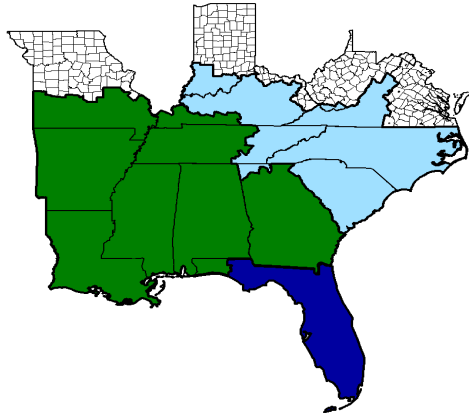




The Market Administrator's Monthly Newsletter

Appalachian, Florida, and Southeast Marketing Areas
August 2026

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

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July Statistical Uniform Price

The July 2026 statistical uniform price for the Appalachian Marketing Area was announced at \$25.40 per hundredweight at the base zone of Mecklenburg County, North Carolina, the pricing point for FO 5.

The July 2026 statistical uniform price for the Florida Marketing Area was announced at \$26.79 per hundredweight at the base zone of Hillsborough County, Florida, the pricing point for FO 6.

The July 2026 statistical uniform price for the Southeast Marketing Area was announced at \$25.50 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 July, the Appalachian Marketing Area reported 287.6 million pounds of Class I producer milk, representing 73.15% of total producer receipts. In-area Class I route disposition totaled 245.4 million pounds in FO 5. The Florida Marketing Area had 153.7 million pounds of Class I producer milk, accounting for 82.37% of receipts. Total in-area Class I route disposition was 194.3 million pounds. The Southeast Marketing Area reported 214.6 million pounds of Class I producer milk, or 73.34% of receipts. FO 7 in-area Class I route disposition totaled 289.1 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 July saw some slight decreases and an increase on a per-pound basis: butter price decreased \$0.02, nonfat dry milk price decreased by \$0.29, the cheese price decreased by \$0.05, while dry whey increased \$0.01, all on a per pound basis. The Class I price for July decreased by \$0.85. The Class I prices for the Appalachian, Florida and Southeast Orders were: \$26.93/cwt, \$28.13/cwt, and \$27.13/cwt, respectively.

Pool Summary

Total Producers pooled:

- FO 5: 922
- FO 6: 49
- FO 7: 587

Pooled milk pounds total:

- FO 5: 393.1 million
- FO 6: 186.6 million
- FO 7: 292.7 million

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UPCOMING PRICE RELEASE DATES:

August 2026 Prices

Class Prices: 09/02/26

October 2026 Prices

Advanced Prices: 09/23/26

Appalachian Statistical Summary

July 2026

	JULY 2026	JUNE 2026	JULY 2025
PRICES: (Base Zone)			
Uniform Price	\$25.40	\$26.05	\$23.24
Class I Price	26.93	27.78	24.42
Class II Price	21.89	22.78	19.31
Class III Price	15.52	15.98	17.32
Class IV Price	18.34	20.96	18.89
Uniform Skim Milk Price	\$20.11	\$20.72	\$13.89
Class I Skim Milk Price	21.51	22.35	15.26
Class II Skim Milk Price	16.61	17.45	9.67
Class III Skim Milk Price	10.04	10.43	7.63
Class IV Skim Milk Price	12.96	15.59	9.26
Uniform Butterfat Price	\$1.7132	\$1.7299	\$2.8106
Class I Butterfat Price	1.7635	1.7745	2.7702
Class II Butterfat Price	1.6738	1.6970	2.8505
Class III Butterfat Price	1.6668	1.6900	2.8435
Class IV Butterfat Price	1.6668	1.6900	2.8435
Class I ESL Adjustment	-\$1.46	-\$1.51	\$1.14
PRODUCER MILK:			
Class I	287,571,434	286,081,036	293,093,989
Class II	81,234,118	72,645,915	73,044,297
Class III	18,586,163	30,222,907	25,988,175
Class IV	5,757,601	7,671,809	16,613,909
Total Producer Milk	393,149,316	396,621,667	408,740,370
PERCENT PRODUCER MILK IN:			
Class I	73.15	72.13	71.71
Class II	20.66	18.32	17.87
Class III	4.73	7.62	6.36
Class IV	1.46	1.93	4.06

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

July 2026

	JULY 2026	JUNE 2026	JULY 2025
PRICES: (Base Zone)			
Uniform Price	\$26.79	\$27.41	\$24.38
Class I Price	28.13	28.98	25.62
Class II Price	21.89	22.78	19.31
Class III Price	15.52	15.98	17.32
Class IV Price	18.34	20.96	18.89
Uniform Skim Milk Price	\$21.48	\$22.08	\$15.06
Class I Skim Milk Price	22.71	23.55	16.46
Class II Skim Milk Price	16.61	17.45	9.67
Class III Skim Milk Price	10.04	10.43	7.63
Class IV Skim Milk Price	12.96	15.59	9.26
Uniform Butterfat Price	\$1.7306	\$1.7441	\$2.8146
Class I Butterfat Price	1.7755	1.7865	2.7822
Class II Butterfat Price	1.6738	1.6970	2.8505
Class III Butterfat Price	1.6668	1.6900	2.8435
Class IV Butterfat Price	1.6668	1.6900	2.8435
Class I ESL Adjustment	-\$1.46	-\$1.51	1.14
PRODUCER MILK:			
Class I	153,692,028	152,107,650	151,331,156
Class II	28,532,596	38,500,343	31,841,343
Class III	3,963,585	4,797,261	4,885,589
Class IV	403,104	1,843,070	2,715,562
Total Producer Milk	186,591,313	197,248,324	190,773,650
PERCENT PRODUCER MILK IN:			
Class I	82.37	77.12	79.33
Class II	15.29	19.52	16.69
Class III	2.12	2.43	2.56
Class IV	0.22	0.93	1.42

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 (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

July 2026

	JULY 2026	JUNE 2026	JULY 2025
PRICES: (Base Zone)			
Uniform Price	\$25.50	\$26.48	\$23.68
Class I Price	27.13	27.98	24.62
Class II Price	21.89	22.78	19.31
Class III Price	15.52	15.98	17.32
Class IV Price	18.34	20.96	18.89
Uniform Skim Milk Price	\$20.21	\$21.17	\$14.36
Class I Skim Milk Price	21.71	22.55	15.46
Class II Skim Milk Price	16.61	17.45	9.67
Class III Skim Milk Price	10.04	10.43	7.63
Class IV Skim Milk Price	12.96	15.59	9.26
Uniform Butterfat Price	\$1.7132	\$1.7298	\$2.8067
Class I Butterfat Price	1.7655	1.7765	2.7722
Class II Butterfat Price	1.6738	1.6970	2.8505
Class III Butterfat Price	1.6668	1.6900	2.8435
Class IV Butterfat Price	1.6668	1.6900	2.8435
Class I ESL Adjustment	-\$1.46	-\$1.51	\$1.14
PRODUCER MILK:			
Class I	214,628,011	215,161,665	201,485,892
Class II	50,026,643	53,687,324	44,488,647
Class III	21,195,708	15,948,489	11,100,664
Class IV	6,818,993	7,470,003	16,373,161
Total Producer Milk	292,669,355	292,267,481	273,448,364
PERCENT PRODUCER MILK IN:			
Class I	73.34	73.61	73.68
Class II	17.09	18.37	16.27
Class III	7.24	5.46	4.06
Class IV	2.33	2.56	5.99

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 for dairy cow numbers and dairy slaughter, the 2026 forecast for the annual average number of dairy cows has been revised upward by 5,000 head to 9.665 million head. The 2026 milk per cow is expected to average 24,480 pounds, 15 pounds lower than the previous forecast. Milk production for 2026 is now forecast at 236.6 billion pounds, unchanged from the last forecast, as the higher number of dairy cows offsets the lower expected growth in milk per cow.

Dairy export forecasts for 2026 are adjusted from last month's forecast. On a milk-fat basis, 2026 dairy exports are forecast at 20.7 (+0.1) billion pounds, while on a skim-solids basis 2026 dairy exports are forecast at 49.3 (-0.6) billion pounds. These adjustments take into consideration the most recent trade data and the expectation that domestic prices for butter and cheese will remain competitive in the global markets. Higher export volumes are projected for cheese, butter, and fluid milk and cream products. Conversely, lower export volumes are expected for dry skim milk products, dried whey products, and lactose.

The dairy import forecasts for 2026 have been revised upward from last month's forecast. On a milk-fat basis, dairy imports are forecast at 8.6 (+0.4) billion pounds. On a skim-solids basis, dairy imports are forecast at 6.9 (+0.1) billion pounds. Higher import volumes are expected for most of the dairy 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 223.6 (+0.1) billion pounds, while on a skim solids basis it is forecast at 193.2 (+0.4) billion pounds.

Based on recent movement in product prices, the 2026 average price forecasts for Cheddar cheese and dry whey have been revised upward to \$1.575 (+0.5 cents) and \$0.670 (+1.0) cents per pound, respectively. Conversely, the 2026 average price forecasts for butter and NDM have been revised downward to \$1.645 (-4.5 cents) and \$1.605 (-1.0 cents) per pound, respectively.

With the changes in the product prices, the 2026 forecasts for milk class prices have been adjusted. The average Class III milk price forecast has been revised upward to \$16.25 (+\$0.10) per cwt due to higher prices for both Cheddar cheese and dry whey. The 2026 average Class IV price forecast has been lowered to \$18.15 (-\$0.25) per cwt due to lower prices for both butter and NDM. The all-milk price for 2026 is now forecast at \$19.85 per cwt, \$0.15 lower than the previous forecast.

Dairy Forecasts for 2027

The dairy herd is projected to average 9.695 million head in 2027, unchanged from last month's projections. However, the 2027 forecast for yield per cow has been lowered by 10 pounds to 24,550 pounds. Consequently, milk production for 2027 is projected at 238.0 billion pounds, 0.1 billion pounds lower than last month's forecast.

On a milk-fat basis, 2027 dairy imports are forecast at 8.3 billion pounds, 0.1 billion pounds lower than the previous month's forecast. On a skim-solid basis, the forecast for dairy imports forecast has been revised upward by 0.1 billion pounds to 7.0 billion pounds.

Dairy Outlook

Dairy Forecasts for 2027 Cont'd.

The forecasts for dairy exports have been revised upward on a milk-fat basis but downward on a skim-solids basis. On a milk-fat basis, 2027 dairy export volumes are forecast at 21.3 (+0.3) billion pounds. On a skim-solids basis, exports are projected to be lower at 49.5 (-0.4) billion pounds. The forecast revisions are supported by higher expected exports of butter, cheese, lactose, and dry whey products. However, lower exports are expected for dried skim milk products.

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 224.5 billion pounds, 0.2 billion pounds lower than the previous estimate. On a skim-solids basis, 2027 domestic use is forecast at 194.8 billion pounds, 0.5 billion pounds higher 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 in parentheses: Cheddar cheese at \$1.665 (unchanged) per pound, dry whey at \$0.680 (+ 3.0 cents) per pound, butter at \$1.705 (-4.5 cents) per pound, and NDM at \$1.470 (unchanged) per pound.

With higher price projections for dry whey and unchanged price projections for Cheddar cheese, the updated 2027 price forecast for Class III milk is \$17.25 per cwt, \$0.20 higher than the previous month's forecast. Conversely, with lower price projections for butter and unchanged projections for NDM prices, the 2027 average Class IV price is forecast at \$17.20 per cwt, \$0.20 lower than the previous projection. The all-milk price forecast for 2027 is \$19.80 per cwt, a \$0.05 decrease from last month's forecast.

Recent Dairy Supply and Use Data

The national dairy herd expanded in June. According to the USDA's National Agricultural Statistics Service (NASS), estimated milk production in the United States totaled 19.705 billion pounds (656.8 million per day) in June 2026, 2.3 percent higher than June 2025. The number of milk cows was 9.677 million head in June, 192,000 head above June 2025. The average milk production per cow was 2,036 pounds in June 2026, up 6 pounds from June 2025.

Dairy replacement heifer supplies remain tight. According to the recent USDA, NASS Cattle report, milk replacement heifers totaled 3.600 million head as of July 1, 2026, an increase of 100,000 head from July 1, 2025. The ratio of replacement heifers to milk cows remained at 37 percent as of July 1, 2026, compared to a year ago.

While culling increased during the first 30 weeks of 2026 compared with the same period in 2025, the cow slaughter rate remained relatively low compared with the past 3-year average, contributing to an increase in the national dairy herd size.

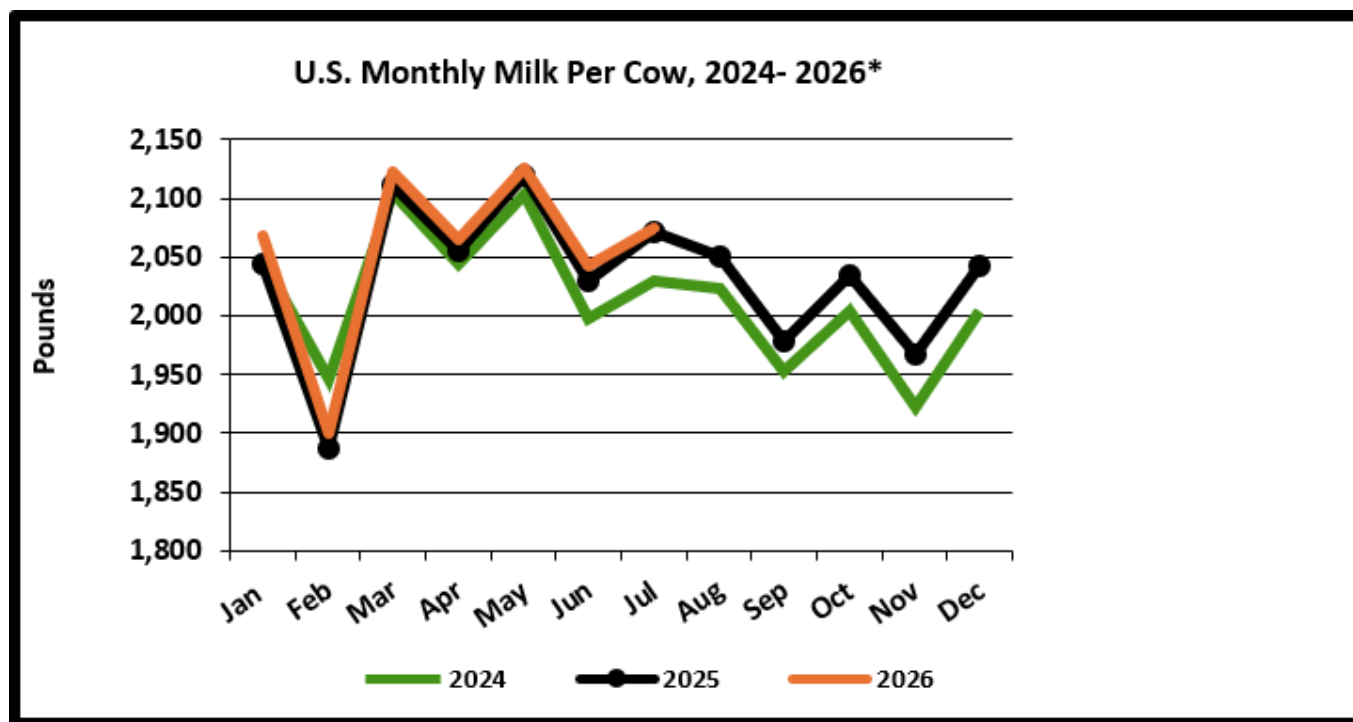
Milk Production

July Milk Production up 2.3 Percent

Milk production in the 24 major States during July totaled 19.4 billion pounds, up 2.3 percent from July 2025. June revised production, at 19.1 billion pounds, was up 3.1 percent from June 2025. The June revision represented an increase of 124 million pounds or 0.7 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,093 pounds for July, 5 pounds above July 2025.

The number of milk cows on farms in the 24 major States was 9.27 million head, 185,000 head more than July 2025, and 2,000 head more than June 2026.



United States Milk Production up 2.2 Percent

Milk production in the United States during July totaled 20.1 billion pounds, up 2.2 percent from July 2025.

Production per cow in the United States averaged 2,075 pounds for July, 3 pounds above July 2025.

The number of milk cows on farms in the United States was 9.71 million head, 199,000 head more than July 2025, but unchanged from June 2026.

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Federal Order Statistics for July 2026

Federal Order		Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price
		Million Pounds	Million Pounds	Percent	\$/cwt
1	Northeast	2,380.4	623.0	26.2	21.16
5	Appalachian	393.1	287.6	73.2	25.40
6	Florida	186.6	153.7	82.4	26.79
7	Southeast	292.7	214.6	73.3	25.50
30	Upper Midwest	2,712.9	157.5	5.8	16.40
32	Central	1,296.8	320.6	24.7	18.75
33	Midwest	1,636.0	532.1	32.5	19.63
51	California	1,947.4	370.3	19.0	17.92
124	Pacific Northwest	408.1	73.6	18.0	18.26
126	Southwest	1,168.7	294.6	25.2	18.85
131	Arizona	374.8	100.2	26.7	19.50
All Orders		12,797.5	3,127.8	24.4	19.77

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

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