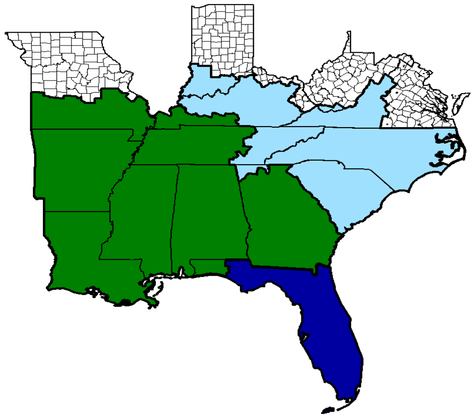

The Market Administrator's
Monthly Newsletter

Appalachian, Florida, and Southeast Marketing Areas

September 2025

Jason Nierman, Market Administrator
Federal Order No. 5, 6 & 7

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

August Statistical Uniform Price

The August 2025 statistical uniform price for the Appalachian Marketing Area was announced at $23.02 per hundredweight at the base zone of Mecklenburg County, North Carolina, the pricing point for FO 5.

The August 2025 statistical uniform price for the Florida Marketing Area was announced at $24.11 per hundredweight at the base zone of Hillsborough County, Florida, the pricing point for FO 6.

The August 2025 statistical uniform price for the Southeast Marketing Area was announced at $23.55 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 August, the Appalachian marketing area reported 304.8 million pounds of Class I producer milk, representing 73.07% of total producer receipts. In-area Class I route disposition totaled 261.2 million pounds in FO 5. The Florida marketing area had 167 million pounds of Class I producer milk, accounting for 78.58% of receipts. Total in-area Class I route disposition was 209.3 million pounds. The Southeast marketing area reported 203 million pounds of Class I producer milk, or 76.54 of receipts. FO 7 in-area Class I route disposition totaled 294.8 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 August showed mixed movements on a per-pound basis: butter price fell $0.10, nonfat dry milk price increased less than $0.01, and dry whey gained $0.01, while cheese declined $0.01, all on a per pound basis. The Class I price for August increased by $0.11. The Class I prices for the Appalachian, Florida and Southeast Orders were: $24.53/cwt, $25.73/cwt, and $24.73/cwt, respectively.

Pool Summary

Total Producers pooled:

- FO 5: 1,002
- FO 6: 63
- FO 7: 599

Pooled milk pounds total:

- FO 5: 417.2 million
- FO 6: 212.6 million
- FO 7: 265.2 million

INSIDE THIS ISSUE:

UPCOMING PRICE RELEASE DATES:

September 2025 Prices

Class Prices: 10/01/25

November 2025 Prices

Advanced Prices: 10/22/25

Appalachian Statistical Summary
August 2025

	AUGUST 2025	JULY 2025	AUGUST 2024
PRICES: (Base Zone)			
Uniform Price	$23.02	$23.24	$23.98
Class I Price	24.53	24.42	24.72
Class II Price	19.18	19.31	22.05
Class III Price	17.24	17.32	20.66
Class IV Price	18.50	18.89	21.58
Uniform Skim Milk Price	$13.68	$13.89	$11.82
Class I Skim Milk Price	14.86	15.26	12.48
Class II Skim Milk Price	9.96	9.67	9.90
Class III Skim Milk Price	7.98	7.63	8.49
Class IV Skim Milk Price	9.29	9.26	9.44
Uniform Butterfat Price	$2.8063	$2.8106	$3.5911
Class I Butterfat Price	2.9125	2.7702	3.6212
Class II Butterfat Price	2.7325	2.8505	3.5702
Class III Butterfat Price	2.7255	2.8435	3.5632
Class IV Butterfat Price	2.7255	2.8435	3.5632
Class I ESL Adjustment	$0.57	$1.14	N/A
PRODUCER MILK:			
Class I	304,808,704	293,093,989	318,430,780
Class II	62,602,111	73,044,297	67,657,422
Class III	27,343,052	25,988,175	29,165,283
Class IV	22,405,506	16,613,909	21,001,803
Total Producer Milk	**417,159,373**	**408,740,370**	**436,255,288**
			-
PERCENT PRODUCER MILK IN:			
Class I	73.07	71.71	72.99
Class II	15.01	17.87	15.51
Class III	6.55	6.36	6.69
Class IV	5.37	4.06	4.81

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
August 2025

	AUGUST 2025	JULY 2025	AUGUST 2024
PRICES: (Base Zone)			
Uniform Price	$24.11	$24.38	$25.81
Class I Price	25.73	25.62	26.72
Class II Price	19.18	19.31	22.05
Class III Price	17.24	17.32	20.66
Class IV Price	18.50	18.89	21.58
Uniform Skim Milk Price	$14.74	$15.06	$13.67
Class I Skim Milk Price	16.06	16.46	14.48
Class II Skim Milk Price	9.96	9.67	9.90
Class III Skim Milk Price	7.98	7.63	8.49
Class IV Skim Milk Price	9.29	9.26	9.44
Uniform Butterfat Price	$2.8243	$2.8146	$3.6055
Class I Butterfat Price	2.9245	2.7822	3.6412
Class II Butterfat Price	2.7325	2.8505	3.5702
Class III Butterfat Price	2.7255	2.8435	3.5632
Class IV Butterfat Price	2.7255	2.8435	3.5632
Class I ESL Adjustment	$0.57	$1.14	N/A
PRODUCER MILK:			
Class I	167,034,466	151,331,156	174,893,782
Class II	36,259,616	31,841,343	33,631,059
Class III	5,628,599	4,885,589	4,106,342
Class IV	3,637,437	2,715,562	405,527
Total Producer Milk	**212,560,118**	**190,773,650**	**213,036,710**
			-
PERCENT PRODUCER MILK IN:			
Class I	78.58	79.33	82.09
Class II	17.06	16.69	15.79
Class III	2.65	2.56	1.93
Class IV	1.71	1.42	0.19

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
August 2025

	AUGUST 2025	JULY 2025	AUGUST 2024
PRICES: (Base Zone)			
Uniform Price	$23.55	$23.68	$24.57
Class I Price	24.73	24.62	25.12
Class II Price	19.18	19.31	22.05
Class III Price	17.24	17.32	20.66
Class IV Price	18.50	18.89	21.58
Uniform Skim Milk Price	$14.20	$14.36	$12.43
Class I Skim Milk Price	15.06	15.46	12.88
Class II Skim Milk Price	9.96	9.67	9.90
Class III Skim Milk Price	7.98	7.63	8.49
Class IV Skim Milk Price	9.29	9.26	9.44
Uniform Butterfat Price	$2.8123	$2.8067	$3.5927
Class I Butterfat Price	2.9145	2.7722	3.6252
Class II Butterfat Price	2.7325	2.8505	3.5702
Class III Butterfat Price	2.7255	2.8435	3.5632
Class IV Butterfat Price	2.7255	2.8435	3.5632
Class I ESL Adjustment	$0.57	$1.14	N/A
PRODUCER MILK:			
Class I	203,003,075	201,485,892	220,935,157
Class II	41,700,240	44,488,647	42,369,007
Class III	11,563,289	11,100,664	9,009,225
Class IV	8,958,202	16,373,161	6,509,117
Total Producer Milk	**265,224,806**	**273,448,364**	**278,822,506**
			-
PERCENT PRODUCER MILK IN:			
Class I	76.54	73.68	79.24
Class II	15.72	16.27	15.20
Class III	4.36	4.06	3.23
Class IV	3.38	5.99	2.33

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.

Calculating Class III Price

1

Commodity		*Make Allowance*		*Yield*		
Dry Whey Price ($/lb)	–	**$0.2668** ($/lb)	X	**1.03** (lb dry whey/ lb other solids)	=	**Other Solids Price** ($/lb)

2

Commodity		*Make Allowance*		*Yield*		
Butter Price ($/lb)	–	**$0.2272** ($/lb)	X	**1.211** (lb butter/ lb butterfat)	=	**Butterfat Price** ($/lb)

3

Component Value		*Butterfat Adjustment*						
Protein Value in Cheese ($/lb protein)	+	**Butterfat Value in Cheese** ($/lb butterfat)	–	**Butterfat Value in Butter** ($/lb butterfat)	X	**1.17** (lb butterfat/ lb protein)	=	**Protein Price** ($/lb)

Commodity		*Make Allowance*		*Yield*		
Cheese Price ($/lb)	–	**$0.2519** ($/lb)	X	**1.383** (lb cheese/ lb protein)	=	**Protein Value in Cheese** ($/lb protein)
Cheese Price ($/lb)	–	**$0.2519** ($/lb)	X	**1.589** (lb cheese/ lb butterfat)	=	**Butterfat Value in Cheese** ($/lb butterfat)

Calculated in Step 2		*Yield*		
Butterfat Price ($/lb)	X	**0.91** (lb butterfat in cheese/ lb butterfat used)	=	**Butterfat Value in Butter** ($/lb butterfat)

4

Calculated in Step 3		*Percent Protein*		*Calculated in Step 1*		*Percent Other Solids*		
Protein Price ($/lb)	X	**3.1** (lb protein/ cwt skim)	+	**Other Solids Price** ($/lb)	X	**5.9** (lb other solids/ cwt skim)	=	**Class III Skim Milk Price** ($/cwt)

5

Calculated in Step 4		*Percent Protein*		*Calculated in Step 3*		*Percent Other Solids*		
Class III Skim Milk Price ($/cwt)	X	**0.965** (cwt skim/ cwt milk)	+	**Butterfat Price** ($/lb)	X	**3.5** (lb butterfat/ cwt milk)	=	**Class III Price** ($/cwt)

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U.S. DEPARTMENT OF AGRICULTURE

Calculating Class IV Price

1 [*Commodity:* **Butter Price** ($/lb) − *Make Allowance:* **$0.2272** ($/lb)] X *Yield:* **1.211** (lb butter/ lb butterfat) = **Butterfat Price** ($/lb)

2 [*Commodity:* **Nonfat Dry Milk Price** ($/lb) − *Make Allowance:* **$0.2393** ($/lb)] X *Yield:* **0.99** (lb NFDM/ lb nonfat solids) = **Nonfat Solids Price** ($/lb)

3 *Calculated in Step 2:* **Nonfat Solids Price** ($/lb) X *Yield:* **9.0** (lb nonfat solids/ cwt skim) = **Class IV Skim Milk Price** ($/cwt)

4 [*Calculated in Step 3:* **Class IV Skim Milk Price** ($/cwt) X *Yield:* **0.965** (cwt skim/ cwt milk)] + [*Calculated in Step 1:* **Butterfat Price** ($/lb) X *Yield:* **3.5** (lb butterfat/ cwt milk)] = **Class IV Price** ($/cwt)

Dairy Outlook

Dairy Forecasts for 2025

U.S. milk production for 2025 is projected at 230.0 billion pounds, up by 0.8 billion pounds from the last forecast. This change is due to an increase in both the average number of cows (+10,000 head) and milk per cow (+55 pounds). This forecast is supported by recent data on milk cow numbers and dairy slaughter. U.S. dairy herd is forecast to average 9.460 million head and milk per cow is forecast at 24,310 pounds in 2025.

With continued strength in cheese and butter exports, the dairy export forecasts for 2025 are adjusted upward from last month's forecast. On a milk-fat basis, 2025 dairy exports are forecast at 15.6 (+1.0) billion pounds, while on a skim-solids basis the 2025 dairy export forecast is revised to 48.0 (+0.3) billion pounds. These adjustments also take into consideration the expectations that U.S. export prices for butter and cheese will maintain their competitive margins in the global markets. Higher expected shipments for cheese and butter are expected to more than offset lower projected shipments for dry skim milk products and lactose.

Dairy Forecasts for 2026

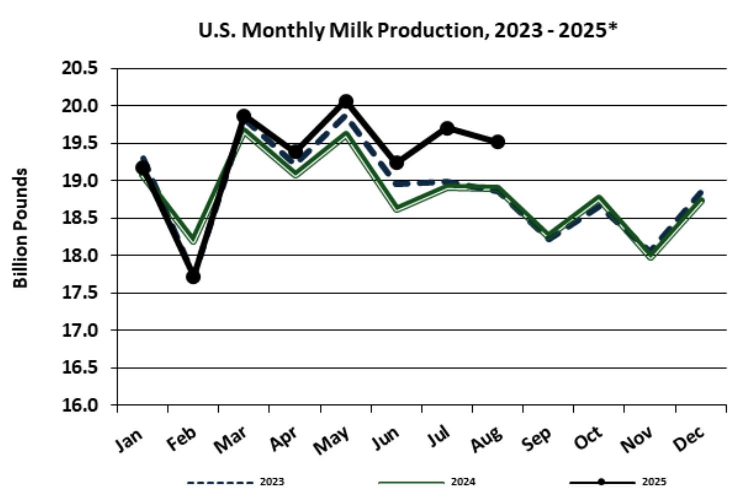
Lower expected feed costs in the second half of 2025 could support further expansion of the number of milk cows in 2026. The higher forecast for the dairy herd in 2025 is projected to extend into 2026, averaging 9.475 million head, 5,000 more than the last month's projection. The yield per cow is also revised upward by 85 pounds to 24,415 pounds. Milk production for 2026 is projected at 231.3 billion pounds, 0.9 billion pounds higher than last month's forecast.

With higher expected milk production, the 2026 forecasts for wholesale dairy product prices are revised lower. The adjusted wholesale dairy product price forecasts for 2026, in dollars per pound, are as follows: Cheddar cheese $1.775 (-3.5 cents), butter $2.245 (-30.5 cents), NDM $1.220 (-3.5 cents), and dry whey $0.510 (-0.5 cents). The revised 2026 forecast for Class III milk is $17.40 per cwt, $0.45 lower than the previous forecast while the Class IV price is forecast at $17.25 per cwt, $1.60 lower than the previous projection. The all-milk price for 2026 is now forecast at $20.40 per cwt, down $1.50 from last month's forecast.

For more information on Livestock, Dairy and Poultry Outlook, please visit: https://www.ers.usda.gov/publications/pub-details?pubid=113150

Excerpts from Livestock, Dairy, and Poultry Outlook, September 18, 2025, LDP-M-375, USDA, Economic Research Service

Milk Production



August Milk Production up 3.3 Percent

Milk production in the 24 major States during August totaled 18.8 billion pounds, up 3.3 percent from August 2024.

Production per cow in the 24 major States averaged 2,068 pounds for August, 28 pounds above August 2024.

The number of milk cows on farms in the 24 major States was 9.08 million head, 172,000 head more than August 2024, and 7,000 head more than July 2025.

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Federal Order Statistics for August 2025

Federal Order		Producer Deliveries Million Pounds	Class I Producer Receipts Million Pounds	Class I Utilization Percent	Statistical Uniform Price $/cwt
1	Northeast	2,334.9	620.6	26.6	20.32
5	**Appalachian**	**417.2**	**304.8**	**73.1**	**23.02**
6	**Florida**	**212.6**	**167.0**	**78.6**	**24.11**
7	**Southeast**	**265.2**	**203.0**	**76.5**	**23.55**
30	Upper Midwest	2,531.0	157.0	6.2	17.82
32	Central	1,237.3	336.2	27.2	19.11
33	Mideast	1,829.1	576.9	31.5	19.48
51	California	1,987.0	373.6	18.8	18.61
124	Pacific Northwest	555.2	115.4	20.8	18.71
126	Southwest	1,331.0	327.0	24.6	19.25
131	Arizona	354.8	103.8	29.3	19.14
	All Orders 1/	**13,055.2**	**3,285.3**	**25.2**	**19.35**

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

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