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## UPDATE

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March 15, 2012

### PRODUCER MEETINGS - SCHEDULE

DATE	MEETING START TIME	DISTRICT	LOCATION
Friday, March 30	9:30 a.m. Lunch 12 noon	Swift Current	F.O.A. Eagles 1910 S Service Rd. W Swift Current
Monday, April 2	9:30 a.m. Lunch 12 noon	Warman	Brian King Centre 202 8 <sup>th</sup> Avenue N. Warman
Tuesday, April 3	9:30 a.m. Lunch 12 noon	Fort Qu'Appelle	Country Squire Inn Hudson Room Fort Qu'Appelle

### PRODUCER MEETINGS - PRELIMINARY AGENDA

Please note that all meetings will start at **9:30 a.m. sharp**. Registration opens at 9:00 a.m.

**9:30am** – Call to Order, Introductions

**9:35-10:15am** - Promotion Levy Increase Presentation and Official Vote of Producers

**Following a presentation, producers will be asked to vote on the following question. Producers must be present for the presentation in order to vote.**

*Question: Are you in favour of a promotion levy increase to support promotional activities for milk and milk products from \$1.29/hl to \$1.40/hl on August 1, 2012 and to \$1.50/hl on August 1, 2013?*

\_\_\_\_\_yes \_\_\_\_\_no

**10:15 – 10:45am** - Transportation Cost Pooling Consultation

**10:45 - 11:00am** – Break

**11:00am – 11:20am** - Consultation on Application of New 400,000 SCC Limit for August 2012

**11:20 – 12:00noon** – Quota Policy Discussion, Production Presentation

**12:00 – 1:00pm** - Lunch

**1:00 – 1:45pm** - Agrifoods Update

**1:45 – 2:00pm** – Consultation on Pursuing a Joint AGM/Conference with Sask Holstein Branch

**2:00 – 2:30pm** – Special Topic – How are Monthly Producer Prices Calculated?

**2:30 – 3:00pm** - Open Forum

**3:00pm** - Adjourn

## QUOTA EXCHANGE

The market-clearing price established for the March, 2012 Quota Exchange was \$32,600.00

The next Quota Exchange will be held on April 16, 2012. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, April 6, 2012. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase. The results of the Quota Exchange are outlined in the following Table.

### MARCH, 2012 QUOTA EXCHANGE RESULTS SUMMARY

<b>Market Clearing Price per kilogram of butterfat</b>	<b>\$32,600.00</b>
<b>Daily Kilograms offered to Purchase</b>	<b>72.00</b>
<b>Kilograms offered to Sell</b>	<b>86.66</b>
<b>Kilograms sold</b>	<b>49.00</b>
<b>Number of Producers</b>	
<b>- offered to purchase</b>	<b>10</b>
<b>- purchased quota</b>	<b>7</b>
<b>- offered to sell</b>	<b>5</b>
<b>- sold quota</b>	<b>1</b>

### MARCH, 2012 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price (\$/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
31,700.00	1	1	51.25	51.25	-20.75	72.00	0.00	10	0
32,000.00	0	1	0.00	51.25	-20.75	72.00	3.00	10	1
32,500.00	0	1	0.00	51.25	-17.75	69.00	20.00	9	2
<b>32,600.00</b>	<b>0</b>	<b>1</b>	<b>0.00</b>	<b>51.25</b>	<b>2.25</b>	<b>49.00</b>	<b>5.00</b>	<b>7</b>	<b>1</b>
32,800.00	0	1	0.00	51.25	7.25	44.00	7.00	6	1
33,000.00	0	1	0.00	51.25	14.25	37.00	7.00	5	1
33,215.00	1	2	5.48	56.73	26.73	30.00	0.00	4	0
33,400.00	0	2	0.00	56.73	26.73	30.00	3.00	4	1
33,500.00	0	2	0.00	56.73	29.73	27.00	20.00	3	1
33,580.00	1	3	5.00	61.73	54.73	7.00	0.00	2	0
33,945.00	1	4	13.70	75.43	68.43	7.00	0.00	2	0
34,000.00	0	4	0.00	75.43	68.43	7.00	1.00	2	1
34,250.00	0	4	0.00	75.43	68.43	6.00	6.00	1	1
34,310.00	1	5	11.23	86.66	86.66	0.00	0.00	0	0

**TRANSFER CREDIT SUMMARY REPORT**

<b>MONTH</b>	<b># OF PRODUCERS TRANSFER IN</b>	<b># OF PRODUCERS TRANSFER OUT</b>	<b>TOTAL KGS BUTTERFAT</b>
February	25	19	25,424
March	38	34	37,078
April	21	14	20,912
May	14	16	17,747
June	20	18	21,400
July	14	13	18,903
August	19	26	29,476
September	14	13	15,745
October	23	21	25,971
November	25	27	27,199
December	23	22	22,169
January, 2012	18	16	22,543
February	18	16	13,595

**OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH**

<b>MONTH</b>	<b># OF PRODUCERS</b>	<b>KGS BUTTERFAT</b>
February	2	134
March	0	0
April	1	104
May	2	185
June	2	392
July	2	267
August	1	78
September	2	157
October	3	357
November	3	329
December	4	1,032
January, 2012	10	2,606
February	11	4,724

**SUMMARY REPORT OF CREDITS February, 2012 – 180 PRODUCERS**

<b>DAYS</b>	<b># OF PRODUCERS</b>	<b>POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)</b>
+10	11	12,588
+ 5 to +10	21	15,235
0 to + 5	32	9,867
<b>TOTAL</b>	<b>64</b>	<b>37,690</b>
<b>DAYS</b>	<b># OF PRODUCERS</b>	<b>NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)</b>
-20	4	-5,863
-15 to -20	22	-59,140
-10 to -15	22	-58,331
-5 to -10	34	-31,846
0 to -5	34	-10,731
<b>TOTAL</b>	<b>116</b>	<b>-165,911</b>

**WEIGHTED AVERAGE COMPONENT TESTS & PRICES February, 2012**

<b>Components</b>	<b>Average Test</b>	<b>Price per kilogram Class 1 to 5</b>
Butterfat	3.9186	\$11.607705
Protein	3.3609	8.607705
Other Solids	5.7282	1.262595

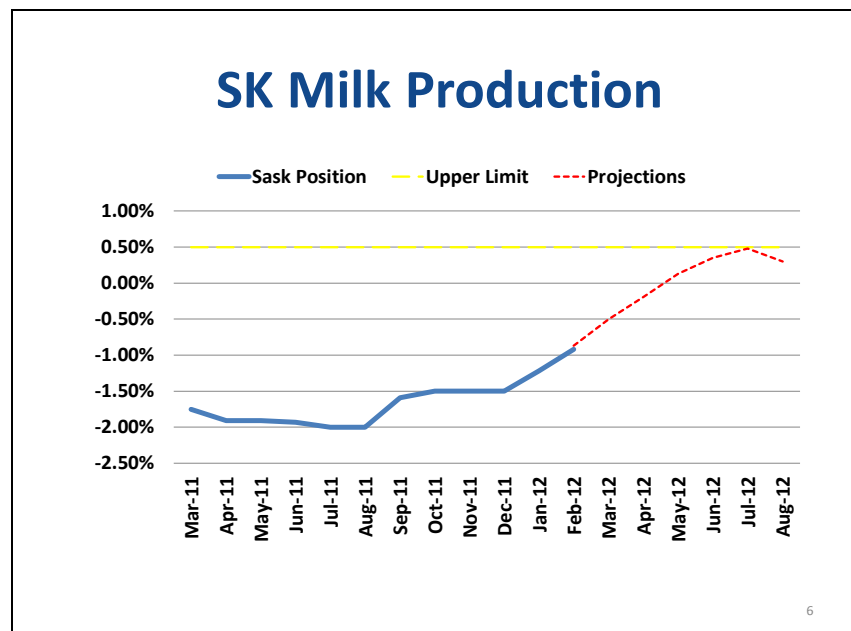
Based on the average component tests for the province, the average price received was **\$81.6482** per hectolitre. **The average butterfat price received per kilogram was \$20.71.**

**SASKATCHEWAN MILK POOL RESULTS February, 2012**

Milk Sale Revenue	\$ 14,404,569.23
Western Milk Pool	\$ 1,047,642.35
CDC Surplus Refund	\$ 232,089.00
Dairy Farmers of Canada Skim Off	\$ - 15,734.13
Plant of Last Resort Service	\$ - 56,162.35
<b>Total Pool Value</b>	<b>\$ 15,612,404.10</b>

## LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
February	20	5,047
March	13	2,251
April	20	5,157
May	24	6,688
June	18	5,490
July	24	7,904
August	24	10,994
September	28	13,098
October	21	8,137
November	18	5,354
December	10	2,240
January, 2012	6	1,106
February	4	1,487



In February, Saskatchewan had a monthly CDC allocation of **725,448 kilograms** of butterfat. In the month of February, Saskatchewan production was **26,587 kilograms** of butterfat **over** and cumulatively **under** by **-82,636 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-0.92%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

	(1) Monthly Total Production  Kgs bf	(2) Total Monthly CDC Quota Allocation  Kgs bf	(3) Monthly Over or (Under) Production  Kgs bf  col. 1 – 2 = 3	(4) Lower Flexibility Limit (1.5%)  Kgs bf  col. 9 * -1.5%	(5) Upper Flexibility Limit 1.0%  Kgs bf  col. 9 *1.0%	(6) Cumulative Over or (Under) Production with limits  Kgs bf	(7) Cumulative Over or (Under) Production with limits in - %  col. 6 / 9	(8) Over Quota or (Lost Production Opportunity)  Kgs bf	(9) Rolling 12 Month Total Quota  Kgs bf
<b>Feb-11</b>	673,205	682,398	(9,193)	(131,181)	43,727	<b>(145,054)</b>	<b>-1.66%</b>	0	8,745,397
<b>Mar-11</b>	748,293	757,080	(8,787)	(175,333)	43,833	<b>(153,501)</b>	<b>-1.75%</b>	0	8,766,601
<b>Apr-11</b>	723,139	737,593	(14,454)	(175,933)	43,983	<b>(167,955)</b>	<b>-1.91%</b>	0	8,796,654
<b>May-11</b>	750,663	750,954	(291)	(176,510)	44,127	<b>(168,245)</b>	<b>-1.91%</b>	0	8,825,483
<b>June-11</b>	723,059	725,685	(2,626)	(177,134)	44,283	<b>(170,871)</b>	<b>-1.93%</b>	0	8,656,690
<b>July-11</b>	725,673	736,879	(11,206)	(177,781)	44,445	<b>(177,781)</b>	<b>-2.00%</b>	(4,296)	8,889,063
<b>Aug-11</b>	733,202	745,258	(12,056)	(178,337)	44,584	<b>(178,337)</b>	<b>-2.00%</b>	(11,500)	8,917,847
<b>Sep-11</b>	716,780	744,377	(27,597)	(178,670)	44,667	<b>(142,052)</b>	<b>-1.59%</b>	(63,882)	8,933,497
<b>Oct-11</b>	762,771	774,160	(11,389)	(134,262)	44,754	<b>(134,262)</b>	<b>-1.50%</b>	(19,179)	8,950,830
<b>Nov-11</b>	754,256	767,286	(13,030)	(134,481)	44,827	<b>(134,481)</b>	<b>-1.50%</b>	(12,811)	8,965,400
<b>Dec-11</b>	786,189	790,598	(4,409)	(134,551)	44,850	<b>(138,320)</b>	<b>-1.54%</b>	(570)	8,970,053
<b>Jan-12</b>	800,269	771,172	29,097	(134,752)	44,917	<b>(109,223)</b>	<b>-1.22%</b>	0	8,983,498
<b>Feb-12</b>	752,035	725,448	26,587	(135,397)	45,132	<b>(82,636)</b>	<b>-0.92%</b>	0	9,026,940

(1) Monthly Production in Saskatchewan

(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward

(3) Difference between the monthly production (1) and the total monthly quota (2)

(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)

(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)

(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)

(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits

(8) Over Quota or (Lost production opportunity) outside of flexibility limits

(9) Total Monthly CDC Quota Allocation for the previous 12 months

## QUOTA LISTING SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk. **Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.**

### Cows & Quota for Sale

- 35 plus good purebred Holsteins. Contact Jessie or Brandon Bajema @ (306) 781-2509
- Purebred heifers. Contact Danny Hofer @ Box Elder (403) 502-9997
- 50 cows and 68 kgs of daily quota for sale. Contact: John Pruijm @ (604) 826-5184 or (604) 217-3197
- 24 bred heifers. Contact: Lydia Schwendemann @ (306) 225-4385 Hague, SK
- For sale: Registered springing heifers. Contact Jonathan at Simmie Colony at (306) 774-9821.

### Miscellaneous for Sale

- 5210 Industrial Case Loader – excellent condition. Contact Sheldon Peifer at (306) 862-9470
- Cow lift 2000 Used for downed cows; 3 Delaval Feed Stations with dispenser and Boards. Phone (306) 831-6501
- 6 Waikato milk meters and 6 Westfalia pulsators. Contact Isaac Klassen (306) 249-4435
- For sale by Ostara Holsteins Ltd.
  - Knight 8014 manure spreader with side discharge (high flotation tires)
  - Patz tub grinder
  - Commercial water storage tank
  - Heavy duty feed troughs
  - 2 x 800 bushel feed bin with hopper bottom
  - 20 Waikato milkmeters
  - Fresh cows and breeding bulls

For information call Johan de Haan (306) 750-7273

**SASKMILK BOARD OF DIRECTORS**

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For further information, please contact the SaskMilk office.

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