



The Market Administrator's

BULLETIN

CALIFORNIA MARKETING AREA

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Federal Order No. 51

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April Pool Price Calculation

The April 2024 Statistical Uniform Price (SUP) for the California Marketing Area dropped \$0.43 per hundredweight (cwt) from last month to \$17.34 per cwt for milk delivered to plants located in Los Angeles County, California, the pricing point for the California Federal Marketing Order. The SUP is announced at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. When reported at the average tests of pooled milk (4.20 percent butterfat, 3.37 percent protein, and 5.77 percent other solids), the April SUP was \$19.99 per cwt, \$0.52 lower than March. The April Producer Price Differential (PPD) at Los Angeles County was \$1.84 per cwt, 41 cents increase from last month.

Product Prices Effect

Average product prices in the National Dairy Product Sales Report experienced mixed changes in April when compared to March. The price per pound of butter increased by 8 cents to \$2.9220 while other prices experienced declines. The cheese price declined 6 cents to \$1.5478 while the dry whey price fell 5 cents to \$0.4289 per pound. The nonfat dry milk price declined 4 cents to \$1.1506 per pound.

The component prices experienced similar shifts as well. The butterfat price increased by 9 cents to \$3.3309 per pound. The remaining component prices declined from March to April. The other solids and nonfat solids prices fell 5 and 4 cents to \$0.2367 and \$0.9730, respectively. Meanwhile, the protein price declined by the largest magnitude of 29 cents to \$0.8345 marking the lowest protein price since component pricing began in the early 2000s.

Most class prices increased from March to April. The Class I price increased by 38 cents per cwt to \$21.28. The Class II price rose 11 cents per cwt, settling at \$21.23. The Class III price declined by 84 cents per cwt to \$15.50, while the Class IV price gained 2 cents per cwt to \$20.11. ❖



Pool Summary

- A total of 870 producers were pooled with an average daily delivery per producer of 77,851 pounds, an increase of 0.2 percent from March.
- Pooled milk receipts totaled 2.031 billion pounds, an increase of 1.6 percent on an average daily basis.
- Class I usage (milk for bottling) accounted for 19.5 percent of total pooled milk receipts.
- The average butterfat test of producer receipts was 4.20 percent.
- The average true protein test of producer receipts was 3.37 percent.
- The average other solids test of producer receipts was 5.77 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	19.5	395,561,655
Class II	5.4	110,152,594
Class III	72.4	1,471,236,977
Class IV	2.7	54,957,769
Total Pooled Milk		2,031,908,995

Producer Component Prices

	2024	2023
	\$/lb	
Protein Price	0.8345	2.5603
Butterfat Price	3.3309	2.7009
Other Solids Price	0.2367	0.2479

Class Price Factors

	2024	2023
	\$/cwt	
Class I	21.28	20.95
Class II	21.23	19.20
Class III	15.50	18.52
Class IV	20.11	17.95

FO 51's 2023 Annual Bulletin

The California Federal Order (FO) publishes an *Annual Statistical Bulletin*, containing tables and charts on FO51 pool data and prices. The *Annual Bulletin* also provides a summary of the monthly newsletters, order trends, and a map of the handlers regulated in the marketing area. Access to FO 51's *Annual Statistical Bulletin* can be found at: www.cafmmo.com/publications/monthly-newsletter/. Some of the statistics in the 2023 *Annual Bulletin* are displayed below.

Contribution to the Statistical Uniform Price

The cover of the 2023 *Annual Statistical Bulletin* (figure 1) illustrates a breakdown of the contribution to the Statistical Uniform Price (SUP) at pool average component tests for 2023.

As shown in Figure 1, butterfat contributed the most to the SUP, with 58 percent or \$12.14 per cwt, followed by protein with 31 percent or \$6.54 per cwt. Butterfat's contribution increased by 7 percentage points, while protein dropped 4 percentage points from 2022 due to the decline in the protein price. Pooled component tests also contribute to the SUP. Butterfat tests have increased in recent years with an average test of 4.12 percent in 2023, a jump of 0.08 percentage points from 2022. The highest butterfat test for the pool was reported at 4.29 percent in December 2023. Alternatively, the average protein test in 2023 was 3.34 percent an increase of 0.03 percentage points from 2022. In 2023, the protein percentage peaked in November at 3.45. The weighted average SUP at pool average component tests was \$20.82 per cwt for 2023.

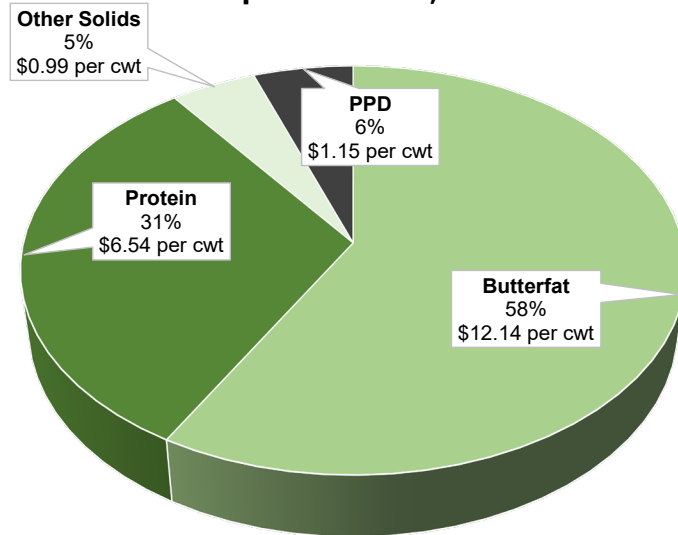
Cooperative Member and Nonmember Producer Counts

The *Annual Bulletin* contains statistics on pooled producer milk by state and county, cooperative member and non-cooperative members counts, and average daily deliveries per producer.

The average pooled producer count for 2023 was 951, which has increased since 2020 but falls short of the 2019 average of 980. In February 2023, the total producer count peaked at 1,017, followed closely by March 2023 with 1,012 producers. April had the lowest total with 899 pooled producers.

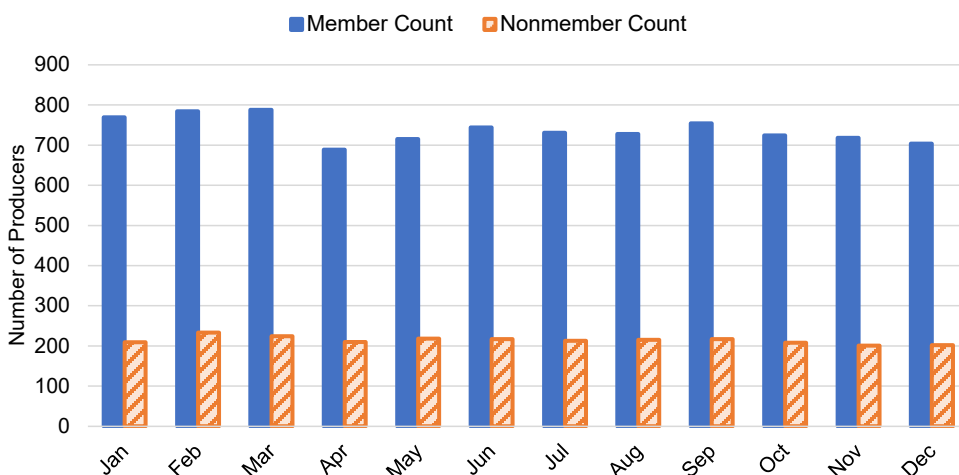
The pooled member count peaked in March 2023 at 788 and plateaued in April at 689. The yearly average for members was 737, an increase from the 2022 average of 722. Pooled nonmember producers peaked in February 2023 at 233 and reached their lowest point in

Figure 1: Contribution to the SUP at Pool Average Component Tests*, 2023



* The weighted average SUP at pool average component tests was \$20.82 per cwt for 2023.

Figure 2: Cooperative Member and Nonmember Producer Counts, 2023



FO 51's 2023 Annual Bulletin *(continued from page 2)*

November with 201 producers. The average count of nonmembers for the year was 214, an increase from the 2022 average of 181 as the Class III price declined.

Route Disposition in California

The 2023 Annual Statistical Bulletin displays total fluid milk product sales in the state of California by FO 51 pool plants, separated by conventional and organic sales. Additionally, the Annual Bulletin contains Class I sales in the marketing area from exempt, producer handler, partially regulated, and pool plants regulated by other FOs.

Figures 3 and 4 display sales by product with whole milk having the largest increase

Figure 3: Whole Milk and Reduced Fat Sales, by FO 51 plants into the Marketing Area, 2023

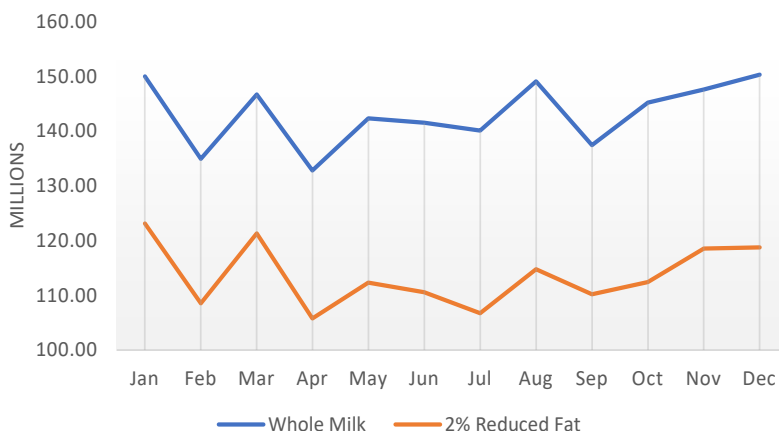
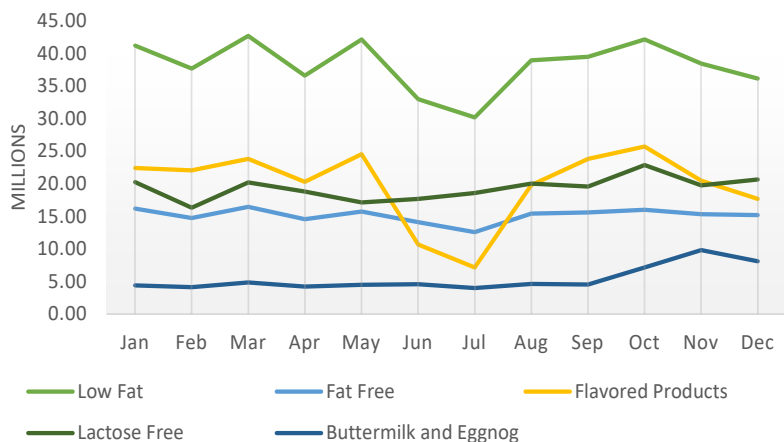


Figure 4: Other Fluid Product Sales by FO 51 plants into the Marketing Area, 2023



of 2023 rising approximately 4.85 million pounds from 2022. Seasonal demand drove a significant increase in buttermilk and egg-nog, which surged from around 4 million pounds to over 7 million pounds in the final quarter of 2023. Flavored products declined from May to August due to school's summer break. Additionally, lactose free products experienced a slow growth rate throughout 2023. ❖



Pool Statistics for All Federal Orders, April 2024

Federal Order		Statistical Uniform Price*	Producer Price Differential*	Total Producer Milk	Utilization			
Number	Name				Class I	Class II	Class III	Class IV
		\$/cwt		million lbs	%			
1	Northeast	20.09	4.59	2,255.9	29.2	23.6	30.6	16.6
5	Appalachian***	21.80	N/A	450.9	69.3	14.2	8.6	8.0
6	Florida***	23.94	N/A	218.6	82.0	16.2	1.3	0.5
7	Southeast***	22.27	N/A	303.7	70.9	12.0	7.8	9.3
30	Upper Midwest	15.95	0.45	2,700.9	6.0	1.1	92.3	0.6
32	Central	17.70	2.20	1,246.4	29.0	6.8	55.6	8.5
33	Midwest	18.27	2.77	1,336.1	39.8	7.7	50.5	2.0
51	California	17.34	1.84	2,031.9	19.5	5.4	72.4	2.7
124	Pacific Northwest	18.26	2.76	611.3	21.1	5.3	49.8	23.8
126	Southwest	18.22	2.72	1,125.4	30.1	5.5	64.0	0.5
131	Arizona***	19.44	N/A	386.7	34.5	16.3	31.5	17.8
All Federal Orders**		18.24	2.34	12,667.9	27.0	9.1	57.1	6.8

*Price at principal location differential in each Order at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

**Weighted averages or total for all Federal Orders.

***These orders are not price on components but on Skim and Butterfat

N/A = Not applicable



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Computation of Producer Price Differential and Statistical Uniform Price*

	<u>Product Pounds</u>	<u>Price per cwt./lb.</u>	<u>Component Value</u>	<u>Total Value</u>
Class I— Skim	386,145,800	\$10.25	\$39,579,944.50	
Butterfat	9,415,855	3.2552	30,650,491.20	
Less: Location Adjustment to Handlers			(826,724.38)	\$69,403,711.32
Class II— Butterfat	16,125,289	3.3379	53,824,602.18	
Nonfat Solids	8,889,860	1.0989	9,769,067.16	63,593,669.34
Class III— Butterfat	54,449,523	3.3309	181,365,916.18	
Protein	50,255,674	0.8345	41,938,359.97	
Other Solids	85,427,625	0.2367	20,220,718.86	243,524,995.01
Class IV— Butterfat	5,260,700	3.3309	17,522,865.62	
Nonfat Solids	4,719,631	0.9730	4,592,200.97	22,115,066.59
Total Classified Value			<i>Total value of milk in the pool</i> →	\$398,637,442.26
Add: Overage—All Classes				98,235.22
Inventory Reclassification—All Classes				(118,329.21)
Other Source Receipts	99,579			6,069.32
Total Pool Value				\$398,623,417.59
Less: Value of Producer Butterfat	85,251,367	3.3309	(283,963,778.35)	
Value of Producer Protein	68,446,849	0.8345	(57,118,895.51)	
Value of Producer Other Solids	117,285,799	0.2367	(27,761,548.62)	(368,844,222.48)
Total PPD Value Before Adjustments			<i>Total Class III value of producer components</i> ↗	\$29,779,195.11
Add: Location Adjustment to Producers				7,803,351.38
One-half Unobligated Balance—Producer Settlement Fund				681,229.78
Less: Producer Settlement Fund—Reserve				(874,818.50)
Total Pool Milk & PPD Value	2,032,008,574			\$37,388,957.77
Producer Price Differential		\$1.84		
Statistical Uniform Price		\$17.34		

Value from which PPD per hundredweight is calculated

* Price at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.