



Market Administrator's Report Southwest Marketing Area Federal Order 126



Cary Hunter, Market Administrator

Volume 43, Issue 6

June 2017

MARKET SUMMARY FOR MAY

The Producer Price Differential (PPD) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$0.80 for May. Butterfat price increased \$0.0586 per pound from \$2.3548 in April to the level of \$2.4134 in May. Protein price increased \$0.0768 per pound from \$1.6955 in April to \$1.7723 in May. The Other Solids price decreased \$0.0154 per pound from \$0.3350 in April to \$0.3196 in May. The Somatic Cell Count Adjustment rate factor for May was 0.00077 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a May statistical uniform price of \$16.37 for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is an increase of \$0.05 in comparison to the statistical uniform price of \$16.32 in April.

The May Class I price decreased \$0.85 from \$19.05 in April to the May level of \$18.20. The Class II price increased \$0.03 from \$14.81 in April to \$14.84 in May. The Class III price increased \$0.35 from 15.22 in April to \$15.57 in May. The Class IV price increased \$0.48 from \$14.01 in April to \$14.49 in May.

In May, 424 producers delivered a total of 918,182,786 pounds of milk. On a daily basis, this represents a decrease of 26.60% from the producer receipts level in April and it represents a decrease of 27.18% when compared to the producer receipts level of May 2016.

Producer milk classified as Class I during May amounted to 38.55% of total producer receipts. This figure is up from 28.30% in April and is up from 28.32% in May 2016. The average butterfat test of producer milk pooled during May was 3.838%, average protein test was 3.202%, average other solids test was 5.776% and the average somatic cell count was 204,000.

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**

May 2017 PPD **6**

TX & NM Component Data by Region—May 2017 **7**

Federal Order	Statistical Uniform	Statistical Uniform	PPD	PPD	Class I Utilization	Class I Utilization
	May-17	Apr-17	May-17	Apr-17	May-17	Apr-17
Appalachian - F.O. 5	17.65	17.77	N/A	N/A	67.37	63.06
Arizona - F.O. 131	15.53	15.35	N/A	N/A	24.10	22.99
Central - F.O. 32	15.50	15.42	(0.07)	0.20	29.59	26.37
Florida - F.O. 6	19.69	20.08	N/A	N/A	81.18	80.58
Mideast - F.O. 33	15.67	15.61	0.10	0.39	30.80	27.30
Northeast - F.O. 1	16.51	16.39	0.94	1.17	30.70	29.40
Pacific NW - F.O. 124	15.43	15.23	(0.14)	0.01	25.71	24.18
Southeast - F.O. 7	17.83	17.97	N/A	N/A	62.92	59.57
Southwest - F.O. 126	16.37	16.32	0.80	1.10	38.55	28.30
Upper Midwest - F.O. 30	15.65	15.37	0.08	0.15	0.11	8.40

TOP TEN TEXAS COUNTIES - MAY 2017



County	# Producers	Pounds 2017	Pounds 2016	% Change 2016/2017
PARMER	16	122,240,614	104,286,293	17.22
CASTRO	12	105,192,796	90,658,303	16.03
ERATH	50	95,778,163	92,223,311	3.85
HARTLEY	14	94,574,780	73,363,581	28.91
MOORE	9	85,172,380	84,609,060	0.67
DEAF SMITH	12	80,647,388	73,274,058	10.06
LAMB	11	74,425,122	65,348,817	13.89
DALLAM	5	55,581,060	17,205,220	223.05
BAILEY	10	51,522,442	45,545,129	13.12
COMANCHE	15	49,010,864	44,253,155	10.75
Sum	154	814,145,609	690,766,927	17.86
Other Counties	243	246,733,962	236,676,433	4.25
Texas Total	397	1,060,879,571	927,443,360	14.39

1/ Revised

TOP TEN NEW MEXICO COUNTIES - MAY 2017

County	# Producers	Pounds 2017	Pounds 2016	% Change 2016/2017
CHAVES	31	176,361,133	162,274,519	8.68
CURRY	26	170,493,057	151,033,351	12.88
ROOSEVELT	32	138,491,639	130,082,452	6.46
DONA ANA	15	79,195,442	80,562,737	(1.70)
LEA	12	65,463,757	60,009,773	9.09
SOCORRO	7	24,070,534	23,930,263	0.59
VALENCIA	5	18,534,105	18,091,181	2.45
EDDY	3	17,795,720	16,564,420	7.43
LUNA	3	16,475,520	16,685,417	(1.26)
Sum	134	706,880,907	659,234,113	7.23
Other Counties	4	14,863,199	15,155,368	(1.93)
NM Total	138	721,744,106	674,389,481	7.02

1/ Revised



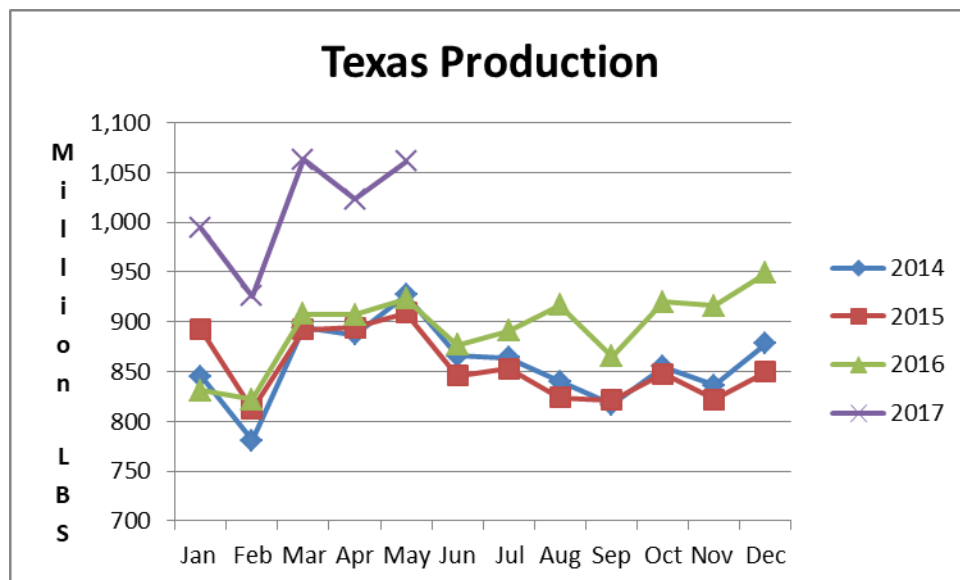
TEXAS & NEW MEXICO COMPONENT TEST

Month	Butterfat		Protein		Other Solids		S-N-F		SCC (thousands)	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
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
Apr-17	3.98	3.58	3.30	3.10	5.77	5.77	9.07	8.88	206	183
May-17	3.98	3.55	3.28	3.08	5.77	5.77	9.04	8.85	202	170

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	1,022,864,482	395	1.42	12.77
May	909,103,216	428	927,443,360	1/ 409	1,060,879,571	397	2.02	1/ 14.39
Jun	845,466,531	1/ 428	881,853,699	1/ 409			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	10,267,432,319	1/	10,740,855,958		5,063,194,029		4.61	1/

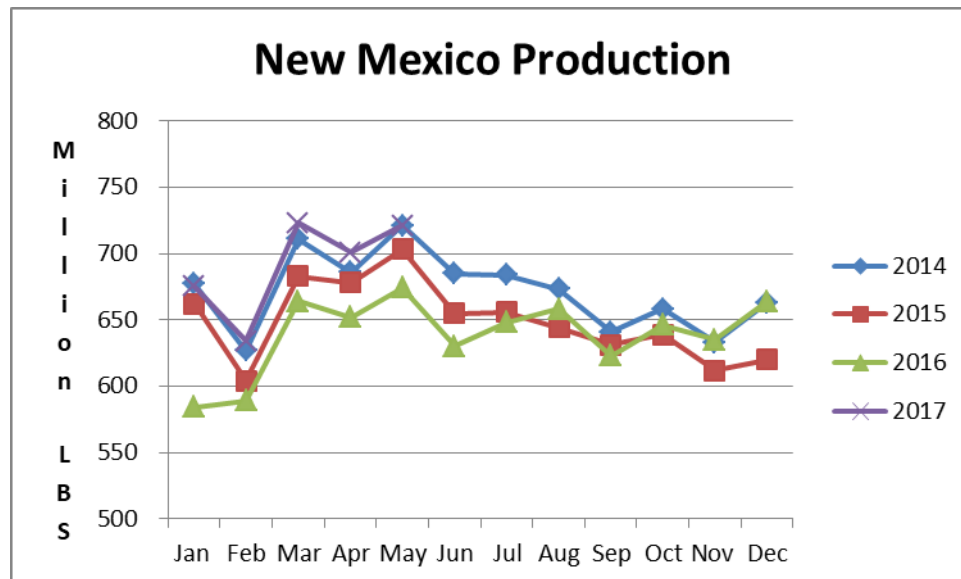
1/ Revised



TOTAL POUNDS MARKETED BY PRODUCERS LOCATED IN NEW MEXICO

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	700,674,724	139	(3.74)	7.45
May	702,667,025	146	674,389,481	142	721,744,106	138	(4.02)	7.02
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)
Total	7,784,639,114	1/	7,666,571,567		3,454,744,169		(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
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
Apr-17	19.05	14.81	15.22	14.01	1.10	16.32
May-17	18.20	14.84	15.57	14.49	0.80	16.37

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
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
Apr-17	2.3548	1.6955	0.3350	0.00075	2.1160	1.4960	0.8386	0.5243
May-17	2.4134	1.7723	0.3196	0.00077	2.1644	1.5390	0.8704	0.5094

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL MAY 2017

		Pounds	Price	Value
Add: Class I Differential				\$441,214.60
Class I Butterfat	60(a)	7,576,910	\$ 2.4036	\$18,211,860.89
Class I Skim Per Cwt		346,349,429	\$10.1400	\$35,119,832.12
Class II Butterfat	60(b)	14,273,187	\$ 2.4204	\$34,546,821.82
Class II Nonfat Solids		10,021,384	\$ 0.7333	\$7,348,680.90
Class III Butterfat	60(c)	7,389,930	\$ 2.4134	\$17,834,857.07
Class III Protein		5,993,635	\$ 1.7723	\$10,622,519.32
Class III Other Solids		10,216,925	\$ 0.3196	\$3,265,329.24
Class IV Butterfat	60(d)	6,006,234	\$ 2.4134	\$14,495,445.15
Class IV Nonfat Solids		24,029,386	\$ 0.6956	\$16,714,840.90
Class II, III, & IV Somatic Cell Adjustment	60(e)			\$652,728.79
Total Producer Milk- Product Pounds and Value		918,182,786		\$159,254,130.80
Add: Value as for 60(f) thru 60(j)				\$140,201.99
Less: Total Protein Pounds	61(b)	29,402,041	\$ 1.7723	\$52,109,237.28
Total Other Solids Pounds		53,038,319	\$ 0.3196	\$16,951,046.76
Total Butterfat Pounds		35,246,261	\$ 2.4134	\$85,063,326.32
Total Value of Somatic Cell Adjustment				\$1,029,846.25
Total Milk and Value		918,182,786		\$4,240,876.18
Add: Location Differential Adjustments	61(c)			\$3,008,202.39
Producer - Settlement Fund Reserve	61(d)			\$504,105.23
Total Product Milk/URSP and Value		918,182,786	\$ 0.84440	\$7,753,183.80
Less: Producer - Settlement Fund Reserve	61(f)		\$ 0.04440	\$407,721.51
Producer Price Differential (Dallas County)			\$.80	\$7,345,462.29

Average Somatic Cell Count	204,000
Total Number of Producers	424

Producer Milk Utilization Percentages						
	Product		Butterfat		Skim Milk	
	Pounds	Percent	Pounds	Percent	Pounds	Percent
Class I	353,926,339	38.55	7,576,910	21.50	346,349,429	39.23
Class II	122,304,239	13.32	14,273,187	40.50	108,031,052	12.24
Class III	176,849,713	19.26	7,389,930	20.96	169,459,783	19.19
Class IV	265,102,495	28.87	6,006,234	17.04	259,096,261	29.34
Total	918,182,786	100.00	35,246,261	100.00	882,936,525	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
Total Pounds	35,246,261	29,402,041	53,038,319	82,440,360
Average Test	3.838%	3.202%	5.776%	8.978%

TEXAS DAIRY MILK COMPONENTS FOR GEOGRAPHIC REGIONS - May 2017

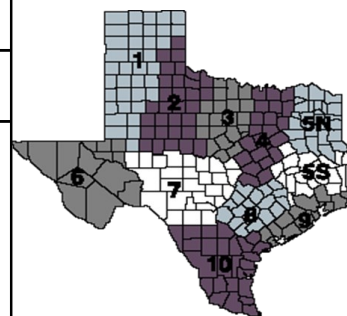
REGION	NUMBER OF PRODUCER'S	% OF MILK MARKETED	% BUTTERFAT	% TRUE PROTEIN	% OTHER SOLIDS	% S-N-F	SCC -1,000
1	104	71.86	4.05	3.3	5.78	9.07	174
2	3	0.91	3.78	3.21	5.8	9.01	256
3	118	17.42	3.82	3.22	5.76	8.98	251
4	30	1.08	3.92	3.24	5.74	8.98	258
5N & 5S	123	7.58	3.87	3.25	5.69	8.94	321
6 & 7	5	0.78	3.52	3.14	5.78	8.93	235
8	10	0.27	3.84	3.14	5.72	8.86	310
9 & 10	4	0.11	4.16	3.47	5.68	9.15	438
TOTAL/AVG.	397	100	3.99	3.28	5.77	9.04	201

- 1) High Plains
- 2) Low Plains
- 3) Crosstimbers
- 4) Blacklands
- 5N) Northeast
- 5S) Southeast
- 6) Trans-Pecos
- 7) Edwards Plateau
- 8) South Central
- 9) Upper Coast
- 10) South

 TEXAS DAIRY MILKING HERD SIZE FOR GEOGRAPHIC REGIONS* - May 2017
 NUMBER OF FARMS PER HERD SIZE GROUP
 (MILKING COW NUMBERS)

REGION	0-100	101-250	251-500	501-750	751-1000	1001->	Total # Milking Cows
1	0	1	3	5	0	95	351,295
2	0	0	0	0	0	3	4,433
3	21	23	23	11	13	27	85,182
4	19	5	3	1	2	0	5,294
5N & 5S	40	39	22	10	3	9	37,033
6 & 7	1	1	0	1	0	2	3,833
8	6	3	1	0	0	0	1,294
9 & 10	2	1	1	0	0	0	520
TOTAL	89	73	53	28	18	136	488,884

*ESTIMATED BASED ON A 70 LB/DAY/COW AVERAGE



NEW MEXICO DAIRY MILK COMPONENTS FOR GEOGRAPHIC REGIONS - May 2017

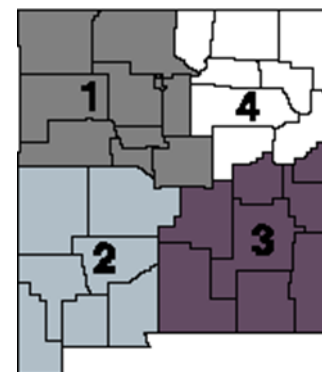
REGION	NUMBER OF PRODUCER'S	% OF MILK MARKETED	% BUTTERFAT	% TRUE PROTEIN	% OTHER SOLIDS	% S-N-F	SCC -1,000
1	8	3.75	3.62	3.09	5.77	8.86	231
2	26	17.47	3.53	3.08	5.78	8.86	160
3	104	78.78	3.55	3.07	5.77	8.85	170
4	0	0	0	0	0	0	0
TOTAL/AVG.	138	100	3.55	3.07	5.77	8.85	170

- 1) Northwest
- 2) Northeast
- 3) Southwest
- 4) Southeast

 NEW MEXICO DAIRY MILKING HERD SIZE FOR GEOGRAPHIC REGIONS* - May 2017
 NUMBER OF FARMS PER HERD SIZE GROUP
 (MILKING COW NUMBERS)

REGION	0-250	251-500	501-1000	1001-2000	2001-3000	3001->	Total # Milking Cows
1	2	0	2	1	2	1	11,641
2	0	1	2	8	11	4	54,226
3	0	6	8	30	34	26	244,561
4	0	0	0	0	0	0	0
TOTAL	2	7	12	39	47	31	310,428

*ESTIMATED BASED ON A 75 LB/DAY/COW AVERAGE





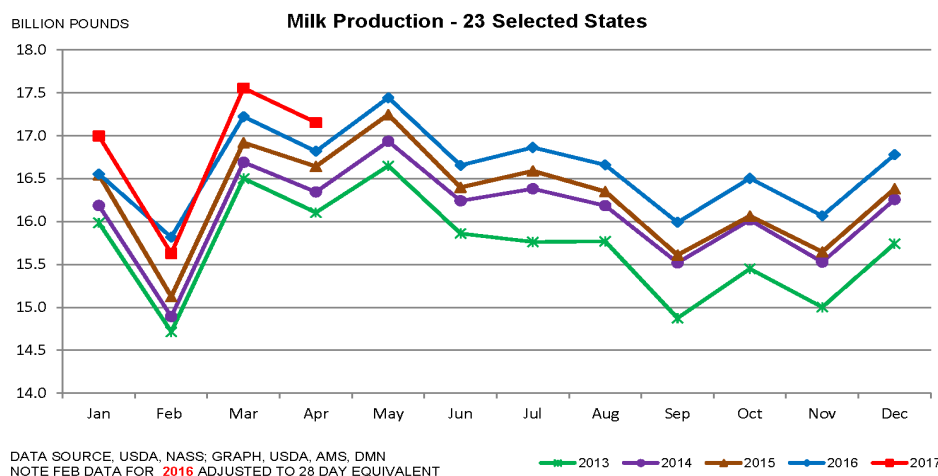
April Milk Production

Milk production in the 23 major States during April totaled 17.2 billion pounds, up 2.0 percent from April 2016. March revised production, at 17.6 billion pounds, was up 1.9 percent from March 2016. The March revision represented an increase of 30 million pounds or 0.2 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,967 pounds for April, 20 pounds above April 2016. This is the highest production per cow for the month of April since the 23 State series began in 2003..

The number of milk cows on farms in the 23 major States was 8.72 million head, 81,000 head more than April 2016, and 8,000 head more than March 2017.

Source: Dairy Market News, May 22-26, 2017, Volume 84, Report 21



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.