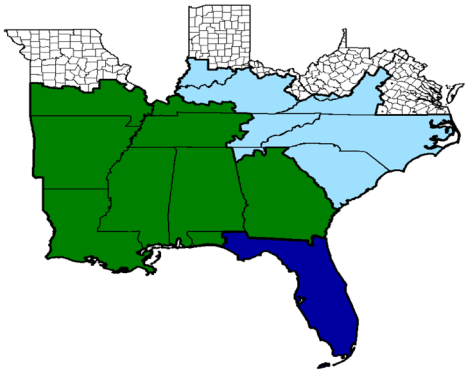


The Market Administrator's Monthly Newsletter

Appalachian, Florida, and Southeast Marketing Areas

October 2026

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

Website Address: Louisville Office: www.malouisville.com & Atlanta Office: www.fmmatlanta.com

September Statistical Uniform Price

The September 2026 statistical uniform price for the Appalachian Marketing Area was announced at $21.64 per hundredweight at the base zone of Mecklenburg County, North Carolina, the pricing point for FO 5.

The September 2026 statistical uniform price for the Florida Marketing Area was announced at $22.68 per hundredweight at the base zone of Hillsborough County, Florida, the pricing point for FO 6.

The September 2026 statistical uniform price for the Southeast Marketing Area was announced at $21.96 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 September, the Appalachian Marketing Area reported 309.7 million pounds of Class I producer milk, representing 76.71% of total producer receipts. In-area Class I route disposition totaled 247.8 million pounds in FO 5. The Florida Marketing Area had 161.85 million pounds of Class I producer milk, accounting for 82.94% of receipts. Total in-area Class I route disposition was 201.9 million pounds. The Southeast Marketing Area reported 229.85 million pounds of Class I producer milk, or 78.81% of receipts. FO 7 in-area Class I route disposition totaled 300.0 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 in September saw some slight decreases and increases on a per-pound basis: butter price decreased $0.03, nonfat dry milk price increased by $0.19, the cheese price decreased by $0.06, while dry whey increased $0.01, all on a per pound basis. The Class I price for September decreased by $1.72. The Class I prices for the Appalachian, Florida and Southeast Orders were: $22.64/cwt, $23.84/cwt, and $22.84/cwt, respectively.

Pool Summary

Total Producers pooled:

- FO 5: 866
- FO 6**:** 55
- FO 7: 518

Pooled milk pounds total:

- FO 5: 403.6 million
- FO 6**:** 195.1 million
- FO 7: 291.7 million

INSIDE THIS ISSUE:

FO5 Statistical Summary—p. 2
FO6 Statistical Summary—p. 3
FO7 Statistical Summary—p. 4
Dairy Outlook —p. 5
Dairy Outlook—p.6
Milk Production—p. 7
Federal Order Statistics—p. 8

UPCOMING PRICE RELEASE DATES:

October 2026 Prices

Class Prices: 11/04/26

December 2026 Prices

Advanced Prices: 11/18/2

Appalachian Statistical Summary
September 2026

	SEPTEMBER 2026	AUGUST 2026	SEPTEMBER 2025
PRICES: (Base Zone)			
Uniform Price	$21.64	$22.71	$22.29
Class I Price	22.64	24.36	24.30
Class II Price	17.60	18.71	17.39
Class III Price	16.04	16.64	17.59
Class IV Price	18.94	17.36	16.17
Uniform Skim Milk Price	$16.91	$17.62	$14.14
Class I Skim Milk Price	17.76	18.78	14.94
Class II Skim Milk Price	12.86	13.88	10.04
Class III Skim Milk Price	11.27	11.76	10.28
Class IV Skim Milk Price	14.27	12.51	8.80
Uniform Butterfat Price	$1.5212	$1.6307	$2.4702
Class I Butterfat Price	1.5724	1.7819	2.8229
Class II Butterfat Price	1.4832	1.5177	2.1995
Class III Butterfat Price	1.4762	1.5107	2.1925
Class IV Butterfat Price	1.4762	1.5107	2.1925
Class I ESL Adjustment	$0.81	-$0.72	$0.53
PRODUCER MILK:			
Class I	309,654,844	307,437,348	312,254,627
Class II	69,599,070	74,047,434	61,620,274
Class III	18,844,174	25,451,357	19,340,325
Class IV	5,550,299	9,939,342	9,739,282
Total Producer Milk	**403,648,387**	**416,875,481**	**402,954,508**
PERCENT PRODUCER MILK IN:			
Class I	76.71	73.75	77.49
Class II	17.24	17.76	15.29
Class III	4.67	6.11	4.80
Class IV	1.38	2.38	2.42

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
September 2026

	SEPTEMBER 2026	AUGUST 2026	SEPTEMBER 2025
PRICES: (Base Zone)			
Uniform Price	$22.68	$23.97	$23.28
Class I Price	23.84	25.56	25.50
Class II Price	17.60	18.71	17.39
Class III Price	16.04	16.64	17.59
Class IV Price	18.94	17.36	16.17
Uniform Skim Milk Price	$17.94	$18.83	$15.06
Class I Skim Milk Price	18.96	19.98	16.14
Class II Skim Milk Price	12.86	13.88	10.04
Class III Skim Milk Price	11.27	11.76	10.28
Class IV Skim Milk Price	14.27	12.51	8.80
Uniform Butterfat Price	$1.5349	$1.6568	$2.4996
Class I Butterfat Price	1.5844	1.7939	2.8349
Class II Butterfat Price	1.4832	1.5177	2.1995
Class III Butterfat Price	1.4762	1.5107	2.1925
Class IV Butterfat Price	1.4762	1.5107	2.1925
Class I ESL Adjustment	$0.81	-$0.72	$0.53
PRODUCER MILK:			
Class I	161,846,208	166,784,045	168,777,317
Class II	27,788,345	28,461,571	34,053,543
Class III	5,087,864	5,993,172	1,983,153
Class IV	411,617	2,623,662	3,808,924
Total Producer Milk	**195,134,034**	**203,862,450**	**208,622,937**
PERCENT PRODUCER MILK IN:			
Class I	82.94	81.81	80.90
Class II	14.24	13.96	16.32
Class III	2.61	2.94	0.95
Class IV	0.21	1.29	1.83

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
September 2026

	SEPTEMBER 2026	AUGUST 2026	SEPTEMBER 2025
PRICES: (Base Zone)			
Uniform Price	$21.96	$22.93	$22.72
Class I Price	22.84	24.56	24.50
Class II Price	17.60	18.71	17.39
Class III Price	16.04	16.64	17.59
Class IV Price	18.94	17.36	16.17
Uniform Skim Milk Price	$17.23	$17.82	$14.50
Class I Skim Milk Price	17.96	18.98	15.14
Class II Skim Milk Price	12.86	13.88	10.04
Class III Skim Milk Price	11.27	11.76	10.28
Class IV Skim Milk Price	14.27	12.51	8.80
Uniform Butterfat Price	$1.5234	$1.6378	$2.4945
Class I Butterfat Price	1.5744	1.7839	2.8249
Class II Butterfat Price	1.4832	1.5177	2.1995
Class III Butterfat Price	1.4762	1.5107	2.1925
Class IV Butterfat Price	1.4762	1.5107	2.1925
Class I ESL Adjustment	$0.81	-$0.72	$0.53
PRODUCER MILK:			
Class I	229,845,798	221,847,337	210,106,494
Class II	49,966,697	52,599,743	43,282,851
Class III	10,241,805	21,522,459	3,153,260
Class IV	1,612,794	11,470,352	6,852,460
Total Producer Milk	**291,667,094**	**307,439,891**	**263,395,065**
PERCENT PRODUCER MILK IN:			
Class I	78.81	72.16	79.77
Class II	17.13	17.11	16.43
Class III	3.51	7.00	1.20
Class IV	0.55	3.73	2.60

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

Based on recent data on dairy cow numbers and dairy slaughter, the forecast for the average number of cows in the second half of 2026 has been revised downward by 5,000 each quarter. The dairy herd is expected to average 9.680 million head in 2026. This rounded projected annual average is unchanged from the previous forecast.

With slightly lower year-over-year milk-per-cow yields in July and August, the average for milk per cow in 2026 is forecast at 24,475 pounds, 25 pounds lower than the previous forecast. Milk production for 2026 is now forecast at 236.9 billion pounds, 0.3 billion pounds lower than the previous forecast. On a milk-fat basis, 2026 dairy exports are forecast at 20.3 (-0.2) billion pounds, while on a skim-solids basis 2026 dairy exports are forecast at 49.1 (unchanged) billion pounds. Lower export volumes are projected across most dairy products including cheese, butter, and dry skim milk products. Conversely, higher export volumes are expected for fluid milk and cream products, lactose, and dry whey products.

The dairy import forecasts for 2026 have been revised from last month's forecast. On a milk-fat basis, dairy imports are forecast at 9.0 billion pounds, 0.2 billion pounds higher than the previous forecast. On a skim-solids basis, dairy imports are forecast at 6.7 billion pounds, unchanged from last month's projections. Higher import volumes are expected for butter, cheese, and milk powder products.

Year-to-date data on domestic use supports upward revisions for the 2026 forecasts. On a milk fat basis, domestic use in 2026 is projected at 224.5 (+0.2) billion pounds, while on a skim solids basis it is forecast at 193.8 (+0.3) billion pounds.

Based on recent movement in product prices and ample supplies of butter and cheese, the 2026 average price forecasts for Cheddar cheese and butter have been revised downward to $1.525 (-4.5 cents) and $1.560 (-3.5 cents) per pound, respectively. Conversely, with robust demand for dairy protein products, the 2026 average price forecasts for dry whey and NDM have been revised upward to $0.680 (+1.0 cents) and $1.735 (+6.5 cents) per pound, respectively.

Dairy Forecasts for 2027

The dairy herd is projected to average 9.710 million head in 2027, unchanged from last month's projections. However, the 2027 forecast for yield per cow has been lowered by 20 pounds to 24,550 pounds. Consequently, milk production for 2027 is projected at 238.4 billion pounds, 0.2 billion pounds lower than last month's forecast.

On a milk-fat basis, 2027 dairy imports are forecast at 8.8 billion pounds, 0.3 billion pounds higher than the previous month's forecast. On a skim-solid basis, dairy imports are forecast at 6.8 billion pounds, unchanged from the previous forecast. The forecast revision is supported by higher expected imports of butter and milk powder products imports. The 2027 forecasts for dairy exports have been revised lower from last month's forecast.

The forecasts for dairy exports have been revised downward. On a milk-fat basis, 2027 dairy export volumes are forecast at 20.1 (-0.2) billion pounds. On a skim-solids basis, exports are forecast at 49.2 (-0.1) billion pounds. The revisions are supported by lower expected exports of butter, cheese, lactose, and dry skim milk products exports.

The 2027 forecasts for domestic use have been revised from last month's projections. On a milk-fat basis, 2027 domestic use is forecast at 226.7 billion pounds, 0.2 billion pounds higher than the previous estimate. On a skim-solids basis, 2027 domestic use is forecast at 195.3 billion pounds, 0.2 billion pounds lower than the previous estimate.

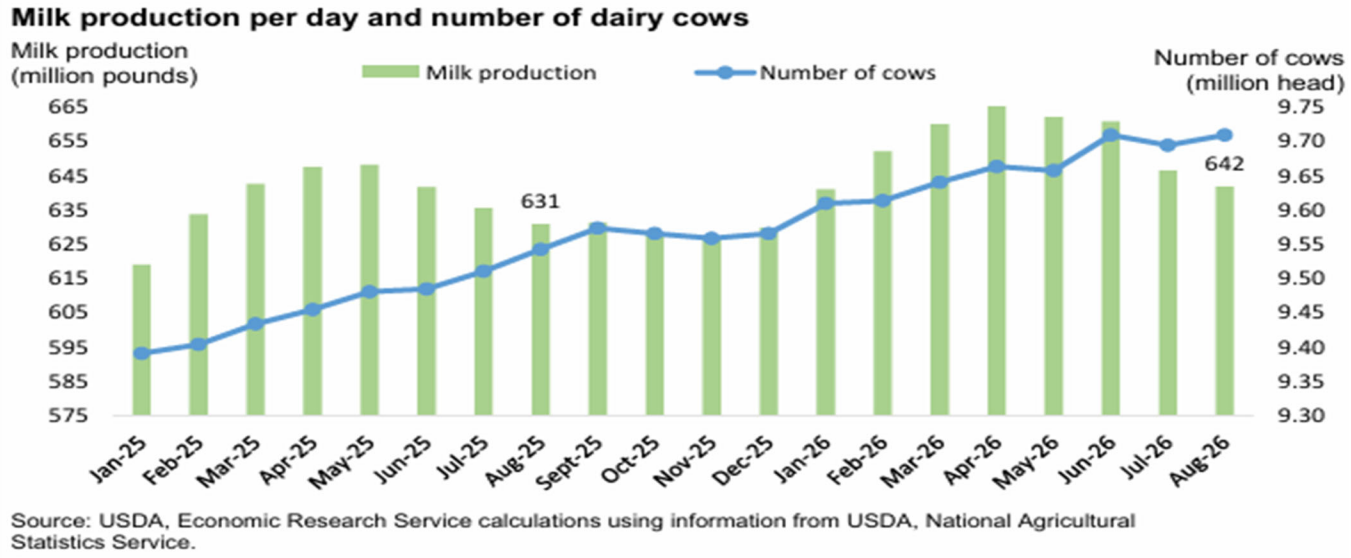
Following the adjustments in price forecasts for 2026, the wholesale dairy product price forecasts for 2027 are adjusted as follows, with changes from last month's forecast in parentheses: Cheddar cheese at $1.615 (-3.0 cents) per pound, dry whey at $0.715 (+2.5 cents) per pound, butter at $1.550 (-7.5 cents) per pound, and NDM at $1.740 (+19.0 cents) per pound.

Excerpts from Livestock, Dairy, and Poultry Outlook, October 16, 2026, LDP-M-388, USDA, Economic Research Service

Dairy Outlook

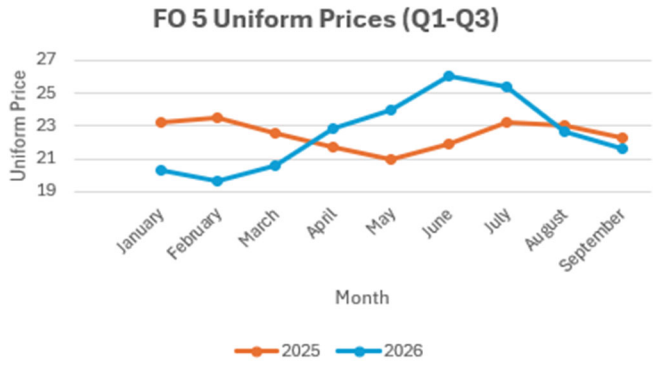
Recent Dairy Supply and Use Data

The national dairy herd and milk production expanded in August. According to the USDA's National Agricultural Statistics Service (NASS), estimated milk production in the United States totaled 19.900 billion pounds (642 million pounds per day) in August 2026, 1.7 percent higher than August 2025. The number of milk cows was 9.710 million head in August, 167,000 head above August 2025. Average milk production per cow was 2,049 pounds in August 2026, 1 pound lower than August 2025.

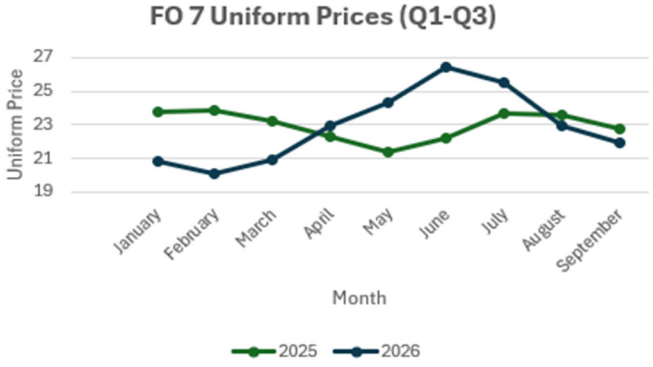


Excerpts from Livestock, Dairy, and Poultry Outlook, October 16, 2026, LDP-M-388, USDA, Economic Research Service

Uniform Price Insights for F.O. 5, 6, & 7







During Q1-Q3 of 2026, the FO5 average uniform price was $22.59 per cwt, compared with $22.51 per cwt during the first three quarters of 2025.

During Q1-Q3 of 2026, the FO6 average uniform price was $23.76 per cwt, compared with $24.05 per cwt during the first three quarters of 2025.

During Q1-Q3 of 2026, the FO7 average uniform price was $22.89 per cwt, compared with $22.96 per cwt during the first three quarters of 2025.

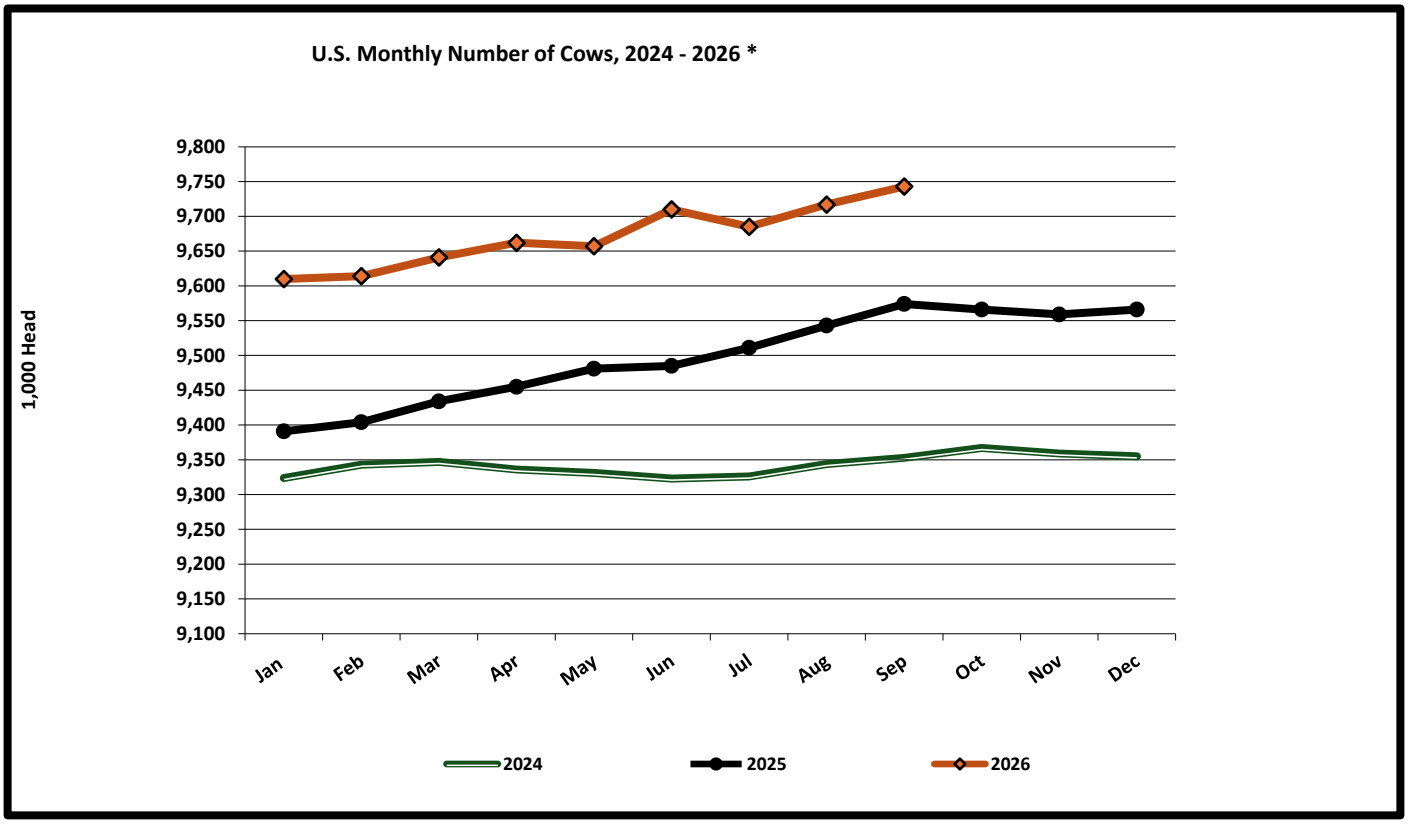
Milk Production

September Milk Production Up 2.7 Percent

Milk production in the 24 major States during September totaled 18.7 billion pounds, up 2.7 percent from September 2025. August revised production, at 19.3 billion pounds, was up 2.5 percent from August 2025. The August revision represented an increase of 132 million pounds or 0.7 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,012 pounds for September, 18 pounds above September 2025.

The number of milk cows on farms in the 24 major States was 9.30 million head, 162,000 head more than September 2025, and 24,000 head more than August 2026.



United States Milk Production Up 2.3 Percent

Milk production in the United States during the July – September quarter totaled 59.5 billion pounds, up 2.3 percent from the July – September quarter last year.

The average number of milk cows in the United States during the quarter was 9.72 million head, 39,000 head more than the April – June quarter, and 172,000 head more than the same period last year.

Market Administrator
PO Box 91528
Louisville, KY 40291

ADDRESS SERVICE REQUESTED

Phone: 502.499.0040
Fax: 502.499.8749
Email: Holt@malouisville.com

Federal Order Statistics for September 2026

Federal Order		Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price
		Million Pounds	Million Pounds	Percent	$/cwt
1	Northeast	2,340.0	666.9	28.5	19.19
5	*Appalachian*	*403.6*	*309.7*	*76.7*	*21.64*
6	*Florida*	*195.1*	*161.8*	*82.9*	*22.68*
7	*Southeast*	*291.7*	*229.8*	*78.8*	*21.96*
30	Upper Midwest	2,591.9	165.5	6.4	16.62
32	Central	1,387.1	350.7	25.3	17.82
33	Mideast	1,773.5	564.4	31.8	18.15
51	California	1,942.1	386.9	19.9	17.30
124	Pacific Northwest	409.0	78.6	19.2	17.23
126	Southwest	1,249.3	330.6	26.5	17.96
131	Arizona	292.3	106.7	36.5	18.20
	All Orders	12,875.7	3,351.7	26.0	18.09

[1/] Weighted average uniform prices at 3.5% butterfat at announced locations.

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