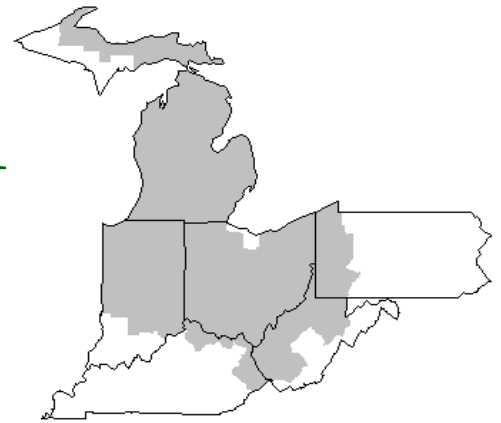


Mideast Market Administrator's Bulletin



Federal Order No. 33

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APRIL 2021

Recent Developments in Dairy Markets

On a milk-fat milk-equivalent basis, dairy exports totaled 701 million pounds in January, 62 million lower than December but 21 million higher than January 2020. On a skim-solids milk-equivalent basis, January exports totaled 3.593 billion pounds, 19 million lower than December and 263 million lower than January 2020. Notably, exports of lactose totaled 58 million pounds in January, 1 million lower than December and 16 million lower than January 2020.

Dairy imports in aggregate were relatively low in January. On a milk-fat basis, they totaled 374 million pounds in January, 202 million lower than December and 170 million pounds lower than January 2020. On a skim-solids basis, dairy imports totaled 451 million pounds in January, 52 million lower than December and 25 million lower than January 2020. Notably, butter imports totaled 2.9 million pounds in January, 1.0 million pounds less than December and 0.6 million less than January 2020. Imports of anhydrous milk fat and butteroil totaled 2.5 million pounds in January, 5.0 million less than December and 3.1 million less than January 2020.

For the 3 months from November 2020 to January 2021, domestic use was relatively strong compared to the 3 months from November 2019 to January 2020, up by 1.3 percent on a milk-fat basis and 2.0 percent on a skim-solids basis. This likely reflects higher demand due to increased foodservice use and a strengthening economy. Ending stocks for January remained relatively high. On a milk-fat basis, they totaled 16.849 billion pounds, 1.691 billion higher than January 2020. On a skim-solids basis, January ending stocks totaled 11.259 billion pounds, 750 million higher than January 2020.

Dairy Forecasts for 2021

The milk production forecast for 2021 is 227.3 billion pounds, 0.1 billion pounds lower than the February forecast. Lower expected yields per cow more than offset higher expected milk cow numbers. The forecast for the size of the dairy herd has been raised to 9.445 million head, 10,000 higher than last month's forecast. This is based on the reported average number of milk cows in January and recent slaughter rates close to those of last year.

Based on yield per cow in January and lower expected cull rates, the forecast yield per cow has been lowered to 24,065 pounds per head, 35 pounds below the previous estimate.

The forecast for 2021 dairy exports on a milk-fat basis has been raised to 10.4 billion pounds, 0.3 billion above the previous forecast, as higher expected exports of butterfat products are likely to more than offset lower expected exports of cheese. On a skim-solids basis, the 2021 dairy export forecast has decreased to 48.7 billion pounds, 0.2 billion lower than last month's forecast. Lower exports of lactose are expected to more than offset higher exports of dry skim milk products.

Based on lower expected imports of butterfat products (butter, anhydrous milk fat, and butteroil), the 2021 dairy import projection on a milk-fat basis is 6.5 billion pounds, 0.2 million lower than last month's projection. On a skim-solids basis, the dairy import forecast is 5.5 billion pounds, unchanged from last month.

The forecast for 2021 domestic use on a milk-fat basis is 222.5 billion pounds, 0.1 billion pounds lower than last month's forecast. On a skim-solids basis, the forecast for domestic use is 183.5 billion pounds, 0.3 billion higher than last month's forecast. With lower expected milk production and higher total disappearance (domestic use plus exports), ending stock projections for 2021 have been lowered to 15.5 billion pounds on a milk-fat basis (-0.5 billion) and 10.5 billion pounds on a skim-solids basis (-0.1 billion).

Livestock, Dairy, and Poultry Outlook, LDP-M-321, March 15, 2021 USDA, Economic Research Service

March 2021 Pool Summary

Classification of Producer Milk

	<i>Pounds</i>	<i>Percent</i>
Class I	578,737,874	39.2
Class II	362,189,933	24.5
Class III	253,769,138	17.2
Class IV	281,112,279	19.1
Total	1,475,809,224	100.0

Producer Prices

Producer Price Differential	\$(0.47) / cwt
Butterfat Price	1.7176 / lb
Protein Price	2.6954 / lb
Other Solids Price	0.3652 / lb
Somatic Cell Adjustment Rate	0.00080 / cwt
Statistical Uniform Price	15.68 / cwt

ANNOUNCEMENT OF PRODUCER PRICES

Federal Order No. 33

MARCH 2020**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

	<u>POUNDS</u>	<u>BUTTERFAT</u>	<u>SKIM / PROTEIN</u>	<u>NONFAT SOLIDS</u>	<u>OTHER SOLIDS</u>	<u>PRICE</u>	<u>VALUE</u>
Class I Skim Value			566,305,262			\$12.62 / cwt	\$ 71,467,724.05
Class I Butterfat		12,432,612				1.4335 / lb	17,822,149.34
Class I Location Differential	578,737,874						(356,904.38)
Class II SNF Value				31,701,597		1.0400 / lb	32,969,660.88
Class II Butterfat		23,943,413				1.7246 / lb	41,292,810.10
Class III Protein Value			8,106,193			2.6954 / lb	21,849,432.63
Class III Other Solids Value					14,620,521	0.3652 / lb	5,339,414.29
Class III Butterfat		10,700,192				1.7176 / lb	18,378,649.77
Class IV SNF Value				25,224,637		0.9396 / lb	23,701,068.93
Class IV Butterfat		11,778,812				1.7176 / lb	20,231,287.48
Somatic Cell Value II / III / IV							1,341,462.57
TOTAL PRODUCER MILK VALUE	1,475,809,224	58,855,029	47,397,118		85,310,795		\$ 254,036,755.66
Overages					15,570.35		
Beginning Inventory & OS Charges					260,640.73		
TOTAL ADJUSTMENTS							\$ 276,211.08
TOTAL HANDLER OBLIGATIONS							\$ 254,312,966.74
Total Protein Value			47,397,118 lbs	@	\$2.6954		\$ (127,754,191.87)
Total Other Solids Value			85,310,795 lbs	@	0.3652		(31,155,502.33)
Butterfat Value			58,855,029 lbs	@	1.7176		(101,089,397.80)
Total Somatic Cell Values							(2,207,122.67)
TOTALS							\$ (7,893,247.93)
Net Producer Location Adjustments							\$ 1,043,159.27
1/2 Unobligated Balance Producer Settlement Fund							632,000.00
Total - Divided by Total Pounds			1,475,809,224 lbs		(0.4213342)		\$ (6,218,088.66)
Rate of Cash Reserve					(0.0486658)		(718,214.37)
PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH ¹			1,475,809,224		\$ (0.47) /cwt		\$ (6,936,303.03)

COMPONENT PRICES

March

COMPUTATION OF UNIFORM PRICE

March

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
Butterfat Price	\$1.7176 / lb	\$1.9177 / lb	Class III Price - 3.5% BF	\$16.15	\$16.25
Protein Price	2.6954 / lb	2.8424 / lb	Producer Price Differential*	(0.47)	0.72
Other Solids Price	0.3652 / lb	0.1810 / lb	Statistical Uniform Price	\$15.68	\$16.97
Somatic Cell Adjustment Rate	0.00080 / cwt	0.00085 / cwt			
Nonfat Solids Price ²	0.9396 / lb	0.9387 / lb			

CLASS PRICES

March

CLASSIFICATION OF PRODUCER MILK

March

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
Class I*	\$17.20	\$19.46	Product lbs.	Product lbs.	
Class II	15.07	16.75	Class I	578,737,874	618,229,835
Class III	16.15	16.25	Class II	362,189,933	313,903,674
Class IV	14.18	14.87	Class III	253,769,138	563,260,578
			Class IV	281,112,279	252,323,825
			Total	1,475,809,224	1,747,717,912

¹ Subject to Location Adjustment.² Producers are not paid on this component.**ORDER 33 MARKET SUMMARY**

The Producer Price Differential for the Mideast Marketing Area for March 2021 was -\$0.47 and the Statistical Uniform Price was \$15.68 for the month. The Statistical Uniform Price is \$0.77 higher than last month, and is \$1.29 lower than March 2020.

The Producer Butterfat Price of \$1.7176 per pound increased \$0.2800 from February and is down \$0.2001 from a year ago. The Protein Price of \$2.6954 is down \$0.2862 from last month and is down \$0.1470 from March 2020. The Other Solids Price in March was \$0.3652 per pound, an increase from last month's price of \$0.3161 and \$0.1842 higher than last March. The Somatic Cell Adjustment rate for March was \$0.00080 per cwt.

March producer receipts of 1.48 billion pounds were 15.1 percent higher than February and 15.6 percent lower than March 2020 production of 1.75 billion pounds. Producer milk allocated to Class I accounted for 39.2 percent of the total producer milk in March 2021, lower than the 41.5 percent in February, and higher than the 35.4 percent in March 2020. A total of 3,586 producers were pooled on the Mideast Order compared to 4,055 producers pooled in March 2020.

The market average content of producer milk was as follows: Butterfat 3.99%; Protein 3.21%; Other Solids 5.78% and Nonfat Solids 8.99%.

February 2021 Highlights

Total cheese output (excluding cottage cheese) was 1.04 billion pounds, 1.1 percent above February 2020 but 8.1 percent below January 2021.

Italian type cheese production totaled 444 million pounds, 0.9 percent below February 2020 and 7.6 percent below January 2021.

American type cheese production totaled 425 million pounds, 1.6 percent above February 2020 but 10.3 percent below January 2021.

Butter production was 186 million pounds, 1.3 percent below February 2020 and 11.5 percent below January 2021.

Dry milk products (comparisons in percentage with February 2020)
Nonfat dry milk, human - 186 million pounds, up 17.1 percent.
Skim milk powder - 29.6 million pounds, down 23.0 percent.

Whey products (comparisons in percentage with February 2020)
Dry whey, total - 77.0 million pounds, up 0.7 percent.
Lactose, human and animal - 84.2 million pounds, down 3.7 percent.
Whey protein concentrate, total - 37.4 million pounds, up 5.0 percent.

Frozen products (comparisons in percentage with February 2020)
Ice cream, regular (hard) - 55.0 million gallons, up 4.7 percent.
Ice cream, lowfat (total) - 34.1 million gallons, up 2.6 percent.
Sherbet (hard) - 2.61 million gallons, down 13.8 percent.
Frozen yogurt (total) - 4.26 million gallons, up 2.5 percent.

*Released April 1, 2021, by the National Agricultural Statistics Service (NASS),
Agricultural Statistics Board, United States Department of Agriculture (USDA).*

February Milk Production Down 1.3 Percent

Milk production in the 24 major States during February totaled 16.8 billion pounds, down 1.3 Percent from February 2020. However, production was 2.3 percent above last year after adjusting for the leap year. January revised production, at 18.4 billion pounds, was up 2.6 percent from January 2020. The January revision represented an increase of 150 million pounds or 0.8 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 1,882 pounds for February, 44 pounds below February 2020.

The number of milk cows on farms in the 24 major States was 8.94 million head, 88,000 head more than February 2020, and 2,000 head more than January 2021.

The Mideast Marketing Area has four states represented in the 23 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during February totaled 2.5 billion pounds, down 14 million pounds or 0.6 percent from February 2020.

Production per cow in the Mideast states averaged 1,823 pounds for February, 53 pounds less than February 2020.

The number of cows on farms in the Mideast states was 1.4 million head, 46,000 head more than February 2020.

Released March 18, 2021, by the National Agricultural Statistics Service (NASS),
Agricultural Statistics Board, United States Department of Agriculture (USDA).

Bulletin WebPage Edition

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Featured this month are:

- Producer Milk Classification
- Statistical Uniform Price
- Class and Component Prices
- National Product Prices

Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State Federal Order No. 33

State	Number of Producers	Pounds of Milk (000)	February 2021 -----Weighted Averages-----				February 2020 -----Weighted Averages-----				
			Butterfat	Protein	Other Solids	SCC (000)	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)
Michigan	770	539,698	4.04	3.29	5.81	154	870,046	3.93	3.21	5.81	152
Ohio	1,246	331,648	4.07	3.25	5.76	169	394,555	4.01	3.19	5.72	168
Indiana	544	247,125	4.04	3.25	5.79	158	247,747	3.93	3.17	5.80	163
Pennsylvania	623	77,536	4.09	3.15	5.68	208	82,971	4.03	3.12	5.67	193
New York	127	65,625	4.22	3.31	5.89	167	88,060	4.03	3.22	5.87	159
Other	191	20,880	3.87	3.16	5.75	219	20,257	3.87	3.16	5.75	219
Total/Average *	3,501	1,282,512	4.06	3.26	5.79	163	1,703,637	3.96	3.19	5.78	160

* Totals may not add due to rounding. Data provided on a one month delay basis and includes only milk from these states *pooled* on the Mideast order.



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**FEDERAL ORDER DATA
March 2021**

<u>Marketing Area</u> ^{1/}	Producer Milk		Class I Percent %	Producer Price Differential (per cwt.)	Statistical Uniform Price (per cwt.)
	<u>Total</u> (000)	<u>Class I</u> (000)			
FO 1 Northeast - (Boston)	2,353,626	716,400	30.4	\$0.35	\$16.50
FO 5 Appalachian - (Charlotte)	488,742	332,820	68.1	^{2/}	17.94
FO 6 Florida - (Tampa)	205,728	173,605	84.4	^{2/}	20.11
FO 7 Southeast - (Atlanta)	439,938	271,841	61.8	^{2/}	17.92
FO 30 Upper Midwest - (Chicago)	964,508	219,160	22.7	(0.51)	15.64
FO 32 Central - (Kansas City)	980,645	398,153	40.6	(1.00)	15.15
FO 33 Mideast - (Cleveland)	1,475,809	578,738	39.2	(0.47)	15.68
FO 51 California - (Los Angeles)	2,037,150	429,765	21.1	(1.30)	14.85
FO 124 Pacific Northwest - (Seattle)	627,337	139,198	22.2	(1.00)	15.15
FO 126 Southwest - (Dallas)	1,026,994	364,232	35.5	(0.47)	15.68
FO 131 Arizona - (Phoenix)	357,075	113,088	31.7	^{2/}	15.55

^{1/} Names in parentheses are principal points of markets.

^{2/} Producers in these markets are paid on the basis of a uniform skim and butterfat price.

MINIMUM PARTIAL PAYMENT PRICE FOR APRIL 2021.....\$14.18 /cwt.

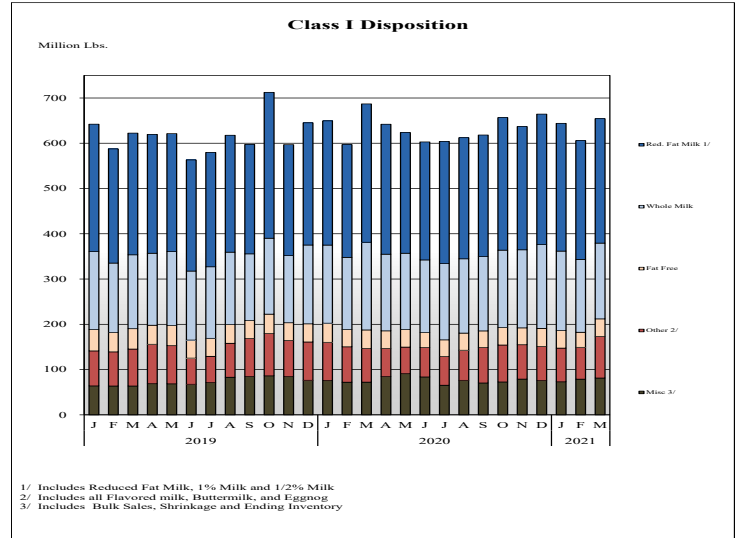
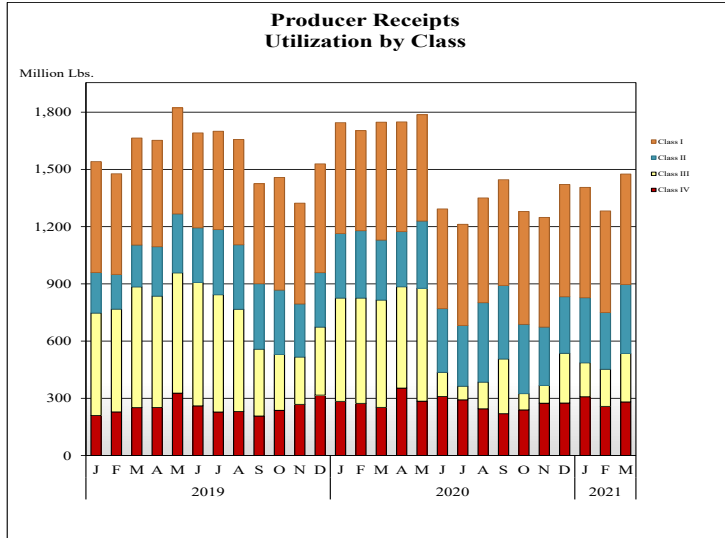


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Supplement
April 2021

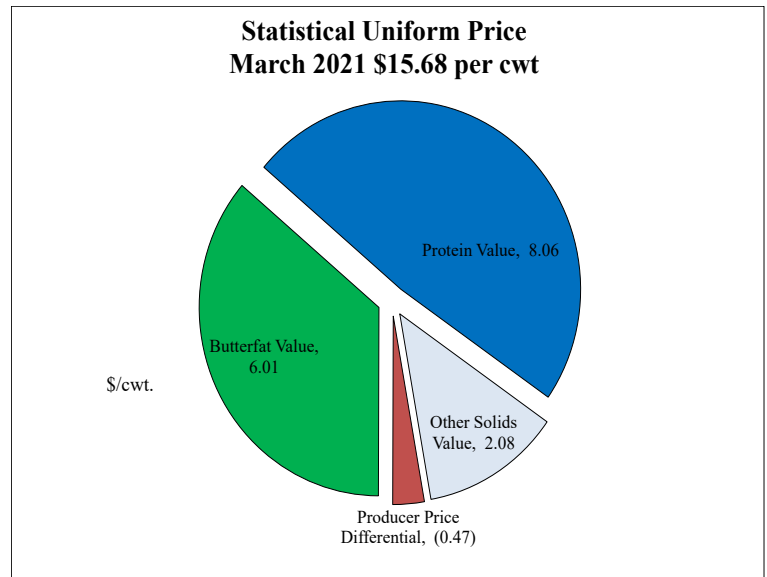
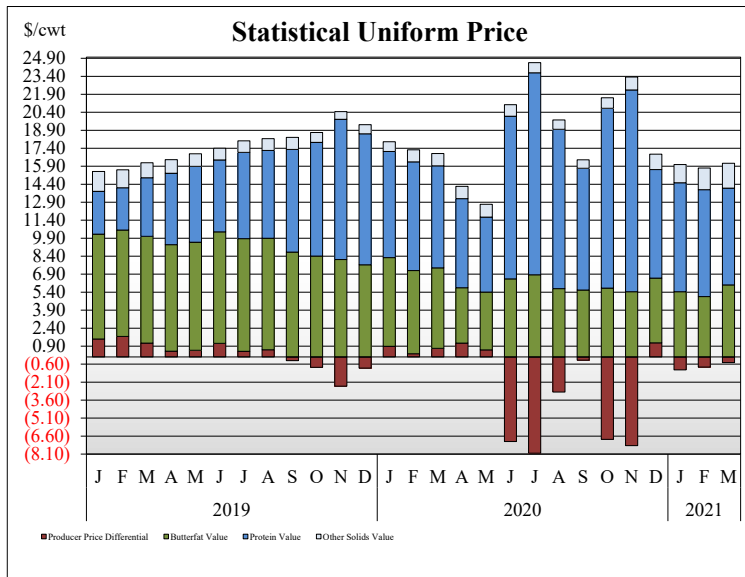
PRODUCER MILK CLASSIFICATION



Producer Receipts: Producer receipts for the Mideast Order totaled 1.48 billion pounds in March 2021. The pounds allocated to Class I represented 39.2 percent of the total pounds. Producer receipts increased 193.3 million pounds compared to February 2021, and were down 272.9 million pounds from the prior year.

Class I Pounds: Class I Disposition for the Mideast Order totaled 578.7 million pounds in March 2021, down 39.5 million pounds from March 2020. Finished products include 167.3 million pounds used for whole milk, 275.0 million pounds of reduced fat and low fat milk, and 38.9 million pounds of fat free (skim) milk.

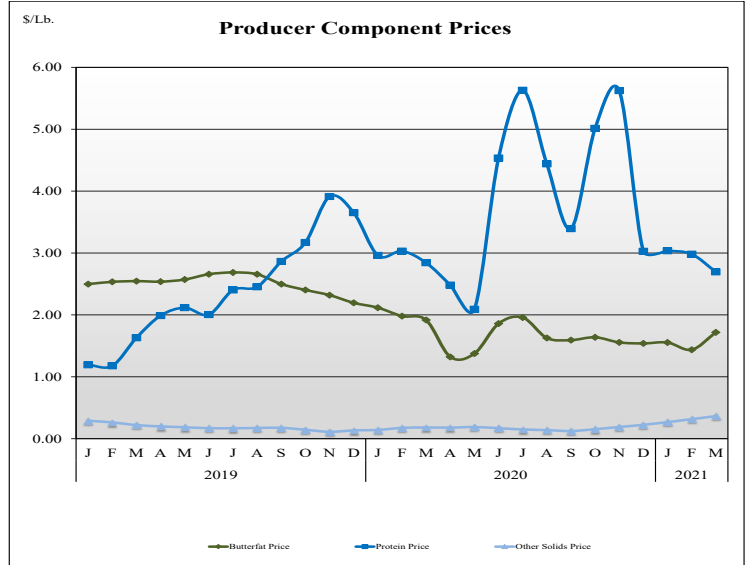
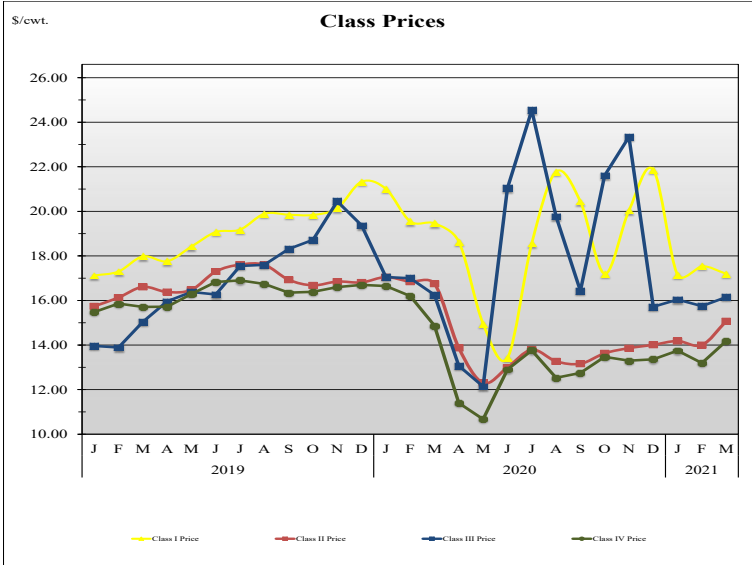
STATISTICAL UNIFORM PRICE



Statistical Uniform Price: The Mideast Federal Order Statistical Uniform Price (SUP) at Cuyahoga County, OH was \$15.68 per cwt for March 2021. The March 2021 SUP was \$1.29 per cwt lower than the March 2020 SUP. The March 2021 SUP is \$0.77 per cwt higher than the February 2021 SUP.

March 2021 Statistical Uniform Price: Using the Class III Price formula at 3.5% BF, the component values for the March 2021 SUP are: \$8.06 per cwt for protein, \$6.01 per cwt for butterfat and \$2.08 per cwt for other solids. Also included in the SUP is the -\$0.47 per cwt producer price differential. (May not add to total due to rounding.)

CLASS AND COMPONENT PRICES



WEIGHTED AVERAGE NATIONAL PRODUCT PRICES

