

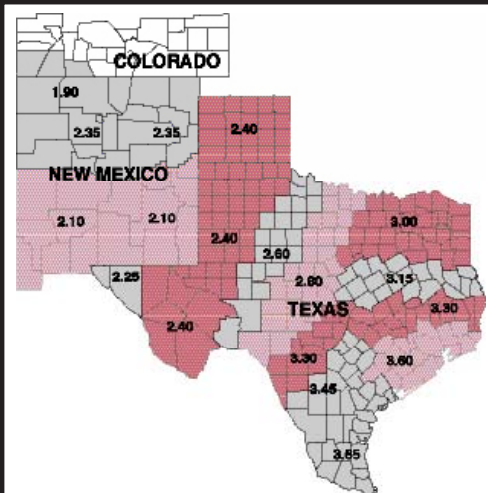
# THE MARKET ADMINISTRATOR'S

# REPORT



## SOUTHWEST MARKETING AREA

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## MARKET SUMMARY FOR MARCH

The Producer Price Differential (PPD) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was \$0.76 for March. Butterfat price increased \$0.0148 per pound from \$1.8296 in February to the level of \$1.8444 in March. Protein price increased \$0.0824 per pound from \$2.4051 in February to \$2.4875 in March. The Other Solids price decreased \$0.0355 per pound from \$0.3273 in February to \$0.2918 in March. The Somatic Cell Count adjustment rate factor for March was 0.00079 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a March statistical uniform price of \$16.32 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 \$0.32 in comparison to the statistical uniform price of \$16.64 in February.

The March Class I price decreased \$0.68 from

\$19.24 in February to the March level of \$18.56. The Class II price increased \$0.02 from \$14.48 per hundredweight in February to \$14.50 in March. The Class III price increased \$0.10 from \$15.46 in February to \$15.56 in March. The Class IV price decreased \$0.02 from \$13.82 in February to \$13.80 in March.

In March 544 producers delivered a total of 860,286,493 pounds of milk. On a daily basis this represents a decrease of 33.84 percent from the producer receipts level in February and it represents an decrease of 32.03 percent when compared to the producer receipts level of March 2014.

Producer milk classified as Class I during March amounted to 42.39 percent of total producer receipts. This figure is up from 28.96 percent in February and is up from 28.41 percent in March 2014. The average butterfat test of producer milk pooled during March was 3.831 percent, average protein test was 3.208 percent, average other solids test was 5.731 percent and the average somatic cell count was 260,000.

Federal Order	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	Mar 15	Feb 15	Mar 15	Feb 15	Feb 15	Feb 15
Appalachian - FO 5	17.63	18.55	-----	-----	65.41	71.36
Arizona - FO 131	15.33	15.56	-----	-----	26.14	26.44
Central - FO 32	15.49	15.78	-0.07	0.32	31.71	30.06
Florida - FO 6	19.93	20.84	-----	-----	82.67	84.80
Mideast - FO 33	15.53	15.77	-0.03	0.31	33.90	31.40
Northeast - FO 1	16.40	16.66	0.84	1.20	34.30	34.80
Pacific Northwest - FO 124	15.00	15.42	-0.56	-0.04	32.80	33.42
Southeast - FO 7	18.30	19.24	-----	-----	70.91	76.94
<b>Southwest - FO 126</b>	<b>16.32</b>	<b>16.64</b>	<b>0.76</b>	<b>1.18</b>	<b>42.39</b>	<b>28.96</b>
Upper Midwest - FO 30	15.63	15.64	0.07	0.18	11.30	9.60

### FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, ANNUAL 2014

HIGHLIGHTS. Handler reports of receipts and utilization under the Federal milk order system for 2014 have been filed and tabulated. Combined totals for the 10 consolidated orders are being released. During 2014, more than 129.4 billion pounds of milk were received from Federally pooled producers. This volume of milk is 2.0 percent lower than the 2013 pooled volume. In 2014 and 2013, there were volumes of milk not pooled due to intraorder disadvantageous price relationships. Regulated handlers pooled 41.420 billion pounds of producer milk as Class I products, down 3.1 percent when compared to 2013. Class I utilization decreased in all 10 Federal Milk Order Marketing areas. The all-market average Class utilization percentages were: Class I = 32%, Class II = 11%, Class III = 45%, and Class IV = 12%. The weighted average statistical uniform price was \$23.54 per cwt, \$4.10 higher than 2013's \$19.44.

<b>FEDERAL MILK ORDER MARKETING AND UTILIZATION SUMMARY, ANNUAL 2014</b>												
Federal Milk Marketing Area 1/ Order Number	Receipts of Producer Milk			Utilization of Producer Milk in Class I			Utilization of Producer Milk In				Uniform Price 2/ \$ Per CWT.	
	Total Mil. LBS.	Change From Previous Year Percent	Total Mil. LBS.	Change From Previous Percent	Total Mil. LBS.	Percent	Class II	Class III	Class IV	Class I		
												Percent
Northeast (Boston)	25,793.0	1.5	9,122.9	-4.0	35	24	26	15	24.28			
Appalachian (Charlotte)	5,593.5	-2.4	3,782.7	-1.6	68	15	7	11	25.62			
Florida (Tampa)	2,771.2	-2.2	2,343.4	-3.3	85	10	2	3	27.82			
Southeast (Atlanta)	5,289.0	-13.7	3,905.0	-6.2	74	11	8	7	26.20			
Upper Midwest (Chicago)	32,784.8	-4.5	3,586.9	-2.7	11	3	84	2	22.54			
Central (Kansas City)	15,062.7	-0.9	4,816.2	-1.0	32	9	46	13	22.90			
Mideast (Cleveland)	17,297.1	3.5	6,244.5	-3.2	36	15	34	15	23.13			
Pacific Northwest (Seattle)	7,891.6	-4.2	2,021.4	-4.7	26	7	35	32	22.71			
Southwest (Dallas)	12,137.2	-5.9	4,309.7	-0.3	36	8	48	9	23.66			
Arizona (Phoenix)	4,800.5	4.0	1,287.1	-5.2	27	10	26	37	23.25			
All Market Average or Total	129,420.4	-2.0	41,420.0	-3.1	32	11	45	12	23.54			

1/ Names in parentheses are the major city in the principal pricing point of the market.

2/ Weighted average Statistical Uniform Price.

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 11.390 billion pounds of milk that normally would have been associated with these markets. In 2013, the estimated not pooled volume of milk was 5.920 billion pounds, occurring in the same order numbers 030, 032, 033, 124, 126, and 131. After adjusting for non pooled milk, the year-to-year percent change in receipts of producer milk is down the same percentage -2.0%

4/ Totals may not add to 100 percent due to rounding.

Report Contact: Lorie Warren, lorie.warren@ams.usda.gov or 202-720-4405..

SOURCE: "Dairy Market New", March 2-6, 2015, Volume 82, Report 09.

**TOP TEN TEXAS COUNTIES a/ – MARCH 2015**

Rank	County	Number of Producers	Pounds 2015	Pounds 2014	Percent Change 2014/2015
1.	Parmer	16	98,554,255	86,519,969	+ 13.91
2.	Erath	55	94,466,390	89,413,890	+ 5.65
3.	Castro	14	76,440,460	101,554,269	- 24.73
4.	Moore	8	75,664,690	61,620,500	+ 22.79
5.	Deaf Smith	11	67,476,880	71,462,906	- 5.58
6.	Lamb	10	61,567,408	62,136,462	- 0.92
7.	Hartley	10	59,402,603	59,883,361	- 0.80
8.	Bailey	10	46,912,707	46,042,198	+ 1.89
9.	Hale	6	45,690,528	48,009,854	- 4.83
10.	Comanche	16	45,037,420	46,134,146	- 2.38
Ten County Total		156	671,213,341	672,777,555	- 0.23
Other Counties		272	214,688,425	218,902,677	- 1.93
<b>Texas Total</b>		<b>428</b>	<b>885,901,766</b>	<b>891,680,232</b>	<b>- 0.65</b>

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

**TOP NEW MEXICO COUNTIES a/ – MARCH 2015**

Rank	County	Number of Producers	Pounds 2015	Pounds 2014	Percent Change 2014/2015
1.	Curry	28	157,126,209	150,969,080	+ 4.08
2.	Chaves	31	156,869,365	177,756,366	- 11.75
3.	Roosevelt	32	131,775,227	146,473,498	- 10.03
4.	Dona Ana	19	87,214,987	87,624,363	- 0.47
5.	Lea	13	59,439,685	61,033,356	- 2.61
6.	Socorro	8	23,497,953	24,381,421	- 3.62
7.	Luna	3	17,754,816	18,008,963	- 1.41
8.	Valencia	5	17,652,329	16,720,284	+ 5.57
Top County Total		139	651,330,571	682,967,331	- 4.63
Other Counties		7	31,379,888	28,042,735	+ 11.90
<b>New Mexico Total</b>		<b>146</b>	<b>682,710,459</b>	<b>711,010,066</b>	<b>- 3.98</b>

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

**TEXAS AND NEW MEXICO MARKET COMPONENT TEST**

Month	Butterfat		Protein		Other Solids		S-N-F		SCC a/	
	TX	NM	TX	NM	TX	NM	TX	NM	TX	NM
January 2014	3.94	3.63	3.31	3.19	5.75	5.77	9.06	8.96	202	167
February	3.91	3.58	3.29	3.15	5.74	5.76	9.03	8.91	192	156
March	3.86	3.55	3.25	3.11	5.76	5.78	9.01	8.89	196	162
April	3.79	3.50	3.21	3.08	5.80	5.82	9.01	8.90	192	160
May	3.73	3.45	3.19	3.07	5.77	5.78	8.96	8.85	186	151
June	3.69	3.40	3.14	3.01	5.78	5.79	8.92	8.80	214	173
July	3.69	3.40	3.13	2.99	5.77	5.77	8.89	8.76	236	192
August	3.72	3.44	3.15	3.02	5.74	5.74	8.88	8.76	247	210
September	3.79	3.54	3.20	3.07	5.74	5.75	8.94	8.82	250	217
October	3.88	3.64	3.27	3.14	5.63	5.73	8.99	8.87	233	210
November	3.95	3.73	3.36	3.22	5.76	5.77	9.12	8.99	221	197
December	3.83	3.70	3.25	3.20	5.76	5.76	9.01	8.95	208	190
Averages 2014	3.81	3.55	3.23	3.10	5.75	5.77	8.98	8.87	215	182
January 2015	4.03	3.75	3.33	3.19	5.75	5.75	9.07	8.94	256	253
February	3.94	3.67	3.28	3.14	5.74	5.74	9.03	8.88	250	238
March	3.93	3.62	3.26	3.11	5.73	5.73	8.99	8.85	261	220

a/ In thousands.

**POUNDS OF GRADE A MILK MARKETED BY  
PRODUCERS LOCATED IN TEXAS BY MONTHS:  
JANUARY 2013 THROUGH MARCH 2015, WITH PRODUCTION PERCENTAGE COMPARISONS**

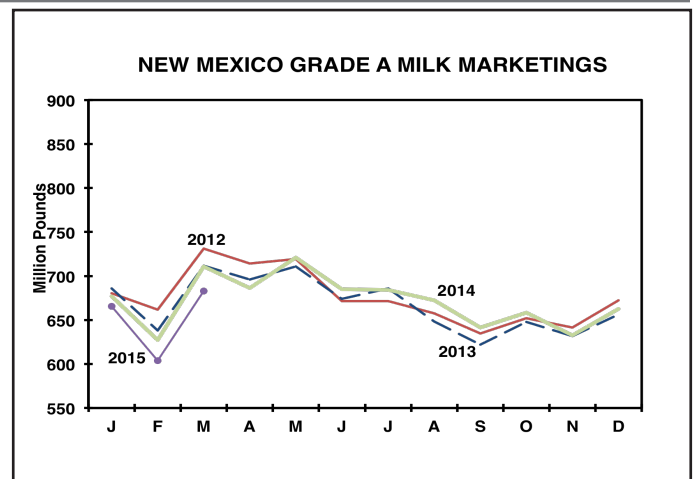
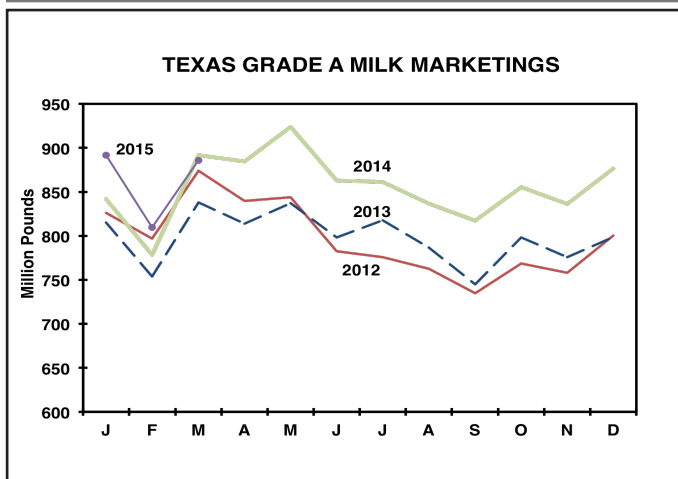
MONTH	2013 POUNDS	Number of Producers	2014 POUNDS	Number of Producers	2015 POUNDS	Number of Producers	PERCENT 2014/13	CHANGE 2015/14
January	815,186,323	468	841,887,929	440	891,539,549	428	+ 3.28	+ 5.90
February	751,853,093	465	778,398,943	443	809,600,395	430	+ 3.53 *	+ 4.01
March	837,918,903	461	891,680,232	444	885,901,766	428	+ 6.42	- 0.65
April	813,654,074	456	884,645,957	442			+ 8.73	
May	837,276,897	457	923,706,643	443			+ 10.32	
June	798,423,916	456	862,889,592	442			+ 8.07	
July	817,848,775	452	861,256,938	439			+ 5.31	
August	786,930,152	448	836,712,405	439			+ 6.33	
September	744,663,679	446	817,209,349	437			+ 9.74	
October	797,966,297	445	855,185,736	437 <sup>u</sup>			+ 7.17 <sup>u</sup>	
November	775,927,149	444	836,209,943	436			+ 7.77	
December	<u>798,498,206</u>	441	<u>876,526,320</u>	435			<u>+9.77</u>	
Years Total	9,576,147,464		10,301,778,107				+ 7.58	

\* Based on average daily deliveries. <sup>u</sup> Correction/ Revised

**POUNDS OF GRADE A MILK MARKETED BY  
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:  
JANUARY 2013 THROUGH MARCH 2015, WITH PRODUCTION PERCENTAGE COMPARISONS**

MONTH	2013 POUNDS	Number of Producers	2014 POUNDS	Number of Producers	2015 POUNDS	Number of Producers	PERCENT 2014/13	CHANGE 2015/14
January	685,707,875	<sup>u</sup> 148	677,107,907	147	665,532,562	146	- 1.25	- 1.71
February	637,945,230	<sup>u</sup> 148	627,152,702	<sup>u</sup> 147 <sup>u</sup>	603,750,641	146	- 1.69 <sup>*u</sup>	- 3.73
March	711,813,501	<sup>u</sup> 149	711,010,066	146	682,710,459	146	- 0.11	- 3.98
April	695,977,148	150	686,163,267	145			- 1.41	
May	710,709,847	150	721,131,107	147			+ 1.47	
June	674,240,675	149	685,138,590	147			+ 1.62	
July	685,672,220	149	684,168,540	144			- 0.22	
August	648,098,565	148	672,501,235	147			+ 3.77	
September	621,748,466	147	641,424,320	148			+ 3.16	
October	647,611,433	147	658,497,505	145 <sup>u</sup>			+ 1.68 <sup>u</sup>	
November	631,922,577	147	632,669,687	146			+ 0.12	
December	<u>656,050,459</u>	148	<u>662,539,938</u>	147			<u>+0.99</u>	
Years Total	8,007,497,996		8,064,117,057				+ 0.71	

\* Based on average daily deliveries. <sup>u</sup> Revised



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**Class Prices at 3.5%, for Federal Order 126    Formula Prices and Price Quotations**

Month	Class Prices & P.P.D.					BF	Component Prices			AMS Product Prices <sup>c/</sup>			
	I <sup>a/</sup>	II	III	IV	P.P.D. <sup>a/</sup>		Other Solids	True Protein	SCC <sup>b/</sup> Adj Rate	Grade AA Butter	Cheddar Cheese	NFDM Powder	Dry Whey
	----- Dollars Per Hundred Wt. -----						-----Cents Per Pound-----						
January 2014	24.48	22.21	21.15	22.29	1.25	178.74	41.55	418.70	.00104	164.75	208.38	203.35	60.25
February	25.02	23.73	23.35	23.46	0.67	201.09	44.53	460.44	.00114	183.20	228.64	207.83	63.14
March	26.64	24.22	23.33	23.66	1.19	204.02	47.00	451.72	.00113	185.62	226.89	208.97	65.54
April	26.65	24.74	24.31	23.34	0.81	212.07	49.26	470.89	.00118	192.27	235.47	201.91	67.74
May	27.47	24.44	22.57	22.65	1.86	227.21	48.97	395.53	.00109	204.77	217.03	187.68	67.45
June	25.86	23.94	21.36	23.13	1.91	244.13	49.42	334.37	.00102	218.74	203.58	186.33	67.89
July	26.02	24.41	21.60	23.78	1.95	263.49	50.46	317.98	.00102	234.73	204.82	186.17	68.90
August	26.87	25.34	22.25	23.89	2.04	284.48	50.36	314.96	.00105	252.06	210.74	178.87	68.80
September	26.63	26.11	24.60	22.58	1.20	324.67	48.76	349.91	.00117	285.25	234.72	147.18	67.25
October	27.19	21.93	23.82	21.35	0.68	285.07	46.70	373.62	.00115	252.55	229.14	149.00	65.25
November	27.06	19.91	21.94	18.21	0.34	220.11	45.05	390.18	.00107	198.91	213.05	139.02	63.65
December	25.53	19.09	17.82	16.70	2.32	209.91	39.96	273.87	.00087	190.49	173.62	125.54	58.71
Averages 2014 <sup>d/</sup>	26.29	23.34	22.34	22.09	1.35	237.92	46.84	379.35	.00108	213.61	215.51	176.82	65.38
January 2015	21.58	16.18	16.18	13.23	1.30	168.55	40.01	267.31	.00079	156.33	158.07	102.02	58.75
February	19.24	14.48	15.46	13.82	1.18	182.96	32.73	240.51	.00077	168.23	154.46	103.08	51.69
March	18.56	14.50	15.56	13.80	0.76	184.44	29.18	248.75	.00079	169.45	157.50	102.17	48.24

a/ Subject to location adjustments.    b/ SCC adjustment rate is per 1,000 difference.    c/ Prior to April 2012 NASS product prices were used.    d/ Simple averages

**MARCH 2015  
COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

		Pounds	Price	Value
Add:	Class I Differential			\$448,912.31
	Class I Butterfat	60(a)	7,579,313	\$1.8308
	Class I Skim Per Cwt		357,116,764	\$12.5900
	Class II Butterfat	60(b)	10,146,244	\$1.8514
	Class II Nonfat Solids		9,831,426	\$0.9233
	Class III Butterfat	60(c)	8,635,180	\$1.8444
	Class III Protein		6,672,900	\$2.4875
	Class III Other Solids		11,571,156	\$0.2918
	Class IV Butterfat	60(d)	6,597,732	\$1.8444
	Class IV Nonfat Solids		15,707,154	\$0.8454
	Class II, III, & IV Somatic Cell Adjustment	60(e)		\$336,837.82
	<b>Total Producer Milk- Product Pounds and Value</b>		<b>860,286,493</b>	<b>\$148,834,781.85</b>
Add:	Value as for 60(f) thru 60(j)			\$36,635.49
Less:	Total Protein Pounds	61(b)	27,599,275	\$2.4875
	Total Other Solids Pounds		49,307,442	\$0.2918
	Total Butterfat Pounds		32,958,469	\$1.8444
	Total Value of Somatic Cell Adjustment			\$610,727.03
	<b>Total Milk and Value</b>		<b>860,286,493</b>	<b>\$4,430,981.87</b>
Add:	Location Differential Adjustments	61(c)		\$1,959,385.67
	Producer - Settlement Fund Reserve	61(d)		\$537,860.04
	<b>Total Producer Milk/URSP and Value</b>		<b>860,286,493</b>	<b>\$0.80534</b>
Less:	Producer - Settlement Fund Reserve	61(f)		\$0.04534
	<b>Producer Price Differential (Dallas County)</b>			<b>\$0.76</b>
				<b>\$6,538,177.35</b>

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REPORT**

**SOUTHWEST MARKETING AREA  
CARY HUNTER, MARKET ADMINISTRATOR  
P.O. BOX 110939, CARROLLTON, TEXAS 75011-0939**

**MARCH 2015  
PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES**

Producer Milk Utilization Percentages						
	Product Pounds	Percent	Butterfat Pounds	Percent	Skim Milk Pounds	Percent
Class I	364,696,077	42.39	7,579,313	23.00	357,116,764	43.17
Class II	116,386,247	13.53	10,146,244	30.78	106,240,003	12.84
Class III	202,326,428	23.52	8,635,180	26.20	193,691,248	23.41
Class IV	176,877,741	20.56	6,597,732	20.02	170,280,009	20.58
Total	860,286,493	100.00	32,958,469	100.00	827,328,024	100.00

Producer Milk Components				
	Butterfat	Protein	Other Solids	Nonfat Solids
Total Pounds	32,958,469	27,599,275	49,307,442	76,906,717
Percentage	3.831%	3.208%	5.731%	8.939%

Average Somatic Cell Count	260,000
Total Number of Pooled Producers	544