



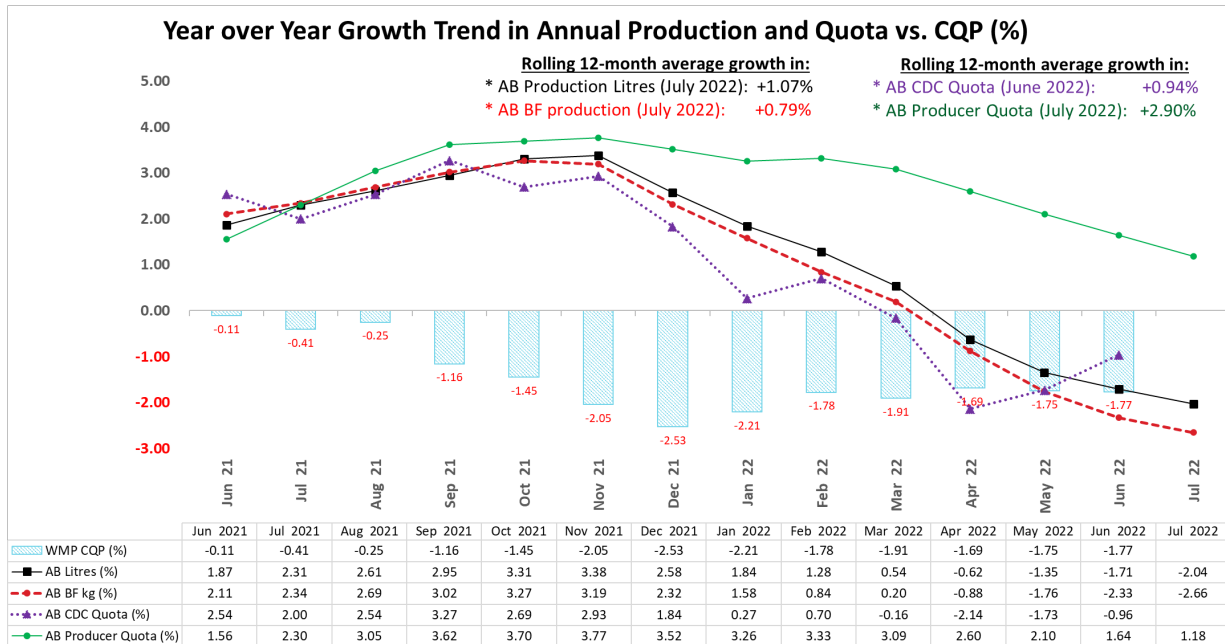
Strategic partner in Canada's dairy industry

Alberta Production and Quota Update August 2022

Production Update

Daily average production in July was 2.32 million litres (pre-pooling), an increase of 669 litres (or +0.03 per cent) over June's post-pooling production of 2.32 million litres. The average butterfat density in July was 4.01 kilograms per hectoliter, a 0.91 per cent decrease from June 2022.

When comparing the July pre-pooling production data on a year-over-year basis, it suggests a 2.04 per cent decrease in volume in the 12-month period ending July 2022 over the 12-month period ending July 2021; and a 2.66 per cent decrease in butterfat production for the same period. See the chart below for the most recent historical trend while noting that July 2022 is pre-pooling data.



Quota Update

The WMP's rolling 12-month quota increased by 0.34 per cent in June over May. Alberta's daily producer quota issuance in June 2021 was 96,267.04 kg/day, 99.49 per cent relative to the past 12-month average CDC quota allocation.

Pools' Quota Utilization

Cumulative Quota Positions (CQP) at the end of June 2022 for the WMP, P5 and P10 were -1.77, -0.27 and -0.98 per cent respectively. This means that the respective pools on a cumulative basis are all under-producing by their respective percentages as indicated.

The WMP under-filled its monthly CDC quota allotment by 119,635 kilograms of butterfat in June 2022 or -0.25 per cent compared to +6.40 per cent for the same period last year.

Note: The WMP coordinates quota allocation and production controls across all 4 provinces as evidenced over the last few months with the coordinated issuance of credit-use restriction policies. As a result, Alberta Milk has chosen to refer our Quota and Production Summary Report to Western Milk Pool data, instead of provincial-level data. This is intended to reflect our close working relationship and accountability as a pool.

Quota and Milk Production Summary (BF kg)					
Month	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022
Status	Official	Pre-Pooling	Projected	Projected	Projected
Western Milk Pool					
Butterfat Production (kg/day)	265,127	259,264	260,036	264,506	269,108
Pool Quota (kg/day)	265,782	279,044	279,887	314,719	302,437
Cumulative Position (%)*	-1.77%	-2.37%	-2.97%	-4.44%	-5.43%
Penalty (kg)	0	0	0	0	0
*The P10 pool's limits on production are +1.25% and -2.00% of the P10 rolling 12-month quota.					

