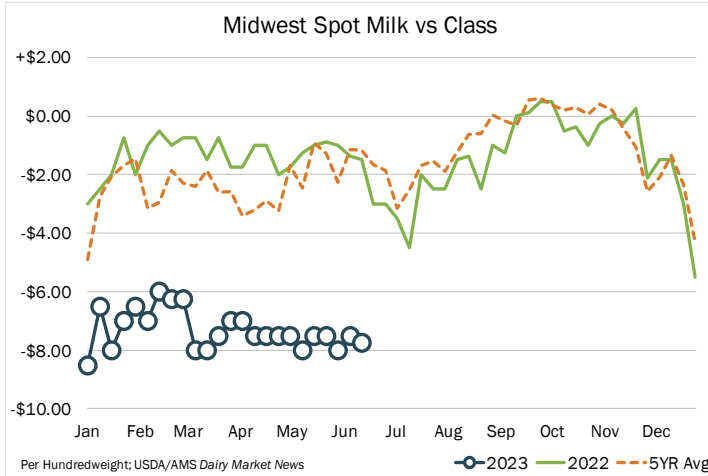
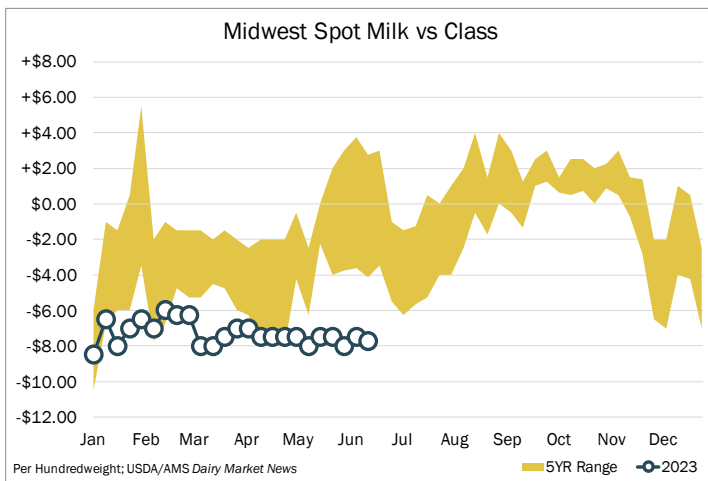
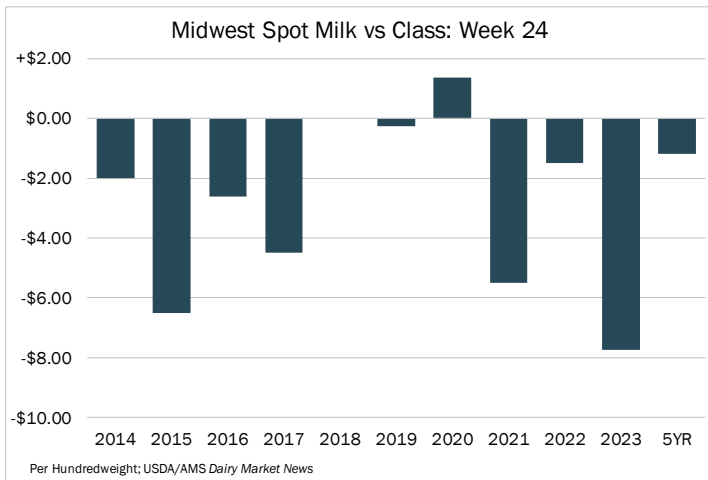


MILK PREMIUMS

June 15, 2023



Midwest Spot			
	Low	High	Midpoint
This Week	-\$12.00	-\$3.50	-\$7.75
Last Week	-\$11.00	-\$4.00	-\$7.50
Last Year	-\$3.00	\$0.00	-\$1.50
5-Year Avg	-\$6.00	\$2.00	-\$1.18



Here is what USDA/AMS had to say:

MIDWEST: Milk output is trending seasonally lower. Contacts in the south central states' are seeing noticeable dips in farm-level yields. Weather in the upper Midwest is warmer, but farmer contacts say that mornings in the 50s are still maintaining elevated cow comfort levels. Clearly, there is a notable amount of milk available for all uses throughout the region. Class I ordering in the upper Midwest is in the early stages of its seasonal decline due to school district summer downtime. Milk disposal continues to be reported in the upper Midwest, but not by the number of contacts that it has been in previous weeks. Cheesemakers are busy and clearing notable amounts of spot milk. Reported spot milk prices reached \$12 under Class III. Some cheesemakers said that milk offers lessened, as they expect at least a little more stability in the coming weeks.



EAST: Milk production is steady in the Eastern region. Due to the section of I95 collapsing in the Philadelphia area, it is likely that some dairy operations will be affected. Additionally, drought monitors evidence that there are pockets of moderate and severe drought throughout the region. There are also some areas that are said to be abnormally dry, and if precipitation does not come soon, more areas could be classified as in drought. In the Northeast, farm level milk output is unchanged. Some schools remain in session, which has contributed to steady Class I sales. There are also steady milk volumes clearing into Class III operations, as cheese production and cream cheese production is steady. Condensed skim is readily available. In the Mid-Atlantic states, farm level milk output is steady. In Maryland, it was announced that school breakfast programs are going to receive additional funding, which may bode well for dairy processors. Demand for all Classes is steady. In the Southeast and in Florida, farm level milk output is unchanged. Demand for all Classes besides Class II is steady.

WEST: In California, farm level milk output is steady to lower. Milk supplies are in better balance for the Central Valley area. However, milk supplies are slightly heavy to balanced overall for the state. Some unplanned downtime at production facilities is noted by contacts. Contacts relayed that some spot sales and purchases have been at below Class prices. Handlers note preliminary records indicate milk output is above anticipated levels for June, but down compared to May. Additionally, June 2023 compared to June 2022 is noted as higher thus far. Demand for all Classes is steady. Milk production in Arizona is steady to lower. Contacts note some downticks in output as temperatures in the state only decreased slightly from the over 100-degree mark. Some volumes brought in to fill open processing capacity have been at below Class prices. Class II demand from ice cream manufacturers is heavier, while all other Classes have steady demand. In New Mexico, farm level milk output is steady. Temperatures kept in the mid-80s this week so impacts on production and farming operations were minimal. Volumes are adequate for handlers' needs. Demand is steady for all Classes. Milk production in the Pacific Northwest is steady. Seasonal temperatures stayed on the cooler end this week aiding cow comfort. Contacts note preliminary records indicate output is at anticipated volumes. Volumes are reportedly slightly heavy to balanced compared to processing needs. Class I demand is lighter as more educational facilities are starting summer breaks, while Class II demand from ice cream manufacturers is heavier. Demand is steady for Class III and IV. Stakeholders relay a second round of harvested feed cuttings is expected soon. Farm level milk output in the mountain states of Idaho and Utah is strong, while the mountain state of Colorado is steadier. Volumes are reportedly heavy to balanced compared to processing needs. Contacts relayed that some spot sales and purchases at below Class prices have taken place. Demand from all other Classes is steady. Condensed skim milk is widely available. Contracted sales are steady and spot market activity is moderate.

