



UPPER MIDWEST DAIRY NEWS

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Inside This Issue:

2021 Annual Utilization and Classification 2-3

Computation of Producer Price Differential 4

Utilization and Classification .. 5

Commodity Prices and Market Statistics 6

Class Prices and Producer Prices 7

CME Dairy Prices Mostly Up in January

The prices for all dairy commodities on the Chicago Mercantile Exchange (CME) on January 21 were above the previous month and previous year except block cheese.

The CME barrel price for cheddar cheese of \$1.81¼ per pound on January 21 was up 18¾¢ from December 21 and 42¼¢ above January 2021. Meanwhile, the 40-pound block cheese price on January 21 was \$1.80¾ per pound, down 5¼¢ from last month and 15½¢ above a year ago.

The CME butter price on January 21 was \$2.93½ per pound, up 79¼¢ from last month and 1.53¼¢ above last year.

The price for CME nonfat dry milk on January 21 was \$1.81½ per pound, up 15¼¢ from last month and 63¼¢ above last year.

The CME whey price on January 21 was \$0.80 per pound, up 7½¢ from last month and 26¢ above last year.

The Federal order Class III price for December is \$18.36, up \$0.33 from November, and \$2.64 above a year ago.

The CME Class III futures market on January 21 has the price going to nearly \$20.30 for January and above \$20.50 in February 2022, and to nearly \$21.00 by mid-year.

Table 1 — Calculation of the Minimum Payment for an "Average" F.O. 30 Producer *

| | Pounds | | September 2021 | | October 2021 | | November 2021 | | December 2021 | |
|---|---------|-----------|-------------------------------------|--------|-------------------------------------|----------|-------------------------------------|--------|-------------------------------------|----------|
| | | | Price | Value | Price | Value | Price | Value | Price | Value |
| PPD (Adjusted for location) | 400,000 | Per Cwt. | \$0.18 | \$ 720 | \$(0.16) | \$ (640) | \$ 0.18 | \$ 720 | \$ 0.25 | \$ 1,000 |
| Butterfat (3.85%) | 15,400 | Per Pound | 1.9388 | 29,858 | 1.9414 | 29,898 | 2.1541 | 33,173 | 2.2919 | 35,295 |
| Protein (3.10%) | 12,400 | Per Pound | 2.6010 | 32,252 | 3.0130 | 37,361 | 2.7536 | 34,145 | 2.5937 | 32,162 |
| Other Solids (5.75%) | 23,000 | Per Pound | 0.3445 | 7,924 | 0.3560 | 8,188 | 0.3949 | 9,083 | 0.4532 | 10,424 |
| Somatic Cells * | 400,000 | Per Cwt. | 0.15 | 600 | 0.16 | 640 | 0.16 | 640 | 0.16 | 640 |
| Federal Order 30 Minimum Payment | | | \$71,354 \$17.84 per cwt. | | \$75,447 \$18.86 per cwt. | | \$77,761 \$19.44 per cwt. | | \$79,521 \$19.88 per cwt. | |

*The somatic cell (SC) payment rate is calculated by subtracting the cell count (in thousands) from 350, and multiplying the result by the SC adjustment rate, rounding to nearest full cent. For September 2021 in this example, that is: [(350-170) x \$0.00082] or 180 x \$0.00082 = \$0.15. For October, November and December the SC adjustment rate is \$0.00088, resulting in a \$0.16 rate.

Pool Summary

- In December, producer milk was 2.3 billion pounds, up 14% on a daily basis from last month and 32% above last year. The changes primarily resulted from differences in the estimated volume of milk not pooled.
- Class I utilization was 223 million pounds, up 7.7% from November on a daily basis and 2.8% above last year. In December, Class I use was 9.8% of total producer milk.
- The December 2021 Producer Price Differential (PPD) was \$0.25 per cwt.
- The F.O. 30 Statistical Uniform Price in December was \$18.61 per cwt., up \$0.40 from November and \$2.72 above last year.
- Market statistics for December are shown on Pages 4 and 5.

December 2021 Producer Milk by Class

| | Percent | Product | | Price \$/cwt. |
|--------------|---------|----------------------|--------|------------------|
| | | Percent | Pounds | |
| Class I | 9.8 | 223,218,222 | 20.97 | |
| Class II | 1.5 | 33,763,386 | 19.84 | |
| Class III | 87.8 | 1,986,283,629 | 18.36 | |
| Class IV | 0.9 | 19,698,577 | 19.88 | |
| Total | | 2,262,963,814 | | |

2021 Annual Utilization and Classification

Annual utilization and classification for 2020 and 2021 for the Upper Midwest Order are summarized and compared in the table on Page 3. The annual numbers represent the sum of monthly data.

Large changes in volumes of milk pooled, shown below, were primarily driven by significant dairy commodity price volatility, brought on by issues related to the COVID-19 pandemic.

Producer Milk - Total producer milk in 2021 of 17.9 billion pounds was down 2.3 billion pounds, or 12%, from 2020. Annual producer milk was the lowest since 2003, and the third lowest volume in the 22-year history of the Upper Midwest Order.

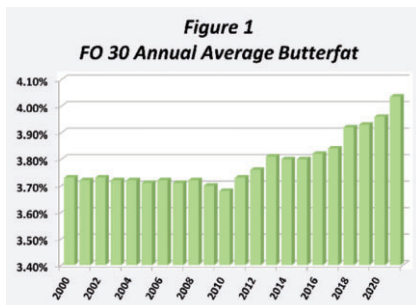
The dropoff in producer milk resulted from a higher volume of milk not pooled in 2021, estimated at 27.8 billion pounds. More milk historically associated with the market was NOT pooled in 2021 than the volume of milk that was pooled.

Average component levels of producer milk for the year were:

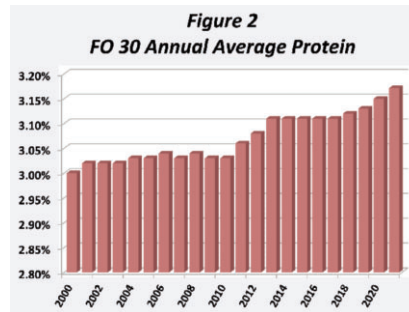
- Butterfat - 4.04%
- Protein - 3.17%
- Other Solids - 5.79%
- Nonfat Solids - 8.96%

The butterfat and protein are both at their highest levels since inception of the Upper Midwest Order in 2000.

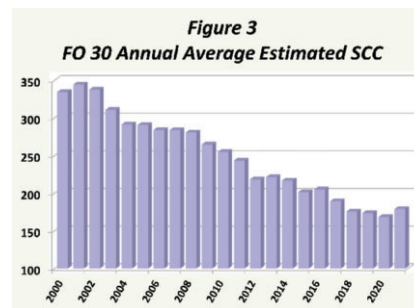
The butterfat level, depicted in Figure 1 below, has been increasing since 2010 when it averaged just 3.68% for the year.



The annual protein level has increased each of the last three years. It was 3.00% in 2000 and 3.03% by 2010, as seen in Figure 2.



The estimated somatic cell count (SCC) for producer milk continued its largely steady decline (see Figure 3 below) and increased to an average of 176,000 for the year. This compares with 169,000 in 2020, and the market high of 344,000 in 2001.



Class I Utilization - Class I producer milk in 2021 was 2.5 billion pounds, down 158 million pounds, or 6%, from the previous year. This decline is consistent with a national trend that has been ongoing for roughly the last 15 years in this market. Class I use includes milk sold to consumers in fluid form.

Total Class I packaged disposition fell 6.7% during 2021, with whole milk, reduced fat, lowfat and fat free milk, and buttermilk decreasing. Disposition of flavored whole and flavored lowfat milk increased during the year.

Reduced fat milk (2%) still accounts for the largest share of packaged milk sales, at 36.7%. Whole milk is the second largest at 21.3%, followed by lowfat milk (1%) at 18.2%, and fat free (skim) milk at 11.0%. The other

categories combined made up the remaining 12.8% of packaged sales.

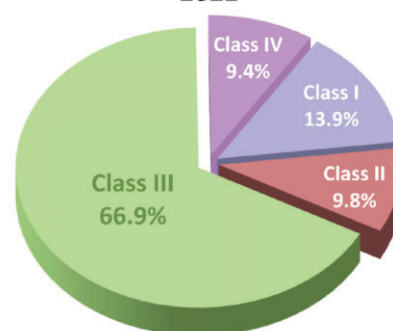
Class I use in 2021 accounted for 13.9% of total producer milk (as seen in the pie chart below), up from 13.0% in 2020, due to the smaller quantity of pooled producer milk.

Class II Utilization - Class II producer milk in 2021 totaled 1.7 billion pounds, down 66 million pounds, or 3.6% below 2020. Class II use primarily includes fluid cream products, ice cream, cottage cheese, and yogurt. Class II producer milk accounted for 9.8% of total producer milk during the year.

Class III Utilization - Class III producer milk in 2021 was 12 billion pounds, down 2 billion pounds, or 14% below 2020. This is a direct result of the large volume of milk not pooled previously mentioned. Class III utilization primarily includes milk used for the manufacture of hard cheeses, and accounted for 66.9% of producer milk.

Class IV Utilization - Class IV producer milk in 2021 totaled 1.7 billion pounds, down 187 million pounds, or 10% below 2020. Class IV utilization primarily includes butter and all dried milk products. Class IV producer milk accounted for 9.4% of total producer milk for the year.

FO 30 Utilization by Class 2021



Upper Midwest Marketing Area Utilization and Classification for 2020 and 2021

| | 2020 Annual | | 2021 Annual | | Change in Product Pounds | |
|--|-----------------------|--------------------|-----------------------|--------------------|--------------------------|---------------|
| | Product Pounds | Butterfat Pounds | Product Pounds | Butterfat Pounds | 1,000 Pounds* | Percent |
| Class I Utilization: | | | | | | |
| Milk | 533,285,556 | 17,586,633 | 528,690,866 | 17,491,897 | (4,595) | (0.9) |
| Flavored Milk | 36,344,081 | 1,211,808 | 38,421,071 | 1,282,488 | 2,077 | 5.7 |
| Reduced Fat Milk | 995,903,384 | 19,338,826 | 911,985,556 | 17,723,928 | (83,918) | (8.4) |
| Lowfat Milk | 508,956,315 | 4,968,317 | 451,060,644 | 4,336,473 | (57,896) | (11.4) |
| Fat Free Milk | 313,127,382 | 335,161 | 274,129,921 | 278,016 | (38,997) | (12.5) |
| Flavored Reduced & Fat Free Milk | 252,445,568 | 3,056,34 | 257,020,772 | 2,756,491 | 4,575 | 1.8 |
| Buttermilk | 21,792,870 | 226,809 | 21,063,406 | 224,413 | (729) | (3.3) |
| Total Packaged Disposition | 2,661,855,156 | 46,723,900 | 2,482,372,236 | 44,093,706 | (179,483) | (6.7) |
| Total Ending Inventory | 234,650,076 | 4,007,582 | 227,400,954 | 3,818,518 | (7,249) | |
| Bulk to Nonpool Plants | 21,040,785 | 621,136 | 18,723,981 | 528,010 | (2,317) | |
| Shrinkage | 17,982,067 | 1,895,626 | 20,845,869 | 2,403,335 | 2,864 | |
| Total Class I Utilization | 2,935,528,084 | 53,248,244 | 2,749,343,040 | 50,843,569 | (186,185) | (6.3) |
| Other Order Plants | (39,818,066) | (907,324) | (30,732,989) | (780,738) | 9,085 | |
| Beginning Inventory | (241,828,003) | (4,022,691) | (227,401,369) | (3,838,246) | 14,427 | |
| Reused Products | (76,033) | 0 | 0 | 0 | 76 | |
| Other Source Milk | (7,143,964) | (132,907) | (3,784,004) | (56,062) | 3,360 | |
| Overage | (157,629) | (5,842) | 0 | 0 | 158 | |
| Interhandler Adjustment | (514,968) | (70,428) | 122,045 | 20,176 | 637 | |
| Class I Producer Milk | 2,645,989,421 | 48,109,052 | 2,487,546,723 | 46,188,699 | (158,443) | (6.0) |
| Class II Utilization: | | | | | | |
| Total Class II Utilization | 1,914,861,027 | 108,505,971 | 1,814,173,193 | 105,174,582 | (100,688) | (5.3) |
| Other Order Plants | (8,382,347) | (113,505) | 0 | 0 | 8,382 | |
| Beginning Inventory | (25,332,381) | (1,078,432) | (18,266,944) | (1,401,673) | 7,065 | |
| Reused Products | (61,872,547) | (35,582) | (44,458,595) | (218,916) | 17,414 | |
| Other Source Milk | (2,793,430) | (2,224,053) | (1,531,460) | (1,396,360) | 1,262 | |
| Overage | (349,904) | (26,942) | 0 | - | 350 | |
| Class II Producer Milk | 1,816,130,418 | 105,027,457 | 1,749,916,194 | 102,157,633 | (66,214) | (3.6) |
| Class III Utilization: | | | | | | |
| Total Class III Utilization | 13,980,800,410 | 524,473,787 | 12,043,506,251 | 459,139,835 | (1,937,294) | (13.9) |
| Other Order Plants | (3,370,287) | (110,524) | 0 | 0 | 3,370 | |
| Beginning Inventory | (13,511,994) | (392,035) | (18,969,290) | (591,810) | (5,457) | |
| Reused Products | (2,638,341) | (2,002) | 0 | 0 | 2,638 | |
| Other Source Milk | (5,306,996) | (170,361) | (6,486,978) | (143,922) | (1,180) | |
| Overage | (626,065) | (60,875) | (967,754) | (83,314) | (342) | |
| Class III Producer Milk | 13,955,346,727 | 523,737,990 | 12,017,082,229 | 458,320,789 | (1,938,264) | (13.9) |
| Class IV Utilization: | | | | | | |
| Total Class IV Utilization | 2,574,164,398 | 160,434,640 | 2,534,201,238 | 154,570,655 | (39,963) | (1.6) |
| Other Order Plants | (39,755,177) | (1,773,006) | (31,180,218) | (1,278,882) | 8,575 | |
| Beginning Inventory | (150,762,055) | (8,977,299) | (156,671,391) | (7,808,420) | (5,909) | |
| Reused Products | 20,225,036 | 17,073 | 0 | 0 | (20,225) | |
| Other Source Milk | (530,076,380) | (22,080,663) | (657,674,700) | (28,220,484) | (127,598) | |
| Overage | (1,153,278) | (123,372) | (2,885,601) | (110,883) | (1,732) | |
| Class IV Producer Milk | 1,872,642,544 | 127,497,373 | 1,685,789,328 | 117,151,986 | (186,853) | (10.0) |
| Total Producer Milk - All Classes | 20,290,109,110 | 804,371,872 | 17,940,334,474 | 723,819,107 | (2,349,775) | (11.6) |

* May not add due to rounding.

Computation of Producer Price Differential - December 2021

| | Utilization Percentage | Product Pounds | Component Pounds | Rate | Value |
|---|---------------------------|----------------------|---------------------|----------------|--------------------------|
| Class I Differential Value | | | | | \$ 3,862,662.15 |
| Product | 9.8% | 223,218,222 | | | |
| Skim Milk | | | 218,875,419 | \$12.200 | 26,702,801.12 |
| Butterfat | | | 4,342,803 | 2.1139 | 9,180,251.26 |
| Class II Product | 1.5% | 33,763,386 | | | |
| Nonfat Solids | | | 2,678,463 | 1.3578 | 3,636,817.06 |
| Butterfat | | | 5,284,972 | 2.2989 | 12,149,622.13 |
| Class III Product | 87.8% | 1,986,283,629 | | | |
| Protein | | | 65,573,715 | 2.5937 | 170,078,544.59 |
| Other Solids | | | 115,367,745 | 0.4532 | 52,284,662.04 |
| Butterfat | | | 80,105,437 | 2.2919 | 183,593,651.04 |
| Class IV Product | 0.9% | 19,698,577 | | | |
| Nonfat Solids | | | 1,281,389 | 1.3655 | 1,749,736.69 |
| Butterfat | | | 6,120,036 | 2.2919 | 14,026,510.52 |
| SCC Adjustment (Class II, III, and IV) | | | | | 3,415,675.52 |
| Total Producer Milk * | | 2,262,963,814 | | | \$ 480,680,934.12 |
| Add: | | | | | |
| Overage | | | | | 46,909.86 |
| Inventory Reclassified | | | | | 2,032.96 |
| Other Source Milk \$.60(h) | | | | | 0.00 |
| Other Source Milk \$.60(i) | | | | | 0.00 |
| Subtract: | | | | | |
| Transportation Credit | | | | | 14,206.98 |
| Assembly Credit | | | | | 177,179.40 |
| Credit for Reconstituted FMP | | | | | 0.00 |
| Producer Milk Protein | | | | | 193,200,729.06 |
| Producer Milk Other Solids | | | | | 59,404,850.10 |
| Producer Milk Butterfat | | | | | 219,686,059.13 |
| Producer Milk SCC Adjustment | | | | | 3,779,800.47 |
| Total Milk and Value | | 2,262,963,814 | | | \$ 4,467,051.80 |
| Add: | | | | | |
| Location Adjustment -- Producer and Unregulated Supply Plant Milk | | | | | 1,553,878.20 |
| One-Half Unobligated Balance Producer Settlement Fund | | | | | 734,203.79 |
| Total Value | | | | 0.298508 | \$ 6,755,133.79 |
| Subtract: Producer Settlement Fund Reserve | | | | 0.048508 | 1,097,724.25 |
| Producer Price Differential ** | | | | \$ 0.25 | \$ 5,657,409.54 |

* An estimated 1.6 billion pounds of milk was not pooled.

** Producer Price Differential is dollars per cwt. at the Base Zone of Cook County, Illinois.

Upper Midwest Pool Statistics - December 2021

| Market Class I Differential Rate | Pool Plants | Received at Pool Plants | Diverted to Pool and Nonpool Plants | Total | Location Adjustment to Producers | Class I Differential to Handlers | |
|--|----------------|----------------------------|---|----------------------|--|-------------------------------------|--------------------|
| <i>Cwt.</i> | <i>Number</i> | <i>Pounds</i> | <i>Pounds</i> | <i>Pounds</i> | <i>Value</i> | <i>Pounds</i> | <i>Value</i> |
| \$1.80 | 3 | 44,526,357 | 2,445,111 | 46,971,468 | \$ 0 | 38,937,689 | \$ 700,878 |
| \$1.75 | 25 | 114,833,929 | 1,222,264,257 | 1,337,098,186 | 668,549 | 69,329,945 | 1,213,274 |
| \$1.70 *** | 25 | 127,911,419 | 750,982,741 | 878,894,160 | 885,329 | 114,950,588 | 1,948,510 |
| Total | 53 | 287,271,705 | 1,975,692,109 | 2,262,963,814 | \$1,553,878 | 223,218,222 | \$3,862,662 |

*** Includes restricted data from the \$1.65 zone.

Utilization and Classification of Milk

| | December 2021 | | November 2021 | December 2020 |
|---|----------------------|-------------------|----------------------|----------------------|
| | Product Pounds | Butterfat Pounds | Product Pounds | Product Pounds |
| Class I Utilization: | | | | |
| Packaged Disposition | | | | |
| Milk | 48,971,466 | 1,628,732 | 45,268,979 | 46,127,357 |
| Flavored Milk | 3,390,406 | 114,614 | 3,079,632 | 3,118,785 |
| Reduced Fat Milk | 83,749,664 | 1,636,195 | 79,007,463 | 86,633,421 |
| Lowfat Milk | 39,204,247 | 380,648 | 38,475,073 | 42,552,491 |
| Fat Free Milk | 23,409,507 | 29,450 | 22,724,515 | 26,637,524 |
| Flavored Reduced and Fat Free Milk | 25,752,539 | 435,769 | 27,172,267 | 22,414,435 |
| Buttermilk | 1,768,607 | 19,178 | 1,947,478 | 1,586,309 |
| Total Packaged Disposition | 226,246,436 | 4,244,586 | 217,675,407 | 229,070,322 |
| Total Ending Inventory | 17,513,744 | 283,856 | 20,692,351 | 21,275,632 |
| Bulk to Nonpool Plants | 1,604,452 | 44,700 | 1,773,780 | 1,862,497 |
| Shrinkage | 2,545,360 | 279,547 | 963,657 | 1,155,542 |
| Total Class I Utilization | 247,909,992 | 4,852,689 | 241,105,195 | 253,363,993 |
| Other Order Plants | (3,968,316) | (135,313) | (3,674,884) | (4,132,422) |
| Beginning Inventory | (20,692,716) | (374,972) | (18,417,517) | (20,548,687) |
| Reused Products | 0 | 0 | 0 | -- |
| Other Source Milk | (131,389) | (1,891) | (183,976) | (497,024) |
| Overage | 0 | 0 | 0 | -- |
| Interhandler Adjustment | 100,651 | 2,290 | 53,389 | (280,594) |
| Class I Producer Milk | 223,218,222 | 4,342,803 | 218,882,207 | 227,905,266 |
| Class II Utilization: | | | | |
| Total Class II Utilization | 38,854,218 | 5,619,446 | 71,535,487 | 172,936,874 |
| Other Order Plants | -- | -- | 0 | 0 |
| Beginning Inventory | (2,300,975) | (115,298) | (1,077,279) | (2,835,877) |
| Reused Products | (2,576,127) | (5,446) | (3,077,995) | (4,575,300) |
| Other Source Milk | (213,730) | (213,730) | (96,977) | (48,330) |
| Overage | 0 | 0 | -- | 0 |
| Class II Producer Milk | 33,763,386 | 5,284,972 | 67,283,236 | 165,477,367 |
| Class III Utilization: | | | | |
| Total Class III Utilization | 1,993,645,093 | 80,350,111 | 1,619,655,501 | 1,135,030,486 |
| Other Order Plants | -- | -- | 0 | -- |
| Beginning Inventory | (6,319,294) | (224,924) | (5,747,415) | (1,912,309) |
| Reused Products | -- | -- | -- | 0 |
| Other Source Milk | (1,005,733) | (16,290) | (555,527) | -- |
| Overage | (36,437) | (3,460) | (67,310) | (42,902) |
| Class III Producer Milk | 1,986,283,629 | 80,105,437 | 1,613,285,249 | 1,133,075,275 |
| Class IV Utilization: | | | | |
| Total Class IV Utilization | 148,923,179 | 11,772,291 | 149,622,466 | 262,329,327 |
| Other Order Plants | (5,280,862) | (231,862) | (1,977,793) | (3,269,433) |
| Beginning Inventory | (7,885,488) | (590,741) | (15,159,929) | (18,560,417) |
| Reused Products | 0 | 0 | 0 | -- |
| Other Source Milk | (115,778,011) | (4,829,188) | (109,062,862) | (51,006,417) |
| Overage | (280,241) | (464) | (189,836) | (52,219) |
| Class IV Producer Milk | 19,698,577 | 6,120,036 | 23,232,046 | 189,440,841 |
| Total Producer Milk -- All Classes | 2,262,963,814 | 95,853,248 | 1,922,682,738 | 1,715,898,749 |

-- Restricted Information

Commodity Prices

| Month/Year | Weighted Monthly Average Prices | | | | | | Weighted Two-Week Average Prices | | | | | |
|------------|---------------------------------|---------|---------|--------|----------|----------|----------------------------------|---------|---------|--------|----------|----------|
| | Cheddar Cheese | | | Nonfat | | | Cheddar Cheese | | | Nonfat | | |
| | Blocks | Barrels | Average | Butter | Dry Milk | Dry Whey | Blocks | Barrels | Average | Butter | Dry Milk | Dry Whey |
| | <i>Dollars per Pound</i> | | | | | | <i>Dollars per Pound</i> | | | | | |
| Nov 2020 | 2.5808 | 2.2929 | 2.4535 | 1.4558 | 1.0816 | 0.3830 | 2.7504 | 2.4537 | 2.6180 | 1.4726 | 1.0891 | 0.3746 |
| Dec | 1.7708 | 1.4944 | 1.6433 | 1.4431 | 1.0951 | 0.4171 | 1.7248 | 1.4667 | 1.6038 | 1.4604 | 1.1029 | 0.4180 |
| Jan 2021 | 1.7171 | 1.5601 | 1.6502 | 1.4548 | 1.1345 | 0.4595 | 1.6839 | 1.5550 | 1.6342 | 1.4765 | 1.1295 | 0.4487 |
| Feb | 1.6870 | 1.4841 | 1.5954 | 1.3586 | 1.1164 | 0.5060 | 1.7134 | 1.4718 | 1.5910 | 1.3387 | 1.1395 | 0.4992 |
| Mar | 1.6695 | 1.5023 | 1.5981 | 1.5898 | 1.1169 | 0.5537 | 1.6216 | 1.4722 | 1.5599 | 1.5534 | 1.1024 | 0.5394 |
| Apr | 1.7918 | 1.6011 | 1.7106 | 1.7814 | 1.1680 | 0.6135 | 1.7809 | 1.5347 | 1.6728 | 1.8028 | 1.1645 | 0.6082 |
| May | 1.8072 | 1.8035 | 1.8206 | 1.8107 | 1.2392 | 0.6501 | 1.8252 | 1.8330 | 1.8448 | 1.7961 | 1.2247 | 0.6479 |
| Jun | 1.6058 | 1.6506 | 1.6439 | 1.7934 | 1.2696 | 0.6437 | 1.5896 | 1.6432 | 1.6323 | 1.7892 | 1.2713 | 0.6400 |
| Jul | 1.5948 | 1.5663 | 1.5956 | 1.7401 | 1.2552 | 0.6050 | 1.5614 | 1.5636 | 1.5779 | 1.7446 | 1.2531 | 0.6095 |
| Aug | 1.6902 | 1.4371 | 1.5680 | 1.6998 | 1.2660 | 0.5617 | 1.6557 | 1.4376 | 1.5499 | 1.7035 | 1.2622 | 0.5700 |
| Sep | 1.7761 | 1.4873 | 1.6411 | 1.7725 | 1.2816 | 0.5336 | 1.7698 | 1.4686 | 1.6242 | 1.7752 | 1.2822 | 0.5310 |
| Oct | 1.8070 | 1.7011 | 1.7698 | 1.7746 | 1.3598 | 0.5447 | 1.8028 | 1.6908 | 1.7624 | 1.7436 | 1.3497 | 0.5385 |
| Nov | 1.7605 | 1.7272 | 1.7588 | 1.9503 | 1.4769 | 0.5825 | 1.7763 | 1.8025 | 1.8046 | 1.9171 | 1.4612 | 0.5729 |
| Dec | 1.8633 | 1.6263 | 1.7542 | 2.0641 | 1.5471 | 0.6391 | 1.8637 | 1.6104 | 1.7516 | 2.0427 | 1.5385 | 0.6316 |

| Month/Year | Chicago Mercantile Exchange | | | | | USDA Dairy Market News | | | | |
|------------|-----------------------------|----------------|---------|---------|-------------|------------------------|--------|-------------|---------|--------|
| | Butter | Cheddar Cheese | | NFDM | Whey | NFDM Low/Medium Heat | | Whey Powder | | |
| | Grade AA | Blocks | Barrels | Grade A | Extra Grade | Central & East | West | Northeast | Central | West |
| | <i>Dollars per Pound</i> | | | | | | | | | |
| Dec 2020 | 1.4806 | 1.6249 | 1.4609 | 1.1445 | 0.4623 | 1.1155 | 1.1277 | 0.4268 | 0.4305 | 0.4645 |
| Jan 2021 | 1.3496 | 1.7470 | 1.5141 | 1.1808 | 0.5128 | 1.1674 | 1.1701 | 0.4680 | 0.4788 | 0.4871 |
| Feb | 1.3859 | 1.5821 | 1.4442 | 1.1137 | 0.5426 | 1.1145 | 1.1189 | 0.5160 | 0.5167 | 0.5222 |
| Mar | 1.7153 | 1.7362 | 1.4811 | 1.1676 | 0.6027 | 1.1680 | 1.1564 | 0.5640 | 0.5782 | 0.5714 |
| Apr | 1.8267 | 1.7945 | 1.7119 | 1.2368 | 0.6605 | 1.2056 | 1.2067 | 0.6228 | 0.6200 | 0.6407 |
| May | 1.8124 | 1.6778 | 1.6923 | 1.3111 | 0.6395 | 1.3163 | 1.3197 | 0.6356 | 0.6275 | 0.6431 |
| Jun | 1.7758 | 1.4978 | 1.5639 | 1.2757 | 0.5976 | 1.2873 | 1.2877 | 0.6193 | 0.6047 | 0.6346 |
| Jul | 1.6912 | 1.6370 | 1.4774 | 1.2485 | 0.5263 | 1.2513 | 1.2506 | 0.5835 | 0.5559 | 0.5858 |
| Aug | 1.6815 | 1.7217 | 1.4158 | 1.2673 | 0.5160 | 1.2514 | 1.2599 | 0.5544 | 0.4995 | 0.5515 |
| Sep | 1.7756 | 1.7601 | 1.5319 | 1.3527 | 0.5376 | 1.3454 | 1.3413 | 0.5320 | 0.4955 | 0.5381 |
| Oct | 1.8002 | 1.7798 | 1.8008 | 1.4949 | 0.6040 | 1.4718 | 1.4583 | 0.5513 | 0.5285 | 0.5666 |
| Nov | 1.9714 | 1.7408 | 1.5375 | 1.5570 | 0.6749 | 1.5605 | 1.5499 | 0.6134 | 0.5746 | 0.6178 |
| Dec | 2.1536 | 1.8930 | 1.6548 | 1.6290 | 0.7205 | 1.6041 | 1.5927 | 0.6484 | 0.6646 | 0.6795 |

Market Statistics

| Month/Year | Distributing Plants | Supply Plants | Coop .9(c) Handlers | Producers | Total Producer Milk | Est. Average Daily Delivery Per Producer | Class I Utilization | Butterfat Test | Protein Test | Other Solids Test | Weighted Average SCC |
|------------|---------------------|---------------|---------------------|-----------|---------------------|--|---------------------|----------------|--------------|-------------------|----------------------|
| | | | | | Mil. lbs. | Pounds | Percent | Percent | Percent | (000) | |
| | | | | | | | | | | | |
| Oct 2020 | 14 | 44 | 10 | 4,042 | 926 | 7,388 | 24.4 | 4.05 | 3.21 | 5.78 | 161 |
| Nov | 14 | 44 | 10 | 4,053 | 896 | 7,366 | 23.8 | 4.09 | 3.23 | 5.77 | 156 |
| Dec | 15 | 45 | 10 | 5,293 | 1,716 | 10,431 | 13.3 | 4.21 | 3.27 | 5.77 | 161 |
| Jan 2021 | 12 | 44 | 10 | 4,921 | 1,036 | 7,786 | 20.5 | 4.11 | 3.23 | 5.78 | 159 |
| Feb | 13 | 43 | 9 | 4,019 | 898 | 7,707 | 22.3 | 4.15 | 3.24 | 5.78 | 167 |
| Mar | 14 | 43 | 9 | 4,017 | 965 | 7,745 | 22.7 | 4.06 | 3.18 | 5.79 | 166 |
| Apr | 14 | 43 | 9 | 4,091 | 927 | 7,555 | 22.3 | 4.01 | 3.15 | 5.80 | 166 |
| May | 13 | 42 | 9 | 3,975 | 939 | 7,616 | 21.6 | 3.98 | 3.14 | 5.79 | 170 |
| Jun | 13 | 41 | 10 | 4,595 | 1,284 | 9,302 | 14.6 | 3.90 | 3.08 | 5.79 | 179 |
| Jul | 14 | 41 | 10 | 5,748 | 1,918 | 10,765 | 10.3 | 3.89 | 3.08 | 5.79 | 193 |
| Aug | 12 | 43 | 10 | 6,008 | 2,077 | 11,124 | 9.7 | 3.89 | 3.09 | 5.80 | 197 |
| Sep | 12 | 43 | 10 | 6,418 | 2,264 | 11,750 | 9.2 | 3.96 | 3.13 | 5.80 | 209 |
| Oct | 12 | 41 | 10 | | 1,447 | | 14.5 | 4.02 | 3.16 | 5.81 | 178 |
| Nov | 12 | 41 | 10 | | 1,923 | | 11.4 | 4.21 | 3.28 | 5.80 | 162 |
| Dec | 12 | 41 | 10 | | 2,263 | | 9.8 | 4.24 | 3.29 | 5.79 | 160 |

Class Prices

| Month/Year | Class I Price Mover | | | Class I Price at Cook County, IL | | | Class II Price | | | |
|------------|---------------------|-------------|-------------|----------------------------------|-------------|-------------|----------------|---------------|-------------|-------------|
| | Butterfat | Skim Milk | 3.50% | Butterfat | Skim Milk | 3.50% | Butterfat | Nonfat Solids | Skim Milk | 3.50% |
| | <i>lb.</i> | <i>cwt.</i> | <i>cwt.</i> | <i>lb.</i> | <i>cwt.</i> | <i>cwt.</i> | <i>lb.</i> | <i>lb.</i> | <i>cwt.</i> | <i>cwt.</i> |
| Nov 2020 | 1.6316 | 12.78 | 18.04 | 1.6496 | 14.58 | 19.84 | 1.5623 | 0.9667 | 8.70 | 13.86 |
| Dec | 1.5756 | 14.88 | 19.87 | 1.5936 | 16.68 | 21.67 | 1.5469 | 0.9900 | 8.91 | 14.01 |
| Jan 2021 | 1.5609 | 10.03 | 15.14 | 1.5789 | 11.83 | 16.94 | 1.5611 | 1.0033 | 9.03 | 14.18 |
| Feb | 1.5804 | 10.37 | 15.54 | 1.5984 | 12.17 | 17.34 | 1.4446 | 1.0300 | 9.27 | 14.00 |
| Mar | 1.4135 | 10.62 | 15.20 | 1.4315 | 12.42 | 17.00 | 1.7246 | 1.0400 | 9.36 | 15.07 |
| Apr | 1.6735 | 10.00 | 15.51 | 1.6915 | 11.80 | 17.31 | 1.9566 | 1.0033 | 9.03 | 15.56 |
| May | 1.9755 | 10.56 | 17.10 | 1.9935 | 12.36 | 18.90 | 1.9921 | 1.0644 | 9.58 | 16.22 |
| Jun | 1.9674 | 11.82 | 18.29 | 1.9854 | 13.62 | 20.09 | 1.9711 | 1.1244 | 10.12 | 16.66 |
| Jul | 1.9590 | 10.95 | 17.42 | 1.9770 | 12.75 | 19.22 | 1.9066 | 1.1700 | 10.53 | 16.83 |
| Aug | 1.9050 | 10.60 | 16.90 | 1.9230 | 12.40 | 18.70 | 1.8578 | 1.1522 | 10.37 | 16.51 |
| Sep | 1.8553 | 10.46 | 16.59 | 1.8733 | 12.26 | 18.39 | 1.9458 | 1.1611 | 10.45 | 16.89 |
| Oct | 1.9421 | 10.66 | 17.08 | 1.9601 | 12.46 | 18.88 | 1.9484 | 1.1811 | 10.63 | 17.08 |
| Nov | 1.9038 | 11.73 | 17.98 | 1.9218 | 13.53 | 19.78 | 2.1611 | 1.2478 | 11.23 | 18.40 |
| Dec | 2.1139 | 12.20 | 19.17 | 2.1319 | 14.00 | 20.97 | 2.2989 | 1.3578 | 12.22 | 19.84 |
| Jan | 2.2660 | 12.21 | 19.71 | 2.2840 | 14.01 | 21.51 | | 1.4344 | 12.91 | |

| Month/Year | Class III Price | | | | | Class IV Price | | | | |
|------------|-----------------|------------|--------------|-------------|-------------|----------------|---------------|-------------|-------------|--|
| | Butterfat | Protein | Other Solids | Skim Milk | 3.50% | Butterfat | Nonfat Solids | Skim Milk | 3.50% | |
| | <i>lb.</i> | <i>lb.</i> | <i>lb.</i> | <i>cwt.</i> | <i>cwt.</i> | <i>lb.</i> | <i>lb.</i> | <i>cwt.</i> | <i>cwt.</i> | |
| Dec 2020 | 1.5399 | 3.0282 | 0.2245 | 10.71 | 15.72 | 1.5399 | 0.9180 | 8.26 | 13.36 | |
| Jan 2021 | 1.5541 | 3.0355 | 0.2682 | 10.99 | 16.04 | 1.5541 | 0.9570 | 8.61 | 13.75 | |
| Feb | 1.4376 | 2.9816 | 0.3161 | 11.11 | 15.75 | 1.4376 | 0.9391 | 8.45 | 13.19 | |
| Mar | 1.7176 | 2.6954 | 0.3652 | 10.51 | 16.15 | 1.7176 | 0.9396 | 8.46 | 14.18 | |
| Apr | 1.9496 | 2.8136 | 0.4268 | 11.24 | 17.67 | 1.9496 | 0.9902 | 8.91 | 15.42 | |
| May | 1.9851 | 3.1307 | 0.4645 | 12.45 | 18.96 | 1.9851 | 1.0607 | 9.55 | 16.16 | |
| Jun | 1.9641 | 2.5834 | 0.4579 | 10.71 | 17.21 | 1.9641 | 1.0908 | 9.82 | 16.35 | |
| Jul | 1.8996 | 2.4957 | 0.4181 | 10.20 | 16.49 | 1.8996 | 1.0765 | 9.69 | 16.00 | |
| Aug | 1.8508 | 2.4582 | 0.3735 | 9.82 | 15.95 | 1.8508 | 1.0872 | 9.78 | 15.92 | |
| Sep | 1.9388 | 2.6010 | 0.3445 | 10.10 | 16.53 | 1.9388 | 1.1027 | 9.92 | 16.36 | |
| Oct | 1.9414 | 3.0130 | 0.3560 | 11.44 | 17.83 | 1.9414 | 1.1801 | 10.62 | 17.04 | |
| Nov | 2.1541 | 2.7536 | 0.3949 | 10.87 | 18.03 | 2.1541 | 1.2960 | 11.66 | 18.79 | |
| Dec | 2.2919 | 2.5937 | 0.4532 | 10.71 | 18.36 | 2.2919 | 1.3655 | 12.29 | 19.88 | |

Producer Prices

| Month/Year | Producer Price Differential | Statistical Uniform Price (at 3.50%) | Butterfat Price | Protein Price | Other Solids Price | SCC Adjustment Rate | Producer Mailbox Price (at test) |
|------------|-----------------------------|--------------------------------------|-------------------|-------------------|--------------------|---------------------|----------------------------------|
| | <i>\$ per cwt.</i> | <i>\$ per cwt.</i> | <i>\$ per lb.</i> | <i>\$ per lb.</i> | <i>\$ per lb.</i> | <i>\$ per cwt.</i> | <i>\$ per cwt.</i> |
| | Oct 2020 | (4.43) | 17.18 | 1.6388 | 5.0146 | 0.1534 | 0.00115 |
| Nov | (5.43) | 17.91 | 1.5553 | 5.6226 | 0.1894 | 0.00123 | 22.76 |
| Dec | 0.17 | 15.89 | 1.5399 | 3.0282 | 0.2245 | 0.00082 | 18.33 |
| Jan 2021 | (0.92) | 15.12 | 1.5541 | 3.0355 | 0.2682 | 0.00083 | 17.73 |
| Feb | (0.90) | 14.85 | 1.4376 | 2.9816 | 0.3161 | 0.00080 | 17.47 |
| Mar | (0.51) | 15.64 | 1.7176 | 2.6954 | 0.3652 | 0.00080 | 17.58 |
| Apr | (1.02) | 16.65 | 1.9496 | 2.8136 | 0.4268 | 0.00086 | 18.87 |
| May | (1.44) | 17.52 | 1.9851 | 3.1307 | 0.4645 | 0.00091 | 19.72 |
| Jun | 0.17 | 17.38 | 1.9641 | 2.5834 | 0.4579 | 0.00082 | 18.20 |
| Jul | 0.25 | 16.74 | 1.8996 | 2.4957 | 0.4181 | 0.00080 | 17.50 |
| Aug | 0.27 | 16.22 | 1.8508 | 2.4582 | 0.3735 | 0.00078 | 17.20 |
| Sep | 0.18 | 16.71 | 1.9388 | 2.6010 | 0.3445 | 0.00082 | 18.07 |
| Oct | (0.16) | 17.67 | 1.9414 | 3.0130 | 0.3560 | 0.00088 | |
| Nov | 0.18 | 18.21 | 2.1541 | 2.7536 | 0.3949 | 0.00088 | |
| Dec | 0.25 | 18.61 | 2.2919 | 2.5937 | 0.4532 | 0.00088 | |

Summary of Federal Order Data - December 2021

| Federal Order Number / Name | Producer Deliveries <i>— Thousand Pounds —</i> | Class I Producer Receipts | Class I Utilization <i>Percent</i> | Class I Price <i>— Dollars per Cwt. —</i> | Producer Price Differential | Uniform or Statistical Uniform Price at 3.5% Butterfat | | |
|--------------------------------------|---|---------------------------|---------------------------------------|--|-----------------------------|--|---|---------------------------|
| | | | | | | FOB Market | FOB Cook Cty. Illinois <i>Dollars per Cwt.</i> | Change From Previous Year |
| 1 Northeast | 2,253,112 | 715,420 | 31.8 | \$ 22.42 | \$2.13 | \$ 20.49 | \$ 19.04 | \$3.23 |
| 5 Appalachian | 452,061 | 331,675 | 73.4 | 22.57 | n/a | 22.08 | 20.48 | 1.47 |
| 6 Florida | 214,653 | 179,339 | 83.5 | 24.57 | n/a | 23.97 | 20.37 | 0.79 |
| 7 Southeast | 382,327 | 267,519 | 70.0 | 22.97 | n/a | 22.28 | 20.28 | 1.29 |
| 30 Upper Midwest | 2,262,964 | 223,218 | 9.8 | 20.97 | 0.25 | 18.61 | 18.61 | 2.72 |
| 32 Central | 1,223,603 | 382,594 | 31.3 | 21.17 | 0.67 | 19.03 | 18.83 | 2.80 |
| 33 Mideast | 1,642,449 | 571,003 | 34.8 | 21.17 | 0.99 | 19.35 | 19.15 | 2.45 |
| 51 California | 1,787,040 | 430,847 | 24.1 | 21.27 | 0.97 | 19.33 | 19.03 | 4.39 |
| 124 Pacific Northwest | 706,492 | 138,686 | 19.6 | 21.07 | 0.76 | 19.12 | 19.02 | 3.60 |
| 126 Southwest | 1,140,349 | 347,597 | 30.5 | 22.17 | 1.41 | 19.77 | 18.57 | 3.46 |
| 131 Arizona | 426,582 | 129,920 | 30.5 | 21.52 | n/a | 20.07 | 19.52 | 3.83 |
| All Market Average or Total * | 12,491,631 | 3,717,819 | 29.8 | | | | | |

n/a = Not applicable.

* May not add due to rounding.

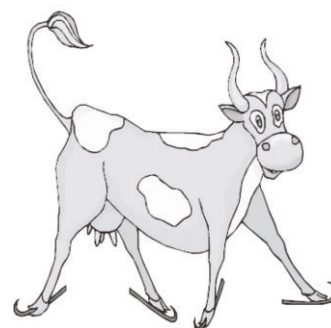
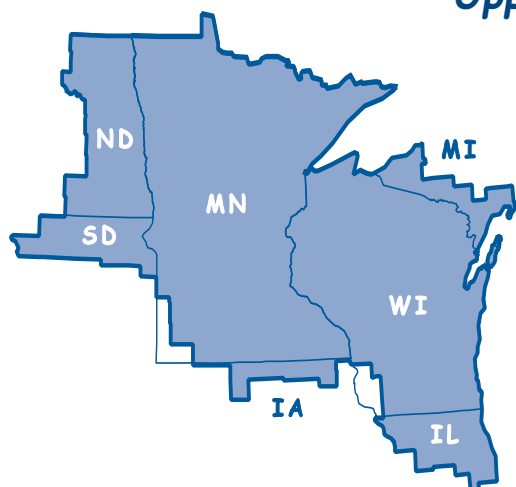
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