

THE COURIER

Monthly Newsletter

Dairy Outlook

March 2021

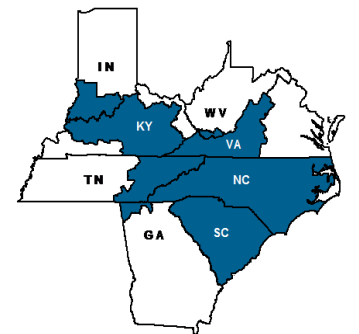
Dairy Forecasts for 2021

The milk production forecast for 2021 is 227.3 billion pounds, 0.1 billion pounds lower than the February forecast. Lower expected yields per cow more than offset higher expected milk cow numbers. The forecast for the size of the dairy herd has been raised to 9.445 million head, 10,000 higher than last month's forecast. This is based on the reported average number of milk cows in January and recent slaughter rates close to those of last year. Based on yield per cow in January and lower expected cull rates, the forecast yield per cow has been lowered to 24,065 pounds per head, 35 pounds below the previous estimate.

The forecast for 2021 dairy exports on a milk-fat basis has been raised to 10.4 billion pounds, 0.3 billion above the previous forecast, as higher expected exports of butterfat products are likely to more than offset lower expected exports of cheese. On a skim-solids basis, the 2021 dairy export forecast has decreased to 48.7 billion pounds, 0.2 billion lower than last month's forecast. Lower exports of lactose are expected to more than offset higher exports of dry skim milk products. Based on lower expected imports of butterfat products (butter, anhydrous milk fat, and butteroil), the 2021 dairy import projection on a milk-fat basis is 6.5 billion pounds, 0.2 million lower than last month's projection.

On a skim-solids basis, the dairy import forecast is 5.5 billion pounds, unchanged from last month. The forecast for 2021 domestic use on a milk-fat basis is 222.5 billion pounds, 0.1 billion pounds lower than last month's forecast. On a skim-solids basis, the forecast for domestic use is 183.5 billion pounds, 0.3 billion higher than last month's forecast. With lower expected milk production and higher total disappearance (domestic use plus exports), ending stock projections for 2021 have been lowered to 15.5 billion pounds on a milk-fat basis (-0.5 billion) and 10.5 billion pounds on a skim-solids basis (-0.1 billion).

Based on recent price data, improving domestic demand, and higher expected exports, the 2021 price forecast for butter has been raised to \$1.615 per pound (+16.0 cents). Based on strength in international prices, the price forecast for NDM has been raised by 1.5 cents to \$1.140 per pound.



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Appalachian Statistical Summary

	FEBRUARY 2021	JANUARY 2021	FEBRUARY 2020
PRICES: (Base Zone)			
Uniform Price	\$17.56	\$17.42	\$19.63
Class I Price	18.94	18.54	20.95
Class II Price	14.00	14.18	16.84
Class III Price	15.75	16.04	17.00
Class IV Price	13.19	13.75	16.20
Uniform Skim Milk Price	\$12.71	\$12.35	\$12.89
Class I Skim Milk Price	13.77	13.43	13.86
Class II Skim Milk Price	9.27	9.03	10.24
Class III Skim Milk Price	11.11	10.99	10.43
Class IV Skim Milk Price	8.45	8.61	9.60
Uniform Butterfat Price	\$1.5115	\$1.5730	\$2.0553
Class I Butterfat Price	1.6144	1.5949	2.1649
Class II Butterfat Price	1.4446	1.5611	1.9883
Class III Butterfat Price	1.4376	1.5541	1.9813
Class IV Butterfat Price	1.4376	1.5541	1.9813
PRODUCER MILK:			
Class I	306,760,578	325,771,310	301,354,355
Class II	53,349,369	54,741,364	60,280,064
Class III	20,391,958	17,476,415	20,073,909
Class IV	45,304,878	63,630,582	46,553,069
Total Producer Milk	425,806,783	461,619,671	428,261,397
PERCENT PRODUCER MILK IN:			
Class I	72.04	70.57	70.37
Class II	12.53	11.86	14.08
Class III	4.79	3.79	4.69
Class IV	10.64	13.78	10.86

F.O. 5 STATS FOR February 2021:

The Uniform Price

for February 2021 was \$17.56 per cwt., an increase of \$0.14 from January 2021 and a decrease of \$2.07 from February 2020.

Total Class I Milk

For February 2021 was 306.8 million pounds, an increase of 5.4 million pounds compared to February 2020.

Class I Utilization

was 72.04 percent for February 2021, an increase of 1.47 percentage points from January 2021 and an increase of 1.67 percentage points from February 2020.

Total Producer Milk

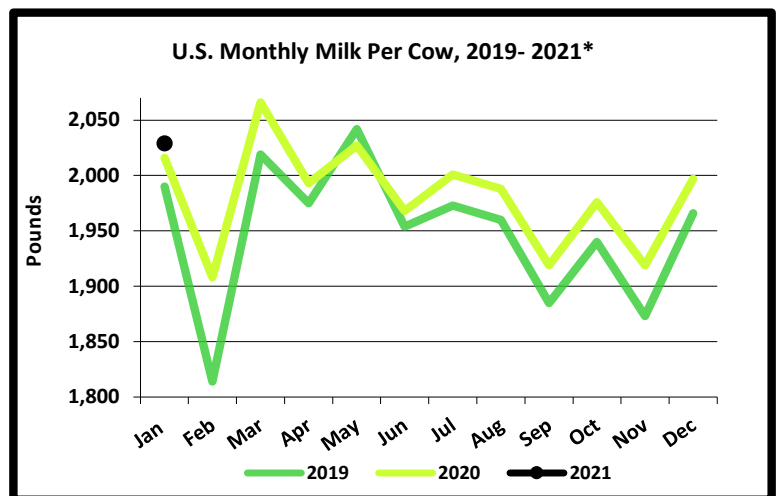
For February 2021 was 425.8 million pounds, a decrease of 35.8 million pounds compared to January 2021 and a decrease of 2.5 million pounds compared to February 2020.

January Milk Production up 1.8%

Milk production in the 24 major States during November totaled 17.2 billion pounds, up 3.1 percent from November 2019.

Production per cow in the 24 major States averaged 1,935 pounds for November, 41 pounds above November 2019.

The number of milk cows on farms in the 24 major States was 8.90 million head, 82,000 head more than November 2019, and 13,000 head more than October 2020.



*Based on entire U.S. production

Dairy Outlook, cont'd from pg. 1

The dry whey price forecast has been raised by 2.0 cents to \$0.500 per pound. The 2021 price forecast for Cheddar cheese is \$1.695 per pound, unchanged from the previous report. With higher expected butter and NDM prices, the Class IV price forecast for 2021 has been increased by \$0.75 to \$14.45 per hundredweight (cwt). Since the price forecast has been raised for dry whey, the Class III price projection for 2021 has been raised by \$0.15 to \$16.75 per cwt. The all-milk price forecast for 2021 has been raised to \$17.75 per cwt, \$0.60 higher than last month's forecast.

Livestock, Dairy, and Poultry Outlook, LDP-M-321, March 15, 2021, USDA,
Economic Research Service

USDA Extends Free Meals to Children through Summer 2021 Due to Pandemic

The U.S. Department of Agriculture (USDA) announced on March 9, 2021 the nationwide extension of several waivers that allow all children to continue to receive nutritious meals this summer when schools are out of session. These flexibilities are now available through Sept. 30, 2021.

USDA is extending these waivers to provide local program operators with clarity and certainty for the summer months ahead, when many children cannot access the school meals they depend on during the academic year. The waivers were previously extended only through June 30, 2021.

The waivers extended March 9th allow for safe meal distribution sites that serve all children for free, regardless of income. In addition, the waivers:

- Allow meals served through the [Summer Food Service Program \(SFSP\)](#) and [Seamless Summer Option \(SSO\)](#) – collectively known as “[summer meal programs](#)” – to be made available in all areas at no cost;
- Allow meals to be served outside of the normally required group settings and meal times; and
- Allow parents and guardians to pick-up meals for their children, including bulk pick-up to cover multiple days of feeding children.

USDA is issuing this guidance as early as possible to empower communities to establish as many meal sites as they can effectively manage this summer. To learn more about how the program works and the role of sponsors and meal sites, visit www.fns.usda.gov/sfsp/how-become-sponsor.

Press Release, Release No. 0041.21, with more information can be found at: [USDA Extends Free Meals to Children through Summer 2021 Due to Pandemic | USDA](#)

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USDA — COVID-19

For the latest news from the USDA on Coronavirus Disease 2019 (COVID-19) please visit the following link for updates: usda.gov/coronavirus.

Federal Milk Marketing Order Statistics - February 2021

Federal Order	Producer Deliveries Million Pounds	Class I Producer Receipts Million Pounds	Class I Utilization Percent	Statistical Uniform Price \$/cwt
1 Northeast	2,101.5	652.2	31.0	15.80
5 Appalachian	425.8	306.8	72.0	17.56
6 Florida	196.1	161.1	82.1	19.54
7 Southeast	355.1	253.4	71.4	17.72
30 Upper Midwest	898.4	200.8	22.3	14.85
32 Central	873.8	377.1	43.2	14.37
33 Mideast	1,282.5	532.4	41.5	14.91
51 California	1,836.8	389.6	21.2	13.99
124 Pacific Northwest	562.7	129.5	23.0	14.43
126 Southwest	941.1	301.6	32.1	14.64
131 Arizona	318.7	94.8	29.8	14.69
All Orders	9,792.4	3,399.3	34.7	15.12

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

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