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## UPDATE

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**September 17, 2012**

### **QUOTA EXCHANGE**

There was no market-clearing price established for the September, 2012 Quota Exchange.

The next Quota Exchange will be held on October 15, 2012. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, October 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.

### **SEPTEMBER, 2012 QUOTA EXCHANGE RESULTS SUMMARY**

<b>Market Clearing Price per kilogram of butterfat</b>	<b>\$ 0.00</b>
<b>Daily Kilograms offered to Purchase</b>	<b>0</b>
<b>Kilograms offered to Sell</b>	<b>240.25</b>
<b>Kilograms sold</b>	<b>0</b>
<b>Number of Producers</b>	
- offered to purchase	<b>0</b>
- purchased quota	<b>0</b>
- offered to sell	<b>9</b>
- sold quota	<b>0</b>

## SEPTEMBER, 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
\$29,500.00	1	1	10.00	10.00	10.00	0.00	0.00	0	0
\$30,000.00	4	5	88.00	98.00	98.00	0.00	0.00	0	0
\$30,500.00	1	6	10.00	108.00	108.00	0.00	0.00	0	0
\$30,900.00	1	7	15.00	123.00	123.00	0.00	0.00	0	0
\$31,000.00	1	8	107.00	230.00	230.00	0.00	0.00	0	0
\$31,500.00	1	9	10.25	240.25	240.25	0.00	0.00	0	0

## TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
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
March	16	16	8,585
April	30	18	27,232
May	13	12	12,700
June	11	12	9,467
July	7	7	6,610
August	8	9	7,748

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

MONTH	# OF PRODUCERS	KGS BUTTERFAT
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
March	11	3,154
April	27	9,368
May	22	3,358
June	9	1,120
July	5	441
August	4	403

## SUMMARY REPORT OF CREDITS August, 2012 – 171 PRODUCERS

<b>DAYS</b>	<b># OF PRODUCERS</b>	<b>POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)</b>
+10	0	0
+ 5 to +10	7	2,397
0 to + 5	45	13,970
<b>TOTAL</b>	<b>52</b>	<b>16,367</b>
<b>DAYS</b>	<b># OF PRODUCERS</b>	<b>NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)</b>
-20	0	0
-15 to -20	23	-55,415
-10 to -15	25	-47,950
-5 to -10	30	-31,809
0 to -5	41	-15,340
<b>TOTAL</b>	<b>119</b>	<b>-150,514</b>

## WEIGHTED AVERAGE COMPONENT TESTS & PRICES August, 2012

<b>Components</b>	<b>Average Test</b>	<b>Price per kilogram Class 1 to 5</b>
Butterfat	3.7674	11.065974
Protein	3.2495	8.065974
Other Solids	5.6916	1.151269

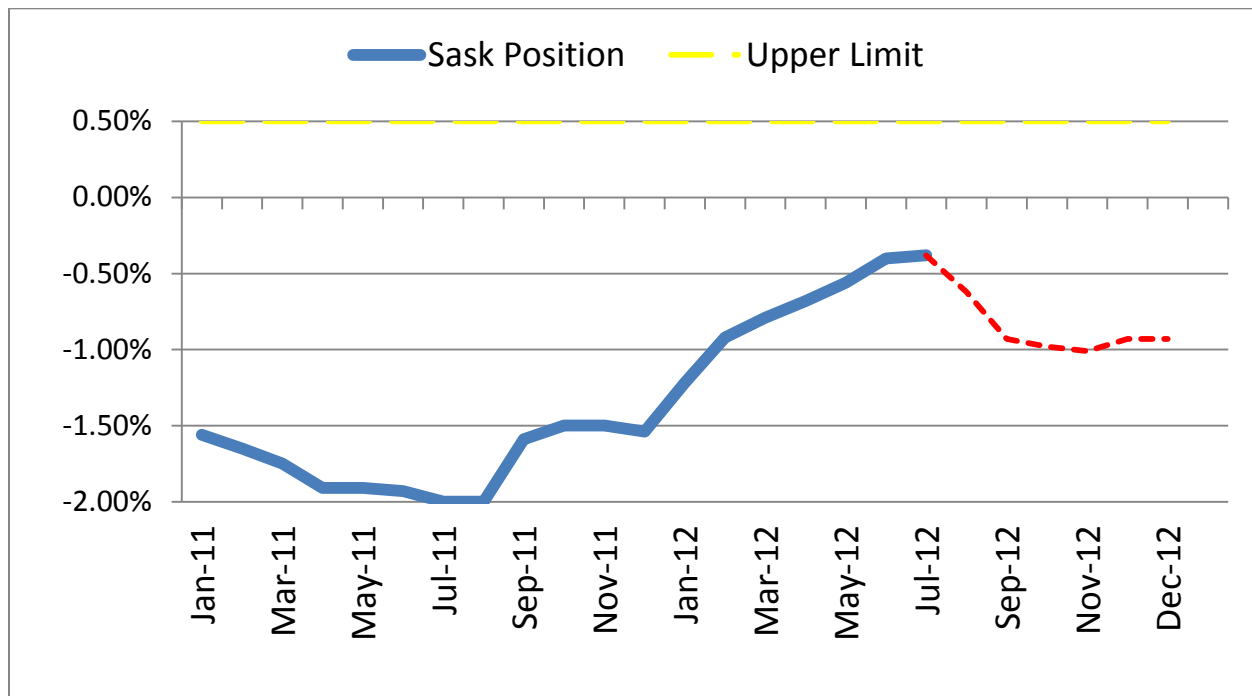
Based on the average component tests for the province, the average price received was **\$74.4524** per hectolitre. **The average butterfat price received per kilogram was \$19.75.**

<b>SASKATCHEWAN MILK POOL RESULTS August, 2012</b>	
Milk Sale Revenue	\$ 13,769,064.64
Western Milk Pool	\$ 542,003.02
Plant of Last Resort Service	\$ <u>(54,782.58)</u>
<b>Total Pool Value</b>	<b>\$ 14,256,285.08</b>

## LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
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
March	8	3,854
April	13	9,776
May	10	5,501
June	11	6,523
July	16	9,952
August	22	13,704

## SK Milk Production



In August, Saskatchewan had a monthly CDC allocation of **714,573 kilograms** of butterfat. In the month of August, Saskatchewan production was **-13,514 kilograms** of butterfat under and cumulatively **under** by **-47,511 kilograms** of butterfat. On a percentage basis, Saskatchewan is **-0.53%** 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>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	771,312	28,987	(134,755)	44,918	<b>(109,363)</b>	<b>-1.22%</b>	0	8,983,638
<b>Feb-12</b>	752,035	725,489	26,546	(135,400)	45,133	<b>(82,817)</b>	<b>-0.92%</b>	0	9,026,671
<b>Mar-12</b>	781,420	769,585	11,835	(135,588)	45,196	<b>(70,982)</b>	<b>-0.79%</b>	0	9,039,176
<b>Apr-12</b>	744,524	735,251	9,273	(135,553)	45,184	<b>(61,708)</b>	<b>-0.68%</b>	0	9,036,834
<b>May-12</b>	765,359	754,299	11,060	(135,605)	45,202	<b>(50,772)</b>	<b>-0.56%</b>	0	9,040,303
<b>June-12</b>	737,921	723,028	14,893	(135,565)	45,188	<b>(35,917)</b>	<b>-0.40%</b>	0	9,037,685
<b>July-12</b>	723,166	721,246	1,920	(135,331)	45,110	<b>(33,997)</b>	<b>-0.38%</b>	0	9,022,051
<b>Aug-12</b>	721,786	735,300	(13,514)	(135,181)	45,060	<b>(47,511)</b>	<b>-0.53%</b>	0	9,012,093

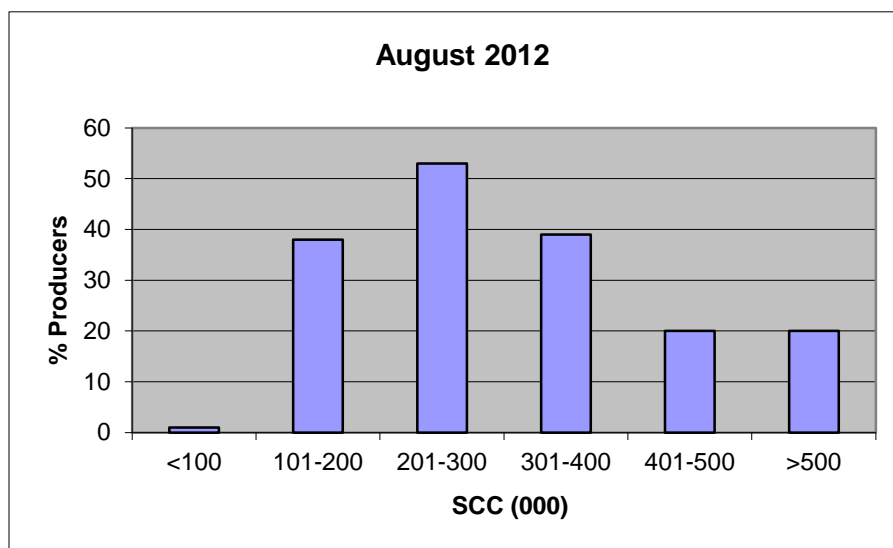
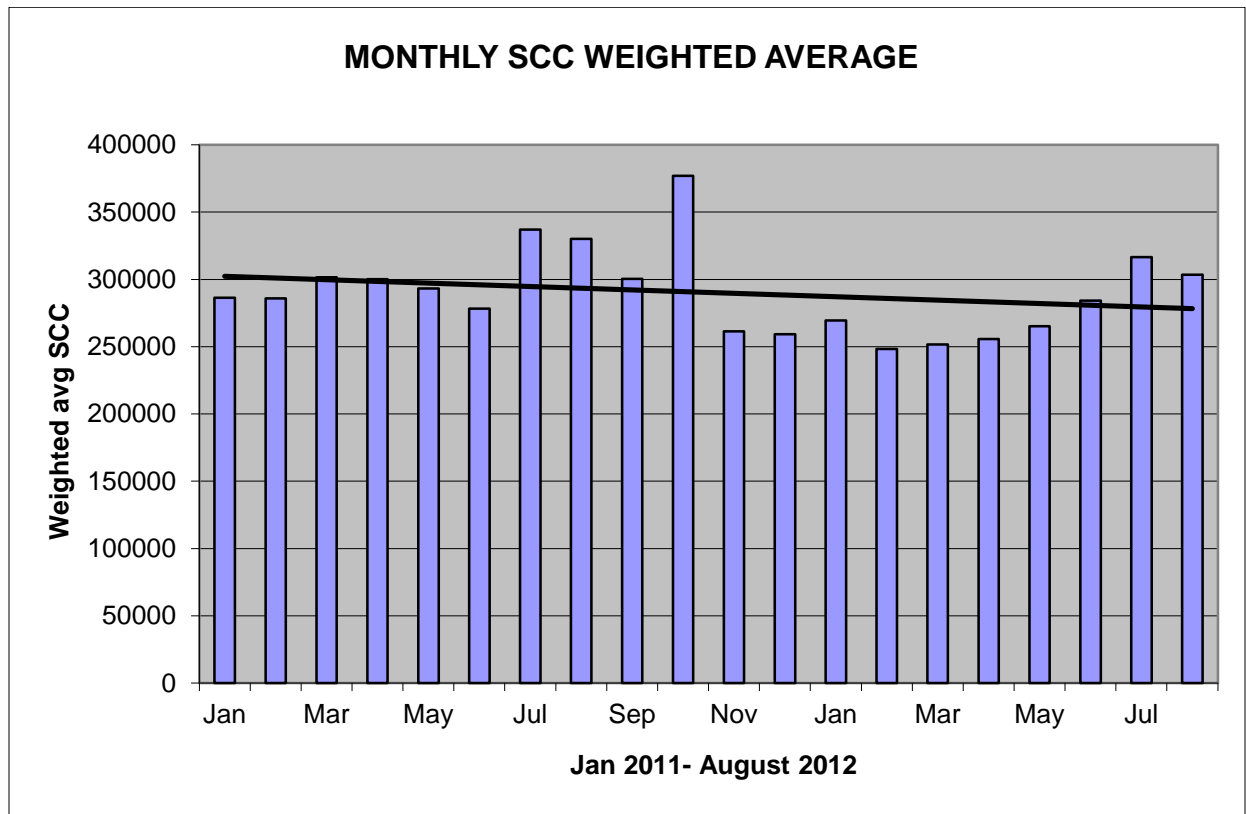
- (1) Monthly Production in Saskatchewan
- (2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
- (3) Difference between the monthly production (1) and the total monthly quota (2)
- (4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
- (5) The Upper Flexibility 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

## SCC LIMIT CHANGING TO 400,000

Effective August 1, 2012, the SCC limit is changing to 400,000. From August 1, 2012 until December 31, 2012 violation of the new limit will be indicated by a Warning. Penalties will be applied according to the new limit starting January 1, 2013.

The following graphs provide producers with an overview of the Provincial Somatic Cell Count weighted average on a monthly basis as well as a breakdown of the % of producers in each SCC level for the month of July.

If you have any questions contact: Deb Hauptstein at 306-721-9486.



### **August 2012 Producer Statement Changes**

Producers will see two changes going forward on their producer statement this August 2012.

#### **PROMOTION**

The SMMB promotion/admin Levy has been replaced by the SaskMilk promotion levy of \$1.40 per hectolitre. The SMMB promotion/admin Levy was charged to producers on a kilogram of butterfat basis and the new SaskMilk promotion levy is charged on a per hectolitre basis.

#### **HAULAGE**

The Producer Basic Haulage charge is no longer calculated as all producers will pay the same blended rate per hectolitre for haulage. The new blended rate will be charged to all producers as Producer Provincial Haulage. Extra freight charges will continue to be the individual producer expense and not pooled.

### **Dairy Herd Health and Screening Initiative**

SaskMilk has started a screening initiative to determine the production limiting disease prevalence in Saskatchewan dairy herds.

Bulk milk samples were taken from all herds and are being tested for antibodies for MAP and Leukosis. PCR tests are being used to detect the presence of BVD and contagious mastitis. Results for Johne's, Leukosis, BVD and contagious mastitis were sent out last week.

Collection of 6 environmental fecal samples from manure concentration, manure storage and cow concentration areas for culture, isolation and molecular typing of MAP organisms has started.

If you have any questions or concerns regarding this study please contact:  
Deb Haupstein at 306-721-9486

## UPCOMING MEETINGS/EVENTS

### Fall 2012 Producer Meetings:

Monday, October 29, 2012 – Swift Current

Tuesday, October 30, 2012 – Warman

Wednesday, October 31, 2012 – Fort Qu'Appelle

SaskMilk 3<sup>rd</sup> Annual General Meeting and Conference

November 7 & 8, 2012 – Saskatoon



**KEYSTONE  
CLASSIC SALE**

October 13, 2012

Canada Room  
following  
Ag-Ex show  
50 Lots  
On offer!!

Quality Consignments  
Deep Pedigrees  
Up Close and fresh cows & heifers  
Early Consignments from:  
Benner, Rocky Mountain Holsteins  
and Narfa

Contact Neale @ 204-724-4682



## **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.**

- Eight Holstein heifers with papers – 12 months & 10 months old  
1 nine month old bull with TEE OFF SEYMAR  
1 bred heifer close to calving with paper  
Contact Peter Schwendemann  
(306) 225-4385
- Cows & Quota for Sale – (306) 862-7140
- Quota for Sale, 22.24 daily kgs, Hermann Studer, 306-594-2624
- Nice looking breeding bull for sale.  
Gillette Jordan x Pennview Bolton Iria.  
Born Oct 25, 2011. Reg# 9921033. 3rd Dam Pennview Rudolph India, 2006 & 2008 Finalist Canadian Cow of the Year.  
Call: Bas (306) 242-8949
- For Sale: 20 kg daily butterfat. Call Johan 1-306-750-7273

## **SASKMILK BOARD OF DIRECTORS**

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