

Market Information BULLETIN

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Dairy Outlook

*Excerpts from Livestock, Dairy, and Poultry Outlook,
April 16, 2025, USDA, Economic, Research Service*

Dairy Forecasts for 2025

The 2025 dairy herd size forecast is 9.405 million head, which is 25,000 head higher than the previous month's projection. An anticipated higher milk yield per cow throughout the year has led to an increase of 10 pounds per cow, which is now forecast at 24,130 pounds per head. Consequently, the revised milk production forecast for 2025 is 226.9 billion pounds, an increase of 0.7 billion pounds from the previous month's estimate and 1.0 billion pounds higher than 2024.

Dairy import forecasts were adjusted lower from last month's forecast mainly due to the imposition of additional duties on imported dairy products. On a milk-fat basis, dairy import projections in 2025 were lowered to 8.5 billion pounds (-0.4 billion), while on a skim-solids basis imports were lowered to 6.7 billion pounds (-0.3 billion). Notably, lower expected import volumes of cheese, butter, and infant formula are anticipated for 2025.

The 2025 dairy export forecast changes are mixed from the previous forecast. The milk-fat basis forecast has been raised by 0.1 billion pounds to 11.8 billion as shipments of butter, whole milk powder, and cream are expected to increase. Conversely, on a skim-solids basis, the export forecast was lowered to 44.6 billion pounds (-2.9 billion) as shipment decreases are anticipated for dry skim milk, dry whey products, and lactose.

Stocks are expected to be higher than the previous month's forecast in 2025. By the end of the year, ending stocks are projected to increase by 0.2 billion pounds on a fat basis, and by 0.3 billion pounds on a skim-solids basis. While domestic use for 2025 is unchanged from last month's forecast at 223.1 billion pounds on a milk-fat basis, the domestic use forecast on a skim-solids basis was raised by 3.0 billion pounds to 187.3 billion pounds.

Based on recent lower price trends, the adjusted forecasts, in dollars per pound for dairy products, are as follows: Cheddar cheese \$1.790 (-2.0 cents), dry whey \$0.510 (-1.50 cents), butter \$2.445 (-7.0 cents), and NDM \$1.220 (-3.5 cents).

With lower cheese and dry whey prices, the new forecast for Class III milk is \$17.60 per hundredweight, \$0.35 lower than the previous forecast. With lower butter and NDM price projections, the Class IV price forecast has been lowered to \$18.20 per hundredweight, \$0.60 lower than the previous projection. The all-milk price for 2025 is now forecast at \$21.10 per hundredweight, down \$0.50 from last month's forecast.

COMPUTATION OF UNIFORM PRICES

F.O. 6 - Florida: Uniform Price - March 2025

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	78.68%	167,391,465	\$11.45 /cwt.	\$ 19,166,322.75
Class I Butterfat	45.27%	3,984,518	\$2.8484 /lb.	11,349,501.08
Class I Differential at Location		171,375,983		9,506,541.16
Total Class I Milk	77.36%	171,375,983		\$ 40,022,364.99
Class II Skim Milk	17.04%	36,241,096	\$11.31 /cwt.	\$ 4,098,867.95
Class II Butterfat	46.49%	4,090,826	\$2.6312 /lb.	10,763,781.36
Total Class II Milk	18.20%	40,331,922		\$ 14,862,649.31
Class III Skim Milk	0.85%	1,807,124	\$9.78 /cwt.	\$ 176,736.73
Class III Butterfat	0.86%	75,258	\$2.6242 /lb.	197,492.04
Total Class III Milk	0.85%	1,882,382		\$ 374,228.77
Class IV Skim Milk	3.43%	7,304,187	\$9.35 /cwt.	\$ 682,941.48
Class IV Butterfat	7.38%	649,158	\$2.6242 /lb.	1,703,520.43
Total Class IV Milk	3.59%	7,953,345		\$ 2,386,461.91
Producer Milk	100.00%	221,543,632		\$ 57,645,704.98
Adjustments				
Overage and Other Source				\$ 109.30
Inventory Adjustments				-\$ 672.58
Producer Butterfat at Uniform Butterfat Price				-\$ 24,235,419.02
Location Adjustments				-\$ 285,186.67
1/2 Balance in Producer Settlement Fund				\$ 86,203.21
Total Skim Milk and Aggregate Value			\$ 15.61066	\$ 33,210,739.22
Producer Settlement Fund Reserve			\$ 0.04066	\$ 86,518.36
Uniform Skim Milk Price (Hillsborough County, FL):			\$15.57 /cwt	
Uniform Butterfat Price:			\$2.7541 /lb	
Uniform Price (Hillsborough County, FL):			\$24.66 /cwt	

F.O. 7 - Southeast: Uniform Price - March 2025

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	69.99%	203,510,533	\$11.45 /cwt.	\$ 23,301,956.05
Class I Butterfat	39.93%	5,079,335	\$2.8484 /lb.	14,467,977.81
Class I Differential at Location		208,589,868		6,628,048.98
Total Class I Milk	68.73%	208,589,868		\$ 44,397,982.84
Class II Skim Milk	14.76%	42,901,242	\$11.31 /cwt.	\$ 4,852,130.49
Class II Butterfat	35.83%	4,558,756	\$2.6312 /lb.	11,994,998.78
Total Class II Milk	15.64%	47,459,998		\$ 16,847,129.27
Class III Skim Milk	5.00%	14,546,214	\$9.78 /cwt.	\$ 1,422,619.72
Class III Butterfat	5.19%	659,677	\$2.6242 /lb.	1,731,124.38
Total Class III Milk	5.01%	15,205,891		\$ 3,153,744.10
Class IV Skim Milk	10.25%	29,791,454	\$9.35 /cwt.	\$ 2,785,500.97
Class IV Butterfat	19.05%	2,423,767	\$2.6242 /lb.	6,360,449.35
Total Class IV Milk	10.62%	32,215,221		\$ 9,145,950.32
Producer Milk	100.00%	303,470,978		\$ 73,544,806.53
Adjustments				
Overage and Other Source				\$ 24,228.93
Inventory Adjustments				-\$ 2,726.74
Producer Butterfat at Uniform Butterfat Price				-\$ 34,715,796.86
Location Adjustments				\$ 2,221,182.33
1/2 Balance in Producer Settlement Fund				\$ 122,668.78
Total Skim Milk and Aggregate Value			\$ 14.16833	\$ 41,194,362.97
Producer Settlement Fund Reserve			\$ 0.04833	\$ 140,541.62
Uniform Skim Milk Price (Fulton County, GA):			\$14.12 /cwt	
Uniform Butterfat Price:			\$2.7289 /lb	
Uniform Price (Fulton County, GA):			\$23.18 /cwt	

POOL HIGHLIGHTS

F.O. 6 - Florida: March 2025

Producer Milk Utilization:

Class I:	77.36%
Class II:	18.20%
Class III:	0.85%
Class IV:	3.59%

The Uniform Price
for March 2025 was announced at \$24.66, an increase of \$ 0.91 from March 2024.

Total Producer Milk
for March 2025 totaled 221.5 million pounds, an increase of 4.1 million pounds from March 2024.

Total Class I Milk
for March 2025 was 171.4 million pounds, a decrease of 7.1 million pounds from March 2024.

Class I Utilization
for March 2025 was 77.36%, a decrease of 4.71 percentage points from March 2024.

F.O. 7 - Southeast: March 2025

Producer Milk Utilization:

Class I:	68.73%
Class II:	15.64%
Class III:	5.01%
Class IV:	10.62%

The Uniform Price
for March 2025 was announced at \$23.18 an increase of \$1.11 from March 2024.

Total Producer Milk
for March 2025 totaled 303.5 million pounds, a decrease of 16.7 million pounds from March 2024.

Total Class I Milk
for March 2025 was 208.6 million pounds, a decrease of 1.2 million pounds from March 2024.

Class I Utilization
for March 2025 was 68.73%, an increase of 3.22 percentage points from March 2024.

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in March 2025 is \$24.66 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County, Florida. This is .965 times the uniform skim milk price of \$15.57 per hundred weight plus 3.5 times the uniform butterfat price of \$2.7541 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions. Receipts of producer milk during March 2025 totaled 221.5 million pounds. Florida producers supplied 182.9 million pounds of milk in March 2025 or an estimated 82.55% of producer milk pooled in Florida. In March, 2024, they supplied approximately 84.4% of producer milk pooled on the Florida market. There were 8 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization in the computation of the uniform prices for March 2025. Total in-area Class I route disposition was 216.7 million pounds in March 2025, a decrease of 7.9 million pounds from March 2024.

Southeast Market Summary

The minimum order uniform price for payment to producers supplying the Southeast Order marketing area during March 2025 is \$23.18 per hundredweight for milk with a 3.5% butterfat test in Fulton County, Georgia. This is .965 times the uniform skim milk price of \$14.12 per hundredweight plus 3.5 times the uniform butterfat price of \$2.7289 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions. Receipts of producer milk during March 2025 totaled 303.5 million pounds. There were 15 regulated pool distributing plants, 1 pool supply plant, and 8 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for March 2025. Total in-area Class I route disposition was 294.3 million pounds in March 2025, an increase of 2.1 million pounds from March 2024.

WASDE Dairy Report ^{1/} WASDE – 659, April 10, 2025

The milk production forecast for 2025 is raised on larger cow inventories and slightly higher milk per cow. Imports are lower on both a fat and skim-solids basis, primarily due to additional duties placed on imported dairy products, in particular imports of butter fats and milk protein products.

Exports on a skim-solid basis are reduced, primarily on lower shipments of dried skim milk products and whey products. Exports on a fat basis are raised on higher expected shipments of butter. Prices for butter, cheese, nonfat dry milk (NDM), and whey are all lowered for 2025 on recent prices and higher expected milk supplies.

Class III prices are lowered on lower cheese and whey prices. Class IV prices are lowered on lower butter and NDM prices. The all-milk price is projected lower to \$21.10 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/.

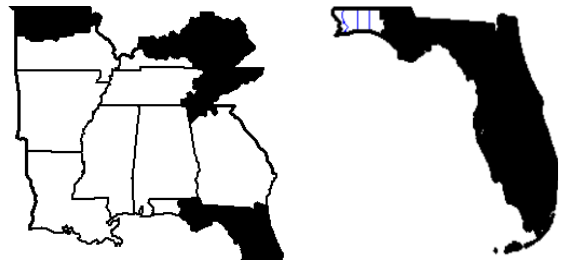
Federal Milk Marketing Order Statistics

March 2025

Federal Order	Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price ¹
	Million Pounds	Million Pounds	Percent	\$/cwt
1 Northeast	2,398.1	656.3	27.4	20.56
5 Appalachian	450.5	299.2	66.4	22.60
6 Florida	221.5	171.4	77.4	24.66
7 Southeast	303.5	208.6	68.7	23.18
30 Upper Midwest	2,627.4	152.6	5.8	18.82
32 Central	1,400.5	344.0	24.6	19.07
33 Mideast	1,775.2	588.1	33.1	19.72
51 California	3,081.4	393.1	12.8	19.08
124 Pacific Northwest	692.5	116.9	16.9	18.96
126 Southwest	1,429.6	320.9	22.4	19.82
131 Arizona	427.1	106.6	25.0	19.96
All Orders ¹	14,807.3	3,357.7	22.7	19.72

¹ Weighted average uniform price at 3.5% butterfat at announced locations.

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