

# Market Information BULLETIN



Southeast Marketing Area  
Federal Order 7

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www.fmmatlanta.com

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

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## 2017 Dairy Forecast

*Excerpts from Livestock, Dairy, & Poultry Outlook, January 19, 2017, Economic Research Service, USDA:*

The feed price outlook is changed little from last month's forecast. For 2016/17, the corn price forecast is \$3.10-\$3.70 per bushel (an increase of 5 cents on both ends of the range), and the soybean meal price forecast is unchanged at \$305-\$345 per short ton. The alfalfa hay price fell from \$135 per short ton in October to \$130 in November.

The forecast for milk cows is raised by 5 thousand head to 9.365 million for 2017, as higher expected milk prices and relatively low feed costs are expected to encourage greater expansion of the herd. Similarly, the forecast for milk per cow is raised to 23,185 pounds per head, an increase of 15 pounds. These changes result in a milk production forecast of 217.1 billion pounds for the year, 0.3 billion pounds higher than forecast last month.

On both milk-fat and skim-solids bases, 2017 forecasts for imports are unchanged from last month, at 7.0 billion and 6.2 billion pounds, respectively. For exports, small changes have been made. The export forecasts are 8.3 billion pounds on a milk-fat basis (-0.1 billion) and 40.2 billion pounds on a skim-solids basis (+0.1 billion).

Based on recent commercial disappearance data and a strengthening economy, the 2017 domestic use forecast has been raised from last month's forecast to 215.0 billion pounds on a milk-fat basis (+0.2 billion) and to 183.5 (continued on page 4)

## Uniform Price Surges

The uniform price in Fulton County, GA, was \$19.78 per hundredweight of milk at 3.5 percent butterfat for the month of December. The uniform price is \$1.76 higher than the previous month and is \$0.44 per hundredweight higher compared to December 2015.

Class I utilization was 74.44 percent in December, 7.17 percent lower than the previous month and 2.80 percent lower than December of last year.

## National Dairy Situation

The USDA estimates that the total U.S. production of milk in November 2016 was 17.09 billion pounds, up 2.4 percent from November 2015 and 0.6 percent higher compared with October 2016 on a daily average basis. Total cheese output (excluding cottage cheese) was 1.01 billion pounds, 2.7 percent above November 2015 and 0.6 percent above October 2016 on a daily average basis. Butter production was 144 million pounds, 5.7 percent below November 2015 but 4.8 percent above October 2016 on a daily average basis.

Nonfat dry milk powder production was 127.0 million pounds in November, 0.9 percent lower than November of last year and 7.0 percent lower than October 2016 on a daily average basis. Total dry whey production was 73.5 million pounds in November, 6.9 percent lower than November 2015 and 9.5 percent lower than October 2016 on a daily average basis. Whey protein concentrates production was 37.6 million pounds in November, 8.9 percent lower than November of last year and 7.4 percent higher than the previous month on a daily average basis.

The preliminary milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to 1 pound of whole milk, was 2.56 in November, 0.19 higher than the prior month.

**F.O. 7 - SOUTHEAST: CALCULATION OF UNIFORM PRICES - DECEMBER 2016**

**Calculation of Uniform Butterfat Price:**

|                                  | <u>Utilization</u> | <u>Pounds</u>     | <u>Price/lb.</u> | <u>Value</u>            |
|----------------------------------|--------------------|-------------------|------------------|-------------------------|
| Class I Butterfat                | 40.88%             | 7,433,527         | \$2.1104         | \$ 15,687,715.40        |
| Class I Differential at Location |                    |                   |                  | 244,983.05              |
| Class II Butterfat               | 31.45%             | 5,719,590         | \$2.3424         | 13,397,567.61           |
| Class III Butterfat              | 6.69%              | 1,215,884         | \$2.3354         | 2,839,575.50            |
| Class IV Butterfat               | 20.98%             | 3,816,102         | \$2.3354         | 8,912,124.63            |
| <b>Total Butterfat</b>           | <b>100.00%</b>     | <b>18,185,103</b> |                  | <b>\$ 41,081,966.19</b> |

**Uniform Butterfat Price per lb. (Fulton County, Georgia):** **\$2.2591**

**Calculation of Uniform Skim Milk Price:**

| <b>Producer Milk</b>             | <u>Utilization</u> | <u>Pounds</u>      | <u>Price per unit</u> | <u>Value</u>            |
|----------------------------------|--------------------|--------------------|-----------------------|-------------------------|
| Class I Skim Milk                | 80.81%             | 327,443,509        | \$9.84 /cwt.          | \$ 32,220,441.28        |
| Class I Butterfat                | 40.88%             | 7,433,527          | \$2.1104 /lb.         | 15,687,715.40           |
| Class I Differential at Location |                    | 334,877,036        |                       | 10,995,513.50           |
| <b>Total Class I Milk</b>        | <b>71.64%</b>      | <b>334,877,036</b> |                       | <b>\$ 58,903,670.18</b> |
| Class II Skim Milk               | 13.71%             | 61,613,611         | \$7.32 /cwt.          | \$ 4,510,116.30         |
| Class II Butterfat               | 31.45%             | 5,719,590          | \$2.3424 /lb.         | 13,397,567.61           |
| <b>Total Class II Milk</b>       | <b>14.40%</b>      | <b>67,333,201</b>  |                       | <b>\$ 17,907,683.91</b> |
| Class III Skim Milk              | 7.00%              | 31,465,106         | \$9.56 /cwt.          | \$ 3,008,064.12         |
| Class III Butterfat              | 6.69%              | 1,215,884          | \$2.3354 /lb.         | 2,839,575.50            |
| <b>Total Class III Milk</b>      | <b>6.99%</b>       | <b>32,680,990</b>  |                       | <b>\$ 5,847,639.62</b>  |
| Class IV Skim Milk               | 6.40%              | 28,753,737         | \$7.04 /cwt.          | \$ 2,024,263.09         |
| Class IV Butterfat               | 20.98%             | 3,816,102          | \$2.3354 /lb.         | 8,912,124.63            |
| <b>Total Class IV Milk</b>       | <b>6.97%</b>       | <b>32,569,839</b>  |                       | <b>\$ 10,936,387.72</b> |
| <b>Producer Milk</b>             | <b>100.00%</b>     | <b>467,461,066</b> |                       | <b>\$ 93,595,381.43</b> |

**Adjustments**

|   |                   |
|---|-------------------|
| Overage and Other Source                      | \$0.00            |
| Inventory Adjustments                         | \$21,426.93       |
| Producer butterfat at uniform butterfat price | (\$41,081,966.19) |
| Location Adjustments to Producers             | \$2,750,419.24    |
| 1/2 Unobligated Balance in P.S.F.             | \$194,535.20      |

**Adjusted Pool Value**

|                                      |             |                 |
|--------------------------------------|-------------|-----------------|
| Reserve for Producer Settlement Fund | \$ 12.34871 | \$55,479,796.61 |
|                                      | \$ 0.04871  | \$218,853.15    |

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

**\$12.30**

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

**\$19.78\***

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

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

| MARKET NAME<br>(Priced at)  | CLASS I         |                 | UNIFORM         |                 | CLASS I %     |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
|                             | DEC 2016        | JAN 2017        | NOV 2016        | DEC 2016        | DEC 2016      |
| Appalachian (Charlotte)     | \$ 20.28        | \$ 20.85        | \$ 17.48        | \$ 19.34        | 71.53%        |
| Arizona (Phoenix)           | \$ 19.23        | \$ 19.80        | \$ 15.52        | \$ 16.80        | 27.13%        |
| Central (Kansas City)       | \$ 18.88        | \$ 19.45        | \$ 15.40        | \$ 16.87        | 41.18%        |
| Florida (Tampa)             | \$ 22.28        | \$ 22.85        | \$ 19.43        | \$ 21.64        | 83.24%        |
| Mideast (Cleveland)         | \$ 18.88        | \$ 19.45        | \$ 15.38        | \$ 16.79        | 37.00%        |
| Northeast (Boston)          | \$ 20.13        | \$ 20.70        | \$ 16.34        | \$ 17.68        | 34.60%        |
| Pacific Northwest (Seattle) | \$ 18.78        | \$ 19.35        | \$ 15.07        | \$ 16.37        | 28.97%        |
| <b>Southeast (Atlanta)</b>  | <b>\$ 20.68</b> | <b>\$ 21.25</b> | <b>\$ 18.02</b> | <b>\$ 19.78</b> | <b>71.64%</b> |
| Southwest (Dallas)          | \$ 19.88        | \$ 20.45        | \$ 15.96        | \$ 17.65        | 61.66%        |
| Upper Midwest (Chicago)     | \$ 18.68        | \$ 19.25        | \$ 16.24        | \$ 17.21        | 14.50%        |

**SOUTHEAST MILK MARKETING AREA-FEDERAL ORDER 7  
STATISTICAL SUMMARY**

| Receipts:  | December 2016      | December 2015      |
|--|--------------------|--------------------|
| <b>Producer Milk</b>   |                    |                    |
| Class I  | 334,877,036        | 340,021,948        |
| Class II   | 67,333,201         | 57,299,025         |
| Class III  | 32,680,990         | 30,218,384         |
| Class IV   | 32,569,839         | 29,291,401         |
| Total Producer Milk  | <u>467,461,066</u> | <u>456,830,758</u> |
| Average Butterfat Test   | 3.89               | 3.78               |
| Percent of Producer Milk in Class I  | 71.64%             | 74.44%             |
| Daily Average Receipts   | 15,079,389         | 14,736,476         |
| <b>Other Source Milk</b>   |                    |                    |
| Class I  | 10,328,439         | 8,291,275          |
| Class II   | 2,599,343          | 3,093,077          |
| Class III  | 0                  | 543,046            |
| Class IV   | 8,908,477          | 8,262,692          |
| Total Other Source Milk  | <u>21,836,259</u>  | <u>20,190,090</u>  |
| <b>Overage</b>   |                    |                    |
| Class I  | 0                  | 0                  |
| Class II   | 0                  | 0                  |
| Class III  | 0                  | 45,194             |
| Class IV   | 0                  | 3,681              |
| Total Overage  | <u>0</u>           | <u>48,875</u>      |
| <b>Opening Inventory</b>   |                    |                    |
| Class I  | 20,705,579         | 22,057,541         |
| Class II   | 2,129,860          | 1,008,702          |
| Class III  | 28,185             | 3,918,245          |
| Class IV   | 13,656,460         | 12,818,709         |
| Total Opening Inventory  | <u>36,520,084</u>  | <u>39,803,197</u>  |
| <b>Total Receipts</b>  | <b>525,817,409</b> | <b>516,872,920</b> |
| <b>Utilization:</b>  |                    |                    |
| <b>Class I Utilization</b>   |                    |                    |
| Inventory of Packaged FMP  | 20,863,632         | 24,663,048         |
| Route Disposition Class I  | 328,395,353        | 326,691,063        |
| Shrinkage  | 3,684,909          | 3,897,569          |
| Transfers & Diversions to Nonpool  | 12,967,160         | 15,119,084         |
| Total Class I Utilization  | <u>365,911,054</u> | <u>370,370,764</u> |
| Average Butterfat Test   | 2.22               | 2.22               |
| Daily Average Utilization  | 11,803,582         | 11,947,444         |
| <b>Class II Utilization</b>  |                    |                    |
| Nonfluid Used To Produce   | 2,328,149          | 2,213,410          |
| Shrinkage  | 0                  | 0                  |
| Transfers & Diversions to Nonpool/Commercial Foods<br>Used To Produce/Other Uses | 59,742,101         | 47,382,632         |
| Total Class II Utilization   | <u>72,062,404</u>  | <u>61,400,804</u>  |
| Average Butterfat Test   | 7.97               | 8.53               |
| <b>Class III Utilization</b>   |                    |                    |
| Shrinkage  | 0                  | 6,456,150          |
| Transfers & Diversions to Nonpool<br>Used To Produce/Other Uses                  | 32,709,175         | 23,615,155         |
| Total Class III Utilization  | <u>32,709,175</u>  | <u>34,724,869</u>  |
| Average Butterfat Test   | 3.72               | 4.50               |
| <b>Class IV Utilization</b>  |                    |                    |
| Inventory  | 14,820,246         | 11,692,224         |
| Nonfluid Used To Fortify   | 2,233,488          | 2,266,722          |
| Shrinkage  | 6,046,436          | 62,635             |
| Transfers & Diversions to Nonpool<br>Used To Produce/Other Uses                  | 28,153,718         | 39,353,700         |
| Total Class IV Utilization   | <u>55,134,776</u>  | <u>50,376,483</u>  |
| Average Butterfat Test   | 12.14              | 11.64              |
| <b>Total Utilization</b>   | <b>525,817,409</b> | <b>516,872,920</b> |

## Southeast Market Summary

The minimum order uniform price for payment to producers supplying the Southeast Order marketing area during December 2016 is \$19.78 per hundredweight for milk with a 3.5% butterfat test in Fulton County, Georgia. This is .965 times the uniform skim milk price of \$12.30 per hundredweight plus 3.5 times the uniform butterfat price of \$2.2591 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 December, Class I use, which is primarily bottled or packaged fluid milk, accounted for 72.89% of all producer skim milk (priced to handlers at \$9.84 per hundredweight, plus the Class I differential, see page 2) and 40.88% of producer butterfat (priced to handlers at \$2.1104 per pound plus Class I differential). Class II use, which is milk used in fluid cream products and miscellaneous manufacturing, accounted for 13.71% of all producer skim milk (\$7.32 per hundredweight) and 31.45% of producer butterfat (\$2.3424 per pound). Class III use, mostly milk used to produce cheese, accounted for 7.00% of all producer skim milk (\$9.56 per hundredweight) and 3.59% of producer butterfat (\$2.3354 per pound). Class IV use, generally milk processed into butter and powder, accounted for 6.40% of all producer skim milk (\$7.04 per hundredweight) and 20.98% of producer butterfat (\$2.3354 per pound).

### Packaged Class I Route Sales in Marketing Area

| Product Description                        | Pounds             | Percent       |
|--|--------------------|---------------|
| <b><u>November 2016</u></b>                |                    |               |
| Whole Milk                                 | 134,123,157        | 34.51%        |
| Fat Free Milk                              | 26,364,209         | 6.78%         |
| Lowfat Milk (incl. 1%)                     | 41,823,857         | 10.76%        |
| Reduced Fat Milk (incl. 2%)                | 125,096,151        | 32.19%        |
| Cultured Fluid Milk (incl. Buttermilk)     | 9,883,739          | 2.54%         |
| Flavored Drinks and Milk                   | 51,321,816         | 13.22%        |
| <b>Total Disposition in Marketing Area</b> | <b>388,612,929</b> | <b>100.0%</b> |
| Total Disposition by Pool Plants           | 287,075,280        | 73.87%        |
| Total Disposition by Nonpool Plants        | 101,537,649        | 26.13%        |
| <b>Total Disposition in Marketing Area</b> | <b>388,612,929</b> | <b>100.0%</b> |

Receipts of producer milk during December totaled 467.5 million pounds. There were 20 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 December 2016. Class I route disposition in the area was 388.6 million pounds in November 2016.

### Excerpts from USDA's Latest Livestock, Dairy, and Poultry Outlook

(continued from page 1) billion pounds on a skim-solids basis (+1.0 billion). Ending stock forecasts for 2017 are lowered to 13.2 billion pounds on a milk-fat basis (-0.5 billion) and 12.9 billion pounds on a skim-solids basis (-0.3 billion).

With higher expected demand, 2017 dairy product price forecasts have been raised for butter, cheese, NDM, and dry whey to \$2.095-\$2.205, \$1.675-\$1.755, \$0.990-\$1.050, and \$0.415-\$0.445 per pound, respectively. Lower expected beginning stocks on a milk-fat basis will also support higher butter prices. With higher dairy product prices, the Class III and IV price forecasts have been raised to \$16.35-\$17.15 and \$15.25-\$16.15 per cwt, respectively. The all-milk price forecast has been raised to \$17.60-\$18.40 per cwt, an increase from \$16.85-\$17.65 forecast last month.

The United States is expected to face strong competition from the European Union (EU) for cheese exports in 2017. After a setback in 2014 and 2015 due to a Russian trade ban, EU cheese exports are expected to total 1.808 billion pounds in 2016 and are forecast to reach a record 1.819 billion pounds in 2017. A key issue facing the United States' export competitiveness with the EU is the strong dollar compared to the euro.

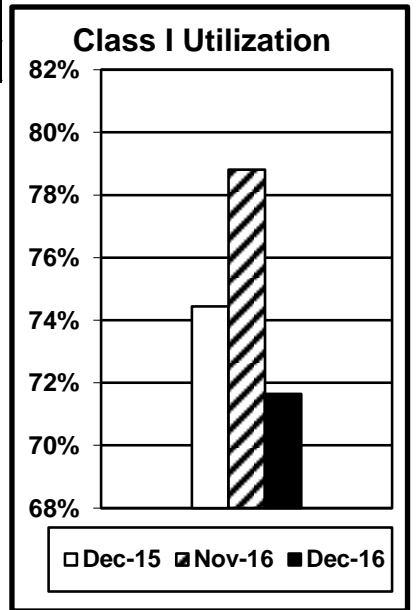
*Source: Livestock, Dairy, and Poultry Outlook/LDP-M-271/January 19, 2017 ERS, USDA*

**FEDERAL ORDER 7 - SOUTHEAST: CLASS AND UNIFORM PRICES**

| Pool<br>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   |
| Nov 2015       | \$10.45  | \$2.9136 | \$20.28 | \$7.35   | \$3.1900 | \$18.26 | \$4.31    | \$3.1830 | \$15.30 | \$ 5.96  | \$3.1830 | \$16.89 | \$ 9.83  | \$3.0627 | \$20.21 |
| Dec            | \$9.85   | \$3.1428 | \$20.51 | \$6.75   | \$2.9127 | \$16.71 | \$4.43    | \$2.9057 | \$14.44 | \$ 5.54  | \$2.9057 | \$15.52 | \$ 9.13  | \$3.0094 | \$19.34 |
| Jan 2016       | \$9.41   | \$3.0742 | \$19.84 | \$6.31   | \$2.3132 | \$14.19 | \$5.85    | \$2.3062 | \$13.72 | \$ 5.43  | \$2.3062 | \$13.31 | \$ 8.77  | \$2.6105 | \$17.60 |
| Feb            | \$9.71   | \$2.3058 | \$17.44 | \$6.17   | \$2.3848 | \$14.30 | \$5.68    | \$2.3778 | \$13.80 | \$ 5.36  | \$2.3778 | \$13.49 | \$ 8.97  | \$2.3495 | \$16.88 |
| Mar            | \$9.34   | \$2.4483 | \$17.58 | \$6.05   | \$2.2098 | \$13.57 | \$6.25    | \$2.2028 | \$13.74 | \$ 5.21  | \$2.2028 | \$12.74 | \$ 8.49  | \$2.2945 | \$16.22 |
| Apr            | \$10.02  | \$2.2486 | \$17.54 | \$5.89   | \$2.2446 | \$13.54 | \$6.01    | \$2.2376 | \$13.63 | \$ 5.02  | \$2.2376 | \$12.68 | \$ 8.80  | \$2.2420 | \$16.34 |
| May            | \$9.92   | \$2.2635 | \$17.50 | \$5.71   | \$2.2916 | \$13.53 | \$4.94    | \$2.2846 | \$12.76 | \$ 5.28  | \$2.2846 | \$13.09 | \$ 8.60  | \$2.2769 | \$16.27 |
| Jun            | \$9.11   | \$2.3288 | \$16.94 | \$5.86   | \$2.4179 | \$14.12 | \$4.96    | \$2.4109 | \$13.22 | \$ 5.53  | \$2.4109 | \$13.77 | \$ 8.13  | \$2.3776 | \$16.17 |
| Jul            | \$9.37   | \$2.4169 | \$17.50 | \$6.27   | \$2.6034 | \$15.16 | \$6.38    | \$2.5964 | \$15.24 | \$ 5.96  | \$2.5964 | \$14.84 | \$ 8.69  | \$2.5192 | \$17.20 |
| Aug            | \$9.96   | \$2.6453 | \$18.87 | \$6.71   | \$2.4943 | \$15.21 | \$8.50    | \$2.4873 | \$16.91 | \$ 6.16  | \$2.4873 | \$14.65 | \$ 9.61  | \$2.5608 | \$18.24 |
| Sep            | \$11.97  | \$2.5155 | \$20.36 | \$6.79   | \$2.3152 | \$14.66 | \$8.61    | \$2.3082 | \$16.39 | \$ 6.39  | \$2.3032 | \$14.23 | \$ 11.21 | \$2.3990 | \$19.21 |
| Oct            | \$12.58  | \$2.3603 | \$20.40 | \$7.14   | \$2.0563 | \$14.09 | \$7.92    | \$2.0493 | \$14.82 | \$ 6.72  | \$2.0493 | \$13.66 | \$ 11.50 | \$2.1782 | \$18.72 |
| Nov            | \$11.59  | \$2.1129 | \$18.58 | \$7.47   | \$2.1114 | \$14.60 | \$9.74    | \$2.1044 | \$16.76 | \$ 6.63  | \$2.1044 | \$13.76 | \$ 11.03 | \$2.1086 | \$18.02 |
| Dec            | \$13.64  | \$2.1484 | \$20.68 | \$7.32   | \$2.3424 | \$15.26 | \$9.56    | \$2.3354 | \$17.40 | \$ 7.04  | \$2.3354 | \$14.97 | \$ 12.30 | \$2.2591 | \$19.78 |
| Jan 2017       | \$13.41  | \$2.3754 | \$21.25 | \$7.77   |          |         |           |          |         |          |          |         |          |          |         |

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

| Pool<br>Period | Producer Milk<br>1000 lbs. | Number of<br>Farms | CLASS I   |        | CLASS II  |        | CLASS III |        | CLASS IV  |       |
|----------------|----------------------------|--------------------|-----------|--------|-----------|--------|-----------|--------|-----------|-------|
|                |                            |                    | 1000 lbs. | %      | 1000 lbs. | %      | 1000 lbs. | %      | 1000 lbs. | %     |
| Nov 2015       | 410,936                    | 1,767              | 323,073   | 78.62% | 52,814    | 12.85% | 21,311    | 5.19%  | 13,737    | 3.34% |
| Dec            | 456,831                    | 1,762              | 340,022   | 74.44% | 57,299    | 12.54% | 30,218    | 6.61%  | 29,291    | 6.41% |
| Jan 2016       | 472,060                    | 1,880              | 343,820   | 72.84% | 62,664    | 13.27% | 23,809    | 5.04%  | 41,767    | 8.85% |
| Feb            | 426,663                    | 1,769              | 312,548   | 73.25% | 52,128    | 12.22% | 34,973    | 8.20%  | 27,014    | 6.33% |
| Mar            | 508,094                    | 1,757              | 333,373   | 65.61% | 70,622    | 13.90% | 60,085    | 11.83% | 44,014    | 8.66% |
| Apr            | 493,274                    | 1,681              | 317,125   | 64.29% | 67,180    | 13.62% | 62,347    | 12.64% | 46,621    | 9.45% |
| May            | 479,088                    | 1,685              | 308,829   | 64.45% | 69,402    | 14.49% | 64,655    | 13.50% | 36,202    | 7.56% |
| Jun            | 457,259                    | 1,720              | 296,259   | 64.78% | 73,835    | 16.15% | 56,731    | 12.41% | 30,433    | 6.66% |
| Jul            | 418,092                    | 1,706              | 287,264   | 68.70% | 66,547    | 15.92% | 33,218    | 7.95%  | 31,063    | 7.43% |
| Aug            | 419,230                    | 1,764              | 339,478   | 80.97% | 60,605    | 14.46% | 9,580     | 2.29%  | 9,567     | 2.28% |
| Sep            | 408,334                    | 1,715              | 322,221   | 78.91% | 59,402    | 14.55% | 11,371    | 2.78%  | 15,340    | 3.76% |
| Oct            | 425,841                    | 1,690              | 316,344   | 74.29% | 66,649    | 15.65% | 11,682    | 2.74%  | 31,166    | 7.32% |
| Nov            | 414,251                    | 1,710              | 326,451   | 78.81% | 62,696    | 15.13% | 10,683    | 2.58%  | 14,421    | 3.48% |
| Dec            | 467,461                    | 1,700**            | 334,877   | 71.64% | 67,333    | 14.40% | 32,681    | 6.99%  | 32,570    | 6.97% |



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

## Southeast Marketing Area - Federal Order 7

| 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 |
| January                | 02/11/17                          | 02/13/17         | 02/14/17       | 01/25/16                   | 01/26/16  | 02/14/17          | 02/15/17  |
| February               | 03/11/17                          | 03/13/17         | 03/14/17       | 02/27/17                   | 02/27/17  | 03/14/17          | 03/15/17  |
| March                  | 04/11/17                          | 04/12/17         | 04/13/17       | 03/27/17                   | 03/27/17  | 04/13/17          | 04/14/17  |

\*\* The base rate for making partial payments in Fulton County, GA for January will be \$17.80 per hundredweight. This is 90 percent of the preceding month's uniform price of \$19.78 per hundredweight.

| Producer Touch Base Requirements & Handler Diversion Limits<br>[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/

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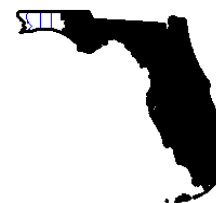
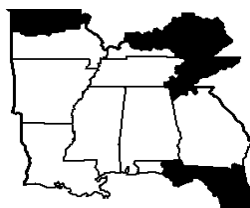
Milk production for 2016 is raised on slightly larger milk cow numbers. The 2017 milk production forecast is raised from last month as improved returns support increases in both cow numbers and milk per cow. Fat and skim-solids basis exports for 2016 are raised on recent trade data. Imports are unchanged. Exports on a fat basis are reduced slightly for 2017, but are raised on a skim-solids basis. Import forecasts are unchanged for 2017.

Dairy product prices and Class prices for 2016 are adjusted to incorporate December price data. For 2017, butter, cheese, nonfat dry milk, and whey prices are raised from last month on demand strength. Class prices for 2017 are raised, reflecting higher product price forecasts. The all milk price range is raised to \$17.60 to \$18.40 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 most recent WASDE report is available at [www.usda.gov/oce/commodity/wasde/index.htm](http://www.usda.gov/oce/commodity/wasde/index.htm).



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