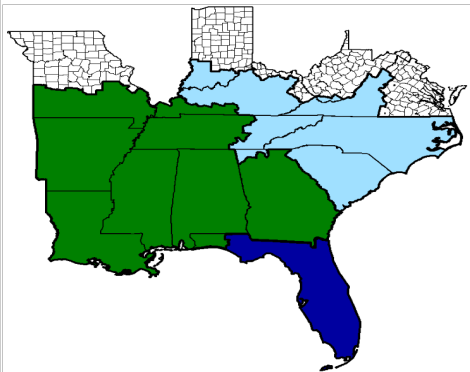




The Market Administrator's Monthly Newsletter

Appalachian, Florida, and Southeast Marketing Areas
September 2026

Richard J. Holt, Jr. Acting Market Administrator
Federal Order No. 5, 6 & 7

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August Statistical Uniform Price

The August 2026 statistical uniform price for the Appalachian Marketing Area was announced at \$22.71 per hundredweight at the base zone of Mecklenburg County, North Carolina, the pricing point for FO 5.

The August 2026 statistical uniform price for the Florida Marketing Area was announced at \$23.97 per hundredweight at the base zone of Hillsborough County, Florida, the pricing point for FO 6.

The August 2026 statistical uniform price for the Southeast Marketing Area was announced at \$22.93 per hundredweight at the base zone of Fulton County, Georgia, the pricing point for FO 7.

Class I Insights for F.O. 5, 6, & 7

In August, the Appalachian Marketing Area reported 307.4 million pounds of Class I producer milk, representing 73.75% of total producer receipts. In-area Class I route disposition totaled 251.1 million pounds in FO 5. The Florida Marketing Area had 166.8 million pounds of Class I producer milk, accounting for 81.81% of receipts. Total in-area Class I route disposition was 170.4 million pounds. The Southeast Marketing Area reported 221.8 million pounds of Class I producer milk, or 72.16% of receipts. FO 7 in-area Class I route disposition totaled 188.1 million pounds. The consistently high Class I utilization across these areas highlights the region's continued reliance on fluid milk sales as a key driver of the market.

Product Prices Effect

Commodity prices for August saw some slight decreases and increases on a per-pound basis: butter price decreased \$0.13, nonfat dry milk price decreased by \$0.05, the cheese price increased by \$0.11, while dry whey increased \$0.01, all on a per pound basis. The Class I price for August decreased by \$2.57. The Class I prices for the Appalachian, Florida and Southeast Orders were: \$24.36/cwt, \$25.56/cwt, and \$24.56/cwt, respectively.

Pool Summary

Total Producers pooled:

- FO 5: 972
- FO 6: 59
- FO 7: 571

Pooled milk pounds total:

- FO 5: 416.9 million
- FO 6: 203.9 million
- FO 7: 307.4 million

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UPCOMING PRICE

RELEASE DATES:

September 2026 Prices

Class Prices: 09/30/26

November 2026 Prices

Advanced Prices: 10/21/26

Appalachian Statistical Summary

August 2026

	AUGUST 2026	JULY 2026	AUGUST 2025
PRICES: (Base Zone)			
Uniform Price	\$22.71	\$25.40	\$23.02
Class I Price	24.36	26.93	24.53
Class II Price	18.71	21.89	19.18
Class III Price	16.64	15.52	17.24
Class IV Price	17.36	18.34	18.50
Uniform Skim Milk Price	\$17.62	\$20.11	\$13.68
Class I Skim Milk Price	18.78	21.51	14.86
Class II Skim Milk Price	13.88	16.61	9.96
Class III Skim Milk Price	11.76	10.04	7.98
Class IV Skim Milk Price	12.51	12.96	9.29
Uniform Butterfat Price	\$1.6307	\$1.7132	\$2.8063
Class I Butterfat Price	1.7819	1.7635	2.9125
Class II Butterfat Price	1.5177	1.6738	2.7325
Class III Butterfat Price	1.5107	1.6668	2.7255
Class IV Butterfat Price	1.5107	1.6668	2.7255
Class I ESL Adjustment	-\$0.72	-\$1.46	\$0.57
PRODUCER MILK:			
Class I	307,437,348	287,571,434	304,808,704
Class II	74,047,434	81,234,118	62,602,111
Class III	25,451,357	18,586,163	27,343,052
Class IV	9,939,342	5,757,601	22,405,506
Total Producer Milk	416,875,481	393,149,316	417,159,373
PERCENT PRODUCER MILK IN:			
Class I	73.75	73.15	73.07
Class II	17.76	20.66	15.01
Class III	6.11	4.73	6.55
Class IV	2.38	1.46	5.37

Effective June 2025, the Class I skim milk price is announced at the higher of the advanced Class III and IV skim milk pricing factors plus the base zone (Mecklenburg County, NC) differential of \$5.60 and is subject to location adjustments.

Effective June 2025, the Class I Extended Shelf Life (ESL) Adjustment for ESL products is equal to the average of the advanced Class III and Class IV skim pricing factors less the higher of the advanced Class III and Class IV skim pricing factors plus a 24-month rolling average adjuster with a 12-month lag.

Florida Statistical Summary

August 2026

	AUGUST 2026	JULY 2026	AUGUST 2025
PRICES: (Base Zone)			
Uniform Price	\$23.97	\$26.79	\$24.11
Class I Price	25.56	28.13	25.73
Class II Price	18.71	21.89	19.18
Class III Price	16.64	15.52	17.24
Class IV Price	17.36	18.34	18.50
Uniform Skim Milk Price	\$18.83	\$21.48	\$14.74
Class I Skim Milk Price	19.98	22.71	16.06
Class II Skim Milk Price	13.88	16.61	9.96
Class III Skim Milk Price	11.76	10.04	7.98
Class IV Skim Milk Price	12.51	12.96	9.29
Uniform Butterfat Price	\$1.6568	\$1.7306	\$2.8243
Class I Butterfat Price	1.7939	1.7755	2.9245
Class II Butterfat Price	1.5177	1.6738	2.7325
Class III Butterfat Price	1.5107	1.6668	2.7255
Class IV Butterfat Price	1.5107	1.6668	2.7255
Class I ESL Adjustment	-\$0.72	-\$1.46	\$0.57
PRODUCER MILK:			
Class I	166,784,045	153,692,028	167,034,466
Class II	28,461,571	28,532,596	36,259,616
Class III	5,993,172	3,963,585	5,628,599
Class IV	2,623,662	403,104	3,637,437
Total Producer Milk	203,862,450	186,591,313	212,560,118
PERCENT PRODUCER MILK IN:			
Class I	81.81	82.37	78.58
Class II	13.96	15.29	17.06
Class III	2.94	2.12	2.65
Class IV	1.29	0.22	1.71

Effective June 2025, the Class I skim milk price is announced at the higher of the advanced Class III and IV skim milk pricing factors plus the base zone (Hillsborough County, FL) differential of \$6.80 and is subject to location adjustments.

Effective June 2025, the Class I Extended Shelf Life (ESL) Adjustment for ESL products is equal to the average of the advanced Class III and Class IV skim pricing factors less the higher of the advanced Class III and Class IV skim pricing factors plus a 24-month rolling average adjuster with a 12-month lag.

Southeast Statistical Summary

August 2026

	AUGUST 2026	JULY 2026	AUGUST 2025
PRICES: (Base Zone)			
Uniform Price	\$22.93	\$25.50	\$23.55
Class I Price	24.56	27.13	24.73
Class II Price	18.71	21.89	19.18
Class III Price	16.64	15.52	17.24
Class IV Price	17.36	18.34	18.50
Uniform Skim Milk Price	\$17.82	\$20.21	\$14.20
Class I Skim Milk Price	18.98	21.71	15.06
Class II Skim Milk Price	13.88	16.61	9.96
Class III Skim Milk Price	11.76	10.04	7.98
Class IV Skim Milk Price	12.51	12.96	9.29
Uniform Butterfat Price	\$1.6378	\$1.7132	\$2.8123
Class I Butterfat Price	1.7839	1.7655	2.9145
Class II Butterfat Price	1.5177	1.6738	2.7325
Class III Butterfat Price	1.5107	1.6668	2.7255
Class IV Butterfat Price	1.5107	1.6668	2.7255
Class I ESL Adjustment	-\$0.72	-\$1.46	\$0.57
PRODUCER MILK:			
Class I	221,847,337	214,628,011	203,003,075
Class II	52,599,743	50,026,643	41,700,240
Class III	21,522,459	21,195,708	11,563,289
Class IV	11,470,352	6,818,993	8,958,202
Total Producer Milk	307,439,891	292,669,355	265,224,806
PERCENT PRODUCER MILK IN:			
Class I	72.16	73.34	76.54
Class II	17.11	17.09	15.72
Class III	7.00	7.24	4.36
Class IV	3.73	2.33	3.38

Effective June 2025, the Class I skim milk price is announced at the higher of the advanced Class III and IV skim milk pricing factors plus the base zone (Fulton County, GA) differential of \$5.80 and is subject to location adjustments.

Effective June 2025, the Class I Extended Shelf Life (ESL) Adjustment for ESL products is equal to the average of the advanced Class III and Class IV skim pricing factors less the higher of the advanced Class III and Class IV skim pricing factors plus a 24-month rolling average adjuster with a 12-month lag.

Dairy Outlook

Dairy Forecasts for 2026

Compared to last month's forecast, the projected dairy cow inventory for 2026 has been increased by 15,000 head to 9.680 million. Milk production per cow is now projected at 24,500 pounds, an increase of 20 pounds. As a result, total milk production is forecast at 237.2 billion pounds, an increase of 0.6 billion pounds from last month's forecast.

Recent U.S. import tariffs imposed on Canadian dairy products were assumed to be in place throughout the 2026 and 2027 forecast period. On a milk-fat basis, dairy imports are forecast at 8.8 billion pounds, an increase of 0.2 billion pounds from last month's forecast due to an expected increase in butter imports. On a skim-solids basis, dairy imports are forecast at 6.7 billion pounds, a decrease of 0.2 billion pounds from last month's forecast due to expected lower imports of casein and dry whey products.

Recent tariffs imposed by Canada on certain U.S. dairy products were also assumed to be in place throughout the 2026 and 2027 export forecasts. Dairy exports for 2026 are forecast lower than last month's projection. On a milk-fat basis, 2026 dairy exports are forecast at 20.5 billion pounds, down 0.2 billion pounds due to expected lower shipments of cheese and butter. On a skim-solids basis, the 2026 export forecast has been revised lower to 49.1 billion pounds, a decrease of 0.2 billion pounds due to expected lower exports on dry skim milk products and dry whey products.

Year-to-date data on domestic disappearance supports upward revisions for the 2026 forecasts. On a milk-fat basis, domestic use in 2026 is projected at 224.3 (+0.7) billion pounds, while on a skim-solids basis it is forecast at 193.5 (+0.3) billion pounds. The forecasts for 2026 ending stocks were revised higher on both a milkfat and skim-solids bases.

Based on recent wholesale price movements, the 2026 price forecasts for Cheddar cheese and butter have been revised downward to \$1.570 (-0.5 cents) and \$1.595 (-5.0 cents) per pound, respectively. The 2026 price forecast for NDM has been revised higher to \$1.670 (+6.5 cents), while the forecast for dry whey remains unchanged from the previous forecast at \$0.670 per pound.

The Class III milk price forecast for 2026 has been revised lower to \$16.20 (-\$0.05) per cwt. The 2026 Class IV milk price forecast has been raised to \$18.55 (+\$0.40) per cwt. The all-milk price for 2026 is forecast at \$19.90 per cwt, \$0.05 higher than last month's forecast.

Dairy Forecasts for 2027

The 2027 dairy herd is forecast to 9.710 million head, 15,000 head higher than last month's projection. The 2027 forecast for yield per cow increased by 20 pounds, to 24,570 pounds per cow. Consequently, milk production for 2027 is now forecast at 238.6 billion pounds, 0.6 billion pounds higher than last month's forecast.

On a milk-fat basis, 2027 dairy imports are forecast at 8.5 billion pounds, 0.2 billion pounds higher than the previous month's forecast. On a skim-solid basis, the dairy imports forecast was lowered by 0.2 billion pounds to 6.8 billion pounds. Higher imports of butter and lower imports of casein and whey products are expected in 2027.

The 2027 forecasts for dairy exports have been revised lower from last month's forecast. On a milk-fat basis, 2027 dairy export volumes are forecast at 20.3 (-1.0) billion pounds. On a skim-solids basis, exports are projected to be lower at 49.3 (-0.2) billion pounds. Lower exports of cheese, butter, dry skim milk products, and dry whey are expected in 2027.

Dairy Outlook

Dairy Forecasts for 2027 Cont'd.

The 2027 forecasts for domestic use have been revised higher compared to last month's projections. On a milk-fat basis, 2027 domestic use is forecast at 226.5 billion pounds, 2.0 billion pounds higher. On a skim-solids basis, 2027 domestic use is forecast at 195.5 billion pounds, 0.7 billion pounds higher. The forecasts for 2027 ending stocks were revised higher on both milkfat and skim-solids bases.

The 2027 price forecasts for Cheddar cheese and butter have been revised lower to \$1.645 (- 2.0 cents) and \$1.625 (- 8.0 cents) per pound, respectively. The 2027 price forecasts for NDM and dry whey have been revised upward to \$1.550 (+8.0 cents), and \$0.690 (+1.0 cent) per pound respectively.

The Class III milk price forecast in 2027 has been revised downward to \$17.10 (-\$0.15) per cwt. The 2027 Class IV price forecast has been raised to \$17.55 (+\$0.35) per cwt. The all-milk price for 2027 is \$19.80 per cwt, unchanged from last month's forecast.

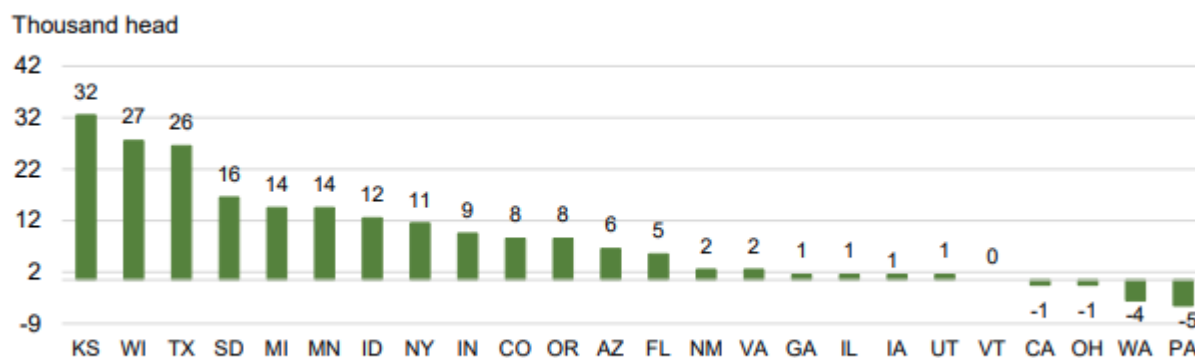
Recent Dairy Supply and Use Data

The national dairy herd continued to expand in July. According to the most recent USDA, National Agricultural Statistics Service (NASS) Milk Production report, the number of milk cows averaged 9.710 million head in July 2026, 199,000 more than in July 2025 but at the same level as June 2026. The USDA, NASS milk per cow estimate for July 2026 was 2,075 pounds, about 0.1 percent higher than in July 2025. Consequently, July milk production was estimated at 20.145 billion pounds, about 2.2 percent higher year over year.

Kansas, Wisconsin, Texas, and South Dakota led the dairy herd expansion by adding a total of 101,000 head between July 2026 and July 2025. Conversely, over the same period, dairy herds contracted in Pennsylvania, Washington, Ohio, and California, but the decline in milk cows in these states only totaled 11,000 head. Milk-per-cow per day increased or held steady in 22 of the 24 States reported.

The dairy cow herd has been increasing year over year in each month since October 2024, and, at 9.71 million head in July, it is the largest size in more than three decades. The expansion has been supported in part by robust milk-to-feed ratios as well as strong demand for beef-on-dairy calves.

July 2026 year-over-year changes in number of dairy cows for selected States



Source: USDA, Economic Resource Service using data from USDA, National Agricultural Statistics Service.

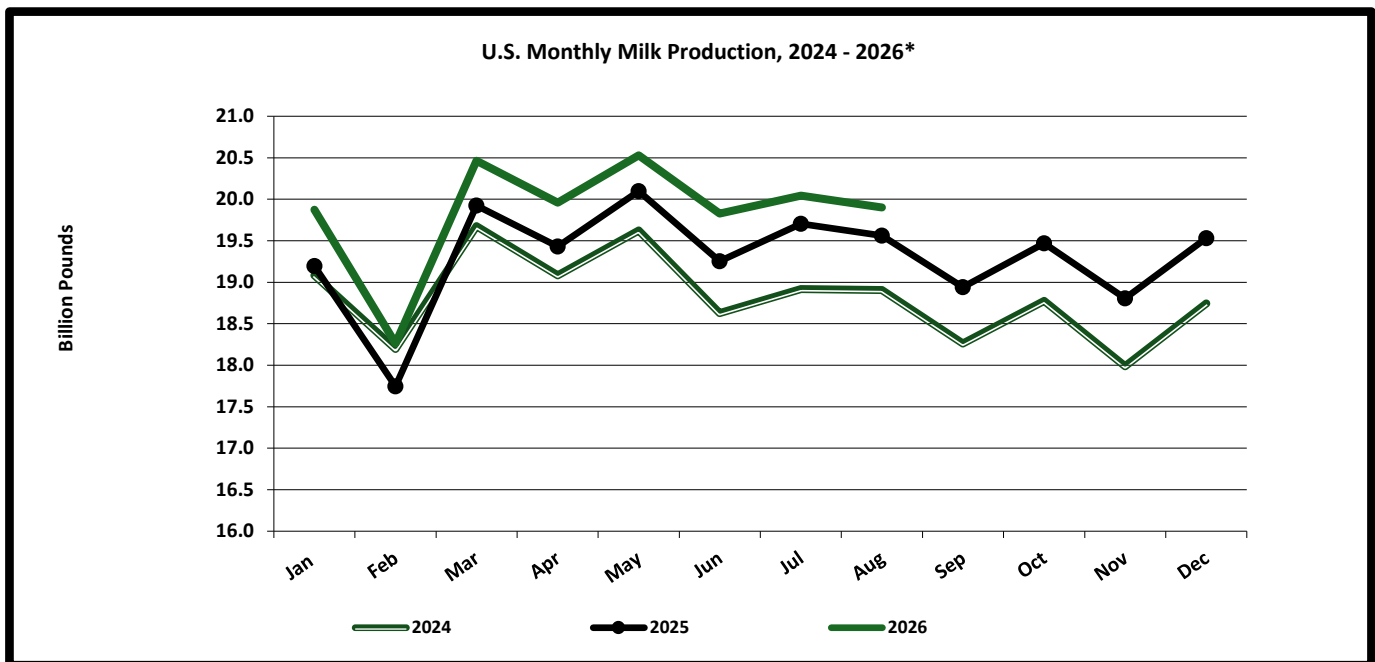
Milk Production

August Milk Production Up 1.8 Percent

Milk production in the 24 major States during August totaled 19.2 billion pounds, up 1.8 percent from August 2025. July revised production, at 19.3 billion pounds, was also up 1.8 percent from July 2025. The July revision represented a decrease of 100 million pounds or 0.5 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,070 pounds for August, 4 pounds above August 2025.

The number of milk cows on farms in the 24 major States was 9.26 million head, 151,000 head more than August 2025, and 15,000 head more than July 2026.



United States Milk Production Up 1.7 Percent

Milk production in the United States during August totaled 19.9 billion pounds, up 1.7 percent from August 2025.

Production per cow in the United States averaged 2,049 pounds for August, 1 pound below August 2025.

The number of milk cows on farms in the United States was 9.71 million head, 167,000 head more than August 2025, and 15,000 head more than July 2026.

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<u>Federal Order Statistics for August 2026</u>					
Federal Order		Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price
		Million Pounds	Million Pounds	Percent	\$/cwt
1	Northeast	2,413.2	624.9	25.9	19.80
5	<i>Appalachian</i>	<i>416.9</i>	<i>307.4</i>	<i>73.8</i>	<i>22.71</i>
6	<i>Florida</i>	<i>203.9</i>	<i>166.8</i>	<i>81.8</i>	<i>23.97</i>
7	<i>Southeast</i>	<i>307.4</i>	<i>221.8</i>	<i>72.2</i>	<i>22.93</i>
30	Upper Midwest	2,761.5	156.2	5.7	17.24
32	Central	1,401.8	342.1	24.4	18.44
33	Mideast	1,799.5	562.2	31.2	18.89
51	California	2,200.1	381.9	17.4	18.00
124	Pacific Northwest	663.1	113.9	17.2	17.96
126	Southwest	1,269.3	326.5	25.7	18.81
131	Arizona	309.1	107.5	34.8	18.63
All Orders		13,745.7	3,311.2	24.1	18.75

^{1/} Weighted average uniform prices at 3.5% butterfat at announced locations.

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