

The Market Administrator's Monthly Newsletter

Appalachian, Florida, and Southeast Marketing Areas
January 2026

Richard J. Holt, Jr. Acting Market Administrator
Federal Order No. 5, 6 & 7

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December Statistical Uniform Price

The December 2025 statistical uniform price for the Appalachian Marketing Area was announced at \$21.80 per hundredweight at the base zone of Mecklenburg County, North Carolina, the pricing point for FO 5.

The December 2025 statistical uniform price for the Florida Marketing Area was announced at \$23.16 per hundredweight at the base zone of Hillsborough County, Florida, the pricing point for FO 6.

The December 2025 statistical uniform price for the Southeast Marketing Area was announced at \$21.89 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 December, the Appalachian Marketing Area reported 333.4 million pounds of Class I producer milk, representing 76.14% of total producer receipts. In-area Class I route disposition totaled 274.7 million pounds in FO 5. The Florida Marketing Area had 180.6 million pounds of Class I producer milk, accounting for 83.04% of receipts. Total in-area Class I route disposition was 225.3 million pounds. The Southeast Marketing Area reported 223.4 million pounds of Class I producer milk, or 75.94% of receipts. FO 7 in-area Class I route disposition totaled 314.4 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 December primarily decreased slightly on a per-pound basis: butter price fell \$0.11, nonfat dry milk price decreased by \$0.0068, the cheese price decreased by \$0.215, while dry whey gained \$0.05, all on a per pound basis. The Class I price for December increased by \$1.46. The Class I prices for the Appalachian, Florida and Southeast Orders were: \$23.81/cwt, \$25.01/cwt, and \$24.01/cwt, respectively.

Pool Summary

Total Producers pooled:

- FO 5: 970
- FO 6: 75
- FO 7: 641

Pooled milk pounds total:

- FO 5: 437.9 million
- FO 6: 217.5 million
- FO 7: 294.3 million

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UPCOMING PRICE RELEASE DATES:

January 2026 Prices

Class Prices: 02/04/26

March 2026 Prices

Advanced Prices: 2/19/26

Appalachian Statistical Summary

December 2025

	DECEMBER 2025	NOVEMBER 2025	DECEMBER 2024
PRICES: (Base Zone)			
Uniform Price	\$21.80	\$20.45	\$23.43
Class I Price	23.81	22.35	24.83
Class II Price	14.41	14.54	21.28
Class III Price	15.86	17.18	18.62
Class IV Price	13.64	13.89	20.74
Uniform Skim Milk Price	\$16.59	\$14.68	\$13.40
Class I Skim Milk Price	18.34	16.22	14.38
Class II Skim Milk Price	9.19	8.85	11.47
Class III Skim Milk Price	10.72	11.62	8.74
Class IV Skim Milk Price	8.42	8.21	10.94
Uniform Butterfat Price	\$1.6540	\$1.7951	\$3.0003
Class I Butterfat Price	1.7474	1.9143	3.1281
Class II Butterfat Price	1.5831	1.7131	2.9174
Class III Butterfat Price	1.5761	1.7061	2.9104
Class IV Butterfat Price	1.5761	1.7061	2.9104
Class I ESL Adjustment	-\$0.91	\$0.01	N/A
PRODUCER MILK:			
Class I	333,403,822	304,025,234	318,864,711
Class II	58,262,485	68,374,740	72,522,742
Class III	23,462,647	17,308,748	41,771,898
Class IV	22,745,375	27,708,428	29,679,013
Total Producer Milk	437,874,329	417,417,150	462,838,364
PERCENT PRODUCER MILK IN:			
Class I	76.14	72.83	68.89
Class II	13.31	16.38	15.67
Class III	5.36	4.15	9.03
Class IV	5.19	6.64	6.41

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

December 2025

	DECEMBER 2025	NOVEMBER 2025	DECEMBER 2024
PRICES: (Base Zone)			
Uniform Price	\$23.16	\$21.50	\$25.44
Class I Price	25.01	23.55	26.83
Class II Price	14.41	14.54	21.28
Class III Price	15.86	17.18	18.62
Class IV Price	13.64	13.89	20.74
Uniform Skim Milk Price	\$17.92	\$15.70	\$15.37
Class I Skim Milk Price	19.54	17.42	16.38
Class II Skim Milk Price	9.19	8.85	11.47
Class III Skim Milk Price	10.72	11.62	8.74
Class IV Skim Milk Price	8.42	8.21	10.94
Uniform Butterfat Price	\$1.6749	\$1.8155	\$3.0304
Class I Butterfat Price	1.7594	1.9263	3.1481
Class II Butterfat Price	1.5831	1.7131	2.9174
Class III Butterfat Price	1.5761	1.7061	2.9104
Class IV Butterfat Price	1.5761	1.7061	2.9104
Class I ESL Adjustment	-\$0.91	\$0.01	N/A
PRODUCER MILK:			
Class I	180,640,552	167,332,102	173,335,069
Class II	32,728,485	35,271,159	34,475,753
Class III	1,763,685	1,545,575	5,535,170
Class IV	2,395,241	8,275,072	3,330,429
Total Producer Milk	217,527,963	212,423,908	216,676,421
PERCENT PRODUCER MILK IN:			
Class I	83.04	78.77	80.00
Class II	15.05	16.60	15.91
Class III	0.81	0.73	2.55
Class IV	1.10	3.90	1.54

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

December 2025

	DECEMBER 2025	NOVEMBER 2025	DECEMBER 2024
PRICES: (Base Zone)			
Uniform Price	\$21.89	\$20.82	\$24.18
Class I Price	24.01	22.55	25.23
Class II Price	14.41	14.54	21.28
Class III Price	15.86	17.18	18.62
Class IV Price	13.64	13.89	20.74
Uniform Skim Milk Price	\$16.69	\$15.06	\$14.13
Class I Skim Milk Price	18.54	16.42	14.78
Class II Skim Milk Price	9.19	8.85	11.47
Class III Skim Milk Price	10.72	11.62	8.74
Class IV Skim Milk Price	8.42	8.21	10.94
Uniform Butterfat Price	\$1.6532	\$1.7975	\$3.0125
Class I Butterfat Price	1.7494	1.9163	3.1321
Class II Butterfat Price	1.5831	1.7131	2.9174
Class III Butterfat Price	1.5761	1.7061	2.9104
Class IV Butterfat Price	1.5761	1.7061	2.9104
Class I ESL Adjustment	-\$0.91	\$0.01	N/A
PRODUCER MILK:			
Class I	223,440,037	208,344,331	231,212,404
Class II	38,292,996	37,601,056	39,323,214
Class III	4,118,582	1,583,567	15,749,011
Class IV	28,402,810	26,625,644	11,686,475
Total Producer Milk	294,254,425	274,154,598	297,971,104
PERCENT PRODUCER MILK IN:			
Class I	75.94	75.99	77.59
Class II	13.01	13.72	13.20
Class III	1.40	0.58	5.29
Class IV	9.65	9.71	3.92

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.

Passing of Jason Todd Nierman



December 19, 1973—January 4, 2026

On Sunday, January 4, Jason Nierman, Market Administrator for the Appalachian, Florida and Southeast Marketing Orders, passed away tragically in a house fire. Jason served as Market Administrator for the Appalachian, Florida and Southeast Marketing Orders for more than four years. Jason began his career as an economist with the Dairy Program in 1998 after earning his Bachelor's and Master's degrees from Purdue University. He started his career with the United States Department of Agriculture in Washington D.C., and then continued his career in Louisville, KY. He was a dedicated and respected leader for 28 years.

Jason was an intelligent and hardworking man. He lived his faith through quiet service, always willing to lend a hand and thinking of others before himself. Jason was a family man in every sense of the word and took great pride in the life he created. His family was his greatest priority, and he would do anything for them – being a constant, present father who delighted in spoiling his children in every possible way. His love language was gift-giving, a reflection of his generous heart and desire to bring joy to those he loved. He enjoyed tending to his garden, took pride in helping when needed on the family farm, and was a loyal friend. Often bordering on obsession, Jason was a lifelong Purdue fan. He also loved a good song, finding meaning in music that often mirrored the kindness he brought into the world.

Jason leaves behind a family who loved him deeply and were not ready to say goodbye: the love of his life, Lindsey (Westerfeld), daughters Lillian and Ella, and son Landon. His father, Roger Nierman, brother Brian (Amy) Nierman, and sister Jill (Don) Calhoun. Nieces and nephews who loved their Uncle Jason include Shelby (Austin) Stamm, Ryland (Sidney), Brayton, and Camdyn Nierman, Chase Calhoun, Zachary and Caroline Oswald, Isaac, Claire, and Elaine Prickel, Jericho and Anneliese Jones, Hazel and Nash Medley. Jason was united in heaven with his mother JoElla, grandparents William and Lillian Rochner and Henry and Laura Nierman, and mother-in-law Jane Hinsky.

Designated Acting Market Administrator

Richard J. Holt, Jr. (Rick) has been designated as the Acting Market Administrator for the Appalachian, Florida and Southeast Marketing Orders effective immediately and until further notice. Rick has served the dairy industry through the Federal milk marketing order program for over 38 years, most recently as an Assistant Marketing Administrator for the three orders. During his career, Rick primarily focused on audit programs but also worked in other operational areas including marketing services, accounting, and market information. John Herbert and Jeff Gooch will continue in their important roles as Assistant Market Administrators.

Dairy Outlook

Dairy Forecasts for 2026

For 2026 the forecast for the number of dairy cows is unchanged from the last forecast at 9.555 million head, while the forecast for milk per cow increased by 15 pounds to 24,520 pounds of milk per cow. Therefore, the 2026 milk production forecast is now 234.3 billion pounds, 0.2 billion pounds higher than the last projection. USDA, NASS will issue its Cattle report on January 30 which includes 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 2026.

Dairy import forecasts for 2026 are adjusted as follows: imports on a milk-fat basis are now projected at 8.3 billion pounds (+0.1 billion), while imports on a skim-solids basis have been lowered to 7.0 billion pounds (-0.1 billion). Higher import volumes are expected for specialty butter and international types of cheeses, whereas imports of casein and milk protein concentrate are expected to decline.

Following strong 2025 exports of cheese and butter, driven mainly by competitive prices, the 2026 export forecast on a milk-fat basis has been raised by 2.0 billion pounds to 17.0 billion pounds, representing an expected new record high. Conversely, the 2026 dairy export forecast on a skim solids basis has been revised downward to 48.1 billion pounds (-0.1 billion), as lower expected exports of dry whey products and stagnant NDM/SMP exports due to relatively weaker international demand are expected to more than offset higher expected cheese exports.

Domestic use on a milk-fat basis for 2026 is forecast at 224.5 billion pounds, 1.7 billion pounds lower than the previous projection due to weaker expected demand for Cheddar cheese and local butter in the retail and food service sectors. On a skim-solids basis, domestic disappearance has increased by 0.3 billion pounds to 192.7 billion pounds from last month's projection, as domestic demand for dairy proteins is expected to remain strong.

Based on the 2025 forecast and recent movements in dairy product prices, the 2026 average price forecasts for major dairy products have been adjusted accordingly from the previous forecast. Wholesale price forecasts for Cheddar cheese, butter, NDM, and dry whey have been adjusted to \$1.585 (-9.0 cents), \$1.610 (-6.5 cents), \$1.205 (+3.5 cents), and \$0.670 (+3.5 cents) per pound, respectively.

Revisions from last month's forecast for 2026 milk class prices are as follows: Class III milk price is now \$16.35 (-\$0.70) per cwt, and the Class IV forecast at \$14.45 (+\$0.05) per cwt. The all-milk price for 2026 is now forecast at \$18.25, down 50 cents from last month's forecast.

Milk Production

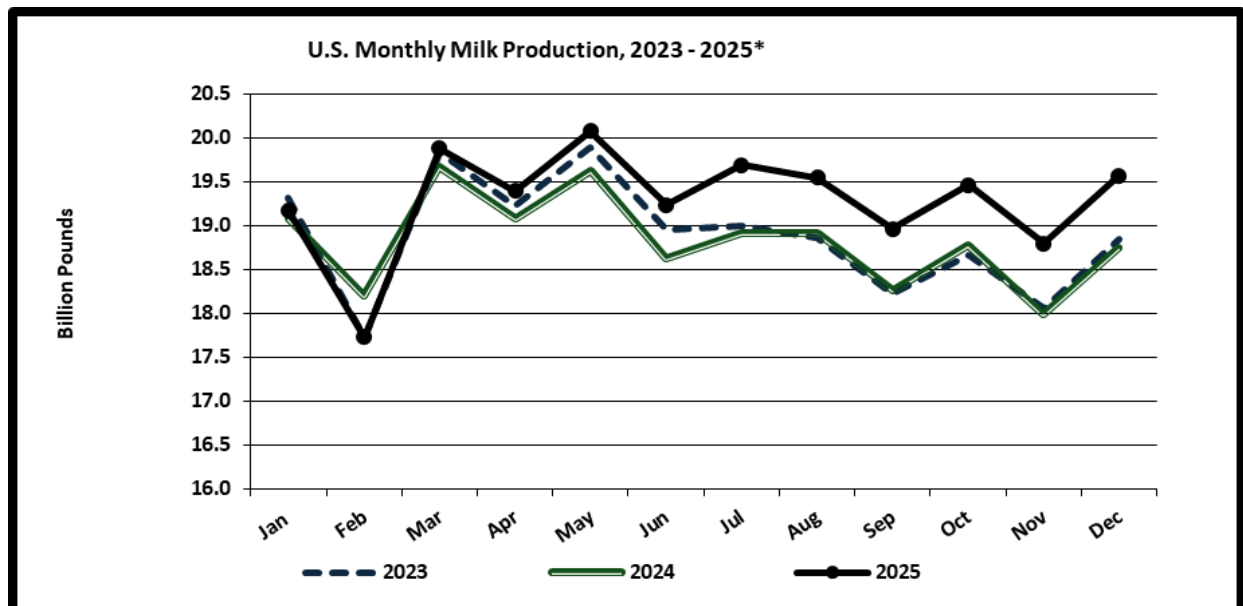
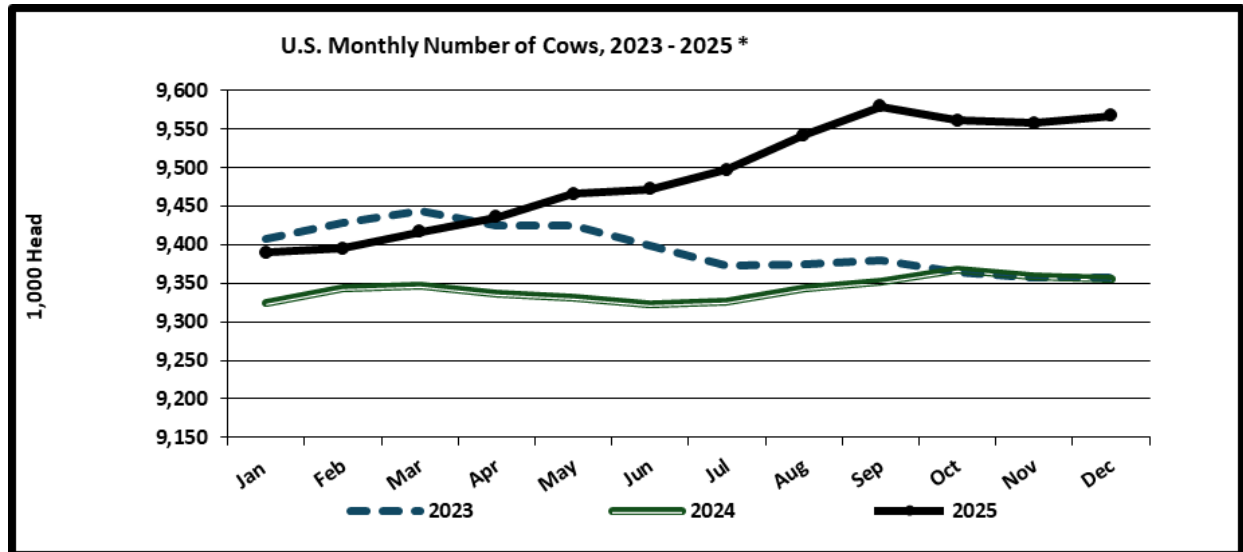
Milk production in the 24 major States during December totaled 18.8 billion pounds, up 4.6 percent from December 2024. November revised production, at 18.1 billion pounds, was up 4.7 percent from November 2024. The November revision represented an increase of 3 million pounds or less than 0.1 percent from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,060 pounds for December, 42 pounds above December 2024.

The number of milk cows on farms in the 24 major States was 9.14 million head, 222,000 head more than December 2024, and 9,000 head more than November 2025.

Milk production in the United States during the October - December quarter totaled 57.8 billion pounds, up 4.2 percent from the October - December quarter last year.

The average number of milk cows in the United States during the quarter was 9.56 million head, 23,000 head more than the July - September quarter, and 202,000 head more than the same period last year



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Federal Order Statistics for December 2025

Federal Order		Producer Deliveries	Class I Producer Receipts	Class I Utilization	Statistical Uniform Price
		Million Pounds	Million Pounds	Percent	\$/cwt
1	Northeast	2,292.8	691.0	30.1	17.67
5	Appalachian	437.9	333.4	76.1	21.80
6	Florida	217.5	180.6	83.0	23.16
7	Southeast	294.3	223.4	75.9	21.89
30	Upper Midwest	1,201.0	176.9	14.7	16.21
32	Central	986.0	380.2	38.6	16.83
33	Mideast	1,696.8	597.2	35.2	17.01
51	California	1,908.7	414.8	21.7	15.33
124	Pacific Northwest	517.0	130.1	25.2	15.91
126	Southwest	862.5	347.7	40.3	16.93
131	Arizona	362.6	111.0	30.6	16.22
All Orders		10,777.1	3,586.3	33.3	17.11

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

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