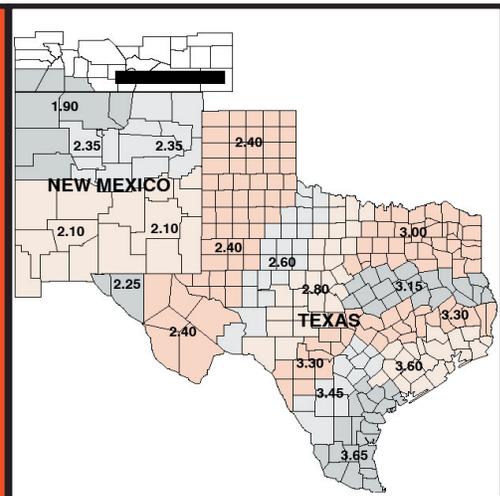


THE MARKET ADMINISTRATOR'S

REPORT



SOUTHWEST MARKETING AREA

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VOLUME XXXVI, NO. 12

DECEMBER 2011

MARKET SUMMARY FOR NOVEMBER

The Producer Price Differential (P.P.D.) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$0.82 for November. Butterfat price decreased \$0.0084 per pound from \$1.9592 in October to the level of \$1.9508 in November. Protein price increased \$0.3130 per pound from \$2.9211 in October to \$3.2341 in November. November's Other Solids price increased \$0.0235 per pound from \$0.4286 in October to \$0.4521 in November. The Somatic Cell Count adjustment rate factor for November was 0.00092 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a November statistical uniform price of \$19.89 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is an increase of \$0.04 in comparison to the statistical uniform price of \$19.85 in October.

The November Class I price decreased \$1.11 from \$22.56 in October to the November level of \$21.45. The Class II price for November of \$19.26 per hundredweight decreased \$0.15 from \$19.41 in October. November's Class III price increased \$1.04 from \$18.03 in October to \$19.07 in November. The Class IV price decreased \$0.54 from \$18.41 in October to \$17.87 in November.

In November 478 producers delivered a total of 939,721,820 pounds of milk. On a daily basis this represents a decrease of 0.30 percent from the producer receipts level in October but it represents an increase of 4.30 percent when compared to the producer receipts level of November 2010.

Producer milk classified as Class I during November amounted to 39.66 percent of total producer receipts. This figure is up from 38.72 percent in October but it is down from 42.79 percent in November 2010. The average butterfat test of producer milk pooled during November was 3.722 percent, average protein test was 3.244 percent, average other solids test was 5.738 percent and the average somatic cell count was 182,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Nov 11	Oct 11	Nov 11	Oct 11	Nov 11	Oct 11
Appalachian - FO 5	21.27	21.57	-----	-----	72.28	69.20
Arizona - FO 131	19.31	19.39	-----	-----	33.83	33.11
Central - FO 32	18.82	18.82	(0.25)	0.79	36.23	28.83
Florida - FO 6	23.15	23.77	-----	-----	85.29	85.94
Mideast - FO 33	19.18	19.23	0.11	1.20	40.20	38.10
Northeast - FO 1	20.23	20.42	1.16	2.39	44.30	43.50
Pacific Northwest - FO 124	18.77	18.80	(0.30)	0.77	29.11	27.18
Southeast - FO 7	21.63	21.79	-----	-----	70.20	66.63
Southwest - FO 126	19.89	19.85	0.82	1.82	39.66	38.72
Upper Midwest - FO 30	19.15	18.41	0.08	0.38	13.50	13.30

CWT EXPORT ASSISTANCE PROGRAM EXTENDED

Jerry Kozak, President and CEO of the National Milk Producers Federation which created CWT, has announced that CWT (Cooperatives Working Together) has achieved the 70 percent participation necessary for the organization to move forward in 2012 and 2013. Beginning with milk marketed in January 2012 by producer-owners of CWT member cooperatives and individual producer-members of CWT, a contribution of 2¢ per hundredweight (cwt.) will be collected throughout 2012 and 2013. The funds will be used to execute the strategic business plan approved by the CWT Committee in June 2011 and includes the following goals and objectives --

- Support proactive development of sustainable export markets for:
 - U.S. American-type cheeses
 - U.S. butterfat (butter and anhydrous milk fat)
 - Protect export market share and volume gains.
- Provide relative price stability and good returns to U.S. farmers by:
 - Discouraging dangerously large domestic inventory build-up
 - Encouraging development of overseas markets with better growth prospects
 - Fostering strong buyer-seller relationships by showing the U.S. is a dependable supplier

In 2012, the CWT Export Assistance budget will be \$35 million, allocated to support export sales activity of products as follows:

- American-type cheese: \$22 million
- Butterfat: \$ 8 million
- Hold \$5 million in reserve to support exports of NFD/SMP or WMP if necessary.

While 70% of milk marketings is the minimum level of participation needed to move forward with the business plan, CWT will continue to pursue additional participation because the greater the participation, the more effective CWT will be in achieving its primary goal: providing good returns and improving price stability for U.S. dairy farmers. Every dairy cooperative, every producer member in every dairy cooperative, every producer shipping to a proprietary processor - all benefit from the CWT Export Assistance program, and should be supporting it at just two cents (2¢) per hundredweight.

RELEASE DATES FOR FIRST QUARTER OF 2012 FEDERAL MILK ORDER PRICE DATA ^{1/}

Listed below are the release dates for the Federal milk order program for price data applicable to January through March 2012. The advanced prices and pricing factors will be released at 10:00 a.m. EST/EDST no later than the 23rd of the preceding month if that date is on a Friday; otherwise, the release date will be the nearest Friday before the 23rd. Likewise, the class and component prices will be released at 10:00 a.m. EST/EDST no later than the 5th of the following month if that date is on a Friday; otherwise the release date will be the nearest Friday before the 5th.

2012 RELEASE DATES FOR FIRST QUARTER PRICE DATA

Month to Which Prices Apply	Advanced Prices and Pricing Factors		Class and Component Prices	
	Release Date	Time Period of NASS Prices ^{2/}	Release Date	Time Period of NASS Prices ^{2/}
January	December 23, 2011	12/10, 17	February 3, 2012	12/31, 1/7, 14, 21, 28
February	January 20, 2012	1/7, 14	March 2	2/4, 11, 18, 25
March	February 17	2/4, 11	March 30	3/3, 10, 17, 24
April	March 23	3/10, 17		

^{1/} Based on NASS Publication calendar, there is no additional information available at this time (<http://www.nass.usda.gov/Publications/index.asp>).

^{2/} Weekly sales periods, ending on the indicated date, that are included in the applicable average. Information for the week is released by NASS on Friday of the following week.

TOP TEN TEXAS COUNTIES a/ – NOVEMBER 2011

County	Number of Producers	Pounds	% Change From 2010b/	County	Number of Producers	Pounds	% Change From 2010b/
1. Castro	13	88,963,945	+ 24.86	7. Bailey	10	44,873,040	+ 6.69
2. Erath	77	88,659,977	- 1.39	8. Moore	6	40,936,280	+ 45.19
3. Parmer	15	86,844,386	+ 25.87	9. Hale	6	38,064,174	+ 10.45
4. Deaf Smith	11	63,138,954	+ 3.77	10. Comanche	21	37,584,783	+ 6.64
5. Lamb	10	51,032,111	+ 11.58	Ten County Total	180	587,152,370	+ 11.60 b/
6. Hartley	11	47,054,720	- 4.83	Other Counties Total	353	198,702,990	+0.47
				Texas Total	533	785,855,360	+ 8.56

a/ Includes all known Grade "A" milk produced on farms located in Texas.

b/ Compared to top ten counties for the month in the previous year.

TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC a/	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
September 2010	3.67	3.48	3.10	2.99	5.74	5.76	8.85	8.75	297	229
October	3.80	3.60	3.21	3.10	5.77	5.77	8.98	8.88	262	205
November	3.92	3.74	3.26	3.16	5.78	5.79	9.03	8.96	237	184
December	3.96	3.78	3.25	3.14	5.75	5.75	9.00	8.90	226	172
Averages 2010	3.73	3.55	3.14	3.04	5.75	5.76	8.89	8.81	285	220
January 2011	3.96	3.78	3.22	3.12	5.75	5.76	8.99	8.89	223	165
February	3.95	3.76	3.19	3.08	5.75	5.77	8.94	8.85	269	206
March	3.82	3.63	3.15	3.03	5.77	5.78	8.91	8.81	239	179
April	3.77	3.56	3.13	3.02	5.78	5.79	8.91	8.81	209	156
May	3.75	3.54	3.12	3.01	5.76	5.76	8.88	8.77	206	148
June	3.68	3.45	3.08	2.98	5.75	5.74	8.83	8.72	214	153
July	3.66	3.43	3.05	2.93	5.72	5.72	8.77	8.65	235	177
August	3.67	3.42	3.05	2.93	5.73	5.74	8.79	8.67	253	196
September	3.73	3.48	3.17	3.07	5.71	5.72	8.88	8.79	246	194
October	3.82	3.58	3.26	3.18	5.73	5.74	8.99	8.92	227	176
November	3.88	3.63	3.31	3.23	5.74	5.75	9.05	8.97	206	159

a/ In thousands.

TOP NEW MEXICO COUNTIES a/ – NOVEMBER 2011

County	Number of Producers	Pounds	% Change From 2010b/	County	Number of Producers	Pounds	% Change From 2010b/
1. Chaves	35	166,077,847	+ 4.65	7. Luna	3	17,298,080	+ 20.28
2. Curry	26	146,783,121	+ 11.31	8. Eddy	3	16,409,910	+ 5.51
3. Roosevelt	36	134,466,269	+ 8.96	9. Valencia	5	15,545,055	+ 2.93
4. Dona Ana	22	85,343,438	- 2.26	10. Bernalillo	4	5,308,100	+ 3.10
5. Lea	13	50,732,549	+ 8.30	Ten County Total	155	658,601,528	+ 6.56 b/
6. Socorro	8	20,637,159	+ 4.73	Other Counties Total	2	11,250,920	+ 3.14
				New Mexico Total	157	669,852,448	+ 6.51

a/ All known Grade "A" milk produced on farms located in New Mexico.

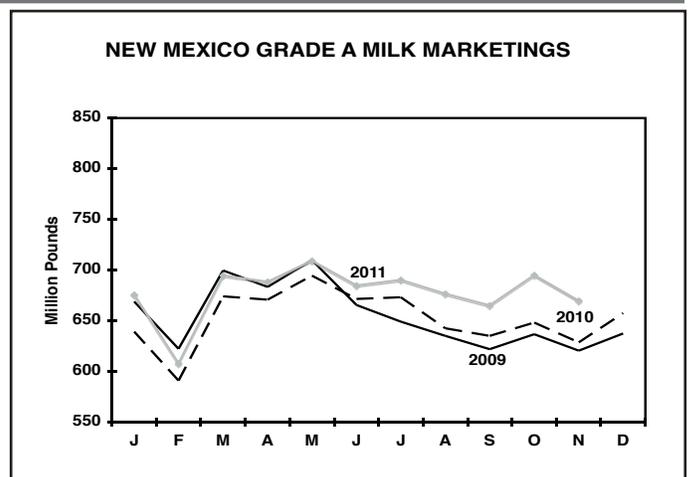
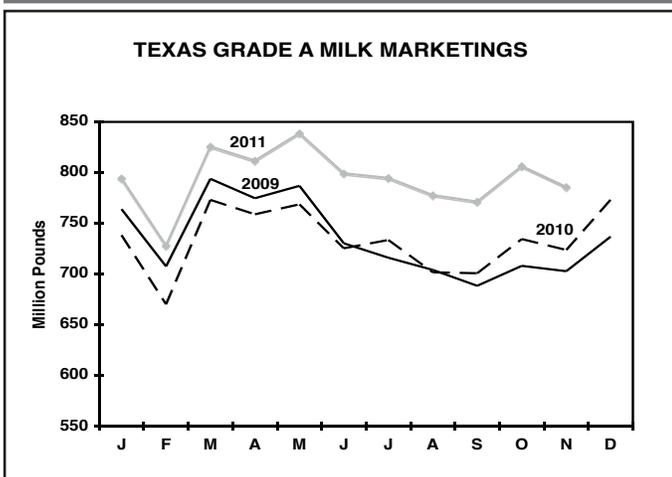
b/ Compared to top counties for the month in the previous year.

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN TEXAS BY MONTHS:
JANUARY 2009 THROUGH NOVEMBER 2011, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2009 POUNDS	Number of Producers	2010 POUNDS	Number of Producers	2011 POUNDS	Number of Producers	PERCENT 2010/09	CHANGE 2011/10
January	764,064,476	636	738,538,899	582	794,574,299	555	- 3.34	+ 7.59
February	707,786,943	631	672,168,487	578	728,226,604	554	- 5.03	+ 8.34
March	793,989,726	635	773,286,159	577	825,750,805	552	- 2.61	+ 6.78
April	774,795,518	631	759,203,798	576	812,060,148	549	- 2.01	+ 6.96
May	787,077,681	629	768,833,368	571	837,599,963	544	- 2.32	+ 8.94
June	730,380,337	622	725,500,766	565	799,434,977	543	- 0.67	+ 10.19
July	716,344,326	598	733,719,075	568	794,768,069	541	+ 2.43	+ 8.32
August	704,267,950	597	702,002,272	559	778,008,686	540	- 0.32	+ 10.83
September	688,737,418	593	701,066,340	558	771,537,770	538	+ 1.79	+ 10.05
October	708,312,372	590	738,609,251	554	806,524,837	534	+ 4.28	+ 9.20
November	703,046,885	591	723,908,057	555	785,855,360	533	+ 2.97	+ 8.56
December	<u>737,072,970</u>	581	<u>773,415,328</u>	557			<u>+ 4.93</u>	
Years Total	8,815,876,602		8,810,251,800				- 0.06	

**POUNDS OF GRADE A MILK MARKETED BY
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:
JANUARY 2009 THROUGH NOVEMBER 2011, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2009 POUNDS	Number of Producers	2010 POUNDS	Number of Producers	2011 POUNDS	Number of Producers	PERCENT 2010/09	CHANGE 2011/10
January	669,161,661	170	639,771,307	157	675,834,553	157	- 4.39	+ 5.64
February	622,538,938	167	591,156,278	158	608,071,702	159	- 5.04	+ 2.86
March	699,808,110	168	674,287,000	159	694,817,453	159	- 3.65	+ 3.04
April	683,575,106	164	670,976,253	159	688,673,031	158	- 1.84	+ 2.64
May	709,872,347	165	694,638,948	160	709,391,501	157	- 2.15	+ 2.12
June	665,627,017	166	671,649,637	159	684,767,801	157	+ 0.90	+ 1.95
July	649,187,109	158	676,898,057	159	690,350,883	157	+ 4.27	+ 1.99
August	635,258,249	157	642,846,047	159	676,720,593	158	+ 1.19	+ 5.27
September	622,278,128	158	635,203,468	156	666,022,373	159	+ 2.08	+ 4.85
October	636,944,152	157	648,369,979	156	694,250,194	157	+ 1.79	+ 7.08
November	620,605,564	157	628,936,968	156	669,852,448	157	+ 1.34	+ 6.51
December	<u>641,902,168</u>	156	<u>657,677,525</u>	156			<u>+ 2.46</u>	
Years Total	7,856,758,549		7,832,411,467				- 0.31	



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Class Prices at 3.5%, for Federal Orders 126 Formula Prices and Price Quotations

Month	Class Prices & P.P.D.					BF	Component Prices			NASS Product Prices			
	I a/	II	III	IV	P.P.D.a/		Other Solids	True Protein	SCC c/ Adj Rate	Grade AA Butter	Cheddar Cheese	NFDM Powder	Dry Whey
	----- Dollars Per Hundred Wt. -----						-----Cents Per Pound-----						
September 2010	18.50	17.60	16.26	16.76	1.69	240.44	16.73	230.57	.00085	215.70	170.16	113.83	36.15
October	19.58	17.57	16.94	17.15	1.38	244.36	17.36	247.39	.00088	218.93	176.66	116.74	36.76
November	20.24	17.21	15.44	16.68	2.25	224.22	17.97	219.81	.00081	202.30	161.52	119.53	37.36
December	19.96	15.77	13.83	15.03	2.56	179.52	18.52	217.06	.00073	165.39	146.06	118.48	37.89
Averages 2010 b/	18.35	16.02	14.41	15.09	2.08	185.35	17.77	230.91	.00076	170.20	152.26	116.87	37.16
January 2011	18.20	16.79	13.48	16.42	2.76	202.39	20.02	175.90	.00070	184.28	140.76	125.30	39.35
February	18.89	17.97	17.00	18.40	1.42	229.67	23.10	255.86	.00087	206.80	174.49	137.28	42.34
March	21.23	18.83	19.40	19.41	0.93	228.59	26.65	330.24	.00099	205.91	197.22	149.45	45.78
April	22.43	19.66	16.87	19.78	3.02	221.13	29.02	249.84	.00085	199.75	169.83	156.80	48.08
May	22.75	20.63	16.52	20.29	3.42	224.97	30.26	231.33	.00083	202.92	165.34	161.20	49.29
June	23.32	21.37	19.11	21.05	2.39	237.02	33.39	298.07	.00095	212.87	189.99	165.20	52.33
July	24.03	21.29	21.39	20.33	1.17	225.11	36.08	382.92	.00106	203.04	212.43	161.59	54.94
August	24.43	21.55	21.67	20.14	1.39	229.85	38.11	383.05	.00107	206.95	214.02	157.39	56.91
September	24.78	20.55	19.07	19.53	2.59	220.05	40.53	302.82	.00093	198.86	185.92	154.39	59.26
October	22.56	19.41	18.03	18.41	1.82	195.92	42.86	292.11	.00087	178.93	174.71	151.09	61.52
November	21.45	19.26	19.07	17.87	0.82	195.08	45.21	323.41	.00092	178.24	184.15	145.22	63.80

a/ Subject to location adjustments. b/ Simple averages c/ SCC adjustment rate is per 1,000 difference.

**NOVEMBER 2011
COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

		Pounds	Price	Value
Add: Class I Differential				\$394,056.51
Class I Butterfat	60(a)	8,003,090	\$1.9479	\$15,589,219.02
Class I Skim Per Cwt		364,698,608	\$15.1600	\$55,288,308.98
Class II Butterfat	60(b)	7,449,278	\$1.9578	\$14,584,196.48
Class II Nonfat Solids		6,080,367	\$1.4289	\$8,688,236.42
Class III Butterfat	60(c)	15,616,976	\$1.9508	\$30,465,596.77
Class III Protein		13,229,087	\$3.2341	\$42,784,190.30
Class III Other Solids		23,475,166	\$0.4521	\$10,613,122.57
Class IV Butterfat	60(d)	3,908,461	\$1.9508	\$7,624,625.71
Class IV Nonfat Solids		7,544,414	\$1.2716	\$9,593,476.84
Class II, III & IV Somatic Cell Adj.	60(e)			\$923,121.35
Total Producer Milk-Product Lbs & Value		939,721,820		\$196,548,150.95
Add: Value as for 60(f) Thru 60(j)				\$72,094.34
Less: Total Protein Pounds	61(b)	30,489,411	\$3.2341	\$98,606,804.13
Total Other Solids Pounds		53,927,134	\$0.4521	\$24,380,457.28
Total Butterfat Pounds		34,977,805	\$1.9508	\$68,234,702.01
Total Value of Somatic Cell Adjustment				\$1,453,898.71
Total Milk and Value		939,721,820		\$3,945,383.16
Add: Location Differential Adjustments	61(c)			\$3,755,912.99
Producer-Settlement Fund	61(d)			\$449,729.79
Total Producer Milk/URSP and Value		939,721,820	\$0.86738	\$8,151,025.94
Less: Producer-Settlement Fund	61(f)		\$0.04738	\$445,307.02
Producer Price Differential (Dallas County)			\$0.82	\$7,705,718.92

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CARY HUNTER, MARKET ADMINISTRATOR

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NOVEMBER 2011 PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	372,701,698	39.66	8,003,090	22.88	364,698,608	40.31
Class II	72,542,093	7.72	7,449,278	21.30	65,092,815	7.19
Class III	409,725,958	43.60	15,616,976	44.65	394,108,982	43.56
Class IV	84,752,071	9.02	3,908,461	11.17	80,843,610	8.94
Total	939,721,820	100.00	34,977,805	100.00	904,744,015	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
Total Pounds	34,977,805	30,489,411	53,927,134	84,416,545
Percentage	3.722	3.244	5.738	8.983

Average Somatic Cell Count	182,000
Total Number of Pooled Producers	478