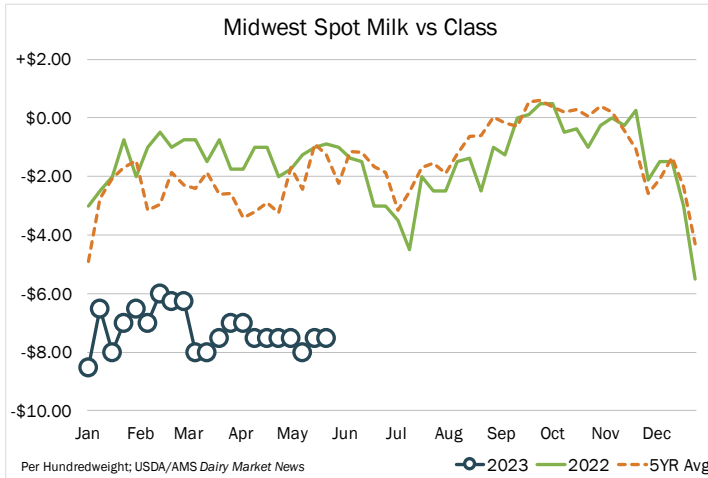
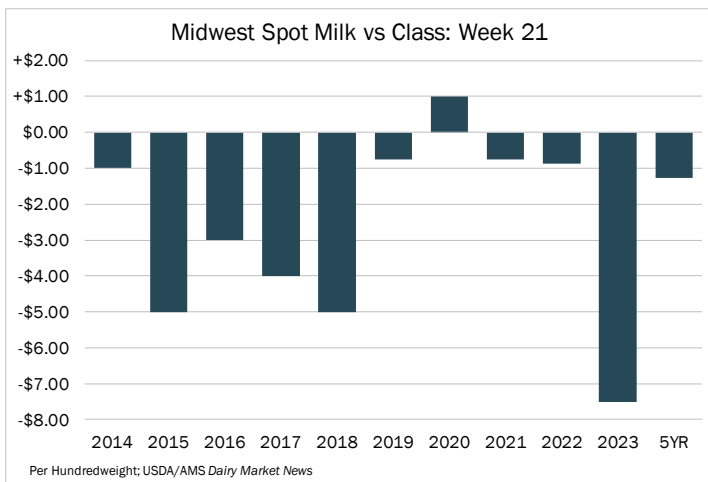


# MILK PREMIUMS

May 25, 2023

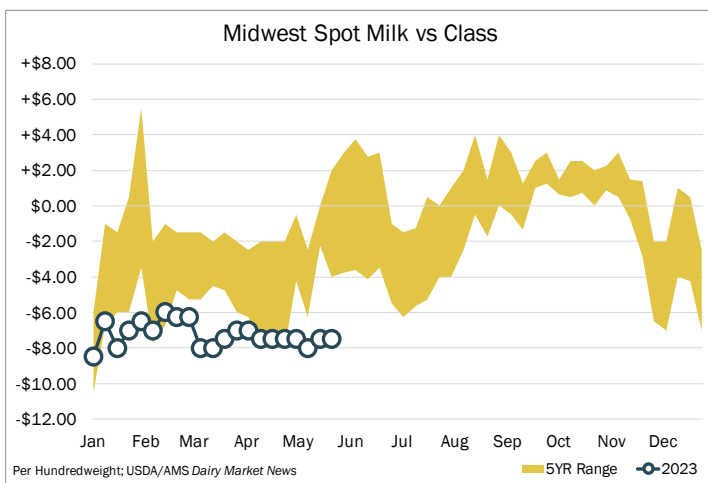


Midwest Spot			
	Low	High	Midpoint
This Week	-\$11.00	-\$4.00	-\$7.50
Last Week	-\$11.00	-\$4.00	-\$7.50
Last Year	-\$2.50	\$0.75	-\$0.88
5-Year Avg	-\$5.00	\$2.00	-\$1.28



## Here is what USDA/AMS had to say:

**MIDWEST:** Warming temperatures have begun to shift weekly milk production trends. Milk output has steadied, but there are some reports of component levels moving lower. Springtime temperatures are up and down, but expectations are that post-flush milk output contractions are looming. Right now, milk remains readily available for all uses. There were continuing reports of slowdowns at the Class I level, as schools have stopped ordering. Some summer school lunch programs are expected to keep some bottlers running, but the bulk of school district ordering has ebbed in the southern areas and is expected to dwindle in the upper Midwest. Cheesemakers continue to report spot milk prices between \$11 under to \$4 under Class III. More plants are coming back online after maintenance related downtime, and for the first time this year, there are expectations that after the upcoming holiday weekend milk prices may shift higher.





**EAST:** Farm level milk volumes are steady to stronger throughout the Eastern region. In the Northeast, milk outputs are steady to stronger. Mild weather has contributed to ideal conditions for cow comfort. Contacts have shared that their predictions suggest peak spring flush volumes will be seen this month. Condensed skim is readily available. Bottling orders are steady. In the Mid-Atlantic states, farm level milk output is strong. Bottling orders are unchanged as schools remain in session. Demand for all Classes is steady to stronger. In the Southeast and in Florida, milk outputs are steady. Demand for all Classes remains steady. As the regular school year comes to a close, various free and reduced cost meal programs including milk as a beverage option will remain available to communities throughout the region.

**WEST:** Overall, milk production is steady in California, despite notable week to week fluctuations for the state thus far this year. Contacts note preliminary records indicate milk output is slightly above anticipated levels for the month and compared to May of 2022. Additionally, preliminary records are noted to indicate May production holding up closely to April production by contacts. Unplanned downtime at some handling and manufacturing facilities has caused balancing difficulties for the Central Valley area. Stakeholders relayed some field areas have not been able to be planted and express concern that feed cost may go up. Demand for all Classes is steady. Farm level milk output is steady in Arizona. However, contacts relay lower than anticipated production for the year thus far. Additionally, recent slight downticks have been noted by contacts as temperatures have gone into the 100s. Available open processing capacity has been filled with out of state volumes. Contacts relayed that some spot sales and purchases for Class IV milk are at below Class prices. Current demand for all Classes is unchanged, although some local decreases are anticipated with the upcoming holiday. Milk production is steady in New Mexico. Milk supplies are ample compared to production needs and available throughout the state. Demand for all Classes is steady. In the Pacific Northwest, farm level milk output is strong to steady. Cow comfort has improved, and contacts note milk production is back at anticipated levels. Milk supplies are ample to accommodate production needs and available throughout the state. Some spot sales and purchases are at below Class prices. All Classes have steady demand. In the mountain states of Idaho, Utah, and Colorado milk production is strong. Flood warnings and snowpack melt in Idaho had minimal effects to cow comfort and milk output. Heavy to balanced volumes compared to processing capacities are reported by contacts. Some handlers relay Class II demand from ice cream manufacturers has increased. Demand for all Classes is steady overall. Plentiful amounts of condensed skim milk are widely available for contract and spot sales. Contracted sales are steadily drawing on inventories, while spot market activity is moderate.

