THE MARKET ADMINISTRATOR'S

REPORT



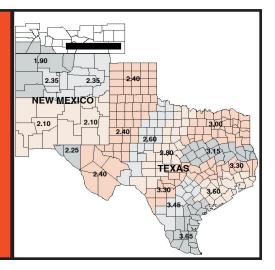
SOUTHWEST MARKETING AREA

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JULY 2013

MARKET SUMMARY FOR JUNE

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 \$1.69 for June. Butterfat price decreased \$0.1285 per pound from \$1.7884 in May to the level of \$1.6599 in June. Protein price decreased \$0.0142 per pound from \$3.3597 in May to \$3.3455 in June. June's Other Solids price decreased \$0.0028 per pound from \$0.3887 in May to \$0.3859 in June. The Somatic Cell Count adjustment rate factor for June was 0.00089 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a June statistical uniform price of \$19.71 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 \$0.17 in comparison to the statistical uniform price of \$19.54 in May.

The June Class I price increased \$1.17 from \$20.76 in May to the June level of \$21.93. The Class II price for June of \$19.14 per hundredweight increased \$0.71 from \$18.43 in May. June's Class III price decreased \$0.50 from \$18.52 in May to \$18.02 in June. The June Class IV price decreased \$0.01 from \$18.89 in May to \$18.88 in June.

In June 467 producers delivered a total of 971,642,346 pounds of milk. On a daily basis this represents a decrease of 7.84 percent from the producer receipts level in May but it represents an increase of 78.57 percent when compared to the producer receipts level of June 2012.

Producer milk classified as Class I during June amounted to 31.84 percent of total producer receipts. This figure is down from 34.07 percent in May and it is down from 59.02 percent in June 2012. The average butterfat test of producer milk pooled during June was 3.524 percent, average protein test was 3.036 percent, average other solids test was 5.777 percent and the average somatic cell count was 174,000.

Federal Order	Statistical Uniform Price		Produce Differ		Class I Utilization		
	<u>Jun 13</u>	May 13	<u>Jun 13</u>	<u>May 13</u>	<u>Jun 13</u>	<u>May 13</u>	
Appalachian - FO 5	21.00	20.46			58.46	63.64	
Arizona - FO 131	19.27	19.11			25.89	26.97	
Central - FO 32	18.80	18.65	0.78	0.13	26.05	32.35	
Florida - FO 6	23.27	22.47			82.42	83.78	
Mideast - FO 33	19.22	18.89	1.20	0.37	33.40	34.40	
Northeast - FO 1	20.20	19.78	2.18	1.26	33.70	35.60	
Pacific Northwest - FO 124	18.84	18.79	0.82	0.27	22.13	24.69	
Southeast - FO 7	21.31	20.89			56.24	64.25	
Southwest - FO 126	19.71	19.54	1.69	1.02	31.84	34.07	
Upper Midwest - FO 30	18.32	18.63	0.30	0.11	9.50	11.00	

TEXAS GRADE A MARKETINGS BY SIZE RANGES MAY 2013 AND MAY 2003

Farm Size	Numb	er of			Perc	ent of	Perce	ent of
Pounds	Produ	cers	Milk F	ounds	Tota	ıl Milk*	Total Pr	oducers*
	2013	2003	2013	2003	2013	2003	2013	2003
0-49,999	21	50	643,765	1,704,521	0.08	0.33	4.59	5.95
50,000-99,999	30	94	2,184,730	7,032,384	0.26	1.37	6.55	11.18
100,000-149,999	42	96	5,266,431	11,968,000	0.63	2.33	9.18	11.42
150,000-199,999	31	119	5,440,638	20,605,181	0.65	4.03	6.78	14.16
200,000-249,999	28	59	6,230,183	13,327,128	0.73	2.60	6.12	7.01
250,000-499,999	72	169	24,612,231	58,802,144	2.93	11.50	15.75	20.12
500,000-749,999	42	74	26,016,105	45,113,626	3.10	8.82	9.18	8.81
750,000-999,999	26	56	22,932,239	48,332,633	2.74	9.44	5.69	6.66
1,000,000-1,249,999	13	23	13,958,369	25,548,252	1.66	5.00	2.83	2.74
1,250,000-1,499,999	10	13	13,791,748	17,819,536	1.64	3.47	2.18	1.55
1,500,000-1,749,999	10	16	16,078,426	25,528,551	1.91	4.99	2.18	1.89
1,750,000-1,999,999	11	9	20,702,600	17,019,573	2.47	3.33	2.41	1.07
2,000,000-2,499,999	13	15	28,722,236	33,372,093	3.43	6.51	2.83	1.79
2,500,000-2,999,999	17	13	46,026,935	35,742,269	5.50	6.99	3.72	1.55
3,000,000-3,499,999	6	9	19,423,753	28,589,058	2.31	5.58	1.31	1.07
3,500,000-3,999,999	2	10	7,508,760	36,438,125	0.90	7.12	0.44	1.18
4,000,000-4,499,999	12	2	51,013,551	8,275,543	6.08	1.62	2.62	0.23
4,500,000-4,999,999	9	3	42,886,583	14,207,183	5.12	2.77	1.96	0.35
OVER-5,000,000	62	10	483,837,614	62,048,752	57.78	12.13	13.57	1.18
TOTAL	457	840	837,276,897	511,474,552	100.00	100.00	100.00	100.00

^{*} Totals may not add due to rounding.

NEW MEXICO GRADE A MARKETINGS BY SIZE RANGES MAY 2013 AND MAY 2003

Farm Size	arm Size Number of				Perc	ent of	Perce	ent of
Pounds	Produ	icers	Milk F	Pounds	Tota	ıl Milk*	Total Pr	oducers*
	2013	2003	2013	2003	2013	2003	2013	2003
0-49,999		1		13,115		0.00		0.56
50,000-99,999		2		170,526		0.02		1.12
100,000-149,999	1		108,549		0.02		0.67	
150,000-199,999		2		345,617		0.05		1.12
200,000-249,999		5		1,156,509		0.20		2.81
250,000-499,999	2	6	725,464	1,990,738	0.10	0.34	1.33	3.39
500,000-749,999	3	6	2,004,706	3,730,635	0.28	0.63	2.00	3.39
750,000-999,999	3	5	2,674,884	4,201,080	0.38	0.70	2.00	2.81
1,000,000-1,249,999	3	8	3,487,362	8,624,794	0.48	1.45	2.00	4.51
1,250,000-1,499,999	6	2	8,447,429	2,583,562	1.18	0.44	4.00	1.12
1,500,000-1,749,999	5	9	8,061,755	14,400,278	1.12	2.43	3.33	5.08
1,750,000-1,999,999	4	8	7,552,171	15,298,215	1.06	2.60	2.66	4.51
2,000,000-2,499,999	4	13	8,639,667	30,094,557	1.21	5.11	2.66	7.33
2,500,000-2,999,999	9	16	24,645,414	43,879,132	3.47	7.45	6.00	9.03
3,000,000-3,499,999	12	13	38,051,376	41,749,539	5.34	7.08	8.00	7.33
3,500,000-3,999,999	7	19	26,505,408	71,949,412	3.72	12.21	4.66	10.73
4,000,000-4,499,999	11	10	46,991,799	42,960,680	6.61	7.29	7.33	5.65
4,500,000-4,999,999	8	17	37,459,087	80,149,951	5.26	13.59	5.33	9.59
OVER-5,000,000	72	35	495,354,776	225,878,435	69.70	38.34	48.00	19.76
TOTAL	150	177	710,709,847	589,176,775	100.00	100.00	100.00	100.00

^{*} Totals may not add due to rounding.

TOP TEN TEXAS COUNTIES a/ – JUNE 2013

County	Number of Producers	<u>Pounds</u>	% Change From <u>2012</u>	County	Number of Producers	<u>Pounds</u>	% Change From <u>2012</u>
1. Castro	13	93,899,419	+ 5.57	7. Moore	8	52,456,443	+ 16.77
2. Erath	59	81,555,529	+ 0.33	8. Bailey	9	41,015,732	- 0.38
3. Parmer	14	80,315,716	- 10.59	9. Hale	5	39,372,448	+ 1.23
4. Deaf Smith	12	64,509,555	+ 3.13	10. Comanche	17	36,805,349	+ 1.90
5. Lamb	10	59,169,763	+ 11.81	Ten County Total	158	603,109,006	+ 2.30
6. Hartley	11	54,009,052	+ 2.02	Other Counties Total	<u>298</u>	195,314,910	<u>+ 1.30</u>
/ Includes all known Grade	"A" milk produces	d on forma lagated	in Toyoo	Texas Total	456	798,423,916	+ 2.05

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

TEXAS AND NEW MEXICO MARKET COMPONENT TEST

	<u>Butte</u>	<u>erfat</u>	<u>Prot</u>	<u>ein</u>	Other	<u>Solids</u>	<u>S-N</u>	<u>l-F</u>	SC	<u>C</u> a/
<u>Month</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>	<u>TX</u>	<u>NM</u>
April 2012	3.69	3.46	3.14	3.04	5.77	5.78	8.91	8.82	213	164
May	3.70	3.45	3.14	3.03	5.77	5.79	8.91	8.82	218	166
June	3.69	3.46	3.12	2.99	5.77	5.79	8.89	8.79	227	171
July	3.68	3.47	3.10	2.97	5.74	5.77	8.85	8.74	237	192
August	3.72	3.51	3.11	2.98	5.71	5.74	8.82	8.72	239	199
September	3.80	3.60	3.20	3.08	5.73	5.75	8.92	8.83	225	185
October	3.89	3.70	3.29	3.18	5.75	5.76	9.03	8.95	214	173
November	3.93	3.73	3.30	3.21	5.75	5.76	9.05	8.97	197	157
December	3.95	3.73	3.29	3.20	5.77	5.78	9.06	8.98	202	162
Averages 2012	3.79	3.57	3.20	3.09	5.76	5.77	8.95	8.86	223	185
January 2013	3.97	3.74	3.29	3.18	5.77	5.80	9.06	8.98	224	174
February	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

a/ In thousands.

TOP NEW MEXICO COUNTIES a/ – JUNE 2013

	County	Number of Producers	Pounds	% Change From 2012	County	Number of Producers	<u>Pounds</u>	% Change From <u>2012</u>
1.	Chaves	33	165,424,219	+ 3.04	7. Luna	3	17,711,580	+ 1.99
2.	Curry	27	144,548,195	- 2.15	8. Eddy	3	16,998,480	+ 5.24
3.	Roosevelt	32	130,385,247	- 2.37	9. Valencia	5	16,940,457	+ 4.05
4.	Dona Ana	19	87,066,258	+ 4.65	10. Bernalillo	4	6,163,285	+ 15.23
5.	Lea	13	55,417,857	+ 5.41	Ten County Total	147	662,623,800	+ 1.17
6.	Socorro	8	21,968,222	- 1.11	Other Counties Total	2	11,616,875	+ 2.90
/ All kn	own Grade "A" milk	produced on farr	ns located in New I	Mexico.	New Mexico Total	149	674,240,675	+ 1.20

POUNDS OF GRADE A MILK MARKETED BY PRODUCERS LOCATED IN TEXAS BY MONTHS:

JANUARY 2011 THROUGH JUNE 2013, WITH PRODUCTION PERCENTAGE COMPARISONS

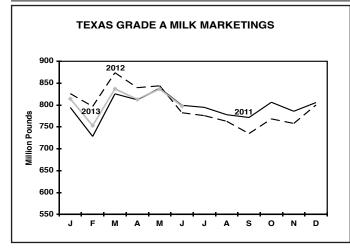
MONTH	2011 POUNDS	Number of Producers	2012 POUNDS	Number of Producers	2013 POUNDS	Number of Producers	PERCENT 2012/11	CHANGE 2013/12
January	794,574,299	555	826,060,689	525	815,186,323	468	+ 3.96	- 1.32
February	728,226,604	554	796,799,428	514	751,853,093	465	+ 5.62	- 2.27*
March	831,714,685	552	873,809,464	515	837,918,903	461	+ 5.06	- 4.11
April	812,060,148	549	839,675,231	504	813,654,074	456	+ 3.40	- 3.10
May	837,599,963	544	843,983,197	495	837,276,897	457	+ 0.76	- 0.79
June	799,434,977	543	782,384,320	491	798,423,916	456	- 2.13	+ 2.05
July	794,768,069	541	775,879,468	483			- 2.38	
August	779,356,886	540	762,801,472	481			- 2.12	
September	771,537,770	538	734,843,900	481			- 4.76	
October	811,052,943	536	768,680,316	473			- 5.26	
November	785,855,360	533	757,867,560	471			- 3.56	
December	805,829,180	531	800,171,636	470			<u>- 0.70</u>	
Years Total	9,552,010,884		9,562,956,681				+ 0.11	

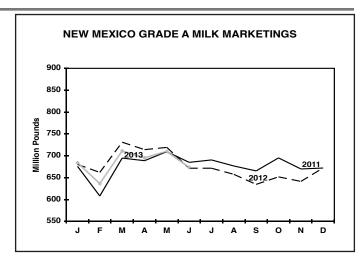
Based on average daily deliveries.

POUNDS OF GRADE A MILK MARKETED BY PRODUCERS LOCATED IN NEW MEXICO BY MONTHS: JANUARY 2011 THROUGH JUNE 2013, WITH PRODUCTION PERCENTAGE COMPARISONS

MONTH	2011 POUNDS	Number of Producers	2012 POUNDS	Number of Producers	2013 POUNDS	Number of Producers	PERCENT 2012/11	CHANGE 2013/12
January	675,834,553	157	680,195,569	157	684,936,342	148	+ 0.65	+ 0.70
February	608,071,702	159	661,854,191	156	637,099,822	148	+ 5.09	- 0.30*
March	694,817,453	159	730,980,867	156	711,862,101	149	+ 5.20	- 2.62
April	688,673,031	158	713,977,651	158	695,977,148	150	+ 3.67	- 2.52
May	709,391,501	157	719,067,055	153	710,709,847	150	+ 1.36	- 1.16
June	684,767,801	157	666,236,294	152	674,240,675	149	- 2.71	+ 1.20
July	690,350,883	157	671,552,652	149			- 2.72	
August	676,720,593	158	657,573,314	149			- 2.83	
September	666,022,373	159	634,558,129	148			- 4.72	
October	695,365,627	157	652,048,912	149			- 6.23	
November	669,926,275	157	641,151,756	148			- 4.30	
December	671,984,702	158	672,437,705	148			<u>+ 0.04</u>	
Years Total	8,131,926,494		8,101,634,095				- 0.37	

^{*} Based on average daily deliveries.





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							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/	II	III	IV	P.P.D.a/	BF	Solids	Protein	Adj Rate	Butter	Cheese	Powder	Whe
Month	Dollars Per Hundred Wt							(Cents Per P	ound			
April	18.66	16.20	15.72	14.80	1.18	156.45	40.48	265.68	.00077	146.34	153.61	125.14	59.21
May	18.85	15.19	15.23	13.55	1.27	144.62	35.00	273.44	.00076	136.57	152.15	115.51	53.89
June	18.24	14.32	15.63	13.24	1.04	148.66	31.13	289.52	.00079	139.91	158.46	110.23	50.13
July	18.51	14.51	16.68	14.45	0.51	165.56	31.23	304.30	.00084	153.86	168.57	117.44	50.23
August	19.55	15.64	17.73	15.76	0.81	183.39	34.62	312.11	.00088	168.59	176.82	125.43	53.52
September	20.59	17.04	19.00	17.41	0.38	200.47	39.71	325.21	.00093	182.69	186.47	137.68	58.46
October	21.88	18.44	21.02	18.54	(0.67)	211.36	43.40	372.78	.00102	191.68	204.79	146.36	62.05
November	23.70	18.81	20.83	18.66	0.54	202.18	46.24	371.72	.00101	184.10	201.46	151.43	64.80
December	24.39	18.30	18.66	17.83	1.56	172.76	47.58	331.13	.00090	159.81	179.25	153.84	66.10
Averages 2012 d/	20.46	16.64	17.44	16.01	0.95	172.30	40.63	304.26	.00085	159.43	170.76	132.79	59.35
January 2013	21.97	18.19	18.14	17.63	1.23	161.68	46.47	328.62	.00087	150.66	174.85	156.01	65.03
February	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
May	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
a/ Subject to location a	adjustment	s. b/ SCC	adjustme	nt rate is	per 1,000 c	lifference.	c/ Prior to Apri	2012 NASS pr	oduct prices	were used.	d/ Simple av	erages	

JUNE 2013 COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

		Pounds	Price	Value
Add: Class I Differential				\$330,811.86
Class I Butterfat	60(a)	6,988,141	\$1.8300	\$12,788,298.03
Class I Skim Per Cwt		302,342,957	\$16.0900	\$48,646,981.77
Class II Butterfat	60(b)	6,145,614	\$1.6669	\$10,244,123.98
Class II Nonfat Solids		7,317,554	\$1.5322	\$11,211,956.24
Class III Butterfat	60(c)	19,017,980	\$1.6599	\$31,567,945.01
Class III Protein		16,376,795	\$3.3455	\$54,788,567.70
Class III Other Solids		31,162,867	\$0.3859	\$12,025,750.42
Class IV Butterfat	60(d)	2,092,092	\$1.6599	\$3,472,663.52
Class IV Nonfat Solids		3,179,231	\$1.5048	\$4,784,106.82
Class II, III & IV Somatic Cell Adj.	60(e)			\$1,098,293.88
Total Producer Milk-Product Lbs &	Value	971,642,346		\$190,959,499.23
Add: Value as for 60(f) Thru 60(j)				\$8,031.98
Less: Total Protein Pounds	61(b)	29,504,559	\$3.3455	\$98,707,502.15
Total Other Solids Pounds	,	56,132,475	\$0.3859	\$21,661,522.13
Total Butterfat Pounds		34,243,827	\$1.6599	\$56,841,328.43
Total Value of Somatic Cell Adjustment				\$1,517,011.08
Total Milk and Value		971,642,346		\$12,240,167.42
Add: Location Differential Adjustments	61(c)			\$4,107,473.72
Producer-Settlement Fund	61(d)			\$512,982.81
Total Producer Milk/URSP and V	alue	971,642,346	\$1.73527	\$16,860,623.95
Less: Producer-Settlement Fund	61(f)		\$0.04527	\$439,868.30
Less. I Toudel-Settlement I did	01(1)		φυ.υ+υ∠1	φ403,000.30
Producer Price Differential (Dall	as County)	\$1.69	\$16,420,755.65

THE MARKET ADMINISTRATOR'S REPORT

SOUTHWEST MARKETING AREA CARY HUNTER, MARKET ADMINISTRATOR P.O. BOX 110939, CARROLLTON, TEXAS 75011-0939 PRSRT STD U.S. POSTAGE PAID Carrollton, TX Permit No. 343

RETURN SERVICE REQUESTED

JUNE 2013 PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES

	Producer Milk Utilization Percentages											
	Product		Butterfat		Skim Milk							
	Pounds	Percent	Pounds	Percent	Pounds	Percent						
Class I	309,331,098	31.84	6,988,141	20.41	302,342,957	32.25						
Class II	86,411,083	8.89	6,145,614	17.95	80,265,469	8.56						
Class III	538,949,079	55.47	19,017,980	55.53	519,931,099	55.47						
Class IV	36,951,086	3.80	2,092,092	6.11	34,858,994	3.72						
Total	971,642,346	100.00	34,243,827	100.00	937,398,519	100.00						

Producer Milk Components					
	Butterfat	Protein	Other Solids	Nonfat Solids	
Total Pounds	34,243,827	29,504,559	56,132,475	85,637,034	
Percentage	3.524	3.036	5.777	8.813	

Average Somatic Cell Count	174,000
Total Number of Pooled Producers	467