

**DIXIE DAIRY REPORT - JANUARY 2020** published by Calvin Covington, ccovington5@cs.com, 352-266-7576

| <b>Class I Mover \$ Per Cwt. (3.5% fat)</b>                                           |                |                |                |                |                |                |                |                |                |                |                |                |                |
|---------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                       | <u>J</u>       | <u>E</u>       | <u>M</u>       | <u>A</u>       | <u>M</u>       | <u>J</u>       | <u>J</u>       | <u>A</u>       | <u>S</u>       | <u>O</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        | <b>\$17.53</b> | <b>\$17.61</b> | <b>\$17.69</b> | <b>\$17.77</b> | <b>\$17.87</b> | <b>\$18.00</b> | <b>\$18.18</b> | <b>\$18.40</b> | <b>\$18.58</b> | <b>\$18.63</b> | <b>\$18.55</b> | <b>\$18.15</b> |
| <b>Southeast Federal Orders' Blend Prices - Base Zone at 3.5% butterfat (\$/cwt.)</b> |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <u>Florida - Tampa</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        | <b>\$23.25</b> | <b>\$21.42</b> |
| 2020                                                                                  | <b>\$23.45</b> | <b>\$23.40</b> | <b>\$22.20</b> | <b>\$22.40</b> | <b>\$22.50</b> | <b>\$22.23</b> | <b>\$22.39</b> | <b>\$22.84</b> | <b>\$22.79</b> | <b>\$23.03</b> | <b>\$22.61</b> | <b>\$22.90</b> | <b>\$22.73</b> |
| <u>Southeast - Atlanta</u>                                                            |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 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        | <b>\$21.69</b> | <b>\$19.82</b> |
| 2020                                                                                  | <b>\$21.79</b> | <b>\$21.73</b> | <b>\$20.50</b> | <b>\$20.53</b> | <b>\$20.52</b> | <b>\$20.38</b> | <b>\$20.96</b> | <b>\$21.24</b> | <b>\$21.45</b> | <b>\$21.71</b> | <b>\$21.77</b> | <b>\$21.26</b> | <b>\$21.15</b> |
| <u>Appalachian - Charlotte</u>                                                        |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 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        | <b>\$21.02</b> | \$19.39        |
| 2020                                                                                  | <b>\$21.29</b> | <b>\$20.08</b> | <b>\$19.89</b> | <b>\$20.10</b> | <b>\$20.24</b> | <b>\$20.22</b> | <b>\$20.56</b> | <b>\$20.77</b> | <b>\$21.00</b> | <b>\$21.18</b> | <b>\$21.19</b> | <b>\$20.81</b> | <b>\$20.61</b> |
| <b>* Projections in bold</b>                                                          |                |                |                |                |                |                |                |                |                |                |                |                |                |

| <b>Southeastern Federal Orders Class I Producer Milk - Million lbs.</b> |          |          |          |          |          |          |          |          |          |          |          |          |                  |
|-------------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------------|
| <u>Florida</u>                                                          | <u>J</u> | <u>E</u> | <u>M</u> | <u>A</u> | <u>M</u> | <u>J</u> | <u>J</u> | <u>A</u> | <u>S</u> | <u>O</u> | <u>N</u> | <u>D</u> | <u>YTD Total</u> |
| 2017                                                                    | 199      | 178      | 196      | 177      | 177      | 168      | 165      | 181      | 174      | 184      | 184      | 186      | 1,983            |
| 2018                                                                    | 198      | 174      | 194      | 177      | 177      | 161      | 160      | 180      | 168      | 183      | 186      | 185      | 1,958            |
| 2019                                                                    | 199      | 174      | 185      | 183      | 177      | 155      | 164      | 184      | 163      | 181      | 148      |          | 1,913            |
| % change                                                                | 0.5%     | 0.0%     | -4.6%    | 3.4%     | 0.0%     | -3.7%    | 2.5%     | 2.2%     | -3.0%    | -1.1%    | -20.4%   |          | -2.3%            |
| <u>Southeast</u>                                                        |          |          |          |          |          |          |          |          |          |          |          |          |                  |
| 2017                                                                    | 344      | 300      | 335      | 299      | 312      | 299      | 285      | 330      | 313      | 316      | 317      | 318      | 3,450            |
| 2018                                                                    | 345      | 292      | 324      | 313      | 309      | 285      | 290      | 318      | 295      | 315      | 319      | 298      | 3,405            |
| 2019                                                                    | 334      | 275      | 290      | 299      | 288      | 252      | 280      | 298      | 279      | 299      | 260      |          | 3,154            |
| % change                                                                | -3.2%    | -5.8%    | -10.5%   | -4.5%    | -6.8%    | -11.6%   | -3.4%    | -6.3%    | -5.4%    | -5.1%    | -18.5%   |          | -7.4%            |
| <u>Appalachian</u>                                                      |          |          |          |          |          |          |          |          |          |          |          |          |                  |
| 2017                                                                    | 352      | 307      | 351      | 303      | 328      | 308      | 310      | 354      | 341      | 351      | 354      | 341      | 3,659            |
| 2018                                                                    | 374      | 314      | 347      | 326      | 330      | 299      | 308      | 343      | 309      | 348      | 353      | 332      | 3,651            |
| 2019                                                                    | 370      | 293      | 310      | 311      | 307      | 263      | 291      | 339      | 321      | 333      | 333      |          | 3,471            |
| % change                                                                | -1.1%    | -6.7%    | -10.7%   | -4.6%    | -7.0%    | -12.0%   | -5.5%    | -1.2%    | 3.9%     | -4.3%    | -5.7%    |          | -4.9%            |
| <u>Total all Three Orders</u>                                           |          |          |          |          |          |          |          |          |          |          |          |          |                  |
| 2017                                                                    | 895      | 785      | 882      | 779      | 817      | 775      | 760      | 865      | 828      | 851      | 855      | 845      | 9,092            |
| 2018                                                                    | 917      | 780      | 865      | 816      | 816      | 745      | 758      | 841      | 772      | 846      | 858      | 815      | 9,014            |
| 2019                                                                    | 903      | 742      | 785      | 793      | 772      | 670      | 735      | 821      | 763      | 813      | 741      |          | 8,538            |
| % change                                                                | -1.5%    | -4.9%    | -9.2%    | -2.8%    | -5.4%    | -10.1%   | -3.0%    | -2.4%    | -1.2%    | -3.9%    | -13.6%   |          | -5.3%            |

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| Southeastern Federal Orders' Packaged Fluid Milk Sales - Million lbs. |          |          |          |          |          |          |          |          |          |          |          |          |            |
|-----------------------------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| <u>Florida</u>                                                        | <u>J</u> | <u>F</u> | <u>M</u> | <u>A</u> | <u>M</u> | <u>J</u> | <u>J</u> | <u>A</u> | <u>S</u> | <u>O</u> | <u>N</u> | <u>D</u> | <u>YTD</u> |
| 2017                                                                  | 246      | 224      | 246      | 226      | 228      | 215      | 213      | 230      | 221      | 235      | 233      | 237      | 2,284      |
| 2018                                                                  | 247      | 216      | 242      | 223      | 226      | 203      | 208      | 229      | 215      | 233      | 226      | 235      | 2,242      |
| 2019                                                                  | 246      | 219      | 234      | 227      | 222      | 199      | 209      | 226      | 207      | 229      |          |          | 2,218      |
| % change                                                              | -0.4%    | 1.4%     | -3.3%    | 2.0%     | -1.8%    | -2.0%    | 0.5%     | -1.3%    | -3.7%    | -1.7%    |          |          | -1.1%      |
| <u>Southeast</u>                                                      |          |          |          |          |          |          |          |          |          |          |          |          |            |
| 2017                                                                  | 398      | 352      | 385      | 356      | 367      | 343      | 347      | 387      | 373      | 380      | 379      | 376      | 3,688      |
| 2018                                                                  | 395      | 341      | 375      | 356      | 355      | 324      | 331      | 376      | 348      | 374      | 372      | 361      | 3,575      |
| 2019                                                                  | 386      | 325      | 341      | 342      | 334      | 306      | 327      | 363      | 339      | 360      |          |          | 3,423      |
| % change                                                              | -2.3%    | -4.7%    | -9.1%    | -4.0%    | -5.9%    | -5.6%    | -1.2%    | -3.5%    | -2.6%    | -3.7%    |          |          | -4.3%      |
| <u>Appalachian</u>                                                    |          |          |          |          |          |          |          |          |          |          |          |          |            |
| 2017                                                                  | 287      | 250      | 279      | 244      | 265      | 249      | 252      | 277      | 270      | 280      | 283      | 277      | 2,653      |
| 2018                                                                  | 298      | 252      | 277      | 261      | 269      | 249      | 253      | 273      | 261      | 277      | 279      | 268      | 2,670      |
| 2019                                                                  | 287      | 240      | 268      | 261      | 265      | 232      | 250      | 264      | 256      | 272      |          |          | 2,595      |
| % change                                                              | -3.7%    | -4.8%    | -3.2%    | 0.0%     | -1.5%    | -6.8%    | -1.2%    | -3.3%    | -1.9%    | -1.8%    |          |          | -2.8%      |
| <u>Total all Three Orders</u>                                         |          |          |          |          |          |          |          |          |          |          |          |          |            |
| 2017                                                                  | 931      | 826      | 910      | 826      | 860      | 807      | 812      | 894      | 864      | 895      | 895      | 890      | 8,625      |
| 2018                                                                  | 940      | 809      | 894      | 840      | 850      | 776      | 792      | 878      | 824      | 884      | 877      | 864      | 8,487      |
| 2019                                                                  | 919      | 784      | 843      | 830      | 821      | 737      | 786      | 853      | 802      | 861      |          |          | 8,236      |
| % change                                                              | -2.2%    | -3.1%    | -5.7%    | -1.2%    | -3.4%    | -5.0%    | -0.8%    | -2.8%    | -2.7%    | -2.6%    |          |          | -3.0%      |

| 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 | 39,795 |
| 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 | 38,906 |
| 2019                                           | 4,210 | 3,648 | 3,909 | 3,817 | 3,902 | 3,446 | 3,620 | 3,873 | 3,756 | 4,036 |       |       | 38,217 |
| % change                                       | -0.5% | -1.9% | -4.7% | -1.0% | -0.8% | -4.1% | 0.2%  | -1.9% | -0.8% | -2.1% |       |       | -1.8%  |

| Southeast Federal Orders' Class I Utilization % |          |          |          |          |          |          |          |          |          |          |          |          |             |
|-------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------------|
| <u>Florida</u>                                  | <u>J</u> | <u>F</u> | <u>M</u> | <u>A</u> | <u>M</u> | <u>J</u> | <u>J</u> | <u>A</u> | <u>S</u> | <u>O</u> | <u>N</u> | <u>D</u> | <u>Avg.</u> |
| 2017                                            | 86%      | 83%      | 83%      | 81%      | 81%      | 82%      | 83%      | 84%      | 86%      | 84%      | 84%      | 82%      | 83%         |
| 2018                                            | 82%      | 85%      | 85%      | 84%      | 85%      | 85%      | 81%      | 84%      | 82%      | 84%      | 85%      | 81%      | 84%         |
| 2019                                            | 86%      | 84%      | 82%      | 85%      | 86%      | 82%      | 83%      | 86%      | 80%      | 83%      | 82%      |          | 84%         |
| <u>Southeast</u>                                |          |          |          |          |          |          |          |          |          |          |          |          |             |
| 2017                                            | 70%      | 68%      | 65%      | 60%      | 63%      | 66%      | 68%      | 77%      | 77%      | 74%      | 75%      | 70%      | 69%         |
| 2018                                            | 73%      | 68%      | 65%      | 65%      | 68%      | 68%      | 74%      | 76%      | 75%      | 79%      | 78%      | 70%      | 71%         |
| 2019                                            | 76%      | 70%      | 65%      | 67%      | 66%      | 57%      | 70%      | 74%      | 73%      | 78%      | 77%      |          | 70%         |
| <u>Appalachian</u>                              |          |          |          |          |          |          |          |          |          |          |          |          |             |
| 2017                                            | 73%      | 71%      | 70%      | 63%      | 67%      | 64%      | 66%      | 72%      | 72%      | 71%      | 74%      | 66%      | 69%         |
| 2018                                            | 71%      | 69%      | 67%      | 66%      | 68%      | 67%      | 69%      | 72%      | 69%      | 75%      | 75%      | 67%      | 70%         |
| 2019                                            | 76%      | 72%      | 65%      | 66%      | 67%      | 63%      | 71%      | 73%      | 73%      | 75%      | 74%      |          | 70%         |

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| U.S. Milk Production - Million lbs. |          |          |          |          |          |          |          |          |          |          |          |          | YTD Total |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
|                                     | <u>J</u> | <u>F</u> | <u>M</u> | <u>A</u> | <u>M</u> | <u>J</u> | <u>J</u> | <u>A</u> | <u>S</u> | <u>O</u> | <u>N</u> | <u>D</u> |           |
| 2017                                | 18,128   | 16,694   | 18,740   | 18,332   | 18,952   | 18,060   | 18,268   | 18,049   | 17,156   | 17,769   | 17,260   | 18,058   | 197,408   |
| 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   | 199,420   |
| 2019                                | 18,600   | 16,981   | 18,869   | 18,458   | 19,064   | 18,256   | 18,370   | 18,290   | 17,623   | 18,045   | 17,440   |          | 199,996   |
| % change                            | 0.9%     | 0.0%     | -0.6%    | 0.2%     | -0.4%    | -0.2%    | 0.2%     | 0.2%     | 1.3%     | 1.0%     | 0.5%     |          | 0.3%      |

| U.S. Dairy Cows - 1,000 head |       |       |       |       |       |       |       |       |       |       |       |       |       |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2017                         | 9,359 | 9,365 | 9,383 | 9,392 | 9,401 | 9,404 | 9,404 | 9,404 | 9,399 | 9,395 | 9,398 | 9,400 | 9,392 |
| 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                         | 9,352 | 9,350 | 9,330 | 9,330 | 9,333 | 9,319 | 9,319 | 9,317 | 9,322 | 9,327 | 9,331 |       |       |
| Change                       | -86   | -86   | -100  | -88   | -89   | -95   | -73   | -72   | -46   | -40   | -27   |       |       |

| Florida Milk Production - Million lbs. |       |       |       |       |       |       |      |      |      |      |      |     | YTD Total |
|----------------------------------------|-------|-------|-------|-------|-------|-------|------|------|------|------|------|-----|-----------|
| 2017                                   | 226   | 213   | 239   | 227   | 231   | 214   | 204  | 193  | 172  | 181  | 188  | 208 | 2,288     |
| 2018                                   | 220   | 211   | 233   | 217   | 223   | 201   | 188  | 180  | 163  | 170  | 182  | 193 | 2,188     |
| 2019                                   | 210   | 197   | 218   | 206   | 213   | 199   | 192  | 181  | 164  | 179  | 186  |     | 2,145     |
| Change %                               | -4.5% | -6.6% | -6.4% | -5.1% | -4.5% | -1.0% | 2.1% | 0.6% | 0.6% | 5.3% | 2.2% |     | -2.0%     |

| Georgia Milk Production - Million lbs. |       |       |       |      |       |      |      |       |      |      |      |     |
|----------------------------------------|-------|-------|-------|------|-------|------|------|-------|------|------|------|-----|
| 2017                                   | NA    | NA    | NA    | NA   | NA    | NA   | NA   | NA    | NA   | NA   | NA   | NA  |
| 2018                                   | 161   | 150   | 168   | 157  | 156   | 141  | 143  | 139   | 129  | 135  | 140  | 147 |
| 2019                                   | 159   | 148   | 165   | 157  | 155   | 145  | 143  | 135   | 131  | 139  | 142  |     |
| Change %                               | -1.2% | -1.3% | -1.8% | 0.0% | -0.6% | 2.8% | 0.0% | -2.9% | 1.6% | 3.0% | 1.4% |     |

| Virginia Milk Production - Million lbs. |        |        |        |        |        |        |        |        |       |       |       |     |        |
|-----------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-----|--------|
| 2017                                    | 148    | 138    | 156    | 154    | 154    | 141    | 140    | 140    | 137   | 142   | 140   | 146 | 1,590  |
| 2018                                    | 148    | 137    | 152    | 146    | 148    | 135    | 134    | 132    | 123   | 128   | 124   | 128 | 1,507  |
| 2019                                    | 131    | 121    | 133    | 130    | 133    | 121    | 118    | 117    | 114   | 119   | 118   |     | 1,355  |
| Change %                                | -11.5% | -11.7% | -12.5% | -11.0% | -10.1% | -10.4% | -11.9% | -11.4% | -7.3% | -7.0% | -4.8% |     | -10.1% |

| Total above Three States* Milk Production - Million lbs. |       |       |       |       |       |       |       |       |       |      |      |     |       |
|----------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|-----|-------|
| 2017                                                     | NA    | NA    | NA    | NA    | NA    | NA    | NA    | NA    | NA    | NA   | NA   | NA  |       |
| 2018                                                     | 529   | 498   | 553   | 520   | 527   | 477   | 465   | 451   | 415   | 433  | 446  | 468 | 5,314 |
| 2019                                                     | 500   | 466   | 516   | 493   | 501   | 465   | 453   | 433   | 409   | 437  | 446  |     | 5,119 |
| Change %                                                 | -5.5% | -6.4% | -6.7% | -5.2% | -4.9% | -2.5% | -2.6% | -4.0% | -1.4% | 0.9% | 0.0% |     | -3.7% |

\* 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.