

# Market Information BULLETIN

## FO 6 & 7

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April 2024

Volume 25—No. 04

### Dairy Outlook

*Excerpts from Livestock, Dairy, and Poultry Outlook,  
April 17, 2024, USDA, Economic, Research Service*

### Dairy Forecasts for 2024:

The 2024 dairy herd size forecast is 9,355 thousand head, unchanged from the previous month. Anticipated lower yield per cow throughout the year has led to a reduction of 100 pounds per head, now forecast at 24,245 pounds. Consequently, the revised milk production forecast for 2024 is 226.3 billion pounds, a decrease of 1.0 billion from the previous month's estimate.

Dairy imports were adjusted upward from last month's forecast. On a milk-fat basis, dairy import projections in 2024 were raised to 8.0 billion pounds (+0.3 billion), while on a skim solids basis imports were raised to 6.8 billion pounds (+0.1 billion). Higher import volumes of products such as cheese, butter, infant formula, yogurt, dry whey products, and canned milk are anticipated for 2024.

The 2024 dairy export forecast on a milk-fat basis has been raised 0.2 billion pounds to 11.3 billion based on expected strong international demand. The export forecast on a skim-solids basis is lowered to 49.7 billion pounds (-0.3 billion). In 2024, export shipments of skim milk powder, cheese, and butter are expected to increase, while those of dry whey products and lactose are anticipated to decrease.

The 2024 forecast for domestic disappearance has been lowered from last month's projection. On a milk-fat basis, domestic use decreased by 1.7 billion pounds, bringing the total to 223.0 billion pounds. On a skim-solids basis, the domestic use forecast declined by 0.5 billion pounds, totaling 182.9 billion pounds.

Based on recent mixed price trends, the adjusted forecasts, in dollars per pound for dairy products, are as follows: Cheddar cheese \$1.620 (-9.0 cents), dry whey \$0.425 (-2.50 cents), butter \$2.925 (+12.5 cents), and NDM \$1.180 (-3.0 cents).

With lower cheese and dry whey prices, the new forecast for Class III milk is \$16.20 per cwt, \$0.95 lower than the previous forecast. With higher butter price projections more than offsetting lower NDM prices, the Class IV price forecast has been raised to \$20.40 per cwt, \$0.30 higher than the previous projection. The all-milk price for 2024 is now forecast at \$20.90 per cwt, down \$0.35 from last month's forecast.

**COMPUTATION OF UNIFORM PRICES**

**F.O. 6 - Florida: Uniform Price - March 2024**

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	83.37%	174,206,136	\$8.14 /cwt.	\$ 14,180,379.48
Class I Butterfat	49.99%	4,269,259	\$3.1269 /lb.	13,349,545.97
Class I Differential at Location		178,475,395		9,916,234.39
<b>Total Class I Milk</b>	<b>82.07%</b>	<b>178,475,395</b>		<b>\$ 37,446,159.84</b>
Class II Skim Milk	13.41%	28,014,012	\$10.11 /cwt.	\$ 2,832,216.62
Class II Butterfat	45.13%	3,853,768	\$3.2455 /lb.	12,507,404.05
<b>Total Class II Milk</b>	<b>14.65%</b>	<b>31,867,780</b>		<b>\$ 15,339,620.67</b>
Class III Skim Milk	1.90%	3,972,046	\$5.19 /cwt.	\$ 206,149.18
Class III Butterfat	2.42%	206,257	\$3.2385 /lb.	667,963.31
<b>Total Class III Milk</b>	<b>1.92%</b>	<b>4,178,303</b>		<b>\$ 874,112.49</b>
Class IV Skim Milk	1.32%	2,750,862	\$9.07 /cwt.	\$ 249,503.19
Class IV Butterfat	2.46%	210,305	\$3.2385 /lb.	681,072.74
<b>Total Class IV Milk</b>	<b>1.36%</b>	<b>2,961,167</b>		<b>\$ 930,575.93</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>217,482,645</b>		<b>\$ 54,590,468.93</b>
<b>Adjustments</b>				
Overage and Other Source				\$ 176,547.46
Inventory Adjustments				\$ 2,157.26
Producer Butterfat at Uniform Butterfat Price				-\$ 27,443,677.17
Location Adjustments				-\$ 239,739.91
1/2 Balance in Producer Settlement Fund				\$ 93,373.73
<b>Total Skim Milk and Aggregate Value</b>			<b>\$ 13.00791</b>	<b>\$ 27,179,130.30</b>
Producer Settlement Fund Reserve			<b>\$ 0.04791</b>	\$ 100,110.24
<b>Uniform Skim Milk Price (Hillsborough County, FL):</b>			<b>\$12.96 /cwt</b>	
<b>Uniform Butterfat Price:</b>			<b>\$3.2137 /lb</b>	
<b>Uniform Price (Hillsborough County, FL):</b>			<b>\$23.75 /cwt</b>	

**F.O. 7 - Southeast: Uniform Price -March 2024**

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	66.64%	204,621,735	\$8.14 /cwt.	\$ 16,656,209.23
Class I Butterfat	39.15%	5,150,140	\$3.1269 /lb.	16,103,972.77
Class I Differential at Location		209,771,875		6,679,186.70
<b>Total Class I Milk</b>	<b>65.51%</b>	<b>209,771,875</b>		<b>\$ 39,439,368.70</b>
Class II Skim Milk	16.18%	49,672,942	\$10.11 /cwt.	\$ 5,021,934.41
Class II Butterfat	37.75%	4,965,331	\$3.2455 /lb.	16,114,981.77
<b>Total Class II Milk</b>	<b>17.06%</b>	<b>54,638,273</b>		<b>\$ 21,136,916.18</b>
Class III Skim Milk	5.72%	17,578,444	\$5.19 /cwt.	\$ 912,321.22
Class III Butterfat	5.57%	733,004	\$3.2385 /lb.	2,373,833.48
<b>Total Class III Milk</b>	<b>5.72%</b>	<b>18,311,448</b>		<b>\$ 3,286,154.70</b>
Class IV Skim Milk	11.46%	35,185,889	\$9.07 /cwt.	\$ 3,191,360.15
Class IV Butterfat	17.53%	2,306,259	\$3.2385 /lb.	7,468,819.77
<b>Total Class IV Milk</b>	<b>11.71%</b>	<b>37,492,148</b>		<b>\$ 10,660,179.92</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>320,213,744</b>		<b>\$ 74,522,619.50</b>
<b>Adjustments</b>				
Overage and Other Source				\$ 0.00
Inventory Adjustments				-\$ 52,504.76
Producer Butterfat at Uniform Butterfat Price				-\$ 42,225,380.67
Location Adjustments				\$ 2,251,429.27
1/2 Balance in Producer Settlement Fund				\$ 129,398.21
<b>Total Skim Milk and Aggregate Value</b>			<b>\$ 11.27652</b>	<b>\$ 34,625,561.55</b>
Producer Settlement Fund Reserve			<b>\$ 0.04652</b>	\$ 142,834.73
<b>Uniform Skim Milk Price (Fulton County, GA):</b>			<b>\$11.23 /cwt</b>	
<b>Uniform Butterfat Price:</b>			<b>\$3.2099 /lb</b>	
<b>Uniform Price (Fulton County, GA):</b>			<b>\$22.07 /cwt</b>	

**POOL HIGHLIGHTS**

**F.O. 6 - Florida: March 2024**

**Producer Milk Utilization:**

Class I:	82.07%
Class II:	14.65%
Class III:	1.92%
Class IV:	1.36%

**The Uniform Price**  
for March 2024 was announced at \$23.75, an increase of \$0.24 from March 2023.

**Total Producer Milk**  
for March 2024 totaled 217.5 million pounds, a decrease of 6.1 million pounds from March 2023.

**Total Class I Milk**  
for March 2024 was 178.5 million pounds, a decrease of 5.5 million pounds from March 2023.

**Class I Utilization**  
for March 2024 was 82.07%, a decrease of 0.23 percentage points from March 2023.

**F.O. 7 - Southeast: March 2024**

**Producer Milk Utilization:**

Class I:	65.51%
Class II:	17.06%
Class III:	5.72%
Class IV:	11.71%

**The Uniform Price**  
for March 2024 was announced at \$22.07 a decrease of \$0.05 from March 2023.

**Total Producer Milk**  
for March 2024 totaled 320.2 million pounds, a decrease of 14.3 million pounds from March 2023.

**Total Class I Milk**  
for March 2024 was 209.8 million pounds, a decrease of 16.9 million pounds from March 2023.

**Class I Utilization**  
for March 2024 was 65.51%, a decrease of 8.59 percentage points from March 2023.

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in March 2024 is \$23.75 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County, Florida. This is .965 times the uniform skim milk price of \$12.96 per hundredweight plus 3.5 times the uniform butterfat price of \$3.2137 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions. Receipts of producer milk during March 2024 totaled 217.5 million pounds. Florida producers supplied 183.5 million pounds of milk in March 2024 or an estimated 84.37% of the producer milk pooled in Florida. In March 2023, they supplied approximately 84.57% of the producer milk pooled on the Florida market. There were 7 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization in the computation of the uniform prices for March 2024. Total in-area Class I route disposition was 224.6 million pounds in March 2024, a decrease of 6.1 million pounds from March 2023.

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## Southeast Market Summary

The minimum order uniform price for payment to producers supplying the Southeast Order marketing area during March 2024 is \$22.07 per hundredweight for milk with a 3.5% butterfat test in Fulton County, Georgia. This is .965 times the uniform skim milk price of \$11.23 per hundredweight plus 3.5 times the uniform butterfat price of \$3.2099 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions. Receipts of producer milk during March 2024 totaled 320.2 million pounds. There were 15 regulated pool distributing plants, 1 pool supply plant and 9 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for March 2024. Total in-area Class I route disposition was 292.2 million pounds in March 2024, an increase of 15.1 million pounds from February 2023.

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## WASDE Dairy Report <sup>1/</sup> WASDE – 647-5, April 11, 2024

The milk production forecast for 2024 is lowered on slower expected growth in milk per cow; cow numbers are unchanged from last month. Fat basis imports for 2024 are raised on higher expected butter and cheese imports. Skim-solids basis imports are raised for a number of dairy products. Fat basis exports are raised on strong international demand for butter and price competitiveness of U.S. cheese. Skim-solids basis exports are lowered as fewer expected shipments of lactose and whey products more than offset higher shipments of nonfat dry milk (NDM) and cheese. Butter prices for 2024 are raised on observed prices and continued strength in demand. Cheese, NDM, and whey prices are all lowered on recent prices. Class III prices are lowered due to lower cheese and whey price forecasts. Class IV prices are raised due to higher butter prices more than offsetting lower NDM prices. The all-milk price for 2024 is projected to be lower at \$20.90 per cwt.

<sup>1/</sup> The World Agricultural Supply and Demand Estimates (WASDE) report provides USDA's comprehensive forecasts of supply and demand for major U.S. and global crops and U.S. livestock, including dairy. The WASDE report is available at [www.usda.gov/oce/commodity/wasde/](http://www.usda.gov/oce/commodity/wasde/).

# Federal Milk Marketing Order Statistics

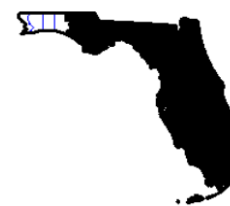
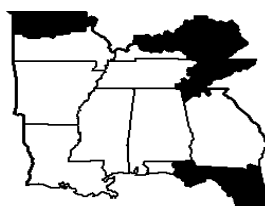
March 2024

Federal Order	Producer Deliveries <i>Million Pounds</i>	Class I Producer Receipts <i>Million Pounds</i>	Class I Utilization <i>Percent</i>	Statistical Uniform Price <sup>1</sup> <i>\$/cwt</i>
1 Northeast	2,341.5	658.7	28.1	20.18
5 Appalachian	468.0	307.6	65.7	21.60
6 Florida	217.5	178.5	82.1	23.75
7 Southeast	320.2	209.8	65.5	22.07
30 Upper Midwest	2,712.5	155.7	5.7	16.70
32 Central	1,287.2	356.6	27.7	18.02
33 Mideast	1,520.8	587.4	38.6	18.64
51 California	2,066.6	380.4	18.4	17.77
124 Pacific Northwest	620.7	124.3	20.0	18.41
126 Southwest	1,113.4	315.9	28.4	18.48
131 Arizona	414.0	112.7	27.2	19.63
<b>All Orders</b>	<b>13,082.4</b>	<b>3,387.6</b>	<b>25.9</b>	<b>18.60</b>

<sup>1/</sup> Weighted average uniform price at 3.5% butterfat at announced locations.



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