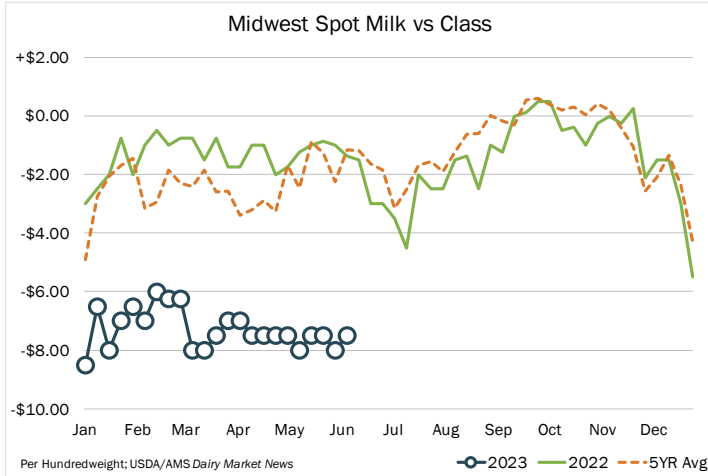
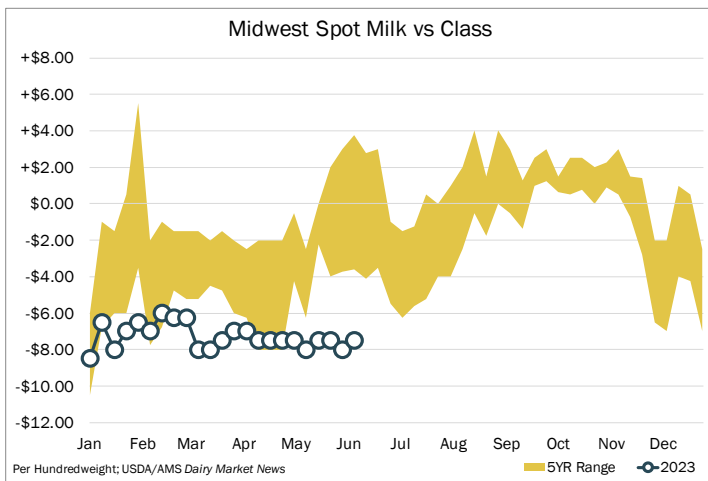
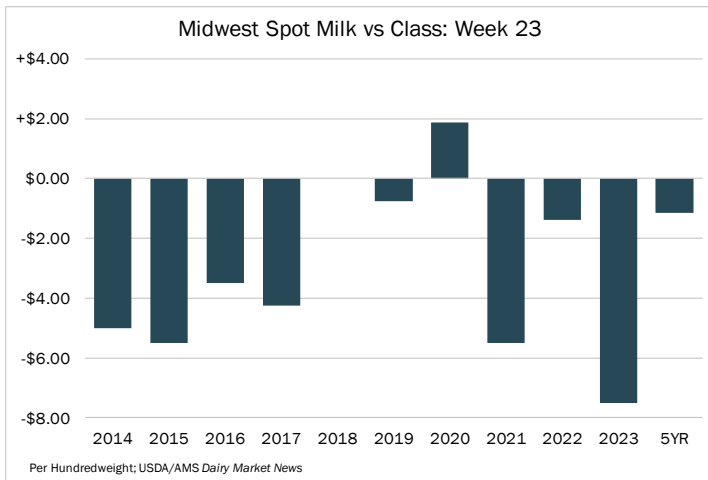


MILK PREMIUMS

June 8, 2023



Midwest Spot			
	Low	High	Midpoint
This Week	-\$11.00	-\$4.00	-\$7.50
Last Week	-\$12.00	-\$4.00	-\$8.00
Last Year	-\$2.75	\$0.00	-\$1.38
5-Year Avg	-\$6.00	\$3.00	-\$1.15



Here is what USDA/AMS had to say:

MIDWEST: Milk and cream contacts in the upper Midwest relay what contacts in Texas and the southern states in the Central region have been reporting in recent weeks. School-related Class I ordering drawdowns have created a glut of milk on the market. Milk discarding is now being reported there, as well as in the South. That said, contacts in Texas say milk availability is beginning to tighten there due to the warmer temperatures and humidity, hampering cow comfort. Cheesemakers are taking in notably ample amounts of milk. Spot milk prices of loads moving into cheese plants were reported from \$11 to \$4 under Class III. More prices, though, were reported at \$7 to \$11 under than in previous weeks. Milk handlers are expecting the warmer days in the upper Midwest to start to impact both milk and cream availability there in the near term, as well.



EAST: Milk production is mixed in the Eastern region. Contacts have shared that there are areas where milk production has either plateaued or is declining from spring flush volumes. In the Northeast, farm level milk output remains steady. Class I sales are stable. Some schools remain in session, but there are plans for community centers and educational institutions to offer reduced cost meals for students over the summer. Class II sales are stable, as ice cream production and demand has increased as the weather warms. There are steady milk supplies clearing into Class III production. In the Mid-Atlantic states, farm level milk output is stable. Some school release schedules are mixed. Class I orders are unchanged. Demand for other Classes is steady to stronger. In the Southeast and in Florida, milk outputs are flat. Demand for all Classes remains steady. Condensed skim is readily available for a variety of manufacturing uses throughout the region. There are several areas in the Northeast and in Florida where there has been little rain.

WEST: Milk production is steady in California. Milk supplies are slightly heavy to in balance with processing needs. Contracted load purchasers had demand for added volumes with little downtime at manufacturing facilities. Class I milk demand is lighter as educational facilities have started summer breaks. Class II demand has increased with ice cream manufacturers busy schedules. Class III demand is strong to steady, while Class IV demand is steady. According to the California Department of Water In Arizona, farm level milk output is steady to lower. Contacts note slight downticks in milk production as temperatures have pushed past the 100-degree mark. Out of state milk volumes have filled open processing capacity, as contacts indicate lower than anticipated milk production for last month. Demand for Class I is lighter as educational facilities are in summer breaks, while all other Classes have steady demand. Milk production is steady in New Mexico. Temperatures kept near the 80 degree mark. Volumes are ample compared to production needs. Class I demand is lighter with educational facilities entering summer breaks, while demand is steady for all other Classes. Farm level milk output in the Pacific Northwest is steady. The eastern side of Washington state had higher temperatures compared to the western side, but good cow comfort remained. Milk volumes can accommodate processing needs. Handlers indicate Class II demand from ice cream manufacturers has increased. Class I, III, and IV demand is unchanged. Stakeholders relay some early feed cuttings have been harvested and stored. Milk production in the mountain states of Idaho, Utah, and Colorado is strong to steady. Colorado has stayed cooler and has had some larger amounts of rain, but effects to milk output and farming operations were minimal. Supplies are reportedly heavy to balanced compared to processing needs. Class I demand is lighter with educational facilities entering summer breaks, while some handlers relay Class II demand increases for ice cream manufacturing. Class III and IV demand is unchanged. Plenty of condensed skim milk is available. Contracted sales are steady and spot load purchasing is moderate.

