

Mideast Market Administrator's Bulletin

Federal Order No. 33

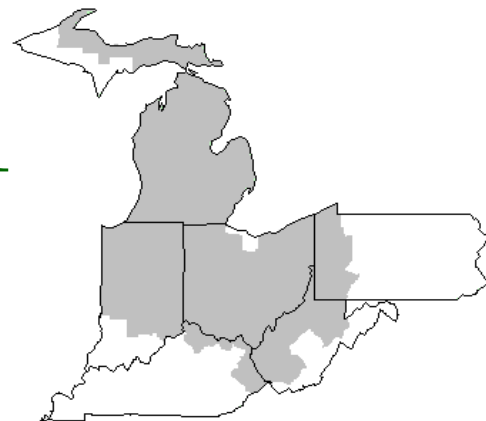
Scott C. Jones, Market Administrator

Phone: (330) 225-4758 Toll Free: (888) 751-3220

Email: mideastorder@fmmaclev.com

WebPage: www.fmmaclev.com

JUNE 2025



Dairy Forecasts for 2025

Based on recent data, the forecasts for the average number of dairy cows and milk per cow for 2025 have been raised from the previous forecast by 5,000 head and 25 pounds per cow, respectively. The national milking herd is projected to average 9.410 million head in 2025 while the milk per cow is projected to average 24,155 pounds per cow. Milk production in 2025 is forecast now at 227.3 billion pounds, an increase of 0.4 billion pounds from the last forecast.

The dairy import forecast for 2025 is unchanged from last month's forecast, at 6.7 billion pounds on a skim-solids basis but lowered 0.2 billion to 8.3 billion pounds on a milk-fat basis. Lower imports are expected for butter and milk protein concentrate, while higher imports are expected for cheese.

The dairy export forecasts for 2025 are adjusted upward from last month's forecast. On a milk-fat basis 2025 dairy exports are forecast at 12.2 (+0.4) billion pounds, while on a skim-solids basis the 2025 dairy export forecast was revised to 45.4 (+0.8) billion pounds. These forecast adjustments take into consideration the most recent trade data and the trade policy in place at the time of the publication of the WASDE. Higher exports are expected for butter, cheese, dry skim milk products, lactose, and dry whey products.

With higher projected wholesale prices for dairy products, the 2025 forecasts for domestic use are adjusted downward compared to last month's projections as follows: on a skim-solids basis, domestic disappearance is forecast at 185.6 (-1.7) billion pounds, and on a milk-fat basis, it is forecast at 222.9 (-0.2) billion pounds. The forecast for 2025 ending stocks on a milk-fat basis is unchanged at 12.6 billion pounds. However, on a skim-solids basis, the forecast for 2025 ending stocks is raised by 0.7 billion to 11.5 billion pounds, as higher expected milk production and reduced expectations for domestic use will likely offset the increased forecast for exports.

Based on recent price movements, the 2025 average wholesale price forecasts for the main dairy products have been adjusted upward from last month's projections as follows: Cheddar cheese \$1.840 (+5.0 cents), dry whey \$0.535 (+2.5 cents), butter \$2.460 (+1.5 cents), and NDM \$1.240 (+2.0 cents) per pound, respectively.

The higher product price forecasts support upward revisions to forecasts of Class III and IV milk prices to \$18.70 (+\$1.10) and \$18.45 (+\$0.25) per cwt, respectively. The all-milk price for 2025 is now forecast at \$21.60, up \$0.50 from last month's forecast.

Favorable Farm Margins Drives Herd Growth

The all-milk price in March 2025 averaged \$22.00 per hundredweight (cwt), an increase of \$1.30 compared to March 2024, while feed costs per cwt, as reported for the Dairy Margin Coverage Program were 60 cents lower than those in March 2024. In March 2025, the DMC farm margin above feed costs, was estimated at \$11.55 per cwt, \$1.90 higher than March 2024.

For the first quarter of 2025 (2025-Q1), U.S. milk production totaled 56.7 billion pounds, a decrease of 0.3 percent compared to the first quarter of 2024 (2024-Q1). The average number of milk cows during 2025-Q1 was 9.396 million head, an increase of 58,000 compared to 2024-Q1. Notably, the number of cows increased in States such as Idaho, Iowa, Kansas, South Dakota, and Texas, more than offsetting declines in States like Minnesota, Ohio, Washington, and Wisconsin. This marks a modest year-over-year increase in inventory, suggesting a return to herd rebuilding after a period of contraction. The data suggest that producers may be rebalancing their herds with new cows following higher culling levels in 2023-24.

The milk-feed ratio in 2025-Q1 continued its decline after peaking in September 2024. The 12-month lagged ratio, which tends to be a good indicator of current herd decisions, remained slightly elevated in early 2025. The herd growth observed this year could be a delayed response to the favorable farm margins experienced in 2024.

Livestock, Dairy, and Poultry Outlook: May 2025, LDP-M-371, May 16, 2025 USDA, Economic Research Service

May 2025 Pool Summary

Classification of Producer Milk

	Pounds	Percent
Class I	572,560,405	31.7
Class II	336,596,887	18.7
Class III	621,729,443	34.5
Class IV	273,389,125	15.2
Total	1,804,275,860	100.0

Producer Prices

Producer Price Differential	\$0.23 / cwt
Butterfat Price	2.6627 / lb
Protein Price	2.4810 / lb
Other Solids Price	0.3222 / lb
Somatic Cell Adjustment Rate	0.00092 / cwt
Statistical Uniform Price	18.80 / cwt

ANNOUNCEMENT OF PRODUCER PRICES

Federal Order No. 33

MAY 2025

MIDEAST MARKETING AREA

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			559,495,623			\$11.45 / cwt	\$64,062,248.83
Class I Butterfat		13,064,782				2.6641 / lb	34,805,885.73
Class I Location Differential	572,560,405						(334,984.41)
Class II SNF Value				29,632,186		1.0800 / lb	32,002,760.88
Class II Butterfat		23,213,077				2.6697 / lb	61,971,951.66
Class III Protein Value			20,395,714			2.4810 / lb	50,601,766.45
Class III Other Solids Value					36,062,685	0.3222 / lb	11,619,397.10
Class III Butterfat		24,415,692				2.6627 / lb	65,011,663.10
Class IV SNF Value				24,422,823		1.0145 / lb	24,776,953.93
Class IV Butterfat		15,601,170				2.6627 / lb	41,541,235.38
Somatic Cell Value II/III/IV							2,029,456.91
TOTAL PRODUCER MILK VALUE	1,727,981,139	76,294,721	58,930,230	104,436,910	163,367,140		\$388,088,335.56
Overages							373,526.83
Beginning Inventory & OS Charges							46,549.26
TOTAL ADJUSTMENTS							\$420,076.09
TOTAL HANDLER OBLIGATIONS							\$388,508,411.65
Total Protein Value			58,930,230			2.4810 / lb	\$146,205,900.63
Total Other Solids Value					104,436,910	0.3222 / lb	33,649,572.40
Butterfat Value		76,294,721				2.6627 / lb	203,149,953.61
Total Somatic Cell Values							2,891,493.12
TOTALS							\$2,611,491.89
Net Producer Location Adjustments							\$1,774,260.92
1/2 Unobligated Balance Producer Settlement Fund							583,000.00
Total - Divided by Total Pounds	1,804,316,837					\$0.275381	\$4,968,752.81
Rate of Cash Reserve						(0.045381)	(818,824.06)
PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH ¹						\$0.23 / cwt	\$4,149,928.75

COMPONENT PRICES

	May	
	<u>2025</u>	<u>2024</u>
Butterfat Price	\$2.6627 / lb	\$3.4636 / lb
Protein Price	2.4810 / lb	1.7349 / lb
Other Solids Price	0.3222 / lb	0.2181 / lb
Somatic Cell Adjustment Rate	0.00092 / cwt	0.00094 / cwt
Nonfat Solids Price ²	1.0145 / lb	0.9647 / lb

COMPUTATION OF UNIFORM PRICE

	May	
	<u>2025</u>	<u>2024</u>
Class III Price - 3.5% BF	\$18.57	\$18.55
Producer Price Differential*	<u>0.23</u>	<u>0.90</u>
Statistical Uniform Price	\$18.80	\$19.45

CLASS PRICES

	May	
	<u>2025</u>	<u>2024</u>
Class I*	\$20.37	\$20.46
Class II	18.72	21.50
Class III	18.57	18.55
Class IV	18.13	20.50

CLASSIFICATION OF PRODUCER MILK

	May	
	<u>2025</u>	<u>2024</u>
	<i>Product lbs.</i>	<i>Product lbs.</i>
Class I	572,560,405	526,464,001
Class II	336,596,887	96,014,010
Class III	621,729,443	728,849,377
Class IV	<u>273,389,125</u>	<u>23,960,268</u>
Total	1,804,275,860	1,336,132,173

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 May 2025 was \$0.23 and the Statistical Uniform Price was \$18.80 for the month. The Statistical Uniform Price is the same as last month and is \$0.65 lower than May 2024. The Producer Butterfat Price of \$2.6627 per pound increased \$0.0221 from April and is down \$0.8009 from a year ago. The Protein Price of \$2.4810 is up \$0.3128 from last month and is up \$0.7461 from May 2024. The Other Solids Price in May was \$0.3222 per pound, an increase from last month's price of \$0.3087 and \$0.1041 higher than last May. The Somatic Cell Adjustment rate for May was \$0.00092 per cwt. May producer receipts of 1.80 billion pounds were 18.0 percent higher than April and 31.2 percent higher than May 2024 production of 1.38 billion pounds. Producer milk allocated to Class I accounted for 31.7 percent of the total producer milk in May 2025, lower than 39.8 percent in April, and lower than 38.3 percent in May 2024. A total of 3,202 producers were pooled on the Mideast Order compared to 3,317 producers pooled in May 2024.

The market average content of producer milk was as follows: Butterfat 4.23 %; Protein 3.27%; Other Solids 5.79 % and Nonfat Solids 9.06%.

Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State											
Federal Order No. 33											
April 2025							April 2024				
-----Weighted Averages -----							-----Weighted Averages -----				
State	Number of Producers	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)
Michigan	699	733,267	4.36	3.34	5.82	157	604,448	4.19	3.26	5.80	155
Ohio	1,147	388,292	4.31	3.32	5.79	176	362,950	4.09	3.20	5.72	175
Indiana	573	241,789	4.21	3.22	5.71	176	192,314	4.18	3.26	5.87	175
Pennsylvania	556	80,180	4.17	3.18	5.70	195	81,911	4.13	3.15	5.69	205
New York	103	44,538	4.61	3.41	5.92	150	27,748	4.55	3.38	5.98	181
Other	145	40,671	4.32	3.34	5.80	175	66,717	4.29	3.29	5.77	151
Total/Average *	3,223	1,528,738	4.32	3.31	5.79	167	1,336,088	4.17	3.24	5.78	167
* Totals may not add due to rounding. Data provided on a one-month delay basis and includes only milk from these states <i>pooled</i> on the Mideast order.											



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FEDERAL ORDER DATA

May 2025

<u>Marketing Area</u> ^{1/}		Producer Milk		Class I	Producer	Statistical
		<u>Total</u>	<u>Class I</u>	<u>Percent</u>	<u>Price Differential</u>	<u>Uniform Price</u>
		(000)	(000)	%	(per cwt.)	(per cwt.)
FO 1	Northeast - (<i>Boston</i>)	2,413,826	653,261	27.0	\$1.02	\$19.59
FO 5	Appalachian - (<i>Charlotte</i>)	423,779	300,002	70.8	^{2/}	20.98
FO 6	Florida - (<i>Tampa</i>)	200,526	164,115	81.8	^{2/}	22.90
FO 7	Southeast - (<i>Atlanta</i>)	304,252	208,599	68.6	^{2/}	21.36
FO 30	Upper Midwest - (<i>Chicago</i>)	2,121,136	162,665	7.7	0.07	18.64
FO 32	Central - (<i>Kansas City</i>)	1,321,862	336,708	25.5	(0.16)	18.41
FO 33	Mideast - (<i>Cleveland</i>)	1,804,276	572,560	31.7	0.23	18.80
FO 51	California - (<i>Los Angeles</i>)	2,326,601	387,960	16.7	0.07	18.64
FO 124	Pacific Northwest - (<i>Seattle</i>)	520,689	122,634	23.6	(0.08)	18.49
FO 126	Southwest - (<i>Dallas</i>)	1,110,210	331,736	29.9	0.59	19.16
FO 131	Arizona - (<i>Phoenix</i>)	372,544	119,358	32.04	^{2/}	19.17

^{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 JUNE 2025.....\$18.13 /cwt.

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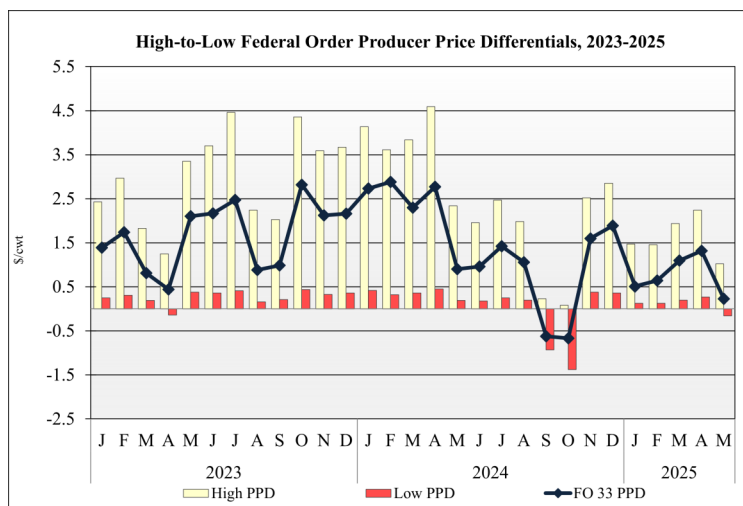


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Federal Order No. 33

Supplement
June 2025

PRODUCER PRICE DIFFERENTIAL AND UNIFORM PRICE STATISTICS 2/ 3/

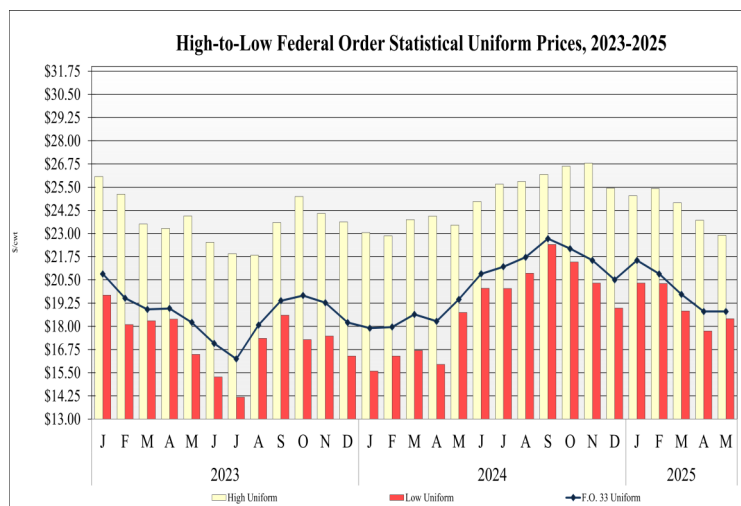


Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing.

Of those orders, Federal Order 1 traditionally has the highest producer price differential. For May 2025 Federal Order 1 had a PPD of \$1.02 per hundredweight (cwt), \$1.22 lower than the April PPD of \$2.24 per cwt.

In May 2025, Federal Order 33 had the third highest PPD, behind Order 1 and Order 126, at \$0.23 per cwt, \$1.09 per cwt lower than the April PPD.

For May 2025, Federal Order 32 had the lowest PPD at \$-0.16 per cwt, \$0.95 lower than the April PPD.



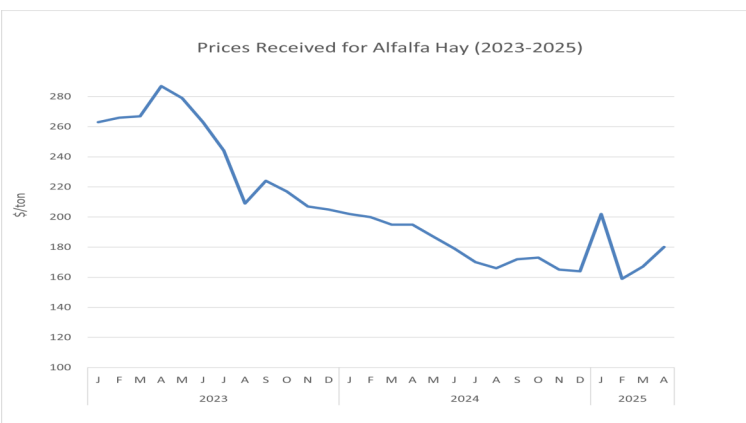
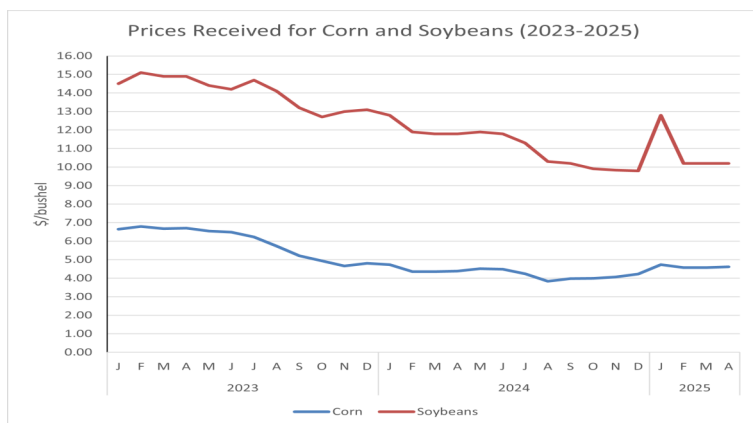
Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing; and producers in 5, 6, 7 and 131 are paid based on skim-fat pricing. The table above details the range of statistical uniform prices (SUP) paid to producers.

Of those orders, Federal Order 6 (Florida) traditionally has the highest statistical uniform price. For May 2025, Federal Order 6 had a SUP of \$22.90 per cwt, \$0.81 lower than the previous month's SUP.

For May 2025, Federal Order 33 had a SUP of \$18.80 per cwt, the same as the previous month's SUP.

For May 2025, Federal Order 32 had the lowest SUP at \$18.41 per cwt, \$0.14 per cwt higher than the previous month's SUP.

PRICES RECEIVED FOR GRAIN AND ALFALFA HAY 4/



2/ Producer price differentials are subject to location adjustment.

3/ Statistical uniform prices are at 3.5 percent butterfat and subject to location adjustment.

4/ Source: USDA, National Agricultural Statistics Service