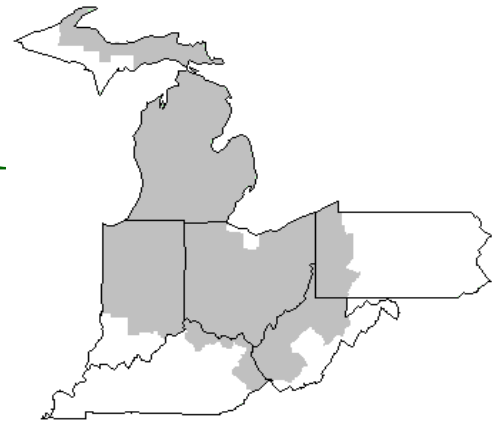


Mideast Market Administrator's Bulletin



Federal Order No. 33

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FEBRUARY 2025

Dairy Forecast for 2025

Following recent milk cow average inventory data, the forecast for the average number of cows has been lowered for the first half of the year. However, the national milking herd is projected to average 9.390 million head in 2025, unchanged from last month's forecast when accounting for rounding. The forecast for milk per cow has been reduced by 85 pounds to 24,200 pounds. This reduction in forecasts reflects, in part, the lower-than-expected milk per cow in the fourth quarter of 2024 but also the expectation that the growth in milk components will likely balance out the lower-than-average growth in milk per cow.

With lower forecasts for dairy inventory as well as milk per cow, milk production for 2025 is forecast at 227.2 billion pounds, about 0.8 billion pounds less than the previous forecast. NASS will issue its Cattle report on January 31 that will include milk cow inventory data along with dairy replacement heifer numbers. The report will give insight into the current state of the herd and will inform the outlook for much of 2025.

The dairy import forecasts for 2025 have been raised on a milk-fat basis to 9.3 billion pounds (+0.2 billion) but lowered to 7.3 billion pounds (-0.1 billion) on a skim-solids basis. While higher imports are expected for butter and cheese, lower imports are expected for casein products and milk protein concentrate.

As domestic prices for butter and cheese are expected to remain competitive in world markets, the 2025 dairy export forecast on a milk-fat basis has been raised 0.2 billion pounds to 11.9 billion. Conversely, the lack of price competitiveness for dry whey and nonfat dry milk is expected to further limit dairy exports. Consequently, the 2025 dairy export forecast on a skim solids basis has been revised downward to 49.1 (-0.40) billion pounds.

With a lowered forecast for milk production and higher projected prices for dairy products, the 2025 forecasts for domestic use are adjusted downward relative to last month's projection. On a skim-solids basis, domestic disappearance has been lowered by 1.0 billion pounds to 184.1 billion pounds. On a milk-fat basis, 2025 domestic disappearance is forecast at 223.8 billion pounds, 1.3 billion pounds lower than the last forecast.

Based on recent movement in product prices, the 2025 average price forecasts for the major dairy products have been raised from the previous forecast. Wholesale price forecasts for Cheddar cheese, dry whey, butter, and NDM have been raised to \$1.865 (+6.5 cents), \$0.640 (+4.5 cents), \$2.695 (+1.0 cents), and \$1.340 (+4.0 cents) per pound, respectively.

The higher product price forecasts support upward revisions for milk class prices as follows: for Class III milk to \$19.70 (+\$0.90) per cwt, and for Class IV to \$20.80 (+\$0.40) per cwt. The all milk price for 2025 is now forecast at \$23.05

Livestock, Dairy, and Poultry Outlook: January 2025, LDP-M-367, January 16, 2025, USDA, Economic Research Service

International Outlook for Dairy

Milk production in 2025 for Argentina, Australia, New Zealand, and the European Union (E.U) is expected to total 412.5 billion pounds, 1.2 billion pounds higher than last year's production. Following a year with a sharp decline, Argentina's milk production is projected to have the largest increase (+1.1 billion pounds) among the four countries due to favorable weather conditions, improved pasture availability, and favorable milk-to-feed price ratios, which may allow for improved milk per cow output. Australia's milk production is expected to increase modestly by 0.2 billion pounds, supported by improved market conditions but constrained by dry conditions during late 2024 and poor pasture conditions in the southern and southwestern regions of the country. New Zealand's milk production is also expected to increase by 0.5 billion pounds in 2025 as farmers expand herds and improve feed and management practices in response to higher global dairy prices.

Continued on Page 3

January 2025 Pool Summary

Classification of Producer Milk

	<i>Pounds</i>	<i>Percent</i>
Class I	638,134,574	39.4
Class II	196,513,924	12.1
Class III	649,451,602	40.1
Class IV	136,267,467	8.4
Total	1,620,367,567	100.0

Producer Prices

Producer Price Differential	\$ 0.51 / cwt
Butterfat Price	2.9460 / lb
Protein Price	2.3267 / lb
Other Solids Price	0.5384 / lb
Somatic Cell Adjustment Rate	0.00094 / cwt
Statistical Uniform Price	20.85 / cwt

ANNOUNCEMENT OF PRODUCER PRICES

Federal Order No. 33

January 2025

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

	<u>POUNDS</u>	<u>BUTTERFAT</u>	<u>SKIM / PROTEIN</u>	<u>NONFAT SOLIDS</u>	<u>OTHER SOLIDS</u>	<u>PRICE</u>	<u>VALUE</u>
Class I Skim Value			623,506,731			\$12.49 / cwt	\$ 77,875,990.70
Class I Butterfat		14,627,843				2.9507 / lb	43,162,376.34
Class I Location Differential	638,134,574						(384,504.83)
Class II SNF Value				17,266,390		1.2944 / lb	22,349,615.22
Class II Butterfat		16,805,780				2.9530 / lb	49,627,468.38
Class III Protein Value			22,028,834			2.3267 / lb	51,254,488.07
Class III Other Solids Value					37,749,917	0.5384 / lb	20,324,555.29
Class III Butterfat		26,580,318				2.9460 / lb	78,305,616.82
Class IV SNF Value				11,769,029		1.2002 / lb	14,125,188.60
Class IV Butterfat		13,955,750				2.9460 / lb	41,113,639.48
Somatic Cell Value II / III / IV							<u>1,723,669.75</u>
TOTAL PRODUCER MILK VALUE	1,620,367,567	71,969,691	54,854,111		93,820,664		<u>\$ 399,478,103.82</u>
Overages					5,208.24		
Beginning Inventory & OS Charges					(5,491.21)		
TOTAL ADJUSTMENTS							<u>\$ (282.97)</u>
TOTAL HANDLER OBLIGATIONS							<u>\$ 399,477,820.85</u>
Total Protein Value			54,854,111	lbs @	\$2.3267		\$(127,629,060.06)
Total Other Solids Value			93,820,664	lbs @	0.5384		(50,513,045.50)
Butterfat Value			71,969,691	lbs @	2.9460		(212,022,709.70)
Total Somatic Cell Values							<u>(2,773,774.41)</u>
TOTALS							<u>\$ 6,539,231.18</u>
Net Producer Location Adjustments							\$ 1,599,062.64
1/2 Unobligated Balance Producer Settlement Fund							<u>799,000.00</u>
Total - Divided by Total Pounds			1,620,382,012	lbs	0.5515547		\$ 8,937,293.82
Rate of Cash Reserve					(0.0415547)		<u>(673,345.53)</u>
PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH ¹			1,620,382,012		\$ 0.51 /cwt		<u>\$ 8,263,948.29</u>

COMPONENT PRICES

January

	<u>2025</u>	<u>2024</u>
Butterfat Price	\$2.9460 / lb	\$2.9765 / lb
Protein Price	2.3267 / lb	1.1265 / lb
Other Solids Price	0.5384 / lb	0.2417 / lb
Somatic Cell Adjustment Rate	0.00094 / cwt	0.00076 / cwt
Nonfat Solids Price ²	1.2002 / lb	1.0330 / lb

COMPUTATION OF UNIFORM PRICE

January

	<u>2025</u>	<u>2024</u>
Class III Price - 3.5% BF	\$20.34	\$15.17
Producer Price Differential*	<u>0.51</u>	<u>2.73</u>
Statistical Uniform Price	\$20.85	\$17.90

CLASS PRICES

January

	<u>2025</u>	<u>2024</u>
Class I*	\$22.38	\$20.48
Class II	21.58	20.04
Class III	20.34	15.17
Class IV	20.73	19.39

CLASSIFICATION OF PRODUCER MILK

January

	<u>2025</u>	<u>2024</u>
	<i>Product lbs.</i>	<i>Product lbs.</i>
Class I	638,134,574	628,272,380
Class II	196,513,924	166,135,221
Class III	649,451,602	637,026,963
<u>Class IV</u>	<u>136,267,467</u>	<u>63,435,341</u>
Total	1,620,367,567	1,494,869,905

¹ Subject to Location Adjustment.

² Producers are not paid on this component.

ORDER 33 MARKET SUMMARY

The Producer Price Differential for the Mideast Marketing Area for January 2025 was \$0.51, and the Statistical Uniform Price was \$20.85 for the month. The Statistical Uniform Price is \$0.34 higher than last month and is \$2.95 higher than January 2024. The Producer Butterfat Price of \$2.9460 per pound increased \$0.0356 from December and is down \$0.0305 from a year ago. The Protein Price of \$2.3267 is up \$0.3630 from last month and is up \$1.2002 January 2024. The Other Solids Price in January was \$0.5384 per pound, an increase from last month's price of \$0.4493 and \$0.2967 higher than last January. The Somatic Cell Adjustment rate for January was \$0.00094 per cwt.

January producer receipts of 1.62 billion pounds were 5.7 percent higher than December and 8.4 percent higher than the January 2024 production of 1.49 billion pounds. Producer milk allocated to Class I accounted for 39.4 percent of the total producer milk in January 2025, lower than the 40.3 percent in December, and lower than the 42.0 percent in January 2024. A total of 3,347 producers were pooled on the Mideast Order compared to 3,516 producers pooled in January 2024.

The market average content of producer milk was as follows: Butterfat 4.44%; Protein 3.39%; Other Solids 5.79% and Nonfat Solids 9.18%.

Continued from Page 1

Among the highlighted dairy producers, the E.U.'s milk production is projected to decrease by 0.6 billion pounds as an expected decline in the dairy herd and Eurozone economic conditions may further challenge dairy farmers' ability to expand milk production.

December 2024 Highlights

Total cheese output (excluding cottage cheese) was 1.20 billion pounds, 0.7 percent below December 2023 but 4.0 percent above November 2024.

Italian type cheese production totaled 523 million pounds, 3.1 percent above December 2023 and 5.9 percent above November 2024. American type cheese production totaled 470 million pounds, 3.9 percent below December 2023 but 3.9 percent above November 2024.

Butter production was 198 million pounds, 2.3 percent above December 2023 and 13.3 percent above November 2024.

Dry milk products (comparisons in percentage with December 2023) Nonfat dry milk, human - 130 million pounds, down 11.6 percent. Skim milk powder - 51.0 million pounds down 20.6 percent.

Whey products (comparisons in percentage with December 2023) Dry whey, total - 69.0 million pounds, down 4.9 percent. Lactose, human and animal - 93.8 million pounds, up 3.4 percent. Whey protein concentrate, total - 41.6 million pounds, down 6.0 percent.

Frozen products (comparisons in percentage with December 2023) Ice cream, regular (hard) - 52.5 million gallons, up 18.1 percent. Ice cream, lowfat (total) - 24.4 million gallons, down 8.5 percent. Sherbet (hard) - 1.45 million gallons, up 22.8 percent. Frozen yogurt (total) - 3.16 million gallons, down 1.0 percent.

Released February 5, 2025, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

December Milk Production Down 0.4 Percent

Milk production in the 24 major States during December totaled 18.0 billion pounds, down 0.4 percent from December 2023. November revised production at 17.3 billion pounds, was down 0.3 percent from November 2023.

The November revision represented an increase of 89 million pounds or 0.5 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,020 pounds for December, 11 pounds below December 2023.

The number of milk cows on farms in the 24 major States was 8.91 million head, 17,000 head more than December 2023, but 8,000 head less from November 2024.

The Mideast Marketing Area has four states represented in the 24 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during December totaled 2.7 billion pounds, up 18 million pounds or 0.7 percent from December 2023.

Production per cow in the Mideast states averaged 2,000 pounds for December, 20 pounds above December 2023.

The number of cows on farms in the Mideast states was 1.3 million head, 4,000 less than December 2023.

Released January 24, 2025, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA)

Bulletin Web Page Edition
www.fmmaclev.com

Featured this month are:

- Milk Production Statistics
- Dairy Product Production
- Commercial Disappearance of Milk in All Products

Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State Federal Order No. 33

State	December 2024						December 2023					
	Number of Producers	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)	
Michigan	712	732,720	4.41	3.38	5.80	156	634,126	4.24	3.30	5.79	148	
Ohio	1,161	379,005	4.41	3.38	5.73	174	357,850	4.21	3.29	5.71	169	
Indiana	582	240,255	4.39	3.37	5.80	178	186,851	4.30	3.36	5.92	173	
Pennsylvania	622	78,319	4.36	3.29	5.68	206	75,704	4.24	3.23	5.66	205	
New York	88	35,957	4.69	3.49	5.93	161	39,674	4.50	3.40	5.95	178	
Other	183	67,000	4.61	3.44	5.77	178	62,447	4.37	3.37	5.76	153	
Total/Average *	3,348	1,533,254	4.42	3.38	5.78	168	1,356,651	4.25	3.30	5.79	161	

* Totals may not add due to rounding. Data provided on a one month delay basis and includes only milk from these states *pooled* on the Mideast order.



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Department of
Agriculture**

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**FEDERAL ORDER DATA
January 2025**

Marketing Area ^{1/}	Producer Milk		Class I	Producer	Statistical
	Total (000)	Class I (000)	Percent %	Price Differential (per cwt.)	Uniform Price (per cwt.)
FO 1 Northeast - (Boston)	2,315,553	695,751	30.0	1.47	21.81
FO 5 Appalachian - (Charlotte)	449,938	342,609	76.2	^{2/}	23.26
FO 6 Florida - (Tampa)	227,039	188,850	83.2	^{2/}	25.04
FO 7 Southeast - (Atlanta)	303,288	241,831	79.7	^{2/}	23.79
FO 30 Upper Midwest - (Chicago)	2,226,416	172,661	7.8	0.13	20.47
FO 32 Central - (Kansas City)	1,166,974	374,140	32.1	0.16	20.50
FO 33 Mideast - (Cleveland)	1,620,368	638,135	39.4	0.51	20.85
FO 51 California - (Los Angeles)	2,188,752	417,248	19.1	0.61	20.95
FO 124 Pacific Northwest - (Seattle)	596,368	129,938	21.8	0.29	20.63
FO 126 Southwest - (Dallas)	1,176,722	358,916	30.5	1.02	21.36
FO 131 Arizona - (Phoenix)	389,513	120,862	31.0	^{2/}	21.42

^{1/} Names in parentheses are principal points of markets.

^{2/} Producers in these markets are paid on the basis of a uniform skim and butterfat price.

MINIMUM PARTIAL PAYMENT PRICE FOR FEBRUARY 2025\$20.34 /cwt.

**MIDEAST MARKETING AREA
FEDERAL ORDER 33**

**INCOME AND EXPENSE STATEMENT
MARKETING SERVICE FUND**

For the Year Ending December 31, 2024

Income:

Assessments or Deductions	\$1,293,301.21
Late Payment Charges Assessed	.00
Interest Earned	.00
Miscellaneous	<u>.00</u>

Total Income \$1,293,301.21

Expenses:

Salaries and Services	\$1,304,889.24
Travel	.00
Communications	.00
Employer Payroll Contributions	.00
Insurance	.00
Contractual Expenses	.00
Rent - Buildings and Equipment	.00
Repairs and Maintenance	.00
Supplies	.00
Testing and Weighing	.00
Utilities	.00
Depreciation of Fixed Assets	.00
Conferences and Meetings	.00
Training	.00
Uncollectible Accounts	.00
Miscellaneous	.00
Amortization of Leasehold Improvements	<u>.00</u>

Total Expenses \$1,304,889.24

Net Income \$ (11,588.03)

**MIDEAST MARKETING AREA
FEDERAL ORDER 33**

**BALANCE SHEET
MARKETING SERVICE FUND**

As of December 31, 2024

ASSETS

Current Assets:

Cash and Bank Deposits	\$.00
Investments		.00
Accounts Receivable - Handlers		97,132.16
Allowance for Uncollectible Accounts		.00
Accounts Receivable - Other		.00
Accrued Interest Receivable		.00

Other Assets:

Prepaid Expenses	\$.00
Deposits		.00

Fixed Assets:

Motor Vehicles	\$.00
Accumulated Depreciation		.00
Furniture and Equipment		.00
Accumulated Depreciation		.00
Laboratory Equipment		.00
Accumulated Depreciation		.00
Leasehold Improvements		.00
Accumulated Depreciation		.00

Total Assets \$ 97,132.16

LIABILITIES AND OPERATING BALANCE

Current Liabilities:

Accounts Payable - Other	\$.00
Accrued Employee Salaries Payable		.00
Accrued Employee Annual Leave		.00
Payroll Contributions and Withholdings		.00

Operating Balance \$ 97,132.16

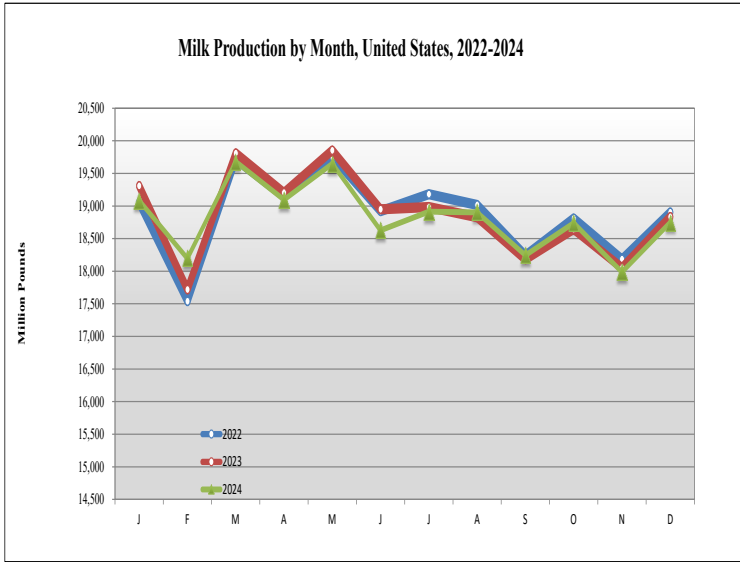
Total Liabilities and Operating Balance \$ 97,132.16

Mideast Market Administrator's Bulletin

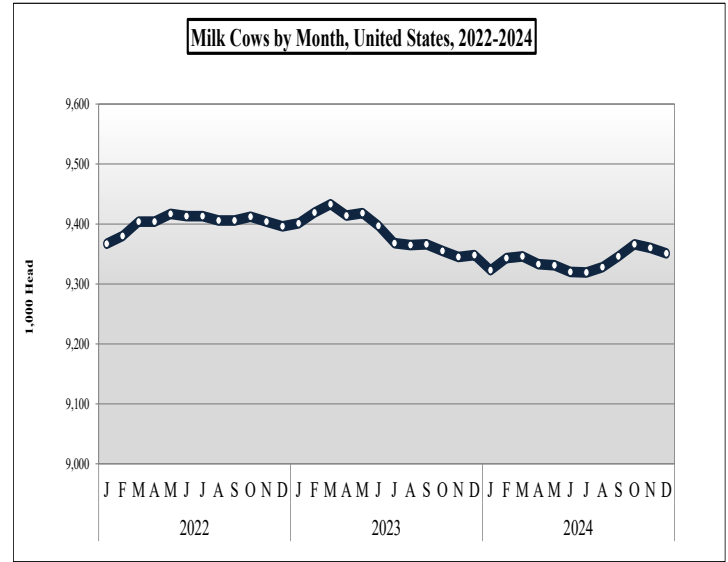
Federal Order No. 33

Supplement
February 2025

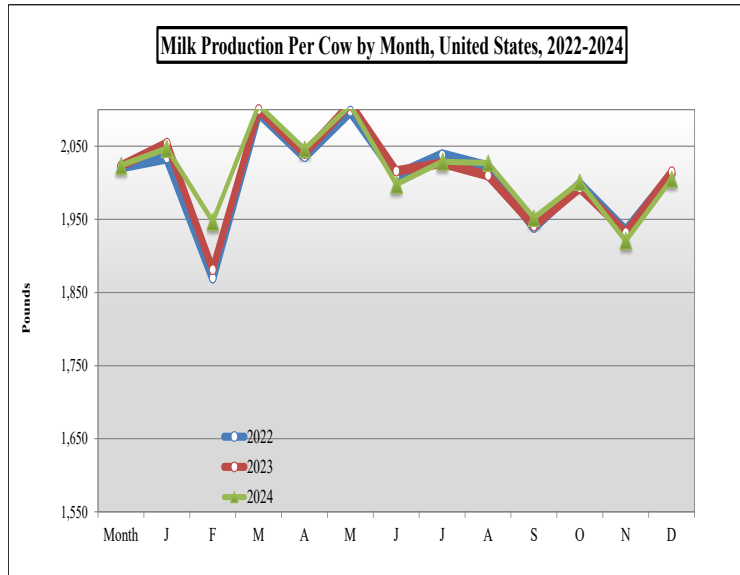
MILK PRODUCTION STATISTICS 1/



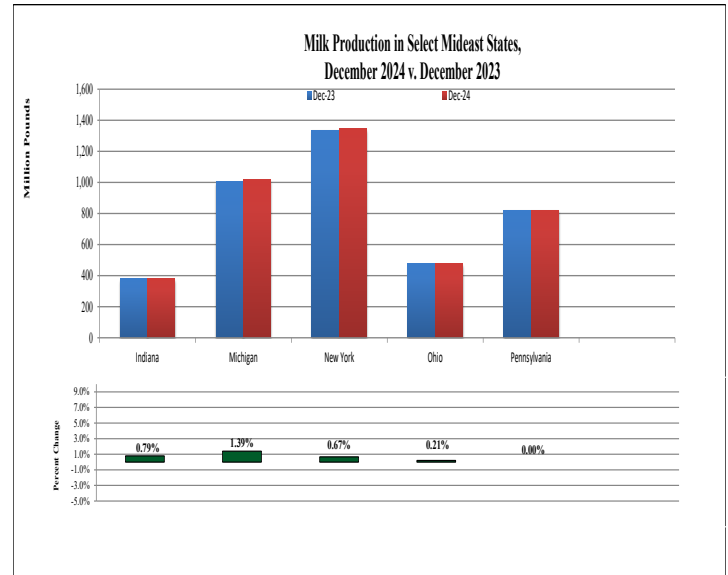
December 2024 milk production in the United States increased 762 million pounds from November 2024 to 18.7 billion pounds. December 2024 milk production in the United States was down 0.5 percent from the same month of the prior year.



The number of milk cows on farms in the United States was 9.4 million head for December 2024, down 9,000 head from November 2024 and up 3,000 head from December 2023.



Production per cow in the United States averaged 2,005 pounds for December 2024 up 84 pounds from November 2024. December 2024 milk production per cow was down 10 pounds from the same month of the prior year.

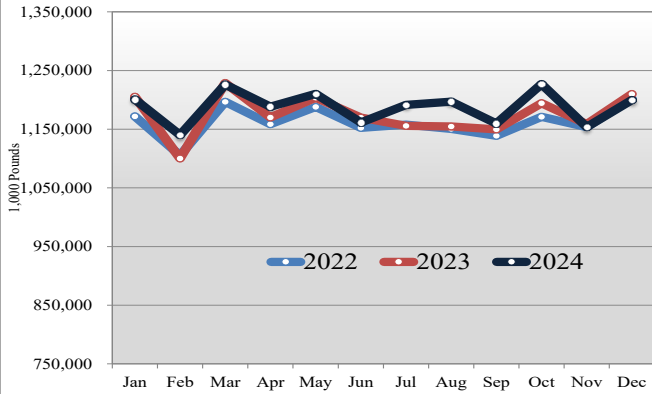


Milk production from selected states which pool on the Mideast marketing area totaled 4.0 billion pounds during December 2024, up 27 million pounds from the prior year. Milk production in Pennsylvania stayed the same. Production in Michigan increased 14 million pounds or 1.4 percent.

1/ Source: National Agricultural Statistics Service (NASS), Agriculture Statistics Board, United States Department of Agriculture (USDA). Gaps in data in figures is due to NASS suspension of select data to meet sequestration requirements.

DAIRY PRODUCT PRODUCTION 1/

Total Cheese Production, 2022-2024



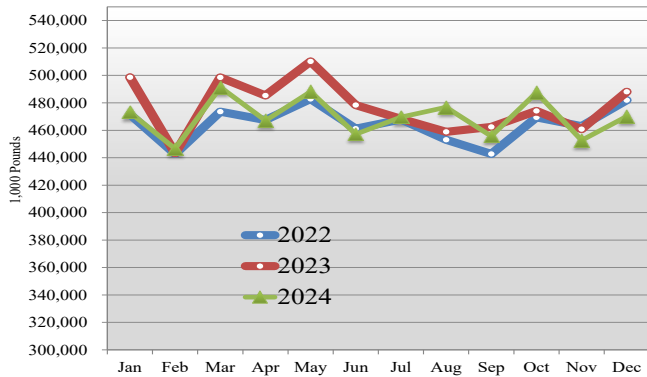
Dairy Product Production Summary:

American type cheese production totaled 470 million pounds, 3.7 percent below December 2023 and 3.9 percent above November 2024.

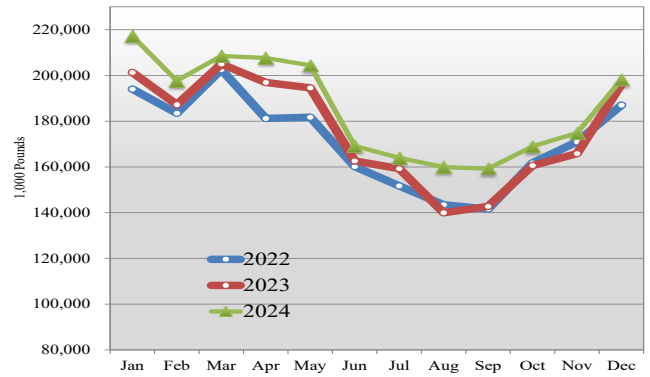
Total cheese output (excluding cottage cheese) was 1.2 billion pounds, 0.8 percent below December 2023 and 4.0 percent above November 2024.

Butter production was 198 million pounds, 0.9 percent above December 2023 and 13.3 percent above November 2024.

Total American Cheese Production, 2022-2024



Total Butter Production, 2022-2024



COMMERCIAL DISAPPEARANCE 2/

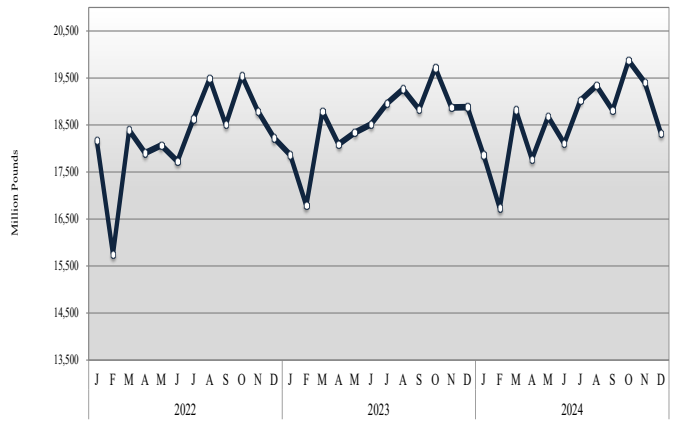
Commercial disappearance of milk in all productions represents the difference between the beginning monthly milk supply and the ending commercial stocks. Milk supply includes farm production, beginning inventory, imports and excludes milk used on the farm.

For December 2024 commercial disappearance of milk was 18.3 billion pounds, down 3.0 percent from the prior year. The cumulative disappearance total for 2024 is 223 billion pounds, a decrease of 0.1 percent from the same 12-month period of 2023.

December 2024 commercial disappearance of American cheese was 447 million pounds, down 4.7 percent from the prior year.

December 2024 commercial disappearance of butter was 199 million pounds, down 7.0 percent from the prior year.

Commercial Disappearance of Milk in All Products, 2022-2024



1/ Source: National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).
 2/ Sources: NASS, ERS, FAS, FSA, Bureau of Census, and ERS calculations.