

# THE COURIER

Monthly Newsletter

## Dairy Outlook

April 2025

### Dairy Forecasts for 2025

The 2025 dairy herd size forecast is 9.405 million head, which is 25,000 head higher than the previous month's projection. An anticipated higher milk yield per cow throughout the year has led to an increase of 10 pounds per cow, which is now forecast at 24,130 pounds per head. Consequently, the revised milk production forecast for 2025 is 226.9 billion pounds, an increase of 0.7 billion pounds from the previous month's estimate and 1.0 billion pounds higher than 2024.

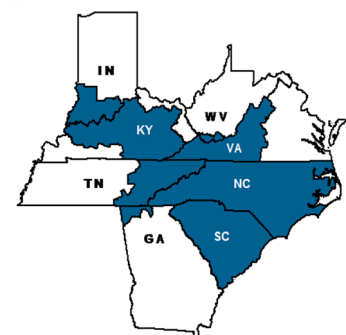
Dairy import forecasts were adjusted lower from last month's forecast mainly due to the imposition of additional duties on imported dairy products. On a milk-fat basis, dairy import projections in 2025 were lowered to 8.5 billion pounds (-0.4 billion), while on a skim-solids basis imports were lowered to 6.7 billion pounds (-0.3 billion). Notably, lower expected import volumes of cheese, butter, and infant formula are anticipated for 2025.

The 2025 dairy export forecast changes are mixed from the previous forecast. The milk-fat basis forecast has been raised by 0.1 billion pounds to 11.8 billion as shipments of butter, whole milk powder, and cream are expected to increase. Conversely, on a skim-solids basis, the export forecast was lowered to 44.6 billion pounds (-2.9 billion) as shipment decreases are anticipated for dry skim milk, dry whey products, and lactose.

Stocks are expected to be higher than the previous month's forecast in 2025. By the end of the year, ending stocks are projected to increase by 0.2 billion pounds on a fat basis, and by 0.3 billion pounds on a skim-solids basis. While domestic use for 2025 is unchanged from last month's forecast at 223.1 billion pounds on a milk-fat basis, the domestic use forecast on a skim-solids basis was raised by 3.0 billion pounds to 187.3 billion pounds.

Based on recent lower price trends, the adjusted forecasts, in dollars per pound for dairy products, are as follows: Cheddar cheese \$1.790 (-2.0 cents), dry whey \$0.510 (-1.50 cents), butter \$2.445 (-7.0 cents), and NDM \$1.220 (-3.5 cents).

With lower cheese and dry whey prices, the new forecast for Class III milk is \$17.60 per hundredweight, \$0.35 lower than the previous forecast. With lower butter and NDM price projections, the Class IV price forecast has been lowered to

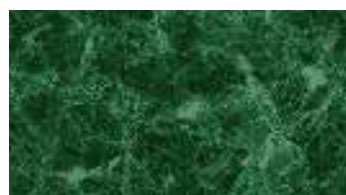


Jason Nierman  
Market Administrator

### Inside this issue:

Appalachian Statistical Summary	2
March Milk Production Up 1.0%	2
U.S. Monthly Milk Production, 2023 - 2025	2
Dairy Outlook, cont'd	3
Recent Dairy Supply and Use Data	3
FMMO Statistics – March 2025	4

Dairy Outlook, cont'd on pg. 3



# Appalachian Statistical Summary

	MARCH 2025	FEBRUARY 2025	MARCH 2024
<b>PRICES: (Base Zone)</b>			
Uniform Price	\$22.60	\$23.55	\$21.60
Class I Price	24.42	24.67	22.20
Class II Price	20.12	21.08	21.12
Class III Price	18.62	20.18	16.34
Class IV Price	18.21	19.90	20.09
Uniform Skim Milk Price	\$13.55	\$13.94	\$10.73
Class I Skim Milk Price	14.85	14.75	11.54
Class II Skim Milk Price	11.31	11.60	10.11
Class III Skim Milk Price	9.78	10.69	5.19
Class IV Skim Milk Price	9.35	10.40	9.07
Uniform Butterfat Price	\$2.7210	\$2.8855	\$3.2120
Class I Butterfat Price	2.8824	2.9808	3.1609
Class II Butterfat Price	2.6312	2.8256	3.2455
Class III Butterfat Price	2.6242	2.8186	3.2385
Class IV Butterfat Price	2.6242	2.8186	3.2385
<b>PRODUCER MILK:</b>			
Class I	299,210,036	286,381,447	307,644,067
Class II	71,851,465	55,649,616	71,865,806
Class III	21,482,070	18,021,267	37,975,241
Class IV	57,945,807	32,841,696	50,537,166
<b>Total Producer Milk</b>	<b>450,489,378</b>	<b>392,894,026</b>	<b>468,022,280</b>
<b>PERCENT PRODUCER MILK IN:</b>			
Class I	66.42	72.89	65.73
Class II	15.95	14.16	15.36
Class III	4.77	4.59	8.11
Class IV	12.86	8.36	10.80

Prices subject to location adjustments per §1005.51 and §1005.75

## F.O. 5 STATS FOR March 2025:

### The Uniform Price

for March 2025 was \$22.60 per cwt., an increase of \$1.00 from March 2024.

### Total Class I Milk

for March 2025 was 299.2 million pounds, a decrease of 8.4 million pounds compared to March 2024.

### Class I Utilization

was 66.42 percent for March 2025, an increase of 0.7 percentage points from March 2024.

### Total Producer Milk

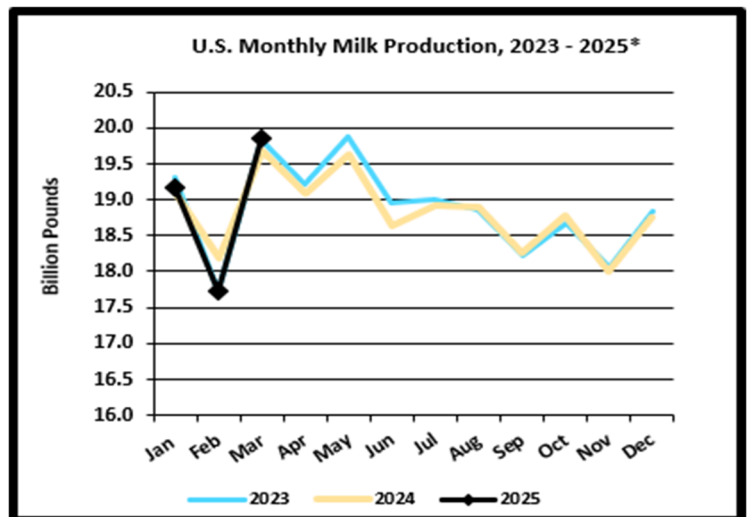
for March 2025 was 450.5 million pounds, a decrease of 17.5 million pounds compared to March 2024.

## March Milk Production Up 1.0%

Milk production in the 24 major States during March totaled 19.0 billion pounds, up 1.0 percent from March 2024. February revised production, at 17.0 billion pounds, was down 2.4 percent from February 2024.

Production per cow in the 24 major States averaged 2,125 pounds for March, 4 pounds above March 2024.

The number of milk cows on farms in the 24 major States was 8.96 million head, 72,000 head more than March 2024, and 9,000 head more than February 2025.



\*Based on entire U.S. production

---

## Dairy Outlook, cont'd from pg. 1

---

### *Dairy Forecasts for 2025 cont'd.*

\$18.20 per hundredweight, \$0.60 lower than the previous projection. The all-milk price for 2025 is now forecast at \$21.10 per hundredweight, down \$0.50 from last month's forecast.

---

## Recent Dairy Supply and Use Data

---

The most recent dairy supply and use data available are from February. Since February had 28 days this year but 29 days in 2024, year-over-year comparisons in this section for most February quantities are adjusted for leap year. According to the most recent Milk Production report published by the USDA, National Agricultural Statistics Service (NASS), the national dairy herd, cow productivity, and milk production grew in February. The average number of cows in February was 9.405 million head, about 62,000 more than in February 2024. This was the fifth consecutive month of steady year-over-year growth in dairy livestock inventory. NASS milk per cow estimate for February 2025 was 1,885 pounds, about 0.32 percent higher than in February 2024 (after accounting for leap year). Driven by both, a higher number of cows and higher productivity, the February milk production was estimated at 17.725 billion pounds, about 1 percent year-over-year higher when accounting for 2024 extra leap year day.

The year-over-year increase in the number of dairy cows was unevenly distributed among the 24 selected dairy producing States reported by NASS. Idaho and Texas led the February expansions efforts by adding 40,000 head and 38,000 head, respectively, relative to February 2024. Following from a distance were South Dakota (+9,000 head), and Kansas (+7,000 head). Other States contributing were Colorado, Michigan, Iowa, Utah, Indiana, and California. Additional milk processing capacity has been added and/or is expected to come online in some of these States.

When analyzing February year-over-year changes in milk per cow across the 24 selected production States, milk per cow per day increased across most of the States. California registered the largest decline percentage wise. This decline was likely due to lingering highly pathogenic avian influenza (HPAI) related impacts. California is the State with the highest number of dairy herds impacted by HPAI from September through December 2024. Since then, the number of reported outbreaks has declined significantly both in California and elsewhere.

In each of the first 2-month periods of 2025, milk production on a per day basis was year-over-year higher. Additionally, the milk-fat and nonfat skim solids test percentages per milk volume continued to increase. Consequently, the production of milk fat and nonfat skim solids grew at a faster pace than the milk production.

**APPALACHIAN MARKETING AREA  
FEDERAL ORDER 5**

Market Administrator  
PO Box 91528  
Louisville KY 40291-0528

**ADDRESS SERVICE REQUESTED**

Phone: 502.499.0040  
Fax: 502.499.8749  
Email: nierman@malouisville.com



## Federal Milk Marketing Order Statistics - March 2025

Federal Order		Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price
		Million Pounds	Million Pounds	Percent	\$/cwt
<b>1</b>	<b>Northeast</b>	<b>2,398.1</b>	<b>656.3</b>	<b>27.4</b>	<b>20.56</b>
<b>5</b>	<b>Appalachian</b>	<b>450.5</b>	<b>299.2</b>	<b>66.4</b>	<b>22.60</b>
<b>6</b>	<b>Florida</b>	<b>221.5</b>	<b>171.4</b>	<b>77.4</b>	<b>24.66</b>
<b>7</b>	<b>Southeast</b>	<b>303.5</b>	<b>208.6</b>	<b>68.7</b>	<b>23.18</b>
<b>30</b>	<b>Upper Midwest</b>	<b>2,627.4</b>	<b>152.6</b>	<b>5.8</b>	<b>18.82</b>
<b>32</b>	<b>Central</b>	<b>1,400.5</b>	<b>344.0</b>	<b>24.6</b>	<b>19.07</b>
<b>33</b>	<b>Mideast</b>	<b>1,775.2</b>	<b>588.1</b>	<b>33.1</b>	<b>19.72</b>
<b>51</b>	<b>California</b>	<b>3,081.4</b>	<b>393.1</b>	<b>12.8</b>	<b>19.08</b>
<b>124</b>	<b>Pacific Northwest</b>	<b>692.5</b>	<b>116.9</b>	<b>16.9</b>	<b>18.96</b>
<b>126</b>	<b>Southwest</b>	<b>1,429.6</b>	<b>320.9</b>	<b>22.4</b>	<b>19.82</b>
<b>131</b>	<b>Arizona</b>	<b>427.1</b>	<b>106.6</b>	<b>25.0</b>	<b>19.96</b>
	<b>All Orders</b>	<b>14,807.3</b>	<b>3,357.7</b>	<b>22.7</b>	<b>19.72</b>

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

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.