Market Information BULLETIN

Southeast Marketing Area
Federal Order 7

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ISSUED FOR THE INFORMATION OF PRODUCERS WHO ARE NOT MEMBERS OF COOPERATIVE ASSOCIATIONS

Dairy Outlook

Excerpts from Livestock, Dairy, and Poultry Outlook, March 2021, USDA, Economic Research Service:

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). (continued on page 4)

Uniform Price

The uniform price in Fulton County, GA, was $17.72 per hundredweight of milk at 3.5 percent butterfat for February 2021. The uniform price is $0.13 per hundredweight higher than the previous month and is $2.28 lower than last year.

Class I utilization was 71.37 percent in February. This represents a 3.46 percent increase from the previous month and is 0.14 percent lower than February of last year.

USDA Extends Free Meals to Children through Summer 2021 Due to Pandemic

On The U.S. Department of Agriculture (USDA) announced on March 9, 2021 the nationwide extension of several waivers that allow all children to continue to receive nutritious meals this summer when schools are out of session. These flexibilities are now available through Sept. 30, 2021.

USDA is extending these waivers to provide local program operators with clarity and certainty for the summer months ahead, when many children cannot access the school meals they depend on during the academic year. The waivers were previously extended only through June 30, 2021.

The waivers extended March 9th allow for safe meal distribution sites that serve all children for free, regardless of income. In addition, the waivers:

• Allow meals served through the Summer Food Service Program (SFSP) and Seamless Summer Option (SSO) – collectively known as "summer meal programs" – to be made available in all areas at no cost;

• Allow meals to be served outside of the normally required group settings and meal times; and (continued on page 4)

F.O. 7 - SOUTHEAST: CALCULATION OF UNIFORM PRICES - February 2021

Calculation of Uniform Butterfat Price:

	Utilization	Pounds	Price/lb.	Value
Class I Butterfat	40.69%	5,778,688	$1.5804	$ 9,132,638.51
Class I Differential at Location				187,872.31
Class II Butterfat	42.26%	6,000,713	$1.4446	8,668,630.02
Class III Butterfat	1.73%	245,247	$1.4376	352,567.05
Class IV Butterfat	15.32%	2,175,539	$1.4376	3,127,554.84
Total Butterfat	**100.00%**	**14,200,187**		**$ 21,469,262.73**

Uniform Butterfat Price per lb. (Fulton County, Georgia): $1.5119

Calculation of Uniform Skim Milk Price:

Producer Milk	Utilization	Pounds	Price per unit	Value
Class I Skim Milk	72.65%	247,671,003	$10.37 /cwt.	$ 25,683,483.00
Class I Butterfat	40.69%	5,778,688	$1.5804 /lb.	9,132,638.51
Class I Differential at Location		253,449,691		8,271,416.09
Total Class I Milk	**71.37%**	**253,449,691**		**$ 43,087,537.60**
Class II Skim Milk	18.04%	61,512,151	$9.27 /cwt.	$ 5,702,176.38
Class II Butterfat	42.26%	6,000,713	$1.4446 /lb.	8,668,630.02
Total Class II Milk	**19.01%**	**67,512,864**		**$ 14,370,806.40**
Class III Skim Milk	1.97%	6,710,848	$11.11 /cwt.	$ 745,575.23
Class III Butterfat	1.73%	245,247	$1.4376 /lb.	352,567.05
Total Class III Milk	**1.96%**	**6,956,095**		**$ 1,098,142.28**
Class IV Skim Milk	7.34%	25,017,792	$8.45 /cwt.	$ 2,114,003.43
Class IV Butterfat	15.32%	2,175,539	$1.4376 /lb.	3,127,554.84
Total Class IV Milk	**7.66%**	**27,193,331**		**$ 5,241,558.27**
Producer Milk	**100.00%**	**355,111,981**		**$ 63,798,044.55**

Adjustments

Overage and Other Source		$6,298.04
Inventory Adjustments		$11,220.45
Producer butterfat at uniform butterfat price		($21,469,262.73)
Location Adjustments to Producers		$1,565,685.04
1/2 Unobligated Balance in P.S.F.		$156,053.71
Adjusted Pool Value	**$ 12.92652**	**$44,068,039.06**
Reserve for Producer Settlement Fund	**$ 0.04652**	$158,600.01

Uniform Skim Milk Price per cwt. (Fulton County, Georgia): $12.88

Uniform Price per cwt. (Fulton County, Georgia) $17.72*

** At 3.5% butterfat test; for information purposes.*

OTHER FEDERAL ORDERS: CLASS I AND UNIFORM PRICES (At 3.5% Butterfat)

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	February	March	January	February	February
Appalachian (Charlotte)	$ 18.94	$ 18.60	$ 17.42	$ 17.56	72.04%
Arizona (Phoenix)	$ 17.89	$ 17.55	$ 14.98	$ 14.69	29.38%
California (Woodland)	$ 17.64	$ 17.30	$ 14.24	$ 13.99	26.10%
Central (Kansas City)	$ 17.54	$ 17.20	$ 14.44	$ 14.37	43.16%
Florida (Tampa)	$ 20.94	$ 20.60	$ 19.26	$ 19.54	82.13%
Mideast (Cleveland)	$ 17.54	$ 17.20	$ 14.96	$ 14.91	41.50%
Northeast (Boston)	$ 18.79	$ 18.45	$ 15.91	$ 15.80	32.90%
Pacific Northwest (Seattle)	$ 17.44	$ 17.10	$ 14.68	$ 14.43	24.28%
Southeast (Atlanta)	**$ 19.34**	**$ 19.00**	**$ 17.52**	**$ 17.72**	**71.37%**
Southwest (Dallas)	$ 18.54	$ 18.20	$ 14.90	$ 14.64	32.05%
Upper Midwest (Chicago)	$ 17.34	$ 17.00	$ 15.12	$ 14.85	22.30%

SOUTHEAST MILK MARKETING AREA-FEDERAL ORDER 7
STATISTICAL SUMMARY

	Feb 2021	Feb 2020
Receipts:		
Producer Milk		
Class I	253,449,691	259,633,129
Class II	67,512,864	42,914,843
Class III	6,956,095	13,844,394
Class IV	27,193,331	41,631,450
Total Producer Milk	**355,111,981**	**358,023,816**
Average Butterfat Test	0.39%	0.39%
Percent of Producer Milk in Class I	71.37%	72.51%
Daily Average Receipts	12,682,571	12,345,649
Other Source Milk		
Class I	5,474,373	4,864,521
Class II	2,104,486	2,084,493
Class III	0	0
Class IV	3,667,408	2,508,164
Total Other Source Milk	**11,246,267**	**9,457,178**
Overage		
Class I	0	0
Class II	0	0
Class III	56,688	0
Class IV	0	0
Total Overage	**56,688**	**0**
Opening Inventory		
Class I	19,081,967	23,442,650
Class II	1,956,743	915,507
Class III	770,763	0
Class IV	26,277,694	13,796,658
Total Opening Inventory	**48,087,167**	**38,154,815**
Total Receipts	**414,502,103**	**405,635,809**
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	18,325,860	18,807,826
Route Disposition Class I	255,062,163	261,002,826
Shrinkage	1,864,917	3,348,935
Transfers & Diversions to Nonpool	2,753,091	4,780,713
Total Class I Utilization	**278,006,031**	**287,940,300**
Average Butterfat Test	0.22%	0.22%
Daily Average Utilization	9,928,787	9,928,976
Class II Utilization		
Nonfluid Used To Produce	1,698,577	1,684,963
Shrinkage	11,728	1,072,756
Transfers & Diversions to Nonpool/Commercial Foods	54,029,896	27,825,173
Used To Produce/Other Uses	15,833,892	15,331,951
Total Class II Utilization	**71,574,093**	**45,914,843**
Average Butterfat Test	0.89%	1.21%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool	7,783,546	13,844,394
Used To Produce/Other Uses	0	0
Total Class III Utilization	**7,783,546**	**13,844,394**
Average Butterfat Test	0.31%	0.27%
Class IV Utilization		
Inventory	23,610,433	15,995,311
Nonfluid Used To Fortify	440,086	713,725
Shrinkage	4,044,171	5,140,560
Transfers & Diversions to Nonpool	24,965,116	29,877,723
Used To Produce/Other Uses	4,078,627	6,208,953
Total Class IV Utilization	**57,138,433**	**57,936,272**
Average Butterfat Test	0.78%	0.68%
Total Utilization	**414,502,103**	**405,635,809**

Southeast Market Summary

The minimum order uniform price for payment to producers supplying the Southeast Order marketing area during February 2021 is $17.72 per hundredweight for milk with a 3.5% butterfat test in Fulton County, Georgia. This is .965 times the uniform skim milk price of $12.88 per hundredweight plus 3.5 times the uniform butterfat price of 1.5119 per pound. Payment to producers may be reduced by location differentials, if applicable, and by properly authorized deductions.

Uniform prices are the result of marketwide pooling; all producer milk was classified and priced according to the milk's use. In February 2021, Class I use, which is primarily bottled or packaged fluid milk, accounted for 72.65% of all producer skim milk (priced to handlers at $10.37 hundredweight, plus the Class I differential, see page 2) and 40.69% of producer butterfat (priced to handlers at $1.5804 per pound plus Class I differential). Class II use, which is milk used in fluid cream products and miscellaneous manufacturing, accounted for 18.04% of all producer skim milk ($9.27 per hundredweight) and 42.26% of producer butterfat ($1.4446 per pound). Class III use, mostly milk used to produce cheese, accounted for 1.97% of all producer skim milk ($11.11 per hundredweight) and 1.73% of producer butterfat ($1.4376 per pound). Class IV use, generally milk processed into butter and powder, accounted for 7.34% of all producer skim milk ($8.45 per hundredweight) and 15.32% of producer butterfat ($1.4376 per pound).

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
January 2021		
Whole Milk	132,671,473	39.56%
Fat Free Milk	15,554,580	4.63%
Low fat Milk (incl. 1%)	34,021,466	10.14%
Reduced Fat Milk (incl. 2%)	107,034,591	31.92%
Cultured Fluid Milk (incl. Buttermilk)	5,914,733	1.76%
Flavored Drinks and Milk	40,198,762	11.99%
Total Disposition in Marketing Area	335,395,605	100.00%
Total Disposition by Pool Plants	232,449,668	69.31%
Total Disposition by Nonpool Plants	102,945,937	30.69%
Total Disposition in Marketing Area	335,395,605	100.00%

Receipts of producer milk during February 2021 totaled 355.1 million pounds. There were 19 regulated pool distributing plants, 2 pool supply plants and 15 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for February 2021. Class I route disposition in the area was 335.3 million pounds in January 2021.

Dairy Outlook, continued

(continued from page 1) Based on recent price data, improving domestic demand, and higher expected exports, the 2021 price forecast for butter has been raised to $1.615 per pound (+16.0 cents). Based on strength in international prices, the price forecast for NDM has been raised by 1.5 cents to $1.140 per pound.

The dry whey price forecast has been raised by 2.0 cents to $0.500 per pound. The 2021 price forecast for Cheddar cheese is $1.695 per pound, unchanged from the previous report. With higher expected butter and NDM prices, the Class IV price forecast for 2021 has been increased by $0.75 to $14.45 per hundredweight (cwt). Since the price forecast has been raised for dry whey, the Class III price projection for 2021 has been raised by $0.15 to $16.75 per cwt. The all-milk price forecast for 2021 has been raised to $17.75 per cwt, $0.60 higher than last month's forecast

USDA Extends Free Meals to Children through Summer 2021 Due to Pandemic, continued

• Allow parents and guardians to pick-up meals for their children, including bulk pick-up to cover multiple days of feeding children.

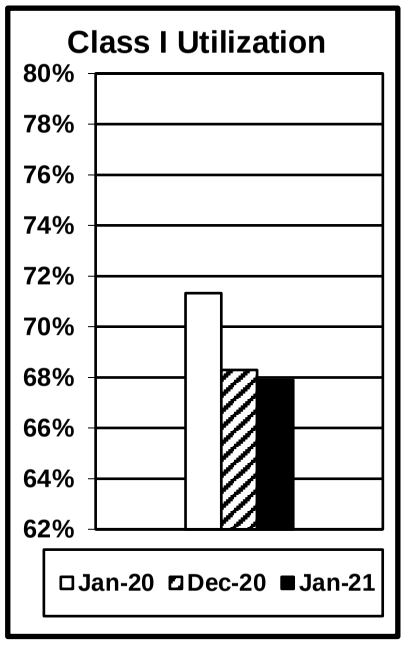
USDA is issuing this guidance as early as possible to empower communities to establish as many meal sites as they can effectively manage this summer. To learn more about how the program works and the role of sponsors and meal sites, visit www.fns.usda.gov/sfsp/how-become-sponsor.

FEDERAL ORDER 7 - SOUTHEAST: CLASS AND UNIFORM PRICES

Pool Period		CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
		Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan	**2020**	$15.51	$2.2395	$22.81	$9.98	$2.1187	$17.05	$10.01	$2.1117	$17.05	$ 9.60	$2.1117	$16.65	$ 14.25	$2.1637	$21.32
Feb		$14.26	$2.1689	$21.35	$10.24	$1.9883	$16.84	$10.43	$1.9813	$17.00	$ 9.60	$1.9813	$16.20	$ 13.26	$2.0586	$20.00
Mar		$14.62	$2.0437	$21.26	$10.38	$1.9247	$16.75	$9.88	$1.9177	$16.25	$ 8.45	$1.9177	$14.87	$ 13.21	$1.9678	$19.64
Apr		$13.99	$1.9819	$20.44	$9.55	$1.3288	$13.87	$8.75	$1.3218	$13.07	$ 7.02	$1.3218	$11.40	$ 12.57	$1.6052	$17.75
May		$12.52	$1.3328	$16.75	$7.73	$1.3826	$12.30	$7.59	$1.3756	$12.14	$ 6.07	$1.3756	$10.67	$ 11.02	$1.3582	$15.39
Jun		$10.88	$1.3487	$15.22	$6.69	$1.8661	$12.99	$15.06	$1.8591	$21.04	$ 6.62	$1.8591	$12.90	$ 10.01	$1.6333	$15.38
Jul		$14.42	$1.8403	$20.36	$7.16	$1.9653	$13.79	$18.33	$1.9583	$24.54	$ 7.16	$1.9583	$13.76	$ 12.66	$1.9065	$18.89
Aug		$17.14	$2.0123	$23.58	$7.82	$1.6345	$13.27	$14.58	$1.6275	$19.77	$ 7.08	$1.6275	$12.53	$ 14.42	$1.7889	$20.18
Sep		$16.82	$1.7155	$22.24	$7.83	$1.6002	$13.16	$11.25	$1.5932	$16.43	$ 7.43	$1.5932	$12.75	$ 14.37	$1.6436	$19.62
Oct		$13.77	$1.6313	$19.00	$8.15	$1.6458	$13.63	$16.45	$1.6388	$21.61	$ 8.01	$1.6388	$13.47	$ 12.57	$1.6364	$17.86
Nov		$16.58	$1.6696	$21.84	$8.70	$1.5623	$13.86	$18.55	$1.5553	$23.34	$ 8.14	$1.5553	$13.30	$ 14.55	$1.6041	$19.66
Dec		$18.68	$1.6136	$23.67	$8.91	$1.5469	$14.01	$10.71	$1.5399	$15.72	$ 8.26	$1.5399	$13.36	$ 16.05	$1.5709	$20.99
Jan	**2021**	$13.83	$1.5989	$18.94	$9.03	$1.5611	$14.18	$10.99	$1.5541	$16.04	$ 8.61	$1.5541	$13.75	$ 12.53	$1.5722	$17.59
Feb		$14.17	$1.6184	$19.34	$9.27	$1.4446	$14.00	$11.11	$1.4376	$15.75	$ 8.45	$1.4376	$13.19	$ 12.88	$1.5119	$17.72
Mar		$14.42	$1.4515	$19.00	$9.36											

FEDERAL ORDER 7 - SOUTHEAST: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan **2020**	419,672	1,430	299,358	71.33%	59,410	14.16%	13,406	3.19%	47,497	11.32%
Feb	358,024	1,353	259,633	72.51%	42,915	11.99%	13,844	3.87%	41,631	11.63%
Mar	463,410	1,390	306,587	66.16%	54,081	11.67%	18,066	3.90%	84,675	18.27%
Apr	386,784	1,393	268,509	69.42%	43,238	11.18%	20,234	5.23%	54,802	14.17%
May	386,332	1,388	257,105	66.55%	61,886	16.02%	13,860	3.59%	53,482	13.84%
Jun	365,386	1,322	255,976	70.06%	80,358	21.99%	5,868	1.61%	23,183	6.34%
Jul	388,050	1,328	269,249	69.38%	79,863	20.58%	4,374	1.13%	34,563	8.91%
Aug	368,292	1,328	250,480	68.01%	80,105	21.75%	3,498	0.95%	34,209	9.29%
Sep	393,116	1,388	264,494	67.28%	76,306	19.41%	12,489	3.18%	39,826	10.13%
Oct	385,884	1,395	272,133	70.52%	74,008	19.18%	6,641	1.72%	33,103	8.58%
Nov	375,340	1,268	258,579	68.89%	68,826	18.34%	7,806	2.08%	40,129	10.69%
Dec	410,122	1,276	280,090	68.29%	68,680	16.75%	35,031	8.54%	26,321	6.42%
Jan **2021**	396,015	1,272	268,924	67.91%	81,387	20.55%	3,963	1.00%	41,740	10.54%
Feb	355,112	1,280**	253,450	71.37%	67,513	19.01%	6,956	1.96%	27,193	7.66%



** Class I and uniform prices are at Fulton County (Atlanta), Georgia;** Estimated*

Southeast Marketing Area - Federal Order 7

Upcoming Pool and Payment Dates

Pool Month	Pool & Uniform Price Release Date	MA Payment Dates		Payments for Producer Milk			
		Due to:	Due From:	Partial Payment** Due		Final Payment Due	
		All Funds	P/S & T-Credit	Coop	Nonmember	Coop	Nonmember
February	03/11/21	03/12/21	03/15/21	02/25/21	02/26/21	03/15/21	03/16/21
March	04/11/21	04/12/21	04/13/21	03/25/21	03/26/21	04/13/21	04/14/21
April	05/11/21	05/12/21	05/13/21	04/26/21	04/26/21	05/13/21	05/14/21

** The base rate for making partial payments in Fulton County, GA for February will be $15.95 per hundredweight. This is 90 percent of the preceding month's uniform price of $17.72 per hundredweight.

Producer Touch Base Requirements & Handler Diversion Limits

[per Order Amendment issued March 17, 2008]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Producer Touch Base Days	1	1	1	1	1	1	1	1	1	1	1	1
Diversion Percentage Limits	25%	25%	35%	35%	35%	35%	25%	25%	25%	25%	25%	35%

WASDE Dairy Report 1/ WASDE – 610, March 9, 2021

The 2020 milk production estimate is adjusted to reflect recent data revisions. For 2021, the milk production forecast is lowered slightly from last month as a higher expected cow inventory is more than offset by slower growth in milk per cow. The 2021 fat basis import forecast is reduced on lower expected imports of butterfat; fat basis exports are raised as higher shipments of butterfat more than offset lower forecast cheese exports. On a skim solids basis, the import forecast is unchanged due to offsetting changes in imports of a number of dairy products while the export forecast is lowered, reflecting expectations of lower lactose shipments which are partly offset by higher exports of skim/nonfat milk powder.

The annual cheese price forecast is unchanged from last month as weaker prices in the first part of 2021 are offset by improved demand later in the year. Butter, nonfat dry milk, and whey price forecasts are raised from last month with expected improvements in both domestic and export demand. These higher product prices are reflected in higher Class III and Class IV prices. The 2021 all milk price forecast is raised to $17.75 per cwt..

1/ 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/.

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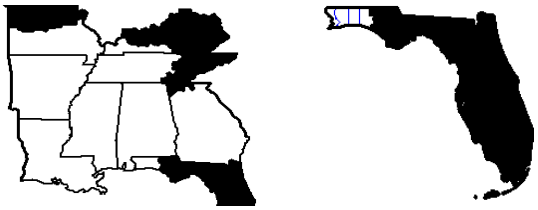

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