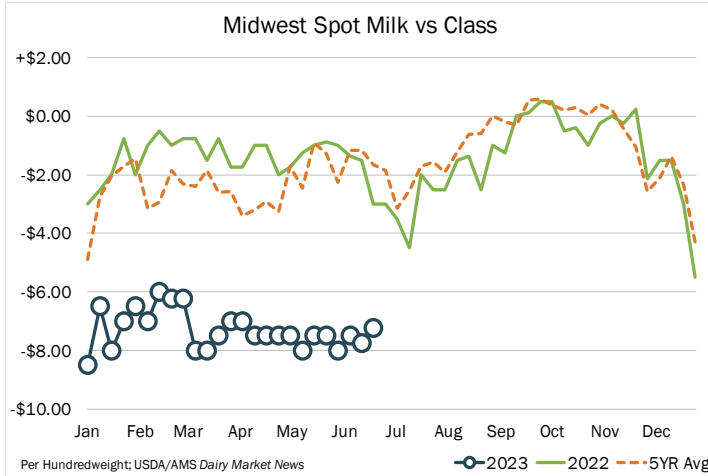
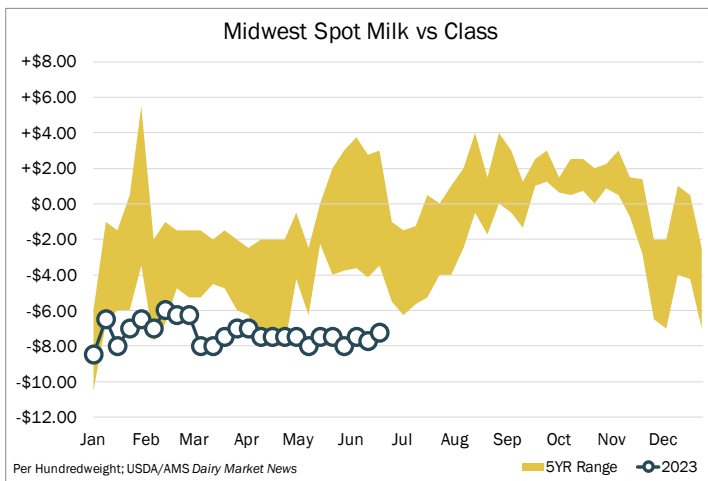
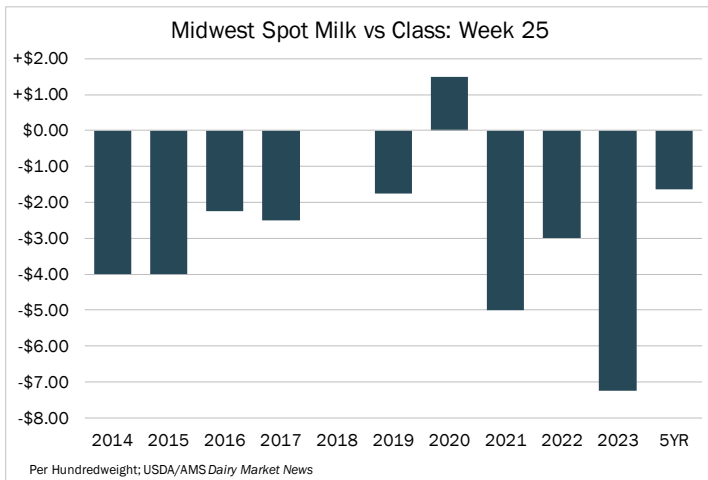


MILK PREMIUMS

June 22, 2023



Midwest Spot			
	Low	High	Midpoint
This Week	-\$11.00	-\$3.50	-\$7.25
Last Week	-\$12.00	-\$3.50	-\$7.75
Last Year	-\$5.00	\$1.00	-\$3.00
5-Year Avg	-\$6.00	\$2.50	-\$1.65



Here is what USDA/AMS had to say:

MIDWEST: With the exception of some summer school programs, many educational institutions' summer hiatuses have begun. Class I ordering drawdowns are more aligned throughout all states in the Central region. Contacts in states in the southern area of the region are saying heat, other inclement and dangerous weather conditions have markedly depressed milk output. Milk availability for all uses is starting to shift lower in Texas. Farmers in the upper Midwest are starting to see some milk output ebbs, albeit at a slower and steadier pace than those in the south. Upper Midwestern cheesemakers are still clearing spot milk loads as low as \$11 under Class. That being said, for the last two weeks, cheesemakers say suppliers' offers were quieter than they have been throughout most weeks of the calendar year. In fact, some cheesemakers reported receiving zero spot milk offers for the first time this year.



EAST: Milk production is steady throughout the East. Drought monitors indicate that there are several areas of moderate to severe drought throughout the region. In the Northeast, farm level milk outputs are steady. Class I utilization is said to have declined somewhat, as many schools are finished with the regular school year. Demand for all other Classes is steady to seasonally stronger. Class III operational schedules are robust, and contacts have shared that cream cheese production is steady to stronger. In the Mid-Atlantic states, farm level milk output is unchanged. In Virginia, conditions are abnormally dry and crop reports indicate that many pastures are brown. Demand for all other Classes is steady. In the Southeast and in Florida, farm level milk output is stable. Drought monitors indicate that there are many abnormally dry pockets in Tennessee and North Carolina. Areas of the Florida Panhandle received as much as ten inches of rain over the past week, temporarily alleviating some reported drought conditions in parts of the state. Demand for all Classes is steady. Reduced price or free meals including milk as a beverage will remain available in many areas across the East to children aged eighteen and under despite the regular school session being over.

WEST: In California, milk production is steady to lower. Handlers note preliminary records indicate milk output is above anticipated levels for June 2023 and higher compared to June 2022. However, handlers also note preliminary records indicate milk output is down compared to last month following seasonal week to week decreases. Volumes are available throughout the state and in good balance with manufacturing needs. All other Classes have steady demand. Stakeholders relay corn harvests will be delayed from late plantings. Current above historical average reservoir levels are helping farmers get needed full allocations of water for crop irrigation. Farm level milk output is steady to lower in Arizona. Temperatures were back over the 100-degree mark for a majority of the week, reaching nearly 110 degrees at its peak. Contacts relayed that some spot sales and purchases have been at below Class prices. Demand for all Classes is steady. In New Mexico, milk production is steady. Temperatures moved into the low 90s during the week, but impacts to output volumes were minimal. Volumes are available to meet manufacturer's needs. Demand is unchanged for all Classes. Farm level milk output in the Pacific Northwest is strong to steady. Seasonal temperatures remained on the cooler end this week, aiding in continued favorable cow comfort. Volumes are noted as slightly heavy to balanced compared to handling needs. Contacts relayed that some Class IV spot sales and purchases have been at below Class prices. Demand for Class I, III, and IV volumes are steady. In the mountain states of Idaho and Utah farm level milk output is strong to steady, while in Colorado production is steady. Stakeholders have relayed Colorado has had slight downticks in milk output recently. Volumes are reportedly slightly heavy to balanced compared to processing needs. All Classes have steady demand. Plenty of condensed skim milk is available. Contracted sales are steadier, while spot market activity is more moderate.

