

Market Summary and Utilization Report, January 2019

United States Department of Agriculture

Agricultural Marketing Service Dairy Program Market Information Branch

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Highlights: During January 13.9 billion pounds of milk were received from Federally pooled producers. This volume of milk is 14.3 percent higher than the January 2018 volume. Regulated handlers pooled 4.1 billion pounds of producer milk as Class I products, up 11.9 percent when compared to the previous year primarily due to the additional Class I milk pooled by the new California Federal Milk Marketing area. Class I utilization decreased from last year in 7 of the 11 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 29%, Class II = 9%, Class III = 52%, and Class IV = 10%. The weighted average statistical uniform price was \$15.50 per cwt, up \$0.19 from last month and up \$0.32 from January 2018.

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Federal Milk Order Marketing Area ¹	Order Number	Receipts of P	roducer Milk	Utilization of Producer Milk in Class I	
		Total	Change from Prev. Year	Total	Change from Prev. Year
		(million lbs)	(percent)	(million lbs)	(percent)
Northeast (Boston)	001	2,286.5	0.2	749.1	-1.7
Appalachian (Charlotte)	005	488.0	-7.2	370.1	-1.0
Florida (Tampa)	006	231.9	-4.4	199.3	0.4
Southeast (Atlanta)	007	439.5	-7.7	333.7	-3.4
Upper Midwest (Chicago)	030	3,059.2	7.3	243.1	-13.9
Central (Kansas City)	032	1,425.0	-2.1	441.6	3.0
Mideast (Cleveland)	033	1,541.1	-9.5	581.6	3.0
California (Los Angeles)	051	2,019.1	3	483.5	3
Pacific Northwest (Seattle)	124	769.9	3.7	157.2	-3.6
Southwest (Dallas)	126	1,181.6	-14.9	385.9	-1.3
Arizona (Phoenix)	131	445.9	-7.5	109.7	-4.9
All Market Total or Average ²		13,887.9	14.3	4,054.8	11.9

Names in parentheses are the major city in the principal pricing point of the market. ² Averages are the weighted average percent change. ³ The California Federal Milk Order became effective November 1, 2018.

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Federal Milk Order	Order	Utilizat	Uniform Price			
Marketing Area ¹	Number	Class I	Class II	Class III	Class IV	3
			(\$ per cwt)			
Northeast (Boston)	001	33	23	27	17	16.42
Appalachian (Charlotte)	005	76	12	6	6	17.82
Florida (Tampa)	006	86	12	2	4	19.78
Southeast (Atlanta)	007	76	15	5	4	18.27
Upper Midwest (Chicago)	030	8	1	89	2	14.27
Central (Kansas City)	032	31	7	54	8	14.93
Mideast (Cleveland)	033	38	14	35	14	15.46
California (Los Angeles)	051	24	5	68	3	15.09
Pacific Northwest (Seattle)	124	20	6	41	33	15.15
Southwest (Dallas)	126	33	5	62	1	15.72
Arizona (Phoenix)	131	25	7	27	41	15.60
All Market Total or Average ³		29	9	52	10	15.50

¹ Names in parentheses are the major city in the principal pricing point of the market. ² Totals may not add to 100 percent due to rounding. Averages are weighted averages. ³ Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5. ⁴ Class IV Utilization for the Florida Order was less than 1 percent.

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Methodology: Market Summary and Utilization Report

Data: The monthly Marketing and Utilization Summary Report is created by aggregating monthly information on the handling of milk obtained from Federal Milk Marketing Order personnel.

Definitions:

Federal Milk Marketing Order Areas are defined in the Code of Federal Regulations. Regulated handlers, also defined by statute, are required to submit to the Market Administrator the amounts of producer milk, in pounds, that were received in the previous month.

Receipts of Producer Milk, also defined by statute, is the amount of milk received by producers who meet the requirements of qualification as defined by statute. This milk is also known as eligible milk for market wide pooling. Each order has its own criteria for pool qualification and for regulated handlers. Regulated handlers, under certain circumstances and price relationships, may elect to not include certain quantities of producer milk that is eligible to be pooled on Federal Orders.

Utilization of Producer Milk in Class I is the amount of producer milk pooled that was utilized as Class I, i.e. milk pooled that was utilized to produce Class I Fluid Milk products.

Utilization of Producer Milk in All Classes is the respective amounts, shown in percentage of the total, used to produce milk products in each of the four classes of milk (Class I, Class II, Class III, and Class IV) for each of the Federal Milk Marketing Order areas for the year. These percentages may not add to 100 percent due to rounding.

Uniform Price, which is sometimes also termed the Blend Price, is the weighted average price, at each of the Federal Order base location cities listed. The Uniform Price reflects the weighted average price that qualifying pooled producers receive from regulated handlers. Qualifying producers are enabled to receive this price as a result of pooling handler funds through the producer settlement fund administered by each of the Federal Milk Marketing Order Administrators. This price is determined, and reported, by each of the respective Milk Market Administrators each month.

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Information Contacts

Listed below are the specialists in the Agricultural Marketing Service, Dairy Program, Market Information Branch to contact for additional information. E-mail inquiries may be sent to dpp@ams.usda.gov.

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