



Market Administrator's Report Southwest Marketing Area Federal Order 126



Cary Hunter, Market Administrator

Volume 41, Issue 9

September 2015

MARKET SUMMARY FOR AUGUST

The Producer Price Differential (PPD) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$1.00 for August. Butterfat price increased \$0.1549 per pound from \$2.1125 in July to the level of \$2.2674 in August. Protein price decreased \$0.0378 per pound from \$2.6070 in July to \$2.5692 in August. The Other Solids price decreased \$0.0853 per pound from \$0.2004 in July to \$0.1151 in August. The Somatic Cell Count Adjustment rate factor for August was 0.00087 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received an August statistical uniform price of \$17.27 for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is an increase of \$0.02 in comparison to the statistical uniform price of \$17.25 in July.

The August Class I price decreased \$0.25 from \$19.53 in July to the August level of \$19.28. The Class II price decreased \$0.16 from \$14.70 in July to \$14.54 in August. The Class III price decreased \$0.06 from \$16.33 in July to \$16.27 in August. The Class IV price decreased \$0.25 from \$13.15 in July to \$12.90 in August.

In August, 577 producers delivered a total of 1,197,330,287 pounds of milk. On a daily basis, this represents an increase of 59.46% from the producer receipts level in July and it represents an increase of 6.04% when compared to the producer receipts level of August 2014.

Producer milk classified as Class I during August amounted to 29.32% of total producer receipts. This figure is down from 43.84% in July and is down from 30.84% in August 2014. The average butterfat test of producer milk pooled during August was 3.534, average protein test was 3.051%, average other solids test was 5.709% and the average somatic cell count was 264,000.

P.O. Box 110939
Carrollton, TX 75011-0939
(972) 245-6060
(972) 245-3211 Fax
www.dallasma.com
Email:
sw.order@dallasma.com

Inside this issue:

Top Ten Production & Component Averages **2**

Total Texas Production **3**

Total New Mexico Production **4**

Prices **5**

Aug 2015 PPD **6**

Jun 2015 Mailbox Prices **7**

Federal Order	Statistical Uniform	Statistical Uniform	PPD		Class I Utilization	Class I Utilization
	Aug-15	Jul-15	Aug-15	Jul-15	Aug-15	Jul-15
Appalachian - F.O. 5	18.37	18.50	N/A	N/A	69.20	69.50
Arizona - F.O. 131	15.88	15.76	N/A	N/A	30.28	28.15
Central - F.O. 32	16.27	16.27	0.00	(0.06)	34.85	36.82
Florida - F.O. 6	20.62	21.05	N/A	N/A	83.01	86.76
Midwest - F.O. 33	16.05	16.16	(0.22)	(0.17)	36.60	35.30
Northeast - F.O. 1	16.90	16.91	0.63	0.58	32.20	31.30
Pacific NW - F.O. 124	14.85	15.18	(1.42)	(1.15)	34.58	34.96
Southeast - F.O. 7	19.18	19.31	N/A	N/A	77.00	77.02
Southwest - F.O. 126	17.27	17.25	1.00	0.92	29.32	43.84
Upper Midwest - F.O. 30	16.25	16.35	(0.02)	0.02	13.90	14.90

TOP TEN TEXAS COUNTIES - AUGUST 2015



County	# Producers	Pounds 2015	Pounds 2014	% Change 2014/2015
PARMER	16	98,746,330	89,765,847	10.00
CASTRO	13	85,250,931	95,864,142	(11.07)
MOORE	9	82,237,026	75,781,609	8.52
ERATH	55	77,035,555	76,586,031	0.59
DEAF SMITH	11	65,494,342	71,222,275	(8.04)
LAMB	10	62,043,788	62,749,739	(1.13)
HARTLEY	11	57,125,440	57,842,116	(1.24)
BAILEY	10	43,505,165	45,457,152	(4.29)
HALE	6	43,081,529	46,341,009	(7.03)
COMANCHE	15	35,018,500	36,816,469	(4.88)
Sum	156	649,538,606	658,426,389	(1.35)
Other Counties	274	174,653,278	181,283,556	1/ (3.66)
Texas Total	430	824,191,884	839,709,945	1/ (1.85)

1/ Revised

TOP TEN NEW MEXICO COUNTIES - AUGUST 2015

County	# Producers	Pounds 2015	Pounds 2014	% Change 2014/2015
CURRY	28	158,493,309	151,574,543	1/ 4.56
CHAVES	31	145,598,917	154,182,265	1/ (5.57)
ROOSEVELT	31	123,890,303	139,977,668	(11.49)
DONA ANA	19	72,133,283	77,836,464	(7.33)
LEA	13	55,284,650	59,815,451	(7.57)
SOCORRO	8	24,059,757	23,231,934	3.56
VALENCIA	5	17,488,343	16,965,180	3.08
LUNA	3	17,316,260	17,245,092	0.41
EDDY	3	15,438,780	16,800,740	(8.11)
Sum	141	629,703,602	657,629,337	(4.25)
Other Counties	4	14,589,086	14,871,898	(1.90)
NM Total	145	644,292,688	672,501,235	(4.19)

1/ Revised



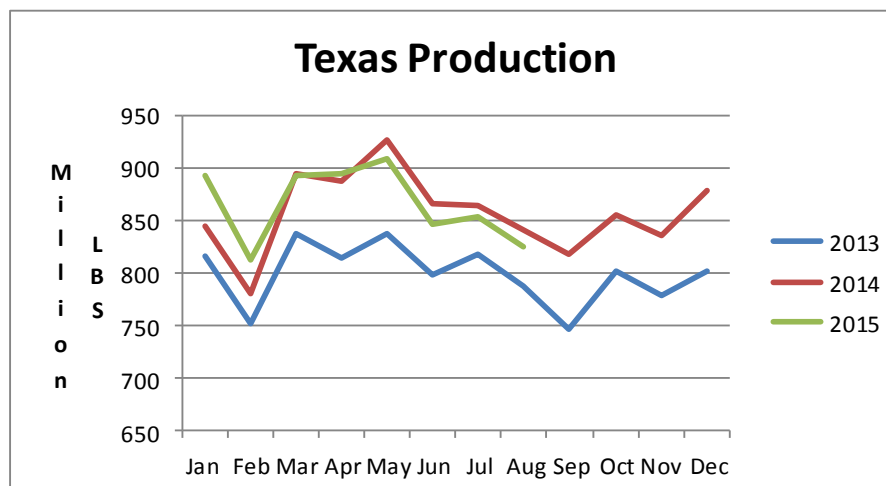
TEXAS & NEW MEXICO COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC (thousands)	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
Aug-14	3.72	3.44	3.15	3.02	5.74	5.74	8.88	8.76	247	210
Sep-14	3.79	3.54	3.20	3.07	5.74	5.75	8.94	8.82	250	217
Oct-14	3.88	3.64	3.27	3.14	5.63	5.73	8.99	8.87	233	210
Nov-14	4.00	3.73	3.36	3.22	5.76	5.77	9.12	8.99	221	197
Dec-14	4.00	3.70	3.33	3.20	5.75	5.76	9.08	8.95	219	190
Avg 2014	3.81	3.55	3.23	3.10	5.75	5.77	8.98	8.87	215	182
Jan-15	4.03	3.75	3.33	3.19	5.75	5.75	9.07	8.94	256	253
Feb-15	3.94	3.67	3.28	3.14	5.74	5.74	9.03	8.88	250	238
Mar-15	3.93	3.62	3.26	3.11	5.73	5.73	8.99	8.85	261	220
Apr-15	3.82	3.52	3.21	3.06	5.77	5.77	8.98	8.82	229	188
May-15	3.79	3.47	3.21	3.06	5.76	5.76	8.96	8.82	251	193
Jun-15	3.75	3.44	3.13	2.98	5.74	5.73	8.88	8.71	271	206
Jul-15	3.71	3.43	3.12	2.95	5.74	5.72	8.86	8.67	276	225
Aug-15	3.72	3.40	3.15	2.98	5.72	5.71	8.87	8.68	279	237

TOTAL POUNDS MARKETING BY PRODUCERS LOCATED IN TEXAS

Month	2013 Pounds	# of Prod.	2014 Pounds	# of Prod.	2015 Pounds	# of Prod.	Percent 2014/13	Percent 2015/14
Jan	815,186,323	468	844,617,229 1/	441 1/	892,823,459 1/	429 1/	3.61 1/	5.71 1/
Feb	751,853,093	465	780,988,123 1/	444 1/	811,843,115 1/	432 1/	3.88 1/	3.95 1/
Mar	837,918,903	461	894,443,992 1/	445 1/	891,589,549 1/	431 1/	6.75 1/	(0.32) 1/
Apr	813,654,074	456	887,281,917 1/	443 1/	894,417,033	429	9.05 1/	0.80
May	837,276,897	457	926,529,943 1/	444 1/	909,103,216	428	10.66 1/	(1.88)
Jun	798,423,916	456	865,656,592 1/	443 1/	845,720,119	428	8.42 1/	(2.30)
Jul	820,815,695 1/	453 1/	864,141,418 1/	440 1/	852,902,209	428	5.28 1/	(1.30)
Aug	789,844,812 1/	449 1/	839,709,945 1/	440 1/	824,191,884	430	6.31 1/	(1.85)
Sep	747,409,239 1/	447 1/	817,209,349	437			9.34 1/	
Oct	801,063,437 1/	446 1/	855,185,736 1/	437 1/			6.76 1/	
Nov	778,906,049 1/	445 1/	836,209,943	436			7.36 1/	
Dec	<u>801,359,886</u> 1/	442 1/	<u>877,624,199</u> 1/	436 1/			<u>9.52</u> 1/	
Total	9,593,712,324 1/		10,289,598,386 1/		6,922,590,584		7.25 1/	

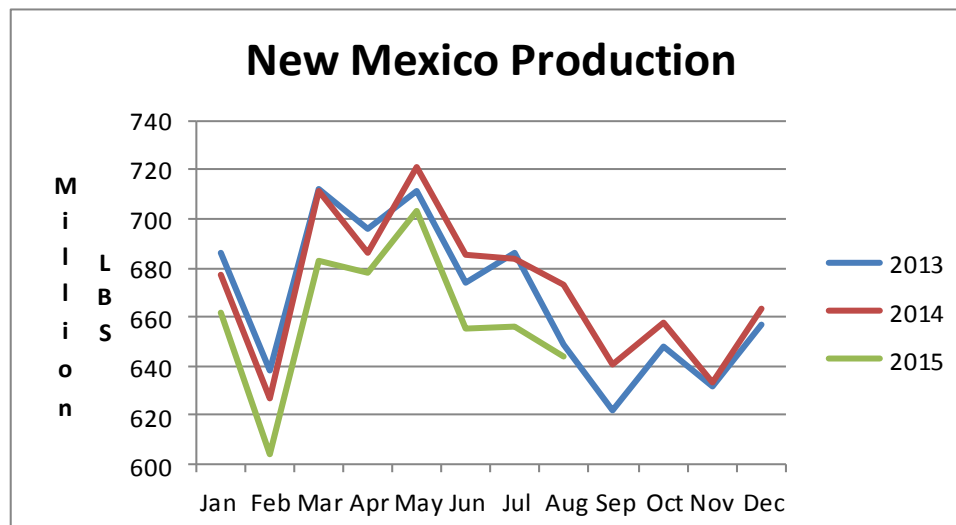
1/ Revised



TOTAL POUNDS MARKETED BY PRODUCERS LOCATED IN NEW MEXICO

Month	2013 Pounds	# of Prod.	2014 Pounds	# of Prod.	2015 Pounds	# of Prod.	Percent 2014/13	Percent 2015/14
Jan	685,707,875 1/	148	677,107,907	147	661,847,030 1/	146	(1.25)	(2.25) 1/
Feb	637,945,230 1/	148	627,152,702 1/	147 1/	603,750,641	146	(1.69) 1/	(3.73)
Mar	711,813,501 1/	149	711,010,066	146	682,710,459	146	(0.11)	(3.98)
Apr	695,977,148	150	686,163,267	145	677,457,428	146	(1.41)	(1.27)
May	710,709,847	150	721,131,107	147	702,667,025	146	1.47	(2.56)
Jun	674,240,675	149	685,138,590	147	654,860,147	146	1.62	(4.42)
Jul	685,672,220	149	684,168,540	147	655,629,143	145	(0.22)	(4.17)
Aug	648,098,565	148	672,501,235	147	644,292,688	145	3.77	(4.19)
Sep	621,748,466	147	641,424,320	148			3.16	
Oct	647,611,433	147	658,497,505 1/	145 1/			1.68 1/	
Nov	631,922,577	147	632,669,687	146			0.12	
Dec	<u>656,050,459</u>	148	<u>662,539,938</u>	147			<u>0.99</u>	
Total	8,007,497,996 1/		8,059,504,864 1/		5,283,214,561		0.65 1/	

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
Aug-14	26.87	25.34	22.25	23.89	2.04	24.29
Sep-14	26.63	26.11	24.60	22.58	1.20	25.80
Oct-14	27.19	21.93	23.82	21.35	0.68	24.50
Nov-14	27.06	19.91	21.94	18.21	0.34	22.28
Dec-14	25.53	19.09	17.82	16.70	2.32	20.14
Avg 2014	26.29	23.34	22.34	22.09	1.35	23.69
Jan-15	21.58	16.18	16.18	13.23	1.30	17.48
Feb-15	19.24	14.48	15.46	13.82	1.18	16.64
Mar-15	18.56	14.50	15.56	13.80	0.76	16.32
Apr-15	18.50	14.98	15.81	13.51	0.66	16.47
May-15	18.83	14.81	16.19	13.91	0.55	16.74
Jun-15	19.14	14.77	16.72	13.90	0.49	17.21
Jul-15	19.53	14.70	16.33	13.15	0.92	17.25
Aug-15	19.28	14.54	16.27	12.90	1.00	17.27

a/ Subject to location adjustments

COMPONENT PRICES & AMS PRODUCT PRICES

COMPONENT PRICES**					AMS PRODUCT PRICES**			
Month	BUTTER FAT	TRUE PROTEIN	OTHER SOLIDS	SCC ADJ RATE	GRADE AA BUTTER	CHEDDAR CHEESE	NFDM POWDER	DRY WHEY
Aug-14	2.8448	3.1496	0.5036	0.00105	2.5206	2.1074	1.7887	0.6880
Sep-14	3.2467	3.4991	0.4876	0.00117	2.8525	2.3472	1.4718	0.6725
Oct-14	2.8507	3.7362	0.4670	0.00115	2.5255	2.2914	1.4900	0.6525
Nov-14	2.2011	3.9018	0.4505	0.00107	1.9891	2.1305	1.3902	0.6365
Dec-14	2.0991	2.7387	0.3996	0.00087	1.9049	1.7362	1.2554	0.5871
Avg 2014	2.3792	3.7935	0.4684	0.00108	2.1361	2.1551	1.7682	0.6538
Jan-15	1.6855	2.6731	0.4001	0.00079	1.5633	1.5807	1.0202	0.5875
Feb-15	1.8296	2.4051	0.3273	0.00077	1.6823	1.5446	1.0308	0.5169
Mar-15	1.8444	2.4875	0.2918	0.00079	1.6945	1.5750	1.0217	0.4824
Apr-15	1.8940	2.5551	0.2698	0.00081	1.7355	1.6122	0.9684	0.4610
May-15	2.0599	2.5206	0.2533	0.00083	1.8725	1.6557	0.9464	0.4450
Jun-15	2.1011	2.6915	0.2322	0.00086	1.9065	1.7222	0.9283	0.4245
Jul-15	2.1125	2.6070	0.2004	0.00085	1.9159	1.6997	0.8366	0.3937
Aug-15	2.2674	2.5692	0.1151	0.00087	2.0438	1.7386	0.7443	0.3108

** Prices in previous months' reports were shown in cents per pound, currently dollars per hundred pounds (cwt)

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL AUGUST 2015

		Pounds	Price	Value
Add: Class I Differential				\$462,819.17
Class I Butterfat	60(a)	7,465,897	\$ 2.1632	\$16,150,228.42
Class I Skim Per Cwt		343,607,537	\$12.1300	\$41,679,594.24
Class II Butterfat	60(b)	8,874,266	\$ 2.2744	\$20,183,630.60
Class II Nonfat Solids		8,082,147	\$ 0.7578	\$6,124,651.03
Class III Butterfat	60(c)	24,165,882	\$ 2.2674	\$54,793,720.85
Class III Protein		20,611,282	\$ 2.5692	\$52,954,505.72
Class III Other Solids		38,664,018	\$ 0.1151	\$4,450,228.49
Class IV Butterfat	60(d)	1,812,411	\$ 2.2674	\$4,109,460.74
Class IV Nonfat Solids		6,287,063	\$ 0.5707	\$3,588,026.86
Class II, III, & IV Somatic Cell Adjustment	60(e)			\$669,939.39
Total Producer Milk- Product Pounds and Value		1,197,330,287		\$205,166,805.51
Add: Value as for 60(f) thru 60(j)				\$148,521.63
Less: Total Protein Pounds	61(b)	36,539,015	\$ 2.5692	\$93,876,037.37
Total Other Solids Pounds		68,364,498	\$ 0.1151	\$7,868,753.72
Total Butterfat Pounds		42,318,456	\$ 2.2674	\$95,952,867.15
Total Value of Somatic Cell Adjustment				\$894,130.32
Total Milk and Value		1,197,330,287		\$6,723,538.58
Add: Location Differential Adjustments	61(c)			\$5,522,033.68
Producer - Settlement Fund Reserve	61(d)			\$326,267.70
Total Product Milk/URSP and Value		1,197,330,287	\$ 1.04998	\$12,571,839.96
Less: Producer - Settlement Fund Reserve	61(f)		\$ 0.04998	\$598,537.09
Producer Price Differential (Dallas County)			\$1.00	\$11,973,302.87

Average Somatic Cell Count	264,000
Total Number of Producers	577

Producer Milk Utilization Percentages						
	Product		Butterfat		Skim Milk	
	Pounds	Percent	Pounds	Percent	Pounds	Percent
Class I	351,073,434	29.32	7,465,897	17.64	343,607,537	29.75
Class II	98,233,674	8.20	8,874,266	20.97	89,359,408	7.74
Class III	676,545,176	56.51	24,165,882	57.11	652,379,294	56.48
Class IV	71,478,003	5.97	1,812,411	4.28	69,665,592	6.03
Total	1,197,330,287	100.00	42,318,456	100.00	1,155,011,831	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
Total Pounds	42,318,456	36,539,015	68,364,498	104,903,513
Average Test	3.534%	3.051%	5.709%	8.761%

Mailbox Milk Prices for Selected Reporting Areas in Federal Milk Orders and California, June 2015, With Comparisons

In June 2015, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.62 per cwt, up \$0.02 per cwt from the May 2015 average, and down \$6.49 per cwt from the June 2014 average. The component tests of producer milk in June 2015 were: butterfat, 3.62%; protein, 3.01%; and other solids, 5.76%. When compared to the previous month, the June Mailbox prices increased in 13 Federal milk order reporting areas and decreased in 6 Federal milk order reporting areas with a simple average increase of \$0.11 per cwt. Southern Missouri experienced the greatest increase of \$0.60 per cwt while the Northwest States experienced the greatest decrease of \$0.98 per cwt. Mailbox prices in June 2015 ranged from \$18.21 in Florida to \$14.62 in New Mexico.

Reporting Area ¹	Mailbox Milk Price ²		
	Jun 2014	May 2015	Jun 2015
	<i>(dollars per hundredweight)</i>		
New England States ³	24.92	18.07	18.18
New York	24.08	16.68	16.74
Eastern Pennsylvania ⁴	24.07	16.48	16.49
Appalachian States ⁵	24.68	16.49	17.02
Southeast States ⁶	24.85	16.69	17.28
Southern Missouri ⁷	23.66	15.99	16.59
Florida	25.78	17.77	18.21
Western Pennsylvania ⁸	23.70	16.75	16.67
Ohio	23.34	16.84	16.78
Indiana	22.61	15.81	15.87
Michigan	22.97	15.48	15.47
Wisconsin	22.91	17.66	17.82
Minnesota	22.85	17.56	17.61
Iowa	23.48	16.65	16.97
Illinois	23.33	16.82	16.90
Corn Belt States ⁹	21.84	15.72	15.86
Western Texas ¹⁰	21.43	15.71	15.70
New Mexico	20.25	14.63	14.62
Northwest States ¹¹	23.29	16.81	15.83
All Federal Order Areas ¹²	23.11	16.60	16.62
California ¹³	21.60	14.72	15.05

* Revised from previously published report

¹ Areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders.

² Net pay prices received by dairy farmers for milk. Prices reflect all payments received for milk sold and all costs associated with marketing the milk. Prices are weighted averages of the prices reported for all orders receiving milk from the reporting area and are reported at the average butterfat tests. Prices include, for the most part, the assessment under the Cooperatives Working Together (CWT) program.

³ Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

⁴ Includes all counties to the east of those listed in ⁸.

⁵ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia.

⁶ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi.

⁷ Includes the counties Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry, and all those to the south of these.

⁸ The counties of Warren, Elk, Clearfield, Indiana, Westmoreland, and Fayette, and all those counties to the west of these.

⁹ Includes Kansas, Nebraska, and the Missouri counties to the north of those listed in ⁷.

¹⁰ Includes all counties to the west of Fanin, Hunt, Van Zandt, Henderson, Houston, Cherokee, Nacogdoches, and Shelby.

¹¹ Includes Oregon and Washington.

¹² Weighted average of prices for all selected reporting areas.

¹³ Calculated by California Department of Food and Agriculture, and published at <http://cdfa.ca.gov/dairy/uploader/docs/MailBox%20Data%202014.pdf>

Report Contact: Randal Stoker, randal.stoker@usda.gov or 202-690-1932



July Milk Production

Milk production in the 23 major states during July totaled 16.6 billion pounds, up 1.2 percent from July 2014. June revised production at 16.4 billion pounds, was up 0.9 percent from June 2014. The June revision represented an increase of 40.0 million pounds or 0.2 percent from last month's preliminary production estimate.

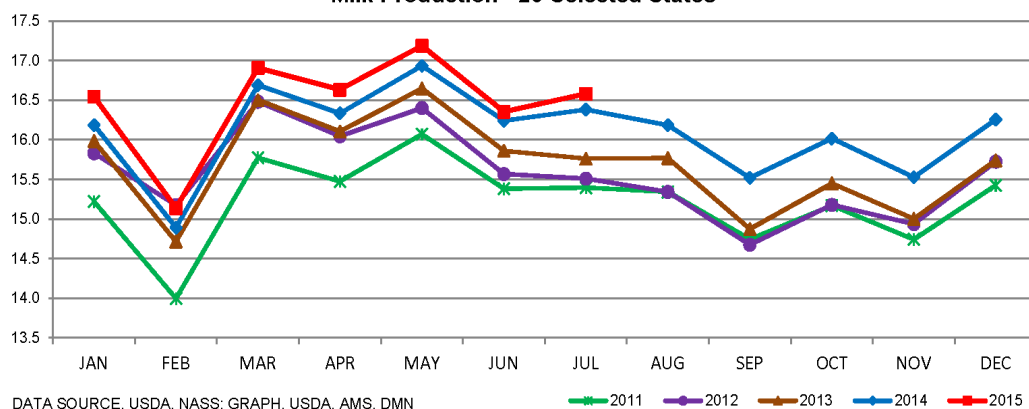
Production per cow in the 23 major states averaged 1,921 pounds for July, 12 pounds above July 2014. This is the highest production per cow for month of July since 23 State series began in 2003.

The number of milk cows on farms in the 23 major States was 8.63 million head, 47,000 head more than July 2014, and 2,000 head more than June 2015.

Source: Dairy Market News, August 17-21, 2015, Volume 82, Report 33

BILLION POUNDS

Milk Production - 23 Selected States



The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

P.O. Box 110939
Carrollton, TX 75011-0939
(972) 245-6060
(972) 245-3211 Fax
www.dallasma.com
Email:
sw.order@dallasma.com

