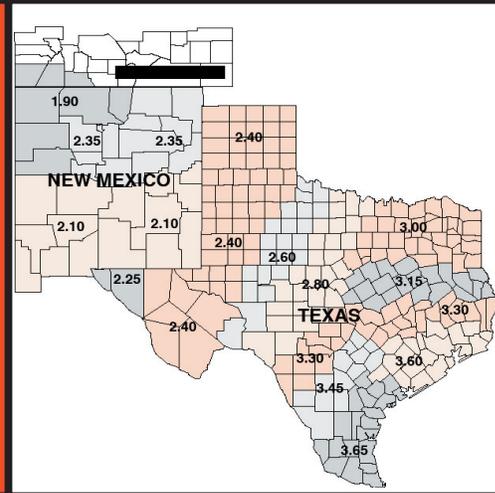


# THE MARKET ADMINISTRATOR'S

# REPORT



## SOUTHWEST MARKETING AREA

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### MARKET SUMMARY FOR APRIL

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 \$0.67 for April. Butterfat price decreased \$0.0315 per pound from \$1.7279 in March to the level of \$1.6964 in April. Protein price increased \$0.2036 per pound from \$2.5019 in March to \$2.7055 in April. April's Other Solids price increased \$0.0069 per pound from \$0.0951 in March to \$0.1020 in April. The Somatic Cell Count adjustment rate factor for April was .00078 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 \$15.28 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is a decrease of \$0.51 in comparison to the statistical blend price of \$15.79 in March.

The April Class I price decreased \$1.30 from \$18.43 in March to the April level of \$17.13. The Class II price for April of \$13.24 per hundredweight decreased \$0.01 from \$13.25 in March. April's Class III price increased \$0.53 from \$14.08 in March to \$14.61 in April. The Class IV price decreased \$0.05 from \$12.66 in March to \$12.61 in April.

In April 838 producers delivered a total of 715,102,280 pounds of milk. On a daily basis this represents a decrease of 5.79 percent from the producer receipts level in March but it represents an increase of 12.78 percent when compared to the producer receipts level of April 2004.

Producer milk classified as Class I during April amounted to 49.00 percent of total producer receipts. This figure is up from 43.91 percent in March but it is down from 55.24 percent in April 2004. The average butterfat test of producer milk pooled during April was 3.609 percent, average protein test was 3.021 percent, average other solids test was 5.712 percent and the average somatic cell count was 272,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Apr 05	Mar 05	Apr 05	Mar 05	Apr 05	Mar 05
Appalachian	15.92	16.74	-----	-----	61.65	61.77
Arizona-Las Vegas	14.59	14.86	-----	-----	30.61	31.28
Central	14.59	14.73	(0.02)	0.65	46.99	28.04
Florida	17.30	18.15	-----	-----	78.93	77.10
Mideast	14.76	14.95	0.15	0.87	36.50	32.90
Northeast	15.52	16.04	0.91	1.96	42.90	44.80
Pacific Northwest	14.12	14.59	(0.49)	0.51	39.01	32.96
Southeast	15.85	16.63	-----	-----	56.55	59.28
<b>Southwest</b>	<b>15.28</b>	<b>15.79</b>	<b>0.67</b>	<b>1.71</b>	<b>49.00</b>	<b>43.91</b>
Upper Midwest	14.65	14.49	0.04	0.41	53.40	17.70

## MEMBERS TO NATIONAL FLUID MILK PROCESSOR PROMOTION BOARD NAMED

The Secretary of Agriculture has announced the appointment of four incumbents and two new members to the National Fluid Milk Processor Promotion Board.

Re-appointed to serve second terms are: James S. Jaskiewicz, Lakeland, Fla. (Region 5) and Gary L. Aggus, Springfield, Mo. (Region 11).

Re-appointed to serve a first term after filling a vacancy lasting less than 18 months is Joseph Cervantes, Binghamton, N.Y. (Region 2); and Jerry Tidwell, Walnut Creek, Calif. (Region 14).

Newly appointed are: Brian Haugh, Dallas, Texas (Region 8) and Michael A. Krueger, Phoenix, Ariz., (At-Large Processor).

Terms for these appointees begin July 1, 2005, and expire June 30, 2008. All appointees will be seated at the summer board meeting July 21-23, 2005.

The National Fluid Milk Processor Promotion Board is composed of 15 fluid milk processors from 15 geographic regions, and five at-large members. At least three at-large members must be fluid milk processors and at least one must be from the general public.

## CHANGING TEXAS DAIRY STRUCTURE

The Texas dairy scene has changed a lot in structure since 1995. The two tables show what has happened to the composition of the top ten milk producing counties in Texas for April 1995 and 2005.

In April 1995, 1,055 Texas dairies produced 362,302,375 pounds of milk or 64.88 percent of the milk in Texas. Average production per dairy for these top ten counties amounted to 343,415 pounds in April 1995. Total Texas milk production for that month was 558,387,965 pounds produced by 1,881 dairies. The average production per dairy for Texas in April 1995 was 296,857 pounds. Five of the top ten counties (Archer, Comanche, Erath, Hamilton, and Johnson) are located in north central Texas. El Paso county is located in west Texas while Cherokee, Franklin, Hopkins, and Wood counties are located in east Texas.

By April 2005 only four of the top ten milk producing counties of April 1995 remain...Archer, Comanche, Erath, and Hopkins counties. The counties that replaced the six counties in the top ten list are located in the new and ever growing milk-producing region of Texas known as the Panhandle...Bailey, Castro, Deaf Smith, Hale, Lamb, and Parmer counties. No counties from the panhandle region of Texas were even represented in the top ten list of April 1995.

In April 2005, 378 Texas dairies produced 367,980,967 pounds of milk or 65.17 percent of the

milk in Texas. While this percentage is almost identical to the April 1995 figure only 378 dairies instead of 1,055 now produce that amount of milk. That is 65.12 percent fewer producers than in April 1995. Average production per dairy for these top ten counties was 973,495 pounds in April 2005. That is an increase of 183.47 percent more milk per dairy than April's 1995 top ten milk producing counties' average. Total Texas milk production for April 2005 is 564,647,522 pounds produced by 776 dairies. The average production per dairy for Texas in April 2005 was 727,639 pounds or 145.11 percent more than in April 1995.

### TOP 10 TEXAS MILK PRODUCING COUNTIES - APRIL 1995

Rank	No. of Dairies	County	Million Pounds
1	199	Erath	121,319,076
2	414	Hopkins	83,383,115
3	55	Comanche	34,110,688
4	68	Johnson	20,978,403
5	96	Wood	20,595,783
6	9	El Paso	18,835,026
7	66	Archer	18,325,097
8	46	Cherokee	17,680,528
9	41	Hamilton	14,614,321
10	61	Franklin	12,460,338
	1,055	Total	362,302,375

### TOP 10 TEXAS MILK PRODUCING COUNTIES - APRIL 2005

Rank	No. of Dairies	County	Million Pounds
1	106	Erath	109,811,558
2	147	Hopkins	48,914,024
3	34	Comanche	44,998,280
4	9	Castro	31,120,863
5	8	Lamb	31,069,270
6	4	Hale	27,309,654
7	52	Archer	19,685,703
8	6	Parmer	19,235,085
9	7	Bailey	18,387,769
10	5	Deaf Smith	17,448,761
	378	Total	367,980,967

## TOP TEN TEXAS COUNTIES a/ – APRIL 2005

County	Number of Producers	Pounds	% Change From 2004b/	County	Number of Producers	Pounds	% Change From 2004b/
1. Erath	106	109,811,558	- 1.62	7. Archer	52	19,685,703	- 3.25
2. Hopkins	147	48,914,024	+ 1.33	8. Parmer	6	19,235,085	+ 6.95
3. Comanche	34	44,998,280	+ 10.46	9. Bailey	7	18,387,769	+ 78.61
4. Castro	9	31,120,863	+ 60.04	10. Deaf Smith	5	17,448,761	- 6.49
5. Lamb	8	31,069,270	+ 3.99	Ten County Total	378	367,980,967	+ 7.55 b/
6. Hale	4	27,309,654	+ 47.59	Other Counties Total	398	196,666,555	+ 0.86
				Texas Total	776	564,647,522	+ 5.12

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.

## 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-----						
February 2004	14.59	12.90	11.89	12.21	1.78	185.18	0.90	179.11	.00066	165.82	132.60	80.64	16.77
March	14.94	14.79	14.49	14.10	0.73	238.13	2.34	201.33	.00078	209.94	156.80	81.01	18.17
April	16.64	15.21	19.66	14.57	- 3.48	250.13	10.42	344.65	.00103	219.94	205.20	81.71	26.02
May	22.65	15.03	20.58	14.50	- 1.91	242.82	14.44	376.39	.00106	213.85	212.66	83.83	29.92
June	24.13	14.31	17.68	13.72	1.72	217.68	13.39	310.86	.00092	192.90	184.11	84.97	28.90
July	20.95	14.00	14.85	13.31	2.23	205.43	10.48	236.25	.00078	182.69	156.95	85.13	26.07
August	17.62	13.13	14.04	12.46	1.45	179.41	6.76	246.63	.00076	161.01	151.67	85.84	22.46
September	16.94	13.66	14.72	13.00	1.03	193.54	5.89	254.31	.00079	172.78	158.67	86.39	21.62
October	17.78	13.57	14.16	12.81	1.52	190.20	6.77	238.14	.00076	170.00	152.56	85.65	22.47
November	17.29	14.09	14.89	13.34	0.99	204.89	8.00	242.97	.00079	182.24	158.86	85.70	23.67
December	17.43	13.98	16.14	13.42	- 0.47	203.66	8.58	284.86	.00086	181.22	171.46	87.13	24.23
Averages 2004 b/	17.98	13.86	15.39	13.20	0.61	205.07	7.51	260.35	.00082	182.39	164.31	84.05	23.19
January 2005	19.65	13.04	14.14	12.52	1.90	173.30	8.99	253.00	.00076	155.92	151.65	89.06	24.63
February	16.79	13.36	14.70	12.74	0.54	177.54	9.15	266.13	.00079	159.45	157.11	89.90	24.78
March	18.43	13.25	14.08	12.66	1.71	172.79	9.51	250.19	.00075	155.49	150.61	90.83	25.13
April	17.13	13.24	14.61	12.61	0.67	169.64	10.20	270.55	.00078	152.87	155.90	91.56	25.80

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

## TOP NEW MEXICO COUNTIES a/ – APRIL 2005

County	Number of Producers	Pounds	% Change From 2004b/	County	Number of Producers	Pounds	% Change From 2004b/
1. Chaves	37	151,673,137	- 2.03	7. Valencia	9	16,030,419	+ 4.57
2. Roosevelt	39	103,472,128	+ 0.55	8. Socorro	7	11,353,641	+ 2.86
3. Curry	22	101,049,248	+ 1.31	9. Sierra	3	8,086,433	+ 9.87
4. Dona Ana	24	93,719,263	+ 6.57	10. Bernalillo	4	5,037,981	+ 2.20
5. Lea	14	38,829,517	+ 11.40	Ten County Total	164	553,724,767	+ 1.06 b/
6. Eddy	5	24,473,000	- 15.65	Other Counties Total	4	10,255,311	+ 7.45
				New Mexico Total	168	563,980,078	+ 1.17

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.

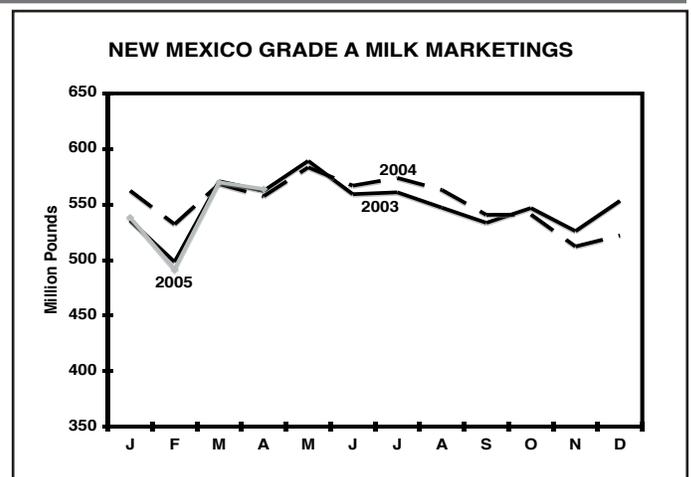
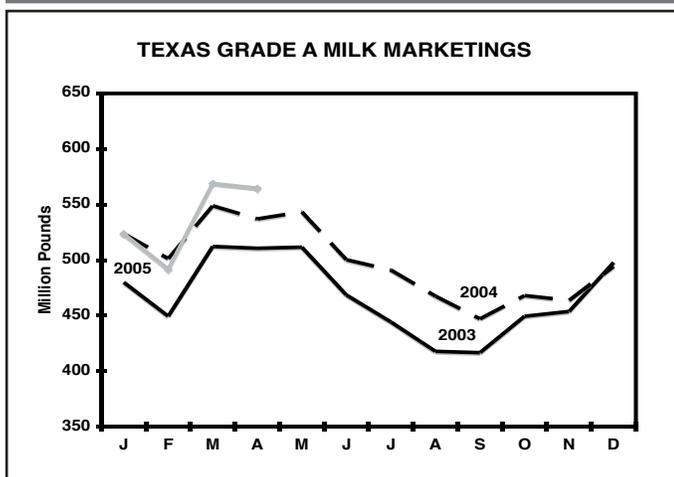
**POUNDS OF GRADE A MILK MARKETED BY  
PRODUCERS LOCATED IN TEXAS BY MONTHS:  
JANUARY 2003 THROUGH APRIL 2005, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2003 POUNDS	Number of Producers	2004 POUNDS	Number of Producers	2005 POUNDS	Number of Producers	PERCENT 2004/03	CHANGE 2005/04
January	480,011,354	845	523,723,796	816	523,680,970	778	+ 9.11	- 0.01
February	449,362,000	840	501,204,456	819	491,841,542	767	+ 7.69*	+ 1.64*
March	512,243,241	841	548,941,459	814	569,021,475	771	+7.16	+ 3.66
April	510,466,950	838	537,141,283	803	564,647,522	776	+ 5.23	+ 5.12
May	511,474,552	840	543,408,997	801			+ 6.24	
June	468,387,455	838	500,319,580	803			+ 6.82	
July	444,115,237	834	491,018,134	799			+ 10.56	
August	417,817,794	833	467,427,900	796			+ 11.87	
September	416,649,423	836	447,166,094	796			+ 7.32	
October	449,267,689	835	467,915,409	797			+ 4.15	
November	453,593,349	826	463,696,745	793			+ 2.23	
December	497,718,548	815	494,282,753	793			- 0.69	
Years Total	5,611,107,592		5,986,246,606				+ 6.69	

\* Based on average daily delivery.

**POUNDS OF GRADE A MILK MARKETED BY  
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:  
JANUARY 2003 THROUGH APRIL 2005, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2003 Number of POUNDS	Number of PERCENT Producers	2004 CHANGE POUNDS	Number of Producers	2005 POUNDS	Producers	2004/03	2005/04
January	535,741,056	177	562,516,031	178	538,413,955	168	+ 5.00	- 4.28
February	498,218,526	176	532,156,355	176	491,753,468	170	+ 3.13*	- 4.29*
March	570,901,632	177	568,504,219	178	569,909,167	169	- 0.42	+ 0.25
April	562,338,380	177	557,482,116	176	563,980,078	168	- 0.86	+ 1.17
May	589,176,775	177	583,379,003	177			- 0.98	
June	559,442,259	177	567,036,025	177			+ 1.36	
July	560,883,275	178	573,899,551	181			+ 2.32	
August	547,114,145	178	563,099,040	177			+ 2.92	
September	533,648,709	180	540,636,857	179			+ 1.31	
October	546,904,202	178	541,026,928	177			- 1.07	
November	526,000,891	176	512,342,849	176			- 2.60	
December	553,271,605	179	522,218,762	174			- 5.61	
Years Total	6,583,641,455		6,624,297,736				+ 0.62	



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## TEXAS AND NEW MEXICO MARKET COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC <sup>a/</sup>	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
April 2004	3.64	3.53	3.05	2.99	5.73	5.74	8.77	8.73	311	292
May	3.59	3.43	3.02	2.94	5.70	5.71	8.72	8.66	316	262
June	3.57	3.40	3.00	2.92	5.70	5.72	8.70	8.64	326	247
July	3.59	3.43	3.01	2.91	5.69	5.73	8.71	8.63	377	286
August	3.62	3.46	3.05	2.95	5.69	5.71	8.74	8.66	389	300
September	3.67	3.53	3.11	3.03	5.68	5.70	8.79	8.73	356	274
October	3.76	3.63	3.15	3.09	5.69	5.72	8.84	8.81	346	285
November	3.84	3.72	3.18	3.14	5.70	5.73	8.88	8.87	372	298
December	3.85	3.74	3.19	3.15	5.70	5.70	8.89	8.84	359	323
Averages 2004	3.70	3.56	3.09	3.02	5.70	5.72	8.79	8.74	339	280
January 2005	3.77	3.68	3.13	3.09	5.69	5.69	8.82	8.77	346	324
February	3.75	3.65	3.10	3.06	5.71	5.70	8.81	8.77	329	306
March	3.70	3.59	3.08	3.02	5.72	5.72	8.80	8.75	322	283
April	3.64	3.53	3.04	2.98	5.70	5.72	8.75	8.70	298	251

a/ In thousands.

**APRIL 2005**  
**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

	Pounds	Price	Value
Add: Class I Differential			\$239,020.96
Class I Butterfat	60(a) 7,931,471	\$1.7659	\$14,006,184.66
Class I Skim Per Cwt	342,464,856	\$11.3500	\$38,869,761.14
Class II Butterfat	60(b) 7,664,123	\$1.7034	\$13,055,067.12
Class II Nonfat Solids	8,670,973	\$0.8378	\$7,264,541.20
Class III Butterfat	60(c) 3,062,921	\$1.6964	\$5,195,939.19
Class III Protein	2,305,362	\$2.7055	\$6,237,156.91
Class III Other Solids	4,364,043	\$0.1020	\$445,132.39
Class IV Butterfat	60(d) 7,152,339	\$1.6964	\$12,133,227.88
Class IV Nonfat Solids	16,066,594	\$0.7678	\$12,335,930.87
Class II, III & IV Somatic Cell Adj.	60(e)		\$243,256.85
Total Producer Milk-Product Lbs & Value	715,102,280		\$110,025,219.17
Add: Value as for 60(f) Thru 60(j)			\$56,887.56
Less: Total Protein Pounds	61(b) 21,604,750	<b>\$2.7055</b>	\$58,451,651.14
Total Other Solids Pounds	40,848,226	<b>\$0.1020</b>	\$4,166,519.06
Total Butterfat Pounds	25,810,854	<b>\$1.6964</b>	\$43,785,532.73
Total Value of Somatic Cell Adjustment			\$432,735.93
<b>Total Milk and Value</b>	715,102,280		\$3,245,667.87
Add: Location Differential Adjustments	61(c)		\$1,612,096.41
Producer-Settlement Fund	61(d)		\$272,482.73
<b>Total Producer Milk/URSP and Value</b>	715,102,280	\$0.71741	\$5,130,247.01
Less: Producer-Settlement Fund	61(f)	\$0.04741	\$339,061.73
<b>Producer Price Differential (Dallas County)</b>		<b>\$0.67</b>	\$4,791,185.28

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**SOUTHWEST MARKETING AREA**  
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**APRIL 2005**  
**PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES**

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	350,396,327	49.00	7,931,471	30.73	342,464,856	49.68
Class II	103,023,092	14.41	7,664,123	29.69	95,358,969	13.83
Class III	77,058,694	10.77	3,062,921	11.87	73,995,773	10.74
Class IV	184,624,167	25.82	7,152,339	27.71	177,471,828	25.75
Total	715,102,280	100.00	25,810,854	100.00	689,291,426	100.00

Producer Milk Component Utilization Percentages						
	Protein Pounds	Percent	Other Solids Pounds	Percent	Nonfat Solids Pounds	Percent
Class I	10,739,653	49.71	20,306,352	49.71	31,046,006	49.71
Class II	3,022,681	13.99	5,648,293	13.83	8,670,973	13.88
Class III	2,305,362	10.67	4,364,043	10.68	6,669,403	10.68
Class IV	5,537,054	25.63	10,529,538	25.78	16,066,594	25.73
Total	21,604,750	100.00	40,848,226	100.00	62,452,976	100.00