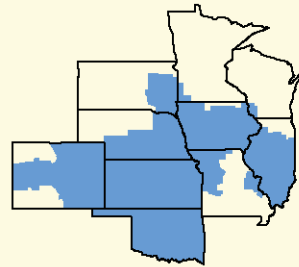


FEBRUARY 2014

Marketing Service

Bulletin

Facilitating the efficient marketing of milk and dairy products.



CENTRAL MARKETING AREA



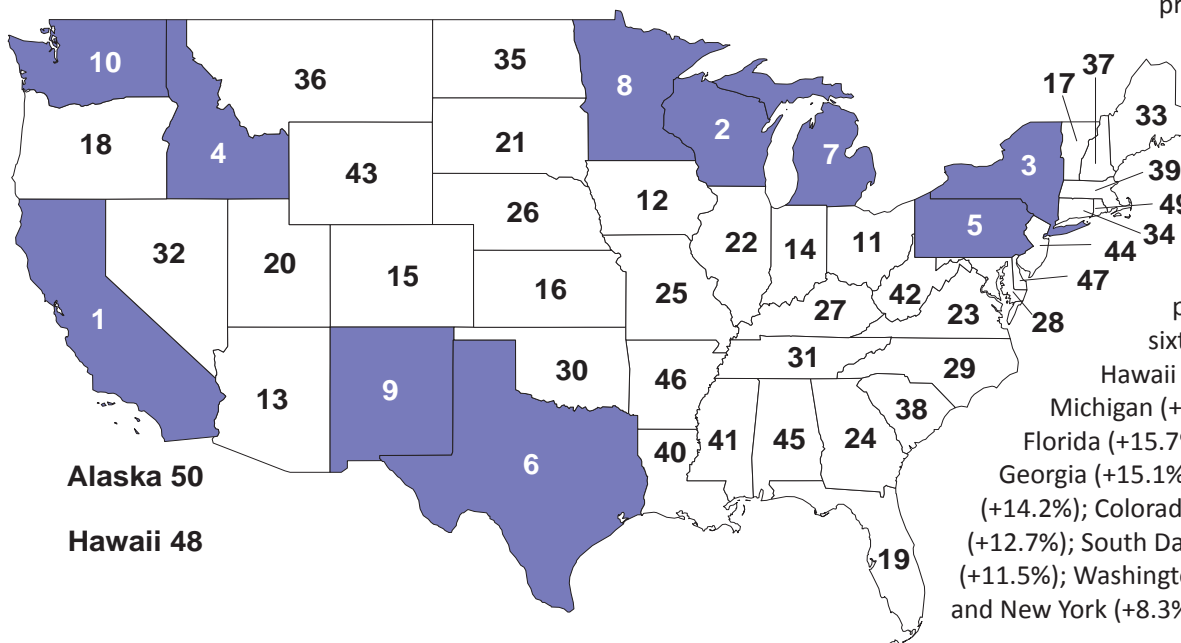
2013 Milk Production

U.S. 2013 milk production totaled 201.2 billion pounds, an increase of 681 million pounds over 2012. The 2013 total is a record high for the fourth consecutive year, and is an increase of 0.3% over the 200.5 billion pounds produced in 2012. Milk production has exceeded year earlier totals during fifteen of the last seventeen years, with the exceptions occurring during 2001 and 2009. Production in the U.S. has increased by 11.2 billion pounds over the past five years (2013 versus 2008), a gain of 5.9%.

Twenty-three states registered annual milk production increases during 2013, with a combined increase of 1.6% compared with 2012. Kansas recorded the largest percentage gain, with milk production increasing 7.3%. Massachusetts was the only other state to recorded an increase of 5.0% or more. Conversely, seven states reported annual decreases of five percent or more, with Alaska's 43.9% decrease being the largest. Other states posting declines of more than five percent were: Arkansas (-21.1%); Alabama (-9.1%); Louisiana (-7.2%); Mississippi (-7.0%); Oklahoma (-6.9%); and Rhode Island (-6.6%). In total, twenty-seven states posted production decreases during 2013, with combined production falling 1.5% compared with 2012.

The map on this page ranks milk production by state for 2013, with the top ten milk producing states shaded. The graphics on page 4 depict states with the largest percentage increases and decreases in milk production over the past five years (2013 versus 2008).

2013 Milk Production Ranking Top Ten States Highlighted



Twenty-eight states recorded milk production increases comparing 2013 with 2008. The combined production for these states represented 90.1% of total 2013 US milk production, and the combined increase for these twenty-eight states was 7.6%. Sixteen states posted increases larger than the twenty-eight state percentage average. These sixteen were the following: Hawaii (+59.5%); Kansas (+21.4%); Michigan (+18.0%); Indiana (+16.5%); Florida (+15.7%); Nevada (+15.2%); Georgia (+15.1%); Utah (+14.6%); Texas (+14.2%); Colorado (+13.2%); Wisconsin (+12.7%); South Dakota (+12.6%); Oregon (+11.5%); Washington (+11.2%); Idaho (+9.1%); and New York (+8.3%).

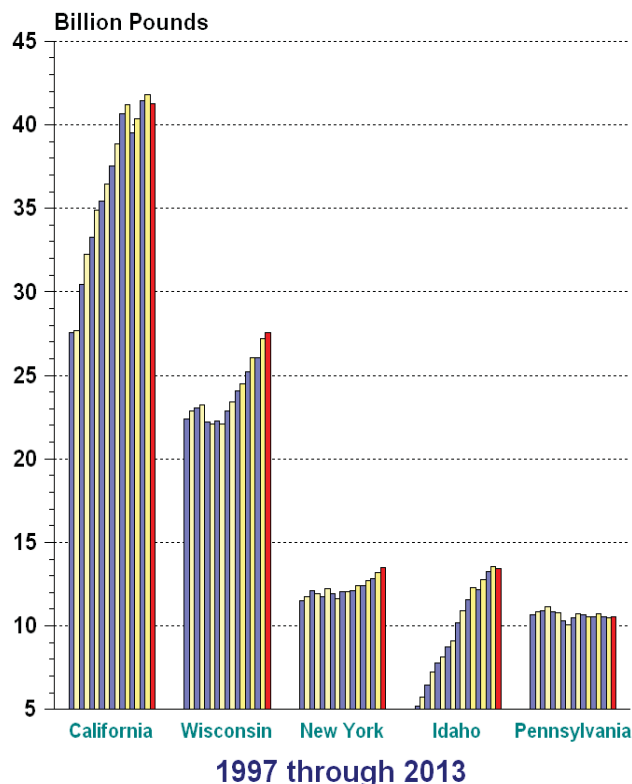
The remaining twenty-two states registered production decreases and were down a combined 7.4%. These twenty-two states accounted for 9.9% of 2013 US milk production. Seventeen states recorded decreases greater than the 7.4% average percentage loss. These were: Alaska (-55.6%); Arkansas (-43.5%); Mississippi (-36.4%); Louisiana (-35.4%); Alabama (-34.8%); Oklahoma (-25.5%); New Jersey (-24.9%); Tennessee (-19.1%); North Dakota (-18.2%); South Carolina (-18.0%); Missouri (-16.5%); West Virginia (-16.0%); Delaware (-14.8%); Rhode Island (-14.1%); Kentucky (-11.1%); Massachusetts (-9.4%); and New Hampshire (-9.4%).

The graph at the right depicts annual milk production since 1997 for the nation's top five milk producing states. Three of the five top states recorded increases comparing 2013 with 2012 -- New York (+2.1%), Wisconsin (+1.3%), and Pennsylvania (+0.8%) -- while Idaho (-0.9%) and California (-1.3%) posted decreases. Comparing 2013 with 1997, Idaho's milk production increased by 158.6%, while California's increased by 49.6%. Wisconsin (+23.3%) posted the third largest increase among the top five states followed by New York (+16.8%), while Pennsylvania (-0.9%) was the only one of these five to register a decrease.

The map on page 6 provides a ranking of states based on 2013 milk production per cow. California, Idaho, Michigan, New Mexico, and Washington are states ranked in the top ten in both total milk production and production per cow. California (23,178 lbs./cow), Idaho (23,440 lbs./cow), and New York (22,080 lbs./cow) were top five milk production states that were also above the 2013 national average of 21,822 pounds per cow.

Annual Milk Production

Top Five Dairy States



2013 *Per Capita* Milk Production

Per capita milk production is a data series presented annually in this Bulletin. A comparison of this series to per capita consumption data may reflect the

aggregate supply and demand balance for individual states and regions throughout the U.S. The table on page 7 details and compares per capita milk production by state for 2013, 2012, and 2008. This table lists the states in descending order based on 2013 per capita production. States with per capita production of more than 600 pounds are inside the shaded area of the table. Six of the top ten states in total production are also in the top ten in per capita production. These six are California, Idaho, Michigan, Minnesota, New Mexico, and Wisconsin.

Data used in these calculations indicates per capita production for 2013 was 636.5 pounds, down 2.4 pounds (-0.4%) compared with 2012. Eighteen states reported annual per capita increases during 2013, with Kansas (+7.0%) posting the largest gain. No other states had an increase greater than five percent. Alaska recorded the largest per capita production decline during 2013, with a loss of 43.6%. Eight additional states recorded decreases of five percent or more compared with 2012.

Per capita production for the U.S. increased by 12.3 pounds (+2.0%) between 2008 and 2013. Twenty-two states recorded increases in per capita milk production, led by Hawaii's 45.8% gain. Five additional states increased per capita production by 10% or more comparing 2013 with 2008. Alaska recorded the largest decrease, with per capita production falling by 58.1%. Nine additional states posted declines of more than 20%, while seven states reported decreases between 10% and 20%.

The map on the top of page 3 depicts per capita milk production by state for 2013. The 300 and 600 pound levels of per capita production are arbitrary divisions selected for this map. The 600 pound level roughly approximates total annual per capita dairy consumption on a milk equivalent basis, while the 300 pound level reflects average annual consumption of Class I and Class II products (fluid and soft manufactured products), plus reserve requirements. A cursory analysis of regional milk supply conditions can be performed by examining the shading patterns prevalent in the individual regions.

The map at the bottom of page 3 displays the percentage change in per capita milk production by state between 2008 and 2013. The data represented by this map reflects changes in production combined with population changes. The graphics on page 5 depict the states with the largest percentage increases and decreases from 2008 to 2013.

The graph on page 6 provides a ranking of the top five milk producing states in total milk production, production per cow, and production per capita. The graph on the last page of this Bulletin depicts milk production per capita for the U.S. over the last 34 years.

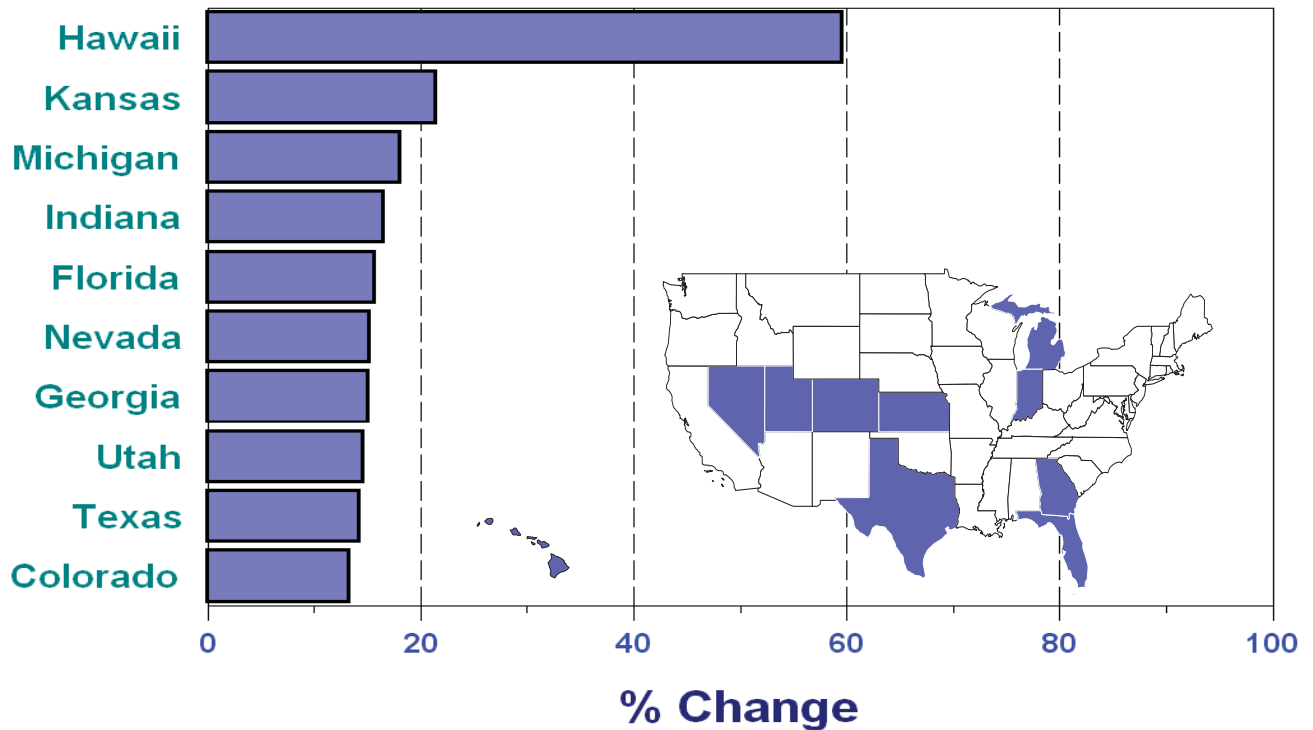
Percentage of 2013 U.S. Totals

	U.S. Milk Production	U. S. Population Estimate
California	20.50	12.13
Wisconsin	13.70	1.82
New York	6.69	6.22
Idaho	6.67	0.51
Pennsylvania	5.25	4.04
5-State Total	52.82	24.71

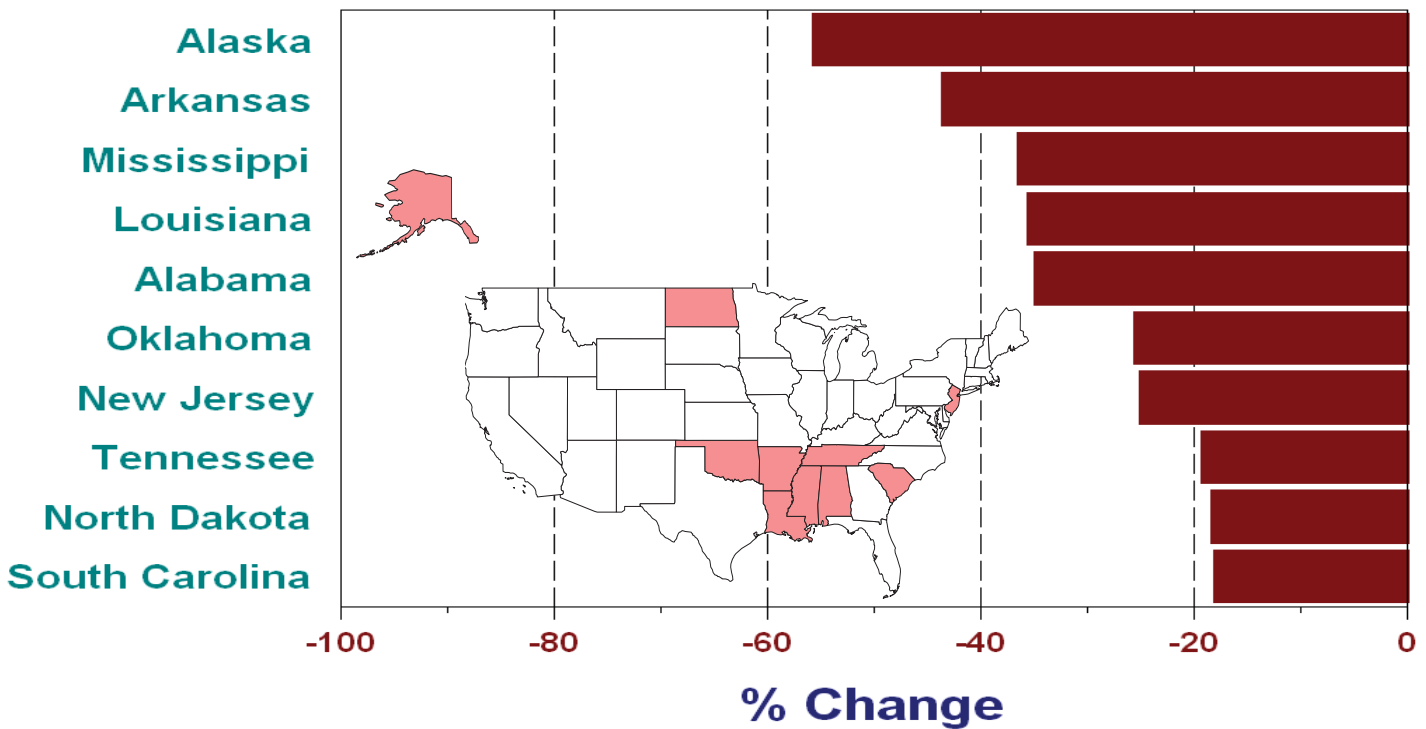
Milk Production: 2013 vs 2008

U.S. Average = +5.9%

Largest Production Increases



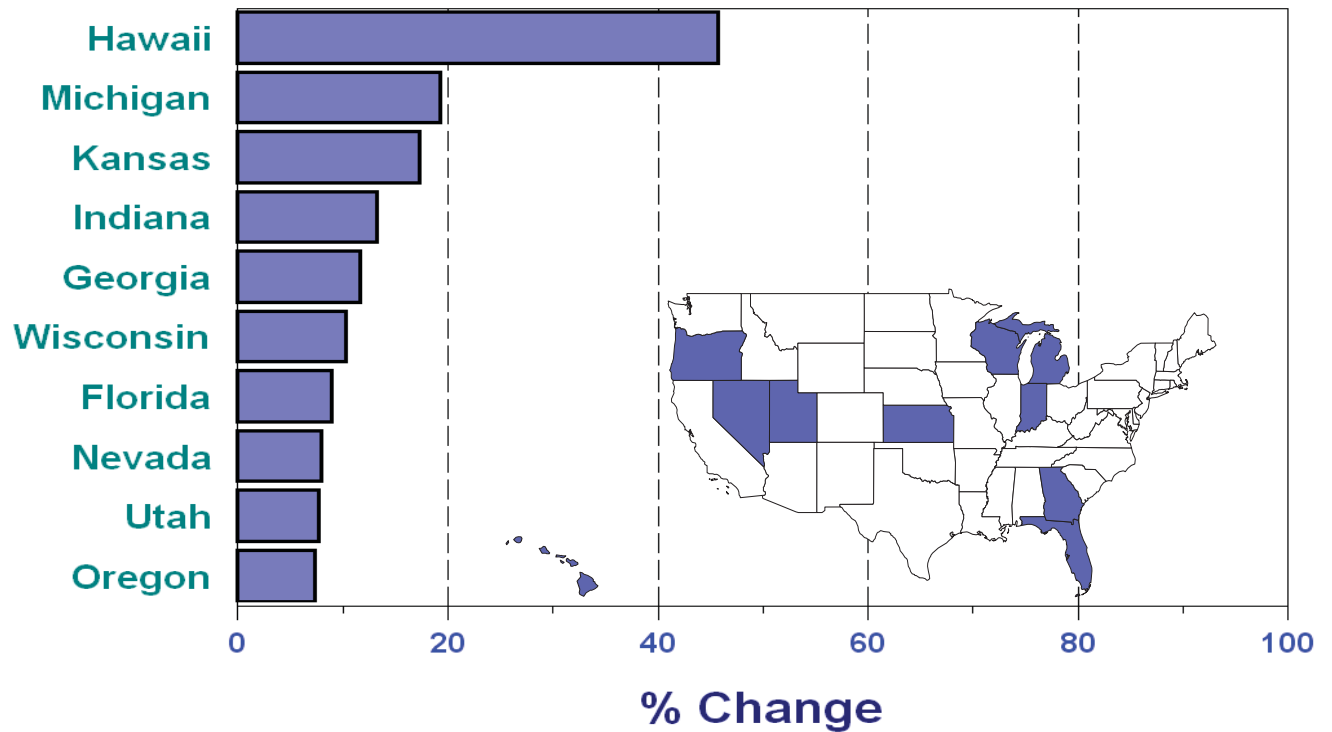
Largest Production Decreases



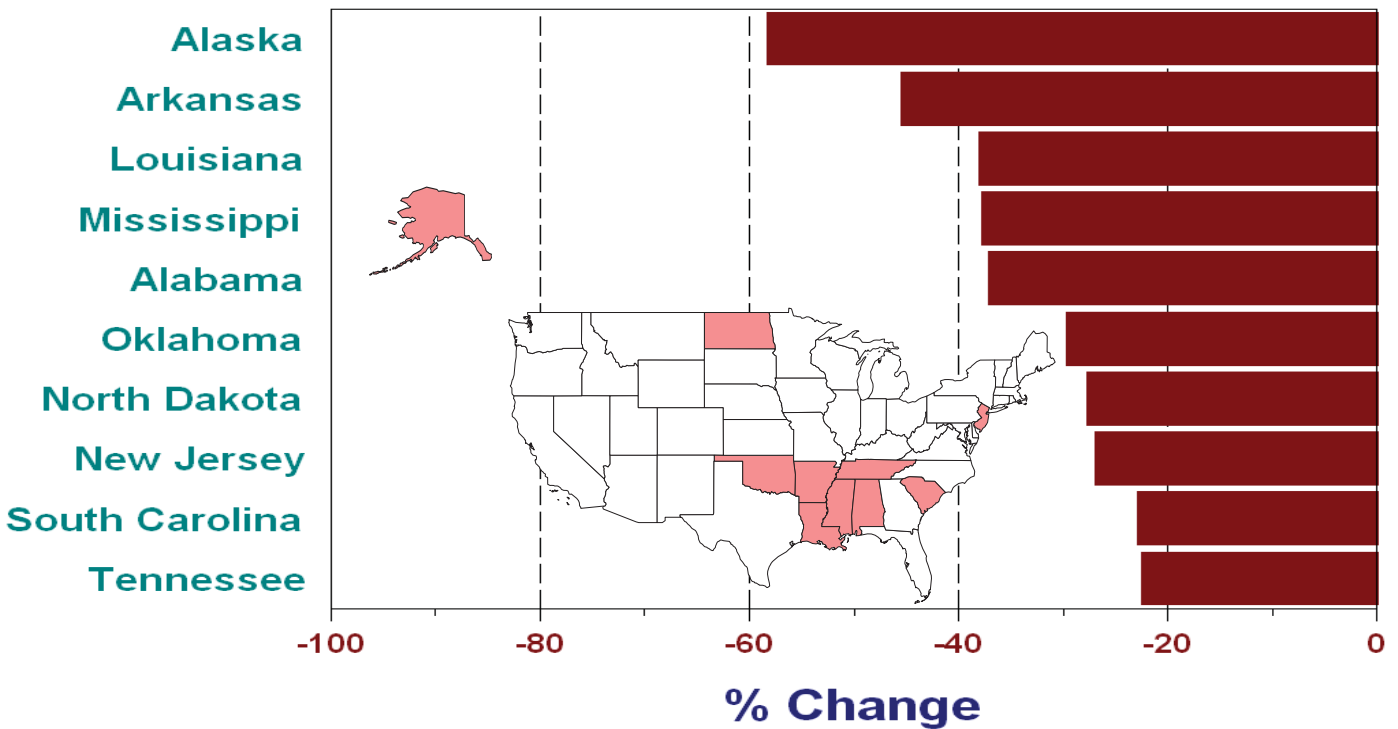
Per Capita Milk Production: 2013 vs 2008

U.S. Average = +2.0%

Largest Per Capita Increases

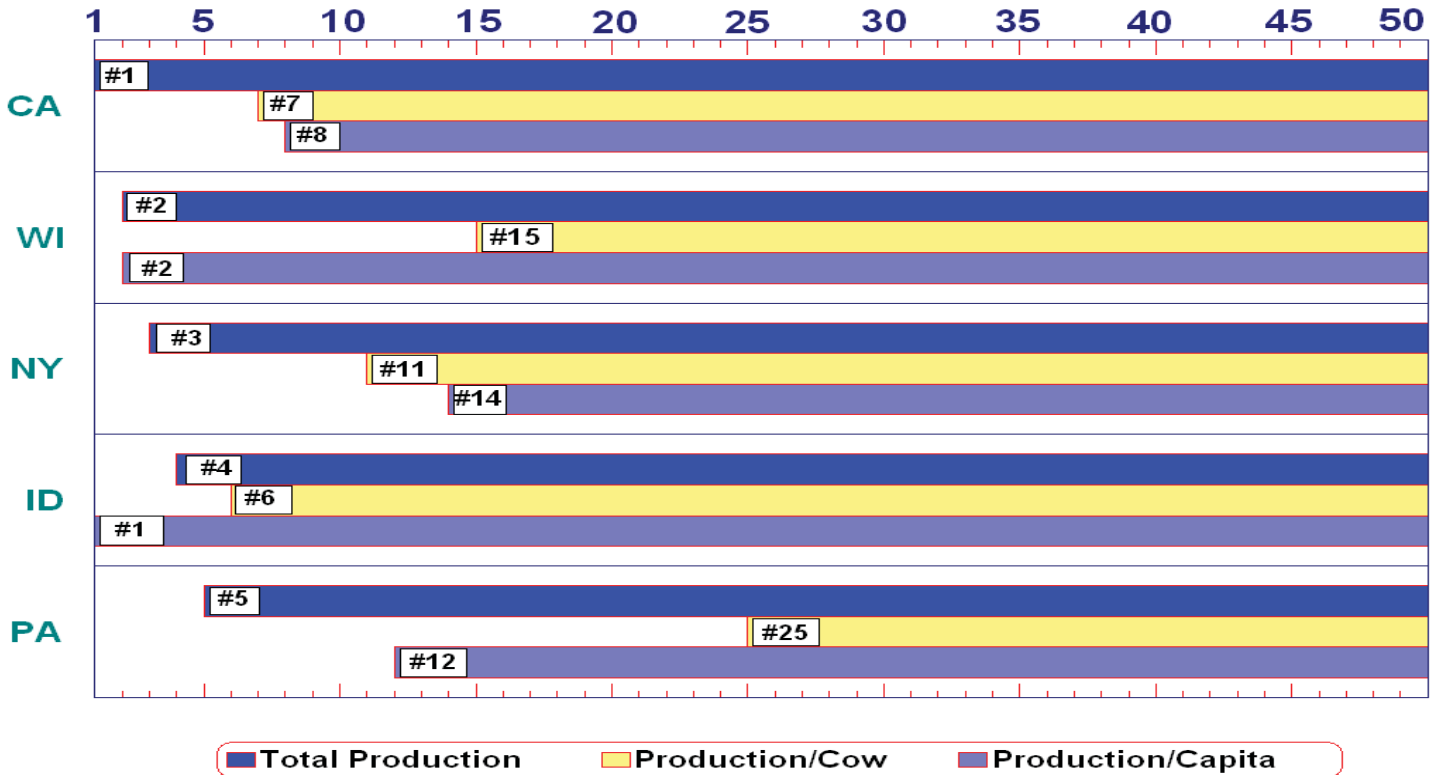


Largest Per Capita Decreases

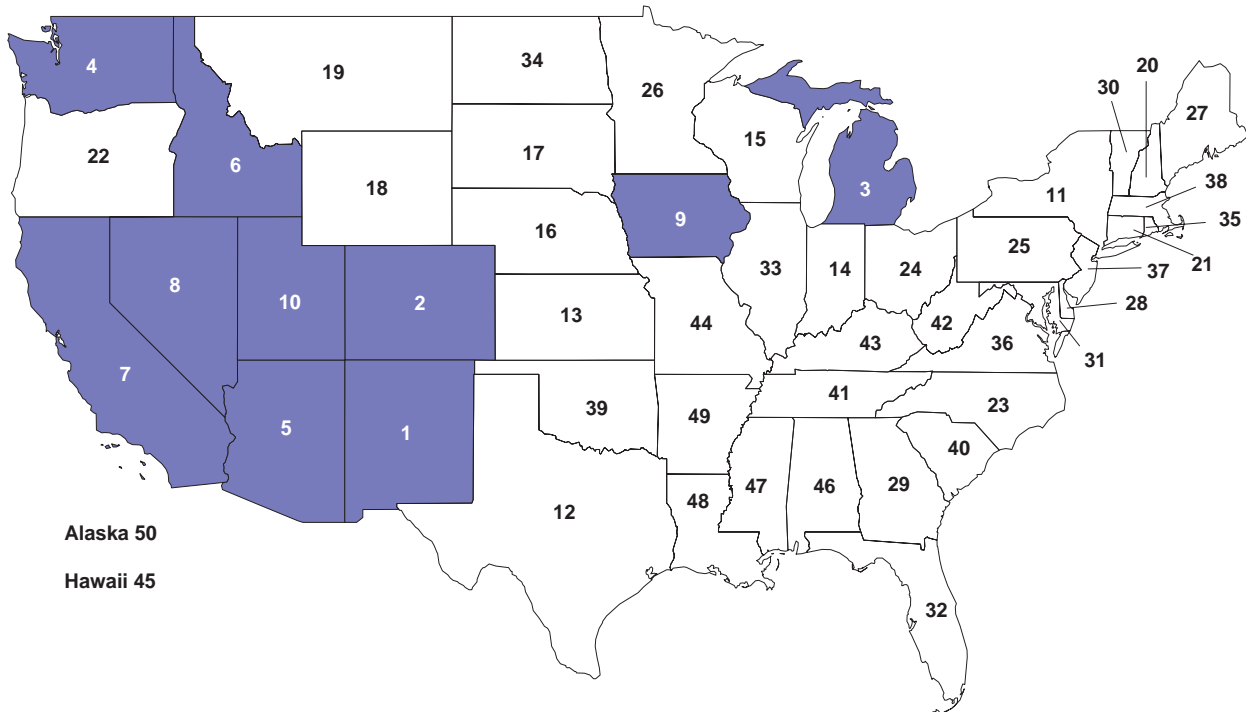


2013 Milk Production: Top Five States

State Rankings



2013 Milk Production Per Cow Ranking Top Ten States Highlighted



Per Capita Milk Production

2013 versus 2012 & 2008 - By State

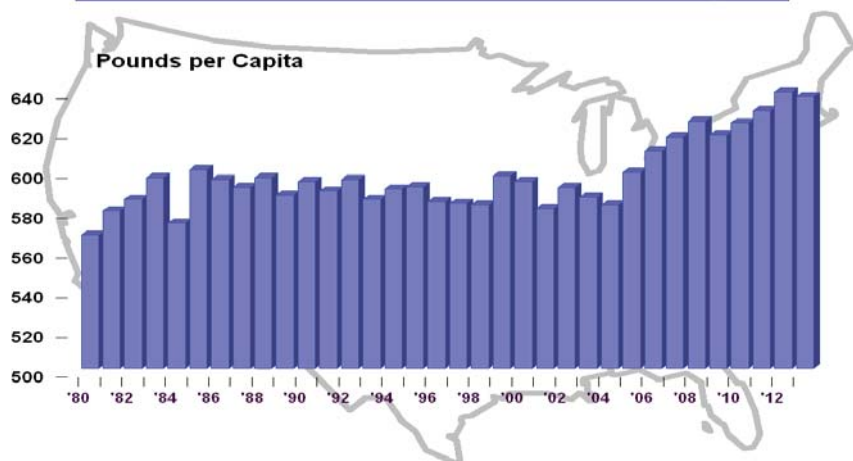
States	Per Capita Milk Production			Change In Per Capita Milk Production			
	2013	2012	2008	2013 vs 2012		2013 vs 2008	
				Pounds	Percent	Pounds	Percent
1 Idaho	8,331.2	8,497.2	8,062.2	-166.0	-2.0	269.0	3.3
2 Wisconsin	4,801.2	4,755.7	4,348.6	45.5	1.0	452.6	10.4
3 Vermont	4,158.8	4,104.1	4,147.8	54.7	1.3	11.0	0.3
4 New Mexico	3,863.7	3,911.1	3,958.7	-47.4	-1.2	-95.0	-2.4
5 South Dakota	2,394.4	2,359.6	2,232.4	34.8	1.5	162.0	7.3
6 Minnesota	1,686.2	1,686.5	1,679.0	-0.3	-0.0	7.2	0.4
7 Iowa	1,490.4	1,467.3	1,442.6	23.1	1.6	47.8	3.3
8 California	1,076.3	1,100.0	1,126.4	-23.7	-2.2	-50.1	-4.4
9 Kansas	1,013.1	946.8	863.3	66.3	7.0	149.8	17.4
10 Michigan	926.1	909.8	776.1	16.3	1.8	150.0	19.3
11 Washington	908.9	904.1	867.5	4.8	0.5	41.4	4.8
12 Pennsylvania	827.1	820.9	841.5	6.2	0.8	-14.4	-1.7
13 Utah	701.9	712.1	651.2	-10.2	-1.4	50.7	7.8
14 New York	685.4	673.8	638.6	11.6	1.7	46.8	7.3
15 Arizona	677.4	688.1	669.1	-10.7	-1.6	8.3	1.2
16 Oregon	639.7	644.4	595.8	-4.7	-0.7	43.9	7.4
17 Colorado	630.6	619.1	594.7	11.5	1.9	35.9	6.0
18 Nebraska	623.5	639.2	607.8	-15.7	-2.5	15.7	2.6
19 Indiana	582.9	573.0	514.5	9.9	1.7	68.4	13.3
20 North Dakota	472.8	494.8	651.7	-22.0	-4.4	-178.9	-27.5
21 Ohio	470.8	463.5	445.0	7.3	1.6	25.8	5.8
22 Maine	456.2	461.4	456.9	-5.2	-1.1	-0.7	-0.2
23 Texas	363.4	368.2	346.3	-4.8	-1.3	17.1	4.9
24 Montana	293.5	297.4	323.3	-3.9	-1.3	-29.8	-9.2
25 Kentucky	244.8	255.7	282.2	-10.9	-4.3	-37.4	-13.3
26 Nevada	230.8	241.8	213.7	-11.0	-4.5	17.1	8.0
27 Missouri	223.2	233.4	271.1	-10.2	-4.4	-47.9	-17.7
28 Wyoming	220.0	214.9	254.6	5.1	2.4	-34.6	-13.6
29 Virginia	210.9	211.0	221.4	-0.1	-0.0	-10.5	-4.7
30 Oklahoma	205.2	222.5	291.2	-17.3	-7.8	-86.0	-29.5
31 New Hampshire	204.8	208.1	226.2	-3.3	-1.6	-21.4	-9.5
32 Maryland	163.9	166.4	181.8	-2.5	-1.5	-17.9	-9.8
33 Georgia	156.1	154.3	139.7	1.8	1.2	16.4	11.7
34 Illinois	145.9	148.8	147.5	-2.9	-1.9	-1.6	-1.1
35 Florida	121.9	121.1	111.8	0.8	0.7	10.1	9.0
36 Tennessee	118.1	124.7	151.9	-6.6	-5.3	-33.8	-22.3
37 Connecticut	103.2	99.7	103.9	3.5	3.5	-0.7	-0.7
38 Delaware	101.2	102.3	125.5	-1.1	-1.1	-24.3	-19.4
39 North Carolina	94.9	96.4	96.5	-1.5	-1.6	-1.6	-1.7
40 West Virginia	82.0	85.1	99.7	-3.1	-3.6	-17.7	-17.8
41 Mississippi	61.8	66.6	99.0	-4.8	-7.2	-37.2	-37.6
42 South Carolina	55.3	58.4	71.5	-3.1	-5.3	-16.2	-22.7
43 Louisiana	44.5	48.2	71.7	-3.7	-7.7	-27.2	-37.9
44 Arkansas	35.5	45.1	64.9	-9.6	-21.3	-29.4	-45.3
45 Massachusetts	34.4	33.0	38.8	1.4	4.2	-4.4	-11.3
46 Alabama	24.8	27.4	39.3	-2.6	-9.5	-14.5	-36.9
47 Hawaii	21.0	20.4	14.4	0.6	2.9	6.6	45.8
48 Rhode Island	16.3	17.4	18.9	-1.1	-6.3	-2.6	-13.8
49 New Jersey	14.3	14.7	19.5	-0.4	-2.7	-5.2	-26.7
50 Alaska	4.4	7.8	10.5	-3.4	-43.6	-6.1	-58.1
U.S. Totals	636.5	638.9	624.2	-2.4	-0.4	12.3	2.0

Data Sources:

Milk Production : *Milk Production*, February 2014, National Agricultural Statistics Service, Agriculture Statistics Board, USDA.
Population : U.S. Census Bureau, Department of Commerce. (July 1st population estimates for each year)

	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	1/2014	12/2013	1/2014	12/2013	1/2014	12/2013
Northeast	22.93	21.79	1.78	2.84	37.35	38.16
Appalachian	24.28	23.26	-----	-----	72.88	68.25
Florida	26.18	25.28	-----	-----	84.99	83.94
Southeast	24.77	23.74	-----	-----	78.12	72.50
Upper Midwest	21.35	19.34	0.20	0.39	11.34	11.05
Central	21.55	20.03	0.40	1.08	32.80	32.26
Mideast	21.90	20.58	0.75	1.63	42.83	42.57
Pacific Northwest	21.73	20.31	0.58	1.36	25.12	25.61
Southwest	22.40	20.78	1.25	1.83	36.18	37.03
Arizona	22.46	21.34	-----	-----	28.96	30.15

U.S. Milk Production Per Capita



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