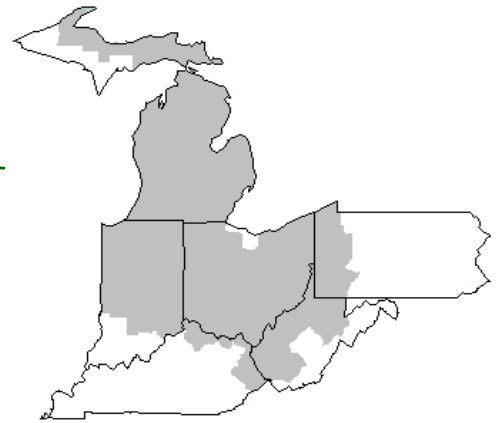


# Mideast Market Administrator's Bulletin



## Federal Order No. 33

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**JANUARY 2023**

### 2022 Market Summary

Producer milk receipts pooled totaled 16.8 billion pounds on the Mideast Order during 2022 a decrease of 1.8 billion pounds, or 9.7 percent from 2021. During 2022, there were a little less than 3.8 billion pounds of milk voluntarily depooled. Monthly producer receipts ranged from a low of 1.28 billion pounds in February to a high of 1.73 billion pounds in May.

The number of producers pooled on the Mideast Order in 2022 averaged 3,420 per month, down 4.9 percent from a year earlier. Producer milk averaged 4.02 percent butterfat in 2022, ranging from a low of 3.84 percent in July to a high of 4.16 percent in December. The protein test averaged 3.22 percent for 2022. Protein tests ranged from a low of 3.09 percent in July, to a high of 3.31 percent in January and December. Other solids tests for producer milk averaged 5.78 percent for the year.

For the year, 37.0 percent of producer milk was utilized as Class I; 9.0 percent in Class II; 48.8 percent in Class III; and 5.2 percent in Class IV. The Class I utilization percentage had a low of 30.1 percent in May and a high of 40.0 percent in November. Class I milk totaled 6.2 billion pounds during 2022, down 3.9 percent from 2021. Class II milk totaled 1.5 billion pounds in 2022, a decrease of 60.6 percent from 2021. Class III pooled pounds were 8.2 billion pounds in 2022, an increase of 48.4% from 2020. Class IV milk totaled 868.1 million pounds in 2022, a decrease of 68.6 percent from 2021.

The Class I price averaged \$25.66 per cwt for the year, a decrease of \$6.83 per cwt from 2021. The Class I price had a low of \$21.71 per cwt in January 2022 and a high of \$27.87 per cwt in June and July. The Class II price averaged \$25.27 per cwt, an increase of \$8.83 per cwt from the prior year. It ranged from a low of \$22.83 per cwt in January to a high of \$26.91 per cwt in August. The Class III price averaged \$21.96 per cwt, an increase of \$4.87 per cwt from 2021. The Class III price ranged from a low of \$19.82 per cwt in September to a high of \$25.21 per cwt in May. The Class IV price averaged \$24.47 per cwt for the year, an increase of \$8.38 per cwt from a year ago. It was lowest in December at \$22.12 per cwt and was highest in June at \$25.83 per cwt. The Statistical Uniform Price averaged \$23.49 per cwt for 2022 compared to \$16.70 per cwt in 2021. The Producer Butterfat Price averaged \$3.2637 per pound in 2022. This was an increase of \$1.3733 from 2021. The butterfat price was lowest in January at \$2.9567 per pound and was highest in October at \$3.6567 per pound.

The Statistical Uniform Price averaged \$23.49 per cwt for 2022 compared to \$16.70 per cwt in 2021. The Producer Butterfat Price averaged \$3.2637 per pound in 2022. This was an increase of \$1.3733 from 2021. The butterfat price was lowest in January at \$2.9567 per pound and was highest in October at \$3.6567 per pound.

The Protein Price averaged \$2.7238 per pound in 2022. This was a decrease of \$0.0392 from the previous year. The lowest price was in September at \$1.8847 per pound and was highest in May at \$3.8696 per pound. Other Solids Price averaged \$0.4188 per pound, \$0.0323 higher than the 2021 average. The Producer Price Differential (PPD) averaged \$1.50 per cwt in 2022 with low of \$0.38 per cwt in May and a high of \$3.23 per cwt in August.

### 2023 Reporting and Payment Dates

Reporting and payment dates for the Mideast Federal Marketing Order have now been published on the Mideast Market Administrator website for 2023. Important payment, reporting, and producer price release dates can be found at [fmmaclev.com/Reporting and \\_Payment\\_Dates.htm](http://fmmaclev.com/Reporting_and_Payment_Dates.htm).

### December 2022 Pool Summary

#### Classification of Producer Milk

	<i>Pounds</i>	<i>Percent</i>
Class I	545,907,753	39.4
Class II	87,020,555	6.3
Class III	688,187,263	49.7
Class IV	63,719,010	4.6
Total	1,384,834,581	100.0

#### Producer Prices

Producer Price Differential	\$1.31/ cwt
Butterfat Price	3.1539 /lb
Protein Price	2.6568 /lb
Other Solids Price	0.2652 /lb
Somatic Cell Adjustment Rate	0.00103 /cwt
Statistical Uniform Price	21.81

**ANNOUNCEMENT OF PRODUCER PRICES**

Federal Order No. 33

**DECEMBER 2022****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			533,507,978			\$13.45 / cwt	\$ 71,756,823.03
Class I Butterfat		12,399,775				3.3146 / lb	41,100,294.19
Class I Location Differential	545,907,753						(313,638.13)
Class II SNF Value				6,910,926		1.3867 / lb	9,583,381.09
Class II Butterfat		14,089,046				3.1609 / lb	44,534,065.51
Class III Protein Value			22,866,070			2.6568 / lb	60,750,574.79
Class III Other Solids Value					39,916,643	0.2652 / lb	10,585,893.73
Class III Butterfat		25,520,668				3.1539 / lb	80,489,634.81
Class IV SNF Value				5,511,694		1.2752 / lb	7,028,512.18
Class IV Butterfat		5,595,716				3.1539 / lb	17,648,328.70
Somatic Cell Value II / III / IV							1,632,451.00
<b>TOTAL PRODUCER MILK VALUE</b>	<b>1,384,834,581</b>	<b>57,605,205</b>	<b>45,892,147</b>		<b>79,934,984</b>		<b>\$ 344,796,320.90</b>
Overages					26,989.92		
Beginning Inventory & OS Charges					(340,849.07)		
<b>TOTAL ADJUSTMENTS</b>							<b>\$ (313,859.15)</b>
<b>TOTAL HANDLER OBLIGATIONS</b>							<b>\$ 344,482,461.75</b>
Total Protein Value			45,892,147 lbs	@	\$2.6568		\$ (121,926,256.14)
Total Other Solids Value			79,934,984 lbs	@	0.2652		(21,198,757.77)
Butterfat Value			57,605,205 lbs	@	3.1539		(181,681,056.06)
Total Somatic Cell Values							(2,671,763.85)
<b>TOTALS</b>							<b>\$ 17,004,627.93</b>
Net Producer Location Adjustments							\$ 1,163,231.15
1/2 Unobligated Balance Producer Settlement Fund							569,000.00
Total - Divided by Total Pounds			1,384,834,581 lbs		1.3530034		\$ 18,736,859.08
Rate of Cash Reserve					(0.0430034)		(595,525.95)
<b>PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH <sup>1</sup></b>			1,384,834,581		<b>\$ 1.31 /cwt</b>		<b>\$ 18,141,333.13</b>

**COMPONENT PRICES**

December

	<u>2022</u>	<u>2021</u>
Butterfat Price	\$3.1539 / lb	\$2.2919 / lb
Protein Price	2.6568 / lb	2.5937 / lb
Other Solids Price	0.2652 / lb	0.4532 / lb
Somatic Cell Adjustment Rate	0.00103 / cwt	0.00088 / cwt
Nonfat Solids Price 2	1.2752 / lb	0.9180 / lb

**COMPUTATION OF UNIFORM PRICE**

December

	<u>2022</u>	<u>2022</u>
Class III Price - 3.5% BF	\$20.50	\$18.36
Producer Price Differential*	<u>1.31</u>	<u>0.99</u>
Statistical Uniform Price	\$21.81	\$19.35

**CLASS PRICES**

December

	<u>2022</u>	<u>2021</u>
Class I*	\$24.58	\$21.17
Class II	23.11	19.84
Class III	20.50	18.36
Class IV	22.12	19.88

**CLASSIFICATION OF PRODUCER MILK**

December

	<u>2022</u>	<u>2021</u>
	<i>Product lbs.</i>	<i>Product lbs.</i>
Class I	545,907,753	571,003,034
Class II	87,020,555	208,957,887
Class III	688,187,263	723,316,839
<u>Class IV</u>	<u>63,719,010</u>	<u>139,171,321</u>
Total	1,384,834,581	1,642,449,081

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

The Producer Price Differential for the Mideast Marketing Area for December 2022 was \$1.31, and the Statistical Uniform Price was \$21.81 for the month. The Statistical Uniform Price is \$0.94 lower than last month and is \$2.46 higher than December 2021.

The Producer Butterfat Price of \$3.1539 per pound decreased \$0.2181 from November and is up \$0.8620 from a year ago. The Protein Price of \$2.6568 is up \$0.1194 from last month and is up \$0.0631 from December 2021. The Other Solids Price in December was \$0.2652 per pound, a decrease from last month's price of \$0.2837 and \$0.1880 lower than last December. The Somatic Cell Adjustment rate for December

was \$0.00103 per cwt. December producer receipts of 1.38 billion pounds were 5.1 percent higher than November and 15.7 percent lower than December 2021 production of 1.64 billion pounds. Producer milk allocated to Class I accounted for 39.4 percent of the total producer milk in December 2022, lower than the 40.0 percent in November, and higher than the 34.8 percent in December 2021. A total of 3,425 producers were pooled on the Mideast Order compared to 3,572 producers pooled in December 2021.

The market average content of producer milk was as follows: Butterfat 4.16%; Protein 3.31%; Other Solids 5.77% and Nonfat Solids 9.08%.

## Dairy Forecasts for 2023

As with the forecasts for 2022, any changes discussed in this section are adjustments from the previous month's forecasts, unless otherwise specified.

The U.S. dairy herd is projected to be 5,000 cows more in 2023, at 9.420 million head. The 2023 forecast for milk per cow is 24,370 pounds, 20 pounds higher on slightly more rapid than previously expected growth. The projection for 2023 milk production is 229.5 billion pounds, up 0.3 billion pounds.

On a milk-equivalent milk-fat basis, the export forecast for 2023 is 13.0 billion pounds, up 0.3 billion due to higher expected exports of cheese and butterfat products. On a milk-equivalent skim-solids basis, 2023 dairy exports are projected to total 52.3 billion pounds, 0.2 billion pounds lower, due to lower anticipated exports of lactose. Dairy product import projections for 2023 were adjusted higher, to 7.2 billion pounds (+0.1 billion) on a milk-equivalent milk-fat basis and 6.1 billion pounds (+0.1 billion) on a milk-equivalent skim-solids basis.

The 2023 projections for domestic use are up in 2023. On a milk-equivalent milk-fat basis, the domestic use forecast for 2023 is 222.0 billion pounds, 0.4 billion higher. On a milk-equivalent skim-solids basis, the forecast for domestic use is 182.2 billion pounds, 0.4 billion higher.

In 2023, wholesale price forecasts for Cheddar cheese and butter were raised to \$1.995 (+2.5 cents) and \$2.465 (+1.0 cent) per pound, respectively. However, NDM, and dry whey prices were adjusted downward to \$1.375 (-3.0 cents) and \$0.465 (-2.0 cents) per pound, respectively.

With a higher projected wholesale price for cheese more than offsetting the lower price projection for dry whey, the Class III milk price forecast for 2023 is \$19.80 per cwt (+15 cents). Due to the lower NDM price forecast more than offsetting the higher butter price forecast, the Class IV milk price projection for 2023 is \$20.10 per cwt (-25 cents). The all-milk price forecast for 2023 is \$22.70 per cwt, an increase of 10 cents.

*Livestock, Dairy, and Poultry Outlook: December 2022, LDP-M-342, December 15, 2022 USDA, Economic Research Service*

## November Milk Production Up 1.4 Percent

Milk production in the 24 major States during November totaled 17.5 billion pounds, up 1.4 Percent from November 2021. October revised production, at 18.0 billion pounds, was up 1.3 percent from October 2021. The October revision represented a decrease of 18 million pounds or 0.1 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 1,956 pounds for November, 17 pounds above November 2021.

The number of milk cows on farms in the 24 major States was 8.94 million head, 48,000 head more than November 2021, and 1,000 head more than October 2022.

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 November totaled 2.6 billion pounds, up 25 million pounds or 1.0 percent from November 2021.

Production per cow in the Mideast states averaged 1,969 pounds for November, 29 pounds more than November 2021.

The number of cows on farms in the Mideast states was 1.3 million head, 7,000 head less than November 2021.

Released December 19, 2022, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

### Bulletin WebPage Edition

[www.fmmaclev.com](http://www.fmmaclev.com)

#### 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

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State	November 2022						November 2021				
	Number of Producers	Pounds of Milk (000)	-----Weighted Averages-----				Pounds of Milk (000)	-----Weighted Averages-----			
			Butterfat	Protein	Other Solids	SCC (000)		Butterfat	Protein	Other Solids	SCC (000)
Michigan	769	621,040	4.09	3.29	5.78	147	876,320	4.07	3.32	5.78	155
Ohio	1,211	353,021	4.14	3.32	5.74	172	403,981	4.13	3.33	5.77	178
Indiana	558	174,008	4.09	3.29	5.78	179	217,911	4.03	3.29	5.79	183
New York	109	44,018	4.25	3.36	5.93	178	80,421	4.19	3.32	5.85	194
Pennsylvania	620	79,538	4.13	3.22	5.65	211	76,584	4.16	3.25	5.65	225
Other	197	45,991	4.11	3.27	5.77	169	14,013	4.07	3.24	5.72	217
Total/Average *	3,464	1,317,616	4.11	3.29	5.77	164	1,669,231	4.09	3.32	5.77	170

\* 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  
December 2022**

Marketing Area <sup>1/</sup>	Producer Milk		Class I	Producer Price Differential (per cwt.)	Statistical Uniform Price (per cwt.)
	Total (000)	Class I (000)	Percent %		
FO 1 Northeast - (Boston)	2,254,707	693,552	30.8	2.56	23.06
FO 5 Appalachian - (Charlotte)	469,252	337,440	71.9	<sup>2/</sup>	24.86
FO 6 Florida - (Tampa)	319,239	230,353	72.2	<sup>2/</sup>	27.05
FO 7 Southeast - (Atlanta)	382,327	267,519	70.0	<sup>2/</sup>	25.29
FO 30 Upper Midwest - (Chicago)	3,174,625	178,739	5.6	0.23	20.73
FO 32 Central - (Kansas City)	1,319,322	386,126	29.3	0.90	21.40
<b>FO 33 Mideast - (Cleveland)</b>	<b>1,384,835</b>	<b>545,908</b>	<b>39.4</b>	<b>1.31</b>	<b>21.81</b>
FO 51 California - (Los Angeles)	2,020,635	409,208	20.3	1.08	21.58
FO 124 Pacific Northwest - (Seattle)	599,791	141,020	23.5	0.92	21.42
FO 126 Southwest - (Dallas)	1,157,974	328,347	28.4	1.65	22.15
FO 131 Arizona - (Phoenix)	443,533	120,889	27.3	<sup>2/</sup>	22.47

<sup>1/</sup> Names in parentheses are principal points of markets.

<sup>2/</sup> Producers in these markets are paid on the basis of a uniform skim and butterfat price.

**MINIMUM PARTIAL PAYMENT PRICE FOR JANUARY 2023 .....\$20.50/cwt.**

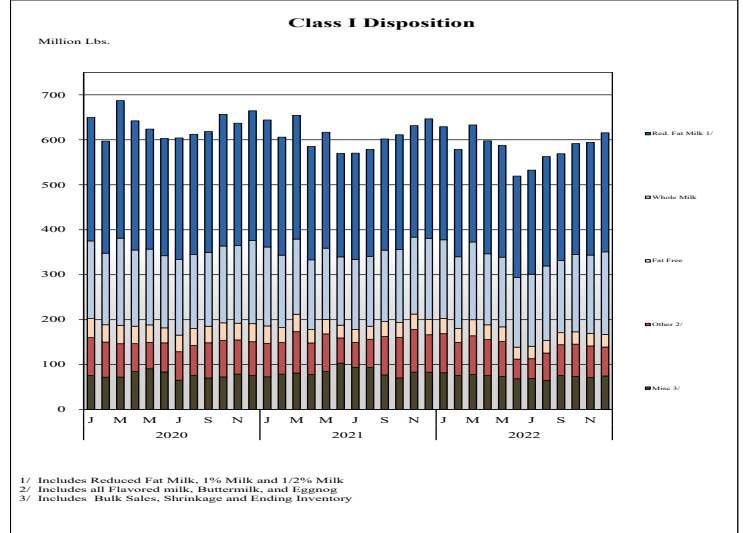
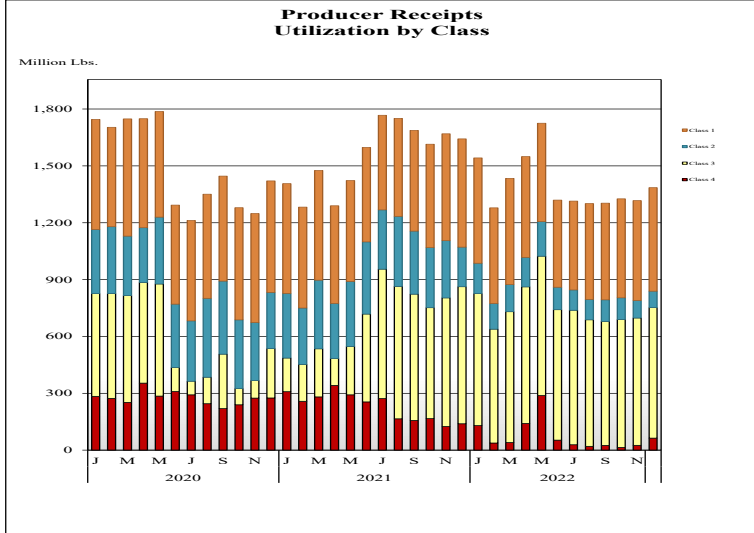


# Mideast Market Administrator's Bulletin

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Supplement  
January 2023

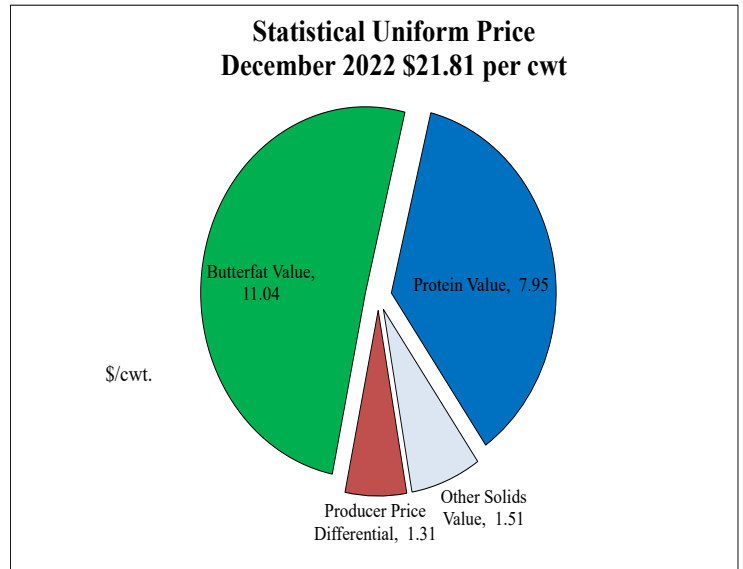
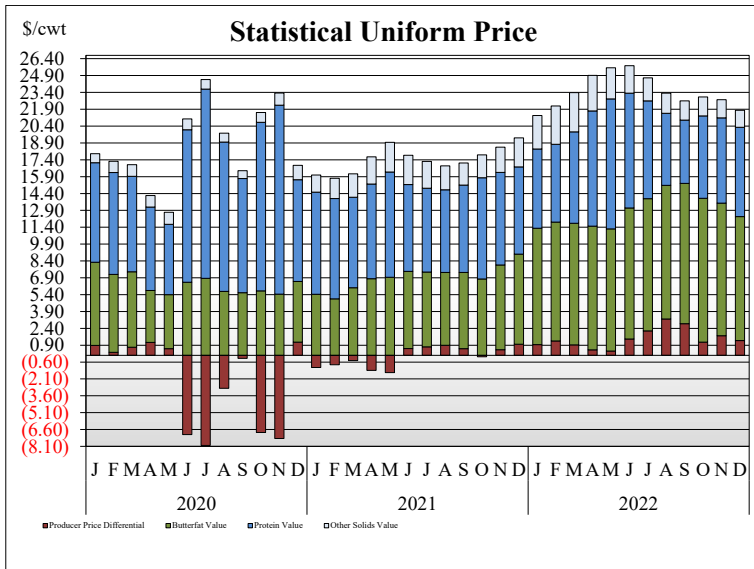
## PRODUCER MILK CLASSIFICATION



**Producer Receipts:** Producer receipts for the Mideast Order totaled 1.38 billion pounds in December 2022. The pounds allocated to Class I represented 39.4 percent of the total pounds. Producer receipts increased 67.2 million pounds compared to November 2022, and were down 257.7 million pounds from the prior year.

**Class I Pounds:** Class I Disposition for the Mideast Order totaled 615.5 million pounds in December 2022, down 31.1 million pounds from December 2021. Finished products include 184 million pounds used for whole milk, 265 million pounds of reduced fat and low fat milk, and 28.0 million pounds of fat free (skim) milk.

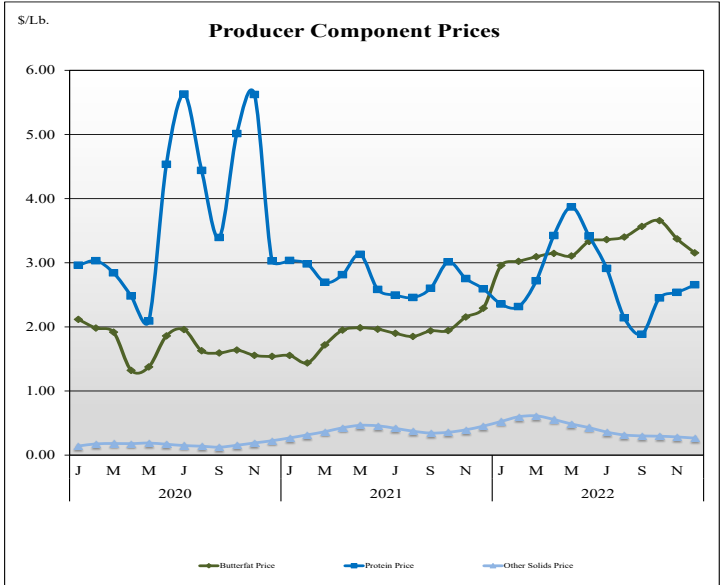
## STATISTICAL UNIFORM PRICE



**Statistical Uniform Price:** The Mideast Federal Order Statistical Uniform Price (SUP) at Cuyahoga County, OH was \$21.81 per cwt for December 2022. The December 2022 SUP was \$2.46 per cwt higher than the December 2021 SUP. The December 2022 SUP is \$0.94 per cwt lower than the November 2022 SUP.

**December 2022 Statistical Uniform Price:** Using the Class III Price formula at 3.5% BF, the component values for the December 2022 SUP are: \$7.95 per cwt for protein, \$11.04 per cwt for butterfat and \$1.51 per cwt for other solids. Also included in the SUP is the \$.131 per cwt producer price differential. (May not add to total due to rounding.)

## CLASS AND COMPONENT PRICES



## WEIGHTED AVERAGE NATIONAL PRODUCT PRICES

