## DIXIE DAIRY REPORT August 2020

**Cheese and butter prices move lower.** During the past month, cheese prices at the CME moved steadily lower. The first full week of August saw the downward price decline pick up speed. Blocks declined \$0.5475/lb. and barrels \$0.7175/lb. during the week. All if the declined due to cheese sales. Closing prices on August 7 were blocks \$1,7050/lb. and barrels \$1.5175/lb. Cheese prices are back to year ago levels. Needless to say, "volatility" is the word to describe the cheese market over the past few months. On April 15 block cheddar was at \$1.00/lb. then two months later it set a record high of \$3.00/lb. and has declined since. Reasons for the downward price spiral include the "cheese pipeline" getting refilled, price resistance at higher prices, and more cheese. USDA's August 3 *Dairy Products* report showed total June cheese production 3.5% higher than last June, and mozzarella production up 3.9%. *Dairy Market News* reports milk is readily available in the Midwest at prices \$2 -\$5.00/cwt. below class price. Looking ahead, we are optimistic for a rebound in cheese prices, at least to above year ago levels. Lower prices should rekindle demand, both domestic and export.

Now moving to the other three dairy products which establish milk prices. The CME butter price has declined for eight consecutive weeks. It closed at \$1.5300/lb. on August 7, and is over \$1.00/lb. lower than a year ago. Even though the butter inventory is declining, it is still almost 10% higher than a year ago. Cream is reported as plentiful. On a more positive note, nonfat dry milk powder (NDM) prices continue to inch up. The July DPSR price is \$0.9717/lb., up six cents from June. A weakening U.S. dollar is aiding powder exports, and inventory is slightly lower than last year. The volume of powder exported in May was a record high. All indicators point to the NDM price continuing to gradually move upward. The dry whey price continues to decline due to an abundance of product. At the end of June, the dry whey inventory was 23.6% higher than last June. It will take lower cheese production, and an improved market for higher valued whey products to reverse the dry whey price.

**Higher blend prices.** The July Class III price is \$24.54/cwt. but still short of the record price of \$24.60/cwt. set in September 2014. The July Class III price is almost \$10.00/cwt. higher than Class II and IV prices of \$13.79/cwt. and \$13.76/cwt., respectively. The July Class III price is higher than all federal order July Class I prices including the highest, Miami, at \$22.56/cwt. Advanced pricing and the new method of calculating the Class I Mover are why Class I prices are lower than Class III. As was in June, little Class III milk is expected to be pooled in July. For example, June saw only 1.9 million lbs. of Class III milk pooled in the Appalachian order compared to 37.2 million lbs. in June 2019.

As shown below, July blend prices in all orders are projected to increase about \$4.00/cwt. from June. Additional price increases are projected in August, with the largest increase in the Florida order. Blend prices are projected to decline in September, due to lower cheese and butter prices. For all of 2020, we project blend prices, in all three orders, to average about \$1.00/cwt. lower than June.

PROJECTED*	BLEND PRICES – Base Z	ones – SOUTHEASTE	KIN FEDERAL ORDERS
Month	Appalachian	Florida	Southeast
		(\$/cwt. at 3.5% butt	erfat)
June 2020	\$15.27	\$16.83	\$15.38
July	\$19.33	\$20.81	\$19.34
August	\$20.74	\$23.38	\$21.43
September	\$18.79	\$20.76	\$19.30
October	\$17.92	\$19.79	\$18.41
November	\$17.82	\$19.52	\$18.35

## PROJECTED\* BLEND PRICES – Base Zones – SOUTHEASTERN FEDERAL ORDERS

\*Projections in bold

**More milk nationwide, but less in the southeast.** After being down 0.5% in May, June milk production was up 0.5%. May production was lower due to less milk per cow, while June production was higher due to more milk per cow. June cow numbers were 10,000 head lower than May, but still 23,000 more than last June. Of the 24 monthly reporting states, production was lower in ten states, but higher in 14 states. For the first half of 2020, average daily milk production is 1.2% higher compared to the same period in 2019. The Plains states, Northwest, and Southwest lead the way in producing more milk. In the Southeast states, first half of 2020 average daily production is down 1.1% which includes Florida down 1.3%, Georgia down 1.0%, and Virginia up 1.5%.

**Up and down fluid milk demand.** Due to the coronavirus and governments reacting by shutting down many segments of the economy, the first half of 2020 saw a higher than normal monthly change in fluid milk sales. Using federal order data for Class I producer milk as the measurement for fluid sales, the table below shows average daily Class I producer milk in the three southeastern federal orders by month. March saw fluid sales increase in all three orders, especially the Appalachian where Class I producer milk increased 12.5% in March compared to last March. The lower March increase in Florida, 3.3%, is most likely due to less tourism. Nationwide in all 11 federal orders, there was 7.5% more Class I producer milk this March compared to a year earlier.

After consumers stocked their refrigerators with fluid milk in March, fluid sales declined in April and May in the Florida and Southeast orders, but remained higher in the Appalachian order. June saw another large increase most likely due to fluid processors, wholesalers, retailers, etc. building inventory before the \$5.14/cwt. increase in the Class I Mover in July. Through the first six months of this year, average daily Class I producer milk is down 2.7% in Florida and down 5.7% in the Southeast orders, but up 4.8% in the Appalachian order. In all federal orders, Class I producer milk for the first half of 2020 is only 0.5% lower than a year ago. The best first half of the year for fluid milk sales in many years.

Looking ahead to the remainder of the year there are several factors which will impact fluid sales: schools and their reopening schedules, how much of higher raw milk prices will be added to retail prices, government dairy product purchases for donation programs, and how quick local and state governments allows businesses to reopen and at what capacity. All will impact how much fluid milk is sold, as well as all dairy product sales.

Boutheastern	January February March April May June Avg.										
<u>Order</u>	January <u>February</u>		<u>March</u>	<u>March April</u>		<u>June</u>	<u>Avg.</u>				
			(	(million lbs.)							
<u>Florida</u>											
2019	6.43	6.23	5.96	6.09	5.70	5.18	5.93				
2020	6.21	6.05	6.16	5.60	5.25	5.34	5.77				
% change	-3.4%	-2.8%	3.3%	-8.1%	-7.8%	3.2%	-2.7%				
Southeast											
2019	10.76	9.82	9.35	9.95	9.28	8.41	9.60				
2020	9.66	8.95	9.89	8.95	8.29	8.53	9.05				
% change	-10.3%	-8.8%	5.8%	-10.1%	-10.7%	1.4%	-5.7%				
<b>Appalachian</b>											
2019	11.94	10.47	10.01	10.36	9.90	8.77	10.25				
2020	11.13	10.39	11.26	10.59	10.25	10.76	10.73				
% change	-6.8%	-0.7%	12.5%	2.2%	3.6%	22.6%	4.8%				

## Southeastern Federal Orders Average Daily Class I Producer Milk (January-June) 2019 vs. 2020

Calvin Covington, <a href="mailto:ccovington5@cs.com">ccovington5@cs.com</a>, 352-266-7576

	DIXIE	E DAIRY	REPORT	- AUGU	ST 2020	published	by Calvin	Covington	, ccovingto	on5@cs.co	m, 352-266	6-7576	
Class I Mo	ver \$ Per (	Cwt. (3.5%	fat)										
	<u>J</u>	<u>F</u>	M	<u>A</u>	M	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>0</u>	<u>N</u>	<u>D</u>	<u>Avg.</u>
2018	\$15.44	\$14.25	\$13.36	\$14.10	\$14.44	\$15.25	\$15.36	\$14.15	\$14.85	\$16.33	\$15.52	\$15.05	\$14.84
2019	\$15.12	\$15.30	\$15.98	\$15.76	\$16.42	\$17.07	\$17.18	\$17.89	\$17.85	\$17.84	\$18.14	\$19.33	\$16.99
2020	\$19.01	\$17.55	\$17.46	\$16.64	\$12.95	\$11.42	\$16.56	\$19.78	\$17.11	\$15.62	\$15.55	\$15.53	\$16.27
Southeast		rders' Blei	nd Prices -	Base Zone	e at 3.5% k	outterfat (\$/	cwt.)						
<u>Florida - Ta</u>													
2018	\$19.62	\$18.57	\$18.14	\$18.72	\$19.25	\$19.96	\$19.57	\$18.89	\$19.23	\$20.87	\$20.12	\$19.47	\$19.37
2019	\$19.78	\$19.96	\$20.41	\$20.46	\$21.13	\$21.62	\$21.75	\$22.48	\$21.85	\$22.00	\$22.33	\$23.18	\$21.41
2020	\$23.33	\$21.69	\$21.64	\$19.35	\$17.29	\$16.83	\$20.81	\$23.38	\$20.76	\$19.79	\$19.52	\$19.58	\$20.33
Southeast -													
2018	\$18.00	\$16.57	\$16.30	\$16.88	\$17.46	\$18.12	\$18.12	\$17.53	\$17.94	\$19.39	\$18.71	\$18.00	\$17.75
2019	\$18.27	\$18.35	\$18.70	\$18.70	\$19.24	\$19.58	\$20.25	\$20.85	\$20.52	\$20.65	\$20.98	\$21.63	\$19.81
2020	\$21.32	\$20.00	\$19.64	\$17.75	\$15.39	\$15.38	\$19.34	\$21.43	\$19.30	\$18.41	\$18.35	\$17.95	\$18.69
Appalachia													
2018	\$17.53	\$16.31	\$16.02	\$16.56	\$17.20	\$17.81	\$17.52	\$17.03	\$17.35	\$18.76	\$18.12	\$17.45	\$17.31
2019	\$17.82	\$18.00	\$18.31	\$18.28	\$18.93	\$19.44	\$19.84	\$20.34	\$20.04	\$20.17	\$20.53	\$21.11	\$19.40
2020	\$21.03	\$19.63	\$19.49	\$17.49	\$15.14	\$15.27	\$19.33	\$20.74	\$18.79	\$17.92	\$17.82	\$17.56	\$18.35
* Projectio	ns in bold												
Southeaste	ore Fodore	Ordere (			Million I								1
							1	۸	<u>S</u>	0	NI	Р	YTD Total
<u>Florida</u> 2018	<u>J</u> 198	<u>F</u> 174	<u>M</u> 194	<u>A</u> 177	<u>M</u> 177	<u>J</u> 161	<u>J</u> 160	<u>A</u> 180	<u>5</u> 168	<u>0</u> 183	<u>N</u> 186	<u>D</u> 185	1,081
2018	198	174	194	183	177	155	164	184	163	181	148	177	1,073
2019	193	175	191	168	163	160	104	104	105	101	140	177	1,075
% change	-3.2%	0.8%	<b>3.2%</b>	-8.2%	-8.0%	<b>3.5%</b>							-2.1%
Southeast	-3.2 /0	0.0 /0	J.Z /0	-0.2 /0	-0.0 /0	3.370							-2.1/0
2018	345	292	324	313	309	285	290	318	295	315	319	298	1,868
2010	334	275	290	299	288	252	280	298	233	299	260	285	1,738
2019	299	260	307	269	257	256	200	290	215	233	200	205	1,647
% change	-10.4%	- <b>5.6%</b>	<b>5.7%</b>	-10.2%	-10.7%	1.6%							- <b>5.2%</b>
Appalachia		-3.070	J.1 /0	-10.2 /0	-10.7 /0	1.078							-3.2 /0
2018	374	314	347	326	330	299	308	343	309	348	353	332	1,990
2010	374	293	310	311	307	263	291	339	321	333	285	322	1,854
2019	345	301	349	318	318	323	201	000	521	000	200	022	1,954
% change	-6.8%	<b>2.9%</b>	12.5%	<b>2.1%</b>	<b>3.5%</b>	<b>22.8%</b>							5.4%
Total all Th			12.3/0	<b>2.</b> 1/0	5.570	££.0/0							<b>J.</b> <del>4</del> /0
2018	917	780	865	816	816	745	758	841	772	846	858	815	4,939
2010	903	742	785	793	772	670	735	821	763	813	693	784	4,665
2013	837	736	847	754	738	739	100	021	100	010	000	104	4,651
% change	-7.3%	-0.7%	7.8%	-4.9%	-4.4%	10.3%							-0.3%

Southeastern Federal Orders' Packaged Fluid Milk Sales - Million Ibs.           Florida         J         E         M         J         J         A         S         O         N         D           2018         247         216         242         223         226         203         208         229         215         233         226         235           2019         246         219         234         230         222         199         209         228         207         229         225         227           2020         234         215         234         221         208         205         %         %         change         -         A         Southeast         2018         395         341         375         356         355         324         331         376         348         374         372         361           2018         386         325         341         345         334         306         327         366         256         272         271         271         2020         357         323         370         328         319         310         %         change         -7.6%         -0.7%         8.6%<					e two	2020 pag	UGUST 2	PORT - A	AIRY RE	DIXIE D				
2018       247       216       242       223       226       203       208       229       215       233       226       235         2019       246       219       234       221       208       209       228       207       229       225       227         2020       234       215       234       221       208       205											-			
2019       246       219       234       230       222       199       209       228       207       229       225       227         2020       234       215       234       221       208       205       205       205       205       205       227       209       225       227       229       225       227         % change       -5.0%       -1.8%       0.1%       -3.8%       -6.5%       3.2%       500	YTD					<u>A</u>		<u>J</u>				<u>F</u>	<u>J</u>	
2020       234       215       234       221       208       205         % change       -5.0%       -1.8%       0.1%       -3.8%       -6.5%       3.2%         Southeast       2018       395       341       375       356       355       324       331       376       348       374       372       361         2019       386       325       341       345       334       306       327       366       339       362       352       346         2020       357       323       370       328       319       310             46       374       372       261       277       279       268                      373       261       277       279       268                  373       261       277       279       268              360       371       171 <td< td=""><td>1,357</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	1,357													
% change       -5.0%       -1.8%       0.1%       -3.8%       -6.5%       3.2%         Southeast       - <td>1,350</td> <td>227</td> <td>225</td> <td>229</td> <td>207</td> <td>228</td> <td>209</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	1,350	227	225	229	207	228	209							
Southeast         Southeast           2018         395         341         375         356         355         324         331         376         348         374         372         361           2019         386         325         341         345         334         306         327         366         339         362         352         346           2020         357         323         370         328         319         310         9         66         339         362         352         346           2020         357         326         -0.7%         8.6%         -4.9%         -4.4%         1.3%         Appalachian         7         279         268           2018         298         252         277         261         265         232         250         266.6         256         272         271         271           2018         240         269         245         255         277         275         268           % change         -2.4%         4.9%         11.7%         4.1%         3.6%         15.5%         Total Ill Three Orders         2018         824         884         877         664	1,317													
2018         395         341         375         356         355         324         331         376         348         374         372         361           2019         386         325         341         345         334         306         327         366         339         362         352         346           2020         357         323         370         328         319         310         366         339         362         352         346           Appalachian	-2.4%							3.2%	-6.5%	-3.8%	0.1%	-1.8%	-5.0%	_
2019       386       325       341       345       334       306       327       366       339       362       352       346         2020       357       323       370       328       319       310       366       339       362       352       346         % change       -7.6%       -0.7%       8.6%       -4.9%       -4.4%       1.3%       Appalachian       2018       298       252       277       261       269       249       253       273       261       277       279       268         2019       287       240       268       261       265       232       250       266.6       256       272       271       271         2020       280       252       299       272       275       268       96       267       268       976       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2019       919       784       843       836       821       737       786       861       802														
2020       357       323       370       328       319       310         % change       -7.6%       -0.7%       8.6%       -4.9%       -4.4%       1.3%         Appalachian       2018       298       252       277       261       269       249       253       273       261       277       279       268         2019       287       240       268       261       265       232       250       266.6       256       272       271       271         2020       280       252       299       272       275       268        776       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783        783        861       802       863       848       844       844       844       844       844       844       844       844       844       844       844       844       844       844       844       844 <t< td=""><td>2,146</td><td>361</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>356</td><td></td><td></td><td></td><td>2018</td></t<>	2,146	361								356				2018
% change       -7.6%       -0.7%       8.6%       -4.9%       -4.4%       1.3%         Appalachian       2018       298       252       277       261       269       249       253       273       261       277       279       268         2019       287       240       268       261       265       232       250       266.6       256       272       271       271         2020       280       252       299       272       275       268       266.6       256       272       271       271         % change       -2.4%       4.9%       11.7%       4.1%       3.6%       15.5%       76       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2019       919       784       843       836       821       801       783       904       4,013       4,136       4,130       4,134         2017       4,260       3,770       4,101       3,856       3,932       3,593       3,614       3,950       3,788 </td <td>2,037</td> <td>346</td> <td>352</td> <td>362</td> <td>339</td> <td>366</td> <td>327</td> <td>306</td> <td>334</td> <td>345</td> <td></td> <td>325</td> <td>386</td> <td>2019</td>	2,037	346	352	362	339	366	327	306	334	345		325	386	2019
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	2,007							310	319	328	370	323	357	2020
2018         298         252         277         261         269         249         253         273         261         277         279         268           2019         287         240         268         261         265         232         250         266.6         256         272         271         271         271           2020         280         252         299         272         275         268         272         271         271         271           2018         940         809         894         840         850         776         792         878         824         884         877         864           2018         940         809         894         840         850         776         792         878         824         884         877         864           2019         919         784         843         836         821         737         786         861         802         863         848         844           2020         870         789         904         821         801         783	-1.5%							1.3%	-4.4%	-4.9%	8.6%	-0.7%	-7.6%	% change
2019       287       240       268       261       265       232       250       266.6       256       272       271       271         2020       280       252       299       272       275       268       268       266.6       256       272       271       271       271         2020       280       252       299       272       275       268       268       266.6       256       272       271       271       271         2018       940       809       894       840       850       776       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       904       821       801       783         % change       -5.3%       0.7%       7.2%       -1.8%       -2.4%       6.3%       4.022       4.013       4.136       4.130       4.134         2017       4.260       3.791       4.228       3.840       4.062       3.746													<u>ı</u>	Appalachiar
2020       280       252       299       272       275       268         % change       -2.4%       4.9%       11.7%       4.1%       3.6%       15.5%         Total all Three Orders       -       -       -       -       -       -         2018       940       809       894       840       850       776       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       -<	1,606	268	279	277	261	273	253	249	269	261	277	252	298	2018
% change       -2.4%       4.9%       11.7%       4.1%       3.6%       15.5%         Total all Three Orders       2018       940       809       894       840       850       776       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       824       840       843       844         2020       870       789       904       821       801       783       824       841       844         2020       870       789       904       821       801       783       844       847       844         2020       870       7.92       -1.8%       -2.4%       6.3%       963       848       844         2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,134         2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614	1,553	271	271	272	256	266.6	250	232	265	261	268	240	287	2019
% change       -2.4%       4.9%       11.7%       4.1%       3.6%       15.5%         Total all Three Orders       2018       940       809       894       840       850       776       792       878       824       884       877       864         2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       824       840       843       844         2020       870       789       904       821       801       783       844       844       844         2020       870       789       904       821       801       783       864       861       802       863       848       844         2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,134         2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,134         2018       4,210	1,645							268	275	272	299	252	280	2020
2018         940         809         894         840         850         776         792         878         824         884         877         864           2019         919         784         843         836         821         737         786         861         802         863         848         844           2020         870         789         904         821         801         783         861         802         863         848         844           2020         870         789         904         821         801         783         861         802         863         848         844           2020         870         7.7%         7.2%         -1.8%         -2.4%         6.3%         904         821         801         783           % change         -5.3%         0.7%         7.2%         -1.8%         -2.4%         6.3%         9004         4,013         4,130         4,134           2017         4,260         3,791         4,228         3,840         4,062         3,746         3,697         4,022         4,013         4,134         4,134           2018         4,210         3,648         3,	5.9%							15.5%	3.6%	4.1%	11.7%	4.9%	-2.4%	% change
2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         With any product of the stress of th														-
2019       919       784       843       836       821       737       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         2020       870       789       904       821       801       783       786       861       802       863       848       844         % change       -5.3%       0.7%       7.2%       -1.8%       -2.4%       6.3%       6.3%       6.3%         U.S. Estimated Fluid Milk Sales - million lbs.       2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,134       4,134         2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614       3,950       3,788       4,121       4,125       4,046         2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7% </td <td>5,109</td> <td>864</td> <td>877</td> <td>884</td> <td>824</td> <td>878</td> <td>792</td> <td>776</td> <td>850</td> <td>840</td> <td>894</td> <td>809</td> <td>940</td> <td>2018</td>	5,109	864	877	884	824	878	792	776	850	840	894	809	940	2018
% change       -5.3%       0.7%       7.2%       -1.8%       -2.4%       6.3%         U.S. Estimated Fluid Milk Sales - million Ibs.       2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,130       4,134         2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,130       4,134         2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614       3,950       3,788       4,121       4,125       4,046         2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         Southeast Federal Orders' Class I Utilization %       Florida       J       A       S       O       N       D         2018       82%       85%       85%       85%       85%       85%       85%	4,940	844	848	863		861	786	737	821	836	843	784	919	2019
U.S. Estimated Fluid Milk Sales - million lbs.           2017         4,260         3,791         4,228         3,840         4,062         3,746         3,697         4,022         4,013         4,136         4,130         4,134           2018         4,231         3,720         4,101         3,856         3,932         3,593         3,614         3,950         3,788         4,121         4,125         4,046           2019         4,210         3,648         3,909         3,857         3,902         3,446         3,620         3,889         3,756         4,042         4,008         3,953           % change         -0.5%         -1.9%         -4.7%         0.0%         -0.8%         -4.1%         0.2%         -1.5%         -0.8%         -1.9%         -2.8%         -2.3%           Southeast Federal Orders' Class I Utilization %           Florida         J         E         M         A         M         J         A         S         O         N         D           2018         82%         85%         84%         85%         85%         81%         84%         82%         84%         85%         81%	4,969							783	801	821	904	789	870	2020
2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,130       4,134         2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614       3,950       3,788       4,121       4,125       4,046         2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         % change       -1.9%       -4.7%       0.0%       -0.8%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         % change       J	0.6%							6.3%	-2.4%	-1.8%	7.2%	0.7%	-5.3%	% change
2017       4,260       3,791       4,228       3,840       4,062       3,746       3,697       4,022       4,013       4,136       4,130       4,134         2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614       3,950       3,788       4,121       4,125       4,046         2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         Southeast Federal Orders' Class I Utilization %														
2018       4,231       3,720       4,101       3,856       3,932       3,593       3,614       3,950       3,788       4,121       4,125       4,046         2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         Southeast Federal Orders' Class I Utilization %       Florida       J       E       M       A       M       J       A       S       Q       N       D         2018       82%       85%       85%       85%       85%       85%       85%       81%       84%       82%       84%       85%       81%	40.050	4 4 9 4	4 4 9 9	4 4 9 0	4.040	4 000	0.007	0.740	4 000					
2019       4,210       3,648       3,909       3,857       3,902       3,446       3,620       3,889       3,756       4,042       4,008       3,953         % change       -0.5%       -1.9%       -4.7%       0.0%       -0.8%       -4.1%       0.2%       -1.5%       -0.8%       -1.9%       -2.8%       -2.3%         Southeast Federal Orders' Class I Utilization %         Florida       J       F       M       A       M       J       A       S       O       N       D         2018       82%       85%       85%       85%       85%       85%       81%       84%       82%       84%       85%       81%	48,059	,	,					,		,	,	,	,	
% change         -0.5%         -1.9%         -4.7%         0.0%         -0.8%         -4.1%         0.2%         -1.5%         -0.8%         -1.9%         -2.8%         -2.3%           Southeast Federal Orders' Class I Utilization %         Image: Marcol M	47,077		,											
Southeast Federal Orders' Class I Utilization %           Florida         J         F         M         A         M         J         A         S         O         N         D           2018         82%         85%         84%         85%         85%         81%         84%         82%         84%         81%	46,240													
Florida         J         F         M         A         M         J         J         A         S         O         N         D           2018         82%         85%         85%         84%         85%         85%         81%         84%         82%         84%         85%         81%	-1.8%	-2.3%	-2.8%	-1.9%	-0.8%	-1.5%	0.2%	-4.1%	-0.8%	0.0%	-4.7%	-1.9%	-0.5%	% cnange
<u>Florida J F M A M J J A S O N D</u> 2018 82% 85% 85% 84% 85% 85% 81% 84% 82% 84% 85% 81%										on %	I Utilizatio	ders' Class	-ederal Ord	Southeast I
2018 82% 85% 85% 84% 85% 85% 81% 84% 82% 84% 85% 81%	<u>Avg.</u>	D	N	0	<u>S</u>	A	J	J	Μ					
	83%			84%		84%		85%			85%			
	83%	80%	82%	83%	80%	86%	83%	82%	86%	85%	82%	84%	86%	2019
2020 86% 82% 82% 78% 82% 84%	82%													
Southeast_														
<u>2018</u> 73% 68% 65% 65% 68% 68% 74% 76% 75% 79% 78% 70%	69%	70%	78%	79%	75%	76%	74%	68%	68%	65%	65%	68%	73%	
2019 76% 70% 65% 67% 66% 57% 70% 74% 73% 78% 77% 73%	70%													
2020 71% 73% 66% 69% 68% 70%	70%													
<u>Appalachian</u>									00,0		00,0			
2017 71% 69% 67% 66% 68% 67% 69% 72% 69% 75% 75% 67%	69%	67%	75%	75%	69%	72%	69%	67%	68%	66%	67%	69%		
2018 76% 72% 65% 66% 67% 63% 71% 73% 73% 75% 74% 70%	70%													
2020 74% 70% 70% 71% 69% 83%	73%		/ 0		1070	. 0 / 0								

## DIXIE DAIRY REPORT - AUGUST 2020 page three

			L =										
U.S. Milk P												_	
	<u>J</u>	<u></u>	<u>M</u>	<u>A</u>	M	<u>J</u>	<u>J</u>	<u>A</u>	<u>S</u>	<u>0</u>	<u>N</u>	<u>D</u>	YTD Total
2018	18,437	16,973	18,989	18,412	19,131	18,288	18,329	18,245	17,395	17,873	17,348	18,155	110,230
2019	18,612	16,966	18,845	18,433	19,058	18,225	18,375	18,267	17,595	18,135	17,506	18,365	110,139
2020	18,860	17,886	19,375	18,653	18,955	18,308							112,037
% change	1.3%	5.4%	2.8%	1.2%	-0.5%	0.5%							1.7%
U.S. Dairy		000 head											
2018	9,438	9,436	9,430	9,418	9,422	9,414	9,392	9,389	9,368	9,367	9,358	9,353	9,399
2019	9,354	9,352	9,333	9,332	9,333	9,327	9,315	9,318	9,333	9,347	9,345	9,343	9,336
2020	9,361	9,375	9,385	9,381	9,360	9,350							
Change	7	23	52	49	27	23							
Florida Mill													<u>YTD Total</u>
2018	220	211	233	217	223	201	188	180	163	170	182	193	1,305
2019	210	197	218	207	213	199	192	181	164	179	184	195	1,244
2020	215	205	216	205	213	187							1,241
Change %	2.4%	4.1%	-0.9%	-1.0%	0.0%	-6.0%							-0.2%
Georgia Mi	lk Produc	tion - Milli	on Ibs.										
2018	161	150	168	157	156	141	143	139	129	135	140	147	933
2019	159	148	165	157	155	145	143	135	131	139	142	148	929
2020	161	152	166	155	152	143							929
Change %	1.3%	2.7%	0.6%	-1.3%	-1.9%	-1.4%							0.0%
Virginia Mi	k Produc	tion - Millie	on Ibs.										
2018	148	137	152	146	148	135	134	132	123	128	124	128	866
2019	132	121	134	131	133	122	118	117	114	119	117	124	773
2020	134	127	137	132	133	126	-			-			789
Change %	1.5%	5.0%	2.2%	0.8%	0.0%	3.3%							2.1%
Total above	e Three S	tates* Milk	Productio	n - Million	lbs.								
2017	529	498	553	520	527	477	465	451	415	433	446	468	3,104
2018	501	466	517	495	501	466	453	433	409	437	443	467	2,946
2020	510	484	519	492	498	456	100	100					2,959
Change %	1.8%	<b>3.9%</b>	0.4%	-0.6%	-0.6%	-2.1%							<b>0.4%</b>
change /	1.0 /0	0.070	V. <del>T</del> /0	0.070	0.070	£.1/0							<b>U.T</b> /0

\* Florida, Georgia, and Virginia account for about two-thirds of the Southeastern States Milk Production These are the only three southeastern states USDA reports monthly milk production.