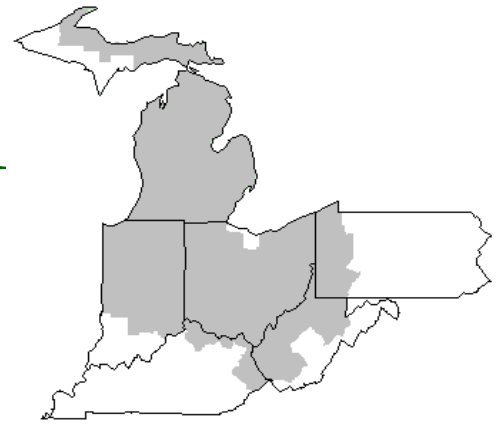


Mideast Market Administrator's Bulletin



Federal Order No. 33

Sharon R. Uther, Market Administrator
 Phone: (330) 225-4758 Toll Free: (888) 751-3220
 Email: clevelandma1@sprynet.com
 WebPage: www.fmmaclev.com
MAY 2021

Dairy News

Dairy exports were robust in February. On a milk-fat milk-equivalent basis, exports totaled 841 million pounds. Per day, they averaged 30.1 million pounds, 17.9 percent higher than February 2020. Dairy exports on a skim-solids milk-equivalent basis totaled 3.947 billion pounds in February. Per day, they averaged 141.0 million pounds, 17.2 percent higher than February 2020. Average daily exports of most major dairy products in February were significantly higher than February 2020, including butter (+120.4 percent), dry skim milk products⁴ (+36.1 percent), cheese (+1.1 percent), and whey products⁵ (+33.4 percent). An exception was lactose, with February average daily exports 17.1 percent lower than February 2021.

Dairy imports were relatively low in February. On a milk-fat basis, they totaled 324 million pounds. Per day, they averaged 11.6 million pounds, 32.3 percent lower than February 2020. On a skim-solids basis, February dairy imports totaled 371 million pounds. Per day, they averaged 13.2 million pounds, 21.9 percent lower than February 2020. Products with substantial year-over-year decreases in average daily imports included cheese (-26.9 percent), anhydrous milkfat and butteroil (-80.5 percent), and milk protein products (-37.0 percent).

Dairy stocks were relatively high at the end of February. They totaled 17.607 billion pounds on a milkfat basis, 7.3 percent higher than February 2020. On a skim-solids basis, they totaled 11.772 billion pounds, 6.0 percent higher than February 2020. Products with notable year-over-year increases for stocks at the end of February included butter (+16.8 percent), American-type cheese (+4.8 percent), Other-than-American type cheese (+6.2 percent), NDM (+8.6 percent), and lactose (+17.0 percent).

Source: *Livestock, Dairy, and Poultry Outlook*, LDP-M-322, April 15, 2021 USDA, Economic Research Service

Outlook for Feed Prices

From November 2020 to February 2021, the all-milk price declined from \$21.30 to \$17.10 per hundredweight (cwt) of milk. For those same months, the 16-percent protein dairy feed value used by NASS increased from \$8.26 to \$9.61 per cwt of feed. As a result of these changes, the milk-feed ratio decreased from 2.58 in November to 1.78 in February.

The 2020/21 corn price forecast is \$4.30 per bushel, unchanged from last month's forecast. The 2020/21 forecast for soybean meal is \$400 per short ton, also unchanged from last month's forecast. The alfalfa hay price in February was \$175 per short ton, \$4 higher than January and \$7 higher than February 2020. The 5-State weighted-average price for premium alfalfa hay in February was \$211 per short ton, \$5 higher than January and \$1 higher than February 2020. For more information, see *Feed Outlook*, published by USDA, Economic Research Service.

Dairy Forecasts for 2021

Based on information from the most recent Milk Production report, the U.S. milking herd is projected to average 9.460 million head in 2021, 15,000 higher than last month's forecast. The number of milk cows is forecast to remain steady at 9.460 million for each quarter of the year. Relatively low milk-feed ratios in the first part of the year signal limited opportunities for expansion of the milking herd in 2021; milk production usually responds to changes in input prices with a lag of several months. Milk per cow is projected to average 24,070 pounds per head year-round, 5 pounds more than the previous forecast. The 2021 projection for milk production has been increased to 227.7 billion pounds, 0.4 billion more than last month's estimate.

(Continued on Page 3)

April 2021 Pool Summary

Classification of Producer Milk

	Pounds	Percent
Class I	515,355,180	40.0
Class II	290,454,343	22.5
Class III	141,874,192	11.0
Class IV	341,775,772	26.5
Total	1,289,459,487	100.0

Producer Prices

Producer Price Differential	\$ (1.34) / cwt
Butterfat Price	1.9496 / lb
Protein Price	2.8136 / lb
Other Solids Price	0.4268 / lb
Somatic Cell Adjustment Rate	0.00086 / cwt
Statistical Uniform Price	16.33 / cwt

ANNOUNCEMENT OF PRODUCER PRICES

Federal Order No. 33

April 2021

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			504,386,130			\$12.00 / cwt	\$ 60,526,335.60
Class I Butterfat		10,969,050				1.6935 / lb	18,576,086.19
Class I Location Differential	515,355,180						(258,273.76)
Class II SNF Value				25,211,702		1.0033 / lb	25,294,900.61
Class II Butterfat		20,143,467				1.9566 / lb	39,412,707.52
Class III Protein Value			4,491,963			2.8136 / lb	12,638,587.10
Class III Other Solids Value					8,159,498	0.4268 / lb	3,482,473.77
Class III Butterfat		6,193,185				1.9496 / lb	12,074,233.49
Class IV SNF Value				30,719,023		0.9902 / lb	30,417,976.59
Class IV Butterfat		13,199,018				1.9496 / lb	25,732,805.52
Somatic Cell Value II / III / IV							1,248,633.11
TOTAL PRODUCER MILK VALUE	1,289,459,487	50,504,720	40,992,591		74,593,880		\$ 229,146,465.74
Overages					69,668.02		
Beginning Inventory & OS Charges					175,380.92		
TOTAL ADJUSTMENTS							\$ 245,048.94
TOTAL HANDLER OBLIGATIONS							\$ 229,391,514.68
Total Protein Value			40,992,591 lbs	@	\$2.8136		\$ (115,336,754.04)
Total Other Solids Value			74,593,880 lbs	@	0.4268		(31,836,667.99)
Butterfat Value			50,504,720 lbs	@	1.9496		(98,464,002.10)
Total Somatic Cell Values							(2,077,913.37)
TOTALS							\$ (18,323,822.82)
Net Producer Location Adjustments							\$ 958,171.57
1/2 Unobligated Balance Producer Settlement Fund							625,000.00
Total - Divided by Total Pounds			1,289,459,487 lbs		(1.2982689)		\$ (16,740,651.25)
Rate of Cash Reserve					(0.0417311)		(538,105.63)
PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH ¹			1,289,459,487		\$ (1.34) /cwt		\$ (17,278,756.88)

COMPONENT PRICES

April

COMPUTATION OF UNIFORM PRICE

April

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
Butterfat Price	\$1.9496 / lb	\$1.3218 / lb	Class III Price - 3.5% BF	\$17.67	\$13.07
Protein Price	2.8136 / lb	2.4822 / lb	Producer Price Differential*	(1.34)	1.15
Other Solids Price	0.4268 / lb	0.1793 / lb	Statistical Uniform Price	\$16.33	\$14.22
Somatic Cell Adjustment Rate	0.00086 / cwt	0.00070 / cwt			
Nonfat Solids Price ²	0.9902 / lb	0.7795 / lb			

CLASS PRICES

April

CLASSIFICATION OF PRODUCER MILK

April

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
				<i>Product lbs.</i>	<i>Product lbs.</i>
Class I*	\$17.51	\$18.64	Class I	515,355,180	574,972,832
Class II	15.56	13.87	Class II	290,454,343	288,820,113
Class III	17.67	13.07	Class III	141,874,192	531,482,988
Class IV	15.42	11.40	Class IV	341,775,772	353,600,441
			Total	1,289,459,487	1,748,876,374

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 April 2021 was -\$1.34 and the Statistical Uniform Price was \$16.33 for the month. The Statistical Uniform Price is \$0.65 higher than last month, and is \$2.11 higher than April 2020.

The Producer Butterfat Price of \$1.9496 per pound increased \$0.2320 from March and is up \$0.6278 from a year ago. The Protein Price of \$2.8136 is up \$0.1182 from last month and is up \$0.3314 from April 2020. The Other Solids Price in April was \$0.4268 per pound, an increase from last month's price of \$0.3652 and \$0.2475 higher than last April. The Somatic Cell Adjustment rate for April was \$0.00086 per cwt.

April producer receipts of 1.29 billion pounds were 12.6 percent lower than March and 26.3 percent lower than the April 2020 production of 1.75 billion pounds. Producer milk allocated to Class I accounted for 40.0 percent of the total producer milk in April 2021, higher than the 39.2 percent in March, and higher than the 32.9 percent in April 2020. A total of 3,491 producers were pooled on the Mideast Order compared to 3,950 producers pooled in April 2020.

The market average content of producer milk was as follows: Butterfat 3.92%; Protein 3.18%; Other Solids 5.78% and Nonfat Solids 8.96%.

(Continued from Front Page)

The dairy export forecast for 2021 on a milk-fat basis is 10.7 billion pounds, 0.3 billion pounds higher than last month's projection. On a skim-solids basis, the dairy export forecast has been raised to 49.8 billion pounds, 1.1 billion above the last month's forecast. Expectations for exports of dry skim milk products, whey products, and cheese are higher than last month's forecast, but expectations for lactose exports are lower.

The economy is expected to continue strengthening as more people receive COVID-19 vaccinations and pandemic-related restrictions are reduced. Government stimulus measures should increase purchasing power of American consumers. Foodservice purchases are expected to continue increasing. These factors are expected to contribute to year-over-year growth in domestic use of dairy products. However, higher dairy product prices, brought about by greater U.S. and foreign demand, are expected to limit growth in domestic use, especially on a skim-solids basis. On a milk-fat basis, the forecast for 2021 domestic use is 222.5 billion pounds, unchanged from last month's forecast. On a skim-solids basis, the domestic use forecast is 182.5 billion pounds, 1.0 billion pounds lower than last month's forecast.

Due to recent upward trends in dairy prices and expectations for greater domestic and foreign demand for dairy products, dairy price forecasts for 2021 have been raised. The price forecasts for Cheddar cheese, dry whey, butter, and NDM are \$1.710 (+1.5 cents), \$0.525 (+2.5 cents), \$1.730 (+11.5 cents), and \$1.160 (+2.0 cents) per pound, respectively.

With higher dairy product price forecasts for 2021, Class III and per cwt, respectively. The all-milk price forecast for 2021 is \$18.40 per cwt, \$0.65 higher than last month's forecast.

Source: *Livestock, Dairy, and Poultry Outlook*, LDP-M-322, April 15, 2021 USDA, Economic Research Service

March Milk Production Up 2.0 Percent

Milk production in the 24 major States during March totaled 18.8 billion pounds, up 2.0 percent from March 2020. February revised production at 16.9 billion pounds, was down 1.1 percent from February 2020. However, production was 2.5 percent above last year after adjusting for the leap year. The February revision represented an increase of 36 million pounds or less than 0.2 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,104 pounds for March, 19 pounds above March 2020.

The number of milk cows on farms in the 24 major States was 8.95 million head, 93,000 head more than March 2020, and 7,000 head more than February 2021.

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 March totaled 2.8 billion pounds, up 73 million pounds or 2.7 percent from March 2020.

Production per cow in the Mideast states averaged 2,045 pounds for March, 7 pounds above March 2020.

The number of cows on farms in the Mideast states was 1.4 million head, 28,000 more than March 2020.

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	March 2021						March 2020				
	Number of Producers	Pounds of Milk (000)	-----Weighted Averages-----				Pounds of Milk (000)	-----Weighted Averages-----			
			Butterfat	Protein	Other Solids	SCC (000)		Butterfat	Protein	Other Solids	SCC (000)
Michigan	791	626,165	3.98	3.25	5.80	152	899,740	3.89	3.18	5.80	148
Ohio	1,242	379,175	3.95	3.17	5.73	170	417,336	3.96	3.17	5.73	168
Indiana	568	282,552	3.94	3.16	5.73	162	228,589	3.93	3.17	5.82	162
Pennsylvania	634	88,652	4.04	3.11	5.68	209	87,492	4.00	3.10	5.67	191
New York	143	76,808	4.18	3.26	5.86	170	92,032	4.00	3.19	5.87	162
Other	191	22,388	4.24	3.16	5.80	188	22,608	3.84	3.11	5.76	197
Total/Average *	3,569	1,475,740	3.99	3.21	5.78	164	1,747,796	3.92	3.19	5.78	158

* 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.



**United States
Department of
Agriculture**

PRSR STD
U.S. POSTAGE
PAID
Cleveland, Ohio
Permit No. 2511

Mideast Market Administrator Bulletin
1325 Industrial Parkway North
P.O. Box 5102
Brunswick, Ohio 44212

POSTMASTER: Time Sensitive Material - Deliver Promptly

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, or call (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

FEDERAL ORDER DATA
April 2021

Marketing Area ^{1/}	Producer Milk		Class I Percent %	Producer Price Differential (per cwt.)	Statistical Uniform Price (per cwt.)
	Total (000)	Class I (000)			
FO 1 Northeast - (<i>Boston</i>)	2,276,686	684,190	30.1	(0.31)	17.36
FO 5 Appalachian - (<i>Charlotte</i>)	462,157	319,857	69.2	^{2/}	18.43
FO 6 Florida - (<i>Tampa</i>)	210,966	170,792	81.0	^{2/}	20.21
FO 7 Southeast - (<i>Atlanta</i>)	420,663	265,574	63.1	^{2/}	18.46
FO 30 Upper Midwest - (<i>Chicago</i>)	927,120	206,802	22.3	(1.02)	16.65
FO 32 Central - (<i>Kansas City</i>)	930,550	382,311	41.1	(1.79)	15.88
FO 33 Mideast - (<i>Cleveland</i>)	1,289,459	515,355	40.0	(1.34)	16.33
FO 51 California - (<i>Los Angeles</i>)	1,913,213	406,720	21.3	(1.76)	15.91
FO 124 Pacific Northwest - (<i>Seattle</i>)	610,727	137,844	22.6	(1.39)	16.28
FO 126 Southwest - (<i>Dallas</i>)	1,005,131	339,198	33.8	(1.19)	16.48
FO 131 Arizona - (<i>Phoenix</i>)	351,595	113,714	32.3	^{2/}	16.43

^{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.

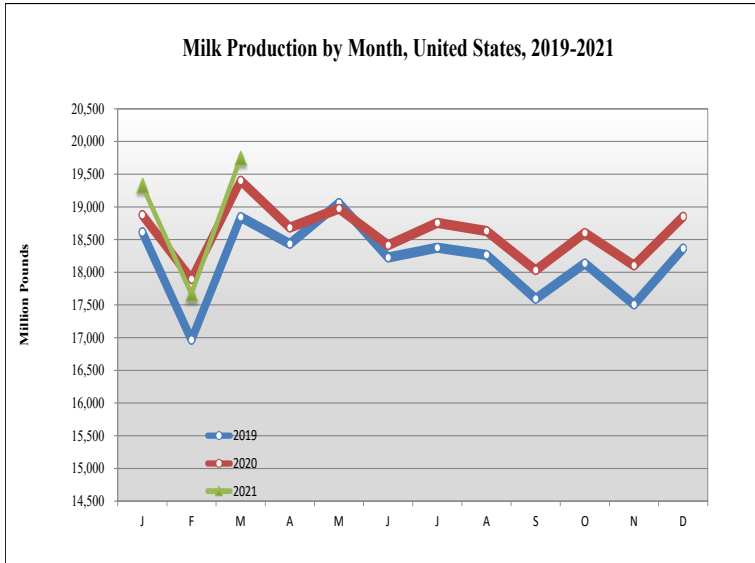
MINIMUM PARTIAL PAYMENT PRICE FOR MAY 2021.....\$15.42 /cwt.



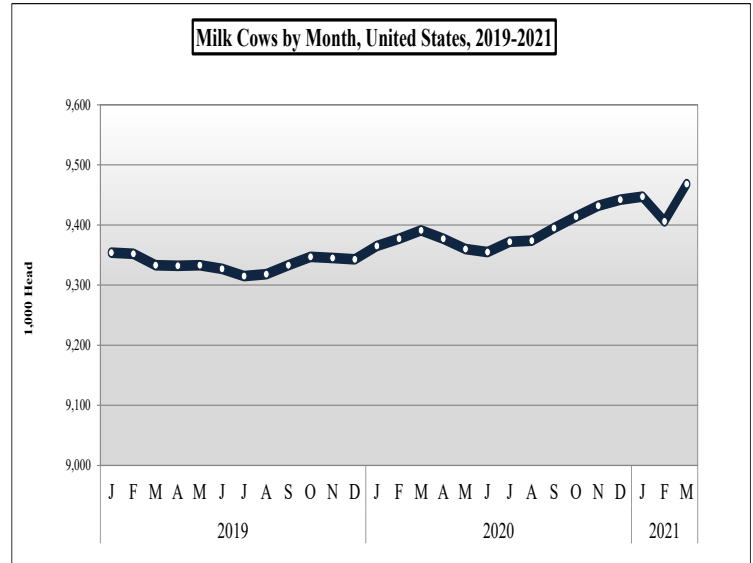
Mideast Market Administrator's Bulletin

Federal Order No. 33 Supplement
May 2021

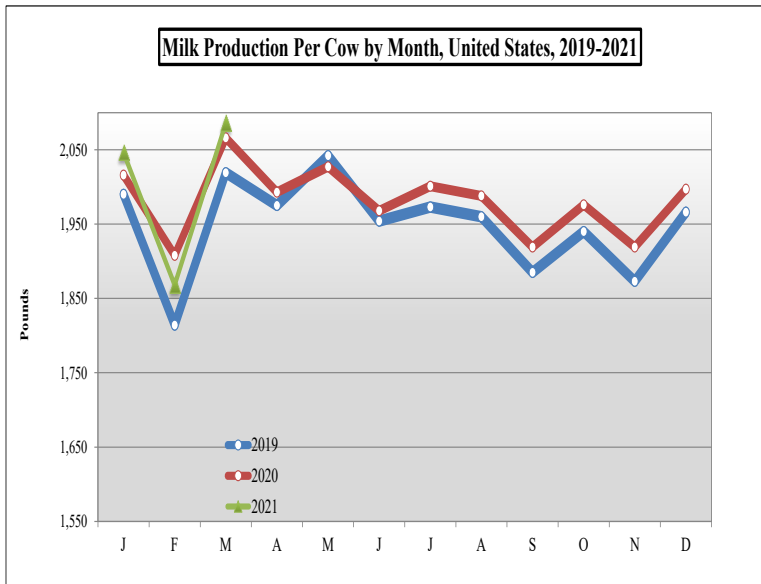
MILK PRODUCTION STATISTICS 1/



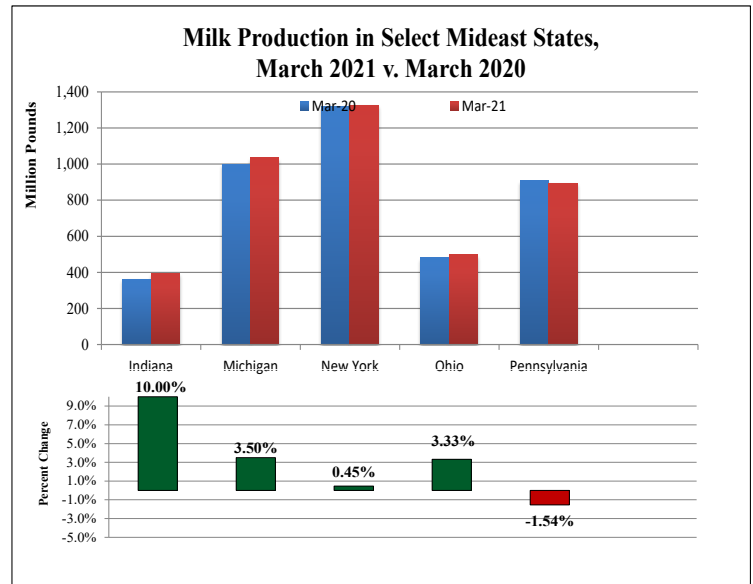
March 2021 milk production in the United States increased 2.1 billion pounds from February to 19.8 billion pounds. March 2021 milk production in the United States was up 1.8 percent from the same month of the prior year.



The number of milk cows on farms in the United States was 9.5 million head for March 2021, up 8,000 head from February and up 77,000 head from March 2020.



Production per cow in the United States averaged 2,086 pounds for March 2021, up 118 pounds from February 2021. March 2021 milk production per cow was up 20 pounds from the same month of the prior year.

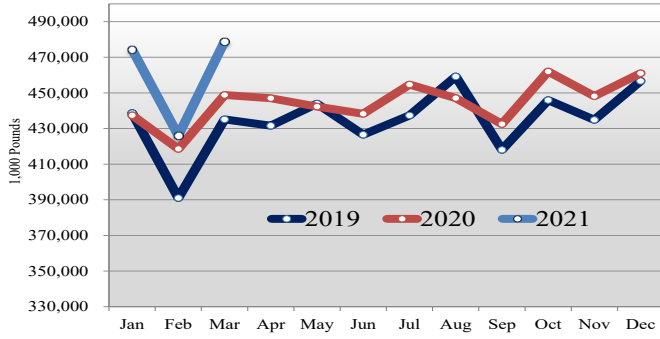


Milk production from selected states which pool on the Mideast marketing area totaled 4.1 billion pounds during March 2021, up 79 million pounds from the prior year. Milk production in Indiana was up 36 million pounds while production in Pennsylvania was down 14 million pounds or 1.54 percent.

1/ Source: National Agricultural Statistics Service (NASS), Agricultural 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 American Cheese Production, 2019-2021



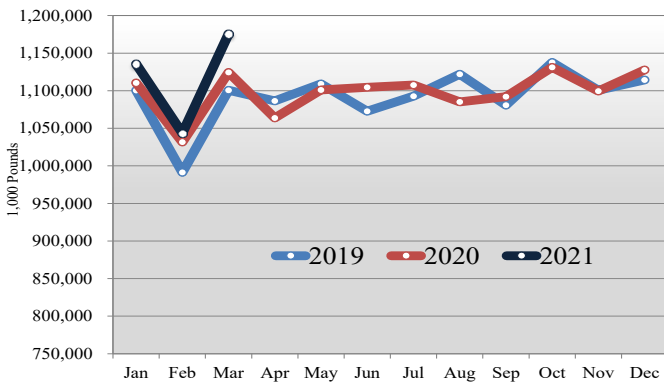
Dairy Product Production Summary:

Total cheese output (excluding cottage cheese) for March 2021 was 1.2 billion pounds, 4.5 percent above March 2020 and 12.6 percent above February 2021.

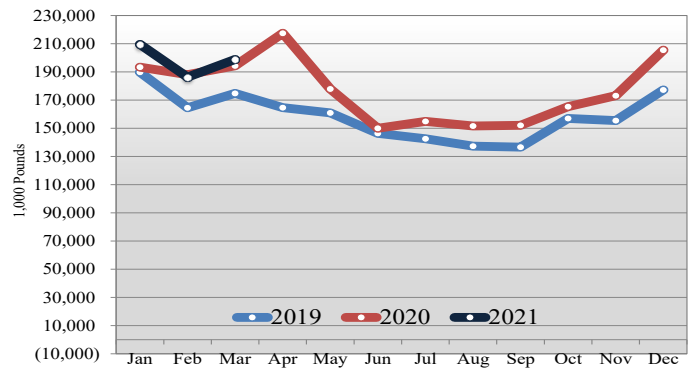
American type cheese production totaled 479 million pounds, 6.7 percent above March 2020 and 12.4 percent above February 2021.

Butter production was 199 million pounds, 2.4 percent above March 2020 and 6.8 percent above February 2021.

Total Cheese Production, 2019-2021



Total Butter Production, 2019-2021



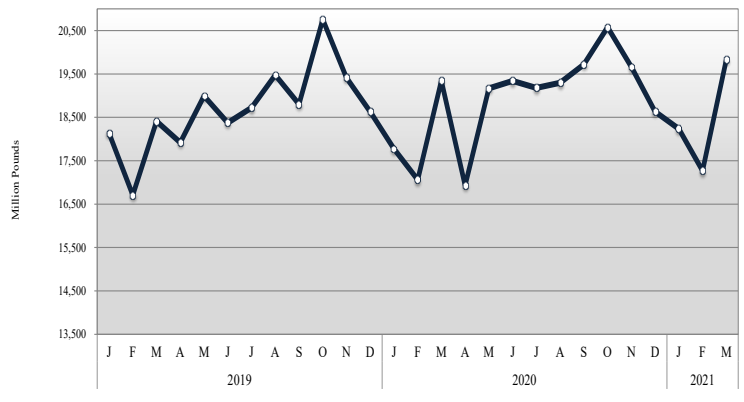
COMMERCIAL DISAPPEARANCE 2/

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 March 2021, commercial disappearance of milk was 19.8 billion pounds, up 2.5 percent from the prior year. The cumulative disappearance total for 2021 is 55 billion pounds, an increase of 2.1 percent from the same 3-month period of 2020.

March 2021 commercial disappearance of American cheese was 467 million pounds, up 4.1 percent from the prior year. March 2021 commercial disappearance of butter was 209 million pounds, up 7.1 percent from the prior year.

Commercial Disappearance of Milk in All Products, 2019-2021



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.