SOUTHWEST MARKETING AREA CARY HUNTER, MARKET ADMINISTRATOR P.O. BOX 110939, CARROLLTON, TEXAS 75011-0939 FAX (972) 245-3211 WWW: http://www.dallasma.com

THE MARKET ADMINISTRATOR'S

VOLUME 40, NO. 5

MARKET SUMMARY FOR APRIL

The Producer Price Differential (PPD) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$0.81 for April. Butterfat price increased \$0.0805 per pound from \$2.0402 in March to the level of \$2.1207 in April. Protein price increased \$0.1917 per pound from \$4.5172 in March to \$4.7089 in April. April's Other Solids price increased \$0.0226 per pound from \$0.4700 in March to \$0.4926 in April. The Somatic Cell Count adjustment rate factor for April was 0.00118 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received an April statistical uniform price of \$25.12 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 \$0.60 in comparison to the statistical uniform price of \$24.52 in March.

The April Class I price increased \$0.01 from \$26.64 in March to the April level of \$26.65. The Class II price for April of \$24.74 per hundredweight increased \$0.52 from \$24.22 in March. April's Class III price increased \$0.98 from \$23.33 in March to \$24.31 in April. The April Class IV price decreased \$0.32 from \$23.66 in March to \$23.34 in April.

USDA

1.90

2.10

2 25

2.35 NEW MEXICO

2.3

TEXA

MAY 2014

In April 453 producers delivered a total of 796,880,460 pounds of milk. On a daily basis this represents a decrease of 34.94 percent from the producer receipts level in March and it represents an decrease of 32.46 percent when compared to the producer receipts level of April 2013.

Producer milk classified as Class I during April amounted to 45.80 percent of total producer receipts. This figure is up from 28.41 percent in March and is up from 31.49 percent in April 2013. The average butterfat test of producer milk pooled during April was 3.712 percent, average protein test was 3.167 percent, average other solids test was 5.805 percent and the average somatic cell count was 186,000.

Federal Order		stical m Price	Produce Differ		Class I Utilization	
	<u>Apr 14</u>	<u>Mar 14</u>	<u>Apr 14</u>	<u>Mar 14</u>	<u>Apr 14</u>	<u>Mar 14</u>
Appalachian - FO 5	26.31	26.02			62.26	60.79
Arizona - FO 131	24.43	24.22			25.55	24.48
Central - FO 32	24.20	23.68	-0.11	0.35	32.79	29.66
Florida - FO 6	28.45	28.19			84.29	82.70
Mideast - FO 33	24.48	23.95	0.17	0.62	36.00	36.50
Northeast - FO 1	25.46	24.97	1.15	1.64	34.40	35.60
Pacific Northwest - FO 124	24.03	23.68	-0.28	0.35	29.10	22.58
Southeast - FO 7	26.73	26.56			65.90	66.61
Southwest - FO 126	25.12	24.52	0.81	1.19	45.80	28.41
Upper Midwest - FO 30	24.41	23.52	0.10	0.19	11.30	10.80

MARCH 2014 HIGHLIGHTS

Total cheese output (excluding cottage cheese) was 964 million pounds, 1.0 percent above March 2013 and 13.3 percent above February 2014.

Italian type cheese production totaled 427 million pounds, 3.5 percent above March 2013 and 14.2 percent above February 2014.

American type cheese production totaled 379 million pounds, 1.4 percent below March 2013 but 11.3 percent above February 2014.

Butter production was 165 million pounds, 9.0 percent below March 2013 but 0.7 percent above February 2014.

Dry milk powders (comparisons with March 2013) Nonfat dry milk, human - 163 million pounds, up 11.0 percent. Skim milk powders - 42.6 million pounds, down 10.4 percent.

Whey products (comparisons with March 2013) Dry whey, total - 65.8 million pounds, down 24.9 percent. Lactose, human and animal - 100 million pounds, up 12.2 percent. Whey protein concentrate, total - 46.2 million pounds, up 10.8 percent.

Frozen products (comparisons with March 2013) Ice cream, regular (hard) - 69.3 million gallons, down 3.6 percent. Ice cream, lowfat (total) - 34.8 million gallons, down 38.4 percent. Sherbet (hard) - 4.19 million gallons, down 6.0 percent. Frozen yogurt (total) - 6.19 million gallons, down 19.8 percent.

Released May 1, 2014, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

DAIRY PRODUCTS 2013 SUMMARY

Total cheese production, excluding cottage cheeses, was 11.1 billion pounds, 2.0 percent above 2012 production. Wisconsin was the lead-

ing State with 25.7 percent of the production.

Italian varieties, with 4.74 billion pounds were 2.2 percent above 2012 production and accounted for 42.7 percent of total cheese in 2013. Mozzarella accounted for 78.1 percent of the Italian production followed by Provolone with 7.6 percent and Parmesean with 6.8 percent. California was the leading State in Italian cheese production with 30.8 percent of the production.

American type cheese production was 4.42 billion pounds, 1.5 percent above 2012 and accounted for 39.8 percent of total cheese in 2013. Wisconsin was the leading State in American type cheese production with 19.0 percent of the production.

Butter production in the United States during 2013 totaled 1.86 billion pounds, 0.2 percent above 2012. California accounted for 34.1 percent of the production.

Dry milk powders (2013 United States production, comparisons with 2012) Nonfat dry milk, human - 1.48 billion pounds, down 16.2 percent. Skim milk powders - 631 million pounds, up 65.7 percent.

Whey products (2013 United States production, comparisons with 2012) Dry whey, total -961 million pounds, down 3.8 percent. Lactose, human and animal - 1.04 billion pounds, up 1.3 percent. Whey protein concentrate, total - 498 million pounds, up 8.3 percent.

Frozen products (2013 United States production, comparisons with 2012) Ice cream, Regular (total) - 1,052 million gallons, down slightly. Ice cream, Lowfat (total) - 651 million gallons, down 2.8 percent. Sherbet (total) - 77.1 million gallons, up 77.0 percent.

Frozen Yogurt (total) - 80.4 million gallons, up 39.6 percent.

Dairy Products 2013 Summary (April 2014) USDA, National Agricultural Statistics Service

TOP TEN TEXAS COUNTIES a/ – APRIL 2014

<u>County</u>	Number of <u>Producers</u>		% Change From <u>2013</u>	County	Number of <u>Producers</u>	Pounds	% Change From <u>2013</u>
1. Castro	13	100,329,515	+ 8.73	7. Hartley	11	58,277,580	+ 8.12
2. Parmer	15	88,398,092	+ 17.02	8. Hale	6	47,387,490	+ 21.39
3. Erath	60	87,237,503	- 2.94	9. Bailey	10	45,007,665	+ 8.71
4. Deaf Smith	11	71,452,012	+ 11.10	10. Comanche	18	44,466,304	+ 6.23
5. Moore	9	62,971,800	+ 44.52	Ten County Total	163	666,487,690	+ 11.52
6. Lamb	10	60,959,729	+ 9.09	Other Counties Total	<u>279</u>	218,158,267	<u>+1.00</u>
a alu da a all lua aura Orra da	"A"		:- T	Texas Total	442	884,645,957	+ 8.73

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

TEXAS AND NEW MEXICO MARKET COMPONENT TEST

	Butt	<u>erfat</u>	Prot	<u>ein</u>	Other	<u>Solids</u>	<u>S-N</u>	<u>I-F</u>	SC	<u>C_</u> a/	
<u>Month</u>	<u>TX</u>	<u>NM</u>	TX	<u>NM</u>	TX	<u>NM</u>	TX	<u>NM</u>	TX	<u>NM</u>	
February 2013	3.90	3.67	3.25	3.14	5.79	5.81	9.03	8.94	209	164	_
March	3.87	3.62	3.23	3.10	5.77	5.79	9.01	8.90	204	160	
April	3.80	3.54	3.21	3.08	5.77	5.78	8.99	8.86	196	150	
May	3.75	3.47	3.18	3.05	5.78	5.78	8.95	8.83	182	138	
June	3.67	3.39	3.11	2.99	5.78	5.78	8.89	8.77	197	152	
July	3.66	3.38	3.11	2.99	5.78	5.78	8.89	8.76	227	190	
August	3.72	3.45	3.13	3.01	5.74	5.75	8.88	8.75	242	204	
September	3.76	3.49	3.18	3.06	5.73	5.74	8.91	8.80	233	206	
October	3.89	3.59	3.30	3.20	5.74	5.75	9.04	8.95	215	182	
November	3.95	3.66	3.36	3.24	5.76	5.77	9.12	9.01	223	192	
December	4.00	3.71	3.36	3.24	5.76	5.77	9.12	9.01	235	205	
Averages 2013	3.83	3.56	3.23	3.11	5.76	5.78	8.99	8.88	216	176	
January 2014	3.94	3.63	3.31	3.19	5.75	5.77	9.06	8.96	202	167	
February	3.91	3.58	3.29	3.15	5.74	5.76	9.03	8.91	192	156	
March	3.86	3.55	3.25	3.11	5.76	5.78	9.01	8.89	196	162	
April	3.79	3.50	3.21	3.08	5.80	5.82	9.01	8.90	192	160	

a/ In thousands.

TOP NEW MEXICO COUNTIES a/ - APRIL 2014

<u>County</u>	Number of <u>Producers</u>		% Change From <u>2013</u>	County	Number of <u>Producers</u>	Pounds	% Change From <u>2013</u>
1. Chaves	31	176,679,955	- 0.69	7. Luna	3	17,412,214	- 1.75
2. Curry	26	141,753,259	+ 1.75	8. Valencia	5	17,048,037	- 2.05
3. Roosevelt	33	137,534,182	+ 5.90				
4. Dona Ana	19	85,017,957	- 9.57				
5. Lea	13	59,872,868	+ 7.40	Top County Total	138	657,927,536	- 0.27
6. Socorro	8	22,609,064	- 0.80	Other Counties Total	7	<u>28,235,731</u>	- 22.09
				New Mexico Total	145	686,163,267	- 1.41

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

POUNDS OF GRADE A MILK MARKETED BY PRODUCERS LOCATED IN TEXAS BY MONTHS: JANUARY 2012 THROUGH APRIL 2014, WITH PRODUCTION PERCENTAGE COMPARISONS

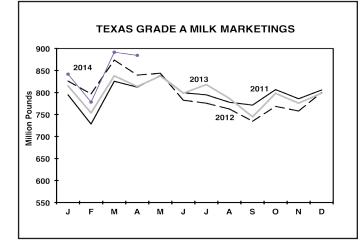
MONTH	2012 POUNDS	Number of Producers	2013 POUNDS	Number of Producers	2014 POUNDS	Number of Producers	PERCENT 2013/12	CHANGE 2014/13
January	826,060,689	525	815,186,323	468	841,887,929	440	- 1.32	+ 3.28
February	796,799,428	514	751,853,093	465	778,398,943	443	- 2.27 *	+ 3.53 *
March	873,809,464	515	837,918,903	461	891,680,232	444	- 4.11	+ 6.42
April	839,675,231	504	813,654,074	456	884,645,957	442	- 3.10	+ 8.73
May	843,983,197	495	837,276,897	457			- 0.79	
June	782,384,320	491	798,423,916	456			+ 2.05	
July	775,879,468	483	817,848,775	452			+ 5.41	
August	762,801,472	481	786,930,152	448			+ 3.16	
September	734,843,900	481	744,663,679	446			+ 1.34	
October	768,680,316	473	797,966,297	445			+ 3.81	
November	757,867,560	471	775,927,149	444			+ 2.38	
December	800,171,636	470	798,498,206	441			<u>- 0.21</u>	
Years Total	9,562,956,681		9,576,147,464				+ 0.14	

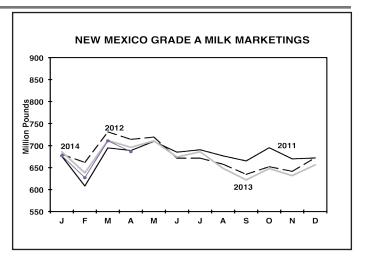
* Based on average daily deliveries.

POUNDS OF GRADE A MILK MARKETED BY PRODUCERS LOCATED IN NEW MEXICO BY MONTHS: JANUARY 2012 THROUGH APRIL 2014, WITH PRODUCTION PERCENTAGE COMPARISONS

MONTH	2012 POUNDS	Number of Producers	2013 POUNDS	Number of Producers	2014 POUNDS	Number of Producers	PERCENT 2013/12	CHANGE 2014/13
January	680,195,569	157	685,707,875	^{⊥/} 148	677,107,907	147	+ 0.81 1	[/] - 1.25
February	661,854,191	156	637,945,230	1/ 148	627,152,702	^{⊥/} 147 ^{⊥/}	- 0.17 * <u>1</u>	[∕] - 1.69 *¹∕
March	730,980,867	156	711,813,501	<u>1/</u> 149	711,010,066	146	- 2.62 1	[/] - 0.11
April	713,977,651	158	695,977,148	150	686,163,267	145	- 2.52	- 1.41
May	719,067,055	153	710,709,847	150			- 1.16	
June	666,236,294	152	674,240,675	149			+ 1.20	
July	671,552,652	149	685,672,220	149			+ 2.10	
August	657,573,314	149	648,098,565	148			- 1.44	
September	634,558,129	148	621,748,466	147			- 2.02	
October	652,048,912	149	647,611,433	147			- 0.68	
November	641,151,756	148	631,922,577	147			- 1.44	
December	672,437,705	148	656,050,459	148			<u>- 2.44</u>	
Years Total	8,101,634,095		8,007,497,996				- 1.16	

* Based on average daily deliveries. 1/2 Revised





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

							Compon	ent Prices		A	MS Produc	ct Prices c/	
		Class	Prices 8	. P.P.D.			Other	True	SCC b/	Grade AA	Cheddar	NFDM	Dry
	l a/	Ш	III	IV	P.P.D.a/	BF	Solids	Protein	Adj Rate	Butter	Cheese	Powder	Whey
Month		- Dollars	Per Hun	dred Wt.				(Cents Per P	ound			
February 2013	21.21	18.49	17.25	17.75	1.61	166.19	45.34	296.09	.00083	154.38	166.23	155.59	63.93
March	20.80	18.82	16.93	17.75	1.71	174.76	41.79	282.04	.00082	161.46	164.67	152.08	60.48
April	20.66	18.73	17.59	18.10	1.45	182.27	38.63	301.30	.00087	167.66	173.10	153.12	57.41
Мау	20.76	18.43	18.52	18.89	1.02	178.84	38.87	335.97	.00091	164.83	182.74	163.74	57.65
June	21.93	19.14	18.02	18.88	1.69	165.99	38.59	334.55	.00089	154.22	178.10	168.78	57.38
July	21.91	19.22	17.38	18.90	2.02	156.93	39.27	322.57	.00086	146.74	171.42	172.72	58.04
August	21.88	19.27	17.91	19.07	1.83	151.04	39.01	347.75	.00089	141.78	177.31	177.06	57.78
September	22.16	19.78	18.14	19.43	1.83	151.96	39.14	354.19	.00090	142.63	179.61	180.85	57.91
October	22.20	20.56	18.22	20.17	1.78	166.38	38.52	341.07	.00090	154.54	180.25	183.66	57.31
November	23.20	20.76	18.83	20.52	1.67	163.36	39.55	363.16	.00093	152.05	186.12	188.92	58.31
December	23.37	21.66	18.95	21.54	1.83	176.72	38.26	353.90	.00094	163.08	187.61	195.37	57.06
Averages 2013 d/	21.84	19.42	17.99	19.05	1.64	166.34	40.29	330.10	.00088	154.50	176.83	170.66	59.02
January 2014	24.48	22.21	21.15	22.29	1.25	178.74	41.55	418.70	.00104	164.75	208.38	203.35	60.25
February	25.02	23.73	23.35	23.46	0.67	201.09	44.53	460.44	.00114	183.20	228.64	207.83	63.14
March	26.64	24.22	23.33	23.66	1.19	204.02	47.00	451.72	.00113	185.62	226.89	208.97	65.54
April	26.65	24.74	24.31	23.34	0.81	212.07	49.26	470.89	.00118	192.27	235.47	201.91	67.74
a/ Subject to location a	adjustment	s. b/ SCC	c adjustme	nt rate is	per 1,000 c	lifference.	c/ Prior to Apri	2012 NASS pr	oduct prices	were used.	d/ Simple av	erages	

APRIL 2014 COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

			Pounds	Price	Value
Add:	Class I Differential				\$438,779.33
	Class I Butterfat	60(a)	7,329,381	\$2.0394	\$14,947,539.62
	Class I Skim Per Cwt		357,607,783	\$20.2200	\$72,308,293.73
	Class II Butterfat	60(b)	9,006,555	\$2.1277	\$19,163,247.09
	Class II Nonfat Solids	00 ()	9,140,148	\$1.9911	\$18,198,948.68
	Class III Butterfat	60(c)	7,790,427	\$2.1207	\$16,521,158.56
	Class III Protein		5,565,299	\$4.7089	\$26,206,436.48
	Class III Other Solids	CO(4)	9,742,131	\$0.4926	\$4,798,973.76
	Class IV Butterfat Class IV Nonfat Solids	60(d)	5,454,303 13,880,371	\$2.1207 \$1.8328	\$11,566,940.37 \$25,439,943.98
		OO(a)	13,000,371	\$1.0320	
	Class II, III, & IV Somatic Cell Adjustment	60(e)	700 000 400		\$850,284.71
	Total Producer Milk- Product Pounds and Value		796,880,460		\$210,440,546.31
Add:	Value as for 60(f) thru 60(j)				\$94,837.15
Less:	Total Protein Pounds	61(b)	25,237,535	\$4.7089	\$118,841,028.58
	Total Other Solids Pounds		46,260,688	\$0.4926	\$22,788,014.93
	Total Butterfat Pounds		29,580,666	\$2.1207	\$62,731,718.43
	Total Value of Somatic Cell Adjustment		, ,		\$1,542,384.49
	Total Milk and Value		796,880,460		\$4,632,237.03
Add:	Location Differential Adjustments	61(c)			\$1,724,414.18
	Producer - Settlement Fund Reserve	61(d)			\$459,482.28
	Total Producer Milk/URSP and Value		796,880,460	\$0.85535	\$6,816,133.49
Less:	Producer - Settlement Fund Reserve	61(f)		\$0.04535	\$361,401.76
	Producer Price Differential (Dallas County)			\$0.81	\$6,454,731.73

THE MARKET ADMINISTRATOR'S **REPORT**

SOUTHWEST MARKETING AREA CARY HUNTER, MARKET ADMINISTRATOR P.O. BOX 110939, CARROLLTON, TEXAS 75011-0939

RETURN SERVICE REQUESTED

PRSRT STD U.S. POSTAGE P A I D Carrollton, TX Permit No. 343

APRIL 2014 PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

	Producer Milk Utilization Percentages									
	Product		Butterfat		Skim Milk					
	Pounds	Percent	Pounds	Percent	Pounds	Percent				
Class I	364,937,164	45.80	7,329,381	24.78	357,607,783	46.61				
Class II	107,711,668	13.52	9,006,555	30.45	98,705,113	12.86				
Class III	168,705,864	21.16	7,790,427	26.33	160,915,437	20.97				
Class IV	155,525,764	19.52	5,454,303	18.44	150,071,461	19.56				
Total	796,880,460	100.00	29,580,666	100.00	767,299,794	100.00				

Producer Milk Components									
	Butterfat	Protein	Other Solids	Nonfat Solids					
Total Pounds	29,580,666	25,237,535	46,260,688	71,498,223					
Percentage 3.71% 3.17% 5.81% 8.97%									

Average Somatic Cell Count	186,000
Total Number of Pooled Producers	453