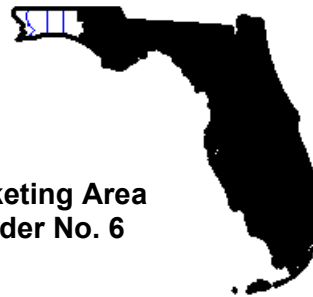


FLORIDA Fluid Milk Report

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Florida Marketing Area
Federal Order No. 6



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Dairy Outlook

Excerpts from Livestock, Dairy, and Poultry Outlook, June 16, 2021, USDA, Economic Research Service:

Dairy Forecasts for 2021

Based on recent data, milk cows are projected to average 9.500 million head in 2021, 5,000 more than last month's forecast. The upward trend in milk cow numbers is anticipated to continue through the end of the year. Based on recent data, expectations of continued drought, relatively high feed prices, and lower expected milk prices, the projected annual yield per cow for 2021 has been lowered to 24,020 pounds, 45 pounds less than the previous month's estimate. The milk production forecast for 2021 has been lowered to 228.2 billion pounds, 0.3 billion lower than last month, as lower expected yield per cow more than offsets higher expected milk cow numbers.

Based on recent downward trends in wholesale prices for most dairy products, stronger international price competition, lower-than-anticipated domestic demand, high stock levels, and higher expected imports, wholesale price forecasts for dairy products have been lowered. Price forecasts for cheese, butter, NDM, and dry whey are \$1.655 (-5.0 cents), \$1.690 (-2.5 cents), \$1.210 (-4.0 cents), and \$0.570 (-2.0 cents) per pound, respectively.

Due to the lower expected wholesale prices for cheese and dry whey, the Class III price forecast for 2021 has been adjusted to \$16.80 per hundredweight (cwt), 65 cents lower than last month's forecast. Lower anticipated butter and NDM prices translate to a Class IV price of \$15.40 per cwt, 45 cents lower than last month's projection. The all-milk price forecast for 2021 is \$18.30 per cwt, 55 cents lower than the June forecast.

Dairy Outlook (continued on Page 4)

USDA Invests \$20.2 Million in Grants for Dairy Business Innovation Initiatives

On July 1, 2021, the U.S. Department of Agriculture (USDA) announced \$20.2 million in grant funding for the Dairy Business Innovation (DBI) Initiatives. This program supports USDA's efforts to develop higher value uses for dairy products, diversify farmer income through processing and marketing innovation, and encourage the use of regional milk production.

DBI Initiatives provide direct technical assistance and make grants to dairy businesses. The three current DBI initiatives at University of Tennessee, The Vermont Agency of Agriculture, Food & Markets, and the University of Wisconsin are eligible for additional grant funding (up to \$18.4 million) to continue their work.

In addition, \$1.8 million will be competitively awarded to at least one new Initiative. USDA will give priority to applications that serve a geographic area not covered by an existing initiative and that cover multiple states. Initiatives must be able to draw upon existing dairy resources. Initiatives may serve a certain product niche, such as specialty cheese, or serve dairy businesses with dairy products derived from the milk of a specific type of dairy animal, including dairy products made from cow milk, sheep milk, and goat milk.

Applications must be submitted electronically through www.grants.gov by 11:59 p.m. Eastern Time on Monday, August 30, 2021. For more information about grant eligibility and previously funded projects, visit the DBI webpage at <https://www.ams.usda.gov/services/grants/dbi> dairy products made from cow milk, sheep milk, and goat milk.

Source: AMS Press Release No.: 077-21

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES -June 2021

Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	54.05%	3,596,762	\$1.9674	\$ 7,076,269.55
Class I Differential at Location				200,874.57
Class II Butterfat	40.40%	2,688,060	\$1.9711	5,298,435.05
Class III Butterfat	1.21%	80,551	\$1.9641	158,210.22
Class IV Butterfat	4.34%	288,658	\$1.9641	566,953.18
Total Butterfat	100.00%	6,654,031		\$ 13,300,742.57

Uniform Butterfat Price per lb. (Hillsborough County, Florida): **\$1.9989**

Calculation of Uniform Skim Milk Price:

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	81.55%	145,843,440	\$11.82 /cwt.	\$ 17,238,694.61
Class I Butterfat	54.05%	3,596,762	\$1.9674 /lb.	7,076,269.55
Class I Differential at Location		149,440,202		8,344,291.34
Total Class I Milk	80.56%	149,440,202		\$ 32,659,255.50
Class II Skim Milk	14.23%	25,453,608	\$10.12 /cwt.	\$ 2,575,905.13
Class II Butterfat	40.40%	2,688,060	\$1.9711 /lb.	5,298,435.05
Total Class II Milk	15.17%	28,141,668		\$ 7,874,340.18
Class III Skim Milk	1.22%	2,175,259	\$10.71 /cwt.	\$ 232,970.24
Class III Butterfat	1.21%	80,551	\$1.9641 /lb.	158,210.22
Total Class III Milk	1.22%	2,255,810		\$ 391,180.46
Class IV Skim Milk	3.00%	5,365,457	\$9.82 /cwt.	\$ 526,887.86
Class IV Butterfat	4.34%	288,658	\$1.9641 /lb.	566,953.18
Total Class IV Milk	3.05%	5,654,115		\$ 1,093,841.04
Producer Milk	100.00%	185,491,795		\$ 42,018,617.18

Adjustments

Overage and Other Source	\$3,317.36
Inventory Adjustments	\$447.09
Producer butterfat at uniform butterfat price	(\$13,300,742.57)
Location Adjustments to Producers	(\$178,646.40)
1/2 Unobligated Balance in P.S.F.	\$87,113.74

Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 16.00898	\$28,630,106.40
	\$ 0.04898	\$87,599.26

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida):

\$15.96

Uniform Price per cwt. (Hillsborough County, Florida)

\$22.40*

* 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 %
	June	July	May	June	June
Appalachian (Charlotte)	\$ 21.69	\$ 20.82	\$ 19.35	\$ 20.19	65.70%
Arizona (Phoenix)	\$ 20.64	\$ 19.77	\$ 17.25	\$ 17.76	27.99%
California (Woodland)	\$ 20.39	\$ 19.52	\$ 16.73	\$ 17.30	19.10%
Central (Kansas City)	\$ 20.29	\$ 19.42	\$ 16.78	\$ 17.44	29.96%
Florida (Tampa)	\$ 23.69	\$ 22.82	\$ 21.26	\$ 22.40	80.56%
Mideast (Cleveland)	\$ 20.29	\$ 19.42	\$ 17.43	\$ 17.81	31.20%
Northeast (Boston)	\$ 21.54	\$ 20.67	\$ 18.34	\$ 18.50	28.10%
Pacific Northwest (Seattle)	\$ 20.19	\$ 19.32	\$ 17.26	\$ 17.32	20.81%
Southeast (Atlanta)	\$ 22.09	\$ 21.22	\$ 19.52	\$ 20.39	64.50%
Southwest (Dallas)	\$ 21.29	\$ 20.42	\$ 17.32	\$ 18.05	29.84%
Upper Midwest (Chicago)	\$ 20.09	\$ 19.22	\$ 17.52	\$ 17.38	14.60%

**FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6
STATISTICAL SUMMARY**

Receipts:	June 2021	June 2020
Producer Milk		
Class I	149,440,202	160,347,529
Class II	28,141,668	26,394,487
Class III	2,255,810	477,119
Class IV	5,654,115	3,087,856
Total Producer Milk	<u>185,491,795</u>	<u>190,306,991</u>
Average Butterfat Test	0.35%	0.37%
Percent of Producer Milk in Class I	80.56%	84.26%
Daily Average Receipts	6,183,060	6,343,566
Other Source Milk		
Class I	1,607,684	2,252,997
Class II	4,029,632	6,432,064
Class III	0	0
Class IV	304,101	448,004
Total Other Source Milk	<u>5,941,417</u>	<u>9,133,065</u>
Overage		
Class I	0	0
Class II	0	0
Class III	0	17,069
Class IV	1,689	0
Total Overage	<u>1,689</u>	<u>17,069</u>
Opening Inventory		
Class I	8,042,338	6,861,581
Class II	78,437	172,959
Class III	0	116,677
Class IV	7,581,318	7,812,153
Total Opening Inventory	<u>15,702,093</u>	<u>14,963,370</u>
Total Receipts	207,136,994	214,420,495
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	6,233,629	8,407,394
Route Disposition Class I	150,404,299	160,444,937
Shrinkage	929,289	-67,286
Transfers & Diversions to Nonpool	1,523,007	677,062
Total Class I Utilization	<u>159,090,224</u>	<u>169,462,107</u>
Average Butterfat Test	0.23%	0.23%
Daily Average Utilization	5,303,007	5,648,737
Class II Utilization		
Nonfluid Used To Produce	4,029,632	6,429,812
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods Used To Produce/Other Uses	18,331,495	14,796,113
Total Class II Utilization	<u>9,888,610</u>	<u>11,773,585</u>
Average Butterfat Test	0.83%	0.91%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce Use to Produce/Other Uses	2,084,928	434,909
Total Class III Utilization	<u>170,882</u>	<u>175,956</u>
Average Butterfat Test	0.36%	0.35%
Class IV Utilization		
Inventory	8,433,628	6,909,787
Nonfluid Used To Fortify	232,620	233,148
Shrinkage	2,657,020	2,946,886
Transfers & Diversions to Nonpool Used To Produce/Other Uses	1,500,747	332,622
Total Class IV Utilization	<u>717,208</u>	<u>925,570</u>
Average Butterfat Test	0.50%	0.49%
Total Utilization	207,136,994	214,420,495

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in June 2021 is \$22.46 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$15.96 per hundredweight plus 3.5 times the uniform butterfat price of \$1.9989 per pound. Payment to producers may be adjusted 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 June, Class I use accounted for 81.55% of all producer skim milk (priced to handlers at \$11.82 per hundredweight, plus the Class I differential) and 54.05% of producer butterfat (priced to handlers at \$1.9674 per pound plus Class I differential). Class II use accounted for 14.23% of all producer skim milk (\$10.12 per hundredweight) and 40.40% of producer butterfat (\$1.9711 per pound). Class III use accounted for 1.22% of all producer skim milk (\$10.71 per cwt) and 1.21% of producer butterfat (\$1.9641 per pound). Class IV use accounted for 3.00% of all producer skim milk (\$9.82 per cwt) and 4.34% of producer butterfat (\$1.9641 per pound).

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
<u>May 2021</u>		
Whole Milk	86,250,859	42.10%
Fat Free Milk	11,752,789	5.74%
Low fat Milk (incl. 1%)	24,178,249	11.80%
Reduced Fat Milk (incl. 2%)	60,724,132	29.64%
Cultured Fluid Milk (incl. Buttermilk)	1,237,107	0.60%
Flavored Drinks and Milk	20,725,474	10.12%
Total Disposition in Marketing Area	204,868,610	100.0%
Total Disposition by Pool Plants	160,049,626	78.12%
Total Disposition by Nonpool Plants	44,818,984	21.88%
Total Disposition in Marketing Area	204,868,610	100.0%

Receipts of producer milk during June 2021 totaled 185.5 million pounds, 4.8 million less than June 2020. Florida producers supplied 179 million pounds of milk in May 2021 or an estimated 86.9% of the producer milk pooled in Florida. In May 2020, they supplied 94.24% of producer milk pooled on the Florida market. There were 9 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization in the computation of the uniform prices for June 2021. In-area Class I route disposition was 204.8 million pounds in May 2021, 8.6 million pounds more than May 2020.

Dairy Outlook, continued from page 1

Dairy Forecasts for 2022

The upward trend in milk cow numbers projected for 2021 is expected to continue into 2022. The number of cows is forecast to average 9,515 million head in 2022, an increase of 20,000 from last month's forecast and 15,000 head more than 2021. The forecast for milk per cow is 24,335 pounds, unchanged from last month's forecast, but 315 pounds higher than 2021. The forecast for 2022 milk production has been raised to 231.6 billion pounds, 0.5 billion higher than last month's forecast and 3.4 billion pounds higher than 2021.

Due to recent price trends and greater expected supplies from milk production and imports, wholesale price forecasts for Cheddar cheese and butter have been lowered from last month's projections to \$1.680 (-3.5 cents) and \$1.750 (-4.5 cents), respectively. Price forecasts for NDM and dry whey are unchanged at \$1.220 and \$0.510 per pound, respectively, as effects of higher milk supplies are anticipated to balance higher expected export demands.

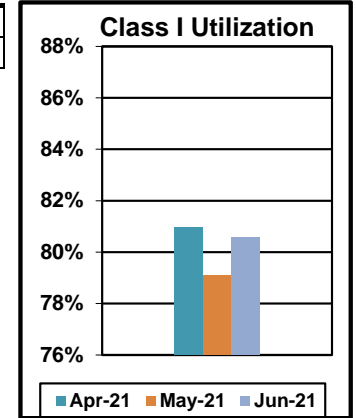
Due to lower cheese price projection, the Class III milk price forecast for 2022 is \$16.75 per cwt, \$0.40 lower than the previous month's forecast. With lower butter and NDM price forecasts, the Class IV milk price projection for 2022 is \$15.75 per cwt, \$0.20 lower than last month's forecast. The all-milk price forecast for 2022 is \$18.50 per cwt, a decrease of \$0.25 from last month's forecast.

FEDERAL ORDER 6 - FLORIDA: 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
May 2020	\$14.12	\$1.3488	\$18.35	\$7.73	\$1.3826	\$12.30	\$7.59	\$1.3756	\$12.14	\$ 6.07	\$1.3756	\$10.67	\$ 12.96	\$1.3659	\$17.29
Jun	\$12.48	\$1.3647	\$16.82	\$6.69	\$1.8661	\$12.99	\$15.06	\$1.8591	\$21.04	\$ 6.62	\$1.8591	\$12.90	\$ 11.66	\$1.5927	\$16.83
Jul	\$16.02	\$1.8563	\$21.96	\$7.16	\$1.9653	\$13.79	\$18.33	\$1.9583	\$24.54	\$ 7.16	\$1.9583	\$13.76	\$ 14.63	\$1.9078	\$20.80
Aug	\$18.74	\$2.0283	\$25.18	\$7.82	\$1.6345	\$13.27	\$14.58	\$1.6275	\$19.77	\$ 7.08	\$1.6275	\$12.53	\$ 16.85	\$1.8369	\$22.69
Sep	\$18.42	\$1.7315	\$23.84	\$7.83	\$1.6002	\$13.16	\$11.25	\$1.5932	\$16.43	\$ 7.43	\$1.5932	\$12.75	\$ 16.59	\$1.6675	\$21.85
Oct	\$15.37	\$1.6473	\$20.60	\$8.15	\$1.6458	\$13.63	\$16.45	\$1.6388	\$21.61	\$ 8.01	\$1.6388	\$13.47	\$ 14.39	\$1.6470	\$19.65
Nov	\$18.18	\$1.6856	\$23.44	\$8.70	\$1.5623	\$13.86	\$18.55	\$1.5553	\$23.34	\$ 8.14	\$1.5553	\$13.30	\$ 16.58	\$1.6292	\$21.70
Dec	\$20.28	\$1.6296	\$25.27	\$8.91	\$1.5469	\$14.01	\$10.71	\$1.5399	\$15.72	\$ 8.26	\$1.5399	\$13.36	\$ 18.25	\$1.5898	\$23.18
Jan 2021	\$15.43	\$1.6149	\$20.54	\$9.03	\$1.5611	\$14.18	\$10.99	\$1.5541	\$16.04	\$ 8.61	\$1.5541	\$13.75	\$ 14.20	\$1.5871	\$19.26
Feb	\$15.77	\$1.6344	\$20.94	\$9.27	\$1.4446	\$14.00	\$11.11	\$1.4376	\$15.75	\$ 8.45	\$1.4376	\$13.19	\$ 14.67	\$1.5384	\$19.54
Mar	\$16.02	\$1.4675	\$20.60	\$9.36	\$1.7246	\$15.07	\$10.51	\$1.7176	\$16.15	\$ 8.46	\$1.7176	\$14.18	\$ 15.07	\$1.5916	\$20.11
Apr	\$15.40	\$1.7275	\$20.91	\$9.03	\$1.9566	\$15.56	\$11.24	\$1.9496	\$17.67	\$ 8.91	\$1.9496	\$15.42	\$ 14.26	\$1.8438	\$20.21
May	\$15.96	\$2.0295	\$22.50	\$9.58	\$1.9921	\$16.22	\$12.45	\$1.9851	\$18.96	\$ 9.55	\$1.9851	\$16.16	\$ 14.74	\$2.0113	\$21.26
Jun	\$17.22	\$2.0214	\$23.69	\$10.12	\$1.9711	\$16.66	\$10.71	\$1.9641	\$17.21	\$ 9.82	\$1.9641	\$16.35	\$ 15.96	\$1.9989	\$22.40
Jul	\$16.35	\$2.0130	\$22.82	\$10.53											

FEDERAL ORDER 6 - FLORIDA: 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.	%
May 2020	200,822	105	162,889	81.11%	30,021	14.95%	2,738	1.36%	5,175	2.58%
Jun	190,307	89	160,348	84.26%	26,394	13.87%	477	0.25%	3,088	1.62%
Jul	192,535	95	160,232	83.22%	28,668	14.89%	179	0.09%	3,457	1.80%
Aug	197,127	95	160,747	81.54%	26,792	13.59%	548	0.28%	9,039	4.59%
Sep	195,063	103	158,860	81.44%	29,128	14.93%	1,201	0.62%	5,873	3.01%
Oct	213,746	104	180,370	84.39%	28,106	13.15%	330	0.15%	4,939	2.31%
Nov	214,461	122	175,969	82.05%	27,892	13.01%	160	0.07%	10,440	4.87%
Dec	216,335	101	174,890	80.84%	28,285	13.07%	2,896	1.34%	10,265	4.75%
Jan 2021	222,514	102	175,808	79.01%	33,072	14.86%	3,598	1.62%	10,036	4.51%
Feb	196,128	82	161,090	82.13%	31,088	15.85%	501	0.26%	3,449	1.76%
Mar	205,728	77	173,605	84.38%	29,575	14.38%	796	0.39%	1,752	0.85%
Apr	210,966	81	170,792	80.97%	33,953	16.09%	896	0.42%	5,324	2.52%



Florida Marketing Area - Federal Order 6

Upcoming Pool and Payment Dates									
	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	First Partial Payment Due**		Second Partial Payment Due**		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
May	06/11/21	06/14/21	06/15/21	05/19/21	05/20/21	06/04/21	06/07/21	06/15/21	06/16/21
June	07/11/21	07/12/21	07/13/21	06/21/21	06/21/21	07/06/21	07/06/21	07/13/21	07/14/21
July	08/11/21	08/12/21	08/13/21	07/19/21	07/20/21	08/04/21	08/05/21	08/13/21	08/16/21

**The base rate for making partial payments in Hillsborough Co., FL for February will be \$17.59 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$16.37 for nonmembers (85 percent of the preceding month's uniform price).

Producer Touch Base Requirements & Handler Diversion Limits												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Producer Touch Base Days	10	10	10	10	10	10	10	10	10	10	10	10
Diversion Percentage Limits	15%	15%	20%	20%	20%	20%	10%	10%	10%	10%	10%	15%

WASDE Dairy Report 1/ WASDE – 613, July 12, 2021

Milk production forecast for 2021 is lowered from last month as slower-expected growth in milk per cow more than offsets higher forecast cow numbers. However, the 2022 milk production forecast is raised from last month on higher cow numbers. USDA's Cattle report, to be released on July 23rd, will provide a mid-year estimate of the dairy cow inventory and producer intentions regarding retention of heifers for dairy cow replacement.

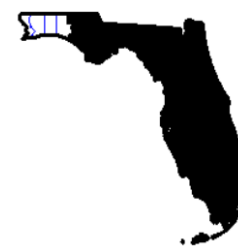
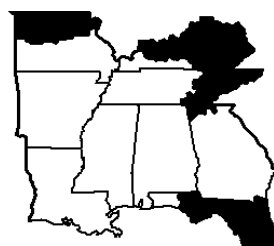
For 2021, cheese, butter, nonfat dry milk (NDM), and whey price forecasts are lowered from last month on relatively high stocks and weaker-than-previously-expected demand. As a result, Class III and Class IV prices are lowered. The 2021 all milk price forecast is lowered to \$18.30 per cwt. For 2022, price forecasts for cheese and butter are lowered on larger expected stocks and higher production, but price forecasts for NDM and whey are unchanged. With lower cheese and butter prices, Class III and Class IV price forecasts are reduced and the 2022 all milk price forecast is lowered to \$18.50 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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