214,609	$12.16	$9,267,696.46	
	Butterfat	2,374,060	1.5164	3,600,024.58	
	Class I Differential at Location			2,057,012.73	$14,924,733.77
Class II	Butterfat	2,311,896	1.4832	3,429,004.15	
	Nonfat Solids	1,965,454	1.3828	2,717,829.79	6,146,833.94
Class III	Butterfat	13,100,817	1.4762	19,339,426.05	
	Protein	10,758,977	2.6619	28,639,320.89	
	Other Solids	17,373,573	0.4147	7,204,820.71	55,183,567.64
Class IV	Butterfat	490,163	1.4762	723,578.61	
	Nonfat Solids	556,198	1.5343	853,374.59	1,576,953.20
Total Classified Value					**$77,832,088.56**
Add: Value for §1124.60 (f) through 60(j)				*Total value of milk in the pool*	494,395.14
Total Pool Value					**$78,326,483.70**
Less: Value of Producer Butterfat		18,276,936	1.4762	(26,980,412.93)	
	Value of Producer Protein	14,424,966	2.6619	(38,397,817.01)	
	Value of Producer Other Solids	23,548,211	0.4147	(9,765,443.10)	(75,143,673.04)
				Total Class III value of producer components	
Total PPD Value Before Adjustments					**$3,182,810.66**
Add: Location Adjustments to Producers					1,636,220.36
	One-half Unobligated Balance - Producer Settlement Fund				228,969.72
Less: Producer Settlement Fund - Reserve					(180,456.79)
Total Pool Milk & PPD Value		409,037,307			**$4,867,543.95**
	Producer Price Differential at King County		**$1.19**		
	Statistical Uniform Price at King County		**$17.23**		

Value from which PPD per hundredweight is calculated

* 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
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	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	153	86,042	13.2	408.1	18.04%	4.87%	74.99%	2.10%
August	267	80,112	21.4	663.1	17.18%	5.77%	48.58%	28.47%
September	***153***	***89,115***	13.6	409.0	19.21%	5.57%	73.68%	1.54%

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		
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
July	110.1	4.3	13.6	12	3	3	3	31
August	109.3	3.8	13.6	12	5	3	3	32

Preliminary data indicated in ***bold***.

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RETURN SERVICE REQUESTED

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FEDERAL ORDER STATISTICS FOR SEPTEMBER 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)	2,340.0	666.9	28.5%	$22.14	$19.19	$3.15
Appalachian (FO 5)	403.6	309.7	76.7%	$22.64	$21.64	+
Florida (FO 6)	195.1	161.8	82.9%	$23.84	$22.68	+
Southeast (FO 7)	291.7	229.8	78.8%	$22.84	$21.96	+
Upper Midwest (FO 30)	2,591.9	165.5	6.4%	$20.24	$16.62	$0.58
Central (FO 32)	1,387.1	350.7	25.3%	$20.24	$17.82	$1.78
Mideast (FO 33)	1,773.5	564.4	31.8%	$20.84	$18.15	$2.11
California (FO 51)	1,942.1	386.9	19.9%	$19.84	$17.30	$1.26
Pacific Northwest (FO 124)	**409.0**	**78.6**	**19.2%**	**$19.74**	**$17.23**	**$1.19**
Southwest (FO 126)	1,249.3	330.6	26.5%	$20.74	$17.96	$1.92
Arizona (FO 131)	292.3	106.7	36.5%	$19.64	$18.20	+

+ Not Applicable.

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