



# Market Administrator's Report Southwest Marketing Area Federal Order 126



Cary Hunter, Market Administrator

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April 2017

## MARKET SUMMARY FOR MARCH

The Producer Price Differential (PPD) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$1.19 for March. Butterfat price decreased \$0.0098 per pound from \$2.4274 in February to the level of \$2.4176 in March. Protein price decreased \$0.4150 per pound from \$2.2348 in February to \$1.8198 in March. The Other Solids price increased \$0.0355 per pound from \$0.2990 in February to \$0.3345 in March. The Somatic Cell Count Adjustment rate factor for March was 0.00078 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a March statistical uniform price of \$17.00 for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is a decrease of \$0.57 in comparison to the statistical uniform price of \$17.57 in February.

The March Class I price increased \$0.17 from \$19.73 in February to the March level of \$19.90. The Class II price decreased \$0.31 from \$16.52 in February to \$16.21 in March. The Class III price decreased \$1.07 from 16.88 in February to \$15.81 in March. The Class IV price decreased \$1.27 from \$15.59 in February to \$14.32 in March.

In March, 520 producers delivered a total of 1,239,412,915 pounds of milk. On a daily basis, this represents an increase of 31.11% from the producer receipts level in February and it represents a decrease of 2.66% when compared to the producer receipts level of March 2016.

Producer milk classified as Class I during March amounted to 29.32% of total producer receipts. This figure is down from 38.65% in February and is up from 28.93% in March 2016. The average butterfat test of producer milk pooled during March was 3.8660%, average protein test was 3.244%, average other solids test was 5.751% and the average somatic cell count was 197,000.

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Federal Order	Statistical Uniform	Statistical Uniform	PPD	PPD	Class I Utilization	Class I Utilization
	Mar-17	Feb-17	Mar-17	Feb-17	Mar-17	Feb-17
Appalachian - F.O. 5	19.06	19.09	N/A	N/A	69.75	71.16
Arizona - F.O. 131	16.02	16.73	N/A	N/A	24.33	25.54
Central - F.O. 32	16.24	16.83	0.43	(0.05)	28.66	31.32
Florida - F.O. 6	21.28	21.07	N/A	N/A	83.42	83.43
Mideast - F.O. 33	16.43	16.92	0.62	0.04	30.50	31.70
Northeast - F.O. 1	17.30	17.77	1.49	0.89	32.10	31.50
Pacific NW - F.O. 124	15.93	16.58	0.12	(0.30)	26.59	26.82
Southeast - F.O. 7	19.15	19.36	N/A	N/A	65.23	68.48
Southwest - F.O. 126	17.00	17.57	1.19	0.69	29.32	38.65
Upper Midwest - F.O. 30	16.05	16.94	0.24	0.06	9.90	11.50

## TOP TEN TEXAS COUNTIES - MARCH 2017



County	# Producers	Pounds 2017	Pounds 2016	% Change 2016/2017
PARMER	16	116,960,400	97,832,464	19.55
CASTRO	12	102,902,121	85,280,305	20.66
ERATH	51	100,368,290	95,615,100	4.97
HARTLEY	14	92,381,560	71,739,850	28.77
MOORE	9	81,089,940	80,356,890	0.91
DEAF SMITH	12	79,565,201	66,484,913	19.67
LAMB	11	73,957,443	62,213,573	18.88
DALLAM	5	53,976,420	18,660,400	189.26
BAILEY	10	52,089,038	43,665,191	19.29
COMANCHE	<u>15</u>	<u>51,321,940</u>	<u>48,299,612</u>	<u>6.26</u>
Sum	155	804,612,353	670,148,298	20.06
Other Counties	<u>239</u>	<u>257,942,779</u>	<u>241,984,699</u>	<u>6.59</u>
Texas Total	394	1,062,555,132	912,132,997	16.49

1/ Revised

## TOP TEN NEW MEXICO COUNTIES - MARCH 2017

County	# Producers	Pounds 2017	Pounds 2016	% Change 2016/2017
CHAVES	31	181,308,939	161,838,512	12.03
CURRY	26	164,566,246	144,713,509	13.72
ROOSEVELT	32	138,692,698	126,732,787	9.44
DONA ANA	16	81,184,248	81,264,603	(0.10)
LEA	13	66,347,077	59,780,624	10.98
SOCORRO	7	24,276,964	24,035,692	1.00
EDDY	3	17,961,180	17,233,200	4.22
VALENCIA	5	17,320,233	17,877,366	(3.12)
LUNA	<u>3</u>	<u>16,748,860</u>	<u>16,305,750</u>	<u>2.72</u>
Sum	136	708,406,445	649,782,043	9.02
Other Counties	<u>4</u>	<u>14,860,584</u>	<u>14,279,364</u>	<u>4.07</u>
NM Total	140	723,267,029	664,061,407	8.92

1/ Revised



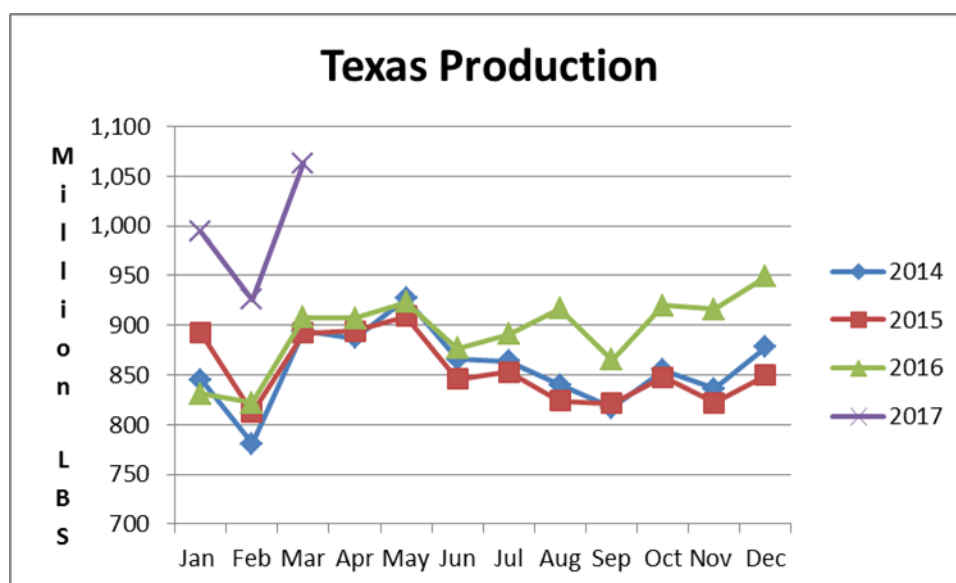
## TEXAS & NEW MEXICO COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC (thousands)	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
Mar-16	3.94	3.59	3.28	3.12	5.74	5.73	9.02	8.85	226	210
Apr-16	3.91	3.55	3.26	3.07	5.75	5.76	9.01	8.84	208	183
May-16	3.88	3.51	3.23	3.06	5.77	5.76	8.99	8.82	209	176
Jun-16	3.83	3.46	3.17	2.99	5.76	5.75	8.93	8.74	224	185
Jul-16	3.78	3.43	3.14	2.96	5.74	5.73	8.88	8.68	232	194
Aug-16	3.84	3.48	3.17	2.99	5.76	5.74	8.93	8.73	239	205
Sep-16	3.97	3.60	3.26	3.07	5.68	5.67	8.98	8.80	258	236
Oct-16	4.03	3.63	3.34	3.15	5.66	5.66	8.99	8.81	225	193
Nov-16	4.08	3.70	3.38	3.20	5.72	5.73	9.10	8.93	217	191
Dec-16	4.18	3.77	3.41	3.22	5.74	5.75	9.16	8.97	209	184
AVG 2016	3.96	3.60	3.28	3.10	5.73	5.73	9.01	8.83	235	218
Jan-17	4.13	3.75	3.38	3.18	5.74	5.75	9.12	8.93	216	204
Feb-17	4.07	3.71	3.33	3.14	5.74	5.74	9.07	8.88	213	198
Mar-17	4.01	3.64	3.32	3.12	5.75	5.75	9.07	8.87	199	186

## TOTAL POUNDS MARKETED BY PRODUCERS LOCATED IN TEXAS

Month	2015 Pounds	# of Prod.	2016 Pounds	# of Prod.	2017 Pounds	# of Prod.	Percent 2016/15	Percent 2017/16
Jan	895,741,839	1/ 429	831,826,917	1/ 415	991,393,302	1/ 393	(7.14)	1/ 19.18
Feb	814,528,985	1/ 433	823,216,789	1/ 416	925,501,542	396	1.07	1/ 12.43
Mar	891,589,549	1/ 431	912,132,997	417	1,062,555,132	394	2.30	1/ 16.49
Apr	894,417,033	429	907,074,105	413			1.42	(100.00)
May	909,103,216	428	927,443,360	1/ 409	1/		2.02	1/ (100.00)
Jun	845,466,531	1/ 428	881,853,699	1/ 409	1/		4.30	1/ (100.00)
Jul	852,399,121	1/ 428	890,944,786	403			4.52	1/ (100.00)
Aug	824,191,884	1/ 430	916,563,875	1/ 401			11.21	1/ (100.00)
Sep	820,909,773	428	864,648,546	404			5.33	(100.00)
Oct	847,304,369	1/ 428	920,432,936	395			8.63	1/ (100.00)
Nov	822,009,274	420	915,560,020	393			11.38	(100.00)
Dec	<u>849,770,745</u>	415	<u>949,157,928</u>	394			<u>11.70</u>	(100.00)
Total	<b>10,267,432,319</b>	1/	<b>10,740,855,958</b>		<b>2,979,449,976</b>		4.61	1/

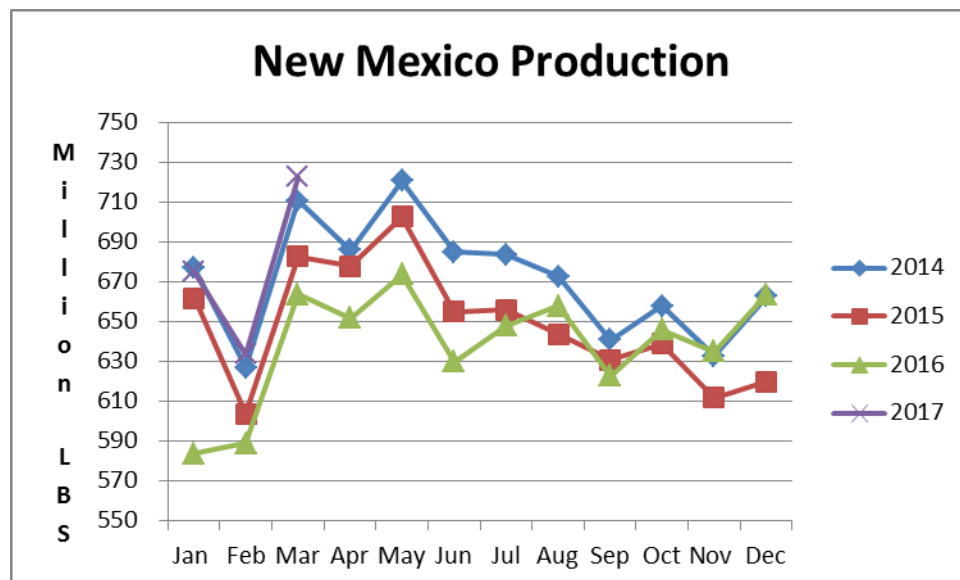
1/ Revised



## TOTAL POUNDS MARKETED BY PRODUCERS

Month	2015 Pounds	# of Prod.	2016 Pounds	# of Prod.	2017 Pounds	# of Prod.	Percent 2016/15	Percent 2017/16
Jan	661,847,030	1/	146	584,313,578	142	675,205,449	141	(11.71) 15.56
Feb	603,750,641		146	589,020,838	144	633,852,861	140	(2.44) 7.61
Mar	682,710,459		146	664,061,407	142	723,267,029	140	(2.73) 8.92
Apr	677,457,428		146	652,104,207	142			(3.74) (100.00)
May	702,667,025		146	674,389,481	142			(4.02) (100.00)
Jun	654,860,147		146	630,271,746	141			(3.75) (100.00)
Jul	655,629,143		145	647,966,702	141			(1.17) (100.00)
Aug	644,292,688	1/	145	657,570,904	142			2.06 (100.00)
Sep	630,564,050		146	622,702,058	141			(1.25) (100.00)
Oct	638,910,514		144	645,565,024	140			1.04 (100.00)
Nov	611,922,627		144	634,972,688	140			3.77 (100.00)
Dec	<u>620,027,362</u>		143	<u>663,632,934</u>	140			<u>7.03</u> (100.00)
<b>Total</b>	<b>7,784,639,114</b>	1/		<b>7,666,571,567</b>		<b>2,032,325,339</b>		(1.52)

1/ Revised



## CLASS PRICES & PRODUCER PRICE DIFFERENTIAL

Month	CLASS I PRICE a/	CLASS II PRICE	CLASS III PRICE	CLASS IV PRICE	PPD a/	Statistical Uniform
Mar-16	16.78	13.57	13.74	12.74	0.98	14.72
Apr-16	16.74	13.54	13.63	12.68	1.17	14.80
May-16	16.70	13.53	12.76	13.09	1.64	14.40
Jun-16	16.14	14.12	13.22	13.77	1.46	14.68
Jul-16	16.70	15.16	15.24	14.84	0.87	16.11
Aug-16	18.07	15.21	16.91	14.65	(0.08)	16.83
Sep-16	19.56	14.66	16.39	14.25	0.90	17.29
Oct-16	19.60	14.09	14.82	13.66	1.31	16.13
Nov-16	17.78	14.60	16.76	13.76	(0.80)	15.96
Dec-16	19.88	15.26	17.40	14.97	0.25	17.65
AVG 2016	17.80	14.35	14.87	13.77	0.88	15.75
Jan-17	20.45	16.36	16.77	16.19	1.20	17.97
Feb-17	19.73	16.52	16.88	15.59	0.69	17.57
Mar-17	19.90	16.21	15.81	14.32	1.19	17.00

a/ Subject to location adjustments

## COMPONENT PRICES & AMS PRODUCT PRICES

Month	COMPONENT PRICES**				AMS PRODUCT PRICES**			
	BUTTER- FAT	TRUE PROTEIN	OTHER SOLIDS	SCC ADJ RATE	GRADE AA BUTTER	CHEDDAR CHEESE	NFDM POWDER	DRY WHEY
Mar-16	2.2028	1.9206	0.0501	0.00076	1.9905	1.5162	0.7522	0.2477
Apr-16	2.2376	1.8450	0.0489	0.00075	2.0192	1.5041	0.7307	0.2466
May-16	2.2846	1.4935	0.0529	0.00071	2.0580	1.4104	0.7607	0.2505
Jun-16	2.4109	1.4807	0.0628	0.00072	2.1623	1.4477	0.7888	0.2601
Jul-16	2.5964	1.9112	0.0774	0.00082	2.3155	1.6419	0.8363	0.2742
Aug-16	2.4873	2.5738	0.0881	0.00091	2.2254	1.8119	0.8588	0.2846
Sep-16	2.3082	2.5675	0.1096	0.00088	2.0775	1.7514	0.8847	0.3055
Oct-16	2.0493	2.2975	0.1351	0.00079	1.8637	1.5830	0.9222	0.3303
Nov-16	2.1044	2.8085	0.1750	0.00088	1.9092	1.7596	0.9119	0.3690
Dec-16	2.3354	2.6922	0.2063	0.00090	2.1000	1.7990	0.9579	0.3994
AVG 2016	2.3084	2.0955	0.0910	0.00080	2.0777	1.6050	0.8292	0.2875
Jan-17	2.5253	2.1768	0.2503	0.00085	2.2568	1.7011	1.0229	0.4421
Feb-17	2.4274	2.2348	0.2990	0.00084	2.1760	1.6871	0.9926	0.4894
Mar-17	2.4176	1.8198	0.3345	0.00078	2.1679	1.5551	0.8493	0.5239

\*\* Prices shown in dollars per hundred pounds (cwt)

## COMPUTATION OF PRODUCER PRICE DIFFERENTIAL MARCH 2017

		Pounds	Price	Value
Add: Class I Differential				\$456,930.23
Class I Butterfat	60(a)	7,665,183	\$ 2.4728	\$18,954,464.52
Class I Skim Per Cwt		355,735,635	\$11.6500	\$41,443,201.46
Class II Butterfat	60(b)	11,937,650	\$ 2.4246	\$28,944,026.20
Class II Nonfat Solids		9,487,619	\$ 0.8889	\$8,433,544.54
Class III Butterfat	60(c)	20,834,440	\$ 2.4176	\$50,369,342.15
Class III Protein		17,457,091	\$ 1.8198	\$31,768,414.19
Class III Other Solids		30,464,313	\$ 0.3345	\$10,190,312.74
Class IV Butterfat	60(d)	7,488,839	\$ 2.4176	\$18,105,017.19
Class IV Nonfat Solids		20,953,978	\$ 0.6747	\$14,137,648.96
Class II, III, & IV Somatic Cell Adjustment	60(e)			\$1,095,094.34
Total Producer Milk- Product Pounds and Value		1,239,412,915		\$223,897,996.52
Add: Value as for 60(f) thru 60(j)				\$76,703.68
Less: Total Protein Pounds	61(b)	40,210,045	\$ 1.8198	\$73,174,239.89
Total Other Solids Pounds		71,281,217	\$ 0.3345	\$23,843,567.14
Total Butterfat Pounds		47,926,112	\$ 2.4176	\$115,866,168.39
Total Value of Somatic Cell Adjustment				\$1,475,642.32
<b>Total Milk and Value</b>		1,239,412,915		\$9,615,082.46
Add: Location Differential Adjustments	61(c)			\$5,284,068.46
Producer - Settlement Fund Reserve	61(d)			\$417,943.61
<b>Total Product Milk/URSP and Value</b>		1,239,412,915	\$ 1.23583	\$15,317,094.53
Less: Producer - Settlement Fund Reserve	61(f)		\$ 0.04583	\$568,080.84
<b>Producer Price Differential (Dallas County)</b>			<b>\$1.19</b>	<b>\$14,749,013.69</b>

Average Somatic Cell Count	197,000
Total Number of Producers	520

Producer Milk Utilization Percentages						
	Product		Butterfat		Skim Milk	
	Pounds	Percent	Pounds	Percent	Pounds	Percent
<b>Class I</b>	363,400,818	29.32	7,665,183	15.99	355,735,635	29.86
<b>Class II</b>	114,012,692	9.20	11,937,650	24.91	102,075,042	8.57
<b>Class III</b>	529,056,249	42.69	20,834,440	43.47	508,221,809	42.65
<b>Class IV</b>	232,943,156	18.79	7,488,839	15.63	225,454,317	18.92
<b>Total</b>	1,239,412,915	100.00	47,926,112	100.00	1,191,486,803	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
<b>Total Pounds</b>	47,926,112	40,210,045	71,281,217	111,491,262
<b>Average Test</b>	3.866%	3.244%	5.751%	8.995%



# Release Dates Federal Milk Order Price Data

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

RDFMO – 0005

April 3, 2017

Listed below are the release dates for price announcements used in the Federal milk order program applicable to January 2019 through December 2020. The advanced prices and pricing factors will be released at 3:00 p.m. ET no later than the 23<sup>rd</sup> of the preceding month. If the release date does not fall on the 23<sup>rd</sup>, the most current release preceding the 23<sup>rd</sup> will be used in the price calculation. Likewise, the class and component prices will be released at 3:00 p.m. ET no later than the 5<sup>th</sup> of the following month. If the release date does not fall on the 5<sup>th</sup>, the most current release preceding the 5<sup>th</sup> will be used in the price calculation.

Year and Month to Which Prices Apply	Advanced Prices and Pricing Factors		Class and Component Prices	
	Release Date	Time Period of AMS Prices <sup>1</sup>	Release Date	Time Period of AMS Prices <sup>1</sup>
<b>2019</b>				
January	Dec. 19, 2018	12/8, 15	Jan. 30	1/5, 12, 19, 26
February	Jan. 16	1/5, 12	Feb. 27	2/2, 9, 16, 23
March	Feb. 21	2/9, 16	Apr. 3	3/2, 9, 16, 23, 30
April	Mar. 20	3/9, 16	May 1	4/6, 13, 20, 27
May	Apr. 17	4/6, 13	Jun. 5	5/4, 11, 18, 25, 6/1
June	May 22	5/11, 18	Jul. 3	6/8, 15, 22, 29
July	Jun. 19	6/8, 15	Jul. 31	7/6, 13, 20, 27
August	Jul. 17	7/6, 13	Sep. 5	8/3, 10, 17, 24, 31
September	Aug. 21	8/10, 17	Oct. 2	9/7, 14, 21, 28
October	Sep. 18	9/7, 14	Oct. 30	10/5, 12, 19, 26
November	Oct. 23	10/12, 19	Dec. 4	11/2, 9, 16, 23, 30
December	Nov. 20	11/9, 16	Jan. 2, 2020	12/7, 14, 21, 28
<b>2020</b>				
January	Dec. 18, 2019	12/7, 14	Feb. 5	1/4, 11, 18, 25, 2/1
February	Jan. 23	1/11, 18	Mar. 4	2/8, 15, 22, 29
March	Feb. 20	2/8, 15	Apr. 1	3/7, 14, 21, 28
April	Mar. 18	3/7, 14	Apr. 29	4/4, 11, 18, 25
May	Apr. 22	4/11, 18	Jun. 3	5/2, 9, 16, 23, 30
June	May 20	5/9, 16	Jul. 1	6/6, 13, 20, 27
July	Jun. 17	6/6, 13	Aug. 5	7/4, 11, 18, 25, 8/1
August	Jul. 22	7/11, 18	Sep. 2	8/8, 15, 22, 29
September	Aug. 19	8/8, 15	Sep. 30	9/5, 12, 19, 26
October	Sep. 23	9/12, 19	Nov. 4	10/3, 10, 17, 24, 31
November	Oct. 21	10/10, 17	Dec. 2	11/7, 14, 21, 28
December	Nov. 18	11/7, 14	Dec. 30	12/5, 12, 19, 26

<sup>1</sup> Weekly sales periods end on the indicated date and include applicable averages. The National Dairy Products Sales report is normally released on Wednesday of the following week.

<http://www.ams.usda.gov/AMSV1.0/DairyProductMandatoryReporting>





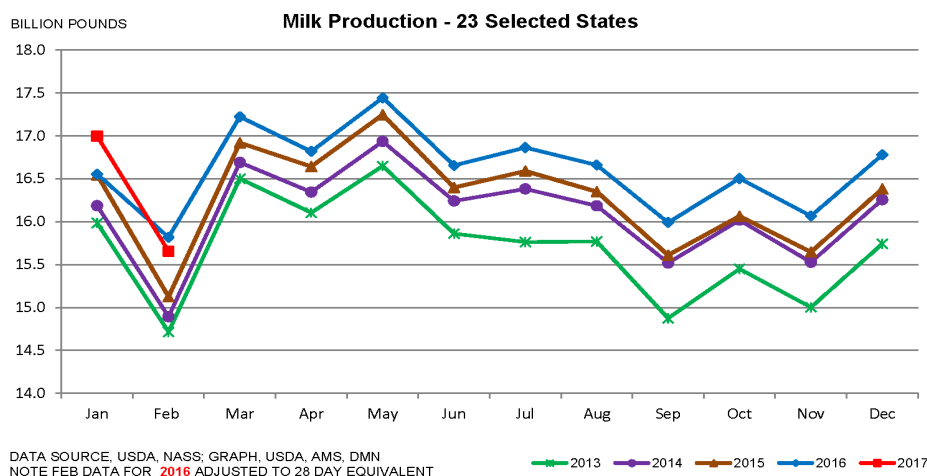
## February Milk Production

**Milk production in the 23 major States** during February totaled 15.7 billion pounds, down 1.0 percent from February 2016. However, production was 2.5 percent above last year after adjusting for the leap year. January revised production, at 17.0 billion pounds, was up 2.7 percent from January 2016. The January revision represented a decrease of 4 million pounds or less than 0.1 percent from last month's preliminary production estimate.

**Production per cow in the 23 major States** averaged 1,801 pounds for February, 32 pounds below February 2016.

**The number of milk cows** on farms in the 23 major States was 8.69 million head, 66,000 head more than February 2016, and 3,000 head more than January 2017.

Source: Dairy Market News, March 20-24, 2017, Volume 84, Report 12



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